POWERED BY











3.072 STARTUPS ANALYZED

#### **ORIGIN:**

International 81% Spain 19%

#### SOURCE:

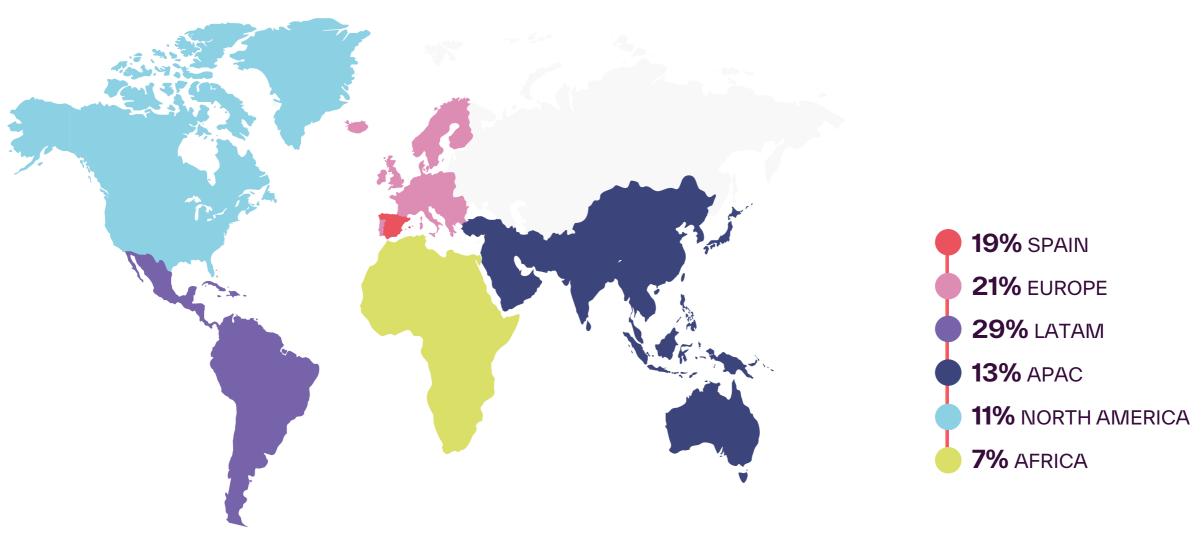
**Startup Competition** 

#### **CRITERIA:**

Innovation, scalability, investment, viability and sustainability









# **SUMMARY**

O1 THE ENTREPRENEUR

04 CONCLUSIONS

02 THE STARTUP

03 THE ECOSYSTEM

## SOUTH 2024 SU/\/\IT MAP





## 01 / THE ENTREPRENEUR PROFILE IN SPAIN



**GENDER:** Male

AGE: 38 years

**ACADEMIC LEVEL:** Highly qualified

#### PREVIOUS EMPLOYMENT SITUATION:

Company employee

#### MAIN REASONS TO ENTREPRENEUR:

- Always wanted to do it
- Market opportunity

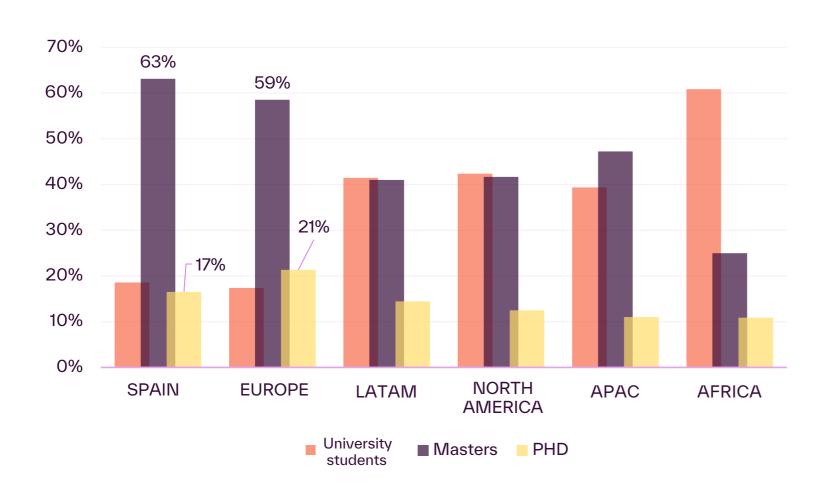


- Principally male (80%)
- The average age is around **38 years**, although generally the chosen age to start a business for both men and women is after 40, with Spain (41%) and North America (44%) leading in this range.
- In Spain, 82% of women wait until after the age of 30 to start a business (7% more than men).
- 98% have a undergraduate degree and 80% have a master's degree and/or PHDs.
- **49%** come frome **working as an employee** in a company (ídem 2023). 10% come from working in a startup, accumulating a growth of 5% in 5 years.
- 58% are serial entrepreneurs, 3% less than in 2023



## 01 / THE ENTREPRENEUR PROFILE OF THE ENTREPRENEUR

#### **MAXIMUM LEVEL OF EDUCATION**



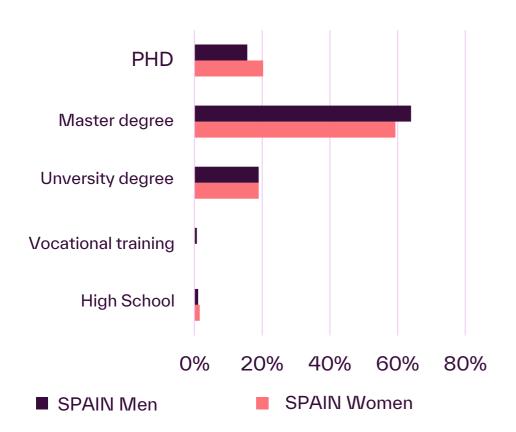
For Spain, academic training is very important when it comes to entrepreneurship. Almost 100% of entrepreneurs have a university education. 63% have a master's degree and 17% have a PHD.

Spain leads in master's degrees, while in doctorates it is 4 points below Europe.



## 01 / THE ENTREPRENEUR PROFILE OF THE ENTREPRENEUR

#### MAXIMUM LEVEL OF EDUCATION



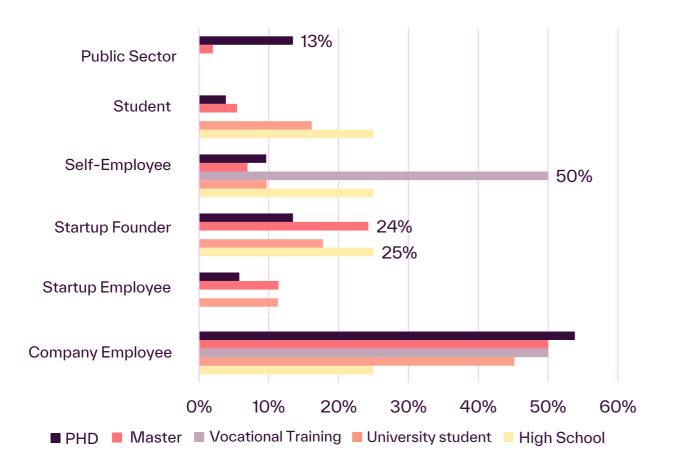
Like men, almost 100% of women also have at least a university degree.

20% of women founded their business once they obtained their doctorate degree, which is 4% more than for men.



## 01 / THE ENTREPRENEUR PROFILE OF THE ENTREPRENEUR

## PREVIOUS EMPLOYMENT SITUATION Spain



Although almost half of the entrepreneurs come from working in a company, there are interesting differences depending on their level of training:

- 50% of people with only vocational training were self-employed before starting their current businesses.
- 25% of those who have only completed high school and 24% of those with master's degrees have already founded another startup before.
- 13% of PhDs come from the public sector.

10



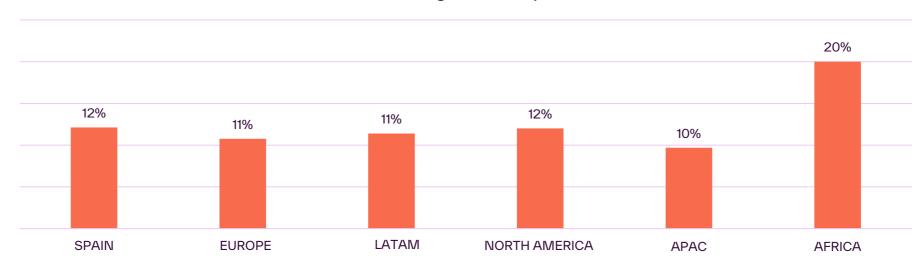


## PREVIOUS EMPLOYMENT STATUS | Relationship between PhDs

and the public sector

In most regions, the percentage of those with PHDs coming from the public sector ranges between 10% and 12%.

