

Los Angeles Office Trends in 2024

Discover the state of office recovery in the Los Angeles metro area – and explore key trends shaping the return to office in some of LA’s major business districts.

1. **Although LA’s office recovery lags behind that of other cities, the area’s top-performing buildings are outpacing the nationwide average.** The city’s slow-but-steady recovery is still underway, led by buildings with a smaller post-COVID visit gap than the nationwide baseline.
2. **Younger demographics are significant drivers of LA’s RTO.** Top-performing LA office buildings are drawing visitors from areas with higher shares of "Emerging Leaders" and "Young Coastal Technocrats" than the broader metro area.
3. **Return-to-office mandates are changing reality on the ground.** Three major companies – Activision, TikTok, and SNAP, Inc. – recently intensified their return-to-office mandates – and the share of repeat visitors to these buildings grew significantly.
4. **LA’s recovery trajectory remains uneven across districts.** In Culver City, weekday visits by local workers were down just 18.4% in Q2 2024 compared to Q1 2019 – while in Downtown LA, Century City, and Santa Monica, such visits were down 29.7%, 28.5%, and 23.3%, respectively.
5. **Century City commuting habits are normalizing.** The share of local workers traveling between three and seven miles to Century City is bouncing back to pre-pandemic levels, as is the size of the district’s trade area.



Table of Contents

- A Return-to-Office Overview** 3
- LA’s Cubicle Comeback** 3
 - Slow But Steady Wins The Race 3
 - From Zooms To Office Rooms 5
 - Mandates in Action 6
- A Regional Office Revival** 8
 - Business Districts Bounce Back 8
 - Commuter Chronicles in Century City 9
- Back In Business** 10

A Return-to-Office Overview

Return-to-office (RTO) trends have been closely watched over the past few years, with relevant stakeholders trying to puzzle out the impact remote and hybrid work have had on business operations and worker performance. And while visits to office buildings, overall, remain below pre-pandemic levels, office recovery varies from city to city – reflecting the complex and nuanced nature of regional economic trends, workforce preferences, and industry-specific needs.

This white paper harnesses location analytics to explore office recovery in the country's [second-largest](#) economy – Los Angeles. The first part of the report is based on an analysis of foot traffic data from Placer.ai's Los Angeles Office Index – an index comprising 100 office buildings in LA (including several in the greater metro area). The second part of the report broadens the lens to analyze visits by local employees to [points of interest](#) (POIs) corresponding to four major LA-area office districts: Century City, Downtown LA, Santa Monica, and Culver City. The white paper examines the impact that return-to-work mandates have had on visits to office buildings, discovers which demographic groups are driving the RTO, and explores the connection between commute time and return-to-office rates.

