



Center for Venture Research

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THE ANGEL MARKET IN 2024: A STABLE MARKET BEFORE THE AI FRENZY

Market Size

The angel investor market in 2024 displayed an increase in active investors and a slight increase in the number of investments coupled with a decline in the total dollars invested by angels, according to the **Center for Venture Research** at the University of New Hampshire. Total angel investments in 2024 were \$17.9 billion, a decrease of 3.1% over 2023. A total of 55,346 entrepreneurial ventures received angel funding in 2024, essentially the same number as in 2023. The number of active investors in 2024 increased to 445,535 as compared to 422,350 in 2023, an increase of 5.5%. The deal size for 2024 experienced a slight decrease of 4.2% from 2023. The angel market in 2024 showed little change from 2023 in terms of total deals, as opposed to the decline in deals for the institutional venture capital market in the 2023 to 2024 investment cycle.

Yield Rates

The yield rate is defined as the percentage of investment opportunities that are brought to the attention of investors that result in an investment. In 2024 the yield rate was 22.6%, virtually unchanged from the 2023 yield rate of 24.2%. This yield rate indicates that entrepreneurs seeking angel capital have a slightly better chance than 1 in 5 of securing an angel investment. Yield rates in the 20%-25% range have historically been indications of a sustainable market over the longer term.

Women and Minority Entrepreneurs and Investors

In 2024 women angels represented 39.1% of the angel market, a decrease from 2023 (46.7%) but comparable to 2022 (39.5%). Women-owned ventures accounted for 40.2% of the entrepreneurs that were seeking angel capital, a decrease from the 46.3% seeking angel capital in 2023, but an increase from 2022 (37.1%). On a more promising note, for women entrepreneurs and investors, the yield rate for women entrepreneurs seeking angel capital was 26.7%, which is above the 2024 market yield rate. These data indicate that the increase in women angels in 2023 may have encouraged more women entrepreneurs to create investor ready deals since the higher women yield rate (above the overall market yield rate) indicates that these women led deals were of high quality.

Minority angels accounted for 7.1% of the angel population and minority-owned firms represented 9.4% of the entrepreneurs that presented their business concept to angels. The yield rate for these minority-owned firms was 32.4%, similar to the 32.1% yield rate in 2023. This robust yield rate is promising, but the small number of minority entrepreneurs seeking angel financing needs to be improved.

Job Growth

Angel investments contributed to job growth with the creation of 4.1 jobs per angel investment. This is on par with the 2023 job creation of 4.3 jobs per angel investment and an increase from 2022 job creation activity of 3.4 jobs per angel investment. These data continue to reflect the significant job creation role of angel investments.

Sector Analysis

Healthcare Services/Medical Devices and Equipment (29.5%) and Software (20.2%) dominated angel investments in 2024. Biotech (15.5%) was the next most popular sector, followed by Industrial/Energy-Clean Tech (7.8%). Retail (7.7%) investments and Fin Tech (6.2%) rounded out the top 6 sectors.

Sector	Healthcare	Software	Biotech	Ind/Energy	Retail	Fin Tech
Deals	29.5%	20.2%	15.5%	7.8%	7.7%	6.2%

Stage

Angel investments (deals) in the seed and start-up stage were 59% in 2024, a marked increase from 2023 (36%) and for the fifth consecutive year the seed and start-up stage market was the predominant investment stage for angels. This solidifies the trend that began in 2018 of increasing allocations to seed and start-up ventures. Early stage investing was 20% of the deals in 2024. Expansion stage in 2024 (15%), similar to the 16% in 2023. The significant increase in angel investments in the seed and start-up stage (59%) in context with a decline of 16% in venture capital seed deals in the 2023 to 2024 investment period, reflects the critical role of angels in providing early risk capital to entrepreneurs.

The **Center for Venture Research (CVR)** has been conducting research on the angel market since 1980. The CVR's mission is to provide an understanding of the angel market through quality research. The CVR is dedicated to providing reliable and timely information on the angel market to entrepreneurs, private investors and public policymakers. The Center for Venture Research would like to thank all the angel groups and individual angels that participate in our research efforts. For more information visit <http://paulcollege.unh.edu/center-venture-research>.

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