

# London, Everything you need to know about Europe's number one startup hub

*No other European city compares to London in terms of volume of startup activity. Here's the lowdown of the best London has to offer to founders*

Temps de lecture : minute

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As one of the best funding ecosystems in the world, a melting pot of top international talent, and a hub of academic innovation, founders have everything they need in London.

In just a few decades, London has become one of the top global destinations for tech founders. Of the \$31B of VC investment in the UK in 2022, \$20B of that was invested in London. In 2023, three new unicorns emerged in London—Quantexa, Synthesia, and Zyber365.

The technology sector has surged in the UK capital in recent years. While the tech sector employs around 6% of the workforce in the UK, in London it employs over a fifth of workers. Around 25,000 new tech companies were created there in 2022.

So why is the UK capital such a popular destination for startups? Here, we explore everything you need to know about finding investment, seeking support and networks, and sourcing talent in London as a startup.

# Clear opportunities for investment in London

London's reputation for financial services stretches back centuries. Over the last few decades, this has evolved into a growing number of risk-oriented venture capital funds looking to back the next London-based unicorn.

For startups at the very early stage, there's a strong network of investors looking to make pre-seed and seed stage investments. Seedcamp has built a reputation as one of Europe's best seed stage VCs, backing startups all over Europe—including Revolut, Wise, and UI Path. Last year they announced Seedcamp Fund VI, a \$180M fund backed by over 200 investors. Other prominent seed funds include Saul Klein's LocalGlobe, Playfair, and firstminute capital, a seed fund launched by Brent Hoberman and backed by over 100 unicorn founders.

Founders at Series A onwards have a wide range of growth stage VCs to raise money from. Balderton Capital is Europe's largest early-stage venture capital investor. The firm manages \$2.7B in assets and invests in entrepreneurs building globally ambitious businesses—including Betfair, Depop, and Citymapper. Molten Ventures and impact-led Octopus Ventures occupy similarly prominent positions in the growth stage funding landscape.

London also acts as a bridge to some of the biggest international VCs (particularly from the US), who for a long time have seen the UK capital as a strategic outpost in Europe. A16Z launched their new office in London in 2023, joining the likes of Sequoia, Index Ventures, and Accel.

Eléonore Crespo, founder of French startup Pigment, benefitted from both of these sources of capital. After initially raising from Blossom Capital, a London-based VC fund, Pigment have recently gone on to raise \$145M in funding from prominent US funds IVP and ICONIQ. "Both of these funds

have their European headquarters in the city, making it even easier to strengthen our relationships with them,” explains Eléonore.

Startups looking for more than capital might want to explore the many accelerators and incubators that London houses. *Entrepreneur First* is a talent accelerator, matchmaking co-founders and supporting their businesses—since 2011, over 3000 founders have gone through their programmes, building more than 300 companies with a total value of over \$10B. Other support programmes include venture studio and accelerator *Founders Factory* (investing across fintech, health, climate, and deeptech), impact-driven *Bethnal Green Ventures*, and globally renowned *Techstars*.

## London’s world class talent pool

A combination of London’s diversity and the strength of its academic establishment means that the city has long been able to attract highly skilled talent from around the world to study and work.

*Imperial College London* regularly ranks in the top ten of most global rankings (sixth in the world, according to [QS World University Rankings 2024](#)). Imperial’s stellar reputation for STEM attracts students from around the world, with 61% of their student body being international. They also have a great track record for university spin outs—including Tractable, the UK AI unicorn that was developed at Imperial.

The University of London is a cluster of top universities in the capital, including *The London School of Economics and Politics* (LSE), *University College London* (UCL), and *King's College London* (KCL). It is also home to leading business schools including *London Business School* and *Bayes Business School*, which regularly rank in the top MBA programmes globally and have a particularly strong focus for entrepreneurship and startups.

It's not just London's top universities that have contributed to such a high quality talent pool. The strength of various sectors—particular financial services—make it a natural talent magnet. Samantha Duncan, founder of Net Purpose, was able to tap into this when growing her business. “I was building a capital markets business, and London, with New York, is one of the main financial market hubs in the world.”

