

Direct Selling in South Africa: Empowering Women Entrepreneurs

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Abstract

The current study attempted to capture cyberfeminism and the empowering benefits of ICT adoption by exploring the relationships among ICT use, self-efficacy, social capital, and multidimensional aspects of women empowerment. Results from a survey of women entrepreneurs engaged in the South African direct selling marketplace suggest that ICT use can expand and enhance network ties among women and, in turn, lead to greater empowerment. Thus, enabling and encouraging ICT use among women entrepreneurs in the direct selling channel will likely lead not only to greater financial security for these women but also positive change across various aspects of society.

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South Africa is experiencing a decelerating economy, one of the sharper slowdowns on the African continent, which is putting many households under distress (McKinsey Global Institute, 2016). Maintaining the household's current standard of living has become more and more difficult to achieve, and one organizational structure that many South Africans turn to for income generation is the informal enterprise (Rolfe, Woodward, Ligthelm, & Guimarães, 2010). According to Fatoki (2012), micro-enterprise¹ retail trade is the most pervasive entrepreneurial activity in the informal sector of Africa, with Ligthelm (2004) noting that over a third of retail sales in South Africa occurred through informal outlets.

Informal enterprises offer entrepreneurial opportunities in that the businesses are often integrated into households of the micro-entrepreneurs, with women often supporting families with low, erratic income from the informal sector (Rolfe et al., 2010). Dolan and Scott (2009) suggest, however, that many women have moved away from the traditional hawking of small-scale and perishable products in the informal sector to the direct selling of manufactured consumer goods. Kelley, Brush, Greene, Litovsky, & Global Entrepreneurship Research Association (2013) report that as many as 80% of women entrepreneurs in Sub-Saharan Africa sell to consumers directly.

This research explores how women entrepreneurs engaged in the direct selling of products use information communication technology to not only accumulate the economic benefits of the engagement but to also become more empowered. While improving the woman's financial wellbeing, we suggest that such opportunities enabled by self-employment as an independent contractor of a direct selling company also allow women to escape or mitigate

¹ According to Abor & Quartey (2010), a micro-enterprise is one where the turnover is less than the VAT registration limit annually and employ less than five people.

patriarchal domination that is oft embedded in the culture of emerging economies. To facilitate an understanding of this exploration, direct selling in South Africa is described in the next section of the paper. Following that, cyberfeminism is described as related to information communication technologies, social capital, and self-efficacy, with an integrative model of cyberfeminism setting the stage for the hypotheses tested in this research. The methodology section describes the extensive questionnaire design process, the sample, and the analytical process employed. The results are presented and then discussed along with the study limitations and areas for extending this research.

Direct Selling

Direct selling is a type of retailing in which salespeople are non-salaried, independent contractors (Peterson & Albaum, 2007). Direct selling of consumer products, with its low barriers to entry, offers a low-risk opportunity for the un(der)employed to become entrepreneurs (Dolan & Scott, 2009). In a speech given in 2013, the Deputy Minister of Economic Development of South Africa noted, “Direct selling has the potential to dramatically impact on unemployment levels in South Africa by creating thousands of jobs for youth and women...More than simply creating jobs, direct selling provides an environment for learning, personal development and business building which are critical elements of entrepreneurship” (Mkhize, 2013). Direct selling moves the micro-entrepreneur beyond the informal enterprise into being a micro-entrepreneur operating as a small business with the support of a larger corporation that can provide access not only to manufactured products, but also training and development.

Worldwide, both the volume of retail sales and the total salesforce engaged in direct selling reached all-time highs in 2015, with the World Federation of Direct Selling Association (WFDSA) estimating a marketplace of US\$183.7 billion and a salesforce of approximately 103

million people (Tortora, 2016). According to Euromonitor International (2016), direct selling in South Africa attained a sales value of R10.0 billion in 2015. South Africa was the most active direct selling market in the Africa-Middle East region in 2015, with 1.7 million independent members of the salesforce (Tortora, 2016).

In a scoping study in which direct selling was explored as a viable mechanism for poverty reduction and empowerment among poor women in South Africa, Dolan and Scott (2009) found that, in addition to earning an income, working for Avon was an instrument for personal and social transformation. Expanding that research, Scott, Dolan, Johnstone-Louis, Sugden, and Wu (2012) examined the emancipatory potential of entrepreneurship in a three-year multiple-methods study among poor black women in South Africa. The findings from this extensive study were substantial: (1) Avon provided women with the entrepreneurial support needed to build and maintain their sales businesses (e.g., capitalization, networking, mentoring and training, and strategy and growth) and (2) Avon empowered women and helped them alleviate poverty (e.g., earnings, self-perceptions, family relations, and interactions with other classes and races). Ultimately, the work by Dolan and Scott (2009) and Scott et al. (2012) found that women's participation in the direct selling network created by Avon helped impoverished South African women earn a better income and inspired empowerment through a range of organization practices. More recently, Ukpere, Slabbert, and Ukpere (2014) suggested that women entrepreneurs are able to establish a stronghold in business-to-consumer selling because they embrace the concept of social selling by adapting to social media platforms quickly.

