

CLIENT SURVEY

2016

ANNUAL REPORT

**MatchOffice
presents this
year's client survey**

With input from over a thousand customers from across 24 countries. We present a comprehensive survey of the market, bringing you the latest trends and updates from the client's perspective. Get all the data and analysis you need, right here.

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Introduction

Last year, MatchOffice conducted the largest-ever survey on the clients of serviced offices in Europe. Serviced offices from all over the continent participated, providing the most in-depth insight ever into the current status of the market and our expectations for the future.

This year, to expand the scope, we're delighted to present a comprehensive report from 1080 tenants in 24 countries. The survey explores contracts, satisfaction and outlook for the industry in the rest of 2017 from the client's perspective.

Serviced offices moved forward impressively in 2016, with swarms of companies realising the benefit of working in a serviced office and migrating to one. We're delighted to see that not only do more companies want to work in serviced offices, once they get there, they're also more likely to use their unique features. 56 percent more use open space offices than in 2015, and there are increases of 74 percent and 25 percent in lounges and canteens, respectively. We only expect this demand to increase, and the innovation of serviced offices to be rewarded with new clients and dynamic coworking atmospheres.

The client survey is a great tool for optimizing your business, spotting potential and providing relevant services to your clients.

We hope you find it useful and profitable, and we wish you a happy and successful year.



Jakob Dalhoff
CEO, MatchOffice



Key Results

Our findings.

Flexibility is king

While we saw that the average contract length for service offices got longer, we also found some clues that tenants really value the unique flexibility that serviced offices bring. Most, preferred a contract of less than a year, a substantial portion of 44 percent didn't know if they would renew that contract, and many respondents cited the ability to expand or downsize, relocate or network with new firms as advantages of the form of their spaces. Location, as always, was the biggest decision-maker for clients.

Happy customers

The data across a number of measures overwhelmingly suggests that people are pleased with their offices. We see this in the 42 percent that want to renew contracts, the 60 percent that said their standards were met at least to a high degree, or the 42 percent that told us there were no disadvantages to their office - this report also shows that 23,4 percent use lounges and 21,7 percent use the canteen facility.

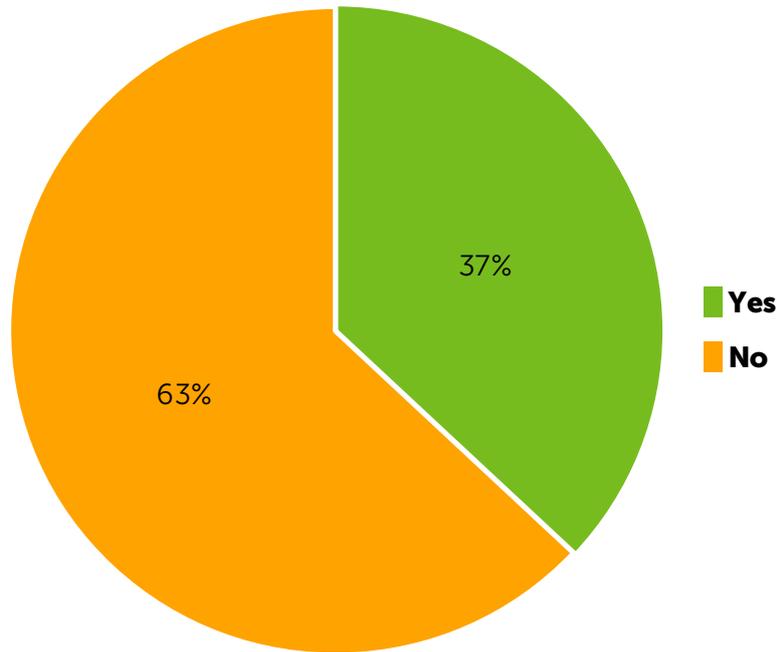
Thinking Big

Jakob Dalhoff, CEO of MatchOffice, says

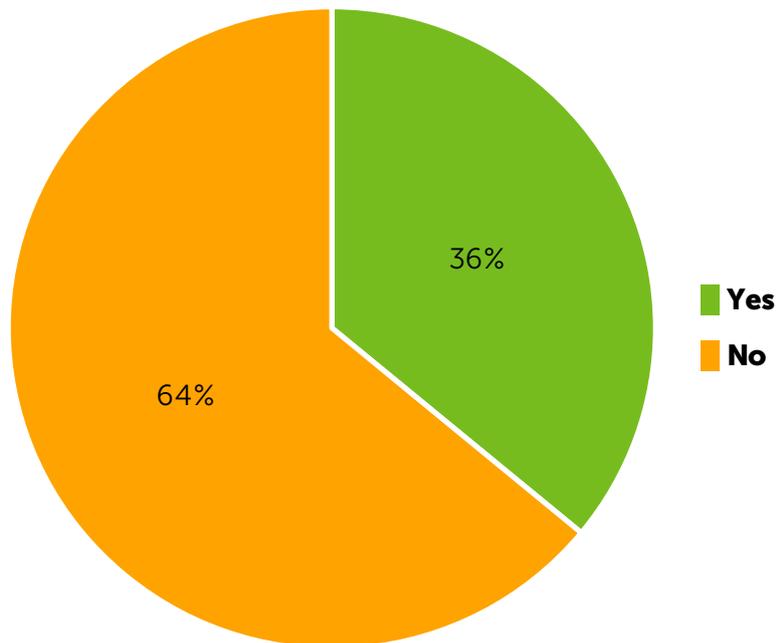
“ A greater number of large companies have moved into the serviced office in 2016. More companies have signed contracts on a desk in an open space, and we have seen a rise in the popularity of meeting rooms to meet their needs. In addition, the proportion of firms with more than seven people has risen at an average of 173 percent – the big players are seeing the value of the serviced office sector.

1 : Have you ever used a serviced office?

