

Cross-Cultural Case Study of Support Systems and Challenges Encountered by Female  
Ecommerce Entrepreneurs in Germany and China

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Abstract: The purpose of this research is to complete a cross cultural analysis of the support systems and challenges faced by female ecommerce entrepreneurs starting up their businesses in Germany and China. The first half of the paper offers a literature review, comparing in each country the past few decades of female entrepreneurship, the differing business cultures, and the similarities between the two. The second half of the paper reports on interviews of three female entrepreneurs' first hand experience in Germany and China. I found a number of similarities and differences between the experiences of female ecommerce entrepreneurs in each country . In terms of similarities, first was the high value of networks, especially all female networks, to founders in both countries. Second was that all of the women I spoke to, as well as read about in more general studies, struggled to find and secure the funding that they needed for their startups. In terms of differences, the founders in Germany were far more vocal about the impact of being a woman on their struggle to secure funding. Overall, I found that women in China have far more opportunities and support than women in Germany. While there is a lot of research and action taken on behalf of female entrepreneurs in Germany, a significant gap between intended actions and end results continues to be a challenge for female entrepreneurs.

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## **Introduction**

Over 250 million women all around the world are part of a growing wave of female entrepreneurship (“Women’s Entrepreneurship Report” 53). Breaking down stereotypes that surround business and entrepreneurship as a male dominated field, women are moving into new markets and using technology and ecommerce to do so. As more and more women take advantage of these opportunities, it is crucial to better understand the challenges women face in order to nurture their entrepreneurial potential. Focusing on early stage ecommerce companies founded by women in two countries, Germany and China, this paper will be looking at ways of better understanding how to support women in this field. First, what are the different support systems available to female entrepreneurs, and second, what are the unique challenges that female entrepreneurs face? By looking at these two countries with very different business cultures, I aim to find what each does well and how each combats challenges in different ways. This will allow women to better understand what they will face founding a company, and will better enable others within the field to make sure that women are not overlooked, and are given the tools and opportunities necessary to succeed.

## **Female Entrepreneurship**

I will first define a few terms within business and entrepreneurship that I will be exploring or using throughout my research, starting with entrepreneurship. Entrepreneurship is the process of setting up a new business. There is no one way of starting a business; this can be done alone or with cofounders or partners, online or in a store, in a formal startup accelerator that offers mentoring and guidance or from one’s own home. The early stage in this situation is

defined as from the very start of building the business up until the first major rounds of funding. Generally, founders will start building businesses on their own while seeking out investors and venture capital. Another term that will be used in this paper is ecommerce, which is the buying and selling of goods and services using the internet. While larger companies that have actual retail spaces will often also have an ecommerce option, I will be looking at companies that were started and continue to be fully or majority online. These are often platforms, new marketplaces, consulting, or selling individual products through another marketplace without any physical location.

New businesses, as the lifeblood of the local and global economy, are critically important to any economy. And because women are a major force in our international markets, it is crucial that they take on roles in this traditionally masculine field. In the process of women becoming entrepreneurs, ecommerce has presented itself as a great entry point for them to establish their business. Ecommerce is a relatively new, growing, and evolving industry, so the opportunities that it presents are open for women to take.

#### *Reasons for Women in Ecommerce*

Women are increasingly taking advantage of opportunities in ecommerce entrepreneurship for a wide variety of reasons, and the recent pandemic has only added to the importance and growth of online businesses. The motivations to pursue ecommerce include: low barriers to entry, high degrees of flexibility, and the unique opportunities provided by growing online communities. This, plus a growing movement of greater support for women, will allow for greater equality for female entrepreneurs (Dy 5). In this section I will explore the reasons

why ecommerce has increasingly enabled women to start their own businesses in unprecedented numbers.

First are the low barriers to entry. Because so much can be done online for free or relatively cheap, there are low startup costs and less need for large amounts of capital from the start. That makes it easier for people without access to funding or traditional support to start their own businesses (Dy 3). As women have historically and currently not been given nearly as much access to investor funding, lower costs of entry can make the impossible possible. Women in ecommerce have the ability to start small and with limited upfront investment, and then scale later as their businesses grow. Easier entry, also reduces risk, which is an additional benefit to anyone with less money to begin with. Other barriers that are removed are the need to rent physical space for a store or office, hire many (or any) employees, and other major costs or commitments. A new entrepreneur can begin with a domain name, build their websites from scratch, and take advantage of the large number of services that cater to ecommerce businesses.

These lower barriers to entry also lead to the second major benefit of ecommerce: flexibility. Because there is less invested from the beginning, changing and growing can happen much more organically. Online founders also have the ability to set their own working hours and location. Because so many women have other responsibilities in their lives, it is possible that the only way they can be entrepreneurs is if they can set their own working hours and goals. Ecommerce allows women to create fulfilling careers that can be balanced with women's potential role as mothers who are often limited by bearing unequal childcare responsibilities. (Dy 2). These mothers, who some call "mompreneurs," are able to start online businesses from home and structure their work around the rest of their lives, rather than the other way around ("Meet

the Female Founders”). Women can then choose to dedicate as much or as little time, whenever in the day is most convenient, toward their ecommerce businesses. One online business focuses specifically on connecting top female talent who had left the workforce to be stay-at-home-moms with flexible part time opportunities to continue their careers (“Meet the Female Founders”). Ecommerce allows many different lifestyles to continue, which is a benefit that women in the corporate world often cite as a major desire.

A third benefit of ecommerce is the online community. Women online often want to find ways to connect with like-minded communities regardless of physical location. A new ecommerce company can greatly benefit from reaching a unique audience and market. The internet makes it easy to reach directly into the homes of women around the world rather than asking women to come to the business. Online stores can also often be businesses specifically designed for a female audience (Dy 4). Many people have started to challenge the assumption that traditionally masculine traits are better suited to success in business and have written about how feminine traits are helping women succeed in ways masculine traits wouldn’t allow (Jhony et al 362). This makes online opportunities incredibly valuable to women. Women are able to use marketing and social media to reach out to groups that their business would be most relevant to, even if they themselves are not physically located near these groups. Entrepreneurial leaders are organizing growing numbers of virtual and in-person conferences to which they invite women from all over the world to discuss their experiences as women in business and encourage each other in creating ideas on how to improve the environment for all women (Iglesia). All of these contribute to a stronger community, online and offline, that is easier to find through the internet than ever before.

*Challenges for Women in Entrepreneurship*

There are many obstacles that women entrepreneurs face: a dearth of female entrepreneurs, untrue assumptions and online bias, lack of funding for female led startups, gendered expectations, and country by country cultural expectations of women. For example, there is a major lack of female entrepreneurs in Europe, despite the continent supposedly being one of the most gender equal places in the world (Angelovska). But at the same time, as the economy has grown in China, there has been an explosion of female entrepreneurs in China (Cheraghi 173). As is made clear by the differences between these two major economies, there are clearly misunderstandings with how different cultures are encouraging female entrepreneurship. It cannot be assumed that everyone is doing well with challenging gendered assumptions and making a space for men and women to succeed side by side.

