



The Road Ahead is Uphill: Female Entrepreneurs and Digitalization in Small and Medium Enterprise Sector in Sri Lanka

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ABSTRACT

Digitalization is the key to growth for entrepreneurial firms. In particular, the contemporary economy emphasizes the importance of digitalization as a crucial handler towards business success, especially for both female-led and small and medium-sized enterprises (SMEs). Unfortunately, in the context of developing countries, little is known about female entrepreneurship and digitalization. Therefore, this study aims to explore the Sri Lankan female entrepreneurs' intentions, practices, and constraints towards digitalization. This study applies a qualitative research design, and semi-structured interviews with seven respondents were the techniques used for data collection. Data were analysed and interpreted using thematic analysis. The study's findings reveal that these female entrepreneurs acquire digitalization-based knowledge and skills through formal and informal learning. Moreover, they are practising digital platforms to develop their businesses, like social media and websites, while facing technical and non-technical issues. Finally, the results reveal significant implications for policies and digitalization strategies for female SME owners.

Keywords: Constraints for Digitalization, Digitalization, Digitalization Practices, Intention to Digitalize, Female Entrepreneurs, Qualitative, Sri Lanka.

INTRODUCTION

Female entrepreneurship has become essential to any economy because of globalization and economic changes in the world. Though some outstanding female entrepreneurial personalities emerged in Sri Lanka, entrepreneurship has been limited mainly to men for many years. The above statement is proved by the (Department of Census and Statistics, 2020), as the labour force participation rate of the economy is 50.6%, and female contribution to the labour force is only 32%. Other 68% of females are

considered economically inactive females. This indicates that there is still a considerable amount of untapped workforce available among females in the Sri Lankan economy. Moreover, on the Central Bank website (Unemployment Rate, 2021), the unemployment rate of females in Sri Lanka in 2020 was 8.5%, while that of males was 4%. Further, the Global Entrepreneurship Monitor Survey report 2021/22 stated that globally, females are about 10% less likely than men to report finding new business opportunities (42.5% vs 47.5%) & to be undeterred by fear of failure (49.9% vs 54.8%), and also it reveals that female

reported an average 20% lower confidence than men in their capabilities to start a business (54.7% vs 66.2%) (Elam, et al., 2022). Female ownership of formal SMEs is lacking in Sri Lanka (Promoting Women's Entrepreneurship in Sri Lanka, 2019).

In most economies, females represent less than one-third of all new business owners, and most sole proprietors are usually men (*Infographics*, n.d.). Micro-level entrepreneurship by females has seen accelerated progression over the past few years to be recognized as SMEs today, but even these levels remain staggeringly low (*Empowering Sri Lanka's Business Women in SME Sector – Welcome to Inford*, n.d.). Female ownership of formal SMEs are low in Sri Lanka (ADB, 2019). According to reports, with 80% of Sri Lanka's economy being driven by SMEs, only 10% consists of female entrepreneurs (*Empowering Sri Lanka's Business Women in SME Sector – Welcome to Inford*, n.d.). Despite a high literacy rate among females in Sri Lanka, only 32% are in the workforce, and women own only 25% of these SMEs (*Closing the Gender Gap in Sri Lanka | Women Entrepreneurs Finance Initiative*, n.d.). Thus, it is visible that the contribution from females is less when compared to men, either as an employee or as an entrepreneur within the Sri Lankan context.

One of the main reasons behind the lower level of female participation in entrepreneurship has quite a higher failure rate. The failure rate of female-controlled businesses is relatively high when compared to male-owned businesses due to the problems of finance, scarcity of raw materials, stiff competition, limited mobility, family ties, lack of education, male-dominated society, and low risk-bearing ability are significant reasons behind the failure (Singh, 2012). According to Yang &

Triana, (2019), female entrepreneurs' businesses are likelier to fail when their merit-based competence is inferior to that of their co-founders. In the same scenario, male entrepreneurs can still lead their businesses successfully. The President and CEO of Francis Financial have stated that many females have turned to entrepreneurship. Still, unfortunately, around 20% of small businesses fail in their first year, and 50% do not survive beyond five years (Francis, 2022). Apart from the reasons mentioned above, the lower level of digital literacy among female entrepreneurs may be another untapped reason for the higher failure rate.

