

AN OVERVIEW OF AARHUS' TECH SCENE

TRANS FORM ATIONS IN TECH

2025
eStatistik
Aarhus Kommune Erhverv



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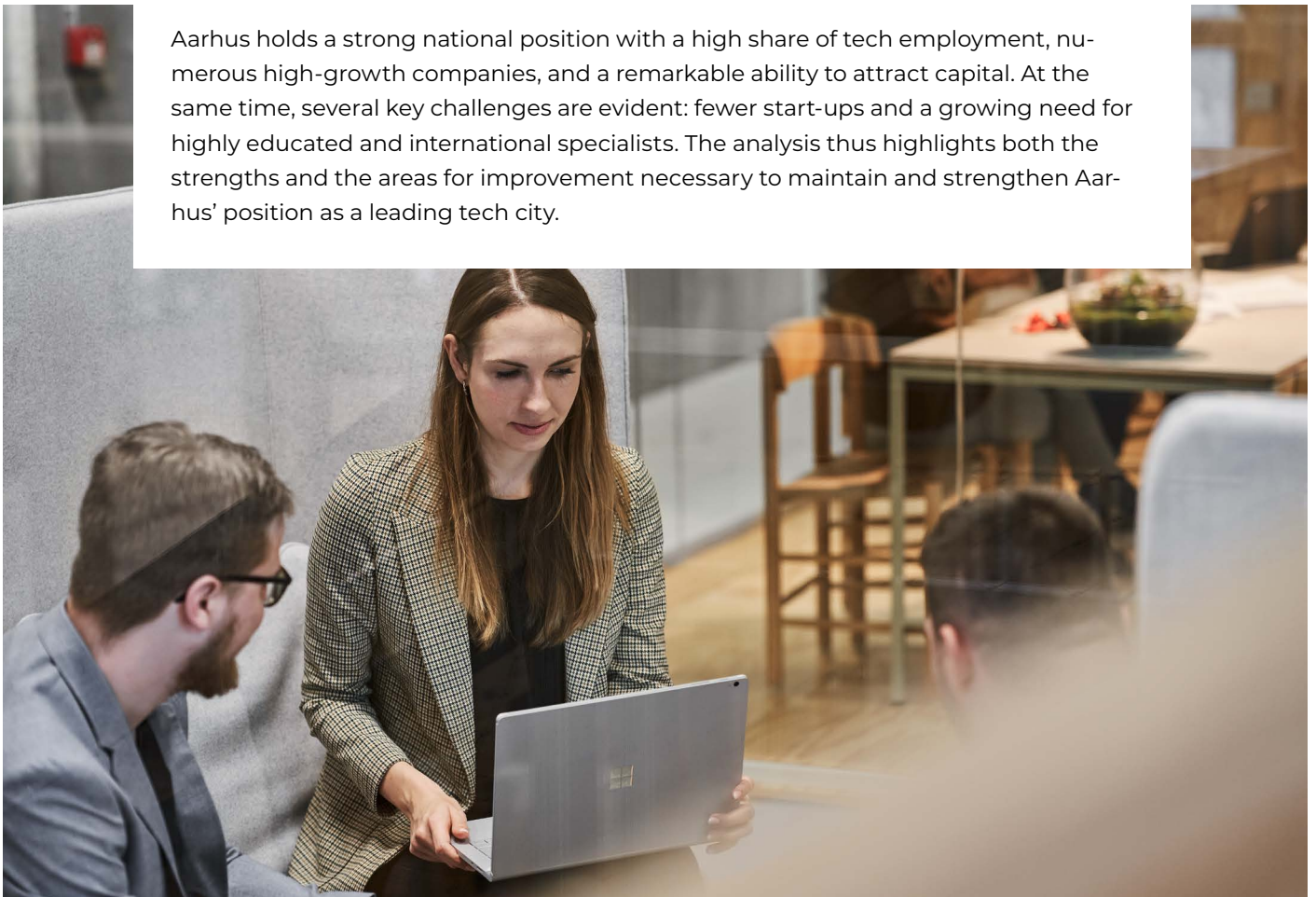


INTRODUCTION

The traditional IT sector in Aarhus has lost momentum, while the broader tech industry is growing and reshaping the city's business landscape. New companies are creating jobs, attracting investment, and driving exports. Behind this growth lie both strengths and challenges that will determine Aarhus' future role as a hub for technological innovation.

