



A Phenomenological Study Of Beauty Entrepreneurs, Theirs Financial Competence Journey

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ABSTRACT

Keywords:

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Financial Planning,
Beauty Entrepreneurs.

This study aimed to explain the issues of entrepreneurship and financial competence that exist in Beautypreneurs. This research chooses the qualitative approach using a phenomenological study, which involves in-depth interviews with six Beautypreneurs who are active in building businesses and developing their financial competencies. This phenomenological study is developed based on four main categories, namely are 1. Socio-economic problems, 2. work-life balance, 3. financial knowledge, 4. self-improvement. This study suggests that, firstly, Beautypreneurs have a discursive learning pattern when developing their financial competencies. The second thing, this study found that the personal resilience they try to build based on the cognitive deepening process obtained from the crisis, so these Beautypereneurs needed high mentoring by the mentor who understood the Financial knowledge. Third, they see investation as the best way to develop their financial literacy

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1. Introduction

The Covid-19 pandemic has changed many socio-economic aspects, according to data published by Indonesia Spotlight in August 2020, stating that 86 per cent of freelancers lost their income. This condition makes many freelancers have to reduce their expenses. The main problem does not only lie in theirs decreasing income. The situation is exacerbated, knowing that the purchasing power of those entrepreneurs experienced such a significant decline due to COVID-19 (Pakpahan, 2020). The phenomenon happened and hit every micro beauty entrepreneur, and it does not doubt that many workers were confused because their income streams faltered or even disappeared. It is clearly stated in a study conducted by Yamali and Putri (2020) that the Covid-19 pandemic cannot be predicted with certainty when it will end. This pandemic effect leads to the uncertainty of workers who have to meet their needs periodically. This condition can be studied because these freelancers have a high risk even before the arrival of covid-19. This economic catastrophical event is worse because most local governments announce regulations to limit socio-economic activities. As a result, many economic actors, especially the service-based creative economy, have lost their way. Imagine that the risk of losing income has increased drastically due to the economic crisis that made economic opportunities become almost null caused by the Covid-19 pandemic.

Beautypreneur is a word that refers to an entrepreneur who is engaged in beauty. Usually, they are also beauty activists on social media. They will usually work with certain cosmetic brands to provide reviews of cosmetic products, and they will get paid for services that have reviewed these products. This entrepreneur often works as a Makeup Artist or often called MUA. They are one of the 'marketing channels' for these cosmetic brands. Their work is full of social activities, even though they rely on activities on social media. Social events are their source of income, where they are asked to provide

education about beauty, not infrequently they also collaborate with certain cosmetic brands. During this pandemic, as we know, the service industry, especially the event industry, experienced an extraordinary contraction. It has been almost seven months that they have been unable to carry out their activities. This fact has an impact on their income which has experienced a minus and drastically reduced. The stereotype of 'wasteful living' attached to beauty entrepreneurs who work as influencers also reinforces the impression that they have never involved financial wisdom in spending their money. It is described in a study conducted by Mardiyah and Nurwati (2020) that workers who rely on project-based wages are the group that has been hit hardest by Covid-19.

Mahdavi and Horton (2014) stated that in their study, female professional workers, despite having extraordinary talents, were faced with doubts in the context of making financial decisions. That finding is reinforced by a study conducted by Bhuvanewari (2016), that female entrepreneurs face significant financial problems and difficulties in responding to these economic-financial challenges. Therefore, in a critical time like this, seeing how these women respond to economic-financial challenges. The problem identification in this research lies in how beauty entrepreneurs develop their ability to manage personal financial management to respond to the effects of the economic contraction due to the COVID-19 pandemic.

