



INTERNATIONAL
TRADE
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Presented to:



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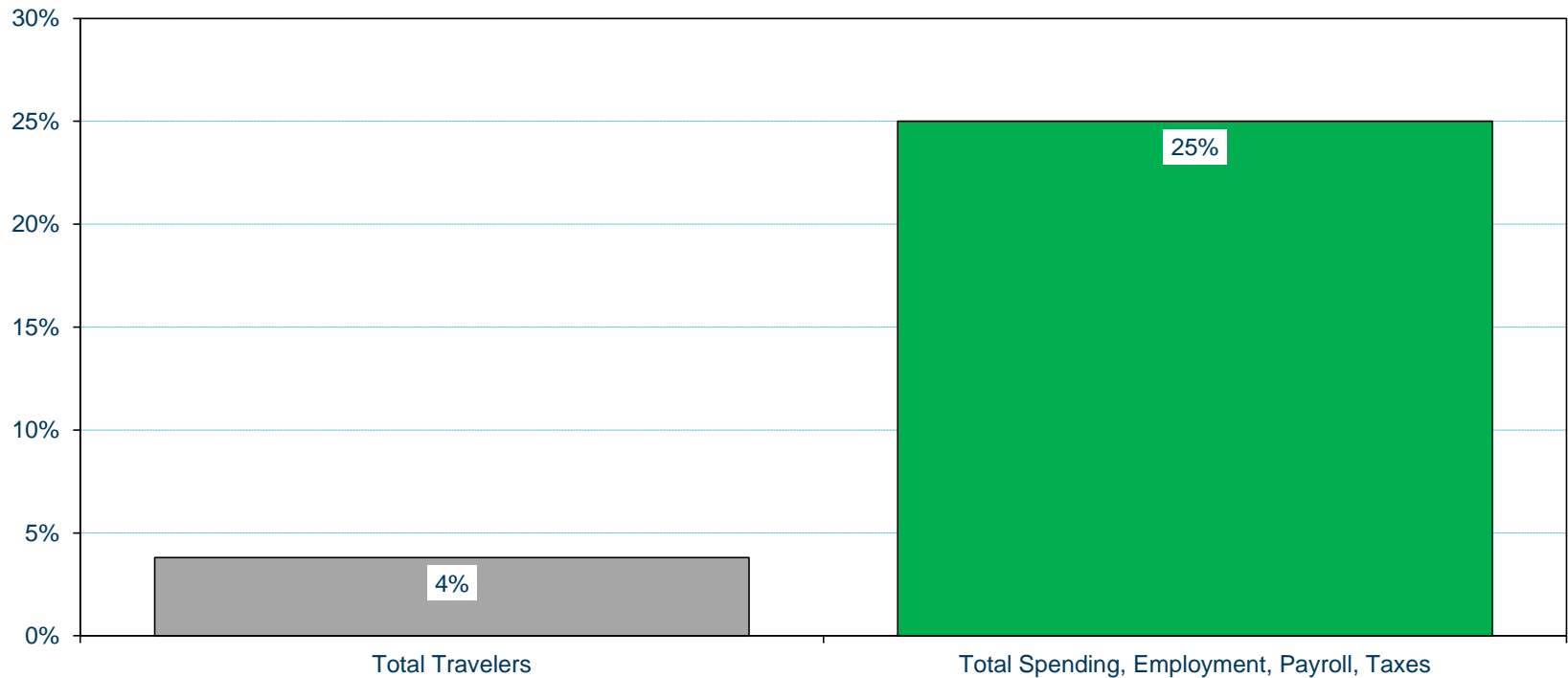
Agenda for Today

- Why International?
- U.S. travel exports in 2016
- U.S. International Arrivals to U.S. through Sept. 2016 vs. Forecast
- 2015 Country Activity Specifics: Overseas, Brazil, China, Japan, U.K.
- The top destinations visited by overseas travelers in 2015
- The Future of Commerce International Travel Research
- Q&A



International Travel Important to the U.S.?

International travel & tourism accounts for 4% of total U.S. travelers, but 25% of, where it counts more,...spending, jobs, wages.....and travel taxes. Federal tax accounts for 50% of all federal, state, and local taxes generated by the travel and tourism industry.





U.S. Visitors & Spending Trends



Sources: Department of Commerce, National Travel and Tourism Office; Department of Commerce, Bureau of Economic Analysis; Statistics Canada; Banco de Mexico.

Note: The Bureau of Economic Analysis revised the definition of travel exports (spending) in 2014 to better align with international standards. In general, this revision increased U.S. travel exports by 20%. The timeline shown includes the revisions back to 1999 and thus represents comparable data.



Travel & Tourism as a Leading Export (2016p)

Travel & Tourism exports

\$246 billion

Percentage of total exports

11%

Percentage of services exports

33%

Travel trade surplus

\$87 billion




Employment from tourism exports

1.2 million

p = preliminary



Top Travel & Tourism Export Markets 2016p in \$ Billions

Origin Country	Travel Receipts	Passenger Fare Receipts	Total Travel Receipts	2015/2016 % change	2012/2016 % change
China	\$32.5	\$2.3	\$34.8	15%	92% 
Canada	\$14.8	\$5.0	\$19.8	-13%	-21%
Mexico	\$16.9	\$2.8	\$19.7	-0%	14%
Japan	\$11.1	\$5.3	\$16.4	-5%	-4%
United Kingdom	\$12.8	\$3.1	\$15.9	-2%	20%
India	\$11.5	\$1.5	\$13.1	11%	61% 
Brazil	\$8.5	\$3.1	\$11.6	-19%	2%
South Korea	\$8.8	\$0.1	\$8.9	10%	47% 
Australia	\$8.2	\$0.7	\$8.9	-4%	35%
Germany	\$6.6	\$1.6	\$8.2	-8%	9%
Total Travel Exports	\$206.8	\$39.1	\$246.0	-0%	31%

