

2024

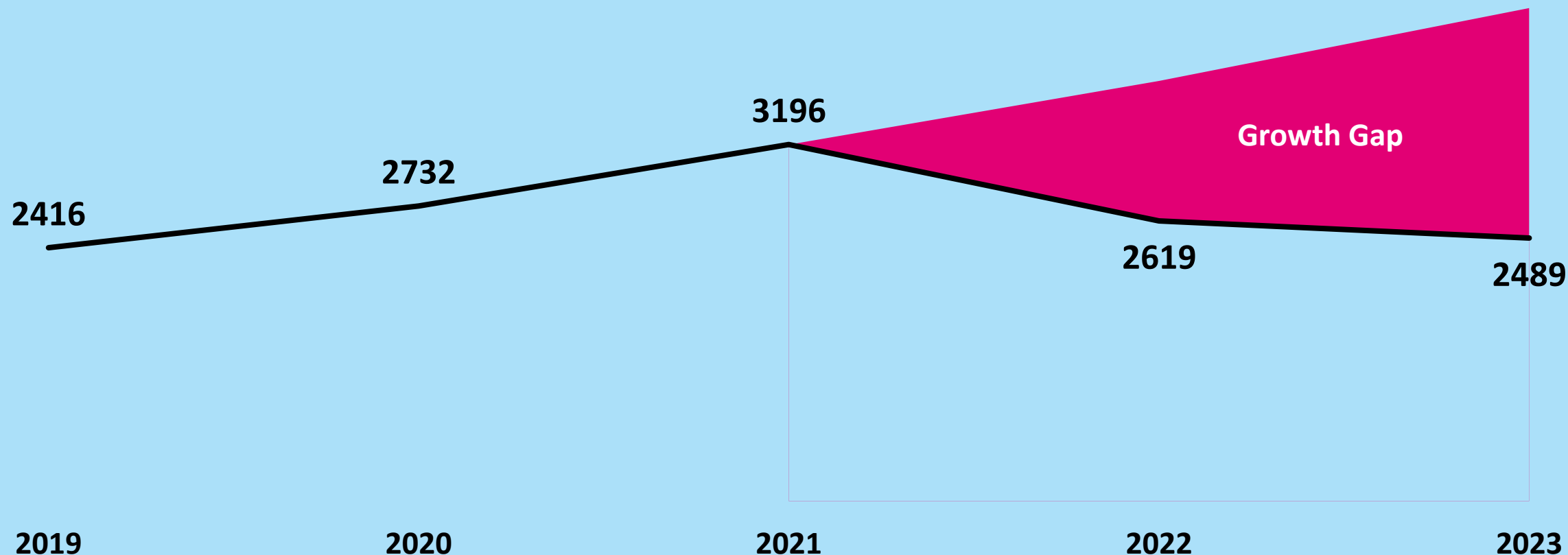
GenAI Study Key Insights

**STARTUPS AND
GENERATIVE AI**

Entering a New Era

