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2st Study of FinTech in Germany, Austria, Switzerland & CEE

Frankfurt am Main

20th May, 2015

(This is a free excerpt of the complete study (\$450 + VAT). Please email contact@fintechforum.de for a copy)



About the Study

Looking to understand the FinTech landscape in Germany, Austria, Switzerland & CEE? With startups in the region raising **over \$300 M in funding in 2014** (Source: Financial News / Dow Jones Venture Source), **the region is second only to the UK in Europe in funding volume.**

This Study covers **200+ players** in the region's fast-growing FinTech sector (grouped by business area), as well as:

- A look back to the key funding rounds and deals in the early days of the sector in 2011-2013
- The startups that attracted funding in 2014, and their key investors: on our **2014 Funding Map**.
- **Deal highlights in 2015** (up to end-April)
- Our **analysis of the funding** in the region: e.g. 8 of the 24 funding rounds in 2014 were led by publishing and media firms, and just one involved a bank!

How do you make sense of this fast-moving market, and where do we see the market going?

- Our section "The State of FinTech in D.A.CH / Europe" covers **contributions from founders and active VCs** in specific FinTech areas, ranging from lending and payment to insurance and robo-advisory.

Finally, we provide a guide to the key FinTech investors, accelerators and startup challenges that FinTech startups should consider when raising funding.

While this is a study prepared purely for academic purposes, using publicly available information, and with no claims to the completeness, correctness, currentness or validity of the data, we do hope this is a good first introduction for investors, financial institutions, startups and many others that – like us - are on a mission to create the financial services of the future.



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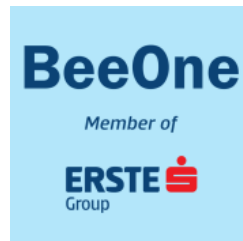
DATA ANALYTICS

- **INSURANCE**
- **INVOICING & ACCOUNTING**
- **LENDING / BANKING**
- **PAYMENTS**
- **SECURITY**
- **TRADING & INVESTMENT**
- **OTHER**

4. GUIDE TO FINTECH INVESTORS, INCUBATORS & ACCELERATORS



FinTech Autobahn: Our Partners & Sponsors



<http://www.beeone.at>



<http://www.ey.com/DE/de/Home>



<http://www.heussen-law.de/en/>



<http://www.xignite.com>



<http://hexaware.co.uk>



<https://www.paybox.at>



<http://www.altimetrik.com>



<http://innotribestartup.com>



Foreword to our 2nd Study

2014 was a landmark year for FinTech, culminating in the historic IPO of LendingClub. Global FinTech investments hit **\$6.8B in 2014: nearly thrice the 2013** volumes and seven times the \$930M in 2008 (Source: [Investment in fintech startups soars](#); [The Boom in Global FinTech Investments](#)). European FinTech VC funding in 2014 **grew to ~\$1B**, of which ~20% in D.A.CH – second only to the UK (~50%).

Things were not quiet in Germany / D.A.CH either: even as per our estimates based on disclosed deals, FinTech startups in the region raised over **\$175 mn, nearly triple the amount raised in the three previous years** (2011-2013). Of the nearly \$1 bn FinTech funding in Europe in 2014, D.A.CH was at the second place, behind London which accounted for \$539 mn in funding.

FinTech Forum, started as an idea at a breakfast meeting in 2013 with the mission to put more FinTech players from the region on the world map, and quickly became the first sizeable FinTech community outside of the US and UK. So far, nearly 80 FinTechs have presented at our four events, in front of over 200 investors, financial institutions and corporates, with the last two events (Nov. 2014, Mar. 2015) selling out over a month in advance!

