



Digitally Enabled Buildings and Spaces Take Center Stage in a Renewed **Asia Pacific** Office Landscape

The world of work has changed for many of us, with flexible work arrangements now the norm for employees at most companies. According to [Cushman and Wakefield](#), the APAC region is leading global demand for office space, and accounts for nearly one-third of co-working spaces globally in key gateway cities such as Hong Kong, Singapore, Shanghai, Tokyo and Melbourne. With a tech-savvy population coming into the workforce, the surge in demand for more flexible, adaptable, turnkey workspaces equipped with on-demand digital services requires landlords and workspace operators to reevaluate their real estate technology strategy.

Delivering digitally enabled spaces comes with challenges

APAC is growing in smart building technology adoption, and is expected to reach a [US\\$78.72 billion market value](#) by 2030. This is driven by increased requirements for energy efficiency, data analytics and IoT-enabled systems, which results in a myriad of disparate technology solutions within a space.

As the real estate industry moves towards digitalisation in buildings and spaces, it results in a high degree of complexity in technology and network management. Digital enablement typically requires heavy IT infrastructure investments, sizeable technology teams & a multitude of IT vendors. This can mean exponential growth in operational expenditure. Most solutions are also deployed with separate network systems, which result in inefficiencies and exposure to cybersecurity risks. [According to IBM](#), the global average cost of a data breach in 2022 could be as high as US\$4.35 million.

A digital-first real estate portfolio unlocks top-line revenue potential

To attract and retain tenants, building and space owners will be expected to provide digitally enabled, agile “plug & play” real estate across their portfolios. This opens the door to opex savings through automation and revenue streams beyond rent.

With the right digital backbone in place, operators can simplify operational management and optimise IT spend. The right technology should also help technology teams automate manual error-prone tasks, freeing up time to focus on value-added activities.

Space operators can also drive topline revenue through diversified revenue sources. Beyond their physical tenancy, customers can get access to a digital tenancy to entire portfolios, which grants them true flexibility in moving seamlessly across spaces and buildings. Operators can also provide new real estate products such as full-service leasing that bundle digital services within their offerings, as well as shared amenity and event spaces

Tomorrow’s successful real estate portfolios start with the right digital infrastructure

The right digital infrastructure, in this context, is the fibre backbone that forms the foundation for in-building networks. Most buildings today take a fragmented approach to this and do not have ownership over most of what is in the risers. Yet, as buildings become smarter and more connected, connectivity is arguably the most important utility to control in a building.



Companies like essensys help consolidate this fragmented approach to a single fiber backbone that can be controlled through an intuitive software layer. This can then be used by technology and asset management teams alike to easily manage their in-building networks, reduce operational costs, and capture new revenue streams from their spaces.

For a good resource on how to digitally enable your portfolio, [download this detailed guide](#) from essensys to discover how to elevate your service offering to tenants with best-in-class digital experiences.



Eric Schaffer
CEO, Asia Pacific
essensys

Eric Schaffer is CEO, Asia Pacific at essensys and leads the business across the region. He has worked across real estate functions and asset classes with deep experience in Asia and has structured and led over \$2B USD in real estate transactions. Prior to joining essensys, Eric was Head of Real Estate Advisory for WeWork in APAC. He has also held leadership positions at multiple firms, including Cushman & Wakefield and Core Capital Asia. He holds an MBA from Columbia Business School and BA from Emory University.

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