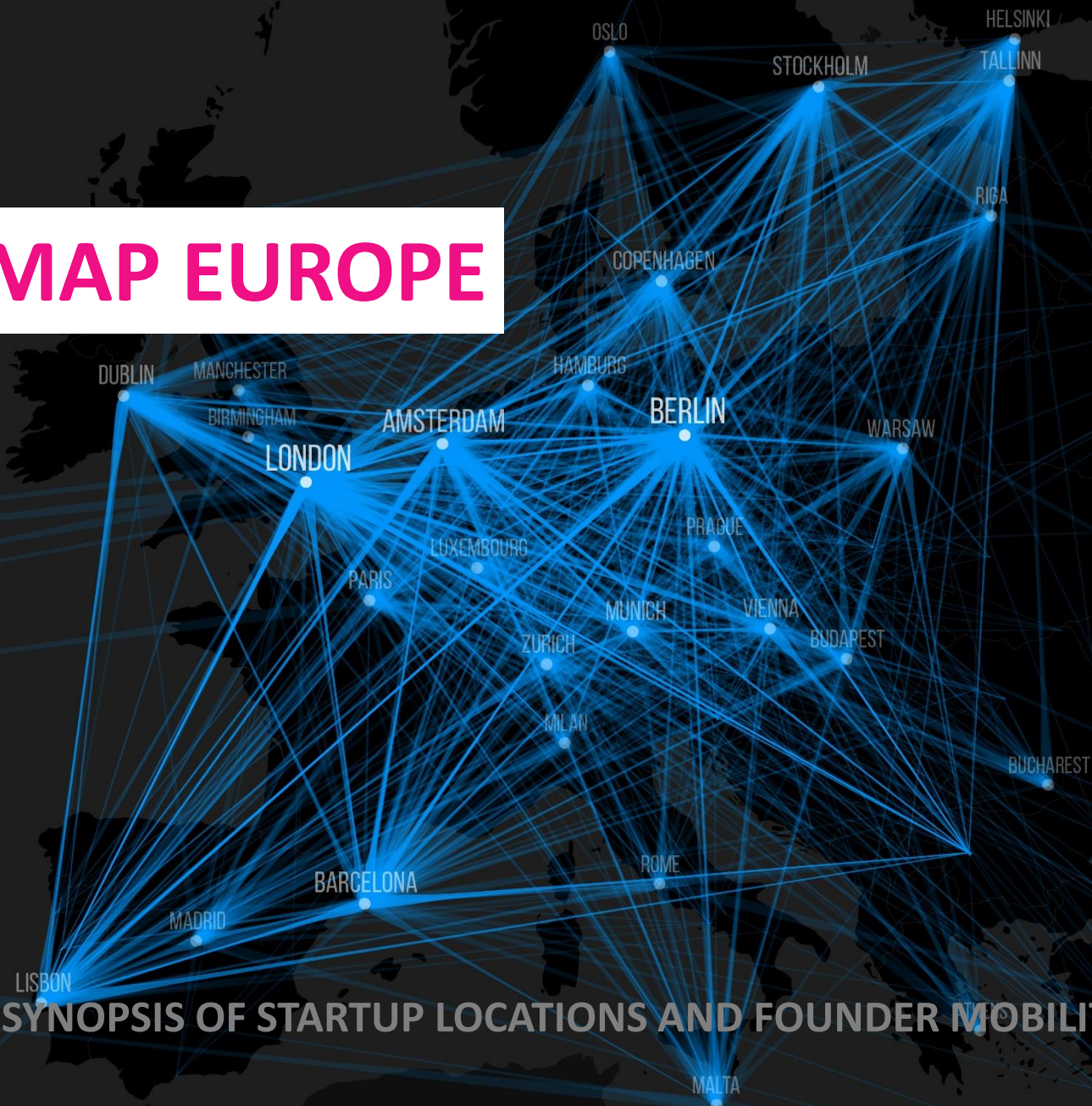


STARTUP HEATMAP EUROPE

A SYNOPSIS OF STARTUP LOCATIONS AND FOUNDER MOBILITY IN EUROPE.