This analysis provides an overview of developments in Aarhus' tech industry and then delves deeper into the IT sector. To understand the full significance of the industry for the local economy, we apply a broad definition of the tech sector - covering specialised *high-tech* areas such as *fintech*, *spacetech*, and *greentech* - while also examining the characteristics of the traditional *IT sector*, including software, hardware, and IT services. The analysis demonstrates how technology has become a cross-cutting driver throughout the business community and identifies where much of the current growth is taking place.

Aarhus holds a strong national position with a high share of tech employment, numerous high-growth companies, and a remarkable ability to attract capital. At the same time, several key challenges are evident: fewer start-ups and a growing need for highly educated and international specialists. The analysis thus highlights both the strengths and the areas for improvement necessary to maintain and strengthen Aarhus' position as a leading tech city.



KEY FINDINGS

Aarhus is one of Denmark's strongest tech cities. The industry drives growth and attracts capital, yet faces challenges related to entrepreneurship, talent, and productivity.



STRONG TECH EMPLOYMENT

The tech industry accounts for 14% of private-sector employment in Aarhus - significantly above the national average of 9%.



MORE HIGHLY EDUCATED PROFESSIONALS IN TECH

The number of people with university level IT degrees in the Aarhus tech industry has grown substantially, marking a shift from self-taught IT workers to specialised professionals.



CAPITAL AND HIGH-GROWTH COMPANIES

Aarhus attracts around 16% of all Danish venture capital, and 88% of these investments are directed toward tech companies.



STABLE NUMBER OF COMPANIES – GROWING IMPACT

While the number of tech companies in Aarhus has remained stable in recent years, their overall contribution to employment, turnover, and exports has grown markedly between 2019 and 2023.



ENTREPRENEURSHIP AND JOB CREATION

The number of new start-ups has declined after increasing throughout the 2010s. However, tech start-ups that survive the first five years create significantly more jobs than start-ups in other sectors.



HIGH CONCENTRATION OF HIGH-GROWTH FIRMS

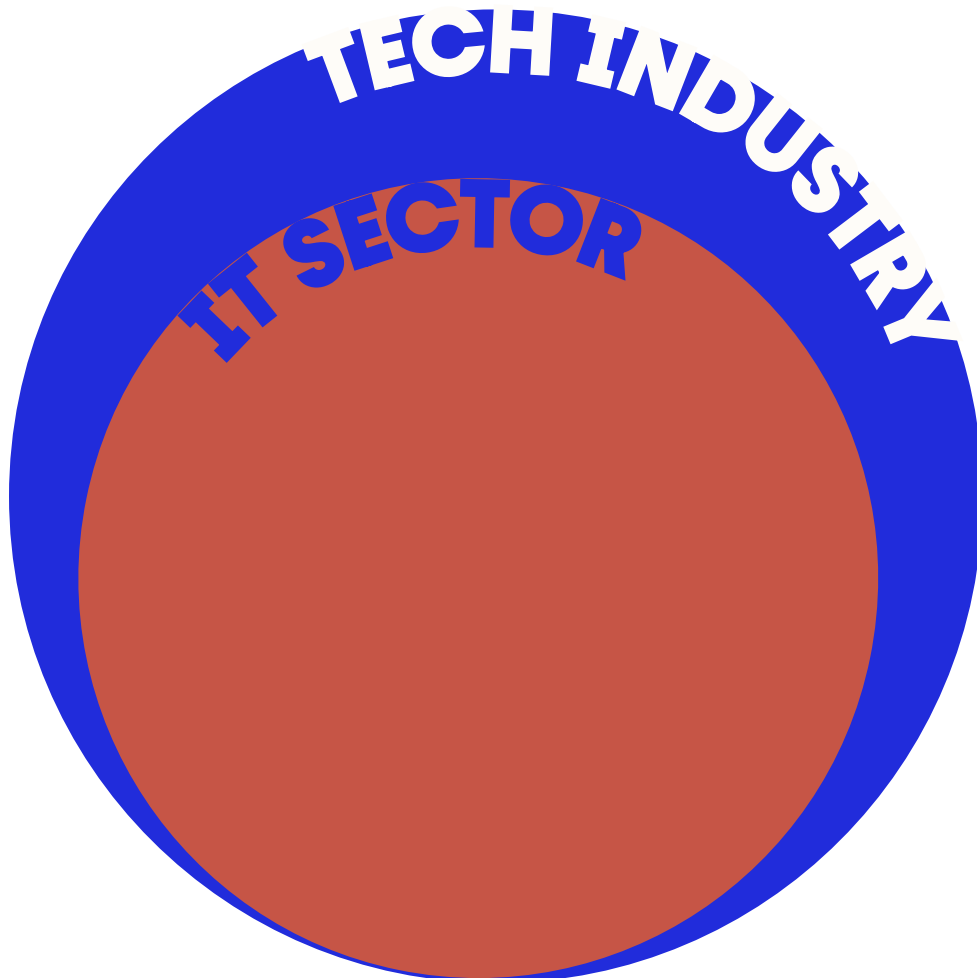
Aarhus stands out as a centre for “gazelle” companies. One in five Danish tech gazelles is located in the Business Region Aarhus, and the city has a high share of the nation's high-growth enterprises.

