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Exploring the On-Site Workforce in 5 Major U.S. Cities

Dive into the data to uncover the work patterns, habits, and characteristics of today's on-site workforce in the business centers of five major U.S. cities.

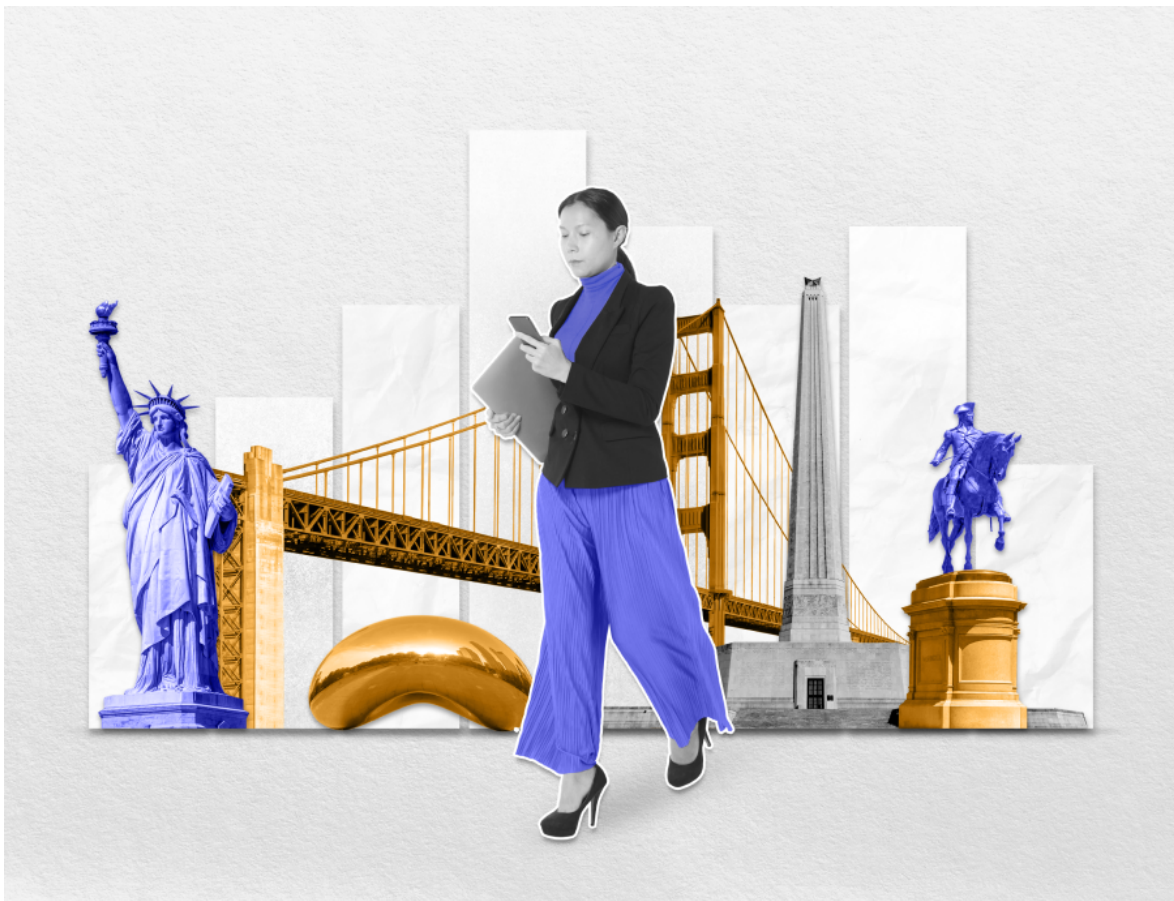


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Making the Most of the New Hybrid Normal

Return-to-office mandates seem to be [everywhere](#). With the pandemic [squarely](#) in the rearview mirror, a [growing number](#) of [companies](#) are cracking down on fully remote work. But hype notwithstanding, [few](#) workplaces are demanding that people show up in person five days a week. Indeed, as our Office Index data has [consistently shown](#), post-pandemic work life appears to have settled into a new hybrid normal, with [many workers](#) coming into work between two and four times a week. Since H2 2022, visits to office buildings [have hovered](#) around 60.0% of pre-COVID levels nationwide, although there are some variations between cities.

