

## The State of Entrepreneurship in Thailand 2023

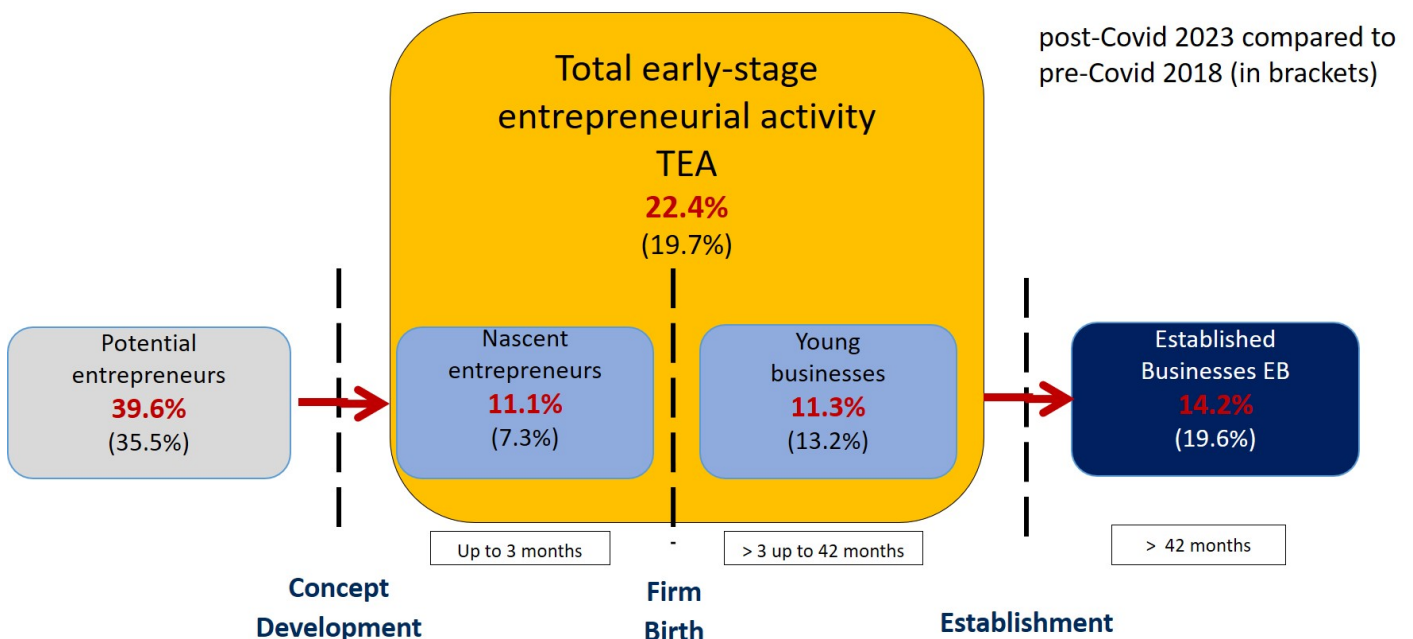
### ภาพรวมสถานการณ์ความเป็นผู้ประกอบการของประเทศไทย ประจำปี พ.ศ. 2566

