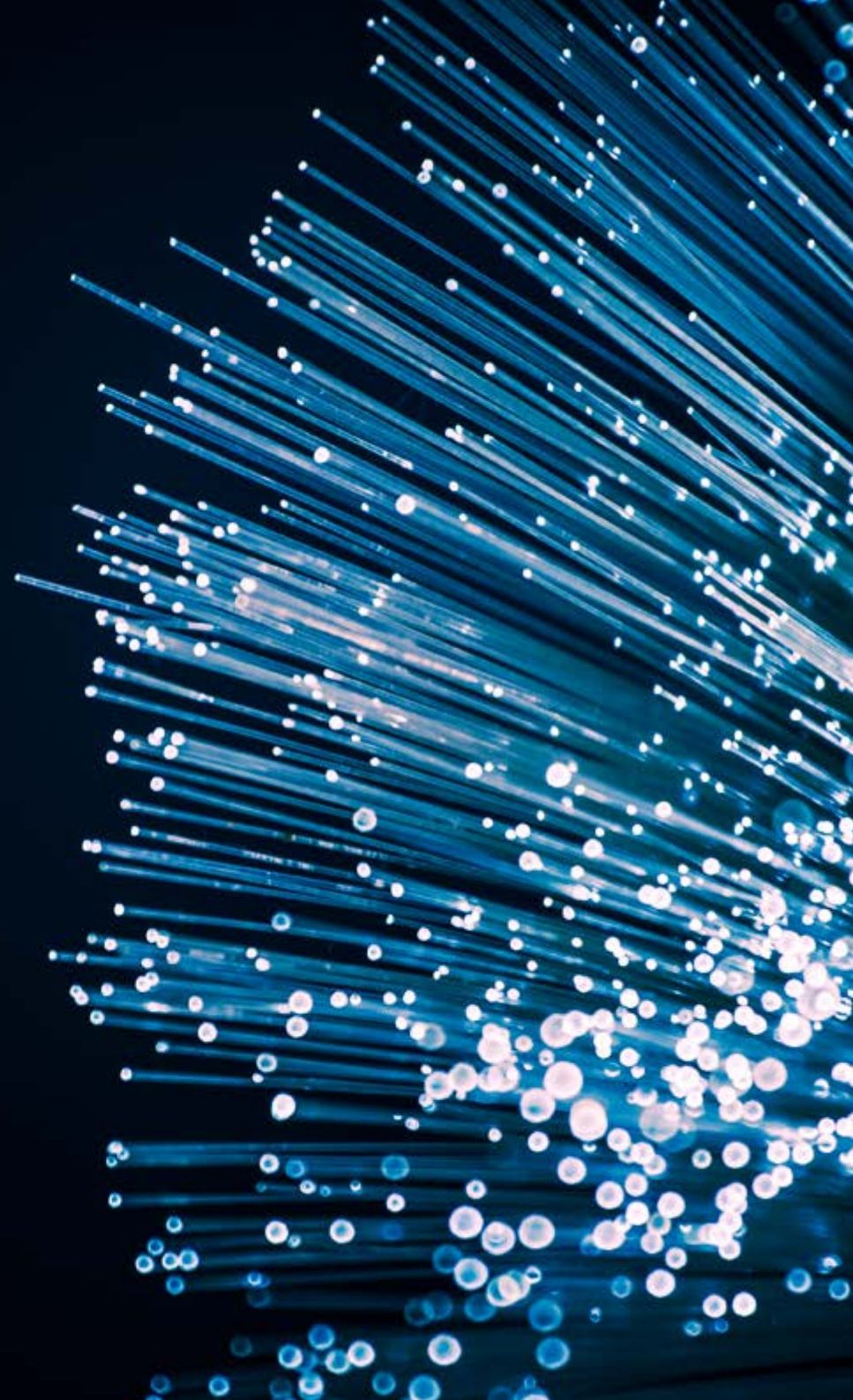




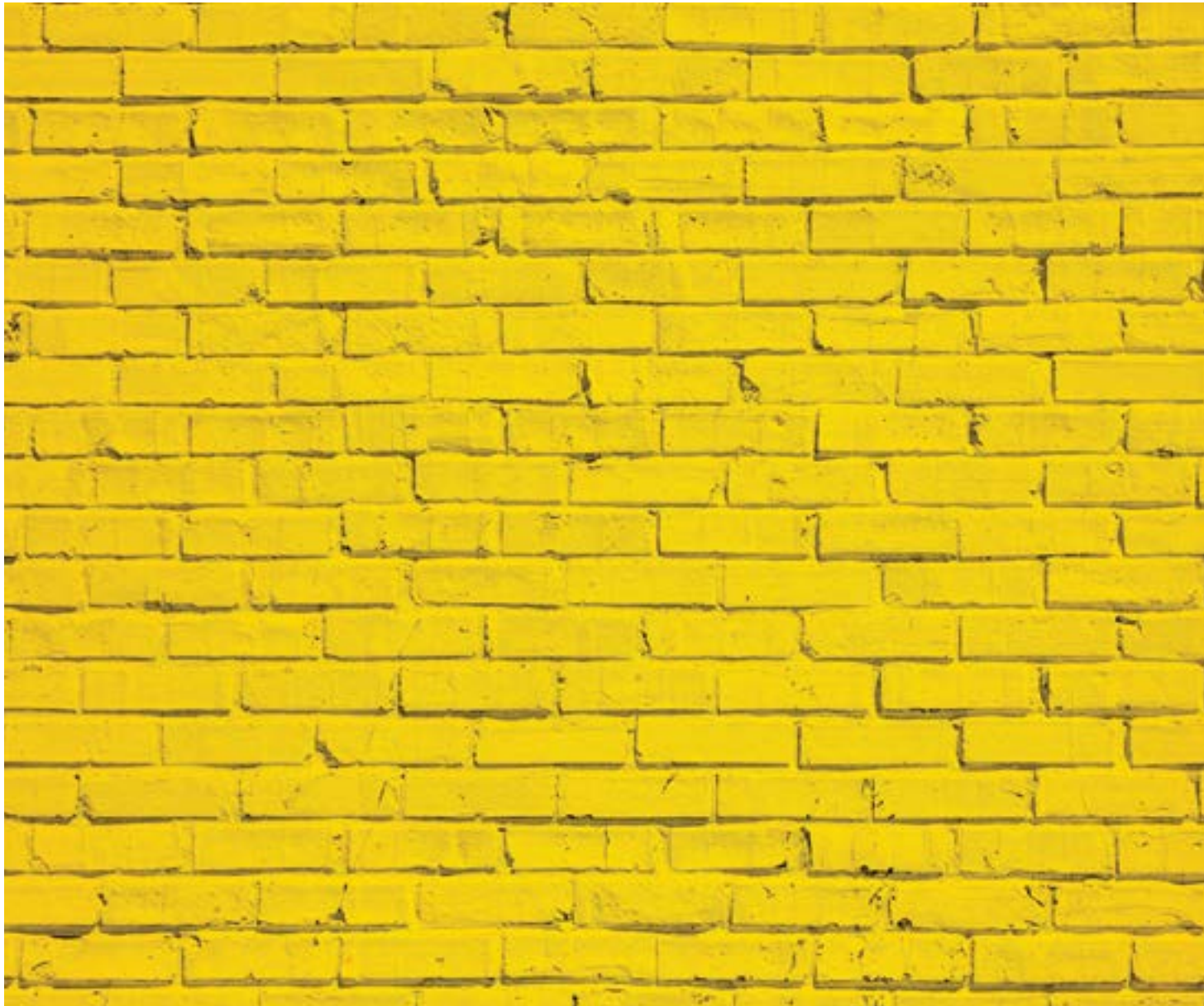
Real Estate in the digital age

June 2017



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Introduction

The fourth industrial revolution is set to change the way that we live, work and interact. As part of that, emerging technologies and digitisation are redefining the way that people use buildings, posing both an opportunity and a threat to those in the property industry. It is no surprise therefore that the topic has rapidly risen up the agenda of Real Estate executives over the past 12-24 months. This report explores how occupiers of commercial real estate are being disrupted by technological change and what this means for the buildings that they use. While each asset class faces its own unique challenges, there are three overarching themes.

Firstly, connectivity is key. From shopping centre apps and remote working to automated warehouses and smart homes, digital connectivity is now just as important as physical connectivity. Buildings and the people (and machines) that use them need to be able to communicate with each other seamlessly.

Secondly, the demand for customer experience and a personalised service is growing. Shoppers are being sent targeted offers via their mobile phone as they navigate retail outlets, while office occupiers are putting a greater premium on the look and feel of their workplaces in the war for talent.

Real Estate is no longer just about bricks and mortar – landlords must provide a more holistic service in order to meet customer expectations. Data and analytics capabilities are fundamental to achieving this.

