

How to Improve Office Tenant Satisfaction

From the results of the tenant satisfaction survey 2023

September 15, 2023

Introduction

It goes without saying that tenants are key stakeholders in the office building lease business. Improved tenant satisfaction results in less cancellation risk and long-term stable operation of the building.

To improve tenant satisfaction, it is important to enhance the safety and comfort of the building, develop a worker-friendly environment, and establish trust between tenants and the property manager. However, it is unclear what factors are more likely to affect tenant satisfaction, and it is difficult to prioritize initiatives under limited manpower and budgets that can be spent on real estate management.

Therefore, the Xymax Group has conducted a tenant satisfaction survey of office buildings it manages to gather feedback on tenants' overall satisfaction and related matters. In this report, we analyze the response data obtained from the survey to identify the factors that are more likely to affect tenant satisfaction and the points to be aware of in building management as a reference for building owners' sustainable building management.

The Survey

We will first explain the outline of the survey. The survey's target respondents are tenants of office buildings managed by the Xymax Group (Xymax, Xymax Hokkaido, Xymax Tokai, Xymax Kansai, Xymax Kyushu). In designing the question items, we referred to CASBEE–Office Health Checklist,^{*1} a tool for assessing the impact of office buildings on office workers' health and intellectual productivity, based on the idea that promoting occupant wellness is an important role of office buildings.

*1 CASBEE–Health Checklist (Houses, offices, communities), Japan Sustainable Building Consortium (in Japanese only)
<https://www.jsbc.or.jp/research-study/casbee/tools/health.html>

Specifically, in addition to overall satisfaction (Q1), the question items were designed to collect the valuations of the building in the following five areas: Safety & security (Q2–5), comfort & health (Q6–13), ease of work (Q14–18), neighborhood environment (Q19–21), and relationship with the building’s management (Q22). All ratings were done on a 5-point scale and converted into scores of 1 to 5 at the analysis stage. We also gathered specific comments and opinions for the 21 items besides overall satisfaction (**Figure 1**).

Figure 1: Question Items

5-level rating: “Satisfied,” “Somewhat satisfied,” “Neither satisfied nor dissatisfied,” “Somewhat dissatisfied,” “Dissatisfied”

Question item	Question item	Abstract
1	Please rate your overall satisfaction with the building.	Overall satisfaction
2	Disaster and emergency response manuals are in place and sufficient evacuation drills are held on a periodic basis.	Disaster prevention
3	I am not concerned in terms of security.	Security
4	Sufficient infection control measures are taken (e.g., disinfection, antibacterial facilities).	Infection control
5	The building can be used comfortably by everyone (e.g., disabled persons, foreigners).	Diversity support
6	It does not feel dark, too bright, or uneven in brightness in the building.	Light environment
7	I do not feel uncomfortable in the building due to heat or cold.	Thermal environment
8	I do not feel uncomfortable in the building due to dryness, dampness, stagnation of air, dustiness, unpleasant smells, or airflow.	Air environment
9	I am not bothered by outside noise, the conversations of others, or equipment/machine noise.	Acoustic environment
10	It is clean throughout the building.	Cleanliness
11	There are plantings and green space.	Greening
12	There is no feeling of inconvenience or filthiness when using the lavatory.	Lavatory
13	There is no inconvenience when using the elevator.	Elevator
14	The interior design and furniture (desks and chairs) are worker-friendly.	Interior
15	I have the freedom to choose the workspace (e.g., space for concentrating, meeting room, reception room) according to the nature of my work.	Workspace
16	There are spaces and facilities suited for relaxing or refreshing.	Space for refreshing
17	The space and layout facilitate communication.	Communication support
18	The outlet capacity or communications network does not cause stress.	Communications environment
19	The building’s exterior is in harmony with the townscape and surrounding buildings.	Landscape
20	There is no inconvenience in having lunch or doing a little shopping.	Convenience
21	I have an attachment to the building’s location or community.	Community attachment
22	The building’s management is readily available for inquiries/requests and responds sincerely.	Relationship with property manager

5-level rating + comments: “Agree,” “Somewhat agree,” “Neither agree nor disagree,” “Somewhat disagree,” “Disagree”

