Main Partner:
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EXECUTIVE SUMMARY

ITALIAN PROPTECH MONITOR
5TH EDITION

POLITECNICO
MILANO 1863

DIPARTIMENTO DI ARCHITETTURA,
INGEGNERIA DELLE COSTRUZIONI
E AMBIENTE COSTRUITO

REC Real Estate Center

Italian PropTech Network

PropTech for the Italian PropTech Network (IPN)

PropTech, Property + Technology, includes all start-ups and scale-ups as well as corporations that create **innovative services and data driven solutions** *in the* **real estate-construction** *sector. They may have an impact at different scales of the built environment, by adopting* **advanced digital technologies** *which act vertically/transversally in the context of the different segments of the real estate value chain.*
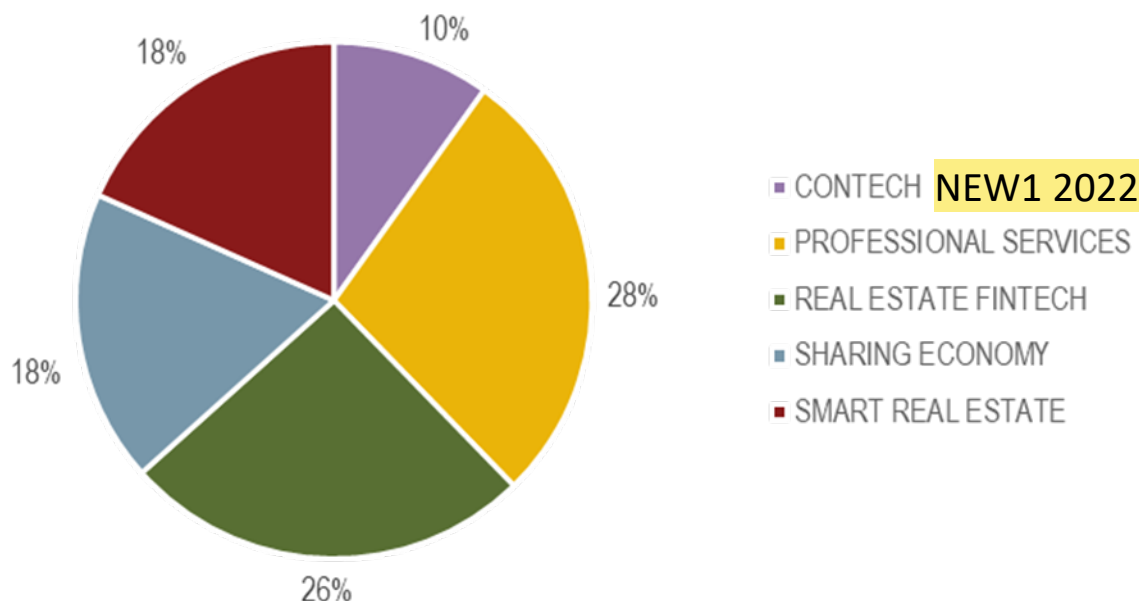
Definition by IPN, 2022

The Italian PropTech ecosystem

The 5 clusters of IPN:

A **booming ecosystem**:

PropTech: division by cluster (n=273)

- CONTECH NEW1 2022
- PROFESSIONAL SERVICES
- REAL ESTATE FINTECH
- SHARING ECONOMY
- SMART REAL ESTATE

273 PropTech companies
Tot. 2022

+ 33%
compared to 2021

ConTech: A new cluster since december 2022

ConTech focuses on technology solutions that intervene within the **construction industry** *(Construction + Technology) and/or that* **facilitate and foster synergy and supply chain integration between services to real estate and construction.** *ConTech companies undertake professional and consulting activities pertaining to planning, design, site management and construction management (e.g. project management, cost control, quantity surveying and others) as well as* **environmental and structural monitoring of the built environment.**

Definition by IPN, 2022

Italian PropTech companies are:

YOUNG COMPANIES:

130 out of 273 **(48%)** PropTech companies were founded in the past 5 years

LOCATED IN NORTHERN ITALY:

63% of PropTech companies have their HQ in Northern Italy (especially in Milan)

MADE UP OF MILLENNIALS:

70% on average are young people (72% Gen-Y and Gen-Z)

SMALL COMPANIES:

80% employ a maximum of 20 employees

MAINLY COMPOSED OF MEN:

65% of those who work in a PropTech are men

* Data from the Italian PropTech Monitor (IPM) 2022 annual survey and from the mapping of the Italian PropTech Network.

