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GLOBAL ENTREPRENEURSHIP MONITOR

GEM Thailand – 2011 National Report

GLOBAL ENTREPRENEURSHIP MONITOR

GEM Thailand – 2011 National Report

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Introduction

The Global Entrepreneurship Monitor (GEM) is a research consortium collaboratively founded by London Business School and Babson College, USA. The GEM research project is an annual assessment of entrepreneurial activity, attitudes and attributes of individuals across a wide range of countries. The project aims to (1) measure differences in the level of entrepreneurial activity between countries, (2) uncover factors leading to appropriate levels of entrepreneurship, and (3) suggest policies that may enhance the national level of entrepreneurial activity (the GEM Massachusetts 2010 Report). It commenced in 1997 and the first study covered 10 countries. Thereafter, the number of participating countries has been growing continuously. In 2011, the GEM research covered 54 economies of diverse socioeconomic backgrounds and development levels (the GEM 2011 Global Report).

The annual survey is conducted to capture the profiles of the entrepreneurs worldwide. The data is based on two main data sources, namely, Adult Population Survey (APS) and National Expert Survey (NES). The APS is conducted by interviewing the representative sample adults of 18-99 years of age for some countries and 18-64 years of age for the others. The Thai APS sampling follows the latter methodology because the group of adults aging 18-64 years can better reflect the characteristics of the Thai entrepreneurs. The results from APS represent the attitudes of the entrepreneurs and their activities nationwide. The NES is carried out via in-depth interviews with the experts in particular areas of specialization, for instance, financing, education, R&D transfer and infrastructure. Its results help identify the fostering and constraining factors in relation to the development of entrepreneurship in the countries. The research methodology is standardized and approved by the Global Entrepreneurship Research Association (GERA) each year prior to the survey. Therefore, the research results can be compared across the participating countries. In 2011, GERA selected Employee Entrepreneurial Activity (EEA) as a special topic for the 2011 GEM Report. With the information from APS and NES, the policy recommendations with regard to promoting entrepreneurship and its growth strategies are formulated for each individual country.

The Global Entrepreneurship Monitor (GEM) project for Thailand was formerly operated by Mahidol University in 2005. However, the project lasted until 2007 and the only GEM Reports for Thailand were from 2005-2007. Subsequently, the Thailand GEM project was reactivated by Bangkok University in 2011.

In the GEM 2011 Thailand Report, the representative sample totaled 2,000 adults for APS and 36 samples for the NES. The APS samples were randomly selected across all regions in the country, namely, the North, the Northeast, the East, the Central and the South. The stratification of 2011 Thailand APS sample was depicted in Figure 1. The data in Figure 1 showed that the APS sample was stratified in both urban and rural areas. The national team conducted APS by face-to-face interviews in urban areas whereas the survey through telephone (fixed line) interviews was used in rural areas. Each region's sampling frame is proportional to the actual population in both urban and rural areas. The Thai NES samples covered 36 experts from different age groups and various areas of specialization according to the GEM criteria.

Figure 1: Stratification of the 2011 Thailand APS Sample

Area	Urban	Rural	Total Respondents
Greater Bangkok (BKK, Nonthaburi, Samutprakarn, Patumthani)	400	-	400
Central*	252	151	403
North	211	127	338
Northeast	387	232	619
South	150	90	240
Total	1,400	600	2,000

Source: GEM 2011 Thailand Adult Population Survey.

Note : * The Central covers the areas in the west, the east and the central part of Thailand excluding the greater Bangkok.

Entrepreneurial Activity

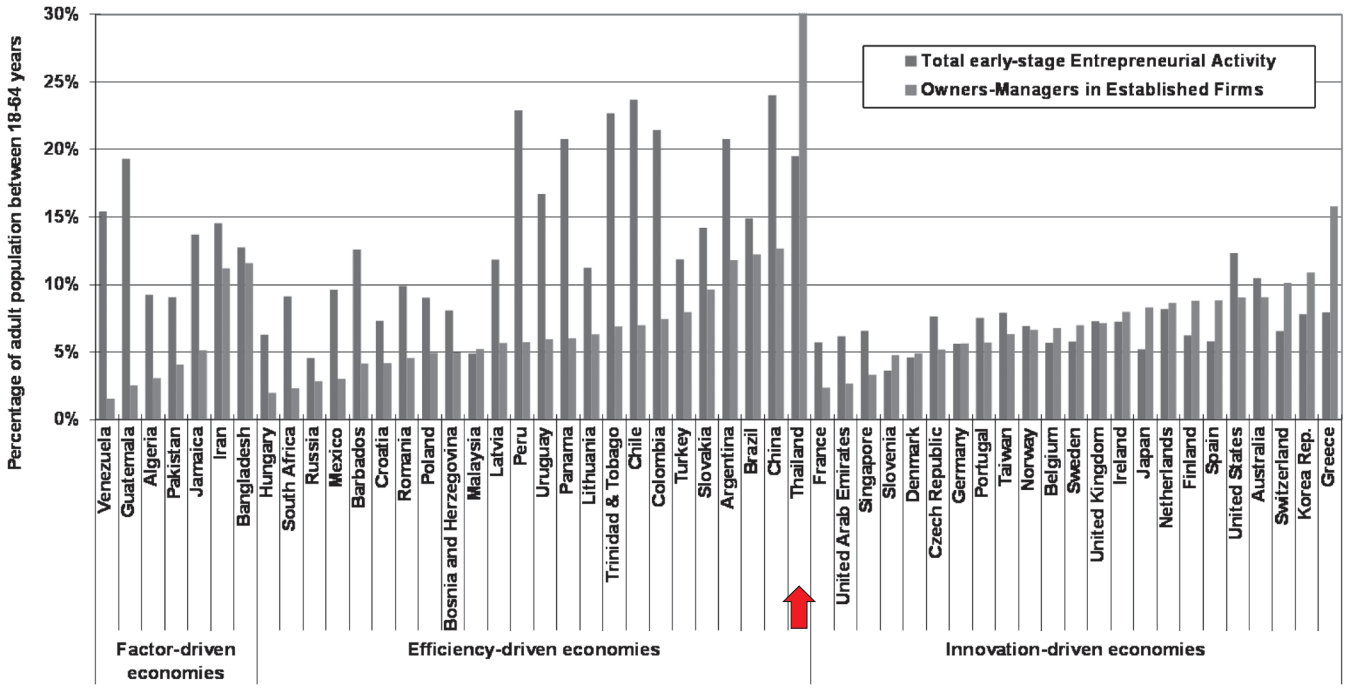
Total Entrepreneurial Activity (TEA) and Established Business Ownership (EST): International Comparison

The GEM 2011 Thailand Report provided the investigation of the entrepreneurial activity in Thailand with a number of policy recommendations to enhance entrepreneurship in the country. Comparison study was carried out in a few areas where data was available. Figure 2 revealed the comparison of established business ownership (EST) and TEA[1] rates in 54 economies in 2011. On average, the countries in factor-driven economies and efficiency-driven economies showed higher TEA rates relative to established business ownership. The figure also showed that in 2011 the group of efficiency-driven economies had the highest average TEA rates among all three groups of economies (14 percent). The average TEA rate for the group of factor-driven economies was approximately 13 percent while that of innovation-driven economies was 7 percent. Based on the classification of the World Economic Forum 2011,[2] Thailand is categorized in the group of efficiency-driven economies. Thailand's EST was the highest among the 54 observed economies in 2011 (30.1 percent). In addition, Thailand was one among very few countries which exhibited exceptionally high established business ownership (30.1 percent) and a high TEA rate (19.5 percent).

1 Total early-stage entrepreneurial activity (TEA) is composed of nascent and new entrepreneurs. Nascent activity is defined as entrepreneurs who are in the first three months of running business. New business owners are former nascent entrepreneurs; they have been in business more than three months, but less than three and a half years.

2 The definition of three stages of development in GEM 2011 Extended Report is in line with Porter's typology in Porter, et al. (2002). Factor-driven economies are the economies based on subsistence agricultural activities and extraction of natural resources. Efficiency-driven economies are the economies based on industrialization and economies of scale. Large firms dominate the market but supply chain niches open up for small and medium enterprises. Innovation-driven economies, on the other hand, are propelled by R&D, knowledge intensity sectors, and expanding service sectors.

Figure 2: Comparison of Established Business Ownership and TEA Rates for 54 Economies, Organized by Established Business Ownership Rate within Economic Development Levels, 2011



Source: GEM 2011 Adult Population Survey.

Figure 3: Entrepreneurial Activity in 54 Economies by Phase of Economic Development, 2011

	Nascent Entrepreneur-ship Rate	New Business Ownership Rate	Early-stage Entrepreneurial Activity (TEA)	Established Business Ownership Rate (EST)	Discontinuation of Businesses	Necessity-Driven (% of TEA)	Improvement-Driven Opportunity (% of TEA)
Factor-Driven Economies							
Algeria	5.3	4.0	9.3	3.1	9.5	37	46
Bangladesh	7.1	7.1	12.8	11.6	2.5	27	50
Guatemala	11.8	9.1	19.3	2.5	3.8	33	33
Iran	10.8	3.9	14.5	11.2	6.4	53	32
Jamaica	9.0	5.0	13.7	5.1	12.7	33	40
Pakistan	7.5	1.7	9.1	4.1	1.6	47	25
Venezuela	13.1	2.6	15.4	1.6	3.2	29	43
average (unweighted)	*9.2*	*4.8*	*13.4*	*5.6*	*5.7*	*37*	*38*
Efficiency-Driven Economies							
Argentina	11.8	9.2	20.8	11.8	4.3	33	45
Barbados	10.8	1.8	12.6	4.2	5.5	5	58
Bosnia and Herzegovina	5.4	2.8	8.1	5.0	6.7	61	22

