

Industry Spotlight - Tourism

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Establishments

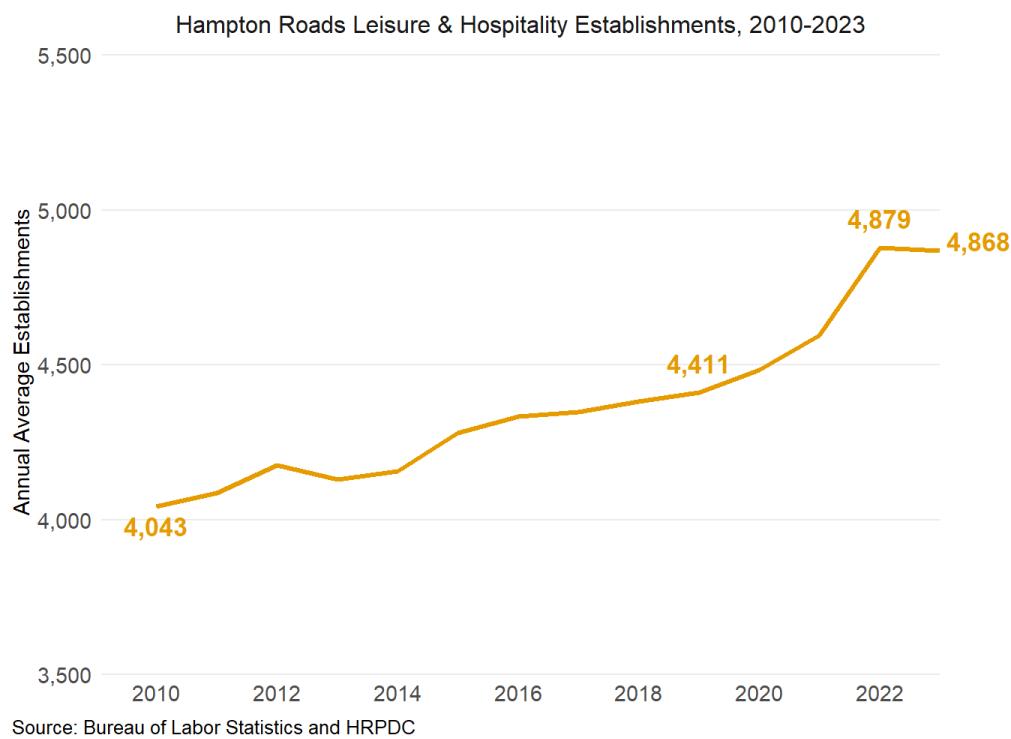
Leisure & Hospitality Establishments, Hampton Roads

Why is it important?

Changes in the number of establishments within the leisure and hospitality industry are indicative of a growing industry sector.

How are we doing?

In the decade prior to 2020 the region added 368 leisure and hospitality establishments. From 2020 to 2023, the number of establishments increased by 385, driven in part by the sharp rise in business formations during the pandemic.



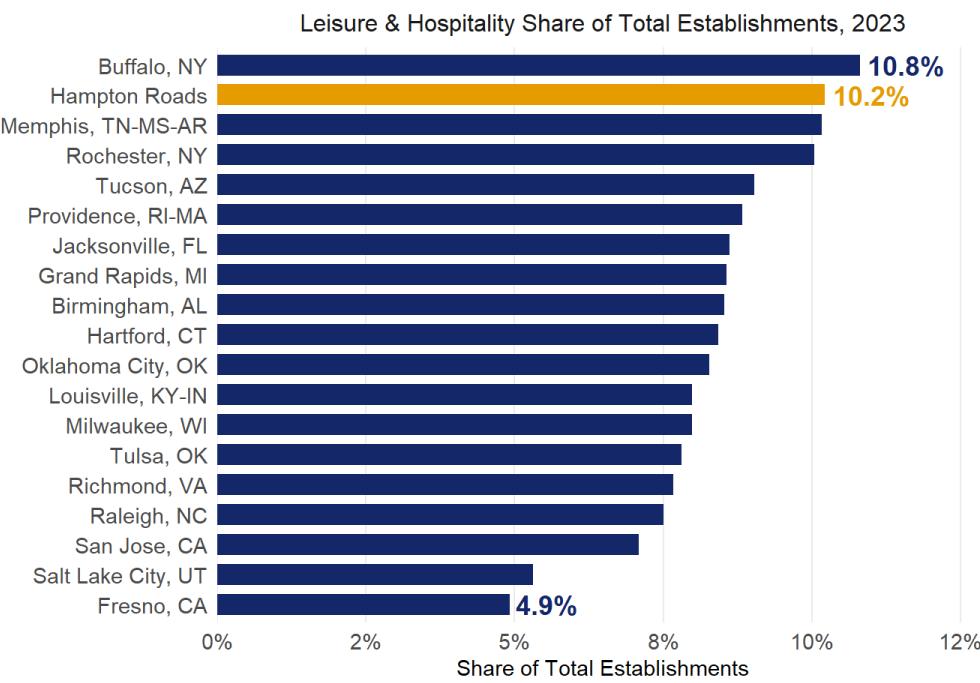
Leisure & Hospitality Share of Establishments, Hampton Roads and Reference MSAs

