RESEARCH

Global Occupier Strategy

November 2026



Planning for uncertainty: what occupiers need to know

In today's unpredictable world, we explore how real estate teams are building resilience though adaptable office portfolios.

Uncertainty is the new normal. Economic and geopolitical volatility, climate change and the rapid development of AI are making it harder for organisations to plan with confidence. In this environment, adaptability is becoming a competitive advantage, placing greater pressure on real estate teams to ensure portfolios can accommodate changing business needs.

The changing context for corporate real estate teams

Businesses must navigate the promise and risks associated with AI.

The challenge for organisations is not simply to adopt new technology, but to understand how quickly it could reshape business models, workforce requirements and competitive advantage.

At the same time, the era of steady globalisation is giving way to a more fragmented world, in which geopolitical tensions, shifting trade policies and economic uncertainty are reshaping the conditions in which businesses operate.

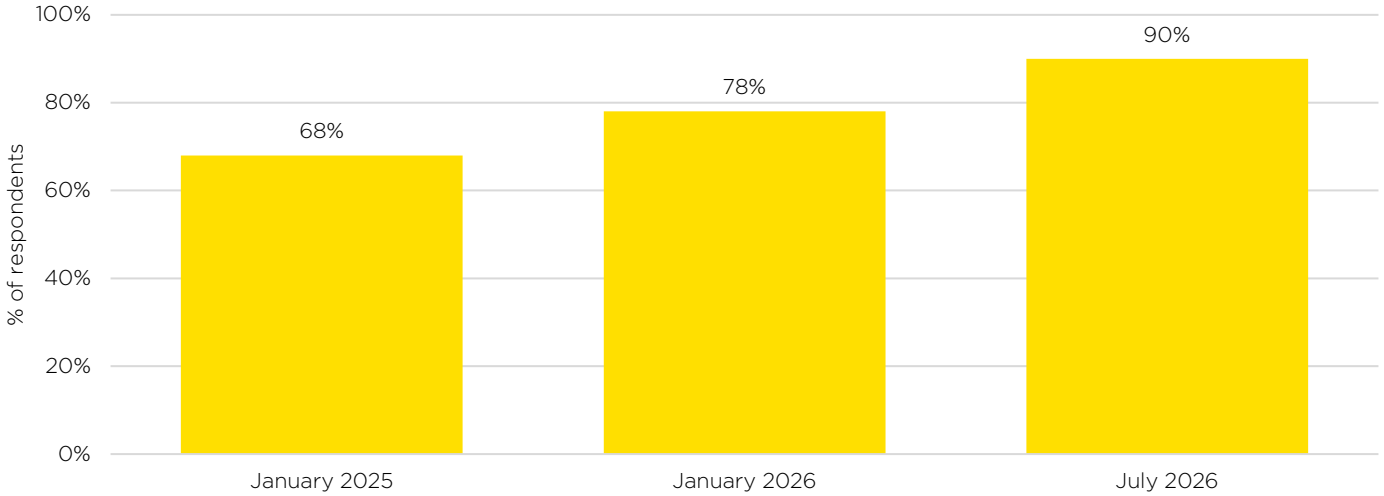
In an October 2026 Risk & Resilience survey conducted by the Zurich company Beazley, 90% of executives said geopolitical tensions and economic uncertainty would limit their businesses' growth plans, up from 78% in January 2026.

To understand how this is shaping portfolio decision-making, Savills conducted the 2026 Occupier Strategy Survey of its global network. The survey looked at the top concerns for corporate real estate teams, as well as the ways in which occupiers are responding to external pressures.

Global uncertainty was cited as the second-biggest challenge for businesses managing office portfolios across global markets. Rising real estate costs ranked first, while regulatory complexity ranked third.

GEOPOLITICAL UNCERTAINTY IS AN INCREASINGLY CRITICAL ISSUE FOR BUSINESSES

Share of executives saying geopolitical tension is limiting growth



Source: Savills Research using Beazley October 2026 Risk & Resilience survey of 3,500 business leaders and insurance buyers across seven countries (US, Canada, UK, France, Germany, Spain, and Singapore).

