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MOTIVATIONAL FACTORS, FACILITATORS, OBSTACLES AND GENDER DIFFERENCES: AN EXPLORATORY STUDY OF THAI ENTREPRENEURS

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Abstract

The objective of this study is to identify the motives for starting a business, the perceived facilitators, obstacles and gender differences between Thai male and female entrepreneurs. A questionnaire survey was administered to entrepreneurs in Bangkok yielding a total sample of 103 respondents. Data were analyzed using cross-tabulation analysis. The results indicated that for male entrepreneurs, the desire to own a business, opportunity to earn higher income, passion for a product, the desire to be one's own boss, taking over family business and unemployment were cited most frequently as motivators. Among the female entrepreneurs, the top motives were the desire to own a business, unemployment, the desire to be one's own boss, passion for a product, the opportunity to increase income, and taking over family business. For women, unemployment appeared to push them to become an entrepreneur, while for men, financial motive was a pull factor. For both men and women, the factors perceived to be facilitators were mainly related to personality traits of perseverance, honesty, diligence and sincerity. Competition, low profitability, adverse economic and weather conditions were viewed as obstacles in running their business for both male and female entrepreneurs in this study. Implications of the study and recommendations for aspiring entrepreneurs are discussed.

Keywords

Entrepreneur, Entrepreneurship, Motivational Factor, Personality Trait, Gender Differences, Thailand

1. Introduction

Entrepreneurship in Thailand has experienced significant growth in recent years, in large part, due to the favourable conditions for entrepreneurs. Globally, Thailand is ranked second among 65 countries as measured in terms of the rate of established-business ownership (27.5%) according to the Global Entrepreneurship Monitor (GEM) survey for the period 2016-2017 (GERA, 2017). Several factors have contributed to the increase in entrepreneurship in Thailand. The Thai participants in the GEM survey reveal that they are not deterred by the fear of business failures, placing the country as high as third among the 65 economies on this indicator. At the societal level, Thais tend to hold positive attitudes towards entrepreneurs who enjoy high status in Thai society. Such social attitudes have influenced, to some extent, the new generation to consider choosing entrepreneurship as a choice of career. Thai culture also encourages experimentation and innovation and hence, it would not be difficult for someone to start afresh after failing. In terms of entrepreneurial intention, the results reveal that within the next three years, the Thai respondents plan to set up their own business. Another interesting finding is that a large proportion of Thai women express an intention to become entrepreneurs. In general, successful business people in Thailand command high social status and admiration among the Thai people (Limsamarnphun, 2017). Given the positive prospects for entrepreneurs in Thailand, the current study seeks to understand the motivational factors among individuals who have made the choice to become entrepreneurs. Prior studies have found different profiles among those motivated by opportunity versus necessity (Zwan, Thurik, Verheul & Hessels, 2016). Specifically, this study attempts to identify gender differences in the push and pull factors, facilitators and challenges confronted by entrepreneurs in the Thai cultural context. Another aim of this study is to assess the usage of social media in entrepreneurship given the advent of the Internet, social media applications (Mack, Marie-Pierre and Redican, 2017) and impact of social media on small businesses (Jones, Borgman & Ulusoy, 2015). The following sections present a review of the literature, the theoretical framework, the methodology, the discussion of the findings, conclusion and implications.

2. Review of Relevant Literature

2.1 Economic Perspective of Entrepreneurship

The theoretical framework for the current study draws on the economic perspective and push-pull theory of entrepreneurship for explaining the factors that motivate men and women to become an entrepreneur. The economic perspective is based on the logic of human capital and decision theories (Douglas & Shepherd, 2002). The decision theory holds that an individual faces a problem of deciding between wage-employment and self-employment. The basis for a decision-theoretic problem is the expected return from entrepreneurship and attitudes towards risk less the monetary and psychic costs of entrepreneurship and expected returns from wage labor (Campbell, 1992). The human capital theory suggests that, in considering alternative occupations, an individual weighs the benefits, such as expected earnings and non-monetary benefits and costs, such as expected forgone earnings and training (Boskin, 1974). Hence, an individual's choice of career is influenced by utility maximization. In the context of entrepreneurship, the decision to start a business, therefore, involves weighing the expected benefits and costs.

2.2 Push-Pull Theory of Entrepreneurship

The push-pull theory of entrepreneurship can also provide the basis for understanding the motivations for becoming an entrepreneur. Entrepreneurial motivations can be categorized into push and pull factors (Schjoedt & Shaver, 2007; Segal *et al.*, 2005). Push factors, often have negative connotations, are related to elements of necessity, such as insufficient family income, dissatisfaction with a salaried job, difficulty in finding work and the desire for flexible work schedule. Pull factors are those that draw people to enter self-employment and become an entrepreneur. Pull factors are related to independence, self-fulfilment, desire for wealth, entrepreneurial drive, social status and power (Ducheneaut, 1997).

