

2023 RTO REPORT



Sips Don't Lie: A Report on Return-to-Office Trends

Bevi's Water Coolers Tell the Real Story of Office Attendance

A note from Bevi's CEO

The pandemic changed how we work. Over just a few days back in March 2020, most of the global professional workforce closed down their offices and set up shop at home. It quickly became normal. There were benefits, there were drawbacks. No one knew how long it was here to stay—some figured forever. But no one knew. Not exactly. At Bevi, we placed a bold bet that offices would make a comeback.

Ever since 2020, bit by bit, industry by industry, we started to transition—to return back to the office. But not like before. Nearly three out of four companies went hybrid, a new way of working that had no shared definition. Employees widely favored hybrid setups, citing flexibility as their primary preference.

What does hybrid work actually mean in 2024, as we look beyond the headlines and executive statements? What does office attendance actually look like day to day and month to month? Who is staying remote and who is prioritizing in-person presence? If office vacancies are so high, why have our commutes gotten so long?

To answer these questions, we examined aggregate usage data from our Smart Water Coolers®, which are found in thousands of offices across all 50 states, ranging from many small businesses to 30% of the companies in the Fortune 1000. In addition to looking at overall attendance across various customer segments, we honed in on monthly, daily, and even hourly trends. As Bloomberg noted in early 2023, the amount of water people drink at work turns out to be a remarkably good indicator of how much time they spend in the office.¹

We hope our insights will help with your own RTO benchmarking and planning!

Sean Grundy
BEVI CEO



How we analyze office attendance

Terminology:

OFFICE OCCUPANCY

The amount of physical space a company uses for its offices

OFFICE ATTENDANCE

The number of employees working in an office

This is an important distinction because office occupancy data tells old news. There's a lot of doom and gloom about commercial real estate, with headlines calling out declining office occupancy rates. In reality, many of the offices whose leases are finally ending in 2023-2024 have actually been empty or rarely used since 2020! Tenants were simply stuck in long-term leases so they had to pay for space they weren't using.² Like observing a supernova from Earth, the declining office occupancy rate shows us what happened lightyears ago.

Office attendance data, on the other hand, tells us who is physically present in an office, regardless of whether they're paying a lease. This gives us a real-time picture of what hybrid work actually looks like.

Process:

- Let's start by defining how we compare pre- and post-pandemic office attendance.
- We assume that on average, individuals consumed the same amount of water per year from 2019 - 2023. In other words, we assume that the amount of water they drank in the office is an accurate reflection of the time they spent in the office. Fluctuation in the use of Bevi machines therefore serves as a proxy for fluctuation in office attendance.
- We use 2019 as our benchmark pre-pandemic year.
- We compare each month in a given post-pandemic year—2021, 2022, and 2023—to the same month in 2019. So January 2023 gets compared to January 2019, February 2023 gets compared to February 2019, etc. We're doing this because water consumption isn't consistent month to month. People tend to drink more cold water during the summer and more hot drinks in the winter. There are also seasonal attendance fluctuations related to holidays, and we need to isolate those.
- Through these comparisons, we can see how far office attendance is behind—or ahead, in the surprising case of some major metropolitan areas—pre-pandemic levels for any given month.
- Our comparison includes all historical Bevi machines connected to Bevi's online portal—even those that were disconnected after 2019.
- We only examine and report on aggregate data, grouped by industry, region, or company size. We never share individual company data. Bevi does not sell usage data.

7 big takeaways from the analysis



1 We're going back to the office
[whether we like it or not]

2 San Francisco is last in RTO
[but it's not as far behind as you think]

3 Dallas and Miami led the charge back to office life

4 Days in the office are fewer, but longer

5 Wall Street is still intense, but not like old times

6 Tech saw the biggest jump in 2023

7 Medium-sized companies allow for the most remote work

1. We're going back to the office (whether we like it or not)

Free fall...

During the first year of the pandemic, office attendance across industries and cities plummeted. April of 2020 saw only 6% of the office attendance as April 2019, and would only recover to 20% by November of the same year. Almost everyone had gone remote.

