

Bridging the Gender Gap in Entrepreneurship and Empowering Women via Digital Technologies*

Lin William Cong[†]

Bo Liu[§]

Xiaohan Yang[¶]

Xiaobo Zhang[‡]

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Abstract

Female entrepreneurs are underrepresented in many developed and developing countries for various cultural, historical, and economic reasons. Using primarily collected online and offline enterprise surveys, universal business registration records, and transactions from a world leading e-commerce platform, we document a gender gap in entrepreneurship in China and investigate whether digitization reduces it. Specifically, we show that the expansion of e-commerce and digital marketplaces mitigate constraints faced by female entrepreneurs and business owners by enabling work flexibility and drastically amplifying the distributional channels of their companies. Consequently, female entrepreneurial entry and performance improve, both in absolute terms and relative to men. Moreover, against the backdrop of the COVID-19 pandemic, women are more likely to adopt e-commerce and other digital technologies, with implications for long-term business operations, performance, and resilience.

Keywords: COVID-19, Digital Platforms, Entrepreneurship, Gender

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[†]Cornell University SC Johnson College of Business (Johnson) and National Bureau of Economic Research (NBER). E-mail: will.cong@cornell.edu

[§]School of Management and Economics, University of Electronic Science and Technology of China. E-mail: liub@uestc.edu.cn

[¶]Peking University National School of Development. E-mail: yangxh@pku.edu.cn

[‡]Peking University Guanghua School of Management and International Food Policy Research Institute (IFPRI). E-mail: x.zhang@gsm.pku.edu.cn