

UNTAPPED POTENTIAL

**Entrepreneurialism in
Inflationary Times**

A 28-Country Study

July 2022

<https://www.ipsos.com/en/global-advisor-entrepreneurialism-2022>

GAME CHANGERS



CONTEXT



1

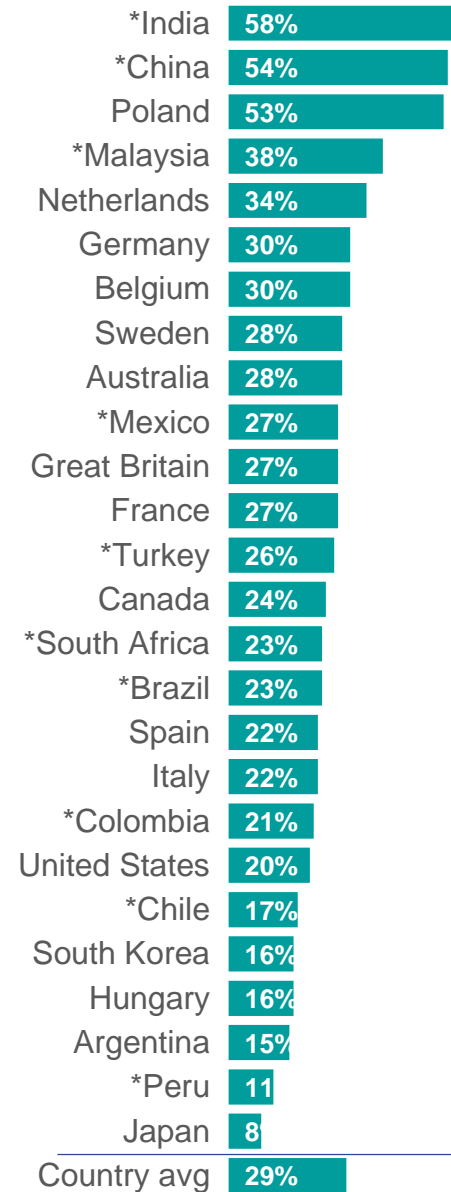
ATTITUDES TOWARD ENTREPRENEURIALISM

Only a minority of adults (averaging three-in-ten across the 28 countries surveyed) would be comforted starting a business because they could rely on their country's social programs to mitigate risk.

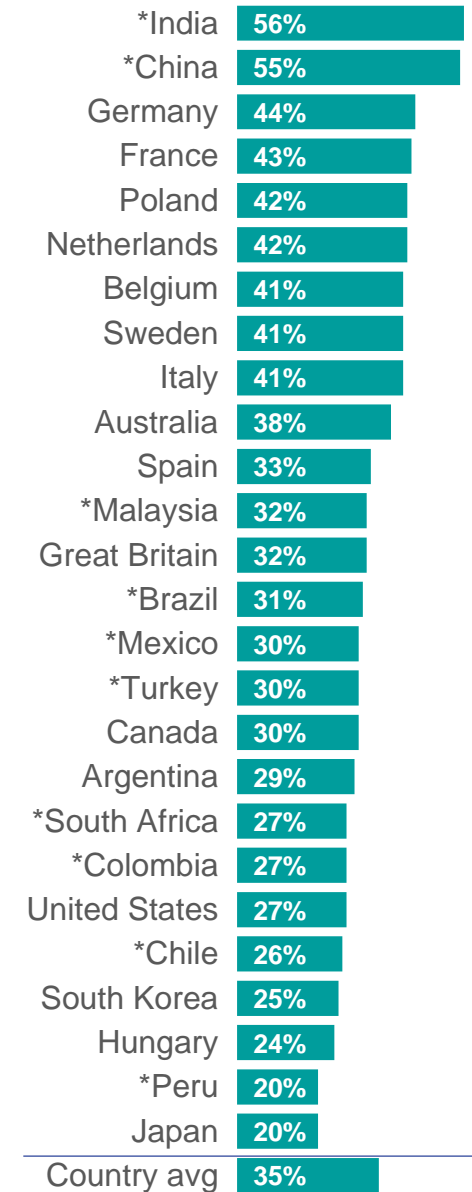
But about the same proportion (one-third) would be de-motivated to start a business by feeling the benefits of working for someone else is preferable.

Agree/disagree: The employment benefits in [country] are strong so it is better to have a job than have your own business; The social programs in [country] are strong, so there is less risk in starting a business

SOCIAL PROGRAMS IN [COUNTRY] ARE STRONG, SO IS LESS RISK IN STARTING A BUSINESS.



EMPLOYMENT BENEFITS IN [COUNTRY] ARE STRONG SO BETTER TO HAVE A JOB THAN OWN BUSINESS.



