Hart, Mark and Levie, Jonathan and Bonner, Karen and Drews, Cord-Christian (2015) Global Entrepreneurship Monitor United Kingdom 2014 Monitoring Report. [Report] ,

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Global Entrepreneurship Monitor

United Kingdom 2014 Monitoring Report

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List of Figures and Tables

Acknowledgements

Page

GEM UK 2014 was made possible by funding from BIS Enterprise Directorate, Hunter Centre for Entrepreneurship at the University of Strathclyde, Welsh Government, and Invest Northern Ireland.

The vendor for the Adult Population survey was BMG Research Ltd and we would like to thank Steve Lomax for his role in the timely execution of the survey and the creation of the UK dataset. We would like to thank Marla Nelson for her work on the NES expert surveys which formed part of the GEM Global report.

Disclaimer

This report is based on data collected by the GEM consortium and the GEM UK team; responsibility for analysis and interpretation of the data is the sole responsibility of the authors.

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Executive Summary

In 2014, the Global Entrepreneurship Monitor (GEM) research consortium measured the entrepreneurial activity of individuals in 70 economies, making it the world's most authoritative comparative study of entrepreneurial activity in the general adult population. In 2014, 10,750 adults aged 16 to 80 participated in the GEM UK survey.

This monitoring report compares Global Entrepreneurship Monitor (GEM) measures of entrepreneurial attitudes, activity and aspirations in the UK, France, Germany and the United States, and the four home nations of the UK. It also examines business registration activity by business owner managers and the anticipated and actual funding sources for individuals starting a business in the UK.

The 2014 report shows that most UK entrepreneurship measures remain above the longer term trend. For comparative indicators the UK typically lags the US but outperforms other innovation-led economies including France and Germany.

Around 1 in 5 (18%) of UK early-stage entrepreneurs had high job expectations in 2014; which was higher than the rates for its European peers but lower than in the US, at 27%.

Total early-stage entrepreneurial activity or TEA (the sum of the nascent entrepreneurship rate and the new business owner-manager rate - without double counting) in the UK in 2014 was 8.6%[1]. The UK TEA rate was significantly higher than the 2013 rate and also remains significantly higher than the historical trend, to 2010, which was very stable at close to 6%.

More widely, 1 in 5 of working age individuals in the UK were engaged in entrepreneurial activity or intended to start a business within the next three years. This is unchanged from 2013 and higher than the historical trend to 2010.

The TEA rate of 8.6% in the UK compares favourably to France (5.3%) and Germany (5.3%) but lags behind that of the US (13.8%); the gap with the US due largely to differences in the start-up rate, rather than the new business owner rate

In 2014, the male TEA rate rose substantially (from 8.7% in 2013 to 11.5% in 2014) whilst the female TEA rate remained stable (5.8% in 2013 and 5.7% in 2014). Hence relative levels of female early-stage entrepreneurship fell to 50% of male early-stage entrepreneurial activity, marking a return to the long-run average. In the US the female TEA rate is 11.2% (two-thirds of males), indicating a much lower UK female rate, and a wider relative gender difference.

The sub-national distribution of TEA rates in 2014 showed some variation across the home nations: England at 9.1% (up from 7.5%), Wales at 7.1% and Northern Ireland at 6.7%. The rate in England was significantly higher than that in Scotland in 2014 (5.4%).

Entrepreneurial activity amongst the 50-64 age group has historically been lower than for those in the younger age groups. The rate for the 50-64 age group reached its highest ever level of 7.1% in 2014.

Males aged 50-64 have significantly higher TEA rates than females of the same age (9.8% compared to 4.0%) The difference between the two widened over the year with female activity rates for 50-64 year olds at 41% of the male rate compared to 50% for the overall TEA ratio.

Rates of opportunity entrepreneurship in 2014 were similar to the levels seen in 2012, at 4.0% for nascent entrepreneurs (with a dip to 3.1% in 2013), and 3.0% for new business owners. Necessity entrepreneurship rates also remained unchanged at 0.7% for new business owners, but dropping from 1.2% (2012) to 0.7% (2014) for nascent entrepreneurs[2].

Attitudes of non-entrepreneurial individuals to entrepreneurship in the UK suggest a return to optimism following a subdued period. Opportunity perception among non-entrepreneurial males was at its second highest (40.4%) since 2007, and reached a new peak (33.4%) among females for the same period. Fear of failure has dropped slightly among males (38.5%), but risen to a new record level of 48.0% among females, up from 43.0 in 2013, and 35.0% in 2003 (when the rate was similar to that of males at 34.6).

In the UK in 2014, 8.5% of working age adults expected to start a business within the next 3 years which is above the longer term trend. However, it remains lower than the rate in France (16.0%) and in the US (16.2%) and is similar to the rate in Germany (8.3%).

In 2014, 4.9% of the adult population in the UK were actively trying to start a business (*nascent entrepreneurs*), compared with 9.7% in the US. Nascent entrepreneurship rates in the UK rose in 2014, ahead of the European benchmark countries but remaining about half of the US rate.

In the UK 3.8% of the working age adult population were owner-managers of a business that was 3 to 42 months old (*new business owner-managers*). This was similar to the 2013 rate and the current US rate of 4.3%. It also compares favourably with France (1.7%) and Germany (2.3%).

In 2014, the proportion of the adult population who owned and managed a business older than 42 months (*established business owner-managers*) in the UK was 6.0%, similar to 2013 (6.4%). Again, this rate lay between those for France (2.9%), Germany (5.2%) and the US (6.9%).

The estimated proportion of working age people in the UK who discontinued a business (whether through closure or sale) in the past 12 months remained at its low level of 1.4%, while it also remained at 2.5% in the US. Discontinuations by entrepreneurs of businesses in Germany (1.0%) and France (0.9%) were also close to levels in previous years.

Trends in the sources of finance used by nascent entrepreneurs showed that close family members remained the most likely source of expected external funding whilst the role of banks and government programmes continued their decline.

Refusal rates for several sources of funding that nascent entrepreneurs report that they sought and failed to secure were at their lowest in 2014. This was particularly evident for funding sources administered by banks (e.g. loans, mortgages, credit cards).

The informal investment rate in 2014 stood at 2%, which was on a par with 2013, and higher than in 2008 and 2009 (at 1.3% on average). Investment into strangers' companies has more than doubled from previous heights, and in 2014 was the third most common investment choice, after close family and friends' ventures[3]. It is likely that the increase is due to the rise in crowdfunding, as well as angel investment.

1 This differs from the TEA rate reported in the 2014 GEM Global Report (10.6%) because the Global report did not weight for ethnicity; more recent population estimates were also used for the full UK sample, whilst collection for the GEM global dataset was in August and September, but collection for the full UK sample continued until early December. A marked reduction in the TEA rate was apparent between August and December.

2 This is a rather simplistic classification and the GEM UK team were involved in a study for BIS in 2014 which sought to develop a more sophisticated framework (see Stephan et al., (2015) "Understanding the Motivations for Entrepreneurship", BIS Research Report, February 2015).

3 For a discussion of the growing business angel market place and the increasing use of crowdfunding platforms by angels in the UK see Wright, M., Hart, M and Fu, K (2015) "A Nation of Angels: assessing the impact of angel investing across the UK", Enterprise Research Centre Research Report, January 2015.

1 INTRODUCTION

1.1 SCOPE OF REPORT

This report compares Global Entrepreneurship Monitor (GEM) measures of entrepreneurial attitudes, activity and aspiration in the UK with France, Germany and the United States (US). It also summarizes entrepreneurial attitudes, activity and aspiration across the four nations of the UK and reports on business registration activity by business owner-managers, and on changes in business start-up funding expectations through the business cycle in the UK.

1.2 GEM: HISTORY, PURPOSE AND MEASURES

The Global Entrepreneurship Monitor (GEM) research consortium has been measuring entrepreneurial activity of working age adults across a wide range of countries in a comparable way since 1998. In 2014, the study conducted surveys in 70 sovereign nations and represented the world's most authoritative comparative study of entrepreneurial activity in the general adult population.

GEM's primary focus is on the study of three areas:

- To measure differences in the level of entrepreneurial activity between countries
- To uncover factors leading to appropriate levels of entrepreneurship
- To suggest policies that may enhance the national level of entrepreneurial activity.

The 2014 GEM global study was based on an analysis of adult population survey (APS) results from 70 economies and more than 198,000 adults across the world. The core of the APS is identical in each country and asks respondents about their attitudes towards entrepreneurship, whether they are involved in some form of entrepreneurial activity, and if so, their aspirations for their business. The global GEM Executive 2014 Report was published in February 2015[4] and can be downloaded from www.gemconsortium.org.

From the survey, we examine individual entrepreneurs at three key stages:

- Nascent entrepreneurs (NAE): The stage at which individuals begin to commit resources, such as time or money, to starting a business. To qualify as a nascent entrepreneur, the business must not have been paying wages for more than three months.
- New business owner-managers (NBO): Those whose business has been paying income, such as salaries or drawings, for more than three, but not more than forty-two, months.
- Established business owner-managers (EBO): Those whose business has been paying income, such as salaries or drawings, for more than forty-two months.

In addition, we measure general intention to start a business by asking individuals if they expect to start a business within the next three years (FUT). Finally, we ask individuals

4 Singer, S., Amoros, JE and Arreola, DM (2015) Global Entrepreneurship Monitor 2014 Global Report. London: Global Entrepreneurship Research Association.

if they have sold, shut down, discontinued or quit a business, in the past year (BC). It is important to understand that the main subject of study in GEM is entrepreneurs rather than the businesses that they run. GEM measures the entrepreneurial activity of people from intention to exit. The first two stages of active business development, the nascent entrepreneur stage and the new business owner-manager stage, are combined into one index of Total early-stage Entrepreneurial Activity, or TEA[5], which is represented in Figure 1 below.

As much of this entrepreneurial activity is pre-start-up or includes very small new businesses that do not have to register, TEA rates will not necessarily match with published official statistics on business ownership and, indeed, should not be interpreted as such. Rather, GEM enables the measurement of the *propensity* of individuals in particular countries to be entrepreneurial given the current social, cultural and economic framework conditions that exist there.

The methodology, sample sizes and weighting systems used for the GEM UK 2014 adult population survey are explained in more detail in Appendix 1. An important change in the sample design was introduced in 2010 when 10% of respondents in each Government Office Region (GOR) were selected at random from households which had mobile phones but not fixed phone landlines. In 2014 the proportion of mobile-only households in the survey (20%) were larger than the OfCom latest estimates for the UK (16%), to account for the higher mobile phone use of some hard to reach individuals, such as young men. This change from a purely landline sampling methodology may be responsible for some of the apparent rise in the point estimates for many UK GEM measures since 2009. Once again in 2014 there are no significant differences between landline only data and the full sample which includes mobile only households. Consequently, in this report, comparisons with other countries and time-based trends within the UK are made using the full sample (landline and mobile only households). See Appendix 1 for further details on the implications of the growth in mobile only households for the GEM survey.

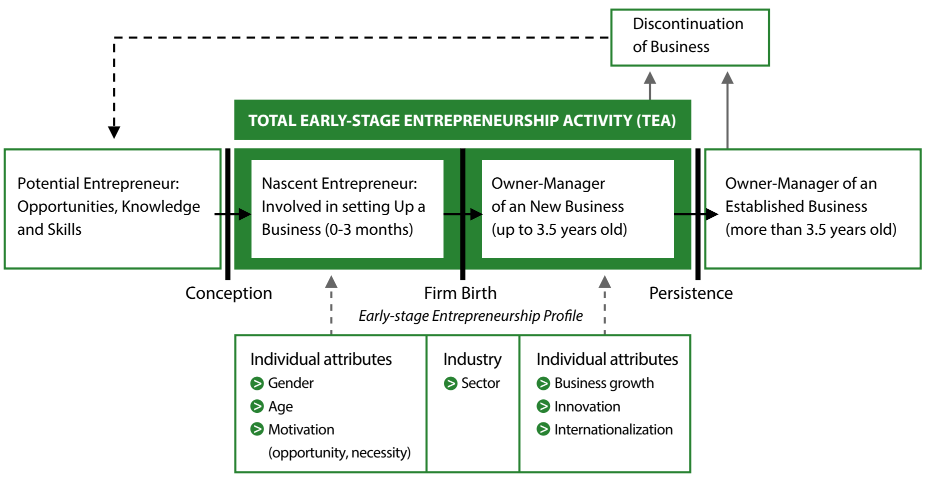
5 TEA is calculated in an identical way in each country. A telephone and/or face-to-face survey of a representative sample of the adult population in each country is conducted between May and September. Respondents are asked to respond to three questions that are the basis of the TEA index:

1) "are you, alone or with others, currently trying to start a new business independently of your work?",

2) "are you, alone or with others, currently trying to start a new business as part of your work?", and

3) "are you, alone or with others, currently the owner or manager of a business?" Those who respond positively to these questions are also asked filter questions to ensure they are actively engaged in business creation as owners and managers, how long they have been paying wages to employees, and other questions about cost and time to start up, sources of finance and numbers of jobs created. A distinction is made between two types of entrepreneurs: nascent entrepreneurs (those whose businesses have been paying wages for not more than three months) and new business owner-managers (those whose businesses have been paying salaries for more than three months but not more than 42 months). The TEA index is the proportion of nascent entrepreneurs and new business owner/managers (minus any double counting, i.e. those who respond positively to both are counted once) in the working age population.

Figure 1: The Entrepreneurial Process and GEM Operational Definitions
(Source: Singer et al., 2015, p.23)



2.1 ENTREPRENEURIAL ATTITUDES IN THE UK AND BENCHMARK COUNTRIES IN 2014

At least some of the difference in entrepreneurial activity rates between countries may be explained by differences in attitudes of the population towards entrepreneurship. Some researchers have suggested that GEM attitudinal data is best treated at the group rather than individual level, because individuals who are already entrepreneurs may feel compelled to provide positive answers in the APS. Table 1 compares attitudes in the UK, France, Germany and the US for that portion of the working age (18-64) population who are not already nascent entrepreneurs or business owner/managers for participating G7 countries for 2014.

Points of note include the following:

- Rates of awareness of a recent start-up entrepreneur have changed most in France, rising from 30.4% in 2013 to 33.7% in 2014. There was also a slight increase for the US. The rate in Germany dropped from 22.1% to 20.2% in 2014, which means it now has the lowest awareness rate. The UK rate also dropped slightly.
- At 36.8%, the proportion of the UK non-entrepreneurial working age population who perceived that there were good opportunities in the next 6 months was lower than in the US but higher than in France and Germany. Across all of the four countries the rates increased from 2013 to 2014.
- The UK start-up skills perception rate of 38.4 % was higher than the skills perception rates of France and Germany but lower than the US by around 6 percentage points.
- Fear of failure among those who perceived opportunities in the UK was a little lower than in Germany and France but considerably higher than in the US.

