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Kaylie Pattni

University of Nevada, Las Vegas, kaylie.pattni@unlv.edu

Ember Smith

University of Nevada, Las Vegas, ember.smith@unlv.edu

Caitlin Saladino

The Lincy Institute and Brookings Mountain West, caitlin.saladino@unlv.edu

William E. Brown

The Lincy Institute and Brookings Mountain West, william.brown@unlv.edu

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THE OUTDOOR RECREATION ECONOMY IN THE MOUNTAIN WEST

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Prepared by: Kaylie Pattni, Ember Smith, Caitlin J. Saladino, and William E. Brown, Jr.

PURPOSE:

This fact sheet provides select data from the State Outdoor Recreation Satellite Account (ORSA) at the Bureau of Economic Analysis (BEA) to highlight the outdoor recreation economy in the Mountain West region, including Nevada, Utah, Arizona, New Mexico, and Colorado.¹

KEY FINDINGS:

1. In the Mountain West, the outdoor recreation industry contributions to state economies grew by an average of 24.05% between 2012 and 2017, compared to 16.6% nationwide.²
2. Outdoor recreation industry employment grew by an average of 11.82% in the Mountain West between 2012 and 2017, compared to 6.82% nationwide.
3. In 2017, the region's total outdoor recreation industry generated about \$3.225 billion in gross value added, a metric similar to Gross Domestic Product.
4. Every Mountain West state's outdoor recreation industry had a higher percent of total value added, percent of total employment, and percent of total compensation than the U.S. overall in 2017.

HOW VALUE IS DETERMINED³:

The value of manufactured goods that relate to outdoor recreation (i.e. boats or tents) is measured by where goods are produced. Services that relate to outdoor recreation (i.e. golf lessons) are measured by where they are consumed.

Value added consists of "the value of outdoor recreation goods and services produced less the value of expenses incurred for their production. The activity of self-employed individuals is included in value added."

Employment "consists of all full-time, part-time, and temporary wage-and-salary jobs where the workers are engaged in the production of outdoor recreation goods and services. Self-employed individuals are excluded from employment totals."

OUTDOOR RECREATION:

The BEA describes the total value added by the outdoor recreation economy in the Mountain West using two categories: activities and industries. Tables 1 and 2 divide the outdoor recreation economy using activity categories. There are three different types of outdoor recreation activities that contribute to the total value added:⁴

1. Conventional Core Activities (e.g. camping, hiking, boating, and hunting)
2. Other Core Recreation Activities (e.g. gardening and outdoor concerts)
3. Supporting Activities (e.g. construction, travel/tourism, government expenditures)

Figure 2 displays the total value added by the outdoor recreation economy in the Mountain West distributed by industry (manufacturing, agriculture, retail trade, etc.) rather than activity. Both the activity and industry descriptions are drawn from the outdoor recreation sector's total value added and represent two different ways of reporting the same value added.

¹ "Outdoor Recreation Satellite Account, U.S. and Prototype for States, 2017," *Bureau of Economic Analysis* (<https://www.bea.gov/news/2019/outdoor-recreation-satellite-account-us-and-prototype-states-2017>).

² Ali Bunder, "Outdoor Recreation Economy is Booming in the Mountain West, Analysis Finds," *KRCC*, October 28, 2019 (<https://www.krcc.org/post/outdoor-recreation-economy-booming-mountain-west-analysis-finds>).

³ *Ibid.*

⁴ Bureau of Economic Analysis.

Table 1 shows the outdoor recreation sector by activity in Nevada, the U.S., and the Mountain West. Nevada’s recreation industry is more concentrated in supporting activities than the U.S. or the average Mountain West state, because a variety of tourism and outdoor entertainment activities are included in the supporting activities category.

