Prompts and predictions Part 1: Startup founders share their insights and ambitions for 2025

As 2024 draws to a close, the startup ecosystem instead of winding down, buzzes with anticipation for what lies ahead. In this article, Maddyness has gathered insights from founders, investors, and industry thought leaders to uncover their predictions for 2025.

Temps de lecture : minute

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Louis Dussart, VP, Europe, RTP Global

"While 2024 skewed towards AI, 2025 will see a rebalance in VC funding. From climate tech to AI's application layer to fintech, we'll see greater interest in the start-ups that were, perhaps, overshadowed by the 'redhot' AI companies that received the largest amounts of funding in 2024.

2021's tech bull market has also set the foundations for 2025 to be a year of tech maturity. Right now, I'm seeing more optimised supply chains, better products and clearer paths to long-term profitability. This is great news for founders; there's a real opportunity for those who capitalise on this optimism and ditch the recessionary instinct to downsize goals and objectives.

My top piece of advice for founders headed into 2025 is to stay firmly rooted in your value proposition. Focus on building something vastly superior to anything else available on the market today. Guided by this conviction, start-ups are in a good position to limit risk and build a category-defining solution."



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Eleanor Kaye, Managing Director, <u>Newton</u> <u>Venture Program</u>

"If 2024 was one of AI exploration, 2025 will be the year of AI implementation. We'll see companies and VCs truly embedding artificial intelligence into their day-to-day operations, and founders leveraging it as a foundational tool as standard. And whilst there's still a huge amount of regulation and understanding around AI that societies need to pursue, the coming year will see AI evolve past 'shiny new toy' status and become part of the furniture."

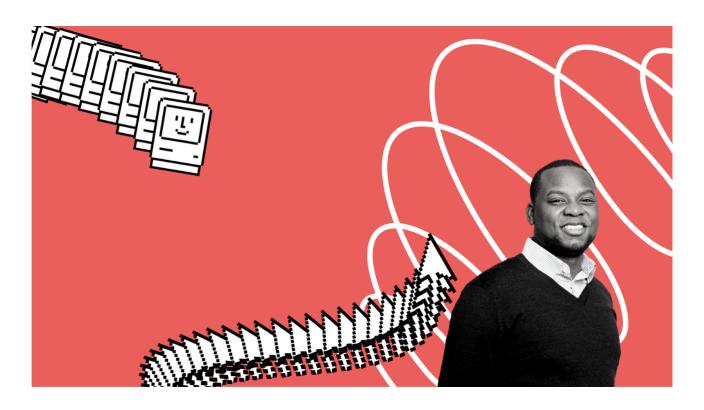
Richard Robinson, CEO, Robin Al

"After two years of excitement and experimentation, 2025 will be the year companies get serious about proving AI's ROI. The days of flashy demos and vague promises are over. Instead, businesses will need to see hard evidence that AI delivers real results, whether that's faster processes, cost savings, or something else tangible.

"While budgets for AI are growing – one in three large businesses are planning to invest at least \$10 million in AI in the next year – so is the pressure to show that money is being spent wisely. Getting a grip on ROI from AI is about measuring both indirect strategic benefits and immediate productivity gains - and weighing them against the costs of ongoing investments.

"In 2025, we'll also see a growing trend towards specialised AI – tools designed to solve specific problems or tackle niche pain points. In legal tech, for example, we're focused on making lawyers' lives easier, not replacing them. By targeting clear challenges, like streamlining contract reviews or managing data breach responses, we can deliver solutions that truly make a difference.

"The startups that thrive next year will be the ones who can prove their impact early, stepping up and showing that they're creating real value, not just riding the AI hype wave. Companies that *do* focus on hype rather than results will fade fast as buyers become more cautious and sophisticated. The future of AI isn't about being the biggest; it's about being the most useful."