THE IT SECTOR AND THE TECH INDUSTRY

Previous analyses have focused on the IT sector, defined on the basis of industry codes (NACE). This report broadens the perspective to include companies that work with technology outside the traditional IT sector.

By applying this broader perspective, we aim to capture the full scope of the business community engaged in technological activities. At the same time, the second part of the report zooms in on the traditional IT sector, which serves as the industry's engine and employs the majority of tech specialists, while also displaying a number of distinct characteristics.

The figure below illustrates the overall tech industry, with the IT sector representing a significant subset of it.



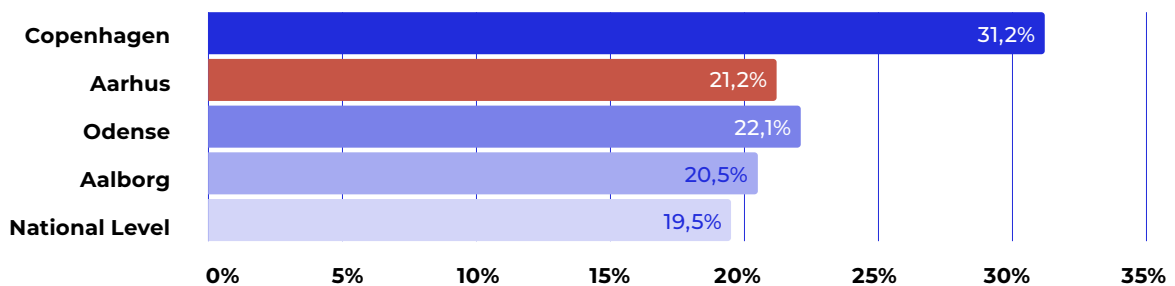
COMPANIES IN THE LOCAL TECH INDUSTRY

The tech industry is defined as the combination of the traditional IT sector and EUROSTAT's classification of High-Tech Knowledge-Intensive Services. Consequently, the overview below includes both traditional IT companies and businesses from other sectors that work with technology. The companies from Aarhus' tech industry are listed by size, measured by the number of employees.



GROWTH IN THE TECH INDUSTRY

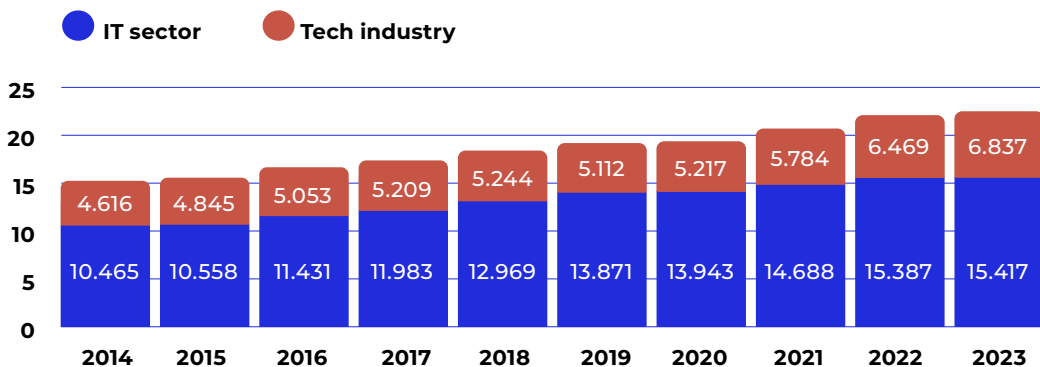
From 2018 to 2023, the tech industry in Aarhus grew by 21.2 percent. This places the city on a par with Odense and Aalborg, but still behind Copenhagen, which has experienced even stronger growth.