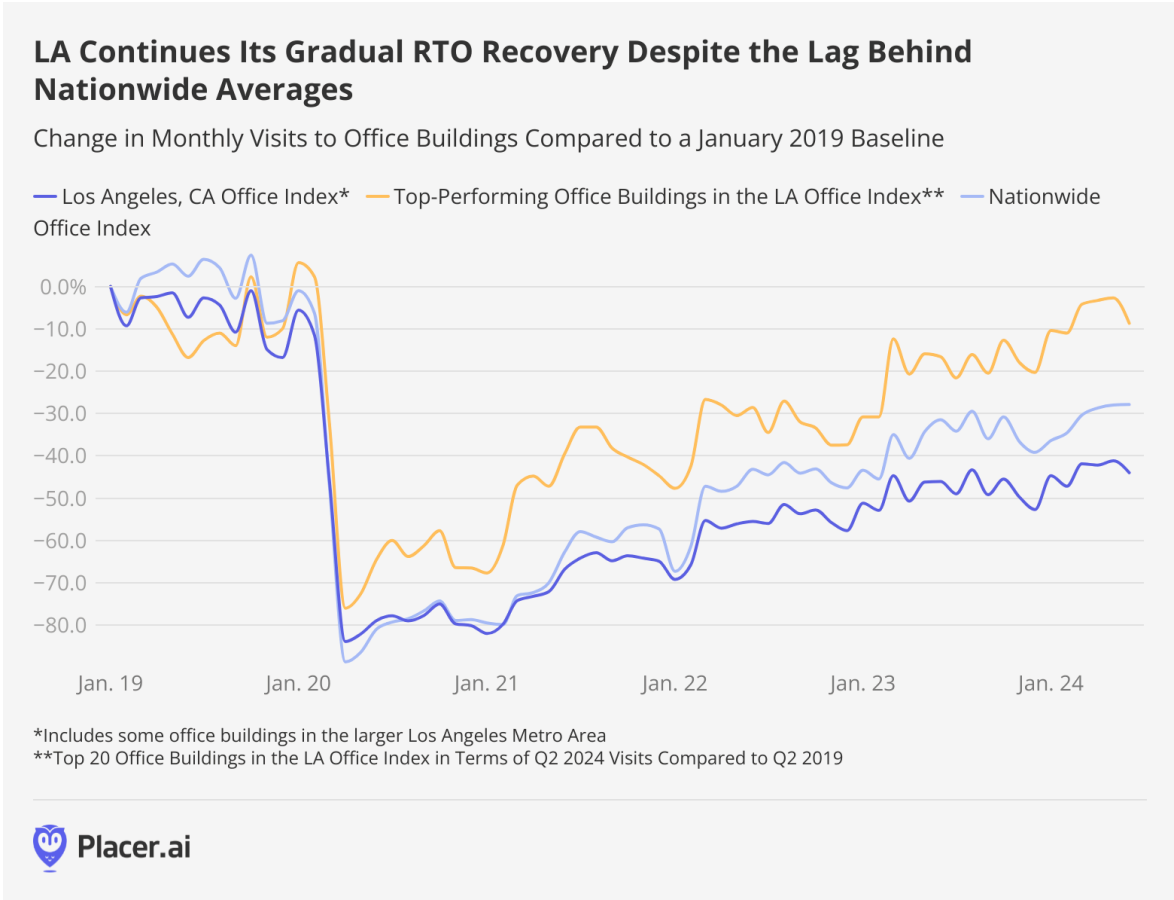
LA's Cubicle Comeback

Slow But Steady Wins The Race

The return to office in Los Angeles has consistently lagged behind other major cities, underperforming nationwide recovery levels since the pandemic ground in-office work to a virtual halt. Still, the city's office buildings are seeing a steady increase in visits, with foot traffic tending to spike at the beginning of each year. This indicates that even though office visits in LA are still below national averages, they are on a steady growth trajectory – a promising sign for stakeholders in the city.

A closer examination of Los Angeles office buildings also shows that despite the overall lag, some top-performing buildings in the LA metro area are defying the odds. Visits to the 20 local office buildings with the narrowest Q2 2024 post-COVID visit gaps were down just 8.7% in June 2024 compared to January 2019 – significantly outperforming the nationwide average.

So while overall office recovery in the city is still behind nationwide trends, these top-performing buildings indicate an optimistic outlook for the city's office spaces.



