

The State of Utah's Travel and Tourism Industry

Authored by: Jennifer Leaver, Research Analyst

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Introduction

Utah’s diverse travel and tourism industry generates jobs and income for Utah residents and produces tax revenue for state and local governments. Domestic and international visitors are drawn to Utah’s natural, cultural, and historical assets. Utah has 14 ski resorts, 10 of which are less than an hour from Salt Lake City International Airport, as well as five national parks, 11 national monuments, two national recreation areas, one national historic site, and 43 state parks. Throughout the year, Utah hosts several arts events, such as the Moab Music Festival, Sundance Film Festival, Tuacahn Theater Series, Utah Arts Festival, Utah Festival Opera, and the Utah Shakespeare Festival, in addition to well-attended athletic events, meetings, conventions, and trade shows. While traveling in and around Utah, travelers spend their money on a variety of goods and services. This report provides a comprehensive overview of travel and tourism-related visitation, spending, employment, wages, sales, tax revenue, and industry performance in Utah.

In 2016, travelers spent a record \$8.54 billion in Utah, generating an estimated \$1.25 billion in total state and local tax revenue.¹ Travel and tourism generated an estimated 146,500 total jobs in 2016 and \$5.7 billion in wages.² Utah’s 14 ski resorts and five national parks experienced record visitation. Utah visitors also purchased more hotel rooms and spent more money on arts, entertainment, recreation, and restaurants in Utah than ever before.

Utah Travel Regions

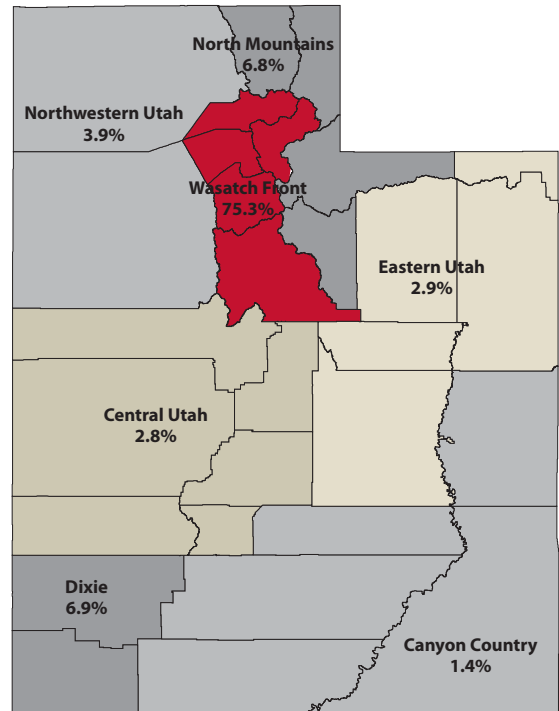
For purposes of this report, the Kem C. Gardner Policy Institute defined and divided Utah into seven travel regions, organized by geographic areas and counties. Figure 1 shows each Utah travel region with its share of the state’s 2016 population. The Wasatch Front—Utah’s metropolitan hub—is bordered by mountains on the east and lakes on the west.³ In general, travelers visit the Wasatch Front to ski and/or recreate outdoors, attend arts and cultural events, visit local attractions, attend conventions and trade shows, shop, and dine. The North Mountains

Region includes large portions of Wasatch-Cache and Uinta National Forests, mountain topography, and eight state parks.⁴ Eastern Utah offers fly-fishing, boating, and river rafting opportunities in and around Flaming Gorge National Recreation Area, as well as abundant paleontological, archaeological, and geological sites.⁵ Northwestern Utah provides basin and range geography, with rugged mountains, endless vistas, and the unique Great Salt Lake ecosystem.⁶ Central Utah, located in the “heart” of the state, comprises rolling hills, agricultural lands, historic sites, and popular ATV trail systems.⁷ Canyon Country, which is home to four of Utah’s five national parks, attracts visitors to its unique geology, recreational opportunities, and scenic beauty.⁸ Dixie, in southwestern Utah, is the gateway to Zion National Park and is the warmest region in the state, making it an area for year-round golf, outdoor theater, and general recreation and leisure.⁹

Utah Travel and Tourism in a National Context

In 2016, the combination of a relatively strong U.S. dollar, low fuel prices, and the political climate surrounding America’s 2016 presidential election affected travel and tourism in the United States. Between 2015 and 2016, the U.S. Travel Association (USTA) reported that domestic travel and tourism in the U.S. remained relatively flat (+1.3 percent increase in domestic person-trips) while total international visitor arrivals declined by 2.1 percent.¹⁰ Utah fared a bit better in the travel and tourism sector compared to the nation as a whole (see Figure 2). According to travel research firms KANTAR TNS and Tourism Economics, Utah experienced a 4.6 percent year-over-year increase in domestic person-trips (leisure and business) and a 1.9 percent increase in international visitor arrivals. In addition, Utah national park visitation—a good indicator of Utah traveler activity—grew 21 percent from 2015 to 2016. Similarly, nationwide domestic and international air passenger enplanements increased by 3.1 percent in 2016, and domestic and international enplanements at the Salt Lake City International Airport increased by 4.7 percent. Utah performed well above the na-

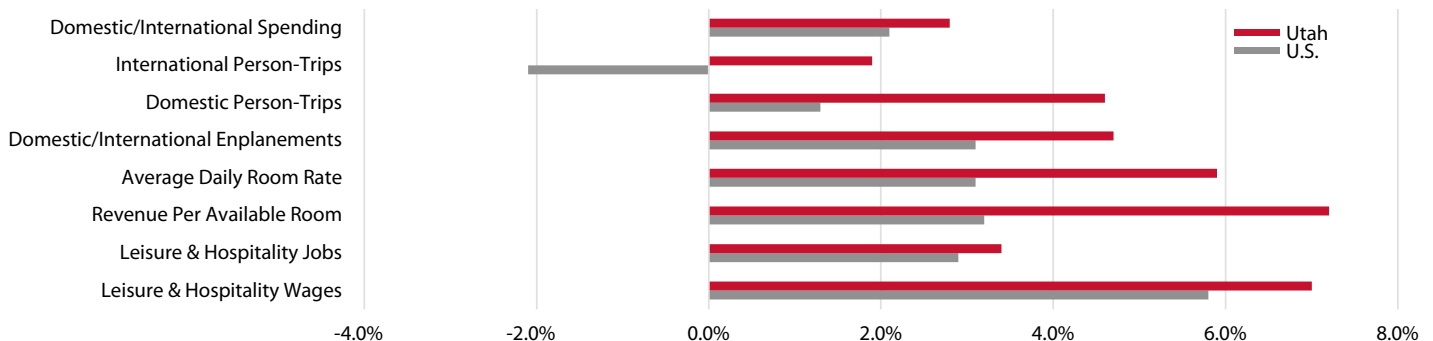
Figure 1
Population Shares by Utah Travel Region, 2016



Source: Kem C. Gardner Policy Institute analysis of Utah Population Estimates Committee data

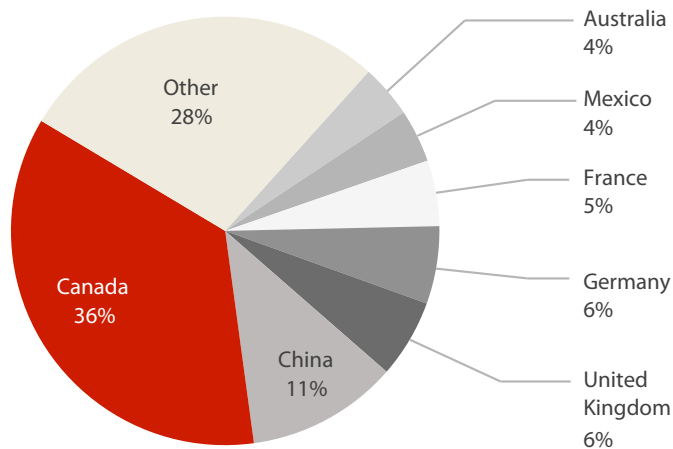
tion in the accommodations sector as well, with a 5.9 percent increase in average daily room rates and a 7.2 percent increase in revenue per available room compared to 3.1 percent and 3.2 percent increases nationally. Visitor spending was up in 2016 in both the U.S. and Utah. When combined, international and domestic visitor spending in the U.S. increased by 2.1 percent from 2015. Comparatively, international and domestic visitor spending in Utah increased from \$8.26 billion in 2015 to \$8.54 billion in 2016, which is a 3.3 percent increase over the previous year. When 2017 spending data becomes available, USTA expects total visitor spending in the U.S. and Utah to have increased another 2 to 4 percent from 2016.

Figure 2
Utah vs. U.S. in Key Travel and Tourism Areas
Year-Over-Year Change, 2015-2016



Source: Kem C. Gardner Policy Institute analysis of KANTAR TNS, U.S. Travel Association, and Tourism Economics data

Figure 3
Utah Share of Total International Visitors by Country, 2016



Source: Tourism Economics

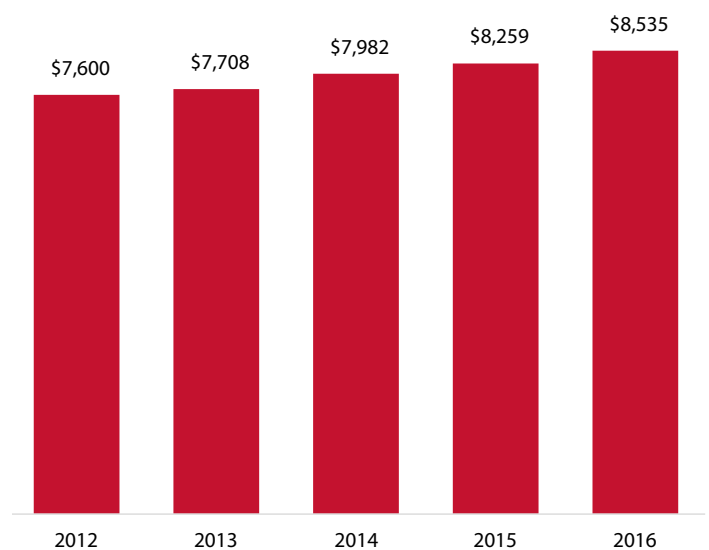
Looking ahead, the U.S. Department of Commerce predicts that international overnight visitors to the U.S. will reach a record 78 million in 2018—up 3.9 percent from their forecasted 75 million international visitors in 2017. In addition, the Commerce Department predicts that Canada, Mexico, and the U.K. will account for a majority of inbound U.S. travel in 2018. In regards to high-growth markets, U.S. visitation from China is forecasted to increase 40 percent from 2018 to 2022, followed by India (+23 percent), Argentina (+17 percent), and South Korea (+16 percent). Canada, China, the U.K., Germany, and France were Utah's top five international markets in 2016, based on international visitor arrival data provided by Tourism Economics (see Figure 3). Tourism Economics forecasts that between 2018 and 2022, Utah's high-volume/high-growth markets will include China (+38%), Brazil and India (+30%), and South Korea (+24%).