p = preliminary



Record year for travel exports



Industry & Analysis

NTTO Data Challenges

- DHS/CBP automated their arrivals program and has implemented new technologies on arrival. During this process, the country of residence (COR) field has become increasingly AWOL.
- A or *the* source of the loss of COR data is the Automated Passport Control kiosks, increasingly located at POE airports. These help reduce visitor processing time, but currently at the loss of COR data.
- NTTO staff and program vendor are looking at options for addressing this issue and reinstate monthly volume estimates.
- NTTO's *Survey of International Air Travelers* depends on arrivals data, thus 2016 profiles will be delayed well into the summer months.



YVR's new BorderXpress kiosks, previously only available to U.S. and Canadian passport holders will now accept eligible travellers from 38 countries including Australia, Japan, Germany, and the United Kingdom. Vancouver Airport Authority Photo



Top Origin Markets for International Travelers to the U.S. 2015-2016p

2015 Rank	Market of Origin	2015 Visitors (000)	2014/15 % change	2016 Visitor Forecast % change	Jan-Sept. 2016 Arrivals % Change
--	Total Arrivals *	77,510	3%	-1%	-2%
--	Overseas Arrivals **	38,392	10%	1%	-2%
1	Canada	20,705	-10%	-8%	-9%
2	Mexico	18,414	8%	4%	6%
3	United Kingdom	4,901	18%	0%	-5%
4	Japan	3,758	4%	-1%	-5%
5	China (PRC)	2,591	18%	16%	13%
6	Germany	2,272	10%	-3%	-10%
7	Brazil	2,218	-2%	-17%	-26%
8	Republic of Korea	1,765	21%	10%	12%
9	France	1,753	6%	-1%	-8%

* International travelers include all countries generating visitors to the U.S.

** Overseas includes all countries except Canada and Mexico.





Overseas Visitors 2015

Activity Participation & Top Destinations





Activity Participation while in the U.S. (2015)

Activities	Overseas	Brazil	China	Japan	U.K.
	(%)	(%)	(%)	(%)	(%)
Shopping	87	89	87	85	88
Sightseeing *	77	69	81	85	82
Experience Fine Dining *	37	22	51	39	36
National Parks/Monuments *	35	34	45	12	39
Amusement Parks	29	51	36	10	31
Art Gallery/Museum *	29	28	42	9	28
Small Towns/Countryside *	28	17	41	11	31
Historical Locations *	27	24	30	11	30
Guided Tours	23	13	20	20	29
Cultural/Ethnic Heritage Sights *	16	10	24	8	15
Concert/Plays/Musical	16	19	14	8	20

Note: Multiple choice responses allowed for activities. Activity participation is not destination specific. * New in 2012



Top States & Cities Visited by Overseas Travelers to the U.S. 2015

All Overseas Travelers to the U.S. - State Visited	All Overseas Travelers to the U.S. - Cities Visited
New York (27%)	New York City (26%)
Florida (25%)	Miami (14%)
California (21%)	Los Angeles (13%)
Nevada (9%)	Orlando (12%)
Hawaii (8%)	San Francisco (10%)
Texas (5%)	Las Vegas (9%)
Massachusetts (5%)	Honolulu (6%)
Illinois (5%)	Washington, DC (6%)
Guam (4%)	Chicago (4%)
Arizona (3%)	Boston (4%)
Pennsylvania (3%)	San Diego (3%)

Visitation estimates based upon surveys but also uses APIS, flight data and I-94 overseas arrivals to weight survey results to be representative of overseas visitors to the country. Overseas excludes Canada & Mexico





TPA Research Requirements

OFFICE OF TRAVEL & TOURISM INDUSTRIES SHALL:

- Expand access to the official Mexican travel surveys data
- “Expand the number of inbound air travelers sampled by the Survey of International Travelers to reach a 1 percent sample size, revise the questionnaire (done), improve response rates to at least double the number of States and cities with reliable international visitor estimates and improve market coverage”
- Develop estimates of international travel exports (expenditures) on a state-by-state basis
- Evaluate the success of the Corporation in achieving its objectives



Summary of Expanding the 2016 SIAT Sample 2-5 times (Overseas Sample which excludes Canada & Mexico & U.S. outbound)

Sample Collected >400	Current	\$ 5 million*	3 times	4 Times	5 Times
Country sample	23	43 or 0	49	55	60
State/Territories sample	24	31 or 0	36	42	43
Cities	25	46 or 0	58	70	81
Overseas sample	46,615	89,100 or 0	139,845	186,460	233,075

* Note: The FY2018 ITA budget calls for a \$2 million appropriated funds cut of the SIAT budget, but asks for a \$5 million budget increase for the program. If Congress does not approve the increase we could have no survey. Commerce had asked for \$2 million in FY16 & FY17 and congress did not approve it.

To develop the estimates, the 2016 overseas sample shares were used to and project the sample collections for each level of increases in the sample if the \$ 5 million is provided and for the 3-5 times it current level.

Note: The NTTD would recommend a focus upon top countries being over sampled, and a cap of collections of a few select top states/cities, adding new airports to survey from, and over sampling of small destinations and ports.



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How to Find Us

<http://travel.trade.gov/>

**THANK
YOU**

Merci

Gracias

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Köszönettel

Bedankt

Vielen
Dank

Obrigado!