

HubSpot for Startups

2023

The State of Global Unicorn Startups

A look at how companies are scaling to \$1B+ valuations + tips for growing startups



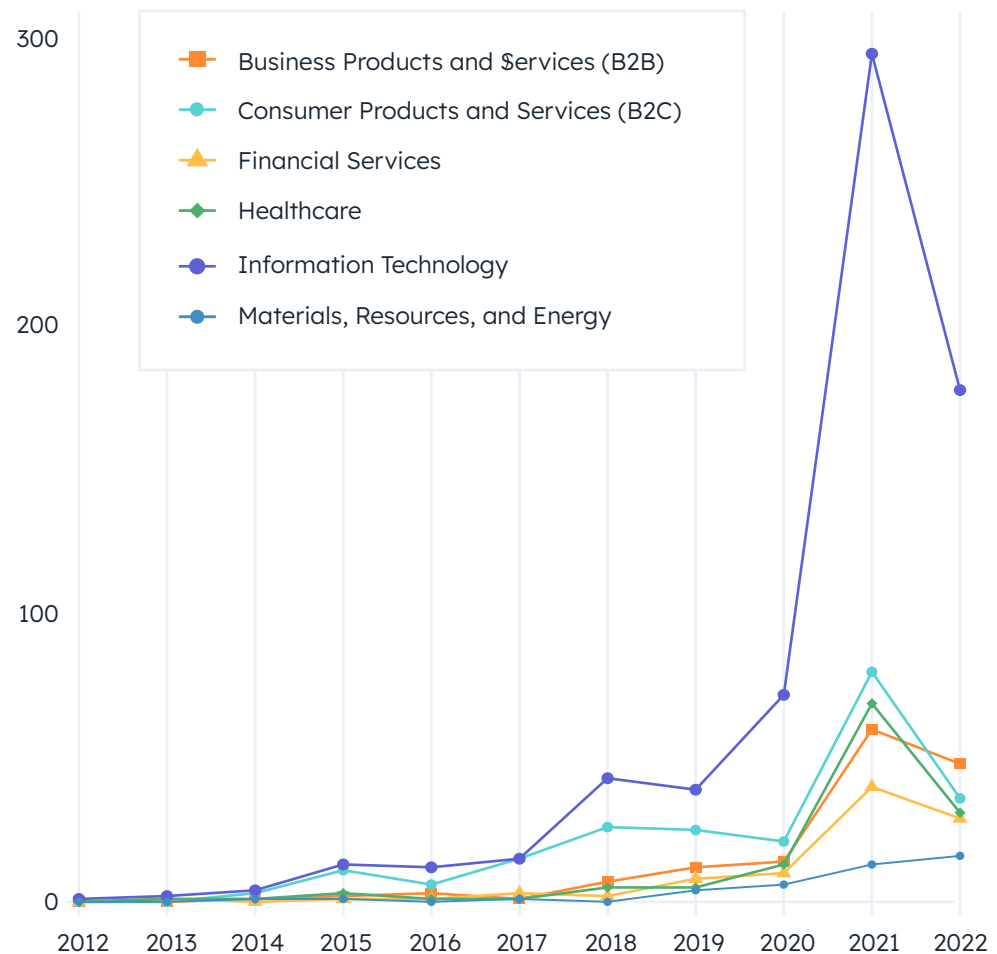
FOREWORD

Today's Unicorns are Embracing AI, Freemium Growth, and Community

Over the course of ten years, nearly 1,400 startups have reached unicorn status, but since 2016, startups have been experiencing progressively longer journeys to reach unicorn status. Despite 2021 seeing the largest new unicorn class ever (an outlier of hopeful investments post-COVID), overall funding and valuations are in a slump.

Rampant inflation, economic instability, layoffs, and devaluations have led to [more tentative venture funding](#) and later stage investing has slowed down in tandem with the IPO market. Exits for companies approaching or at unicorn status and IPOs have led to [late-stage investors losing money](#). Now, [VCs want to see profitability and positive cash flow](#).

Unicorns by business category over time



Source: PitchBook Data, Inc.

Today, generative AI apps are the most recent source of VC buzz — but is there longevity in these investments? There are more than twice the number of IT unicorns than any other category, and they're valued the highest. And investors are prioritizing apps over all other software types. B2B platforms and financial services companies are also beginning to see an uptick and could be the next areas of major investment in the coming years.

Beyond the products themselves, investors want to understand the go-to-market (GTM) strategies that have proven to be sustainable. Three of the top 15 highest valued unicorns — OpenAI, Canva, and Epic Games — are all leveraging:

- ✦ Freemium models
- ✦ Investment in community
- ✦ Innovation through AI

To learn more about today's startup environment and why unicorns are growing and thriving, we partnered with [PitchBook](#) to take a deep dive into the data and trends among today's herd.

We hope this report helps shape your growth strategies for the year ahead and provides inspiration for founders and investors. Thanks for reading.



LAURENCE BUTLER

Senior Director, HubSpot for Startups



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SECTION 01

Unicorn Startup Trends

Venture capitalist Aileen Lee coined the term “unicorn startup” in a 2013 [TechCrunch article](#) on the lessons learned from the explosive success of major companies like Facebook and Google. She said that private companies that can reach a \$1B valuation milestone are as rare as a unicorn.

Lee counted 39 unicorns back in 2013. As of October 2023, there are now just under 1,400 active unicorn startups in the world.

[Aileen Lee recently reflected](#) on this boom, saying the explosive growth already happening in the 2010s was then magnified by the COVID-19 pandemic — our collective reliance on software platforms to keep us connected led to many software companies becoming unicorns. Despite the boom, Aileen still sees unicorn status as an incredible feat. “It still takes timing, luck, superb execution, and longevity,” she said.

Even more valuable variations of unicorns have popped up since the birth of the original term, including decacorns, hectacorns, and centaurs.

How many unicorns are there as of October 2023?

1,390+
Unicorns

Unicorns are private companies valued at more than \$1 billion.

Source: PitchBook Data, Inc.

60
Decacorns

Decacorns are private companies valued at more than \$10 billion.

Source: PitchBook Data, Inc.



3
Hectacorns

Hectacorns are private companies valued at more than \$100 billion.

Source: PitchBook Data, Inc.

