

RBS Enterprise Tracker, in association with the Centre for Entrepreneurs

3rd Quarter 2014

Populus interviewed 2,343 UK adults online between 8th and 13th August 2014 in the latest wave of the RBS Enterprise Tracker, in association with the Centre for Entrepreneurs. This research is published quarterly and tracks people's attitudes to starting up in business. Results have been weighted to be representative of the UK adult population.

Populus is a member of the British Polling Council and abides by its rules. For more information see www.populus.co.uk.

Throughout this summary young people are defined as being between 18–30 years of age, and high potential individuals are defined as being in full time employment, with a degree-level education and with a household income higher than £34,000.



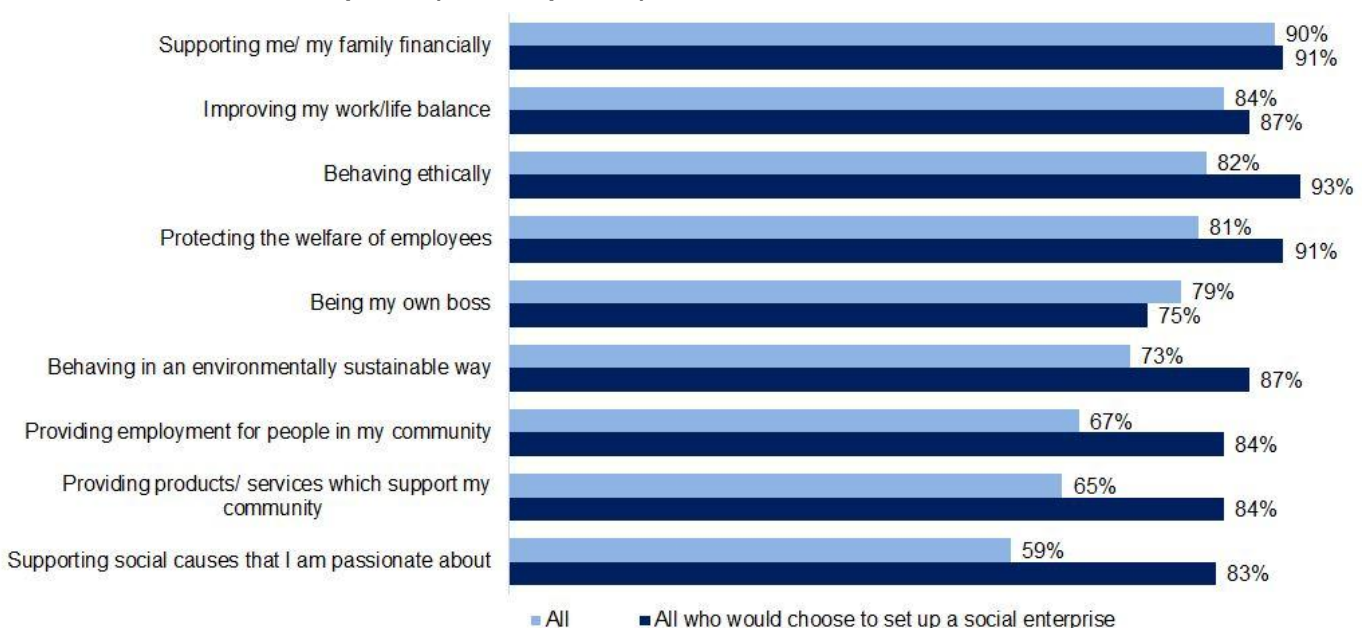
Research conducted by Populus on behalf of RBS



