



STARTUPSTL

State of the St. Louis Metro
Entrepreneurial Ecosystem

2025 | Executive Summary

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EXECUTIVE SUMMARY

The StartupSTL Study was conducted by a partnership between Lindenwood University, St. Louis Community College, and TechSTL to assess the health of the St. Louis Entrepreneurial Ecosystem. The three-year research partnership was funded by a Ewing Marion Kauffman Foundation Inclusive Ecosystem Grant to determine the level of upward mobility and resource accessibility for BIPOC business owners in high-growth industries, especially those leading tech-based and tech-enabled businesses.

KEY FINDINGS:



DRIVING ECONOMIC RESILIENCY & REGIONAL JOB GROWTH

In 2023-2024, STL Startups were responsible for the net gain of new jobs across the Metro

With startup growth up 50% and job creation surging 34% in just one year, St. Louis entrepreneurs are not just participating in our economy, they are driving it. Locally owned businesses are responsible for the net gain of new jobs, especially in high-impact sectors like Health Care & Social Assistance and Professional & Technical Services.

This is more than a success story. It is a blueprint for the future. By continuing to champion locally owned businesses, we can turn this surge into sustained growth and build a St. Louis economy that is innovative, resilient, and prepared for whatever comes next.

Yet this momentum is fragile. In times of market uncertainty, entrepreneurial ventures are our strongest defense against economic decline. If we fail to back them now, we risk losing the very engine that powers job creation, innovation, and community wealth. **The time to invest is now, because if we wait, we lose.**

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AN ECOSYSTEM UNDER STRAIN, BUT NOT WITHOUT HOPE

**Ecosystem partners charged to collaborate
after a 46% loss of resources since 2020**

Since 2020, St. Louis has lost 46% of its entrepreneur support programs, with 58 of 127 resources changing or closing during the 5 year period. This erosion of infrastructure threatens the region's ability to launch and scale new ventures at the pace needed to compete nationally.

The study confirms that more analysis is urgently needed to map the current funding and programming landscape, including what currently remains available by stage, industry, and type of business. With fewer active programs, less funding in circulation, and reduced full-time leadership driving growth, the path forward demands smarter, more strategic collaboration across the partner network.

This is not the time for fragmentation or territorialism. It is a moment for every partner to come to the table, align around shared priorities, and build a stronger, more connected, and more equitable startup ecosystem. By working together with intention, we can transform disruption into opportunity and position St. Louis to lead with unity, resilience, and innovation.



CAPITAL BARRIERS ARE HOLDING OUR REGION BACK

**Lack of early-stage funding is stalling growth
and sidelining St. Louis founders**

Capital Access is the single greatest barrier to business growth in the St. Louis Metro. The top need is early-stage funding, especially low-interest microloans under \$50,000, a gap that forces many women and BIPOC founders to self-finance and scale back ambitions. Closing this gap requires creative, collaborative solutions that expand affordable financing, protect revenue, and deliver relevant, high-impact business education. If we fail to act, we will continue to sideline promising founders, stifle growth, and weaken the region's economic future.

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TURNING THE AI WAVE INTO OUR REGIONAL ADVANTAGE

AI is forcing everyone to level up by mastering new skills and insights to stay relevant

Over 70% of St. Louis businesses report that Artificial Intelligence is already influencing their strategies, yet only 9% believe AI training and support are widely available in the region. Since the launch of ChatGPT in late 2022, AI has moved from a distant concept to a real-time force, reshaping workflows, products, funding models, customer expectations, and even how investors assess the viability of startups.

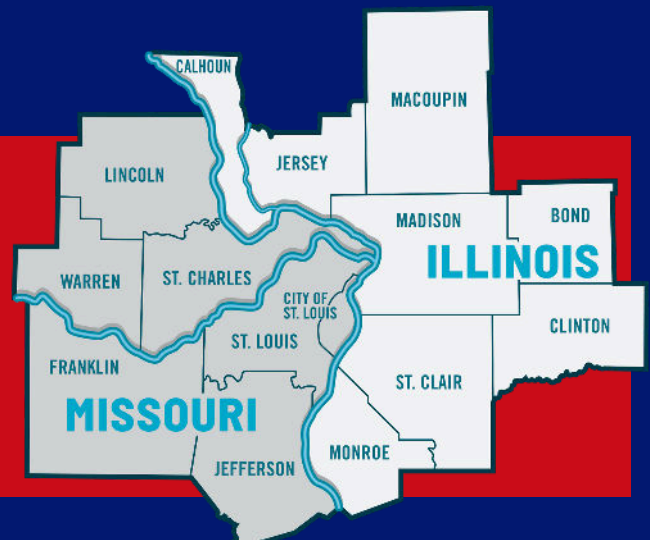
While 23% of local entrepreneurs say AI has significantly changed their business model, product, or funding approach, most are still in early adoption stages. Founders cite sales and marketing, business systems, and product development as top areas for AI integration, yet struggle to find the technical expertise, training, and mentorship needed to compete in an AI-driven economy.

This moment challenges the entire entrepreneurial ecosystem to gain the training and insight required to support businesses effectively in the new AI Era. The ecosystem is only as relevant as the staff it employs, and if our staff are undertrained and underinformed, the region cannot offer meaningful value. To stay competitive, St. Louis must quickly expand AI-focused resources, talent pipelines, and informed leadership, or risk losing our best founders to more aggressive metros.

GET INVOLVED IN WHAT'S NEXT

St. Louis Partners will be convening in Fall of 2025 to expand on the data collected in this study and to address the regional efforts required to address ecosystem gaps.

To be included in this effort, contact Emily@TechSTL.com



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