Cyberfeminism

The current research engages the woman-centered perspective of cyberfeminism that advocates the use of information communication technologies (ICT) for empowerment (Ajjan,

Beninger, Mostafa, & Crittenden, 2014). The use of ICT allows women to transform their social, political, and economic lives by changing and reshaping processes that enable opportunities for growth and development, and ICT has the potential to bridge many gaps in human socio-economic development (Ajumobi & Kyobe, 2016; Nath, 2006).

Information Communication Technologies

Information communication technologies were described at the 2002 World Summit on the Information Society as a tool to empower women so as to improve their participation in the economy and their quality of life (Obayelu & Ognlade, 2006; Ojokoh, Zhang, Oluwadare, & Akentola, 2013). With a network that is 99% digital and includes the latest in fixed-line, wireless, and satellite communications, South Africa is, reportedly, the leader in ICT development on the African continent, fifth in terms of Internet users in Africa, and the 20th largest consumer of consumer of information products and services in the world (Goldstuck, 2012; Mutula & Mosert, 2010). South Africa ranked 16th in an Ernst & Young report that measured the digital dimensions of entrepreneurship across G20 countries (Malik, 2016). Ukpere et al. (2014) note that ICT has been recognized by modern African entrepreneurs as the key to unlocking financial success. While growing at an astronomical rate, Dlodlo and Dhurup (2013) assert that social media is a largely unexplored area of study in South Africa and Ajumobi and Kyobe (2016) suggest that there is a dearth of research women entrepreneurs leveraging ICT in their businesses.

Technological developments, and the use of social media in particular, can serve as enablers for a salesperson to exploit both formal and informal networks to enhance a salesperson's perceived value (Agnihotri, Kothandaraman, Kashyap, & Singh, 2012). According to Ferrell, Gonzalez-Padron, and Ferrell (2010), technology has become a driving force in the

direct selling marketplace, affecting interactions between the direct selling firm and its salesforce, between the salesforce and end-users, and between the direct selling firm and end-users. Corroborating these interactions, the Direct Selling Association (2016) noted that e-commerce, social media, and mobile technologies created opportunities for direct selling companies to broaden company and salesperson reach and increase the efficiency of the customer experience. Technology and social media are considered driving forces in the growth of direct selling in emerging economies (Tortora, 2015).

ICTs such as mobile apps and social media provide individuals with opportunities to form new knowledge in ICT-mediated spaces, participate in social conversations, contribute to the development of new content, and build socially relevant connections and networks (Maidment & Macfarlane 2009; Wilding 2009). In the context of direct selling, ICTs can serve as a vehicle for promoting participation in work-related activities such as learning about new products, connecting with customers, and providing product and sales information to current and potential customers. The growing use of social and mobile technologies can be attributed to their ease of use and effectiveness in meeting individual's need to connect with others and learn and share information (Rauniar, Rawski, Johnson, & Yang, 2013). Previous research has demonstrated that individuals are more likely to use a new ICT if they perceive their interaction with the technology to be clear and understandable.

Social Capital

The significance of social networks in the structuring of entrepreneurial activities is critical to success (Grant, 2013). For example, Barr (2000) reported on a study of impoverished African entrepreneurs running small-scale firms and found that social networks were forged to reduce risks and uncertainty. Woman entrepreneurs, such as those found in the direct selling

marketplace in South Africa, often relied upon spatial mobility by locating their businesses close to home due to spatial entrapment (Downing & Daniels, 1992). In his study of gendered spaces of informal entrepreneurs, Grant (2013) found that women were mainly connected to consumer retail-type operations, with tight social networks generating the word-of-mouth customers and referrals. Fatoki (2011) called for SMEs to take responsibility to improve their networking and creation of social capital.

Nahapiet and Ghoshal (1998) defined social capital as “the sum of the actual and potential resources embedded within, available through, and derived from the network of relationships possessed by an individual or social unit” (p. 243). Putman (2000) distinguished between two categories of social capital, bridging and bonding. Bridging social capital is typically associated with extending and maintaining “weak ties” (Granovetter, 1982). Bonding social capital is found among individuals with strong-knit connections, such as family and close friends, and is typically associated with emotional or substantive support through continued reciprocity (Williams, 2006).