The European Institute for Gender Equality states that major barriers women face, that are significantly greater than those men face, include:

- access to finance;
- unfavourable business regulations;
- cultural barriers;
- choice of business types and sectors;
- information and training gaps;
- lack of contacts and access to social support and networking;
- competing demands on time (double burden of home and work responsibilities)

(“Gender in Entrepreneurship” 4)



This long list means that the challenges can easily compound each other. Entrepreneurship is already an inherently risky and challenging career path, and it appears there is no shortage of additional challenges that women entrepreneurs face.

Though the internet allows for unprecedented access and low barriers, it is not the neutral platform that many hoped it would be (Dy 2). Bias still exists online and strongly influences access to different companies and results on the internet. This bias has led to a major gap in a crucial area of entrepreneurship success: funding. Receiving investments in a new company is vital to early growth and paying for employees in different fields to build the business early on. Entrepreneurs need investment rounds in order to hire additional people to create a high enough quality business to achieve a higher level of growth. Many entrepreneurs, male and female, start out by investing their own personal funds, which gets them off the ground but is risky and can only get a founder so far. After that, new entrepreneurs generally need to seek outside support, often through different venture capital groups. These venture capital groups are hugely biased toward funding male led startups, with even one female cofounder lowering the amount of money that group of founders were likely to receive.

Funding is a major factor in whether or not a new business will succeed. While ecommerce does a lot to lower financial entry barriers, costs still exist depending on the type of online business, especially if a founder needs to hire additional workers to expand. As far as funding goes, women in Germany have a much harder time than their male colleagues in gaining investor trust, and of course, their investment money. This problem isn't exclusive to Germany, as "start-ups with 100% female founders obtained 4.9% of all global venture capital deals in 2016" (Angelovska). The struggle of women to win over investors may be easier if there were

more women who were the investors themselves. But “less than 8% of investors and business angels in Europe are women,” which means men are still basically in full control of who receives the money and who does not (Angelovska). If women started to receive more funding from investors, it is likely that women would also become investors themselves.

The *Female Founders Monitor*, a study of German startups, found that male startup teams in 2019 raised an average of 3.4 million euros while female teams raised on average less than 200,000 euros (Hirschfeld et al. 39). Female startup teams are also less likely to look into three major forms of funding: business angels, venture capital, and state subsidies (Hirschfeld et al 38). Women in China, on the other hand, while still not receiving equal amounts as men, are not only receiving much larger percentages of investing, but are also much more involved as investors themselves (Oster and Wang). The largest venture capital fund ever raised by a woman was a Chinese woman, and “about 17 percent of investing partners are female and 80 percent have at least one woman” (Oster and Wang). Each country has slightly different numbers, but men still receive far greater amounts of capital and control its distribution just about anywhere. I will look more into these two countries’ individual differences in the upcoming sections.

The move toward greater gender equality in business has seemed to be much more talk than action among private investors. While this inequality is noticed and said to be important, venture capitalists do not take action to back up what they say is important. For example, in a global study on private equity and venture capital, 65% of institutional investors said that gender diversity was important to consider when investing, but only 25% of those investors asked questions about gender equality during due diligence (“Moving toward Gender Balance” 14). This study also found that female partners within venture capital funds invested in double the

number of female entrepreneurs than their male counterparts, and yet only 15% of senior investment teams in those venture capital firms were gender balanced (“Moving toward Gender Balance” 14). Furthermore, gender balanced teams have much higher valuation increases in their companies than male dominated teams (“Moving toward Gender Balance” 14). Despite the fact that investors are globally aware of the high returns of female led startups, as well as the importance of including women on investing teams so that more women founded companies are invested in, very few firms make changes to act on what they have learned.

Women often do not receive their fair share because they are held to very gendered expectations and far more difficult standards than men founders. Female entrepreneurs generally feel much less qualified to start businesses, and are more worried about the risks. Confidence and bold projections are key to gaining the attention of potential investors, and women tend to devalue themselves and their startups’ potential. Furthermore, investors are more willing to bet on men with little proven success who make bold predictions on how well their startup will do in the future than they are willing to take a chance on women with great numbers so far in her startup who more conservatively present future profits. With women having to prove success without support and men getting support without having to prove success, there are clearly double standards that limit women’s ability to rapidly grow a potentially great startup idea.

### **Business Culture by Country**

In order to better understand the different business cultures and settings that female entrepreneurs in both countries encounter, I will give an overview of both Germany and China’s general business cultures in this section. These countries have very different histories, types of

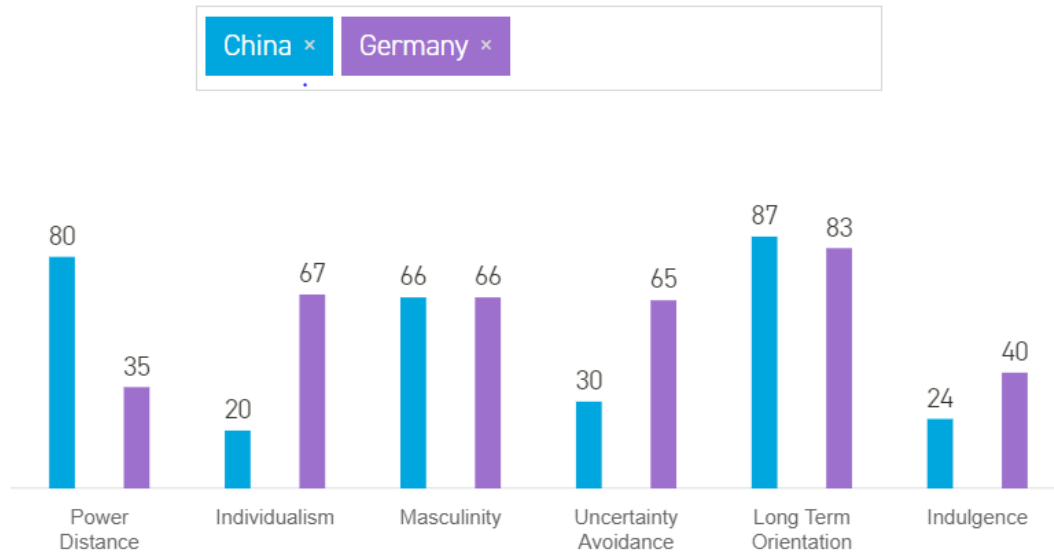
economies, societies, and so of course, business cultures. Oftentimes, the experiences and opportunities of women are very localized,<sup>1</sup> so even within these countries women won't have the exact same experience, and across national borders those differences can grow greatly (Villalobos et al. 105). Understanding in which ways the cultures are similar and where they contrast will give a better understanding of the experiences of the women interviewed from each country.

### *Cultural Dimension Comparison of Germany and China*

An authority on cross cultural differences, using a set of six major defining traits of culture in each country, I want to first refer to the Hofstede Analysis of the two countries (Hofstede Insights). Hofstede's Cultural Dimensions Theory provides a framework that compares a set of values and norms within different societies in order to better inform cross-cultural communication. The six measures taken are power distance, individualism, masculinity, uncertainty avoidance, long-term orientation, and indulgence. Where these overlap and where they differ have interesting implications on the way that entrepreneurs operate.

