

Analyze the Impact of Reducing Gender Inequality on Socio-Economic Value

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Abstract. This paper examined Unilever's strategy for enhancing the livelihoods of female Ivorian cocoa farmers, focusing on the research question of how a Fast-Moving Consumer Goods (FMCG) company can strike a balance between reducing gender inequality and boosting economic value. One of the seventeen Sustainable Development Goals (SDGs) is to reduce gender inequality. This issue is especially prevalent among Côte d'Ivoire's female cocoa farmers. The purpose of this study was to identify the three methods for resolving this issue. It started with giving women farmers easier access to resources for education and training, followed by an increase in the number of women in leadership roles and more collaborations with stakeholders. Unilever leads the industry in corporate social responsibility, conducting extensive research by examining the company's current policies and action plans. However, future recommendations suggest integrating technology, adhering to the law, and anticipating improved legal frameworks and integrated networks that work together to create a sustainable society.

Keywords: Social Enterprises, Gender Inequality, Women Empowerment, Unilever.

1. Introduction

1.1. Research Background

As social cognition develops, people's perceptions of social equality become more distinct. In this context, gender equality has emerged as a critical social equality issue. According to the Global Gender Gap Index 2024, it has illustrated the fact that of the 146 countries that participated in the index, none reached full parity, and it would take 134 years to realize the parity [1]. Women are always considered to be at a disadvantage compared to men. Although there has been some improvement compared to previous years, the situation is still pressing. There is a consensus to work together to achieve the 17 sustainable development goals raised by the United Nations, such as gender inequality. Social entrepreneurship is the idea that a business commits to improving society, brings about economic prosperity, and creates social value. Social enterprises will play an important role in closing the financing gap by mobilizing funds where they are most needed to help achieve sustainability goals. Enterprises such as Unilever, a global leader in the FMCG industry, are also leaders in sustainability.

The issue of gender equality is not only a topic of great concern to society, but also in the field of academic research. Numerous researchers and scholars have conducted studies on related topics. For example, Elias and peers have investigated the issue of gender equality in the livestock, fisheries, and aquaculture industries among low- and middle-income countries through empirical studies and found that women were perceived to be overlooked and had limited control over resources [2]. The study examined the efforts undertaken to lessen inequality. McKague et al. employed a distinct methodology to examine gender inequality among community health workers in Africa, focusing on the role of health social enterprises in enhancing gender and health outcomes through interviews and focus group discussions [3]. Mwaniki and Dinbabo, however, used Giddens' theory, structuration, and conceptual framework to study the effectiveness of social enterprise on poverty and the inequality of people's lives in Nairobi, Kenya [4]. Surprisingly, Mwaniki and Dinbabo found that social enterprises had limited influence on reducing the gender wage gap, but it was also true that social

enterprises could offer job opportunities, enabling people to enter the labor market and earn greater livelihoods [4].

1.2. Research Gap

According to previous research and case studies, it is believed that gender inequality against women occurs more or less in different industries, such as labor-intensive industries like agriculture and health care. This phenomenon is particularly evident in developing countries. However, fewer studies focused on the fast-moving consumer goods industry and examined the efforts of social enterprises to reduce gender inequality. This article aims to bridge one of the research gaps in this area. Furthermore, previous research has shown that social enterprise interventions have a contributory effect on improving gender inequality. However, in addition to meeting the needs of society, enterprises must also be able to stabilize and maintain day-to-day operations to achieve sustainable profitability. Does the social enterprise possess sufficient resources and influence to fulfill societal needs? As a result, this study aims to select Unilever as the research object to discuss how social enterprises can solve gender discrimination while also ensuring the sustainability of the enterprise itself to achieve a win-win situation between social problems and economic value. The significance of this study lies in the potential for the development of social enterprises to not only encourage more individuals to participate in problem-solving activities through their influence but also to generate economic value through innovative solutions to social problems.

