A SYNOPTIC OF STARTUP LOCATIONS AND FOUNDER MOBILITY IN EUROPE.
The Startup Heatmap Europe is brought to you by the *European startup initiative (esi)*. Founded in 2012, esi is a volunteer based non-profit organization, supported by the Allianz Cultural Foundation.

### The Survey

The Startup Heatmap Europe is based on an online survey opened to founders from November 2015 to April 2016.

The main question: *Where would you like to startup if you could begin all over again?*

We came to our conclusions after collecting data from 700 founders.

### Key Highlights

- **Startup talent is hyper-mobile: Every 5th founder started abroad**

- **It’s not all about money: Access to capital is the least important factor**

- **Differentiation is key: Hotspots for High-Tech vs. Internet startups**
**OBSERVED FOUNDER MOVEMENTS IN EUROPE**

- **23%**
  - Of startup founders have started their company in a country, which is not their country of origin.

- **5X**
  - Startup founders are 5x more likely to move across borders than the average EU citizen.

- **+31%**
  - The Netherlands have grown strongest due to massive startup inflow, increasing their startup population by 31%.

- **-29%**
  - Italy is losing almost one third of its startups due to a strong net migration outflow.

The Netherlands have grown strongest due to massive startup inflow, increasing their startup population by 31%. The percentages indicate actual inflow and outflow of founders in a particular region. Numbers do not add up to 100% as they are always relative to each startup population and include non-EU inflow.
WHAT GETS THE FOUNDERS MOVING?

TALENT
71%
Access to highly qualified talent is relevant or very relevant to the highest number of founders.

ECO-SYSTEM
69%
Second is the quality of the ecosystem, though founders from high-tech startups rate it slightly higher than talent.

COSTS
51%
Founders from low GDP per capita countries rated the costs more relevant as compared to founders from other countries.

CAPITAL
44%
Even though founders from high-tech startups rate access to capital higher it ranks overall least important.

* The percentages show the share of founders who find a certain factor relevant or very relevant (4 and 5 points out of 5) when considering a location choice.
"Where would you start up if you could begin all over again?"

<table>
<thead>
<tr>
<th>City</th>
<th>Votes</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Berlin</td>
<td>1</td>
<td>15%</td>
</tr>
<tr>
<td>London</td>
<td>2</td>
<td>14%</td>
</tr>
<tr>
<td>Amsterdam</td>
<td>3</td>
<td>10%</td>
</tr>
<tr>
<td>Barcelona</td>
<td>4</td>
<td>7%</td>
</tr>
<tr>
<td>Lisbon</td>
<td>5</td>
<td>5%</td>
</tr>
<tr>
<td>Dublin</td>
<td>6</td>
<td>4%</td>
</tr>
<tr>
<td>Stockholm</td>
<td>7</td>
<td>4%</td>
</tr>
<tr>
<td>Munich</td>
<td>8</td>
<td>4%</td>
</tr>
<tr>
<td>Copenhagen</td>
<td>9</td>
<td>3%</td>
</tr>
<tr>
<td>Vienna</td>
<td>10</td>
<td>3%</td>
</tr>
</tbody>
</table>

2,392 Total Votes
29% of all votes go to Berlin & London

Founders had up to 5 votes from a list of 30 cities. Percentages indicate how many of all founders would like to startup in the respective city. To access the full list of favorite Hubs please click here.
We counted how often startup hubs are mentioned on relevant tech blogs and - guess what! **Media buzz is not enough to attract startup founders.**

Manchester performs 18 ranks worse than media attention would suggest. Lisbon scores 20 ranks above the expectation from media.
HOW DID THE REGIONS VOTE?

**BALTICS**
- London: 58%
- Berlin: 52%
- Tallinn: 52%
- Riga: 42%
- Amsterdam: 32%
- Stockholm: 29%

**NORDICS**
- Berlin: 50%
- Stockholm: 48%
- London: 45%
- Copenhagen: 30%
- Amsterdam: 15%
- Tallinn: 13%

**CEE**
- London: 57%
- Berlin: 46%
- Amsterdam: 32%
- Dublin: 20%
- Barcelona: 18%
- Warsaw: 17%

**SOUTH**
- London: 64%
- Berlin: 50%
- Lisbon: 46%
- Amsterdam: 32%
- Barcelona: 32%
- Madrid: 10%

Percentages indicate how many founders coming from a region imagine to startup in the mentioned city. Founders had up to 5 choices.
FINDING A SPECIALISATION