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Ciaran Murray, CEO, Olas

"2024 saw prediction markets break out of Web3 communities and capture mainstream attention, confirming the accuracy of crowd wisdom to assess and validate information. Prediction markets' potential to reward accuracy, deter bad actors, and grant the public the power to decide what's newsworthy and significant can remedy the problems caused by the undue influence plaguing legacy media. This growing popularity marks a promising development for the crypto media industry.

Failing to recognise blockchain as a viable solution to the problems faced by mainstream media will have serious future consequences.

Decentralising support and democratising funding can foster diverse ideas and opinions, transforming information sharing and revitalising the media industry at this critical juncture.

DeSci has also emerged as another salient topic in the Web3 space this year, reflecting the increased demand for accessible, high-quality information. 2025 will mark a pivotal moment for DeSci to remedy the shortcomings facing academic institutions, scientific progress, and the public as a whole. At Olas, we are optimistic about the advancement of accessibility and updated peer review mechanisms which can help address the problems in the sector and transform an outdated system."



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Gilles Retsin, Cofounder & Chief Technology Officer/Chief Architect, <u>AUAR</u>

"The global housing shortage will further dominate headlines as efforts to build the required 1.5 million homes in the UK fall short. Governments, developers, and communities will face growing pressure to find scalable solutions. This crisis will expose the limitations of current construction methods, creating an urgent need for systemic innovation and more efficient, sustainable approaches.

2025 will see the convergence of AI and robotics in the physical world, as

automation expands beyond software into tasks involving material manipulation and on-site construction. Tools like robotic arms and drones, powered by advanced AI, will become more accessible, enabling smaller firms to adopt technologies previously limited to major players. This democratisation will lead to faster innovation and broader adoption across the industry.

Timber will continue its rise as a new dominant material in mid- and highrise construction. With its carbon-sequestering properties and versatility,
timber offers a sustainable alternative to traditional materials like steel
and concrete. Advances in engineered timber products, alongside
supportive regulatory frameworks, will further accelerate its adoption. In
the UK, there will be a renewed debate about regulations around timber
construction for mid-rise and high-rise.

Materials like earth, hemp, timber, and stone will become more mainstream as technological advances make them easier to produce, transport, and integrate into construction workflows. These materials align with the growing demand for sustainability and can now compete on cost and performance, helping to redefine what's possible in modern architecture.

The rise of AI startups focusing on construction planning, visualisation, and process optimisation will have a transformative impact on efficiency and productivity. From automating tedious design tasks to optimising supply chains, AI will enable architects, engineers, and builders to focus on creativity and problem-solving, reducing time and costs across projects.

We'll see more alternative industrial models to fill in the gap left by the failures of big modular. If we are to increase the delivery of housing, new easily scalable models powered by automation are required. We'll see more startups coming up with innovative delivery methods for housing."

Natalie Cramp, Partner, <u>IMAN Group</u>

"A challenging economy, high interest rates, digital transformation, supply chain issues, changing consumer behaviour and more - the list of challenges and opportunities businesses face as we enter 2025 is certainly not short. The winners will be those that set themselves up well to respond to the one constant that seems to be true - change. How do you do this? You ensure you have the right information at your fingertips to be able to react quickly and remove the cost of delay of decision making. Often in challenging times we see people halt investment. Now of course you have to be sensible about what you can afford, but investment in tech and data infrastructure which enables you to inform real time decision making, and begin to utilise the opportunities Al offers us is not a nice to have. It will be crucial to keep pace with the competition and not just survive but thrive in the medium-term.

Generative AI will go from experimentation and hype to an operational reality. The businesses who will really succeed will be those who are not just putting in place guard rails and ensuring their teams are safely using tools available, but those who integrate them as a part of their operational processes, ensure people in their team are keeping them abreast of the developments, and invest time working out what the future of their business operating model looks like in a world which will be people augmented with AI. What does training look like in this world? Which roles and shape of team do you have? What do your processes look like? What does the infrastructure look like that enables this? What education do you need for your workforce? How will you price for customers in the future? Is your data set up to enable your future operating model? Removing the noise and getting the building blocks in place on AI readiness should be in every business strategy in 2025.

