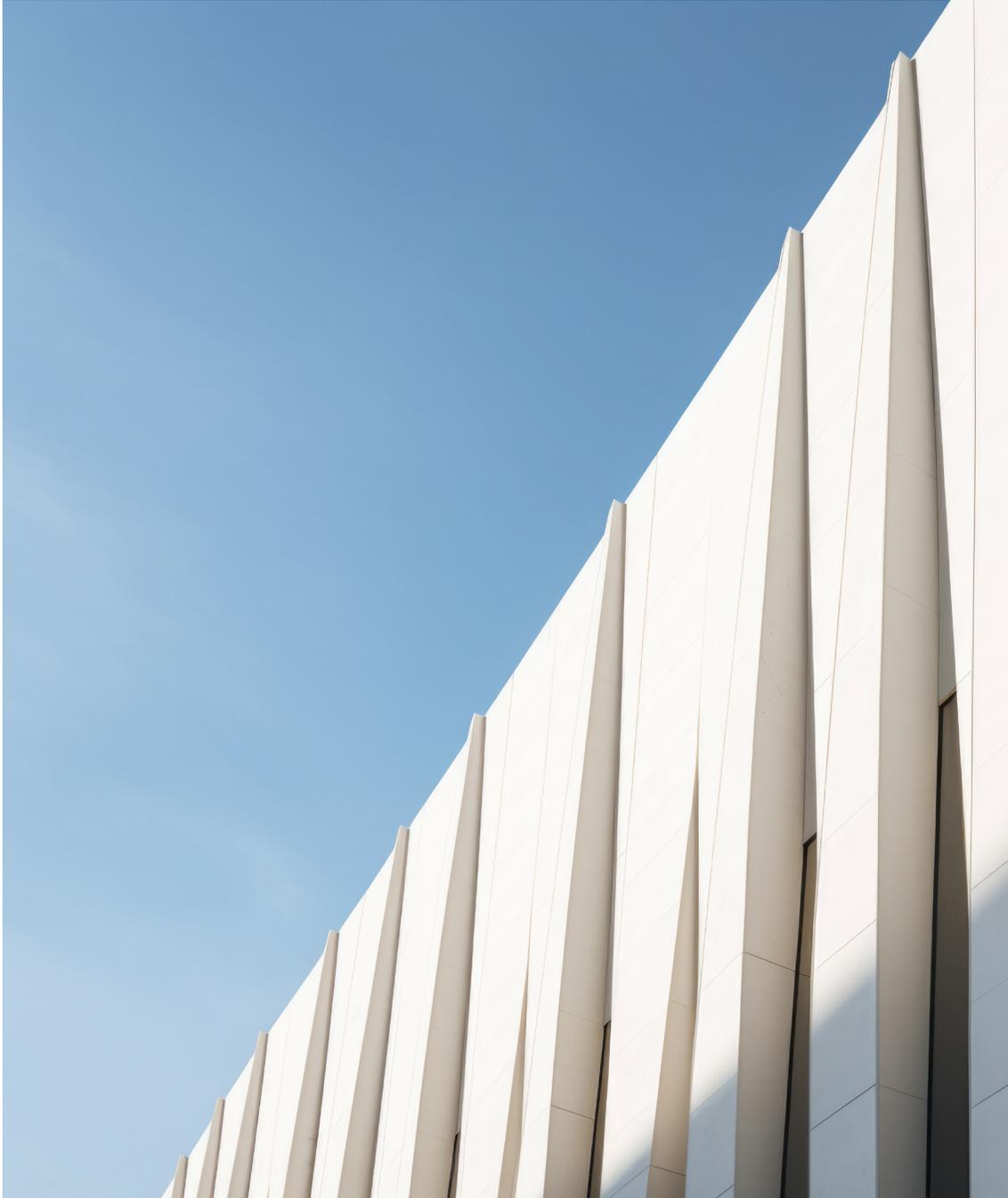




 EPRA
PROPTech
SURVEY 2024

The Adoption of Proptech in
European Listed Real Estate



Introduction

Real estate is one of the largest industries in the world. In 2024, the commercial property sector was estimated at **\$149.67 billion** (€138.49 billion) in the UK alone and has been supporting more than **2.6 million jobs** since 2022.

It was also projected to deliver **7 million square meters** (approximately 75.4 square feet) of new office space across Europe by the end of 2024. Therefore, improving operational efficiency is fundamental, not only to the real estate industry but to the economy too.

With technology constantly evolving, Yardi has partnered with the European Public Real Estate Association (EPRA) to gain up-to-date insight into property technology adoption in the real estate sector.

