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# Bharat Women Aspiration Index Report

A Catalyst for Change



# Foreword

## How we're setting the tone for empowering women in the business world.

I extend my heartfelt appreciation to the team behind the 'Bharat Women Aspiration Index' that encapsulates the aspiration of women entrepreneurs and brings to limelight the challenges they face in their journey.

The findings of the report published by Tide India will be very crucial as it provides insights and practical wisdom on the opportunities and challenges faced by women entrepreneurs from Tier II and beyond cities of India. This can act as a catalyst for change, paving the way for a more diverse and supporting eco-system. Increasing the number of growth-oriented women entrepreneurs has a catalytic effect

on women's labour force participation rates. However, this needs efforts to understand their needs at various stages of their entrepreneurship journey and make investments in creating a robust eco-system to fulfil their varied needs.

It is often difficult for policy makers to make informed decisions without having the right data. By acknowledging the realities highlighted in the report, we can collectively work towards creating a more inclusive and supporting eco-system for women entrepreneurs. The reports insights are important for policy makers, organisations and individuals connected to fostering gender equality and empowerment.

### Dr. Sriparna B Baruah

Advisor (North Eastern Handicrafts and Handlooms Development Corporation Limited)

Former Senior Faculty and Head- CIE (Indian Institute of Entrepreneurship)

[www.sriparna.in](http://www.sriparna.in)



# Executive Summary

## Empowering She-Economy: A Rising Tide of Women-Led Businesses

The Micro, Small & Medium Enterprises (MSME) landscape is undergoing a phenomenal transformation, fuelled by the rising tide of women entrepreneurs. Taking into cognizance this remarkable change, Tide has launched the Bharat Women Aspiration Index (BWA), a detailed survey that highlights a fascinating trend – a surge in women entrepreneurship in smaller towns compared to bigger cities.

This report encapsulates the aspirations of women entrepreneurs, and brings to limelight the challenges they face in their journey. These trends present considerable opportunities for us as stakeholders to bridge the gap and further strengthen women entrepreneurship in the MSME sector.

Surprisingly, one of the key findings of the report is that women entrepreneurs have greater flexibility in starting their own business, thanks to strong family support. In fact, nearly 77% of women acknowledged family support as one of the key factors for their success. A strong sense of family welfare is also one of the top motivating factors for women venturing into entrepreneurship. Additionally, the BWA suggests a growing trend of women re-entering the workforce after raising children, leveraging their skills and experience to launch successful businesses. This defines a positive trend in women-led entrepreneurship that needs nurturing by the society.

Another key finding is that about 63% of women entrepreneurs have also attributed their success to mentorship programs that have equipped them to run their ventures efficiently. Personal experiences and learnings when shared with aspiring and new entrepreneurs guides them to make more informed decisions as well as prepare them for challenges that they will face in their road to success.

The inference is simple. A growing number of women entrepreneurs in the MSME sector will likely result in a resilient and family-centric entrepreneurial ecosystem that will have a positive impact on both the economy and society, thus leading to increased innovation and job creation. With a strong sense of family welfare and community development, the focus will be on creating long-term viability of the businesses, thus creating a more sustainable economic ecosystem.

Of course challenges remain. One key findings of the report highlight that access to funding remains a key challenge for women entrepreneurs in the MSME realm. Although the data suggested that 52% women have access to credit, a substantial portion (46.7%) still faces challenges. And a staggering 95% of women entrepreneurs are unaware of existing financial schemes. Digital literacy too remains a grey area when it comes to women entrepreneurs.

As stakeholders, this offers us a great opportunity to create tailored programs and create awareness amongst these entrepreneurs. And this can be achieved through collaborations and partnerships. For instance, 'Saarthika' – a collaboration between Tide and Telangana's state-led incubator for women entrepreneurs, WeHub, has enabled women entrepreneurs in the region to learn about government's innumerable schemes and avail them accordingly. This has not only created awareness around the financial schemes available exclusively for women entrepreneurs but has also strengthened the digital skills of the women.

Another area of struggle for women entrepreneurs has been achieving work-life balance. Starting a business requires enormous efforts in terms of both time and resources, however, with a strong support system such as childcare support, flexible work arrangements, and time management strategies can create a more conducive environment for women entrepreneurs to not only run their businesses but also thrive in the market.