1.3. Fill the Gap

This study uses women farmers in Côte d'Ivoire as a case study to address the identified research gap and explore relevant research topics in this sector. It illustrates how Unilever might alleviate gender imbalance by providing educational and training resources, cultivating leadership abilities for women, and improving collaboration with stakeholders. This strategy would allow the Unilever brand to obtain the economic advantages of a mutually beneficial scenario. This study will examine three potential methods by which Unilever attains a mutually beneficial outcome for social and economic values through an analysis of its current sustainability initiatives, including the Cocoa Sustainable Project. In the concluding portion of this study, this paper will present ideas for enhanced problem-solving procedures for the future community.

2. Case Description

2.1. Gender Equality and Women Empowerment in Unilever

Unilever is a global consumer goods business that covers 3.4 billion people in 190 countries, which means the branding impact is extensive and it is taking action to respond to the goals of a sustainable society by working the Equity, Diversity and Inclusivity as one of its corporate missions [5]. Unilever takes a holistic view to build gender equality and women empowerment through a 4-tier structure, from workplace to product and from supply chain to partnership. One of the visions of Unilever is to benefit 1 billion people annually by enhancing equity and inclusion by 2030 [6]. Unilever has already gone very far. In partnership with the International Centre for Research on Women, Unilever has established a Gender Equity Framework, which values gender equity drivers in Economic Empowerment, Health and Wellbeing, Safety and Voice and Leadership [7]. The framework aims to ensure that gender equality is embedded in all sustainable initiatives or programs.

2.2. The Cocoa Sustainable Project

Cocoa, a major ingredient in ice cream, is an essential component of Magnum, a Unilever product line. In 2018, Unilever replied to a request from the Côte d'Ivoire government by producing almost two-thirds of the world's cocoa in partnership with 36 cocoa and chocolate merchants that collectively account for 85% of worldwide cocoa consumption [8]. The Cocoa & Forest Initiative (CFI) was established in response to the cocoa industry's key role in developing the Côte d'Ivoire economy,

eliminating rural poverty, and supporting the transition of over one million cocoa farmers. The project promised to protect and rejuvenate forests, promote sustainable cocoa farming and farmer livelihoods, and improve social inclusion via the creation of youth- and gender-sensitive action plans for sustainable agricultural intensification [9].

The project is now in phase II of its action plan (2022-2025), which remains focused on the three primary themes and aims to improve communication between all segments of society and stakeholders from the governmental, business, and civil society sectors [10]. The government and businesses have committed to fully and effectively involving cocoa farmers in the initiative's planning and execution, as well as promoting community-based management methods for forest preservation and restoration [10], with the goal of increasing community engagement and social inclusion.

Unilever and its suppliers and partners have been working on the Women Economic Empowerment Program since 2020 [8]. Unilever devised the initiative to assist farmers and community members, particularly women, in diversifying their agricultural output and exploring non-farm revenue opportunities [8]. Unilever and its supplier Cargill agreed to launch a Direct Cash Transfer Program for 400 women in 2023. After completing training to form Village Savings Loan Associations (VSLAs), the women began a 100-week cash transfer program with NGO partner 100WEEKS, receiving €8 each week [8]. They also receive in-depth training in business finance and operations, household budgeting, and social skills pertinent to their jobs at home and relationships with their spouses [8].

The program's participants saved five times as much as the African benchmark and more than three times as much as the Côte d'Ivoire standard. The women who participated have either started or increased their income-generating activities. The firm has already provided an income for over three-quarters of the women [8]. Female program participants reported increased self-esteem, which allowed them to participate more actively in the community and provided them with the tools they needed to make decisions at home. Future livelihood projects will draw on the information gathered from this program [8].

3. Analysis on Problems

3.1. Education and Training Resources for Women Farmers

Unilever provides educational and training resources for women farmers, which is a win-win situation for Unilever and local business growth.

Through partnerships with suppliers and NGOs, Unilever has provided several trainings to women so that these people would be able to apply this knowledge to their business operations and investment growth. According to Unilever, 5,914 people have participated in the women empowerment projects [8].

On one hand, the training would allow these women to explore new resources, create financial surpluses, and do what they want. It could be used empirical evidence to demonstrate the effectiveness of this program. The spread of swollen shoot disease over cocoa trees in Côte d'Ivoire forced a widow and mother of six children to reduce her income. It could no longer cover her daily living expenses. Today, it is no longer a worry because the profits from the cocoa are now sufficient for the family. On the other hand, Unilever reaped the benefits of working more closely with its partners and exploring new collaboration opportunities through this program.