	Nascent Entrepreneur-ship Rate	New Business Ownership Rate	Early-stage Entrepreneurial Activity (TEA)	Established Business Ownership Rate (EST)	Discontinuation of Businesses	Necessity-Driven (% of TEA)	Improvement-Driven Opportunity (% of TEA)
Brazil	4.1	11.0	14.9	12.2	3.8	31	45
Chile	14.6	9.6	23.7	7.0	6.8	27	54
China	10.1	14.2	24.0	12.7	5.3	41	29
Colombia	15.2	6.7	21.4	7.5	6.0	25	30
Croatia	5.3	2.1	7.3	4.2	3.6	35	31
Hungary	4.8	1.6	6.3	2.0	2.3	31	29
Latvia	6.8	5.3	11.9	5.7	3.0	26	46
Lithuania	6.4	5.0	11.3	6.3	2.9	28	47
Malaysia	2.5	2.5	4.9	5.2	2.6	10	72
Mexico	5.7	4.0	9.6	3.0	5.0	19	55
Panama	12.0	9.1	20.8	6.0	2.1	27	40
Peru	17.9	5.4	22.9	5.7	5.1	22	52
Poland	6.0	3.1	9.0	5.0	4.2	48	32
Romania	5.6	4.5	9.9	4.6	3.9	41	34
Russia	2.4	2.3	4.6	2.8	1.5	27	42
Slovakia	9.2	5.3	14.2	9.6	7.0	28	34
South Africa	5.2	4.0	9.1	2.3	5.6	35	39
THAILAND	8.3	12.2	19.5	30.1	4.5	19	67
Trinidad & Tobago	13.9	9.3	22.7	6.9	3.9	15	44
Turkey	6.3	6.0	11.9	8.0	3.9	32	45
Uruguay	11.0	6.0	16.7	5.9	4.3	11	10
average (unweighted)	*8.4*	*5.9*	*14.1*	*7.2*	*4.3*	*28*	*42*
Innovation-Driven Economies							
Australia	6.0	4.7	10.5	9.1	4.3	15	73
Belgium	2.7	3.0	5.7	6.8	1.4	10	72
Czech Republic	5.1	2.7	7.6	5.2	2.7	27	57
Denmark	3.1	1.6	4.6	4.9	2.3	7	64
Finland	3.0	3.3	6.3	8.8	2.0	18	59
France	4.1	1.7	5.7	2.4	2.2	15	71
Germany	3.4	2.4	5.6	5.6	1.8	19	55
Greece	4.4	3.7	8.0	15.8	3.0	25	37
Ireland	4.3	3.1	7.2	8.0	3.4	29	37
Japan	3.3	2.0	5.2	8.3	0.7	25	64
Korea Rep.	2.9	5.1	7.8	10.9	3.2	41	36
Netherlands	4.3	4.1	8.2	8.7	2.0	9	62
Norway	3.7	3.3	6.9	6.6	2.5	4	70
Portugal	4.6	3.0	7.5	5.7	2.9	18	58

	Nascent Entrepreneur-ship Rate	New Business Ownership Rate	Early-stage Entrepreneurial Activity (TEA)	Established Business Ownership Rate (EST)	Discontinuation of Businesses	Necessity-Driven (% of TEA)	Improvement-Driven Opportunity (% of TEA)
Singapore	3.8	2.8	6.6	3.3	2.1	16	53
Slovenia	1.9	1.7	3.7	4.8	1.5	12	51
Spain	3.3	2.5	5.8	8.9	2.2	26	39
Sweden	3.5	2.3	5.8	7.0	3.2	6	68
Switzerland	3.7	2.9	6.6	10.1	2.9	11	61
Taiwan	3.6	4.4	7.9	6.3	4.9	17	50
United Arab Emirates	3.7	2.6	6.2	2.7	4.8	14	67
United Kingdom	4.7	2.6	7.3	7.2	2.0	17	46
United States	8.3	4.3	12.3	9.1	4.4	21	59
average (unweighted)	*4.0*	*3.0*	*6.9*	*7.2*	*2.7*	*18*	*57*

Source: GEM 2011 Adult Population Survey.

Note: *TEA: integrated nascent activity (those in the process of starting businesses) and new business (those operating new businesses up to three and a half years old).

Figure 3 demonstrated the entrepreneurial activity in 54 economies by phase of economic development in 2011 in more details. Among the Thai samples, TEA accounted for 19.5 percent whereas EST was much higher; up to 30.1 percent. As mentioned earlier, Thailand was among several countries of high TEA and exceptionally high EST across all 54 observed economies as shown in Figure 2 and Figure 3. TEA included the sample adults who engaged either in the process of business startups (nascent entrepreneur[3]), or operating their new businesses for up to about three and a half years old (new business ownership[4]). The composition of Thai nascent activity and Thai new business ownership was 8.3 percent of TEA and 12.2 percent of TEA, respectively. The sum of nascent activity and new business ownership was greater than TEA because there was a little overlap between the two categories. More specifically, Thailand was in the second place among all 54 observed economies in terms of "new" business ownership rate in 2011, following only China.

As far as the motives of the entrepreneurs in the early-stage entrepreneurial activity are concerned, the Thai samples were driven to start businesses more by opportunity than by necessity. The group of necessity-driven entrepreneurs[5] accounted for 19 percent of TEA in Thailand while that of improvement-driven opportunity (IDO) motives explained 67 percent of the Thai TEA. As for the average value of the efficiency-driven economies group, the average numbers of necessity-driven entrepreneurs and the improvement-driven opportunity entrepreneurs were 28 percent and 42 percent, respectively. The difference between improvement-driven opportunity respondents and necessity-driven respondents in Thailand in 2011 was much greater than the average of the efficiency-driven economies group. The noticeably high number of improvement-driven opportunity out of the TEA was in accordance with the Thai NES results which viewed that there has been a surfeit of opportunities for the entrepreneurs in Thailand to exploit in new business startups.

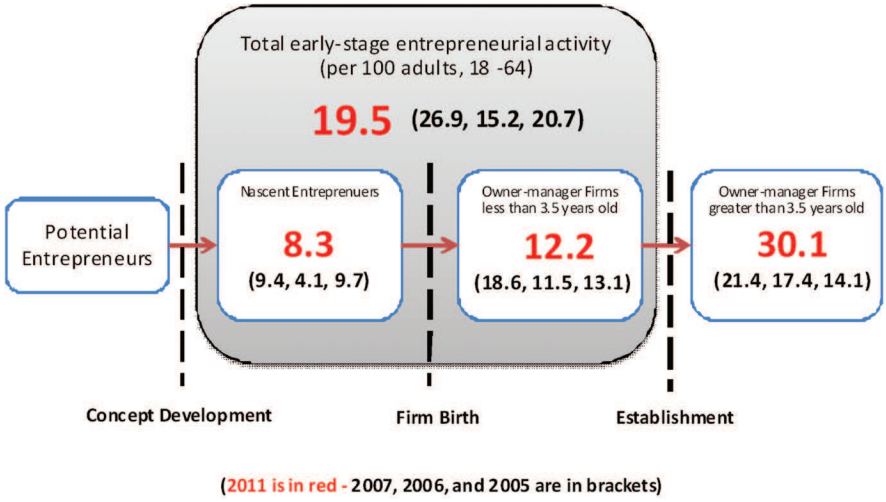
3 Nascent entrepreneurs are defined as entrepreneurs who are in the first three months of running new businesses.

4 New business owners are those who have been in business for more than three months, but less than three and a half years.

5 Necessity-driven entrepreneurs are the ones who are pushed into starting businesses out of necessity because they have no other work options and need a source of income. The entrepreneurs with improvement-driven opportunity (IDO) motives are those with opportunity motives who seek to improve their incomes or independence in their works.

Total Entrepreneurial Activity (TEA) and Established Business Ownership (EST) in Thailand

Figure 4: Prevalence Rates of Activity at Different Stages of the Entrepreneurial Process, 2005-2007 and 2011



Source: GEM Thailand Adult Population Survey.

The data in Figure 4 showed the comparison of the prevalence rates of entrepreneurial activities at different stages in 2005-2007 and 2011. The GEM 2011 Thailand APS result reported that 19.5 percent of the sample adults were actively engaged in starting and operating new businesses. They were classified as the entrepreneurs in total early-stage entrepreneurial activity (TEA) which incorporated nascent entrepreneurs (8.3 percent) and the entrepreneurs with their businesses over three months but less than three and a half years (12.2 percent). The total early-stage entrepreneurial activity (TEA) for the whole country was 19.5 percent in 2011 as compared to 26.9, 15.2 and 20.7 percent in 2007, 2006 and 2005, respectively. The sharp drop in Thai TEA rate from 26.9 percent in 2007 to 19.5 percent in 2011 was a result of significant decrease in the number of new business ownership rate; a drop of 6.4 percent from 18.6 percent in 2007 to 12.2 percent in 2011. In contrast, the prevalence rate of established business owners increased considerably from 14.1 in 2005 to 21.4 percent in 2007 and up to 30.1 percent in 2011 as shown in Figure 4. The increase in the established business ownership rate may relate to the intense early-stage entrepreneurial activity in the former period. In addition, based on the APS results with the weighting factor applied in Figure 5, it indicated that the northeastern part of Thailand ranked first in terms of the percentage of TEA while the greater Bangkok area was in the last place. These TEA figures reflect the reality that Thai people in the northeastern part are entrepreneurs while the majority of people in Bangkok and its vicinity normally work in corporate sectors.

Figure 5: Total Entrepreneurial Activity (TEA) and Established Business Ownership (EST) in Thailand by Region, 2011

Area	TEA Rate*	EST Rate*
Greater Bangkok (BKK, Nonthaburi, Samutprakarn, Patumthani)	1.45	1.70
North	3.45	5.75
Northeast	7.25	12.90
Central	4.10	6.00
South	3.25	3.80
Total	19.50	30.15

Source: GEM 2011 Thailand Adult Population Survey.

Note: * Weighting factor is applied in calculation.

Entrepreneurial Perceptions and Societal Attitudes

Comparison of GEM Thailand Indicators 2007 and 2011

The comparison of GEM indicators of year 2007 and 2011 from APS data is illustrated in Figure 6. Several indicators in 2011 signify the positive trend of entrepreneurship in Thailand when compared with the 2007 data. The improved indicators are, for example, perceived opportunities, improvement-driven opportunity entrepreneurial activity, growth expectation early-stage entrepreneurial activity, and new product early-stage entrepreneurial activity.

