



## 2024 Scale-Ups Confidence Survey

Swiss Report





## Foreword

*“We are living in a period of disruption, where the rise of innovative scale-ups is transforming the way Swiss industry operates. The business establishment is being challenged by ambitious entrepreneurial companies, who fill unexploited niches in the marketplace with agile, low-cost digital solutions and at the same time are key contributors to the public purse. But scaling a small business is not for the faint hearted, particularly during times of geopolitical and economic upheaval. In a seemingly unstable world, investors can shy away from backing smaller companies, while talented people may gravitate towards the safety of large, well- established employers.*

*To help entrepreneurs, investors, policymakers and other stakeholders understand the key challenges facing scale-ups and their immediate priorities, Deloitte surveyed 42 such businesses in Switzerland. The main objective of this research is to gain insights into the growth trajectory of scale-ups, which involves evaluating their past and projected growth, main challenges faced, future priorities, and areas of focus, and in summary their confidence in their future growth.*

*This report summarizes the findings of the 2024 survey, which is the first to focus on Switzerland. For comparison purposes, we have extracted and aggregated the responses from over 300 European scale-ups in Belgium, the Netherlands, Greece and the UK that participated in the [Pan-European Scale-Up Survey](#). That comparison shows that Swiss scale-ups have a clear plan for exit, unlike most of their European counterparts; talent is not an impediment for growth in Switzerland, unlike Europe; and funding remaining the biggest challenge. Included in this report is also an exclusive interview with Mike Baur, co-founder and CEO of the Swiss Ventures Group, whose views and insights contextualise the outcomes of the scale-up survey.*

*Looking forward, we plan to conduct a Swiss-focused survey each year, enabling us to track how Swiss scale-ups’ priorities and sentiments are changing over time.”*



**Petar Angelov**






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# 1. Executive Summary

## Most prominent findings within the Scale-Ups Landscape 2024

 <p><b>In 2024, cash flow, liquidity, and funding issues were the main challenge to reach the desired growth ambition</b></p>	<p>While lower/delayed new business and customer signings remain a challenging topic mentioned by 50% of our respondents, 52% of Swiss scale-ups indicated cash flow, liquidity and funding issues as the biggest challenges, which surpassed delay in or focus on product development resulting in lower sales (26%).</p>
 <p><b>Securing additional funding and fostering partnership are the main priorities. Finding new customers remains top focus for scale-ups</b></p>	<p>As indicated by 62% of respondents , scale-ups continue to prioritise new customer acquisition as their main strategy for realising their growth ambitions, while additional funding and partnerships are just below with 57% and 55% of respondents highlighting these focus areas.</p>
 <p><b>Scale-ups remain conservative regarding their workforce growth. Talent less of a challenge in Switzerland compared to Europe</b></p>	<p>While 59% of scale-ups plans to grow their headcount in 2024, 12% of the companies continue to plan a reduction in workforce. Simultaneously, European scale-ups, contrarily to Swiss scale-ups, continue to struggle with finding the right talent, such as STEM profiles, technical and engineering FTEs, etc. This difference might be attributable to the presence of strong science and technology institutes in Switzerland, like EPFL and ETH, that have a reputation to train highly-skilled talent.</p>
 <p><b>While 66% reports impact on valuation, scale-ups are increasingly turning to equity funding from new investors rather than government grants &amp; subsidies</b></p>	<p>66% of Swiss scale-ups reported a negative impact on their valuation (compared to 63% in Europe). Additionally, there is a noticeable preference towards relying more on equity funding from new investors (79%) rather than opting for government grants and subsidies (36%).</p>
 <p><b>(Highly) confident scale-ups are the majority, concern among scale-ups is rather limited</b></p>	<p>Overall, the confidence of scale-ups remains high in 2024, with 69% of Swiss respondents stating that they are (highly) confident to continue or accelerate their growth trajectory. The overall confidence score is 7.3.</p>



## Biggest challenges throughout the Confidence Survey<sup>1,2</sup>

Deloitte Confidence Survey 2024 (Switzerland)

Position	Challenge	Score
1	Cash flow / liquidity / funding issues	52%
2	Lower / delayed new business and customer signings	50%
3	Delay in or focus on product development resulting in lower sales	26%
4	Loss / delay of existing business	21%
5	Operational challenges	19%
6	Other	17%
7	Finding the right talent	14%
8	Changing regulations	7%
9	Inflation	5%
10	Sourcing / supply chain issues (e.g. late deliveries of raw materials, parts)	5%

Deloitte Confidence Survey 2024 (Europe)

Position	Challenge	Score
1	Lower / delayed new business and customer signings	54%
2	Cash flow / liquidity / funding issues	40%
3	Finding the right talent	36%
3	Operational challenges	25%
5	Loss / delay of existing business	23%
6	Delay in or focus on product development resulting in lower sales	22%
7	Inflation	21%
8	Other	17%
9	Sourcing / supply chain issues (e.g. late deliveries of raw materials, parts)	12%
10	Retaining talent	10%

(1) Source: Deloitte Confidence Survey, March 2024, (Europe: N = 388, Switzerland: N = 42)

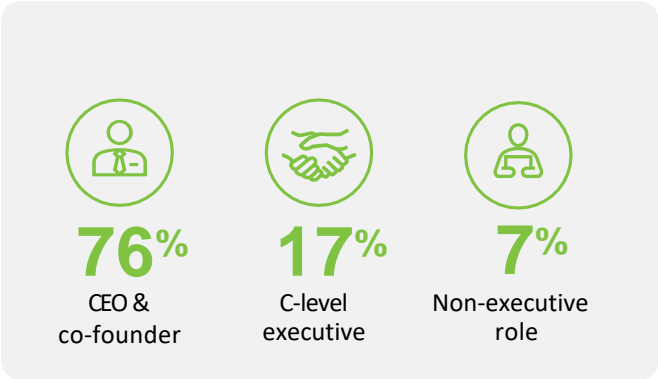
# 2. Setting the Scene: Respondent Details

Deloitte’s 2024 Swiss Confidence Survey reached more than 300 European scale-ups, 42 of which are from Switzerland. Around 76% of the Swiss respondents hold the position of CEO or co-founder in their respective organisations.

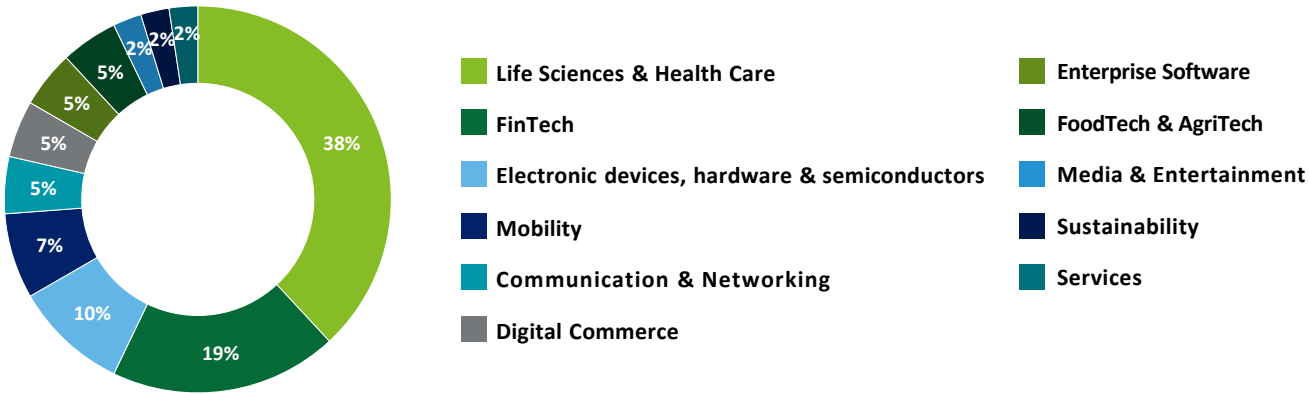
The survey reflects insights across various segments, with Life Sciences & Health Care, FinTech, and Electronic devices, hardware & semiconductors representing the top 3.

