Women Entrepreneurs in the Film Industry: Obstacles, Challenges, and Opportunities

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Abstract

This paper does a review of the literature that exists for women entrepreneurs in the film industry and includes a look at some major statistical revelations. It does this primarily through a literature review and research on the major articles on women entrepreneurs in the film industry as well as researching industry data from key statistical sources. The findings indicate that women entrepreneurs in the film industry are at a great disadvantage compared to their male counterparts and that this is especially potent for minority women entrepreneurs in the film industry. In order to overcome these deficiencies women entrepreneurs in the film industry have to create network structures that are relevant and reliable and include those both inside and outside the film industry, those in the financial industry and those willing to train and educate the women entrepreneurs on the nuances of the said film industry.

Introduction

Many industries continue to grapple with their disadvantaged treatment of women and minorities into the twenty-first century. Some of these industries are heavily skewed by gender, with women often seen as participating in minuscule or peripheral ways in said industries. Such industries include engineering, mining, and construction as well as other fields such as financing or manufacturing (Smith-Hunter, 2006). One area that has received scant perusal is the film industry, especially as it relates to entrepreneurship, women entrepreneurship and in particular minority women's entrepreneurship (Henry et al, 2018; Karniouchina et al (2022). The status quo has been to accept women in the film industry in more subservient roles, where they are actresses or engaged in administrative or clerical work. Women as directors, producers, and operating in positions where they are entrepreneurial and write, produce or direct their films are often dismissed, ignored and definitely not often rewarded. This paper takes a major step to rectify this position, by first presenting the literature that currently exists on women entrepreneurs in the film industry, highlighting the key studies, which is definitely dastardly low. This is followed by a look at the statistics that exist on women entrepreneurs in the film industry. This paper's focus thus answered and highlighted initial views of the industry and provided a solid starting point for more in-depth follow-up analyses. The paper ended with a discussion of the obstacles and opportunities that exist for women entrepreneurs in the film industry.

A recent study completed by Alicia Jessop in 2022 provided great insight into the screen industry and does so with rigorous statistical figures. It contributed first-hand primary data from the women entrepreneurs operating at the front lines of the screen industry. The study began with a look at screen industry, then continued with a look at factors related to financing, looking at it from three distinct perspectives: the methods of securing funding in the screen industry; drivers of funding for screen industry entrepreneurial endeavors; and inhibitors to funding for screen industry businesses for women entrepreneurs (Jessop, 2022). The paper ends with a look at motivators and barriers to starting screen industry businesses for women in the industry (Jessop, 2022).

One prominent question that dominates and echoes loudly as one thinks of women entrepreneurs in the film industry is this - why is there such a large divide between male and female entrepreneurs in the industry? The answer to this question, Jessop (2002) concluded,was best answered by honing in on the financial arena. Jessop (2022) concluded that only 18.6% of studio-subsidized film deals and 35.7% of studio-subsidized television deals were with women-owned companies and only 18% of production companies with non-studio funding were women-owned. By comparison, Jessop (2022) found that on average men-owned independent production companies received more than seven times the amount of funding received by women-owned independent production companies. This current paper provides a look at how to alleviate the funding issues that serve as a barrier to entrepreneurs entering and advancing in this industry. In so doing, it serves as an important step in reversing women's entrepreneurial position in this sector.

