

UKStartUp Awards



STARTUP REPORT
2024

IN PARTNERSHIP WITH



UKStartUp
Awards



IDEAS FEST

SEPTEMBER 10TH & 11TH 2025



'THE GLASTONBURY FOR BUSINESS'



INTRODUCTION

With a new UK government having a focus firmly on driving economic growth, it's essential to support the record number of new businesses being created across the UK. These start-ups are not only playing a critical role in helping to navigate these economic headwinds, but they are also leading the charge in fostering competitiveness, innovation and job creation.

Our research shows that start-ups are bringing new technologies and disruptive business models to market, tapping into emerging sectors and local communities. Yet, despite their importance to the economy, there remains a lack of understanding about the characteristics of these businesses.

Following last year's first report into the state of the start-up community in the UK, this new study presents findings from a survey of 1,176 new businesses that took part in the 2024 UK StartUp Awards. The awards, which celebrate the best companies under three years old across ten UK nations and regions, have provided us with detailed data on these entrepreneurial firms.

Building on last year's results and developing insights into new areas of practical and policy importance, this year's report focuses on the initial start-up journey faced by these founders, the funding requirements of the new businesses, the management of the start-up as it grows, and the support required. This will help to better understand the key role start-ups play in the UK's economic recovery and provide a clearer picture of where further support is needed to ensure their continued success.

Professor Dylan Jones-Evans OBE
Founder, UK StartUp Awards



**UKStartUp
Awards**

For the purposes of this study, we define "prosperous regions" as London, South East England and East of England. The rest of the UK is defined as the three nations (Northern Ireland, Scotland, Wales) and six regions (East Midlands, North West England, North East England, South West England, West Midlands, Yorkshire and the Humber). New technologies have been defined as firms that are operating cutting edge and innovative areas such as agritech, AI, fintech, high value manufacturing, life sciences, medtech, mobile applications or platforms, and new product development.

FOREWORD

FORGET EVERYTHING YOU KNOW ABOUT BANKING.



At Starling Bank, we recognise the vital role start-ups play in driving economic growth and innovation. This year's StartUp Report, exploring the journeys of over 1,000 UK entrepreneurs, provides invaluable insight into the challenges and aspirations of these businesses.

One key takeaway resonates strongly: start-ups are seeking a banking partner that can match their dynamism and ambition. They need flexible innovative tools and products that simplify financial management and enable them to stay on top of their cash flow. With this in mind, the report findings demonstrate a clear shift towards digital banking solutions, with challenger banks emerging as the preferred choice for 57% of start-ups - and we're pleased to be the leading provider among start-ups in the survey.

This report has deepened our understanding of the specific challenges start-ups face, and fuels our drive to evolve and expand our services to better meet those needs – delivering comprehensive solutions that empower businesses by helping them save time, grow and have peace of mind.

We're dedicated to supporting the UK's vibrant start-up ecosystem. The StartUp Report serves as a valuable resource for anyone invested in the future of UK entrepreneurship, and we remain committed to working alongside these businesses, providing them with the tools they need to thrive.

Adeel Hyder

MD of SME Banking at Starling Bank



EXECUTIVE SUMMARY

START-UP JOURNEY

Motivation for Starting the Business

81% of entrepreneurs started their businesses to take advantage of a good business opportunity.



Time to Launch

70% of founders launch their business within one year.

Location of business

55% of businesses were started at home.

START-UP FUNDING



Funding Requirements

43% of founders either needed no money to start their business or less than £10,000 to launch.

Source of Funding

85% of founders are self-funded with other sources including family or friends (26%) and angel investment (24%).

Future Investment Plans

6/10 entrepreneurs are seeking to raise investment over the next 12 months with a quarter of these founders looking to raise £500,000 or more.

MANAGEMENT OF THE START-UP

Artificial Intelligence

A total of 59% of businesses currently use AI with nearly 80% of those not currently using it are planning to do so in the next 12 months.

Skills Required

The skills required for new recruits are administrative and organisational skills, marketing and sales, and creative skills.

Social Media

The three main social media channels used by founders are LinkedIn (87%), Instagram (72%) and Facebook (59%).

Recruitment Plans

A significant majority of entrepreneurs (87%) plan to recruit new staff in the next 12 months.

Public Relations

65% of start-ups handle their PR and personal branding in-house.



BUSINESS SUPPORT

Business Success

Several key factors contributing to business success including a customer-centric focus, quality products and services, and innovation and technology.

Banking Needs

For their primary banking needs, 57% of start-ups currently use challenger banks with Starling Bank being the most popular.

Banking Services

The main services that founders would like banks to provide include different types of financing options, networking opportunities, and dedicated business support and advice.

Mentorship

Half of all founders currently have a mentor with 27% using a male mentor and 23% using a female mentor.

Selling Overseas

The main barriers to selling overseas are finding the right overseas partners, legislative or regulatory barriers, and lack of financial support.

Collaboration with Universities

85% of entrepreneurs expressed interest in working closely with local universities.

For the purposes of this study, we define “prosperous regions” as London, South East England and East of England. The rest of the UK is defined as the three nations (Northern Ireland, Scotland, Wales) and six regions (East Midlands, North West England, North East England, South West England, West Midlands, Yorkshire and the Humber). New technologies have been defined as firms that are operating cutting edge and innovative areas such as agritech, AI, fintech, high value manufacturing, life sciences, medtech, mobile applications or platforms, and new product development.



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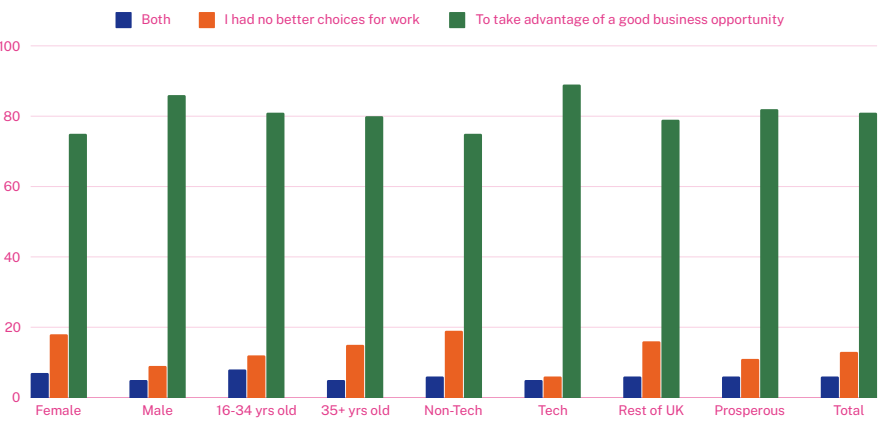
START-UP JOURNEY

MOTIVATION FOR STARTING A BUSINESS

The data shows that 81% of founders started their businesses to take advantage of a good business opportunity, reinforcing previous findings that most entrepreneurship is opportunity-driven, which is typically associated with higher growth potential and more favourable business outcomes compared to necessity-driven ventures [1].

13% of start-up founders who did so out of necessity with research showing that this group typically engages in this type of entrepreneurship to earn an income when other employment options are scarce, such as during economic downturns or when industries face disruption.

Necessity-driven entrepreneurs may face additional challenges, such as limited access to resources or support networks, which could impact the long-term sustainability of their ventures. Additionally, 6% of entrepreneurs cited both opportunity and necessity as their motivation for starting their business.



Most entrepreneurs across all demographics are opportunity-driven, but women, non-tech entrepreneurs, those from less prosperous UK regions, and older individuals are more likely to start businesses out of necessity while tech entrepreneurs and men are overwhelmingly motivated by good business opportunities.

These trends align with existing research suggesting that higher risk sectors (like tech) and more privileged groups (like men and those from prosperous regions) are more opportunity-driven, while necessity-driven entrepreneurship is more common among groups facing barriers.

1 Fairlie, R.W. and Fossen, F.M. (2019) Defining Opportunity versus Necessity Entrepreneurship: Two Components of Business Creation, NBER Working Papers 26377.

TIME TO LAUNCH THE NEW BUSINESS

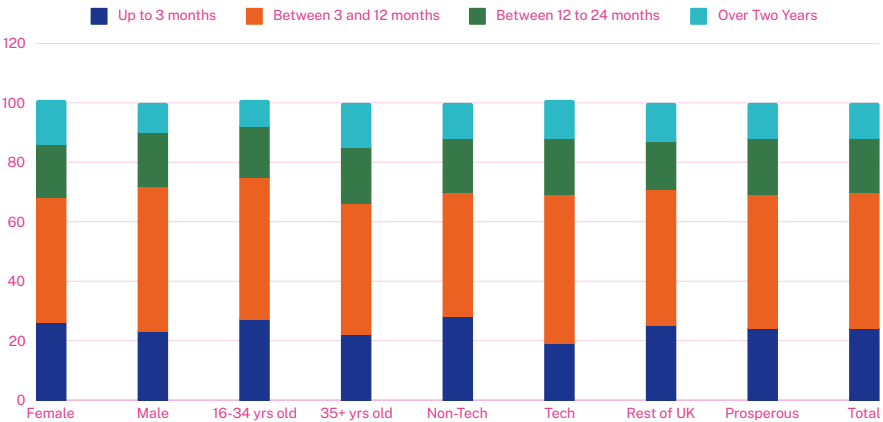
The time it took for entrepreneurs to launch their start-up varied significantly which could highlight the diverse challenges and processes involved in starting a business.