ATTITUDES TOWARD ENTREPRENEURIALISM

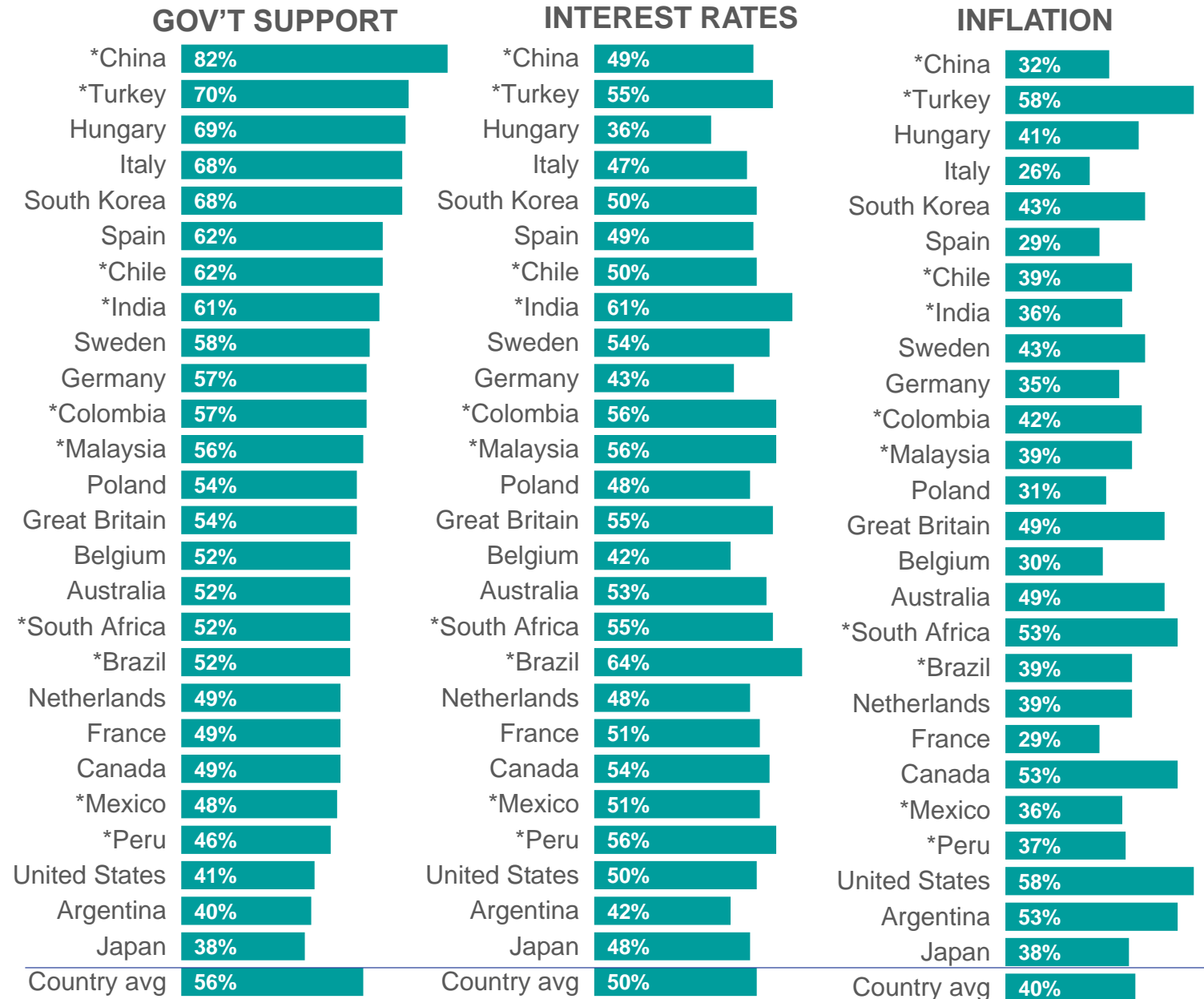
Globally, government support is seen as the top factor in determining the success of a new business, followed by interest rates and then inflation.

However, there are significant differences depending on country. For example, inflation ranks first in the US, followed by interest rates and then government support. In India interest rates is tied with government support with inflation far behind. In Brazil interest rates top the list.

Therefore, for anyone pushing entrepreneurialism, the emphasis across these three factors needs to be tailored to the market.

Please indicate which of the following you think are major factors contributing to the ongoing success of starting a business. (All that apply)...Interest rates; Government support; Inflation

MAJOR FACTOR RE ONGOING SUCCESS OF A NEW BUSINESS...



ENTREPRENEURIAL EXPERIENCE

2



ENTREPRENEURIAL EXPERIENCE – BUSINESS

Three-in-ten citizens on average globally say they have started at least one business in the past. Another three-in-ten say they have not started a business but have seriously considered it.

