

Coworking spaces help London become the No.1 destination for Generation Z workers

Submitted by: Kin Communications2

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London is the top destination for Generation Z workers according to the 2019 Generation Z city index compiled by the apartment search site Nestpick. London scored a perfect "100" for coworking spaces beating New York (98.12) into second place. In fact, London now has over 1400 flexible workspace locations according to the latest data from global workspace brokerage Office Freedom (<https://www.officefreedom.com>).

Generation Z is the term given to anyone born between 1997 and 2012, and who are "digital natives who value security, diversity, and autonomy, and aim to achieve it through pragmatism and determination."

The oldest members of Generation Z graduated from college this year and these cities are becoming career destinations for Gen Zers looking for the best places to live and work. The study examined 110 cities and measured 22 factors under four broad headings: digitisation, business, principles, and leisure. Each city was given a score out of 100, the total of the weighted averages of each of the four categories. London and Manchester make it into the top 20.

Here are the top 20 cities best equipped for Generation Z's wants and needs and the year on year growth of coworking spaces in each location.

City, Gen Z Index, Yr on Yr % Growth in Coworking Spaces

20. Seattle, USA 77.71 57.1%
19. Brussels, Belgium 77.72 27.8%
18. Malmo, Sweden 78.96 0.0%
17. Frankfurt, Germany 79.35 10.3%
16. Gothenburg, Sweden 79.46 33.3%
15. Montreal, Canada 80.00 92.9%
14. Helsinki, Finland 80.33 7.7%
13. Copenhagen, Denmark 80.70 20.0%
12. Manchester, UK 81.18 19.2%
11. Paris, France 82.13 31.1%
10. Vancouver, Canada 82.48 37.5%
9. Amsterdam, Netherlands 83.02 28.2%
8. San Francisco, USA 83.09 91.8%
7. Munich, Germany 83.11 5.0%
6. Berlin, Germany 84.53 14.0%
5. New York City, USA 86.03 63.2%
4. Toronto, Canada 86.20 32.2%
3. Los Angeles, USA 89.40 10.4%
2. Stockholm, Sweden 89.88 13.3%
1. London, UK 100.00 16.2%

Source: Nestpick.com / Officefreedom.com

The growth in flexible workspaces is a common theme among the top 20 Gen Z cities with an average 22% growth in coworking space. The global coworking market has more than doubled since 2015 and is expected to top 25,000 spaces by 2022. Latest research from Zion Market Research values the global flexible workspace market at \$26.9Bn and predicts it to grow to \$111.68Bn by 2027.

Office Freedom recorded a 16.2% year on year growth in London coworking spaces between August last year and this, and London remains the coworking capital of Europe with over 11M sq ft of flexible real estate. In London a new co-working space opens every five days placing it at the top of the global league.

Flexible workspace is naturally appealing for entrepreneurial Generation Zers as it represents a low risk, affordable way into office rental. Coworking has long been the preferred route for freelancers and start-up businesses but is now also attracting big businesses too. Companies wishing to attract the best talent from amongst Generation Z workers should note that although office location is very important, office features such as natural light, kitchens, modern facilities and décor, and outdoor space are high on the wish list for Generation Z workers. All of which are key features of modern flexible workspace.

The following pages show the top 20 cities with the most appeal for Generation Zers, their top-scoring categories and the number of coworking locations in the city.

