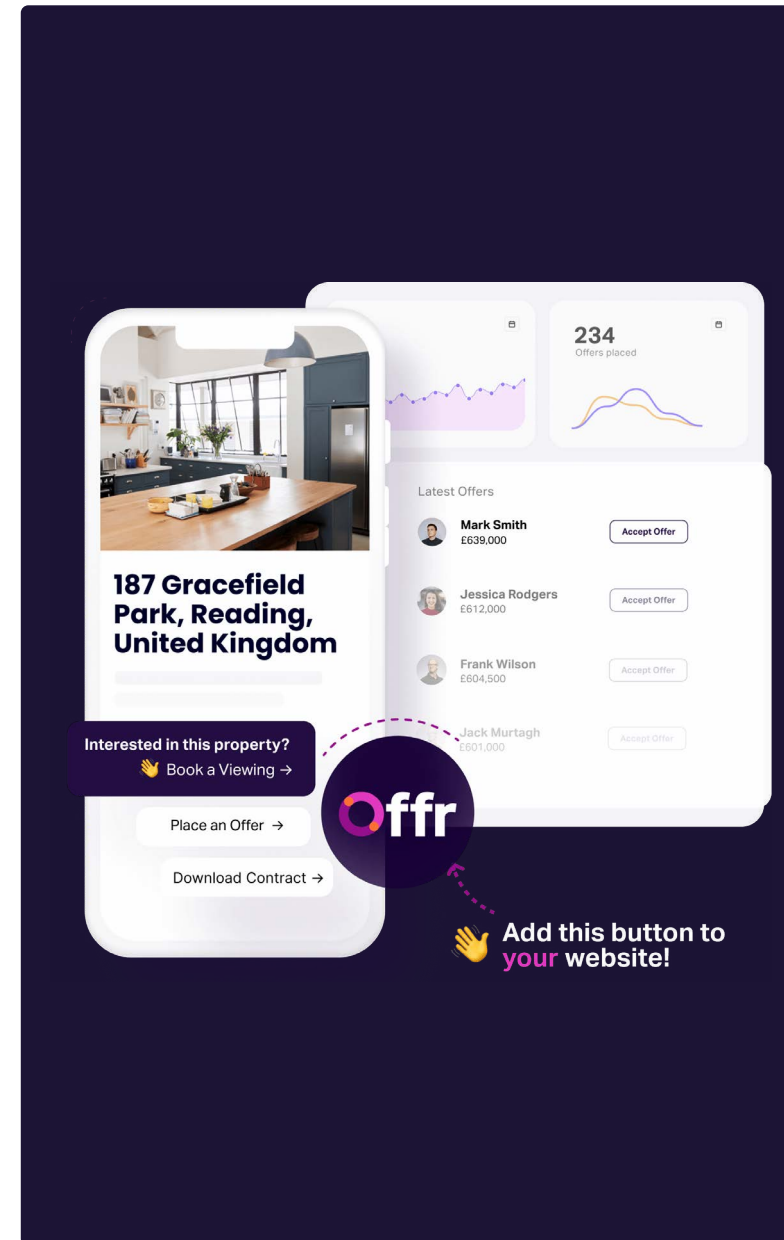


The Future of Estate Agency



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Where is the industry today?

Real estate is thriving. According to the latest figures published by Statista, the industry generated over £68.1 billion in the UK in 2020 and employed 542,000 people (1). Despite challenges caused by the COVID-19 pandemic, sustained economic recovery and the rolling out of the vaccine has fuelled confidence in the industry and investors have remained focused on the long-term prospects.

The industry's progression has been driven by the development of technology to enhance the buying and selling processes. Though the real estate industry has been building on the momentum of technological advances for some time now, this has been particularly prevalent during the pandemic as the rapid shift to virtual interactions and remote working has accelerated the demand for digital solutions to be embedded in all forms of transactions.