According to USTA, in 2016 domestic and international leisure and business travelers directly spent an estimated \$990.3 billion in the U.S., generating 8.6 million direct jobs, \$248.2 billion in payroll, and \$157.8 billion in tax revenue (6 to 7 percent year-over-year increases in jobs, payroll, and tax revenue). USTA notes that, in 2016, one out of nine jobs in the U.S. was dependent on the travel and tourism industry sector—the seventh largest private industry sector. In a national and regional context, Utah's 8.6 percent share of private leisure and hospitality employment to total private employment is slightly lower than the U.S.'s share.

Utah Visitor Spending and Profile

Utah's travel and tourism industry contributes significantly to both state and local economies. KANTAR TNS (TNS) and USTA provide the Utah Office of Tourism (UOT) with ongoing Utah visitor spending and demographic profile information. According

Figure 4
Total Direct Visitor Spending in Utah
Millions of 2016 Dollars



Source: Kem C. Gardner Policy Institute analysis of KANTAR TNS and U.S. Travel Association data

to USTA, in calendar year 2016, travelers spent a record \$8.54 billion in Utah. Figure 4 shows USTA visitor spending estimates from 2012 to 2016. When adjusted for inflation, visitor spending increased 12 percent from 2012 to 2016 and 3 percent from 2015 to 2016. The \$8.54 billion in spending included direct nonresident (\$7.3 billion) and resident (\$1.2 billion) leisure and business traveler spending. According to TNS, nonresident travelers spend, on average, two to three times more money during their Utah visit than resident travelers. Understanding who visits Utah from outside of the state and what motivates them to visit informs domestic and international tourism marketing.

Tourism Programs & Marketing

Utah Tourism Marketing Performance Fund

The Utah State Legislature established the Utah Tourism Marketing Performance Fund (TMPF) in 2005. The TMPF is a performance-based fund tied to annual sales tax increases in 20 tourism-related industries. The governor allocates funding to the UOT annually for tourism advertising and marketing in order to "increase the national and international awareness, inquiries, and tourism visits to Utah."¹¹ Appropriations since fiscal year 2006 have ranged between a low of \$6.95 million (FY2011) and a high of \$21 million (FY2017).¹² In years that the TMPF tourism industry sales tax revenue grows by 3 percent or more, or more than the Consumer Price Index, the UOT is able to receive up to an additional \$3 million in funding. The state divides annual TMPF allocations between the UOT's statewide tourism advertising program (70 percent), the UOT's local co-op program (20 percent), and the Utah Sports Commission (10 percent).¹³

Table 1
Total Visitor Spending in Utah by Spending Category, 2016

(Millions of Dollars)

Spending Category	Nonresident	Resident	Total
Auto Transportation (gasoline, car rental, parking, etc.)	\$1,939	\$498	\$2,437
Public Transportation (airfare, train, bus, taxi, etc.)	\$1,711	\$129	\$1,840
Lodging	\$1,400	\$136	\$1,536
Food/Beverage/Dining (excluding groceries)	\$1,229	\$175	\$1,404
Shopping/Gifts/Souvenirs	\$465	\$113	\$578
Groceries	\$237	\$87	\$324
Entertainment/Admissions	\$134	\$53	\$187
Other	\$109	\$8	\$117
Amenities (golf fees, spa, health club, ski passes, etc.)	\$97	\$15	\$112
Total	\$7,321	\$1,214	\$8,535

Source: U.S. Travel Association

Cafeteria Co-Op Marketing Program

In 2017, Utah’s Board of Tourism Development allocated more than \$3.4 million in cooperative marketing matching funds, as well as an additional \$850,000 in matching funds through its Cafeteria Co-op Marketing program. These programs enable destination-marketing organizations such as convention and visitor bureaus, county tourism offices, and nonprofit organizations to combine their marketing dollars with UOT matching funds to promote a wide variety of destinations and events throughout the state.

Utah Office of Tourism - Winter Marketing Campaign

In fall 2016, the UOT utilized the TMPF to implement its winter marketing campaign, which was an updated continuation of their Find Your Greatest campaign (first launched fall 2014) with the tagline, “This is my greatest – This is Utah, life elevated.” Strategic Marketing and Research Insights (SMARI) reported a 15 percent year-over-year increase in 2016-2017 winter advertising campaign awareness. The campaign reached around 1.6 million snow traveler households and continued to receive excellent ratings in its third season.¹⁴ At the end of the winter campaign’s second phase, SMARI found that UOT’s 2016-2017 winter advertising campaign influenced travel from all markets, leading to 30 percent more Utah winter trips and a 10 percent increase in spending for every advertising dollar spent compared to the previous year.

Utah Office of Tourism - Three-Season Campaign

In spring 2017, the UOT placed a variety of three-season Mighty 5[®] campaign ads nationwide. After the completion of the 2017 ad campaign, SMARI reported increased awareness of

this round of ads in both the spot markets (up 3 percent) and in other national markets (up 2 percent). The ads even attracted attention from the Denver market, which has historically been difficult to achieve. This particular campaign continued to receive ratings in the top 10 percent industry benchmark level, efficiently communicating that Utah has beautiful and dramatic scenery, outdoor adventure opportunities, and many national parks.¹⁵ In 2017, the UOT’s three-season Mighty 5[®] marketing campaign influenced 1.6 million Utah trips (up from 1.0 million in 2016), generated \$2.3 billion in Utah visitor spending (a 55 percent increase from 2016), and led to longer stays by ad-influenced visitors.

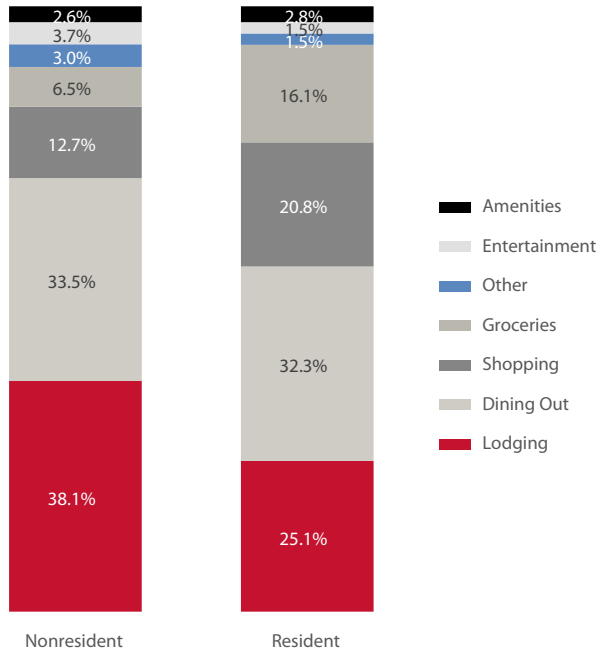
Domestic Visitation

TNS reported that in calendar year 2016 the majority of TravelsAmerica survey respondents visited Utah for leisure, drove their own vehicle (vs. flew), and stayed an average of four nights. According to TNS, Utah and Wyoming visitors were the most likely to drive and travel with children, while Nevada visitors tended to fly to Utah and travel without children. TNS noted that in 2016, Utah visitors engaged in more of each leading activity such as visiting friends/relatives, rural sightseeing, national and state park visitation, hiking/backpacking/canyoneering, and wildlife viewing than during the previous year. In addition, more nonresident visitors participated in outdoor recreation than resident visitors, and younger visitors were more likely to pursue participatory activities like outdoor recreation and adventure sports. The largest segment of nonresident travelers visited Utah to see friends and family and, although they spent the least amount of money per travel party size, they collectively spent the most money in Utah for overall visitors. In addition to visiting friends and family, the majority of nonresident respondents explored rural Utah, visited national and state parks, shopped, hiked or backpacked, explored national monuments, and visited historic sites and churches.

Table 1 shows total domestic and international, resident and nonresident, and business and leisure spending by spending category. Both nonresident and resident travelers spent the most money on transportation, whether auto-based or public (airline, rail, bus). When transportation spending is removed, visitors from out-of-state spent the largest shares of their total spending on lodging and dining out whereas resident travelers spent relatively larger shares on shopping and groceries (see Figure 5).

In their 2016 Utah TravelsAmerica Visitor Profile report, TNS highlighted the fact that not all of Utah’s key domestic source markets border Utah (e.g. California and Montana) (see Figure 6). In general, visitors head to the larger Utah cities regardless of their origin. In 2016, the greatest numbers of nonresident visitors originated from Los Angeles, Denver, Idaho Falls/Pocatello, Las Vegas, and Phoenix/Prescott. TNS survey data also indicated that Salt Lake City, Provo/Orem, and St. George attracted the most vis-

Figure 5
Utah Visitor Spending Shares by Spending Category, 2016



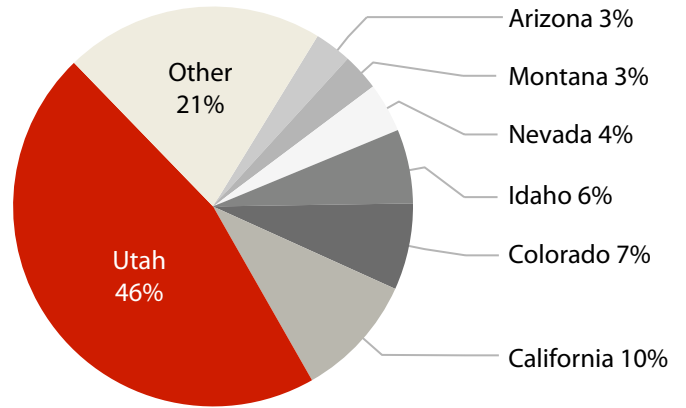
Note: Public transportation (airfare, train, bus, taxi, etc., has been removed).
Source: Kem C. Gardner Policy Institute analysis of KANTAR TNS data

itors overall. Nonresident travelers visited more areas in Utah (1.8 areas) than resident travelers (1.4 areas) during their stay and, despite how or where they traveled, 88 percent of nonresident and 93 percent of resident respondents reported being “extremely/very satisfied” with their Utah travel experience.

