

FOODTECH UNICORNS

GLOBAL REPORT 2023

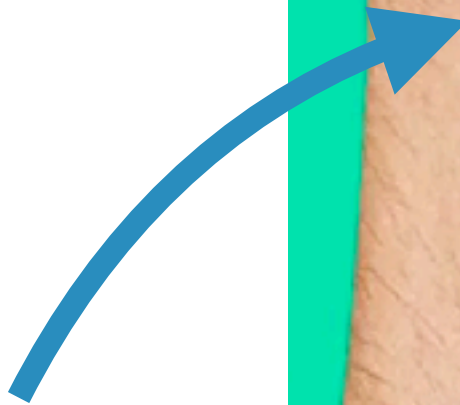


FOODTECH UNICORNS

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Compared to a few years ago, many unicorns are now competing to develop alternative to animal proteins



HELLO,

We are DigitalFoodLab's founders, Jérémie & Matthieu.

We help leading organisations to become or stay leaders of the future of food.

After our experience as entrepreneurs, we are now consultants, experts and board members of startups.



DIGITALFOODLAB

HELPING YOU TO BE A PART OF THE FUTURE OF FOOD

EDUCATION

Workshops, dedicated and actionable FoodTech watch

SOLUTIONS

Ecosystem study and business case (should we look at precision fermentation, and how?)

STRATEGY

We define with you the limits of your innovation ecosystem, identify the key opportunities and threats created by it, and then translate it into a business case and an action plan.



DIGITALFOODLAB IN ACTION

USE CASE #1: INNOVATION STRATEGY FOR AN INTERNATIONAL FOOD COMPANY

Mission for a FMCG food company to set up a long-term strategy regarding innovation.

What we did:

- educated the board about the different FoodTech trends through a series of workshops
- we identified the opportunities and threats created by disruptive innovation and long-term trends for the clients various businesses'
- sorted these into two buckets: to address now or to follow through a dedicated watch
- we defined an action plan and business cases on the top opportunities and identified potential partners and targets across Europe

Results:

- we developed a consensus across the client board and executives about innovation priorities and how to address them
- we set up a long-term watch to follow up on other priorities
- the client successfully implemented our action plan which led him to make one investment and one internal development of a new product

DIGITALFOODLAB IN ACTION

USE CASE #2: SETTING UP AN EXECUTIVE WATCH FOR AN INGREDIENT COMPANY

Mission for a leading flavor ingredient company which was looking both to have a watch on disruptive innovation and a forum to discuss the emerging opportunities.

What we did:

- defined with the client which geographies and which topics should be followed (and for each, which level of priority)
- deliver (mission still ongoing) a letter each month with an executive summary of what has happened in the innovation ecosystems (startups, funding, product launch, research, partnerships with established corporations) with analysis focused on the client's business
- set up an online dashboard to track all the companies mentioned in the letters
- organise bi-annual workshops with the client's board to review emerging opportunities through mini business cases (what would happened if the client followed up on this opportunity?)

Results:

- client's board developed a long-term understanding of the innovation ecosystem to guide decision-making
- noise around innovation was significantly reduced

DIGITALFOODLAB IN ACTION

USE CASE #3: CREATING A DIGITAL PLATFORM FOR A FOOD COMPANY

Mission for a food company looking to set up a digital and service platform around personalisation as a way to target new clients.

What we did:

- from client's idea for a platform, we benchmarked of the market created by independent players and the initiatives of other FMCG companies.
- we did deep dives on all the components (media, services, products, devices, etc.) potentially available for a platform focused on food personalisation.
- defined a vision, business case and action plan to boost the client's business
- identified partnership and acquisition targets in the different markets addressed
- organized workshops on all the steps of this project to engage with the board and the client's operational teams.

Results:

- creation of a consensus inside the client's teams around the project and its priorities
- client currently following DigitalFoodLab's recommendations and is now starting to build the first blocks of the platform

HELLO,

12 new unicorns in 2022 in a much more tensed environment.

First, thank you for reading DigitalFoodLab's fifth FoodTech unicorns report. Compared to last year, the context couldn't be more different. Investments in FoodTech decreased significantly in 2022 and kept declining even more sharply in the first half of 2023. This gloomy funding environment is specifically affecting unicorns.

While they have lost some of their mythical status in the past couple of years, these startups act as beacons of an ecosystem comprising tens of thousands of ventures. Together, they create a fascinating snapshot of what is happening in the world of FoodTech.

Regarding categories, delivery is still the most well-represented category, with 58% of the unicorns. However, this is 9 percentage points below last year's distribution. Indeed, 12 new startups became unicorns in 2022, mostly around digitalisation, both in the retail supply chain and the foodservice industry.

The idea of foodtech startups becoming unicorns and then competing or replacing legacy businesses took a serious hit. Indeed, investments are declining, and with them the number of new unicorns. In the short term, we are going back to a few years ago when startups were mostly created to test new business models and technologies, to be then acquired by established companies.

DEFINITIONS

WHAT IS FOODTECH?

DigitalFoodLab's definition is:

“FoodTech is the ecosystem made up of all the agrifood entrepreneurs and startups (from production to distribution) innovating on products, distribution, marketing or business model.”



DigitalFoodLab has identified six categories that made FoodTech, themselves divided into sub-categories.

[All definitions are available here](#)