Digital literacy, defined by Hamid et al. (2020), is having the skills needed to live, learn, and work in a society where communication and access to information are increasingly through digital technologies like internet platforms, social media, and mobile devices. Digital literacy plays a vital role since it impacts business growth. If entrepreneurs benefit from modern technologies, they can significantly increase profits (The Importance of Digital Literacy in Business, 2021). In the modern world, markets and consumers are shifting from traditional to digital (Fitriyael et al., 2021). Lankshear & Knobel, (2008) expressed that digital literacy originated from computer and information literacy, able to increase SME performance in business more quickly because of the wider reach of consumers. Moreover, information and communication technology (ICT), especially computers, the internet, and the telephone, support their work immensely and is very helpful in completing the job on time (Sujarwo et al., 2022).

As discussed earlier, among various reasons for failure, the lower-level digital literacy of females may lead to unsucces in their business careers. Most females still depend on men for many purposes

due to their lack of digital literacy (Daga, 2022). In addition, female-owned SMEs are generally denied ICT-related resources, and as women cannot compete with their male counterparts, they tend to have less access to major ICT (Omiunu, 2019). Therefore, it is affirmed that female-owned SMEs underperformed more than men due to poor ICT access. In agreement with the above statement, Ertl&Helling, (2011) stated that computer use, computer skills, and computer-related self-concepts are subject to gender differences. Researchers revealed a significant gap in female entrepreneurs' digital adoption and use compared to their male counterparts, and this situation is more noticeable in developing countries. This situation directs us to two issues: 1) is still there any digital gender divide? 2) do female entrepreneurs who own small businesses in Sri Lanka need more digitalization-based knowledge to develop or maintain their entrepreneurial ventures?. This study aims to examine how and why small business-owned Sri Lankan female entrepreneurs use digital technologies to run their businesses and what constraints they face while practising digitalization.

Moreover, there has been little academic research into the experiences of women using such technologies for entrepreneurial activity. This was established by reviewing a broad literature of empirical studies on entrepreneurship, and a more engaged review of work on, digital and online entrepreneurship.

The rest of the paper is structured as follows: 1) literature review and the theoretical background, 2) methodology, 3) findings and discussion, 4) conclusion and areas of future research are presented.

LITERATURE REVIEW

The GEM 2020/2021 Women's Entrepreneurship Report (GEM Global Entrepreneurship Monitor, 2021) showed that female entrepreneurship is a fundamental promoting factor of inclusive economic growth in developing economies. In low- and middle-income countries, 17% of females are entrepreneurs, and 35% aspire to become entrepreneurs. Further, it reveals that females in developing economies are much more likely to start their businesses. As per this report, the highest Total early-stage Entrepreneurial Activity (TEA) rates in Central & East Asia were found in Kazakhstan, where one in five women was in the early stages of a business startup. Moreover, Export Development Board Website states that SMEs contribute about 45% of Sri Lanka's gross domestic product (GDP) and provide about half of the country's jobs, but only 25% of entrepreneurs are females in the SME sector. Furthermore, females' ownership of formal SMEs is low in Sri Lanka, and it reveals that most females struggle to transition away from informal micro-scale businesses.

According to Tapper (2016), most females lack computer and Internet skills, training, and access to information and communication technologies (ICT). In the study conducted by Antonio & Tuffley (2014), females in developing nations have lower technology participation rates than males due to the entrenched sociocultural attitudes about the role of females in society. Gender bias exists in both the physical and digital worlds. In terms of digital adoption and use, females lag far behind males. According to the International Telecommunications Union, over half of the world's females are offline (Measuring digital development Facts and Figures 2022, 2022). Although Wang, Li, & Long, (2023) proposed, no relationship exists

between crowdfunding performance and feminity in the digital business industry.

