

Winners in Artificial Intelligence Startup Industry 2024

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About this Report

In this report, we spotlight the leading locations, startups, exits, and unicorns in the AI startup industry, based on hundreds of thousands of data points from sources such as Semrush and Crunchbase. These data points are processed using an algorithm identical to the one employed in the Global Startup Ecosystem Index 2024, which considers dozens of parameters, as outlined in the Methodology section.

The structure of this report is as follows:

- An overview of the methodology and key insights from the report.
- A presentation of the top 21 countries and 50 ranked cities for AI startups, along with highlights from these locations.
- A presentation of the top unicorns, exits, and startups globally in the industry, ranked by SB Score.
- An analysis of the AI startup industry's growth, using indicators such as funding, team size, number of exits, and unicorns.



Methodology

We ensure accuracy in our rankings by relying on objective, quantifiable data instead of subjective tools like surveys. Our algorithm, based on data from the StartupBlink map and global data partners, minimizes assumptions and focuses on measurable results. Yearly improvements enhance algorithm accuracy, with momentum changes influenced not only by ecosystem achievements but also by these enhancements.

The algorithm is refined using data from the StartupBlink Global Map, covering 10-15% of global startup entities. Scores are determined uniformly, but sample sizes vary by location and data source. To address low sample size issues, we collaborate with 100 Ecosystem Partners, offering government agencies complimentary administrative access to curate datasets. Rankings involving Unicorns and Exits consider startup valuations, applying filters to exclude government entities and corporate spin-offs.

The Methodology used in the 11 industry rankings, including Software & Data and 91 sub-industries such as Artificial Intelligence is identical to the algorithm of the global rankings while taking into account the startup database of each industry. **Full access to our platform's data is available to [StartupBlink Pro](#) users.**



Key Insights

- Since 2023, Singapore has climbed 3 spots to 5th, and Canada has risen 1 spot to 4th, while China has dropped from the top 5, now sitting at 8th.
- Israel ranks above the UK (ranked 3rd) when it comes to the AI startup industry for the second year in a row.
- Estonia ranks in the top 10 of the AI startup industry, 6 spots higher than its general ecosystem ranking. Romania, Norway, and South Korea also rank in the top 15 for AI, despite their overall rankings being 20th or lower.
- Of the top 10 cities for AI, 6 are from the US and 3 are from China, reflecting the impact of these countries' AI-friendly policies compared to Europe.
- Among the top 30 cities for AI, we see Bucharest, Jerusalem, Oxford, and Cambridge, despite their overall ecosystem rankings being 70th or lower.
- AI funding in 2024 is projected to be significantly lower. By mid-2024, it reached 26.6% of 2023's total, indicating a sharp decline in investment activity this year.



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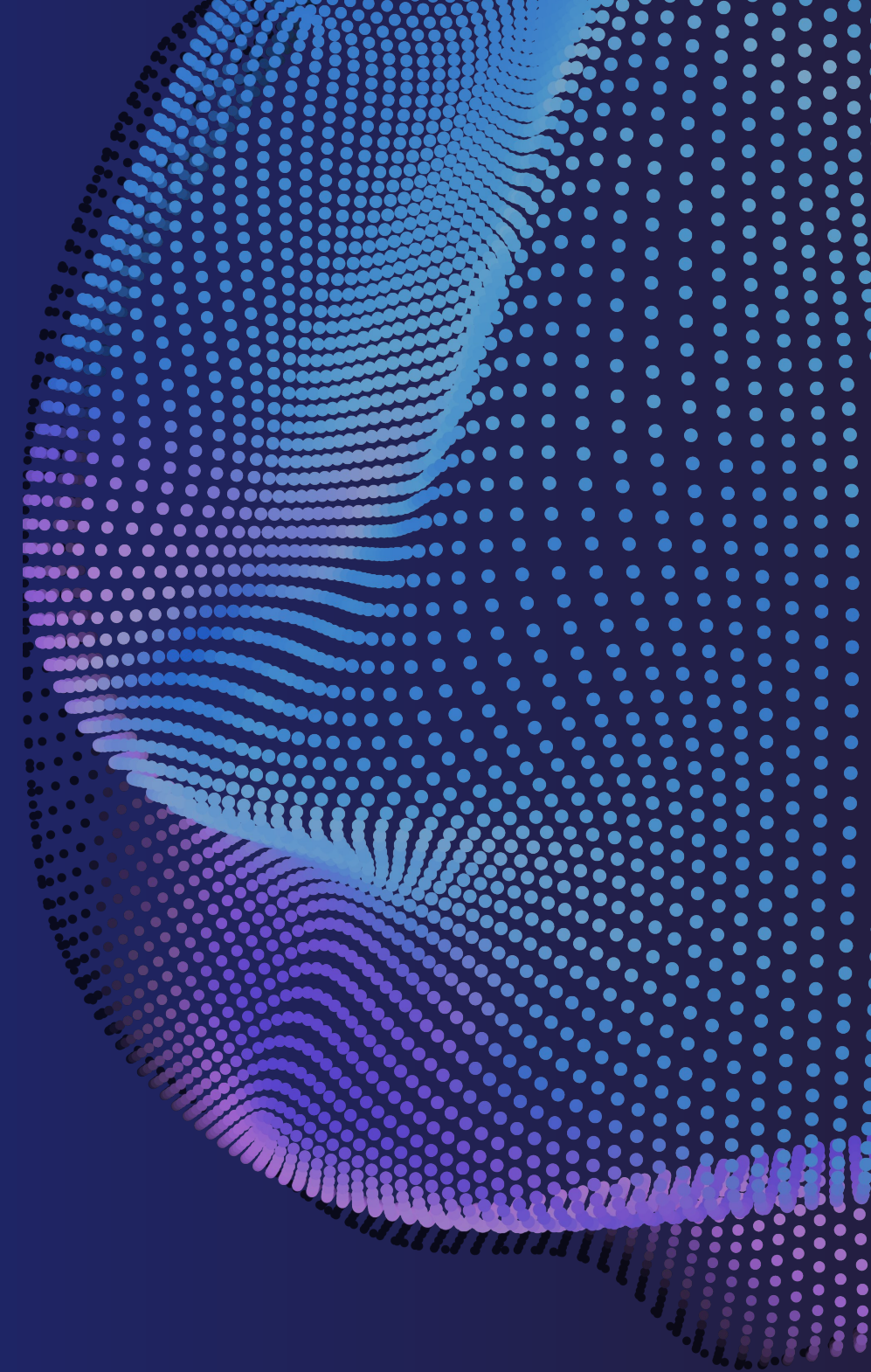
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Winning Startup Ecosystems in AI

This section covers the startup ecosystem rankings of 21 countries and 50 cities, highlighting the top locations winning in the AI startup industry.