185
Centaur

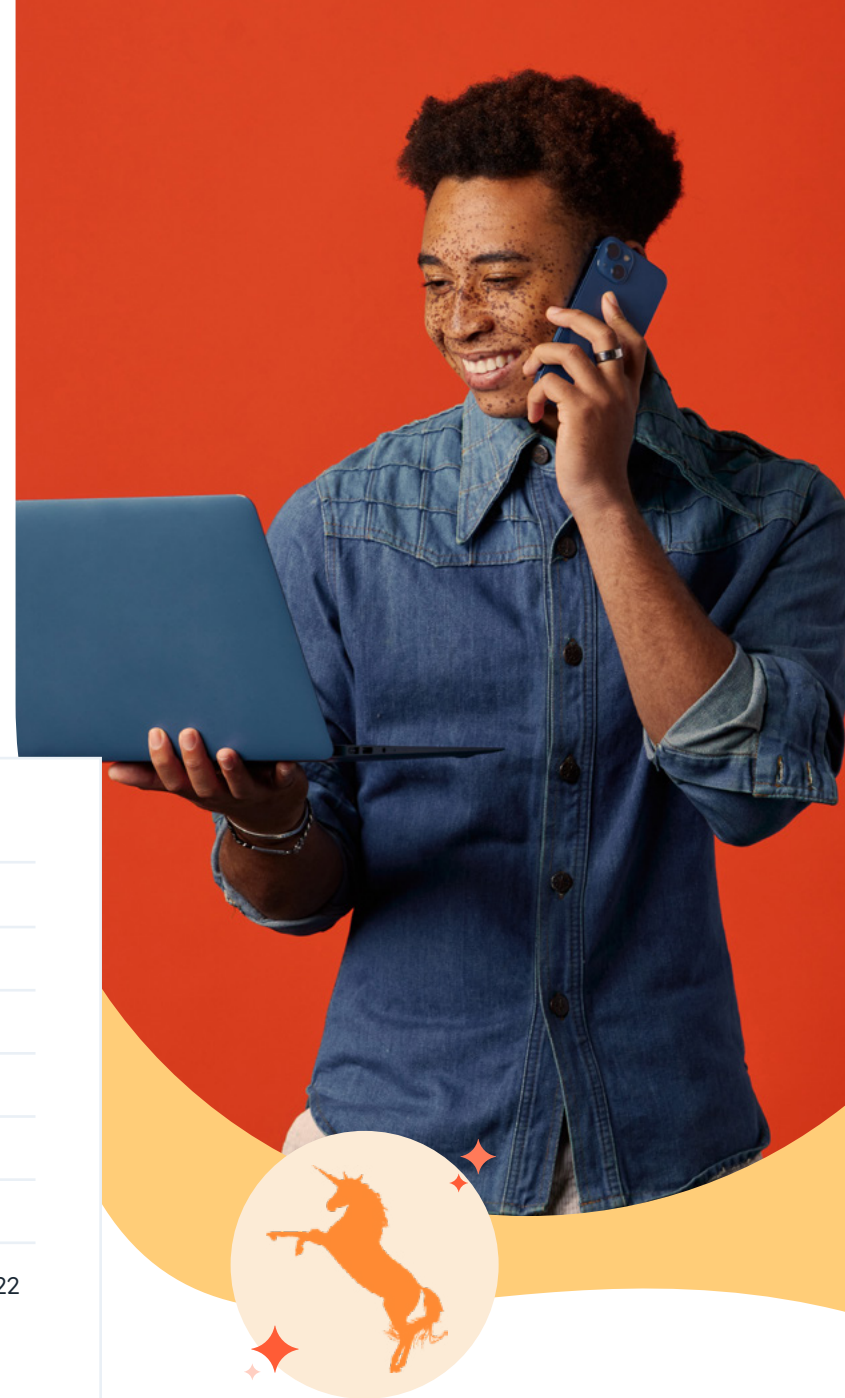
[Bessemer Venture Partners](#) coined the term “Centaur” to refer to unicorn companies that also reach \$100 million in annual recurring revenue (ARR).

Source: [Bessemer Venture Partners](#)

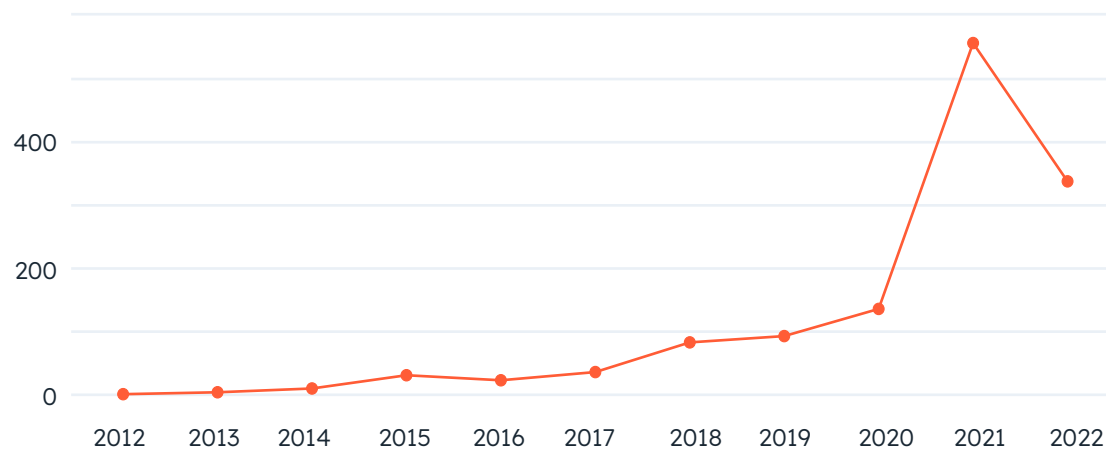
Unicorn startup growth trends: How do startups reach unicorn status?

There isn't a magic recipe to become a unicorn startup. Each company's path is different, but there are some [stages and steps](#) many unicorns follow. For example, finding [your business's niche market](#) and rapidly scaling are just two of the things unicorns do to skyrocket their business's growth.

Up until 2002, only a few companies achieved a billion dollar valuation each year. Growth started to speed up in the mid-2000s and exploded in 2010.



Number of New Unicorns



Source: PitchBook Data, Inc.

Unicorns by industry

In the world of unicorns, software dominates as the number one industry. Software unicorns range widely by type, from the fintech-focused Webull to DIY design company Canva.

Learning about the most popular industries for businesses, especially unicorn companies, can jumpstart your research for your own business. For example, you can use [industry benchmark data](#) to see the projected future of that sector.

Aside from software, other top unicorn industries include commercial services, retail, and commercial products.



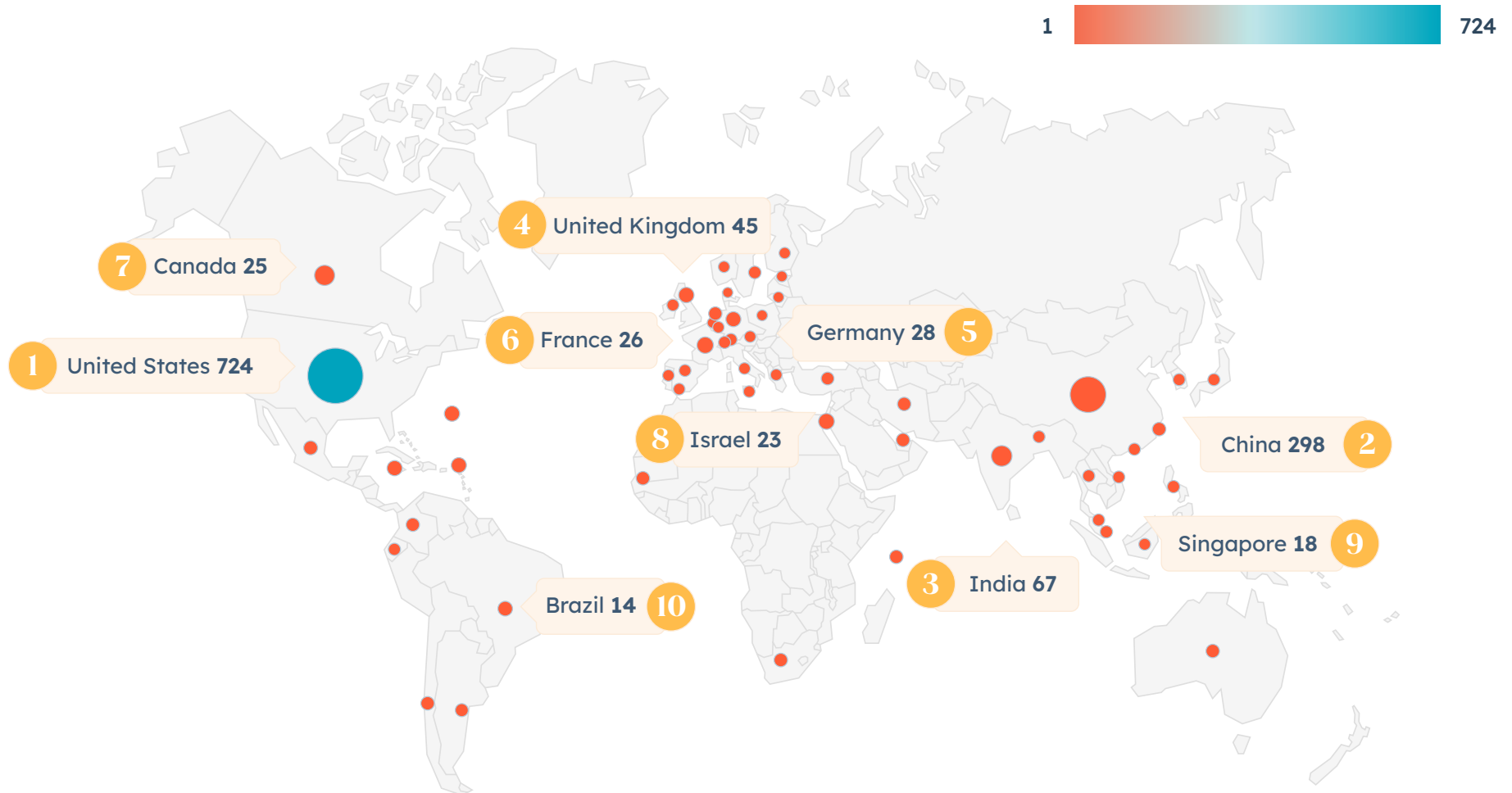
Unicorns by Industry (top 10)



Source: PitchBook Data, Inc.