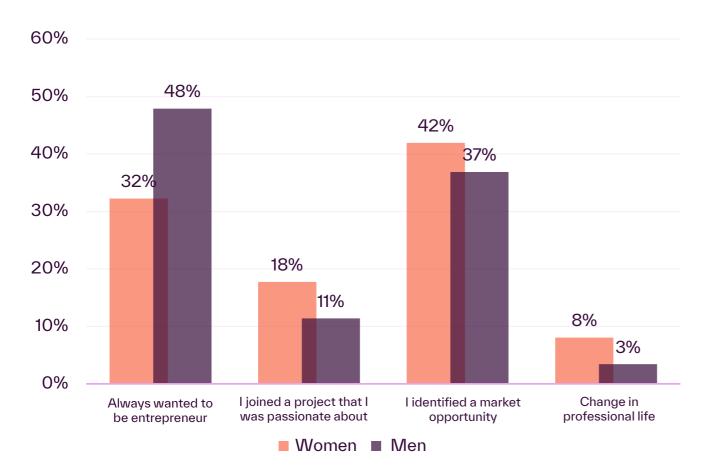
#### % of PhDs coming from the public sector





## 01 / THE ENTREPRENEUR PROFILE OF THE ENTREPRENEUR

## MOTIVATION TO ENTREPRENEUR Spain



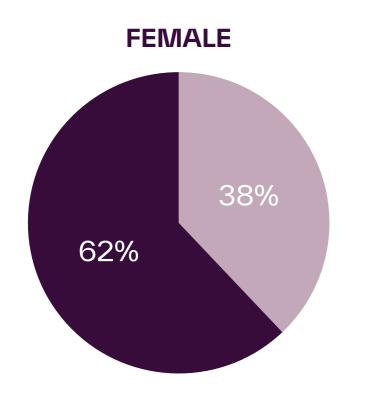
While 48% of men state that they have always wanted to start a business, women start businesses to address a detected market need (42%). Additionally, 18% joined already developed projects (compared to 11% of men), and 8% of women seek a career change (compared to 3% of men).



## O1 / THE ENTREPRENEUR PROFILE OF THE ENTREPRENEUR

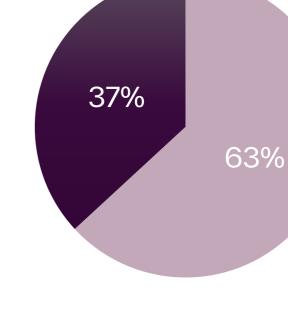
**MALE** 

### SERIAL ENTREPRENEUR Spain



Female serial entrepreneurs represent the same percentage of new male entrepreneurs.

This figure is even **lower** than in 2023, when 43% of women were serial entrepreneurs.



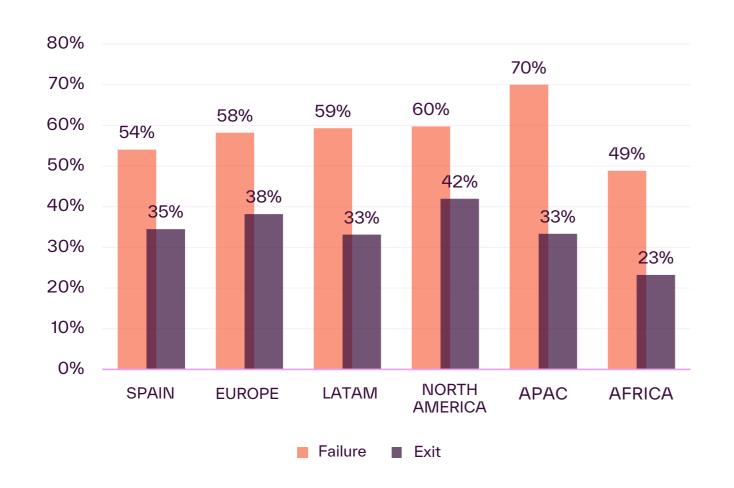
Serial

Novel



## 01 / THE ENTREPRENEUR PROFILE OF THE ENTREPRENEUR

#### **SERIAL ENTREPRENEUR**



58% of Spanish entrepreneurs are serial entrepreneurs. Of these, 35% claim to have successfully sold their startup, and 54% have previously failed.

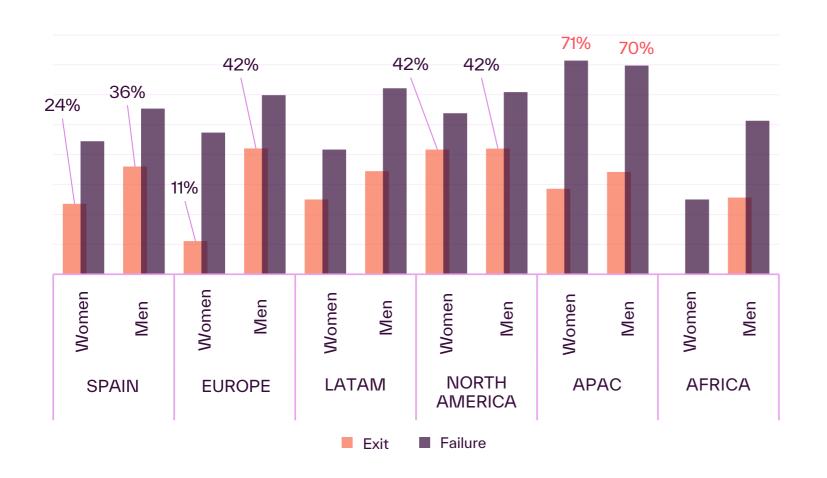
North America and Europe are the regions with the highest startup sales, while Spain ranks third.

In contrast, APAC is the region with the highest failure rate.



## 01 / THE ENTREPRENEUR PROFILE OF THE ENTREPRENEUR

### SERIAL ENTREPRENEUR Gender



In Spain, the percentage of women who have successfully sold their business is 12% lower than that of men. A larger gap is seen in the rest of Europe, where 42% of men have succeeded, but only 11% of women have managed to sell their company.

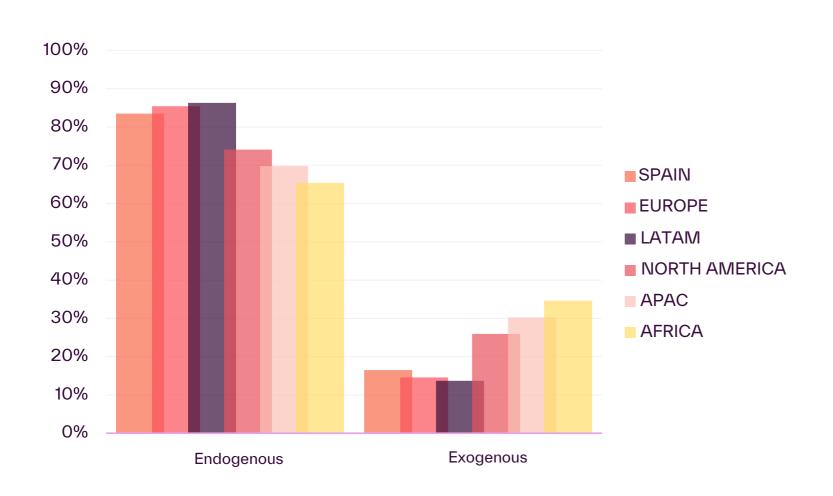
North America is the only region where startup sales are equal between genders.

APAC is the region with the highest failure rate per capita: 7 out of 10 entrepreneurs have been forced to close their business.



## 01 / THE ENTREPRENEUR PROFILE OF THE ENTREPRENEUR

### **SERIAL ENTREPRENEUR** Why do they fail to undertake?



Although factors such as economic crises, war, or a pandemic can often affect a company's development and viability, most entrepreneurs attribute their past failures to their own poor decisions.





#### **SERIAL ENTREPRENEUR** Why do they fail to undertake?

"Anything can happen - prepare on that, Focus on customer needs, not on what you want to do. Prepare on market change, Risk management is important. Secure funding!" "Build the right expert team, market research and validation is a must. Start immediately!"