Top Countries in AI Startup Industry

Rank	Country name	Score	Change from 2023	Difference from Overall Rank
1	United States	16.723	0	0
2	Israel	7.635	0	+1
3	United Kingdom	5.211	0	-1
4	Canada	3.276	+1	0
5	Singapore	2.924	+3	0
6	Estonia	2.793	0	+6
7	Germany	2.422	+3	0
8	China	2.210	-4	+5
9	France	2.177	-2	-1
10	Switzerland	1.788	+2	0

Industry Rank	Country name	Score	Change from 2023	Difference from Overall Rank
11	Romania	1.579	0	+33
12	Norway	1.507	-3	+13
13	South Korea	1.351	+7	+7
14	The Netherlands	1.263	0	-5
15	Australia	1.144	0	-4
16	Finland	1.049	-1	-2
17	Sweden	0.958	+5	-11
18	Denmark	0.932	-2	0
19	Japan	0.837	-6	+2
20	Ireland	0.818	4	-3
21	Taiwan	0.766	-1	+1

Explore the full list of 40 countries ranked in Artificial Intelligence with [StartupBlink Pro](#).

- While the **United States** dominates both the AI startup industry and the global startup ecosystem, the AI sector is more competitive for countries. The US's AI score is just over twice that of Israel, compared to its 3.8 times higher score in the overall startup ecosystem rankings.
- **Israel** leads the UK by 30% in the AI startup industry, securing second place globally. This gap highlights Israel's strength as an AI hub, despite the UK's broader ecosystem dominance.
- **Singapore** climbed 3 spots to rank 5th, ahead of China, which holds 8th place despite having the world's most valuable AI startup, ByteDance.
- **Estonia** ranks 6th in AI startups, surpassing major European countries like France and Germany,
- **Sweden (17th)** and **Ireland (20th)** has climbed 5 and 4 spots respectively from 2023. They also rank 5th and 12th in AI respectively.
- **France** showed a 2-spot decline, struggling to keep pace with the rapid growth of AI ecosystems in countries like Singapore and Germany, despite producing success stories like Mistral AI.
- **Switzerland** joins the top 10 countries for AI by climbing 2 spots compared to 2023. **Germany** (7th) also climbed 3 spots since 2023, surpassing **France** (9th).
- **Romania (11th)** shows the biggest difference from its general ecosystem rank as its position is 33 spots higher in A. It surpasses European nations like Norway, The Netherlands and Finland .
- **Norway** ranks 12th globally in AI, just outside the top 10. This is 13 spots higher than its overall ecosystem rank, but last year it was in the global top 10 for AI, indicating some loss of momentum.
- **South Korea** is ranking 7 spots higher than its general ecosystem rank as well at 13th. The country also ranks 3rd in Asia, above India that is above it in general ecosystem rankings.
- At 21st, **Taiwan** lost 1 spot globally in AI compared to 2023. However, it remains in a highly competitive section of the rankings, where the score difference with the 19th-ranked country is less than 3%, so a shift could easily happen next year.

Top Cities in AI Startup Industry

Industry Rank	City name	Country name	Score	Change from 2023	Difference from General Rank
1	San Francisco	United States	70.845	0	0
2	New York	United States	17.890	+1	0
3	Beijing	China	14.273	-1	+3
4	London	United Kingdom	10.940	+1	-1
5	Los Angeles	United States	9.399	-1	-1
6	Boston	United States	8.747	0	-1
7	Tel Aviv-Yafo	Israel	8.184	+1	+2
8	Paris	France	7.265	-1	+2
9	Shenzhen	China	6.278	0	+9
10	Seattle	United States	5.481	0	+2
11	Shanghai	China	5.156	0	-4
12	Toronto	Canada	4.594	+5	+10
13	San Diego	United States	4.549	+3	+11

Industry Rank	City name	Country name	Score	Change from 2023	Difference from General Rank
14	Singapore City	Singapore	4.275	+4	+2
15	Austin	United States	4.274	0	+2
16	Seoul	South Korea	4.216	+7	+5
17	Berlin	Germany	4.0467	+7	-4
18	Tokyo	Japan	4.023	-6	-4
19	Pittsburgh	United States	3.729	-6	+45
20	Dallas	United States	3.690	-6	+5
21	Washington	United States	3.538	-1	-2
22	Munich	Germany	3.224	+4	+17
23	Bangalore	India	3.008	+5	-15
24	Sao Paulo	Brazil	2.652	-2	-1
25	Jerusalem	Israel	2.504	-6	+67
26	Bucharest	Romania	2.495	-5	+83
27	Cambridge	United Kingdom	2.006	-2	+45

Industry Rank	City name	Country name	Score	Change from 2023	Difference from General Rank
28	Oslo	Norway	1.975	-1	+38
29	Tallinn	Estonia	1.841	+1	+26
30	Hangzhou	China	1.733	+17	+3
31	Moscow	Russia	1.669	+1	+1
32	New Delhi	India	1.655	+21	-21
33	Amsterdam	The Netherlands	1.642	+1	-5
34	Montreal	Canada	1.603	+17	+9
35	Chicago	United States	1.600	+14	-20
36	Oxford	United Kingdom	1.591	+6	+63
37	Taipei City	Taiwan	1.468	-4	+8
38	Zurich	Switzerland	1.428	+1	+22
39	Denver	United States	1.425	-4	-8
40	Sydney	Australia	1.362	0	-4

Industry Rank	City name	Country name	Score	Change from 2023	Difference from General Rank
41	Portland	United States	1.323	+17	+18
42	Hong Kong	China	1.286	-13	-5
43	Miami	United States	1.253	+11	-13
44	Helsinki	Finland	1.247	+6	+3
45	Stockholm	Sweden	1.209	+11	-19
46	Chengdu	China	1.204	-10	+60
47	Atlanta	United States	1.202	-1	-18
48	Santiago	Chile	1.193	-11	+31
49	Bristol	United Kingdom	1.141	-18	+70
50	Wilmington	United States	1.114	+50	+11

You can explore the 224 cities ranked in the AI startup industry with [StartupBlink Pro](#) as well as accessing similar insights on 11 industries like Software & Data and 91 sub-industries like Artificial Intelligence.

