State of the Lansing Region

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Forward





Tim Daman, *President and CEO*, Lansing Regional Chamber of Commerce





Bob Trezise, *President and CEO*, Lansing Area Economic Partnership (LEAP) We are pleased to introduce the second edition of the *State of the Region Benchmarking Report,* offering a refreshed and data-driven perspective on the economic vitality of the Lansing region. This report continues our effort to assess how the Lansing region—encompassing Ingham, Eaton and Clinton counties compares to peer regions across the country, including Ann Arbor, Grand Rapids, Nashville, Des Moines, Greenville, Hartford, Columbus, Madison, Indianapolis, Minneapolis, and Durham—Chapel Hill.

The updated benchmarking data tells a compelling story. Our region is making important strides, with clear momentum in several key areas. We are outpacing many peers in GDP growth, high-tech job creation, STEM degree attainment, new business startups, and our population's Gen Z share. Encouragingly, venture capital activity is on the rise, signaling growing confidence in our startup ecosystem and long-term innovation potential.

More than half of the key benchmarks tracked in this report are trending positively—strong evidence that our regional economic development strategies are working. This progress provides an opportunity to double down on our competitive advantages and invest further in what we do best. By identifying and focusing on our core strengths, we can maximize impact, accelerate success, and amplify our momentum.

At the same time, the data highlights critical challenges that we must address. Despite sharing similar assets, our region continues to lag behind peer communities. Ongoing population decline, stagnant household income, limited housing supply, and a relatively small private sector all pose serious obstacles to our long-term competitiveness. These insights underscore the need for coordinated regional leadership, strategic investment, and a united vision to tackle these issues and position our region for future success.

Benchmarking allows us to identify what is working and where gaps exist. It provides the foundation for actionable strategies to ensure Lansing continues to be a competitive and desirable place to live, work, and do business.

The insights in this report provide metrics that can serve as a road map for change. With our collective will and commitment to growth, we can leverage our region's assets and emerging strengths to meet today's challenges in shaping a more vibrant, prosperous future for all who call the Lansing region home.

Let's keep building forward—together.

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Report

Overview

With support from the local business community and area stakeholders, the Lansing Regional Chamber of Commerce (LRCC) and the Lansing Economic Area Partnership (LEAP) partnered to sponsor the inaugural State of the Lansing Region report in 2019.

LRCC commissioned Anderson Economic Group to benchmark the Lansing region against its peer regions. The first benchmarking report was completed in 2020 and included data for the years 2014 through 2018.

LRCC retained Anderson Economic Group to update the 2020 benchmarking report for the Lansing region, which includes Clinton, Eaton, and Ingham Counties. This 2025 update continues to benchmark the region against the same set of 11 peers as in the first report.

The report, which covers data from 2019-2023 (where available) highlights notable findings, defines the Lansing region and its peer regions, and includes analysis results for over 40 benchmarking indicators.

Lansing's peer regions include the following metropolitan statistical areas:

- 1. Ann Arbor, MI
- 2. Columbus, OH
- 3. Des Moines, IA 7. Hartford, CT
- 4. Durham, NC
- 5. Grand Rapids, MI
- 6. Greenville, SC
- 8. Indianapolis, IN
- Madison, WI 9.
- 10. Minneapolis/St. Paul, MN
- 11. Nashville, TN



Notable Findings

This benchmarking report demonstrates the strength and resilience of the Lansing region in the face of evolving economic conditions.

In 2024, Lansing improved on several key measures from the previous study. This included GDP growth, growth in business establishments, high-tech employment growth, venture capital growth, and share of STEM degree completions. These gains are important to the area's economic prosperity and competitiveness.



Strengths

Conversely, Lansing declined or stagnated on several measures, including population growth, housing development, educational attainment, household income, and private sector employment. Lack of growth among these factors presents opportunities for the Lansing region to improve its ranking among the peer regions so it can be more competitive in attracting residents and businesses.

Opportunities

Population Growth	Prior Rank	Current Rank
The Lansing area population continued to decline between 2019 and 2023. Retaining talent grown in the region and attracting new residents is critical for regional growth.		11
Housing Development	•	•
The Lansing region has seen limited development in single- and multi-family housing. A range of available housing is critical for retaining and attracting residents.	11	11
Educational Attainment	•	•
Educational attainment is below the peer region average in the Lansing area. Educated talent can promote growth in key industries.	8	10
Household Income	•	•
The region's median household income continues to be among the lowest of the peer regions, as are average wages.		11
Private Sector Employment	•	•
Only 76% of Lansing area employment is from the private sector. Higher private sector employment signifies more businesses, driving economic growth and better wages.		10
Well-Educated Young People	•	•
The share of Lansing region residents aged 25-34 who earned a bachelor's degree or higher was lower than the share among most peer regions in 2023.	10	9

Numbers





Demographics

This section of the report gauges the Lansing region's progress toward prosperity by tracking key demographic indicators over time.