What this means for corporate real estate strategy

For corporate real estate teams, the challenge is to balance adaptability with the need to secure the right space, in the right locations, at the right cost. The Savills 2026 Occupier Strategy Survey reveals strategies that businesses are using to adapt to uncertainty, from negotiating more flexibility into lease terms to re-evaluating the proportion of flex space across portfolios.

1. Flexibility and optionality in lease terms

Seeking more flexible lease terms was the most widely reported strategy in Savills survey, cited by 81% of respondents. This can take several forms. Rolling break clauses are increasingly common, providing an opportunity to exit a lease before contractual expiry; expansion and contraction rights allow businesses to adjust the amount of space they occupy; and options to renew or take additional space provide greater control over the timing of future commitments. Increasingly, businesses are also negotiating phased occupation to accommodate less predictable demand for space. Optionality should align with the operating business' talent plan and pipeline, taking job posting intensity into account for new roles as well as retention patterns for those which are currently fulfilled.

The trend towards building additional optionality into leases is strongest in Europe, where landlords are willing to offer more flexible terms to attract and retain high-quality tenants.

90%

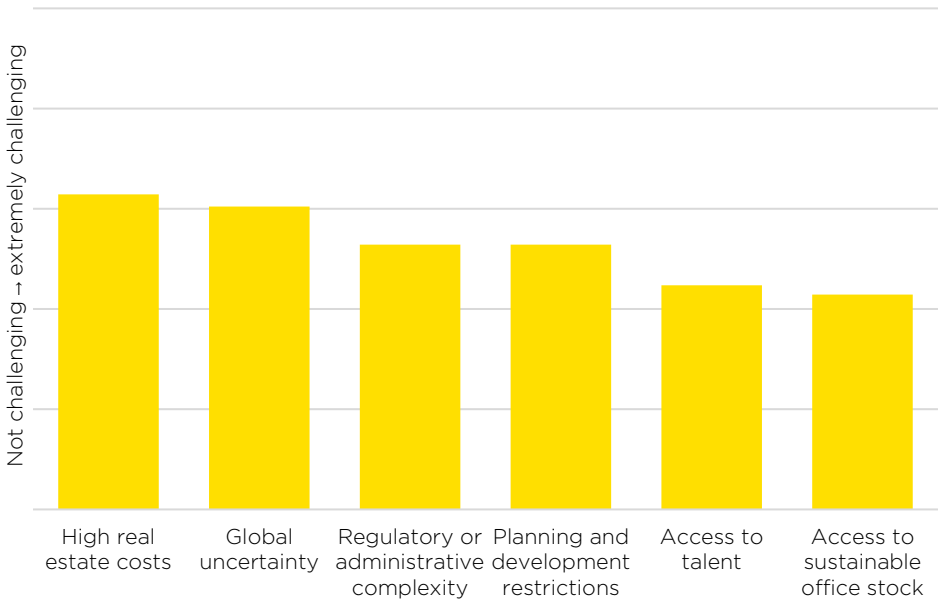
Of executives say geopolitical tensions and economic uncertainty are limiting growth plans

6.3

Number of years for global average lease term to expiry vs planning cycles of 6 months

RISING REAL ESTATE COSTS AND GLOBAL UNCERTAINTY ARE THE BIGGEST CHALLENGES FOR REAL ESTATE TEAMS

Top 6 greatest challenges to global occupier real estate teams



Source: Savills Research, 2026 global survey of network

There are also sectoral differences, with legal and technology firms most likely to prioritise options to adjust their space requirements. Herbert Smith Freehills Kramer recently relocated its HQ to a 238,000 sq ft space at London's Broadgate development. The global law firm's 21-year lease includes options to reduce space by around 11% or increase it by 34% from the initial commitment. The deal illustrates how law firms are increasingly retaining the ability to adjust their footprint as business needs evolve.

2. Longer decision-making timelines

Our survey shows that corporate tenants are taking longer to make office leasing decisions as they seek greater clarity on future requirements before committing to long-term property costs.