Why is it important?

The share of Leisure & Hospitality establishments in a region reflects its economic reliance on the tourism industry.

How are we doing?

More than one in ten private establishments in the region are in the Leisure & Hospitality industry. The region's ranking among reference MSAs increased from 3rd highest in 2019 to second highest in 2023.



Employment

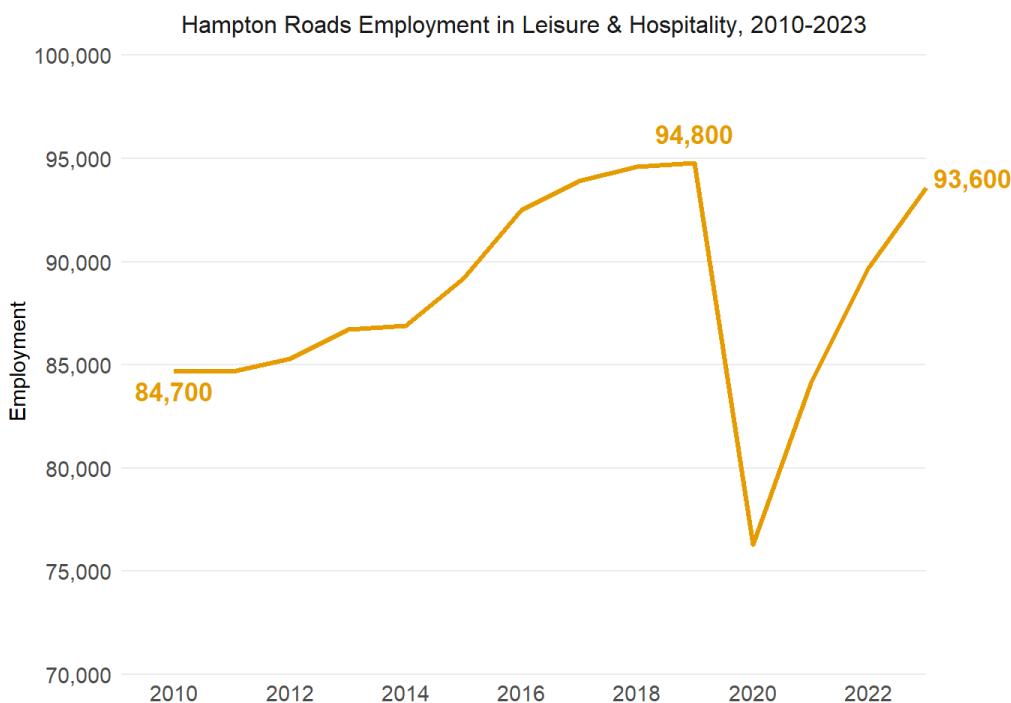
Leisure & Hospitality Employment, Hampton Roads

Why is it important?

One measure of the economic impact of the Leisure & Hospitality industry comes from counting the number of employees the industry supports in the region.

How are we doing?

Leisure & Hospitality was one of the hardest-hit industries during the pandemic, losing nearly one in five jobs between 2019 and 2020. By 2023, the region had regained most of the lost jobs but remained 1.2% below 2019 levels.