"I learnt that its important to study your market, to do your financials and the team that you work with is essential. Customer is always number one." "A good idea does not mean anything; implementation is the most important thing."

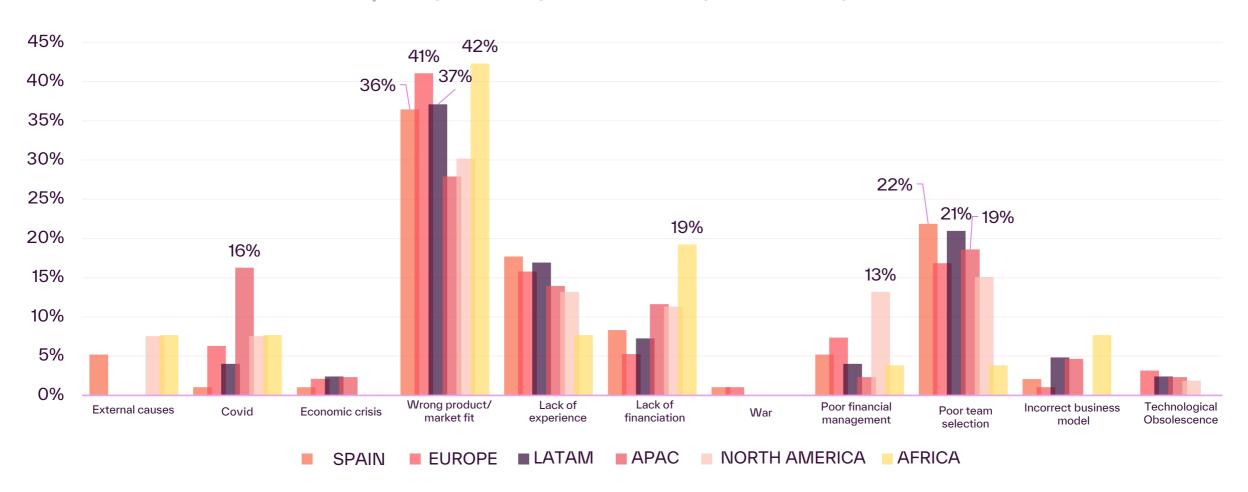
"Don't try to solve a problem than don't exist."

"Financial needs must be considered years before it needed, and problems between partners must be solved at the very beginning."





### **SERIAL ENTREPRENEUR** | Why do they fail at entrepreneurship?







#### **SERIAL ENTREPRENEUR** | Why do they fail at entrepreneurship?

Among the main reasons for failure in entrepreneurship are:



The lack of market research leading to a proper fit between the product and the consumer (36% on average)



The incorrect choice of the team, both founders and non-founders (18% on average).



In areas like Asia, COVID had a greater impact on startups. In fact, 16% attribute their closure to the pandemic.

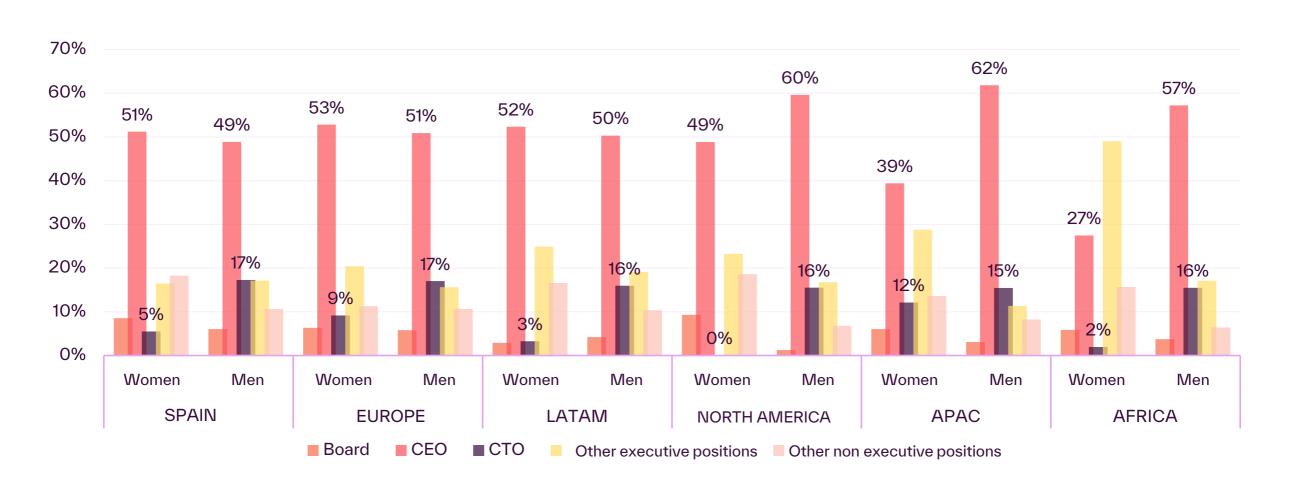


In North America, the lack of financial knowledge has caused 13% of startups to be forced to close.



## 01 / THE ENTREPRENEUR PROFILE OF THE ENTREPRENEUR

### / FOUNDERS | Comparison of positions by gender







### / FOUNDERS | Comparison Spain positions by gender

POSITION	FEMALE	MALE
Board	9%	6%
CEO	51%	49%
COO	10%	9%
СТО	5%	17%
Other executive positions	6%	8%
Other non executive positions	18%	11%

Spaniards are more balanced in the distribution of positions.

Together with Europe and LATAM, they are the only regions where women lead as CEOs.

The CTO profile is still very low, exceeding 10% only in APAC.

18% of Spanish female founders do not hold executive positions in their startups.





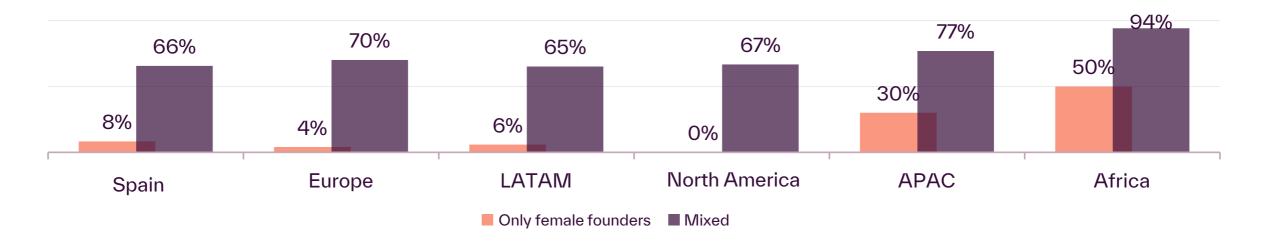
## / FOUNDERS | Typology of teams

	SPAIN	EUROPE	LATAM	NORTH AMERICA	APAC	AFRICA
<del>**</del>	59%	62%	55%	64%	59%	48%
<u>*</u>	10%	9%	10%	8%	10%	9%
<u>†</u>	31%	28%	35%	28%	31%	43%





## / FOUNDERS | Distribution of male CEOs by type of team.

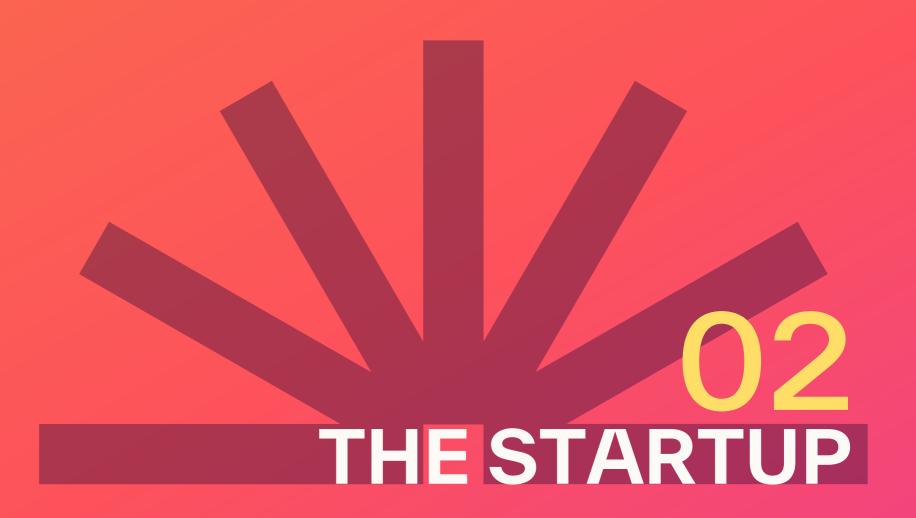


The presence of male CEOs leads in all regions.

