



Press release

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Surge in female start-ups narrows 'enterprise gap'

- **Proportion of women early-stage entrepreneurs jumped 45% between 2003-6 and 2013-16**
- **Men still twice as likely as women to start a business overall, but some UK regions are seeing greater balance as women catch up**
- **UK above European average in international league tables for female early-stage entrepreneurship, with Canada taking top spot among advanced economies**

The UK has witnessed a rapid rise in the number of start-ups in recent years. But the number of new female entrepreneurs in the UK has risen far faster than men in the past decade.

New research from [Aston University](#) using data from the Global Entrepreneurship Monitor (GEM) also reveals that there are large disparities between different parts of the country when it comes to this 'enterprise gap'.

The GEM data shows that between 2003-6 and 2013-16, the proportion of women that went into business rose by 45%, compared to just 27% among men. Overall, however, men are still nearly twice as likely to be entrepreneurs (10.4% of men versus 5.5% of women).

Women in the South East are the most likely to take the plunge, with 7% describing themselves as early-stage entrepreneurs. By contrast, just 2.8% of women in the North East fall into this category. Most regions saw sizeable jumps in the proportion of female entrepreneurs over the past decade, but in the South West and North East the proportion fell.

The region with the closest gender parity is the West Midlands, where there are 74 new female entrepreneurs for every 100 males, compared to just 33 in the North West. Researchers have suggested these regional differences may be partly explained by the presence of higher numbers of graduates and mobile individuals including international migrants.

Across both sexes, the 2016 UK early-stage entrepreneurship rate was significantly higher than 2015, and again exceeded the previous long-run rate of around 6% which prevailed until 2010. The UK rate of 8.8% compares favourably to France (5.3%) and Germany (4.6%) - confirming the UK as the start-up capital of Europe. But this is still significantly lower than that of the US (12.6%).

At the global level, the UK's rates of female early-stage entrepreneurship remain well below many other advanced economies. Canada has the highest absolute rate of female early-stage entrepreneurs at 11.6%,

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while Spain has the closest male/female ratio of any developed economy, with 74 Spanish women entrepreneurs for every 100 men, compared to 53 for the UK.

Many developing economies display even higher rates of female entrepreneurship. In Ecuador, 31.9% of women are entrepreneurs, while other Latin American and South East Asian nations dominate the top spots. Indonesia and Brazil are the only GEM-participant countries where there are more female entrepreneurs than male.

The findings have been revealed in the Global Entrepreneurship Monitor (GEM) UK Report, an annual publication from the GEM UK team which looks at a range of entrepreneurship indicators, coordinated by Professor Mark Hart of Aston Business School in Birmingham and Professor Jonathan Levie of the University of Strathclyde Business School.

[GEM](#) is the largest and most comprehensive study on entrepreneurship globally, collecting data on entrepreneurial activity in more than 60 countries via centrally-coordinated questionnaires. It defines entrepreneurship as any attempt at new business or new venture creation, such as self-employment, a new business organisation, or the expansion of an existing business by an individual or team.

The Aston researchers grouped UK regional entrepreneurship rates over several years to produce more robust, representative samples than individual years alone allow.

Dr Karen Bonner, senior researcher at Aston Business School, said the reasons behind the continuing disparity between male and female entrepreneurship rates were complex:

“On the one hand, we could point to different societal expectations, with women still taking on the bulk of unpaid caring roles and entrepreneurship still stereotyped as a ‘male’ career choice in our wider culture,” she said.

“When asked why they started their business women are significantly more likely to cite ‘greater flexibility for my personal and family life’ and the desire for ‘freedom to adapt my own approach to work’ than men. But despite these differences, and controlling for other factors like sector, age and start-up capital, both men and women display similar levels of ambition when it comes to growing their businesses.

“We also observe a tendency for women generally to be more risk-averse which may make them self-select out of entrepreneurship, particularly in places where there are ‘safer’ employment options that allow them to work more flexibly around caring responsibilities. This would help to explain why places like Northern Ireland and the North East of England, with relatively high proportions of public sector jobs, have low start-up rates for both men and women.”

