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## DEMOGRAPHIC VARIABLES AND CUSTOMER ORIENTATION ON WOMEN ENTREPRENEURS IN NETWORK MARKETING IN CHENNAI

**K. Vetrichelvi**, Ph.D., (Part Time), Dept. of Corporate Secretaryship, Alagappa University  
Karaikudi

**Dr. C. Vethirajan**, Professor, Department of Corporate Secretaryship, School of  
Management, Alagappa University, Tami Nadu

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**Abstract:** *Network marketing is a subset of direct selling and is also known as, “multi-level marketing”. Multi-level marketing is also called networking marketing, which is a way of distributing and selling products and services through a chain of independent distributors rather than through traditional retail outlets. Human Resource Management is the process of making efficient and effective use of human resource so that the set goals are achieved. HRM seeks to develop the competencies of the employees so as to derive benefit for the organization and to integrate individual and organizational goals, skill formation, and developments are recognized as the main hallmarks of HRM (Goss, 1977). The fastest growing and highly profitable network marketing industry employs talented manpower which needs to be keenly nurtured, managed and motivated. Still it cannot be said that the entrepreneurship movement has taken off the ground and it is felt that the movement is still in the transition period. Entrepreneurship and overall participation of women in the economy are closely related to each other.*

**Keywords:** *Entrepreneurship, Women entrepreneur, Network marketing, Multi-level marketing*

### INTRODUCTION

Women are more communicative and open to share their goals and motives. Many women hope that network marketing is a way by which they can show what they are capable of. It is a chance for some to show their untapped potential. DSWA says that women see direct sales as a unique and empowering profession. One of the major strengths that women have traditionally brought to their network marketing business is their advanced social and people skills. The current range of relationship marketing first puts a new label on the tools that women have always used to build their business. Many people believe that network marketing is a "selling" business, but women know that it is really about sharing and building



long term relationships that lasts, and successful women use these "sharing and caring skills" as a major tool in the recruitment process (Linda Locke 2007). Women's productive activities, particularly in industry, empower them economically and enable them to contribute more to overall development. Whether they are involved in small or medium scale production activities, or in the informal or formal sectors, women's entrepreneurial activities are not only a means for economic survival but also have positive social repercussions for the women themselves and their social environment United Nations Industrial Development Organization (UNIDO, 2001). In many societies women do not enjoy the same opportunities as men. In many transitional economies progress has been achieved in opening doors to education and health protection for women but political and economic opportunities for female entrepreneurs have remained limited. Concerted efforts are needed to enable female entrepreneurs to make better economic choices and to transform their businesses into competitive enterprises, generating income and employment through improved production (OECD, 1997).

## **REVIEW OF LITERATURE**

Dafna Kariv (2012) has done research on the gender gaps found in research in the growth of businesses headed by men or women may be the consequence of their different change-oriented strategies. The purpose of this study is to explore the premise that each genders' use of strategies associated with leading change in their businesses determines those businesses' growth. Findings based on the responses of 260 Israeli entrepreneurs revealed that men and women lead change in their businesses differently, and that the use of these strategies by each gender group is indeed echoed in their businesses' growth. Implications for research and practice are discussed. Questionnaires were delivered by e-mail to 190 entrepreneurs participating in non-academic programs at five centers for entrepreneurial support in Israel (three university-based centers and two government-based centers). The respondents were asked to suggest other entrepreneurs for this study; this procedure produced 100 contact details of entrepreneurs which the author approached by snowball sampling procedure. The 260 completed questionnaires were from 171 (66 percent) entrepreneurs participating in the non-academic programs and 89 (34 percent) of their suggested colleagues. T-tests showed no significant differences between these groups in gender, age, educational level or years of experience as entrepreneurs. Strategies that



emerge as most relevant to business growth are associated with empowering the staff to use more creative and innovative practices and embracing change on a routine basis. While it is common knowledge that “change” should be exhibited by the entrepreneur, the findings suggest that providing the platform or delegating the power to the staff to initiate changes in the business, as well as supporting the staff, are useful to business growth, and therefore in line with the DC framework.