Background and Literature Review

What then of the literature in the area of women entrepreneurs in the film industry? What does it reveal? Karniouchina et al (2022) very recently discussed said issues and noted that representation issues for women in Hollywood are coming under intense scrutiny in recent years, with the movie industry wrestling with gender- and race-related imbalances in its power structure and among those who are owners or entrepreneurs in this industry. One could argue that this increased focus is long overdue,since women entrepreneurs in the film industry as a recent phenomenon is inaccurate. The focus on the limited representation of women entrepreneurs in the movie industry was done convincingly two decades ago, when Mahar (2001) noted that women flourished as producers, directors, screenwriters, and editors in the first quarter-century of the 1900s. The author further found however that by 1925 their presence in all but the screenwriting arena, was severely diminished (Mahar, 2001). The argument in that research paper is that the process of gendering the industry ultimately closed studio doors to female filmmakers (Mahar, 2001). As studios moved from the artistic and entrepreneurial stage, a move that was counter-conducive to the perceived qualities of women, the needs of the industry became masculinized and women were excluded (Mahar, 2001). The author ends by making the argument that it wasn't necessarily the fitness, that is, the qualifications of women in that line of work that led to their dismissal, instead their dismissal came down to financial issues that saw big studios with large budgets dominating and women entrepreneurs who lacked that support where unceremoniously sidelined (Mahar, 2001). This theme of financial support and its importance to women entrepreneurs in the film industry, will be revisited again and again as a thread throughout the literature review that follows.

Another study that looked at women entrepreneurs in the film industry was completed by Karniouchina et al (2022). These authors' main area of concern was film directors and they saw it as an area of continued concern with the small proportion of women and people of color who were retained as film directors, coupled with little evidence of improvement in representation among widely released U.S. movies over time (Karniouchina et al,2022). The authors examined factors that explained gender-related and race-related performance disparities in the movie industry. They employed a two-stage model analysis that accounted for the effects of selection in matching directors' gender and race to (1) projects of varying potential, (2) production budgets, and (3) the number of screens secured during distribution Karniouchina et al (2022). The authors used instrumental variables for revenue, budget, screens, and audience reviews and found that once endogeneity and selection are captured by the models, gender- and race-based performance differences disappear Karniouchina et al (2022). Their results showed evidence of biases favoring male, nonminority directors in a project assignment, budgeting, and distribution Karniouchina et al (2022). These biases were stronger for movies with female and minority lead actors but weaker for directors with high clout and international directors (Karniouchina et al, 2022). A matched-sample analysis illustrated that women directors produce similar outcomes with lower budgets and that minority directors produce outsized revenues with equivalent budgets Karniouchina et al (2022).

A most welcome study by Henry et al (2018) examined how factors from Indigenous entrepreneurship research (social capital, cultural capital, self-efficacy) helped explain the relatively high level of Māori entrepreneurial performance in the mainstream screen industry. The authors used results based on ten case studies and a one-year series of structured interviews, extending prior research by showing that these Indigenous entrepreneurs benefitted jointly from two forms of capital: cultural and social (Henry et al, 2018). The linkages between financial capital and cultural and social capital or network structures have been made convincingly before by Smith-Hunter (2006). In the case of the Indigenous study, the researchers found high levels of both forms of the latter capital, increased the desire for emancipation of cultural and community identity – not just individual identity – through entrepreneurship (Henry et al, 2018). The research shed new light on how Indigenous ventures can pursue mainstream entrepreneurship while maintaining cultural identity (Henry et al, 2018). The idea of women profitably pursuing entrepreneurial ventures in the film industry while staying true to their interests and beliefs could serve as a blueprint for women entrepreneurs in the film industry. As Henry et al (2018) implied, pursuing entrepreneurship in the film industry by minority groups is a legitimate currency to preserve their voices.

Research Methodology

The current study looked at women entrepreneurs in the film industry. The study represents a first step in gaining knowledge on what is available in that subject area in terms of the current literature and statistics. To that end, a thorough literature review was done and the most relevant and timely articles were summarized to provide a meaningful synopsis of where the research stands in this area today, as well as some key findings and what could next be done in terms of a follow up research agenda or analysis. As such, this paper used secondary data analysis to review the relevant literature and statistics that is currently available on women entrepreneurs in the film industry. The preceding serves as the best way to answer what research has been done, what are the key findings and what follow up research could be done as next steps? Thus the research question of what information currently exists and what additional research could be done is clearly answered through the use of this methodology.