From Zooms To Office Rooms

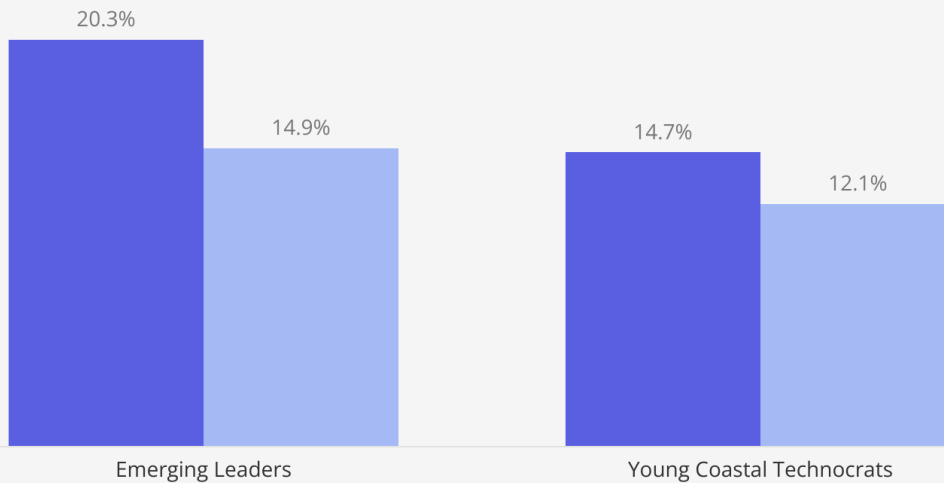
Diving into the demographics of visitors to LA's top-performing office buildings reveals an important insight: these buildings are attracting younger workers. This cohort has shown a [stronger preference](#) for in-person work compared to their [older colleagues](#).

Analyzing the buildings' [captured markets](#) with psychographics from [AGS: Panorama](#) reveals that these buildings are attracting visitors from areas with larger shares of "Emerging Leaders" and "Young Coastal Technocrats" than the broader metro area.

Top-Performing LA Office Buildings See Higher Shares of Younger Segments

Based on Placer.ai Captured Market Data Combined with AGS:Panorama Demographic Data | Q2 2024

■ Top-Performing Office Buildings in the LA Office Index ■ Los Angeles, CA Office Index



Emerging Leaders: Upper middle class neighborhoods with younger households. These highly educated professionals are early in their careers and highly upwardly mobile. **Young Coastal Technocrats:** These generally young and highly educated professionals in information technology and professional services are prevalent in the growing high-tech centers found in relatively high density urban areas.



"Emerging Leaders" – upper-middle-class professionals in early stages of their careers – make up 20.3% of households in the trade areas feeding visits to these top-performing buildings, compared to 14.9% in the broader LA CBSA. Similarly, "Young Coastal Technocrats," young and highly educated professionals in tech and professional services, account for 14.7% of households driving visits to the top-performing buildings, compared to only 12.1% in the broader area.

The trend suggests that companies in these high-performing office buildings employ many early-career professionals eager to accelerate their careers and work [in-person](#) with colleagues and mentors. This is a positive sign for the future of the office market in the LA metro area, indicating that it is attractive to key demographic groups that are likely to drive future growth and innovation.