International Visitation

International travelers and tourists visit Utah each year to participate in a variety of activities, including skiing/snowboarding, exploring national parks, visiting historical and cultural sites, and attending events, conventions, trade shows, and conferences. Tourism Economics reported that in 2016 Utah received the most international arrivals from Canada, China, the

Figure 6
Share of Total Domestic Visitors to Utah by State, 2016

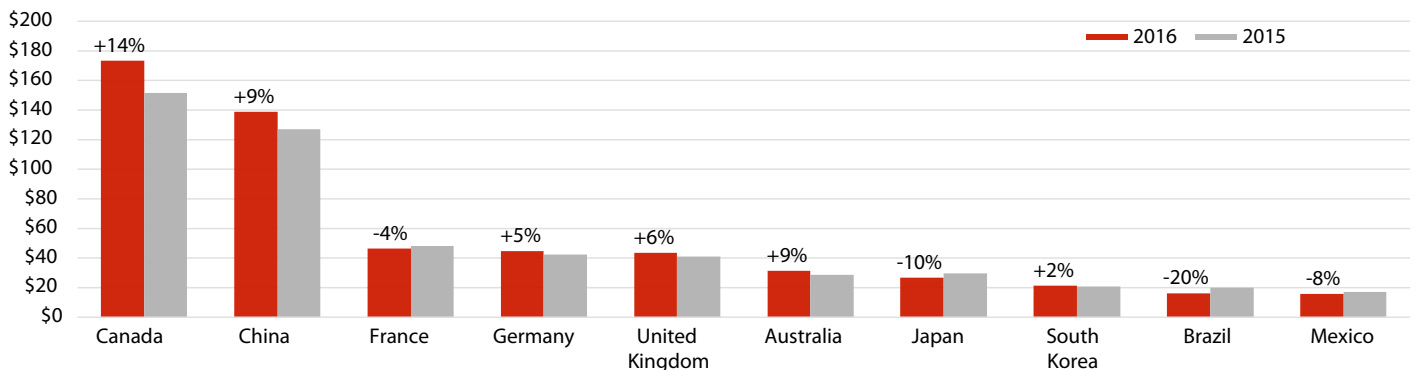


Source: KANTAR TNS

U.K., Germany, France, Mexico, Australia, and Japan. Figure 7 shows year-over-year change in total spending by visitors from Utah’s top ten international markets. As reflected in the data, Canadian visitors spent 14 percent more in 2016 than the previous year; conversely, Japanese visitors spent 10 percent less.

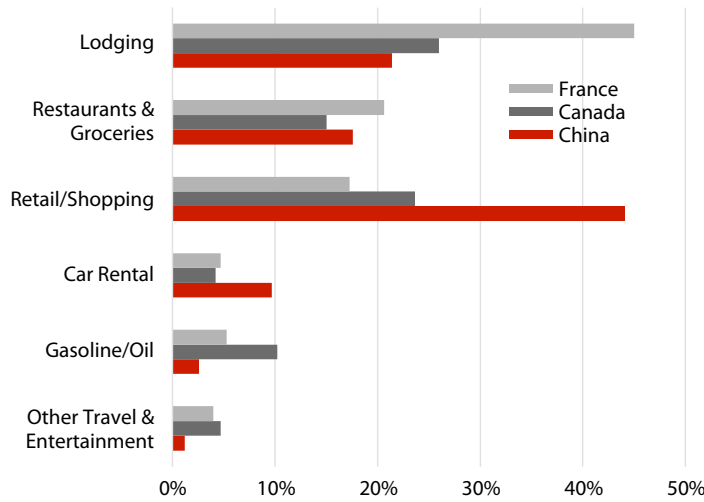
As for international traveler spending, visitors from Canada, China, and France spent the most money in Utah—almost three times as much as other top countries. In fact, Chinese visitors spent an average of \$1,600 per stay, French visitors spent around \$1,200, and Canadians around \$640. Aside from differences in lengths of stay for these groups (e.g. Chinese and French stay in Utah longer on average than Canadians), 2016 Visa credit card spending data revealed that visitors from China spent the largest share of their total Visa spending on retail/shopping (44 percent) and car rental (10 percent); French visitors spent two-thirds of their total Visa card spending on lodging and food; and Canadian visitors spent a smaller share (4 percent) on car rental than visitors from China and France, but a larger share on gasoline/oil (see Figure 8).

Figure 7
Utah Visitor Spending by Top International Markets
(Year-Over-Year Percent Change Shown)



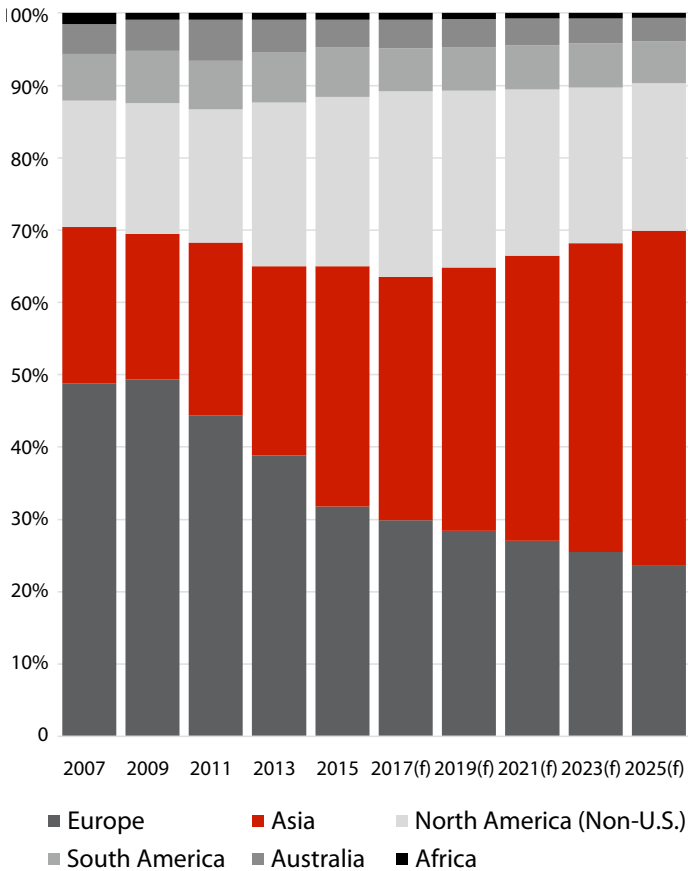
Source: Kem C. Gardner Policy Institute analysis of Tourism Economics data

Figure 8
Share of Visa Card Spending by Spending Category
Utah's Top Three International Markets, 2016



Source: Kem C. Gardner Policy Institute analysis of Tourism Economics data

Figure 9
Utah International Visitor Spending Shares by Continent



Source: Kem C. Gardner Policy Institute analysis of Tourism Economics data
(f): forecast

Based on visitation figures from Tourism Economics, there has recently been a noted shift in international spending in Utah. Beginning in 2015, Asian visitors spent more money in Utah than European visitors for the first time—a trend that is predicted to continue into the future (see Figure 9). Over the past few years, relaxed visa restrictions, more direct flights from Asia to the U.S., and a general shift in Asian traveler preferences, have all contributed to an increase in Asian visitation to the U.S.

The Seasonal Nature of Travel and Tourism in Utah

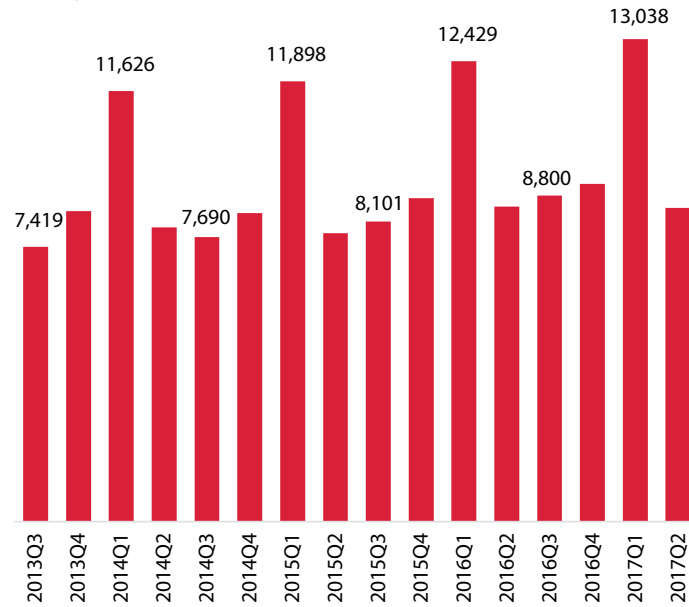
Utah's travel and tourism industry is seasonal in nature due to Utah's geography, climate, and natural amenities. In the winter, Utah's 14 ski resorts, 10 of which are located less than an hour from Salt Lake City International Airport, attract skiers and snowboarders from around the nation and world. Predominantly during the spring, summer, and fall, travelers and tourists visit and explore Utah's national parks, monuments, and other wilderness areas.

To determine the seasonality of the travel and tourism industry at the regional or county level, the Gardner Policy Institute examined several years of leisure and hospitality jobs by quarter. Based on quarterly employment data provided by Utah's Department of Workforce Services, Summit County, in the Northern Mountains region, exemplifies winter seasonality. Summit County has two ski resorts (Park City Mountain Resort and Deer Valley) and several venues for winter recreation activities. In addition, Park City (Summit County's largest city) hosts the annual Sundance Film Festival, which has been held every January since 1985.

As Figure 10 shows, leisure and hospitality jobs spike in Summit County during peak skiing and snowboarding season in the first quarter (January through March) of each year. Even though Summit County clearly exhibits winter seasonality, summer leisure and hospitality employment in the county has been increasing at a faster rate than winter employment as Park City continues to develop its off-season travel markets. For instance, Summit County's winter employment has grown 12 percent over the past five years while its off-season summer employment has grown 20 percent.