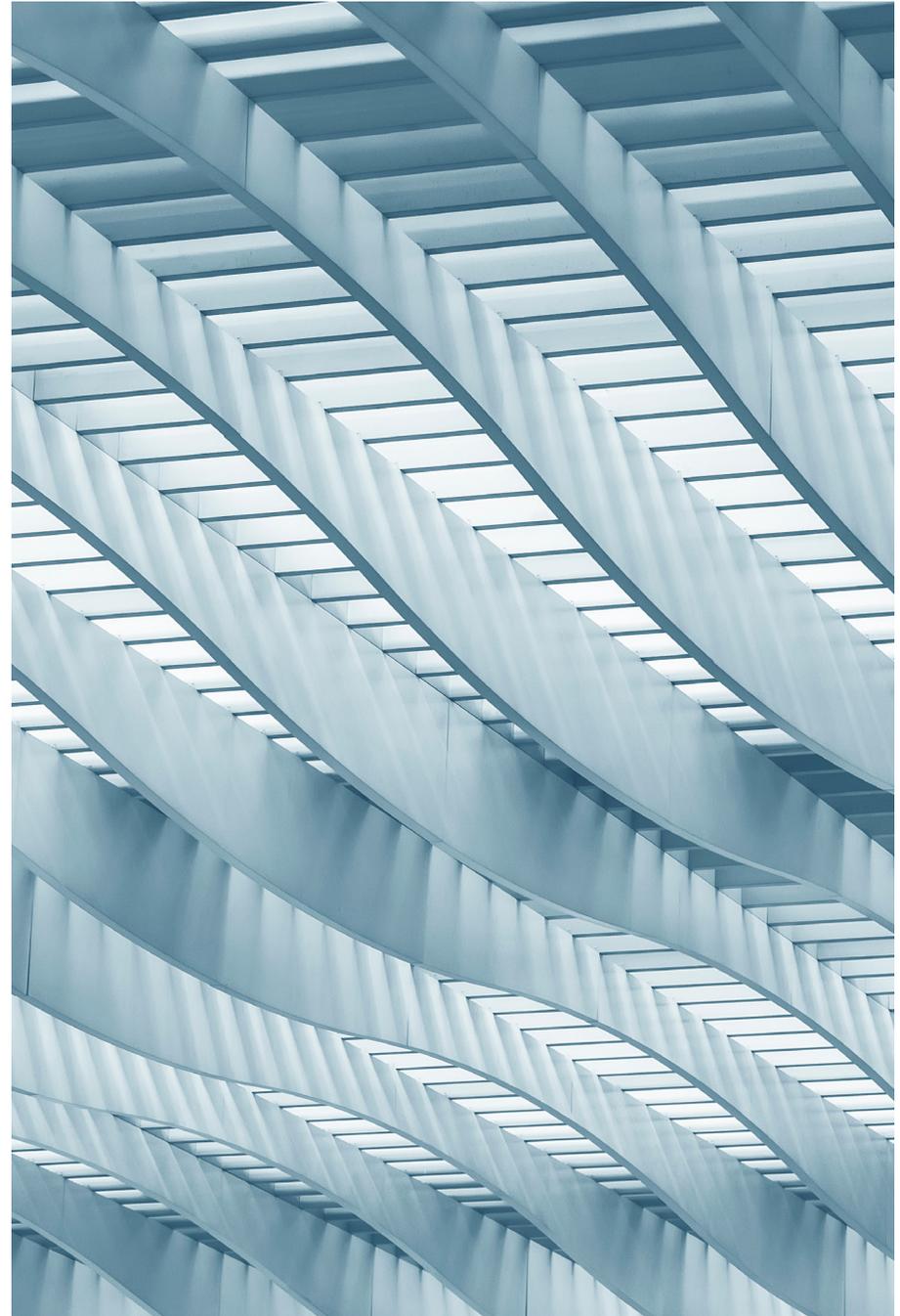
This survey measures the adoption and active use of property technology across pan-European regions. The survey was distributed by EPRA and completed voluntarily by real estate professionals across 26 countries in 2023.

The results were later shared with several experts and leaders in the property industry who offered additional insights into the findings.



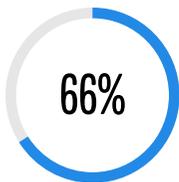
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Key Findings

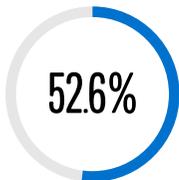
THE ATTITUDE



of respondents agreed that technology is still a business topic rather than an IT topic.

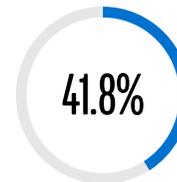


of participants state they need improved insights into asset and facility management operations (an increase of 46%).

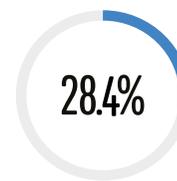


of participants reported having a dedicated internal tech team, whilst 7.5% (a fall of 18.5% since 2022) continue to outsource their tech solutions.

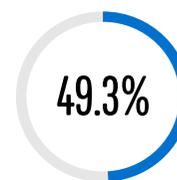
THE IMPACT



of businesses surveyed stated to be utilising 1-3 property technology solutions, signalling a shift in the attitude towards implementing a digital strategy.



of participants still believe that technology will have a significant impact on their company performance in the next five years.