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<sup>1</sup> Both countries have hubs where entrepreneurship has much more support, infrastructure, and community. Germany has the benefit of Berlin being a major startup and tech hub in Europe (Kollmann et al 19). China has Shanghai, Beijing, and Shenzhen, which are all massive cities that have grown incredible amounts in the past few decades and are hubs for innovative startups (Fenghua and Yang).



There are a few categories whose influence on an ecommerce startup will be more significant than others. For example, with only the founder and maybe a few other employees, power distance doesn't have the same impact it would in a traditional or larger corporation. Similarly, there is indulgence, which is the extent to which a society thinks one should repress gratification in desires and needs. This is much more relevant in everyday culture than in business culture, especially in startups where resources are scarce. The other four areas seem to influence women's experiences in each country in more interesting ways.

In two of the cultural dimensions, Germany and China had very similar, if not the same, scores. Normally, the masculinity of the country would make an interesting point of comparison, but Germany and China had the exact same level of masculinity on the index. Both countries were above average but not on the extreme. This means that their cultures are very achievement- and competition-oriented compared to more feminine cultures, which emphasize enjoying what one does more than being the best at it. The other category where the two countries had almost

equal scores was in long term orientation. Both Germany and China had very high levels of long-term orientation, which could mean that founders starting up a new company in both countries would be fairly concerned with how well their startup will be able to do on a longer time horizon, rather than being a path to quick riches.

Individualism was one of the dimensions where Germany and China differed the most. China had a very low level of individualism compared to Germany's fairly high score. This showed up in my interviews, as I will cover later, with the women starting companies individually in Germany versus with multiple cofounders and a built-in and supportive community from the start in China. In Germany, there is a lot of support for self actualization and doing things for yourself, whereas in China one's community and family are much more important in influencing one's decisions in life and business (Wang and Schreiter).

China had a lower uncertainty avoidance and Germany's was very high. This means that the Chinese are more likely to be comfortable with ambiguity, undefined situations, and uncertain futures. A low uncertainty avoidance is reflected, for example, in the many smaller and family owned businesses in China, as in general Chinese business is much more adaptable and culturally entrepreneurial. In Germany, on the other hand, there is a much larger emphasis on systems and planning before moving forward. Germans are more likely to rely on expertise, rather than adaptability like in China. This is very evident in the low levels of entrepreneurship in Germany, as well as the interviewees reporting feeling uncomfortable with making risky decisions and needing to learn to trust their instincts more.

While the Hofstede Insights cultural dimensions analysis adds additional context to possible differences between the business proceedings in both countries, there is much more than

only those six dimensions. For example, another study found assertiveness to be a major factor in cross-cultural international business communication, especially for Germany and China.

Assertiveness, as defined in this study, is the degree to which a society believes people should be confrontational and aggressive versus indirect and avoidant of confrontation (Bluszczyk and Quan 62). China has a significantly low score, while Germany has a very high score (Bluszczyk and Quan 65). The importance of the opposite styles of communication often caused conflict between people communicating between the two countries, so it is important to keep in mind that each culture has fundamentally different ways of communicating their ideas and feelings within a business context.

Another large difference between the two in this same study was in gender egalitarianism. In this, researchers found that China had a very high score on gender egalitarianism while Germany had a very low score (Bluszczyk and Quan 64). Similar scores in different areas and different studies could have very different impacts when actually experienced in the two different countries and their cultures. Furthermore, both of these countries have tens or hundreds of millions of citizens, which means that looking at more sources and analysis can paint a larger picture of each country.

#### *Perspectives on German Entrepreneurship*

Germany, like much of the world, has an incredibly low percentage of female entrepreneurs compared to men, and “according to the 2nd European Start-up Monitor, only 14.8% of start-up founders are female” (Angelovska). This issue has not gone unnoticed, and in recent years increasing research has been done into the causes (Makri). A specific area that contributes to women’s struggle to enter into entrepreneurship is the way that men and women

are educated differently in the EU, and of course, Germany. Women are not encouraged early on to study business and entrepreneurship while in school or university. When women graduate and are in the workforce, they are encouraged to keep traditional jobs. Should they at any point consider trying to start their own business, they often do not know what opportunities exist that would teach them the skills they need. “At the European Union-level, one-third of women indicated that they had sufficient skills, knowledge and experience to start a business... however, half of men responded positively” (“Policy Brief on Women’s Entrepreneurship” 12). In fact, “women are less likely than men in nearly all EU Member States to report that they have access to training on starting and growing a business” (Angelovska). If someone had no access to earlier education on business skills and did not know that further education was available, it is easier to believe that starting their own business is an impossible task. Education is a major factor in one’s confidence when it comes to entrepreneurship, and so promoting education and support could lead to more women following through on available opportunities.

The educational difference also leads to a difference in the sectors where women decide to start a business. Women gravitate toward certain fields more than others, and these are often areas that pay much less. The EU report *Gender in Entrepreneurship* stated that:

Throughout the EU, women entrepreneurs are mostly found in sectors where entrepreneurship is less present, such as the social and education sectors. The more innovative, fast-growing sectors with more self-employment (and hence more entrepreneurial potential), such as the retail, science, technology and engineering sectors, are mostly dominated by men. The number of women who actually own businesses in



science or technology in the EU is estimated to lie between 5% and 15% of the total number of business owners in these fields. (6)

Because women entrepreneurs choose to go into lower paying, lower growth fields, they will not have nearly the same opportunities as men going into high growth fields. Areas where investors are most willing to invest large amounts of money are the areas in which men are more likely to open a new business. These differences in education and sector lead to an uneven playing field when it comes to opportunities, growth, and investment money.

The overwhelming stereotype of entrepreneurs being men is prevalent in mainstream society, with international attention going to men like Elon Musk and Jack Ma. That gendered view extends to EU venture capitalists and government associated investors (Malmström 1). This bias was already obvious in the funding differences given to female- vs male-led startups in the EU, but it also shows up in the way that investors describe and discuss female entrepreneurs. Researchers have found that “gendered language may shape thought and action concerning entrepreneurial activity undertaken by men and women” (Hechavarria et al 806). In gendered languages, men and women are associated with different characteristics. Some examples of this were that men would be described as “assertive, innovative, [and] credible” while a woman would be described as “experienced, but worried, [or] good-looking and careless with money” (Malmström 2). Venture capitalists almost always followed a compliment or positive description of a woman with a negative one (Malmström 2). Rarely was praise allowed to stand on its own for women like it was for men. Furthermore, venture capitalists would question a woman’s qualifications at great length while assuming their male counterparts to be qualified without questioning them (Malmström 2). These different standards led to women’s applications for

funding being rejected far more often than men's, and women receiving a much smaller percentage of their requested funding compared to men (Malmström 3).