STARTUP HEATMAP

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



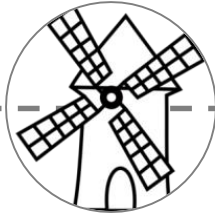
23%

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.



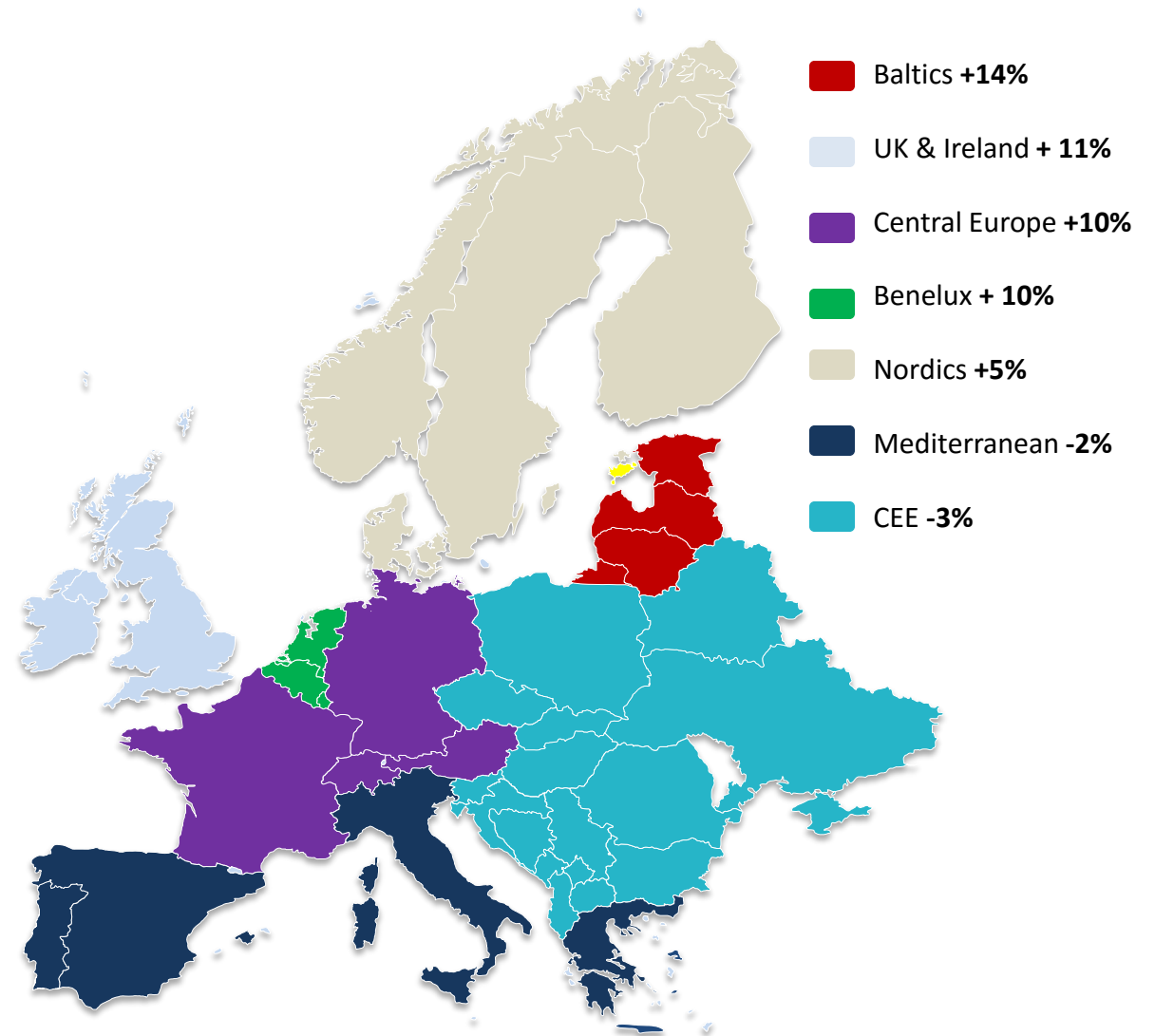
+31%

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 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.

