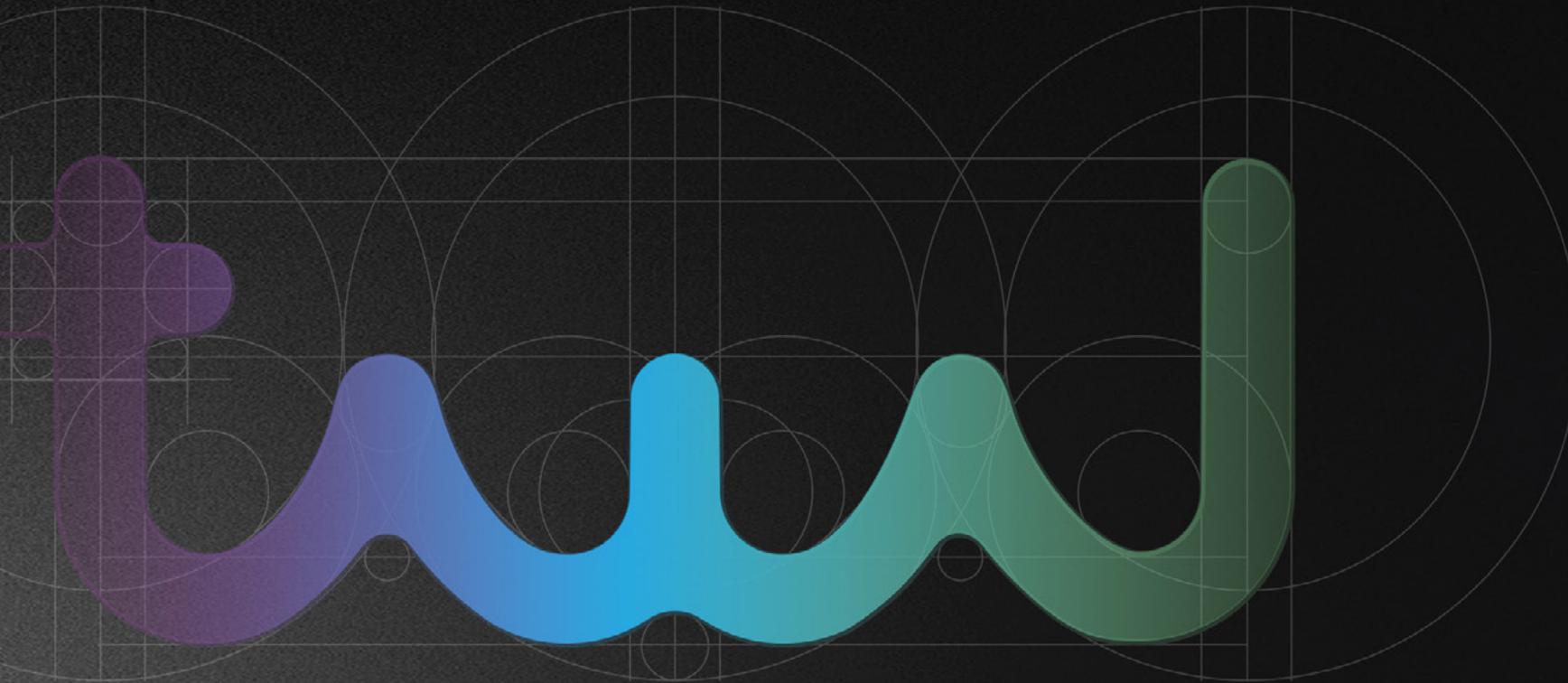


**CBRE**

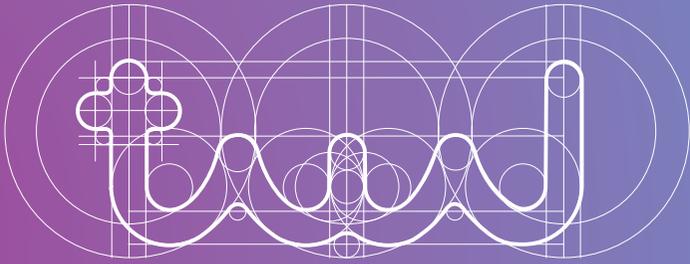


**WORK\_IT:** TECHNOLOGY | WORKPLACE | JOBS

---

CBRE RESEARCH

**How technology will  
redefine real estate –  
and why companies  
must prepare now**



# WORK\_IT:

## TECHNOLOGY | WORKPLACE | JOBS

As technology exerts a greater influence on all aspects of our lives, this report series examines the various dimensions and impacts of technological change in the workplace.

### LOCATION IS NO LONGER EVERYTHING

As we evolve into a more knowledge-based economy, human capital and tech innovation are ever more important differentiators for companies.



### TECH PUTS PEOPLE AT THE CENTRE OF THE WORKPLACE

**53%** of occupiers want a more customised workplace environment that adapts to the needs of their people. A mobile workplace is just the beginning.



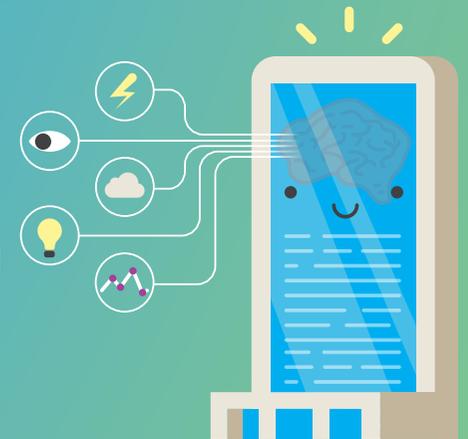
### MOBILITY IS REWRITING OFFICE DEMAND

**86%** of occupiers believe mobility is the single biggest tech enablement in the workplace. This will allow employees to have greater flexibility in choosing how, when, and where to work.



### LANDLORDS ARE THE ENABLERS OF CHANGE

**84%** of landlords expect a rise in smart buildings as a result of tech innovation. Those who understand occupier office needs and tech requirements will be at the forefront of this revolution.



Source: CBRE Research, November 2017.

CBRE RESEARCH  
This report was prepared by the CBRE Asia Pacific Research Team, which forms part of CBRE Research – a network of preeminent researchers who collaborate to provide real estate market research and econometric forecasting to real estate. © 2017 CBRE, Inc. Information contained herein, including projections, has been obtained from sources believed to be reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. It is your responsibility to confirm independently its accuracy and completeness. This information is presented exclusively for use by CBRE clients and professionals and all rights to the material are reserved and cannot be reproduced without prior written permission of CBRE.

[cbre.com/TWJ](http://cbre.com/TWJ)

**CBRE**

# The digital age is changing the face of business

The digital age is changing the face of business. While this has brought a myriad of advantages, it has also created significant challenges. Harnessed in the right way, technology can be an enormous asset. Yet many companies are struggling to comprehend and get to grips with the rapid pace at which technology is evolving.

Change is occurring at a faster speed in Asia Pacific. Over the past five years, the number of Internet users in the region has increased by 74% to 1.7 billion, compared to 36% in the rest of the world<sup>1</sup>. Two-thirds of people in Asia use mobile phones to access the Internet, surpassing the use of desktop computers. The ability to be connected anytime, anywhere is facilitating the transition to mobile working in many industries.

Automation and artificial intelligence are already enabling the real estate industry to build powerful tools to help forecast client requirements; map potential real estate scenarios; make complicated portfolio decisions; and create virtual or

augmented reality experiences of current and future city and work environments. The short-term will see the emergence of real time sensor data that will help optimise and manage space and enable buildings to be responsive to the real time needs of tenants and visitors. The longer term and most significant impact of digital technology will be the transformation of real estate from being about products to being about a service – signs of which are happening already.