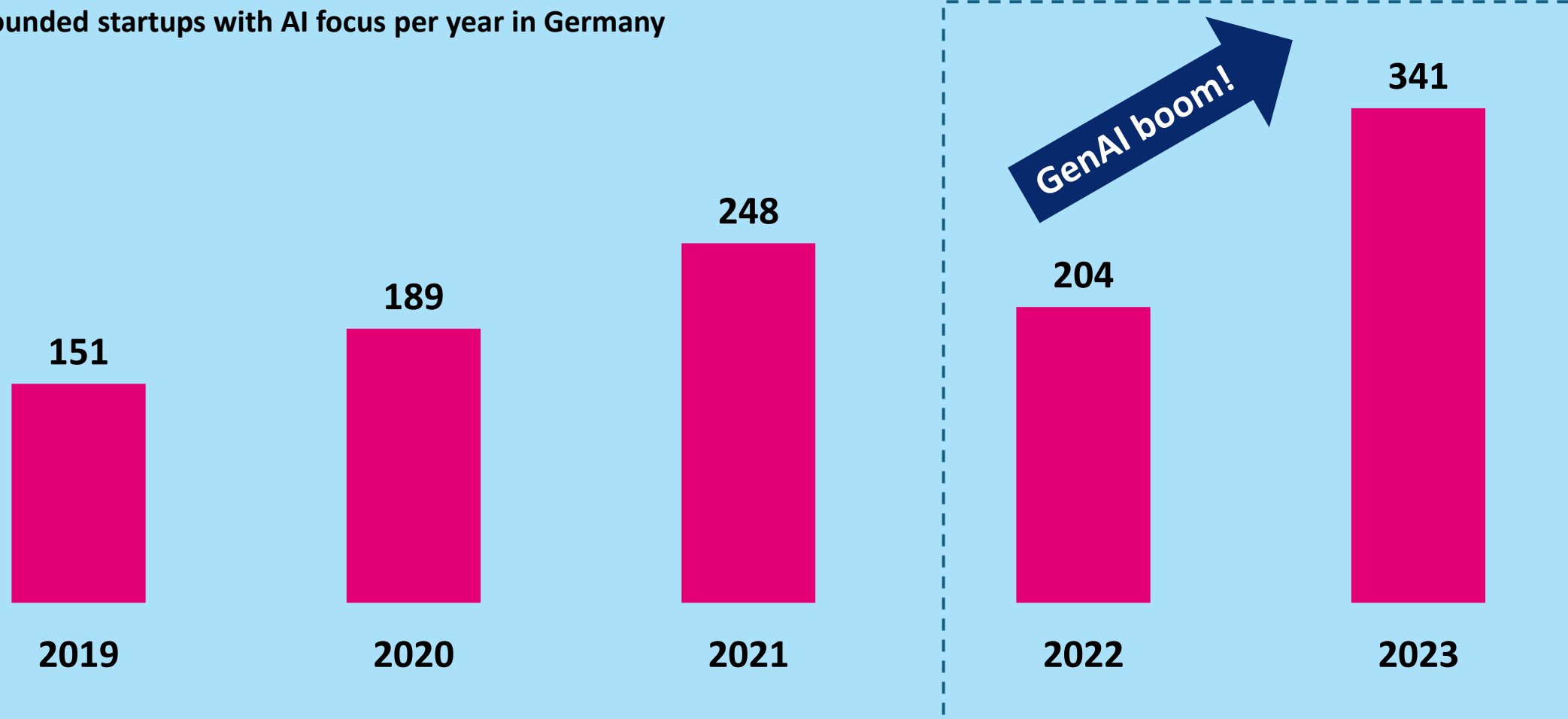
The last two years have been tough for startup founders – the number of new companies has been declining