UK transactional evidence provides an indication of just how significant that change can be. Office deals that typically progressed from inception to completion within 12 months in 2017 can now take 18–24 months.

Several factors are contributing to longer timelines, including decisions being escalated to more senior leadership amid ongoing economic uncertainty. Legal negotiations have also become more complex, as businesses seek greater flexibility and more detailed performance-reporting requirements.

In Dubai and Riyadh, ongoing geopolitical uncertainty and extensive media coverage of the regional conflict have resulted in lengthened decision-making timelines for large occupiers, particularly where requirements need global approval.

Many international businesses continue to adopt a "wait-and-see" approach before committing to new office space, with leasing activity in both markets largely driven by renewals.

However, delaying a decision carries risk. In sought-after office locations, particularly at the prime and trophy end of the market, limited availability of suitable space can force occupiers to act quickly. This is especially true in Manhattan, London City and Tokyo, where competition for high-quality offices and large, contiguous floorplates is intensifying. Waiting may mean losing access to a building that meets requirements, leaving fewer appropriate alternatives.

Late engagement can also weaken an occupier's negotiating position with landlords, while the pressure to secure space may result in compromises on suitability or quality.

In a market where decisions are taking longer but prime space can still be in short supply, occupiers can help manage transaction timelines by starting the process well ahead of a lease event. This is true of any requirement size. Early engagement allows time to secure internal approvals, assess options, undertake technical and financial due diligence, and negotiate greater flexibility. It also gives businesses more scope to compare buildings and evaluate how well each option supports objectives.

3. Capital expenditure is being deferred

More than half of respondents (54%) reported delays to capital expenditure, reflecting global uncertainty and rising fit-out costs. The global average cost of fitting out a prime office increased by 6% in the 12 months to Q3 2026. Where investment does proceed, businesses are placing greater emphasis on making their office fit-outs adaptable to changing needs. This can mean designing spaces that can be reconfigured as team sizes and attendance patterns change, with a mix of settings for focused work, collaboration, and events.

AI adds another dimension to these decisions, as it will likely influence both the amount of space businesses require and how that space is used. As businesses introduce AI tools to automate routine tasks, workplaces that support human judgement, collaboration and relationship-building will become more important. The implications for office space will vary by sector and function, but flexible design can help organisations adapt their workplaces as needs become clearer.

Notable examples of adaptable fit-outs include the renovation project by design firm Symbolplus of their head office in Tokyo, where sliding partitions and tilting panels allow the space to be continually reconfigured while maintaining a coherent, intentional aesthetic.

4. Flexible workspace offers another route to adaptability

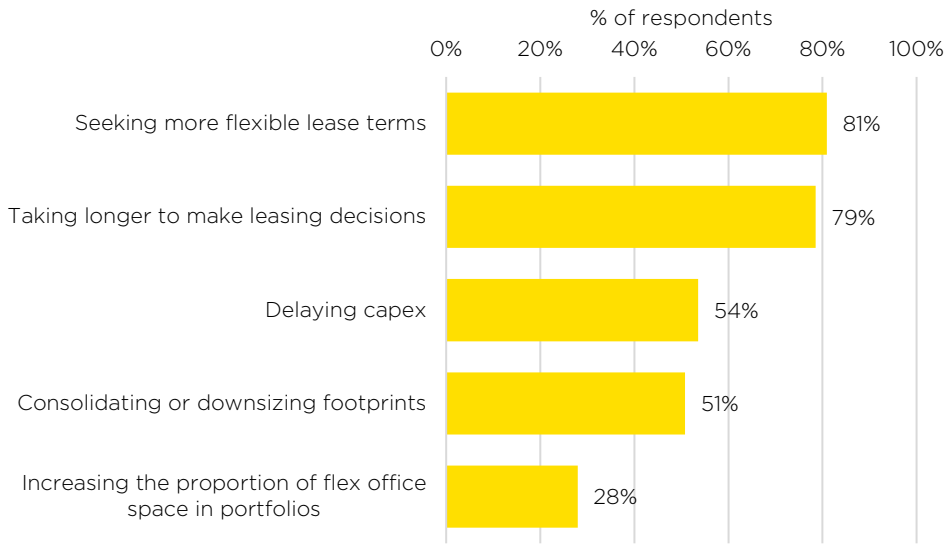
28% of respondents cited increasing the proportion of flexible workspace across portfolios in response to uncertainty.