- **Six out of the top ten AI cities are from the US**, compared to four in the general startup ecosystem rankings, highlighting the US's dominance in AI innovation, while European and Asia-Pacific cities are less prominent among the top positions in AI rankings.
- **San Francisco's** AI score is 4 times higher than New York's, significantly more than in the general startup ecosystem where the gap is less than 3 times, underscoring its much stronger presence in AI.
- **New York's** AI industry score is about 1.25 times larger than Beijing's; however, in overall ecosystem rankings, this difference exceeds double, highlighting Beijing's promise in the industry.
- **London** is the top AI city in Europe, holding a 50.6% lead over Paris, though it still trails behind global leaders like New York and Beijing.
- Two North American cities, **Toronto** (12th) and **San Diego** (13th), rank among the top 15 AI startup cities, climbing 11 and 10 spots above their general rankings, respectively.
- **Shenzhen** ranks 9th in AI startups, nine spots higher than its general ranking, overtaking Shanghai (11th).
- **Jerusalem** lost 6 spots in AI compared to 2023, however it still remains among the global top 25 of the industry, at a position 67 spots higher than its overall rank.
- **Munich** (22nd), **Oslo** (28th), **Tallinn** (29th) and **Zurich** (38th) all rank much higher in AI than in their overall startup ecosystem, placing in the global top 30, even though their general ecosystem ranks are between 50 and 60.
- **New Delhi** (32nd), **Montreal** (34th), **Hangzhou** (30th), and **Chicago** (35th), **Berlin** (17th) made the biggest advancements in AI from 2023 to 2024, climbing 21, 17, 17, 14 and 7 spots, respectively.
- In AI, **Bucharest** ranks 83 spots higher than its general ecosystem rank at 26th. The city is also 5th in Europe, surpassing more established ecosystems like Amsterdam and Stockholm.
- Two British university cities: **Cambridge** (27th) and **Oxford** (36th) excels in AI with a ranking that is 45 and 63 spots higher than their general ecosystem ranking. Cambridge is 6th and Oxford is 11th in Europe when it comes to AI.



Winning Startups in AI

This section highlights the top startups and unicorns in the AI rankings, scored by our proprietary algorithm based on investment, employee count, and website traffic, using data from Semrush and Crunchbase. It also features exits, though they are not scored as they are no longer startups.

Top Artificial Intelligence Unicorns based on SB Score

Below, we list the top artificial intelligence unicorns around the world based on their SB Scores powered by [Semrush](#) and [Crunchbase](#) along with their valuation. This reveals that while some unicorns may have higher valuations, others may surpass them when factors like team size and website traffic are considered. You can browse more than 90 AI startup unicorns on our [database](#). The data shown in this report was retrieved on November 13, 2024, and scores are updated quarterly.

Rank	Name	Description	Valuation	SB Score
1	OpenAI	OpenAI is a research organization and company that develops advanced AI technologies, including large language models.	US\$ 157 Billion	1000
2	Bytedance	Bytedance is the parent company of TikTok, leveraging AI to deliver personalized content and social media experiences.	US\$ 225 Billion	807
3	Hugging Face	Hugging Face is a company building open-source machine learning tools and models, widely used for natural language processing.	US\$ 5 Billion	741
4	ElevenLabs	ElevenLabs is an AI-powered audio platform specializing in lifelike text-to-speech, voice cloning, and dubbing.	US\$ 1 Billion	680

Rank	Name	Description	Valuation	SB Score
5	Runway	Runway is a creative suite offering AI-powered tools for video editing, image generation, and other multimedia applications.	US\$ 2 Billion	670
6	Anduril	Anduril is a defense technology company developing advanced surveillance systems, autonomous drones, and AI-driven security solutions.	US\$ 14 Billion	669
7	Spring Health	Spring Health is a mental health platform providing personalized care plans, therapy, and wellness resources for employees.	US\$ 3 Billion	688
8	Dataiku	Dataiku is an enterprise AI and machine learning platform enabling organizations to build, deploy, and manage data projects collaboratively.	US\$ 4 Billion	658
9	Mistral AI	Mistral specializes in open-source large language models for natural language processing and generative AI applications.	US\$ 6.2 Billion	639
10	AlphaSense	AlphaSense is a market intelligence platform utilizing AI to analyze and provide insights from a vast array of financial documents and data sources.	US\$ 4 Billion	639

Top AI Startup Exits based on Exit Amount:

Below, we list the top artificial intelligence exits around the world, based on their Exit Amount. You can browse for more than 20 AI startup exits on our [database](#).

Rank	Name	Description	Exit Amount
1	Kuaishou Technology	Kuaishou Technology is an AI-powered video-sharing platform specializing in short-form content and live streaming.	US\$ 150.0 billion
2	UiPath	UiPath is a leading AI-driven robotic process automation (RPA) company transforming business processes.	US\$ 35.0 billion
3	SentinelOne	SentinelOne is an AI-powered Cybersecurity company focused on autonomous endpoint protection.	US\$ 10.0 billion
4	Intellifusion	Intellifusion is a company specializing in AI-driven machine vision and smart city technologies.	US\$ 4.8 billion

Rank	Name	Description	Exit Amount
5	Darktrace	Darktrace is an AI-based Cybersecurity company known for its autonomous response technology.	US\$ 2.2 billion
6	Habana	Habana is a developer of AI-focused chips for data centers and machine learning applications.	US\$ 2.0 billion
7	Blue Prism	Blue Prism is a pioneering robotic process automation (RPA) company leveraging AI to streamline workflows.	US\$ 1.6 billion
8	MosaicML	MosaicML is an AI startup focused on optimizing deep learning model training for enterprise applications.	US\$ 1.3 billion
9	Alnovation	Alnovation is a company providing AI solutions across sectors like healthcare, retail, and finance.	US\$ 1.0 billion
10	Sema4	Sema4 is a health intelligence company using AI to transform healthcare data into actionable insights.	US\$ 793.0 million

Access a full database of 900+ exits around the world using [StartupBlink Pro](#)

Most Promising Artificial Intelligence Startups

Below, we list the top artificial intelligence startups around the world, ranked by their SB score, which takes into account investment, employee size, and website traffic powered by [Semrush](#) and [Crunchbase](#). You can find the full list of more than 12,000 artificial intelligence startups on our [database](#). The data shown in this report was retrieved on November 13, 2024, and scores are updated quarterly.

