



The Effects and Interconnected Roles of FinTech Crowdfunding and PropTech Innovation for Entrepreneurship in the UAE Real Estate Sector: A Stakeholder Perspective

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ABSTRACT

Entrepreneurs gain financial benefits and return on investment from preordering and profit-sharing crowdfunding using technological platforms. This digital transformation significantly shapes the perspectives and approaches of entrepreneurs, particularly in their interactions with regulators, who are key stakeholders alongside financial institutions, crowdfunding platforms, and PropTech ventures. This conceptual paper uses stakeholder theory to merge PropTech and FinTech crowdsourcing to benefit stakeholders. Building an entrepreneurial behavioral model from a variety of propositions should help diverse stakeholders benefit from and understand the real estate industry's transformation. This transition affects entrepreneurs' attitudes and methods, including contacts with regulators, one of the important stakeholders, along with financial institutions, crowdfunding platforms, and PropTech entrepreneurship.

Keywords: FinTech, PropTech, Entrepreneurs, Behaviors, Strategies, Innovation, UAE, Stakeholders, Business Model

JEL Classifications: A1, A12

1. INTRODUCTION

In recent years, an entrepreneur has obtained funding from a diverse group of individuals, commonly referred to as the “crowd.” In this model, each investor contributes a small amount of money rather than relying on a few larger creditors. This approach highlights the connection between FinTech crowdfunding and PropTech within the real estate industry. The UAE's FinTech sector has experienced rapid growth, and the MENA region has become the largest FinTech hub for startups, driven by several key factors. The sector has flourished due to national visions and the growth of a government-supported ecosystem. The establishment of financial free zones, along with supportive initiatives and policies such as regulatory sandboxes and accelerator programs, has played a vital role in this development (Dubai Financial Services Authority, 2024). Investment funds have also been launched to stimulate

growth. The private sector is keen to collaborate with innovative FinTech startups, and there is a young, tech-savvy population in the UAE and the broader region that is eager to adopt the latest innovations in financial services (Zarrouk et al., 2021). DubaiNext is the first official governmental online crowdfunding platform. Dubai SME operates the non-profit platform DubaiNext to support ideas and startups in Dubai, enabling individuals from diverse nationalities to realize their innovative and ambitious ideas (Dubai Next, 2024). Dubai SME has been designated the most prominent FinTech hub for startups in all MENA countries. For example, in 2019, it hosted the highest proportion of FinTech startups in this region (46%); It was home to 47% of all FinTech deals and received 69% of total funding (Zarrouk et al., 2021).

PropTech involves integrating technology with real estate, utilizing emerging information and communication technologies across

various real estate sectors to improve industry efficiency and foster innovative development opportunities (Lee et al., 2023). Additionally, it is expected to increasingly impact the future of the real estate industry and may face disruptions that could impact the world's oldest and largest real estate companies. For example, Bittini et al. (2022) identified several benefits of PropTech innovation technology: (1) The role of real estate is becoming increasingly important in the financial, commercial, and residential sectors. (2) effectively adapts the process of managing a business model, and (3) decreases operating expenses and increases return on investment (ROI) or entrepreneurship revenue. In recent years, the real estate industry has played a vital role in driving comprehensive economic development in the Emirate of Dubai. This sector has significantly contributed to the national income, with its impact on gross domestic product (GDP) growth reaching over 14% in some years. In the first half of 2020, the real estate industry's contribution to Dubai's GDP was 8.2%, up from 7.4% in 2019. However, despite this increased contribution, the industry's growth rate declined by 3.5% (Dubai Land Department, 2022). Interpreting banking developments in terms of domestic credit distribution by economic activity, we found that the real estate industry received an 8.1% increase in credit, reaching AED 265.7 billion in 2020 (Ministry of Economy, 2022).

Regrettably, entrepreneurs continue to lack funding in various aspects of entrepreneurship and investment, partially due to the inadequacy of their startups' value in attracting financial investors, and partially due to their limited or unsuccessful attempts to persuade investors to provide funding. Entrepreneurs focus instead on crowdfunding, which has become a valuable alternative funding source for entrepreneurs seeking external financing (Belleflamme et al., 2014). In the entrepreneurship literature, it has been argued that contemporary entrepreneurship promotes sustainable business growth by drawing on crowd capital, including the strategic use of FinTech (Du et al., 2024; McCaffrey, 2024; Ayman, 2020). In this context, it is important to ask how FinTech crowdfunding practices influence property technology (PropTech) and entrepreneurs in the UAE?

Business models flourish by integrating digital transformations, which improve financial decision-making and mitigate risks. A wide range of technological tools empowers businesses to provide effective and efficient services to customers and stakeholders (Mets, 2022). For example, tech utilization can enhance operational processes, optimize resource allocation, and improve overall performance in the real estate sector. In this context, digital entrepreneurship is an important route to success.