- Several startups from our community ([BitBond](#), [Moneymeets](#), [Wikifolio](#), [TraxPay](#), [Vaamo](#), [Lendstar](#), [Cashboard](#), [xWare42](#) etc.) received funding or were selected to pitch at global startup competitions like [Innotribe Startup Challenge](#), [BBVA Open Talent](#), [7VPD](#) and [FinTech Innovation Lab](#).
- We were named to the Wall Street Journal [FN FinTech 40](#) / [40 Innovators Shaping the Future of Finance](#) in June 2014, nominated judge of the [BBVA Open Talent 2014](#) and [Innotribe Startup Challenge 2014](#), and invited to speak at or participate in the following events:
 - The roundtable panel “*FinTech startup ecosystems en Europe*”, [NextBank Europe](#), Barcelona
 - The session “*FinTech ecosystem: Lessons Learnt/Opportunities for Collaboration*”, [Innotribe / SIBOS 2014](#), Boston
 - Working group, [Designing the Bank of 2020](#), Financial News / WSJ.D FinTech Conference, Nov. 2014, London
 - Working group: *Startup Ecosystem*, [FinTechStage Milan](#), Mar. 2015
 - “A FinTech Industry Snapshot”: [1st DVFA FinTech Forum](#), Mar. 2015, Frankfurt.
 - Working group, [Building the Asset Manager of the Future](#), FN / WSJ.D FinTech Conference, Apr. 2015, London

None of this would have been possible without the support of our sponsors, partners, mentors and of course the startups, investors and financial institutions in our community: thank you all and we look forward to continue working with you!



Disclaimer

This is a study prepared purely for academic purposes, using publicly available information, and with no claims to the completeness, correctness, currentness or validity of the data. This is not an exhaustive report, and we are happy to [hear from](#) FinTech firms who want to be part of our next study. We are not responsible or liable for any errors, or for any investment decisions made based on the information provided in this document.

About FinTech Forum

Co-founded in July 2013 by [Frank Schwab](#) and [Samarth Shekhar](#), FinTech Forum is on a mission to accelerate the financial services of the future in Central Europe. We seek to identify innovators, disruptors and “hidden champions” in the financial services sector, and bring them together with investors, financial institutions, mentors, partners etc.: via our network of relationships, our online presence, events, studies as well as our advisory services.

Contact

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[Register](#) for our next event, on 22nd June 2015 in Vienna. | Subscribe to our weekly [newsletter](#) covering the region’s FinTech scene.

Want to be included in our next study? Email Contact@FinTechForum.de | Connect to us:















1. FinTech Investment Volumes & Deal Highlights

- Between 2011-2013, FinTech funding (excluding M&A) in the FinTech space in the D.A.CH region amounted to ca. \$50-60 Mn (TechFluence estimates based on disclosed and publicly available information only).
- In 2014, funding rose to well over \$175 mn (TechFluence estimates based on disclosed and publicly available information only), over thrice the combined funding of the previous three years!
- As per Financial News / Dow Jones Venture Source data, ([Mapping fintech investments in Europe](#)) FinTech funding in Germany was between \$300-350 M, second only to the UK ([approx. \\$540 M](#)) in Europe.
- If we look at CB Insights' [2014 European Tech Report](#), overall tech venture capital investments in Germany in 2014 doubled to \$1.28 B compared to \$578 M in 2013. This would mean that **FinTech startups grabbed nearly 15% "share of VC wallet"**.

Deal Highlights: 2011-2013

This summary of key funding and M&A deals shows what the FinTech scene in the region looked like before it was even called FinTech! Also refer to our blog [Germany's FinTech rising stars- and their investors](#).

Investments		Online credit marketplace. > € 4 mn . Privatbank Banca Sella , Earlybird, Neuhaus Partners in 2011
		Licensed Web 2.0 Bank. (JZI, CFP, Anthemis Group, Life.SREDA etc.
		Cloud Banking Platform: \$2 mn (Point Nine Capital, Runa Capital and Kizoo in 2013)
		Mobile card acceptance (Square rival). Rocket Internet , plus over €10 mn from New Enterprise Associates, ru.net, Holtzbrinck Ventures in 2012
		Online payment startup (Stripe rival). > €14 mn (Holtzbrinck Ventures, Sunstone Capital, Blumberg Capital) in 2013.
		Big data credit scoring/micro-lending. Multi-mn. € from Blumberg Capital, Point Nine Capital, Heiko Hubertz (Bigpoint), Samwer Brothers in 2013.
M&A		P2P lending. \$12 mn (Index Ventures, Union Square Ventures in 2013)
		Swedish payments firm Klarna acquires Germany's Sofort For \$150M
		E-Loan Specialist Wonga Buys BillPay, The PayPal Of Germany...
		Japan's Minkabu acquires stock-centric community sharewise.com



Deal highlights: 2014

FinTech startups in the region raised well over \$175 mn. The key deals and the associated investors are depicted in the funding map below:



Here are the some takeaways from our analysis of the fintech funding in the region...

