BUDAPEST

SUMMARY

Cost of Living
(without rent)

€ 495.8

Rent
(1 bedroom in the City Centre)

€ 454

Average Salary
(after Tax)

€ 938

Round size
(series seed)

€ 0.61 M

Coworking
(per month)

€ 172

Internet
(60 Mbps or More)

€ 8.15

BUDAPEST FOR STARTUPS

Although the Hungarian startup scene is relatively young – having started around a decade ago – it is evolving year by year. Several supporting organizations, mentorship programs appeared recently that help entrepreneurs, but there is also an abundance of capital waiting to be invested. These circumstances brought to life more than 700 startups with ICT and digital focus.

MOST KNOWN STARTUP

Balabit
www.balabit.com

LogMeIn
www.logmein.com

Prezi
www.prezi.com

Tresorit
www.tresorit.com

Ustream
www.ustream.tv

TOP INDUSTRIES

healthcare

IoT

fintech

According to The State of European Tech 2018 report, Budapest is among Europe's top 20 most mature tech communities. No wonder that the verticals where Hungary tends to produce most of the success stories lay on advanced technical foundations and breakthrough innovations. Because of the strong STEM education and world-class technical talent pool, we are skilled in deep tech-related verticals such as data analytics and data science, artificial intelligence or cybersecurity. Startups in the field of Fintech and Blockchain have shown great development over the last years.

TOP BUSINESS MODEL

subscription

commission

manufacturing

The most common models in Budapest are subscription, commission and manufacturing. The two largest sectors by total invested amount were business & industrial services and communications that accounted for 72% of total transaction value.

NOTICEABLE STARTUPS FROM BUDAPEST

AImotive
automotive

AImotive is one of the largest independent teams in the world working on automated driving technologies. Developing self-driving software, proprietary simulation tools and neural network acceleration hardware IP, we are building an ecosystem to aid the deployment of automated driving. To catalyze industry collaboration their products are scalable, modular and hardware agnostic. They build on our team's expertise in artificial intelligence, sensor fusion, 3D graphics and real-world automated driving workloads, developed utilizing our global test fleet, to support partners in realizing their self-driving goals. The company has offices in Mountain View, California; and Yokohama, Japan. The bulk of their development happens at our headquarters in Budapest where a team of 150 highly skilled engineers spearheads their efforts.
https://aimotive.com

Bitrise
information technology & services

Bitrise helps you automate your daily app development tasks from building through testing to deployment. With Bitrise you can configure these tasks with a unique, visual workflow editor, with over 200 service integrations ready to roll. All integrations or steps are Open Source, which means that you can easily create your own and share it with others. Project Managers can get a clear picture of the development and testing of apps, testers get regular notifications about available, testable builds, and clients are able to collaborate with the rest of the team. Bitrise is used for faster, more efficient and consistent app development at companies ranging from early stage startups to app agencies and Fortune 500 companies to unicorns.
https://www.bitrise.io

Shapr3D
computer software

Shapr3D is the only truly mobile CAD app. It offers a quick but precise way to create 3D models. Fueled by the same geometric modeling engine as SolidWorks, they bring you the power of MCAD and the ease of Sketchup, right on your iPad. Solid modeling made easy. Perfect for engineers, industrial designers, jewelry makers, 3D hobbyists, architects. Regardless of your level of experience, you will find Shapr3D easy to learn and adapt!
https://www.shapr3d.com

Talentuno
HR

Talentuno is an HR tech startup company launched in Hungary - the Uber of recruitment - which places recruitment processes on a crowdsourcing platform, outsourcing talent recruitment to so-called MatchMakers. Anyone can register for free on the Talentuno platform as a MatchMaker, to refer the most suitable acquaintances to open positions using his/her personal network. A commission is paid to all successful recommendations. Harnessing the power of the crowd, they find the right talent faster, cheaper and more effectively than any other recruitment services out there.
https://talentuno.com

