

The *South African* SMME & Side Hustle Entrepreneur

SMME ENTREPRENEUR LANDSCAPE IN NUMBERS.

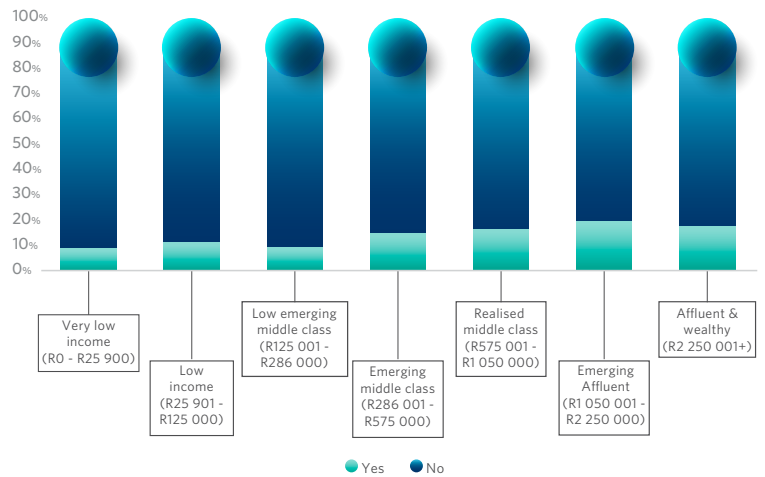
- The SMME landscape is yet to recover to **pre-COVID numbers**.
- In **Q3 2021** there were **2,404,564 SMMEs** in South Africa.

	2019 Q3	2020 Q3	2021 Q3
Total number of SMMEs	2 653 424	2 363 513	2 404 564
Own account workers (only them)	1 667 094	1 494 575	1 537 817
SMME's that employ workers	986 330	867 938	866 747
Informal SMMEs	1 791 431	1 580 155	1 641 859
Formal SMMEs	779 297	653 530	677 786

Source: **Stats SA**

SIDE HUSTLE ENTREPRENEUR LANDSCAPE IN NUMBERS

- In 2021, **2 138 282 (11%)** of households in SA acquire an additional income from a Side Hustle, a decrease from 14% in 2020.
- A **large portion (20%)** of the Side Hustle entrepreneurs' businesses operate in the retail industry, where they source and sell goods independently.
- The highest concentration of Side Hustles (41%), from an income-earning perspective, is amongst the low-income households with a monthly income of R2 158 - R10 416.
- Analysing Side Hustles within income groups, the largest proportion of households with a Side Hustle (20%) reside in the emerging affluent group with a monthly income between R87 500 - R208 333.



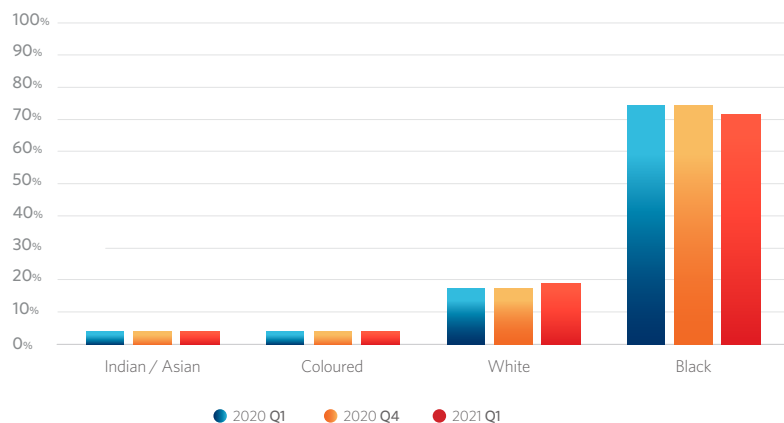
Source: Momentum / Unisa Household Finance Survey, 2022

SHIFT IN DEMOGRAPHICS OF ENTREPRENEURS:

The past two years has also seen a shift in the demographics of the SMME entrepreneur.

In that there was:

- An increase in entrepreneurs that have completed their secondary and tertiary education.
- A decrease in those with less than secondary education.
- A decline of 1.6% percentage points in the number of entrepreneurs aged between 15 to 34 and made up 24% of SMME owners in Q3 2021.
- In Q1 2022, 74% of all SMMEs were black-owned, a decrease from 75% in Q3 2020.



Source: **Stats SA**