Work will require strong

social intelligence,

creative intelligence and

the ability to leverage

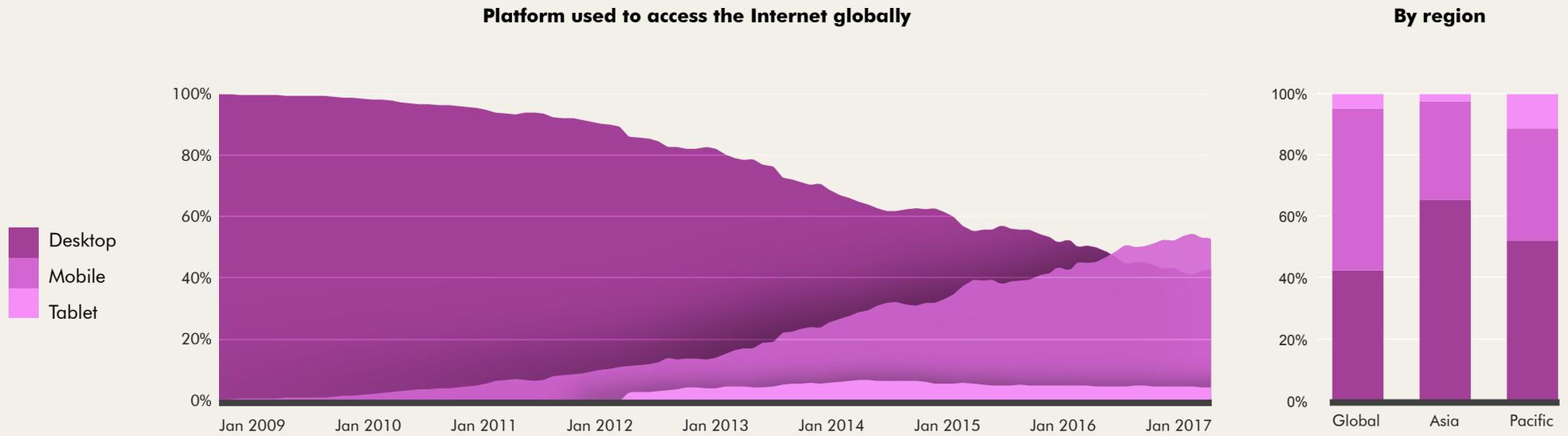
artificial intelligence.

Even more dramatic and impactful will be the seismic shifts related to work and organisational structures. Work will become more mobile and knowledgeable individuals will have incredibly powerful tools to help them perform their roles. Basic tasks will be stripped out of all jobs. Many jobs will disappear and old ones will change significantly.

Work will require strong social intelligence, creative intelligence and the ability to leverage artificial intelligence. This will impact management structures, render middle management obsolete and replace it with middle mentorship. Organisational structures will be flatter and work will be undertaken by fluid teams organised around solving client/customer problems – replicating the dynamic fluidity of small start-up companies. These trends, such as the recent rapid adoption of Agile Processes and Agile Programming amongst corporations, are already taking hold.

<sup>1</sup> StatCounter Global Stats, September 2017.

**Figure 1: Platform used to access the Internet**



Source: StatCounter Global Stats, September 2017.

# Methodology

In June 2017 CBRE Research embarked upon a major survey of industry leaders to understand how these issues are redefining corporate real estate and how companies should prepare.

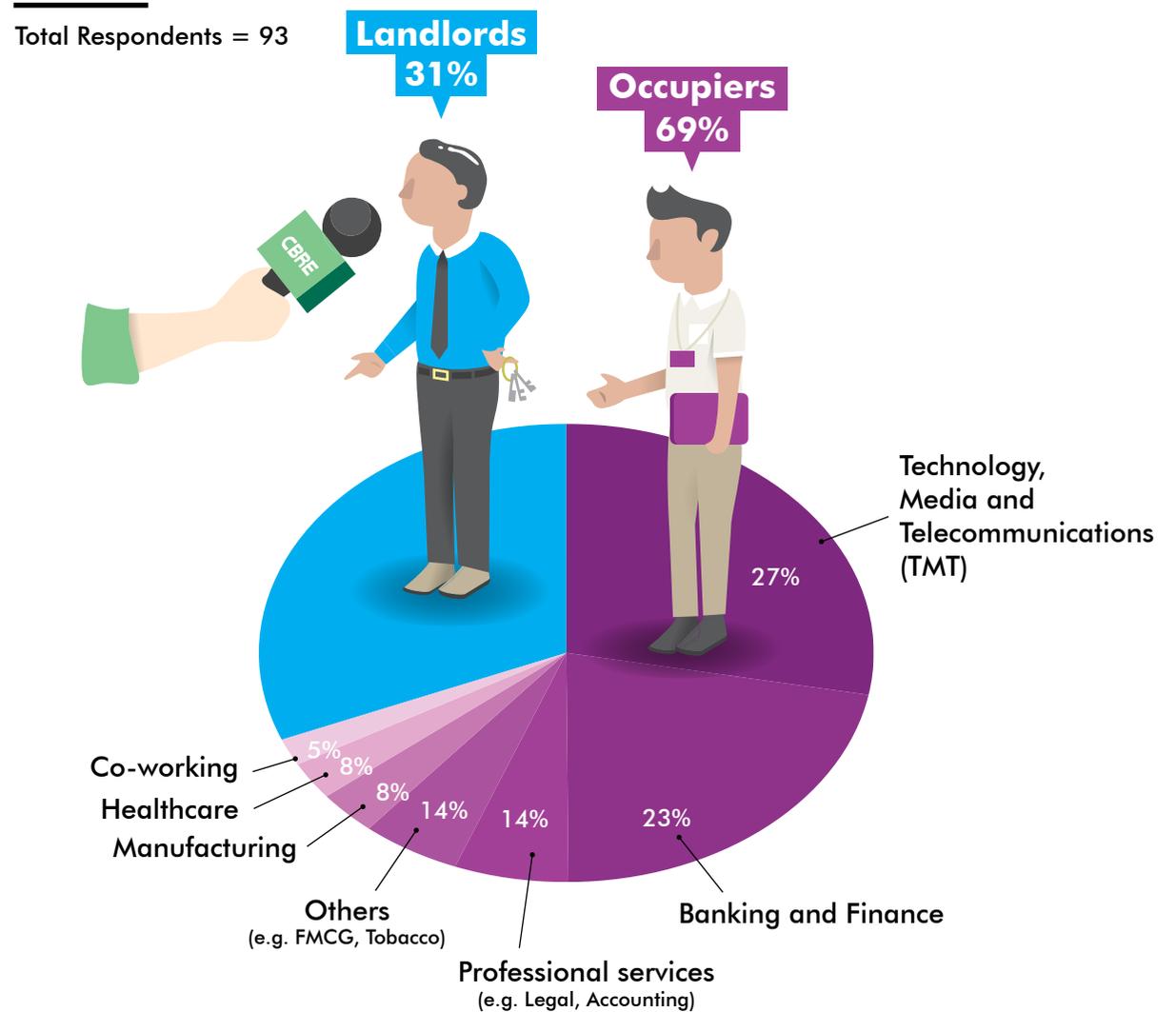
This report was based on the findings of a total of 93 face-to-face and phone interviews conducted by CBRE Research between June and August 2017.

69% of interviewees were employed by occupiers and 31% were employed by landlords to ensure CBRE Research obtained a balanced view from both groups. Most respondents were senior corporate real estate staff. Also interviewed were individuals responsible for technology innovation within their organisation.

Employees in the Technology, Media and Telecommunications (TMT) and banking & finance sector accounted for the bulk of interviewees. CBRE Research also interviewed senior staff from co-working operators to ensure the views of industry disruptors were represented in this report.

CBRE Research conducted online surveys in India and China as part of this initiative. The results of these surveys will be published separately.