Specifically in Spain, there is an 8% of male CEOs in all-female teams (4% more than in the rest of Europe), and in mixed teams, the figure is 66%, a statistic that has not improved in the past year.

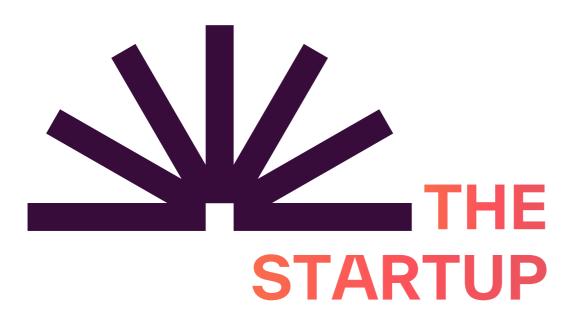
North America is the only region that has 100% female CEOs in all-female teams, not feeling obligated to hire male talent to fill that position.

## SOUTH 2024 SU/\/\IT MAP





### SOUTH 2024 SU/V/IT ENTREPRENEURSHIP MAP



MATURITY: 3,19 years

#### **FOUNDERS**:

- 2 to 3

- Mostly male

**EMPLOYEES**: 2 to 10

**INCOME LEVEL:** Moderate

**POSITIVE EBITDA: 18%** 

#### SOUTH 2024 SU/V/VIT ENTREPRENEURSHIP

## 02 / THE STARTUP

- On average, a Spanish startup is **3.19 years old** (slightly more mature than in 2023, which was 3.12), with the most mature startups found in the Fintech and health sectors, and the youngest in media and sustainability.
- **70% have between 2 and 10 employees**, 2% more than in 2023, and 60% intended to hire employees throughout 2024.
- Although the trend of starting businesses in small groups of 2 or 3 founders persists (54%), it is lower than in 2023 (63%). In 2024, there is an 8% growth in groups of more than 4 and a 2% growth for solopreneurs.
- **31% have mixed founding teams** (men and women), reflecting a 4% decrease since 2022, a percentage that adds to the range of companies founded solely by women (10% in total, reflecting a 4% growth since 2022).

- 20% are scalups.
- 56% are already generating revenues (reflecting a 4% decrease since 2022), and 13% exceed 500k annually (2% more than in 2023).
- 18% have achieved positive EBITDA (2% more than in 2023).
- 49% funded their companies with their own resources (5% more than in 2023), and 29% with private resources (4% less than in 2023).







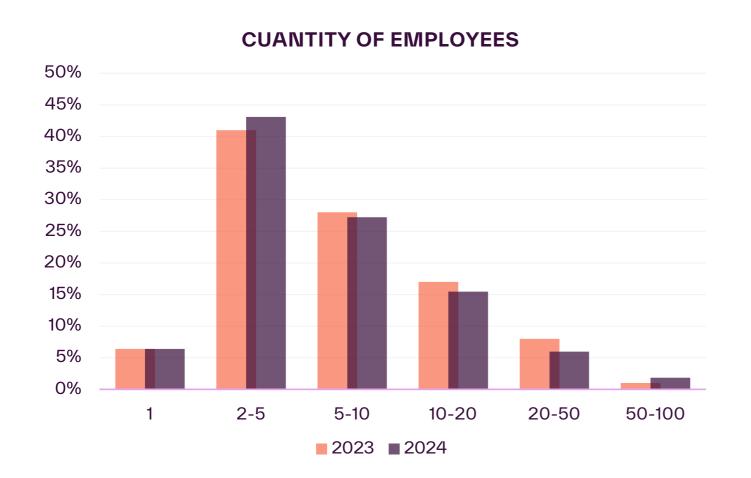
#### **STARTUP MATURITY**

	INDUSTRY	YEARS IN OPERATION	PERCENTAGE
E(11)	Media		4007
24	Social Impact and Sustainability	Less than 1 year	13%
///	Fintech	1 to 3 years	11%
	Healthcare	4 to 5 years	18%
		More than 5 years	12%





#### **STARTUPS HIRING**



60% of startups say they are looking to hire talent in the short term.

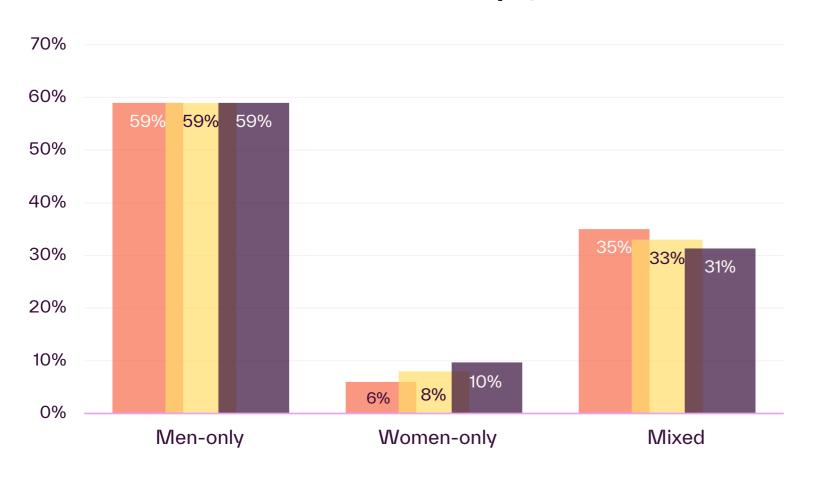


The main areas of recruitment are marketing, software development and sales.



## SOUTH 2024 SU/V/IT ENTREPRENEURSHIP MAP

### TIPOLOGY OF FOUNDING TEAMS | Spain



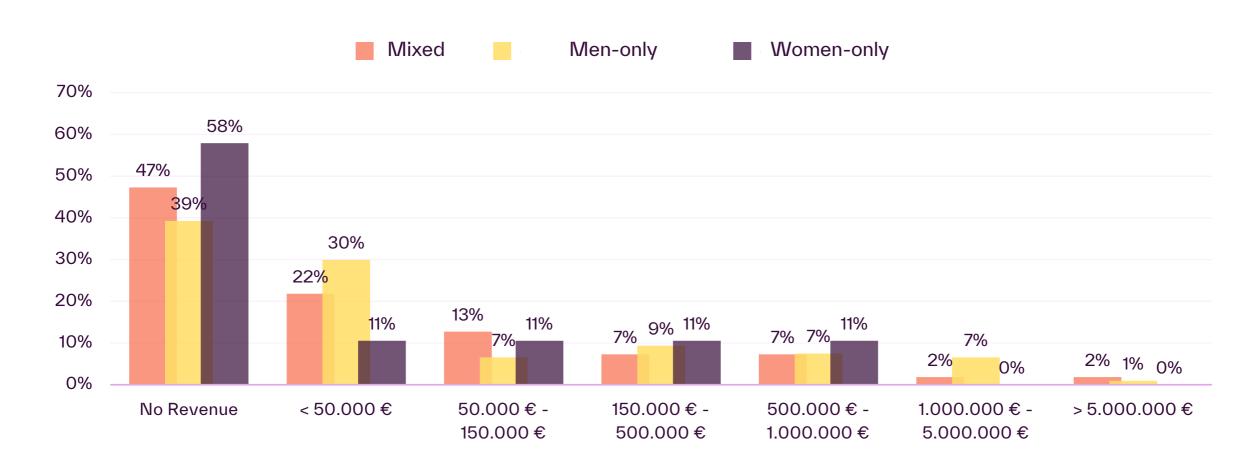
While the proportion of all-male teams has remained stable over the past 3 years, all-female teams show a slight upward trend at the expense of mixed teams.

