

U.S. Travel and Tourism Satellite Account for 2015–2017

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The travel and tourism industry—as measured by the real output of goods and services sold directly to visitors—decelerated to 1.7 percent growth in 2017 after increasing 3.2 percent in 2016, according to the most recent statistics from the Travel and Tourism Satellite Account (TTSA) of the Bureau of Economic Analysis (BEA).¹ In contrast, the broader economy, as measured by real gross domestic product (GDP), increased 2.3 percent in 2017 after increasing 1.5 percent in 2016. Revised statistics on travel and tourism reflect the incorporation of the annual update of the industry economic accounts, which was released on November 2, 2017.²

Highlights from the TTSA include the following:

- Real output increased in 14 of 24 commodities in 2017. The largest contributors to the increase included traveler accommodations, international passenger air transportation services, and shopping.
- Real output growth slowed to 1.7 percent in 2017 from 3.2 percent in 2016, reflecting downturns in gasoline and food and beverage services spending as well as decelerations in automotive rental and leasing and domestic passenger air transportation services.
- Prices for tourism goods and services increased 1.3 percent in 2017 after decreasing 1.8 percent in 2016. The largest contributor to the increase in 2017 was gasoline, which increased 12.0 percent and contributed 1.03 percentage points to tourism goods and services price growth.

The TTSA is available on the BEA website; see the link “Data Availability.”

The remainder of this article includes a discussion of trends in travel and tourism output and prices, tourism value added, and employment.

Data Availability

The complete set of detailed annual statistics for 1998 through 2016, statistics of output and employment for 2017, and quarterly statistics of output and employment are available on BEA's [website](#).

Trends in Output and Prices

Real output

The leading contributors to the 1.7 percent growth in real travel and tourism output were traveler accommodations, which increased 4.7 percent and contributed 0.92 percentage point to real output growth; international passenger air transportation services, which increased 6.7 percent and contributed 0.34 percentage point; and spending on nondurable consumer commodities, or shopping, which increased 2.8 percent and contributed 0.39 percentage point (table A and chart 1).

Table A. Annual Growth, Contributions to Growth, and Levels of Real Output by Tourism Commodity in 2014–2017