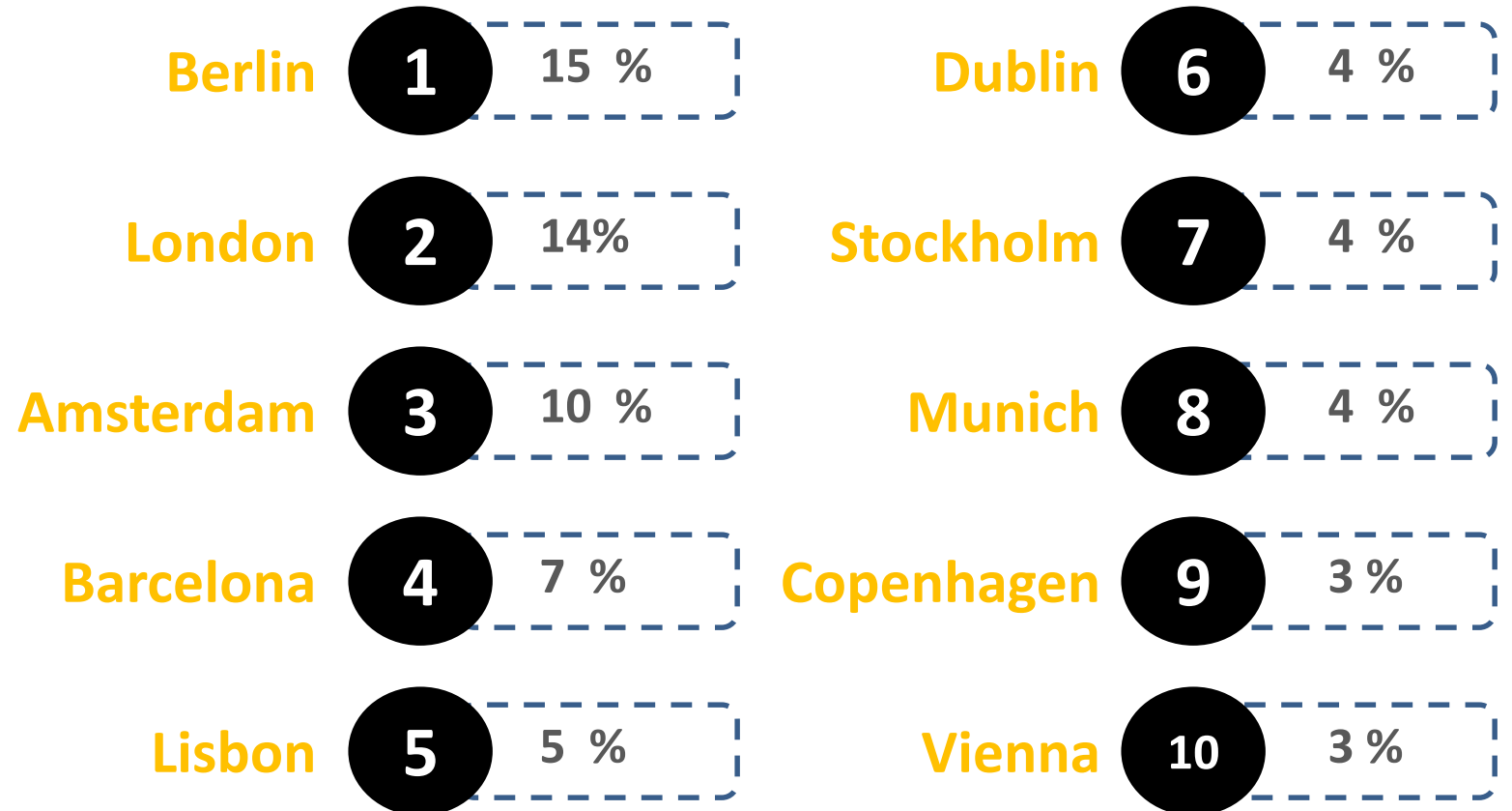
* The percentages show the share of founders who find a certain factor relevant or very relevant (4 and 5 points out of 5) when considering a location choice.