**■**2022 **■**2023 **■**2024

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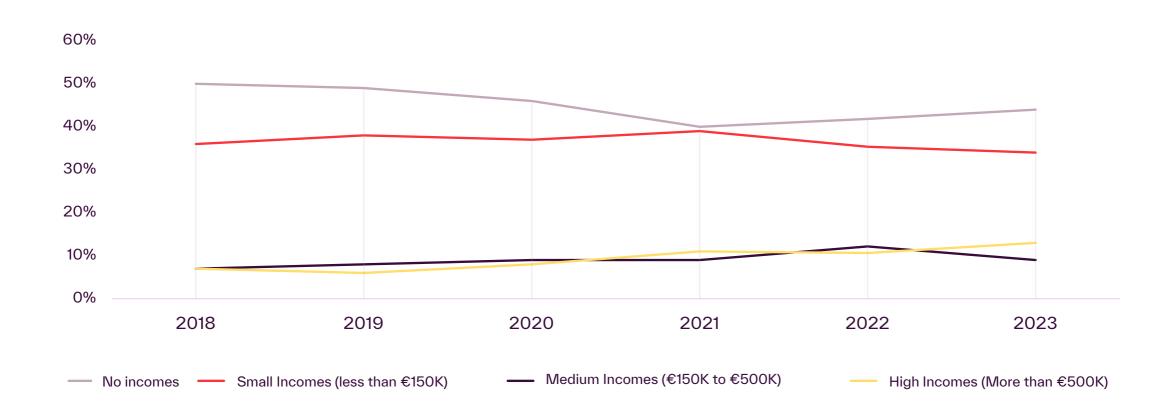


## INCOME BY FOUNDING TEAM TIPOLOGY | Spain



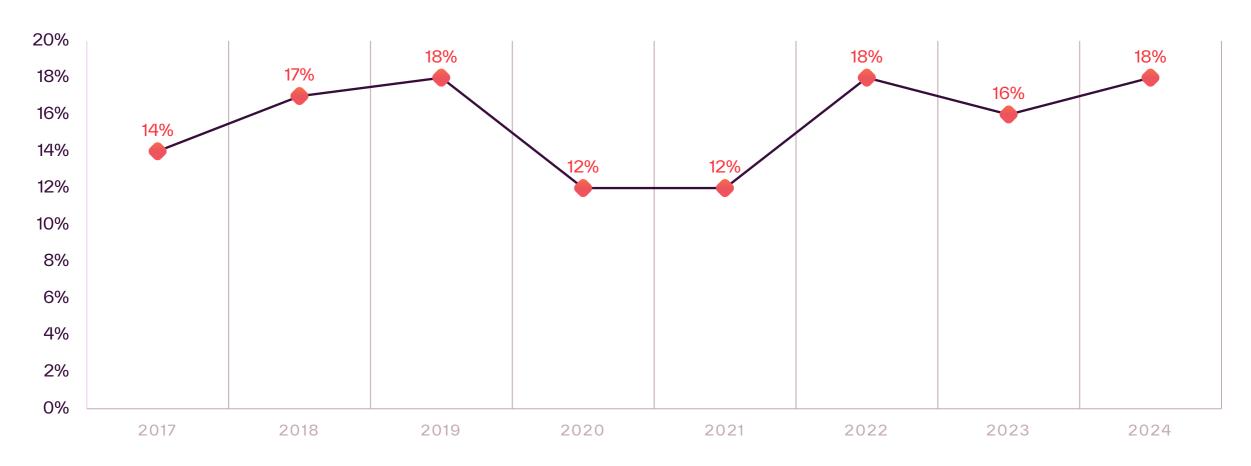


## **REAL REVENUES EVOLUTION SPAIN** | 2018 - 2023



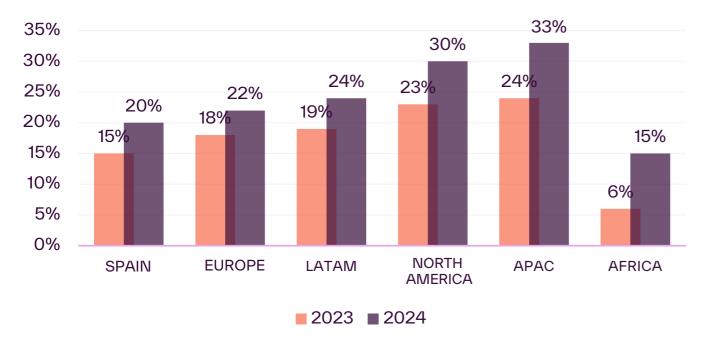


## POSITIVE EBITDA EVOLUTION SPAIN | Evolution 2017 - 2024





### **STARTUPS WITH PATENTS** by region



In all regions, there is a clear trend toward the need to register technologies to protect the developments made by a startup.

## 02 / THE STARTUP



33

Madrid and Catalonia are the regions with the most patents in Spain.

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#### SOUTH 2024 SU///IT ENTREPRENEURSHIP MAP





## 03 / THE ECOSYSTEM

**INDUSTRIES:** Healthcare and Fintech

TECHNOLOGIES: IA

**PRODUCT**: Software

**CLIENT: B2B** 

**BUSINESS MODEL:** Subscription

FIRST ROUND OF FINANCING:

Bootstrapping

**MAIN REQUIREMENT:** Investment



#### SOUTH 2024 SU////IT ENTREPRENEURSHIP

## 03 / THE ECOSYSTEM

- Artificial Intelligence has become the main technology used by startups, with Spain achieving a 10% growth in 3 years.
- 50% of startups exclusively offer software, and another 30% combine it with some other form of service.
- B2B dominates the market, whether as the sole customer or combined with the final consumer, while B2C is declining.
- Subscription continues to be the **preferred business model** among Spanish, European, Asian, and North American startups. Pay-per-use leads the Latin American and African markets.

- Employment expectations have fallen by 10% in 3 years.
- Bootstrapping as the first round of financing is gaining traction in 2024, increasing by 5%.
- Spain sees a 2% growth in positive EBITDA. Furthermore, startups that have not yet achieved profitability are more optimistic than in other regions about reaching it within a year.
- In almost every phase, Spanish startups seek less funding than the rest of Europe, a trend that is more pronounced in the case of established businesses.
- While the top SDGs have remained the same since 2021, in 2024, climate action and responsible production and consumption are gaining strength.



# 03 / THE ECOSYSTEM

# INDUSTRIES

- 1. / Healthcare
- 2. V Fintech
- 3. Software Development
- 4. Green business
- 5. Education
- 6. Social Impact
- 7. V AgroTech
- 8. Data & Analytics
- 9. Productivity Services
- 10. V Services Provider

# **TECHNOLOGIES**

- 1. Artificial Intelligence
- 2. Digital & Apps
- 3. APIs
- 4 V Blockchain
- 5. Big Data
- 6. Cloud
- 7. V IoT/IoE & Sensors
- 8. Biotech
- 9. Medica Technologies
- 10 V Interactive New Interfaces





# **FEMALE** Top 10 sectors with highest female presence comparative 2023

	2024	2023			2024	2023	
1	Healthcare	Healthcare	=	6	E-commerce	Fintech	NEW
2	Education	Education	=	7	Green business	Services	V
3	Social Impact	Green business	Λ	8	Fintech	Software Development	V
4	Software development	Social Impact	Λ	9	Wellness	Data y analytics	NEW
5	Media	Agrotech	NEW	10	Cibersecurity	Media and communication	NEW



# / FEMALE | Top 10 Activities with highest female presence

# 2024

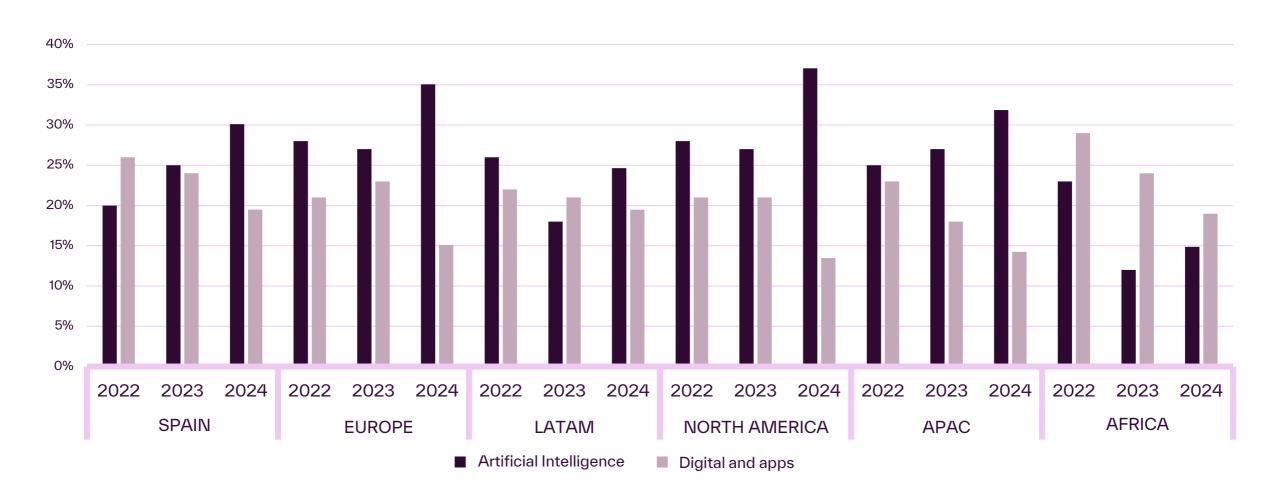
- 1 TRANSPORTATION AND STORAGE SERVICES
- 2 ENERGY
- 3 PET TECH
- 4 CIVIL ENGINEERING
- 5 CONSUMER ELECTRONICS