Where are the world's unicorn companies based?

The United States is home to more than half of the world's unicorns, with China, India, and the UK next in line. Between 2015-2019, Europe led the way in the number of new unicorns each year. But, since 2019, North America has been, and remains, the leader in the number of new unicorns.



Source: PitchBook Data, Inc.

Unicorn startup profitability

The big question among new founders is whether to strive for growth, which can lead to unicorn status, or profitability. Venture capitalists long leaned on the growth side, investing millions in companies that were growing rapidly and expecting profits to come further down the line, which has led to massive valuations like those of unicorn (or decacorn) companies.

But huge valuations don't always mean huge profits — and this year, among challenging market conditions that have created a [“funding winter,”](#) investors have started to tread more cautiously, [opting to invest in companies with a better shot at profitability.](#)

How many unicorns are profitable?

Global data across the list of 1,394 startups is not readily available, especially as unicorn companies are private. But in India, [there are 30 profitable unicorns](#) out of 67 total, according to October 2023 PitchBook data — making 45% of unicorns based in India profitable. In Europe, [four of the top twenty unicorns are profitable](#) — making roughly 20% of unicorns in Europe profitable.



1 in 6 unicorns

have the recurring revenue needed to go public

How many unicorns go public?

Not every unicorn feels the need to go public — in fact, [many of the highest valued companies, like ByteDance and Stripe, are still privately owned](#), which lets executives and investors keep full control of the company and face less public scrutiny than they would as public companies.

Plus, there's a difference between a high valuation and actually having the recurring revenue needed to go public: [today, only one in six unicorns has the recurring revenue needed to be viable IPO candidates.](#)

Companies that have lost unicorn status

Around [90% of startups don't make it](#), and even the ones that reach unicorn status aren't guaranteed to be golden: [17% of unicorn startups founded between 2004 and 2018 went on to lose that status or fail entirely](#), according to research by Ali Tamaseb, a partner at venture capital firm DCVC.

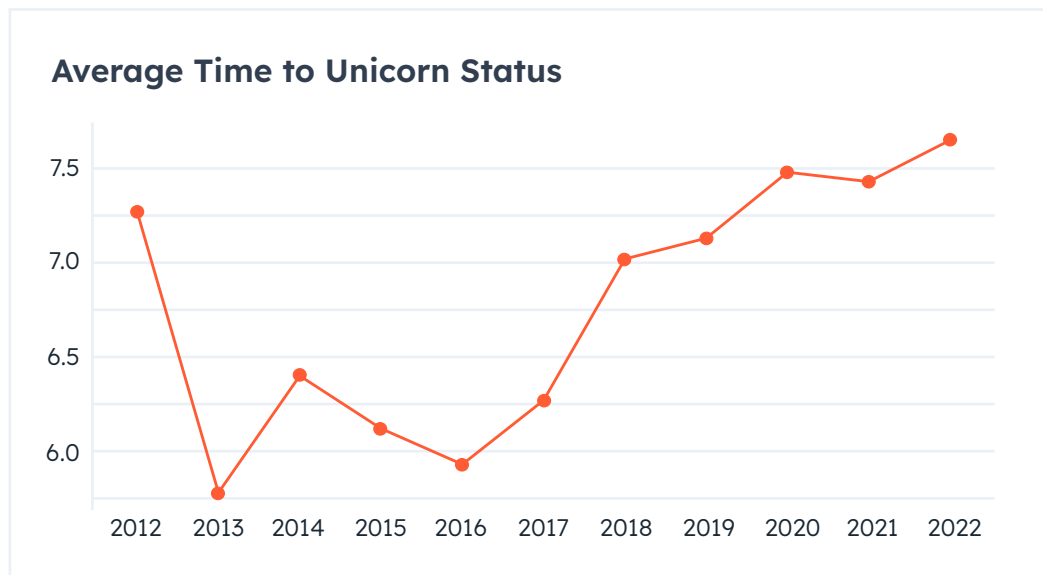


16.9%

of unicorn startups lose their status — or fail.

How long does it take to become a unicorn?

According to the latest PitchBook data from October 2023, it takes an average of 9 years for companies to reach unicorn status.



Source: PitchBook Data, Inc.

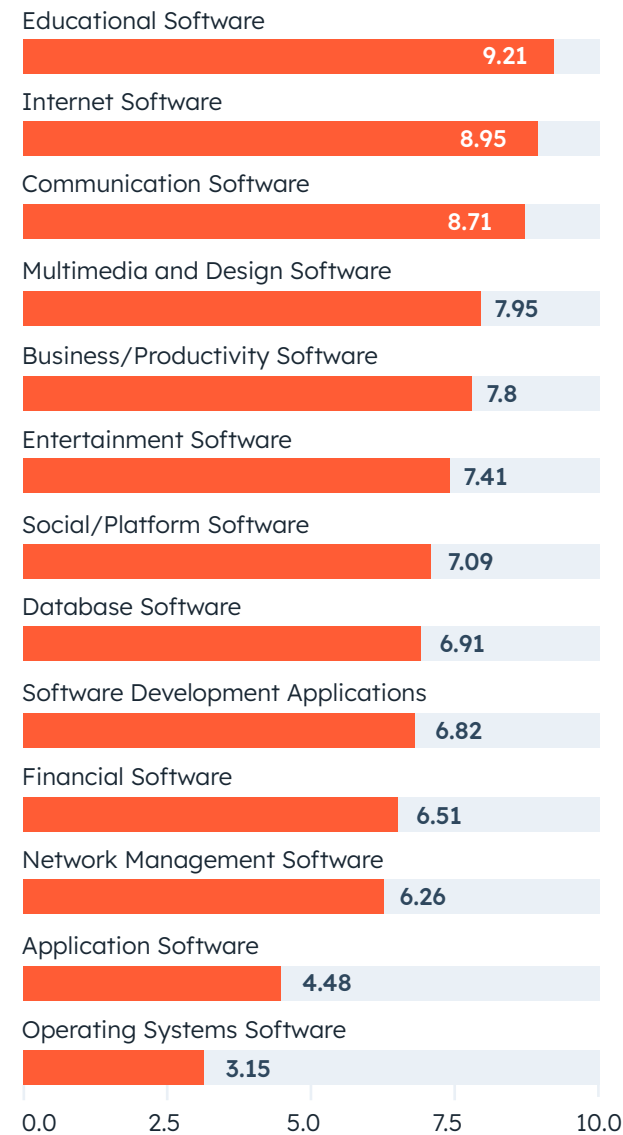
9 years

The **average** time it takes a company to reach unicorn status.

Source: PitchBook Data, Inc.



Average Time to Unicorn Status by Software Type



Source: PitchBook Data, Inc.

SECTION 02

Global Unicorn Company List 2023

We've partnered with PitchBook to put together a full list of unicorn companies as of October 2023 — with founding year, total funding raised to date, valuation, HQ country, and industry.

