



Elo7

Elo7 grows its e-commerce platform by helping women become digital entrepreneurs

Popularly referred to as Brazil's answer to Etsy, the Elo7 online marketplace showcases a range of creative handmade goods from across Brazil, from custom paper bags to bejeweled baby shoes. The platform's 80,000 sellers draw 23 million visits per month. Women comprise the majority of Elo7's users, including 85 percent of customers and 80 percent of sellers, many of whom are selling online for the first time.

Under Digital2Equal, Elo7 conducted a survey of 1,000 women sellers that helped it identify the motivations and needs of women entrepreneurs and provide the targeted training and support to help them grow their businesses and Elo7's market.

GENDER GAPS IN BRAZIL

Brazil faces persistent gender gaps. The World Economic Forum's Gender Gap Index ranks it 92 globally, below other markets in the region such as Nicaragua (5), Argentina (30), and Ecuador (48).¹ Women face a 25 percent gender pay

gap² as well as legal limitations in remuneration for (a) equal work value, (b) nondiscrimination on the basis of gender in employment, and (c) prohibition of discrimination in access to credit.³ Digital entrepreneurship appears to offer women a way to circumvent some of these limitations, but little evidence for this has been documented in Brazil.

Elo7 sought to better understand the needs of women entrepreneurs on their platform in order to offer them targeted tools and content and help them professionalize sales efforts in the digital world. As part of Digital2Equal and an internal initiative called "Mulheres Fora de Série" (Outstanding Women), Elo7 embarked on a survey of 1,000 women sellers to determine the needs and aspirations of the platform's women entrepreneurs.

PROFILING WOMEN SELLERS AND THEIR BUSINESSES

Elo7 found that sellers represented a wide range of age groups, but most had a university education. The majority are active contributors to essential household income: 40 percent of women earned all their income online, approximately 18 percent were sole breadwinners for their family, and just under 9 percent sold online as a hobby. Microbusinesses predominate, with 78 percent of sellers operating the business alone and fewer than 2 percent hiring more than three people. Forty percent of Elo7 partner businesses sell only online, whereas the remainder also draw on offline sales.

Quick facts about Elo7

Elo7 is a Brazilian online marketplace that allows its users to buy and sell handmade products.

Founding year: 2008

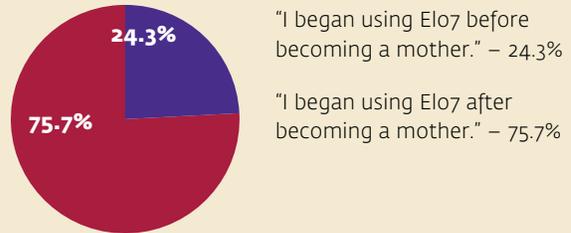
Footprint: Brazil, Argentina, Colombia

Figure 1: Seller perceptions of income made through Elo7 platform



SOURCE: ELO7 SURVEY OF WOMEN SELLERS

Figure 2: Proportion of respondents who began using Elo7 before and after motherhood



SOURCE: ELO7 SURVEY OF WOMEN SELLERS

ASPIRATIONS AND CHALLENGES

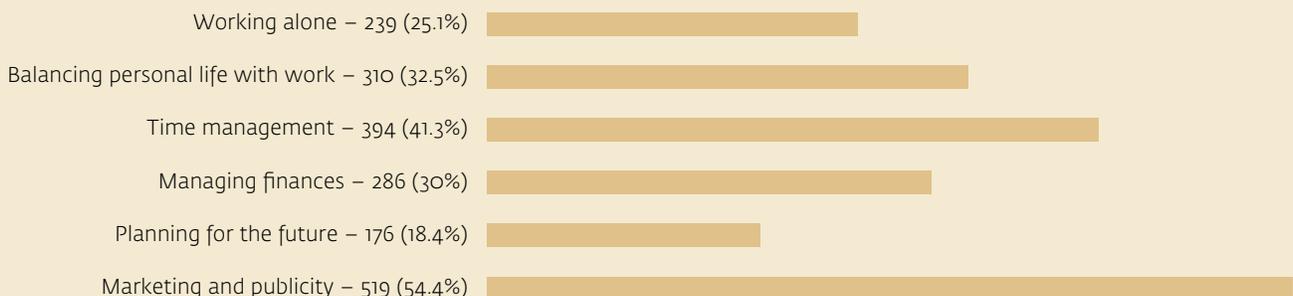
The largest portion of women sellers joined Elo7 for the sense of achievement and purpose that working for themselves provided, with the second largest group driven by the necessity of financial need or a change in personal circumstances. Sixty-eight percent of respondents explicitly stated that their initial registration on Elo7 was due to becoming mothers, and 76 percent of mothers registered to sell on Elo7 after they became parents, suggesting that the need for flexible work or diverse income streams was a high priority.

Respondents' indications of the largest opportunities and challenges were also closely linked with care responsibilities. When asked to choose the top advantages of online business,

more than 68 percent highlighted the ability to work from home and to manage their own time; an additional 17 percent highlighted the ability to be closer to their families. And whereas flexibility was a key draw for most sellers, this need was also reflected in top disadvantages of digital entrepreneurship, with both irregular hours and income cited as common challenges.

When entrepreneurs were asked to identify their top daily challenges, managing marketing and publicity was the most commonly cited, with 54 respondents noting that as a top concern. Additionally, entrepreneurs highlighted (a) the need to produce quality content, (b) the lack of strong technical knowledge, and (c) the time it takes to plan and produce relevant campaigns.

Figure 3: Key challenges faced by women entrepreneurs on the Elo7 platform (respondents could select up to two options)



Estúdio Tatu

What started in a living room as an after-work hobby between sisters Tuli and Adriana four years ago is now a bustling business. When the business was founded in 2015, Elo7 provided a platform to begin selling its range of custom-designed paper bags almost immediately. After four years of successful sales, the sisters opened their first physical location in São Paulo. The newly minted Estúdio Tatu now features an expanded range of unique stationery products.

For the team behind Estúdio Tatu, who were recently named one of the finalists of the Elo7 Creative Award, every new order brings a sense of gratitude and acknowledgement for the platform where it all began: “Elo7 is very important in our history. [Through the platform], we have evolved as people, as a brand, and as a business through all the possibilities [their] efforts provide us.”



IMPACT

The survey helped Elo7 identify opportunities to support its growing network of sellers and informed the development of a series of online and in-person workshops, trainings, fairs, and bazaars. These programs include a series of webinars on female entrepreneurship and a special event on International Women’s Day that highlighted the “Mulheres Fora de Série” initiative.

But it doesn’t end there: Elo7 continues to survey its women sellers periodically and has already used what it learned to develop more targeted trainings that highlight themes such as marketing, pricing, and organization, in collaboration with partners such as Google and Sebrae São Paulo.



ATTENDEES AT AN ELO7 TRAINING WORKSHOP FOR WOMEN SELLERS, 2019.

SOURCE: ELO7

- 1 World Economic Forum, *Global Gender Gap Report 2020*, Insight Report (Geneva: World Economic Forum 2020), http://www3.weforum.org/docs/WEF_GGGR_2020.pdf.
- 2 World Economic Forum, *Global Gender Gap Report 2020*, http://www3.weforum.org/docs/WEF_GGGR_2020.pdf.
- 3 World Bank, *Women, Business and the Law 2020* (Washington, DC: World Bank, 2019), <http://pubdocs.worldbank.org/en/702301554216687135/WBL-DECADE-OF-REFORM-2019-WEB-04-01.pdf>.