

UFM
UNIVERSIDAD
FRANCISCO
MARROQUÍN

Kirzner
Entrepreneurship
Center

G123/24

MONITOR GLOBAL DE EMPRENDIMIENTO





**Global
Entrepreneurship
Monitor**

**GEM 2
Global**

25 Year

**GEM 2023/2024
Global Report**

25 Years and Growing

The most prestigious study worldwide on entrepreneurship, of which Guatemala, through KEC, has proudly been a part since 2009.

The GEM not only measures entrepreneurial activity in our country but also unravels the key factors that drive it.



Cartier
WOMEN'S
INITIATIVE



HAUTE ÉCOLE DE GESTION
HOCHSCHULE FÜR WIRTSCHAFT
SCHOOL OF MANAGEMENT

Partner
Institute

Partner
Institute

Partner
Institute

Partner
Institute

“It is only by fully understanding and recognizing the entrepreneurial role that we can appreciate the full ethical merits of a market economy.”

- ISRAEL KIRZNER

Global Entrepreneurship Monitor 2023- 2024

25

Consecutive years

45

Participating countries

14°

Guatemala's participation

2023

Information collected in June

ADULT POPULATION SURVEY - APS

National level representativeness.

3,092 SURVEYED HOUSEHOLDS.

Distributed across the 22 departments of the country (181 municipalities), with a special focus on: Guatemala City, Quetzaltenango City, and Antigua Guatemala.

NATIONAL EXPERT SURVEY - NES

Direct interviews conducted in nine specific areas.

36 EXPERTS

Measures experts perceptions of the context in which entrepreneurship develops.

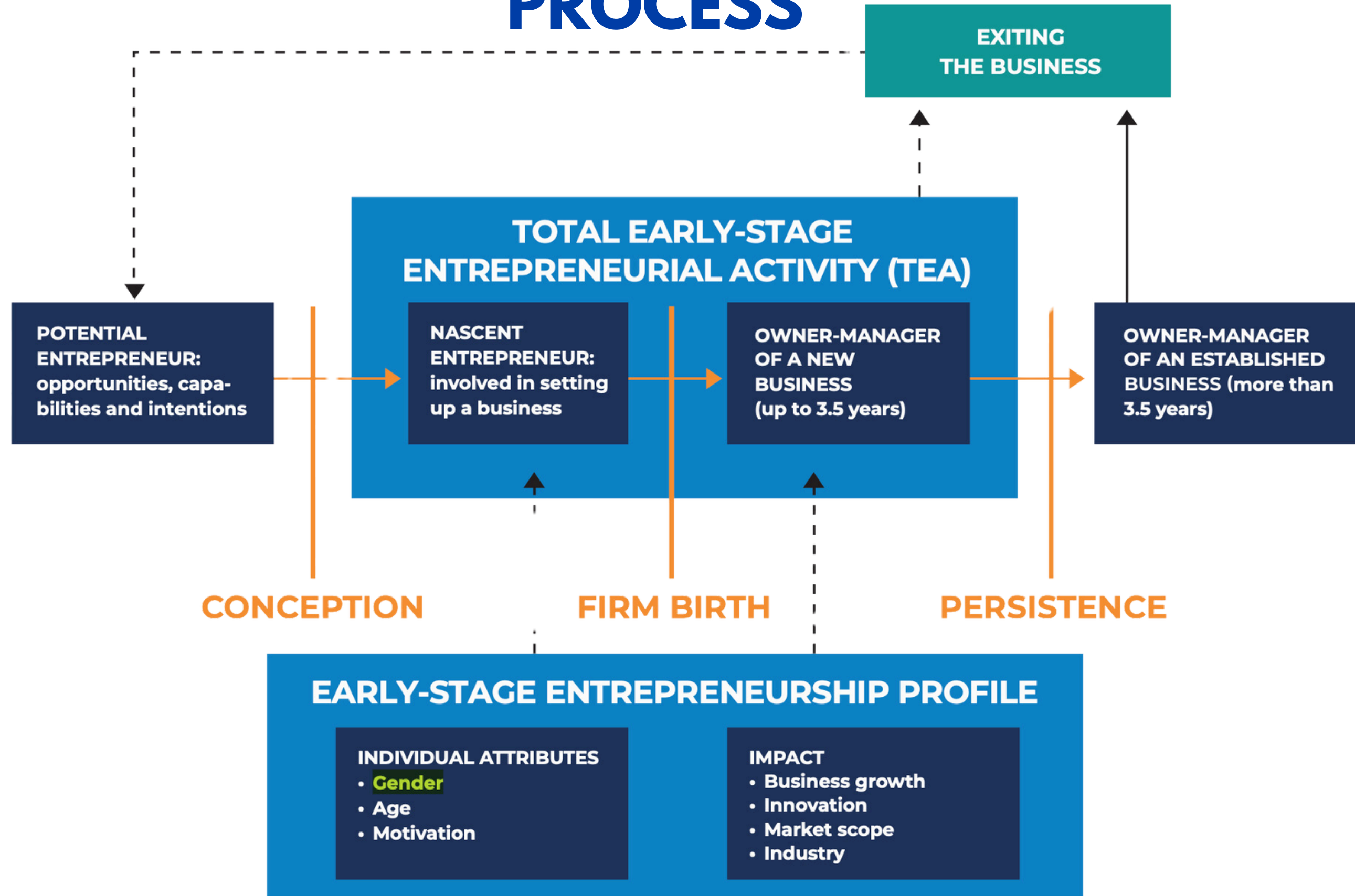
ENTREPRENEUR

Age
18 - 64
YEARS OLD

A person who owns and
manages a business.