Table 1: Attitudes towards entrepreneurship in participating G7 countries in 2014 - percentage of working age population who are neither nascent entrepreneurs nor existing business owner/managers, who expressed an opinion and agreed with the statement at the top of the column
(Source: GEM APS,2014)

	I know someone who has started a business in the last 2 years	There are good start-up opportunities where I live in the next 6 months	I have the skills, knowledge and experience to start a business	Fear of failure would prevent me starting a business (for those who agree there are good start-up opportunities)
UK	**24.7**	**36.8**	**38.4**	**43.0**
France	33.7	26.1	31.6	43.9
Germany	20.2	34.9	31.1	44.8
US	22.0	45.8	44.4	34.2

2.2 ENTREPRENEURIAL ATTITUDES IN THE UK IN 2012-2014

Table 2 shows estimates of changes in attitudes towards entrepreneurship in the UK among the non-entrepreneurially active working age population by gender between 2012 and 2014, and Figure 2 (next page) shows the trend from 2003 to 2014. Two points can be noted here. The first is the continued increase in 2014 in the proportion of non-entrepreneurs who think there will be good start-up opportunities in the local area within the next six months.

Secondly, there is still a wide divergence between the proportion of the non-entrepreneurial population in the UK who think that successful business founders have a high status in society (78%), and

Table 2: Entrepreneurial attitudes in the UK among households in 2012, 2013 and 2014 (% non-entrepreneurially active respondents aged 18-64 expressing an opinion and agreeing with the statement)
(Source: GEM UK Adult Population Survey (APS) 2012, 2013, 2014)

	2012	2013	2014	2012	2012	2013	2013	2014	2014
	All	All	All	Male	Female	Male	Female	Male	Female
I personally know someone who has started a business in the last two years	27.1	25.2	24.7	29.3	25.1	26.8	23.7	26.9	22.7
There will be good start-up opportunities where I live in the next six months	30.5	33.2	36.8	34.6	26.8	37.6	29.0	40.4	33.4
I have the skills, knowledge and experience to start a business	38.7	37.0	38.4	47.3	31.2	43.9	30.8	46.9	30.9
Fear of failure would prevent me from starting a business (for those who agree there are good start-up opportunities)	43.3	41.4	43.0	40.5	46.4	40.1	43.0	38.5	48.0
Most people consider that starting a business is a good career choice	49.9	54.5	57.3	51.7	48.3	55.8	53.3	58.1	56.5
Those successful at starting a business have a high level of status and respect in society	77.1	79.5	78.4	76.2	78.1	79.7	79.3	79.1	77.7
You will often see stories about people starting successful new businesses in the media	45.5	48.8	58.8	48.6	42.6	52.2	45.6	60.3	57.4

6 Global Entrepreneurship Monitor (GEM): 2014 Global Report. www.gemconsortium.org

the proportion who think that most people would agree that starting a business is a good career choice (57%). The UK is not unique in this respect and a similar gap is observed in France, Germany, Norway, Luxembourg, Finland and Ireland. However, these countries contrast with Spain, Romania and Belgium where the proportions of the non-entrepreneurial population who agree that starting a business is a good career choice are as high as those who regard successful business founders as having a high status in society[6]. One possible implication is that some people in the UK do not see successful entrepreneurs portrayed in the media as role models that might encourage them to want to take the necessary step to set up their own business.

Table 2 (previous page) also shows that in 2014 males still tend to have more positive entrepreneurial attitudes than females. The gap is particularly marked in skills self-perception, despite an observed narrowing

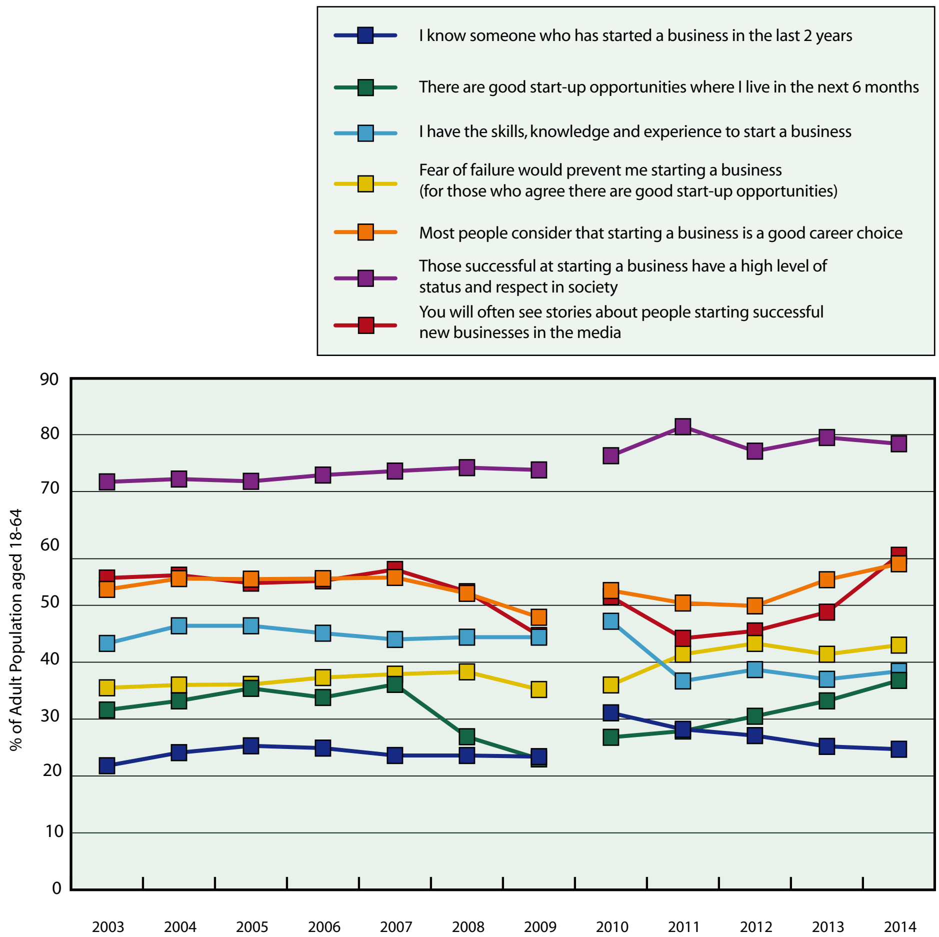


Figure 2: Entrepreneurial attitudes in the UK, 2003-2014: (% non-entrepreneurially-active respondents aged 18-64 expressing an opinion and agreeing with the statement)

(Source: GEM UK APS, 2003-2014)

Note: the gap between 2009 and 2010 is a reminder that from 2010, mobile-only households were included in the sample as well as households with landlines.

in 2013. Fear of failure also sees a markedly growing gap between females and males. Interestingly, opportunity perception (among non-entrepreneurs) rose among males and females between 2012 and 2014, although the rate for females was considerably lower than for males. Taken together, these trends support the view that females continue to possess a differing set of attitudes to entrepreneurship compared to males.

Perceptions by males and females of the extent to which there are good start-up opportunities in the local area in the next 6 months followed the same trend between 2003 and 2011. Since 2011 the increase in male opportunity perception has risen faster than for females, widening the gap between the two to pre-recession levels. (Figure 3). Fear of failure amongst females has been consistently higher than males across the same period; and after the closing of the gap in 2013, it has widened in 2014 to nearly 10 percentage points.

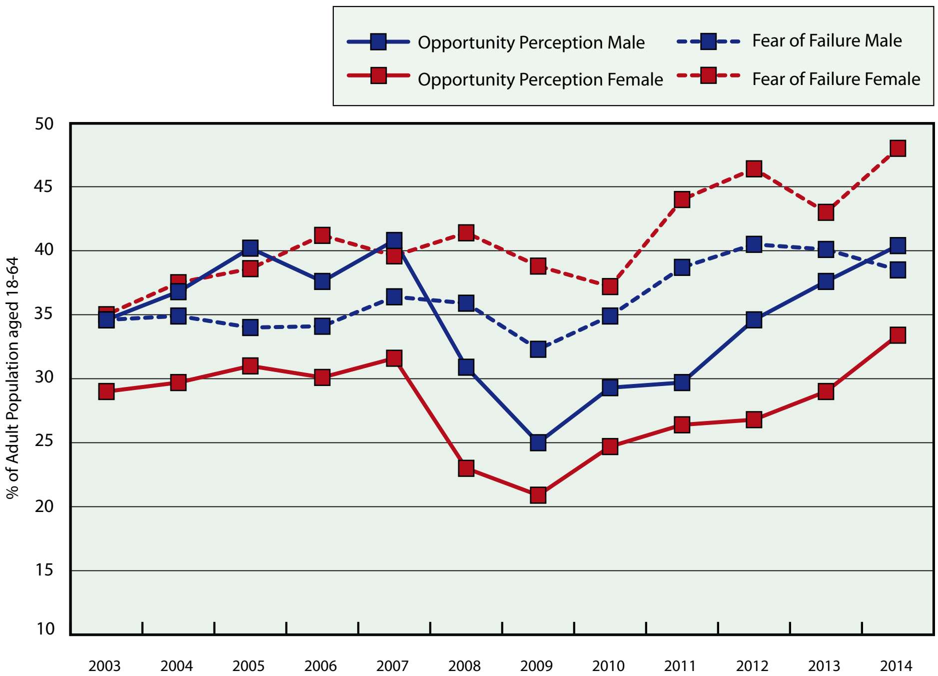


Figure 3: Male and female attitudes towards Good Opportunities and Fear of Failure (% non-entrepreneurially-active respondents aged 18-64 expressing an opinion and agreeing with the statements "There are good start-up opportunities where I live in the next 6 months"; "Fear of failure would prevent me from starting a business")
(Source: GEM UK APS, 2003-2014)

2.3 ATTITUDES TOWARDS ENTREPRENEURSHIP IN THE UK HOME NATIONS

The self-reported attitudes of the non-entrepreneurially active working age population towards entrepreneurship in the four UK home nations in 2014 are presented in Table 3. The key findings are as follows:

- The item "I personally know someone who has started a business in the last two years" may reflect the prevalence of new business start-up in a nation as well as the amount of networking by individuals. In 2014 there were no significant differences in the proportions across the four UK nations.
- A significantly lower proportion of the non-entrepreneurially active population reported that there were good start-up opportunities in their local area in the next 6 months in Wales (29.5%) and Northern Ireland (25.2%) than in England (37.5%) and Scotland (38.1%).[7]
- The proportion of non-entrepreneurially active respondents who thought they had the skills to start a business was not significantly different between the home nations.
- The point estimate for fear of failure for Wales was marginally lower than in the other three UK nations.
- The proportion of non-entrepreneurial individuals who agreed that you will often see stories about people starting successful new businesses in the media was broadly similar across the home nations in 2014 as was the proportion of non-entrepreneurial individuals who agreed that those successful at starting a business have a high level of status and respect in society.
- The proportion of non-entrepreneurial individuals in the home nations who agreed that most people consider that starting a business is a good career choice was lowest in Northern Ireland, 5 to 7 percentage points lower than in England and Wales respectively.

7 The 2003-2014 home nation data for the 'Good Opportunities' attitude variable in the GEM UK pooled dataset is included in the Appendix (Table 3c)

	England	Wales	Scotland	Northern Ireland	United Kingdom
I know someone who has started a business in the last 2 years	24.7	27.0	24.1	23.8	**24.7**
There are good start-up opportunities where I live in the next 6 months	37.5	29.5	38.1	25.2	**36.8**
I have the skills, knowledge and experience to start a business	38.4	39.3	38.0	36.1	**38.4**
Fear of failure would prevent me from starting a business (for those who agree there are good start-up opportunities)	43.2	39.4	42.2	43.7	**43.0**
Most people consider that starting a business is a good career choice	57.8	56.2	54.7	51.5	**57.3**
Those successful at starting a business have a high level of status and respect in society	78.3	77.2	79.2	80.4	**78.4**
You will often see stories about people starting successful new businesses in the media	58.6	57.5	59.2	63.0	**58.8**

Table 3: Perceptions of entrepreneurship among non-entrepreneurially active individuals in the UK Home Nations, 2014
(Source: GEM UK APS, 2014)

3.1 ENTREPRENEURIAL ACTIVITY IN THE UK AND BENCHMARK COUNTRIES

GEM views entrepreneurship as a process in which individuals become increasingly engaged in entrepreneurial activity. Figure 4 illustrates the proportion of respondents by stage of entrepreneurial activity in the UK over the period 2003 to 2014. In this figure, individuals who engaged in more than one stage of the process at a time are included **in their most established stage** (see Figure 4b in Appendix for gross rates for each stage).

In the UK in 2014, one fifth of working age individuals were engaged in entrepreneurial activity or intended to start a business within the next three years, which was identical to that reported in 2013. The nascent entrepreneurship rate recovered in 2014 from the 2013 low of 3.5% rising to 4.6%. The new business owner/manager rate remained largely unchanged since 2013. Finally, 5.9% (6.5% in 2013) of respondents were established business owner/managers. It is noticeable that rates of 'entrepreneurial activity' remained above pre-recession levels, but below the 2012 record high levels.

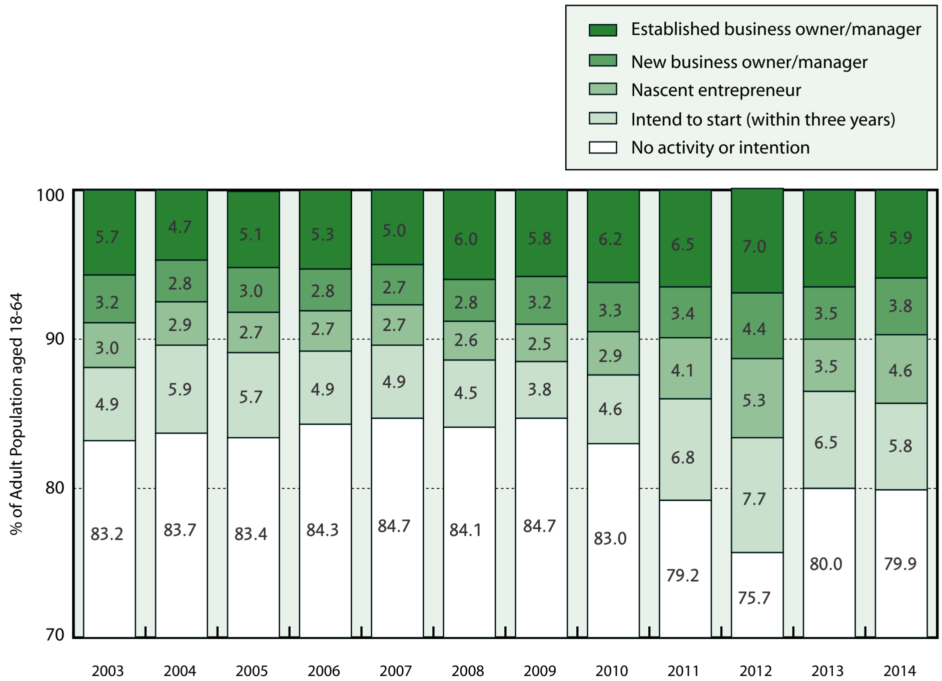


Figure 4: Participation in Entrepreneurship in the UK by most established stage of entrepreneurial activity, 2003 to 2014
(Source: GEM UK APS, 2003-2014)

Total early-stage Entrepreneurial Activity (TEA) is the sum of the nascent entrepreneurship rate and the new business owner/manager rate. Figure 5 shows trends in TEA rates for the UK, France, Germany and the US between 2003 and 2014. Between 2012 and 2014, no significant changes in the TEA rate were recorded in France and Germany, whilst the US rate reached its highest level of almost 14%. The UK TEA rate in 2014 was significantly higher than in 2013 (8.6% compared to 7.3%) but still some way below the record high of almost 10% in 2012.

