



INNOVATION DRIVERS

Tracking Big Tech's Support for European Startups



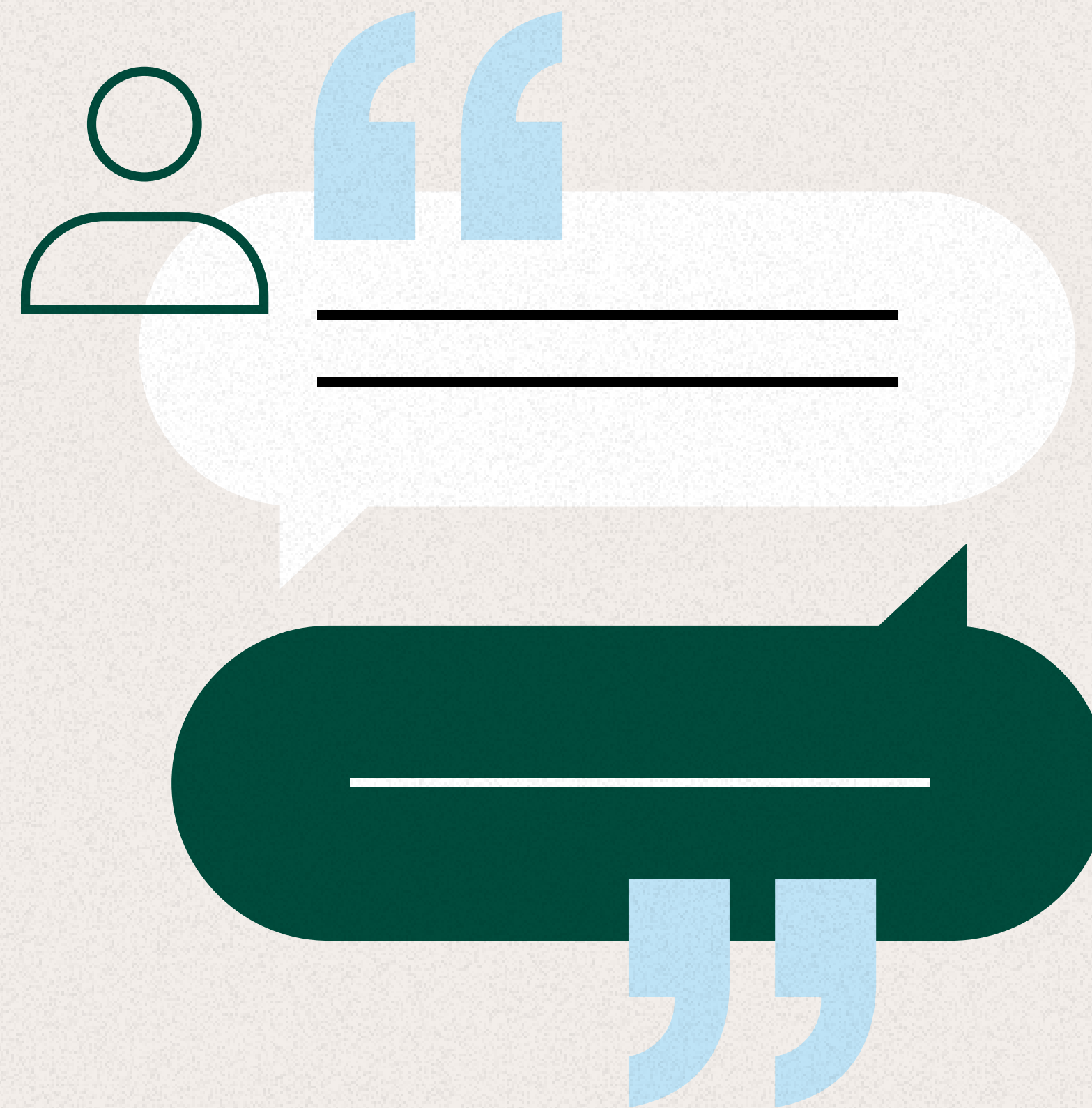
Data partners



CONTENTS

Introduction 3	Driving the European Tech Ecosystem Daniel Ek (Spotify) 5	Key Findings 8	The Big Tech Startup Quadrant 10
Tracking Big Tech’s Support for European Startups Investment, Founder Survey, and Big Tech in the Media 12	Hear from the Big Tech Firms Amazon, Apple, Google, Meta, Microsoft, and Nvidia. 29	Working with Big Tech Founder Insights 37	Action Plan 5 Key Recommendations for the Big Tech Firms 45
Methodology 48		Stay in Touch 49	

INTRODUCTION





The Big Tech firms are ramping up investment in European tech startups in 2024, driven by groundbreaking new opportunities in AI.

Microsoft and Nvidia's participation in mega funding rounds for European AI trailblazers, Wayve and Mistral, saw the value of European VC rounds with Big Tech involvement increase to \$3.1b in H1 2024, up more than 5× compared with 2023.

Yet, away from the headline deals, many European founders feel a lack of support from the Big Tech firms who, amid the added context of the EU's [Digital Markets Act](#), are embroiled in battles with regulators who accuse them of stifling competition in the tech sector.

Of the European tech founders we surveyed for this report, 99% want to see more support for their startups from Big Tech.

*When we refer to Big Tech or the Big Tech firms throughout this report, we are referring specifically to the big six: Amazon, Apple, Google, Meta, Microsoft, and Nvidia.

How far are the Big Tech firms drivers of innovation in Europe? What do founders want to see more from Big Tech?

In *Innovation Drivers: Tracking Big Tech's Support For European Startups*, a new research report from [Founders Forum Group](#), we provide a comprehensive picture of Big Tech's support for the European startup ecosystem, covering investment activity, media coverage, and founder sentiment to celebrate the successes and identify the gaps.

We speak to representatives from each of the six Big Tech firms* to discover more about their startup initiatives. We interview some of Europe's leading tech founders, who reveal their strategies and advice for working with Big Tech. And we conclude with five key recommendations for the Big Tech companies in our action plan for change.

Read on to uncover the impact of Big Tech's initiatives to support European tech!

“

Big Tech firms wield immense influence over the broader tech ecosystem. They have the potential to expedite government digitisation, help startups in scaling and global expansion, empower consumers to become prosumers and micro-entrepreneurs, and so much more.

Given this position of power, these companies bear a responsibility to foster competition and drive technological innovation for the benefit of themselves and the entire ecosystem. But right now, some players do this much better than others. The aim of this report is to highlight the best and most impactful initiatives from Big Tech to support founders, aiming to inspire imitation and investment from those who currently lag behind.

”



Brent Hoberman

Executive Chair & Co-Founder
[Founders Forum Group](#)

DRIVING THE EUROPEAN TECH ECOSYSTEM





Daniel Ek

Spotify

Daniel Ek is the Founder and Chief Executive Officer of Spotify. In 2020, he pledged to invest €1b of his personal wealth in European startups. He's also the Founder of Prima Materia, a European investment company, and the Co-Founder of Swedish health tech company, Neko Health.

“The world of technology I entered when I started Spotify 18 years ago has changed.”

Back then, there was such a tailwind behind technology that it was less important to compete for market share; it was all about expanding the market. Google was helping other companies with their cyber security; Facebook was even lending its engineers to Twitter. Everyone wanted to win for the right reasons and it was a more sustainable ecosystem.

Now, there are many more startups and there's more talk about entrepreneurship being a force for good. But there's also more power concentrated in the biggest tech companies than ever before, and the focus is on taking market share from each other. We're all public companies driven by our shareholders, but the risk is that the easiest way to ensure stability and please shareholders is by stifling competition and innovation.

“Big Tech companies are doing great work on a grassroots level. The problems start when you start to scale.”

The Big Tech firms are investing in products and services that enable both people and companies to be more productive. The cost of storage and compute have gone down, and AWS, Azure, and other cloud providers have made it easier to start a tech company or develop an app as a small startup.

Big Tech firms don't mind if you're small because you're not competition for them. My main concern is what happens once you're no longer a startup, but a fast-grower and a potential competitor. In China, Alibaba and Tencent are investing in potential competitors to create partnership opportunities. In Europe, Big Tech should be spending more time and effort on helping companies scale, including at the grassroots level.

“The key to competing with Big Tech is to create something that customers love and want to have a relationship with.”

We have many positive relationships with companies like Meta, Microsoft, and Google. The key to competing with them is to create something that customers love and want to have a relationship with. If you do that, then I've found that many of these big companies will want to work with you.

When dealing with potential partners, structure your deals as win-wins. Early in my tenure, I always tried to do the best deal for me, and sometimes I didn't understand why the other side had accepted a deal. Ultimately, they had ulterior motives. You have to assume the other side is as smart as you. If you can't figure out what the 'win' is on their side, they probably have another agenda.

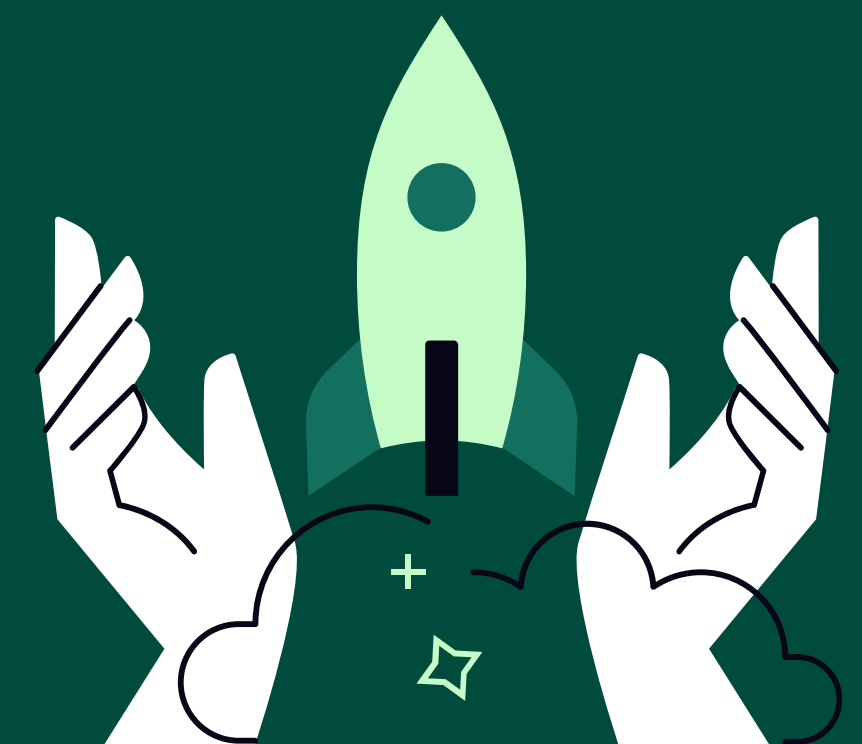
“We don't want to stop innovation. We're asking for enough regulation to have a level playing field.”

You can build a better smartwatch than the Apple Watch, but if it doesn't work with the iPhone, that's going to be a massive barrier. The Big Tech companies build ecosystems of software and hardware that interact together, and when they lock these ecosystems, they stifle competition.

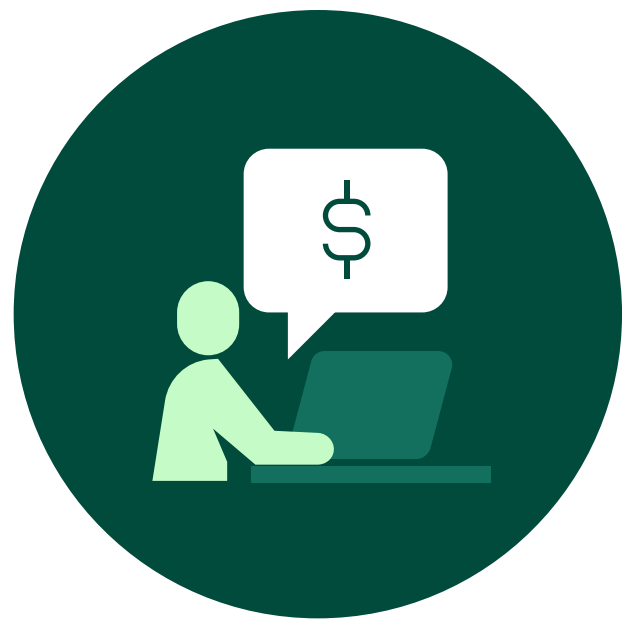
I'm against a massive amount of regulation that stops innovation. We're asking for just enough so that we can have a level playing field. It's about being able to communicate with customers and not have your business model hijacked by someone in between.

People talk about the American dream, but it's time for us to build our European dream as well. Our goal for Europe is to have our own winners creating amazing products that people use and love. If you look at who's leading AI at the Big Tech companies, you'll see Europeans at the helm. Many of the greatest thinkers and innovators come from Europe. We have to be mindful of not losing them.

“Our goal for Europe is to have our own winners creating amazing products that people use and love.”



Daniel is calling for three key regulatory changes to drive the growth of the European tech ecosystem:



1

Allow app developers to provide consumers with direct and seamless ways, like in-app links, to purchase cheaper-priced goods free of charge.

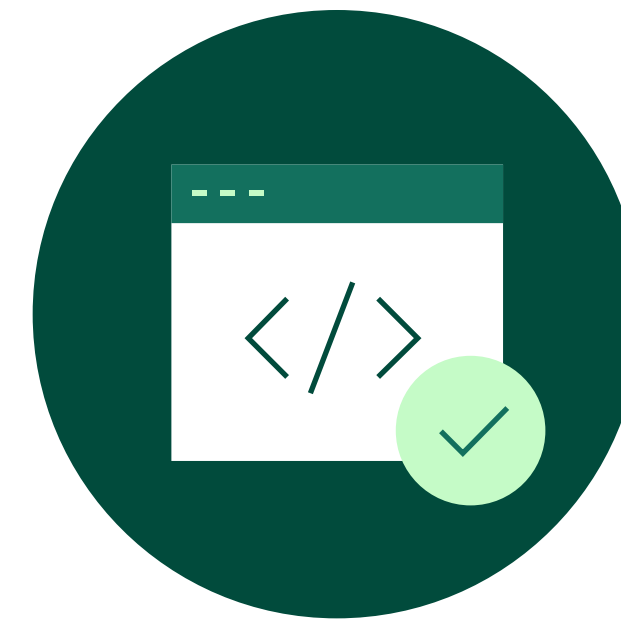
Currently, Apple's rules, for example, prevent app developers from providing customers with a direct link to easily purchase offerings or subscriptions without incurring Apple's taxes. And only in Europe is there now even the opportunity to share pricing details and offers in the app. This means iPhone customers are left in the dark on even the most basic information.



2

Allow customers to choose whatever payment method they prefer.

Customers should not be forced to use a company's payments system if they don't want to. We want the ability to offer alternative payment options to give customers choice.



3

Allow access to the same APIs as the platform owner when competing downstream

We want all companies to have access to the same APIs and capabilities to integrate with products like the Apple Watch. This would prevent Apple, or other major companies, from unfairly advantaging their own competing service – for example, Apple Music – by restricting competitors' access and functionality.

KEY FINDINGS





The Big Tech firms have significantly increased their investment in European tech startups in 2024.

The total value of VC rounds raised by European tech startups with Big Tech involvement in H1 2024 was \$3.1b, increasing more than 5x from \$545m in 2023, and driven by Microsoft and Nvidia's participation in mega funding rounds for European AI startups, Wayve and Mistral. Big Tech deal activity is also on an upward trajectory with the Big Tech firms participating in 45 European tech startup funding rounds in the past 18 months.

INVESTMENT



In the media, Nvidia, Google, and Amazon dominate the headlines for their support for startups.

Nvidia has the closest association with the startup ecosystem based on media mentions, while Google gets the most positive coverage related to startups. Media coverage provides an insight into broader public perception of the Big Tech firms.

BIG TECH IN THE MEDIA



Nvidia has emerged as a major player on the European tech funding scene, while Google is the most active investor.

After zero activity in more than five years previously, Nvidia has participated in eight funding rounds for European tech startups worth \$1.9b in the past 18 months. Google has participated in 50 of the 90 startup funding rounds with Big Tech involvement since 2019, while Meta offers the most routes to exit, acquiring 12 European tech startups in the past five years.

INVESTMENT



Still, European tech founders want to see more support from the Big Tech firms.

Despite a handful of big AI investments, 99% of the founders we surveyed said they want more support from the Big Tech firms. Specifically, founders want more investment, co-development projects, and opportunities for making direct connections with the firms via networking and events. Currently, most European founders engage with the Big Tech companies as cloud providers – namely Amazon, Google, and Microsoft – and almost half of those we surveyed lack awareness of any Big Tech initiatives to support their startups.