3. Methodology

3.1 Research Site

The research site for this study is one of the world's largest weekend markets, Chatuchak Weekend Market located in Bangkok and commonly known as JJ ("jay jay") among the Thais (TAT, 2017). The market, which occupies 27 acres, has over 15,000 retailers selling a variety of merchandise ranging from vintage clothing, books, magazines, Thai crafts, teak wood tables, chairs, lamps, décor items to fashion items.

3.2 Data Collection

Data were collected using a questionnaire consisting of open-ended questions on the motivational factors for choosing to become an entrepreneur, the obstacles and challenges faced in running one's own business and demographic questions. A team of fieldworkers administered the survey to a sample of retail shop owners and collected the completed questionnaires while on site. Data were analyzed using cross-tabulation analysis. The original questionnaire was developed as part of a larger study on Thai entrepreneurs.

3.3 Sample

The sample consisted of 103 entrepreneurs, of whom 42 were male and the remaining 61 were female. With respect to marital status, 71% of the men were married (n=30), while the remaining 29% were single (n=12). Over half of the women were married (56%, n =34), 39% were single (n=24), while 5% were divorced (n=3). Their ages ranged from 24 to 60 for the male respondents and 23 to 57 years for the female respondents. The average ages were 42 years and 38 years for the male and female entrepreneurs, respectively. In terms of educational background, a large proportion of the entrepreneurs had high school qualifications. Fifty-two per cent of the male entrepreneurs completed high school, 29% held a bachelor's degree, 14% had elementary education, while 5% (n=2) earned a master's degree. The female entrepreneurs were, on the whole, a slightly less educated group. Forty-six per cent of the female entrepreneurs had completed high school, 30% had finished elementary schooling, 23% held a bachelor's degree, while only one female respondent held a master's degree (1.6%). Seventy-four percent of the male entrepreneurs (n=31) had prior experience of establishing a business, while 46 female business owners (75%) had founded their own business. For both men and women, their current business had been in operation from between one and eight years. In sum, the male entrepreneurs were slightly older, more educated with a larger proportion being married compared to the female entrepreneurs. Both genders were similar in terms of prior experience as a business founder.

4. Results

The survey asked the respondents to identify what motivated them to become an entrepreneur. The most frequently cited motivational factors (Table 1) for male respondents were the desire to own a business (26%), followed by an opportunity to earn more income (17%) and passion for a particular product that they sell (17%), the desire to be one's own boss (14%), taking over family business (14%) and unemployment (10%). Among the female respondents, the top motives for becoming an entrepreneur were the desire to own a

business (25%), followed by unemployment (20%), the desire to be one's own boss (15%), passion for a specific product (16%), the opportunity to generate more income (8%), and taking over family business (8%).

Table 1: Motives for Entrepreneurship

Male (n=42)		Female (n=61)	
Motive	Frequency (%)	Motive	Frequency (%)
1. Desire to own a business	26	1. Desire to own a business	25
2. Earn more income	17	2. Unemployment	20
3. Passion for product	17	3. Desire to be one's own boss	15
4. Desire to be one's own boss	14	4. Passion for product	16
5. Taking over family business	14	5. Earn more income	8
6. Unemployment	10	6. Taking over family business	8
7. Other reasons	2	7. Other reasons	8

When the respondents were asked what they perceived to be obstacles to their business (Table 2), the male entrepreneurs most frequently mentioned competition (38%), economic conditions (24%), low profitability (14%), weather conditions (12%) and lack of customers (7%). For the female entrepreneurs, similarly, competition (25%) was most often mentioned, followed by low profitability (21%), economic conditions (18%), lack of customers (16%) and weather conditions (13%).

Table 2: Obstacles to Business

Male (n=42)		Female (n=61)	
Obstacles	Frequency (%)	Obstacles	Frequency (%)
1. Competition	38	1. Competition	25
2. Economic conditions	24	2. Low profitability	21
3. Low profitability	14	3. Economic conditions	18
4. Weather conditions	12	4. Lack of customers	16
5. Lack of customers	7	5. Weather conditions	13
6. Other reasons	5	6. Other reasons	7

External factors, such as economic conditions could have an adverse impact on entrepreneurs' businesses. A recession could reduce purchasing power and negatively affect the demand for products and services. In the context of a weekend market, it may not be

surprising to see weather conditions frequently cited as an obstacle to the entrepreneurs' business. Other factors mentioned by the entrepreneurs included the existing small market for specific products, such as Buddha statues and handicraft items.

Interestingly, the contributing factors to their success were attributed mostly to personality traits by both men and women entrepreneurs. Male entrepreneurs mentioned perseverance (31%), honesty (17%), diligence (17%) and sincerity (12%). Among the female entrepreneurs, 41% mentioned perseverance, honesty (20%), diligence (13%) and a large number of customers (8%).

As noted earlier, this study seeks to find out whether entrepreneurs used social media, such as Facebook, Twitter, Instagram, in running their business. Eighty-one percent of the male entrepreneurs and 84% of the female entrepreneurs reported using social media to advertise and sell their products. This finding points to the importance of training for entrepreneurs who may not yet be using the Internet or social media applications to support the operations of their businesses (Mack, Marie-Pierre and Redican, 2017).

