

NAVIGATING THE 2023 FUNDING LANDSCAPE: FEMALE FOUNDERS IN THE DACH STARTUP ECOSYSTEM



**FEMALE →
FOUNDERS**

vienna
business
agency


 For the
City of Vienna

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EXECUTIVE SUMMARY

In 2023, the DACH region—like the broader European market—faced significant challenges in its startup ecosystem, aligning with global economic downturns. Total investments in the DACH region plummeted by 36.1%, reaching 9.5 billion EUR across 1,605 deals. Despite this downturn, the region's startup ecosystem continues to show a promising long-term growth trajectory.

A notable trend was the predominance of early-stage investments, with pre-seed and seed funding accounting for nearly 45% of all recorded funding rounds (n=1,401). This underscores a robust pipeline of emerging startups, driven by a strong entrepreneurial spirit and substantial public and private sector support. Each seventh funding round was a grant, highlighting the pivotal role of non-dilutive funding in supporting the tech and innovation ecosystem.

Cities like Vienna, Berlin, and, to a lesser extent, Zurich, are central hubs for startup activity within their respective countries. The majority of funding rounds were not only closed by startups in these cities, but these cities also demonstrated a significant concentration of startup density per capita.

Gender disparities remained stark, with women founders significantly underrepresented in funding allocation and among founding teams in general, most of which are composed of men only. In 2023, only 1.5% of capital was directed towards all-female teams and 6.5% to mixed teams.

From the investor perspective, the environment was also challenging. Investors expressed concerns over market volatility and the quality of available investment opportunities, leading to increased caution and selectivity. This conservative approach was also reflected in their investment strategies, with many

focusing on fewer but higher-quality investments.

Public funding, such as that offered by our partners at the Vienna Business Agency, emerged as a crucial buffer against economic adversities, with founders perceiving such sources as more accessible and equitable compared to private funding. The structured and supportive nature of public grants was especially beneficial during these turbulent times, helping to sustain innovation and entrepreneurial activity in the region.

"Cities like Vienna, Berlin, and, to a lesser extent, Zurich, are central hubs for startup activity within their respective countries."

In conclusion, while 2023 was a challenging year for fundraising in the DACH region, the ecosystem's underlying strengths—such as a vibrant early-stage funding environment and supportive public funding mechanisms—provide a foundation for recovery and growth. However, addressing the evident gender disparities in funding and enhancing support for female and mixed-gender founding teams will be crucial for fostering a more inclusive and dynamic startup environment moving forward.

INTRODUCTION BY FEMALE FOUNDERS

Startups play an important role in shaping our future as drivers of innovation and growth. In 2023, ventures with at least one woman on the founding team received only 8% of the total funding volume. That means money is still predominantly being invested in men and their ideas for what should be our shared and gender-equal future.

Female Founders is an organization committed to promoting diversity within the European technology and innovation landscape. In collaboration with the Vienna Business Agency, we are pleased to present this report, which offers insights into female entrepreneurship in the DACH region for the year 2023. The Vienna Business Agency plays a crucial role in fostering a startup ecosystem that is more inclusive and equitable. Their commitment to diversity and innovation, demonstrated by leading efforts to equalize opportunities for female entrepreneurs, is eliminating hurdles and facilitating the success of women-led enterprises in the city of Vienna.

This report is driven by the necessity to address and highlight the specific challenges and opportunities that women face in securing funding and growing their businesses in the DACH region.

In this report, we delve into several critical areas:

- 1. Overview of the DACH fundraising landscape:** Analysis of investment trends in the DACH region in general, and Vienna, Berlin, Munich, and Zurich in particular as important hubs in the region, noting a significant downturn in funding, but also the resilience and potential for growth in the region.
- 2. Gender differences in fundraising:** A detailed look at the investment disparities where female-led teams are starkly underfunded compared to their male counterparts, exploring both the quantitative data

and the qualitative experiences of women founders.

- 3. Role of public institutions:** Discussion on the critical role of public funding in supporting startup ecosystems, particularly ventures led by underfunded founders and/or in sectors with long R&D cycles.
- 4. Perceptions and experiences:** From the lens of both founders and investors, shedding light on the subjective experiences surrounding fundraising efforts in the current economic climate.

Addressing these themes is essential not only for understanding the current state of female entrepreneurship but also for crafting effective strategies to support and enhance the participation of women in the innovation ecosystem. This report aims to illustrate the differences in the funding landscapes in Austria, Germany, and Switzerland, and inform stakeholders about the unique needs and challenges female entrepreneurs face, guiding more tailored and impactful interventions.

In essence, this report serves as both a reflection on the past year's challenges and a roadmap for fostering a more inclusive and equitable entrepreneurial ecosystem. Focusing on these key areas, we aim to catalyze change and inspire actions that will lead to a more diverse and dynamic innovation landscape in the DACH region. This report reflects the collaborative efforts between Female Founders and the Vienna Business Agency, highlighting our shared vision for a balanced and fair entrepreneurial landscape.

Valerie Hengl

Co-CEO at Female Founders



THE FUTURE IS DIVERSE: VIENNA'S COMMITMENT TO WOMEN IN BUSINESS

Recent years have proven it time and time again: diversity, equity, and inclusion aren't just nice-to-haves – they make businesses more profitable, more impactful, and more future-oriented. But even though diverse leadership teams deliver better business results, most startup leaders are men and, as this report shows, male-led teams fundraise at higher rates than mixed and women-led teams. What can be done?

Like the Female Founders, the Vienna Business Agency (VBA) is part of the growing effort to ensure that more women found companies, seek leadership roles, and have equal access to expert support and public funding. Deeply aware of the thoughtful, consistent work required to break old patterns, VBA and the Female Founders have partnered in creating this report, thus shedding light on current trends in the DACH landscape. And while the results are sobering, they demonstrate the need for more initiatives that challenge perspectives, empower women, and fund female-led enterprises.

DIVERSE LEADERSHIP WORKS

Although the global gender leadership gap is far from being closed, the increasing gender parity for senior roles (WEF 2022) is leaving its mark—in 2023, the top 10% best-performing companies world-wide were those who have more female leaders, according to the Global Leadership Forecast¹.

A diverse executive body doesn't only positively impact the work environment, as proven by the Global Leadership Forecast 2023—according to a 2018 study performed by the Cardiff Business School, it also leads to greater innovative success, and enhances venture performance, especially in innovation-intensive industries.

So why the fundraising gap? The apparent combined effect of bias, flawed decision-making frameworks, and pipeline issues have led to a lack of representation when it comes to female founders, which the Vienna Business Agency is working hard to address.



1. Global Leadership Forecast 2023, <https://www.ddiworld.com/global-leadership-forecast-2023>

VIENNA'S RESOURCES FOR WOMEN CHALLENGE THE STATUS QUO

Although sobering, the present report findings are unsurprising. They further underscore the need for a structured approach toward gender equality in business. Public and private actors alike must work together, now, in providing options, support, and incentives that generate real impact, and which can lead to a brighter, more equitable future for all.

It is with the deep conviction that women in business and innovation have a tremendous impact not only on bottom lines, but on society at large, that the Vienna Business Agency has been working to provide ample opportunities for advancement and participation, as part of a broader strategy led by the City of Vienna.

A committed advocate for female entrepreneurs and female-led startups, the VBA has been providing support that specifically aims to close the gender gap for more than 20 years. Here are some of the most fruitful measures.

→ As a provider of public funding, VBA funds were among the first to work with independent juries using an unconscious bias tool in order to minimise bias from the onset when evaluating funding proposals.

→ In 2023, 65.8% of the projects submitted by women received funding from the agency—just below the general average of 68.7%—totalling €13.5 million.

→ Additionally, most of the funding programmes offered by the agency provide bonuses for projects that are (co-)managed by women, which see hundreds of thousands of euros awarded to women-led projects in Vienna every year.

→ VBA offers special consultations for women, as well as initiatives such as the Founders Lab

for Durchstarterinnen, where female founders and young female entrepreneurs receive intensive coaching and feedback, which empower female founders to specifically tackle challenges created by societal bias as they establish their companies. In 2023, over half of all consultations carried out by the agency's Startup Services department were with women.

→ Mindful of the need to address the pipeline inequality, as well as of the fact that creating a progressive, more diverse future must start right now, the Vienna Business Agency places emphasis on supporting the future generation of entrepreneurs. By organising regular STEM (Science, Technology, Engineering, and Mathematics) workshops for youth, as well as a biannual Research Festival, the agency offers children of all ages the chance to explore professions of the future, and introduces girls to careers in tech and science.

"A committed advocate for female entrepreneurs and female-led startups, the VBA has been providing support that specifically aims to close the gender gap for more than 20 years."

In spite of difficulties, measures such as these make an impact that is felt throughout the ecosystem—as this study discovered, founders across the DACH region indicate that public funding played a very important role in their fundraising strategies, and was perceived as fairer and more inclusive.

It's a start, but more is to be done.

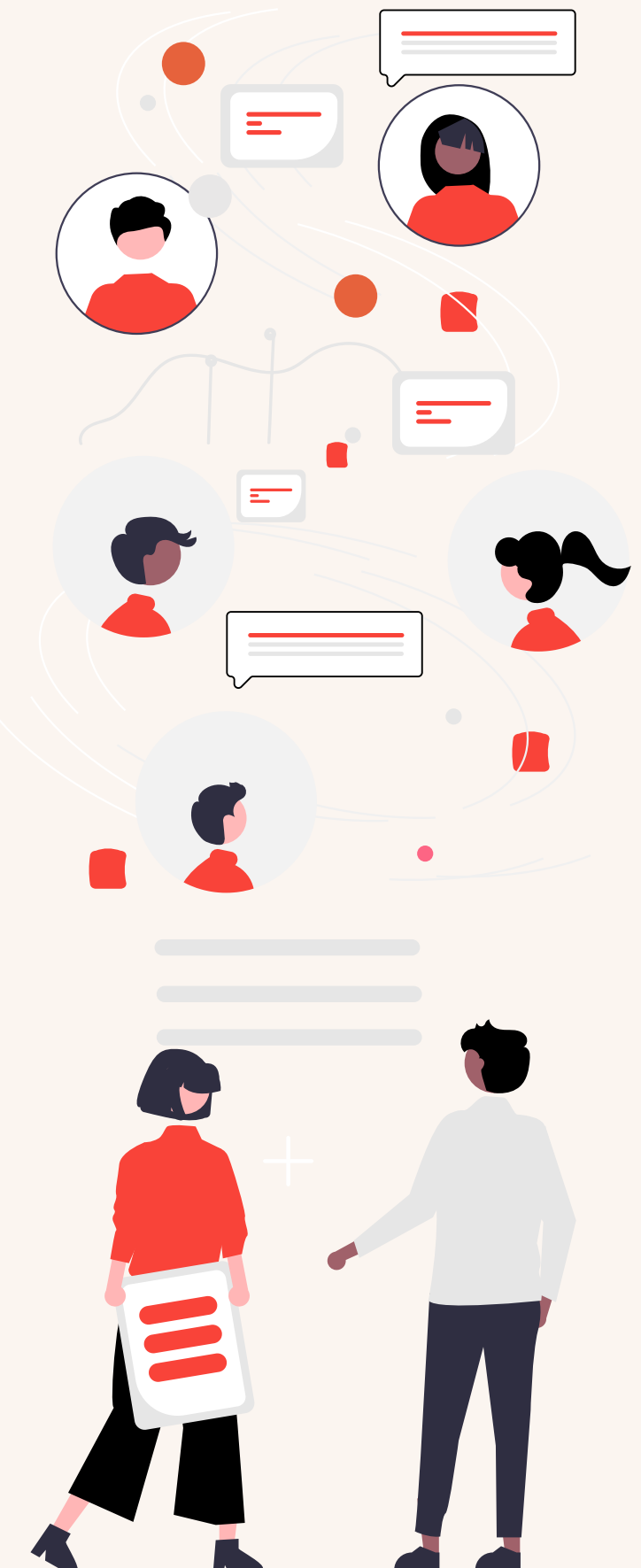
EMPOWERING WOMEN, A CITY-WIDE EFFORT

VBA derives its strategy for promoting gender equality from the efforts of the City of Vienna. A true pioneer in this aspect, Vienna looks back on many years of encouraging diverse entrepreneurship, especially by supporting working women.