Mandates in Action

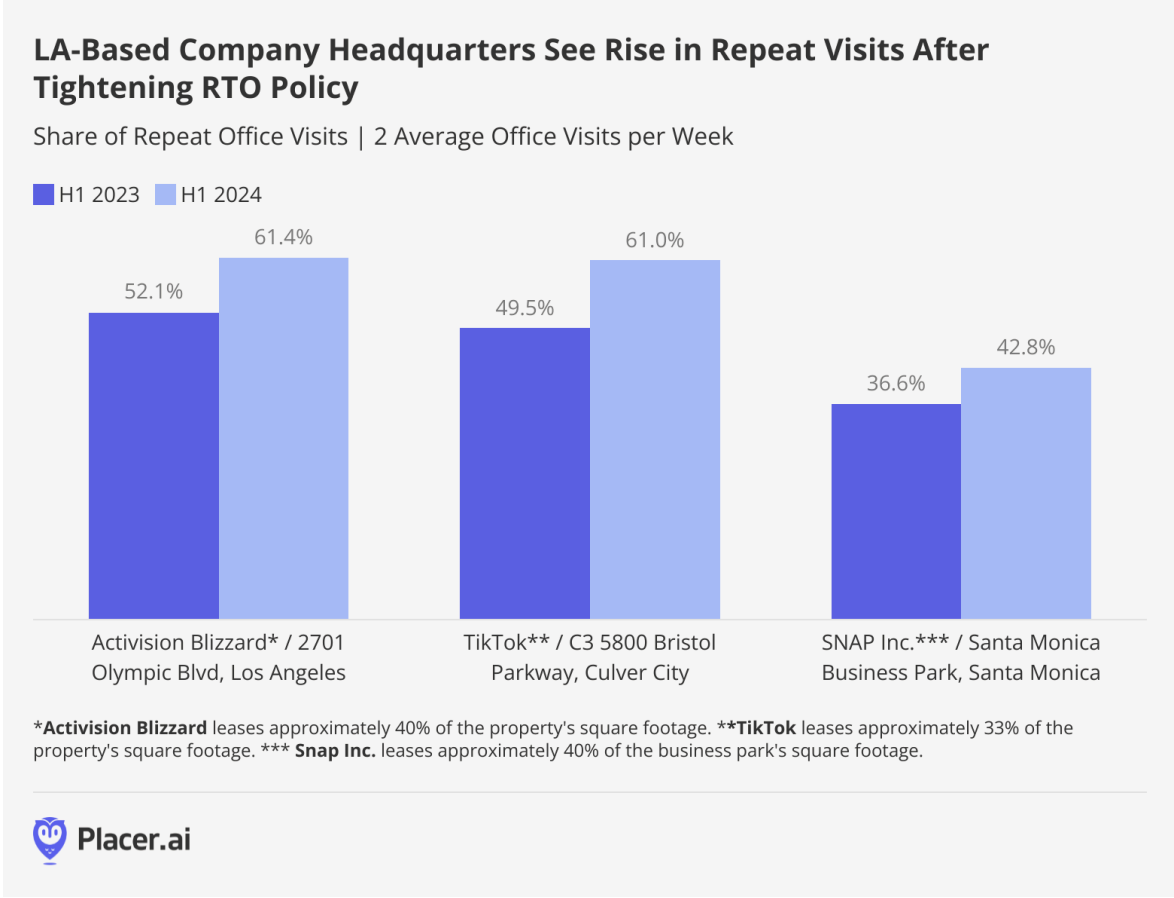
Over the past few years, the debate regarding return-to-office mandates has been a heated one. Will employees follow return-to-office requirements? Can companies enforce the return to office after offering remote and hybrid work options? Recent location analytics data suggests that, at least in the Los Angeles metro area, some return-to-office mandates have been effective.

Three major tech companies – Activision Blizzard, TikTok, and SNAP Inc. – recently made their return-to-office policies stricter. Activision [mandated](#) a full return to the office in January 2024. TikTok has also [intensified](#) its return-to-office policy while seeking to expand its office presence in the greater Los Angeles area. And [SNAP Inc.](#) required employees to return to the office earlier this year as a condition of continued employment.

Visitation patterns at each of these companies' respective headquarters suggest that their policies have directly impacted visit frequency. Since the beginning of the year, the share of repeat office visits (defined as two or more visits per week) has increased for all three locations. Activision saw its share of repeat office visits grow from 52.1%

in H1 2023 to 61.4% in the same period of 2024. TikTok's repeat visits grew from 49.5% to 61.0%, and SNAP's repeat visits increased from 36.6% to 42.8%.

These numbers highlight how return-to-office policies can lead to noticeable changes in office visit patterns and offer a blueprint to other businesses looking to foster a stronger in-office workforce.