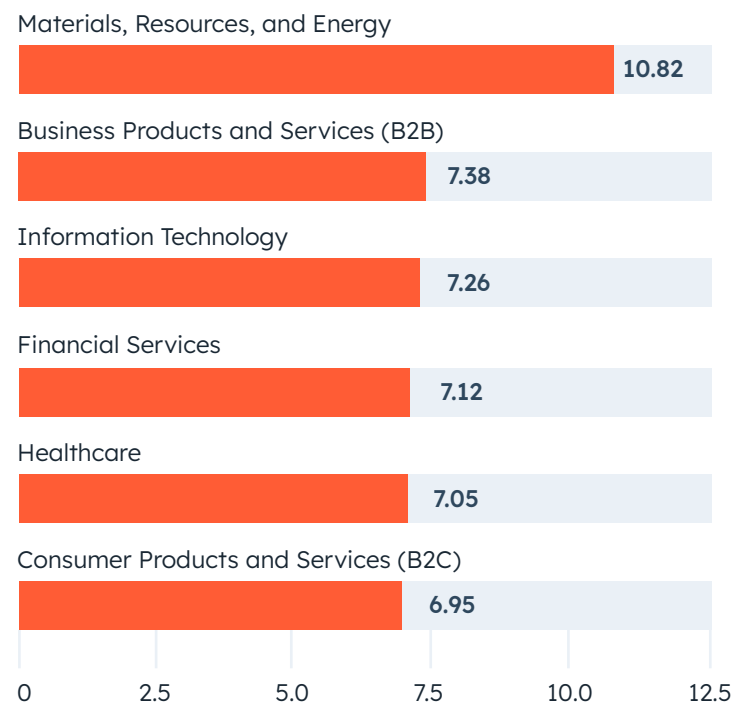
Here are some examples of some of the fastest-growing types of unicorns.

- Software Unicorns, like [Canva](#), [Epic Games](#), and [Discord](#)
- Healthcare Unicorns like [Spring Health*](#), [Resilience](#), [Caris Life Sciences](#), and [Datavant](#)
- Fintech Unicorns, like [Jeeves*](#), [Stax Payments*](#) and [ReCharge Payments](#)
- AI Unicorns, like [Jasper*](#), [Databricks](#), [OpenAI](#), and [ByteDance](#)

* **Documentary alert:** Season 1 of the HubSpot for Startups and LinkedIn short film documentary series “Spiraling Up: The Journey to Become a Unicorn” covers the stories of Jeeves and Stax Payments. Both episodes are streaming now at www.spiralingup.film. Season 3 premiered September 2023, and covers the story of the Jasper co-founders, as well as mental health platform Spring Health.



Average Time to Unicorn Status by Sector



Source: PitchBook Data, Inc.

Global unicorn company list 2023

Here are the top 100 unicorns around the world as of October 2023 by valuation.

[See all 1,390+ unicorns](#)

	Company Name	Founding Year	Unicorn Value (\$billions)	Total VC Raised to Date (\$billions)	Country	Industry Group
1	ByteDance	2012	\$220.00	\$8.11	China	Software
2	Ant Group	2000	\$200.00	\$20.40	China	Software
3	SpaceX	2002	\$137.00	\$9.44	United States	Commercial Products
4	OpenAI	2015	\$85.00	\$10.31	United States	Software
5	SHEIN	2012	\$66.00	\$3.56	Singapore	Retail
6	Stripe	2009	\$50.00	\$9.10	United States	Software
7	Databricks	2013	\$43.50	\$4.00	United States	Software
8	Canva	2012	\$40.00	\$0.58	Australia	Software
9	Checkout.com	2012	\$40.00	\$1.83	United Kingdom	Software
10	JUUL	2007	\$38.00	\$15.65	United States	Consumer Non-Durables
11	Revolut	2015	\$33.00	\$1.69	United Kingdom	Software
12	Epic Games	1991	\$31.50	\$5.75	United States	Software
13	Waymo	2009	\$30.75	\$5.50	United States	Transportation

14	Chime	2012	\$25.00	\$2.65	United States	Software
15	BYJU'S	2011	\$22.00	\$5.86	India	Services (Non-Financial)
16	Citadel Securities	2002	\$22.00	\$1.15	United States	Capital Markets/ Institutions
17	J&T Express	2015	\$20.00	\$6.24	Indonesia	Commercial Services
18	JD Digits	2012	\$19.21	\$2.13	China	Software
19	Miro	2011	\$17.50	\$0.48	United States	Software
20	Greeneden Topco	2011	\$16.74	\$0.60	Luxembourg	Commercial Services
21	SZ DJI Technology Company	2006	\$16.00	\$1.15	China	Computer Hardware
22	VillageMD	2013	\$15.76	\$6.55	United States	Healthcare Technology Systems
23	Yuanfudao	2012	\$15.50	\$4.05	China	Software
24	BITMAIN	2013	\$15.00	\$0.76	China	Computer Hardware
25	Genki Forest	2016	\$15.00	\$0.072	China	Consumer Non-Durables
26	Ripple	2012	\$15.00	\$0.33	United States	Software
27	Gopuff	2013	\$15.00	\$4.93	United States	Retail
28	Discord	2012	\$14.70	\$1.10	United States	Software
29	CGN Wind Energy	2007	\$14.46	\$4.77	China	Exploration, Production and Refining
30	GAC Aion	2017	\$14.45	\$2.97	China	Transportation

31	Blockchain.com	2011	\$14.00	\$1.06	United Kingdom	Software
32	Ram Charan	1965	\$14.00	\$8.90	India	Chemicals and Gases
33	Xiaohongshu	2013	\$14.00	\$0.92	China	Retail
34	Huadian New Energy Group	2009	\$13.96	\$2.31	China	Exploration, Production and Refining
35	Plaid	2013	\$13.40	\$0.73	United States	Software
36	OpenSea	2017	\$13.30	\$0.42	United States	Other Financial Services
37	Celonis	2011	\$13.00	\$1.37	Germany	Software
38	Grammarly	2009	\$13.00	\$0.40	United States	Software
39	Zeekr	2021	\$13.00	\$1.25	China	Transportation
40	Devoted	2017	\$12.70	\$2.05	United States	Healthcare Services
41	Faire	2017	\$12.59	\$1.51	United States	Media
42	Dunamu	2012	\$12.57	\$0.57	South Korea	Software
43	Biosplice Therapeutics	2008	\$12.44	\$0.88	United States	Pharmaceuticals and Biotechnology
44	Brex	2017	\$12.30	\$1.23	United States	Software
45	Deel	2019	\$12.10	\$0.68	United States	Software
46	Goodleap	2003	\$12.00	\$0.80	United States	Software
47	Toutiao		\$12.00	\$1.10	China	Media
48	Xingsheng Selected	2018	\$12.00	\$5.44	China	Retail

49	Northvolt	2016	\$11.75	\$5.51	Sweden	Energy Equipment
50	Rippling	2016	\$11.75	\$1.20	United States	Software
51	Airtable	2012	\$11.73	\$1.35	United States	Software
52	Bolt	2014	\$11.01	\$0.96	United States	Software
53	Kraken	2011	\$10.80	\$0.11	United States	Capital Markets/ Institutions
54	Swiggy	2013	\$10.62	\$3.53	India	Restaurants, Hotels and Leisure
55	Alchemy Insights	2017	\$10.45	\$0.41	United States	Software
56	Talkdesk	2011	\$10.43	\$0.48	United States	Software
57	Fanatics Trading Cards	2021	\$10.40	\$0.35	United States	Consumer Durables
58	Wiz	2020	\$10.30	\$0.80	United States	Software
59	Tempus	2015	\$10.25	\$1.41	United States	Healthcare Technology Systems
60	Figma	2011	\$10.00	\$0.33	United States	Software
61	Digital Currency Group		\$10.00		United States	Capital Markets/ Institutions
62	Gojek	2009	\$10.00	\$6.80	Indonesia	Software
63	KuCoin	2017	\$10.00	\$0.18	Seychelles	Software
64	Lalamove	2013	\$10.00	\$2.40	Hong Kong	Commercial Services
65	Notion	2012	\$10.00	\$0.34	United States	Software

