Journal of African Real Estate Research
Volume 11, Issue 1
www.journals.uct.ac.za/index.php/JARER/

Sharing Economy in the Real Estate Market: The Rising Demand for Coworking Office Spaces in Lagos, Nigeria

Priscilla Oyebola Bello[1*] (https://orcid.org/0009-0002-0139-2731) and Alirat Olayinka Agboola[2] (https://orcid.org/0000-0001-5733-6144)

[1] Department of Estate Management, Obafemi Awolowo University, Ile-Ife, Nigeria
[2] Department of Estate Management, Obafemi Awolowo University, Ile-Ife, Nigeria

To cite this article: Bello, P. O., and Agboola, A. O. (2026) Sharing Economy in the Real Estate Market: The Rising Demand for Coworking Office Spaces in Lagos, Nigeria. *Journal of African Real Estate Research,* 11(1), pp. 40-59. DOI: 10.15641/jarer.v11i1.1786

Abstract

Traditional real estate offices are increasingly incompatible with the current demands of office consumers due to the growing virtual nature of human interactions driven by rapid technological advancements, which has led to a shift away from the traditional requirement for location-dependent use of physical spaces. This study calls for the re-evaluation of office space consumption, particularly regarding office sharing. The study adopted a quantitative approach. Questionnaires were administered to 14 coworking office space providers and 56 coworking office space consumers in Lagos. The data were analysed using descriptive statistics, including a frequency distribution table, a weighted mean score, and a bar chart, and inferential statistics, including factor analysis. The findings revealed that 64.3% of coworking office spaces have been operating for more than 4 years. The major factors influencing providers to offer coworking office space are creating a community-centred workspace, supporting remote workers, and reducing vacancy risk, with weighted mean values of 4.57, 4.57, and 4.50. The top-rated challenges faced by consumers are noise and distractions, lack of privacy and difficulty finding a suitable seat. The primary factors influencing coworking consumers are flexibility and cost efficiency, with a total variance of 8.194, and collaborative and social interaction, with a total variance of 3.979. The growing preference for coworking office spaces suggests that real estate investors in Nigeria need to rethink their office investments to accommodate the shift in consumer behaviour. To offer a good consumer experience, the study recommends that coworking office space providers design strategic layout plans that separate focused work areas from high-activity areas, such as communal lounges, to minimise the noise and distractions coworking office space consumers face.

Keywords: *Nigerian real estate market, sharing economy, coworking space investment, coworking office space, coworking*

*Corresponding author's email address: bellopriscilla@pg-student.oauife.edu.ng

1. Introduction

The term ‘sharing economy’ was first introduced by Lessig in 2008 (Laurenti et al., 2019). It has since been associated with related concepts such as the platform economy, collaborative consumption, the access economy, and the peer-to-peer economy (Hamari et al., 2016; Basselier et al., 2018). It entails numerous actions to share the use of assets, properties, spaces, services, or capital between people (UNECE, 2022). The sharing economy has gained significant traction in developed countries' markets. It is seen in virtually every market sector, such as transportation (Uber and Lyft), logistics (DoorDash and Uber Eats), and real estate (House and office provision, such as Airbnb and coworking spaces) (Muñoz and Cohen, 2018; Netter et al., 2019).

Within the sharing economy, office spaces have shifted from traditional ownership and long-term leasing models to more flexible arrangements, with coworking spaces playing a key role in driving economic growth through innovation and collaborative professional networks (Pavithra, 2024). Coworking spaces are regarded as a practice within the sharing economy ecosystem because the physical workplaces and resources are shared with other users or co-users who do not necessarily need to be employees of the same company but have converged to create a community of space users (Ayodele et al., 2022b). These changes have significant implications for the commercial real estate market, as investors and landlords must adapt to the growing demand for flexible leasing models, reconfigure office layouts, and respond to evolving tenant preferences (Bhavesh, 2026). Moreover, economic conditions such as COVID-19 have accelerated the adoption of remote work, leading to 40%–60% vacancy rates in traditional offices in certain regions (Howell, 2022; Mariotti et al., 2023). Coworking office practices have thus emerged as a bridge between traditional offices and home offices, offering greater flexibility than conventional office spaces while providing more structure than home-based work environments (Kraus et al., 2020).

In Nigeria, the greatest adoption of coworking office spaces has been in the Lagos real estate market, with a few pockets of presence in other states. According to coworker.com (a website that lists coworking spaces in cities around the world), there are several coworking spaces in Lagos, such as Workhaven, Moneta Hub, and Civic Hub, each offering unique features and catering to different types of professionals. The coworking office spaces attract a diverse range of people, and not all consumers have the same motivations as drivers for using them. It has become a preference, especially among those who cannot afford traditional office space, thereby increasing demand for such spaces. The increasing demand for coworking spaces in Lagos has been met with several challenges, including power outages, poor internet connectivity, and layout design issues in the market.

Research on coworking spaces in Nigeria remains insufficient. The few existing studies in this area focused on the coworking space consumers (Ayodele et al., 2022a; Ayodele et al., 2022b; Memud and Tabibi, 2023). Interestingly, much work has been done in developed economies on the practices and factors that motivate providers and consumers to offer and use coworking office spaces (Biagetti et al., 2025; Vogl and Arkesteijn, 2025; Janati et al., 2026). However, differences in economic conditions, infrastructural constraints, regulatory frameworks, and cultural work practices between developed countries and Nigeria may influence coworking space provision and use, thereby limiting the direct applicability of findings from developed economies. Therefore, this study addresses the gap by examining both providers and consumers of coworking spaces, identifying the factors that drive providers and consumers to provide and use coworking spaces, as well as the challenges consumers face when using them.

Consequently, the paper is organised as follows: Section two is the literature review, followed by research methods in Section three, findings and discussion in Section four, and Section five provides the conclusion, policy implications and recommendations.

2. Literature Review

Coworking spaces have become a major form of investment, with investors providing top-notch facilities and services such as open spaces, fixed and hot desks, enclosed spaces, event rooms, meeting rooms, Wi-Fi, printing, projectors, and a kitchen (Vanichvatana et al*.,* 2017). The investment in coworking spaces is driven by rising consumer demand for coworking office spaces.