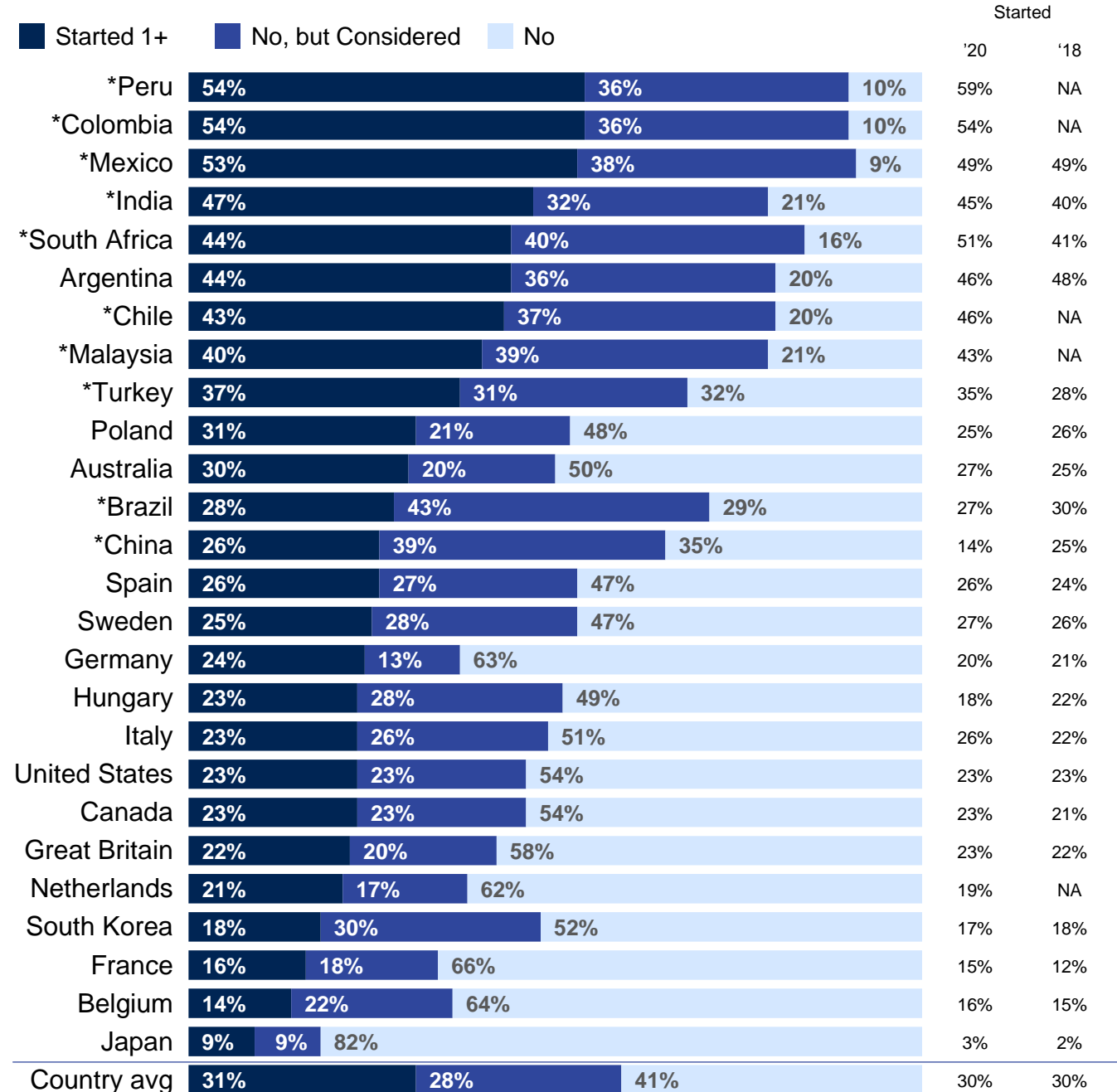
Several Latin American countries and India have the highest proportion of citizens who say that have started a business in the past. France, Belgium and Japan have the lowest.

Over the longer-term (vs. 2018) entrepreneurial activity has increased in Mexico, India, Turkey, Poland and Australia.

Have you ever...? Started your own business? (always first); Started your own interest group dealing with social causes, consumer issues, political issues, etc.

**samples represent a more affluent, connected population*

STARTED A BUSINESS



ENTREPRENEURIAL EXPERIENCE: DRILL-DOWN – WORLDWIDE

The type of recent start-up activity varies by country. For example, Colombia and Mexico have a higher proportion of recent business starters who sell products in-person, while Brazil, Germany, Great Britain, Malaysia and India have a higher proportion who sell products online.

Higher

STARTED BUSINESS ANYTIME MOST RECENT TYPE STARTED

	Argentina	Brazil	Chile	Colombia	Mexico	Peru	Belgium	Germany	Spain	France	Great Britain	Hungary	Italy	Poland	Netherlands	Sweden
In-person products	27%	24%	21%	31%	31%	23%	23%	14%	29%	15%	14%	22%	29%	29%	13%	23%
Online products	17%	31%	23%	17%	17%	23%	11%	31%	11%	19%	28%	8%	12%	16%	17%	9%
In-person services	19%	13%	18%	16%	21%	14%	25%	14%	17%	20%	13%	26%	21%	23%	13%	27%
Online services	3%	12%	10%	6%	11%	6%	15%	22%	15%	23%	17%	10%	13%	10%	11%	10%
Making something	15%	11%	16%	17%	9%	17%	14%	8%	8%	8%	4%	11%	3%	7%	14%	11%

	US	Canada	Japan	South Korea	Malaysia	Turkey	South Africa	Australia	China	India
In-person products	17%	16%	8%	28%	23%	24%	25%	19%	25%	24%
Online products	22%	14%	18%	18%	37%	25%	21%	22%	16%	33%
In-person services	17%	20%	25%	19%	19%	12%	12%	21%	16%	8%
Online services	18%	14%	13%	10%	12%	11%	17%	9%	20%	19%
Making something	9%	8%	28%	11%	6%	16%	12%	6%	22%	8%

ENTREPRENEURIAL EXPERIENCE: DRILL-DOWN – WORLDWIDE

The profile of entrepreneurs who have started a business varies across countries. For example, it is more of a full-time endeavor in most European countries, Japan, South Korea, Turkey and China, but is less full-time (therefore more part-time) in most Latin American countries, and South Africa.

Lower Higher

SELECT ATTRIBUTES

	Argentina	Brazil	Chile	Colombia	Mexico	Peru	Belgium	Germany	Spain	France	Great Britain	Hungary	Italy	Poland	Netherlands	Sweden
Most recent still operating	47%	70%	48%	53%	57%	61%	58%	56%	51%	57%	63%	33%	58%	36%	61%	49%
Motivated by pandemic	41%	30%	35%	30%	38%	47%	14%	12%	15%	18%	16%	15%	13%	18%	27%	23%
Started on own	76%	76%	74%	74%	71%	75%	80%	69%	74%	79%	79%	84%	80%	75%	74%	75%
Full-time	34%	68%	37%	47%	45%	30%	81%	79%	80%	75%	76%	61%	76%	83%	60%	56%

	US	Canada	Japan	South Korea	Malaysia	Turkey	South Africa	Australia	China	India
Most recent still operating	55%	53%	42%	57%	68%	45%	69%	55%	65%	84%
Motivated by pandemic	27%	31%	29%	45%	27%	24%	32%	24%	12%	25%
Started on own	70%	75%	78%	57%	63%	60%	64%	77%	63%	75%
Full-time	55%	58%	86%	71%	52%	79%	43%	68%	91%	69%

ENTREPRENEURIAL ASPIRATIONS

3

ENTREPRENEURIAL ASPIRATIONS – BUSINESS

On average globally, three-in-ten citizens say they are likely to start a new business in the next two years.