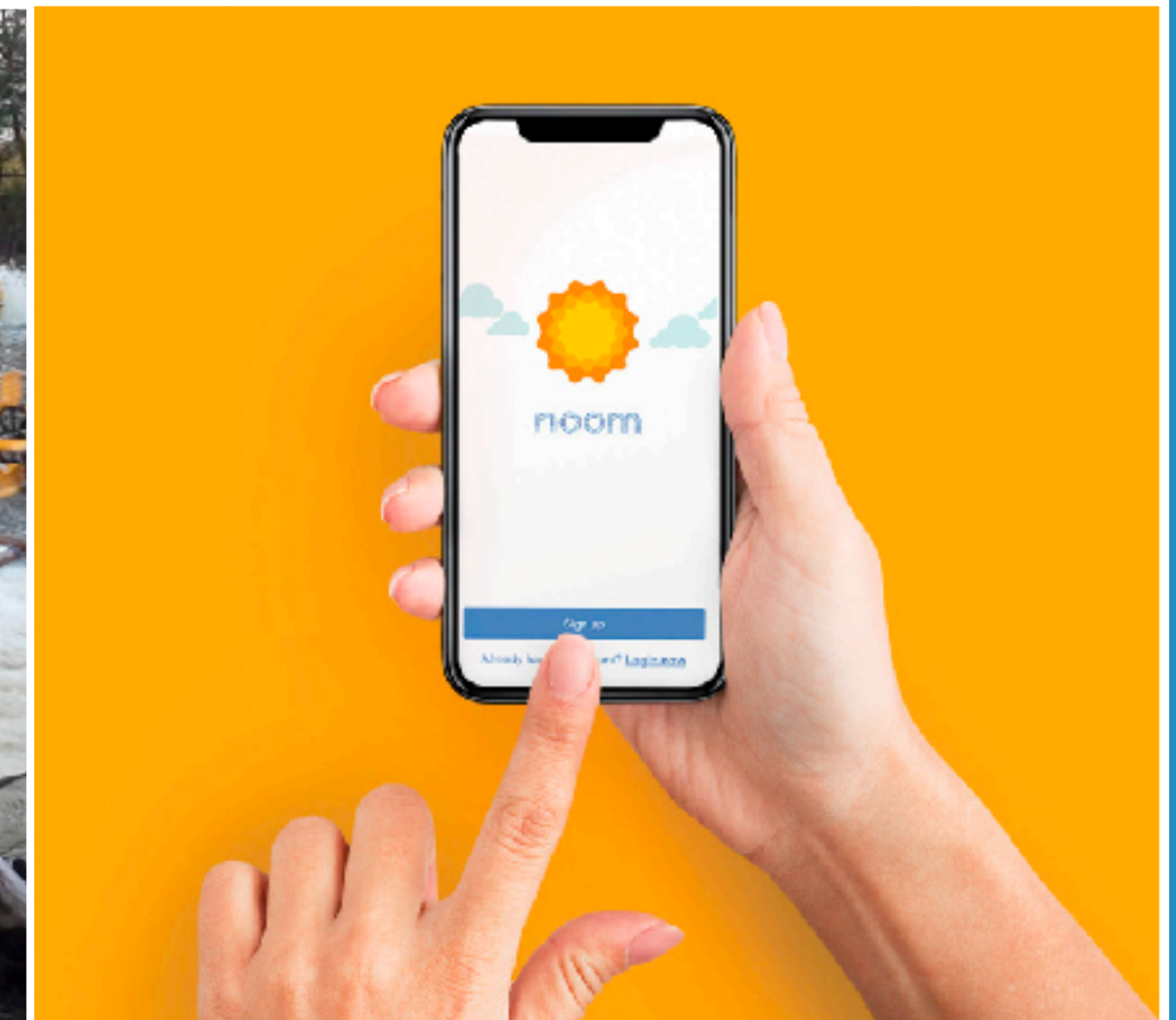
DEFINITIONS

WHAT IS A UNICORN? 🦄

A unicorn is a privately held startup publicly announcing a valuation above one billion dollars.

It can lose its status if its acquired, become a public company (following an IPO) or if it announces having lost the \$1B valuation. While some companies are rumoured to have lost this status following « downturns » (raising money at a lower valuation) in 2023, we only report about things publicly announced.

All the data reported in this report comes from DigitalFoodLab's proprietary FoodTech database. [You can contact us if you want additional information or a specific report.](#)



MAPPING

62 FOODTECH UNICORNS IN 2023



⬡ We have identified 62 FoodTech unicorns, with 11 new companies in 2022 and one for the first half of 2023.

⬡ All the definitions of the categories mentioned in the mapping are available here.

⬡ Look at the following page for the mapping at full scale.