Empirical studies across different contexts have identified several factors influencing consumers' use of coworking spaces. Weijs-Perrée et al. (2019) examined coworking users' preferences in the Netherlands. Data were collected using a questionnaire from 219 respondents across 25 coworking spaces. The collected data were analysed using a mixed multinomial logit model. The findings revealed that coworkers' motivations for coworking spaces were affordable accommodation, accessibility, and atmosphere/interior. Vlugt (2022) studied coworking as a pathway to sustainability amongst different age groups. The findings highlighted flexibility as a major factor influencing consumers to use coworking spaces. Bhavesh (2026) examined the growth of coworking spaces and their impact on traditional office markets in India and found that cost savings, flexibility, and acceleration of hybrid work post-COVID-19 were the major drivers of coworking usage. These findings suggest that flexibility emerges as a consistent factor across different studies, reflecting the growing demand for adaptable work arrangements in the post-COVID-19 era. Cost considerations also appear significant, particularly regarding affordability and cost savings, while accessibility and workspace design elements, such as atmosphere, influence user preferences. These findings collectively highlight that coworking space usage is driven by a combination of economic, functional, and experiential considerations, although the relative importance of these factors may vary across regions and user groups.

In Nigeria, literature on coworking spaces is sparse. Ayodele et al. (2022b) conducted a study on coworking space practices: assessing space users' preferences and challenges in Ibadan, Nigeria. The findings revealed that economic and social factors were the primary drivers of people's use of coworking spaces. The findings from Ayodele et al. (2022b) reflect the importance of cost considerations in an emerging economy. In contrast, Memud and Tabibi (2023) conducted a study on the effective design of coworking spaces to improve users' experience in Lagos, Nigeria. The study showed that the primary driver of people's use of coworking spaces was the need to connect, network, and collaborate with like-minded people, while economic factors were less important. This contrast shows that motivations for coworking space usage may differ even within the same country, possibly due to differences in urban dynamics and user characteristics. However, both studies focus solely on coworking space consumers and do not examine the factors influencing coworking space providers to provide these spaces. This limits a comprehensive understanding of the coworking market, as both demand- and supply-side factors jointly shape its development. Furthermore, the reliance on descriptive statistical techniques in studies such as Memud and Tabibi (2023) constrains deeper analysis of the underlying structure of these factors.

Studies on the factors driving coworking office space providers and consumers are critical, as they can serve as a foundation for providers or investors to design the value propositions of their coworking space business models in Nigeria. However, while many consumers are drawn to coworking spaces for the benefits they offer, they are often plagued by numerous challenges, such as inconsistent power supply, inadequate infrastructure, and distractions, which can affect both the provision and use of coworking spaces. Howell (2022) examined the use of online coworking spaces. The research adopted an exploratory empirical approach. Data was collected through surveys and interviews with consumers in the eastern United States. The study found that distractions and loss of productivity were the major challenges faced. Similarly, Ayodele et al. (2022b) studied coworking space practices in Ibadan, Nigeria, highlighting the challenges in an emerging economy. The study identified nine coworking spaces and fifteen coworkers from each. The collected data were analysed with descriptive and inferential statistics. Disturbance and noise, lack of privacy, and poor internet connectivity were among the major challenges consumers faced when using coworking spaces. The findings of Ayodele et al. (2022b) support the results of Howell (2022), which indicate that distractions and loss of productivity were major challenges faced. Distractions and loss of productivity come from disturbances and noise, such as conversations, phone calls, meetings, eating, and coworking events (Bouncken et al., 2018; Tan and Lau, 2021). The challenges faced by coworking office space consumers will assist coworking office space providers and investors to make informed investment decisions to meet the coworker's market demands and preferences, as well as have a competitive advantage.

In line with this, this study examines the factors influencing both coworking space providers and consumers in Lagos, while also investigating the challenges faced by consumers in this context. By integrating both supply- and demand-side perspectives, the study provides a more comprehensive understanding of coworking space dynamics and offers practical insights into how consumer challenges can inform provider strategies to improve workspace design and service delivery in the Lagos coworking market.

3. Methods

This study adopted a quantitative research approach. The coworking spaces were identified on coworker.com, a website that lists coworking spaces in various cities worldwide. A total of fourteen coworking spaces were identified in Ikeja and Yaba in Lagos, Nigeria. These locations were selected because Yaba and Ikeja (the capital of Lagos) attract a high concentration of entrepreneurs, remote workers, tech companies, and government institutions. The study focused on providers of coworking spaces offering flexible leases ranging from daily, weekly, and monthly to bi-quarterly. The providers were represented by the managers responsible for day-to-day operations, as they are best positioned to provide insights into operational and customer-related factors. To ensure representation from all fourteen coworking spaces in Ikeja and Yaba, five consumers were selected from each space, resulting in a total of seventy consumers. The number of consumers varies across coworking spaces; however, selecting an equal number from each space ensured a balanced representation for comparative analysis. This approach was necessary due to limitations in obtaining complete lists of consumers from the coworking spaces. A self-administered, closed-ended questionnaire was used as the data-collection instrument. The questionnaires were structured with relevant sections including demographics, factors influencing provision (for providers), factors influencing use (for consumers), and challenges faced (for consumers). The questionnaires were designed using insights from the existing literature on coworking spaces, including Racek and Holenka (2015), Tan and Lau (2021), and Ayodele et al. (2022a). This ensured that the items captured relevant dimensions such as workspace features, user motivations, and challenges experienced. Thus, the questionnaire was administered to fourteen coworking space providers and seventy coworking space consumers. Only 56 (80%) of the questionnaires were retrieved from the consumers and found suitable for the analysis. Frequency tables were used to summarise coworking providers' profiles, facilities, and coworking consumers' profiles. Weighted mean scores were also used to rank the factors influencing providers' decisions to offer coworking spaces. The weighted mean scores were measured using a 5-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). The midpoint of the scale was 3, calculated as the average of the minimum and maximum values (Udoh et al., 2025). Factor analysis was used to analyse the factors influencing consumers' use of coworking spaces. Bar charts were used to visually present the challenges faced by consumers, allowing easy interpretation of the most frequent issues.

4. Findings and discussion

This section encompasses the analysis of data obtained from the administered questionnaire and the discussion of the findings.

4.1 Coworking space providers and consumers

Tables I and II describe the providers of coworking spaces in terms of their year of operation, coworker description, average daily users, peak hours, highest occupancy day, opening and closing hours on weekdays and weekends, and facilities. Table III describes coworking space consumers by gender, age, occupation, income, discipline, frequency of use, duration of use, year of use, and communication.