GEM is a survey of individuals and not a survey of registered businesses. Therefore, the figures reported for business ownership will not necessarily tally with official statistics on the size of the registered business stock in GEM participant countries. For the past three years, the GEM UK survey has contained a question about business registration. Table 4 shows the proportion of owner-managers of new and established businesses in the UK who said their business was registered with HMRC (Her Majesty's Revenue and Customs) as an employer (i.e. PAYE) or registered for Value Added Tax (VAT).

Not surprisingly, because many of the businesses operated by new business owners were not up and running yet and had

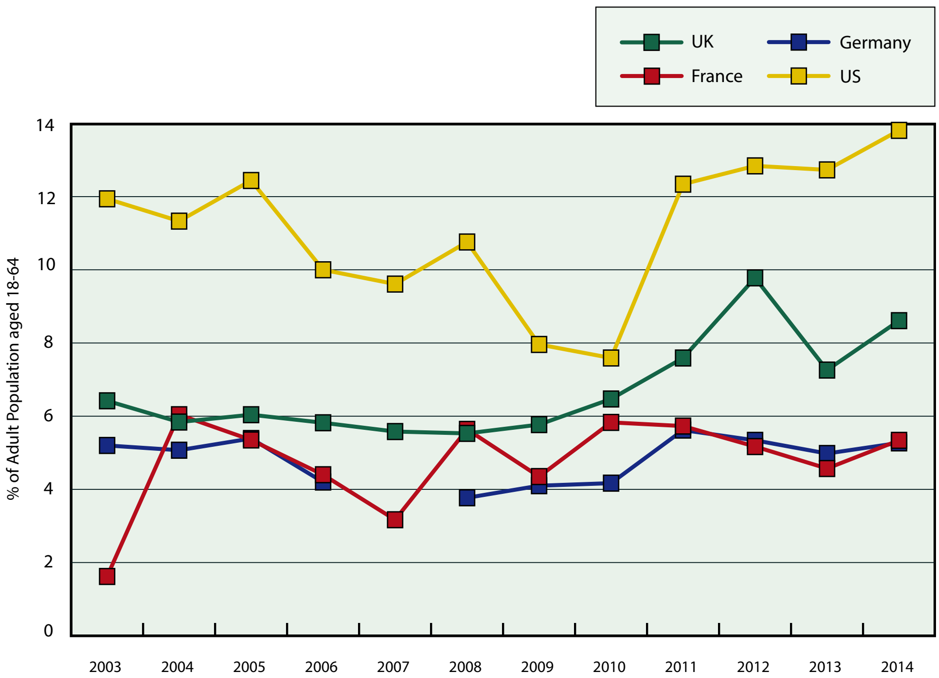


Figure 5: Total early-stage Entrepreneurial Activity (TEA) in UK, France, Germany and US (2003-2014)
(Source: GEM Global Adult Population Survey (APS) 2003-2014)

no jobs, only 70% of them had registered their business with HMRC; the rate was 65% for established business owners. Splitting the groups by size band we note that increasing firm size equates to a larger proportion of registered businesses, for both new and established business owners. Of course, many of these businesses may be trading below the VAT threshold and/or their employees may be self-employed (exclusive) contractors.

In addition to TEA, GEM measures the proportion of established business owner-managers in the working age population (EBO). Established business owner-managers have owned or managed a business for more than 42 months. Finally, GEM measures the proportion of individuals of working age who closed down a business in the last 12 months, that is, one that did not continue under a different form of ownership.

8 Table 4 presents the unweighted figures for business registration rates. Weights were not used for this table due to the low number of underlying observations.

	New Business Owners	Established Business Owners
No jobs	69.7%	64.5%
1-5 jobs	72.1%	75.0%
6-19 jobs	83.3%	94.9%
20+ jobs	100.0%	92.3%
All	72.9%	74.5%

Table 4: Proportion of UK business owner-managers (unweighted) who stated their business was registered with HMRC (Her Majesty's Revenue and Customs) as an employer or registered for Value Added Tax, 2014
(Source: GEM APS, 2014)[8]

The ratio of established business ownership to early-stage entrepreneurship gives a proxy measure of transition rates from early-stage entrepreneurship to established business ownership. This can be interpreted as a proxy survival measure. The ratio of closure to business ownership (new plus established) gives a proxy of entrepreneurial dynamism or "churn". The 2014 results for the UK, France, Germany and the US are given in Table 5.

The 2014 TEA estimates show increases in all measures for the UK (except EBO), while the US, German and French estimates vary compared to 2013 – notably France sees a rise from a rate of 13.7% to 16.0% for future business intentions. Other points of note include:

- On almost all these measures and ratios, rates for the UK fall between France and Germany on the one hand and the US on the other.
- As observed in 2013, France has relatively high business start-up intention rates, but low established business owner rates – the gap has widened even further in 2014.

Table 5: Measures of entrepreneurial activity in the UK, France, Germany and the US, 2014

(Source: GEM APS, 2014)

	I expect to start a business in the next 3 years (FUT)	Nascent Entrepreneurial Activity rate (paying wages for 3 months or less) (NEA)	New Business Owner-manager rate (4-42 months) (NBO)	Nascent + New business owner-manager rate (TEA)	Established Business Owners (>42 months) (EBO)	Business closure rate (Business closed in the last 12 months that has not continued) (BC)	Proxy early-stage business survival rate (EBO/TEA)	Proxy business churn rate BC/(NBO+EBO)
	(FUT)	(NEA)	(NBO)	(TEA)	(EBO)	(BC)	(EBO/TEA)	BC/(NBO+EBO)
UK	**8.5**	**4.9**	**3.8**	**8.6**	**6.0**	**1.4**	**0.7**	**0.1**
France	16.0	3.7	1.7	5.3	2.9	0.9	0.6	0.2
Germany	8.3	3.1	2.3	5.3	5.2	1.0	1.0	0.1
US	16.2	9.7	4.3	13.8	6.9	2.5	0.5	0.2

Figure 6 compares the TEA rate by age group for the UK, France, Germany and the US in 2014. TEA rates are highest in the middle years. The UK profile for 25-44 year olds lies midway between the US and France and Germany.

Figure 7 shows the trend in TEA rates in the UK by age group over the three years 2012 to 2014. Compared to 2012 it shows a decline in TEA rates amongst adults aged between 35-54 and 18-24 years.

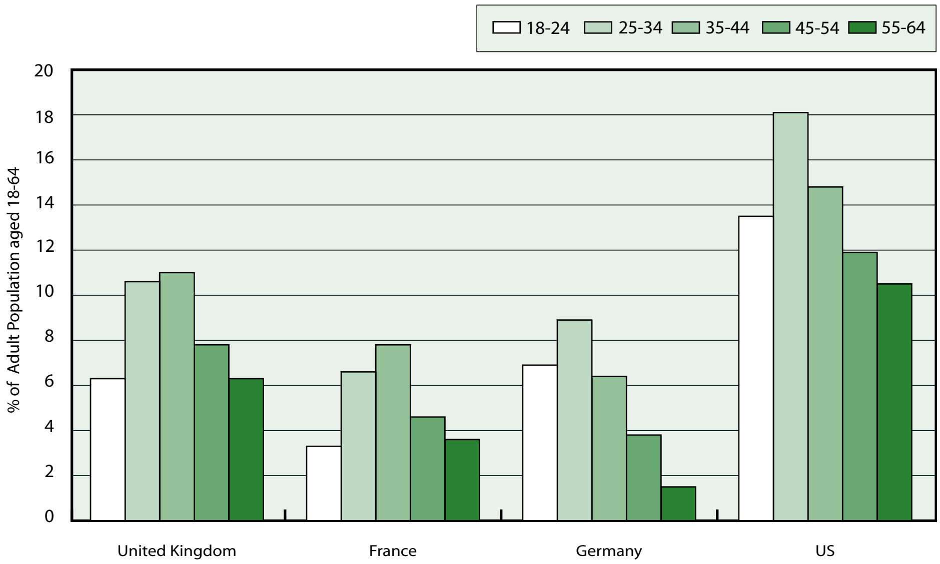
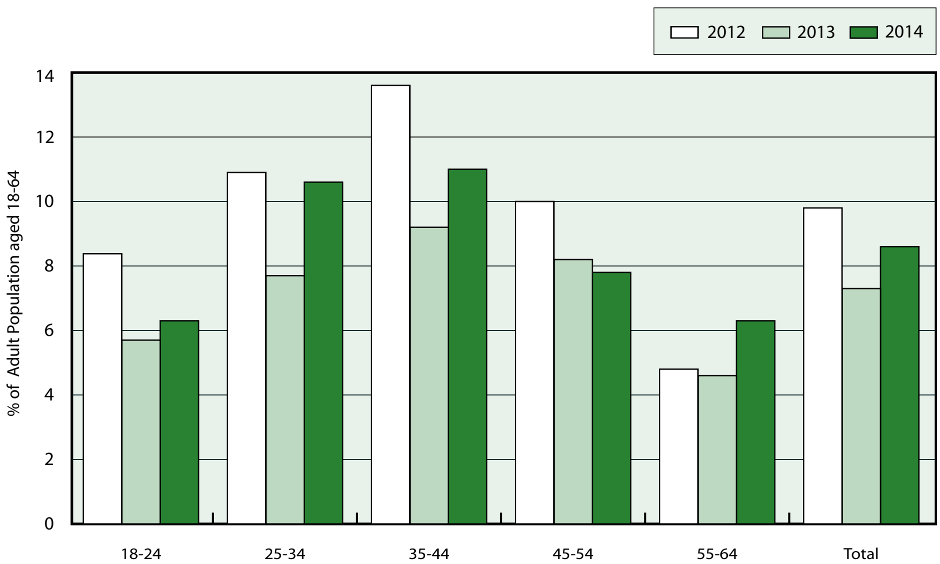


Figure 6: Total early-stage Entrepreneurial Activity (TEA) in the UK, France, Germany and the US by Age Group (2014)
(Source: GEM APS 2014)

Figure 7: Total early-stage Entrepreneurial Activity (TEA) in the UK by Age Group (2011 to 2014)
(Source: GEM APS 2012, 2013, 2014)



3.2 OPPORTUNITY AND NECESSITY-BASED ENTRY INTO ENTREPRENEURSHIP

Different people may have different motivations to enter into entrepreneurial activity. For example, in some cases, the motivation to start a business may be based on necessity, that is, there are no better alternatives for work. Others may be motivated to start a business by opportunity, or the potential for new market creation. GEM identifies early-stage entrepreneurs according to their original motivation to start: opportunity or necessity. Most early-stage entrepreneurs can be classified into either of these two groups[9].

Opportunity-motivated early-stage entrepreneurship rates (Opportunity TEA) and Necessity-driven early-stage entrepreneurship rates (Necessity TEA) for the UK, France, Germany and the US in 2014 are presented in Figure 8. In all four countries, levels of necessity TEA in 2014 were considerably lower than levels of opportunity TEA. In the UK, 7.0% of the working age

9 This is a rather simplistic classification and the GEM UK team were involved in a study for BIS in 2014 which sought to develop a more sophisticated framework (see Stephan et al., (2015) "Understanding the Motivations for Entrepreneurship", BIS Research Report, February 2015).

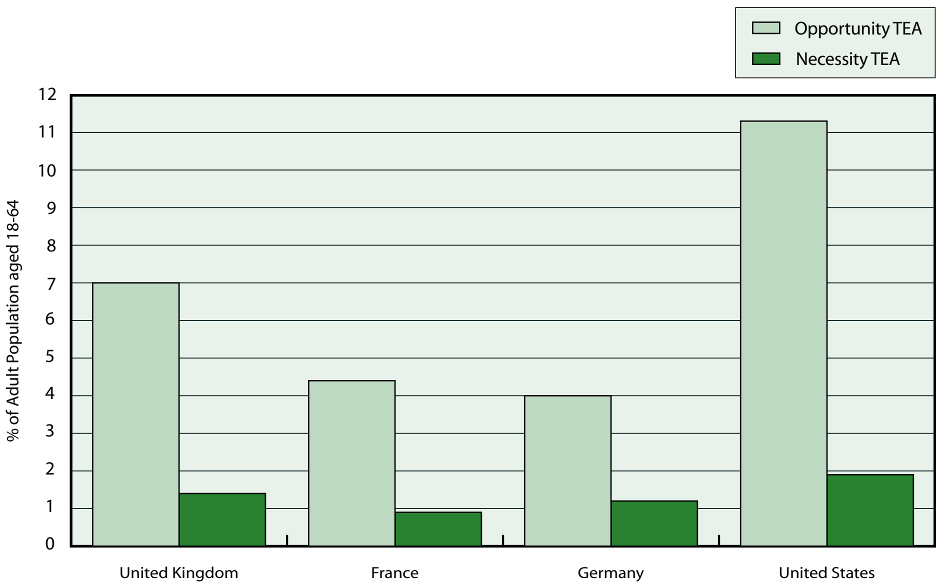


Figure 8: Necessity and opportunity TEA rates in the UK, France, Germany and the US in 2014

(Source: GEM APS, 2014)

adult population were opportunity-motivated early-stage entrepreneurs, compared with 5.1% in 2010, and 1.4% were identified as necessity-driven early-stage entrepreneurs, up significantly from 0.7% in 2010. Compared to 2013, opportunity TEA levels rose across the four nations, and whilst necessity TEA remained broadly the same for the UK, Germany and France, its rate dropped from 2.7 to 1.9 in the US.

Both the UK necessity and opportunity-driven TEA rates lie midway between France and Germany on the one hand and the US on the other, as shown in Figure 8. Figure 9 shows that there was a significant decline in both necessity and opportunity-based nascent entrepreneurial activity in the UK between 2012 and 2013, with a significant rise in the latter in 2014. The opportunity-driven entrepreneurial activity rate for new business owners also recovered slightly (but not significantly), whilst the necessity-driven rate remained in line with that of 2012 and 2013.

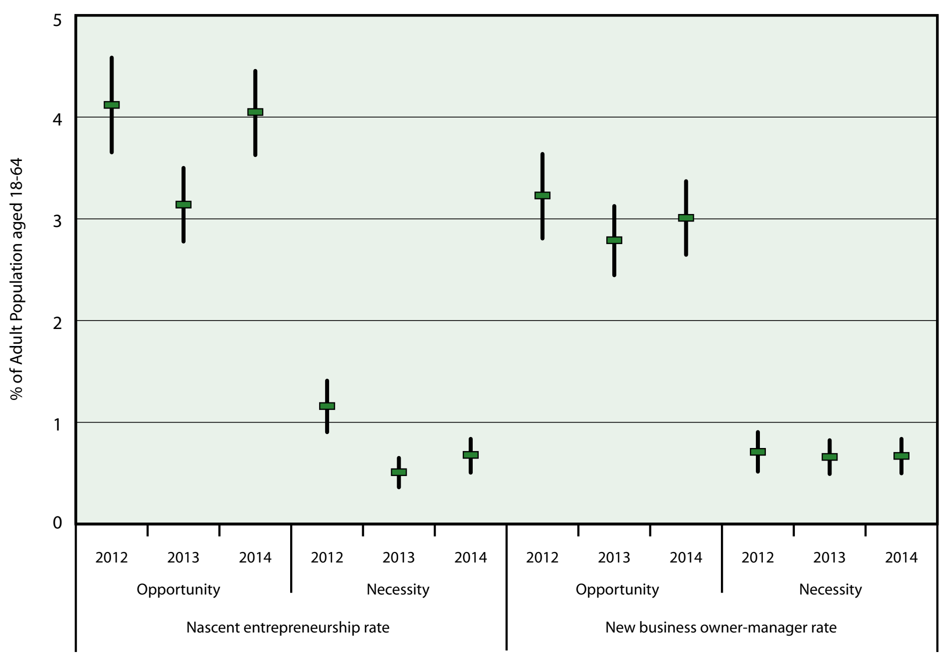


Figure 9: Necessity and opportunity nascent and new business owner-manager rates in the UK showing 95% confidence intervals, 2012, 2013 and 2014
(Source: GEM APS, 2012, 2013 and 2014)

3.3 MALE AND FEMALE ENTREPRENEURIAL ACTIVITY COMPARED

Figure 10 presents a summary of Total early-stage Entrepreneurial Activity (TEA) rates for the UK, France, Germany and the US by gender. In most high income countries, males are around twice as likely to be early-stage entrepreneurs as females, and this was the case for UK in 2014. But in Germany and France female TEA rates were around three-fifths of the male TEA rate, whilst it was even more equal in the US – just over two-thirds. The UK ratio of exactly 50% in 2014 marked a return to the long-run average; the widening of the gap since 2013 due to an increase in the male TEA rate coupled with a stable female rate.