Groceries

Q-commerce

Supply Chain

Foodservice

Stores

Coaching

Restaurant Delivery

FOODTECH UNICORNS 2023 DigitalFoodLab

Food Science

Packaging

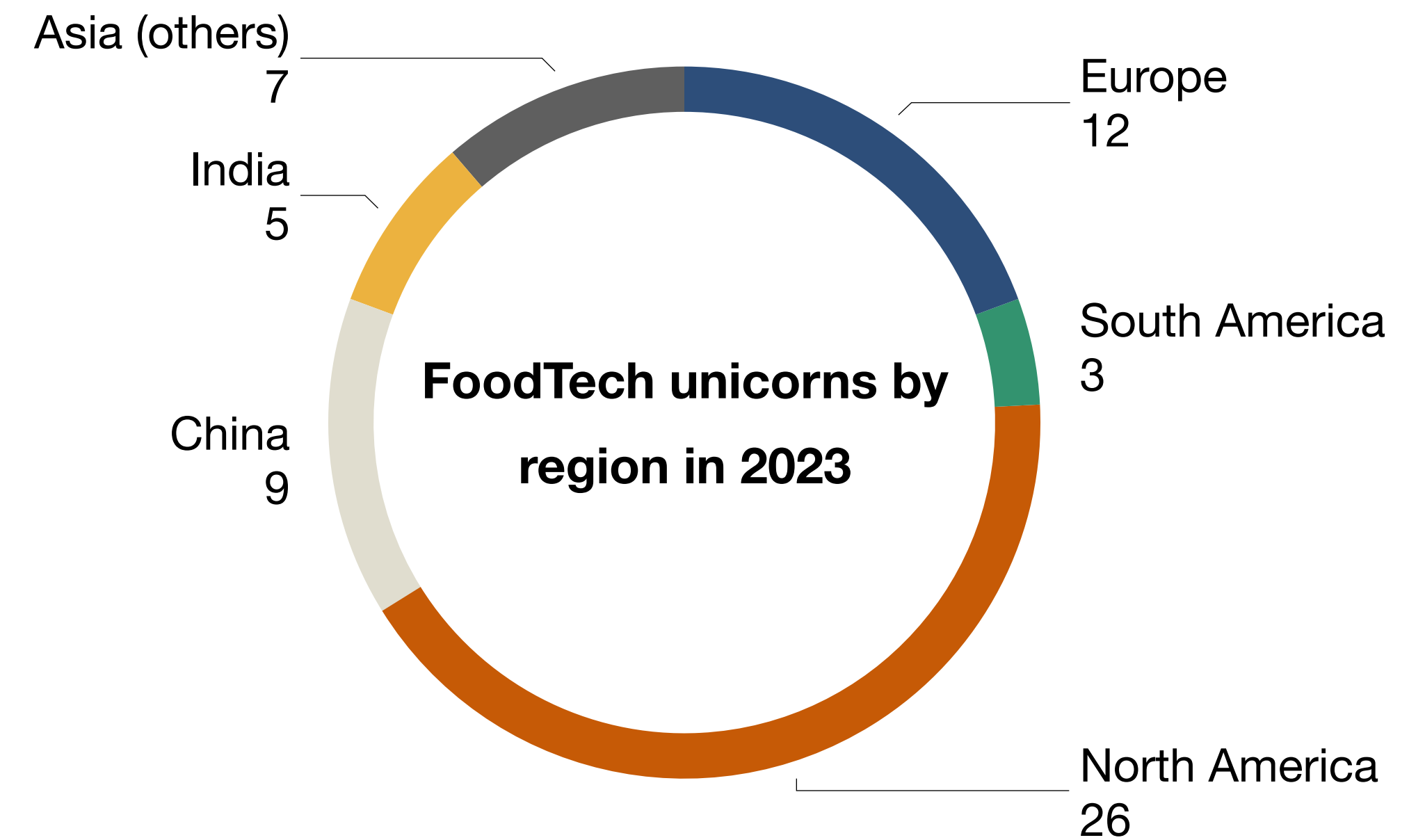
Robotics

Virtual Restaurants / Cloud Kitchen

AgTech

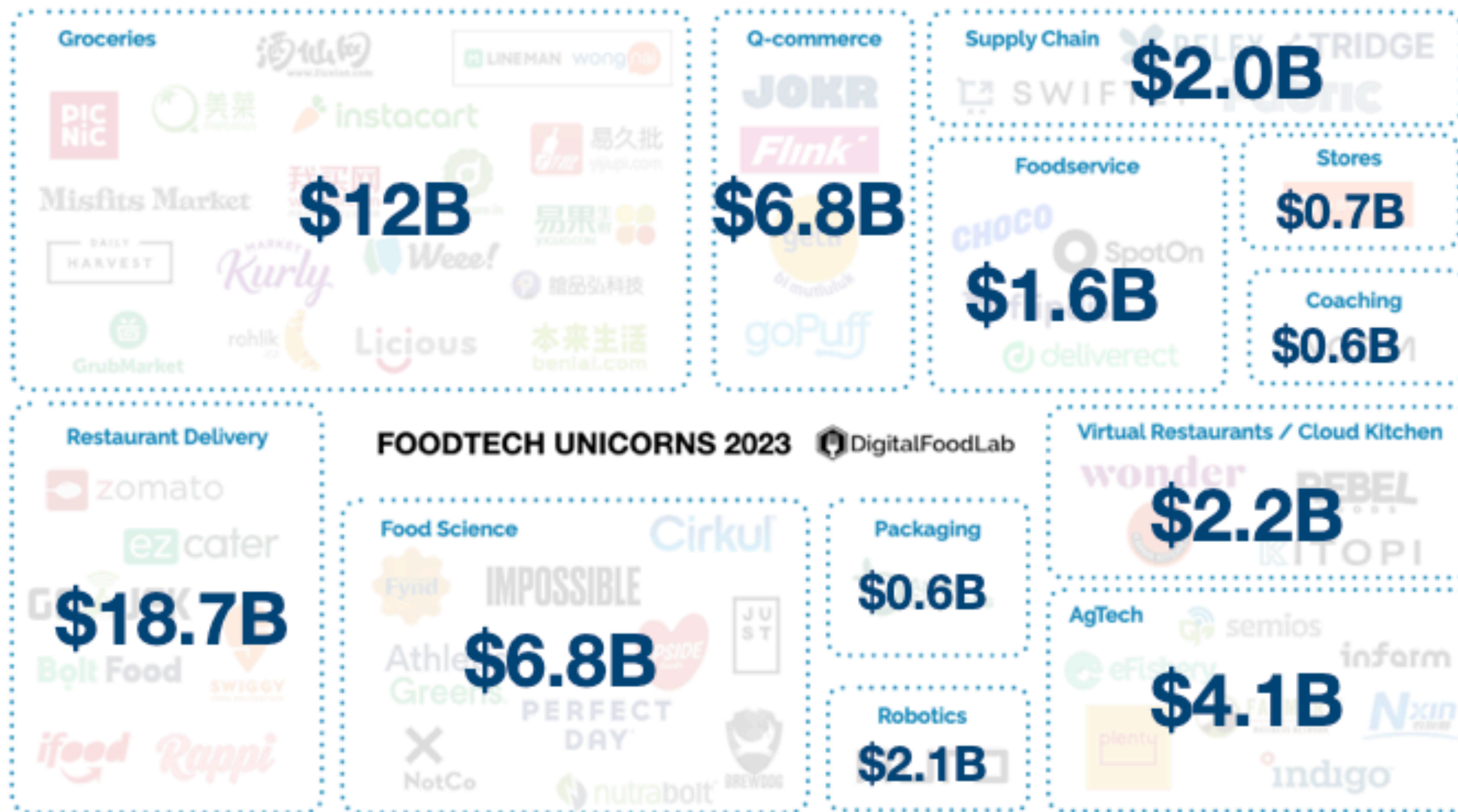
DISTRIBUTION BY GEOGRAPHY

- 🏠 The distribution of startups is somewhat similar to investments, with the largest number of FoodTech unicorns still located in North America.
- 🏠 Europe is over-represented in B2B solutions, both for foodservice (digitisation of the restaurant) and for the supply chain (startups such as Relex).
- 🏠 The number of FoodTech unicorns in Asia (and especially in China and India) is increasing fast, but mostly around delivery.



