

Entrepreneurialism

The Emergence of Social Entrepreneurialism to Compete with Business Entrepreneurialism

An Ipsos Global Advisor Survey

This study was conducted to coincide with Global Entrepreneurship Week (Nov. 12-18, 2018) <https://genglobal.org/gew>. This is an Ipsos initiative not in partnership with anyone else.

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GAME CHANGERS



Entrepreneurialism



“Innovation and entrepreneurship are recognized as key building blocks of competitive and dynamic economies. Countries and regions with vibrant innovation and entrepreneurship ecosystems tend to witness higher productivity rates, leading to increased economic growth and more robust job creation, the main pathways through which the poor can escape poverty...”



- Many of Ipsos’ clients, prospects and partners are interested in issues associated with entrepreneurialism. While there is a lot of market research available worldwide on the topic, we decided to add to this information by conducting an international study of our own, including some new areas of probing, i.e., is entrepreneurialism being manifested in non-economic start-ups (e.g., charities), what emotions are associated with entrepreneurialism, and are entrepreneurs more likely to be engaged in society generally. So we explored the following across 24 countries:

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Methodology

- The survey was conducted in 24 countries via the Ipsos Online Panel system between September 20-28, 2018.
- Interviews were conducted with 18,000 adults aged 18-64 in Canada and the U.S. and 16-64 in all other countries.
- Approximately 1000+ individuals participated on a country by country basis via the Ipsos Online Panel with the exception of Argentina, Belgium, Hungary, India, Mexico, Poland, Russia, Saudi Arabia, South Africa, South Korea, Sweden and Turkey, where each have a sample of approximately 500+.
- In 16 of the 24 countries surveyed internet penetration is sufficiently high to think of the samples as representative of the wider population within the age ranges covered: Argentina, Australia, Belgium, Canada, France, Germany, Hungary, Italy, Japan, New Zealand, Poland, South Korea, Spain, Sweden, Great Britain and United States.
- Brazil, China, India, Mexico, Russia, Saudi Arabia, South Africa and Turkey have lower levels of internet penetration and so these samples should not be considered to be fully nationally representative, but instead to represent a more affluent, connected population. These are still a vital social group to understand in these countries, representing an important and emerging middle class.
- Weighting has been employed to balance demographics and ensure that the sample's composition reflects that of the adult population according to the most recent country census data.
- A survey with an unweighted probability sample of this size would have an estimated margin of error of +/- 3.1 percentage points for a sample of 1,000 and an estimated margin of error of +/- 4.5 percentage points for a 500 sample 19 times out of 20.

High Level Observations

- ❖ There is a considerable level of “Entrepreneurial Spirit” worldwide. Six-in-ten worldwide citizens have the characteristics that are important for entrepreneurs to have, including three-in-ten who do so strongly.
- ❖ Entrepreneurialism is being manifest mostly in its traditional way – business creation (Business Entrepreneurialism) .
- ❖ However, it is also being manifested, sometimes in conjunction with business creation but often not, in other areas like the creation of charities, community groups, and interest groups (Social Entrepreneurialism). This reflects the reality of who current and likely entrepreneurs are as people – they are much more likely than non-entrepreneurs to be participating in society generally (e.g., attended a public meeting, changed a purchase behaviour because of social, environmental, ethical concerns, contributed time/money to a charity/cause, written a comment or original ideas online regarding a social issue or political issue).
- ❖ The emotional profile associated specifically with the prospect of starting a new business is more positive than negative. However, there are considerable emotional barriers that need to be overcome to maximize entrepreneurial activity in the future (mainly “nervous” and “afraid”).
- ❖ While technology is and can be an extremely useful tool for facilitating entrepreneurial activity, it would be unwise to assume that current and likely entrepreneurs are technological wizards. Many report that they are having a hard time keeping up with new technology and, if AI is an answer, to lack trust in AI.
- ❖ Government is seen as having some role in fostering entrepreneurialism but this varies significantly by country - highest in Hungary, India, Mexico, Russia and Spain, and lowest in Sweden and the US.

ENTREPRENEURIAL SPIRIT

Entrepreneurial Spirit

ENTREPRENEURIAL SPIRIT

Entrepreneurial Spirit was developed by combining responses to a series of attributes. The attributes were culled from a broader list of about 100 items first produced by an extensive literature review.

ENTREPRENEURIAL SPIRIT INDEX

An Entrepreneurial Spirit Index was created by combining responses where:

Very High = average rate 6+ on the items

High = average rate 5 on the items

Moderate = average rate 4 on the items

Low = average rate 3- on the items

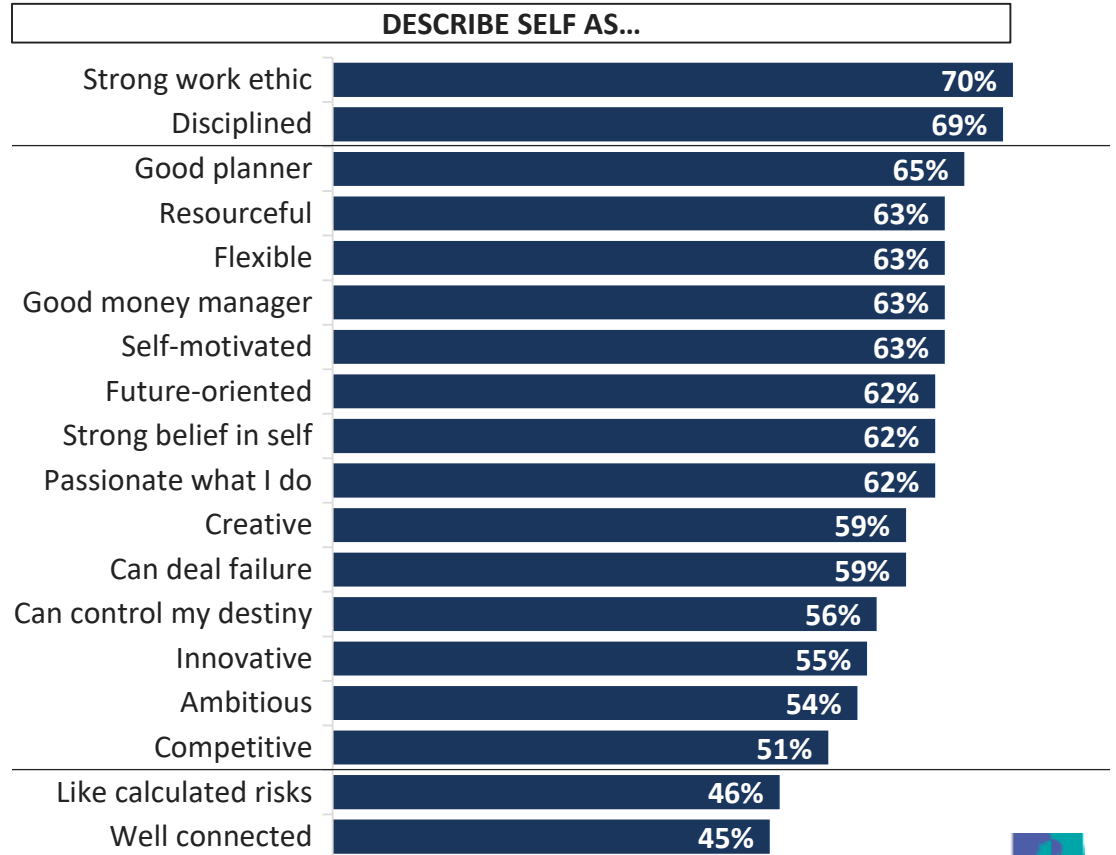
To what extent do the following words/phrases describe you...

1 not at all to 7 completely?

- Passionate about what I do in life
- Like to take calculated risks
- Creative
- Future oriented
- Resourceful
- Strong self-belief (strong belief in my abilities)
- Self-Motivated
- Have a strong work ethic
- Disciplined
- Competitive
- Can control my own destiny
- Flexible
- Am well connected
- Am a good planner
- Am a good manager of money
- Can deal with failure
- Innovative
- Ambitious

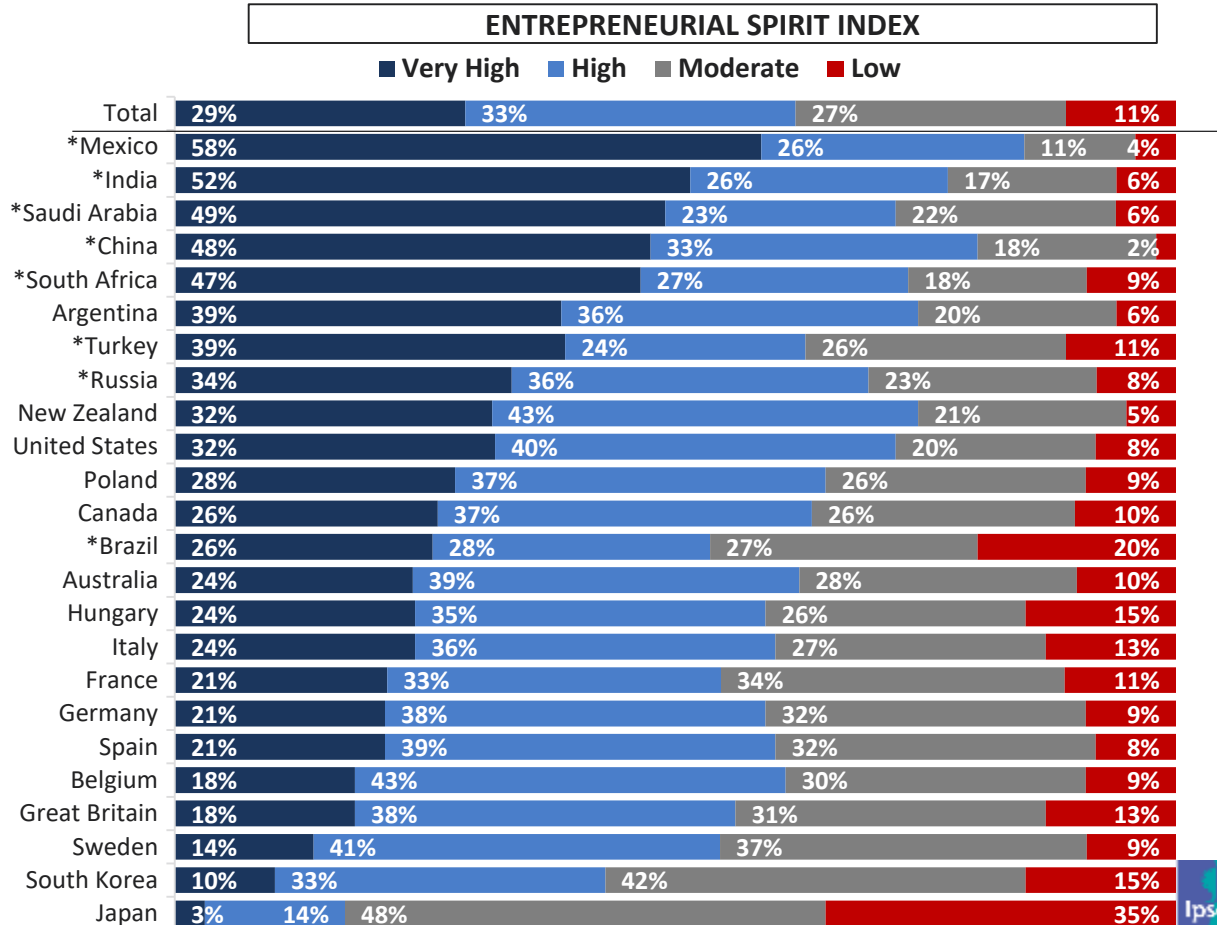
Entrepreneurial Spirit

- Worldwide citizens are most likely to describe themselves as having a strong work ethic and being disciplined.
- They are least likely to describe themselves as liking to take calculated risks and being well connected.
- Also noteworthy is that only a small majority of citizens are convinced that they can control their own destiny (Self-Serving Bias).



Entrepreneurial Spirit Index by Country

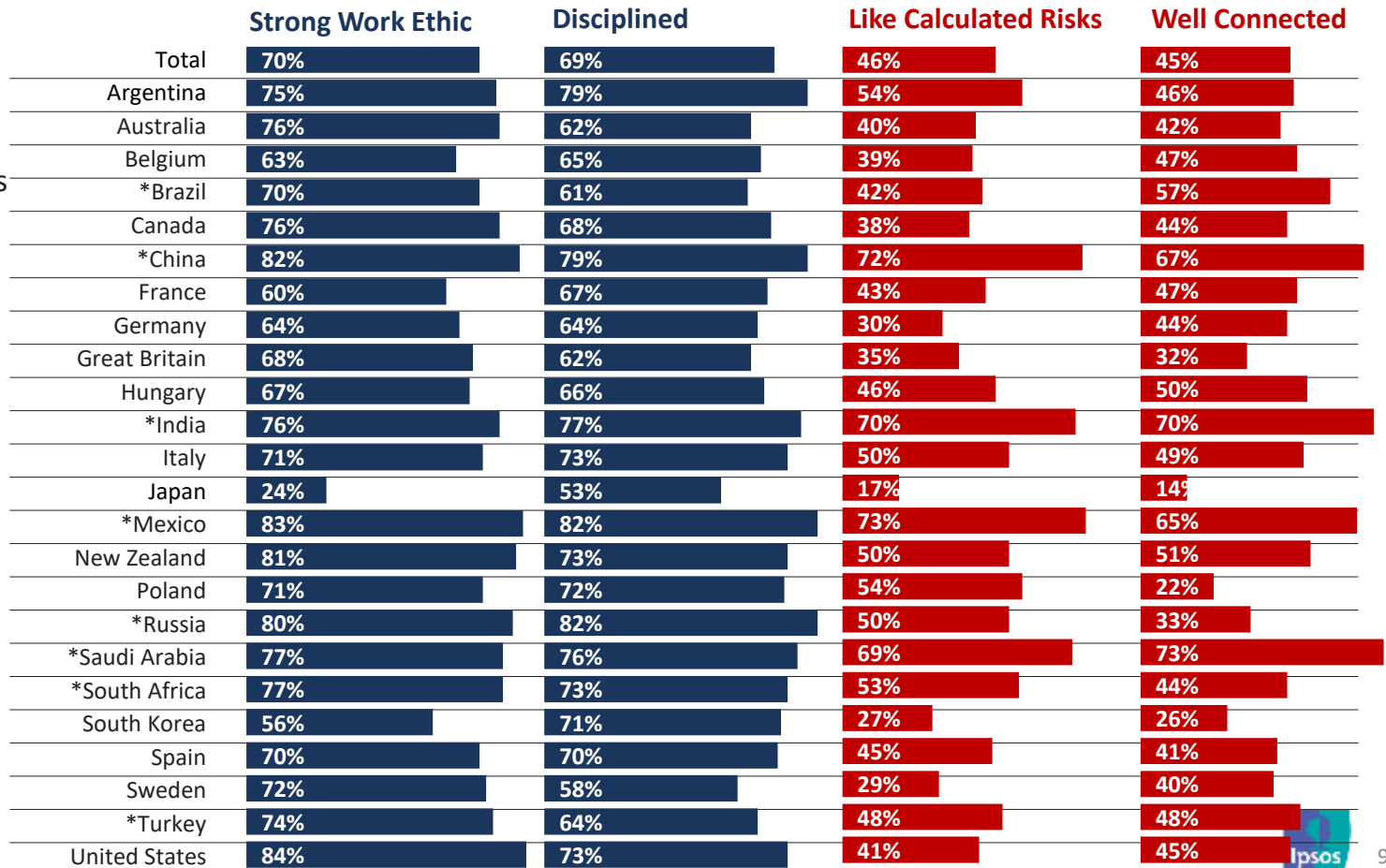
- Combining the individual items into an index, three-in-ten global citizens have “very high” Entrepreneurial Spirit, and another one-third are “high.”
- Mexico, India, Saudi Arabia, China and South Africa have the highest (very high) “Entrepreneurial Spirit.” Sweden, South Korea, and Japan have the lowest.