In the US the ratio of female to male TEA of 68% has remained remarkably unchanged: it was 69% in both 2012 and 2013 and 73% in 2011. The gap between UK and US female early-stage entrepreneurial activity widened further in 2014; the UK female TEA rate remained static (5.8 in 2013, 5.7 in 2014) but the US female TEA rate increased to 11.2% (10.4% in 2013), resulting in a female UK to US ratio of 50.1%. For males, the gap between the US and UK narrowed in 2014; whilst the US male TEA rate increased to 16.5% in 2014 (15.1% in 2013), the UK male TEA showed a bigger increase from 8.7% to 11.5%, resulting in a male UK to US ratio of 69.7%. This increase was driven largely by a rise in the male nascent rate in the UK, rather than the new business owner rate.

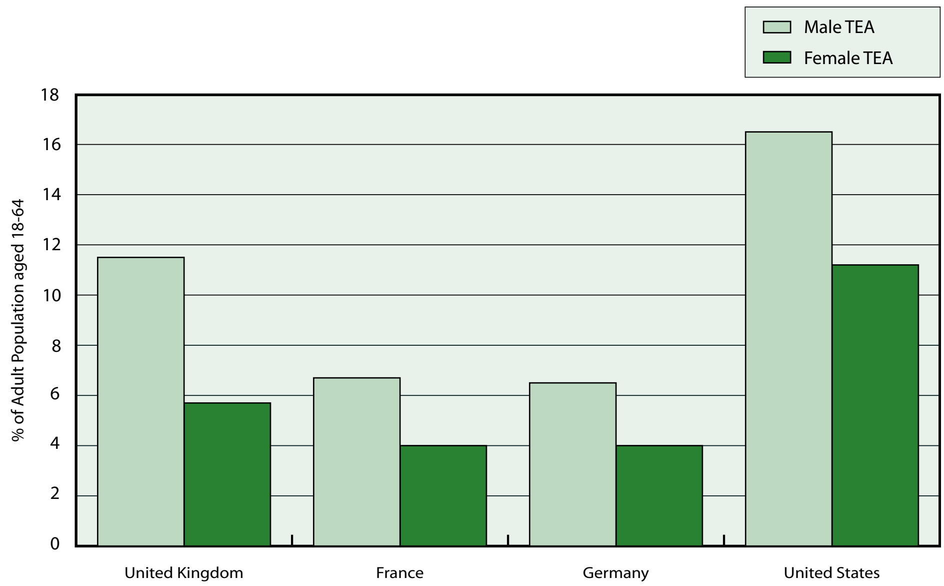


Figure 10: Total early-stage entrepreneurial activity by gender in the UK, France, Germany and the US in 2014
(Source: GEM APS, 2014)

Comparing Figures 10 and 11, the difference in participation rates between males and females is even higher among established business owner-managers (EBO) than among early-stage entrepreneurs (TEA) across the four countries under consideration. For example, UK female early-stage entrepreneurial activity was 50% of male activity, while female established business ownership at 3.4% was 40% that of males (8.5%). The equivalent ratios for France are 60% and 40% respectively, and similar in Germany with female entrepreneurial activity 62% that of males, and female established business owner-manager activity 44% that of males. In the US the difference in participation is also wider for established business owner-managers, with female established business ownership at 59% that of males compared to 68% for female early-stage entrepreneurship.

Figure 12 shows that female TEA rates in the UK in 2014 remained broadly unchanged over the year (male TEA rates increased) although they were significantly higher than in the pre-2010 period. The rate was also stable in Germany, whilst increasing in France and reaching a new peak in the US.

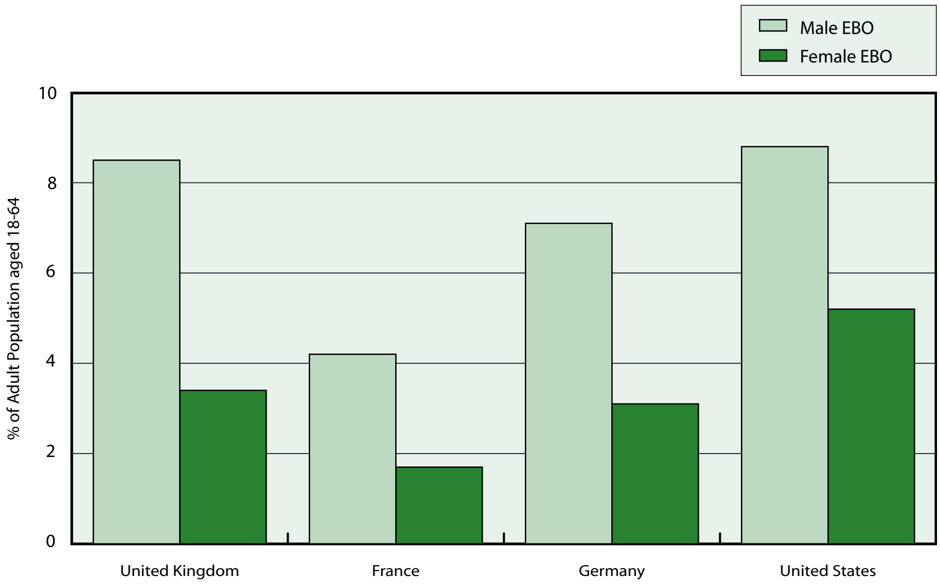
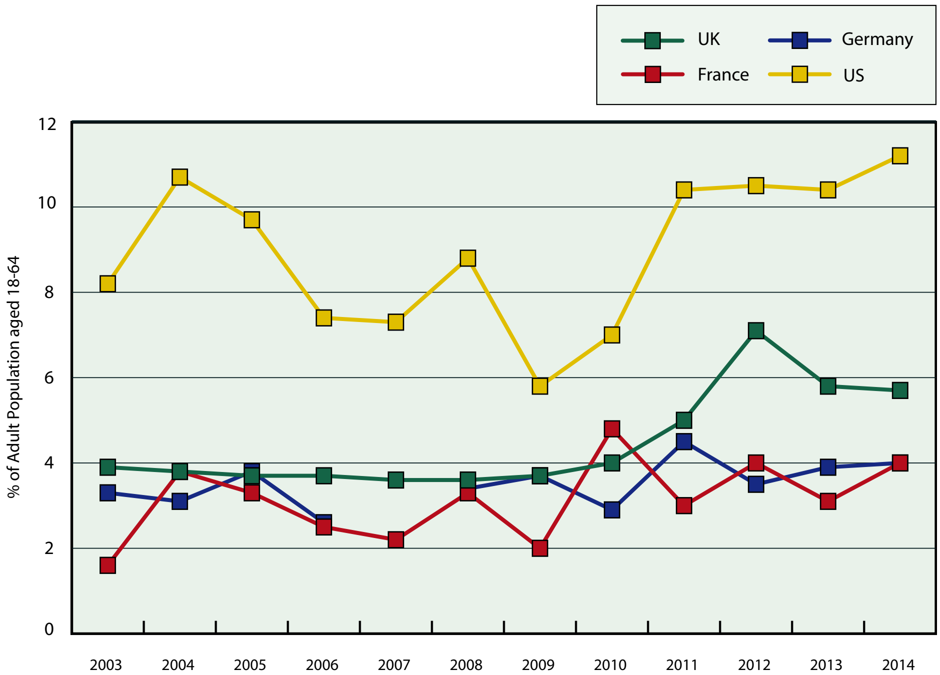


Figure 11: Established business ownership by gender in the UK, France, Germany and the US, 2014

(Source: GEM APS, 2014)

Figure 12: Female early-stage entrepreneurial activity in the UK, France, Germany and the US, 2003-2014

(Source: GEM APS, 2003-2014)



3.4 ENTREPRENEURIAL ACTIVITY IN THE UK HOME NATIONS

Table 6 displays different measures of entrepreneurial activity in the four home nations of the UK for 2014. Together, these measures allow us to assess the degree of dynamism and stability across different parts of the UK.

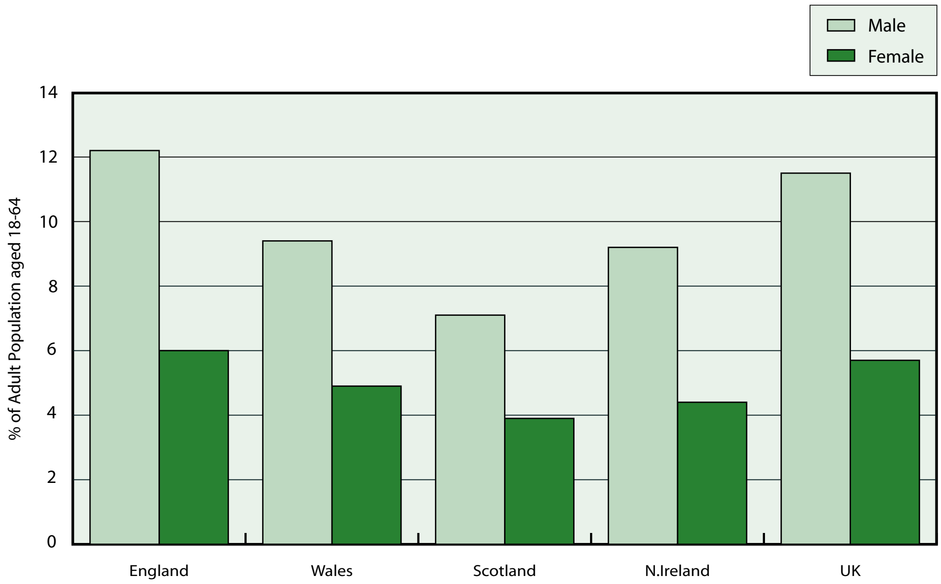
Although increases were recorded in the TEA rate in England, Wales and Northern Ireland in 2014, the TEA rate in Scotland dropped, however none of these changes were statistically significant. The TEA rate in England in 2014, at 9.1%, was significantly higher than the TEA rate in Scotland. The proportion of people who expected to start a business was also significantly higher in England than Scotland. There were no significant differences between home nations in either the new or established business owner-manager rates.

Female early-stage entrepreneurial activity in the UK in 2014 was 5.7%. Across the home nations, the English female TEA rate was higher than the female TEA rates in Northern Ireland, Scotland and Wales, mirroring the differences in male TEA rates. Females had

Table 6: Measures of entrepreneurial activity in the UK Home Nations, 2014

(Source: GEM APS, 2014)

	I expect to start a business in the next 3 years	Nascent Entrepreneurial Activity rate (paying wages for 3 months or less)	New Business Owner-manager rate (4-42 months)	Nascent + New business owner-manager rate	Established Business Owners (>42 months)	Business closure rate (Business closed in the last 12 months that has not continued)	Proxy early-stage business survival rate	Proxy business churn rate
	(FUT)	(NEA)	(NBO)	(TEA)	(EBO)	(BC)	(EBO/TEA)	BC/(NBO+EBO)
England	8.9	5.2	4.0	9.1	6.1	1.4	0.7	0.1
Wales	7.8	4.1	3.2	7.1	6.0	1.0	0.8	0.1
Scotland	5.7	2.9	2.7	5.4	5.8	0.8	1.1	0.1
Northern Ireland	6.6	3.9	2.8	6.7	5.1	1.0	0.8	0.1
UK	**8.5**	**4.9**	**3.8**	**8.6**	**6.0**	**1.4**	**0.7**	**0.1**



10 Caution should be taken in interpreting annual changes in ratios such as these. Margins of error may be larger in ratio measures.

Figure 13: Male and Female Total early-stage Entrepreneurial Activity in the UK Home Nations, 2014
(Source: GEM UK APS, 2014)

significantly lower TEA rates than males in England and Northern Ireland, as Figure 13 shows. Northern Ireland, as in previous years, has the lowest ratio of female to male TEA rate (48%[10]) but significantly up from its 2013 rate of 27%, nearly identical to that of England (49%) and not far below the UK average of 50%. The ratio for Wales was 52% and for Scotland 55%.

Figure 14 shows that individuals aged between 35-44 years displayed the highest rate of early-stage entrepreneurial activity in England, but that it was the 25-34 year olds in Wales and those aged 45-54 in Scotland and Northern Ireland who had the highest TEA rates - a marked difference to the picture seen in 2013. In 2013 it was the 35-44 year olds who had the highest TEA rates in Scotland and Wales; and 25-34 year olds in Northern Ireland.

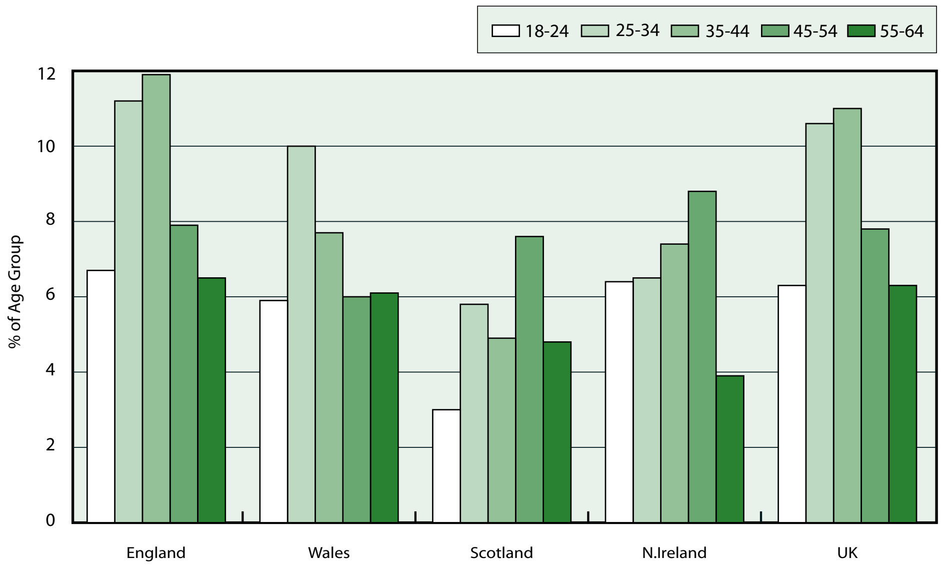


Figure 14: Total early-stage Entrepreneurial Activity in the UK Home Nations by Age Group, 2014
(Source: GEM UK APS, 2014)

The TEA rate in England for 35-44 year olds was significantly higher than it was across the other home nations. Other significant differences within the home nations were between 55-64 year olds and both 25-34 and 35-44 year olds in England; between 18-24 year olds and 45-54 year olds in Scotland, and between 45-54 year olds and 55-64 years olds in Northern Ireland. When 18 to 29 year olds are grouped together, an increase in entrepreneurial activity is observed between 2013 and 2014 in all the home nations except Scotland; the latter decreasing from 7% to 4% (Figure 15). Wales and Northern show a recovery in entrepreneurial activity for this age group to 2012 levels, whilst England's increase still leaves its rate well below the 2012 peak.