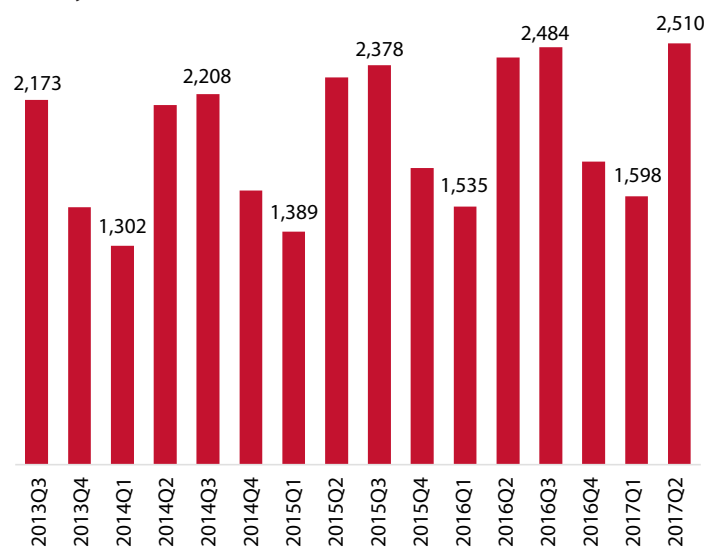
In contrast to winter tourism seasonality, Grand County, located in Canyon Country, experiences warm weather seasonality. Grand County is home to two national parks, whitewater rafting, mountain biking, rock climbing, athletic events, art and music festivals, jeep safari, and many other local seasonal attractions that take place from late March through early November. Utah Department of Workforce Services data in Figure 11 illustrates how leisure and hospitality jobs in Grand County peak in quarters two and three (April through September) with a significant drop in the number of jobs during quarters four and one (October through March). Similar to Summit County, however, Grand County's off-season (fall and winter) leisure and hospital-

Figure 10
Summit County: Average Private Leisure and Hospitality
Jobs by Quarter



Source: Utah Department of Workforce Services

Figure 11
Grand County: Average Private Leisure and Hospitality
Jobs by Quarter



Source: Utah Department of Workforce Services

ity employment sector has been growing at a faster rate than its spring and summer employment. Over the past five years, its winter employment has grown 26 percent while its spring and summer employment (combined) has grown 17 percent. Possible explanations for Grand County’s relative growth in off-season leisure and hospitality employment include increasing numbers of resident travelers visiting the county during the off-season to avoid seasonal crowds or to take advantage of milder winter temperatures.

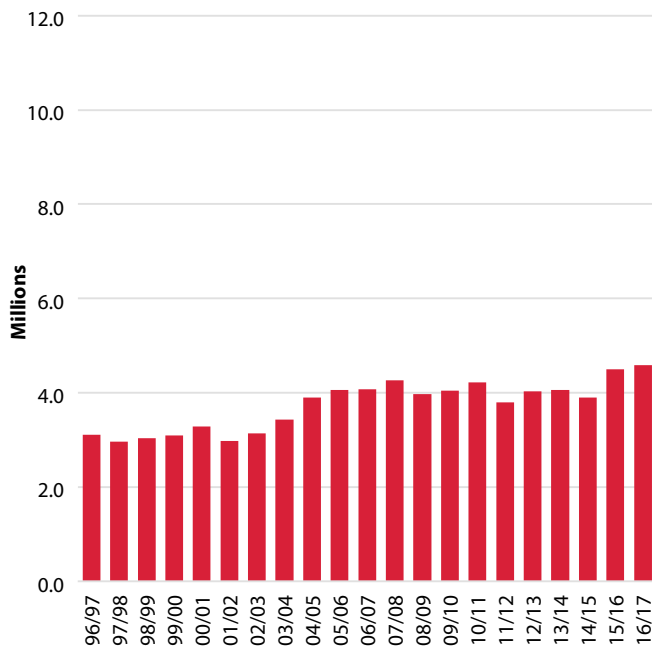
Skiing and Snowboarding in Utah

Utah’s ski and snowboarding industry experienced a new record during the 2016-2017 season with 4.58 million skier days (see Figure 12).¹⁶ A good annual snowfall, which continued late into the spring of 2017, helped attract skiers and generate record numbers.

According to Ski Utah’s 2017 “What’s New at Utah Ski Resorts for the 2017-2018 Season” report: a newly formed resort company (Alterra Mountain Company) controlled by affiliates of KSL Capital Partners, LLC, and Henry Crown and Company that joined with Intrawest Resorts Holdings, Inc., Mammoth Resorts, and Squaw Valley Ski Holdings planned to acquire Deer Valley Resort in 2017; Snowbird Ski and Summer Resort’s recently updated Creekside Lodge reopened; Alta Ski Area added a high-speed quad chairlift to replace its older Supreme and Secret chair lifts; Snowbasin replaced its triple chairlift (Wildcat) with a new high-speed detachable six-pack lift as well as improved its snow-making capabilities to make more terrain accessible; Park City Mountain made significant improvements to its beginner ski area; Solitude (still owned by Deer Valley Partners) continued to invest in resort improvements such as updating their website and their mountain restaurants/lodges; and Utah’s Ogden-Hinckley Airport added new flights from Los Angeles and Las Vegas, helping accommodate the urban “weekend warrior” in search of fresh powder.

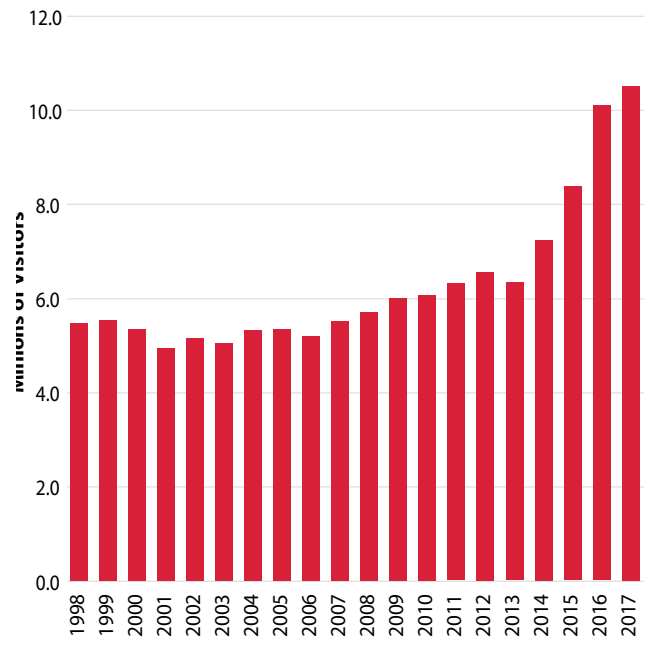
As a follow-up to their previous on-mountain skier survey administered at Utah ski resorts every two years since 2010-2011, RRC Associates (RRC) conducted another on-mountain skier survey at Utah resorts during the 2016-2017 ski season. RRC and trained staff distributed over 5,000 surveys to Utah ski resort guests throughout the ski season. During 2016-2017, RRC found an increase in skier/snowboarder visitation to Utah resorts and higher spending than in previous years. In fact, Utah ski resorts’ record economic impact of \$1.43 billion in 2016-2017 was 22 percent higher than 2014-2015’s economic impact of \$1.17 billion, and average per person per visit spending (on-mountain and off-mountain) increased from \$276 to \$296. Survey results showed that Utah received more overnight visitors, a younger and more affluent crowd, and more first-time visitors than in years past. Although length of stay and visitors per unit remained flat, more skiers and snowboarders stayed in paid accommodations and paid more per night (\$386 vs. \$334) than in past years, with one in three respondents opting for short-term home and condominium rentals through online community marketplaces (e.g. Airbnb and VRBO). Nonresident domestic guests visited Utah from the top markets of California (10 percent), New York (5 percent), Florida and Texas (4 percent each). The top international markets were Australia, the U.K., and Canada. When asked, survey respondents indicated that the quality of skiing, ease of flying into the SLC International

Figure 12
Utah Total Skier Days



Source: Ski Utah

Figure 13
Utah National Parks Recreation Visitation



Source: U.S. National Park Service

Airport and accessing ski resorts from the airport, and favorable snow conditions are the main reasons they visit Utah to ski. Three-quarters of respondents said they would return to Utah during the next ski season.

Park Visitation in Utah

Utah has a unique topography consisting of Rocky Mountain, Colorado Plateau, and basin and range geography. Its numerous federal and state parks aim to preserve and educate visitors about Utah’s natural, cultural, and historical assets. Utah has five national parks, 11 national monuments, two national recreation areas, one national historic site, 43 state parks, 23 million acres of BLM land, 26 scenic byways, five state-operated welcome centers, and over 8 million acres of national forest, offering a variety of opportunities to travelers and recreationists.

National Parks and Places

In June 2017, the National Park Service (NPS) issued its annual “Visitor Spending Effects” report detailing non-local visitation to Utah parks and places in federal fiscal year 2016 and resultant spending, supported jobs, labor income, value added, and economic output.¹⁷ According to the NPS analysis, over 14.4 million recreation visits to Utah’s national parks and places generated \$1.1 billion in spending, the majority of which supported the economies of Utah’s rural gateway communities. In fact, the NPS report estimates that park visitor spending supported more than 17,900 Utah jobs, \$546.7 million in labor income, \$886.1 million in value added, and \$1.6 billion in economic output in the Utah economy. These are healthy year-over-year

increases of 20 to 30 percent, with visitors spending 9 percent more dollars per visit in 2016 than in 2015. Utah’s five national parks alone generated close to \$800 million in non-local visitor spending. For the first time, Zion reported more annual visitors than Yellowstone, and visitor spending at Bryce Canyon surpassed spending at Arches.

National Parks

According to the most recent NPS visitation numbers, 2016 was another record year for Utah national parks, with 10.1 million recreation visits (up 21 percent from 2015). Visitation to Utah’s national parks has been on a steady uphill climb for the past 10 years, but has made significant year-over-year leaps in 2014, 2015, and 2016 (see Figure 13). Preliminary NPS data indicates there were around 10.5 million recreation visits to Utah national parks in 2017, showing an increase but deceleration in overall park visitation.

Based on NPS visitation data, while all Utah national parks experienced increased visitation post-recession, Bryce Canyon experienced the greatest increase (36 percent), followed by Canyonlands (22 percent), and Zion (18 percent). Table 2 shows 2015 and 2016 Utah national park recreation visitation, including year-over-year percent changes. In 2017, Zion National Park reported the largest share of visitors at 43 percent (see Figure 14).