Entrepreneurial Spirit

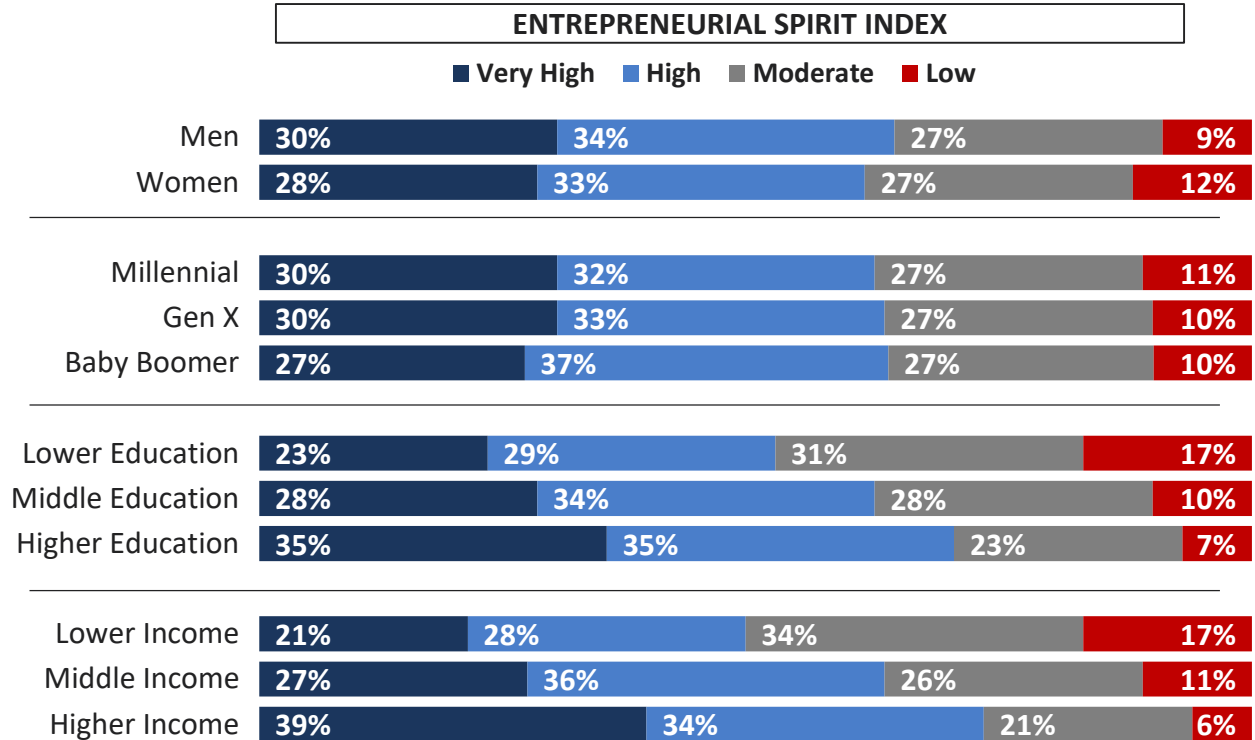
Select 2 **Highest** and 2 **Lowest** Attributes Worldwide

- There is variation across the countries on the highest and lowest rated attributes associated with Entrepreneurial Spirit. These differences are generally consistent with country differences on the Entrepreneurial Spirit index overall.



Entrepreneurial Spirit Index by Demographics—Worldwide

- While Entrepreneurial Spirit is highest among higher education and higher income, is it evident in a majority of all demographic groups, differing little by sex and age.



ENTREPRENEURIAL EXPERIENCE

Entrepreneurial Experience

- We measured Entrepreneurial Experience in a traditional way – related to creation of a business.
- But we also want to see if entrepreneurialism was being manifested in other ways, not just business – related to starting a charity, community group or interest group.
We asked...

Have you ever...?

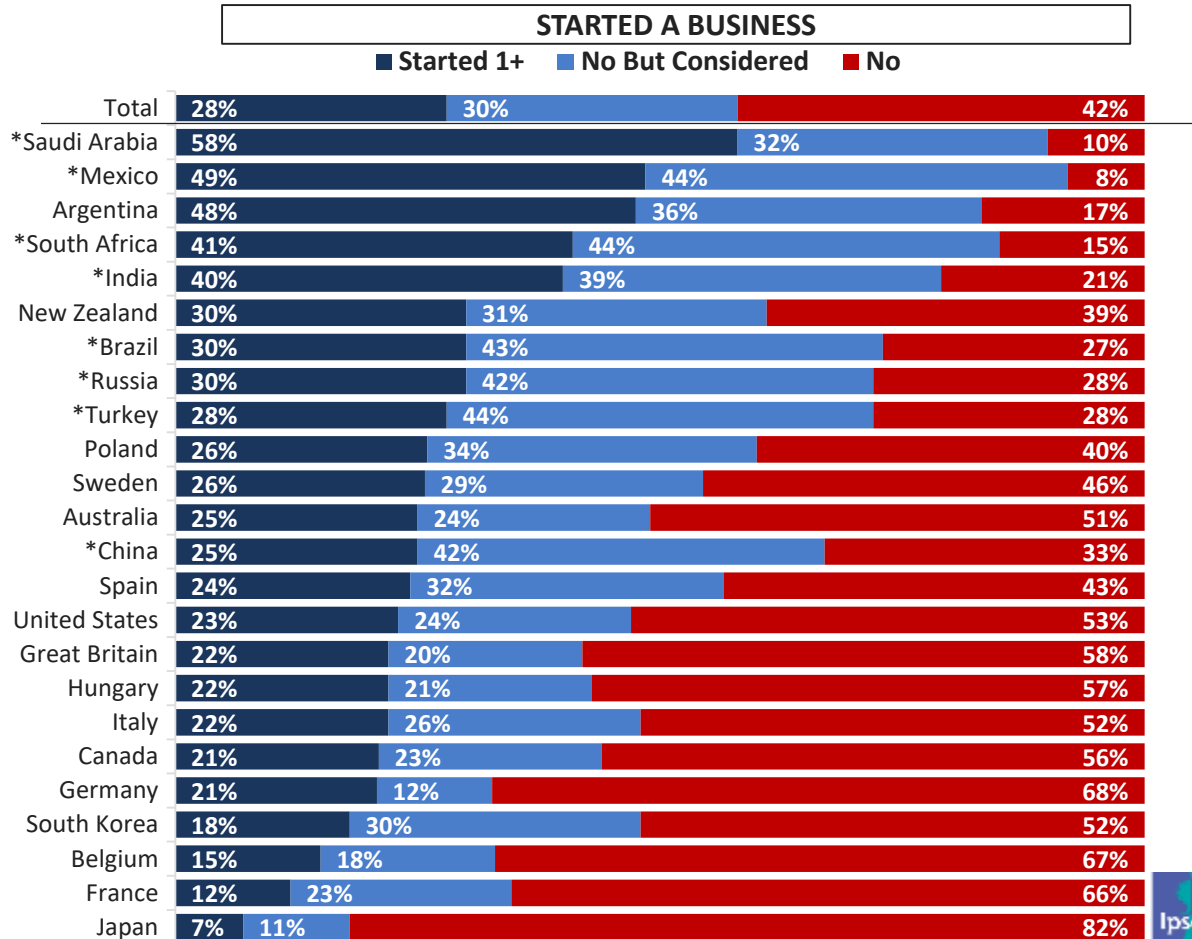
- **Started your own business? (always first)**
- **Started your own charity or community group or similar?**
- **Started your own interest group dealing with social causes, consumer issues, political issues, etc.?**

(ASKED ONLY IN CHINA AND SAUDI ARABIA)

- **Started your own interest group dealing with consumer issues?**
 - Yes Started More Than One
 - Yes Started One
 - No But Have Seriously Considered It
 - No And Not Considered It

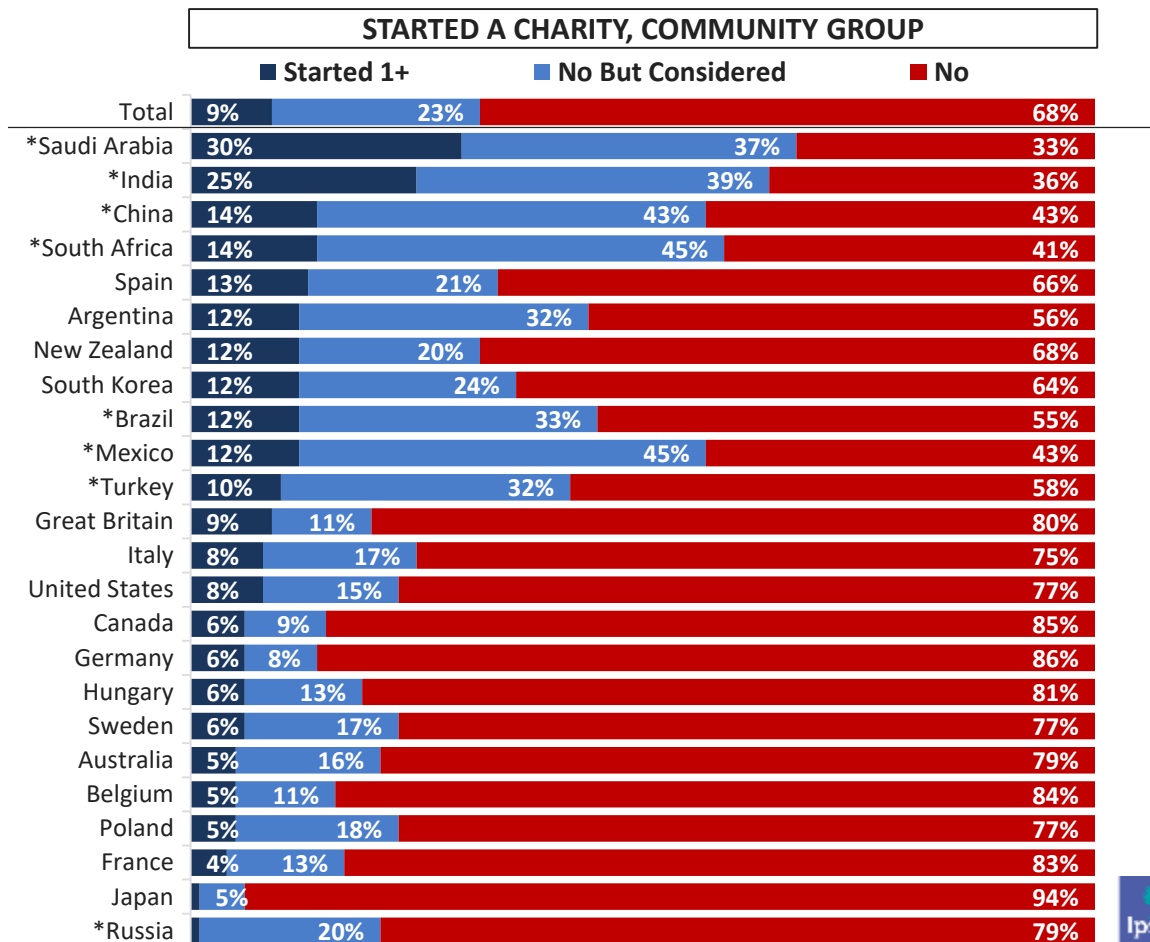
Entrepreneurial Experience – Business

- Just over one-quarter of worldwide citizens 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.
- Saudi Arabia, Mexico, and Argentina have the highest proportion of citizens who say that have started a business in the past. Belgium, France and Japan have the lowest.