...followed by a steady recovery

Office attendance has steadily recovered every year since that radical, rapid swing to remote-first work. 2022 started with office attendance at 24% of its pre-pandemic level, and then ended at 49%; 2023 ended at 56%. Some experts argued that office attendance at 50% would be the new normal, but our data shows that we're already above that—and continuing to trend upward.³

Attendance vs 2019



Sips don't lie

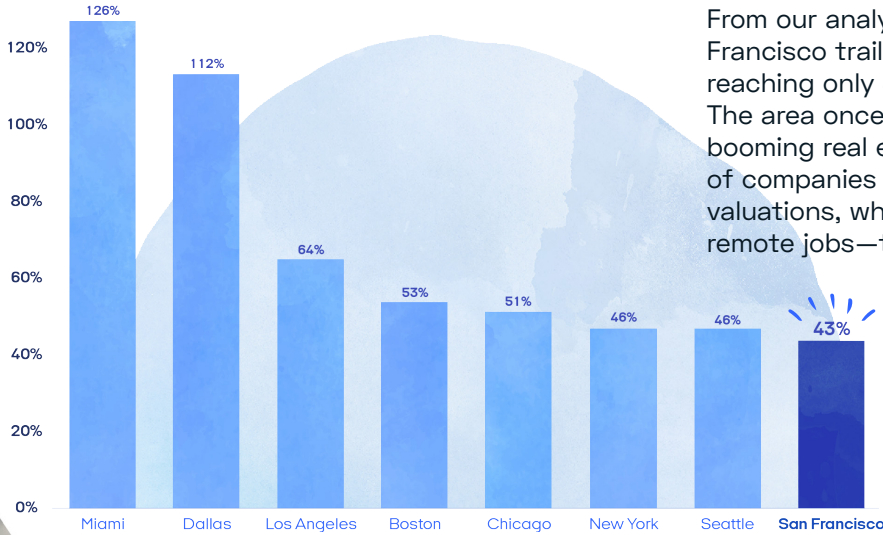
The return-to-office debate is still contentious. Will employees actually like coming back in, or will it drive them to reconsider their job? What's the right balance? Although the argument rages, our water dispensing data set makes it clear: regardless of how we feel about it, the office is a place we're continuing to spend more and more time as March of 2020 gets further and further in the rear view. The most significant dip in the last three years occurred in January of 2022, when the Omicron variant swept the U.S., but the effect on RTO was brief. The RTO march appears unstoppable.⁴

3. Telford, T. (2023). America's offices are now half-full. They may not get much fuller. The Washington Post. <https://www.washingtonpost.com/business/2023/02/04/return-to-office-occupancy-status/>

4. Sangal, A., Vogt, A. (2022). The latest on the coronavirus pandemic and the Omicron variant. CNN. <https://www.cnn.com/world/live-news/omicron-variant-coronavirus-news-01-26-22/index.html>

2. San Francisco is last in RTO (but it's not as far behind as you think)

Attendance by City
2023 vs 2019



If you're going to San Francisco, be sure to get good WiFi in your home

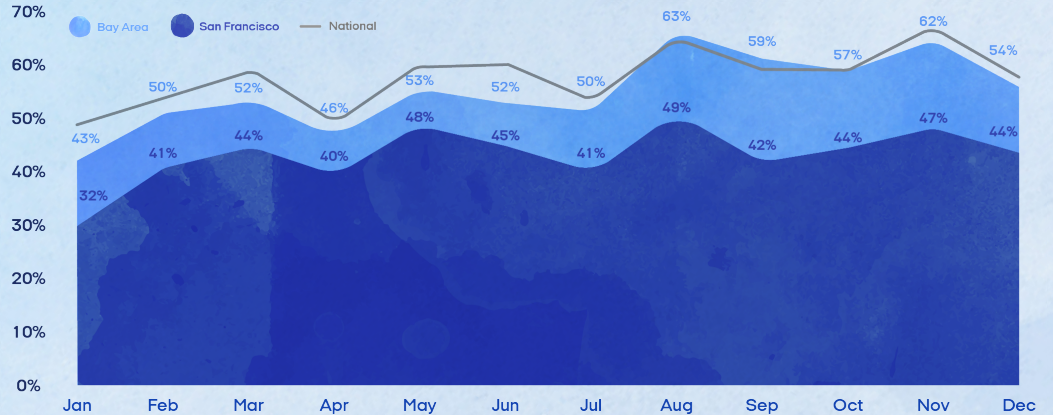
From our analysis of nine major U.S. cities, San Francisco trails in post-pandemic office attendance, reaching only 43% of pre-pandemic levels in 2023. The area once known for a bustling tech scene and booming real estate market has seen an exodus of companies and a tumble in commercial building valuations, while a third of its residents work totally remote jobs—the highest rate among all U.S. cities.^{5 6 7}