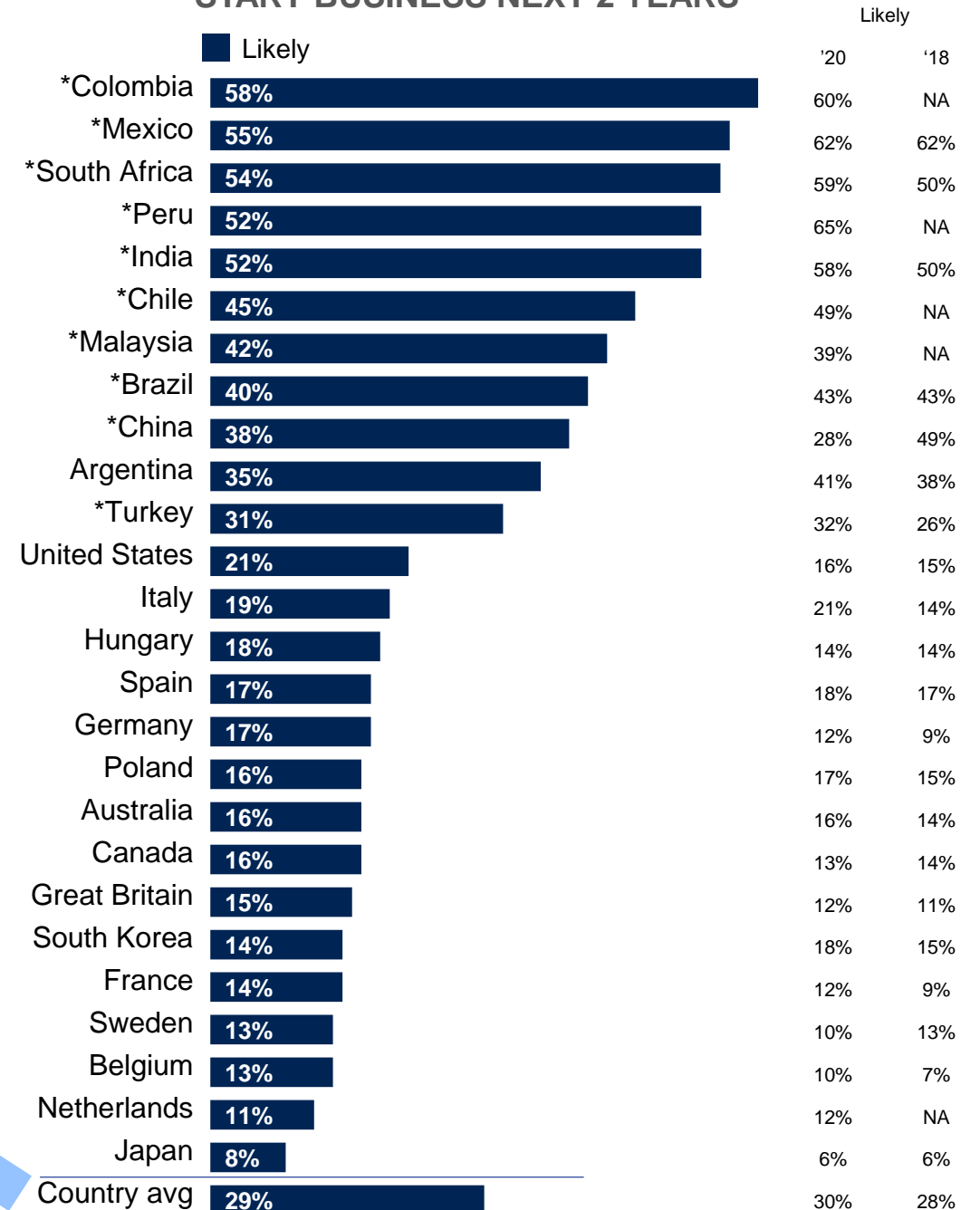
Likelihood to start a business is highest in many Latin American countries, South Africa and India.

Notably, the global likelihood number is comprised of 13% who have already started a business in the past and 16% of those who are new entrants, i.e., have not started a business in the past.

**samples represent a more affluent, connected population*

*How likely are you to start... in the next two years? 1 – not at all likely to 7 – extremely likely
A new business; An interest group dealing with social causes, consumer issues, political issues, etc.*