FOUNDERS' FAVOURITE HUBS

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

2.392 Total Votes

29% of all votes go to Berlin & London

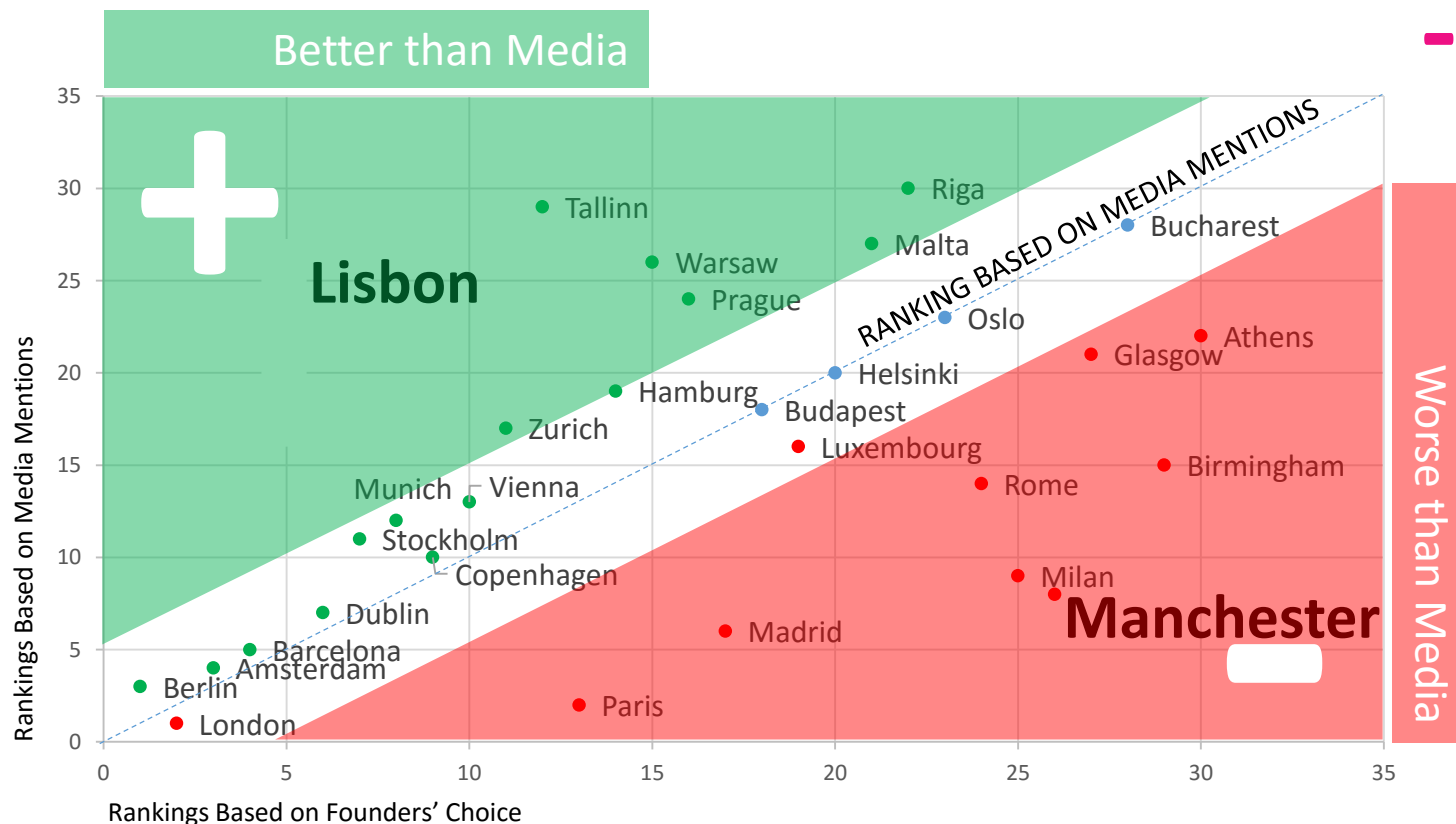


Founders had up to 5 votes from a list of 30 cities. Percentages indicate how many of all founders would like to startup in the respective city. **To access the full list of favorite Hubs please click here.**

[Get the full report here](#)

STARTUP HUBS & MEDIA BUZZ

We counted how often startup hubs are mentioned on relevant tech blogs and - guess what! *Media buzz is not enough to attract startup founders.*



-18

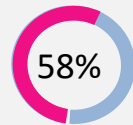
Manchester performs 18 ranks worse than media attention would suggest.