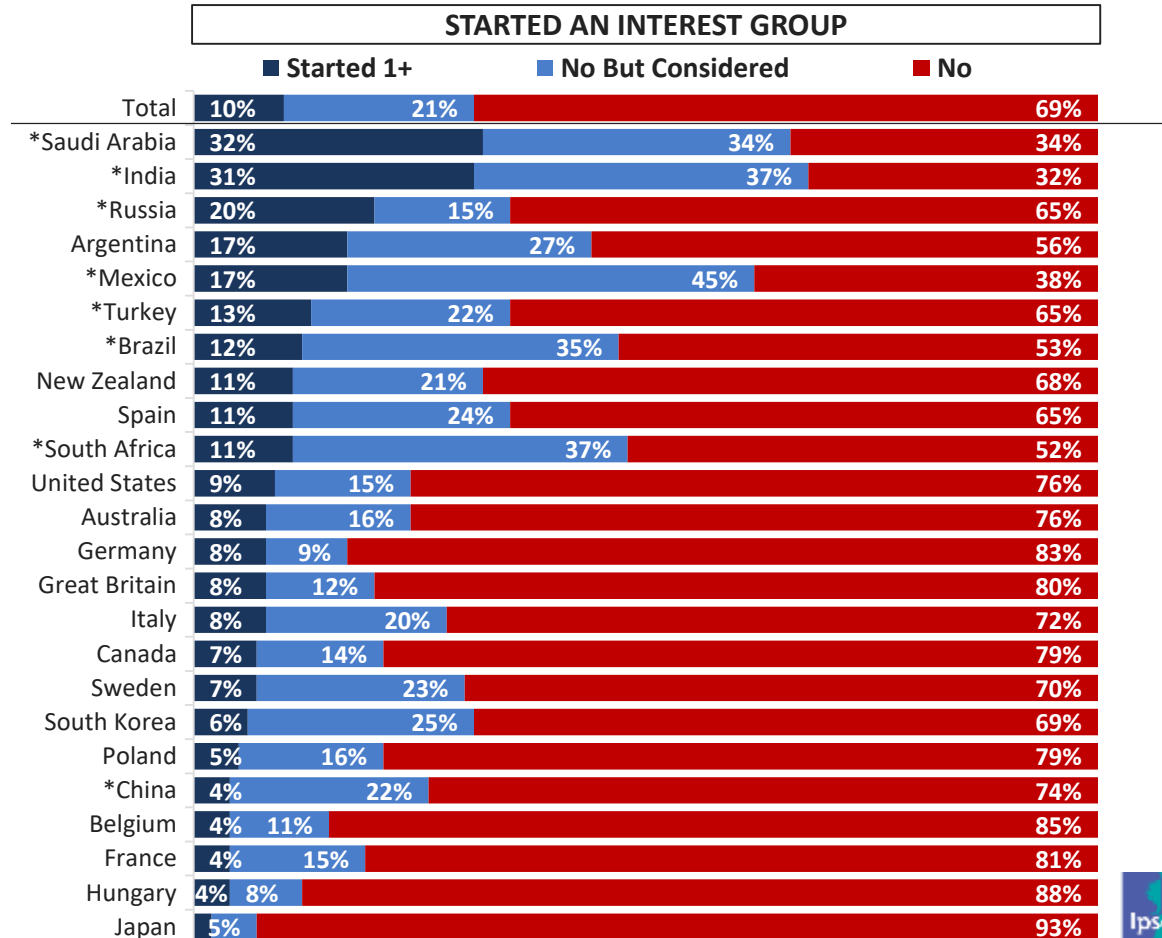
Entrepreneurial Experience – Charity, Community Group

- One-in-ten global citizens say they have started a charity or community group in the past. Another one-quarter say they have not started one but have seriously considered doing so.
- Saudi Arabia and India have the highest proportions who say that have started a charity, community group in the past, followed by China, South Africa and Spain. Japan and Russia are lowest.



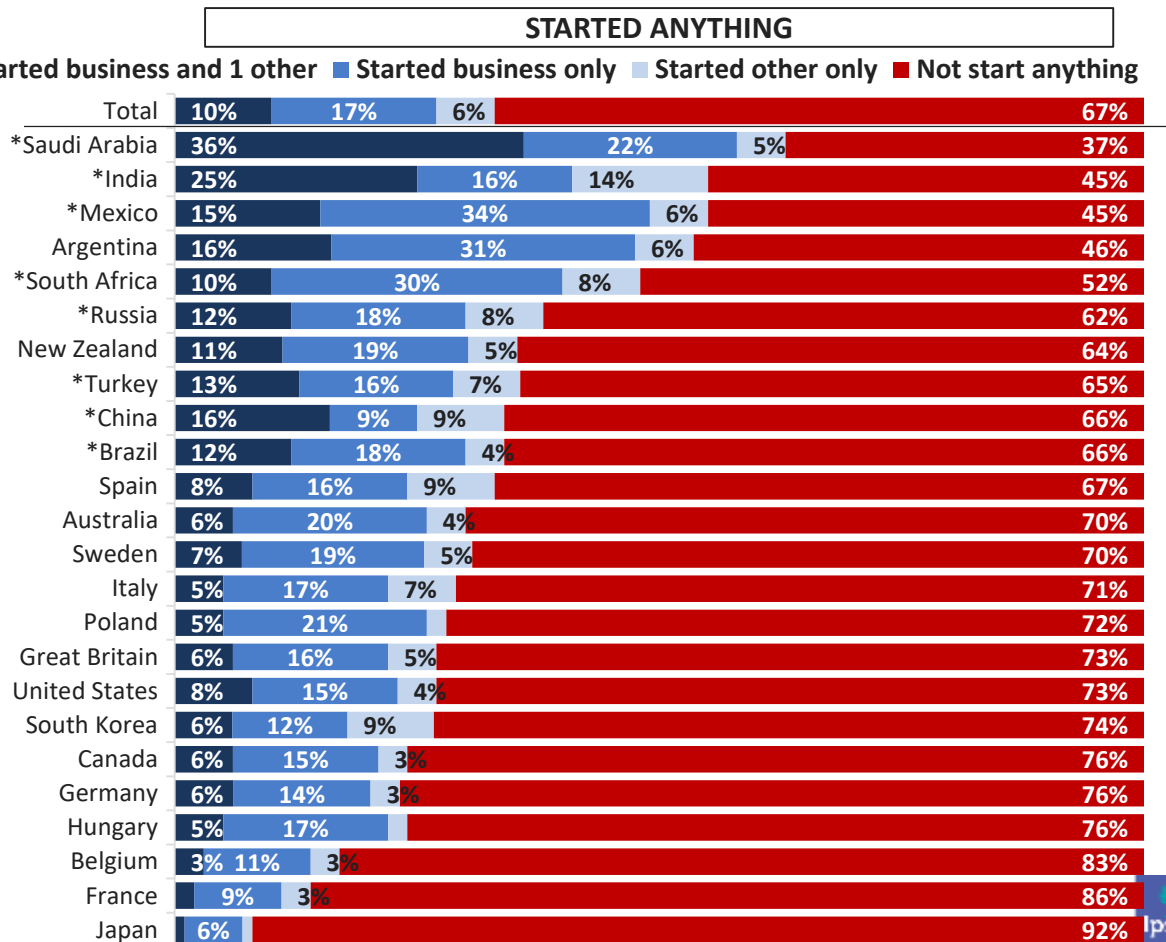
Entrepreneurial Experience – Interest Group

- One-in-ten global citizens say they have started an interest group in the past. Another two-in-ten say they have not started one but have seriously considered doing so.
- Saudi Arabia and India have the highest proportions who say that have started an interest group in the past, followed by Russia and Argentina.



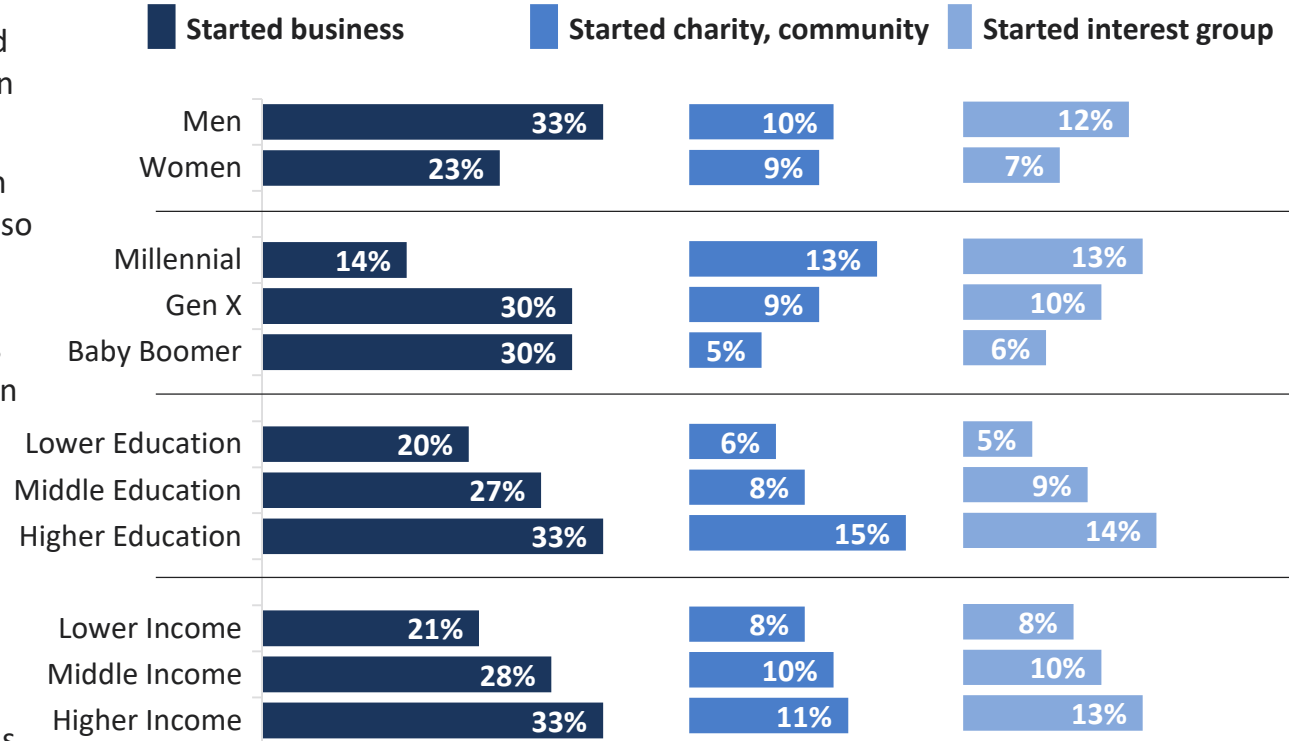
Total Entrepreneurial Experience – Business + Charity/Community Group + Interest Group

- Combining experience starting a business, starting a charity, community group and starting an interest group, one-third of global citizens have started something in the past, with one-in-ten starting both a business and either a charity, community group or interest group.
- Saudi Arabia, India, Mexico and Argentina have the highest proportions who say that have started anything, Belgium, France and Japan the lowest.



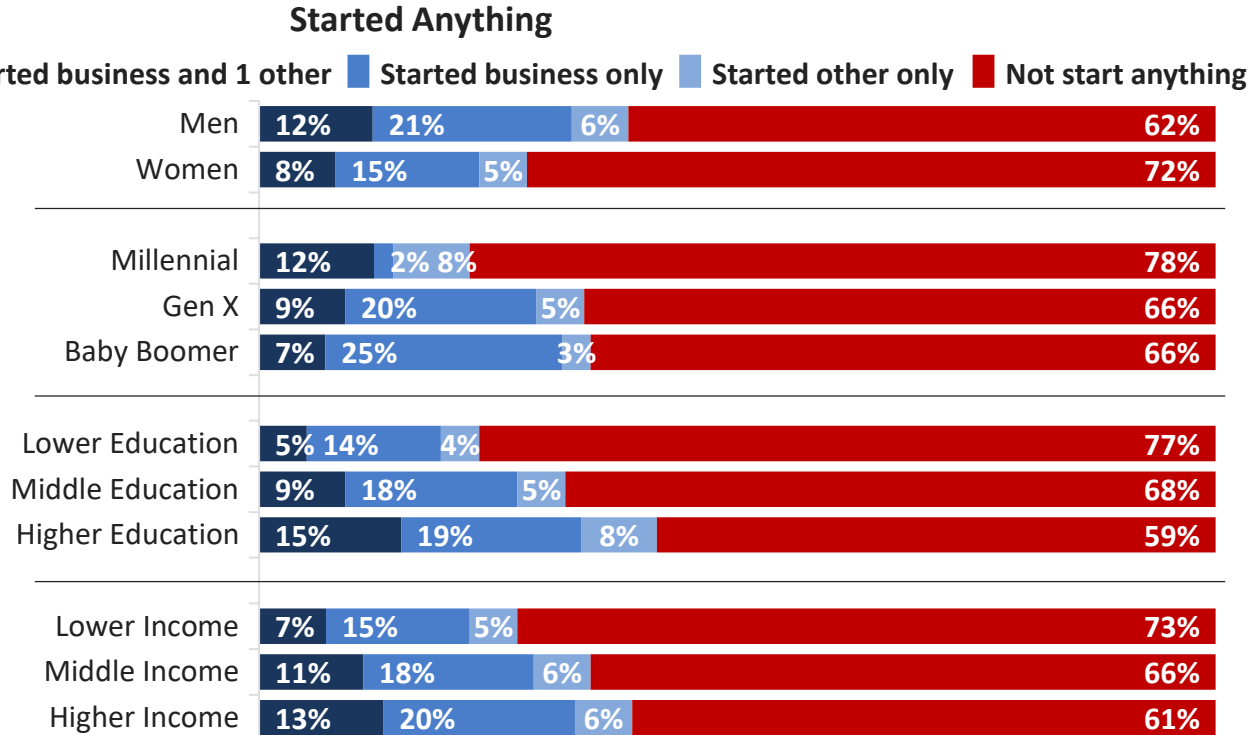
Entrepreneurial Experience by Demographics—Worldwide

- Not surprisingly, past Business Entrepreneurialism has been higher among men, Gen X and Boomers and higher education and income.
- Past Social Entrepreneurialism (charity, interest group) has also been higher among higher education and income, but is also higher among Millennials and not that different between men and women.
- Noteworthy for those promoting Business Entrepreneurialism is the fact that Millennial entrepreneurs are especially likely to be directing their efforts in areas outside of business as much as within business.



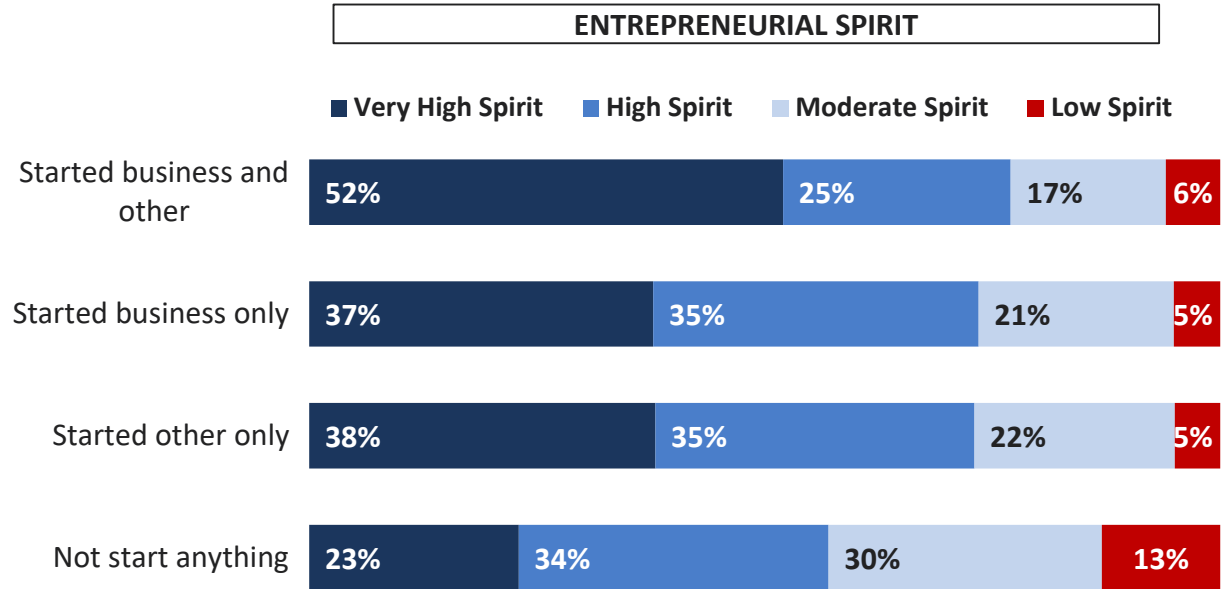
Entrepreneurial Experience by Demographics—Worldwide *cont'd*

- Combining all past entrepreneurial activity, men, higher income, higher education and, not surprisingly, Gen X and Boomers are more likely to have started something in the past, mostly but not exclusively, a business.
- Nevertheless, entrepreneurial activity is not insignificant among the other demographic groups.



