

Impact of Socio-Economic Factors on the Business Performance of Women Homepreneurs in Puducherry State

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ABSTRACT

Women homepreneurs have emerged as a pivotal force in the informal sector, especially in regions like Puducherry, where cultural, economic, and technological transitions have opened new entrepreneurial avenues. This study investigates the influence of socio-economic factors such as age, education, marital status, spousal support, and digital access on the business performance of women homepreneurs in Puducherry. Using primary data from 120 respondents and supported by quantitative analysis, the research identifies critical enablers and barriers to performance. The paper concludes with policy suggestions to strengthen home-based women entrepreneurship in the region.

Keywords: Homepreneur, women entrepreneur, socio-economic factors, business performance.

INTRODUCTION:

Entrepreneurship has long been recognized as a tool for economic development and gender empowerment. Homepreneurship – entrepreneurial ventures operated from home has increasingly become a preferred model for women in India, combining flexibility with income generation. In Puducherry, a union territory marked by its socio-cultural diversity and mixed economy, women are engaging in diverse home-based enterprises, ranging from tailoring and catering to digital reselling and tuition services. Despite their growing visibility, the performance of these women homepreneurs is heavily influenced by various socio-economic factors. This study attempts to explore how these factors contribute to or constrain their entrepreneurial performance.

REVIEW OF LITERATURE

Home-based entrepreneurship, particularly among women, has garnered increasing attention from scholars, policymakers, and development organizations. According to IWWAGE (2021), socio-economic factors such as educational attainment, digital access, and family background significantly influence women's ability to participate in entrepreneurial activities. Their study emphasizes that digital literacy, ownership of smartphones, and exposure to social networks are strong predictors of performance, especially in informal businesses operated from home. Similarly, SEWA (2020) notes that women engaged in home-based work often face challenges such as lack of mobility, limited access to financial institutions, and undervaluation of their enterprises, all of which impact their business outcomes.

Further, Sharma and Gupta (2019) investigated the role of demographic variables like age, marital status, and household income in determining entrepreneurial performance. They observed that women with greater spousal and family support were more likely to invest time, innovate, and scale their businesses. In their study of urban Indian homepreneurs, Kumar and Lakshmi (2020) identified a direct relationship between microfinance access and business sustainability, particularly among women engaged in tailoring, catering, and local reselling. These findings suggest that financial autonomy, coupled with local ecosystem support, enables women to improve business performance. Moreover, global studies such as those by Marlow and Patton (2005) indicate that gendered perceptions continue to marginalize women entrepreneurs, especially when their ventures are conducted from home and perceived as informal or supplementary.

Despite these insights, many of the existing studies are either generalized to broader categories of women entrepreneurs or focused on national-level trends. Few scholars have explored how localized socio-economic realities such as caste identity, regional digital infrastructure, household income distribution, and local governance shape the experience of women homepreneurs in specific regions like Puducherry. This study aims to bridge this gap by exploring how distinct socio-economic variables influence performance among home-based women entrepreneurs within the unique socio-cultural and economic environment of Puducherry.

Research Gap

While literature on women entrepreneurship in India is well-established, focused research on homepreneurs, particularly in the context of Puducherry, remains limited. Most existing studies emphasize urban or national trends and overlook the localized dynamics of small union territories where cultural norms, digital inclusion, and family structures may differ. There is also limited empirical analysis linking socio-economic indicators such as educational level, digital access, household support, and income class with performance metrics like business growth, customer retention, or income variability in home-based enterprises. Hence, this study fills a critical research gap by analyzing the specific socio-economic factors that impact the performance of women homepreneurs in Puducherry, thereby contributing to both academic understanding and practical policymaking.