Researchers have analyzed the effective behaviors of entrepreneurs, such as their propensities to seize opportunities and to create and grow ventures. These behaviors result from combinations of traits, knowledge, skills, motivations, and emotions (Bird et al., 2012). Entrepreneurs strategically use PropTech innovations to secure financing rounds by evaluating crowd interest (McCann & Vroom, 2015). However, entrepreneurship is not solely about ideas; it is shaped by choices made by decision-makers, which impact startups, crowds, and FinTech crowdfunding operators. Successful entrepreneurial behavior involves innovation, risk management,

and the empowerment of followers in dynamic environments (Renko et al., 2015). Entrepreneurs determine how willing potential crowds are to invest by carefully evaluating the frequency of their provision of additional financing rounds. The strategic behaviors of entrepreneurs are pivotal in growing their organizations in the entrepreneurial economy (Koryak et al., 2015). These behaviors must be developed, tested, and ideally supported by stakeholders, FinTech crowdfunding, and PropTech innovation platforms. The core entrepreneurial behavior is to leverage innovations in order to seize opportunities while taking personal responsibility, balancing risks, and empowering others to think and act independently in dynamic environments (Fries et al., 2021).

The dynamic nature of entrepreneurial ventures necessitates adaptable organizational structures and processes. As they pivot toward better business models or pursue growth, entrepreneurs must navigate paradoxes and tensions: (1) Entrepreneurship faces limited resource endowments due to scarce resources, attention, and organizational routines, which likely heightens the paradoxes encountered by entrepreneurs; (2) most entrepreneurship is owned and managed by one individual or a tiny group, who make nearly all strategic decisions as they adapt to better business models or pursue growth (Leitch and Volery, 2017; Volery et al., 2015). In new ventures, entrepreneurs who aim to capitalize on technology must exhibit change-oriented behavior, including advocating for change, envisioning innovations, and facilitating collective learning (Cai et al., 2019). Confidence in their individual abilities provides internal motivation for entrepreneurs to tackle goals and challenges (Newman et al., 2019).

In the context of the UAE, the interconnected roles of FinTech and PropTech significantly impact entrepreneurial behaviors and strategies. These two domains have jointly transformed the real estate industry. Understanding how entrepreneurs interact with regulators while capitalizing on these resources is crucial. The UAE, particularly Dubai, harbors a vital population for entrepreneurial research. Investigating the reasons behind entrepreneurial behaviors that facilitate capitalization is essential, given that stakeholder contributions shape FinTech crowdfunding and PropTech. Additionally, exploring the impact of FinTech crowdfunding practices on PropTech and entrepreneurs in the UAE provides valuable insights. By evaluating specific PropTech services and ensuring sustained transaction efficiency, this research can help stakeholders enhance the real estate ecosystem (Troise et al., 2021; Kim et al., 2022). These two approaches to crowdfunding have been interpreted as mutually exclusive. Entrepreneurs may seek financing across multiple platforms at the same time, integrating both strategies. A crucial area for future modeling is enabling entrepreneurs to find the best combination of equity-based and reward-based crowdfunding (Belleflamme et al., 2014). However, there are a few gaps in the existing entrepreneurship literature that need to be addressed in terms of the emergence of technological innovation.

First, the characteristics of FinTech crowdfunding and PropTech and their roles in facilitating the entrepreneurs in the UAE need to be examined. Specifically, it would be helpful to identify obstacles to the adoption of FinTech by stakeholders and

regulators (Albarrak and Alokley, 2021). Furthermore, growth in size and participation necessitates a focus on stakeholders, the development of new off-plan projects, and transparency in asset verification, along with establishing an appropriate capital structure (Shahrokhi and Parhizgari, 2019). This paper identifies the challenges to examining FinTech adoption from the viewpoint of FinTech providers. Additionally, incorporating demographic factors, such as investment preferences and goals, can enhance the understanding of stakeholder behavior (Bouteraa et al., 2023). Earlier studies have focused on the specific characteristics of entrepreneurs' behavior and their impact on digital readiness (Pingali et al., 2023), while research on crowds has preferred to explore whether this match between stakeholders' creativity and responses to specific scenarios: (1) Due to a knowledge asymmetry between idea-seeking entrepreneurs and crowd participants, crowdfunding platforms reveal their preferences; (2) crowdfunding platforms facilitate the generation of crowd ideas by lowering the cognitive burden associated with problem-solving, yet experts theorize that the cost of participation plays a crucial role in crowdsourcing and (3) diverse individuals can establish connections with a broad range of knowledge domains, thereby facilitating the exploration of crowd idea generation processes. This process implicitly emphasizes the diversity of example ideas and the variance of beneficial ideas, a concept that also applies to crowds (Malhotra and Malhotra, 2023). Therefore, we will explore whether regulatory policies on FinTech and PropTech correlate with entrepreneurs' behaviors in different patterns of productivity.

