

MILLENNIALS: MYTHS AND REALITIES

LIVE

WORK

PLAY

GLOBAL OVERVIEW

CBRE

THE OPPORTUNITY

The Millennial Generation

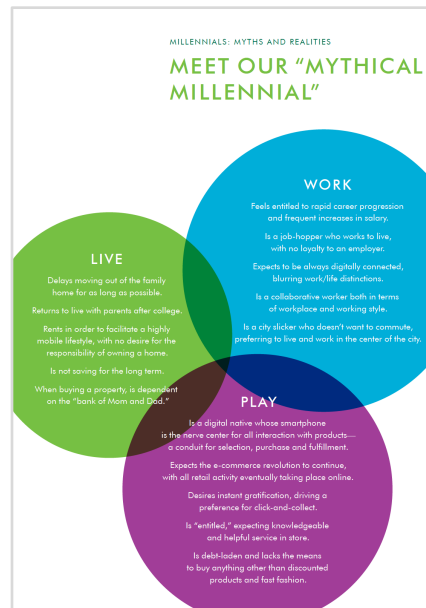
As one of the largest generation in history, millennials are reshaping the global economy and influencing the built environment along the way.

They are more connected, tech-savvy, educated and culturally diverse than any generation that's come before them. Yet, at the same time, they face unique challenges. Many are debt-laden due to the 2008 recession. Others have delayed traditional life-stages into adulthood.

As millennials enter their peak years, there is an opportunity for occupiers, investors and owners of real estate to better understand this generation and its strategic implications on real estate.

THE GLOBAL REPORT

Millennials: Myths and Realities



THE SECTIONS

Live

MILLENNIALS: MYTHS AND REALITIES

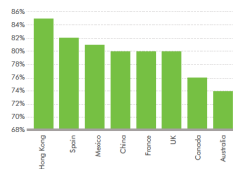
HOW MILLENNIALS LIVE

LIVING WITH THE PARENTS

74%
SAY WAGES ARE NOT KEEPING UP WITH PROPERTY PRICES



"I THINK PROPERTY PRICES ARE RISING FASTER THAN WAGES"



BACK HOME
Affordability of housing has led to a boomerang generation with **49%** of millennials living at home.

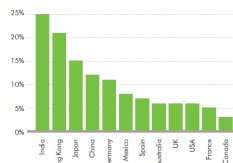


43% believe they will have moved out within two years but a further **43%** expect to be living with their parents more than three years from now.

12%
GLOBAL AVERAGE WITH NO PLANS TO LEAVE THE FAMILY HOME



WITH NO PLANS TO MOVE OUT OF THE FAMILY HOME



RENTING

FOR RENT
64%
ARE RENTING

"DUE TO THE MATURE RENTAL MARKET IN GERMANY IT'S NOT MANDATORY AND DESIRABLE FOR THE MILLENNIALS TO PURCHASE A PROPERTY...RENTING A FLAT HAS NO NEGATIVE IMAGE/STIGMA IN GERMANY DUE TO THE STOCK OF MULTIFAMILY HOUSES WITH AN ABOVE-AVERAGE FIT-OUT QUALITY."
CBRE EMPLOYEE IN GERMANY

TOP REASONS MILLENNIALS ARE RENTING



HOW DID YOU FUND YOUR DEPOSIT?



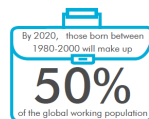
THE SECTIONS

Work

MILLENNIALS: MYTHS AND REALITIES

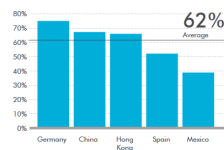
HOW MILLENNIALS WORK

CAREER



Millennials aren't as delayed as perceived, but they'll be more willing to stay with an employer with the right environment.

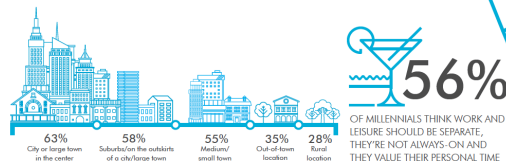
SEE THEIR IDEAL CAREER AS WITH THE SAME EMPLOYER OR ONLY A FEW EMPLOYERS



64% CONSIDER THAT THEY ARE LUCKY TO HAVE A JOB

WORK/LIFE BALANCE

MOST APPEALING WORK LOCATIONS



MILLENNIALS' LONGEST TOLERABLE COMMUTE



WORKPLACE

78%

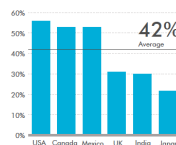
see workplace quality as important when choosing an employer and 69% will trade other benefits for better workplace.



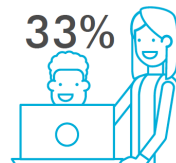
TOP TRADE-OFFS FOR A BETTER OFFICE ENVIRONMENT



ASPIRING TO A PRIVATE OFFICE

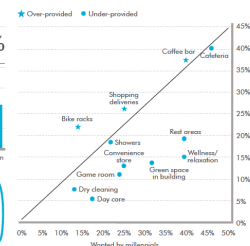


33%



PREFER COLLABORATIVE WORKPLACE ENVIRONMENTS

CURRENT VS DESIRED FACILITIES



ONLY 15%

OF EMPLOYERS ARE PROVIDING WELLNESS FACILITIES YET 36% OF EMPLOYEES WANT THEM

THE SECTIONS

Play

MILLENNIALS: MYTHS AND REALITIES

HOW MILLENNIALS PLAY

MONEY

INCOME SPENT ON LEISURE



MILLENNIALS SPEND ALMOST

50%

OF ALL DISPOSABLE INCOME ON LEISURE – GOING OUT, NON-FOOD SHOPPING AND OTHER NON-ESSENTIAL ITEMS

TIME

10 DAYS

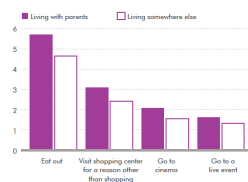


Is the total global average number of days a month spent on 'going out' (going to a live event, eating out, going to the cinema and visiting a shopping center other than to shop).

“MILLENNIALS ARE POSSIBLY BEING FORCED TO LIVE AT HOME, WHICH MEANS BEING ABLE TO AFFORD LUXURIES AND HAVING FEWER RESPONSIBILITIES BUT RELINQUISHING FULL INDEPENDENCE.”

KAREECE, UK

TIME SPENT ON LEISURE (DAYS/MONTH)



IN STORE



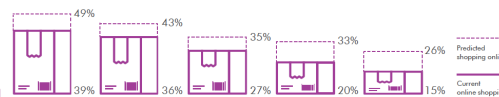
16%

GLOBAL AVERAGE FOR USING CLICK-AND-COLLECT

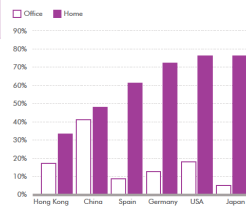
Few millennials want to order online and pick up purchases at the store.

ONLINE

CURRENT AND PREDICTED NON-FOOD ONLINE SHOPPING



GLOBAL AVERAGE FOR HOME DELIVERY



65%

USE HOME DELIVERY "ALWAYS" OR "VERY OFTEN"

TOP REASONS WHY MILLENNIALS DON'T DO MORE SHOPPING ONLINE



THE SURVEY

- 13,000 responses from millennials aged between 22 and 29
- 1,000 respondents in each of 12 countries representing the three major global regions
- Additional 6,893 internal responses from a range of ages to the same survey
- Series of internal discussion groups to extract more detailed findings

THE RESULT

One of the most extensive and detailed global studies of how and where the millennial generation chooses to live, work and play, with major implications for the future of real estate.