Mark Hart, Professor of Small Business and Entrepreneurship at Aston Business School, added:

“The regional disparities we observe in male and female start-up rates across the UK are striking. The closing of the ‘enterprise gap’ in the Midlands (West and East), in particular, may be partly explained by internal and international migration patterns. We know from previous GEM research that mobile individuals, who also tend to be university graduates, are much more likely to become entrepreneurs and this appears to fit with the experience in these regions and the growth of places like Birmingham and Leicester as thriving diverse and dynamic cities providing many opportunities for new venture creation.

“At the national level, it’s encouraging that more women are seeing entrepreneurship as a career option and a route to financial independence and that may be a reflection of a more supportive ecosystem and private sector led initiatives to highlight the success of female role models in business.”

Minister for Small Business, Consumers and Corporate Responsibility, Margot James said:

“Supporting innovation and entrepreneurs is a central pillar of this Government’s Industrial Strategy, so it is great to see more women throughout the country engaging in entrepreneurship in Britain.

“The UK remains among the best places in Europe to start a business, but we must continue working to ensure that this positive trend continues. From reducing corporation tax rates to providing £3.4 billion in finance through the British Business Bank, we know small business support is key to building a strong and thriving economy.”

Case studies: Hi-res images available on request

Case study 1: Whisky Gal(ore)



Amy Seton is making her mark in the traditionally male-dominated world of whisky.

With a 10-year career in events marketing under her belt, Amy initially planned to launch her own food and drink events business, but chose to specialise in the ‘water of life’ following huge enthusiasm from customers.

Her company, [The Birmingham Whisky Club](#), is now in its sixth year, with Amy hosting up to 10 tasting events every month and organising the city’s annual Whisky Festival featuring 300 varieties of the golden spirit. The concept has been so successful she’s now expanding to Bristol and has eyes on other UK cities including London.

But despite her extensive knowledge, Amy admits she sometimes found it hard to be taken seriously at first. “People are interested in the idea of a younger woman working in a culturally male world,” said Amy. “But the fact that it’s still a subject to be talked about sits slightly uncomfortably with me. Even after hosting tasting sessions, I will still occasionally get asked ‘do you actually like whisky?’ which I don’t think a man would get.”

Since starting her own firm, Amy has seen other friends embrace entrepreneurship as job security becomes an increasingly outmoded idea. “The way people are seeing work has changed,” she said. “People are more flexible these days and not willing to endure a cultural setting that doesn’t suit them. Companies that are very entrenched will lose people to business.”

She feels the enduring disparity between male and female entrepreneurship rates could be tackled by greater availability of mentoring schemes and start-up finance. “I’m sure I wouldn’t have made half the mistakes and propelled the business more quickly if I’d been able to get advice from people who are older and wiser,” added Amy.

She’s now taking the bull by the horns herself, establishing a lunch club for female business owners in Birmingham to network and share experience with like-minded entrepreneurs from a range of sectors. And being based in the city’s creative hub of Digbeth means she has benefited from being part of a growing cluster of ambitious new firms. Office space in Birmingham is relatively cheap, while the city’s central location means business trips to Leeds, Manchester or London can be easily accomplished in a day.

Her advice to other would-be entrepreneurs is straightforward: “If you have an idea and you’re confident about it, it’s about grit and time and not giving up.”

Case study 2: Selling macaroons to the French



Rosie Ginday’s business [Miss Macaroon](#) is combining sales success with a social mission to help disadvantaged people gain new skills.

The firm is the only one in the UK that can make the mouth-watering almond-flavoured treat in Pantone colours – making them a hit among corporate customers.

Since starting up in 2011, the Birmingham-based entrepreneur has offered intensive work-based training to 26 unemployed people – including ex-offenders, care leavers and victims of domestic violence. Six of them have been taken on as employees, and five have moved on to mainstream employment, while others have found jobs with Rosie’s wider network.