Rank	Company	Year	Revenue (\$B)	Profit (\$B)	Country	Industry
66	Caocao Mobility	2015	\$9.99	\$0.74	China	Transportation
67	Gusto	2011	\$9.63	\$0.75	United States	Software
68	OYO Rooms	2012	\$9.60	\$3.64	India	Restaurants, Hotels and Leisure
69	BayoTech	2015	\$9.40	\$0.21	United States	Exploration, Production and Refining
70	Auntea Jenny	2013	\$9.36	\$0.03	China	Consumer Non-Durables
71	HeyTea	2016	\$9.27	\$0.58	China	Restaurants, Hotels and Leisure
72	Navan	2015	\$9.20	\$1.43	United States	Software
73	UNISOC	2001	\$9.20	\$2.99	China	Semiconductors
74	Resilience	2020	\$9.01	\$1.98	United States	Pharmaceuticals and Biotechnology
75	N26	2013	\$9.00	\$1.85	Germany	Commercial Banks
76	Niantic	2010	\$9.00	\$0.78	United States	Software
77	Tanium	2007	\$9.00	\$0.98	United States	Software
78	Axiom Space	2016	\$8.83	\$0.61	United States	Commercial Products
79	Ping An Medical and Healthcare Management	2016	\$8.80	\$1.15	China	Software
80	Rapyd	2015	\$8.75	\$0.80	United Kingdom	Software
81	Kavak	2016	\$8.70	\$2.03	Mexico	Transportation
82	SumUp	2012	\$8.64	\$0.75	United Kingdom	Computer Hardware

83	Nuro	2016	\$8.60	\$2.13	United States	Transportation
84	Chainalysis	2014	\$8.60	\$0.54	United States	Other Financial Services
85	Personio	2015	\$8.50	\$0.72	Germany	Software
86	Pony.ai	2016	\$8.50	\$1.09	United States	Computer Hardware
87	Anduril	2017	\$8.48	\$2.32	United States	Commercial Products
88	Bolt	2013	\$8.37	\$1.90	Estonia	Transportation
89	Lacework	2015	\$8.30	\$1.86	United States	Software
90	Tipalti	2010	\$8.30	\$0.56	United States	Software
91	Kakao Entertainment		\$8.21	\$1.04	South Korea	Software
92	Scientia Technologies		\$8.11	\$0.60	China	IT Services
93	Flexport	2013	\$8.00	\$2.24	United States	Software
94	StarkWare	2017	\$8.00	\$0.26	Israel	Software
95	Dream Sports	2008	\$8.00	\$1.18	India	Software
96	FalconX	2018	\$8.00	\$0.43	United States	Software
97	Fireblocks	2018	\$8.00	\$1.04	United States	Software
98	Suning Finance	2015	\$7.86	\$2.21	China	Software
99	Hopin	2019	\$7.66	\$1.16	United Kingdom	Commercial Products
100	Dapper Labs	2018	\$7.60	\$0.64	Canada	Software

Source: PitchBook Data, Inc.

SECTION 03

The Unicorn Startup Landscape

Top unicorn investors

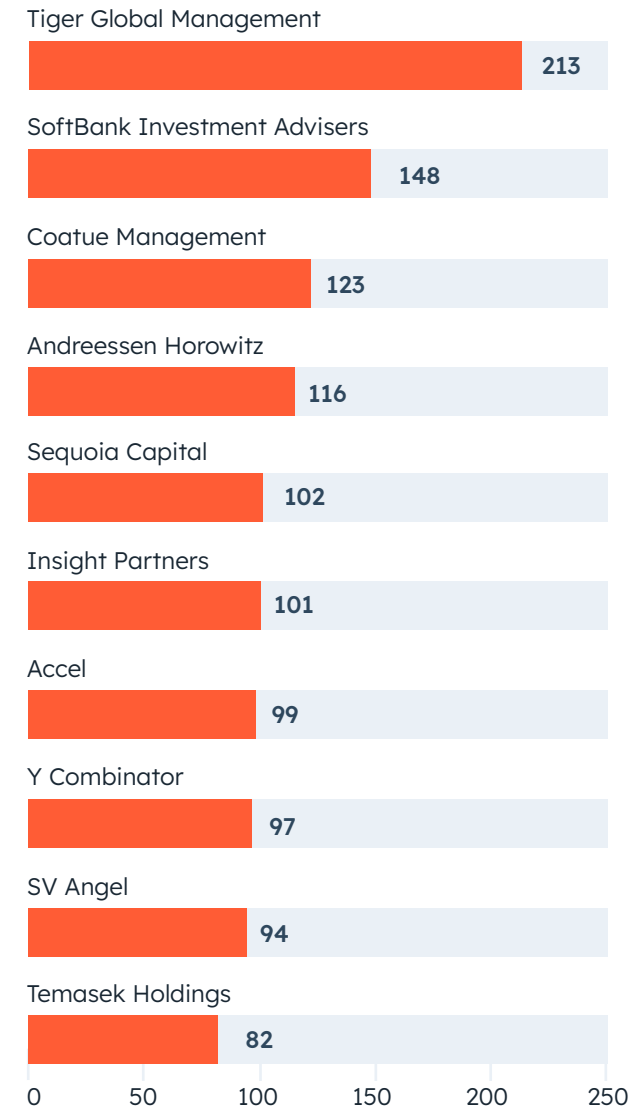
Unicorns couldn't exist without the investors and [venture capitalists](#) backing their businesses.

Tiger Global Management comes out on top for investing in 213 unicorns, followed by SoftBank Investment Advisers with 148, and Coatue Management with 123, according to PitchBook Data, Inc.

Many unicorn investors are also HubSpot for Startups partners. For example, [Y Combinator](#), [Alchemist Accelerator](#), [Sequoia](#), [Andreessen Horowitz](#), and [Insight Partners](#) are all a part of our partner program.

To the right we've highlighted the top investors to see how their investments stack up against each other.

Top 10 most active unicorn investors

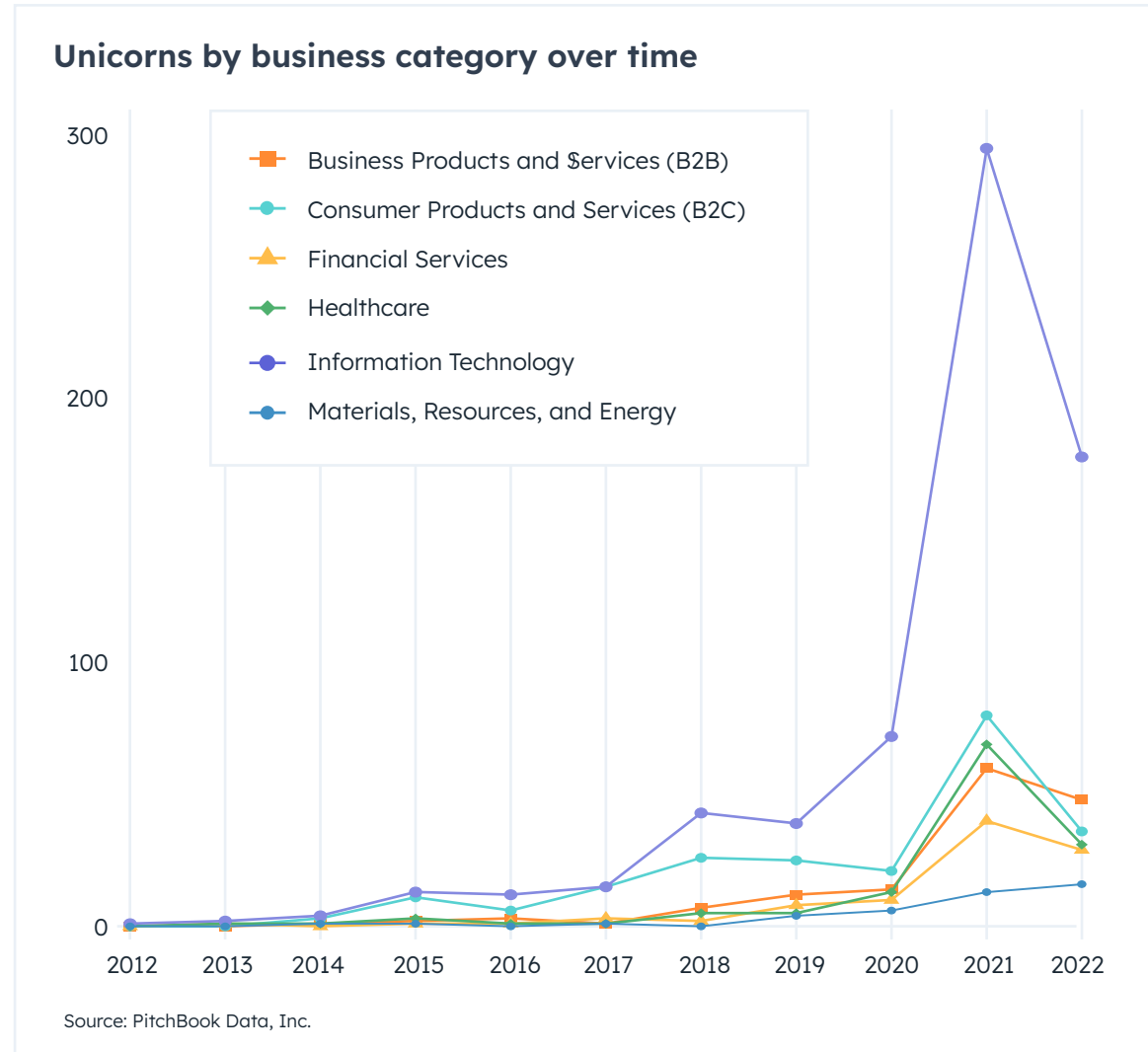


Source: PitchBook Data, Inc.