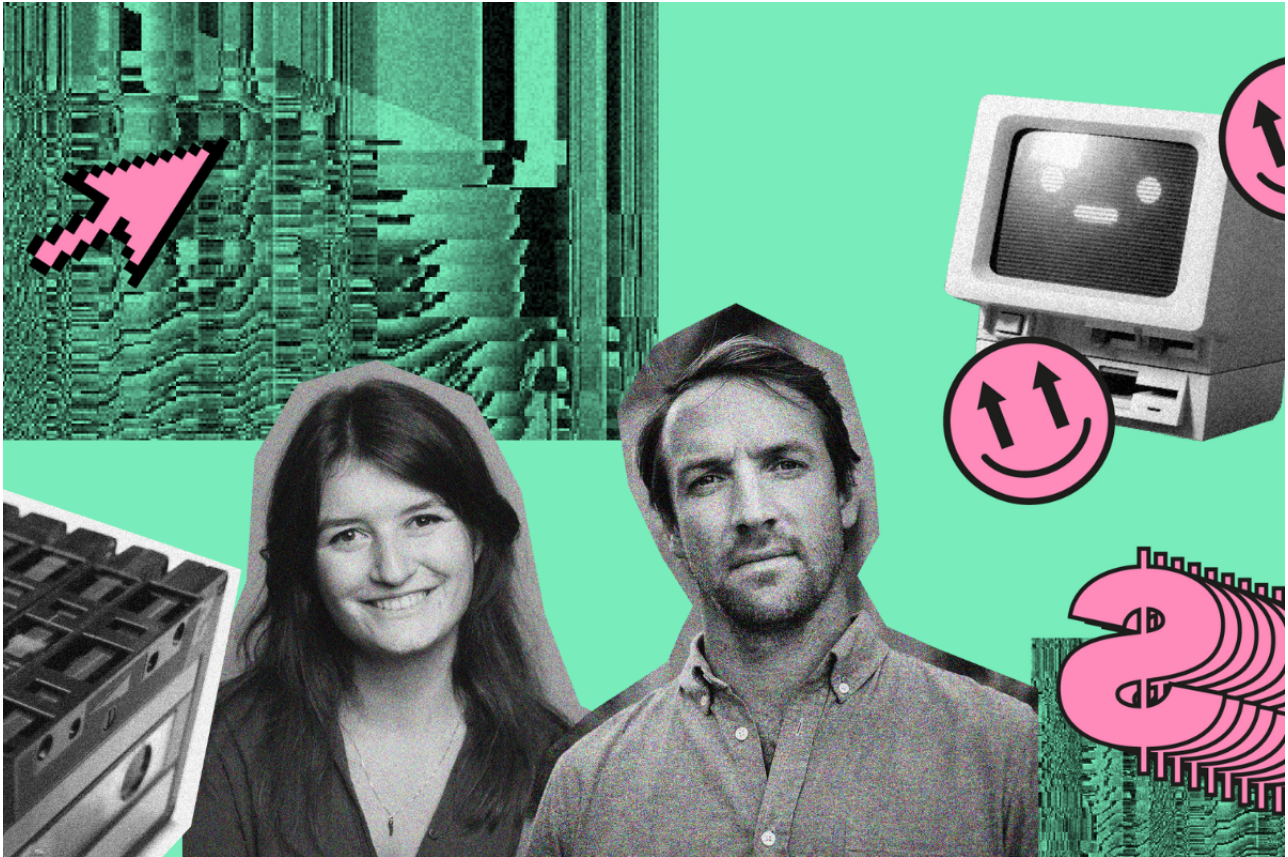
The growing presence of global tech companies is helping too, drawing in a swathes of talent with experience at fast growing tech companies. Pigment founder Eléonore experienced this first hand after opening an office in London: “A number of our UK-based employees come from leading tech companies including Meta, Workday, Amazon, as well as hyper-growth scale-ups.”

## Leaning on London's support networks

There are countless entrepreneurial community organisations in London to cater for the vast volume of startups.

For those relocating to the capital, London & Partners may be one of your first ports of call. They are London's business growth and destination agency, promoting London as a top destination for entrepreneurship, supporting founders growing their business or looking to relocate operations there. One of their key events is *London Tech Week*, which celebrates startups in the capital which they run jointly with Informa and Founders Forum.

French startup *Back Market* found London & Partners to be a great asset when they were setting up operations in London for their marketplace for restored tech devices. “We received great support, everything from networking and connections, to advice and even solutions to help us find our London-based office. The team made our UK entry much smoother,” explains Thibaud Hug De Larauze, CEO and co-founder of Back Market.



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Founders also may come across *Tech London Advocates*, a group of London-based tech leaders, founders, and investors which helps entrepreneurs connect and learn from one another through events, mentorship, webinars, resources, thought leadership, and more. They are also a key partner behind London Tech Week.

London's entrepreneurial community also celebrates and supports diverse business founders and talent. *Black Valley* is a community to support and empower Black talent in UK tech, based in London. *Pride in Tech*, meanwhile, offers support and community to LGBTQ+ founders.