The Bay Area and back down

When looking at the rest of the Bay Area excluding San Francisco, the story gets stronger, with a monthly peak at 63% of pre-pandemic work attendance this year—14 percentage points higher than San Francisco's monthly 2023 peak at 49%. The noticeable difference in the resurgence of office attendance between other populous cities in the Bay Area such as Oakland and San Jose might be due to how many people have moved away from SF. The city saw its residential vacancies surge 50% between 2019 and 2021.⁸

Attendance – San Francisco & Bay Area
2023 vs 2019



5. O'Loughlin, H. (2023). Every Business Leaving San Francisco (2020 - 2023). Build Remote. <https://buildremote.co/companies/businesses-leaving-san-francisco/>
 6. Truong, K. (2023). San Francisco Among Most Vulnerable Cities to Plummeting Real Estate Values. The San Francisco Standard. <https://sfstandard.com/2023/07/18/san-francisco-commercial-property-values-could-plummet-40-by-2025/#>
 7. Gutiérrez, H. (2023). New Work From Home Data Shows Disparities. NBC Bay Area. <https://www.nbcbayarea.com/investigations/work-from-home-data-disparities/3153729/>
 8. Schneider, B. (2023). San Francisco saw big increase in vacant homes, new report shows. San Francisco Examiner. https://www.sfoxaminer.com/news/housing/san-francisco-saw-big-increase-in-vacant-homes-new-report-shows/article_5c32fede-5004-11ed-85dc-03f11fbf7f7be.html

3. Dallas and Miami led the charge back to office life



Boston

New York

Dallas

Miami

RTO is bigger in Texas

Texas as a whole has seen major investment in commercial real estate since the pandemic.⁹ But even in the Texas cities where real estate growth has started to decrease, the number of people commuting to the office has continued to go up. In 2023, Dallas saw its office attendance surpass pre-pandemic levels by 12%.¹⁰

A different approach

In contrast to their northeastern and western counterparts, southern metropolitan areas, especially those within Florida and Texas, prioritized an “open for business” approach much earlier. Miami, for example, aimed to swiftly reopen public areas and surrounding businesses such as restaurants and clubs as early as March 2021—and our data suggests a return to work much earlier than this.¹⁴ During the first year of the pandemic, Miami saw its in-office attendance surge above the previous year’s levels by the middle of the summer. (Part of the push recognizes employees are looking for more amenities when heading back to the office.)¹⁵

Party in the office where the heat is on

Miami has seen its economic profile elevated since the pandemic, thanks to a combination of high-profile businesses relocating to the area along with an influx of new residents.^{11 12} Miami has seen its commercial real estate grow to a place that’s stronger than ever; within Miami-Dade County alone, 1.4 million square feet of new office space is being built, according to a report from JLL.¹³ In contrast, major cities like Boston, New York, and Chicago have struggled to keep up, and it shows in their more muted office attendance levels. Respectively, these cities saw peak office attendance rates of 60%, 54%, and 59% over the last three years.

9. Grant, P. (2023). Fort Worth’s Commercial Real Estate Market Is Suddenly Booming. The Wall Street Journal. <https://www.wsj.com/articles/fort-worths-commercial-real-estate-market-is-suddenly-booming-160c5f47>

10. Brown, S. (2023). Austin, Dallas, and Houston are leading U.S. cities in workers’ return to office. The Dallas Morning News. <https://www.dallasnews.com/business/real-estate/2023/11/09/austin-dallas-and-houston-are-leading-us-cities-in-workers-return-to-office/>

11. Why Tech Companies Are Moving to Texas and Florida. [n.d.], CEO North America. <https://ceo-na.com/business/management-leadership/why-tech-billionaires-are-leaving-california-for-texas-and-florida/>

12. Cunningham, M. (2023). Office Markets in South Florida Are Booming While New York Struggles. Investopedia. <https://www.investopedia.com/south-florida-office-boom-7108260>

13. Bojnansky, E. (2023). South Florida office market stronger than pre-pandemic years, JLL says. South Florida Business Journal. <https://www.bizjournals.com/southflorida/news/2023/11/21/local-office-market-stronger-than-pre-pandemic.html>