Rank	Name	Description	SB Score
1	Glance	Glance is an AI-powered content discovery platform that delivers personalized news, games, and entertainment directly to smartphone lock screens.	769
2	JusBrasil	JusBrasil is a legal information platform in Brazil that uses AI to provide access to legal documents and resources.	754
3	Gupy	Gupy is a Brazilian AI-driven platform streamlining recruitment and hiring processes through automated tools.	745
4	Inspur Cloud	Inspur Cloud is a leading cloud computing provider in China, offering AI-driven cloud infrastructure and services.	742

Rank	Name	Description	SB Score
5	Perplexity AI	Perplexity AI is a conversational AI platform designed to provide accurate and concise answers to complex queries.	735
6	Motive	Motive is an AI-powered platform optimizing fleet management and logistics for transportation companies.	728
7	Suno	An AI-driven music creation platform that generates full-length songs from text prompts, enabling users to produce original music with vocals and instrumentation.	724
8	QuillBot	QuillBot is an AI-based writing assistant that helps users paraphrase and improve their content efficiently.	700
9	Helpshift	Helpshift is a customer service platform using AI to automate and enhance in-app support for mobile apps and games.	675
10	Otter.ai	Otter.ai is a transcription service that uses AI to convert speech into text, offering real-time transcription.	654

Discover a database of 200,000 startups, their scores and rankings across various categories with [StartupBlink Pro](#).



AI Startup Industry Growth Analysis

In the previous section of the report, we showcased the leaders in the AI startup industry. This section analyzes the industry's growth using metrics such as funding, the number of unicorns, exits, and startup team sizes.

Half of AI funding in the last 15 years occurred between 2021-2023.

- AI funding in 2024 is projected to be significantly lower. By mid-2024, it reached 26.6% of 2023's total, indicating a sharp decline in investment activity this year.
- The major boom occurred between 2021 and 2023, where half of the industry's funding over the past 15 years was concentrated.
- A single large funding round, such as OpenAI's, can dramatically shift the overall funding trajectory by boosting investor confidence and reigniting growth even in slower years like 2024.

Explore funding trends in 1,500+ locations with [StartupBlink Pro](#).

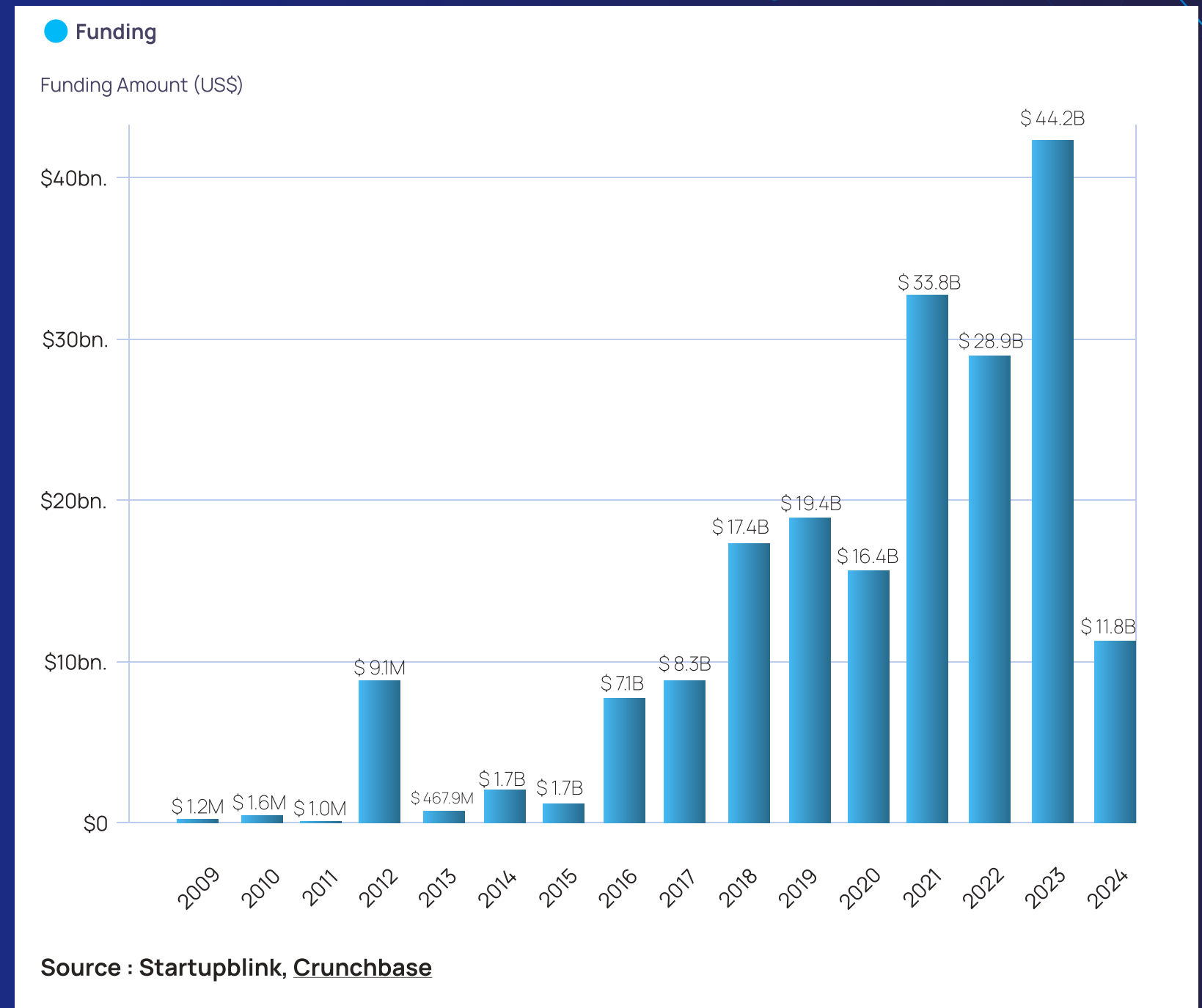


Chart 5: AI startup funding evolution from 2009 to mid-2024.

AI secures 4.5x more funding than Cloud and Cybersecurity combined.

- From 2018 to 2024, AI led with US\$ 171.9 billion in funding, with 29% more funding than Enterprise Technology at US\$ 122.8 billion.
- Cloud (US\$ 31.1 billion) and Cybersecurity (US\$ 28.5 billion) received significantly less, with AI's funding 5.5 times larger than cloud and 6 times larger than cybersecurity.
- AI's funding is nearly 4.5 times greater than the combined total of cloud and cybersecurity, emphasizing the strong investment focus on AI compared to other tech sectors.

