



## **PREDICTIVE ANALYSIS**

**GAZE INTO A CRYSTAL BALL AND MAKE PREDICTIONS FOR THE FUTURE BASED ON DATA**

### IT ALL STARTS WITH DATA

We are all familiar with Footfall counting systems and the enormous amount of data these systems produce however, what if we convert this data and deliver even more in-depth insights for our clients. By producing fascinating reports in which our clients can see what goes on at their location, we are offering the basis for important decision making. However, what if we could use all available data to make prognoses, we could offer our clients upfront information on what to expect, with an accuracy of 80-95%.

### THE REALITY OF A CRYSTAL BALL

Clients that are using our counting systems often have a history of data going back for years. We now use this data in a model which enables us to predict the number of visitors daily. As well as historical data the model takes a lot of other different factors into account such as the day of the week, the weather, seasonal patterns, holidays, trends and macro-economic information such as economic growth and consumers trust.

At PFM we believe we can do so much more with data, so with this model we took it to the next step. Our highly skilled data analysts are able to calculate what the number of visitors should be on a specific day. However, what if there was an event on that specific day and attracted 10.000 extra visitors. With our model we can calculate the number of visitors attracted because of the event. Additionally, we can calculate the value of the additional visitors caused by the event. By using our model, we can tell you exactly how successful your event has been.

We realise that this approach is disputable. For example, sometimes you organise an event not just to attract extra visitors, but to create a good PR spin-off. In order to serve our clients properly we have also linked media value (free publicity in newspapers, rtv and social media) to the model. This way you can overlook the big picture of an event and estimate the value. And what if you organise an event around a top celebrity? This usually leads to more visitors, but not necessarily to more spending of these visitors. And what about a fashion show? This could lead to more spending. To filter these details, you would have to monitor all spending at every event. We have chosen not to do this, because if you do it in the same way for every event, you can still successfully benchmark it.

### OBJECTIVE ARGUMENTS

A shopping centre can really measure the effects of her marketing calendar and provide insight into which event was successful and which was not. This can lead to interesting insights throughout the whole portfolio. You can detect in which shopping centre a fashion show works well and in which it does not. This is interesting information for a marketing manager to share with the entrepreneurs of a shopping centre. If for example management wants to stick to throwing a fashion show during an important event, while a different type of event would lead to a better outcome, this can effectively be discussed based on figures. You end up having a different kind of discussion.

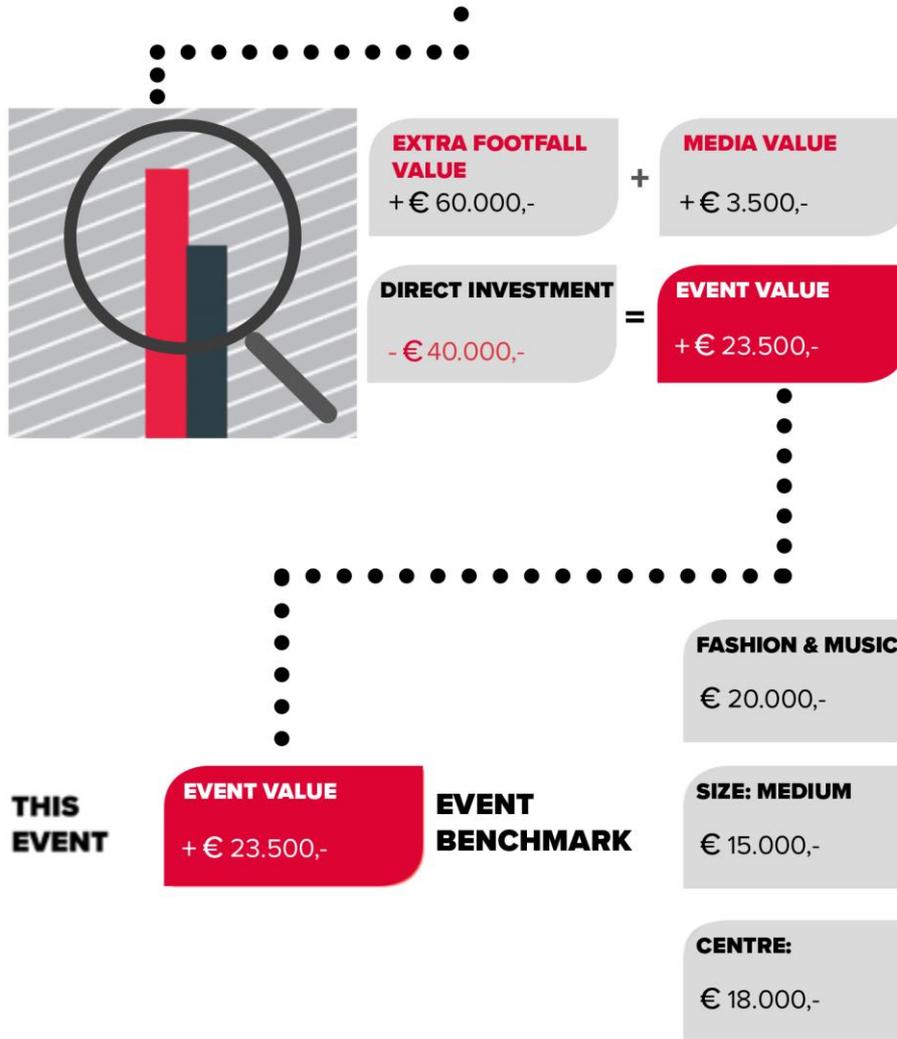
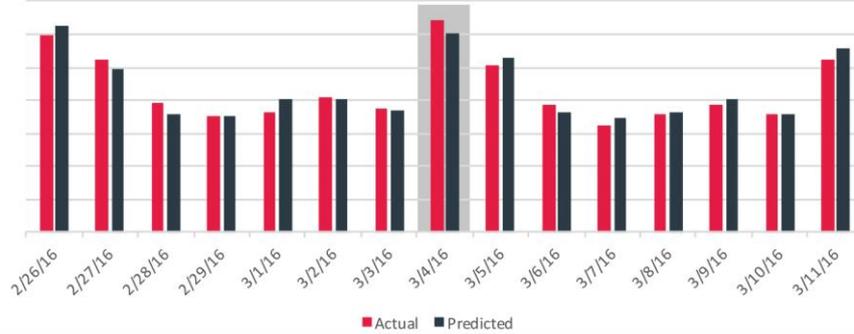
### TENANT SUPPORT

This model allows us to make all kind of predictions in various situations. For example, to support your tenants. We can predict with a decent accuracy what the effect is if a discounter such as Action is added to a shopping centre. A retailer like Action often pays lower rent than customary in a shopping centre and the rental manager has to defend this. He can, for example, argue that the number of visitors will increase. This could mean that other store locations can be rented out for higher prices.

### USEFUL REPORT

Big data is very interesting, however without an easy to read report, not very useful. When designing this model and the reports, we listened to our clients wishes and designed a report in which people can see straight away what the efficiency of an action or an event is. You can also see what the expectations versus the reality will be. Additionally, events are represented by category, making it very clear which type of event works well and which ones really don't work very well. Furthermore, we take into account the amount of time the visitor stays, the temperature and the online activity before, during and after the event takes place. We report what these different activities are worth. All in all very valuable information for the asset manager, the shopping centre manager and the marketing manager.

Actual vs. predicted



A report example. It shows the actual visitor numbers versus the predicted numbers, and these have been transposed to the event value and the benchmark.

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