

## Metropolitan Areas Office Demand Survey Spring 2023 <Summary Report>

The gap between companies' actual coming-to-office ratio and future intentions shrinks ahead of the end of the COVID-19 pandemic.

August 18, 2023

What impact do the long COVID-19 pandemic and its end have on the work styles at Japanese companies and office demand? Since autumn 2016, Xymax Real Estate Institute ("Xymax REI") has been conducting a questionnaire survey of companies across Japan on their use of offices and their employees' work styles on a semi-annual basis to analyze the relationship with office demand continuously. We have released a report on the results of the 14th survey. This **Summary** is an excerpt of the report.

### Main Findings

- In terms of changes in office size over the past year, the **percentage of "Expansion (actual + potential)" rose after bottoming out in the Spring 2021 survey**, overtaking the rate of "Downsizing (actual + potential)" this time (**Figure 1**).
- 35.4% of the companies replied that the number of office occupants would increase, a **rise of 13.2 pt** from the Spring 2022 survey (**Figure 2-1**). In terms of office size, the **percentage of "Want to expand" (15.6%)** outweighed that of "Want to downsize" (6.3%) (**Figure 2-2**).
- As for the coming-to-office ratio, the **percentage of "100% (come to office full time)" was 25.7%**, the highest since the COVID-19 pandemic (**Figure 3**). Regarding future intentions, "100% (come to office full time)" was 25.6%, with the remaining **74.4% intending to continue implementing telework**. The **gap between actual and intention has shrunk** compared to previous surveys, indicating that reality is approaching intentions ahead of the end of the pandemic.
- **The availability of a work-from-home policy is 45.6%**, continuing downward after peaking out in the Spring 2021 survey (**Figure 4**). On the other hand, **the availability of satellite offices is 30.3%** and increasing every year.
- As for companies' interest in using the different types of satellite offices, the most popular was the "Intensive solo-work type" (63.0%) and the "City-center touchdown type" (62.8%), **rising in percentage by nearly 10 pt from the Autumn 2020 survey** (**Figure 5**).