Sally (2013) has reported that the proliferation of enterprise education initiatives in Britain emphasizes the importance of understanding the meaning of the term “enterprise competency”. Ironically, though the provision for enterprise education grows, there are few research and evaluation studies available to clarify the meaning of enterprise competency for education and assessment. A literature review of this area which is published by the Scottish Enterprise Foundation is summarised. Without precise definitions and research enterprise competency risks meaning everything and nothing to those involved with enterprise education and assessment.

### **OBJECTIVES OF THE STUDY**

1. To analyze the regression model for the influence of selected demographical variables and customer orientation on women entrepreneurs in network marketing.
2. To find out the relationship between demographic factors and customer orientation on women entrepreneurs in network marketing in study area.
3. To offer suitable suggestions to improve the customer orientation of women entrepreneurs in network marketing.

### **HYPOTHESIS**

1. There is no significance relationship between the demographical factor and the Customer orientation.
2. There is no significance relationship between the demographic factors and Customer orientation on women entrepreneurs in Chennai District

### **RESEARCH METHODOLOGY**

These study employed both analytical and descriptive type of methodology. The sources of data are primary as well as secondary. Primary data have been collected from the women entrepreneurs in Chennai city. The sampling technique of the study is convenience sampling method. Primary data has been obtained a well structure questionnaire. For the purpose of

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the study area namely Chennai city, a total of 347 sample respondents selected at random. Questionnaire has been design and pretested with 20 women entrepreneurs. After carrying out the pilot study, necessary corrections have been made in the questionnaire based on the pretesting to make it more comprehensive. Secondary data collected from sources such as standard text books, conference and seminar materials, newspapers, journals, magazines and Web, Center for Entrepreneurial Development, Chennai. The sources of data have been analyzed with appropriate advanced statistical tools in order to test the hypotheses formulated and to arrive at definite conclusions.

## RESULTS AND DISCUSSION

This section deals with the descriptive statistics of the women entrepreneurs for Customer orientation with respect to their demographic characteristics namely, Age, Educational Qualification, Size of the Enterprise, Marital Status, Years of Experience, Number of Dependents, Family Type and Form of Ownership.

### Age and Customer Orientation

Results of Mean, Standard Values on Customer Orientation for different categories of women entrepreneurs according to their Age and 'F' value are presented in Table 1

**Table 1 Results of Mean, Standard Deviation on Customer Orientation for different categories of Women Entrepreneurs according to their Age and 'F' value**

Age	N	Mean	SD	F	P-value
Upto 35 years	103	5.681	0.857	4.157	0.016**
36 – 45 years	127	5.849	0.666		
Above 45 years	117	5.961	0.645		

**Source:** Compiled from Primary Data.

\*\* - Significance at 0.01 size

Post Hoc Bonferroni Test: Upto 35 years Vs. Above 45 years

The influence of age on Customer Orientation is given in Table1. ANOVA test has been performed and the result shows a significant outcome ( $F = 4.157$ ;  $p = 0.016$ ), which means that the entrepreneurs differ significantly with respect to their age towards customer orientation. While performing post hoc test, the result shows that among the different age groups, entrepreneurs who crossed 45 years of age (Mean = 5.961; SD = 0.645) have more customer orientation compared to the entrepreneurs who are in the age group of upto 35 years (Mean = 5.681; SD = 0.857).



**Table 2 Educational Qualification and Customer Orientation**

Results of Mean, Standard Values on Customer Orientation for different categories of women entrepreneurs according to their Educational Qualification and 'F' value are presented in Table 2

**Table 2: Results of Mean, Standard Deviation on Customer Orientation for different categories of Women Entrepreneurs according to their Educational Qualification and 'F' value**

Education	N	Mean	SD	F	P-value
Schooling/Diploma	92	5.875	0.117	4.801	0.028*
Under graduation	63	6.000	0.235		
Post graduation	42	5.842	0.665		
Professionals	109	6.250	0.728		
Others	41	5.570	0.807		

Source: Compiled from Primary Data.