Those founders launching within three months may have simpler business models, lower initial capital requirements, or fewer regulatory hurdles and such quick launches are often associated with smaller, service-oriented businesses or those operating in industries with lower barriers to entry.

For these entrepreneurs taking between 6 and 24 months to set up their firm, the time to launch can be attributed to more complex business plans, longer product development cycles, or a need to secure funding before proceeding and tend to be in sectors like technology, manufacturing, or businesses requiring significant infrastructure or equipment investments. Additionally, businesses that require regulatory approvals or licenses may experience delays in launching and the 13% of founders spending over two years before they start suggests that some entrepreneurs face significant challenges, such as lengthy product development cycles, difficulties in securing funding, or the need to build a team or network, before launching.

These businesses are often in more capital-intensive industries or highly innovative sectors, where significant preparations must be made before entering the market. This is reflected in the findings of the study with most entrepreneurs across all demographics launching their businesses within 3-12 months but non-tech businesses, younger founders, and females launching faster within the first three months.

In addition, tech entrepreneurs and older individuals typically take longer, reflecting the more complex requirements of tech start-ups and the cautious approach of older entrepreneurs.



LOCATION OF BUSINESS

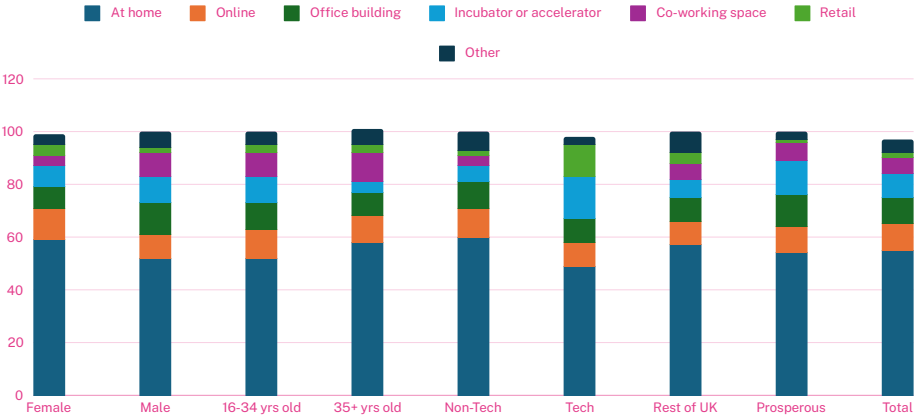
WHERE BUSINESSES WERE STARTED



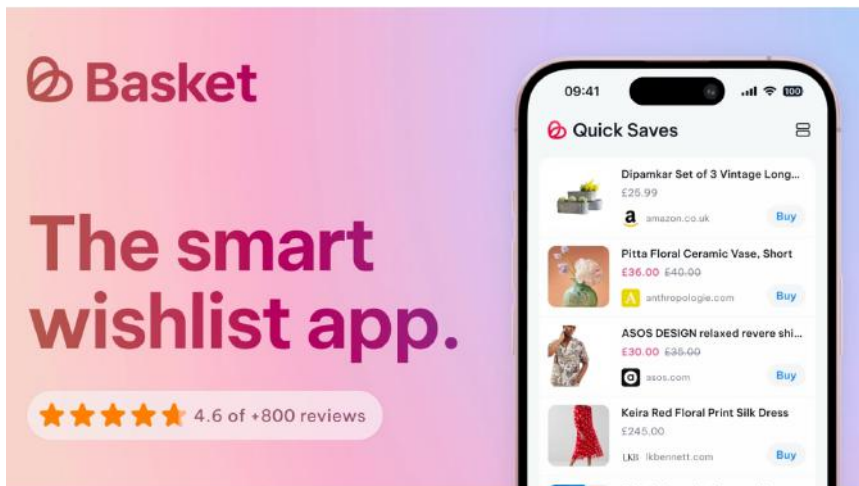
Starting a business at home is a popular choice, especially for early-stage ventures, as it minimises costs, allows flexibility and is particularly common in service-based businesses, digital enterprises, and small-scale product-based ventures. Additionally, research has shown that home-based work appeals to many women due to the flexibility it offers [2] .

The rise of remote working tools and e-commerce platforms has made home-based entrepreneurship even more viable and the one in ten start-ups launching online underscores the growing trend of digital businesses, particularly in the wake of the COVID-19 pandemic. E-commerce, digital services, and virtual platforms have made it easier for entrepreneurs to reach a global customer base without the need for physical space.

Most entrepreneurs across all demographics start their businesses at home, especially non-tech entrepreneurs and those aged 35+. Tech entrepreneurs, younger founders, and those in prosperous regions are more likely to use co-working spaces and incubators, as they offer more structured environments; often with mentorship, networking, and access to capital and reflects the appeal of these environments for those entrepreneurs seeking a collaborative space that fosters creativity and innovation. It could also be because they live in a shared home and don't have any suitable space from which to work.



[2] Reuschke, D. and Mason, C. (2022) The engagement of home-based businesses in the digital economy, Futures, Vol. 135



Basket: Revolutionising Shopping with Real-Time Price Comparison

Lex Deak launched Basket with the goal of transforming how people shop online by offering a platform that provides real-time price comparisons. Basket aggregates pricing data from various retailers, allowing users to find the best deals on the products they want to buy.

The app doesn't just compare prices; it also tracks price changes over time, ensuring that users can purchase at the most favourable moment. Additionally, the app's algorithms learn from user behaviour, offering personalised recommendations to help shoppers discover better deals or products they hadn't considered.

A key challenge Basket faced in its early days was building a fully remote team across different time zones, especially for engineering and marketing. Coordinating this global workforce required significant investment in collaboration tools and well-structured communication protocols. Another hurdle was gaining consumer trust, which is critical in the e-commerce industry. Ensuring that the app consistently delivered accurate, up-to-date pricing information was essential in building that trust.

Through meticulous attention to data quality and user experience, Lex and his team have successfully positioned Basket as a must-have tool for savvy shoppers. Additionally, securing funding to expand the app's features and maintain operational excellence has helped propel Basket toward its goal of becoming a globally recognised brand.



Ever Resource: Leading the Future of Sustainable Battery Recycling

Ever Resource, founded by a team of passionate innovators, is at the forefront of sustainable battery recycling. Specialising in the upcycling of end-of-life lead-acid and lithium-ion batteries, the company transforms waste materials into products that surpass the performance of their primary industry counterparts.

Developed in partnership with the University of Cambridge, Ever Resource's patented technology reduces the carbon footprint of battery recycling by 85% and cuts waste by over 90%. The company's process not only enhances the energy density of lead-acid batteries by up to 40% but also integrates green chemistry, marking a major shift towards a cleaner circular economy.

The inspiration to start Ever Resource came from a desire to tackle environmental challenges and a love for chemistry. Dr Athan Fox's experience as a PhD student at Cambridge highlighted the inefficiencies in waste management, where primary materials were prioritised over recycling, despite the higher costs and environmental impact. This insight led to the creation of Ever Resource, where upcycling waste into superior materials became the core principle. The company's mission is not just to reduce harm but to regenerate the planet by dramatically lowering carbon emissions, with the potential to remove up to 10 million tonnes of CO₂ annually within a decade.

One of the biggest challenges Ever Resource faced was launching during the COVID-19 pandemic, which halted previous support from a partner company. This forced the founders to take personal financial risks, including re-mortgaging homes to fund salaries and continue research. Navigating complex regulatory frameworks was another hurdle, as the innovative nature of the technology made it difficult to obtain permits from environmental regulators. Despite these challenges, the company's resilience has driven its success, and its long-term vision includes becoming a global leader in sustainable battery materials, revolutionising the industry with its upcycling technology.



HIVED: Building a Sustainable Future for Parcel Delivery

HIVED is transforming the parcel delivery industry by offering a fully sustainable, emission-free delivery service. Founded by Murvah Iqbal and Mathias Krieger in response to the surge in e-commerce and its environmental impact, HIVED delivers parcels using electric vehicles, drastically reducing carbon emissions. Currently delivering for major brands such as ASOS, Zara, and Candy Kittens, HIVED has demonstrated a 56-76% carbon reduction per parcel compared to traditional couriers.