Finally, the majority of the respondents operate within a B2B context, with a workforce of below 10 full-time employees and revenues below 500K euros.

## A. Profiles<sup>2</sup>



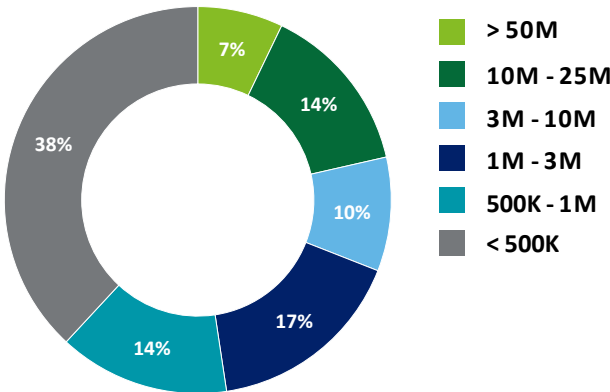
## B. Segments<sup>2</sup>



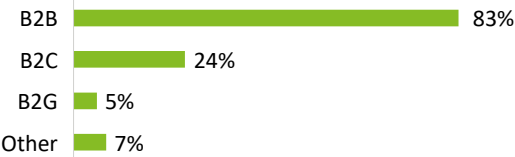
## C. Core Business Focus & Size<sup>2</sup>



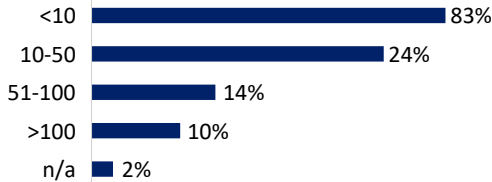
Size per revenue



Core business focus of respondents



Size per FTE



(2) Source: Deloitte Confidence Survey, March 2024, (Europe: N = 388, Switzerland: N = 42)  
Note: Respondents from Europe include scale-ups from the following countries: Belgium, Greece, Netherlands, Switzerland, and UK. B2B = Business to business, B2C = Business to customer, B2G = Business to Government.





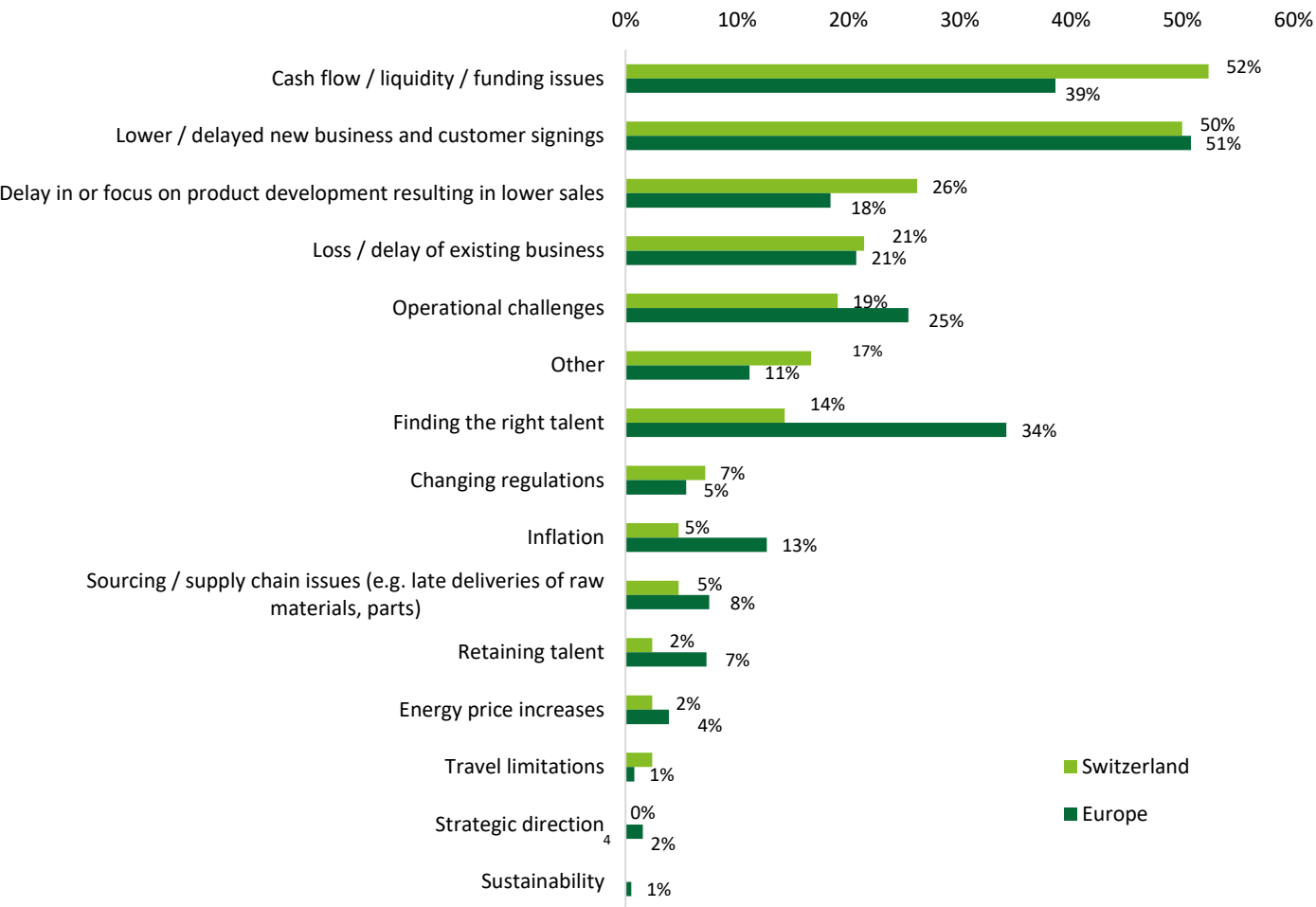
“Scale-ups in Switzerland struggle particularly with cash flow, liquidity and funding issues. Lower or delayed new business and customer signings is the top challenge for Europe.”

# 3. Business Growth: Looking Back

According to our survey findings, the leading challenge for European scale-ups in realising their growth ambition persists as **lower or delayed new business and customer signings**. However, **Cash flow, liquidity, and funding issues are the main limitation in Switzerland** and the second most impactful in Europe (52% of respondents in Switzerland and 39% in Europe), overtaking the difficulty in **finding the right talent** which is particularly higher for Europe (14% of respondents in Switzerland, 34% in Europe). This difference might be attributable to the presence of strong science and technology institutes in Switzerland, like EPFL and ETH, that have a reputation to train highly-skilled talent.

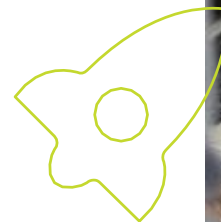
(3) Source: Deloitte Confidence Survey, March 2024, (Europe: N = 388, Switzerland: N = 42)

Looking back at 2023, what were the biggest challenges to reach your growth ambition?<sup>3</sup>

