

# News Release

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## **MILLENNIAL ENTREPRENEURS TARGET POSITIVE COMMUNITY IMPACT**

*\*\*\*Entrepreneurs in their 20s prioritise impact on community more than the older generation\*\*\**

*\*\*\*Millennial entrepreneurs in HK prioritise financial considerations and work longer hours than those in the U.S. and Europe\*\*\**

*\*\*\* Self-starters in HK are more ambitious compared with those with family business background\*\*\**

Nearly a quarter (23%) of millennial entrepreneurs worldwide say having a positive impact on the community is an important goal, compared with one in ten (13%) entrepreneurs aged 50 or above. The distinction between generations is most marked in the U.S. (29% vs 17%) while the difference is eight percentage points in Asia-Pacific (21% vs 13%), according to a new report from HSBC Private Banking. The Bank's second *Essence of Enterprise* report, launched today, canvassed the views of over 4,000 entrepreneurs globally to understand the motivations behind setting up their own businesses.

While the global findings suggest shifting priorities for younger generations, the findings suggest millennial entrepreneurs in Asia-Pacific place a higher priority on financial considerations. Fifty-six per cent of millennial entrepreneurs in Hong Kong went into business with the goal of increasing their personal wealth compared with 40% in the U.S. and 29% in Europe. Other motivations for Hong Kong millennial entrepreneurs going into business include the desire to change their lifestyle (52%) and be their own boss (44%).

Chingyee Yau, Co-Head, North Asia at HSBC Private Banking said: "Millennial entrepreneurs in Hong Kong are energetic and ambitious, driven by their vision and dynamic views of global changes. The wave of start-ups and the new entrepreneurship that start-ups represent are changing the business landscape here and around the world. It is important for us to support young entrepreneurs as they create jobs and economic growth, as well as prosperity for themselves, their families and the community."

Millennial entrepreneurs in Hong Kong have an annual turnover growth rate target of 12% (vs 14% in Asia-Pacific, 10% in the U.S. and 12% in Europe) and on average work 11 hours 49 minutes a day, longer than their counterparts in Europe (9 hours 28 minutes), the U.S. (9 hours 34 minutes) and the average of 10 hours 34 minutes in Asia-Pacific.

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Kevin Herbert, Co-Head, North Asia at HSBC Private Banking commented: “Young entrepreneurs have business knowledge and creativity. As they scale their business, building network and accessing advice become extremely important. Being part of a professional network would help young entrepreneurs in particular self-starters connect with professionals and peers.”

When asked which skills gaps are most likely to hold them back, millennial entrepreneurs in Hong Kong highlight networking (44%), opportunity and risk perception (33%), people management (30%), sales and negotiation (30%) and strategic acumen (30%).

Self-starters, entrepreneurs without a family business background, are a prominent and exciting profile worldwide. In Hong Kong, the average age of self-starters when they first become entrepreneurs is 31, compared with 27 among next-generation owners.

The research suggests Hong Kong self-starters are more ambitious than those with a family business background as they target a higher annual turnover growth rate target (18% versus 10%). This ambition is not born of a lack of experience. Indeed, fewer self-starters than those with a background of family business say they were held back as a result of lack of skills/ experience in leadership (16% vs 24%) and communication (6% vs 21%).

### **Five tips for entrepreneurs**

1. Be risk aware, but not risk averse: A good business plan will inform you as to how much risk you can realistically take.
2. There is a world of opportunity out there: The internet opens up many more doors. You can become an exporter with a good internet site.
3. Understand how you'll finance your ambition: Think about how you access finance and get the right services to support your business.
4. Be flexible and nimble, and you'll reap the rewards: When, where and how we work has seen a seismic change. If you employ staff, provide them the same flexibility too.
5. Seek out your peers and learn from them: Learning best practice from peers is important. Take the chance to network with your peers and share your ambitions.

For further findings of the Essence of Enterprise research, visit <http://bit.ly/2sDnsJU>

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## **Notes to editors**

### **About the research**

The research was conducted by Scorpio Partnership online in September 2016. There were a total of 4,038 respondents all of whom a) were major shareholders and active decision-makers in privately-owned businesses and b) had a minimum personal wealth of more than USD250,000. The research covered mainland China, Hong Kong, Singapore, UK, Germany, France, US, Switzerland, Australia, the United Arab Emirates and Saudi Arabia.

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