FOUNDER SURVEY



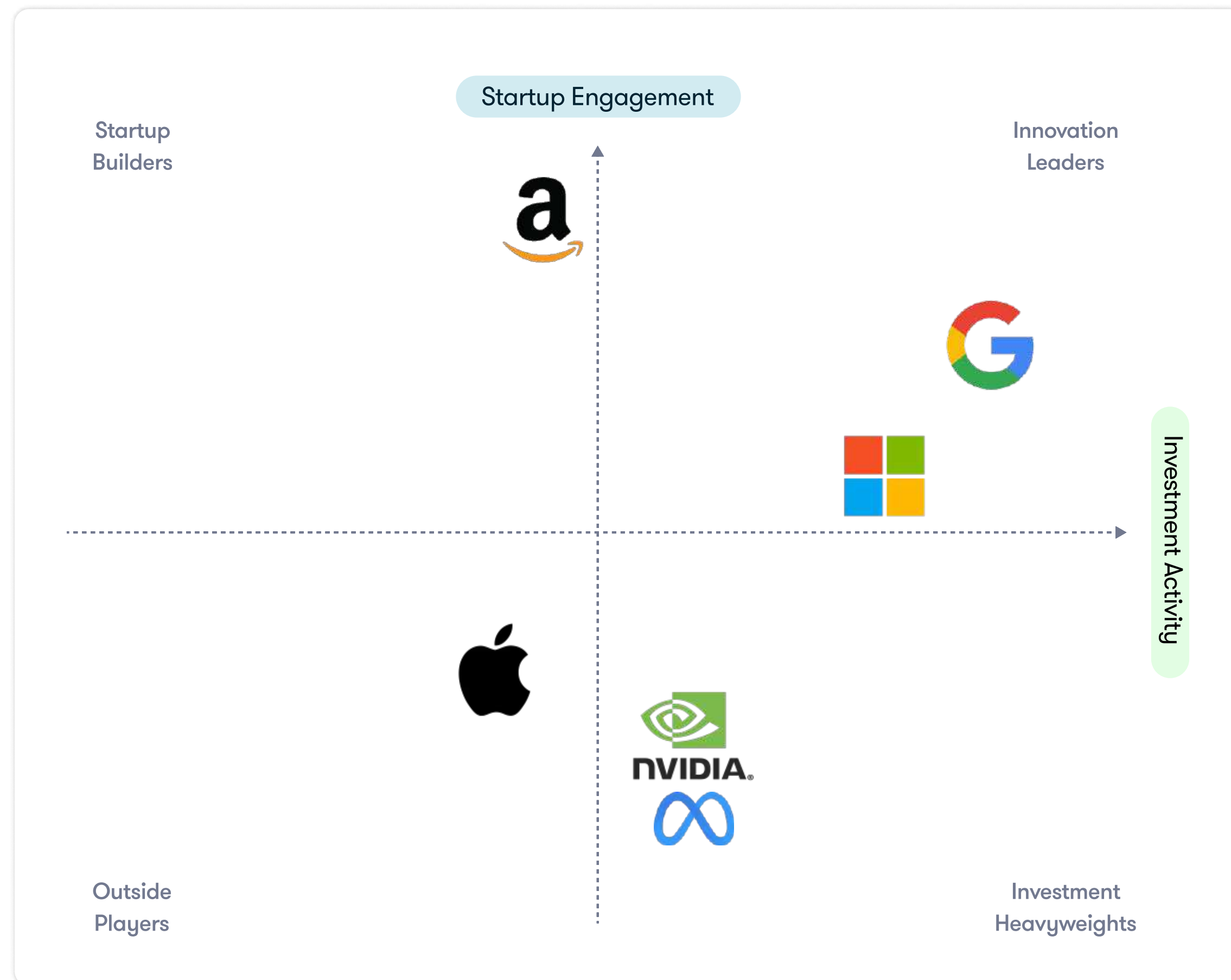
Amazon is ranked the most supportive Big Tech firm by the European tech founders we surveyed.

Founders view technical support and accelerator programmes as the most valuable types of support offered by the Big Tech firms. When asked to rank the Big Tech firms from one to six, Amazon came out on top, followed by Google and Microsoft.

FOUNDER SURVEY

THE BIG TECH STARTUP QUADRANT





What role do the Big Tech firms play in supporting the European startup ecosystem? In our Big Tech Startup Quadrant, we consider startup engagement and investment activity to measure where each Big Tech firm sits for its support for European startups.

Google and Microsoft are the Innovation Leaders, leading the way for startup support and ranking well across both metrics. Amazon is an active ecosystem player and well perceived by founders for startup engagement, although Amazon invests less money in VC rounds. Amazon plays the role of Startup Builder in Europe, supporting early-stage ventures in particular.

Nvidia and Meta are the Investment Heavyweights – they’ve made significant startup investments, but need to raise awareness of their support initiatives among founders. Based on its investment activity and reputation among founders, Apple is more of an Outside Player in the European startup ecosystem.

Read more about how we composed our Big Tech Startup Quadrant in the methodology section.

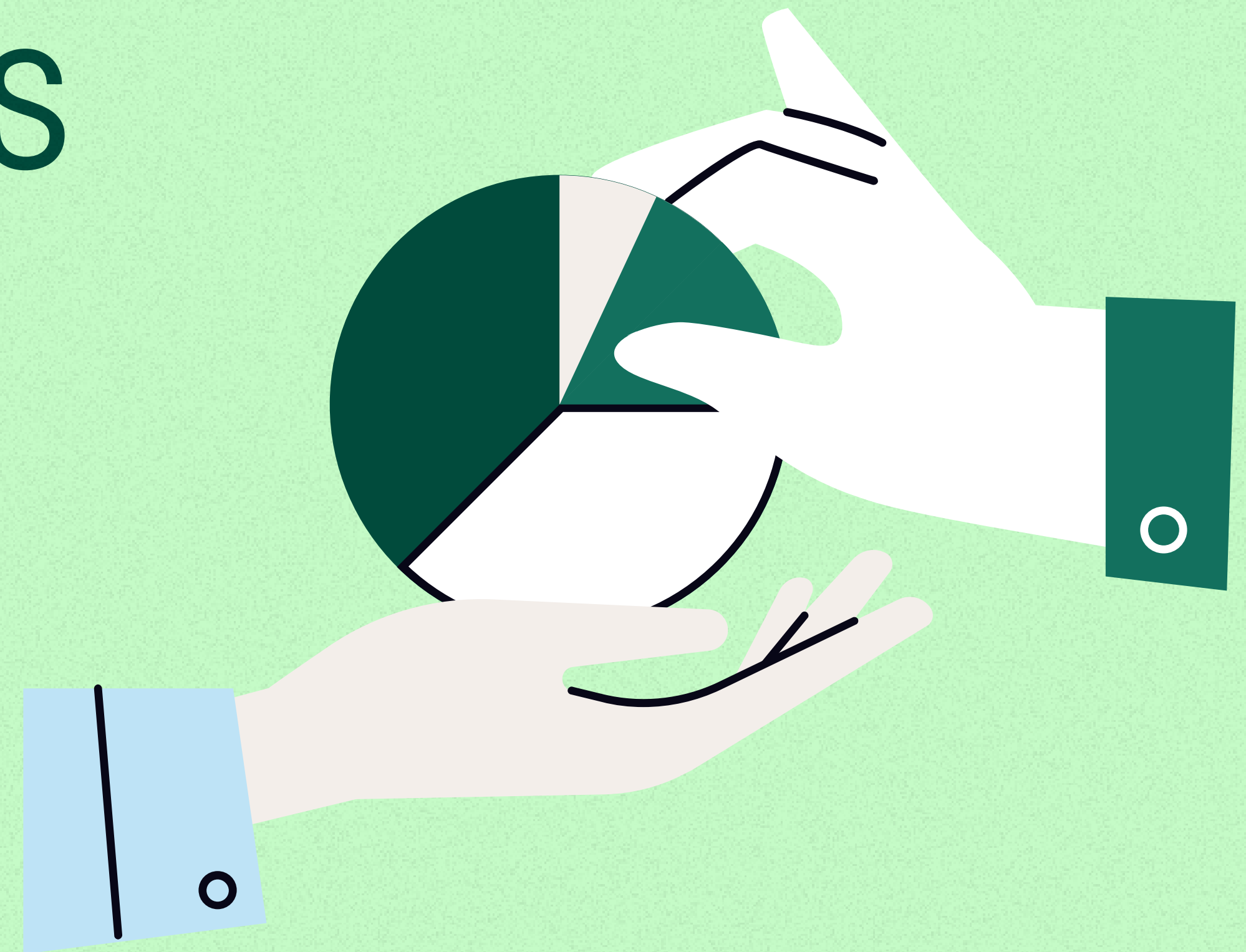
Startup Engagement:

Based on founders’ perceptions of the Big Tech firms. For this metric, we asked founders to rank the Big Tech firms for their startup support initiatives.

Investment Activity

Based on the Big Tech firms’ investments into European startups. For this metric, we looked at a combination of the amount invested in startups via VC rounds, number of rounds participated in, and number of acquisitions.

TRACKING BIG TECH'S SUPPORT FOR EUROPEAN STARTUPS



INVESTMENT



To varying degrees, the Big Tech firms have played a role in supporting the European startup ecosystem for the past two decades, offering accelerator programmes, skills training, technical support, and the infrastructure and cloud services that provide thousands of startups with the platforms to grow. The most significant recent shift in Big Tech support is in direct startup investment via VC rounds.

Key findings:

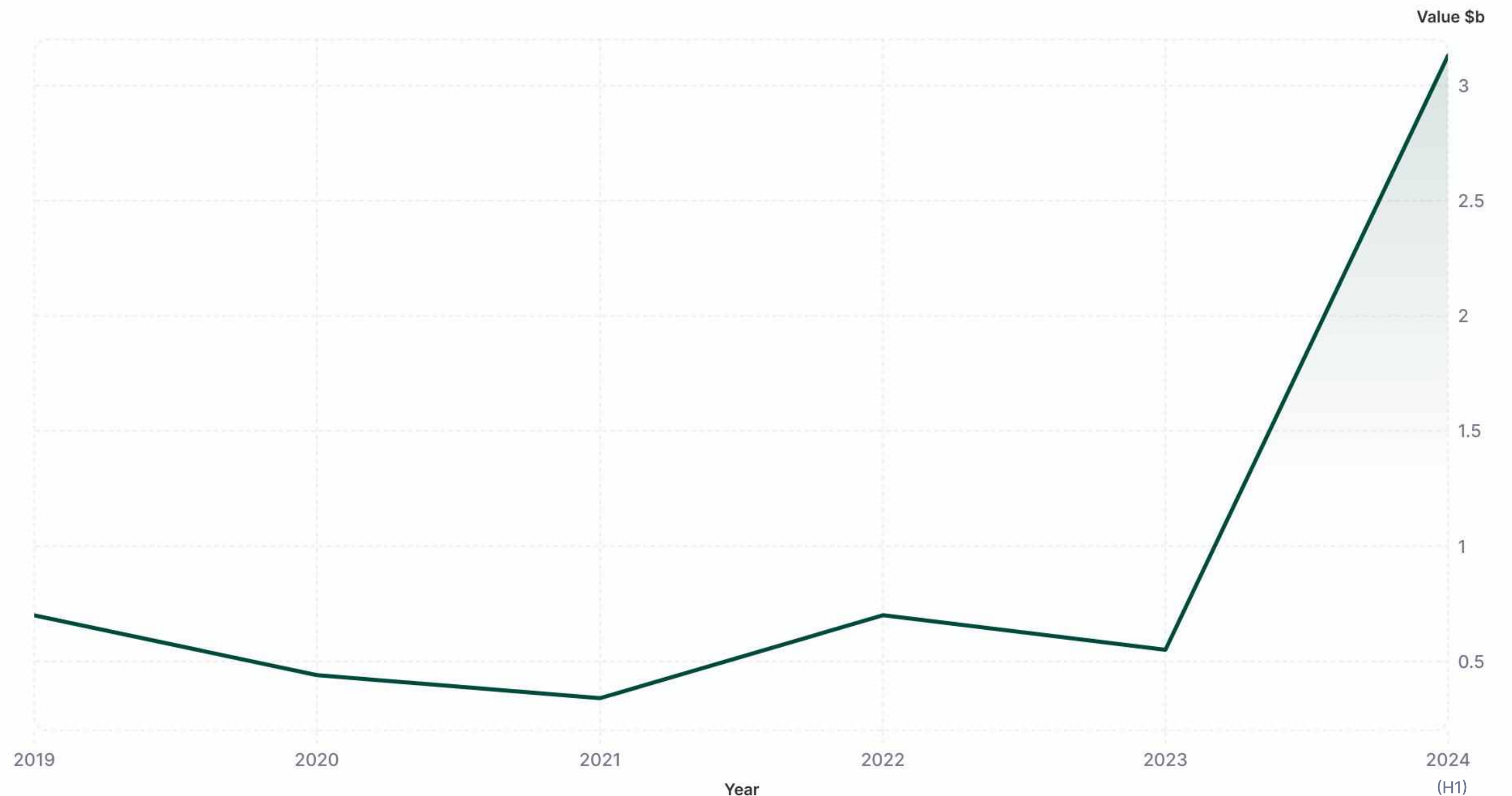
The Big Tech firms are increasing investment in European tech startups in 2024.

In H1 2024, Big Tech investment in European tech startups skyrocketed, driven by mega funding rounds for AI unicorns, Wayve and Mistral AI. Microsoft and Nvidia both invested in Mistral's \$640m Series B funding round and Wayve's \$1.05b Series C round led by SoftBank Group.

The total value of VC rounds with Big Tech investment in H1 2024 was \$3.1b, increasing more than 5× from \$545m in 2023.

Value of VC Rounds with Big Tech Involvement

Value \$b



Data provided by Dataroom

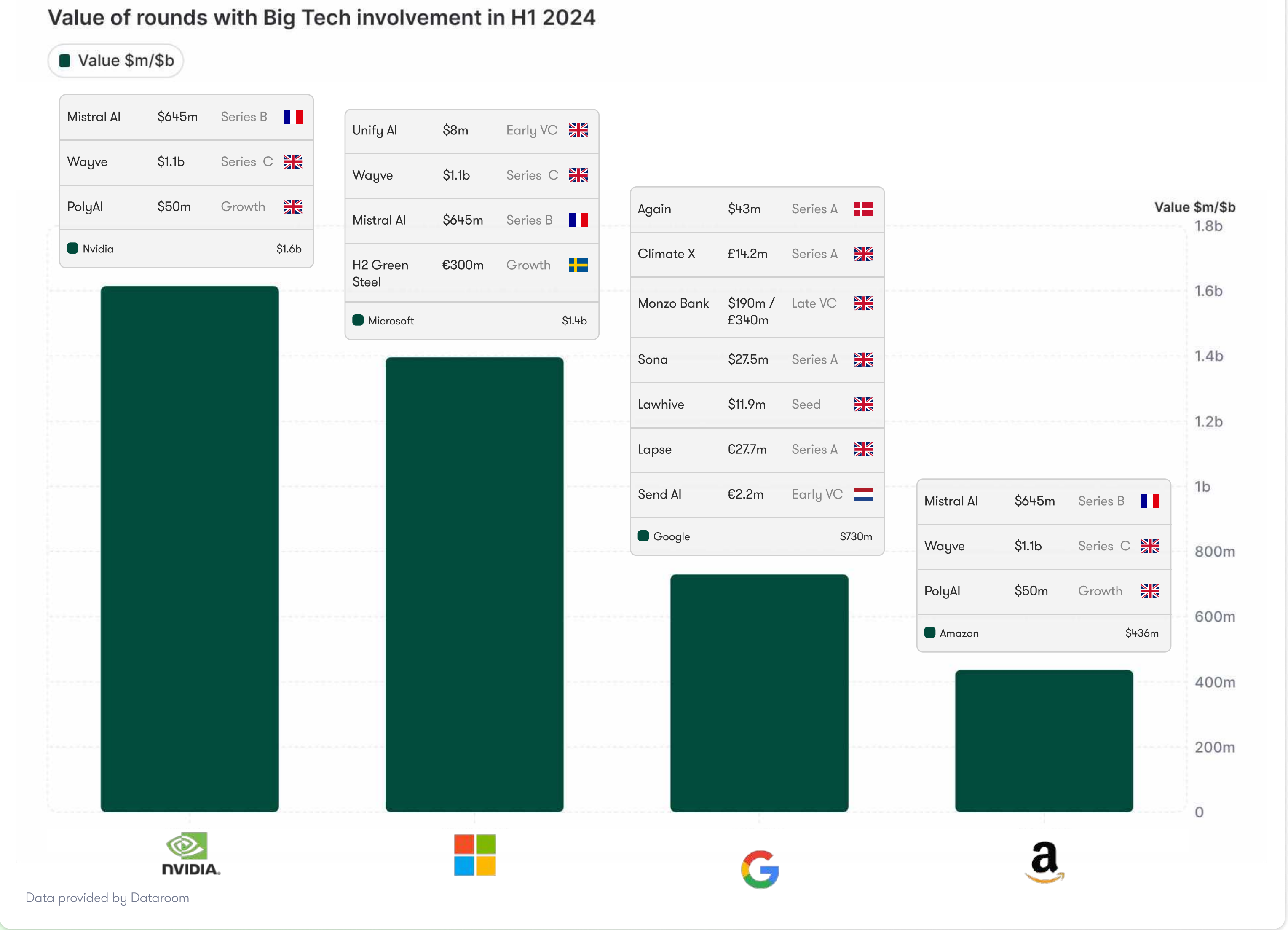
Nvidia has emerged as a major player in startup investment in Europe in 2024, while Google is the most active investor.

Nvidia participated in three VC funding rounds worth \$1.6b in H1 2024, including Mistral, Wayve, and via its VC arm, NVentures, a \$50m Series C round raised by AI-powered voice assistant startup, PolyAI.

Microsoft participated in four rounds worth \$1.4b, including a €300m+ round raised by H2 Green Steel, via the Microsoft Climate Innovation Fund.

Google has been the most active Big Tech investor in Europe in 2024, participating in seven rounds worth \$730m, most notably a late-stage funding round for Monzo via a co-investment between Google’s GV venture fund and Alphabet’s CapitalG growth fund.