And thirdly, convenience has become a top priority. One-hour delivery services and click & collect have transformed the retail and logistics sectors, with time emerging as an increasingly precious commodity for today's time-poor consumers. Mixed-use spaces have grown in popularity: workers appreciate an office near to retail, leisure and food providers, as well as additional facilities such as gyms, cafes and restaurants. Likewise, destination shopping centres fit in with today's busy lifestyle, allowing customers to tick off their whole shopping list, whilst also having the option to dine out or catch the latest movie.

Underlying this is the need for flexibility. Occupiers need to be able to scale up and down their real estate footprints as their businesses evolve and transform. Demand is rising for shorter and more flexible leases. Buildings themselves also need to be more adaptable as working styles and social habits change, and new technologies become available.

Andy Pyle
Head of Real Estate, KPMG in the UK

Section 01

Retail

Retail: state of flux

Ecommerce in the UK has gone from a fledgling industry to a £133 billion behemoth in 20 years – that's all money no longer spent in stores. But online selling isn't the only technology to hit the High Street, fundamentally shifting real estate demand. However, it's not all bad news for bricks-and-mortar.

Paul Martin, Head of Retail at KPMG in the UK, outlines the three key trends that are defining the sector. Each one is driven by changing customer trends combined with new technology, regulatory reforms and a transformed economic environment.

1. **Value for money.** Consumer price sensitivity triggered by the recession, coupled with the rise of e-commerce and price comparison websites has created new expectations on cost of goods and fulfilment, forcing retailers to become more responsive on price. Traditional retailers are having to constantly re-evaluate their cost base in order to offer better value for money and compete with discounter business models – this might include store rationalisation, shortening supply chains and reducing the product range, as well as investing in fully automated distribution centres and sophisticated, artificial intelligence-driven planning tools.
2. **Customer convenience** is prompting the use of multichannel offerings, allowing customers to switch between web, apps and physical locations. It also means creating package pick-up locations in-store, and distribution hubs for home delivery. Click & collect services are growing quickly, with 21 percent of respondents to the 2017 KPMG Retail Survey choosing to collect their purchases via this method, compared to 14 percent in 2016. Regardless of the way they received the item, 51 percent of survey respondents returned purchases in-store, demonstrating the continued importance of the physical store.

Retailers are also employing technological innovations such as contactless and till-less payments to provide a more efficient service, which is in turn changing store layouts and space requirements. The use of in-store data beacons, to sense the movements of customers and proactively engage them via their mobile devices, is also driving new uses of existing spaces.

3. **The importance of experience.** Stores must now be a destination – a place of entertainment and enjoyment as much as product comparison and transaction.

This is a natural extension of the membership programmes many retailers have historically used to support customer loyalty; as well as the long-running trend for entertainment and refreshment to be a central part of the shopping centre.

We expect this to accelerate as on- and off-line channels merge, making it more important than ever for businesses to create a mixed-use space that offers a leisure experience as well as convenience shopping.

Impact on real estate

The overarching message is that retail spaces must continue to be more flexible and connected if they are to sustain retailers as commerce moves online. Property managers must think holistically in order to thrive, while investors need to look at how they create options to integrate physical infrastructure with online interactions. One way to achieve this is through analysis of visitor data to help drive decisions around location, layout and tenant mix. They must also explore how to generate fresh revenue streams from communal spaces, pop-up stores, apps and visitor data.

“Some have questioned whether e-commerce will make all shopping centres obsolete,” says Martin. “The answer is no. While the long-term decline of the High Street looks set to be accelerated by technology, and even the big supermarket shop is declining in urban locations thanks to online ordering and ‘express’ style stores, we see a multichannel future, not an online-only offering.”

Two types of retail at either end of the scale will continue to thrive: the largest destination malls and the smaller, frequently visited stores. Highly specialised outlets will also remain attractive to consumers.”

Development of new revenue streams

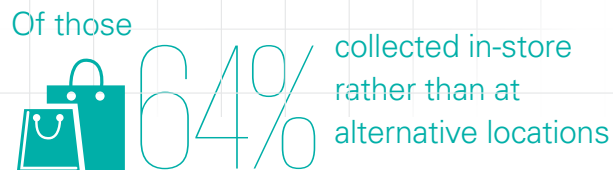
As retail continues to evolve, investors and property managers need to re-think their core revenue models in order to maximise income. Even though rent for physical space will continue to form the bulk of revenue for landlords, they also have an opportunity to accelerate alternative revenue streams through charging for additional services and digital space, as the physical model alone will likely not suffice.

