



Business Demography Statistics in 2020

Active enterprises

In 2020, the number of active enterprises* was 6.821 million enterprises, rising by 4.5% from 2019.

- In 2020, the number of active enterprises* was 6.821 million enterprises, rising by 294 thousand enterprises (4.5%) from 2019.

* Active enterprises refer to enterprises with annual sales or employees in the year among profit enterprises.

- Among active enterprises, corporate enterprises amounted to 743 thousand enterprises in 2020, which increased by 7.0% from 2019. Sole proprietorships amounted to 6.077 million enterprises in 2020, which increased by 4.2% from 2019.

(Unit: thousand enterprises, %)

Classification	2015	2016	2017	2018	2019	2020	Composition
Active enterprises (Year-on-year)	5,554 (-0.1)	5,776 (4.0)	6,051 (4.8)	6,250 (3.3)	6,527 (4.4)	6,821 (4.5)	100.0
Corporate enterprises (Year-on-year)	548 (7.0)	585 (6.7)	621 (6.2)	657 (5.7)	695 (5.8)	743 (7.0)	10.9
Sole proprietorships (Year-on-year)	5,005 (-0.8)	5,191 (3.7)	5,429 (4.6)	5,593 (3.0)	5,832 (4.3)	6,077 (4.2)	89.1

- As for active enterprises by industry, 'Information and Communications' (11.9%), 'Professional, Scientific and Technical Activities' (9.4%) and 'Real Estate Activities' (8.7%) showed a high year-on-year increase rate.

- As for the share of active enterprises by industry, 'Real Estate Activities' (23.4%), 'Wholesale and Retail Trade' (21.7%) and 'Accommodation and Food Service Activities' (12.7%) accounted for 57.9% of the total active enterprises.

- In 2020, active enterprises recording annual sales of 'Less than 50 million won' marked 3.498 million enterprises, rising by 248 thousand enterprises (7.6%) from 2019. These enterprises accounted for 51.3% of the total active enterprises.

	2015	2016	2017	2018	2019	2020
Active enterprises recording annual sales of 'Less than 50 million won' (thousand enterprises)	2,808	2,891	2,996	3,082	3,250	3,498
Share (%)	50.6	50.0	49.5	49.3	49.8	51.3

- One-person active enterprises amounted to 5.385 million enterprises, rising by 239 thousand enterprises (4.6%) from 2019. These enterprises occupied 79.0% of the total active enterprises.

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
■ One-person active enterprises (thousand enterprises)	4,451	4,591	4,802	4,930	5,146	5,385
Share (%)	80.1	79.5	79.4	78.9	78.9	79.0

- Active enterprises with a female CEO amounted to 2.679 million enterprises, rising by 137 thousand enterprises (5.4%) from 2019. These enterprises occupied 39.3% of the total active enterprises.

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
■ Active enterprises with a female CEO (thousand enterprises)	2,108	2,208	2,328	2,418	2,542	2,679
Share (%)	38.0	38.2	38.5	38.7	38.9	39.3

- As for active enterprises by age group of CEOs, active enterprises with CEOs in all age groups showed a year-on-year increase rate. In particular, enterprises whose CEOs were '60 or more' and '29 or less' rose by 11.5% and 9.8%, respectively.

- As for the share of active enterprises by age group of CEOs, enterprises whose CEOs were '50~59' showed the highest figure at 31.1%, which was followed by enterprises whose CEOs were '60 or more' (27.8%).

	<u>Total</u>	<u>29 or less</u>	<u>30~39</u>	<u>40~49</u>	<u>50~59</u>	<u>60 or more</u>
■ Active enterprises (thousand enterprises)	6,821	230	856	1,712	2,120	1,897
Year-on-year (%)	4.5	9.8	0.7	0.9	2.7	11.5
Share (%)	100.0	3.4	12.6	25.1	31.1	27.8

- As for active enterprises by business year group, enterprises in all business year groups showed a year-on-year increase rate.