The city started the practice of gender mainstreaming almost 25 years ago, which involves collaboration across various administrative levels and which has heavily influenced recent urban planning measures. Vienna thus focuses heavily on family-friendly policies, such as free public kindergartens, which are uncommon among other European capitals, and affordable recreational options, aiming to be a space where everyone can reach their potential, and have the right resources to do so.

This doesn't only mean purposefully prioritizing straight-forward equity measures at all levels of policy-making—it also encompasses the city's overarching social strategy, which includes topics such as environmental justice, and ensuring no group is disproportionately affected by the changing climate, as well as social housing options for young families or accessible public transport.

Beyond the work done by the public sector, it is also the achievements of all actors and organisations across the city, which fight for a more inclusive and diverse ecosystem, that give us hope for the long road ahead, and that make Vienna a special place for women in business.



TOWARDS A MORE DIVERSE AND INCLUSIVE ECOSYSTEM

Launched in 2022, Fund F is dedicated to contributing to minimizing the gender funding gap in the tech industry. **Our vision is an accessible, equitable, and impact-driven European tech ecosystem.** As technology shapes our lives, work, and interactions, it's essential that it be developed by a diverse group of people. Therefore, our approach to fostering a more equal future is to equip gender-diverse founder teams with the resources they need to create genuinely inclusive products and companies.

At Fund F, we specialize in pre-seed and seed investments, with a strong focus on climate tech, health tech, HR & education, and fintech. We are dedicated to supporting gender-diverse teams, with at least one woman on the founding team. Our mission is to back innovative solutions that not only offer a strong return on investment but also make a positive impact on our planet and society's future.

As the founders of Female Founders and investors at Fund F, we have witnessed the highs and lows of entrepreneurship firsthand. We understand the challenges intimately and have engaged in numerous trusted conversations with female entrepreneurs who have shared their unique perspectives.

Throughout our journey, we've had the privilege of collaborating with exceptional sparring partners, mentors, and friends. Navigating the startup ecosystem is undeniably tough, but it is also one of the most rewarding endeavors you can undertake. Reports like this one highlight that there is still much work to be done in this space. However, it also allows us to highlight and celebrate the significant achievements made in recent years.

While 2023 was a challenging year for fundraising in the DACH region and beyond, the underlying

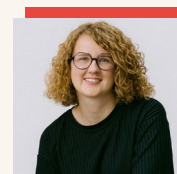
strengths of the ecosystem—such as a vibrant early-stage funding environment and supportive public funding mechanisms—provide a foundation for recovery and growth. Entrepreneurs need trusted partners and reliable touchpoints from both the private and public sectors to succeed. By fostering these connections, we can continue to drive progress and create a more inclusive and dynamic startup environment.

At Fund F, we're excited about the future and fully committed to leveling the playing field and backing groundbreaking ideas. We're eager for more partners in the ecosystem to jump on board with us and make a real difference.



Lisa-Marie Fassi

*Managing Partner at Fund F
Co-Founder at Female Founders*



Nina Wöss

*Managing Partner at Fund F
Co-Founder at Female Founders*

OVERVIEW OF THE FUNDRAISING LANDSCAPE IN THE DACH REGION

The global investment landscape encountered notable challenges in 2023, with investment levels declining universally. Europe, mirroring this global trend, saw a significant reduction in capital inflows. The State of European Tech 2023² report indicates that the downturn in Europe was aligned with global patterns, impacting the DACH region as well.

Approximately 9.5 billion EUR was invested across 1,605 recorded deals in the DACH startup ecosystem, marking a sharp decline of 36.1% in total funding volume and nearly a 20% decrease in funding rounds compared to the previous year. Despite this downturn, the European tech ecosystem, including the DACH region, remains on a promising path of long-term growth when comparing the numbers from 2023 to pre-pandemic levels. This sustained growth trajectory underscores the resilience and potential for growth of the European tech landscape.

A VIBRANT EARLY-STAGE ECOSYSTEM

The funding landscape in 2023 was heavily weighted towards early-stage investments, with 31% of funding rounds categorized as seed funding and 13.6% as pre-seed (n=1,401). This highlights a robust pipeline of new startups entering the market, reflecting investor confidence in the potential of early-stage companies and a healthy entrepreneurial spirit in the region.

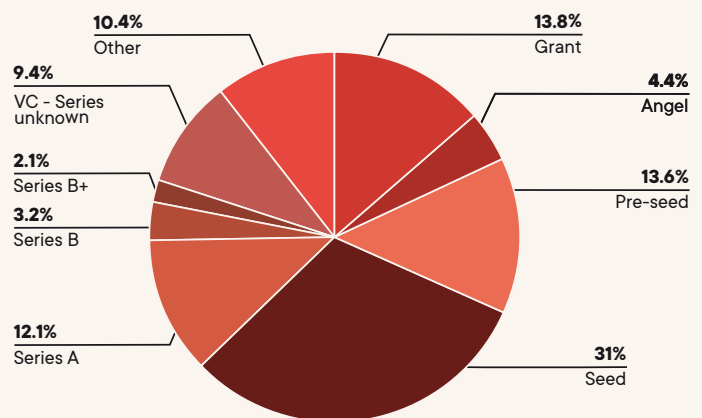
Furthermore, one in every seven funding rounds was a grant, reflecting substantial support from public or non-profit entities. This level of grant funding indicates strong ecosystem support structures, sustaining startups through non-dilutive funding, which is especially crucial for early-stage ventures focusing on research and development,

ventures in sectors with longer paths to commercialization, and underrepresented founders.

The diversity in funding types within the DACH region, ranging from angel investments that account for 4.4% of total funding rounds to various stages of venture funding, suggests a market capable of meeting diverse funding needs throughout the startup lifecycle. The presence of later-stage funding, including Series A, Series B, and beyond, which collectively make up at least 17.4% of the total investment volume, further underscores that even in 2023, DACH-based startups still had opportunities to scale up their operations.

While early-stage funding remained robust, the data also reveal significant challenges for later-stage startups in 2023, marked by fewer funding rounds overall and a decrease in total funding volume. Only 2.7% of funding rounds surpassed the 50 million EUR mark, and even fewer—just 0.9%—reached 100 million EUR or more.

TYPE OF FUNDING DACH 2023



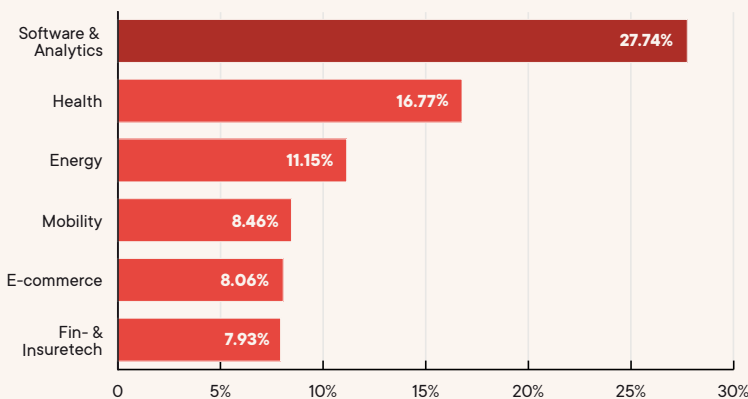
Includes only data from funding rounds where both gender composition of the founding team and the type of funding are known (n=1,401).

2. The State of European Tech 2023 Report, <https://stateofeuropentech.com/>

SECTORAL INVESTMENT DISTRIBUTION ACROSS DACH

The sectoral investment distribution shows a strong focus on digital technologies and sustainability across the region. The Software & Analytics sector received 27.7% of the total funding volume, underscoring a significant emphasis on digital technologies and solutions. This indicates a robust demand for innovation in software development, data analytics, and AI, reflecting global trends towards digital transformation. Following this, the health sector accounted for 16.8% of the total investments, emphasizing advancements in medical technologies and healthcare services. Additionally, the energy sector accounted for 11.2% of the total funding volume, highlighting a growing focus on more sustainable energy sources. These investment trends demonstrate the region’s commitment to leading-edge sectors, strategically positioning it to drive economic growth and address global challenges.

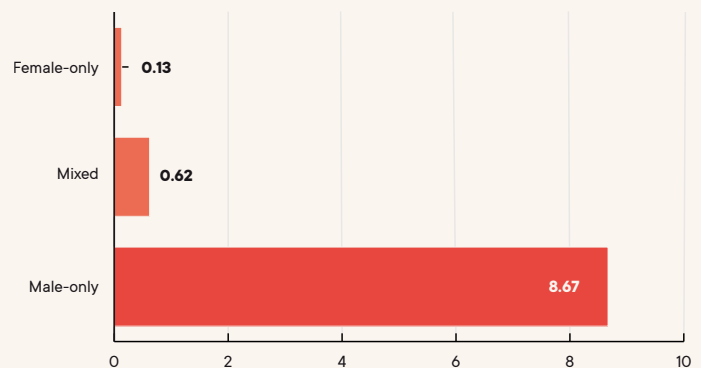
SHARE OF INVESTMENT PER SECTOR DACH 2023



GENDER DIFFERENCES IN THE FUNDRAISING LANDSCAPE

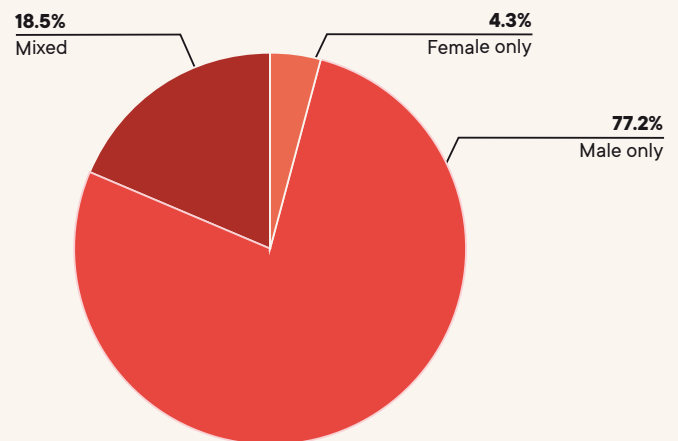
Across the region, women account for only a small percentage of founders in startups receiving capital. In 2023, startups with only women in the founding team received just 1.5% of total funding. Mixed-gender teams received 6.5%, while male-only teams secured the remaining 92%.

TOTAL FUNDING VOLUME GENDER COMPOSITION FOUNDING TEAM 2023 (IN BILLION EUR)



When looking at the number of funding rounds instead of total funding volume, the numbers look slightly better. Of all the recorded funding rounds where the gender composition of the founding team is known (n=1,401), all-female teams secured 4.3% of the rounds, mixed-gender teams 18.5%, and all-male teams 77.2%.