Growth in population and positive net migration are indicators for how well the region attracts and retains residents, while population diversity related to ages and generations reflects how well a region attracts and retains workers.

	2023 Population	Pop. Growth Rate, 2019-23	Major University(s)
LANSING, MI *	473,177	-1.9%	Michigan State University
Ann Arbor, MI	365,536	-0.6%	University of Michigan
Columbus, OH *	2,180,271	2.7%	Ohio State University
Des Moines, IA *	737,164	5.4%	(no sizable campus)
Durham, NC	608,879	4.3%	Duke University + others
Grand Rapids, MI	1,162,950	2.1%	Grand Valley State Univ.
Greenville, SC	975,480	6.0%	Clemson University
Hartford, CT *	1,151,543	-4.4%	Trinity College, Univ. of CT
Indianapolis, IN *	2,138,468	4.2%	(no sizable campus)
Madison, WI *	694,345	4.4%	University of Wisconsin
Minneapolis/St. Paul, MN *	3,712,020	2.0%	University of Minnesota
Nashville, TN *	2,102,573	7.3%	Vanderbilt, Tennessee State

★Indicates State Capital



Population Growth

Overall, the population in the Lansing region declined by 1.9% between 2019 and 2023 while most peer regions continued to experience growth. Since 2021, however, the Lansing region's population has increased, reaching 473,177 in 2023. This is a promising sign moving forward, as retaining talent grown in the region and attracting new residents are both key factors for continued regional growth.





Source: US Census Bureau, population estimates

Net Migration and Talent Migration

Net migration is the difference between the number of people coming into an area and the number of people leaving. In the Lansing area, net migration contributed to a slight population increase from 2020 to 2023, but it remains consistently smaller than that of peer regions.



Talent migration is the measure of individuals with a bachelor's, graduate, or professional degree coming into or leaving the region. The Lansing region retained more highly educated individuals than it lost in 2023 relative to population size, out-performing seven peer regions. Retaining this demographic is important to the region's overall population and economic growth.



Source: US Census Bureau, American Community Survey

Generational (Age) Variation

In 2023, the Lansing region had the second highest share of Generation Z population (25.5%). These individuals, born between 1997 and 2012, are now between 13 and 28 years old. This figure indicates the share of the population that will soon enter the workforce, as well as those in their first few years of their careers. If retained in our region, these individuals will fill workforce shortages, support diverse housing types, and spur development of vibrant spaces.

At 20%, Lansing has a relatively low share of Millennials (those born between 1981 and 1996 who are now 29 to 44 years old). This could indicate that the demographic in the middle of the workforce is leaving the region. Among the peer regions, the Lansing region also has the lowest share of Gen X individuals (those born between 1965 and 1980 who are now between 45 and 60 years old) at 18.2%.

Conversely, Lansing has a relatively high share of Baby Boomers (born between 1946 and 1964, or between 61 and 79 years old) at about 20%. These residents are nearing or past retirement age, and may have additional time and disposable income to spend in the community.



Share of Generation Z Ann Arbor 27.8% 25.2% Lansing Madison 23.6% Durham 22.6% **Grand Rapids** 22.1% Columbus 21.9% Indianapolis 20.7% Nashville 20.7% Minneapolis 20.6% Lansing Region Population by Generation **Des Moines** 20.6% Greenville 20.5% Hartford 20.0% 0% 15% 20% 25% 30% 5% 10%

Source: ESRI, Inc. and Pew Center



Economic Growth

These metrics provide multiple reference points for evaluating the Lansing region's economic performance. High levels of employment, and in particular private employment, indicate financial strength and prosperity among the region's residents. Employment in different industries, GDP growth, and exports are some of the primary measures of a region's economic health.



Real Gross Domestic Product (GDP)

Between 2019 and 2023, Lansing region's gross domestic product (GDP) increased by over 10%, reaching almost \$29.3 billion in 2023. This increase reflects healthy regional economic growth despite the COVID-19 pandemicinduced recession in 2020.

Lansing had the fifth highest growth rates among its peer regions during the same time period.



Labor Force and Employment

Between 2022 and 2023, the Lansing workforce grew faster than any of the peer regions at 4.2%. This places Lansing 9th among the peer regions for a five-year workforce growth rate, and 1st for a one-year growth rate. Overall, the Lansing workforce grew slightly between 2019 and 2023, despite a decline in the region's population. The labor force (defined as the number of population age 16 and above that is employed or actively looking for work) totaled 253,416 in 2023, an increase of 1.0% since 2019.

