



## Exploring the Emotional and Identity-Related Meaning of Business Failure Among Women Entrepreneurs in Remote Areas of Indonesia

Ria Anisatus Sholihah

UIN K.H. Abdurrahman Wahid Pekalongan, Indonesia

[riaanisatus@gmail.com](mailto:riaanisatus@gmail.com)

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### ABSTRACT

Entrepreneurship research increasingly recognizes the importance of understanding the emotional and social dimensions of business experiences. However, the subjective meaning of business failure among women entrepreneurs in remote areas of Indonesia remains underexplored, particularly within culturally constrained settings. This study addresses the question: How do women entrepreneurs in remote areas experience and make sense of business failure? Using an interpretative phenomenological approach, this study explores the lived experiences of eight women who faced business failure in rural Indonesia. In-depth, semi-structured interviews were conducted and analyzed using Interpretative Phenomenological Analysis (IPA) to uncover themes of identity loss, structural constraint, emotional meaning-making, and self-redefinition. The findings reveal that business failure is experienced not only as an economic event but as a profound personal and social rupture, shaped by gendered expectations and community dynamics. Participants reinterpreted failure over time as a catalyst for resilience and growth, forming new entrepreneurial identities in the process. This study contributes a nuanced understanding of entrepreneurial failure by shifting the focus from outcome-based frameworks to the lived experience of identity reconstruction and emotional adaptation. It underscores the need for culturally sensitive and psychologically supportive entrepreneurship initiatives tailored for marginalized women in rural areas.



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### INTRODUCTION

Entrepreneurship plays a crucial role in fostering economic development, social mobility, and innovation, particularly within marginalized and underserved communities. In recent years, the growing participation of women in entrepreneurial activities has become central to socio-economic transformation, especially in rural and remote regions where formal employment opportunities are limited. Despite policy initiatives promoting inclusive entrepreneurship, women in these contexts continue to encounter significant barriers, including constrained access to financial capital, limited mentorship, and insufficient institutional support (Ahl & Nelson, 2019).

Business failure is an inherent part of the entrepreneurial journey, yet its psychological and experiential dimensions are often overlooked in mainstream discourse. Most existing literature emphasizes macroeconomic outcomes or performance metrics, with limited attention to the lived realities of failure (Smith & Dana, 2020).

For rural women, business failure is uniquely shaped by entrenched gender roles and social expectations. These external pressures often intensify feelings of personal inadequacy, internalized stigma, and emotional strain (Rahman et al., 2021). In such contexts, failure is not merely a financial loss, but a disruption that challenges identity, status, and self-worth.

While some studies have acknowledged the need to understand entrepreneurial failure beyond economic terms, few have focused on how women in rural communities interpret and emotionally

process such experiences. This underexplored area presents a critical research gap. To address this gap, the present study asks: How do women entrepreneurs in remote areas experience and make sense of business failure? A phenomenological approach is used to explore how cultural, emotional, and identity-related factors shape their interpretation of failure—offering a deeper, more human-centered understanding of the phenomenon.

Given the growing recognition of the need for context-sensitive and human-centered approaches in entrepreneurship studies, there is a critical imperative to explore how failure is lived and narrated by those directly affected. Such exploration can illuminate the nuanced realities behind entrepreneurial statistics and contribute to a richer, more empathetic understanding of resilience, adaptation, and identity formation.

Within the broader field of entrepreneurship research, there has been a growing emphasis on exploring the lived experiences of entrepreneurs, particularly in contexts where structural disadvantages intersect with personal struggles. The subjective experience of entrepreneurial failure, especially among women in marginalized regions, has emerged as a critical yet underexplored domain. Studies have begun to recognize that failure is not solely a financial or operational outcome but also a deeply personal event that carries emotional, social, and existential consequences (Cardon & Stevens, 2018; Singh, Corner, & Pavlovich, 2015).

Despite this recognition, many existing studies have approached the subject through quantitative or descriptive lenses that inadequately capture the richness and complexity of individual narratives. Quantitative methods often reduce failure to measurable indicators such as business closure rates or revenue loss without attending to how entrepreneurs internalize these experiences and reconstruct meaning in their aftermath. Such approaches overlook the internal dialogues, identity shifts, and socio-cultural negotiations that often accompany the experience of failure, particularly for women in rural areas.

This methodological limitation has led to a fragmented understanding of entrepreneurial failure one that emphasizes outcomes over meaning, behavior over being. Consequently, there remains a lack of depth in our comprehension of how failure is felt, processed, and narrated by those who endure it. This gap calls for methodologies that are better suited to uncovering the essence of lived experiences, such as phenomenology, which prioritizes the interpretive and context-bound nature of human consciousness. An interpretative phenomenological approach, in particular, allows for a nuanced examination of how women entrepreneurs in remote areas experience, make sense of, and respond to business failure in ways that extend beyond economic metrics.

