



## **MARCUS & MILLICHAP**

### SHARPENS REPORTING WITH SAP® BusinessObjects™ SOLUTION PORTFOLIO

“With SAP BusinessObjects Edge BI, we can provide our management, agents, and clients with data to assess current market conditions. We enable clients to accelerate and improve decision-making processes, ultimately maximizing return on investment.”

**Marty Louie**, Vice President of Finance, Marcus & Millichap Real Estate Investment Services

#### QUICK FACTS

##### Company

- Name: Marcus & Millichap Real Estate Investment Services
- Location: Encino, California
- Industry: Professional services – investment real estate brokerage
- Products and services: Real estate investment sales, financing, research, and advisory services
- Revenue: US\$21 billion
- Employees: 1,800
- Web site: [www.marcusmillichap.com](http://www.marcusmillichap.com)

##### Challenges and Opportunities

- Facilitate faster and better decision making
- Provide agents and clients the market trend data they need to make fully informed decisions
- More effectively pair qualified buyers with sales agents to speed up the sales process

##### Objectives

- Use standard reports that incorporate all relevant information needed for decision making
- Create reports that give visibility to key performance indicators
- Gain deeper insight into real estate data

##### SAP® Solutions and Services

SAP® BusinessObjects™ Edge Business Intelligence software, version with data integration

##### Why SAP

- Ease of integration with existing SAP software
- Ability to aggregate and analyze data using core transaction reporting
- Support for gathering critical information efficiently

##### Benefits

- Lower total cost of ownership by leveraging existing technology
- More competitive edge due to faster access to trend data
- Ease of use in generating accurate reports for clients
- Increased employee productivity

##### Existing Environment

- Crystal Reports® software
- SAP ERP application

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 US\$21 billion of investment transactions for private and institutional investors in 2007.

### A Need for Deep Insight

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 and maximize the ROI of properties that clients want to sell, and it 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 not only to 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 manage-

ment team, Marcus & Millichap turned to a business intelligence (BI) solution.

### Selecting a Business Intelligence Product for the Midmarket

Marcus & Millichap was already using Crystal Reports® software to create a range of reports for its sales management team. Additionally, the company uses components from the SAP® ERP application for real estate accounting, accounts payable, and other core transactions – all data that feeds business intelligence.

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 the SAP BusinessObjects™ Edge Business Intelligence software, version with data integration, geared specifically for the mid market. “There are several specific and unique features available in the SAP BusinessObjects portfolio that led to our selection of a BI solution,” says Louie. “For example, we are a spreadsheet-intensive company – our entire management team is very Excel oriented. When I saw SAP BusinessObjects Live Office software for the first time, and how easy it is for sales managers to have a report they can update at any time with live data, that sold me on the product.”

Along with ease of use, another factor in choosing SAP BusinessObjects Edge BI software 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



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**Marty Louie**, Vice President of Finance, Marcus & Millichap Real Estate Investment Services

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 SAP BusinessObjects Edge BI software.”

Marcus & Millichap employees benefit from the integration of the BI software with their existing enterprise resource planning (ERP) and reporting applications. “The end user can gather all financial data from the SAP data warehouse through SAP BusinessObjects Edge BI,” says Louie. “SAP BusinessObjects Edge BI is a great solution for gathering information and generating transactions.

“SAP BusinessObjects Edge BI adds value, in enabling us to go through that data and give guidance to our clients. We can provide real estate trend data to our clients in a more timely manner.”

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The software 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, it is more intuitive, which increases our users’ acceptance rate.”

### The Right Information Is Indispensable to Success

In the process of its initial deployment of SAP BusinessObjects Edge BI, with a rollout to 100 sales managers and executives, Marcus & Millichap looks forward to giving sales agents visibility into numerous key performance indicators. “With SAP BusinessObjects Edge

BI, 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 as possible, down to the transaction level, in order for them to succeed as investment real estate professionals,” says Louie.

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 SAP BusinessObjects Edge BI, we can aggregate the data quickly and efficiently distribute it to all of our agents and management team.”

Marcus & Millichap already sees the software as indispensable to its success. “Without SAP BusinessObjects Edge BI, 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 find-

ings so our clientele can maximize their wealth. Our BI solution is essential to accomplishing that.”

Business intelligence 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 BusinessObjects Edge BI in-house, we are positioned to give them the information they need.”

### The Road Ahead

With SAP BusinessObjects Edge BI, 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 informed decisions, which will ultimately lead to maximizing their investment returns on commercial real estate,” says Louie. “That’s where SAP BusinessObjects Edge BI adds value, in enabling us to go through that data and give guidance to our clients. 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, “SAP BusinessObjects Edge BI 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 midsize company, Marcus & Millichap appreciates the midmarket focus of the software. "SAP BusinessObjects Edge BI works really well for a company of our size," says Louie. "We are a midmarket 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 SAP BusinessObjects Edge BI 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. For a department our size, that is a lot of freed-up resources."

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