Newly founded startups per year in Germany¹



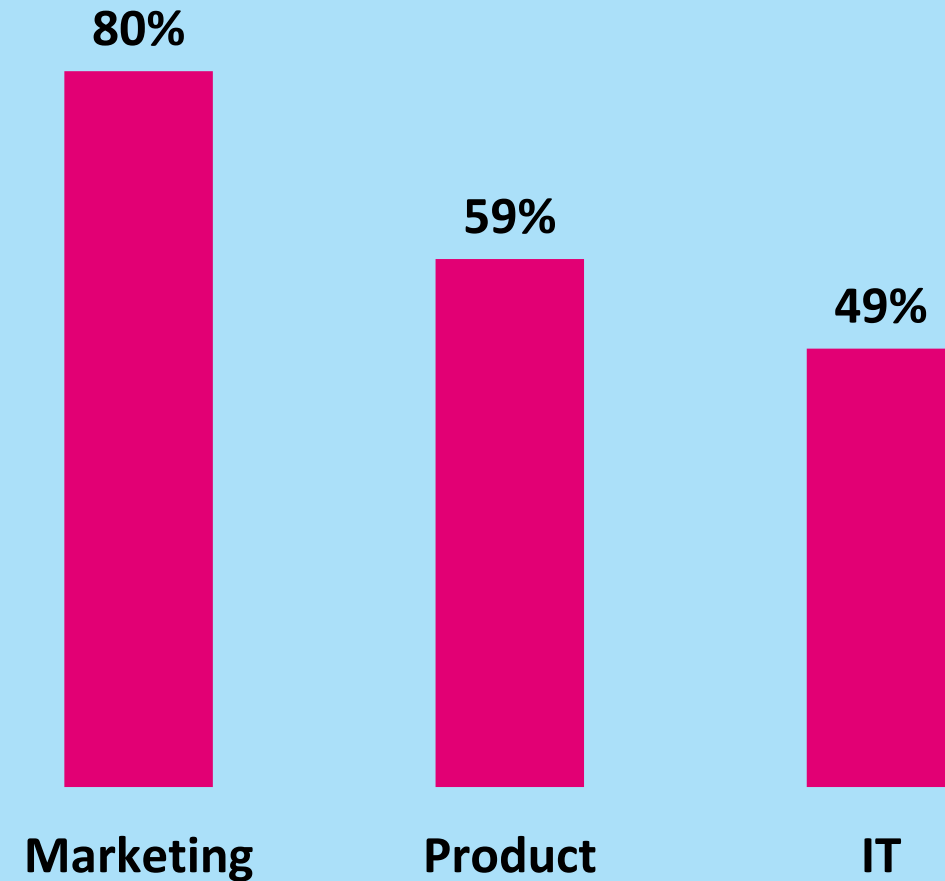
In contrast to the general trend, the number of newly founded AI startups has increased tremendously

Newly founded startups with AI focus per year in Germany



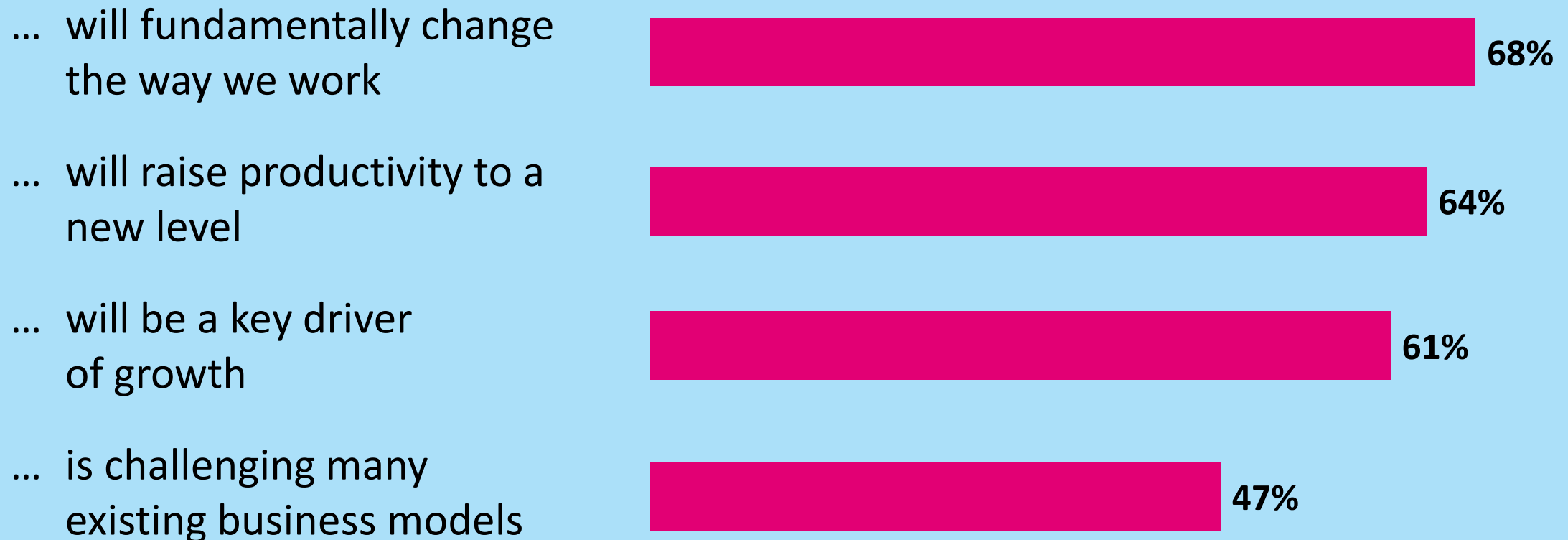
92%
of startups are
early adopters
and use GenAI
tools