Finally, the entrepreneurs were asked to make recommendations to aspiring entrepreneurs. The most prevalent recommendation given by male entrepreneurs was 'do not give up' (21%) and this topped the list among female entrepreneurs as well (28%). Patience with customers, knowledge in business and products and an emphasis on honesty were also frequently noted for future entrepreneurs.

5. Discussion

The aim of the current study was to uncover the underlying motives for choosing entrepreneurship among male and female entrepreneurs. Previous studies found that pull factors were more prevalent than push factors (Segal *et al.* 2005; Shinnar and Young, 2008). Consistent with the findings of this study which indicated that pull factors were most frequently cited motivators for entrepreneurship, including the desire to own a business, monetary motivations, passion for a product and the desire to be one's own boss. The study uncovered two push factors unemployment and taking over family business among both male and female entrepreneurs. It should be noted that taking over family business would be a push factor if an individual was forced into entrepreneurship, but a pull factor if an individual's interest in the family business was explicit (Orhan and Scott, 2001). Dawson and Henley (2012) argued that the distinction between push and pull factors may be ambiguous in some situations, particularly, when individuals report a combination of pull and push motives. In this study, the respondents expressed the sentiment that it was a "dynastic

compliance” (see Orhan and Scott, 2001) rather than a choice, and therefore, taking over family business would be regarded as a push factor.

Another purpose of this study was to assess whether there were differences between male and female entrepreneurs. Among the entrepreneurs, a much higher proportion of women cited unemployment (20% of women versus 10% of men) as the second most prevalent motivating factor and the most cited push factor for entering into entrepreneurship. In contrast, among male entrepreneurs, unemployment was identified as a motive for only 10% of the respondents. A possible explanation is that women may have fewer alternative choices when they lose their jobs. Thus, women are pushed into self-employment as a “necessity” entrepreneur (Dawson and Henley, 2012). It should be noted that a higher proportion of men than women (14% versus 8%) cited joining a pre-existing family-run business in this study. Hence, it could be possible that for a greater number of male entrepreneurs, rather than exploring alternative career choices, they had their family business as a backup option.

With respect to gender differences, financial motives appeared to be more important as an entrepreneurial motive for men than for women (17% versus 8%). The result from this study is consistent with previous quantitative research indicating that women appeared to be less motivated by money and more motivated by other factors, such as family flexibility (Clain, 2000; Georgellis and Wall, 2005).

In the context of a weekend market, such as Chatuchak, both male (17%) and female entrepreneurs (16%) frequently mentioned their passion for the products that they sold. Some reported that establishing their own business to sell their own products provided them a creative outlet to express themselves. Hence, for both genders, the passion for the products was a motivating factor for choosing entrepreneurship.

When the respondents were asked about the obstacles, both men and women mentioned identical external factors, such as competitors, economic and weather conditions, most of which were not under their direct control. On the other hand, when they were asked to identify the factors contributing to their success, the majority of the factors were related to themselves, such as personality traits of perseverance, honesty, diligence, and sincerity. According to the attribution theory (Kelley, 1973) and self-serving bias, individuals have a tendency to attribute their success to internal factors (e.g., high ability, hard-working) and their failures to external factors, such as competition, adverse economic conditions. Nevertheless, the emphasis on perseverance for both male and female entrepreneurs possibly reflects the difficulty of running a business. Many respondents also mentioned being honest

and sincere when dealing with customers as key to their success. Hence, honesty and business appear to go hand in hand among the entrepreneurs in this study.

6. Conclusion

The aim of the present study was to uncover the underlying motives for entrepreneurship. First, the results suggested that pull factors appeared to have more influence than push factors in explaining entrepreneurial motivation for both men and women. Second, the findings of this study also found similarities and differences between male and female entrepreneurs, but for the female entrepreneurs, unemployment seemed to push more women into entrepreneurship, while for male entrepreneurs, financial motives appeared to be more important as a pull factor. Third, the most prevalent motivator common to both genders is the desire to own a business. This may reflect, to some extent, the current favourable conditions for entrepreneurs in Thailand in more recent years, whose success stories in the media create an impetus for both men and women to consider entrepreneurship as a career choice. Fourth, the findings of this study highlight the importance of personality traits, such as perseverance, honesty, diligence as key characteristics for both male and female entrepreneurs. Fifth, external conditions, such as adverse economic conditions, can have a negative impact on business performance, profitability and survival. While such factors are not under their direct control, entrepreneurs can be proactive and devise plans to cope with uncertainty. In concluding, as recommendations for future entrepreneurs, understanding how to run a business, product knowledge, understanding economic conditions, having patience with customers, honesty in business dealings and use of social media could go a long way towards successful entrepreneurship.

Future research might want to address the extent to which personal values, such as honesty and sincerity, could contribute to the success of a small business. As the current study focused on owners of retail shops at a weekend market, future studies might want to examine if entrepreneurial motives differed in other contexts.

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