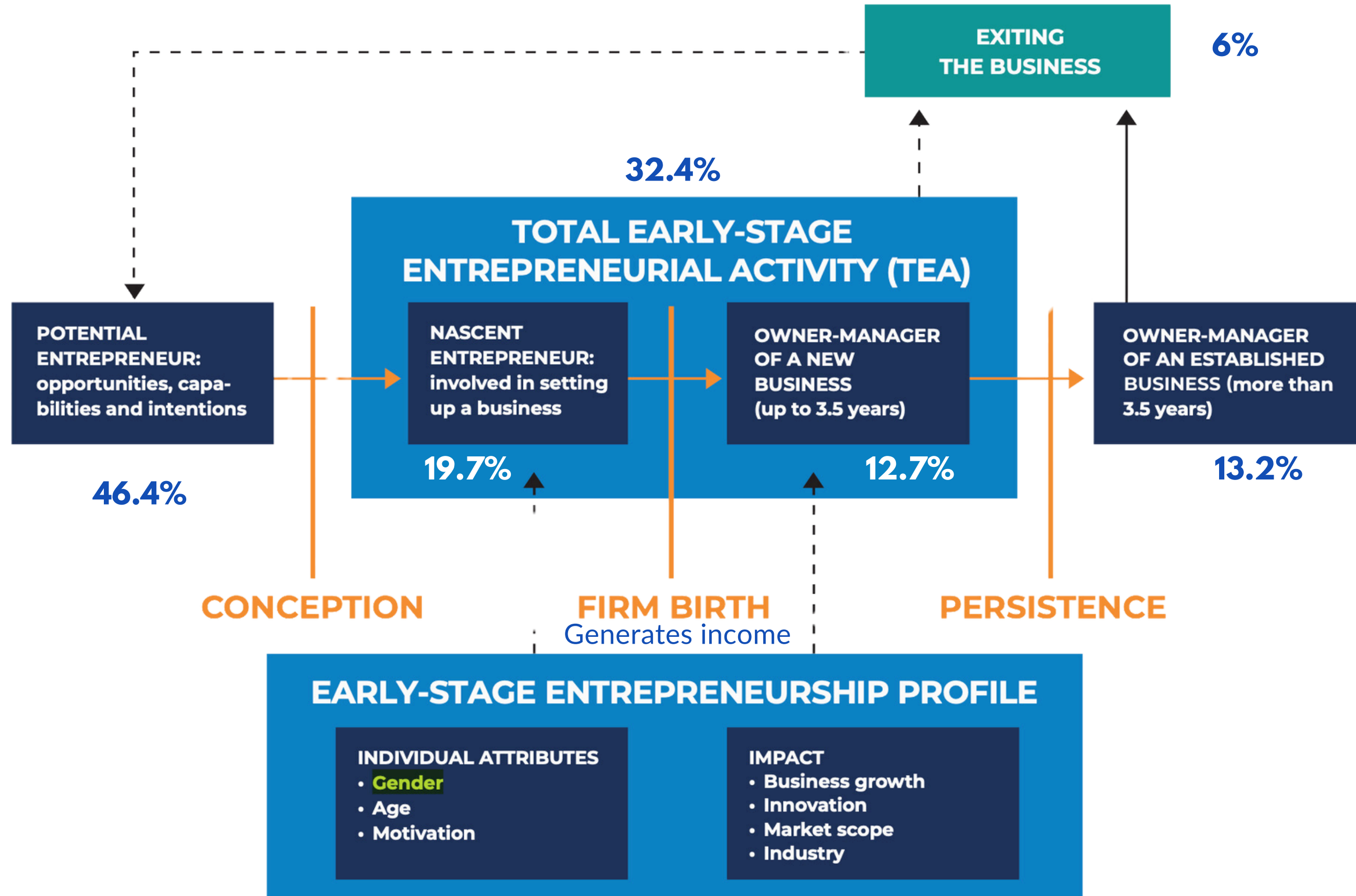


THE ENTREPRENEURIAL PROCESS



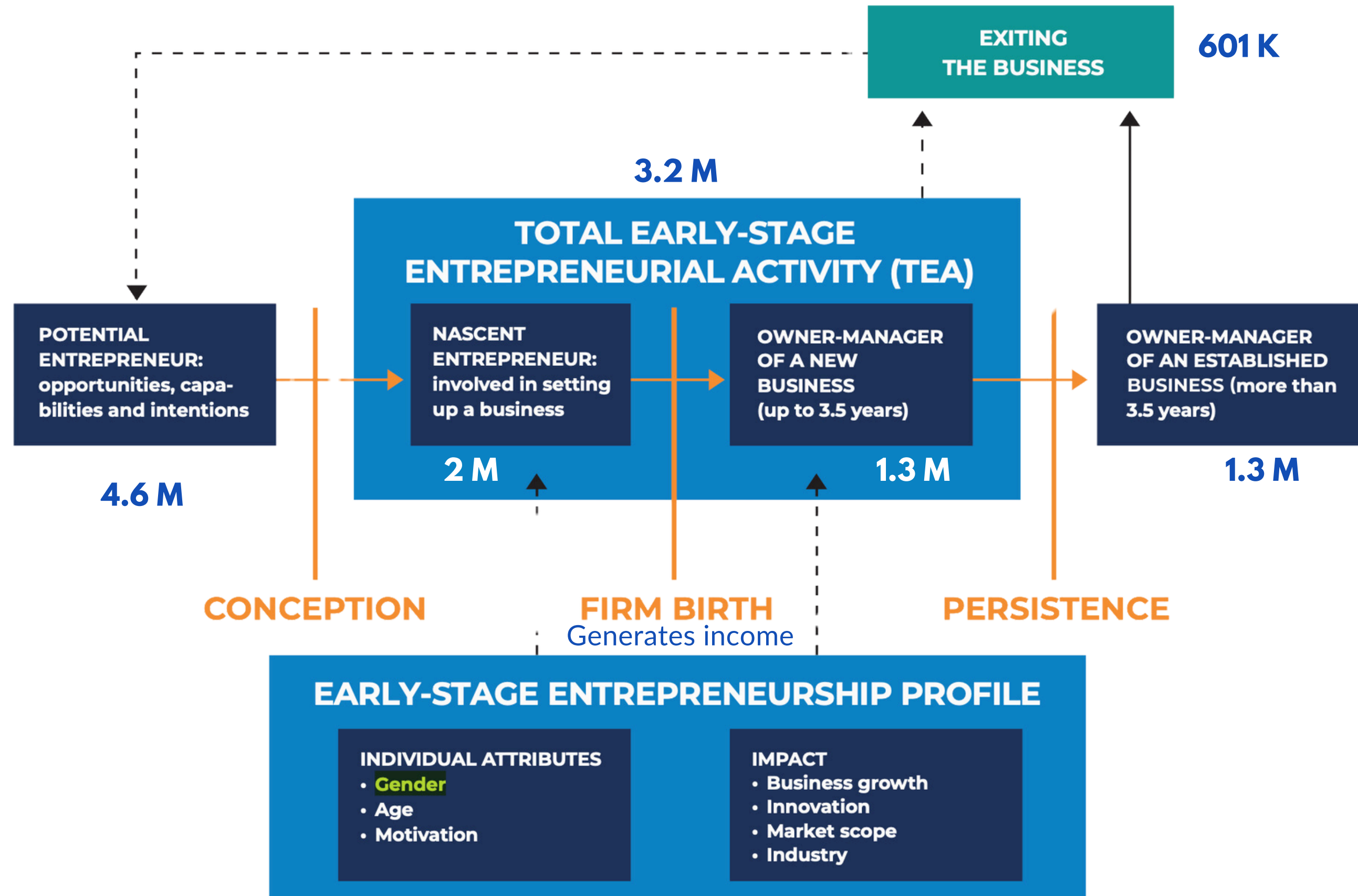
THE ENTREPRENEURIAL PROCESS

(figures as a percentage of the adult population)