<table>
<thead>
<tr>
<th>City</th>
<th>High-Tech Startup</th>
<th>Access To Capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>BERLIN</td>
<td>-1</td>
<td>-1</td>
</tr>
<tr>
<td>MUNICH</td>
<td>+3</td>
<td>+3</td>
</tr>
<tr>
<td>ZURICH</td>
<td>+7</td>
<td>+1</td>
</tr>
<tr>
<td>MADRID</td>
<td>+5</td>
<td>-2</td>
</tr>
<tr>
<td>LUXEMBOURG</td>
<td>+3</td>
<td>+2</td>
</tr>
<tr>
<td>BARCELONA</td>
<td>-3</td>
<td></td>
</tr>
<tr>
<td>LISBON</td>
<td>-5</td>
<td>-4</td>
</tr>
</tbody>
</table>

The choice for a startup hub depends on the founders needs or preferences.

ZURICH  Jumps 7 ranks for High-Tech startups
MUNICH  Jumps 3 ranks for Access to Capital

This shows the rank change when we only look at founders of high-tech companies with a high appreciation for access to capital.
The survey results suggest that **Economic Freedom** has a slightly positive effect on **startup migration**.

**WHAT CAN THE GOVERNMENT DO?**

<table>
<thead>
<tr>
<th>United K</th>
<th>Netherlands</th>
<th>Germany</th>
<th>Sweden</th>
<th>Austria</th>
<th>Poland</th>
<th>Bulgaria</th>
<th>Portugal</th>
<th>Italy</th>
</tr>
</thead>
<tbody>
<tr>
<td>80</td>
<td>70</td>
<td>60</td>
<td>50</td>
<td>40</td>
<td>30</td>
<td>20</td>
<td>10</td>
<td>0</td>
</tr>
</tbody>
</table>

**Economic Freedom vs. Startup Migration**

**IEF:** Index of Economic Freedom as characterized by Heritage Foundation.
We analyzed in-depth 7 potential rising start up hubs, which were ranked between 7th & 13th according to the mentions on tech blogs.

All survey participants answered questions concerning their perception of these startup hubs – no matter whether they were experts on the ecosystems.

What are the strengths and the weaknesses of these hubs? Who will rise in the ranks and who will fall?
## DEEP DIVE: POTENTIAL RISING STARS

### Stockholm

**Rank:** 7th  
**Subrankings:**  
- High-Tech: 6  
- Internet: 8  

<table>
<thead>
<tr>
<th>% of founders assigning 4 or 5 stars to city in category:</th>
<th>Access to Talent 50%</th>
<th>Access to Capital 46%</th>
<th>Burnrate 20%</th>
<th>Ecosystem 40%</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of founders who would move there from</td>
<td>Benelux 13%</td>
<td>Baltics 29%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>UK + Ireland 12%</td>
<td>Western Europe 15%</td>
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<td></td>
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<tr>
<td></td>
<td>Nordics 48%</td>
<td>CEE 9%</td>
<td></td>
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<tr>
<td></td>
<td>Mediterranean 7%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of vote in Startup Heatmap: 3.1%</td>
<td>Minnesota 22%</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

- Regional champion for the Nordics followed by Copenhagen  
- Strong image for High-Tech and Access to Talent  
- Weaknesses with internet startups and high burnrate  
- Competitors to watch: Zurich, Munich, Copenhagen

### Milan

**Rank:** 25th  
**Subrankings:**  
- High-Tech: 23  
- Internet: 25  

<table>
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<tr>
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<th>Access to Talent 21%</th>
<th>Access to Capital 15%</th>
<th>Burnrate 20%</th>
<th>Ecosystem 14%</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of founders who would move there from</td>
<td>Benelux 4%</td>
<td>Baltics 0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>UK + Ireland 0%</td>
<td>Western Europe 1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Nordics 3%</td>
<td>CEE 1%</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Mediterranean 8%</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>% of vote in Startup Heatmap: 3.6%</td>
<td>Italy 32%</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

- Milan scores 16 ranks worse than media coverage suggests  
- Italy loses 29% of its startup population due to migration  
- Relative good performance in High-Tech ranking for Milan  
- Competitors to watch: Rome, Madrid, Oslo
DEEP DIVE: POTENTIAL RISING STARS

### Dublin

**Rank:** 6th  
**Subrankings:**  
- High-Tech: 8  
- Internet: 6

- **% of founders assigning 4 or 5 stars to city in category:**  
  - Access to Talent: 42%  
  - Access to Capital: 44%  
  - Burnrate: 25%  
  - Ecosystem: 41%

- **% of founders who would move there from:**  
  - Benelux: 9%  
  - Baltics: 3%  
  - UK + Ireland: 33%  
  - Western Europe: 11%  
  - Nordics: 8%  
  - CEE: 20%  
  - Mediterranean: 16%