Source: Special data extraction from Statistics Denmark

Employment continues to grow

In 2023, the tech industry in Aarhus employed 22,254 people. The majority - 15,417 - worked in the traditional IT sector, while 6,837 were employed in other parts of the tech industry. Employment growth has been relatively stronger in the latter over the past three years, and in these years indicating that the broader tech industry is where the main developments in both employment and value creation are taking place.

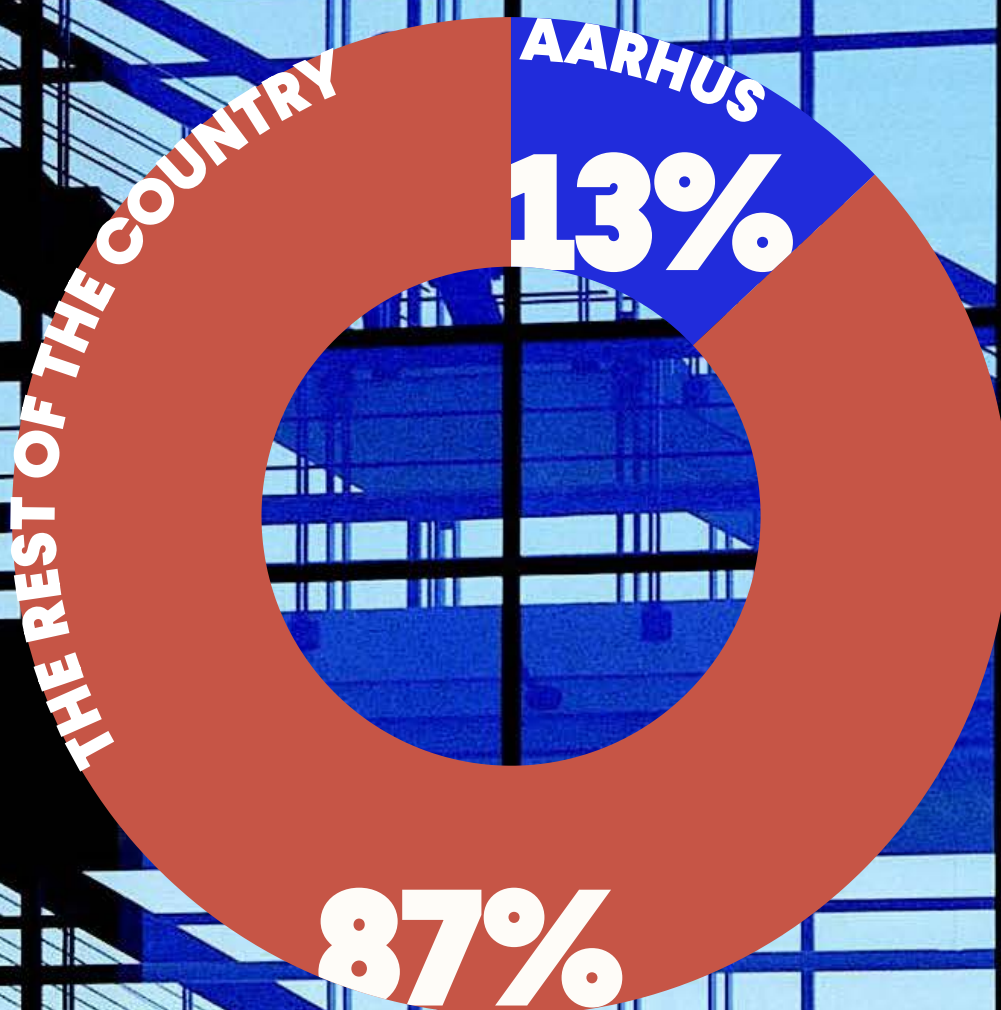


Source: Special data extraction from Statistics Denmark

HIGH-GROWTH COMPANIES

13 percent of all tech gazelles in Denmark are located in Aarhus. This indicates that the entrepreneurs who succeed often experience rapid growth and that there is a strong environment for high-growth companies. This figure should also be viewed in light of the fact that Aarhus accounts for only about eight percent of all tech companies in the country.

