

Brand USA International Market Trends

Carroll Rheem

VP, Research & Analytics



DiscoverAmerica.com



Roles in the US Travel Industry



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PROMOTE

- Lead the nation's global marketing effort
- Communicate US entry and security processes
- Create a welcoming experience for International tourists

TRAVEL & TOURISM INDUSTRY



U.S. TRAVEL
ASSOCIATION

ADVOCATE

- Advocate for policies to remove travel barriers
- Communicate benefits of travel to policymakers
- Provide industry networking opportunities

ADVISE



Advise the Secretary of Commerce on Issues Affecting the Travel Industry

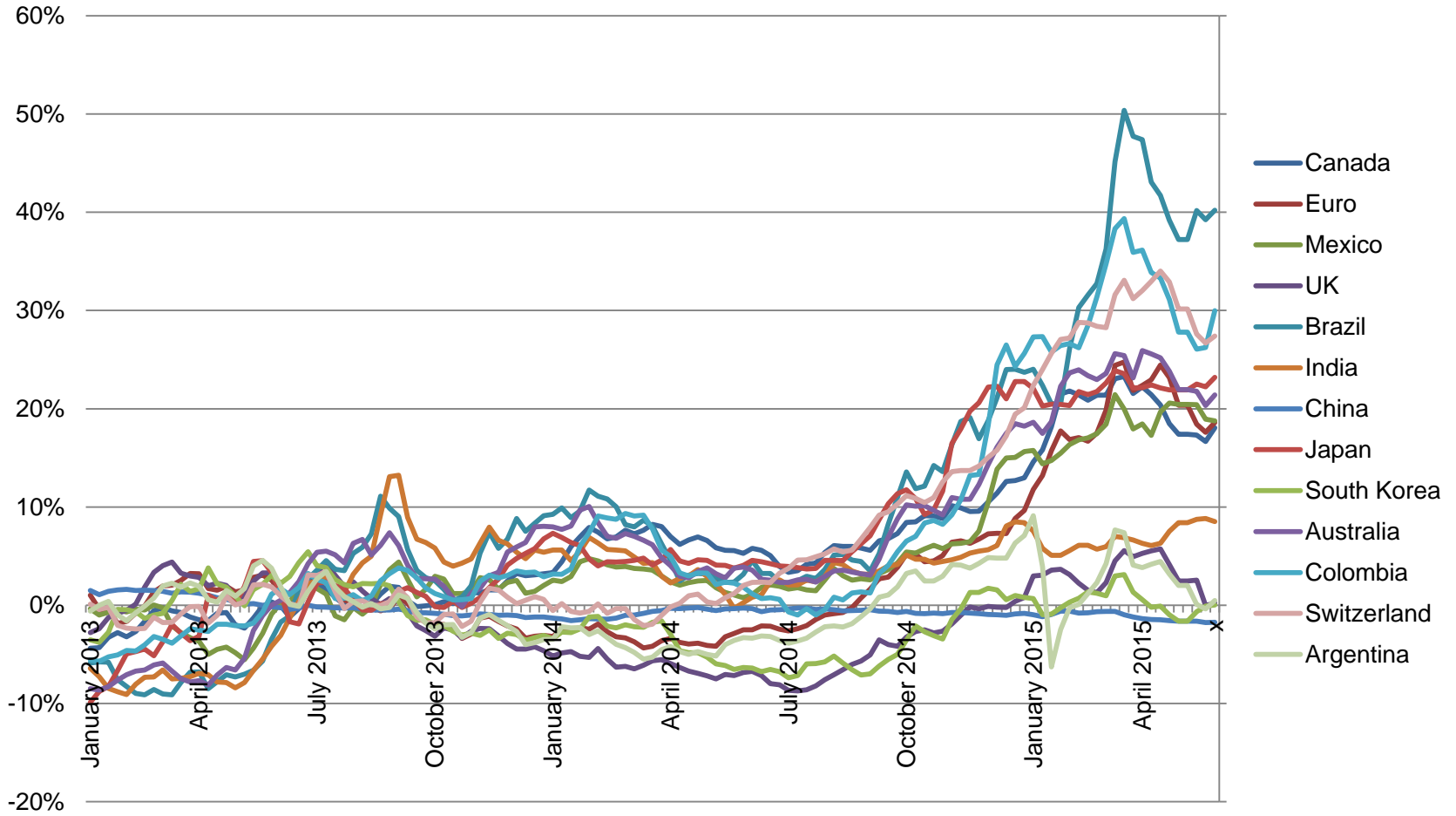


The Travel Promotion Act
signed into law March 2010



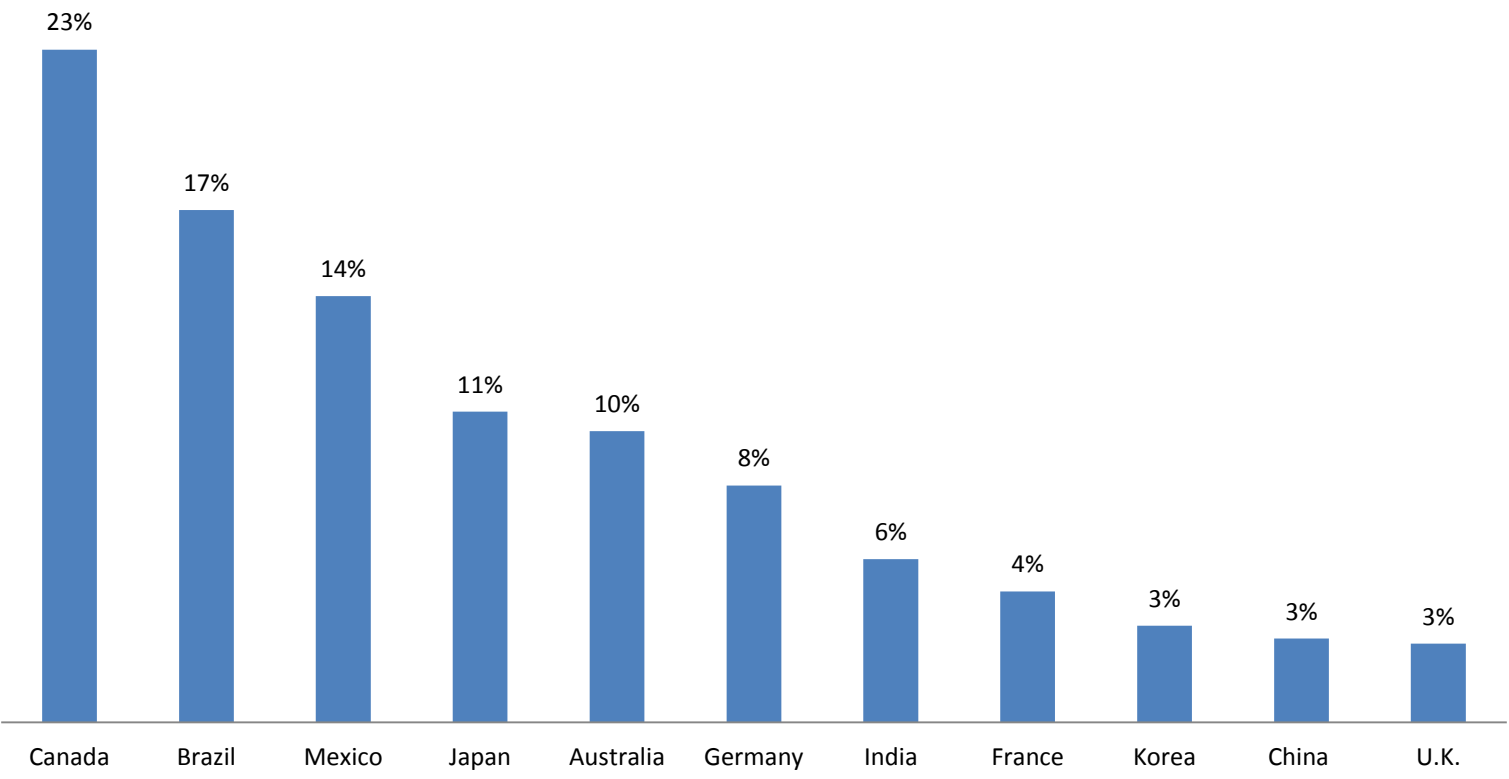


Currency Impact (Compared to 2013 average)



Source: OANDA

Travelers Not Visiting U.S. Due to Currency Value



Base: (N=425-834 by market) Adults who are likely to take an international vacation in the next 12 months
Question: Why is the United States not a likely holiday destination for you in the next 12 months? The currency exchange rate is unfavourable
Source: Brand USA proprietary research fielded by ORC International April 2015