Similarly, unemployment figures show that all peer regions, including Lansing, had low unemployment rates in 2023 (between 2.3 and 3.7%). Each region has recovered to the unemployment rates recorded prior to the pandemic in 2020. In 2023, Lansing ranked 10th in unemployment rate at 3.7%, declining from a higher rate of 7.7% in 2020.



Source: US Bureau of Labor Statistics

Employment by Industry

Health care and social assistance, along with educational services, are the Lansing area's top industries by share of employment. Each accounted for about 13% of the region's employment in 2023. Health care and education were also important industries in many of the peer regions. Manufacturing, finance and insurance, and retail trade also represent sizable industries in the Lansing region.

Among peer regions, Lansing's share of educational employment is 3rd largest and its share of manufacturing employment is 6th largest. Further, the region boasts the largest share of public administration employment. Lansing has the smallest share of professional services employment and information industry employment.

Health care & social assistance 13.2%	Education 13.0%	nal services	Oth 11.3		industries
Manufacturing 10.9%		Finance and insurance 6.3%		te	of., scientific, & chnical services 3%
Retail trade 10.9%		Accommodatio food services 6.2%	n an	d	Other services, except public admin 4.3%
Public administration 7.7%		Construction 5.1%			Transportation and warehousing 4.2%

Source: US Census Bureau, American Community Survey Note: "Other industries" include Admin and support & waste mgmt svcs; Real estate and rental and leasing; Arts, entertainment, and recreation; Wholesale trade; Information; Ag, forestry, fishing & hunting; Utilities; Mining, quarrying, oil & gas extraction; and Mgmt of companies & enterprises.



High-Tech Employment

Between 2018 and 2022, high-tech employment in the Lansing region grew by 12.2%. This is faster than eight of the peer regions. In 2022, over 11% of the region's employment was in high-tech industries, including advanced manufacturing, engineering, information technology, and research and development. This indicates the existence of a talented workforce that is positioned to support economic prosperity in the region.





Source: US Census Bureau, county business patterns; Anderson Economic Group, definition of high-tech sectors

Knowledge Sector Employment

Just over 9% of the region's employment was in the knowledge sector, which includes education and research and development. The Lansing region has the fourth largest knowledge sector among its peers. Knowledge sector employment declined 2.8% between 2018 and 2022, but it continues to command a sizable portion of regional employment.



Source: IPEDS; Anderson Economic Group, definition of knowledge sector



Private Sector Employment Share, 2023

Private vs. Public Sector Employment

In 2023, the Lansing region's share of private-sector employment remained unchanged since 2019 at 75.7%. The area has one of the lowest shares of private employment among the peer regions.

Conversely, the Lansing region maintained the second-highest share of employment in the public sector. For this measure, "public" includes government, universities, schools, and public hospitals.



Source: US Bureau of Labor Statistics, Quarterly Census of Employment and Wages



Rank 7 Business Growth





Source: US Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Growth in Business Establishments

The Lansing region has seen a significant economic upturn, with nearly 11,000 business establishments as of 2023. This marks a 16.6% growth in recent years, underscoring the region's improved rankings amongst several of its peer regions. This significant business creation supports a vibrant and diverse economy.

Occupational Opportunities

In total, employment in the Lansing region is projected to increase by nearly 10% between 2020 and 2030. During this period, healthcare support occupations; computer and mathematical occupations; education, training, and library occupations; management occupations; and business and financial operations occupations are each projected to add at least 1,000 jobs to the region. Other fields that are projected to grow significantly include personal care and service occupations, transportation and material moving occupations, and installation, maintenance, and repair occupations. These important jobs may require technical training rather than advanced degrees.

Notable Exports in 2023

The Lansing area's top exported goods included transportation equipment, chemicals, machinery, plastics and rubber products, and paper products. Most of these goods were exported to Canada, Mexico and Asian countries.

Growth in Exports

The Lansing region exported \$1.5 billion worth of goods in 2023, representing an increase of 33.3% since 2019. While exports from the Lansing region declined in 2020, they have increased in each subsequent year. Since 2019, the growth rate for the Lansing region's exports was third largest among its peer regions during the same period.



Growth in Total Exports, 2019-2023

Regional Employers

The Lansing region's top employers are the State of Michigan, Michigan State University, and University of Michigan Health-Sparrow. However, the employment picture is far larger than that. The area's top private employers represent automotive, healthcare, insurance, retail and distribution, financial, apparel, food processing, logistics, and manufacturing sectors. Several major national companies are headquartered in the region, including Auto-Owners Insurance Group, Neogen Corporation, and Dart Container Group.