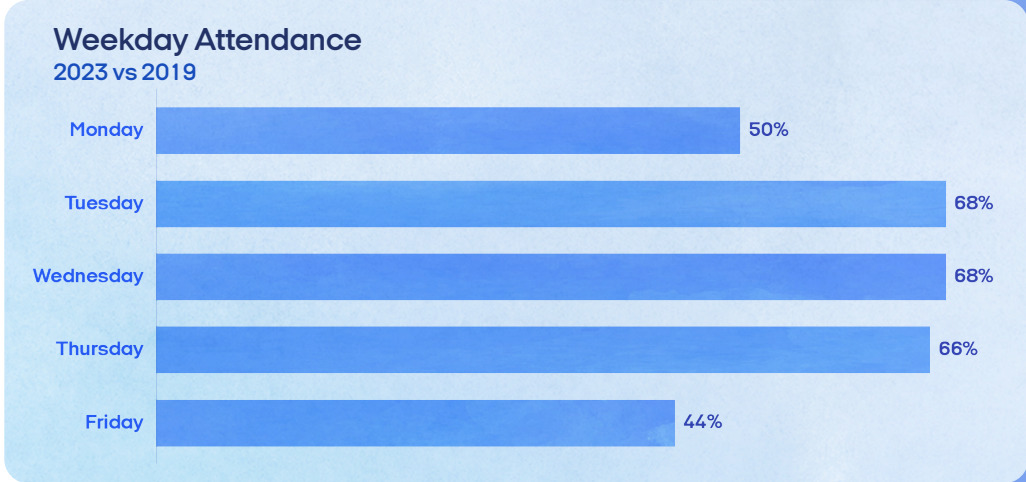
14. Burch, A. D. S., Majchrowicz, M. (2021). Miami Beach Opened Up and the Revelers Flocked In. Then Came the Crackdown. The New York Times. <https://www.nytimes.com/2021/03/24/us/miami-covid-19-spring-break.html>

15. Napoli, L. (2023). After Pandemic Rush, South Florida Office Market Sees Steady Demand. The New York Times. <https://www.nytimes.com/2023/11/01/business/south-florida-office-real-estate.html>

4. Days in the office are fewer, but longer

On Wednesdays, we wear work clothes

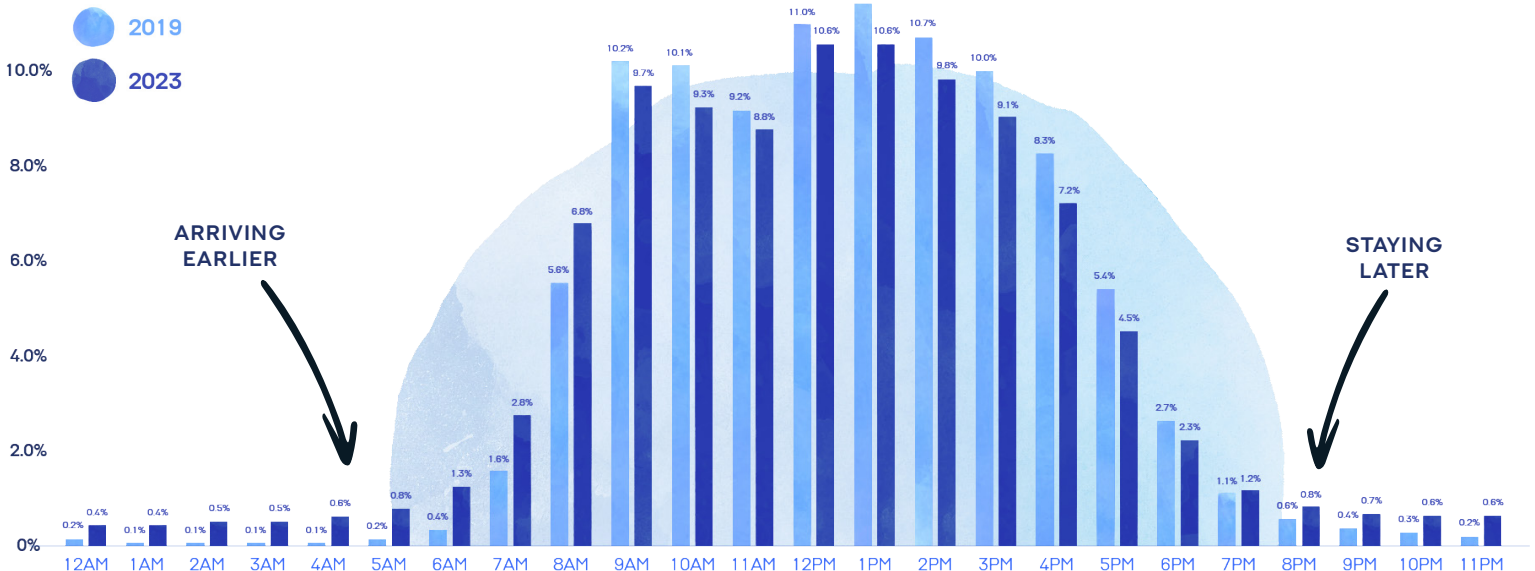
Whereas office attendance was more evenly dispersed across the five-day work week before the pandemic, the time employees are spending in office has condensed around the middle of the week. When employees have the autonomy to choose when they come in, they primarily choose Tuesday to Thursday, with fewer trips in on Monday and Friday. While there have been headlines suggesting Wednesday is the busiest day of the week for office attendance, our data shows that Tuesday and Wednesday actually have similar attendance rates.¹⁶