It may be [too soon](#) to proclaim the permanent demise of the five-day on-site work week. Still, this new hybrid status quo is already presenting cities, Business Improvement Districts (BIDs), retailers, dining concepts, commercial real estate (CRE) firms, and other stakeholders with significant challenges. [Office buildings](#) may be the first to feel the [squeeze](#) – but the ripple effects of lower workplace attendance are [impacting everything](#) from neighborhood food trucks, to stores, hotels, and subway systems.



To adapt effectively to these changing circumstances policymakers and business owners need to understand current employee visitation patterns.

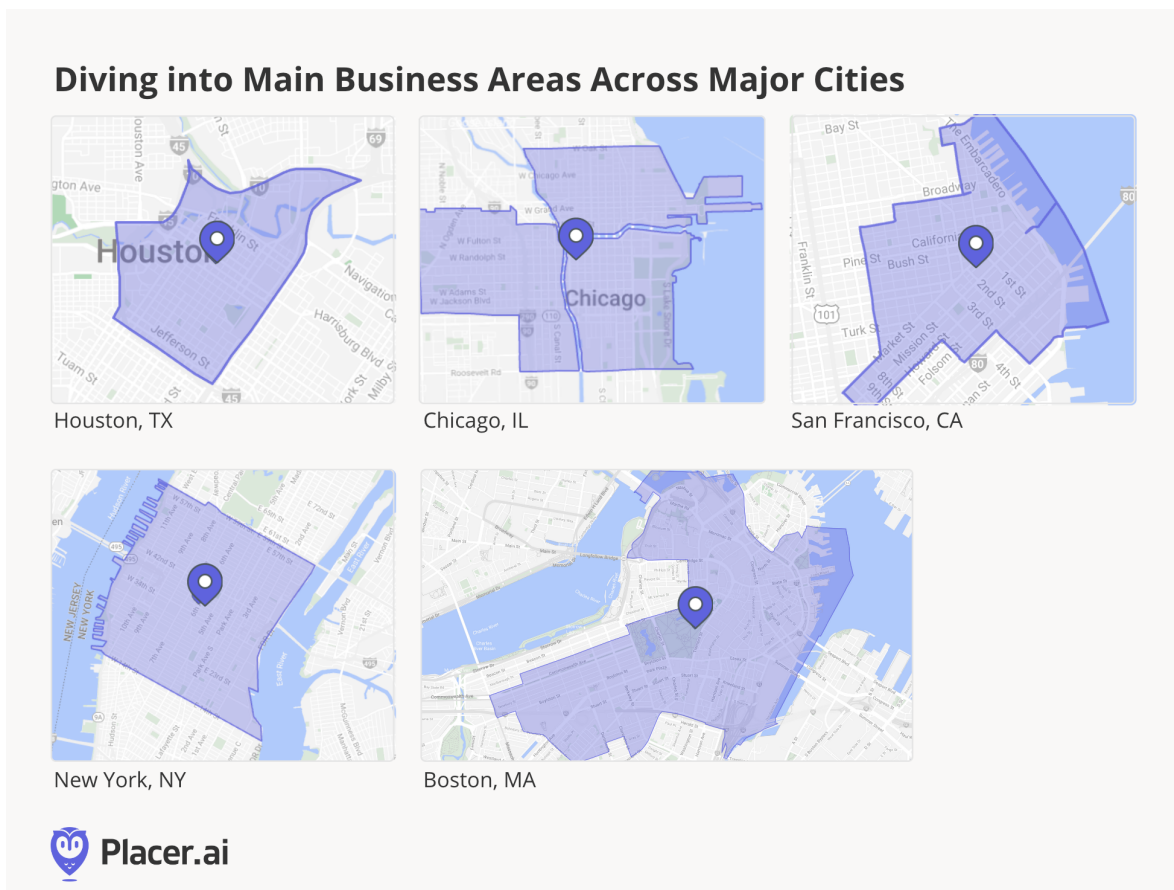
To adapt effectively to these changing circumstances – whether by finding ways to draw more employees back to the office or maximizing engagement with those workers that are already coming in – policymakers and business owners need to understand current employee visitation patterns.

This white paper leverages [location intelligence](#) from January to March (Q1) 2023 to explore the preferences, behaviors, and profiles of on-site workers in the workplace-heavy downtown areas of five major American cities – Boston, Chicago,

Houston, New York, and San Francisco. Who's returning to the office? What are their professional backgrounds and when do they come in? How far is their commute, and how likely are they to grab a cocktail after work?