+20

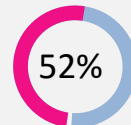
Lisbon scores 20 ranks above the expectation from media.

HOW DID THE REGIONS VOTE?

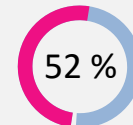
BALTICS



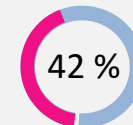
London



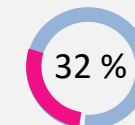
Berlin



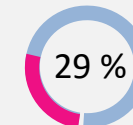
Tallinn



Riga

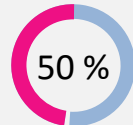


Amsterdam

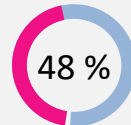


Stockholm

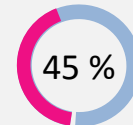
NORDICS



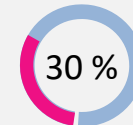
Berlin



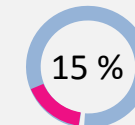
Stockholm



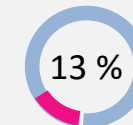
London



Copenhagen

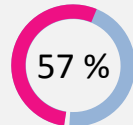


Amsterdam

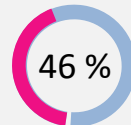


Tallinn

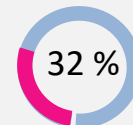
CEE



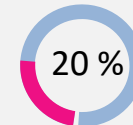
London



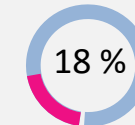
Berlin



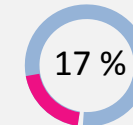
Amsterdam



Dublin

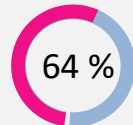


Barcelona

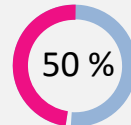


Warsaw

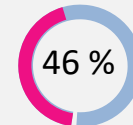
SOUTH



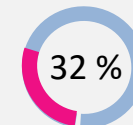
London



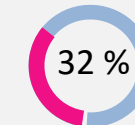
Berlin



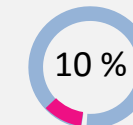
Lisbon



Amsterdam



Barcelona



Madrid

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



High-Tech Startup

Access To Capital

BERLIN	●	↓ -1
MUNICH	↑ +3	↑ +3
ZURICH	↑ +7	↑ +1
MADRID	↑ +5	↓ -2
LUXEMBOURG	↑ +3	↑ +2
BARCELONA	↓ -3	●
LISBON	↓ -5	↓ -4

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

ZURICH

Jumps 7 ranks for
High-Tech startups

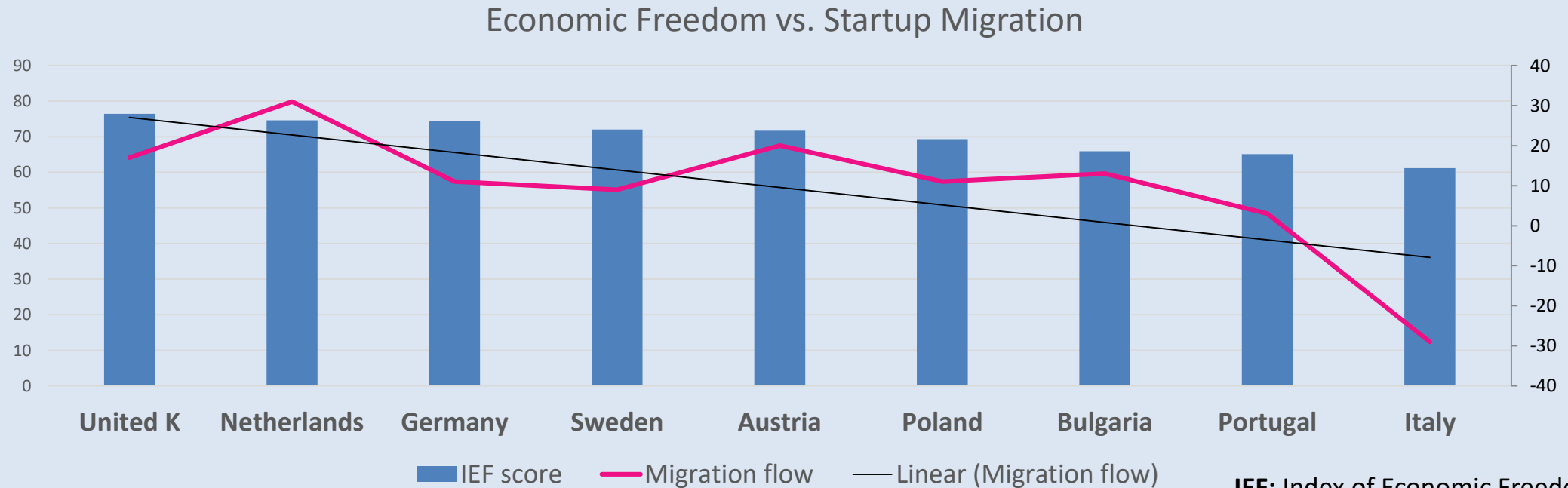
Jumps 3 ranks for
Access to Capital

MUNICH

This shows the rank change when we only look at founders of high-tech companies with a high appreciation for access to capital.

WHAT CAN THE GOVERNMENT DO?

The survey results suggest that **Economic Freedom** has a slightly positive effect on **startup migration**.







IEF: Index of Economic Freedom as characterized by Heritage Foundation.