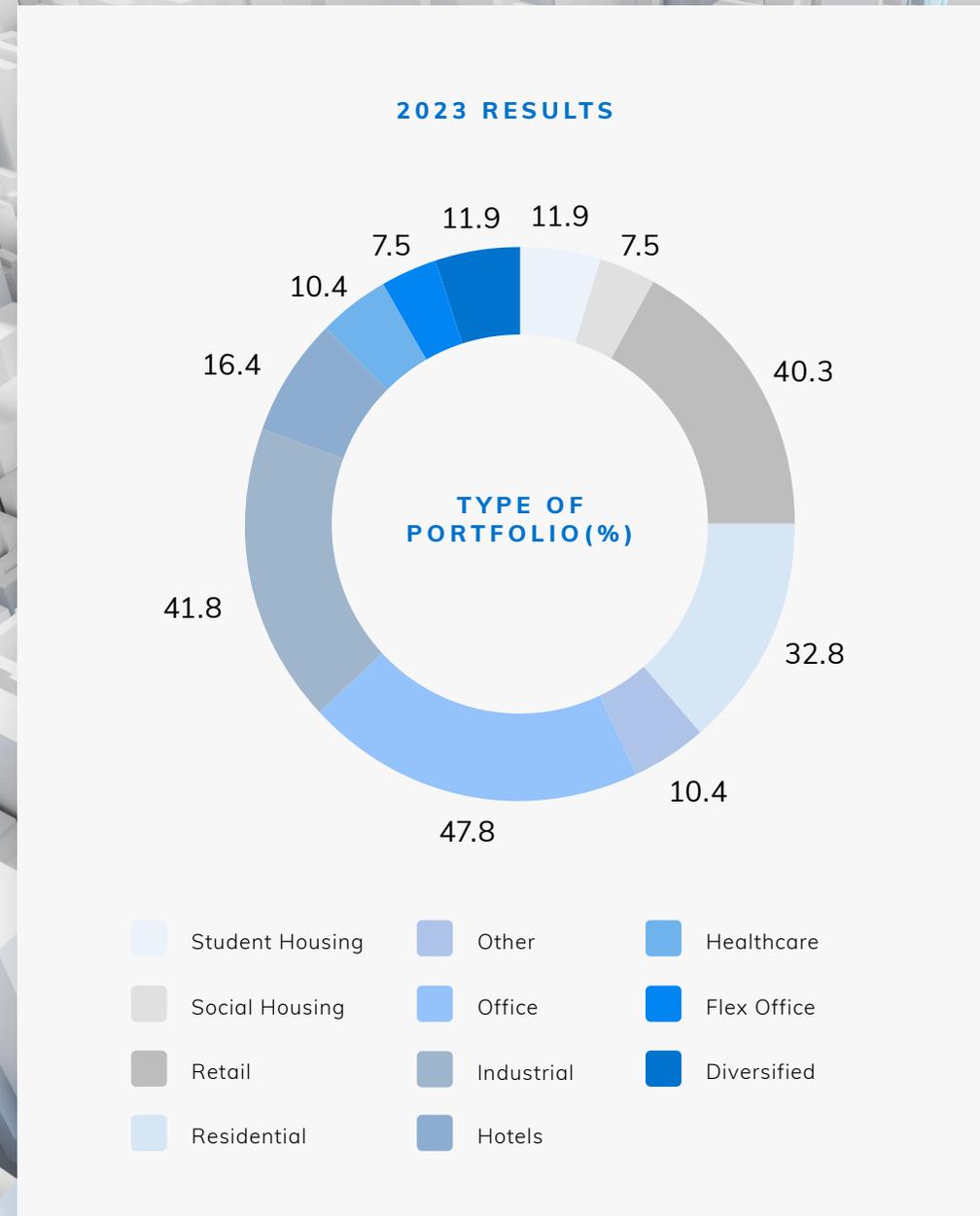
would like to see property technology improve on the management of market data (an increase of 9.3%) and focus less on the budgeting and forecasting process (down by 5.3% since 2022).

The Changing Market

Compared to EPRA 2022, the 2023 survey highlights how there has been a change in the European real estate market. The participants, boasting deep industry experience, have shifted their attention to residential assets.

There has been a 14% increase in residential portfolios since the EPRA 2022 Survey – over 33% of respondents now have a portfolio that is built up of residential units compared to 19% in 2022.

Similarly, student housing has increased by nearly 3% and industrial portfolios jumped by 20%. It is worth noting, that even though the market interest for offices has stayed the same, with a slight drop of 0.4%, it cannot be said for flex offices. Only 7.5% of participants in 2023 had a portfolio with flex office spaces, a 9% drop from 2022.





The Evolving Needs of Technology

Cloud vs On-Premises

In today's digital age, businesses rely heavily on software solutions to streamline their operational data and improve efficiency.

While on-premises software has been a traditional choice for many organisations, the question is, 'Is it still relevant?' Our survey has revisited this topic to identify how businesses have evolved their operational management processes since 2022.

Results show that over 71.6% utilise cloud-based technology for customer relationship management (CRM), 58.2% utilise accounting and finance cloud technology, and 68.7% use file management technology in the cloud.

Although the majority of participants are utilising cloud technology, when compared to 2022, there has been a slight decline in usage. For example, in 2022, 67.1% were using cloud-based accounting software, whereas this dropped to 58.2% in 2023. In addition, 37.3% stated they are using on-premises technology in 2023, which is up from 32.9% in 2022.

The survey results demonstrate how businesses are focused on improving customer related data, but there is still hesitancy around moving to the cloud for accounting and finance.