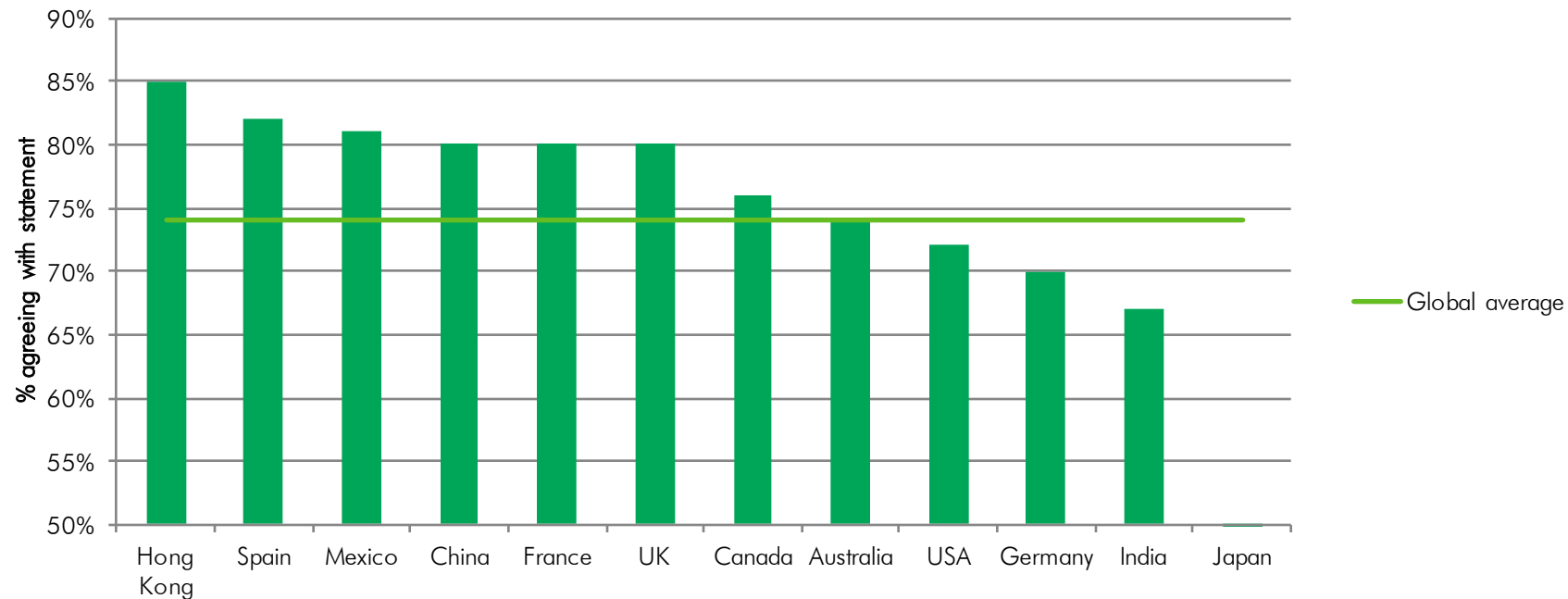
HOW MILLENNIALS LIVE



LIVE WORK PLAY

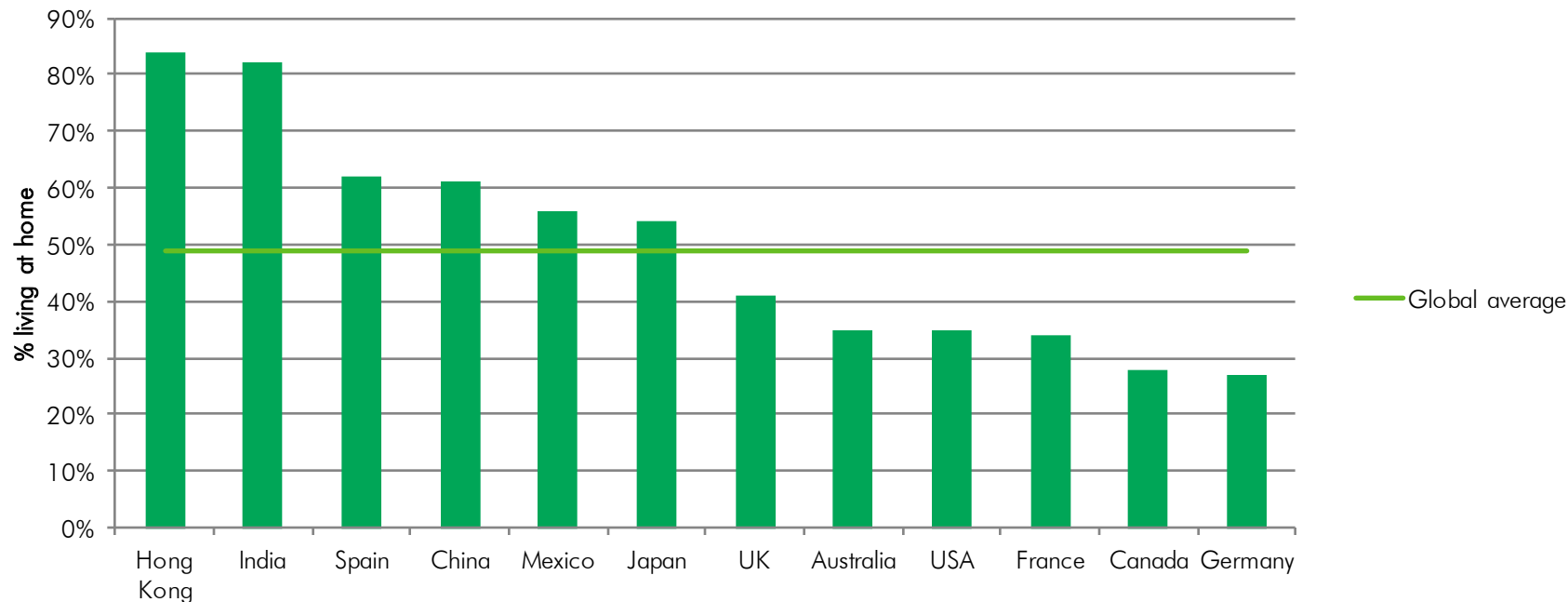


"I THINK PROPERTY PRICES ARE RISING FASTER THAN WAGES"