Early birds and night owls

While people are in the office fewer days per week, their days seem to be getting longer. A greater portion of in-office hours now take place before 9AM and after 5PM than before the pandemic. This could be a strategy to avoid the commute, and it's possible people are falling into two camps: starting earlier in order to leave earlier, or coming in later and leaving later. One thing is clear: fewer people are working the traditional eight hours.¹⁷ Working seven to seven, what a way to make a livin'!

12.0% Time of Day Attendance (M-F)



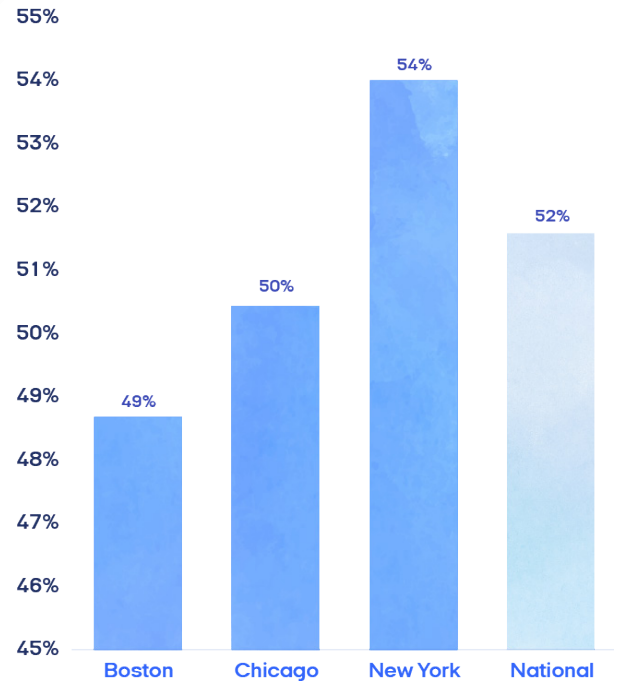
16. Grant, P. (2022). The Hottest Work Day of the Week Is Now... Wednesday?! The Wall Street Journal. <https://www.wsj.com/articles/the-hottest-work-day-of-the-week-is-now-wednesday-11652277982>
 17. Bhattarai, A. (2023). Workers are cashing in on a new flexibility: Leaving the office after a few hours. The Washington Post. <https://www.washingtonpost.com/business/2023/08/28/return-to-office-flexible-hours/>

5. Wall Street is still intense, but not like old times

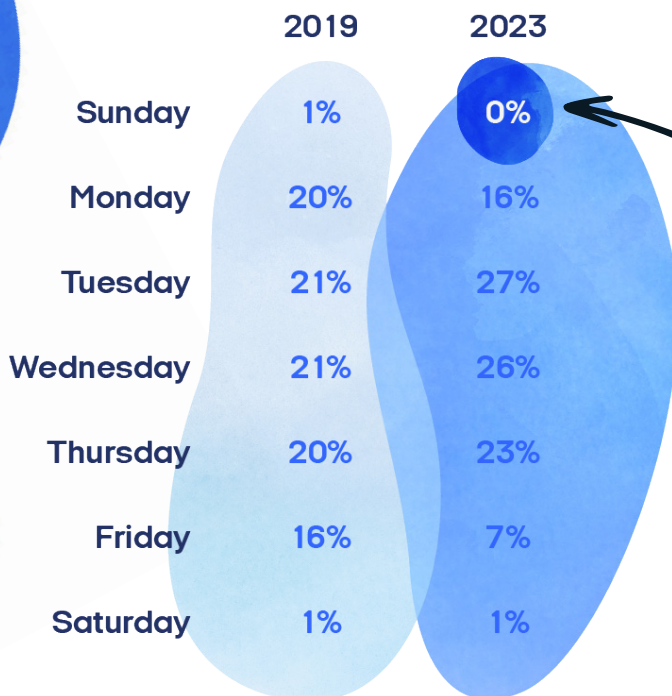
There's nothing you can't do – except work from home