Analyzing the Captured Markets of Major Business Centers

To understand the habits, demographic profiles, and psychographic characteristics of today's on-site workers, we defined each workplace-heavy downtown area as a [POI](#), or point of interest. The five POIs analyzed are shown on the map below.



Diving into each POI's [trade area](#) revealed the demographic and psychographic characteristics of employees commuting to these downtown business districts. A

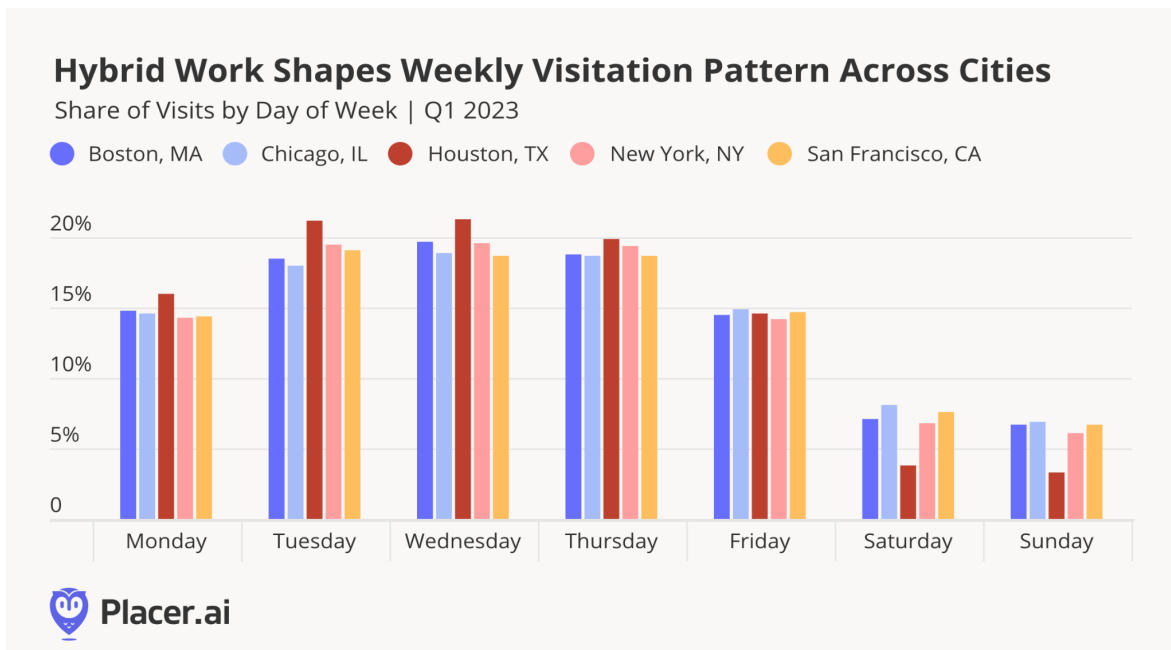
trade area analysis can consider a POI's potential market, which includes the census blocks where visitors to the POI reside, weighted according to the population size of each census block. A captured market analysis weighs the census blocks in a POI's trade area according to the actual visit share to the POI from each census block, and so reveals the demographic and psychographic characteristics of the population that visits the POI in practice.

This report considers both the captured and the potential market of each POI to understand which psychographic and demographic profiles are over- and under-indexed among on-site workers in the five analyzed business districts.

Fighting the Midweek Slump

With virtual work taking a toll on the five-day on-site work week, various players impacted by the shift – from retailers to restaurants and even local gyms – have been pushed to adapt. And to drive performance in this shifting environment, stakeholders must understand what days employees are more or less likely to be on-site.

In Q1 2023, employee traffic to the five downtown areas was concentrated in the middle of the week, with Fridays and Mondays [seeing](#) the lowest share of visits.



Whether to ease the Monday blues or to fight the midweek slump by meeting colleagues face-to-face, employees are voting with their feet – and the pattern is making its [impact](#) felt by [municipalities](#), retailers, and [restaurants](#) nationwide. By accounting for this trend and planning accordingly, businesses and policymakers can make the most of the days when employee foot traffic is at its highest.