Top 3 fields of application



Above all else, founders see a big wave of automation and a fundamental change in how we work

Generative AI ...



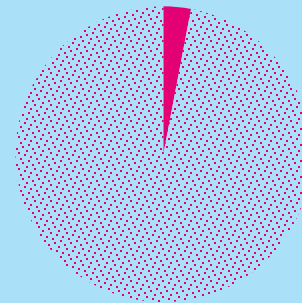
93%
of startups with
GenAI focus
target B2B
customers

Startups are key
in bringing the
next wave of
digitalization to
the economy!

But: Established companies are still reluctant to apply GenAI tools and collaborate with startups

65%

of startups with GenAI focus criticize the reluctance of established companies to use new technologies.

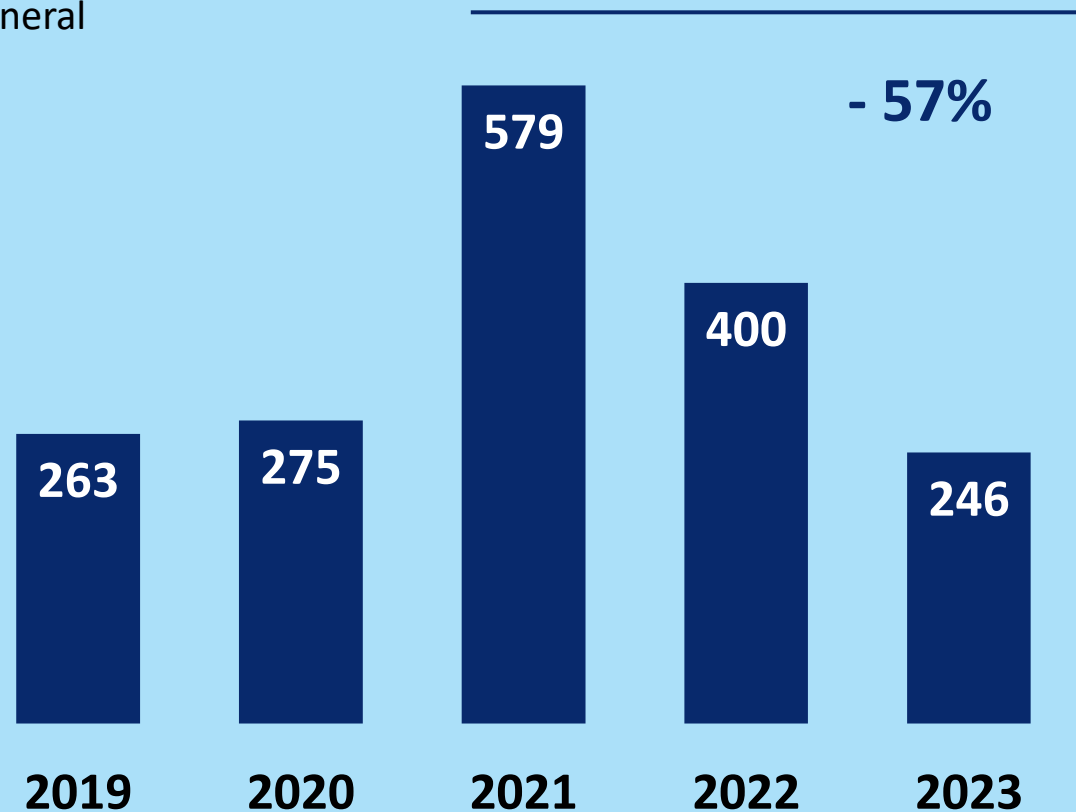


Only **3%** of established companies in Germany state that generative AI is an essential part of their tech stack.¹