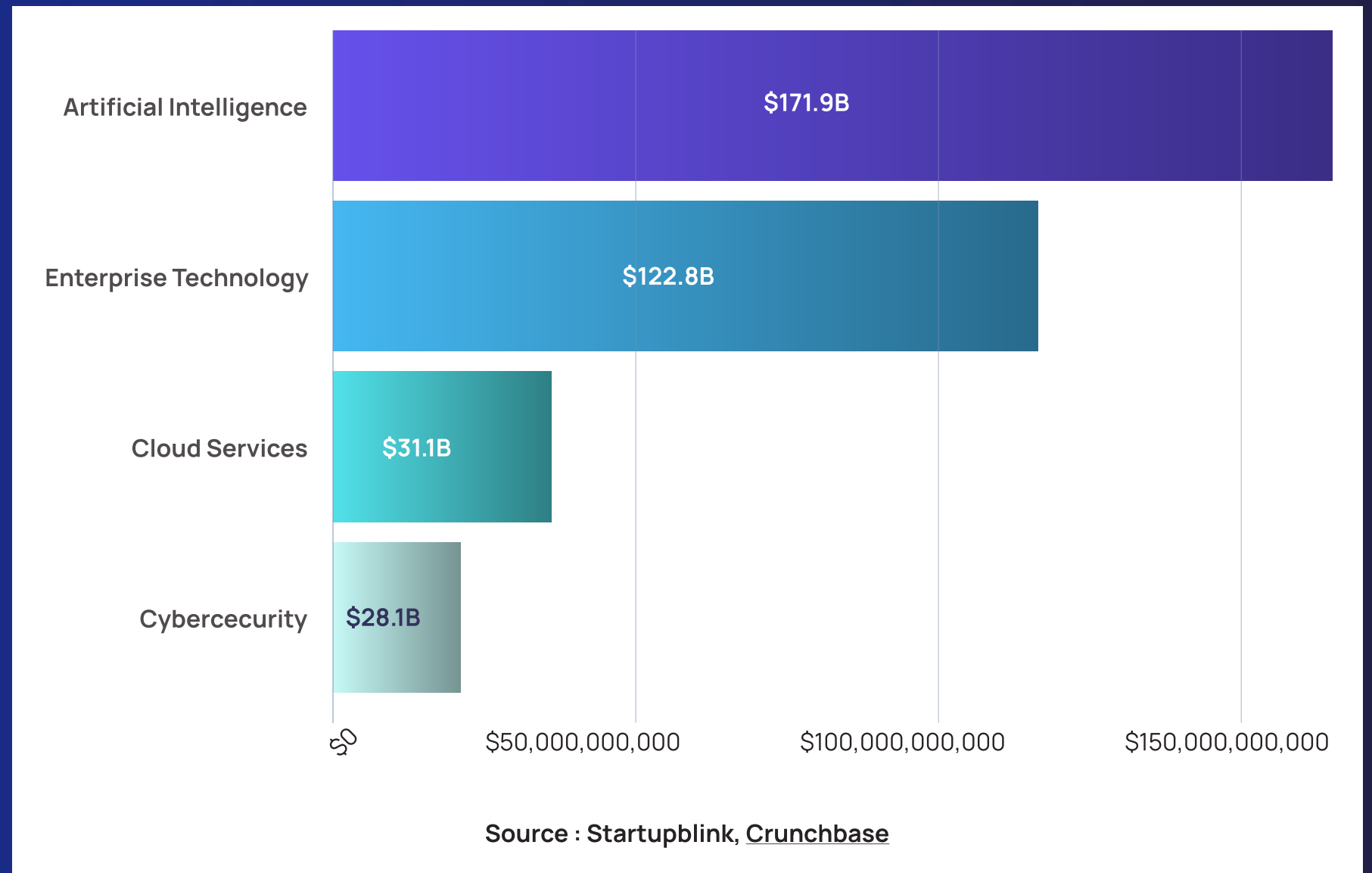


Chart 6: Startup funding comparison between Software & Data subindustries.

Most AI startups are stuck in early rounds.

- Pre-seed (21.91%) and seed (33.07%) rounds dominate, accounting for over half of all investment rounds, indicating strong investor interest in nurturing large amounts of early-stage AI startups.
- While 13.68% of rounds are Series A, there are significantly less rounds in later stages, with only 5.36% for Series B and 1.9% for Series C, showing a bottleneck for AI startups progressing to later-stage funding.
- Series D and beyond account for less than 1% of all rounds, with just 0.58% for Series D and a mere 0.01% for Series G.