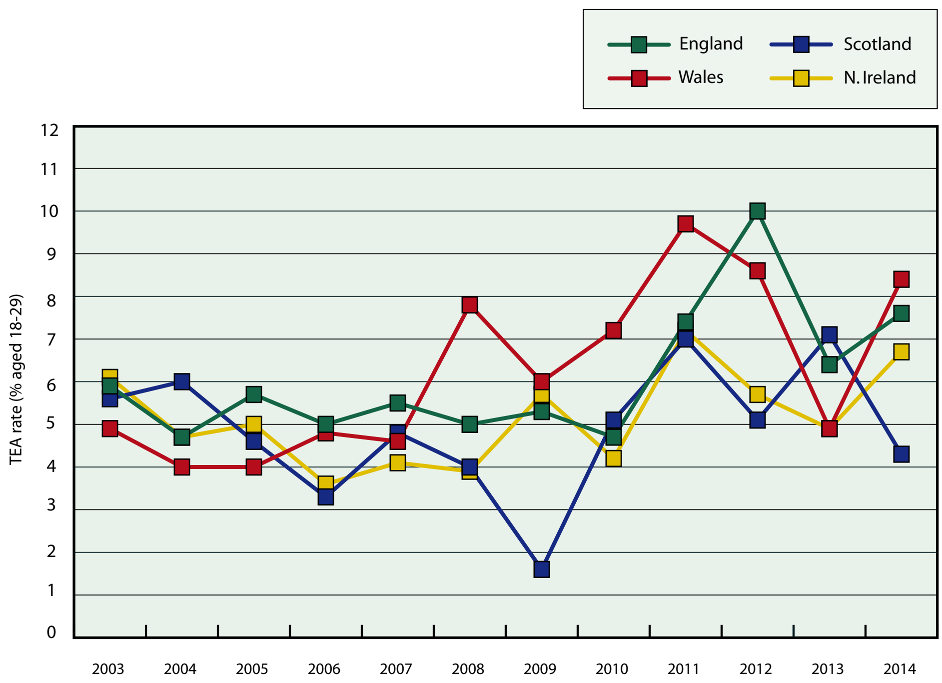


Figure 15: Trend in Total early-stage Entrepreneurial Activity in the UK Home Nations for 18 to 29 year olds, 2003 to 2014

(Source: GEM UK APS, 2014)

4 ENTREPRENEURIAL ASPIRATION

The potential of entrepreneurial activity to promote regeneration and growth will reflect the types of business being established. If an entrepreneur expects to create a large number of jobs, or if the product market is new, then his or her potential contribution to growth and regeneration through entrepreneurship may be greater. The complex nature of the contribution of firms of different age and size to job creation in the UK has been highlighted in recent research[11].

To identify individuals who expect to create a relatively high number of jobs, GEM created a variable which measures the percentage of all early-stage entrepreneurs who have created more than ten jobs and who expect more than 50% growth in jobs in the next five years[12]. The results are illustrated in Table 7 for early-stage entrepreneurs (nascent and new business owners) and established business owner-managers. Table 7 also shows the proportion of early-stage entrepreneurs and established business owner-managers who state they operate in new product markets[13], operate in "high" or "medium" technology sectors (according to OECD definitions), and have more than 25% of their customers from outside the country, for the UK, France, Germany and the US.

Table 7 shows that in 2014 the entrepreneurial aspiration metrics varied considerably across the different countries.

11 See, for example, Hart, M. and Anyadike-Danes, M. (2014) "Moving on from the vital 6%"; Enterprise Research Centre Insight Report, February.

12 The OECD defines HGFs as: 'enterprises with average annualised growth in employees or turnover greater than 20 per cent per annum, over a three year period, and with more than 10 employees in the beginning of the observation period'. By contrast, the GEM measure is a measure of expected, not realised, growth and of 50% over five years.

13 Where the product is new to all or most customers and where there is little or no competition.

Table 7: Measures of entrepreneurial aspiration in the UK, France, Germany and US, 2014
(Source: GEM Global APS 2014)

	(% of TEA or EBO Entrepreneurs)							
	High Job Expectation: More than ten jobs and growth more than 50%		New Product-Market		High or Medium tech sectors		Exporting: More than 25% of customers outside the country	
	TEA	EBO	TEA	EBO	TEA	EBO	TEA	EBO
UK	**17.6**	**3.6**	**24.7**	**13.8**	**8.4**	**9.4**	**15.9**	**9.9**
France	16.9	1.6	40.1	10.6	11.3	0.0	22.0	12.3
Germany	14.1	3.5	24.0	14.3	6.8	10.4	21.1	11.8
US	27.3	4.2	36.7	18.4	9.4	6.5	14.5	7.5

Around 1 in 5 (18%) of UK early stage entrepreneurs had high job expectations in 2014; an increase of 2 percentage points from 2013. The UK lies between its European peers and the US for job growth expectations (the US had the highest rate of 27% for early-stage entrepreneurs, compared to 18% in the UK; both had 4% for established business owners) and exporting (where the US had the lowest rates; 15% and 8%, respectively, compared to the UK with 16% and 10%). Germany had the lowest rate for high job expectations for early-stage entrepreneurs (14%) and France the lowest among established business owners (2%).

As to be expected, new product/market aspiration rates are also higher for early-stage entrepreneurs than for established businesses: in the UK the rates were 25% and 14% respectively, which is similar to the rates in Germany. Notably, France had the highest new product/market aspiration rate (40%) among early-stage entrepreneurs but the lowest (11%) for established business owners.

The third column in Table 7 illustrates the percentage of early-stage entrepreneurs and established business owner-managers who were active in high or medium-tech sectors according to OECD definitions[14]. In 2014 the UK had, at 8%, the second lowest proportion of early-stage entrepreneurs in high or medium tech sectors compared to its benchmark countries. The rate for established business owners in the UK, at 10%, was similar to that of the US (7%) and Germany (10%).

The final column in Table 7 shows the proportion of early-stage entrepreneurs and established business owners who have (or expect to have, in the case of nascent entrepreneurs) over one in four customers from outside the country. The UK measure was lower than France and Germany but higher than the US.

14 GEM collects data for high, medium and low technology sectors according to OECD definitions and also asks if their technology was available one year ago, 2-5 years ago or longer than that. The latter set of variables have been reported in the past but these only give an indication of the newness of the technology in the perception of the respondent. The measure in Table 6 uses OECD definitions of technology.

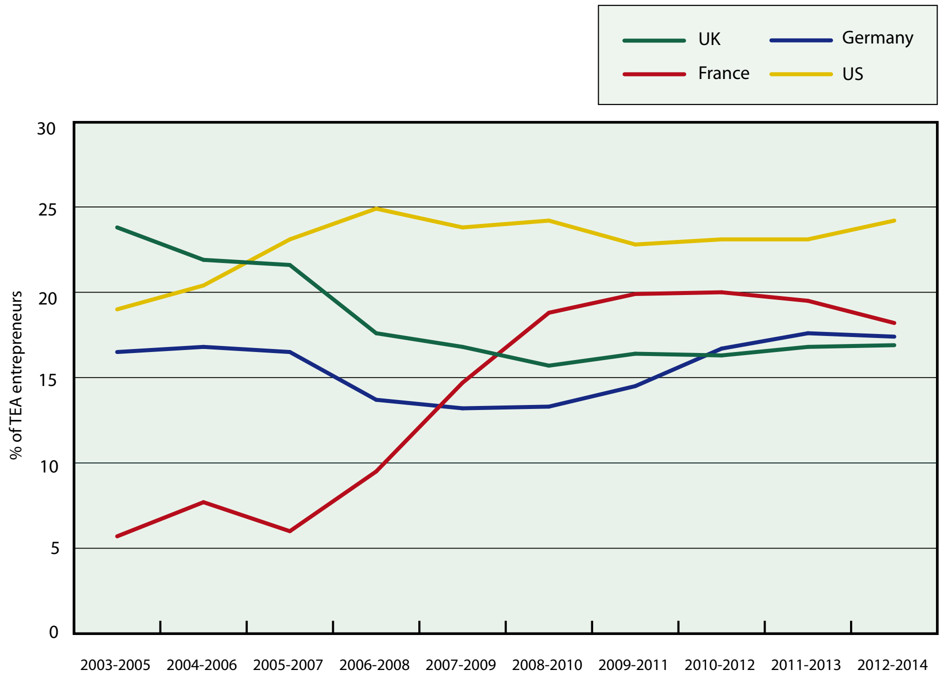


Figure 16: Relative frequency of high job expectation early-stage entrepreneurs in the UK, France, Germany and the US, three year rolling averages, 2003-2005 to 2011-2014

(Source: GEM Global APS, 2003-2014)

Figure 16 shows the trend in the relative frequency of high job expectation TEA entrepreneurs for the UK, France, Germany and the US, using a three year rolling average presentation that smoothes out fluctuations from year to year due to small sample sizes. It demonstrates that the relative frequency of high job expectation among early-stage entrepreneurs was relatively high in the UK in the early part of the last decade at around 25%, but it has steadily declined to stabilise in recent years around 17%. In the US, it has increased slightly in the past decade from 19% to 24% for the latest period. In Germany it has increased slightly and settled just above the UK's rate, whilst in France it doubled to reach 20% around 2010 before declining to 18%. What has emerged in the last couple of years is a clear separation between the US and the three European comparators.

Figure 17 shows the trend in relative frequency of high job expectation among established business owner-managers, using the same method as for Figure 16. Note that the relative frequency of high job expectation among established business owner-managers is less than one quarter that of early-stage entrepreneurs. The long term trend is downwards for the UK and the US towards German levels. The rate in France (1%) has settled as the lowest, at less than a third in size of the others.

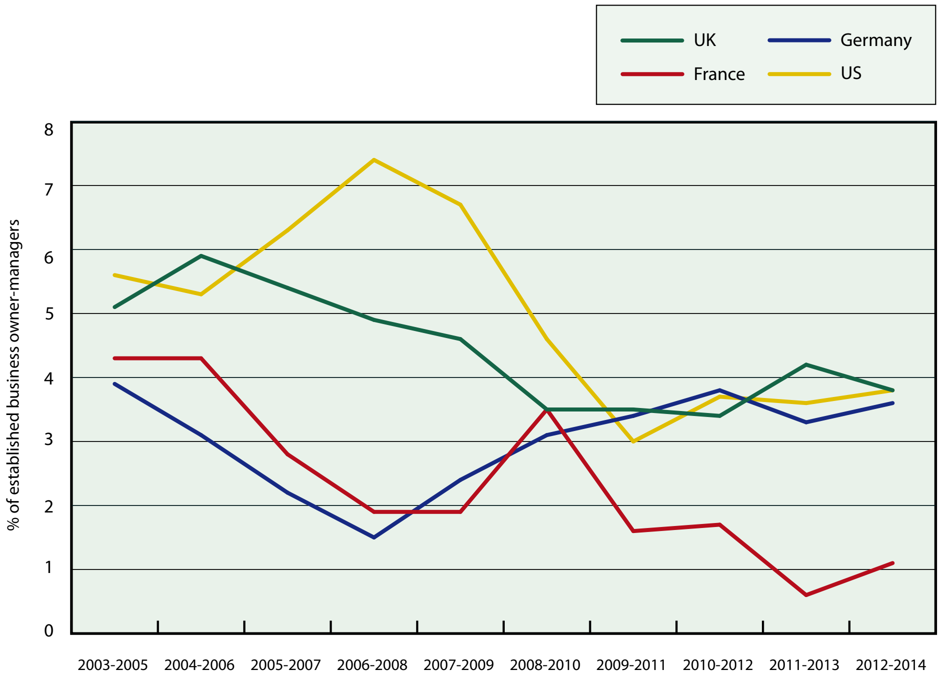


Figure 17: Relative frequency of high job expectation among established business owner-managers in the UK, France, Germany and the US, three year rolling averages, 2003-2005 to 2011-2014
(Source: GEM APS, 2003-2014)

5 ANTICIPATED VERSUS ACTUAL SOURCES OF FUNDING FOR START-UPS

Obtaining funding remains a major issue for many start-up businesses, with over half of nascent entrepreneurs reporting they require external funding. Since 2006, GEM has tracked the mix of funds that nascent entrepreneurs expect to use; sources of funds that they state they have actually used; and, finally those sources which they tried but failed to access.

Table 8 shows trends in expected funding sources for start-ups for the 2008 to 2014 period. Overall, the results suggest that more entrepreneurs in 2014 expect to self-fund compared to 2012 and 2013. Also, close and extended family relations are expected to play a greater role compared to 2013. Expectation of funding from banks decreased significantly to its lowest level in 2013, and this trend continued in 2014. Also, all other non-family sources are less likely to be expected to provide funding compared to 2012 and 2013.

	2008	2009	2010	2011	2012	2013	2014
Type of funding expected							
No funding needed	5.1	5.0	10.3	6.2	4.4	6.0	7.3
All funded by entrepreneur	51.2	50.7	43.8	47.0	39.0	40.6	46.0
None funded by entrepreneur	2.2	3.9	8.5	4.9	6.7	1.1	1.6
Close family member (spouse, parent, sibling)	12.1	10.1	8.6	3.5	8.9	3.0	9.1
Other relatives, kin or blood relations	8.0	6.0	1.7	2.0	8.2	2.1	6.0
Work colleagues	9.9	6.8	5.0	10.1	8.3	5.8	5.7
A stranger	3.6	3.7	0.7	1.1	5.0	2.7	1.6
Friends or neighbours	6.1	4.5	6.9	2.5	5.6	6.1	4.9
Banks or other financial institutions	18.6	20.0	18.2	18.6	22.3	10.2	8.8
Government programmes	17.2	15.1	17.7	11.1	15.9	8.9	7.2
Any other source	5.9	8.8	5.0	7.2	13.2	8.2	8.2

Table 8: Percentage of nascent entrepreneurs expecting funding from different sources, 2008 to 2014
(Source: GEM UK APS, 2008-2014)

It is instructive to compare the funding expectations of nascent entrepreneurs with their experience. Figure 18 shows trends in the sources of finance that nascent entrepreneurs report that they have ever used to fund a business. Changes over the 2008 to 2014 period may reflect changes in funding preferences and in perceived as well as actual availability of funding. Most sources experienced a fall in use between 2009 and 2011, a partial recovery in 2012 and a further decline in 2013, with a broadly unchanged trend from 2013 to 2014. There were exceptions with a small rise in unsecured bank loans and individual investors.

