



Women-led startups losing across the board: from creation to funding, in all key European markets

4th SISTA x BCG barometer on gender parity for startup creation & funding, covering 5 European countries: France, UK, Germany, Spain, Sweden

JUNE 2023

INTRODUCTION | Why gender parity matters



The tech start-ups industry faced a major crisis in 2022 due to the prevailing economic context of inflation, rising interest rates and decrease in the volume of fundraising rounds. Historically, **when an economic crisis occurs, women tend to be the first to suffer the economic hit. The gender gap in funding is no exception.**

Considering the catastrophic situation across the Atlantic, where **start-ups founded by women experienced a decline of over 20% in VC funding allocation in the past year (dropping from 2.4% to 1.9%),** it piqued our curiosity to explore the situation in Europe. Our objective is to assess the representation of women within the start-up ecosystem in Europe. The results are concerning, to say the least.

Once again, we have decided to collaborate with BCG, strengthening our partnership established in 2019. SISTA x BCG proudly present **the first European Barometer on the financing conditions for women leaders in start-ups.** We aim to deliver an unbiased and comprehensive data analysis that act as a catalyst for driving change in the tech world.

Achieving gender parity is now vital, as it will boost economic growth, unlock new perspectives and drive a better future.

SISTA

The first SISTA x BCG European barometer

3 former editions of the barometer

After 3 editions of the SISTA x BCG barometer, focusing mainly on gender inequalities within the French tech and startup ecosystem, this 4th edition aims at broadening the scope of the analyses and exploring trends and differences across 5 European countries (France, UK, Germany, Spain and Sweden)



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In 2023, scaling the barometer to a European level

- Constitution of a database of **1,788 startup creations** and **6,157 fundraisings in 2022** covering France, UK, Germany, Spain, Sweden made out the union of Crunchbase and DealRoom extracts
- Exclusions:
 - Post-IPO growth stages
 - Companies created more than 15 years ago¹
 - Legal establishments which did not correspond to an entrepreneurial reality
- De-duplication logic:
 - Union of largest set of founders within database
 - 1 data point per fundraising, with a max. of 2 fundraisings per startup and per year
- Gender qualification:
 - Use of a **gender matching algorithm** (800k+ first names)
 - **Manual enrichment of founders' names and genders** for missing data points, via LinkedIn, startups' websites and press releases

1. Or with no creation date recorded in databases

Women are still under-represented in startups; situation deteriorates along their journey

Overall, in 2022, women-founded startups account for only 10% of startups created, 7% of fundraisings carried out and only 2% of funds raised.



With less than 1 in 4 startups created that includes a woman as founder, gender equality lags behind across Europe.

Across France, UK, Spain, Germany and Sweden, only 10% of startup created in 2022 have been created by women-only teams, 12% by gender-mixed teams. Sweden appears to be the front-runner with ~1 startup in 3 created by one woman at least, while France & Spain hit bottom with ~1 startup in 5.



Worse still, less than a fifth of the money raised goes to a founding team that includes a woman. The average amount raised by women-only teams remains ~4x lower than men-only teams.

Women raise significantly less than men even in industries with highest share of women founders¹. Depending on countries, men-founded startups capture 77% to 91% of the total funds raised, leaving only 7% to 22% for gender-mixed teams and only 1% to 5% to women-only ones. Women are excluded from large fundraising operations: 94% of their fundraisings were below €15M, and only 2 operations are above €50M (vs. 215 for men in 2022). The lack of women entrepreneurs is not the only issue: in Sweden, teams including women create 30% of startups but only get 12% of the funds raised.



And inequalities exacerbate over time. Amounts raised by women tend to reach a glass ceiling after 6 years of startup existence while amounts raised by men boom.

Consequently, financing gap widens over time, reaching 10x in average after 9 years. The share of women-only teams consistently decreases as funding rounds proceed, from 7% of the fundraisings carried out at the "Angel/Pre-Seed" stage to 2% in series D+.

1. Fashion/Wellness, Lifestyle, Healthcare
Sources: Crunchbase, Dealroom; BCG analysis

Gender-mixed teams remains the most realistic option for women to create & scale their startup

Overall, gender-mixed teams face much less inequalities than women-only teams



Women's presence within startups' founding teams is mostly driven by gender-mixed teams today. 61% of gender-mixed teams are already at parity.

75% of the ~1 in 4 fundraisings carried out by a founding team including a woman come from a gender-mixed team. 55% of women partner with men to create a startup, whereas 33% of them go solo and 12% partner with other women. Women partner 3,5x less with their peers than men do, and start a business solo 25% less than men.



Women have raised ~3x more in gender-mixed teams than in women-only teams in 2022.

Women raise in average €12M when partnering with men, vs. only €4M in women-only teams. While women-only teams raise ~4x less than men-only team, this gap is reduced to 1.4x for gender-mixed teams.



Women in gender-mixed teams raise almost as much as men-only teams in the first 9 years.

The best bet for women is to partner with men, as gender-mixed teams raise in average similar amounts than men before startups reach 9 years old. There are 3x more gender-mixed teams funded at early stages (Angel/Pre-Seed, Seed, Series A) than women-only teams, 6x more at later stages (series D+).

Europe: unequal situation but no parity champion

Overall, there is no gender parity champion for startups among the 5 European countries studied

Sweden offers the most favorable environment for women to start a business, but the worst one to scale it...

With 1 in 3 startups created gathering a woman, and 2 in 10 men partnering with women at creation, Sweden's startup ecosystem is the most open to women. However, when it comes to attracting investments, women-only teams capture the least funds (1%), with lowest average amount (€1.8M) and widest gap vs. men-only teams (14x).

...While the UK is the most advanced ecosystem for women when considering both creations & fundraisings.

The UK ranks almost systematically in the Top 2 countries for both gender-mixed & women-only teams across all dimensions studied. Different initiatives in favor of women are observed, such as VC funds focusing on women-only startups and governmental programs fostering women entrepreneurship.

In France, women-only teams particularly struggle, while gender-mixed teams seem to cope better...

It is especially difficult for women at creation: this is where women start the least a business solo (only 25%), where they team the least together (only 37%), and where gender-mixed teams have the lowest parity. Less inequalities are observed when it comes to funding, resulting from the different initiatives implemented by funds in the past years.

...Whereas in Germany, mixed-teams are also highly penalized.

Germany is where men-only teams take it all the most: 77% in number of fundraisings, 91% in total amount raised. Gender-mixed teams do not fare better, raising ~2.4x less than men-only teams.

Spain's startup ecosystem is atypical, as it is more favorable to women-only teams than gender-mixed teams.

Spain hosts one of the largest women-carried fundraising (Unavets) while being a small & emerging ecosystem. However, outliers apart, inequalities faced women are still very high.