4.1.1 Coworking Space Providers

Table I presents data obtained from the providers on their year of operation, coworker description, average daily users, peak hours, highest occupancy day, and opening and closing hours on weekdays and weekends.

Table I: Coworking Space Providers

Coworking Space Providers	Frequency	Percentage (%)
Year of Operation		
Less than a year	2	14.3
1 – 2 years	0	0.0
2 – 3 years	1	7.1
3 – 4 years	2	14.3
More than 4 years	9	64.3
Total	**14**	**100.0**
Average Number of Daily Users		
Less than 5	0	0.0
6 – 10	4	28.6
11 – 15	3	21.4
16 – 20	3	21.4
Above 20	4	28.6
Total	**14**	**100.0**
Coworking Space Peak Hours		
7 am – 10 am	2	14.3
10 am – 2 pm	9	64.3
2 pm – 5 pm	3	21.4
5 pm – 10 pm	0	0.0

10 pm onwards	0	0.0
Total	**14**	**100.0**
Coworking Space Highest Occupancy		
Monday	9	64.3
Tuesday	2	14.3
Wednesday	2	14.3
Thursday	1	7.1
Friday	0	0.0
Total	**14**	**100.0**
Weekday Opening Hours		
7 am	0	0.0
8 am	11	78.6
9 am	3	21.4
10 am	0	0.0
11 am	0	0.0
Total	**14**	**100.0**
Weekday Closing Hours		
4 pm	0	0.0
5 pm	7	50.0
6 pm	4	28.6
7 pm	0	0.0
7 pm onwards	3	21.4
Total	**14**	**100.0**
Weekend Opening Hours		
7 am	0	0.0
8 am	2	14.3
9 am	2	14.3
10 am	3	21.4
Do not open on weekends	7	50.0
Total	**14**	**100.0**
Weekend Closing Hours		
4 pm	2	14.3
5 pm	3	21.4
6 pm	0	0.0
7 pm onwards	2	14.3
Do not open on Weekends	7	50.0
Total	**14**	**100.0**

Source: Author's Field Survey, 2024

From Table I, 35.7% of the coworking spaces have been in operation for less than 4 years, while 64.3% have been in operation for more than 4 years. The presence of both long-established and newly emerging coworking spaces suggests the sustained interest and ongoing investment in flexible office arrangements in Lagos. This indicates continued growth of the coworking sector in the local real estate market.

From the Table, 28.6% of the coworking space providers have an average daily user count between 11 and 15 and above 20, while 21.4% have an average daily user count between 11 and 15 and between 16 and 20. The majority (64.3%) of coworking spaces reported peak hours between 10 am and 2 pm. The possible reasons for these peak hours could be due to work routines or flexible work patterns among users. The highest occupancy occurs on Monday, accounting for 64.3% of coworking spaces, as reported by the respondents in Table I.

Table I shows that all coworking space providers open their office spaces by 8 am (78.6%) or 9 am (21.4%) and close by 5 pm, 6 pm, and 7 pm, as reported by 50.0%, 28.6%, and 21.4% of the respondents, respectively. The findings support the study by Vanichvatana et al. (2017), which found that the majority of coworking spaces' opening hours were at 8 am or 9 am. Table I also shows that 50.0% of the coworking space providers do not open on weekends. However, the rest (50%) are open on weekends, with the majority (21.4%) of coworking spaces opening by 10 am and closing by 5 pm.

Table II presents data from coworking space providers and shows the available facilities, amenities, and services offered by these spaces.

Table II: Coworking space facilities (Providers)

S/N	Facilities	Frequency	Percentage
(a)	Open workspaces		
	Available	14	100.00
	Not Available	0	0.0
	Total	**14**	**100.0**
(b)	Hot desks		
	Available	14	100.00
	Not Available	0	0.0
	Total	**14**	**100.0**
(c)	Meeting rooms/conference rooms		
	Available	14	100.00
	Not Available	0	0.0
	Total	**14**	**100.0**
(d)	Dedicated desks		
	Available	14	100.00
	Not Available	0	0.0
	Total	**14**	**100.0**
(e)	Flexible lease		
	Provided	14	100.0
	Not Provided	0	0.0
	Total	**14**	**100.0**
(f)	High speed internet		
	Provided	14	100.0
	Not Provided	0	0.0
	Total	**14**	**100.0**
(g)	CCTV		
	Available	11	78.6
	Not Available	3	21.4
	Total	**14**	**100.0**
(h)	Biometric scan		
	Available	2	14.3
	Not Available	12	85.7
	Total	**14**	**100.0**
(i)	Printing and scanning facilities		

	Available	10	71.4
	Not Available	4	28.6
	Total	**14**	**100.0**
(j)	Projectors		
	Available	14	100.0
	Not Available	0	0.0
	Total	**14**	**100.0**
(k)	Childcare facilities		
	Available	0	0.0
	Not Available	14	100.0
	Total	**14**	**100.0**
(l)	Parking facility		
	Available	13	92.9
	Not Available	1	7.1
	Total	**14**	**100.0**
(m)	Fitness/gym		
	Available	1	7.1
	Not Available	13	92.9
	Total		**100.0**
(n)	Kitchen/pantry		
	Available	13	92.9
	Not Available	1	7.1
	Total	**14**	**100.0**
(o)	Lounge areas		
	Available	9	64.3
	Not Available	5	35.7
	Total	**14**	**100.0**
(p)	Access cards		
	Provided	5	35.7
	Not Provided	9	64.3
	Total	**14**	**100.0**
(q)	ID cards		
	Provided	1	7.1
	Not Provided	13	92.9
	Total	**14**	**100.0**
(r)	Networking events/workshops		
	Provided	13	92.9
	Not Provided	1	7.1
	Total	**14**	**100.0**
(s)	Toilet		
	Available	14	100.0
	Not Available	0	0.0
	Total	**14**	**100.0**
(t)	Bath/showers		
	Available	6	42.9
	Not Available	8	57.1
	Total	**14**	**100.0**
(u)	Bar/café		
	Available	3	21.4
	Not Available	11	78.6