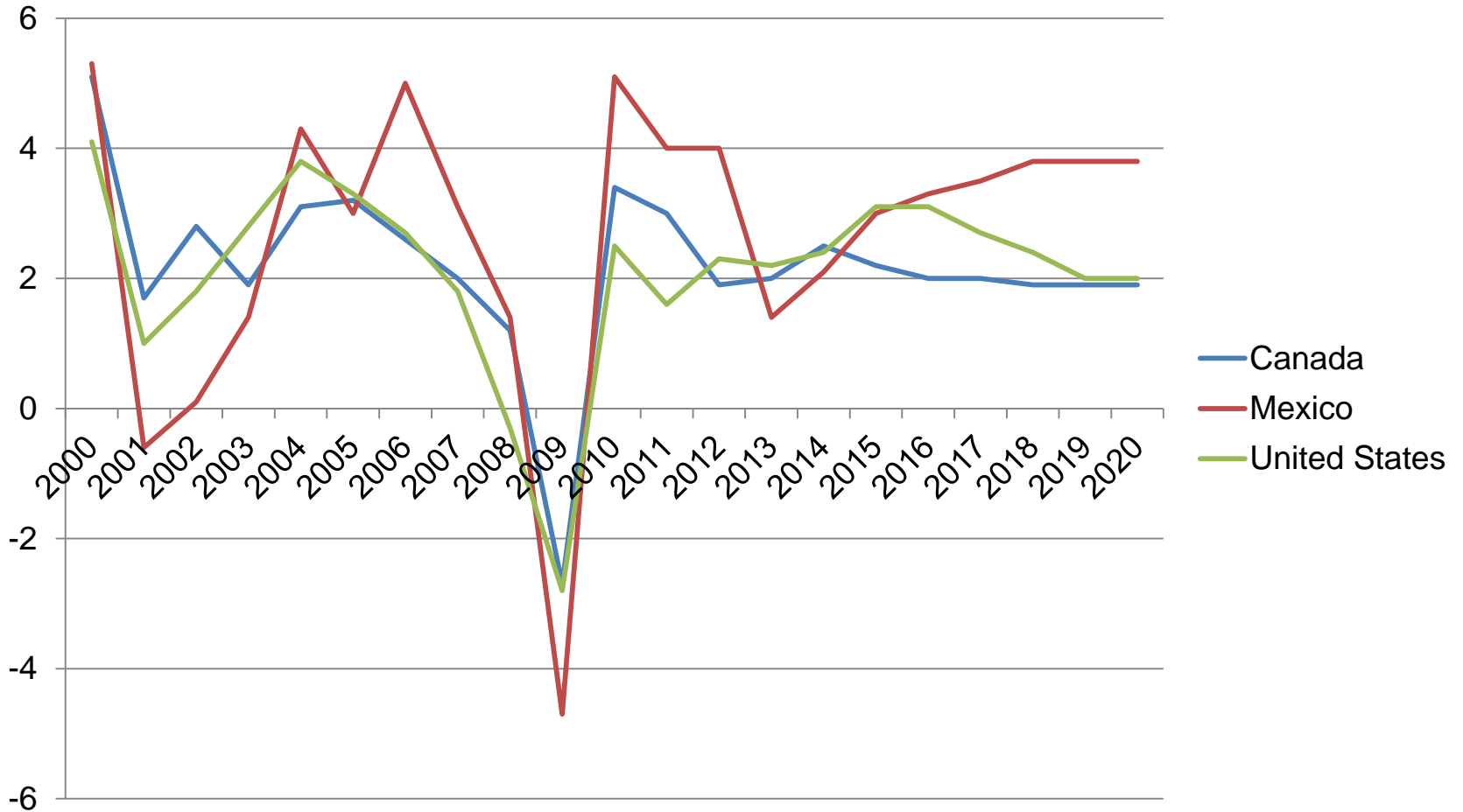


Visa Processing and Entry
Process



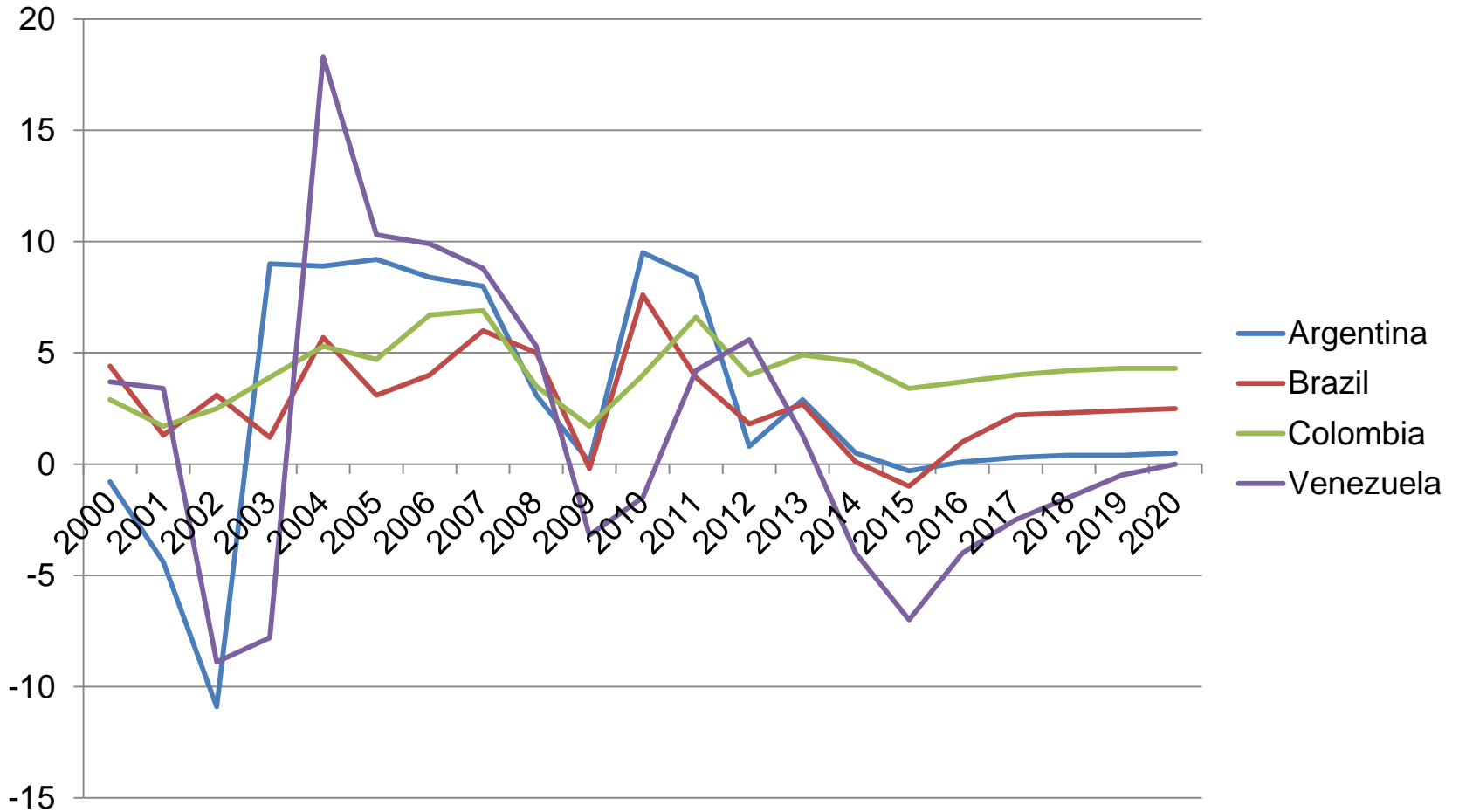
Long-Term
Outlook

GDP Growth – North American Markets (%)