This study was made to answer the limitations of several previous studies, such as research is written by Kenedy et al. (2018). They wrote that further studies were needed to explain woman empowerment which they called a 'person-centred approach. Where the role of women can be developed across the boundaries of the profession and economic class, this study is also intended to be able to complement the research written by Khizindar and Darley (2017) where they stated that female entrepreneurs in developing countries need to be studied more deeply regarding financial knowledge and financial capital management. The elaboration of the two things above, this study was written to describe the meaning of beauty entrepreneurs in developing the ability to manage finances. The experience of interpreting the Covid-19 changes by developing the ability to manage finances will have two benefits. The first benefit is the contribution to science that can be used as an additional reference regarding the response of women entrepreneurs to expand the treasures of thinking about managing finances amid a disruptive situation. The second is the practical benefit, especially for practitioners in the field of beauty related to 'woman empowerment, where beauty entrepreneurs need to be encouraged to train themselves to have the ability to make critical financial decisions in their business and personal lives. Fenton-O'Creevy and Furnham (2020), in their study, stated that under pressure, many people would move to enrich their thinking treasures, such as how this financial stress can be avoided quickly. Not only that, consciousness or awareness has made them have a different nature in transferring costs. Interestingly, this pivot point is empirically illustrated that they tend to analyze and evaluate their financial security by measuring the extent of their expertise in managing their finances proportionally.

Hasnita, Ernawati, and Rosnawintang (2019) emphasized that on a large scale and the accumulated economic capacity of the organization can be determined by how much people in the organization can master financial competence. This financial competence will provide commitment and compliance with the principles of financial management. Thus, financial competence occupies a crucial position and has an essential role in preventing the organization from economic-financial disasters. Research conducted by Delgadillo and Law (2019) became the primary platform for why this study was written, where Delgadillo and Law provided a clear description and structure to explain the position of Financial Competence. Financial literacy and financial knowledge are inseparable parts of Financial Competence. In other words, if someone decides to develop financial competence, he will deepen their literacy and review their financial knowledge. Furthermore, according to the study, Strong financial competence will give them an advantage in making financial choices. This empirical fact makes them finally have outstanding financial capabilities. This journey finally opened the veil that financial capability always starts from the desire to learn literacy and knowledge of managing finances. In practice, someone who has gone through this journey can finally carry out tasks that they were previously unable to carry out. The study illustrates that someone who has gone through this financial

learning journey can make financial reports, calculate risks, project the most beneficial investment choices, and ultimately understand wealth management correctly.

In order to find research results that explain why it is so difficult for women entrepreneurs to have good financial management, this study departs from five previous studies that examine at least the same object. Below is a table that explains why this topic and issue needs to be elaborated further

Table 1.

Previous Studies

Author (Year)	Previous Title	Research	Findings	Methods
Kaciak & Welsh (2019)	Women entrepreneurs and work-life interface: The impact of sustainable economies on success		Women entrepreneurs tend not to have the ability to build sustainable economics, but they need to be investigated further, especially in developing countries	Quantitative
Welsh, D. H., Kaciak, E., & Shamah, R. (2018)	Determinants of women entrepreneurs' firm performance in a hostile environment		In hostile conditions, female entrepreneurs thrive not by increasing social capital but by human capital that has a significant influence. It is recommended for further research to research in developing countries	Quantitative
Yasin, Mahmud, & Diniyya, (2020).	Significance of Financial Literacy among Women Entrepreneur on Halal Business		Financial literacy is crucial for women entrepreneurs to achieve business success. This study was conducted in Malaysia. The findings suggest that many women entrepreneurs are not good at managing due to their poor literacy in understanding the business context.	Qualitative
Kuruville, R. R., & Harikumar, P. N. (2018)	A study on the financial awareness among women entrepreneurs in Kottayam district		This study conducted in India indicates that without further training and development, female entrepreneurs will find it challenging to match the level of competitiveness among male entrepreneurs.	Quantitative
Andarsari, P. R., & Ningtyas, M. N. (2019)	The role of financial literacy on financial behavior		Financial literacy is the primary key in building personal wealth. Increased understanding of welfare is marked by increased financial literacy, awareness of personal financial management.	Quantitative

This study focuses on revealing the experiences of women entrepreneurs in the beauty sector who are struggling with financial management and trying to increase their knowledge of financial management. This study finding can be a clue from five previous studies about what was experienced and the process taken to increase the financial literacy of these women.