THE ENTREPRENEURIAL PROCESS

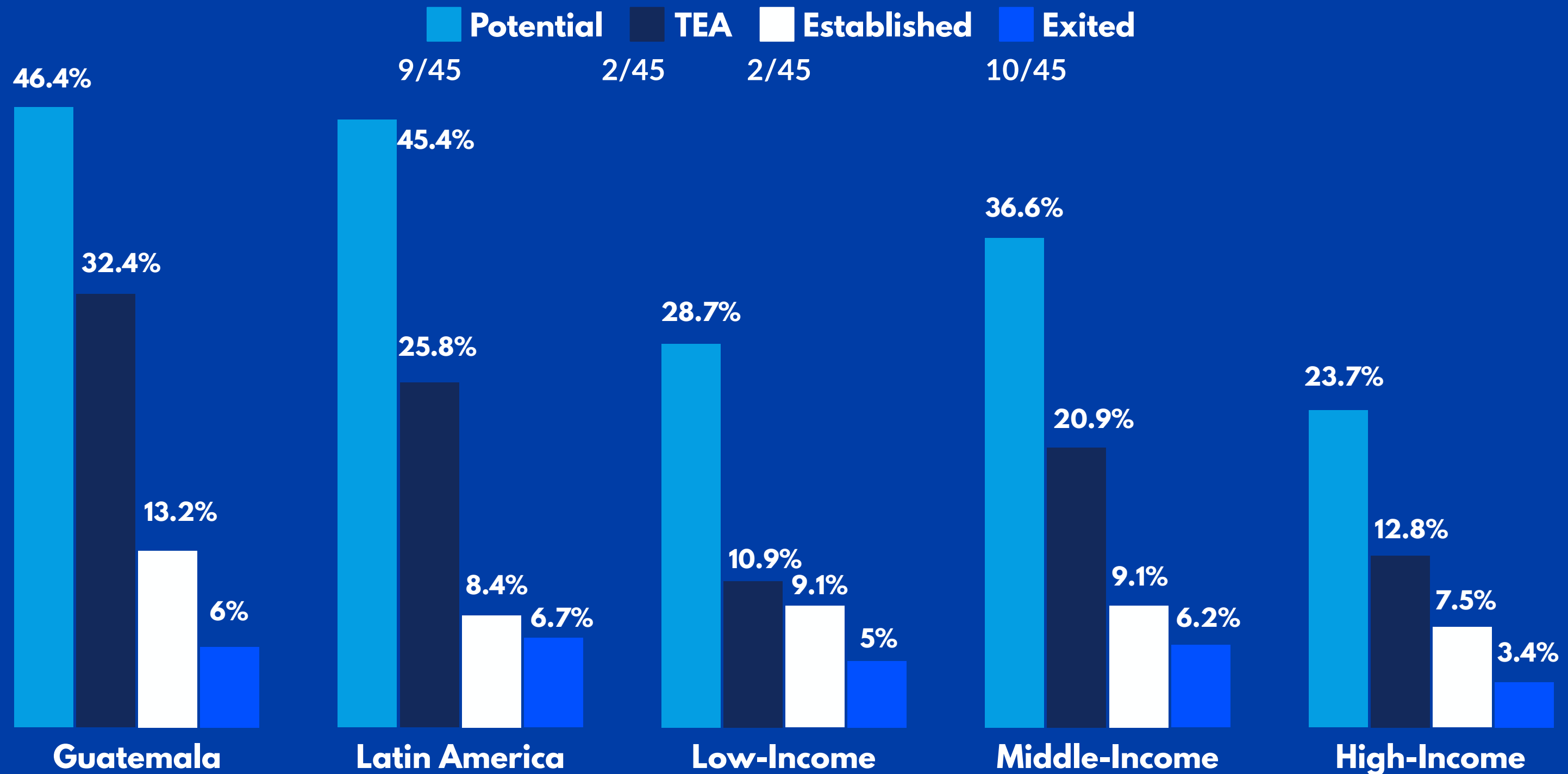
(figures in number of adults)



