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Meeting Digital Tenant Expectations

Practical steps that will advance your flexible workspaces

Introduction

The flexible workspace has evolved from being a borderline "trendy" alternative to the traditional office to a mainstay competitor.

Flexible offices are predicted to make up to 30% of corporate real estate portfolios by 2030.[1] Research has found that almost a third of companies are investing in new office spaces.[2] This could be down to a growing demand to improve the tenant experience by providing premium workspaces.

Within that growth and change has been the emergence of a "new" type of tenant that's critical for flexible office spaces to cater to: **the digital tenant**.

While a lot of the characteristics and needs of the digital tenant fall under expectations of the flex space that have been brewing for years, it's more important than ever for operators and landlords to fully realise these goals — sooner rather than later. But how?

At essensys, we're passionate about providing workspace operators and landlords solutions to develop digitally advanced flexible office spaces, buildings, and portfolios. We've used our expertise to put together this guide that will help you do just that and start off on a path to satisfying the digital tenant.

What's important to remember here is that catering to the digital tenant isn't just about satisfying your occupiers — which is already an important outcome. The strategies and results we're going to dissect here are also going to bring you renewed operational growth and success out of your entire portfolio of sites.

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The rise of the digital tenant explained

That's only supported by the fact that tech companies are at the forefront of flex space adoption compared to other industries.[4] Which makes sense, considering large names from Alphabet to Meta have also been the biggest advocates for the hybrid working model.[5]

But this doesn't mean that flex space providers like yourself can expect to see completely smooth-sailing growth.

So, what's contributed to the emergence of the digital tenant in the first place?

The answer comes down to two major trends: **global digital transformation** and **the rise of flex spaces in the tech industry**.

The digital transformation market, valued at $731.13 billion in 2022, is expected to grow at a CAGR of 26.7% until 2030.[3] This growth reflects a widespread shift towards digital solutions across various sectors. Corporations, large and small, are increasingly adopting digital technologies to enhance efficiency, improve customer experiences, and innovate their business models. And they expect where they work to fit perfectly into those strategies.

3 Digital Transformation Market Size & Share Report, 2030
4 Flexible Office Trends in Tech 2023 | CBRE
5 Hybrid working: Tech companies demanding end to remote work | Technology Magazine

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What this means for the world of flex spaces

While there are signs of positive momentum for flex space adoption, there are also hurdles that workspace operators and landlords need to be cautious of. Corporates call out cultural fit concerns, cybersecurity issues, costs, and privacy/regulatory issues as their largest perceived challenges of relying on flexible workspaces.[6]

In summary, this leads to the following implications for the world of flex spaces:

The need to reflect corporate digital strategies:

As corporations integrate digital technologies into their core strategies, they expect their physical workspaces to align with these digital initiatives. Flex spaces must therefore offer advanced technological infrastructure and digital services to meet these expectations.

Further demand for digital amenities:

The digital tenant's preference for tech-enabled environments is reshaping the amenities and services offered in flex spaces. From high-speed internet connectivity to smart building technologies, tenants now expect a range of digital amenities that support their work and lifestyle needs.

A reshape of workspace design and operations:

The influence of the digital tenant extends beyond technology. It also impacts the design and operational aspects of flex spaces. Workspaces are increasingly designed to be adaptable, with digital tools playing a large role in managing and optimising these environments.

New standards for flexibility and efficiency:

The digital tenant values flexibility not just in terms of physical space but also in how they interact with and utilise that space. This demands a higher level of operational efficiency from workspace providers, who must leverage digital solutions to meet these dynamic needs.

Elevated security and compliance expectations:

With a heightened awareness of data security and privacy, digital tenants demand robust cybersecurity measures and compliance with industry standards. Flex space operators must therefore prioritise these aspects in their digital offerings.

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What does the digital tenant want?

Essentially, the digital tenant isn't just an occupier; they're a driving force reshaping the industry. And what makes the digital tenant "digital" in the first place is the nature of their demands out of flex spaces. Understanding and catering to these needs is the only way to remain competitive and relevant in the market.

Let's explore what they are in more detail.

