quire™

Technical Reporting Simplified

MARKETWATCH

1H 2024

In today's rapidly evolving industry, staying attuned to market trends, customer expectations, and operational efficiency is crucial for success. Quire, as a trusted partner to our clients, conducts an annual survey to gather insights from our customer base and contractor community. By combining this survey data with actual report generation activity captured within our Technical Report Management (TRM) platform, we gain a comprehensive understanding of the state of the industry. This report will provide an in-depth analysis of aggregate trends, customer and contractor expectations versus current year activity, differences among customers by size, trends in report types, and editing time patterns.

PULSE CHECK ON 2024

Quire TRM: A Game-Changer for Firms of All Sizes

In the face of increasing demand, competition, and talent scarcity, Quire's TRM platform offers a significant advantage for firms of any size looking to streamline their deliverable process, ensure quality, increase throughput, and improve their bottom line.

As a closed-loop platform, Quire TRM enables firms to manage all aspects of the report writing process efficiently, from data collection and collaboration to review and delivery. Quire TRM empowers firms to scale their operations without sacrificing quality or incurring excessive costs.

By providing a platform that allows experts to focus on their core competencies rather than formatting and administrative tasks, Quire TRM contributes to increased job satisfaction and reduced turnover. Moreover, Quire TRM facilitates faster onboarding of new talent by providing a standardized framework for report generation. This not only reduces training time but also ensures that institutional knowledge is captured and managed within the platform, rather than being confined to a few key team members.

Big Picture – Aggregate Trends Year to Date

Quire has witnessed substantial growth in report generation over the past few years. In 2022, our customers generated a total of 205,908 reports across all service lines through the first six months of the year. This number decreased by 7.4% to 190,751 reports in 2023, likely due to economic headwinds and market fluctuations. However, the first half of 2024 has seen an impressive rebound, with 125,587 reports generated, representing a 31.7% increase compared to the same period in 2023.

If this growth trajectory continues, Quire projects that customers will generate over **~300,000 reports by the end of 2024, representing a significant 31% year-over-year increase** compared to 2023. This growth is driven by the strong performance of larger customers, particularly those with more than 500 employees.

31%

YEAR-OVER-YEAR PROJECTED INCREASE IN REPORTS COMPARED TO 2023

The average editing time per report has shown a steady decrease over the past three years. In 2022, **the average editing time was 2.99 hours, decreasing slightly to 2.88 hours in 202**3, and then further decreasing to 2.45 hours or, ~15% in the first half of 2024. This suggests that while report volume has grown significantly, our customers have been able to improve efficiency in their report writing processes, driving higher levels of profitability.

15%

DECREASE IN AVERAGE EDITING TIME IN THE FIRST HALF OF 2024

Customer Expectations vs. Current Year Activity

Quire's 2024 annual survey revealed a general sentiment of optimism among our direct clients, with two-thirds anticipating growth of 10% or more. Data from the first half of 2024 reveals that reality is meeting or exceeding these initial expectations, with firms of nearly all sizes experiencing report activity growth.

Quire's 2024 annual survey revealed:

- 64% of direct clients are bullish (anticipating 20%+ growth) or optimistic (forecasting 10-20% growth).
- One-quarter of larger customers expect technical report volume to increase by over 10% in 2024.

Results from actual Quire report generation data:

17% INCREASE
Firms with >1,000 employees saw a 17% increase in report volume.

130% INCREASE
500-999 employee cohort experienced a remarkable 130% increase in report volume.

6% INCREASE
100-499 employee cohort saw a 6% increase in report volume.

23% INCREASE
20-99 employee cohort experienced a 23% increase in report volume.

These findings suggest that the optimism expressed in the survey was well-founded, with firms of all sizes experiencing growth in report activity. The outsized growth among larger firms may be attributed to their ability to leverage economies of scale, footprint, and pursuit of a broader range of projects.

Observations By Customer Size

Quire's customer base spans a range of company sizes, each with unique characteristics and behaviors. The largest cohort, those with more than 1,000 employees, consistently generates the highest volume of reports. This group accounted for 35.6% of the total report volume in the first half of 2024.

The 500-999 employee cohort exhibited the most significant growth potential, with report volume in the first half of 2024 reaching 52.5% of their 2023 total. Smaller firms, particularly those with fewer than 100 employees, experienced more moderate growth rates. The smallest segment with <20 employees saw their **first half 2024 volume reach 49.7% of their 2023 total**.