Top Executives Lead the Way

Understanding which workers from different occupational backgrounds actually visit the workplace can also be critical for a broad range of decision-makers. And comparing the potential and captured employee markets of each urban center's [trade area](#) reveals the professional backgrounds of employees in the analyzed cities and the profiles of those most likely to work on-site.

Looking specifically at a professional audience that tends to gravitate towards big urban centers – top executives – shows that, as expected, all five cities boast greater shares of these employees than their respective statewide baselines. But comparing the captured and potential markets of each downtown business district reveals that this group accounts for an even larger share of onsite employees.



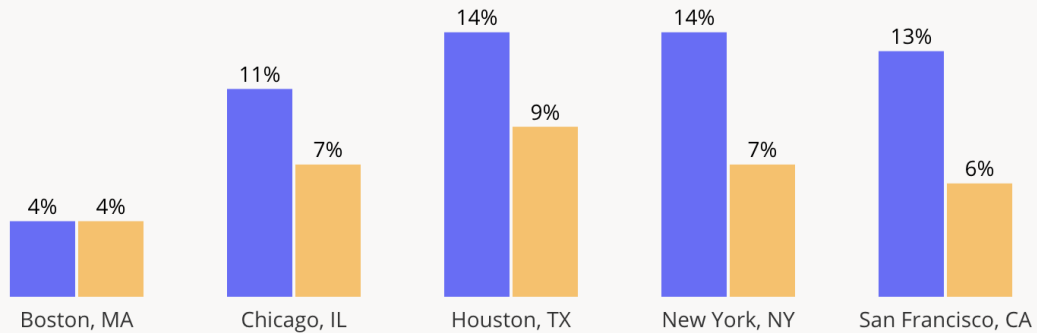
Top executives appear to be leading by example and account for a large share of employee visits.

Top executives generally account for a disproportionately large share of employee visits – the share of top executives in the POIs' captured markets tends to be larger than the share in the potential market. This indicates that top execs eager to bring their employees back to the office appear to be [leading by example](#).

Top Executives are More Likely to Make Their Way into the Office

STI: Workplace Data of Trade Areas | Q1 2023

● Captured Market Relative to Statewide Average ● Potential Market Relative to Statewide Average



Long Hauls and Short Treks

[Location intelligence](#) can also reveal employee travel distances, and layering additional datasets onto [traffic data](#) can show the levels of access to private vehicles in each business district's trade area. And here too, the data reveals significant differences between the urban centers analyzed.



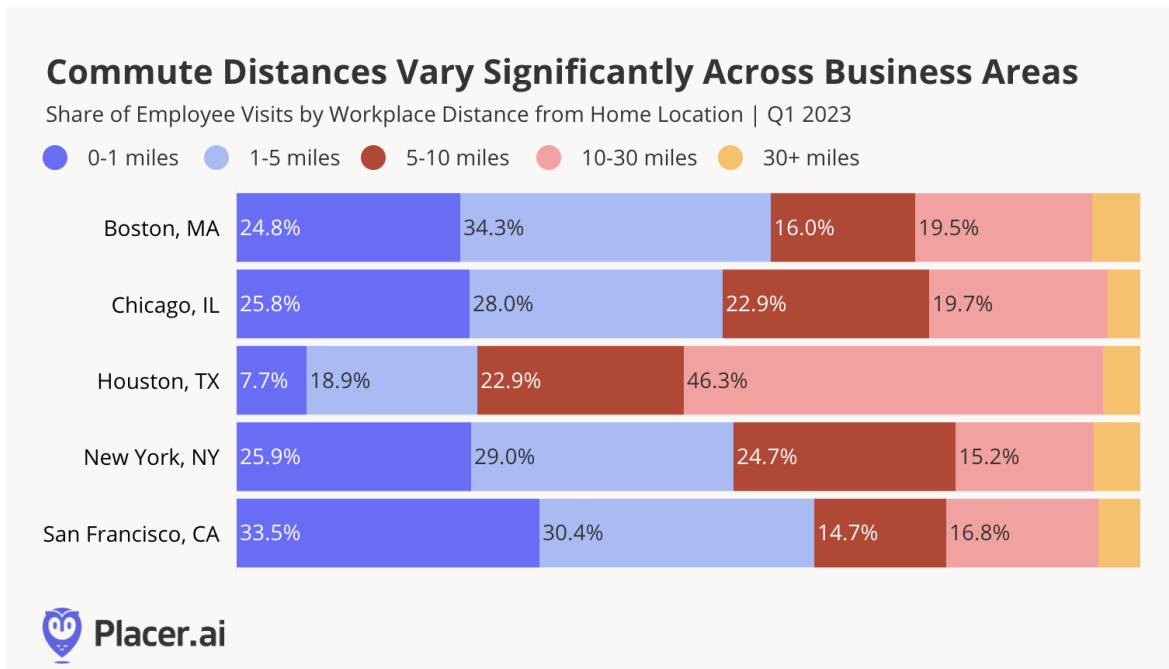
In Boston, Chicago, and New York, close to a quarter of employee visits originated from areas less than a mile away from the main business center. And between 53.8% and 59.1% of visits came from less than five miles away. In San Francisco, on the other hand, slightly more than a third of visits originated 0-1 miles away, and nearly two-thirds (69.3%) originated less than five miles away.