ICTs can lower the barriers to interactions with one’s social community and encourage social self-disclosure and can also encourage new relationships that may not occur otherwise (Bargh, McKenna, & Fitzsimons, 2002; Tidwell & Walther, 2002). These new connections may result in an increase in social capital. Constantinidis (2011) found that women entrepreneurs found social media, Facebook in particular, to be a useful tool for balancing work and family. Social networks comprised largely of women were perceived to create greater social capital than male or mixed networks, and the women entrepreneurs participating in the study reporting the acquisition of both new customers and suppliers through their Facebook connections. Beninger, Ajjan, Mostafa, and Crittenden (2016) provided evidence that the social capital of women

entrepreneurs in Egypt was enhanced by the increased reach and exposure enabled by the use of social media.

In the context of direct selling, social support can provide women entrepreneurs with feelings of self-determination since, as an accepted member of her direct selling community, she has the right to determine her own business goals and scope (Seibert, Wang, & Courtright, 2011). The access to a social network might enhance the woman entrepreneur's enthusiasm and inspiration in her work-related tasks and goals. Social support can also intensify feelings of task competence and impact because of the availability of resources, information, influence, and support needed to accomplish the work-related tasks and goals (Seibert et al., 2011).

Self-Efficacy

Self-efficacy is one's belief in her capacity to employ the necessary resources needed in a particular situation (Bandura, 1997). This process of inner transformation occurs when a woman recognizes both her ability to define her own self-interests and her entitlement to make her own decisions (Sen, 1999; Kabeer, 2001; Nussbaum, 2001). Botha, Nieman, and van Vuuren (2007) report that the literature on women entrepreneurship suggests that women are more disadvantaged than men regarding both entrepreneurial options (e.g., occupational choices) and entrepreneurial resources (e.g., sources of capital and training).

To that end and supporting the findings of O'Neill and Viljoen (2001) who offered suggestions for improved support for women entrepreneurs in South Africa, it was suggested that women might require greater nurturing in self-confidence and esteem. A low-level of self-confidence that served to reduce entrepreneurial impetus was also reported by Preisendörfer, Bitz, and Bezuidenhout (2012) in their study of black entrepreneurship in South Africa. Yet, Urban (2012) suggested that entrepreneurial self-efficacy was an important motivational

construct that influenced individual choice, goals, emotional reactions, and persistence of rural entrepreneurs in South Africa. South Africans receive some, albeit limited, emotional support for the development of personal human capital from their familial structures and governmental programs, but there is a sense of under-utilization of human potential (Nel & McQuaid, 2002).

ICT, Social Capital, and Self-Efficacy

One of the key personality traits of effective salespeople is a sense of self-efficacy (Román & Herrera, 2015, Mathieu, Ahearne, & Taylor, 2007). In general, individuals exert more effort and become more persistent as self-efficacy increases, and, in doing so, learn how to deal with task-related obstacles (Gist, 1989; Chebat and Kollias, 2000). According to Marcolin, Compeau, Munro, and Huff (2000), it is one's personal abilities, not how the technology is designed or the how the task is defined, that limits one's outcomes. Studies also suggest that the impact on outcome (e.g. bridging or bonding social capital) depends on the fit between individual characteristics of the users (e.g. self-efficacy) and functionality of the technology (Goodhue & Thompson, 1995). Thus, the self-efficacy of women entrepreneurs may influence how they use technology to interact with one another and make new friends for bridging and bonding their social capital. Given these expected relationships, ICTs could play a critical role in the direct selling environment by facilitating communication among buyers and sellers.

An Integrative Model of Cyberfeminism

The empowering benefits of ICT to transform the social, political, and economic lives of women entrepreneurs and bridge the gap in socio-economic development resulted in the following hypotheses:

H1a: The perceived ease of use of ICT has a positive effect on women entrepreneurs' perception of ICT usefulness.

H1b: The perceived usefulness of ICT has a positive effect on the use of ICT by women

entrepreneurs.

H1c: The perceived ease of use of ICT has a positive effect on the use of ICT by women entrepreneurs.

H2a: The relationship between ICT use and bridging social capital will vary depending on a woman entrepreneur's self-efficacy.

H2b: The relationship between ICT use and bonding social capital will vary depending on a woman entrepreneur's self-efficacy.

H3a: Bridging social capital has a positive effect on the empowerment of women entrepreneurs.

H3b: Bonding social capital has a positive effect on the empowerment of women entrepreneurs.

H4: Self efficacy has a positive effect on the empowerment of women entrepreneurs.

Methodology

The four major constructs explored in this research were: Information Communication Technology Use, Social Capital, Self-Efficacy, and Empowerment. Multi-item measures were used to assess each of these major constructs, via an online survey process. After a rigorous preparatory process, the data collected were analyzed via structural equation modeling.

Questionnaire Design

Separate scales were used to measure each of the dimensions within each of the four major constructs explored. Items were derived and adapted from previous research. All constructs, except ICT Use, were measured as reflective first order constructs. ICT Use was assessed as a formative first-order construct. In developing ICT Use in a direct selling business, a large pool of measurement items that were indicators of ICT Use were first identified based on an extensive literature review. The measurement items were selected and refined to ensure that the selected formative measures for ICT Use did not overlap and, in combination, covered all

characteristics of the construct. Clarity and lack of ambiguity and avoidance of jargon were assured in accordance with recommendations by Diamantopoulos and Winklhofer (2001).

