



# REAL ESTATE BLOG

## RE: AI and Real Estate Site Selection

By now, I'm sure you have all heard about artificial intelligence (AI) and the apparent changes that are coming to every facet of our society. Powered by advancements in technology and fueled by innovation, AI continues to permeate our daily lives including tasks at work, online shopping, web searches and self-driving cars. As industries increasingly harness the power to drive decision-making and create value, the momentum behind AI's evolution will only continue to build, and real estate is no exception.

### **In the business of retail real estate, we must ask ourselves, how does this AI revolution affect us?**

Precision Retail is working hard to be on the cutting edge of these advancements using the latest tools to ensure our clients have access to the best possible data and resources available. In this short blog post, we will show you how we can use AI technologies to help support our clients in making the best, most cost-effective real estate decisions possible. AI analysis and the data behind it are swiftly becoming a game changer in the commercial real estate world.

Here's a quick breakdown of how Artificial Intelligence will revolutionize decision-making in commercial real estate and provide insights into customer behavior:

### **1. Data-Driven Decision Making:**

- AI enables commercial real estate professionals to leverage vast amounts of data from various sources such as market trends, performance, demographics, and economic indicators.
- By diving into this data, AI algorithms can help identify patterns, correlations, concerns, and trends that human analysts might skip, enabling decision-makers with broad picture insights.
- This [data-driven approach](#) allows stakeholders to make more informed decisions.

### **2. Location Intelligence:**

- AI-powered [location intelligence](#) tools utilize geospatial data to provide valuable insights into the surrounding environment of a property including co-tenancy, visitor journey, market landscape maps, and brand ranking comparisons.
- These tools can analyze factors such as proximity to existing stores, other retailers, amenities, competitor locations, population density, as well as demographic profiles and mosaics for a particular area.
- By understanding the context of a property's location, stakeholders can make strategic decisions regarding site selection and marketing strategies tailored to the target audience.



### **3. Predictive Analytics:**

- [AI facilitates predictive analytics](#) by employing historical data and forward-thinking algorithms to forecast future plausible trends, including possible future demographics and other market factors.
- By anticipating market dynamics and identifying potential risks and opportunities, stakeholders can proactively adjust their strategies to maximize site selection goals and help mitigate risks.

To sum up, AI is poised to revolutionize how stakeholders navigate site selection in commercial real estate particularly in the retail world. Its advancement allows for data-driven choices, a better understanding of customer behavior, and the ability to forecast possible market trends more accurately. However, it's essential to recognize that while AI is a valuable tool in site selection, it should be accompanied by traditional analyses like site visits, economic evaluation, and overall rollout strategy to ensure comprehensive decision-making. In my opinion, these new AI-based tools will offer a considerable strategic advantage to retailers who embrace new ideas and leverage their possibilities.

If you have any questions or would like to discuss how AI and Precision Retail can help enable your business, please call (303)887-4134 or email [wes@precisionretail.net](mailto:wes@precisionretail.net).