Digital literacy is one of the major abilities required to live, learn, and work in a society where communication and information access are increasingly mediated by digital technologies such as internet platforms, social media, and mobile devices, as seen in Hamid et al. (2020). The entrepreneurial environment is anticipated to change due to the digital transformation of the economy and society, giving alternative sources of finance based on Internet-based platforms (Ughetto, Rossi, Audretsch, & Lehmann, 2020). The main reason for this new mandate is the impact of technology on businesses through e-commerce, B2B transactions, managing finances and employees, or online marketing. Rejeki, (2020) has found that entrepreneurial homemakers utilize digital media more for marketing as it allows them to inform and interact with customers directly. A study based on Chinese female entrepreneurs by Camacho & Barrios, (2022) found that Chinese female entrepreneurs use their Facebook pages to run their businesses, which they previously used for entertainment. However, researchers revealed that in many countries, the utilization of digital technology is still dominated by men, thereby creating a digital divide; this gap arose due to several factors, like geography, educational level, and government policy, economic and cultural system. Hull, Tang, Donbesuur, & Adomako, (2023) makes a contradictory viewpoint on male dominance in digital entrepreneurship by suggesting that innovative female entrepreneurs benefit from digital entrepreneurship more than male entrepreneurs. Given the issue's importance, the authors proposed that an effort be made to ensure female participation in the information era in any country and that females be required to have competencies in digital literacy:

access, analyze and evaluate, create, reflect, and act. Further, the authors admitted that female digital literacy could be successful if competent parties like the government and educational institutions support them.

A recent UNIDO research conducted in Algeria, Egypt, Jordan, Lebanon, Morocco, Palestinian Authority and Tunisia in 2019-2020, found that only 25% of women entrepreneurs use digital technologies at some stage in the entrepreneurial processes. The relatively high cost of buying an ICT device (41%) is the first reason for ICT underuse among women-led businesses (OECD, 2020). In addition, poor internet connectivity (28%) highly restricts women entrepreneurs' use of digital tools for business activities. This is particularly true for developing countries rural women. Researchers stressed access to enabling technologies for greater gender equality. However, it does not immediately translate into a supportive business environment for women and their meaningful economic participation (Asian productivity organization, 2023). Many researchers found the antecedents of the gender gap in entrepreneurship and tried to understand how to bridge it. Surprisingly, little is known about digital technologies' role in driving changes in female entrepreneurship. While in the last few years, academic research has started to analyze digital technologies' role in entrepreneurial ecosystems (Brush et al. 2019; Sussan and Acs 2017), the gender perspective has remained largely unexplored.

THEORETICAL BACKGROUND

Digital literacy is a "survival skill" that helps users perform their complex digital tasks effectively due to the increased exposure to the digital work environment & learning (Hamid et al., 2020). Further, they stated that in explaining the digital literacy of female entrepreneurs, some

theories could be linked to the practice. This study is based mainly on the Unified Theory of Acceptance & Use of Technology (UTAUT) by Venkatesh et al., (2003).

UTAUT is a combination of the Theory of Reasoned Action (TRA), Technology Acceptance Model (TAM), Motivation Model (MM), Theory of Planned Behavior (TPB), theory of Behavioral Technology Acceptance Model (C-TPB-TAM), PC Usage Model (MPCU), Innovation Diffusion Theory (IDT), and Social Cognitive Theory (SCT). This theory is suitable to clarify technology acceptance among female entrepreneurs in running their businesses. (Hamid et al., 2020). According to this theory, the core determinants asserted to impact behavioural intention to use technology are performance expectancy, effort expectancy, and social influence, and facilitating conditions are asserted to impact directly on user behaviour. These core determinants are the key factors that directly influence the user's behavioural intention to use new technologies.

