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Keywords
victims, india, publicity, salons, bad, beauty, entrepreneurs, female

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Abstract: This paper is a preliminary study exploring the obstacles faced by female entrepreneurs running beauty salons in India. Newspapers and other media highlight the illegal activities that occur in the beauty industry, such as solicitation and the use of unhygienic products in salons, whereas they fail to report about the legitimate owners of beauty salons who are striving to run successful businesses. So far, there are hardly any studies that have highlighted the issue of how bad publicity impacts Indian female entrepreneurs’ businesses. Research conducted for a PhD study revealed social castigation and misconceptions created in the minds of the public through occasional reports in the press about the beauty salons of India. This research is part of a larger study of 151 female entrepreneurs, of which four beauty salon owners expressed their concerns about bad publicity. This paper also discusses the various allegations in media, as well as the concerns of female entrepreneurs in the beauty industry. Such a qualitative analysis is expected to draw more attention to similar and in-depth research in this area. This paper also makes policy recommendations in order to rectify such societal stigma adversely affecting female entrepreneurs in India.

Keywords: Gender, Beauty Industry, Entrepreneurship, India

Introduction

In the pursuit of identifying the differences between male and female entrepreneurs, studies of female entrepreneurs identified certain commonalities among entrepreneurs all over the world, such as age, education, marital status, and their interest in pursuing business in the service industry (Cuba, Decenzo, & Anish, 1983; Hisrich & Brush, 1984; Scott, 1986, cited in Brush, 1992, p. 13; Fischer et al., 1993; Boden & Nucci, 2000, p. 361; Watson, 2002). The service industry consists of retail, catering, beauty salons/clinics, and similar businesses with low levels of investment; hence, assuming that female entrepreneurs engage in risk-free businesses (Honig-Haftel & Martin, 1986; Hisrich & Brush, 1987; Olm, Carsrud & Alvey, 1988 cited in Brush, 1992, p. 14). Nevertheless, they are not free from risks, as some of the female entrepreneurs endure society-induced risks, for instance the ongoing media attention on Indian beauty salons and the illegal practices in some of these beauty salons, such as sex trafficking and voyeurism. Despite the news in the media, there are legitimate businesses run by female entrepreneurs, and these legitimate nascent businesswomen may be required to retreat from their businesses if the media exposes the unlawful practices of their counterparts. This paper does not recommend the media to stop their effort to unravel the problems in our society, but rather to give similar attention to legitimate businesses. Perhaps the government and media could give awards and recognition to those entrepreneurs who implement ethical practices.

This study was conducted in the state of Kerala, India. Although Kerala is renowned for its high educational attainment among women (Parayil, 2000; Parameswaran, 2007) it is...
also well known for its industrial backwardness (Subrahmanian & Pillai, 1986; Subrahmanian, 1990). This paper addresses the societal misconceptions among people that are detrimental to the beauty salon business. It is believed that if these social misconceptions can be remedied it would create a minor boost in the formation of new businesses, which could eventually contribute to the economic prosperity of the state. Therefore, to address these issues, a brief review of the literature currently available on the subject will be presented.

While the aim of this study is to reveal the detrimental effects of the media on female entrepreneurs in the beauty industry, there is hardly any literature addressing this issue. Therefore, the literature review will address the following: female entrepreneurs’ interest in pursuing businesses in the service industry and a brief description of the study context. Next, the paper will delineate the methodology used in this study, followed by an analysis section. The analysis section will present the raw data, as well as the various allegations mentioned in the media. Subsequently, the paper will conclude by discussing the implications for policymakers and researchers.

**Female Entrepreneurship and the Service Industry**

When the term ‘female entrepreneur’ is mentioned, it naturally raises the need to treat men and women as different entities. Earlier theories on entrepreneurship mostly assume entrepreneurs (e.g. Knight (1921), Schumpeter (1934), and Gartner (1988) amongst others) to be male. However, scholars like Stevenson (1990), Mirchandani (1999), and Bird and Brush (2002) propose that women be treated as a separate entity rather than as a mere variable in the analysis. This is a social feminist view, in which gender is considered to reside in the social structure, power, class structure, and policies (Orser, Spence, Riding, & Carrington, 2010); therefore, gender differences are assumed to be significant in career choices and all other decisions made by women. For centuries, a woman’s vocation was associated with being a wife/mother/caretaker; even in the present century, scholars, as well as the society acknowledges a woman’s innate duty is to partake in household activities rather than being a bread winner (Elson, 1999; Kabeer, 1999; Bradley, 2002; Mortvik & Spant, 2005). Women’s role as a caretaker is evident even in their choice of career, as they tend to dominate non-technical professions such as nursing, teaching, and other similar white-collar service jobs (Sinha, 2005).

