THE FLEXIBLE WORKSPACE: A COMING OF AGE
The concept of working together and sharing premises, staff and other overheads was first used by Barristers in the late 70s, early 1980s.

Small independent centres began to emerge in the early 80’s & the first Regus building opened in 1989 in Brussels, Belgium.

The serviced market grew in the subsequent decade and dedicated brokerage firms began aggregating the industry in the tail-end of the 90’s. Just as forward thinking technology companies like Google and Vodafone began to utilise this novel solution.
FLEXIBLE WORKSPACES THEN...

- Prominent centre branding
- SME focussed
- Traditional office functions
- Company name boards at reception
- Individual, cellular offices
- Pay-per-use services
- Basic IT infrastructures
Globalisation, new technology and changing work practices became hot topics and companies from SMEs to large corporates started to adopt the use of flexible space to start businesses, alleviate pressure on core real estate, run projects and test new markets.

Clients began searching for more control over their flexible environment – an offering somewhere between serviced and traditional. In response to their needs, the managed office solution emerged in 2006 – creating a further addition to the flexible marketplace.

Centres providing hot-desking facilities began to gain popularity amongst the start up community and dedicated co-working, collaborative centres began to appear in major cities all over the world.

Analysis of global trends showed where companies were heading – enquiries for space in the US continued to grow and corporates were heading east, expanding into the Americas and Asia Pacific.
Corporate and SME focused
Autonomous work environments
Minimal, discrete centre branding
Collaborative and communal space
Cutting edge technology
Larger offices - design & brand flexibility
Touch down and co-working space
Packaged services
Companies like NeueHouse took things further - forming collectives and building environments using the investment from its members.

The flexible market grew by over 20% year on year between 2010 and 2015 and with the world's largest corporates, confederations and even traditional agents predicting that the future of workspace is agile and flexible, the growth is sure to continue...

Centres providing hot-desking facilities began to gain popularity amongst the start up community and dedicated co-working, collaborative centres began to appear in major cities all over the world.
WHAT IS THE FLEXIBLE MARKET MADE UP OF?

- Incubators & Accelerators
- Co-working Environments
- Serviced Offices
- Business Continuity Space
- Grey / Surplus Space
- Managed Workspaces
WHERE DOES FLEX SPACE FIT?

**CONVENTIONAL LEASE:** 50 PEOPLE + // 7 YEARS +

**MANAGED SOLUTION:** 40 PEOPLE + // 3 YEARS +

**SUBLET:** 40 PEOPLE + // 2 YEARS +

- **SERVICED:** 1 PERSON + // 1 MONTH +
- **CO WORKING:** 1 PERSON + // 1 DAY +
## Monthly Space Cost Comparison

### Flex vs Conventional – e.g. 5 person office in Marylebone, London

<table>
<thead>
<tr>
<th></th>
<th>£4400 Per Month</th>
<th>£6922 Per Month</th>
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<tbody>
<tr>
<td><strong>30% - 50% Savings</strong></td>
<td>£500 Per Month</td>
<td><strong>£320 Per Month</strong></td>
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<tr>
<td></td>
<td>£3900 Per Month</td>
<td><strong>£740 Per Month</strong></td>
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<td><strong>£1690 Per Month</strong></td>
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<td><strong>£3967 Per Month</strong></td>
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- **Administrative Expenses**
  - Lease admin, office management...

- **Office Expenses**
  - Internet, telecoms, printing...

- **Occupancy Expenses**
  - Cleaning utilities maintenance...

- **Upfront Costs**
  - Design, construction, legal...

- **Rent / Rates / Service Charge**

- **License / Membership Fee**
THE NUMBERS

MARKET SIZE: £15bn
21% compound growth over the last 5 years

3 LARGEST OPERATORS: REGUS / SERV CORP / PREMIER
36%

NO. OF DEDICATED SERVICED OFFICES: 8,200

NO. OF DEDICATED CO-WORKSPACES: 9,700

GLOBAL DISTRIBUTION OF CENTRES

- 22% EMEA
- 15% APAC
- 32% UK
- 4% Latin America
- 27% USA & CANADA

13% OF ALL ACQUISITIONS IN THE CAPITAL IN Q3 2015 WERE BY FLEXIBLE OPERATORS

1.5M SQ FT TARGET WEWORK LONDON FOOTPRINT BY DECEMBER 2016

TOP 3 LARGEST DEVELOPED MARKETS
- UK
- USA
- AUS

TOP 3 LARGEST EMERGING MARKETS
- INDIA
- BRAZIL
- MALAYSIA

TOP 10 GROWING MARKETS
- UK
- USA
- CHINA
- AUS
- GER
- ITALY
- MEX
- FRA
- SING
- TUR
**THE UK BY NUMBERS**

2,495,245 sq ft

**THE 5 LARGEST OPERATORS BY SQ FT**

Regus, i2, wework, The Office Group, lio

**NO. OF DEDICATED SERVICED OFFICES** 2,200

**NO. OF NEW CENTRES OPENED IN 2015** 31

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**LONDON BY NUMBERS**

13% of all acquisitions in the capital in Q3 2015 were by flexible operators (CBRE)

**3 LARGEST OPERATORS**

Regus / Workspace / Lio

**THE CITY IS HOME TO A REPORTED 5M SQ FT OF FLEXIBLE WORKSPACE — 21% OF THE TOTAL**
WHAT IS CO-WORKING?

A business practice, which involves a shared office environment for workers from different organisations.
Growth of U.K. co-working spaces since 2010

1196%

430 Dedicated co-working spaces in the U.K. alone...

3 New co-working spaces open each day

73% Of co-working spaces are independent

8% of members leave because of the noise

10-20% Space allocated for social interaction

MEMBER model, charged by the hour, the day or the month
WHAT ARE PEOPLE LOOKING FOR?
WHY DOES THE DEMAND FOR FLEXIBLE SPACE CONTINUE TO GROW?
The Instant Group is the independent global flexible workspace specialist.

Underpinned by unrivalled expertise we tailor unique workspace solutions to help businesses of all sizes to grow, drive efficiency or gain invaluable insights.

- Offices in 6 locations worldwide
- 100% supplier agnostic and 100% independent.
- Global coverage, delivering solutions across 1,504 cities in 113 countries
- The world’s largest lead generation platform for flexible workspace
- A unique market perspective fuelled by 16 years of unrivalled transactional and operational data on the flexible market
- Creators of the first truly end-to-end workspace delivery model
- 150 experts in procurement, property and outsourcing
ENDS