A draft of the final questionnaire was shared with a knowledgeable expert in South Africa to ascertain question phrasing and appropriateness of response categories. After this review, the questionnaire was pre-tested for reading and direct selling content accuracy with market research experts at three institutions of higher education and among five women engaged in direct selling in the USA. Revisions were made based on input from all parties. The revised version was then pre-tested in Johannesburg, South Africa.

This final pre-test of the survey instrument followed a rigorous process in which two of the researchers met face-to-face, over a four-day period, with 50 women from six companies engaged in direct selling in South Africa. Arrangements for these company interactions were made through the Direct Selling Association of South Africa. The pre-test process followed a structured process in which participants were informed as to the nature and scope of the research project. Following that brief introduction, each of the participants was asked to complete a paper and pencil version of the questionnaire. Time to complete the instrument was monitored closely, with times ranging from 10 minutes, 30 seconds to 28 minutes, 47 seconds. On average, the questionnaire took around 17 minutes to complete. After completion of the questionnaire, the de-brief engaged the women on a detailed breakdown of each major part of the questionnaire: introduction letter, empowerment questions, self-efficacy questions, decision making and social capital questions, social media use questions, and demographic questions. The de-brief discussion wrapped up with an open-ended discussion on general likes/dislikes about the response process.

Based on feedback from the pre-test in South Africa, minor changes were made to the final survey instrument. These changes were largely in regards to the demographic questions, although some minor adaptations with respect to wording within the direct selling vernacular were also made (e.g., “direct selling job” was used originally in some of the scale items and this was changed to “direct selling business”).

Sample Description

The sample targeted women engaged in direct selling within six companies in South Africa. The study was not assessing direct selling, per se, as a facilitator of empowerment. Rather, the direct selling marketplace was the context within which the surveyed women operated their businesses. The decision to target women in direct selling was deemed appropriate given prior research in Egypt in which women micro-entrepreneurs were selling their wares directly, facilitated by social media activities (Beninger et al., 2016) and the societal benefits suggested earlier with regards to direct selling in South Africa. Since the women targeted for the survey were independent contractors of each of the companies, a process for making the personal connection between the researchers and the company contact was facilitated by a person in the South African Direct Selling Association. The initial rollout of the survey resulted in 242 responses within the first 16 days that the survey was open. At that time, brief reminder emails were sent to the company contact to ensure that the email had been distributed. Since the survey dissemination was reliant upon an intermediary for dissemination to potential respondents, another email, similar to the first email request, was sent one month after the initial rollout. In total, there were 359 responses to the survey request. Following review of the data, 40 straight-liners and 71 incomplete surveys were removed for a total of 245 valid responses. Of these, 199 respondents used ICT technologies to support their direct selling business. Thus, the

remainder of the analyses was based on those 199 responses given that the study focuses on the role played by ICT to support women engaged in direct selling.

Since the general perception of ICT might suggest that ICT usage would vary based on age and that there might be a relationship between time on ICT and direct selling income, these were utilized as control variables in the study. Additionally, a variety of descriptive data was collected for general informational purposes. Table 1 provides an overview of ICT use by the among the women entrepreneurs responding to the survey, and Table 2 summarizes the general demographics of the responding women.

Analytical Process

A structural equation modeling (SEM) with partial least square (PLS) approach was used to test the proposed model and hypotheses. PLS-SEM was selected for the following reasons: (1) it is flexible in analyzing a complex predictive model with a large number of variables and relationships (Hair et al., 2011; Hair et al., 2016), (2) it incorporates reflective and formative measurement models easily and is capable of producing robust results with both large and small sample sizes (Hair et al., 2016), and (3) it accommodates the exploratory nature of research.

Common Method Variance

Common method variance (CMV) occurs when an external component influences item response. As such, counteractive measures, such as separating predictors and outcomes by unrelated measures or adding a marker variable, can be used in the survey design to reduce CMV (Podsakoff, MacKenzie, & Podsakoff, 2003). A marker variable (i.e., an unrelated construct on escapism) was added to the survey to adjust the correlations among the principal constructs (Lindell and Whitney, 2001). The marker construct had a low correlation with all other constructs in the model (largest was 0.167). Moreover, a Harmon Factor was conducted, and the

results (12.65%) demonstrated that CMV was not present and, therefore, did not threaten the interpretability or validity of the results.

Measurement and Structural Models

The measurement model was validated using SmartPLS 3 software (Ringle, Wende, & Becker, 2015). Appropriate validation procedures were followed to evaluate both reflective and formative measures. Internal consistency, convergent validity, and discriminant validity were evaluated to check the measurement validity of the reflective constructs (Straub, 1989; Gefen & Straub, 2005; Hair et al., 2016). Both discriminant validity and multi-collinearity were examined for formative measures.