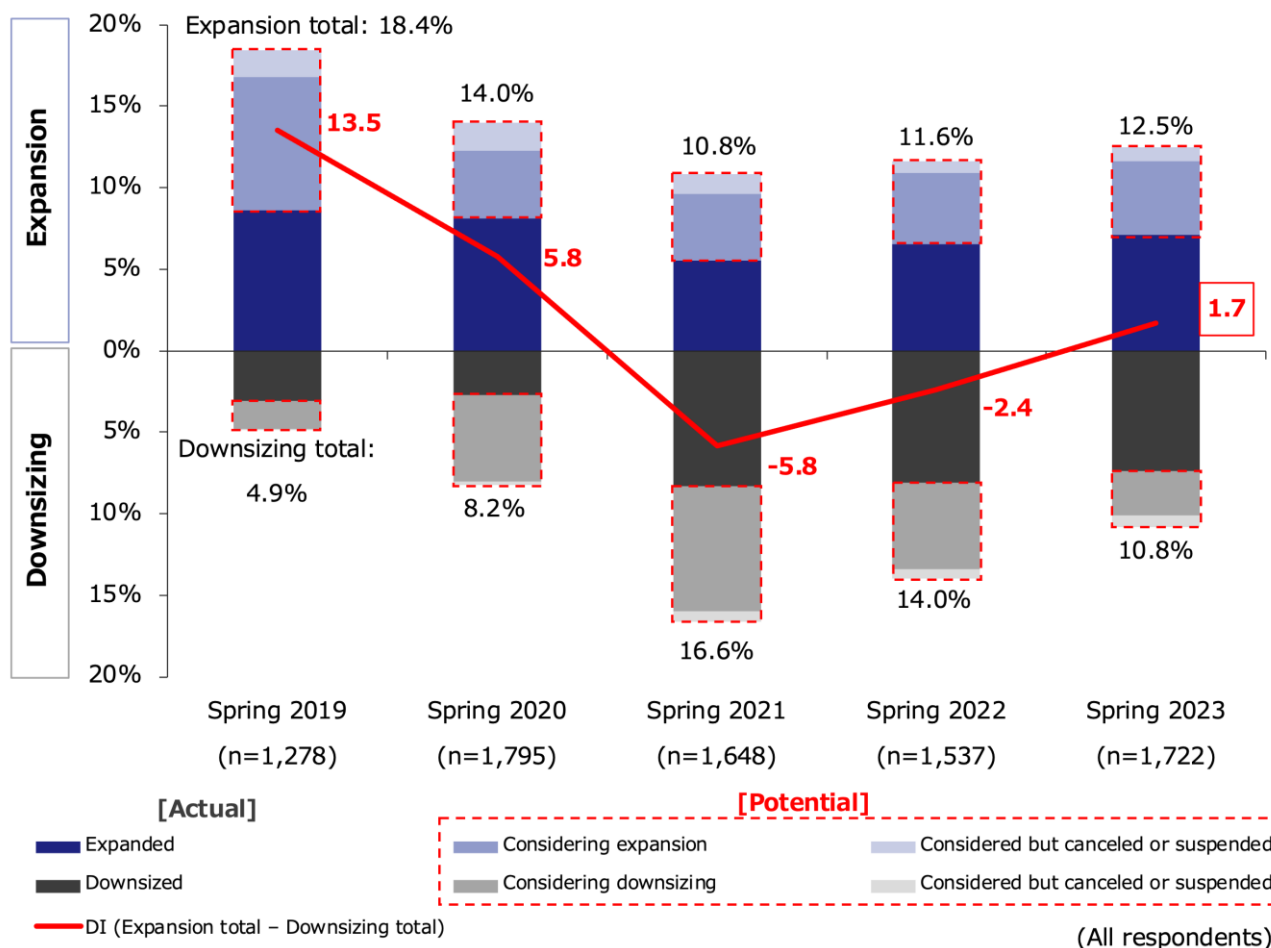
### Survey Overview

Survey period:	June 6–June 18, 2023
Target respondents:	47,616 companies in total that include the following: <ul style="list-style-type: none"><li>• Tenants of office buildings managed by the Xymax Group</li><li>• Companies subscribing to ZXY, a satellite office service for corporate customers</li><li>• Client companies of XYMAX INFONISTA Corporation</li></ul>
Number of valid answers:	1,722 (Aggregated in office units; therefore, answers from different offices of the same company are treated as separate answers.)
Geographical coverage:	Nationwide (Tokyo, Osaka, Aichi, Fukuoka, Kanagawa, Saitama, Chiba)
Survey method:	Email

## Topic 1

In terms of changes in office size over the past year, the percentage of “Expansion (actual + potential)” rose after bottoming out in the Spring 2021 survey, overtaking the rate of “Downsizing (actual + potential)” this time (Figure 1). The downsizing trend that has continued since the COVID-19 pandemic appears to have subsided.

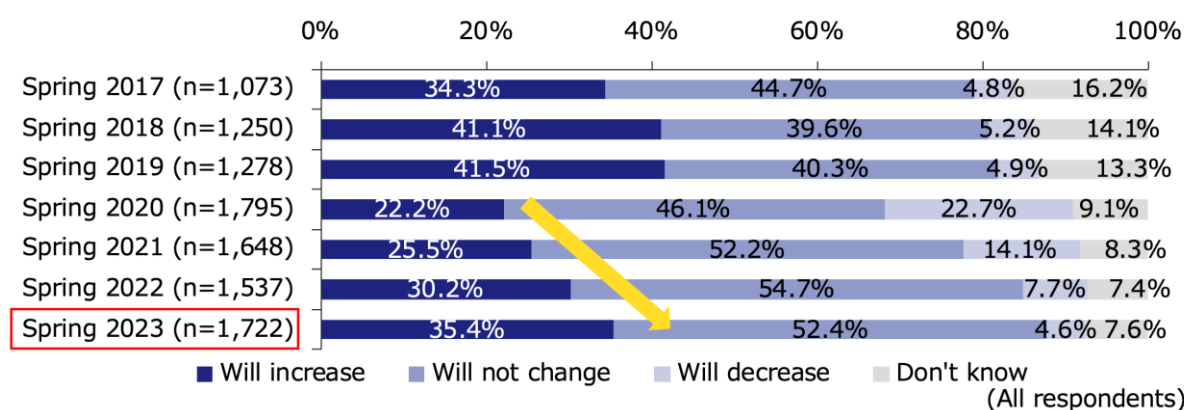
**Figure 1: Change in Office Size over the Past Year (Actual + Potential)**