2015



2016

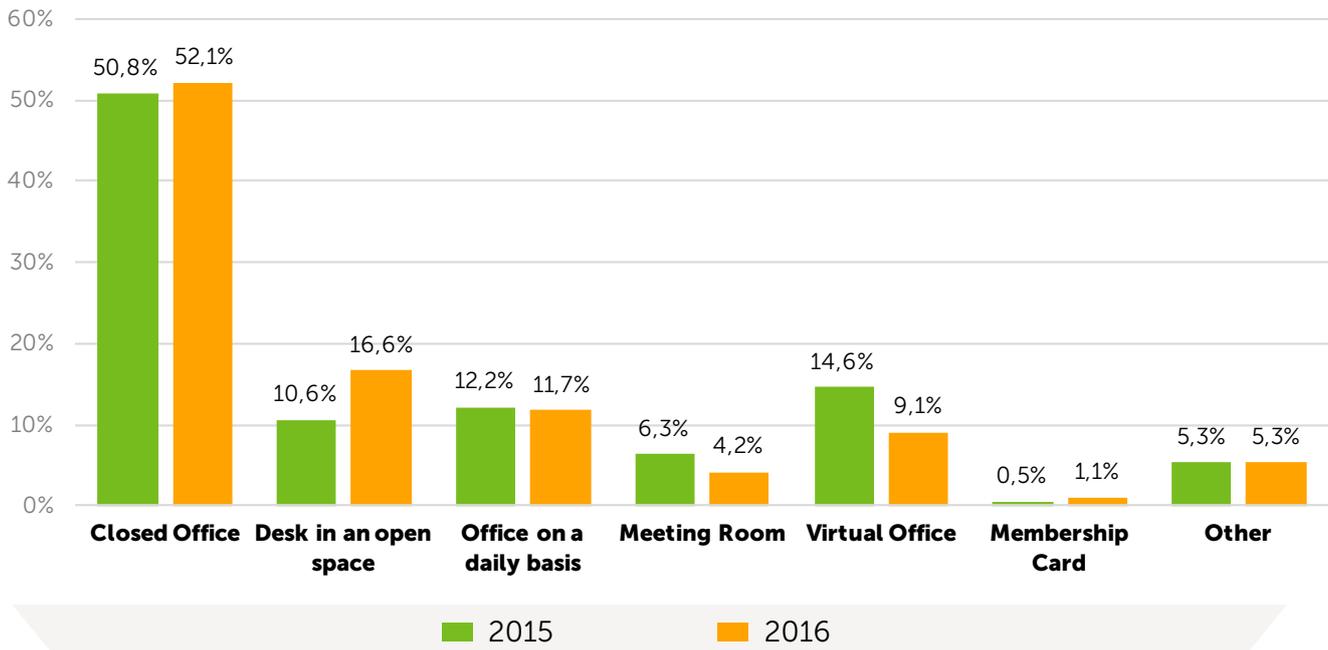


The pie charts above show that the proportion of first time serviced office clients in 2016 remained very similar to the result in 2015. Almost two-thirds of customers in 2016 had not used a serviced office before, which suggests that the sector will continue to grow - as our [Industry Survey 2016](#) suggested.

New and existing providers are attracting new, 'first-time' customers from traditional offices, but the flexibility of serviced offices also provides an excellent solution for freelancers, consultants and startups. Some customers will be using a serviced office as their first ever office space in 2016.

2 : What sort of contract do you have?

2015 / 2016



The most exciting result from this year's survey is an increase in open office space contracts – there has been a 60 percent rise. This suggests that the trends in the **market of coworking** and cross-fertilisation are being represented in the kinds of contracts that people choose. Although the most popular office choice remains closed offices, other alternatives are virtual offices (down 5 percentage points) and offices people use on a daily basis.

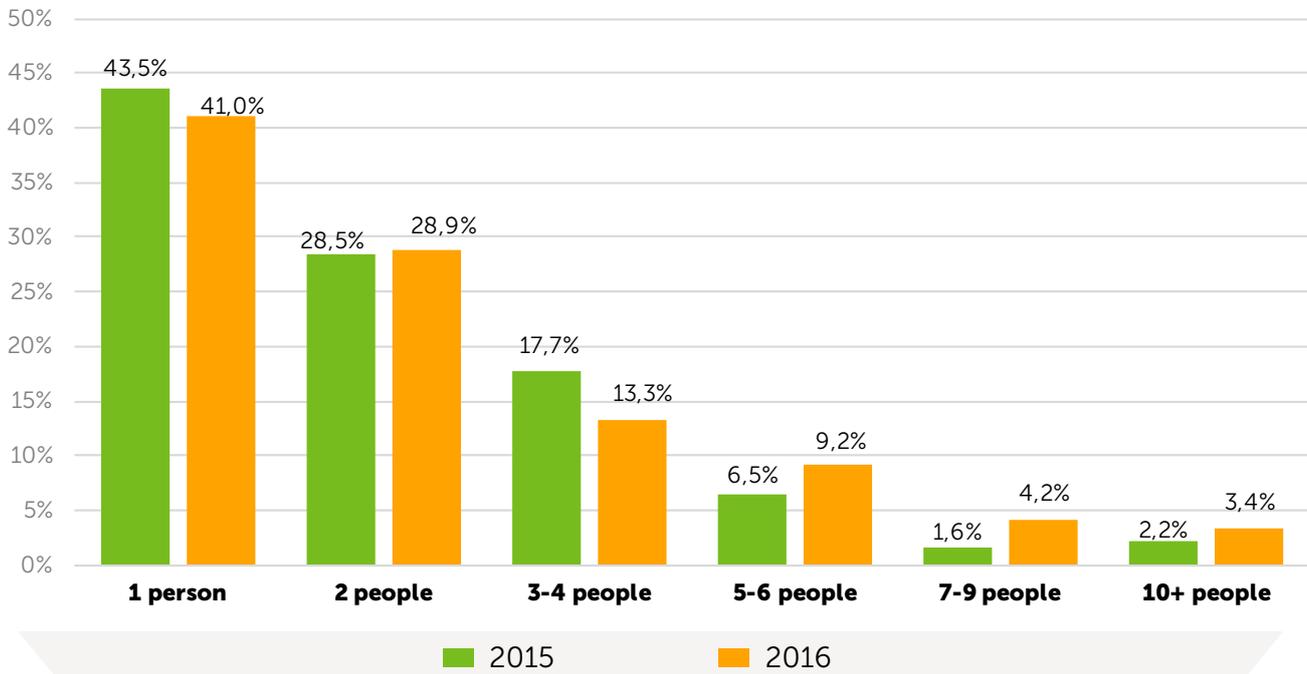
Jakob Dalhoff, CEO of MatchOffice, says

“ When working in an open space, it's easier to share information and knowledge, and business can truly benefit from it. That's probably why the phenomenon of coworking has been so widespread these days – it is a new way of working.



3 : How many people from your firm are using your serviced office?

2015 / 2016



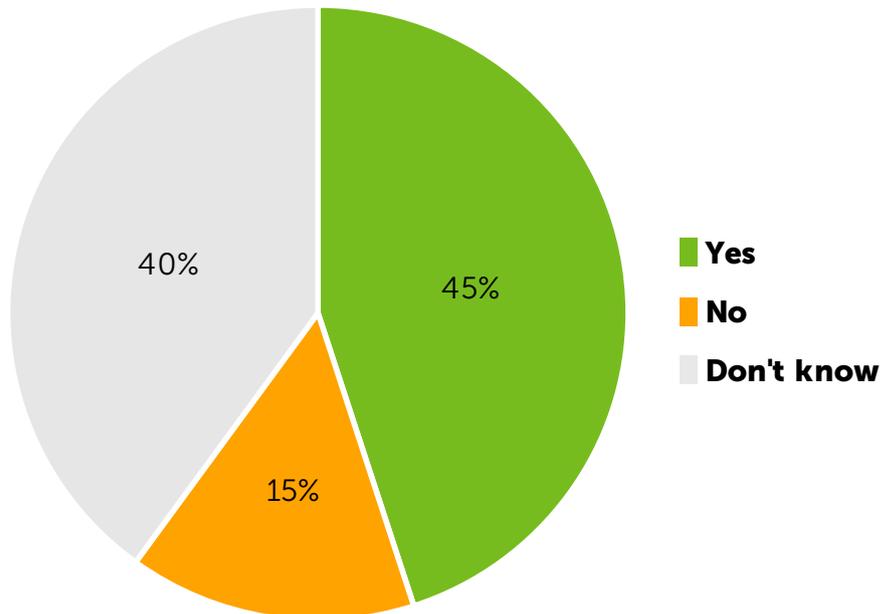
The changes in the market in terms of staff sizes in serviced offices has been quite small, and the 2016 results of the client survey track those from 2015 quite closely. Encouragingly, the most change has happened where there are more people in a workforce, with an average of a 49 percent increase in offices taking on more than seven people from one firm. This rise could be due to larger, less flexible companies beginning to invest in serviced offices, rather than using traditional office space.