Starting with the reflective measures, outer loadings of each construct were examined. Based upon previous suggestions, any items lower than 0.7 were considered for elimination if the indicator deletion improved internal consistency reliability (Bagozzi, 1980; Hair et al., 2016). Two items had loadings less than 0.7 but greater than 0.4. Removing those indicators did not improve internal consistency reliability above the recommended threshold. Thus, the two reflective items were retained in the model. In regards to convergent validity, all indicators were significant and loaded on the appropriate constructs. The internal consistencies of the reflective measures had Cronbach alphas greater than 0.65 (acceptable in exploratory research), composite reliabilities greater than 0.70, and average variance extracted greater than 0.50. Therefore, the results met the established benchmarks that provide evidence of convergent validity and internal consistency reliability (Fornell & Larcker, 1981). To evaluate discriminant validity, HTMT results were examined (Hair et al., 2016) using a threshold value of 0.90 given the conceptual similarities among the constructs (e.g., empowerment-impact and empowerment-goal internalization) (Hensler et al., 2015). After examining appropriate HTMT ratios, discriminant

validity was confirmed (Anderson & Gerbing, 1988; Fornell & Larcker, 1981).

Convergent validity for the formative construct was supported through redundancy analysis. The results yielded a path coefficient of 0.76, which was above the recommended threshold of 0.70 (Hair et al., 2016). The VIF values were uniformly below the threshold value of 5 (Hair et al., 2016), with the highest VIF value of 2.45 for “I use ICT to be socially connected with my direct selling community.” As such, it was safe to conclude that collinearity was not an issue for the estimate of the PLS path model. Next, the outer weight and confidence intervals assessed formative indicator significance at the 5% level. The results showed that items “I use ICT to communicate about business-related issues with my direct selling community,” “I use ICT to communicate with my direct selling customers/clients,” and “I use ICT to provide information to my current and potential customers about my direct selling products” were not significant. Analysis of the outer loadings of these formative indicators indicated that loadings for the three indicators were significant at greater than or equal to 0.5. Thus, the indicators were retained even though they were not significant as recommended by Hair et al. (2016). Prior research also provided support for the relevance of these indicators in capturing how women entrepreneurs in direct selling channel use ICT to support their business (Beninger et al., 2016). Considering the results, all reflective and formative constructs displayed satisfactory quality of the measurement model. The structural model was estimated using the bias-corrected and accelerated bootstrapping procedure with 5000 resamples (Efron, 1987). The hypothesized relationships are presented in Figure 1.

Results

Hypotheses 1a, 1b, and 1c proposed that higher levels of ICT ease of use and usefulness would have a positive relationship with ICT use to support direct selling activities. The path

relationships between ICT ease of use and usefulness ($\beta = .59, p < .01$), ICT ease of use and ICT use ($\beta = .17, p < .05$), and ICT usefulness and ICT use ($\beta = 0.72, p < .01$) were all positive and significant. Therefore, the hypothesized relationships were supported.

Hypothesis 2a and 2b posited that self-efficacy of women entrepreneurs would positively moderate the relationship between the use of ICT and social capital bridging and bonding. The moderated relationship between use of ICT and social capital bridging was supported and in the right direction ($\beta = .14, p < .05$). The relationship between ICT use and bridging social capital increased by the size of the interaction term ($0.50 + 0.14 = 0.64$). Contrary to the prediction, the moderated relationship in regards to self-efficacy impact on use of ICT and bonding social capital ($\beta = .09, p > .1$) was not significant. Thus, H2a was supported and H2b was not supported. However, self-efficacy had a direct significant positive relationship with bonding social capital ($\beta = .217, p < .01$), and the relationship between ICT use and bonding social capital increased by the size of the direct path ($\beta = 0.52, p < .01$).

Hypotheses 3a and 3b proposed that the social capital bonding and bridging would have a positive impact on different aspects of empowerment. The path relationship between social capital bridging and goal internalization empowerment ($\beta = .59, p < .01$), perceived control ($\beta = .32, p < .05$), competence empowerment ($\beta = .35, p < .01$), and impact empowerment ($\beta = .29, p < .01$) were positive and significant. Moreover, the path relationship between social capital bonding and perceived control empowerment ($\beta = .29, p < .05$), competence empowerment ($\beta = .23, p < .05$), and impact empowerment ($\beta = .22, p < .05$) were positive and significant. However, the relationship between social capital bonding and goal internalization was not significant.

Hypothesis 4 proposed that self-efficacy would have a positive impact on empowerment.