Statistics on Women Entrepreneurs in the Film Industry

A comprehensive study by Jessop (2022) provided some much-needed concrete statistical data on women entrepreneurs in the film industry. The report, titled "Women Entrepreneurs in the Screen Industries: Obstacles and Opportunities" and conducted by Pepperdine University associate professor Alicia Jessop, concludes that only 18.6% of studio-subsidized film deals and 35.7% of studio-subsidized television deals were with women-owned companies and only 18% of production companies with non-studio funding were women-owned (Jessop, 2022). Data was obtained from 114 quantitative surveys and 66 in-depth qualitative interviews of a sample including men and women, ranging in age from 25 to 74 years old, from a variety of races, and whose companies are based in the United States (Jessop, 2022).

Jessop's (2022) research showed that women-owned production companies are in the minority when it comes to receiving studio subsidized deals, as well as independent financing from private investors, banks, or venture capital (Jessop, 2022). As of 2018, only 18.6% of studio-subsidized film deals and 35.7% of studio-subsidized television deals were inked with women-owned companies, and just 18% of production companies that received non-studio funding were women-owned (Jessop, 2022). In addition, the women-owned businesses that acquired non-studio-subsidized funding raised $3.3 million on average, compared with the $24.4 million their male counterparts received (Jessop, 2022). Despite the disparity, Jessop noted that because "women of color are facing the steepest barriers to entry in obtaining funding, that's a huge opportunity for these companies and studios — who after George Floyd's murder came out and positioned themselves to support Black Lives Matter, racial equality and equity — to examine whether women of color have the same opportunities" (Jessop, 2022).

Furthermore, Jessop's most statistically significant findings dealt with financial literacy. The study found that women felt less confident than men in their ability to structure deals and compete for capital and were less assured in asking for the money they need (Jessop, 2022). Though this study didn't ask *why* women felt that way, one could hypothesize that the uncertainty comes from seeing other women ask and then struggle to succeed. That suggestion is backed up by another surprising statistic: 0% of male entrepreneur interviewees self-indicated that parenting obligation presented a barrier to pursuing screen industry entrepreneurship, compared to 27.8% of female entrepreneur interviewees (Jessop, 2022). Since so much of the film industry is building on networking, the study suggested that networking methods preclude women from creating important male-female professional relationships and, therefore, restrict their access to funding and other business opportunities(Jessop, 2022).

The report also pinpointed the barriers to entry that feed the wide gender gap in screen industry funding. These barriers include lack of access to network relationships with investors; "unconscious, systemic, and organizational biases" that suggest women don't have enough experience or success to warrant investment in their companies; and a lack of self-confidence among women themselves. "Gender-based biases," such as women often bearing the brunt of childcare duties, also contribute to the disparity in investment. Speaking directly Jeesop stated that "this research shows that women are more ready, educated, and capable than ever to found and lead impactful screen industry businesses," (Jessop, 2022). The author continued by stating that "however, significant barriers continue to foreclose paths to entrepreneurship for women in the screen industry. To optimally reach and engage all consumers, women must have equitable pathways to entrepreneurship as men" (Jessop, 2022).

An analysis of the gender breakdown of U.S.-based production companies found that women-owned production companies are in the minority when it comes to receiving studio subsidized deals and/or independent financing from private investors, banks, and venture capital firms (Jessop, 2022). Women-owned production companies received 18.6% of studio subsidized film deals and 35.7% of studio-sponsored television deals, as of 2018. Only 18.0% of independent production companies financed by non-studio funding from private investors, banks, venture capital firms, or personal funds, are women-owned (Jessop, 2022). The dismal awarding of funding to women-owned production companies showcases a prominent hurdle women face in pursuing screen industry entrepreneurship (Jessop, 2022). This hurdle is exacerbated by promotion practices in the industry that typically hold women out of top decision-making roles at studios (Jessop, 2022). One of the most glaring causes of the disparity is that only 18.6% of studio subsidized film deals and 35.7% of studio subsidized television deals were with women-owned companies in 2018 (Jessop, 2022).

