

GEM Research Conference-Washington 1st October-

"THE ENTREPRENEURIAL PROFILE VIEWED FROM AN INNOVATION PERSPECTIVE: A COMPARATIVE ANALYSIS BETWEEN LATIN AMERICAN COUNTRIES"

IBQP - GEM Brazil: Simara Greco , Carlos Artur K. Passos, Julio C. Felix,

Paulo Bastos, Joana Machado

Senior Consultant: Marcos Mueller Schlemm

Fellow Researchers: Maria Lucia de Meza, César Rissete, Siéglinde Cunha



The Main Purpose

• Profile of Latin American countries considering their innovation capacity



Latin America

36 countries
Population - 551 Mi
GDP US\$ 2,5 Tri





Latin America

Countries involved in the study:

Argentina, Brazil, Chile, Colombia and Mexico

Population -390 million

71% LA

GDP -US\$ 2 Tri

81% LA





Theoretical Background

Authors referred

Studying Entrepreneurship

- Drucker
- Fillion
- Degen
- McClelland
- Schumpeter
- Carland
- **GEM Model**



Theoretical Background

Authors referred

Innovation within Companies

- Rogers
- Van de Vem
- Schumpeter
- Freeman
- Luecke
- Dosi
- Possas
- Bell and Pavitt
- Figueiredo



Main Entrepreneurial Rates of Latin American Countries

RATE OF ENTREPRENEURIAL ACTIVITY IN LATIN AMERICAN COUNTRIES - 2006.

	Countries					
MAIN RATES (%)	MX	AR	BR	CL	CO	Average Countries
Early Stage Entrepreneurs (TEA)	5.3	10.2	11.6	9.2	22.5	11.8
Opportunity – driven Entrepreneurs	3.4	7.5	6.0	6.6	13.7	7.4
Necessity-driven Entrepreneurs	1.2	2.6	5.6	2.6	8.7	4.1



Main Entrepreneurial Rates of **Latin American Countries**

RATE OF EARLY STAGE ENTREPRENEURS BASED ON THE CHARACTERISTICS OF ENTREPRENEURS IN LATIN AMERICAN COUNTRIES - 2006.

	Rate of Early Stage Entrepreneurs(%)					
CATEGORIES	AR	BR	CL	CO	MX	Average Countries
Men	13.9	13.7	11.4	28.0	6.1	14.6
Women	6.6	9.6	7.0	17.3	4.5	9.0
	Proportion (%)					
Extractives sector	4.3	2.5	7.3	3.3	0.0	3.5
Transformation sector	40.8	47.3	25.6	49.4	56.9	44.0
Business-oriented services	9.9	9.9	14.3	7.7	6.7	9.7
Consumer-oriented services	45.0	40.4	52.8	39.6	36.4	42.8



Methodology

- Data –

2006 GEM cycle - 9,684 interviewees

Innovation Potentiality – GEM Model

- 1. the consumer perception of product newness
- 2. number of players from competitiveness
- 3. age of technology



Methodology

Minimum Innovation Potentiality

- (a) none of the potential customers consider the product or service new and unknown
- (b) competitiveness is offering the same products and services
- (c) technology and processes used in the business have been available for over one year



Methodology

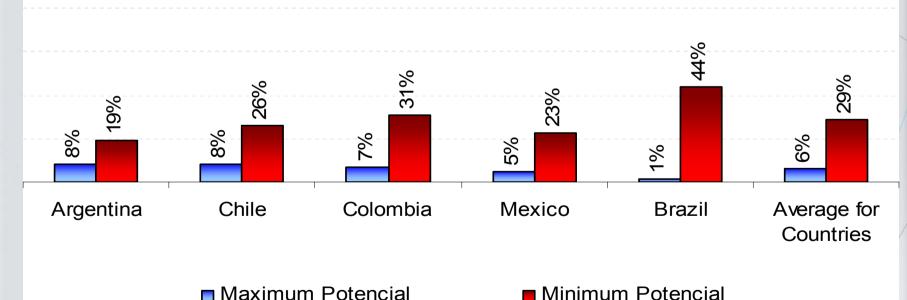
Maximum Innovation Potentiality

- (a) consumers consider the product/service as unknown
- (b) there is a low level of competitiveness
- (c) technology and processes used are new



INNOVATION POTENTIAL IN LATIN AMERICAN COUNTRIES - 2006.

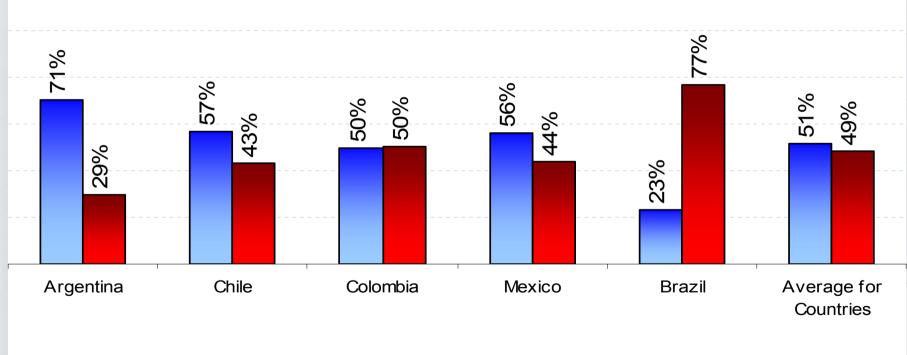
Innovation Potential
Early - Stage Entrepreneurial Activity





LEVEL OF **NEWNESS PERCEPTION** IN LATIN AMERICAN COUNTRIES – 2006.