Venkatesh et al., (2003) proposed the behavioural intention concept in developing the UTAUT model. The user behaviour is based on TRA (Theory of Reasoned Action) introduced by Davis et al. (1989). They theorized the generality of TRA to explain a wide range of human behaviours when developing TAM. They argue that studying the determinants of computer usage behaviour as a particular case is appropriate. It is suggested that this UTAUT model as a theoretical framework will give a new path for research into questions around what kind of influence upon the imbalance and gender inequality, if any, it is likely for digital technologies to help. By giving closer consideration to the Sri Lankan context, more insight can be given into the separate group of people (female entrepreneurs) who are involved with technologies entrepreneurially and their

experiences of digital entrepreneurship, in order that the realities of the phenomenon may be better understood.

METHODOLOGY

This study adopts interpretivism philosophy to conduct an in-depth investigation of exploring how female entrepreneurs adopt digital technology. Interpretivism, which is most commonly associated with qualitative research, holds that reality is socially constructed and that there is no single, observable reality; rather, numerous realities or interpretations of a single event exist (Merriam, 2009).

Seven female entrepreneurs were purposively approached and interviewed. Table 1 highlights the attributes of the sample. Respondents were found through the help of government organizations such as the Export Development Board, Small Enterprises Development Division, and Sri Lanka Resident Mission (SLRM) - Asian Development Bank (ADB). Appointments were coordinated through messages, emails, and phone calls. Due to the prevailing Covid situation in Sri Lanka, interviews were conducted online. Thematic analysis was used to analyze the data. A reliable study was conducted fairly and ethically to represent the respondents' experiences accurately. The author informed respondents about the purpose of the interviews, and their written and verbal consent was obtained. In addition, the confidentiality and anonymity of the respondents were considered throughout the research process.

Table 1 – Sample description

Code	Business	Living District	Age
Participant 1	Decorations for events	Polonnaruwa	32 years
Participant 2	Plant nursery	Gampaha	28 years
Participant 3	Clothing	Monaragala	20 years
Participant 4	Handy craft	Colombo	30 years
Participant 5	Clothing	Kaluthara	26 years
Participant 6	YouTube channel for teaching	Colombo	25 years
Participant 7	Creative crafts	Colombo	20 years

Source: Research data

DATA ANALYSIS AND DISCUSSION

This section will describe the findings of the study. Table 1 summarizes the major themes derived from the study.

Table2- Major themes

Research questions	Major themes
Why do female entrepreneurs adopt digital technologies?(Intention to Digitalize Business)	<p>Digitalization benefited from formal education</p> <p>Digitalization benefited from informal education</p> <p>English as a favour in digitalization</p>
How do female entrepreneurs adopt digital technologies? (Digitalization)	<p>Social media: a platform for digital business</p> <p>A website for</p>

Practices)	business
What are the constraints faced by female entrepreneurs when they adopt digital technologies? (Constraints for Digitalization)	<p>Technical issues</p> <p>Non technical issues</p>

Source: Research data

Why do female entrepreneurs adopt digital technologies? (Intention to Digitalize Business)

Most small-scale businesses are owned by females, who are less experienced and less educated than their male counterparts. Further, this digitalization topic is much more prevalent among male than female entrepreneurs. However, to succeed in the face of uncertainty and severe hurdles that are endemic in most developing nations, female entrepreneurs use new company models, entrepreneurial education, entrepreneurial networks, and digitally enabled investment platforms (Ojo et al., 2022). Most female entrepreneurs in the present know the value of digitalization adapts to their businesses. Therefore, they constantly seek opportunities to develop their businesses through the help of new digital backgrounds.

While considering the participant's responses, researchers found reasons for their intention to go digitalization. The two core ideas that arose from the intention to digitize business are formal educational background, informal educational background, and English language proficiency.