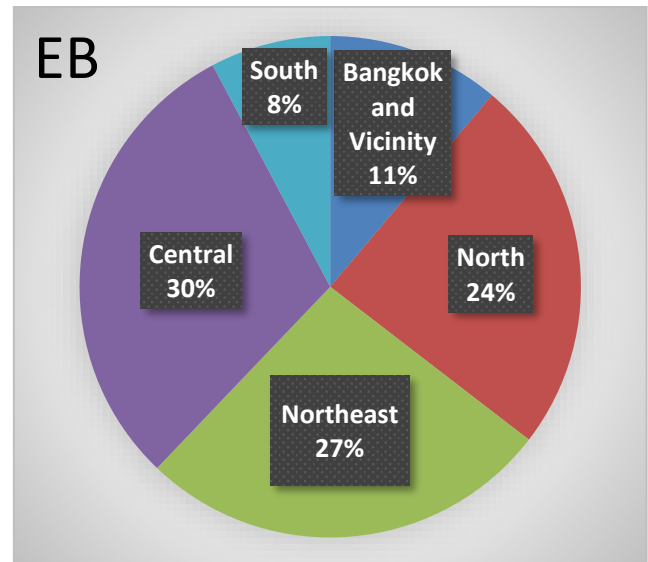
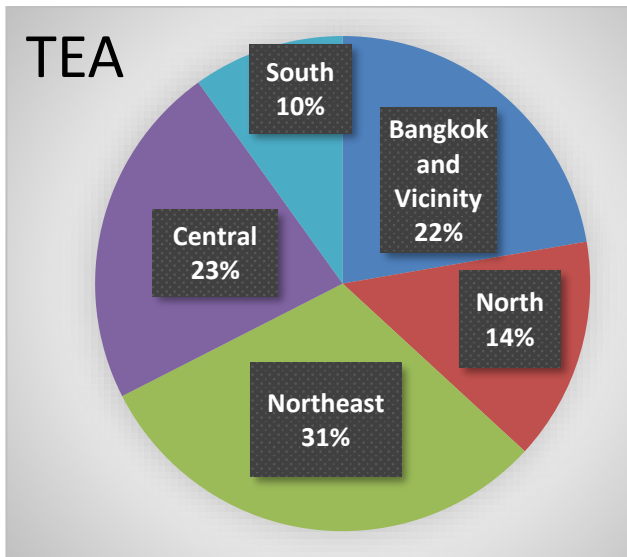
The Global Entrepreneurship Monitor (GEM) is a collaborative effort of research teams in more than 100 economies across the globe to study entrepreneurial phenomena worldwide. GEM partners with various international organizations to help leverage its publicly available knowledge, in order to equip policy makers with information that helps them to stimulate entrepreneurship for a better world.

The 2023 GEM-OSMEP Report "Entrepreneurship in Thailand" offers an in-depth overview on the status quo of entrepreneurship in Thailand. It covers entrepreneurship and -in a comparison to other Asian countries, European countries and the United States- the entrepreneurial ecosystem to gain in-depth knowledge to develop informed initiatives and policy recommendations for the future development of Thai entrepreneurship. The findings are directed at supporting entrepreneurs with an emphasis on catalyzing innovation; creating better access to finance; empowering entrepreneurs to (1) develop an enhanced skill set and (2) promoting quality entrepreneurship in the region and (3) enhance both the awareness for entrepreneurs as the scope of their enterprises.

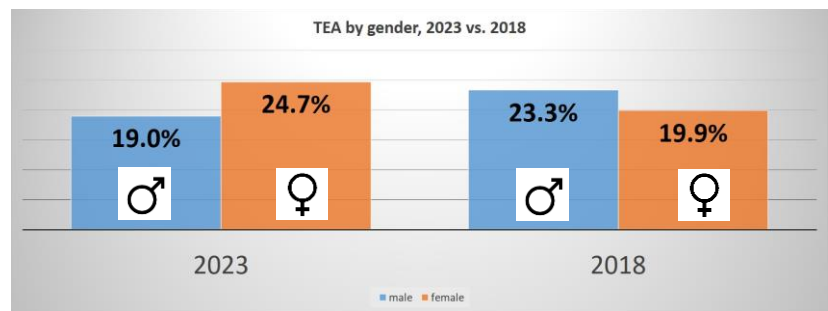
Thailand has a high number of entrepreneurial activity with more than a third of the adult population (36.4%) being involved in entrepreneurship, either currently starting a business (11.1%, up to 3 months) or as young businesses (11.3% between 3 and 42 months) or as established businesses (14.2%, >42 months). Thailand's Northeastern region is the start-up hub in Thailand, where total early-stage entrepreneurial activity accounts for 31% of the adult population, and the Central region is the hub of activity for established businesses (30%).