Lack of support for female entrepreneurs can be found all over Europe, and as a major player in the EU, what can be said of Europe in these studies is also generally true of Germany. European countries are all trying to start new government initiatives to increase opportunities for women. In recent years, there have been more and more government groups and programs that allow for access to additional or new funding. As more and more European studies point out the serious gender gap, new policies encouraging female entrepreneurs across the EU are being announced. "In 2008, three lines of action were developed at EU level in relation to female entrepreneurship: better access to finance for women, development of entrepreneurial networks for women and targeted support measures envisaged in the Small Business Act" ("Gender in Entrepreneurship" 8). By targeting these areas, EU governments are hitting at some of the major challenges that women face. Germany has also introduced a program called FRAUEN that aims to connect female entrepreneurs with mentors so the newer entrepreneurs and experienced ones alike can better equip themselves to succeed together and do not feel as alone in their journey. "FRAUEN unternehmen [companies] is a national initiative that has created a network of 'role model' women entrepreneurs" ("Policy Brief on Women's Entrepreneurship" 17). This selective program selects women to guide newer female entrepreneurs, providing personal advice and guidance to a group that very much lacks the network that new entrepreneurs need.

### *Perspectives on Chinese Entrepreneurship*

Contrary to the experience of women in Germany, female entrepreneurs in China do not experience the same gender gap in the field of entrepreneurship. According to the Mastercard

Index of Women Entrepreneurs, “women own 30.9 percent of all businesses in China . . . [while] among new technology startups, for example, 55 percent are being founded by women” (Springer). Women entrepreneurs in China are succeeding and growing, and generally receive a lot more social and institutional support than women in other countries. The cofounder of Female Entrepreneurs Worldwide, Anna Wong, says “society is changing, too. Female founders are very well-respected in China” (Springer). Another founder, Lucia Shen, said that “we don’t really distinguish between female and male entrepreneurs. You’re just an entrepreneur.” (Springer). This is a huge contrast to other places in the world, where female entrepreneurs lack mentors and a network of others like them.

It seems that the government and people of China noticed and decided to change the gender gap in entrepreneurship much earlier and faster than in other parts of the world. For example, researchers observed that “one important reason for the high failure rate of female tech entrepreneurs is that the shortage of resources for their technology start-ups caused by gender discrimination” (Xie and Lv 380). These resources needed to be provided to them without bias so that the entire economy could improve. These researchers were also quick to acknowledge the role that government plays in the success of new startups. Chinese business people very much believe that “innovation capability is closely related to government support” and is thus crucial for women to be supported by government programs (Xie and Lv 386). “By the 1980s and 1990s, more social programs—like the Association of Women Entrepreneurs in China, the All-China Women’s Federation, the Women’s Successful Career Program, and the Tianjin Women Entrepreneurs Centre—were born” (Springer). These programs offered a multidimensional solution to an incredibly complex problem. Together, these programs would

“offer a mix of career services, including subsidies for professional training, preferential tax treatment, loan programs, and mentoring” (Springer). Institutional support can very greatly improve the stability and reputation of female entrepreneurs in innovative sectors, especially today in the changing face of ecommerce.

The results from these early efforts are clearly shown today. All of the programs and incentives put in place, “combined with China’s development of the private sector, an influx of foreign capital over the past two decades, and higher levels of education across the nation, have created a framework where women founders can thrive” (Springer). And as a result, women do not face nearly the same challenges that their fellow entrepreneurs face in other areas of the world. There has been an overwhelming sense of success in these laws. “During the years, changes in laws and full access of women in China to education affect women entrepreneurs’ capabilities and outcomes positively” (Cheraghi 173). Women are increasing their entrepreneurial work in significant amounts, and are having a clear impact on the Chinese and global economy (Cheraghi 173).

Women in China are not stopping their forward momentum any time soon. Entrepreneurship is valued as a driver of growth and societal improvement, and “among the entrepreneurs in China, women have become increasingly prominent in participation, education, competence, opportunity-motive and innovation” (Cheraghi 182). As more women gain power and influence within these fields, successful women will also have a greater opportunity to reach more women. Equal representation and decision making power between men and women will make entry into the field of entrepreneurship more equal as well, which is something that China seems to embrace and want to establish in their startup culture.

Chinese companies also have the benefit of the app WeChat being used by virtually every Chinese citizen. The opportunities to create applications within WeChat makes it a go-to for building an ecommerce business, and is a social and economic platform which women gravitate toward and have found great success in. Some researchers have speculated that college age women are the most set up for success in starting their own WeChat business (Jhony et al 344). The social network and trust involved is more culturally associated with femininity than masculinity, making it a way for women in China to start a business without any pressure to fit into a masculine world, but to celebrate their own traditional and modern femininity and strengths in their own way (Jhony et al. 362). Now, women, especially younger women, are the majority of entrepreneurs on this WeChat platform.

## **Interviews**

In studying the different support systems and barriers to entrepreneurial success by women in Germany and China, I interviewed three women who founded ecommerce companies in order to gain first-hand perspectives into their experiences. I will use May and Rachael as the names for the two women in Germany, and Ella for the woman from China.<sup>2</sup> Their entrepreneurial journeys are not necessarily representative of the experience for all women in these two very large and diverse economies but could offer an initial glimpse into the experiences of female ecommerce entrepreneurs. In addition to asking them when and where they founded their company, I asked the following questions:

1. What were some of the major challenges you faced as you started up your company?

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<sup>2</sup> These names are all pseudonyms to protect anonymity. All women were in the 20s and 30s. Ella was chosen because she gave me an English name to refer to her as well.

2. What were some support systems that helped you to succeed?
3. Do you think that any of these challenges and support systems were positively or negatively affected by you being a woman in any way?
4. If you were to start over today, what would you change about what you did?<sup>3</sup>

#### *Germany Interview I<sup>4</sup>*

May is the founder and CEO of a business-to-business content marketing agency she started in Germany in 2019. Since founding her company, she has built up a client base that includes mainly German tech companies who hire her to help them expand into the international market. Not only is May's business fully online and remote, but all of her customers are other ecommerce businesses as well. Her main service is to shape the organic, inbound marketing for a company, which is marketing from unpaid platforms such as a social media page or a blog. In addition, she does content writing within client websites and lead generation. She also provides LinkedIn expansion of clients' pages in order to increase presence on the networking platform.

##### *1. What were some of the major challenges you faced as you started up your company?*

As the sole founder of her company, May fully funded it with her own money and small investments from her family and boyfriend. She says that, as an entrepreneur who fully owns her own company, she did not have any money from formal investors or supporters. The money that she and her boyfriend and family were willing to contribute was the only source of funding that she started with. For that reason, she cited that the only large challenge for her was capital.

Despite needing more funding, she did not seek out any capital from investors. She said that

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<sup>3</sup> These interviews were lightly edited for publication purposes. I will also include further details, evidence, trends that they each referred to during our conversations.

<sup>4</sup> This interview took place over Zoom for about 15 minutes on October 30th, 2020. I met May through a LinkedIn contact who works in Berlin.

while her choice to not even pursue funding was unique in this area, other women she knows have had difficulty with getting money from investors. Of the many female entrepreneurs she knows, very few received funding from investment capital.

*2. What were some support systems that helped you to succeed?*

As is crucial in so many career paths, May spoke of the importance of her network of other entrepreneurs as a major support system. She tends to personally prefer all-women groups. While there are other more general groups in Berlin, she didn't find the community she was looking for. That pushed her to actually start her own community for freelancers or "solopreneurs." In this group, women can discuss shared struggles and have their own community. She cites this growing group as a great support system for her over the past few years.