Figure 6: GEM APS Indicators Summary, 2007 and 2011 (as a percentage of the Thai APS sample)

Key Indicator	2007	2011
1. Perceived Opportunities	19.0	40.0
2. Improvement-Driven Opportunity Entrepreneurial Activity (as a percentage of TEA)	47.0	67.0
3. New Product Early-Stage Entrepreneurial Activity (as a percentage of TEA)	42.0	58.0
4. Growth Expectation Early-Stage Entrepreneurial Activity: Relative Prevalence (as a percentage of TEA)	6.0	19.0
5. International Orientation Early-Stage Entrepreneurial Activity (as a percentage of TEA)	1.0	6.0
6. Media Attention for Entrepreneurship	82.0	84.0
7. High Status Successful Entrepreneurship	82.0	79.0
8. Entrepreneurial Intention (as a percentage of non-entrepreneur population)	21.3	26.5
9. Entrepreneurship as Desirable Career Choice	87.0	77.0
10. Fear of Failure Rate	42.0	55.0
11. Total Early-Stage Entrepreneurial Activity (TEA)	26.9	19.5

Source: GEM Thailand Adult Population Survey.

Among the Thai APS samples, perceived opportunities[6] doubled from 19 percent in 2007 to 40 percent in 2011. The entrepreneurs starting their businesses with improvement-driven opportunity motives increased considerably from 47 percent of TEA in 2007 to 67 percent of TEA in 2011. In addition, new product early-stage entrepreneurial activity rate[7] leapt from 42 percent in 2007 to 58 percent in 2011. The growth expectation early-stage entrepreneurial activity[8] surged about three times between 2007 and 2011; from 6 percent to 19 percent. International orientation early-stage entrepreneurial activity[9] in 2011 increased six times as compared to 2007 data. This means much more Thai entrepreneurs run businesses to serve foreign customers.

Some indicators did not report the significant change but confirm the positive attitude of the Thai sample towards being an entrepreneur. About 80 percent of the Thai APS samples in both 2007 and 2011 were of the view that successful entrepreneurs were welcome and had high status in the society; and drew media attention. In addition, 26.5 percent of 2011 non-TEA population in 2011 replied that they had intention to start business within three years, which was among the top ten ranks in this regard (Figure 7).

Notwithstanding, deteriorating indicators which denoted the negative sign for the development of entrepreneurial activity and attitudes towards entrepreneurship were observed in some aspects. Those are, for instance, entrepreneurship as a career choice, fear of failure and TEA rate. Entrepreneurship as a career of choice decreased from 87 percent in 2007 to 77 percent in 2011. Nonetheless, this number was still high as compared to other economies observed worldwide (see Figure 7). As for fear of failure; the indicators of Thailand had the second highest record among all countries, an increase of 13 percent was observed when we compared 2007 data (42 percent) and 2011 data (55 percent). The 2011 TEA rate (19.5 percent) reported a drop of 7.4 percent from 26.9 percent in 2007. The NES data pointed out that the difficulties in obtaining finance, and the perception that an entrepreneur had much less social security than an employee, were discouraging factors for many Thai entrepreneurs.

Hofstede, in his research about cultural values and dimensions across different countries, stated that Thailand was a country with a high Uncertainty Avoidance (UAI) score of 64, which indicated a low level of tolerance for uncertainty and risk (Hofstede, 2001). This high UAI found its confirmation in the high rate of fear for failure of Thai entrepreneurs in the GEM 2011 study. This suggested that the above average fear of failure rate was related to the Thai cultural dimensions.

According to the 2011 APS and NES data, Thai people still see plenty of opportunities to start businesses. This positive perception of Thai people is an auspicious sign in

6 Perceived opportunities are defined as the percentage of 18-64 years old population who see good opportunities to start a firm in the area where they live.

7 New Product Early-Stage Entrepreneurial Activity is defined as the percentage of TEA who indicates that their products or services are new to at least some customers.

8 Growth expectation early-stage entrepreneurial activity is defined as the percentage of TEA who expects to employ at least five employees within five years from now.

9 International orientation early-stage entrepreneurial activity is defined as the percentage of TEA who indicates that at least 25 percent of their customers come from other countries.

promoting entrepreneurship and entrepreneurial activity in the country. The figure also revealed that the Thai adults were engaged in entrepreneurial activity because they were driven more by opportunity than by necessity in both observed years. The improvement-driven opportunity entrepreneurial activity rate was 47 percent of the Thai APS samples in 2007. It increased considerably to 67 percent in 2011. On the contrary, the Thai necessity-driven entrepreneurial activity fell sharply from 29 percent in 2007 to 19 percent in 2011. The discrepancy between improvement-driven opportunity entrepreneurial activity and necessity-driven entrepreneurial activity was already great in 2007 and became even more considerable in 2011.

Entrepreneurial Perceptions and Societal Attitudes: International Comparison

As formerly mentioned, the Thai respondents had positive societal attitudes towards entrepreneurship all along. The Thai APS samples particularly reported a considerable positive societal attitude towards entrepreneurship in 2011 as compared to all economies as shown in Figure 7. 79 percent of the 2011 APS samples subscribed to the idea that successful entrepreneurs had high status in the society. Meanwhile, 84 percent of the samples viewed that entrepreneurship has drawn media attention. This number was the second highest among all 54 economies, following only Taiwan. The NES result also cited that national culture is considered highly supportive of individual success which was achieved through own personal efforts. In addition, being an entrepreneur has been considered as one of the top alternative career choices for the Thai samples recently. Data in Figure 7 showed that 77 percent of the 2011 Thai APS sample cited that they considered entrepreneur as a good career choice. In reality, apart from their main job, a large number of Thai adults are engaged in entrepreneurial activity since they may perceive it as their second profession. This entrepreneurial activity may be undertaken to lessen the risk in being laid-off and to diversify their source of income in the age of economic uncertainty. Several projects to promote alternative professions in the rural areas were initiated by the municipal government authorities as well as universities. Arunothai et al (2007) found that people living along the seashore of Phuket seriously considered having alternative occupations due to increased business opportunity as well as the uncertainty in cash flow and risk in fishery.

Figure 7: Entrepreneurial Perceptions, Intentions, and Societal Attitudes in 54 economies, 2011

	Perceived Opportunities	Perceived Capabilities	Fear of Failure*	Entrepreneurial Intentions **	Entrepreneurship as a Good Career Choice	High Status to Successful Entrepreneurs	Media Attention for Entrepreneurship
Factor-Driven Economies							
Algeria	54	60	43	42	80	82	51
Bangladesh	64	24	72	25	73		49
Guatemala	55	71	25	26	85	68	62
Iran	32	46	33	30	61	73	58
Jamaica	49	79	29	19	81	82	76
Pakistan	40	43	35	23	74	73	48
Venezuela	48	67	24	20	83	77	63
average (unweighted)	49	56	37	26	77	79	58
Efficiency-Driven Economies							
Argentina	56	64	28	30	76	69	66
Barbados	44	67	19	11	60	64	50
Bosnia and Herzegovina	21	49	30	17	82	71	43
Brazil	43	53	31	28	86	86	82
Chile	57	62	27	46	73	69	65

	Perceived Opportunities	Perceived Capabilities	Fear of Failure*	Entrepreneurial Intentions **	Entrepreneurship as a Good Career Choice	High Status to Successful Entrepreneurs	Media Attention for Entrepreneurship
China	49	44	36	43	73	73	76
Colombia	73	61	29	56	89	79	67
Croatia	18	49	34	18	65	47	41
Hungary	14	40	35	20	54	78	34
Latvia	24	47	41	25			
Lithuania	23	35	40	17			
Malaysia	37	31	30	9	52	51	73
Mexico	43	61	27	24	57	58	48
Panama	46	64	14	21			
Peru	70	73	41	38	85	82	78
Poland	33	52	43	23	73	64	58
Romania	36	42	36	25	68	69	57
Russia	27	33	43	4	65	65	55
Slovakia	23	53	32	18	55	64	55
South Africa	41	43	24	14	73	72	74
THAILAND	40	43	55	26	77	79	84
Trinidad & Tobago	62	81	17	35	84	82	61
Turkey	32	42	22	9			
Uruguay	54	61	34	38	58	59	33
average (unweighted)	40	52	32	25	70	69	60
Innovation-Driven Economies							
Australia	48	47	43	12	54	68	70
Belgium	43	44	41	11	64	55	47
Czech Republic	24	39	35	14		49	
Denmark	47	35	41	7			
Finland	61	37	32	7	46	83	67
France	35	38	37	18	66	68	47
Germany	35	37	42	5	55	78	50
Greece	11	50	38	10	61	69	32
Ireland	26	46	33	6	46	83	56
Japan	6	14	42	4	26	55	57
Korea Rep.	11	27	45	16	61	67	62
Netherlands	48	42	35	9	83	67	62
Norway	67	33	41	9	53	80	60
Portugal	17	47	40	12			
Singapore	21	24	39	12	54	63	77
Slovenia	18	51	31	9	54	70	45

	Perceived Opportunities	Perceived Capabilities	Fear of Failure*	Entrepreneurial Intentions **	Entrepreneurship as a Good Career Choice	High Status to Successful Entrepreneurs	Media Attention for Entrepreneurship
Spain	14	51	39	8	65	66	45
Sweden	71	40	35	10	52	71	62
Switzerland	47	42	31	10			
Taiwan	39	29	40	28	69	63	86
United Arab Emirates	44	62	51	2	71	73	63
United Kingdom	33	42	36	9	52	81	47
United States	36	56	31	11			
average (unweighted)	35	41	38	10	57	69	58

Source: GEM 2011 Thailand Adult Population Survey.

Note: * Fear of failure is assessed among those seeing opportunities.

** Intentions are assessed in non-entrepreneur (non-TEA) population.

The only exception was found in the fear of failure where the Thai data presented the second highest level among all economies as previously mentioned (55 percent). Also, the Thai 2011 APS data found that the female samples in Thailand had a little higher fear of failure rate than the male samples. The average levels of the fear of failure rates in the factor-driven economies, efficiency-driven economies and the innovation-driven economies are 32, 37 and 38 percent, respectively. Malaysia, the neighboring country which is classified in the same economy group, reported a little less than average level of fear of failure at 30 percent.

