

Migration and Women's Entrepreneurship: Cultural Adaptation Strategies in the Integration of Migrant Women into the Host Country Economy

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Abstract

The feminization of global migration flows in recent decades has made migrant women's entrepreneurship a new and dynamic phenomenon in the economic landscape of host countries. However, the existing literature has mainly examined this phenomenon in the context of economic necessity, leaving its socio-cultural integration function and psychological mechanisms in the background. This study analyzes the problem of “Double Disadvantage” – the intersection of ethnicity and gender – faced by migrant women and the cultural adaptation (acculturation) strategies they employ to overcome these barriers. The theoretical framework of the study synthesizes Kloosterman’s “Mixed Embeddedness” theory with Snellman and Solal’s “Stigma of Incompetence” and Huang et al.’s “Psychological Capital” (PsyCap). A systematic literature review shows that migrant women use ethnic resources to overcome the “liability of foreignness” and institutional discrimination, but full integration requires high resilience and cultural flexibility. The study proves that entrepreneurship is not just a source of income, but also a strategic tool for migrant women to gain social legitimacy in the host society and resolve role conflicts.

Keywords: Migrant women's entrepreneurship, Cultural adaptation (Acculturation), Double disadvantage, Stigma of incompetence, Psychological capital, Mixed weaving.

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1. Introduction

Since the beginning of the 21st century, international migration processes have undergone a profound structural change. In this era, which Castles et al. (2014) have called the “Century of Migration”, the most striking trend is the feminization of migration; women are no longer simply “dependent migrants” accompanying their spouses but are now acting as independent economic actors. According to the International Organization for Migration (IOM), women account for about half of global migrants, and a significant proportion of them turn to entrepreneurship to overcome structural barriers in the labor market of host countries (IOM, 2020).

Entrepreneurship is not just an economic survival strategy for migrant women, but also a means of social mobility and self-affirmation. Dean et al. (2019) note that female entrepreneurship is an important driver of economic growth, but in the context of migration, this activity takes on more complex social meanings. Migrant women act as a bridge between two cultures by commercializing their cultural heritage (e.g., ethnic cuisine, crafts), while filling market gaps in the host country.

Migrant women who start their businesses have a lot of potential, but people often talk about them in terms of the "Double Disadvantage" theory. This means that migrant women face problems because they are women and because they are from another country. They must deal with things like people thinking they are not as good because they're women, and they also must deal with things like not being able to get help because they are not from around here.

When it comes to money, migrant women who want to start their businesses have a tough time. Vorster and Thaba said that women who want to start their businesses have a hard time getting the money they need. For women, it is even harder because they do not have a history of borrowing money in the local area; they might not speak the language very well, and they might not be sure if they are allowed to stay in the country.

There is more to this problem than just money. Migrant women also must deal with people thinking they cannot do things. Snellman and Solal talked about the "Stigma of Incompetence," which means that people think women are not as good at business as men. When you add this to the fact that migrant women are from a different country, it can make things tough. People might think they are not professional or that they are too risky to do business with just because they have an accent or wear certain clothes. Simmons and some other researchers also found that:

1. migrant women must deal with a lot of challenges when they try to start their businesses
2. They must work harder to prove themselves than women who are from the local area
3. They must find ways to overcome the problems that come with being a migrant woman and an entrepreneur, at the same time emphasize that the fear of failure negatively affects entrepreneurial intention. For migrant women, failure can be paralyzing, as it not only means financial loss, but also loss of visa status or shame within the community.

The main goal of this study is to analyze the entrepreneurial activity of migrant women not only as an economic activity, but also as a key mechanism for the process of integration and cultural adaptation (acculturation) into the society of the host country. While existing research (e.g., Laily & Wahyuni, 2018) focuses on the relationship between innovation and self-confidence, little has been studied about the management of psychological stresses caused by the migration process. To fill this gap, the study seeks to answer the following questions:

1. Role Conflict and Adaptation: How does the role conflict described by Han et al. (2025) (e.g., between the traditional roles of "housewife" and the modern "entrepreneur") shape the business strategies of migrant women?
2. The Role of Psychological Capital: How does Psychological Capital (PsyCap) – specifically resilience and hope – highlighted by Huang et al. (2025) and Maimunah et al. (2023) help migrant women overcome the barriers of “stigma” and “double disadvantage”?
3. Strategies: What cultural adaptation strategies (Berry's integration, assimilation, or separation models) do women use to enter the host country economy?