01 Security across the board

A major misconception that flex spaces still have to reckon with is that they're seen as inherently less safe and secure than the traditional office.[7]

In an era where data breaches are increasingly common, digital tenants demand robust security measures and policies that protect their sensitive data, intellectual property, and themselves. This includes:

- Physical and logical access controls to secure data systems
- Personal user IDs, secure complex passwords, and multi-factor authorisation
- Centralised user management systems
- Video surveillance and security gates for server rooms

02 Multi-faceted compliance

Part of the beauty of flex spaces is that there's an ever-expanding number of industries and organisations that can work within them. But with that said, your sites have to be ready to cater to the same regulations that these various industries abide by, like:

- PCI-DSS for payment processing
- HIPAA for healthcare information
- ISO 9001 and ISO 27001 for quality and information security management
- SOC 2 for service organisation controls

Demonstrating compliance not only builds trust but also ensures that tenants operate within legal frameworks.

7 Cooke, H., Fiorentino, S., Harris, R., Livingstone, N. and McAllister, P. (2022), "Corporate occupiers' attitude to flex space in the post-Covid environment", Journal of Property Investment & Finance, Vol. 40 No. 5, pp. 493-507. https://doi.org/10.1108/JPIF-02-2022-0011

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What does the digital tenant want?

03 Disaster preparedness and support

Digital tenants expect flex spaces to have comprehensive disaster recovery and business continuity plans. This includes regular data backups, redundancy for critical system components, DDoS protection, and uninterrupted power supplies. In addition, WiFi network contingencies and emergency protocols should be in place to maintain connectivity and operations during unexpected disruptions.

Digital tenants anticipate a high level of support for their digital needs. This includes responsive IT support for troubleshooting and proactive maintenance of the digital infrastructure to prevent downtime. The support should be knowledgeable, easily accessible, and capable of resolving issues swiftly to minimise any impact on business operations.

04 Enhanced communication and connectivity

A cornerstone of the digital tenant's expectations is robust WiFi infrastructure. They require enterprise-grade WiFi solutions that ensure secure, reliable, and high-speed internet access across the workspace. So, your sites will require regular assessments of current WiFi capabilities, plans for increased capacity, and advanced network management solutions to meet these needs.

Flexibility also extends to the digital realm, where tenants expect the ability to customise their digital environment. This could involve personalised access to services, tailored communication preferences, and the ability to integrate their own tools and applications within the workspace's digital infrastructure.

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What does the digital tenant want?

05 Sustainable and smart technology integration

25% of businesses call out environmental sustainability concerns as a top incentive behind redesigning their organisation's work sites.[8] Leading ESG practices and smart technologies for energy management (such as automated lighting and climate control systems) will play a major part in assuring these companies that your sites can offset these concerns. Plus, they have the twofold benefit of reducing carbon footprints and enhancing the overall value and cost of the workspace experience you're offering.

06 Seamless connectivity over wide portfolios

For tenants who utilise multiple flex spaces across different locations, seamless connectivity is crucial. They expect to move between spaces without disruptions to their digital environment, desiring a work experience that's truly "location-agnostic."[9] This includes consistent internet performance, access to their data and applications, and the ability to utilise shared resources across different sites.

Digital tenants also often seek more than just a physical space; they look for opportunities to connect and network. Digital platforms that facilitate community engagement, networking events, and collaboration opportunities are highly valued. These platforms should enable tenants to easily connect with peers, share knowledge, and collaborate on projects.

8 #EUR151362723 IDC InfoBrief "Thriving Through Best-in-Class Workspaces" December 2023, sponsored by essensys
9 #EUR151362723 IDC InfoBrief "Thriving Through Best-in-Class Workspaces" December 2023, sponsored by essensys

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Designing the digital tenant experience

Designing an experience that meets the expectations of the digital tenant requires an approach that considers 3 major factors:

Step 1: Putting the tenant first

Intuitive design elements

The foundation of a superior digital tenant experience lies in the user interface (UI) and user experience (UX) design. This involves creating a digital environment that is both aesthetically pleasing and functionally efficient. Features like mobile applications and self-serve portals should be designed with the user in mind, ensuring they are intuitive, easy to navigate, and provide quick access to essential services.

Self-service capabilities

Empowering tenants with self-service tools goes hand-in-hand with enhancing their sense of control and satisfaction with the workspace These tools should allow tenants to manage their needs proactively and efficiently, such as booking spaces, accessing billing information, and managing service requests.

Advanced workspace experience

Consistency and engagement are key in the digital tenant's experience, especially for operators with a diverse portfolio of spaces. Whether a tenant is entering one of your flex spaces in London or New York, they should always be encountering the same automated and intuitive experiences.