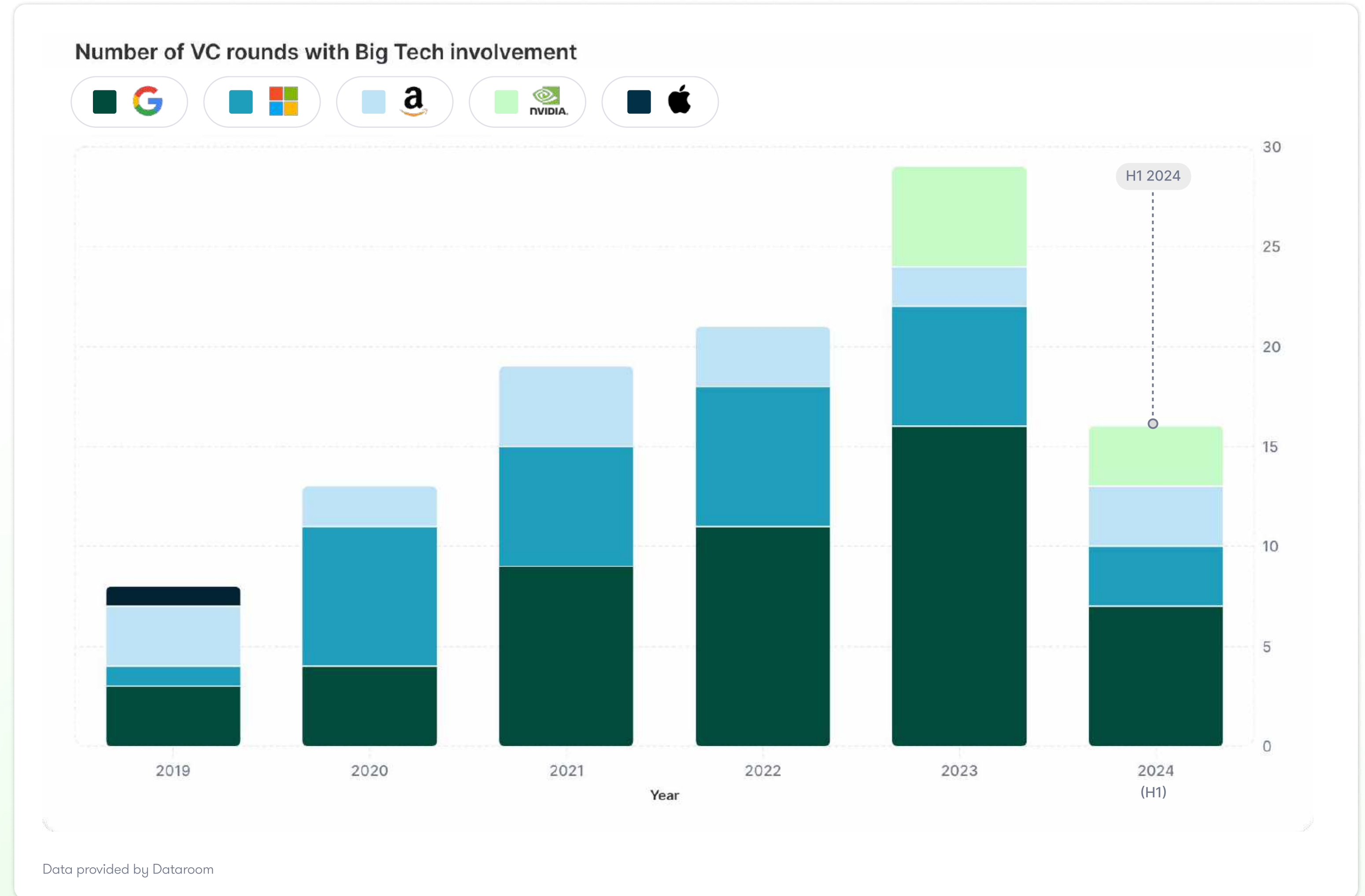
Amazon’s Climate Pledge Fund participated in rounds for German climate tech company, Sunfire, and carbon sequestration startup, 44.01. Amazon also participated in a \$220m Seed round for H, a French AI startup building foundational models.



The Big Tech firms are involved in more European VC rounds than ever before with deal activity on an upward trajectory.

Boosted by Nvidia's entry into the European VC investment market, Big Tech deal activity is increasing year on year. After zero activity in more than five years previously, Nvidia has participated in eight of the 45 European startup funding rounds with Big Tech involvement in the past 18 months, including AI startups, Aleph Alpha and Synthesia, in 2023.

Google is the most active investor in European startups in 2024 and historically, participating in 50 of the 90 startup funding rounds with Big Tech involvement since 2019. Apple and Meta are not active participants in VC investment rounds in Europe.

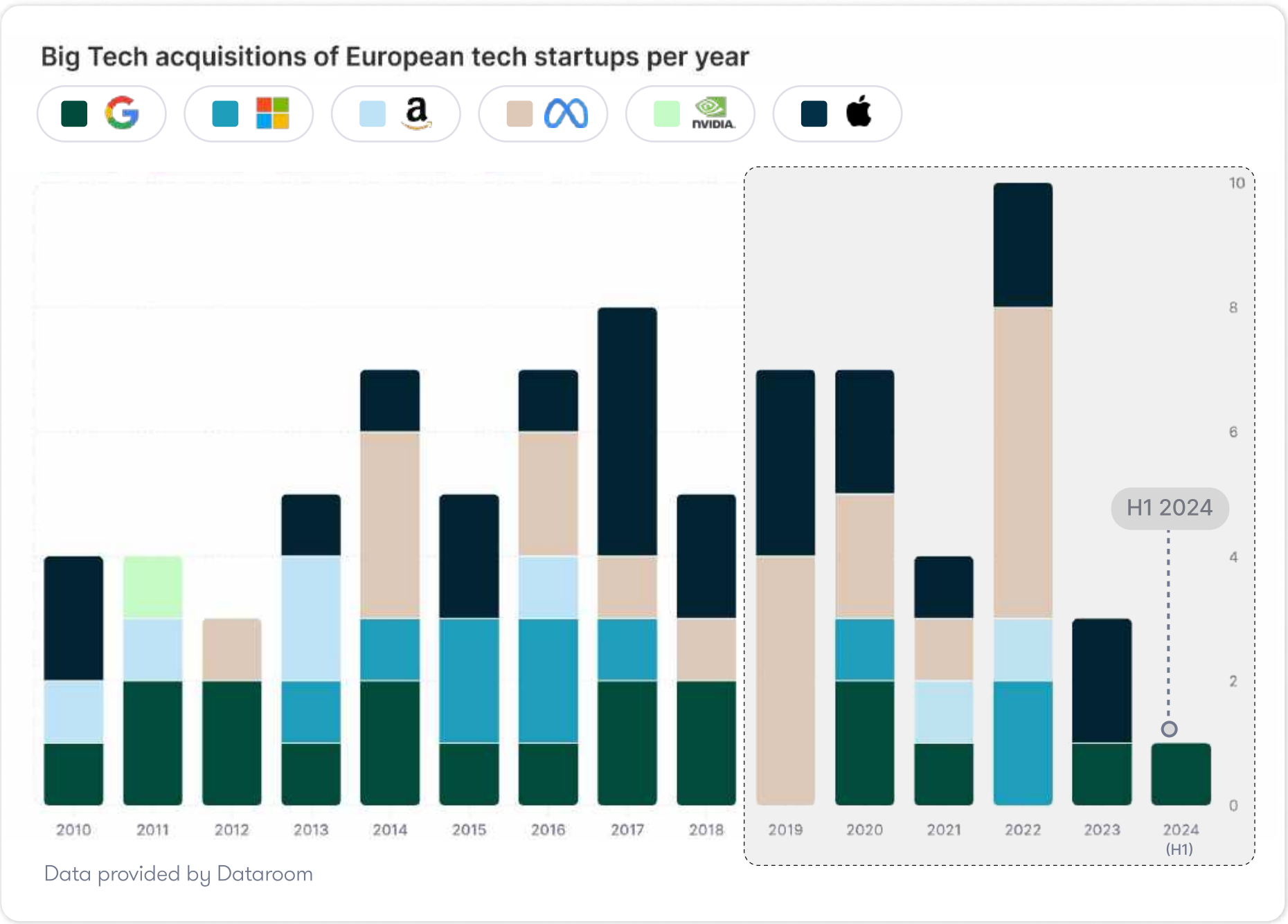


Meta is the most active acquirer of European tech companies, making 12 acquisitions in the past five years.

While not involved in European VC investment rounds, Meta’s acquisitions of VR, gaming, and AI startups tell their own story of the Big Tech firm’s metaverse ambitions, while also providing routes to exit for startups.

Apple is the next big acquirer, completing 10 acquisitions of European tech companies, across AI and computer vision, in the past five years. Google and Microsoft’s acquisitions focus more on SaaS integrations.

80 European tech companies have been acquired by the Big Tech firms since 2010. 23 were acquired by Apple, 20 by Meta, 19 by Google, and 10 by Microsoft. The most recent was Google’s acquisition of Cameyo, a UK company developing virtualisation tools to run Windows apps on ChromeOS devices, completed in June 2024.



Big Tech Acquisitions (2019-2024):

Meta				
Company	Category	Country	Year	Value
Luxexcel	Smart eyewear	Netherlands	2022	
Audio Analytic	Sound recognition	UK	2022	
Lofelt	Haptics	Germany	2022	
Presize.ai	AI	Germany	2022	
Accusonus	AI music	Greece	2022	\$100m
Unit 2 Games	Gaming	UK	2021	
Mapillary	Computer vision	Sweden	2020	
Scape Technologies	Computer vision	UK	2020	\$40m
Atlas ML	AI	UK	2019	
PlayGiga	Gaming	Spain	2019	€70m
Beat Games	Gaming	Czech Republic	2019	

Apple				
Company	Category	Country	Year	Value
DataLab	Computer vision	France	2023	
Blinksight	Semiconductors	France	2023	
Credit Kudos	Fintech	UK	2022	\$150m
AI Music	AI	UK	2022	
The Curious AI Company	AI	Finland	2021	
Vilynx	Video AI	Spain	2020	\$50m
Voysis	Voice AI	Ireland	2020	
Spectral Edge	Image fusion	UK	2019	
Fashwell	Visual Search	Switzerland	2019	
Stamplay	Low Code	UK	2019	€5m

Google				
Company	Category	Country	Year	Value
Cameyo	SaaS	UK	2024	
PhotoMath	AI	Croatia	2023	
Tempow	Music	France	2021	€15m
Dataform	SaaS	UK	2020	
Pointy	SaaS	Ireland	2020	\$160m

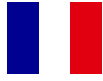
Microsoft				
Company	Category	Country	Year	Value
Lumenisity	Telecoms	UK	2022	
Minit	SaaS	Netherlands	2022	
Softomotive	SaaS	UK	2020	

Amazon				
Company	Category	Country	Year	Value
Veeqo	SaaS	UK	2022	
Umbra	Gaming	Finland	2021	

7 European tech startups backed by the Big Tech firms have gone public

Amazon, Google, and Microsoft have invested in European tech firms that have gone on to go public, with varying results.

Amazon purchased a 16% stake in Deliveroo as part of a \$575m funding round, completed in 2020 after an [investigation](#) by the UK Competition and Markets Authority, and remains its largest shareholder post-IPO, with a stake of around 13%.

Company	Big Tech Investor	Location	Year
			2021
			2017
			2018
			2021
			2000
			2019
			2021

Data provided by Dataroom

FOUNDER SURVEY

Despite increasing involvement in VC rounds, Big Tech investment is still only directly benefiting a small number of standout European tech startups.

To gauge wider founder sentiment and track engagement with the Big Tech firms, we conducted a comprehensive survey of 133 active European tech founders.

Key findings:

There is a significant lack of awareness among European founders of Big Tech initiatives designed to support them and their businesses.

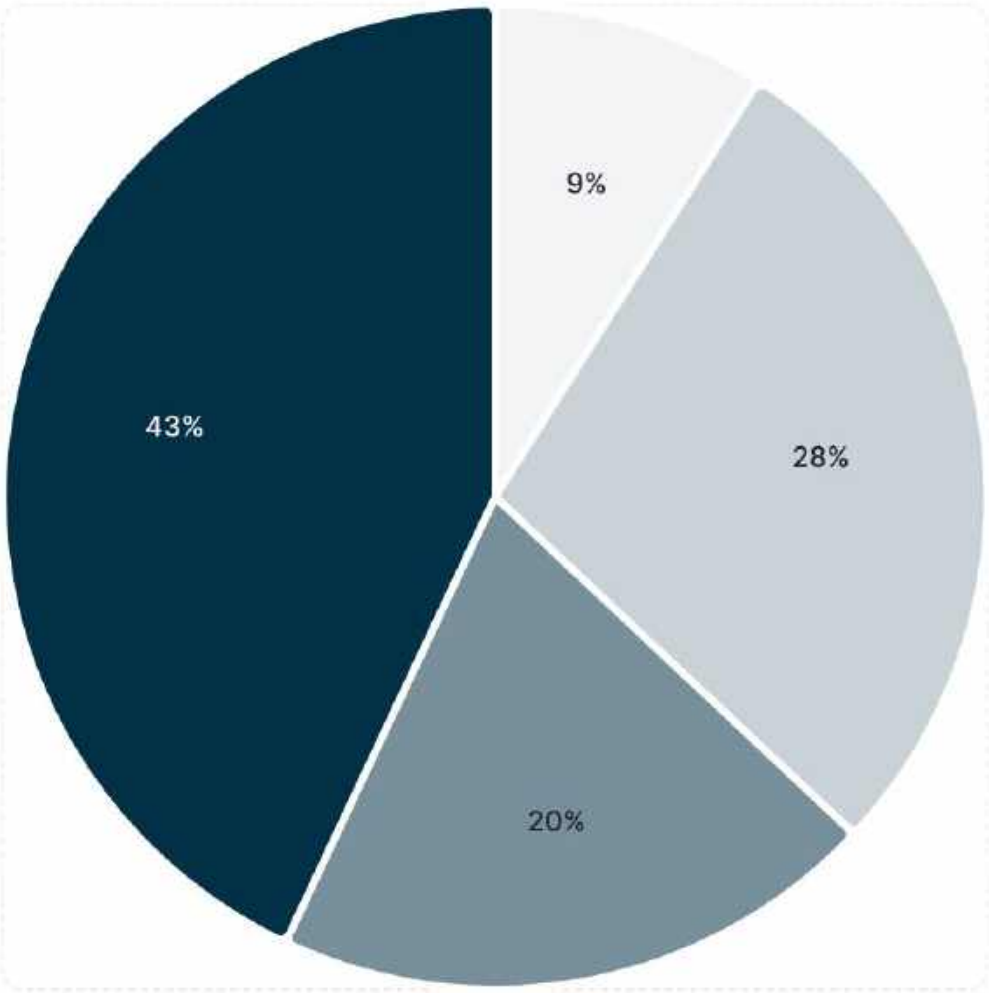
Around 43% of the founders we surveyed were not aware of Big Tech programmes, platforms, tools, or events designed to support them, while less than 10% had experienced these initiatives first hand.

Awareness differed across the Big Tech firms, with founders most aware of initiatives offered by Amazon, Microsoft, and Google, and least aware of initiatives offered by Nvidia, Meta, and Apple.

How aware are you of any major initiatives (programmes, platforms, tools, or events) designed by the Big Tech firms to support startup founders?

Average % figures across the Big Tech firms

-  **Extremely aware**
have participated first hand
-  **Low awareness**
have heard something exists but don't know details
-  **Somewhat aware**
have applied to some initiatives or did research on them
-  **Not aware**



	Not aware	Low awareness	Somewhat aware	Extremely aware
	29%	27%	28%	16%
	53%	32%	13%	3%
	38%	27%	25%	10%
	51%	26%	19%	5%
	27%	33%	26%	14%
	60%	23%	12%	5%

Founders are mostly engaging with the Big Tech firms as cloud providers, receiving marketing support and ad credits.

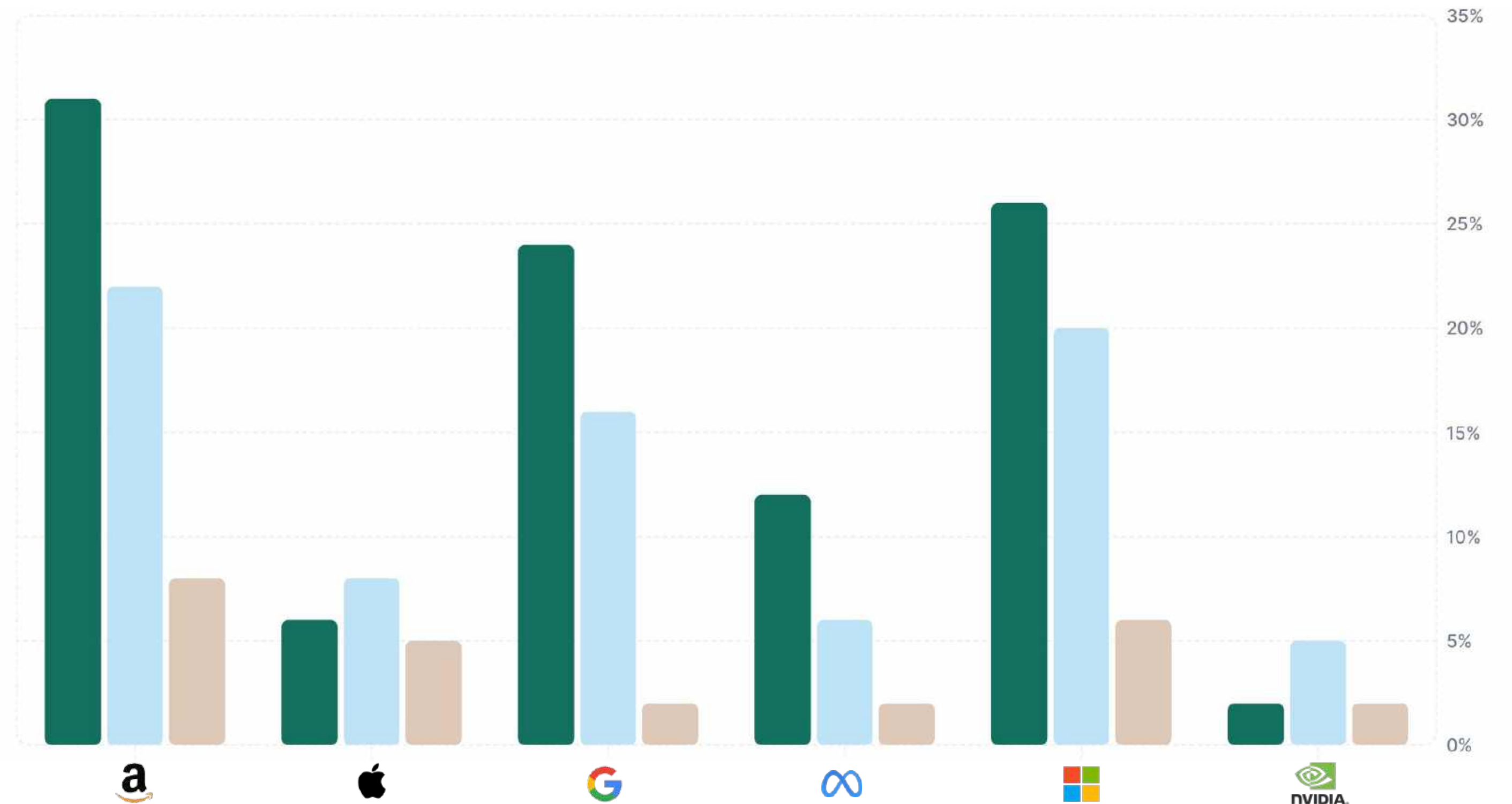
Unsurprisingly, founders are receiving more support services from the three Big Tech cloud providers – Amazon, Google, and Microsoft.