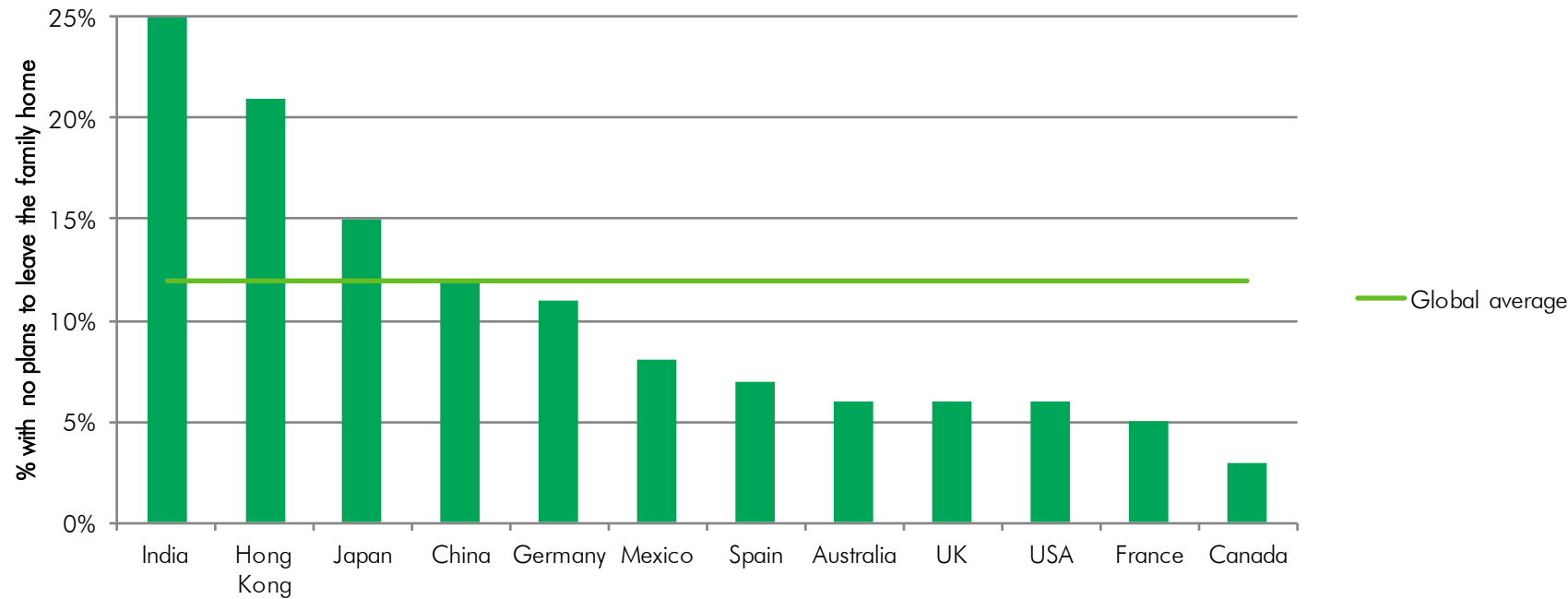


LIVING WITH PARENTS

Affordability of housing has led to a boomerang generation

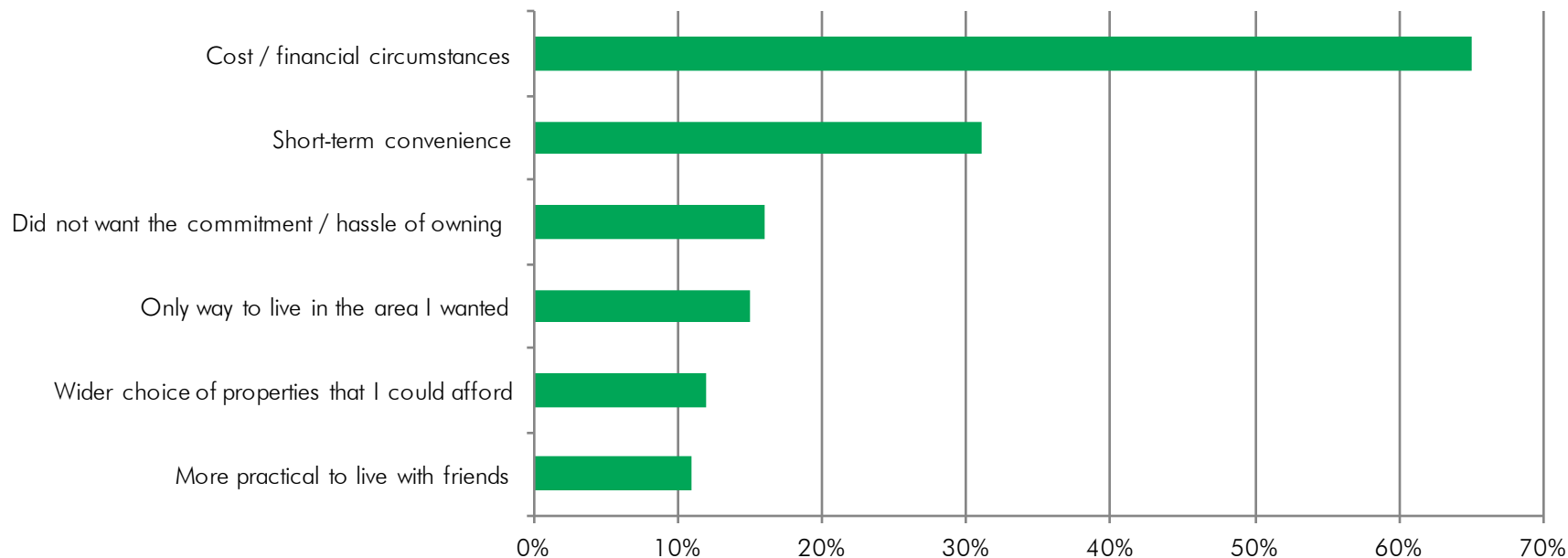


PLANS TO LEAVE ARE ON HOLD



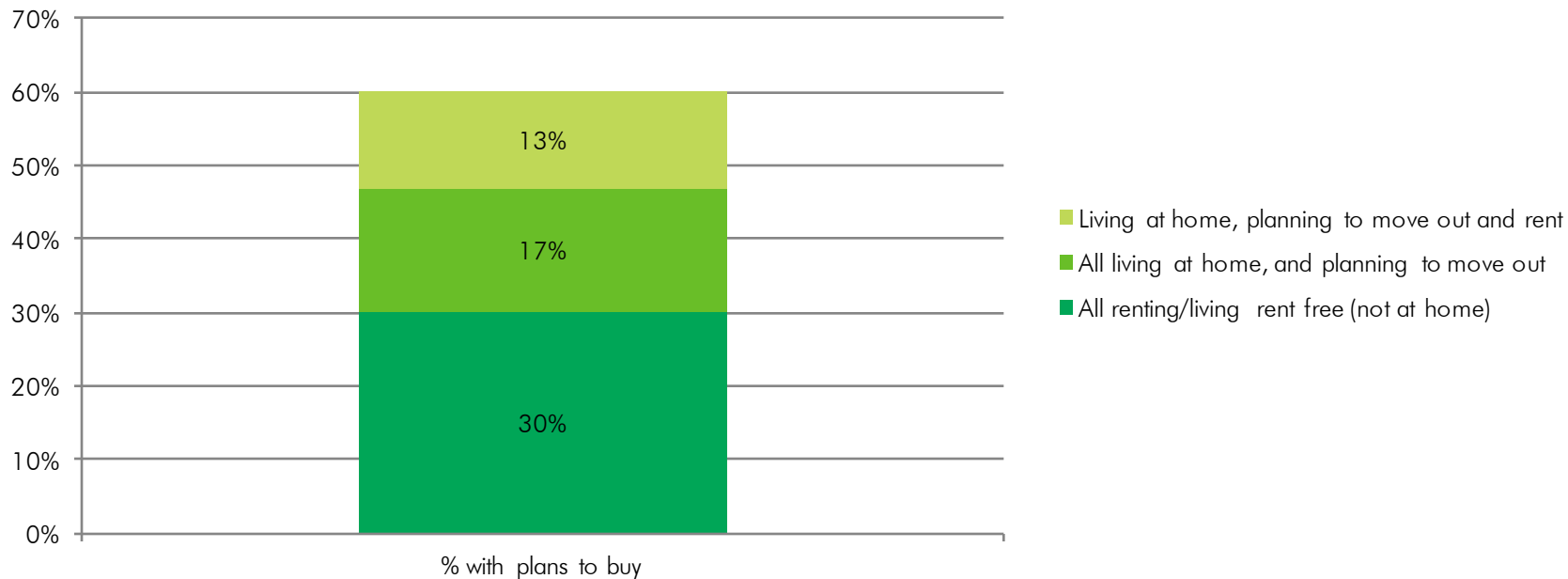
TOP REASONS MILLENNIALS ARE RENTING

Choice of accommodation is mainly dictated by cost



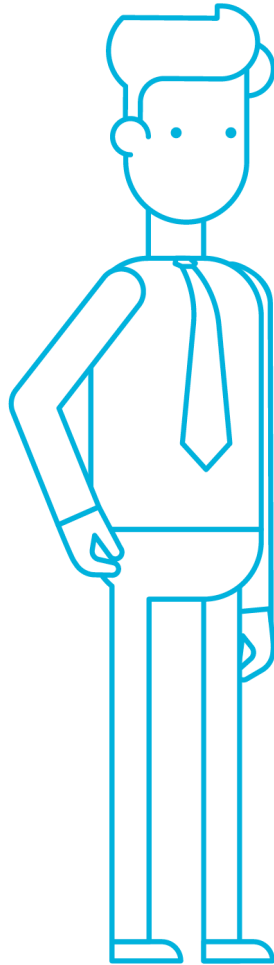