The founders' initial venture involved advertising on delivery vans, but through monitoring logistics data, they realised how inefficient the existing system was. Delivery vehicles were contributing massively to pollution, and drivers were often underpaid and poorly treated. HIVED was born from a desire to build a better, more sustainable solution. Initially bootstrapped, the company's founders began delivering parcels themselves and have since grown HIVED into a major player, delivering tens of thousands of parcels weekly in Greater London.

HIVED's ambition extends far beyond London. With plans to expand into Manchester and Birmingham, the company aims to deliver 1.5 million parcels across the UK by 2029. Alongside this, they project that their operations will save 15,300 tonnes of carbon emissions over the next three years. HIVED also prides itself on staying ahead of the curve in innovation, trialling sustainable transport technologies such as tyre particulate collection and reusable e-commerce packaging.

Despite challenges such as scaling physical infrastructure and the UK's inadequate electric vehicle charging network, HIVED is on track for continued growth. With a strong team and partnerships with major retailers, HIVED is set to lead the future of sustainable, mass-market delivery.



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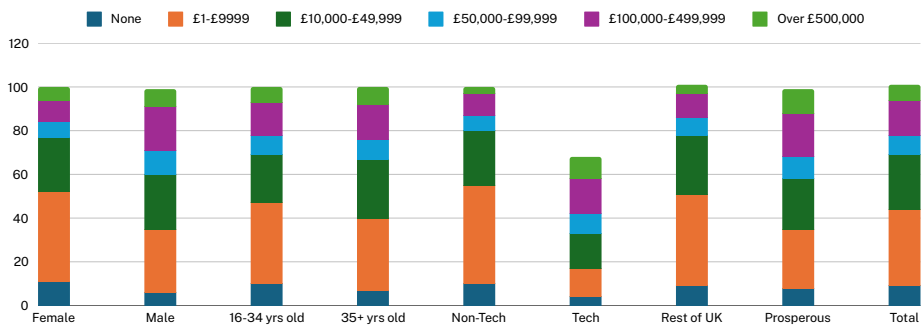
START-UP FUNDING

FUNDING NEEDED TO START THE BUSINESS



Six out of ten start-ups required less than £50,000 to start, with 35% needing less than £10,000, highlighting that entrepreneurs can launch with modest resources. Nearly one in ten businesses required no funding, indicating low-overhead ventures (such as events planning, graphic design or social marketing) while at the other end of the funding spectrum, 7% needed over £500,000, mainly in industries with higher entry costs like tech or manufacturing. This reflects broader research showing that most small businesses begin with limited funding, while a minority require substantial capital. In fact, a survey of the CEOs of the Inc 5000 list of the fastest growing firms in the USA showed that 59% had started their businesses with less than \$10,000 [3].

Female and non-tech entrepreneurs are more likely to start their businesses with smaller amounts of funding, with a significant proportion needing less than £10,000. In contrast, those entrepreneurs operating in tech-based sector or entrepreneurs from prosperous regions are three times as likely to require more than £500,000 in funding as compared to those operating in non-tech sectors or in the rest of the UK. Younger entrepreneurs (16-34) typically need less funding, while older entrepreneurs (35+) are more likely to start ventures requiring higher investments. These findings align with previous research which shows that women and non-tech ventures often face greater barriers to accessing larger funding sources, leading them to rely on smaller initial investments [4]. Additionally, tech start-ups generally require more capital due to the high costs of product development and scaling.



[3] Inc Magazine (2024) How the Leaders of Inc. 5000 Companies Are Driving Growth in 2024 <https://www.inc.com/ceo-survey-how-the-leaders-of-inc-5000-companies-are-driving-growth-in-2024.html>

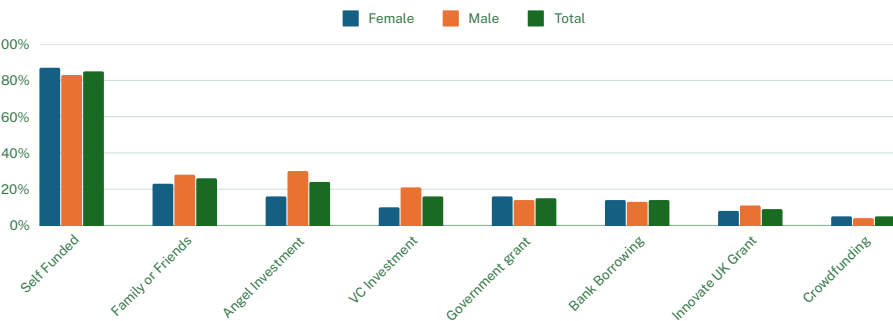
[4] Pavlova, E. and Gvetadze, S. (2023) Female access to finance: a survey of literature, EIF Research and Market Analysis Working Paper 2023/87

SOURCES OF FUNDING FOR THE BUSINESS



The data on sources of business funding offers valuable insights into how entrepreneurs finance their ventures, interact with financial institutions, and plan for future growth. It indicates that self-funding is the most common method of financing across both genders with 87% of female entrepreneurs and 83% of male entrepreneurs relying on self-funding to start their businesses.

However, there are notable differences in access to external funding with women more likely to turn to family or friends (23%) and UK or local government grants (16%) as secondary sources of financing. In contrast, men have better access to equity investment with 21% of male entrepreneurs securing VC investment and 30% receiving angel investment (compared to 10% and 16% of female entrepreneurs). These differences point to a potential gap in access to equity-based funding for women, reflecting findings from prior research, which indicates that women face more significant barriers to securing venture and angel capital [5].

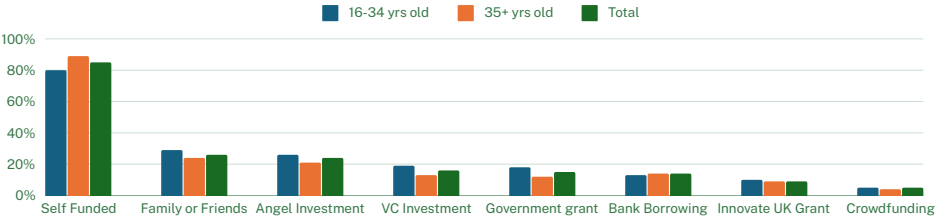


[5] European Investment Bank (2019) Why are women entrepreneurs missing out on funding? Reflections and considerations



The age of the entrepreneur also influences financing strategies with younger entrepreneurs (aged 16-34) more likely to pursue external funding, with 19% receiving VC investment and 27% securing angel investment. They still rely on self-funding as the primary source (80%), but their stronger inclination toward equity financing reflects the ambition of younger entrepreneurs to scale their businesses quickly.

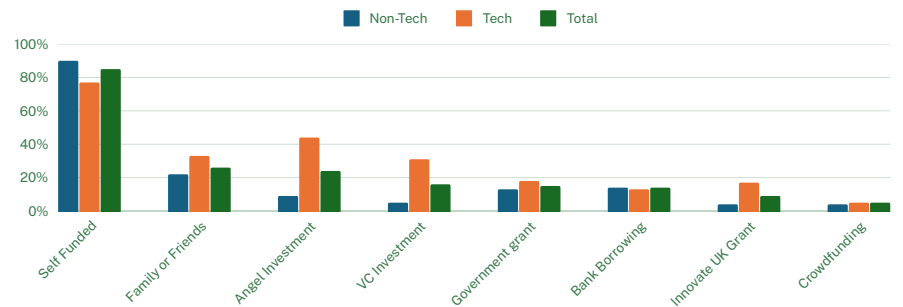
In contrast, older entrepreneurs (aged 35+) demonstrate a greater reliance on self-funding (89%), and fewer of them pursue VC investment (13%) or angel funding (21%). This trend may be due to older entrepreneurs having more personal financial resources to invest or being more risk-averse when it comes to external equity financing.



Geographically, entrepreneurs display differences in funding sources. While self-funding remains the dominant source of financing across the UK (85%), businesses in the prosperous areas are more likely to access equity-based funding with 24% of businesses in prosperous regions receiving VC investment, and 35% benefiting from angel investment, which is far higher than in the rest of the UK and reflecting other findings on the geographical distribution of equity funding [6]. In the rest of the UK, businesses are more likely to access UK or local government grants (21%) reflecting the focus on supporting enterprise by public bodies in less prosperous areas.



A clear distinction exists between the funding sources for tech and non-tech businesses. For non-tech businesses, 91% rely on self-funding, and 22% receive support from family or friends, with government grants accounting for another 13% of their funding. In contrast, tech businesses are far more reliant on external funding sources such as venture capital investment and angel investment, with 31% securing VC and 44% benefiting from angel funding. This reliance on external capital reflects the higher capital requirements typical of tech ventures, where substantial funding is often necessary to develop products, enter markets, and scale operations. Non-tech businesses, by contrast, generally operate with lower initial capital needs and are more likely to depend on personal and family resources.



