

Technology

Technology seemed to explode in the 2000s. Devices such as portable MP3 players, Nintendo Wii, Xbox, Netflix, DVR, Blue-Ray and iTunes all revolutionized consumer behaviors. Let's examine some of the major technological advancements and their effect on commercial real estate.



Availability of Information

The Internet explosion took the commercial real estate business by storm. Information became more readily available. While sites such as CoStar and LoopNet (which went public in 2006, although both technically launched in the late 1990s) became increasingly popular, and in fact, became the "norm." It seemed as if commercial real estate companies needed access to one or both. Information such as comparables, that were traditionally coveted and indeed, a professional's differentiator, were now readily accessible, and leveled the playing field for professionals. In residential real estate, this has become more prevalent with Listing Hubs, Zillow and Trulia; because now the information is accessible to the general public instead of agents controlling what their clients see. The question to ponder is, will commercial real estate follow in residential's footsteps, as it typically does, in making information even more readily available and accessible to the public? [Read an interesting LinkedIn conversation about information becoming more accessible.](#)



Internet Shopping

Internet shopping wasn't developed in the 2000s, but its popularity grew by leaps and bounds over the last decade. From a commercial real estate perspective, this had a direct effect on the retail sector. Music downloading sites such as *Napster* and *iTunes* severely damaged the CD industry, causing such stores as Tower Records to close their doors. Netflix has really put a dent in Blockbuster's market dominance; and online discount shops have hurt retail sales, causing stores to close. [View the list of companies that have recently closed shops.](#) It isn't all bad news though. There has been a recent shift in these shops requiring more warehouse space and shipping needs to house their internet distribution goods.



Smartphones

Without a doubt, the single technological advancement that changed commercial real estate the most in the 2000s was the advent of the Smartphone. The nature of the business is persistent and consistent contact with clients. The Smartphone allowed the convenience of being more accessible and ability to retrieve and send emails while on the go, instead of at your desk. These days, it's rare to see a commercial real estate professional without a Smartphone. If you do see one, would you conduct business with him?



Social Media

Social Media exploded in the 2000s, especially the latter part of the decade. I don't think we've fully experienced the ramifications of Social Media yet for commercial real estate, but it is coming. Social Media created a shift in the way we traditionally think about marketing. Typically, you would market your properties to your sphere of clients via email, which was very localized and had little interaction. Also, Social Media created a shift in the way we think about networking. Typically, most networking took place at an industry event. You handed out a couple of business cards and talked shop with a limited number of people. Most of the people were from your market. With Social Media, these boundaries can be broken. You can network with and market to thousands of people on a local, regional and national basis; at the click of a button! You can also reach many more people with your marketing efforts.



Video

With the launch of YouTube in 2005, videos became more accessible to the public. Like Social Media, Video hasn't quite translated into the commercial real estate world, but many in the industry believe it will. As video gets cheaper and easier to produce, you will see more "virtual tours" and less flyers of a building.



What's Next

There are a couple of new technologies on the horizon that could have a dramatic effect on commercial real estate such as [Augmented Reality](#) and [QR Codes](#) to be aware of. You will have the ability to include more information on building signs, business cards or property flyers; that a user can download directly to their Smartphone.



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