Beyond that group, she says that there is a lot more to her support system than just the professional community that she created. People May met and developed relationships with online have also been a great resource. She spoke of a more "personal community that I have built through LinkedIn. Most definitely my boyfriend and my friends and my family, not only financially but also emotionally, that's support you really need as a founder." She stressed these relationships as crucial in her journey, as well as the support systems that she created when she felt existing ones were lacking. As someone who works in consulting for other ecommerce companies, references are crucial. Having others in the industry who know she does good work leads to strong referrals and better clients in the future. These networks were key in the growth of her business to get it to the point it is today, and will continue to be important as she continues to grow her agency.

3. *Do you think that any of these challenges and support systems were positively or negatively affected by you being a woman in any way?*

May began with the impact on her own and others' struggle to find financing, and that as a woman she struggled with that aspect of being a founder. In addition to her experiences and that of those she knows, she points to the fact that even looking at the uneven numbers between men and women leads to the belief that "if you try, there will be something in your way." She said:

It's always hard to pinpoint discrimination; you can look at the numbers. The statistics don't lie about how women get capital in general and how low that is for women founders. But even for example me, we couldn't prove this, but if I wanted to go and get a loan from a German bank, I wouldn't be surprised if they still asked me, "well what does your husband say?" and, "is he financially stable?" something along the lines of that. So it's those challenges with finances, but also going through a bureaucratic system that is very traditional, and working through those challenges that are still there.

May's concern that she would be questioned about her husband as a result of her being a woman has the potential to be a significant roadblock in whether or not she and other women would choose to go to a bank for a loan. Even if it isn't true that she would be questioned about her husband, the widespread belief that a woman could not go to a bank without traditional marital approval and support from a husband surely leads to women being more afraid of asking in the first place.

Another major implication stemming from a lack of funding is that she had a hard time finding quality employees from the outset. Without initial capital, founders cannot afford to offer



a competitive salary that would attract the best employees for the job. The right, quality support of good people early on in a startup is crucial, and lacking any way of attracting them left her at what she felt was a large disadvantage. Without the right people, May wasn't able to grow the company to the extent she felt would have been possible for her to achieve. She asks "how fair is that? If a woman has less access to capital, she can't hire as great employees to support her business ideas. It's all connected." This inability to get the right people for the job means women's startups not growing at the speed possible for better funded companies. This makes it an even slower process before male investors trust that women-founded companies can deliver on their promises.

May does feel that her support systems have been strongly and positively impacted by her gender. The community that she created remedied her earlier struggle to find the quality employees she needed. Because she is in a supportive and growing community of women who are all in the same boat, many of whom are also freelancing full time, May can connect with the people she needs. She has been able to hire people through this all-female community that she built up. But she did say that while it paid off, she did have to go through the effort to put that community together herself. It wasn't already built into the Berlin startup scene. She pointed out that

the Berlin startup community is a pretty tight niche, in itself, and there is a support system that helps in there. But if you're not in that community, and I do think it's hard to get in that community unless you're a specific set of tech savvy, I'm not any of that. So that's kind of the struggle of how do I get into these communities?

And while she does not see that as a challenge unique to female entrepreneurs, it very well could be related. Earlier in this paper I referenced that tech, an ecommerce startup field with high opportunity, growth, and investment, is heavily male-dominated. So if the main Berlin startup scene is in tech, it likely is far more male than female. The entrepreneurial community revolves around tech in Berlin, and so women, who do not go into tech nearly as often as men, will have a doubly hard time breaking into what is both a male community and male field dominated support system.

4. *If you were to start over today, what would you change about what you did?*

Though the experiences of each of the women I interviewed were different in many ways, there was one thing that all women mentioned wishing they had done slightly differently. They wish they would have taken action sooner than they did. Though there were different causes and impacts of being hesitant, each came to the conclusion that if they had trusted the idea and taken early action on it, it would have been possible to make progress sooner and better. May said that she was distracted by all of the small things rather than what was most important. She and many other founders feel there are certain steps to starting a new and official-looking company, things like “getting started on LinkedIn, doing really nice powerpoints, and building a fantastic website.” But she thinks that “none of that matters if you can’t validate your idea, and if you can’t start making money and get first clients and customers.” Rather than doing all of these smaller actions that were not as important, May said, “I wish I would’ve focused more on validating my idea and getting first clients rather than all the other sparkly stuff.”

While many other founders have a few clients in mind and then build their business around those clients and gaining more clients like them, May was starting from scratch and

needed to find her clients as soon as she could. In order to attract those customers, she spent too much time on the things that she felt would look good before she reached out to them. So instead, she says, “if I did it over, I would have invested a lot more energy in validating my agency idea, figuring it out quicker, making it more solid, and getting those first customers.” The rest would follow, and taking certain actions sooner, she believes, would have made it easier to fill in the less important details.

### *Germany Interview 2<sup>5</sup>*

The second Berlin startup founder I interviewed, Rachael, was in a very different type of online business than May. Rather than offering online service to other companies, she found herself on the tech and social platform side of ecommerce. Starting in 2018, she built an app for educational communities and mentorship, a company that provided a platform that helps creators and experts build and scale their own community-based learning courses.

#### *1. What were some of the major challenges you faced as you started up your company?*

Starting up her company in Berlin shortly after her immigration to Germany from Tel Aviv, Rachael’s company was very much a fresh start not only in her career, but in her life. She faced challenges immediately, because “I basically had to restart my career here without any kind of network, and any community. I had some friends here, but you can’t even compare it.” Living in a big city like Berlin, and especially with Germans and their business culture, she felt the massive difference in experience and culture compared to the tight knit and familiar community where she had spent the rest of her life. That cultural difference meant that one of the first things she did was go out and make connections and get to know people within the startup

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<sup>5</sup> This interview took place over Zoom for about 25 minutes on November 9th, 2020. I also met her through the same LinkedIn contact who works in Berlin.

culture of Berlin. It was that community, Rachael says, that gave her the inspiration to start her company. Her idea for her online platform came from her sense of “I’m having this problem of finding like minded people to go through a journey together, so I’m going to build it. And you’re constantly looking for new people to connect with.” She saw a need in her own life and community and decided to build a solution, which turned into the company it is now.

While moving countries, building a community, and starting a new company and career was challenging, she saw the bright spot in doing all of those things at that moment in her life. She feels that “when you start something new, it’s scary, but you also have less to lose, when you’re starting from scratch.” For her, this was risky, but that risk gave her more confidence to move forward and act.

2. *What were some support systems that helped you to succeed?*

Far and away, Rachael emphasized that “the most helpful things were the networks,” which she said there was really no shortage of. She went on to detail the many types of networks that she joined and felt were useful to her. With all women’s networks, tech communities, and innovative startup hubs, she never stopped joining new groups and building up the people that she knew who were in the same boat:

I really focused on female networks when I started, because that’s where I felt most comfortable. Especially if you’re starting out as a tech founder who is a woman, you tend to go into rooms where you’re the only one, or you find like one or two people like you and that’s it. I would try to go to the female meetups and I also organized some. I went into the whole Women in Berlin and Women in Tech Berlin scene, and that was super helpful. I also joined a community for innovators, called Factory, it’s really well known

here in Berlin. It's a community of around 5,000 people, and it's really helpful. It really helped me to find a lot of connections and mentors and other people to talk to, men and women, so really the communities and networks were my very first resource.