A comparison of the years 2018 (pre-Covid) and 2023 (post-Covid) reveal some significant changes. Overall, total early-stage entrepreneurial activity (TEA) has increased by 13.7% to 22.4%, highest level in Thailand and same as in 2014 (22.4%). Post-Covid, Thailand's entrepreneurial pipeline sees an increase in potential entrepreneurs and actual start-ups, compensating for the loss of established businesses during the pandemic, who drastically declined by 27.5% to the lowest number measured in Thailand (14.2%) from pre- to post-Covid. However, the increase in both potential entrepreneurs and start-ups will eventually lead to an increase in established businesses, once these enterprises will be older than 42 months or 3.5 years.





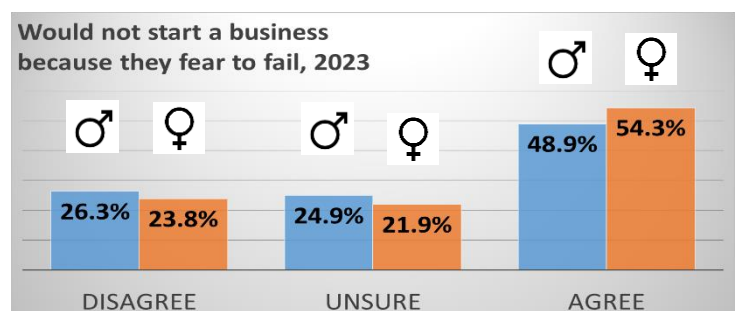
TEA by gender shows a female to male ratio of 1.3, meaning 13 women start businesses compared to 10 men. This is not only a significant increase in women's participation in start-up activities in Thailand, but also one of the highest globally, where the average female to male ratio in 2022 was 0.79.



### Key Findings for Thai TEA in 2023:

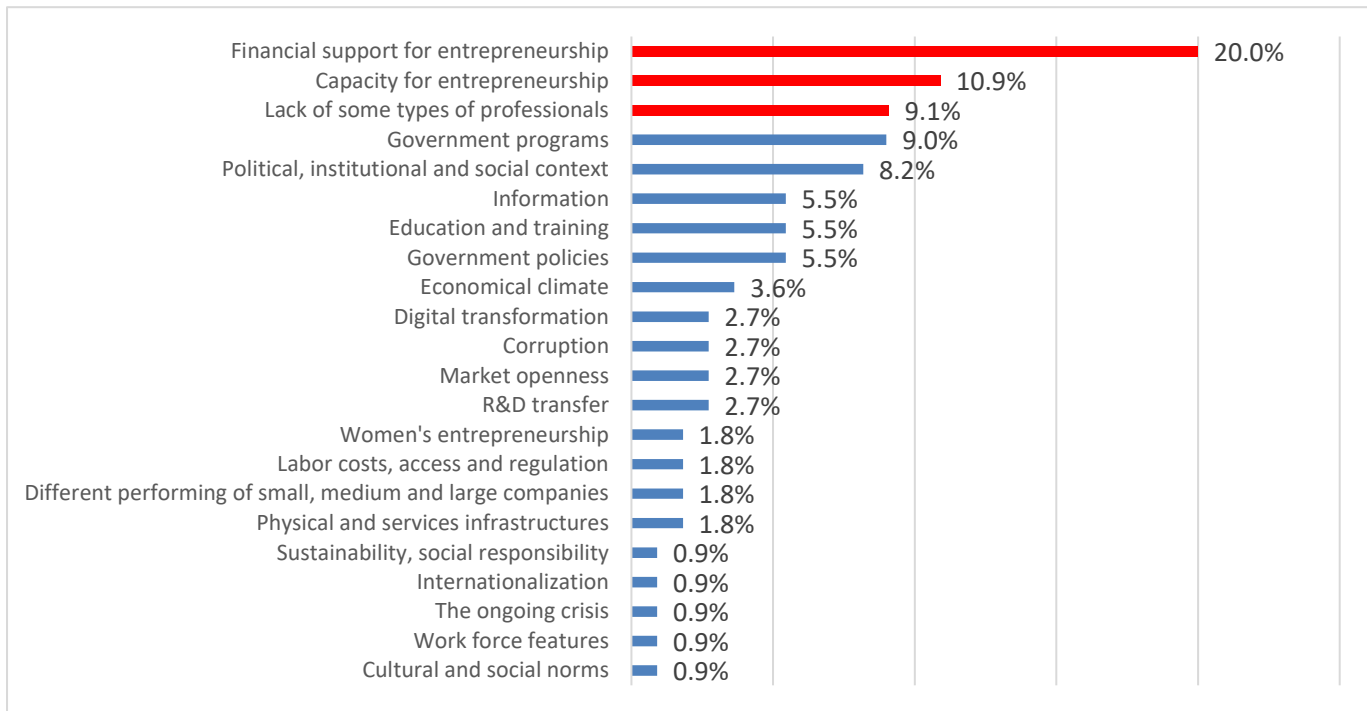
- A trend away from sole entrepreneurship: 43.2% co-started a business with at least one co-founder and 36.0% with two co-founders.
- Primary revenue stems from the domestic market for 76.4% of all TEA entrepreneurs.
- Products / services have a low level of innovation: 69.1% offer no new products or services to customers.
- No novelty level of production technologies or processes: 66.4% use no new technologies and processes.
- Sole entrepreneurs with a tendency to hire employees in the next 5 years: 24.8% are sole entrepreneurs. 15.6% of all entrepreneurs do not intend to hire employees, 36.8% want to add between 1 and 5 employees, 20.8% plan 10 and 22.7% plan more than 10 new employees.
- Starting a business has become more challenging than in the previous year: 33.2% find it easier, 19.4% perceive it as challenging as the previous year, but 47.4% state that it has become harder or much harder than in the previous year.
- A more optimistic outlook for business growth than in the previous year: TEA business growth expectations increased slightly for 45.9% and increased significantly for 26.9%.