2022: An unfavorable context for startups overall, impacting negatively gender parity

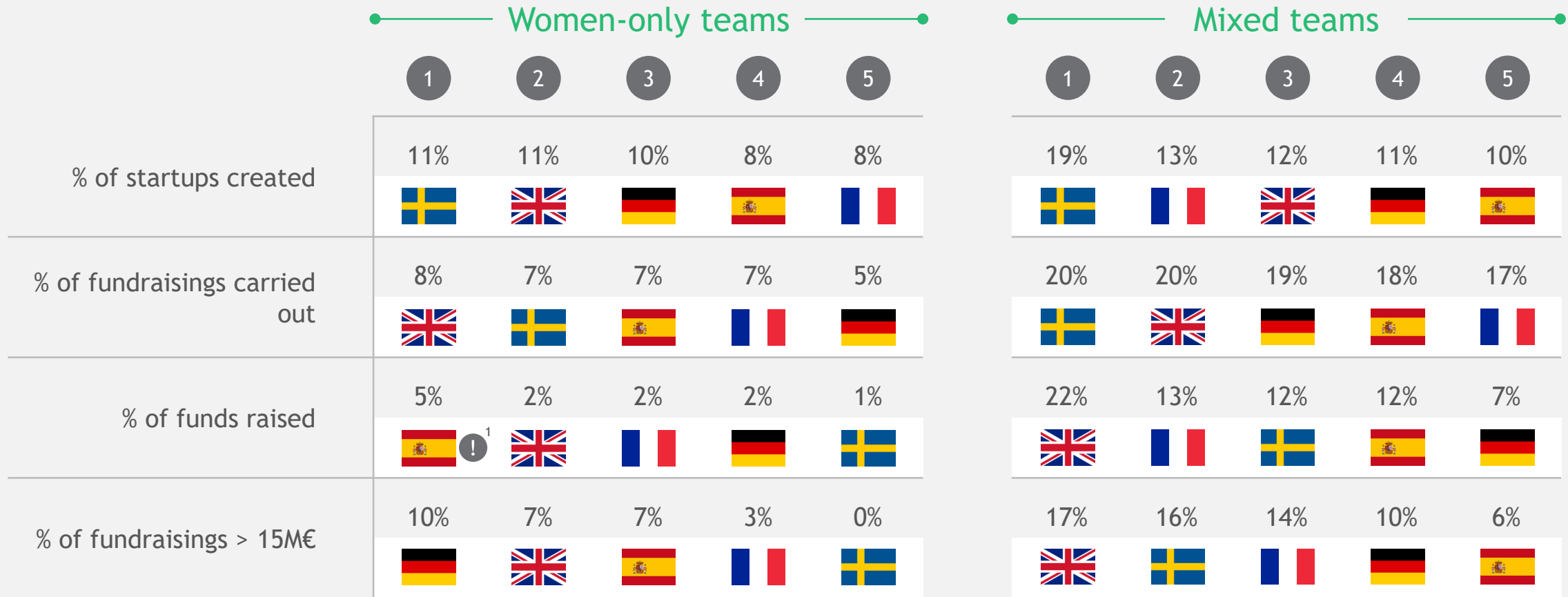
“ Market has completely crashed; there's a clear knock-down compared to 2021.

“ We see many startups going out of business, women-founded ones first & foremost.

“ With the rise of interest rates, private investors have vanished, there is no capital anymore.

“ Private investors are nervous: Series B+ are frozen; Series A are still happening, but investors are more careful when pulling the trigger.

The UK startup ecosystem seems the most favorable for women overall, Germany & Spain are least advanced

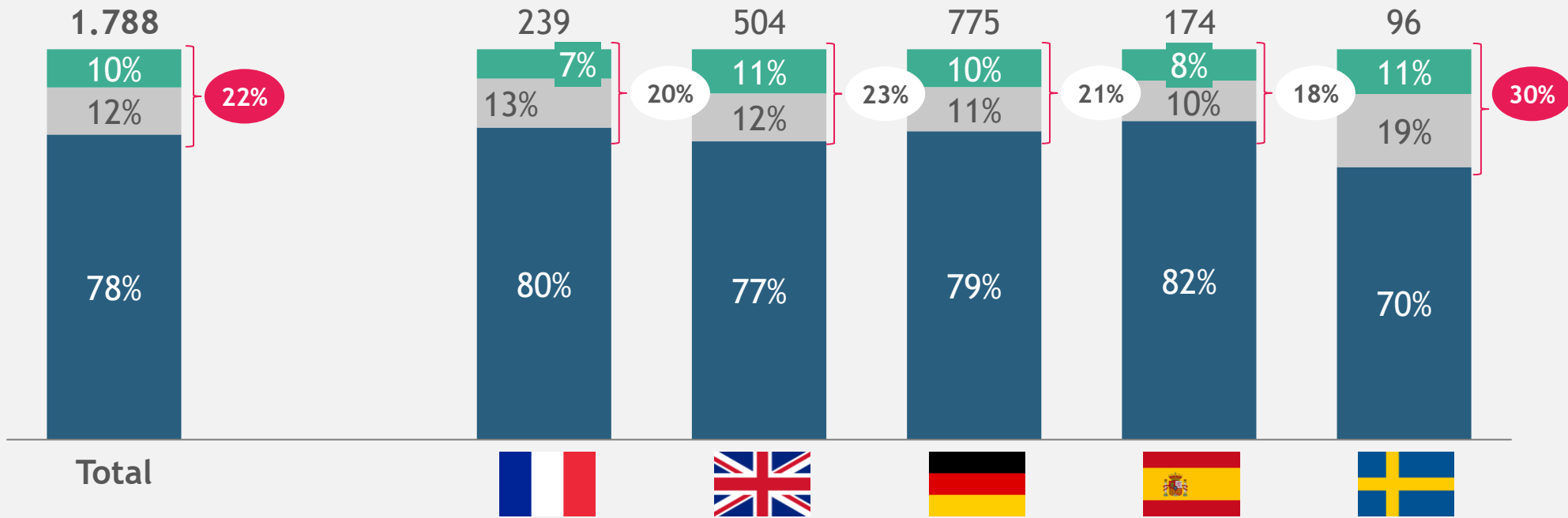


1. One significant fundraising by solo woman in Spain (Unavets, €114M vs. 2nd largest fundraising by a women-only team in Spain: €26M) driving country's result, Spain #4 without Unavets in % of funds raised
 Source: Crunchbase, Dealroom; BCG analysis



In 2022, less than 1 in 4 startup created include a woman as part of their founding team, 1 in 3 in Sweden

