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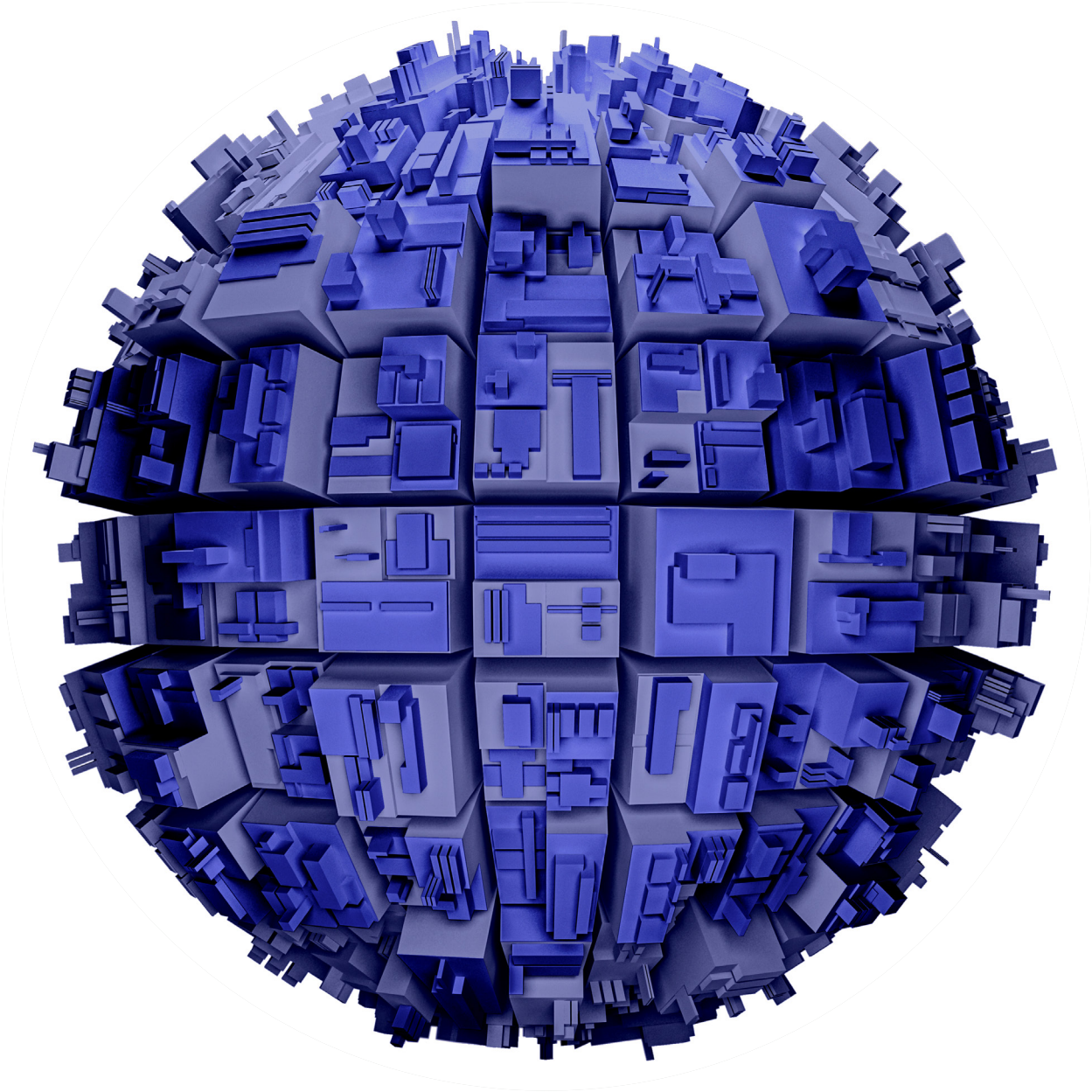

**Real Estate Predictions 2020 | Article 9**

# Smart development of smart places

Creating an intelligent, connected ecosystem that engages all stakeholders

With cutting-edge technologies combining to make them a reality, smart places are the next generation of real estate development. Smart places have evolved from the sophisticated technologies that power smart homes and are now finding their way into offices, industrial areas, shopping centers, and public and residential buildings.