The Preqin 2021 Global Real Estate report found **81%** of the investors they surveyed expect to stick with or increase their real estate allocations over the next 12 months (2). This is indicative of the investor momentum and strong growth outlook for the industry.





“ The real estate market has picked up more than expected in 2021 and the concept of seasons has evaporated. Gone are the days of ‘busy seasons’ as agents are now in constant demand year-round. The need to keep-up is paramount and agents are looking to ensure they have the right technology in place to allow them to work on-the-go. ”

Philip Farrell, CCO and Co-Founder of Offr

The global real estate market
is expected to grow from

\$2678.35
billion

to

\$2774.45
billion

in 2020



in 2021⁽³⁾



Learnings from the pandemic

Customers are more tech-savvy than ever

Whilst a significant shift to digital was evident pre-pandemic across many consumer industries, the pandemic has forced the property sector to finally join the digital revolution. We've seen many agents scrambling to support the online consumer, reshaping the landscape of high street agents and fueling the digitalisation of property sales transactions.

Virtual viewings are here to stay

Although most buyers will still want to have in-person viewings before purchasing a property, there is great value in virtual viewings to enhance the buyers experience - helping them narrow down options or facilitating viewings for buyers who live far away from the property, even abroad. Zoopla saw a 215% increase in virtual viewings of new-build properties on their website in 2020 (4).

Agility is key to survival

As social distancing restrictions were imposed and lockdowns set-in, real estate agents were forced to find new ways to engage with their clients and carry out transactions remotely. Those who had been slow to adopt technology were forced to quickly find alternative solutions or risk falling behind the competition (5). The pandemic highlighted the importance of staying ahead of the curve to adapt to changing customer environments and operate under extreme circumstances.



Where will the industry be in 2025?

The outlook for the real estate industry is still a bit unclear, but one thing is certain – things aren't slowing down anytime soon. A fundamental shift will take place in the typical property transaction where the contracts for sale will likely be made available from the outset for all transaction types. This has been required for years, however, the arrival of PropTech has now made it possible.

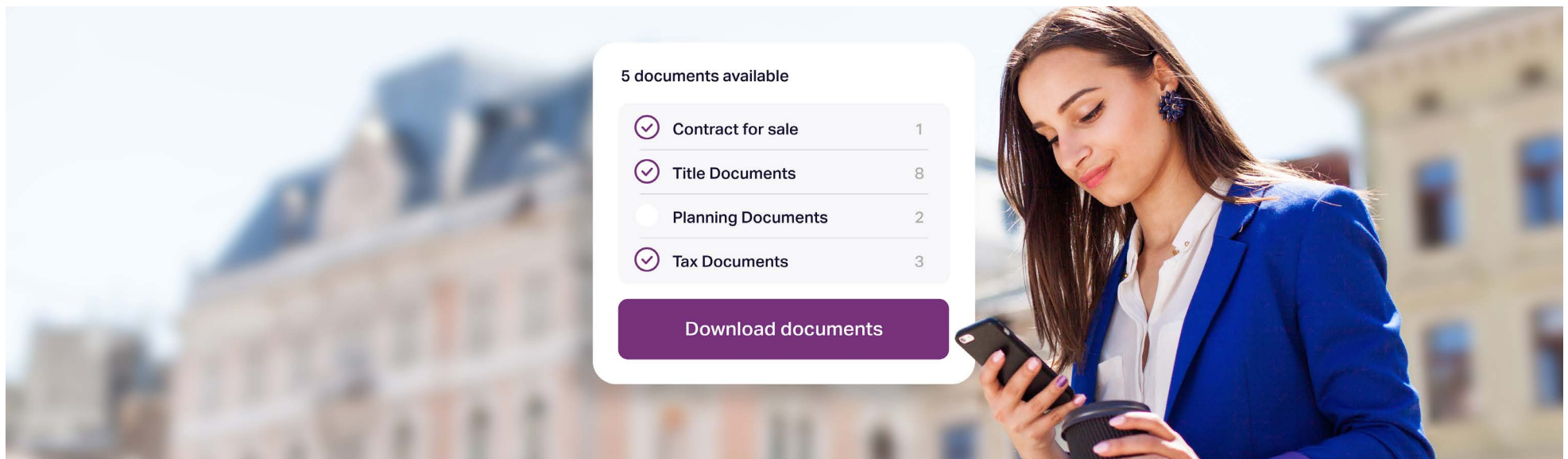


Where will the industry be in 2025?

