The ongoing increased adoption of digital technologies has led to a world that is more connected than ever before. A constant use of websites, social media and other online services creates a huge amount of data, much of which is not utilized. A newly founded company in Gothenburg seeks to use this information revolutionize the way real estates are being advertised around the world.

With the increased adoption of internet and rise of social medias PropTech Inc. realized a great untapped potential for the residential market to move forward in the digital era. In an interview with the CEO at PropTech Inc. he gave some insights to the company idea:

- We felt there was a lack of smart and easy ways for real estate agencies to use social media advertisements to its full potential. Our idea was to create a tool that would help real estate agencies optimize their marketing efforts on social media channels.

Since the product is a digital marketing tool for real estate agencies the use of internet and it’s adoption is of great importance for the company to succeed. According to a new study made by Lamudi, Latin America is currently the continent with the fastest internet adoption, which makes the region interesting for the company.

PropTech Inc. has therefore contacted a group of students at Chalmers University of Technology to make a market research to investigate both the use of social medias and the residential markets in Latin America. Didar Jalal, a key person in the group, explains the results of the study without going into detail:

- We realized quite early in the process that the market had great potential even though the selling process in most of the regions differed quite a lot from the markets that PropTech Inc. currently operates in, the main difference being the degree of exclusivity in the region.

He further explains exclusivity as the exclusive right that a real estate agency gets to sell a property on behalf of the owner. This means that no other real estate agency is allowed to sell the property and that the agency with exclusivity does not have to compete against other agencies. According to Didar this is a key factor for PropTech Inc., as real estate agents do not have any incentives to market their real estate if they do not have the exclusive right to sell a property.

- The degree of exclusivity in the market made us look for other market segments such as property portals and real estate developers, which are not affected by the aforementioned parameter, Didar explains.

When analyzing the degree of exclusivity as well as other key factors that would affect the market entrance the students noticed that two markets in Latin America turned out to be more attractive for PropTech Inc.: Argentina’s real estate agencies and Brazil’s real estate developers.

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