> Top 20 Private Employers No. of Industry by number of Lansing area employees Employees Cluster 5,943 Auto-Owners Insurance Group Insurance 4,183 Automotive General Motors 2,907 Jackson National Life Insurance Co. Insurance Peckham, Inc. 2,200 Manufacturing 2,000 Dart Container Corp. Manufacturing **Meijer Distribution Center** 1,500 Logistics 800 Dean Transportation, Inc. Transportation Delta Dental 800 Insurance 800 **MSU Federal Credit Union** Financial Svcs. 750 Michigan Farm Bureau Insurance Quality Dairy Food Processing 730 Spartan Motors Chassis, Inc. 730 Automotive Dakkota Integrated Systems 670 Automotive **Multi-Packaging Solutions** 600 Logistics 550 Neogen Corp. Biotech **Bridgewater Interiors** 500 Automotive 500 Medical Device Orchid Orthopedic Solutions Pratt & Whitney 500 Aerospace **PNC Bank** 500 Financial Svcs. 489 Gestamp Automotive

Employers shown here are ordered by total employment in the Lansing area.

Source: Lansing Economic Area Partnership



Top Employers by number of Lansing area employees	No. of Employees	Industry Cluster
State of Michigan	13,880	Government
Michigan State University	11,118	Education
University of Michigan Health - Sparrow	9,000	Healthcare
Auto-Owners Insurance Group	5,943	Insurance
General Motors	4,183	Automotive
Jackson National Life	2,907	Insurance
Peckham, Inc.	2,200	Manufacturing
Dart Container Corp.	2,000	Manufacturing
Lansing Community College	1,800	Education
Meijer Distribution Center	1,500	Logistics
Lansing School District	1,490	Education
McLaren Greater Lansing	1,401	Healthcare

Source: Lansing Economic Area Partnership

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Community Prosperity



These indicators reflect the impact regional and state policies can have on area residents. Income, housing, and other indicators illustrate the level of regional prosperity by measuring trends in financial status and security, along with the region's average standard of living. Together, these factors demonstrate how the economic makeup of the region impacts individuals, families, and the community as a whole.



Household Income

In 2023, Lansing's median household income was just over \$70,000, making it among the lowest of the peer regions.



Median Household Income, 2023

Source: US Census Bureau, American Community Survey

Household Income Growth

From 2019 to 2023, median household income in the Lansing region grew 18.4%, faster than six of the peer regions.

Growth in Median Household



Source: US Census Bureau, American Community Survey



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Average Wages

Average wages in the Lansing region were \$63,305 in 2023, which is among the lowest of the peer regions. Wages in the Lansing region have increased by an amount that is similar to that of its peer regions, rising 20.2% since 2019.



Source: US Bureau of Labor Statistics, Quarterly Census of Employment and Wages



Housing Costs

The Lansing region's low housing costs make both home ownership and rent more affordable than the peer regions. While the Lansing region's median housing value has increased since 2019, it came to only \$219,100 in 2023. Similarly, while Lansing's median gross rent increased by over 22% in the last five years, it came in lowest among the peer regions at \$1,042 in 2023.



Source: US Census Bureau, American Community Survey



Median Gross Rent, 2023 (Thousands)

Source: US Census Bureau, American Community Survey

★ Notable Finding

New Housing Units Authorized, 2019-2023 (Thousands)



Housing Construction

Lansing improved its performance in the construction industry, with a little over 5,000 housing units authorized from 2019 to 2023. In comparison, between 2014 and 2018, the total number of units authorized was 4,771. In spite of this improvement, the number of new units authorized in 2023 relative to existing units put Lansing among the regions with the lowest new residential construction. The region authorized only five new construction permits per 1,000 existing housing units, ranking the Lansing area 10th among its peer regions.

Why it Matters

The pace at which housing stock is created can indicate a growing population, household formation, and corresponding economic growth.





Livability and the Working Poor

All regions have a portion of the working population that struggles to make ends meet. The United Way defines the "working poor" using the ALICE (Asset-Limited, Income Constrained, and Employed) metric. According to the 2022 ALICE data (the most recent year for which data is available), about 40% of the Lansing region's households fall at or below the ALICE threshold. While the share of households below this threshold is similar across the peer regions, Lansing has the third highest share of households earning less than the ALICE-defined cost of living.