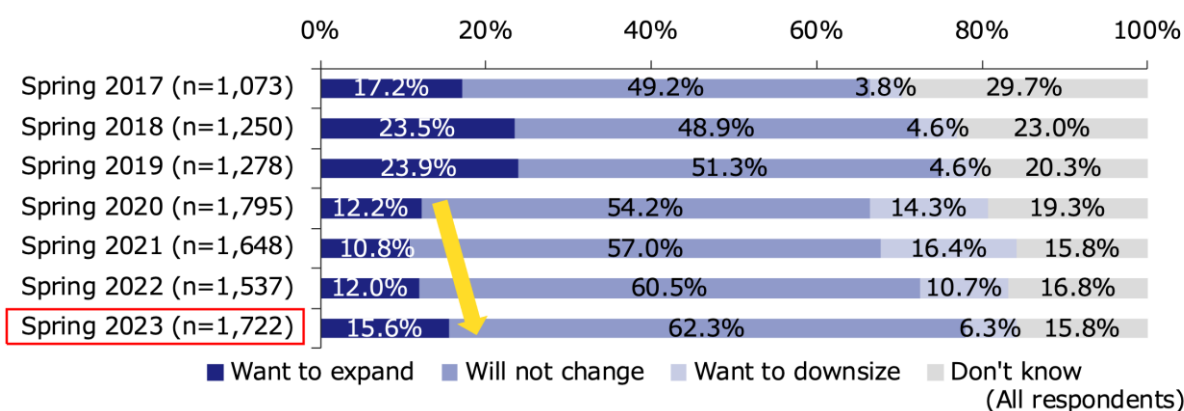
## Topic 2

35.4% of the companies replied that the number of office occupants would increase, significantly outweighing the percentage of companies expecting the number to decrease (4.6%) (Figure 2-1). As for office size, "Want to expand" (15.6%) exceeded "Want to downsize" (6.3%) (Figure 2-2). However, the fact that this percentage has not grown as much as the percentage of an expected increase in the number of office occupants over the years suggests that an increase in the number of office occupants will not directly lead to an expansion of office size in the future due to the impact of the spread of telework.