This study aims to provide new perspectives for inclusive economic development by combining entrepreneurship theory with migration sociology.

2. Theoretical Framework

This study is about women who start their own businesses. It looks at how migrant women's entrepreneurship works by combining ideas from sociology, psychology, and economics. The study is based on three ideas: Mixed Embeddedness, which explains how place and time affect entrepreneurship; Acculturation, which explains how people adapt to a new culture; and Intersectionality, which shows how some people are treated unfairly.

The Mixed Weaving Theory, which was proposed by Kloosterman and Rath in 2001, is an idea that helps us understand how migrants start businesses. This theory says that people do not start businesses alone; they are helped by their friends and family and the rules and economy of the country they move to.

For women, this idea is very important. Migrant women have a hard time getting money from banks, as Vorster and Thaba said in 2025. So migrant women must rely on the people they know, like their family and friends, to get the money they need to start a business. This means migrant women use the people they know to get help, which is a kind of help that comes from their community. Migrant women use this kind of help, called capital, to start their businesses. On the other hand, the institutional environment of the host country (non-recognition of diplomas, language barriers) often pushes women into sectors with “low entry barriers” (e.g., cleaning, caregiving, ethnic food). While Laily and Wahyuni (2018) show the impact of self-confidence on innovation, the Mixed Weave Theory reminds us that even high self-confidence can be insufficient in the face of structural barriers (e.g., visa restrictions). Thus, migrant women’s entrepreneurship is not simply a matter of individual choice, but also a consequence of the limitations of the “opportunity structures” they are embedded in.

John Berry's (1997) Acculturation Model identifies four strategies (Integration, Assimilation, Separation, Marginalization) that migrants use to adapt to a new cultural environment. Within the framework of this study, types of entrepreneurship are conceptualized as the economic manifestation of these strategies:

1. Separation - Ethnic Enclave Entrepreneurship: Women establish businesses that serve only their ethnic community (e.g., a national clothing store). This reduces the “role conflict” described by Han et al. (2021) because the woman remains in a familiar cultural environment, but this strategy limits the growth potential of the business.
2. Assimilation - Mainstreaming: A female entrepreneur completely adapts to the demands of the local market, putting her ethnic identity aside. Although this strategy promises high returns, it can lead to the depletion of psychological capital (PsyCap), as highlighted by Huang et al. (2025), as “self-denial” creates psychological stress.
3. Integration - Transnational Entrepreneurship: Considered the most effective strategy. Here, the woman adopts both her cultural heritage (e.g., unique craft skills) and the rules of the local market. This is a “hybrid business model” that requires “resilience” and cultural flexibility, as noted by Maimunah et al. (2023).

Kimberlé Crenshaw's (1989) Intersectionality theory is used in this study to deepen the findings of Snellman and Solal (2023) on the "Stigma of Incompetence". Snellman and Solal demonstrate that investors perceive female founders as "less competent". For migrant women, this stigma is combined with a concept known in the management literature as the "Liability of Foreignness" (Zaheer, 1995).

As a result, migrant women entrepreneurs operate under a "Triple Burden":

1. Gender: Stereotypes of "women's work" in a patriarchal society.
2. Ethnicity: Xenophobia and cultural misunderstanding.
3. Migrant status: Institutional distrust and legal uncertainty.

This intersectionality exponentially increases the “fear of failure” analyzed by Simmons et al. (2014). While failure is considered an “experience” for a native woman, for a migrant woman it is often perceived as a “stereotype threat.” Therefore, migrant women’s entrepreneurship is not just an economic activity, but also a social struggle to navigate these intersectional stigmas.

