



The U.K. Travel Market

Update to the Visit USA Association – United Kingdom

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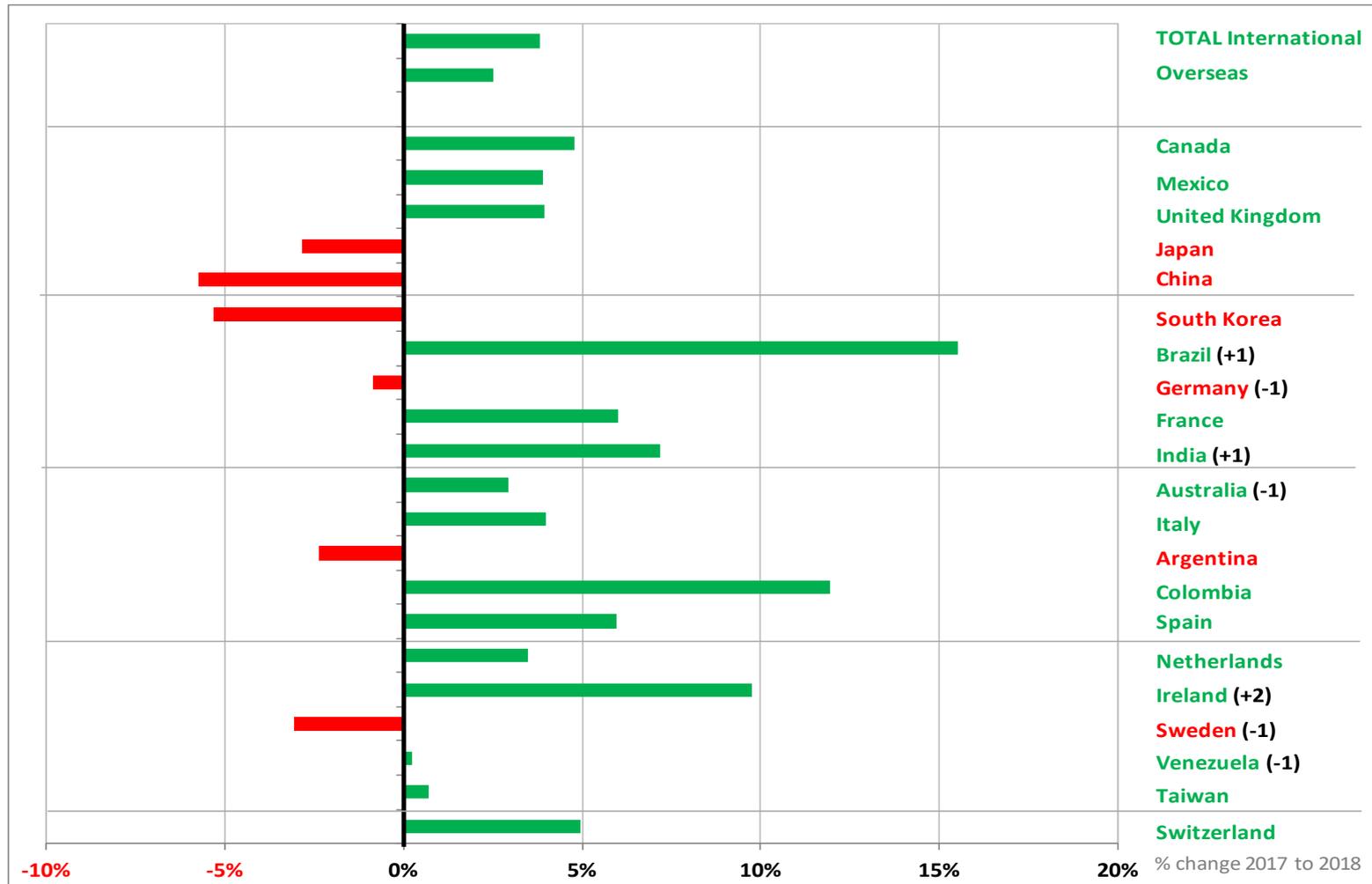
U.S. Visitor and Spending Top Tens

(millions / \$billions)