[6] BVCA (2024) Report on Investment Activity 2023

FUTURE INVESTMENT PLANS

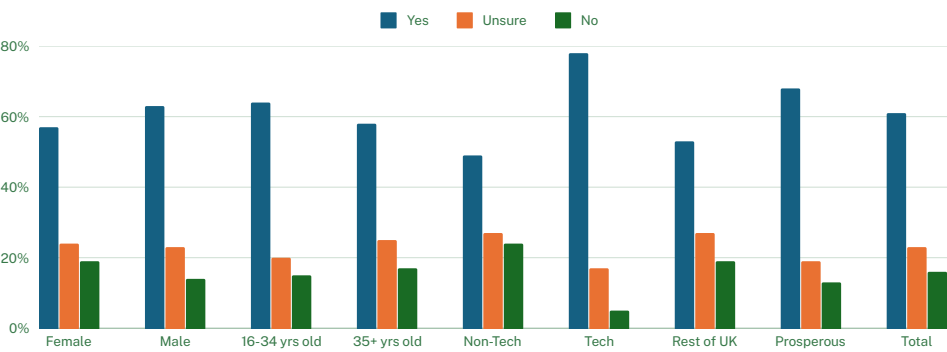


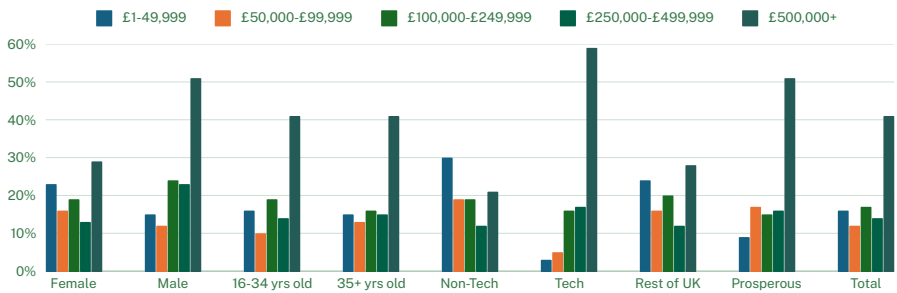
61% of entrepreneurs are looking to raise investment in the next 12 months, with 57% of women and 63% of men planning to do so.

Additionally, 64% of younger entrepreneurs (aged 16-34) aim to raise investment, slightly more than the 58% of older entrepreneurs (aged 35+). This is consistent with studies indicating that younger founders are often more ambitious in scaling their businesses and tend to pursue external funding earlier in their entrepreneurial journeys.

Tech entrepreneurs are much more likely to seek funding (78%) compared to non-tech entrepreneurs (49%). This aligns with research showing that tech start-ups typically require more capital for scaling and product development.

Regionally, 68% of start-ups in prosperous areas plan to raise investment as compared to 54% of entrepreneurs in poorer regions. This reflects findings that entrepreneurs in affluent areas often have better access to investors and resources.





In terms of the amount of funding that entrepreneurs anticipate they will require over the next 12 months, 41% state they will require more than £500,000 in the next 12 months with 51% of male entrepreneurs stating they need this amount or more in the next 12 months as compared to only 29% of female entrepreneurs.

In addition, female founders are more likely to require smaller amounts with 23% of women starting a business needing less than £50,000 as compared to 15% of men indicating that women may be focusing on more incremental growth or starting with smaller capital needs, while men are more represented in mid-to-higher funding ranges, such as £250,000 to £499,999 (23% of men compared to 13% of women).

By age, the distribution of anticipated funding needs over the next 12 months is relatively balanced between younger and older entrepreneurs with 41% of both younger entrepreneurs (aged 16-34) and older entrepreneurs (aged 35+) needing £500,000 or more.

When looking at technology sectors, there is a clear difference in investment needs. A significant 59% of tech entrepreneurs report that they will need over £500,000 in the next year as compared to just 21% of non-tech entrepreneurs. Non-tech businesses are more likely to require smaller amounts, with 30% of non-tech entrepreneurs expecting to need less than £50,000 compared to just 3% of tech entrepreneurs. This reflects the higher capital demands in the tech sector, where start-ups often require larger sums for product development, scaling, and R&D.

Regionally, 67% of entrepreneurs in prosperous regions expect to need over £250,000 in the next 12 months compared to 40% in the rest of the UK. In contrast, a greater proportion of entrepreneurs in less prosperous areas expect to need smaller amounts, with 24% anticipating needing less than £50,000 as compared to only 9% in prosperous areas. This difference may be attributed to the higher operational costs and greater growth opportunities available in more affluent regions, driving larger investment needs.



Integrity HSE - Elevating Safety in High Hazard Industries

Integrity HSE is committed to improving safety, health, and sustainability across various sectors, focusing on high-hazard industries like maritime, nuclear, and oil & gas. Founded by Steve Harris – an industry veteran who recognised the need for reliable HSE support - the company simplifies service delivery by offering a single source for competent HSE and training professionals.

The motivation to start Integrity HSE intensified after Steve faced a personal health crisis, leading to a renewed commitment to create a positive societal impact. The company donates profits from the founder's book to MacMillan Cancer Support and engages in community initiatives.

Integrity HSE stands out for its dedication to social responsibility, prioritizing employee well-being and mental health services. Challenges such as managing cash flow and navigating B2B sales have shaped the company's approach, emphasizing the need for financial resilience and effective communication of its vision.

The business exemplifies a forward-thinking approach to health, safety, and environmental management, driven by innovation and a commitment to creating a safer, healthier working world.



Lovetovisit: Revolutionising the Way People Book Experiences

Lovetovisit is transforming the fragmented tourism and leisure industry by creating a mobile-first, consumer-centric platform that allows users to discover and book attractions and events with ease. Founded by three entrepreneurs with extensive experience in tourism marketing, the platform was developed to solve the issue of poor digitalisation in the £24 billion UK tourism sector, where only 8% of attractions have mobile-optimised websites. Lovetovisit offers consumers a seamless booking experience, reducing booking times from an industry average of 18 minutes to less than one minute.

The founders recognised that consumers, especially families, struggled to find and book activities, while businesses were overly reliant on outdated technology and narrow marketing channels like Facebook. During the COVID-19 pandemic, with the surge in mobile-first users and domestic tourism, the team launched Lovetovisit. The platform aggregates thousands of bookable attractions and events, presenting users with the largest selection of things to do, all at the best price. Lovetovisit also integrates user-generated content (UGC) to create a social media-like experience where users can discover, book, and share their experiences.

Recently, Lovetovisit completed a £3 million funding round from London-based VCs, positioning the company to scale rapidly and become the number one UK brand for discovering and booking things to do. Their goals include growing from 2,800 to 10,000 live products by 2026 and reaching £90 million in gross merchandise volume (GMV).

With innovative technology, including a world-first loyalty programme that rewards users for non-transactional behaviour like uploading UGC, Lovetovisit aims to create a community of families who discover, book, and share their experiences in a circular economy that benefits both consumers and the tourism industry.



Opulence: Elevating Hospitality Through Exclusive Wine Experiences

Opulence redefines corporate hospitality by offering bespoke luxury wine experiences in Kent's award-winning vineyards. Specialising in corporate events, client entertainment, and team away days, Opulence creates tailored, sophisticated experiences for its clients.

From organising branded invitations and transport to hosting the event itself, Opulence manages every detail, ensuring a seamless experience. The company collaborates with seven vineyards, providing an exclusive opportunity for corporate clients to discover the excellence of English wine while enjoying the picturesque surroundings.

Opulence was born from its founder's passion for English wine and a background in corporate event management. After working with one of Kent's renowned vineyards, the founder realised the potential of offering high-end corporate experiences in the region's vineyards, particularly during quieter periods. The gap in the market was clear—corporate hospitality had long relied on traditional events like sports, often male-dominated, and there was a growing need for more inclusive and diverse options.

In 2023, Opulence hosted over 300 guests, and the founder plans to grow this number by 25% in 2024. The company also aims to expand beyond Kent, partnering with vineyards in Surrey, Sussex, and beyond, while exploring global opportunities in regions like Champagne, France.

By providing a fresh and luxurious alternative to traditional corporate events, Opulence is making a significant mark in the corporate hospitality sector, offering experiences that combine exclusivity, elegance, and a celebration of local viticulture.