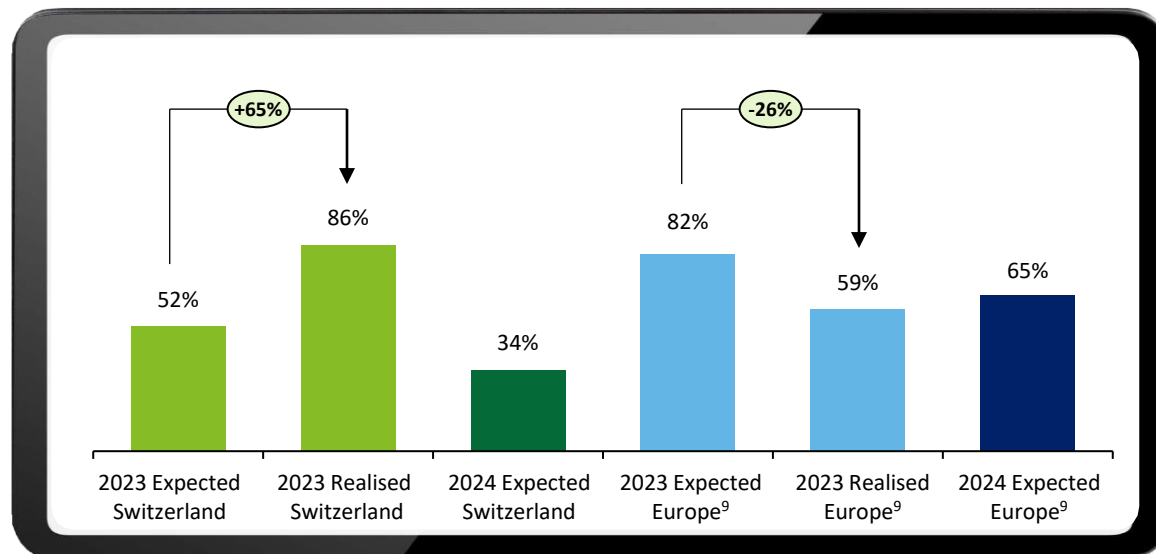




## 4. Business Growth: Looking Ahead



Average expected versus realised growth through the years<sup>4</sup>



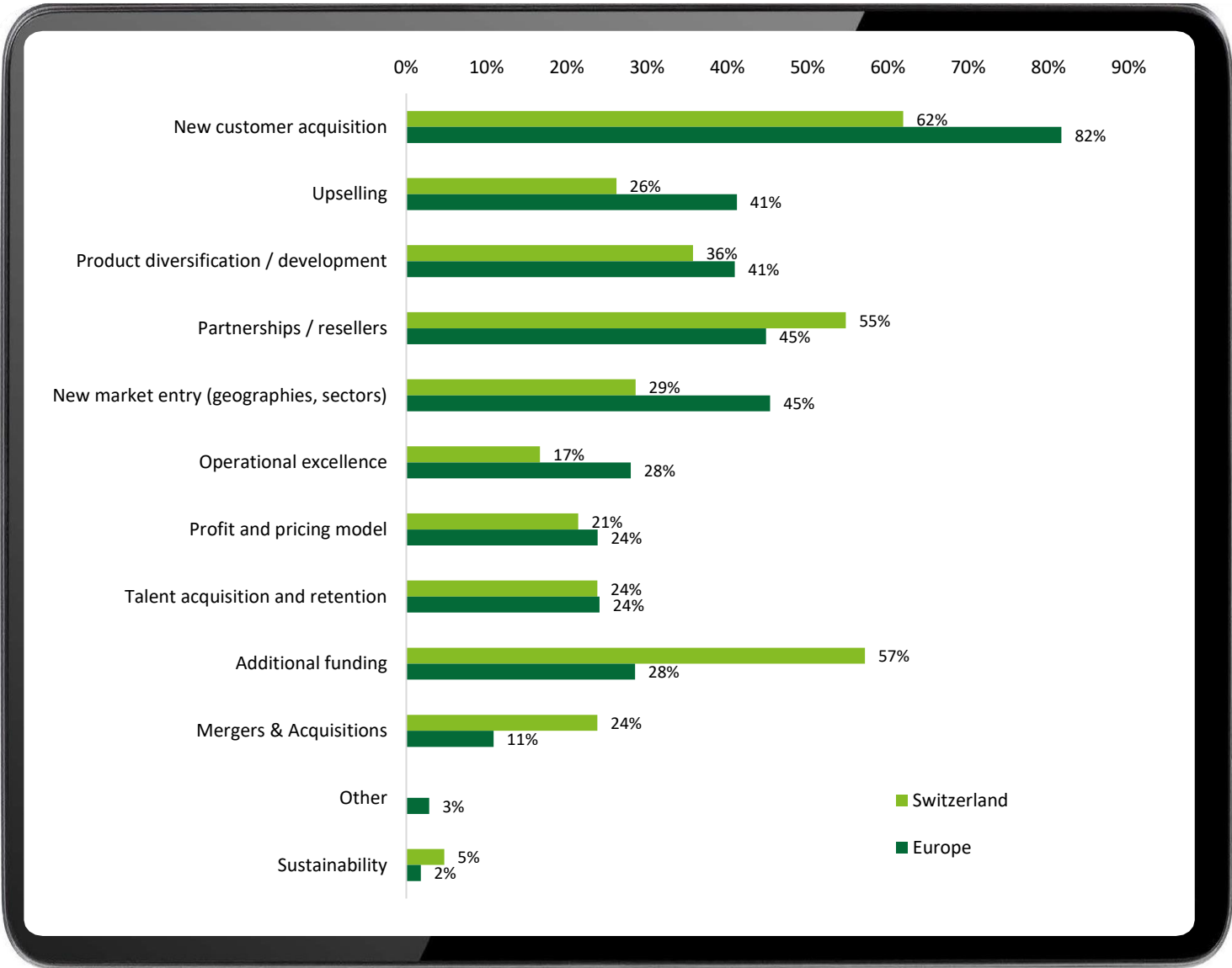
The findings from the Deloitte's Confidence Survey reveal how **scale-ups generally express optimistic growth expectations despite difficult socio-economic circumstances**. Even though there is usually a difference between expected and realised growth, Swiss scale-ups remained resilient throughout 2023, achieving a 65% higher growth compared to expectations. The deterioration of the current socio-economic situation is confirmed by the decreased growth expectations for the coming year, where **for 2024 the expected growth is 34% on average**.

(4) Source: Deloitte Confidence Survey, March 2024, Europe: N = 388, Switzerland: N = 42

(5): Two outliers from Greece have been removed not to skew the results



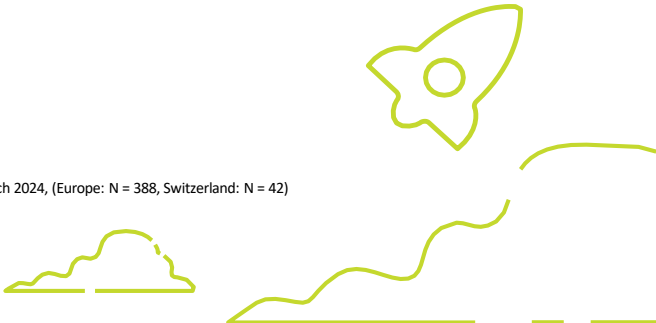
What will be your primary areas of focus in 2024 to realise your growth aspirations?<sup>6</sup>



The top 3 primary areas of focus to achieve growth for Swiss scale-ups are **new customer acquisition** (indicated by 62% of respondent in Switzerland, 82% in Europe), followed by need of **additional funding** (57% respondents in Switzerland, 28% in Europe), and **partnerships and resellers** (55% respondents in Switzerland, 45% in Europe).

When looking at the challenges to reach the growth ambitions, it emerged that Swiss scale-ups tend to highlight the **need for additional funding** compared to their European peers. This is also reflected in the future areas of focus to realise the growth aspirations. Indeed, 57% of scale-ups in Switzerland will focus their efforts towards securing additional funds as one of their primary focus areas for 2024.

(6) Source: Deloitte Confidence Survey, March 2024, (Europe: N = 388, Switzerland: N = 42)



What are the top 3 countries/geographies where you intend to expand your company?<sup>7</sup>

In a multiple-choice question type, **36% of Swiss scale-ups mentioned that they plan to expand within country itself, making it the most selected country/geography.** This preference is in line with Greece and Netherlands’ 16% and 28% of responses. Indeed, also in these countries, scale-ups prefer expanding within the national borders. **USA and Germany rank as the second and third most desired country/geographies** in which Swiss scale-ups plan to expand with 18% of responses. At the European level, the USA remains the top country where European scale-ups intend to expand their companies, with 21% of respondents, followed by the Netherlands and Belgium at 12% and 11%, respectively.