Second, from the regulator's perspective, governments and industry must collaborate to enhance entrepreneurial access to financial resources, which will enable them to grow their businesses sustainably in the long run (Wonglimpiyarat, 2018). It is essential for the government to establish credibility and trust within online communities. An online web-based platform for crowdfunding, supported by the Internet and social media, can significantly enhance entrepreneurs' fundraising efforts. Furthermore, governments should implement regulations that effectively protect stakeholders, entrepreneurial businesses, and the real estate industry (Wonglimpiyarat, 2018). Researchers have studied how regulations in various Emirates influence the development and success of real estate crowdfunding (Borrero-Domínguez et al., 2020), connecting this topic with ongoing research on platforms and two-sided markets (Belleflamme et al., 2014).

Third, from a stakeholder perspective, there remains a lack of conceptual and empirical understanding regarding the dynamics and mechanisms through which multiple actors influence entrepreneurial behavior. Despite the UAE's progress in building a supportive entrepreneurial ecosystem—with strong government backing, financial infrastructure, and regulatory frameworks—the role and coordination of non-governmental stakeholders remain limited. A clearer understanding is needed of how stakeholder dynamics shape entrepreneurial behavior, especially in emerging technology sectors like FinTech and PropTech. While a top-down vision exists, horizontal collaboration among actors such as startups, investors, academia, and regulators are often fragmented, reducing ecosystem efficiency and adaptability (Stam, 2015; Audretsch et al., 2023).

Collaborative innovation thrives on stakeholder diversity and integration, yet few mechanisms exist to facilitate cross-sector communication and feedback loops. As Freeman (1984) emphasizes, stakeholder relationships are foundational for strategic outcomes, and recent research highlights the value of inclusive engagement for innovation-driven ecosystems (Ozdemir et al., 2023). Without shared platforms and governance models, ecosystem actors risk inefficiencies and missed co-creation opportunities. A more cohesive system is essential for entrepreneurs to fully leverage digital and real estate technologies and achieve scalable impact.

To address the research gaps, our study utilizes stakeholder theory to explore the interconnected roles of FinTech and PropTech in the UAE that impact entrepreneurial behaviors and strategies. Additionally, we investigate the potential influence of FinTech and PropTech practices on crowd-funded evaluations of real estate entrepreneurship. Specifically, we empirically evaluate the interconnection between stakeholders' perceptions and entrepreneurial performance, where performance includes economic performance measures (Awan et al., 2021). In summary, this study aims to utilize a conceptual framework and develop propositions rooted in stakeholder theory to illuminate the complex dynamics of FinTech and PropTech within the entrepreneurial ecosystem. It highlights the need to implement adaptive tactics and make well-informed decisions. We propose to answer the following overarching research question: How can entrepreneurs effectively leverage both FinTech crowdsourcing and PropTech?

2. LITERATURE REVIEW

2.1. Background in the context of the UAE

The UAE is a rapidly developing country in the Middle East, surpassing other Arab nations in its ability to conduct business. This is particularly evident in its high technological and market dynamism. For entrepreneurs in this dynamic, tech-driven business landscape, survival hinges on innovation (Ng and Hamilton, 2024). The UAE has also emerged as a regional FinTech incubator, with regulators beginning to introduce rules in 2017 to encourage the establishment of FinTech businesses. One of the ways entrepreneurs benefit from Fintech is through crowdfunding.

From the entrepreneur's perspective, stakeholders can gain more from a venture beyond capital accumulation through pre-investment screening, post-investment monitoring, and added value initiatives. Moreover, Crowds can create their own networks of stakeholders, including headhunters, patent lawyers, investment bankers, and others, to help entrepreneurs succeed. Therefore, funding for development can enhance the value of a venture and positively impact its chances of success (Kassner et al., 2022). Entrepreneurs strive to receive more rounds of financing from crowds or reputed investment stakeholders (beyond the number of existing crowds) by implementing PropTech administrative efforts in their investment decision-making. On the other hand, PropTech must carefully assess the frequency with which entrepreneurs seek additional financing from crowds, evaluating whether a potential crowd is interested in investing in future funding rounds (Kassner et al., 2022).

Start-ups are affected by the choices made by entrepreneurial decision-makers, who develop business ideas and implement and manage the start-ups from their own perspective, even though these decisions affect crowds and FinTech operators (Kyndt & Baert, 2015). The characteristics, behaviors, and actions that define entrepreneurs are focused on goals such as recognizing and exploiting opportunities (Renko et al., 2015).