TABLE 1: THE OUTDOOR RECREATION SECTOR BY ACTIVITY CATEGORY, 2017

Activity Category	United States	Mountain West	Nevada
Conventional Outdoor Recreation	30.63%	29.65%	24.85%
Other Recreation	19.29%	16.05%	17.40%
Supporting Activities	50.08%	54.30%	57.74%

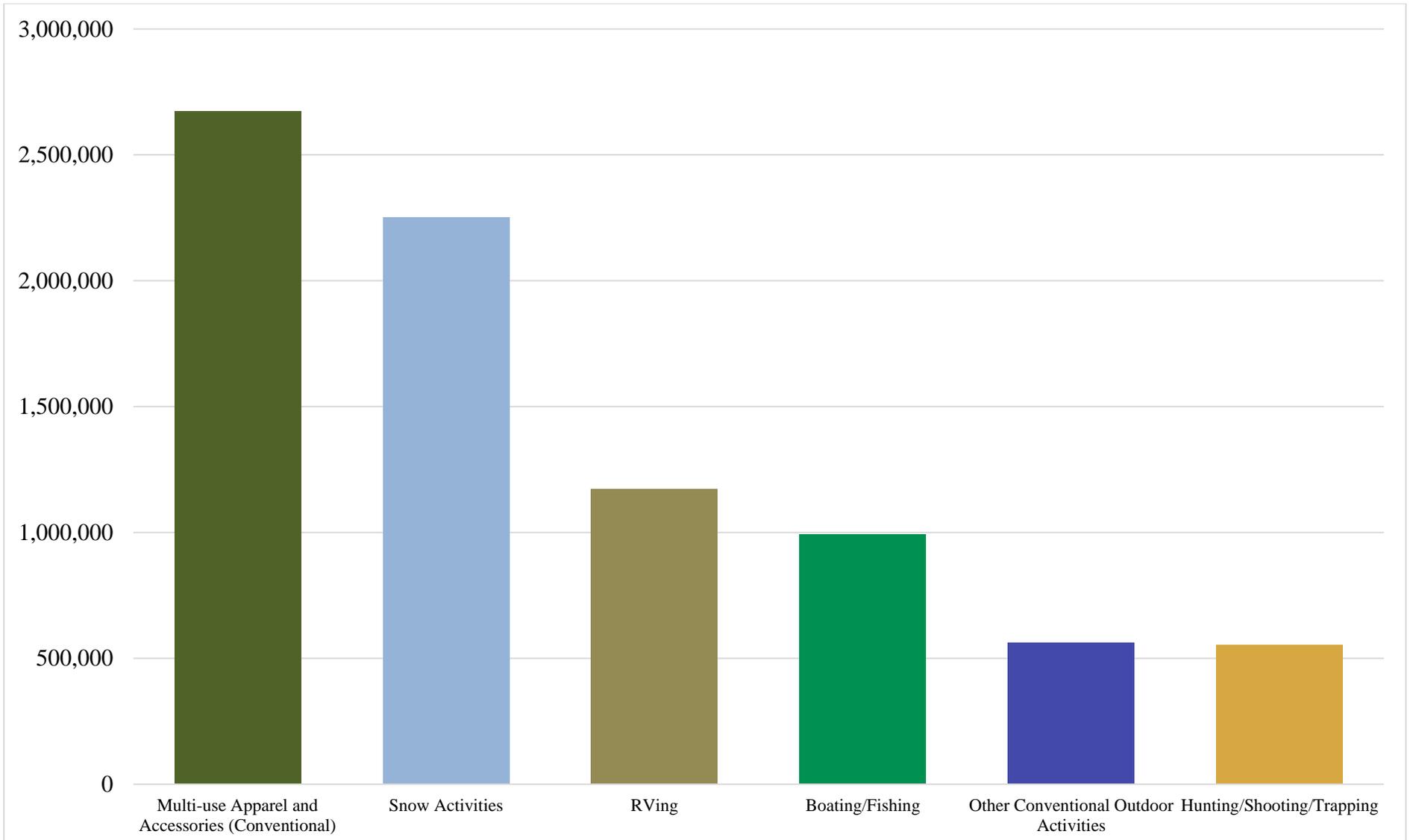
Table 2 displays the value added (in thousands of dollars) to the Mountain West by the outdoor recreation economy by activity category. For example, the Mountain West total outdoor recreation economy added \$32,253,995,000, the sum of each Mountain West state’s total outdoor recreation value added.