Source: World Bank

GDP Growth – Key Latin American Markets (%)



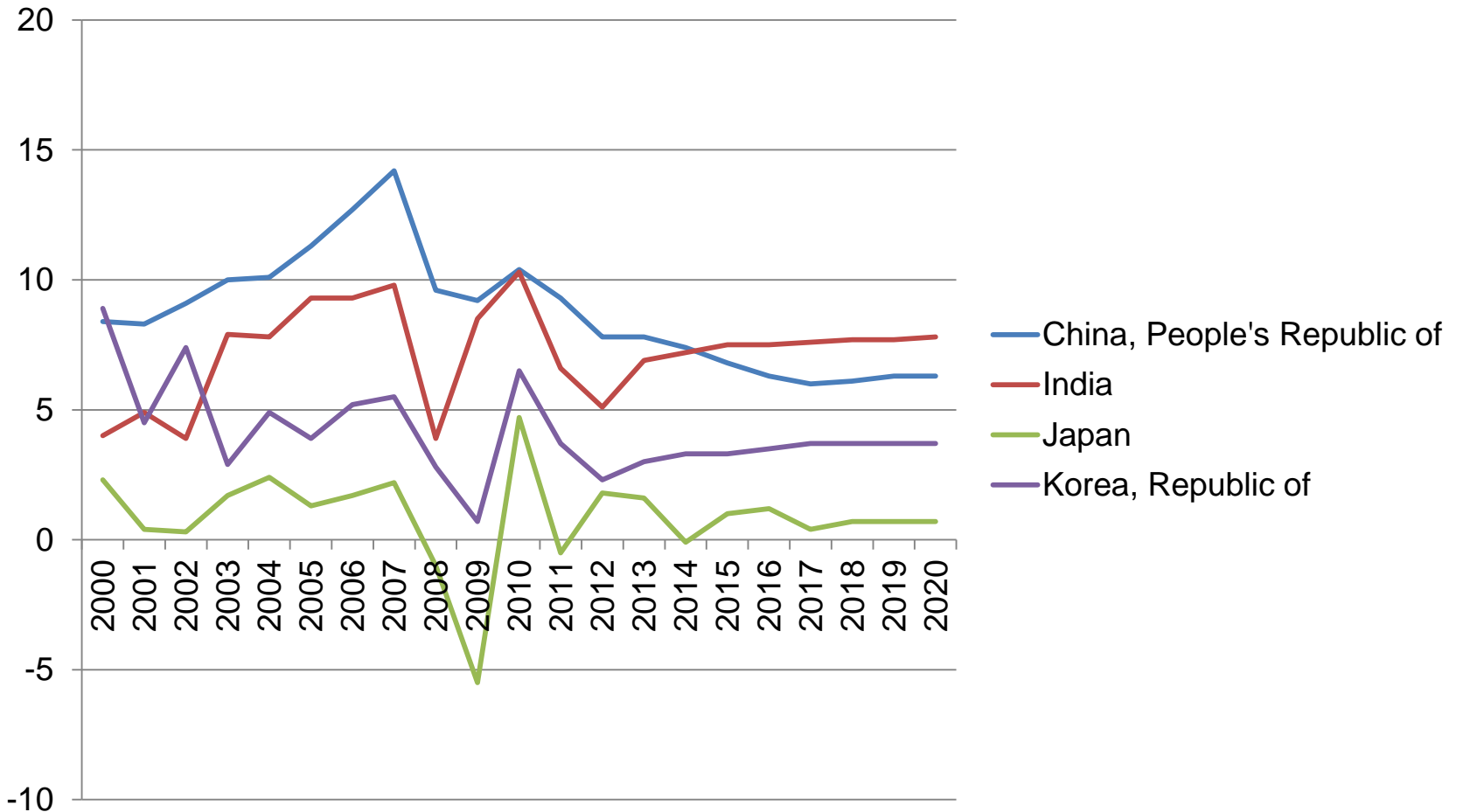
Source: World Bank

GDP Growth – Key European Markets (%)