	<u>Total</u>	<u>3 years or less</u>	<u>4~6 years</u>	<u>7~9 years</u>	<u>10~19 years</u>	<u>20 years or more</u>
■ Active enterprises (thousand enterprises)	6,821	2,833	1,204	713	1,416	654
Year-on-year (%)	4.5	3.6	8.3	3.5	1.7	9.1
Share (%)	100.0	41.5	17.7	10.5	20.8	9.6

Birth enterprises

In 2020, the number of birth enterprises was 1.059 million enterprises, rising by 6.2% from 2019.

- In 2020, the number of birth enterprises was 1.059 million enterprises, rising by 62 thousand enterprises (6.2%) from 2019.
- In 2020, the birth rate of enterprises stood at 15.5%, up 0.2%p from 2019.
- Among birth enterprises, corporate enterprises marked 86 thousand enterprises in 2020, rising by 12.3% from 2019. Sole proprietorships marked 973 thousand enterprises in 2020, rising by 5.7% from 2019.
- Corporate enterprises and sole proprietorships took up 8.1% and 91.9% of the total birth enterprises, respectively.

(Unit: thousand enterprises, %)

Classification	2015	2016	2017	2018	2019	2020	Composition
Birth enterprises	813	876	913	920	997	1,059	100.0
Birth rates	14.6	15.2	15.1	14.7	15.3	15.5	
Corporate enterprises (Year-on-year)	66 (-3.4)	69 (4.5)	68 (-1.2)	69 (1.9)	76 (10.3)	86 (12.3)	8.1
Sole proprietorships (Year-on-year)	747 (-3.5)	808 (8.1)	845 (4.7)	851 (0.6)	920 (8.2)	973 (5.7)	

- As for birth enterprises by industry, 'Real Estate Activities' (21.2%), 'Business Facilities Management and Business Support Services' (19.0%) and 'Information and Communications' (18.6%) showed a high year-on-year increase rate.
 - The birth enterprises of 'Real Estate Activities' (28.9%), 'Wholesale and Retail Trade' (21.3%) and 'Accommodation and Food Service Activities' (14.6%) took up 64.8% of the total birth enterprises.
- One-person birth enterprises amounted to 959 thousand enterprises, which increased by 65 thousand enterprises (7.3%) from 2019. These enterprises occupied 90.5% of the total birth enterprises.
- The birth enterprises showed a year-on-year increase rate in all age groups of CEOs including CEOs of '60 or more' (16.4%).
 - As for the share of birth enterprises by age group of CEOs, enterprises whose CEOs were '40~49' showed the highest figure at 26.7%, which was followed by enterprises whose CEOs were '50~59' (25.3%).

Death enterprises

In 2019, the number of death enterprises was 736 thousand enterprises, which grew by 6.4% from 2018.

- In 2019, the number of death enterprises was 736 thousand enterprises, rising by 44 thousand enterprises (6.4%) from 2018.
 - In 2019, the death rate of enterprises stood at 11.3%, up 0.2%p from 2018.
- Among death enterprises, corporate enterprises marked 46 thousand enterprises in 2019, rising by 1.1% from 2018. Sole proprietorships marked 691 thousand enterprises in 2019, rising by 6.8% from 2018.

(Unit: thousand enterprises, %)

Classification	2015	2016	2017	2018	2019	Composition
Death enterprises	640	626	698	692	736	100.0
Death rates	11.5	10.8	11.5	11.1	11.3	
Corporate enterprises (Year-on-year)	39 (1.4)	40 (1.4)	42 (4.4)	45 (8.5)	46 (1.1)	6.2
Sole proprietorships (Year-on-year)	601 (-18.6)	586 (-2.4)	656 (12.0)	647 (-1.5)	691 (6.8)	

