

New Survey Reveals Latest Office Occupier Trends Within The Retail Sector

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A new survey by Irwin Mitchell into occupier trends <u>2022 Office Occupiers Report</u> has revealed that the office is still very much alive within the retail sector with many businesses preferring their office-based employees to be working there than from home.

The YouGov survey of property decision makers in the sector has revealed that 40% of those in the retail sector believe their people work better in an office.

The survey also highlighted that 34% of businesses in the sector think the office is a collaborative space for exchanging ideas and 24% that it is a good place to showcase the company's brand and values. 22% see an office as a place to nurture employees in a way that embodies an organisation's culture.

The Irwin Mitchell study also revealed some interesting findings among retailers in relation to property a the environment.

Tim Rayner, Partner, said: "Although retailers typically occupy shops, businesses in the sector can still be significant occupiers of offices. It's clear from this survey that many retail businesses prefer their office-based employees to be working in the office, rather than permanently at home. Over two thirds of respondents (71%) think the office is a collaborative space to exchange ideas, to nurture employees in a way that embodies the firm's culture and where experienced staff can mentor younger staff. The office is far from dead – in fact it is certainly alive and kicking."

For example, 16% of retail businesses admitted to doing nothing to tackle the environmental impact of their office buildings.

And when the survey asked property decision makers whether retail businesses are prepared to pay higher



rent in order to reduce the environmental impact, only six percent say they would without receiving any benefit to themselves- the same as the national figure - with a further 22% claiming they would if they see benefits in reduced service charges and cheaper energy bills. Over half (52%) say they would not.

Despite the lack of action from some quarters of the retail sector, there were certainly signs that some organisations wanted to take a more proactive stance when it comes to the office and the environment. Here, 64% say they are turning off electric lighting and heating when no one is in the office. This was higher than the national average of 54%.

The survey also revealed:

- 28% retail businesses plan to change their office requirements by upsizing (18%), downsizing (8%) or relocating (2%).
- 42% said that modern, quality office space was the main thing that employees will expect of an office in the future. 40% highlighted the importance of being easily accessible to home. Being near to good public transport (16%) and good shops and leisure conveniences (10%) are less important.
- 66% of all businesses say they are not considering using proptech in their office, however 16% say they would use it to support their ESG agenda.
- 58% of retailers said compliance with the Government's Disability Strategy was important when deciding on office space. This was higher than the national figure of 49%.
- When asked what the key threats were facing their business at the moment, over half(58%) named the long-term implications of Brexit in terms of material and staff shortages, (much higher than the national average of 35%). This was followed by the pandemic (44%), general shortages (44%) and recruiting and retaining good staff (42%).

All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 503 senior decision makers who have a responsibility for office occupancy decisions, 'Facilities/ premises/ health & safety' in private sector businesses (excluding sole traders). 50 of respondents worked in the retail sector. Fieldwork was undertaken between 25th January – 9th February 2022. The survey was carried out online.

Image credit: Pexels