The necessity to quickly adapt entrepreneurial structures and processes as a business pivots in search of a better model or moves towards growth calls for entrepreneurial behaviors (Leitch and Volery, 2017). Change-oriented behavior includes advocating for change, envisioning change, encouraging innovation, and facilitating collective learning. It is a distinct meta-category of entrepreneurial behavior (Leitch and Volery, 2017). It strengthens an individual's belief in their vital role, which serves as a crucial psychological driver for positive outcomes. This belief boosts confidence in their abilities and internally motivates them to achieve goals, complete tasks, and confront challenges (Cai et al., 2019).

FinTech crowdfunding refers to the use of technology to deliver enhanced financial services. It enables organizations to embrace disruption by leveraging innovations in technology, including communication tools, the internet, and automated information processing. This approach allows them to operate outside traditional business models, which typically rely on financial intermediation (Zarrouk et al., 2021). Additionally, financial services are increasingly supported by integrated IT systems to enhance overall performance. In comparison to traditional financial services, FinTech crowdfunding quickly generates revenue, delivers high-quality services, and lowers costs. This transformation is reshaping the financial industry and contributing to the stabilization of the financial system (Anifa et al., 2022). The critical question here is, how can entrepreneurs leverage digital platforms to make sound decisions about property to attract investors and customers?

2.2. Fintech and Its Impact

FinTech is a state-of-the-art sector that may be defined as “an economic industry composed of companies that use technology to make financial systems more efficient” (Omoola, 2019). The term encompasses various emerging technologies and new, innovative business models, including crowdfunding, that could potentially transform the financial services industry and business models (Troise et al., 2019). FinTech entrepreneurs are revolutionizing the way financial services work. Their main strengths include superior agility, strong business models, and investor focus. The formation of financial services confers a significant benefit, as they may facilitate the expansion of entrepreneurship and crowdfunding platforms by adhering to rules, attracting crowd investment, and increasing the value for stakeholders (Loesch, 2018). FinTech is positively transforming lives by continually applying technology in the finance industry.

Crowdfunding involves three main parties:

1. The project owner or entrepreneur who is seeking funding.
2. The investor, who is part of a larger group funding the project (the crowd).

3. A crowdfunding platform that acts as an intermediary between the project owner and the investor. (Omoola, 2019).

FinTech crowdfunding start-ups focus on peer-to-peer (P2P) lending and payments. P2P lending involves online platforms that directly connect lenders with borrowers (Anifa et al., 2022). However, local entrepreneurial startups face domestic and international competition. Additionally, they may not be trained to leverage FinTech crowdfunding and PropTech innovation effectively, as their human capital may have limited knowledge and awareness. There are multiple ways in which the interconnected roles of FinTech crowdfunding and PropTech innovation impact entrepreneurial behaviors and strategies in the UAE. Although it has been argued that FinTech crowdsourcing is trending as the key competitive strategy for promoting real the real estate sector in many countries worldwide (Islam and Khan, 2020), the scenario is different in the UAE.

The real estate sector is experiencing a digital revolution that is altering its markets, work environments, and business models while also fostering increased periodic growth (Siniak et al., 2020). One key technological advancement involves leveraging PropTech innovation. PropTech refers to technologies used in the real estate industry, which is traditionally considered a slow-moving asset class.

While the real estate industry is generally slow to adapt, it cannot resist radical technological innovation. The characteristics and roles of FinTech crowdfunding and PropTech in aiding entrepreneurs in the UAE must be understood in this context. PropTech innovation platforms are among the novel business models that are transforming the financial services industry, as these platforms can motivate investors to diversify their portfolios across multiple projects in order to mitigate financial risks. However, it is important to note that investors are responsible for selecting and arranging their own portfolios. Additionally, during the repayment process, the operator distributes the proceeds proportionally among the funders (Omoola, 2019).

Crowdfunding is defined in this study as crowd contributions (preordering) or direct financing (profit sharing), (1) The preordering mechanism “involves an open call, mostly through the Internet (platforms), for the provision of financial resources either in the form of contribution[s] or in exchange for [a] future product or some form of reward to support initiatives for specific purposes” (Troise et al., 2019). In our research area, the Emirates of Dubai, an entrepreneur approaches the Real Estate Regulatory Authority to obtain approval to register and launch an off-plan project to be sold as separate units to the investors what we call the *crowd* before completing construction on the site. This business model is called “Selling project units off-plan” under Law No. 8 of 2007 Concerning Escrow Accounts for Real Estate Development in the Emirates of Dubai. This law enables registered entrepreneurs to offer preordered crowdfunding as a provision of financial resources in exchange for future real estate property (asset) or inventory. On the other hand, (2) profit-sharing mechanisms enable crowds to provide financial resources in exchange for an ROI. Additionally, regarding profit sharing, it has been highlighted

that “equity crowdfunding is a method of financing, whereby an entrepreneur sells a specified amount of equity or bond-like shares in an entrepreneurship to a group of investors (crowd) through an open call for funding on Internet-based platforms” or at an exhibition (Troise et al., 2019).