DISTRIBUTION

INVESTMENTS IN FOODTECH UNICORNS: ALMOST \$1B RAISED PER STARTUP

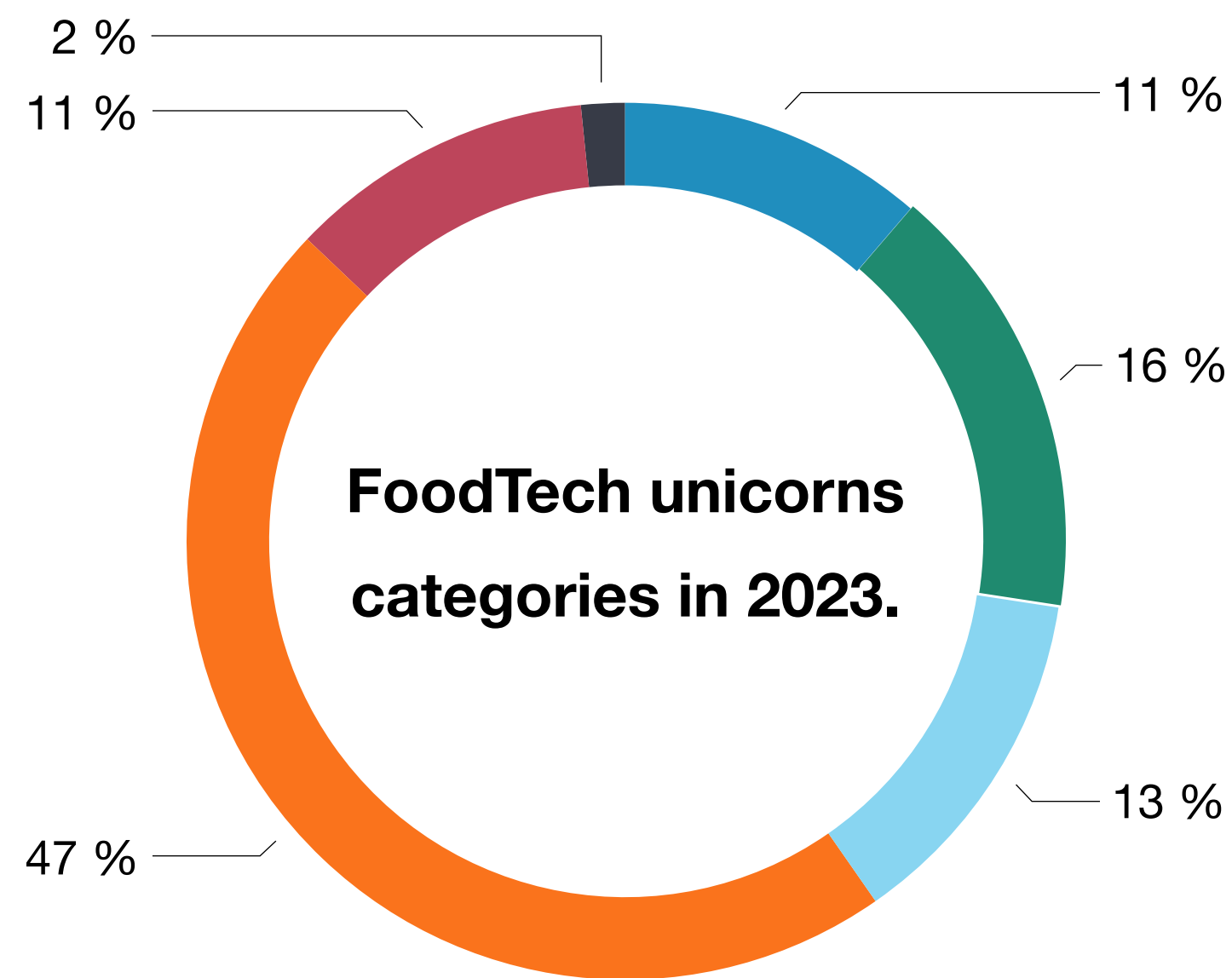


- Unicorns raise a lot of money: combined, these 62 companies have raised a total of \$58.7B. That's almost \$1B per startup.
- To put this in perspective, global investments in FoodTech startups reached \$53B in 2021 and \$30B in 2022.
- As for the FoodTech ecosystem itself, it is delivery and grocery startups that are raising the most money.

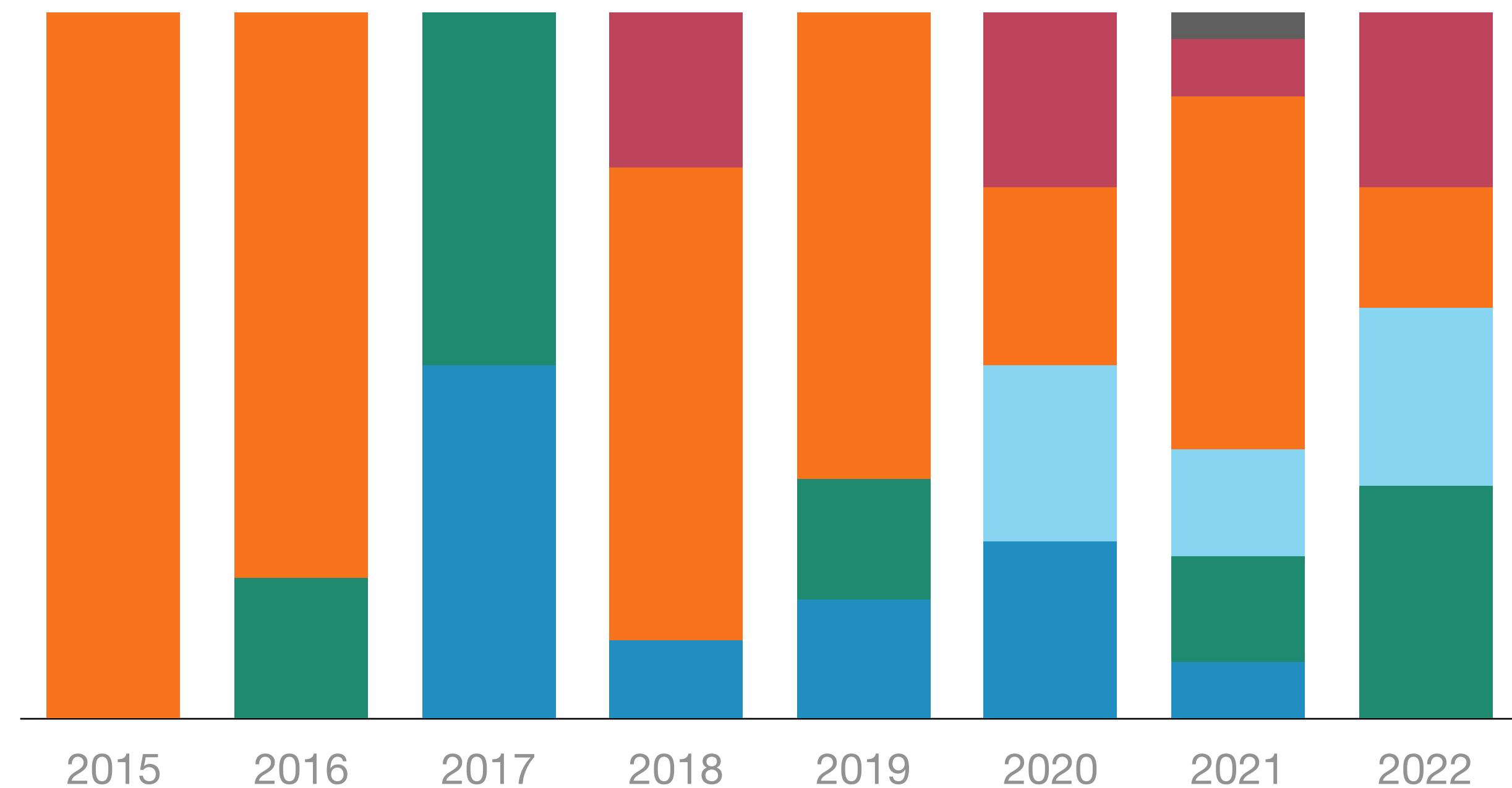
DISTRIBUTION BY CATEGORY

If we use [DigitalFoodLab's six FoodTech categories](#) (see here for the definitions), we see that most unicorns are grocery and restaurant delivery startups. However, things are more interesting when we look at the evolution. New unicorns are more diverse, with more and more foodscience (new food products, notably alternative proteins and beverages) or digital solutions for restaurants and the retail supply chain.