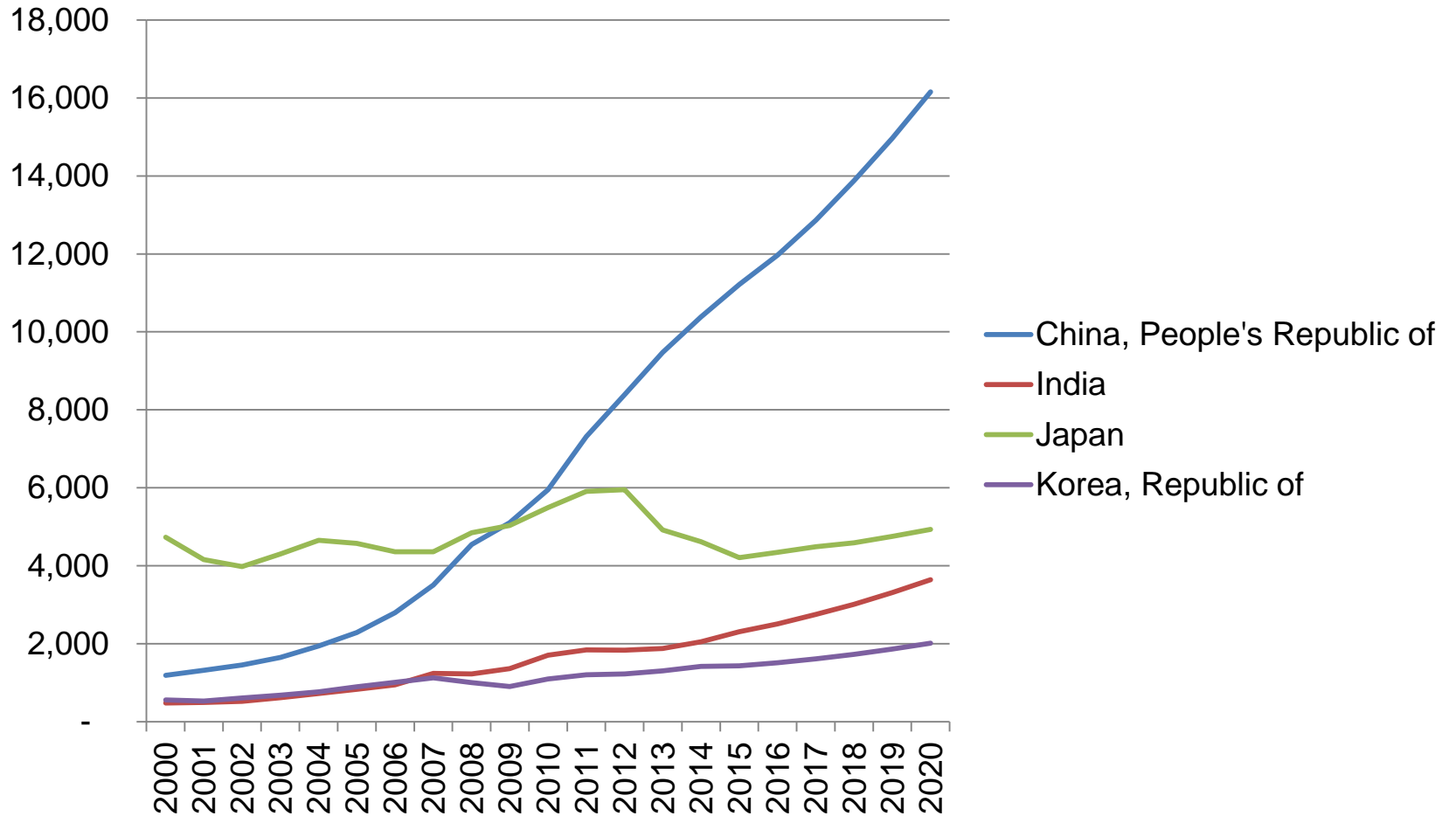
Source: World Bank

GDP Growth – Key Asian Markets (%)



Source: World Bank

GDP – Key Asian Markets (US\$ B)



