The devil is in the data

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If the past two years have taught us anything, it's that without data and insights, your commercial real estate (CRE) business is destined to fail. The pandemic accelerated changes in the industry, and those who aren't innovating are being left behind.

The future of real estate is intelligent—and the future is now.

What does that mean? In a nutshell, intelligent real estate helps CRE organizations improve the performance and productivity of their people, assets, and investments. But they can't do it without one key thing: data.

Whether occupiers or investors, CRE organizations can no longer afford to ignore the need for data and insights or let valuable data

languish in disparate systems without putting it to work for them.

Ask yourself, are you working for your data or is your data working for you? We see many organizations spending a lot of time and resources working for their data, gathering it from various sources and trying to make sense of it. But by the time they do, it's often outdated, and they have to start the cycle again.

Data and insights are essential to accelerate critical business initiatives and create healthy, safe, and sustainable spaces. While most organizations have the data, it is not always easily accessible and usable. It's siloed, fragmented, and/or poor quality and can't be used to generate insights and make data-driven decisions.

The cost of doing nothing to solve this problem has significantly increased. From portfolio costs, facilities costs, and energy costs to space optimization and employee experience, organizations that use data to address the changing CRE landscape are coming out ahead.

Plus, buildings hold other sources of value that may remain largely untapped. Aside from rents vs. operating costs, things like tenant engagement and happiness, indoor air quality and comfort, and how tenants interact with amenities are becoming increasingly important. The more engaged and happy

tenants are, the more likely they are to renew their leases and tolerate rent increases. But you have to measure these things to extract the value.

So what should you be looking for in your data to help you optimize your portfolio performance, workplace productivity, sustainability initiatives, business operations, and more? For starters, you should be able to answer these types of questions:

- How can you maximize real estate investment returns with better insights on which assets to buy, sell, or develop?

- How does tenant engagement drive the value of your assets?

- What is the true ROI of reducing your carbon footprint in terms of rent potential or building valuation?

- Are you seeing an increased volume of work orders that suggest you have a fundamental problem, and is it impacting employee or customer experience?

- Are there properties where occupancy rates have increased or decreased significantly enough that you need to re-evaluate the portfolio?

Case in point: One of our global telecommunications customers had 5,500

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heavily equipment-based properties that weren't being used optimally, resulting in underutilized space and lost dollars. Their real estate leadership was tasked with monetizing $100 million of these underutilized assets, but they weren't sure where or how to start. We partnered with them to build a data analytics solution that assessed their space utilization. Buildings that were deemed high-value and underutilized were prime targets for monetization, whether through vacant building sales, partial sales, or full building sales with leaseback. The company was able to use these valuable insights to make strategic and data-driven decisions toward meeting their monetization goal while optimizing the utilization of their portfolio.

If your CRE data is not easy to access and analyze in one place, you have a problem that isn't going to get better on its own. You need a solution that provides data-driven insights into your opportunities and challenges. It needs to be easy and quick to implement and use as well as scalable, so it can support your growth and any changing needs. In the end, it will save you significant time and money.

A good CRE-specific data and business intelligence (BI) solution will help you connect and understand the data across your organization and get the actionable insights you need to meet your goals. But before you implement a technology solution, there are some things you can do to prepare and set your business up for success:

1. Conduct a CRE data and BI health check to determine your strengths, gaps, and opportunities.

2. Develop a CRE data and BI strategy and roadmap with a tangible proof of concept.

3. Define a CRE metrics and analytics strategy, and determine what KPIs and operational metrics are most important for your strategy.

4. Implement a CRE data transformation and governance strategy.

If you aren't already mining your CRE data for insights to make the best decisions for your business, you are way behind. Don't wait to pass go, find a partner that is well versed in both real estate and technology to ensure you get the most out of your data—now and in the future. /

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