2.3. PropTech and its Impact

PropTech has several significant effects on the real estate industry: (1) It enhances the efficiency of real estate transactions by making it easier for sellers (entrepreneurs) and buyers (crowds) to access information; (2) It provides new information quickly and facilitates transactions. For example, it generates empathetic responses through virtual reality settings, online platforms, or exhibitions and (3) It breaks down the tasks performed by real estate agents, transforming traditional full-service roles into smaller, specialized tasks. This includes assigning dedicated personnel to assist home sellers or manage the entrepreneur’s online business (Lee et al., 2023). PropTech supports the real estate industry (off-plan projects) with funding conditions (FinTech crowdfunding), offering a platform for the maximum number of crowds and funding rounds, which are supposed to play a significant role in crowdfunding. Additionally, real estate development presents several challenges:

- Cash flow: Many start-ups often encounter shortages and inadequate cash flow. The primary approach to addressing this issue typically involves increasing sales to boost cash flow (Omoola, 2019).
- Talent development: As entrepreneurial businesses grow and reach various milestones, there is an inherent need to expand the workforce. This expansion is crucial for effectively managing larger workloads and enhancing the organization’s capabilities (Omoola, 2019).
- Project completion delays: Investing in real estate allows individuals to allocate funds into tangible assets that are easily identifiable and claimable, along with a clear timeline for project completion. However, projects can sometimes encounter challenges that lead to delays (Omoola, 2019).

The profit from the crowdfunding platform is positively correlated with the success of the project (Hasnan, 2019). Moreover, technological advancements and increased data availability have led to greater transparency, rising asset prices, and heightened housing unaffordability in the real estate industry, particularly regarding the impact of PropTech on transactions and industry growth. On the other hand, PropTech acts as a role model for innovation hubs, enhancing its impact on the real estate industry and influencing all market stakeholders, particularly those lacking innovativeness. In other words, Innovation and adaptability to changing environments are essential for stakeholders in the real estate market to remain competitive in Dubai’s Emirates, UAE (Kassner et al., 2022).

3. A STAKEHOLDER THEORY AND ENTREPRENEURIAL BEHAVIOR IN EMERGING TECH ECOSYSTEMS

Stakeholder theory offers a valuable lens for examining how both internal and external influences shape entrepreneurial behavior

(Bagheri & Harrison, 2020). Originating from the work of Freeman (1984), the theory posits that organizations are embedded within networks of stakeholders—each with distinct interests and levels of influence. In entrepreneurial ecosystems, these stakeholders include not only investors and regulators but also technology providers, incubators, academic institutions, and end-users. This extended network forms the foundation through which entrepreneurial behavior is shaped, moderated, and supported.

Within this framework, the antecedents of entrepreneurial behavior are both internal—such as access to funding, organizational capabilities, and founder motivations—and external, including institutional readiness, stakeholder alignment, and regulatory clarity (Jiang et al., 2023). This dynamic interplay is particularly relevant in the context of emerging technologies like FinTech and PropTech, where entrepreneurs must navigate complex ecosystems marked by innovation, uncertainty, and regulation.

Historically, entrepreneurial behavior was often explored through psychological or trait-based theories, such as the “great man” theory, which emphasized the charisma and vision of individual leaders. While this perspective offered early insights into entrepreneurial motivation, it has since been criticized for overlooking the broader social and institutional context in which entrepreneurs operate. Contemporary views emphasize behavior as a product of ecosystem interactions, where decision-making is shaped by stakeholder expectations, resource access, and strategic alignment (Clark and Harrison, 2018; Leitch and Volery, 2017).

Stakeholder theory further reveals the importance of power dynamics in shaping entrepreneurial outcomes. Entrepreneurs are not autonomous actors but operate within a network of influence, where stakeholders—such as regulators or venture capitalists—can facilitate or constrain entrepreneurial action. These power relationships affect how entrepreneurs interpret risk, manage uncertainty, and pursue opportunity (Clark and Harrison, 2018). For instance, in highly regulated FinTech or PropTech environments, the behavior of entrepreneurs is significantly influenced by the clarity of policy frameworks, responsiveness of financial institutions, and technological infrastructure available.

In terms of entrepreneurial resilience and ecosystem adaptability, these are fundamental for addressing systemic challenges in leveraging FinTech and PropTech innovations. Even when policy frameworks and governmental support are in place, entrepreneurs often face hurdles due to gaps in skills, limited access to resources, or insufficient institutional guidance to translate ideas into operational models. Factors such as financial literacy, regulatory preparedness, and emotional endurance should no longer be seen as peripheral competencies—they are structural prerequisites for entrepreneurial success in this space. While accelerators and incubators provide initial exposure, there is a growing need for next-generation support mechanisms tailored to the realities of highly regulated, tech-driven entrepreneurship. This highlights that the ecosystem offers opportunity, but it is only accessible to those who are both adequately supported and sufficiently prepared. Bridging these gaps in literacy, access, and institutional navigation could unlock significantly greater levels of innovation within the

UAE's entrepreneurial landscape (Ozdemir et al., 2023; Audretsch et al., 2023).