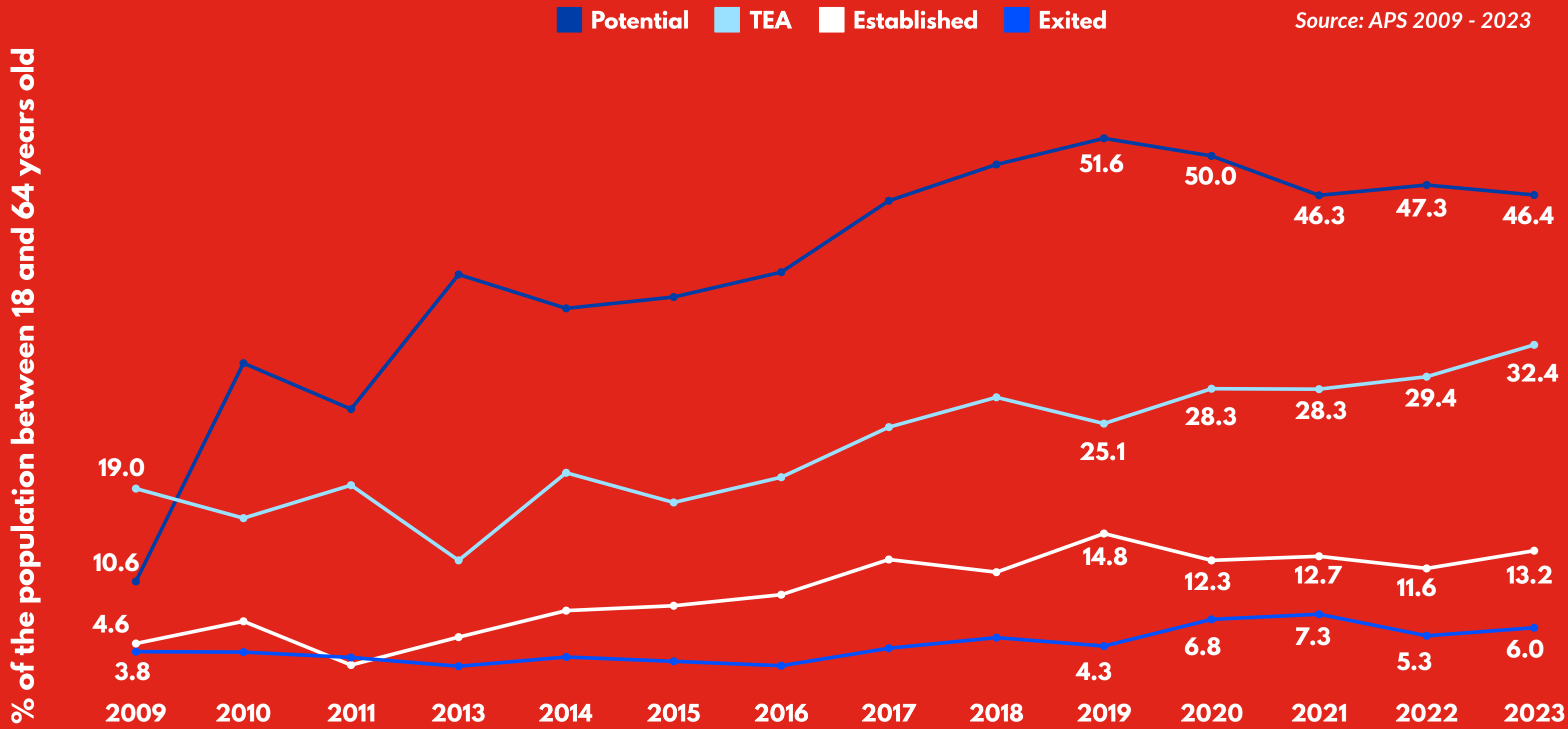
INTERNATIONAL RESULTS

Entrepreneurial process

Source: APS, 2023



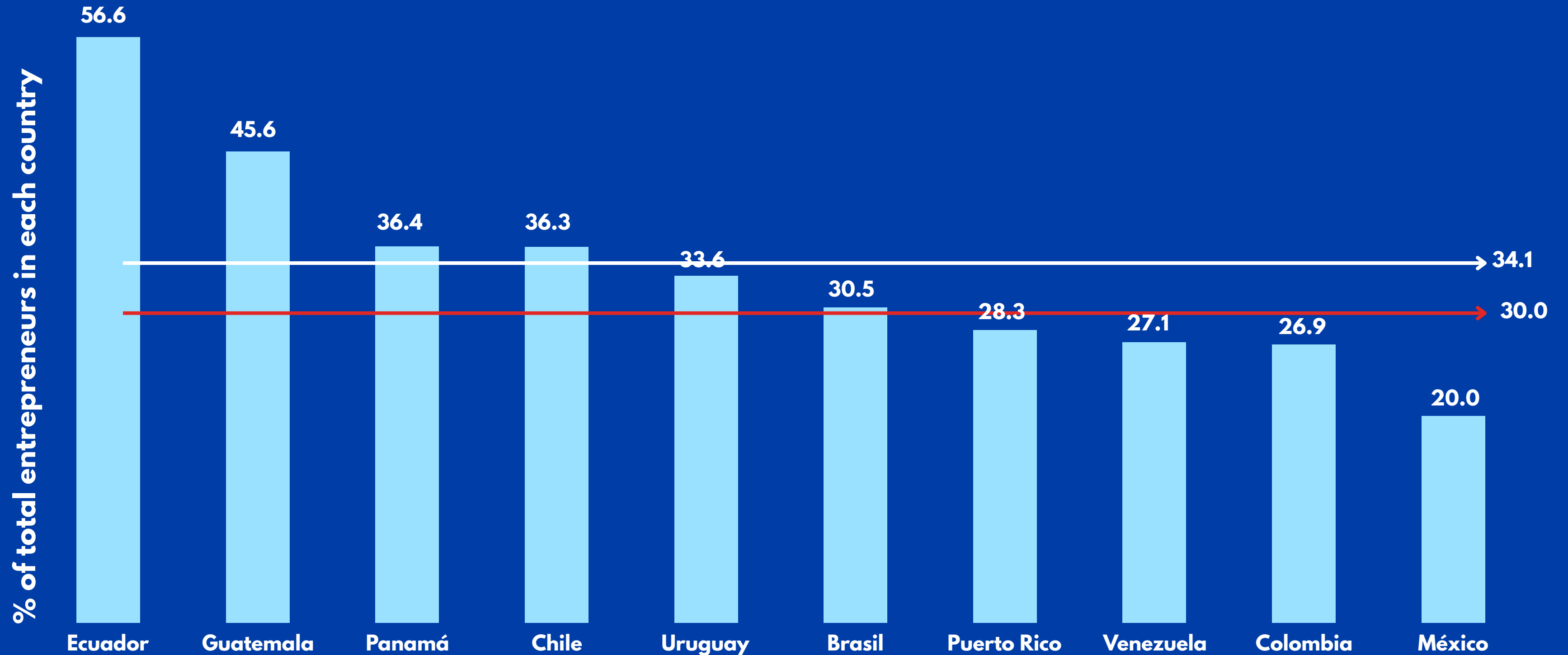
The evolution of Guatemala (2009-2023)



Total entrepreneurial activity

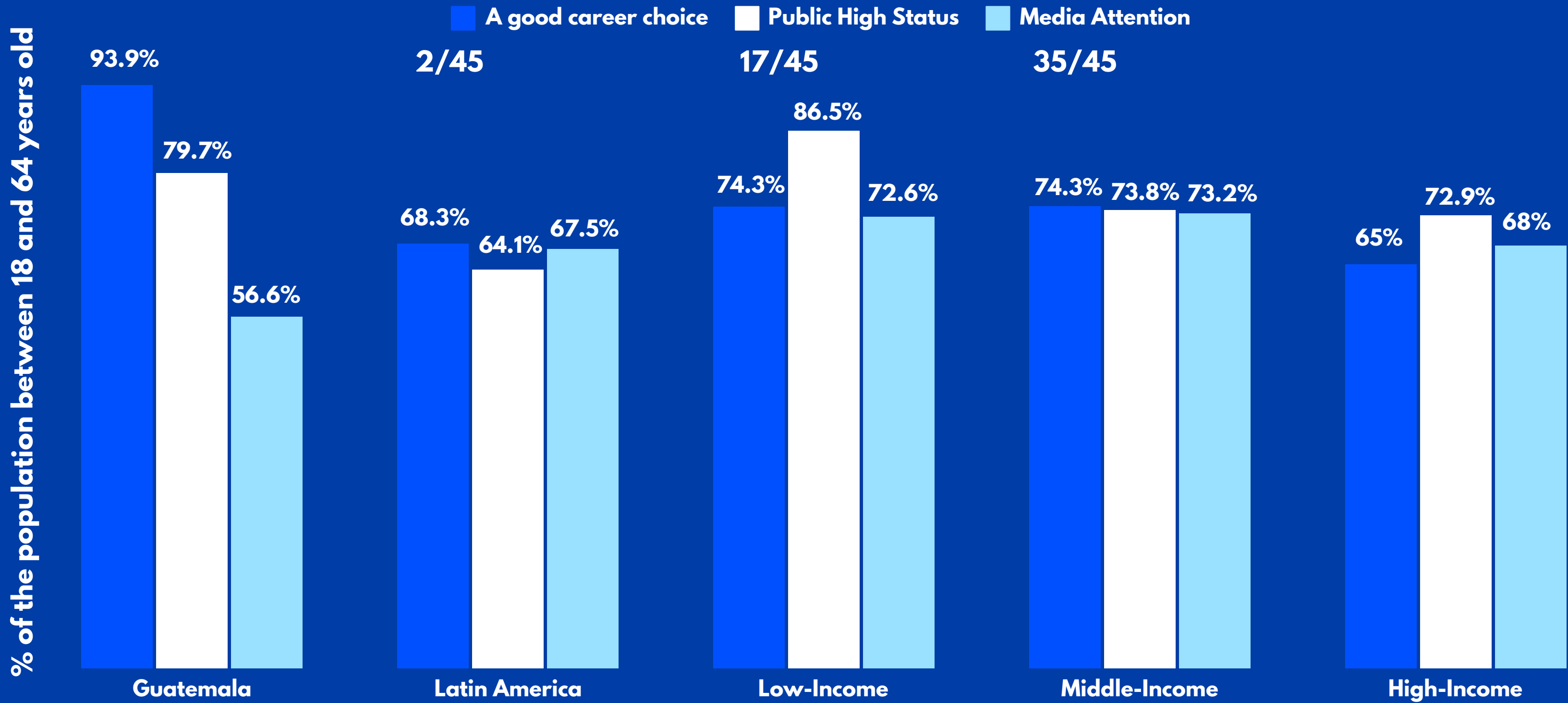
■ TEA+Est.