\* - significant at 0.05 size; Post Hoc Test - Post Graduation Vs. Professionals

The influence of education on customer orientation is presented in Table 2. ANOVA test has been performed and the result shows a significant outcome ( $F = 4.801$ ;  $p = 0.028$ ), which means that the entrepreneurs differ significantly with respect to their education towards customer orientation. While performing post hoc test, the result shows a significant difference between professionals and post-graduation entrepreneurs. That is, entrepreneurs with professional qualification (Mean = 6.250; SD = 0.728) are having high customer orientation compared to the entrepreneurs with post-graduation qualification (Mean = 5.842; SD = 0.665).

**Table 3 Size of the Enterprise and Customer Orientation**

Results of Mean, Standard Values on Customer Orientation for different categories of women entrepreneurs according to the Size of the Enterprise and 'F' value are presented in Table 3

**Table 3 Results of Mean, Standard Deviation on Customer Orientation for different categories of Women Entrepreneurs according to the Size of the Enterprise and 'F' value**

Sizes of Enterprise	N	Mean	SD	F	P-value
Small	296	5.823	0.746	0.822	0.440
Medium	41	5.973	0.650		
Large	10	5.933	0.190		

Source: Compiled from Primary Data.



The influence of Size of the enterprise on customer orientation is shown Table 3 ANOVA test has been performed and the result shows an insignificant outcome ( $F = 0.822$ ;  $p = 0.440$ ), which means that the entrepreneurs do not differ significantly with respect to their size of the enterprise towards customer orientation.

**Table 4 Marital Status and Customer Orientation**

Results of Mean, Standard Values on Customer Orientation for different categories of women entrepreneurs according to their Marital Status and ‘t’ value are presented in Table 4.

**Table 4 Results of Mean, Standard Deviation on Customer Orientation for different categories of Women Entrepreneurs according to their Marital Status and ‘t’ value**

Marital Status	N	Mean	SD	t-test	P-value
Married	341	5.836	0.727	2.307	0.012
Single	6	6.222	0.535		

Source: Compiled from Primary Data.

The influence of marital status on customer orientation is given in Table 4. T-test has been performed and the result shows a significant outcome ( $t = 2.307$ ;  $p = 0.012$ ), which means that the entrepreneurs differ significantly with respect to their marital status towards customer orientation. It is noted that the entrepreneurs who got married (Mean = 5.836; SD = 0.727) do not have high customer orientation compared to the entrepreneurs who have been Single (mean = 6.222; SD = 0.535).

**Table 5 Years of Experience and Customer Orientation**

Results of Mean, Standard Values on Customer Orientation for different categories of women entrepreneurs according to their Years of Experience and ‘F’ value are presented in Table 5

**Table 5 Results of Mean, Standard Deviation on Customer Orientation for different categories of Women Entrepreneurs according to their Years of Experience and ‘F’ value**

Experience	N	Mean	SD	F	P-value
Upto 5 years	20	5.652	1.022	4.201	0.006*
6 – 10 years	75	5.583	0.851		
11 – 20 years	226	5.924	0.663		
Above 20 years	26	5.871	0.505		

Source: Compiled from Primary Data.

\* - significant at 0.05 size; Post Hoc Test - 6 – 10 years Vs. 11 – 20 years



The influence of experience on customer orientation is shown in Table.5. ANOVA test has been performed and the result shows a significant outcome ( $F = 4.201$ ;  $p = 0.006$ ), which means that the entrepreneurs differ significantly with respect to their experience towards customer orientation. While performing post hoc test, the result shows that among the entrepreneurs with different experience size, entrepreneurs with 6 to 10 years of experience significantly differ from the entrepreneurs with 11 to 20 years of experience. That is, the entrepreneurs with 11 to 20 years of experience (Mean = 5.924; SD = 0.663) have more customer orientation compared to the entrepreneurs who have 6 to 10 years of experience (mean = 5.583; SD = 0.851).