PLANS TO BUY

Most millennials still plan to buy

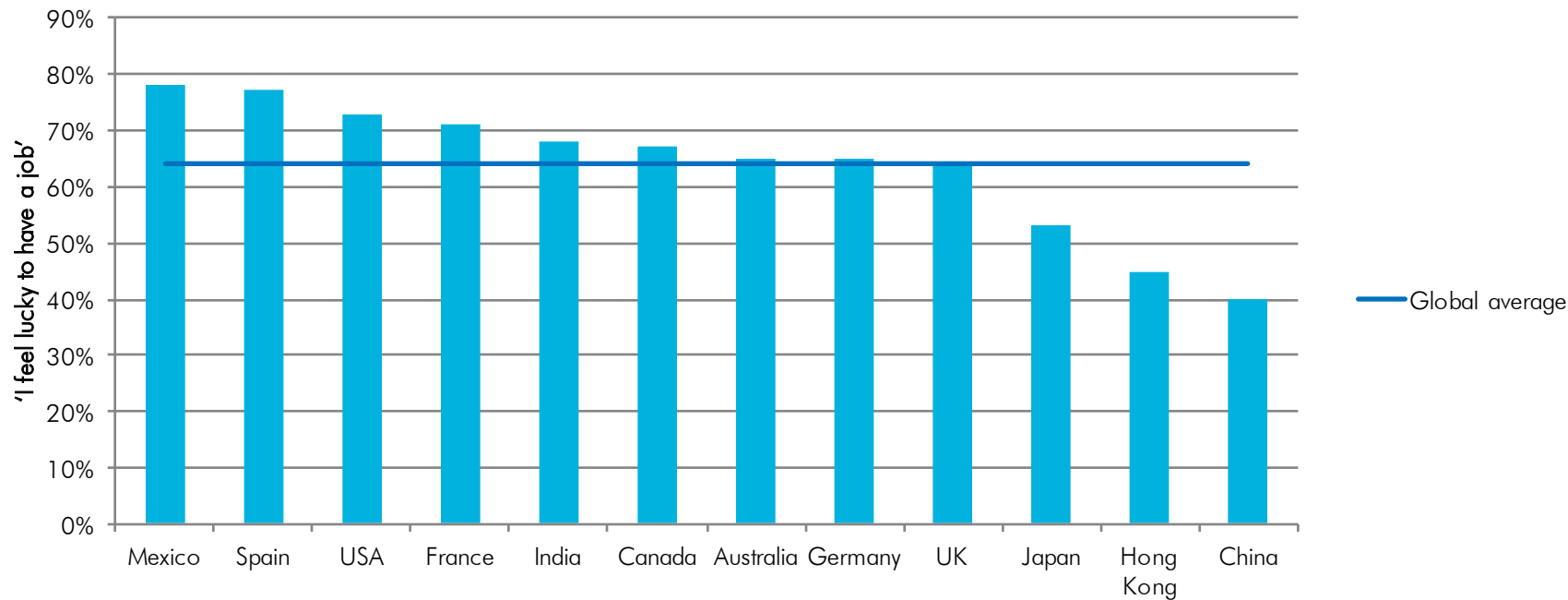


HOW MILLENNIALS WORK



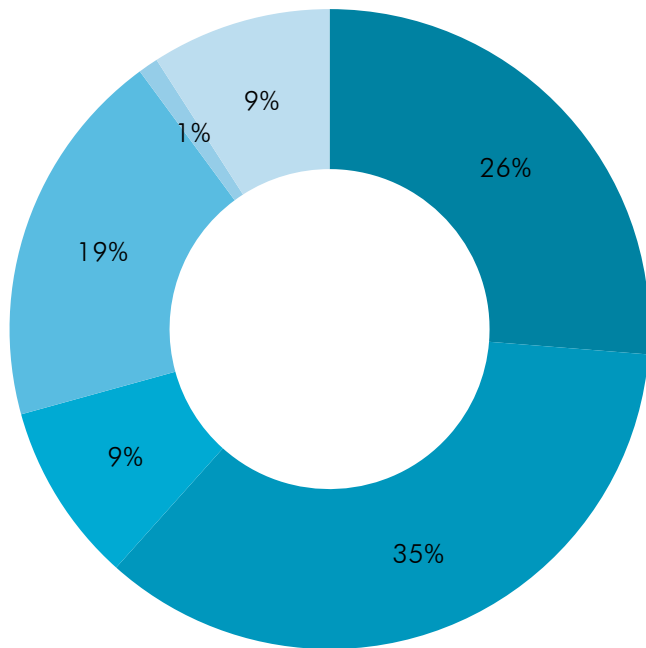


INSECURITY IS A KEY FEATURE OF THE JOB MARKET



IDEAL CAREER STRUCTURE

Job-hopping is less attractive than assumed



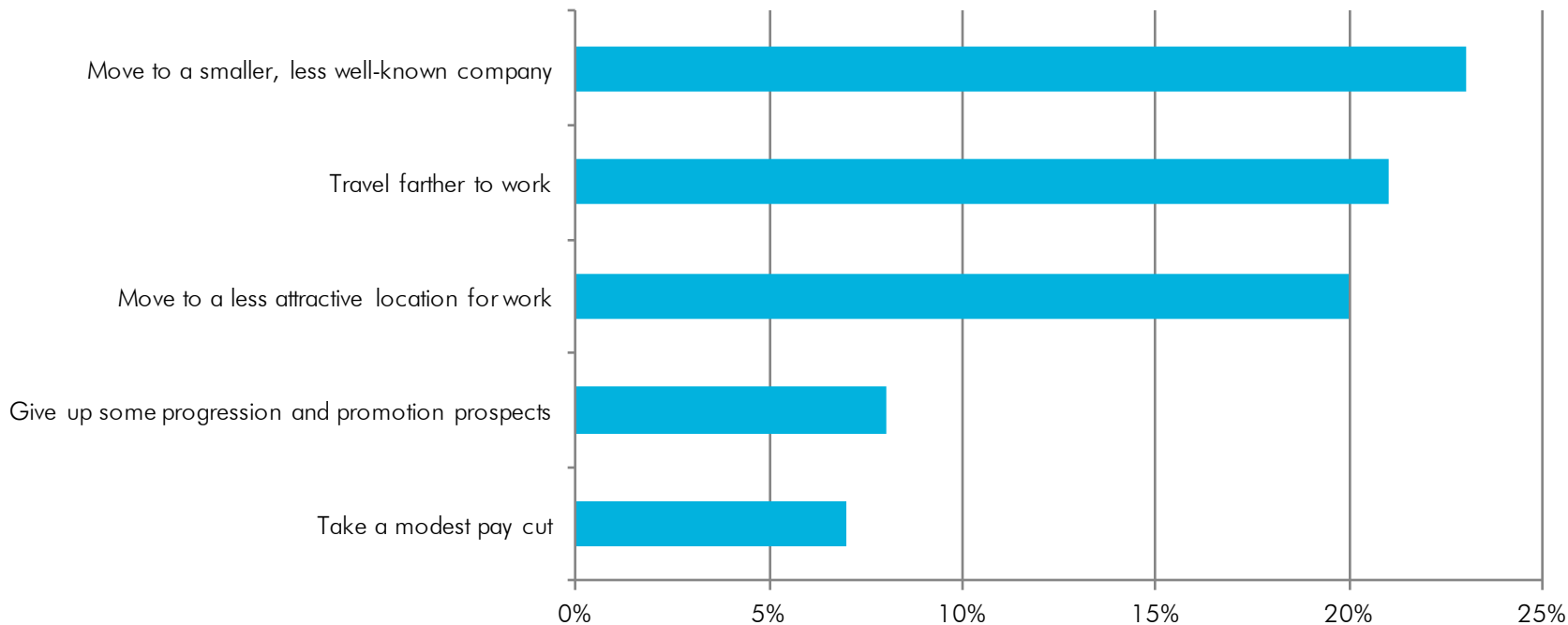
'What would your ideal career structure be?'