Editing time trends also varied among cohorts. The **>1,000 employee group averaged 11.5% lower editing times** compared to the overall average, potentially due to more streamlined processes, workflows, and templates within larger organizations.

Conversely, the **<20 employee cohort had editing times 3.5% higher than the averag**e, possibly due to more specialized reporting needs. These variations across firms underscore the diversity of deliverables in the industry and the importance of tailoring strategies and solutions to the specific needs and characteristics of each customer segment.

CATEGORY SPOTLIGHT: GEOTECHNICAL

Quire has observed a remarkable surge in activity for geotechnical reports, highlighting the critical role of these assessments in the technical report writing landscape.

Geotechnical Investigation Reports, which provide detailed analyses of soil, rock, and groundwater conditions to ensure the stability and safety of construction projects, experienced explosive growth. From 2022 to 2023, the report count increased by 75%. However, **the growth from 2023 to the first half of 2024 was even more staggering, with an 1100% increase**. If this trend continues, 2024 could see a potential 2300% increase over the full-year 2023 total. Geotechnical Investigation reports now dominate the category, accounting for about two-thirds of total geotechnical report count in the first half of 2024.

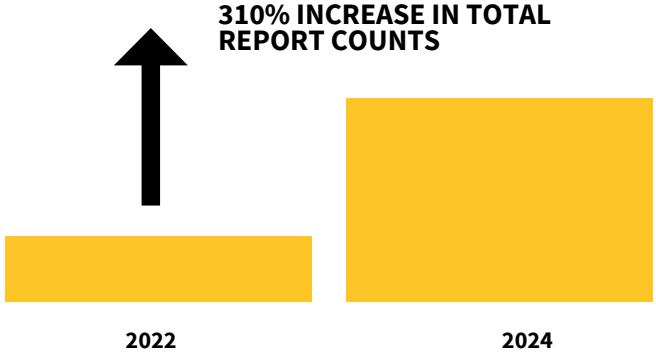
Geotechnical Letter Reports, which offer concise summaries of geotechnical findings and recommendations, saw a 200% increase from 2022 to 2023. The growth accelerated in the first half of 2024, **showing a 533% increase over the full-year 2023 total.** This represents a significant uptick in the need for streamlined geotechnical communication.

Geoenvironmental Reports, which assess the environmental impact of geological factors and provide recommendations for development, also saw significant growth. From 2022 to 2023, there was a 50% decrease. However, **the first half of 2024 showed a dramatic turnaround with a 1033% increase compared to the full-year 2023 total.** This indicates a growing demand and increased efficiency in generating these report types in Quire TRM.

Geophysical Reports, which utilize physical methods to characterize subsurface conditions and identify potential hazards or resources, emerged as a new report type for Quire in 2023. **The first half of 2024 has already seen a 9.5% increase over the 2023 total**. This suggests a steady growth in demand for geophysical assessments.

The growth in geotechnical reports spans firms of all sizes, but is particularly pronounced among larger companies. Firms with more than 1,000 employees showed a 733% increase from 2023 to the first half of 2024. Companies in the 500-999 employee range saw the most dramatic increase, with a 4100% rise from 2023 to the first half of 2024.

Overall, the total report count across the entire Geotechnical category grew by about 182% from 2022 to 2023. The growth from 2023 to just the first half of 2024 was an impressive 310%. If this trend continues, 2024 could potentially see a 719% increase over the 2023 total.



BUSINESS IMPACT

Decreasing Deliverable Unit Costs While Growing

The ability to simultaneously increase report volume and decrease average editing time has significant implications for the business performance and competitive positioning of project-driven companies across different size cohorts. Some highlights for the year so far:

60%

Among the largest firms with over 1,000 employees, **60% achieved this feat**. These companies are leading the way, driving meaningful top and bottom-line improvements. Their scale and diversity of offerings, combined with Quire, may provide additional levers for efficiency gains.

66.7%

Similarly, 66.7% of midsize companies with 500-999 employees **coupled volume growth with productivity enhancements.** These firms are striking an impressive balance between expansion and optimization.

55.2%

For the cohort of 100-499 employee firms, **55.2% demonstrated the trend**, with many companies posting strong results. While a smaller proportion than their larger counterparts, these companies are finding ways to streamline operations and boost capacity, with Quire playing a significant role.

44.7%

44.7% of the firms with 20-99 employees managed to **increase volume and efficiency in tandem**. This shows that smaller firms can achieve improvements in productivity while growing their business.