Late last year, 33-year-old Rosie launched her first macaroon and prosecco bar in Birmingham city centre and is now looking at other UK cities. A trained pastry chef with experience at a Michelin-starred restaurant, Rosie is even taking her passion for macaroons back to their French roots – by selling them to customers in Paris and Cannes.

Coming from the “very male dominated” world of top kitchens, Rosie says the split among social enterprises like her business is close to 50/50. She thinks the surge in female entrepreneurship over the past decade is unsurprising.

“With the effects of austerity and wages not growing in line with inflation to cover living costs, people feel they’ve got a better chance doing something by themselves. For me, it was about doing something I’m passionate about and learning new things. As a business owner you’re constantly having to do that and improve.”

Rosie has taken full advantage of new private sector led mentoring schemes for business owners, having won a place on the prestigious [Goldman Sachs 10,000 Small Businesses](#) programme and NatWest’s Entrepreneurial Spark network. Last year, she was named EY Emerging Entrepreneur of the Year for the Midlands.

“Having access to peer and expert mentors is so important, because you can ask them silly questions rather than floundering in the dark trying to search for the right answers,” said Rosie. “And developing a network of like-minded business owners is crucial, because it can be lonely and invariably quite stressful, so it’s good to have people who know what you’re going through.”

Case study 3: Burying fears led to business success



A series of “unsatisfactory” family funerals prompted Carrie Weekes to set up a bespoke funeral service firm with business partner Fran Glover.

Focussing on offering choice, and ensuring people are aware of options such as ‘natural burial’ in peaceful, woodland locations, their firm [A Natural Undertaking](#) aims to make the process of saying goodbye to a loved one a more meaningful and memorable occasion. Dispensing with the ‘Victoriana’ of traditional

ceremonies, Fran and Carrie say their service offers a more personalised and bespoke approach for families coping with a loss.

Fran's background in corporate marketing and Carrie's experience in the social enterprise sector have both proved important for the new venture, now in its third year. "We've aimed to embed the idea of having a positive impact on our environment and a strong sense of social values," said Carrie. "I think we're showing that you don't have to follow that very cut-throat, *Apprentice*-style approach. You can do business differently and still be very successful."

Both in their 40s and with school-aged children, the pair believe juggling a business with the demands of a family can make it hard for some women to take the plunge, especially lone parents. But the increased visibility of female entrepreneurs and the advent of social media making networking and advice more accessible than ever before have helped to level the playing field for female entrepreneurs, they added.

"I think what some women need to understand is that you don't necessarily need loads of money to start up or risk your home in a rash, 'get-rich-quick' approach," said Fran. "It's a process that can be done slowly and sustainably. We got a £10,000 start-up loan which we've now paid back and that was enough to get us going. It's about feeling that it's not a big, scary thing – it's a normal, ordinary thing that people do all the time."

After seeing strong growth over the past year, the pair are now looking to secure new premises in Birmingham so they can continue their expansion and create more jobs.

They've also embraced learning opportunities. Carrie is coming to the end of the [Aston Programme for Small Business Growth](#), a workshop-based course for business owners in the West Midlands. "It's been really helpful in enabling us to focus on the notion that we are a successful business and will continue to be if we think strategically and keep working hard," said Carrie. "In that sense it's been a big confidence boost – it's about taking stock, appreciating what you've done already and seeing what more you can do."

ENDS

Notes to editors

1. Interviews and images

Professor Mark Hart and Dr Karen Bonner of Aston Business School, and the female entrepreneur case studies named above, are all available for interview. Please contact James Tout on 07989 610276 or email james@journalista.co.uk to arrange. Images of case studies and academics also available on request.

2. The Global Entrepreneurship Monitor (GEM)

The Global Entrepreneurship Monitor is the world's foremost study of entrepreneurship. Through a vast, centrally coordinated, internationally executed data collection effort, GEM is able to provide high quality information, comprehensive reports and interesting stories, which greatly enhance understanding of the entrepreneurial phenomenon - but it is more than that. It is also an ever-growing community of believers in the transformative benefits of entrepreneurship. GEM is a trusted resource on entrepreneurship for key international organisations like the United Nations, World Economic Forum, World Bank, and the Organisation for Economic Co-operation and Development (OECD), providing custom datasets, special reports and expert opinion.