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Designing the digital tenant experience

Step 2: Robust (cyber + physical) security

Security at the core

Integrating robust security measures from the outset is non-negotiable. This includes encryption, secure authentication, and controlled access to digital resources. Security should not be an afterthought but a fundamental aspect of the design, ensuring that tenants' data and privacy are protected without compromising their workflow efficiency.

Integrating the digital and physical space

Transitioning between the physical and digital aspects of the workspace is an expectation for flex spaces — not a nice to have. Specifically, platforms that enable meeting room bookings or access to other facilities should all be easily accessible through advanced software.

Addressing cybersecurity threats

Implementing strategies such as secure WiFi access controls, segregated VLANs for tenants and guests, and robust data protection measures are essential in safeguarding tenant data.

Compliance and data protection

Adhering to various and critical industry standards is often best realised by adding a trusted layer of compliance to your flex space — like a specially designed platform that already caters to these various regulations, helping you add further features with guaranteed security at every point.

Disaster recovery and data backup

Incorporating robust disaster recovery plans and regular data backups ensures data integrity, business continuity, and peace of mind for your occupiers. Invest in solutions that facilitate redundancy systems, DDoS protection, and bandwidth monitoring, as well as routine testing of disaster recovery plans.

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Designing the digital tenant experience

Step 3: **A value-backed approach**

An analytics and insights-backed approach

Utilising data analytics is vital in understanding tenant needs and behaviours. A comprehensive platform that provides insights into how spaces and services are used can inform design decisions, enabling a feedback loop for continuous improvement. This data-driven approach ensures that the workspace evolves in line with tenant preferences and industry trends.

Centralised data entry system

A centralised system for managing data, processes, and customer management reduces security risks and operational inefficiencies. This system should offer enhanced access and identity management capabilities, acting as a central intelligence system for user access and permissions.
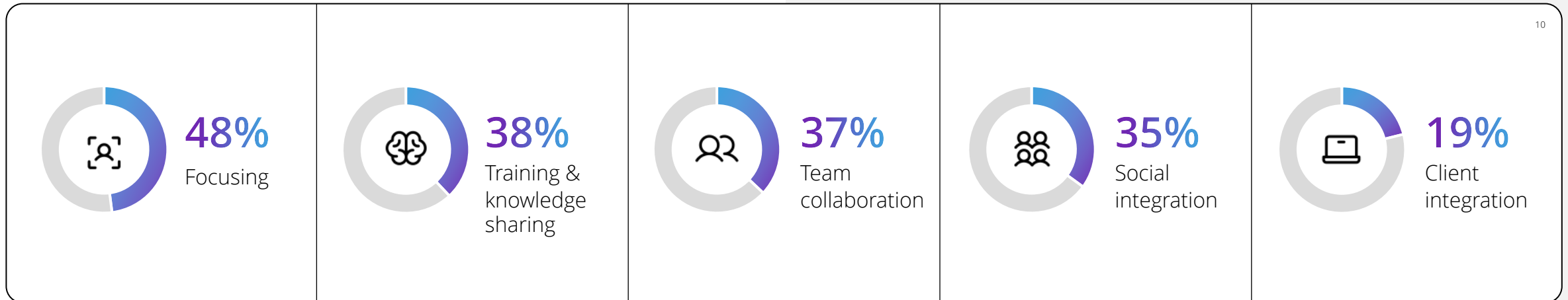
By focusing on these key elements, you can start designing a digital tenant experience that is secure, efficient, and tailored to the needs of modern tenants. This approach not only enhances tenant satisfaction but also positions you as a leader in the evolving landscape of workspace solutions.

With that said, these are a lot of steps with varying requirements that all require an equal amount of attention. And this is where the value of the right technology becomes clear…

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Catering to the digital tenant with digital solutions

Addressing the above demands at scale is easier said than done. Particularly if you're working with a large number of both workspaces and occupiers. Your entire portfolio of sites should be capable of accommodating the features that occupiers expect out of their office redesigns, including:

48%
Focusing

38%
Training & knowledge sharing

37%
Team collaboration

35%
Social integration

119%
Client integration

Furthermore, these accommodations should be addressed with best-in-class technology that streamlines the process for you. Otherwise, you risk becoming overly reliant on IT teams and having to deploy them to your entire range of sites — ultimately a sink on costs and resources.

A software solution is key here. But what kind of solutions are available, and which would be the best fit for your portfolio?