	Total	**14**	**100.0**
(v)	Storage lockers		
	Available	10	71.4
	Not Available	4	28.6
	Total	**14**	**100.0**
(w)	Administrative support		
	Provided	13	92.9
	Not Provided	1	7.1
	Total	**14**	**100.0**
(x)	IT support		
	Provided	7	50.0
	Not Provided	7	50.0
	Total	**14**	**100.0**
(y)	Cafeteria		
	Available	4	28.6
	Not Available	10	71.4
	Total	**14**	**100.0**

Source: Author's Field Survey, 2024

As shown in Table II, all the coworking spaces have open workspaces, hot desks, dedicated desks, meeting rooms/conference rooms, flexible subscriptions, high-speed internet, projectors, and toilets. Most (78.6%) of the coworking spaces have CCTV installed, while 21.4% do not. A majority (85.7%) of the respondents do not provide biometric scanning. This could be a result of the high implementation costs and reliance on alternative security measures, such as CCTV or manual monitoring. The majority (71.4%) of coworking spaces offer printing and scanning facilities, while 28.6% do not. 92.9% of the respondents provide parking facilities, while none of the coworking spaces provides childcare facilities. This highlights a potential service gap in the Lagos coworking market, which limits the appeal of these spaces to working parents who require childcare support. Addressing such gaps could be an avenue for value addition and differentiation by providers.

Table II also shows that a few (7.1%) of the coworking spaces provide fitness and gym facilities. The majority (92.9%) of the respondents have a kitchen or pantry, 64.3% have lounge areas, 35.7% provide access cards, and 92.9% do not offer ID cards. Almost all the coworking spaces (92.9%) reported conducting networking events and workshops. Only 42.9% of the respondents provide baths and showers. The majority (78.6%) of the spaces do not have a bar or café; 71.4% report providing storage lockers; 92.9% offer administrative support; 50.0% offer IT support; and 71.4% do not have cafeterias. These results suggest that coworking spaces prioritise functional amenities and networking opportunities over recreational facilities, reflecting the evolving needs of Lagos-based professionals. The findings from the Table are consistent with Vanichvatana et al. (2017) and Howell (2022), which report that the most prevalent amenities in coworking spaces are hot desks, dedicated desks, WiFi, printers, scanners, kitchens, event and meeting rooms, and projectors.

4.1.2 Coworking space consumers

Table III presents data from coworking space consumers, organised by gender, age, occupation, income, discipline, frequency of use, duration, year of use, and communication.

Table III: Office Sharing Consumers

Demographics	Frequency	Percentage (%)
Gender		
Male	28	50.0
Female	28	50.0
Total	**56**	**100.0**
Age		
Less than 20 years	0	0.0
21 – 30 years	40	71.4
31 – 40 years	15	26.8
41 – 50 years	1	1.8
Above 50 years	0	0.0
Total	**56**	**100.0**
Marital Status		
Single	46	82.1
Married	9	16.1
Divorced/Separated	1	1.8
Widowed	0	0.0
Others	0	0.0
Total	**56**	**100.0**
Highest Educational Qualification		
SSCE	3	5.4
OND	4	7.1
HND/BSc/B.Tech	42	75.0
MSc/M.Tech	7	12.5
Ph.D	0	0.0
Total	**56**	**100.0**
Monthly Income		
Less than 100,000	8	14.3
101,000 – 200,000	10	17.9
201,000 – 300,000	13	23.2
301,000 – 400,000	11	19.6
Above 400,000	14	25.0
Total	**56**	**100.0**
Occupation		
Freelancer/Self-employed/Entrepreneur	19	33.9
Private Employee	36	64.3
Government Staff	0	0.0
Student	1	1.8
Others	0	0.0
Total	**56**	**100.0**
Discipline		
Information Technology (IT)	27	48.2
Consultancy	7	12.5
Real Estate/Finance	8	14.3

Writing/blogging	3	5.4
Project management/marketing	11	19.6
Total	**56**	**100.0**
Frequency of Use		
Daily	12	21.4
Twice a week	5	8.9
3 – 4 days per week	23	41.1
5 – 6 days per week	13	23.2
Once a month	3	5.4
Total	**56**	**100.0**
Duration of Use		
No particular time	4	7.1
1 hour – 3 hours	2	3.6
3 hours – 5 hours	13	23.2
5 hours – 7 hours	10	17.9
Above 7 hours	27	48.2
Total	**56**	**100.0**
Year of Use		
Less than 6 months	20	35.7
6 months – 1 year	11	19.6
1 year – 2 years	10	17.9
2 years – 3 years	9	16.1
Above 3 years	6	10.7
Total	**56**	**100.0**
Communication between consumers		
Never	2	3.6
Not Frequent	5	8.9
Slightly frequent	13	23.2
Frequent	23	41.1
Very Frequent	13	23.2
Total	**56**	**100.0**

Source: Author's Field Survey, 2024

As shown in Table III, there are equal numbers of male (50.0%) and female (50.0%) consumers using coworking spaces. The findings of the research contradict those of Racek and Holenka (2015) and Ayodele et al. (2022b), who opined that more men use coworking spaces. From Table III, the highest proportion (71.4%) of the consumers in the study area were in the age bracket of 21-30 years. These findings are consistent with Ayodele et al. (2022b), who found that most people aged 20-29 were the primary users of coworking spaces in Ibadan. Racek and Holenka (2015) also found that the average age of users of coworking spaces in Slovakia was 30 years. This pattern suggests that coworking spaces almost always offer a more affordable alternative to leasing traditional office space for young professionals and entrepreneurs.

As shown in Table III, the findings indicate that single consumers accounted for the highest proportion (82.1%) of respondents in the study area. This might be linked to the fact that the majority of consumers are between 21 and 30 years old and may not be married. A majority

(75.0%) of the respondents have HND/BSc/B.Tech. The findings are consistent with Ayodele et al. (2022b), which report that the majority of consumers have an HND, BSc, or B.Tech. From Table III, the majority (75.0%) of the consumers earn less than ₦400,000. Traditional office spaces are very expensive, and consumers' low incomes may be one reason they prefer to share offices rather than set up a traditional office. The findings in the Table support the study by Ayodele et al. (2022b), which found that low income might be a factor influencing the use of coworking spaces. Table III also shows that 64.3% of the consumers are privately employed, 33.9% are freelancers/self-employed/entrepreneurs, and 1.8% are students. The results may be linked to rising traditional office rental prices and increased remote work, which will further lower demand for traditional office space. The vast majority (48.2%) of the respondents work in IT. The findings corroborate a recent study by Fu et al. (2023) that the majority of consumers work in IT.