Share At or Below ALICE

Source: United for ALICE

Education and Talent

This section's key indicators describe the area's infusion of talent and human resource capital. Measures such as degrees conferred and educational attainment assess the overall quality of the labor pool, while STEM degree metrics indicate how well a region prepares students for highly skilled occupations. Further, higher levels of education point to higher wages for area workers, resulting in increased regional prosperity.

A talented workforce is fundamental to the region's current and future economic prosperity. The Lansing region is home to diverse, top-ranked K-12 schools as well as higher education institutions that include Michigan State University and Lansing Community College. Other higher education institutions in the region include Davenport University, Cooley Law School, and partner institutions at the LCC University Center (Central Michigan University, Ferris State University, Northwood University, Siena Heights University, and University of Michigan-Flint).



Higher Ed **Enrollment**

In 2023, higher education institutions in the Lansing region enrolled 71,164 students, a decline of almost 9% since 2019. Among the peer regions, Lansing was 10th in total enrollment, 10th in undergraduate enrollment, and 11th in graduate enrollment.

Almost all of the peer regions experienced a decline in student enrollment during this period. Most of the decline was in undergraduate enrollment. The majority of the peer regions saw small increases in graduate enrollment over the five-year period. This trend in student enrollment is due to several factors, including shifting demographics, tuition costs, and other financial concerns.

Michigan State University

MSU, founded in 1855, is the nation's premier land-grant university and a top research university. MSU offers 400 programs across 17 degree-granting colleges and offers undergraduate, graduate, and professional study. The university ranks well among the nation's public universities and attracts strong classes each year. Its programs are first in the nation for education degrees that include elementary and secondary education, educational administration, and higher education administration. MSU also has top programs in nuclear physics, supply chain management, rehabilitation counseling, production/ operations, management, and accounting.

Lansing Community College

Lansing Community College is one of the largest community colleges in Michigan, serving more than 13,000 students each year. LCC offers more than 200 associate degree and certificate programs, in addition to options for career and workforce development and for personal enrichment. LCC regularly ranks among the best schools in the nation for its technical programs, including the on-line construction management degree and coursework for ultrasound technicians.



12-Month Enrollment, 2023

Source: IPEDS Note: See page 10 for population differences among the peer regions

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Degrees Earned

Lansing ranks 9th in the number of degrees conferred in 2023, at 14,165. The number of degrees conferred by higher education institutions in the Lansing region declined by 2.5% between 2019 and 2023. Four other peer regions also experienced a decline in the number of degrees conferred.

More than 10,400 undergraduate students earned degrees from Lansing area schools in 2023. This places Lansing 7th among the peer regions. For graduate students, almost 3,700 degrees were awarded in 2023, placing Lansing 10th.



Source: IPEDS Note: See page 10 for population differences among the peer regions



STEM Degrees

In 2023, STEM degrees accounted for 24.2% of total degrees awarded in the Lansing region. This gives Lansing the 3rd highest share of STEM degrees among the peer regions.

Over 3,400 STEM degrees were awarded in the Lansing region in 2023, representing an increase of 9.1% over 2019. This places Lansing 6th for STEM degree growth rates among the peer regions. The increase in STEM degrees despite a decline in total degrees indicates the importance of these fields in the workforce.



Source: IPEDS

STEM degrees include the following disciplines: computer and information sciences, engineering, engineering technologies, biological and biomedical sciences, mathematics and statistics, and science technologies. 34



Share of Adults 25+ with Assoc. Degree or Higher, 2023



Educational Attainment

In 2023, the share of Lansing area residents aged 25 and older with an associate degree or higher was 47.9%. This figure is partly attributable to the thousands of local graduates who decide to stay in the region.

While this measurement is lower in the Lansing region than most of the peer regions, it has increased since 2019. These peer regions represent some of the most educated places in the country, with most being home to renowned universities. All of the peer regions outperform the nation on this metric.

Educational attainment is an important factor in the region's economic growth, attracting new businesses, and increasing jobs in the region.



Young People



Well-Educated Young People

In 2023, 44% of Lansing residents age 25 to 34 had earned a bachelor's degree or higher. While this represents an increase in educated young talent from 2019, most peer regions had much higher shares. This indicates that the Lansing continues to struggle to attract and retain highly trained young people. Lansing was outranked by all but three of its peers in 2023.



Source: US Census Bureau, American Community Survey

Entrepreneurship and Innovation

An entrepreneurial spirit is critical to advancing a community's economic prosperity. The Lansing region strives to support entrepreneurship and innovation (E&I) by providing the support new businesses need to succeed.