“ It has been more acceptable for larger companies to move into serviced offices. Back in the old days, serviced offices were only for small businesses, now they're for all businesses, says Martin Roerholt, Global Relationship Manager at MatchOffice.

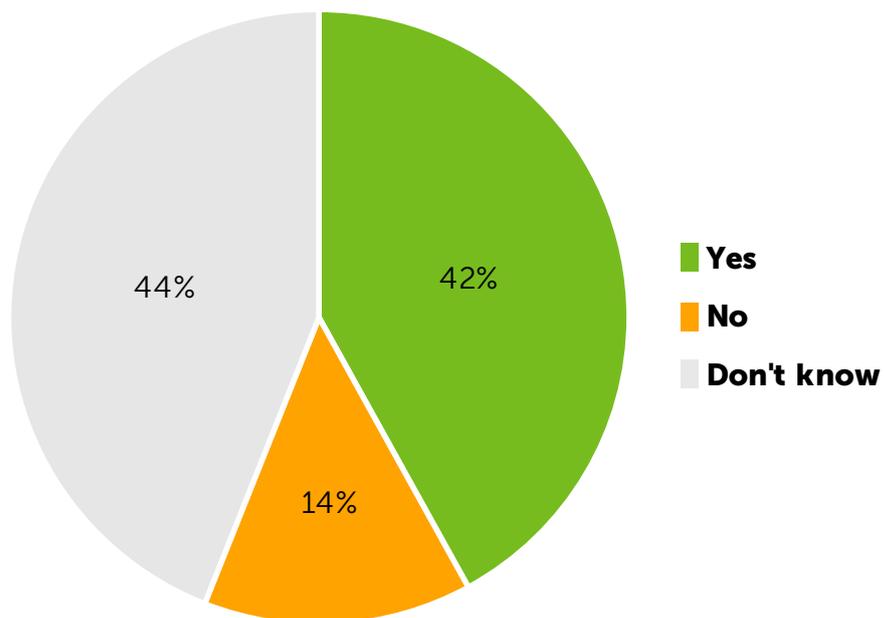


4 : Do you plan to renew your contract?

2015



2016

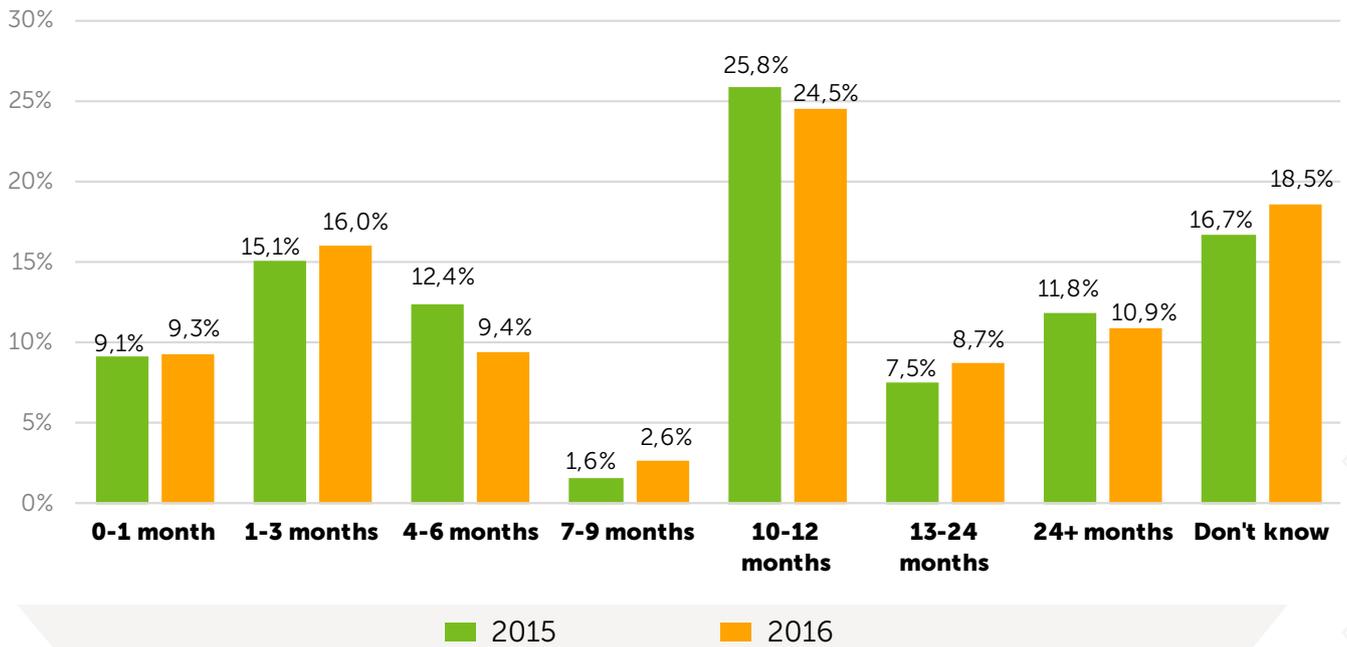


The graph here suggests the tendency for shortsightedness among the nimblest and most dynamic of companies that use serviced offices. Due to changing market conditions and the possibility for expansion, some clients may choose to move around offices, and therefore be unsure about their contract renewal. We can also see a lengthening of contracts in our other data and an increase in workforce size, which might mean that companies that choose longer contracts may be less sure about renewal.

We can be heartened that only 14 percent have made the decision not to renew contracts, which suggests a degree of satisfaction with current serviced offices. Around the same proportion that are unsure have already decided to renew.

5 : What length of contract did you sign?