This strategy is borrowed from the business models implemented by the large platform players who use multiple channels and a mix of products and services to generate revenue. In some cases they sell directly to consumers. In others they generate commission from operating marketplaces and retailers using their space. They create entertainment and service options to keep both their B2B and B2C customers coming back for more. And in many cases they provide membership schemes that operate on a subscription model, delivering an additional revenue stream as well as customer data which they can monetise with third parties.

Further reading

KPMG Boxwood is a specialist consulting arm dedicated to business transformation – with particular expertise in the retail sector. Their recent reports on the impact of AI, The Robocalypse¹ and the *Disruptive Influences transforming the face of retail*² are essential reading to understand the potential impact on real estate decisions.

1. http://www.kpmgboxwood.co.uk/uploads/pdf/news/KPMG_Boxwood_TL_Robocalypse_paper_2017_Final_DS1.pdf
2. http://www.kpmgboxwood.co.uk/uploads/pdf/publication/KPMG_Boxwood_TL_Disruptive_influences.pdf

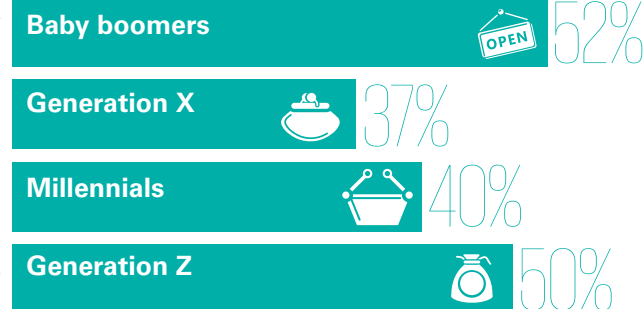


Source: KPMG Retail Survey 2017

Case study: IKEA

Several big brands have rolled out innovative store formats that dovetail with their online offering or adopted cutting-edge in-store tech. IKEA, for example, opened a store in Westfield built to merge on- and offline shopping last year. At 900 square metres, it's tiny compared to the IKEA template warehouse, which runs to around 37,000 square metres.

Interacted with store during their path to purchase



Source: KPMG Retail Survey 2017

While Generation X – perhaps time-poor with family and work commitments – has less time for stores, note that Gen Z is back in the shops, almost to the level of the Baby Boomers. Physical stores are changing, but they're still a part of the ecommerce customer journey.

Case study: Hammerson

British property company Hammerson's location-based app PLUS has been downloaded more than 300,000 times since it was first trialled in 2014. The pioneering software helps customers to better navigate its shopping malls with interactive maps, as well as providing bespoke offers from retailers across its portfolio. They have also developed visual search app tool 'FindSimilar' with AI-based technology solutions provider Cortexica. The app allows users to upload images from their phones to find similar products stocked in stores in the centre, and provides a map to guide the customer directly to the store.

Section 02

Office

Office space: the future is flexible

While technology is set to disrupt the way we work, those in the real estate sector are struggling to keep pace. How can occupiers, developers and investors prepare for the future?

To get a sense of the future office market you just have to look at the latest real estate acquisitions in London. Google is relocating to King's Cross, Facebook has purchased premises in Fitzrovia, and Apple is moving to Battersea Power Station. Their vision for innovative office space will attract the latest talent – and they're prepared to pay a premium to achieve it. So what new technologies have the big three backed for their new headquarters?

Wireless warriors

Artificial intelligence (AI), in particular, is poised to wipe out whole areas of employment in a move that Bank of England governor Mark Carney warned might "hollow out" the middle classes. Robotic process automation, machine intelligence, and software robots alike are set to become a staple in the office environment. While people will inevitably retrain for front office functions, there will also be a need for increased collaboration between smart tools and people – the challenge for those in real estate is preparing for increased bandwidth needs.

AI will also impact space requirements, with many roles highly susceptible to automation: KPMG estimates that 30 percent of corporate jobs could be carried out by robots by 2026. A further change that will impact the amount of floor space required is the growth in people working remotely, as highlighted in research by cloud communication firm Fuze. This found that 83 percent of workers already believe they can be productive outside of the office, while 38 percent said they would enjoy their job more if they worked remotely. We are also likely to see a rise in crowdworkers – people working from home on digital platforms – as those displaced by automation try to maximise their income when jobs are scarce. So how do landlords adapt to make better use of space?