FUNDING ROUNDS DACH 2023 - GENDER COMPOSITION OF THE FOUNDING TEAM



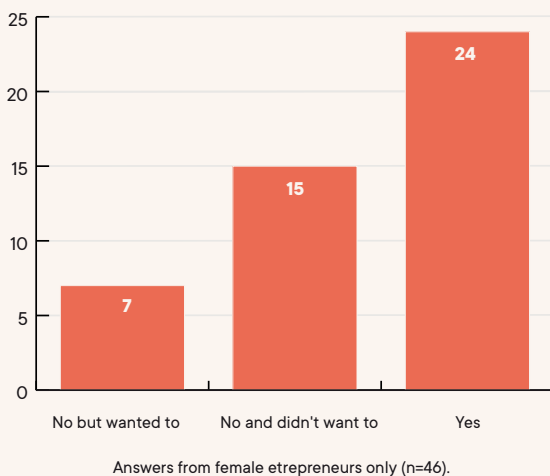
Moreover, the proportion of female founders is highest among startups with funding amounts up to one million EUR and lowest among those securing deals over 50 million EUR. This trend highlights the increasing difficulties women face in closing larger funding rounds, pointing to significant barriers to accessing later-stage investments.

PERCEPTION OF FEMALE FOUNDERS ON FUNDRAISING

Despite efforts from both public and private institutions to close the gender gap in the ecosystem, women are still disproportionately underfunded. To gain a better understanding of their fundraising experience in 2023, we collected data through a survey distributed among female founders in DACH (n=46).

About half of the respondents (52%) indicated that they successfully closed a funding round in 2023, while 15% were unsuccessful. The remaining entrepreneurs did not fundraise in 2023 nor planned to do so. Instead, they primarily focused on product development (60%) or had sufficient cash reserves (20%).

DID YOU CLOSE A FUNDRAISING ROUND IN 2023?



Among those who wanted to fundraise but were unsuccessful, 57% cited a lack of investor interest and inadequate networking opportunities as the main reasons for their failure. Even for those who were successful in their efforts, the fundraising process was challenging, with an average experience rating of 4.6 out of 10.

The survey insights underscore the multifaceted challenges faced by women looking to

fundraise. Nearly 43% of respondents felt their gender negatively influenced their fundraising efforts, indicating the need to work harder to prove themselves or being overlooked by investors in favor of their male co-founders. One respondent stated that, for these reasons, “fundraising is mainly done by my male colleagues.”

Besides the specific gender-related challenges, respondents indicated challenges related to the following categories:

→ **Operational and resource constraints:**

most frequently cited challenges related to this category, indicating that many of the respondents struggled with the logistical aspects of fundraising. Specific challenges included lacking a clear fundraising strategy from the beginning and failing to streamline the process, leading to a need for increased time and effort.

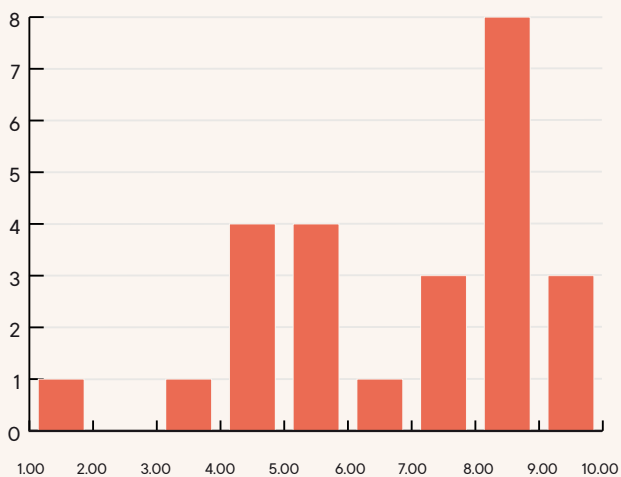
→ **Investor interest:** respondents highlighted the critical need for better networking opportunities and platforms that can bridge the gap between investors and startups, especially in a challenging economic climate.

→ **Market and product issues:** respondents cited long R&D timelines, trying to fundraise with a B2C business model, and being an early stage startup as the most pressing challenges related to market and product issues.

→ **Fundraising knowledge:** some founders also reported lacking sufficient knowledge about and experience with the fundraising process as factors that complicated the process.

While these challenges don't necessarily apply to fundraising in 2023 only, data from the survey shows that the economic climate did have a significant impact on how founders approached their fundraising process. When asked to indicate on a scale from 1 (no influence) to 10 (significant influence) how the economic climate affected their choice of funding to pursue, respondents scored an average of 7. In particular, factors such as the cautious investment climate and reduced availability of private capital made them pivot towards a stronger focus on public funding.

HOW DID THE ECONOMIC CLIMATE AFFECT WHICH TYPE OF FUNDING TO PURSUE?



Scale 1 to 10, where 1 equals "no influence" and 10 equals "significant influence".

*"Almost **43% of respondents** said their gender seemed to have a negative influence on their fundraising efforts, indicating that they felt the need to work harder to prove themselves or that they were overlooked by investors when their male co-founders were present."*



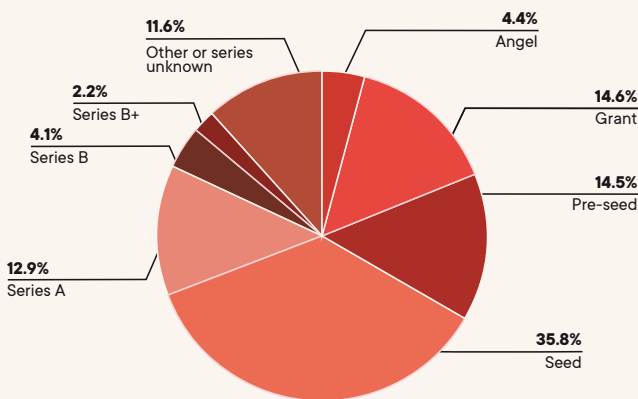
ROLE OF PUBLIC INSTITUTIONS IN THE STARTUP ECOSYSTEM

Many founders indicated a shift towards public funding (including grants) or other non-private capital sources in response to the challenging economic conditions of 2023.

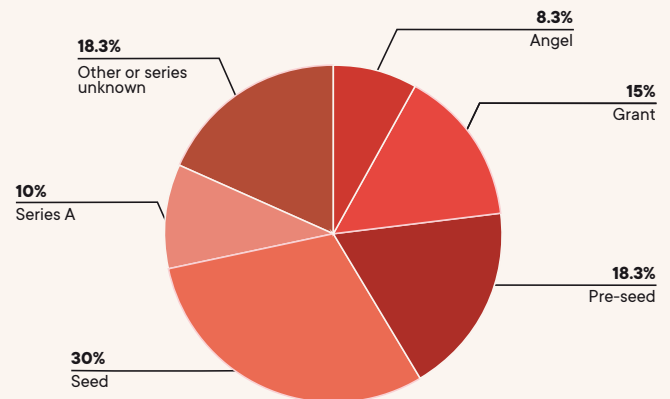
Among the types of funding pursued in 2023, government grants were the most popular (n=21), followed by angel investments (n=11), venture capital (n=6), and investments from family and friends (n=5).

The importance of capital provided by public institutions is evident in the distribution of funding rounds recorded across the region, showing substantial public sector involvement. For all-male and all-female teams, approximately every seventh round involved a grant, while mixed teams secured a grant every sixth round.

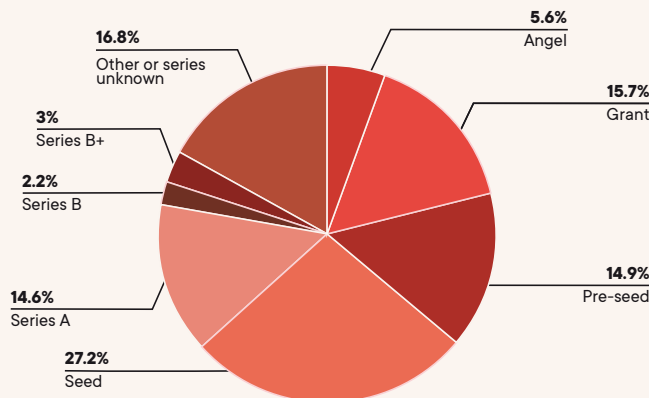
DISTRIBUTION OF FUNDING TYPE FOR MALE-ONLY TEAMS 2023



DISTRIBUTION OF FUNDING TYPE FOR FEMALE-ONLY TEAMS 2023



DISTRIBUTION OF FUNDING TYPE FOR MIXED TEAMS 2023



Additionally, survey responses generally indicate a positive perception of public funding's accessibility. As mentioned by one respondent, *"Applying for public funding was less stressful. Private funding such as VC, on the other hand, appears to me as very fast paced, male-dominated and confusing. I feel like I don't belong in that space."* The following enabling factors were mentioned most frequently:

→ **Accessibility and fairness:** Access to public funding is perceived as democratic, accessible, and fair. Founders appreciate the structured processes, clear expectations and objective evaluation criteria.

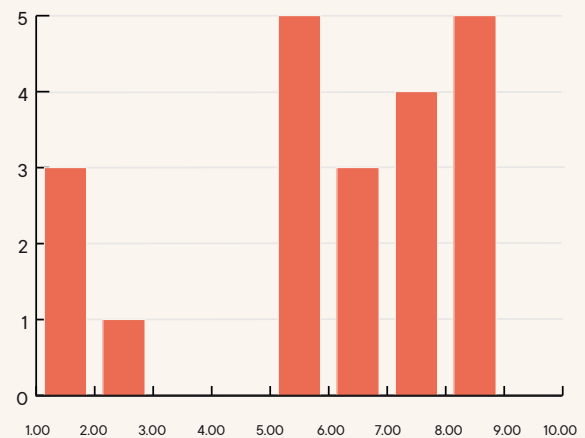
→ **Support for diversity:** Founders perceive public funding as more welcoming and equitable, particularly for supporting gender-diverse teams, in stark contrast to the fast-paced, male-dominated private funding environment where female founders often feel excluded due to biases.

→ **Preparation and guidance:** Founders value the clear guidelines and the availability of contact persons who can provide support throughout the funding process. These resources assist in navigating complex application procedures and significantly improve the chances of securing funding. Despite the extensive preparation required, many founders recognize that understanding the application process and aligning their projects with funding criteria is crucial for success.

While most founders rated their experience with public funding positively, some also experienced challenges. In particular:

→ **Navigating bureaucratic processes:** The extensive preparation required for public funding applications, which often involve lengthy documents and complex criteria, is perceived as a barrier to accessing public funding. In addition, the process can be slow due to administrative burdens and strict regulations.

HOW EASY WAS IT TO ACCESS PUBLIC FUNDING?



Scale 1 to 10, where 1 equals "very difficult" and 10 equals "very easy".

→ **Meeting eligibility criteria:** It can be challenging for founders to identify grant opportunities for which they are eligible, depending on the specific criteria of the applications. For example, startups with operations in multiple countries might not meet the criteria for many calls, which are often restricted to a single country.