Commodity	Annual growth rates (percent change from preceding period)				Contributions (percentage points)				Real Output (millions of chained (2009) dollars)			
	2014	2015	2016	2017	2014	2015	2016	2017	2014	2015	2016	2017
All tourism goods and services	2.8	4.2	3.2	1.7	2.82	4.16	3.17	1.66	768,571	800,510	825,901	839,619
Traveler accommodations	4.1	1.5	0.8	4.7	0.77	0.30	0.17	0.92	151,329	153,639	154,944	162,187
Food and beverage services	3.7	12.8	2.9	-1.2	0.47	1.66	0.43	-0.18	100,735	113,666	117,009	115,614
Transportation	3.4	4.6	5.1	0.6	1.51	1.91	2.04	0.35	320,967	335,665	352,663	354,716
Passenger air transportation	2.5	2.4	1.6	3.1	0.43	0.42	0.27	0.50	121,554	124,502	126,483	130,367
Domestic passenger air transportation services	2.6	8.1	5.0	1.4	0.28	0.89	0.56	0.16	77,348	83,652	87,831	89,103
International passenger air transportation services	2.4	-7.6	-5.4	6.7	0.15	-0.47	-0.30	0.34	45,618	42,167	39,909	42,578
All other transportation-related commodities	4.0	6.0	7.5	-1.1	1.08	1.49	1.78	-0.15	199,510	211,496	227,261	224,836
Passenger rail transportation services	2.8	-9.4	-1.3	2.2	0.01	-0.02	0.00	0.01	1,987	1,800	1,777	1,815
Passenger water transportation services	6.6	1.1	-2.2	6.6	0.09	0.02	-0.03	0.10	13,512	13,663	13,366	14,253
Intercity bus services	1.8	3.8	-6.3	-4.6	0.00	0.01	-0.01	-0.01	1,283	1,332	1,249	1,192
Intercity charter bus services	3.4	8.5	1.0	-4.1	0.01	0.02	0.00	-0.01	1,544	1,675	1,691	1,622
Local bus and other transportation services	5.5	6.5	5.7	-0.5	0.03	0.04	0.03	0.00	4,143	4,412	4,662	4,638
Taxicab services	4.7	-1.0	-11.9	18.1	0.02	-0.01	-0.06	0.08	3,831	3,793	3,341	3,945
Scenic and sightseeing transportation services	1.3	5.0	-2.6	-0.7	0.00	0.02	-0.01	0.00	3,031	3,183	3,101	3,081
Automotive rental and leasing	2.9	13.1	12.7	4.8	0.11	0.49	0.48	0.19	33,890	38,320	43,174	45,238
Other vehicle rental and leasing	2.9	2.8	12.1	9.7	0.00	0.00	0.01	0.01	820	843	945	1,037
Automotive repair services	-10.1	2.9	7.7	1.9	-0.16	0.04	0.11	0.03	11,206	11,532	12,415	12,655
Parking	4.0	8.7	-0.3	-1.7	0.01	0.02	0.00	0.00	1,927	2,095	2,088	2,053
Highway tolls	-0.6	8.2	6.7	-0.9	0.00	0.01	0.01	0.00	670	725	774	767
Travel arrangement and reservation services	5.6	5.4	4.2	4.9	0.29	0.31	0.25	0.27	44,450	46,864	48,839	51,226
Gasoline	5.3	5.0	11.0	-8.6	0.66	0.55	1.00	-0.81	74,351	78,068	86,680	79,260
Recreation, entertainment, and shopping	0.3	0.0	3.5	2.7	0.07	0.28	0.53	0.57	194,053	194,053	200,826	206,230
Recreation and entertainment	-2.6	0.0	7.1	2.8	-0.28	0.17	0.17	0.18	81,869	81,869	87,683	90,112
Motion pictures and performing arts	-0.9	2.2	5.7	3.0	-0.02	0.04	0.11	0.06	14,343	14,655	15,490	15,948
Spectator sports	-16.7	-3.5	-2.6	-14.4	-0.11	-0.02	-0.02	-0.08	4,339	4,188	4,077	3,490
Participant sports	-7.1	-6.1	-4.7	-0.6	-0.10	-0.08	-0.06	-0.01	11,147	10,469	9,978	9,915
Gambling	0.8	2.9	2.2	2.5	0.04	0.16	0.12	0.14	42,429	43,671	44,628	45,730
All other recreation and entertainment	-6.5	6.5	1.1	6.0	-0.09	0.08	0.01	0.07	9,918	10,563	10,683	11,322
Shopping	2.5	0.8	2.6	2.8	0.35	0.11	0.36	0.39	112,316	113,197	116,172	119,457

The slowdown in real output growth was led by the downturn in gasoline spending, which decreased 8.6 percent in 2017. This decrease followed six years of growth. Other large contributors to the deceleration included food and beverage services, which decreased 1.2 percent after increasing 2.9 percent in 2016, and spectator sports, which decreased 14.4 percent after decreasing 2.6 percent in 2016. Automotive rental and leasing also contributed to the slowdown; it decelerated to 4.8 percent growth in 2017 after increasing 12.7 percent in 2016.

The deceleration in real output growth was partly offset by an upturn in international passenger air transportation services, which increased 6.7 percent after a decrease of 5.4 percent in 2016.

Prices

Travel and tourism prices increased 1.3 percent in 2017 after two years of decline. The price increase was led by a 12.0 percent increase in the price of gasoline, contributing 1.03 percentage points to overall tourism price growth. Other contributors were the prices of food and beverage services, which grew 2.9 percent and contributed 0.42 percentage point.

The increase in overall tourism prices was offset by a 0.7 percent decrease in traveler accommodations prices and a 0.7 percent decrease in shopping prices. (table B and chart 2).