Flex offices enable businesses to enter new markets quickly, maintain consistent workplace standards across locations and adjust space requirements as needs change. Flexible workspace is also becoming a longer-term component of corporate real estate strategies. According to Savills Workthere Flexmark 2026 report, the average length of stay of a corporate occupier is 3.9 years.

In response to growing corporate demand, landlords are adapting their portfolios to offer a mix of traditional leases, managed offices and flexible workspace, sometimes within the same building or campus. This creates opportunities for businesses to work with a single landlord across different types of space, combining the security of longer-term commitments with the ability to accommodate changing requirements. There is potential that this approach can help tenants leverage loyalty to a landlord in lease negotiations.

OCCUPIERS PRIORITISE FLEXIBILITY AMID GLOBAL UNCERTAINTY

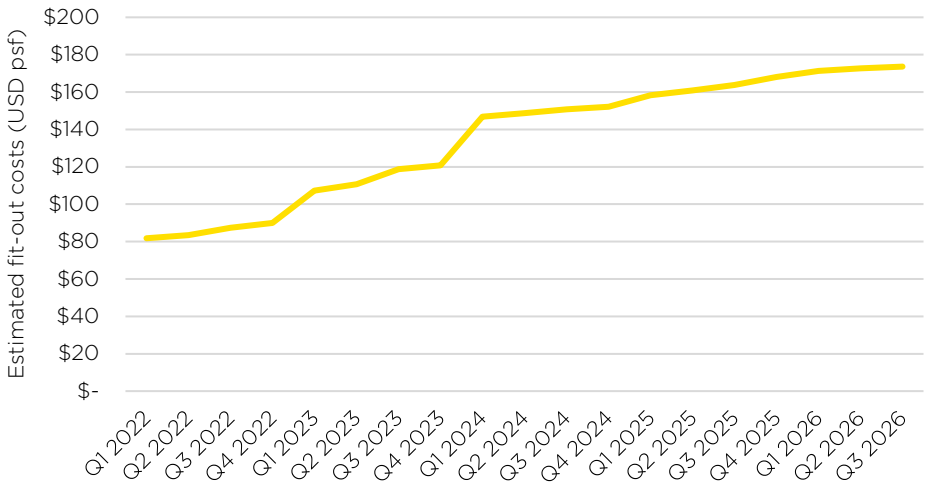
How occupiers are responding to global uncertainty over the past 12 months



Source: Savills Research, 2026 global survey of network

FIT-OUT COSTS FOR "ULTRA-PRIME" OFFICES HAVE RISEN 6% OVER THE PAST 12 MONTHS

Estimated fit-out costs for "ultra-prime" offices, by region



Source: Savills Research. Note: average figures reflect "ultra-prime" offices, based on a basket of the top five most expensive properties across 47 cities globally.

Balancing today's needs with tomorrow's uncertainty

Businesses have always had to navigate some uncertainty. What has changed is the pace and scale of disruption, making it harder than ever to anticipate future real estate needs.

This backdrop demands office portfolios that can adapt. Decision-making amid uncertainty is not easy, and the right data and insights are key. The challenge for real estate teams is to ensure that commitments made today build resilience through appropriate optionality and flexibility.