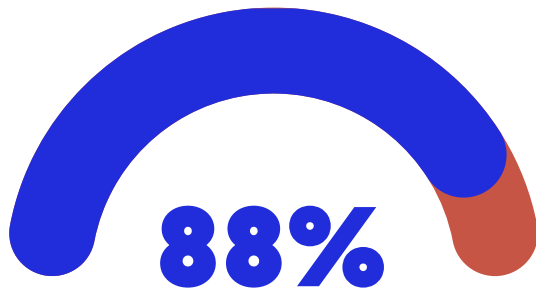
It is also noteworthy that tech companies in Aarhus make up 7 percent of all businesses in the city, yet 23 percent of Aarhus' gazelle companies are tech gazelles.



VENTURE CAPITAL INVESTMENTS

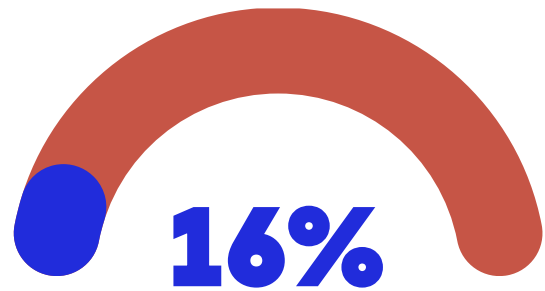
Strong ability to attract venture capital

There is a relatively high number of high-growth tech companies in Aarhus, reflected in the strong ability of the tech industry to attract capital. Nationally, the tech industry accounts for 73 percent of all venture capital investments according to EIFO's figures—a level that Aarhus significantly exceeds.



Source: EIFO

Since 2019, tech companies in Aarhus have attracted 88 percent of all venture capital investments made in the city.



Source: EIFO

Tech companies in Aarhus have, since 2019, collectively attracted around 16 percent of all national venture capital investments in the national Tech industry.

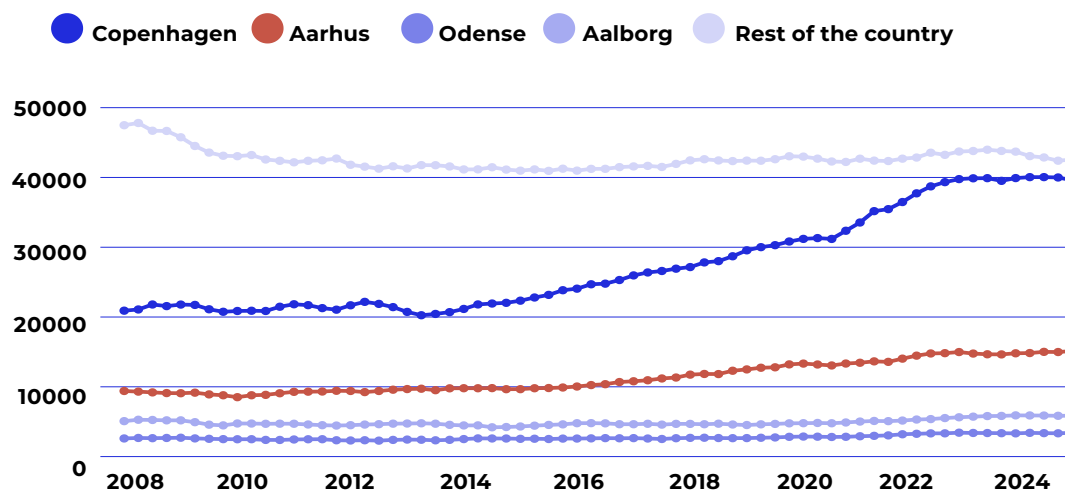


EMPLOYMENT IN THE IT SECTOR

The following sections zoom in on the IT sector, which constitutes a significant part of the broader tech industry.