	2018		Record		2018		Record
	Arrivals	18/17	Year		Spending	18/17	Year
	(millions)				(billions)		
Canada	21.48	4.8%	2013	China	\$34.63	-2.0%	2017
Mexico	18.52	3.9%	2016	Canada	\$22.16	5.0%	2013
United Kingdom	4.66	3.9%	2015	Mexico	\$20.86	1.7%	2018
Japan	3.49	-2.8%	1997	Japan	\$16.28	-2.6%	2000
China	2.99	-5.7%	2017	United Kingdom	\$16.16	3.2%	2015
South Korea	2.21	-5.3%	2017	India	\$15.76	7.3%	2018
Brazil	2.21	15.5%	2014	Brazil	\$12.30	6.3%	2014
Germany	2.06	-0.9%	2015	South Korea	\$9.54	-4.8%	2017
France	1.77	6.0%	2018	Australia	\$8.63	1.0%	2015
India	1.38	7.2%	2018	Germany	\$8.28	0.5%	2015

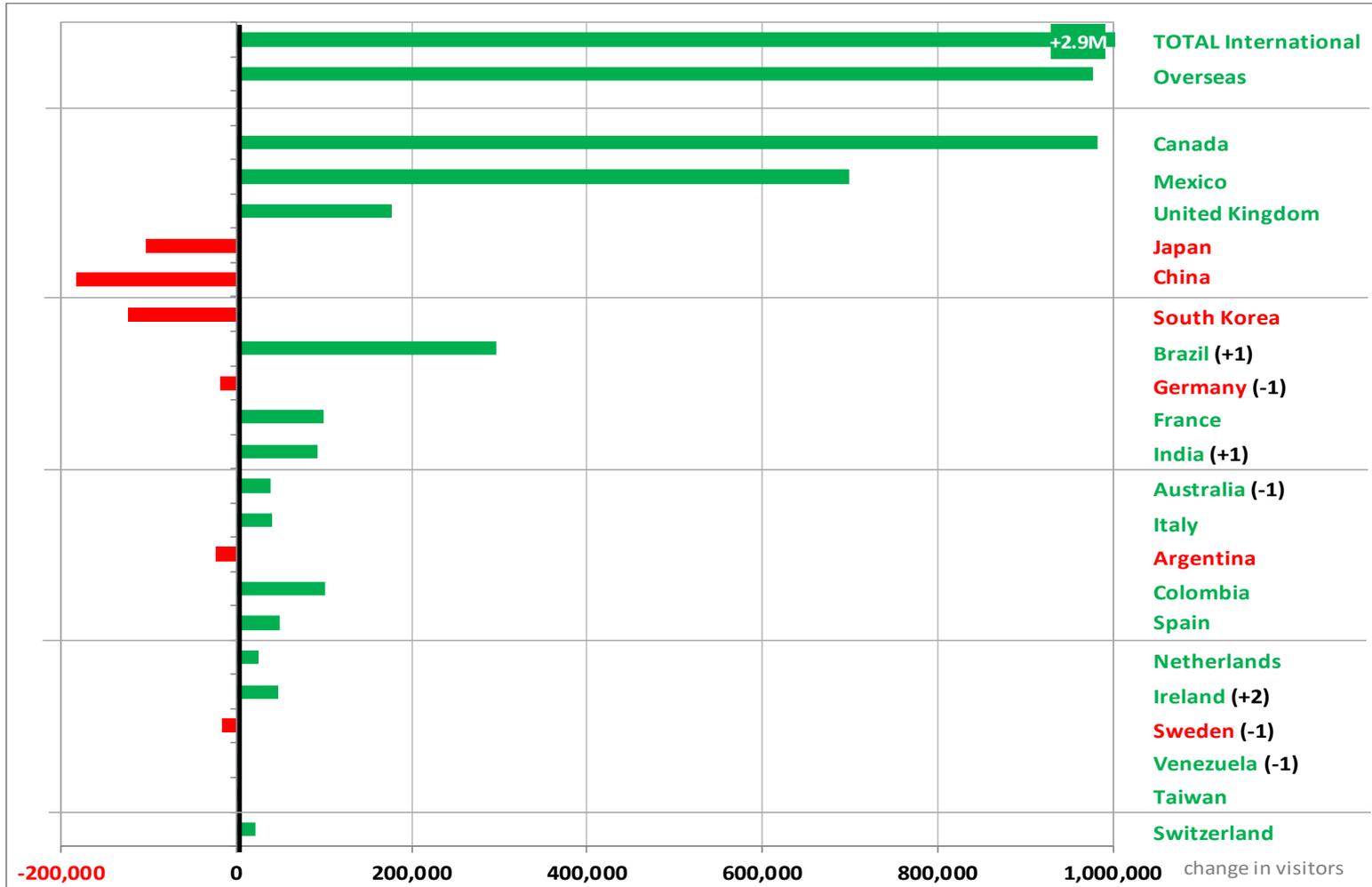


Visitor Volume Percent Change 2017 to 2018





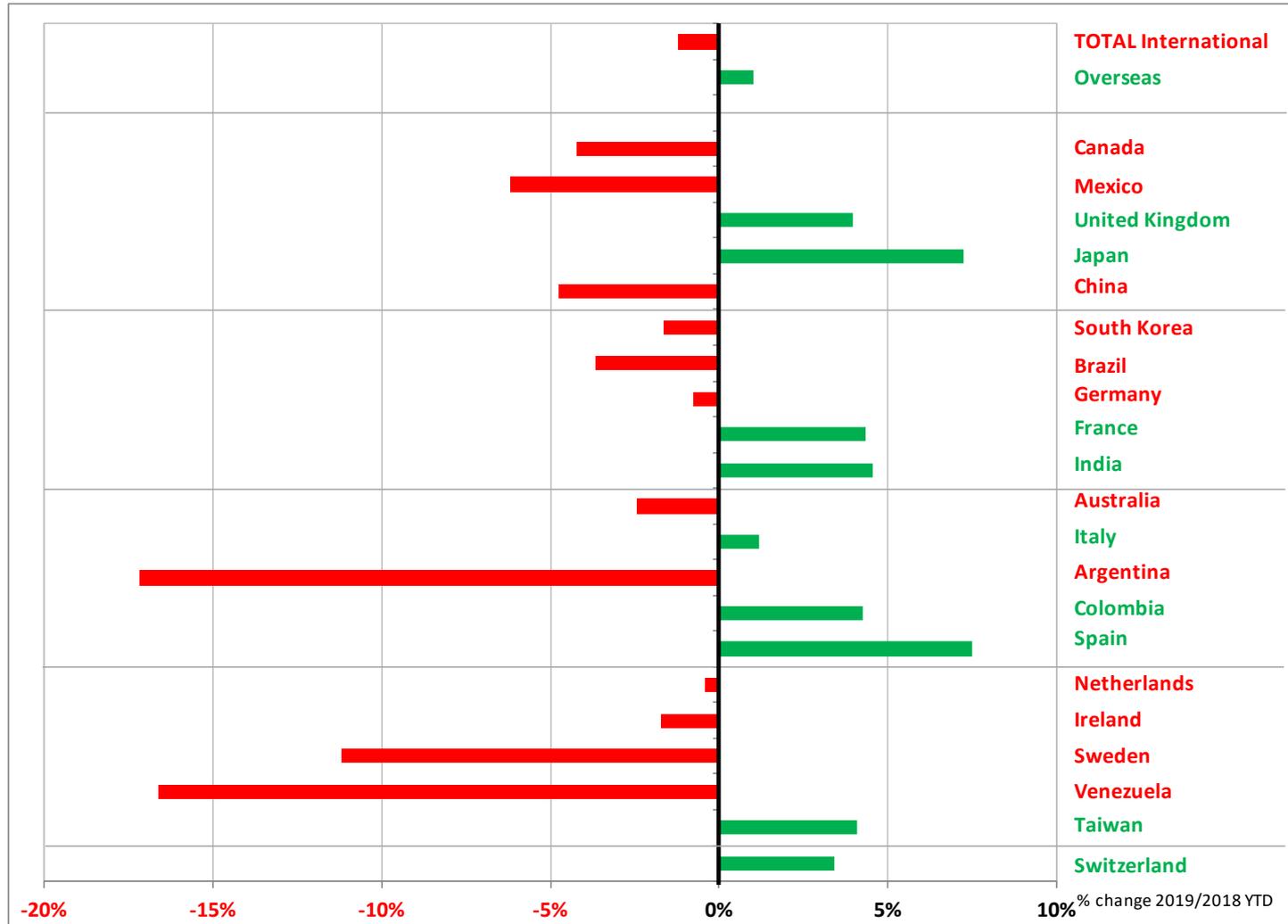
Visitor Volume Change 2017 to 2018





Visitor Percent Change 2019 YTD vs. 2018 YTD

January-September (Canada Jan-Aug; Total/Mexico Jan-Jul)



