

A glimpse into the future: Antler's partners predictions for this new year

To get the year off to a great start, Antler partners from all around Europe share with us exclusive and impactful advice.

Temps de lecture : minute

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To start this new and promising year, various Antler's partners gives us insight on what 2024 has in store for us. To predict the upcoming innovation and tech in the UK, no need to pay a visit to a fortune teller. Instead of chance and destiny, Antler's partners rely on knowledge and experience to predict the future.

Alan Poensgen, Partner (Berlin): New technologies will accelerate innovation

"I think the main challenges for founders will be the same as ever. Build great products, build great teams, convince others to come on board for seemingly crazy ideas. 2024 will be no different. Fundraising for later stage companies will remain tougher than it was a couple of years ago, as will getting money from consumers and companies to buy your product.

At the same time, other factors will make it easier to build in 2024. The thing that fundamentally excites me is that the rate of technological change is accelerating, which means there will be more innovation and subsequently opportunity for entrepreneurs.

Two very obvious examples are:

1. We see a change in the software stack the world operates on with the maturing of AI. This means a lot of the software innovation of the last 20 years will evolve significantly. Ex.: LLMOps and developer tools needed to build all this have come out of nowhere; Paradigm shifts in cybersecurity; etc...
2. Hardware innovation is becoming massively easier. 3D printing reaching maturity; the computing power to enable testing through simulations as opposed to physical testing; the decrease in cost of key components such as advanced sensors or programmable chips. All of these are things that have been advancing over the last decade but together have a strong compounding effect that means that a lot more hardware innovation can come from entrepreneurs as opposed to large corporate R&D.

For Antler, in 2024 I expect to see more and more great companies emerging and some of our earlier investments getting bigger and bigger."

Livia Moore, Partner (Stockholm): The bloodbath is set to continue

"Although the blood bath isn't over yet, and we'll likely - sadly - see a lot more companies going bust, the tech winter is starting to thaw and there is optimism on the horizon.

This is general for VC, but for the very earliest stages where we at Antler operate, I predict we'll continue to see a strong anti-recession trend with top talent continuing to make the choice to build their next company during a downturn.

The mega-trends within climatetech and AI will persevere in 2024, but I believe we'll also see the first examples of AI companies failing to get traction and going bust in 2024."

RJ Schuurs, Partner (Amsterdam): The fight for capital and talent will get more intense

"At (pre-)seed stage I think there is a great opportunity to stand out when raising from VCs if you can show you have in-depth knowledge about a specific space that allows you to reveal the ingredients of the magic sauce you are producing. If you can tangibly demonstrate that your business model can be profitable relatively soon, or at least generate solid unit economics, this will help you also raise funds in 2024.

This is important as the major challenge will remain capital, and I believe even more so for companies that have raised significant capital in the past. I think some VCs might go earlier stage and deploy capital there instead of rescuing a later stage company that has a huge burn.

On top of this, the battle for talent will continue raging. But there is a real opportunity for (pre-)seed stage which might be able to attract great talent given the capped upside and lay offs at later stage companies.

I think the 'downturn' will continue when compared to the amazing upswing in 2021 and parts of 2022. Later stage will have a tough year ahead and down rounds and defaults will accelerate. However, the AI upswing will allow for companies to build with fewer people and less capital.

Antler should be the single most active VC globally in 2024. We should be doing more investments than we have ever done, where most others will likely do fewer."

Ollie Purdue, Partner (London): Consumer tech and the early signs of recovery

"I'm hoping we see an uptick in consumer businesses which get funded. Consumer spending is over 60% of UK GDP yet it feels like over the last year they have struggled to raise money compared to B2B SaaS companies. There are great consumer-facing tech startups in London that could achieve great success.

I think we will start to see signs of recovery throughout 2024. By this time next year there will be more optimism in VC and hopefully more exciting funding rounds closing too."

Article by Paul Ferretti