Discontinuation

Apart from the entrepreneurial activity and perception towards entrepreneurship, the GEM framework also investigated the statement of reasons for quitting businesses. The GEM 2011 Global Report presented that the main causes of business discontinuity in efficiency-driven economies are the lack of profitability, in other words, low profitability rate, and difficulties in getting finance. The Thai APS data also reported that being unprofitable is often a major concern for the Thai entrepreneurs who decided to quit their businesses (Figure 8). Moreover, some entrepreneurs saw better benefits in other jobs or other business opportunities so that they decide to switch over to a new business.

Figure 8: Reasons for Quitting Business Activity, 2007 and 2011

Reason	Year	Thailand	Singapore*	Malaysia*	China	Japan	USA
An opportunity to	2011	0.00	11.92	3.47	1.51	0.00	2.27
sell the business	2007	0.00	-	-	1.15	3.43	9.60
The business was	2011	29.62	32.04	19.12	20.12	54.34	22.81
not profitable	2007	20.64	-	-	30.11	9.02	14.92
Problems in getting	2011	23.24	10.05	10.89	22.40	11.85	7.64
finance	2007	36.02	20.35	42.11	13.20	21.36	4.36
Found another job or	2011	8.02	7.06	17.87	10.37	5.95	7.81
business opportunity	2007	2.50	8.31	3.05	18.03	14.16	22.95
The exit was planned	2011	5.13	4.71	1.72	8.03	0.00	0.88
in advance	2007	2.54	-	-	3.04	4.50	9.53
Retirement	2011	2.99	16.58	6.71	2.25	0.00	6.89
	2007	0.45	3.54	0.00	2.90	36.78	8.94
Personal reason	2011	18.87	4.21	23.38	28.99	11.34	21.18
	2007	33.65	15.86	18.69	27.51	10.75	27.19
The consequence of	2011	6.16	0.00	9.17	1.56	11.34	7.32
a single incident	2007	4.19	-	-	4.07	0.00	2.51

Source: GEM 2011 Thailand Adult Population Survey.

Note: * indicates the 2006 figure for Singapore and Malaysia since data for 2007 is not available for both countries.

Figure 8 demonstrated the reasons for quitting business in several selected countries in 2007 and 2011. The statements of reasons for quitting business activity in 2011 to some extent differed from those in 2007. In 2011, the majority of the Thai samples responded that unprofitability in business was the principle reason for discontinuing their business, followed by the problem in getting finance and personal reason. Meanwhile, the 2007 data indicated that the problem in obtaining financing was the most crucial reason. Personal reason, however, ranked the second and unprofitability in business operation followed as the third reason. As compared to other countries in 2011, the Thai respondents shared some similarities with Singapore, Japan and the US. The reason of unprofitability in business was also predominant in these three countries. Just as important, entrepreneurs in Singapore and Malaysia; other two significant economies in the ASEAN, also cited the lack of profitability as their main business obstacle in 2011. The entrepreneurs in Japan, in particular, showed that in 2011 the lack of profitability alone accounted for more than half of the business discontinuities in the country. In contrast, Malaysia and China samples cited personal reason as their first reason for quitting business.

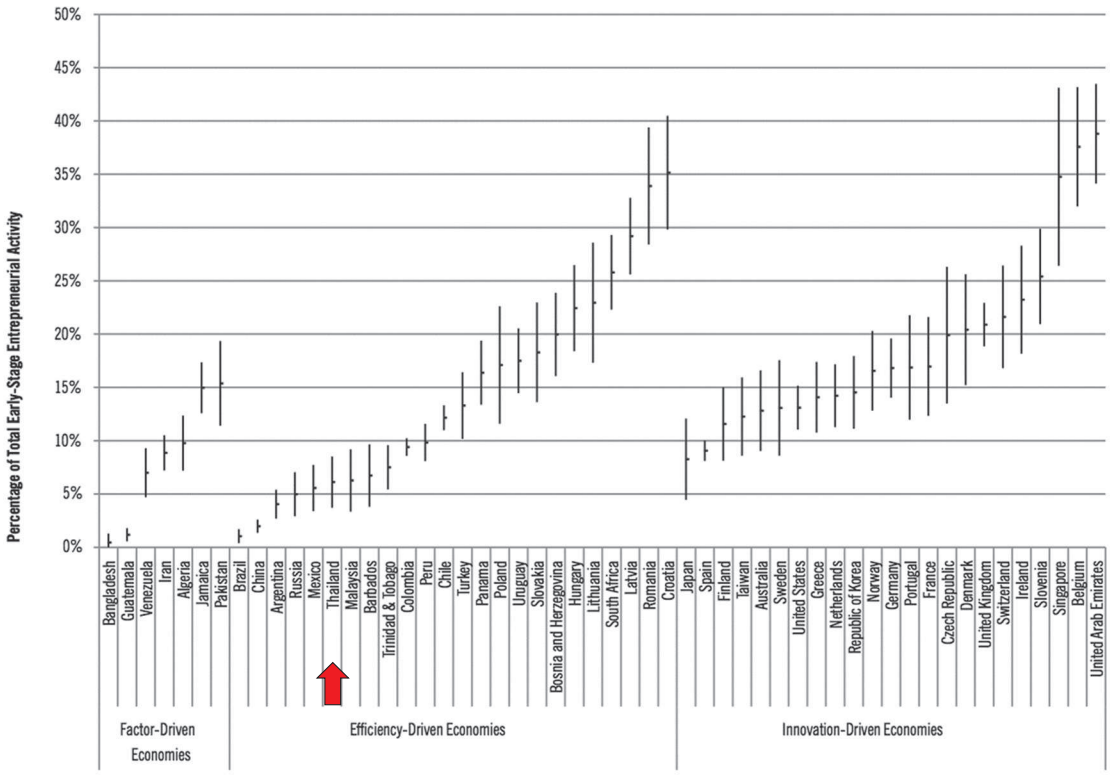
Minniti (2010) pointed out that personal or voluntary reasons for exiting a business were prevalent especially in female entrepreneurs, depending upon their education. In addition, in times of restricted labour markets and weak economies, often the less talented or less educated women tended to start businesses and then quitted them in order to return to corporate sector when they perceived improved macroeconomic conditions.

Entrepreneurship Profile

International Orientation

As Figure 9 showed, the proportion of Thai TEA with more than 25 percent of foreign customers was comparatively low and even lower than the average level across the observed economies in 2011. The number of Thai TEA with more than 25 percent of foreign customers was only 6 percent of TEA while the average rate of the same economy group was approximately 15 percent. The statistics reflected that recently Thai entrepreneurs have tended to operate and to serve the domestic customers rather than the foreign ones. The top three countries in efficiency-driven economies with more than 25 percent of foreign customers were Croatia (35 percent), Romania (34 percent) and Latvia (29 percent). Note that the number of Croatia was almost equivalent to that of Singapore, the fourth rank among all sample countries. Surprisingly, China reported that there was only 2.5 percent of TEA with more than 25 percent of foreign customers. Another interesting finding from Thai 2011 APS data was that more than 80 percent of TEA and EST in Thailand replied that there were no customers outside Thailand. This finding may not be in line with the public perception that many Thai entrepreneurs run their businesses for exporting.

Figure 9: Percentage of Total Early-Stage Entrepreneurs (TEA) with More Than 25 Percent International Customers in 54 Economies, 2011

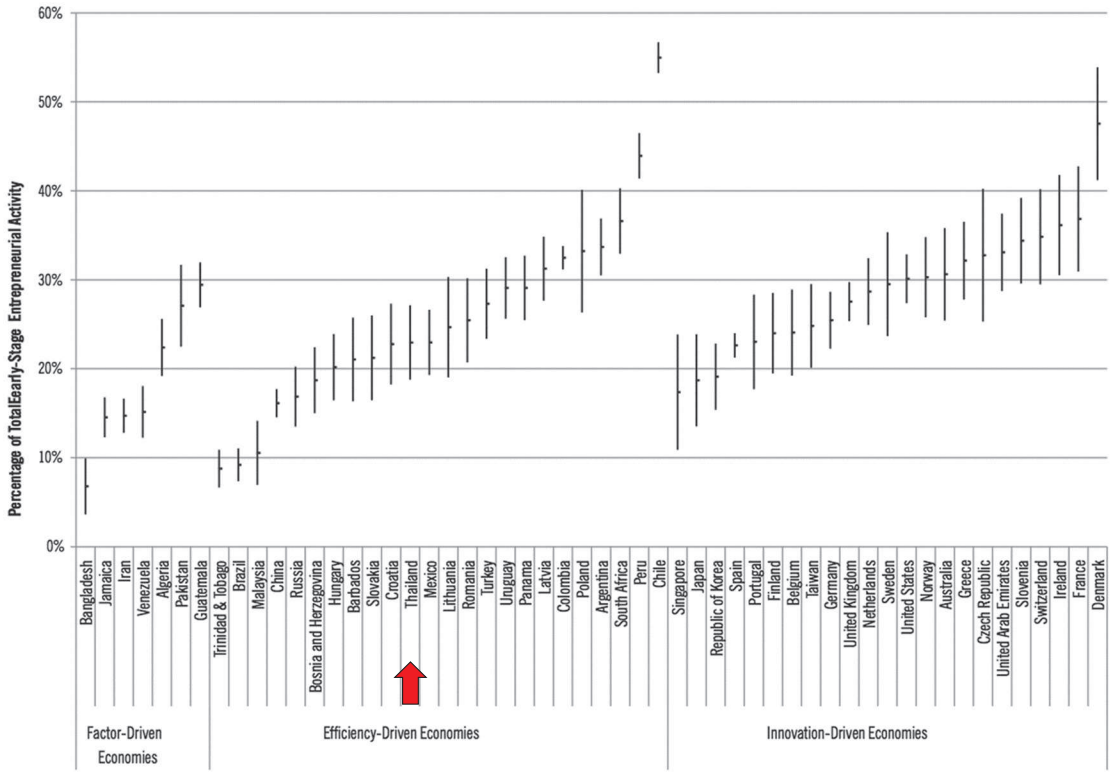


Source: GEM 2011 Adult Population Survey.