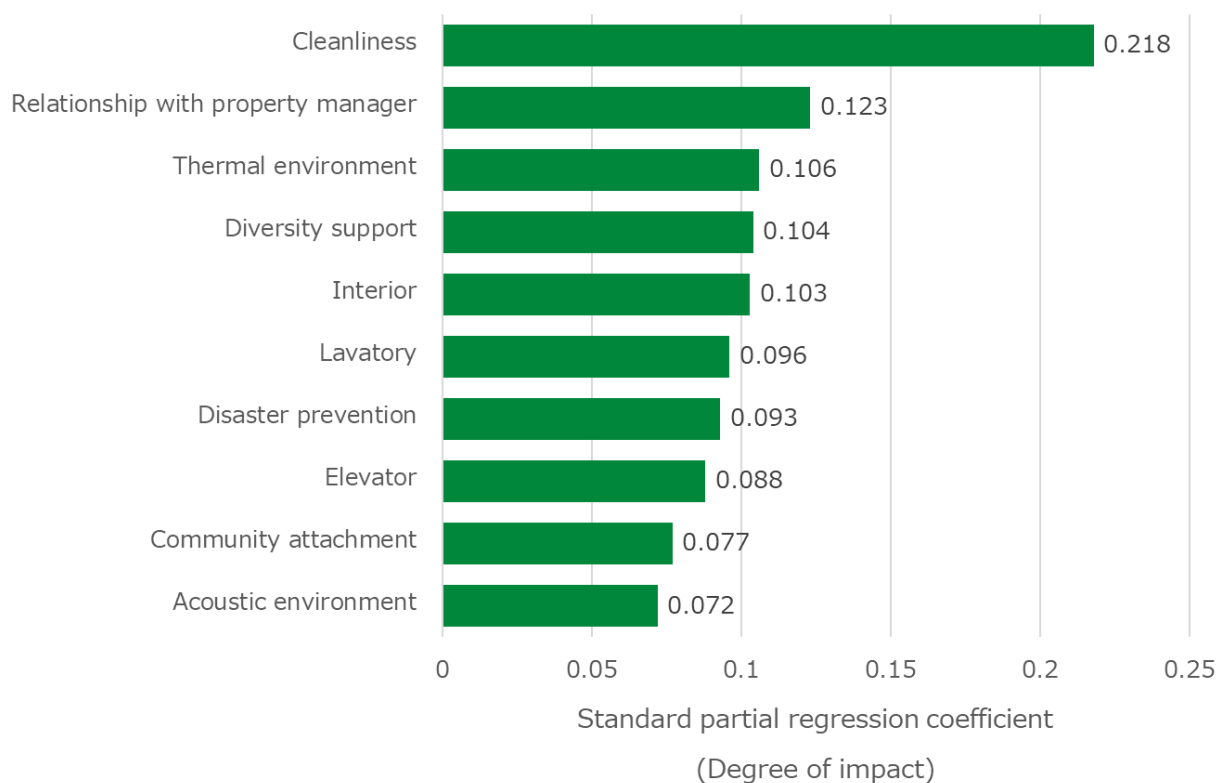
The survey was conducted between April and May 2023 and obtained responses from 1,103 tenants of 175 office buildings nationwide.

Analysis of Factors Affecting Tenant Satisfaction

To examine which question item affects overall satisfaction the most, we built a model with overall satisfaction as the objective variable and the 21 question items as the explanatory variables and conducted a multiple regression analysis. Each explanatory variable has been standardized (converted so that the mean is 0 and the standard deviation is 1) to compare the degree of impact on overall satisfaction.

Figure 2 shows the result of the analysis. Statistically significant question items ($p < 0.01$) were extracted to compare the degree of impact on overall satisfaction.

Figure 2: Factors Affecting Tenant Satisfaction



The result of the analysis reveals that the cleanliness of the building, the relationship with the property manager, and the thermal environment have a relatively strong impact on overall satisfaction. It would be more effective to prioritize addressing these issues to improve tenant satisfaction.

Specific Initiatives to Improve Satisfaction

From the comments obtained, we consider the specific initiatives to improve tenants' ratings of the factors that have a relatively strong impact on overall satisfaction, as indicated in **Figure 2**. Figure 3 is a word cloud visualizing the frequently used words in respondents' comments on the thermal environment.*2 When we focus on the words that appear frequently, the elements that are likely to lead to complaints emerge, such as "adjust(調整)," "setting(設定)," "difficult(難しい)," "place(場所)," "by the window(窓際)," "desk(席)," and "uneven(ムラ)."

