

# PRESS RELEASE

**Date** 27 June 2017  
**Page(s)** 4  
**Subject** **Opportunities and Risks Presented by PropTechs  
– Austria’s First PropTech Ranking**

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## Opportunities and Risks Presented by PropTechs – Austria’s First PropTech Ranking

The Institute for the Real Estate Industry (IFI) and CMS Vienna present Austria’s first PropTech ranking. CONDA, immobilienscout24 and IMMOUnited head the popularity ranking in the categories crowdfunding, platforms and service providers.

PropTechs have become the number 1 topic at virtually all industry events. For many of the industry’s stakeholders there is no question about it: the real estate business will be in need of substantial change in the future. But as of now, nobody knows the details of what this change will entail.

“We have joined forces with IFI to probe the industry and have asked those who should know best: domestic real estate professionals”, says CMS partner and construction law expert **Nikolaus Weselik**.

“The objective of the online study, which polled real estate experts across Austria between 10 and 22 May 2017, was to showcase the popularity and use of property technologies among real estate specialists as well as to analyse and detail the expectations and deployment of pioneering digital technologies and business models”, says study author **Robert Neuberger**, head of market research at IFI. Participants were asked, among other things, which asset types they thought would be most strongly affected by digital technologies in the coming years, which PropTech brand names and associated range of services they already knew, and which of those PropTechs they believed were or would be capable of reinventing the real estate sector through disruptive business models in the present or future.

### Immobilienscout24 ranked number 1

The survey revealed an astonishingly high degree of brand recognition, showing that even niche providers have already made a name for themselves in the real estate business. The top four positions are dominated by real estate platforms, with immobilienscout24 ranking first and closely followed by willhaben.at. But already the fifth place is occupied by IMMOUnited, a company specialising in real estate databases and derivative services. All in all, 60% of the PropTechs included in the study scored at less than 10% of all respondents in terms of simple brand recognition (“recognise the name”). “There is a lot of potential for

stronger positioning”, Robert Neuberger comments. Knowledge of the range of services follows a similar pattern as the recognition of a brand or company name. Only few PropTechs feature a clear market presence (knowledge of range of services > 10% of respondents).

With willhaben.at, a platform with outstanding public appeal ranks first in user statistics. It is, however, immediately followed by IMMOUnited, a data service provider that has managed to firmly establish its place in the midst of a large crowd of real estate platforms overwhelmingly offering brokerage services.

### **Airbnb voted “disruption leader”**

Asked about PropTechs that would substantially change the real estate market, participants unequivocally pointed to Airbnb as the uncontested number 1. Especially holidaymakers will have heard of this company. Closing in on Airbnb are the companies and brands of the Roland Schmid Group. Even if an in-depth analysis of lesser known PropTechs is not yet possible due to low incidence rates in terms of the recognition of their service ranges, some are thought capable of strongly influencing or even reinventing the real estate sector already today.

### **Virtual reality on the rise**

An intriguing finding of the survey was that there is no single PropTech business model that clearly stands out. Even though virtual property walkthroughs generated somewhat better feedback than other technologies both in terms of quality and quantity, at this point in time every business model (still) has the potential to transform and lastingly change the real estate industry. This can be explained, on the one hand, by the broad range of activities of real estate experts, which might have, by and large, led to a similar evaluation of all different approaches. On the other hand, the general doubt in the industry as to whether PropTech business models are actually capable of transforming the market could be an explanation of this outcome.

### **PropTech – an opportunity, not a risk**

As Robert Neuberger says, “Anyone with a good idea has the chance to become the market leader because so far, none of the various PropTech business models has prevailed. That being said, real estate experts do not currently consider themselves at risk anyway.” Real estate professionals, Neuberger explains, do not feel threatened by PropTechs. With regard to the question “Which consequences will PropTechs and Digital Real Estate business models have for your company in the next five years and are those overwhelmingly threatening or positive?”, real estate experts rarely consider their own business model at risk. Quite the contrary: PropTech business models are frequently regarded as potentially beneficial for their own business activities. “This will go as fast as it came!” – this would be the gist of the positive feedback to the new business models. But there is also a chance that the real estate specialists’ sanguineness is caused by forced optimism and a lack of knowledge regarding the business strategies of PropTechs.

### **CMS e-Guide on Building Information Modelling (BIM) available for free download**

The international construction team at CMS has taken a closer look at Building Information Modelling (BIM). BIM integrates and manages the information essential to a construction

project and exchanges it among the project partners, making it possible to digitally depict the integral architectural, technical, physical and functional qualities of a building and thus generate multidimensional planning results.

While the use of BIM in planning large construction projects has been gaining ground in some countries, it is still a fledgling technology in Austria. Nikolaus Weselik is convinced that “it’s not about asking whether BIM will prevail in the Austrian construction industry, it’s about whether companies will manage to jump on the bandwagon in time.” As a leading contributor to the international CMS e-guide on BIM, he knows this new technology’s potential for companies. “BIM is going to revolutionise all aspects of planning. In order to generate its maximum benefit, companies have to make sure to implement BIM into existing processes prudently”, Weselik talks shop. The **CMS e-Guide on Building Information Modelling (BIM)** is available for free download at <https://cms.law/en/AUT/Publication/CMS-Guide-to-Building-Information-Modelling-BIM>

Asking real estate experts about the use of digital technologies for the services provided by their own companies reveals how difficult it is to assess the importance of digital technologies. The majority of IT-assisted appointment scheduling and contact management software is already handled through cloud applications and company purchases made online and appointments with authorities are processed through blockchain technologies. All of this is hardly ever noticed in day-to-day business, which goes to show that the slow pervasion of digital technologies into business processes is largely happening in a quiet and inconspicuous manner.

A picture of Nikolaus Weselik is available for free download [here](#).

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