Lansing has a century-old tradition of E&I. Ransom E. Olds, one of the fathers of the nation's auto industry, is among Lansing's most well-known entrepreneurs. Today, Lansing's E&I ecosystem flourishes through partnerships between MSU, the MSU Research Foundation, LEAP, and many community-based programs. E&I education and support programs are deployed across undergraduates and faculty at MSU (Burgess Institute & MSU Innovation Center), along with community-based entrepreneurs who participate in programs offered though the Lansing Regional SmartZone (LRSZ).

MSU's research expenditures, bolstered by MSU and MEDC funding, support the transformation of raw innovation into new products and services, while expanding opportunity and bringing new companies to our region. These activities raise the region's competitiveness, enabling us to attract talented students, researchers, and aspiring entrepreneurs. They also provide the spark that market-ready concepts need to ignite entrepreneurship throughout the Lansing region.



The new TechSmith Headquarters facility opened in 2022 and anchors a future innovation park in the former Spartan Village site at Michigan State University–517 Visuals

Business Acceleration

Small businesses and entrepreneurs are critical to Lansing's prosperity. Regional efforts to support entrepreneurship, including incubator space and accelerator programming, resulted in the creation of at least 25 companies in 2023.

The Lansing Regional SmartZone (LRSZ) supports high-tech sector growth by backing entrepreneurial support services. The East Lansing Technology Innovation Center (The TIC), managed by the MSU Research Foundation, celebrated 15 years of operations in 2023, during which it welcomed more than 120 businesses across diverse industries. Further, a partnership between LEAP and MSU **Research Foundation targets and supports** early-stage medical technologies and advances the Lansing area's MedTech corridor. The Foundation's Conquer Accelerator program is in its 8th year and partners with Michigan Virtual on an Ed Tech accelerator that has produced 15 new companies and the MSU Federal Credit Union on an Insurtech/Fintech Accelerator that has produced 10 new companies.

LEAP also supports equitable economic development by operating Elevate, Lansing's first Black business accelerator program; One and All, that supports underserved entrepreneurs and business owners in the Lansing area; and many other programs.

Business acceleration also includes incubator, office, and wet lab facilities. The Lansing region now has over 100,000 square feet of space for rent by growing companies. Of this, MSU Research Foundation operates the VanCamp Incubator, The TIC, MSU Hatch, and the Alliance Incubator facility.
Patents

Michigan State University typically leads patent generation for the Lansing region. MSU researchers conduct cutting-edge research in fields that range from agriculture to health science, complex materials, and nuclear physics. In 2023, Michigan State University secured 62 patents. MSU was ranked 49th in the U.S. and in the top 100 worldwide by the National Academy of Inventors (NAI) for its 45 utility patents that year. The NAI's list recognizes U.S. universities that have been granted the most utility patents.

University Start-Ups

MSU supports entrepreneurship by providing faculty and students with access to experienced business leaders and startup funding opportunities, and by connecting them to university-wide entrepreneurship programs and community collaborations. In 2023, MSU reported five new startups in the region due to these efforts.

University Patents Issued, 2023



ere unavailable for Indianapolis, Grand Rapids, and Des Moines.



Note: Data were unavailable for Indianapolis, Grand Rapids, and Des Moines. Definition of "Startup" may vary among universities.



University Research

MSU's 2023 research expenditures exceeded \$844 million, ranking the region 7th among its peers. This represents a 16% increase over 2019.



Source: AUTM Annual Report, 2023. Note: Data were unavailable for Indianapolis, Grand Rapids, and Des Moines.

Rank

Venture

Capital

Venture Capital

The Lansing entrepreneurial ecosystem has benefited from an influx of venture capital in the last few years. The number of venture capital deal

counts increased from 6 to 11 between 2019 and 2023, representing an 83.3 percent increase overall or 16.4 percent on an annual basis. The Lansing region experienced the highest increase in the number of deals in the last five years among its peer regions.



Growth in Venture Capital Deal Count, 2019-2023

Source: National Venture Capital Association (NVCA); Pitch Book, US VC Deal Flow by MSA (USD). Note: See differences in peer region population on page 10, and limitations of defining deal flow on page 46.

Ten years ago, there was no venture capital in Greater Lansing. MSU Research Foundation, through its captive venture funds - Red Cedar Ventures and the Michigan Rise Pre-Seed Fund —is now the 2nd most active early-stage investor in the Midwest over the last 3 years according to Pitchbook. With \$50M of committed capital, the Foundation invests in MSU Alumni ventures, startups emanating from MSU's healthcare partnerships and opportunities from across the 21 SmartZones across the state.