- As for death enterprises by industry, 'Transportation and Storage' (26.6%), 'Real Estate Activities' (23.0%) and 'Membership Organizations, Repair and Other Personal Services' (9.3%) recorded a high year-on-year increase rate.
 - The death enterprises of 'Real Estate Activities' (23.7%), 'Wholesale and Retail Trade' (23.4%) and 'Accommodation and Food Service Activities' (18.5%) took up 65.8% of the total death enterprises.
- One-person death enterprises amounted to 677 thousand enterprises, which increased by 43 thousand enterprises (6.8%) from 2018. These enterprises occupied 92.0% of the total death enterprises.
- The death enterprises showed a year-on-year increase in all age groups of CEOs excluding CEOs of '30~39' (-1.0%).
 - As for the share of death enterprises by age group of CEOs, enterprises whose CEOs were '50~59' showed the highest figure at 27.3%, which was followed by enterprises whose CEOs were '40~49' (25.8%).
- As for death enterprises by business year group, enterprises in all business year groups showed a year-on-year increase rate. In particular, death enterprises recording business year of '3 years or less' occupied 60.2% of the total death enterprises.

Survival rates

In 2019, the 1-year survival rate of enterprises born in 2018 stood at 64.8%, rising by 1.1%p from 2018.

- Among active enterprises in 2019, the 1-year survival rate of enterprises born in 2018 and still alive in 2019 stood at 64.8%, up 1.1%p compared to 2018.
 - Among active enterprises in 2019, the 5-year survival rate of enterprises born in 2014 and still alive in 2019 stood at 32.1%, up 0.9%p compared to 2018.
- In 2019, the 1-year survival rate of corporate enterprises stood at 73.0%, up 0.9%p from 2018. In 2019, the 5-year survival rate of corporate enterprises stood at 41.7%, up 1.8%p from 2018.
- In 2019, the 1-year survival rate of sole proprietorships stood at 64.1%, up 1.0%p from 2018. In 2019, the 5-year survival rate of sole proprietorships stood at 31.3%, up 0.9%p from 2018.

(Unit: %)

Classification	2015	2016	2017	2018	2019
1-year survival rates	62.7	65.3	65.0	63.7	64.8
Corporate enterprises	73.2	72.5	72.7	72.1	73.0
Sole proprietorships	61.7	64.7	64.3	63.1	64.1
5-year survival rates	-	28.6	29.3	31.2	32.1
Corporate enterprises	-	37.7	40.3	39.9	41.7
Sole proprietorships	-	28.0	28.4	30.4	31.3

- As for 1-year and 5-year survival rates by industry, 'Electricity, Gas, Steam and Air Conditioning Supply' and 'Human Health and Social Work Activities' recorded the highest figures. Whereas, 'Financial and Insurance Activities' recorded the lowest figure.

< 1-year survival rates >

* Top industries: Electricity, Gas, Steam and Air Conditioning Supply (90.6%), Human Health and Social Work Activities (83.4%), Transportation and Storage (75.5%)

