

German Startup Monitor 2021

Short Version



The 9th German Startup Monitor represents ...

2,013 Startups

5,012 Founders

33,589 Employees

Three goals

- Demonstrate the development and significance of German startups and their founders
- Identify challenges and potential improvements in the German startup ecosystem
- Promote entrepreneurial thinking in German society in order to motivate people to start their own business

Three characteristics

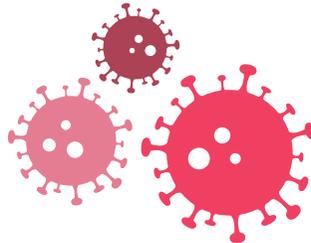
- Startups are younger than 10 years,
- are growth-oriented in terms of their employees/sales and/or
- (highly) innovative in terms of their products/services, business models and/or technologies.



Ten Facts of the DSM 2021

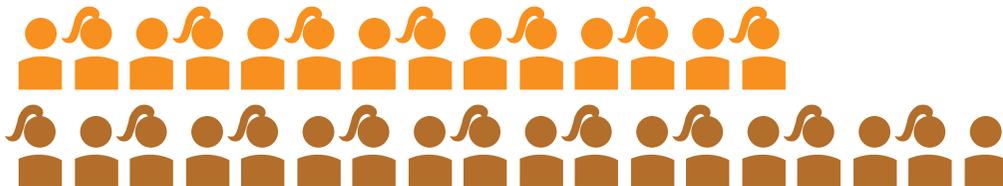
1. The Corona crisis impacting Germany's startup ecosystem is still noticeable:

The business climate has recovered significantly and is back to pre-pandemic levels – at the same time, half (51.2%) of the surveyed startups are still negatively affected by the crisis (DSM 2020: 74.2%).



2. Startups in Germany are creating more and more jobs:

The average number of employees rises from 14.3 to 17.6 persons compared to the previous year. 91.6% of DSM startups are planning to hire new staff – an average of 8.7 in the next 12 months.

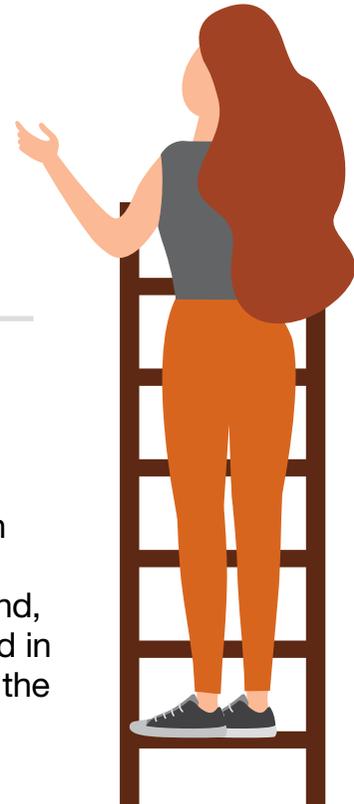


3. Customers, products and financing are the key challenges:

At the same time, personnel planning and recruitment are gaining massive importance. For this reason, simplifying employee share ownership is one of the main expectations towards government.

4. Increasing share of female founders:

The share of female founders has risen again after stagnating in the previous year and has now reached 17.7%. Despite this positive trend, women remain significantly underrepresented in the startup ecosystem and only a fraction of the potential is being leveraged.



5. Universities and research institutions empower the startup ecosystem:

One out of four startups (26.0%) emerge from academic environments and more than a third of all respondents met their co-founders at their university or college (36.4%).



7. Data monopolies hinder competition:

Access to data is extremely important for startups, but only sufficiently available for 37.5% of the respondents. Founders criticize disadvantages due to data monopolies held by a few international corporates (67.2%) and would like more open data initiatives from the government (73.9%).



6. Growing satisfaction with the startup ecosystem:

Founders perceive the startup ecosystem more positively compared to the previous year (65.0%; DSM 2020: 61.4%); respondents are particularly satisfied with the proximity to universities (76.1%).



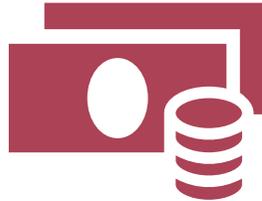
8. Capital is a crucial success factor:

For startups, business angels (30.1%) and venture capital (19.8%) are essential sources of capital that facilitate (rapid) growth. Especially strategic investors, which 42.5% of the respondents prefer but only 15.0% have, offer great potential that has not been unlocked so far.