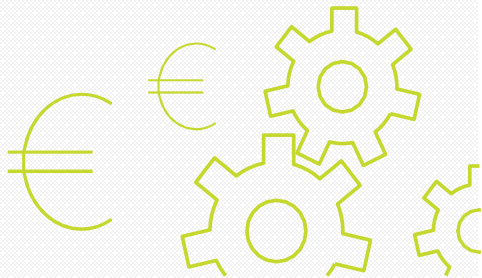
	Switzerland	Belgium	Greece	Netherlands	United Kingdom	Grand Total
1	Switzerland: 36%	USA: 21%	Greece: 16%	Netherlands: 28%	USA: 53%	USA: 21%
2	USA: 18%	Belgium: 19%	USA: 13%	Germany: 28%	North America: 12%	Netherlands: 12%
3	Germany: 18%	Netherlands: 16%	Middle-East: 13%	Asia: 11%	Europe: 6%	Belgium: 11%

(7) Source: Deloitte Confidence Survey, March 2024, (Europe: N = 388, Switzerland: N = 42)

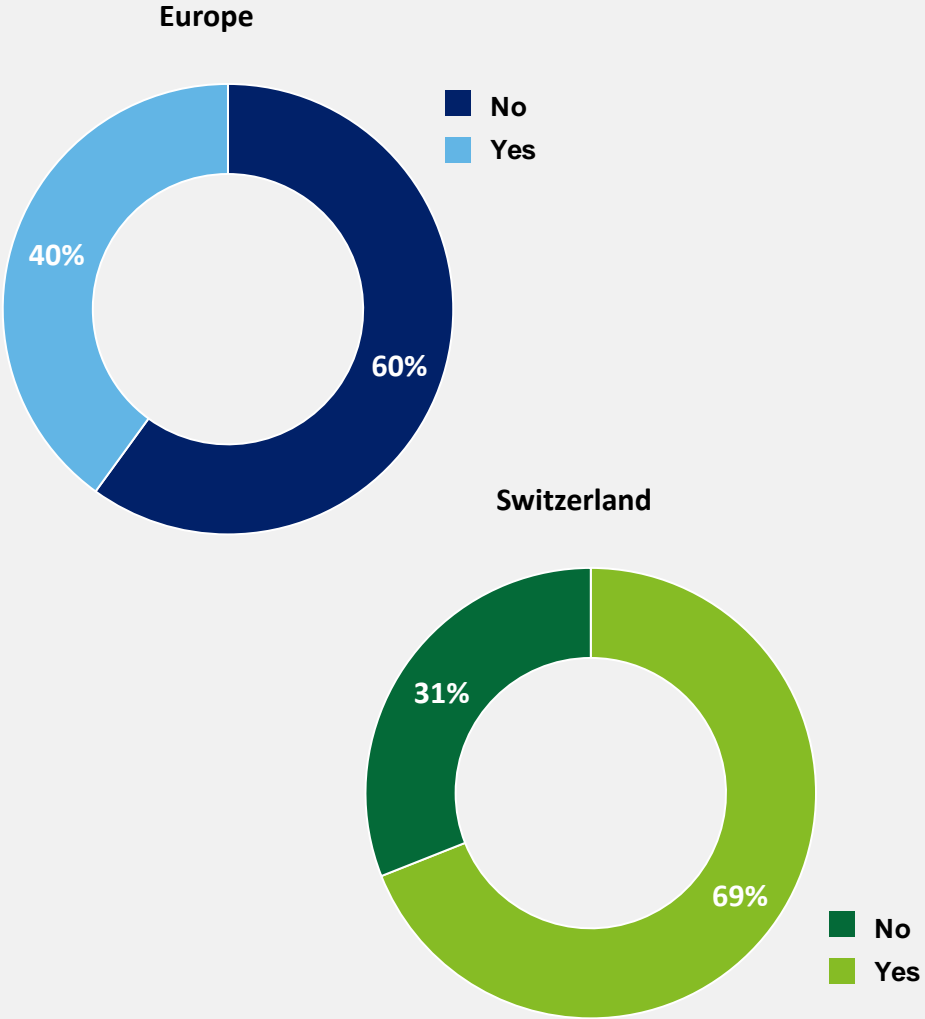


For the 2024 Scale-Ups Confidence Survey, we also asked the companies if they have an exit plan. Our findings indicate that **69% of Swiss scale-ups have an exit plan in place** (60% for Europe), which predominantly revolve around strategies related to mergers and acquisitions (M&A). The outcomes underscore the fact that a thought-through **exit plan is an essential part of the growth journey** for scale-ups across Europe, who need to think strategically about their exit strategies in time, as part of the long-term value optimisation.

(8) Source: Deloitte Confidence Survey, March 2024, (Europe: N = 388, Switzerland: N = 42)



Does your company have an exit plan?<sup>8</sup>



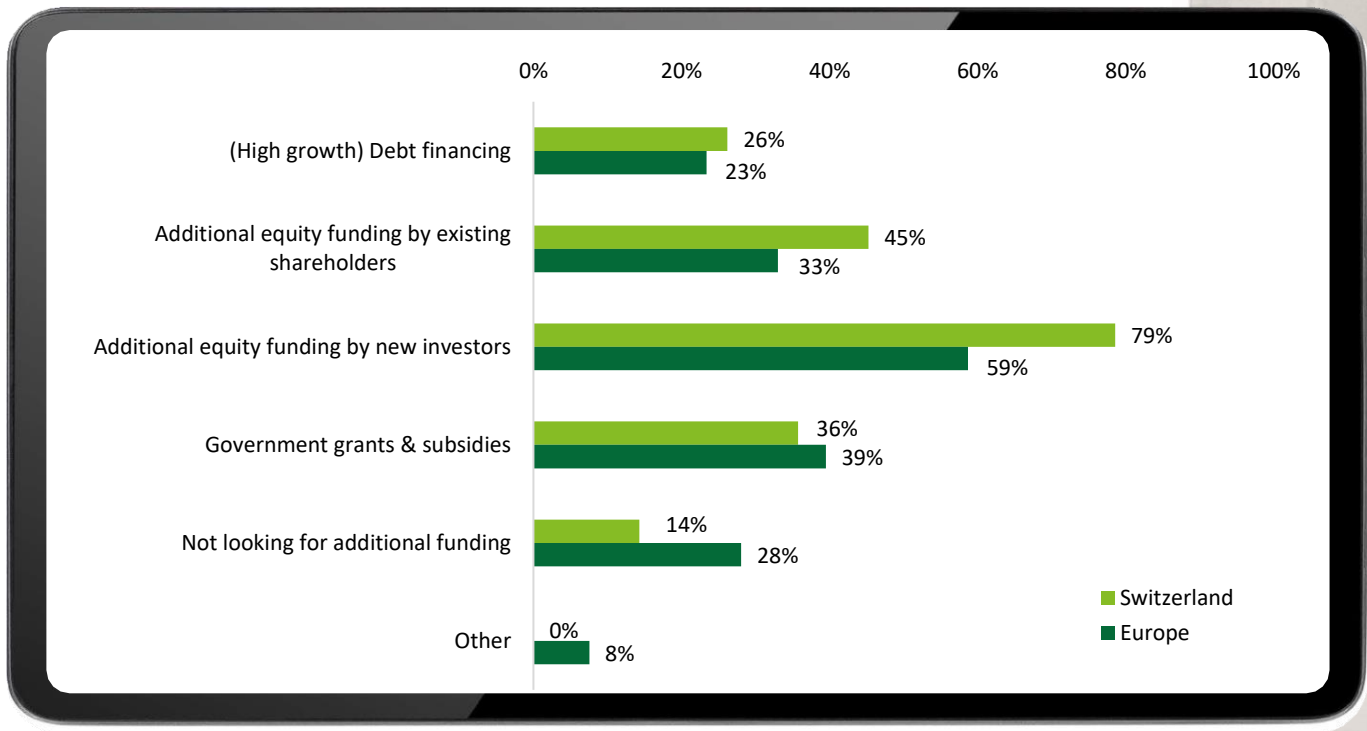


“While 66% of Swiss respondents reports that the current economic situation had an impact on their valuation (63% in Europe), scale-ups are increasingly turning to equity funding from new investors rather than government grants & subsidies.”