From Growth in the 2010s to Stagnation in the 2020s

Over the past decade, the IT sector in Aarhus has experienced growth of more than 5,000 new jobs. Employment increased steadily until 2022, after which the trend has levelled off. This stagnation is also visible at the national level and reflects a broader pattern within the industry. A key part of the explanation lies in a shift in educational composition, with more university-educated professionals entering the sector while the number of self-taught employees has declined significantly.



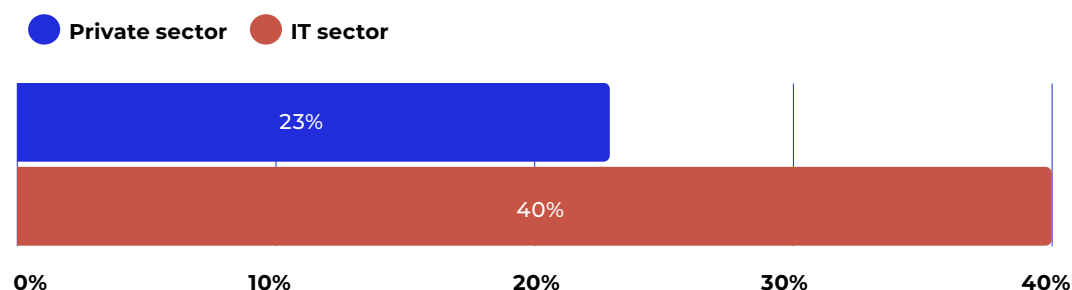
Source: Special data extraction from Statistics Denmark



SKILLS AND COMPETENCIES IN THE IT SECTOR

Highly educated professionals shape the sector

The number of people with a university level IT degree has increased significantly within the IT sector, and the latest figures show that there are now considerably more employees with higher academic qualifications in the sector than before.

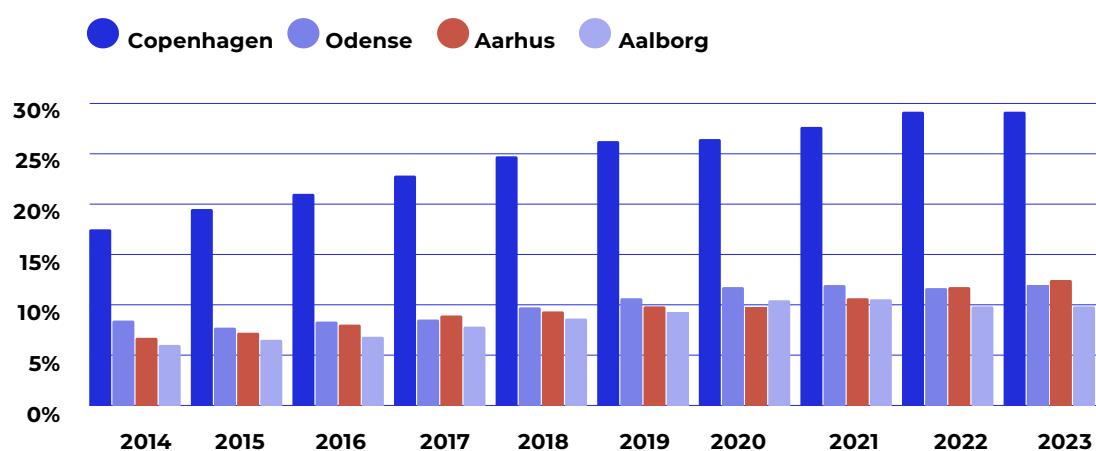


Source: Special data extraction from Statistics Denmark



International talent

The share of international employees in the IT sector in Aarhus has increased from 7 percent to 12 percent between 2014 and 2023. This development is positive, as the IT sector is becoming more specialised and therefore depends on its ability to attract international talent. However, Aarhus is on the same level as Odense and Aalborg, but still lags behind Copenhagen where 29 percent of the IT sector workforce consists of international employees.