DEEP DIVE: POTENTIAL RISING STARS

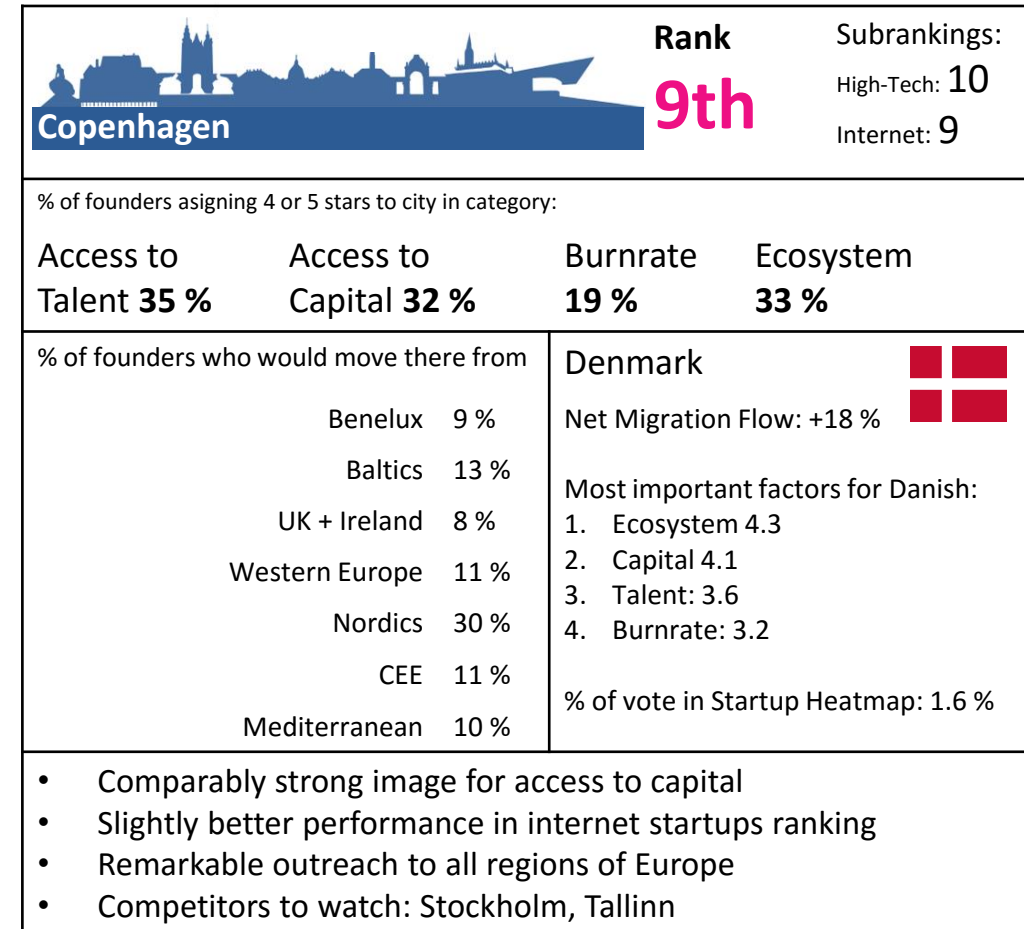
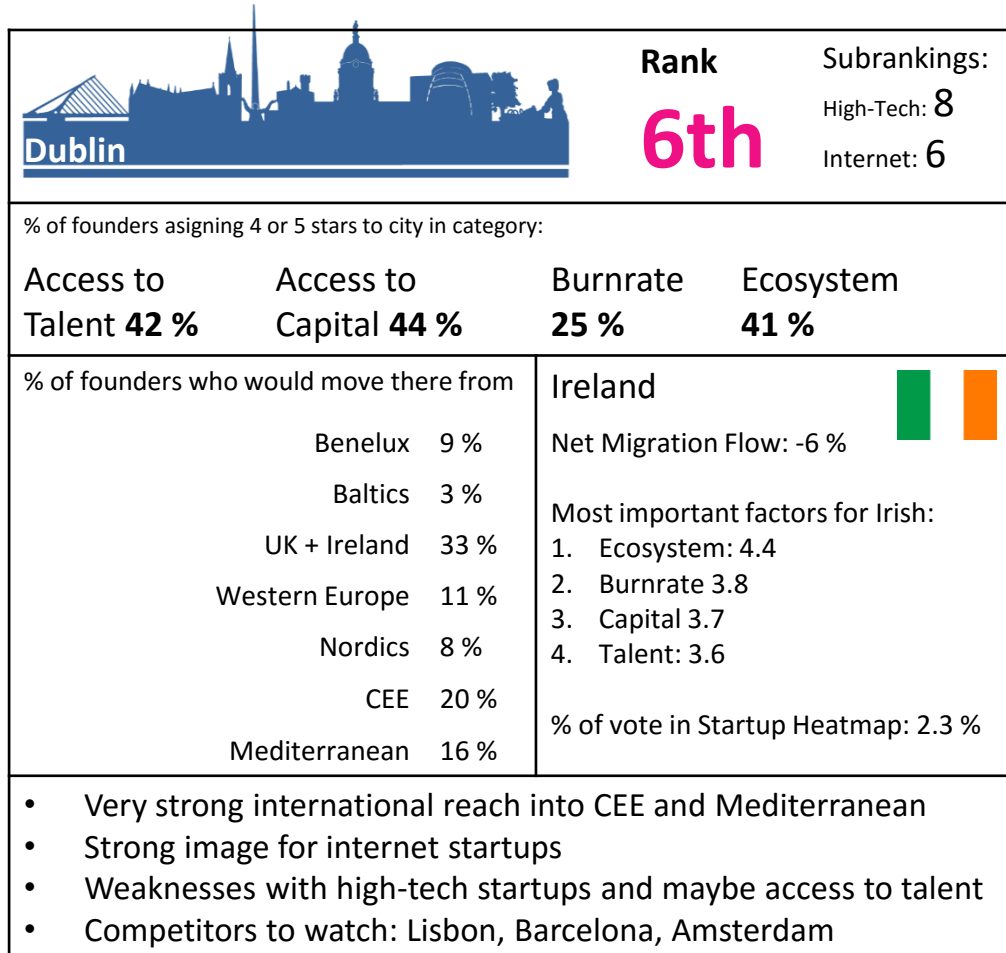
- We analyzed in-depth **7 potential rising start up hubs**, which were ranked between 7th & 13th according to the mentions on tech blogs.
- All survey participants answered questions concerning their **perception** of these startup hubs – no matter whether they were experts on the ecosystems.
- What 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
% of founders assigning 4 or 5 stars to city in category:			
Access to Talent 50 %	Access to Capital 46 %	Burnrate 20 %	Ecosystem 40 %
% of founders who would move there from		Sweden 	
Benelux	13 %	Net Migration Flow: +9 %	
Baltics	29 %	Most important factors for Swedes: 1. Ecosystem: 4.2 2. Talent: 3.7 3. Capital: 3.2 4. Burnrate: 2.9	
UK + Ireland	12 %		
Western Europe	15 %		
Nordics	48 %		
CEE	9 %		
Mediterranean	7 %	% of vote in Startup Heatmap: 3.1 %	
<ul style="list-style-type: none">Regional champion for the Nordics followed by CopenhagenStrong image for High-Tech and Access to TalentWeaknesses with internet startups and high burnrateCompetitors to watch: Zurich, Munich, Copenhagen			