"There's been a lot of hype around AI in recent years, but the hype is now becoming reality," says Shamus Rae, Head of Innovation and Investments at KPMG in the UK. "And as people get more comfortable with that reality, the pace of change around cognitive automation is going to start accelerating.

You can imagine a world in five years' time when teams are made up of company employees, crowd specialists and cognitive robots, all creating and collaborating together."

By automating low-level activities, employees will be freed up to focus on higher-value work, or to discover innovative ways to provide value.

"Only so much of this type of work can be done remotely – organisations will need a physical space for employees to meet face-to-face, build their networks and share new ideas," says Stephen Barter, Chairman of Real Estate Advisory at KPMG in the UK.

It is clear from the rising popularity of co-working spaces with high growth firms, solopreneurs and freelancers that businesses recognise the value that an office community provides. Furthermore, in today's war for talent a company's office plays a key role in attracting and retaining the best employees.

Health for wealth

A healthy employee is more productive than an unhealthy employee. Forward-looking developers and planners should be taking steps to promote wellbeing if they want their real estate to remain competitive. Government research has confirmed that a healthy workforce is a productive one – and businesses are seeking out office buildings that help them get the most from their workforce.

"The office of the future will enhance wellness through tracking," says Tudor Aw, Technology Sector Head at KPMG in the UK. "Wearable technologies can also allow employees to book meeting rooms and function as security passes. But they must be aware of the potential security concerns."

Many organisations are investing in wearable technology as part of their corporate wellness programmes to encourage employees to be more active. Tracking of employees has also been used to drive decisions around office layouts and facilities, as well as productivity, although it does have its privacy challenges.

Adapt or expire

Adaptability in office buildings will become increasingly important – as private and public companies look for innovative properties that allows them to quickly scale up or down depending on their needs. While some businesses will continue to look for fixed premises, as office space that reflects brand helps businesses attract talent and customers, there will still be a need for on-the-fly adaptability, from shifting desk space to the creation of collaboration space. Flexibility, mobility and adaptability are therefore the most pertinent design features for the future office space.

It is also important to build flexibility into new developments to avoid building obsolescence. Offices will need to be able to integrate new technologies as they emerge. Developers should therefore consider allowing for the ability to move from a more traditional single tenant set-up to multi-let serviced office or co-working space to keep up with changing practices.

“I was talking to a developer recently who is planning to build serviced offices that can be converted to serviced apartments on a floor by floor basis,” says Craig Steven-Jennings, Enterprise Partner at KPMG in the UK. “For as little as around an extra 2 percent on development costs, it is possible to guard against redundancy.”

The rise of new companies focusing on co-working and highly flexible office space, such as WeWork, has caused many office developers to take note of the growing consumer demand and adapt: “One investor told me they were planning to lease 20-30% of space in new developments on a flexible basis, rather than leasing wholly to traditional tenants” says Sarah Hayes, Transaction Services Director at KPMG in the UK, “Some are also cutting out the middle man and agreeing flexible lease terms direct with tenants rather than letting space to a third-party operator. British Land recently announced plans to launch their own flexible workspace offering and I think others will follow as they seek to capture the added value.”

Further reading:

Our KPMG experts explore the impacts of digital labour in a series of thought leadership pieces on [cognitive automation](https://home.kpmg.com/uk/en/home/services/advisory/management-consulting/operational-transformation/cognitive-automation.html)³.

3. <https://home.kpmg.com/uk/en/home/services/advisory/management-consulting/operational-transformation/cognitive-automation.html>

Case study: Wired Score

Wired Score is a New York-founded organisation that provides accreditation on a building's connectivity. Businesses can receive a not connected or connected rating, followed by ascending tiers of quality: silver, gold or platinum. Developers can include these ratings in their marketing materials.

Case study: Robotic Process Automation (RPA)

One company is using cognitive technology to transform its contact centres, which is reducing headcount, improving reliability and speed to resolution, and providing an impetus for growth. In cognitive platforms for call centres, digital knowledge workers can understand callers' questions and execute a process to solve the issue. If the robot doesn't know the answer, it can find it by searching the web or intranet, or by escalating the issue to a human colleague. Then the robot 'observes' the human's actions and learns new responses for future reference.