**Figure 2: Respondents' profile**



Source: CBRE Tech Survey 2017

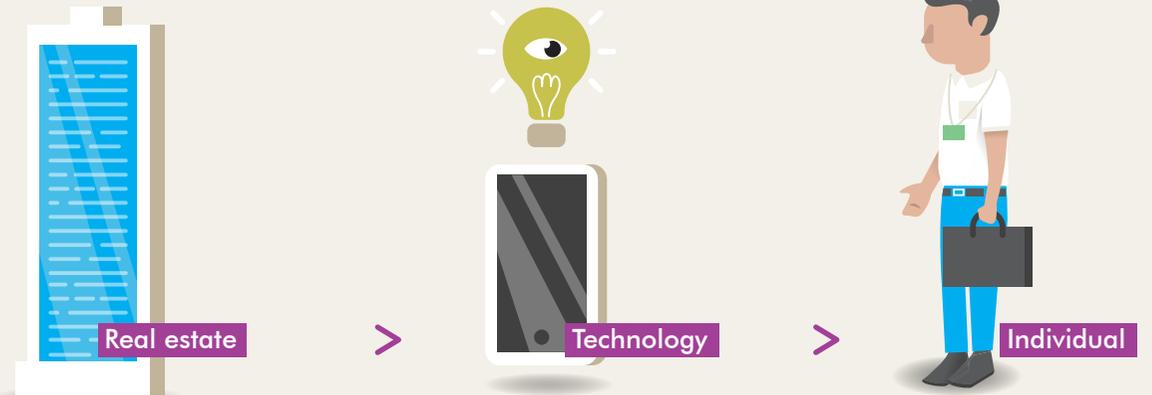
# The order of corporate real estate will change

Advances in technology are breaking the traditional process of companies deciding on a location where they would like to do business; buying or leasing an office; fitting it out to their specifications; and installing it with technology for their staff to perform their jobs. At present, employees' preferences are rarely included in this decision-making process.

The digital age is reversing this process. Individuals are very much in the driving seat and companies' decisions are being informed by connectivity and accessibility as well as talent attraction and retention. While location will remain important, the changing order of real estate will require buildings and work spaces to be far more flexible and adaptable than before.

**Figure 3: The changing order of real estate**

**Yesterday**



**Today**



Source: Always On – Real Estate Response for a Rapidly Changing World, CBRE EMEA Research



**Technology is rapidly  
changing business**

**But is business  
responding quickly  
enough?**

# Companies are finding it challenging to keep up with new technology

The survey found that while 75% of respondents believe that technology is driving significant change in business, only 60% feel confident in responding to these changes. Even among non-tech companies, senior management believe that success and failure rests upon how well they adopt new technology and digitise their business. To this end, more companies are investing in research and development to modify their product and service offering.

While disruptors are challenging established players with new business models and early adopters have identified the need for change, many followers are struggling with the cost of investing in new technology and questioning whether it is worth the capital outlay.

The survey found that landlords are comparatively more reluctant to invest in technology as they

believe it could already be obsolete by the time a new building is completed, considering the typical development period of three to five years.

Most new office buildings in Asia are speculative developments and do not have anchor tenants signed when construction commences. It is therefore challenging for developers to correctly anticipate the technology that potential tenants will require.

Nevertheless, CBRE Research believes that landlords should proactively implement basic features to attract and retain tenants as well as build-in greater flexibility into their buildings for occupiers to implement their own technology.

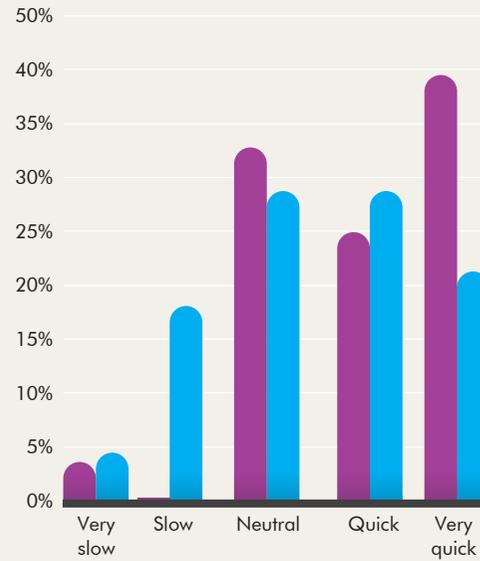
Landlords are comparatively more reluctant to invest in technology as they believe it could already be obsolete by the time a new building is completed.

**Figure 4: Rate of response to technological innovation**

**Occupiers:**

Willing to adopt technological change as it can drive **operational efficiency** and **cost saving in the long-term**.

**More proactive and agile** in adopting new technology.



**Landlords:**

Reluctant to invest heavily in technology as it could **become irrelevant** after buildings are completed, given the typical development period of three to five years.

Difficult to meet tenants' specific tech hardware requirements. Better to build in **flexibility** for tenants to implement their own technology.

**Difficult to achieve reasonable returns** on investment in new technology.

Source: CBRE Tech Survey 2017

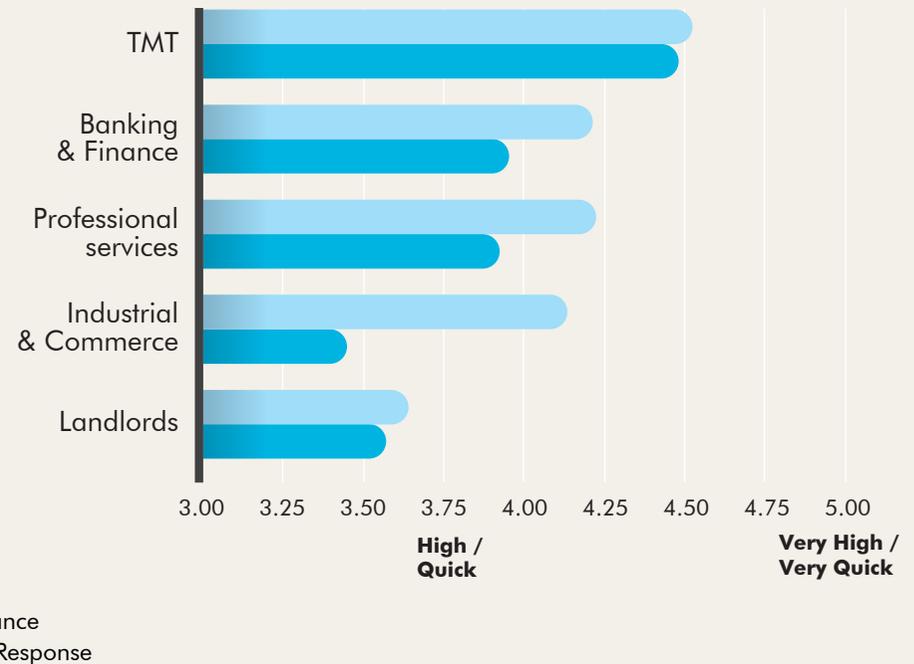
# The TMT sector is at the forefront of technological innovation

Every industry is undergoing change due to rapid technological development but their rate of response varies significantly. The TMT sector is at the forefront of driving change, while the banking & finance sector is also making significant advances as it seeks to counter the rise of FinTech by investing in research and development and setting up business incubator and accelerator programmes.

Technology and innovation is also a key theme in the professional services sector, particularly among legal and accounting firms, which are adopting automation and artificial intelligence to handle repetitive and low value tasks currently performed by junior lawyers and accountants<sup>2</sup>.

The industrial and commerce sector is relatively less sensitive to technological innovation but is also the industry group facing the biggest challenge in responding to the changes arising from shifting consumer behaviour and the rise of e-commerce. With Asia Pacific accounting for one-third of global exports, the slow response of the industrial sector to technology highlights the challenge facing the regional economy.

**Figure 5: Significance to business and rate of response to technological innovation**



Source: CBRE Tech Survey 2017

Note: Industrial & Commerce includes manufacturing, healthcare and other sectors

2 The future of employment - How susceptible are jobs to computerisation? Oxford University

# Corporates will require smarter business solutions

The rise of technology including artificial intelligence, augmented reality and 3-D printing raises the spectre of massive job losses and the obsolescence of traditional industries.

However, the technology regarded as having the most significant impact on business is the smartphone, which is a catalyst of change rather than an innovation itself. With penetration of nearly 60% in Asia Pacific, mobile phones are the primary means by which many people collect information, approach customers and dispatch services.