One in three founders we surveyed have used ad credits, service credits, or marketing support offered by Amazon and one in four from Google or Microsoft. Amazon, Google, and Microsoft are also the most engaged with Big Tech firms for technical support.

On average, less than 5% of founders we surveyed had received funding from an investment arm or accelerator programme of the Big Tech firms

Have you or your company received funding or tech or marketing support from the Big Tech firms?

- Utilised advertising credits, service credits or marketing support
- Received funding from an investment arm or accelerator programme
- Received tech support or tools



Founders view technical support and accelerator programmes as the most valuable types of support offered by the Big Tech firms.

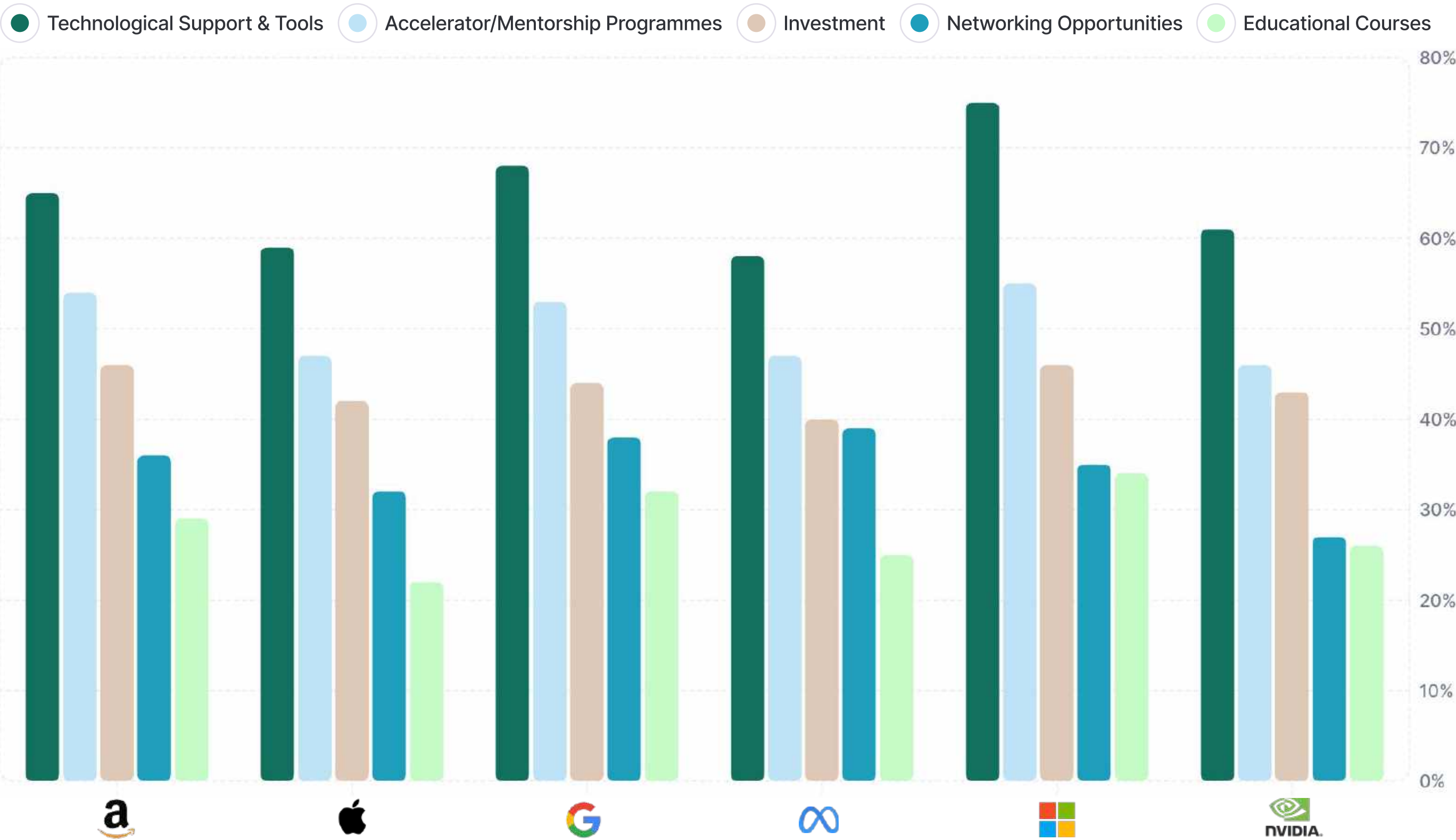
Among the Big Tech firms, Microsoft’s tech support and tools and accelerator programmes are seen as the most valuable, chosen by 75% and 55% of respondents respectively. Meta is perceived as offering the most valuable networking opportunities.

Despite investments in skills training programmes, like Google’s Career Certificates and Meta’s Blueprint, educational programmes are seen as less valuable.

European tech founders say Amazon is the most supportive Big Tech firm, followed by Google and Microsoft.

When asked to rank the Big Tech firms from one to six, Amazon came out on top and Meta was the lowest ranked for its support for tech entrepreneurs.

What type of support from any of the Big Tech firms do you believe to be the most valuable?

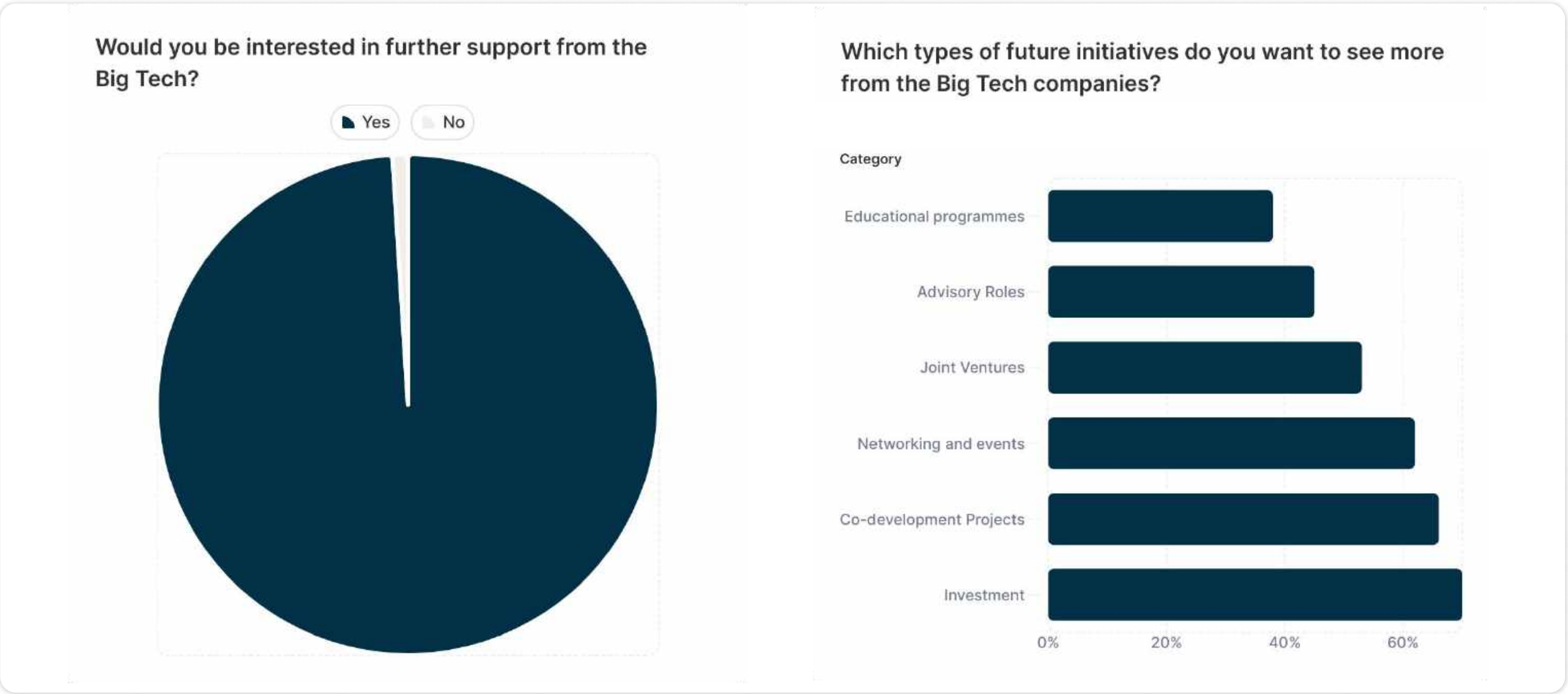


Rank	Company	Score
1		4.36
2		4.25
3		3.96
4		3.19
5		2.68
6		2.56

99% of the European tech founders we surveyed said they want more support from the Big Tech firms.

Specifically, founders want to see more investment, co-development projects, and opportunities for networking and events.

Others mentioned working with the Big Tech companies in sandbox environments to develop proofs of concept for different technologies, more direct development assistance, and more transparency on teams and roles to make it easier to connect with the right people.



Founders Views

What more do you want to see from the Big Tech firms?



“ More active policy-making and harmonisation across countries to support innovation through open innovation programmes, co-working spaces, and collaborative research. ”

“ Build long-term relationships. Help us build the infrastructure quickly, so we can scale quickly, and monetise us when we win. ”

“ Less lip service; more actionable support. ”

“ Easier onboarding and more direct dev assistance. ”

“ Publish details of the team who works with startups to make it easier to find and connect with the appropriate people. ”

“ Engage with startups and communities outside of London, Berlin, Paris, and Barcelona. ”

“ Support programmes are often protected by gatekeepers like VCs and have strict entry requirements. They need to be more open to all startups. ”

“ Higher standards for data protection and offer tools that help startups comply with regulations like GDPR. ”

“ More credits to use cloud services during MVP development. More engagement and events to bring founders together. ”

“ Make information and resources for startups more localised and easy to find. ”

BIG TECH IN THE MEDIA



Whether it's high court battles or groundbreaking AI models, Big Tech is a hot topic in the media, and media mentions provide a valuable insight into how far the Big Tech firms are associated with the startup ecosystem, their level of activity, and how positively they're perceived.

So often, the Big Tech companies seem to be in the headlines for all the wrong reasons as competition regulators clamp down on their market domination.

However, through our work with media intelligence platform, [Signal AI](#), we've found that overall media coverage for Big Tech is positive when it comes to supporting startups in Europe.

NEWS

Home | InDepth | Israel-Gaza war | US election | Cost of Living | War in Ukraine | Climate | UK | World | Business

Technology

Apple fined €1.8bn by EU for breaking streaming rules

4 March



CHANNELNOMICS

Microsoft Faces EU Antitrust Charges Over Teams Bundles

July 8, 2024

Posted by: Larry Walsh

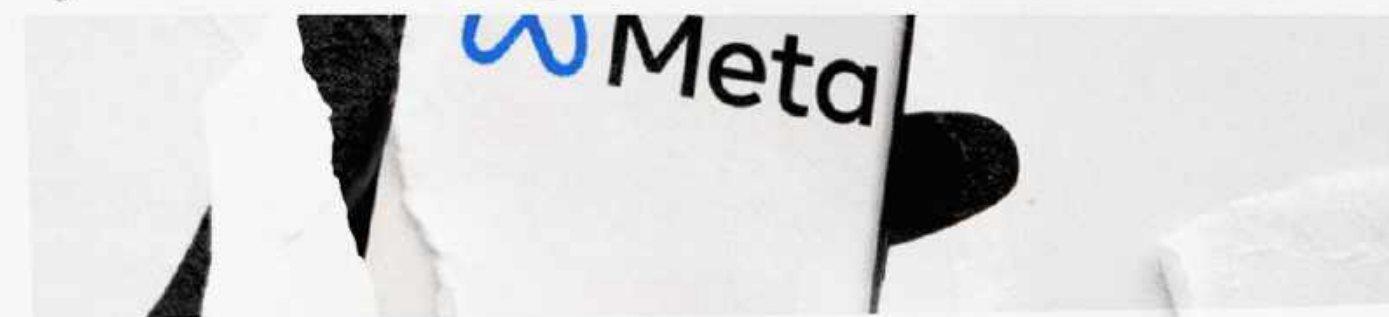
Category: Analyst Notes



WIRED

EU charges Meta in latest hit on Big Tech

Mandatory 'pay or consent' advertising model violates Digital Markets Act, says Brussels.



Google Search Is an Illegal Monopoly, US Judge Rules



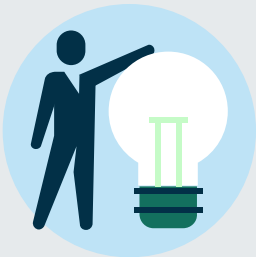
Key findings

Nvidia, Google, and Amazon are the key players for startup engagement based on global media mentions, while Meta and Apple lag behind.

Google gets the most positive global coverage related to startups. Overall, 56% of media discussions about Google focus on innovation, 30% on the company's performance, and 14% on its purpose.

Nvidia has the closest association with the startup ecosystem and 64% of the mostly positive media discussions about Nvidia are focused on innovation, the highest out of the six Big Tech firms. 32% focus on performance, but just 4% focus on purpose.

Apple has the weakest association with the startup ecosystem in media coverage and the least positive media sentiment, although it still dominates conversations around innovation. Media coverage about Meta focuses more on purpose than any other Big Tech firm, while media coverage about Amazon focuses more on performance.



Innovation

Coverage around the company's products/services and investments made towards its future. Includes key technologies defining the future of the industry, R&D efforts, corporate/VC partnerships, and M&As expanding the business.



Performance

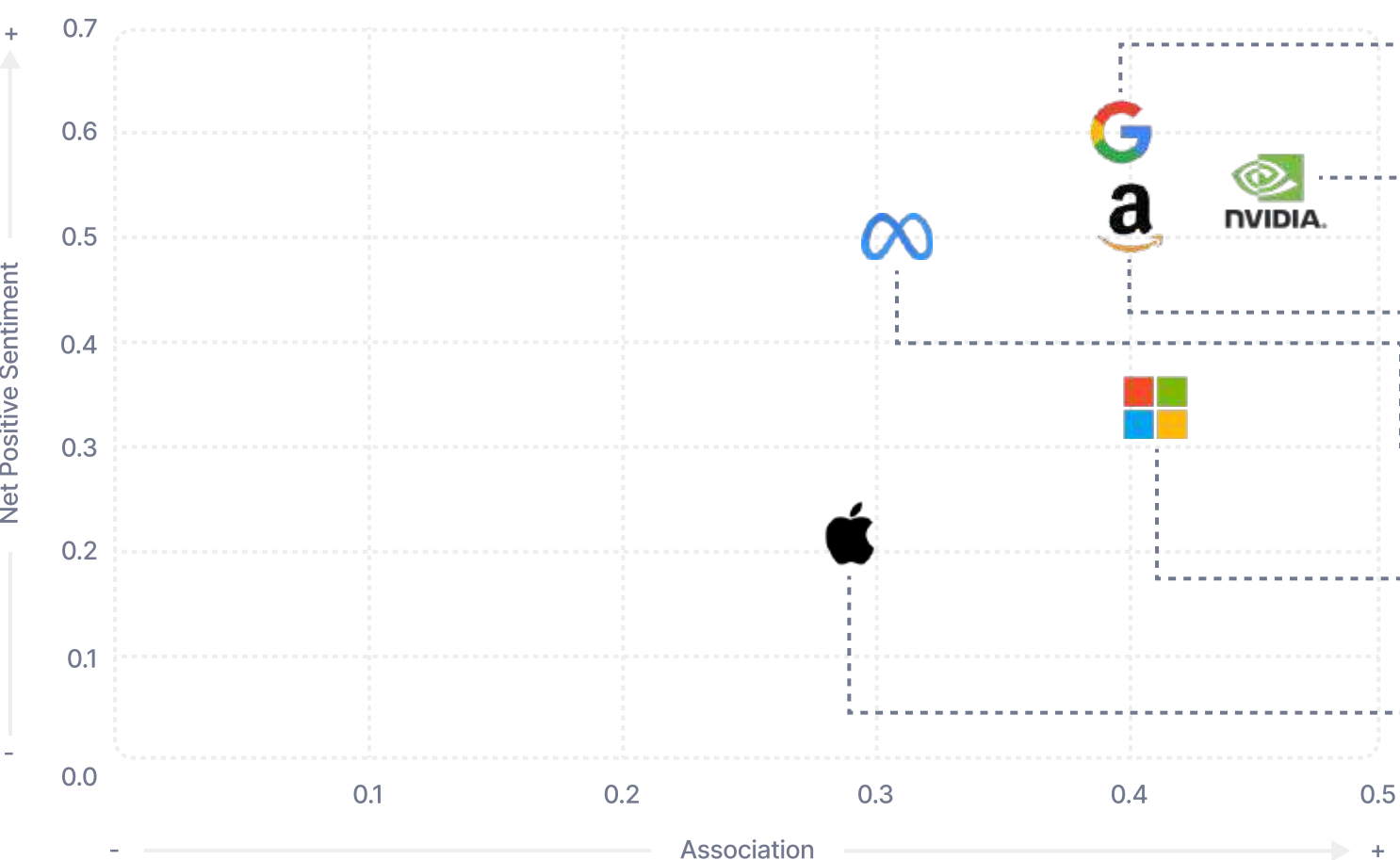
Coverage around how a company is run and how well it is perceived to perform financially. Includes operations, handling of regulations, infrastructure, executive leadership, board activities, financial growth etc.



Purpose

Coverage around how the company interacts with the world, whether through its CSR efforts, donations, environmental footprints, impacts on human health, sustainability of the supply chain, and how it approaches corporate culture, including DEI efforts, workplace environment, talent attraction/retention, employee experience etc.