The conceptual argument here is that entrepreneurial success is increasingly contingent upon a well-orchestrated stakeholder ecosystem. Entrepreneurs must not only manage internal competencies but also engage with stakeholders to co-create value, access resources, and legitimize their innovations in complex markets. These interactions are shaped by stakeholder diversity, trust, and alignment—factors that, when lacking, contribute to inefficiencies and missed opportunities for collaborative innovation. Therefore, stakeholder theory offers a useful framework to conceptualize entrepreneurial behavior as a function of multi-actor dynamics within an evolving innovation ecosystem.

Creative stakeholder efficacy refers to stakeholders' shared belief in their capability to generate innovative outcomes, which can enhance both entrepreneurial and stakeholder creativity (Cai et al., 2019). At the stakeholder level, entrepreneurial creativity involves fostering collective interactions that enhance confidence in generating creative actions and outcomes (Cai et al., 2019). Dynamic interactions stemming from stakeholder connections enhance the belief that their collaborations will inspire other stakeholders to contribute creatively to the overall vision and increase their confidence abilities (Cai et al., 2019).

Stakeholders who have strong beliefs and behaviors can influence entrepreneurs regarding their creative capabilities and effectiveness. These stakeholders are more confident in pursuing long-term creative efforts and are more open to sharing and exchanging information and ideas, which helps foster creativity (Cai et al., 2019). Notably, entrepreneurs' creative efficacy synergizes with stakeholders' creativity because it motivates and develops a creative process. Stakeholders with high efficacy are more motivated, confident, and creative (Cai et al., 2019). Our conceptual framework is represented in Figure 1.

Drawing upon this conceptual framework (refer to Figure 1) and considering the five propositions (refer to Table 1), our paper will investigate the relationship between entrepreneurial activity and the growth of FinTech crowdfunding and PropTech. Furthermore, we suggest that there exists a mutually linked relationship between

Fintech crowdfunding and PropTech, which drives entrepreneurial behavior. However, regulatory authorities also influence these behaviors, determining the extent of difficulties entrepreneurs encounter when using PropTech and Fintech crowdfunding platforms. The entrepreneurial behaviors provide enhanced understanding of the substantial relationship between FinTech and PropTech, while regulators or stakeholders clarify both the direction and the strength of this connection.

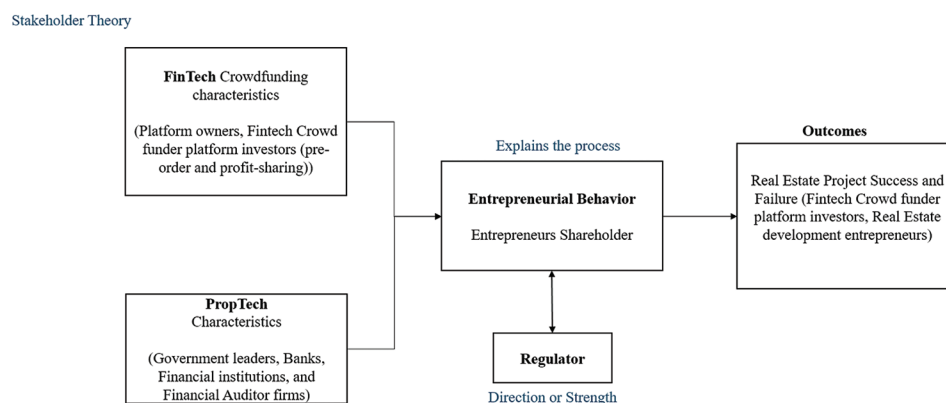
Additionally, this paper aims to investigate the relationship between the success and failure of real estate projects considering the interaction and values between entrepreneurs and stakeholders, the meaning of digital entrepreneurship, and an analysis of stakeholder interests (specifically, investors in fintech crowdfunding platforms and entrepreneurs in real estate development). Therefore, the suggested model not only outlines the process but also identifies the elements and results that give insights into the stakeholders and the added value it generates for the entrepreneurs. With the conceptual framework, we develop five propositions as below.

4. THEORETICAL IMPLICATIONS

On the theoretical end, this study makes two contributions to the understanding of the FinTech mechanism in research on the PropTech industry. First, it provides a novel account of what FinTech means. For example, regarding the PropTech industry, we provide a dynamic crowdfunding model that describes the interaction of internal and external elements, processes, and outcomes in FinTech crowdfunding in relation to PropTech. This could be a starting point for future empirical studies on PropTech's association with FinTech crowdfunding in various contexts (Albarrak and Alokley, 2021). Moreover, we have offered an in-depth examination by analyzing the dynamics of the PropTech industry while employing a conceptual model based on stakeholder theory in the context of the Emirates of Dubai. Our focus has been on how the interconnected roles of FinTech and PropTech impact entrepreneurial behaviors and strategies in the UAE.