Women’s tendency to choose ‘female-oriented’ ventures is argued by Marlow (2002) as an effort towards bringing women’s subordination into the business world. Studies conducted in developed and developing countries, like Australia, the United Kingdom, the United States, the Philippines, Indonesia, Israel, India, Lithuania, and Ukraine, emphasised that female entrepreneurs mostly preferred catering, retail, and business services (Watkins & Watkins, 1984, cited in Hisrich & Brush, 1984; Stevenson, 1986, cited in Solomon & Fernald 1987; Brush, 1992; Zapalska, 1997; Nielsen & Kjeldsen, 2000; Menzies et al., 2004; Surti & Sarupria, 1983; APEC, 1999; Das, 1999; Heilburn, 2004; Aidis, Welter, Smallbone, & Isakova, 2007, p. 165). Catering, retail and similar businesses are less capital-intensive ventures (OECD, 2004, p. 23). Not only are some of the businesses less capital-intensive, but also the ventures run by women are not considered to be masculine enough for men. For instance, beauty salons are mostly run by women, and in some developing countries a man needs to carefully consider starting a beauty salon if he wishes to project a heterosexual, unambiguous, ‘he-man’ image (Ahl, 2006). In reality, men also own businesses in the service
sector, but the participation of men in the service sector is less than that of women (Swinney, Runyan & Huddleston, 2006, p. 100).

The Study Setting

The present study was conducted in India, which in 2008–2009 recorded an economic growth of 5.4%, even during the worldwide recession (Economy Watch, 2011). In spite of this economic growth, however, India still struggles to reduce its poverty (Economy Watch, 2011). A solution to reducing poverty could be to encourage more business formation. Audretsch (2003, 2004) and Acs and Armington (2004) emphasised that firms are important for the growth and productivity of the economy. Entrepreneurship is expected to reduce poverty and assist further economic development. To narrow down the sample, Thiruvananthapuram (once known as Trivandrum) city, in the state of Kerala, India, was selected as the site in which to conduct the present study.

Thiruvananthapuram city requires further assistance in economic growth, and a source of economic growth is entrepreneurship; hence, Thiruvananthapuram city provided a suitable platform to conduct a preliminary study. Kerala’s Economic Review determined the district of Thiruvananthapuram to have the highest level of unemployment in Kerala. The total number of unemployed in Thiruvananthapuram was 636,000; among these, female job seekers numbered 389,000 (Kerala State Planning Board, 2010). This unemployment level could have been remedied by encouraging business creation; however, Kerala is infamous for its industry strikes and lockouts. Subrahmanian (1990), Prakash (1994, p. 38), Thomas (2003), and Jeromi (2005, p. 3268) point to the fact that the resulting labour disputes slow down industrial growth. Subrahmanian (1990, p. 2054) stated that the militant trade unions increase the wages of the labourers, but when the wage rates increase, they cannot match them with the state’s (Kerala) productivity. A poor industrial structure, such as a low level of diversification and low productivity, has caused the backwardness of economic and industrial development (Subrahmanian & Pillai, 1986; Subrahmanian, 1990).

In both international and national scenarios, the service sector or non-technical sector is popular among female entrepreneurs. Women in Kerala are interested in the garment industry, and a cross-regional report developed by the Kerala Statistical Institute (2002) discussed the common interest of female entrepreneurs in Kerala for this industry. Evidently, studies from North Kerala (Kozhikode, also known as Calicut) to South Kerala (Thiruvananthapuram) indicated that, compared to other industries, a higher percentage of female entrepreneurs are involved in the garment industry (Begum, 2000; Kerala Statistical Institute, 2002; D’Cruz, 2003). Sasikumar (2000, p. 22) explained this as a ‘Herd Mentality’, which occurs when an individual’s decision is made with respect to the actions of others in the society.

Methodology

The database for this research was created from the list of business owners from the District Industries Centre. In this study the population size was 151 of which thirteen were beauty salon owners. Women, who are merely fronts for their male counterparts and act as entrepreneurs to get concessions, credits and other incentives were excluded from this study. Women who are invisible partners were also excluded. Such groups are excluded due to the limited ability of female entrepreneurs to answer the questions posed to them. Lastly, only
women who employed more than two workers/employees were included in the study, because a business with sole proprietorship does not necessarily have growth potential. Also, due to ethical issues, the incomes of the entrepreneurs were not enquired about.

The questionnaire consisted of both closed and open ended questions. The closed ended question addressed the various barriers faced by female entrepreneurs, but in order to identify any missing variables, open ended questions were also added. The open ended question revealed societal misconceptions affecting the female entrepreneurs. Only four female entrepreneurs identified any social misconceptions, so it was difficult to generalise their concerns. Therefore, the female entrepreneurs’ responses were confirmed against the news published in the newspapers.