Unicorns by vertical

While IT startups and apps are the highest valued and most funded, our analysis of PitchBook data found that B2C brands are getting to unicorn status the fastest, and showing the most promise for steady upward growth.

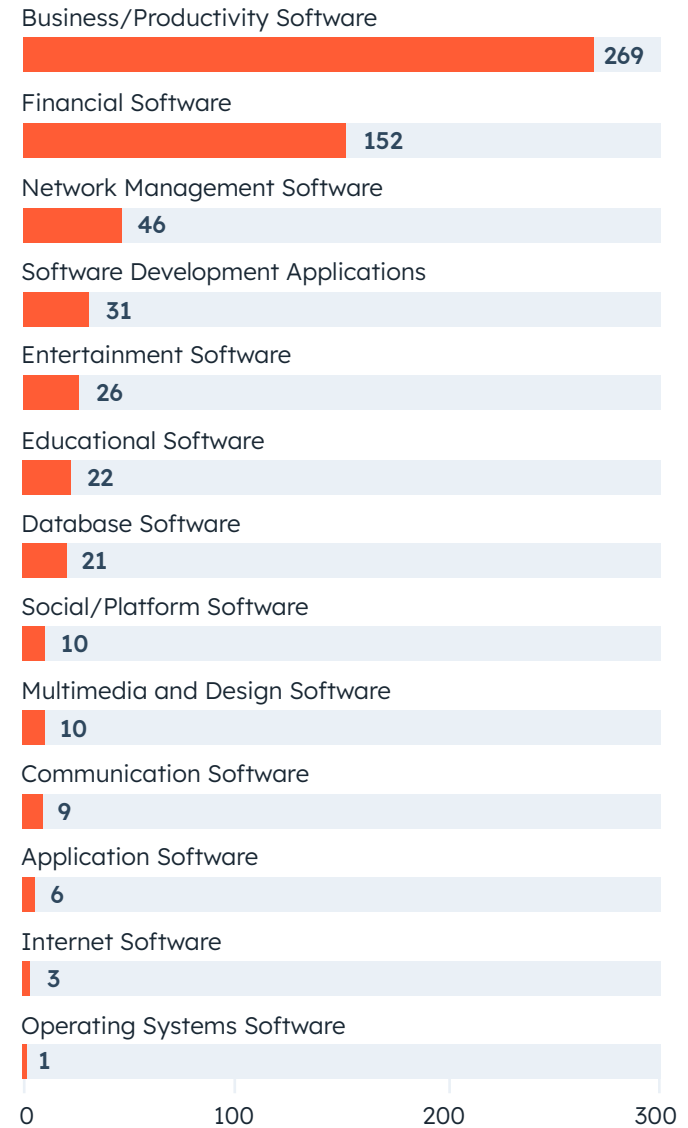


The information technology sector is, by far, the leader when it comes to the number of new unicorns, more than doubling the next-highest category (consumer products and services). Within software, the sub-category with the most unicorns is business and productivity.

Overall, the category with the highest average unicorn value is financial services. Big players in the payments space like Stripe and Checkout.com represent 20% of the top 10 unicorns.



Total Number of Unicorns by Software Type



Source: PitchBook Data, Inc.


SECTION 04

Unicorn GTMs & Competitive Advantages

Business tools that automate and speed up processes are one key way to save time and money, and today, customer expectations are at an all time high. Many unicorn companies understand this and use AI and automation tools to achieve growth goals.

Three of the top unicorns — Canva, OpenAI, and Epic Games — have focused on growing their communities, leveraging AI, and using freemium strategies to bring in new users and test new features and make their products better.

OpenAI set a record when they [hit 100M ChatGPT users two months after launching and reached unicorn status only 16 months in](#). Canva just launched their [AI-powered creative tools hub, Magic Studio](#) and Epic Games created a course for game developers to use [AI tools in their graphics engine, Unreal Engine](#).



“The product-led model, and specifically a very robust freemium offering, has been a major key to our differentiation in the sales technology market. We have 3 million users — many of them driven by a game-changing freemium offering that delivers tangible value, quickly. And AI has been a major component to how we use Apollo to prospect at speed and scale.”



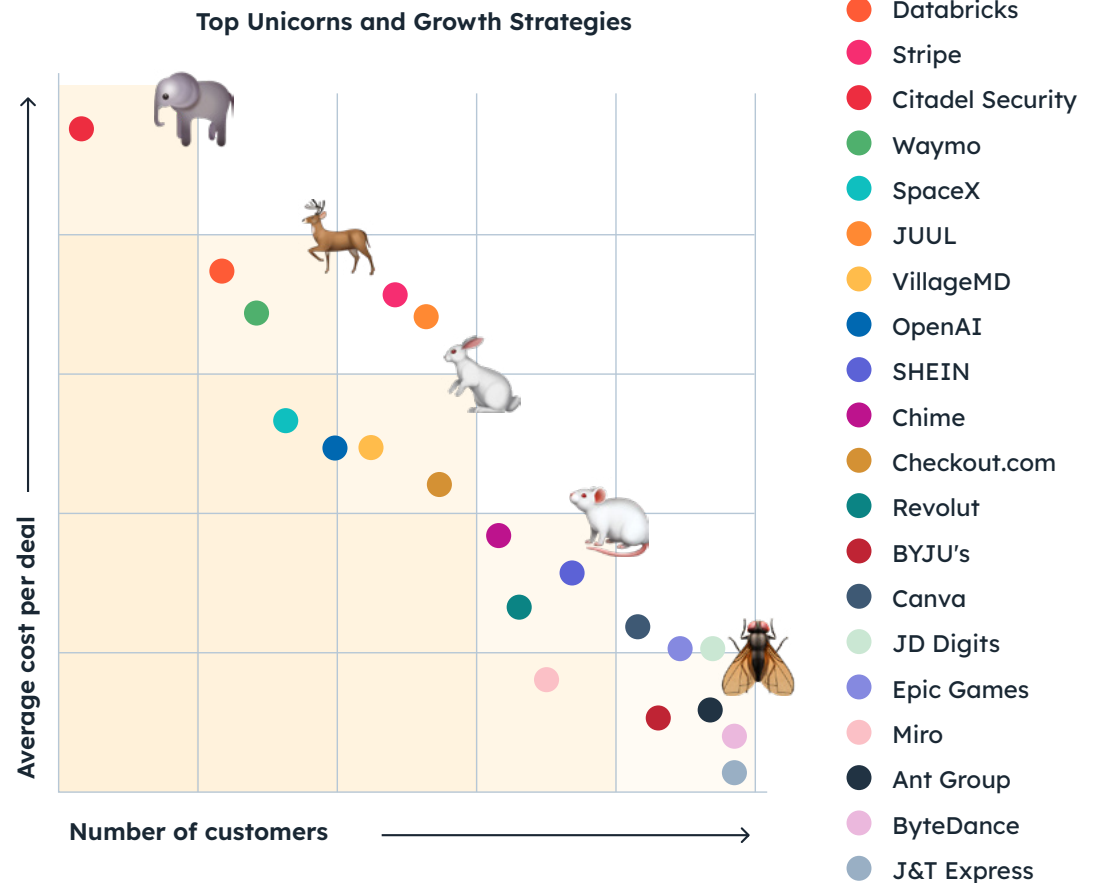
HALLY PINAUD

VP of Product Marketing,
Apollo.io

Ways to Grow a Billion-Dollar Business

But not all unicorns are growing in the same way. There's a theory around five ways to [scale to a \\$100M](#) business (leading to a potential \$1B valuation) — startups can seek fewer customers (~1,000) with a higher value, hunting “elephants”, or startups that seek more customers (around 100M) with a lower value, hunting “flies”. In between, many startups seek deer (~10K customers), rabbits (~100K customers), or mice (~10M customers).