Source: World Bank



THE SITUATION

Top 10 U.S. Arrivals Markets

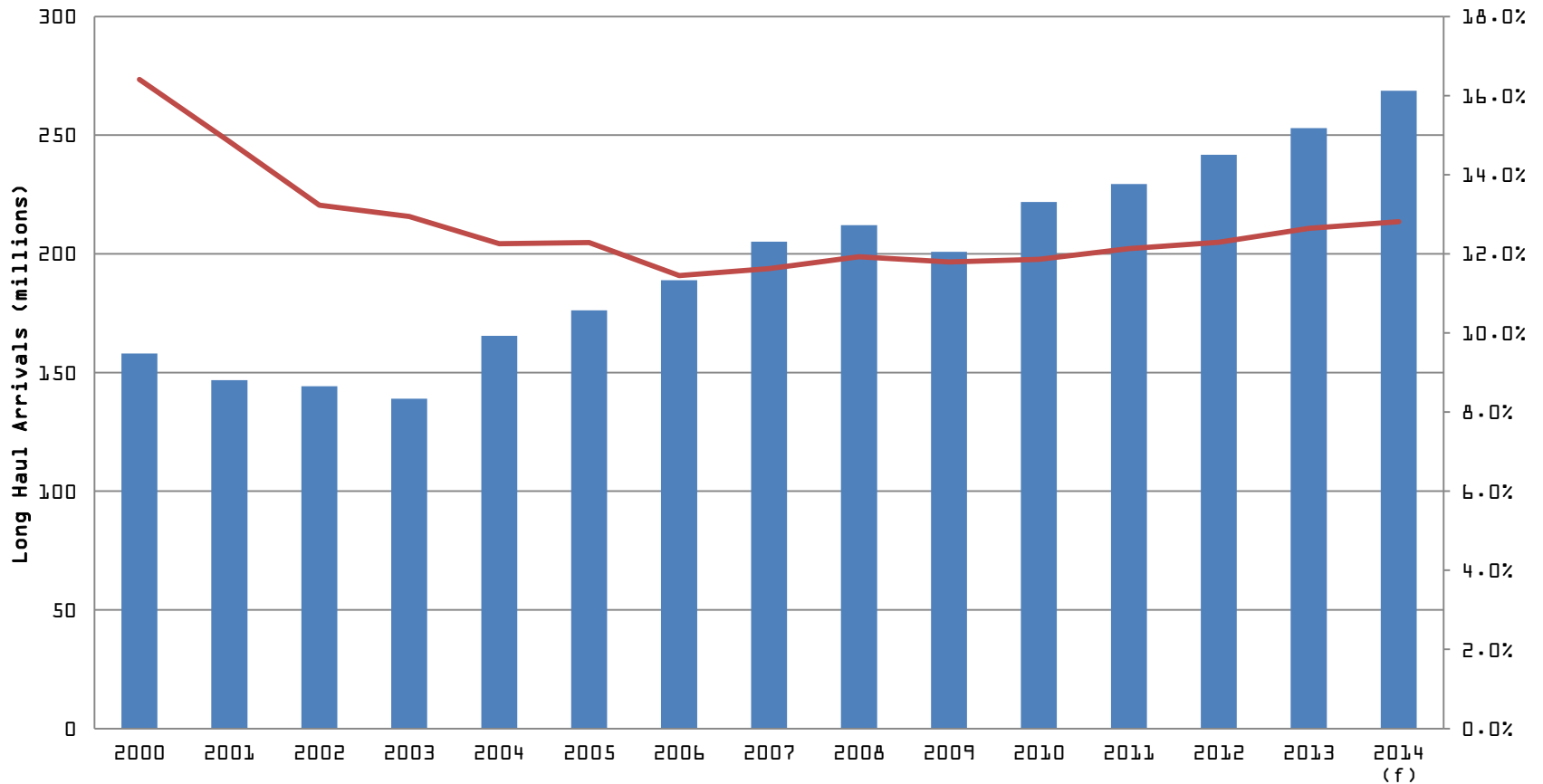
	Market	2013	2014	2014 arrivals (000)	2014 US LH Share	YOY Share Variance
#1	Canada	3%	-1.8%	22,975	66%*	-0.7%
	<i>CA Arrivals by air</i>	5%	2%			
#2	Mexico	1%	19.2%	17,334	86%*	0.1%
	<i>MX Arrivals by air</i>	5%	7%			
#3	United Kingdom	0%	3.6%	3,973	21%	-0.2%
#4	Japan	1%	-4.0%	3,579	40%	0.1%
#5	Brazil	15%	9.9%	2,264	31%	0.3%
#6	Germany	2%	2.7%	1,969	18%	-0.2%
#7	China	23%	21.1%	2,188	17%	0.7%
#8	France	3%	8.0%	1,625	12%	0.1%
#9	Korea, Republic Of	9%	6.6%	1,450	32%	-1.6%
#10	Australia	7%	5.9%	1,276	16%	0.4%





Long Haul* Market Share

Global Long Haul Arrivals and US Market Share



*Long haul defined as extra-regional travel based on seven regions: North America, South America/Central America/Caribbean, Europe, Africa, Middle East, Asia, and Oceania

Source: Tourism Economics



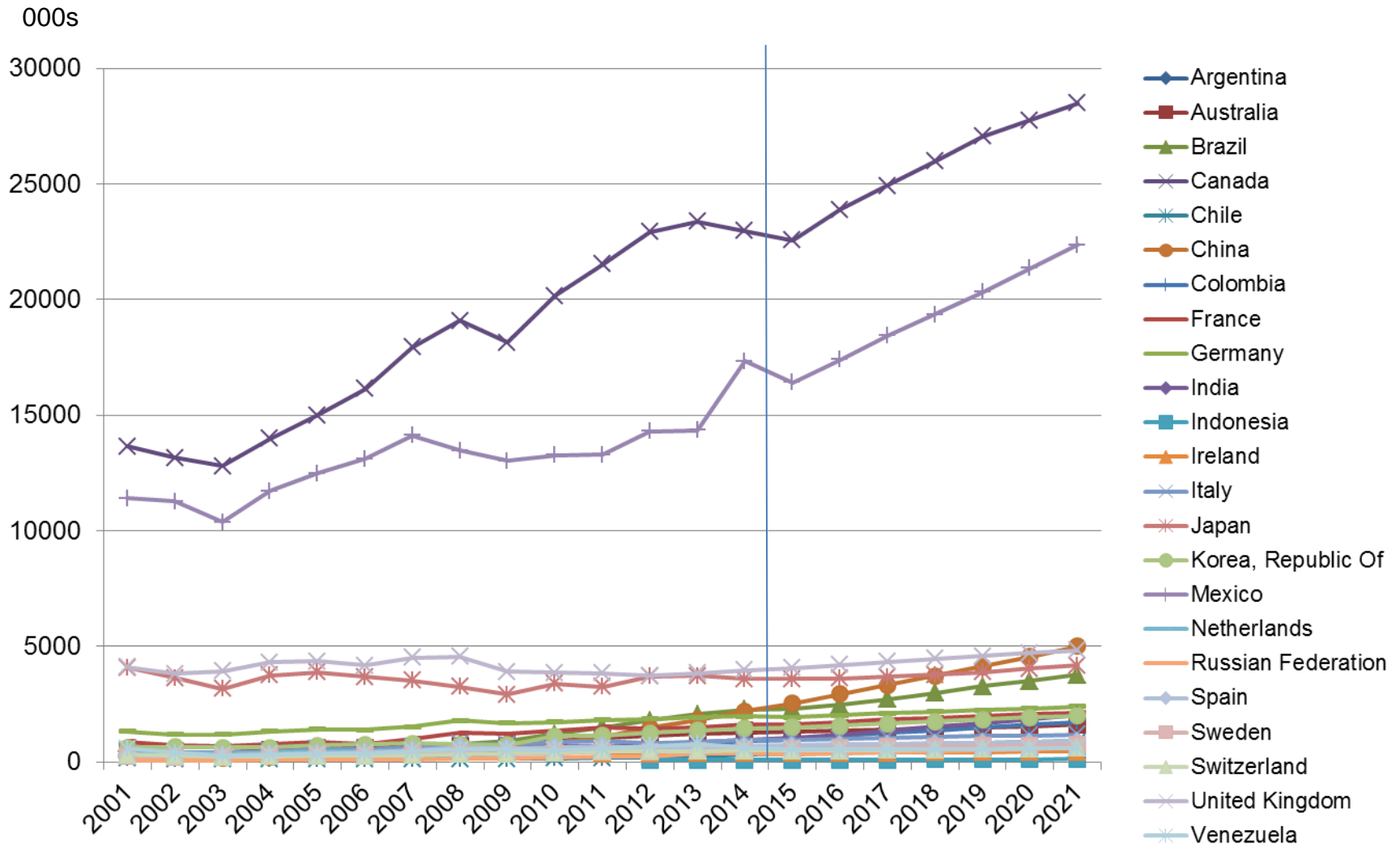
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100
million
visitors by
2021

