New Orleans startups bet on AI as Tulane expands its survey statewide in 2026

October 23, 2025 Roger Dunaway
roger@tulane.edu



The Greater New Orleans Startup Report, an annual benchmark for tracking entrepreneurial activity across the 10-parish region, will be expanding statewide next year thanks to a partnership between Tulane University's A. B. Freeman School of Business and Louisiana Innovation. (Photo by Kenny Lass, Tulane University)

Tulane University's A. B. Freeman School of Business unveiled the results of its seventh Greater New Orleans Startup Report while announcing plans to significantly expand its annual survey of the region's entrepreneurial ecosystem next year.

Freeman's Albert Lepage Center for Entrepreneurship and Innovation will partner with Louisiana Innovation (LA.IO) to extend the survey statewide in 2026, creating Louisiana's first comprehensive view of startup activity.

“What began as a local effort to understand our startup landscape will now serve our entire state,” said Freeman School Dean Paulo Goes. “Louisiana Innovation’s decision to adopt our approach as the foundation for statewide innovation measurement validates the comprehensive system we’ve built – one that captures not just data, but the full story of entrepreneurial growth.”

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The 2025 Greater New Orleans Startup Report finds that area entrepreneurs are going all in on artificial intelligence as they keep a closer eye on hiring and office costs. The annual report, a benchmark for tracking entrepreneurial activity, is based on a survey of over 120 startups across a 10-parish region.

This year’s survey shows that 67% of businesses see AI as their biggest opportunity and 77% say it will have the biggest long-term impact. Among respondents, 35% said generative AI, such as ChatGPT, will be most consequential, and 32% chose AI/machine learning. Of companies already using AI, 85% report a favorable impact, citing productivity gains (70%), expanded markets (33%) and lower costs (25%).

“In a city that has historically been more reactive during massively disruptive industrial shifts, New Orleans’s entrepreneurs are showing leadership in the emerging era of AI. They’re actively engaging with these powerful new tools in ways that rival and sometimes exceed national trends,” said Rob Lalka, Albert R. Lepage Professor in Business and executive director of the Lepage Center.

A recent U.S. Chamber of Commerce report found that Louisiana ranked seventh in the nation for generative-AI adoption among small businesses at 65%, topping the 58% national average.

The Tulane survey also finds that gains from AI are not evenly divided between high-growth firms and small businesses. High-growth firms are far more likely to cut costs with AI (41.0% vs. 12.5%) and reach new markets (48.7% vs. 20.8%).

Hiring plans are mixed, according to the survey. A slim majority (53%) of companies plan to add employees in the next 12 months, while 22% say they do not — the highest share saying “no” in seven years of tracking. Among high-growth startups, 71% plan to hire and 8% do not. Only 38% of small businesses plan to hire this year, compared to 33% who are not.

Construction services saw the largest increases with nine additional full-time/salaried employees, while the food and beverage industry experienced an average decrease of almost two full-time/salaried employees.

The report also shows founders are rethinking their physical footprint. Home offices remain the most common primary workspace (38%, down 2 percentage points), while leased commercial space declined to 24%. More teams are opting for sub-leases (12%, up 10 points) and co-working (14%, up 2), and owned space edged up to 12%.

Funding results were mixed in this year’s survey. Bootstrapping (56%) remains the most common source of funding, followed by credit card debt (45%) and friends and family (41%). Angel use rose to 23%, up 2 points from 2024. Convertible debt increased to 16% from 12%. Venture capital slipped to 10% from 12% a year ago, though it held at 17% among companies responding in both years.

Next year’s Louisiana Startup Report will deliver parish-by-parish data so officials can track regional trends and emerging clusters. Investors will see funding trends, capital gaps, sector momentum, and deal sizes, and entrepreneurs can benchmark performance. The statewide report will deliver the same data-driven insights as the GNO Startup Report, now supporting business growth and economic development across Louisiana.

“Now is the right moment to join forces with Tulane’s Lepage Center and the New Orleans Startup Report to launch the Louisiana Startup Report in 2026,” said Josh Fleig, Chief Innovation Officer of Louisiana Innovation. “This partnership demonstrates Louisiana Innovation’s commitment to growing new businesses across our entire state. By combining the Lepage Center’s proven expertise with Louisiana Innovation’s statewide reach and resources, we’re creating a valuable tool for economic development that will give every parish clear, reliable data that founders, investors and policymakers can use for their decision-making.”

The full 2025 Greater New Orleans Startup Report is available at gnostartupreport.com.