

Why do you need a data analyst? To Van Dijk that is pretty clear: “The systems produce a lot of data that can be interpreted and viewed in different ways. For example we can print out various reports that focus on the traffic flows and events. However, the options are so versatile that it is really helpful to involve a specialist. The expertise of a data analyst therefore has real added value for us.”

Van Vlimmeren: “It is true that there are many different types of data, which makes it difficult to distinguish what data needs further interpretation. But combining data streams is also something you need to understand. Ultimately, it’s about producing reliable conclusions.”

Does a.s.r. Real Estate use data both for individual centers and their complete portfolio? “We started a few years ago by installing a PFM counting system in three shopping centers,” says Van Dijk. “Now there are twelve. For us as a real estate asset manager, this has real added value. When purchasing a new shopping center, we check whether a counting system is present. If there isn’t one, we install one as soon as possible. It is clear to us that these data are essential to monitor your shopping centers and they provide insights for strategic and operational improvements. We can also provide benchmarking for portfolios. The data lead to conclusions on both strategic and operational level. The latter is the deepening of strategic

PFM Event Monitor as a strategic and operational business

For a.s.r. Real Estate the usefulness of data is no longer a question: all shopping centers should as a minimum be equipped with a (footfall/people) counting system. The reports generated from the data inform retail property specialists gain insight and take appropriate action. The gut feeling remains but is now supported and often confirmed by data. In addition, the help of a specialised data analyst can be very instrumental at many times.



Joost van Dijk (right) and
Joost van Vlimmeren

data, because PFM makes it possible to interpret the data in more detail. This way we can manage our operation, provide the tenants with data and also, for example, adjust online and offline marketing. “

PFM EVENT MONITOR

PFM's product Event Monitor is a result of the prediction model that has existed for some time (see also SCN 2017-2). Van Vlimmeren: “That is not a general model, but a tailor-made product that takes the situation and historical data of a specific shopping center into account and other factors related to the visitors of a shopping center. Such as the weather (temperature, precipitation, sun hours) and also things like consumer confidence, salary payment and child benefit. If we can accurately predict a shopping center after a period of time, we can also determine the influence of external factors.’

“Incidentally, it is most interesting not to predict in the future, but in history. That sounds fairly odd, but only if you know what you expected and you know what has happened, then the difference between them (minus a certain margin of error) is the influence of the external factors. For example, if you have an event on the beach somewhere on a very sunny

day, it is difficult to say how many extra people came because it was a beautiful day and how many extra people came because of the event. With our models you can easily (...) deconstruct this.. This allows us to make statements about events, but it is also applicable to changes in a shopping center, for example due to the arrival of a new store and/or formula. We can therefore separate the effect of a new store from other factors. “

What did it mean to a.s.r. real estate when this crystal ball was introduced? “Based on strategy, we already had several years of experience with this,” says Van Dijk. “It is mainly the fact that we can add insights on an operational level that make it possible to make choices quickly. But also to explain why we make certain choices. Also with regard to marketing. Which event works and which does not. We can draw up a visitor expectation and test this against what actually happened. Online marketing is also included. This allows us to make very sound assessments of what works for a certain shopping center and what we will focus on. “

Van Vlimmeren adds: “For example, you can see the relationship between the performance on social media and the number of visitors in the following weeks. We can make statements about the costs of an event in relation to the number of



‘The event monitor is a tailor made product that takes historical data into account’

visitors and what the extra visitors have cost. You then compare that with the average amount spent and you can determine whether something was worth it or not. “

Van Dijk: “It is deepening to go from strategy to operational. The PFM Event Monitor has proven to be a tool for this and it to what we want to see. This way we can make sound choices. “

Is it also possible to ask PFM very specific questions? Van Dijk has good experiences with that: “Absolutely. For example, a year and a half ago we purchased a shopping center where we structurally saw less visitors. By putting in a new formula, we can now immediately see what the effect is on visitor numbers. With PFM's counting sensors and also the WiFi tracking we can see what effect this addition has on the number of visitors in that part of the shopping centre. PFM helps us with a specific report, strategic support with data. “

Is there still room for the gut feeling among the account managers at all?