National Places

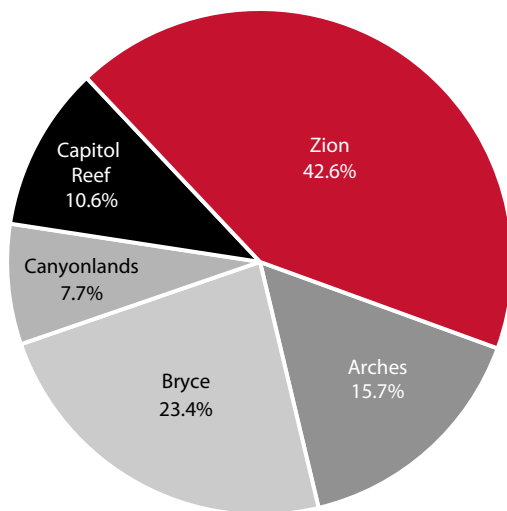
In 2016, the NPS and BLM reported an 18 percent year-over-year increase in total national place visitation and a 40 percent increase in visitation from 2012 to 2016 (see Figure 15). Glen Can-

Table 2
Utah National Park Recreation Visitation by Park

Utah National Parks	2015	2016	% Change
Arches NP	1,399,247	1,585,718	13.3%
Bryce NP	1,745,804	2,365,110	35.5%
Canyonlands NP	634,607	776,216	22.3%
Capitol Reef NP	941,029	1,064,904	13.2%
Zion NP	3,648,846	4,295,127	17.7%
Total NP Visits	8,369,533	10,087,075	20.5%

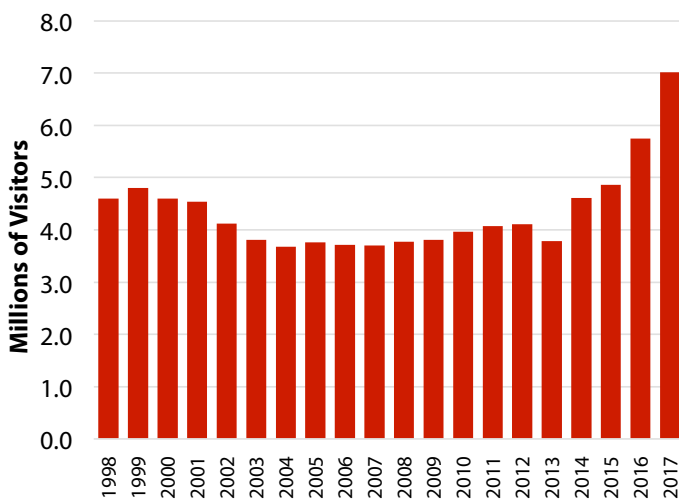
Source: U.S. National Park Service

Figure 14
Share of National Park Recreation Visitation by Park, 2016



Source: U.S. National Park Service

Figure 15
Utah National Place Recreation Visitation



Note: Does not include Flaming Gorge NRA or Bears Ears NM data Source: U.S. National Park Service

Table 3
Utah National Place Visitation by Place

Utah National Places	2015	2016	2015-2016 % Change
Cedar Breaks NM	793,601	899,676	13.4%
Dinosaur NM	291,799	304,312	4.3%
Glen Canyon NRA	2,495,093	3,239,525	29.8%
Golden Spike NHS	59,147	60,814	2.8%
Grand Staircase-Escalante NM	912,055	926,236	1.6%
Hovenweep NM	35,117	42,862	22.1%
Natural Bridges NM	94,797	101,443	7.0%
Rainbow Bridge NM	77,270	86,369	11.8%
Timpanogos NM	104,023	91,261	-12.3%
Total NM, NRA, and NHS Area Visits	4,862,902	5,752,498	18.3%

Note: Does not include Flaming Gorge NRA or Bears Ears NM data Source: U.S. National Park Service

yon National Recreation Area reported the greatest year-over-year increase in visitation (30 percent), followed by Hovenweep National Monument (22 percent), and Cedar Breaks National Monument (13 percent) (see Table 3). At the time of publication, visitation data for Flaming Gorge National Recreation Area and Bears Ears National Monument were not available.

Utah's "youngest" national places, Grand Staircase-Escalante National Monument and Bears Ears National Monument, have recently undergone changes since their designations in 1996 and 2016, respectively. After visiting Utah in early May 2017 to conduct a review of Grand Staircase-Escalante and Bears Ears National Monuments, U.S. Secretary of the Interior Ryan Zinke recommended that President Trump reduce the size of both monuments. Seven months later, President Trump, through Executive Order, reduced the size of Bears Ears and Grand Staircase-Escalante and divided the two monuments into five smaller monuments: Indian Creek National Recreation Area and Shah Jaa' National Monument (formerly Bears Ears) and Grand Staircase National Monument, Escalante Canyons National Monument, and Kaiparowits National Monument (formerly Grand Staircase-Escalante). Utahns met Trump's announcement with both applause and opposition. At the time of this report, several tribes, conservation groups, outdoor retailer Patagonia, and other local organizations are in the process of challenging President Trump's executive action in federal court. Shortly after Trump's proclamation, Utah Representative Chris Stewart introduced legislation to create Escalante Canyons National Park and Preserve in a portion of the former Grand Staircase-Escalante National Monument.¹⁸ If Congress approves this legislation, Utah will have six national parks.

Table 4
Utah State Park Visitation by Park

Utah State Park	FY16	FY17	% Change FY16-FY17
Anasazi Indian Village State Park Museum	20,824	19,565	-6.0%
Antelope Island State Park	398,147	431,190	8.3%
Bear Lake State Park	249,781	298,463	19.5%
Camp Floyd - Stage Coach Inn	13,623	12,340	-9.4%
Coral Pink Sand Dunes State Park	82,427	108,745	31.9%
Dead Horse Point State Park	403,737	560,783	38.9%
Deer Creek State Park	283,744	338,865	19.4%
East Canyon State Park	85,163	102,922	20.9%
Edge of the Cedars State Park Museum	9,626	11,801	22.6%
Escalante Petrified Forest State Park	52,110	57,117	9.6%
Fremont Indian State Park	17,550	22,446	27.9%
Frontier Homestead State Park Museum	9,265	10,493	13.3%
Goblin Valley State Park	191,414	241,770	26.3%
Goosenecks State Park	51,985	64,789	24.6%
Great Salt Lake Marina	396,911	54,031	-86.4%
Green River State Park	56,828	58,459	2.9%
Gunlock Reservoir	14,423	19,122	32.6%
Huntington State Park	30,708	34,086	11.0%
Hyrum State Park	75,073	75,636	0.7%
Jordanelle State Park	403,136	507,780	26.0%
Kodachrome Basin State Park	107,850	116,992	8.5%
Millsite State Park	28,805	16,468	-42.8%
Otter Creek State Park	31,361	40,016	27.6%
Palisade State Park	113,713	132,884	16.9%
Piute Reservoir	1,302	1,205	-7.5%
Quail Creek State Park	83,017	96,030	15.7%
Red Fleet State Park	28,506	31,156	9.3%
Rockport State Park	118,556	132,565	11.8%
Sand Hollow State Park	433,152	539,683	24.6%
Scofield State Park	21,860	20,846	-4.6%
Snow Canyon State Park	272,041	299,798	10.2%
Starvation State Park	100,489	115,328	14.8%
Steinaker State Park	37,519	42,546	13.4%
Territorial Statehouse State Park Museum	7,957	7,869	-1.1%
Utah Field House of Natural History	58,042	54,701	-5.8%
Utah Lake State Park	132,954	134,511	1.2%
Wasatch Mountain State Park	336,230	360,383	7.2%
Willard Bay State Park	297,837	394,136	32.3%
Yuba State Park	105,819	105,964	0.1%
Total Visits	5,163,485	5,673,484	9.9%

Source: Utah State Parks

State Parks

Utah's Division of State Parks (USP) manages 43 state parks and administers the Utah off-highway-vehicle, boating and trails program. Although USP has recorded state park visitation as far back as 1980, they have decommissioned or created several state parks since then. Currently, USP tracks visitation for 40 of its 43 parks. According to fiscal year 2017 state park data, Dead Horse Point, Sand Hollow, Jordanelle, Antelope Island, Willard Bay, Deer Creek, Snow Canyon, and Bear Lake state parks recorded the most visitation at 300,000 to over half a million visitors per year. Dead Horse Point, Gunlock Reservoir, Willard Bay, and Coral Pink Sand Dunes state parks all experienced at least 25 percent year-over-year increases in visitation; only Millsite and Great Salt Lake Marina reported greater than 25 percent decreases in visitation. Overall, there was a 10 percent increase in total Utah state park visitation from fiscal year 2016 to 2017 (see Table 4).

Meetings, Conventions, and Trade Shows

Throughout the year, Utah hosts numerous meetings, conventions, and trade shows that attract nonresident visitors (attendees) to Utah and new dollars to its economy.

Salt Lake County is home to Salt Lake City, Utah's largest city and one of the state's most popular tourist destinations (Salt Lake's Historic Temple Square is Utah's most-visited attraction). It is also home to Utah's two largest convention centers, the Salt Palace and the Mountain America Expo Center. Salt Lake County conventions and similar events draw more than 300,000 out-of-town attendees annually and generate an estimated one million visitor days.¹⁹

According to Visit Salt Lake, Salt Lake County hotel revenues were more than \$568 million in 2017, a 10 percent year-over-year increase from record revenues in 2016.²⁰ This represents a \$200 million increase in annual hotel income since 2012. Attendees that stayed in downtown Salt Lake City hotels were a significant generator of increased revenues. Visit Salt Lake notes that during conventions and other large events, downtown hotel room "compression" forces room rates up and pushes many visitors outside of the city center to accommodations in Sandy, West Valley City, and other Salt Lake County cities. During events, attendees patronize local restaurants and bars, participate in city nightlife, shop around town, and pursue different forms of culture, entertainment, and recreation. In 2017, event attendees spent over \$300 million dollars in the Salt Lake County economy, generating jobs as well as state and local tax dollars.²¹

Davis, Grand, Iron, Summit, Uintah, Utah, Washington, and Weber counties also have conference centers. Although conference and meeting venues outside of Utah's capital city do not generate as much annual hotel revenue as Salt Lake County venues, they do attract a portion of overnight visitors who participate in the local culture and spend money in the local economy.

