STARTUP HEATMAP EUROPE 2017

EUROPE’S STARTUP HUBS OF TOMORROW

www.startupheatmap.eu
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 2017 Survey**

The Startup Heatmap Europe is based on an annual online survey among founders. Since 2016, more than 1,000 founders did participate.

The 2017 survey is based on a sample of 321 founders representing the regional and industry distribution of European startups listed in the Pitchbook database.

Ongoing analysis will be published on www.startupsandplaces.com

**We ask:**

Where are startup founders coming from and where are they going to?

**Selection Criteria 2017**

Criteria for Startups:
- Headquartered in Europe (based on historical delimitations we selected 45 countries)
- Date Founded: later than 1/1/2012
- Ownership status is “privately held”
- Match one of 84 select innovative industry sectors

Total Population: 7,830
Random representative sample of 1,500 pre-selected participants
Response rate of 21.4%, i.e. 321 founders that match regional and industry distribution of sample
The 2017 survey confirms the Hypermobility of founders in Europe

24% of EU founders moved specifically for better startup conditions

The role of diversity

Diversity in a startup community can both be seen as a sign of its international appeal as well as for its creative power integrating various cultures and tapping into ample resources. While in the Silicon Valley 43.5% of founders were foreign-born in 2012, London has today 54% and Berlin 44% international digital entrepreneurs. 88% of these come from a region outside where their company is headquartered.

Observed Startup Migration Flows within Europe

Based on both the 2016 and 2017 survey and the combined answers of >1,000 entrepreneurs in Europe, we find who wins and who loses from migration.

Where founders come from by destination region:

- **UK & Ireland**
  - Wins mainly from Baltics, CEE, South Europe (11%)
  - Loses mainly to UK & Ireland, Baltics (5%)

- **Mediterranean**
  - Loses mainly to UK & Ireland, Benelux, Nordics (10%)

- **Nordics**
  - Wins mainly from UK & Ireland (19%)
  - Wins mainly from Mediterranean, Benelux (10%)

- **Western Europe**
  - Loses mainly to UK & Ireland, Benelux, Nordics (10%)

- **CEE**
  - Loses mainly to UK & Ireland, Baltic, Mediterranean (3%)

- **Benelux**
  - Wins mainly from Mediterranean (8%)

- **Baltics**
  - Wins mainly from CEE, Western Europe (8%)
  - Loses mainly to UK & Ireland, Mediterranean, Benelux (5%)
Access to Talent remains top factor for location choice

What types of talent are founders looking for?
Percentages indicate how many founders gave more than 7 points out of 10 for each category

High-Tech founders move abroad less (14% vs. 24% of internet founders), but talent is even more important to them.
85% of founders would have voted against Brexit. Only 3% for Brexit, the rest is undecided or would not tell.

35% of founders think that London is less interesting as a startup location after Brexit.

**Most feared consequences of Brexit**

Percentages indicate how many founders gave more than 7 points out of 10 for each category:

- Loss of free movement
- Decrease of Trade
- Damage to the UK Economy
- Currency Instability
- Damage to the EU Economy

**London’s popularity after Brexit**

[Graph showing percentages of interest in London after Brexit across different regions]
Founders’ Top 10 Startup Hubs in Europe

«Where would you start if you could begin all over again?»

- On average founders picked 3 cities they could imagine to startup
- 78 startup hubs were named
- The top 5 received roughly 50% of all votes
- But there are 50 hubs which could attract 1% of the founders or more

Founders could allocate 5 votes. Percentages indicate how many founders would like to startup in each respective city.
Top 20 Startup Hubs in Europe

Super Connectors
With 55% of founders wanting to startup in London vs. 42% in Berlin both hubs are the crucial connectors in the European startup ecosystem. Also, they attract votes from more than 80% of the countries in the survey.

International Hubs
Barcelona and Paris come near the top. 90% of votes for Barcelona come from outside of Spain. In contrast, Paris struggles with underdeveloped international potential as 41% of this city's votes come from France.

Challenger Hubs
A decent amount of votes from a diverse set of countries indicate the ambition of these startup hubs to challenge the super connectors. Remarkable: Founders say they are more likely to move here than to a top hub (79% vs. 71% on average).
Looking at the Challengers: Who will be an international hub tomorrow?

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**5th Amsterdam**

- West: 20%
- Nord.Balt: 9%
- Med: 14%
- CEE: 14%
- Benelux: 14%
- UK.Ire: 23%
- Non-EU: 6%

**6th Dublin**

- West: 10%
- Nord.Balt: 7%
- Med: 10%
- CEE: 13%
- Benelux: 13%
- UK.Ire: 47%
- Non-EU: 13%
<table>
<thead>
<tr>
<th>City</th>
<th>% of all founders</th>
<th>Internet vs. High-Tech</th>
<th>No. of diverse countries</th>
<th>Avg. reach per vote</th>
<th>Likelihood to move there</th>
<th>Rank media mentions</th>
<th>% of top ratings from those voting for the city</th>
<th>Endorsements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stockholm</td>
<td>9%</td>
<td>9% vs. 10%</td>
<td>13</td>
<td>1009km</td>
<td>83%</td>
<td>7th</td>
<td>57%</td>
<td>Quality of the Ecosystem 57%</td>
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<td>Ease &amp; Cost of Doing Business 30%</td>
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<td>Access to Talent 77%</td>
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<td></td>
<td>Access to Capital 67%</td>
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<tr>
<td>Lisbon</td>
<td>8%</td>
<td>8% vs. 7%</td>
<td>13</td>
<td>1429km</td>
<td>88%</td>
<td>32nd</td>
<td>60%</td>
<td>Quality of the Ecosystem 60%</td>
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<td>Ease &amp; Cost of Doing Business 52%</td>
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<td>Access to Talent 52%</td>
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<td>Access to Capital 36%</td>
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<tr>
<td>Munich</td>
<td>7%</td>
<td>7% vs. 10%</td>
<td>12</td>
<td>560km</td>
<td>71%</td>
<td>8th</td>
<td>54%</td>
<td>Quality of the Ecosystem 54%</td>
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<td>Ease &amp; Cost of Doing Business 29%</td>
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<td>Access to Talent 88%</td>
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<td>Access to Capital 67%</td>
</tr>
</tbody>
</table>