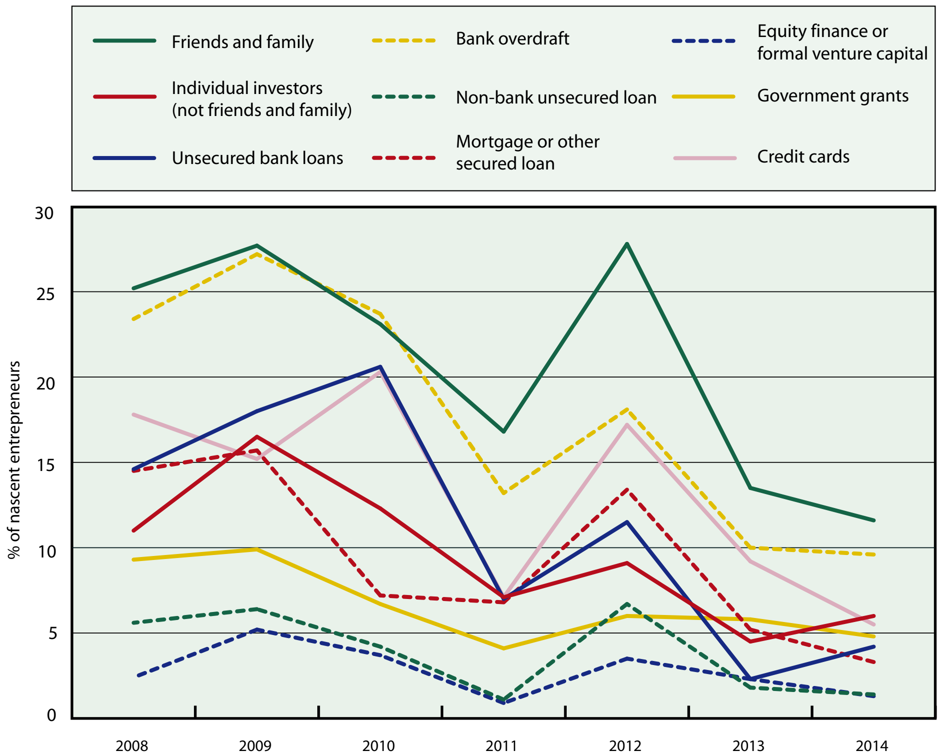


Figure 18: Percentage of UK nascent entrepreneurs who have reported ever using a type of funding for a business, 2008 to 2014

(Source: GEM APS, 2008-2014)

Finally, we consider the types of funding that nascent entrepreneurs report they sought *and failed to secure*. Table 9 shows that following the apparent return to a more "normal" profile in 2013, 2014 saw the lowest refusal rates since 2008 for several measures. This is particularly evident for funding sources administered by banks (e.g. loans, mortgages, credit cards).

Type of funding sought and refused	2008	2009	2010	2011	2012	2013	2014
Friends and family	4.8	10.8	3.1	6.5	6.2	2.2	4.5
Individual investors (not friends and family)	4.5	10.1	3.1	3.6	7.5	1.1	1.8
Unsecured bank loans	6.1	9.5	17.0	4.2	6.9	1.9	1.0
Bank overdraft	5.6	9.4	12.3	4.5	8.0	3.2	1.5
Non-bank unsecured loan	2.7	4.2	3.1	3.5	3.3	2.9	0.1
Mortgage or other secured loan	4.7	4.0	3.1	2.5	4.9	0.2	0.2
Equity finance or formal venture capital	2.1	2.4	1.3	3.0	1.7	0.6	0.8
Government grants	6.1	7.8	7.0	5.7	6.3	2.2	2.4
Credit cards	4.7	4.9	8.4	2.0	6.6	2.1	0.2
Grants from local authorities or local enterprise organisations	n.a.	n.a.	n.a.	6.1	5.0	1.7	3.3

Table 9: Percentage of UK nascent entrepreneurs who have reported being refused funding, by type of funding refused, 2008 to 2014
(Source: GEM UK APS, 2008-2014)

These trends fit with recent changes in informal investment, or investment by individuals in other people's new businesses in the last three years, as shown in Table 10[15]. The informal investment rate in 2014 stood at 1.9% and is higher than in 2008 and 2009 (with an average of 1.3%). Investment into strangers' companies has more than doubled from previous heights, and in 2014 was the third most common investment choice, after close family's and friends' ventures. This may reflect an increase in crowdfunding activity in the UK, as well as angel investment.

15 For a discussion of the growing business angel market place in the UK see Wright, M., Hart, M and Fu, K (2015) "A Nation of Angels: assessing the impact of angel investing across the UK", Enterprise Research Centre Research Report, January 2015.

	2008	2009	2010	2011	2012	2013	2014
Informal investment rate							
% aged 18-64 who have invested in someone else's new business in the last 3 years	1.4	1.2	2.9	2.4	2.6	2.1	1.9
Relationship of latest investee (% of latest investments)							
Close family member (spouse, parent, sibling)	39.8	41.0	37.0	50.2	57.5	46.8	40.3
Other relative, kin or blood relations	4.5	4.5	7.5	6.2	2.2	6.6	11.1
Work colleague	15.7	8.3	2.2	7.4	8.9	3.9	5.1
Friend or neighbour	32.3	35.5	48.5	28.4	23.4	38.7	25.5
A stranger with a good business idea	7.1	8.6	4.5	7.9	4.1	4.0	17.9
Other	0.6	2.1	0.4	0.0	3.8	0.0	0.1

Table 10: Percentage of individuals aged 18-64 who have invested in someone else's new business in the last 3 years, and the distribution of relationships to the latest investee, 2008 to 2014
(Source: GEM APS, 2008-2014)

6 DEVELOPING AN ENTERPRISE CULTURE

6.1 GLOBAL ENTREPRENEURSHIP WEEK

The GEM UK survey included questions on Global Entrepreneurship Week (GEW) run by Youth Business International (YBI). The objective here is to estimate whether this national campaign, designed to develop an enterprise culture, reached its target audience. Figure 19 presents the responses from 2009-2014.

Awareness of Global Entrepreneurship Week (GEW) averaged at around 20% between 2009 and 2012 but fell significantly in 2013, from 21% to 8%, and recovered only slightly in 2014 to 9%. Recall of participating in GEW, amongst those who had heard of it, also declined from its peak of 17% in 2011 to 7% in 2013, increasing to 9% in 2014. Young adults aged 18-24 had the highest rates of awareness (12.8% in 2014 compared with 26.4% in 2012) and participation (16.9% of those who had heard of GEW in 2014, up from 9.2% in 2013, but still down on 2012 at 19.7%).

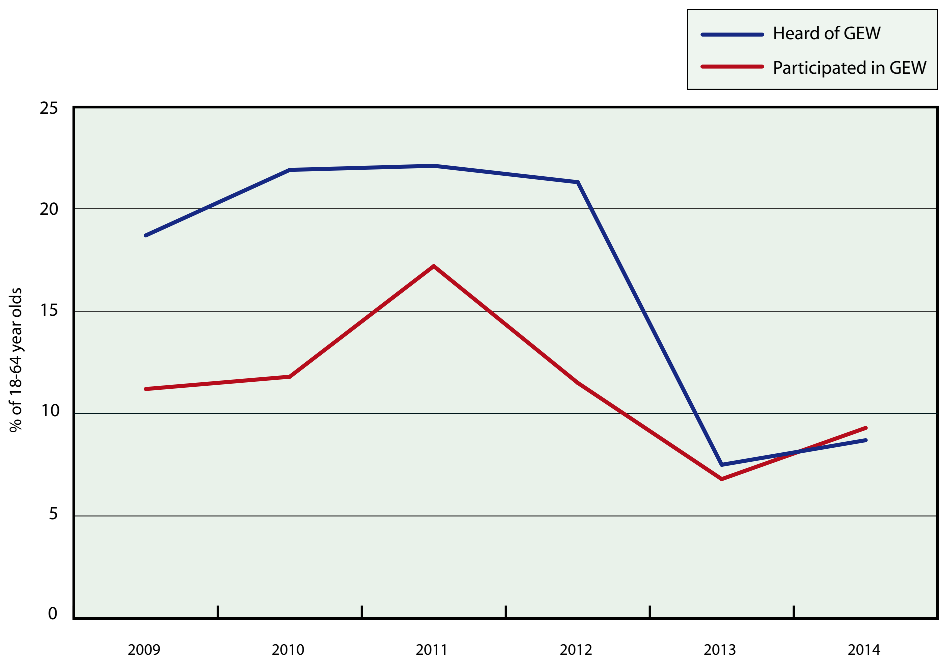


Figure 19: Awareness of and Participation in Enterprise Week/Global Entrepreneurship Week in UK, 2009-2014

(Source: GEM APS, 2009-2014)

Awareness of GEW was significantly higher among those who subsequently expected to start a business in three years compared to those in all other stages of entrepreneurial activity. Awareness amongst nascent entrepreneurs was roughly the same as for both new and established business owners. Figure 20 illustrates the pattern of awareness and participation in GEW along the stages of the entrepreneurial process. It shows a peak in awareness and participation among those who expected to start a business, before remaining at a similar level throughout the following stages. It shows that awareness was stronger earlier in the entrepreneurial process, which is a positive result for a campaign designed to raise awareness and celebrate enterprise.

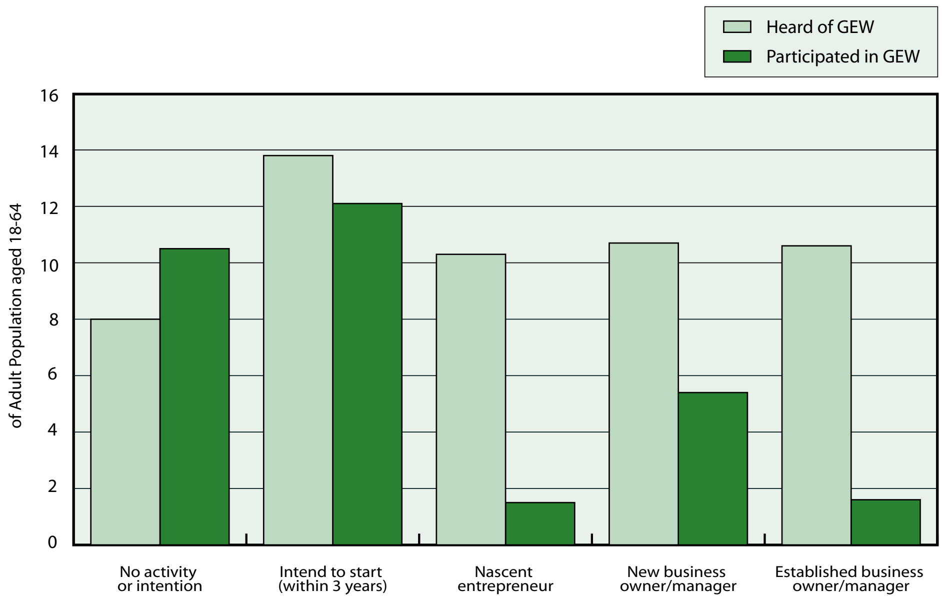


Figure 20: Awareness of and Participation in Enterprise Week/Global Entrepreneurship Week in UK, 2009-2013
(Source: GEM UK APS, 2014)

6.2 SENIOR ENTREPRENEURSHIP AND PRIME

Entrepreneurial activity amongst the 50-64 age group has historically been lower than for those in the younger age groups, with a long-run average of 4% between 2002 and 2008, compared to 5% for 18-29 year olds and 7% for 30-49 year olds. Since 2008 the rate has continued to increase and in 2013 and 2014 was identical to that for 18-29 year olds (7%). Figure 21 shows the time trend for entrepreneurial activity amongst the three age bands and reveals that whilst entrepreneurial activity peaked for the 18-29 and 30-49 age groups in 2012, before declining significantly in 2013 with some increases again in 2014, the rate for the 50-64 age group has continued to increase since 2008 to stand at its highest ever level in 2014 (7.1%).

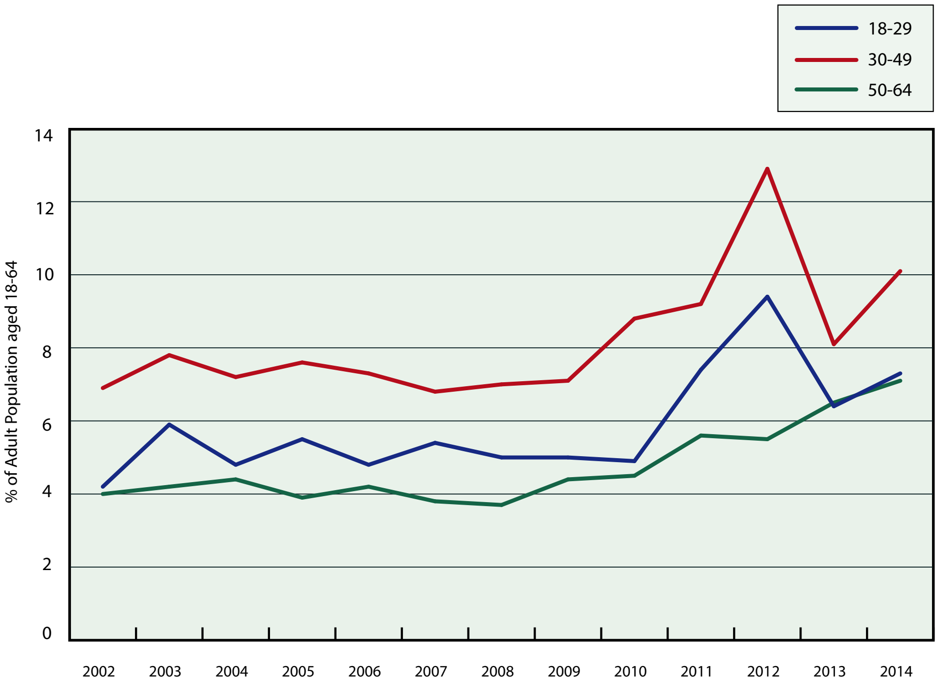
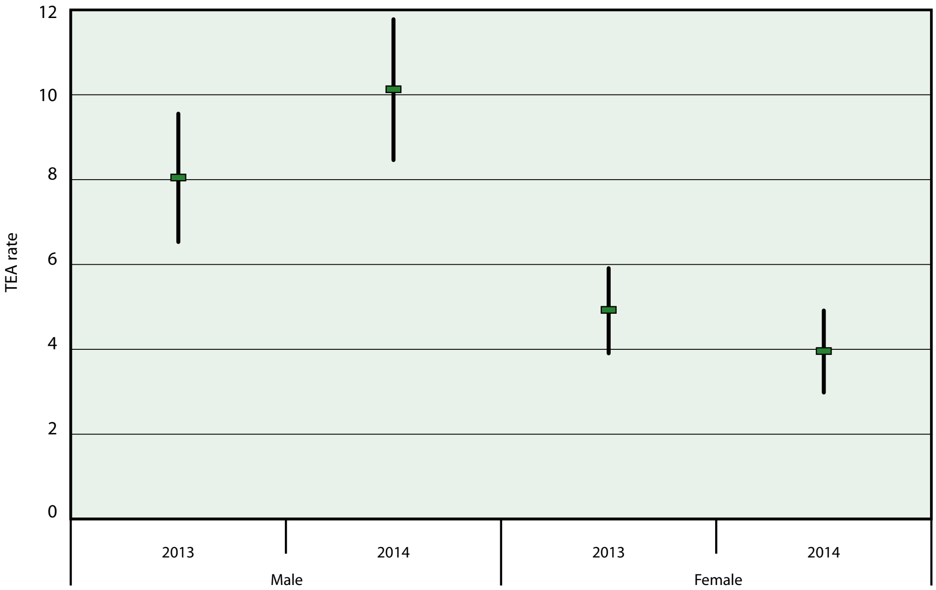


Figure 21: Total early-stage Entrepreneurial Activity by Age-band 2002-2014
(Source: GEM APS, 2002-2014)

Figure 22: Total early-stage Entrepreneurial Activity amongst the 50-64 Age Group 2013-2014
(Source: GEM APS, 2013-2014)



As in 2013, TEA rates amongst those aged 50-64 in 2014 were significantly higher for males than for females (Figure 22). In 2014 the gap between the genders widened, with the male rate standing at 10% in 2014 compared to a female rate of 4%. In 2013 the respective rates were 8% for males and 5% for females.