Source: APS, 2023



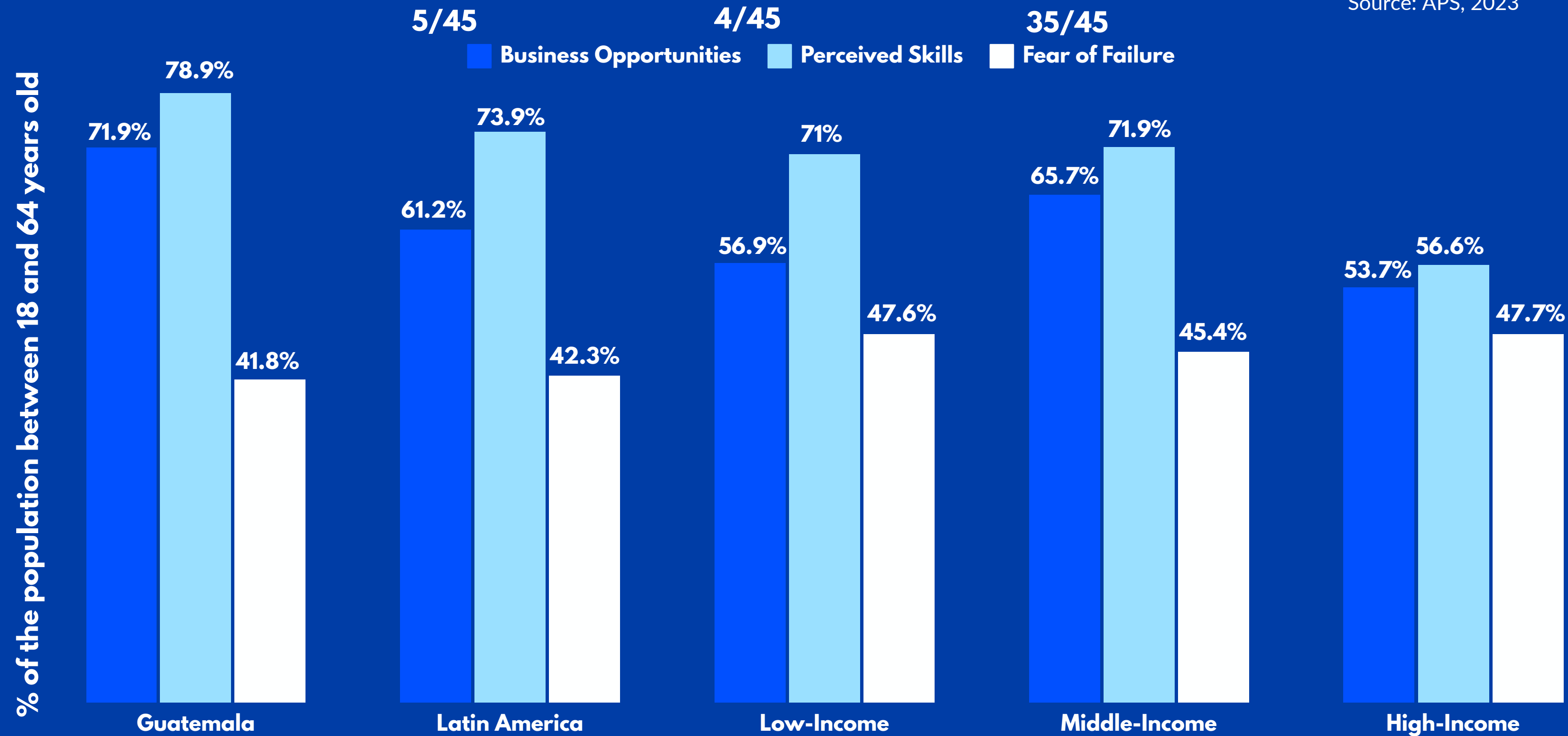
Public Perception

Source: APS, 2023




Attitudes towards entrepreneurship

Source: APS, 2023



RESULTS IN GUATEMALA

A decorative graphic consisting of numerous thin, white, wavy lines that originate from the bottom left and curve upwards and to the right, creating a sense of movement and depth against the solid blue background.

ENTREPRENEURS CHARACTERISTICS

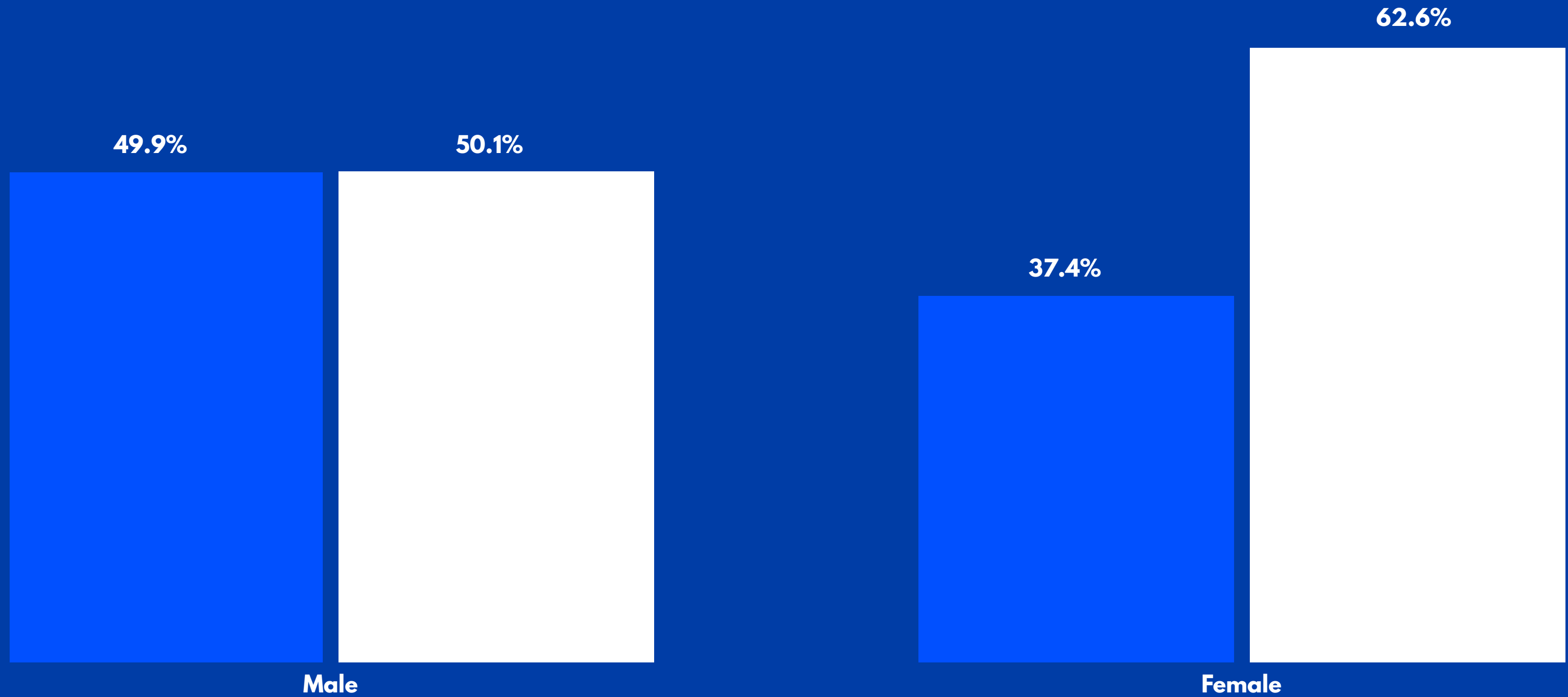
A decorative graphic consisting of numerous thin, white, wavy lines that originate from the bottom right corner and sweep upwards and to the left, creating a sense of motion and depth against the blue background.