Need for the Study

In recent years, the role of women homepreneurs in India has gained prominence as a means to foster inclusive growth and gender empowerment. Puducherry, with its diverse socio-economic fabric and growing informal sector, has witnessed an increase in women-operated home-based businesses, especially in areas such as tailoring, catering, tuition, and digital reselling. However, despite their increasing visibility, the factors that shape the performance of these women-led enterprises remain underexplored. There is a pressing need to understand how socio-economic factors such as education, spousal support, and digital access, affect business outcomes. Such an understanding is essential to design region-specific interventions that can strengthen the ecosystem for women homepreneurs. This study is therefore necessary to bridge the knowledge gap, guide policy formulation, and support the development of targeted programs that enhance the capacity, sustainability, and performance of women homepreneurs in Puducherry.

Research Objectives

1. To analyze the socio-economic profile of women homepreneurs in Puducherry.
2. To examine the impact of socio-economic factors like age, education, marital status, spousal support, and digital access on business performance of women homepreneurs in Puducherry.

RESEARCH METHODOLOGY

The present study follows a descriptive research design to examine the impact of socio-economic factors on the performance of women homepreneurs in Puducherry. A purposive sampling technique was adopted to select 120 women engaged in home-based entrepreneurial activities such as catering, tailoring, tutoring, beauty services, and online reselling. These respondents were drawn from both urban and semi-urban regions of the Puducherry Union Territory. Primary data were collected through a structured questionnaire designed to capture demographic details, socio-economic background, and business performance indicators.

The study considered several socio-economic variables, including age, education level, marital status, spousal and family support, digital access (such as smartphone and internet use), access to financial resources (personal savings, loans, SHG funds), and training and skill development exposure. These variables were analyzed in relation to business performance which is measure with five statements namely ‘My income from home-based business has increased over time’, I am able to manage business expenses and earn a surplus, I regularly retain my customers and attract new ones, I feel satisfied with the growth of my home business, and I have confidence in expanding my business in the future. All the statements were measured using five-point Likert scale. Statistical tools such as descriptive analysis, t-test, and ANOVA were used to interpret the relationship between socio-economic factors and business performance of women homepreneurs. This methodology enabled a focused understanding of the contextual realities faced by women homepreneurs in Puducherry.

Analysis and Interpretation

Table 1: Socio-Economic Profile of Women Homepreneurs

Socio-Economic Factor	Category	Frequency	Percentage (%)
Age Group	Below 30 years	28	23.3%
	30–45 years	62	51.7%
	Above 45 years	30	25.0%
Education Level	Up to SSLC/HSC	52	43.3%
	Graduate and above	68	56.7%
Marital Status	Married	94	78.3%
	Unmarried / Widowed / Others	26	21.7%
Spousal Support	Yes	70	58.3%
	No	50	41.7%
Digital Access	Owns smartphone and internet	87	72.5%
	No digital access	33	27.5%
Access to Financial Support	Yes (SHG/Bank/MFI)	66	55.0%
	No	54	45.0%
Participation in Training	Yes	40	33.3%

	No	80	66.7%
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The frequency table provides a clear snapshot of the socio-economic characteristics of the 120 women homepreneurs surveyed in Puducherry. A majority (51.7%) fall within the 30–45 age group, indicating a strong entrepreneurial base among middle-aged women. Most respondents (56.7%) hold at least a graduate-level education, suggesting an encouraging level of educational attainment, and about 78.3% of the women are married.

Notably, 58.3% of respondents reported receiving spousal support for their business, and 72.5% had access to smartphones and the internet highlighting the increasing digital inclusion among women entrepreneurs. However, only 55% had access to formal financial support such as SHG or bank loans, and just one-third (33.3%) had participated in any formal entrepreneurship or vocational training program. These figures underline the need for greater outreach in financial and skill-building initiatives.

Table 2: One-Way ANOVA – Age and Business Performance

Age Group	N	Mean Score	Standard Deviation	F-Ratio	p-Value
Below 30 years	28	15.32	0.82	33.70	< 0.001
30–45 years	62	19.51	1.05		
Above 45 years	30	16.23	0.92		

The one-way ANOVA was conducted to examine whether there are significant differences in business performance scores among women homepreneurs across three age groups: below 30 years, 30–45 years, and above 45 years. The results revealed a statistically significant difference in business performance scores between the age groups, $F(2, 27) = 33.70$, $p < 0.001$.