Innovation

The GEM Thailand APS data provided another interesting finding with respect to innovation. Normally, innovation is one of the key factors stimulating entrepreneurship. Thailand reported that there was approximately 24 percent of TEA with innovative products, which almost equaled to the average of the efficiency-driven economy group as illustrated in Figure 10. However, it is to be noted that innovativeness is perceived differently across the economies (GEM 2011 Global Report). The 2011 Thai APS data reported that Thai entrepreneurs did not prioritize innovation in their entrepreneurial activities. This finding complied with the Thai APS and NES data which stated that most Thai entrepreneurs had limited interest in innovation and new technology, and tended to have a "me too" approach in their business activities. The experts in the NES viewed that Thai businesses lacked financial investment for innovation and they were not eager to get involved in innovation investment because their businesses were of small scale. Despite the fact that there were many newcomers in the market, Thai entrepreneurs generally offered products or services which were already known to the market and were reluctant to create the wholly new array of choices for the customers. The Thai 2011 APS data illustrated that high proportion of both TEA and established business owners (EST) accepted that they offered the same product and did not use new technology in operating businesses. The Thai NES data also pointed out that this practice was one of the constraints of the Thai entrepreneurs to survive and to grow in the severely competitive world markets. This comment was in line with that of Chaminade et al (2012) which viewed that there have been systematic problems in the Thai innovation system.

Figure 10: Percentage of Total Early-Stage Entrepreneurs (TEA) with Innovative Products in 54 Economies, 2011

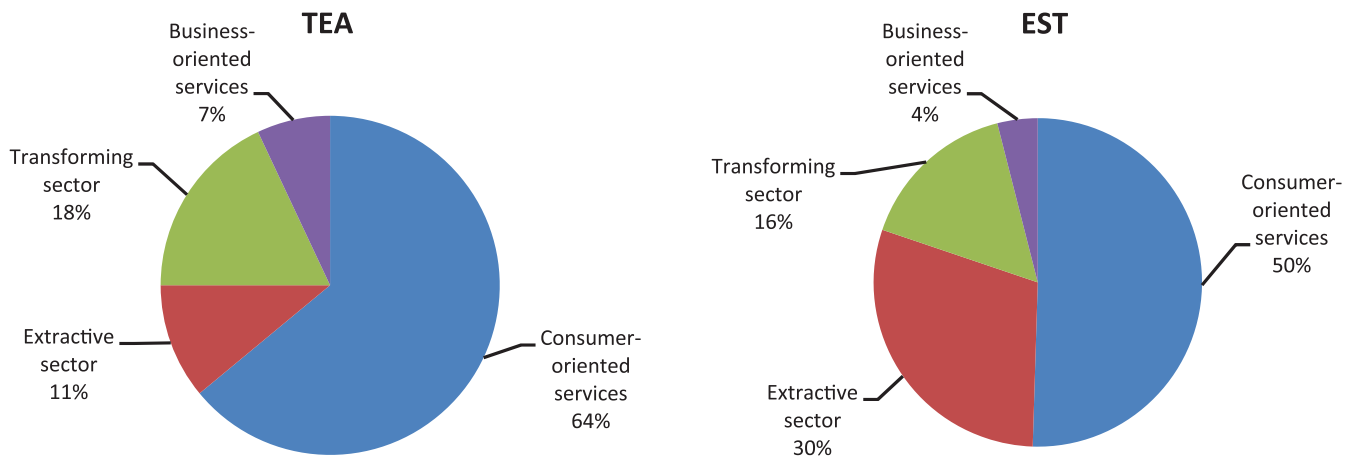


Source: GEM 2011 Adult Population Survey.

Sector Participation

With respect to the sector structure, the combination of businesses in an economy could help visualize how the economy is advancing. Figure 11 displayed the country's industry sector participation of TEA and EST. The figure clearly indicated that consumer-oriented businesses were the majority sector in Thailand for both the TEA and the EST. Consumer-oriented services accounted for 64 percent of the Thai TEA and made up 50 percent of EST in Thailand. Two main noticeable findings in terms of sector structure between TEA and EST were the excessive portion of consumer-oriented services in the case of TEA (64 percent), and the EST's large share of extractive sector (30 percent of EST) when compared to the former case (11 percent of TEA). This depicted the country's high competition in consumer-oriented services, with numerous newcomers. Extractive sector, on the other hand, seemed to be more stable in Thailand.

Figure 11: Sector Structure of Total Early-Stage Entrepreneurial Activity (TEA) and Established Business Activity (EST) in Thailand, 2011



Source: GEM 2011 Thailand Adult Population Survey.

Note: Extractive sectors include forestry, fishing, and agricultural activities. Transforming sectors are composed of mining, construction, manufacturing, transportation, communication, utilities, retail and wholesale trade, and hotel and restaurants. Business-oriented services comprise finance, real estate, information and communications, administrative services, all business services. Consumer-oriented businesses consist of sectors which are responsive to consumers' basic demand, for example, personal services, health, education and social services.

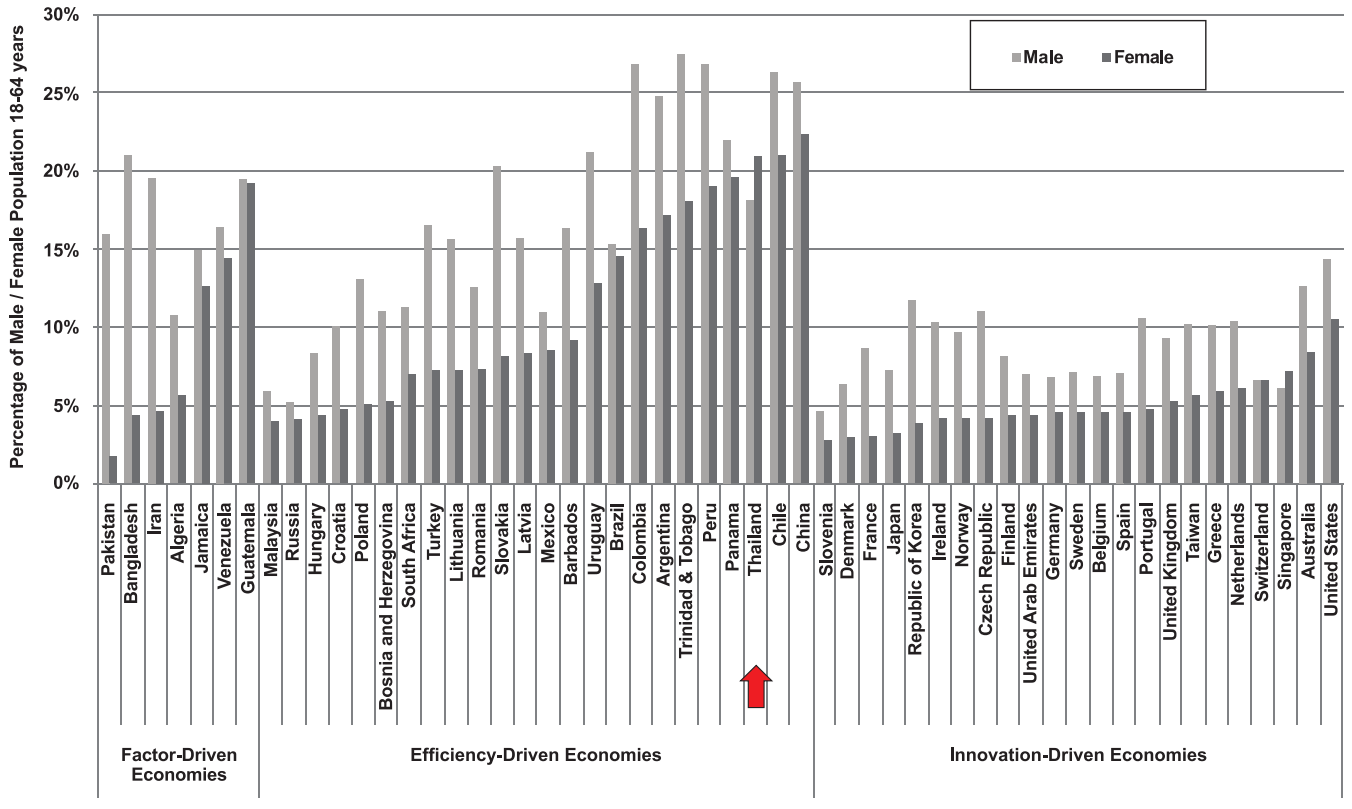
Comparatively, business-oriented services seemed to be less attractive for the new entrepreneurs in Thailand as compared to other businesses. The 2011 TEA in business-oriented services was the least among all businesses. According to the GEM 2011 Global Report, business-oriented services tended to compete on knowledge and innovation, which was the aspect in which Thai entrepreneurs were still weak as discussed earlier in the innovation issue. Such situation was in accordance with the NES data, which viewed that business-oriented services in Thailand were not yet well developed.

In details, GEM 2011 Thailand data reported that most Thai entrepreneurs were engaged in operating small scale and small scope new businesses. Examples are retailing, food service, laundry service, and accommodation renting. The NES data endorsed that the new ventures leaned towards small scale services such as household work rather than SME.