Section 03

Logistics

Logistics: in short supply

From predictive analytics, AI and wearable technology to drones, autonomous vehicles and 3D printing, technological change is having a significant impact on the logistics industry: not to mention the continued movement of consumer spending towards online retail. Unsurprisingly, this is driving decisions around the location, size and design of warehouses as developers and investors strive to ensure their buildings remain in demand.

With the rise of online shopping and one-hour delivery services, the logistics real estate sector has undergone a period of transformation in recent years. While there has been a surge in take-up, many warehouses around the UK, particularly those with low ceilings, poor connectivity or awkward layouts, have become obsolete. More change lies ahead as the fourth industrial revolution transforms the manufacturing industry – through integration of information technology – while autonomous vehicles and 3D printing alter existing distribution networks.

“From autonomous warehouses to autonomous vehicles, there will come a time when the supply chain of today is unrecognisable,” says Andy Pyle, Head of Real Estate at KPMG in the UK. “It will be leaner, faster and more efficient, and will undoubtedly change the way that warehouse space is used. Investors and developers need to consider how today’s emerging trends will impact future demand for warehouse facilities to avoid expensive retrofitting or indeed building obsolescence.”

Warehouse automation

Automation will play an ever greater role in the warehouse of the future, whereby robots will collect and deposit pallets, prepare them for shipping, before finally loading them into the back of a vehicle for delivery. Human-machine interaction is set to increase, with the International Federation of Robotics predicting that global sales of industrial robots will have seen annual growth of 15 percent by 2018. The Internet of Things will lead to an explosion of smart production lines, feeding data back from multiple sensors to AI-enabled production control software, which will learn how to maximise efficiency and react to issues quickly as they arise.

Transport connectivity is no longer the most important driver of location as warehouse occupiers increase their use of smart technology. Instead broadband and data connectivity will become key.

Developers also need to consider how technology will impact warehouse design, with racking automation, for example, increasing the need for height. In other words, layouts must be robot-friendly.

Furthermore, thought must be given to the energy requirements of an autonomous warehouse. That means addressing how to reduce costs as well as the impact on the environment. Renewable energy sources and rechargeable batteries represent one of the best contemporary solutions.

Driverless future

Given the pace of technological advancements in autonomous vehicles, the real estate sector is struggling to stay abreast of its potential impact. Considering the typical lifespan of a warehouse is now around 25 years, developers must be confident about the decisions they’re making. With autonomous vehicles able to run all day and all night, without the need for breaks, firms will be less restricted by location and able to move to areas where labour or land is cheaper.

“Whether it’s in five, 10 or 15 years, driverless lorries will become the norm,” says Pyle. “The main point to consider is how technological change will impact location in future. Businesses will need to assess whether to relocate their warehouses to cheaper land, and where this happens there will be significant opportunities for redevelopment and repurposing of existing warehouses.”

“Autonomous vehicles will also have a major impact on urban landscapes, which have already seen growth in ‘last mile’ smaller distribution warehouses closer to the consumer. With the potential for significantly fewer vehicles on the road, shared across users, the level of car parking provision in city centres is also likely to reduce. The flip side of car park obsolescence is the opportunity to repurpose or redevelop the car park for future use.”

Changing occupier tastes

As part of their efforts to offer better value to consumers, retailers are employing predictive analytics to better manage stock and reduce wastage. Better inventory visibility also enables retailers with legacy infrastructure to use their shops to store click & collect stock, rather than investing in a new distribution network.

Furthermore, the use of 3D printing may reduce occupiers' need for space as parts can be printed on-site. This could have a significant impact on the demand for both retail and warehouse space, and size of units required. It is therefore important to collaborate with technology and infrastructure firms.

"Developers need to consider the future needs of occupiers when building today's warehouses", says Pyle. "With speed of delivery becoming increasingly important, we will see more urban hubs and larger regional distribution centres. Like retail and office occupiers, firms will also require more flexibility in their leases to be able to adjust their warehouse footprint to evolving needs. There will also be mixed-use opportunities, such as 'beds with sheds' in urban areas."

Further reading:

Our two reports on the impact of Industry 4.0 – [Rethink Manufacturing](https://home.kpmg.com/uk/en/home/insights/2017/02/rethink-manufacturing-designing-a-future-industrial-strategy.html)⁴ and the [Digitalisation of the UK Automotive Industry](https://home.kpmg.com/uk/en/home/insights/2016/11/the-digitalisation-of-the-uk-automotive-industry.html)⁵ – outline the benefits for industry, consumers and the wider economy, as well as highlighting the potential challenges to overcome.