% of startups created in 2022

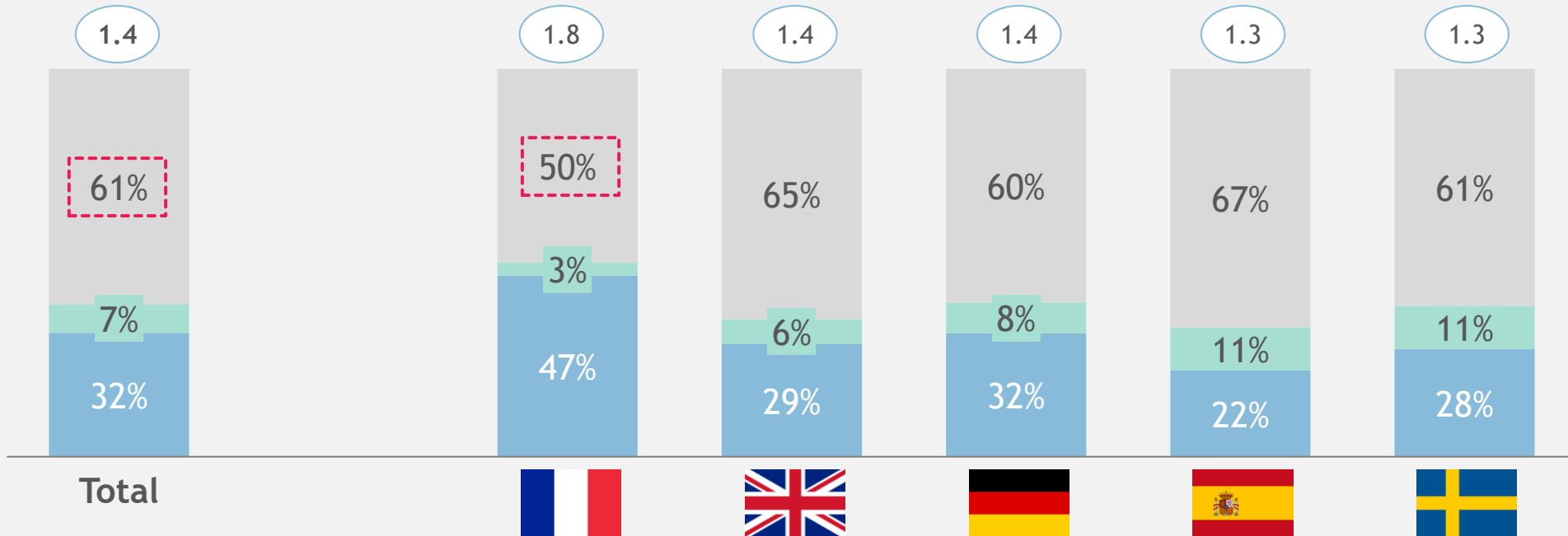


Types of founding teams: ■ Women-only ■ Mixed ■ Men-only



61% of mixed founding teams are at parity; significantly less in France, 11pp below average

% of startups created in 2022 by a mixed team



Degree of parity: ■ Majority of men ■ Majority of women ■ Parity

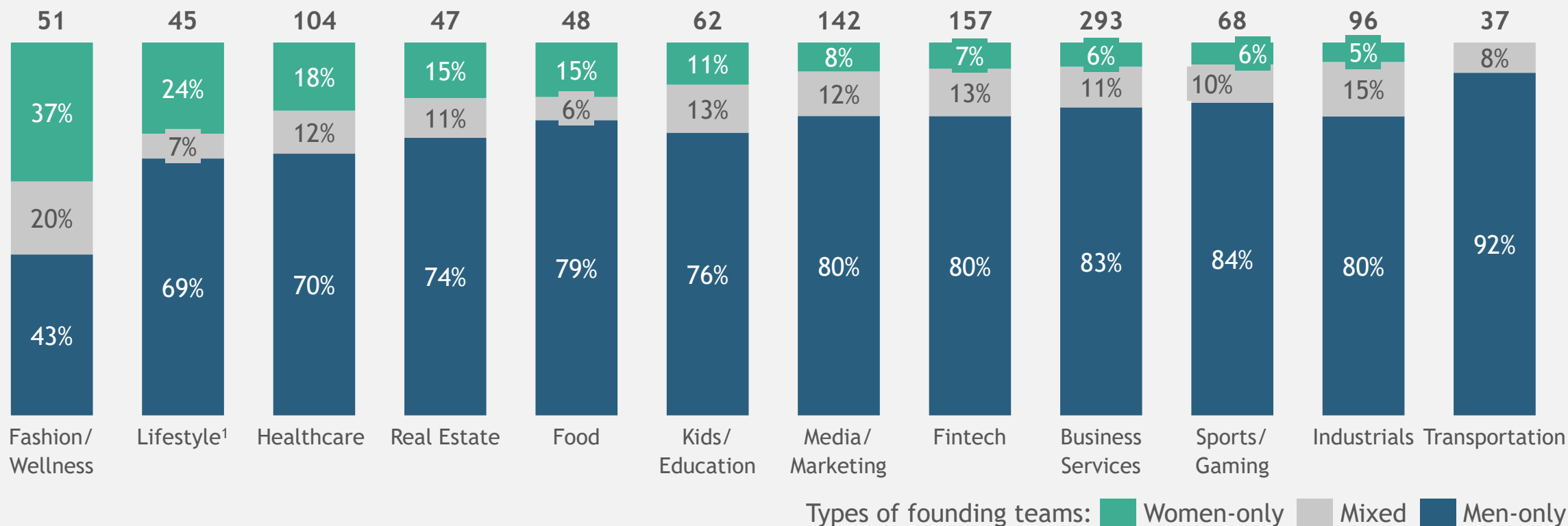
Ratio Men:Women 1.4 (1.4 men for 1 woman in the team)

Number of mixed startups created: France = 30 startups, UK = 62 startups, Germany = 88 startups, Spain = 18 startups, Sweden = 18 startups
Sources: Crunchbase, Dealroom; BCG analysis



Women tend to create startups in consumer industries, especially in Fashion/Wellness

% of startups created in 2022, per industry



1. Lifestyle includes travel, home, leisure, wine & spirits, ...

Number of startups created: France = 165 startups, UK = 349 startups, Germany = 441 startups, Spain = 129 startups, Sweden = 66 startups

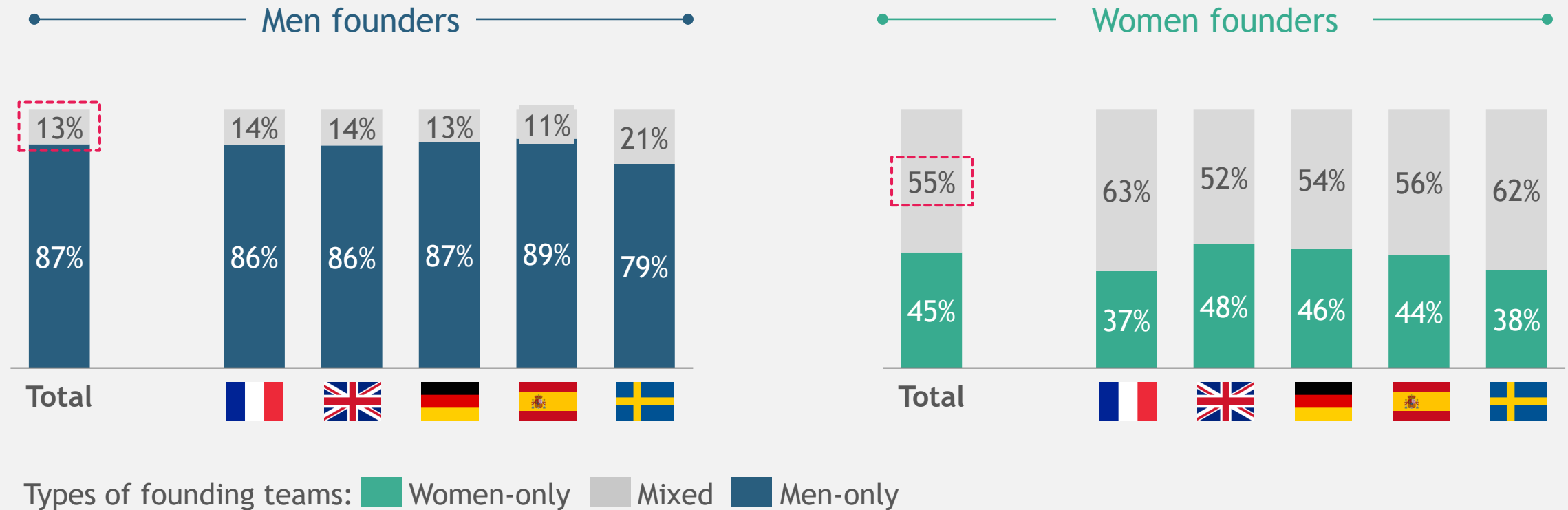
Number of fundraisings: France = 1036 fundraisings, UK = 2402 fundraisings, Germany = 1071 fundraisings, Spain = 607 fundraisings, Sweden = 425 fundraisings