- 6 DRONES
- 7 AGROTECH
- **8** PUBLIC SERVICES
- 9 GAMBLING
- 10 ARCHITECTURE





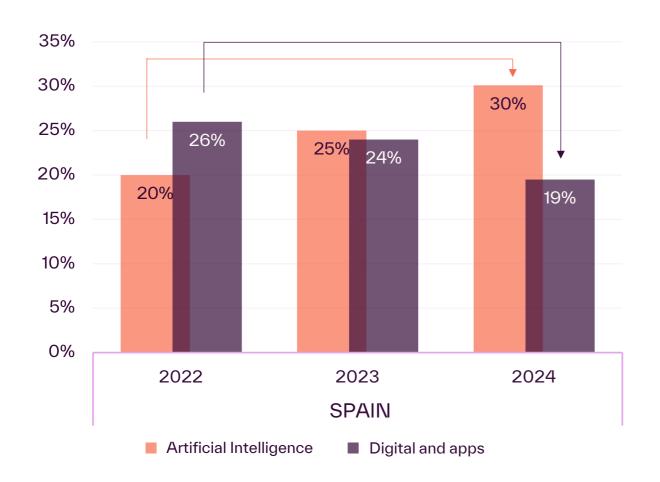
# **TOP TECHNOLOGIES** by region | Comparison 2022 - 2024







# TOP TECHNOLOGIES Spain | evolution 2022 - 2024



North America leads in Al with 37% of its startups using this technology in some way.

It is followed by Europe with **35%**, and APAC, with **32%**. Spain accounts for 30%.

The year-on-year growth in this field in Spain stands out.

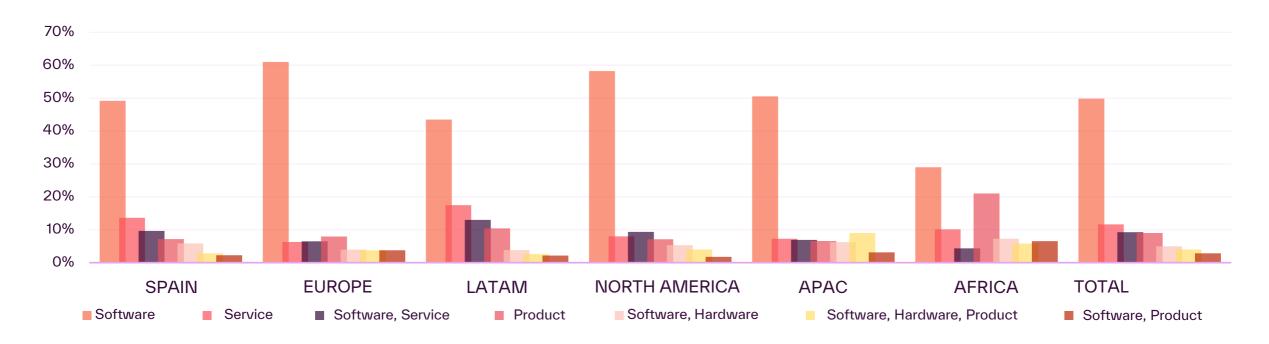
On the other hand, the apps market is declining.



#### TYPE OF PRODUCTS/SERVICES BY REGION

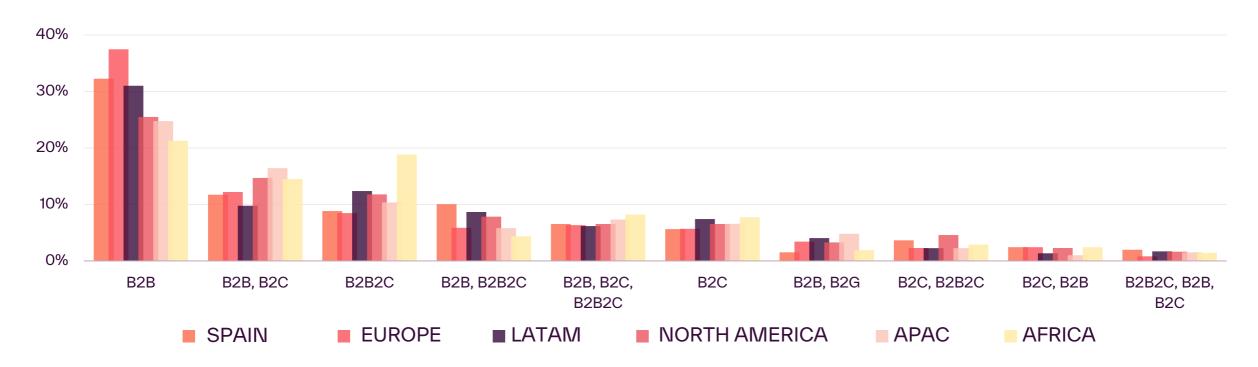
50% of startups globally offer software as their sole product, and another 33% combine it with some other form of service to increase their profitability.

Spain follows this trend: 49% are exclusively dedicated to software, and another 32% combine it with other forms of products.





## **TYPE OF CLIENT**



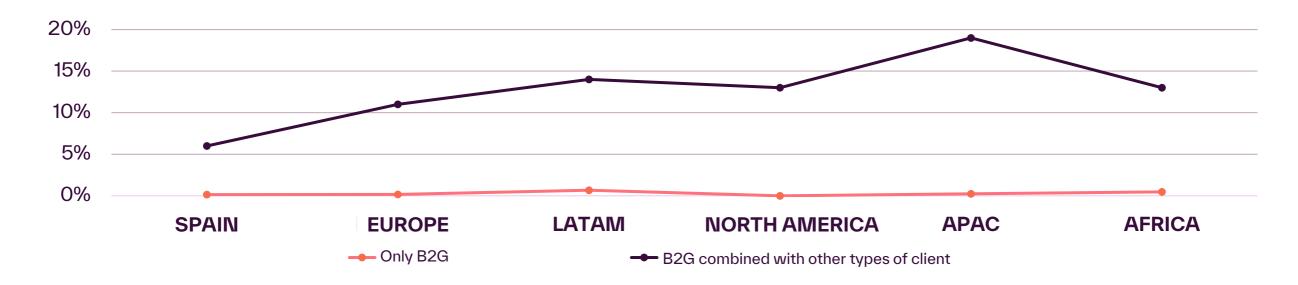
31% of startups have businesses as their sole clients, 4% more than in 2023.

47% combine it this with end consumers or public administrations.

7% direct their products or services exclusively to end consumers, 2% less than in 2023.



# TYPE OF CLIENT | B2G



Although startups typically do not focus exclusively on B2G, some do incorporate this business model.

In Spain, 6% of startups have public administrations as clients; in the rest of Europe, this rises to 11%.

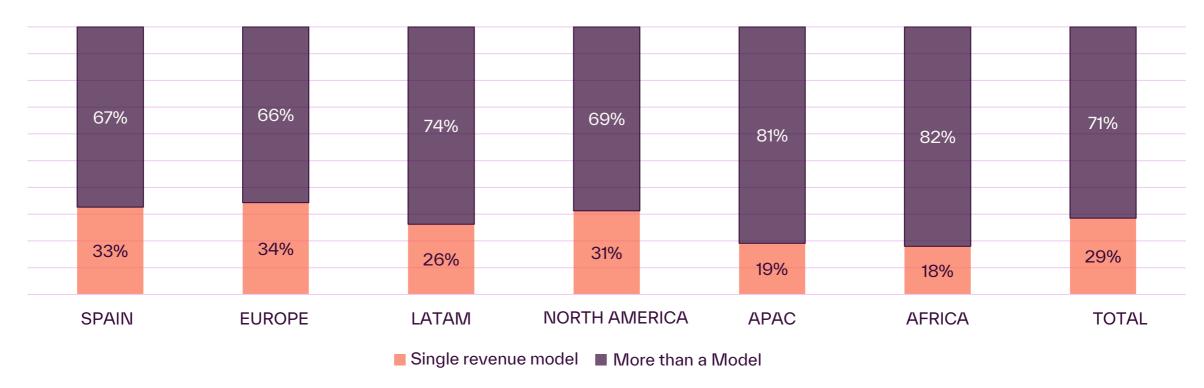
The figure is higher in other regions, reaching 19% in APAC.