*2 Words related to facilities with the same meaning as "thermal environment" and to temperature (e.g., "A/C," "air-conditioning," "hot," "cold") have been removed in advance.

Figure 3: Word Cloud (from Comments on "Thermal Environment")



The following are the key points of initiatives summarized from the comments for the 10 items that have a relatively strong impact on overall satisfaction.

- Cleanliness: Tenants' eyes tend to be drawn to areas that are not cleaned well, such as lavatories, office kitchenettes, stairs, and smoking spaces.
- Relationship with property manager: The property manager is expected to respond swiftly and sincerely to inquiries and requests from the tenants.

- Thermal environment: This factor is the most likely to lead to complaints. Since many comments are related to uneven room temperatures in different locations and the difficulty in adjusting temperatures, there appears to be a high need for individual air conditioning control.
- Diversity support: Braille and foreign language signage at entrances, lavatories, and elevators, as well as universal design that allows wheelchair users to move smoothly, are required.
- Interior: Since the interior of exclusive areas is basically done by C construction, tenants tend to regard complaints as issues to be addressed by their own. Although the interior design of common areas improves the overall atmosphere in some cases.
- Lavatory: Specific comments, such as concerning weak water pressure, a lack of disinfectants, and water splashes on washbasins are relatively common. It is necessary to ensure that every corner of the lavatory is well maintained.
- Disaster prevention: Emphasis is placed on disaster preparedness, such as evacuation drills and the sharing of manuals. The cancellation of group evacuation drills during the pandemic resulted in complaints in some cases.
- Elevator: There are many comments on elevator use during busy times, such as morning rush hours. Although increasing the number of elevators is difficult, there is room to consider changing the settings or guiding users during busy times.
- Community attachment: Trouble between tenants or with neighbors should be avoided the most. Initiatives to build good relationships include the building management's effort to communicate with neighbors on a daily basis and become familiar with neighbors through community events.
- Acoustic environment: Tenants tend to be bothered by the sound of other tenants' voices and equipment noise rather than outside noises. It is particularly necessary to pay attention to the soundproofing performance of partitions when multiple tenants occupy the same floor.

Conclusion

This report introduced a series of methods to gain insight into the prioritization and specifics of initiatives by compiling tenants' feedback through a satisfaction survey. To satisfy tenants, it is desirable to respond according to the individual situation since issues differ between buildings. However, the most effective way in general would be to provide a clean environment and build a good relationship with the tenants.

The comments on the 11 items we did not cite in the previous section also offer insight into improving tenant comfort and ease of work. For "light environment," as an item that affects workplace comfort, for example, there were many comments requesting a switch to LED lighting, whether in common areas or exclusive areas, due to the widespread use of such lighting. Regarding "air environment," there were many comments related to "winter dryness" and "infiltration of outside air with smell and pollen," suggesting the need to humidify the entire building and clean ventilation filters frequently.

Comments for items concerning diverse spaces, such as "workspace," "space for refreshing," and "communication support," include, "There are not enough spaces for remote meetings," "The refreshing

room for lunch is crowded, making it difficult to sit down,” and “Communication is difficult due to infection prevention measures.” These tend to be recognized as issues of exclusive areas, but tenants who feel they cannot solve the problems by their own due to space limitations, etc., commented that they would like to have meeting rooms available for rent in common area, and would be grateful if the rooftop could be opened up as a space for refreshing.

Expectations for office buildings change with time. Even if providing standard functions can satisfy tenants currently, the evolution of work styles and growing awareness of wellness may lead to a demand for spaces that can accommodate diverse work styles and spaces surrounded by greenery. Xymax Real Estate Institute intends to continue tracking tenant needs and disseminating useful information through continuous surveys and analyses.

(Acknowledgement)

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Survey Overview

Survey period	April–May 2023
Target respondents	Tenants of office buildings managed by the Xymax Group
Geographical coverage	Nationwide
Survey method	Email
Number of valid answers	1,103

For further inquiries, please contact below:

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