In many cities – and especially San Francisco – living close to the workplace is a key determinant of visit frequency.

Houston, on the other hand, stands out as a hub for long-haul commuters. Texas' [most populous city](#) is also its [largest](#), and Houstonians well-habituated to the city's infamous [urban sprawl](#) apparently [think nothing](#) of spending hours on the road. In

Houston, just 7.7% of employee visits in Q1 2023 originated 0-1 miles away from the town's business center, and slightly more than half came from 10 or more miles away.



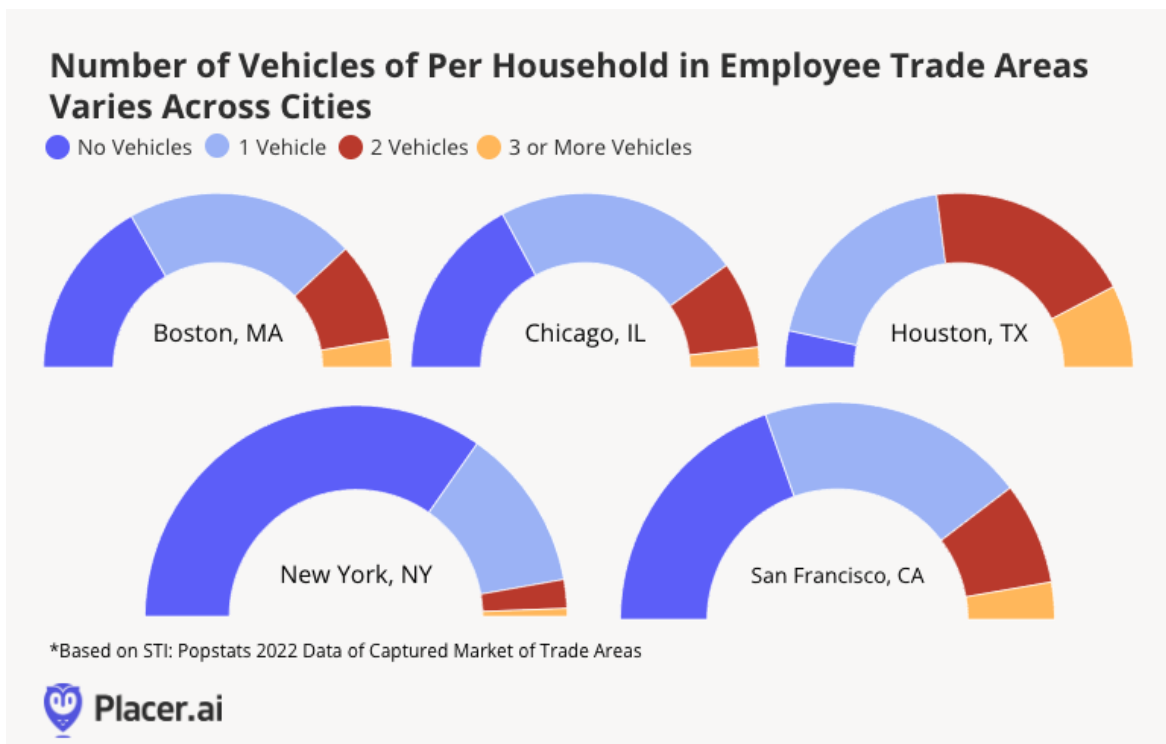
These metrics appear to indicate that in many cities – and especially San Francisco – living close to the workplace is a key determinant of visit frequency.