Digitalization benefited from formal education

Obtaining an appropriate education assists female entrepreneurs in locating sources of innovative ideas and transforming these ideas into businesses (Bhardwaj, 2014). According to Hussain,

(2016), complex ICT application requirements can be daunting for females with little or no education. Additionally, she stated that the lack of education continues to be a significant challenge hindering females from ICT-needy businesses. Rashmi & Nair, (2015) confirmed enhancing the human capital required for new technologies through formal education.

In complying with the studies mentioned above, female entrepreneurs who responded to the present study affirmed that education on ICT affected them to go for digital business. The analysis revealed three distinct ways the participants initially had their formal educational background related to ICT. First, all the participants have completed their secondary education, meaning they have gained proper formal primary education. Among them, three participants have completed their degrees in government universities; two are undergraduates, one is expecting government university entrance in the upcoming year, and the other has completed a diploma after her A/Ls.

Three female entrepreneurs stated that they have already completed diplomas in IT from three different reputed private universities in Sri Lanka. Another female entrepreneur stated that she is currently following an IT diploma. They described where they got that opportunity to study and what kind of knowledge they achieved.

“I learned about ICT as a subject when I was schooling, and I completed an IT diploma in ESOF before entering the university.” (Participant 1)

“Once I finished my A/Ls, my parents wanted me to do a diploma. After that, I decided to do either an IT or English diploma. So, I choose IT as it is my favourite. Then I completed my IT diploma in NIBM.” (Participant 7)

Another female entrepreneur also mentioned that she had completed an online graphic designing course, and through that course, she learned a lot about photo editing. The third female entrepreneur reported that she had completed many different free courses available on the internet. She described her educational background with the following words,

“I did social media marketing online free course. So I have a kind good knowledge of social media marketing. Moreover, I have learnt about Photoshop also. Through the website called Udemy, I learned many things about social media marketing.” (Participant 3)

All interviewed participants have access to new technology and digital platforms. This is because these female entrepreneurs typically have high levels of ICT-based education. When interviewing them about ICT-related formal education background, they said they intended to start up online businesses.

However, these findings are contradicted to the findings of Steel & Webster, (1990). They found that, in most developing countries, a lack of ICT related knowledge and access to appropriate technologies is a major barrier for female entrepreneurs in small businesses. From the present study, it can be concluded that digitalization and the usage of ICT increase opportunities for female entrepreneurs to improve themselves and their businesses and obtain access to equal business development prospects as males. One main reason behind all these development in digitalization among female entrepreneurs is the formal education background related to ICT.

Digitalization benefited from informal education.

Most small business owners strongly preferred informal learning to formal learning and launched their firms using

their work experience and knowledge (Sharafizad, 2018). The internet is one source which is favourable to informal education. The capacity to allow learner discretion for access to informational capital via the World Wide Web and connectedness to social capital via email were among the perceived benefits of the internet for informal learning (Thomas et al., 2006).

Other than the web, the use of smartphones, laptops and other digital tools facilitated the present study's participants for informal education. One participant described smartphone usage by stating,

"I'm an expert in using smartphones, and I always go through the play store and find new mobile applications that could be helpful for my business." (Participant 5)

Learning through social media was another part of the informal educational background discussed. Some of the participants regarded interaction with social media, website content and sharing information with customers via digital tools as valuable in their learning. Most social media learning was discussed or addressed through YouTube and Google. The following are some quotes that illustrate the experiences of learning through social media reported by participants:

"I always go through YouTube or Google help if I want to learn something about digital related things. Mostly I follow YouTube videos to get ideas about digital tools, functions etc." (Participant 7)

Most participants revealed that they encounter much information by self-studying thanks to the internet. Another aspect of the participant's learning experience comprised of informal education is self-studying. Some participants felt that internet access to updated information and its convenience

were primary motivations for self-studying.