Entrepreneurial Experience by Entrepreneurial Spirit—Worldwide

- The importance of fostering Entrepreneurial Spirit among citizens is evident by findings that show that, not surprisingly, Entrepreneurial Spirit and Entrepreneurial Experience are related.
- Those who have started something have much higher Entrepreneurial Spirit than those who have not.



ENTREPRENEURIAL ASPIRATIONS

Entrepreneurial Aspirations

- Entrepreneurial Aspirations were measured by asking...

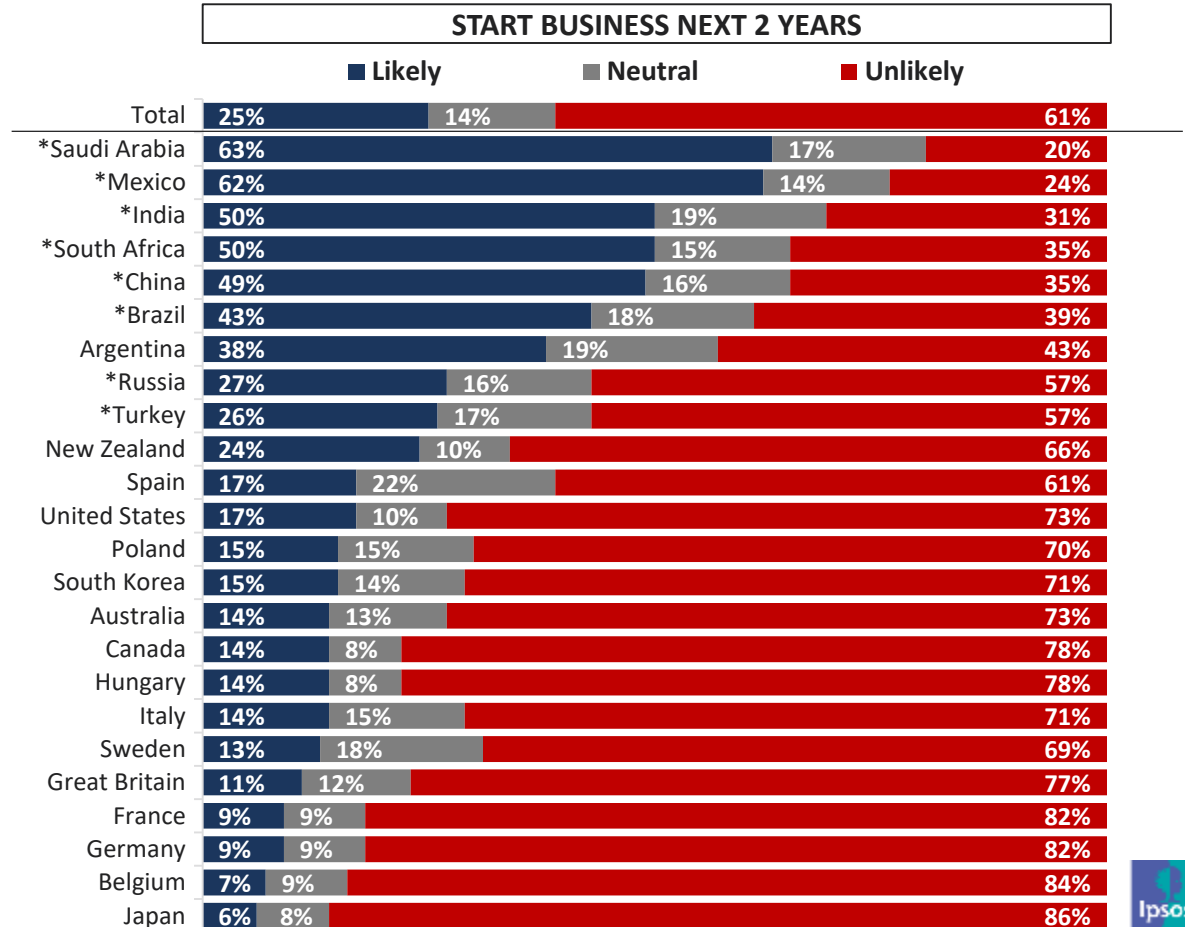
How likely are you to start... in the next two years?

1 – not at all likely to 7 – extremely likely

- **A new business**
- **A charity, community group or similar**
- **An interest group dealing with social causes, consumer issues, political issues, etc.**
(NOT ASK THIS ITEM IN CHINA AND SAUDI ARABIA)

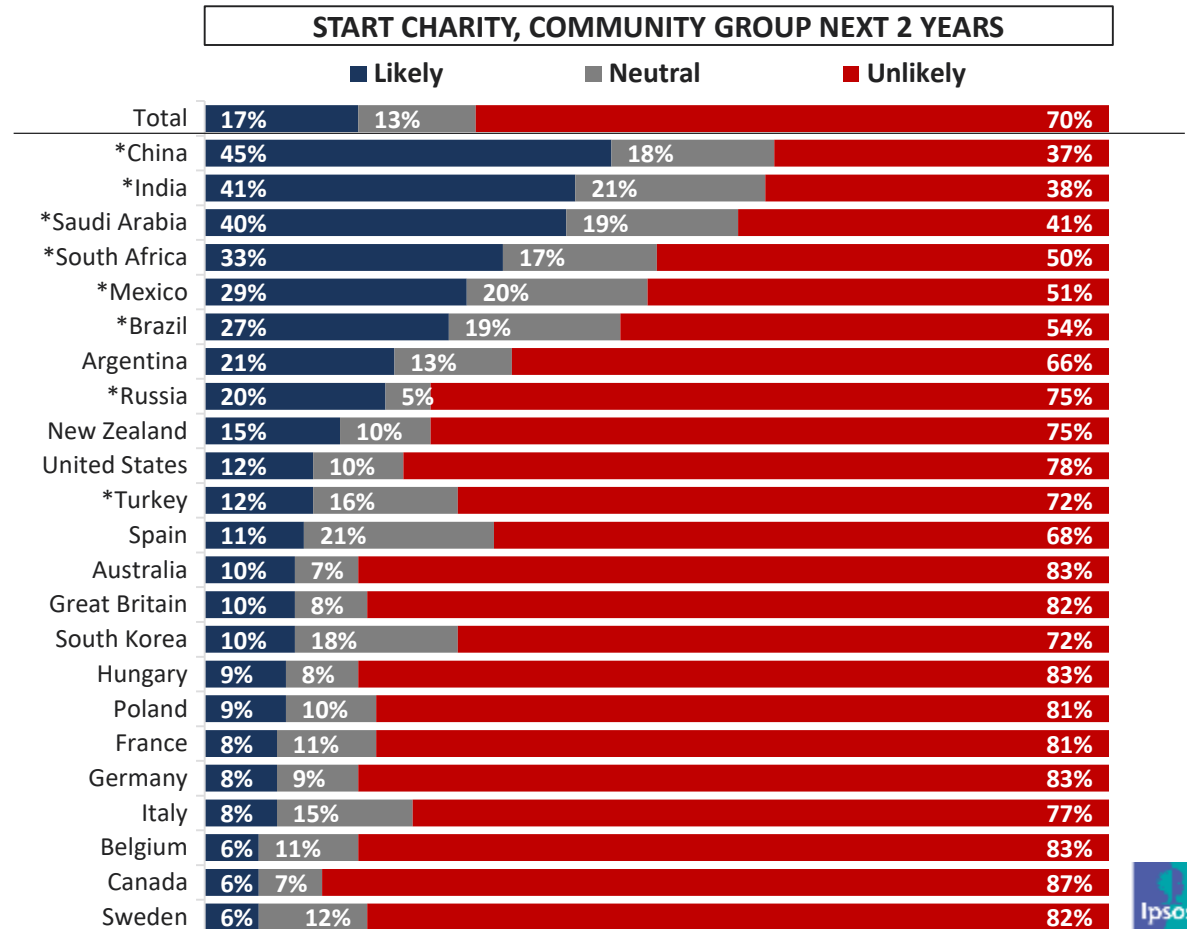
Entrepreneurial Aspirations – Business

- One-quarter of global citizens say they are likely to start a new business in the next two years.
- Likelihood to start a business is highest in Saudi Arabia and Mexico, lowest in France, Germany, Belgium and Japan.



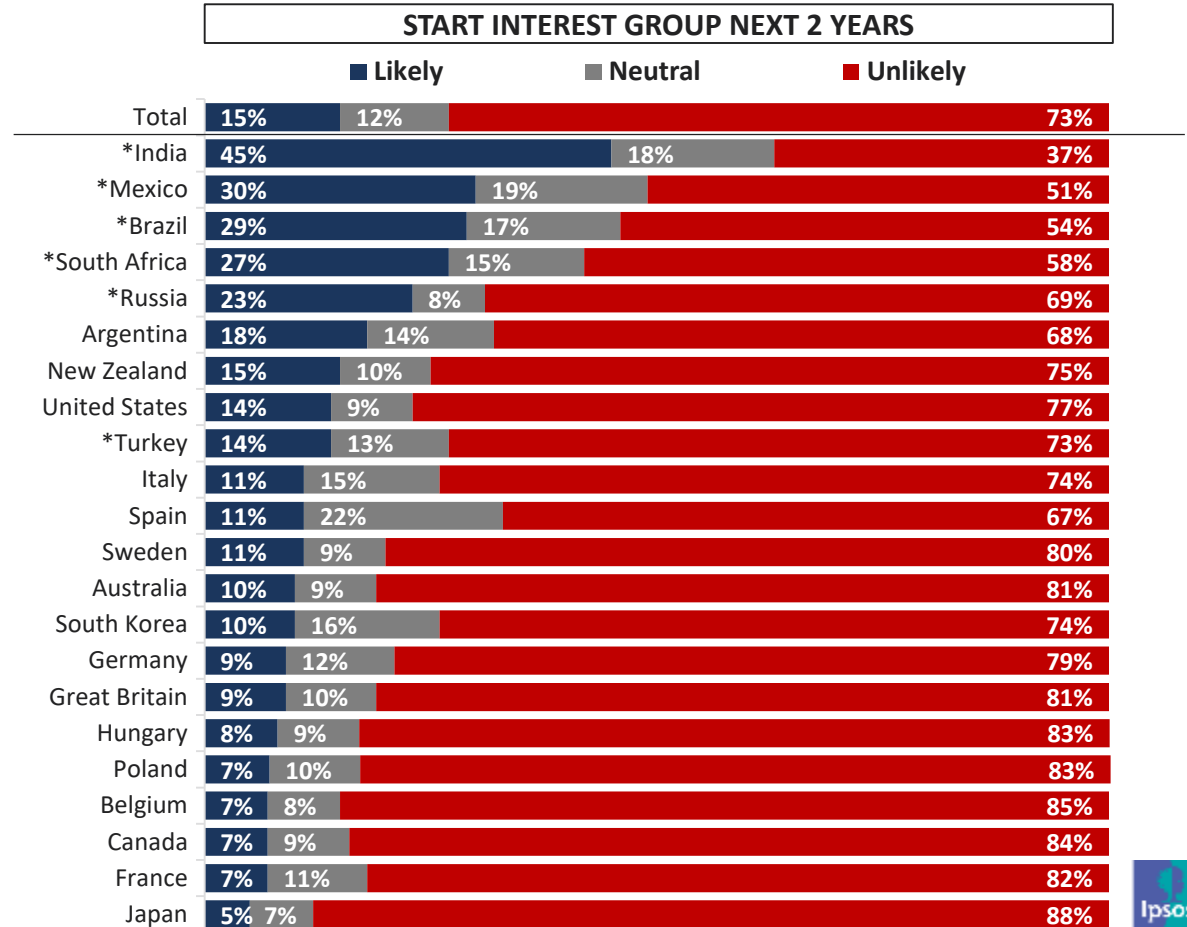
Entrepreneurial Aspirations – Charity, Community Group

- A sizeable proportion of global citizens, 17%, say they are likely to start a charity, community group in the next 2 years.
- Likelihood to start a charity, community group is highest in China, India and Saudi Arabia, lowest in Belgium, Canada and Sweden.



