

Report: Lower income women more likely to pursue entrepreneurship

While women constitute around half of the global population, their contribution to global GDP is only 37%. Encouraging more women to pursue entrepreneurship is not only crucial for fostering economic fairness but could also lead to overall global economic development.



Source: www.unsplash.com

The [Global Entrepreneurship Monitor \(GEM\) 2022/23 Women's Entrepreneurship Report](#) surveyed 175,000 people in 49 countries, uncovering six significant global trends among female entrepreneurs. Understanding and addressing these trends can open up opportunities for aspiring women entrepreneurs, potentially yielding economic benefits at local, regional, and global levels.

Here are the six main points from the report:

1. Women in low-income countries show higher propensity for entrepreneurial ambitions

Women in low-income countries exhibit the [highest entrepreneurial intentions](#) at 28.2%, contrasting with their counterparts in high-income countries who are less inclined to start a business, with only 11% expressing such intentions.

Notably, women from Africa, Latin America the Caribbean, as well as the Middle East take the lead globally, with one in three women in these regions expressing interest in business.

2. Notable increase in high-growth entrepreneurship among women

According to the report women are challenging stereotypes that portray them as disadvantaged in business leadership by building successful and innovative ventures. Women are leading in the innovation entrepreneurship arena in Togo (58.7%), Indonesia (55.3%), Romania (54.5%), Colombia (53.3%) and Iran (52%).

3. Younger women are leading the charge

Younger women are more likely to be entrepreneurs, especially in low income countries. Youth entrepreneurship among women thrives, especially in North America, the Middle East, and Africa.

4.The primary motivation for entrepreneurship among women is job scarcity

Nearly three in four women (72.9%) attribute job scarcity as the main reason for starting their businesses, exceeding the approximately two-thirds of men (67.2%) with similar motivations. In Latin America and the Caribbean, this trend is most pronounced among women, with a rate of 82.2%.

5.Women 'solopreneurs' on the rise

Worldwide, women are more inclined than men to embark on solo ventures when establishing a business, especially in Latin America and the Caribbean (44.5%) and Europe (39.3%).

6. Higher rate of business exits than entries among female entrepreneurs

In 2022, more women in middle and low-income countries exited entrepreneurship than started a business. The high exit-to-entry rates among women indicate the often volatile economic contexts in these regions, where establishing a stable business can be particularly challenging.

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