The future is the tech enabled agent

Future success of estate agents is dependent on their ability to adapt to evolving markets and embed the cutting-edge technologies. Digitised systems will facilitate faster, more transparent, and trustworthy transactions, and ease the stress and uncertainty on both ends of the buying and selling process.

As competition grows, estate agents will need to focus on what they do best – managing client relationships. To achieve this they will need to ensure they have the best automation tools in place to oversee their administrative tasks and communications.



Where will the industry be in 2025?

Cloud-based property management

Real estate providers will move towards cloud-based property management software to take care of full accounting possibilities, management of property maintenance and tenant management.

Open data

New technologies and the exponential rise in available data will allow individuals greater control over their personal data and help increase trust in the credit marketplace.

This trend towards open data will allow individuals to:

- Take control of their mortgage, loan, and credit card data.
- Have oversight of their information to share with creditors and obtain better deals.
- Grant access to third parties (FinTech, apps, etc.) to use their data in new applications and products. (6)



Where will the industry be in 2025?

Increased transparency in transactions

There will likely be a greater push for information to be shared earlier on in transaction processes. Online platforms will enable agents to view potential customers' credit score and mortgage status before even meeting, allowing agents to streamline processes and confirm the credibility of customers from the very first interaction.



Why are some agents reluctant to go digital?

Technology has transformed the real estate process. From the initial search for properties to the final closing of sales, transactions can now be largely carried out remotely and through the click of a button. While these developments have significantly enhanced sales transactions and created efficiencies when sharing and signing legals, they are an adjustment and not all customers are as comfortable completing deals online.



Why are some agents reluctant to go digital?

Lack of knowledge

Despite wide adoption of technology in the industry, some agents are reluctant to change and prefer to rely on tried-and-tested methods they are familiar with. This can be due to a lack of knowledge and understanding of how technology can enhance the property transaction for all stakeholders, as opposed to lessening the role of the estate agent.

Transfer of data

Real estate agents hold large volumes of client data, which may seem like a heavy lift to transfer to new systems while bearing in mind the fear of lost or compromised data in the process. However, many platforms and tools have integrations with current CRM systems and once the initial volume has been transferred, the end to end solutions offered means you'll have everything in one place and be able to make better use of your data.

Cost

Adopting new technology often comes at a cost and the initial investment needed may deter some agents. However, large up-front costs and investment are not critical to adopting new technology. SaaS products offer a more cost-effective option which can be easily scalable.