Current responses to entrepreneurial failure particularly in rural and underserved settings tend to emphasize practical interventions such as business skills training, microfinance programs, or market re-entry strategies. While these solutions are important, they often rely on standardized frameworks that assume failure is primarily a technical or financial problem. As a result, such interventions are limited in their ability to account for the emotional, cultural, and psychological dimensions of entrepreneurial experiences (Rahman et al., 2021; Ahl & Nelson, 2019).

Moreover, these practical approaches frequently overlook how individuals interpret and give meaning to their experiences, especially in socio-culturally complex environments where gender roles, community norms, and economic marginalization intersect. The prevailing tendency to generalize failure as a behavioral outcome restricts the development of responsive support systems that genuinely reflect the lived realities of women entrepreneurs in remote areas.

What remains underexplored is how entrepreneurial failure is subjectively experienced and internally processed by women who navigate these multidimensional challenges. The absence of rich, interpretive insights into these personal journeys represents a significant gap in both the literature and in practice. This gap necessitates the adoption of a phenomenological approach one that is capable of uncovering the essence of failure as it is lived and narrated by individuals. Through such an approach, it becomes possible to move beyond superficial metrics and explore the deeper structures of meaning, resilience, and identity reconstruction that are embedded within the experience of failure.

Previous studies have explored entrepreneurial failure from various angles, including financial loss, recovery strategies, and performance outcomes. However, only a limited number have addressed how failure is experienced emotionally and socially by women entrepreneurs, especially in rural and culturally constrained settings (Cardon & Stevens, 2018; Khoo et al., 2022). Theories related to identity reconstruction and emotional resilience have been discussed, but often in contexts lacking cultural and geographical specificity. Methodologically, many of these studies relied on surveys or interviews analyzed descriptively, limiting their ability to explore the depth of meaning behind participants' narratives. This research builds on those foundations by offering a more immersive view into how failure is subjectively experienced.

This study adopts an interpretative phenomenological approach to investigate how women entrepreneurs in remote areas make sense of their business failure. The method was chosen for its capacity to reveal the lived, emotional, and cultural dimensions of human experience. It allows for in-depth exploration of personal narratives and the meaning structures that shape them. By using this approach, the study aims to answer the question: How do women entrepreneurs in remote areas experience and interpret business failure? This question addresses the knowledge gap by shifting the focus from outcomes to meaning.

The article is structured as follows. The introduction provides the general and specific background, followed by the articulation of the knowledge gap and study purpose. The method section outlines the interpretative phenomenological framework, sampling strategy, and data collection process. The results present key themes derived from participants' narratives, each illustrated with direct quotes and contextual analysis. The discussion offers a critical reflection on the findings and their implications, while the conclusion summarizes the main insights and suggests directions for future research.

## **RESEARCH METHODS**

### **Study Design**

This study employed an interpretative phenomenological approach to explore the lived experiences of business failure among women entrepreneurs in remote areas. This methodological orientation was selected due to its emphasis on understanding how individuals make sense of significant personal experiences within their sociocultural context. The interpretative phenomenological approach, grounded in the philosophical tradition of Heidegger, enables the researcher to go beyond surface-level descriptions to interpret the meanings participants assign to their experiences. This design was deemed appropriate for addressing the central research question, which focuses on the subjective meaning of entrepreneurial failure and its impact on identity, motivation, and future aspirations.

### **Participants**

Participants comprised women entrepreneurs from geographically remote regions who had experienced business failure within the past five years. Inclusion criteria required participants to be female, aged 25 to 55 years, with a minimum of one year of business operation prior to closure, and residing in rural or underdeveloped areas. Individuals with ongoing or simultaneous participation in entrepreneurship training programs were excluded to preserve the authenticity of retrospective personal narratives. A purposive sampling strategy was used to identify information-rich cases, resulting in a total of eight participants. All participants identified as primary decision-makers in their businesses and varied in age, education level, and types of businesses previously operated.

### **Data Collection**

Data were collected through in-depth, semi-structured interviews conducted face-to-face in participants' homes or other settings of their choosing to ensure a sense of comfort and trust. Interviews followed a flexible guide designed to elicit personal narratives around business failure, emotional responses, identity shifts, and perceived meaning. Each interview lasted between 60 and 90 minutes and was audio-recorded with participant consent. Field notes were taken to capture nonverbal

cues and contextual observations. The interview guide was adapted from validated phenomenological instruments, with modifications made to align with local cultural sensitivities and linguistic nuances.