Neticle
analytics & SaaS

Neticle is an innovative startup company developing media monitoring and text analysis solutions, based on its proprietary algorithm. The company's flagship product, Neticle Media Intelligence is a social listening and business intelligence tool, based on a sentiment analysis algorithm that mines online opinion by analyzing texts using natural language processing. Neticle helps you to delve deep into your brand-related data by monitoring the entire Hungarian, Austrian, Bulgarian, Romanian, Ukrainian, Russian, Polish, Georgian and German web. Collecting, saving and restructuring relevant content followed by the analysis of this enormous content and sentiment in real time, all this on an interactive surface with easy to use dashboards, graphics and charts. Their goal is to support your business decisions by providing the widest coverage of solutions and the highest quality of local data.
https://www.neticle.com

FINANCING

The main sources of startup financing in Hungary:

- Founder's funds - 86% of all startups resort to them
- Money from relatives and friends - 27% of all innovative entrepreneurs receive it
- Venture capital investor's funds - they are attracted by 24% of all startups
- Business angel's funds - 9% of startups get it
- Bank loans - they are used by 3% of startups
- Crowdfunding - 2% startups resort to it

With 50 billion HUF worth of European Union and HDB funds in hand, Hiventures became one of the biggest investor companies in Central Eastern Europe, offering a completely unique combination of venture capital programs, flexible investment conditions, and a quick and modified decisions-making structure.

BUDAPEST INVESTORS

Day One Capital
https://www.dayonecapital.com

Day One Capital is the first institutional fund in Hungary. It invests in startups at the early development stages. The key industries: internet, Software, mobile applications, medtech, cloud technologies, biotechnologies, user services. It was nominated as the investor of the year in Hungary in 2015, 2016, and 2018. It invested in Tresorit, Talk-a-Bot, Almotive.

Euroventures
http://www.euroventures.hu/en

A venture fund was established in 1989 and since then, it has realised 5 investment programs (with a total sum of €180 million). It invested in projects from different industries: from dairy production to medtech, big data and IoT. In the fund's top-list there are Rising Stack (Software development), Bankmonitor (a service for comparing bank products), Tresorit (a software for data protection), OrthoSera (regenerative medicine).

X-Ventures
https://www.x-ventures.hu/en

An Early-stage venture investor that manages 3 funds: X-Ventures Alpha (the capital — 4 billion of Hungarian forints, equivalent to €11 million), X-Ventures Beta (the capital — 4,3 billion of Hungarian forints or €12 million), X-Ventures Gamma (the capital — 13 billion of Hungarian forints or €36 million). The fund invested in startups from IT, biotechnology, healthcare, logistics and electronics. The project's top-list: ChatBoss (a manager for social media dialogues), AerinX (a technology for aero-inspection).

BNL Growth Partners
http://bnlgrowth.com

A venture fund that specializes in investing in fintech projects. It was founded in 2015. It has invested in such projects as Codecool, Scolvo (a service for sales managersc) and be-novative (a platform for generating ideas).

PortfoLion
https://www.portfolion.hu

A venture fund that was founded in 2010. In different times, it managed 5 funds with capitalization from €3 million to €34,6 million. It invested in Codecool, Tresorit, Banzai Cloud (products for developers), Talk-a-Bot, Seon (a service for business, which evaluates the safety of transactions made and warns about fraud).

There are some other key Venture Capitals in Budapest, just to mention some of them: Solus Capital, Bonítás, Finext, DBH Investment, Vespucci Partners.

Most of the investments were initiated in the seed stage (153 out of 203) which was followed by the startup stage (33 out of 203). The shares of total investment amounts are more balanced: 40% startup, 28% seed, 23% later stage venture and 9% growth and buyout.