Table 5
Top Ranking Airbnb Listings in Utah, March 2018

Rank	Most Airbnb Listings	# Listings	Rank	Highest Priced Cities	\$ Average
1	Park City	3,910	1	Park City	\$645
2	Salt Lake City	2,153	2	Huntsville	\$467
3	Moab	627	3	Kamas	\$398
4	Sandy	466	4	Midway	\$390
5	Saint George	377	5	Heber City	\$357
6	Provo	300	6	Ivins	\$351
7	Brian Head	294	7	Garden City	\$331
8	Eden	263	8	Duck Creek Village	\$311
9	Washington	244	9	Sandy	\$288
10	Heber City	239	10	Eden	\$254

Source: AirDNA

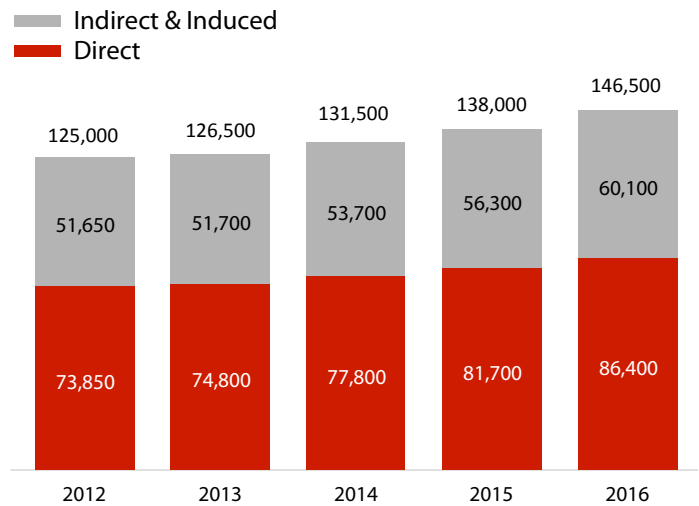
Utah's Sharing Economy

The “sharing economy”—a peer-to-peer economic model where consumers acquire, provide, or share goods and services on a community-based online platform (e.g. Airbnb, Uber, Lyft, etc.)—has exponentially grown across the nation over the past ten years with notable impacts to the travel and tourism industry. Hotels and motels now compete with resident homes as paid accommodation options for visitors, while traditional taxicabs and shuttles compete with Uber and Lyft for ride-hailing business. This has created tension between traditional and sharing economy businesses since the latter has not had to abide by as many rules and regulations as the traditional businesses. For instance, Utah hotels are required to charge a transient room tax to their overnight guests, something that was not required of Airbnb listings at first. This changed, however, when in the fall of 2016 Airbnb made it mandatory for all of their advertised properties to charge a transient room tax.²² In July 2016, AirDNA reported 4,165 registered Airbnb properties in Utah statewide. As of March 2018—less than two years later—that number had more than doubled to 8,873 Airbnbs in 10 Utah cities (see Table 5). In fact, Park City Airbnb hosts generated \$15 million during the 2016-2017 ski season alone. Likewise, in the past year, ride-hailing businesses Uber and Lyft more than doubled their registered Salt Lake City drivers, which are currently in the thousands.

Economic Impacts of Travel and Tourism

Economic impacts are changes in the size and structure of a region's economy that occur when producers purchase goods and services within the state using money generated from outside of the state. When Utah visitors make purchases from Utah businesses, the businesses hire employees and make purchas-

Figure 16
Total Travel & Tourism-Generated Jobs



Source: Kem C. Gardner Policy Institute analysis of U.S. Travel Association data

es from other local businesses, who in turn hire employees and make purchases from other local businesses. These rounds of activity produce indirect employment and earnings effects. Then, direct and indirect employees spend a portion of their wages in the local economy, spurring additional “induced” effects.

Table 6
Top 20 Direct Tourism Jobs in Utah, 2016

Sector	Direct Jobs
Foodservice	20,420
Accommodations	17,706
Amusement & recreation	8,941
Travel arrangement and reservation services	5,802
Air & rail transportation	5,271
Scenic and sightseeing transportation/support activities for transportation	4,631
Retail - general shopping	4,107
Local, state, and federal government employment	3,963
Promoters of performing arts and sports and agents for public figures	2,419
Retail - gas stations	1,856
Performing arts companies	1,519
Automotive repair and maintenance	1,493
Commercial sports except racing	1,370
Retail - grocery stores	1,329
Automotive equipment rental and leasing	1,155
Motion picture and video industries	717
Transit and ground passenger transportation	687
Independent artists, writers, and performers	506
Museums, historical sites, zoos, and parks	382
Real estate	298

Source: Kem C. Gardner Policy Institute analysis of U.S. Travel Association data

In 2016, international and domestic (nonresident and resident) travel and tourism spending (\$8.54 billion) supported an estimated 146,500 direct, indirect, and induced jobs, as well as \$5.7 billion in total payroll (see Figure 16). Total travel and tourism jobs and inflation-adjusted wages both grew 16 percent from 2012 to 2016 and 7 percent from 2015 to 2016.

Utah visitor spending supports direct jobs in foodservice, accommodations, amusement and recreation, travel arrangement and reservation services, air and rail transportation, scenic/sightseeing transportation, retail, government, performing arts and spectator sports, auto repair, and transit (see Table 6). Spending supported indirect jobs in these sectors as well as jobs in real estate, employment services, wholesale trade, management of companies and enterprises, accounting/payroll, marketing research, postal service, and warehousing/storage. Direct and indirect employee spending generated additional jobs in all industry sectors, such as jobs in hospitals and doctor offices, personal care services, financial investment, and higher education.

Private Leisure and Hospitality Employment by Region

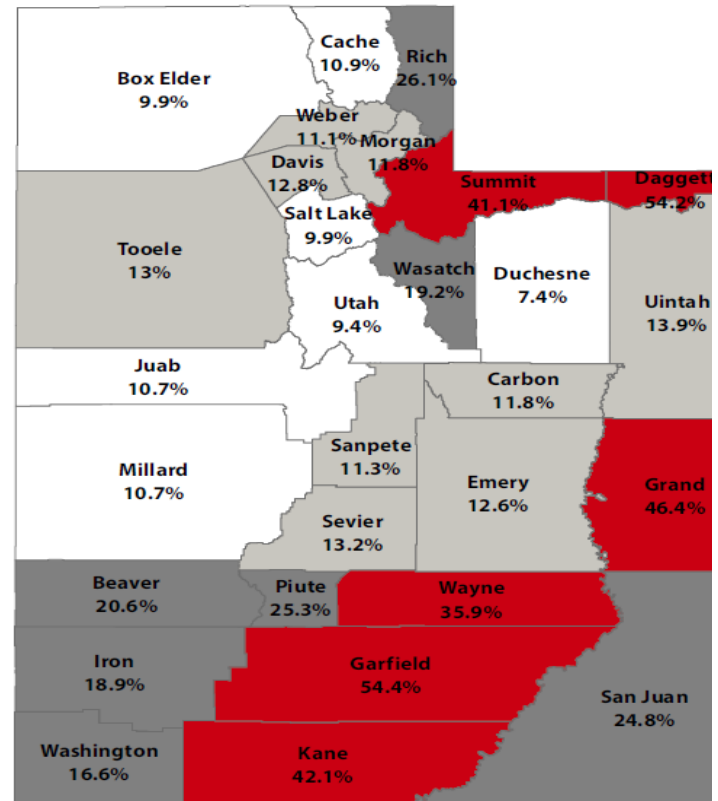
Because visitor spending is not available at a county level and because employment data by detailed tourism-related subsector (e.g. air transportation, car rental, charter bus, taxi and limousine, and recreational gear rental) are often not disclosed at the county level, it is difficult to make consistent comparisons among Utah travel regions and counties using the statewide methodology. However, it is possible to compare employment and wages for the “leisure and hospitality” sector among the regions and counties.²³

Calculating a region’s share of private leisure and hospitality jobs to total private jobs is one way to estimate the economic significance of the travel and tourism industry to a Utah region or county. When comparing the number of private leisure and hospitality jobs to total private jobs in Utah’s seven travel regions, there are significant differences among the regions. For instance, in 2016, 42 percent of all jobs in Canyon Country were in the leisure and hospitality sector, followed by 21 percent in the North Mountains region, and 17 percent in the Dixie region. It is interesting to note that four of Utah’s five national parks are in Canyon Country and the fifth national park is in Dixie.²⁴ Likewise, the North Mountains region is home to six ski resorts, eight state parks, and large tracts of national forest.

Annual private leisure and hospitality jobs increased in all seven Utah travel regions from 2012 to 2016. The Dixie region has experienced the greatest five-year growth in the leisure and hospitality sector (22 percent), followed by the Wasatch Front (18 percent), and Northwestern Utah (14 percent).

Private statewide leisure and hospitality employment grew 17 percent over the last five years and 4 percent over the past year, while all other private statewide employment grew less than 16 percent and 4 percent, respectively.

Figure 17
Private Leisure and Hospitality Sector Jobs as a Percent of Total Private Employment, 2016



Source: Kem C. Gardner Policy Institute analysis of Utah Department of Workforce Services data

Private Leisure and Hospitality Employment by County

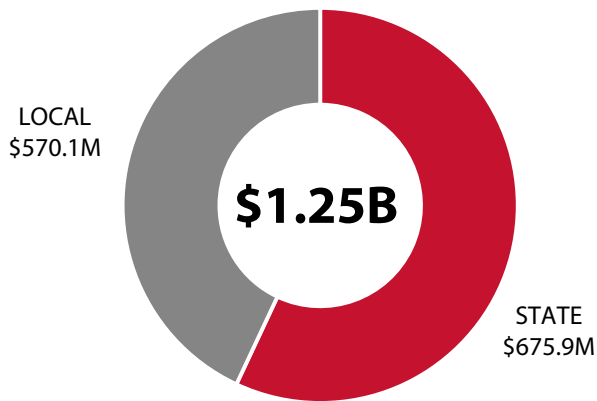
At the county level, Garfield County had the greatest private leisure and hospitality job share (54 percent), followed by Daggett, Grand, Kane, Summit, and Wayne counties (see Figure 17).

From 2012 to 2016, private leisure and hospitality employment grew in 24 of Utah’s 29 counties. Daggett County experienced the greatest private leisure and hospitality employment growth over the past five years (43 percent), followed by Utah (28 percent), Washington (22 percent), Iron, and Box Elder (21 percent). Overall, Salt Lake County added the most leisure and hospitality jobs over the past five years (8,100), including 5,400 foodservice jobs, 920 amusement and recreation jobs, and 900 performing arts and spectator sports jobs (top three sectors).

Travel and Tourism-Related Sales and Sales Tax Revenue

In 2016, the record \$8.54 billion in Utah visitor spending generated an estimated \$1.25 billion in state and local tax revenue (see Figure 18).²⁵ This total estimated tax revenue is associated with all direct, indirect, and induced economic activity supported by nonresident and resident visitor spending. In Utah, a large portion of total tourism-related tax revenue comes from sales taxes collected on visitor purchases. Each taxable sale in

Figure 18
Total Estimated Tourism-Generated Tax Revenue, 2016

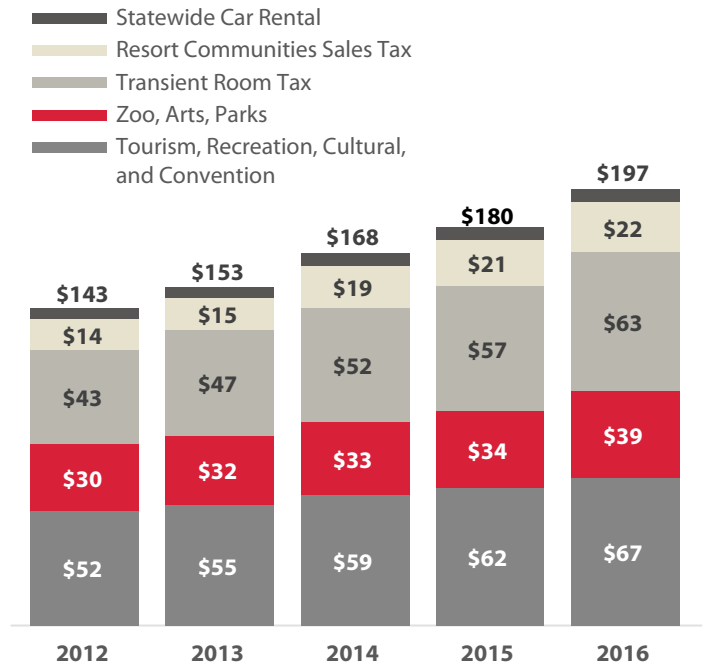


Note: Includes direct, indirect and induced revenue.
 Source: Kem C. Gardner Policy Institute analysis of Utah State Tax Commission data

Utah generates a combination of state and local tax revenue. Although not all traveler purchases are taxable sales (e.g. transportation fares), the majority of travel and tourism-related purchases are taxable. Taxable sale amounts listed in this report include a portion of out-of-state purchases charged a Utah “use tax.”²⁶ Total 2016 tax revenue includes but is not limited to, sales, income, property, and corporate taxes.