Venture capital supports high growth companies and indicates improvements in a region's competitive entrepreneurial ecosystem. The amount of venture capital deal flow increased from \$5 million to \$16 million between 2019 and 2023, representing a 254.1 percent increase overall or a 37.2 percent increase on an annual basis. The Lansing region experienced the highest increase in deal flow among its peer regions.



Source: National Venture Capital Association (NVCA); Pitch Book, US VC Deal Flow by MSA (USD). Note: See differences in peer region population on page 10, and limitations of defining deal flow on page 46.

Place, Livability, and Connectivity

The Lansing region has many arts and culture, recreation, and entertainment attractions for visitors and residents alike. From the State Capitol to the beautiful MSU campus, Lake Lansing, miles of trails and paths, parks and cultural attractions, sporting venues, and popular festivals, the region provides enriching opportunities for all. This section describes key placemaking and connectivity benchmarks for the region.



Walkability and Commuting

The ability to walk or take public transit to work are important for attracting workers and providing options for those who do not have reliable personal transportation. The Capital Area Transportation Authority (CATA) offers a variety of transportation options, including regularly scheduled routes, advance-reservation services, and MSU campus routes. In addition, the Lansing River Trail connects downtown Lansing to MSU, many neighborhoods, and other local attractions.

With 6% of workers walking, biking, or taking public transit to work, Lansing ranks third among the peer regions. This share declined slightly between 2019 and 2023. Some of this decline may be due to a drastic increase in employees working from home. All of the peer regions experienced an increase in employees working from home, with Lansing's share growing from 4.4% in 2019 to 13.7% in 2023.

The average commute time for Lansing workers was 22.1 minutes in 2023, showing an average commute faster than 8 of the peer regions. This indicates relatively convenient access to employers for local residents.



Source: US Census Bureau, American Community Survey

Arts, Culture, and Entertainment

Lansing is among the lowest in the peer regions for per-household spending on theater, opera, and concert tickets; movies, museums, and parks; admission to sporting events; and participant sports at \$592 per household. This factor is partly attributable to the many area attractions and festivals that are free or relatively inexpensive when compared to the Lansing area's peer regions.



Source: ESRI, Inc. 2023



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Regional Connectivity

Located in the heart of Michigan, the Lansing region offers exceptional access to major commercial, personal, and recreational destinations. Three major highways—I-96, I-69, and U.S. 127—intersect the region, enabling efficient transportation throughout the state and beyond. I-96 connects Detroit to Lansing and Grand Rapids along Michigan's primary economic corridor, while I-69 links the region to a key border crossing into Canada, facilitating international trade. Additionally, Lansing lies on the primary trade corridor connecting Canada and Mexico, and 90% of Michigan's population can be reached within a 90-minute drive, underscoring its central and strategic location.

Airport connectivity is another regional strength. Capital Region International Airport (LAN) offers direct flights to five major destinations—Detroit, Chicago, Washington D.C., Orlando, and Tampa—as well as a variety of seasonal domestic and international routes. LAN is a regional hub for air cargo transportation, processing nearly 63.5 million pounds of cargo in 2024 alone, and serving as the Michigan Air Operations hub for UPS. It is also home to Port Lansing, mid-Michigan's only U.S. Port of Entry, enabling swift and efficient clearance of international passengers and goods through U.S. Customs and Border Protection. The airport's location adjacent to three major highways enhances its role as a critical transportation and logistics asset for the region.