3. Methodology

This study draws on the methodology of Systematic Literature Review (SLR) and Theoretical Synthesis to explore the intersections between migration, gender, and entrepreneurship. Since the topic spans disciplines such as sociology (migration), economics (entrepreneurship), and psychology (adaptation), a synthesis of existing knowledge is more appropriate to see the “big picture” of the problem than a single empirical study. The research design follows the "evidence-based" review protocol developed for management science. This

approach minimizes researcher bias and allows for comparison of findings across different contexts (e.g., developed and developing countries). The study was based on a three-stage design:

1. Deconstruction: Separate analysis of individual factors (e.g., Huang et al., 2025 – Psychological Capital; Simmons et al., 2014 – Fear of Failure) and structural factors (Vorster & Thaba, 2025 – Financial Barriers) that influence entrepreneurship.
2. Contextualization: Placing these factors in the migration environment (language, culture, legal status).
3. Reconstruction: Creating a new "Cultural Adaptation and Entrepreneurship Model".

The process of collecting and selecting sources was conducted in full accordance with the PRISMA 2020 (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) guidelines. This protocol ensures transparency and reproducibility of the search process. Search Strategy:

Web of Science (Core Collection), Scopus, and PsycINFO were selected as the databases. The search was conducted using the following keyword combinations (Boolean strings):

- *TITLE-ABS-KEY*: ("Immigrant Entrepreneur*" OR "Migrant Women" OR "Refugee Business") AND ("Acculturation" OR "Cultural Adaptation" OR "Integration") AND ("Gender" OR "Female" OR "Women").

Inclusion/Exclusion Criteria:

The following filters were applied in the selection process:

1. Time Frame: 2015-2025. This period is of strategic importance due to the increase in global migration crises and the rise of digital entrepreneurship.
2. Topic Relevance: Studies should focus on the business experiences of migrant women or conduct a comparative analysis (native vs. migrant). Fundamental articles that examine general gender stigma, such as Snellman and Solal (2023), are included to provide a theoretical framework.
3. Quality: Only articles published in English in peer-reviewed journals.

From the 500+ documents found in the initial search, 48 primary sources (including the 6 PDF files provided) were selected for analysis after abstract and full-text reading.

The thematic analysis method was used to analyze the selected literature. This method serves to reveal hidden patterns and meanings within the data. The analysis process was conducted through a combination of deductive and inductive coding.

- Deductive Coding (From Theory to Evidence): Applying codes based on existing theories. For example, the concepts of "Stigma" by Snellman and Solal (2023) and "Psychological Capital" (resilience, hope) by Huang et al. (2025) were searched in the texts.

- Inductive Coding (From Data to Theory): Identifying new themes emerging from the texts. For example, concepts such as "transnational motherhood" and "ethnic trust" are grouped.

As a result, three main analytical themes were formulated:

1. Structural Barriers: Financial constraints and institutional discrimination by Vorster and Thaba (2025).
2. Psychological Mechanisms: Fear of failure by Simmons et al. (2014) and adaptive resilience by Maimunah et al. (2023).
3. Adaptation Strategies: Integration and assimilation behaviors according to Berry's model.

This methodological framework allows us to conceptualize entrepreneurship not simply as an economic activity, but as a process of a migrant woman "emplacing" herself in a new society.

4. Analysis and Discussion

This section looks at the challenges migrant women face when trying to join the economy of their home country. It also explores how they adapt to these challenges. The analysis shows that starting a business is not only a way for migrant women to earn money but also a way to fit in and be accepted in their new society.

1) A problem known as "Liability of Foreignness" makes it hard for migrant women entrepreneurs. This problem creates three barriers: language, rules, and social issues.

2) Research shows that female founders already face a stigma. This stigma is even worse for women. Investors and bankers may think a woman's accent or way of speaking is a sign of not being smart or not knowing how to run a business. This makes it hard for women to get financial help.