Consumer newness perception of the product Early stage entrepreneurial



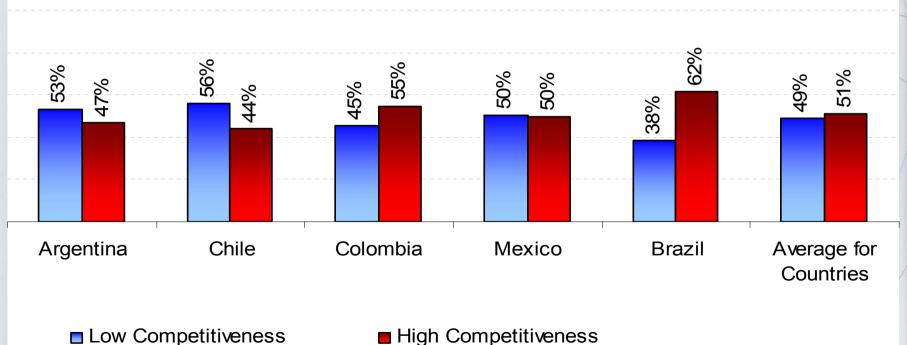
■ New and unknown produc

■ known product



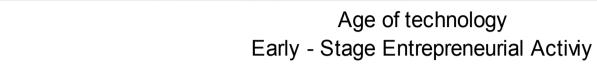
LEVEL OF **COMPETITIVENESS** IN LATIN AMERICAN COUNTRIES – 2006.

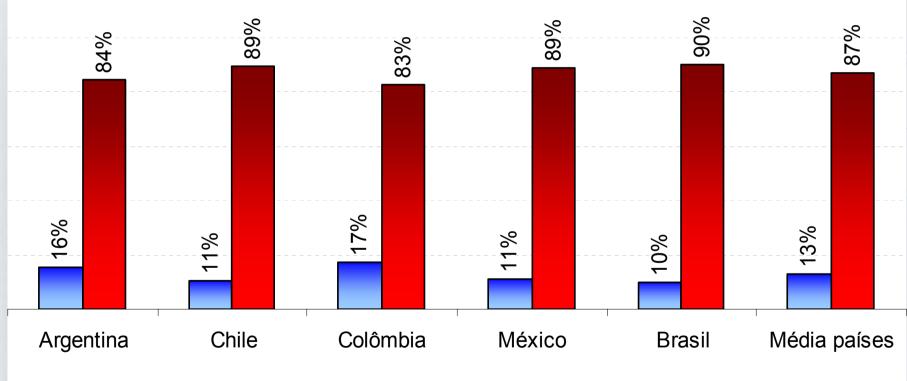
Level of competitiveness
Early - Stage Entrepreneurial Activity











New technology

■ Known technology



The Profile of Maximum Innovation Potentiality Entrepreneur in Latin America

- •Opportunity-driven
- •Men
- •Young
- Higher education level
- •Transformation and consumer—oriented sectors



The Profile of Maximum Innovation Potentiality Entrepreneur in Latin America

- Motivation -

	NEW AND UNKNOWN PRODUCT	LOW COMPETITION	NEW TECHNOLOGY	
% OPPORTUNITY .	69	68	60	
DRIVEN	59	60	64	
	KNOWN PRODUCT	HIGH COMPETITION	KNOWN TECHNOLOGY	



The Profile of Maximum Innovation Potentiality Entrepreneur in Latin America - Gender -

	NEW AND UNKNOWN PRODUCT	LOW COMPETITION	NEW TECHNOLOGY	
	63	62	61	
% MEN	59	60	61	
	KNOWN PRODUCT	HIGH COMPETITION	KNOWN TECHNOLOGY	



The Profile of Maximum Innovation Potentiality Entrepreneur in Latin America - Age Group -

			NEW AND UNKNOWN PRODUCT	LOW COMPETITION	NEW TECHNOLOGY
		25 to 34	35	33	29
	% AGE GOUP	35 to 44	26	25	34
		25 to 34	30	32	33
		35 to 44	25	26	24
			KNOWN PRODUCT	HIGH COMPETITION	KNOWN TECHNOLOGY



The Profile of Maximum Innovation Potentiality Entrepreneur in Latin America

- Education Level -

GROSS PERCENTADGE OF EDUCATION IN THE SELECTED LATIN AMERICAN COUNTRIES - 2003

	Rate of children enrolled in school * (%)			
COUNTRIES	Fundamental Education	Medium Education	Superior Education	
Argentina	112	86	64	
Brazil	141	102	22	
Chile	99	88	43	
Colombia	110	71	24	
Mexico	109	79	22	

SOURCE: World Bank

^{*} Note: Rates refer to the number of children enrolled with the respective school levels, regardless of their correct age. In this case, when gross percentage exceeds 100% it means there are many children flunking or joining the educational system untimely.



The Profile of Maximum Innovation Potentiality Entrepreneur in Latin America - Activity Sector -

		NEW AND UNKNOWN PRODUCT	LOW COMPETI TION	NEW TECHNO LOGY
	Transformation sector	47	45	43
	Company-oriented services	10	9	13
	Consumer- oriented services	40	42	37
% ACTIVITY SECTOR	Transformation sector	48	49	48
	Company-oriented services	9	10	9
	Consumer- oriented services	39	38	40
		KNOWN PRODUCT	HIGH COMPETI TION	KNOWN TECHNO LOGY



FATORES QUE DIFICULTAM AS ATIVIDADES EMPREENDEDORAS NOS PAÍSES SELECIONADOS – 2006

	Fatores que dificultam						
PAÍSES	Acesso a Recursos Financeiros	Cooperação entre Instituições	Transferência de P&D	Políticas Governamentais			
Argentina		X					
Brasil	X	X					
Chile	X		X				
Colômbia	X		X	X			
México			X				



Obrigada pela Atenção! Thank you!

Simara M.S.S.Greco simara@ibqp.org.br

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