COMMUNITIES, ORGANIZATIONS, INSTITUTIONS

INPUT Program aims to create and nurture internationally competitive Hungarian tech startups. It intends to facilitate the growth and transformation of the Hungarian startup ecosystem by encouraging entrepreneurs and helping them build sustainable ventures.
http://foreign.inputprogram.com/

Design Terminal is Central Europe's leading innovation agency, which builds 'Innovation Champions' through corporate partnerships and talent acceleration. They believe entrepreneurial culture is based on optimism, which drives meaningful innovation.
https://designterminal.org/

START IT K&H is a technology incubator and community space supporting startups from the Hungary & CEE region, backed by the K&H Group. The program provides selected startups with office infrastructure, ongoing mentoring, counseling and training, and networking events.
https://startitkh.hu/

OXO Labs accelerates and scales startups from the CEE region to global markets. They run their startup incubation and acceleration programs both in the area of facilitating and mentoring early stage tech projects in line with lean strategy principles and also by supporting and funding such projects to boost growth and market entrance. They select 5 projects and teams each calendar year.
https://oxolabs.eu/

MKB FintechLab is a leading Budapest-based banking innovation lab and startup investor founded by MKB Bank. We believe in open innovation and that corporates and startups should work together in creating better services for the customers. To drive the digital transformation of financial services, we build a community from regional talent, we build startup companies and bring innovations to market through partnerships.
https://fintechlab.hu/

Startup Campus is a global program for innovative businesses from the idea phase until market entry. With an international team, an extensive partner network, we provide training and education, incubation, international market entry and investment services in several major cities of the world. Startup Campus is active in global events, with the aim to increase the visibility of Hungary, Central and Eastern Europe, encourage entrepreneurship, and connect the various regional startup ecosystems.
https://www.startupcampus.hu/

Demola is an international innovation challenge platform that brings together students and leading brands. With Demola, global and local organizations challenge university students to create a better future. Today, our innovation challenges bring together over 50 universities, 750,000 students and the leading companies from around the world.
https://www.demola.net/

CEU Innovation Labs is a flagship initiative of Central European University to create economic opportunity in Hungary and the Central and Eastern European region by nurturing a culture of entrepreneurship and linking academia and business. CEU InnovationsLab was voted Hungary's best incubator at the Central European Startup Awards, and the only university incubator nominated for Best Incubator/Accelerator in Central Europe.
https://www.ceu.edu/ilab

EVENTS

Budapest Startup Safari is a multi-day event happening in cities all over the world, providing a look inside the local startup scene. The Budapest edition involved 3 days of 300 programs, over 5,000 participants in 70 venues. Excellent opportunity to present your work, meet the local players, establish connections, find a job or listen to great lectures.
https://budapest.startupsafari.com/

BrainBar If we could pick three words to describe BrainBar they would be entertainment, education and future. Thinkers, businessmen, artists and politicians from all over the world are invited to question the status-quo, drive discussion and spark debate on the future. Additions include mastermind sessions and job market.
https://brainbar.com/

Craft Conference Split between two days of workshops and two days of sessions, Craft Conference is targeting engineers, team leaders, agile coaches, engineering managers, executives/founders, UX/product people, providing them a platform to discuss latest developments in software development. Backed by two Budapest-born startups IBM Budapest Lab and Prezi, Craft Conference was named one of the best conferences in Europe by TechCrunch.
https://craft-conf.com/

Crunch Conference Crunch is the biggest data engineering and analytics conference in the CEE region. Over three days, participants are offered a full day hands-on workshops and two days of conference with ultra interesting speakers. At the same time, Amuse Conference brings together Usability Experience (UX) people to share ideas, experiences, and tools. about UX design, user research, service design, creativity, product design, game & VR design, and more.
https://crunchconf.com/

Think BDPST Organized by the Antall József Knowledge Centre, think.BDPST is a strategic conference focusing on perspectives of research, innovation, and future technologies, consisting of three parts: a regional innovation conference, a Young Leaders' Forum and Startup Expo.
https://think.bdpst.org/

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