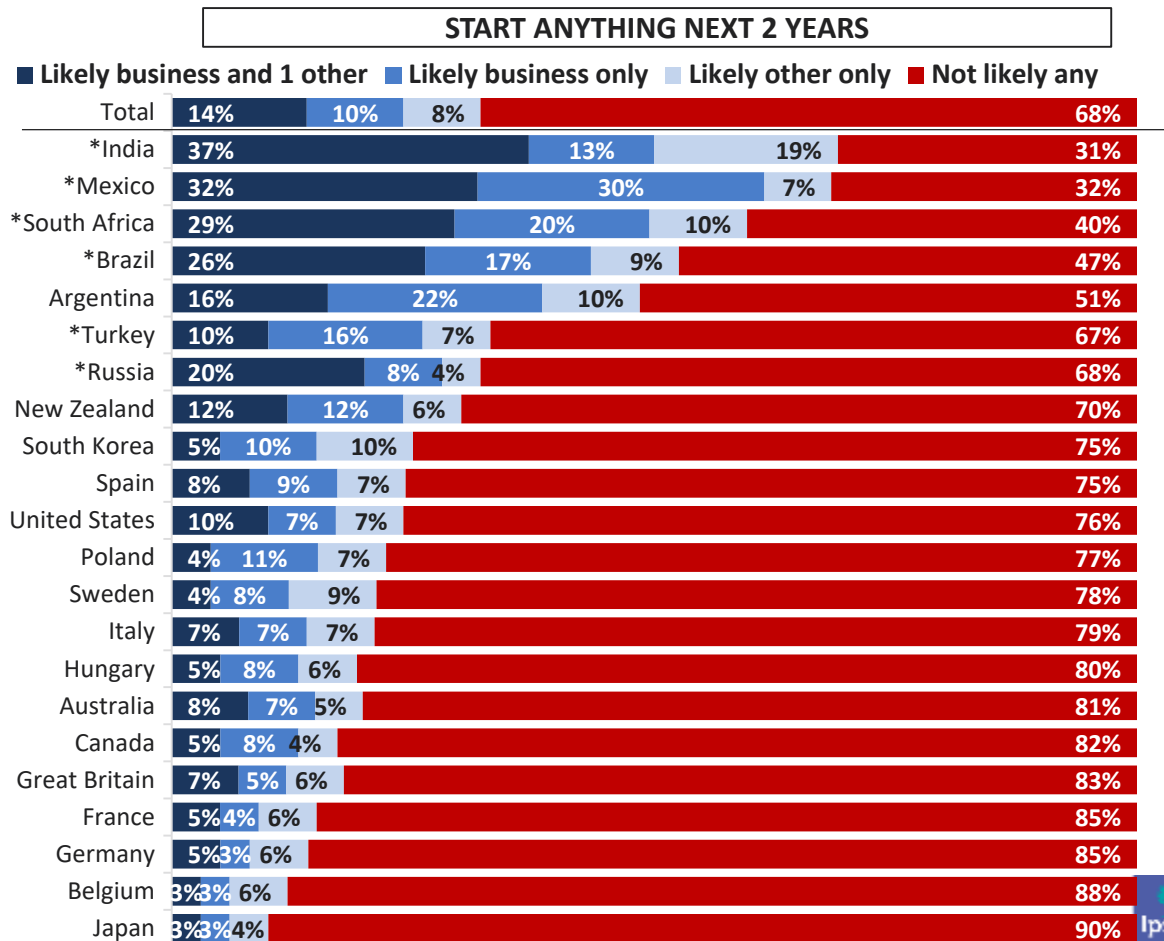
Entrepreneurial Aspirations – Interest Group

- A sizeable proportion of global citizens, 15%, also say they are likely to start an interest group in the next 2 years.
- Likelihood to start an interest group is highest in India, Mexico, Brazil and South Africa, lowest in Poland, Belgium, Canada, France and Japan.



Total Entrepreneurial Aspirations – Business + Charity/Community Group + Interest Group

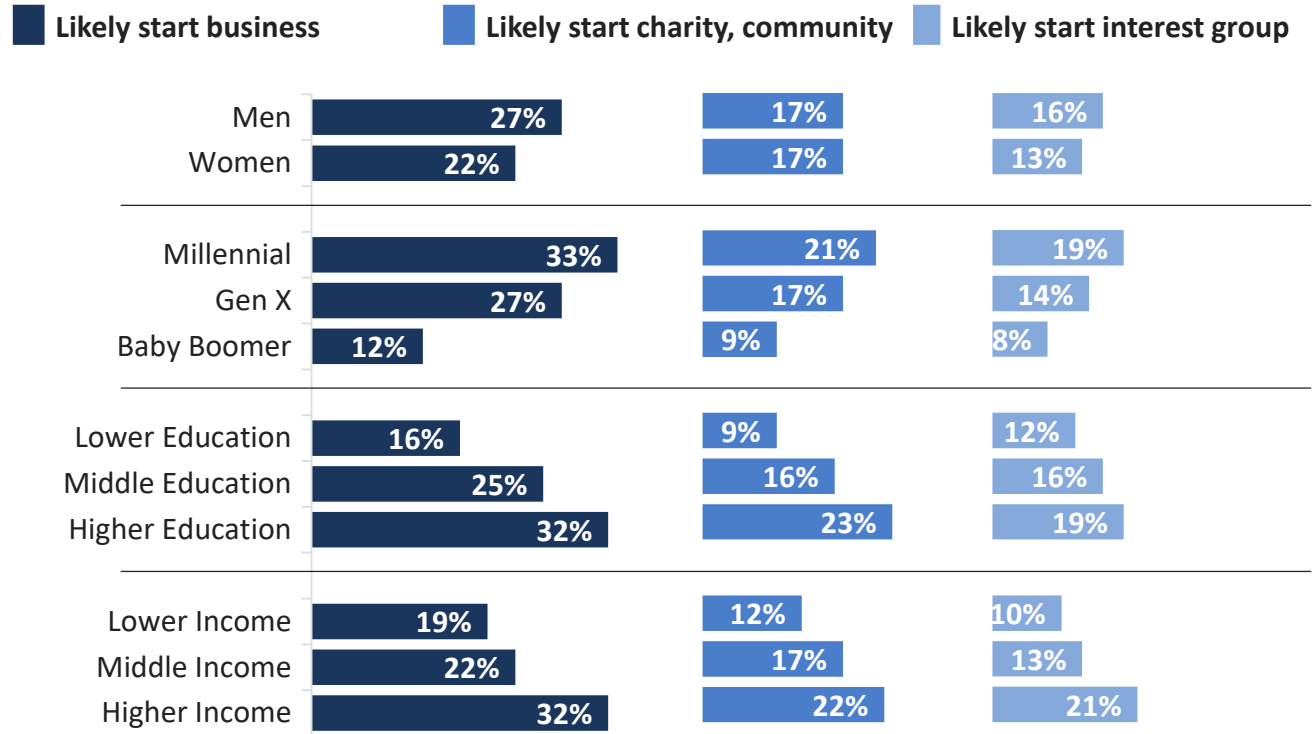
- Combining likelihood to start a business, start a charity, or start an interest group, a full one-third of global citizens say they are likely to start something in the next two years, with the highest proportion saying they are likely to start a business and at least one other from among a charity, community group or interest group.
- Start-up likelihood for anything is highest in India and Mexico, lowest in France, Germany, Belgium and Japan.



Not applicable for China and Saudi Arabia

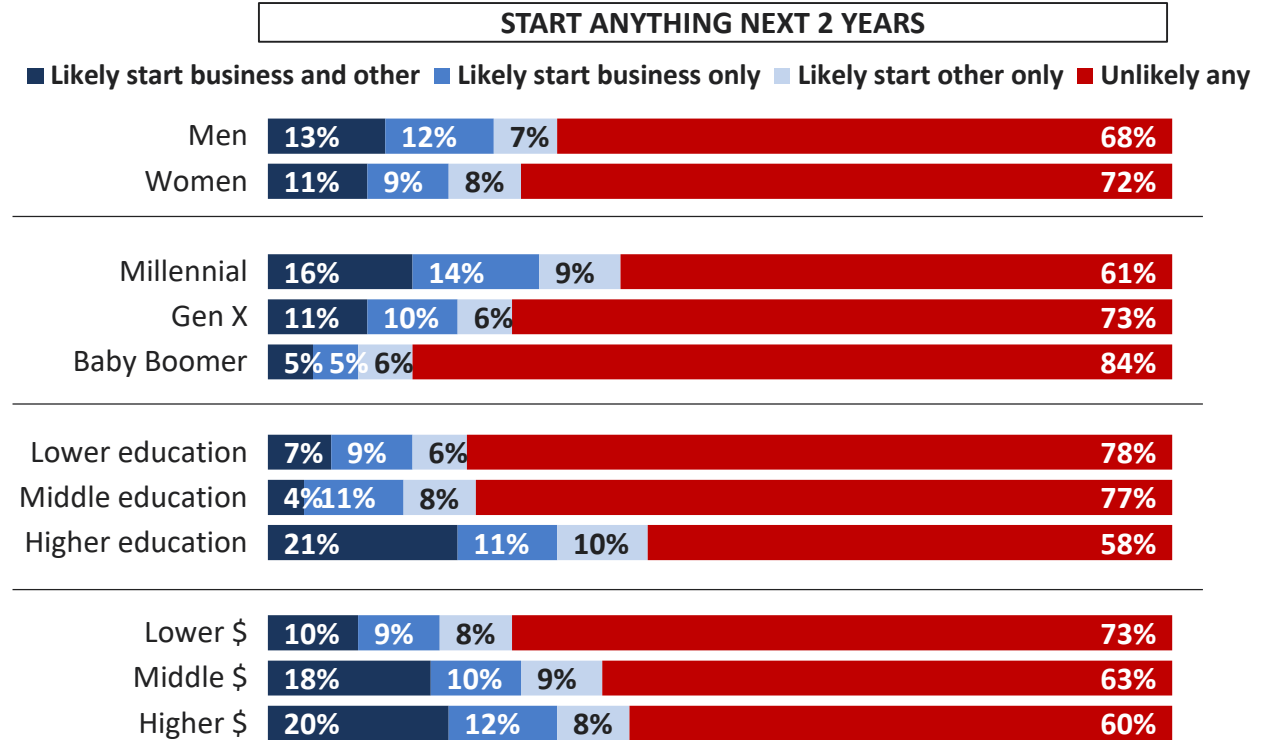
Entrepreneurial Aspirations by Demographics—Worldwide

- Potential future Business Entrepreneurialism is higher among men, Millennials, and higher education and income. However, a sizeable proportion of other demographic groups say they are also likely to start a new business.
- Potential future Social Entrepreneurialism (charity, interest group) is also higher among higher education and income, but is also higher among Millennials and not that different between men and women.



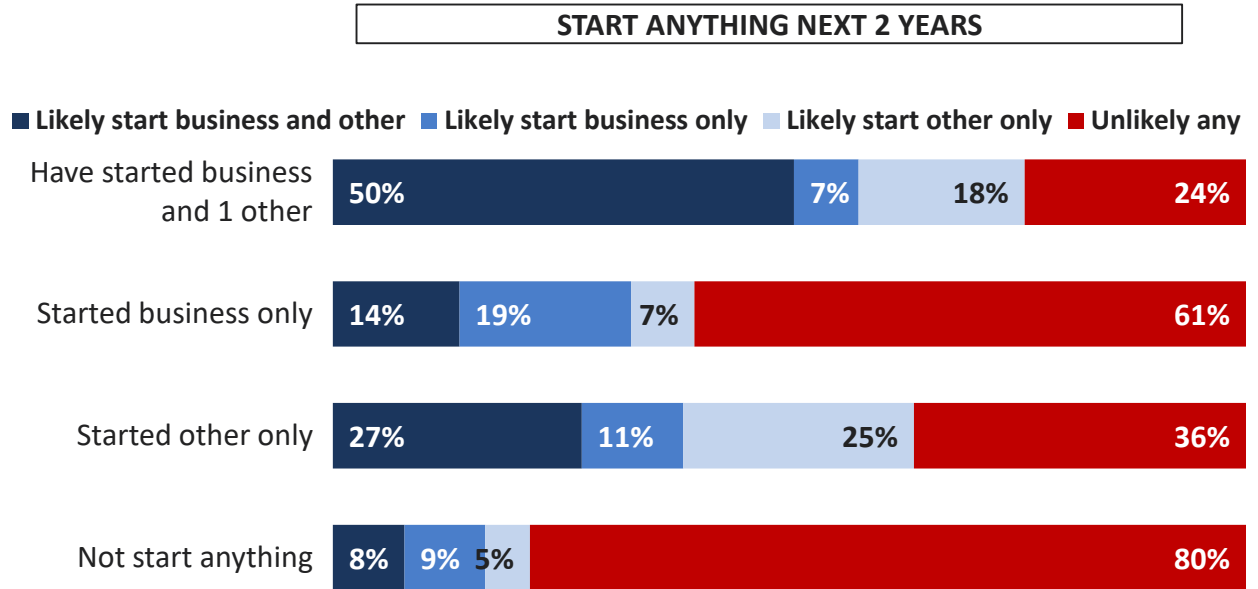
Entrepreneurial Aspirations by Demographics—Worldwide *cont'd*

- Overall, higher income, higher education and Millennials are highest in reporting that they are likely to start something in the future.
- Again, however, it is interesting that a sizeable proportion of the other demographic groups are also likely to start something.



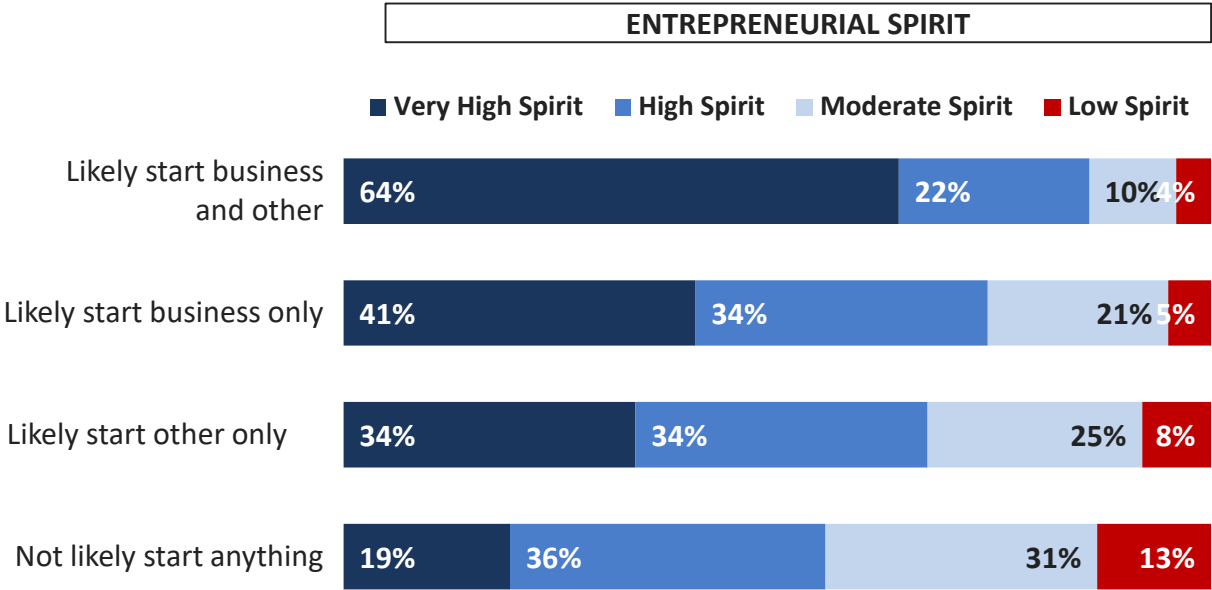
Entrepreneurial Aspirations by Entrepreneurial Experience—Worldwide

- In the current environment, increases in entrepreneurial activity will likely be driven by those who have already acted in the past. However, there is upwards of 20% (among the 68% of those who have not started anything in the past) of potential new entrants into the market.



Entrepreneurial Aspirations by Entrepreneurial Spirit—Worldwide

- The importance of fostering “Entrepreneurial Spirit” among citizens is demonstrated again by findings that show that, not surprisingly, those likely to start something have much higher “Entrepreneurial Spirit.”