Sources: Crunchbase, Dealroom; BCG analysis



Only ~1 in 10 men partner with women to start a business, while ~1 in 2 women partner with men

% of startups created in 2022

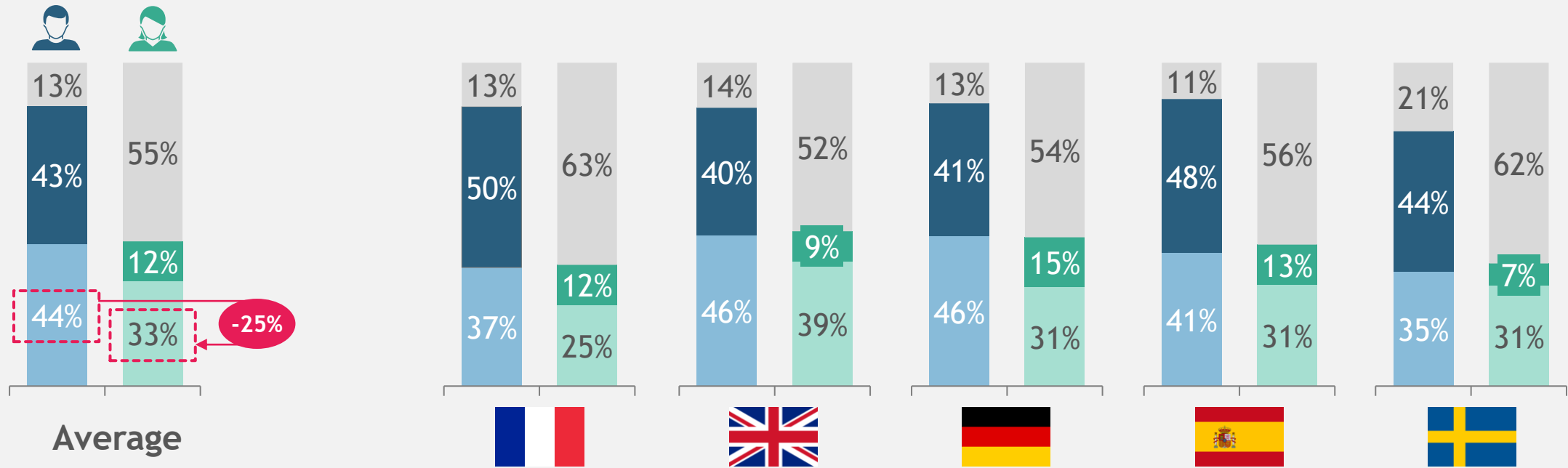


Number of startups created: France = 239 startups, UK = 504 startups, Germany = 775 startups, Spain = 174 startups, Sweden = 96 startups
Sources: Crunchbase, Dealroom; BCG analysis



Women solo founders are 25% less frequent than men

% of startups created in 2022



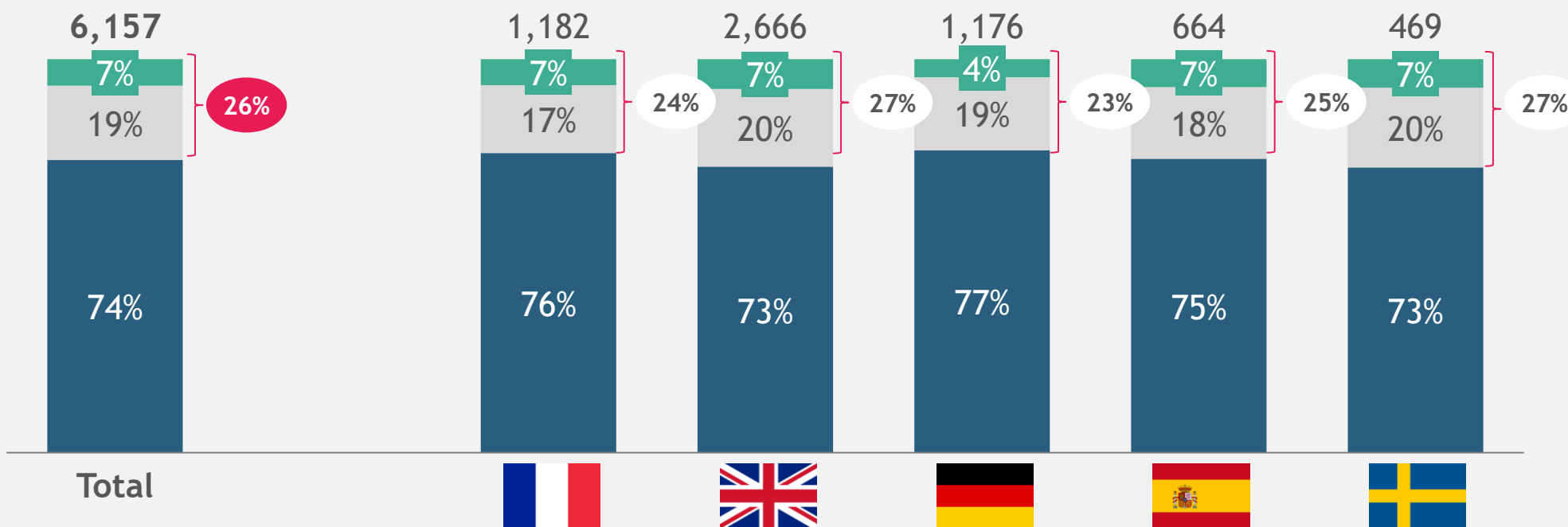
Types of founding teams: ■ Solo Men ■ Men Group ■ Mixed Group ■ Solo Women ■ Women Group

Number of startups created: France = 239 startups, UK = 504 startups, Germany = 775 startups, Spain = 174 startups, Sweden = 96 startups
Sources: Crunchbase, Dealroom; BCG analysis



Only ~1 in 4 fundraisings are carried out by a founding team that includes a woman