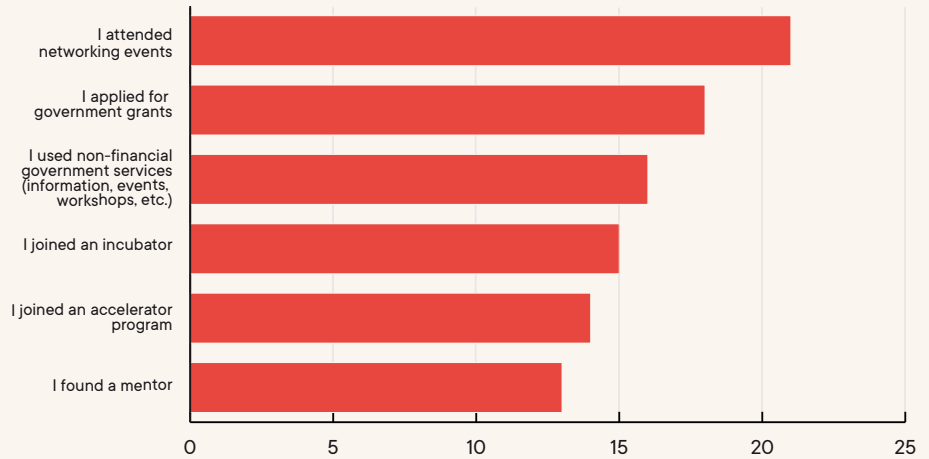


FOUNDERS NEED MORE THAN JUST FINANCIAL SUPPORT

The data reveals that survey respondents heavily rely on a mix of government support, networking, and structured programs like accelerators and incubators. Furthermore, respondents who accessed a combination of support services, such as incubators, accelerators, mentoring, and networking, generally reported higher satisfaction with their fundraising process. This suggests that a more integrated approach—where different types of support complement each other—is perceived as more effective.

Founders indicated that support services that combined different aspects, such as educational resources, mentoring and networking opportunities, and tailoring these components to founders' individual needs were particularly effective.

WHICH SUPPORT SERVICES DID YOU ACCESS TO SUPPORT YOUR FUNDRAISING EFFORTS?



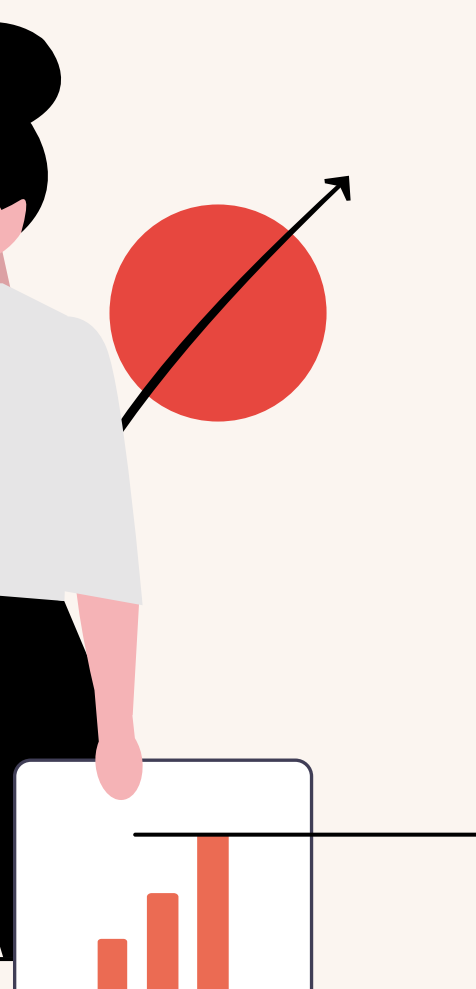
Responses from 31 participants (n=31). The question was a multiple-choice question.

CASE STUDY

Despite the unfavorable economic climate last year, Likeminded, based in Germany, successfully raised a pre-seed extension of 5.9 and 1.5 million EUR. Nevertheless, they clearly felt the effects of the tough economic conditions. **Kimberly Breuer, CEO & Co-founder of Likeminded**, noted that investors became extremely cautious, meticulously analyzing unit economics, KPIs, and revenue. This cautious approach contrasted sharply with her fundraising experience in previous years, where investors had a bigger appetite for risk.

Despite anticipating some challenges, Kimberly was surprised by the extent of the change. Initially targeting health-focused investor funds specifically, she realized that 2023 was not a year to be selective. *"Last year wasn't the time to be quite picky as a founder,"* she reflected. As a result, they were reaching out to as many funds as possible, focusing more on quantity than specific investor profiles.

The key takeaway from last year is a shift in their fundraising strategy to prioritize a balance between raising sufficient funds for growth and maintaining manageable valuations, crucial in the uncertain venture market climate.



DIFFERENCES IN THE FUNDRAISING LANDSCAPE BETWEEN AUSTRIA, GERMANY AND SWITZERLAND

Not every DACH country was impacted the same by the economic downturn.

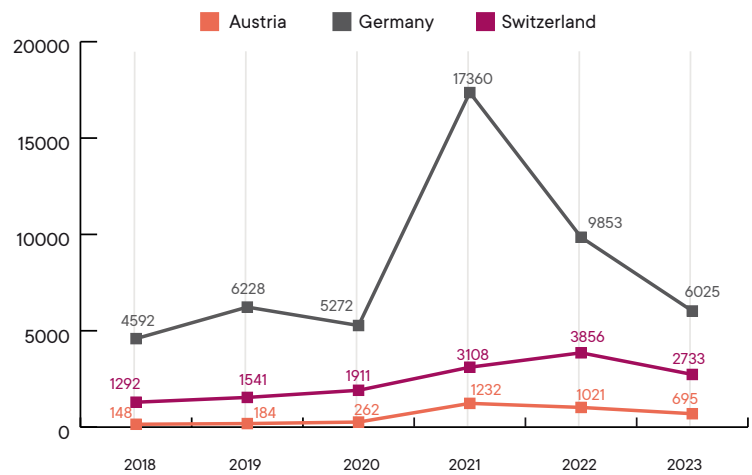
Across the region, Germany was the hardest hit in terms of total investment volume, which plummeted by 39%. However, the decrease in the number of financing rounds was relatively modest, at 15%. This suggests that the primary impact was on the magnitude of individual deals rather than the frequency of investment activities.

In contrast, Switzerland's investment decline was more uniform, with the funding volume and the number of financing rounds each dropping by 34% and 33%, respectively. This indicates a general scale-back in investment activities across the board.

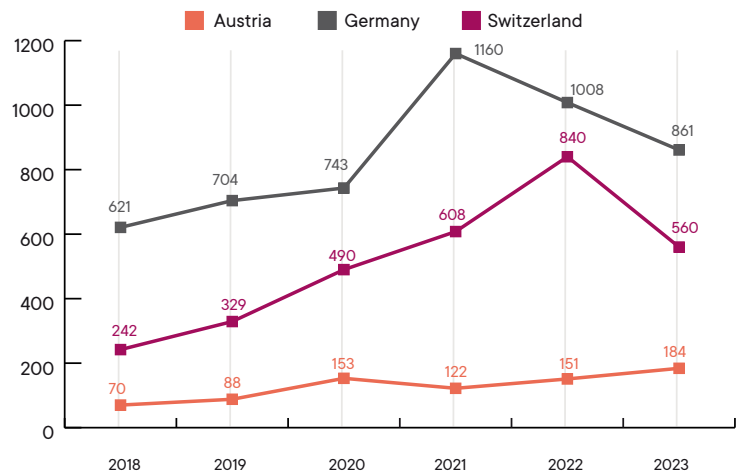
Austria presented a contrasting scenario. Despite a similar reduction in investment volume of 38%, the number of funding rounds actually rose by 22%. This points to a reduction in average deal sizes but a growing willingness to invest across a broader number of startups.

Moreover, although Germany leads across the region in total funding volume invested into its startup ecosystem, it ranks third when adjusted for population size, with 71.16 EUR per capita. Switzerland leads the region in startup funding per capita (310.65 EUR), indicating a high level of investment relative to its population size. This suggests a strong, concentrated investment activity. Austria comes in second with 77.48 EUR invested per capita.

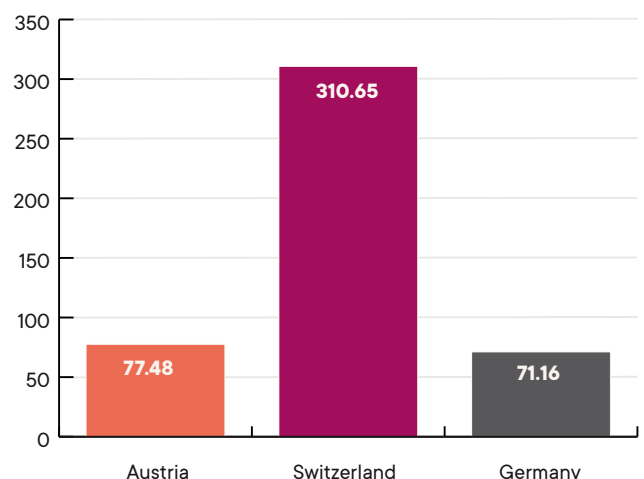
TOTAL FUNDING (IN MILLION EUR) IN DACH 2018-2023



DEALS RECORDED IN DACH 2018-2023



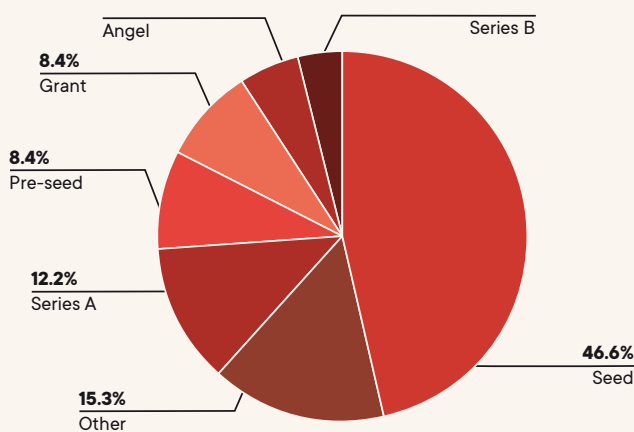
TOTAL FUNDING PER CAPITA DACH 2023 (IN EUR)



COUNTRY PROFILE: AUSTRIA

The majority of funding received by Austrian startups went to startups in the Software & Analytics industry (20.7%), followed by ConstructionTech/ Green building (14.5%) and mobility (14.1%). Moreover, a substantial proportion of funding in Austria is concentrated in early-stage investments. Angel, pre-seed, and seed funding accounted for 60.3% of all funding types, suggesting a supportive environment for new startups and entrepreneurs.

FUNDING TYPE IN AUSTRIA 2023



Only includes rounds for which the funding type is known (n=132).

WOMEN IN AUSTRIA'S STARTUP ECOSYSTEM

In 2023, women accounted for 17% of startup founders in Austria, yet only 9% of founders in startups receiving funding were women (39 out of 335 founders). The sector with the highest representation of women in founding teams was Professional Services at 30%, followed by E-commerce at 14.6%, and AgTech at 12.5%.

Furthermore, women-only teams received a mere 1.3% of the total funding volume, while mixed teams received 3.1%. The overwhelming majority of capital, 95.67%, was allocated to all-male teams.

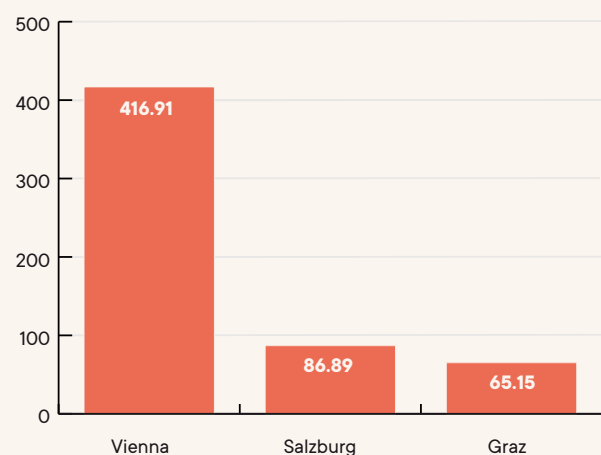
FACT SHEET

- Only 6.9% of founding teams consist of only female founders, while 26.3% of startup founding teams are mixed. All-male teams account for 66.8% (Austrian Startup Monitor 2023³).
- In 2023, almost 57% of funding rounds were closed by Vienna-based startups.
- 60% of funding went into Vienna-based startups (416.91 million EUR).
- 14 of those startups (16%) had at least 1 female co-founder and raised 35.15 million EUR together.
- Vienna, with a population of approximately 1.9 million, has 46.84 startups per million people.
- The total funding per capita in Vienna is 219.43 EUR. Startups with at least one female (co-)founder received 18.50 EUR on a per capita basis, almost 11 times less than male-only teams.

