

BIG DATA

DATA ANALYTICS

JOHN CUCKA from Kantar TNS discusses how big data can help property professionals in the future.

AN EDUCATION FOR ALL IN THE SMART FUTURE

Business success depends on knowledge and understanding of your customer. In fact, in the age of experience, every connection competes with the best experience your customer has ever had. Customer experience is central to every touch point of the property journey (no matter the domain you're playing in), which means educating yourself in the value of big data can pay big dividends.

The economic downturn is putting immense pressure on the property industry, so tangible evidence of what works, and predicting what works can make all the difference.

HOW CAN BIG DATA HELP YOUR BUSINESS?

Big data comes in all shapes and sizes – mobile activity, Twitter feeds, geo-location information, facial expression capture, and much more. We are quickly moving from dealing in numerical scores to dealing in shapes, movement patterns, expressions – and human language. And such data does not come readily packaged for analysis; using it must involve translating it as well – and that's where marketing science commands attention.

Data always speaks with a human voice. Every statistic we deal with is the result of subjective judgement about the problems we should try to solve, what we think the answers should look like, and what data forms we can enlist to help provide those answers. And these judgements are human ones.

To take a very simple example, micro-location data provides a powerful new tool for mapping movement around stores – but it is only powerful if you have established an understanding of what these movements mean.

IT'S AN INVESTMENT IN INTELLIGENCE AND EFFICIENCIES

Data fuels artificial intelligence. And major players like Oracle, IBM, Microsoft, SAP, EMC, HP and Dell are investing more than \$15 billion in software firms specialising in data management analytics. It's these types of advancements that will help property developers and real estate businesses to find clearly defined efficiencies in new places in both supply and demand.

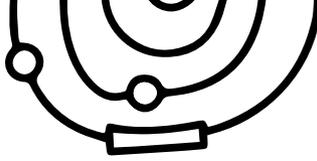
Data analytics insights can spot trends in where property is most in demand, needed and valued; help understand desired and required features; and streamline specialist services such as conveyancing, surveying and legal services through bespoke data and analysis systems. Greater security in knowing how property services are used will also enhance property management.

Analytics can also enable breakthrough innovations, but only if the environment supports open discovery and experimentation. Real estate generates plenty of fresh customer information – so if you know how to use it, you're ahead of the game. Imagine being able to forecast supply and demand, identify vacancies, deliver what tenants and owners want in a smart city, know where to invest or develop? Understanding how big data works is one of the most valuable upskilling tools any business person can have – especially in the property industry.

BIG DATA CAN ALSO REVOLUTIONISE THE WAY YOU LEARN AND CUSTOMISE CLIENT NEEDS

It can support and improve your learning experience in real-time and provide insights about how you learn at an individual level, which can provide a customised program and more efficient learning.

The same approach can be applied to working with



your customers and understanding their needs and the experience they crave – crucial as we move further towards smart living scenarios. We are living in a time when connectivity is reshaping consumers, connections, content and commerce and where technology is increasingly shaping the world and how and why trust is crucial. Big data is key to understanding this connected world and how to respond to it.

Big data also allows insights into what is happening in the market and analysing wider macroeconomic factors to predict trends – and the level of investment in this space speaks volumes. IDC forecasts the worldwide revenues for big data and business analytics to be \$187 billion by 2019. That's \$187 billion by next year – and it includes 18 technologies – mostly hardware and software. That's over four times the investment in primary research globally.

With this level of investment, we are seeing a lot more attention at the C-suite level about what businesses are getting for that money. Historically, investing in the hardware and software systems has been a part of becoming digitally efficient, so the collection and long-term storage of data has been a secondary benefit – we'll save the data because it might be useful 'someday'. Someday is today.

Big data and technology allow you to plan and create buildings, public spaces and manage assets. Global cities like London and New York have been using data science for ages, but it's happening in Australia too. Last year, ANZ snapped up Australian data science start-up REALas, whose algorithm is said to predict property prices to within five per cent of their selling value.

And imagine the intel that start-up Kohab.com has on those looking for alternative ways to get into property – it's a digital platform that connects family, friends and like-minded people to local real estate opportunities for co-living, co-investment, and co-lifestyle purposes.

WHILE DATA AND TECHNOLOGY ARE CHANGING THE FACE OF LEARNING – IT'S STILL A MATTER OF TRUST

Kantar TNS's Connected Life research reveals, however, that Aussies are way more sceptical when it comes to trusting companies with their data – above the global and APAC averages – which actually then explains the value of those who are prepared to share personal details. Interpreting that analysis is even more vital.

Using big data and the insights it generates supports smart growth strategies. You can apply specialist statistical methods, from exploratory methods like segmentation, factor analysis and mapping, through to predictive methods such as regression, choice and conjoint modelling and econometric modelling to primary survey and create interactive reporting tools and dashboards for delivery of data in a way that is readily informative and transferable.

In property, that can allow the predictions of

population density and economic output - creating insights to power your biggest portfolio decisions.

Forrester's 2017 'Customer Experience Index' revealed not a single industry's customer experience average improved this year in the Australian market – many individual brands stagnated or even slid backward. Yet artificial intelligence is transforming learning and those who can educate and invest their assets into making the most of data analytics are the ones poised for success – the rise of digital technology brings increase in data-driven instruction and results.

IMAGINE WHAT BETTER UNDERSTANDING YOU'LL HAVE USING REAL TANGIBLE MARKETING SCIENCE

Big data and data analytics in the property market bring the ability to weather market movements, so it's important for a data scientist to have in-depth domain expertise to translate goals into data-based deliverables such as prediction engines and pattern detection analysis. In real estate, it's a huge opportunity. Ultimately, data science is a career opportunity to invest in, or an important asset to resource your business with – whether in-house or through engaging a consultant. Regardless, educating yourself on its value and the intimate knowledge its presents is the most important step.

In this age of big data, access to insights that tell you who your customers are and what support or products they need looks set to create some of the most interesting innovation to date as we build the smart cities of the future and look to the shared economy for disruption. ■

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John Cucka specialises in developing quantitative models for use in strategic and tactical marketing decision-making. He is also a highly sought-after trainer, presenter and author on quantitative research and his international experience includes strategic marketing planning, market sizing and segmentation, price optimisation, new product development, advertising measurement, digital community evaluation, promotion tactics analysis, brand positioning development, customer loyalty and satisfaction, marketing mix modelling, and market simulation and forecasting.