Result

The majority of the women in the survey were interested in pursuing activities which are stereotyped as belonging to female-oriented sectors, for example, the manufacture of food products (catering), the manufacture of wearing apparel (tailoring), and carrying out beauty treatments. These businesses are broken down in Table 1.

Table 1: The Nature of Female Entrepreneurs’ Specific Business Ventures

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Products / Services</th>
<th>Primary Business</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Food Products</td>
<td>46</td>
<td>30.5</td>
</tr>
<tr>
<td>2</td>
<td>Tailoring</td>
<td>42</td>
<td>27.8</td>
</tr>
<tr>
<td>3</td>
<td>Beauty Parlours</td>
<td>13</td>
<td>8.6</td>
</tr>
<tr>
<td>4</td>
<td>Other</td>
<td>50</td>
<td>33.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>151</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

In relation to food products, the primary interest of the women was to be involved in cooking traditional South Indian culinary items. Their businesses varied from manufacturing curry powders, snacks, or sweets, to providing door-to-door catering services. The third preference of these business women was to start a beauty parlour/salon. These female entrepreneurs cater to other women’s beauty therapy needs. The profession of a beautician was only the third in popularity according to the survey results. During the survey it was noted that these beauty salons required low levels of investment. Six of the female entrepreneurs mostly used a small room in their house, some products and equipments. The products of beauty salons are more durable that the products used in manufacturing food items. Therefore, assuming lower risk and lower levels of investment compared to their counterparts, yet only 8.6 per cent of the sample owned a beauty salon.

It was deduced from the survey that all the thirteen entrepreneurs had their establishments for more than ten years, the earliest establishment was in 1976 and the latest was in 1999. The sustenance of the salon, depended on the longevity of the business which accompanied by customer loyalty.

Four of the female entrepreneurs mentioned that the illicit activities in other beauty salons affected their business: as only they referred to the societal misconceptions, however, a further analysis is warranted.
A female entrepreneur whose business was near a tourist spot reported that she often lost her clients, as there were many reported illicit activities in the area. She made the following remarks regarding her declining business:

Our business is near the beach, so there are many tourists there. To influence these tourists, people start beauty parlours. Many people see the world of beauty parlours as glamorous and end up being arrested by the police for being engaged in illegal activities.-Female entrepreneur 1

In Kerala, beauty salons are commonly called ‘beauty parlours’. In the interview with this female entrepreneur, she later revealed that many people also establish brothels in the guise of massage and beauty parlours. The Indian police have identified some of these activities and arrested some of the offenders. Regrettably, the publicity damages the credibility of other salons and customers fear to render services from similar businesses. Another female entrepreneur also supported societal misconceptions, and responded as follows:

This profession is seen as illegal and parlours are viewed as places for illegitimate activities. Therefore, it is difficult for people to trust us.-Female entrepreneur 2

As only two female entrepreneurs expressed the belief that prejudices had developed among the people, some secondary research was warranted to verify such allegations. In a recent newspaper article, a police official stressed that many businesses disguised as beauty parlours are established all over the country (India) as a ploy to run brothels and participate in sex trafficking. It is evident from the reports in The Hindu newspaper in 2006 and 2007 that police were monitoring massage and beauty parlours in Kerala to seize those participating in illegal activities (The Hindu, 2006a, 2007a). In 2003 and 2011, The Times of India, another popular newspaper circulated in India, has reported on two other occasions that police arrested the owners of a beauty salon in the state of Maharashtra for operating a brothel and assaulting young girls (The Times of India, 2003; 2011). Similar news was reported last year in the same newspaper, but the incidents occurred in the state of Goa (The Times of India, 2010). Goa is popular for its tourist attractions; hence, it is a suitable platform for drug trafficking and illicit activities (The Times of India, 2010). The police in Goa accentuated the disturbing number of incidences where salons are being used for prostitution (The Times of India, 2010). Not only do beauty salons run illicit businesses like brothels and operate in sex trafficking, some are also engaged in voyeurism. A popular Indian actress was a recent victim of voyeurism. During one of her routine visits to a beauty salon, she was videotaped without her awareness and the scandalous clippings were sold on the Internet (The Times of India, 2010b).