2. Research Methodology

This study uses a qualitative method by taking a phenomenological approach to explore the meaning of beauty entrepreneurs' experiences in responding to disruptive changes due to the Covid-

19 Pandemic. This phenomenon is interesting to study in-depth because they also work as 'influencers' who have many followers on social media so that their experience of being able to make difficult financial decisions will be significantly influenced by this background where they must be seen as an inspiration to their followers on their social media pages.

The method used in this study is to collect data from interviews. Usop (2019) revealed that phenomenological studies often use in-depth interviews as a tool to explore the meaning of values that encourage someone to do something. The experience is seen as an object that needs to be interpreted to reveal the meaning of the social phenomenon under study. The phenomenological study emphasizes two concepts, namely noesis and noema, where noema is interpreted as a statement of the objective reality of the noetic behaviour of consciousness or subjective reflection of that reality. The correlation of the two is aimed at this phenomenological study (Neubauer, Witkop, & Varpio, 2019). This study is aware that it is inherent in a thick context where the object under study and the subject under study do not correlate with previous studies. This study is intended to give a positivistic approach another colour to describe the reality between the object and the subject. Referring to the study written by Qutoshi (2018), the phenomenological study is the most appropriate to arrive at the level of understanding on the meaning of the value of experience and as an instrument to answer the inquiry level of consciousness.

As described in a study written by Hasbiansyah (2008), it is necessary to make a reduction aimed at removing the subjective element of the researcher. The reduction also serves to get rid of prior knowledge so that the results of this phenomenological study become natural or natural. If this research is natural, the results will also contribute to theoretical studies on the topic under study. So in this study, the researcher followed what Hasbiansyah suggested, namely to record video and audio because the interview was conducted through a video call application.

Key informants will be critical because through their experiences, and this study can reveal the value of the implied meaning of is the basis for making financial decisions for these beauty entrepreneurs. So the selection of informants is very selective and purposive. This research was carried out in six stages, namely:

Stage 1: Determine the scope of the phenomenon under study

Stage 2: Compile a list of questions

Stage 3: Data collection through in-depth interviews

Stage 4: Describing the phenomenon by assigning meaning clusters

Stage 5: Describing the essence of each previously created meaning cluster

Stage 6: Provide conclusions as a report on the results of this phenomenological research.

The data collected through in-depth interviews, observations, and documentation are explained contextually to obtain quick results and can meet the objectives of this study.

3. Result and Discusssion

The results of this study are presented in a narrative and written in direct quotations as an expression of answers from key informants. The collected data were analyzed and underwent an in-depth encoding process to reveal critical findings. The results of this study are presented in a narrative and written in direct quotations as an expression of answers from key informants. The collected data were analyzed and underwent an in-depth encoding process to reveal critical findings.

Table 2
Informant data

No	Informan Initial Name	Age	Location
1	C	23	Bandung
2	Eyo	44	Garut
3	FY	30	Bandung
4	R	27	Bandung
5	SN	23	Bandung
6	ZV	29	Bandung

Beauty Entrepreneurs see a career as an influencer to fulfil their financial needs, coupled with their status as a public figure on a micro-scale; they need to show the glamorous side of their lives as a sign that they are successful women. For example, they often buy the latest and most expensive gadgets, then upload them to emphasize their lifestyle. Their work also requires them to look attractive, attend every event organized by well-known brands, and travel to luxury venues, which is a must for these beauty entrepreneurs. However, the COVID-19 pandemic has completely changed their habits. With the vacuum of several brands holding events, endorsement funds have also disappeared. Not to mention the additional income through make-up services has dropped drastically. This situation makes it difficult for them to meet their high-cost lifestyle. The following are narrative expressions from some of the informants to describe what they are facing.