### **Data Analysis**

Data were analyzed using Interpretative Phenomenological Analysis (IPA), a structured approach that emphasizes both descriptive and interpretative engagement with participants' narratives. Audio recordings were transcribed verbatim, and transcripts were read multiple times to ensure immersion in the data. Meaningful units were identified, coded, and clustered into emergent themes through iterative comparison and abstraction. NVivo software was utilized to assist with data organization and thematic mapping. Through a systematic process of reduction and interpretation, essential themes were distilled, representing the core structures of the participants lived experiences.

### **Ethical Considerations**

Ethical approval was obtained from the relevant institutional ethics review board prior to data collection. Written informed consent was secured from all participants after a clear explanation of the study's aims, procedures, and confidentiality measures. Pseudonyms were assigned to protect participants' identities, and all personal data were anonymized during transcription. The research adhered to internationally recognized ethical standards for qualitative inquiry, including respect for autonomy, voluntary participation, and the right to withdraw at any time without penalty.

## **RESULTS**

The analysis of the interviews with women entrepreneurs from remote areas who had experienced business failure yielded four interrelated thematic structures. These themes reflect how participants made sense of their failure experiences and how these experiences influenced their self-perception, future decision-making, and resilience in entrepreneurial life. The findings are presented narratively to preserve the richness of lived experiences and are supported by direct quotes from participants.

### **I Was Not Just Losing a Business; I Was Losing a Part of Myself” – Experiencing Loss Beyond the Material**

Participants consistently described their experience of failure not solely in economic terms but as a profound emotional and existential loss. The business was often regarded as a personal extension of selfhood, making its collapse deeply personal.

“When my shop closed, it felt like I failed as a mother, a wife, a woman. That shop was my pride. People in my village respected me because of it.” (P3)

This sense of identity loss was compounded by feelings of shame and social alienation, particularly in tight-knit rural communities where visibility and reputation matter significantly.

“I could not walk in the market without people asking what went wrong. I felt judged, as if I had committed a crime.” (P6)

The failure was experienced as a rupture in self-worth, with many participants equating the collapse of their enterprise with a personal inadequacy rather than external business factors.

### **I Had No Room to Fall” – Navigating Failure Amid Structural Constraints**

While acknowledging personal struggles, participants pointed to systemic barriers such as lack of access to capital, mentoring, or digital literacy as compounding their failure. However, these were not simply cited as external excuses; rather, participants reflected on how their location and gender shaped the difficulty of recovery.

“If I were in the city, I could have learned from others. Here, we don't have role models, just silent failure.” (P4)

The intersection of gender, geography, and limited institutional support created a situation where failure meant not just economic stagnation but also a lack of opportunity to learn and rebuild.

“There are trainings, yes, but none of them speak our language literally and emotionally. They don’t see us.” (P1)

This theme reveals how failure is socially situated and highlights the urgency of contextualized support systems for women in peripheral economies.

### **From Shame to Strength” – Meaning-Making and Reclaiming the Narrative**

Despite initial despair, many participants engaged in a reflective process that reframed failure as a transformative experience. The process of meaning-making emerged gradually, often inspired by religious beliefs, peer support, or time.

“At first, I cried every day. But over time, I realized, maybe God wanted me to learn something about myself.” (P5)

Participants began to articulate failure as a rite of passage that, while painful, revealed inner strength and clarified future priorities.

“Now I know what I won’t do again. I don’t want to be dependent on one product. I want to be smarter, wiser.” (P7)

This theme demonstrates the dynamic evolution of meaning through personal resilience and redefinition of success.

### **My Business Failed, But I Did Not” – Redefining Entrepreneurial Identity**

A core shift noted in the narratives was the distinction between business failure and personal failure. Over time, participants began to separate their self-worth from the performance of their ventures.

“People think if your business fails, you’re done. But I still have ideas, I still have dreams. I’m not done.” (P2)

This redefined entrepreneurial identity allowed participants to envision future endeavors without the burden of past failure defining them.

“I might not open a big shop again, but I’ll sell from home. Failure taught me I’m more than one thing.” (P8)

Such insight signals a maturation of entrepreneurial selfhood shaped not in spite of but through the experience of failure.

The lived experiences of business failure among women entrepreneurs in remote areas are multifaceted and deeply personal. Far from being mere economic setbacks, these failures impact identity, emotional wellbeing, and future agency. The themes reflect a journey from loss and stigma to reflection and redefinition, illustrating how entrepreneurial meaning is constructed in contextually rich and socially embedded ways.