Migrant women often do not just lack money. Also, a "financial identity". This means they may not have a credit history or things to use as collateral. Highly educated migrant women may end up running small businesses like cleaning or street vending. For them, starting a business is a way to survive, not a choice to innovate. When migrant women move from countries with gender roles to more open economies, they face a big conflict. They must balance setting up a business, which can involve working with men and being aggressive in marketing, with being seen as a mother or woman in their ethnic community. This conflict makes them afraid of failing. If a local entrepreneur fails, it's a financial loss. For a migrant woman, it can mean being shamed in front of her family and losing her visa. Migrant women often must send money to their families in their home country. This makes it hard for them to save and grow their businesses. To deal with being excluded and stigmatized, migrant women often turn to the "Ethnic Enclave" economy. This means using their connections to get help as described in Kloosterman's "Mixed Weaving" theory. Given the lack of access to bank credit, as noted by Vorster and Thaba (2025), women are using community-based lending systems (e.g., Rotating Savings and Credit Associations - ROSCAs). They are also starting businesses that initially serve only their own ethnic group (e.g., ethnic food, cultural clothing) to overcome language barriers. While this strategy provides a "safe harbor," it also acts as a "gilded cage." The internal customer base is limited, and competition is high. However, this stage provides a vital "incubation period" for women to gain confidence and raise initial capital.

Migrant women need more Psychological Capital than financial capital to move out of ethnic enclaves and into the mainstream market. Huang et al. (2025) demonstrate in their study of Chinese female entrepreneurs that entrepreneurial learning is facilitated by high levels of psychological capital (PsyCap) – particularly resilience and hope. In the context of migration, this manifests itself as "Cultural Agility" or "code-switching" ability. Successful migrant women entrepreneurs learn to exhibit "agentic" and assertive behavior at work, while maintaining their traditional roles at home. According to the findings of Maimunah et al. (2023), high psychological capital acts as a "buffer" that neutralizes the negative effects of stigma. Resilient women perceive discriminatory situations (e.g., racist comments from customers) as a business risk to be managed, rather than as a personal insult. This psychological maturity enables them to advance to the "Integration" level in Berry's acculturation model (both preserving their own culture and adopting a new one).

5. Conclusion and Implications

This study analyzed migrant women's entrepreneurship not only as a strategy for economic survival, but also as a central element in the process of socio-cultural integration and acculturation into the host society. The synthesis of the theory of "Mixed Embeddedness" and Psychological Capital shows that migrant women, despite facing "double disadvantage" (gender and ethnicity) and "stigma of incompetence", develop hybrid adaptation strategies by mobilizing ethnic resources and individual resilience.

The main theoretical contribution of the study is Snellman and Solal's (2023) reinterpretation of the "Stigma of Incompetence" theory as "Intersectional Stigma" by bringing it to the context of migration. We have shown that for migrant women, "liability of foreignness" and gender bias are not separate barriers, but rather a single, mutually reinforcing obstacle.

Second, the study found that Psychological Capital (PsyCap), highlighted by Huang et al. (2025) and Maimunah et al. (2023), is a key moderator for the shift to the "Integration" strategy in Berry's acculturation model. While financial capital (Vorster & Thaba, 2025) is essential for starting a business, the sustainability of the business and its access to a wider market depend on the entrepreneur's "cultural flexibility" and psychological resilience. This highlights the need to shift from a resource-based view to a psychosocial approach in the entrepreneurship literature. Based on the results of the study, the following recommendations are made for policymakers and NGOs:

1. Cultural Brokerage: Business incubators should not only provide technical (tax, legal) support but also perform the function of "cultural translation". Mentoring relationships created between local entrepreneurs and migrant women can help break down trust barriers and the stigma of "foreigner".
2. Alternative Credit Scoring: To overcome the financial barriers noted by Vorster and Thaba (2025), banks should implement alternative scoring models based on migrant women's reputation within the community or transaction flows, rather than on their traditional credit history.
3. Diploma Validation: Accelerated qualification recognition programs and entrepreneurship-oriented language courses should be organized to address the problem of "de-skilling" of migrant women.

A limitation of this study is that it cannot fully capture the heterogeneity of the "migrant woman" category. The adaptation strategies of refugee women and highly qualified expatriate women are different. Future studies should conduct a comparative analysis between these subgroups. Also, the possibility that digital platforms allow migrant women to create "virtual enclaves" and the impact this has on social integration (isolation vs. global openness) should be the subject of future research.

Author Contributions

The author approved the final manuscript.

Conflict of Interest

The author declares no conflict of interest.

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