Several previous studies have shown the value of local education and training. Naveed and colleagues investigated the link between women's economic rights and global economic development using data from 171 nations between 1960 and 2016 [11]. The research focuses on GDP growth per capita, as well as the ranking and importance of women's economic rights [11]. The study discovered a correlation between women's economic rights and economic growth. They accomplished this by doing a regression analysis utilizing pooled OLS, a random effects model, and maximum likelihood

estimation [11]. The pace of economic growth increases in proportion to the degree of women's economic rights [11]. Similarly, researchers studied 212 Moroccan female entrepreneurs to determine the factors that contribute to women's business success [12]. Using social feminist theory this paper investigated the psychological, social, institutional, and economic aspects of a Muslim or Arab nation's patriarchal society. Based on structural equation modeling, the findings show that external variables, including financial availability, social support from friends and family, and government assistance, have a favorable and direct impact on Moroccan women's entrepreneurial success [12].

3.2. The Increase of Female Leadership Roles

Local women's incomes have increased, and they are making a difference in various fields because Unilever has given female leaders roles and opportunities. The Unilever brand has also become more well-known. According to a recent survey, participants in Magnum's AWA project had personal savings that were 12 times greater than the Ivorian benchmark [13]. According to the testimonies of local women farmers, self-confidence is an additional benefit beyond income. Furthermore, 74% of the initial AWA by Magnum participants have grown their revenue streams via entrepreneurship, spanning from retail fashion to food manufacturing [13]. Because of these kinds of successes, Magnum decided to extend the program to 400 farmers from two more agricultural cooperatives. For AWA, an Ivorian fashion designer has crafted a limited-edition collection of five pieces, set for auction on World Cocoa and Chocolate Day [13]. The proceeds from the sale of these pieces will support Magnum's other impact programs in Côte d'Ivoire. The impact of female leadership is starting to come to light.

Empirical research has shown that female CEOs help sustainable firms grow. Enaifoghe and Durokifa found that women are born leaders [14]. Gender equity in leadership is essential for sustainable development. Despite making up 55% of the world's population, societal, political, and economic restrictions lead to the under-representation of women [14]. It is possible to argue that any nation would profit from deploying and using competent female experts [14]. Studies show that female CEOs are crucial to corporations because they are effective at creating relationships and making decisions [14]. Researchers found that female leaders' visionary and organic leadership boosts company sustainability [15]. It also showed how business and organizational capabilities affect company sustainability [15].

3.3. The Boost of Partnerships with Stakeholders

This initiative has benefited Ivorian farmers, and many more will do so as a result of Unilever's collaboration with NGOs and other cocoa suppliers. That noble cause will give Unilever more chances to work with partners in various fields. As previously stated in this study, this is a collaborative effort aimed at promoting the sustainability of cocoa for women in Côte d'Ivoire. As part of the Cocoa & Forest Initiative, Unilever and other major cocoa producers work closely to achieve a common goal. Until July 2024, the number of individuals participating in women's empowerment projects and activities would be 78,030 [16]. The program that was carried out with 100 WEEKS and its supplier Cargill had at least 400 women involved, and it is expected more Ivorian women are going to benefit from this [16]. On the other hand, Unilever partnered with the Ivorian government, other brands, and industry bodies, such as Meridia, a social venture that helps smallholder cocoa farmers secure land rights [17]. The first group of farmers—over 40% of whom were women—received 130 documents pertaining to land tenure in 2022. This project aims to develop a blueprint for larger projects [17].

This research asserts a positive correlation between the social enterprise's brand credibility and brand equity and the enhancement of partnerships with stakeholders. Prior research investigated the impact of corporate social responsibility (CSR) on the brand of a Vietnamese cosmetic company. The findings indicate that consumers' opinions of CSR significantly influence their propensity to buy the brand in the future and that brand equity, brand reputation, and brand trustworthiness mediate the

relationship between consumers' opinions of CSR and their intentions to make a purchase [18]. This contributes to the brand's economic sustainability by earning consumers' trust.