**Table 6 Number of Dependents and Customer Orientation**

Results of Mean, Standard Values on Customer Orientation for different categories of women entrepreneurs according to their Number of Dependents and ‘F’ value are presented in Table 6

**Table 6 Results of Mean, Standard Deviation on Customer Orientation for different categories of Women Entrepreneurs according to their Number of Dependents and ‘F’ value**

Number of dependants	N	Mean	SD	F	P-value
One	217	5.82	0.720	1.298	0.274
Two	66	5.947	0.631		
Three	64	5.795	0.838		

Source: Compiled from Primary Data.

The influence of number of dependants on customer orientation is given in Table 6. ANOVA test result shows an insignificant outcome ( $F = 1.298$ ;  $p = 0.274$ ), which means that the entrepreneurs do not differ significantly with respect to their number of dependents towards customer orientation.

**Table 7 Family Type and Customer Orientation**

Results of Mean, Standard Values on Customer Orientation for different categories of women entrepreneurs according to their Family Type and ‘t’ value are presented in Table 7

**Table 7 Results of Mean, Standard Deviation on Customer Orientation for different categories of Women Entrepreneurs according to their Family Type and ‘t’ value**

Family Type	N	Mean	SD	t-test	P-value
Joint	119	5.908	0.716	0.912	0.362
Nuclear	228	5.809	0.731		

Source: Compiled from Primary Data.



The influence of family type on customer orientation is presented in Table 7. T-test result shows an insignificant outcome ( $t = 0.912$ ;  $p = 0.362$ ), which means that the entrepreneurs do not differ significantly with respect to their family type towards customer orientation.

**Table 8 Form of Ownership and Customer Orientation**

Results of Mean, Standard Values on Customer Orientation for different categories of women entrepreneurs according to their Family Type and 't' value are presented in Table 8.

**Table 8 Results of Mean, Standard Deviation on Customer Orientation for different categories of Women Entrepreneurs according to their Form of Ownership and 't' value**

Form of Ownership	N	Mean	SD	t-test	P-value
Joint Ownership	99	5.829	0.699	0.008	0.994
Family Business	248	5.848	0.738		

Source: Compiled from Primary Data.

The influence of Form of Ownership on customer orientation is given in Table 8. T-test result shows an insignificant outcome ( $t = 0.008$ ;  $p = 0.994$ ), which means that the entrepreneurs do not differ significantly with respect to their Form of Ownership towards customer orientation.

## FINDINGS AND CONCLUSION

The different age groups, entrepreneurs who crossed 45 years of age (mean = 5.961; SD = 0.645) have more customer orientation compared to the entrepreneurs who are in the age group of upto 35 years (mean = 5.681; SD = 0.857).

- Women entrepreneurs with professional qualification (mean = 6.250; SD = 0.728) are having high customer orientation compared to the women entrepreneurs with post-graduation qualification (mean = 5.842; SD = 0.665).
- Women entrepreneurs do not differ significantly with respect to their size of the enterprise towards customer orientation.
- Women entrepreneurs who got married (mean = 5.836; SD = 0.727) do not have high customer orientation compared to the women entrepreneurs who have been Single (mean = 6.222; SD = 0.535).
- Women entrepreneurs with 11 to 20 years of experience (mean = 5.924; SD = 0.663) have more customer orientation compared to the women entrepreneurs who have 6 to 10 years of experience (mean = 5.583; SD = 0.851).



- Women entrepreneurs do not differ significantly with respect to their number of dependents towards customer orientation.
- Women entrepreneurs do not differ significantly with respect to their family type towards customer orientation.
- Women entrepreneurs do not differ significantly with respect to their Form of Ownership towards customer orientation.

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