Table 7 shows total leisure and hospitality taxable sales from calendar year 2012 through 2016, as reported by the Utah State Tax Commission. When adjusted for inflation, leisure and hospitality sales, as a group, increased 34 percent over the past five years and 8 percent over the past year, with the largest year-over-year increases in performing arts and spectator sports (17 percent), museums and parks (17 percent), amusement and recreation (13 percent), RV parks and camps (11 percent), and hotel accommodations (10 percent). In 2016, no leisure and hospitality subsector experienced a year-over-year decrease in

Figure 19
Total Tourism-Related Tax Revenue
 (Millions of 2016 Dollars)



Source: Kem C. Gardner Policy Institute analysis of Utah State Tax Commission data

taxable sales. From 2015 to 2016, leisure and hospitality taxable sales increased 8 percent while all other sales increased at half that rate (4 percent).

When adjusted for inflation, tourism-related tax revenues have increased 37 percent from 2012 to 2016 and 10 percent from 2015 to 2016 (see Figure 19).²⁷ Zoos, arts and parks (ZAP) taxes experienced the largest year-over-year increase (14 percent), followed by transient room taxes (10 percent), and car rental taxes (8 percent).

Table 7
Leisure and Hospitality Industry Taxable Sales
 (Millions of 2016 Dollars)

Industry	2012	2013	2014	2015	2016	% Change 2012-2016	% Change 2015-2016
Performing Arts, Spectator Sports, Related	\$103.3	\$115.4	\$109.8	\$116.8	\$136.3	31.9%	16.7%
Museums, Historical Sites, Zoos, Parks, Similar	\$34.1	\$28.1	\$36.4	\$32.8	\$38.3	12.3%	16.8%
Amusement & Recreation	\$373.5	\$398.5	\$473.9	\$571.6	\$647.2	73.3%	13.2%
Hotels, Motels, B&Bs, Resorts, Other	\$1,245.1	\$1,305.8	\$1,369.0	\$1,529.7	\$1,685.9	35.4%	10.2%
RV Parks, Camps	\$30.0	\$30.9	\$32.8	\$38.0	\$42.2	40.7%	11.1%
Restaurants & Other Eating Places	\$3,196.0	\$3,339.1	\$3,539.2	\$3,876.0	\$4,089.4	28.0%	5.5%
Special Food Services, Food Carts	\$298.2	\$324.8	\$360.1	\$399.0	\$431.3	44.6%	8.1%
Drinking Places (alcoholic beverages)	\$103.3	\$103.0	\$109.7	\$116.1	\$121.1	17.2%	4.3%
Total	\$5,383.6	\$5,645.5	\$6,031.0	\$6,680.0	\$7,191.7	33.6%	7.7%

Source: Kem C. Gardner Policy Institute analysis of Utah State Tax Commission data

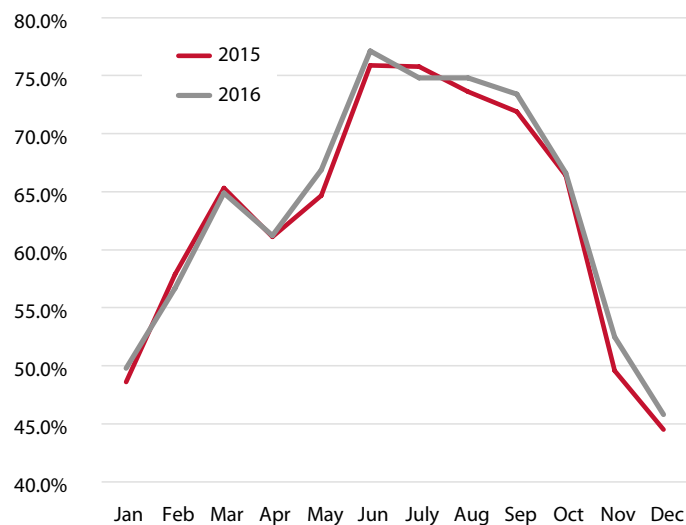
Travel and Tourism-Related Industry Performance

To understand recent travel and tourism industry performance, the Gardner Policy Institute analyzed Utah's accommodations, transportation, arts, entertainment, and recreation, and foodservice industry data published by the U.S. Bureau of Economic Analysis (BEA) and Utah Department of Workforce Services (DWS). Because the share of total statewide visitor retail spending is relatively small (travelers generate an estimated 3 to 5 percent of total retail sales), the performance of the retail sector has not been included in this analysis.

Accommodations Industry Performance

Taxable accommodation sales indicate trends in spending by travelers and tourists across the state. According to the Utah State Tax Commission, accommodation sales totaled \$1.73 billion in 2016.²⁸ The Tax Commission reported that taxable sales in the accommodations industry, adjusted for inflation, grew 34 percent from 2012 to 2016, and 9 percent from 2015 to 2016. Accommodations include hotels, motels, bed and breakfasts, campgrounds, and similar businesses. Based on hotel and lodging data provided by STR, Inc., Utah's average occupancy rates experienced year-over-year increases in 9 out of 12 months in 2016, with the greatest increases reported in May, November, and December (see Figure 20). Utah hotels' average daily room rates experienced 3 to 9 percent year-over-year increases in all 12 months of 2016. Table 8 shows a comparison of average daily room rates in Utah's top five travel and tourism regions (based on total private leisure and hospitality jobs as a share of total private jobs). Despite these increases, Utah Department of Workforce Services data shows that 2016 accommodation industry employment remained flat, although there was a 3 percent year-over-

Figure 20
Average Statewide Occupancy Rates by Month



Source: STR, Inc. Republication or other pre-use of this data without the express written permission of STR, Inc. is strictly prohibited.

Table 8

Average Daily Room Rates by Top Travel and Tourism Counties

County	2015	2016	% Change
Garfield-San Juan-Wayne	\$100.27	\$107.70	7.4%
Grand	\$131.58	\$142.20	8.1%
Salt Lake	\$104.63	\$106.96	2.2%
Summit-Wasatch	\$229.68	\$241.80	5.3%
Washington	\$104.16	\$109.86	5.5%

Source: STR, Inc. Republication or other pre-use of this data without the express written permission of STR, Inc. is strictly prohibited.

year increase in wages. In 2016, the private accommodations industry provided 19,937 average annual jobs (full- and part-time; does not include proprietors) and \$502.6 million in wages.

Transportation Industry Performance

All of Utah's transportation sectors (except for passenger rail) have experienced healthy increases in both employment and wages since the end of the recession and over the past year.

Passenger Air Industry

Utah has one international airport located in Salt Lake City, as well as three additional primary commercial airports.²⁹ Salt Lake City International Airport (SLC), which is currently undergoing a \$3 billion rebuild, offers direct flights to multiple domestic destinations and to 11 international destinations.³⁰ SLC records passenger numbers on a monthly and annual basis. Passenger data show that SLC usually receives the largest volume of passengers during the months of March, June, July, and August. Of total SLC passengers in 2016, approximately 4 percent were international travelers, up from 2.6 percent in 2015.³¹

Table 9 shows the annual percent change of total deplaned passengers, employment, and wages for scheduled air transportation from 2012 through 2016. The number of reported annual deplaned passengers at SLC grew 5 percent, employment increased 2 percent, and wages increased 19 percent. As of 2016, Utah's private airline industry provided 6,256 average

Table 9

Utah's Passenger Air Industry

Year	Total Deplaned Passengers	% Annual Change	Employment	% Annual Change	Wages (\$Millions)	% Annual Change
2012	10,064,456	-1.3%	6,345	-4.9%	\$374.7	-1.8%
2013	10,083,831	0.2%	6,062	-4.5%	\$395.7	5.6%
2014	10,569,675	4.8%	6,212	2.5%	\$398.3	0.7%
2015	11,073,700	4.8%	6,162	-0.8%	\$444.1	11.5%
2016	11,573,010	4.5%	6,256	1.5%	\$526.3	18.5%

Source: Kem C. Gardner Policy Institute analysis of Salt Lake City International Airport and U.S. Bureau of Labor Statistics data

annual jobs (full- and part-time; does not include proprietors) and \$526.3 million in wages.

Passenger Rail Industry

Amtrak passenger rail serves Utah with one long-distance train, the California Zephyr, which travels from Chicago to San Francisco daily. Utah currently has four Amtrak stations: Green River, Helper, Provo, and Salt Lake City. Amtrak ridership in Utah was down 4 percent in federal fiscal year 2017, as were employment (-7 percent) and wages (-14 percent).³² Amtrak reported their ridership to be 49,625 and their spending to be \$3.7 million on goods and services in Utah, most of which (\$3.2 million) was spent in Salt Lake County. Amtrak provided 42 direct Utah jobs and \$3.6 million in wages in federal fiscal year 2017.

Transit and Ground Passenger Transportation

Utah's transit and ground passenger transportation sector includes mixed-mode transit, commuter rail, bus transportation, special needs transportation, airport shuttle, and other transit and ground passenger transportation. According to Utah Department of Workforce Services data, from 2015 to 2016 private employment and wages in this sector increased 3 percent and 12 percent, respectively. In 2016, Utah's private transit and ground passenger transportation industry supplied 1,697 annual average jobs (full-and part-time; does not include proprietors) and \$42.7 million in wages.

Charter Bus, Taxi, and Limousine

In 2016, the charter bus industry experienced a 10 percent year-over-year increase in private employment and a 25 percent increase in wages, while taxi and limousine jobs and wages grew at rates of 11 and 18 percent, respectively. These industries (private) provided 925 average annual jobs (full- and part-time; does not include proprietors) and \$26.0 million in wages; or 185 jobs and almost \$5 million more in wages than the previous year.