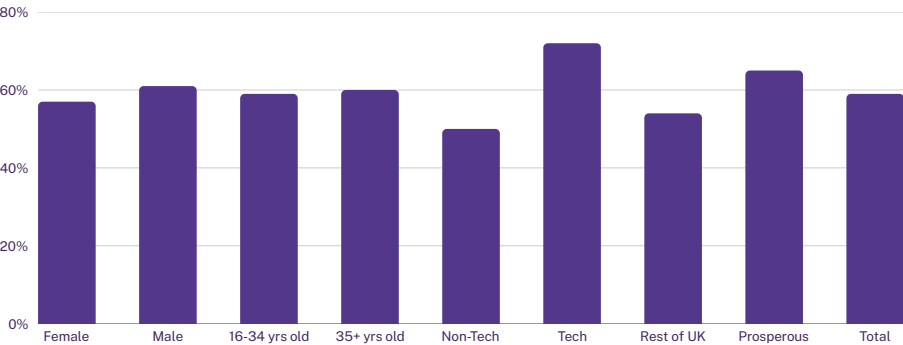


MANAGEMENT OF THE START-UP

ARTIFICIAL INTELLIGENCE



A total of 59% of businesses currently use AI and this significant uptake of AI reflects a growing awareness of its potential to streamline business processes, improve decision-making, and enhance customer experiences. AI adoption is becoming widespread across industries for various functions, including customer service (via chatbots), data analysis, marketing automation, and personalised recommendations.



In terms of gender, the rates of AI usage are relatively similar between men and women, with 57% of female founders and 61% of male founders incorporating AI into their businesses. In terms of age, AI adoption is consistent across different age groups, with no significant generational gap.

When comparing the tech and non-tech sectors, the difference is more pronounced with 72% of tech founders using AI whereas in the non-tech sector, only 51% are adopting it, reflecting the tech industry's stronger alignment with AI technologies. Regional differences also emerge in AI adoption with founders in prosperous regions (65%) more likely to integrate it into their start-ups, compared to 54% of founders in the rest of the UK.

In addition, the intention of a significant majority (80%) of those not using AI to adopt it in the next year highlights a clear trend toward embracing technology to stay competitive.

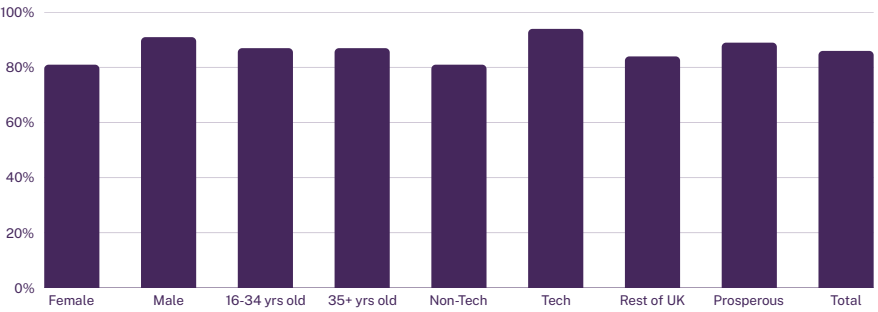
RECRUITMENT PLANS



87% of entrepreneurs plan to recruit new staff in the next 12 months which indicates growth ambitions and a need for additional human resources to support expansion. This decision to hire is often tied to scaling operations, entering new markets, or strengthening existing capabilities and recruitment plans are essential for businesses looking to grow beyond the founder-driven phase and into a more structured, scalable organisation. However, the small percentage of new firms not planning to recruit may reflect smaller or more niche businesses where additional staff are not immediately required, or businesses in early stages where funds are limited.

Across demographics, 81% of women and 91% of men expressed hiring intentions. Both younger (aged 16-34) and older (aged 35+) entrepreneurs have similar recruitment intentions, with 87% planning to expand their teams. These trends reflect the growth mindset prevalent in both tech and non-tech sectors, as well as across different regions and age groups.

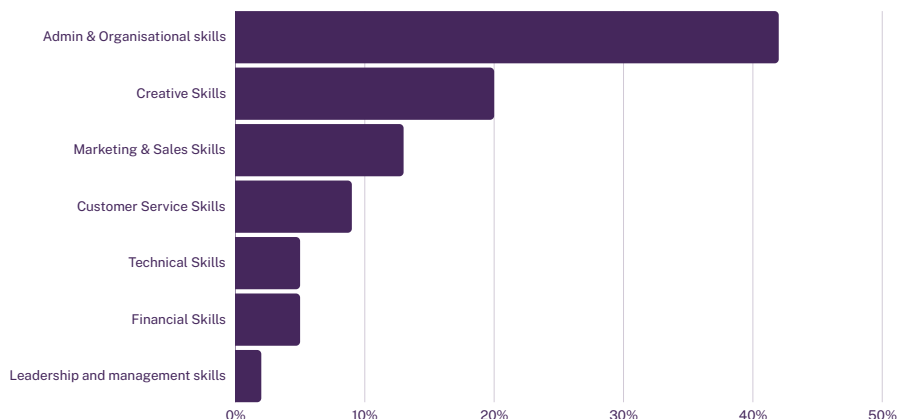
Tech businesses are more likely to recruit, with 94% planning to hire compared to 81% in non-tech sectors. Recruitment plans are also strong across regions, with 84% in the rest of the UK and 89% in prosperous areas looking to hire.



SKILLS REQUIRED BY START-UP FIRMS

Administrative and organisational skills are the most sought-after by founders, with 42% emphasising their importance. While this is somewhat unexpected, it can be explained by the fact that, in the early stages of a business, founders often manage multiple operational tasks. Efficient organisation and administration are crucial for handling day-to-day operations, managing resources, and ensuring that the business runs smoothly and by prioritising administrative skills, founders seem to be focusing on building a strong foundation that allows their business to scale effectively.

Creative skills, cited by 20% of founders, reflect the ongoing need for innovation, especially in sectors where differentiation is key to success. This aligns with research from the World Economic Forum, which ranks creativity as one of the top skills for the future workforce [7]. Start-ups that prioritise creativity are often those seeking to innovate within their industries, developing new products or services that address market gaps or provide unique solutions. The demand for marketing and sales skills (13%) is also consistent with the need for new businesses to effectively market their products and services, build market presence and drive revenue growth.



The relatively lower emphasis on customer service, technical skills, financial skills and leadership and management skills are somewhat surprising although founders may be initially focusing on operational and market-facing roles, with the expectation that these other areas can be addressed later in the business's lifecycle. However, overlooking financial oversight and leadership development can be risky, as businesses that lack these skills may struggle to scale or manage growth effectively.

The low prioritisation of technical skills might also reflect the fact that many start-ups initially focus on market development, but this could pose challenges as the business grows, especially for tech-focused start-ups that need strong technical expertise to drive innovation. Similarly, the minimum focus on leadership and management skills suggests that many entrepreneurs view these as secondary concerns which is not surprising as the founders themselves are leading the business.

PUBLIC RELATIONS AND PERSONAL BRANDING

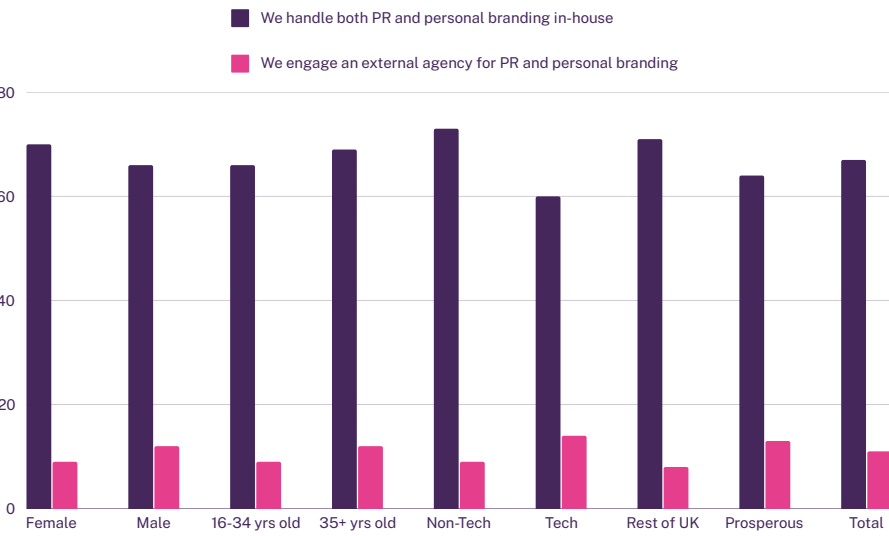
The data shows that 65% of start-ups handle their PR and personal branding in-house, reflecting a strong preference for managing communications internally, likely due to cost constraints and the need for direct control.

About 10% of the total sample engage an external agency for PR, while 5% adopt a hybrid approach, combining in-house efforts with external expertise. 9% of respondents are interested in starting or enhancing their PR efforts, suggesting an awareness of the importance of public relations but indicating that resources or strategic focus may currently be limiting full engagement. Only 3% of the sample either prefer not to answer or are unsure about their PR strategies, indicating that most entrepreneurs have a clear understanding of their current approach to PR and branding.

Age-wise, older entrepreneurs are slightly more likely to outsource PR (12%) compared to younger entrepreneurs (9%), possibly reflecting greater access to funding and strategic focus on brand building.