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Catering to the digital tenant with digital solutions

Tenant experience solutions

From communication tools, and community engagement features, to facility management, software that can facilitate more seamless experiences for your occupiers falls perfectly into the expectations of the digital tenant.

In the digital age, tenants expect more than just a physical space; they seek a connected, interactive, and community-driven environment. These platforms meet these expectations by providing a digital layer that enhances the physical space, making it more engaging and user-friendly.

Key features include mobile app integration, real-time notifications, community forums, and feedback systems. These platforms should also offer customisation options to align with the specific branding and operational needs of the flex space.

Space booking solutions

Flexibility is a cornerstone of the digital tenant's requirements. Space booking platforms allow tenants to book and manage various spaces within a flex workspace, such as meeting rooms, desks, or offices. These platforms provide the flexibility to book and manage spaces efficiently, enhancing the user experience and optimising space utilisation.

Essential features include an intuitive user interface, real-time availability updates, integrated payment systems, and the ability to manage bookings across multiple locations.

Financial process solutions

Efficient financial management is crucial for both operators and tenants. Financial process solutions streamline the financial operations of flex spaces, including invoicing, billing, and payment processing.

These solutions automate and simplify financial processes, reducing administrative burdens and improving accuracy.

Key features include automated invoicing, integration with accounting software, customisable billing cycles, and secure payment processing.

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How we developed a suite of solutions to cater to every need

Each of the solutions mentioned has its place in the modern (and future) workspace.

Recognising the diverse requirements of digital tenants, we have developed a comprehensive suite of tools: **essensys Platform**, **Operate**, and **essensys Cloud**. Each is designed to meet distinct aspects of the digital tenant's demands.

Let's explore what they are in more detail.

essensys Platform offers an easier way for landlords and operators to coordinate spaces, occupiers, and digital services across a portfolio. Flexible workspaces often come with a lot of moving parts and the "who", "where" and "when" are constantly changing. essensys Platform simplifies the operational complexity involved in managing this, automating hundreds of tasks so that operational teams can work more efficiently. It's integral to managing the digital experiences of occupiers, providing crucial services like secure WiFi access, private VLANs and voice services.

Operate is designed to manage the complex licensing and invoicing requirements that come with managing flexible workspaces. These types of workspaces lead to more complex offerings, with different types of occupier, space and services available. Managing the invoicing process is crucial and relies on accurate licensing and charges. Operate simplifies these processes, providing a solution that can be customised as needed, to reflect the propositions on offer. It's key to maintaining financial accuracy, transparency and efficiency, aligning wit the digital tenant's expectations of clear and straightforward interactions.

essensys Cloud delivers a smarter connectivity solution for buildings. Providing a great digital experience starts with secure, reliable connectivity. essensys Cloud delivers connectivity through a global private network, that offers enterprise-grade security and performance, with over 99.99% guaranteed availability. It uses automation to proactively monitor the network and resolve faults, avoiding downtime where standard connectivity solutions may fail. Plus, it comes with **essensys Lens** – software that gives IT teams end-to-end visibility across all networks, apps and devices, so digital experience can be monitored and assured.

All essensys products integrate seamlessly, and when used together, offer value that's greater than the sum of their parts. essensys Platform removes complexity from day-to-day operations, Operate streamlines financial processes, and essensys Cloud provides secure, reliable connectivity that can be monitored. Together, they enable you to cater to the varied needs of digital tenants in flex spaces.

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How essensys has powered flex spaces for the digital tenant

Don't underestimate the advantages that the right tools can give you.
Just look at what we've been able to do for some of our clients.

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How Bruntwood catered to shifting expectations

Bruntwood's journey with essensys began with their first Pioneer building, Neo, located in Manchester. The challenge was to transition from conventional office spaces to future-ready workspaces that catered to evolving tenant demands for technology, design, and community.

bruntwood

The challenges

- **Adapting to changing tenant demands:** Bruntwood needed to create a workspace that was not just physically appealing but also rich in digital amenities.

- **Disconnected digital and physical spaces:** The goal was to ensure that tenants could move effortlessly through a fully connected building, utilising both office space and communal areas without any digital disruption.

- **Catering to the tenant experience:** Bruntwood aimed to provide an environment that was thriving and vibrant, attracting the right teams and businesses.

essensys solution

- **Secure digital infrastructure:** essensys equipped Neo with advanced digital tools and connectivity solutions, ensuring seamless experiences across physical and digital spaces.