How the Big 5 fit into the startups landscape



Share of voice

	Innovation	Performance	Purpose
Google	56%	30%	14%
Nvidia	64%	32%	4%
Amazon	33%	45%	22%
Meta	37%	33%	30%
Microsoft	57%	33%	10%
Apple	63%	29%	8%

Based on global news coverage in Q1 2024. Source: [Signal AI](#)

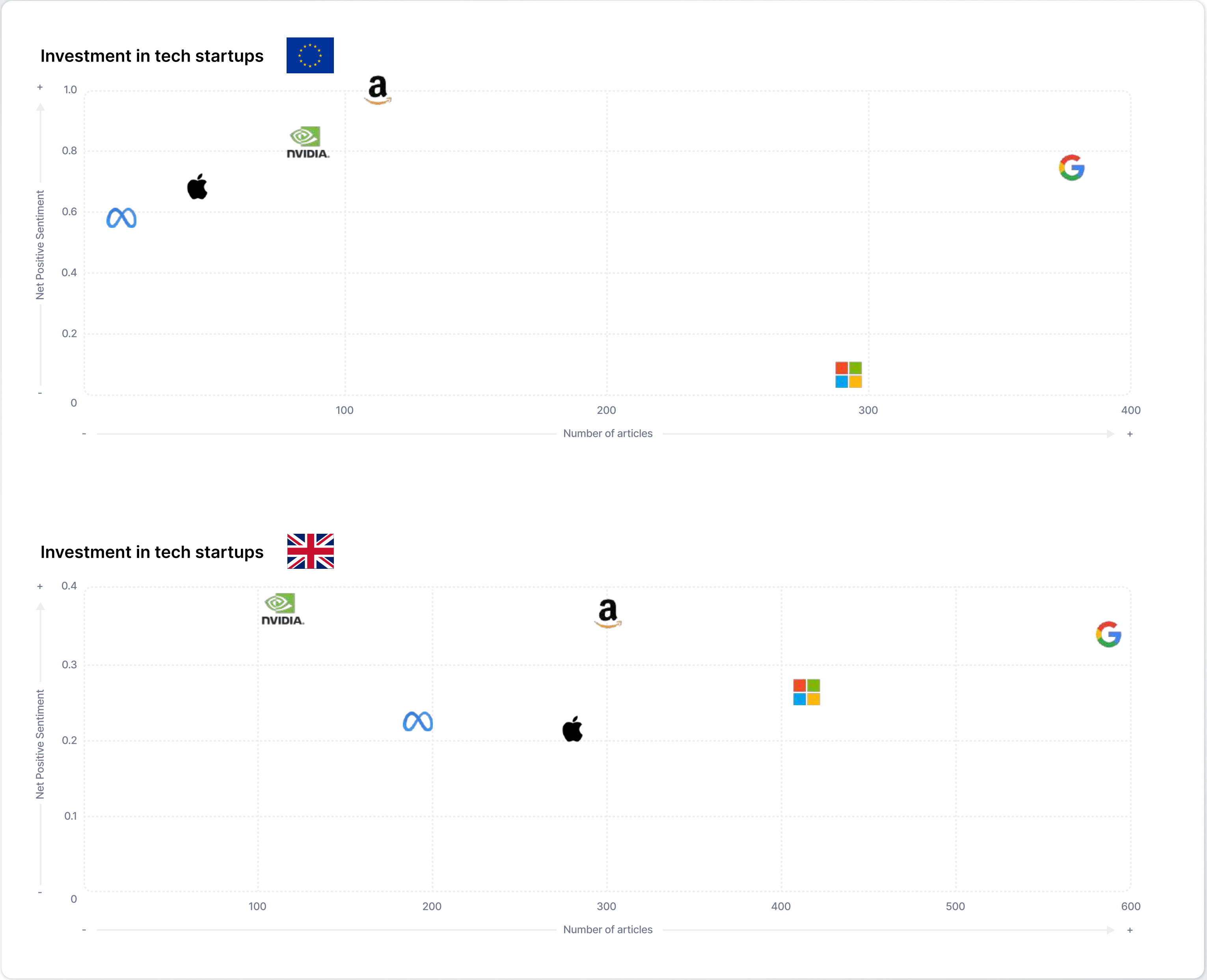
Share of Voice illustrates how much of the conversation about a given organisation is about a certain topic.

Net Positive Sentiment is based on the total number of positive news mentions versus negative mentions.

Google leads the way for media coverage focused on investment in European tech startups.

Amazon gets the most positive coverage related to startup investment in both the EU and the UK. Apple gets the least positive coverage in the UK, while Microsoft gets the least positive coverage in the EU. Microsoft’s significant investment in Mistral AI was mostly reported positively by EU media, but also attracted some negative coverage. Overall, media sentiment in the EU is more positive than the UK when it comes to Big Tech startup investment.

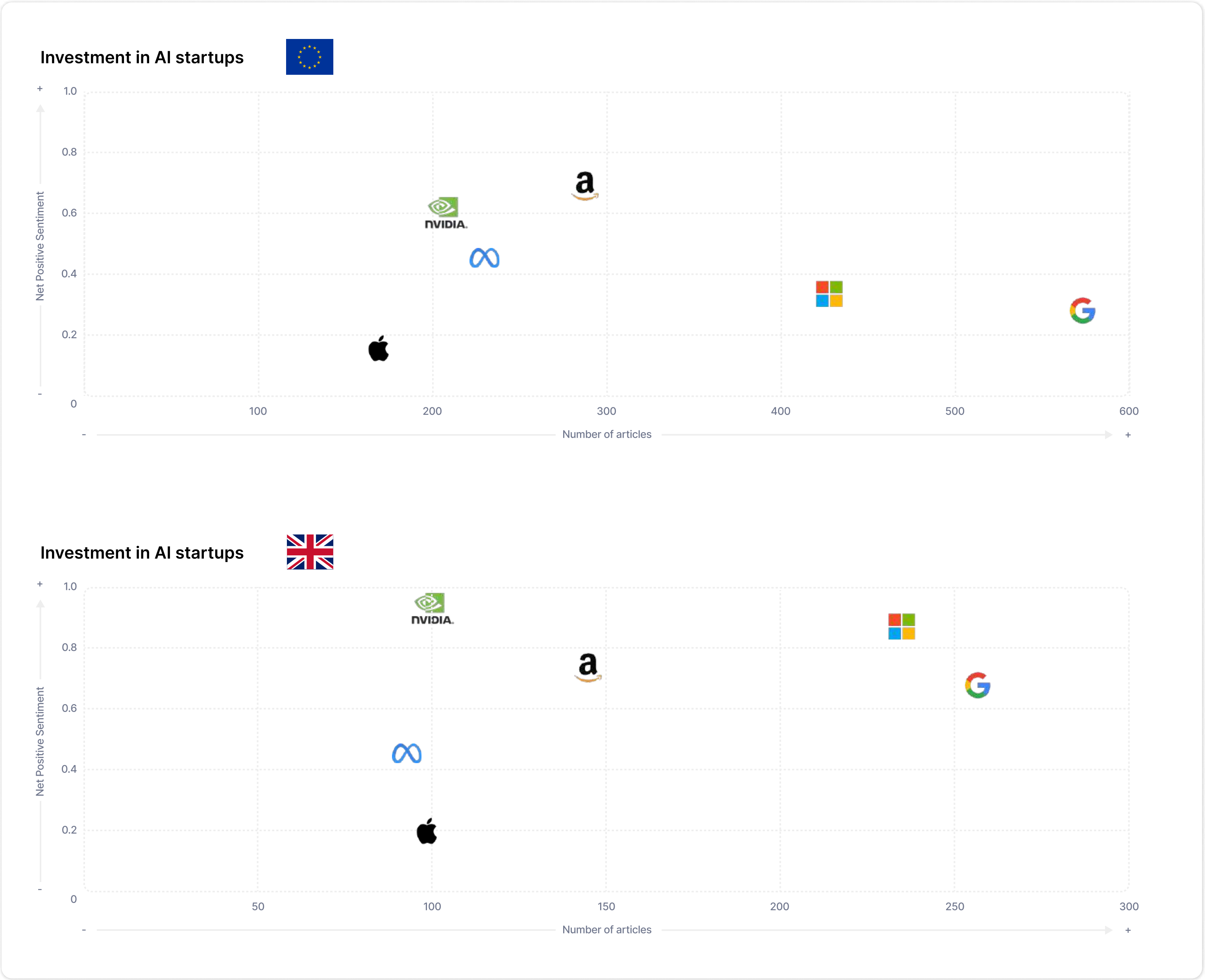
Based on news coverage between April 2023 and April 2024. Source: [Signal AI](#)



Google and Microsoft dominate the headlines in Europe for investment in AI.

When it comes to Big Tech’s investments in AI startups, the UK media has a more positive view than media channels in the EU. Nvidia gets the most positive coverage for AI startup investment in the UK, while Amazon is viewed most positively in the EU. Across the board, Apple is talked about the least in the media for AI startup investment and the least positively, which is in line with its lack of startup investment activity compared with the other Big Tech firms.

Based on news coverage between April 2023 and April 2024. Source: [Signal AI](#)



Regulation is the common denominator in media coverage of the six Big Tech firms in Europe.

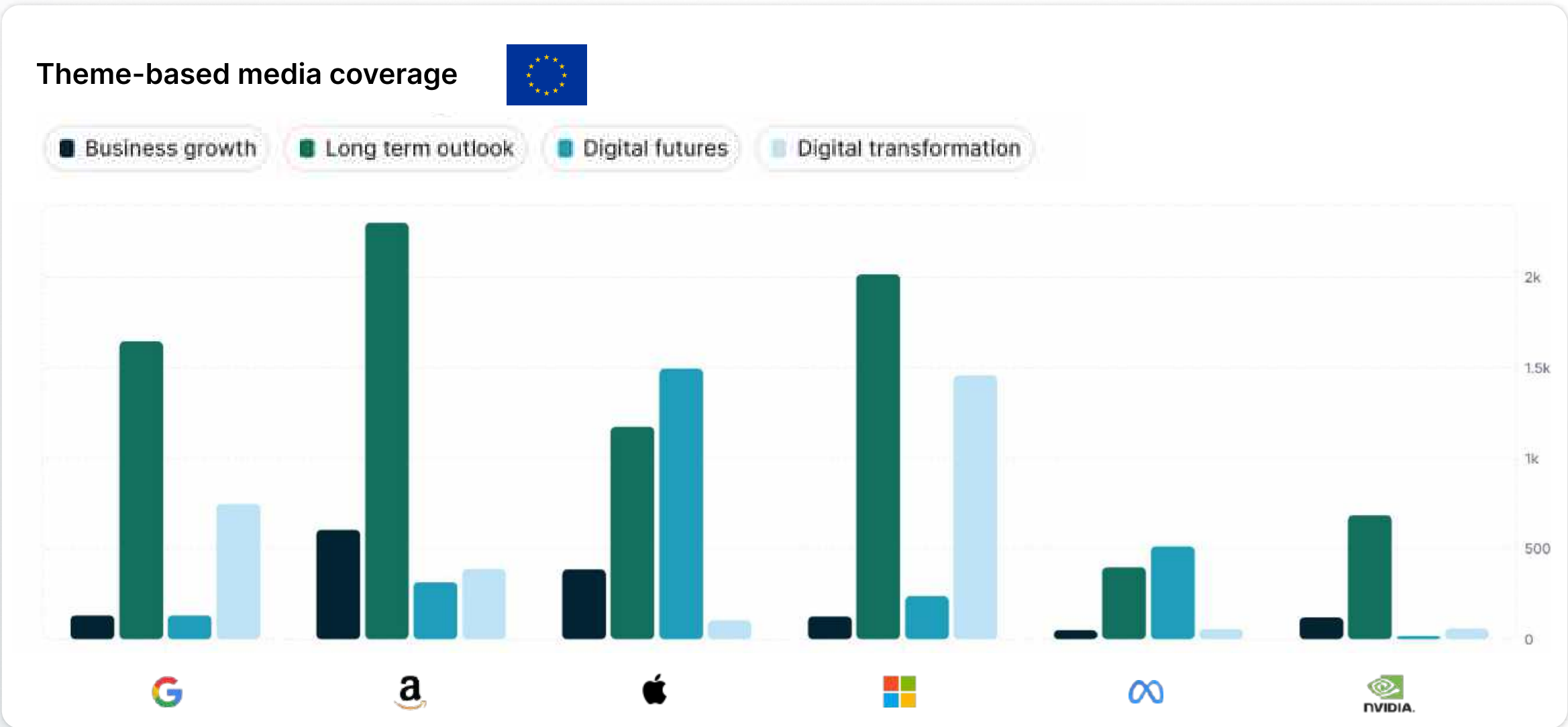
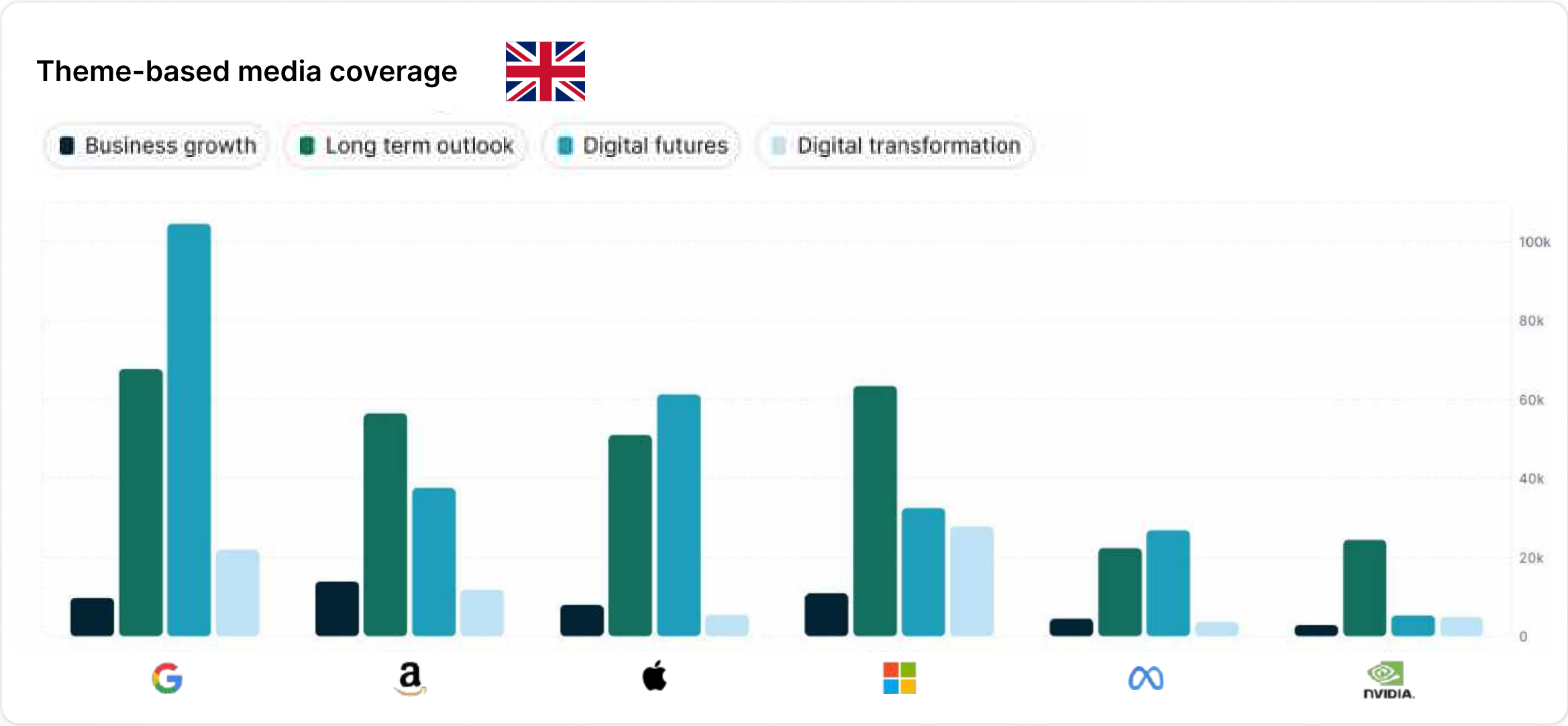
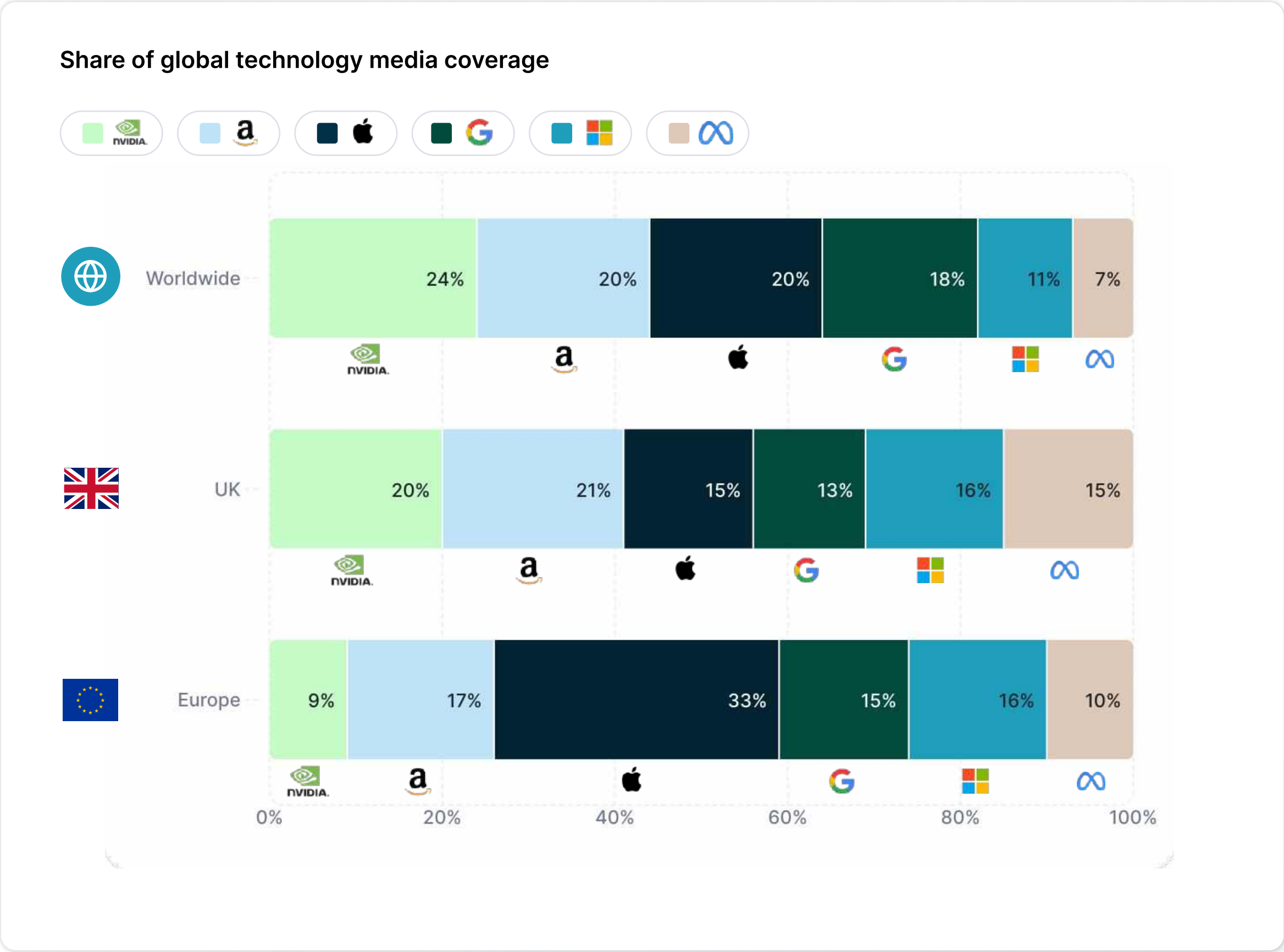
Coverage varies depending on the company with, predictably, Apple, Google, and Microsoft most prominent in news focused on engineering, Meta in social media, Amazon in ecommerce, and Nvidia in manufacturing and applied AI.