START BUSINESS NEXT 2 YEARS



ENTREPRENEURIAL ASPIRATIONS

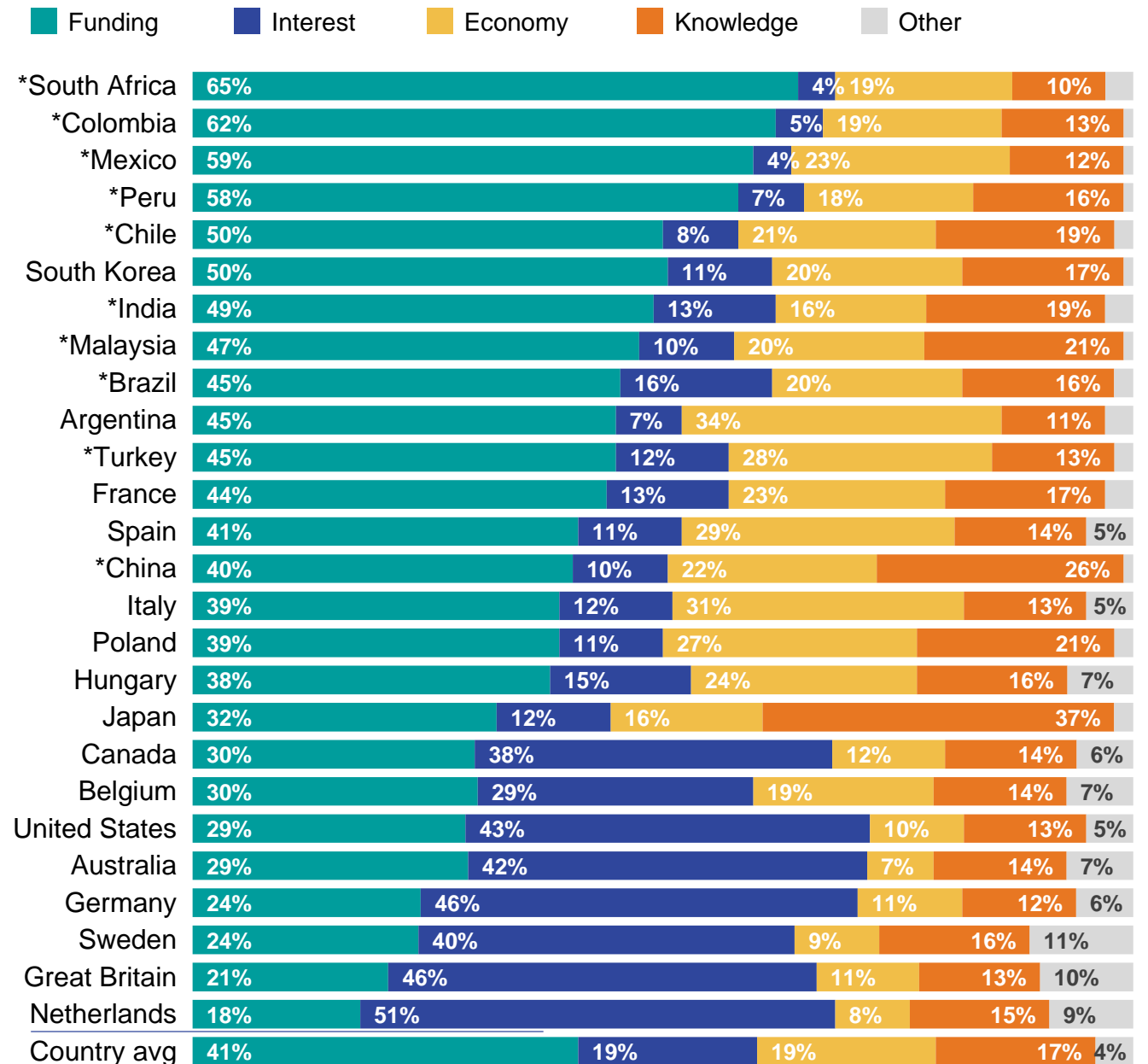
KEY BARRIERS TO START A BUSINESS

Barriers to starting a business vary widely by country. While funding is a top barrier in most countries...

- Interest is the top barrier in Canada, Belgium, US, Australia, Germany, Sweden, Great Britain and Netherlands.
- The economy is a higher barrier in Chile, South Korea, Malaysia, Brazil, Argentina, Turkey, France, Spain, China, Italy, Poland and Hungary.
- Knowledge is a higher barrier in Chile, India, Malaysia, China and Japan.

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KEY BARRIERS TO STARTING NEW BUSINESS (late 2020)



GOVERNMENT, BUSINESS AND ENTREPRENEURIALISM

4

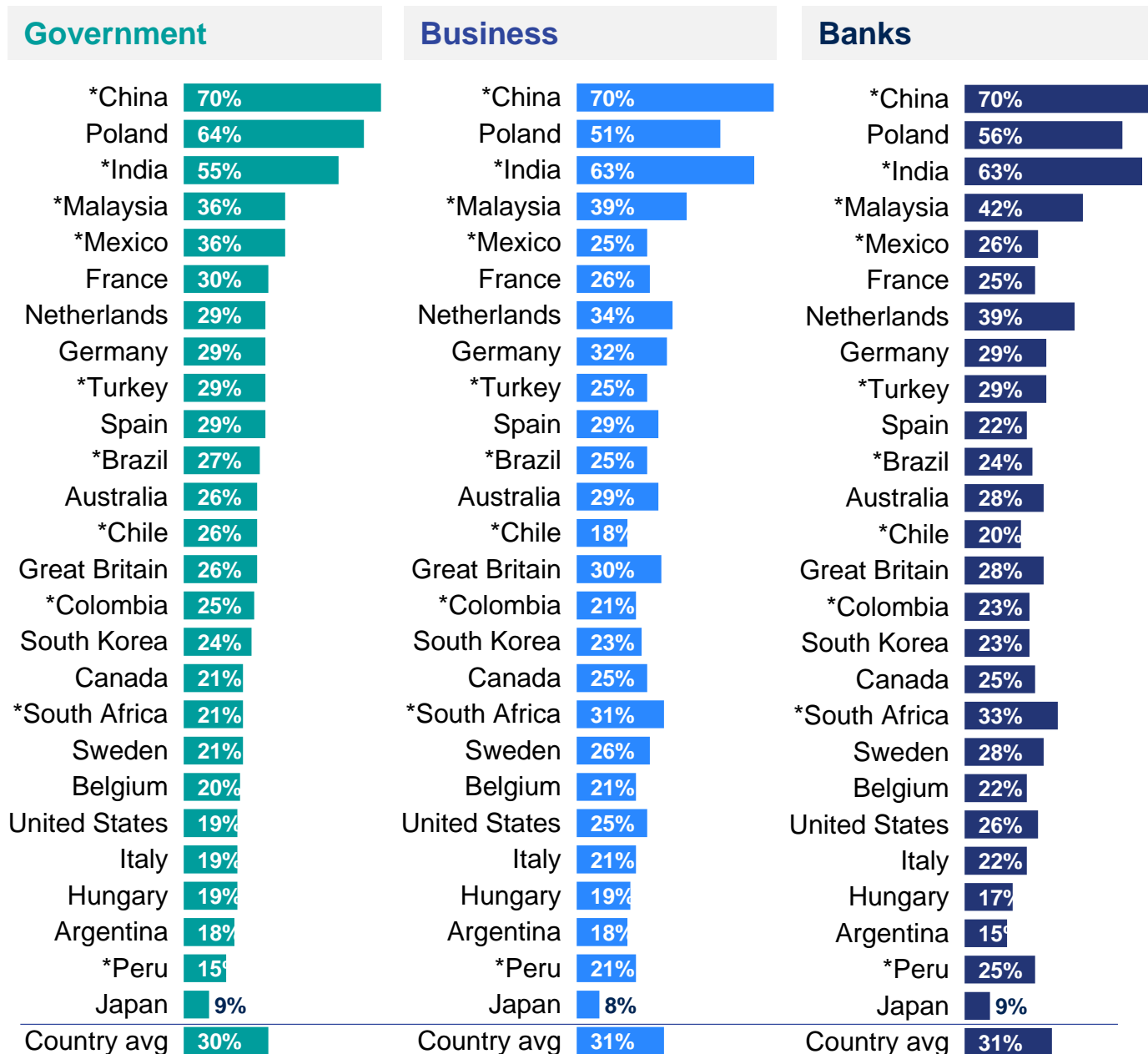
GOVERNMENT, BUSINESS ASSIST ENTREPRENEURIALISM