# 5. Funding & Liquidity Management

What types of funding do you consider to fuel your growth trajectory?<sup>9</sup>

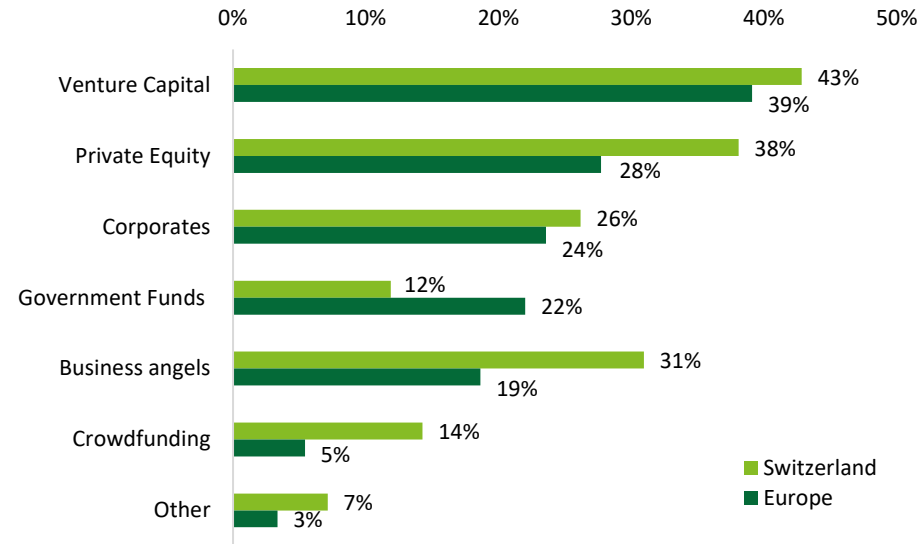


The top three types of funding considered remain **additional equity funding by new investors** (79% in Switzerland, 59% in Europe), **government grants and subsidies** (36% in Switzerland, 39% in Europe), and **additional equity funding by existing shareholders** (45% in Switzerland, 32% in Europe). Interesting to note is that Swiss scale-ups are more eager to seek new equity funding from investors, while a larger proportion of European respondents are not seeking additional funding.

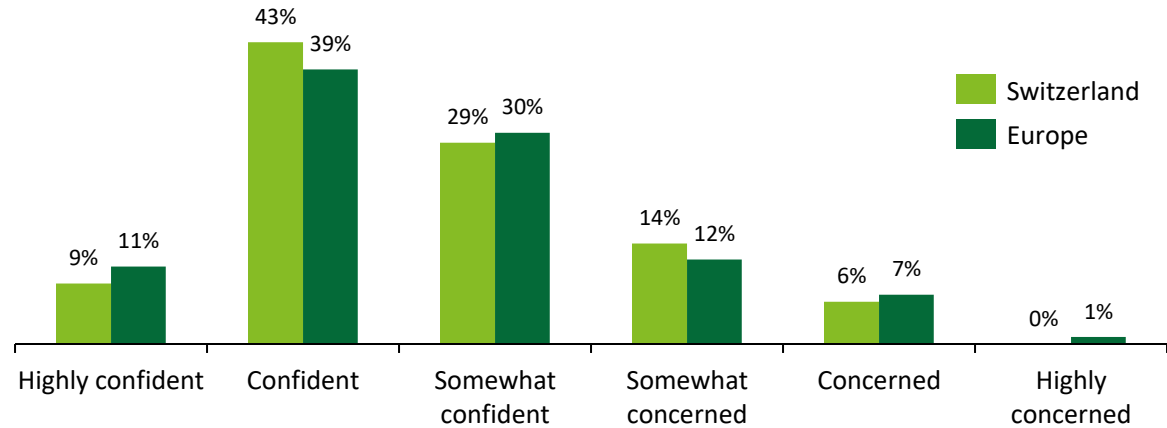
(9) Source: Deloitte Confidence Survey, March 2024, (Europe: N = 388, Switzerland: N = 42)



Which types of new investors are you considering?<sup>10</sup>



How confident are you that you will obtain the required funding?<sup>10</sup>



Among scale-ups seeking additional equity funding from new investors **venture capital** remains the top choice (43% in Switzerland, 39% in Europe), followed closely by **private equity** (38% in Switzerland, 28% in Europe) and **corporates** (26% in Switzerland, 24% in Europe). The business angels network plays a significantly more important role as a funding source in Switzerland than in Europe. Overall confidence levels regarding obtaining necessary funding are similar among Swiss and European scale-ups. Over 80% of respondents feel confident that they will obtain the required fundings.

(10) Source: Deloitte Confidence Survey, March 2024, (Europe: N = 388, Switzerland: N = 42)

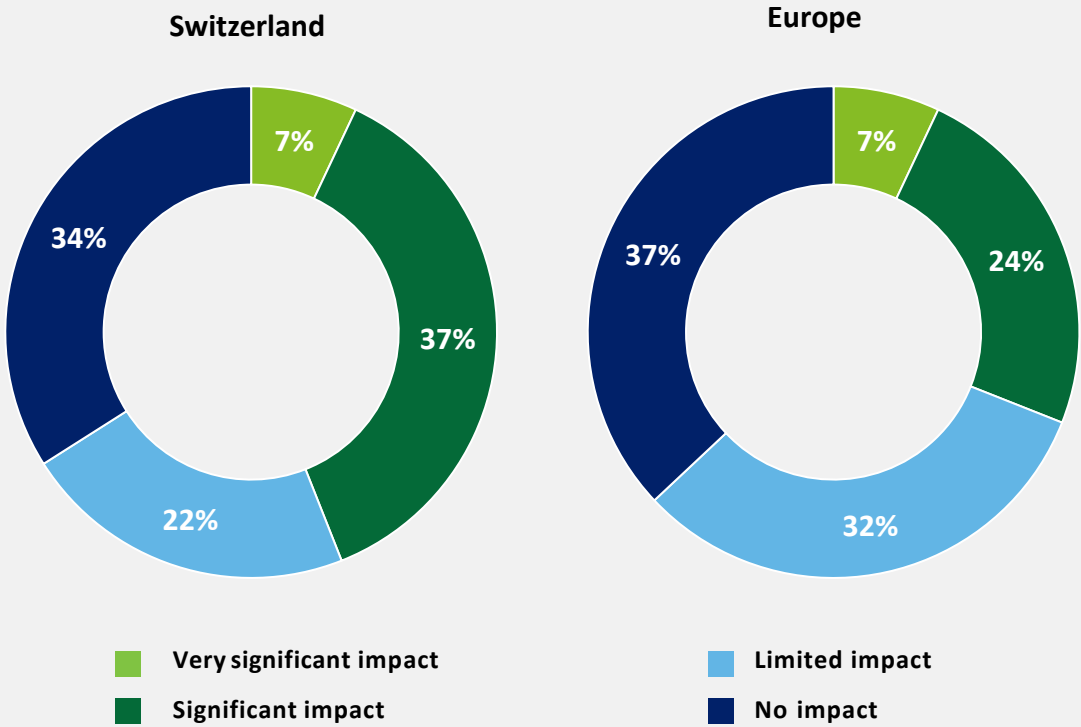


According to the survey results, a total of **66%** of Swiss scale-ups (63% in Europe) indicated that their **company's valuation has been (negatively) impacted** by the current economic situation. The negative impact on valuations is likely due to the challenges posed by the current economic conditions, and as a result reduced investor confidence.

Due to the negative impact on valuation, early investors and founders may experience **share dilution** which could potentially limit their ability to attract future investments and ultimately impacting the growth potential for these Swiss scale-ups.



How has the valuation of your company been impacted by the current economic situation?<sup>11</sup>



(11) Source: Deloitte Confidence Survey, March 2024, (Europe: N = 388, Switzerland: N = 42)



## Expert interview: Mike Baur, Co-Founder and Chairman of Swiss Ventures Group

### How would you assess the investors sentiment for 2024 and beyond? Do you see the tides turning or the trends from 2022-2023 are the likely to continue?