Parking and Public Transportation

The typical commuting distance in the various analyzed cities also seems to correlate with car ownership. Given their commuting habits, it may come as no surprise that Houstonians really depend on their cars. A whopping 93.2% of households in the captured employee market of Houston's business center owned one or more cars in Q1 2023. Meanwhile, about two-thirds of residents in the captured markets of downtown Boston, Chicago, and San Francisco owned cars – and only about 30.5% of employee visits to New York City's downtown came from households that owned at least one car.

In these latter cities, where an outside share of workers appear to rely on [excellent](#) public transportation systems to make their short treks to the business districts,

ensuring the continuity of these services is of paramount importance. In Houston, on the other hand, adequate employee parking may be the name of the game.



The People Behind the Visits

One-Person Households Take Center Stage

Comparing captured and potential markets in the trade areas of the five analyzed business districts can also reveal important demographic and psychographic information about the employees that are back in the workplace in 2023. For example, understanding the breakdown of household composition among on-site employees can help employers and other stakeholders understand some of the challenges – and opportunities – created by the new normal.

Indeed, trade area data reveals that, in all five cities, employees hailing from census blocks with higher rates of one-person households accounted for a disproportionate share of employee visits. In other words, employees residing in areas with more

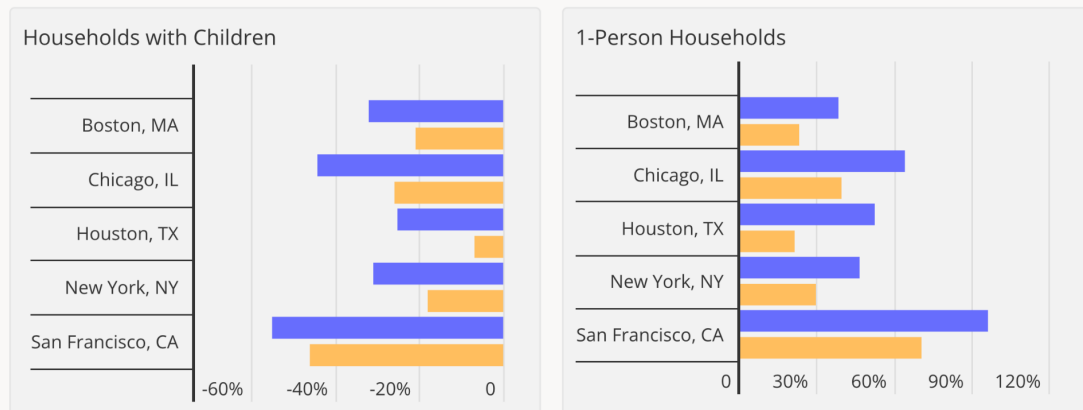
one-person households were more likely to be back in the workplace. At the same time, employees from trade areas that included more households with children were less likely to visit the workplace, which indicates that parents were less likely than singles to be working on-site.



One-person households were significantly overrepresented among employees of the five business districts.

Employees in Areas with High Rates of 1-Person Households are More Likely to Come Work On-Site, Parents Less So: Q1 2023

● Captured Market Relative to Statewide Average ● Potential Market Relative to Statewide Average



*Based on STI: Popstats 2022 Data of Trade Areas



For employees juggling work and family responsibilities, COVID was likely a [game changer](#). And having tasted the flexibility that comes with remote or hybrid work, many are reluctant to be back in the workplace full time.

With these trends in mind, employers eager to encourage more on-site work can try to increase the share of employee visits from individuals belonging to family households by addressing the concerns of working parents. Restaurants and retail



stores, for their parts, may harness the insight one-person households account for such a large share of visits to configure their offerings accordingly.