There are no prizes for guessing that the rise of women entrepreneurs presents an incredible opportunity for economic growth and social progress. By addressing the challenges identified in this report, stakeholders in both public and private sectors can work together to bridge the gap between aspiration and action. Equipping women with digital skills, promoting awareness about different supportive programs, and creating a more flexible work environment are great enablers for empowering women entrepreneurs and unlocking their full potential.



**Gurjodhpal Singh**

CEO, Tide (India)

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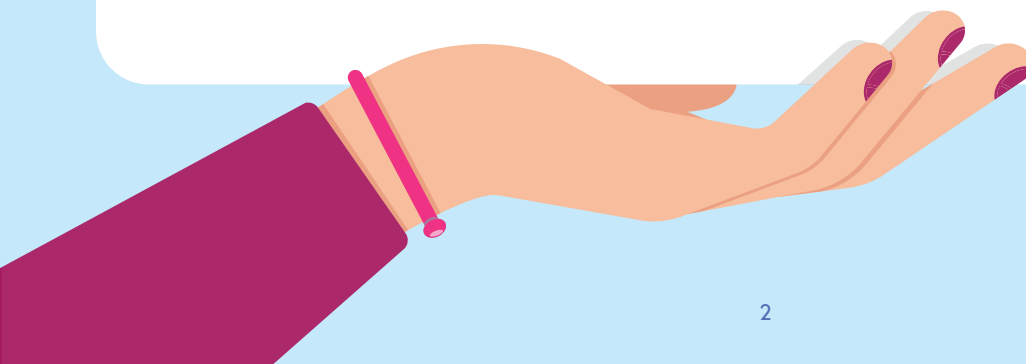
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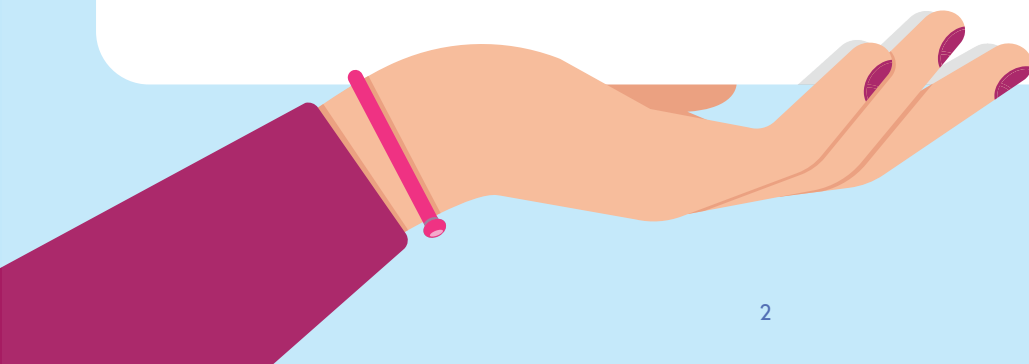
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# Introduction

## Behind the scenes of our women in business survey.

In 2022, we set our sights on a bold target: to welcome 500,000 women-led businesses in India by the end of 2027<sup>1</sup>.

This commitment was ignited by the 2019-20 Annual Report published by the Ministry of Micro, Small and Medium Enterprises (MSME), Govt. of India<sup>2</sup>, which highlighted that, of the 63.3 million MSMEs in India, only 20.5% were run by women. Of them, nearly half (49.9%)<sup>3</sup> started their business out of necessity rather than aspiration. We knew there was an untapped potential within the Indian economy, and we were determined to find that aspiration.

One of the biggest barriers to financial institutions supporting women entrepreneurs is the lack of reliable data disaggregated by gender. Some formal institutions have launched schemes to target the business needs of women-owned businesses, however a lack of awareness and limited outreach – especially in semi-urban and rural areas – has limited the impact. There are limited region-wise assessments that provide granular insights into the trends related to women entrepreneurs. Hence, a country-level diagnostic study about the women-owned small business community was essential to provide a contextual background and to design country-specific strategies.

To do this, we turned to our community, and we surveyed our members\* from across

India, to get their insights. And with 1200 responses, we gained a wider perspective on their thoughts and aspirations.

In the pages ahead, we'll share with you what these incredible women had to say.



# Objective

## Decoding Aspiration: Tide India Launches the Bharat Women Aspiration Index

In the past few years, there has been a significant rise in the number of women entrepreneurs in the country – a remarkable paradigm shift in the cultural fabric of the country. What's more interesting is that while women in megacities have been increasingly taking up entrepreneurial roles, women in tier II and tier III cities too have been parallely penning their own entrepreneurial stories.