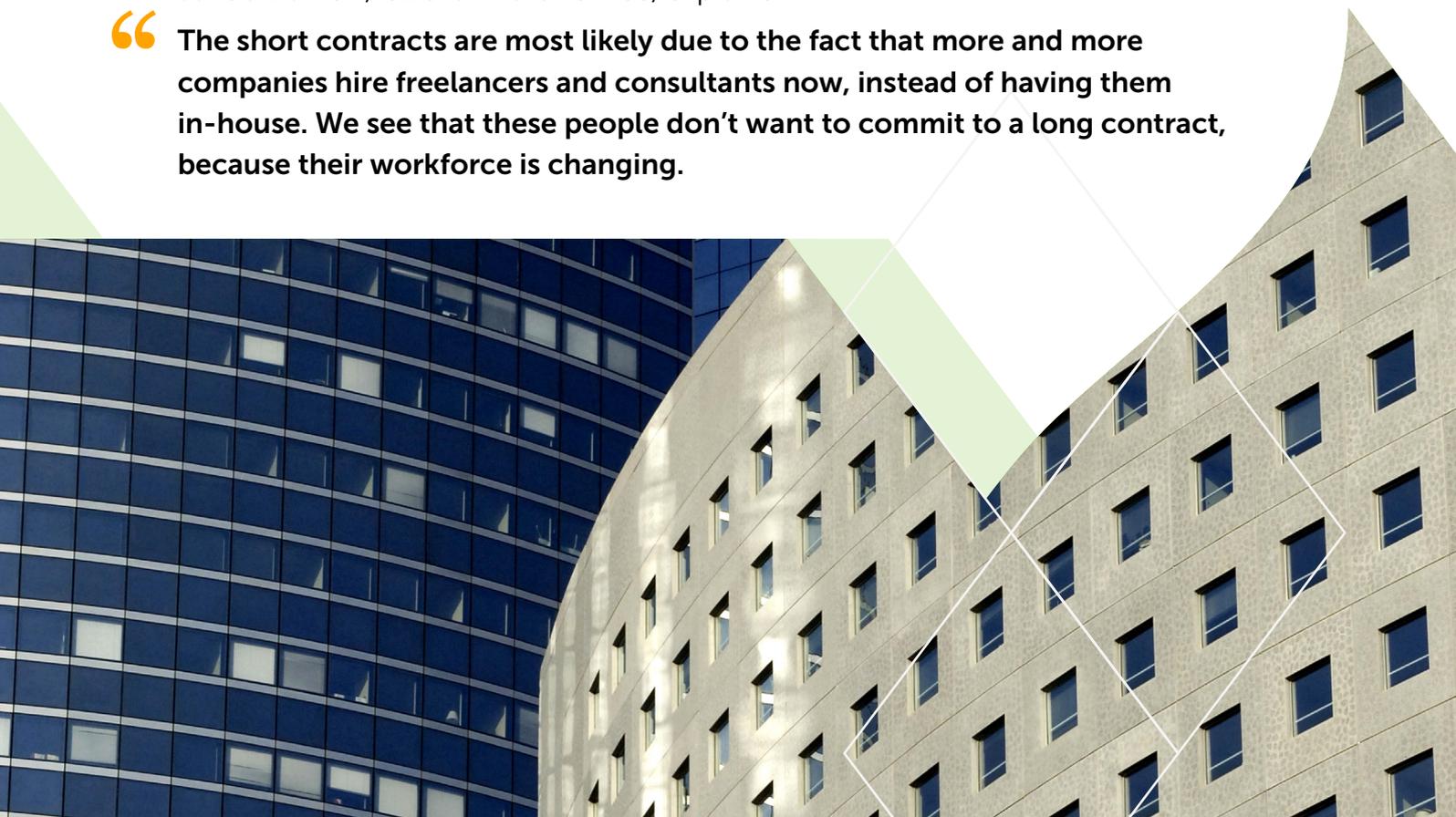
2015 / 2016



Although the general trend of responses in this year's survey is comparable to 2015's data, there is a subtle shift towards more polarised contract lengths. There was an increase in the shortest contracts, of both less than one month and between one month and three. The average length of contracts is on the rise, which could mean that the market will become more stable this year. As per the figures from 2015, around a quarter of tenants had a contract of 10-12 months.

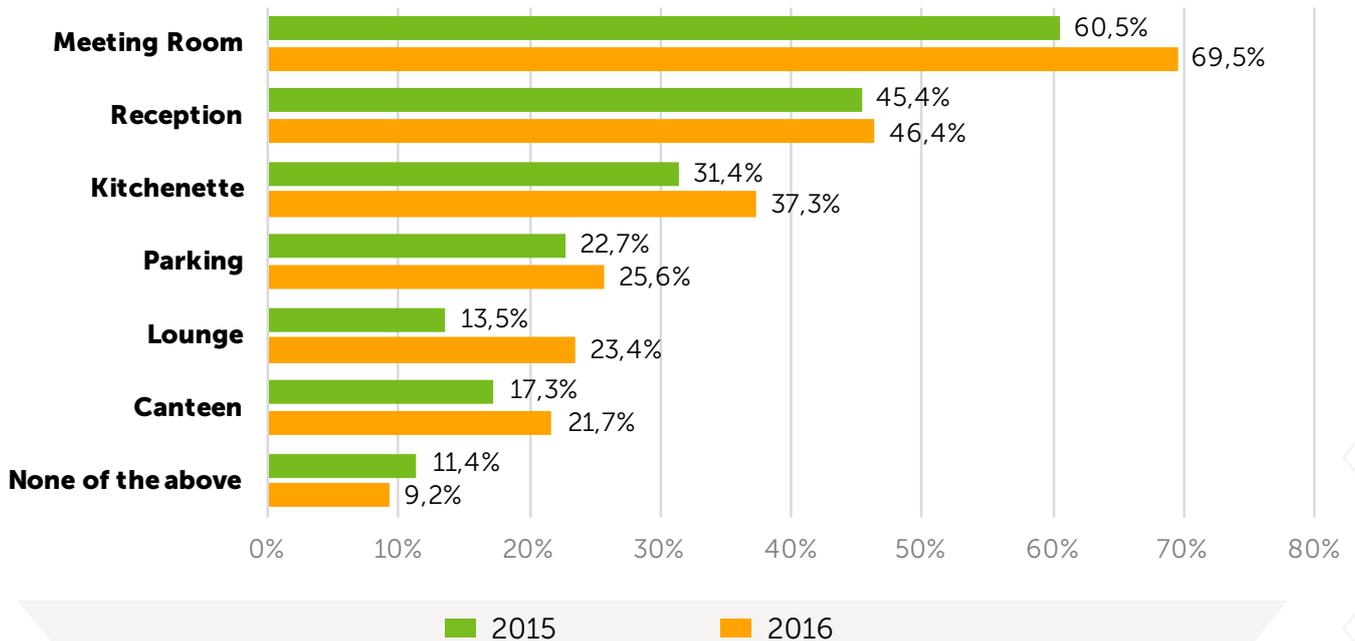
Jakob Dalhoff, CEO of MatchOffice, explains

“ **The short contracts are most likely due to the fact that more and more companies hire freelancers and consultants now, instead of having them in-house. We see that these people don't want to commit to a long contract, because their workforce is changing.** ”



6 : Which of your office's facilities do you use?

2015 / 2016



As might be expected, meeting rooms are still the second-most used facility that serviced office providers offer, other than the offices themselves, with seven in ten clients using them. Jakob Dalhoff notes that this trend could be explained with the changing character of serviced office clients:

“ It could have something to do with the fact that more and more large companies have moved into serviced offices, and they have a greater need for meeting rooms.