English as a favour in digitalization

English has become the most widely used language worldwide, especially in trade and commerce and as a result, having an excellent knowledge of English for business has become vital for success in any employee's career (Daga, 2022). Further, it is revealed that more and more multinational companies are mandating English as the common corporate language. Hussain, (2016) has disclosed that a significant barrier for female entrepreneurs is that the relevant online information services, applications, and online content are not in their local languages. Though female entrepreneurs are good at doing business, their poor English skills have become a big issue.

Interestingly, throughout the interview process, all the participants stated that the English language is a must nowadays when doing an online business. Participant 3 described that English language skills are necessary for running an online business as each platform is mainly based on English.

"I'm manageable in using the English language. So, it's a big help for me to use digital platforms easily. (Participant 4)

This proves the effort expectancy determinant of the UTAUT model. This determinant reveals that a system's success is determined by how simple a user finds it to operate (Jayaseelan et al., 2020). Following Ghalandari, (2012), effort expectancy is founded on the assumption that there are links between the amount of effort put in at work, the results of that effort, and the rewards obtained. Since the participants are fine with global language, they have found operating digital tools and platforms simple. So, the results accept the UTAUT model effort expectancy determinant.

How do female entrepreneurs adopt digital technologies? (Digitalization Practices)

Social media: a platform for digital business

According to Genç & Öksüz, (2015), even if Facebook continues to act as a key source of marketing communication, it appears to have lost ground to a more current social networking site, Instagram. Furthermore, the data obtained support the existing literature, which usually claims that social media is a beneficial tool for organizations due to its low-cost information disclosure, immediate messaging, and broad networking capabilities. Female-owned businesses have been found to use social media platforms to build their communities to stay in touch and receive current and ground feedback on products or services from existing and prospective clientele.

All seven study participants conduct business through social media platforms like Facebook and YouTube. According to them, Facebook plays a major role in their businesses among those platforms. Most of the participants confirmed that they use Facebook very often, significantly, to share their posts and boost their pages. This is how participant 1 uses social media for the business.

“In our business, we usually use Facebook, Instagram and TikTok. Normally, people use these three platforms very often. We boost our Facebook page once a month and select only Polonnaruwa.” (Participant 1)

Some participants spoke about Facebook as their central marketing and promotional tool; through that, they can increase their product awareness to a massive audience. The following quotes are highlighted the participant's experience of this.

“Primarily, I'm using Facebook and Instagram for promotion purposes. I

think these two platforms are beneficial for every business . Normally, I boost my post by selecting the Colombo district once per month. Further, I have joined lots of Facebook public and private pages from both my personal and official Facebook accounts. Through that, I can share my posts and business link for free to many audiences simultaneously.” (Participant 4)

It is clear from the findings that Facebook is the best and most cost-effective way to promote and is an ideal platform to communicate with customers. These findings concur with Al-ghamdi & Al-hadban, (2014), where Facebook is described as the perfect marketing tool because it has an advertising system that allows businesses to use the information of each Facebook user for targeted advertising. Facebook provides the ideal platform for direct communication between organizations and customers. Further, female entrepreneurs use Facebook to achieve four common business goals finding business opportunities, creating a market, establishing trust, and creating value (Camacho & Barrios, 2022).

Besides Facebook, WhatsApp is another common digital platform for all participants. Most of them admitted that WhatsApp is usually used for communication purposes. For example, participants explained that she mainly uses WhatsApp to find and contact their suppliers.

“I'm not in a position to visit them occasionally and buy the supplies. So, it's obvious I go with online platforms like WhatsApp. I have a trusted supplier base, but I always request photos and short videos of the supplies before ordering.” (Participant 3)

Effective communication allowed through social media platforms appears useful for all participants in doing their business. A successful business is who

can communicate well with people at all levels (Hargie, 2016). WhatsApp widely distributes information (Wong et al., 2021). For the sake of the smooth running of the business, most of the participants use WhatsApp. This finding goes along with the finding of the research study of Sugiyantoro et al., (2022).