Finance companies saw their New York City office attendance surpass the national average this year – a benchmark they also outpaced before the pandemic. For major financial institutions in The Big Apple, return-to-office mandates have been strict, with major players such as JPMorgan Chase, Goldman Sachs, and BlackRock giving ultimatums to their employees to return.^{18 19 20} Unlike some tech companies that have also seen strict mandates to return, the financial services firms seem more keen to enforce them – or perhaps employees are more willing to follow the guidelines.

Financial Services Attendance by City 2023 vs 2019



New York Finance Attendance



Money finally sleeps on Sunday

Wall Street's relentless work ethic continues to lead the way, but our analysis shows that in-office attendance across days of the week have changed since pre-pandemic times. Tuesday is now the most popular day to come in; Fridays remain the least attended day of the standard workweek by a wide margin. And no one's working from the office on Sundays anymore! What would Mr. Gekko say?

18. Campbell, T. (2023). JPMorgan's Jamie Dimon delivers a stern warning to remote workers. The Street. <https://www.thestreet.com/personal-finance/jpmorgans-jamie-dimon-delivers-a-stern-warning-to-remote-workers>
 19. Pan, J. (2023). No More WFH: Goldman Sachs Asks Employees To Return To Office 5 Days A Week—And It's Not Alone. Yahoo! Finance. <https://finance.yahoo.com/news/no-more-wfh-goldman-sachs-175842756.html>
 20. Reuters. (2023). BlackRock to call staff back to office at least four days a week. Reuters. <https://www.reuters.com/world/us/blackrock-call-staff-back-office-least-four-days-week-memo-2023-05-16/#:~:text=%22We%20will%20shift%20to%20at,on%20the%2011th%20of%20September.%2>

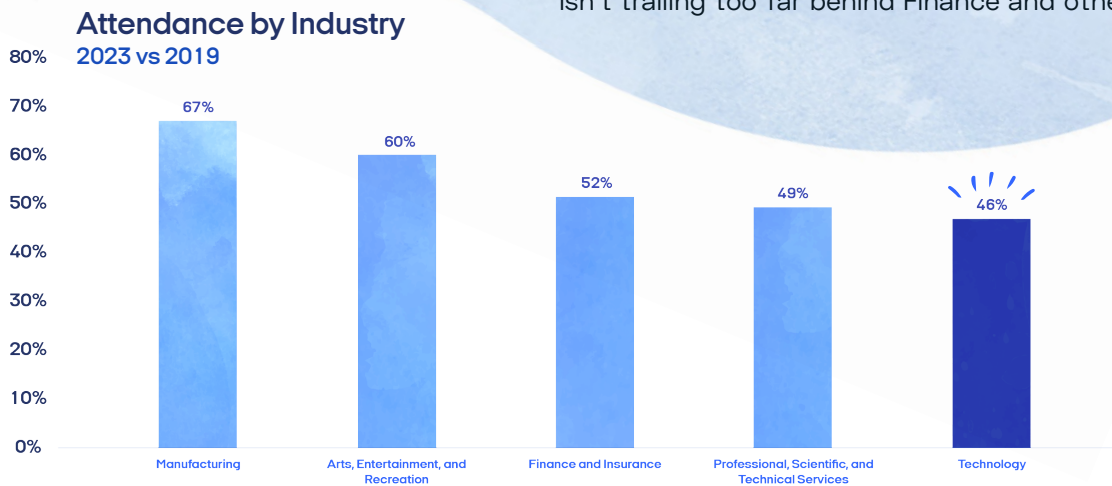
6. Tech saw the biggest jump in 2023

Here, there, and everywhere

The tech sector is in last place of all industries in terms of return-to-office, with only 46% of pre-pandemic attendance levels in 2023. For some companies, remote-first work presents more benefits than drawbacks, including cost savings on rent and the ability to pull from the global talent pool. Airbnb CEO Brian Chesky argues that companies who are hesitant to embrace remote are at a “disadvantage” since “the office as we know it is over.”²¹