"It really had an impact, I used to work at a hotel when the pandemic was cut off, the event without a project was reduced, savings were reduced because it was only an expense, even though there was less income than expenses, want limited business capital. Now I want to motivate myself more to survive and try this for extra." It seems that this pandemic has created a dilemma for these beauty entrepreneurs, even to the extent that they realize their savings are now the only way to survive and meet their needs during the pandemic. These findings are reinforced by one of the narratives put forward by another critical informant. "In the beginning, it was challenging to manage my finances. Because jobs are badly affected, and jobs are reduced a lot. Let us say 90% of the cost of living is taken from savings. Gradually work began to return to normal, and financial planning had begun to be fulfilled little by little. Hopefully, this year I can save until it cannot be accommodated ." An economic contraction hit their cash flow conditions, which can be defined as a business problem or business problem they face. They have come to the point that it turns out that there is always a risk in the business they run. Especially for those who already have children, this additional risk makes their minds grounded, that what they have been doing so far is not safe enough to meet their needs. Experiences These experiences lead them to a new mindset that they had never thought of living before. The following is a narrative quote from a critical informant "Besides, I am also aware of the minimalist lifestyle, which has many benefits for my life." Their lifestyle that previously had an uncontrolled "spending spree" has now changed; they enter a minimalist mindset where they know that the most critical urgency comes from essential expenses such as spending on housing, education, and living expenses, especially. This oppressive condition also forced them to think in another way, as one of the informants implied. This fact is also confirmed by a study written by Maulana and Salsabila

(2020), which states that a lifestyle that emphasizes prestige often leads lifestyle actors to end up in financial difficulties. "During the pandemic, the way to manage money for me was to reduce spending. Besides that, the money is turned to create a small business as a side job."

This finding is in line with a study conducted by Indrayani (2020) that financial management begins with increasing financial literacy. Indrayani wrote the study clearly states that women who are aware of financial management will think about the sustainability of their business in the long term. Beautypreneurs in this phenomenological study implied some concerns about their lifestyle before the pandemic, and this rapidly changing economic condition made them learn to prioritize their spending agenda for something urgent and vital. This pandemic has also shifted their paradigm of self-improvement. Where they now realize they need to push themselves to learn things that will help them someday. As stated by an informant as follows : "Yes, I have attended several webinars related to financial planning, especially during the Covid-19 pandemic like now."

In this condition, they need to learn how to achieve work-life balance. So far, the beauty entrepreneurs have been working without clear goals and priorities. So that the balance between work and the meaning of life becomes unbalanced, they make family happiness the essential standard compared to their lifestyle. The following informant's statement confirms this. "During the pandemic, I became more creative in making money, for example, thinking about a business that generates income and can increase income for the family." Another essential part of the informant's experience is making financial decisions. In this part, the informants tell how their decisions were reversed and forced to learn to manage finances. They force themselves to learn to invest and look for additional income. This fact implies the development of their entrepreneurial power. They think creatively and increasingly know the importance of having high financial knowledge. This finding is in line with Yushita (2017) study, which found that financial literacy will make everyone think to avoid financial failure. Financial literacy will also make them think more holistically and creatively in dealing with financial problems.

The last part revealed by this phenomenological study is that the informants have arrived at the point where they develop themselves; this self-improvement is driven by the fear of another economic disaster in the future. They now place investment as an essential item on their list of expenses. The following informants state this. "I became disciplined and consistent again in managing finances and managing financial planning. So, I can apply this habit in any condition." "Could meet my financial planning goals—minimum savings and pension funds. I also hope to learn about investing and be consistent in managing my finances. Invest more diligently, snack less that is my goal." This investment learning culture seems to infect beauty entrepreneurs so that they are actively looking for this alternative source of income learning, and some even hope to have a mentor to guide them to become great investors. From objective empirical evidence produced by this phenomenological study, this research attempts to build a scheme in which there are four phases that these beauty entrepreneurs go through. The four phases are illustrated in the following figure.