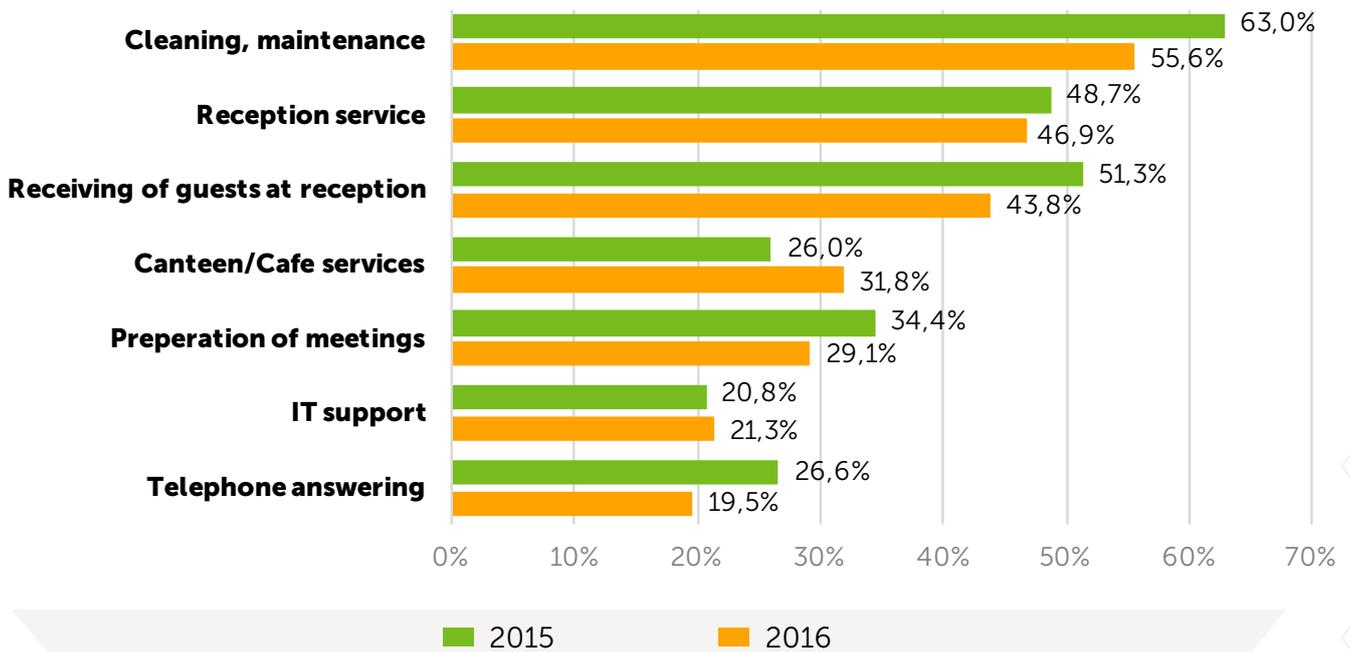
In addition, there was a marked increase in lounges and canteens.

“ It has now become acceptable to hold informal meetings in lounges. And as more people work in open spaces where it could be noisy, others perhaps go to lounges when they really need to focus, says Jakob Dalhoff.



7 : Which services are the most important to you?

2015 / 2016



The most important service to tenants was to have clean and neat surroundings, which over half of survey respondents told us was the primary service offered by their provider. Yet there was an almost 10 percentage points decrease in this preference since 2015, with rises in the value of cafés/canteens and IT services. In this age of increasing digital interaction, the value of telephone answering has fallen by 7,1 percentage points. Receiving of guests at reception still appealed to over 40 percent of tenants – meaning that many tenants still prefer to have their guests welcomed by a receptionist.

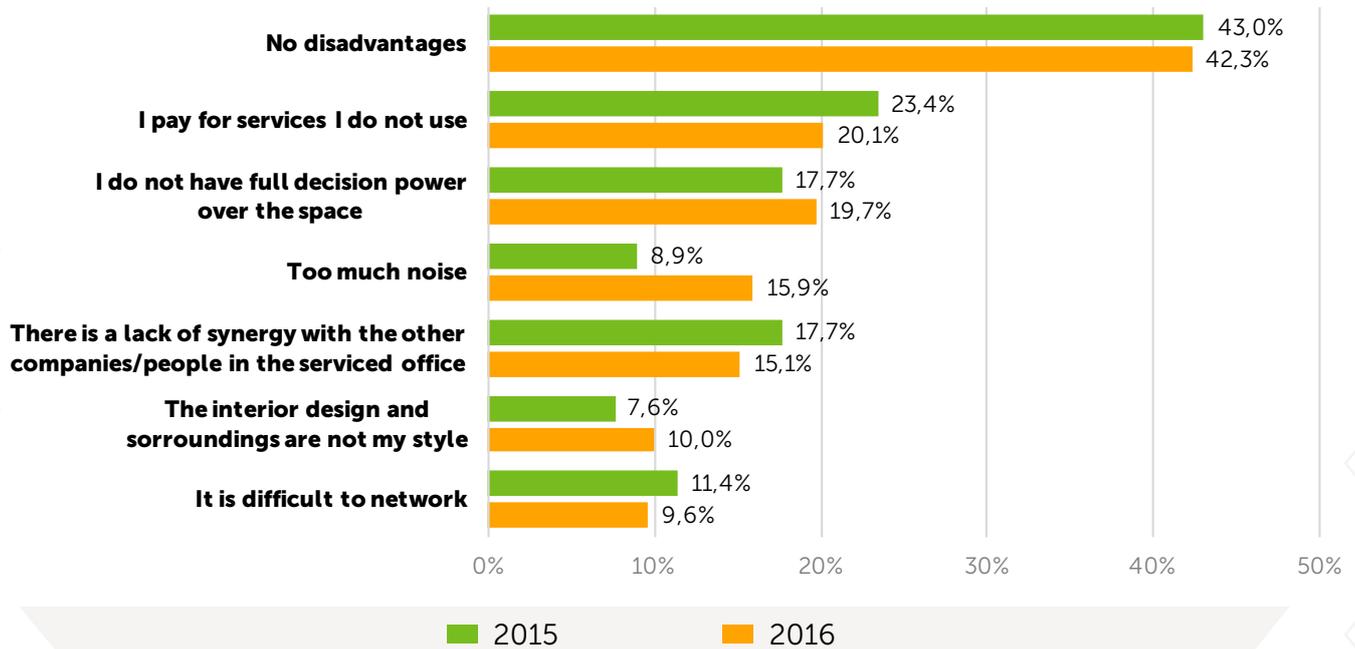
Jakob Dalhoff says

“ Where we see an increase is in the importance of canteen/café services, and I believe that’s because more and more companies hold informal meetings and socialise there.