48.9% of the Thai adult population would not start a business because they fear to fail compared to 54.3% of the women. Around a quarter of both genders are not sure if they would start a business for this reason, whereas the last quarter wouldn't be hindered by fear of failure. Compared to 2018, where it was a yes/no question, 63.6% of women and 56.3% of men feared to fail.



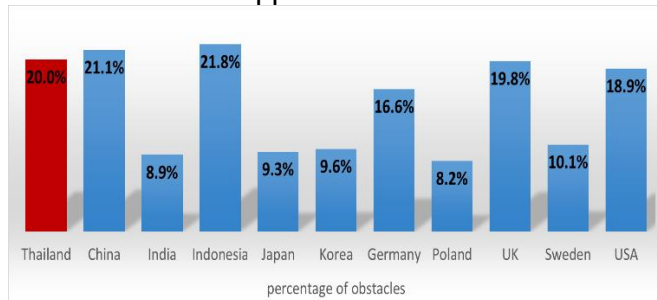
## National Expert Survey (NES): The Entrepreneurial Ecosystem การสัมภาษณ์เชิงลึกผู้เชี่ยวชาญในประเทศไทย (NES): ระบบนิเวศแห่งความเป็นผู้ประกอบการ

### Hindering Factors for Entrepreneurship in Thailand, 2023

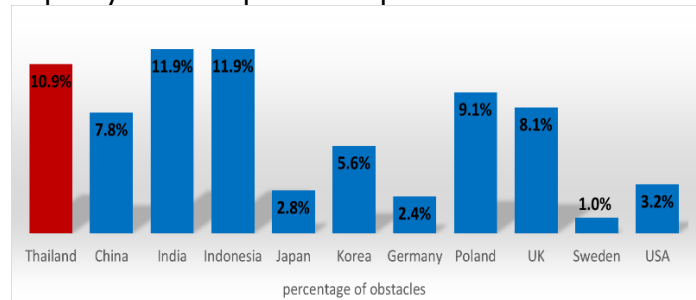


### Top 2 hindering factors in a country comparison

Hindering factor No.1:  
Lack of financial support



Hindering factor No.2:  
Capacity for entrepreneurship



### Hindering factor No. 3: Lack of certain types of professionals

#### Potential solutions:

**For the government:** to revamp the education and training system to align with industry and economic demands.

#### For business owners:

to employ innovative methods to attract and retain quality employees, such as

- offering competitive compensation,
- fostering a positive working environment, and
- providing opportunities for skills development and career advancement