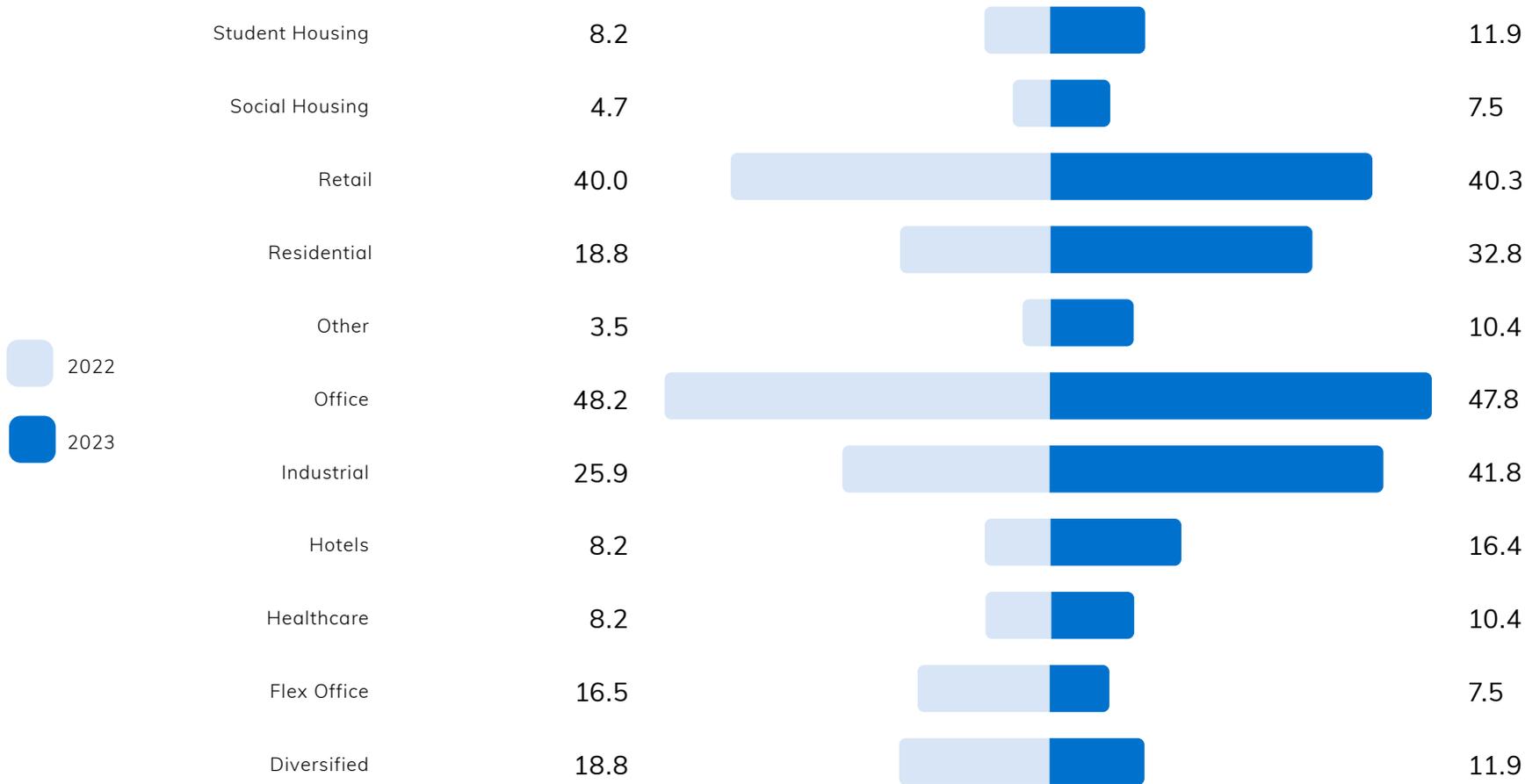


Property technology adoption is not about the selection of a feature-driven tool. PropTech adoption is a strategic business decision that drives the future of an organisation. It is about changing how an entire organisation operates. Investing in technology is fundamental, but businesses need to be prepared to undergo this process before they can get to the other side of innovation.



Richard Gerritsen
Senior Director
Yardi

**CLOUD & ON-PREMISES SOLUTIONS
2022 VS. 2023 (%)**



Does Digital Strategy Matter?

The acceleration of digitalisation and the uptake of technology in the real estate sector is flourishing, becoming a [strategic priority and competitive differentiator](#) for real estate companies, as highlighted in a recent [Ernst & Young article](#).

In 2022, when participants were asked “**What information does your company need improved insights to, to make better-informed decisions?**”, 21.2% said that they needed insights into their asset and facility management. However, when asked the same question in 2023, **67.2% stated that they need improved insights into their asset and facility management operations (an increase of 46%)**. 55.2% also said that they needed customer relationship details (an increase of 17.6% since 2022). While 53.7% highlighted that they needed Capex spending and optimisation – a further increase of 31.3%.

Therefore, despite the industry’s [slow adoption of technology](#) in recent years compared to other sectors, due to prioritisation and uncertainty of ROI, a shift is inevitably taking place. Having a digital strategy as part of your company’s operations is becoming vital. It facilitates a proactive mentality throughout the company and guarantees longevity/success.

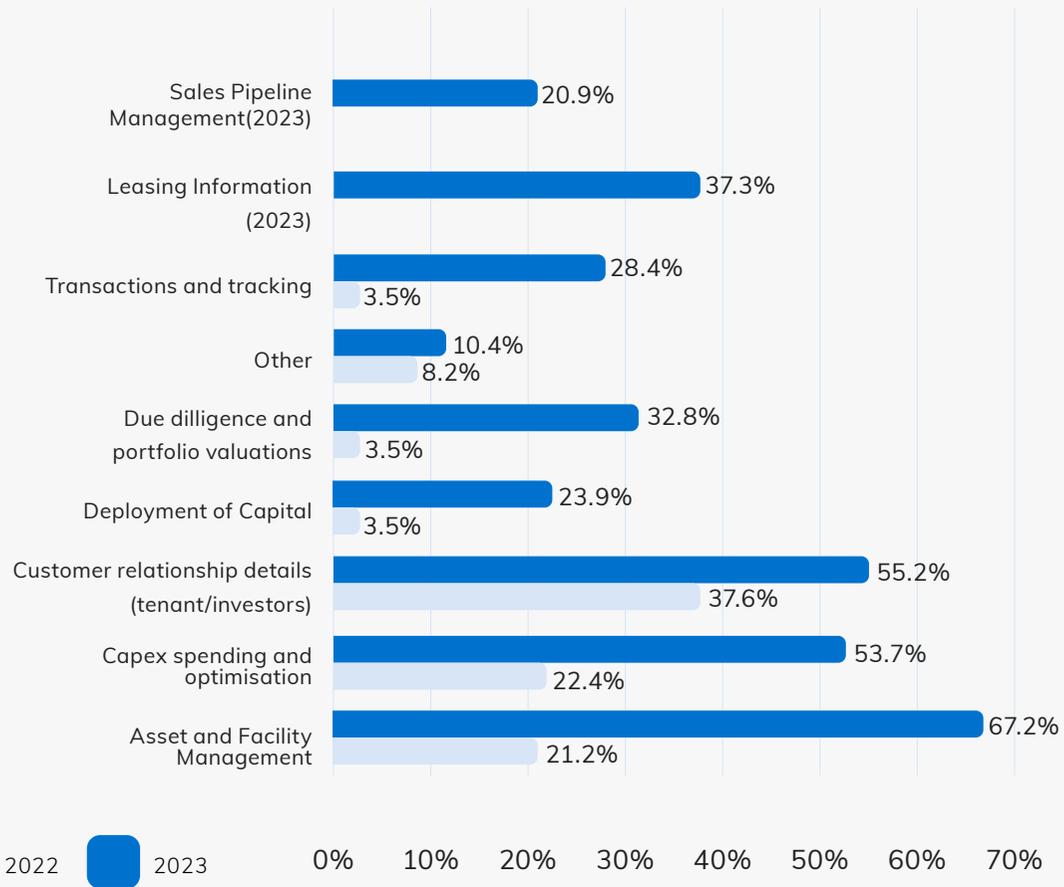
With 41.8% of businesses surveyed stating to be utilising 1-3 property technology solutions, it is no coincidence that the attitude towards implementing a digital strategy in-house has shifted. In 2022, 25.9% of real estate businesses outsourced their digital strategy. Whereas in our 2023 survey, only 7.5% of participants outsourced their tech products – with a further 52.2% responding to having a dedicated internal tech team – indicating a significant progression in the industry’s mindset towards digitalisation.



