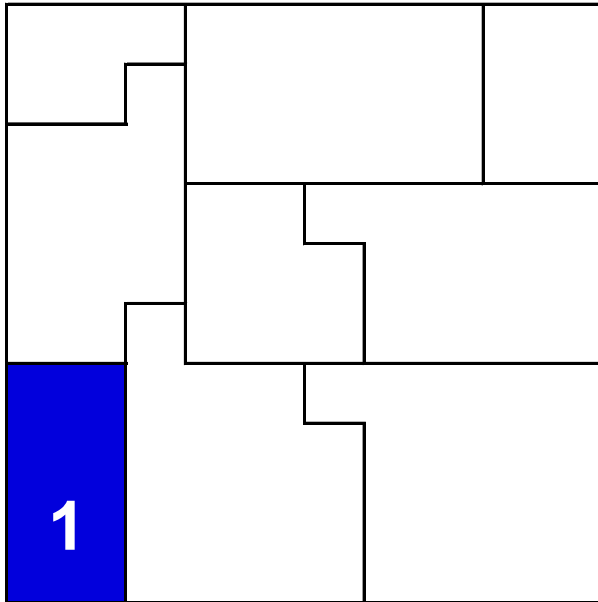


Segment 1: Service centres

Segmentation of demand in office market



1.1 Service centres: Introduction

Service centres are often located on the edge of commercial zones – from urban centres to other workplace zones, tourist and industrial areas. Their value added is low to average. Most businesses in this segment are average sized, with up to 50 employees. The main branches are commercial service providers including call centres and booking offices and headquarters of construction and industrial companies. This segment also includes field representatives, external technical staff and the coordination centres of logistical firms and removal companies.



Service centres operate from average-sized and inexpensive office buildings that have plain and functional interior fittings. Service centres are price-sensitive, prefer offices with basic finishings and often rent in multi-tenant buildings. What is important is space efficiency and office surfaces that are flexible and can be divided. As they normally have no physical contact with customers they do not need attractive premises, and both the external area and visibility are of lesser importance. Transport links and food services within walking distance as well as proximity to other business services are secondary. Location decisions are usually taken by senior managers who work elsewhere. Cost factors are normally the most important criteria.

1.2 Service centres: Examples of fictional businesses

The following examples provide an indication of the segments of demand. They are often exaggerated and may reflect clichés. They do not have a scientific foundation.

The A5 branch of a telecommunications firm

The A5 branch of a telecommunications firm operates a call centre, and has space for around 80 employees at its site. It has sufficient parking spaces – a necessity given that it operates at weekends and has a shift system. The building has the required equipment and connections for the technology to function smoothly. The entrance area is small and not suitable for receiving customers. Room use has been optimised, with most people working in open-plan offices. Synergies in the service sector are taken into account and quantified.

Swiss headquarters of the logistic and haulage firm exPress

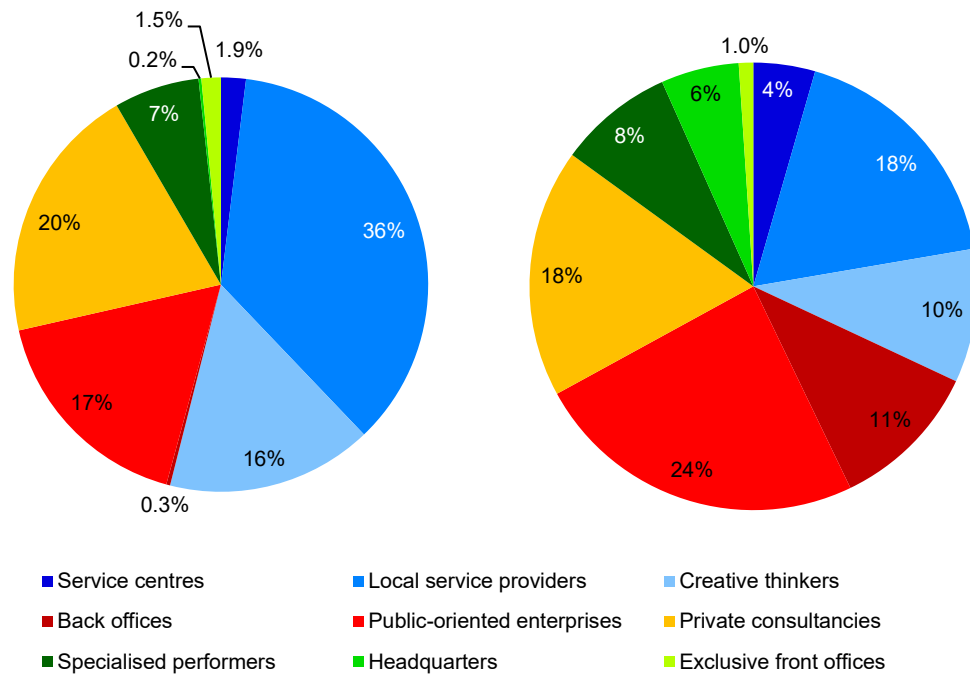
The Swiss headquarters of the logistic and haulage firm exPress employs 30 workers who manage and coordinate transportation. It also organises and carries out company removals. Parking spaces for employees and occasionally trucks are important. The business is housed in a multi-tenant building in a commercial district on the edge of a village and occupies all of the second floor. This floor is reached by a staircase and lift. A glass door leads to the entrance area where there are two leather armchairs and a glass table for the use of visitors. With the exception of members of the management employees all work in offices of 2-3 people. Fittings are functional, simple and inexpensive.

