
THREE QUESTIONS FOR... Norman Meyer, Head of Digital Business Models Drees & Sommer SE

INNOVATIVE IDEAS FOR THE REAL ESTATE SECTOR

Norman Meyer,
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„ As an interpreter between the worlds, in cooperation with start-ups, we intend to digitalize the real estate industry in a useful way. “

1. The digital transformation creates enormous pressure for change. Young company founders are also having an impact on the real estate world with revolutionary ideas and technologies. Will established business models soon be unnecessary as a result?

The real estate industry is extremely diversified. For that reason, this appears quite unlikely in the foreseeable future. People outside the real estate industry find it difficult to succeed in the sector to any appreciable extent. As a result, it is firstly less vulnerable to disruption in comparison with other sectors. Business models such as Airbnb or some office-sharing models tackle largely standardized businesses above all. As far as planning, development, construction and user-specific operation are concerned, start-ups often still lack specific industry expertise and access to the market. On the other hand, sometimes our focus on the details blocks us, as industry professionals, from taking a lateral thinking viewpoint. Consequently, established companies must also begin to challenge current methods and interrelationships in order to organize the digital transformation successfully. In this respect, we can learn a lot from start-ups. They are mostly digital natives, while we need to change our way of thinking for this purpose, in other words: change management. Start-ups think laterally, are creative, like to experiment and have the confidence to take an 80 percent solution to the market. In short: they just do it, instead of thinking about it so hard that all sorts of potential problems become apparent. In many sub-areas of the real estate industry, this way of thinking offers enormous potential for taking innovative and cost-effective paths. But even the smartest business model only works in practice if the players in the 'new world' share their way of thinking and zest for doing things with experts in the 'old world', who offer in return their specialist knowledge and expertise. Isolation is no longer 'in'!

2. What exactly can the old world contribute with its specialist knowledge?

Of course, we already live in a largely digitalized sector environment. And the latest developments mean that new business models and tools are added faster than ever before. In the planning, implementation and operation of real estate, however, many stakeholders interact to produce a huge amount of heterogeneous data. It is clear that anyone who is able to connect this data cleverly and in a user-friendly way can generate higher-quality results faster than the non-digitally networked competition. And this is where we see our role: as an interpreter between the worlds. In cooperation with start-ups, we intend to digitalize the real estate industry in a useful way. So our trade fair motto at Expo Real is 'Analyze before you digitize! Right Mix, Real Value'. Digitalization must not become an end in itself. In fact, the right mix of digital and analog aspects is a crucial factor in whether or not a project is a success.

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3. Why should start-ups cooperate with Drees & Sommer? What added value is derived from collaboration?

Start-ups bring innovatory capability and fertile lateral thinking. In many cases, however, they don't have the opportunity to test just how practical their ideas are on a large scale and with real-life property. This is precisely where there is potential for collaboration: we offer space, mentoring, atmosphere, capital and practical projects, in which new business models can be tested and further developed. If the business idea is brilliant and scalable, we would be pleased to input our time, development capacity, our network and our strength on the market. The only requirement is that the idea is suitable for Drees & Sommer. To set appropriate cooperation with promising start-ups in motion, we have developed the digital tool 'Start-it-up'. Start-ups, creative minds or entrepreneurs have been able to register at <https://www.dreso.com/start-it-up> since 15 September and pitch their idea. If both sides are keen, we can meet at the International Trade Fair for Property and Investment EXPO REAL from 8 to 10 October and make joint plans.

CV of Norman Meyer

Norman Meyer has been with the international project management and consulting company Drees & Sommer as Head of Digital Business Models since February 2017. He previously founded and established the prop-tech company Asset Profiler, an online platform for real estate transactions, which he started in 2011. From 2003 to 2011 he was employed as an investment manager and later as a partner in consulting firm Egon Meyer + Partner GmbH. There he gained extensive experience in the transaction business of commercial real estate and residential property portfolios. Norman is also a member of gif Gesellschaft für immobilienwirtschaftliche Forschung e.V. (Society of Property Researchers) and the Urban Land Institute.