

Hamburg: Capitalising on its entrepreneurs

Over the years, Hamburg has developed a strong digital entrepreneurship culture. This is demonstrated by the fact that many start-ups originally from Hamburg (e.g. Facelift and Xing) have become known worldwide and digital giants have chosen Hamburg as the location for their headquarters in Germany. Nevertheless, in order to truly transform Hamburg into the “Smart and Digital Community” as wished for, all stakeholders who have embarked on the digitalization journey will need to learn to work together despite their diverging interests.

The process of digitalisation in Hamburg started in the mid '90s and has affected all business clusters, yet differently. In early 2000s, Hamburg's Parliament and the State Government drafted a holistic visionary strategy to digitize the city centre and the entire metropolitan region, connecting, government, port, business, citizenry,

healthcare, academia, public safety, while involving local businesses in every step of the digitalization process. Hamburg is now full of dynamic and young digital businesses, most notably linked to entertainment software and computer games. Since 2000, city leaders have consolidated the vision of what Hamburg



should become: a “Smart and Digital Community”, or, as some call it, a futuristic **Seatropolis**. In 2015, they have launched Hamburg's Digital City Strategy to create the modern Hamburg, With 3,7 million euro of investment in S&T and the creation of a Digital City Control Centre, they aim at enhancing digital engagement further.

Key initiatives

NextMedia.Hamburg

Launched in 2014 under the leadership of the Hamburg's Senate, nextMedia.Hamburg is one of the main regional initiatives for Hamburg's digital and media industries. The initiative has for objective to expand and support the regional network of the media and digital industries. Its ultimate goal is to develop new business models for securing and expanding Hamburg's position as a leading media location.

Through the services it offers, nextMedia.Hamburg strengthens the innovation culture in Hamburg and improves framework conditions for start-up businesses in the Hamburg Metropolitan Region. Thanks to nextMedia.StartHub which serves as the central point of contact of the initiative, start-ups are getting connected with established stakeholders from the regional media sector.

Intelligent transport and port organization

Covering an area of 7,200 hectares, the Port of Hamburg handles an average of around 10,000 ships and 9 million cargo containers every year. It is a major employer in the region, directly and indirectly providing about 156,000 jobs. Many smart and digital solutions have been implemented in Hamburg's port. The most innovative is **smartPORT logistics** (SPL) a SAP Connected Logistics based solution which manages traffic management IT solution, by

interconnecting businesses, partners and customers of the port. Besides being a smart city solution, the transformation of Hamburg's port has triggered the city's digital entrepreneurship.

As stressed by the Hamburg Port Authority, the smart and digital transformation of the port has acted as a springboard for many local businesses, especially start-ups, and has offered several business opportunities to enterprises of the territory. Noteworthy, local businesses which have a keen interest in effective transport management have actually moved their location to the vicinity of the port, creating an environment which brings together many businesses working in different fields but towards the same aim: innovation, in particular in the digital domain.

Hamburg's digital vocation is also conspicuous in the development of **HafenCity**, which consists in the transformation of an old and largely unused industrial zone in the port into an IoT-powered “City within a City”. The transformation of the site started in 2001 and today the area has expanded the city by about 40%, adding 6,000 residences, more than 500 businesses (the majority of which are start-ups), 45,000 jobs and about 100,000 visitors each day, according to Cisco. HafenCity brings together the concepts of smart and digital cities, as its main pillars are sustainability, urban mobility, digital infrastructure and co-working environments and each of them have

been planned to embed the IoT. The area continues to exert a growing pull on businesses, as many big companies, as well as small and medium enterprises, including start-ups, have decided to move their location to this new area of the city. Strongly represented here are media and logistics businesses, followed by commerce, financial services, IT services and management consultants. Hamburg as a city has benefited from bringing all those businesses together, as the constant exchange of business opportunities has further triggered its entrepreneurial culture. This is especially true in the ICT field, as a vast majority of businesses based in HafenCity work in the digital domain.

Start-ups and digital giants

A strong and diversified economic structure, together with a vibrant start-up ecosystem, has played a crucial role in Hamburg's digital transformation. Many start-ups from Hamburg have become international players: InnoGames, Bigpoint, Facelift, Goodgame Studios, Jimdo, myTaxi and Xing to name a few and start-ups such as Dreamlines, Kreditech, Protonet, Stuffle and Sonormed continue this success story. In this context, it is certainly no coincidence that leading internet giants such as Google, Facebook, Twitter, Hootsuite and Yelp decided to choose Hamburg as the location for their German headquarters.