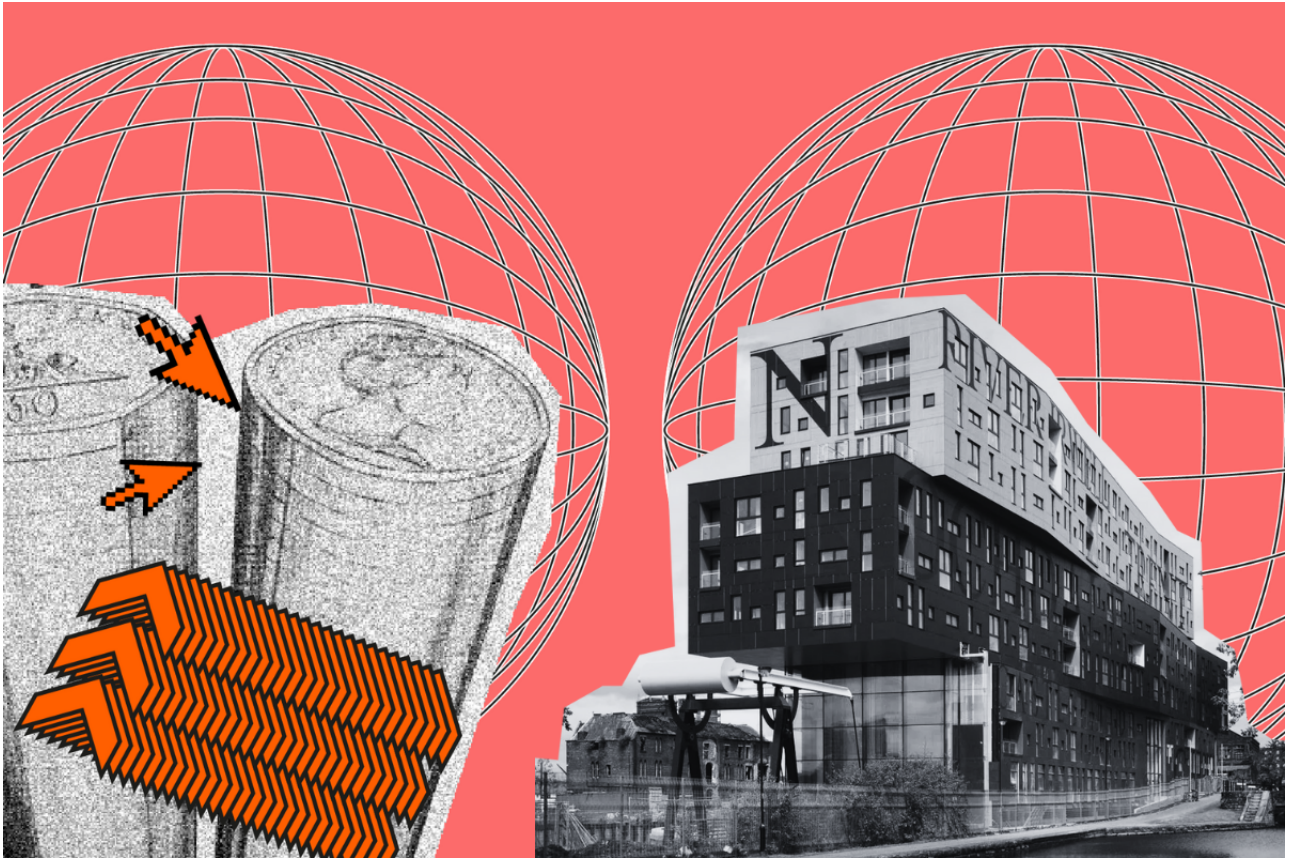
Workspaces for innovative, creative businesses are in plentiful supply across London.

*Plexal's* community and workspaces offer science and technology businesses more than just a desk—setting up there gives you access to a broad range of support programmes and collaboration opportunities with the community.

*Huckletree* is a newer chain of office spaces that are geared towards innovative tech companies. *180 Studios* is a community and workspace in central London, looking to attract innovative and creative businesses, home to everyone from TikTok and Dazed & Confused to Charlotte Tilbury.

London's sheer scale and access to opportunities makes it one of the most appealing destinations for startup founders. With the right support and guidance, new businesses can access world class investment, talent and community support.

*The Commercial Department of the British Embassy in Paris provides support to French companies wishing to set up in the UK. Click [here](#) to find out more.*



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Article by Maddyne, with The British Embassy in Paris