To further understand this growing trend, Tide India launched the survey, Bharat Women Aspiration Index (BWA) – an initiative that discovers the aspirations of women entrepreneurs in the country and further empowers them in achieving their dreams of becoming financially independent.

As the name suggests, the Bharat Women Aspiration Index has surveyed 1200 new and existing women entrepreneurs in smaller cities, with a focus on 'Bharat' that indicates the immense potential in tier II & III cities – beyond the usual metropolitan cities such as Delhi, Mumbai, Bangalore, Kolkata, and Chennai among others.

Designed to become a national thought leadership platform, the Bharat Women Aspiration Index is an annual research report that aims to bring the aspirations of women entrepreneurs in smaller cities to the limelight. The report surveys women entrepreneurs from tier II and beyond, across the country, with respondents belonging to the age group of 18 to 50 years.

The government data for Micro, Small & Medium Enterprises (MSME) indicates an enormous potential for growth and increased impact on India's economy

20.5%

Share of women-led SMEs in India



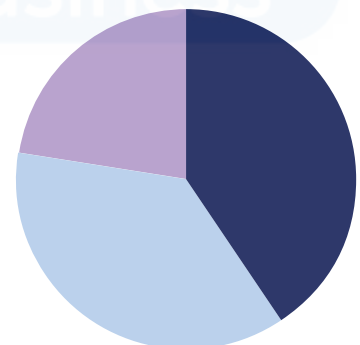
18.73%

Contribution to employment



11.15%

Contribution to investments



In such a scenario, the BWAI delves deeper into this trend, specifically within the tier II cities and beyond, providing valuable insights for policymakers, businesses, and social organizations. The report moves beyond counting the number of women entrepreneurs and highlights factors that have both promoted and hindered the growth of women-led business ventures in these cities.

## Bharat Women Aspiration Index Report: A Catalyst for Change

The report's key purpose has been to identify trends that enable different stakeholders to take action that further promotes women entrepreneurship in tier II & III cities. The BWAI serves as a catalyst and offers the following to different stakeholders.

**Targeted Initiatives:** The insights from the report enable organizations such as Tide India to develop targeted programs and support systems that cater to the specific needs of women entrepreneurs in Tier 2 cities and beyond. These initiatives could range from digital literacy training to access to mentorship and financial resources.

**Policy Advocacy:** The BWAI can serve as a powerful advocacy tool, influencing policymakers to create a more enabling environment for women entrepreneurs. This could involve advocating for changes in regulations, access to funding, or mentorship programs at the national and regional levels.

**Collective Action:** The BWAI is a collaborative effort and this collaborative spirit can foster a united front in supporting women's entrepreneurship across India.



# Methodology

## How we're setting the tone for empowering women in the business world.

At Tide, we're not just a financial services provider, we're a community driven by a shared vision that gender should never stand as a barrier to pursuing entrepreneurship. That's why our mission is crystal clear: to champion and support more women on their journey towards successful business ventures.

While we celebrate the rising numbers of women-led businesses in India, we also acknowledge that many women still face obstacles when starting their own. With our extensive experience of working closely with small businesses, we're perfectly placed to help women take the brave leap into entrepreneurship.

So, we floated a survey among our 23000-strong women member (small businesses) base, out of which about 1200 women entrepreneurs responded to the survey. The first word Bharat indicates the research is for a population beyond metro cities, where citizens do not have similar opportunities and access as compared to metro counterparts. Since there is a significant discussion on India's next stage of economic growth coming from Tier 2-6 cities and towns, we plan to involve various industry leaders, policy makers, academicians, and other intellectuals across the country, to participate in collaborating or sharing their thoughts on how we can make every aspiration count. We're not just making a difference in the business world; we're creating a lasting impact.



# Key Findings

This survey data reveals several key trends and inferences about women entrepreneurs in tier 2 and beyond. Some of the key findings are:



## Family well-being is the strongest stimulus for women entrepreneurs

At least 30.6% of the respondents said that they wanted to create a better future for their family. This is closely followed by 28.3% of women who suggested that they wanted to support their families with additional income. Collectively, the need to ensure

family well-being via financial contribution stands out as the top motivation for women to start their businesses. Nevertheless, 31.8% women have cited financial independence as the biggest reason for starting their venture.