Appetite for business and social enterprise

- More than a third of UK adults (37%) would like to start their own business or enterprise but only 4% are in the process of doing so. While the entrepreneurial spirit has slightly increased, the share of those in the process of setting up a business or enterprise is the lowest since the start of this study.
- One fifth (19%) of those who would like to start a business, would choose to start a social enterprise.
- The 'ambition gap' remains greater for young people: they are much more likely than the population as a whole to want to start their own business (49% compared to 37%), but only 7% are in the process of doing so. The size of the latter group has decreased over the last three waves of the Enterprise Tracker: 13% of young people were in the process of starting their own business in Q1 2014 and 9% in Q2.
- The 'ambition gap' is even greater for high potential individuals: 55% of this group would like to start their own business or enterprise but only 8% are in the process of doing so.
- Women remain less likely than men to want to start their own business (36% compared to 39%) but are, for the first time since the start of this study, just as likely to be in the process of doing so (both 4%). This change is driven by a sharp decline in the proportion of young men starting their own businesses. At the beginning of the year 18% of young men said they were in the process of starting their own business or enterprise, but only 6% say they are starting up a business this quarter – falling below the proportion of young women 'starting up' businesses for the first time.
- Women remain more likely than men to want to start a social enterprise (25% compared to 20%) or charity (12% compared to 8%).
- Although financial incentives and lifestyle improvements are important reasons for wanting to start a business, many of the features of social enterprises are considered important, too:

How important would each of the following be to you in starting up your own business or enterprise? (SUM: Important)

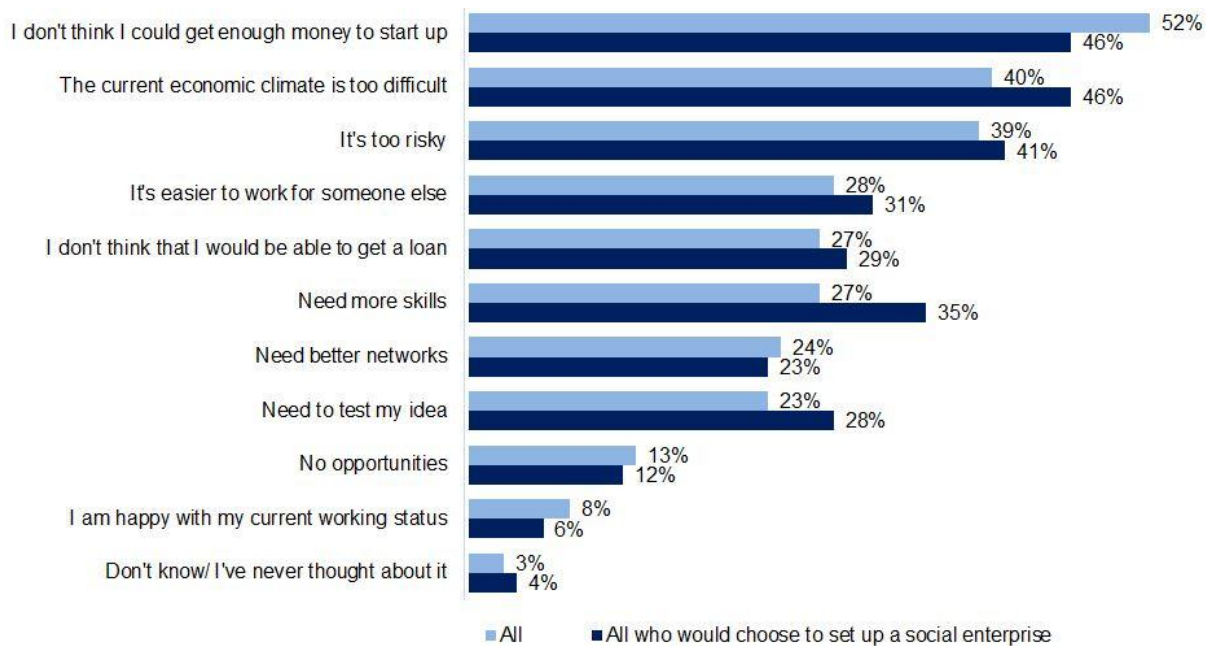


Base: All (2343); All respondents who would choose to set up a social enterprise (534)

Barriers to business and enterprise

- Concern about securing start-up funds, the current economic climate and risk continue to be the main barriers to starting a business or enterprise. The idea that it is easier to work for someone else and the need to have more skills and better networks also concern significant numbers of people. Those who would like to set up a social enterprise are more likely to perceive these barriers:

What do you think are/would be the biggest barriers to starting your own business or enterprise?

