

MARCUS & MILLICHAP SHARPENS REPORTING WITH BUSINESSOBJECTS EDGE

“With BusinessObjects, we can provide our management team, agents, and clients with the timely and accurate data they need to assess current market conditions. By standardizing on SAP and BusinessObjects, we can enable our clients to accelerate and improve their decision-making processes, ultimately maximizing their return on investment.”

Marty Louie, VP Finance, Marcus & Millichap Real Estate Investment Services



Industry

Investment real estate brokerage

Business Pain

Marcus & Millichap needed to provide its agents and their clients with timely and accurate data on market trends.

Why Business Objects?

Synergy with SAP and strengths in reporting and ease of use make Business Objects a success factor for Marcus & Millichap.

Business Objects Products and Services

BusinessObjects Edge Premium

CHALLENGE

Encino, California-based Marcus & Millichap Real Estate Investment Services specializes in investment real estate brokerage, providing real estate investment sales, financing, research, and advisory services. With over 70 offices across the United States and more than 1,300 sales agents and 500 employees, Marcus & Millichap closed an estimated \$21 billion of investment transactions for private and institutional investors in 2007.

Focused on assisting its clients in creating and preserving their wealth, Marcus & Millichap leverages technology to make sense of market data, match properties with prequalified investors, and share the most current information regarding commercial real estate and capital markets with its agents and clients. The company requires deep insight into real estate data to enhance its ability to pair qualified buyers and sellers quickly.

However, a cumbersome and unintuitive development process resulted in lengthy report turnarounds and limited the type of information the company could produce. When aggregating data, the company looks at numerous market indicators including transaction velocity, a variety of proprietary metrics, and changes in capitalization rates by region, property type, and price point. Access to market trends and exclusive metrics enables the company to price its products better, maximize the return on investment (ROI) of properties that clients want to sell, and helps ensure that clients are targeting the right markets and product types, based on their investment needs and criteria. With its old reporting system, the aggregation process took hours or days – if it was done at all – and the company was challenged to generate the reports its sales managers needed to make accurate and rapid decisions.

“It’s difficult for us to not only aggregate data, but also to analyze and efficiently distribute results to our managers and agents” says Marty Louie, vice president of finance at Marcus & Millichap. “To remain competitive, we have to be able to go through tens of thousands of transactions. We need to compile and make sense of all this data and identify forward-looking trends, so that our investment professionals can provide clients with an unparalleled perspective on the investment real estate market locally, regionally, and nationally.”

Economic fluctuations make some investors skittish, driving the need for a savvy and well-informed sales force. Louie says, “The key to our success is for our sales force to communicate to our clients that there are still investment opportunities and capital available. We have to be able to take all the data that we have and find these pockets of opportunities for our clients.” To support information sharing and on-point reporting and analysis for its sales management team, Marcus & Millichap turned to a business intelligence (BI) solution.

APPROACH

Marcus & Millichap was already using Crystal Reports® from Business Objects, an SAP company, to create a range of reports for its sales management team. Additionally, the company uses core modules from SAP® ERP for real estate accounting, accounts payable, and core transactions – all data that feeds the BI system.

Louie says, “We’ve used Crystal Reports for a lot of reporting already, so all of our IT developers were familiar with it.” After evaluating competitive BI products, Marcus & Millichap selected BusinessObjects™ Edge Premium, which offers BusinessObjects Enterprise XI products geared specifically for the mid-market. “There are several specific and unique features available in the Business Objects software suite that led us to select it as our BI solution” says Louie. “For example, we are a spreadsheet-intensive company – our entire management team is very Excel-oriented. When I saw Live Office for the first time, and how easy it is for a sales manager to have a report that they can update at any time with live data, that sold me on the product.”

Along with ease of use, another factor in choosing Business Objects was speed of reporting. “We cannot afford to wait days or weeks for a new report that may or may not be accurate,” says Louie. “Our agents and clients turn to us for guidance, so we have to aggregate data and look for trends for them. The ability to create reports on the fly and the ease of use for the end user are the main reasons we adopted BusinessObjects Edge.”

The value of bringing SAP and Business Objects together is another benefit for Marcus & Millichap. “SAP will end up being seamless for the end user, who can gather all financial data from the SAP data warehouse through BusinessObjects,” says Louie. “SAP is a great system for gathering information and generating transactions. BusinessObjects takes all that data and makes sense of it for the end user. Its ease of use allows us to create dashboards and reports in a matter of days versus months using our previous BI solution. In terms of navigating, BusinessObjects is more intuitive, which increases our users’ acceptance rate.”

