



DATA

Why you should trust the role of **data tech** in the era of **distrust**

JOHN CUCKA, Kantar TNS, discusses how technology
and data can revolutionise the property industry.



Technology is evolving and reshaping the way we live.

The continual advent of new technologies is revealing patterns and trends identifying human behaviour and interactions that can revolutionise the property industry – insights that can be used by you and by the systems themselves. The potential for proptech and big data is very exciting indeed.

For example, did you know the Australian Government is releasing more non-sensitive public data for private sector innovation under its National Innovation and Science Agenda to improve service delivery and to inform policy? Yet be aware, Aussies are very sceptical – *Kantar TNS's 2018 Connected Life research* found almost half of us (47 per cent) do not have confidence the Government uses its data to provide us with better services.

With the rapid scale of smart technology infiltrating our lives, it's also making many Australians uncomfortable. Kantar also found 54 per cent of Australians object to their activities being monitored by a connected device – even if it makes their lives easier; and 56 per cent of Australian are concerned with the amount of information companies have on them.

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Google 50 million Euros (AUD\$79.4 million) for breaches of the General Data Protection Regulation (GDPR), the first fine to be levied since the act came into effect in May 2018. The National Data Protection Commission (CNIL) charged Google with violating transparency and information rules around user information, as well as a lack of valid consent around ad personalisation. This follows the UK Information Commissioner's Office (ICO) fining Facebook £500,000 for 'serious breaches of data protection law' last year, under old legislation. The fine related to the Cambridge Analytica scandal, when more than 310,000 Australians may have had their data improperly shared with Cambridge Analytica. Similar regulation in Australia is inevitable, with the Privacy Act already in place and currently undergoing a review.

So, how do you optimise proptech and the opportunities big data provides in this era of distrust, and where a single data breach, badly handled, can mean the end of business?

AUGMENTED REALITY IS NOW JUST THAT. A REALITY. BUT DON'T FEAR THE DATA

Data is now available at everyone's fingertips. Historically, we've looked at data as through a rear-view mirror, and though we've used reasoning to assume that under similar data conditions the future will look like

the past, the proliferation of data and advanced analytics methods are pushing us towards predictive outputs – identifying the trend before it happens. It provides opportunities to make beneficial decisions not just before it's too late, but so that you achieve the maximum benefit.

Proptech is changing how buildings are constructed, managed and traded. The wide net of property technologies ranges from artificial intelligence (AI) and machine learning to predictive analytics, virtual reality (VR) applications, blockchain, data analytics and the Internet of Things (IoT). They are all heavily influencing how we invest in, engage with and occupy property. For example, VR can enhance the visualisation process for architects, brokers and buyers; blockchain technology can improve transparency demanded by investors, while AI tools can simplify data quicker than you can say AI.

While 'big data' is the huge amounts of unstructured and structured data collected by organisations on-going; when its filtered, contextualised and optimised for insights it is known as 'smart data'. And the global 'smart data' market is expected to grow at a compound annual growth rate of 14 per cent till 2022².



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PREDICTIVE ANALYTICS IN PARTICULAR IS A PROPERTY DEVELOPER'S GOLDEN NUGGET

Consider what information you would like to live on your desktop or mobile device for real-time info to hand when dealing with vendors, clients and investors. It's in fact now or near to a reality.

Predicted (pardon the pun) to register a compound annual growth rate of close to 23 per cent by 2022³, predictive analytics can help define a unified view of your customers and determine the best use of a property and its location. This technology allows identification of not just the general geographic or temporal trends, but rather the specific timing to start developments ahead of the economic shifts, with geographic specificity that takes into account more (and more detailed) information.

One of the major drivers for predictive analytics is also the increasing demand for cybersecurity. Fraud detection, cyber threats and scams, data security and privacy all drive

the market for predictive analytics. Think of the impact the investment in this space will have on the property industry, for example in enhancing the usage of blockchain agreements. The banking industry globally is already utilising this for contracts, and late last year it was announced that Australia's first cross-industry, large-scale, digital platform to enable Australian businesses to collaborate using blockchain-based smart legal contracts is being built.⁴

TO GET THE MOST OF DATA, YOU MUST MOVE IT TO THE HEART OF YOUR BUSINESS

Traditionally there's been a shortage of skills and a lack of belief or even suspicion of the value of data. And it's not just small businesses – even big businesses with departments dedicated to the collection, analysis and dissemination of data analytics struggle to get the buy in of decision-makers at the very top and very bottom. At the top end, this is changing with new roles such as Chief Data Officer and at the bottom with a drive towards more accessible data vision tools such as dashboards and user-friendly query interfaces.

We can also expect to move away from putting all the data into one place and instead looking to integrate it for one story, with visual, live, interactive technologies creating opportunities to transform the boardroom.

SO, WHAT ARE YOU DOING IN YOUR BUSINESS TO CAPITALISE ON BIG DATA AND PROPTech?

No matter your size, done right it has the ability to transform opportunities into the smart future and help regain client trust. Can you afford to not be trusting the role of data tech and analytics to grow your business and push through the sea of distrust to connect with clients? The businesses that embrace this change will thrive. The businesses that don't, run the risk of stagnating.

There is no doubt data has the ability to completely transform the property industry and change property business for the better. Between AI, AR, VR, blockchain, data, predictive analytics, and more, the way experts design, develop, value, buy, and sell property will be forever changed.

But far from being an uncertain time, this age of technology can revolutionise property - for the better, allowing savvy property professionals to thrive. ●

¹ <https://infrastructure.gov.au/cities/smart-cities/plan/index.aspx>
² <https://www.apnews.com/3789daf591904addaaebdbde0c830d43>
³ <https://www.businesswire.com/news/home/20190109005601/en/Global-Predictive-Analytics-Market-2018-2022-Record-CAGR>
⁴ <https://www.csiro.au/en/News/News-releases/2018/New-blockchain-based-smart-legal-contracts>