Having a regular exchange with portfolio companies becomes even more important in the current market as founders sometimes simply need a sounding board to discuss their plans and ideas, so listening to them is often a great starting point. This helps then better understand their needs and thus allows investors to identify the real needs. Most of the time, support is being provided by introducing startups to potential customers and/or partners, by helping them shape their equity story particularly in the case of a pivot and of course by helping them finding sources of financing, either through a follow-investment or by introducing them to investors. HR topics are also often on top of their priority list as some cost-cutting measures require some downsizing of the team, an exercise that most of them had never to go through.

### Which markets are attractive at the moment and which ones would you avoid? What are the long-term trends likely to drive the growth in the future?


The Swiss market has shown to be particularly resilient to the recent market downturn as the founders have shown a great capacity to reduce their runways and efficiently manage cash. Also, the early stage and deep tech sectors such as medtech or cleantech were less affected by the recent downturn and there is an over-proportional representation of those startups in Switzerland. The Nordics are also particularly attractive as they are home to many highly innovative firms with reasonable valuations and tend to present teams that combine young scientific talent alongside more experienced team members with entrepreneurial backgrounds. Markets to avoid would include all overcrowded markets and legacy markets with still slow technological adoptions.

Longer-term trends that are likely to drive growth remain those that are rooted in deep tech as they tend to address some of the world's major challenges. Advances in technology, such as artificial intelligence and machine learning will continue to create opportunities for startups that embrace them to disrupt traditional industries and address new market needs. AI isn't new, but the breakthrough of generative AI has recently generated quite some excitement about the opportunities it offers.

I expect that startups which integrate AI in some of their existing or future solutions will keep on presenting attractive opportunities. Agile startups who wish for a piece of the pie, will continue to integrate AI tools to accelerate their businesses and develop new applications, as everyone expects AI to drive disruptive innovation. Another trend that will continue is that of the increasing technology adoption in the healthcare industry, which continues to seek for solutions to improve patient care, increase efficiency, and reduce costs through new technologies such as digital health platforms and personalised medicine. Moreover, the aging population in many countries is driving demand for new healthcare services, assistive technologies, and senior care solutions. Finally, the increasing demand for startups that develop clean energy solutions, sustainable products, waste reduction technologies, and other eco-friendly innovations will only be further exacerbated by regulatory changes and policy shifts, which are constantly evolving. Again, this is where deep tech startups will play an important role as their solutions combine both technological as well as scientific advances from different fields (e.g. advanced materials, robotics, etc.) making "hardware" attractive for investors. We believe that continental Europe is very well positioned to play a key role due to its world class deep tech clusters.

33%



A background image showing a group of people sitting around a wooden table in a meeting or workshop. In the foreground, a person's hands are visible, holding a pen and writing on a notepad. The scene is brightly lit, likely by natural light from a window, creating a professional and collaborative atmosphere.

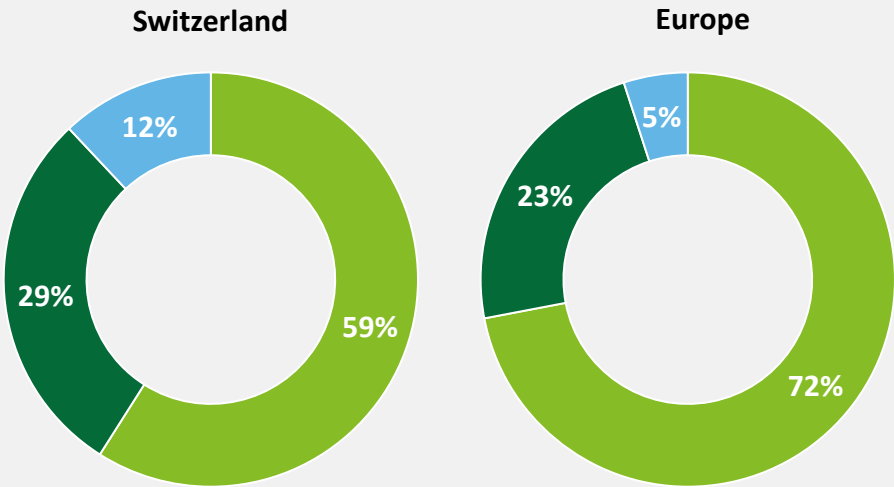
“Swiss scale-ups remain conservative regarding their workforce growth. The talent war driving up candidate expectations regarding (financial) rewards is the largest struggle.”



# 6. Talent & Organisation

How do you see the evolution of your workforce?

- Headcount growth
- Hiring freeze / no headcount growth
- Headcount reduction / right-sizing



41%

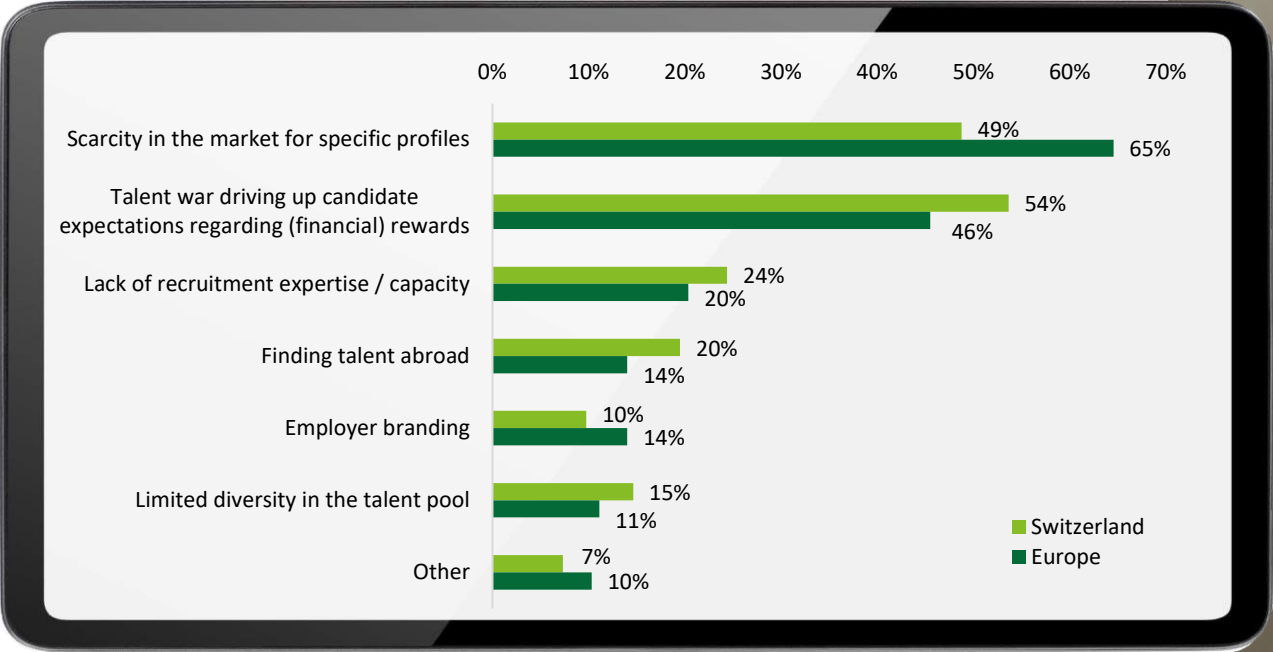
of Swiss scale-ups are expecting either a hiring freeze, no growth in headcount, or even a reduction in headcount. Compared to their European peers (28%), Switzerland seems to be less optimistic. The decision to hire less among scale-ups can be attributed to their main challenges, i.e., economic uncertainty, finding new customers, and cashflow or liquidity constraints. For European scale-ups, the reason could be also linked to the difficulty in finding the right talent.



59%

of Swiss scale-up companies are projecting an expansion in their workforce. This value grows when observing the responses from European scale-ups. Indeed, 72% of the them are also confident regarding their workforce expansion.