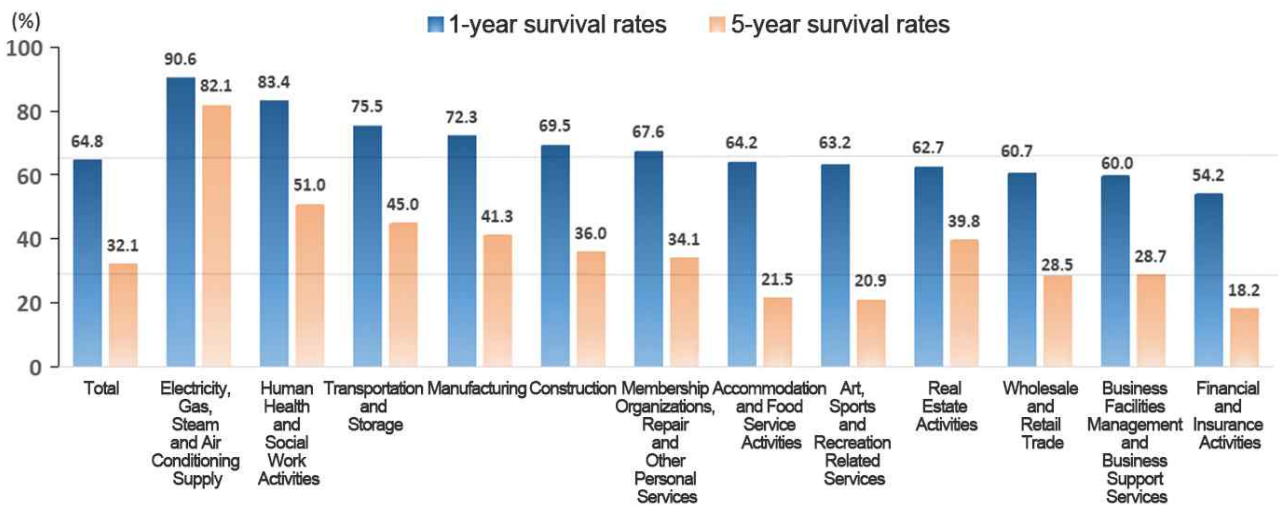
* Bottom industries: Financial and Insurance Activities (54.2%), Business Facilities Management and Business Support Services (60.0%), Wholesale and Retail Trade (60.7%)

< 5-year survival rates >

* Top industries: Electricity, Gas, Steam and Air Conditioning Supply (82.1%), Human Health and Social Work Activities (51.0%), Transportation and Storage (45.0%)

* Bottom industries: Financial and Insurance Activities (18.2%), Art, Sports and Recreation Related Services (20.9%), Accommodation and Food Service Activities (21.5%)

< 1-year and 5-year survival rates of major industries >



High-growth enterprises and gazelles

In 2020, the number of high-growth enterprises was 4,221 enterprises, dropping by 228 enterprises from 2019. In 2020, the number of gazelles was 1,208 enterprises, falling by 37 enterprises from 2019.

In 2020, the number of high-growth enterprises was 4,221 enterprises, which decreased by 228 enterprises (5.1%) from 2019.

* High-growth enterprises refer to enterprises with average annualised growth greater than 20% per annum, over the 3-year period, in terms of annual sales and regular workers.

○ As for high-growth enterprises by industry, 'Information and Communications' (75 enterprises) and 'Professional, Scientific and Technical Activities' (69 enterprises) showed a year-on-year increase. Whereas, 'Manufacturing' (125 enterprises) and 'Construction' (92 enterprises) showed a year-on-year decrease.

- 'Manufacturing' showed the highest share of high-growth enterprises at 26.5%, which was followed by 'Wholesale and Retail Trade' (16.2%) and 'Information and Communications' (12.5%). These three industries occupied 55.2% of the total high-growth enterprises.

In 2020, the number of gazelles was 1,208 enterprises, which decreased by 37 enterprises (3.0%) from 2019.

* Gazelles refer to high-growth enterprises with business registration for 5 years or less.

○ As for gazelles by industry, 'Professional, Scientific and Technical Activities' (38 enterprises) and 'Information and Communications' (28 enterprises) showed a year-on-year increase. In the meantime, 'Manufacturing' (41 enterprises) and 'Human Health and Social Work Activities' (19 enterprises) showed a year-on-year decrease.

- 'Manufacturing' recorded the highest share of gazelles at 24.5%, which was followed by 'Wholesale and Retail Trade' (16.6%) and 'Information and Communications' (14.2%). These three industries occupied 55.3% of the total gazelles.

< High-growth enterprises and gazelles by year >

(Unit: each, %)

Classification	2015	2016	2017	2018	2019	2020
High-growth enterprises	3,998	4,100	4,521	4,600	4,449	4,221
Year-on-year	-6.2	2.6	10.3	1.7	-3.3	-5.1
Gazelles	998	1,099	1,187	1,159	1,245	1,208
Year-on-year	-5.8	10.1	8.0	-2.4	7.4	-3.0