

## Chapter 5

# Location of entrepreneurship activities

*This chapter presents evidence on the proportion of entrepreneurs that operate from their home, a separate premise, a mobile business or other location across different stages of business start-up activity. Evidence on location of business activity is presented by gender and age.*

## Location of entrepreneurship activities

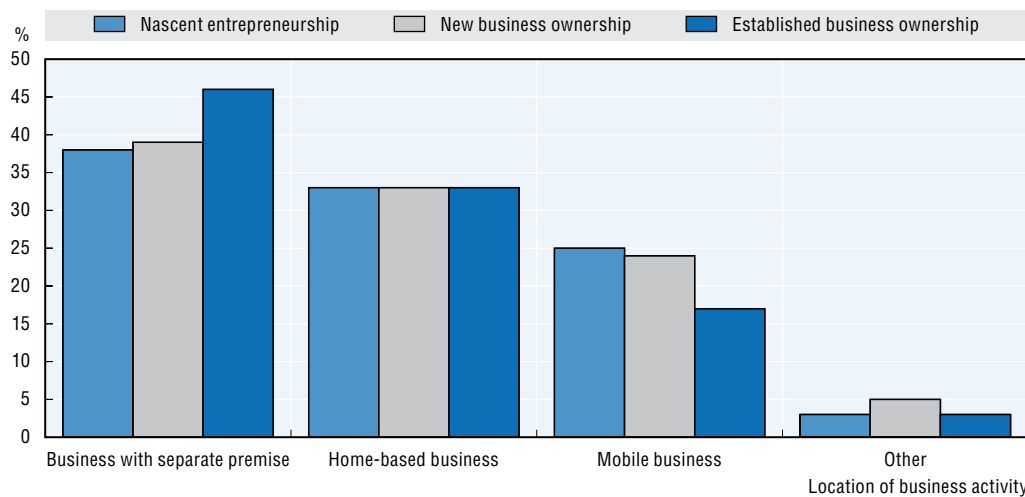
- In 2012, nearly half of businesses in the EU operated from a fixed location that was not the business owner's home.
- Approximately one-third of established businesses operated out of the business owner's home and another 17% were mobile businesses.
- Women and people over 40 years old were more likely to have home-based businesses.
- Start-up and new business activities were as likely as established businesses to be home-based, but less likely to be based in a separate premise.
- Nearly one quarter of start-up and new business activities were mobile activities, without a fixed location.

In 2012, approximately 46% of established businesses in the EU operated from a fixed location outside of the business owner's home (Figure 5.1). Established businesses are those that have paid salaries, wages or other payments to the owner for more than 42 months. Approximately one-third of established businesses operated out of the business owner's home and another 17% were mobile businesses. This includes businesses that operated out of a vehicle such as a food stand or business that conducted their business activities at the client's location. A small proportion of established businesses, approximately 3% had an "other" location which would include mostly businesses that only have an online presence.

However, this picture of the location of business activities changes when examining start-up activities and newly created businesses. Nascent entrepreneurship activities, defined as setting up a business that has not yet paid salaries, wages or any other payments to the owners for more than three months, were less likely to be undertaken in a separate premise. This means that only 38% of nascent entrepreneurship activities had a fixed location outside of the owner's home. One-third of nascent activities were based in the business owner's home while one-quarter had no fixed location.


The location of new business start-up activities, defined as businesses that have paid salaries, wages or any other payments to the owners for more than three months but not more than 42 months, was virtually the same as the location of nascent activities. New business activities were no more likely to have their own fixed location than nascent activities. Similarly, they were equally as likely to be home-based as nascent entrepreneurship activities.

Figure 5.1. Location of entrepreneurship activities in the EU, 2012



Note: Countries included in the EU total are: Austria, Belgium, Croatia, Denmark, Estonia, Finland, Germany, Greece, Hungary, Ireland, Italy, Latvia, Netherlands, Poland, Romania, Slovak Republic, Slovenia, Spain, Sweden and the United Kingdom.

Source: Special tabulations of the 2012 adult population survey of the Global Entrepreneurship Monitor.

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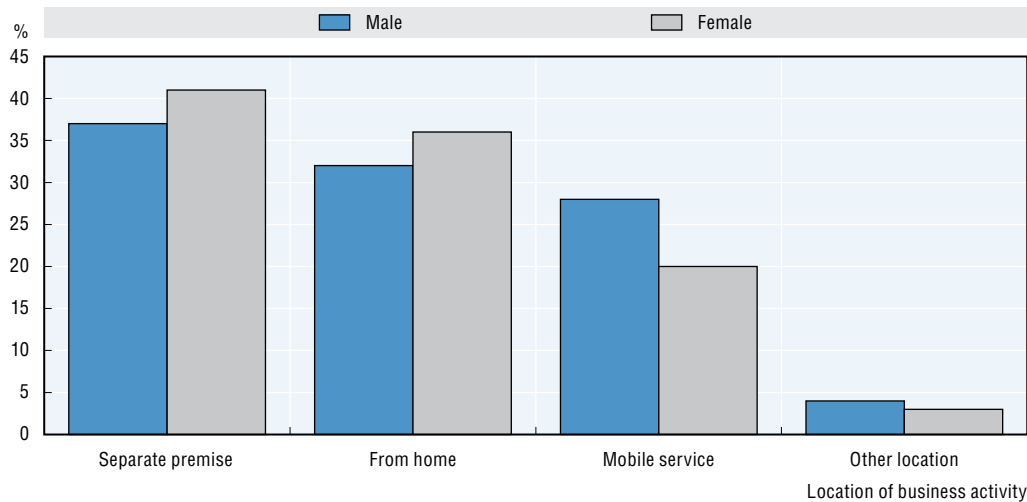
## Location of early stage entrepreneurship activities by gender and age