The path relationship between self-efficacy of women entrepreneurs and competence-empowerment ($\beta = .16, p < .05$) and between self-efficacy of women entrepreneurs and impact empowerment ($\beta = 0.25, p < .01$) were both positive and significant. However, no significant relationship was found between self-efficacy and perceived control or self-efficacy and goal internalization.

The impact of exogenous constructs on endogenous constructs was examined. The impact of ICT use on social capital bridging and bonding and on empowerment was significant and meaningful. Upon reviewing the R^2 values of the endogenous latent variables, the R^2 values of ICT Usefulness (35%), ICT Use to support direct selling (69%), Social Capital Bridging (39%), Social Capital Bonding (39%), Goal Internalization Empowerment (56%), Perceived Control (30%), Competence Empowerment (52%), and Impact Empowerment (46%) were all moderate according to the recommended rule of thumb (Hair et al., 2011; Henseler et al., 2009).

The blindfolding procedure was performed (omission distance = 7) to estimate Stone-Geisser's Q^2 value (Geisser, 1974; Hair et al., 2016). Stone-Geisser's Q^2 is a measure of external validity to analyze the structural model predictions. Positive values indicate predictive relevance for the endogenous constructs (Hair et al., 2016). Following the suggested values (Hair et al., 2016), it was evident that good predictive relevance was achieved.

The analysis of the control variables revealed significant positive path between direct selling income and competence ($\beta = 0.16, p < .01$) and average time spent on ICT per day and impact ($\beta = 0.11, p < .1$). On the other hand, there was a negative significant relationship between age and goal internalization ($\beta = 0.-0.11, p < .05$) and age and perceived control ($\beta = -0.12, p < .10$).

Discussion

The current results indicate that South African women engaged in creating their own entrepreneurial businesses in which they direct sell products for large direct selling companies are utilizing mobile devices and ICT technologies to: (1) connect socially with peer groups, (2) share with, and learn from, other sales people in the direct selling organization, and (3) communicate with customers to both introduce and sell product. The ease of use and usefulness of these technologies are positively impacting the women entrepreneurs use of ICT to facilitate engagement. Moreover, the easier it is to use ICT to support her direct selling business, the more ICT becomes a part of the woman entrepreneur's direct selling daily activities.

With respect to social capital, the findings suggest that ICT use can help women entrepreneurs accumulate and maintain bridging social capital. The use of ICT allows women entrepreneurs to maintain community ties cheaply and easily because ICT lowers the barriers to connect with others. Thus, women entrepreneurs who might otherwise not initiate communications with someone whom they were not acquainted are enabled to do so through ICT affordances (e.g. WhatsApp, Email, text messaging, Facebook). The results identified a self-efficacy interaction between ICT use and bridging social capital. That is, women direct sellers who had high self-efficacy (i.e., a belief in her ability to succeed in a specific situation) and used ICT reported higher bridging social capital. One explanation consistent with this interaction effect is that ICT provides benefits such as increased access to community, information, and opportunities which women with high self-efficacy can use to further integrate into their direct selling community.

Bonding social capital explored the extent to which women could rely on support from close-ties in their direct selling community. Using ICT (e.g., group text, Facebook post), women entrepreneurs can communicate quickly and effectively and, when a problem arises, they can

connect with other women in their close-circle community to seek advice and support. Contrary to the prediction, self-efficacy did not moderate the relationship between ICT use and bonding social capital. Instead it had a significant direct effect. Women entrepreneurs with high self-efficacy experienced higher bonding social capital. The resourcefulness of these women has likely resulted in them having created strong ties in the direct selling community.

Empowerment reflected four dimensions of psychological enablement as identified by Menon (1999) and Spreitzer (1995: goal internalization, perceived control, competence, and impact). The first dimension, *goal internalization*, assessed the motivating property of an exciting objective or worthy cause provided by direct selling leadership and community. The second dimension, *perceived control*, assessed the extent to which women entrepreneurs had authority and freedom to run their business as they saw fit. The third dimension, *competence*, measured role mastery to work effectively and belief in her skills and abilities to mentor others. The fourth dimension, *impact*, was appraised as the degree of impact and influence over her direct selling business. Women entrepreneurs who felt part of the broader community and were willing to spend time to support that community were more likely to experience all four dimensions of psychological empowerment.

Both social bridging and social bonding had effects on empowerment. It was clear that the strong ties women entrepreneurs create will positively influence the authority and freedom to run their direct selling businesses, the mastery of the different work aspects of the business, and the impact these women can make in their direct selling community. With respect to the different dimensions of empowerment, bridging capital had a large effect size on goal internalization and bonding social capital had the largest effect size on perceived control. Since goal internalization focuses on the goals of the direct selling organization and accomplishments

of others in the organization, bridging social capital enables the connections with women in the direct selling community with whom the woman entrepreneur might otherwise not have an affiliation. Perceived control relates more closely to the woman entrepreneur's personal authority and freedom. The strength of connections with like-minded people (e.g., family and friends) likely nurtures those feelings of independence.