Changing customers

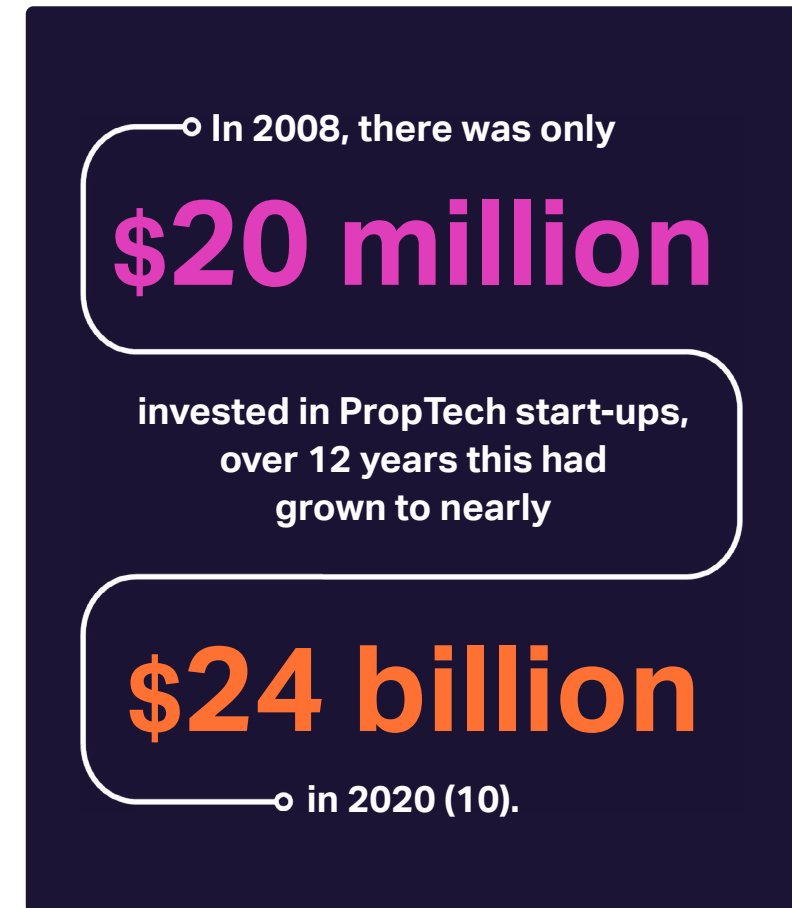
Older generations would traditionally find homes by contacting an estate agent through personal networks, the yellow pages or by walking into an agent's local office. Now Millennials and generations below are carrying out extensive research online before even talking to an agent.



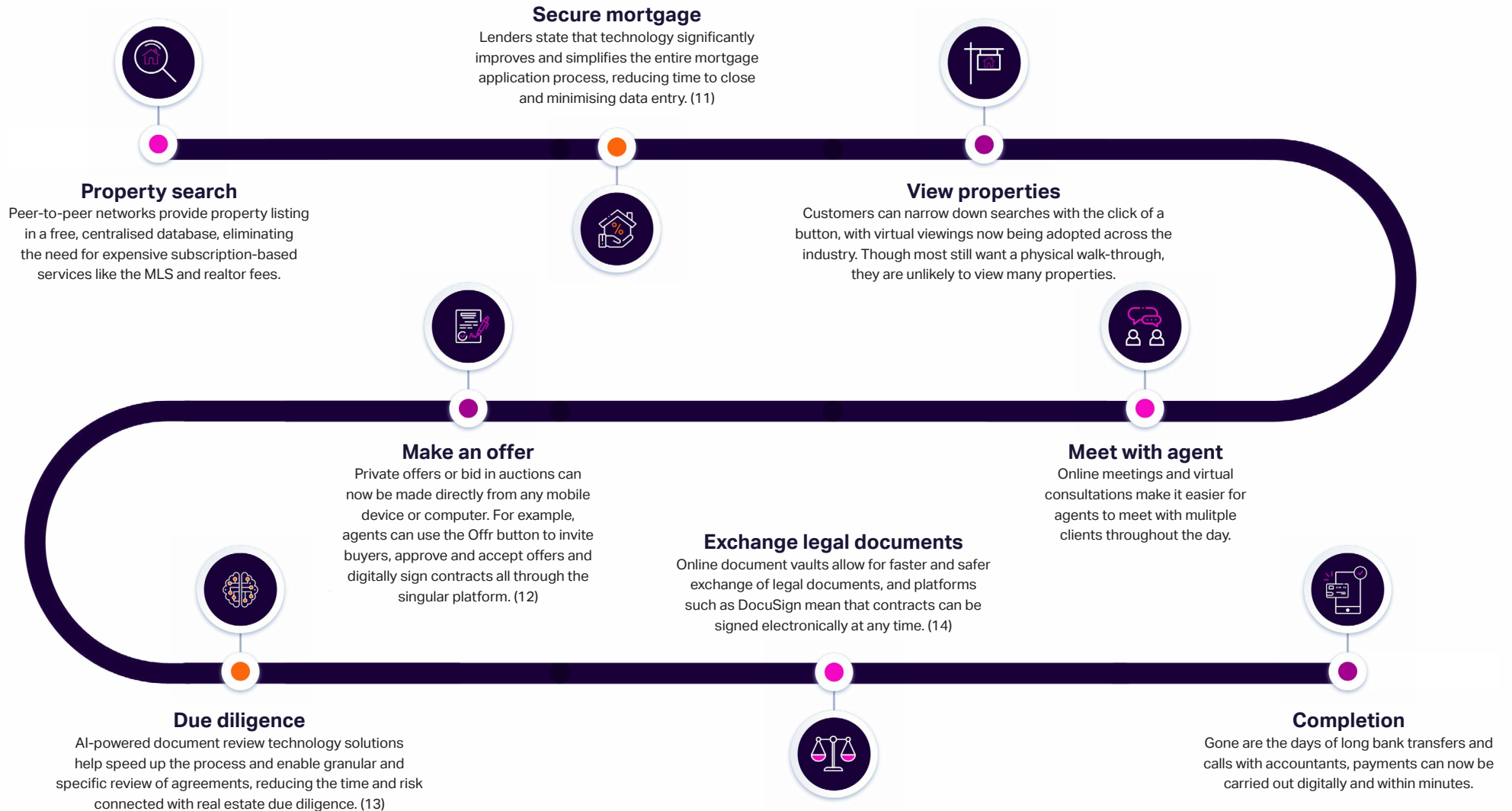
How have PropTechs disrupted the market?