# **BUSINESS MODEL**

Approximately 70% choose more than one source of income to diversify their activities.

3 out of 10 startups in Spain, Europe, and North America choose to focus on a single business model.





# **BUSINESS MODEL**

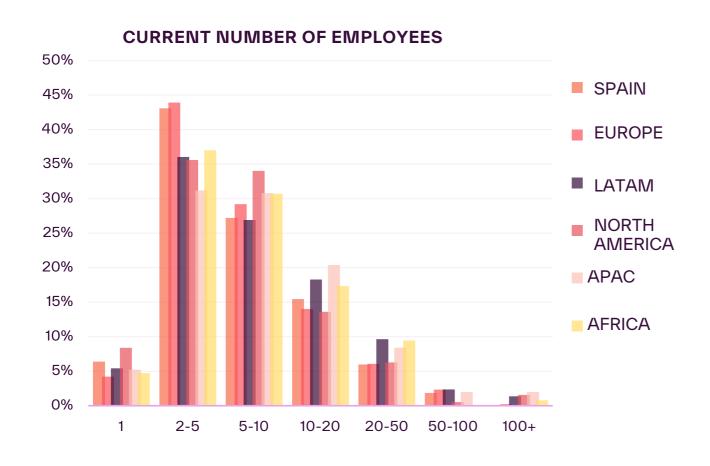
	SPAIN	EUROPE	LATAM	NORTH AMERICA	APAC	AFRICA
SUBSCRIPTION	26%	26%	18%	27%	15%	8%
PAY-PER-USE	16%	10%	19%	12%	10%	21%

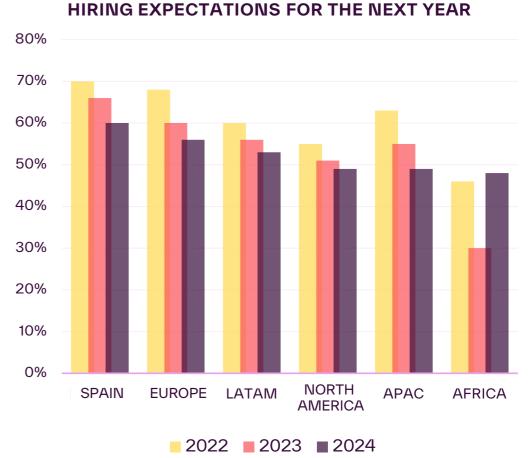
**Subscription** is the **main business model** for Spanish, European, Asian, and North American startups. Pay-per-use leads the Latin and African markets.





#### NUMBER OF EMPLOYEES AND HIRING EXPECTATION



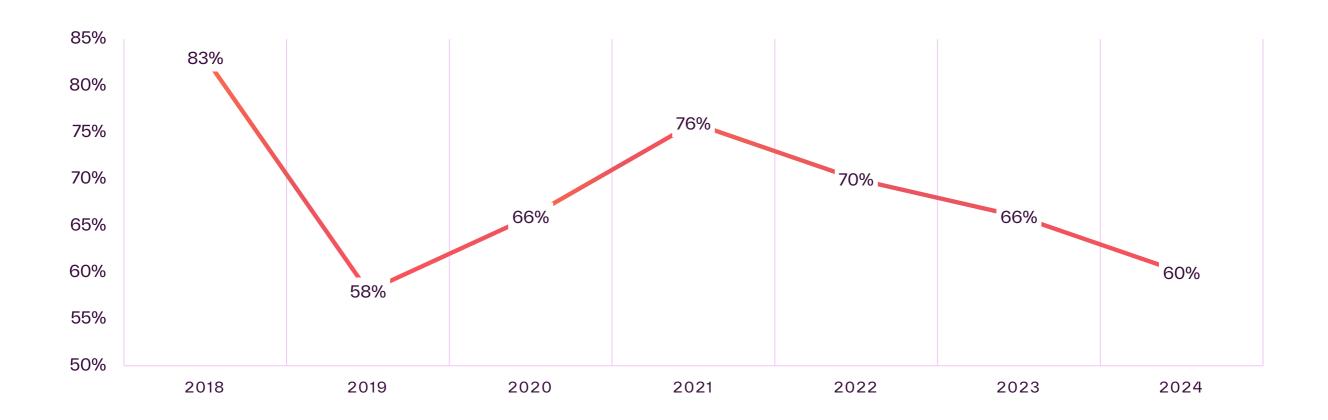






# **EVOLUTION OF HIRING PROYECTION**

Spain

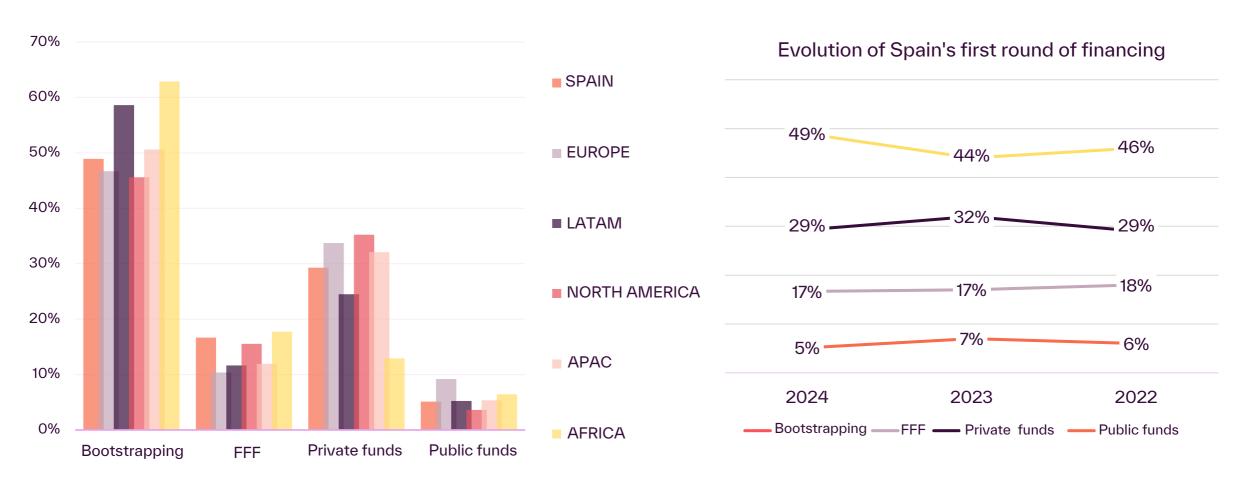






## ANALYSIS OF THE FIRST ROUND OF FINANCING

#### **BY REGION**

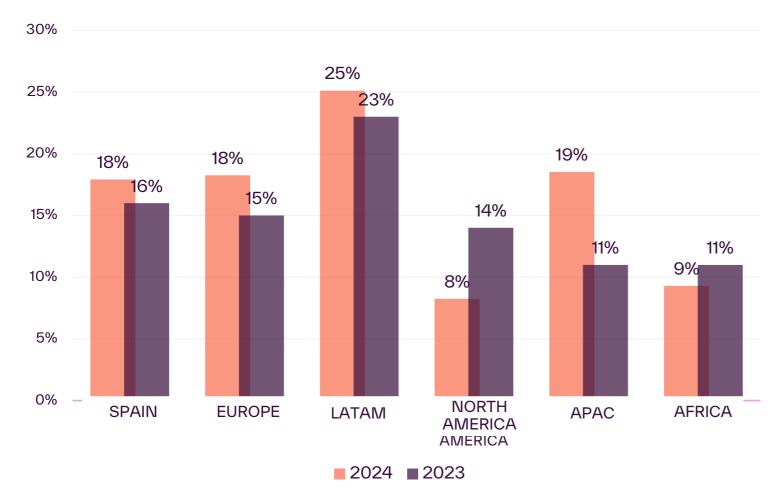




# 03 / THE ECOSYSTEM

## **POSITIVE EBITDA**

#### **BY REGION**



LATAM continues to be the region that reaches positive EBITDA the fastest.