% of fundraisings carried out in 2022

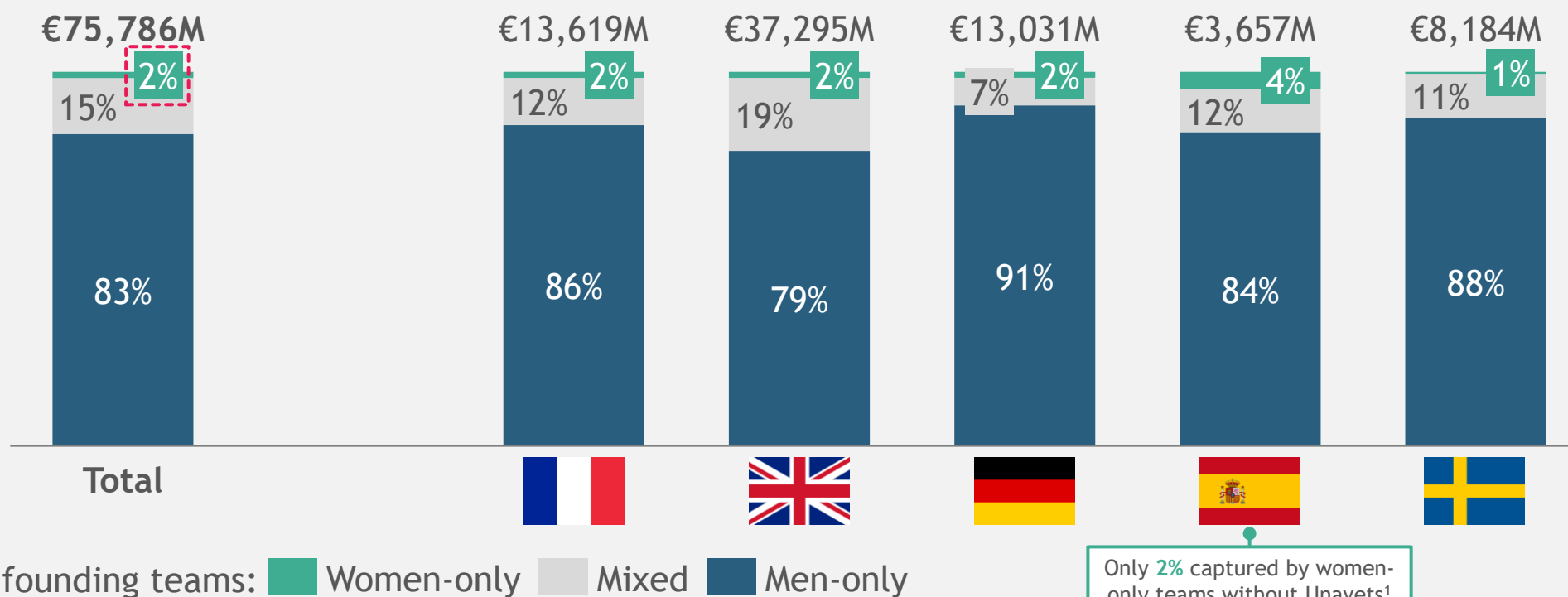


Types of founding teams: ■ Women-only ■ Mixed ■ Men-only



Women-only teams capture no more than 2% of funds raised

% of total amount raised in 2022



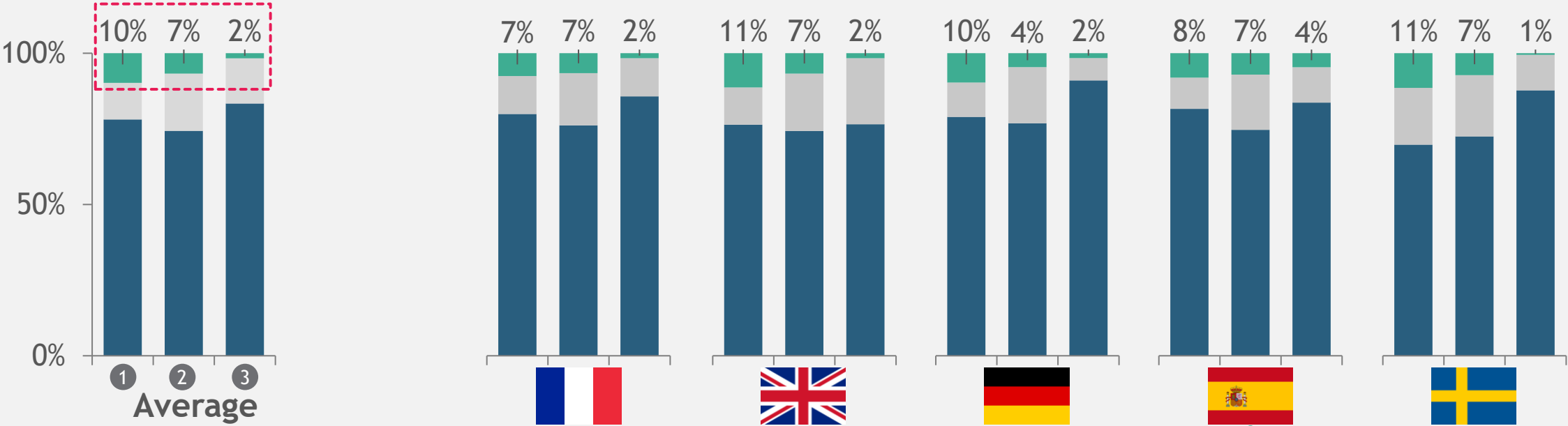
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Crunchbase data in \$ converted into € at the average rate registered by the European Central Bank between 01/01/2022 & 31/12/2022

Number of fundraisings: France = 1037 fundraisings, UK = 2106 fundraisings, Germany = 885 fundraisings, Spain = 538 fundraisings, Sweden = 383 fundraisings
Sources: Crunchbase, Dealroom; BCG analysis



Overall, women-founded startups account for 10% of startups creation, 7% of fundraisings, 2% of funds raised

% of startups created (1) vs. % of fundraisings carried out (2) vs. share of amount raised (3) in 2022



3: Only 2% for women-only teams without Unavets¹

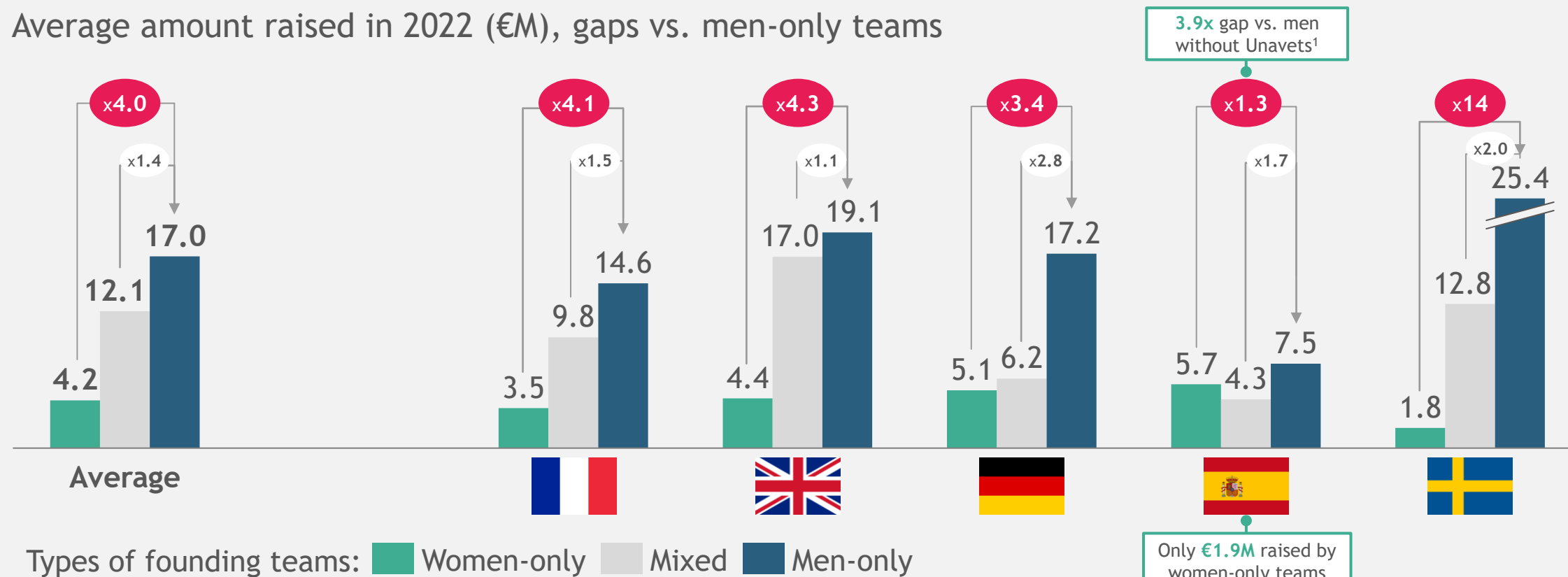
Types of founding teams: ■ Women-only ■ Mixed ■ Men-only