As shown in Table III, 41.1% of the respondents use the coworking space 3-4 days per week, 23.2% use it 5-6 days per week, 21.4% use it daily, 8.9% use it twice a week, and 5.4% use it once a month. The result shows an increase in remote and flexible work structures, where employees do not need to go to the office every day of the week. 48.2% of the respondents spend more than 7 hours when using the coworking space, 23.2% of the consumers spent between 3 hours and 5 hours, 17.9% spent between 5 hours and 7 hours, 7.1% had no particular time spent in the space, while 3.6% spent between 1 hour and 3 hours. From Table III, most (89.3%) of the respondents have been coworking for about 3 years, while 10.7% are above 3 years. As seen in the Table, 3.6% of the respondents reported never communicating with other consumers; 8.9% reported not frequently; 23.2% reported slightly frequently; 41.1% reported frequently; and 23.2% reported very frequently. Overall, 96.4% of the respondents reported communicating with other consumers. Due to the physical layout of most coworking spaces, consumers are usually in close proximity to one another, which increases opportunities for communication and interaction and fosters networking and community. This finding is consistent with Gerdenitsch et al. (2016), who found that coworking spaces foster coworking and networking.

4.2 Factors Influencing Coworking Office Space Providers and Consumers

This section shows the factors influencing both the providers and consumers of coworking office spaces.

4.2.1 Factors Influencing Coworking Office Space Providers

Table IV presents data obtained from coworking office space providers. The Table presents the factors influencing providers to offer coworking office spaces to consumers, using weighted mean scores.

Table IV: Factors Influencing Coworking Space Providers to Offer Coworking Office Spaces

Factors	Strongly Disagree (1)	Disagree (2)	Fairly Agree (3)	Agree (4)	Strongly Agree (5)	Mean Rating Value	Mean Ranking
Create a community centred workspace	0	0	0	6	8	4.57	1st
Support remote workers	0	0	0	6	8	4.57	1st

Lower Vacancy Risks	0	0	0	7	7	4.50	2nd
Provide flexible office options	0	0	0	8	6	4.43	3rd
Assist the development of businesses	0	0	1	6	7	4.43	3rd
Foster knowledge among coworkers	0	0	2	6	6	4.29	4th
Provide work-life balance	0	0	3	5	6	4.21	5th
Profit and financial opportunity	0	1	2	7	4	4.00	6th
Promote sustainability	0	2	7	3	2	3.36	7th

Source: Field Survey, 2024

In Table IV, the factors that influence providers to offer coworking office spaces are to create a community centred workspace, support remote workers, lower vacancy risks, provide flexible office options, assist the development of businesses, foster knowledge among coworkers, provide work-life balance, profit and financial opportunity, and promote sustainability, with a weighted mean value of 4.57, 4.57, 4.50, 4.43, 4.43, 4.29, 4.21, 4.00, and 3.36 respectively. The findings show that the providers are driven by a blend of social and economic factors, with the strongest focus on community building and remote work support, and the weakest on sustainability.

4.2.2 Factors influencing consumers to use coworking spaces

This section describes the factors that influence consumers to use coworking spaces, as detailed in Table V, VI, VII, Figure I, and Table VIII.

Table V: KMO and Bartlett's Test of Factors

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.836
	Approx. Chi-Square	913.968
Bartlett's Test of Sphericity	Df	171
	Sig.	0.000

Source: Author's Field Survey, 2024

The Kaiser-Meyer-Olkin (KMO) test is used to assess the adequacy of the sample. A KMO value of 1 depicts a perfectly adequate sample, while a KMO of 0 denotes a perfectly inadequate sample. Table V above shows a KMO value of 0.836, a chi-square of 913.968, and a significant Bartlett's test of sphericity ($p<0.05$). This indicates that the results of the KMO measure of sampling adequacy and Bartlett's test of sphericity are sufficient to carry out factor analysis.

Table VI: Communalities of Factors Influencing Consumers to Use Coworking Spaces

	Initial	Extraction
Cheaper than having my own office	1.000	.776
Flexible Rental Fee/Subscription	1.000	.775
Reduced administrative hassles	1.000	.706
Knowledge/Idea sharing	1.000	.865
Networking with coworkers	1.000	.895
Access to events/workshops	1.000	.739
Possibility of collaborative opportunities	1.000	.740
Enhanced productivity	1.000	.582
To avoid loneliness	1.000	.589
Work life balance	1.000	.654
Employer's preference	1.000	.934
Ability to work from any location	1.000	.676
Promote sustainability	1.000	.840
Flexible work hours	1.000	.726
Inspiring and creative atmosphere	1.000	.748
Meeting people from diverse professions	1.000	.807
Access to resources	1.000	.866
Professional environment for company	1.000	.812
Good value for money	1.000	.843

Source: Author’s Field Survey, 2024

Table VI shows the proportion of variance in the variables accounted for by the extracted factors. Factors with high extraction communalities (above 0.8) include knowledge and idea sharing, networking with coworkers, employer’s preference, promoting sustainability, meeting people from diverse professions, access to resources, a professional environment within the company, and good value for money. Lower extraction communalities (below 0.6) include enhanced productivity and the avoidance of loneliness.

Table VII shows the total variance explained of factors influencing office-sharing consumers.

Table VII: Total Variance Explained of Factors Influencing Office Sharing Consumers

	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
Component	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	8.194	43.124	43.124	8.194	43.124	43.124	4.706	24.766	24.766
2	3.979	20.940	64.063	3.979	20.940	64.063	4.571	24.057	48.823
3	1.358	7.150	71.213	1.358	7.150	71.213	4.114	21.652	70.475
4	1.042	5.485	76.698	1.042	5.485	76.698	1.182	6.223	76.698
5	.841	4.428	81.126						
6	.631	3.322	84.448						

7	.563	2.962	87.411
8	.402	2.118	89.528
9	.373	1.962	91.491
10	.298	1.570	93.061
11	.282	1.482	94.543
12	.238	1.252	95.795
13	.205	1.079	96.874
14	.160	.842	97.716
15	.137	.721	98.437
16	.098	.513	98.950
17	.082	.429	99.380
18	.067	.354	99.733
19	.051	.267	100.000

Source: Author's Field Survey, 2024

As shown in Table VII, before extraction, nineteen components were identified within the data set. Four components were extracted with eigenvalues above 1.0 (8.194, 3.979, 1.358, and 1.0420), accounting for 43.124%, 20.940%, 7.150%, and 5.485% of the variance, respectively. Thereafter, the four components accounted for 76.698% of the variation in the factors influencing consumers to use coworking spaces. This shows that the four components are the principal factors influencing consumers in Lagos. Figure I illustrates the eigenvalues for each variable.