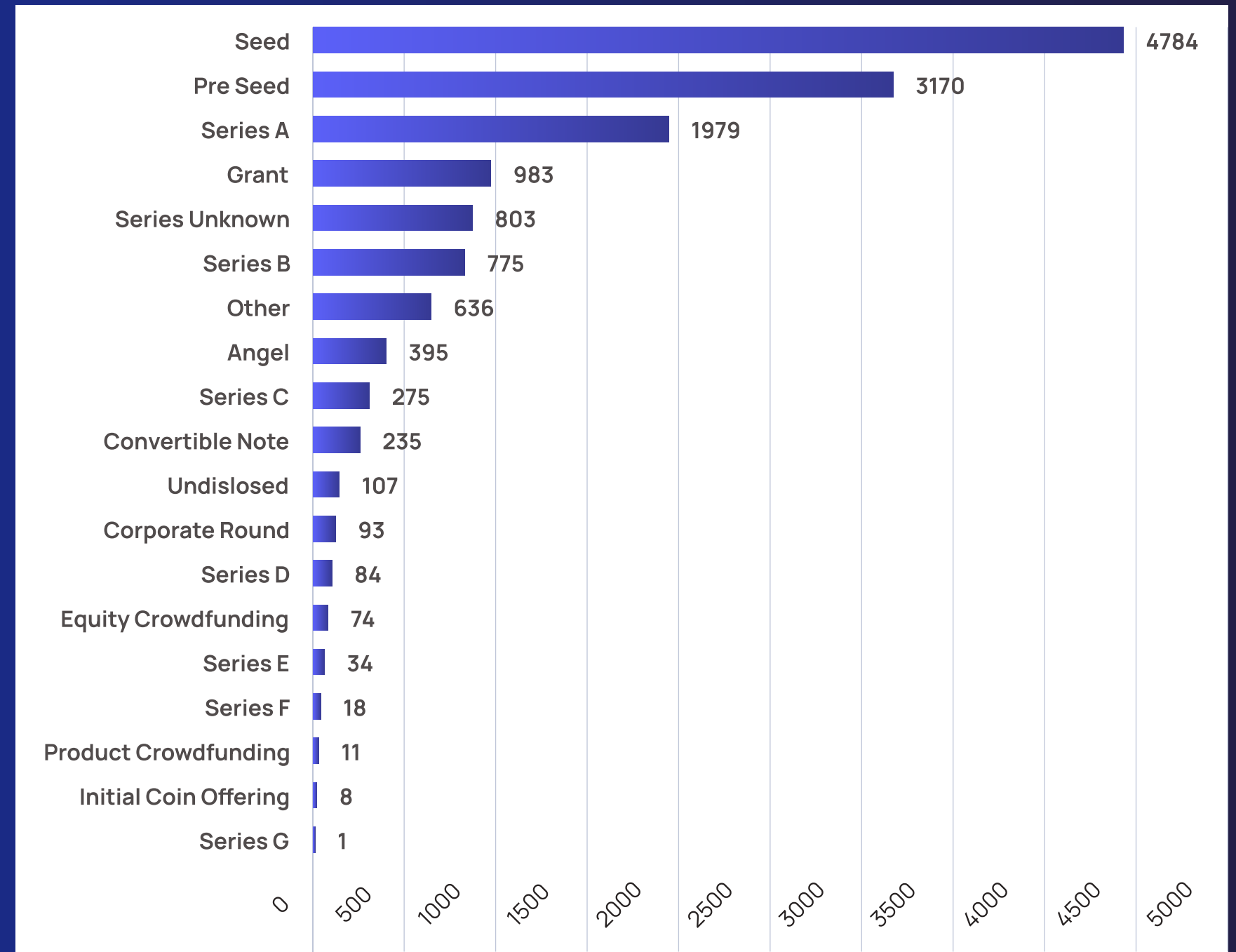


Chart 7: Number of AI funding rounds across different stages.

AI funding in North America Exceeds Its Overall Funding Share.

- North America dominates funding, receiving 58.62% of the total, significantly outpacing other regions and highlighting its central role in AI and tech investment. Its share of AI funding is much higher than its share of overall global funding.
- Asia Pacific is a distant second, securing 23.53% of the funding, slightly below its share of overall global funding.
- Europe accounts for 14.33%, while Africa and the Middle East (2.83%) and Latin America (0.68%) all perform slightly below their shares in overall global funding.

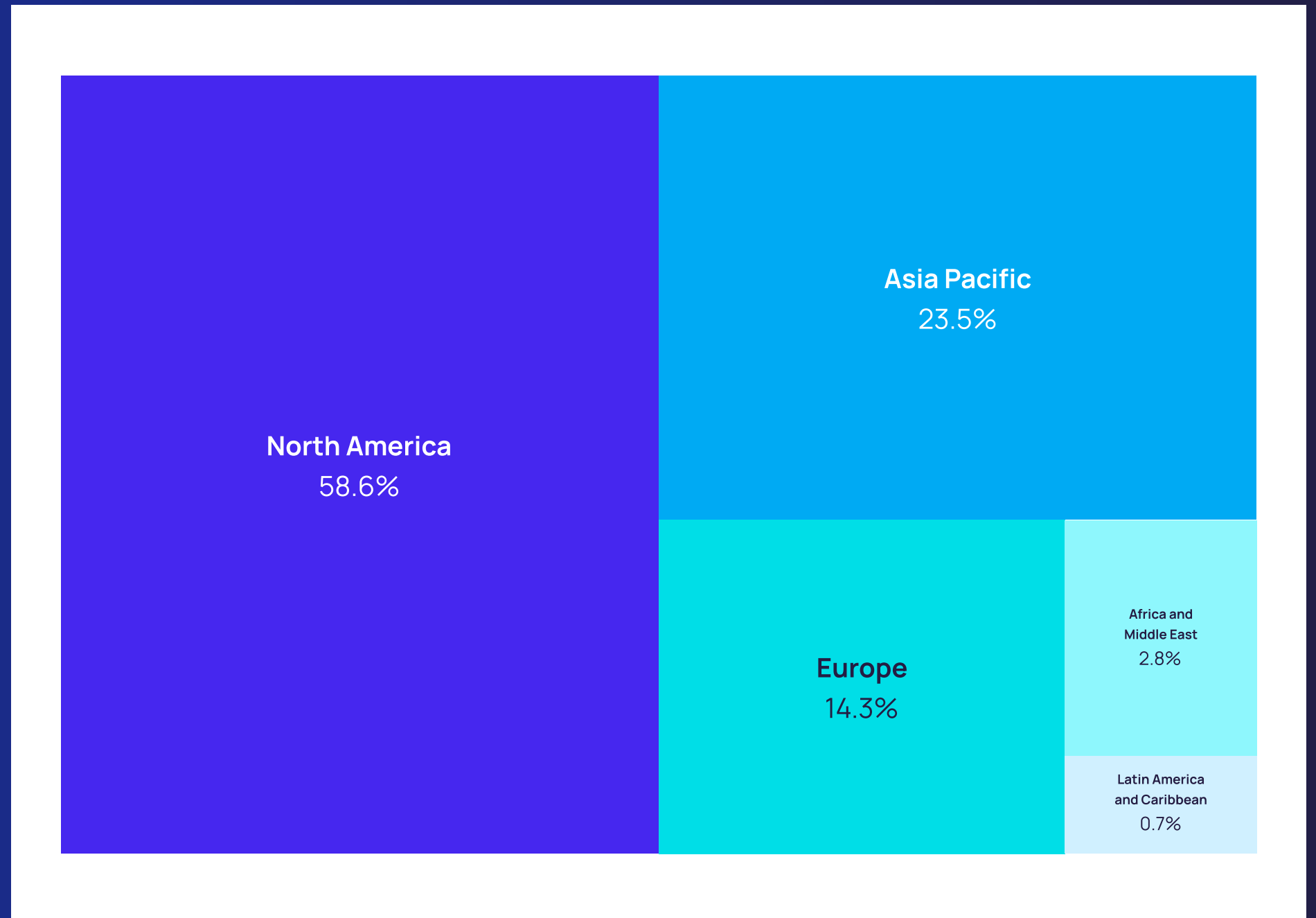


Chart 8: Distribution of global AI funding across different regions.

Over 60% of AI Unicorns were created between 2021-2023.

- 28.26% of all AI unicorns were created in 2021, reflecting the sector's strongest year for growth, likely driven by post-pandemic investments.
- Even if the number of AI unicorns doubles by the end of 2024, this amount would still make up only 6.5% of the total, indicating the end of the rapid growth phase.
- The decline in AI unicorn creation in 2023 and 2024 aligns with the overall trend of declining funding and unicorn creation globally.