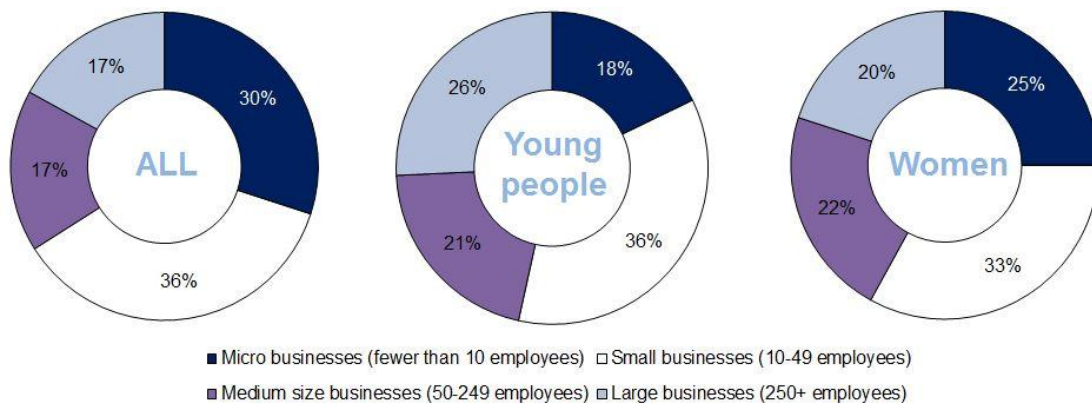


Base: All respondents who would like to start their own business or enterprise (787); All respondents who would choose to set up a social enterprise (157)

Attitudes towards UK job creators

- A third of respondents believe small businesses create the most new job opportunities in the UK (36%), followed by almost one third who think this is true for micro businesses (30%).

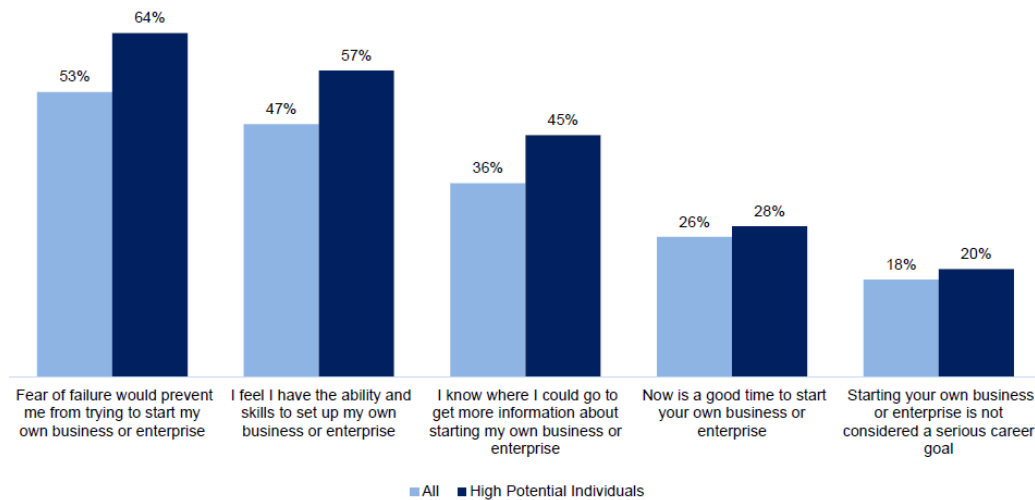
Which of the following kinds of company do you think creates the most new job opportunities in the UK each year?



Base: All (2343); All 18-30s (613); All women (1149)

- Women and young people are less likely than the population as a whole to say micro businesses create the most new job opportunities (25% and 18% respectively vs. 30%).
- Young people have a particularly positive image of large businesses in terms of job creation, with one quarter (26%) saying they create the most new job opportunities in the UK.
- Although high potential individuals are more confident about their own skillset and about where to get relevant information, they are more likely than the population as a whole to say that fear prevents them from starting a new business or enterprise (64% compared to 53%).

To what extent do you agree or disagree with the following statements?



Base: All (2343); HPIs (202)



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