Among the three groups, homepreneurs in the 30–45 years age bracket reported the highest mean business performance score ($M = 19.51$), suggesting that women in this age range may benefit from a balanced mix of experience, motivation, and family support. Women below 30 years showed the lowest average score ($M = 15.32$), possibly due to limited business experience or shorter duration in entrepreneurship. The above 45 years group scored moderately ($M = 16.23$), which may reflect changing priorities or energy levels over time.

These findings imply that age plays a significant role in shaping entrepreneurial outcomes, with the middle age group (30–45 years) showing the strongest performance in managing and growing home-based businesses.

Table 3: Business Performance by Education Level

Education Level	N	Mean Score	Standard Deviation	t-Statistic	p-Value
Up to SSLC / HSC	52	15.23	2.10	4.57	<0.001
Graduate and Above	68	19.04	2.00		

Women homepreneurs with graduate-level education or above scored significantly higher on overall business performance ($M = 19.04$) compared to those with only secondary education ($M = 15.23$). The t-test shows a statistically significant difference ($p < 0.01$), suggesting that education positively impacts entrepreneurial confidence, management, and growth perception.

Table 4: Business Performance by Marital Status

Marital Status	N	Mean Score	Standard Deviation	t-Statistic	p-Value
Married	94	18.80	1.98	3.92	<0.001
Unmarried/Widowed	26	15.71	2.20		

Married women reported a significantly higher business performance score ($M = 18.80$) than their unmarried or widowed counterparts ($M = 15.71$). The p-value (0.0015) indicates marital stability and shared financial planning may contribute to better perceived business success.

Table 5: Business Performance by Spousal Support

Spousal Support	N	Mean Score	Standard Deviation	t-Statistic	p-Value
With Spousal Support	70	19.36	1.85	6.28	<0.001
Without Spousal Support	50	15.41	2.15		

Women receiving spousal support for their business scored significantly higher in perceived business performance. The difference ($M = 19.36$ vs. $M = 15.41$) was highly significant ($p < 0.001$), reflecting that emotional, financial, or operational support from partners enhances women’s business confidence and growth outcomes.

Table 6: Business Performance by Digital Access

Digital Access	N	Mean Score	Standard Deviation	t-Statistic	p-Value
With Smartphone & Net	87	19.62	1.50	7.89	<0.001
Without Digital Access	33	14.83	2.10		

Access to smartphones and the internet had a strong positive effect on business performance. Women with digital access scored almost 5 points higher ($M = 19.62$) than those without ($M = 14.83$). The result is highly statistically significant ($p < 0.001$), highlighting the critical role of digital tools in expanding customer reach, marketing, and efficiency.

The t-test results revealed statistically significant differences in business performance across several socio-economic variables. Women homepreneurs with graduate-level education and above demonstrated a notably higher average performance score compared to those with only secondary education, indicating that formal education contributes positively to business understanding, confidence, and operational efficiency. Similarly, marital status emerged as a significant factor, with married women reporting better performance, possibly due to greater financial stability and shared household responsibilities.

Spousal support showed one of the strongest associations with business performance. Women who received emotional, financial, or logistical support from their husbands reported significantly higher scores than those without such support. This finding emphasizes the importance of supportive family dynamics in enhancing entrepreneurial confidence and capacity. Additionally, digital access proved to be a critical performance enabler. Women who owned smartphones and had regular internet access reported substantially better business outcomes than their digitally excluded counterparts. This underscores the role of digital tools in expanding market reach, customer interaction, and operational management for women homepreneurs.

In conclusion, the statistical evidence highlights that education, marital support, and access to digital and social resources are significant socio-economic enablers influencing the perceived and actual success of women-led home-based businesses in Puducherry.