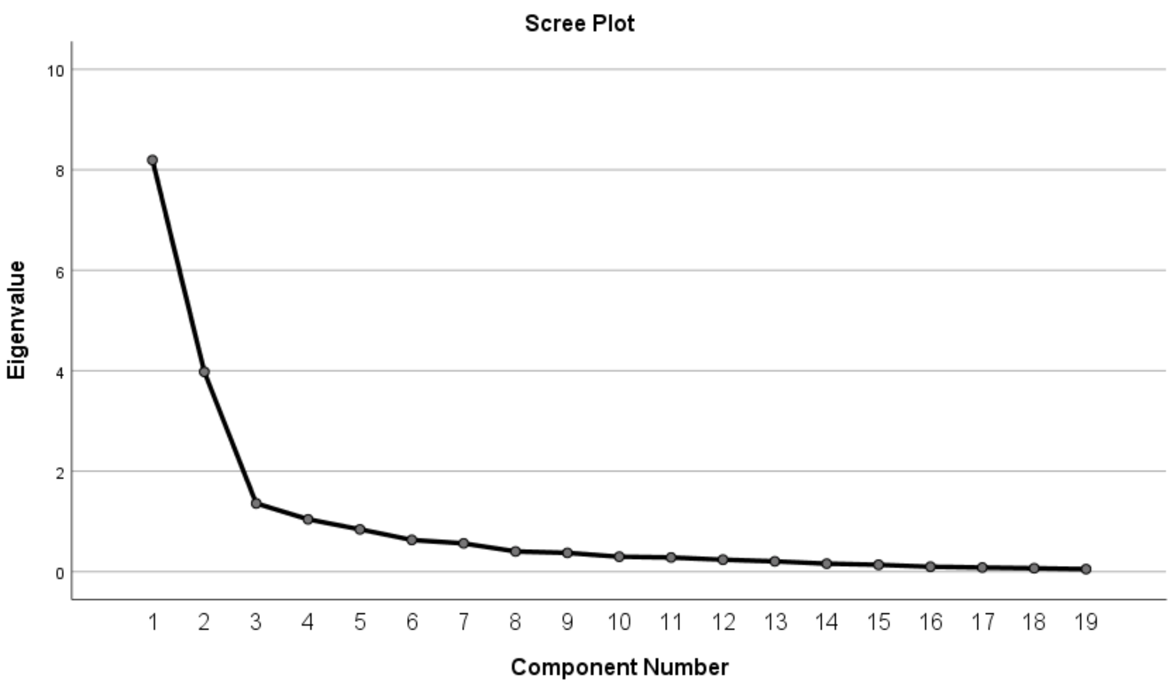

Figure I: Scree Plot Showing the Relationship between the Factors and their Eigenvalues for Coworking Space Consumers
Source: Field Survey, 2024

There is a significant change in the slope's direction at point 3, resulting in a steady decline in the slope up to the 19th component. This shows that 3 components explain most of the variance. Although the scree plot suggests three components based on visual inflexion point, four components were retained in the total variance table because each had an eigenvalue greater than 1, satisfying Kaiser's criterion. This reflects that the fourth component contributes marginal variance and may represent a minor underlying factor, but was retained for completeness.

Table VIII presents the rotated component matrix of factors influencing consumers' use of coworking spaces.

Table VIII: Rotated Component Matrix of Factors Influencing Consumers to Use Coworking Spaces

	Component			
	1	2	3	4
Cheaper than having my own office	.853			
Flexible Rental Fee/Subscription	.827			
Reduced administrative hassles	.565			
Knowledge/Idea sharing		.886		
Networking with coworkers		.902		
Access to events/workshops		.725		
Possibility of collaborative opportunities		.732		
Enhanced productivity	.719			
To avoid loneliness		.658		
Work life balance	.538	.601		
Employer's preference				.961
Ability to work from any location	.637	.515		
Promote sustainability	.787			
Flexible work hours	.717			
Inspiring and creative atmosphere			.839	
Meeting people from diverse professions			.871	
Access to resources			.918	
Professional environment for company			.890	
Good value for money			.910	

Source: Author's Field Survey, 2024

From Table VIII, component 1 is loaded with cheaper than having my own office, flexible Rental Fee/Subscription, reduced administrative hassles, enhanced productivity, ability to work from any location, promotes sustainability, and flexible work hours. This component is named flexibility and cost-efficiency. Component 2 is loaded with knowledge/Idea sharing, networking with coworkers, access to events/workshops, opportunities for collaboration, avoiding loneliness, and work-life balance. This component is termed collaborative and social interaction. Component 3 is loaded with an inspiring and creative atmosphere, meeting people from diverse professions, access to resources, a professional environment for the company, and good value for money. Component 3 is named the creative and resourceful environment.

Component 4 is loaded with the employer's preferences and is referred to as the Employer workspace requirement.

Overall, based on the above findings, the result established that the factors influencing coworking space consumers in the Lagos property market are flexibility and cost efficiency, collaborative and social interaction, creative and resourceful environment, and employer workspace requirements. This shows that the combination of these factors influences consumers' office coworking choices. Furthermore, Table VII shows that flexibility and cost efficiency (43.124%) and collaborative and social interaction (20.940%) are the two most important factors influencing office sharing consumers.