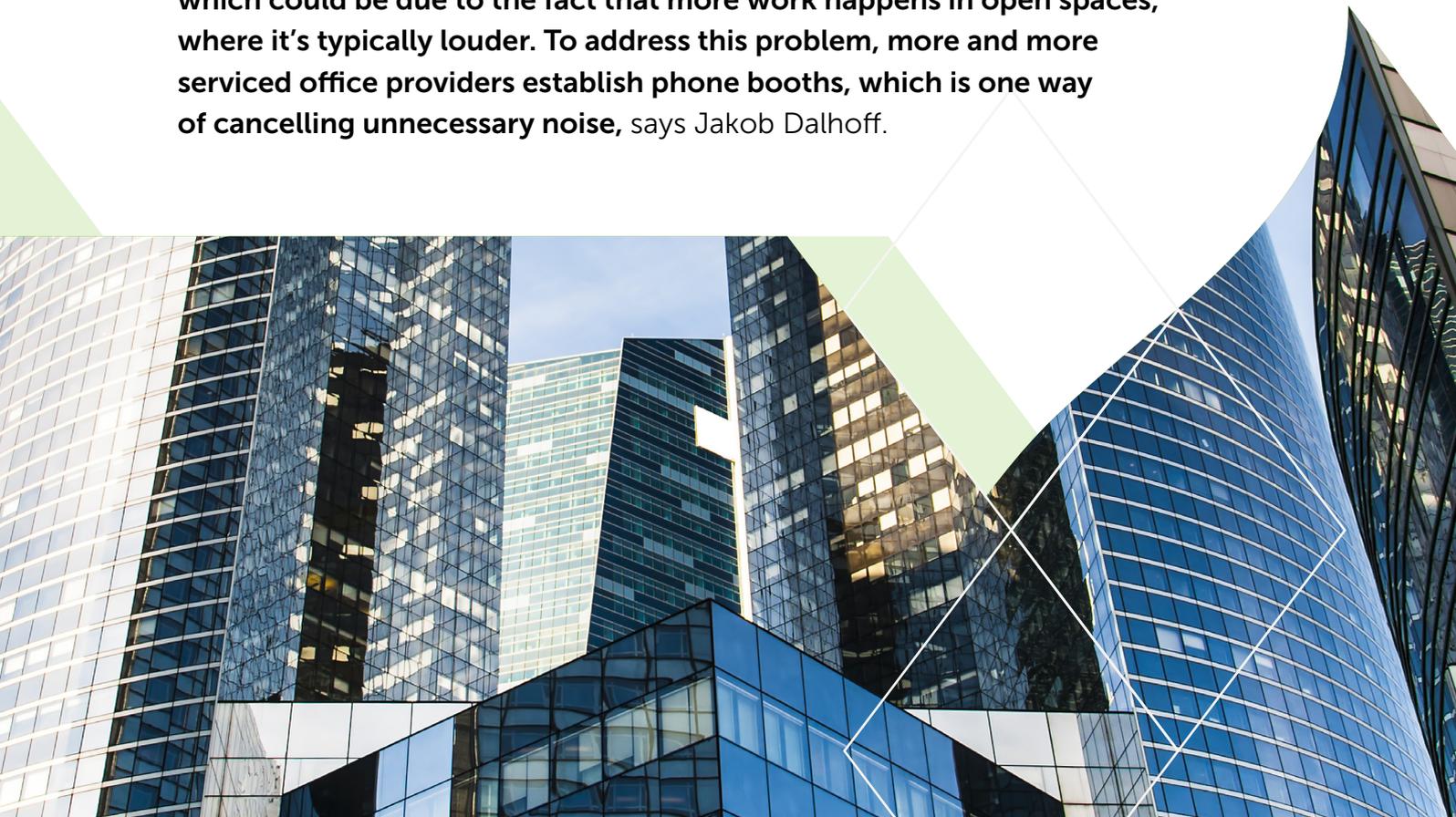
8 : What are the disadvantages of serviced offices?

2015 / 2016



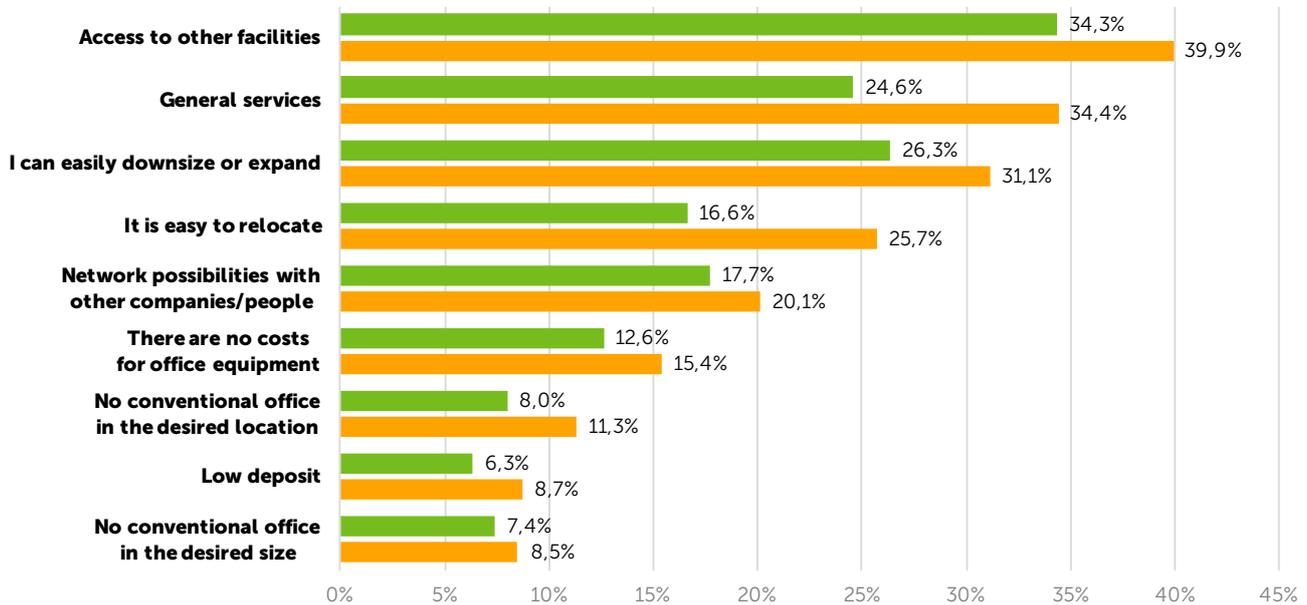
Unsurprisingly, given the high level of satisfaction we can see in our other measures, the majority of respondents to this question said that there were no disadvantages to using a serviced office. And despite the increase in services offered, fewer respondents said they paid for services they didn't use, meaning that providers have adjusted to feedback and created more tailored pricing plans.

“ We also see a significant increase in tenants finding offices too noisy, which could be due to the fact that more work happens in open spaces, where it's typically louder. To address this problem, more and more serviced office providers establish phone booths, which is one way of cancelling unnecessary noise, says Jakob Dalhoff.



9 : What made you choose a serviced office over a traditional one?

