In 2019, travelers and tourists spent a record $10.06 billion in Utah. Nonresident visitors spent $8.62 billion of that (85.7%) with the largest shares spent on transportation, lodging, and dining. Additional nonresident visitor purchases included retail and groceries, as well as arts, entertainment, and recreation-related activities.

In early 2020, the COVID-19 pandemic railed the global travel and tourism industry with unprecedented force. As the virus surfaced in the U.S. in February, travel restrictions, flight cancellations, stay-at-home orders, and service-oriented business closures directly impacted visitor spending, tourism-related jobs, and visitation trends. While leisure and hospitality sector sales made a healthy rebound in the fall months of 2020, air travel, car rental sales, and overall U.S. traveler spending remained down 40%-50% throughout the year.

In 2019, Utah experienced a record 10.7 million national park visits and a record 7.8 million state park visits. During the last few years, national park visitation has decelerated while recreation-related activities, including state park visitation, has accelerated. The COVID-19 pandemic augmented this trend as individuals ventured closer to home and sought outdoor recreation. In fact, despite the pandemic, overall state park visitation was up 33% in 2020, while overall national park visitation was down 27%.

The travel and tourism-related employment includes private and public jobs in accommodations, arts, entertainment, foodservice, leasing, real estate, recreation, retail, and transportation. In 2019, visitor spending supported 141,500 Utah jobs (94,200 direct and 47,300 indirect and induced)—a 3.9% increase over 2018. It is estimated that total 2020 travel and tourism jobs will be down around 15% from 2019.

Compared with all other Utah industry sectors, leisure and hospitality had the largest year-over-year percent decrease in jobs in 2020. Private leisure and hospitality employment was down 13.5% from 2019, reflecting a loss of 20,800 jobs. However, Utah’s private leisure and hospitality sector has outperformed the sector nationally.

Total economic activity associated with $10.06 billion in direct visitor spending in 2019 generated $1.34 billion in total state and local tax revenue.1 It is estimated that year-over-total tax revenue will be down around 20%-30% in 2020. The most recent tourism-related sales tax revenue data show totals coming in around 24% lower than in 2019.

From January to November, 2020, Rich County collected the most year-over-year additional tax revenue ($140,795), followed by Daggett ($26,282). Conversely, Salt Lake, Grand, and Summit counties experienced the greatest revenue decreases, accounting for 70.0% of all 2020 statewide transient room tax revenue losses. Piute, Morgan, and Rich counties had the greatest year-over-year percent increases in transient room tax revenue and their combined gains ($172,680) represented 87.6% of total state-wide increases during the January to November time period.
The average annual statewide occupancy rate in 2019 (63.4%) was slightly lower than in 2018 (64.1%); in 2020, the average annual occupancy rate was 46.7%. Not only did the COVID-19 pandemic negatively affect occupancy rates in 2020, but it also negatively affected average daily room rates. Salt Lake County’s average daily rate fell 25.9%, while Garfield-San Juan-Wayne and Grand counties’ rates dropped close to 14% negatively affected average daily room rates. Salt Lake County’s average daily rate fell 25.9%, while Garfield-San Juan-Wayne and Grand counties’ rates dropped close to 14% from the prior year.

A year-over occupancy rate comparison of downtown Salt Lake City with the gateway community of Springdale, Utah, reveals declining urban leisure and business travel in 2020 along with an uptick in rural outdoor travel. This was specifically the case in the fall of 2020, when rural tourism counties including Grand and Washington experienced 30%–40% year-over increases in visitation.

The State of Utah’s Travel and Tourism Industry 2020