 Milan		Rank 25th	Subrankings: High-Tech: 23 Internet: 25
% of founders assigning 4 or 5 stars to city in category:			
Access to Talent 21 %	Access to Capital 15 %	Burnrate 20 %	Ecosystem 14 %
% of founders who would move there from		Italy 	
Benelux 4 %		Net Migration Flow: -29 %	
Baltics 0 %		Most important factors for Italians: 1. Talent: 3.7 2. Burnrate: 3.5 3. Ecosystem: 3.5 4. Capital: 3.4	
UK + Ireland 0 %			
Western Europe 1 %			
Nordics 3 %			
CEE 1 %			
Mediterranean 8 %		% of vote in Startup Heatmap: 3.6 %	
<ul style="list-style-type: none">Milan scores 16 ranks worse than media coverage suggestsItaly loses 29 % of its startup population due to migrationRelative good performance in High-Tech ranking for MilanCompetitors to watch: Rome, Madrid, Oslo			

DEEP DIVE: POTENTIAL RISING STARS





DEEP DIVE: POTENTIAL RISING STARS

 Munich	Rank 8th	Subrankings: High-Tech: 5 Internet: 7
% of founders assigning 4 or 5 stars to city in category:		
Access to Talent 48 %	Access to Capital 50 %	Burnrate 24 % Ecosystem 40 %
% of founders who would move there from		Germany 
Benelux 6 %		Net Migration Flow: +9 %
Baltics 6 %		Most important factors for Germans: 1. Ecosystem: 3.8 2. Talent: 3.7 3. Burnrate: 3.1 4. Capital: 3.0
UK + Ireland 8 %		
Western Europe 24 %		
Nordics 8 %		
CEE 13 %		
Mediterranean 6 %		% of vote in Startup Heatmap: 20.2 %
<ul style="list-style-type: none">• 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
% of founders assigning 4 or 5 stars to city in category:			
Access to Talent 35 %	Access to Capital 31 %	Burnrate 22 %	Ecosystem 28 %
% of founders who would move there from		Austria 	
Benelux 8 %		Net Migration Flow: +20 % 	
Baltics 0 %		Most important factors for Austrians: 1. Ecosystem: 3.8 2. Talent: 3.2 3. Burnrate: 3.2 4. Capital: 2.9	
UK + Ireland 6 %			
Western Europe 19 %			
Nordics 0 %			
CEE 17 %			
Mediterranean 3 %		% of vote in Startup Heatmap: 4.3 %	
<ul style="list-style-type: none">• 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			

DEEP DIVE: POTENTIAL RISING STARS

 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		Great Britain	
Benelux	0 %	Net Migration Flow: +17 %	
Baltics	3 %	Most important factors for British: 1. Talent: 4.1 2. Ecosystem: 3.4 3. Capital: 3.3 4. Burnrate: 2.2	
UK + Ireland	12 %		
Western Europe	0 %		
Nordics	3 %		
CEE	3 %		
Mediterranean	3 %	% of vote in Startup Heatmap: 5.8 %	
<ul style="list-style-type: none">• 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			

STARTUP HEATMAP

Is the summary not enough for you and you want **more data**?

To download the **complete report** send us an email or click on the link below.



european startup initiative
info@europeanstartupinitiative.eu

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