ENTREPRENEURIAL EMOTIONS

Emotional Drivers of Entrepreneurism

We wanted to explore the emotional drivers of Entrepreneurial Spirit related to starting a business.

EMOTIONAL DRIVERS INDEX

An Emotional Drivers Index was created by combining responses to reflect the net emotional environment:

“More positive than negative”

“Mixed”

“More negative than positive”

using the items to the right:

To what extent do the following describe how you feel when you think about possibly starting a new business...

1 does not describe at all to 7 describes completely?

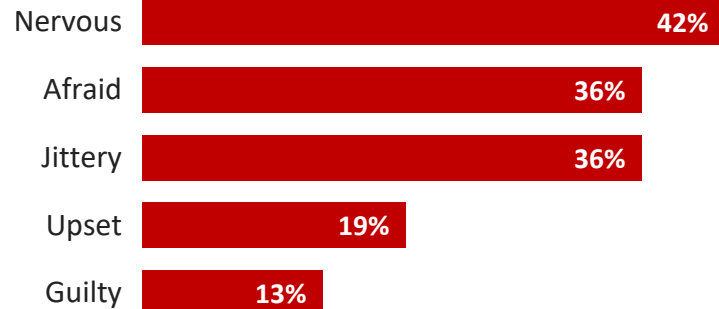
[RANDOMIZE] Please respond quickly to each, based on your first gut reaction.

- **Interested**
- **Excited**
- **Determined**
- **Inspired**
- **Proud**
- **Jittery**
- **Afraid**
- **Upset**
- **Nervous**
- **Guilty**

Entrepreneurial Emotions Attributes—Worldwide

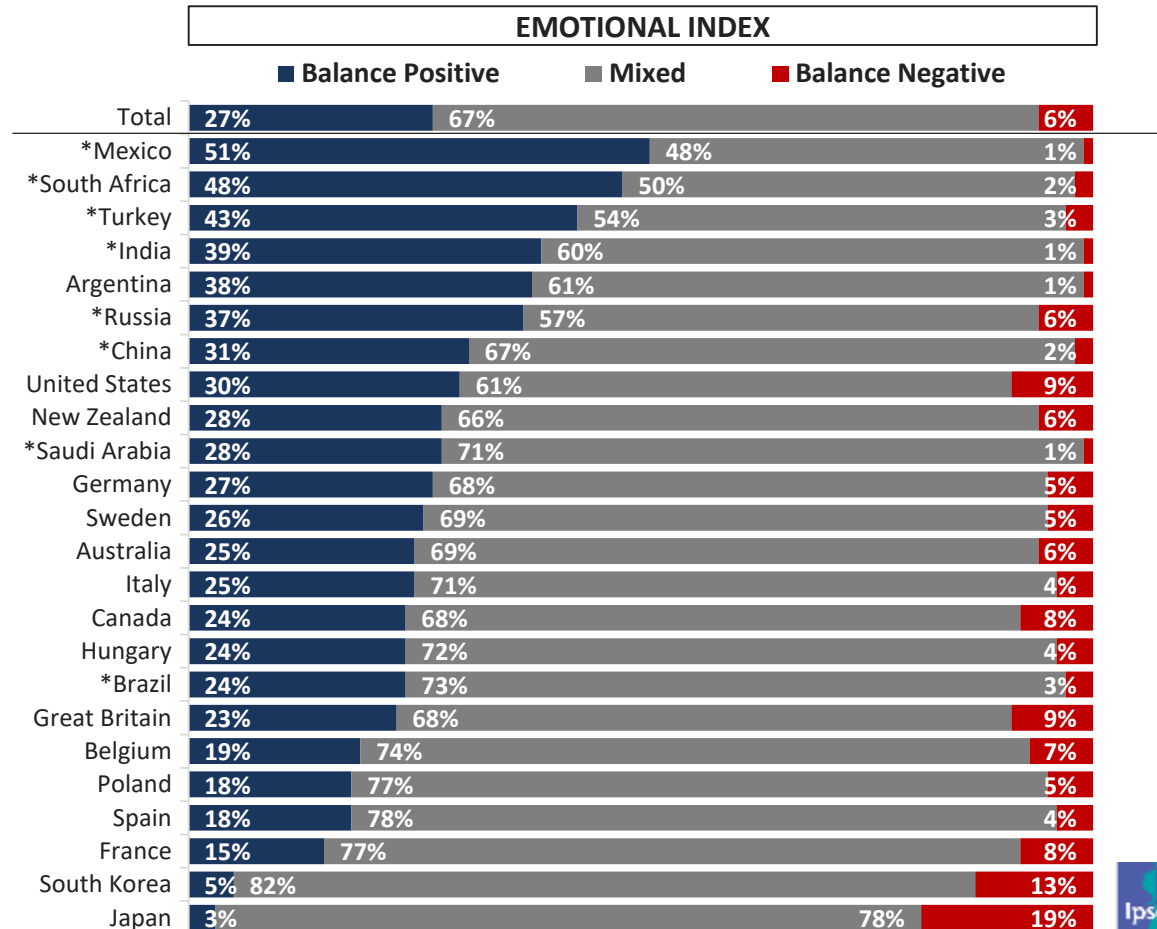
- Worldwide citizens are more likely to have positive than negative emotions when they think of the prospect of starting their own business. “Interested” is the highest of the positive emotions.
- However, there are some negative emotions associated with the prospect of starting their own business. “Nervous” is the highest, followed by “afraid” and “jittery.”

EMOTIONS FELT WHEN THINK START OWN BUSINESS



Entrepreneurial Emotions Index by Country

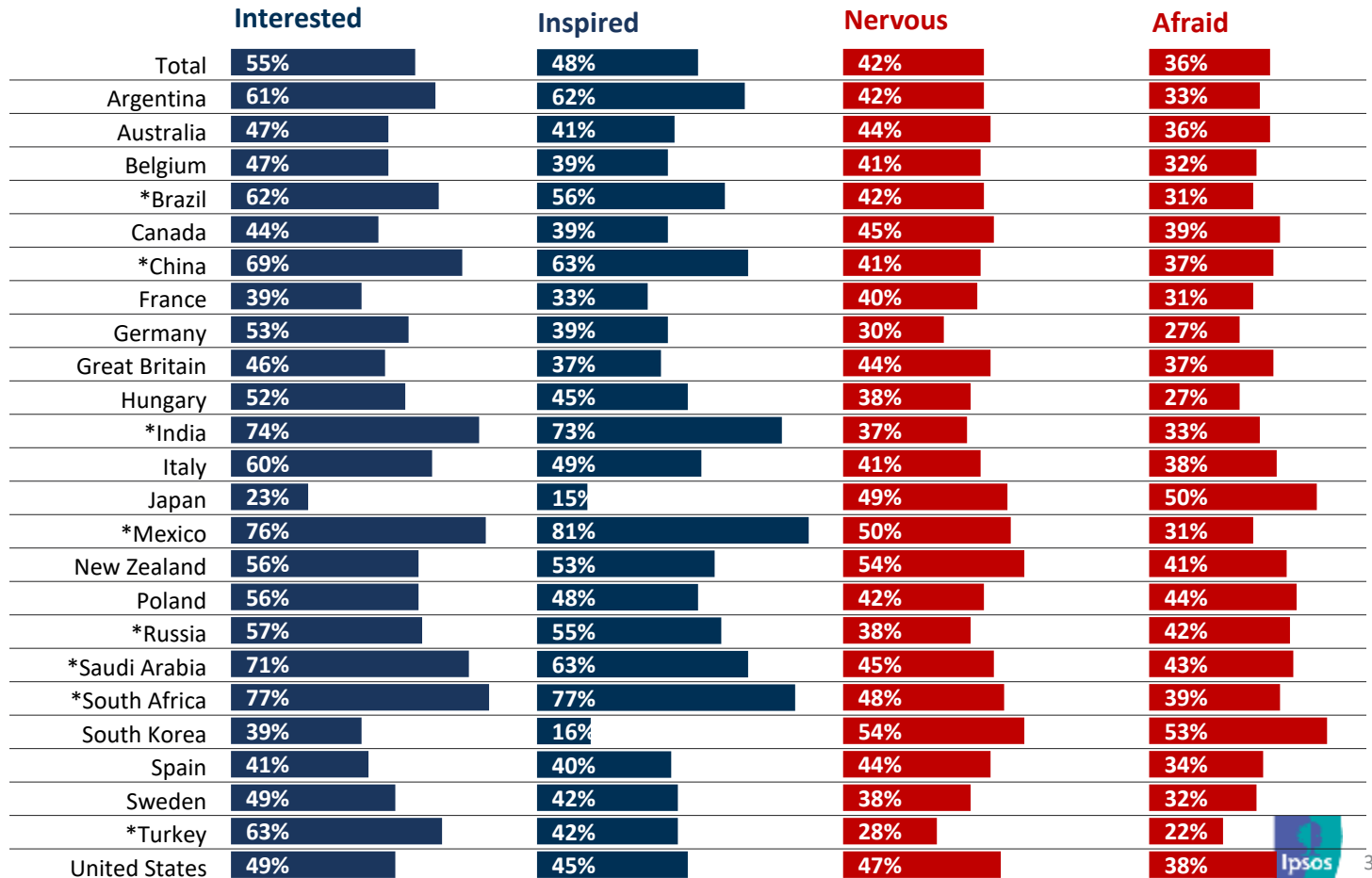
- More global citizens have positive than negative emotions when they think about starting a new business, although a majority have mixed feelings.
- Mexico, South Africa and Turkey have the highest proportions with a balance of positive emotions, South Korea and Japan the lowest.



Entrepreneurial Emotions

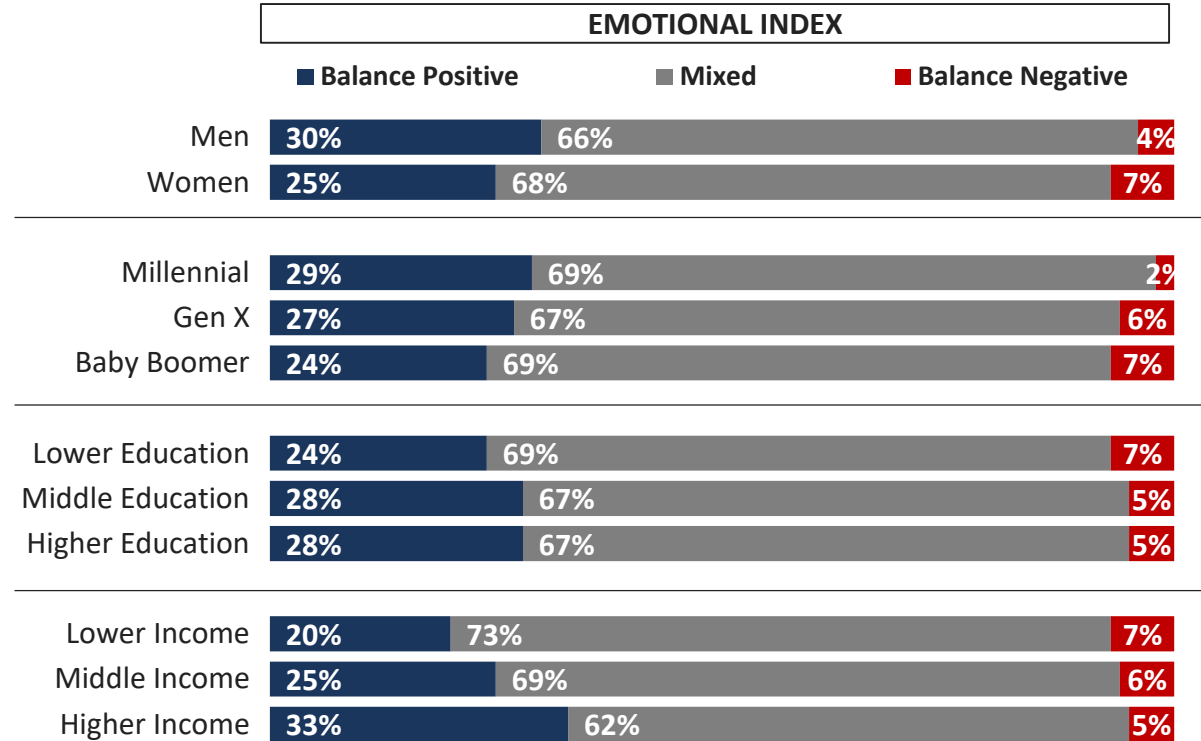
Select 2 **Positive** and 2 **Negative** Emotions Worldwide

- There is much more variation across the countries in feeling positive than negative emotions when thinking about starting a business.
- On specific emotions, for example, China, India, Mexico, Saudi Arabia, and South Africa have the highest feeling “inspired.”
- Canada, China, Great Britain, Italy, Japan, New Zealand, Poland, Russia, Saudi Arabia, South Africa, South Korea and the US have the highest feeling “afraid.”



Entrepreneurial Emotions Index by Demographics—Worldwide

- Millennials, men and higher income are marginally more positive emotionally when thinking about starting a new business but the balance among all groups is more positive or mixed than negative.



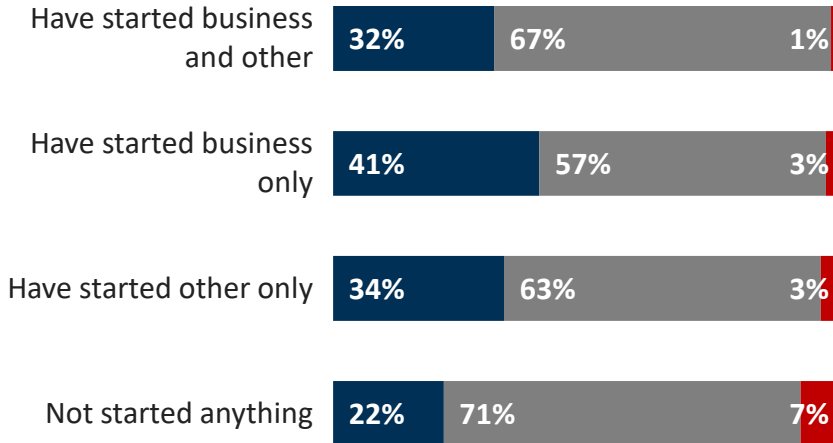
Entrepreneurial Emotions Index

by Entrepreneurial Experience and Aspirations

- The importance of considering emotions related to entrepreneurialism is evident in findings that show that, not surprisingly, those who have started something in the past or are likely to in the next 2 years are much more likely to have positive emotions about starting a new business.