3. Metric studied - TEA

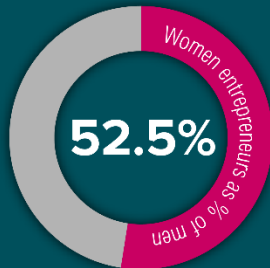
The Aston researchers analysed the most important GEM metric known as TEA (Total Early-stage Entrepreneurial Activity). TEA is a combination of those in the first 3 months of setting up a business (nascent entrepreneurs) and those with a business up to 3 and a half years old (42 months) (new business owners).

4. Infographic

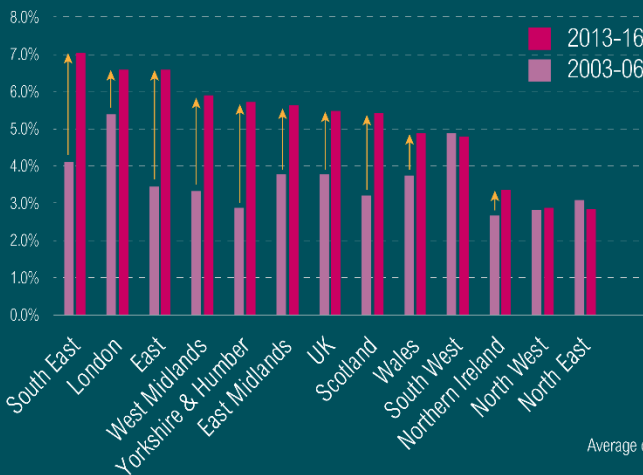
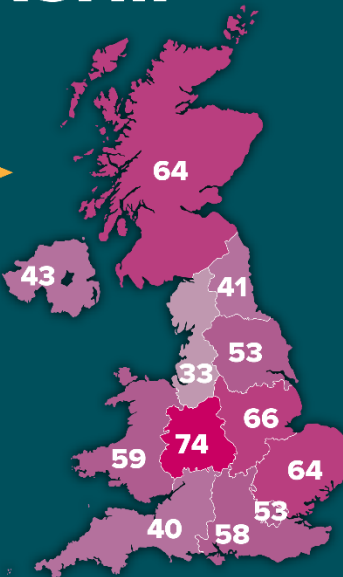
THE GENDER ENTREPRENEURSHIP GAP



UK women are half as likely as men to start a business



But that varies hugely across the country. In the West Midlands, there are 74 female entrepreneurs for every 100 males



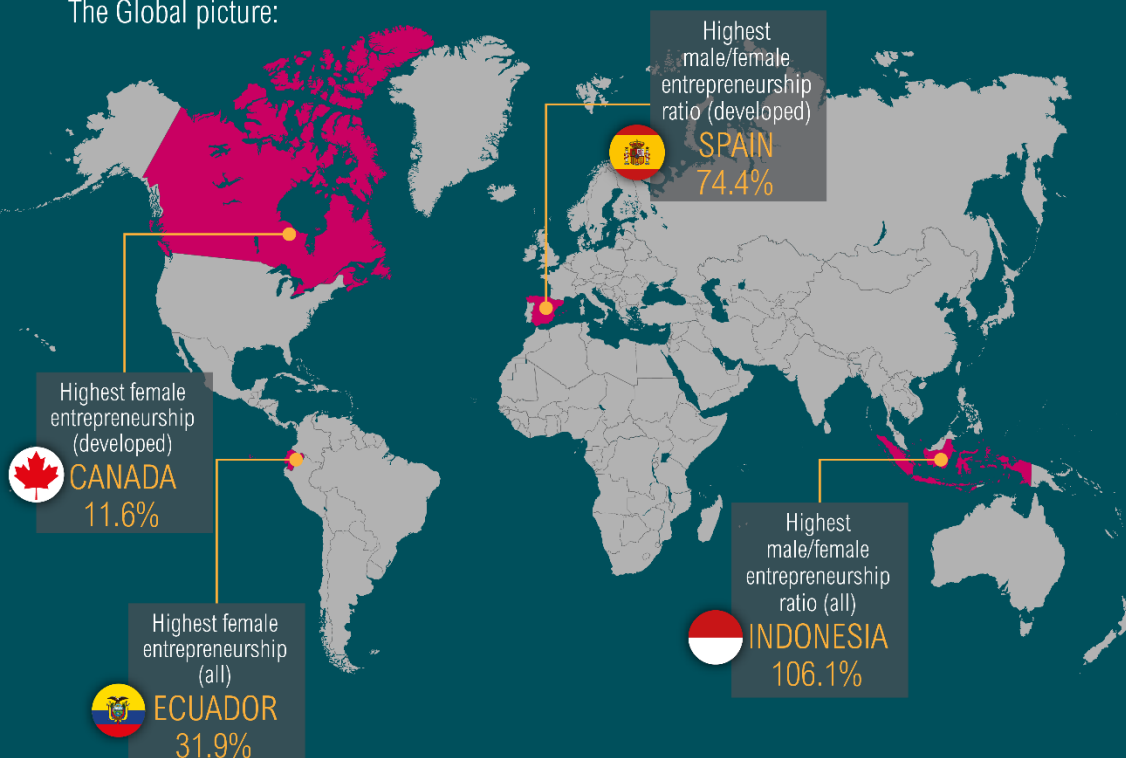
Over the past decade, the proportion of new female entrepreneurs has grown by