Tech entrepreneurs are more likely to outsource PR tasks compared to their non-tech counterparts, with 13% of tech businesses engaging external agencies compared to 9% of non-tech. This could reflect the more complex PR needs of tech start-ups which often operate in fast-moving, competitive sectors.

Regionally, start-ups in prosperous areas are more likely to use external PR support (13%) than those in less prosperous regions (8%), likely due to better access to resources.



SOCIAL MEDIA USE

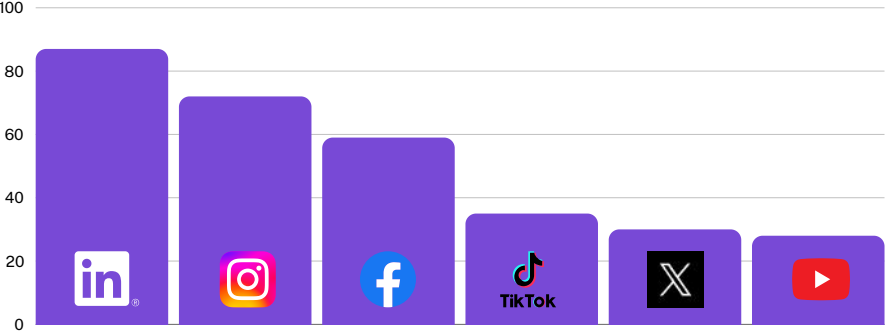


The data shows the social media platforms that start-ups are utilising with LinkedIn being the most popular platform, used by 87% of entrepreneurs. Instagram follows with 72% of founders using it, while 59% are active on Facebook. TikTok is used by 35%, X (formerly Twitter) by 30%, and YouTube by 28% of start-ups.

LinkedIn's dominance can be attributed to its professional focus, making it the go-to platform for networking, industry insights, and business development, especially for B2B companies. Instagram's high usage reflects its value for visual branding and engagement, especially among consumer-facing brands or businesses with strong visual elements.

Facebook, despite recent declines in popularity, remains an important platform for its broad reach and community-building tools. YouTube, while slightly less used, is essential for businesses that prioritise video content for tutorials, product demonstrations, or storytelling.

The relatively lower but still significant use of TikTok and X (formerly Twitter) indicates that start-ups are beginning to recognise the value of short-form content and viral marketing, particularly among younger audiences.





Settld.

**A simple, secure solution
to end-of-life admin**

Settld: Revolutionising End-of-Life Processes

Settld is a UK-based SaaS business that simplifies and automates the closure and transfer of accounts after someone dies, saving families over 10 hours of admin time. By interfacing with over 1,500 companies - from banks to social media providers - Settld provides a seamless experience during a difficult time. Their innovative approach has earned them a Net Promoter Score of 98 and multiple customer service innovation awards. Building on their success, Settld is now developing a tech-enabled probate application service to offer families a cost-effective alternative to solicitors.

Founded after a personal experience dealing with the administrative burden following a death, Settld aims to remove the inefficiencies and complexities surrounding bereavement processes. The company is expanding its services beyond account closures and aims to manage all tasks associated with death via one platform, including asset protection and home logistics. In 2023, Settld supported 10,000 families and is on track to process 120,000 UK deaths annually by the end of 2024.

Settld's first-mover advantage in the bereavement space, combined with its customer-centric approach, positions it as a market leader. The company's platform is highly regarded for its efficiency, automating notifications to multiple service providers and cutting operating expenses for companies by 50%. With plans for international expansion and a suite of end-of-life services, Settld is set to transform the sector using technology, AI, and compassionate care.



Splatter Art Studio: A Unique, Creative Painting Experience

Splatter Art Studio offers a one-of-a-kind painting experience, where participants are encouraged to throw, flick, and pour paint to create their masterpieces. Inspired by abstract artists like Jackson Pollock, the studio provides a fun, accessible environment where mess is embraced, and creativity is celebrated. Designed to enhance wellbeing through artistic expression, the experience is open to everyone, regardless of artistic ability, and promotes the mental health benefits of creativity.

The idea for Splatter Art Studio was born from the shared passion of its founders, who previously worked in escape rooms. They saw an opportunity to create an art experience that was accessible, unstructured, and open to all, attracting people who may not have prior artistic experience. Since its opening in Glasgow in April 2023, Splatter Art Studio has welcomed over 8,000 visitors and expanded to new locations, with plans for further growth across the UK and internationally.

What sets Splatter Art Studio apart is its inclusivity. The sessions are designed to accommodate a wide range of participants, including those with additional support needs. The most valuable lesson the founders have learned is the importance of people. Collaborating with partners, employees, and customers has been key to the studio's success. Feedback from visitors shapes the business, while a strong team helps drive innovation and growth.



Tallow + Ash: Premium, Planet-Friendly Laundry Products

Tallow + Ash reimagines laundry with a planet-friendly, skin-safe formula that blends luxury fragrances with sustainability. Combining the expertise of PhD chemists and master perfumers, the company has developed a unique range of biodegradable, vegan, and microplastic-free products. Their detergents offer complex, premium scents, elevating the laundry experience beyond the typical, chemical-smelling products on the market.

The inspiration behind Tallow + Ash stemmed from a personal need. The founders' family has a history of skin sensitivities and finding laundry products that were both gentle and pleasantly fragranced proved difficult. Tired of the lack of options for sensitive skin, they set out to create products that are not only safe but also luxurious and enjoyable to use.

Tallow + Ash's vision is to make laundry a ritual rather than a chore, offering a full ecosystem of premium laundry products. By engaging directly with customers through email and social platforms, they have built a two-way conversation, allowing customers to share feedback and influence product development. Their ambitious financial goal is to achieve £5,000,000 in year one and expand globally, particularly in the U.S. market.

In overcoming early challenges, such as securing funding and breaking into traditional retail markets, Tallow + Ash successfully grew their brand online, leveraging e-commerce and targeted digital marketing. Their commitment to customer engagement and environmentally friendly products sets them apart, positioning them for continued growth.



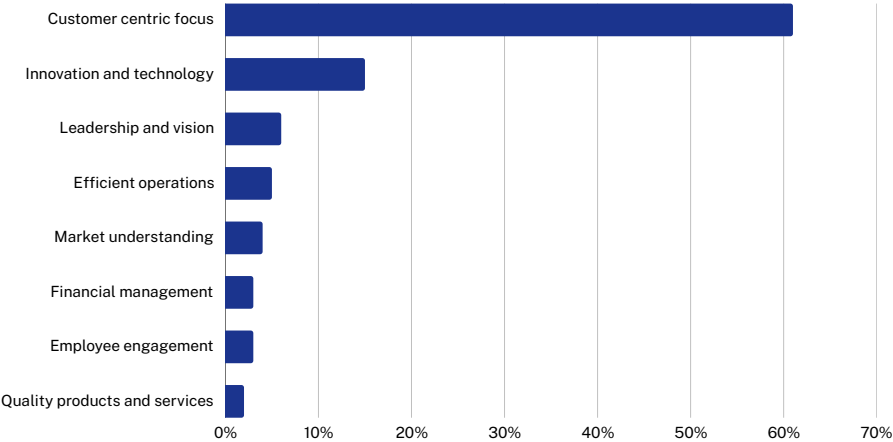
START-UP SUPPORT



KEY SUCCESS FACTORS

A customer-centric focus is overwhelmingly the most critical factor for business success and is cited by 61% of respondents across all demographics, emphasising that businesses that prioritise customer needs and experience are more likely to succeed in competitive markets.

While leadership and vision were only cited by 6% of respondents, it was more important among non-tech entrepreneurs and older business owners, reinforcing existing findings that experienced entrepreneurs often rely more on strategic leadership to guide their businesses through uncertain conditions. Female entrepreneurs also placed more emphasis on leadership than their male counterparts, aligning with studies suggesting that women often adopt transformational leadership styles, focusing on vision and team alignment to build sustainable ventures. Interestingly, employee engagement and quality products/services were not viewed as major factors, despite research that consistently underscores their importance and the relatively low emphasis on branding and marketing contrasts with the consensus that strong branding can differentiate businesses in saturated markets.