“ Digitalisation is key
for continued growth.”

Survey respondent

WHAT INFORMATION DOES YOUR COMPANY NEED IMPROVED INSIGHTS TO, TO MAKE BETTER-INFORMED DECISIONS? 2022 VS. 2023 (%)



The Impact of Technology

In 2023, 28.4% of those surveyed still believe that technology will have a significant impact on their company performance in the next five years. 17.9% believe technology has had an impact on their performance in the last five years – a downfall of 9.2% since last year. However, over 66% of participants still agree that technology is a business topic rather than an IT topic. And since 2022, European real estate companies have increased their use of proptech solutions by 9%.

However, as stated in a [recent survey from KPMG](#), “being intentional means being really clear about what value you intend to generate from the technology you deploy.” Hence, it is not just about investing and implementing technology but also about understanding how to utilise the data that comes from it.

Fundamentally, businesses need an integrated digital team that can thoroughly understand the questions that need answering and the problems that need solving – only then can they access the correct information and get the most from their data and technology.



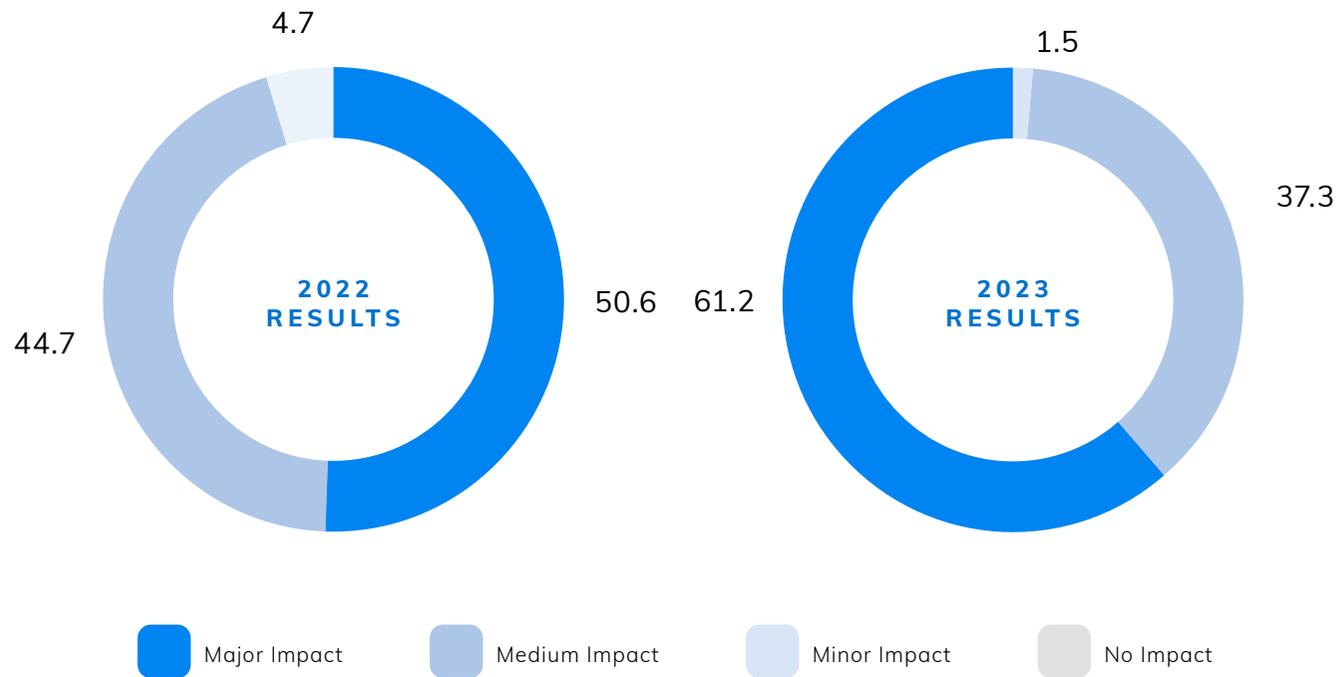
20 years ago, technology innovation was seen as an IT topic that had to be dealt with by an IT manager rather than the person responsible for the business strategy. So, it's great to see that most participants still recognise the adoption of technology as a business topic. Businesses today know that technology is required to run their business better. People are starting to take more interest in this topic and this is a positive change.



Richard Gerritsen
Senior Director
Yardi



EXPECTED IMPACT OF TECHNOLOGY ON
BUSINESS OVER THE NEXT 5 YEARS
2022 VS. 2023 (%)



“

The EPRA Proptech Survey 2024 reveals the need to transform European real estate, with technological innovation at its forefront. This report underscores the sector's commitment to integrating advanced technology solutions, driving efficiency, and shaping a smarter, more sustainable industry. As we navigate this digital evolution, the potential for growth and improved performance is boundless.