Impacts Beyond the Workplace

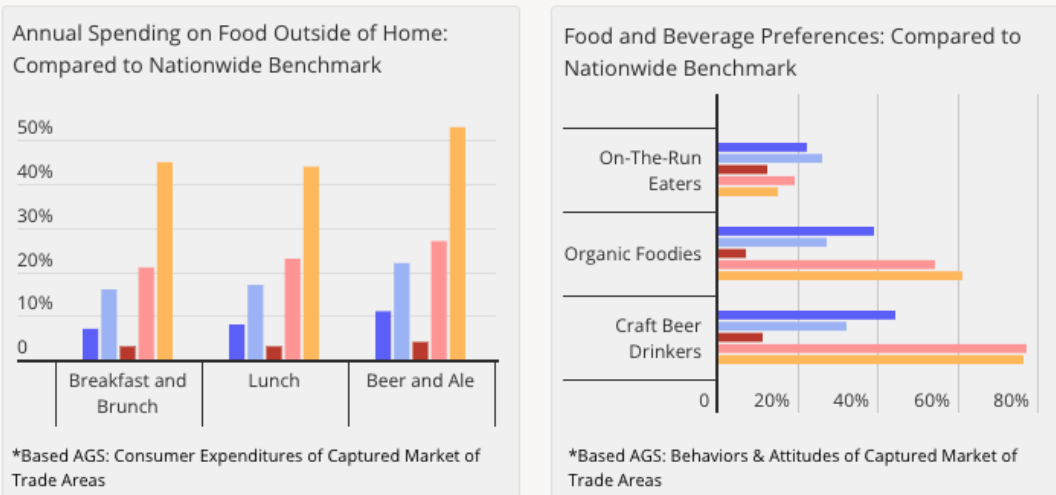
The data also reveals that employees that have returned to the workplace may be more likely than others to eat out at work or stick around after hours to unwind over a cocktail with friends.

Comparing the captured employee markets of the analyzed urban centers to a nationwide baseline shows that despite some regional differences, employees from all the analyzed cities spend more money on eating out than the nationwide average. Beer and ale in particular stand out as disproportionately high out-of-home expenditures for employees across cities.

Understanding Employee Eating Preferences May Help Restaurants and Bars in the Surrounding Business Areas

Q1 2023

● Boston, MA ● Chicago, IL ● Houston, TX ● New York, NY ● San Francisco, CA



The employee captured markets of all five cities also boast larger-than-average shares of on-the-run eaters, organic foodies, and craft beer drinkers. But whereas Houston



on-site employees are more likely to be on-the-run-eaters than organic foodies or craft beer drinkers, on-site workers in New York and San Francisco seemingly can't get enough craft beer.

With a stalled office recovery [hurting](#) restaurants, bars, and even [food trucks](#), dining establishments can use these psychographic insights to adapt their menus to the preferences and habits of employees on the ground.

Onsite Work at an Evolutionary Crossroads

The emerging balance between remote and on-site work remains a work in progress. In the months and years to come, employers, workers and municipalities will [continue](#) to [negotiate](#) the contours of the post-pandemic in-office work week.

For now at least, a full-blown return to the office appears unlikely. But understanding the habits and characteristics of those workers that do frequent the workplace can help cities, local businesses, CRE firms, and others successfully navigate this new reality. By analyzing the professional profiles, commuting habits, visitation patterns, and demographic and psychographic attributes of on-site employees, stakeholders can maximize the benefits of current visitation levels and adapt to the new hybrid normal.

Key Takeaways

1. **The Tuesday to Thursday on-site work week is showing longevity.**
Remote-capable employees across cities prefer to concentrate on-site visits in

the middle of the week and spend Mondays and Fridays working from home. This has unique ramifications for office-reliant businesses and presents powerful opportunities for those operating in suburban and residential areas.

2. **Workplace visitation patterns vary widely across cities and professional sectors.** Not all jobs can be performed remotely. But even among employees in more flexible industries, there is a great deal of variance between regions and sectors. There are indications that top executives account for a disproportionately high share of workplace visits.
3. **Ease of access is key.** Employees' willingness to endure the grind of a prolonged daily train or bus commute seems to be a thing of the past. Only in Houston, where car ownership rates are higher, do the majority of employee visits originate from more than ten miles out from the downtown business hub.
4. **One-person households account for a disproportionate share of employee visits – while parents seem to be staying home.** For employers eager to encourage a return to office, finding ways to meet the needs of working parents may be key. Local businesses, for their parts, can utilize the insight that workers from one-person households are likely the main drivers of today's on-site visits to configure their offerings accordingly.
5. **Bring on the (craft) beer.** Onsite workers like to eat out – but their preferences vary. By delving into the tastes, spending habits, and other psychographic characteristics of on-site employees, local eateries that rely on workplace foot traffic can adapt more effectively.