* Equal amount of votes as Dublin
Lausanne ranks top 10 among High-Tech Founders, while # 55 overall.
Regional Champions

<table>
<thead>
<tr>
<th>Region</th>
<th>City 1</th>
<th>City 2</th>
<th>City 3</th>
<th>City 4</th>
<th>City 5</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NORDICS&amp;BALTICS</strong></td>
<td>48%</td>
<td>41%</td>
<td>22%</td>
<td>22%</td>
<td>15%</td>
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<tr>
<td></td>
<td>London</td>
<td>Berlin</td>
<td>Stockholm</td>
<td>Helsinki</td>
<td>Tallinn</td>
</tr>
<tr>
<td><strong>WESTERN EUROPE</strong></td>
<td>49%</td>
<td>36%</td>
<td>30%</td>
<td>26%</td>
<td>17%</td>
</tr>
<tr>
<td></td>
<td>Berlin</td>
<td>London</td>
<td>Paris</td>
<td>Barcelona</td>
<td>Munich</td>
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<td></td>
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<td></td>
<td></td>
<td></td>
<td>Stockholm</td>
</tr>
<tr>
<td><strong>CEE</strong></td>
<td>53%</td>
<td>47%</td>
<td>23%</td>
<td>17%</td>
<td>17%</td>
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<tr>
<td></td>
<td>London</td>
<td>Berlin</td>
<td>Prague</td>
<td>Barcelona</td>
<td>Dublin</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Vienna and Budapest</td>
</tr>
<tr>
<td><strong>SOUTH</strong></td>
<td>65%</td>
<td>39%</td>
<td>35%</td>
<td>30%</td>
<td>24%</td>
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<tr>
<td></td>
<td>London</td>
<td>Berlin</td>
<td>Barcelona</td>
<td>Milan</td>
<td>Paris</td>
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<td></td>
<td></td>
<td></td>
<td>Madrid</td>
</tr>
<tr>
<td><strong>UK&amp;Ireland</strong></td>
<td>69%</td>
<td>38%</td>
<td>22%</td>
<td>14%</td>
<td>14%</td>
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<tr>
<td></td>
<td>London</td>
<td>Berlin</td>
<td>Dublin</td>
<td>Barcelona</td>
<td>Amsterdam</td>
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<td></td>
<td></td>
<td></td>
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<td></td>
<td>Paris</td>
</tr>
</tbody>
</table>

Percentages indicate how many founders coming from a region imagine to startup in the mentioned city. Founders had up to 5 choices. Benelux is omitted due to the limited number of founders from the region in the survey. Baltics is merged with Nordics for the same reason.
Complete list of all mentioned Startup Hubs in the 2017 survey

- London (UK)
- Berlin (GER)
- Barcelona (ESP)
- Paris (FRA)
- Amsterdam (NL)
- Dublin (IE)
- Stockholm (SWE)
- Lisbon (PT)
- Munich (GER)
- Milan (ITA)
- Copenhagen (DK)
- Madrid (ESP)
- Vienna (AUT)
- Helsinki (FIN)
- Tallinn (EST)
- Tel Aviv (ISR)
- Hamburg (GER)
- Prague (CZH)
- Brussels (BEL)
- Toulouse (FRA)
- Zurich (CH)
- Frankfurt (GER)
- Nice (FRA)
- Budapest (HUN)
- Edinburgh (UK)
- Lausanne (FRA)
- Sofia (BUL)
- Malmö (SWE)
- Rome (ITA)
- Marseille (FRA)
- Riga (LAT)
- Luxembourg (Lux)
- Porto (PT)
- Málaga (ESP)
- Valencia (ESP)
- Oslo (NOR)
- Moscow (RUS)
- Belfast (UK)
- Lyon (FRA)
- Geneva (CH)
- Antwerp (BEL)
- Cologne (GER)
- Kiev (UKR)
- Warsaw (POL)
- Palma de Mallorca (ESP)
- Seville (ESP)
- Turin (ITA)
- Glasgow (UK)
- Manchester (UK)
- Liverpool (UK)
- Belgrade (RS)
- Bristol (UK)
- Rotterdam (NEL)
- Stuttgart (GER)
- Vilnius (LIT)
- Malta (MAL)
- Düsseldorf (GER)
- The Hague (NEL)
- Trento (ITA)
- Bologna (ITA)
- Bratislava (SLK)
- Brno (CZH)
- Coventry (UK)
- Dortmund (GER)
- Dresden (GER)
- Eindhoven (NEL)
- Florence (ITA)
- Genoa (ITA)
- Kraków (POL)
- Las Palmas (ESP)
- Ljubljana (SLO)
- Nicosia (CYP)
- Thessaloniki (GRE)
- Utrecht (NEL)
- Athens (GRE)
- Birmingham (UK)
- Aarhus (DK)
- Nuremberg (GER)
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