What do you see as the main hurdles in attracting and retaining talent?<sup>12</sup>



The results of the 2024 Confidence Survey reveal that the main obstacle for scale-ups in attracting and retaining talent remains the **talent war driving up candidate expectations regarding (financial) rewards**, which was reported by 54% of Swiss and 46% of European respondents. These sought-after profiles typically fall within STEM fields, engineering, and development, areas of expertise that are in high demand across companies of all sizes. Additionally, the **scarcity in the market for specific profiles** (49% in Switzerland, 65% in Europe), **lack of recruitment expertise / capacity** (24% in Switzerland and 20% in Europe) and **finding talent abroad** (20% in Switzerland and 14% in Europe) are key hurdles reported by the respondents. This suggests that scale-ups not only encounter difficulties in securing local talent but also face obstacles in recruiting from diverse geographical regions.

(12) Source: Deloitte Confidence Survey, March 2024, (Europe: N = 388, Switzerland: N = 42)

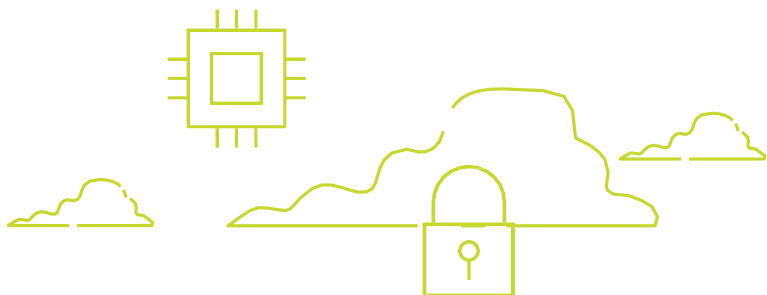




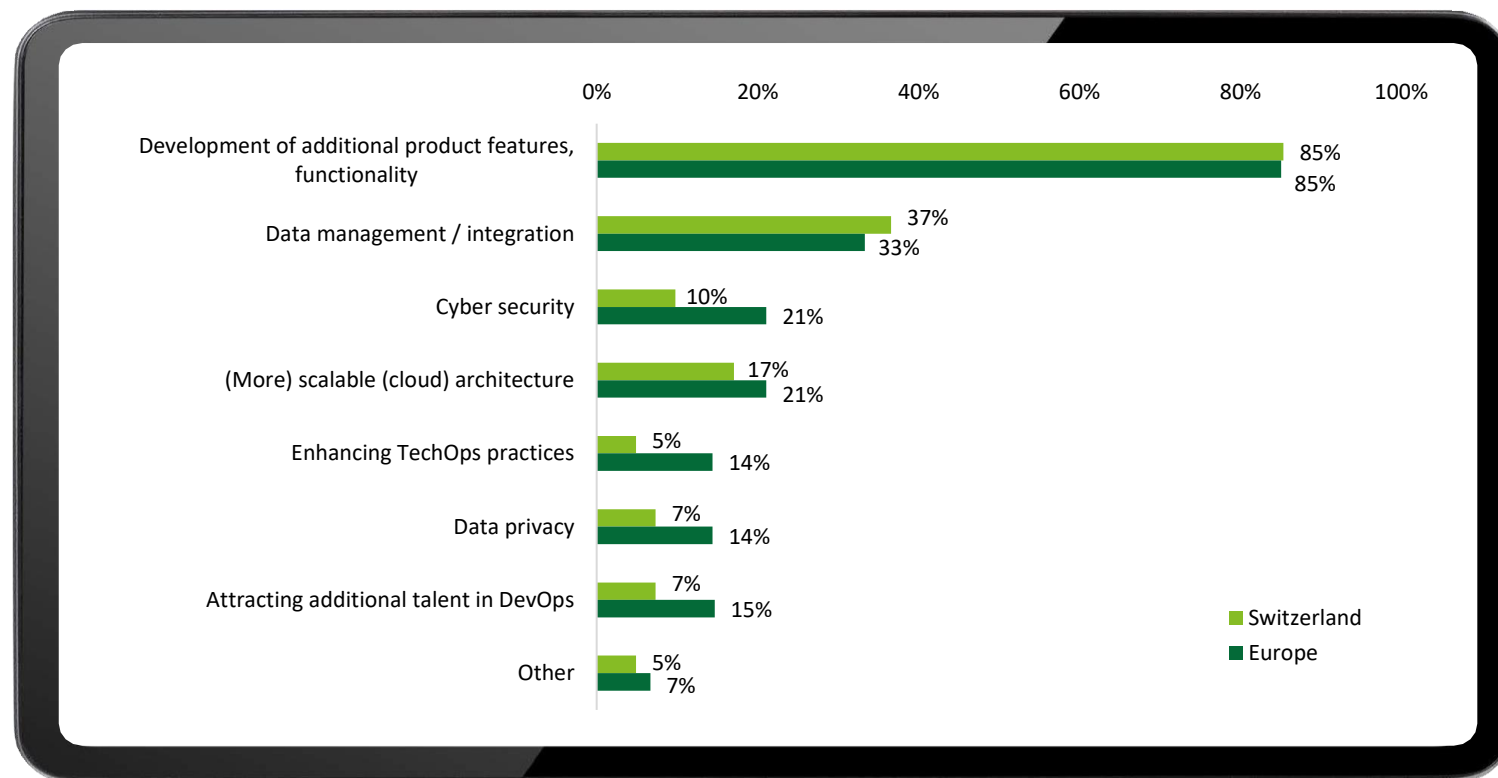
## 7. Technology Scalability & Security

The results of our 2024 Confidence Survey show that scale-ups are maintaining their focus on technology investment, which is primarily the **development of additional features or functionalities** (85% in both, Switzerland and Europe). This consistent focus could be a response to the main challenge scale-ups face concerning delays or acquiring new business customers.

Additionally, scale-ups prioritise **data management and integration** (37% in Switzerland, 33% in Europe), and **(more) scalable (cloud) architecture** (17% in Switzerland, 21% in Europe). This suggests that scale-ups are recognising the importance of efficiently managing and integrating data within their operations, as well as adopting scalable technology infrastructures, such as cloud-based systems, to support their growth and development.



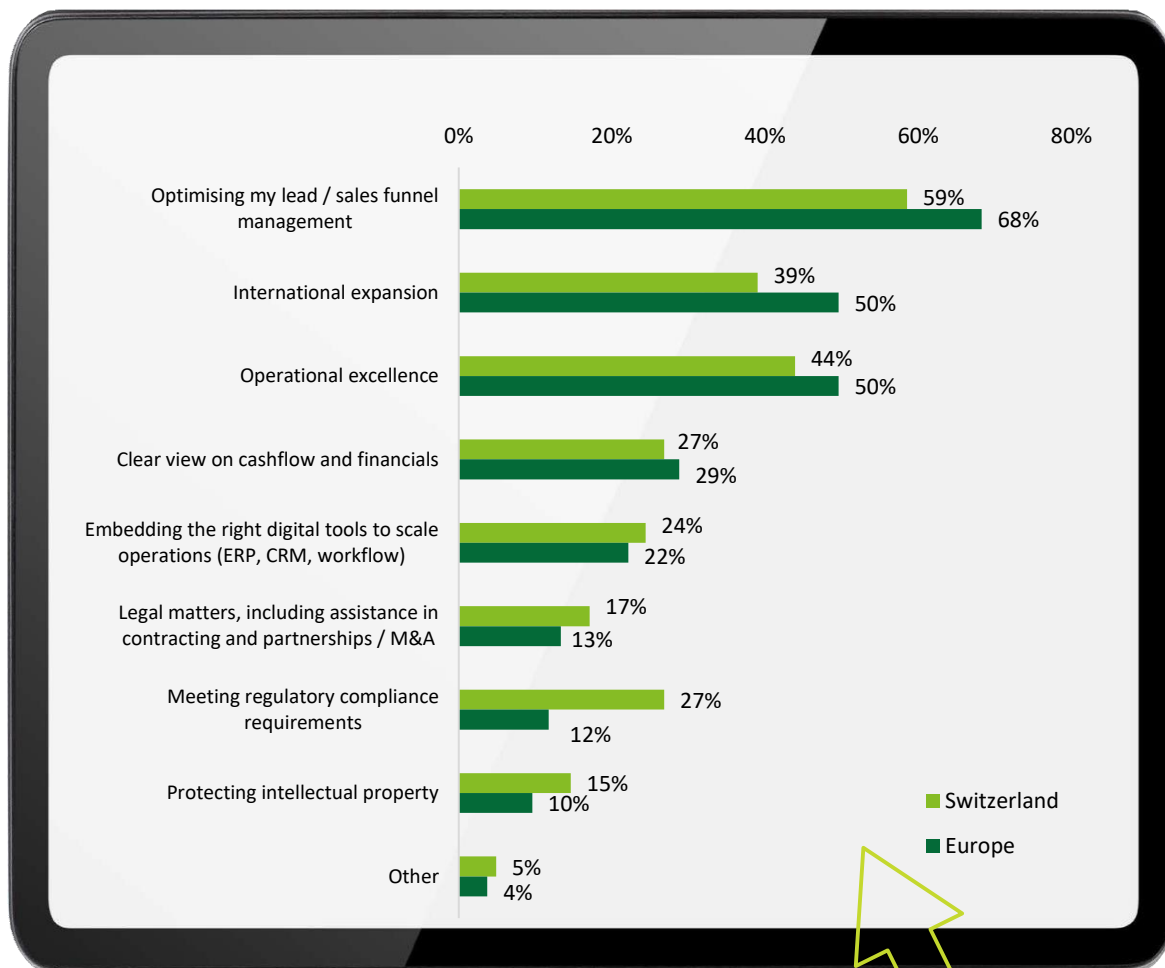
What are the technology investment priorities for your company?<sup>13</sup>