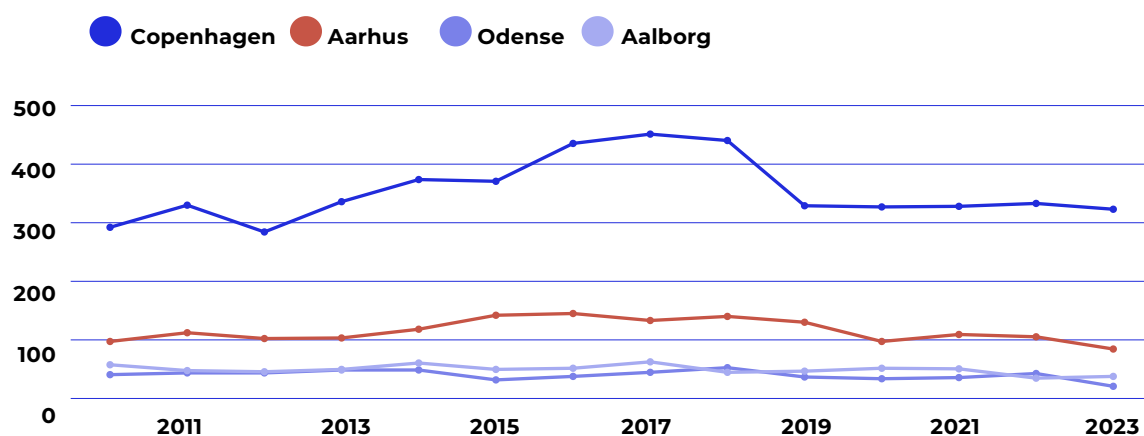
Source: Special data extraction from Statistics Denmark



HIGH JOB CREATION AMONG IT ENTREPRENEURS IN AARHUS

A slowdown in IT start-up activity

In 2023, 84 new IT companies were established in Aarhus—the lowest level since 2010, as shown in the figure below. This development is noteworthy, as the ecosystem depends on the continuous emergence of new players.



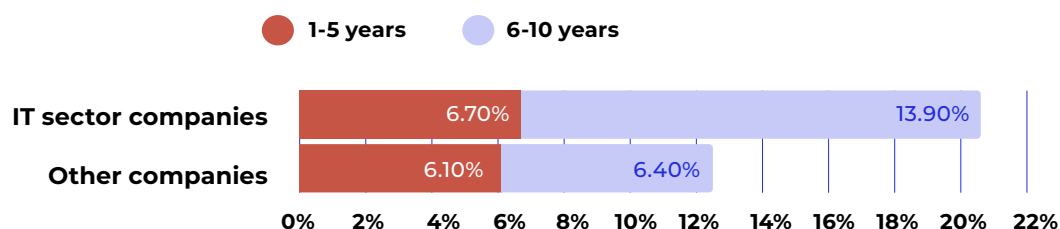
Source: Special data extraction from Statistics Denmark



Job creation among entrepreneurs in Aarhus

As shown in the figure below, new companies (1–5 years old) within both the IT sector and the rest of the private sector account for around 6–7 percent of total private-sector employment. Looking at the more established IT companies (6–10 years old), these firms generate significantly more jobs.

The development of IT entrepreneurship in Aarhus thus shows that while there are fewer new start-ups, those that survive beyond five years create substantially more jobs—and thereby more value—than start-ups in other sectors.



Source: Special data extraction from Statistics Denmark



CONCLUSION

Aarhus stands out as one of Denmark's strongest tech cities. The analysis shows that the tech industry accounts for 14 percent of total private employment in the city - significantly above the national average. Companies in the sector contribute to increasing turnover and exports, and Aarhus attracts a substantial share of the country's venture capital. 88 percent of local investments are directed toward tech, highlighting the industry's importance and strong position.

The analysis also points to a high concentration of growth-oriented companies in Aarhus, including tech gazelles that increasingly shape the city's business development. This dynamic is reflected in a strong business environment that generates new jobs and reinforces Aarhus' role as a national centre for innovation.

However, several key challenges remain. The number of newly established IT companies is at its lowest level in more than a decade, and the value creation per employee is below the national average. Moreover, Aarhus has a lower share of highly educated workers in the IT sector compared to Copenhagen, as well as fewer international specialists than the capital.

Overall, the picture is of a tech-driven business community with clear strengths, but also with challenges that call for new initiatives to secure Aarhus' position as a leading tech city.