A further look at the results outlined that only 18% of production companies with non-studio funding were women-owned. It further showed that women are not offered the same opportunities to start their businesses as men after their tenure in the studio or network jobs (Jessop, 2022). Men reported receiving studio deals or independent financing to start businesses after their studio or network tenures, whereas women did not report the same (Jessop, 2022). Industry hiring, promotion, and salary practices, coupled with dismal funding opportunities for women-owned screen industry businesses, create a dynamic where men typically pursue screen industry entrepreneurship because they want to, while women pursue screen industry entrepreneurship because they have to (Jessop, 2022). Fifty percent of the men interviewed pursued screen industry entrepreneurship primarily for the perceived business opportunity, compared to 11.1% of women interviewed (Jessop, 2022). In contrast, 38.9% of women interviewed pursued screen industry entrepreneurship primarily out of career necessity after losing a job, not obtaining a position they were qualified for, or not being compensated adequately (Jessop, 2022).

The 11.8% of men interviewed who pursued screen industry entrepreneurship primarily out of necessity did so when, mid-career and working in C-level executive roles at studios, they were not allowed to fully pursue their creative interests, unlike the majority of women interviewed for this study, these men were awarded significant financing to build companies (Jessop, 2022). While women reported recognizing and being motivated by the business opportunities entrepreneurship presents, the data above points to a critical finding of this research: women's pursuit of screen industry entrepreneurship is thwarted because they do not receive the same funding—whether from studios or independent investors—that men obtained (Jessop, 2022). The current situation leads to a troubling and vicious cycle, in which women who pursue screen industry entrepreneurship encounter more significant barriers than their male counterparts and receive less support (Jessop, 2022). Not only do women not have as strong of networks as men to back them if they fail, but there are also few financiers or studio-based funders willing to float their independent or studio-based companies after the end of their for-hire role. This stands in stark contrast to men, who largely because of the benefits of their personal and professional networks, consistently shift from jobs-for-hire to owning their ventures backed by capital (Jessop, 2022).

Other findings of the study (Jessop, 2022) indicated the following - that barriers to screening industry entrepreneurship faced by women include:

- A lack of access to network relationships with individuals capable of offering or providing funding
- Unconscious, systemic, and organizational biases have resulted in a general assumption that women possess "less professional success and/or experience," which is often the main prerequisite for investors looking to fund entrepreneurs

○ A lack of self-confidence by women in their abilities to structure financing, compete for funding, and ask for the capital they need

○ Gender-based biases, including parenting obligations, are disproportionately managed by women.

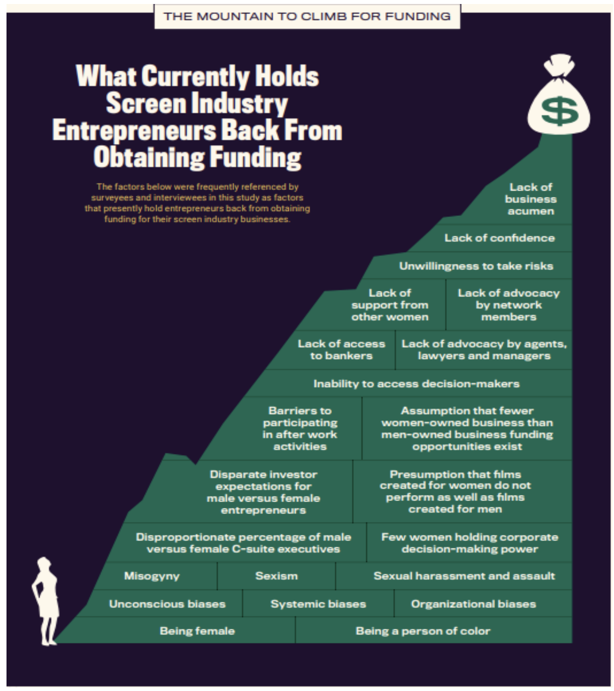

FIGURE 1 - Source: Women Entrepreneurs in the Screen Industry: Obstacles and Opportunities (Jessop, 2022)

Discussion and Research Implications

The findings demonstrate that women entrepreneurs in the film industry are at a severe disadvantage. These disadvantages occur in the human capital, social capital and financial capital areas. For human capital, there is a need for the women entrepreneurs in film to become as knowledgeable as possible about the business and industry from as early as possible. This can be done through high school, college or post college internships and work experiences. This can also be done by taking as many relevant courses and classes as possible on the industry in general and on specific areas in the industry. This human capital should definitely include knowledge on the financing nuances relevant to and in the film industry.

