

# News Release

18 March, 2016

## **ENTREPRENEURIAL SPIRIT RUNS STRONG AMONG SINGAPORE'S MILLENNIALS**

Singapore entrepreneurs are starting younger and running bigger businesses compared to their global peers. They also believe strongly in giving back to the community according to research report from HSBC Private Bank. The report also finds a strong concentration amongst Singapore entrepreneurs who come from a family line of business owners, especially those under 35.

Essence of Enterprise is an international research report aimed at understanding motivations and factors influencing entrepreneurship across key markets including China, France, Germany, Hong Kong, Saudi Arabia, Singapore, the United Arab Emirates, United Kingdom and the United States. The research surveyed more than 2,800 active business owners globally, worth between US\$250,000 and US\$20 million.

### **Singapore entrepreneurs are starting younger.....**

HSBC's Essence of Enterprise report reveals Singapore business owners are starting their entrepreneurial pursuits at a younger age compared to most other countries. According to the report the average age amongst Singapore entrepreneurs is 39, compared to the global average of 44.

### **.....are running larger companies**

Singapore business owners are also running larger businesses than their global counterparts.

The report reveals that the average turnover for a Singapore enterprise is US\$6.7 million compared to the global average of US\$6.5 million. In particular, millennial entrepreneurs (those aged under 35) in Singapore are running larger businesses with an average turnover of US\$6 million that is just 10% lower than the report's country average of US\$6.7 million.

Mr Rob Ioannou, Co-Head of HSBC Private Bank, Southeast Asia said: "HSBC's Essence of Enterprise report shows Singapore entrepreneurs are strategic, far-sighted, and willing to take risks, possibly debunking some of the pre-conceived notions of business owners here."

"This evolution of entrepreneurialism in Singapore reflects the government's policies and development efforts aimed at enabling individuals to pursue business ideas, innovate and grow."

### **.....and are giving back to the community in a strategic way**

HSBC's Essence of Enterprise report shows Singapore entrepreneurs also demonstrate a keen sense of civil and social responsibility.

Of the 334 Singapore business owners surveyed, 57% cite the desire to have a positive economic impact and 51% cite the desire to have a positive impact on the community as key driving motivations behind starting their own businesses.

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For millennial entrepreneurs, the blurring of the lines between social and business objectives extends to philanthropic activities. In Singapore, a large majority (78%) of millennial entrepreneurs are actively involved in philanthropic activities, compared to 72% of those 35 years and above.

Mr Sandeep Sharma, Co-Head of HSBC Private Bank, Southeast Asia said: "Singapore's millennial business owners are starting to change the landscape of giving, shifting away from 'chequebook charity' to developing philanthropic programmes that have a meaningful and long-term impact."

### **Family influence and ties remain strong amongst entrepreneurs in Singapore**

HSBC's *Essence of Enterprise* report also shows that entrepreneurs are largely a product of their up-bringing and typically come from a long family line of business owners.

The report shows that Singapore entrepreneurs, especially those under 35, typically come from families who own businesses. In particular, 52% of millennial entrepreneurs surveyed come from families that own businesses while only 40% above 35 years old share a similar background.

This finding echoes the economic development of Singapore whereby in 1965, Singapore's nominal GDP per capita was just around US\$500 which by 1990 has risen to about US\$13,000 and in 2015, about US\$56,000. Hence, the first generation of entrepreneurs who had to start their own businesses, be it owing to economic circumstances or limited job opportunities during the early days of Singapore's nation building, have an impact in encouraging entrepreneurship in the next generation.

Mr Rob Ioannou, Co-Head of HSBC Private Bank, Southeast Asia continued: "Whilst Singapore's millennial business owners want to carve out their own legacy, family ties remain important, and entrepreneurs here are retaining connections to the family business. This means they are either starting out on their own using family resources or continuing the family business and placing their own mark it by introducing new innovations."

To read the full *Essence of Enterprise* report and view the infographics visit: <http://bit.ly/1LWF3f1>.

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#### **Notes to editors**

Follow @HSBC and the #HSBCEnterprise hashtag on Twitter for further updates on the *Essence of Enterprise* campaign

#### **About the research**

1. The research was conducted online between August and September 2015 by an independent market research agency. There were a total of 2,834 respondents. Throughout the press release, 'entrepreneurs refers' to people who have a) actively own or have derived their wealth principally from a business; and b) have a personal wealth of more than USD250,000. 'Millennials' refers to people under the age of 35 at the time of the survey. 'Successful' entrepreneurs have been defined as those with a business turnover of over USD6.5 million. The research covered Mainland China, Hong Kong, Singapore, UK, Germany, France, US and the United Arab Emirates and Saudi Arabia.

2. The reference “Successful young entrepreneurs” has been defined as those under the age of 35 who have a business turnover of over USD11.5m in the Essence of Enterprise report.

3. Singapore’s GDP per capita information are extracted from "An Economic History of Singapore: 1965-2065" - Keynote Address by Mr Ravi Menon, Managing Director, Monetary Authority of Singapore, delivered at the Singapore Economic Review Conference 2015 on 5 August 2015.

#### **About HSBC Private Bank**

As part of the HSBC Group, one of the world’s largest banking and financial services organisations, HSBC Private Bank seeks to be the leading international private bank for business owners and their families. It provides clients with wealth, business and family succession solutions in the largest and fastest growing markets around the world. HSBC Private Bank is the marketing name for the private banking business conducted by the principal private banking subsidiaries of the HSBC Group.

For more information, visit [www.hsbcprivatebank.com](http://www.hsbcprivatebank.com)

#### **About HSBC Holdings plc**

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 6,000 offices in 71 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US\$2,410bn at 31 December 2015, HSBC is one of the world’s largest banking and financial services organisations.

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