**Figure 2-1: Future Number of Office Occupants**



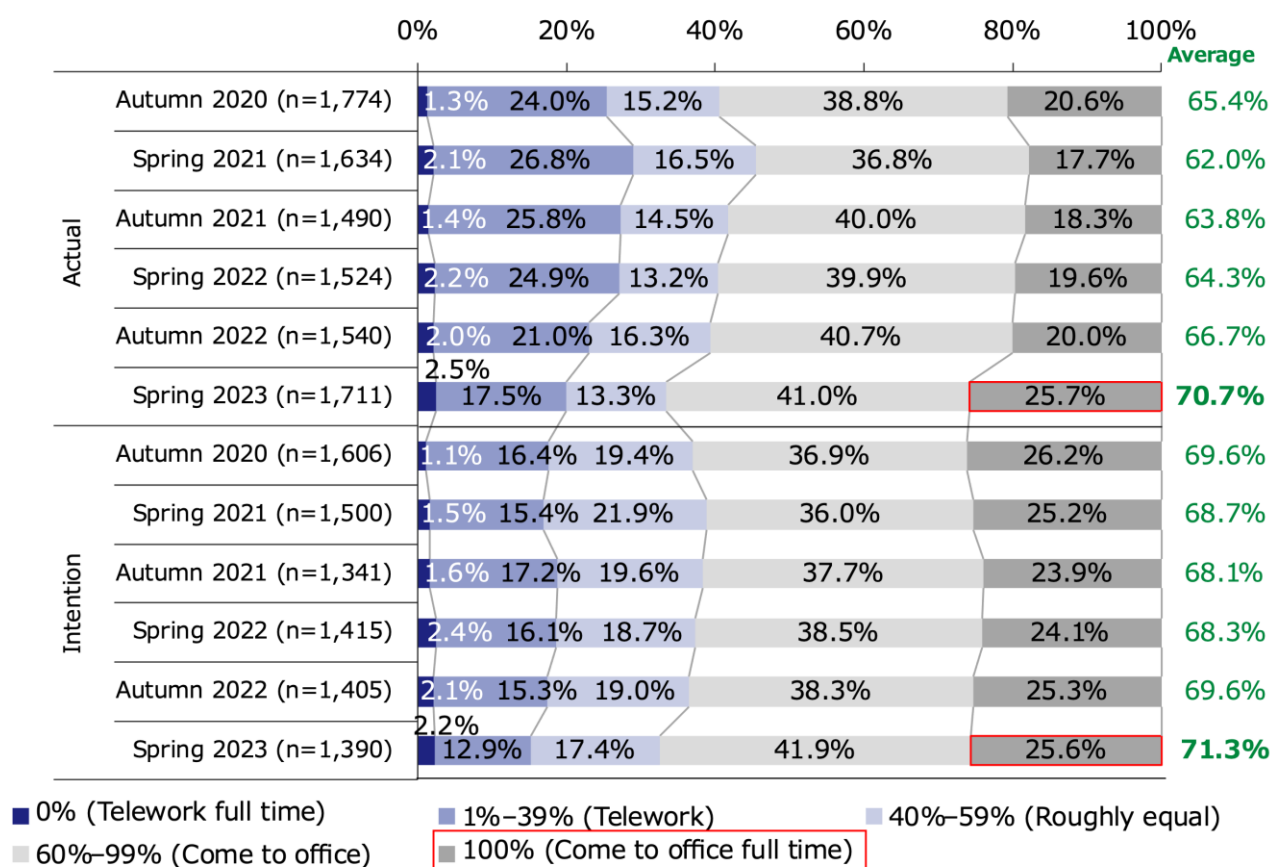
**Figure 2-2: Future Change in Office Size**



### Topic 3

Looking at the current coming-to-office ratio (actual) in comparison over time, the percentage of “100% (come to office full time)” rose to 25.7%, the highest since the COVID-19 pandemic, compared to the historical level of around 20% (Figure 3). As the pandemic subsides, some companies appear to be summoning their employees back to the office from telework. Regarding future intentions, the percentage of “100% (come to office full time)” is 25.6%, with the remaining 74.4% intending to continue implementing telework. The gap between actual and intention has shrunk compared to previous surveys, indicating that reality is approaching intentions ahead of the end of the pandemic.