- Same company
- Small number of companies
- Large number of companies
- Self-employed
- Other
- Don't know

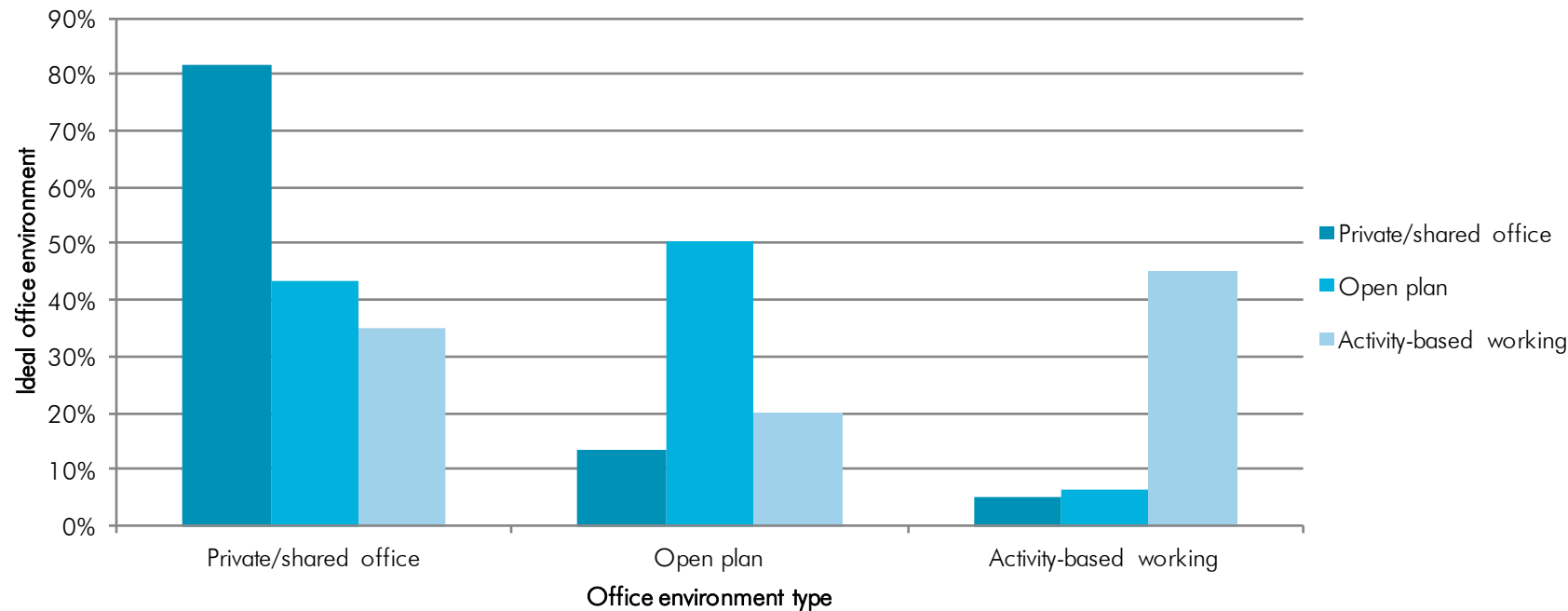
TRADE-OFFS FOR A BETTER ENVIRONMENT

Most millennials will make trade-offs to improve their environment

'What trade-offs would you make for a better office environment?'