30.6% of the respondents want to create a better future for their family

28.3% of the part women members want to support their families with additional income

31.8% of the participants cited financial independence as the biggest reason for starting up

## Community Growth and Development: A key factor for growing entrepreneurship amongst women

Interestingly, 20.8% of respondents stated that they became entrepreneurs to make a positive impact on the community, while 17.83% aspire to be role models for other women, thus suggesting a growing trend of women entrepreneurs who view their ventures as a catalyst for social change and inspiration.



20.8% of respondents took to entrepreneurship to make a positive impact on the community

17.83% of our women members aspire to be role models for other women

## Strong family support: An enabler for entrepreneurship amongst women

In what can be considered as a break with convention, at least 78% women stated that they had a high level of family support when starting businesses while a majority of the respondents i.e. 76.4% women who

were surveyed cited family support as a key factor behind their successes. This indicates the crucial role families play in encouraging and enabling women's entrepreneurial journeys.

78% women stated that they had a high level of family support when starting businesses

76.4% of the participants cited family support as a key factor behind their successes

## Access to mentorship: Equipping women entrepreneurs

In a significant development in the MSME sector, 62.5% of women business owners who were surveyed, have access to mentorship which has equipped them with the necessary knowledge and tools to run

their businesses efficiently. However, the report also revealed that 26.3% women entrepreneurs lack any form of mentorship, leaving significant room for stakeholders to take measures to bridge the gap.

62.5% of the respondents have access to mentorship

26.3% women entrepreneurs lack any form of mentorship

## Navigating the financial landscape

The report highlighted that while 52% women entrepreneurs have access to financial credit, a notable portion of women business owners i.e. 46.7% still face challenges in accessing any form of credit. Meanwhile 74.9% women firmly believe that tailored financial programs can further promote entrepreneurship amongst women, making their journey financially seamless. On being asked if they were aware of any



existing financial schemes or initiatives, nearly 95% respondents answered negatively.

This highlights how stakeholders such as the government and financial institutions need to take measures to create awareness about existing and new schemes along with educating them about different financial tools available to them.

52% women entrepreneurs have access to financial credit

74.9% of the respondents firmly believe that tailored financial programs can promote entrepreneurship amongst women

95% respondents answered negatively weren't aware of any existing financial schemes or initiatives

## Empowering Women through Digital Literacy



One of the key findings of the report has been the overwhelming belief in the importance of digital literacy among women entrepreneurs. Over three-fourths

of the respondents i.e. 76.3% women realize the importance of digital literacy and how it is an enabler in their journey to achieve their dreams. However, measures need to be taken to strengthen digital literacy as 50.7% entrepreneurs face challenges when it comes to accessing digital tools or technology. The finding substantiates that while strides have been made in promoting digital literacy amongst women entrepreneurs in the MSME sector, more can be done to make it more accessible for them.

76.3% women realize the importance of digital literacy and how it is an enabler in their journey

50.7% entrepreneurs face challenges when it comes to accessing digital tools or technology

## Key challenges and opportunities

From easy access to finance to balancing work-life balance, women entrepreneurs have been facing a multitude of challenges in their entrepreneurial journey.

To further elaborate, while 31.4% women felt access to easy credit is difficult, 12.7% women cited cultural barriers as a challenge.

Another key challenge has been gender discrimination. While 51.6% women have faced gender discrimination in their journey as entrepreneurs, past trends suggested that this proportion was much higher in the last decade vis-à-vis the present times, thus signifying a tectonic shift in the cultural norms.

However, the survey also identified unique opportunities that women entrepreneurs have been able to leverage for their businesses. While 38.1% felt they had easier access to local customers, 19.8% said that they faced lower competition. Nearly 45% of women business owners said strong family support is a key to setting up and running their business efficiently. A 14.8% of women



are enjoying first-mover advantage as they have access to an unpenetrated market while 16.4% respondents said access to talent has been easier, thus creating a fairly conducive environment for their businesses.



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# Action

## How we're contributing to creating a brighter future for women in business.

At Tide, we believe in celebrating resilience, empowerment, and the amazing results that come from supporting one another.

To back that, we launched two unique initiatives in the year 2023 :

### Sarthika

A collaboration between Tide and Telangana's state-led incubator for women entrepreneurs, WEHub, in order to bridge the information and last-mile delivery gaps in state and central government schemes for women-led micro, small and medium-sized enterprises (MSMEs).