20. Seattle, USA Total score: 77.71 Coworking Locations: 33

Top-scoring categories: government digitalization (94.13), access to healthcare (91.77), environmental action (89.48)

19. Brussels, Belgium Total score: 77.72 Coworking Locations: 46

Top-scoring categories: right to protest (98.05), access to healthcare (93.51), LGBT+ equality (92.08)

18. Malmö, Sweden Total score: 78.96 Coworking Locations: 2

Top-scoring categories: digital banking (100), right to protest (100), access to healthcare (97.96)

17. Frankfurt, Germany Total score: 79.35 Coworking Locations: 43

Top-scoring categories: right to protest (98.05), government digitalization (94.07), access to healthcare (91.77)

16. Gothenburg, Sweden Total score: 79.46 Coworking Locations: 4

Top-scoring categories: right to protest (100), digital banking (90.99), environmental action (98.85)

15. Montreal, Canada Total score: 80.00 Coworking Locations: 27

Top-scoring categories: right to protest (98.05), access to healthcare (94.76), connectivity/5G (90.99)

14. Helsinki, Finland Total score: 80.33 Coworking Locations: 14

Top-scoring categories: access to healthcare (98.79), LGBT+ equality (98.48), right to protest (98.05)

13. Copenhagen, Denmark Total score: 80.70 Coworking Locations: 18

Top-scoring categories: right to protest (100), government digitalization (100), LGBT+ equality (95.77)

12. Manchester, UK Total score: 81.18 Coworking Locations: 62
Top-scoring categories: government digitalization (97.69), right to protest (97.08), environmental action (90.62)
11. Paris, France Total score: 82.13 Coworking Locations: 97
Top-scoring categories: digitalized mobility (100), government digitalization (94.46), environmental action (92.19)
10. Vancouver, Canada Total score: 82.48 Coworking Locations: 33
Top-scoring categories: right to protest (98.05), access to healthcare (95.03), connectivity/5G (89.53)
9. Amsterdam, Netherlands Total score: 83.02 Coworking Locations: 50
Top-scoring categories: access to healthcare (99.02), right to protest (98.05), LGBT+ equality (95.99)
8. San Francisco, USA Total score: 83.09 Coworking Locations: 94
Top-scoring categories: AI industry (100), entrepreneurial spirit (100), government digitalization (94.13)
7. Munich, Germany Total score: 83.11 Coworking Locations: 42
Top-scoring categories: right to protest (98.05), government digitalization (94.07), access to healthcare (91.91)
6. Berlin, Germany Total score: 84.53 Coworking Locations: 65
Top-scoring categories: right to protest (98.05), government digitalization (94.07), access to healthcare (91.68)
5. New York City, USA Total score: 86.03 Coworking Locations: 328
Top-scoring categories: coworking spaces (98.12), concerts (96.97), government digitalization (94.13)
4. Toronto, Canada Total score: 86.20 Coworking Locations: 78
Top-scoring categories: right to protest (98.05), access to healthcare (95.05), social entrepreneurship (91.48)
3. Los Angeles, USA Total score: 89.40 Coworking Locations: 74
Top-scoring categories: education (96.87), concerts (95.36), government digitalization (94.13)
2. Stockholm, Sweden Total score: 89.88 Coworking Locations: 34
Top-scoring categories: digital banking (100), environmental action (100), right to protest (100)
1. London, UK Total score: 100 Coworking Locations: 1452
Top-scoring categories: concerts (100), coworking spaces (100), social entrepreneurship (100)

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ABOUT OFFICE FREEDOM

Founded in 1993 by Richard Smith under its former name SOS Search Office Space, Office Freedom was the first real estate specialist to provide global tenant-rep services to clients seeking Flexible Workspace and Coworking space. Having pioneered this marketplace, it has now advised more than 38,000 clients and currently lists more than 13,000 offices across six continents. Today, it offers the full spectrum of flexible workplace solutions, including serviced offices, coworking spaces, flexible leases, meeting rooms, virtual offices, day offices and business continuity space.

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Sources: <https://www.nestpick.com/generation-z-city-index-2019/>, <https://www.officefreedom.com/>, <https://www.digitaledge.org/5-reasons-why-serviced-offices-are-the-best-spaces-for-start-ups/>, <https://www.officefreedom.com/media/229491/the-flexible-workspace-boom.pdf>, <https://www.coworkingresources.org/blog/key-figures-coworking-growth>, <https://www.zionmmarketing@oarketresearch.com/report/flexible-office-market>