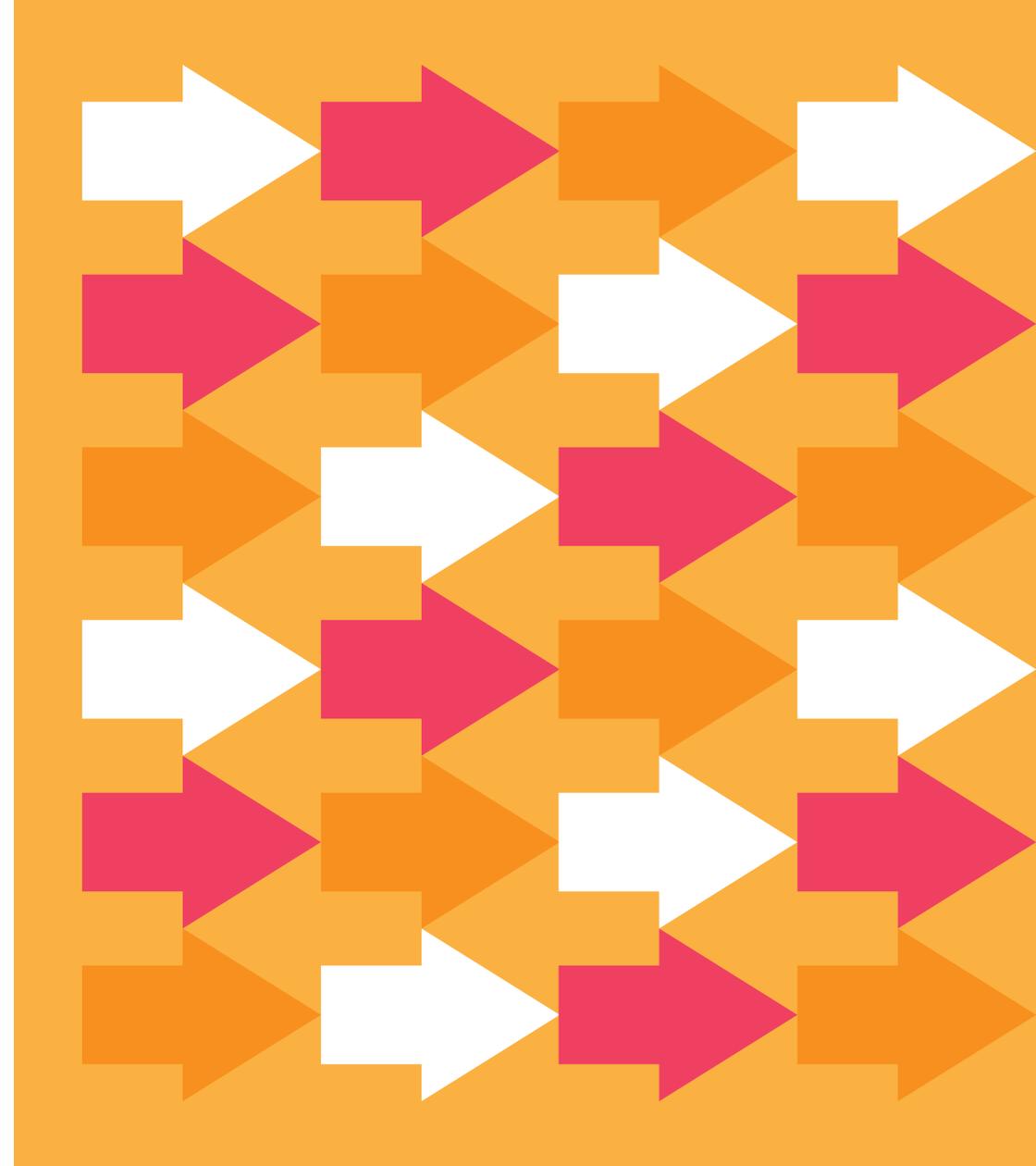
9. Corporate venture capital creates synergies:

Almost every second startup (43.7%) that is planning VC financing prefers this type of investment: The main reasons are access to new distribution channels, industry expertise and cooperation opportunities.



10. Sustainability and growth are not incompatible:

61.2% of founders state that they are focused on sustainability while at the same time being committed to rapid company growth. In this context, topics such as artificial intelligence (42.7%) or Industry 4.0 (30.7%) play an important role.



Contact

University of Duisburg-Essen
Chair for E-Business and
E-Entrepreneurship
Universitätsstraße 9
45141 Essen

Prof. Dr. Tobias Kollmann
Chairholder for E-Business and
E-Entrepreneurship
tobias.kollmann@icb.uni-due.de

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft
Friedrich-Ebert-Anlage 35–37
60327 Frankfurt am Main

Florian Nöll
Head of Corporate Development &
Innovation
florian.noell@pwc.com

Nina Beike
Ecosystem Engagement Lead
nina.b.beike@pwc.com

Stephan Hofnagel
Co-Lead Startup Services
stephan.hofnagel@pwc.com

Christoph Haß
Co-Lead Startups, Venture Deals
christoph.hass@pwc.com

German Startups Association
Schiffbauerdamm 40
10117 Berlin

Dr. Alexander Hirschfeld
Head of Research
alexander.hirschfeld@deutschestartups.org

Niclas Vogt
Head of Communications
niclas.vogt@deutschestartups.org