Within the top unicorns, there's a split, but the highest-valued companies are leaning into either side of the spectrum. ByteDance, Ant Group, J&T Express, and BYJU's go after “flies”, whereas Citadel Securities goes after “elephants”.



Each startup growth model requires different GTM strategies, budget distribution, team structure, and funding sources; for example, hunting elephants requires investing in a more robust enterprise sales cycles and tactics like account-based market (ABM), whereas going after flies is more scalable when opting for self-service sales process, product virality, and motions like product-led growth (PLG). This approach to your GTM strategy aligns with [what veteran VC and Unusual Ventures co-founder John Vrionis points out](#): that reaching the coveted \$100M in ARR can be done from a top-down, middle out, or bottoms up approach (the latter being more in-line with a PLG strategy). Bottom-up strategies have ACVs at \$20K or less. Middle out—\$24K to \$120K; and top-down ACVs range from \$120K to \$1.2M.

VCs looking to invest in the next unicorns are evaluating them on the five Ts of high growth potential as [defined by McKinsey](#):

Team

- 75% of VCs look for two or more founders, since most successful scale-ups have more than one founder
- 80% of VCs look for founders with prior work experience

Total addressable market (TAM)

- The startups with the most potential have a large total addressable market (TAM) and the sectors with the largest markets can claim almost a third of the top 100 unicorns (technology, media, telecommunications, industrials, and healthcare).

Timing

- VCs want to find startups in the sweet spot and move early on promising trends, but not too early that they haven't gained some footing in the market.

Technology

- Businesses with technology need to have products that work at scale — and many [successful startups like Enpal and Infarm pivoted from services and networks to software platforms](#) to grow exponentially.

Traction

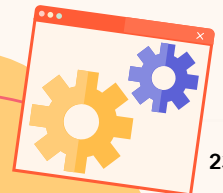
- VCs look for existing traction in the market. Top unicorns like OpenAI, Canva, and Epic Games have proven market fit and potential with their active user communities (in 2022, [Canva surpassed 100M users](#) and [Epic Games reported over 230M PC users](#)) and [strong recurring revenue numbers](#).

What separates startups with the potential for unicorn status from the rest are often choices they make right from the start of the business. Those who invest in platforms and tools with future innovation in mind can reach the tipping point towards \$1B faster and more efficiently.

[Free startup resource kits](#) and DIY solutions are great tactics to use when you're starting your business. However, you'll eventually need to transition to reliable and powerful platforms to take your business to the next level and set yourself up for significant investments.

Basic tech requirements for startups

- CMS/website platform
- Email marketing
- Marketing and sales automation
- Payment processing
- CRM
- Bookkeeping and accounting platform
- Social media management
- Customer service and communication



We scanned through data from BuiltWith, SimilarTech, and G2 to uncover what tools unicorn companies use for different categories. Take a look at our findings below.

Top CMS Platforms	Top Web Hosting Platforms	Top Marketing Automation Platforms	Top Customer Communication Platforms	Top Sales Tools	Top CRMs
<ul style="list-style-type: none"> • HubSpot CMS • WordPress • Contentful • Webflow • Sanity 	<ul style="list-style-type: none"> • Amazon AWS • Google Cloud • Cloudflare • Alibaba • China Telecom • DreamHost 	<ul style="list-style-type: none"> • HubSpot Marketing Hub • Adobe Marketo • Pardot • TowerData • Live Ramp • Active-Campaign • Braze • Klaviyo • Intuit MailChimp • Salesforce Marketing Cloud 	<ul style="list-style-type: none"> • HubSpot Service Hub • Zendesk • Intercom • Kustomer • Customer IO • Stella Service • Freshdesk • Podium • Salesforce Service Cloud 	<ul style="list-style-type: none"> • HubSpot Sales Hub • Salesloft • Outreach • QuotaPath • Revenue.io • Oracle • Active-Campaign • AP Sales Cloud • Salesforce Sales Cloud 	<ul style="list-style-type: none"> • HubSpot CRM • monday • ClickUp • Zoho CRM • NetSuite



Source: [BuiltWith](#), [SimilarTech](#), [G2](#)

FEATURE

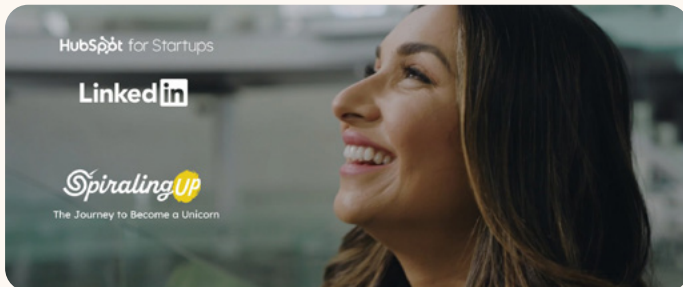
Spiraling Up: The Journey to Become a Unicorn

HubSpot for Startups and LinkedIn have come together to bring you a short film documentary series telling the stories for various founders aspiring to become (or already are), unicorns.

Season 1: Stax Payments and Jeeves

Ep. 4: How founder Suneera Madhani grew Stax to unicorn status

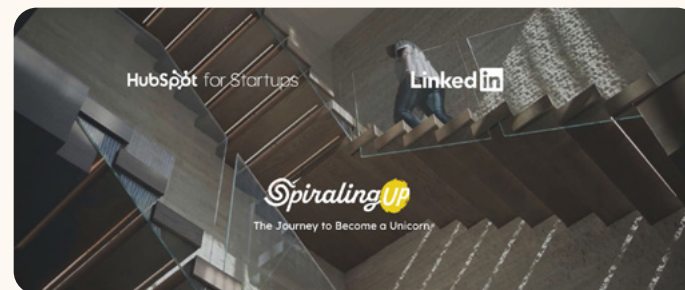
When fintech giant [Stax Payment's](#) founder Suneera Madhani was told her idea wouldn't work, she did it herself. Here's her story.



Watch the episode and bonus videos

Ep. 3: Y Combinator alum Dileep Thazhmon grew to unicorn status in just two years

Dileep was already a successful entrepreneur who started and sold a previous company when he decided to start a company in an industry he knew nothing about. In just two years, the fintech company Jeeves, a global credit card provider, reached unicorn status.



Watch the episode and bonus videos

Season 2: G2

Ep. 3: G2 is the “Yelp” of Business Software

In 2012, Godard Abel had the idea of creating a resource for business owners to research and select the best software for their needs. In 2021, having grown the company to 80 million yearly visitors and receiving a series D investment of \$157M, it reached the coveted unicorn status.



Watch the episode

Season 3: Spring Health and Jasper

Season 3 of the series premiered at HubSpot’s annual INBOUND Conference in Boston, MA. Three inspiring founder stories are covered, two of which are unicorns: SpringHealth, and GenAI content trailblazer Jasper. Streaming now at: www.spiralingup.film.

Find a growing repository of other unicorn startup stories at: hubspot.com/startups/stories/unicorns



Jasper CEO Dave Rogenmoser (left) and Spring Health President, Adam Chekroud (right)

Unicorns growing with HubSpot

Managing the growth of your website, the marketing and sales of your products, and the happiness of your customers are all critical factors in growing a company to unicorn status and beyond.

[HubSpot for Startups](#) is ready to help in all areas — and we're trusted by some of the biggest and fastest growing companies in the world.