4. Suggestions

4.1. Suggestions on Education and Training Resources for Women Farmers

In recent years, the deepening of digital transformation has led many companies to utilize technology for enterprise management. Given this background, this paper suggests the use of digital technology to improve and support women cocoa farmers in Côte d'Ivoire, for cocoa farming, and beyond. In 2022, Magnum launched an online female empowerment project for the farming community in Côte d'Ivoire. AWA, a digital ambassador, uses facial scanning technology and real-life portraits of 128 women from cocoa-growing communities to share their stories with the public [13]. Unilever applied blockchain technology in its neighboring project for deforestation-free palm oil [19]. However, there is currently no implementation of blockchain technology in the Cocoa project. As suggested by the Digital Agri Hub, the best practice for supporting women's empowerment in knowledge and skills is to use digital agriculture solutions to ensure that women farmers have access to agronomic advice and information [20]. Research has proven its effectiveness in enhancing skills and knowledge, as well as boosting overall productivity.

4.2. Suggestions on the Increase of Female Leadership Roles

This paper advocates for the formation and enhancement of laws addressing gender discrimination while also drawing insights from the experiences of women leaders within the framework of international cooperation in the rule of law. The distinguished Ivorian woman designer in the Magnum AWA program exemplifies female leadership, with the initiative targeting 5,000 women by 2025. The inclusion of additional female leadership role models would improve the brand's image and contribute to women's empowerment. Addressing a long-standing societal prejudice is a formidable challenge; yet, there appears to be a consensus that implementing laws and regulations is the essential initial step toward this objective [21].

4.3. Suggestions on the Boost of Partnerships with Stakeholders

This paper suggests strengthening comprehensive cooperation in all areas to achieve sustainable business growth, based on the successful outcomes of globalization and the "Belt and Road Initiative" thus far. Unilever now has a very wide network of stakeholders. However, this study suggests that Unilever could leverage technology to create a unified platform and collaborate with a broader range of stakeholders, thereby facilitating unimpeded communication and information exchange. Prior research on the web-based integration of national park conservation partnerships has shown that businesses introduce partnerships to finance the implementation of conservation programs, enhance media outreach, and promote conservation actions [22]. They also offered opportunities to collaborate with non-governmental organizations in the social and environmental domains and other conservation partnerships [22]. The Cocoa Sustainable project could potentially replicate the model.

5. Conclusion

This study seeks to answer the research question of how an FCMG firm achieves a win-win situation in both reducing gender inequality and enhancing economic value by examining Unilever's case. As one of the SDG 17 Sustainable Development Goals, reducing gender inequality is imperative. This issue is particularly prominent among women farmers in Côte d'Ivoire who depend on cocoa cultivation. This research aims to identify three potential solutions to this problem. It includes access to education and training resources for women farmers, an increase in women's leadership roles, and then increased partnerships with stakeholders. Unilever leads the industry in corporate social responsibility, conducting extensive research on current policies and action plans in which it engages.

However, as suggested, future actions could include integrating technology, adhering to legal norms, anticipating a refined legislative system, and establishing an integrated network, all of which together could contribute to the development of a sustainable society.

This study aims to further the notion of gender equality. This study aims to urge the cocoa industry to prioritize the position and contributions of women practitioners and advocate for gender equality within the sector. The research examines an extensive case study of Unilever, a fast-moving consumer goods company, to address gender imbalance in the cocoa sector, a subject that is rarely addressed in current literature. The study integrates educational, financial, scientific, and technical support to offer a holistic approach to enhancing the status and role of women in cocoa production.

This work possesses several limitations and presents various avenues for further investigation. For example, despite Unilever's publication of its yearly financial results, less emphasis is placed on the company's response to social concerns and the extent of economic benefit derived from addressing these problems. Furthermore, there is a lack of adequate oversight over the current living conditions of program participants. Addressing social issues is a protracted endeavor that necessitates a collaborative effort; hence, society collectively requires more corporations, such as Unilever, to take action.

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