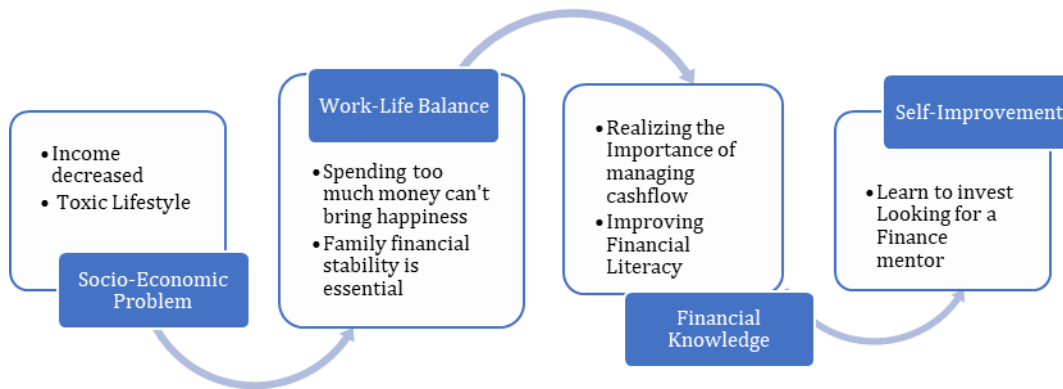


Figure1. Financial Competency Change Phase

These women entrepreneurs have gone through a process where they realize their literacy position through the economic pressures and financial turbulence they face. This finding is in line with the previous studies. However, this study succeeded in adding to the theoretical repertoire that there is phase continuity. Starting from the socio-economic problem phase that causes an imbalance in work-life balance, they realize that their finances are disrupted due to a lack of financial managerial skills, and at the turning point, they equip themselves by studying, seeking financial support, and mentors.

After going through the four phases above, these beauty entrepreneurs have a pattern of forming their financial competence where they must realize that this socio-economic problem relies on their bad habits where it is difficult to save and tend to spend their income on something not essential. The second phase is where happiness does not come from their old lifestyle but family and togetherness. After that, they find themselves weak in knowledge about managing finances, which is marked by increased financial literacy and the importance of maintaining cash flow. So that they will arrive at the fourth phase of self-development, where they force themselves to learn finance, get used to the investment culture, and even look for mentors to guide them to avoid financial disasters. This finding strengthens the research conducted by Teravainen-Goff (2019). The ability to manage finances always starts from the development of financial literacy as well as financial knowledge. Knowledge is indeed a way to be free from misleading mindsets and get out of the poverty trap.

An analogy can explain this phenomenon before embarking on a journey to develop the financial competence of these beauty entrepreneurs like a peacock that is beautiful and pleasing to the eye. However, when disaster strikes, those who are slow, big and unfamiliar with the pressure of being threatened with death on the land they live in think that they had to leave behind the beautiful tails and colourful lifestyle they used to wear. They decided to become a dove that is small, agile, but with everything, they can fly far and avoid this disaster. They are now aware that beautiful attributes are not necessarily beneficial for their lives. Being a dove is a wise choice even though it is expensive.

4. Conclusion

The purpose of this study was to explore the experiences of beauty entrepreneurs and their perceptions of financial management. These findings can be used as learning references that will be useful for understanding the two fundamental questions presented in this study: what is the life experience of beauty entrepreneurs in facing the global financial crisis? and how this incident made this beauty entrepreneur learn to manage finances. Many studies on financial literacy have been carried out using a quantitative approach, but several things must be seen from a qualitative perspective, and this study hopes to contribute to one of the crucial gaps in the financial knowledge literature. From the results of this phenomenological study, there are at least three important things. The first is that beauty entrepreneurs have a financial competency learning pattern through four phases. So these beauty entrepreneurs need time and a process that is quite winding to develop their financial competence. The second study found that beauty entrepreneurs can explore developing financial competence by forcing themselves to learn financial knowledge.

Moreover, the third is to develop themselves by taking a position as a mentee and getting used to the investment culture. Beautypreneurs must become agile and learner who continuously develops themselves to avoid the risk of sinking back into poor financial management. Suggestions for future research are to look at it in a deeper context, considering the work-conflict context and using other methods such as ethnography.

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