4.3 Challenges faced while using the coworking spaces

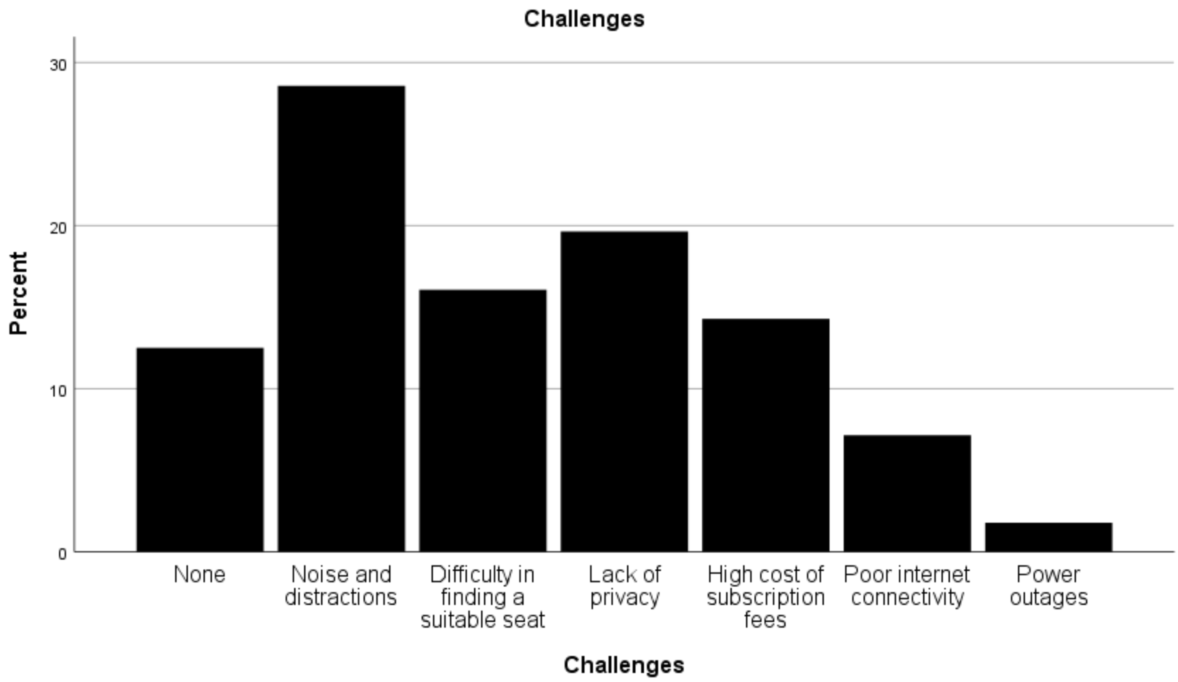

Figure II: Coworking Space Consumers' Challenges

Figure II illustrates the challenges consumers face when using coworking spaces. The majority of respondents (28.6%) identified noise and distractions as a major challenge, which may stem from movements, phone conversations, and discussions within the shared environment (Bouncken et al., 2018). Difficulty in finding a suitable seat (16.1%) and lack of privacy (19.6%) were also commonly reported. These findings suggest that the spatial layout and design of coworking spaces (e.g., open plan seating) directly influence users' experiences and productivity. Managers may need to consider soundproofing and flexible seating arrangements to mitigate these issues. These findings are consistent with the studies of Bouncken et al. (2018), Perera et al. (2019), and Howell (2022).

High subscription fees were reported by 14.3% of the consumers as a challenge, indicating that affordability remains a concern in shared work environments. This aligns with Zhao et al. (2020) and Dell'Aversana and Miglioretti (2024), who stated that cost can limit access and affect job satisfaction. Design and management strategies, such as tiered membership plans or employer-supported subscriptions, could help make coworking spaces more accessible.

Interestingly, poor internet connectivity (7.1%) and power outages (1.8%) were among the least reported challenges, despite being common infrastructural issues in Nigeria (Ayodele et al., 2022b). This may be due to consumer adaptation strategies, such as using personal internet subscriptions, power banks, or noise-cancelling headsets. Such findings indicate that providers' interventions may be more effective if they target human-centred solutions, such as providing quiet zones or ergonomic furniture.

Comparing these results with global research, challenges such as noise, privacy, and seating appear consistent across coworking contexts (Bouncken et al., 2018; Perera et al., 2019; Howell, 2022). This implies that certain workspace design and management issues are universal rather than unique to Lagos. However, the lower impact of infrastructural challenges (internet, power) may reflect a pattern of local adaptation, emphasising the importance of contextual factors in coworking management strategies.

5. Conclusion

In an attempt to study the sharing economy in the Nigerian real estate market, the research focused on coworking office spaces (office sharing) with particular reference to Lagos State. The findings provide valuable insights to real estate investors, practitioners, policymakers, researchers, and consumers. The study found that coworking space consumers are predominantly young professionals aged 21–30 with relatively low-income levels, highlighting the role of coworking spaces as affordable alternatives to traditional office spaces. The key factors influencing the provision of coworking spaces include the need to support remote work practices and to create community-centred work environments that foster collaboration among users. Similarly, the key factors influencing the use of coworking spaces are flexibility, cost-efficiency, collaboration, and social interaction. In addition, challenges such as noise, lack of privacy, difficulty finding seats, and high subscription fees were identified as key issues affecting consumer experience.

Based on the findings of this study, the study recommends that coworking space providers should prioritise flexible and affordable workspace options, as these were identified as key factors influencing user decisions. This is particularly important for young professionals and entrepreneurs with relatively low incomes. The providers should also address key issues such as noise and lack of privacy to enhance consumers' satisfaction and productivity. This study contributes to the growing body of literature on coworking spaces by providing empirical evidence from an emerging economy. Future research can build on this study by adopting larger sample sizes, longitudinal approaches, or comparative analyses across different cities to better understand the evolving dynamics of coworking spaces. Further studies may also explore the integration of coworking spaces into smart city development and affordable workspace solutions.

References

Ayodele, T., Kajimo-Shakantu, K., Gbadegesin, J., Babatunde, T. and Ajayi, C. (2022a). Exploring investment paradigm in urban office space management: Perspectives from coworking space investors in Nigeria. *Journal of Facilities Management*, 20(1), pp. 19–31.

Ayodele, T., Ogunbayo, O., Kajimo-Shakantu, K. and Babatunde, T. (2022b). Coworking space practices: assessing space users' preferences and challenges in Ibadan, Nigeria. *Journal of Corporate Real Estate*, 24(4), pp. 256–272.

Basselier, R., Langenus, G. and Walravens, L. (2018). The rise of the sharing economy. *Economic Review*, 3, pp. 57–78.

Baum, A. (2017). PropTech 3.0: The future of real estate. Oxford: University of Oxford Saïd Business School. https://www.sbs.ox.ac.uk/sites/default/files/2018-07/PropTech3.0.pdf

Biagetti, M., Mariotti, I., Rossi, F. and Scicchitano, S. (2025). Did remote working push the growth of coworking spaces? The Italian cities case study. *Cities*, 166, pp. 106–272.