36.8%

Among the smallest firms with under 20 employees, **36.8% accomplished this dual feat**. While this is a lower percentage compared to larger firms, it's still a significant portion demonstrating that size is not a barrier to improving efficiency while growing.

Across all cohorts, the financial benefits of this combination are clear. Higher report counts drive revenue growth, while reduced editing time boosts margins and profitability. Over time, even incremental gains can compound into a significant competitive advantage.

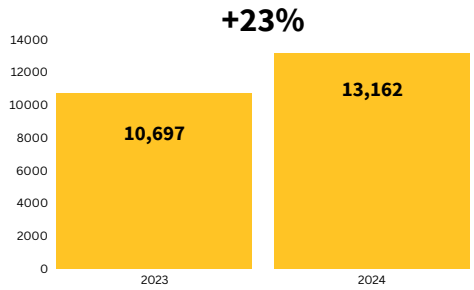
From a competitive perspective, **providers that can deliver more reports with less effort** are well-positioned to gain market share, particularly for high-volume offerings. They can meet client demands for quality, speed, and value more consistently than less efficient peers. Quire's features, such as **customizable templates and real-time collaboration, are instrumental in achieving these objectives.**

The data suggests that while larger firms may have more resources to drive both growth and efficiency improvements, **companies of all sizes are demonstrating the ability to optimize their operations**. This is likely achieved through a combination of process improvements, technology adoption, and increased expertise in report generation, with Quire's platform playing a crucial role in facilitating these advancements.

OBSERVATIONS ON TOP PERFORMING FIRMS

Quire customers are diverse, each with unique areas of focus. To identify the top performers, the analysis focused on activity levels, report type breadth, and growth trends. Here are some observations on the standout customers, with a particular focus on the top decile.

The top firm generated an impressive **13,162 reports in the first half of 2024.** This represents a significant increase of **23% from the 10,697 reports produced in the same period of 2023.** This firm's report mix spans a wide range of types, with particularly high volumes in Building Assessments, Environmental, and Property Condition Assessments.



Other notable top decile performers include two civil engineering customers one with 6,867 reports generated in the first half of 2024, representing a 63% increase over the same period in 2023 and another with 17,434 reports in the first half of 2024, demonstrating a 16% increase from the first half of 2023.

ACROSS THE TOP DECILE, SEVERAL KEY THEMES EMERGE:

Breadth of Expertise: Top performers consistently deliver a wide range of report types, demonstrating their ability to meet diverse client needs and adapt to market demands.

Steady Growth: While growth rates vary, the top decile firms generally maintained or increased their output compared to the previous year, showcasing their resilience and market position.

Specialization: Even among the top performers, many firms have developed specialties in specific report types, such as Environmental Site Assessments, allowing them to create a competitive edge.

EDITING TIME HIGHLIGHTS FOR TOP PERFORMERS:

When analyzing the editing time trends among the top performers, a few key observations stand out:

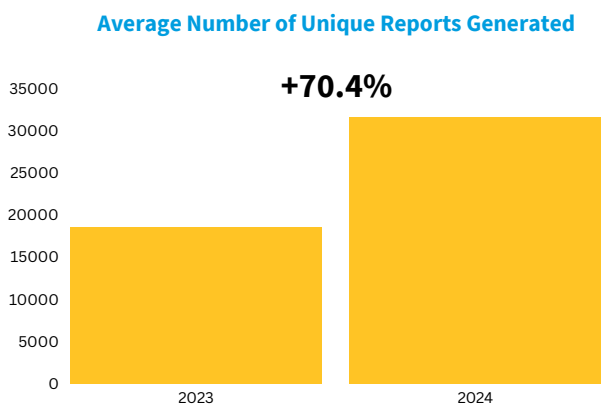
- The clear leader with over 13,000 reports, had a significant improvement in average editing time with a decrease of 12.3% versus the same period in 2023 -- expanding margins dramatically.
- The second top performer, with nearly 7,000 reports, achieved a decrease of 25.9% in average editing time.

These trends suggest that even as the top performing customers continue to generate high volumes of reports, they are also finding ways to streamline report processes and improve efficiency. By leveraging technology, refining workflows, and investing in employee training, these firms can maintain high quality standards while reducing the effort required to deliver each report.