Travel Arrangement and Reservation Services

From 2015 to 2016, employment in the travel arrangement and reservation services sector increased 24 percent and annual average wages increased 29 percent. This shows significant growth in a travel and tourism related sector that had little to no growth between 2012 and 2014. In 2016, this sector reported 7,254 annual average jobs (full- and part-time; does not include proprietors) with \$273 million in wages; or up an additional 1,416 jobs and \$103 million in wages from the previous year.

Table 10
Utah's Arts, Entertainment, and Recreation Industry

Key Measurement	2015	2016	% Change
Private Employment	21,111	22,987	8.9%
Private Wages (\$Millions)	\$522.1	\$588.5	12.7%
Public Employment	6,695	6,828	2.0%
Public Wages (\$Millions)	\$110.1	\$112.7	2.4%
Taxable Sales (\$Millions)	\$721.3	\$821.8	13.9%

Source: Kem C. Gardner Policy analysis of Utah Department of Workforce Services and Utah State Tax Commission data

Table 11
Utah's Foodservice Industry

Key Measurement	2015	2016	% Change
Employment	92,747	95,781	3.3%
Wages (\$Millions)	\$1,398	\$1,491	6.7%
Taxable Sales (\$Millions)	\$4,391	\$4,642	5.7%

Source: Kem C. Gardner Policy analysis of Utah Department of Workforce Services and Utah State Tax Commission data

Arts, Entertainment, and Recreation Industry Performance

Traveler and tourist purchases support a portion of jobs in the arts, entertainment, and recreation (AER) sector.³³ Table 10 shows private and public employment and wages, as well as gross taxable sales data from 2015 to 2016.³⁴ This sector includes Utah's ski industry, nature parks, museums, zoos, historical sites, amusement parks, performing arts, and spectator sports. Utah's AER sector fared well in 2016, with taxable sales up 14 percent from the previous year. In 2016 private performing arts and spectator sports jobs increased the most (11 percent), followed by local public museums and parks jobs (10 percent), and private amusement and recreation jobs (8 percent). In 2016, Utah's entire AER industry (public and private) supported a combined 29,815 average annual jobs (full- and part-time; does not include proprietors) and \$701.2 million in wages.

Foodservice Industry Performance

The food services and drinking places (foodservice) industry sector, which includes restaurants and bars, is included in the leisure and hospitality sector along with accommodations and AER. While often the majority of restaurant and bar patrons are local residents, a portion of customers are usually from outside of the local area or state.³⁵ Foodservice employment experienced a modest year-over-year increase of 3 percent, while wages and taxable sales experienced 6 to 7 percent increases (see Table 11). In 2016, Utah's private foodservice industry provided 95,781 average annual jobs (full- and part-time; does not include proprietors) and \$1.5 billion in employee wages.

Summary

Utah's diverse and seasonal travel and tourism industry has experienced steady growth over the past five years. Increased numbers of travelers, spanning a variety of ages and origins, continue to visit Utah's ski resorts, parks, and other natural, cultural, and historic attractions in record numbers.

Utah's economy welcomed another year of record-setting traveler spending (\$8.54 billion) and associated state and local tax revenues (\$1.25 billion). Total tourism-related jobs and wages increased around 15 percent over the past five years and 7 percent over the past year. On a regional and county basis, the share of private leisure and hospitality jobs to total jobs was largest in Utah's Canyon Country, North Mountains, and Dixie travel regions, and, more specifically, in Garfield, Grand, Summit, Kane, Daggett, and Wayne counties. From 2012 to 2016, all Utah travel regions experienced growth in the private leisure and hospitality sector.

Utah's 14 ski resorts and its five national parks set all-time records in 2016 with 4.6 million recorded skier days and 10.1 million national park recreation visits. National places and state parks also experienced year-over-year visitation increases (18 percent and 10 percent, respectively), while convention, meeting and trade show attendance once again reached record levels. Increased leisure and business visitation led to increased visitor spending, which generated additional tax revenue and supported jobs and wages across the state.

As for travel and tourism industry performance in 2016, the greatest year-over-year percent job growth occurred in the travel arrangements and reservation services (24 percent), charter bus (10 percent), and the AER (7 percent) sectors. The foodservice sector added the most jobs from the previous year (3,034 jobs) with travel arrangements and reservation services (1,416 jobs), and amusement and recreation (1,276 jobs) in second and third. Year-over-year increases in total wages were greatest in the travel arrangement and reservation services industry (61 percent), followed by the charter bus (25 percent) and airlines (19 percent) industries. Taxable sales in the AER sector

experienced the largest growth over the past year (14 percent), followed by accommodations sales (up 9 percent), and foodservice (up 6 percent).

Every type of tourism-related sales tax revenue grew at least 7 percent from 2015 to 2016, generating an additional \$17 million dollars in direct tourism-related sales tax revenue.³⁶ Zoo, arts, and parks (ZAP) taxes experienced the largest year-over-year increase (14 percent), followed by transient room taxes (11 percent), and statewide motor vehicle rental taxes (8 percent).

Despite uncertainty surrounding the United States' international travel ban, continued low gas prices, two destructive hurricanes on U.S. soil (Harvey and Irma), and the proposal by the National Park Service to increase entrance fees at 17 of the nation's most visited parks (including four of Utah's "Mighty 5[®]" parks), the U.S. travel industry remained strong in 2017. Likewise, the U.S. economy continues to grow and consumer confidence remains high as of early 2018. That said, the U.S. Travel Association forecasts a 4 percent increase in domestic and international spending in the U.S. next year along with a 2 percent increase in domestic leisure person-trips and a 2 percent increase in international visitation. China and the Asia-Pacific region will remain one of the fastest growing U.S. travel markets in the coming years, meaning Utah will most likely continue to experience increased visitation from Asian travelers. The Utah tourism and travel outlook for 2018 remains equally optimistic. In the year ahead, we estimate Utah will experience a 2 percent increase in travel-related jobs and wages, a 4 percent increase in travel-related sales, and a 6 to 8 percent increase in travel-related tax revenues.

Utah's travel and tourism industry is an integral part of Utah's economy as it generates jobs and wages, directly and indirectly, and contributes to Utah's overall tax base. Tourism-generated taxes help promote future tourism marketing, maintain tourism facilities, and help fund a variety of public services, including transportation, health and human services, and education.

Endnotes

- 1 Includes indirect and induced effects.
- 2 Includes indirect and induced effects.
- 3 Wasatch Front travel region comprises Davis, Salt Lake, Utah, and Weber counties.
- 4 North Mountains travel region comprises Cache, Morgan, Rich, Summit, and Wasatch counties.
- 5 Eastern Utah travel region comprises Carbon, Daggett, Duchesne, Emery, and Uintah counties.
- 6 Northwestern Utah travel region comprises Box Elder and Tooele counties.
- 7 Central Utah travel region comprises Beaver, Juab, Millard, Piute, Sanpete, and Sevier counties.
- 8 Canyon Country travel region comprises Garfield, Grand, Kane, San Juan, and Wayne counties.
- 9 Dixie travel region comprises Iron and Washington counties.
- 10 In their March 8, 2018, webinar titled "2017 Year in Review and Expectations for 2018," U.S. Travel Association noted problems with the federal I-94 form (arrival form completed by inbound passengers). The U.S. Department of Commerce and the U.S. Department of Homeland Security are currently reviewing I-94 data with plans to revise 2017 international inbound passenger numbers upward. Research firm Tourism Economics, acknowledging the I-94 issue, used alternative sources of international visitor data and estimated a 4.3 percent increase in international visitors in 2017 at the time of this publication.
- 11 Utah State Legislature. (2014). *Tourism marketing performance fund: issue brief*. Retrieved from <http://le.utah.gov/interim/2014/pdf/00005205.pdf>
- 12 Dave Williams, Utah Office of Tourism, personal communication, February 10, 2017.
- 13 Utah State Legislature. (2014).
- 14 Strategic Marketing and Research Insights. (June 2017). *2016-2017 winter advertising effectiveness wave 2 ROI*.
- 15 Strategic Marketing and Research Insights. (November 2017). *2017 three-season advertising effectiveness wave 2 ROI*.
- 16 A "skier day" is equivalent to one person visiting a ski area for all or part of a day or night for skiing/snowboarding.
- 17 The term "national places" includes federally designated and protected monuments, recreation areas, and historic sites.
- 18 H.R. 4558 – Grand Staircase Escalante Enhancement Act
- 19 Cliff Doner, Visit Salt Lake, personal communication, March 5, 2018.
- 20 Ibid.
- 21 Ibid.
- 22 Airbnb's transient room tax charge on all of its Utah listings beginning in the fall of 2016 must be considered when comparing total Utah transient room tax revenues prior to and after the implementation of Airbnb's tax collection.
- 23 About 65 percent of all tourism-related jobs in the state of Utah are included in the "leisure and hospitality" sector.
- 24 Arches, Bryce Canyon, Canyonlands, and Capitol Reef National Parks are all in the Canyon Country Region; Zion National Park is in the Dixie Region.
- 25 Includes estimated direct, indirect and induced tourism-related sales, property, corporate, income, fuel and all other tourism-related tax revenue sources and related fees.
- 26 The definition of Utah's "use tax" can be found at <http://www.tax.utah.gov/forms/pubs/pub-25.pdf>
- 27 In this report, tourism-related tax revenues include: tourism, recreation, culture, and convention facilities (TRCC) tax; resort communities' sales tax; transient room tax (county and municipality); zoo, arts parks (ZAP) sales tax; and statewide car rental tax.
- 28 Accommodations taxable sales include an estimated 10 to 15 percent portion of "use tax" payments; they are not 100 percent representative of visitor accommodation spending.
- 29 Provo (PVU), St. George (SGU), and Wendover (ENV).
- 30 Canada, France, Mexico, Netherlands [seasonal], and England [May 2016].
- 31 Domestic and international Utah visitors also fly in and out of Las Vegas, especially those on national park tours of southern Utah.
- 32 Federal fiscal year runs October 1 through September 30.
- 33 In 2011, the U.S. Bureau of Economic Analysis's Travel and Tourism Satellite Account program estimated that, on a national scale, travelers and tourists (non-locals) made 23 to 34 percent of AER sector purchases (depending on AER subsector).
- 34 Public employment and wage data are included in this table to capture public park and museum jobs (e.g. national park jobs).
- 35 In 2011, the U.S. Bureau of Economic Analysis's Travel and Tourism Satellite Account program estimated that, on a national scale, travelers and tourists (non-locals) made 18 percent of purchases in the foodservice sector.
- 36 Tourism-related tax revenues in this report include transient room, TRCC, statewide motor vehicle rental, and resort communities sales.

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