Major Findings

The statistical analysis using independent t-tests and one-way ANOVA revealed several significant insights into the impact of socio-economic factors on the performance of women homepreneurs in Puducherry:

- The one-way ANOVA showed a statistically significant difference in performance across age groups. Women aged 30–45 years had the highest business performance scores compared to those below 30 or above 45. This age group appears to strike a balance between maturity, motivation, and life-stage flexibility, enabling stronger entrepreneurial engagement.
- Educational Qualification was found to have a significant impact on business performance. Women with graduate-level education or above reported notably higher performance scores compared to those with only secondary-level education, indicating the importance of formal education in managing and scaling home-based businesses.
- Marital Status influenced performance outcomes. Married women exhibited significantly higher business performance scores than their unmarried or widowed counterparts, likely due to greater financial stability and shared family responsibilities.
- Spousal Support emerged as one of the most influential factors. Women who received emotional, financial, or operational support from their spouses consistently outperformed those who did not, highlighting the role of a supportive domestic environment in entrepreneurial success.
- Digital Access significantly improved business performance. Homepreneurs with smartphones and

internet access had higher scores across all performance indicators, underscoring the importance of digital literacy and connectivity in marketing, communication, and business operations.

These findings collectively suggest that education, family dynamics, digital tools, and life stage significantly shape the success and sustainability of women-led home enterprises in Puducherry.

Suggestions

Following are the suggestions derived from the results of this study.

Promote Skill-Based and Entrepreneurial Education for Women

Since education has a significant impact on business performance, the government and NGOs should promote tailored training programs in financial literacy, digital marketing, pricing, and inventory management. Vocational courses and entrepreneurship modules should be included in women's colleges and community learning centers to equip aspiring homepreneurs with essential business skills.

Encourage Spousal and Family Involvement Through Awareness Campaigns

Given the strong influence of spousal support on business outcomes, awareness programs can be launched to sensitize men and family members about the economic and personal benefits of supporting women's entrepreneurial ventures. Community-based discussions

and male-inclusion workshops may foster a more cooperative household environment.

Enhance Digital Literacy and Provide Affordable Digital Tools

As digital access significantly boosts business performance, more women should be equipped with smartphones and trained in using e-commerce, digital payment systems, and social media marketing. Government schemes should subsidize basic tech tools and provide rural internet infrastructure to close the digital divide.

Support Women in the 30–45 Age Group Through Targeted Growth Schemes

Since women in the 30–45 age group show the highest business performance, targeted microfinance schemes, market linkages, and business mentoring programs should be designed to help them scale up from survival to growth-stage enterprises. This group can also be trained as mentors for younger or older women entrepreneurs.

Facilitate Access to Institutional Credit and SHG Networks

Many women still lack access to formal credit despite positive outcomes associated with financial support. Banks and microfinance institutions should simplify documentation for home-based businesses and collaborate with SHGs to promote credit inclusivity. Awareness drives on schemes like MUDRA, NRLM, and Stand-Up India should be expanded in regional languages.

Create Digital and Physical Homepreneur Hubs

Local governments can establish digital and physical business support centers such as “Homepreneur Hubs” that provide shared working spaces, internet access, packaging support, and guidance on legal registration and branding. These hubs would especially benefit women operating from homes in space-constrained settings.

CONCLUSION

The study reveals that socio-economic factors such as educational attainment, marital status, spousal support, digital access, and age significantly influence the business performance of women homepreneurs in Puducherry. Among these, spousal support and digital access emerged as particularly strong enablers, while women in the 30–45 age group demonstrated the highest entrepreneurial outcomes. The findings highlight the need for multi-dimensional support systems—combining education, technology access, family involvement, and financial inclusion—to unlock the full potential of women-led home-based enterprises. By addressing these critical areas through targeted interventions and inclusive policies, stakeholders can foster sustainable growth, empowerment, and economic resilience among women homepreneurs in the region.

Limitations and Scope for Further Study

This study was limited to 120 respondents and primarily focused on urban and semi-urban areas. Future research may include a longitudinal study, explore sector-wise differences, or compare urban and rural women homepreneurs across different union territories or states.

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