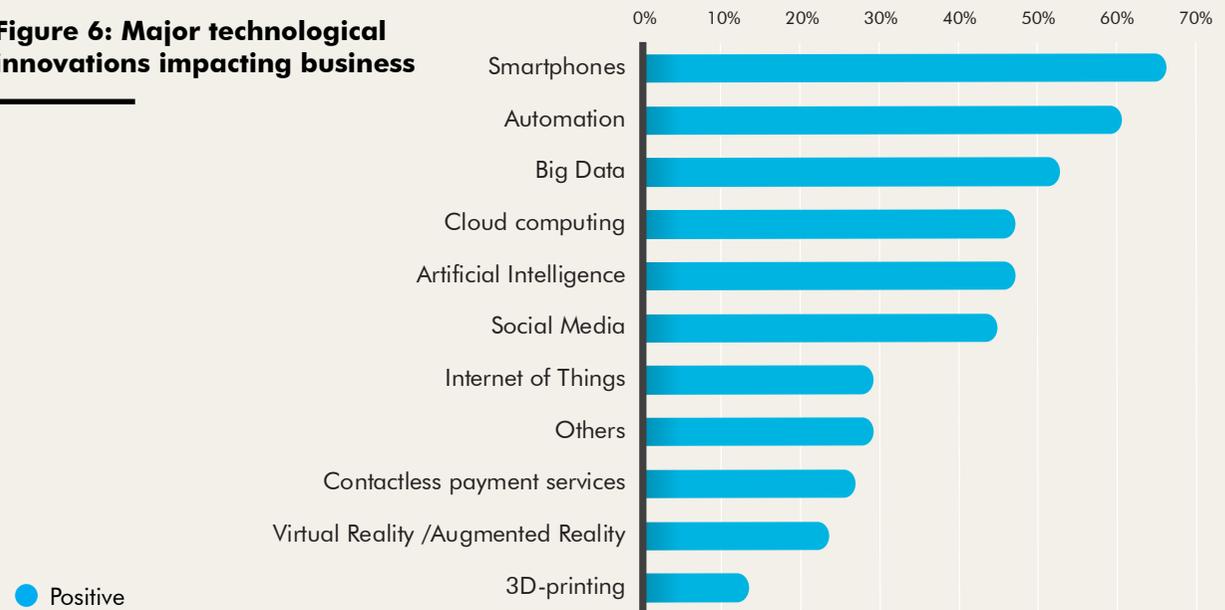
Survey respondents identified a major gap between technology and usability; the technology is in place but it is difficult to use. This is inhibiting the pace and acceptance of change among business and customers. The proliferation of mobile apps is a key solution for usability, with more than six million apps available in online stores. Although technology is mature and available, companies must still formulate their own business solutions.

Many firms are aware of new technology but require justification from a business perspective before they invest in it.

The adoption of mobile apps in the real estate sector is still at a nascent stage. Only a few respondents reported having developed apps for

use in the workplace such as helping to reserve meeting rooms, order meals and control air conditioning. In most cases, apps have been developed for a specific building, occupier site or landlord. Only one example from Australia involved a platform being used by different landlords and tenants.

**Figure 6: Major technological innovations impacting business**



Source: CBRE Tech Survey 2017

A hand is shown holding a glowing, semi-transparent digital interface. The interface consists of a circular arrangement of various icons connected by a thin, glowing line. The icons include a cloud with a double-headed arrow, a laptop, a location pin, a padlock, a document, a globe, a camera, a Wi-Fi symbol, a musical note, and a smartphone. The background is a soft, out-of-focus image of a person's face and hand, with a blue and green gradient overlay.

**Work is becoming more  
mobile and flexible in  
the digital age**

**Do we understand  
the impact?**

# The workforce will be more mobile and flexible

Technology is enabling a more mobile workforce and requiring companies to build more agility into their headcount planning and provide appropriate settings to foster interaction between employees. About 85% of respondents expect to see an increase in mobility in their future workforce. These ideas are already represented in workplace formats such as Activity-based Working (ABW), which enables employees to select an appropriate setting from a variety of different workspaces or AGILE Workplaces for strong team-based work processes.

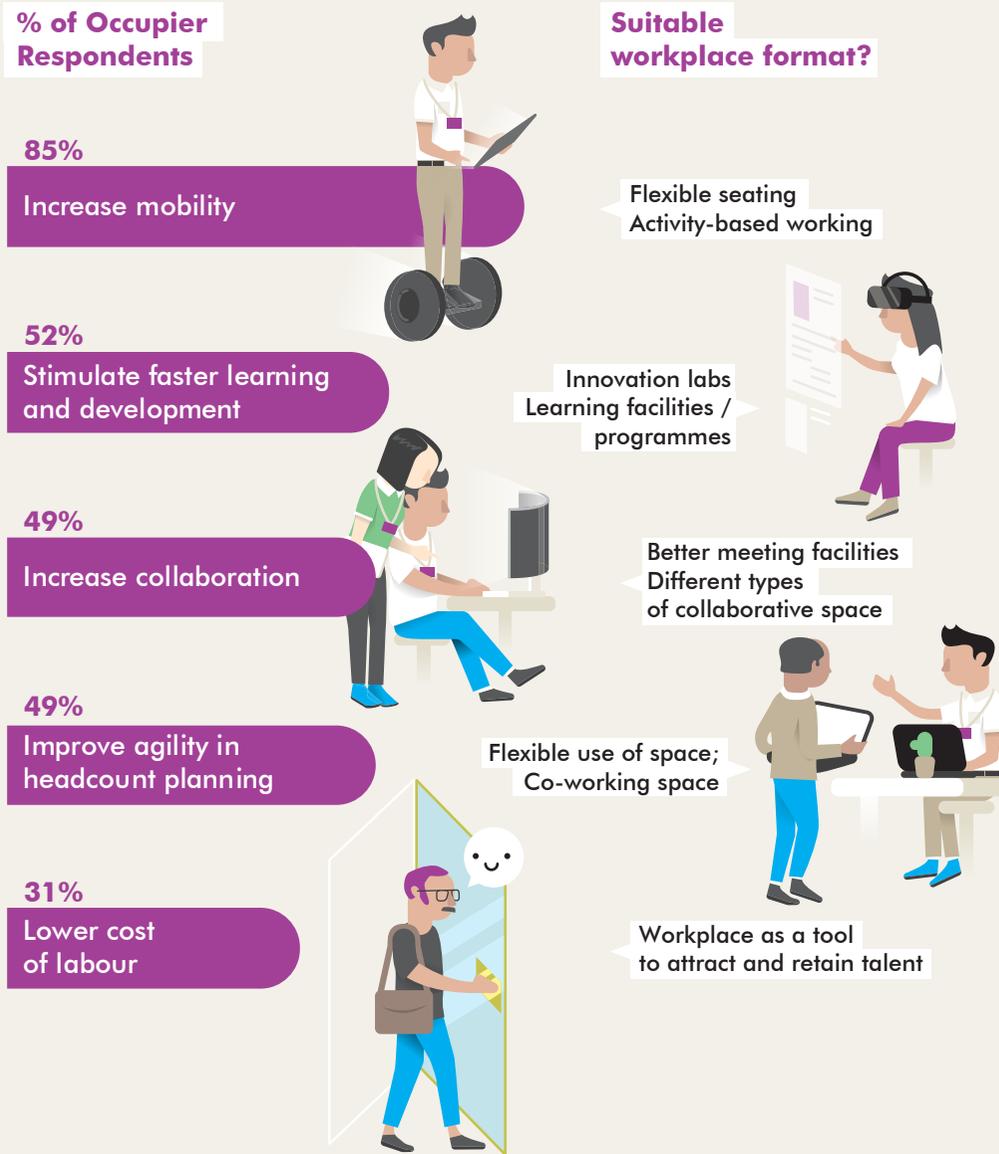
Several respondents in the tech sector expect to see no further movement towards greater mobility as many companies in this industry have already adopted mobile working for some time. However, once short-term efficiency gains have been achieved via mobile working, companies still must work towards improving employee collaboration and performance in the longer term.