A website for business

The major advantage of having a website is that it is accessible to anyone, anywhere, anytime. Even during non-business hours, customers can access the website and avail of the services or get the information they need, which is one of the key elements of having a business website. Moreover, useful information can be explored and mined from website links (Vaughan, 2004). Most participants said they wish to adopt advanced digital tools like websites for their businesses. One participant spoke that she needed to implement the website on her own.

“I don’t have any website at the moment, but I plan to implement a separate website for my business shortly because customers nowadays expect businesses to have a website or online presence. Through this, I can build trust among the customers. Further, I am following my IT diploma and plan to create my website on my own.”
(Participant 3)

According to the above remark, the participant believes that while customers used to expect businesses to have contact information and addresses in their information brochures, customers now expect firms to have a website or online presence. This is the most important and first step in creating trust. From this standpoint, a website is critical for a firm. To take it a step further, if a company's website has exceptional functionality and navigation, users are more likely to trust the brand and use its services. As a result, websites are critical for businesses to create a reputation and win client trust.

This can then be further boosted by local SEO services to attract a local demographic for businesses that are new in the market.

Some participants indicated that making a website is simple and inexpensive, owing to some free platforms allowing anyone to construct a website with little or no assistance. However, they believe the costs will be small compared to opening a physical store. Moreover, they strongly believe that these platforms help manage their business easily, and all wish to go to advanced digital platforms. Above mentioned findings successfully accept one of the determinants of the UTAUT model. One of these core determinants of UTAUT theory is performance expectancy. By this determinant, one's belief that implementing ICT in one's profession will aid in attaining improved job performance (Venkatesh et al., 2003).

What are the constraints faced by female entrepreneurs when they adopt digital technologies? (Constraints for Digitalization)

To effectively transition to digital technologies, there is kind of constraints and challenges to face by entrepreneurs. The other significant finding is that most participants have faced some constraints when digitalizing their businesses. These issues are identified as technical issues or non-technical issues. By analyzing data, most of those females face non-technical issues rather than technical ones.

Technical issues

The potential benefits of digitalization are enormous, giving better access to information about the market, technologies, training and even more. Through the interviews, they repeatedly confess that they have the potential to use new technology, although some constraints are pulling their legs from the success journey.

Participants have highlighted network and knowledge level issues in evidence of the technical issues. They have expressed the issues they face as follows.

“Network problems are one of a challenge. Sometimes, unable to upload photos on time. Another thing is the cost. In the current scenario of Sri Lanka, I have to pay a higher amount for a Wi-Fi network and mobile network charges are also getting high. So, if this would rise again, it would be unbearable in future.” (Participant 2)

“The second was the hardship faced with editing and digital communication. I think I need to learn more and need training in Photoshop. Otherwise, my channel would fail. And also, for editing, graphics and for camera works, lighting setup and sounds required expertise since I’m lacking” (Participant 6)

“Mainly for photo editing and post making, I’m outsourcing for an expert who is generated through Photoshop.” (Participant 7)

According to the above statements, it is evident that participants have faced different issues while conducting a digital business. For example, some highlighted the training matters where, as some highlighted the cost. Further, they accepted that they need a friendly and beneficial social environment to do more through digitization. Finally, they admitted that by utilizing new technology, they would be able to maximize their effectiveness and efficiency.

Non-technical issues

Participants of the study faced non-technical issues such as social attitudes, and cybercrimes other than technical issues. Most participants confirmed that there is a barrier regarding social attitude. Their opinion was that the attitudes regarding online businesses should be

changed in Sri Lankan context. This was thoroughly expressed by participants 1 and 7 as they were facing some awkward moments related to this matter.