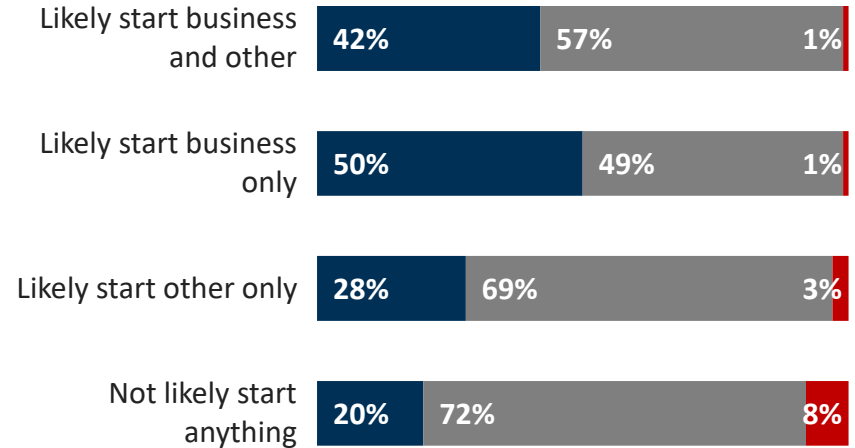
ENTREPRENEURIAL EXPERIENCE Emotional Index

■ Balance Positive ■ Mixed ■ Balance Negative



ENTREPRENEURIAL ASPIRATIONS Emotional Index

■ Balance Positive ■ Mixed ■ Balance Negative



TECHNOLOGY AND ENTREPRENEURIALISM

Technology and Entrepreneurialism

- We probed issues associated with technology and entrepreneurialism by asking...

To what extent do you agree or disagree with the following

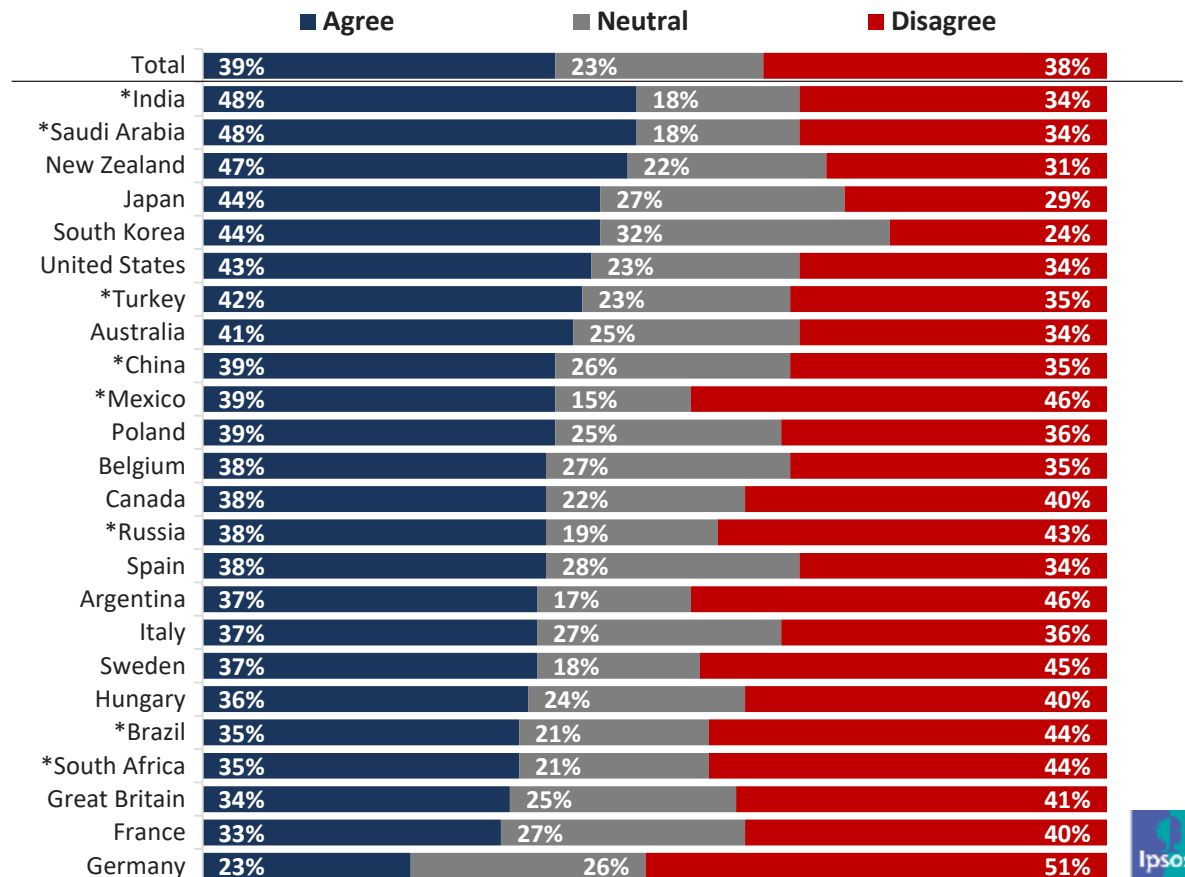
1 – strongly disagree to 7 – strongly agree?

- **Technology is changing so quickly I am having a hard time keeping up**
- **I trust artificial intelligence**

Pace of Technological Change

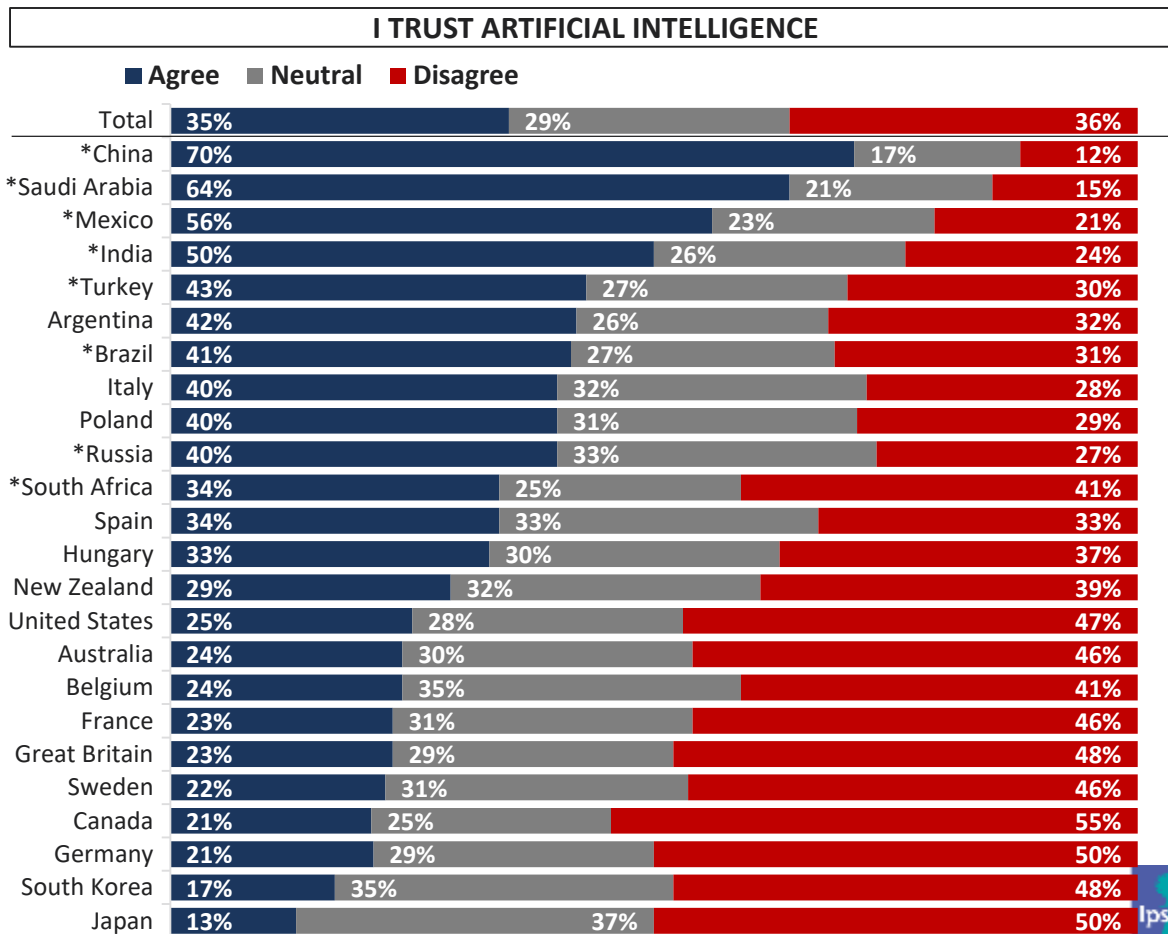
- A sizeable minority of global citizens, four-in-ten, say that technology is changing so quickly that they are having a hard time keeping up.
- This is highest in India, Saudi Arabia and New Zealand, lowest in Germany.

TECHNOLOGY IS CHANGING SO QUICKLY I AM HAVING A HARD TIME KEEPING UP



Artificial Intelligence

- Global citizens are divided in whether they trust artificial intelligence. Thirty-five percent (35%) say they do versus 36% who say they don't.
- Trust in AI is highest in China, Saudi Arabia, Mexico and India. It is lowest in Canada, Germany, South Korea and Japan.



Pace of Change and AI by Demographics—Worldwide

- Interestingly, while women and Boomers are somewhat more likely to say they are having a hard time keeping up with technology, one-third or more of all groups say this. Furthermore, while higher income, higher education, Millennials and men are more likely to say they trust AI, in all cases trust is expressed only by a minority.

TECHNOLOGY IS CHANGING SO QUICKLY I AM HAVING A HARD TIME KEEPING UP

Agree



I TRUST ARTIFICIAL INTELLIGENCE

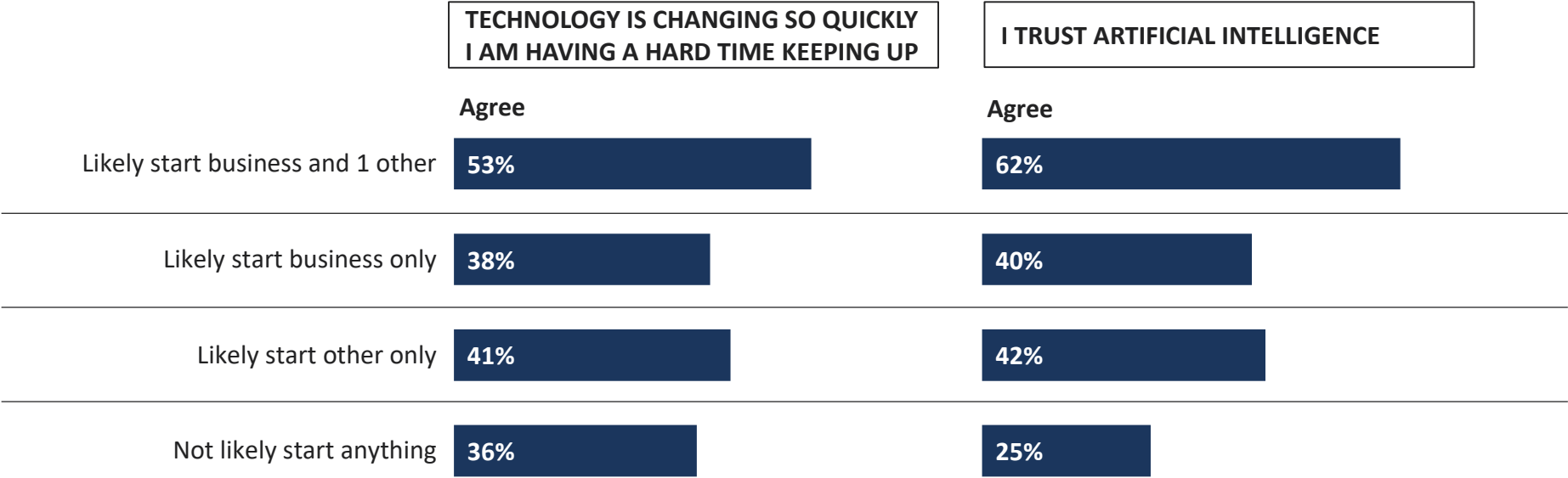
Agree



Technology and Entrepreneurialism

by Entrepreneurial Aspirations

- While technology is a key tool for entrepreneurs, future entrepreneurs are challenged by technology. Keeping up with technology is a special challenge for potential future entrepreneurs. Furthermore, while they are more likely to trust AI, there remains a considerable level of skepticism.



ENTREPRENEURIALISM AND SOCIAL ENGAGEMENT

Entrepreneurialism and Social Engagement

We wanted to see if entrepreneurship was related to engagement/participation in society/activism

SOCIAL ENGAGEMENT INDEX

A Social Engagement Index was created by combining responses to the below, where:

- High Participation** = done 4+ items
- Moderate Participation** = done 2-3 times
- Low Participation** = done 0-1 items

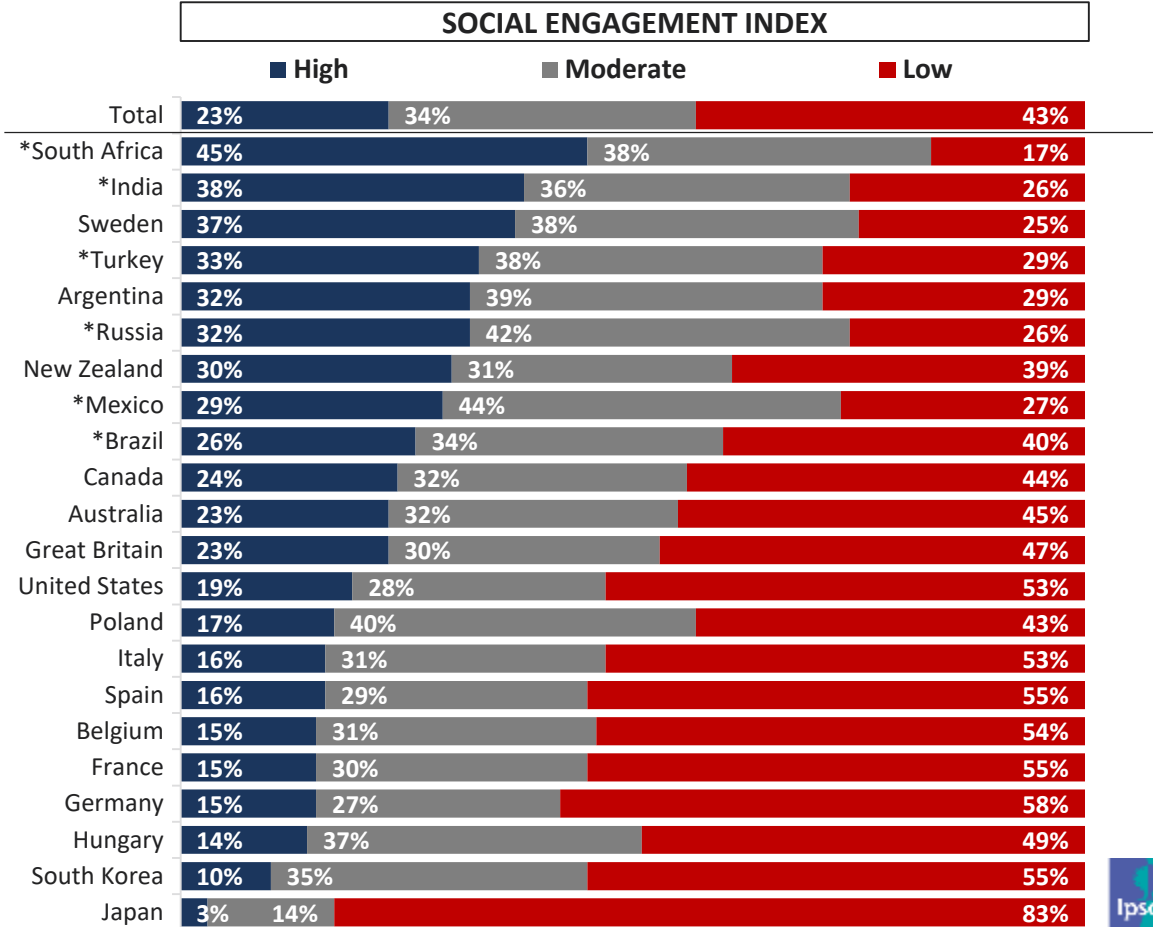
Which of these things, if any, you have done in the last 12 months?