45%

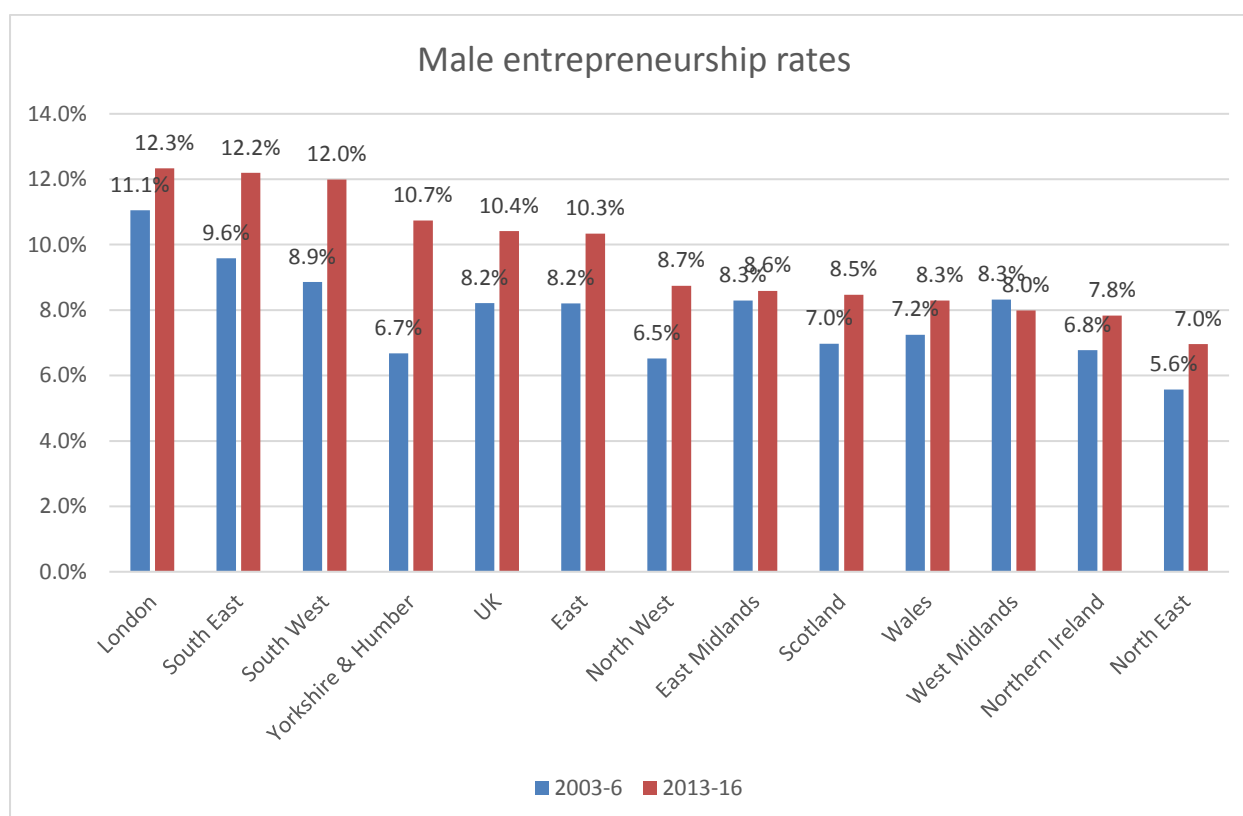
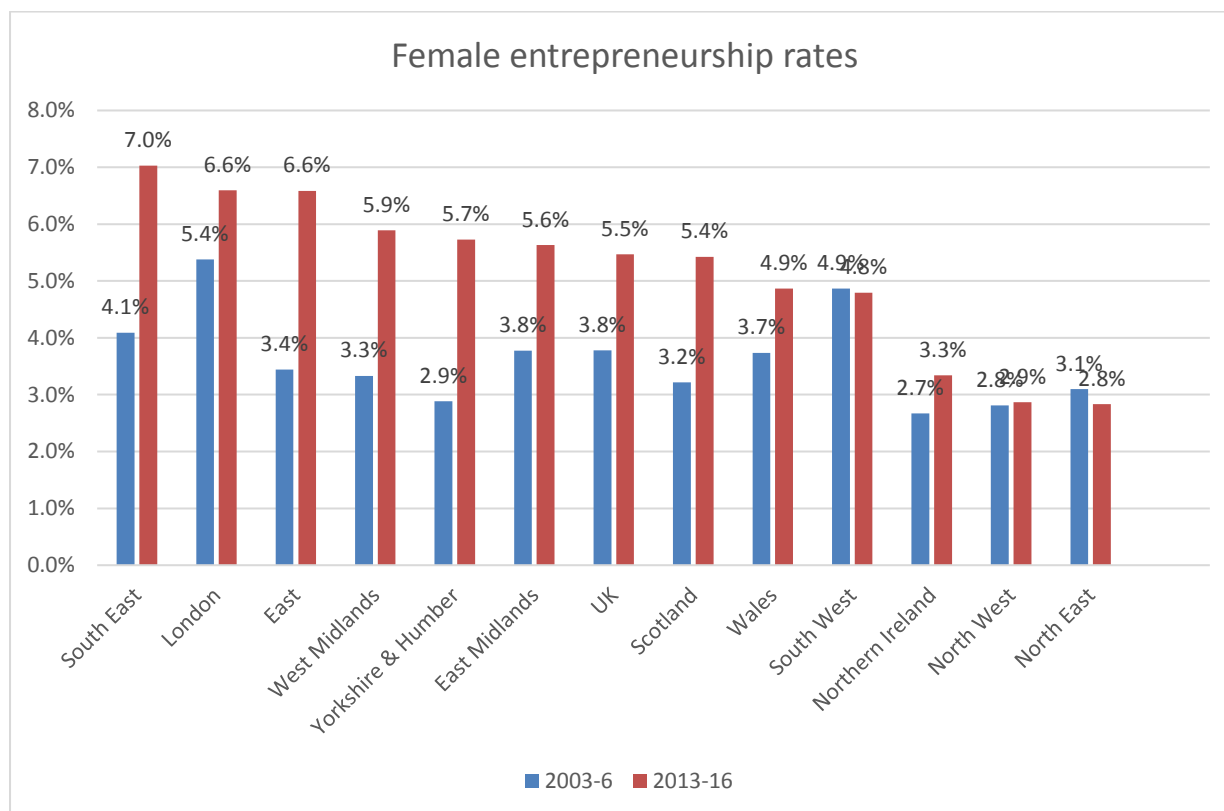
The fastest growth has taken place in the East of England, West Midlands and Yorkshire/Humber