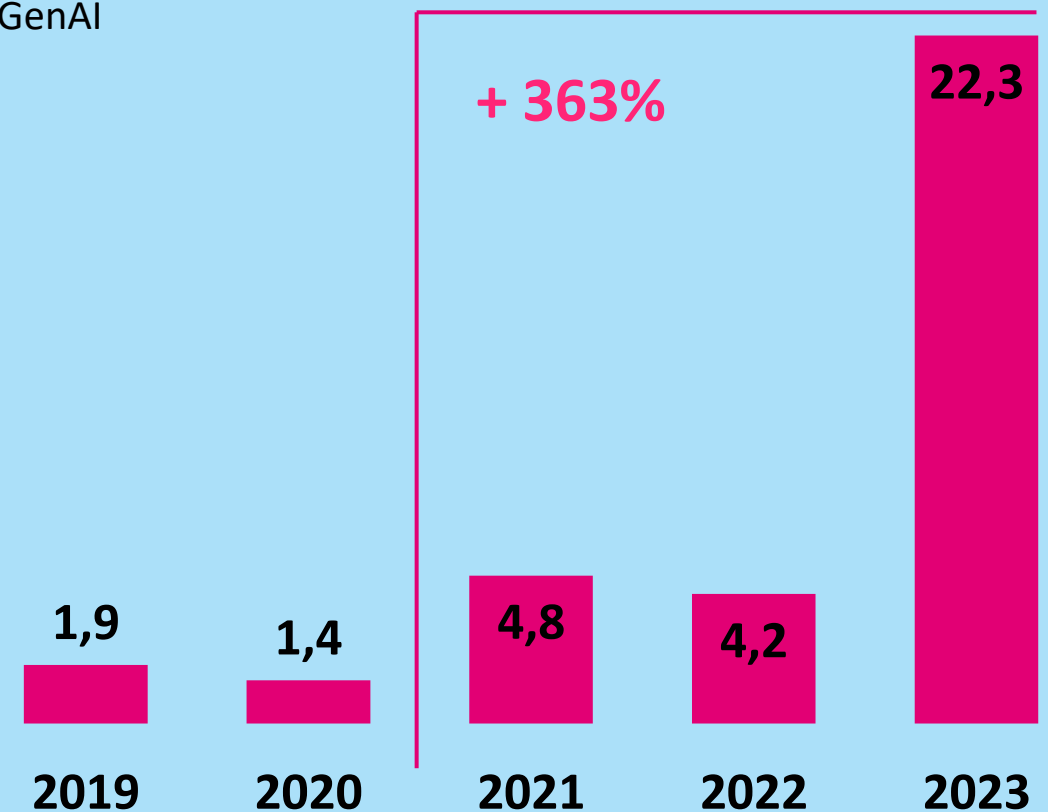
Startup funding has gone down substantially in the last two years, but GenAI is breaking the trend – big time

Worldwide startup investments in billion €

General



GenAI



20%
of founders with
GenAI focus are
aiming for a
unicorn status



12 X

more money per
capita is invested in
GenAI startups in the
US than in Germany

Top 5 startup funding rounds in 2023



The majority of founders perceive the EU AI Act as an additional barrier and competitive disadvantage

Perspective of startups with GenAI focus on the EU AI Act ...

■ Fully agree

■ Agree



... creates more trust in AI

7%

41%



... provides legal certainty

8%

41%



... inhibits innovation in Europe

33%

35%



... is a competitive disadvantage

29%

29%

Founders see Europe considerably lagging behind in GenAI – we need to catch up and unlock our potential

Where does Europe stand in the global GenAI race?



Who will win the global GenAI race?