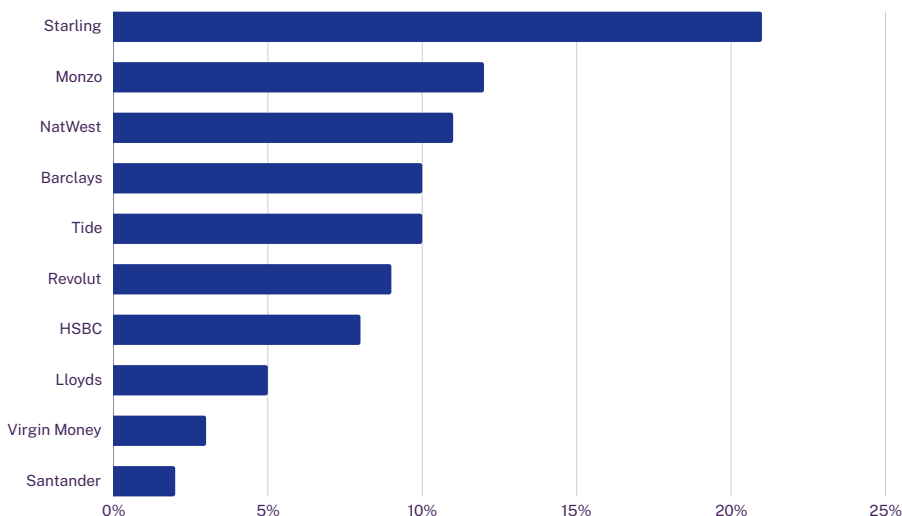
In terms of age, younger entrepreneurs (16-34) showed slightly more emphasis on innovation, aligning with previous studies showing that younger founders are often more growth-oriented and inclined towards scaling through innovative practices. Older entrepreneurs (35+), on the other hand, placed more value on leadership and financial management, consistent with the notion that experience often brings a more strategic, measured approach to business development.

Geographically, entrepreneurs in poorer regions showed a stronger emphasis on customer-centric focus and leadership, while those in prosperous regions also prioritised innovation. This reflects the fact that entrepreneurs in affluent areas often have better access to resources, allowing them to focus on innovation, whereas those in less prosperous areas rely more on direct customer relationships and leadership to maintain competitiveness.

BANKING SUPPORT



After the 2008 financial crisis, regulatory changes in the UK made it easier for new banks to obtain licences, paving the way for challenger banks, also known as neo-banks, to enter the market. Unlike traditional high-street banks, these banks primarily operate online, offering personalised user experiences through mobile apps, real-time payment notifications, and competitive pricing. Their digital-first approach allows them to be more agile and cost-effective, attracting customers who prefer a more modern banking experience.

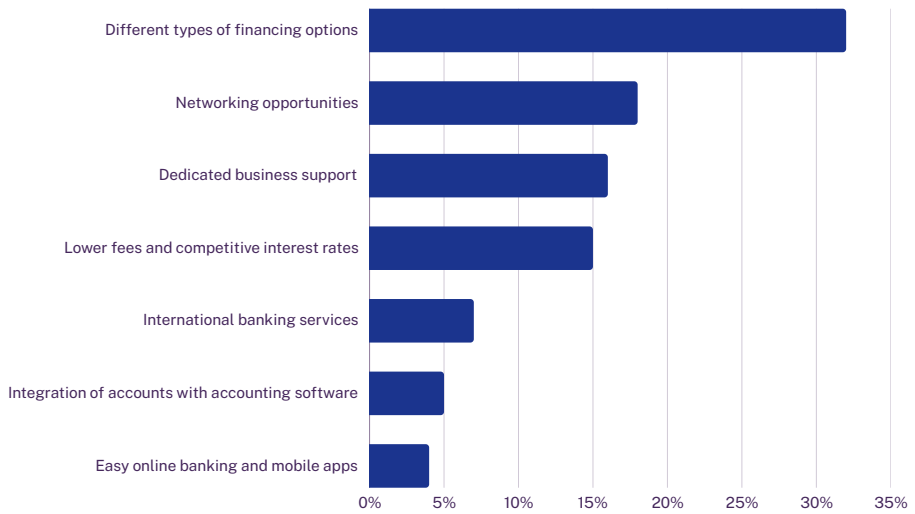


Given this, it is not surprising that most new businesses (57%) currently use challenger banks as opposed to 43% having accounts with traditional high street banks. In fact, the prevalence of Starling Bank (21%) Monzo (12%) and Tide (10%) reflects the growing trend of entrepreneurs using digital or challenger banks for business banking as they offer flexibility, user-friendly interfaces, and free business accounts which are particularly attractive to start-ups and small businesses. Digital banks also tend to provide seamless integration with accounting software, making them appealing to founders looking for efficiency and ease of use.

Traditional banks such as NatWest (11%), Barclays (10%), HSBC (8%), and Lloyds (5%) still play a role but the shift toward digital banking shows that entrepreneurs value modern banking solutions tailored to their specific needs and many traditional banks are developing digital offerings to compete with these new banks.

Founders expressed a range of desired services from their banks, with the top requests being different types of financing options for start-ups, networking opportunities, dedicated business support and advice, and lower fees and competitive interest rates. This reflects the ongoing challenge many entrepreneurs face in accessing traditional funding.

Entrepreneurs need financing solutions that are tailored to start-ups, which often don't meet the rigid criteria set by traditional banks and offering more flexible loan products or alternative funding mechanisms would help meet the needs of early-stage ventures.



MENTORSHIP



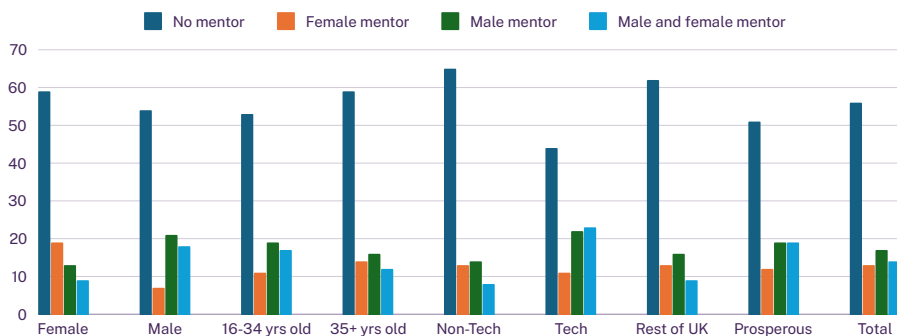
Research has shown that mentors are essential for start-up founders because they provide both practical knowledge and emotional support, helping entrepreneurs to understand business strategies, navigate challenges, and make informed decisions, which accelerates their learning and reduces mistakes. Mentors can also offer emotional encouragement, helping founders stay resilient and manage the stress of building a business, thus increasing a founder's chances of success in a competitive environment [9].

Half of founders have a mentor, while among those who do, 27% have a male mentor, and 23% have a female mentor. The absence of mentorship for 50% of entrepreneurs highlights a gap that could be filled by mentorship programmes, which have been shown to significantly enhance business outcomes.

Studies suggest that entrepreneurs with mentors are more likely to overcome challenges, make informed decisions, and access critical networks. Mentors provide guidance, accountability, and strategic advice, particularly for first-time entrepreneurs who may lack experience in navigating complex business landscapes.

The data shows that a significant portion of entrepreneurs, both male and female, do not currently have a mentor although differences emerge in the type of mentorship entrepreneurs receive. Among female entrepreneurs, 19% have a female mentor, compared to only 7% of males while males are more likely to have both male and female mentors, with 18% reporting this compared to 9% of females. This data suggests that female entrepreneurs are more likely to seek out or receive mentorship from other women.

[9] Yitshaki, R. (2024). Advice seeking and mentors' influence on entrepreneurs' role identity and business-model change. *Journal of Small Business Management*, 1–41.



The data on mentorship by age group reveals that 47% of younger entrepreneurs (16-34) and 41% of older entrepreneurs (35+) currently have a mentor. Younger entrepreneurs are slightly more likely to have both male and female mentors indicate that younger entrepreneurs may be engaging with more diverse mentorship models.

The data reveals that 65% of non-tech entrepreneurs and 44% of tech entrepreneurs currently do not have a mentor. Notably, tech entrepreneurs are far more likely to have both male and female mentors, with 23% reporting this compared to only 8% of non-tech entrepreneurs. This suggests that tech entrepreneurs benefit from more structured mentorship programmes, such as those provided by incubators and accelerators, which often offer access to a broad pool of mentors. In contrast, non-tech entrepreneurs may have fewer formalised mentorship opportunities available to them.

Mentorship access also varies by region with entrepreneurs from the rest of the UK are more likely to report that they do not have a mentor (62%) compared to those in prosperous regions (51%). Entrepreneurs in prosperous regions are more likely to report having both types of mentorships (19%) compared to those in the rest of the UK (9%), suggesting that entrepreneurs in more affluent regions have greater access to mentorship networks, possibly due to the concentration of entrepreneurial ecosystems, funding opportunities, and professional networks that tend to be more established in such areas.

Overall, the findings highlight the need for expanding mentorship opportunities, particularly for non-tech entrepreneurs, those in less prosperous regions, and female entrepreneurs, to ensure that more individuals have access to the guidance, networks, and resources necessary for business success.

