

Avon helps lift African women out of poverty

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Becoming an Avon cosmetics Sales Representative is helping some poor South African women escape poverty as well as inspiring many with self-confidence and hope. South Africa's growing band of 'Avon Ladies' are benefiting from economic empowerment, a sustainable income, raised social status and greater personal confidence, according to new research funded by the Economic and Social Research Council (ESRC).

The research team conducted two large surveys - one with 300 black Avon Representatives working in South Africa and one with 77 of their consumers - as well as interviews and focus groups with Avon management, Sales Representatives and consumers. They also attended meetings and training sessions and accompanied Representatives on delivery rounds.

The research found that, on average, the Avon Representatives earned enough to cover their typical household expenditures for food and non-alcoholic beverages, clothing and shoes, as well as healthcare. "Although the amount earned is very small, particularly from a UK point of view, this income, by itself, would put Avon Representatives in the top half of [black females](#) in their community and bring them in line with what a [black man](#) earns," points out researcher Professor Linda Scott of Saïd Business School, University of Oxford.

The study also shows that [women](#) who relied on Avon for their primary income (and had worked as Avon Representative for 16 months or more) had earnings which placed them in the top 10 per cent of self-employed black women in South Africa. Women who had been working

with Avon seven months or less and for whom Avon was their primary source of income earned considerably less (approximately 560ZAR (43 GBP) per month compared with the 1,400ZAR (108 GBP) per month earned by the longer term Representatives.

Nearly three-quarters of the Avon Representatives surveyed stated that Avon had given them financial autonomy. The researchers found that 92 per cent had their own bank account, as compared to only 38 per cent of black South African women having any bank account.

But, the benefits of becoming an Avon Representative were more than financial. Some 89 per cent of respondents said they had received job training that could be used to get other employment and 88 per cent of those surveyed said that their experience with Avon had made them more self-confident. Many interviewees claimed that their Avon work had transformed them into a role model for their children and allowed them to 'fulfil their dreams' of self-sufficiency.

"Working as an Avon Sales Representative provides some impoverished South African women with an opportunity to make money when they had previously thought this impossible," Professor Scott argues. "More than that, we were struck by how enthusiastic these women were about their work and how empowered they felt by it."

Researchers believe that the Avon model stands as a potential template for interventions on behalf of poor women elsewhere in the world, as currently many such interventions fail. Greater attention, researchers suggest, should be paid to the factors which underpin the success of Avon in South Africa.

First, Avon offers a tried and tested system of training, recognition, reward and support which encourages women who are otherwise often very discouraged, to persevere and achieve.

Second, the Avon model is based on a wide variety of small, repeat purchase goods for sale, rather than one 'big-ticket' item.

Third, unlike many other initiatives aimed at developing countries, Avon is not based on microfinance. Rather, Avon provides working capital on the basis of inventory, liquidates the credit each month, and does not charge interest. Avon carefully manages the credit exposure for itself and for the women in the system. A complete credit check is undertaken for every agent who applies, but the requirements have been adapted to the circumstances which black South African women face. For example, since many new recruits have no formal credit or income, Avon has devised a rating system that is sensitive to small indices of permanence and responsibility, like a mobile phone number or a formal address. Using this information, Avon determines whether a woman can be extended a small amount of inventory on consignment.

Finally, Avon has vast experience managing female Sales Representatives across the world and the company's pro-woman principle offers a supportive, collaborative network and protective umbrella under which its Sales Representatives can achieve economic empowerment and greater confidence. In comparison, the researchers suggest, the entrepreneurship training programs often instigated by governments and well-meaning companies seem somewhat superficial.

"In the past," concludes co-researcher Dr Catherine Dolan, also from Saïd Business School, University of Oxford, "many have viewed the global marketplace as hostile to women's interests, but the example of Avon in South Africa shows this need not be the case. We must allow the possibility that the marketplace contains mechanisms, such as entrepreneurship, that can be harnessed for feminist purposes. The important question we should now ask is: how can we make better use of the marketplace in ways which benefit women?"

Provided by Economic & Social Research Council

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