1,390+

Unicorn companies in existence today (+5% YoY).

305

Unicorns are HubSpot customers (22%).

65%

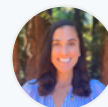
Of HubSpot's unicorn customers are using multiple hubs.

Top 5 industries by number of unicorns using HubSpot

- 1** Information technology — **56%**
- 2** Consumer products and services (B2C) — **14%**
- 3** Business products and services (B2B) — **12%**
- 4** Financial services — **1%**
- 5** Healthcare — **0.5%**

[Become one of the partners](#) who support startups in their growth journeys and have helped some achieve unicorn status.

“With HubSpot’s marketing automation capabilities, we have been able to craft and execute targeted campaigns based on ICP and persona definitions. The ability to automate has saved time and increased efficiency, allowing us to reach more potential customers with personalized messaging.”



EMILY BOSCHWITZ

Vice President of Growth, Vanta

Resources for startups

Here's a list of free tools and guides for startups, and find even more in [HubSpot's library of startup resources](#).

[AWS Activate](#)

Amazon Web Service's startup program offers technical guidance, resources, and free AWS credits for founders.

[Canva](#)

Free design, marketing, and branding tools and templates.

[Crunchbase](#)

Industry standard for startup benchmarking, pitch deck research, and finding new contacts.

[Carta](#)

Access trustworthy fundraising and equity solutions to scale faster, close funding rounds, and manage investor communications.

[Brex](#)

Brex offers a full financial tech stack for startups including bill pay, corporate credit cards, high yield on savings, and more.

[FounderPass](#)

Discounts on apps and exclusive perks for startup founders.

[GitHub](#)

Free, open source development platform.

[Google Analytics](#)

Free website analytics and performance metrics from Google.

[HubSpot](#)

Get started for free with a comprehensive, AI-powered customer platform with CMS, sales, marketing, and support tools to help you grow better.

[LegalZoom](#)

A quick way to establish your business enterprise online and complete annual filing requirements and more.

[PressKite](#)

Free tool to create your startup's press kit.

[ProductHunt](#)

Explore apps and find founders in similar spaces to network and share ideas.

[Small Business](#)

[Administration](#)

Resources for new businesses in the United States.

[Unsplash](#)

Free, high quality stock photos for marketing and communications materials.

[USPTO](#)

The United States Patent and Trademark Office where you can submit applications to register new trademarks.

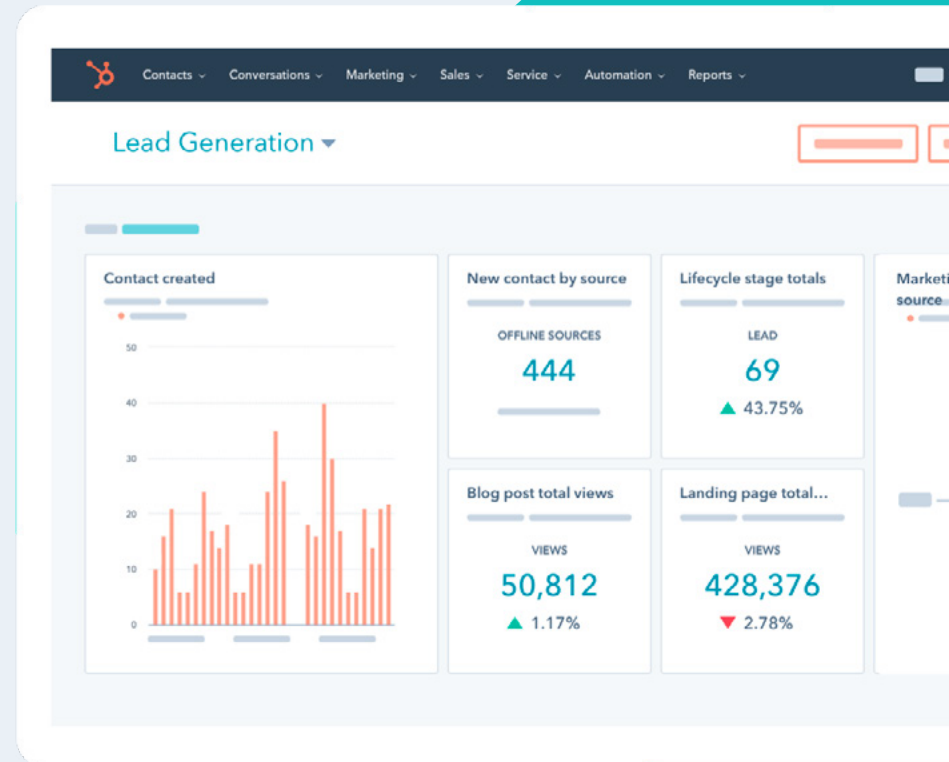


HubSpot for Startups can help take a company from an idea to a unicorn.

HubSpot is a CRM platform with all the tools you need for marketing, sales, customer service, and content management. Apply to HubSpot for Startups today and get started using our full suite of free tools, or upgrade to Professional or Enterprise level products to unlock 30-90% off.

With HubSpot, you can access 24/7 Customer Support, world-class resources, and [1,400+ integrations](#).

Apply today



“Like so many unicorns, HubSpot has been integral to our growth story. It’s the only marketing solution you can start with on day one and keep using well beyond a few hundred million in ARR.”



HALLY PINAUD

VP of Product Marketing,
Apollo.io

SECTION 05

Outlook + Predictions for Unicorn Companies

Among unicorn companies, and startups hoping to get there, the economic instability and shift in VC attitudes have meant that many companies are seeking stability and alternative funding.



The goal, for now, is stability

Back in 2019, it seemed that every company wanted to be a rocketship, growing at lightning speed and vying for unicorn status. But today, because of the economic instability that continues to impact the startup landscape, many companies, including unicorns and centaurs, [are cutting back nonessential functions](#) and aiming for stability and slow growth — and even profitability. And while unicorn status is incredibly helpful for generating funding and awareness, it doesn't always lead to successful or rapid post-IPO growth.

Slower, more tentative VC attitudes mean alternative funding

Startups are looking to [new forms of private funding aside from venture capitalists](#), including [crowdsourcing or crowdfunding](#), and non-dilutive funding, which includes grants, loans, and revenue-based financing that don't make the startup give up any equity. Companies are also growing through mergers, which typically slow in times of economic challenge, but have become an attractive option due to the drop in late-stage funding available.

New unicorn growth is down 79% YoY (2023 vs. 2022).

Where are investors investing in 2024?

Some of the industries with the [largest recent startup investments](#) are AI, clean energy, fintech, real estate, fintech, energy, HR, biotech, and cybersecurity. Additional [technologies garnering attention from investors in 2024](#) are robotics, augmented reality, virtual reality, autonomous vehicles, internet of things (IoT), healthtech, and foodtech.

[69% of VC deal counts in 2023 were follow-on funding rounds](#) — meaning VCs are nurturing existing assets through challenging times. On the whole, [VC funding in the US dropped from \\$44B in Q1 2023 to \\$29B in Q2 2023](#). The number of [mega-round financing investments](#) (those over \$100M), however, saw a slight uptick in Q2 2023.

[In 2024, investors will continue to prioritize a more holistic approach to supporting the businesses they invest in](#) by providing mentorship, strategic guidance, and access to networking opportunities. [Better relationships between investors and startups](#) are paying off and resulting in more successful growth.



Unicorns, camels, and zebras, oh my!

Though the field of unicorns is more crowded than ever, many entrepreneurs continue to strive for this [milestone that only 0.0006% of companies reach](#). Others advocate for [creating camel-like businesses](#) that result in more sustainable growth, or [zebra-like businesses](#) that prioritize sustainability and community impact — both of which, in today's VC environment, are approaches worth considering.

Becoming a unicorn startup requires a strong, reliable team and a healthy amount of capital — and great tools that can [grow with your business](#).

If you're still on the hunt for scalable software, check out our [HubSpot for Startups](#) to learn about how we've helped startups increase leads, accelerate sales, and streamline customer service.

Report created in collaboration with CXD Studio.
www.cxd.studio • hello@cxd.studio

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