- AgTech
- Food Science
- Foodservice
- Delivery
- Supply Chain
- Consumer Tech



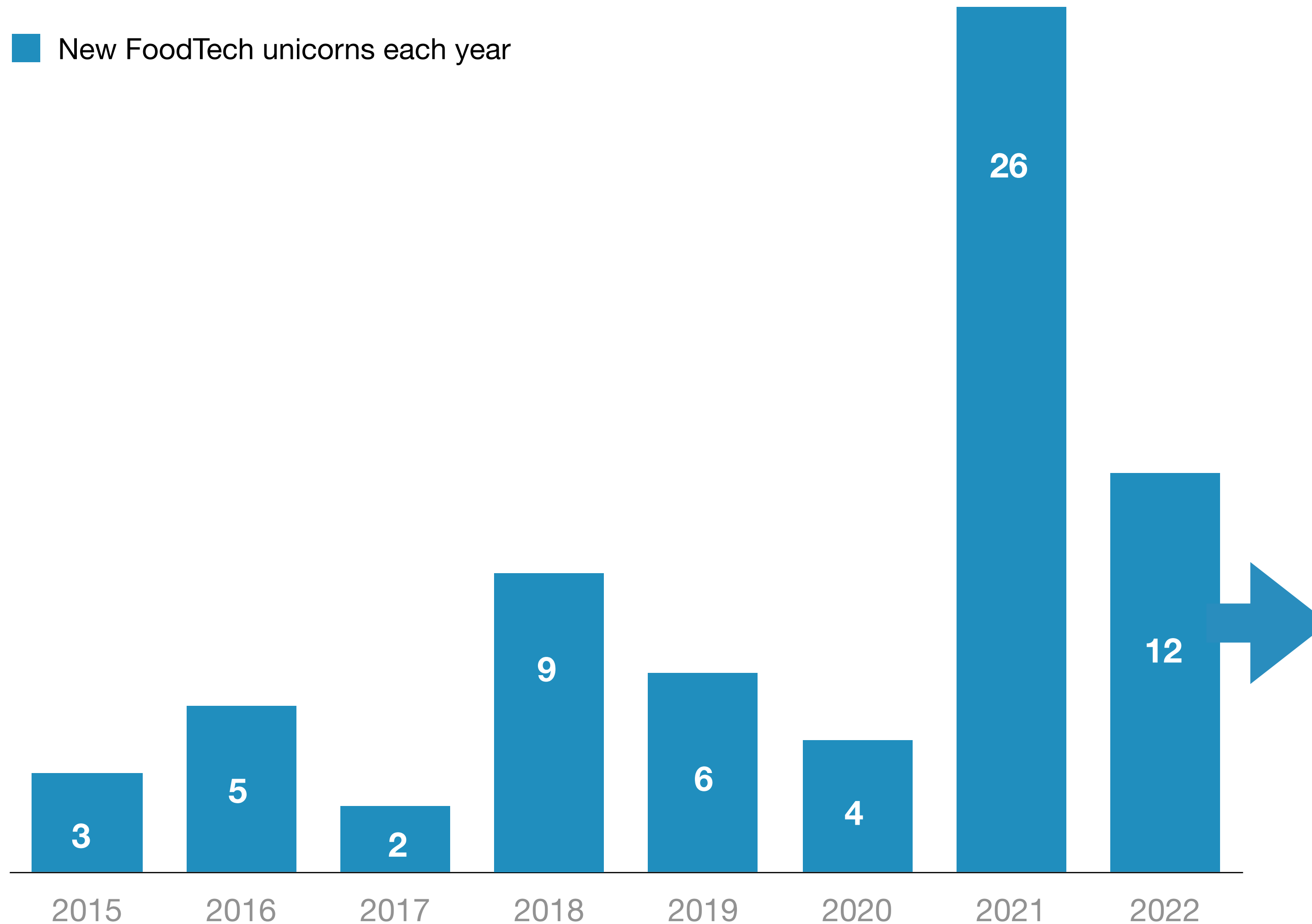
Distribution by category of new unicorns (year when reaching unicorn status)



ANALYSIS

12 NEW UNICORNS IN 2022, 1 in H1 2023

■ New FoodTech unicorns each year



New unicorns in 2022

TRIDGE
flipdish deliverect
SWIFTLY RELEX
DealShare.in
LINEMAN wongnai
CHOCO Athletic Greens UPSIDE Foods
nutrabolt Cirkul