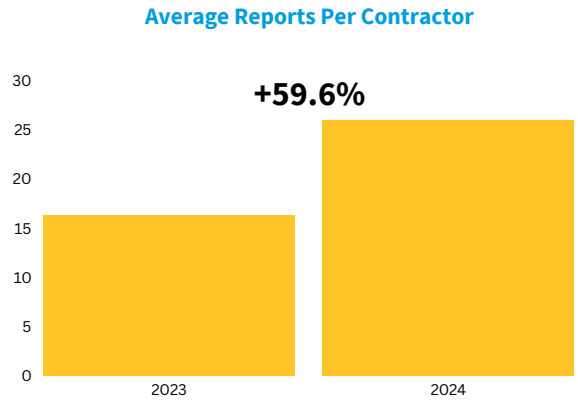
Contractor Expectations vs. Actual Activity

Quire's contractor community, which supports the report writing needs of our direct clients, expressed mixed expectations for 2024 when responding to our earlier survey. While **45% were bullish or optimistic** about growth, **28% remained uncertain or pessimistic**.

Actual contractor activity data through May 2024 paints a more encouraging picture. The number of unique contractors involved increased by 6.8% compared to the same period in 2023, rising from 1,140 to 1,218. These **contractors generated 70.4% more reports year-over-year**, with the total number of unique reports increasing from 18,576 in 2023 to 31,646 in 2024.



The average reports per contractor also saw a significant increase **rising by 59.6% from 16.29 in 2023 to 25.98 in 2024** This suggests that not only are more contractors engaged with Quire's platform, but they are also generating reports at a higher rate than the previous year.

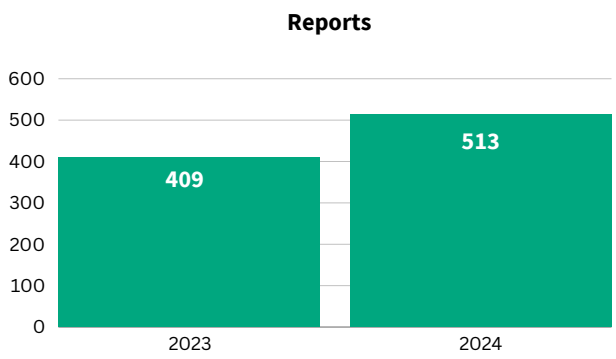


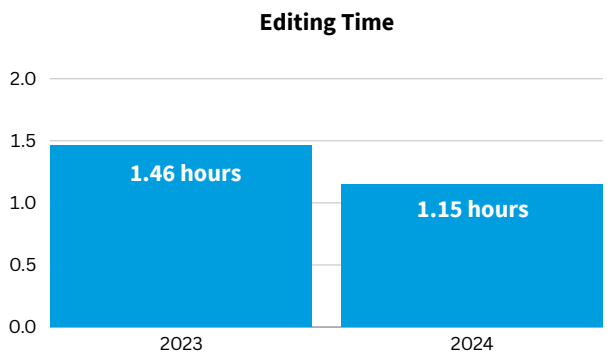
This data suggests that despite some initial reservations, contractors are experiencing significant demand increases and are rising to the challenge. The higher productivity levels in 2024 demonstrate the value of Quire's platform in enabling contractors to streamline their report writing processes and deliver more reports with greater efficiency.

REPORT SPOTLIGHT: WETLANDS DELINEATION

Quire has observed a notable increase in activity for wetlands delineation reports, highlighting the growing importance of environmental assessments in the technical report writing landscape.

In 2023, our customers generated 409 wetlands delineation reports, with an average editing time of 1.46 hours per report. This increased to 513 reports in 2024, with a reduced average editing time of 1.15 hours per report. Overall, these reports saw a 25.4% increase in volume and a 21.2% decrease in editing time.





25.4% increase in report volume

21.2% decrease in report in editing time

Wetlands delineation reports require specialized expertise and a thorough understanding of hydrology, soil science, and plant ecology. Firms that can demonstrate proficiency in these areas and deliver accurate, timely assessments will be well-positioned to capture a growing share of this market.

The rise in wetlands delineation reports reflects a broader shift towards greater specialization and environmental stewardship. As businesses face increasing pressure to balance economic growth with ecological sustainability, the demand for robust, science-based environmental assessments will grow.

CONCLUSION

The mid-year update for 2024 reveals a dynamic and growing technical report deliverable environment. Our direct customers and contractor community are experiencing strong demand and demonstrating improved efficiency. Key takeaways include:

1. **Overall Growth:** Report volume has rebounded strongly in the first half of 2024, with a 31.7% increase compared to the same period in 2023.

2. **Efficiency Gains:** The average editing time per report has improved 15%. This indicates that customers are leveraging Quire's platform to streamline their processes and improve productivity.