Female and Male Entrepreneurship

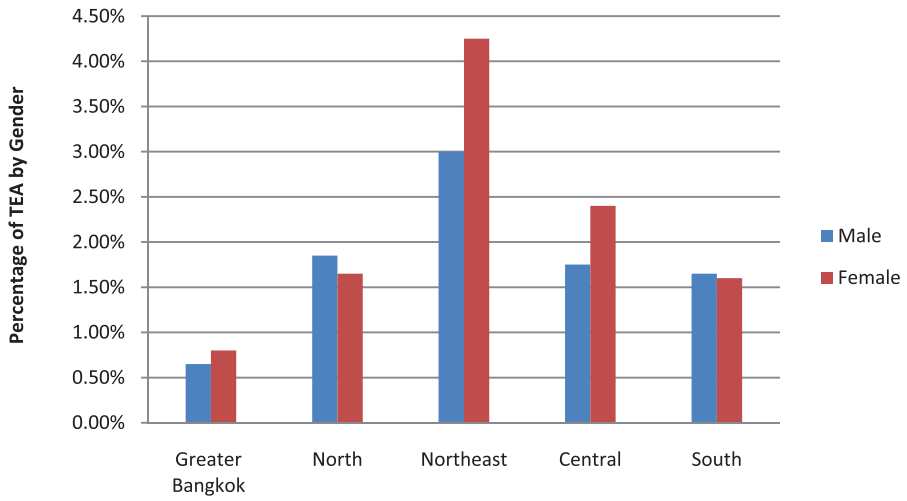
Another notable feature of Thai entrepreneurship was the equitable proportion of male to female TEA. Thailand was one of eight economies across the entire sample of 54 economies surveyed presenting this equity. Others were Venezuela, Switzerland, Singapore, Brazil, Guatemala, Jamaica, and Panama. Most interestingly, in 2011 Thailand was the only nation which reported higher female TEA than that of male. The female TEA was 21 percent while that of male was 18 percent. This was an extraordinary case among the entire observed economies. Figure 12 clearly showed that women in Thailand were even more involved in business startups than men were. This may be principally caused by the fact that, in Thailand, gender is not an impediment to business success and in school enrollment. The APS result in response to the question on whether starting a new business is socially acceptable career option for women also reported high score and was in the top ten ranking among all questions. In addition, the 2011 Thailand NES data emphasized that women were well supported and encouraged to participate in entrepreneurial activity as much as men were.

Figure 12: Comparison of Female and Male Total Early-Stage Entrepreneurship (TEA) Rates in 54 Economies by Economic Development Level, 2011



Source: GEM 2011 Adult Population Survey.

Figure 13: Comparison of Female and Male Total Early-Stage Entrepreneurship (TEA) by Area in Thailand, 2011



Source: Weighted GEM 2011 Thailand Adult Population Survey data.

Figure 13 illustrated that there were big differences in women participation by area (percentage of TEA nationwide). The Northeastern part not only reported highest women participation in entrepreneurship among all areas (4.25 percent) but also the biggest discrepancy between the male TEA and that of female. Women in the Northeast and the Central engaged more in starting new businesses than men did. The male TEA and the female TEA for the Northeast were 3 and 4.25 percent, respectively. The Central shared the same characteristics with the male TEA of 1.75 percent and 2.40 percent for the female TEA. Meanwhile, the male TEA and the female TEA was considered equitable for the North (1.85 percent for male TEA and 1.65 percent for female TEA), the South (1.65 percent for male TEA and 1.60 percent for female TEA), and Bangkok and its vicinity (0.65 percent for male TEA and 0.80 percent for female TEA). The figure reflected the real situation that male in the Northeast may be engaged in other activities such as agriculture or immigrate to work in Bangkok. The data from the Population Census conducted by National Statistical Office of Thailand (NSO) in 1990 and 2000 showed that Thai citizen in the Northeast were the largest group among all migrants who moved into Bangkok to work and sent remittances back to their hometown.

Several studies (Hofstede, 1991; Hofstede, 2001; Mueller, 2004; Hatcher et al, 2007; Terjesen et al, 2007, Minniti et el, 2010) suggested that there were entrepreneurial tendencies for female entrepreneurship which differed among countries and which could be explained by not only economic but also by cultural factors. The high female TEA in Thailand suggested that the Thai culture shaped the entrepreneurial role and gender model. Hofstede (2001) reflected on the cultural dimensions of Long-term Orientation (LTO) and scored Thailand high with a value of 62 due to its central role of Buddhism. In addition, Hatcher and Terjesen (2007) outlined that the valuation of women as the important and significant partner had a long traditional culture in Thailand.

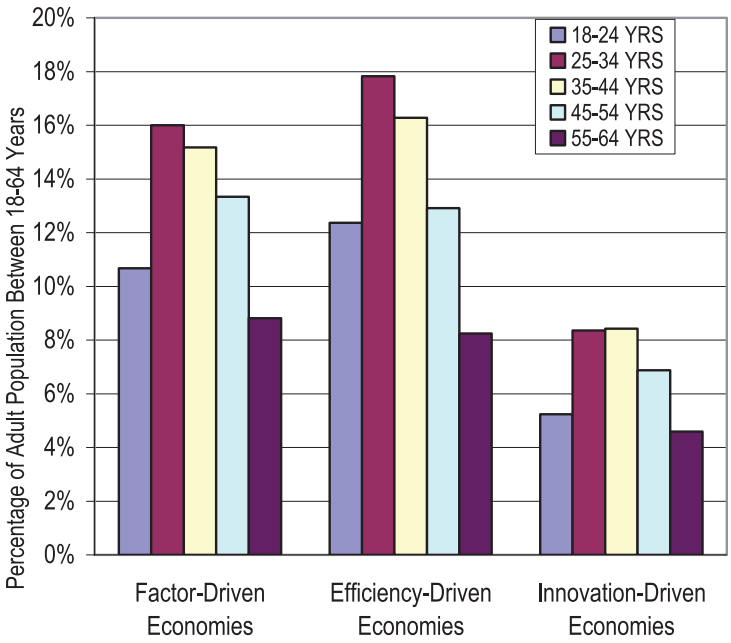
Hofstede (2001) scored Thailand as the country with the lowest Masculinity ranking (MAS) of 34 on the 100 point scale among Asian countries, which reflected the excess to which certain gender-based values dominate in a culture.

Hatcher et al (2007) suggested that the low MAS score reflected a cultural propensity to a lower assertiveness and a lower competitiveness. It could be suggested that a less masculine and more feminine culture as in Thailand generally prepared a better ground for enabling female business start-ups and valuing female TEA, as seen in the GEM 2011 data.

It is revealed in the studies that the perception of opportunities is influenced by the environment in which people work and live and therefore also relies on the information network available to the entrepreneur. Chittithaworn et al (2011) in their study about factors affecting business success in Thailand regarded social networking as one important factor for business success, where social networking facilitated access to resources through formal and informal channels for the different entrepreneurial stages. Minniti et al (2010) revealed that women were usually stronger in negotiating and consensus-forming traits than men; had different ways of networking; and relied more on extended families as their often major social network, especially in rural settings. Women mostly formed significantly smaller and more local networks. The high numbers of female TEA in the rural Northeast of Thailand could be a result of strong local informal support and networking and could support the discussion in Minniti et al (2010).

Age Distribution of Early-stage Entrepreneurs (TEA)

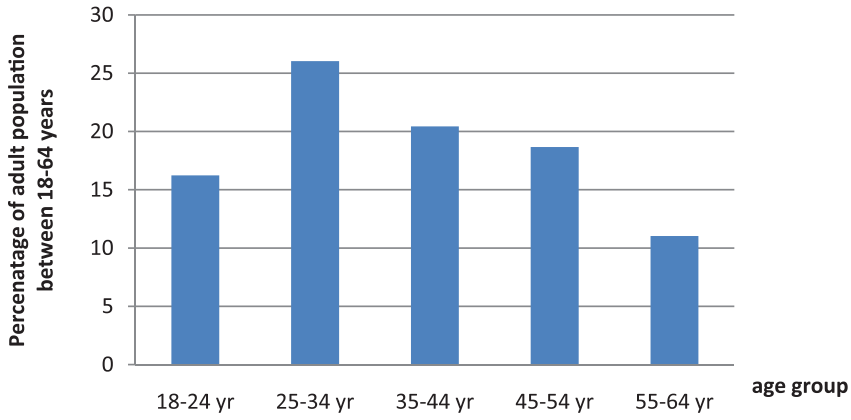
Figure 14: Age Distribution of Early-stage Entrepreneurs (TEA) at Three Economic Development Levels, 2011



Source: Weighted GEM 2011 Adult Population Survey data.

Age distribution of early-stage entrepreneurship was also observed across the economies and by region in Thailand. As Figure 14 showed, the common feature of the sample in factor-driven economies and innovation-driven economies was that there were almost equal entrepreneurs in the 25 to 34-year-old group and 35 to 44-year-old group. In factor-driven economies, 15-16 percent of adult population of age 25 to 34-year old and 35 to 44-year old were TEA. For innovation-driven economies, about 8 percent of adult population of age 25 to 34-year old and 35-44-year old were TEA. However, the TEA of 25 to 34-year-old group was slightly dominant in efficiency-driven economies; approximately 18 percent of the adult population in 25 to 34-year-old category was TEA. The second largest TEA by age group was the 35 to 44-year-old group which made up 16 percent of 35 to 44-year-old APS population for efficiency-driven economies.

Figure 15: Age Distribution of Total Early-stage Entrepreneurs (TEA) in Thailand as a Percentage of Each Age Group's Population, 2011

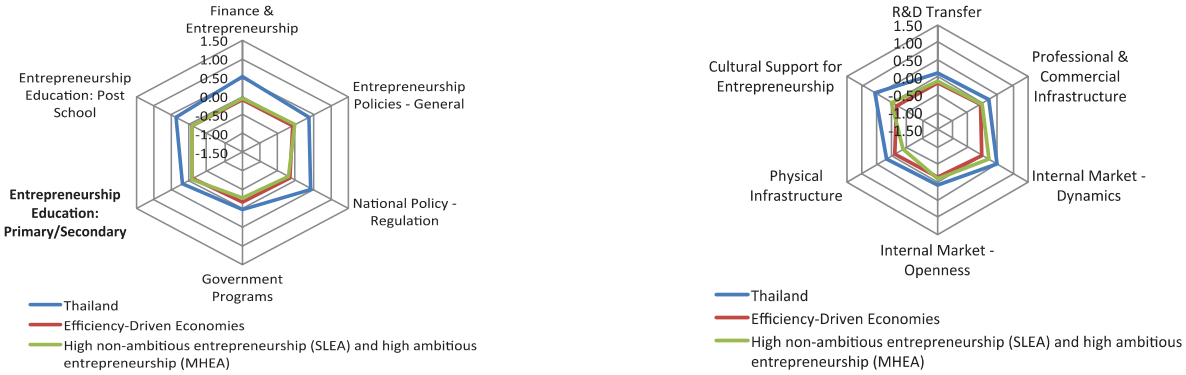


Source: Weighted GEM 2011 Thailand Adult Population Survey data.