In most countries, neither government, the private sector/business, nor banks are seen as doing a good job in actively assisting entrepreneurs globally.

But opinions vary greatly by country. China, Poland, India and Malaysia tend to be more positive across the board, while the US, Italy, Hungary, Argentina, Peru and Japan tend to be least positive.

To what extent do you agree or disagree with the following... 1 – strongly disagree to 7 – strongly agree Government in my country does a good job in actively assisting entrepreneurs; The private sector/business in my country does a good job in actively assisting entrepreneurs Financial institutions/banks in my country do a good job in actively assisting entrepreneurs

DOES A GOOD JOB IN ACTIVELY ASSISTING ENTREPRENEURS

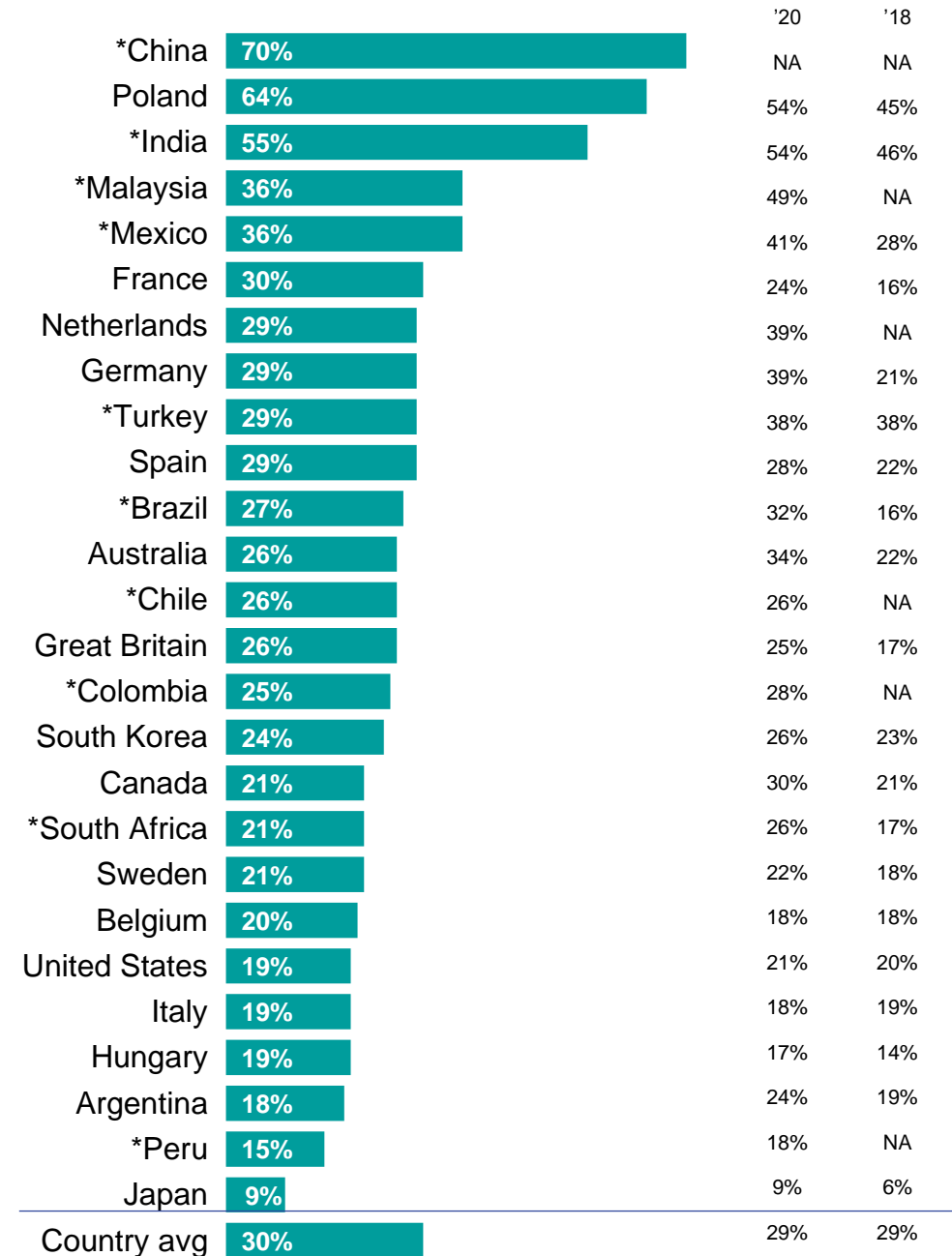


CHANGE IN GOVERNMENT ASSIST ENTREPRENEURIALISM

However, there has been some improvement in perceived government performance assisting entrepreneurs since 2018 in most countries.