”



Iskren Marinov
EPRA Index Analyst, Membership Manager
& Proptech Committee Member



Thinking Beyond Tech Adoption

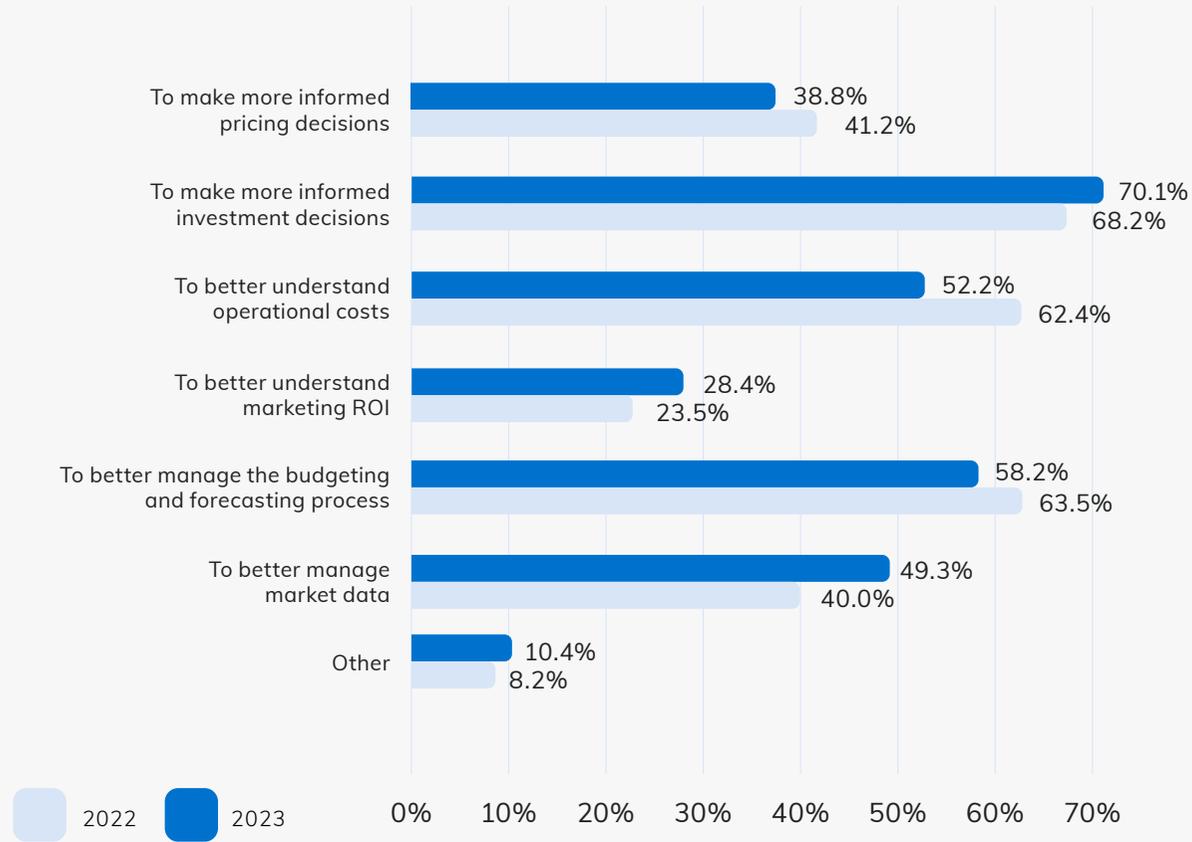
The urgency behind digital evolution has led many real estate companies towards reactive solutions to digitise their operations. Thus, 70.1% have emphasised that they want to make more informed investment decisions when it comes to technology.

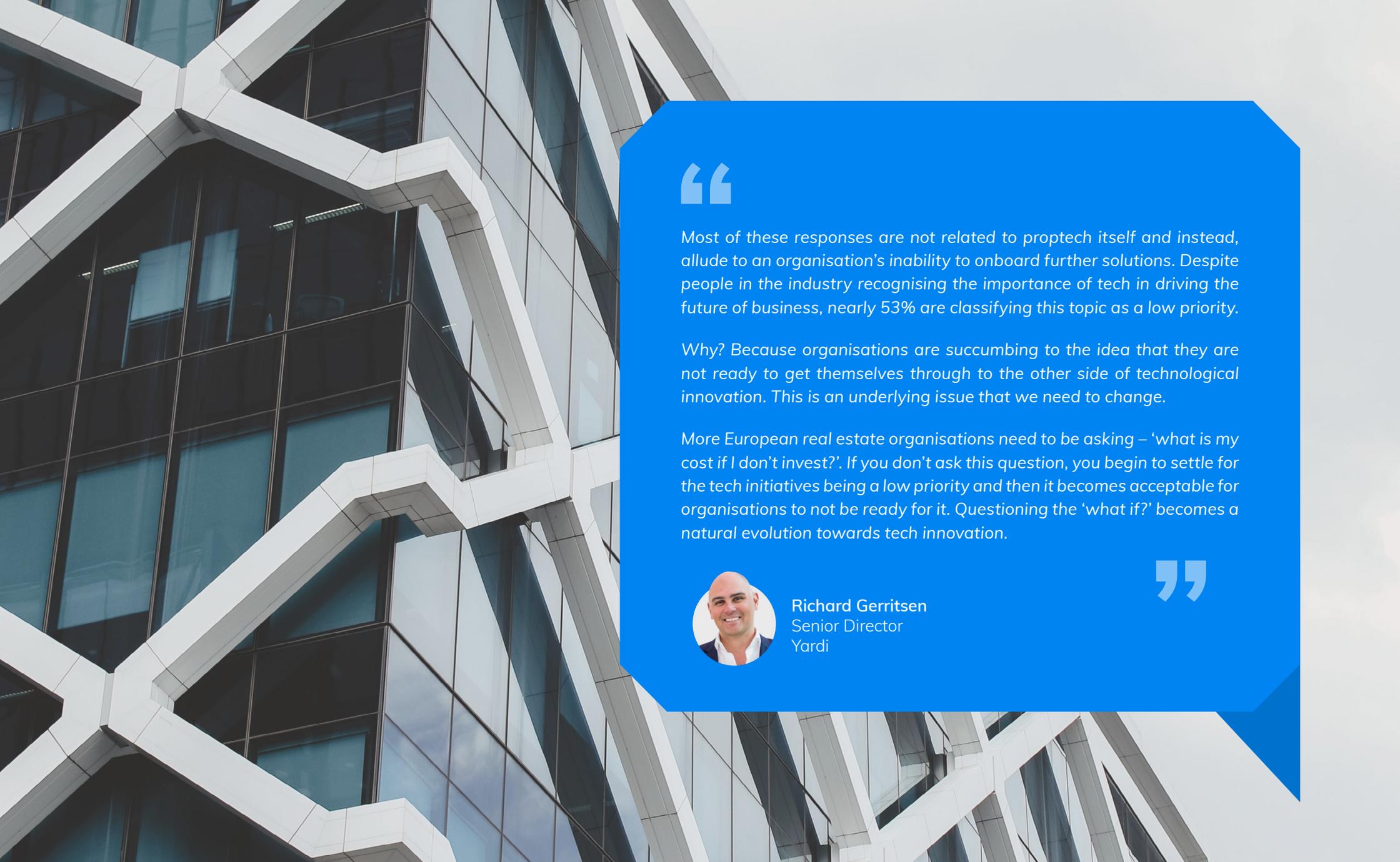
While investing in property technology means effective use of data, 49.3% would like to see property technology improve on the management of market data (an increase of 9.3%) and focus less on the budgeting and forecasting process (down by 5.3% since 2022).