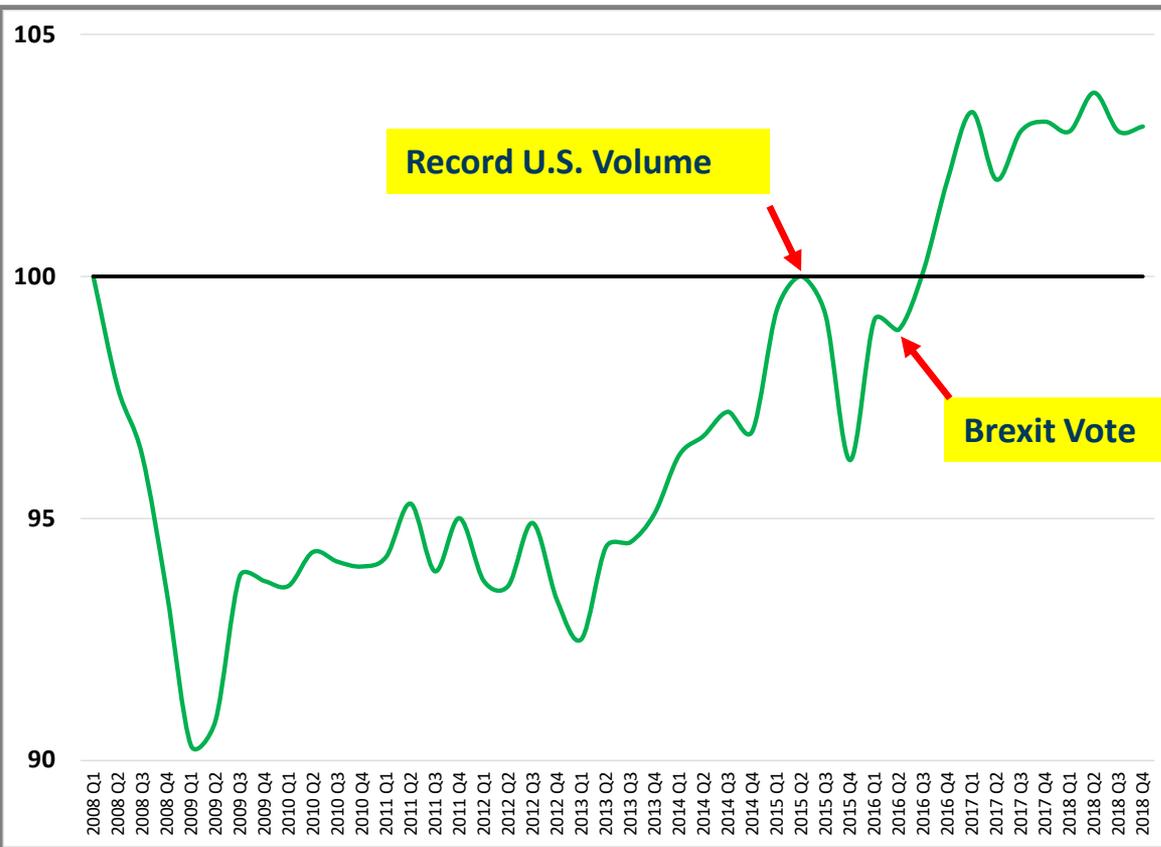


Real Net U.K. Household Disposable Income

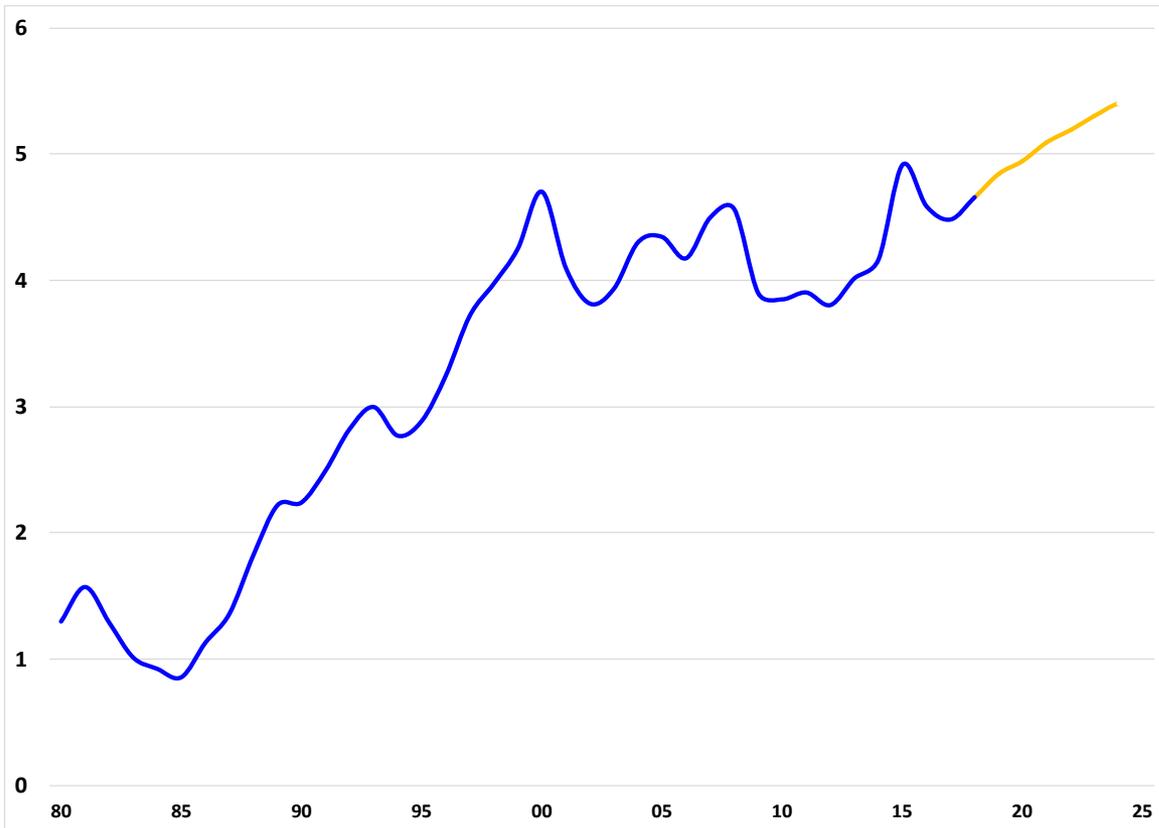
per person; index of 2008 Q1 = 100

Real Net Disposable Income:

- Indexed and adjusted to provide meaningful comparison over time
- Typically both level and trending direction important
- 2015 return to 100 index coincides with U.K. record volume year.



Source: U.K. National Statistical Office



U.K. inbound volume to USA :

- NTTO 2019 Travel Forecast expects continued growth through 2024
- 4.94M in 2020 – would set a new record surpassing 2015
- Reduced China growth means U.K. to (easily) stay #1 overseas market through 2024 ahead of both Japan and China.



NTTO 2019 Forecast Update Justifications Summary

	Positives	Negatives / (or Watch List)
<p>United Kingdom</p> <p>CAGR = +2.5%</p>	<p><u>TOTAL OUTBOUND</u>: five consecutive years of strong growth has more than entirely replaced the losses of six previous years of decline...to set a new record of 72.8 million in 2017. However, outbound declined to 71.1 million in 2018. <u>USA SHARE</u>: the 6.2% in 2017 is the lowest level since data availability in 1995, but increased in 2018 based on a decline in total outbound coupled with an increase to the USA. <u>USA VOLUME</u>: was up 3.9% in 2018 following two years of declines totaling about 9%, and is up 4.8% through August 2019. Based on 'bar-to-beat' algebra, the year-end performance should finish the year at about the current change metric. <u>GDP</u>: annual real GDP change has increased since the global recession between +1.4% and +2.9%. The IMF expects the 2018 level of 1.4% to dip slightly in 2019 and inch upward to 1.6% over the NTTO forecast period. <u>UNEMPLOYMENT</u>: the 4.1% rate in 2018 is the lowest level since at least 1980. The IMF expects similar low levels through the forecast period. <u>POPULATION</u>: The U.K. population has grown at a 0.8% annual rate over the past ten years. This level compares to the USA rate of +0.6%. <u>AIR SEAT CAPACITY</u>: Airlines expect a small increase in seat capacity to start 2020. Building on a 4% growth level a year ago. Seat capacity data for the U.K. is less useful for purposes of this forecast than for other countries--an average 62% of air traffic is by non-USA citizens, but NTTO estimates a sizable number of those travelers are transiting through the U.K. from other source countries.</p>	<p style="color: red;">Brexit uncertainty continues.</p> <hr/> <p>More Information: https://www.ons.gov.uk/peoplepopulationandcommunity/leisureandtourism</p>