Source: [Signal AI](#)

The graph shows the top five most common topics associated with each of the Big Tech firms. The numbers represent how many times each topic was mentioned between April 2023 and April 2024.

Nvidia, Amazon, and Apple receive the most technology coverage globally, while Google and Apple dominate discussions about the future of tech.



David Benigson

Signal AI



“

There’s a big opportunity to focus on co-creation and product development rather than just transactional relationships between startups and Big Tech.

”

David Benigson is the Co-Founder and CEO of Signal AI, which provides reputation and risk intelligence to companies globally.

“For any enterprise software business, the Big Tech firms can be fantastic clients.”

They have a lot of complex challenges and a very big global footprint. There's a tonne of opportunities to get value out of the big platforms and they're trying to proactively support the wider tech ecosystem through credits and access to their LLM capabilities, platforms, and marketplaces.

“There’s a winner takes all mentality between the Big Tech firms, so who you’re hosted with may limit your options.”

If you’re on Google Cloud, for example, you’re probably less likely to be able to partner effectively with AWS. There could also be more co-creation opportunities for startups. Partnerships between small and very large organisations are tricky, but there’s a big opportunity to focus on actual product development rather than just transactional relationships between startups and Big Tech.

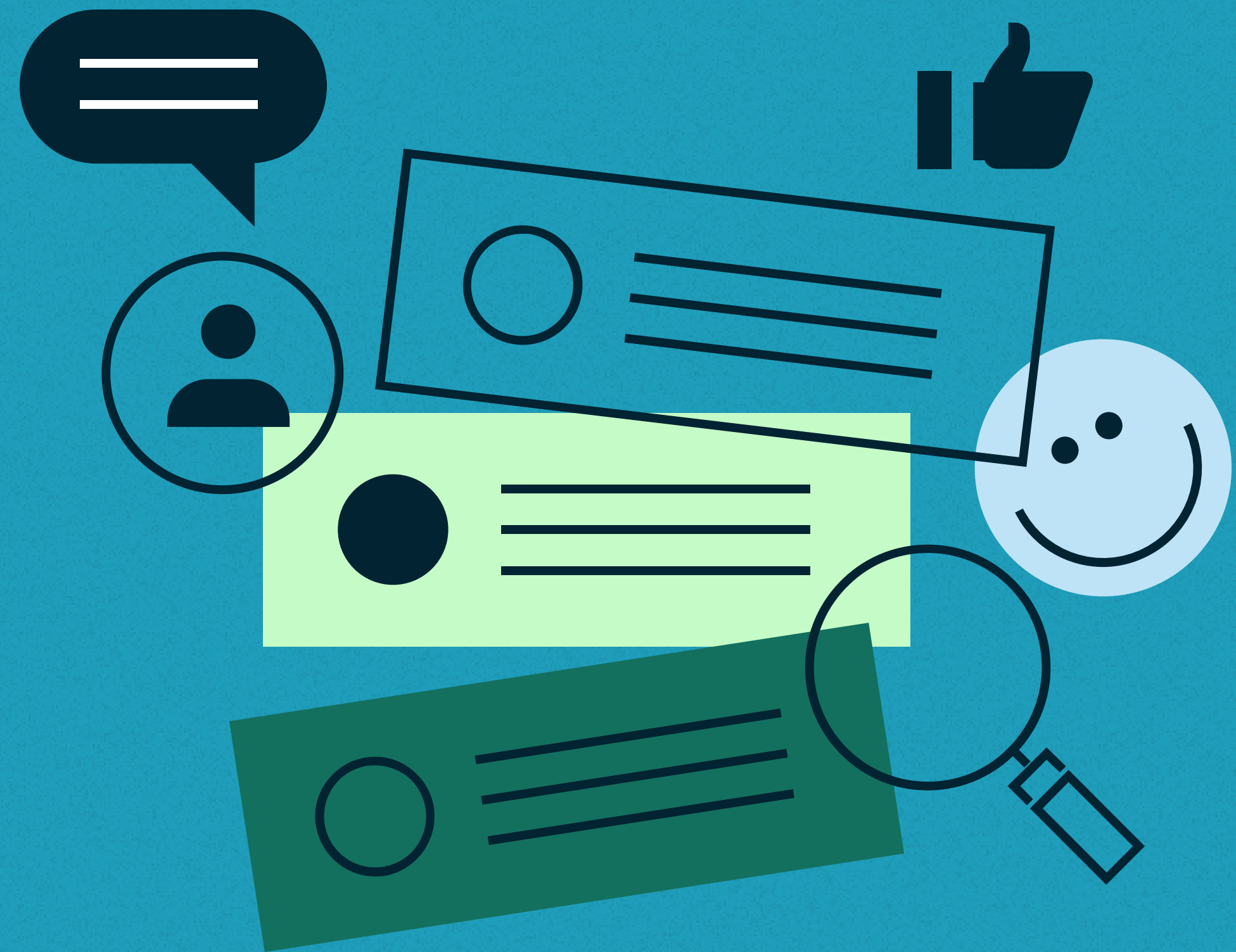
“Taking advantage of commercial opportunities requires ongoing investment.”

If you’re working with a Big Tech firm, it's critical to have dedicated people focused on the partnership. There’s so much noise in these organisations and they’re so big that you’re not going to get much value out of the partnership unless you’re able to invest in a driver.

“

”

HEAR FROM THE BIG TECH FIRMS



AMAZON



John Boumphrey

UK Country Manager



Supporting the Startup Ecosystem

SMBs account for around 99% of all businesses in the EU. By helping these startups and SMBs to scale their operations and prosper, we will in turn help to drive innovation, create jobs, and contribute to the long-term economic prosperity in the European region.

Some of the key areas where Big Tech companies can make a significant impact are around skills development, technology adoption, and access to resources and knowledge. By opening our doors to startups and SMBs, we can share our expertise in areas like technology adoption, data analytics, and leadership development.



We have a responsibility to support the thriving and diverse startup ecosystem in Europe.



Key Initiatives

Accelerator Programmes:

Amazon Sustainability Accelerator includes expert-led virtual and in-person workshops, specialised mentorship, a tailored curriculum, and access to a network of like-minded founders. Since launching in 2022, the Sustainability Accelerator has supported more than 25 sustainable startups across Europe, provided over \$1m in grants and credits, and helped participating businesses increase total sales on average by 700% and raise over €18.7m to date. This year, for the first time, 15 European startups also have the opportunity to pitch their technology for a trial in Amazon's European operations.

Amazon Small Business Accelerator has invested over €7m to provide free online educational programmes to over 130,000 entrepreneurs across Germany, France, Italy, and Spain. These programmes are designed to help startups and SMEs develop the digital skills they need to thrive in the evolving business landscape, aligning with the European Union's policy objectives for the 2023 European Year of Skills.

Most recently, we launched the Amazon Innovation Accelerator in the UK in 2024, where we invite SMBs into our state-of-the-art facilities and provide free training and best practice over how to innovate and grow. SMBs receive free workshops from our on-site expert teams on topics including technology adoption, data analytics and leadership and management – we also provide participants with demonstrations of the latest technology that we are using as part of the workshops.

1st

Amazon is ranked the most supportive Big Tech firm by European tech founders.

\$430m+

Value of European tech startup rounds with Amazon involvement in H1 2024.

17

European tech startup funding rounds participated in, since 2019.

AMAZON



Startup Support:

The Delivery Service Partners (DSP) programme helps entrepreneurs build their own businesses delivering Amazon packages, offering access to our delivery technology, training, and discounted services.

Alexa developers community offers builders, developers, and entrepreneurs to innovate and build a voice-first business for the hundreds of millions of Alexa devices in customers' hands.

AWS:

Over 280,000 startups use Amazon Web Services (AWS) globally to innovate, scale, and grow their businesses. AWS' unique business model enables startups to access and afford market leading technologies to quickly experiment, adapt, and respond to changing market conditions.

AWS Activate has provided over \$1.6b in credits to startups in Europe, Middle East, and Africa since 2013, to help them build their solutions on the cloud.

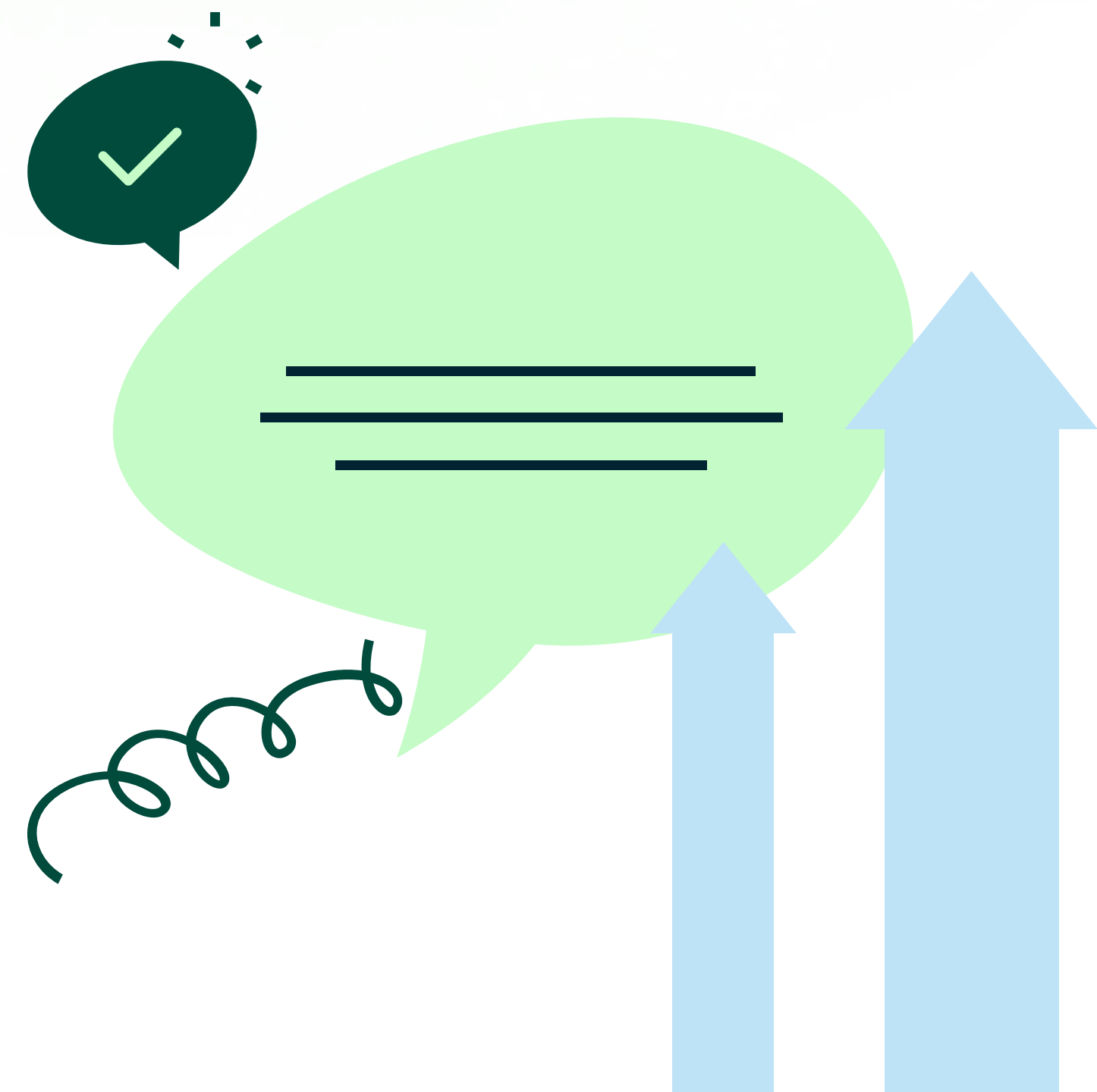
AWS also empowers startups with support through its unique team of expert founders, VCs, technologists, and industry leaders, providing tailored guidance and a vast global network of collaborators – from incubators to universities – to help startups succeed.

In June 2024, AWS announced a \$230m commitment for startups around the world to accelerate the creation of generative AI applications. Part of the new commitment will fund the second cohort of the global AWS Generative AI Accelerator, a program that provides hands-on expertise and up to \$1 million in credits to each of the top 80 early-stage startups that are using generative AI to solve complex challenges.

What's Next?

By continually expanding and enhancing our engagement initiatives, we are confident that we can play a pivotal role in fostering the next generation of entrepreneurial success stories across the region.

We will continue to deliver the Amazon Innovation Accelerator, which will be extended to seven regions of the UK in 2024. We're also increasing support for underinvested founders – AWS launched the Startups Women's Demo Week to increase visibility and support for women-led startups. We also see a huge opportunity in the generative AI space and are helping organisations to capitalise on this through programmes and funding.



APPLE



“We’re passionate about supporting the next wave of European developers.”



Supporting the Startup Ecosystem

Apple is proud to play a role in supporting Europe’s dynamic and innovative business ecosystem, benefitting both startups and more established businesses alike.

We announced last year that our spend with European suppliers has increased more than 50% since 2018, totaling €85b over the past five years and more than €20b in 2022 alone. The investments reach more than 4,000 European suppliers and support cutting-edge innovations that can be found in every product Apple makes. Through these investments and the iOS app economy, Apple now supports more than 2.6 million European jobs.

The developer community continues to be a powerful force for economic growth, supporting 2.4 million of those jobs. The UK has the largest developer community in Europe, and the thriving iOS app economy now supports over half a million jobs there; up nearly 70% since 2019. Since Apple launched the App Store, developers in the UK have earned nearly £7.5b from their apps selling digital goods and services to customers around the world.

Key Initiatives

Getting more people to code is something everyone at Apple is very passionate about and we think will play an important role in strengthening Europe’s already very strong startup ecosystem.

We’re always particularly keen to support App Store developers on the early start of their journey which is why we have the [Small Business Program](#), which means that developers with revenue of less than \$1m pay a reduced commission rate of 15% on paid apps and in-app purchases. This means they can invest more resources into their business to continue building quality apps that customers love.

In Naples, the [Apple Developer Academy](#) trains hundreds of students each year in app development at a state-of-the-art centre at the University of Federico II. The one-year programme gives students the skills and experience to turn app ideas into reality. We are also working with five other universities in the region to bring developer skills and training to over a thousand additional students.

We’ve been a supporter of [European Code Week](#) since its launch and we believe this is a great way for people to learn about the power of coding. We work alongside teachers and educators to bring the magic of coding to life and also provide free Today at Apple sessions in our store across Europe which anyone can join and learn how to code.

We’ve also been working with [Simplon](#) since 2019 to provide free app development and coding training for job seekers from diverse backgrounds. An Advanced Apple Foundation Program, launched in September 2022, combines coding resources with apprenticeship opportunities to provide real-world workforce experience for students with participants graduating with an industry-level Bac+3 certification for app development.

10

Acquisitions of European tech companies in the past five years.

1 in 2

European tech founders we surveyed view Apple’s tech support and tools as valuable.

\$150m

Estimated acquisition of UK fintech, Credit Kudos, in 2022.

GOOGLE



Debbie Weinstein

Vice President & Managing Director, UK & Ireland

“

Competition is healthy for everyone. We want to see more businesses leveraging the power of technology to improve people's lives.

”

Supporting the Startup Ecosystem

We have a key role to play in supporting a thriving startup ecosystem and fostering innovation and growth. There are three key ways we do that. First, we share our expertise through various startup programmes. Second, we provide our products, which are fundamentally open for everyone and mostly free to use, giving startups easy on-ramps to get started. Thirdly, we offer funding and support to the startup ecosystem.

Small and medium-sized enterprises are the core fuel for the economy, so bringing more people into that part of the economy to drive employment and growth is absolutely critical. Competition is healthy for everyone. We want to see more companies leveraging today's technology to build their own success; that makes all of us better.

Key Initiatives

Expertise:

Grow with Google offers free digital skills training. We've trained over 1 million people across the UK on digital skills since 2015.

Google Career Certificates give people expertise in areas like cybersecurity, project management, and digital marketing.

Products:

Google Workspace provides productivity tools for small businesses to get started.

Google Cloud provides critical infrastructure for many small businesses and we offer Google Cloud Credits to help startups get going. Google Ads allows businesses to export around the world. For later-stage startups, these products really come into play, helping businesses scale from that 1-10 to 10-100 employee stage.