Gender

Entrepreneur Non Entrepreneur

Source: APS, 2023

% of the population between 18 and 64 years old

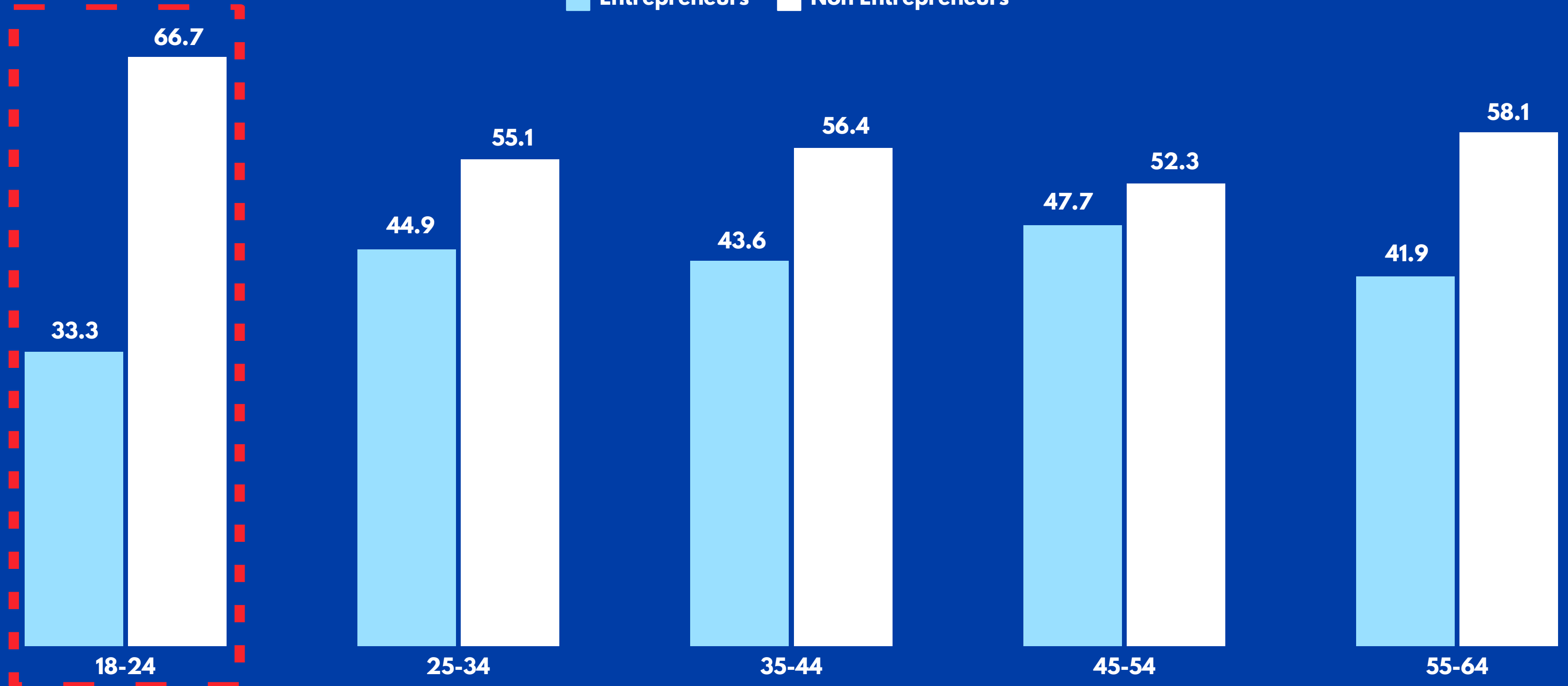


Age

Source: APS, 2023

Entrepreneurs Non Entrepreneurs

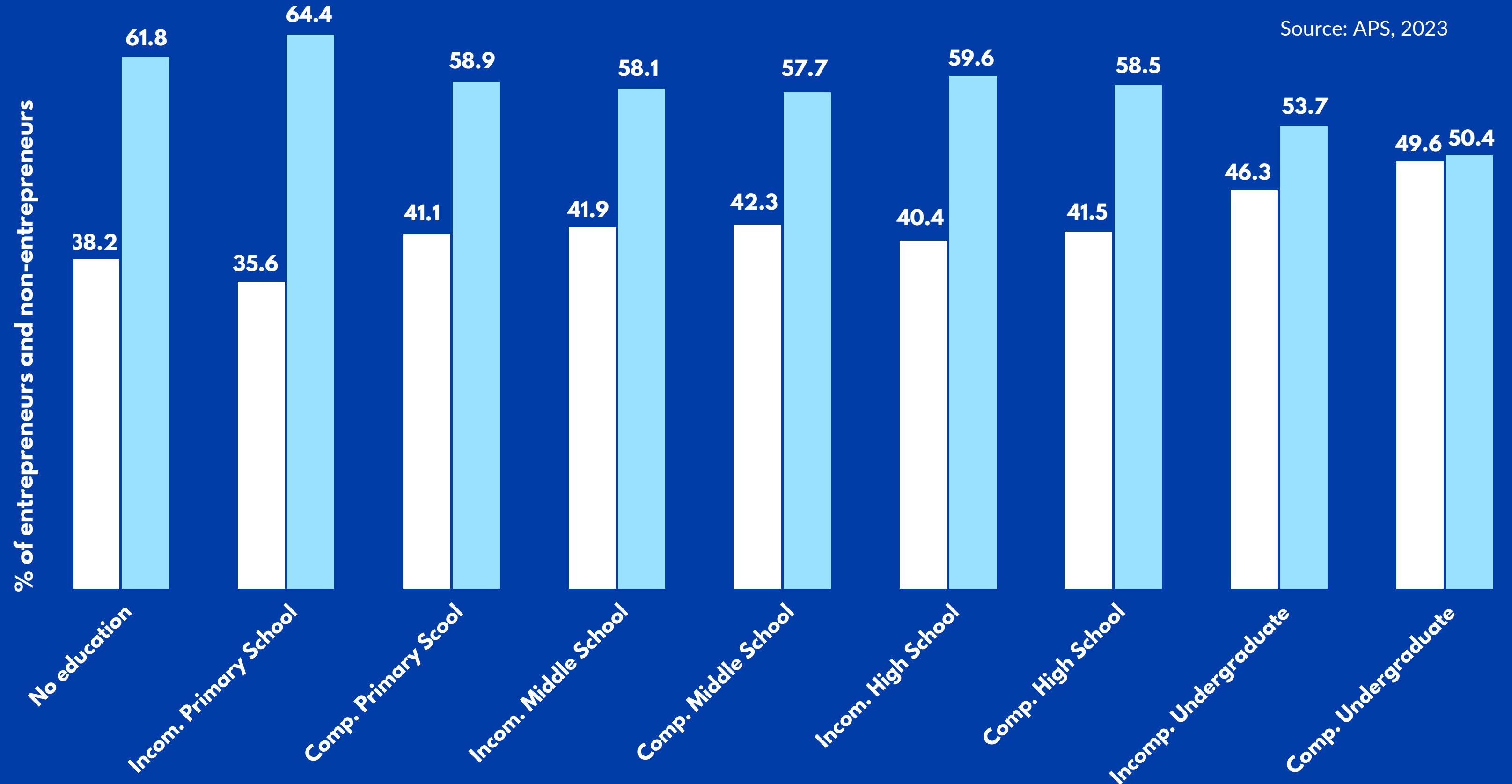
% of women entrepreneurs in TEA compared to the total number of women



