

Croatia Facility Management Market - Growth, Trends, Covid-19 Impact, and Forecasts (2023 - 2028)

Market Report | 2023-01-23 | 95 pages | Mordor Intelligence

AVAILABLE LICENSES:

- Single User License \$4750.00
- Team License (1-7 Users) \$5250.00
- Site License \$6500.00
- Corporate License \$8750.00

Report description:

The Croatia Facility Management Market is expected to grow by registering a CAGR of 2.1% during the forecast period (2022-2027). The growing propensity to adopt specialized solutions and services across various high-growth sectors in the country, such as construction, manufacturing, and IT, is creating significant demand for facility management solutions.

Key Highlights

Croatia has been a member of the European Member since 2013. Becoming a member of the European Union has significantly boosted the country's growth, with several EU grant funds helping the country carry out developmental activities. For instance, in September 2021, under its Recovery and Resilience Facility program, the European Commission disbursed EUR 818 million to Croatia in a pre-financing payment. The increasing number of developmental activities led by such fundings across the country is creating a supportive atmosphere for the growth of the facility management market.

According to data provided by the National Bureau of Statistics, in May 2021, a 15.9% increase in the volume of construction work carried out was reported in Croatia; the reported increase is in comparison to the construction work carried out in the country in May 2020. Furthermore, yearly, the volume of construction work for buildings increased by 18%, while 13% was reported in construction work for other structures. The increase in construction activities, especially in the commercial sector, is driving the country's demand for facility management services.

Furthermore, the growth of the IT sector in the country has significantly increased the demand for commercial buildings, which is a major consumer for facility management services. Microsoft Croatia, Siemens, Ericsson Nikola Tesla, Atos IT Solutions and Services, Danieli Systec, and Constellation Software Group (IN2) are some of the international corporations in the country. Moreover, the country lags behind most EU countries in digital technology adoption. For instance, the country ranks 41st out of the 130 economies included in the Network Readiness Index (NRI) 2021, a leading global index reflecting the impact of information and communication technology in economies worldwide. Such trends may limit the growth of the studied market

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

during the forecast period.

The impact of COVID-19 in Croatia was significant during the initial phase as the national lockdown significantly slowed down the economy. Furthermore, the limited activity in the commercial buildings due to restrictions imposed by the government significantly reduced the demand for facility management services in the country. However, the country has framed a recovery and resilience plan wherein it will receive a grant of EUR 6.3 billion to support its climate objectives and digital transition.

Croatia Facility Management Market Trends

Increasing investment in Smart City Infrastructure to Drive the Growth

A smart city refers to a city wherein the intelligent adoption of information and communications technology is used to enhance its sustainability, livability, and workability. The role of facility management becomes even more important for the efficient management of smart cities. Being a part of the EU has significantly boosted the growth of this sector in Croatia, creating a supportive environment for the growth of the studied market in the country.

According to ITA, implementing one or more smart solution projects has already started in about 50% of Croatian cities. Along with developing Smart City concepts, the Association of Cities promotes increasing the use of EU funds for Smart City projects. For instance, the Center of Competence for Smart Cities is Croatia's largest three-year development project in information and communication solutions.

In November 2021, it was announced that about 40% of public lighting would be reconstructed by the City of Zagreb, using a public-private partnership model in a project worth EUR 42 million. The project is a step forwards in the Croatian capital's ambitious target of the strategy of becoming a Smart City. Such developments are expected to drive the demand for facility management and maintenance services and encourage vendors to develop smart solutions.

Healthcare Sector to Drive the Demand for Facility Management

The Healthcare sector in Croatia has witnessed significant growth over the years. The research, development, and construction of healthcare facilities have increased significantly in the country. For instance, the EU invested more than EUR 48 million from the European Regional Development Fund to extend the Children's Hospital in the country. The project involves the purchase of research and medical equipment and the construction of a 15,000-m² facility which is set for completion in early 2022.

With individual medical practices prevailing on the market, the demand for facility management services such as cleaning and maintenance is expected to increase during the forecast period. For instance, in March 2022, an investment of about EUR 70 million was announced for the expansion of KBC Zagreb hospital.

The COVID-19 pandemic significantly disrupted hospital care, as hospitals had to deal with a highly infectious virus and continue to fulfill their communities' ongoing health service needs. This greatly impacted the demand for efficient facility management across the Croatian healthcare sector. Furthermore, the widespread vaccination drive in the country is also driving the demand for facility management for efficient management of such drives.

The total number of ICU beds in the country has witnessed an increase from the previous year; for instance, according to the Institute for Health Metrics and Evaluation, in January 2022, the number of ICU beds increased from around 210 to around 1,015 as compared to 2021. The increased number for ICU beds demand indicates the additional demand of healthcare facilities in the country which has influenced the demand for facility management services.

