Insights on U.S. Migrations

More Americans are moving to Suburbs and Rural Areas

Key Takeaways

- In the last 5 years, there was an increase of migrations from urban areas to suburbs and rural areas. From 2019-2022, there was a 7.1% increase in the probability of a Linkedln member migrating out of an urban area choosing a suburban location (as opposed to another urban or rural location). The probability they moved to a rural location jumped 22.4% in the same period. This aligns with the rise of remote and hybrid work that we experienced during the pandemic, leading people to live outside cities.
- The industries with the most migrations from urban areas to the suburbs, in 2022, were typically associated with white-collar work.
 The top 3 industries were: Technology, Information and Media, Professional Services, and Financial Services.

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Overall Trends (2019-2022)

The COVID-19 pandemic dramatically changed the landscape of work. Employees stuck in their homes for nearly all-day during lockdown found themselves questioning where they truly want to live. Many ended up moving away from small apartments into large, single-family homes in suburbs. In this analysis, we explore the change in migration patterns between community types over time in two contexts:

- 1. Migrations in which the starting location is an urban city
- 2. Migrations in which the starting location is a suburban city.

In these two contexts, we then calculated the share of migrations to other community types and how it changed from 2019 to 2022 and we found the following results:

Starting Community Type	Ending Community Type	% Change from 2019-2022
Urban city	Urban city	-5.6%
Urban city	Rural	22.4%
Urban city	Suburban core	7.1%

From 2019-2022, we found that when LinkedIn members migrated from urban cities, there was a 7.1% increase in the chance they moved to a suburban city, and a 22% increase in the probability they moved to a rural area, while there was a 5.6% decrease in the chance they moved to another urban city.

Starting Community Type	Ending Community Type	% Change from 2019-2022
Suburban core	Suburban core	7.2%
Suburban core	Urban city	-10.8%
Suburban core	Rural	18.9%

We also found that for Linkedln members who migrated from suburban areas, there was a 7.2% increase in the chance they moved to another suburban area and a 18.9% increase in moving to a rural area, while there was a 10.8% decrease in the probability hey moved to a urban city.

These results indicate in the last five years that there has been a trend to move away from urban cities to suburban and rural areas. This was largely driven by greater flexibility in working locations due to remote and hybrid work policies during the pandemic and the rising costs of living in urban areas.

We also see a similar pattern when analyzing the change in inflow-outflow ratios for each community type from 2019-2022. The inflow-outflow ratio measures the inflow into a community type relative to the outflows from it.



Community Type	2019 Inflow/Outflow	2022 Inflow/Outflow	% Change from 2019-2022
Urban city	1.08	0.99	-9.9%
Suburban core	0.93	0.99	5.7%
Rural	0.88	1.12	27.5%

Our research found that in 2019, the inflow-outflow ratio was 0.88 for rural areas. This means 0.88 LinkedIn members moved to a rural area for every 1 LinkedIn member who left. However, the ratio increased 27.5% in 2022 with a ratio of 1.12, indicating that more LinkedIn members were moving to rural areas than leaving. This is a massive shift before and after the pandemic.

Migration Trends by Generation in 2022

For all generations, about half of migrations tend to stay within the same community type. In addition, Gen Z migrated more to urban areas (27.4%) compared to all other generations (<22%). This aligns to career trends as most workers in this age range (early to mid-twenties) will be starting their careers and will place great emphasis on networking and socializing with those around their age.

Generation	% To Less Urban	% Staying Within the Same Community Type	% To More Urban
1997-2012 (Gen-Z)	21.4%	51.2%	27.4%
1981-1996 (Millennials)	24.0%	54.3%	21.7%
1965-1980 (Gen-X)	26.6%	51.8%	21.5%
1946-1964 (Baby Boomers)	28.9%	49.3%	21.8%

We also see that as people got older, they were more likely to migrate to less urban areas: 21.4% of Gen Z migrating to less urban areas while 28.9% of Baby Boomers do the same. This trend also follows behavioral norms since people tend to look towards homeownership and raising families once they reach the age of 30 and later.



Growth in Migrations from Urban Cities to Suburban Cores by Industry

As noted above, there has been a trend of Linkedln members moving from urban cities to suburban areas in the last several years. We now explore how this trend differs by indus. Only migrations in which Linkedln members stay in the same industry before and after the migration are included in this analysis. There must also be at least 10,000 migrations from urban cities to suburban areas in the industry per year to be included.

Industry	% Change from 2019-2022
Technology, Information and Media	11.4%
Professional Services	10.9%
Financial Services	9.7%
Education	8.8%
Administrative and Support Services	6.6%
Consumer Services	4.9%
Transportation, Logistics, Supply Chain and Storage	4.8%
Retail	4.4%
Entertainment Providers	4.2%
Government Administration	4.2%
Real Estate and Equipment Rental Services	3.9%
Manufacturing	3.3%
Hospitals and Health Care	2.9%
Construction	2.5%
Accommodation and Food Services	0.6%

We find that in the past five years, LinkedIn members working in the Technology, Information and Media industry had the greatest increase ($\pm 1.4\%$) in the share of migrations from urban cities to suburban areas out of all migrations out of urban cities. This is followed by professional services ($\pm 10.9\%$), and Financial Services ($\pm 10.9\%$). On the other hand, industries with the least growth in migrations from urban cities to suburban cores are Accommodation and Food Services ($\pm 0.6\%$), Construction ($\pm 2.5\%$), and Hospitals and Health Care ($\pm 2.8\%$).



Methodology Notes

A migration instance is defined as a member changing their location on their LinkedIn profile. Student migrations – right before enrollment, during enrollment, and right after graduation – are removed so that analysis focuses more accurately on workforce migration trends. Migration distances are estimated using ZIP Codes LinkedIn users add to their profiles.

Community types (urban city, suburb, rural areas) are determined by the <u>classification of ZIP Codes</u> by the U.S. Department of Agriculture.

A member's generation is inferred based on the starting year of their degrees.