28%

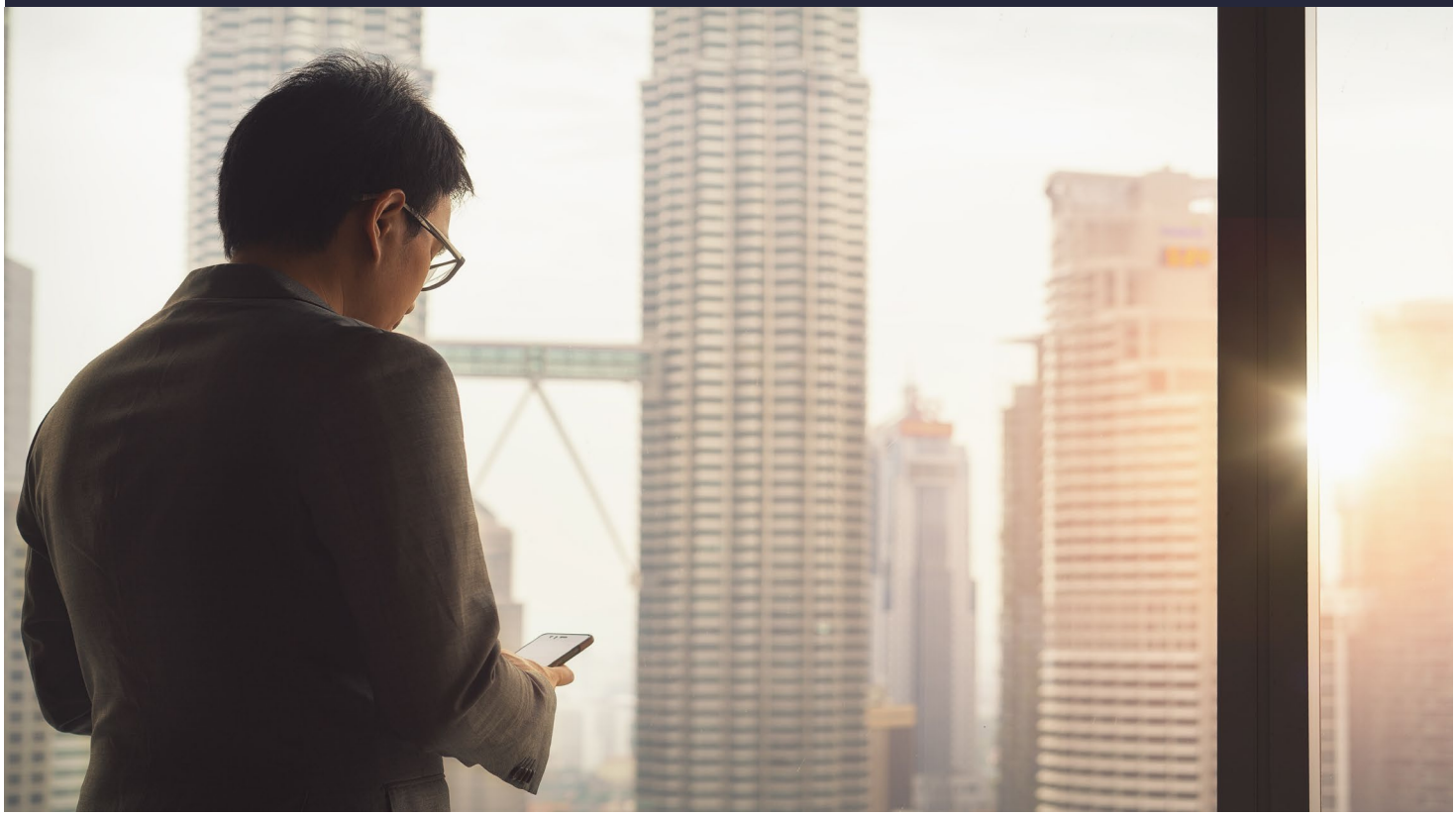
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Shorter business forecast horizons create pressures for real estate teams

Business planning and real estate commitments often operate on different timescales. While businesses need to respond to changing economic conditions, their property decisions involve commitments that last for years, making it harder to align real estate portfolios with changing requirements.

In Q3 2026, the global average lease term to expiry was 6.3 years for prime offices. By contrast, research by operations software company Pigment found that 54% of businesses had financial planning horizons of six months or less, while just 6% maintain financial plans extending beyond five years.

This shift should not be confused with short-termism but instead reflects a more agile approach to business planning in response to changing conditions. In this context, inflexible lease structures can leave businesses exposed when plans change. For real estate teams, this increases the importance of scope to adjust property commitments as needs change.



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