

Tourism and Hospitality Talent: Human Capital and Economic Contributions in Metro Detroit

Executive Summary | Spring 2020 | Compiled by The Workforce Intelligence Network

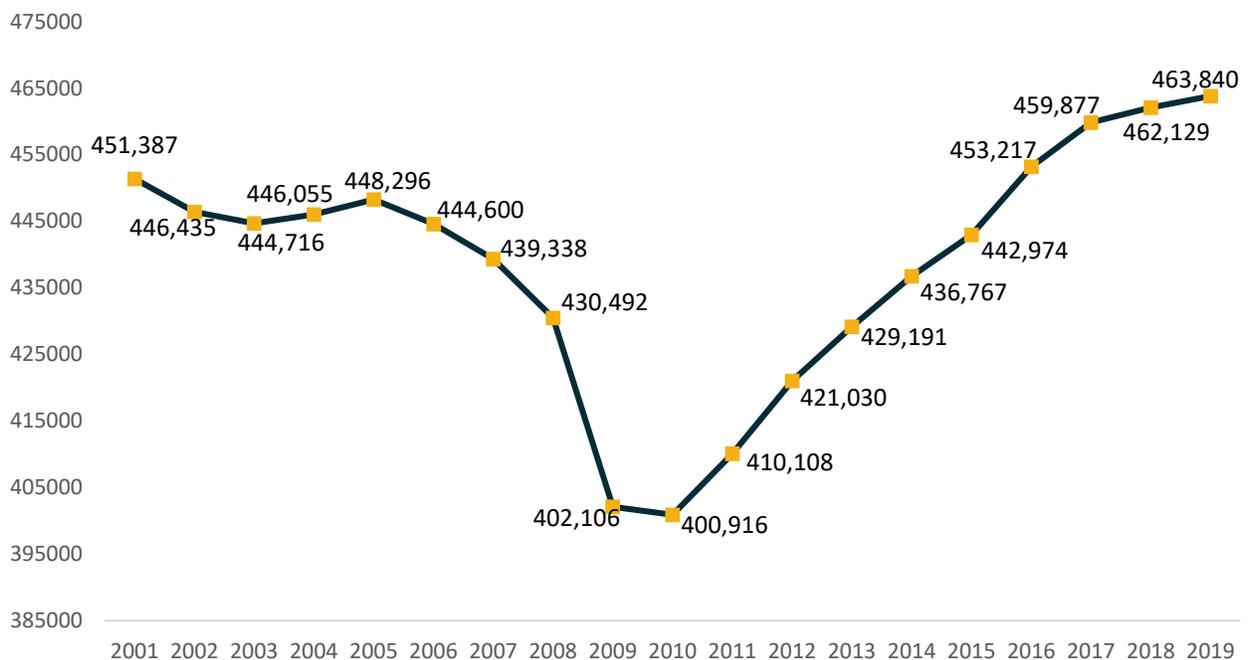
The Detroit Metro Convention and Visitors Bureau (DMCVB) commissioned a detailed report from the Workforce Intelligence Network for Southeast Michigan (WIN) to better understand the tourism and hospitality workforce as well as the economic and fiscal contributions made by those workers to the region and the state. Findings from the full report will help inform stakeholders and emphasize the importance of tourism and hospitality workers as a major economic contributor in metro Detroit and beyond. For the purposes of this analysis, metro Detroit refers to the counties of Wayne, Oakland, and Macomb.

Increased travel over the past several years in metro Detroit had created greater demand for workers in tourism and hospitality through early 2020. Employment had grown steadily since the Great Recession of 2009 and had surpassed pre-recession levels in recent years. The ongoing COVID-19 pandemic has devastated the tourism and hospitality industry across the nation and has been identified as the greatest challenge our nation has faced since World War II. The full impact of the crisis will not be understood for several months or possibly years.

Prior to the COVID-19 pandemic-related shutdowns, hospitality and tourism in metro Detroit was booming. Tourism and hospitality-related sectors such as accommodation and food service, arts and entertainment, retail shopping, travel, marketing and facilities workers, employed more than 460,000 individuals in metro Detroit and contributed over 2.8 billion dollars of earnings to the local economy.

Tourism and Hospitality Employment Over Time

Employment in Tourism and Hospitality Occupations in Metro Detroit (2001 – 2019)



Tourism and Hospitality Workforce Overview

Looking forward, the landscape for tourism workers faces both opportunities and challenges related to technology and the adaptive skillsets needed to use it. Prior to the COVID-19 pandemic, Detroit continued to grow as a travel destination and advancements in technology allowed for more targeted marketing and a wider audience for entertainers, automated service kiosks become more prevalent in customer service, and app-based gig economy services take a greater role in the food, retail, and hospitality industries. The full report provides detailed analysis for 123 occupations within 10 occupation groups related to tourism and hospitality. The analysis within serves as a baseline in understanding the workers related to the tourism and hospitality industry and their economic contributions to the region and state prior to the COVID-19 crisis.

Key Findings

1. Employers related to tourism and hospitality contribute 463,840 jobs to the metro Detroit economy.
2. Tourism and hospitality jobs are diverse with workers in fields such as retail, fine dining, air travel, theater and the arts, hotels, event planning, casinos, parks, and recreation. These workers enrich the lives not only of visitors to the region but also residents. The strongest employment is in the categories of Dining and Shopping (265,597 workers), Hospitality (79,473 workers) and Building and Groundskeeping Workers (51,384 workers).
3. Conferences and Events and Tourism Development and Promotions workers make up a much larger share of job postings than relative employment, potentially indicating growing demand for these workers.
4. Tourism Development and Promotion and Travel workers report the greatest earning potential among tourism and hospitality occupations.
5. Low cost of living in metro Detroit means that median wages for tourism and hospitality workers in this region are, in effect, nearly \$2.00 per hour higher than the national average.
6. Since the lowest point in the recession in 2010, more than 60,000 tourism and hospitality-related jobs have been recovered in metro Detroit.
7. While education requirements vary, nearly all posted hospitality and tourism jobs specifying experience needs are open to workers with under three years of experience.
8. Across all tourism and hospitality workers, 12.7% are employed directly in the city of Detroit.
9. 32% of workers in the field both live and work in the city of Detroit.
10. Workers in tourism and hospitality jobs in metro Detroit support approximately 23,000 additional indirect jobs in the State of Michigan.
11. Tourism and hospitality worker spending contributes approximately \$79.1 million to state sales tax collections each year.
12. Only 34% of leisure and hospitality workers nationwide have access to health benefits.