Deal highlights 2015 (year to date)

The below graphic summarizes some of the key FinTech transactions in 2015, based on public and disclosed deals that we tracked till 23rd April:

....



2. State of FinTech in D.A.CH / Europe

As 2014 drew to an end, we wanted to understand what is going on in some of the key areas of FinTech activity in the region. We thought: what better than to ask the founders who are leading the FinTech revolution, and the investors who are investing in them.

We reached out to some of the startups and investors who were on the 2014 FinTech funding map (Sec. 1b above) and asked them:

- **What is going on in their specific FinTech space?**
- **Where does their specific transaction fit into the above?**
- **What are the further opportunities for FinTech founders?**

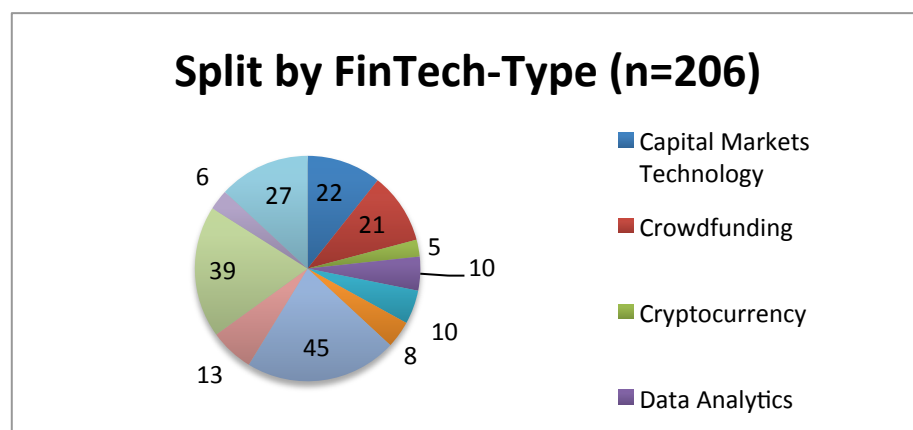
Below are their thoughts and analysis– hope you enjoy reading them, and thanks to all the contributors for their inputs!

- **Point of Sale / SME Retail Tech: Christoph Brehm, Inventorum**
- **P2P / Crowd-Lending: Raffael Johnen, Auxmoney**
- **Big-Data Banking: Sebastian Diemer, Kreditech**
- **Mobile Payment: Olaf Taupitz, CashCloud**
- **B2B Payments: David Desharnais, Traxpay**
- **Robo-Advisory: Pascal Bouvier, Route66 Ventures**
- **“Digital Investment”: Michael Mellinghoff, TechFluence**
- **Insurance Advisory / Digital Insurance: Christina Kehl, Knip**
- **Insurance: Radboud Vlaar, Orange Growth Capital**



3. FinTech Startup Landscape

Starting from around ten startups known in the German-speaking region when we started FinTech Forum in July 2013, our 1st Study of FinTech (Dec. 2013) covered 100 startups in the region. In this study, we summarize around 200 FinTech players, including some from Central & Eastern Europe. As the below chart shows, lending, crowdfunding and payments players continue to dominate, with nearly half the startups in this space. As we have seen in our events, there is no dearth of capital markets and investment-focused players either, contrary to perception.



Methodology / Disclaimer: The “FinTech Type” used for analysis are an approximate classification based on our assessment of the core service offered. The short descriptions are taken from the company website, “About Us” or public profile. All analysis is based on publicly available and potentially inaccurate information, to arrive at approximate results as an academic study and we are not liable for the currentness, correctness or validity of the data.

Interested in the complete Study?

Email us at contact@fintechforum.de