- **Most important factors for Irish:**  
  1. Ecosystem: 4.4  
  2. Burnrate: 3.8  
  3. Capital: 3.7  
  4. Talent: 3.6

- **Net Migration Flow:** -6%

- **% of vote in Startup Heatmap:** 2.3%

- **Key Points:**  
  - Very strong international reach into CEE and Mediterranean  
  - Strong image for internet startups  
  - Weaknesses with high-tech startups and maybe access to talent  
  - Competitors to watch: Lisbon, Barcelona, Amsterdam

### Copenhagen

**Rank:** 9th  
**Subrankings:**  
- High-Tech: 10  
- Internet: 9

- **% of founders assigning 4 or 5 stars to city in category:**  
  - Access to Talent: 35%  
  - Access to Capital: 32%  
  - Burnrate: 19%  
  - Ecosystem: 33%

- **% of founders who would move there from:**  
  - Benelux: 9%  
  - Baltics: 13%  
  - UK + Ireland: 8%  
  - Western Europe: 11%  
  - Nordics: 30%  
  - CEE: 11%  
  - Mediterranean: 10%

- **Most important factors for Danish:**  
  1. Ecosystem: 4.3  
  2. Capital: 4.1  
  3. Talent: 3.6  
  4. Burnrate: 3.2

- **Net Migration Flow:** +18%

- **% of vote in Startup Heatmap:** 1.6%

- **Key Points:**  
  - Comparably strong image for access to capital  
  - Slightly better performance in internet startups ranking  
  - Remarkable outreach to all regions of Europe  
  - Competitors to watch: Stockholm, Tallinn
### Munich

**Rank:** 8th  
**Subrankings:**  
- High-Tech: 5  
- Internet: 7

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<th>Access to Talent</th>
<th>Access to Capital</th>
<th>Burnrate</th>
<th>Ecosystem</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of founders who would move there from</td>
<td>48%</td>
<td>50%</td>
<td>24%</td>
<td>40%</td>
</tr>
<tr>
<td>Germany</td>
<td></td>
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<tr>
<td>Net Migration Flow: +9%</td>
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</tr>
</tbody>
</table>

Most important factors for Germans:  
1. Ecosystem: 3.8  
2. Talent: 3.7  
3. Burnrate: 3.1  
4. Capital: 3.0

% of vote in Startup Heatmap: 20.2%

- Excellent image as a hub for high-tech and access to capital  
- Comparable low burnrate  
- Good international reach into CEE but little beyond  
- Competitors to watch: Zurich, Stockholm

### Vienna

**Rank:** 10th  
**Subrankings:**  
- High-Tech: 9  
- Internet: 12

<table>
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<tr>
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<th>Access to Talent</th>
<th>Access to Capital</th>
<th>Burnrate</th>
<th>Ecosystem</th>
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<tr>
<td>% of founders who would move there from</td>
<td>35%</td>
<td>31%</td>
<td>22%</td>
<td>28%</td>
</tr>
<tr>
<td>Austria</td>
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<tr>
<td>Net Migration Flow: +20%</td>
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</tbody>
</table>

Most important factors for Austrians:  
1. Ecosystem: 3.8  
2. Talent: 3.2  
3. Burnrate: 3.2  
4. Capital: 2.9

% of vote in Startup Heatmap: 4.3%

- Strong position in high-tech  
- Weaknesses in access to capital and talent  
- Not yet able to lead CEE, no reach at all to Nordics and Baltics  
- Competitors to watch: Warsaw, Prague, Munich
MANCHESTER

Rank: 26th
Subrankings:
- High-Tech: 25
- Internet: 25

% of founders assigning 4 or 5 stars to city in category:
- Access to Talent: 21%
- Access to Capital: 22%
- Burnrate: 22%
- Ecosystem: 18%

% of founders who would move there from:
- Benelux: 0%
- Baltics: 3%
- UK + Ireland: 12%
- Western Europe: 0%
- Nordics: 3%
- CEE: 3%
- Mediterranean: 3%

Great Britain
- Net Migration Flow: +17%

Most important factors for British:
1. Talent: 4.1
2. Ecosystem: 3.4
3. Capital: 3.3
4. Burnrate: 2.2

% of vote in Startup Heatmap: 5.8%

- Performance 18 ranks below expectation from media presence
- Particular low performance in ecosystem
- No outreach at all into Western Europe
- Competitors to watch: Glasgow, Milan, Rome

DEEP DIVE: POTENTIAL RISING STARS
STARTUP HEATMAP

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