Furthermore, 46% of the region believes it will achieve this within a year, while in the case of Spain, it is 36%.

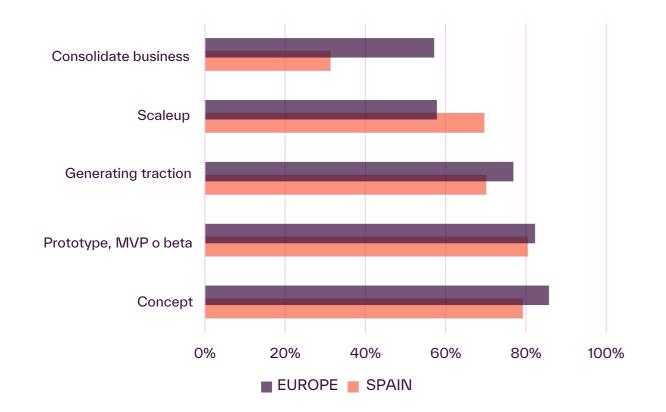
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# 03 / THE ECOSYSTEM

#### WHAT ARE STARTUPS LOOKING FOR?

Investment remains the primary focus among startups, especially in North America, APAC, and Africa.





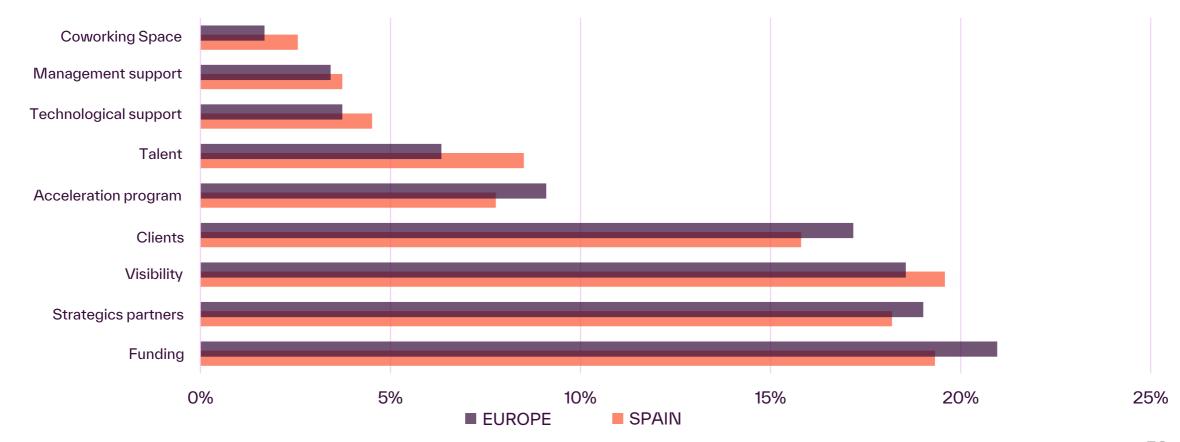
In almost all stages, Spanish startups seek less funding than the rest of Europe, a trend that is more pronounced in the case of established businesses.

Moreover, women are more hesitant to ask for funding than men (64% vs. 74%).



## WHAT ARE STARTUPS LOOKING FOR?

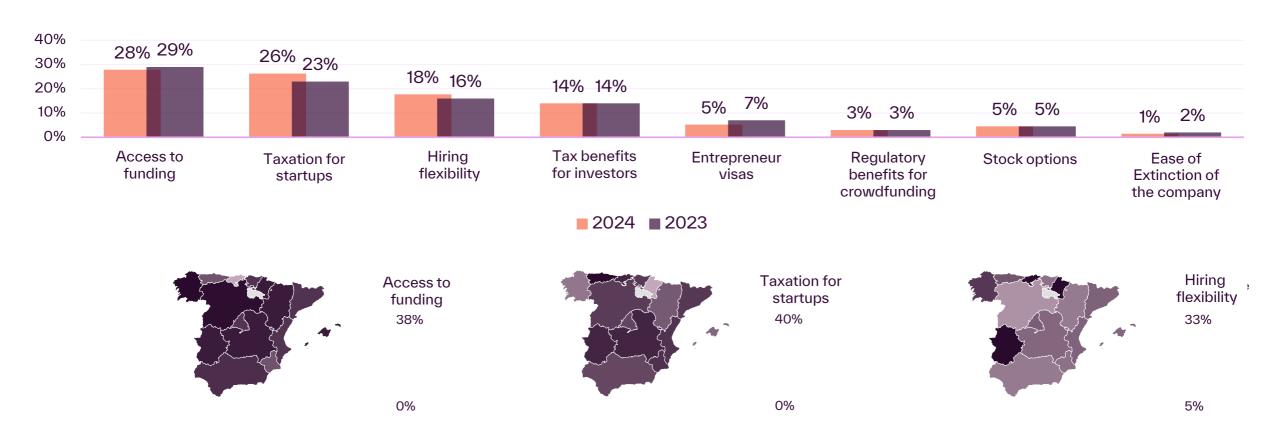
In addition to investment, visibility and talent take precedence in Spain compared to Europe, while for the rest of the continent, strategic partners, clients, and acceleration programs tend to be among the main needs for startups.







# **OPPORTUNITIES OF IMPROVEMENT | Spain**



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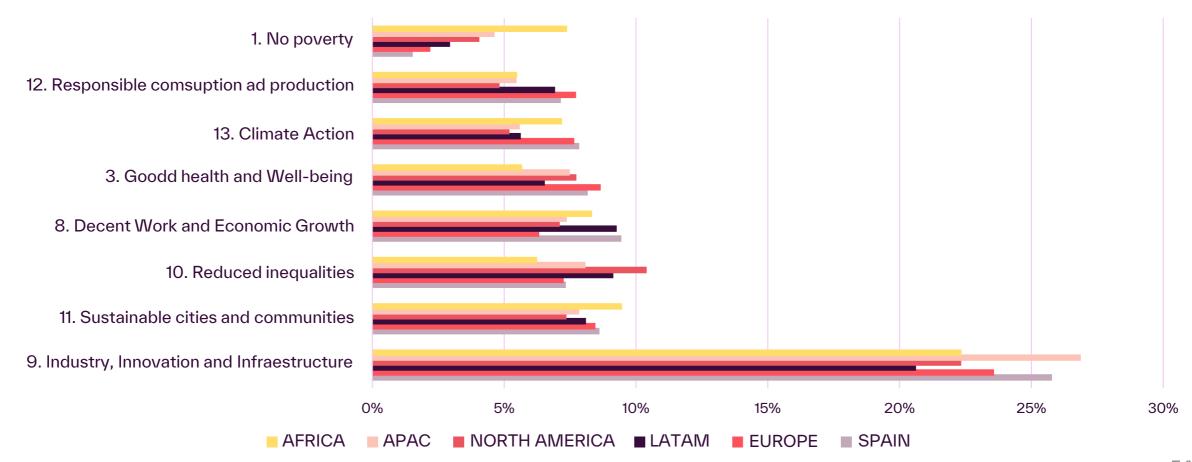






## **SUSTAINABILITY: DEVELOPMENT GOALS**

While the top development goals have remained unchanged since 2021, in 2024, climate action and responsible production and consumption are gaining strength.



# SOUTH 2024 SU///IT ENTREPRENEURSHIP MAP



# SOUTH 2024 SU/\/\IT MAP





- Highly qualified entrepreneurs.
- Entrepreneurs aware of their mistakes and with a strong capacity for learning.
- Rapid adoption of new technologies.
- Incorporation of sustainability into the value chain.

# EXCELLENIT







- The serial entrepreneur continues to represent 60% of the ecosystem.
- Need for patents as a means of protecting technological development.
- Consolidation of a winning business model: B2B, subscription, and software.

# PROGRESSES ADEQUATELY

# SOUTH 2024 SU///IT ENTREPRENEURSHIP MAP





- Incorporation of women into the ecosystem.
- Overcoming the glass ceiling of 18% positive EBITDA.
- Strengthening public administrations as clients/consumers of startups.

# NEEDS TO IMPROVE

# THANKYOU WE

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