Van Dijk is very clear about this: “Absolutely. It always starts with that. As a retail property investor, we are close to our

tenants and the market. The four (retail) account managers who work at a.s.r. real estate frequently visit our shopping centers. Your own perception is still important, because you can see with your own eyes whether, for example, part of the shopping area is going well or not. We then extract the evidence from data. It is a confirmation of your gut feeling but more precise, because it is visible in numbers. “

STORM WARNING

Can a comparison be made between the role of a meteorologist in weather and PFM in the developments in figures? The meteorologist can, for example, issue a storm warning if something is changing. Can PFM do that too?

Van Vlimmeren thinks for a moment: “Actually yes we can. In the case of a.s.r. real estate our systems are installed in a growing portfolio. Some objects are situated close to each other and if large differences arise between them, then we know that something is wrong. Sometimes another shopping mall or a large supermarket opens close to a shopping mall. The effects of this can be measured and then we can issue a “storm warning.”

REPORTING, EXPLANATION AND APP

A.s.r. real estate receives a monthly report of the counting systems and every team can see where the pluses and minuses occur. Van Dijk: “Sometimes it concerns factors that you cannot influence, such as the weather. Sometimes it is something that you can actually take action on. Part of the report is the map of the shopping center, with a graphic translation of what is happening at a certain location. So we almost literally see people walking and we can keep our focus on that. If you suddenly see a minus of 10%, you can immediately take

action. I use the PFM app, in which we see a live feed of the number of visitors, a lot. ‘

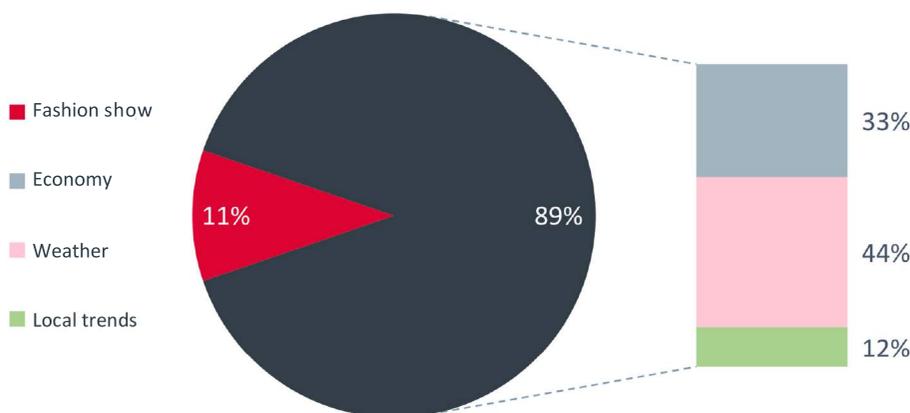
How important is the explanation/ interpretation that PFM adds to a report? Van Dijk says he always looks at the data first and then at the explanation. “If all goes well, we are able to draw conclusions ourselves. But it certainly happens that the explanation from PFM contains an eye-opener. For example with regard to events in the area of your shopping mall or the influence of certain holidays in a region. It’s all logical, but you have to think about it. You don’t usually have to be frightened

‘It is a confirmation of your gut feeling, yet more precise’

when seeing a decrease in the graph, because there is always an explanation for it. “

Van Dijk emphasizes that it is important to make the difference between strategy and operation: “There is a substantial difference and it also varies per moment, person and shopping center. Besides, it also has to do with the phase of the life cycle of the shopping center. “

a.s.r. real estate is investigating whether the PFM reports can be integrated into the internal reports. “So in the internal accountability to the fund. Footfall (counts) are essential for the success of shopping centers. By including the counts in our reports, we can show the effects of numbers of footfall on our financial results and the possible relationship, says Van Dijk. ←



	 Extra visitors	 Extra Sales
Fashion show	1.106	32.074
Black Friday	2.491	72.239
Opening discounter	3.375	37.125