Previous studies of crowdfunding have evaluated its performance and risk in relation to real estate investment trusts (REITs) and compared crowdfunding REITs with other REITs. The results indicate that crowdfunding REITs exhibit more stable performance

Figure 1: Proposed conceptual model. Source: The author's design



over time, and their lack of correlation with traditional REITs can be utilized to create a more effectively diversified portfolio of indirect real estate investments (Gibilaro and Mattarocci, 2020). There have been comparisons with traditional real estate funding and the ease and advantages that real estate crowdfunding (RECF) now offers crowds with the risks and rewards of crowdfunding generally, but research dates real estate crowdfunding (RECF) in the 1970s. This research indicates that RECF is an evolutionary process that is currently transformative and disruptive (Shahrokhi and Parhizgari, 2019). Entrepreneurs capitalizing on FinTech crowdfunding and PropTech as crowdfunding markets are already a reality. This is done in accordance with the rules and regulations that impact the growth and success of real estate crowdfunding according to the features of the platform used, such as the fees charged to entrepreneurs by the platform in an off-plan project (Borrero-Domínguez et al., 2020).

Based on the literature, there are several varied mechanisms of crowdfunding in the UAE and different types of technology could be utilized to enhance financial services. Regulators play a crucial role in the FinTech ecosystem due to the industry's requirement for new regulations or modifications to existing ones (Albarrak and Alokley, 2021). By accounting for the elements of uncertainty in the real estate industry, FinTech increases efficiency, reduces and diversifies risk, and alleviates information asymmetries. The UAE is diverse; national laws exist, but regulations differ by location of the start-up (e.g., the Emirates of Dubai or Abu Dhabi). Therefore, the characteristics and roles of FinTech crowdfunding and PropTech in facilitating entrepreneurs differ throughout the UAE.

The regulatory sandbox refers to a safe testing space in which participants can test innovative business models, products, services, and delivery mechanisms without immediately incurring all the usual regulatory consequences of such activity (Goo and Heo, 2020). Introducing sandboxes in the UAE, especially in Dubai, would help improve and promote innovation in FinTech. However, "no laws or regulations have been issued to license FinTech startups out of the sandboxes" (Albarrak and Alokley, 2021). Even in the academic literature, there is a lack of visualizations regarding the impact of FinTech innovations and the future in terms of payment and financial transactions, as well as the role of financial regulations (Anifa et al., 2022).

PropTech is a comprehensive term that encompasses property technologies in the real estate industry, which has historically been

a slow-moving sector. However, its influence on the real estate market is expected to grow in the future, as it has the potential to disrupt one of the world's oldest and largest industries. For example, unlike traditional industry, PropTech is expected to (1) The role of financial, commercial, and residential real estate is becoming increasingly important.; (2) adapt the process of managing a business model; and (3) decrease operating expenses and increase RO or entrepreneurship revenue. Therefore, we expect entrepreneurs capitalizing on FinTech crowdfunding and PropTech will become increasingly important in the financial, commercial, and residential real estate sectors (Bittini et al., 2022).

5. PRACTICAL AND POLICY IMPLICATIONS

The objective of our study is to analyze the key features of FinTech crowdfunding and PropTech, along with their distinct functions in facilitating entrepreneurs in the United Arab Emirates. The study aims to provide stakeholders with valuable information and recommendations about the significance and impact of technical (FinTech and PropTech) risk on crowdfunding projects. Enhanced transparency of crowdfunding platforms, strengthened third-party oversight, and promoted financial education among crowdfunders can be achieved through the implementation of financial regulations, active involvement of entrepreneurs and stakeholders, and the introduction of impartial evaluations for off-plan projects, as mentioned in Figure 2.

Furthermore, we will examine the feasibility and effectiveness of implementing strategies used in other sectors of the financial system in the realm of crowdfunding so that stakeholders will implement effective strategies and tactics in the real estate industry. This was done by analyzing the behavioral incentives of crowds and/or funders, particularly in relation to the development of novel and enduring innovations (Bento et al., 2019).