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Technologies adopted by Italian PropTechs

GROWTH OF THE TECHNOLOGICAL LEVEL:

2,75

Technologies used on average by each PropTech in 2022

2,3

Technologies used on average by each PropTech in 2021

MAIN TECHNOLOGIES ADOPTED:
Big Data Analytics, Data Science and Data Sharing; and IoT, Website and Smartphone apps.

- Blockchain and Distributed Ledger Technology (DLT)
- Artificial Intelligence (AI) and Machine Learning (ML)
- Big Data Analytics, Data Science and Data sharing
- IoT, Website and Smartphone apps
- Location analytics and Geospatial: drones, autonomous vehicles, hyperloop and 5g technologies
- Compute Edge and Cloud
- 3D printing and 3D modelling
- Human-machine Interface and Application Programme Interfaces (APIs)
- Robotic systems and automation
- Sensors
- Digital twin
- Virtual reality (VR) and augmented reality (AR)
- Material Innovation

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The Italian PropTech business

Progressive and continuous consolidation of the business

The Italian PropTech Monitor 2022 registered:

- Increase in companies that have exited the startup/scaleup phases (tripled compared to 2021)
- Increase in rounds of financing obtained in phases of sustained growth

ACTIVITIES CARRIED OUT MOSTLY IN ITALY: **56%** of the turnover is produced in Northern Italy

CONFIDENCE IN ACHIEVING COMPANY GOALS: rated **4 out of 5**

LEVEL OF COLLABORATION AMONG PROPTECHs: **1 out of 2** PropTechs currently collaborate with others in 2022

* Data from the Italian PropTech Monitor (IPM) 2022 annual survey and from the mapping of the Italian PropTech Network.

Sentiment on the PropTech phenomenon in Italy

The ecosystem has not fully reached maturity, yet, but is growing significantly

IPM KPIs (on a scale from 1-low to 5-high):

- **MATURITY LEVEL**: rated **2,4** compared to 2,2 in 2021 ↑

- **EASE OF FINDING FINANCING**: rated **2,5** compared to 2,0 in 2021 ↑

- **CONFIDENCE IN FINDING FINANCING**: rated **2,9** equal to 2021 =

- **GROWTH PROSPECTS**: rated **3,8** compared to 1,8 in 2021 ↑↑

NEW KPI 2022 (on a scale from 1-low to 5-high):

- **STRENGTH OF THE NATIONAL ECOSYSTEM**: rated **2,3**

- **INFLUENCE OF GEOGRAPHICAL LOCATION ON DEVELOPMENT SLOWNESS**: rated **2,5**

- **ADVANCEMENT OF TECHNOLOGICAL and DIGITAL CULTURE**: rated **2,5**

- **LEVEL OF COLLABORATION**: rated **2,5**

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In a nutshell

THE ITALIAN PROPTECH ECOSYSTEM:

IS MADE OF:

- **Young enterprises**: 48% has been founded in the past 5 years;
- **Young people**: 70% of employees are Millennials;
- **Men**: 65% of employees are men;
- **Italians**: national focus.

IS GROWING:

- **Technological Level**: multiple technologies used in an integrated way by PropTech companies (especially, Big Data Analytics, Data Science e Data Sharing; e IoT, Website e Smartphone apps);
- **Consolidation of Businesses**: PropTech companies are exiting the startup cycle & are able to collect more financing rounds;
- **Strength of the network**: PropTech - PropTech/companies' collaborations are more numerous;
- **Market Awareness**: enhanced technological and digital culture of customers and real estate operators.

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The IPN Team

For more **information** about the Italian PropTech Network, to join the **network** or to stay updated on the **activities**:

✉ **proptech-dabc@polimi.it**

🌐 **https://www.italianproptechnetwork.com/it/home/**

in **https://www.linkedin.com/italian-proptech-network/**

📷 **https://Instagram.com/italianproptechnetwork**

Stefano Bellintani
Andrea Ciaramella
Silvia Leoncini
Gloria Orlandini
Alice Paola Pomè
Chiara Tagliaro
Tommaso Truppi

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