

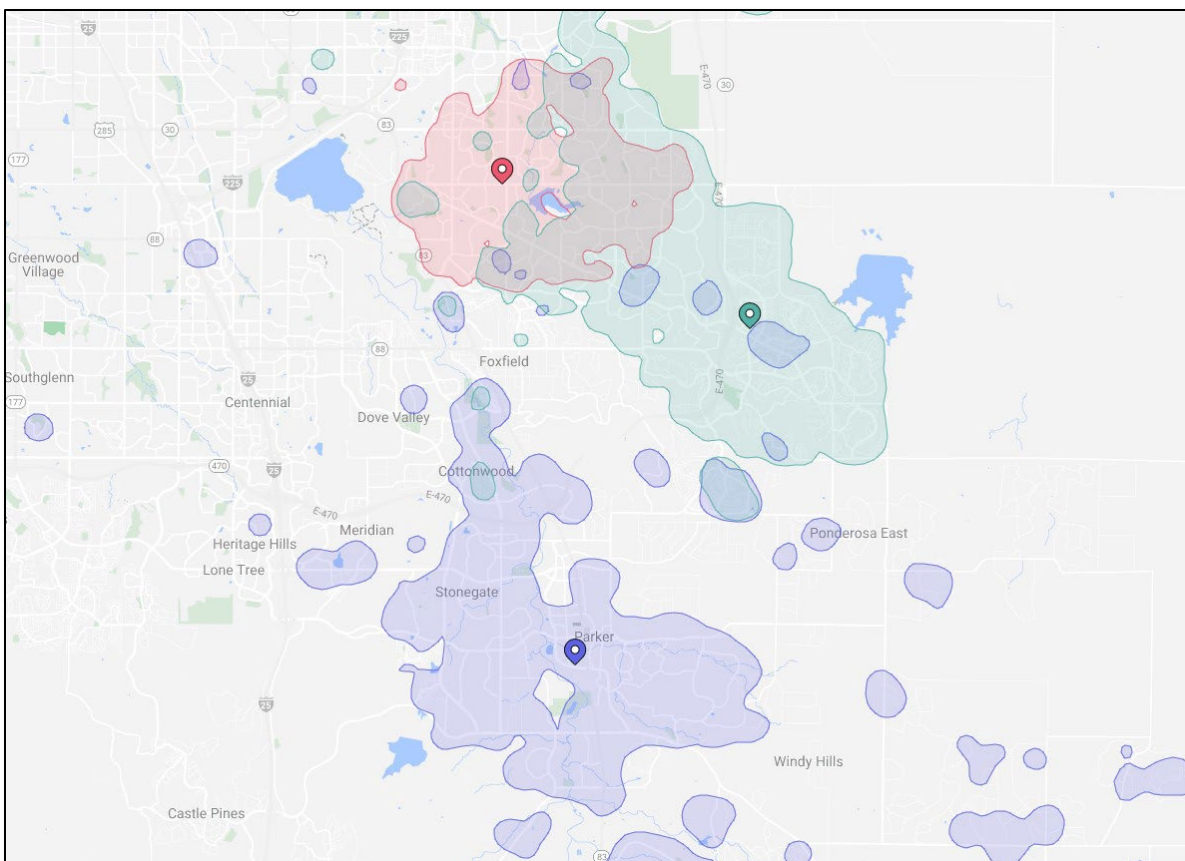


RE: The Power of AI

Artificial Intelligence (AI) is transforming every aspect of the real estate industry, from site selection and risk management to lease administration, property management and [marketing](#). No area will be left untouched. AI will rewrite the playbook for how real estate professionals and their clients collaborate to address real estate needs. As it continues to evolve, it will be critical to understand how it will impact your business and how you can leverage these changes to your benefit. By employing AI powered market analysis and predictive capabilities, we can help you develop better decision-making strategies. This technology provides unprecedented insights into consumer behavior and market trends that were previously difficult, if not impossible, to obtain.

In the past, commercial real estate brokers and retailers relied on drive time or radius focused demographics to determine the trade area of a site. Now with the help of AI processed geofencing data, we can help our clients analyze data that is updated monthly based on actual visitor patterns to a trade area, shopping center or specific retailer. This technology helps predict who shops in a specified area and reveals which consumers come for different products or services. We can then compare this data to the drive time and radius demographics to highlight the differences.