New unicorn in H1 2023



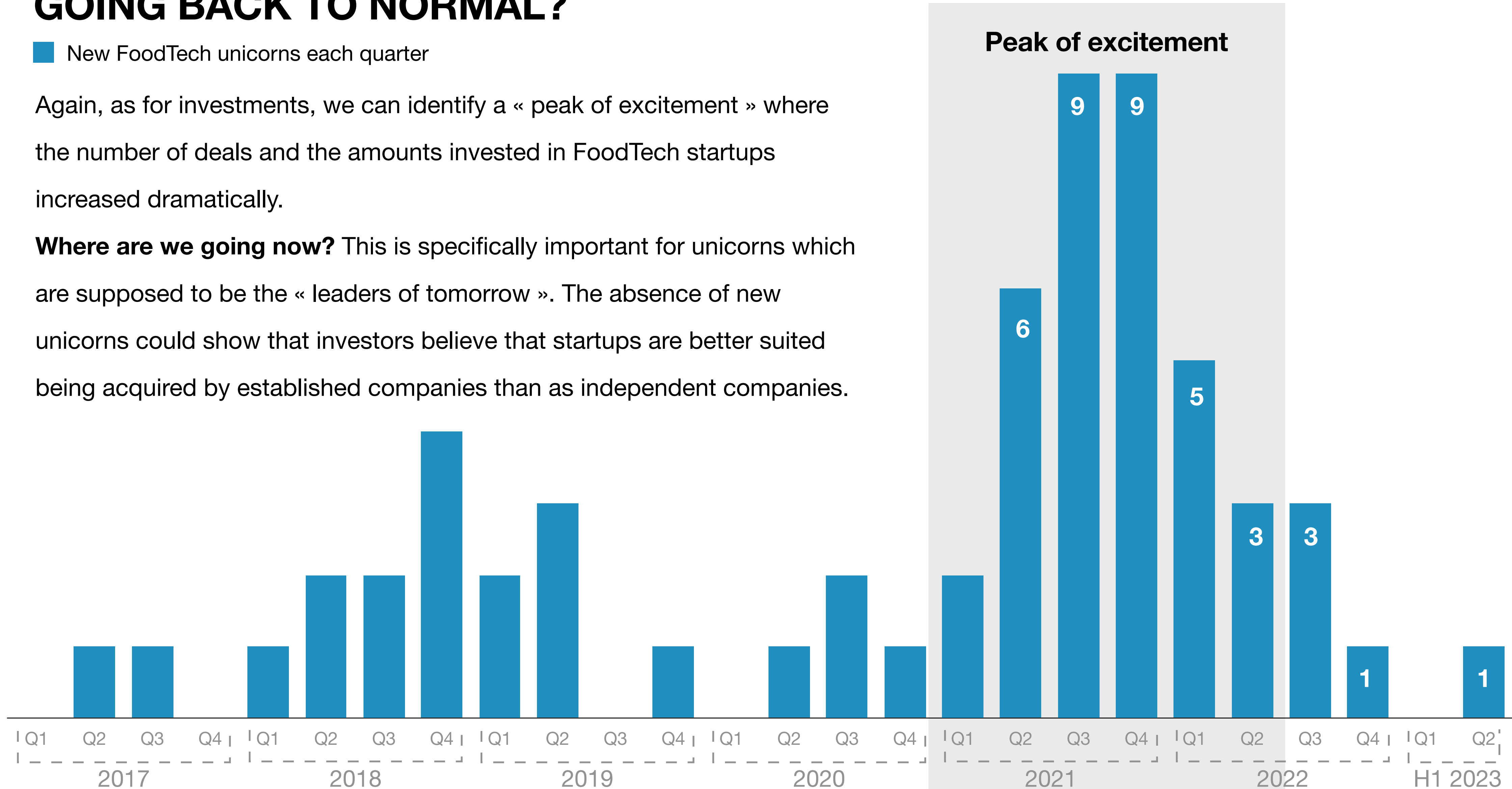
ANALYSIS

GOING BACK TO NORMAL?

■ New FoodTech unicorns each quarter

Again, as for investments, we can identify a « peak of excitement » where the number of deals and the amounts invested in FoodTech startups increased dramatically.

Where are we going now? This is specifically important for unicorns which are supposed to be the « leaders of tomorrow ». The absence of new unicorns could show that investors believe that startups are better suited being acquired by established companies than as independent companies.



ANALYSIS

FORMER UNICORNS

Unicorn IPO in 2022

Compared to the eight IPO we witnessed in 2021, 2022 was a very poor year with only the Weilong (China) IPO.



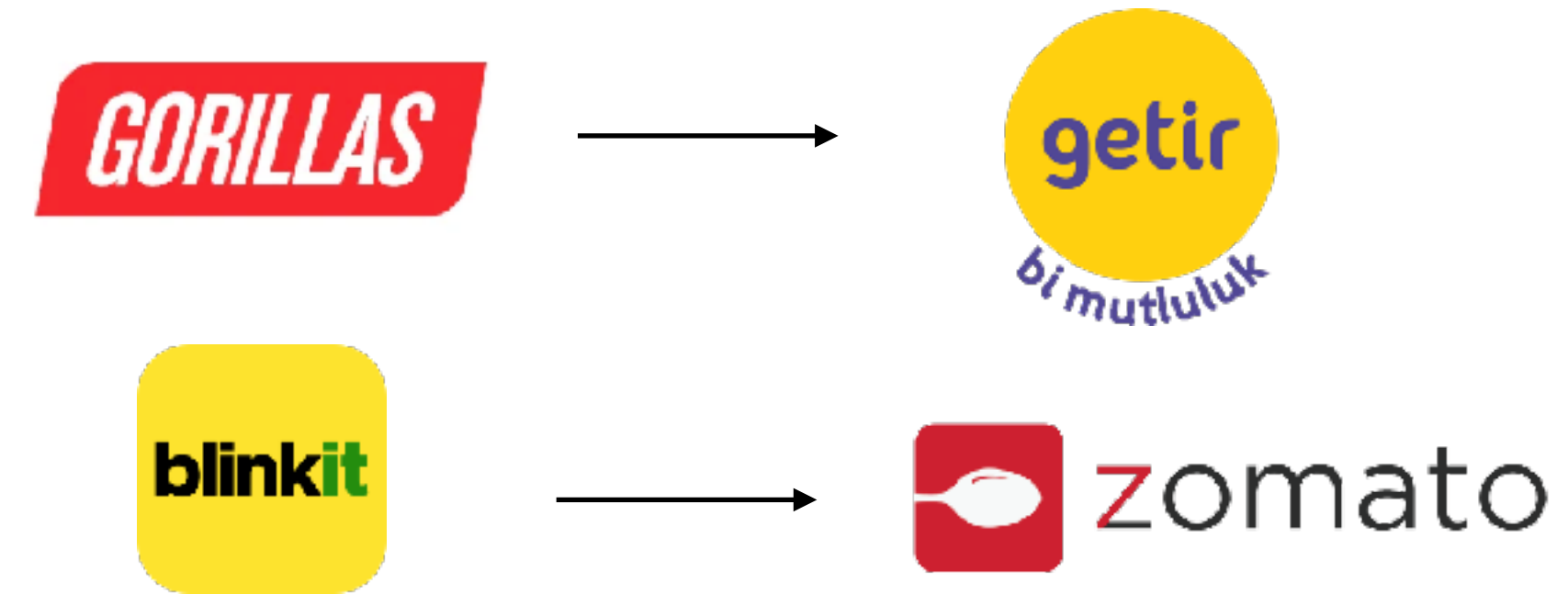
Startups which shut down

After raising \$450M and years to failed to develop a pizza robot and then a sustainable-packaging manufacturer, Zume shut down in May 2023.



Unicorns exits

Two unicorns were acquired in 2022, both by another startup.



Startups which lost their unicorn status in 2022

Oda and Gousto announced new fundings at lowered valuation.



ANALYSIS

NEW DIRECTIONS

Compared to previous years, we observe two positive and one negative evolutions:

1 - industrialisation

Alternative protein companies such as Upside Foods and indoor farming startups (i.e. Plenty) are developing their industrial-scale capabilities.