Although more than half of respondents believe technology will stimulate faster learning and development for employees, many existing workplaces fail to include innovation laboratories and other facilities supporting learning functions.

Only 31% of respondents believe technological innovation is lowering the cost of labour. In fact, the per capita labour cost is likely to increase as those jobs which cannot be automated will require people who are more valuable and significantly more productive. Technology will also play a key role in helping companies attract and retain talent, especially in mature markets, where ageing populations and low birth rates will significantly reduce workforce growth in the coming years.

Technology is enabling a  
more mobile workforce  
and requiring companies  
to build more agility into  
their headcount planning.

**Figure 7: Major impacts on the workforce in response to technological innovation**



Source: CBRE Tech Survey 2017

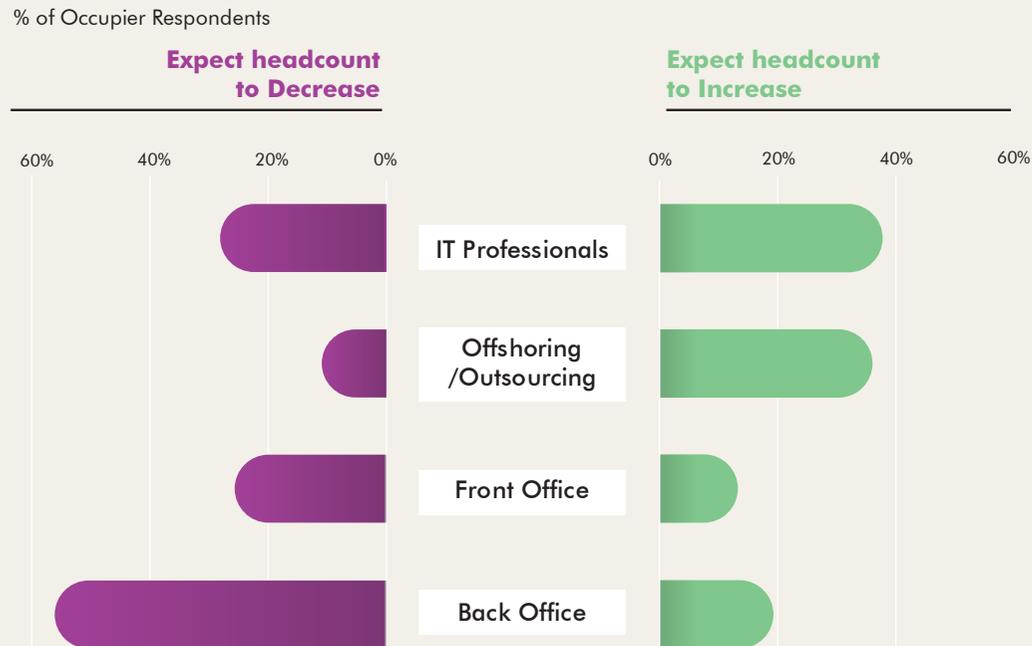
# Headcount growth will change

Business functions have traditionally been separated into front offices responsible for generating business and back offices handling operations, outsourcing and offshoring. IT is

regarded as a supporting function. The survey found that respondents held positive views regarding headcount growth for offshoring/outsourcing and IT functions. However, they

expect to see a net decline in employment levels in both front and back offices, reflecting a shift away from the traditional corporate model described above.

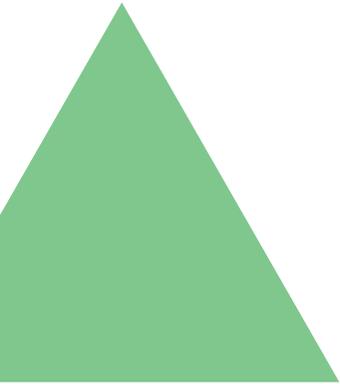
**Figure 8: Occupiers' expectations of headcount growth over the next three years**



## How will office demand be affected?

- IT Professionals**
  - More demand for innovation labs and data centres
  - Less sensitive for office location
- Offshoring /Outsourcing**
  - More demand for co-working spaces
  - Less sensitive for office location
- Front Office**
  - Less demand for CBD office
- Back Office**
  - Less demand for decentralised offices

Source: CBRE Tech Survey 2017



### **INCREASE in IT staff**

Corporates are prioritising the hiring of high value-added IT staff such as technology developers and data scientists to drive business development. Other growth areas include employees with skills related to cyber security and user experience. However, not all IT jobs have upbeat prospects; positions related to system maintenance and engineering are at risk of becoming obsolete as companies outsource such functions or move to cloud solutions.

Companies in the financial sector are especially keen on hiring more IT professionals to combat the disruption created by the growth of FinTech. These employees are usually located in business campuses, science parks and data centres, all of which are registering growing occupier demand. In

Singapore, major banks including Standard Chartered, DBS and ANZ have opened innovation labs over the past three years, while Hong Kong already hosts 12 FinTech labs. Some of these labs are located on banks' main premises but many are situated outside traditional business areas. Examples include Cyberport and Science Park in Hong Kong and One North in Singapore.

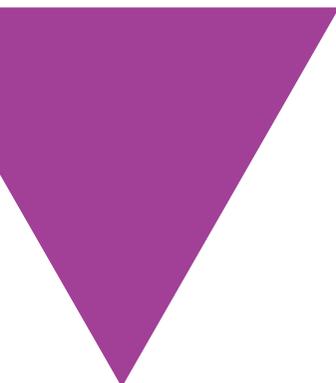
Multinationals are likely to use co-working spaces and incubation centres to improve their access to IT talent and innovative ideas. Examples of banks using co-working space include Standard Chartered partnering with Chinese online search giant Baidu, and co-working space operator TusPark Global Network opening a FinTech incubator programme in Hong Kong.

### **INCREASE in outsourcing/offshoring staff**

More than 40% of respondents expect to see an increase in outsourcing/offshoring staff over the next three years. However, outsourcing will no longer be limited to low value tasks; companies increasingly view outsourcing as an ideal means by

which to partner with external talent that can bring new and innovative ideas to the table. These staff may prefer to work independently and offsite, which will drive solid demand for co-working space.

In the longer-term, automation will reduce the number of low-end job openings in offshoring destinations. While some organisations in the Philippines and India recognise this challenge and are upgrading to provide higher value services, others are lagging. Many companies are already using chatbots and voice systems enabled by artificial intelligence to replace call centres. Although this will eventually result in weaker office demand growth in major offshoring markets, offshoring remains the preferred cost-saving option for companies at present, meaning that the impact on these markets will be limited in the short-to-medium term.



**DECREASE in front office staff** – In contrast to the general belief that technology will have a limited direct impact on front office jobs, respondents held slightly negative views towards the outlook for front office headcount. While frontline roles will continue to require human skills and characteristics that cannot be fully automated, technology can provide more focused sales and marketing insight through data analytics and artificial intelligence. This is expected to reduce the need for sales offices and salespersons.

**DECREASE in back office staff** - Around 60% of respondents expect back office headcount to shrink over the next three years. Administrative and labour-intensive tasks will be replaced by new

technology, while many back-office staff will be freed up from performing repetitive duties and repositioned to focus on planning, decision making and management. However, retraining back office staff could be time consuming and expensive and may require government assistance.

A smaller front and back office workforce will translate into less demand for office space in CBD and decentralised locations. The survey found that weaker demand for decentralised office space was of particular concern to landlords, with one respondent anticipating a double-digit percentage decline.

CBRE Research advises property developers and owners to closely monitor the labour market and economy to ensure they are prepared to respond quickly to any structural changes. Building and maintaining the highest quality buildings will be key to attracting and retaining tenants in what will be an increasingly competitive environment.

Weaker demand for  
decentralised office  
space was of particular  
concern to landlords.

An aerial view of a city at night, featuring a prominent highway with light trails from traffic. The city skyline is visible with various buildings, some of which are highlighted with glowing blue dots. These dots are interconnected by a network of white, glowing arcs, suggesting a digital or communication network. The overall color palette is dominated by blues and purples, with a gradient background on the left side.