- In 2012, women were more likely than men to base their early stage entrepreneurial activities in a separate premise or their home. However, men were more likely to have mobile early stage entrepreneurial activities.
- People over 40 were more likely to have home-based early stage entrepreneurial activities than those under 40, who were more likely to be based in a separate premise or mobile activities.

Figure 5.2 presents the location of total early stage entrepreneurial activities rate by gender for 2012. This rate represents the proportion of the population involved in nascent entrepreneurship activities and those who have started a new business within the last 42 months. Women were slightly more likely than men to undertake their start-up and new business activities in a separate fixed location (41% vs. 37%) and in their homes (36% vs. 32%). However, they were less likely to have mobile business operations (20% vs. 28%).

The location of total early stage entrepreneurial activities in 2012 is presented by age in Figure 5.3. There is very little difference in the location of early stage entrepreneurial activities between those who were under the age of 30 and for those between the ages of 30 and 39. Approximately 40% were based in a fixed premise outside of the owner's home and approximately 30% were based in the owner's home. Approximately 27% of early stage activities were mobile for those under 30 years old and 29% for those between the ages of 30 and 39.

Figure 5.2. **Location of early stage entrepreneurship activities for men and women in the EU, 2012**



Notes: 1. Countries included in the EU total are: Austria, Belgium, Croatia, Denmark, Estonia, Finland, Germany, Greece, Hungary, Ireland, Italy, Latvia, Netherlands, Poland, Romania, Slovak Republic, Slovenia, Spain, Sweden and the United Kingdom. 2. This figure presents early stage entrepreneurship activities which are defined as the proportion of the population that is actively involved in setting up a business they will own or co-own and those who have started new business within the last 42 months.

Source: Special tabulations of the 2012 adult population survey of the Global Entrepreneurship Monitor.


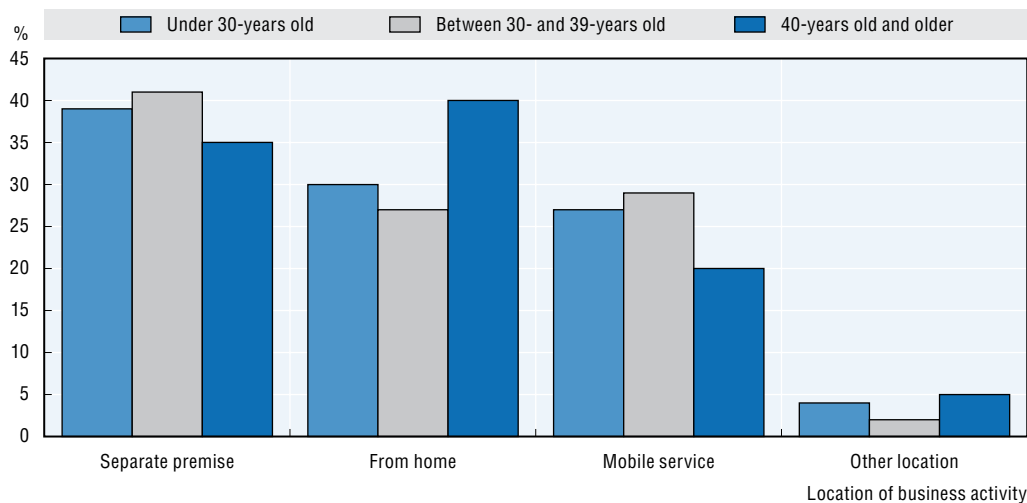
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Figure 5.3. **Location of early stage entrepreneurship activities by age in the EU, 2012**



Notes: 1. Countries included in the EU total are: Austria, Belgium, Croatia, Denmark, Estonia, Finland, Germany, Greece, Hungary, Ireland, Italy, Latvia, Netherlands, Poland, Romania, Slovak Republic, Slovenia, Spain, Sweden and the United Kingdom. 2. This figure presents early stage entrepreneurship activities which are defined as the proportion of the population that is actively involved in setting up a business they will own or co-own and those who have started new business within the last 42 months.

Source: Special tabulations of the 2012 adult population survey of the Global Entrepreneurship Monitor.

StatLink  <http://dx.doi.org/10.1787/888933154630>

However, those over 40 years old were more likely to base their early stage entrepreneurial activities in their home. Nearly 40% of these activities were home-based. Further, this age group was less likely than young people to have mobile early stage entrepreneurial activities (20% vs. 27% for those under 30 years old and 29% for those aged 30 to 39).

**Reference**

Global Entrepreneurship Monitor (2013), Special tabulations of the 2012 Global Entrepreneurship Monitor adult population survey.





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