Chart 1. Contributions to Total Annual Growth in Real Tourism Output in 2014–2017

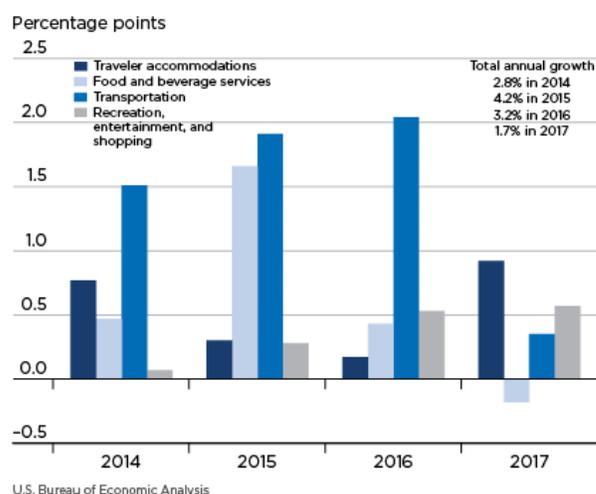


Table B. Annual Growth, Contributions to Growth, and Levels of Chain-Type Price Indexes for Tourism Commodities in 2014–2017

Commodity	Annual growth rates (percent change from preceding period)				Contributions (percentage points)				Price Indexes (index number, 2009=100)			
	2014	2015	2016	2017	2014	2015	2016	2017	2014	2015	2016	2017
All tourism goods and services	1.4	-1.0	-1.8	1.3	1.38	-1.04	-1.81	1.30	113.5	112.6	110.3	111.5
Traveler accommodations	3.9	4.1	2.5	-0.7	0.71	0.76	0.49	-0.13	110.1	114.5	117.5	116.7
Food and beverage services	2.4	0.7	4.0	2.9	0.31	0.09	0.57	0.42	111.7	112.4	116.9	120.3
Transportation	0.0	-5.3	-7.2	2.6	-0.01	-2.30	-3.05	0.93	119.8	113.4	105.2	107.9
Passenger air transportation	1.8	-1.9	-2.5	-0.1	0.31	-0.33	-0.41	-0.01	123.1	120.7	117.7	117.7
Domestic passenger air transportation services	2.5	-0.8	-3.5	0.1	0.27	-0.09	-0.40	0.01	123.7	122.7	118.4	118.5
International passenger air transportation services	0.6	-3.9	-0.3	-0.3	0.04	-0.23	-0.01	-0.02	122.1	117.3	117.0	116.7
All other transportation-related commodities	-1.2	-7.5	-10.3	4.4	-0.32	-1.97	-2.63	0.94	117.7	108.9	97.7	102.0
Passenger rail transportation services	0.8	4.3	5.7	1.8	0.00	0.01	0.01	0.00	113.5	118.3	125.0	127.3
Passenger water transportation services	-0.7	2.5	7.0	-1.2	-0.01	0.04	0.10	-0.02	95.9	98.2	105.1	103.8
Intercity bus services	-0.4	-5.8	5.9	9.1	0.00	-0.01	0.01	0.01	118.1	111.3	117.8	128.6
Intercity charter bus services	-0.4	-2.5	2.0	9.5	0.00	-0.01	0.00	0.02	118.1	115.2	117.5	128.7
Local bus and other transportation services	1.0	4.9	-0.7	1.5	0.01	0.03	0.00	0.01	118.4	124.2	123.3	125.2
Taxicab services	1.2	2.1	1.7	1.7	0.01	0.01	0.01	0.01	118.4	120.9	123.0	125.1
Scenic and sightseeing transportation services	1.5	3.8	-1.7	5.1	0.01	0.01	-0.01	0.02	105.6	109.6	107.7	113.3
Automotive rental and leasing	3.3	-8.9	-6.1	-1.7	0.13	-0.36	-0.24	-0.07	100.0	91.1	85.6	84.2
Other vehicle rental and leasing	-2.6	4.4	-7.5	-6.3	0.00	0.00	-0.01	-0.01	107.5	112.3	103.9	97.3
Automotive repair services	1.7	4.2	-0.1	0.7	0.02	0.06	0.00	0.01	109.3	113.9	113.8	114.6
Parking	2.4	5.3	-0.5	3.1	0.01	0.01	0.00	0.01	121.8	128.3	127.7	131.6
Highway tolls	1.5	-2.8	-2.6	3.2	0.00	0.00	0.00	0.00	116.3	113.0	110.1	113.6
Travel arrangement and reservation services	0.5	17.8	-14.6	-1.6	0.03	0.95	-0.93	-0.09	103.9	122.4	104.6	103.0
Gasoline	-4.0	-22.0	-15.5	12.0	-0.51	-2.71	-1.57	1.03	144.3	112.5	95.1	106.5
Recreation, entertainment, and shopping	1.5	2.8	-0.1	-1.1	0.37	0.41	0.18	0.07	107.9	110.8	110.7	109.6
Recreation and entertainment	1.8	3.6	-0.3	-1.5	0.19	0.12	0.17	0.17	108.8	112.8	112.5	110.8
Motion pictures and performing arts	2.2	2.3	3.6	2.6	0.04	0.04	0.07	0.05	108.2	110.7	114.7	117.6
Spectator sports	2.9	8.2	2.7	1.9	0.02	0.04	0.01	0.01	111.4	120.5	123.8	126.1
Participant sports	1.6	0.6	1.6	2.4	0.02	0.01	0.02	0.03	104.5	105.1	106.8	109.4
Gambling	1.6	0.9	1.0	1.5	0.09	0.05	0.05	0.08	110.4	111.4	112.5	114.2
All other recreation and entertainment	1.7	-1.6	1.3	-0.2	0.02	-0.02	0.02	0.00	107.5	105.7	107.0	106.8
Shopping	1.3	2.1	0.1	-0.7	0.18	0.28	0.01	-0.10	107.0	109.3	109.4	108.6