The biggest improvements are seen in Mexico, Germany, Australia and Brazil.

GOVERNMENT DOES A GOOD JOB IN ACTIVELY ASSISTING ENTREPRENEURS

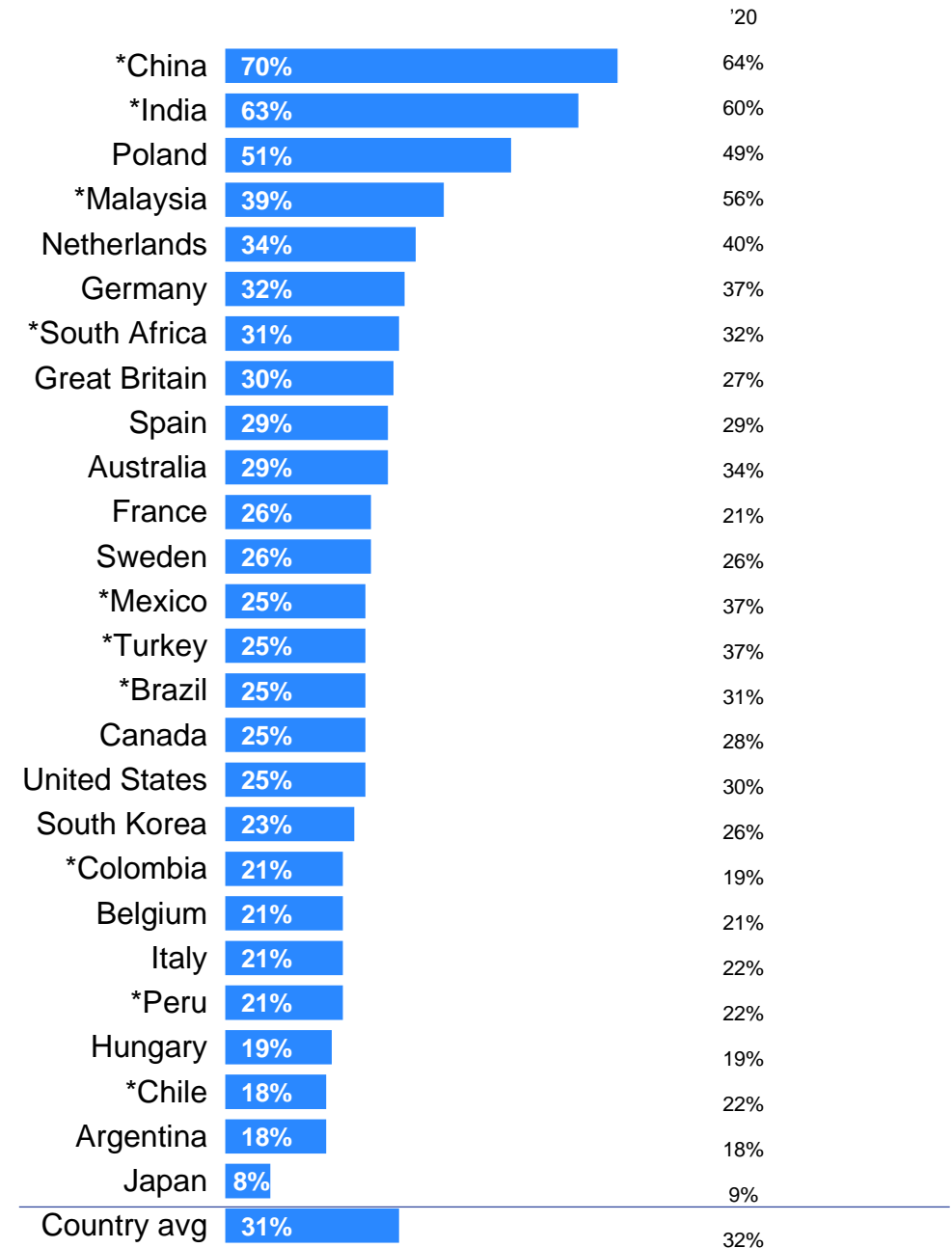


Government not asked in China and Saudi Arabia
 *samples represent a more affluent, connected population

CHANGE IN BUSINESS ASSIST ENTREPRENEURIALISM

There has also been some improvement in perceived business performance assisting entrepreneurs since 2020 in China and France, but a deterioration in most other countries.