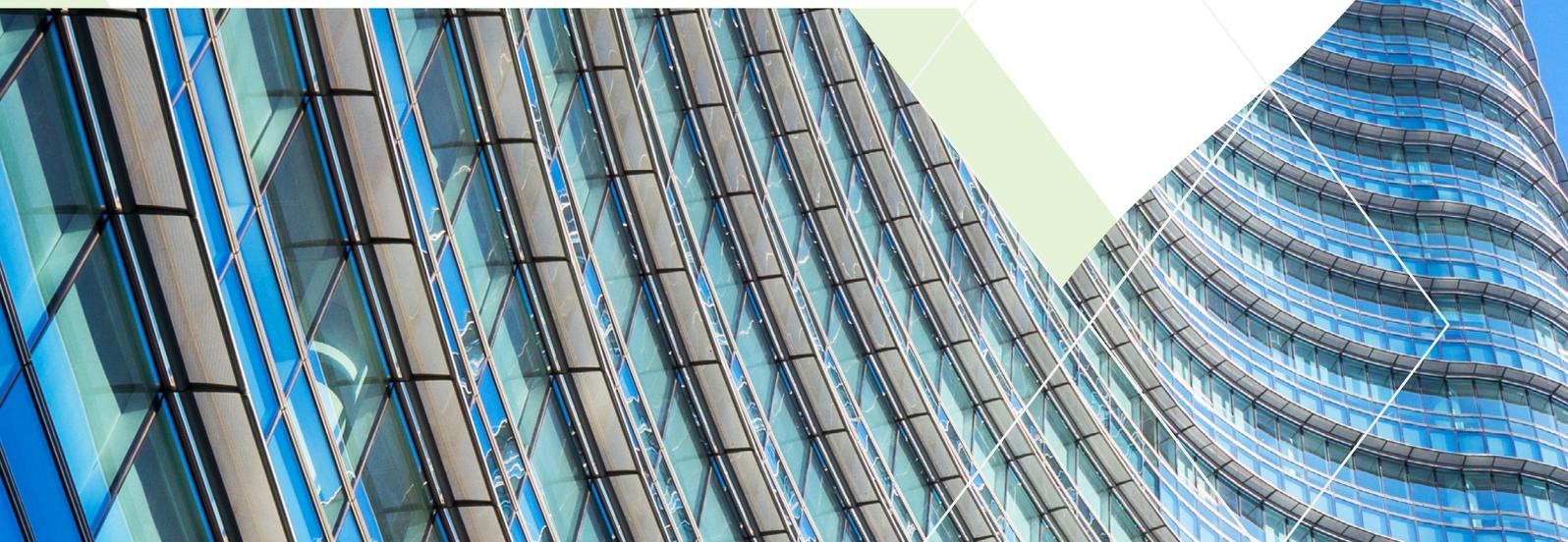
2015 / 2016



The data in these responses is particularly interesting, when we consider that the number of first-time users of serviced offices is rising, meaning that the conversion from traditional spaces is still taking place. The general services and access to other facilities were the main pull to serviced offices for tenants, alongside the flexibility of having different-sized offices and workforces with limited outlay. Only 8,5 percent said that size was the only determinant.

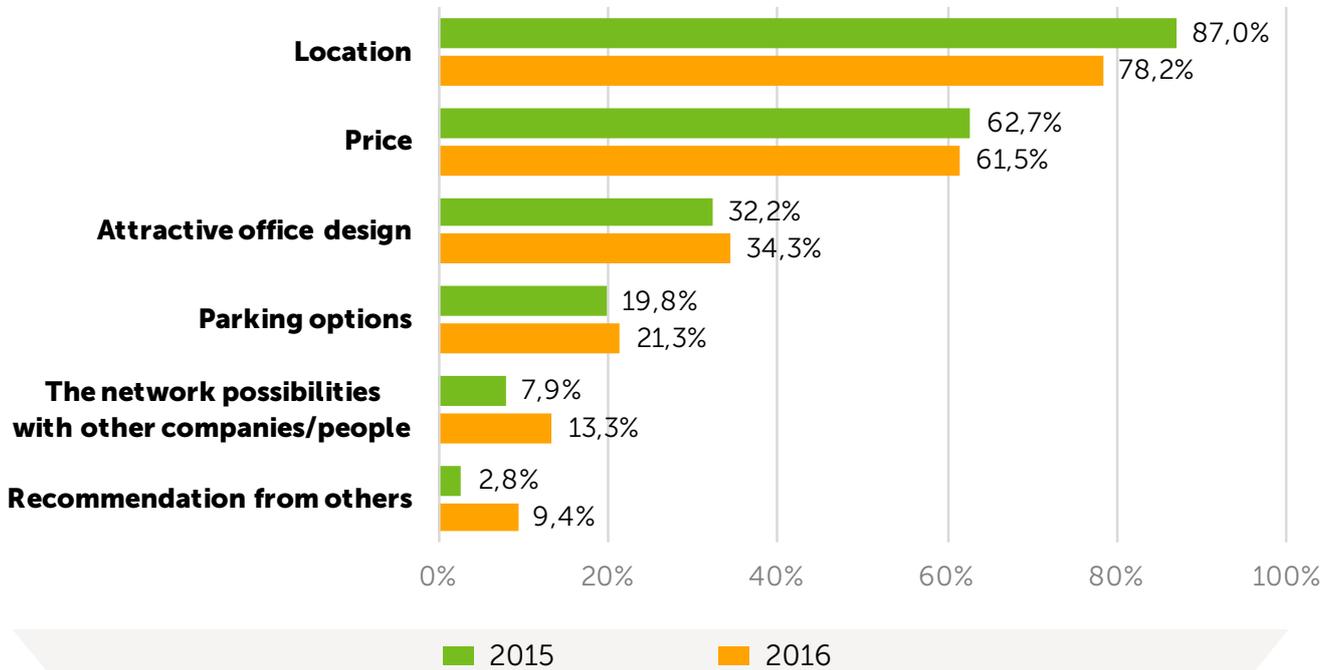
Martin Roerholt, Global Relationship Manager at MatchOffice, says

“ An increase for all of these reasons could indicate that more and more people are starting to think that the products offered in flexible office spaces are superior to the offerings from regular offices, and at least more competitive with them.



10 : Why did you choose the serviced office you currently use?

2015 / 2016



The old industry slogan 'location, location, location' is still completely valid – or so the 2016 data would suggest. A huge 78,2 percent of respondents said that the location of the office was a major reason that they chose it. The real surprise of the results was that one of the major benefits of serviced offices – networking with colleagues from other firms – was ranked as a relatively uninfluential factor in the decision-making of office-hunters.