4. <https://home.kpmg.com/uk/en/home/insights/2017/02/rethink-manufacturing-designing-a-future-industrial-strategy.html>

5. <https://home.kpmg.com/uk/en/home/insights/2016/11/the-digitalisation-of-the-uk-automotive-industry.html>



Case study: Automated warehouses

One large online grocery retailer's warehouses use algorithms, machine-learning and sensors to carry items around a series of conveyor belts to human pickers to take to high-speed delivery trucks. They have also developed a warehouse which replaces this conveyor belt system with autonomous robots, collaborating with each other to pick customers' groceries from a densely packed grid of crates. Furthermore, data analytics is employed to predict demand and move goods into the most efficient locations.

Case study: Tesla

Tesla's all-electric semi truck is due to be fully unveiled in September 2017. The vehicle will be capable of long haul journeys, a challenge for today's electric vehicles, but its proprietary battery is reportedly up to the challenge. It will also come equipped with driverless technology.

Section 04

Alternative

Alternative real estate: understanding the customer journey

From student accommodation equipped with the Internet of Things to retirement homes with specialist medical sensors, so-called alternative real estate is leading the way in providing customers with added-value services.

As the on-demand economy continues to disrupt traditional industries, commercial real estate is set to transition to a service-based model. The change is already taking place, with many landlords now describing occupiers as consumers of property rather than tenants. This means that property owners must prepare for the transition if they want to remain competitive – and leveraging technology appears to be the best choice for understanding customer decisions.

“The change we’re seeing in the real estate sector is based primarily around choice,” says Nick Wright, Head of Real Estate Business Development at KPMG in the UK. “The customer has a choice – whether they’re a student looking for university accommodation or a tenant deciding where to live. To drive loyalty and retention, you must understand the customer journey. Establish their desires and needs – and then play them back in a way that is attractive, appealing and in line with what they want to be doing.”

Leading the charge when it comes to adding value through technology is the alternative real estate market, which includes student housing, build-to-rent apartments, co-working spaces and retirement homes. These operators have woken up to the potential of customer data to drive decisions and improve performance. Their ability to analyse this information is helping to promote seamless property management, find new customers and improve capital and operational expenditure. It also provides a closer relationship with customers. The knock-on effect is a newfound ability to shape events, activities and initiatives offered across locations – and then tailoring them to offer maximum customer value.

Responsive real estate

Responsive real estate is on the rise as firms find new solutions to offer convenience to customers. Retirement homes, for example, can now be equipped with technology that has the ability to assess a tenant’s health.

Simple tracking applications can help tenants to reach their health goals, which they can then check on their smartphones. More advanced real estate offers motion sensors and alarms that alert caregivers to any problems that arise in their absence, including falls and medical emergencies.

“The Internet of Things and connected homes could allow chronic disease to be treated in the home with the help of healthcare sensors, wearables and the constant connection to a medical professional (Telehealth),” says Wright. “That means you don’t have to visit your GP, you can simply have them check the results remotely or contact you in case of emergency. These technologies can help our ageing population achieve the independent lifestyle that is so often lost as we get older.”

The village green

While there has been an increase in buildings built around green spaces this year, the ‘metaphorical’ village green will become increasingly important too: businesses and individuals are looking for shared spaces to communicate and compare ideas.

“Co-working spaces will become an important part of real estate offering in future,” says Wright. “What we’re talking about here is advanced building management. The technology is there for real estate to aid the development of a community – the challenge will be in achieving that goal ahead of time.”

This drive towards community can also be seen in residential properties. Across London a number of so-called ‘co-living’ apartment blocks have popped up, offering all-inclusive rooms for rent, with shared living space, and other amenities (gym, restaurant and bars). While the general theme is for buildings that offer convenience, the increasing number of community-focused buildings may also reflect the so-called ‘loneliness epidemic’ that is sweeping the West. Ultimately, these communal living spaces are designed to bring people together.

False sense of security

While these technologically advanced buildings help to draw in consumers, through their increased focus on service and community spaces, they're not without risks. Since any connected device is vulnerable, a building that utilises the Internet of Things could be more susceptible to a cyber attack than a conventional building. Without the right security software, hackers may – in theory – be able to take control of a building's critical functions as well as sensitive data.

"Nothing will be 100 percent and cyber security is certainly an issue for the Internet of Things-enabled building," says Wright. "Outside of the practical aspects of securing a system, cyber attacks also raise the question of culpability. If an attack occurs, is that the landlord's problem? Is it the occupier's problem? And who underpins insurance?"