Moreover, initiatives taken by the Croatian government, especially since the outbreak of the pandemic, is also creating a supportive market scenario for the growth of the studied market. For instance, the updated long-term National eHealth Strategy of the country, which was planned to be adopted in 2021, emphasizes telemedicine and includes the development of modular IT

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

infrastructure.

Croatia Facility Management Market Competitor Analysis

The Croatian Facility Management Market is moderately competitive and is expected to become more competitive during the forecast period as the demand for digital solutions and specialized services increases. The major focus area for the vendors operating in the market is to innovate new products and service types to become integrated facility management service providers. Some notable vendors operating in the market include Atalian Global Services, Regina Group d.o.o, Diversey Holdings LTD, and Alpeona HSG d.o.o.

December 2021 - Poseidon Group, an investor, asset manager, and property manager of the Capitol Park centers in Croatia, announced the sale of the assets of Krizevci, Krk, Jastrebarsko, Ivanic-Grad, and Makarska to a group of local private investors.

July 2021 - The Croatian company Asura Facility Management Skopje, a member of the Croatian Asura Group, signed an agreement in Skopje on the management services of the East Gate Mall, the largest shopping center. As per the terms of the agreement, Asura will provide all of the needed integrated facility maintenance services.

Additional Benefits:

The market estimate (ME) sheet in Excel format

3 months of analyst support

Table of Contents:

1 INTRODUCTION

1.1 Study Assumptions and Market Definition

1.2 Scope of the Study

2 RESEARCH METHODOLOGY

3 EXECUTIVE SUMMARY

4 MARKET INSIGHTS

4.1 Market Overview

4.2 Industry Attractiveness - Porters Five Forces Analysis

4.2.1 Threat of New Entrants

4.2.2 Bargaining Power of Buyers/Consumers

4.2.3 Bargaining Power of Suppliers

4.2.4 Threat of Substitute Products

4.2.5 Intensity of Competitive Rivalry

4.3 Assessment of Impact of COVID-19 on the Market

5 MARKET DYNAMICS

5.1 Market Drivers

5.1.1 Growing Trend Toward Commoditization of Facility Management

5.1.2 Increasing Investments in Commercial Properties

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

5.2 Market Restraints

5.2.1 Lower Awareness about Facility Management Solutions Compared to Other European Countries

6 MARKET SEGMENTATION

6.1 By Facility Management Type

6.1.1 In-House Facility Management

6.1.2 Outsourced Facility Management

6.1.2.1 Single FM

6.1.2.2 Bundled FM

6.1.2.3 Integrated FM

6.2 By Offerings

6.2.1 Hard FM

6.2.2 Soft FM

6.3 By End-User

6.3.1 Commercial

6.3.2 Institutional

6.3.3 Public/Infrastructure

6.3.4 Industrial

6.3.5 Others

7 COMPETITIVE LANDSCAPE

7.1 Company Profiles

7.1.1 Atalian Global Services

7.1.2 Regina Group d.o.o

7.1.3 Apleona HSG d.o.o.

7.1.4 BFM d.o.o

7.1.5 CBRE Group, Inc

7.1.6 Diversey Holdings LTD

7.1.7 Asura Group

7.1.8 AFM Ltd.

7.1.9 PRS-FM d.o.o.

7.1.10 REIWAG Facility Services Group

8 INVESTMENT ANALYSIS

9 FUTURE OF THE MARKET

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

Croatia Facility Management Market - Growth, Trends, Covid-19 Impact, and Forecasts (2023 - 2028)

Market Report | 2023-01-23 | 95 pages | Mordor Intelligence

To place an Order with Scotts International:

- Print this form
- Complete the relevant blank fields and sign
- Send as a scanned email to support@scotts-international.com

ORDER FORM:

Select license	License	Price
	Single User License	\$4750.00
	Team License (1-7 Users)	\$5250.00
	Site License	\$6500.00
	Corporate License	\$8750.00
		VAT
		Total

*Please circle the relevant license option. For any questions please contact support@scotts-international.com or 0048 603 394 346.

** VAT will be added at 23% for Polish based companies, individuals and EU based companies who are unable to provide a valid EU Vat Numbers.

Email*	<input type="text"/>	Phone*	<input type="text"/>
First Name*	<input type="text"/>	Last Name*	<input type="text"/>
Job title*	<input type="text"/>		
Company Name*	<input type="text"/>	EU Vat / Tax ID / NIP number*	<input type="text"/>
Address*	<input type="text"/>	City*	<input type="text"/>
Zip Code*	<input type="text"/>	Country*	<input type="text"/>
		Date	<input type="text" value="2026-03-04"/>
		Signature	

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