4.2%
CAGR

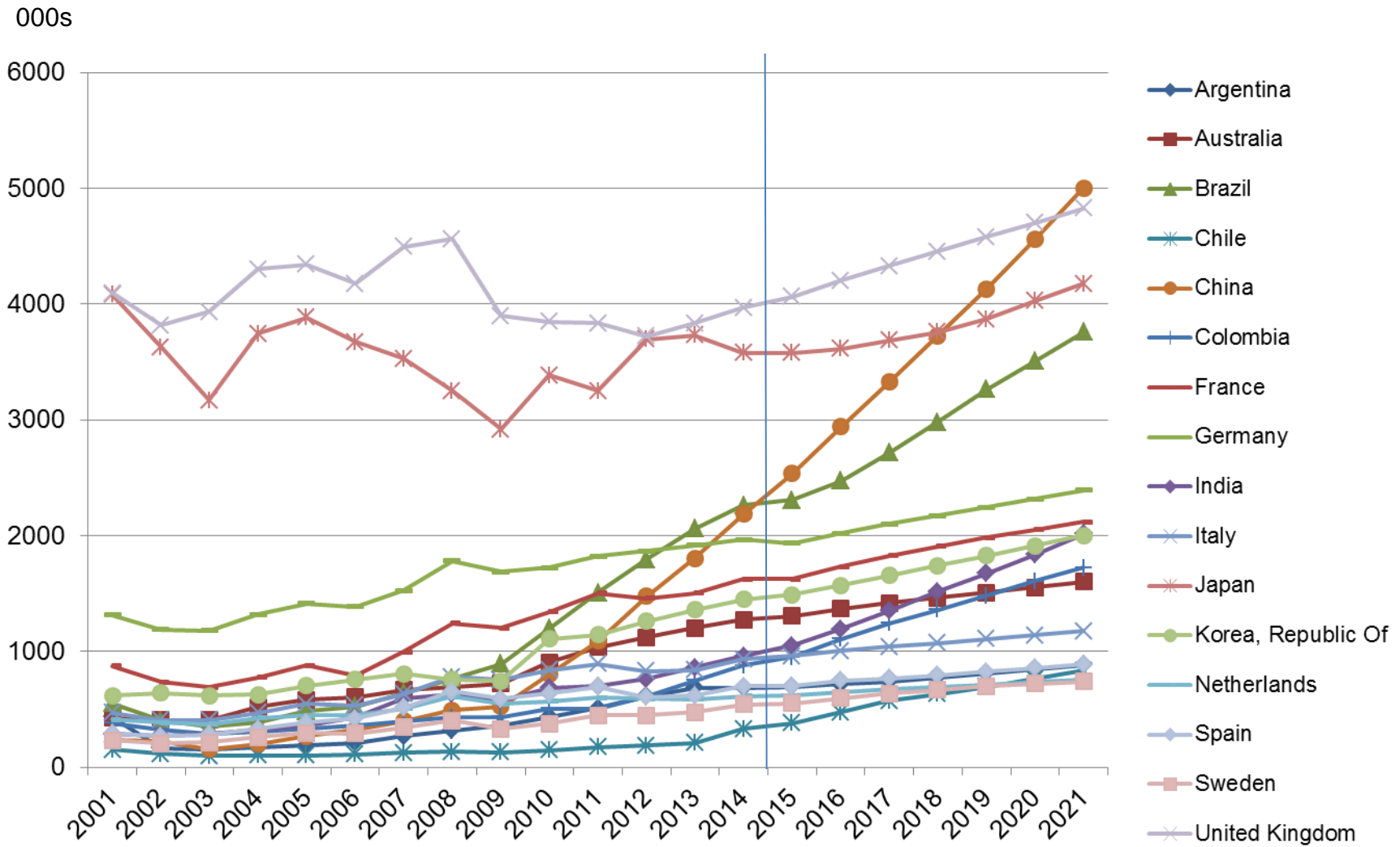


Path to 100 Million Arrivals



Source: Brand USA and NTTO

Path to 100 Million Arrivals



Source: Brand USA and NTTO

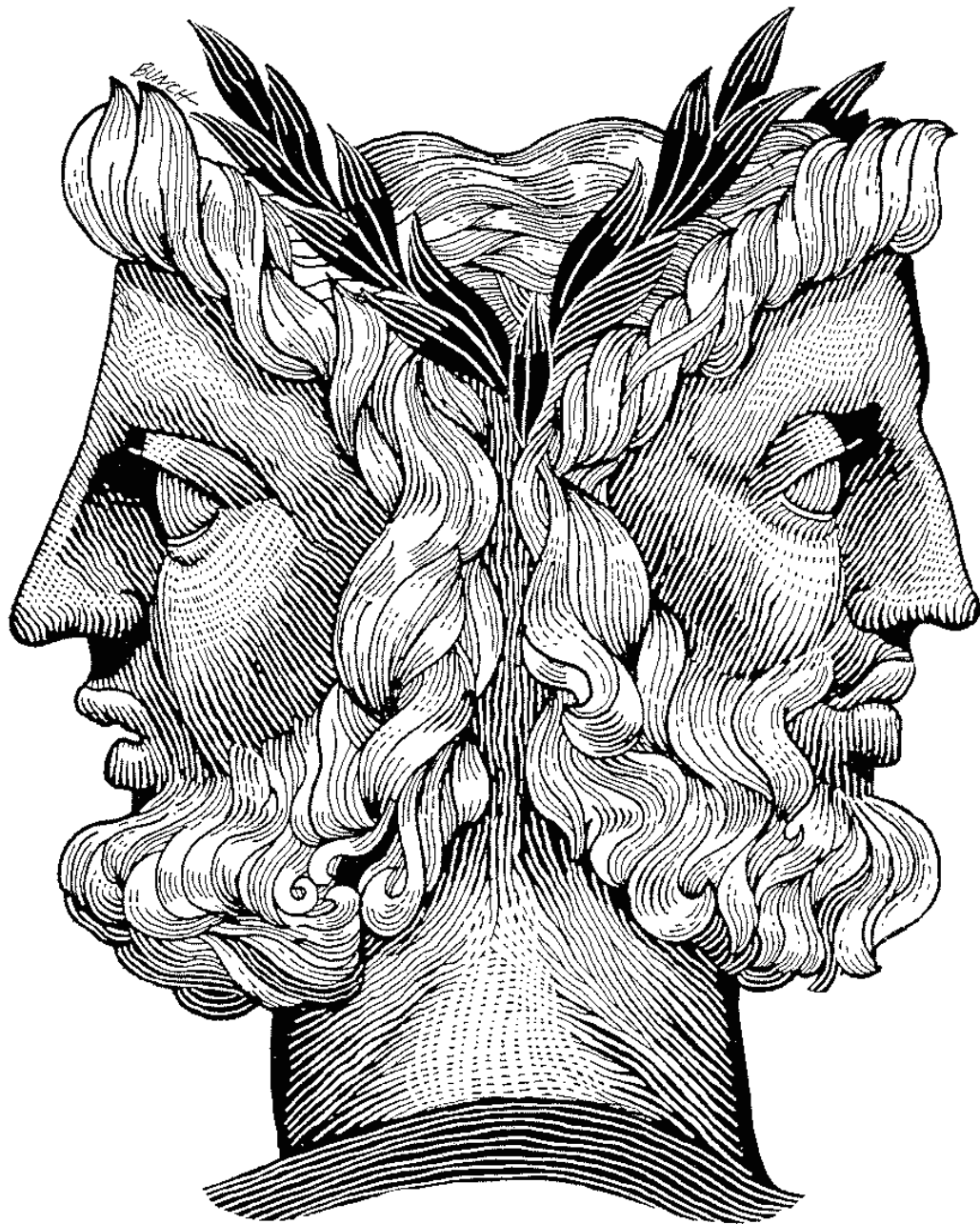


Brand USA's mission is to increase incremental international visitation, spend and market share to fuel our nation's economy and enhance the image of the USA worldwide.