Developers and owners must make their tenants aware of security risks and ensure that they see security as part of their responsibility.

Further reading:

[Our Customer Excellence Centre pages](#)⁶ focus on how to create a customer centric business and compete in the digital age. We also address questions around customer privacy in our recent [Crossing the Line](#)⁷ report.

6. <https://customerexcellencecentre.kpmg.co.uk/>

7. <https://home.kpmg.com/uk/en/home/insights/2017/02/data-privacy-and-crossing-the-lines.html>



Case study: The Collective

The Collective is a UK-based property company that champions the concept of co-living – a way of life that embraces community, shared spaces and facilities to create a more convenient and fulfilling lifestyle. Its Old Oak property near Wembley features a communal lounge, kitchens, dining rooms, roof terrace, and gym. But the list continues. Its all-in-one bill means tenants can focus on their work and social lives.

Case Study: Workspace

London-based flexible business space provider Workplace has a key focus on agility, digital infrastructure and customer service. Through analysing customer data they aim to re-evaluate how their buildings meet consumer needs and ensure efficient investment in areas where funds are needed most.

Section 05

Conclusion

When you think of the future of real estate it is hard not to imagine the technologically advanced cityscapes seen in science fiction. While there is an element of truth in those depictions, we believe that the underlying driver behind real estate in the future will be the consumer. As occupier demand changes, KPMG suggests that Real Estate developers and investors should keep the following ten factors in mind when making decisions.

Customer experience

Real estate is no longer just about four walls and a roof. Property is a service and the tenant is a consumer – landlords need to adopt a customer-centric approach in order to remain competitive.

Adaptable buildings

Many of today's new buildings will not be fit for purpose in twenty or even ten years' time. To avoid costly retrofitting and building obsolescence, developers should consider how their buildings can be adapted as occupier demand and needs change over time, and how to integrate emerging technologies.

Flexible leases

Occupiers need the ability to scale up and down as their businesses evolve and transform. Landlords need to listen to their occupiers' demands and begin to change the way lease structures are implemented.

Convenience

With today's busy lifestyles, convenience is key. Whether this be location, tenant mix, facilities or additional services – buildings that offer convenience will be far more attractive to the modern time-poor consumer.

Data and analytics

The ability to analyse big data enables firms to make informed decisions. It can be used to better understand your customer in order to provide a better service, as well as to drive decision factors around location or tenant.

Collaboration

The fourth industrial revolution is blurring the lines between traditional sectors. Real estate firms will need to collaborate with technology and infrastructure providers, as well as innovative PropTech high-growth firms.

Cyber security and data protection

As buildings become more 'online' and more customer data is collected, care needs to be given to protect against cyber attacks, ensure customer data is protected and that firms are compliant with regulations such as the General Data Protection Regulation (GDPR).

Connectivity

It is now critical that buildings have reliable Wi-Fi throughout. As autonomous vehicles evolve this is set to become more critical than traditional physical connectivity.

Alternative revenue streams

Real estate firms have an opportunity to branch into alternative revenue streams to extract maximum value from their buildings. Whether this be providing additional services and facilities, or utilising customer data.

Future perspective

Investors and developers should evaluate decisions through the lens of the next twenty years. They need to consider how emerging technologies such as artificial intelligence and autonomous vehicles will impact today's buildings and what the opportunities of the future will be.



How KPMG can help you

Smart machines, smart materials and mass data. The fourth industrial revolution is upon us. And it brings with it rapidly changing business models and new ways of looking at the industry. As with any change there are exciting opportunities, but also challenges.

The property industry is sitting up and paying attention to the impact that digitisation and technology is having and how their strategic business models need to reflect these developments. Companies that aren't ready to adapt could struggle to keep up and survive.

- Technology and digital change in real estate is not yet fully understood. Many organisations have not completely grasped how to incorporate these changes into their business or the return on investment.
- The ecosystem of new digital technologies is more powerful and beneficial to business than ever before. It is also more complex.
- KPMG specialists can help companies to navigate their way through this uncertain environment and assist with managing change as organisations transition to the digital age.
- With years of experience in analytical discipline and evidence-based decision making, our consultants have introduced new and innovative approaches which have helped our clients to develop and implement robust digital strategies.
- Our expertise is matched by business and industry knowledge, and supported through our engagement, with a growing community of emerging technology businesses.

Acknowledgements

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