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Mobile technology and the future of construction rental

Leasing construction equipment is often a costly and time-consuming process. The equipment needs to be sourced, contracts need to be drawn up and signed, and delivery needs to be arranged. Getting the best deal might involve looking up dozens of potential providers to get quotes.

Those “in-the-know” in the industry may have the contacts in the firms in their area to streamline this process. What about newer operators who don't have that advantage?

On the equipment providers' side, how can a new equipment provider without a presence in the market hope to compete? General advertising is expensive and probably inappropriate for such a niche market, and advertising in the various specialist magazines and online publications is time-consuming and hardly a guarantee of increased business.

However, modern technology is changing the construction equipment rental landscape by allowing customers to quickly access information on availability and price. San Francisco-based company Getable (www.getable.com) was an early entrant onto the scene, launching its web-based “equipment rental concierge” service in 2010. With the ever-increasing use of smartphones on-site it was inevitable that this service would eventually go mobile, and it can now be accessed via smartphone app.

As the concept spreads worldwide, the user-experience is becoming more streamlined while the underlying technology becomes more sophisticated.

The 2015 German start-up “klarx” (www.klarx.de) in a mobile app and web service that operates using an array of behind-the-scenes automation – by collecting satellite navigation data it can find the closest available equipment and the nearest driver who can deliver it. An algorithm can predict the time of delivery and the app can provide users with live updates.

2016 start-up Idle Australia (www.idleaustralia.com.au) was set up to provide a slightly different web-based service which allows individuals and companies that own equipment as part of their daily operations to rent it out when it is not in use. The service went mobile in March 2017. After signing up online, companies simply list what equipment they have available and how much they want for it. Renters can search the system to immediately see a list of available equipment with completely transparent and fixed prices and make orders at the touch of a button. The system is reminiscent of AirBnB, the popular website and app which allows people to quickly and easily rent out spare rooms or empty homes.

By providing greater price transparency and market access modern technology can lower the barrier of entry into the construction rental market and make it more competitive. In the long run, existing equipment suppliers will have to adapt to the pace of technological progress if they are to remain competitive and survive.

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