The upturn in tourism price growth was led by the upturn in the growth of gasoline prices, from a decline of 15.5 percent in 2016 to 12.0 percent growth in 2017. Additionally, the price of domestic passenger air transportation services turned up, increasing 0.1 percent after decreasing 3.5 percent, while the price of international passenger air transportation services remained on a downward trend (-0.3 percent). This is consistent with a smaller decrease in the price of travel arrangement and reservation services (-1.6 percent in 2017, compared with -14.6 percent in 2016), which also contributed to the upturn in tourism prices.

Total output

Total tourism-related nominal output increased to \$1.62 trillion in 2017, increasing 2.9 percent from \$1.58 trillion in 2016. In 2017, total output consisted of \$940.9 billion in direct tourism output and \$681.8 billion in indirect tourism output. The 1.72 ratio of total output to direct output in 2017 means that every dollar of direct tourism output requires an additional 72 cents of indirect tourism output (chart 3).

Direct tourism output includes goods and services sold directly to visitors, such as passenger air travel. Indirect tourism output includes sales of all goods and services used to produce that direct output, such as jet fuel to fly the plane and catering services for longer flights.

Chart 2. Contributions to Total Annual Growth in the Chain-Type Price Index for Tourism Goods and Services in 2014-2017

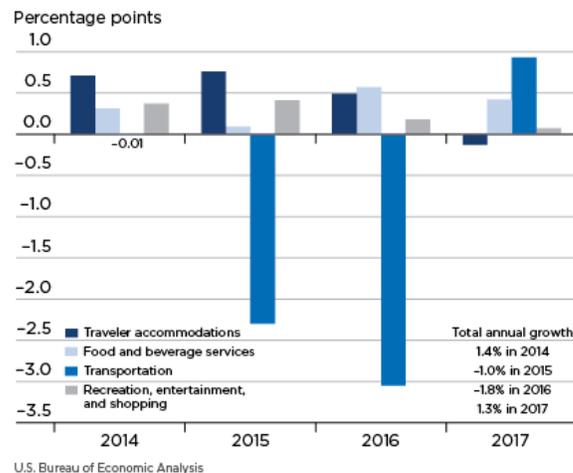
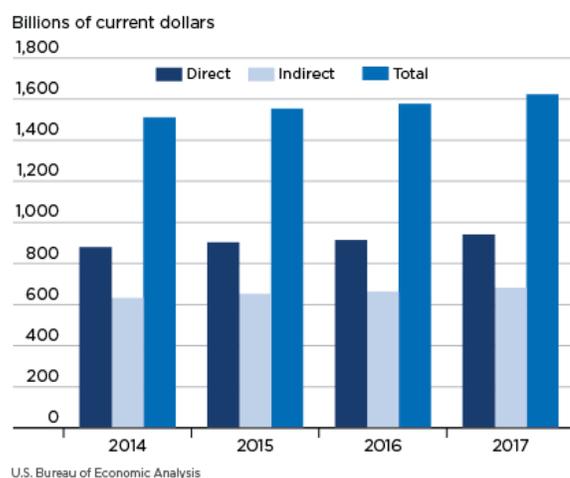