Through this, we aim to reach women entrepreneurs across India and enhance the ease of doing business by improving access to information and the uptake of public schemes and initiatives. The Sarthika web portal works with the cohort at the grassroots level to help them navigate through the application process, eligibility criteria, and other important aspects of the schemes. After the completion of the full KYC process, Tide India and WE Hub work with relevant government departments to quicken the operationalisation of the schemes.

### Ekatritt

As the name suggests, Tide's flagship event is aimed at bringing together small businesses from across India with an aim to-

- Give them a platform to voice their pain points
- Initiate dialogue on financial inclusion
- Champion the cause of SMEs
- Create a network of enthusiastic entrepreneurs from every region
- The first season was held in Guwahati, Assam in April 2023, while Season 2 is scheduled to be held in Hyderabad, Telangana in May 2024.



And this is only the beginning. Fuelled by our passion to make an even bigger difference, we announce the launch of Tide Women in Business Ensemble (TWIBE) — Regional Peer Community Groups, as part of our community building initiative.

These five Regional Chapters i.e. East, West, North, South and Northeast, will comprise 10 women members each from within Tide and will be spearheaded by a Regional MSME Expert.

As one of the key findings of this report indicates that about 63% of women entrepreneurs attribute their success to mentorship programmes that equip them to run their ventures efficiently, Tide Women in Business Ensemble (TWIBE) aims to do exactly that. Personal experiences and learnings when shared with aspiring and new entrepreneurs guides them to make more informed decisions as well as prepare them for challenges that they will face in their road to success. Additionally, these networking groups will also help women-led small businesses with digital skills, along with free training and targeted advice to tackle critical business challenges head-on.

At Tide, we believe women are better leaders and nurturing that leadership streak is what we strive to do, by empowering one women-led business at a time.

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# Conclusion

## Taking big strides...

The Bharat Women Aspiration Index has been an eye-opener for the changing trends in the MSME sector, especially for women entrepreneurs. The findings have brought to limelight key aspirations of women entrepreneurs such as their strong desire for financial independence, a positive community impact, and a need

for supportive ecosystems. By addressing the challenges related to access to finance, mentorship, digital literacy, and work-life balance, stakeholders can truly empower women entrepreneurs to leverage the unique opportunities available in their regions and contribute to a more inclusive and thriving entrepreneurial landscape.



# References



<sup>1</sup>[Tide commits to empowering 500,000 women-led small businesses in India by 2027](https://www.tide.co/en-in/blog/tide-update/tide-commits-to-empowering-500000-women-led-small-businesses-in-india-by-2027/)  
<https://www.tide.co/en-in/blog/tide-update/tide-commits-to-empowering-500000-women-led-small-businesses-in-india-by-2027/>

<sup>2</sup> [Annual Report 2019- 20 of Ministry of Micro, Small and Medium Enterprises, Govt. of India](https://www.indiaspend.com/uploads/2021/02/20/file_upload-417395.pdf)  
[https://www.indiaspend.com/uploads/2021/02/20/file\\_upload-417395.pdf](https://www.indiaspend.com/uploads/2021/02/20/file_upload-417395.pdf)

<sup>3</sup>[November 2020 report of the Initiative for What Works to Advance Women and Girls in the Economy \(IWWAGE\)](https://www.indiaspend.com/uploads/2021/02/20/file_upload-417402.pdf)  
[https://www.indiaspend.com/uploads/2021/02/20/file\\_upload-417402.pdf](https://www.indiaspend.com/uploads/2021/02/20/file_upload-417402.pdf)

<sup>4</sup>[Tide and WE Hub together launch 'Sarthika' to operationalise Government schemes for Women MSMEs](https://www.tide.co/en-in/blog/tide-update/tide-and-we-hub-together-launch-sarthika-to-operationalise-government-schemes-for-women-msmes/)  
<https://www.tide.co/en-in/blog/tide-update/tide-and-we-hub-together-launch-sarthika-to-operationalise-government-schemes-for-women-msmes/>

\*Tide addresses its customers (SMEs), as members. Tide is the leading business financial platform in the UK and one of fastest growing UK Fintechs in India. We're happy to share that Tide is now home to more than 10% market share in the UK, where we have more than 575,000 businesses on the platform. We are now the leading business financial platform in the UK. Since Tide's launch in India in December 2022, we have more than 225,000 members (customers) on the platform.

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