(13) Source: Deloitte Confidence Survey, March 2023, N = 214; Deloitte Confidence Survey, March 2024, N = 191

## 8. Digital Operations

For which of the below items do you see most improvement potential within your company?<sup>14</sup>



Based on our survey findings, the top three areas with the most improvement potential for scale-ups are again **optimising lead/sales funnel management** (59% in Switzerland, 68% in Europe), **operational excellence** (44% in Switzerland, 50% in Europe) and **international expansion** (39% in Switzerland, 50% in Europe).

Looking into the digital operations of scale-ups, today many ventures lack a back-office system that can **scale internationally**. In the early stages, most start-ups tend to be conservative due to limited financial resources, often opting for short-term solutions. However, it is crucial to think long-term and seek advice on systems that align with future strategies and ambitions, especially in the context of internationalisation. Initially, this requires more investment from companies, but it ultimately saves costs and facilitates effective (international) growth.

Specifically for **lead and sales funnel optimisation**, there is a wide range of possible systems available (both from Swiss and international players). However, the key message remains to carefully consider which insights and functionalities are useful beforehand. The essence lies in having the right view of your pipeline through the right processes and ensuring proper follow-up. When the necessary criteria are well-defined upfront, the choice of the best-suited systems becomes easier.

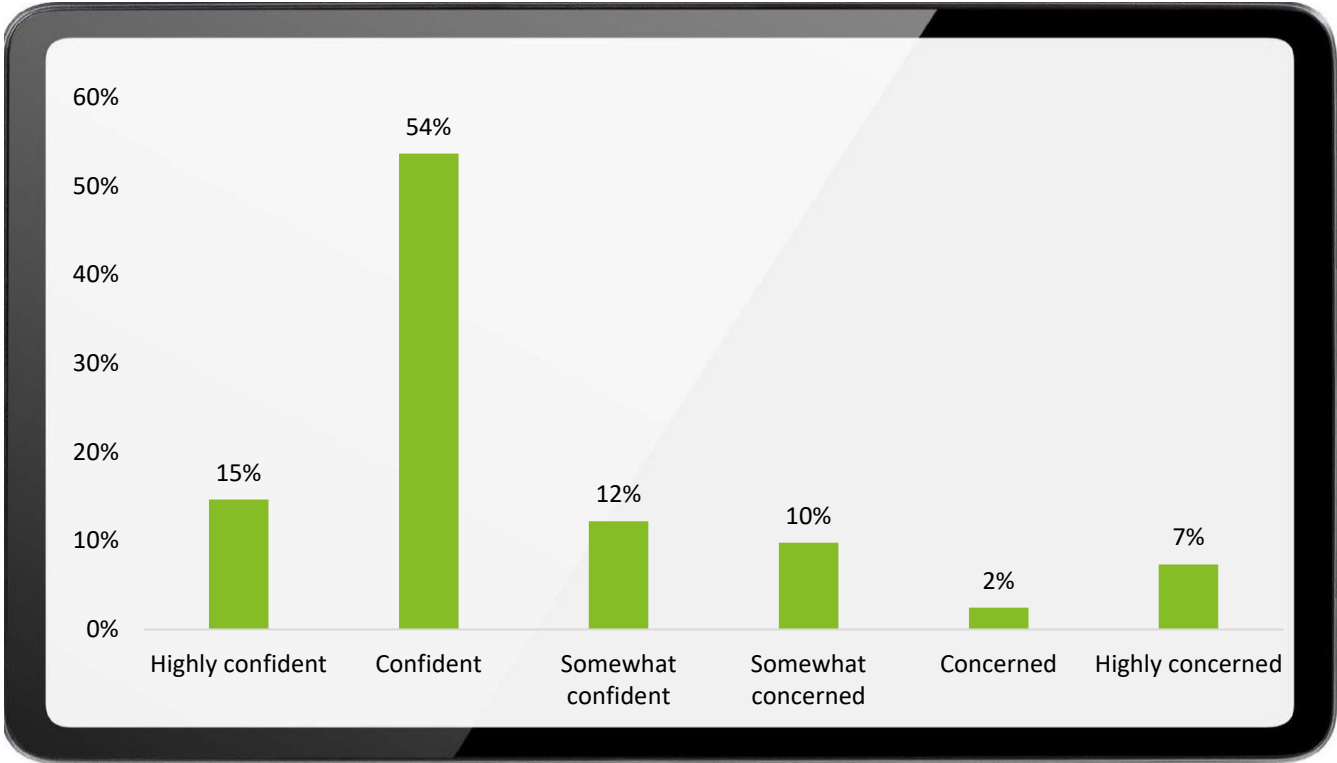
(14) Deloitte Confidence Survey, March 2024, N = 191

“While scale-ups remain rather confident, the changing market conditions have negatively impacted their future growth ambitions and optimism.”



# 9. Scale-Ups Confidence

How confident are you that your business can continue or even accelerate its growth trajectory?<sup>15</sup>



(15) Source: Deloitte Confidence Survey, March 2024, N = 184

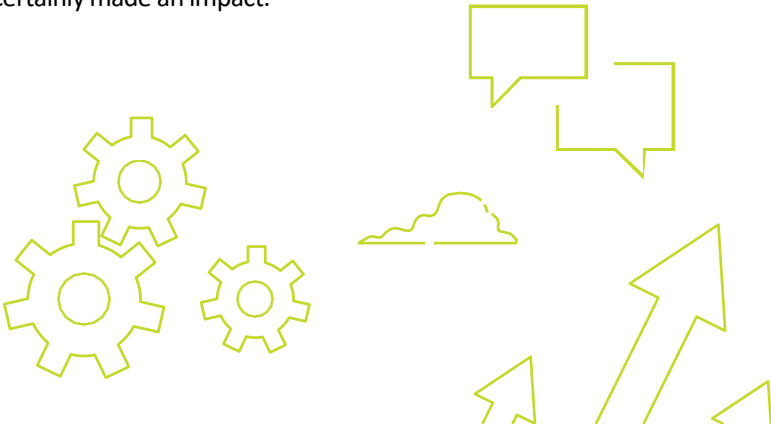


**2024 Confidence Score per geography**

Switzerland → 7.3/10	Belgium → 7.7/10	Greece → 8.3/10
The Netherlands → 8.5/10	The UK → 8.5/10	

The confidence level of scale-ups to continue or accelerate their growth trajectory remains high, with 69% of respondents indicating they are (highly) confident. This is a great majority compared to the only 9% that feel (highly) concerned.

In conclusion, scale-ups maintain a high level of confidence in their growth trajectory, which is in line with the results of the confidence that they will obtain the required funds. While their optimism remains high, the evolving market conditions have certainly made an impact.





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