Chart 3. Total Tourism-Related Output in 2014-2017



Tourism Value Added and Employment

Value added

A sector's value added measures its contribution to gross domestic product (GDP). In 2016 (the most recent year for which data are available), the travel and tourism industry's share of GDP was 2.8 percent (table C). Travel and tourism accounted for a larger share of GDP than several other industries including broadcasting and telecommunications, utilities, mining, and educational services.

Direct employment

Direct tourism employment refers to jobs that are directly related to visitor spending on goods and services. Airline pilots, hotel clerks, and travel agents are examples of such employees. Overall, direct employment declined 1.1 percent in 2017 after increasing 3.6 percent in 2016. The largest contributors to the decline were retail trade services excluding gasoline service stations, which lost 27,000 jobs in 2017, and air transportation services, which lost 21,000 jobs (chart 4 and table D).

Table C. Travel and Tourism as a Share of Gross Domestic Product in 2008–2016

Year	Billions of dollars		Percent
	Gross domestic product (GDP)	Tourism value added	Tourism value added as a share of GDP
2008	14,719	391	2.66
2009	14,419	366	2.54
2010	14,964	377	2.52
2011	15,518	404	2.60
2012	16,155	422	2.61
2013	16,692	435	2.61
2014	17,428	453	2.60
2015	18,121	496	2.74
2016	18,624	517	2.78

Chart 4. Contributions to Total Annual Growth in Direct Tourism Employment in 2014–2017

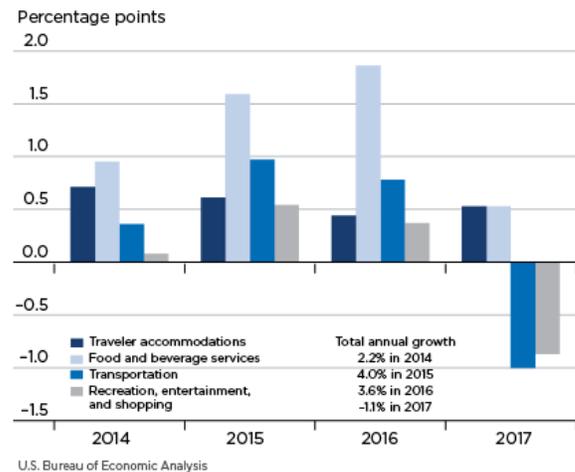


Table D. Annual Growth, Contributions to Growth, and Levels of Direct Employment by Tourism Industry in 2014–2017