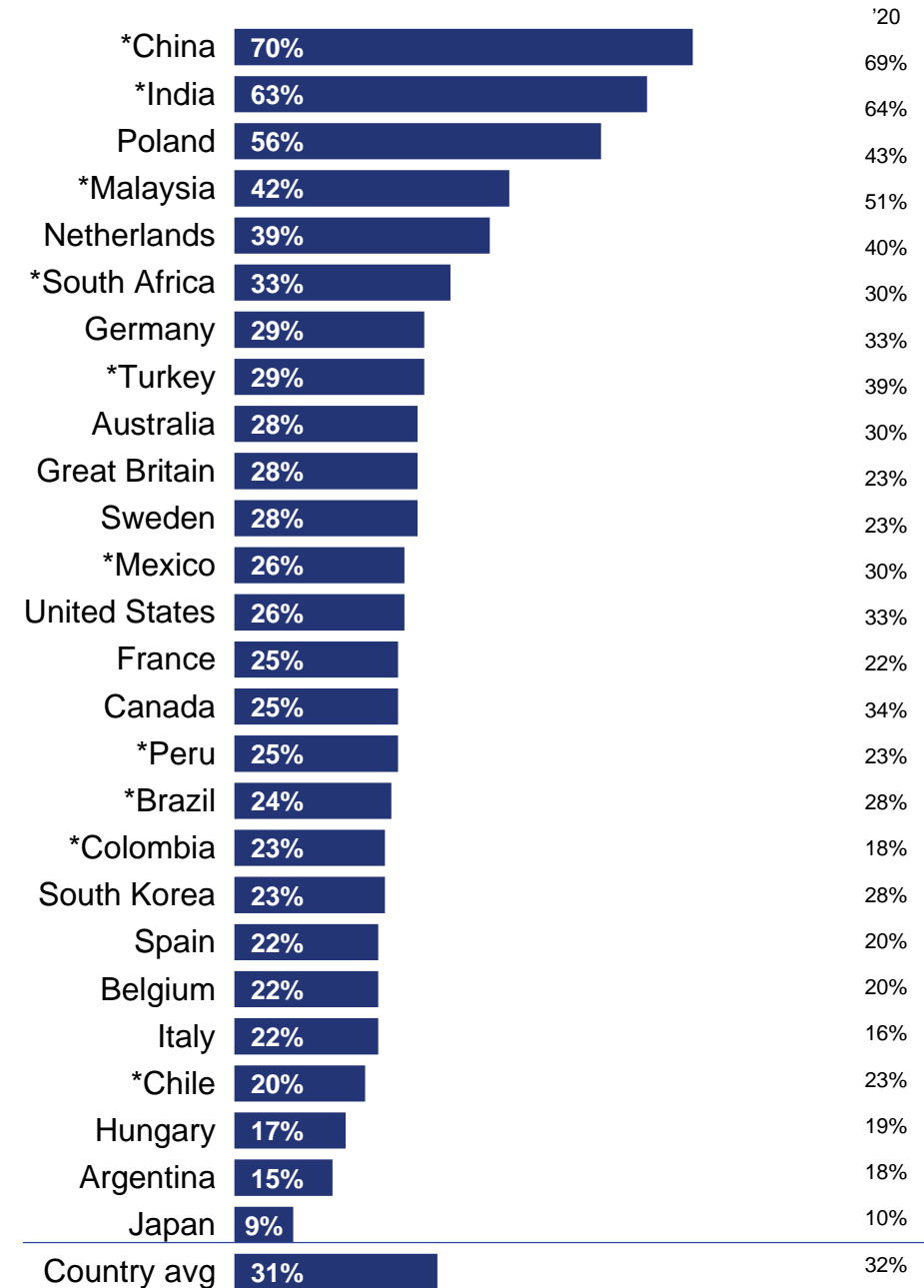
BUSINESS DOES A GOOD JOB IN ACTIVELY ASSISTING ENTREPRENEURS



CHANGE IN BANKS ASSIST ENTREPRENEURIALISM

And there has been some improvement in perceived bank performance assisting entrepreneurs since 2020 in China, Poland, Sweden and Italy, but a deterioration in most other countries.

BANKS DO A GOOD JOB IN ACTIVELY ASSISTING ENTREPRENEURS



METHODOLOGY

The survey was conducted in 28 countries via the Ipsos Online Panel system between May 27 and June 8, 2022.

Interviews were conducted with 20,504 adults aged 18-74 in Canada, the U.S.A., South Africa, Malaysia and Turkey and 16-74 in all other countries.

The sample consists of approximately 1,000 individuals in Australia, Belgium, Brazil, Canada, mainland China, France, Germany, Great Britain, Italy, Japan, Spain, and the U.S., and 500 individuals in Argentina, Chile, Colombia, Hungary, India, Malaysia, Mexico, the Netherlands, Peru, Poland, Saudi Arabia, South Africa, South Korea, Sweden, and Turkey (we have suspended interviewing in Russia for the time being).

The samples in Argentina, Australia, Belgium, Canada, France, Germany, Great Britain, Hungary, Italy, Japan, the Netherlands, Poland, South Korea, Spain, Sweden, and the U.S. can be taken as representative of their general adult population under the age of 75.

The samples in Brazil, Chile, mainland China, Colombia, India, Malaysia, Mexico, Peru, Saudi Arabia, South Africa, and Turkey are more urban, more educated, and/or more affluent than the general population. The survey results for these countries should be viewed as reflecting the views of the more “connected” segment of their population.

The data is weighted so that each country’s sample composition best reflects the demographic profile of the adult population according to the most recent census data.

Where results do not sum to 100 or the ‘difference’ appears to be +/- 1 more/less than the actual, this may be due to rounding, multiple responses, or the exclusion of “don’t know” or not stated responses.

The precision of Ipsos online polls is calculated using a credibility interval with a poll of 1,000 accurate to +/- 3.5 percentage points and of 500 accurate to +/- 5.0 percentage points. For more information on Ipsos' use of credibility intervals, please visit the Ipsos website. The publication of these findings abides by local rules and regulations.

We also asked primary financial institution/bank used in the US, Great Britain and Canada to enable comparisons across major bank customers.

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GAME CHANGERS

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You act better when you are sure.