2 - B2B > B2C

New unicorns have mostly B2B business models, notably SaaS and other digital services. This starkly differs from a few years ago when new unicorns were focused on restaurant or grocery delivery.

3 - zombie unicorns

At least 5 of the 62 unicorns are rumoured to have lost their valuation, to be on the verge of being acquired at a valuation lower than \$1B or to fight for their survival.



ALL FOODTECH UNICORNS

1 - DELIVERY STARTUPS (1/3)

STARTUP	ACTIVITY	COUNTRY	CREATION YEAR	WHEN IT BECAME A UNICORN
Benlai	Groceries	China	2012	2019
Bolt Food	Restaurant Delivery	Estonia	2013	2018
Daily Harvest	Groceries	USA	2015	2021
DealShare	Groceries	India	2018	2022
Ezcaters	Restaurant Delivery	USA	2007	2019
Flink	Q-Commerce	Germany	2020	2021
Getir	Q-Commerce	Turkey	2015	2021
Gojek	Restaurant Delivery	Indonesia	2010	2016
goPuff	Q-Commerce	USA	2013	2018
GrubMarket	Groceries	USA	2014	2021
iFood	Restaurant Delivery	Brazil	2011	2018

ALL FOODTECH UNICORNS

1 - DELIVERY STARTUPS (2/3)

STARTUP	ACTIVITY	COUNTRY	CREATION YEAR	WHEN IT BECAME A UNICORN
Instacart	Groceries	USA	2012	2015
Jokr	Q-Commerce	USA	2021	2021
Juixian	Groceries	China	2009	2015
Licious	Groceries	India	2015	2021
Line Man Wongnai	Groceries	Thailand	2020	2022
Market Kurly	Groceries	South Korea	2015	2021
Meicai	Groceries	China	2014	2016
Misfits Market	Groceries	USA	2018	2021
Nuro	Robotics	USA	2016	2019
Picnic	Groceries	Netherlands	2015	2021

ALL FOODTECH UNICORNS

1 - DELIVERY STARTUPS (3/3)

STARTUP	ACTIVITY	COUNTRY	CREATION YEAR	WHEN IT BECAME A UNICORN
Rappi	Restaurant Delivery	Colombia	2015	2018
Rohlik	Groceries	Czech Republic	2014	2021
Swiggy	Restaurant Delivery	India	2014	2018
Weee!	Groceries	USA	2015	2021
Womai	Groceries	China	2008	2015
Yiguo	Groceries	China	2005	2016
Yijiupi	Groceries	China	2014	2016
Yipin Shengxian	Groceries	China	2013	2019
Zomato	Restaurant Delivery	India	2008	2018

ALL FOODTECH UNICORNS

2 - AGTECH STARTUPS

STARTUP	ACTIVITY	COUNTRY	CREATION YEAR	WHEN IT BECAME A UNICORN
Farmers Business Network	AgTech	USA	2014	2020
eFishery	AgTech	Indonesia	2013	2023
Indigo	AgTech	USA	2014	2017
Infarm	AgTech	Germany	2013	2021
Nxin	AgTech	China	2015	2018
Plenty	AgTech	USA	2014	2019
Semios	AgTech	Canada	2010	2021

ALL FOODTECH UNICORNS

3 - SUPPLY CHAIN STARTUPS

STARTUP	ACTIVITY	COUNTRY	CREATION YEAR	WHEN IT BECAME A UNICORN
Apeel Sciences	Packaging	USA	2012	2020
Bianlifeng	Smart Stores	China	2016	2018
Fabric	Supply Chain	Israël	2015	2021
Relex	Supply Chain	Finland	2005	2022
Swiftly	Supply Chain	USA	2018	2022
Tridge	Supply Chain	South Korea	2015	2022

ALL FOODTECH UNICORNS

4 - FOODSERVICE STARTUPS

STARTUP	ACTIVITY	COUNTRY	CREATION YEAR	WHEN IT BECAME A UNICORN
Choco	Foodservice	Germany	2018	2022
Deliverect	Foodservice	Belgium	2018	2022
Flipdish	Foodservice	Ireland	2015	2022
Karma Kitchen	Cloud Kitchen	UK	2018	2020
Kitopi	Cloud Kitchen	Dubai	2018	2021
Rebel Foods	Virtual Restaurants	India	2011	2021
Spoon	Foodservice	USA	2017	2021
Wonder	Virtual Restaurants	USA	2021	2021