VIENNA IS AUSTRIA'S STARTUP HUB

In 2023, a total of 184 funding rounds were recorded in Austria, totaling 695 million EUR. The majority of this funding, 61%, was allocated to Vienna-based startups. This was followed by Salzburg and Graz, startups based in these cities received 13% and 9% of the funding, respectively.

FUNDING GOING INTO AUSTRIAN CITIES 2023
(IN MILLION EUR)

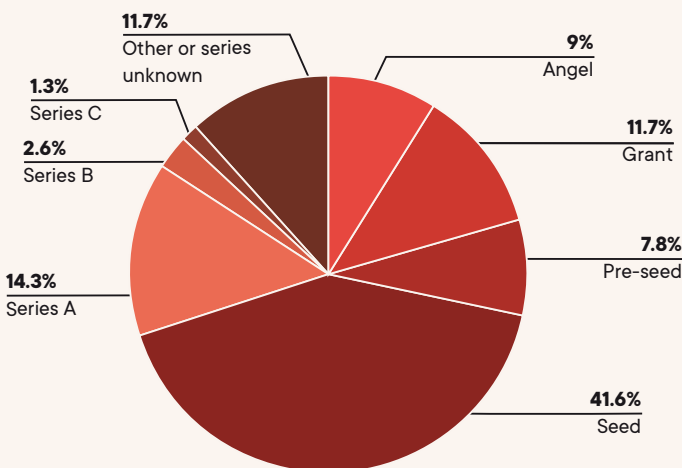


Given that Vienna houses 47.2% of all Austrian startups, it's not surprising that it attracted the most funding⁴. This concentration of funding in Vienna is further reflected by the top 10 highest funding rounds closed in Austria in 2023.

Company name	Amount raised (in million EUR)	City	Industry	Founding team gender composition
Gropys	100	Vienna	ConstructionTec/ Green Building	male
GoStudent	88.01	Vienna	Education	male
Myflexbox	75	Salzburg	Mobility	Corporate startup
Refurbed	54	Vienna	e-commerce	male
neoom ag	25	Freistadt	ClimateTech/Green Tech/CleanTech	male
Prowave	18	Vienna	Software & Analytics	mixed (50% women)
neoom ag	16	Freistadt	ClimateTech/Green Tech/CleanTech	male
Metaloop	16	Graz	E-commerce	male
Storebox	15.5	Vienna	PropTech	male
blackshark.ai	13.9	Graz	Software & Analytics	male

Vienna dominates the Austrian landscape not only in the number of rounds but also in support for early-stage ventures. This points to Vienna's critical role as a hub for new startups. In addition, Vienna-based startups received a significant 82% of all the grants recorded in the country.

SHARE OF FUNDING TYPE IN VIENNA



Only includes rounds for which the type of funding is known (n=78).

CASE STUDY

In Austria, founders have observed a noticeable shift in the venture capital landscape. Raising venture capital was much harder in 2023 than in previous years. This change prompted startups to become more open and creative about alternative financing options, moving beyond their previous reliance on venture capital.

"I think the shift in the VC climate made startups more open and creative about alternative financing options," observed **Anna Pözl, CEO & Co-founder of nista.ai**. Startups have begun to weigh the pros and cons of venture capital against other funding options more critically. Public funding, in particular, gained renewed importance and has become a higher priority for many founders.

In her experience, there are many support opportunities available from public funding in Austria, especially for early-stage startups. These options, often equity-free grants or long-term loans with attractive payback conditions, allow founders to grow their company without significant dilution, and give them time to develop their products and teams.

However, securing public funding can also be challenging due to planning uncertainty and bureaucratic delays. For startups, maintaining cash flow and liquidity are crucial, and planning with public grants is not as straightforward as with venture capital, which provides immediate access to the full investment amount without the same level of bureaucratic oversight.

Despite these challenges, Anna noted that public funding agencies are aware of these issues and are open to work around them and provide flexibility.

COUNTRY PROFILE: GERMANY

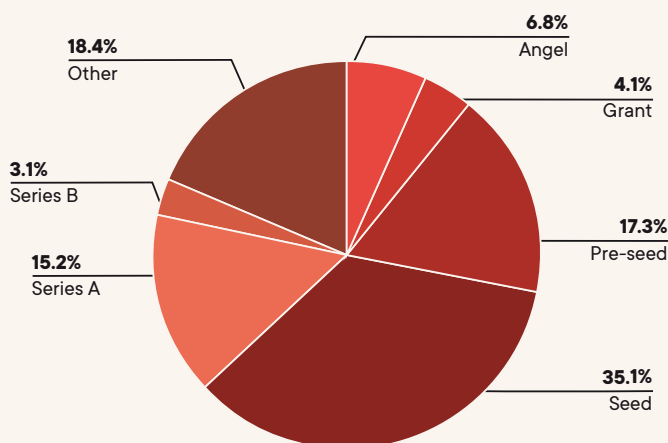
Data on Germany's fundraising landscape show a significant focus on specific sectors and highlight the maturity of its ecosystem within the DACH region. The majority of funding for German-based startups went into Software & Analytics (33.4%), followed by Energy (16.6%) and E-commerce (10.5%).

The distribution of funding types across all recorded funding rounds shows a relatively low share of grants and angel investment compared to other funding types, specifically in Berlin and Munich, underscoring Germany's mature ecosystem. A mature ecosystem, often hosts numerous serial entrepreneurs and former unicorn employees who benefit from extensive networks built during their previous endeavors. These networks can facilitate quicker private funding opportunities, reducing reliance on public funding such as grants.

FACT SHEET

- Male-only teams dominate the startup ecosystem, comprising 61% of the founding teams. Female-only teams make up 11%, while mixed-gender teams account for 28%⁵.
- Almost 33% of funding rounds were closed by Berlin-based startups. Munich-based startups followed, securing about 14% of all rounds.
- 39% of funding went into Berlin-based startups (2354.70 million EUR).
- 74 of those startups (28%) had at least 1 female founder and raised 373.58 million EUR together.
- Berlin, with a population of around 3.6 million, has 73.89 startups per million people.
- The total funding per capita stands at 654.08 EUR, with female-involved startups receiving 103.77 EUR per person.

FUNDING TYPE IN GERMANY 2023



Only includes rounds for which the type of funding is known (n=735).



WOMEN IN GERMANY'S STARTUP ECOSYSTEM

While female-only teams make up 11% of the German startup ecosystem, they received only 1.8% of the total funding volume in 2023. Mixed-gender teams, which account for 28% of founding teams, received 5.89% of the funding. Overall, 12.2% of founders who received funding last year were women (237 out of 1,950 founders). The health sector had the highest proportion of women founders at 24%, with the recruitment sector following at 20%.

Despite grants accounting for only 4.1% of all funding types secured by German-based startups, public funding played an important role in Likeminded's fundraising journey. They successfully leveraged public funding by applying for the "Profit Program," a governmental initiative designed to support risky digital innovations. Initially, they secured around 1 million EUR and are now applying for follow-on funding.

CASE STUDY

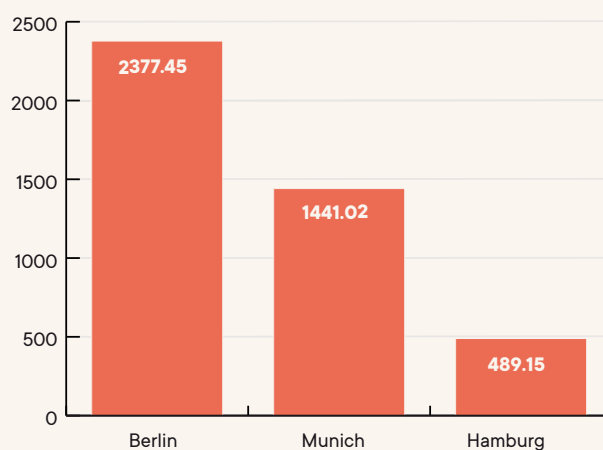
CEO & Co-founder Kimberly emphasizes the tremendous impact of public funding on their success and highly recommends other founders to explore governmental and public funding opportunities.

According to her, Germany offers a wide range of public funding options for startups, but the real challenge lies in identifying the right program to apply for. *"It should always align with your company's strategy because it will take time, focus, and resources,"* she advises. Finding the right balance between the effort required and the potential return is key. To streamline the process, Likeminded hired an agency, which made the application process much easier and allowed them to stay focused on their core business activities.

BERLIN AND MUNICH ARE GERMANY'S MAIN STARTUP HUBS

The majority of the recorded funding rounds in Germany went to Berlin-based startups, followed by those in Munich and Hamburg. Together, startups based in these cities received 71% of the total funding volume in Germany. This is not surprising, considering that Berlin is the leading startup hub in Germany, with 20.8% of the country's startups based in the city. Munich is another major startup hotspot, hosting 7.2% of German startups⁶.

**FUNDING GOING INTO GERMAN CITIES 2023
(IN MILLION EUR)**

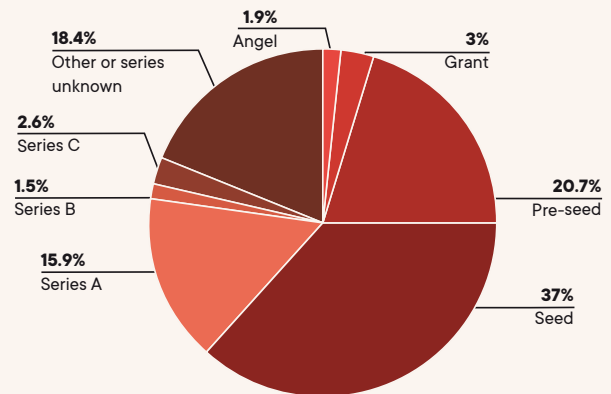


Moreover, Munich is overrepresented in the top funding rounds in Germany in 2023. Half of the 10 highest rounds went to Munich-based startups. In addition, three of these rounds were closed by Berlin-based startups.

Aligned with country-wide trends, the share of grants compared to other types of funding is relatively low in both hubs. Moreover, only a few rounds, where the type of funding is known, are angel investments. This supports earlier observations of a mature ecosystem and reflects the role of both cities as significant startup hubs.

