Smart Nation: The Technology Transforming CRE

A **WiredScore** Report

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WiredScore

Smart Buildings: Unlocking the Future of Work

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The way we work has radically transformed, catalyzing a shift in the way the office is used. Now, offices must go beyond the mere provision of desks and meeting rooms: the office must inspire and engage employees, it must make them feel safe and productive, it must be measurably sustainable, brimming with cost efficiencies and, above all, it must be future proof. In essence, the office must be smart.

Singapore's real estate has embarked upon a period of post-pandemic recovery and, against a backdrop of renewed vigor, landlords are reassessing their assets to capitalize on this fresh opportunity to implement meaningful changes, and deliver a workplace experience that goes above and beyond what can be achieved in a home environment. To determine what to prioritize, WiredScore spoke to key real estate decision makers across Singapore and Hong Kong. *Smart Nation: The Technology Transforming CRE* reviews how landlords can optimize spaces for a user-centric, sustainable, inspirational, cost efficient and smart future.

In Singapore, smart technology is embedded into everyday life. Occupiers are so accustomed to smart tech that 85% of decision makers will not sign a lease for an office building that is not smart-enabled. WiredScore also found that over nine in ten respondents would pay a rental premium to work in a smart building. The appetite for smart is there; smart technology done right is not the implementation of tech for tech's sake, but a long-term investment that will yield rewards far into the future, avoiding obsolescence and safeguarding the asset against evolutions in the technological landscape.

" A smart building delivers outstanding outcomes for all users, through digital technology, to exceed their evolving expectations.

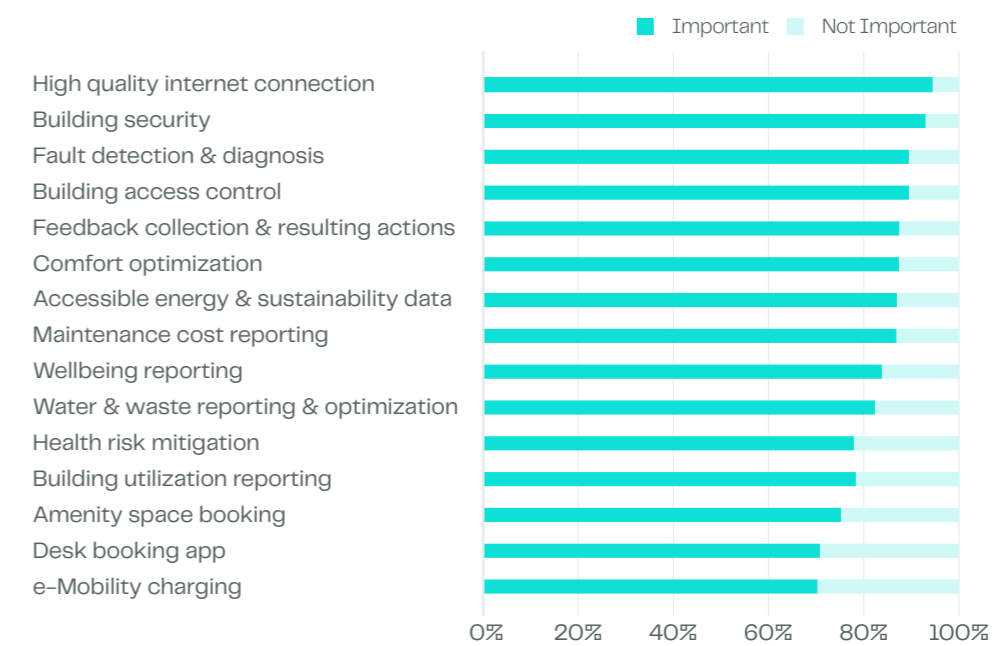A framework developed by the industry for the industry in conjunction with the WiredScore Smart Council.[1]

Connecting Smart Technology

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The common denominator between all smart building features is digital connectivity. Without exceptional levels of internet connectivity, the smart systems fail. Therefore, it is crucial that landlords get the internet right if they're to make a real success of smart.
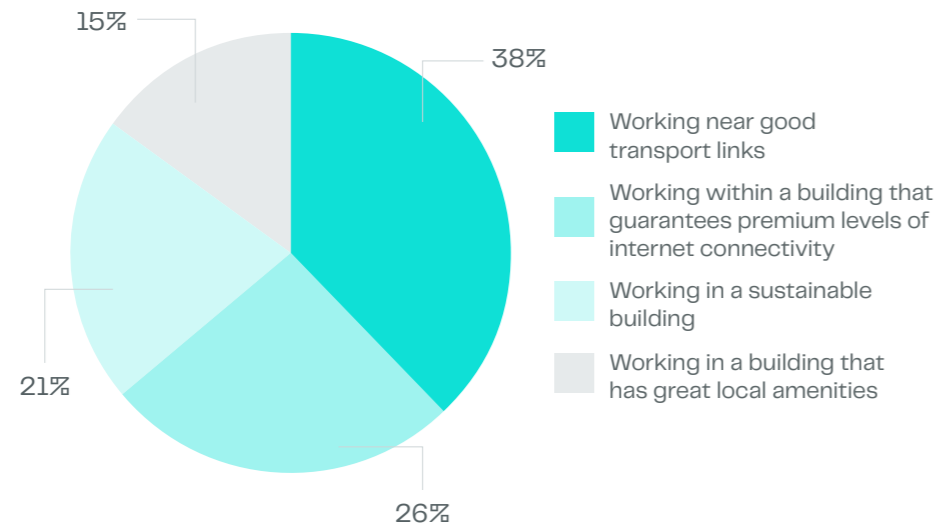
The smart tech tenants want