Education level

■ Entrepreneur ■ Non Entrepreneur

Source: APS, 2023



Entrepreneurship arises from the urgent need to generate income

Source: APS, 2022 - 2023

| Motivation to start a business (each category is independent) | 2022 | | 2023 | |
|---|------|-------------|------|-------------|
| | TEA | Established | TEA | Established |
| Making a difference in the world | 80.2 | 68.9 | 80.6 | 81.4 |
| Creating wealth | 78.3 | 69.8 | 84.7 | 83.8 |
| Continuing the family tradition | 51.8 | 62.2 | 52.4 | 56.5 |
| Surviving due to job scarcity | 88.7 | 89.2 | 89.4 | 90.4 |

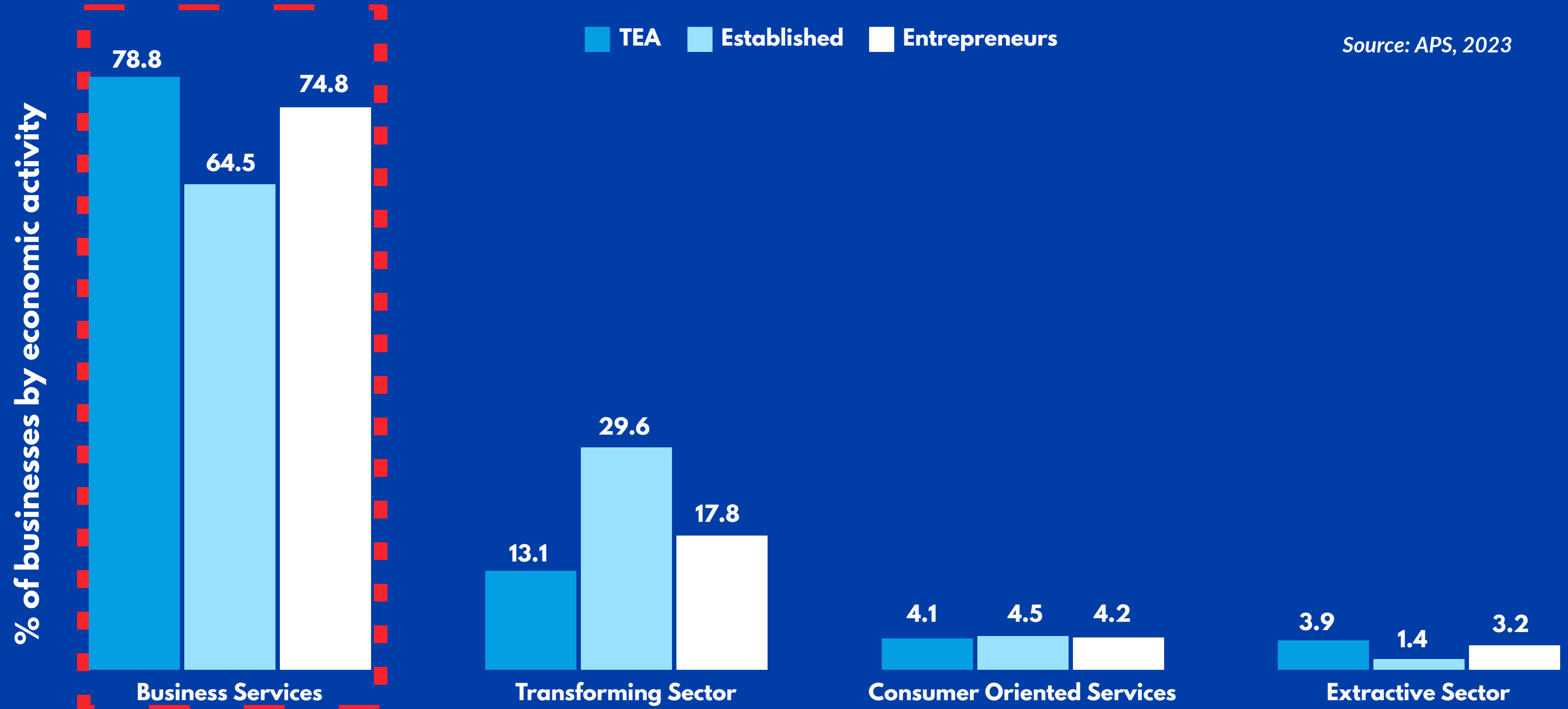
BUSINESSES CHARACTERISTICS

Initial Investment

Source: APS, 2023

| Initial Investment Ranges | TEA | Established | Entrepreneurs |
|------------------------------|--------------------|--------------------|--------------------|
| | Relative Frequency | Relative Frequency | Relative Frequency |
| Less than \$128 | 15.0 | 15.9 | 15.2 |
| Between \$128 and \$640 | 27.6 | 22.8 | 26.2 |
| Between \$641 and \$1,281 | 13.4 | 17.1 | 14.5 |
| Between \$1,282 and \$3,205 | 16.5 | 20.6 | 17.7 |
| Between \$3,206 and \$6,410 | 15.3 | 13.5 | 14.8 |
| Between \$6,411 and \$12,821 | 8.3 | 5.4 | 7.5 |
| More than \$12,821 | 3.9 | 4.7 | 4.1 |