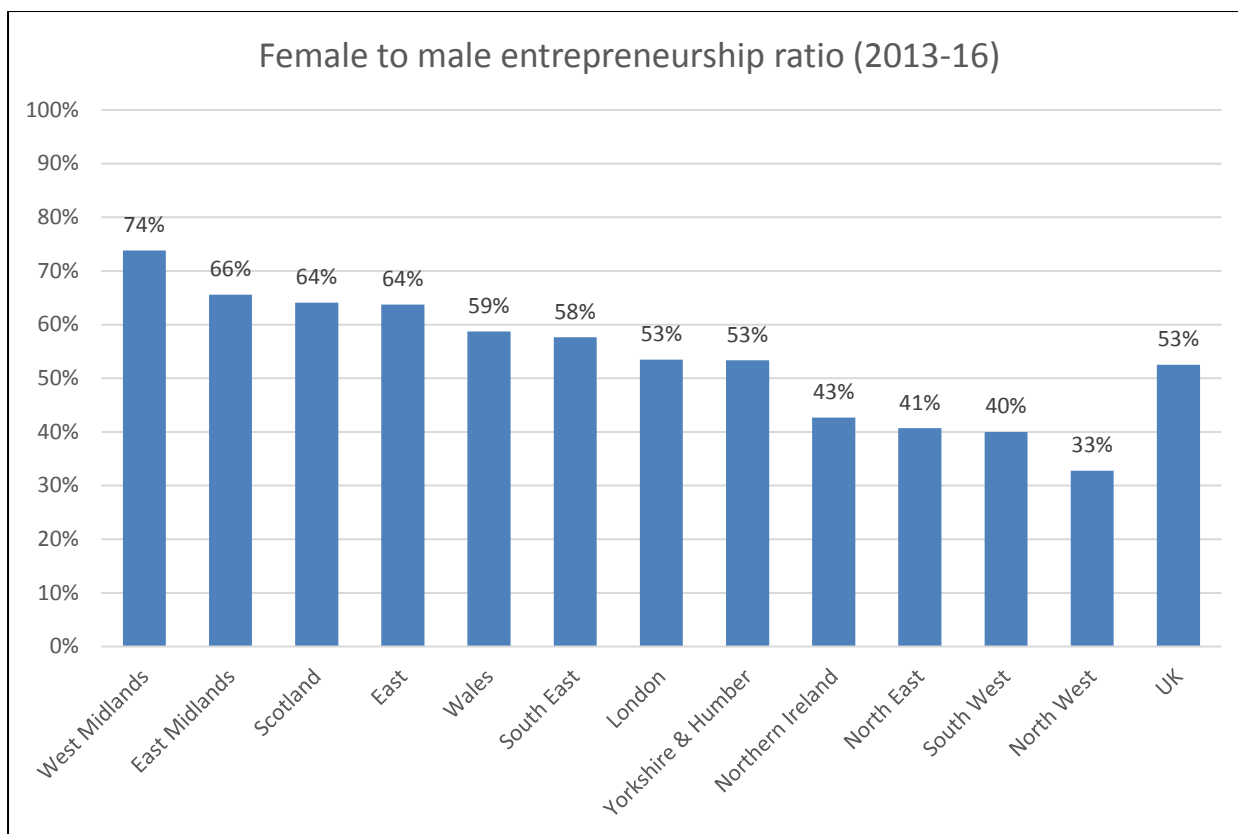
*2013-16, Global Entrepreneurship Monitor (GEM)
Average over multiple years to provide more statistically robust estimates

The Global picture:



Charts (data available on request):





5. About Aston University

Founded in 1895 and a University since 1966, **Aston University** has been always been a force for change. For more than 50 years the University has been transforming lives through pioneering research, innovative teaching and graduate employability success. Aston is renowned for its opportunity enabler through broad access and inspiring academics, providing education that is applied and has real impact on all areas of society, business and industry.

Further data available upon request. For more information, call James Tout on 07989 610 276 or email james@journalista.co.uk.