### **How should entrepreneurs view business failure?**



Business Failure

Focus on economic setback and stigma



Personal Growth

Emphasize resilience and future agency

**DISCUSSION**

The findings of this study reveal that business failure among women entrepreneurs in remote areas is experienced as a profound disruption of personal identity, emotional stability, and social standing. These experiences are not merely business setbacks but complex, meaning-laden events that intertwine with gender roles, cultural expectations, and personal resilience, providing deep insight into the central research question regarding how women make sense of entrepreneurial failure.

This study offers a unique contribution by illuminating how women internalize failure as a reflection of self-worth, then gradually reconstruct meaning through reflective processes influenced by social, cultural, and spiritual resources. Unlike generalized explanations of failure, the themes uncovered such as the loss of identity, structural barriers, meaning-making, and redefined entrepreneurial selfhood respond directly to the research question by demonstrating how failure is emotionally and existentially negotiated. The data reveal that failure is not passively endured; it is interpreted, contested, and reappropriated as a space for growth, resilience, and transformation.

The themes identified in this study are in conversation with, yet extend beyond, the existing literature. For instance, Cardon and Stevens (2018) discuss the role of emotional regulation in entrepreneurial failure, but this study advances the conversation by showing how such emotions are rooted in cultural and gender-specific narratives. Similarly, Singh et al. (2015) explore failure and identity but largely in urban or generalized contexts, whereas this study contextualizes these processes within rural environments marked by social surveillance and limited mobility. The concept of identity reconstruction observed here echoes findings by Ahl and Nelson (2019), yet with a more grounded emphasis on the emotional and social dimensions of entrepreneurial life that are often rendered invisible in mainstream economic discourses. Thus, this research deepens theoretical understanding by presenting failure not as a singular event but as a lived, relational, and evolving process.

The findings of this study carry significant implications for both research and practice, particularly in the domains of entrepreneurship development and gender-inclusive policy. On a social level, the narratives of identity loss and emotional distress underscore the need for psychosocial support systems tailored to women entrepreneurs, especially those operating in culturally conservative and geographically isolated settings. Culturally, the findings reveal how failure is not only perceived through individual lenses but is deeply shaped by communal expectations and social judgment. Professionally, the study suggests that entrepreneurship training programs must move beyond technical skills and incorporate modules on emotional resilience, narrative reflection, and identity reconstruction to truly support recovery and reinvention after failure. These implications are not limited to rural Indonesia but are potentially transferable to other global contexts where gender, geography, and entrepreneurship intersect.

Several limitations must be acknowledged in interpreting the findings of this study. First, the phenomenological approach prioritizes depth over breadth, which limits the generalizability of results across different populations or cultural contexts. Second, participants were selected from a specific geographic region, which may not reflect the diversity of experiences among women entrepreneurs elsewhere. Third, while the study embraced a reflective and interpretive stance, the richness of participants' narratives may still be influenced by social desirability or recall bias. These limitations are inherent to qualitative research but highlight opportunities for further inquiry using complementary or comparative designs.

Future research could build upon these findings by exploring entrepreneurial failure through longitudinal designs that capture identity transformation over time. Comparative studies across different regions or cultural backgrounds may also enrich our understanding of how sociocultural structures influence meaning-making processes. Additionally, integrating phenomenological insights with psychological and behavioral frameworks may lead to the development of more holistic support models for women in entrepreneurship. Ultimately, this study opens pathways for rethinking how failure is framed, narrated, and supported in both academic and policy spheres.

## CONCLUSION

This study explored how women entrepreneurs in remote areas of Indonesia experience and interpret business failure as a deeply personal and socially embedded phenomenon. The findings demonstrate that failure affects not only financial standing, but also self-concept, emotional resilience, and relational dynamics within tightly-knit rural communities. Using an interpretative phenomenological approach, four core themes emerged: loss of self, structural barriers, emotional meaning-making, and the reconstruction of entrepreneurial identity. These themes offer a textured understanding of failure that goes beyond conventional economic or strategic analyses—responding to the research gap by emphasizing lived experience and contextual nuance.

To move this insight into practical impact, the study recommends that entrepreneurship programs integrate psychosocial support mechanisms—such as guided reflection, trauma-informed mentorship, and peer storytelling sessions—into training modules. These emotionally supportive interventions can help normalize failure, reduce stigma, and foster identity resilience among women entrepreneurs. Policymakers should also design outreach models that engage local cultural norms, involve community leaders, and facilitate safe spaces for women to navigate post-failure transitions without social penalty. Future research may build on this work by exploring how identity reconstruction evolves over time, or by comparing emotional coping mechanisms across regions with differing cultural attitudes toward failure. Such work can further inform the design of inclusive, empathetic entrepreneurship ecosystems.

## CONFLICT OF INTEREST

The authors declare that there is no conflict of interest.

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