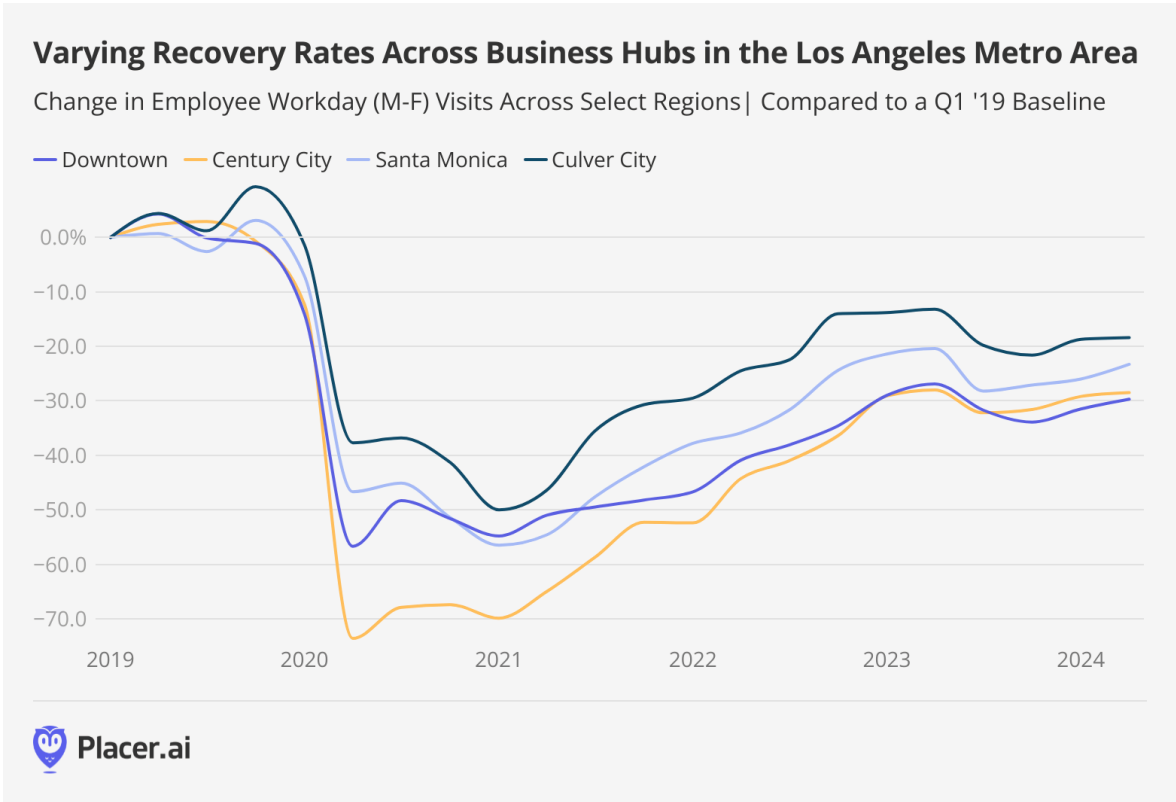


A Regional Office Revival

Business Districts Bounce Back

Los Angeles is the second-largest metro area in the country, with several distinct business districts across its sprawling landscape. And a closer look at four major office hubs in the greater LA area – Century City, Downtown LA, Santa Monica, and Culver City – highlights how the office recovery can vary, not just by city or demographic, but on a neighborhood level.

Weekday visits by local employees to all four analyzed business districts have rebounded significantly since 2020 – though each area has followed its own particular trajectory.



Culver City, home to major businesses including [Sony Pictures](#) and [Disney Digital Network](#), saw the least pronounced drop in employee visits during the early days of the pandemic. And in Q2 2024, weekday visits by local workers were down just 18.4% compared to Q1 2019.