TABLE 2: VALUE ADDED BY ACTIVITY CATEGORY FOR MOUNTAIN WEST, 2017
(\$ Thousands)

Activity Category	Colorado	Arizona	Utah	Nevada	New Mexico	Mountain West
Total Outdoor Recreation	11,308,942	8,654,150	5,514,051	4,462,542	2,314,310	32,253,995
Conventional Outdoor Recreation	3,779,399	2,198,635	1,842,019	1,109,185	634,520	9,563,758
Other Outdoor Recreation	1,678,724	1,604,016	871,266	776,603	244,833	4,410,371
Supporting Outdoor Recreation	5,850,820	4,851,498	2,800,765	2,576,755	1,434,957	15,085,534

While Table 2 displays the total value added of the conventional outdoor recreation category, Figure 1 specifies the value added of the 6 largest activities within it. For example, \$2,673,273,000 of the Mountain West’s \$9,563,758,000 conventional outdoor recreation economy is generated from multi-use apparel and accessories activity. The six activities with the highest value added in the region together contributed \$8.2 billion to the region’s gross domestic product in 2017.

**FIGURE 1: VALUE ADDED FOR 6 LARGEST CONVENTIONAL OUTDOOR RECREATION
ACTIVITIES IN THE MOUNTAIN WEST, 2017 (\$ Thousands)**



The manufacturing cost of goods related to each category are included by state. Detailed descriptions and dollar amounts (thousands) for the six activities with the most value added in the Mountain West follow.⁵

Multi-use Apparel and Accessories (Conventional) (\$2,673,273) consists of backpacks, bug spray, coolers, general outdoor clothing, GPS equipment, hydration equipment, lighting, sports racks, sunscreen, and watches.

Snow Activities (\$2,251,760) consists of skiing, snowboarding, snowmobiling, dog mushing, sleighing, snow shoeing, and snow tubing.

RVing (\$1,171,456)

Boating/Fishing (\$993,027) consists of canoeing, kayaking, fishing (excludes boating), and sailing.