The rates of opportunity and necessity entrepreneurship for the 50-64 age group remained largely unchanged on the previous year, with no significant differences (Figure 23).

The Prince's Initiative for Mature Enterprise (PRIME) is a national organisation that provides support for self-employment to those over 50. In 2014 30% of 50-64 year olds had heard of PRIME, up from 19 per cent in 2013, and close to the peak of 32% in 2010 (Figure 24).

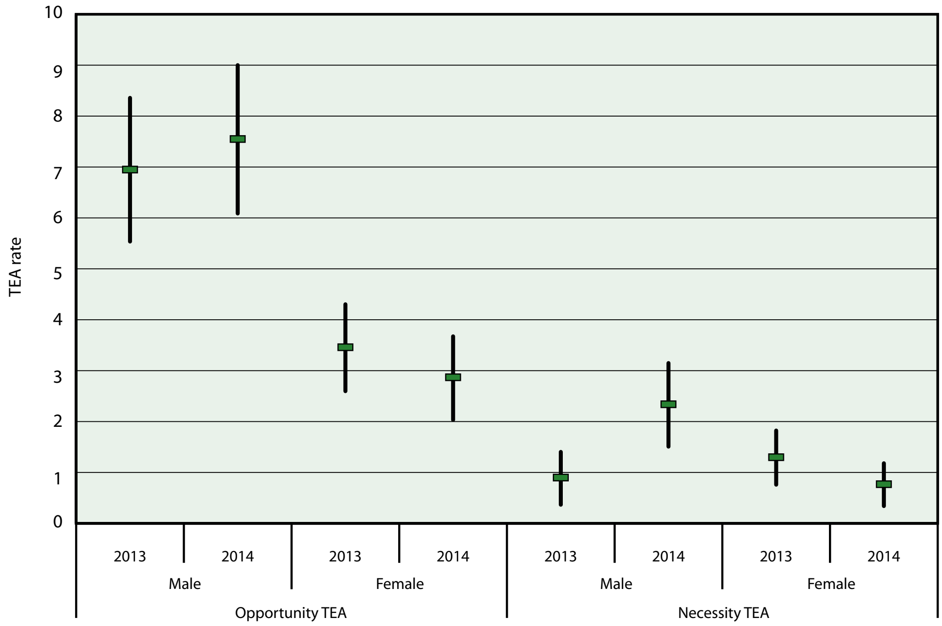
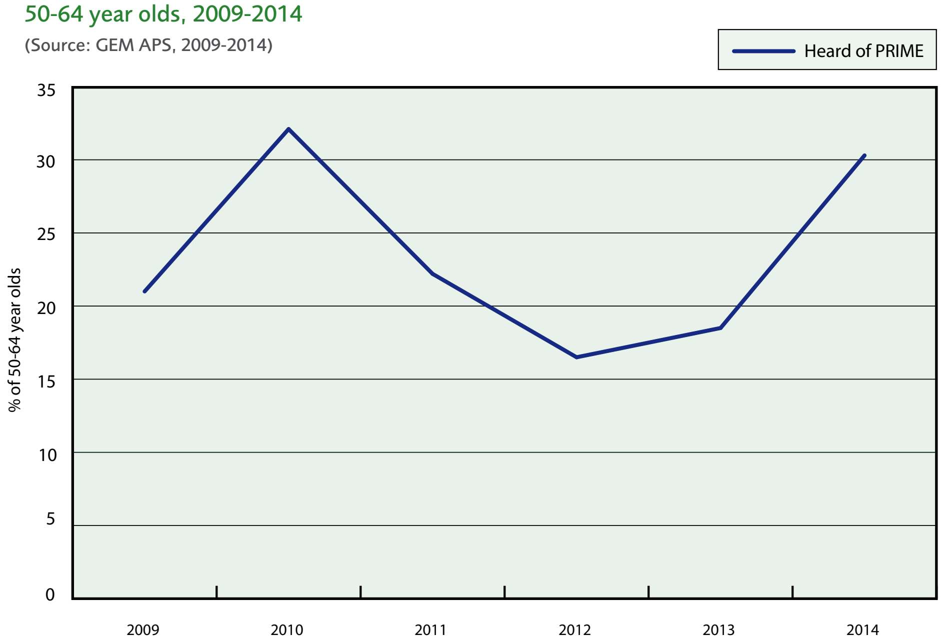


Figure 23: Necessity and Opportunity TEA amongst the 50-64 Age Group 2013-2014
(Source: GEM APS, 2013-2014)

Figure 24: Awareness of the Prince's Initiative for Mature Enterprise amongst 50-64 year olds, 2009-2014
(Source: GEM APS, 2009-2014)



Conclusion

It was previously suggested that 2011 was somewhat of a "break-out" year in terms of early-stage entrepreneurial activity in the UK: the year in which the TEA rate moved above its long run stable rate of around 6% to 7.6%. The TEA rate in 2014 of 8.6% further confirms the higher long-term trend in early-stage entrepreneurial activity in the UK.

In 2014 one-fifth of working age individuals either intended to start a business within the next three years, were actively trying to start a business, or were running their own business, which although down from one quarter in 2012, was similar to the 2013 rate.

Attitudes of non-entrepreneurial individuals to entrepreneurship have strengthened in 2014 but the perception of start-up skills still remains lower than before the financial crisis. Opportunity perception has risen slightly among non-entrepreneurial males and females in 2014 and has now returned to the levels observed prior to 2008.

As the UK economy continues to recover, it remains to be seen if this higher long-run rate of early-stage entrepreneurial activity will be maintained or indeed whether it will increase further as larger businesses begin to recruit again and the labour market tightens. The evidence presented in this report shows that there is no weakening in 2014 of this 'break' with the historical trend which is now particularly in evidence among the 50-64 age group.

In addition, the long run high job expectation TEA rate in the UK remained stable and nascent entrepreneurs' expectations of funding patterns seem to have increased substantially for most categories, although their experiences were back down to previous levels. Access to start-up finance is a recurring issue in the UK and we note the fall in refusal rates for bank finance among nascent entrepreneurs coupled with an increase in the role of informal investors which suggests that the market for start-up or early-stage finance became more favourable in 2014.

Appendix 1

GEM UK Sampling and Weighting Methodology

GEM UK is one of the largest, longest-running national studies of entrepreneurial activity in the world, with over 280,000 individuals interviewed since monitoring began with a sample of 1,000 adults in 1998. In 2014, 10,750 adults aged 16-80 were interviewed. The distribution of respondents is not even across the UK. This is because the Hunter Centre for Entrepreneurship at the University of Strathclyde, Welsh Assembly Government and Invest Northern Ireland chose to boost sampling in their region in order to have more detail about entrepreneurship in their region.

The raw sample of 10,750 was distributed across 13 geographic areas within which representative sub-samples of the population aged 16-80 were taken. These areas and the sample sizes are: South West: 400; South East: 666; East of England: 441; West Midlands: 416; East Midlands: 329; Yorkshire & Humberside: 385; North East: 221; North West: 537; Wales: 2977; Scotland: 1997; Northern Ireland: 1738. The Scottish sample was paid for by the Hunter Centre for Entrepreneurship from its endowment income.

According to OfCom,[16] households in the UK which have access to a mobile phone but not to a fixed telephone landline have grown steadily from 5% in 2000 to 15% in Q1 of 2013, rising further to 16% in Q1 of 2014. To mirror this increase, in 2014, 20% of the unweighted GEM sample across the UK consisted of mobile-only households. Meanwhile the decline in the proportion of households with a fixed telephone line has stabilised at 84% between 2010 and 2014. Eurobarometer estimates[17] suggest that in 2009, 20% of UK households were "mobile-only". Whatever the true figure, it is clear that fixed line surveys are not fully representative of UK households, that the distribution of mobile-only households is different to that of fixed line households, and that these differences are not fixed but change over time. In 2010, sampling methods for mobile only households had advanced to a stage where it was felt that inclusion of this group was not only desirable but feasible (though at greater cost). Changes in entrepreneurial activity again in 2014 are unlikely to be solely due to the slightly higher mobile-only household proportion in the 2014 sample.

Every attempt is made to ensure that the results reported are as reliable and robust as possible. To do this, four sets of weights were calculated for the UK data:

- Weights for the whole UK that take the UK area sub-samples and the age, gender and ethnic minority proportion of the population of the UK (aged 18-64) into account, based on the latest available area estimates from the UK Office of National Statistics, typically mid-year estimates for the previous year.

- Sub-sample area weights that take into account the population distributions *within* GEM UK sub-sample areas by age, gender and ethnicity. These are used when we report comparisons between GEM UK sub-sample areas (e.g. Liverpool).

- Government Official Region (GOR) weights that create representative samples at the GOR level from all sub-samples within the same GOR.

- In addition, separate weights were constructed for England, based on balanced GOR samples for each English region, to develop a final "home nations" weight.

16 Source: Ofcom (August 2014) Communications Market Report 2013, Figure 1.41. Available at www.ofcom.org.uk

17 See Special Eurobarometer 335, available at http://ec.europa.eu/public_opinion/archives/ebs/ebs_335_en.pdf

Appendix 2

Additional Tables and Data for Figures

Table 1b: Attitudes towards entrepreneurship in participating G7 countries in 2014 - percentage of total working age population (including the entrepreneurially active) who expressed an opinion and agreed with the statement at the top of the column

(Source: GEM APS 2014. These estimates are comparable with measures used in the 2007 GEM UK report)

	I know someone who has started a business in the last 2 years	There are good start-up opportunities where I live in the next 6 months	I have the skills, knowledge and experience to start a business	Fear of failure would prevent me starting a business
UK	**29.9**	**41.4**	**45.5**	**37.3**
France	35.9	28.3	35.4	42.8
Germany	24.0	37.6	36.4	46.4
US	28.8	50.9	53.3	32.8

Table 2b: Entrepreneurial attitudes in the UK in 2012, 2013 and 2014 (% respondents aged 18-64 expressing an opinion and agreeing with the statement)

(Source: GEM APS 2012, 2013, 2014. These estimates are comparable with measures used in the 2007 GEM UK report)

	2012	2013	2014	2012	2012	2013	2013	2014	2014
	All	All	All	Male	Female	Male	Female	Male	Female
I personally know someone who has started a business in the last two years	32.7	29.2	29.9	36.5	28.9	31.7	26.7	33.6	26.2
There will be good start-up opportunities where I live in the next six months	34.0	36.0	41.4	38.6	29.3	40.9	30.9	46.1	36.4
I have the skills, knowledge and experience to start a business	46.9	44.1	45.5	56.7	37.1	52.1	36.1	55.4	35.6
Fear of failure would prevent me from starting a business (for those who agree there are good start-up opportunities)	42.2	36.8	37.3	39.3	45.1	34.4	40.0	32.4	43.9
Most people consider that starting a business is a good career choice	49.9	54.6	58.0	51.6	48.0	55.3	53.8	58.9	57.2
Those successful at starting a business have a high level of status and respect in society	76.8	79.6	78.3	75.8	77.8	80.0	79.1	79.3	77.3
You will often see stories about people starting successful new businesses in the media	46.5	50.0	59.3	49.3	43.7	53.1	46.9	60.6	58.0

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
I know someone who has started a business in the last 2 years	21.8	24.1	25.3	24.9	23.6	23.6	23.4	31.1	28.2	27.1	25.2	24.7
There are good start-up opportunities where I live in the next 6 months	31.6	33.2	35.4	33.8	36.1	26.9	23.0	26.8	27.9	30.5	33.2	36.8
I have the skills, knowledge and experience to start a business	43.3	46.4	46.4	45.1	44.0	44.4	44.4	47.2	36.7	38.7	37.0	38.4
Fear of failure would prevent me starting a business (for those who agree there are good start-up opportunities)	35.5	36.0	36.1	37.3	37.9	38.3	35.2	36.0	41.4	43.3	41.4	43.0
Most people consider that starting a business is a good career choice	52.8	54.7	54.6	54.7	54.9	52.1	47.9	52.6	50.4	49.9	54.5	57.3
Those successful at starting a business have a high level of status and respect in society	71.7	72.2	71.8	72.9	73.6	74.2	73.8	76.3	81.4	77.1	79.5	78.4
You will often see stories about people starting successful new businesses in the media	54.8	55.3	53.9	54.3	56.3	52.4	44.7	51.5	44.2	45.5	48.8	58.8

Figure 2: Entrepreneurial attitudes and perceptions in the UK, 2003-2014 (% non-entrepreneurial respondents aged 18-64 expressing an opinion and agreeing with the statement)

(Source: GEM APS, 2003-2014)

Figure 2b: Attitudes towards entrepreneurship in UK from 2003 to 2014 - percentage of total working age population who expressed an opinion and agreed with the statement at the left of the row

(Source: GEM APS, 2003 -2014)

Note: These figures are calculated on the same basis as in GEM UK Report prior to 2008 – that is, for the 18-64 year sample overall and not solely the non-entrepreneurial adult population. However, due to revisions undertaken in the pooled UK GEM database there will be small differences between these figures and those published prior to 2008.