Finally, this conceptual framework is intended to serve as a foundation for future research exploring the interconnected roles of FinTech and PropTech in shaping entrepreneurial behaviors and strategic decision-making in the UAE. The proposed study

Figure 2: Funding requirement along the life cycle of the technology-based firms. Source: Wonglimpiyarat (2018)

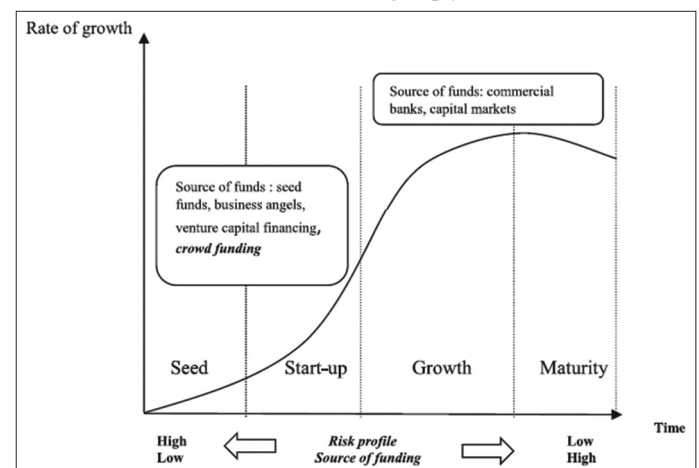


Table 1: Key propositions using stakeholder theoretical lens

No.	Propositions
1.	The anticipated values from stakeholders will encourage adoption of digital entrepreneurial activities.
2.	The capitalization of FinTech will enhance the efficiency of customers' property investments.
3.	Entrepreneurs will leverage PropTech innovation to become more financially, commercially, and residentially influential in the real estate industry.
4.	Entrepreneurs under regulatory supervision will utilize crowdfunding to overcome real estate development challenges.
5.	The role of PropTech innovation, which is interconnected with those of FinTech crowdfunding and entrepreneurship, facilitates the growth and efficiency of the real estate industry.

will examine how entrepreneurial choices may drive innovation and elevate technological integration in real estate ventures. Specifically, the analysis will aim to investigate the significance of crowdfunding mechanisms—such as preordering and profit-sharing models—and the contextual factors that influence the processes and outcomes of FinTech and PropTech applications, including the success or failure of off-plan real estate projects.

6. CONCLUSION

This study examines how entrepreneurs leverage FinTech crowdfunding and PropTech within the UAE's evolving entrepreneurial landscape, focusing on two predominant crowdfunding models: (1) entrepreneurs who raise capital in advance by inviting investors to preorder off-plan properties, with delivery upon project completion, and (2) investors who contribute fixed amounts in return for future profits or equity shares. These innovative crowdfunding mechanisms are not only transforming access to capital but are also reshaping entrepreneurial strategies and the adoption of PropTech solutions. Consequently, key entrepreneurial stakeholders are realizing enhanced financial returns and increased investment utility, thereby reinforcing the appeal and effectiveness of both crowdfunding models within the real estate and digital innovation ecosystems.

Entrepreneurs are increasingly forming “crowd communities”—tight-knit networks developed through digital crowdfunding platforms—where they engage directly with funders. These interactions enable benefits such as flexible pricing models, trust-based relationships, and tailored engagement strategies. When capital requirements are relatively modest compared to market potential, entrepreneurs tend to adopt pre-ordering models or profit-sharing arrangements. This conceptual paper highlights the interdependence of FinTech and PropTech, not merely as technological enablers but as forces that influence entrepreneurial behavior, strategic decision-making, and positioning within the evolving real estate ecosystem in the UAE.

From a policy perspective, the findings highlight the critical need for robust and forward-looking financial regulations that enhance platform transparency, ensure third-party oversight, and promote investor financial literacy. These regulatory interventions are imperative for cultivating a trustworthy and resilient crowdfunding environment. Policymakers are encouraged to adopt best practices from other segments of the financial industry, especially in risk assessment, off-plan project vetting, and the development of inclusive governance frameworks. Furthermore, extending regulatory efforts beyond major hubs like Dubai and Abu Dhabi to encompass other emirates is essential for nurturing a more balanced and innovation-driven entrepreneurial landscape nationwide.

Building on this conceptual foundation and propositions, the paper proposes two key research questions for future empirical investigation:

1. What strategic change models must entrepreneurs adopt to ensure sustainability within the real estate sector?

2. How can multiple stakeholders co-develop strategic frameworks that facilitate the adoption of technology and AI by emerging entrepreneurs to enhance operational effectiveness?

To address these questions, a qualitative research methodology is recommended—specifically, in-depth semi-structured interviews with entrepreneurs, regulators, platform founders, and ecosystem enablers. Given the nascent nature of digital entrepreneurship in emerging markets such as the UAE, this approach will enable the exploration of behavioral patterns, perceptions, and decision-making processes. Through qualitative method, researchers could elicit participants' lived experiences; deeper insights can be gained into the institutional, technological, and socio-cultural dynamics shaping entrepreneurial behavior.

In conclusion, FinTech and PropTech are not merely functional tools but transformational catalysts reshaping the trajectory of entrepreneurship in the UAE. With the implementation of practical strategies and inclusive, stakeholder-driven policy measures, the crowdfunding space holds the potential to unlock greater trust, participation, and innovation across the national entrepreneurial ecosystem.

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