**Occupiers are embracing  
new ways of working**

**How will corporate real  
estate change?**

# A more mobile workforce will require a more customised workplace

Most respondents regard technology that enables mobile working as having the greatest impact on their business. While many companies have adopted initiatives ranging from hot-desking to ABW, some respondents mentioned the difficulty involved in tracking space utilisation as they seek to enhance workplace experience and improve productivity. This will require investment in technology to collect workplace space usage data.

Respondents displayed a range of views towards the technology best suited to tracking space utilisation. Over 60% prefer using smart sensors, 47% want app-based solutions and 42% selected wearables. Some questioned whether it was possible to find an ideal solution.

Other key areas identified in the survey included data analytics, which is increasingly being incorporated into portfolio planning. Companies

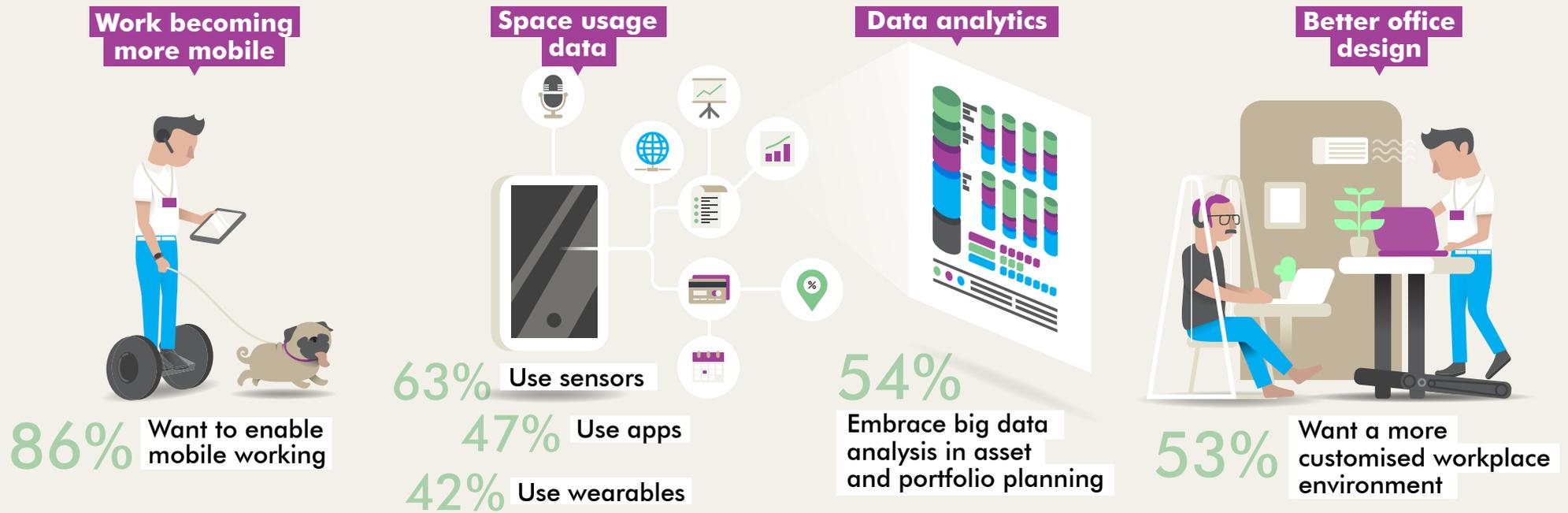
are using insights from this data to measure employee productivity, operational efficiency, talent retention and workplace design.

The move towards a tech-enabled workplace is driving a stronger emphasis on improving user experience, according to respondents. There is growing demand for workplaces incorporating features such as temperature and lighting controls and software programmes capable of performing a wide range of tasks such as scheduling meetings, events and other appointments.

Corporate real estate teams are advised to adopt a holistic approach towards workplace technology as their unified impact will be far more effective than when these innovations act in isolation from one another.

The move towards a  
tech-enabled workplace  
is driving a stronger  
emphasis on **improving**  
**the user experience.**

Figure 9: Workplace technology that will have the biggest impact on your business



Source: CBRE Tech Survey 2017

# Space requirements will be smaller but more exacting

Around 50% of occupier respondents expect to require less office space in future, primarily because of improved space utilisation and a reduction in headcount per unit output. However, while the volume of space required will decrease, CBRE Research expects to see occupiers demand higher quality space capable of encouraging greater collaboration, innovation and employee wellbeing.

Landlords are comparatively more confident about the outlook for demand, with only 32% of respondents expecting to see a decline. This is because they anticipate stronger aggregate demand driven by new start-ups and emerging industries.

The impact on landlords will also vary depending on the composition of their portfolios and the markets in which they are located. Landlords in markets with very low vacancy are more optimistic but landlords with buildings in decentralised areas are concerned about reduced requirements for server rooms and IT support as companies shift to cloud computing and data centres.

**Figure 10: Less office demand in the future**

**Occupiers:**

A slight decline in space requirements as companies improve space usage.

Fewer work stations but more space allocated for collaboration and communication.

More shared working rooms and focus areas and more space for relaxation and socialising.

More stringent requirements around the quality of space and service.

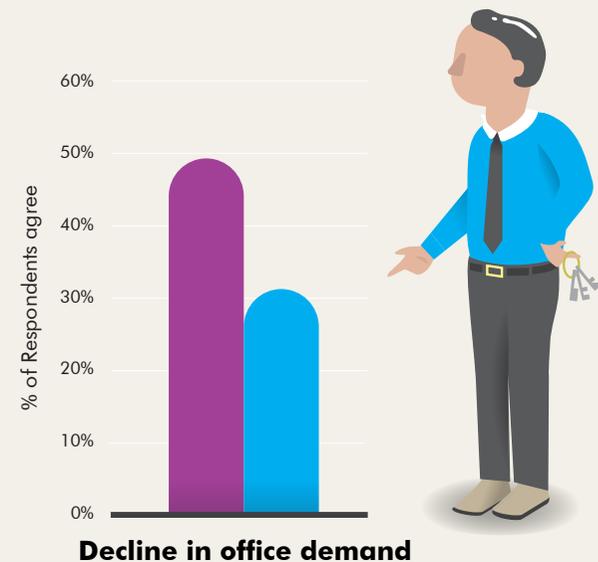


**Landlords:**

Start-ups and new industries will help support office leasing demand. As such, overall office demand is unlikely to see a significant decline.

The move to cloud computing will have a significant impact on office demand.

Decentralised offices housing server rooms and back-up generators will be affected.



Source: CBRE Tech Survey 2017

# Corporate real estate solutions will be more flexible

Technology is already enabling employees to work offsite while fostering a more creative and sharing culture within companies, business units and individual teams. This is supporting the use of third-party space such as co-working centres and serviced offices. Nearly half of occupier respondents anticipate using more third-party space in the coming years.

New lease accounting standards issued under IFRS 16 are also likely to expedite the adoption of third party space. From 2019, companies must capitalise the total cost of any lease term longer than 12 months on their balance sheet and allow it to depreciate over the duration of the contract. Purchasing memberships in co-working centres is an attractive option as they are not required to be listed on companies' balance sheets.

While some occupiers are also using co-working space to promote collaboration and innovation among employees, a few respondents were not

satisfied with some aspects of co-working centres' IT infrastructure, especially security and confidentiality measures.

Around 70% of landlord respondents support the use of third-party space, significantly higher than the 52% among occupiers. For landlords, the rise of the co-working sector has been a welcome new source of office leasing demand. Over the past 18 months, co-working centres have leased over 2.5 million sq. ft. of office space in Asia Pacific tier I cities<sup>3</sup>.

Some landlords have responded by setting up their own co-working brands in their portfolios to broaden the amenities offered to existing tenants and provide them with flexible office solutions. However, this business model differs significantly to other co-working operators who place a far stronger emphasis on collaboration and cultivating a community.

While there has been much talk in other regions about the future of the traditional fixed lease structure as occupiers shift to more flexible options, just 30% of respondents in Asia Pacific expect to see shorter leases. This is primarily because most Asian markets have short leases, which typically run for three years. After taking CAPEX for fit-out and reinstatement costs into consideration, shorter leases would not be financially viable.