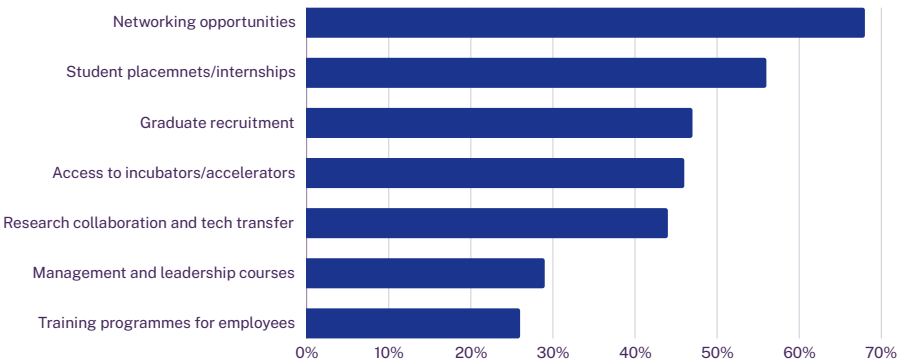
COLLABORATION WITH UNIVERSITIES



85% of founders of start-up expressed an interest in working with universities in areas such as networking opportunities (68%), student placements and internships (56%), graduate recruitment (57%), access to incubators and accelerators (46%), and research collaboration and technology transfer (44%). In terms of skills development, 29% were interested in management or leadership programmes and 26% in developing training programmes for employees. This strong interest in collaboration reflects a desire among entrepreneurs to tap into the resources, talent, and expertise available in universities. Networking opportunities are particularly valuable as universities often act as hubs for connecting entrepreneurs with potential collaborators, investors, and mentors.

Student placements and internships and graduate recruitment also underscore the importance of talent acquisition for start-ups as universities provide a pipeline of young talent who can bring fresh perspectives and innovative ideas to businesses, while also benefiting from practical, hands-on experience. Start-ups that engage in internships or graduate hiring programmes may also benefit from lower recruitment costs and access to ambitious individuals eager to prove themselves.

Access to incubators and accelerators reflects the desire for structured support, including mentorship, investment, and resources that can help start-ups scale. Incubators and accelerators often provide critical early-stage funding, mentorship, and networking opportunities, which can be particularly beneficial for tech-driven or innovative ventures.

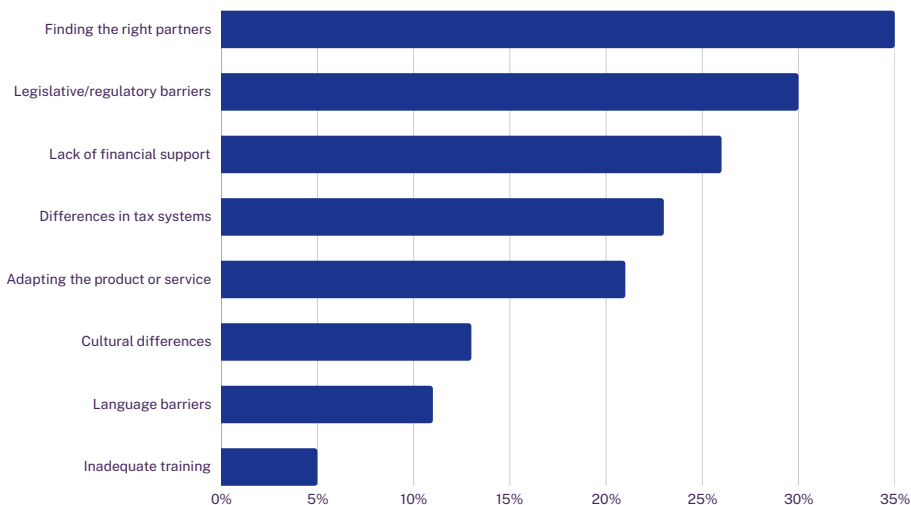


EXPORTING

The main challenge businesses face when expanding into international markets is finding the right overseas partners (35%). This reflects the critical role that local partnerships play in ensuring successful international expansion which not only helps companies navigate unfamiliar markets but also offers insights into local consumer behaviour, distribution channels, and compliance with local laws and regulations.

Another significant challenge is the presence of legislative or regulatory barriers (30%) which can vary between countries and can include differences in trade laws, import-export regulations, and local compliance requirements. Overcoming these obstacles often requires significant time, expertise, and resources, which can be difficult for smaller businesses or those unfamiliar with international regulatory landscapes.

The lack of financial support was highlighted by 26% of respondents as a barrier to international expansion, indicating that many companies struggle with securing the necessary funding for expansion activities, which can include costs related to establishing overseas offices, hiring local staff, or adapting products and services to suit foreign markets.



23% of respondents identified differences in tax systems as a challenge while adapting products or services to suit new markets was a challenge for 21% of respondents. Interestingly, 23% of businesses reported experiencing no challenges in their international expansion efforts suggesting that some companies, likely those with better resources or more experience in international markets, face fewer obstacles.

Surprisingly, cultural differences and language barriers were not seen as major challenges despite these issues being able to create difficulties in communication when interacting with customers.



UNDO: Revolutionising Carbon Removal with Rock Weathering

UNDO uses enhanced rock weathering technology to permanently remove CO₂ from the atmosphere by spreading crushed silicate rock, such as basalt, on farmland. This innovative, nature-based process improves soil fertility, food security, and the health of our oceans while removing carbon for over 100,000 years. UNDO's goal is to scale this technology globally, generating high-quality carbon removal credits for businesses committed to net-zero pathways.

Founded in 2022 by Jim Mann, after realising that tree planting alone wasn't enough to combat climate change, UNDO was spun out of The Future Forest Company. Jim's extensive background in scaling businesses and ecology inspired him to focus on delivering large-scale, permanent carbon removal. Since launching, UNDO has spread nearly 200,000 tonnes of silicate rock in five countries, aiming to capture around 40,000 tonnes of CO₂.

UNDO is at the forefront of carbon dioxide removal (CDR) with its unique approach and continues to push the boundaries of innovation while maintaining the highest environmental standards to gain trust in the market. Despite facing challenges such as MRV complexities, policy disadvantages, and financing hurdles, UNDO remains committed to its mission of removing 1 billion tonnes of CO₂ and driving a positive environmental impact.

The biggest lesson for the company has been balancing the urgency of scaling with the need for careful planning and market education. Jim's advice for entrepreneurs? "There's no time to wait. If you have an idea, the time is now. Reach out, ask questions, and take action."



The Dubs Universe: Eco-Friendly Footwear for Growing Kids

Dubs is a children's shoe brand that combines comfort, fun, and sustainability. Using eco-friendly materials like recycled plastic bottles, sugarcane, and chrome-free leather, it creates durable, stylish shoes designed to last.

When kids outgrow their shoes, parents can return them to Dubs for refurbishment and resale, helping to reduce waste and extend the life of each pair. Dubs also offers a convenient subscription service, taking the hassle out of shopping for children's shoes.

The idea for Dubs was inspired by founder Stuart Davis's frustration with how quickly his daughter outgrew her shoes and the waste that resulted. Along with his friend Gary Cadogan, a designer in the fashion industry, they set out to solve this problem during the COVID-19 lockdown. After months of research and prototyping, they created the "immortal sneaker", a durable, stylish, and sustainable shoe that fits the needs of kids and their environmentally conscious parents.

Dubs aims to educate children about sustainability through their products, positioning reusing and recycling as a badge of honour. They are set for growth, with plans to launch a circular refurbishment programme and further expansion into international markets. Despite early funding challenges, the brand successfully launched via Kickstarter and is now gaining momentum. For the founder, the key to success has been staying curious and always asking questions to learn and improve.



Woodcote Events - Transforming Automotive Experiences

Woodcote Events is an event and marketing agency focused on delivering exceptional experiences, particularly within the automotive industry. Founded in 2021, the company offers a comprehensive range of services including event consultancy, media launches, product launches, and more.

The journey began with co-founder Gareth Harford, whose passion for crafting top-tier motorcycle experiences led to the company's inception. Following two life-altering motorcycle accidents and the COVID-19 pandemic, Gareth pivoted the business from exclusive high-end motorcycle experiences to a full-fledged events agency, supported by his partner and co-founder with expertise in leisure and tourism.

Woodcote Events is committed to creating premium experiences that not only meet client expectations but also bring joy and creativity to the workplace. Their core values include knowledgeable expertise in the automotive industry, a commitment to delivering high standards in every event, ensuring enjoyable interactions while maintaining professionalism, and infusing originality into events for memorable experiences.

Woodcote Events faced significant hurdles, including the need to pivot business models and establish credibility in a competitive market. Key lessons learned include the importance of preparation and having established policies, which were crucial for successful pitches to potential clients. The overarching lesson learned is the necessity of continuous growth and adaptation in a fast-evolving industry. The founders emphasise the importance of personal development and the willingness to seek guidance and learn from their network to ensure sustained success.

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