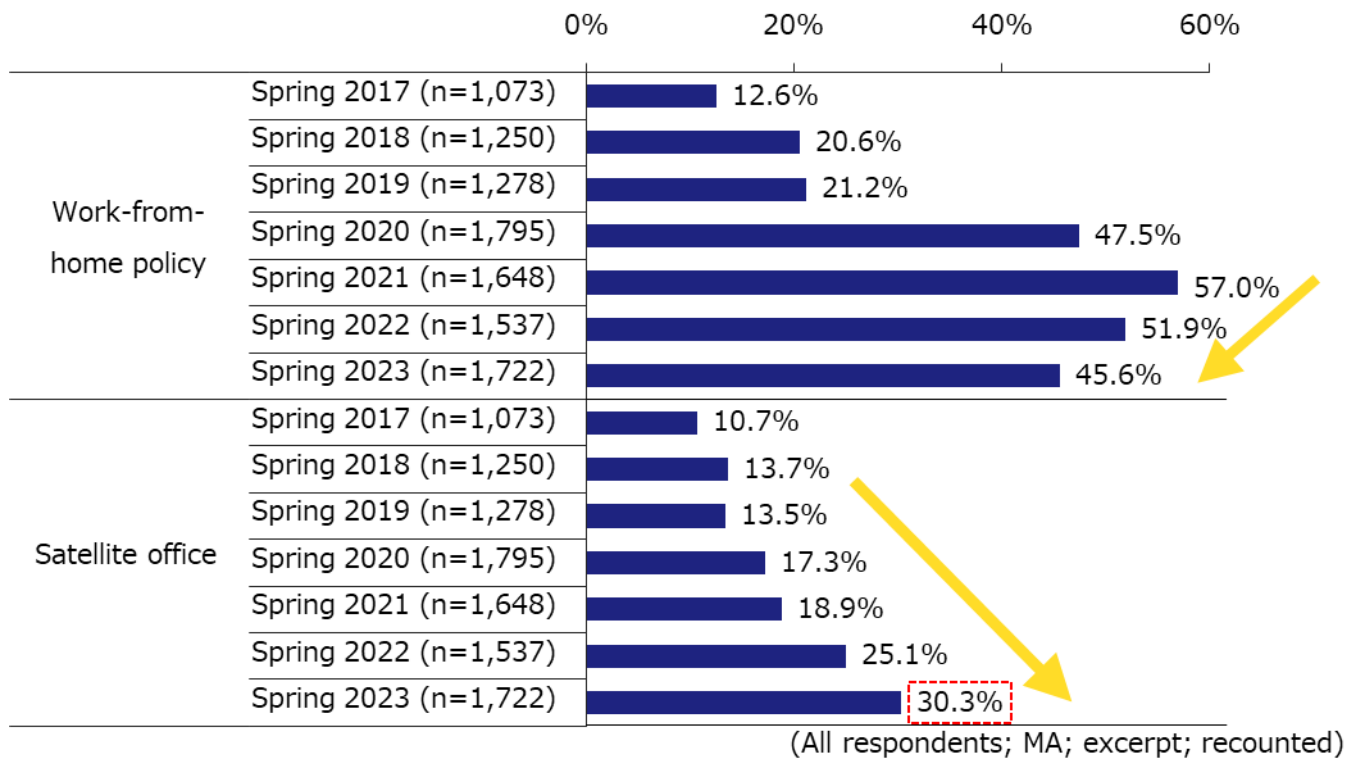
**Figure 3: Actual and Intended Coming-to-Office Ratio (Comparison over Time)**



## Topic 4

The availability of a work-from-home policy has been declining since peaking out in the Spring 2021 survey, coming to 45.6% in this survey (Figure 4). On the other hand, the availability of satellite offices has been rising every year, this time at 30.3%.