Economic Activity

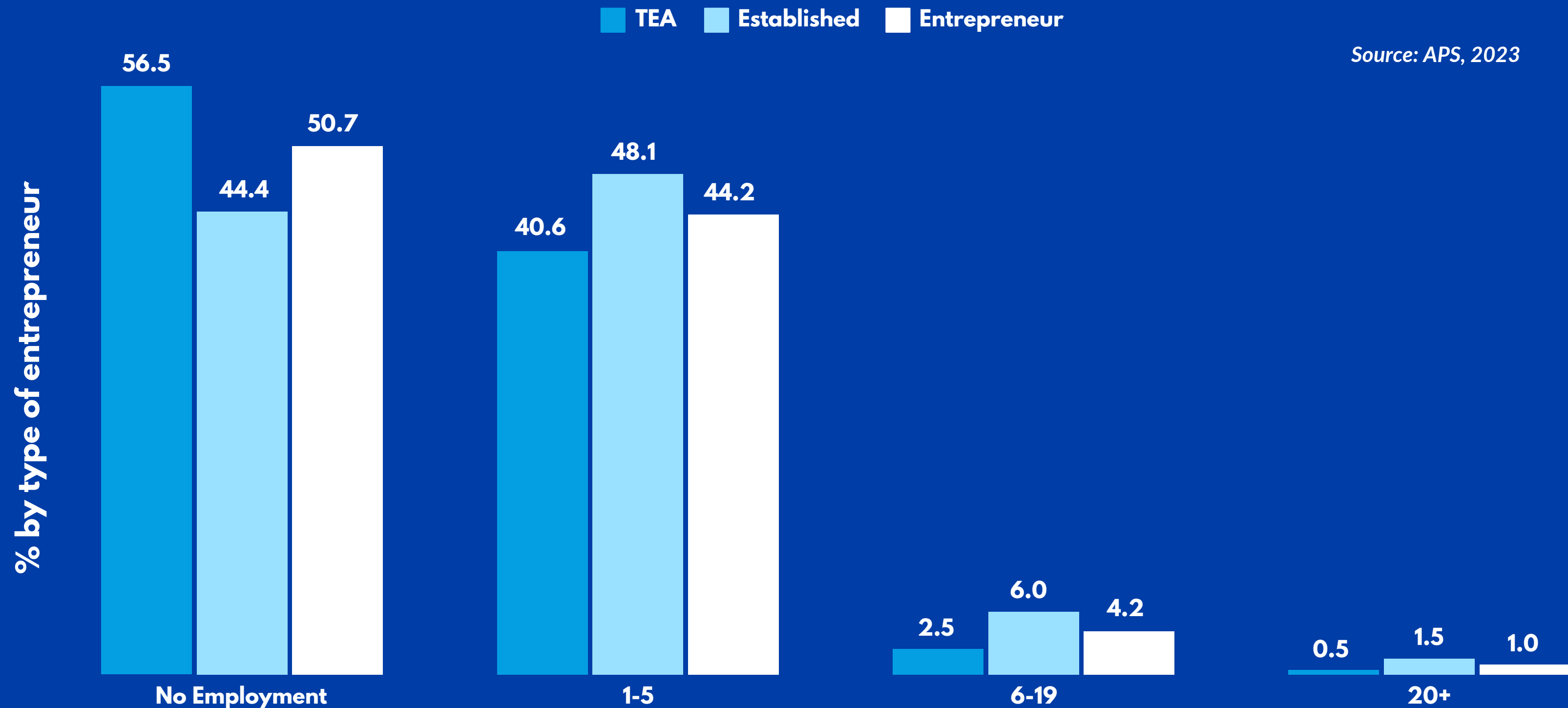


Types of Businesses

| Classification | Considered Businesses |
|--|--|
| Business Services (74.8%) | Retail sales, food sales, clothing sales, fruit and vegetable sales, grocery store, catalog sales, bookstore. |
| Transforming Sector (17.8%) | Mechanic shop, factory, print shop, shoemaking, crafts, tailoring, blacksmithing, construction companies, carpentry, mill, bakery. |
| Consumer Oriented Services (4.2%) | Computer maintenance, accounting services, photocopying, advertising, legal advice, internet café, real estate, veterinary, party rentals, cleaning services. |
| Extractive Sector (3.2%) | Animal farm, forest management, aquaculture, crops, stone processing. |

Source: APS, 2023

Job Creation



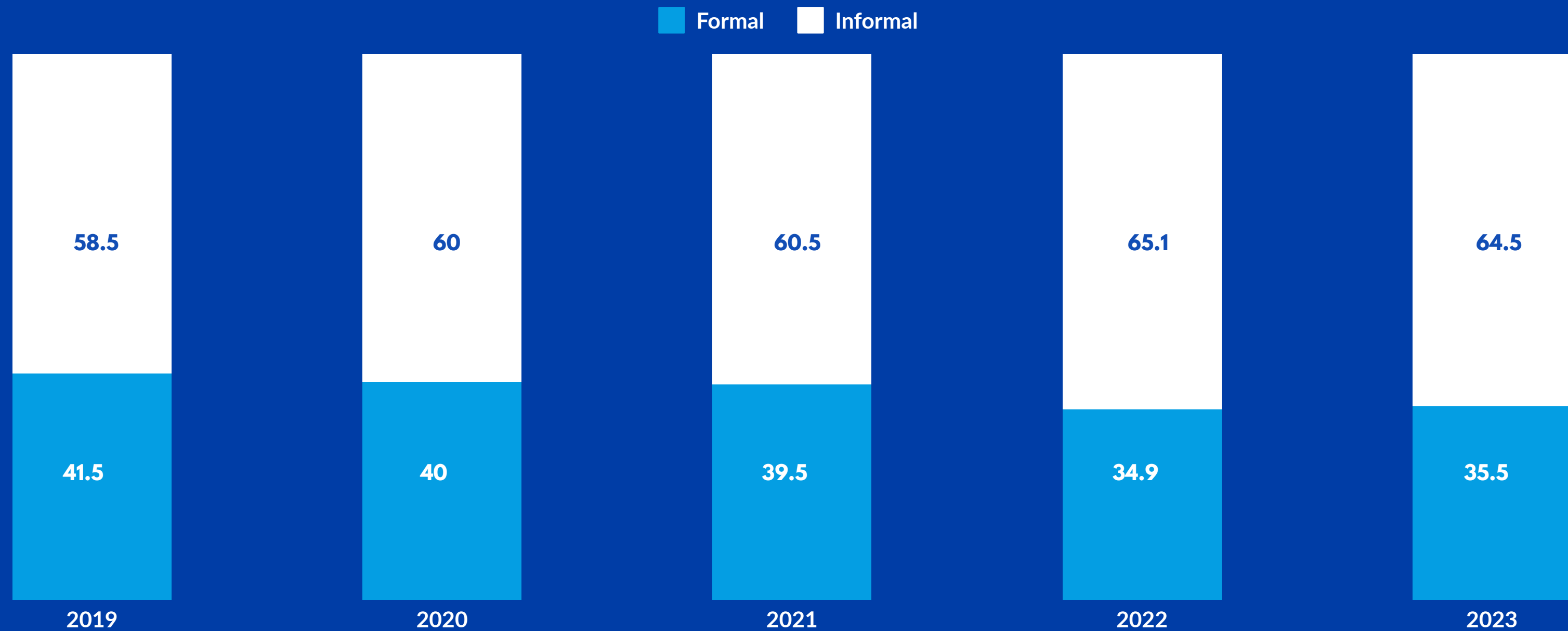
ENTREPRENEURIAL ENVIRONMENT

They serve 'small' markets.

| Where are most of their clients located? | TEA | Established | Entrepreneurs |
|--|------|-------------|---------------|
| In my community, town, village | 53.4 | 50.9 | 52.7 |
| In my municipality | 28.7 | 26.0 | 27.9 |
| In another municipality in my department | 3.2 | 3.1 | 3.2 |
| In my department | 7.1 | 9.8 | 7.9 |
| In another department | 2.7 | 3.5 | 2.9 |
| Throughout Guatemala | 4.6 | 6.3 | 5.1 |
| In other countries | 0.3 | 0.4 | 0.4 |

Source: APS 2023

Operate without registering their business



Source: APS 2019-2023

Because it is not attractive to them

| Reason | 2019 | 2020 | 2021 | 2022 | 2023 |
|--------------------------------------|------|------|------|------|------|
| Does not see the benefit of doing so | 44.1 | 42.4 | 39.9 | 63.4 | 51.2 |
| Compliance is expensive | 17.8 | 16.1 | 19.8 | 15.1 | 14.5 |
| Doesn't know how to do it | 17.6 | 20.4 | 16.8 | 11.2 | 18.6 |
| Nobody does it | 9.2 | 8.9 | 6.2 | 4.3 | 7.6 |
| The procedures are complicated | 5.7 | 5.7 | 6.6 | 2.4 | 3.7 |
| It takes time | 5.6 | 6.5 | 10.6 | 3.5 | 4.4 |

Source: APS 2019-2023

They are more exposed to being victims of crimes

Source: APS 2016-2023