PropTech firms have spurred a shift in mentality within the real estate industry to begin looking to technology-driven innovations within every aspect of the property market, from the designs of buildings to the buying and selling process. PropTech creates value for agents by improving efficiency and reducing delays and costs in transactions (9).

Although the pandemic caused a slowdown in PropTech investment, the digital movement is well underway and the PropTech sector is leading the way in streamlining operations. Technology plays a key role throughout the typical property transaction process, there are now tools available to streamline the process at each stage.



How tech has transformed the typical property transaction process



11. <https://www.forbes.com/sites/brendarichardson/2021/05/13/how-digital-technology-changed-the-face-of-the-mortgage-industry/?sh=5c05d60e2856>

12. <https://offr.io/feature/offers>

13. <https://www.cognitivplus.com/real-estate-due-diligence-in-covid-19-times/>

14. <https://offr.io/feature/legal-documents>

The tech enabled agent

Agents will not only need to be aware of technology to automate how they sell properties, but also how they sell themselves. With the rising threat of competitors, agents must invest in building their own marketing to establish themselves online.

Quality over quantity

Customers are spending less time interacting directly with agents and more time carrying out their own research – they are spending more time searching for the perfect agent to help them in the final steps of transactions. It is vital that agents have a strong website, readily available resources, and relevant content for potential customers to find online. Agents need to stand out to get ahead, and most importantly meet demands for 24/7 access, whether its online contact forms, enhanced transaction tools, social media outreach or email communications. Agents need to be available on-the-go.

The pressure on estate agents is now higher than ever as clients expect access to information round the clock, whether it's submitting offers, carrying out virtual viewings, browsing property listings, filing documents, or finalising payments. Customers want to feel supported throughout the process and need to trust their data is being handled securely. In order to compete, agents today must work to ensure they embed the right tech to stay relevant, work on-the-go and provide value for their clients.



Accelerated demand for online transactions

Like every industry, real estate has faced many challenges on the back of the pandemic and the subsequent government restrictions. At first, experts predicted a decrease in residential sales transactions due to household incomes impacted by lockdown restrictions but with the introduction of the Stamp Duty holiday and other financial aids from the government the market has in fact experienced its busiest period since the housing boom of the early 2000's (peaking in 2006/07). Sales transaction volumes have exceeded pre-pandemic volumes, and seasonally

adjusted number of UK residential transactions reached highs in June 2021, estimated to be 198,240. (16)

Though the industry was already working on digitising processes for buyers and sellers, the pandemic has provoked the rapid adoption of real estate technology and brought about increased demand for digital content, virtual meetings, and crucially online transactions.