Furthermore, although 41.8% previously stated that they are currently utilising 1-3 property technologies, there is still a reluctance to adopt property technology amongst most of the participants. Additionally, 70.1% are not utilising AI in their business.

When asked “**What has prevented your company from implementing more proptech solutions?**” 52.2% (an increase of 6.3%) replied stating that technology was a low priority for them when considering other business initiatives. An additional 38.8% (an increase of 7% since 2022) claimed that they were hesitant to implement property technologies due to the unclear nature of return on investment (ROI).

WHAT IMPROVEMENTS DO YOU WANT WITH MORE EFFECTIVE DATA? 2022 VS. 2023 (%)





“

Most of these responses are not related to proptech itself and instead, allude to an organisation's inability to onboard further solutions. Despite people in the industry recognising the importance of tech in driving the future of business, nearly 53% are classifying this topic as a low priority.

Why? Because organisations are succumbing to the idea that they are not ready to get themselves through to the other side of technological innovation. This is an underlying issue that we need to change.

More European real estate organisations need to be asking – ‘what is my cost if I don't invest?’. If you don't ask this question, you begin to settle for the tech initiatives being a low priority and then it becomes acceptable for organisations to not be ready for it. Questioning the ‘what if?’ becomes a natural evolution towards tech innovation.

”



Richard Gerritsen
Senior Director
Yardi

Despite the hesitation to invest in property technology, it is worth mentioning that over 67.2% still anticipate technology to have a major impact on their business in the next five years. As supported by [Forbes](#),

“The truth is that the fusion of real estate and technology is rewriting the rules of the game. For entrepreneurs and investors alike, embracing these technological advancements is not just an option; it’s necessary to thrive in the ever-evolving world of real estate.”

The sector is now at a major turning point in its transformation. With low prioritisation and unclear knowledge of ROI at the forefront, companies need to be educated further on the benefits of utilising property technology.



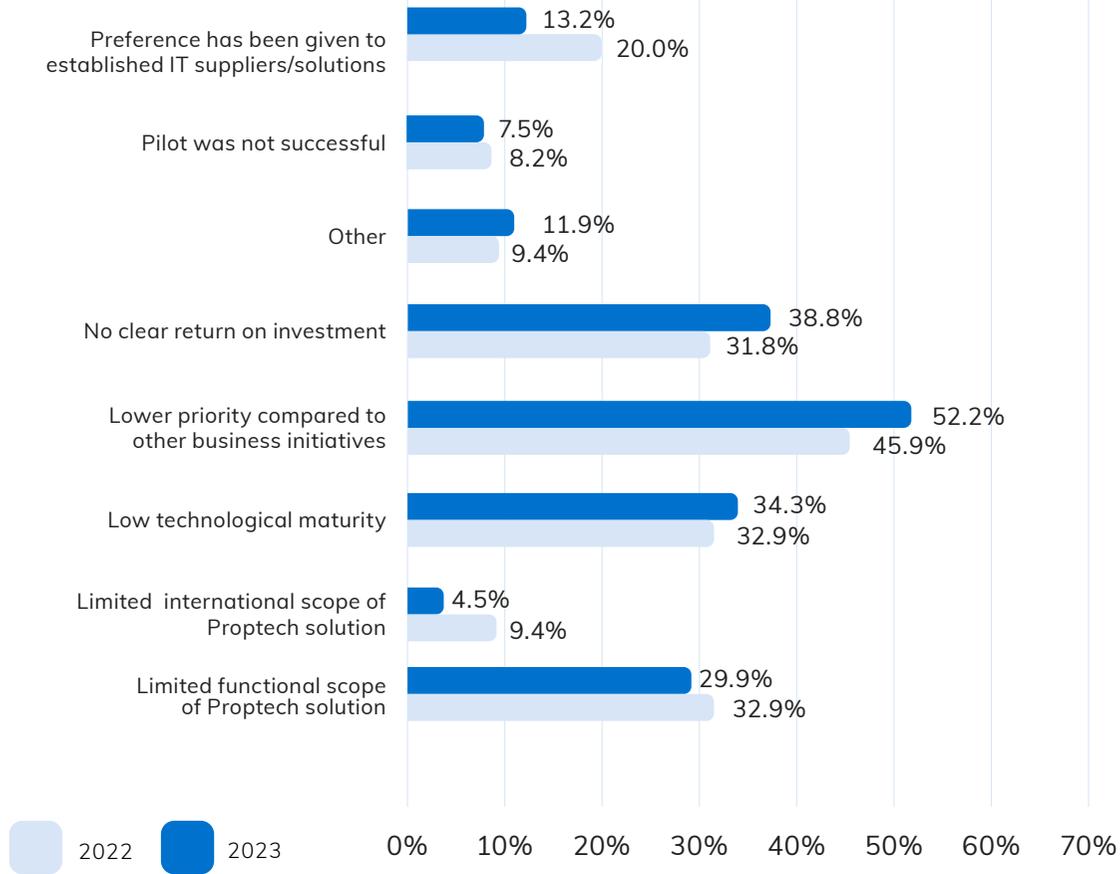
The ‘Cost of Doing Nothing’ with technology is escalating as AI is questioning raison d’être, business models and business operations in the real estate industry.