From here, she, like May, said that just jumping in and starting was the best thing to do. Rachael said that while there are endless amounts of resources that anyone can learn from before starting a business, sometimes acting on an idea can teach a founder or potential founder more than research ever could. While it is difficult to narrow down which resources you should choose to invest in online, starting anything along the outlines of your idea can show you what works and what doesn't. She said:

If you're gonna just sit there and read about how to start, you're never gonna start. I feel like once I started, even if I just had an idea, I started an event and the event turned into an event series, and then it turned into a newsletter, and then it turned into a community.

You know, you have to start somewhere even if it's really small.

Her smaller actions snowballed into something larger. She began by wanting a learning based community, and kept doing different things to build it until she landed on her own idea for an online platform for experts' classes. By the time Rachael reached that stage, she knew a lot of what worked and didn't for that idea, as well as what people she could reach out to for support in founding the company.

She said that there is no replacing people as your biggest resource, for "the advice and input and insight, or if it's even just like 'we got you, you're ok,' it makes all the difference in a founder's journey." Those people were her friends and mentors, as well as her community of

peer-to-peer learners who would soon be the foundation of her user base, supporting her and her idea, and then helping spread the word of her company to others.

3. *Do you think that any of these challenges and support systems were positively or negatively affected by you being a woman in any way?*

As one might expect from a question addressing such a layered global issue, Rachael had a lot to say on the way that being a woman both positively and negatively affected her ability to be an effective and successful entrepreneur. She feels that so many of the challenges and biases she has faced are a result of education and messaging around who and what women can and should be, and that “there are some things that are so grounded in our education and how we’re brought up that it’s hard to even just pinpoint like one thing. You don’t know if it’s your upbringing or your personal character or if it’s you being a woman or if it’s something else.” So while there is no shortage of research on the numbers and financing and trends of female entrepreneurs, so much of it is influenced by much more qualitative and personal experiences and individually held beliefs.

This type of education and childhood basis for what is right and wrong has been on her mind even more recently, as she is expecting a baby girl. Because of her experiences as a woman in a male dominated field and all of the bias that comes with that, she is wondering how to raise her daughter differently, and how to be a role model so that her daughter can be herself in a world that she hopes will continue to get better in the coming years.

A major area that she struggles with is risk averseness, which she feels has been taught to her all of her life. The pressure to be perfect and to never fail or do anything wrong makes her nervous when she tries new things. Rachael said, “I think that’s something they teach girls and

they teach women, to be perfect and to be good. We're not really taught how to fail and how to get up and fall and get up again; it's very much stay tidy, don't get messy." She feels that this is not even necessarily conscious, purposeful, or taught with malicious intent, but is just how the world has been used to raising their daughters. She doesn't feel she has managed to shake this feeling of imposter syndrome in the things that she does, even though she is aware that it is ok to mess up and fix things later.

Rachael feels this fear of failure in all areas of her life, but especially when she is leading her company and trying out new ideas. Because women in the entrepreneurial community around the world are trying to make progress and fight against bias and stereotypes, she feels that she has a lot to prove, and a lot to lose if she messes up. Beyond the normal stresses of entrepreneurship, she describes this experience in her journey:

You add to it a layer of kind of having to carry the female token. You're not just a founder, you're a female founder; you're not just a person in tech, you're a woman in tech. It always adds a layer of pressure and a feeling that you have eyes on you. So if you fail it's because you're a woman, if you succeed it's in spite of you being a woman. Or because, it depends on who's looking at it, and you feel like kind of a token. When you're talking to people and you're the only woman in the room, or if people see me as a role model because I'm one of the only female founders in this space. It kind of adds another layer of stress and of wanting to represent.

Representing all women who want to come after her in the entrepreneurship space is a heavy burden to bear for someone who is already working hard at a very difficult job. This pressure can be both distracting as well as a push to do better. And while she is happy to be in a position to

accomplish all of these things, she says that “sometimes I’m really tired [of having to do it all] and I wish I could just be a founder without all this extra kind of pressure.” More than anywhere else, she feels that this is the burden of her identity as a woman in entrepreneurship.

The widely differing experiences that men and women have speaking with venture capitalists and other investors have been well noted in the EU, as I described earlier in this paper. Rachael’s experience with them has been very similar to the biases noted time and time again. In speaking with new investors, Rachael feels she is asked different questions than men are asked. Despite all efforts to come off as confident and have all of the work and numbers to show to back up her success, she is questioned differently than men seeking similar investments. In all of her efforts to show investors what they want, she feels the additional burden placed on her and her team. She wants these investors to see her startup as an investable idea, not a charity case to include women as diversity. She wants investors to see that investing in women is a good idea, and that “it’s because we know what we’re doing, and we’re doing a good job, and we’re gonna get the job done. And that’s what I hope that investors will start understanding.”

Rather than allow herself to be intimidated by a room full of all male investors, she made the conscious decision to try to use the fact that she stands out as an advantage. Though she wants to get to the point where male and female founders are not differentiated, for now she tries to appeal to their sense of equality, or at least their desire to appear to be more equitable. She says “when I talk to investors, I’m like, ok, if you want more women on your ticket, that’s fine, I’m the woman for you.” She believes that this kind of initiative will help to prove that women entrepreneurs are just as good an investment as men. She knows that in order to get more women to be funded, she and as many others as possible need to get their foot in the door. She hopes that



this will snowball, and says, “we need more women to get funded so that they can fund others, and so I can become a check writer one day.” As more women are funded and successful and go on to fund other ventures, the numbers will change and encourage others. She, again like May, mentions that even simply reading the discouraging numbers and huge gender gap is difficult and a large mental block. Though she hears positive and negative personal stories every day, it isn’t enough to know of one or two who managed to make it or who failed to make it work. Rachael emphasizes:

It doesn’t really matter what the unique experience of all of us is, some can have a really bad experience, some can have an amazing experience, but the numbers speak for themselves. Even when we get funded, I know that we will be like ‘oh that female led startup raised blah blah blah’ and that’s fine and we’re a female team and I know that that’s gonna happen. Role models are also important, but I hope it will get normalized enough for it not to matter anymore.

4. *If you were to start over today, what would you change about what you did?*

As she mentioned before, Rachael’s first change would be to “think less, do more.” It is easy to overthink the solutions and try to get everything right the first time around. She quickly learned that she simply needed to get something done and think less about whether or not it was exactly right. She thinks that being a perfectionist is a hopeless game, because in a quickly changing world of startups, one is always having to adapt, no matter how much thought went into the original idea. She found that “whatever you choose it will not be perfect and you have to learn to course correct, which is also something I feel women are not really being taught how to do. Just take the leap and figure it out later.” She wishes that she could have trusted herself more,

and she hopes that other women will be taught to trust their gut and know that they are making the best decisions possible while moving forward, as long as they trust their own judgement.

In her experience, things would have gone much more smoothly if she had trusted her instincts rather than the sense of what she felt like she had to do. As she started up the company, she made a few missteps where she had a feeling that it was the wrong idea, but she tried it anyway, and her first feeling had been correct:

I've worked with the wrong people in the beginning, taken on co-founders where I felt like 'I don't know if they're the right fit,' but I really wanted to work with someone and not work alone, but in my gut I knew that they weren't really a good fit. And it kind of all went downhill after. So I think really trust your instincts even though you're gonna get so much advice, so many people are gonna tell you what to do. Eventually, you're building it, it's your business, it's who you are, nobody can tell you otherwise.