Source: Bureau of Labor Statistics and HRPDC. Annual Averages of non-seasonally adjusted data

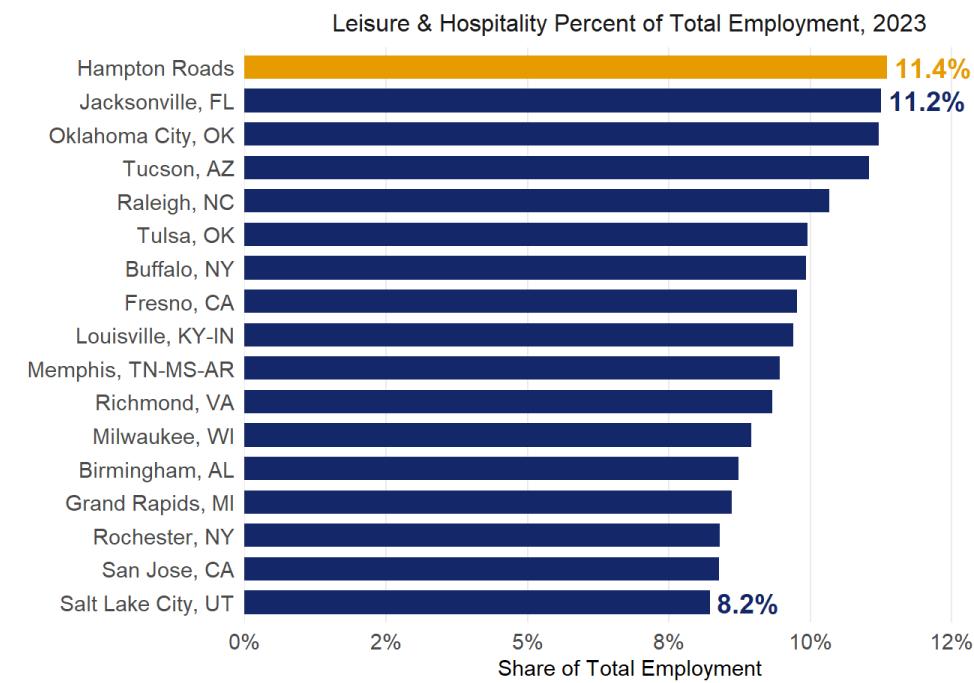
Leisure & Hospitality Share of Employment, Hampton Roads and Reference MSAs

Why is it important?

The share of Leisure & Hospitality employment in a region indicates how heavily its workforce depends on the tourism industry compared to other areas.

How are we doing?

When compared to reference MSAs, Hampton Roads had the highest share of employees in the Leisure & Hospitality industry in 2023. The region's ranking is unchanged from the prior year.



Source: Bureau of Labor Statistics and HRPDC.

Wages

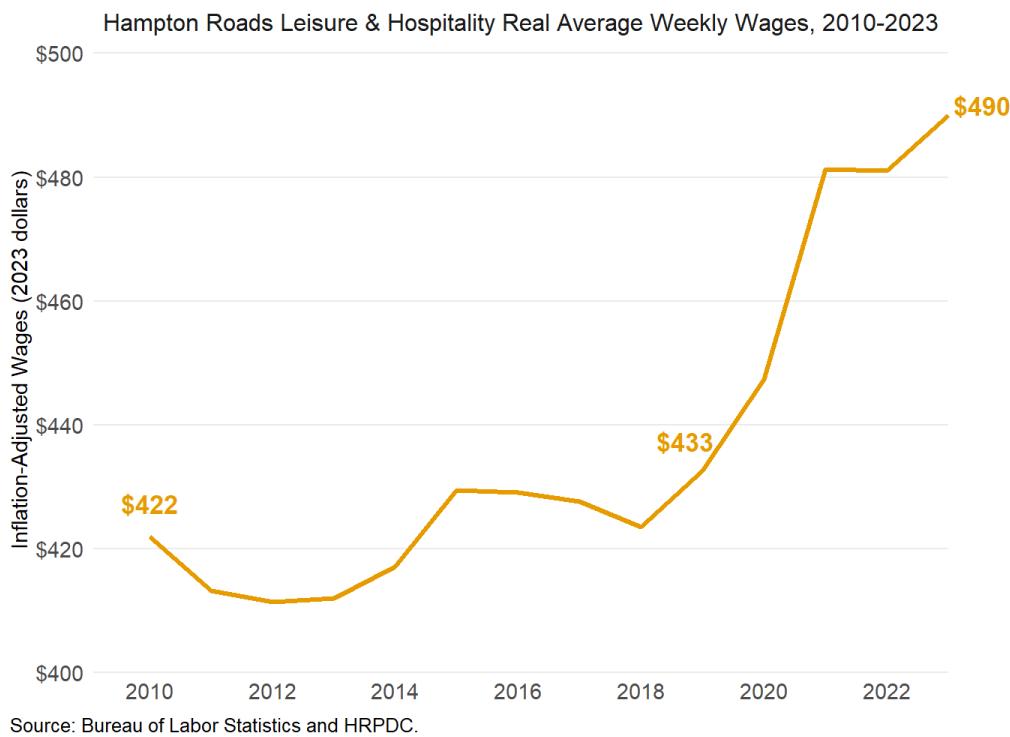
Leisure & Hospitality Average Weekly Wages, Hampton Roads

Why is it important?