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 Sources: Crunchbase, Dealroom; BCG analysis



Women-only teams raise ~4x less than men-only ones; gap more than 3x above average in Sweden (x14 vs. x4)

Average amount raised in 2022 (€M), gaps vs. men-only teams



1. Significant fundraising by solo women startup in Spain (€114M) driving country's result (2nd largest fundraising by a women-only team in Spain: €26M).

Number of fundraisings with amount known: France = 1037 fundraisings, UK = 2106 fundraisings, Germany = 885 fundraisings, Spain = 538 fundraisings, Sweden = 383 fundraisings

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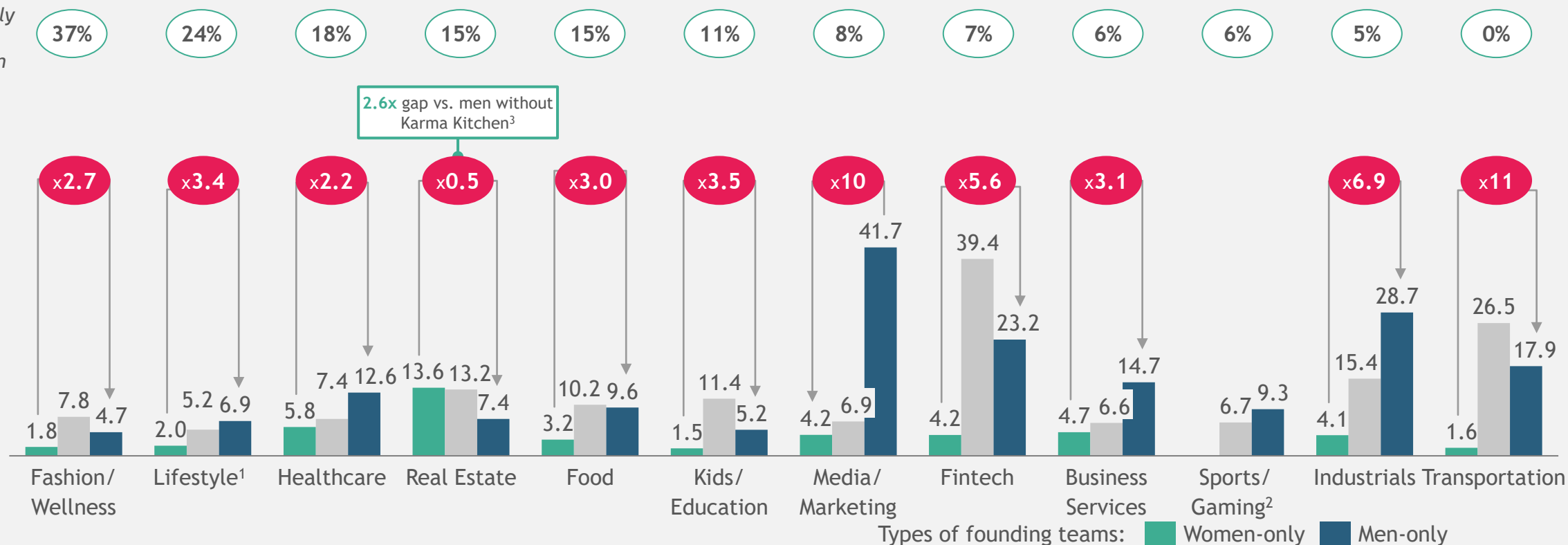
Sources: Crunchbase, Dealroom; BCG analysis



Across all industries, average amounts raised by women are minimum twice lower than men-only startups

Average amount raised in 2022 (€M), per industry

Share of women-only startups created in 2022

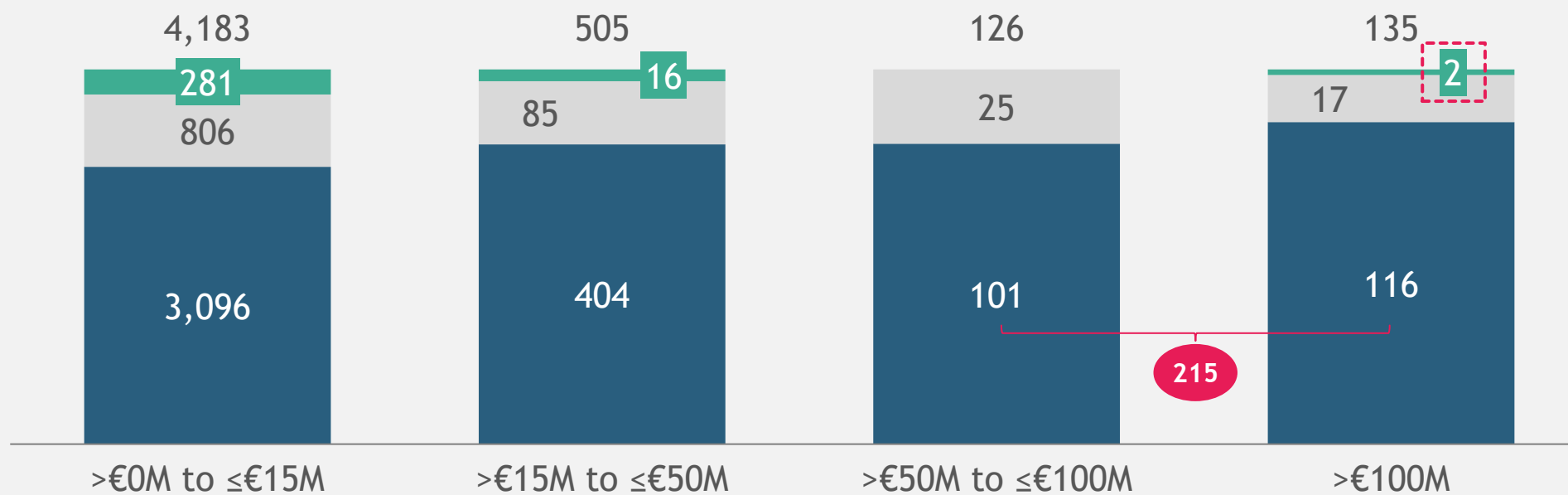


1. Lifestyle includes travel, home, leisure, wine & spirits, ... 2. 2 fundraisings in this industry, amounts undisclosed. 3. Karma Kitchen (UK) raised €120M
 Number of fundraisings: France = 1036 fundraisings, UK = 2402 fundraisings, Germany = 1071 fundraisings, Spain = 607 fundraisings, Sweden = 425 fundraisings
 Sources: Crunchbase, Dealroom; BCG analysis