Bouncken, R. and Reuschl, A. (2018). Coworking-spaces: How a phenomenon of the sharing economy builds a novel trend for the workplace and for entrepreneurship. *Review of Managerial Science*, 12, pp. 317–334.

Bouncken, R., Aslam, M. and Reuschl, A. (2018). 'The dark side of entrepreneurship in coworking-spaces',in Porcar, A. and Soriano, D. (eds.), *Inside the Mind of the Entrepreneur: Cognition, Personality Traits, Intention, and Gender Behaviour*, Cham: Springer, pp. 135–147. https://doi.org/10.1007/978-3-319-62455-6

Dell'Aversana, G. and Miglioretti, M. (2024). Coworking spaces for remote workers: an inclusive solution? Advantages and challenges from affiliated workers' perspectives. *Review of Managerial Science*, 19, pp. 1131–1160.

Fu, Y., Li, Y. and Li, X. (2023). Coexisting or coworking? the reconfigured office spaces in two emerging global cities. *Journal of Urban Affairs*, 47(5), pp. 1691–1708.

Gerdenitsch, C., Scheel, T., Andorfer, J. and Korunka, C. (2016). Coworking spaces: a source of social support for independent professionals. *Frontiers in Psychology*, 7, Article 581. https://doi.org/10.3389/fpsyg.2016.00581

Hamari, J., Sjöklint, M. and Ukkonen, A. (2016). The sharing economy: Why people participate in collaborative consumption. *Journal of the Association for Information Science and Technology*, 67(9), pp. 2047–2059.

Howell, T. (2022). Coworking spaces: An overview and research agenda. *Research Policy*, 51(2), pp. 104–447.

Isac, C. (2019). Coworking spaces: A source for developing creative business. *Ovidius University Annals, Economic Sciences Series*, 19(2), pp. 36-41.

Kraus, S., Bouncken, R., Görmar, L., González-Serrano, M. and Calabuig, F. (2022). Coworking spaces and makerspaces: Mapping the state of research. *Journal of Innovation & Knowledge*, 7(1), pp. 100–161.

Laurenti, R., Singh, J., Cotrim, J., Toni, M. and Sinha, R. (2019). Characterizing the sharing economy state of the research: A systematic map. *Sustainability*, 11(20), Article 5729. https://doi.org/10.3390/su11205729

Lee, S. (2018). *Third places to work in the digital age: Implications from coworking space users' motivations and preferred environmental features*. Master's thesis, Cornell University.

Mariotti, I., Akhavan, M. and Rossi, F. (2023). The preferred location of coworking spaces in Italy: An empirical investigation in urban and peripheral areas. *European Planning Studies*, 31(3), pp. 467–489.

Memud, M. and Tabibi, B. (2023). Effective design of co-working spaces to improve users' experience in Lagos State, Nigeria. *Art and Design* Review, 11(2), pp. 80–103. https://doi.org/10.4236/adr.2023.112007

Müller, A. (2016). The digital nomad: Buzzword or research category? *Transnational Social Review*, 6(3), pp. 344–348.

Muñoz, P. and Cohen, B. (2018). A compass for navigating sharing economy business models. *California Management Review*, 61(1), pp. 114–147.

Netter, S., Pedersen, E. and Lüdeke-Freund, F. (2019). Sharing economy revisited: Towards a new framework for understanding sharing models. *Journal of Cleaner Production*, 221, pp. 224–233.

Pavithra, R. (2024). A collaborative work environment: An in-depth analysis of coworking spaces. *UGC Care Group 1 Journal,* 54, pp. 95–104.

Perera, W., Perera, B. and Jayasena, N. (2019). Adaptability of the shared workspace concept for office buildings in Sri Lanka. *Intelligent Buildings International*, 13(4), pp. 327–341. https://doi.org/10.1080/17508975.2019.1588701

Piscicelli, L., Ludden, G. and Cooper, T. (2019). What makes a sustainable business model successful? An empirical comparison of two peer-to-peer goods-sharing platforms. *Journal of Cleaner Production*, 172, pp. 4580–4591.

Racek, M. and Holenka, M. (2015). Coworking spaces in Slovakia. *Management Review*, 9(2), pp. 29–43.

Suttiraksiri, S. (2017) *Consumer behaviour towards coworking space business*. Master's thesis, Mahidol University. Available at: https://archive.cm.mahidol.ac.th/bitstream/123456789/1958/1/TP%20GM.010%202016.pdf

Tan, T. and Lau, K. (2021). Understanding users' and hosts' motives to co-working space: Case of Kuala Lumpur, Malaysia. *Open House International*, 46(1), pp. 81–95.

Udoh, E., Ogar, B., Ema, I. and Samson, E. (2025). Assessment of forestry extension service delivery among rural farmers living around Awi Forest Reserve in Cross River State, Nigeria. *Journal of Applied Sciences and Environmental Management*, 29, pp.197–204.

UNECE. (2022). *Sharing economy and its effects on housing markets.* Geneva: REM- UNECE reports.

Vanichvatana, S., Varapark, N. and Poontirakul, P. (2017). Characteristics of co-working spaces in Bangkok, paper presented at the Second International Research Conference on Management and Business (IRCMB), 29 July, Bandung, Indonesia.

Vlugt, J. (2022). *Coworking the way to sustainability: Motivations and influences on the adoption of a sustainable innovation amongst different age groups-the case of Space*. Master's thesis.

Vogl, T. and Arkesteijn, M. (2025). Coworking space users: A literature review on characteristics, motivations and workplace preferences in urban and non-urban areas. *Journal of Corporate Real Estate*, 28(1), pp. 28–49.

Weijs-Perrée, M., Van de Koevering, J., Appel-Meulenbroek, R. and Arentze, T. (2019). Analysing user preferences for co-working space characteristics. *Building Research and Information*, 47(5), pp. 534–548.

Zhao, F., Prentice, C., Wallis, J., Patel, A. and Waxin, M. (2020). An integrative study of the implications of the rise of coworking spaces in smart cities. *Entrepreneurship and Sustainability Issues*, 8(2), pp. 467–486. https://doi.org/10.9770/jesi.2020.8.2(28)