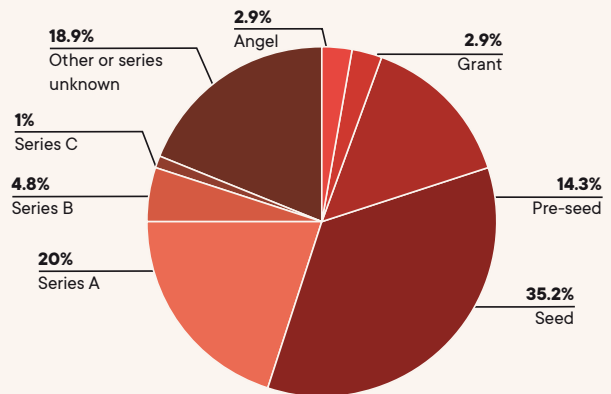
Company name	Amount raised (in million EUR)	City	Industry	Founding team gender composition
Aleph Alpha	463.12	Heidelberg	Software & Analytics	male
1Komma5°	215	Hamburg	Energy	male
Enpal	215	Berlin	Energy	male
Helsing	209	Munich	Software & Analytics	male
Enpal	160	Berlin	Energy	male
Isar Aerospace	155	Munich	Mobility	male
Flink Food	150	Berlin	e-commerce	male
Jolt Energy	150	Munich	Energy	male
IntegrityNext	100	Munich	Software & Analytics	male
Maltego Technologies	92.55	Munich	Software & Analytics	male

FUNDING TYPE IN BERLIN

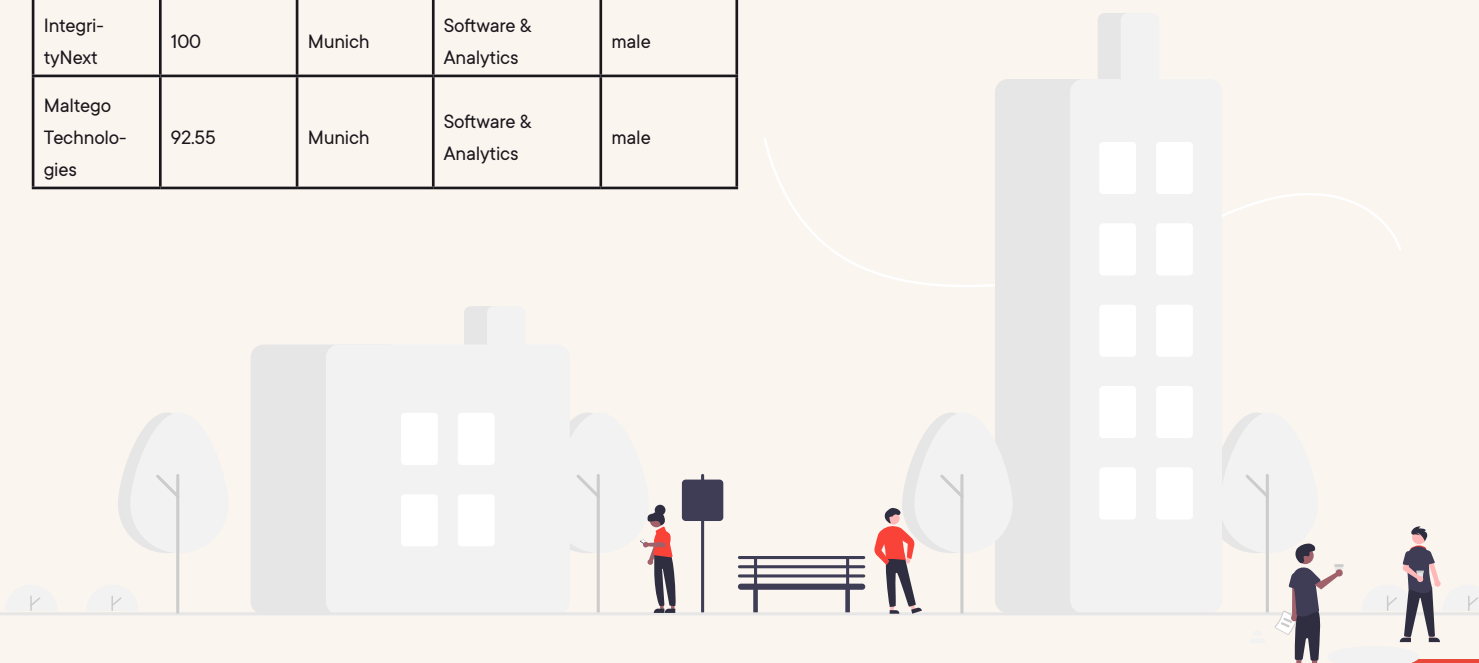


Only includes funding rounds for which type of funding is known (n=270).

FUNDING TYPE IN MUNICH



Only includes funding rounds for which type of funding is known (n=105).

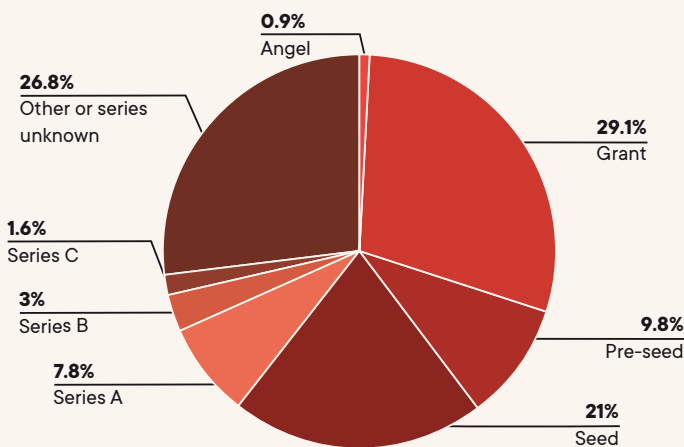


COUNTRY PROFILE: SWITZERLAND

In the Swiss startup landscape, the largest portion of funding, accounting for 40.5%, was allocated to the health sector. This was followed by investments in Software & Analytics (16.9%) and AgTech at 12.8%. A notable characteristic of the Swiss ecosystem is the significant proportion of grants, which constitute 30% of all funding types received by startups. This is particularly striking when compared to the relatively modest amount of pre-seed funding.

Given Switzerland's strategic emphasis on health technology—a field where startups typically undergo prolonged research and development phases—this substantial public support is logical. Startups in this sector generally attract less early-stage venture capital investment, making public grants a crucial aid for their initial development.

FUNDING TYPE IN SWITZERLAND



Only includes funding rounds for which type of funding is known (n=560).

WOMEN IN SWITZERLAND'S STARTUP ECOSYSTEM

While data for the total number of female founders in Switzerland are unavailable, only 12.8% of founders at startups receiving funding in 2023 were women (140 out of 1,090 founders).

FACT SHEET

- No general numbers on the composition of founding teams by gender known.
- Zurich-based startups closed almost 36% of funding rounds, amounting to 1,381.57 million CHF (51% of total capital volume).
- 46 of those startups (27.9%) had at least 1 female (co-)founder, and they raised 111.18 million CHF in total.
- Zurich, with a population of approximately 0.43 million, has 383.72 startups per million people.
- On average, per capita funding in Zurich is 3,212.02 CHF. Startups with at least one female founder received 258.56 CHF on a per capita basis, almost 11.5 times less than male-only teams.

The sector with the highest representation of women in founding teams was Education at 29%, followed by Health at 20%, and AgTech at 14.3%.

Moreover, teams with only female founders received not even one percent (0.59%) of the total funding, while mixed teams received about 9%. All-male teams, on the other hand, received approximately 90% of all available funding.

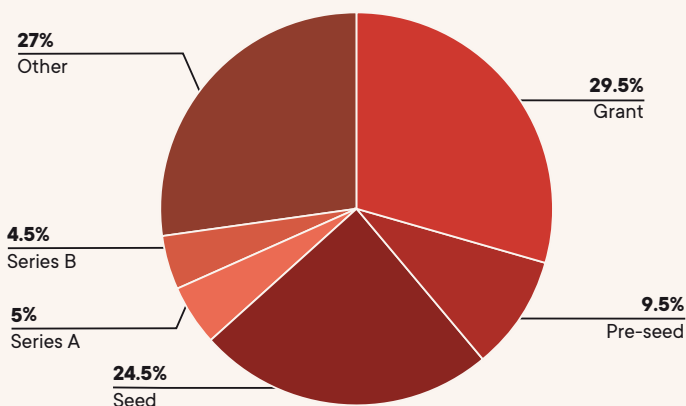
SWISS STARTUP HUBS

While the majority of funding went to Zurich-based startups (51%), Swiss startups are less concentrated in one particular city compared to Austria and Germany. This is also reflected when looking at the 10 highest funding rounds closed in 2023. If startups closing multiple rounds are counted only once, six different cities are represented in the list.

Company name	Amount raised (in million EUR)	City	Industry	Founding team gender composition
Distalmotion	136.94	Epalinges	Health	male
Noema Pharma	104.2	Basel	Health	male
Alentis Therapeutics	97.17	Basel	Health	male
Alentis Therapeutics	97.17	Basel	Health	male
Taurus	60.15	Geneva	FinTech/InsurTech	male
Wefox	50.9	Zurich	FinTech/InsurTech	male
Wefox	50.9	Zurich	FinTech/InsurTech	male
Wefox	50.9	Zurich	FinTech/InsurTech	male
ecoRobotix	46.53	Yverdon-les-bains	AgTech	male
ANYbotics	46	Zurich	Hardware	male
NewBiologix	45.52	Epalinges	Health	male
Lunaphore	40	Lausanne	Health	mixed
Verity	30.35	Zurich	Mobility	male

What does stand out is that around 71% of all grants went to Zurich-based startups, followed by Lausanne (11%) and Basel (6%).

FUNDING TYPE IN ZURICH 2023



Only includes funding rounds for which type of funding is known (n=200).

CASE STUDY

In 2023, Antefil secured a pre-seed round of 1.5 million CHF, a significant milestone despite challenging market conditions. **Nicole Aegerter, Co-founder of Antefil**, explains that public funding played a crucial role in bridging the gap between scientific research and technology development. However, as they transitioned to market entry, public funding became less relevant due to limited schemes and small, specific amounts rather than substantial funding.

The fundraising journey was challenging, with venture capitalists criticizing Antefil's long time to market and low ROI. A pivotal change was reworking their business model based on feedback, shifting from building their own plants to focusing on outsourcing. This made the business more appealing to investors and streamlined operations.

Securing the right type of investment was crucial. They specifically sought "smart money" that offered strategic support in addition to financial backing.

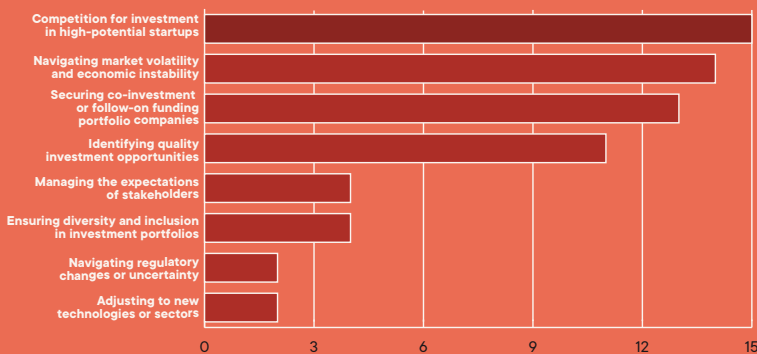
At this point, Antefil made extensive use of support programs for strategic advice, mentoring, and international expansion. The most helpful aspect of these services was the networking opportunities, which connected them with many business angels and mentors. Attending events like startup days and pitching competitions significantly expanded their network. Ultimately, they met their key investor at a pitching event. This investor fully understood their vision and provided the necessary funds, enabling Antefil to proceed effectively with their revised business model.

PERCEPTION OF INVESTORS ON THE FUNDRAISING PROCESS IN 2023

Founders weren't the only ones facing hurdles in the fundraising process. Investors, too, encountered significant challenges due to market volatility and the economic downturn. The main issues for investors revolved around the competition for high-potential startups and navigating market instability, which are reflective of the economic uncertainties dominating the market last year.