Rachael cares deeply about leaving a good legacy for future women in business, entrepreneurship, and other fields where women are underrepresented. Her confidence that women will be able to overcome these obstacles is inspiring because she has given the challenges a lot of thought and attention. She is very aware of the problems that women in Germany face, but also that it is possible for women to overcome them. The momentum is there, and as women found more companies and get more and more funding, they will be in positions to help other women do the same.

*China Interview 1*<sup>6</sup>

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<sup>6</sup> This interview took place over Skype for about 30 minutes on November 18th, 2020. I met Ella through a Chinese friend from a study abroad program that I did in Shanghai.

Ella, from China, is one of three women to cofound an art event and knowledge-based company. She and her cofounders started the business in Hong Kong in the summer of 2018, and it has existed in different forms ever since. Their foundational goal is to be a company that promotes art and artists through online reviews and recommendations, organizing art events with their growing online community, and creating and leading personalized, private art tours around Hong Kong and internationally. Due to two major events, first the Hong Kong protests starting in May of 2019 and then the ongoing COVID pandemic, she and her cofounders have had to be very adaptable in order to keep their business alive throughout these tumultuous times.

Ella's company has a few main areas of activity. First, they organize and lead tours through museums, art galleries, and local artist workshops. Second, they travel internationally to different art destinations, leading groups of art lovers. And their third and currently most active area is to use their WeChat platform to write and regularly publish their own articles that include art recommendations, reviews, and related content. The reason for having these multiple areas is in part because of how they have needed to adapt and transition their business over the past couple of years in the face of political and international conflicts. With so many art venues being closed due to the protests and the pandemic, the online side of their business became their main avenue for maintaining the company, even though at first it had only been a smaller side to the business. Since their transition to an even larger online presence, it has grown from only articles to now having virtual sharing sessions and conferences on different topics.

*1. What were some of the major challenges you faced as you started up your company?*

Different from the two women in Germany I interviewed, who said funding was their main challenge, Ella's answer was a lack of time. Because it is still in early stages, she describes

their business as more of a side project than a full blown startup, as each of the three founders have continued to hold the full time jobs they already had before starting the company. When Ella and her cofounders first began the company, all were very unsure of whether or not they would be able to make it profitable or if it was even possible that their business would grow into being able to support the three of them. With that risk, and because Hong Kong is such an expensive city in which to live, they decided they needed to keep their jobs until the company grew. While they lowered their own risk, she said that decision was also very limiting. She said that “with a full time job, the time that you can actually have devoted to the startup is very limited. Your time becomes very inflexible; you can only do Saturday or Sunday, so I think at that point it does limit the potential of how we can make it bigger.”

With this came a negative cycle of growth and investment. First, they were not putting enough time into their company, which limited its growth. Low growth meant that she and her cofounders did not pursue the investment or growth opportunities that they may have been pushed to find if they had quit their jobs. Not receiving funding meant they were not making enough money to quit their jobs. There, the cycle of low time leading to low growth and low growth leading to less time began again. Ella mentioned wondering whether or not the company would have grown much more or much faster if they had all decided to take the risk of quitting their jobs and putting all of their energy into the startup.

The second challenge was their lack of business experience and education. Ella said that all “three of us come from fine arts background; we all studied Art History at Hong Kong University; that’s how we all met each other. But later on we realized that we don’t really have that much business thinking, or that much business mindset; we lack that training.” Upon

realizing this gap in knowledge that was holding them back from really growing, they started to think about finding another person who would want to join them, someone who could bring a finance or business background to their group. The problem was then that, since they were only really putting their own money into the company and hadn't sought outside investment from other programs, and that at the moment they are mainly putting their time into the company without pay, they could not afford to actually hire someone to put in the work. Finding someone who was motivated and willing to devote the time while not getting paid until the business took off, as well as someone who was equally interested in art and business, proved to be a difficult task. In the end, they never found someone who was a good fit, and decided to continue on with the three original cofounders.

The few investors that the group spoke to pointed out that they did not see the business as scalable, and thus not worth an investment. Ella and her cofounders were advised to make some changes to their business model if they really wanted to make the company grow and become a good investment opportunity. While the company was effective at operating at a more local and online level, expansion would be difficult. With that recommendation, she said, "we brainstormed a few things, but then everything came together, the lack of time, the lack of business idea input from a professional; we just didn't end up switching that much of what we were doing." The group is much more interested in the work that they have been doing and enjoy. They customize every tour to their group, as much of what they do is individual and community based. So after that self evaluation, they chose that they wanted to continue to provide quality content to fewer customers rather than change in order to be the next big international company.

2. *What were some support systems that helped you to succeed?*

Just as Ella's counterparts across the globe said, networking was her main support system in the starting up of her company. She felt that because their product was so personal and niche, they had a built in group full of others passionate about the same things they were. From larger groups of people to share their ideas with to having mentors provide advice and support, this is how she felt about her supportive community:

We all come from art history backgrounds, it's so easy to find like minded people, from the department, the faculty. So we received a lot of support from our professors and also the peers. One of the professors who teaches Indian art, she supported a lot about our India trip, she even let us go into her class to promote it to her students. She also provided a lot of advice on how to organize and go and everything. And for the peers, we have a lot of junior students from the art history department and the department for art faculty in general to join us. People will be reposting our posts, and I think the first few times when we just started we got a few thousand views on our articles, which was very good in helping and reposting. So networking is definitely one of the biggest supports.

Rather than them having to seek out and build a community of people who were interested in supporting them, they were able to tap into people that the three cofounders had known for years through university, previous internships, and art events. Ella said that they always had a number of people to go to for answers to their questions in all of their art related activities.

As she continued to speak of the main challenges she faced, one of them seemed to be not that they risked too much, but that they risked too little:

Our families are supportive, but I think they also see it as more of a side gig, like you can do it on the side and it's not really a serious career goal. They didn't have that much objection, because I personally didn't really want to go full time in the beginning, so it doesn't really cost much, to do anything, it doesn't really risk much. I do think that looking back, because we didn't risk that much, we didn't have the same level of urge to really make it work as well, because it's not like our life is depending on that, we don't rely on that to make money to feed us.

Ella, like Rachael, seemed to feel that being too risk averse had held her back. The fear of failure is a real personal challenge, and so it is easy and often rational to minimize risk as much as possible. But without much risk, she says that the urgency and need to succeed wasn't as great. And while it was safer to only put free time into the company, the three cofounders most likely put in less time than they otherwise would have. Entrepreneurship does involve a lot of risk, and often the more you risk the more you can achieve. While she can't really ever know what would have happened if she had taken more of a jump, Ella does wonder if that would have been the push they needed to get it off the ground.