- **Info sources**—airlines direct (57%), OTA (36%), personal recommendation (22%).
- **Advance trip decision**—median is 100 days, but mean is 151 days, with the highest percentage of visitors (30%) planning 6+ months out. Same trend for airline booking. (90 days median/128 days mean). Both mean average advance times are just slightly lower than last year...the longest ever.
- **Package**—17%. Some movement over time, but the general trend is down from the peak back in 2004 (25%).
- **Party size**—1.8 persons; range of 1.7-1.9 for decades; % with children (12%) remains down. 2015 was a record volume partly because of more children.
- **Nights in USA**—mean 12.2 / median 9 nights. Decline from 2016's 14.4 is an impactful 15% decline on visitor nights.
- **Accommodations**— near record high 81% use hotel/motel...stay 8.7 nights in hotel/motel accommodations.



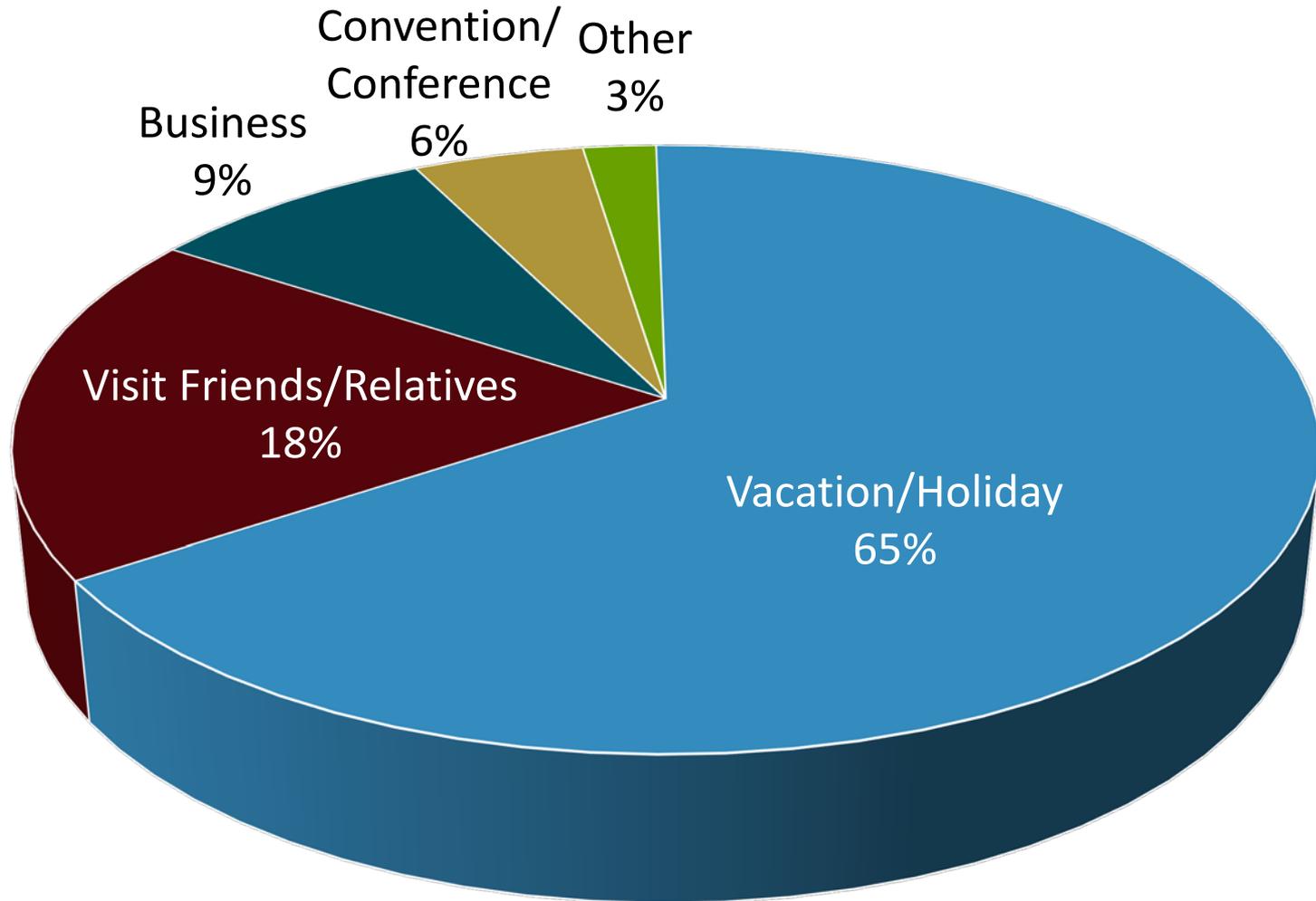
Hotel-Motel Room Nights

(millions) assumes 1 room/party

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Overseas	99	104	95	111	124	138	160	155	170	179	174	175
Canada	19	21	20	25	27	39	26	32	30	28	30	31
China	3	2	3	5	5	9	11	17	20	22	21	21
U.K.	16	17	15	15	15	16	16	18	21	22	19	18
India	7	7	6	7	7	9	12	11	9	13	12	11
Brazil	3	4	5	6	9	9	11	10	9	9	8	10
Mexico (air)	5	4	5	5	6	7	6	7	8	8	7	10
Germany	7	9	7	8	9	9	9	10	11	11	9	9
Japan	9	9	8	11	9	10	10	10	10	10	10	9
France	4	5	4	5	6	7	9	8	7	7	8	8
Australia	4	5	4	6	7	8	9	9	10	10	8	8
South Korea	3	3	3	5	6	5	6	7	9	7	8	7
Italy	3	3	3	3	3	4	4	4	4	4	4	4



Trip Main Purpose





Cities Visited

- **27.3%** **NYC** down from the high of 29.1% (2008, 2013), but up from 2017
 - **18.9%** **Orlando** trending down for a decade, up in 2017, but down 3.6 points in 2018