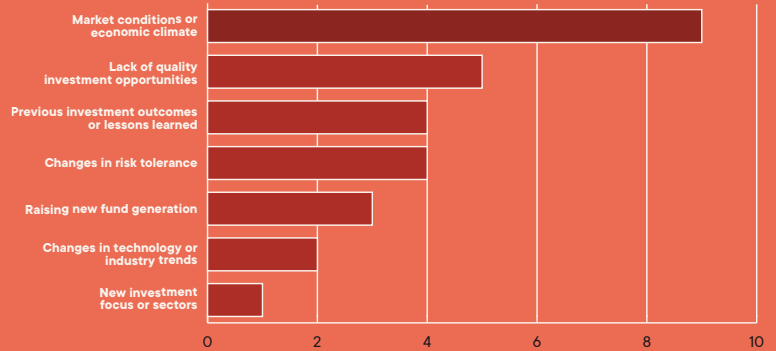
Our survey further revealed several other challenges faced by investors (n=27). For example, almost 41% of investors said they struggled with identifying high-quality investment opportunities. Moreover, when they identified such opportunities, there was stiff competition to invest in these promising startups. In addition, investors noted challenges with securing co-investment or follow-on funding for their portfolio companies. In contrast, adjusting to new technologies and sectors, as well as navigating regulatory changes, were less of a concern.

MOST PRESSING CHALLENGES REGARDING INVESTMENT IN 2023 (N=27)



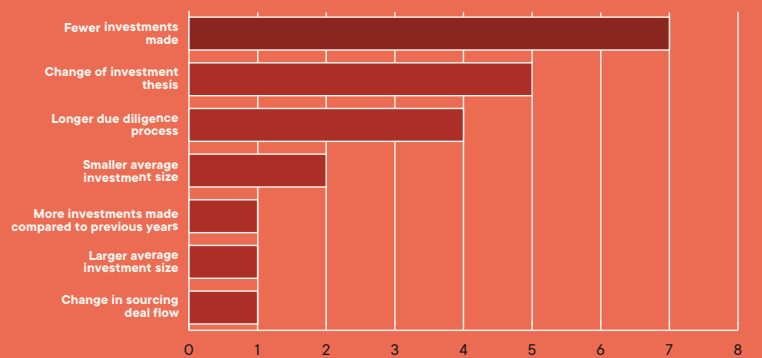
About half (48%) of the surveyed investors indicated that they made strategic adjustments in response to the shifting market conditions. Other factors that influenced this decision included a lack of quality investments available, a change in risk tolerance, and learnings from previous investment outcomes, among others.

REASONS FOR CHANGING INVESTMENT STRATEGY (N=13)



Moreover, the majority of investors (54%) who changed their investment strategy said they made fewer investments compared to previous years, which aligns with the overall decline in the number of funding rounds and total investment volume in the DACH region last year.

TYPE OF CHANGES MADE TO INVESTMENT STRATEGY (N=13)



Finally, portfolio stability was another area of concern, with 2 out of 3 investors reporting that at least one of their portfolio companies had to close down in 2023, primarily due to harsh market conditions and the economic climate. Other reasons for these closures included financial challenges like a lack of follow-on funding, internal management issues, and product-market fit problems.

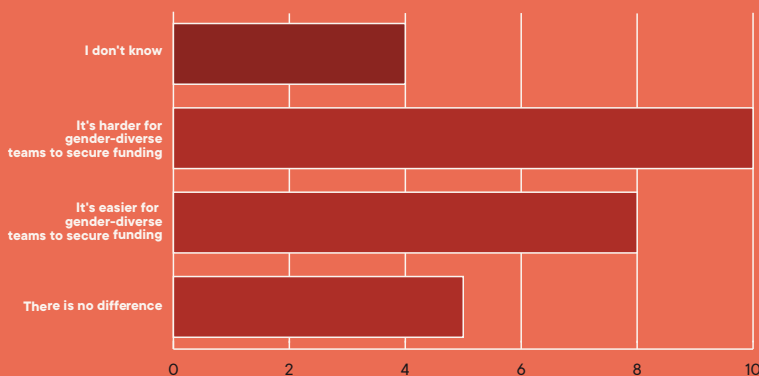
In summary, investors showed increased caution and selectivity, focusing on fewer, high-quality investments and extending due diligence processes to mitigate risks in an unstable market, as also evidenced by the data on recorded deals.

THE IMPORTANCE OF GENDER DIVERSITY IN FOUNDING TEAMS

Besides questions about their perception of the fundraising landscape in 2023 in general, we also asked investors specific questions related to their perception of gender diversity in the founding team of potential investment opportunities.

On average, investors (n=27) seemed neutral towards gender diversity within the founding team when making an investment decision. Data clearly shows that female-only and mixed-gender teams receive significantly less funding than male-only teams, yet almost half (48%) of investors believe that there is no difference or that it's even easier for gender-diverse teams to fundraise.

IN YOUR OPINION, DOES GENDER DIVERSITY WITHIN STARTUP FOUNDING TEAMS IMPACT THEIR ABILITY TO SECURE FUNDING?

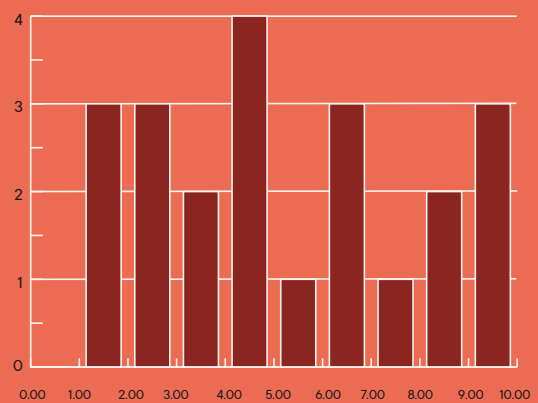


Moreover, investors who rated the importance of gender diversity in their investment decisions as 5 or lower (n=16), also tended to believe it's easier for gender-diverse founding teams to secure funding (37.5%) or perceive no difference between all-male

and mixed-gender teams (31.25%). Additionally, about 19% of investors don't know if there is a difference, and only 12.5% of investors believe it's more difficult for gender-diverse teams to secure funding.

In contrast, the majority of investors who value gender diversity with a 6 or higher (n=11) also see more challenges for gender-diverse teams in securing funding. This could indicate a recogni-

HOW IMPORTANT IS GENDER DIVERSITY IN THE FOUNDING TEAM WHEN MAKING AN INVESTMENT DECISION?



Scale 0 to 10, where 0 equals "not at all important" and 10 equals "extremely important".

tion of systemic barriers or challenges that gender-diverse teams face in the startup ecosystem. Despite thinking that there is no difference or that it's even easier for gender-diverse founding teams to fundraise, 46% of investors still indicated taking specific actions to support gender diversity in the tech ecosystem. These actions included actively seeking startups with gender-diverse founding teams, asking portfolio companies to report on gender indicators, partnering with organizations that promote gender diversity, or providing additional non-financial support to women founders, such as mentorship. However, based on the data collected, it's not possible to determine whether investors who take concrete measures to support gender diversity also invested in a higher number of gender-diverse startups than those who did not take any specific actions.

Luckily, there are also VC funds who deliberately create equitable opportunities when evaluating potential investments. Examples include:

- **The Better Fund:** ESG-focused fund, supporting gender-diverse teams developing impactful tech solutions.
- **Auxxo:** Backing and uniting pre-seed and seed female-founded startups in Europe.
- **SistaFund:** Backing exceptional female

founders and gender-balanced teams.

- **January Ventures:** Investing in pre-seed startups accelerating digital transformation.
- **Fund F:** Sector-agnostic fund, supporting gender-diverse teams contributing to the progress of humanity.

RECOMMENDATIONS TO PROMOTE GENDER EQUITY IN THE STARTUP ECOSYSTEM

The results from the report reveal substantial opportunities to improve inclusivity and equity within the entrepreneurial ecosystem. Addressing gender disparities in funding and providing robust support for female and mixed-gender founding teams are essential steps toward fostering a more dynamic and inclusive startup environment.

The insights derived from this report are intended to inform stakeholders about the specific needs and challenges faced by female entrepreneurs, enabling more tailored and impactful interventions. Additionally, these insights aim to encourage stakeholders who have already implemented several initiatives to address gender disparities to continue their work on promoting gender diversity within the startup ecosystem. This section outlines key recommendations based on our findings that are essential for leveling the playing field for women in tech:

→ **Services to enhance women's networks in the startup ecosystem.** Establish dedicated networking platforms and mentorship programs focusing on connecting female founders with investors and experienced entrepreneurs. These could include consultations specifically for female founders—offered for example by the Vienna Business Agency—and regular events targeting both founders and investors, workshops, and mentorship schemes tailored to the specific challenges faced by women in the startup ecosystem. These initiatives will help female entrepreneurs expand their networks and gain valuable insights, thereby increasing their visibility to potential investors. Given that networking events and referrals are

primary sources for investors to discover new deal flows, enhancing these services is crucial.

→ **Grants with a specific focus on gender-diverse founding teams.** Increase both the availability and visibility of grants specifically designed for women-led startups, especially those in high-growth potential sectors and/or ventures with an impact focus. For example, offering a financial funding bonus for female-led projects—an initiative implemented by the Vienna Business Agency—has already shown a positive impact. Another example comes from the Bundesministerium für Wirtschaft und Klimaschutz grants database⁷, where applicants can filter for grants specifically targeting women. Simplifying the application process can reduce administrative burdens, making these grants more accessible to a broader range of female entrepreneurs. Targeted financial support can play a pivotal role in bridging the funding gap faced by gender-diverse founding teams.

→ **Inclusive funding criteria and evaluation processes.** Minimize unconscious biases by providing training for investors and evaluators on recognizing and mitigating bias. Develop funding criteria that explicitly value diversity and the unique perspectives offered by gender-diverse founding teams. This approach can lead to more equitable evaluation processes and encourage a more diverse range of startups to apply for funding. There are examples of organizations and venture capitalists already doing this, such as the Vienna Business Agency or January Ventures, evaluating each idea on its merit.

→ **Public-Private Partnerships to support gender-diverse founding teams.** Foster public-private partnerships that incentivize private investors and venture capitalists to invest in female-led startups. Implement matched funding schemes where public funds complement private investments, thereby reducing the risk for private investors and promoting greater investment in gender-diverse teams.

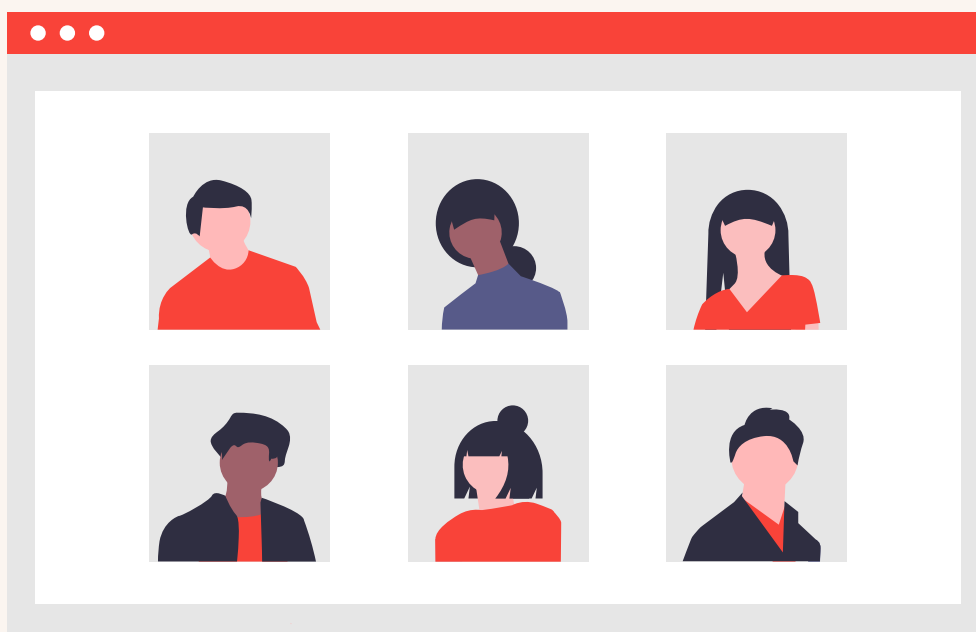
→ **Policies supporting ventures led by gender-diverse teams.** Recommend policy changes that mandate a minimum percentage of funding, both public and private, to be allocated to startups with gender-diverse teams. Implementing these policies can help address the existing funding gap and ensure that gender diversity is prioritized in investment decisions.