Undoubtedly, the trend of entrepreneurship with regard to age distribution went towards the younger generation. The youth entrepreneur issue drew a lot of attention from the GEM Consortium and was selected as the special topic for the GEM 2012 Report. Thailand was not an exception. The tendency of younger Thai entrepreneurs was observed in the 2011 APS data as displayed in Figure 15. The TEA of 25 to 34-year-old category was dominant in Thailand (Figure 15). The TEA of the age of 25-34 accounted for 26 percent of the age group's population. The second largest group was the 35 to 44-year-old category. The percentage of TEA of this age group constituted 20 percent of the group's population. The 45 to 54-year-old group came in the third place with the value of 19 percent of its age group's population. The entrepreneurs of 18 to 24-year-old group was 16 percent of the age group's population while the TEA of 55 to 64-year-old group was in the last place. The percentage of TEA of the 55 to 64-year-old population was only 11 percent.

Entrepreneurship Institution Profile

Figure 16: Entrepreneurship Institution Profile, 2011



Source: GEM 2011 Adult Population Survey.

Note: Based on GEM 2011 NES data. Values of group level indicators are based on averaging the country-level Z-scores (standardized values obtained from the entire GEM 2011 sample).

Figure 16 illustrated institutional indicators based on the standardized Z-scores. The figure showed the scores for Thailand in comparison with those of the efficiency-driven economies and the economies which categorized a combination of high-non ambitious entrepreneurship[10] (SLEA) and high ambitious entrepreneurship[11] (MHEA). The comparison with efficiency-driven economies showed the picture of Thailand as compared to the average of the group to which Thailand belonged. Likewise, the economies with SLEA and MHEA were used as another benchmark since Thailand shared the common characteristics with them. Based on the five-year job expectation criteria, Thailand was classified into the country with a combination of high prevalence rate of SLEA and MHEA but low EEA rate.[12] We could see in the figures that several Thailand's institutional indicators were considered to be stronger than those of other economies (e.g. the countries with SLEA and MHEA, efficiency-driven economies). They are, for example, education, finance, government policies on entrepreneurship, national policies, internal market dynamics and cultural support for entrepreneurs.

10 Solo/low job expectation early-stage entrepreneurial activity (SLEA) is a reflection of less ambitious entrepreneurship; the entrepreneurs with five-year job expectation of 0-4 jobs, averages 2009-2011. This Dimension represents two aspects or components:

- Social component (people pursue their need for independence or have no alternative options for work)
- Economic component (some self-employed contribute to the flexibility of the overall economy, but others could be more productive by working as an employee).

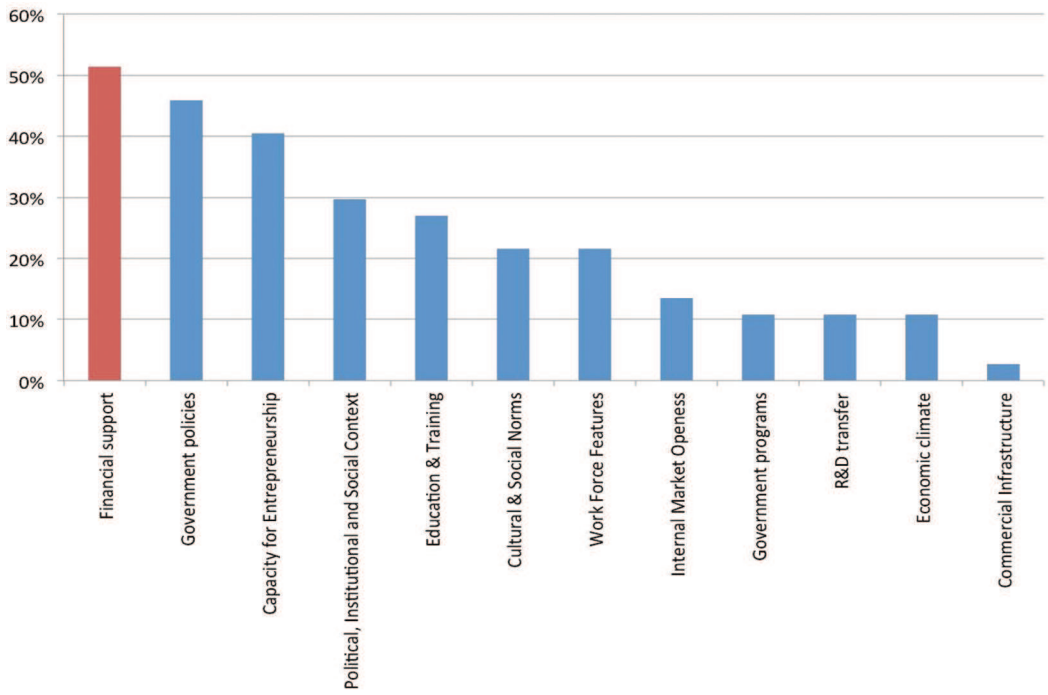
11 Medium/high job expectation early-stage entrepreneurial activity (MHEA) is a reflection of ambitious entrepreneurship; the entrepreneurs with five-year job expectation of five or more jobs, averages 2009-2011.

12 Other countries with the same characteristics are, for example, Algeria, Brazil, China, Colombia, Iran, South Africa, Turkey, and Venezuela. For more details, see GEM 2011Global Extended Report.

Thailand's Constraining and Recommendation Factor

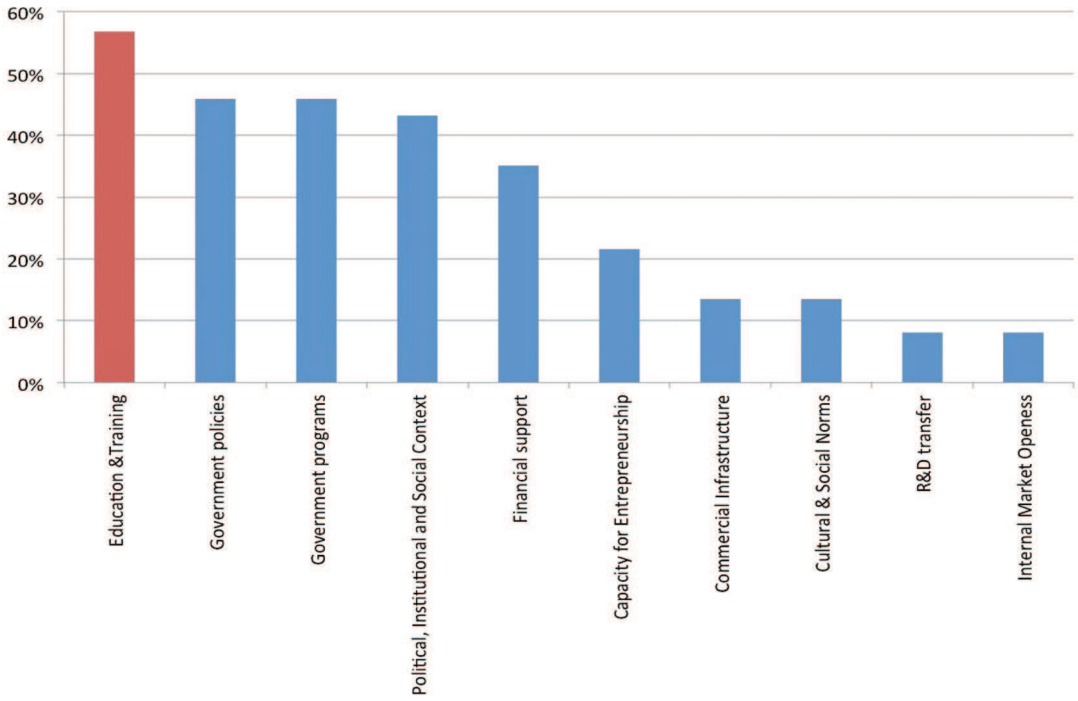
Notwithstanding, the NES data revealed that finance and capacity for entrepreneurship were factors deterring many prospective new ventures in Thailand, quoted as 'Constraining Factor' in Figure 17. The top five constraining factors cited by the 2011 Thai NES sample were 1) financial support, 2) government policies, 3) capacity for entrepreneurship, 4) political, institutional and social context, and 5) education and training. About 52 percent of NES respondents cited financial support as the first constraining factor in starting and running new businesses. Government policies followed, with a value of 46 percent of all NES sample. The third rank with respect to entrepreneurs' constraints was capacity for entrepreneurship (40 percent). The fourth and the fifth place were political, institutional and social context (30 percent) and education and training (28 percent), respectively.

Figure 17: Thailand's Constraining Factor from the NES Data, 2011



Source: GEM 2011 Thailand National Expert Survey.

Figure 18: Thailand's Recommendation Factor from the NES Data, 2011



Source: GEM 2011 Thailand National Expert Survey.

It implied that though the indicators presented a sound overall picture, several aspects such as education and training as well as government program were widely cited as recommendation factors as depicted in Figure 18. The top five recommendation factors quoted by the 2011 Thai NES sample were 1) education and training, 2) government policies as well as government programs, 3) political, institutional and social context, 4) financial support, and 5) capacity for entrepreneurship. In details, the Thai NES data reported that education and training ranked first; about 57 percent of total NES sample. Meanwhile, 46 percent of NES cited that government policies and government programs should be improved. These two factors shared the second rank among all recommendation factors from the 2011 NES data. The third position was political, institutional and social context (44 percent of NES sample). Financial support, however, followed in the fourth place (35 percent).