Case study

Client

Sherry Fitzgerald

Challenge

They were unsure how business would continue during Covid-19. How would this new normal work? Would customers buy properties online, end to end in a virtual world?

Method

Sherry Fitzgerald trialled their first Auction with Offr to facilitate a virtual sale. The auction ran securely on the estate agent's website, enabling bidders to join and bid from anywhere around the world. Agents were able to monitor the bidders closely throughout the auction, view full bid details live and even see the strength of bidders' internet connection.

Result

Sale was a huge success.

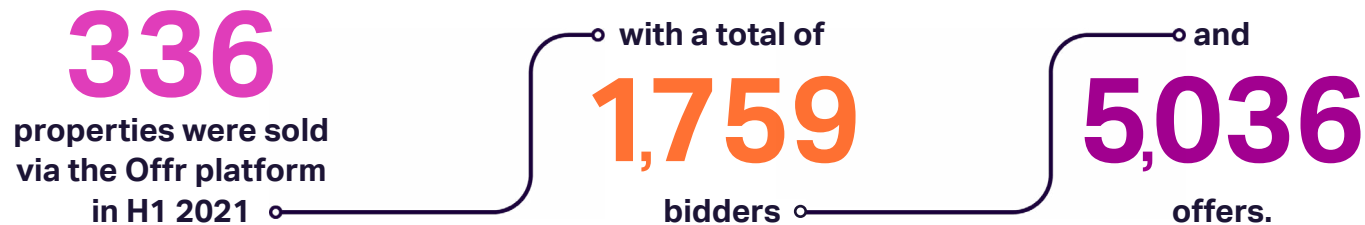
The auction secured the sale of the property at 61% above the reserve price, with 29 bids and 13 bidders extending to over 60 minutes.

Read more on the Offr product and how the team helped Sherry Fitzgerald host their first ever online auction.



The Offr team was there on hand the whole time ensuring that everything went smoothly. We have run numerous auctions since and all with great success and we hope to run many more in the future.

Eamon O'Flaherty



The role of estate agents will evolve, but not disappear

Although new technology will significantly shape the future of estate agencies, robots won't be running estate agencies anytime soon. While the transformation of the real estate industry is inevitable there is still great demand and value in human interactions. The buying and selling process of property is emotional, hence clients will take time to find an agent they like and trust. Online channels cannot entirely substitute in-person engagements – agents continue to play a critical role in transactions, offering bespoke attention to clients.

Many agents will continue to have a presence on the high street, at a smaller capacity, acting as a billboard to advertise themselves and their properties. There will be a shift to the 'on-the-go agent' to enable the rising proportion of sales completed remotely and online. Technology will automate many of the tasks currently carried out by agents, freeing up time to spend building those crucial client relations. (17)

Automation tools, such as virtual viewings, sales progression tools, e-signing software or self-service portals will be critical to the success of agents to provide oversight over core activities.





About Offr

Our mission

At Offr, we believe there is a better way to buy and sell property. A faster, more transparent way, where there is less uncertainty and stress. The fact is, the stress, uncertainty and longevity of buying and selling property are just products of an outdated, yet somehow accepted system. We made it our goal to address these problems. We developed one platform for everyone. An end to end, open solution which supports agents, buyers, sellers and solicitors.

[Find out more](#)

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[Book a demo](#)

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Place an Offer →

Download Contract →

234
Offers placed

Latest Offers

	Mark Smith £639,000	Accept Offer
	Jessica Rodgers £612,000	Accept Offer
	Frank Wilson £604,500	Accept Offer
	Jack Murtagh £601,000	Accept Offer

offr

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