



German  
Startups  
Association

## **2nd European Startup Monitor Press Release: The 2nd European Startup Monitor shows how European startups internationalise and cooperate to grow**

Berlin, 22.11.2016. The German Startups Association and the European Startup Network (ESN), in the Digital Lounge Telefónica, have successfully published the 2nd European Startup Monitor (ESM). The 2nd ESM represents 2,515 startups, 6.340 founders and 23.774 employees from 18 different countries, including those newly added to the research: Cyprus, Finland, Portugal, Slovenia, Greece, Hungary, Switzerland and Ireland.

The ESM is the most comprehensive study of the European startup ecosystem and ensures transparency while highlighting the growing importance of these young companies for the European economy in robust numbers.

The ESM was jointly promoted by two major partners: KPMG AG and Telefónica Germany Holding AG, known as the parent company of O2 operating the Telefónica BASECAMP as a meeting place for startups and venue for debates in Berlin.

European founders are on average 29.9 years old, 85.2% male and have 79% the citizenship of the country in which they set up their company. Startups have identified sales and customer acquisition as their biggest challenge (19.5%). The ESM shows that the startups are international and cooperate with established companies to cope with their challenges.

Florian Nöll, Vice-Chairman of the European Startup Network, states that "to grow and gain new customers, the European startups are looking for access to foreign markets. However, the internationalisation is hindered by political framework conditions. The founders identified the differences in legislation and regulation between the countries as the biggest hurdle to internationalise. Here, the European Union is called to execute and should create uniform framework conditions as soon as possible. We urgently need both a single European Capital Market and the Digital Union."

Prof. Dr. Tobias Kollmann, Scientific Director of the ESM, e-business and e-entrepreneurship Professor at the University of Duisburg-Essen, remarks "startups find collaborations with established companies and other startups to attract the market together for marketing and sales. After all, 73.7% of the startups work together with large companies in medium-sized businesses and industries. These companies provide access to real markets with a large clientele. The cooperation between young companies could also be a source for an operational European startup Alliance, in which the international online markets can be conquered together more rapidly."

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