Furthermore, beauty salons are alleged to endanger the health of their clients through unhygienic practices. The remarks of the female entrepreneurs were as follows:

Nowadays people are beauty conscious, so the government should encourage this profession. Most people look at it as an illegal profession. There are also people who are not qualified to run a beauty parlour. Sometimes people who were employed at another beauty parlour start their own independent businesses. Such unqualified people should be removed from the business.-Female entrepreneur 3
Sometimes women who do not have much knowledge regarding beauty therapy enter the business. They do not realise the risk of using various beauty products on people’s skin. Only qualified people should be allowed to run a beauty parlour. — Female entrepreneur 4

Similar allegations and concerns about unprofessionalism have been reported in the newspapers. There was an account of a bride-to-be who went for a facial treatment before her wedding (The Hindu, 2006b). A few hours after the facial treatment, the client’s skin became red and began to peel off; she had to seek medical help to cure her condition (The Hindu, 2006b). Clients facing health issues are on the increase. An article published in 2011 observed a rise in dermatological issues after women underwent treatments at certain beauty salons (The Times of India, 2011). In the same article, it was mentioned that a woman developed a cancerous tumour after having a birth mole removed at a beauty salon (The Times of India, 2011). Some beauty salons are suspected to be run by unskilled persons. Earlier in 2003, there was an article published in the newspaper The Hindu, which coalesced the opinions of female entrepreneurs in various popular beauty salons in Thiruvananthapuram (The Hindu, 2003). These women raised safety and hygiene issues regarding many of the beauty salons in Thiruvananthapuram, such as inexperienced assistants, lack of sterilisation of the equipment, and using the same wax strips for a month or more (The Hindu, 2003). The newspaper articles confirmed the issues and concerns raised by the female entrepreneurs.

Conclusion and Recommendations

This research is part of a larger study conducted for a doctoral research. The original study surveyed 151 female entrepreneurs, among which were thirteen owners of beauty salons. Some of the owners of beauty salons raised issues about the social misconceptions and their responses were in accord with what was reported in the newspapers. The reports in the newspapers are useful to raise people’s awareness; however, these reports damage the images of beauty salon owners. The accounts of indecent activities in beauty salons discourage nascent female entrepreneurs from entering the business and also discourage people from seeking services from these entrepreneurs. The demise of nascent businesses is evident in the survival rates of the business. All of the female entrepreneurs operating beauty salons had been in the business for a decade or more, so the statistics emphasise the possible demise of many new businesses. To prevent the demise of new businesses, it is essential to tackle the bad publicity that abounds; therefore, it is essential to attract the attention of government officials and researchers.

More and more people are interested in owning beauty salons and there is also an increasing demand for the services of such salons, as women have grown more conscious of their beauty and looks (The Times of India, 2011). Nevertheless, the issue of illicit practices should be managed by the government so as to facilitate the opening of more enterprises. During her interview, a female entrepreneur recommended that the government only give permits to qualified beauticians. Unqualified women fail to attract customers to their beauty salons and in some places such firms end up being a hub for illegal activities. In addition, India is struggling to reduce its level of poverty, despite the fact that it has recorded economic growth in recent years. In such a country, where poverty is high, it will be difficult to dissuade some individuals from engaging in illicit behaviour. Therefore, the government should not only
grant licences for qualified beauty therapists, they should also conduct the periodic monitoring of their activities.

As suggested by one of the entrepreneurs, the government should acknowledge the legitimate beauty salons that are applying ethical practices. Such acknowledgment could be made by granting awards to female entrepreneurs operating legitimate businesses, which would persuade the media to publish their accomplishments. This would instil confidence in the minds of prospective clients. In addition, the government could monitor unhygienic practices by enforcing the beauty salons to use disposable tools. If they still persist in reusing their tools despite the implementation of such rules, the government could consider withdrawing their licences.

Not only the government, but also researchers could help reduce the damage created by bad publicity. Research should be conducted to build awareness among the people. Researchers should break down the service sector and explore a particular sector rather than conducting stereotyped studies. Most studies focus on financial difficulties, lack of marketing skills, work-family conflicts, and so on, but such research should be minimised and more emphasis should be placed on unravelling social issues and the concerns of female entrepreneurs. Also, the present study was not in-depth in nature, as it was an extract from a larger study; therefore more research is warranted to further analyse the issue and, if required, reveal similar and other problems faced by female entrepreneurs. While conducting further analysis, researchers should also consider whether the social misconceptions are a real issue or merely a concern of the female entrepreneurs.

Despite discussions about possible solutions to rectify the issues faced by the female entrepreneurs of beauty salons, it is important to recognise that the allegations and news reports are indecent in nature and cannot be condoned. Indian beauty salons are being forced to deal with serious issues of hygiene, sex trafficking, and voyeurism, which are also affecting the economic growth and development of the country.

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References


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I completed my doctoral studies in Management at the University of Newcastle, Australia. The title of my PhD thesis was ‘Factors influencing Female Entrepreneurship Growth in Developing Economies-An Enquiry into the Kerala Experience’. Also, I am the recipient of 2009 Research Higher Degree Excellence award from the University of Newcastle for this thesis. My research interest is in exploring the cultural differences among small business managers. Some of my research focuses on the role of Indian caste system and its relation to business performance.