The positive impact of a woman entrepreneur's self-efficacy on competence and impact empowerment reaffirms the notion that belief in one's self is a critical to success. The woman entrepreneur who makes plans, does not give up, and keeps trying until the job is done will continue to strengthen her skillset and work ethic which will likely lead to positive rewards in both economically and socially. The incredible power of belief in one's self came through clearly in the data from these women entrepreneurs.

Three of the control variables entered into the model with significant relationships. There was a positive relationship between direct selling income and competence empowerment. That is, women who earned higher incomes from their direct selling businesses were also experiencing greater competence in their workplace abilities. Or, maybe women who were competence empowered worked their abilities harder which resulted in a stronger income stream from the business. This same idea was consistent with the positive relationship between times spent in ICT use per day and impact. The more time the woman entrepreneur spent engaging with customers and other women in her direct selling community, the greater the impact empowerment felt by the woman entrepreneur. Again, this might be a recursive and circular relationship in which doing well in one feeds the success of the other and vice-versa.

With respect to the third control variable, age, the data from these South African women suggested that older women were less likely to feel empowered in terms of goal internalization

and perceived control. These two forms of empowerment focus on inspiration/enthusiasm and independence/authority. It may be that older women are cognizant of the attention that direct selling companies are directing toward the younger generation (e.g., Millennials) in terms of the next generation of independent contractors and customers, leaving them feeling as though they are not important to the future of the company. While the younger woman might be looking toward longevity with the firm as a long-term career path, the older woman might see herself having less energy to devote to the company and its generally ever-expanding product offerings. Additionally, longitudinal studies have shown that perceived control increases as one enters young adulthood but begins to decline after a period of stability during middle age (Vitelli, 2013). Thus, there might be some feelings of pessimism toward the control that a woman might actually have in crafting a business around products distributed by a large, global company.

Study Limitations and Future Research

As with any research project, there are limitations to the current study. Such limitations often offer several avenues for future research, while some limitations are inherent in the nature of the study design and ensuing methodology. Because the current study was centralized in one geographic area, there is the opportunity to expand this research to other emerging markets to capture possible country differences in the role of ICT for empowering women. Additionally, since the context here was direct selling, there is the opportunity to broaden the study to include women entrepreneurs engaged in direct selling in a wider number of direct selling firms than the six companies that were represented in the current data. The direct selling context is particularly timely given the worldwide focus on the sharing economy and the suggested importance of technology in direct selling companies (Harrison & Hair, 2017). In summary, expanding the research to more emerging economies and including women entrepreneurs in the direct selling

context would offer fruitful avenues for development.

An inherent limitation of the study is that the sample is cross-sectional in nature and, thus, does not allow causality from the findings. Cross-sectional data limits the results to reflect a single point in time, and future studies could examine the various impacts of ICT use over time via longitudinal study. Furthermore, the current study used self-reported measures and the data were collected via survey design. As such, there was the possibility of common method bias. However, appropriate tests as described in the methods section concluded that this bias was not a significant concern in the study.

Lastly, the mediation effect of usefulness on the relationship between ease of use and ICT use was examined. Both direct and indirect effects were found to be significant in the same direction. This could be a cue that another mediator (such as availability of technology in South Africa) whose indirect path has the same direction as the direct effect might have been omitted (Hair et al., 2016).

Conclusion

Understanding how women entrepreneurs use technology to build and bridge their social capital and how that use in turns impact empowerment are essential in today's technology-driven economy. Technology use in direct selling is, in fact, helping women entrepreneurs improve their goal internalization by inspiring them toward the direct selling organization's objectives. It is also improving the women's feelings of authority and control over the way they run their businesses, while having a positive impact on how effectively they feel they do their work and their sense of impact and influence on their direct selling businesses. Considering the benefits of information communication technology on direct-selling channel growth through mobile and social apps, it appears favorable for direct-selling companies to encourage the use of technology

among its independent contractors. ICT use can expand and enhance these women's network ties and lead to greater empowerment. In doing so, not only is work performance likely to improve, the longer-term social, economic, educational, and political impact will have far-reaching gains in emerging markets. Corporate support for ICT use can facilitate technology as a democratizing force that helps level the playing field for women in emerging markets by providing social network development and resource access that leads to empowerment and advancement of these women.