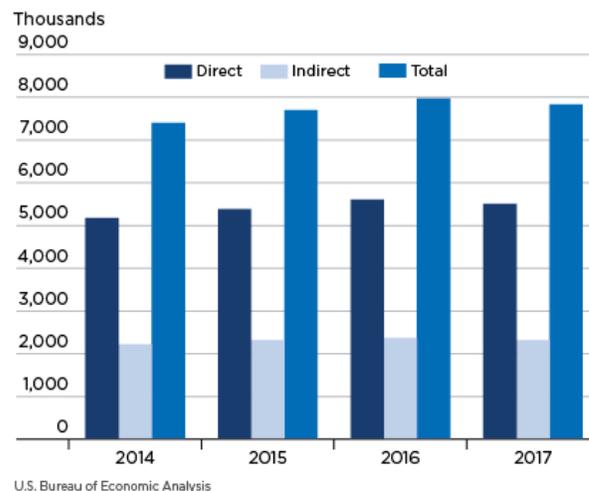
Commodity	Annual growth rates (percent change from preceding period)				Contributions (percentage points)				Direct employment (thousands)			
	2014	2015	2016	2017	2014	2015	2016	2017	2014	2015	2016	2017
All tourism industries	2.2	4.0	3.6	-1.1	2.18	3.98	3.58	-1.14	5174	5380	5573	5509
Traveler accommodations	2.7	2.3	1.7	2.1	0.71	0.61	0.44	0.53	1374	1405	1429	1459
Vacation Home Rentals	-3.1	-5.3	-3.5	3.6	0.00	-0.01	0.00	0.00	8	7	7	7
Food services and drinking places	3.3	5.4	6.2	1.7	0.95	1.59	1.86	0.53	1530	1612	1712	1742
Transportation	1.8	4.7	3.8	-4.8	0.36	0.97	0.78	-1.00	1063	1113	1155	1099
Air transportation services	1.3	4.1	3.7	-4.5	0.12	0.35	0.32	-0.38	440	458	475	454
All other transportation-related industries	2.1	5.2	3.8	-5.1	0.25	0.62	0.47	-0.62	623	656	681	646
Rail transportation services	0.9	7.4	-1.4	2.0	0.00	0.01	0.00	0.00	10	11	11	11
Water transportation services	6.6	6.2	4.4	-6.1	0.04	0.04	0.03	-0.04	33	35	36	34
Interurban bus transportation	-0.1	3.1	-2.8	2.4	0.00	0.01	-0.01	0.01	18	19	18	19
Interurban charter bus transportation	1.3	-0.2	-0.7	-0.3	0.00	0.00	0.00	0.00	13	13	13	13
Urban transit systems and other transportation	3.6	13.1	4.9	-12.8	0.03	0.10	0.04	-0.11	41	46	49	42
Taxi service	6.5	-6.5	0.0	5.3	0.05	-0.05	0.00	0.04	41	39	39	41
Scenic and sightseeing transportation services	3.9	2.9	3.7	-4.2	0.01	0.01	0.01	-0.01	16	16	17	16
Automotive equipment rental and leasing	3.9	5.7	2.7	-2.7	0.07	0.10	0.05	-0.05	95	100	103	100
Automotive repair services	-9.4	5.1	4.3	-4.9	-0.10	0.05	0.04	-0.05	51	54	56	53
Parking lots and garages	5.5	10.2	-1.3	-1.3	0.02	0.03	0.00	0.00	17	19	19	19
Toll highways	1.6	4.4	3.5	-3.6	0.00	0.00	0.00	0.00	4	4	5	4
Travel arrangement and reservation services	1.6	3.5	6.0	-7.5	0.05	0.12	0.20	-0.26	176	182	193	179
Petroleum refineries	4.8	10.5	4.4	-7.2	0.01	0.02	0.01	-0.01	9	10	10	9
Gasoline service stations	3.5	8.8	4.7	-6.3	0.07	0.17	0.10	-0.13	99	108	113	106
Recreation, entertainment, and shopping	0.4	2.8	2.0	-4.7	0.08	0.54	0.37	-0.87	987	1014	1034	986
Recreation and entertainment	-1.5	-0.2	0.0	-2.1	-0.15	-0.02	0.00	-0.19	515	513	513	503
Motion pictures and performing arts	20.6	14.1	2.5	-31.3	0.09	0.08	0.01	-0.18	28	32	33	23
Spectator sports	2.1	9.1	2.7	-16.2	0.02	0.10	0.03	-0.18	55	60	62	52
Participant sports	-4.7	-4.5	-2.1	7.0	-0.20	-0.17	-0.08	0.24	201	192	188	201
Gambling	-1.1	-1.0	0.0	-1.2	-0.04	-0.04	0.00	-0.04	175	174	174	171
All other recreation and entertainment	-2.9	1.1	3.0	-2.6	-0.03	0.01	0.03	-0.03	55	56	58	56
Shopping	2.6	6.2	4.0	-7.3	0.23	0.56	0.37	-0.68	472	501	521	483
Industries producing nondurable PCE commodities, excluding petroleum refineries	2.2	6.9	5.1	-8.0	0.05	0.16	0.12	-0.19	120	128	135	124
Retail trade services, excluding gasoline service stations	2.7	5.9	3.6	-7.0	0.18	0.40	0.25	-0.49	352	373	386	359
All other industries	1.9	6.8	3.2	-8.0	0.08	0.28	0.14	-0.34	213	228	235	216
All other industries, excluding Wholesale trade and transportation services	-1.7	3.2	1.0	-5.4	-0.02	0.04	0.01	-0.06	57	59	59	56
Wholesale trade and transportation services	3.2	8.0	4.0	-8.9	0.10	0.24	0.12	-0.28	157	169	176	160