→ **Structured support for gender-diverse ventures.** Implement support programs, such as incubators and accelerators, that ensure equitable access for gender-diverse startups. These programs should offer equity-free funding, strategic advice, market access, fundraising knowledge,

and/or operational support. While it may not be feasible to offer all these different components in one program, combining several aspects is the most effective approach. Structured support can significantly enhance the growth prospects of gender-diverse ventures by providing them with the necessary resources and guidance.

→ **Enhanced visibility and availability of female role models and successful gender-diverse founding teams.** Promote the success stories of female entrepreneurs and gender-diverse founding teams through various media channels, conferences, and online platforms. Increased visibility can inspire both current and potential founders as well as investors, showcasing the potential and achievements of women in the entrepreneurial landscape.

By adopting these recommendations, stakeholders can realize substantial progress towards creating a more inclusive and equitable entrepreneurial ecosystem. Supporting female and mixed-gender founding teams not only fosters diversity but also drives innovation and economic growth.



FUNDRAISING BEST PRACTICES

In the process of exploring the experiences of women who have successfully navigated the fundraising landscape, as well as data collected through the investor survey, several key best practices have emerged. These insights are crucial not only for the fundraising process but also encompass broader aspects of the entrepreneurial journey.

BUILD STRATEGIC NETWORKS

Doing business is fundamentally about people and building relationships. It's no surprise that networking events, along with recommendations from other entrepreneurs and investors, remain the most important ways for investors to find new deals. Therefore, building trust and establishing connections early on, before you need funding, is crucial.

"What also helped me is to see other founders doing it [...] and hearing that they struggle too. This helped me understand that it's not just me and it's normal to hear 'no' from time to time."

Kimberly Breuer, CEO & Co-founder of Likeminded

While women are often excluded from male-dominated networks, creating strategic networks is still achievable and beneficial. These networks can be a vital source of peer support, learning opportunities, and a way to feel less isolated in the entrepreneurial journey.

"Being close to my customers turned them into a valuable network. Some customers transitioned into employees and even investors. Many of those interested in investing now are my customers."

Alex Marmaziu CEO & Founder of Eat by Alex



SEEK FEEDBACK EARLY AND DON'T BE AFRAID TO PIVOT

Engaging with friends, family, peers and (potential) customers and investors for honest feedback can reveal adjustments necessary to enhance the business model or product-market fit, for example.

This proactive approach in seeking and acting on feedback can lead to significant improvements both for your product and fundraising strategy. The readiness to pivot and not overly attach to initial ideas or technologies ensures continuous adaptation and alignment with market needs.

A key element in our success was our readiness to receive and act on feedback early in the process. A recurring piece of advice we received was not to fall too much in love with our technology but to focus on our vision and mission. Being open to change and willing to discard certain assumptions proved essential for our growth in the end."

Nicole Aegerter, Co-founder of Antefil

UNDERSTAND AND DEMONSTRATE PRODUCT-MARKET FIT

Especially first-time founders often struggle with demonstrating traction and understanding product-market fit. According to investors, this is one of the most common pitfalls startups fall into. Regular customer interactions, feedback collection, and thorough competitor research can prove product-market fit before you have strong qualitative data to share with investors.

LEVERAGE DIVERSE FUNDING SOURCES

Venture capitalists seek evidence of a product's fit in a potentially large market but not every venture is a billion dollar business. If your market doesn't (yet) appear as a billion-dollar opportunity, consider alternative funding sources more aligned with your current scale and business model. You can tap into various funding sources like crowdfunding, angel investment or public funding such as grants, subsidies or scholarships.

"Public institutions often provide equity free grants or long-term loans with very attractive payback conditions. This is great, because it gives you time to create and build your product without being diluted."

Anna Pölzl, CEO & Co-founder of nista.ai

SEEK SUPPORT FROM EXPERTS

Expert guidance can be invaluable, particularly in areas you are less versed in. Engaging professionals can help clarify uncertainties, strengthen confidence, or speed up certain processes. Tap into expert guidance through a mentor or seek support from private and public institutions. Public institutions or non-profit organizations often provide workshops, advice and/or networking events for a small fee or even free of charge.

"Eventually, I hired a firm to help with the valuation, which gave me a lot of confidence. This was the best investment I made, as it provided the confidence I was lacking and changed my approach. Getting expert help ensured I wasn't alone in the process anymore."

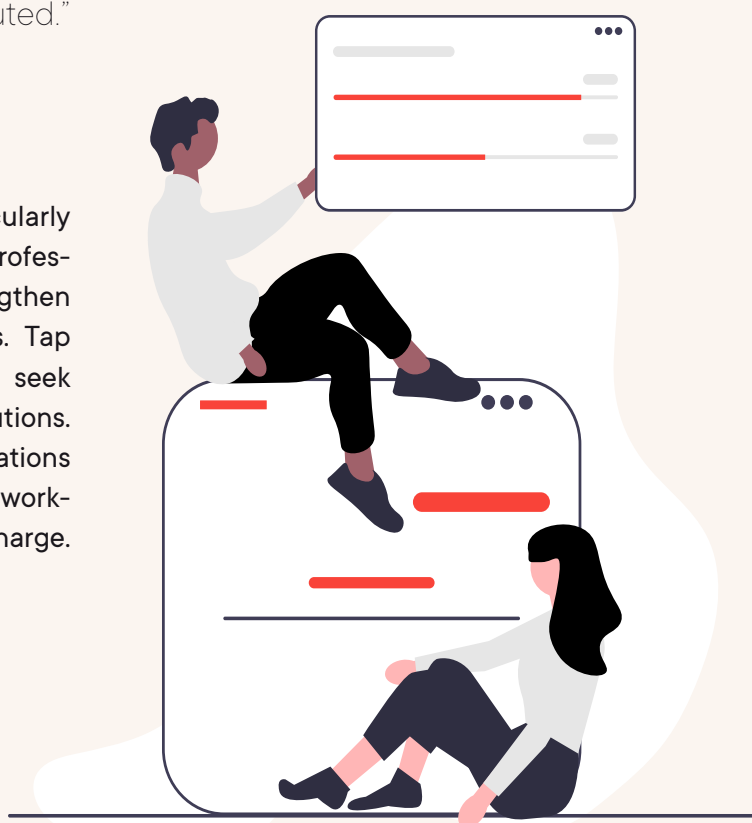
Alex Marmaziu CEO & Founder of Eat by Alex

START EARLY, ADAPT QUICKLY

A mistake often made, especially by first time founders, is to underestimate the time it takes to close a funding round and/or to only start thinking about fundraising when you are already in dire need of money. Starting early allows for the necessary space to negotiate, rework projections, and adapt strategies without pressing financial urgency.

"The most crucial lesson we learned was to start early and make significant changes quickly. We anticipated that the process would take time, but we underestimated just how much"

Nicole Aegerter, Co-founder of Antefil



CONCLUDING REMARKS

As we wrap up our analysis of the 2023 fundraising landscape in the DACH region, several critical insights emerge, shaping our understanding of the challenges and opportunities within the startup ecosystem.

The year was undoubtedly tough, particularly for female entrepreneurs who continue to face significant disparities in funding and network access. However, the resilience displayed by the ecosystem provides grounds for cautious optimism.

TAKEAWAYS

→ **Regional dynamics:** Despite the overall decline in investment in the DACH region, the variety in investment activities across Germany, Austria, and Switzerland underscores the diverse economic landscapes. Switzerland leads the region in funding per capita, indicating a high level of investment relative to its population size. Austria—which was also the only country seeing an increase in the number of funding rounds compared to last year—comes second. Although leading the region in terms of total investment volume, Germany ranks third on the investment per capita.

→ **Startup hubs:** Cities like Vienna, Berlin, and, to a lesser extent, Zurich, are central hubs for startup activity. Startups based in these cities closed the majority of funding rounds in their respective countries and demonstrate a significant concentration of startup density per capita.

→ **Persistent gender gaps:** The data paints a clear picture of the ongoing challenges faced by female founders. Women secured a disproportionately small fraction of funding, underlining the need for targeted interventions to address these imbalances. Despite small variations between DACH countries, there is a dominant male presence across the region and across all metrics.

→ **Importance of institutional support:** In times of financial restraint, public funding has proven to be crucial. The high number of grants in Switzerland, and to a lesser extent in Austria and Germany, highlights the role of public funding in supporting the startup ecosystem. Financial and non-financial support initiated by public institutions can offer more equitable opportunities compared to the private sector. This emphasizes the importance of maintaining and expanding such support structures.

The difficult economic climate challenged the fundraising landscape in general and progress toward gender parity in the startup ecosystem in particular. At the same time, however, this presents an opportunity to sharpen our focus on the necessary steps to foster a truly inclusive and equitable tech ecosystem. Moving forward, it is crucial for all stakeholders—investors, policymakers, private and public sector organizations, and entrepreneurs—to collaborate to foster a more inclusive, equitable, and dynamic startup environment.

PARTNERS

We extend our heartfelt gratitude to the **Vienna Business Agency**, whose generous support was crucial in the creation of this report. Their commitment to fostering innovation and diversity within the tech ecosystem in Vienna and abroad not only underscores their dedication to social progress but also significantly enhances the impact of our initiatives. We are privileged to collaborate with a partner so aligned with our values and mission, and we look forward to continuing our work together to drive meaningful change.



We are also grateful to **Ernst & Young (EY) Austria** for providing the qualitative data that significantly enriched this report.



Finally, we'd like to thank the following multipliers who supported the creation of this report, in particular by motivating startups to take part in the survey.



DATA COLLECTION

This report incorporates both qualitative and quantitative data from various sources to provide a comprehensive overview on the fundraising landscape across Austria, Germany, and Switzerland (DACH region).

Ernst & Young (EY) Austria provided quantitative data on recorded funding deals in DACH. This data includes the names of organizations, cities, and countries where these organizations are located, as well as the stage and type of funding, and any disclosed funding amounts. The dataset also details the gender composition of the founding teams when known. In total, 1605 funding rounds from 1483 startups were tracked.

Country	Funding rounds recorded	Rounds with funding amount disclosed	Rounds with funding type disclosed	Start-ups
Austria	184	160	132	169
Germany	861	757	735	813
Switzerland	560	443	560	501

Qualitative insights were gathered through interviews with founders about their fundraising process. We interviewed four founders in total.

Founder name	Organization name	Country
Anna Pölzl	Nista.ai	Austria
Kimberly Breuer	Likeminded	Germany
Nicole Aegerter	Antefil	Switzerland
Alex Marmaziu	Eat by Alex	Switzerland

Further qualitative data was collected through surveys targeted at founders and investors within the DACH region. The founders' survey received 114 responses in total, with 46 responses from founders based in the DACH region. All respondents identified as women.

Country	Number of respondents
Austria	25
Germany	17
Switzerland	4

The investor survey, also confined to the DACH region, received 34 responses in total, with 27 responses from within the DACH region.

Country	Number of responses
Austria	8
Germany	16
Switzerland	3

The gender split among these respondents was 19 women to 8 men. The types of investors include Venture Capitalists (23), Business Angels (3), and Corporate Venture Capitalists (1).

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Published June 2024