“Most people don’t know how to check a Facebook page and TikTok accounts. When we send some photos via WhatsApp, people are reluctant to use those apps. Sometimes, some people don’t have those applications too. Because of the people’s lower computer literacy level, running our business is challenging (Participant 1)

“Other than that, most people request cash on delivery because they don’t trust smaller, non-reputed businesses to pre-payments. People think that most online businesses are frauds. (Participant 7)

E-commerce has risen rapidly due to the numerous benefits connected with purchasing over the internet, such as decreased transaction and search costs compared to conventional shopping methods. Consumers may buy faster, have more options, and acquire products and services at lower prices online (Koyuncu & Bhattacharya, 2004). Although most of the time, customers are reluctant to buy from online platforms because they think it has considerable risk. According to the analysis, some participants said people should change their opposing viewpoints regarding online shopping. Moreover, in line with the present study Shah & Tiwari, (2021), online shoppers are always concerned about the security issue and the quality and reliability of the information.

Cybercrimes are another issue discussed in interviews. Some participants faced some cyber-crimes. One of the widespread cybercrimes described is content theft. Participants 3, 4 and 7 described it as:

“Sometimes I have faced kind of issues in early that my shared photos used by others. It was a threat for my

business because I couldn't prove that those photos were mine.” (Participant 3)

“One day, my friend told me that some of my photos are sharing on another Facebook account. My personal Facebook account was hacked. I created my business page also from that account. Later, they changed my password and so on. (Participant 4)

“As challenges mainly I receive spam calls, fake calls and some people are giving orders, and after making them, they reject to pay money. Further, some people, mostly males, make fun by calling and sending messages.” (Participant 7)

The advancement of internet technology has had both beneficial and harmful consequences. Cybercrime has developed from a sinister hobby of lone hackers into a highly organized, global business network, including black markets for stolen data (Huang, Siegel, & Madnick, 1-36). The negative impact is the rise of cybercrime, particularly in commercial business transactions. Cybercrimes will influence customers' perceptions of online buying. The statements made by participants showed that most of the participants were a victim of some cybercrime. As the usage of the internet and commercial networks grows, so does cybercrime.

CONCLUSION

In recent years, the study of female entrepreneurship has grown rapidly, gaining widespread acceptance among academics and leading to a better understanding of the issues that make it difficult for females to pursue entrepreneurial careers. However, examining the literature reveals a significant gap in the research on female entrepreneurship in developing countries. This research focuses on how female entrepreneurs use digital technologies for their business development by highlighting three key themes: intention to digitize, digitalization practices and

constraints in digitalization within the context of developing countries, particularly Sri Lanka, which contributes to the expanding body of current knowledge.

According to the UTAUT model core determinant, performance expectancy, described as implementing ICT in one's profession, will aid in attaining improved job performance. The findings of this study have contributed to the UTAUT model since it emphasizes that female participants strongly believe that adapting technology helps them to develop their businesses. Moreover, effort expectancy was also proved by this research results as most participants highly confirmed that learning about new technologies for them is straightforward.

Through this research, digitization can potentially improve the chances for female entrepreneurs in Sri Lanka to engage in entrepreneurship and build their business operations. The findings should encourage business support organizations to design digitalization-based training programs to match the unique needs of female entrepreneurs, especially given the increased interest in and activity surrounding female entrepreneurship development

Further, the study was conducted as qualitative research, allowing for a more open approach to obtaining more in-depth behavioural information and the opinions and attitudes of the selected small business-owned female entrepreneurs. As a naturalistic investigation, the research seeks to gain an in-depth understanding of a social phenomenon in its natural setting. Female entrepreneurs' genuine experiences determine them as meaning-making agents in their daily lives.

As with most studies, this paper has some limitations that can form avenues for future research. First, comparing the Sri Lankan context with less developed regions may provide a richer picture of

the phenomenon under investigation. Second, the effects of digital adoption might be time-dependent. Therefore, future studies may adopt a longitudinal lens to observe firms over more than one period.

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