1.3 Who are the Service centres?

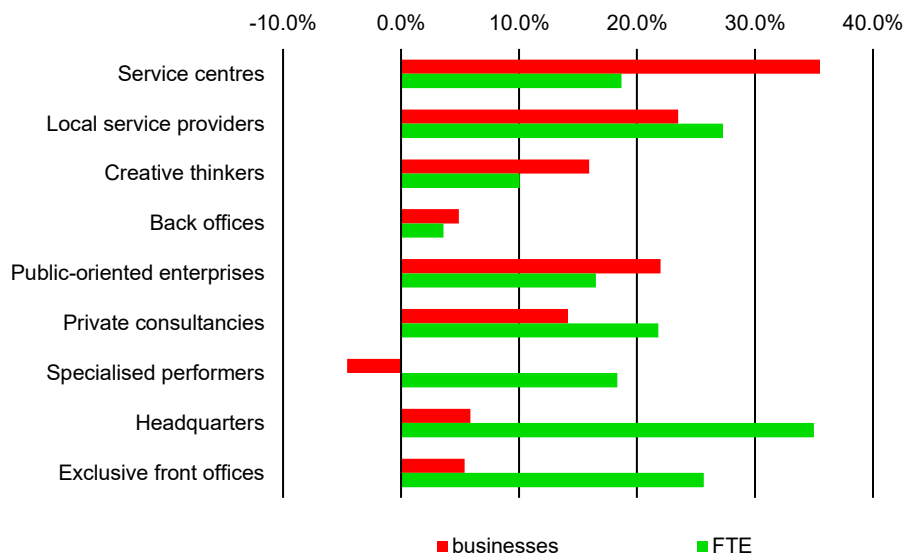
Characteristic	Typical features
Strength of value added (labour productivity)	<p>Rather low productivity</p> <p style="text-align: center;">Low High</p>
Typical businesses	<p>Call centre, booking office, administrative headquarters of a construction firm or industrial company, logistics company headquarters</p>
Size of business	<p>Average-sized firm</p>
Required surface area	<p>Fairly large</p>
Required surface area per employee (m2)	<p>Low</p>
Which demand segments in the housing market work in the Service centres?	
Rural-traditional	
Modern worker	
Transitional-alternative	
Traditional middle class	
Liberal middle class	
Established-alternative	
Upper middle class	
Professional elite	
Urban elite	

1.4 Service centres: Distribution and development

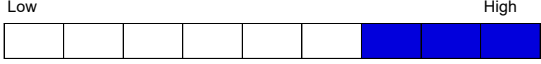
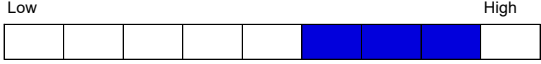

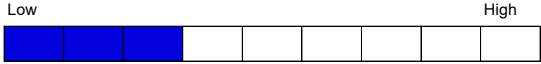

Distribution of Swiss businesses (left) and full-time positions (right) in office market (2023)



Development of the number of businesses and FTE in the segments of demand 2015-2023



1.5 How do the Service centres work?

Characteristic	Typical features
Office location	Periphery, edge of a workplace area, non-central, workplace areas, tourist and industrial areas
Working environment	Small-business district, little infrastructure, quiet, rural
Desire to relocate	High 
Price sensitivity	Fairly high 
Architecture	No particular requirements, functional
Form of office organisation	Group office Cellular office Combi office Open-plan office Business club Branch-specific
Propensity	
Standard of fittings	Functional 
Technical requirements	Average 
Willingness to pay for high environmental standards	Low 
Requirements of the office building	High space efficiency, divisibility of rooms, flexibility, functional and inexpensive fittings, preference for basic finishing, entry situation and visibility tend to be unimportant, likely to favour multi-tenant building