Funding:

We have various initiatives to support groups that haven't been well-served by the traditional venture ecosystem. Our Google for Startups Black Founders Fund, for example, addresses the fact that, prior to the creation of the Fund in 2021, less than 0.25% of VC funding went to Black-led startups.

What's Next?

AI is our core focus right now. We've pivoted our Grow with Google programme to offer entrepreneurs practical skills to help them understand how they can apply AI in their businesses. We also have very targeted Growth Academy programmes, like AI for health and AI for cybersecurity.

AI is a general purpose technology that can be used by everyone to be more efficient in their work. We see that AI could add \$400b to the UK economy by 2030, and training and skills development is essential to unlocking that potential.

50

European tech startup funding rounds participated in, since 2019.

\$730m

Value of European tech startup rounds with Google involvement in H1 2024.

1 in 2

European tech founders we surveyed view Google's accelerator and mentorship programmes as valuable.

META



Derya Matras

Vice President, UK, Northern Europe,
Middle East & Africa

“ Our AI products are driving significant results for businesses of all sizes today. ”

Supporting the Startup Ecosystem

Companies like Meta play a crucial role in supporting the UK and European startup sector by contributing to the open source ecosystem. This provides organisations access to state-of-the-art AI for free, leading to safer products, more responsible development, and stronger economic opportunities. An open community continuously identifies and mitigates vulnerabilities, ensuring accountability for Meta.

In my role, I've seen how AI can supercharge growth for businesses, as seen with UK beverage company Press Healthfoods, who achieved a 33% lower CPA using our new generative AI image and text generation features to drive creative diversity. Having access to state-of-the-art AI is going to be an increasingly important driver of opportunity in the future. We're committed to building AI openly and responsibly, collaborating with governments, experts, and companies to establish common standards.

Key Initiatives

Meta is deeply committed to fostering innovation and growth within the AI sector, launching several initiatives to support UK and European startups and SMEs. Our recent partnership with Hugging Face and Scaleway led to the [AI Startup Programme](#), accelerating the adoption of open-source AI solutions in Europe.

In the UK, we've collaborated with Colorintech on the [Spectrum AI Accelerator](#), supporting diverse tech founders through educational workshops and events. We've invested in upskilling the UK tech sector through PhD programmes with University Central London and Oxford University, placing students within Meta's teams and mentoring them. These initiatives significantly impact the sector by empowering entrepreneurs and helping them integrate AI into their business.

Additionally, we offer free online courses through [Blueprint](#), covering various topics on optimising ad performance, including getting started with Advantage Suite. Designed with businesses in mind, our Advantage Suite acts as an 'easy button', making it perfect for small businesses eager to leverage AI.

What's Next?

We're making substantial investments in our AI-powered products, helping advertisers run more efficient and better-performing ad campaigns. Notably, Camden Town Brewery tested a Meta Advantage+ Shopping Campaign with a suite of automated features. Compared to their business-as-usual strategy, they saw 2x higher return on ad spend 2x lower cost per incremental lift.

We'll also continue to invest in connecting businesses with people where they spend time, like Reels and Business Messaging. With video representing over 60% of time on Facebook and Instagram, and Reels being a primary driver, this creates significant growth opportunities.

With over 200 million businesses using our services monthly, our AI products are driving significant results for businesses of all sizes today. It's our priority to continue to help UK and European startups and SMEs grow, optimise ROI, and show them that we make every pound spent count.

12

Acquisitions of European tech companies in the past five years.

\$100m

Estimated acquisition of Greek audio plugin developer, Accusonus, in 2022.

1 in 3

European tech founders we surveyed view networking opportunities offered by Meta as valuable.

MICROSOFT



Darren Hardman

Corporate Vice President, EMEA



We're seeing a significant number of AI centric startups leaning into Microsoft to explore how they can do more with us from a product development and partnership perspective.



Supporting the Startup Ecosystem

Big Tech has a significant presence in the startup ecosystem through a myriad of different roles. At Microsoft, we provide access to investment in the form of funding or co-development, as you've seen in our partnerships with [Wayve](#), [OpenAI](#), and [Touchcast](#).

We nurture the tech community with knowledge sharing and upskilling through our accelerator and training programmes, and provide access to our tools through free or discounted programmes. We encourage collaboration and innovation through our hackathons and broader community events. And, when they're ready, we look to help startups scale their business and operations through our partner and enterprise customer network, exposing them to new opportunities and geographies.

As digital natives, startups have an advantage in this era of AI, and we're seeing a significant number of AI centric startups leaning into Microsoft to explore how they can do more with us from a product development and partnership perspective.

Key Initiatives

For early stage startups:

[Microsoft for Startups](#) offers free access to our technology across the stack, in addition to a dedicated support tech team and mentorship programme, to help you build a solid foundation.

[Reactor](#) helps startups build their network and learn from their peers – crucial for fostering innovation and growth.

For later stage startups:

[Pegasus](#) and the [Microsoft Partner Network](#) connect growth-oriented companies with our customers and partner ecosystem to explore opportunities and build their network.

The focus is to help startups scale their business to larger enterprises and bolster economic growth. This is key for our European startups to ensure they can succeed and scale in the region and we've seen tremendous results – Silverfort, Cegid, Darktrace, Aiven, and Outsystems are just few who have benefited from these programmes.

For social impact startups:

An equally important sector we invest in are those focused on social responsibility. From global topics such as responsible AI to local nonprofits, we offer several programmes in the form of education, grants, tools, and access to experts. This allows these organisations to focus on their product and impact, while providing them with the technology and expertise to help them build and operate efficiently, as we've done with [Mondra](#) and [Hello Lamp Post](#).

What's Next?

As an organisation, we have adapted our structure to accommodate the unique needs of startups. We have dedicated teams focused on EMEA Digital Natives, platform providers and software vendors with tech intensive support teams, co-sell motions, and close alignment to engineering. We also orchestrate access to VIP events – like roundtables with Redmond executives, AI programmes to help them adopt and scale, and more. Watch this space!

\$1.4b

Value of European tech startup rounds with Microsoft involvement in H1 2024.

30

European tech startup funding rounds participated in, since 2019.

3 in 4

European tech founders we surveyed view Microsoft's tech support and tools as valuable.

NVIDIA



Serge Lemonde

Senior Director, Inception Partnerships
& Ecosystem Development

Supporting the Startup Ecosystem

Companies such as NVIDIA can help startups at all stages of development. Early-stage companies usually need developer support to help them scale their solution from a technical perspective. Once their business model is established and their solution or application is ready, later-stage companies usually need support with marketing and go-to-market activities.

Key Initiatives

In 2016, NVIDIA launched the Inception programme to nurture technology startups that are changing the world with brilliant, industry-transforming solutions. With 19,000+ active members worldwide and 5,000 in Europe, Inception helps startups evolve faster through access to cutting-edge technology and engineering guidance, as well as opportunities to connect with VCs.

“

Startups pioneer innovation at a high pace in every domain and across every industry.

”

Unlike other accelerator programmes, Inception is free to join and open to any officially incorporated startup driving AI innovations with accelerated computing – regardless of its current funding stage. Some benefits include preferred pricing on select hardware and software products, free credits for self-paced courses, discounted technical workshops through the NVIDIA Deep Learning Institute (DLI), and cloud credits through NVIDIA partners, including AWS and Google Cloud.

While Inception members are making an impact across all major industries, it's interesting to see the different focuses in various regions. UK startups, for example, lead the way in healthcare and life sciences, while cities like Berlin and Paris shine with strong generative AI tools and platform providers. The Munich region is rich in industrial-focused startups.

What's Next?

We are constantly evolving Inception to include new benefits to meet the unique needs that technology startups face. This includes introducing new technology training courses and workshops, providing generative AI certifications for startup developers, hosting pitch days with VCs, and creating pathways for members of Inception with several of our key partners.

For example, in September 2024, we'll be hosting a startup community event in Munich in partnership with IBM and a startup ecosystem event in partnership with leading German VCs. We're also planning a VC and startup ecosystem event focused on healthcare, life sciences and generative AI in London after the summer.

We have also introduced a programme benefit to connect startup members with our rapidly growing community of hundreds of VCs and investors. Startup members can indicate their funding interest on the Inception portal and connect to VCs and investors in just a few clicks.

\$1.6b

Value of European tech startup rounds with Nvidia involvement in H1 2024.

8

European tech startup funding rounds participated in, starting in 2023.

24%

Nvidia's majority share of global media coverage of the Big Tech firms.

WORKING WITH BIG TECH

FOUNDER INSIGHTS





Angie Ma
Faculty

faculty

Angie is the Co-Founder and COO of Faculty, which transforms organisational performance through safe, impactful, and human-first AI. Faculty helps customers reap AI's benefits whilst safely managing the risks.

“
Big Tech companies are uniquely positioned to support the European startup ecosystem.
”

“Big Tech provides the platform on which businesses are run.”

With more and more businesses using the cloud, Big Tech companies, such as Amazon, Microsoft, and Google, simply provide the modern platform on which businesses run; but they also have the less traditional roles of strategic advisor, ecosystem creators, and champions for startups and new businesses.

As strategic advisors, the cloud providers provide expertise on everything from migrating to the cloud, maximising value from the cloud, and more recently to adopting AI on the cloud. As ecosystem creators, they have created networked partnerships at unprecedented scale. As champions for new businesses, they provide many benefits, such as an easy means to increase market reach, as well as significant financial incentives and benefits to reward building a business on their platform.

While it goes without saying that the cloud providers are doing all this to support existing clients or nurture future ones, all of the above can be incredibly powerful enablers for startups – to give just one example, eligible early stage AI focused startups can receive as much as \$1m in cloud credits to grow their business.

3 Tips

for working with the Big Tech cloud providers
(Amazon, Google, Microsoft)

“Community events can be incredibly useful to startups.”

As part of developing their partner and client ecosystems, the cloud providers have started running more ‘community’ themed events. Different from the myriad of technical training or webinars available online, these are usually smaller, industry focused, region specific, in-person events, which are free to attend and open to all. These events often feature topic or product updates, expert panels, and motivational speakers, as well as providing networking opportunities.

“One of the biggest challenges is the difference in scale.”

These are large, complex organisations that are process heavy, metric driven, with matrixed global teams; in short, likely everything a startup is not. The Big Tech companies have startup teams and partner managers to help businesses navigate this complexity, and are working hard to simplify their processes and programmes down as much as possible, but it still remains a challenge – often as much for their own employees as it is for partners and clients.

1 Play their game

‘Registering’ as a ‘partner’ is as simple as going on a website and accepting a partner programme agreement. To get to a meaningful ‘Partner with a capital P’ status requires time and organisational commitment; to become a ‘Strategic Partner’, exponentially more so. The best way to build these partnerships is to learn to play their game and have realistic expectations about what that journey will entail.

2 Don't commit to any kind of exclusivity (or at least not too soon)

Modern partnership ecosystems are built on networks and many to many relationships. While it can be tempting to commit to one cloud provider (especially in the context of the effort required to build those partnerships), they have different strengths and weaknesses, as well as different relative importance across different industries, so it can be limiting to focus on just one.

3 Differentiate!

When it comes down to who they partner with, the cloud providers have an abundance of choice. So, it is really important to have a crystal clear articulation of a business’ key differentiators, and even better if that can be framed in the context of a ‘better together’ story with the cloud provider. In such a crowded market, providing clarity around how a business is different is almost as important as the differentiator itself – almost!



Carmen Palacios-Berraquero

Nu Quantum



Carmen is the Founder & CEO of Nu Quantum, a leading quantum computer networking company. An award-winning quantum physicist and author, she serves on the Technical Advisory Board of the UK's National Quantum Computing Centre and is Co-Founder & Director of UKQuantum.

“A healthy startup ecosystem benefits the Big Tech firms.”

Big Tech firms can't innovate on everything in-house. Mostly, their way of bringing in the latest technology is via acquiring tech startups, so a healthy ecosystem of cutting-edge technology startups benefits them.

They have incredible resources at their disposal to create ecosystems and fund smaller companies to reach goals they couldn't reach by themselves. They can test hypotheses at scale in a way startups can't by themselves. Plus, generally, if they're interested in a particular market or technology, they will publicise this openly, which in turn helps create a market. Big Tech should continue to support experimentation, collaboration, and big ideas to benefit everyone in the ecosystem.

“Think long term and broaden your vision.”

We've been fortunate to collaborate with Cisco, which has broadened our vision and experience to learn how to operate on a global scale. When working with Big Tech companies, don't focus only on selling your product in the short term; learn, build relationships, and gain experience that you can apply going forward in your business generally as well. The most fruitful commercial relationships might not be a small early sale, but a larger partnership or acquisition in the future.

I would also caution that Big Tech firms do change their mind on priorities, and they may place small bets on sectors and startups that they ultimately may not follow through with when their roadmaps change. Even if a relationship seems positive, have alternatives and backup plans.

“Even if your relationship seems positive, have a backup plan; don't rely on a single potential partner or customer.”

Enass Abo-Hamed

H2GO Power



“

We need more Big Tech investment in energy and climate tech.

”

Enass is the Co-Founder & CEO of H2GO Power, an award-winning spin-out from the University of Cambridge specialising in AI and energy storage. Enass is also a member of the Advisory Board at BeyondNetZero's General Atlantic Growth Fund, a Board Trustee at the Royal Academy of Engineering, and a World Economic Forum Young Global Leader.

“Key innovations and products will be produced outside the Big Tech firms.”

This decade is unlike any other time for tech and our reliance on tech products will continue to increase moving forward. The pace the world is adopting technology at is incredibly fast and while Big Tech continues to produce products that are widely used, key innovations and products will be produced outside of their organisations, by European startups. Big Tech can score meaningful wins from supporting the European startup ecosystem and discovering new revenue streams and areas that can be major differentiators in the future.

“Solutions in climate tech and energy are critical for climate and economic growth.”

We see acquisitions or partnerships around key areas, like the Microsoft investment in OpenAI in the US. Partnerships like these enable the development of fields like generative AI to accelerate where the relationship between Big Tech and startups is symbiotic and achieves growth and progress at pace. I would like to see more of that in Europe in fields like climate tech and energy, where attention, solutions, and adoption are critical for progress both on climate and economic growth.

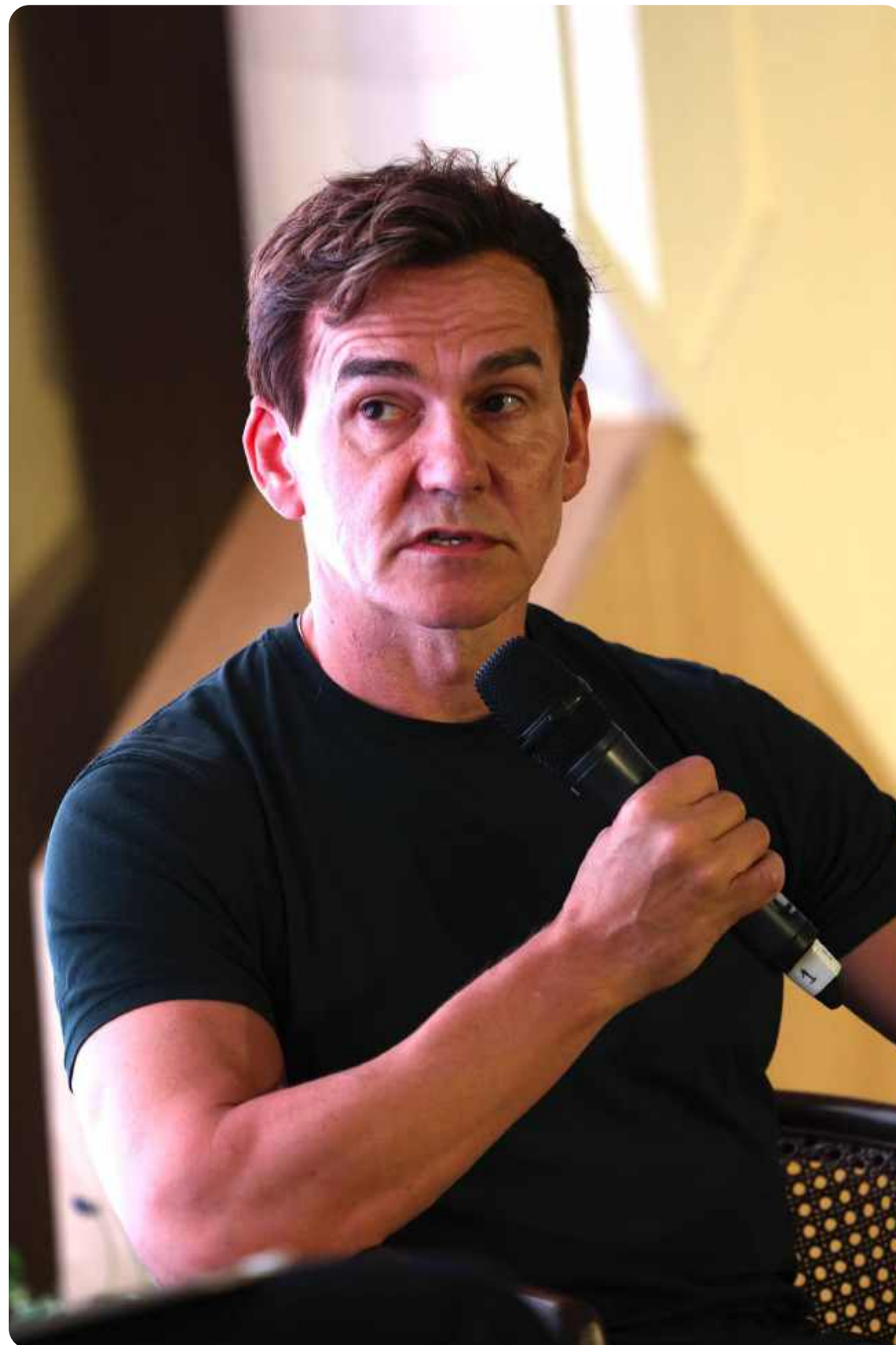
“Align your technology with Big Tech’s strategic priorities.”

When speaking with the Big Tech firms, sometimes it takes a few iterations to find the right angle, and the right person with the right expertise and motivation. Large businesses have strategic priorities and if you have the ability to align your tech with their priorities and approach it at the right time that could create common grounds for collaboration. Also, learn to filter conversations that go one way and don't convert into mutual benefits.