- **Community engagement:** Through essensys software and technology, Bruntwood was able to foster a sense of community, crucial for tenant satisfaction and retention at Neo.

We recognised that customer demand had been changing; customers wanted more from their workspace. So with Neo, our aim was to provide the perfect balance of new technology, design, and it was all about creating a community for our customers to thrive in.

What we liked about essensys was that nothing seemed unachievable. The company invests heavily in their product, with constant work happening in research and development. For us, that was a good partnership, because we knew there would be continuous improvement along the way. essensys' investment in their technology matched our investment in Neo.

Find out more about our partnership with Bruntwood →

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Hines: Enhancing workspace flexibility

Hines partnered with essensys to revolutionise their developments at 717 Texas and Texas Tower in downtown Houston. The focus was on their flexible workspace platform, The Square, which aimed to provide a modern, connected experience for tenants.

The challenges

- **Integrating tech with real estate:** Hines needed to blend cutting-edge technology seamlessly with their real estate offerings to attract and retain tenants.

- **Operational efficiency:** Managing the complexities of a flexible workspace required a solution that could simplify operations without compromising on tenant experience.

- **Security and connectivity:** With a diverse tenant base, including energy companies and law firms, Hines needed to ensure top-notch security and reliable connectivity.

essensys solution

- **Streamlined operations:** essensys provided a platform that tied together front-end operations like space booking with backend connectivity, simplifying the management process.

- **Enhanced security and connectivity:** The solution offered by essensys met the high-security demands of Hines' tenants, providing secure networks and robust digital infrastructure.

Hines

> The biggest win is the fact that essensys' technology ties together some of our front-end operations, like space booking and reservations, with connectivity. We could use one company for 'this' and then another company for 'this' but then there's always a disconnect. We now have a streamlined approach when a company moves in, and then the integration with our other technology makes everything run smoothly.

> Wherever there's The Square, we're going to use essensys. That's a no-brainer.

Find out more about our work with Hines →

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Pave the way to a digital workspace with essensys

Corporations have realised that adapting their workplace portfolios to shifting ways of working should be seen as an investment, rather than a cost.[11] However, proving that your sites are worth the investment begins and ends with catering to the evolving needs of these businesses and their employees.

At essensys, we're equally committed to both exceeding the expectations of the digital tenant and fostering an environment where operational growth and success are not just goals — but realities.

From operational efficiency and financial management to connectivity and security, we've ensured that each tool within our portfolio addresses a specific need, collectively providing a holistic solution to flex space operators and landlords.

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Pave the way to a digital workspace with essensys

Management of multi-tenant operations

Onboard new tenants faster, with the ability to make changes to tenancies, services, and spaces on-demand or in advance. Connect and employ automated monitoring of your array of sites remotely and from a centralised location.

Operations that scale with your business

All of our solutions are designed to remove the complexity involved in operating flexible workspaces – and our automation engine helps us to do this in a way that nobody else can. This results in a scalable solution that drives greater efficiencies as you grow.

Insights into your tenants

Get visibility into your occupiers and their journeys through your spaces, with insights and in-depth reporting into key operational and technical aspects. Understand where your sites are succeeding and potential gaps to fill, aiding your decision-making in the long term.

From fully connected buildings, portfolio-wide roaming, self-serve capabilities, and best-in-class solutions, our products can help you create amazing digital experiences that will help you meet the expectations of the digital tenant.

Discover how we can start you off on the right foot by **booking a demo** of our products today.

Cloud services marketplace

When using Platform + Cloud together, essensys enables you to productise and provision advanced network services in real-time, including public IP address and UCaaS.

Secure WiFi access

All tenants receive their own private VLAN and every user gets their own unique login credentials, enabling easy decommissioning of users and direction to the correct VLAN, every time.

Security & compliance

We hold crucial accreditations, including ISO9001, ISO27001, and SOC2, for quality management, information security, and cybersecurity controls across a variety of industries. Use essensys Cloud to connect your sites to a global private network.

Book a demo ⟶

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About essensys

essensys provides software & technology that help landlords and flexible space operators deliver best-in-class workspaces. Since being founded in 2006, we've been helping the world's leading CRE brands operate efficiently and deliver innovative experiences across their portfolios.

 Our products are designed to:

- Automate tasks & remove the complexity involved in operating flexible, dynamic spaces

- Deliver amazing occupier journeys across entire portfolios

- Manage, monitor & assure leading digital experiences at scale

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