3. *Do you think that any of these challenges and support systems were positively or negatively affected by you being a woman in any way?*

Ella's main answer to this question was "no," being a woman didn't seem to have a strong impact on how their business is operated. She has noticed, however, that the majority of their community and customers are made up of women. Their target audience of people who are interested in art and art history, they have found it majority female in the first place. Ella says, "not really trying to use stereotypes, but I do see a lot more women, especially young women,

who are interested in art and these kinds of activities. And from the tours, I would say usually 70-80% of participants are women.” Though she and her cofounders never specifically market to only women or limit groups by gender, because the art history and the art departments in their university were already majority female, a mainly female customer base grew from that network. She hasn’t noticed bias or any gender influence, and said that she felt “that we were already in this female space. . . . So we were kind of in our safe zone already.”

4. *If you were to start over today, what would you change about what you did?*

Over the past year and a half of working on this business, Ella learned that time was her main challenge to their success. For that reason, she said that she would address that time limitation earlier on, saying, “I think in the beginning, if we did want to do this, I think that we should have really devoted a few months, maybe just a few months, to be full time instead of doing it side by side with our other jobs.” As she had mentioned, Ella wonders how much that additional time investment would have changed where they are now. She feels that, in the beginning, the group was much more ambitious and had a bigger vision, but as the protests and pandemic dragged on, the business became cemented in their minds as a side business, rather than something that would become a full time job.

At the same time, no matter what they had invested early on, the major events that were out of their control and that there was no way they could have predicted or prepared for would have had the same effect on the company. It was clear to the three cofounders that “when the pandemic hit, art became the least important thing that people had to think about. We still try to maintain relevance, but the pandemic still has a lot of influence on the art and culture industry in general. It really changes a lot of the landscape and how the whole industry operates.” Now, as



the world moves back toward a normal place, they will again have to adapt their business model and their focus. Having still been able to keep the business online, they have kept what momentum was possible. And now, as the museums and galleries open again, they have the opportunity to try new things from what they have learned.

### **Analysis of Interviews and Conclusion**

In exploring the answers to what the different support systems and challenges that female entrepreneurs face within early stage ecommerce startups in Germany and China, my research combined with three individual interviews painted a picture of both the diverse and universal experiences of women founding businesses in ecommerce. While researching this topic, I have found an abundance of data and personal perspectives about female entrepreneurship globally. There are common struggles that have been well documented by international organizations, academic research, individuals, and governments. All of this information has both shown how daunting entrepreneurship as a woman can be, but also has inspired women to follow through with their entrepreneurial dreams in order to change their field and pave the way for future generations of female entrepreneurs.

The first interesting similarity that emerged was that women in both countries had majority female networks. May, Rachael, and Ella all said they felt more connected, comfortable, and supported in a network of women who understood what they were doing. In these networks, they did not have to constantly fight a battle to prove themselves. Finding this network in person was more difficult for women in Germany than in China, but all three female entrepreneurs I interviewed valued their networks equally and sought additional connections whenever possible.

One difference I observed from these three women's experiences was that the women in Germany were much more vocal about the gender divide than the woman from China. A gender bias was much more emphasized by those starting a company in Germany, while the woman in China did not speak up about that being a large influence in her entrepreneurial journey. This could be due to highly individual differences and experiences, differences in national environment, or also the importance of face in Chinese society. Western societies like Germany are often much more vocal about issues that affect them, while in China it is much more important to save face by deemphasizing the severity of challenges they encounter. There is no way of determining which the reason was with only three opinions to draw from, but was an interesting observation nonetheless.

In Germany, the far smaller numbers of women than men entrepreneurs could be strongly felt by both May and Rachael. Like many women who are working in male-dominated fields have expressed, there was the feeling of representing the potential of all women. With so few examples of women working in the field, the women felt they were under a lot of pressure to prove that they, and by extension all women, could succeed in entrepreneurship. There was also further cognitive dissonance, as women are often told to be much more risk averse than men, while also needing to have big entrepreneurial wins. Without risk, there is much less opportunity to grow and succeed, and so it is difficult, if not impossible, to meet every expectation that is placed on female entrepreneurs. This is an additional stressor that can become more and more of a challenge to women founders.

The difference between men and women in their choice of college majors and education also had an impact on Ella's startup in China. All of the three women founders had majored in

Art History, and had no business background whatsoever. This lack of business experience meant that many investors were a bit skeptical. They tried to find another partner who had business and art background, but found that there was very little overlap between the two, which made them decide to continue with the original three women. Without that business knowledge, she said they were unsure of how to address the lack of scalability that investors mentioned when they pitched their business.

Another similarity is that all of the women I spoke to put their own funds into their businesses and had little to no outside funding opportunities. With their own funds and support from family, sometimes emotional and sometimes financial, they grew their businesses very independently. Some pitched to and were turned down by investors, while others found that there was so little openness to their ideas that they did not bother looking for investment, and instead did all of the funding themselves.

One of the most interesting points to me as I listened to these women's insights and opinions was an idea brought to my attention by Rachael. She believes in the idea of flipping the script on investing in men's and women's startups. As mentioned before, men and women are held to very different standards when it comes to receiving funding for their startup. Men are more often judged based on what they project their future numbers to be, regardless of their current success, or lack thereof. Women are judged only on whether or not they have been able to show good numbers without any funding, not based on their projected growth that would be possible with funding. The majority of focus has been on convincing investors to start holding women to the standards men are being held to, in order to give more funding to women founded

startups with potential. Rachael argued that instead, there needs to be much more of a mix in the way investors and venture capitalists change their approach:

There is a lot of research about this, about how men get funded, and just generally get opportunities, on the basis of potential, and women have to prove themselves. You have to show the numbers you have to show traction, a vision is not enough. You really have to derisk it as much as possible, because you're kind of taking a risk on a woman as an investor. And that's something that I would really like to change, because the whole point of the world of VC [venture capital] and investment is taking leaps of faith. Women need to be supported and for someone to take a leap of faith on us. If we're constantly having to prove ourselves, it's always gonna be not enough for someone, and we're always gonna be in this loop of trying to prove ourselves even after we get funded. It's not necessarily a bad thing, as you can see women led businesses are doing really well, because they focus on delivering results and not just talking. I am hoping that more and more investors get to see that women do the work.

Rather than assuming the standards men are held to are better, she points out the much higher success rates of women once they do manage to get funding. Once women receive funding, "female-owned digital startups are more likely to be successful than those of their male counterparts and that investment in female-founded startups performs 63% better than exclusively male-founded startups" (Angelovska). With having to prove at least some profitability first, investors have a better idea of what these startups will actually be able to do. Men often receive funding and then fail because they did not put in the work to show whether or not their startup was realistic. Rather than asking only for more risk on behalf of women,

investors should also start holding men more accountable and for male startups to show some of the early success that women must demonstrate in order to obtain funding from investors.

Neither solution is enough on its own. Funding is definitely needed earlier in the process for women, who are often unable to really get off the ground without that support. That being said, funding could be much better invested if both men and women were asked to show similar levels of success and projected growth, rather than just one or the other.

Moving forward, setting the stage for more female entrepreneurship is all about taking action to increase visibility, community, and funding for female founded companies. Ecommerce has been a way for women to overcome traditional barriers to entrepreneurship. As a result, female entrepreneurs are at the forefront of the wave toward gender equality in the many areas of business in which they have decided to take the jump of founding their own business.

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