By using customer insights and providing integrated services, smart places can improve user experience and boost productivity while attracting the best tenants and talent. Indeed, smart places can improve the overall bottom line and lower operational costs. The benefits of smart places cannot be ignored and developers will need to act.

### Invest in digital transformation

In smart places, different stakeholders interact with one another, with overlapping interests and needs being addressed. From office employees and tenants to urban and real estate developers, smart places engage all stakeholders in an intelligent, connected ecosystem. But the evolution from infrastructure with isolated technical specialties management to intelligent environments with coordinated and correlated systems is a journey that needs to be boosted by the use of digital twins, integrated operational systems, IoT-connected edge devices, blockchain, and AI. To do this, urban developers that aim to lead the pack need to invest in brick and mortar digital transformation.

How? By developing connected, interactive and intelligent environments on a scale that tests the concept but with solid foundations that allow them to adapt and expand following a clear master plan roadmap.

### Apply lessons learned

The rise of smart places started with building technical specialties management optimization with scattered vertical management domains like energy, water, access, and parking management. But to fully achieve the benefits smart places can bring, urban developers now need to apply the lessons learned from smart cities and industry 4.0. This involves the integration between vertical domains, dealing with growing security challenges, and designing new strategies. A smart place must be an ecosystem in which services and customer information are highly integrated. Only then can they simplify user experience, boost productivity, and optimize buildings and communities to their full extent.

To do this, urban developers will need to identify a digital transformation journey, starting with the road-map definition and evaluating the sequential scope of intervention. The integration that follows needs to be secure, easy, and open—for example by using APIs. Coordination and correlation, boosted by sophisticated digital twins that "sit" on top of a comprehensive dynamic inventory, will provide great advantages.

But in digital transformation, disruptive technology like digital twins is only one of the drivers. The second ingredient of smart places is data, the lifeblood of smart solutions. Data management and compliance, improving operational efficiency and customer experience with intelligent persona targeting, is therefore of utmost importance. Use intelligence on top of the huge amounts of data. Start with proactive maintenance and process automation that avoids effort duplication and ensures effectiveness and efficiency and evolve to the incorporation of more business-driven factors. These factors can vary depending on the purpose of the building, such as occupant experience, operational improvement, and business model innovation.

## Take the first steps

When choosing to invest in digital transformation and the development of smart places, the first step is to develop a strategic road-map. Digital transformation aligns people, processes, and technology transformation with strong support from top management. The road-map therefore needs strategies for execution, communications and change management, stakeholder experience, and capability models. Each initiative should be classified considering the potential impact on stakeholders and OPEX together with ease of implementation and CAPEX.

The second step is to choose the foundations. You will need an operating system and a transition program that encompasses the integration of existing applications. Ensure that the transformation program is SLA- and business-driven. You will also need to measure the transformation results and fine tune throughout the journey.

Next, ensure strong partner ecosystem management. The vertical domains are always from specialized providers. You will need to identify a partner that can deliver the strategy, the integrations and silo data aggregation of the vertical domains, and data governance and cyber security concerns, while also helping to build capability within organizations and ensure all the supporting services, service management, and improvement.

And last but not least, always monitor the operation together with continuous stakeholder experience improvement. Often, top management will follow the project implementation closely and then forget to measure the operation. Urban developments are built for dozens of years, and the real gains are on the operation, on continuous improvement of processes, on adding new domains to manage and correlate them to the others on the digital twin, and of technology update.

## Authors

**Miguel Eiras Antunes**
**Partner | PT**
meantunes@deloitte.pt

**Sergio Bruno Carvalho**
**Tech Director | PT**
sercarvalho@deloitte.pt

**Jorge Sousa Marrao**
**Partner | PT**
jmarrao@deloitte.pt

## Contact

**Wilfrid Donkers**
**Real Estate Predictions leader | NL**
wdonkers@deloitte.nl

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