ALL FOODTECH UNICORNS

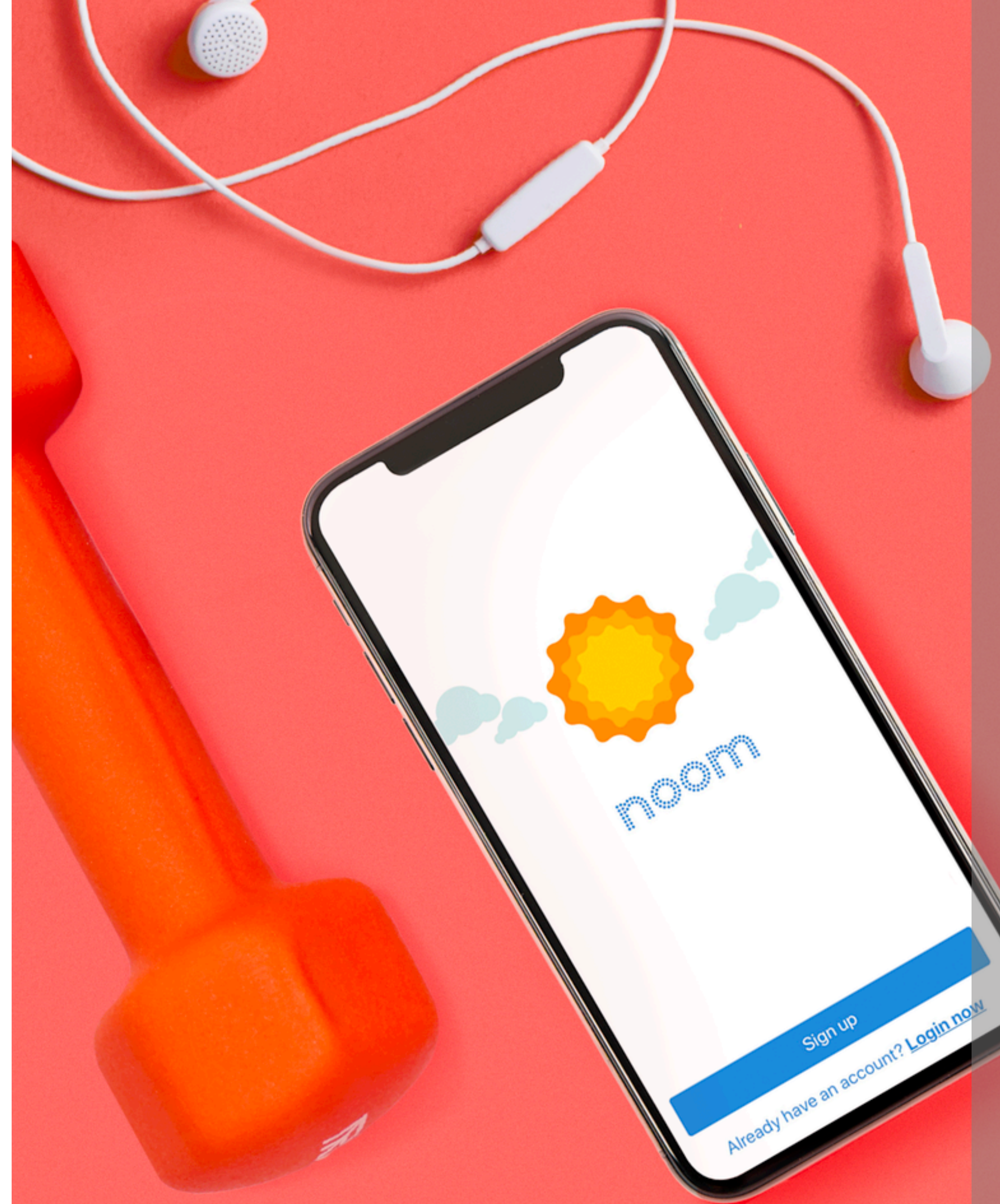
5 - FOOD SCIENCE STARTUPS

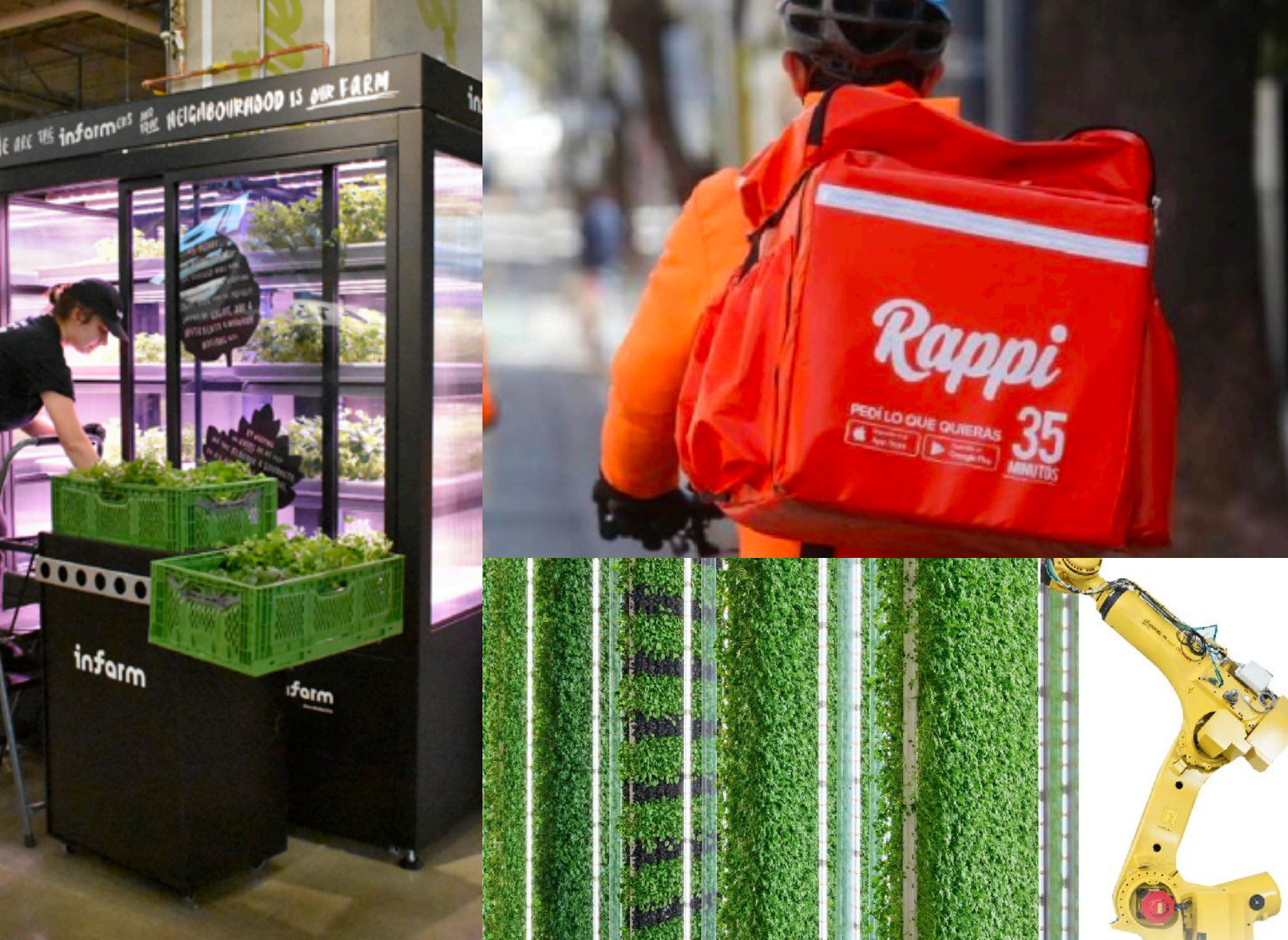
STARTUP	ACTIVITY	COUNTRY	CREATION YEAR	WHEN IT BECAME A UNICORN
Athletic Greens	Food supplements	USA	2010	2022
Brewdog	Drinks & beverages	UK	2007	2007
Cirkul	Drinks & beverages	USA	2015	2022
Impossible Foods	Alternative proteins	USA	2011	2019
Just	Alternative proteins	USA	2011	2016
Nature's Fynd	Alternative proteins	USA	2012	2021
NotCo	Alternative proteins	Chili	2015	2021
Nutrabolt	Drinks & beverages	USA	2020	2022
Perfect Day	Alternative proteins	USA	2014	2021
Upside Foods	Alternative proteins	USA	2015	2022

ALL FOODTECH UNICORNS

6 - CONSUMER TECH STARTUP

STARTUP	ACTIVITY	COUNTRY	CREATION YEAR	WHEN IT BECAME A UNICORN
Noom	Coaching	USA	2008	2021





GOT A QUESTION? CONTACT US!

contact@digitalfoodlab.com



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