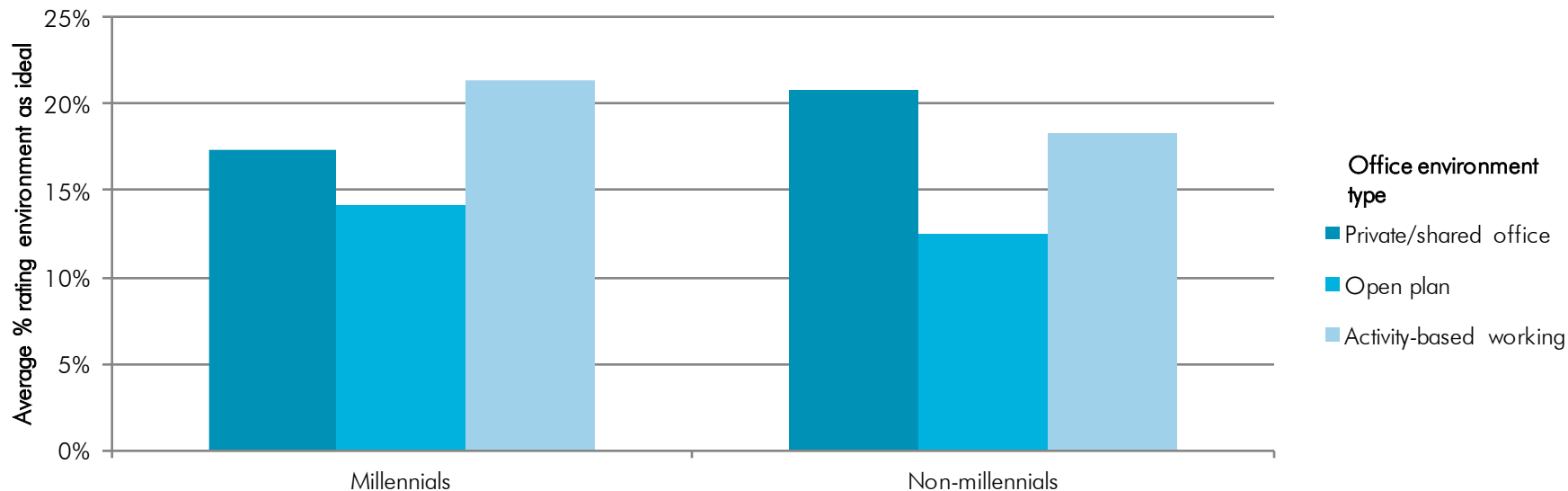


CURRENT OFFICE ENVIRONMENT AFFECTS PREFERENCES

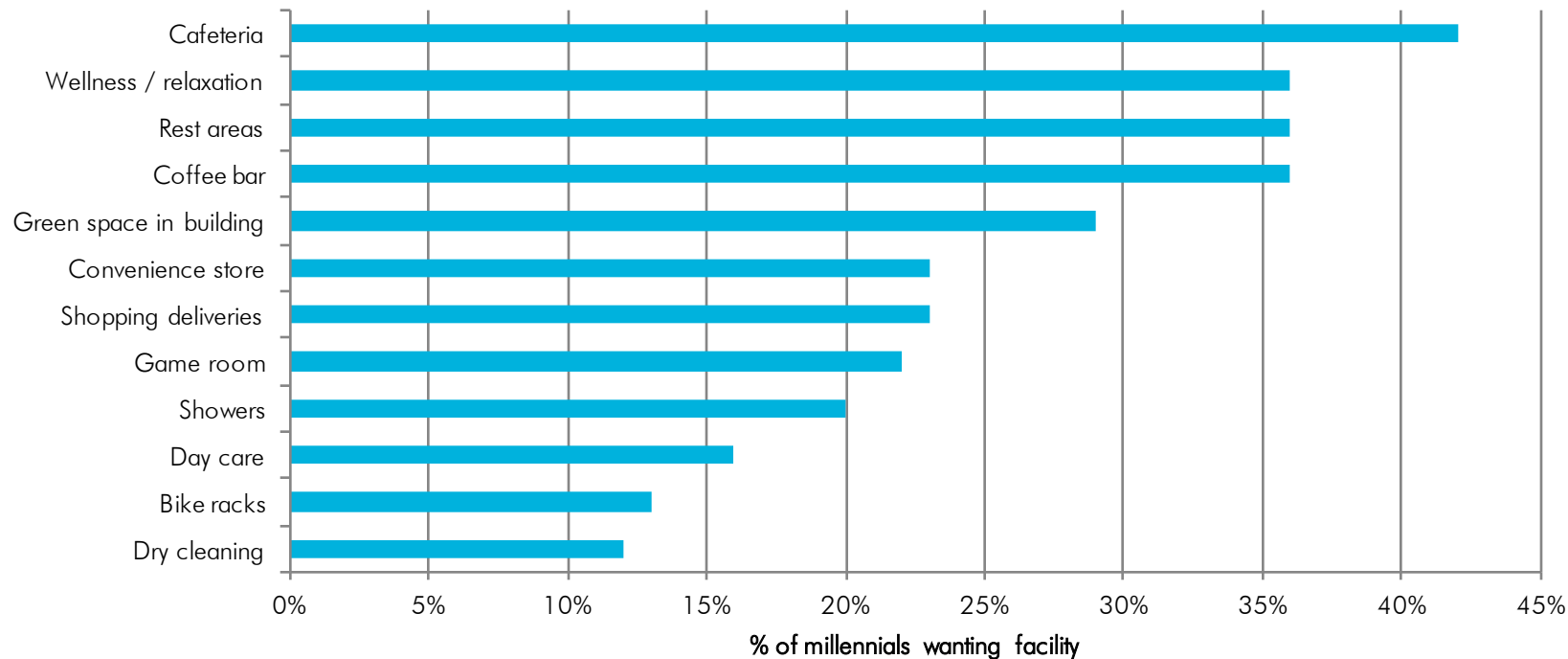


COMPANY CULTURE MATTERS

In the CBRE internal survey, most millennials prefer activity-based working whilst non-millennials prefer a private office

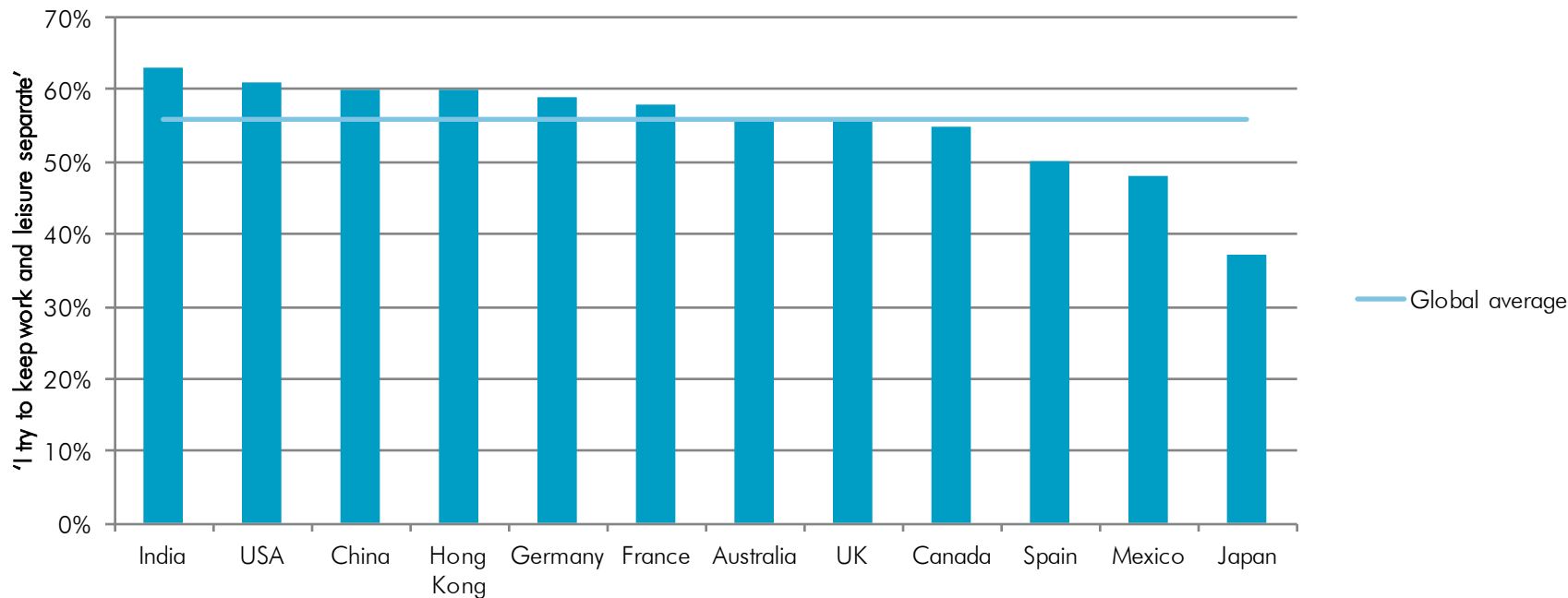


DESIRED OFFICE FACILITIES



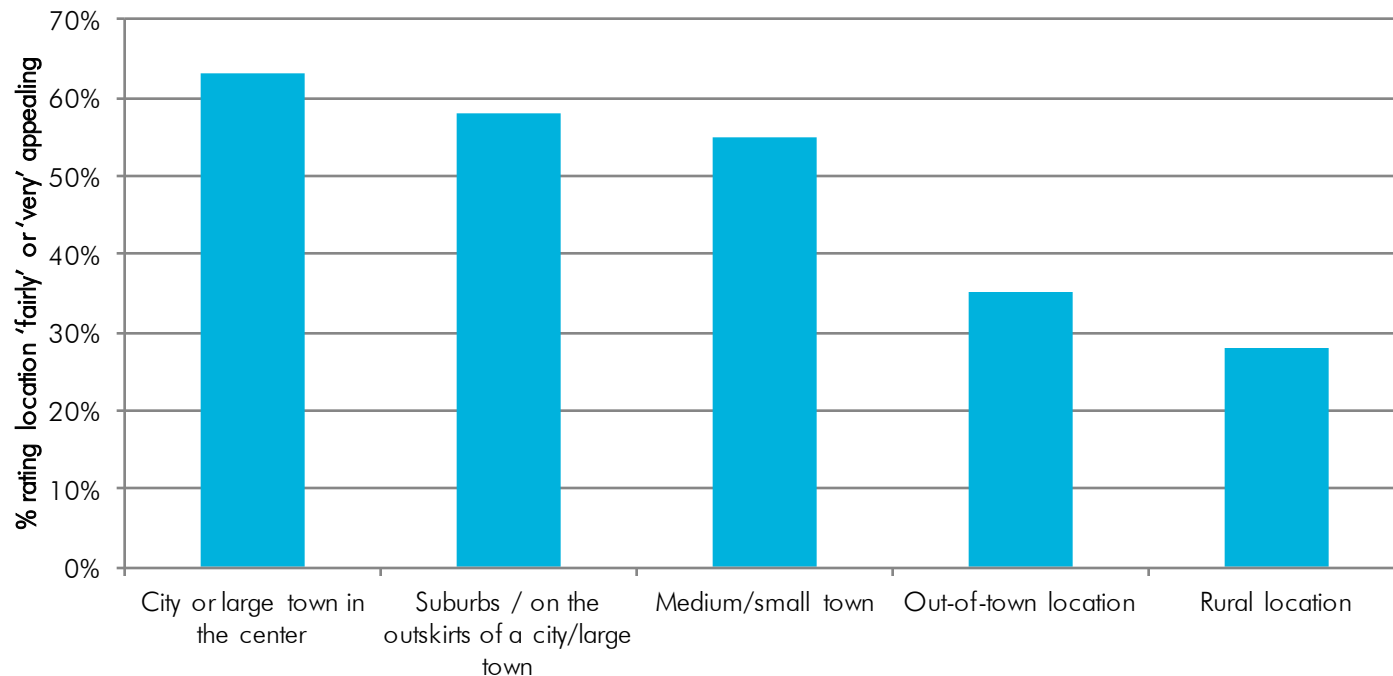
THE 'ALWAYS ON' GENERATION?