Although Australia, where the usual lease length is 5-10 years, has seen growing demand for shorter leases, this is being driven by changes to the cashflow structure required by superannuation fund landlords, rather than by occupier requirements.

<sup>3</sup> CBRE Research (July 2017) The Evolution of Co-working: Supporting the Emergence of the New Business Eco-system

**Figure 11: Strong demand for flexible office solutions**

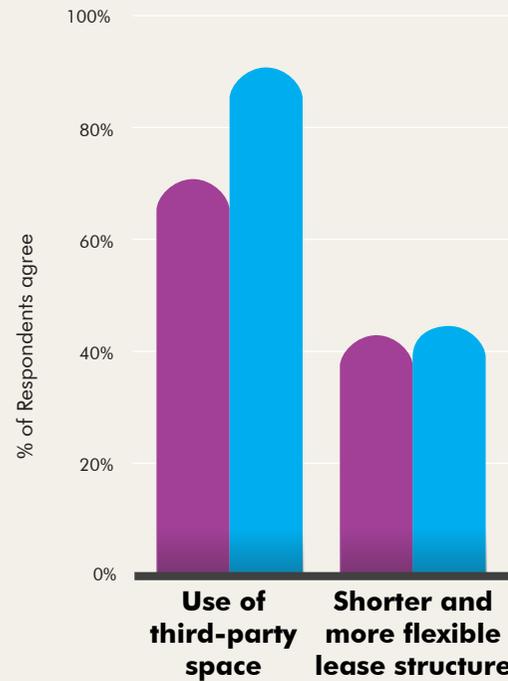
**Occupiers:**

Co-working spaces are perfect for tech and digital teams that want to work in an environment that promotes collaboration and innovation.

However, the technology and security measures of some co-working centres are not up to standard.

The changing business environment requires more flexible real estate solutions to meet short term expansion and contraction demand.

Lease lengths will have an impact on occupiers' balance sheets when IFRS16 takes effect.



**Landlords:**

Co-working operators are a new source of leasing demand and also offer significant business potential to develop their own brands.



Source: CBRE Tech Survey 2017

# There will be stronger demand for smart buildings

A smart building is one that uses automated processes to control a variety of operations. The Internet of Things (IoT) is supporting the development of a new breed of smart buildings hosting technological ecosystems that track and manage energy, environment, security and other key features. This allows real time interaction between building operators and tenants and can improve employee experience.

Most landlord respondents (84%) believe that technological innovation will drive stronger demand for smart buildings. In comparison, just 56% of occupier respondents indicated the same, reflecting the fact that tenants retain the view that smart buildings are nice to have but not essential. Rents and location remain the key criteria

influencing office selection. As the benefits of smart buildings are not easily measured or widely understood, occupiers require more evidence of the benefits of leasing a smart building.

The main drivers of smart buildings are energy saving and lower carbon dioxide emissions. Energy management systems can help landlords achieve higher cost savings while the IoT enables them to collect real time data and act before problems arise. Asia Pacific continues to lag other regions in the use of sustainable and renewable energy in buildings; integrated security and safety systems; and individual end users' ability to customise their indoor environment.

Energy management systems can help landlords achieve higher cost savings while the IoT enables them to collect real time data and act before problems arise.

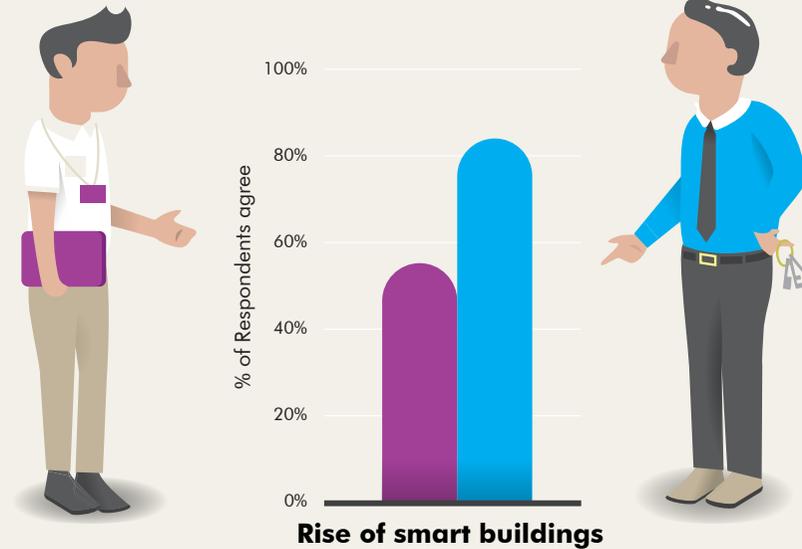
**Figure 12: Rapid growth of smart buildings**

**Occupiers:**

A better workplace environment can help attract and retain talent.

Smart buildings are nice to have but not essential. Rent and location remain the key criteria when making real estate decisions.

Landlords should engage with tenants at the planning stage so they can incorporate their technology requirements.



**Landlords:**

IoT provides valuable data for predictive analytics enabling building owners to act before problems occur.

Operational costs can be reduced via better energy consumption and security measures.

Source: CBRE Tech Survey 2017

# Landlords and tenants must partner to ensure smart buildings perform effectively

The development of smart buildings in Asia Pacific is still at a nascent stage. Installation and development costs are key concerns among landlords, particularly as many tenants are unwilling to pay a premium for such space.

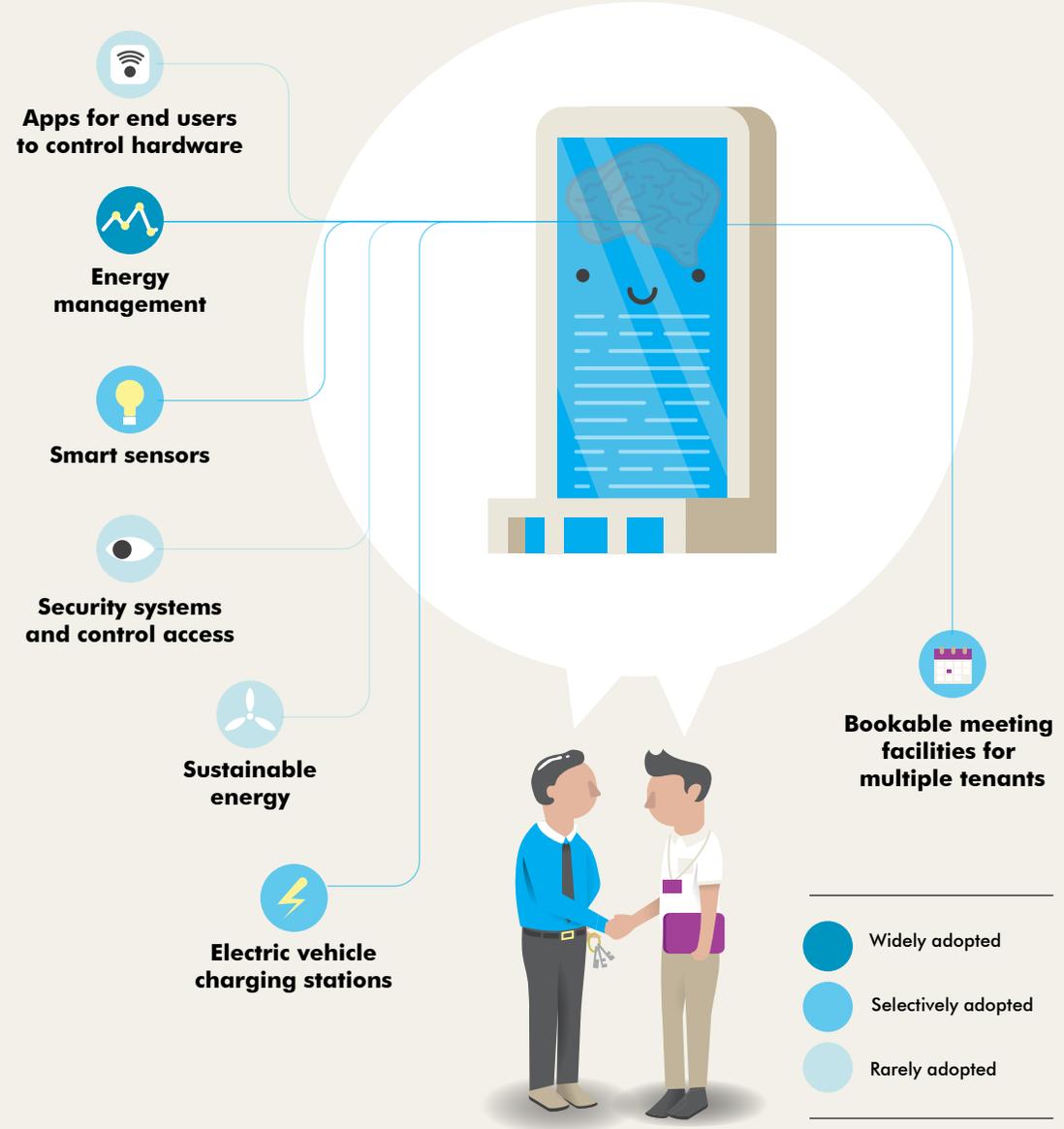
CBRE Research believes it is essential for landlords to partner more closely with tenants when developing smart buildings. They should engage with tenants at the planning stage to ascertain the features and technology they require. Incorporating this technology in new buildings will be relatively straightforward, particularly those with large anchor tenants, but retrofitting older properties will be more challenging and not as cost effective.