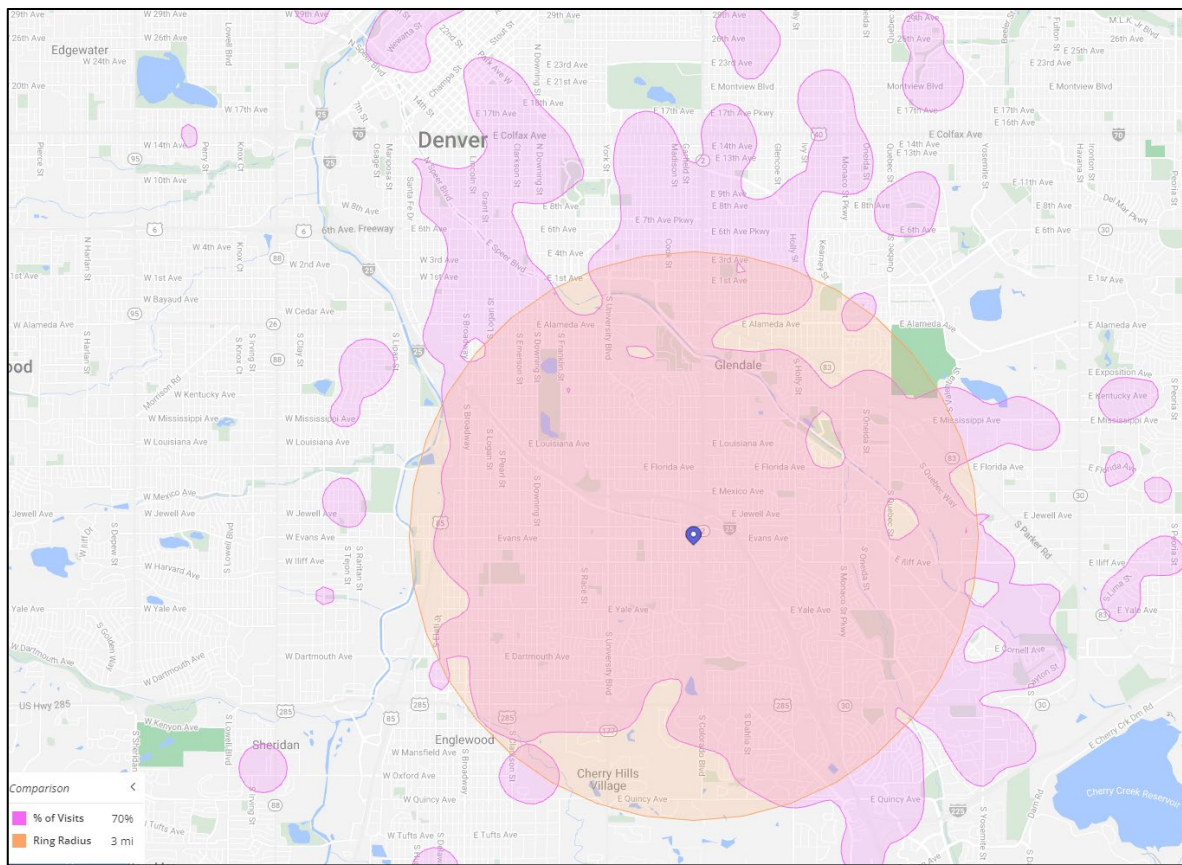
By providing detailed information about where consumers shop, how far they're willing to drive, and how closely stores can be placed together, AI becomes a powerful tool for retailers planning to enter new or existing markets. Below is an example map showing where 70% of a specific retailer's current customers come from helping decision-makers choose the optimal location for the next store.





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Understanding where your customers originate is crucial. The image below illustrates where 70% of a specific retailer's customers are coming from, compared to a standard 3-mile radius demographic ring. Failing to acknowledge this distinction could lead to inadvertently cannibalizing a significant portion of your existing business when opening new locations.



While AI can facilitate faster more informed decisions in the commercial real estate market, it must be noted that not all AI data is perfect and some can even be less than even solid, [it can be flawed or incomplete](#). AI tools, analysis and reports should be used as a powerful aid for decision makers but should not be used as the only source of data. This technology is poised to completely change the way we do business and live our daily lives, much like the internet did 30 years ago, but it's still in its early stages and will take time to become more accurate.

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.