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## **Abstract**

In recent years, investments in technology start-ups experienced a steep rise in number and volume with the valuation of some tech companies rising above 1 billion USD within just a few years from their founding. The high sums being poured into the tech market and the quick rise of tech companies' valuations are reminiscent of the dot-com crisis of the late 1990s where the market for internet-based ventures showed a similarly stellar increase in volume, but eventually deflated causing a global recession. However, it is unclear if investors are behaving in a way that would once again lead to a tech bubble or if their strategies have improved and adapted to the new situation.

The purpose of this research is to understand factors institutional and private tech investors take into consideration in the process of evaluating and deciding on a potential investment in the tech sector and how these compare to investment factors during the dot-com bubble time period. It also aims to deepen the understanding on how such behaviours could indicate the build-up of a tech investment bubble in the current situation.

For the purpose of this study twelve individuals from eight countries working as private or institutional investors were interviewed. Key themes identified in the interviews were further developed and contrasted with findings from previous research on the dot-com bubble time period.

This study shows that some aspects of today's tech investment strategies improved (e.g. focus on validating business models, improved strategies for acquiring market knowledge) while some mistakes from the dot-com era are being repeated (e.g. focus on revenue development rather than profitability, unclear exit goals). Furthermore, the study identifies indicators for a generally overvalued tech market like high pressure to invest and irrational valuations of so-called unicorn companies.

**Keywords:** management, venture capital, entrepreneurship, tech start-ups, technology investment, dot-com bubble, financial crisis