Matthew Moulding

THG plc

THG



“Almost every European AI startup is currently receiving free use of hosting services from the major US tech giants.”

Matthew is the Founder and CEO of THG plc, a vertically integrated, digital first consumer brands group that operates three distinct businesses in Beauty, Nutrition, and Ingenuity, each scaled from the UK to hold global leading positions in their respective sectors. He is a serial entrepreneur with over 20 years of experience in the digital sector.

“Big Tech is partnering at the grassroots level.”

Almost every European AI startup is currently receiving free use of hosting services from all the major US tech giants, which is a major cost item for all the data processing activities.

In this way, Big Tech is partnering at the grassroots level, seeing what’s working and what isn’t, while also being in pole position for deeper relationships for those companies that become very successful.

In a similar way, Big Tech shares many of their wider products for free or subsidised monies, leveraging their existing and growing infrastructure. Opening up their resources to grassroots startups, at subsidised rates, is a massive win for all concerned.

“Big Tech firms are obsessive forward thinkers.”

They are constantly looking around corners to see where they need to position their resources. This has been core to their success, leveraging a broader US capital market that’s passionate about being the driving force of global innovation. Now that they’ve reached that position, maintaining it and developing further remains a huge focus.

For me, I’d love to see Big Tech do more in the healthcare space. The resources at their disposal dwarf anything the pharma industry has to offer.

“Speak with others who’ve successfully worked with Big Tech.”

The biggest challenge with any big organisation is the speed at which they sometimes work versus startups, given the longer chains of command. Speaking with others who already successfully work with Big Tech should help speed up any learnings and get things done quicker.

Niklas Zennström

Atomico

atomico



“

Big Tech holds an important role in the European ecosystem as an incubator for ambition and talent.

”

Niklas is Founding Partner and CEO at Atomico. He sits on the boards of Liliu, H&M, and Neko Health. He previously co-founded and managed globally successful technology companies including Skype, Kazaa, and Joltid.

We often talk about the ‘flywheel’ for Europe’s growth - the systematic recycling of talent, capital and know-how back into the ecosystem from tech success stories into new startups.

Nearly 9,000 companies have been initiated by alumni of European exited unicorns that were founded during the 2000s, a 50% increase compared to the unicorns founded in the 1990s. Many of these employees have worked in Big Tech firms on their journey, gaining a valuable understanding of the hustle, mindset and resilience needed to operate at a global scale, before becoming founders.

Europe needs growth capital and Big Tech has a role to play in returning liquidity to European investors via M&A, which can then be reinvested in the most ambitious founders of the next generation.

Peter Leek

Oxford Quantum Circuits

OQC



“Quantum startups could become the next Big Tech companies.”

Peter is the Founder & Chief Scientific Officer of Oxford Quantum Circuits, a University of Oxford spin-out, which aims to create a quantum-enabled future by developing enterprise-ready quantum computers based on superconducting qubits and OQC's patented Coaxmon chip.

“Big Tech could massively benefit from supporting quantum startups.”

Quantum represents the deepest end of deep tech: we are building a new capability for humanity with uncertain but potentially transformative impacts. Big Tech companies should look to support startups, because these ventures could become the next 'Big Tech' underpinning advancement in diverse areas, just as computing has over the last 50 years.

Big Tech companies could benefit massively if they position themselves as future players in this new era of computing, utilising deep tech such as quantum, even if just to have the crucial capability to solve the niche 'very hard' end of computing could provide them with an immense competitive edge on multiple fronts.

Currently, we see most successful Big Tech in quantum comes from the US. But I think that the more promising startups and spin outs in quantum are actually in Europe. They benefit from a culture of careful, long-term growth suited for deep tech. The diversity in Europe's ecosystem positions it well for quantum innovation as the sector matures. Plus, government support through procurement of prototypes and establishing national centres of quantum research further enhance this ecosystem.

“We need stronger facilitation and support networks to help diverse sets of startups”

We've already seen Big Tech players make the step towards supporting startups through providing access: NVIDIA and CUDA-quantum, Amazon and AWS Braket, and Microsoft's Azure. This access capability plays a critical role in market maturity. As tech giants take system integrator roles, they bring components together ultimately creating a better solution for end customers. These integrations open new revenue stream opportunities for smaller startups, which in turn enables them to continue developing their product.

Big Tech companies have also begun to invest in early stage startups, such as NVIDIA's recent investments in five AI companies. However, there's a need for stronger facilitation and support networks to help diverse sets of spinouts and startups. Funding for networking and collaboration initiatives could promote idea exchange and

cross pollination within the ecosystem, benefiting both startups and the internal teams of Big Tech companies. Deep tech will typically involve knowledge that is hard to come by without high level education in the specific topic, and gaining that knowledge can be of high value.

“Take a step back and understand how your startup can complement a partner's offering.”

Then focus on meeting the end customers' needs. This will support being more strategic with the chosen partners and also help present a clear solution to Big Tech companies. By emphasising value-add, you can open doors to learnings, opportunities, market insights, and commercialisation prospects. At OQC, we recently partnered with leading HPC organisations to enable hybrid quantum-classical compute at CESGA's Supercomputing Centre. Choosing the right partners helped us win the tender and deploy our technology, adding significant value.

Successful collaboration requires mutual understanding and respect of each party's different goals. Academia needs to be free to carry out creative high risk research, deep tech companies need to develop their technology and raise their value and investment prospects, while Big Tech needs to gain knowledge and understand the value of these new technologies. Recognizing these different perspectives can make collaboration highly beneficial.

Rishi Khosla

OakNorth



Rishi is the Co-Founder & CEO of OakNorth, which is transforming how entrepreneurs grow their businesses by providing them with access to credit and personalised banking services.

“Europe represents a significant market opportunity for tech giants.”

By supporting startups in Europe, Big Tech companies can gain access to local talent, several hundred million more consumers, and markets that they may not have been able to penetrate as effectively on their own. They can expand their reach, increase their market share, and keep abreast of potential M&A opportunities to ensure they maintain a strong acquisition and investment pipeline and maintain their market-leading positions.

Tech giants often face regulatory scrutiny, particularly in Europe where there are stringent data privacy and antitrust regulations. By fostering competition in the market, they can also demonstrate to regulators that they are committed to promoting a healthy and competitive ecosystem, which may help mitigate some regulatory risks.

“

“By supporting startups, tech giants can tap into new ideas, technologies, and business models that could potentially disrupt or enhance their own.”

”

“Startup support is concentrated in a few major European tech hubs.”

Big Tech could widen their geographic spread as a lot of their support for European startups is concentrated in hubs like London. There are amazing tech hubs in Paris, Berlin, Amsterdam, Vilnius, Copenhagen, Stockholm, and more.

As is the case across the investment landscape, it’s also important that Big Tech firms look at opportunities with a diverse range of founding teams. For every £1 of equity investment in the UK, for example, only 2p goes to fully female-founded businesses.

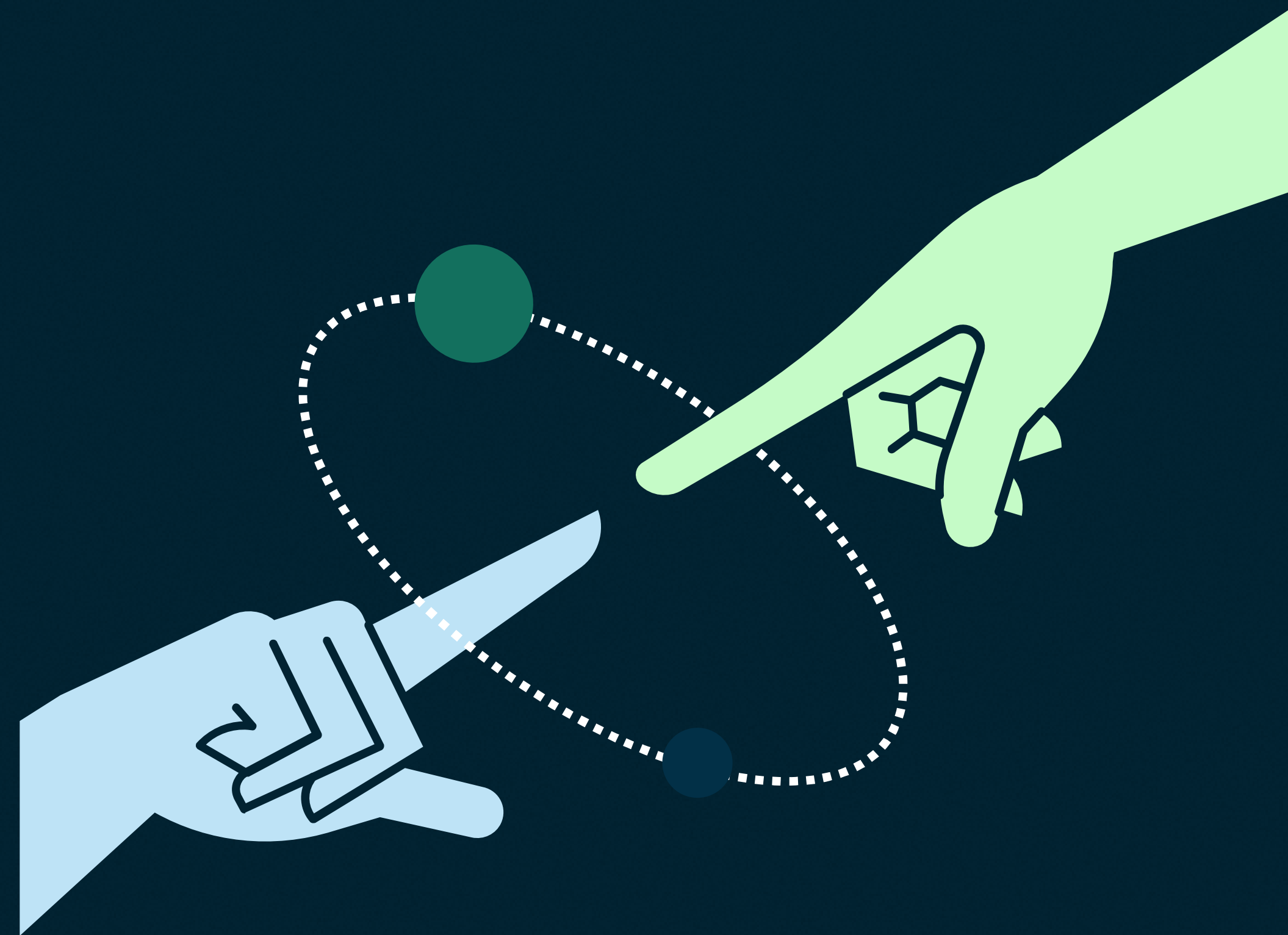
“Big Tech companies can help startups make fewer mistakes.”

Many startups make architecture, tech stack, and infrastructure mistakes, especially in their early days. By supporting these companies with formal mentoring or providing access to their cloud and cyber security experts, Big Tech firms could help startups make fewer mistakes on their journey, and certainly much less fundamental ones.

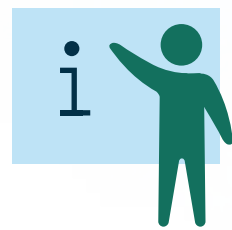
This would in turn benefit the Big Tech companies, because as the startups scale, they could become lucrative customers. Offering a helping hand to startups in their early days could create a pipeline of new business further down the line.

ACTION PLAN

5 KEY RECOMMENDATIONS
FOR THE BIG TECH FIRMS



What can Big Tech do more to support the European startup ecosystem? Based on our research, data insights, and conversations with leading European tech founders, we have five key recommendations for the Big Tech firms.

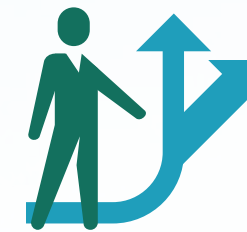


1

Make startup support initiatives more visible and accessible.

Despite the various accelerators and skills training programmes offered by the Big Tech firms, almost half of the European founders we surveyed are not aware of any Big Tech initiatives designed to support them.

Big Tech firms should focus on improving the visibility and accessibility of their support programmes for startups in Europe. Founders want more targeted outreach, simplified application processes, broader application requirements to encourage those from underrepresented backgrounds to apply, and greater transparency to make it easier to identify and connect with the right people within the firms.



2

Broaden scope beyond the major European tech hubs.

10 of the 17 companies who received VC investment from the Big Tech firms in H1 2024 are headquartered in the UK. Major European hubs, like London and Paris, are well served by Big Tech. However, more work is needed to widen support initiatives across Europe.

Founders want localised programmes and resources, networking events, hackathons, and investment in regionally-focused funds. Through partnerships with national universities and local governments, Big Tech can tap into ever more diverse talent pools and foster innovation across a broader European tech landscape.

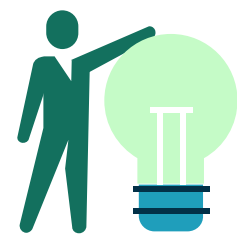


3

Enhance support for later-stage companies.

Many burgeoning tech companies target the Big Tech firms as potential acquirers. While acquisitions provide clear advantages for Big Tech, they're not by default a bad thing for the competitiveness of the wider ecosystem. In fact, there's evidence to suggest that Big Tech acquisitions can lead to an increase in VC activity – acquisitions return liquidity to investors who can then back the next generation of high-potential tech companies.

At the same time, Big Tech's support initiatives for European startups are mostly focused at grass roots level, and founders want to see more support to allow these companies to scale. This would help foster a more mature ecosystem, benefiting both the startups and Big Tech in the long run. Suggested initiatives include offering more advanced technical support and resources for companies dealing with the challenges of rapid scaling, such as handling increased data loads or expanding infrastructure, and creating partnership programmes that pair later-stage startup executives with Big Tech leaders.



4

Promote open innovation.

70% of the European tech founders we surveyed want to see more investment from Big Tech, while 66% want more opportunities for co-development projects. Big Tech firms can play a defining role in sandbox environments, where corporations, startups, scientists, and regulators share knowledge and work collaboratively to innovate in critical areas like AI, cybersecurity, or engineering biology.

Founders also called for Big Tech firms to diversify their investment strategies beyond traditional focus areas and support the development of fundamental technologies that solve global problems and drive economic growth, in areas like deeptech, healthcare, energy, and climate tech.



5

Be proactive in addressing anti-competition concerns.

The Big Tech firms' focus on maintaining and growing their market share is understandable.

But Big Tech must do more to proactively address anti-competition concerns and collaborate with regulators to create a fairer playing field that encourages innovation, especially given the added scrutiny of the EU's Digital Markets Act.

So many major tech developments have come from startups infusing fresh ideas, technologies, and approaches into Big Tech companies' operations, products, and services. As we can see from the recent investments in European AI companies, Big Tech needs innovation from high-potential startups, in the same way that some startups benefit from Big Tech. We know that competition drives companies to innovate and offer better products, services, and customer experiences. Creating an environment where innovative companies are incentivised to grow, without a Big Tech-tinted glass ceiling, is critical to driving the growth and success of the entire European tech ecosystem.



Methodology

When we refer to Big Tech or the Big Tech firms throughout this report, we are referring specifically to the big six: Amazon, Apple, Google, Meta, Microsoft, and Nvidia.

Big Tech Startup Quadrant

Our Big Tech Startup Quadrant is designed to show the relative roles that the Big Tech firms play in supporting the European startup ecosystem. This is based on two metrics: startup engagement (y axis) and investment activity (x axis).

Startup Engagement is based on founders' perceptions of the Big Tech firms. For this metric, we asked founders to rank the Big Tech firms for their startup support.

In our survey, we asked founders how aware they were of the startup support initiatives offered by the Big Tech firms. Based on their responses, we ranked the Big Tech firms from most awareness to least awareness. We also asked founders to rank the Big Tech firms from 1 to 6 (1 being the best) for their support for startups. For our Startup Engagement metric, we calculated a weighted average of the two results.

Investment Activity is based on how far each Big Tech firm invests into European startups. For this metric, we looked at a combination of the total amount invested in European startups via VC rounds, number of VC rounds participated in, and number of acquisitions of European startups. We then scored the Big Tech firms based on these three parameters.

Investment

We used European data provided by [Dealroom](#), covering round sizes, deal activity, and acquisitions, to provide an overview of Big Tech's investment in European tech startups. Our analysis includes companies founded and/or headquartered in Europe. Currency data is in USD. Data was pulled in July 2024.

Founder Survey

We surveyed 133 European tech founders between June and August 2024 to understand their sentiment towards, and engagement with, the Big Tech firms. Founders came from a variety of industries including SaaS (21%), AI (17%), fintech (8%), and climate (7%).

Big Tech in the Media

We used data from [Signal AI](#) to track media coverage of the Big Tech firms between April 2023 and April 2024.

Signal AI's Net Positive Sentiment (NPS) is based on the total number of positive news mentions, minus the total number of negative mentions, divided by the total number of mentions. The sentiment score varies between -1 (negative sentiment) and 1 (positive sentiment), with a neutral score (0) indicating a prominence of neutral coverage, or highly polarised coverage (both positive and negative).

Share of Voice (SOV) is based on topic mentions divided by the total number of mentions, multiplied by 100. SOV is determined by tallying the mentions of the top 20 most referenced organisations in conjunction with a particular topic. The resulting percentage is the percentage of the total number of mentions attributed to the 20 most referenced organisations related to a particular topic.

Events & Networking



Education



Professional Services



Investment



Philanthropy



Content



FOUNDERS
FORUM
GROUP

OUR PARTNERS



As our community grows, Founders Forum Group continues to expand via incubation, investment, acquisition, and partnership.

We welcome collaborations with individuals, organisations, and governments who share our mission in promoting entrepreneurship and driving positive change through technology.



Powered by Founders Forum Group, Tech Nation is the leading growth platform for tech insights, collaboration and talent, equipping ambitious founders with the access and knowledge they need to grow from seed stage to success story.

This year Tech Nation proudly relaunched the Climate, Libra and Future Fifty growth programmes, with the Rising Stars pitch competition for early-stage tech startups due to relaunch very soon! Explore our programme portfolio on the right...

Join us on this journey
technation.io



Powered by:

