

How are prop tech apps changing the industry?

Education

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There is not one area of our lives that hasn't been influenced by an influx of internet and mobile technology. Our homes, jobs, education, health, finances, and even our romantic lives can all be controlled and developed using online tools and portals. Dubbed the 'fourth industrial revolution', the past five years has seen online innovation create a new wave of companies doing things differently. Despite being typically cautious and traditionalist when it comes to change, the property industry has witnessed a transformation of its own.

What is PropTech?

PropTech is a portmanteau that has earned its place as a bona fide term in the property sector. Merged from 'property' and 'technology', it is no surprise that the word refers to the use of technology for developing the property industry. With the digital revolution having changed the way in which countless companies across numerous industries operate, it was not long before property digitised to keep up with the changing landscape.

As the industry has evolved and harnessed the new technology available there was scope to refine, improve, reinvent, and create brand new services. This has seen an increase in the number of property portals and mobile applications available from bricks and mortar estate agents, online estate agents to property investment companies, and alternative finance lenders.

Why has ProTech become so important?

Over the past year the property industry has had to adapt to the 'new normal' post pandemic. Furthermore, before coronavirus, many key industry players had moved their services online for the ease of customers. With this exacerbated need to be fully functional online, companies realised that operating virtually was critical to growth. We now operate in a world that is constantly logged on and ProTech is paving the way just like FinTech did for the financial services industry.

Let's take property investment. Once upon a time the only way to invest was by visiting an office in person, discussing options with a well-suited individual, and parting ways with a large amount of capital. Property investment was available to a small percentage of wealthy people. It was a pen and paper transaction and virtually all completed face to face.

Today, property investment is much more accessible and feasible. No longer do you need thousands and thousands of pounds to fund your investment portfolio. With TAB, investors can diversify and expand their portfolios using TAB Market, our online investment platform. Wherever you have an internet connection you can use TAB Market to discover bridging investments, TAB Lending and [fractional property investments](#), TAB Property.

Through [TAB Market](#) you can build and manage your own property portfolio with a minimum investment of just £1,000. You can access the platform from your laptop, tablet or Smartphone.

While TAB's investment platform is just one example of how PropTech has increased accessibility for investors, there are other areas of the property industry that have been positively impacted by its emergence. Back when the UK voted to leave the EU there was speculation over the future of the property industry. This generated a growth in the number of established companies and startups developing their own online strategies to facilitate business. Some services that have prospered as a result of PropTech include:

- Online property buying and selling portals
- Property rental applications
- Home services portals
- Automated home services
- Property management tools
- Property share and tenant seeking apps
- Office sharing and hot desking applications
- Fast house sale services
- Property finance lending and borrowing
- Automated brokering services

The future of PropTech

It is no secret that the property industry is not renowned for embracing change. The nature of the asset class mixed with agents trying to protect their income sources may have had reservations about adopting tech driven innovations. The consensus for many was that PropTech could disrupt the way in which they work and, ultimately, their profits.

Nevertheless, those who embraced the technological change and even adopted new business strategies ahead of the curve have seen success. In 2020, online and hybrid estate agents saw a [market share increase of 2.7%](#). While many estate agents had to shut up shop during lockdown, online estate agents had the technology in place to remain buying and selling properties. Video viewings became the norm, liaison was over the phone, and paperwork was completed virtually. Companies such as [Purplebricks](#) and [SOLD.CO.UK](#) are all online estate agents that were able to continue running successfully when high street agents were forced to shut. This was only achievable due to the companies employing different aspects of PropTech as part of their business models.

Experts believe that PropTech will continue to have a radical impact on the way the property industry operates. Over the past five years alone, more and more companies have recognised the need to operate online or create portals and applications for the ease of their customers. With the pandemic forcing change on many it is expected that more conservative businesses in the industry will have to ditch their slow-paced approach to change and adopt PropTech or risk losing out on business.

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