■ Important   ■ Not Important

High quality internet connection
Building security
Fault detection & diagnosis
Building access control
Feedback collection & resulting actions
Comfort optimization
Accessible energy & sustainability data
Maintenance cost reporting
Wellbeing reporting
Water & waste reporting & optimization
Health risk mitigation
Building utilization reporting
Amenity space booking
Desk booking app
e–Mobility charging

0%   20%   40%   60%   80%   100%

Global data gathered in a 2022 survey conducted by WiredScore in partnership with Opinium Research.

The majority of respondents (95%) regard a high-quality internet connection to be the most important smart building feature, exposing the primacy of connectivity in regards to creating a fully functioning, desirable smart building. What's more, guarding against internet dropout remains a business imperative. 89% say their company relies upon the internet to complete their work, noting that if connection was lost, they would not be able to work at all (25%). The risk of internet outages must be removed if productivity is to be maximized.

Most important factor when choosing an office space

- 38% ■ Working near good transport links
- 26% ■ Working within a building that guarantees premium levels of internet connectivity
- 21% ■ Working in a sustainable building
- 15% ■ Working in a building that has great local amenities

Global data gathered in a 2022 survey conducted by WiredScore in partnership with Opinium Research.

When it comes to selecting a new office space, good transport links and premium internet connectivity take the top two spots on the list of requirements, coming in at 38% and 26% respectively. Tenants demand superior levels of connectivity and must be able to rely on it being able to match (or, indeed, better) those at home.

Landlords who benchmark themselves within the market as having superior levels of connectivity will have a competitive edge by virtue of adopting a transparent method of communication with tenants, investors, and other stakeholders. The office that emerges as successful in this new era of real estate will be an exceptionally well-connected, smart space that serves as a reason to go to work rather than just a place of work.

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Green Transition Fuelled by Technology

98% of respondents think that landlords and developers must leverage technology to make their buildings more environmentally sustainable. And, when it comes to choosing a new office, 21% said that working in a sustainable building is a main consideration. Notably, more respondents in Singapore named it as the most important factor (26%), compared to Hong Kong (16%).

Tenants now want to see building data being utilized with transparency to make better, more informed decisions in regards to building use. 87% of respondents indicate that using technology to create accessible energy and sustainability data is important, most likely so that data can be incorporated in external ESG reports. 82% also believe that waste and water reporting/optimization is crucial.

In regards to the smart, sustainable features tenants want to see, cost-efficient technologies, such as automated lights, which aid smarter energy consumption, were ranked as the number one factor that would make them most likely to extend current leases.

WiredScore's findings emphasize the close relationship between smart building technology and sustainability: technology is instrumental in achieving green building goals. The significance tenants place on sustainability cannot be ignored, with 32% expressing a likelihood to extend the lease on their current office building if their landlord enhances the building's sustainability credentials. Building owners must meet the demand for tangible green targets, helping tenants to work towards stringent environmental objectives.

Staying Safe with Smart

Within the context of the COVID-19 pandemic, it's unsurprising that over three quarters of respondents think it's crucial that their workplace has health risk mitigation features such as automatic temperature checkers in place.

Workers and employers alike have come to demand assurances pertaining to their health and wellbeing when working at the office, with wellbeing reporting (such as air quality monitoring) emerging as a top desirable feature for 83%, and the understanding that technology plays a crucial role in the accuracy of this information.

As workers are encouraged to return to the office, new and improved levels of health and safety precautions will be required for both peace of mind and public safety. It's essential that workplaces are well equipped with relevant in-building technologies to assure workers' wellness is a priority, so that the workforce feels safe and therefore willing to once again work within an office environment.

Smart Buildings:
What Now?

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92% Singaporeans agree that their country leads the way in smart office buildings, and 96% believe that it is integral that their country's real estate is technologically-advanced in order to preserve its status as a leading smart nation. Singapore real estate owners must set themselves apart, utilizing technology to remain relevant and attractive in an increasingly competitive global real estate market. To achieve this, landlords must look to the long-term benefits of investing in smart technology to deliver an asset that meets the demands of tenants for an inspiring, user-focused, sustainable workspace as well as future proofing the building to guard against the technological advancements of the future to withstand the test of time.

As businesses are looking to entice employees back into the workspace in new and innovative ways, providing an inspirational in-office experience, powered by smart technology, will be integral to this strategy. By partnering with employers and harnessing smart technology to benefit the end users of office buildings, landlords will create spaces that naturally attract employees back into the workplace. Those who make the most of this opportunity will emerge as leaders within the market, those who don't risk falling behind.

To learn more about WiredScore:

Find us online
wiredscore.com
@wiredscore

Email us
hello@wiredscore.com

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