Honoré Achille Simo
Executive Director
JLL



WHAT HAS PREVENTED YOUR COMPANY FROM IMPLEMENTING MORE PROPTech SOLUTIONS?



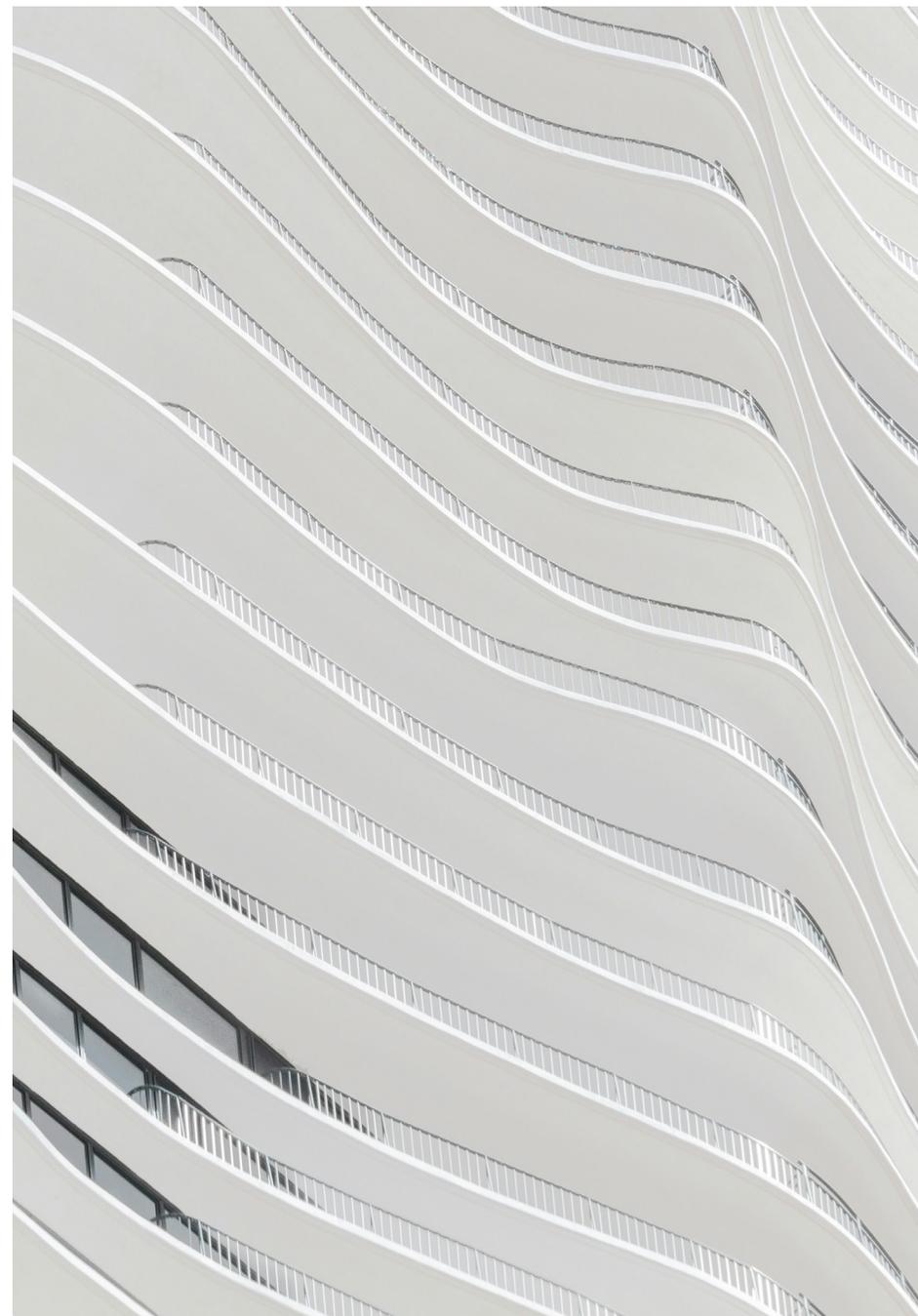
About Yardi

Established in 1984, Yardi has grown to become the leading provider of high-performance software solutions for the real estate industry. Yardi® develops and supports industry-leading investment and property management software for all types and sizes of real estate companies. With over 9,500 employees, Yardi is working with clients globally to drive significant innovation in the real estate industry.

About European Public Real Estate Association (EPRA)

EPRA, the European Public Real Estate Association, is the voice of the publicly traded European real estate sector. Founded in 1999, EPRA is a not-for-profit association registered in Belgium. With more than 290 members, covering the whole spectrum of the listed real estate industry (companies, investors and their stakeholders), EPRA represents over EUR 840 billion of real estate assets and 95% of the market capitalisation of the FTSE EPRA Nareit Europe Index.

EPRA's mission is to promote, develop and represent the European public real estate sector. We achieve this through the provision of better information to investors and stakeholders, active involvement in the public and political debate, promotion of best practices and the cohesion and strengthening of the industry.





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