RESULTS

In the process of its initial deployment of BusinessObjects Edge, with a rollout to 100 sales managers and executives, Marcus & Millichap looks forward to giving sales agents visibility into numerous key performance indicators (KPIs). “With BusinessObjects Edge, sales managers can view critical reports, such as the sales pipeline, so they can assist their agents in understanding and managing their businesses. Our focus is to give our agents as much transparency to their businesses, down to the transaction level, in order for them to succeed as investment real estate professionals,” says Louie. “They can easily determine for themselves whether they’re underperforming or high achieving. Agents inherently are competitors, so they always want to be over-achievers.”

With BusinessObjects Edge, the company can efficiently distribute current market information to its agents. Louie says, “The name of the game in brokerage is information – the type and quality of information that you give to your clients will help them more efficiently deploy their assets and maximize their returns. By implementing BusinessObjects, we can aggregate the data quickly and efficiently distribute it to all of our agents and management team.”

Marcus & Millichap already sees BusinessObjects as indispensable to its success. “Without BusinessObjects, we would not be able to provide our agents and their clients with timely and accurate data on market trends,” says Louie. “We’re at a critical point in our business cycle – so it’s even more important that we generate and analyze data in a timely manner, and be able to communicate our findings so our clientele can maximize their wealth. BI is essential to accomplishing that.”

BI will also help clients get through the rough spots of the real estate market. “The real estate market had been on an upward cycle for many, many years,” explains Louie. “We knew that with any cycle there was going to be a downturn, but we didn’t know exactly when it would be. So we needed to invest in a solution that would give us foresight to help minimize the effects of the downturn. Clients and agents are more demanding in the type of information they want, how fast they want it, and how it looks. Now that we have SAP and BusinessObjects in-house, we are positioned to give them the information they need.”

With BusinessObjects Edge, Marcus & Millichap anticipates better client satisfaction. “Our mission is that we are going to be the best at providing real estate services to our clients and agents, which includes providing timely and accurate data to allow them to make informative

decisions, which will ultimately lead to maximizing their investment returns on commercial real estate,” says Louie. “That’s where Business Objects adds value, in enabling us to go through that data and give guidance to our clients. With Business Objects solutions, we can provide real estate trend data to our clients in a more timely manner.”

Faster access to real estate trend data gives Marcus & Millichap an edge on the competition. Says Louie, “BusinessObjects changes how quickly we’re going to access the information, and it gives us more visibility to what we call trip wires, or forward-looking indicators. We can react faster than our competitors to market movements.”

As a mid-sized company, Marcus & Millichap appreciates the mid-market focus of BusinessObjects Edge. “The BusinessObjects Edge solution works really well for a company of our size,” says Louie. “We are a mid-market company but we don’t see ourselves that way. We have the same issues as a Fortune 500 company – actually, our challenges are greater because of the limited amount of human resources that we have available to analyze the effects of regional and national market influences compared to those available in larger companies. To that end, we are looking for software that is going to be as dynamic as we are, so we can change it to suit our needs for the day. That is why BusinessObjects Edge is excellent.” Louie also anticipates greater internal efficiency for the finance team. “We probably will save two full-time people with the efficiencies that we’re going to gain from utilizing Business Objects. For a department our size, that is a lot of freed up resources,” says Louie.

Marcus & Millichap envisions great synergy from the union of SAP and Business Objects. “I look forward to both companies focusing on their strengths,” says Louie. “With Business Objects, its strength is the ability to aggregate and analyze data. SAP is good with its accumulation of transactions and core system reporting. We look forward to leveraging and simplifying that reporting using the Business Objects technology.”

businessobjects.com



© 2008 Business Objects. All rights reserved. Business Objects owns the following U.S. patents, which may cover products that are offered and licensed by Business Objects: 5,555,403; 5,857,205; 6,289,352; 6,247,008; 6,490,593; 6,578,027; 6,831,668; 6,768,986; 6,772,409; 6,882,998; 7,139,766; 7,299,419; 7,194,465; 7,222,130; 7,181,440 and 7,181,435. Business Objects and the Business Objects logo, BusinessObjects, Business Objects Crystal Vision, Business Process On Demand, BusinessQuery, Crystal Analysis, Crystal Applications, Crystal Decisions, Crystal Enterprise, Crystal Insider, Crystal Reports, Desktop Intelligence, Inight, the Inight Logo, LinguistX, Star Tree, Table Lens, ThingFinder, Timewall, Let there be light, Metify, NSite, Rapid Marts, RapidMarts, the Spectrum Design, Web Intelligence, Workmail and Xcelsius are trademarks or registered trademarks in the United States and/or other countries of Business Objects and/or affiliated companies. All other names mentioned herein may be trademarks of their respective owners. Part # CS344-A