Most think work and leisure should be separate



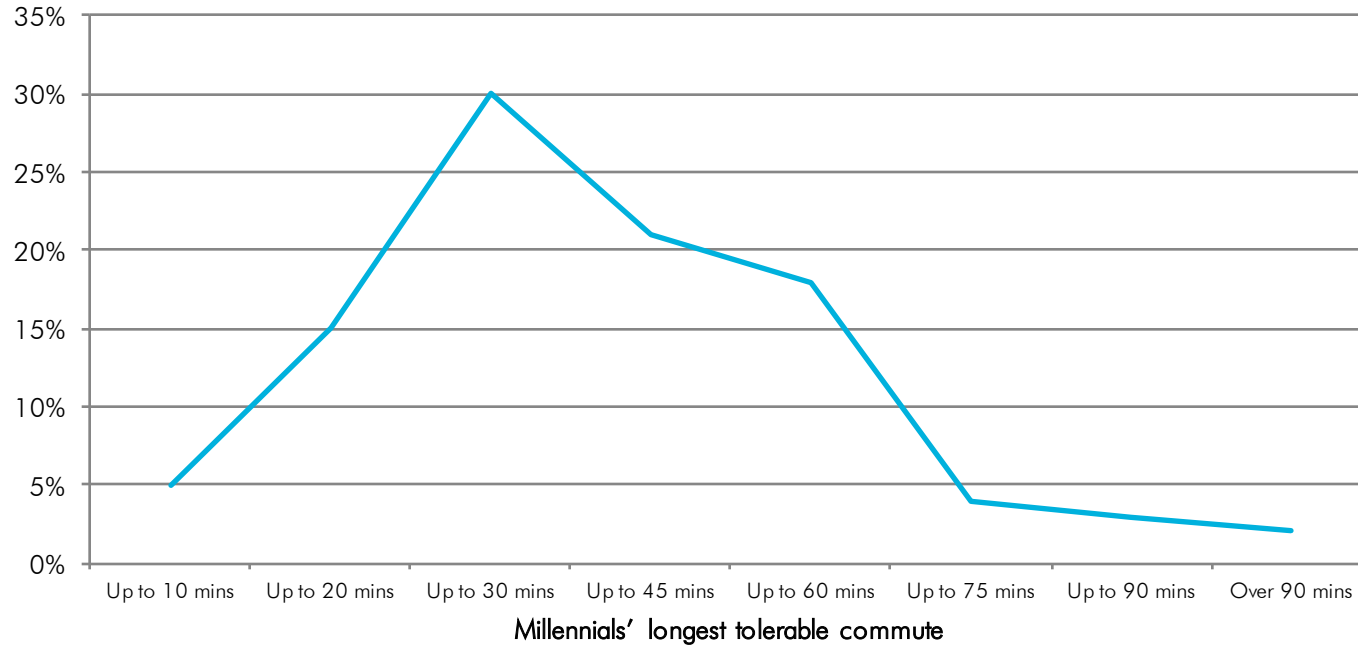
APPEAL OF DIFFERENT WORK LOCATIONS

Cities aren't the only appealing location



COMMUTE TIMES

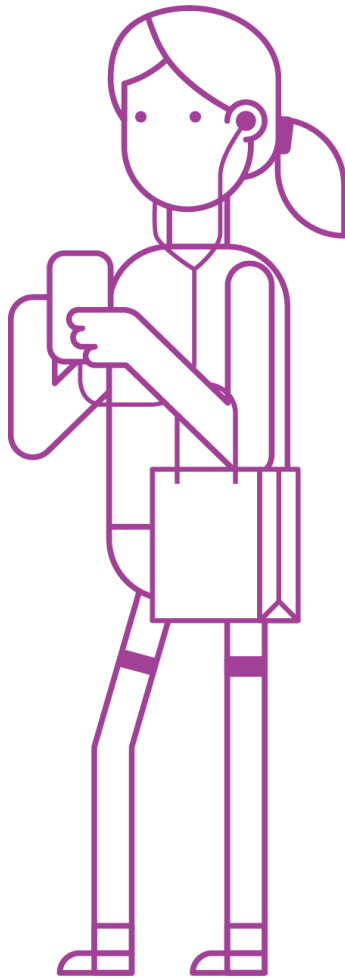
In general, millennials prefer a relatively short commute