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
I know someone who has started a business in the last 2 years	24.6	26.6	27.7	27.3	25.7	25.8	26.5	33.6	32.4	32.7	29.2	29.9
There are good start-up opportunities where I live in the next 6 months	35.0	35.7	38.2	36.7	39.1	28.8	27.0	29.4	31.1	34.0	36.0	41.4
I have the skills, knowledge and experience to start a business	48.3	50.3	50.9	49.6	48.5	49.0	52.4	52.3	43.9	46.9	44.1	45.5
Fear of failure would prevent me starting a business	33.8	33.7	34.3	35.7	35.9	37.2	35.1	39.5	45.7	42.2	36.8	37.3
Most people consider that starting a business is a good career choice	51.7	54.3	54.3	54.4	54.7	51.7	48.1	52.1	49.8	49.9	54.6	58.0
Those successful at starting a business have a high level of status and respect in society	71.6	72.1	71.7	72.7	73.6	73.8	73.8	76.4	80.4	76.8	79.6	78.3
You will often see stories about people starting successful new businesses in the media	55.6	56.1	54.6	55.0	56.7	53.2	45.9	52.4	45.4	46.5	50.0	59.3

Table 3b: Attitudes towards entrepreneurship in UK regions in 2014 - percentage of total working age population who expressed an opinion and agreed with the statement at the top of the column
(Source: GEM APS, 2014)

	England	Wales	Scotland	Northern Ireland	United Kingdom
I know someone who has started a business in the last 2 years	30.1	31.1	27.8	26.9	**29.9**
There are good start-up opportunities where I live in the next 6 months	42.5	32.4	40.6	27.8	**41.4**
I have the skills, knowledge and experience to start a business	45.9	45.7	43.3	41.2	**45.5**
Fear of failure would prevent me from starting a business	37.3	34.1	37.3	41.6	**37.3**
Most people consider that starting a business is a good career choice	58.7	56.3	54.4	52.3	**58.0**
Those successful at starting a business have a high level of status and respect in society	78.2	76.6	79.4	81.2	**78.3**
You will often see stories about people starting successful new businesses in the media	59.2	58.3	59.6	63.8	**59.3**

Table 3c: Good Opportunities for Start-up in the local area in next 6 months - in UK from 2003 to 2014 - percentage of non-entrepreneurially active working age population who expressed an opinion and agreed with the statement
(Source: GEM APS, 2003-2014)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	% change 2003-14	% change 2010-14
England	31.5	33.4	36.5	34.1	36.3	26.8	23.5	27.7	28.5	31.8	34.6	37.5	+19	+31.6
Wales	29.7	30.7	31.8	28.6	30.4	19.6	20.4	21.8	25.3	22.6	25.1	29.5	-0.7	+16.6
Scotland	34.1	33.4	28.6	33.6	36.1	33.1	21.2	25.4	28.2	26.6	29.1	38.1	+11.7	+35.1
N. Ireland	29.0	32.2	32.8	32.9	39.0	21.8	16.5	15.9	24.1	19.7	20.2	25.2	-13.2	+4.6
UK	**31.6**	**33.2**	**35.4**	**33.8**	**36.1**	**26.9**	**23.0**	**26.8**	**28.2**	**30.5**	**33.2**	**36.8**	**+16.5**	**+30.5**

		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Opportunity Perception	Male	34.6	36.8	40.2	37.6	40.8	30.9	25.0	29.3	29.7	34.6	37.6	40.4
	Female	29.0	29.7	31.0	30.1	31.6	23.0	20.9	24.7	26.4	26.8	29.0	33.4
Fear of Failure	Male	34.6	34.9	34.0	34.1	36.4	35.9	32.3	34.9	38.7	40.5	40.1	38.5
	Female	35.0	37.5	38.6	41.2	39.6	41.4	38.8	37.2	44.0	46.4	43.0	48.0

Figure 3: Male and female attitudes towards Good Opportunities and Fear of Failure (% non-entrepreneurially-active respondents aged 18-64 expressing an opinion and agreeing with the statements "There are good start-up opportunities where I live in the next 6 months"; "Fear of failure would prevent me from starting a business"

(Source: GEM UK APS, 2003-2014)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Established business owner/manager	5.7	4.7	5.1	5.3	5.0	6.0	5.8	6.2	6.5	7.0	6.5	5.9
New business owner/manager	3.2	2.8	3.0	2.8	2.7	2.8	3.2	3.3	3.4	4.4	3.5	3.8
Nascent entrepreneur	3.0	2.9	2.7	2.7	2.7	2.6	2.5	2.9	4.1	5.3	3.5	4.6
Intend to start (within three years)	4.9	5.9	5.7	4.9	4.9	4.5	3.8	4.6	6.8	7.7	6.5	5.8
No activity or intention	83.2	83.7	83.4	84.3	84.7	84.1	84.7	83.0	79.2	75.7	80.0	79.9
Total	100	100	100	100	100	100	100	100	100	100	100	100

Figure 4: Participation in entrepreneurship in the UK by most established stage of entrepreneurial activity (percentage of working age population), 2003 to 2014

(Source: GEMUK APS, 2003-2014)

Figure 4b: Participation in entrepreneurship in the UK by stage of entrepreneurial activity (percentage of working age population), 2003 to 2014

(Source: GEM UK APS 2003- 2014 Note: individuals can be in more than one stage at a time; hence annual percentages do not total to 100)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Established business owner/manager	5.7	4.7	5.1	5.3	5.0	6.0	5.8	6.2	6.5	7.0	6.5	5.9
New business owner/manager	3.2	2.9	3.1	2.8	2.7	2.9	3.2	3.4	3.4	4.4	3.6	3.8
Nascent entrepreneur	3.5	3.2	3.2	3.2	3.0	2.8	2.7	3.2	4.2	5.7	3.8	4.9
Intend to start (within three years)	7.9	8.6	8.7	7.8	7.4	6.8	6.1	7.2	9.8	11.3	8.1	8.5
No activity or intention	83.2	83.7	83.4	84.3	84.7	84.1	84.7	83.0	79.2	75.7	80.0	79.9

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
UK	**6.42**	**5.84**	**6.04**	**5.82**	**5.58**	**5.53**	**5.77**	**6.47**	**7.59**	**9.78**	**7.26**	**8.61**
France	1.62	6.04	5.35	4.40	3.17	5.64	4.35	5.83	5.73	5.17	4.57	5.34
Germany	5.2	5.07	5.39	4.20		3.77	4.10	4.17	5.62	5.34	4.98	5.27
US	11.94	11.33	12.44	10.00	9.61	10.76	7.96	7.59	12.34	12.84	12.73	13.81

Figure 5: Total early-stage Entrepreneurial Activity (TEA) in the UK, France, Germany and US (2003-2014)

(Source: GEM Global Adult Population Survey (APS) 2003-2014)

	18-24	25-34	35-44	45-54	55-64
United Kingdom	**6.3**	**10.6**	**11.0**	**7.8**	**6.3**
France	3.3	6.6	7.8	4.6	3.6
Germany	6.9	8.9	6.4	3.8	1.5
US	13.5	18.1	14.8	11.9	10.5

Figure 6: Total early-stage Entrepreneurial Activity (TEA) in the UK, France, Germany and US by Age Group (2014)

(Source: GEM Global Adult Population Survey (APS) 2014)

	18-24	25-34	35-44	45-54	55-64	Total
2012	8.3%	10.9%	13.6%	10.0%	4.8%	9.8%
2013	5.7%	7.7%	9.2%	8.2%	4.6%	7.3%
2014	6.3%	10.6%	11.0%	7.8%	6.3%	8.6%

Figure 7: Total early-stage Entrepreneurial Activity (TEA) in the UK by Age Group, 2012 to 2014
(Source: GEM Global Adult Population Survey (APS) 2012, 2013, 2014)

	Opportunity TEA	Necessity TEA
United Kingdom	**7.0**	**1.4**
France	4.4	0.9
Germany	4.0	1.2
US	11.3	1.9

Figure 8: Necessity and opportunity entrepreneurship the UK, France, Germany and US in 2014
(Source: GEM APS, 2014)

Figure 9: Necessity and opportunity nascent and new business owner-manager rates in the UK showing 95% confidence intervals, 2012, 2013 and 2014
(Source: GEM APS 2012, 2013 and 2014)

	Nascent entrepreneurship rate						New business owner-manager rate					
	Opportunity			Necessity			Opportunity			Necessity		
	2012	2013	2014	2012	2013	2014	2012	2013	2014	2012	2013	2014
High	4.59	3.51	4.46	1.41	0.65	0.85	3.64	3.13	3.37	0.91	0.83	0.84
Low	3.66	2.78	3.63	0.91	0.36	0.51	2.81	2.45	2.65	0.52	0.49	0.50
Mean	4.12	3.14	4.05	1.16	0.51	0.68	3.23	2.79	3.01	0.71	0.66	0.67

Figure 10: Early-stage entrepreneurial activity by gender in the UK, France, Germany and US in 2014
(Source: GEM APS, 2014)

	Male TEA	Female TEA
United Kingdom	**11.5**	**5.7**
France	6.7	4.0
Germany	6.5	4.0
US	16.5	11.2

Figure 11: Established business ownership by gender in the UK, France, Germany and US, 2014
(Source: GEM APS, 2014)

	Male EBO	Female EBO
United Kingdom	**8.5**	**3.4**
France	4.2	1.7
Germany	7.1	3.1
US	8.8	5.2

Figure 12: Female entrepreneurial activity in the UK, France, Germany and US, 2003-2014
(Source: GEM APS, 2003-2014)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
UK	**3.9**	**3.8**	**3.7**	**3.7**	**3.6**	**3.6**	**3.7**	**4.0**	**5.0**	**7.1**	**5.8**	**5.7**
France	1.6	3.8	3.3	2.5	2.2	3.3	2	4.8	3.0	4.0	3.1	4.0
Germany	3.3	3.1	3.8	2.6		3.4	3.7	2.9	4.5	3.5	3.9	4.0
US	8.2	10.7	9.7	7.4	7.3	8.8	5.8	7.0	10.4	10.5	10.4	11.2

	Male TEA	Female TEA	Ratio Female to Male TEA
England	12.2	6.0	49%
Wales	9.4	4.9	52%
Scotland	7.1	3.9	55%
N. Ireland	9.2	4.4	48%
UK	**11.5**	**5.7**	**50%**

Figure 13: Male and Female Total early-stage Entrepreneurial Activity in the UK Home Nations, 2014
(Source: GEM APS, 2014)

	18-24	25-34	35-44	45-54	55-64
England	6.7	11.2	11.9	7.9	6.5
Wales	5.9	10.0	7.7	6.0	6.1
Scotland	3.0	5.8	4.9	7.6	4.8
N. Ireland	6.4	6.5	7.4	8.8	3.9
UK	**6.3**	**10.6**	**11.0**	**7.8**	**6.3**

Figure 14: Total early-stage Entrepreneurial Activity in the UK Home Nations by Age Group, 2014
(Source: GEM APS, 2014)

Figure 15: Total early-stage Entrepreneurial Activity in the UK Home Nations, for 18 to 29 year olds, 2003 to 2014
(Source: GEM APS, 2003-2014)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
England	5.9	4.7	5.7	5.0	5.5	5.0	5.3	4.7	7.4	10.0	6.4	7.6
Wales	4.9	4.0	4.0	4.8	4.6	7.8	6.0	7.2	9.7	8.6	4.9	8.4
Scotland	5.6	6.0	4.6	3.3	4.8	4.0	1.6	5.1	7.0	5.1	7.1	4.3
N. Ireland	6.1	4.7	5.0	3.6	4.1	3.9	5.7	4.2	7.2	5.7	4.9	6.7

	3 Year Rolling Average									
	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014
UK	**23.8%**	**21.9%**	**21.6%**	**17.6%**	**16.8**	**15.7%**	**16.4%**	**16.3%**	**16.8%**	**16.9%**
France	5.7%	7.7%	6.0%	9.5%	14.7%	18.8%	19.9%	20.0%	19.5%	18.2%
Germany	16.5%	16.8%	16.5%	13.7%	13.2%	13.3%	14.5%	16.7%	17.6%	17.4%
US	19.2%	20.4%	23.1%	24.9%	23.8%	24.2%	22.8%	23.1%	23.1%	24.2%

Figure 16: Relative frequency of high job expectation early-stage entrepreneurs in the UK, France, Germany and the US, three year rolling averages, 2003-2005 to 2012-2014

(Source: GEM APS, 2003-2014)

Figure 17: Relative frequency of high job expectation among established business owner-managers in the UK, France, Germany and the US, three year rolling averages, 2003-2005 to 2012-2014

(Source: GEM APS, 2003-2014)

	3 Year Rolling Average									
	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014
UK	**5.1%**	**5.9%**	**5.4%**	**4.9%**	**4.6%**	**3.5%**	**3.5%**	**3.4%**	**4.2%**	**3.8%**
France	4.3%	4.3%	2.8%	1.9%	1.9%	3.5%	1.6%	1.7%	0.6%	1.1%
Germany	3.9%	3.1%	2.2%	1.5%	2.4%	3.1%	3.4%	3.8%	3.3%	3.6%
US	5.6%	5.3%	6.3%	7.4%	6.7%	4.6%	3.0%	3.7%	3.6%	3.8%

	Type of funding ever sought						
	2007	2008	2009	2010	2011	2012	2013
Friends and family	25.2	27.7	23.1	16.8	27.8	13.5	11.6
Individual investors (not friends and family)	11.0	16.5	12.3	7.1	9.1	4.5	6.0
Unsecured bank loans	14.6	18.0	20.6	7.0	11.5	2.3	4.2
Bank overdraft	23.4	27.2	23.7	13.2	18.1	10.0	9.6
Non-bank unsecured loan	5.6	6.4	4.2	1.1	6.7	1.8	1.4
Mortgage or other secured loan	14.5	15.7	7.2	6.8	13.4	5.2	3.3
Equity finance or formal venture capital	2.4	5.2	3.7	0.9	3.5	2.3	1.3
Government grants	9.3	9.9	6.7	4.1	6.0	5.8	4.8
Credit cards	17.8	15.2	20.3	7.1	17.2	9.2	5.5

Figure 18: Percentage of UK nascent entrepreneurs who have reported ever using a type of funding for a business, 2007 to 2014

(Source: GEM APS, 2007-2014)

	2009	2010	2011	2012	2013	2014
Heard of GEW	18.7	21.9	22.1	21.3	7.5	8.7
Participated in GEW	11.2	11.8	17.2	11.5	6.8	9.3

Figure 19: Awareness of and Participation in Enterprise Week/Global Entrepreneurship Week in UK, 2009-2014
(Source: GEM APS 2009-14)

	No activity or intention	Intend to start (within 3 years)	Nascent entrepreneur	New business owner/manager	Established business owner/manager
Heard of GEW	8.0	13.8	10.3	10.8	10.6
Participated in GEW	10.5	12.1	1.5	5.4	1.6

Figure 20: Awareness of and participation in GEW by stages of the entrepreneurial process, 2014
(Source: GEM APS 2014)

Figure 21: Total early-stage Entrepreneurial Activity by Age-band 2002-2014
(Source: GEM APS 2002-2014)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
18-29	4.2%	5.9%	4.8%	5.5%	4.8%	5.4%	5.0%	5.0%	4.9%	7.4%	9.4%	6.4%	7.3%
30-49	6.9%	7.8%	7.2%	7.6%	7.3%	6.8%	7.0%	7.1%	8.8%	9.2%	12.9%	8.1%	10.8%
50+	4.0%	4.2%	4.4%	3.9%	4.2%	3.8%	3.7%	4.4%	4.5%	5.6%	5.5%	6.5%	7.1%

	Male		Female	
	2013	2014	2013	2014
High	9.57%	11.79%	5.94%	4.93%
Low	6.54%	8.47%	3.92%	3.00%
Mean	8.05%	10.13%	4.93%	3.96%

Figure 22: Total early-stage Entrepreneurial Activity amongst the 50-64 Age Group 2013-2014
(Source: GEM APS 2013-2014)

Figure 23: Necessity and Opportunity TEA amongst the 50-64 Age Group 2013-2014
(Source: GEM APS 2013-2014)

	Opportunity TEA				Necessity TEA			
	Male		Female		Male		Female	
	2013	2014	2013	2014	2013	2014	2013	2014
High	8.37%	9.01%	4.32%	3.69%	1.43%	3.17%	1.83%	1.20%
Low	5.54%	6.09%	2.61%	2.04%	0.38%	1.51%	0.77%	0.34%
Mean	6.95%	7.55%	3.46%	2.87%	0.90%	2.34%	1.30%	0.77%

	2009	2010	2011	2012	2013	2014
Heard of PRIME	21.0	32.1	22.2	16.5	18.5	30.3

Figure 24: Awareness of and Contact with the Prince's Initiative for Mature Enterprise amongst 50-64 year olds, 2009-2014
(Source: GEM APS 2009-2014)