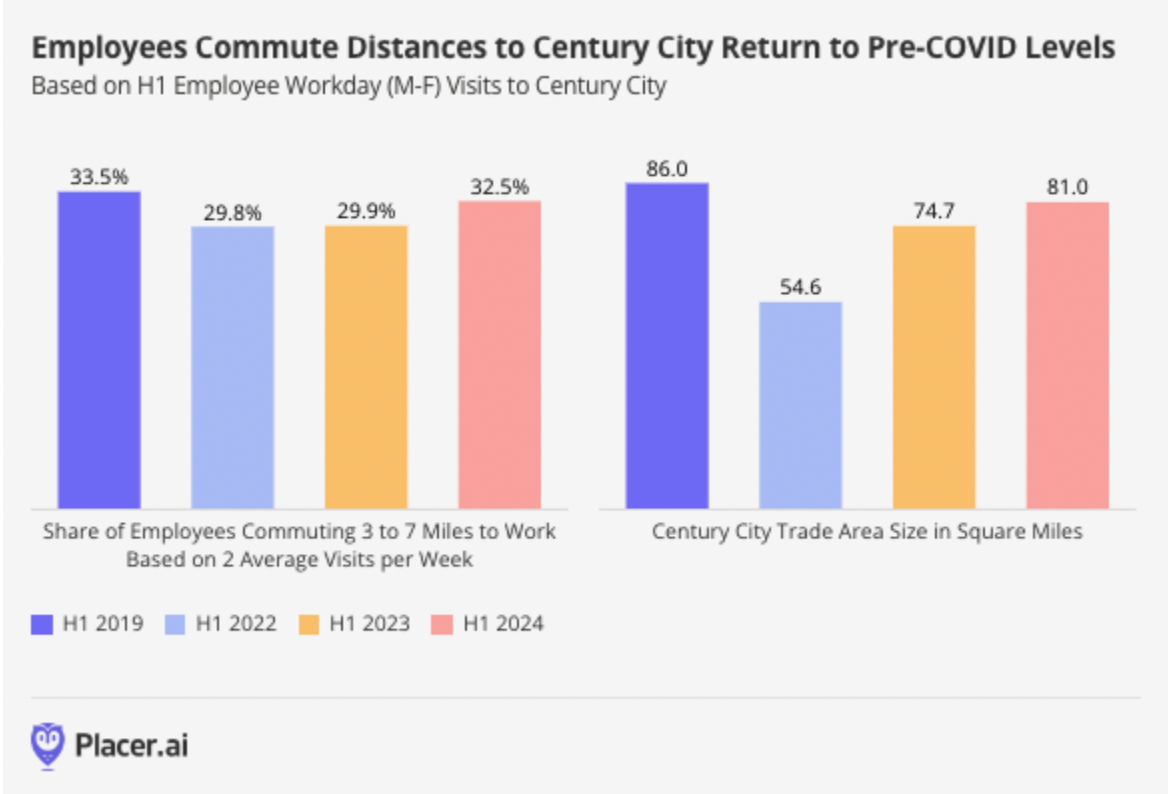
Century City, on the other hand, saw the most marked drop in local employee foot traffic as the pandemic set in. But the district's recovery trajectory has also been the most dramatic – with a Q2 2024 visit gap of just 28.5%, smaller than Downtown LA's 29.7% visit gap. Perhaps capitalizing on this momentum, Century City is [expanding](#) its business district with the addition of a major new office building, set to be completed in 2026 and serve as the [headquarters](#) for Creative Artists Agency. Santa Monica, for its part, finished off Q2 2024 with a 23.3% visit gap.

Commuter Chronicles in Century City

Century City stands out within the Los Angeles metropolitan area for its dramatic decline and subsequent resurgence in local employee foot traffic. And looking at another metric of office recovery – employee commute distance – further underscores the district's remarkable comeback.

The share of employees commuting to Century City from three to seven miles away has nearly returned to pre-COVID levels – suggesting a normalization of commuting patterns by local workers living in the area. In H1 2019, 33.5% of workers in Century City commuted between 3 and 7 miles to work; in 2022, that number had dropped to 29.8%. But by 2024, the share of visitors making that commute had grown to 32.5% – much closer to pre-COVID numbers.

Similarly, the region's [trade area](#) size, which had contracted significantly in the wake of the pandemic, bounced back significantly in 2024. This serves as another indication of Century City's rebound, cementing Century City's status as a key business hub within the Los Angeles metropolitan area.



Back In Business

Five years after the upheaval caused by the pandemic, office spaces are still changing. Although the Los Angeles area has taken longer to recover than other major cities, analyzing local visitation data shows significant pote

ntial for the city's business areas. With young employees leading the return-to-office charge, the city is poised to keep driving its strong economy and adjust to an evolving office environment.