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Figure 1
Operational Model Results

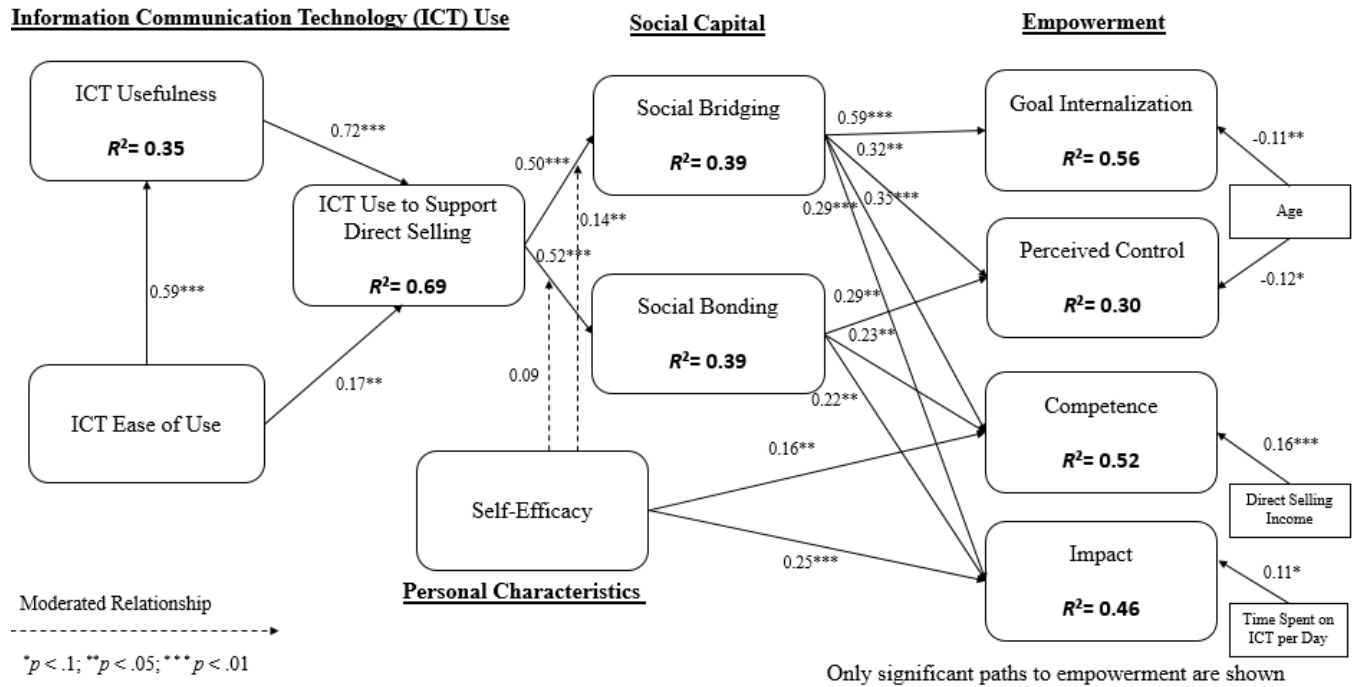


Table 1
ICT Use

<u>Social Media Sites</u>	<u>% Using</u>
WhatsApp	91.5%
Email	87.4%
Text Messaging	72.9%
Facebook	61.8%
LinkedIn	15.1%
Instagram	14.6%
Twitter	12.1%
YouTube	9.5%
Pinterest	6.0%

<u>ICT Device</u>	<u>% Using</u>
Mobile Phone	96.5%
Laptop Computer	72.9%
Tablet	42.2%
Desktop Computer	38.2%

Table 2: Demographic information of the respondents

Description	Frequency	Percent	Description	Frequency	Percent
Which product category best describes the product(s) you sell?			Which race/ethnicity best describes you?		
Wellness	72	36.2	Black	30	15.1
Cosmetic and personal care	87	43.7	Coloured	18	9
Household goods and durables	14	7	Indian / Asian	10	5
Clothing and accessories	1	0.5	White	127	63.8
Financial services	1	0.5	Missing	14	7
Home care	4	2	What is the highest level of education you have completed?		
Food and beverages	1	0.5	Some high school	5	2.5
Insurance	4	2	Matric (Grade 12)	31	15.6
Missing	15	7.5	Some university work completed	51	25.6
Please indicate your age:			University degree completed	100	50.3
20-29	20	10.1	Missing	12	6
30-39	47	23.6	What is your current marital status?		
40-49	47	23.6	Single	30	15.1
50-59	56	28.1	Married or Living together	139	69.8
60-69	15	7.5	Divorced	17	8.5
70 or older	4	2	Widowed	2	1
Missing	10	5	Separated	1	0.5
Please give the range which best describes your DIRECT SALES AVERAGE MONTHLY INCOME:			Missing	10	5
R1-R500	27	13.6	Are you the person who contributes most to the household income?		
R501-R1000	27	13.6	Yes	83	41.7
R1001-R2000	30	15.1	No	106	53.3
R2001-R5000	37	18.6	Missing	10	5
R5001-R10,000	23	11.6	Do you work outside your home in addition to running your direct selling business?		
R10,001-R20,000	18	9	Yes	135	67.8
Greater than R20,000	21	10.5	No	54	27.1
Missing	16	8	Missing	10	5