3. **Customer Segment Performance**: Larger customers, particularly those with more than 500 employees, are driving significant growth. The >1,000 employee cohort accounts for 35.6% of total report volume, while the 500-999 employee cohort has already reached 52.5% of their full-year 2023 total in just six months.

4. **Geotechnical Category Surge**: The Geotechnical category has seen explosive growth, with Geotechnical Investigation reports increasing by 550% from 2023 to the first half of 2024. This underscores the increasing importance of comprehensive geotechnical assessments in construction and development projects.

5. **Top Performer Excellence:** Top performing customers are demonstrating the ability to increase report volume while simultaneously decreasing average editing time. For instance, the leading firm increased its report volume by 23% while reducing editing time by 12.3%, leading to improved margins and competitive advantages.

6. **Contractor Engagement:** Contractor engagement and efficiency have increased significantly in 2024. The number of unique contractors rose by 6.8%, and they generated 70.4% more reports compared to the same period in 2023. The average reports per contractor increased by 59.5%, from 16.29 to 25.98.

7. **Editing Time Improvement:** Across all cohorts, we've seen a general trend of decreasing editing times, even as report volumes increase. This suggests that firms are becoming more adept at using Quire's platform and optimizing their report generation processes.

The aggregate trends highlight the resilience and adaptability of the industry, with report volume bouncing back strongly in 2024 after a challenging 2023. Companies across all size segments are finding ways to meet increased demand while improving efficiency, likely through a combination of technology adoption, process refinement, and increased expertise.

As we navigate through the second half of 2024, Quire remains committed to providing cutting-edge solutions and insights to help our clients thrive in this dynamic market. The data suggests that those leveraging our platform effectively are well-positioned to gain market share and improve profitability in an increasingly competitive landscape.

KELLY'S KEYNOTE



KELLY L. STRATTON
QUIRE FOUNDER, PRESIDENT & CHIEF PRODUCT OFFICER

She's done time in the field as a civil and environmental engineer. She knows first-hand what it's like trying to integrate data and details manually at 4 a.m. the day the report's due. She's in it to win it—which is why she took out a second mortgage to build Quire. She didn't do it alone. There's an entire team of recovering report writers, engineers and customer services reps that make Quire the game-changing solution that it is.

In speaking with our Clients and reviewing their Quire activity metrics so far this year, there's an air of **resilience** rarely discussed but revealed in the numbers. AEC professionals tend to go about their jobs quietly and methodically, regardless of market conditions or the tools at their disposal. While their work, whether it be in geotech, transportation, or environmental remediation, quite literally helps shape the foundation of our daily lives, we often take for granted the stability these projects inject into our routines. But regardless of where we direct our attention, AEC professionals direct theirs toward completing quality work. And as the markets in 2022 turbo-charged volumes, AEC firms did not cut corners to complete their technical assessments, they simply worked longer hours to manage demand. As interest rates rose and markets softened in 2023, contractors felt the pinch as firms adjusted their workflow by pulling work inside to full-time staff. Here at Quire, we had a front row seat to observe our Clients' resilience through these disparate situations.

Thus far, our numbers for 2024 show steady rising tides - not quite boom, certainly not bust - that underscore the **critical role of technical assessments in today's market**. With lessons learned from the recent past, Quire customers have implemented strategies for not only managing increasing volumes, but optimizing the tools at their disposal to reduce editing times and increase margins. I find it striking (and reassuring) that AEC firms didn't just react to the challenges of being "too busy" or "not busy enough", but they learned to get better, more efficient, more innovative. For me, the best part of my job is finding ways to support our Clients in these very outcomes. We are on the verge of deploying several new innovations within Quire TRM that will continue to do just that - stay tuned!

So here's to the AEC professionals that continue to work hard and carry on - *no matter what*!

Kelly

ON THE ROAD WITH QUIRE

zweig group

ZWEIG

September 17-19, 2024
Tampa Bay, FL

AEC THRIVE SEPTEMBER 25-27, 2024 | AUSTIN, TX

THRIVE AEC 2024

September 25 - 27, 2024
Austin, TX

ASCE 2024 CONVENTION TAMPA, FL | OCT. 6-9

ASCE ANNUAL

October 6-9, 2024
Tampa Bay, FL

ACEC

ACEC FALL CONFERENCE

October 20-23, 2024
New Orleans, LA

2024 DESIGN-BUILD CONFERENCE & EXPO

DESIGN-BUILD INSTITUTE OF AMERICA CONFERENCE AND EXPO

November 6-8, 2024
Dallas, TX