The survey found that energy management technology with the use of indoor environment control sensors has already been widely adopted by landlords. These components are consistent with the seven key concepts of the WELL building standard and can improve employee health and wellness. However, there is less desire to incorporate sustainable energy features due to cost issues.

More progressive landlords are beginning to provide flexible space solutions to tenants including co-working space and bookable rooms for meetings and events.

Landlords should engage with tenants at the **planning stage** to ascertain the features and technology they require.

**Figure 13: The key elements of smart buildings**



Source: CBRE Tech Survey 2017

# Conclusion

## The order of corporate real estate will change

Companies are restructuring their operations around new technology and will require innovative talent to facilitate this change. Location used to be a major determinant of where business is conducted but mobile technology is reducing the need for fixed sites. Corporate real estate strategy will place a far stronger emphasis on an end-user experience enhanced through technology.

## Company structures will be flatter

Advances in artificial intelligence and cloud computing are likely to eliminate the middle layer of corporations and flatten out company structures. Staff will work in teams around a core of senior management and will have more autonomy. The pace of work and progress will be quicker as staff will be able to directly communicate with senior management, who will make decisions faster due to their greater access to first-hand information.

## Office demand will decrease

The use of technology to track space utilisation will improve workplace efficiency and reduce office space requirements. Office demand will also be shaped by other technological advances that transform job roles and functions. Strong growth in the number of IT staff will drive demand for business campuses, science parks and data centres. Companies will be more willing to outsource jobs or projects to external talent located in co-working and incubator centres.

## Front and back office headcount growth will decline

Front and back office headcount growth is expected to shrink. This will have a significant impact on the real estate industry as most commercial buildings cater to traditional front and back office functions. If companies change the composition of their staff then they will also change their corporate real estate strategies. It is critical that landlords understand and adapt to changing employment patterns in the digital age.

## The user experience will be a key focus

As mobile working takes hold, companies will seek to create office environments that improve staff satisfaction and comfort. Companies will emphasise the user experience and introduce technology enabling their employees to customise their working location and expedite the speed at which they can work, communicate and get things done. New technology will also facilitate greater wellness in the workplace, enhance employees' health and wellbeing and create a more productive and engaged workforce. Workplaces offering a high-quality user experience will ultimately be key to attracting and retaining talent.

## Landlords will be the enablers of change

As better space utilisation and weaker front and back office headcount growth will reduce overall demand for office space, landlords must act now to ensure they remain competitive. Landlords must engage with tenants at an early stage to understand their office needs and the technology they require in the smart buildings of the future.

**Contributors to this report includes:**

**AUSTRALIA**

**Stephen McNabb**  
*Head of Research, Australia*

**Felice Spark**  
*Associate Director, Australia*

**CHINA**

**Sam Xie**  
*Head of Research, China*

**Ivy Lu**  
*Director, China*

**Tin Sun**  
*Director, China*

**Frannie Yang**  
*Associate Director, China*

**Sabrina Guo**  
*Associate Director, China*

**Ariel Lee**  
*Assistant Manager, China*

**Ashley Qian**  
*Senior Analyst, China*

**HONG KONG**

**Marcos Chan**  
*Head of Research, Hong Kong,  
Southern China and Taiwan*

**Jerry Ng**  
*Manager, Hong Kong*

**INDIA**

**Abhinav Joshi**  
*Head of Research, India*

**Sachi Goel**  
*General Manager, India*

**RaajThilak Raveendra**  
*Assitant General Manager, India*

**Raghav Khilery**  
*Manager, India*

**JAPAN**

**Hiroshi Okubo**  
*Head of Research, Japan*

**Naoko Kaihata**  
*Associate Director, Japan*

**NEW ZEALAND**

**Zoltan Moricz**  
*Head of Research, New Zealand*

**Gergely Gaspardy**  
*Manager, New Zealand*

**SINGAPORE**

**Desmond Sim**  
*Head of Research, Singapore and  
Southeast Asia*

## For more information about this regional report, please contact:

### GLOBAL WORKPLACE SOLUTIONS

**Phil Rowland**

CEO, Global Workplace Solutions, Asia Pacific  
phil.rowland@cbre.com.hk

### ADVISORY & TRANSACTION SERVICES

**Manish Kashyap**

Managing Director, Advisory & Transaction Services, Asia Pacific  
manish.kashyap@cbre.com.sg

### ASIA PACIFIC RESEARCH

**Henry Chin, Ph.D.**

Head of Research, Asia Pacific  
henry.chin@cbre.com.hk

**Ada Choi**

Senior Director  
ada.choi@cbre.com.hk

**Cynthia Chan**

Associate Director  
cynthia.chan@cbre.com.hk

**Liz Hung**

Associate Director  
liz.hung@cbre.com.hk

**Joyce Ho**

Analyst  
joyce.ho@cbre.com

## For more information regarding global research, please contact:

**Nick Axford, Ph.D.**

Global Head of Research  
nick.axford@cbre.com

**Richard Barkham, Ph.D., MRICS**

Global Chief Economist  
richard.barkham@cbre.com

**Henry Chin, Ph.D.**

Head of Research, Asia Pacific  
henry.chin@cbre.com.hk

**Jos Tromp**

Head of Research, EMEA  
jos.tromp@cbre.com

**Spencer Levy**

Head of Research, Americas  
spencer.levy@cbre.com

## Follow CBRE



To learn more about CBRE Research, or to access additional research reports, please visit the Global Research Gateway at [www.cbre.com/research-and-reports](http://www.cbre.com/research-and-reports)

### CBRE RESEARCH

This report was prepared by the CBRE Asia Pacific Research Team, which forms part of CBRE Research—a network of preeminent researchers who collaborate to provide real estate market research and econometric forecasting to real estate. All materials presented in this report, unless specifically indicated otherwise, is under copyright and proprietary to CBRE. Information contained herein, including projections, has been obtained from materials and sources believed to be reliable at the date of publication. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. Readers are responsible for independently assessing the relevance, accuracy, completeness and currency of the information of this publication. This report is presented for information purposes only exclusively for CBRE clients and professionals, and is not to be used or considered as an offer or the solicitation of an offer to sell or buy or subscribe for securities or other financial instruments. All rights to the material are reserved and none of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party without prior express written permission of CBRE. Any unauthorized publication or redistribution of CBRE research reports is prohibited. CBRE will not be liable for any loss, damage, cost or expense incurred or arising by reason of any person using or relying on information in this publication.