HOW MILLENNIALS PLAY

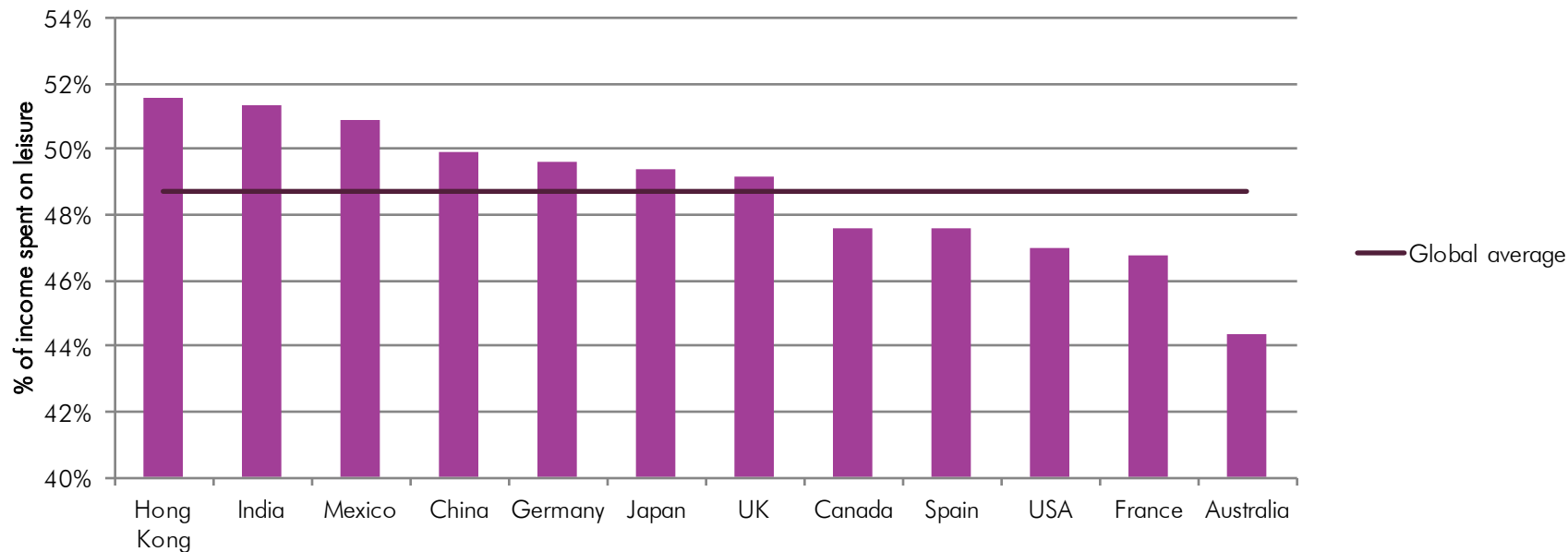


LIVE WORK PLAY



INCOME SPENT ON LEISURE

Overall, millennials spend almost half of all disposable income on leisure



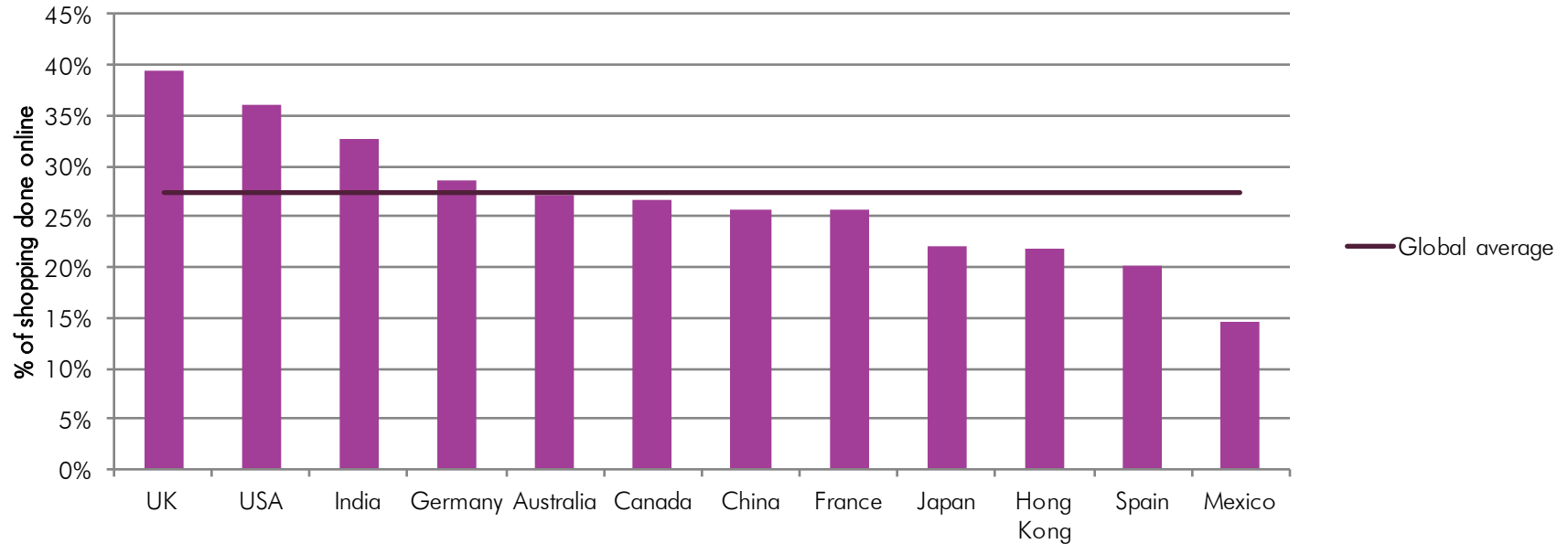
DAYS A MONTH SPENT ON LEISURE

Experience is valued as part of leisure



ONLINE SHOPPING

Don't expect stores to become online fulfilment centers any time soon

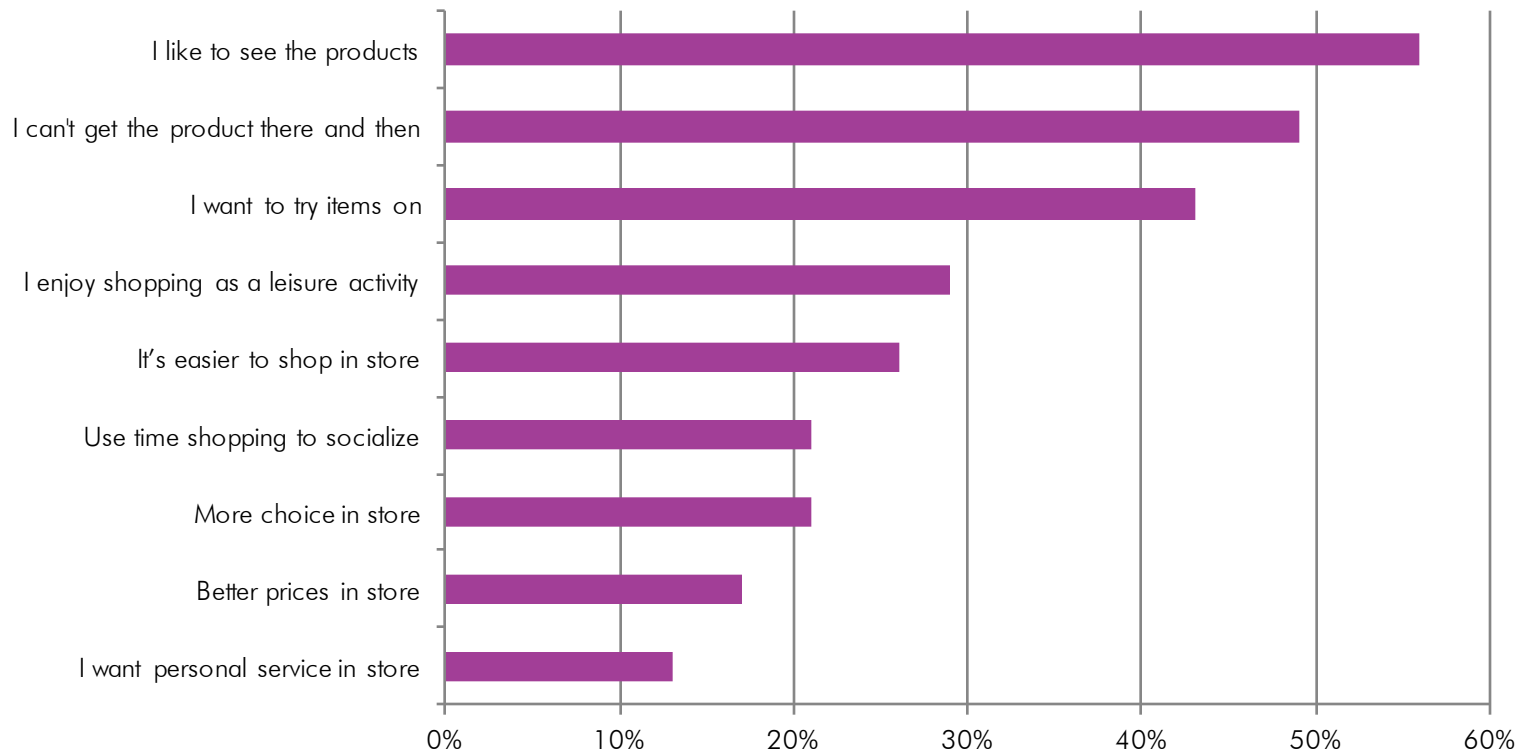


DELIVERY OPTIONS

Few millennials want to order online and pick up purchases in store



WHY DON'T YOU DO MORE SHOPPING ONLINE?



CONCLUSION