For social capital or network structures, the women entrepreneurs in the film industry need to build network structures, starting early on that are comprehensive and include necessary parties. More specifically, such network structures should include financially knowledgeable individuals who can also access the women entrepreneurs to obtain access to financing. It should also include networks that allow others to act as mentors, confidants and support structures. As such, these networks need to be extensive and very diverse in terms of the relevant and needed areas that are covered and included. These network structures should not be seen as one sided - meaning that the women entrepreneurs are only being helped by the other individuals or organizations in their network structures. Instead the women entrepreneurs should also contribute or return the favor so to speak by also providing services and assistance to those who are in turn assisting them or providing services to them. Some solid network structure advice would be to: join organizations that assist women; join organizations that assist women business owners; collaborate with other women or other business owners that can guide, assist and lend overall support to your business and map out in great detail what help you need with your business, so that others can help you.

What then are the research implications of the current paper - beyond the above three recommendations that women entrepreneurs in the film industry expand their human capital, social capital and financial capital resolutions. There is a need to do research on women entrepreneurs in the film industry that looks at minority women entrepreneurs in the film industry. There is also a need to look at women entrepreneurs in the film industry across geographic areas. A related question to the latter point is this - do women entrepreneurs in the film industry experience the same challenges or do these challenges differ in different countries? Most importantly there needs to heavy duty research on where women entrepreneurs the film industry can obtain financial capital.

Conclusion and Limitations

The current paper is significant, as it highlights the current circumstances of women entrepreneurs in the film industry and lays the groundwork for solid recommendations to improve their positions. First, it provides an integrative theoretic review. The literature on women entrepreneurs in the film industry highlights three key studies that do this genre true justice. Second, it illustrates a culturally appropriate methodology for researching Māori entrepreneurs with implications for other Indigenous communities. Third, it proposes cultural capital and social capital as a two-part framework for explaining Indigenous entrepreneurial action. Fourth, it shows how entrepreneurship can be empowering for all communities and should be celebrated in arenas that have underrepresented groups such as women entrepreneurs. Finally, this paper demonstrates that entrepreneurship is a promising mechanism for preserving and promoting certain groups that are often underutilized or left behind in certain sectors. It also highlights several distinct contributions to the Indigenous entrepreneurship literature, something that is unfortunately almost always lacking.

The paper relies to an extent on recent and important work from Jessop (2022), who sees four actions as critical to allay the obstacles and challenges that continue to plague women entrepreneurs in the film industry. First, is the need to purposefully fund women-owned businesses in the film industry. The author sees this intentional act as a necessary step that should be done with open transparency and a reporting and tracking system that provides updated reports on what is being done by the numbers and what those numbers ultimately mean. Second, the need to increase and improve women entrepreneurs' network structures or social capital in the film industry. The author thinks this should be done through structured mentoring that holds mentors and mentees accountable for the optimization of this relationship. Third, increase the women entrepreneurs' knowledge of financial literacy, especially as it relates to the film industry, answering questions such as the nuances and solutions to these nuances in the film industry. Fourth, Jessop (2022) calls for the end of systematic bias that creates obstacles and challenges for women entrepreneurs in the film industry and instead recommends a system that disrupts the current status quo and promotes a structure that aids and assists the women entrepreneurs. Future research could look at women entrepreneurs across different countries and across different racial groups.

There are limitations to this paper. An extensive literature review that covered related literature reviews from other countries was not done. In addition, masters or doctoral degree dissertations were not used in this paper, including those from other countries which focus on women entrepreneurs in the film industry. Follow Up papers and presentations could start by looking at doctoral dissertations.

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