PCE Personal consumption expenditures

Total employment

Total tourism-related employment (the sum of direct and indirect jobs) decreased to 7.8 million jobs in 2017 from 8.0 million jobs in 2016. The 7.8 million jobs consisted of 5.5 million direct tourism jobs and 2.3 million indirect tourism jobs (chart 5). While direct tourism employment includes jobs that produce direct tourism output, such as airline pilots, indirect tourism employment is also generated in the businesses that supply goods and services to the tourism sector, such as refinery workers producing jet fuel. The most recent data indicate that for every 100 jobs supported directly by the travel and tourism industry, an additional 42 indirect tourism jobs are also required.

Chart 5. Total Tourism-Related Employment in 2014–2017



Key Terms

The following key terms are used to describe the Travel and Tourism Satellite Account.

Domestic tourism. Travel-related expenditures by U.S. residents traveling within the United States. It comprises travel by resident households, business travel, and travel by government employees.

Inbound tourism. Travel-related expenditures by nonresidents traveling within the United States and expenditures by nonresidents on international transportation purchased from U.S. providers. These expenditures exclude expenditures for travel to study in the United States and for medical reasons.¹

Tourism commodities. Goods and services that are typically purchased by visitors, such as airline passenger transportation, hotel accommodations, and meals.²

Tourism employment. Total tourism-related employment consists of direct tourism employment plus indirect tourism employment. Direct tourism employment comprises all jobs where the workers are engaged in the production of direct tourism output (for example, hotel staff and airline pilots), and indirect tourism employment comprises all jobs where the workers are engaged in the production of indirect tourism output (for example, workers producing hotel toiletries and delivering fuel to airlines).

Tourism output. Total tourism-related output consists of direct tourism output and indirect tourism output. Direct tourism output comprises all domestically produced goods and services purchased by travelers (for example, traveler accommodations and passenger air transportation), and indirect tourism output comprises all output required to support the production of direct tourism output (for example, toiletries for hotel guests and fuel for airplanes).

Visitor. A person who travels outside of his or her usual environment (more than 50–100 miles from the area of normal, everyday activities) for less than a year or who stays overnight in a hotel or motel.³ The visitor may travel for pleasure or business (private sector or government). Visitors exclude travelers who expect to be compensated at the location of their visit (such as migrant workers, persons traveling to new assignments, and diplomatic and military personnel traveling to and from their duty stations and their home countries).

1. In the Travel and Tourism Satellite Account, inbound and outbound visitors are not differentiated by type of visitor, because the data to prepare these estimates are not available.
2. The classification of tourism commodities in the Travel and Tourism Satellite Account is based on a list of primary activities of visitors that was developed from recommendations by the World Tourism Organization, by the Organisation for Economic Co-operation and Development, and from various surveys of U.S. visitors.
3. The distance criterion differs by source data survey: The Consumer Expenditures Survey (Bureau of Labor Statistics) uses 75 miles from home; private surveys by the Travel Industry Association, 50–100 miles from home; and surveys by D.K. Shifflet and Associates, 50 miles from home.

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1. All measures of travel and tourism activity not identified as being in “real,” inflation-adjusted terms are current-dollar estimates.
2. For more information, see Kevin B. Barefoot, Teresa L. Gilmore, and Chelsea K. Nelson, “[The 2017 Annual Update of the Industry Economic Accounts: Initial Statistics for the Second Quarter of 2017 and Revised Statistics for 2014–2016 and the First Quarter of 2017](#),” *Survey of Current Business* (December 2017).



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