Large fundraisings by women-only teams are scarce; only 2 operations above €50M carried by women vs. 215 by men

Distribution of amounts raised in 2022 (in number of fundraisings), in France, Germany, Spain, Sweden and UK combined



Types of founding teams: ■ Women-only ■ Mixed ■ Men-only

Only 1 fundraising carried out by women-only teams without Unavets¹

1. Significant fundraising by solo women startup in Spain (€114M) driving country's result (2nd largest fundraising by a women-only team in Spain: €26M)

Number of fundraisings with amount known: France = 1037 fundraisings, UK = 2106 fundraisings, Germany = 885 fundraisings, Spain = 538 fundraisings, Sweden = 383 fundraisings

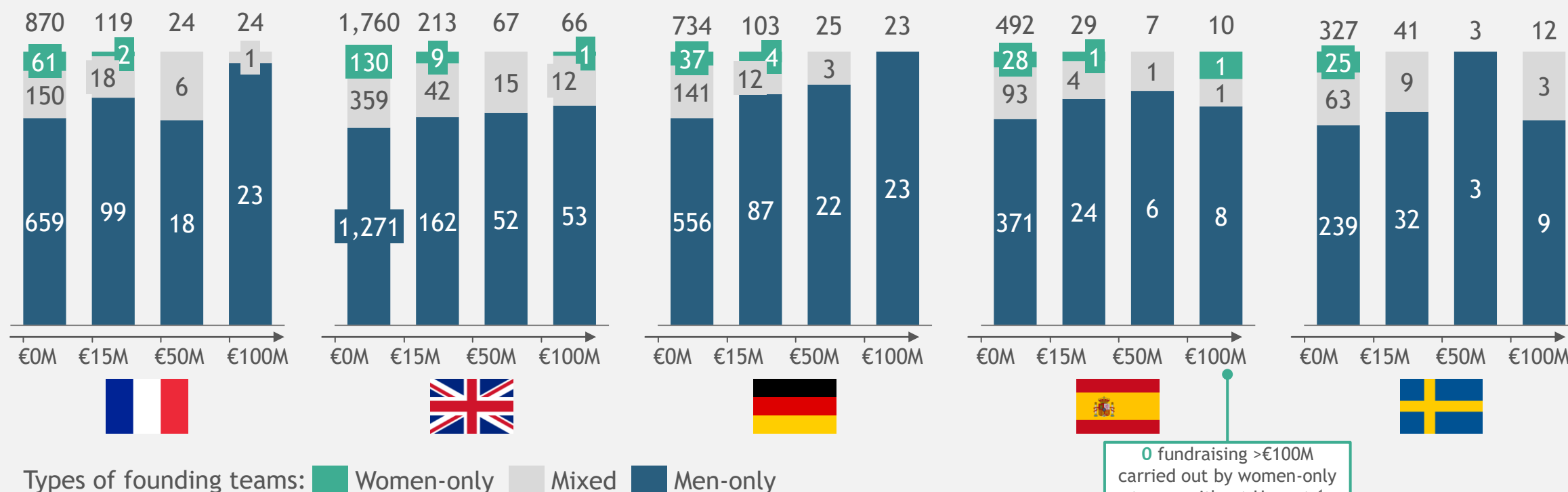
Crunchbase data in \$ converted into € at the average rate registered by the European Central Bank between 01/01/2022 & 31/12/2022

Sources: Crunchbase, Dealroom; BCG analysis



~94% of the fundraisings carried out by women do not exceed €15M (-11pp vs. men); 0% exceed €50M (-6pp)

Distribution of amounts raised in 2022 (in number of fundraising)



1. Significant fundraising by solo women startup in Spain (€114M) driving country's result (2nd largest fundraising by a women-only team in Spain: €26M)

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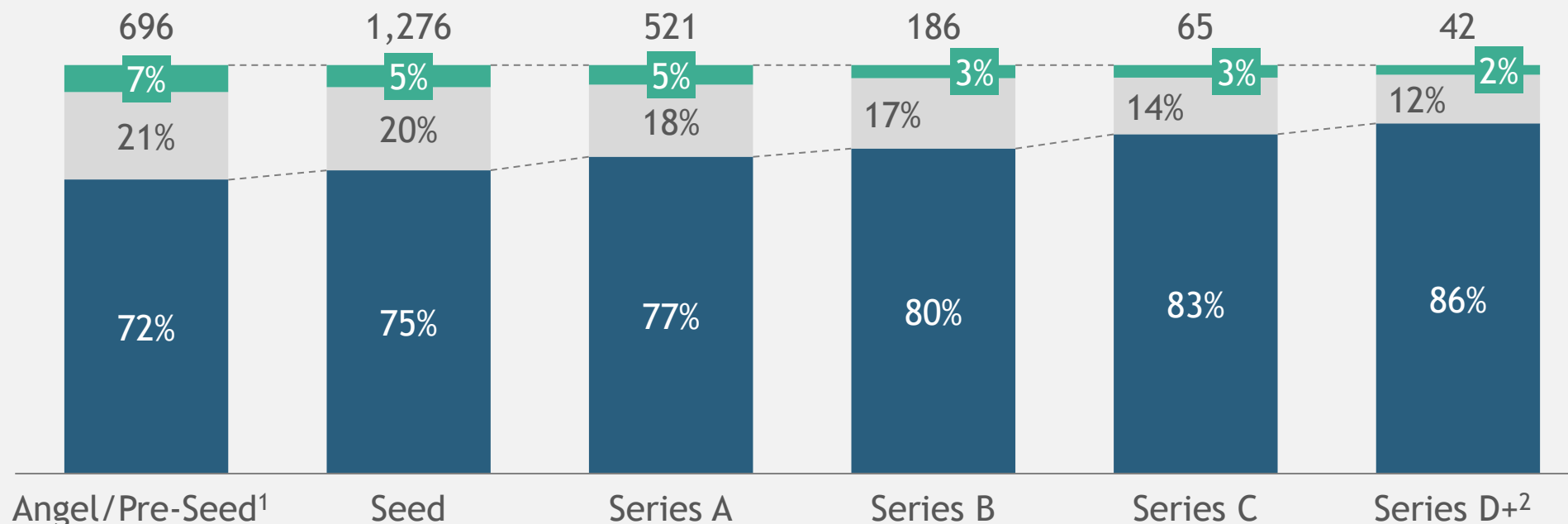
Crunchbase data in \$ converted into € at the average rate registered by the European Central Bank between 01/01/2022 & 31/12/2022

Sources: Crunchbase, Dealroom; BCG analysis



Women only account for 7% of earliest fundraisings carried out, down to 2% at later rounds

% of fundraisings carried out in 2022, per growth stage, in France, Germany, Spain, Sweden & UK combined



Types of founding teams: ■ Women-only ■ Mixed ■ Men-only

Note: This scope excludes the following financing types: Buyout, Convertible Note, Corporate Round, Debt, Equity Crowdfunding, Grant, Growth Equity VC, M&A, Non-Equity Assistance, Private Equity, Product Crowdfunding, Spac IPO, Spin-out, Support Program, and all fundraisings with series unknown or amount undisclosed