 - **10.5%** **Las Vegas** stable for several years (down from 2010 high of 12.3%)
 - **8.8%** **Los Angeles** up from low point of 6.7% in 2007 but has been 12%, now stable
 - **8.1%** **San Fran** inched up from 2017 lower level (peak of 10.3% in 1998, 2006)
 - **5.1%** **Miami** up and down the past several years
 - **4.7%** **Boston** no clear trending
 - **4.5%** **D.C. MSA** no clear trending
 - **3.5%** **Chicago** highest in three years
 - - - - **San Diego** 2018 sample below reporting threshold; was 2.7% in 2017
 - - - - **Tampa** 2018 sample below reporting threshold; was 2.3% in 2017
- Number of destinations visited—77% one state only. Multi-year upward trend resumed in 2017, but paused in 2018.

Did anyone engage in any of the following leisure activities?	Percent of Visitors from the U.K.
Shopping	85%
Sightseeing	82%
National Parks/Monuments	38%
Historical Locations	31%
Experience Fine Dining	30%
Guided Tour(s)	29%
Art Galleries/Museums	29%
Small Towns/Countryside	28%
Amusement/Theme Parks	28%
Concert/Play/Musical	18%
Cultural/Ethnic Heritage Sights	15%
Attend Sporting Event	13%
Nightclubbing/Dancing	11%
Casino/Gamble	10%
Water Sports	6%



U.S. Department of Commerce
International Trade Administration
Industry and Analysis



National Travel and Tourism Office

Market Profile: UNITED KINGDOM



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Market Profile:
United Kingdom

- The ***U.K. Market Profile*** is available at travel.trade.gov!
- Data from 1997-2018 so you can spot trends;
- In Excel so you can use the data more easily;
- Relaxed sample thresholds means more information for you... especially destinations visited.
- Next year...2019 is added to existing data.
- 2019 data sooner than ever!