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We aim to
influence
travelers to
change
course





Market Selection Criteria

GDP (PPP)

GDP (PPP)
Growth
(2014/2011)

International
Travel
Expenditure

International
Departures

Unemployment
index

Civil Liberty

Population

Ease of Doing
Business

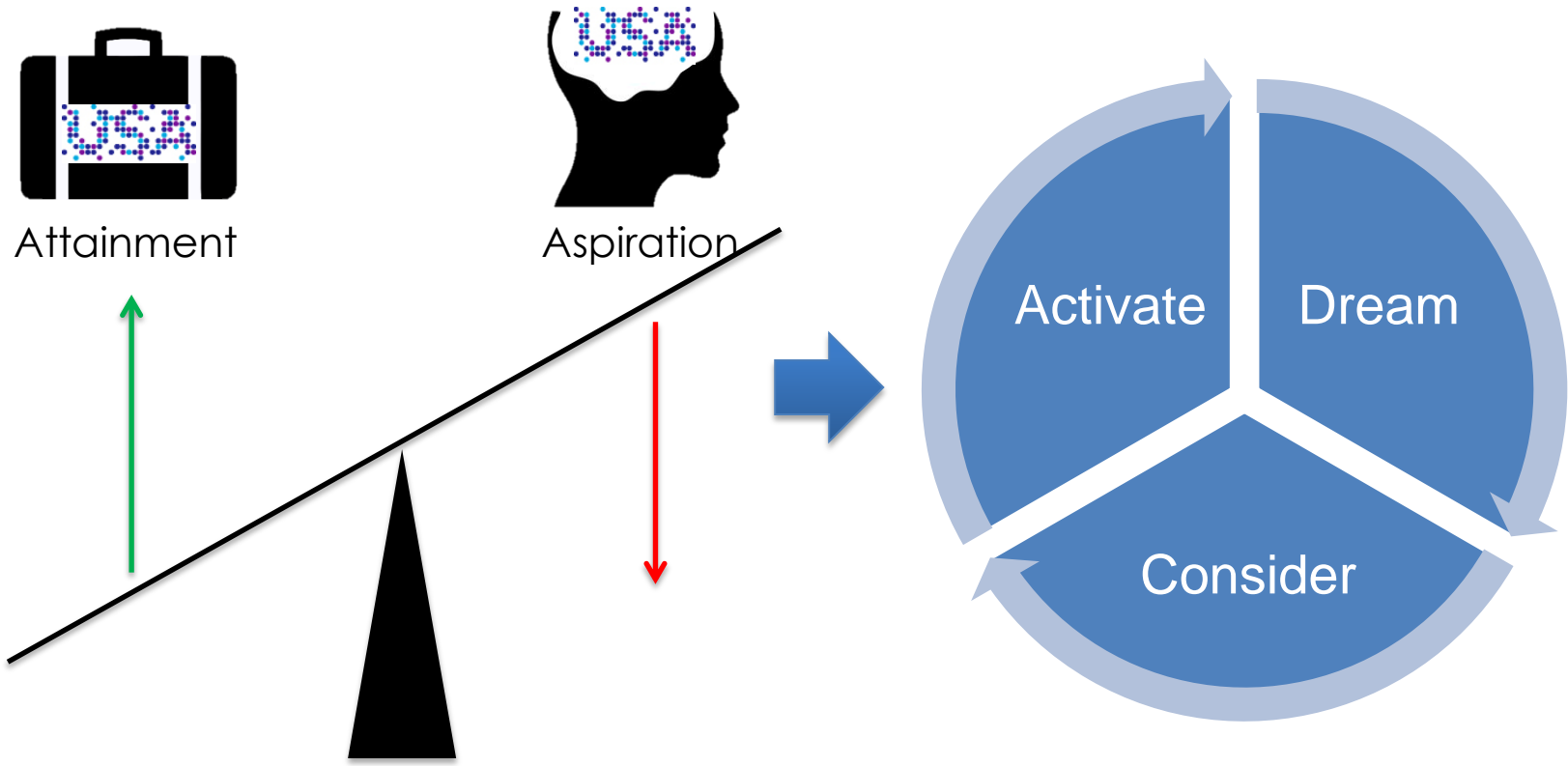
GINI (Wealth
distribution)