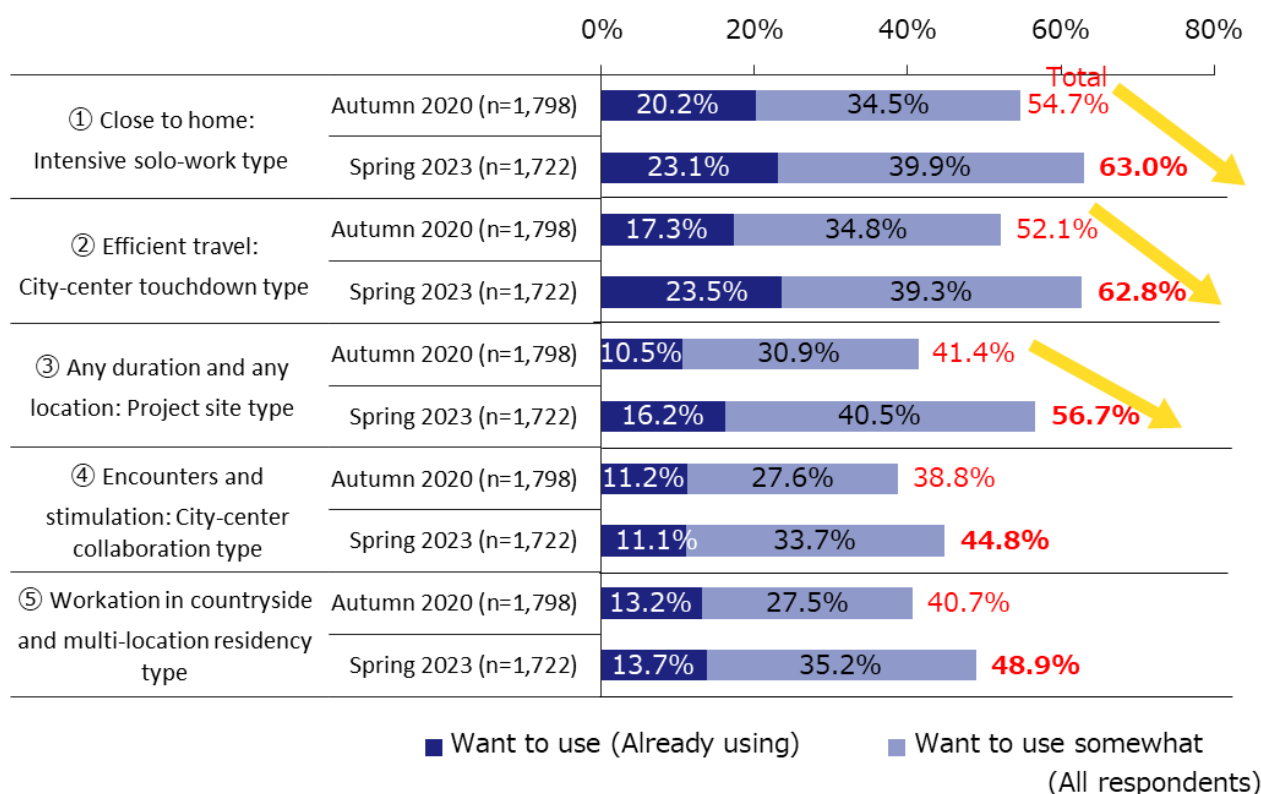
**Figure 4: Availability of Work-from-Home Policy and Satellite Office**



## Topic 5

When asked about their interest in using the five major types of satellite offices, more than 40% of the companies replied that they “Want to use (already using)” or “Want to use somewhat” for all types (Figure 5). Interest was especially high for “① Intensive solo-work type” (63.0% in total) and “② City-center touchdown type” (62.8% in total), both types attracting a nearly 10 pt rise in interest from the Autumn 2020 survey. Interest in “③ Project site type” increased significantly by 15.3 pt, suggesting an expansion in demand.

Figure 5: Interest in Using the Five Satellite Office Types



**Please refer to [the following PDF](#) for details.**

**Metropolitan Areas Office Demand Survey Spring 2023 <Detailed Report>, released on August 18, 2023**

[https://www.xymax.co.jp/english/research/images/pdf/20230818\\_detailed.pdf](https://www.xymax.co.jp/english/research/images/pdf/20230818_detailed.pdf)

The percentage mix in the charts contained in this report is rounded to the first decimal place and, therefore, may not add up to 100%.

**For further inquiries, please contact below:**

**Xymax Real Estate Institute**

<https://soken.xymax.co.jp> | E-MAIL: [info-rei@xymax.co.jp](mailto:info-rei@xymax.co.jp)