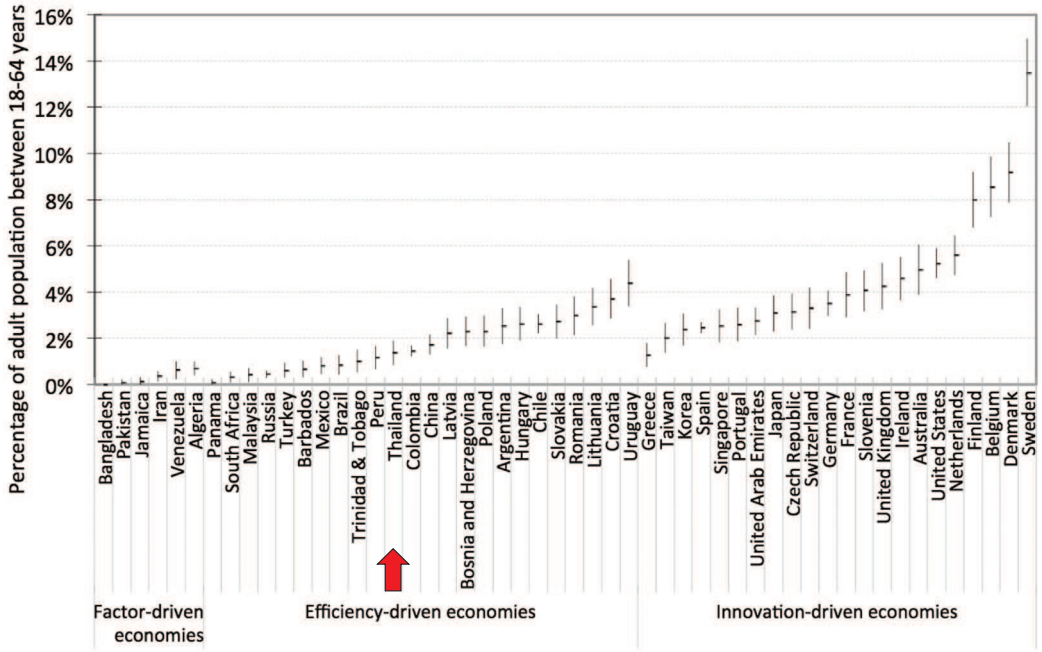
The 2011 Thai NES data from Figure 18 emphasized that apart from assistance program in finance, a significant improvement in education and training to enhance the capabilities of the Thai entrepreneurs were needed. The NES responses to several questions on teaching method and content cited that teaching in primary and secondary education did not encourage creativity and personal initiatives. Moreover, instruction in market economic principles as well as attention to entrepreneurship and new firm creation was not adequate. Additionally, the NES data viewed that the education system in Thailand did not emphasize innovative and proactive behaviors of individual in general. Even though the primary education was of sufficient level nationwide, the need went for the professional training programs particularly related to entrepreneurial activity. The NES data highlighted that such programs/ courses should apply creative methodology to better educate the entrepreneurs with an entrepreneurial mindset. For example, the entrepreneurs should be eager to explore the new opportunities in the market and keep up with the changing demand. Since the markets will become even more competitive with a number of newcomers at all times, the surviving entrepreneur will be the one who could correspond best to the customers' needs. Another finding from NES data regarding intellectual property rights (IPR) was that IPR legislation was not efficiently enforced and piracy was observed regularly.

Regarding government support, the past government policies and programs were perceived to be not pertinent to the entrepreneurs' needs. The interviews with the experts from NES in 2011 reported that though several programs have been launched into the market, they could better respond to the large-scaled or established businesses' needs than to the majority of the Thai businesses; the small and medium-scaled units.

The above investigations from NES data were supported by Chittithaworn et al (2011). This study reported that there were several factors affecting business success in Thailand, for example, 1) ongoing difficulties in obtaining funds from financial institutions and the government, 2) lack of human capital (educated staff), 3) high level of international competition, 4) lack of access to better technology, 5) high level of bureaucracy in government agencies, 6) low level of research and development expenditure, and 7) orientation towards domestic rather than international markets.

Entrepreneurial Employee Activity (EEA)

Figure 19: Entrepreneurial Employee Activity (EEA) in 52 Economies, 2011



Source: GEM 2011 Adult Population Survey.

As earlier mentioned, Entrepreneurial employee activity (EEA) issue was selected as a special topic for the GEM 2011 Report. This term is defined as the entrepreneurial activity of the employees with the leading role in creating and developing new business activities for the organization they work for (the GEM 2011 Global Report). EEA includes employees who either develop or launch new products and services or set up new business units which constitute a new business establishment for the employer.

Figure 19 showed that Thailand reported EEA rate at 1.5 percent of adult population. The average level of the all observed economies was about 3 percent, according to the GEM 2011 Global Report. The country's EEA rate was comparable to that of Colombia, China and Greece.

Moreover, the EEA was much more prevalent in the innovation-driven economies, especially in Scandinavian countries. The EEA rates of Finland, Denmark and Sweden were approximately 8, 9.5 and 13.5 percent, respectively. It seems to be typical to observe high EEA rate in Scandinavian countries such as Sweden, Finland and Denmark. As mentioned in the GEM 2011 Global Report, this partly stems from the fact that a large number of samples in the innovation-driven economies work in organizations as compared to the other two economy groups. A number of people in factor-driven economies and efficiency-driven economies, in contrast, are self-employed. Therefore, the EEA rates of these two economy groups are likely to be low (GEM 2011 Global Report).

Conclusions and Implications

The GEM 2011 Thailand Report summarized the investigations on entrepreneurial activity and entrepreneurship profile in Thailand including the Thai entrepreneurs' attitudes. The Report also examined the constraining factors which deterred the Thai entrepreneurs in starting and operating businesses and suggested the recommendation factors which help enhance the entrepreneurial activity. The data from Adult Population Survey (APS) revealed that in 2011 Thailand's total early-stage entrepreneurs (TEA) rate was 19.5 percent and established business ownership rate was 30.1 percent of the Thai sample. The TEA rate itself integrates nascent activity and new-business ownership (owner-manager firms). In 2011, nascent activity of Thailand was slightly less than new-business ownership while 2007 nascent activity was only half of the new-business ownership.

Thailand's TEA rate was higher than the average of efficiency-driven economies group; the group into which the country was classified. Nonetheless, the country's established business ownership was not only the highest among the countries in the same economies group but also was the top among all 54 observed economies. It is found that entrepreneurs in Thailand were driven to start and run business out of opportunity rather than necessity. This fact was supported by the NES data which stated that there are plenty of business opportunities in Thailand. In addition, this characteristic was the same for other efficiency-driven economies and innovation-driven economies where improvement-driven opportunity entrepreneurs as a percentage of TEA was much higher than necessity-driven entrepreneurs. The NES data additionally emphasized that basic utilities in Thailand were supportive and affordable; and good banking services were available in the country.

The findings in relation to reasons for business discontinuation shed light on the key considerations of entrepreneurs in leaving their businesses. The Thai entrepreneurs cited problems obtaining finance and unprofitability in running business as the crucial reasons. These two reasons were mentioned in the GEM 2011 Global Report as negative reasons which were most often cited in factor-driven and efficiency-driven economies. Financial support was the first rank among all constraining factors viewed by the 2011 Thai NES data. It seemed that financing has been the major concern in starting and operating businesses in Thailand.

The Thai entrepreneur profile was presented in the GEM 2011 Thailand Report. The most noticeable features were higher than average TEA rate of the Thai female across all economies and higher participation of female than male in business startups and operating new businesses. Thailand also reported equitable proportion of male to female TEA. As mentioned earlier, Thai female could get much involved in entrepreneurial activities because gender is not an impediment to business success and school enrolment in Thailand. The NES data confirmed that Thai female and male have the same level of knowledge and skill to start a new business. The Thai NES data supported that Thai female got good backing in entrepreneurial activities as men did.

As far as the sector structure is concerned, we found that Thai entrepreneurs were obviously concentrated in consumer-oriented services for both TEA and established business ownership. The majority of Thai entrepreneurs were engaged in agriculture and small scaled services, for example, retailing, household work and food services. The sector structure of the country not only depicts the

country's nature of entrepreneurship but also reflects the country's types of economic activities and stage of development. In 2011, the innovation-driven economies presented comparatively much greater portion of business services and less numbers in consumer-oriented services as compared to factor-driven and efficiency-driven economies. Since business services tend to compete more on knowledge and innovation (the GEM 2011 Global Report), initiatives may address on how to invigorate these aspects in Thailand to gain ground in business services and pave the way for moving the country towards innovation-driven economies.

Apart from the profile characteristics, the surveys also examined the impact characteristics; placing an emphasis on the contribution which entrepreneurs made to societies such as internationalization and innovation (the GEM 2011 Global Report). With respect to internationalization, the Thai entrepreneurs still had low profile comparatively in 2011. Even though a large number of Thai entrepreneurs produced for exports, the Thai APS data revealed that many of them were not counted as internationalized entrepreneurs in GEM survey since the proportion of foreign customers was not as high as 25 percent. Regarding innovation, the 2011 data presented that the Thai entrepreneurs were on average level as compared to the entire observed economies. However, if Thailand would like to move towards a more advanced stage of development, the country needs to improve knowledge and innovation to great extent in order to catch up with the average of the innovation-driven economies. The finding from the NES data which viewed that innovation including R&D transfer were still the weak points for the Thai entrepreneurs underscored that improvement in these regards were required.

Furthermore, the constraining and recommendation factors from the NES data illustrated the key areas where Thai entrepreneurs still lack and should be fulfilled. The prioritization in entrepreneurial development schemes according to the NES data was drawn to the enhancement in financial support, education and training, government policies as well as political, institutional and social context. The GEM 2011 Thailand data led to the conclusion that policies and technical assistance programs should be more focused on improving education and training in parallel with upgrading the elements in political, institutional and social aspects which could facilitate financing for entrepreneurs. Priorities should also be given to support R&D activities and innovation since they foster entrepreneurial activities and economic development. Examples are specific training programs for entrepreneurs and incubation centers which could resolve the entrepreneurs' difficulties in the real world. By achieving development in these aspects, Thai entrepreneur profile would be ameliorated and the country would progress to reach the ground of innovation-driven economies.

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