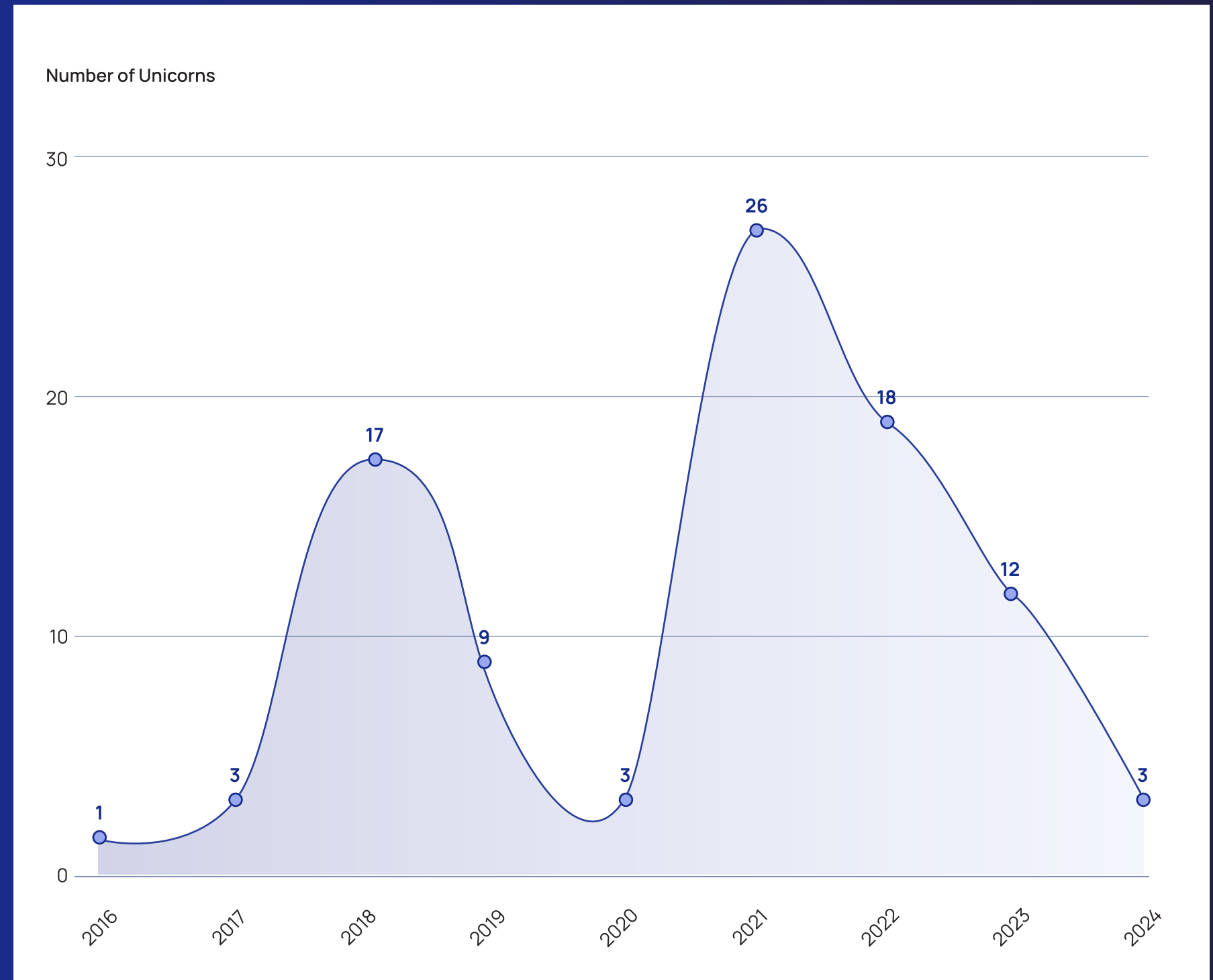


Chart 9: Number of AI unicorns from 2016 to mid-2024.

AI startups have smaller teams compared to Cybersecurity, Enterprise Tech and Cloud.

- With 88% of AI startups having 1-50 employees, the AI industry has a higher concentration of startups with smaller teams compared to Cybersecurity (77%), Enterprise Tech (81%), and Cloud (85%).
- Only 2.05% of AI startups have more than 250 employees, significantly fewer than Cybersecurity (5.23%) and Enterprise Technology (4.34%), highlighting AI's limited scalability into larger firms in terms of employment numbers.
- Very few AI startups have a large employee count, with only 0.09% having over 5000 employees, slightly more than Enterprise Tech (0.06%) but less than Cybersecurity (0.36%).