(Select all that apply) [RANDOMIZE]

- Attended a public meeting, rally, speech or protest
 - Changed a purchase behaviour/boycotted a product/company because of social, environmental, ethical concerns
 - Contributed time/money to a charity/cause/community organization
 - Written a comment or original ideas online regarding a social issue or political issue
 - Engaged in discussions with friends or family on political or social issues and tried to convince them of your point of view
 - Spent time searching out information to inform yourself/learn more about a particular social, political or consumer issue you might be concerned with/interested in
 - Regularly stayed up-to-date on news and current events
- (NONE ASKED IN CHINA OR SAUDI ARABIA)

Social Engagement Index by Country

- Citizens in South Africa, India and Sweden have the highest levels of “social engagement,” Japan and South Korea the lowest.



Not asked in China and Saudi Arabia

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*samples represent a more affluent, connected population

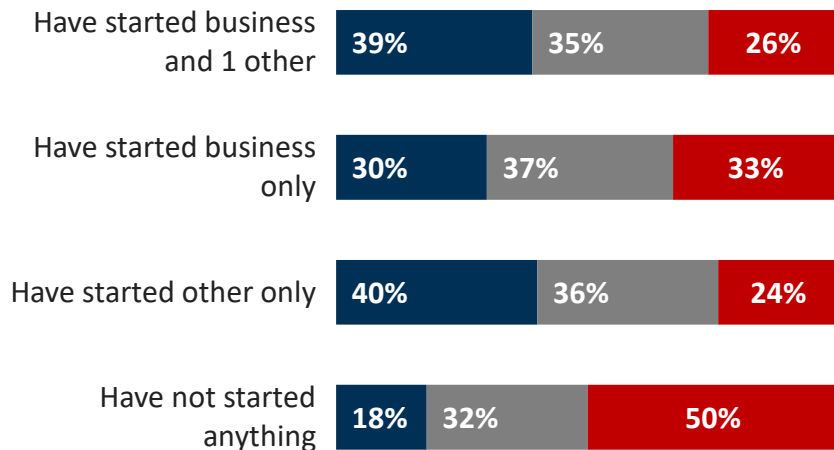


Entrepreneurial Experience and Aspirations by Social Engagement—Worldwide

- While we cannot determine which comes first, actions related to entrepreneurialism are related to actions related to “social engagement.” Those who have started a business and/or a community group, charity, etc. or are likely to do so in the future rate much higher on “social engagement” than those who have not or are unlikely to do so.

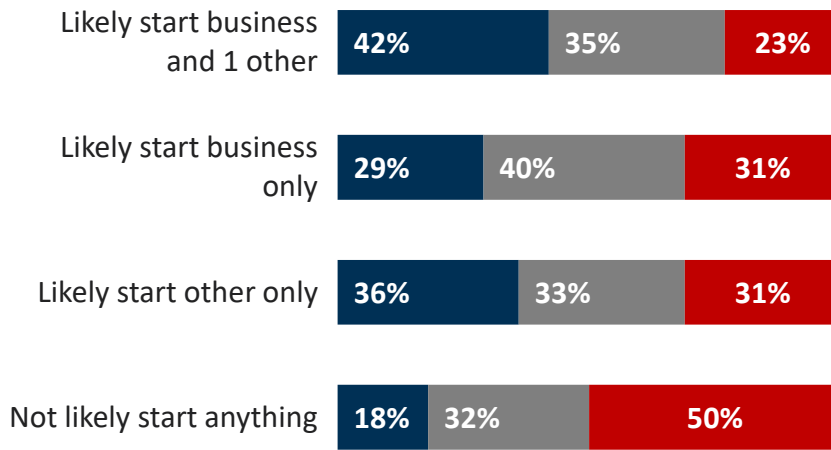
ENTREPRENEURIAL EXPERIENCE AND SOCIAL ENGAGEMENT INDEX

■ High ■ Moderate ■ Low



ENTREPRENEURIAL ASPIRATIONS AND SOCIAL ENGAGEMENT INDEX

■ High ■ Moderate ■ Low



GOVERNMENT AND ENTREPRENEURIALISM

Government and Entrepreneurialism

- We probed issues associated with government and entrepreneurialism by asking...

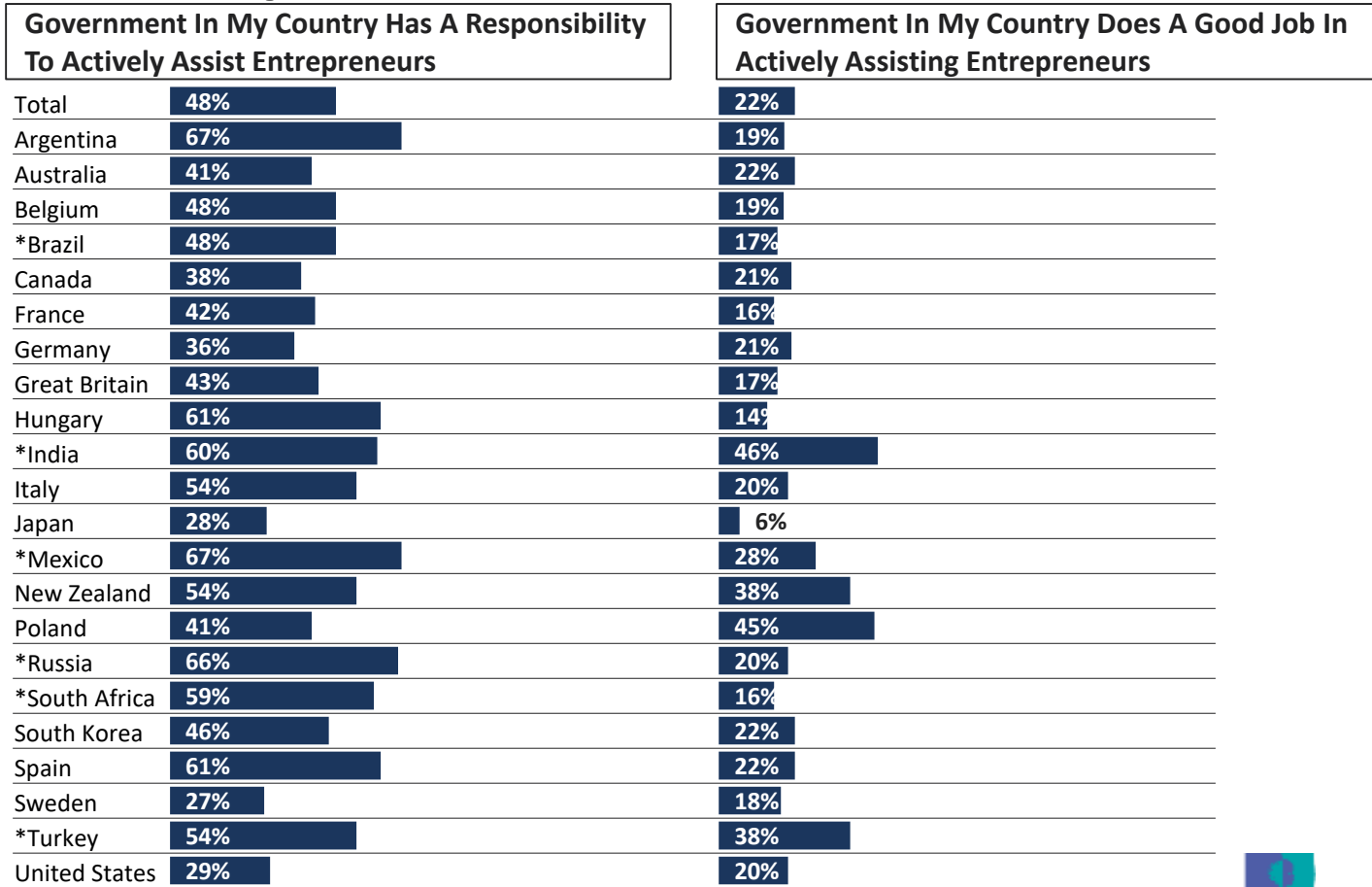
To what extent do you agree or disagree with the following

1 – strongly disagree to 7 – strongly agree?

- **Government in my country has a responsibility to actively assist entrepreneurs (an entrepreneur is someone who organizes, manages, and assumes the risks of a business or enterprise)**
 - **Government in my country does a good job in actively assisting entrepreneurs**
- (NEITHER ASKED IN CHINA OR SAUDI ARABIA)

Government and Entrepreneurialism *cont'd*

- About half of worldwide citizens think that government has a responsibility to actively assist entrepreneurs.
- However, there is considerable variation across countries in these beliefs, highest in Argentina, Hungary, India, Mexico, Russia and Spain, lowest in Japan, Sweden and the US.



Not asked in China and Saudi Arabia

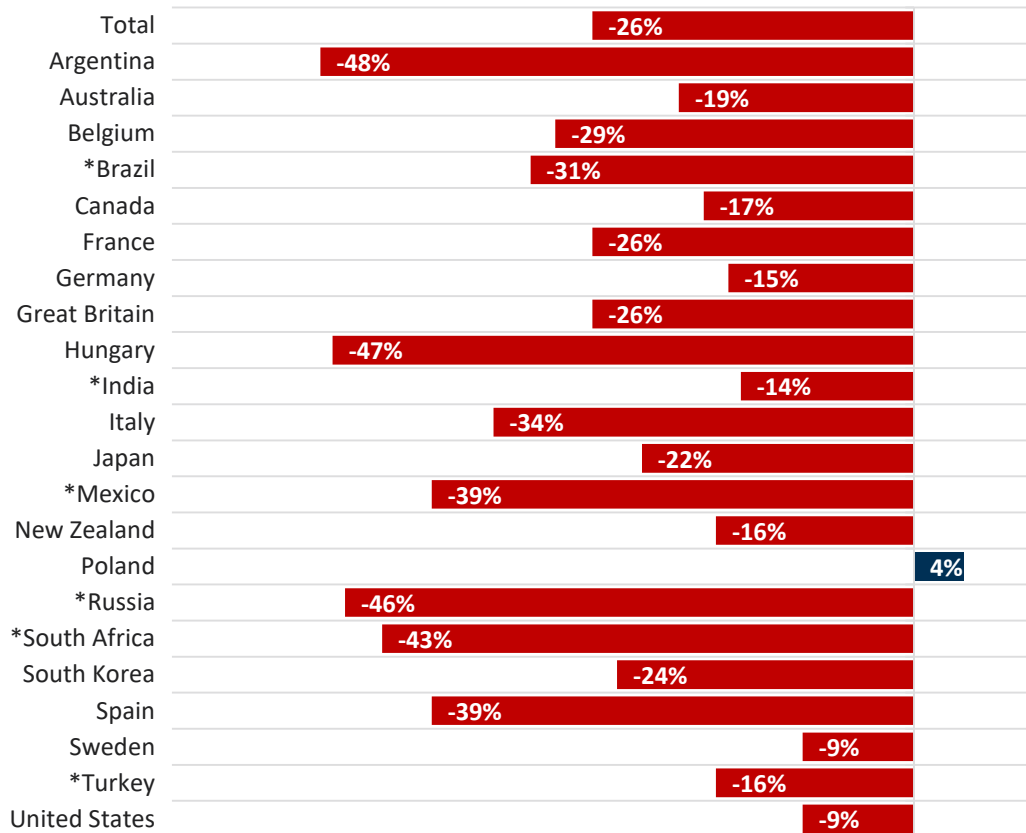
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*samples represent a more affluent, connected population

Government and Entrepreneurialism *cont'd*

- The biggest gaps in expected government support and performance in promoting entrepreneurialism are found in Argentina, Hungary, Mexico, Russia, South Africa and Spain.
- Only in Poland does performance outweigh expectations.

NET GOVERNMENT DOING A GOOD JOB MINUS HAS RESPONSIBILITY RE ENTREPRENEURIALISM



Not asked in China and Saudi Arabia

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*samples represent a more affluent, connected population

Contacts



Mike Colledge

President,
Ipsos Public Affairs, Canada

 Mike.College@Ipsos.com

 +1.613.688.8971

@MikeDColledge



Chris Martyn

Chief Research Officer,
Ipsos Public Affairs, Canada

 Chris.Martyn@Ipsos.com

 +1.416.324.2010

ABOUT IPSOS

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GAME CHANGERS

At Ipsos we are passionately curious about people, markets, brands and society. We deliver information and analysis that makes our complex world easier and faster to navigate and inspires our clients to make smarter decisions.

We believe that our work is important. Security, simplicity, speed and substance applies to everything we do.

Through specialisation, we offer our clients a unique depth of knowledge and expertise. Learning from different experiences gives us perspective and inspires us to boldly call things into question, to be creative.

By nurturing a culture of collaboration and curiosity, we attract the highest calibre of people who have the ability and desire to influence and shape the future.

“GAME CHANGERS” – our tagline – summarises our ambition.