#### For schools and universities:

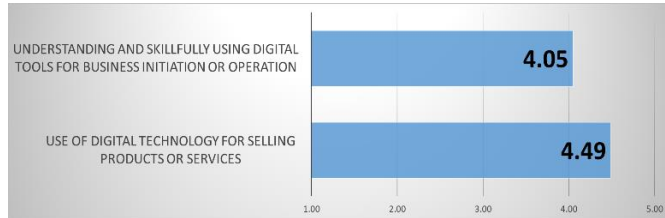
to necessitate a reconsideration of education and training curriculums to develop professional labor, by designing education and training plans that focus on these specific skill sets and adapt to economic and technological changes.



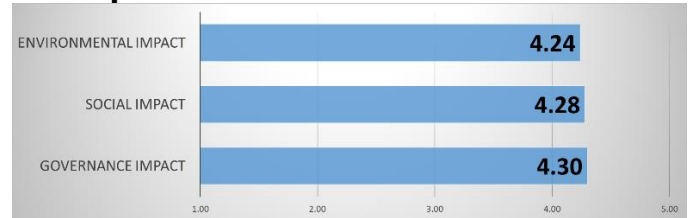
## Special Topic Report: ผู้ประกอบการรุ่นใหม่ (Youth Entrepreneurs)

Self-assessment of Thai youth entrepreneurs towards starting a new business, sustainable entrepreneurship, and the use of digital tools for initiating or conducting business

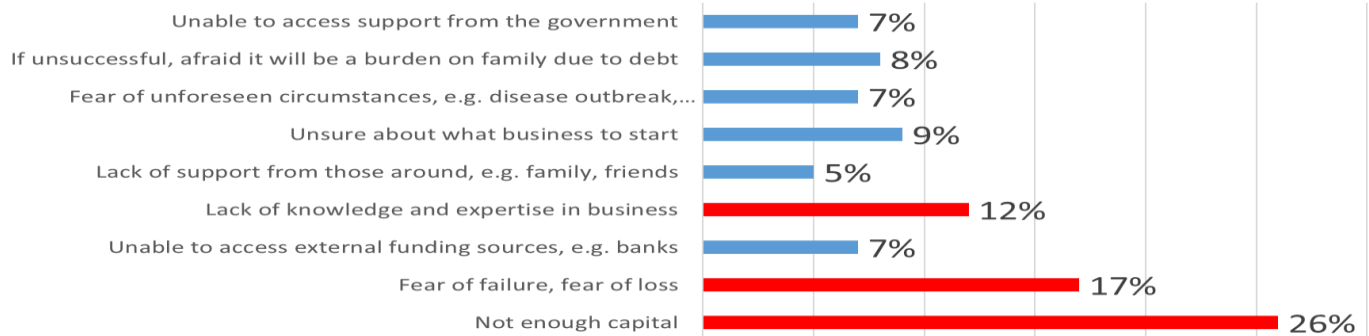
### The use of digital tools



### Importance of the sustainable organizational development



### Reasons, why youth are hesitant to start a business in Thailand



### Policy recommendations to enhance youth entrepreneurship in Thailand

- (1) Education and Training: Develop training programs and seminars to enhance digital skills, teach essential tools and methods of online business. This will provide new-generation entrepreneurs with knowledge and confidence in using digital technologies.
- (2) Technical Support and Services: Establish support centers offering technology consultation and support, enabling youth entrepreneurs to adapt and effectively use technology.
- (3) Education Scholarships and Financial Support: Allocate funds or support investments in digital education and training, and help start-ups to enter the digital sphere.
- (4) Networking: Promote networking between youth entrepreneurs and tech experts, facilitating knowledge sharing and collaboration.
- (5) Education System Enhancement: Incorporate digital business content into the general school and university curricula and introduce related elective courses to prepare students and interested individuals.
- (6) Promotion and Campaigning: Highlight and promote the significance of digital technology in businesses through various media channels.