Number of fundraisings with growth stage known: France = 481 fundraisings, UK = 1237 fundraisings, Germany = 685 fundraisings, Spain = 240 fundraisings, Sweden = 143 fundraisings

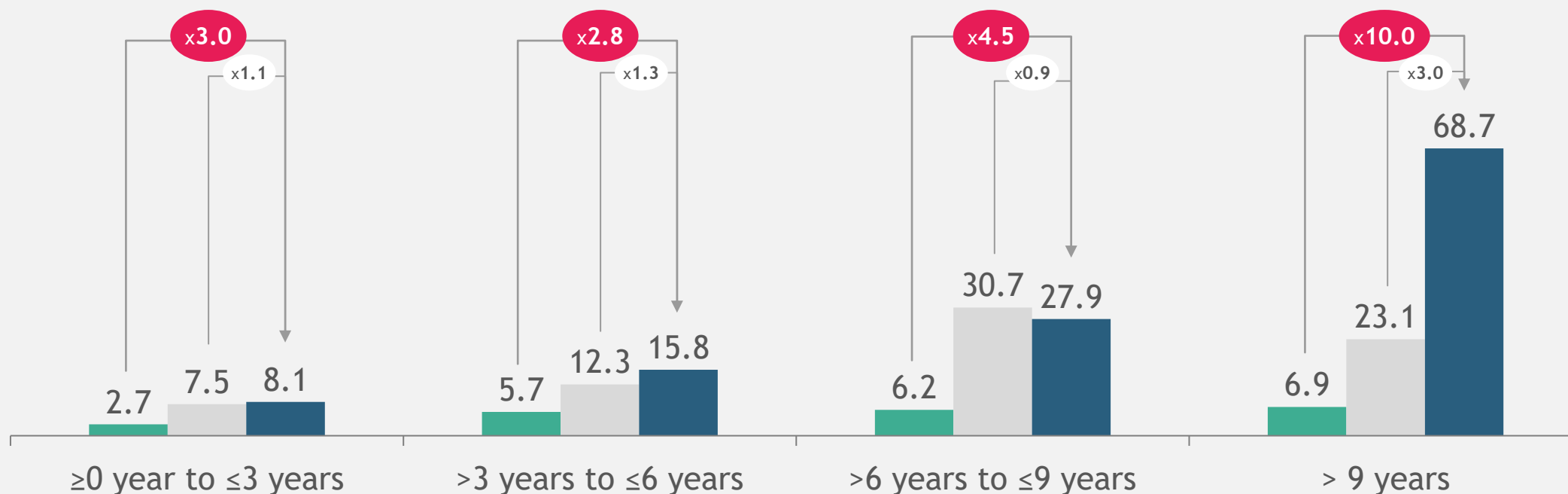
1. "Angel/Pre-Seed" also includes early stage venture. 2. "Series D+" includes series D, E, F, G and H

Sources: Crunchbase, Dealroom; BCG analysis



The more mature the startup, the wider the financing gap between men-only & women-only teams

Average amount raised in 2022 (€M), per startup age, in France, Germany, Spain, Sweden & UK combined



Types of founding teams: ■ Women-only ■ Men-only

Number of fundraisings with amount known: France = 1037 fundraisings, UK = 2106 fundraisings, Germany = 885 fundraisings, Spain = 538 fundraisings, Sweden = 383 fundraisings
 Crunchbase data in \$ converted into € at the average rate registered by the European Central Bank between 01/01/2022 & 31/12/2022
 Sources: Crunchbase, Dealroom; BCG analysis

According to VC, still a long way to go for gender parity in startups, above all since market crashed in 2022

Common trends

- 2020-21 were incredible years for the VC ecosystem, driven by the entering of private investors. There was a **significant backlash in 2022** (due to recession, inflation, high interest rates, etc.) with a complete crash of series B+ and a slowdown of seed & series A
- **The ecosystem is still strongly in disfavor of women:**
 - VC is still a "boys' club", difficult to enter without the same background or universities; yet, they tend to hire more women at junior levels
 - Very few initiatives from governments to foster women entrepreneurship
 - As women lack role models, they tend to specialize in STEM & create a startup less than men
- **However, some drivers for gender parity arise:**
 - More data is available online: women startups can now be targeted more easily, even though they do not belong to the "club".
 - More workshops & courses on entrepreneurship at university levels targeting women, driving more women to found a startup

At country level



- More advanced than other countries in terms of governmental push (e.g. BPI).
- However, France is still lagging behind the Nordics and the US when it comes to speaking about and addressing the gender diversity issue



- Significant part of the creations & fundraisings registered in the UK are carried out by founders from outside the UK, esp. from Eastern Europe
- Solo men founders raise more than mixed or men teams because of a few successful serial entrepreneurs



- More substantial fundraising carried out by women getting viral in media, creating role models
- Investors take more for granted that there is no difference between men & women, and try to build balanced portfolios



- Small pool of women entrepreneurs hence the small amount of fundraisings
- There is a huge push from Limited Partners (VC investors) for more diversity



- Many women role models in high-responsibility positions and an increasing interest for women to found startups in social impact

CONCLUSION | Call-to-actions



The funding gap between men and women in start-ups sends a clear message: there is still much work to be done, and it is urgent. Those start-ups are shaping tomorrow's world and it shouldn't happen without 50% of the population's inputs.

Despite differences among European countries, none can claim to be a gender parity champion. And the lack of women in the entrepreneurship pipeline do not explain these results, as demonstrated.

It is time for all stakeholders to unite and take immediate measures to address the biases that perpetuate these disparities, which can amount to as much as a 35% in funding gaps¹.

By acknowledging the urgency of the situation, we take the lead in driving efforts to tackle change. The SISTA charter, for instance, serves as a comprehensive framework for investors and VC firms to enhance gender parity. By signing it, they commit to support gender representation measurement, to adopt inclusive recruitment and investment practices, and promoting best practices in the industry. ***Becoming a SISTA Investor Ally marks a first step toward achieving greater gender equity.***

Together, we can forge a new path forward where women entrepreneurs have every opportunity to excel and make their mark in the start-up world

SISTA

1. Source : [Columbia Research](#)

Startups were grouped into 12 industries

Fintech

Fintech, financial services, finance, payments, crypto, banking, trading platform, credit, financial exchanges,...

Industrials

Energy, greentech, manufacturing, robotics, cleantech, space, semiconductors, 3d technology, waste management, battery, chemicals, ...

Transportation

Logistics, automatic, EV, supply chain, packaging, shipping, freight, ...

Kids/Education

Edtech, e-learning, training, kids, children, ...

Real Estate

Construction, property management, rental, architecture, building material, smart building, leasing, ...

Business Services

IT, enterprise software, analytics, security, b2B, HR, legal, insurance, cyber security, service providence, compliance, ...

Healthcare

Biotechnology, healthcare, medical devices, pharmaceuticals, health insurance, therapeutics, ...

Media/Marketing

Marketing, media, music, ads, social media, telecom, brand marketing, dating apps, news, lead generation, ...

Food

Food, agriculture, food delivery, restaurants, ...

Sport/Gaming

Gaming, sports, esports, casual games, gamification

Fashion/Wellness

Fashion, wellness, beauty, fitness, nutrition, wearables, cosmetics

Lifestyle

Travel, home living, leisure, wine & spirits, hosting, hotel, adventure travel, ...

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