Average weekly wages reflect the average weekly pay for Leisure & Hospitality workers in the region.

How are we doing?

The tight labor market in the aftermath of the pandemic pushed up wages for Leisure & Hospitality workers in the region. Adjusted for inflation, industry wages in 2023 are up 13.2% from 2019.



Leisure & Hospitality Average Weekly Wages, Hampton Roads and Reference MSAs

Why is it important?

Comparing the average weekly wage across regions reveal insights into the sector's relative vitality and the demand for its workers. To ensure an accurate comparison, wages are adjusted for regional price parities to account for differences in the cost of living.

How are we doing?

Leisure & Hospitality wages in Hampton Roads ranked 4th lowest among reference MSAs in 2023, an improvement in the ranking from 2nd lowest in 2019.



Source: Bureau of Labor Statistics, Bureau of Economic Analysis and HRPDC. Wages adjusted for cost of living using 2022 Regional Price Parities.

Hotel Industry

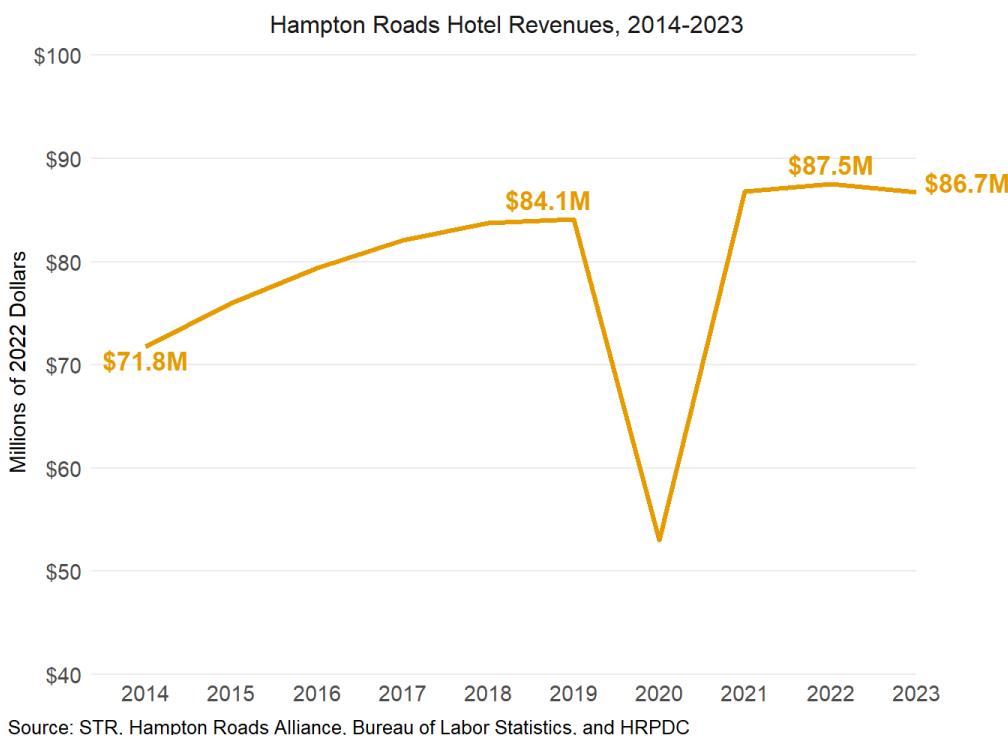
Hotel Revenues, Hampton Roads

Why is it important?

Hotel revenues are a key measure for analyzing the performance of the region's hotel industry over time.

How are we doing?

Hotel revenues rebound in the year following the 2020 pandemic shock as inflation-adjusted revenues in 2021 outpaced 2019 levels. In 2023, hotel revenues in the region have slowed from their peak in 2022, but remain 3.1% above 2019 levels.



Hotel Occupancy Rate, Hampton Roads

Why is it important?

The hotel occupancy rate measures the share of hotel rooms available that are currently occupied. A decrease in occupancy can indicate a decline in demand or an increase in the supply of available rooms.

How are we doing?

In 2023, the average annual hotel occupancy rate in Hampton Roads declined slightly from the prior year and fell below pre-pandemic levels observed in 2019.