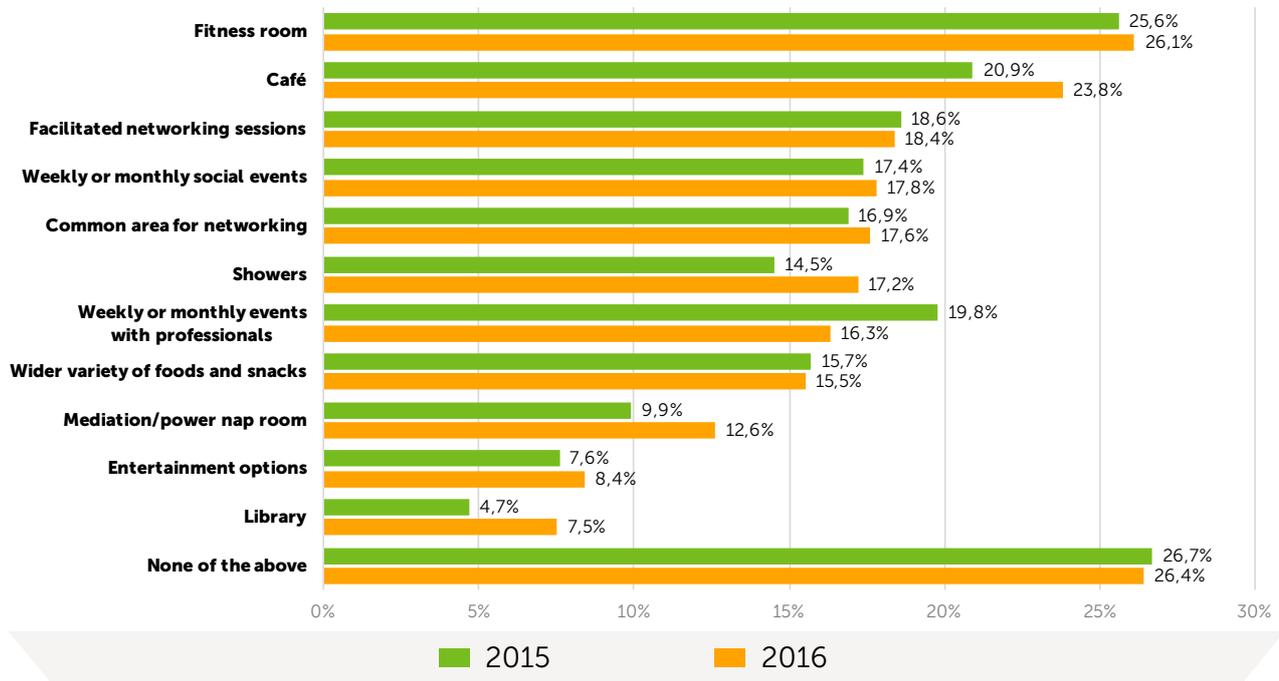
Martin Roerholt says that the over 200 percent increase in recommendations having an influence in choice is significant:

“ **The networking and coworking in offices in major business hubs has meant that offices get a good reputation among dynamic firms, which helps to cement their position as high-performers.**



11 : What would increase the value of your serviced office?

2015 / 2016



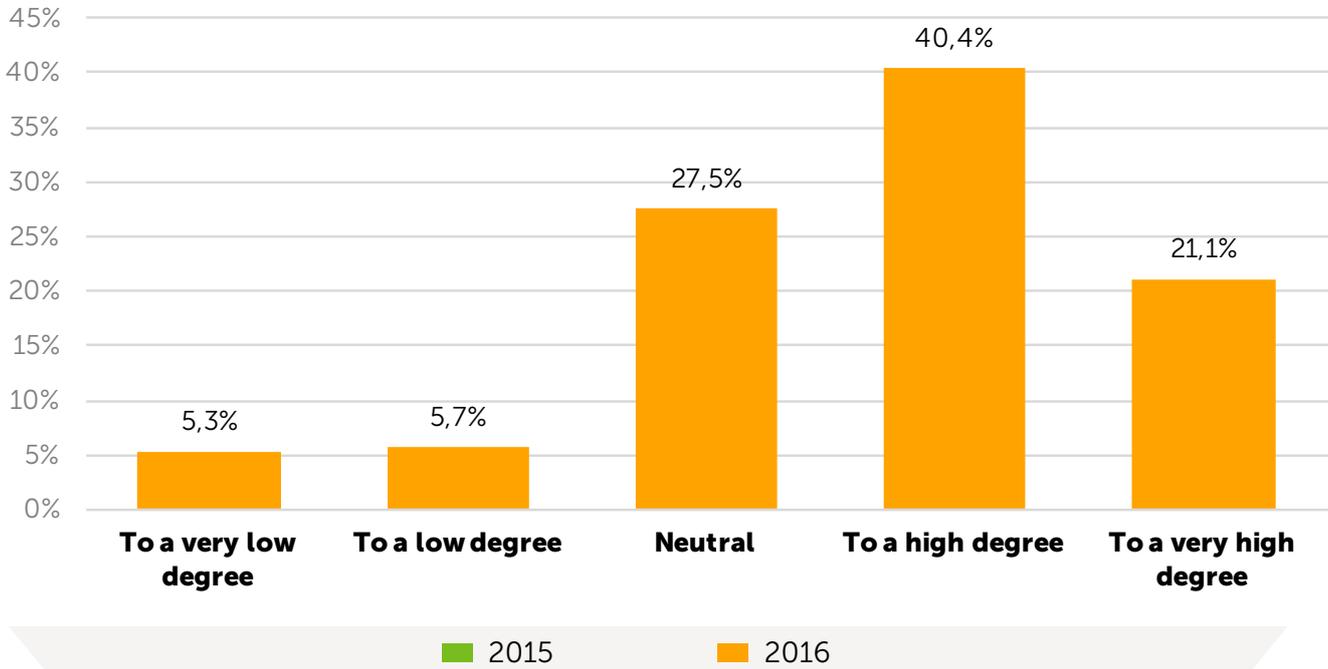
Over a quarter of professionals suggested that they would like a fitness room in their offices, with around the same proportion wanting a café. These measures both increased, compared to in 2015, which suggests that providers in the market still have improvements to make. Encouragingly, however, one in four clients responded that there was no facility that could make their serviced office more valuable, once again affirming that rates of satisfaction in the market are high.

It is perhaps indicative of the power research facilities in computers of the modern office that the suggestion of a library was relatively unpopular, while respondents were enthusiastic about personal interaction sessions like networking and social events.



12 : How well does your serviced office meet your expectations?

2015 / 2016



This is the most positive reaction of all, which draws together much of the market research from the client survey and suggests that the state of customer satisfaction in the market is very high. 89 percent of respondents had a neutral or positive response to the question, with over 60 percent reporting that their expectations were met to a high or very high degree.

Jakob Dalhoff notes that the flexibility in the market, which allows clients to easily move between serviced offices and find one that suits them the most, means that it is more likely that client satisfaction will be high than in traditional office space.

“ **Many tenants have found the right serviced office for them, and we’re as pleased as they are,** he says.



About MatchOffice

MatchOffice is Europe's leading serviced office broker, specialising in serviced office rental since 2003. More than 5,000 serviced offices are represented on MatchOffice, and benefit from our online commerce solutions and technological innovation.

In the last year, MatchOffice has offered new solutions to offices across Europe and the world, with the advent of Virtual Reality tours and custom assistance with photography. Thousands of businesses worldwide use our services, both to sell office space and benefit from the countless advantages of renting serviced, rather than traditional, offices. Our database is varied and exhaustive, offering huge choice in both form and location. **MatchOffice** is the office broker of the future, and the global leader in its field.

Explore MatchOffice's other surveys

Industry Survey 2016

European Client survey 2015

Industry Survey 2015



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MatchOffice is present in more than 100 countries and has local sites in a number of countries including:

Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Italy, India, Luxembourg, The Netherlands, Norway, Poland, Singapore, Spain, Sweden, and Switzerland.