Importantly, in 2025 robust data will become an absolute commercial imperative for those seeking to boost their investment appeal or prepare

for an eventual exit. With the days of multiple arbitrage behind us, 2024 has seen private equity (PE) continue its transformation as investment managers pivot to using advanced data analytics to supercharge what they can do and underpin their investment strategy. 2025 will see even more of the same as the analytical power of data becomes an investment priority. With this, it will be those businesses that not only have their data in order but the analytical prowess to find actionable meaning in those numbers see it pay off – whether that's priming for growth, preparing to sell or simply driving value creation and maximising returns."

Thomas Kriebernegg, General Manager, *SplitMetrics Agency*

"2025 will be a watershed moment for marketers and app marketers. Gone are the days of relying solely on intuition and guesswork. Alpowered tools are already empowering marketers with data insights, automating advertising campaigns and improving workflows.

The AI market is projected to soar to \$1,339B by 2030. A recent MIT Technology Review Insights survey underscores this trend, with 94% of business leaders integrating generative AI into their software development processes. Similarly, a Storyblok survey reveals that 63% of brands are leveraging AI to enhance their content marketing, SEO strategies, and website functionality.

Al will no longer be an optional tool and will become an indispensable core of effective marketing strategies. You may not know it yet, but Al is already the beating heart of successful strategies when it comes to app marketing. And the truth is that if Al doesn't power your app's marketing, you're falling behind. Time, money, and countless opportunities are slipping through your fingers with every passing day you choose to remain on the sidelines.

With AI, marketers can consistently deliver exceptional returns on investment. AI can already reduce marketing costs by up to 20% and boost revenue growth by 10%, and these benefits will only grow as AI adoption accelerates."

Steve Salvin, CEO and Founder, Aiimi

"Tech's next biggest trend, 'Agentic AI', is the self-driving car of Large Language Models. The *Nvidia* and *Gartner-backed* AI system uses context and feedback from its environment to inform complex decisions and complete tasks with minimal supervision. The opportunities to drive efficiencies are clear. But so are the risks of having nobody behind the steering wheel.

Companies looking to leverage Agentic AI safely and successfully in 2025 must therefore have certain guardrails in place. By using explainable models, teams can put routine checks and balances in place. And by using the high-quality data AI needs to generate high-quality results in the first place, teams can ensure that minimal intervention is needed.

Since few companies have their data in order right now, few companies are ready to adopt Agentic AI or the hotly anticipated GPT-5. Automated data governance and information retrieval tools will therefore become essential as companies vie to establish accurate, relevant, and secure information before safely reaping the rewards of new AI tools."

Khyati Sundaram, CEO, Applied

"Speculation around the Goliath of AI, Artificial General Intelligence (AGI), is growing. The idea that systems could act without oversight to perform any human task is a scary thought. But AGI remains a distant threat: AI is still far from human-like reasoning. And the David of AI, Small Language

Models (SLMs), will prove to be a more safe and accurate approach in the meantime.

Small Language Models are going to be big in 2025. These models are trained on small datasets for specific use cases, and generate highly accurate and relevant output as a result. Models operating in contained contexts can also be more easily monitored. In other words, SLMs do fewer things but to a better and more secure standard than Large Language Models. The value and variety of sector-specific solutions SLMs will create is not to be underestimated."

Taco Engelaar, Managing Director, *Neara*

"In 2025, AI will truly showcase its role in the green transition. Given that AI requires a large amount of energy and water to function, it can feel oxymoronic to consider it part of the climate solution. But AI also stands to transform everything from energy network resilience to innovative materials discovery. Whilst it's not yet a truly green innovation itself, we simply can't solve the climate crisis without AI.

In recent years, funding for climate tech and green AI has been increasing and the appetite for business to explore AI-led solutions has grown alongside. In the coming year, as we race towards the 2030 net zero deadline, the impact of this investment and corporate backing will start to be truly felt. To that end, a range of systems will reach a tipping point; where tech-led climate solutions become the rule, not the exception."



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