Summary of Indicators	2019	2023	Rank Among Peers (2023)	% Change 2019-23	5 Year Trend	Rank Amon Peers (Trend
Demographic Indicators						
Population	482,269	473,177	11th	-1.9%		11th
Net-migration	-12,208	1,016	11th			
Net talent migration	69	1,436	8th			
Gen Z population (share of total pop)		25.2%	2nd			
Millennial population (share of total pop)		20.2%	11th			
Gen X population (share of total pop)		18.2%	12th			
Baby boomer population (share of total pop)		20.4%	3rd			
conomic Growth Indicators						
Real GDP (in millions of chained 2017 USD)	\$ 46,486,146	\$ 50,797,835	11th	9.3%	-	5th
Labor Force growth	250,788	253,416	11th	1.0%	1	9th
Employment growth	242,125	244,000	11th	0.8%	1	9th
Unemployment rate	3.5%	3.7%	11th	5.7%	1	8th
Knowledge sector employment (share of total employment)	9.3%	9.1%	4th	-2.8%	->	8th
High tech employment (<i>share of total employment</i>)	9.9%	11.2%	6th	12.2%	1	4th
Private sector employment (share of total employment)	75.7%	75.7%	10th	0.0%	->	6th
Public sector employment (share of total employment)	24.3%	24.3%	2nd	0.0%	-2	7th
Establishments	9,728	11,343	11th	16.6%	1	7th
Total export product/sales (in millions)	\$ 1,136.1		10th	33.3%	T	3rd
community Prosperity Indicators	Ş 1,150.1	Ş 1,514.2	1011	33.370	Tr	510
	\$ 59,117	¢ 70.007	11+b	19.49/		6h
Median household income			11th	18.4%	T	
Per capita income			12th	20.4%	T	6th
Average wages	\$ 52,685		10th	20.2%	1	8th
Median housing value	\$ 159,700		12th	37.2%	T	8th
Median gross rent	\$ 852	\$ 1,042	12th	22.3%	1	11th
Housing construction permits	1,026	949	12th	-7.5%		10th
Housing construction permits (aggregate 2019-2023)		5,064	11th			
Households earning below ALICE poverty/livable level		40.6%	3rd			
ducation and Talent Indicators			-			-
Student enrollment, undergraduate	62,613	57,962	9th	-7.4%		10th
Student enrollment, graduate	15,408	13,202	9th	-14.3%		11th
Student enrollment, total	78,021	71,164	10th	-8.8%		10th
Total degrees awarded, undergraduate	10,592	10,466	7th	-1.2%		7th
Total degrees awarded, graduate	3,938	3,699	9th	-6.1%		10th
Total degrees awarded, total	14,530	14,165	9th	-2.5%		9th
STEM degrees awarded	3,137	3,423	6th	9.1%	1 P	6th
Share of STEM degrees awarded	21.6%	24.2%	3rd	2.6%	T	4th
Edu. attainment; (age 25+ with assoc. degree or higher)	46.2%	47.9%	10th	2.1%	1	11th
Highly educated young ppl (age 25-34, bachelor's or higher)	41.6%	44.1%	9th	0.5%	Ŷ	11th
ntrepreneurship & Innovation Indicators						
University patents issued	63	62	7th	-1.6%		7th
University start-ups	4	5	7th	25.0%	1	4th
University R&D expenditures	\$725,708,000	\$844,076,000	7th	16.3%	1	8th
Venture Capital Deal Flow (\$ in millions)	\$5	\$ 16	11th	254.1%	Ŷ	1st
Venture Capital Deal Count	6	11	11th	83.3%	Ŷ	1st
lace, Livability, and Connectivity Indicators						
Mean commute time (<i>minutes</i>)	22.9	22.1	4th	-3.5%		4th
Share of workers commuting by bus, bike, or walk	7.1%	6.0%	3rd	-26.5%		9th
Share of workers commuting working from home	4.4%	13.7%	10th	167.9%	1	9th
Average household spend on arts, culture, & entertainment		\$837	11th			
Share of employees in arts, culture, and entertainment	1.4%	1.7%	7th	15.8%		3rd

Methodology

Lansing Region Definition

The Lansing region includes Clinton, Eaton, and Ingham Counties. This represents a change from the prior benchmarking report, where the official definition of the Lansing-East Lansing Metropolitan Statistical Area included Shiawassee County.

On some measures, previous Lansing MSA data included Shiawassee County due to a prior definition of the region. In most cases, we adjusted the data to include only Clinton, Eaton, and Ingham Counties. Other indicators, such as median values, cannot be adjusted with the data available. We assume these values are similar for the three-county region and have minimal impact on the Lansing region's rank among its peers.

Data Sources and Vintage

Readers will find data collection sources noted throughout the report. Also noted throughout are limitations based on population size. AEG analyzed data from the last five years (2019-2023), comparing it to the same data for the five years prior. For some indicators, data was available for the most recent year. Others are based on earlier years. Anderson Economic Group defined both high-tech and knowledge sectors.

Criteria for AEG's Selection of Peer Regions

- Presence of a major university,
- State capitals,
- Industry makeup, and
- Competitiveness of the business environment.

Where possible, metrics were normalized to compensate for differences in population.



ABOUT ANDERSON ECONOMIC GROUP

Anderson Economic Group, LLC is a research and consulting firm founded in East Lansing, Michigan in 1996. AEG now serves clients across the U.S. from its offices in East Lansing and Chicago.

The experts at AEG have particular expertise in public policy, economic analysis, and economic development.

Relevant publications from the firm include:

- State of the Lansing Region report, 2020.
- Annual Benchmarking of Michigan's University Research Corridor, 2007-2024.
- State Economic Competitiveness Benchmarking, compiled for Business Leaders for Michigan, 2012-2019.
- Annual State Business Tax Burden Rankings, 2007-2019.
- Annual Technology Industry Report, compiled for Automation Alley, 2006-2016.





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