Get back

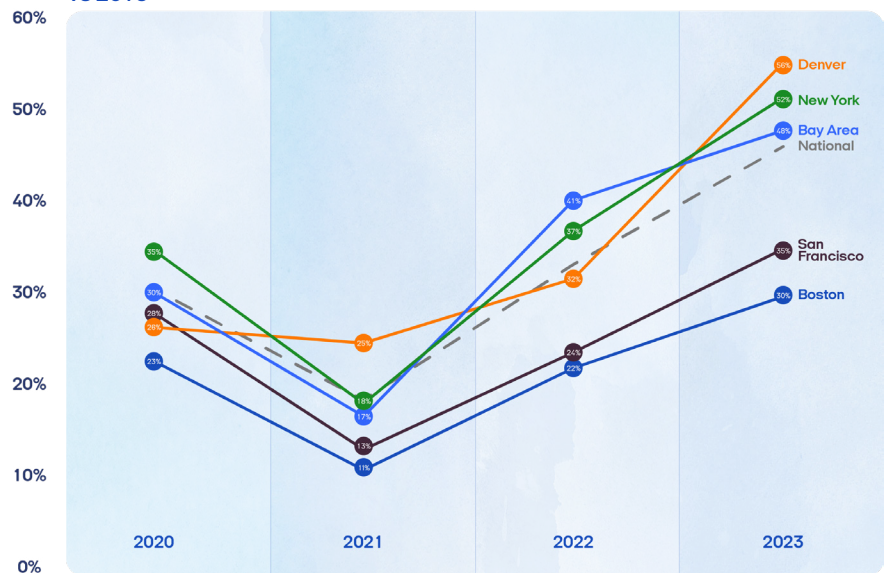
Many of the world’s leading tech companies, however, are taking the opposite approach and asking their workers to get back to the office—now. Apple’s CEO Tim Cook said he couldn’t wait to get back to the office.²² Amazon’s CEO Andy Jassy said in-person was better than virtual work for “serendipitous interactions,” which in turn helped to create new inventions for the business—and that it was “probably not going to work out” for employees who challenged the company’s return-to-office mandate.^{23 24} This is why even though it’s in last place, the Tech sector isn’t trailing too far behind Finance and others.



Here comes the sun

Although Tech is experiencing the lowest office attendance compared to other industries, it has still seen a marked surge from 31% in 2020 to 46% in 2023. The pace of this trend varies across cities. San Francisco tech is seeing a slower return when compared to the rest of the Bay Area. Boston-area tech appears to be the slowest in the entire industry to RTO. (As a Boston-based tech company, don’t look at us!). Denver, which has been a growing hub for tech talent in recent years, really shot up; the fact that its wage growth is outpacing rent has helped the Mile High City attract young, educated, tech-savvy workers to relocate.²⁵

Tech Industry Attendance by City vs 2019



21. Liu, J. (2023). Airbnb CEO Brian Chesky calls out RTO mandates from execs 'going away to the Hamptons' and Europe this summer. CNBC. <https://www.cnbc.com/2023/05/13/airbnb-ceo-brian-chesky-calls-out-rto-mandates-from-bosses-going-away-to-the-hamptons.html>

22. Naugle, W. (2021). Apple CEO Tim Cook Expects a Post-Pandemic Return to the Office: 'I Can't wait'. People Magazine. <https://people.com/human-interest/apple-ceo-tim-cook-expects-return-to-office-post-pandemic/>

23. Jassy, A. (2023). Update from Andy Jassy on return to office plans. Amazon. https://www.aboutamazon.com/news/company-news/andy-jassy-update-on-amazon-return-to-office?asc_source=undefined&asc_campaign=commerce-pra&tag=thebusinisi-20

24. Hadero, H. (2023). Amazon CEO says 'it's probably not going to work out' for employees who defy return-to-office policy. AP. <https://apnews.com/article/amazon-return-to-office-jassy-remote-work-ce9cb14169f5ee1552868d1385ce2ec8>

25. Chuang, T. (2023). What's Working: Denver still a top 10 city for tech, thanks to tech wages outpacing rent growth. The Colorado Sun. <https://coloradosun.com/2023/07/22/denver-tech-cities-salary-growth/>