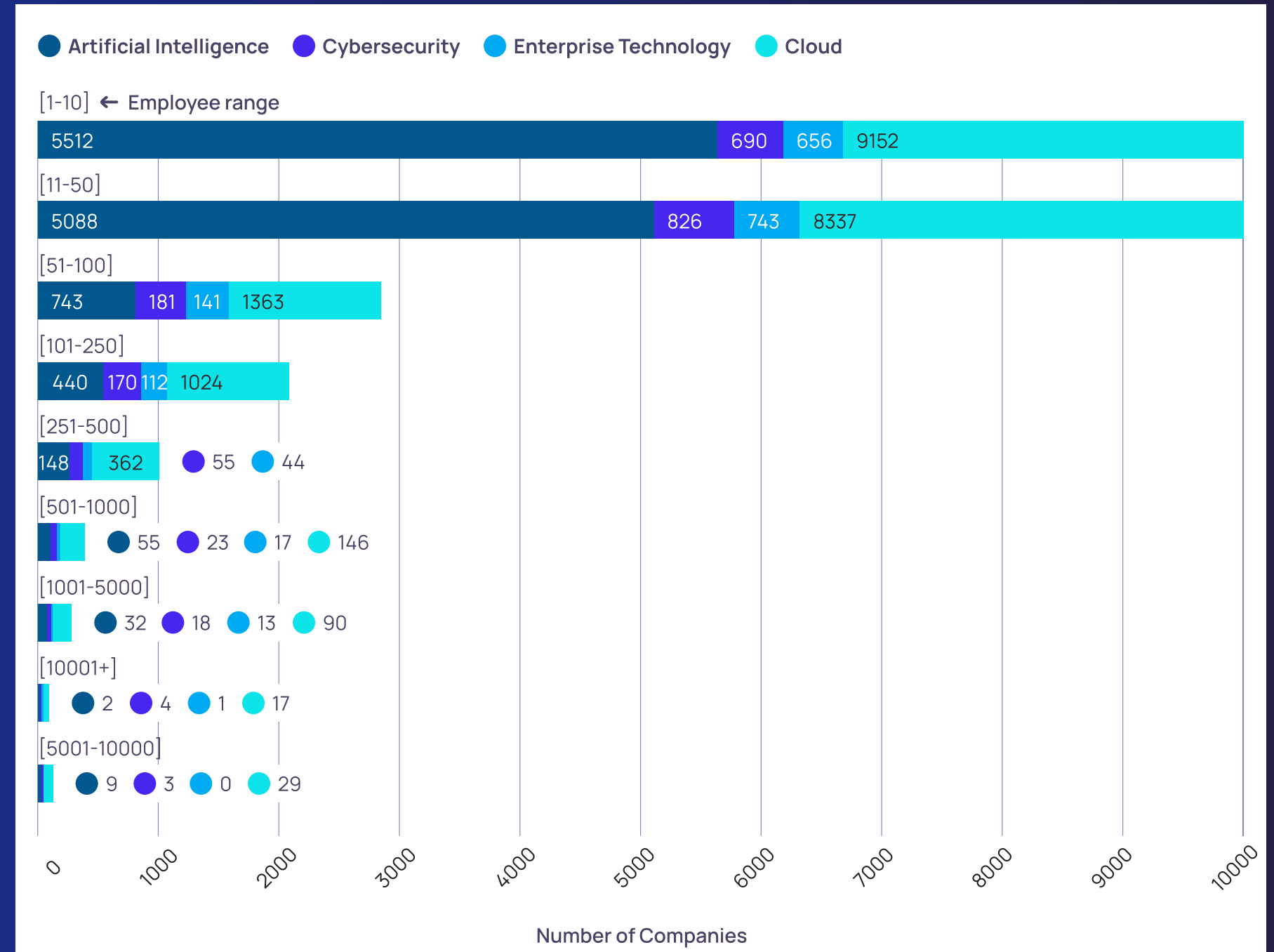


Chart 10: Number of startups across different employee ranges.

The number of AI exits boomed in 2021, but have struggled to maintain momentum since then.

- The number of AI exits peaked in 2021, accounting for 66.33% of total exits since 2017, highlighting a major surge in company acquisitions or IPOs during that year.
- 2022 and 2023 saw 33.17% of total number of exits since 2017 each, showing sustained exit activity after the 2021 peak, though at a lower level.
- Except for the 2021 spike and steady exits in 2022 and 2023, most years (2017, 2018, 2020, and 2024) saw very few number of AI exits, each contributing just 11.06% of the total exits since 2017.

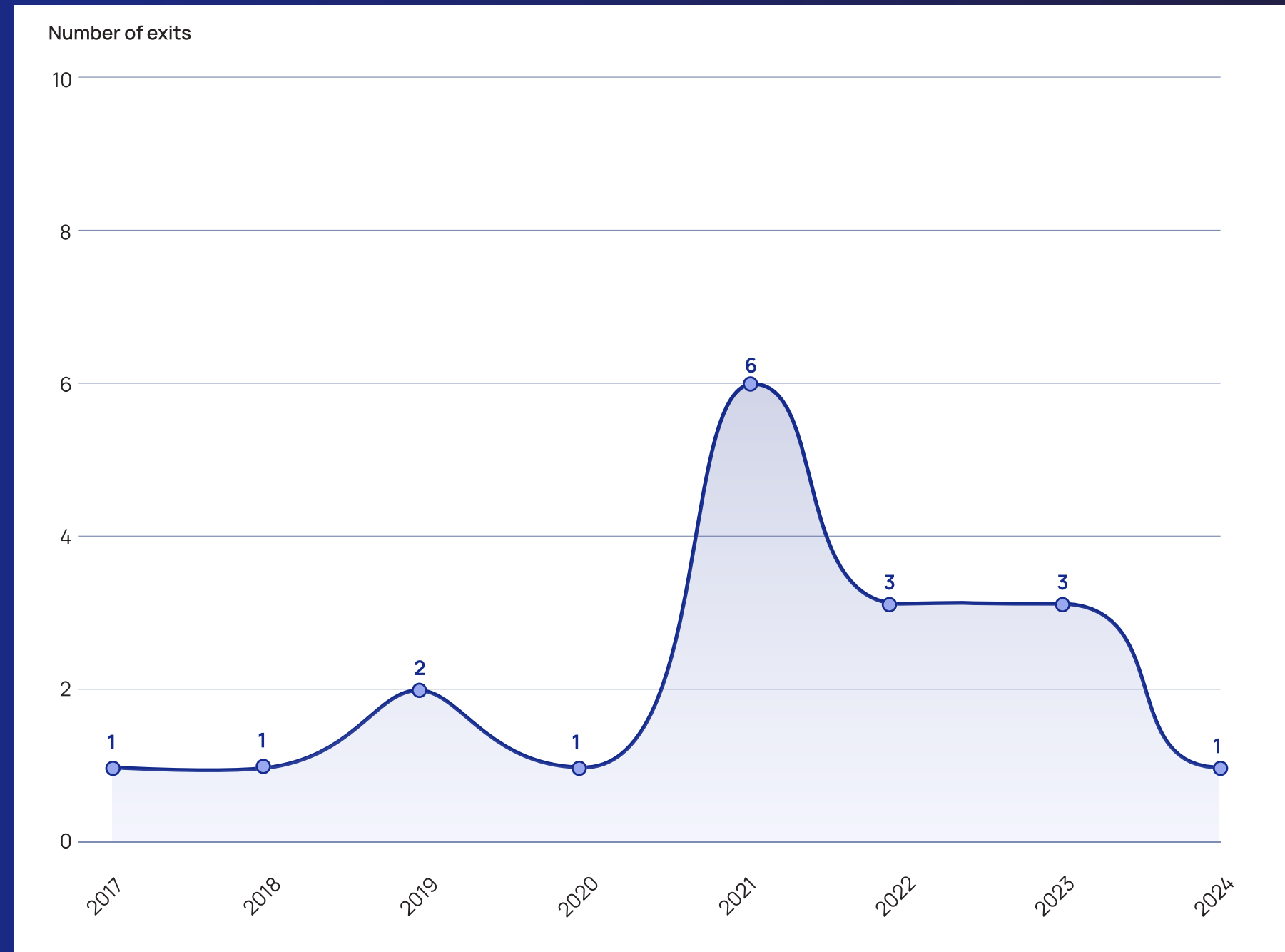


Chart 11: Number of AI startup exits from 2017 to mid- 2024.

Opportunities for AI startups: Insights from IBM AI Adoption Index

IBM Global AI Adoption Index offers insights into the challenges and opportunities that remain. For emerging AI startups, these findings highlight areas for innovation and growth, particularly in solving key enterprise adoption challenges:

- Data complexity is one of the top barriers for enterprises adopting AI, providing an opportunity for startups to develop solutions that simplify data management and integration.
- Privacy and transparency concerns, especially around generative AI, present a chance for AI startups to focus on ethical AI solutions, including transparency and bias-reduction mechanisms.
- Integration and scalability of AI technologies remain difficult for many enterprises. Startups can capitalize on this by creating platforms that ease the integration of AI into existing systems.

The **IBM for Startups** program offers valuable perks to help you scale with AI and collaborate with enterprises, including:

- Integration testing with IBM's platform
- 1-on-1 advisory meetings
- Pitching ideas to global enterprises and investors
- Long-term partnerships with IBM and its clients

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