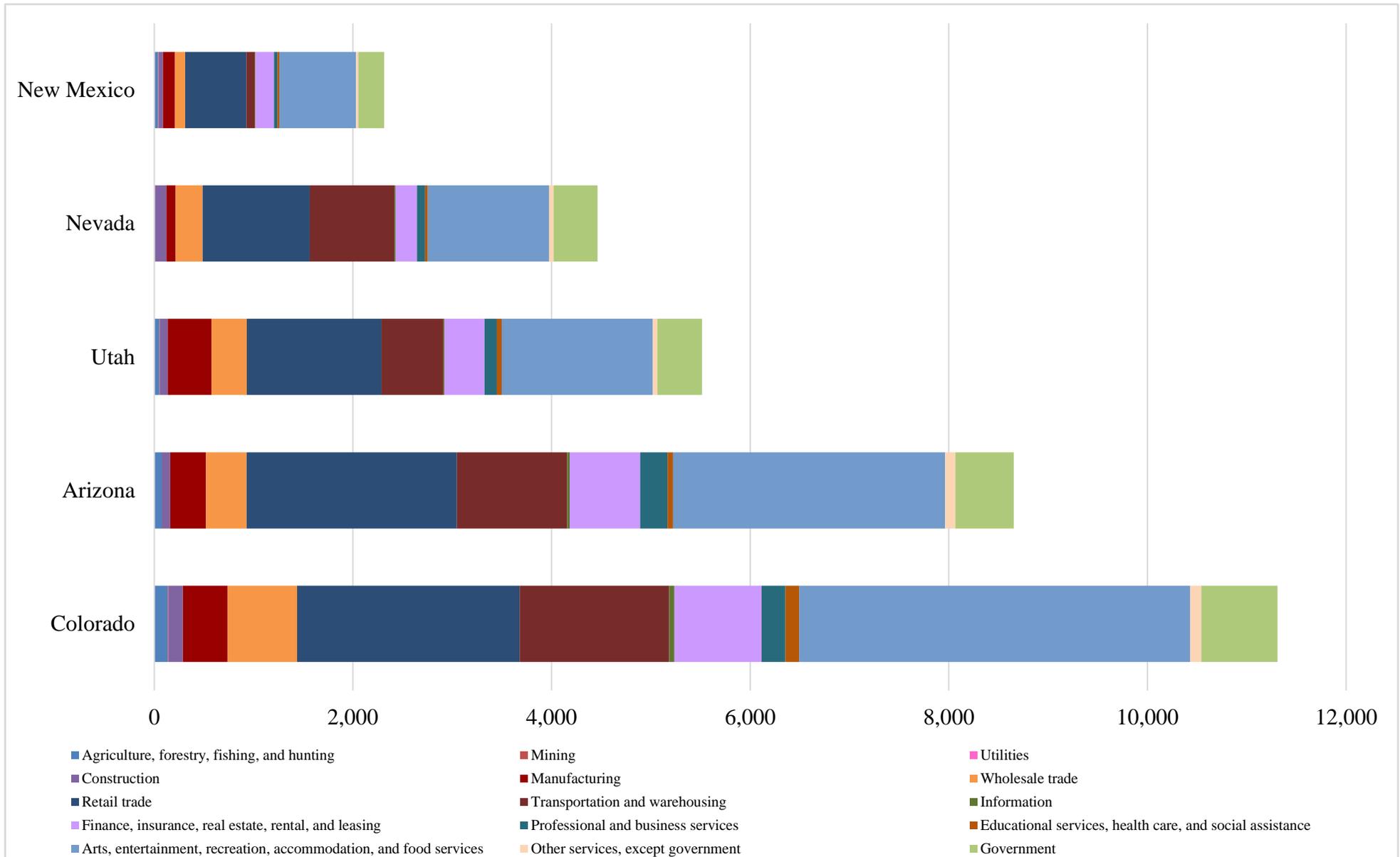
Other Conventional Outdoor Activities (\$561,153) consists of air sports, driving for pleasure, geocaching/rock hounding, ice skating, inline skating, land/sand sailing, races, running/walking/jogging, boardsailing/windsurfing, SCUBA diving, snorkeling, stand-up paddling, surfing, tubing, wakeboarding, water skiing, and whitewater rafting .

Hunting/Shooting/Trapping (\$552,395) also includes archery.

Figure 2 shows the value added by industry in the Mountain West in 2017. Colorado has the largest outdoor recreation sector in the Mountain West, around five times the size that of New Mexico, the state with the smallest outdoor recreation sector in the region.

⁵ Ibid.

FIGURE 2: OUTDOOR RECREATION VALUE ADDED BY INDUSTRY IN MOUNTAIN WEST, 2017 (\$ Thousands)



*Note: The industries in the legend are in order from left to right. For example, “Agriculture, forestry, fishing, and hunting” is the leftmost displayed activity for each state and “government” is the rightmost.

DISCUSSION:

The economic impact of the outdoor recreation sector deserves further study and analysis. Many states that do not have an Outdoor Industry Recreation Office (OREC) are hoping to establish one.⁶ Only one state in the Mountain West (Arizona) does not have an OREC, although the impact of outdoor recreation activity in Arizona exceeds the national average.

The Mountain West outdoor recreation sector grew 7.45 percentage points faster than the U.S. from 2012-17. The Mountain West's economy could become more dependent on the sector in coming years, as people move to the region in search of recreational leisure. The Mountain West region, especially Nevada, is slightly more concentrated in supporting activities and slightly less concentrated in conventional and other recreation activities compared to the national average.

⁶ Judith Kohler, "The outdoor recreation industry has gone from punky upstart to economic heavyweight," *The Denver Post*, January 31, 2020 (https://www.denverpost.com/2020/01/31/colorado-outdoor-recreation-industry-sees-profile-grow/?utm_campaign=Rockies%20Today&utm_medium=email&utm_source=Revue%20newsletter).