7. Mid-sized companies allow for the most remote work

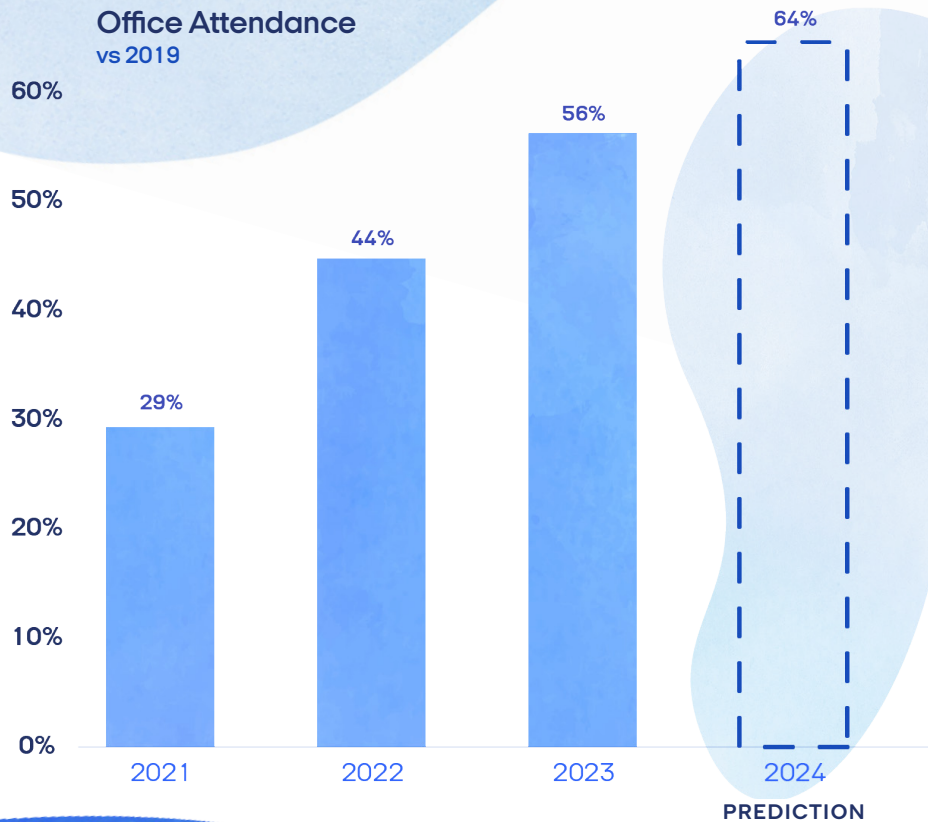
"Google Meet" me in the middle

Across industries, mid-sized companies are seeing the lowest in-office attendance, and most flexible working arrangements from their employees. This could be because mid-sized companies exist in a sweet spot between startup "hustle culture" and big company bureaucracy. Small companies may still lack the resources, processes, and overall stability to get work done without frequently touching base; they may also be changing direction and trying new things more often. Larger companies are likely to be more complicated and require more in-person relationship-building to navigate divisions and hierarchies.

Office Attendance by Company Size
2023 vs 2019

	National	Financial Services	Professional, Scientific & Technical Services
Large [1000+ employees]	54%	49%	48%
Midsize [500-999 employees]	46%	37%	44%
Growth/Scale-up [100-499 employees]	53%	50%	49%
Small / Startup [1-99 employees]	54%	47%	49%

2024 Predictions and Beyond



- Nationally, year-over-year workplace attendance will gradually increase to 62 - 64% in 2024. Companies will continue to offer flexibility, but will promote RTO to ensure that people in different departments stay connected to each other and that new people are learning.
- Tech will become less of an RTO outlier. As commercial real estate prices fall, more tech start-ups will seize the opportunity and lease prime office space in holdout cities like SF and Boston.
- The vague term “hybrid” will break into more specific definitions as companies figure out what works for them. More companies will label themselves either “remote first” or “office first.” These labels will serve as beacons to attract like-minded employees. Recent college grads will primarily seek “office first” jobs in an effort to absorb more knowledge and jumpstart their careers.
- Long-term, the threat of being displaced by lower-cost alternatives—from workers in countries with lower GDP to AI bots interfacing with ChatGPT—will lead to more in-person attendance. Personal relationships will become an important differentiator in getting work done more effectively than AI, or than a fellow human on the other side of the world, could. This will prompt people to dust off their soft skills and their business socks and prioritize working together in person again!