Geographic
Distance

Event-based
factors



Target Travel Cycle Phase



Balanced Approach to Marketing & Advertising Budget Allocation

Economic
Indicators

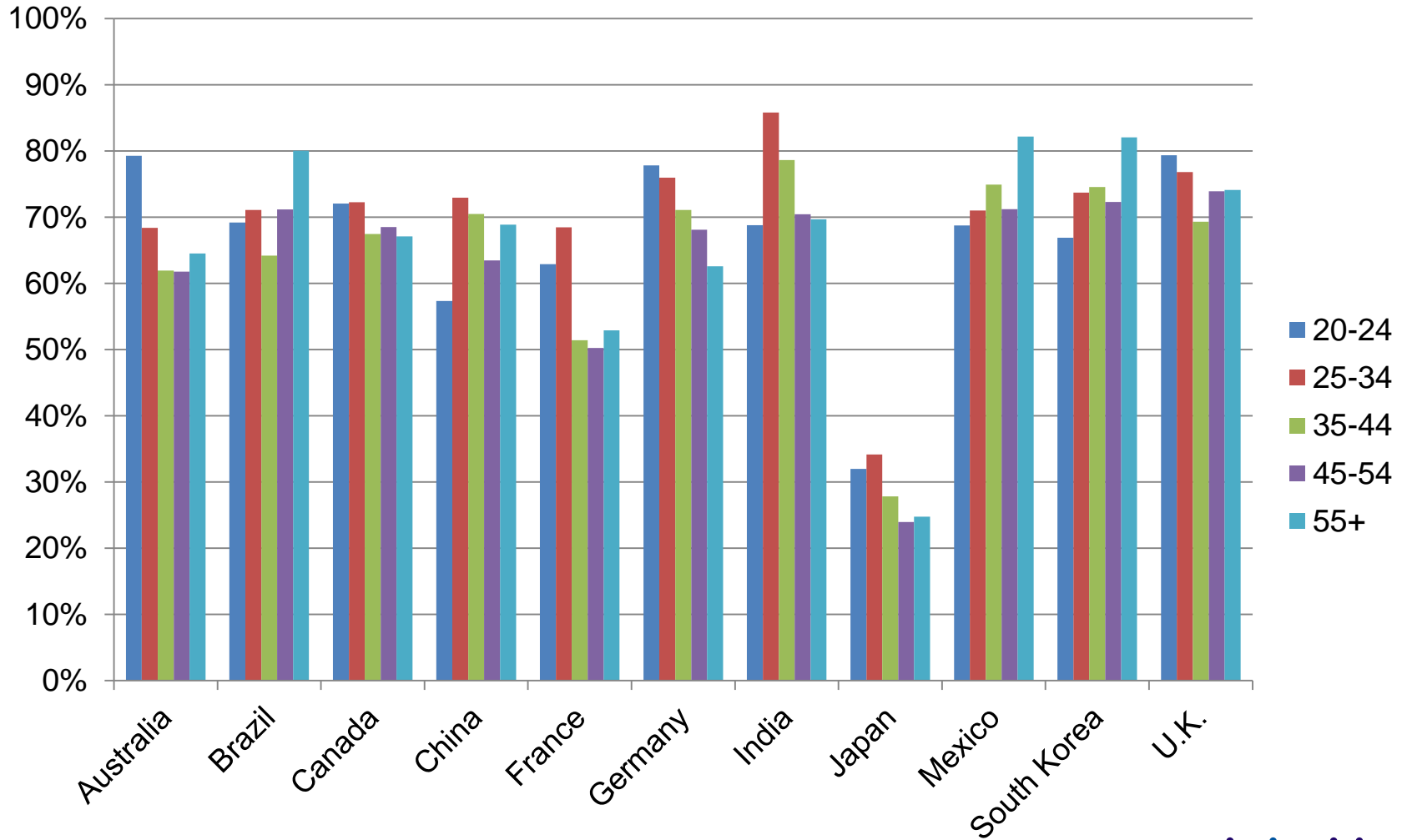
Commercial
Trends

Cultural Trends

Media Trends



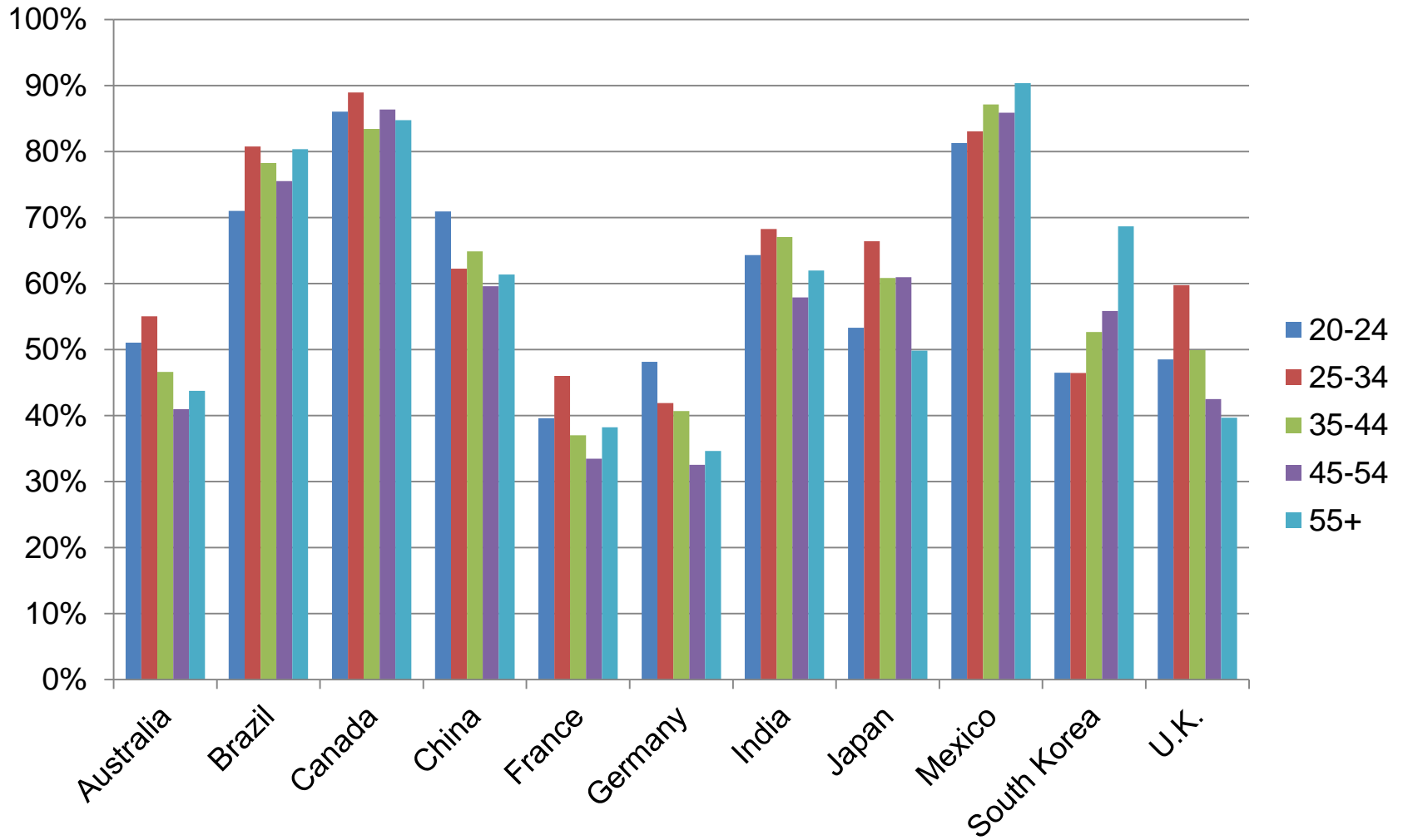
International Travel in Next 12 Months (Apr 2015)



Source: Brand USA proprietary research conducted by ORC International

Visit U.S. in Next 2 Years (Apr 2015)

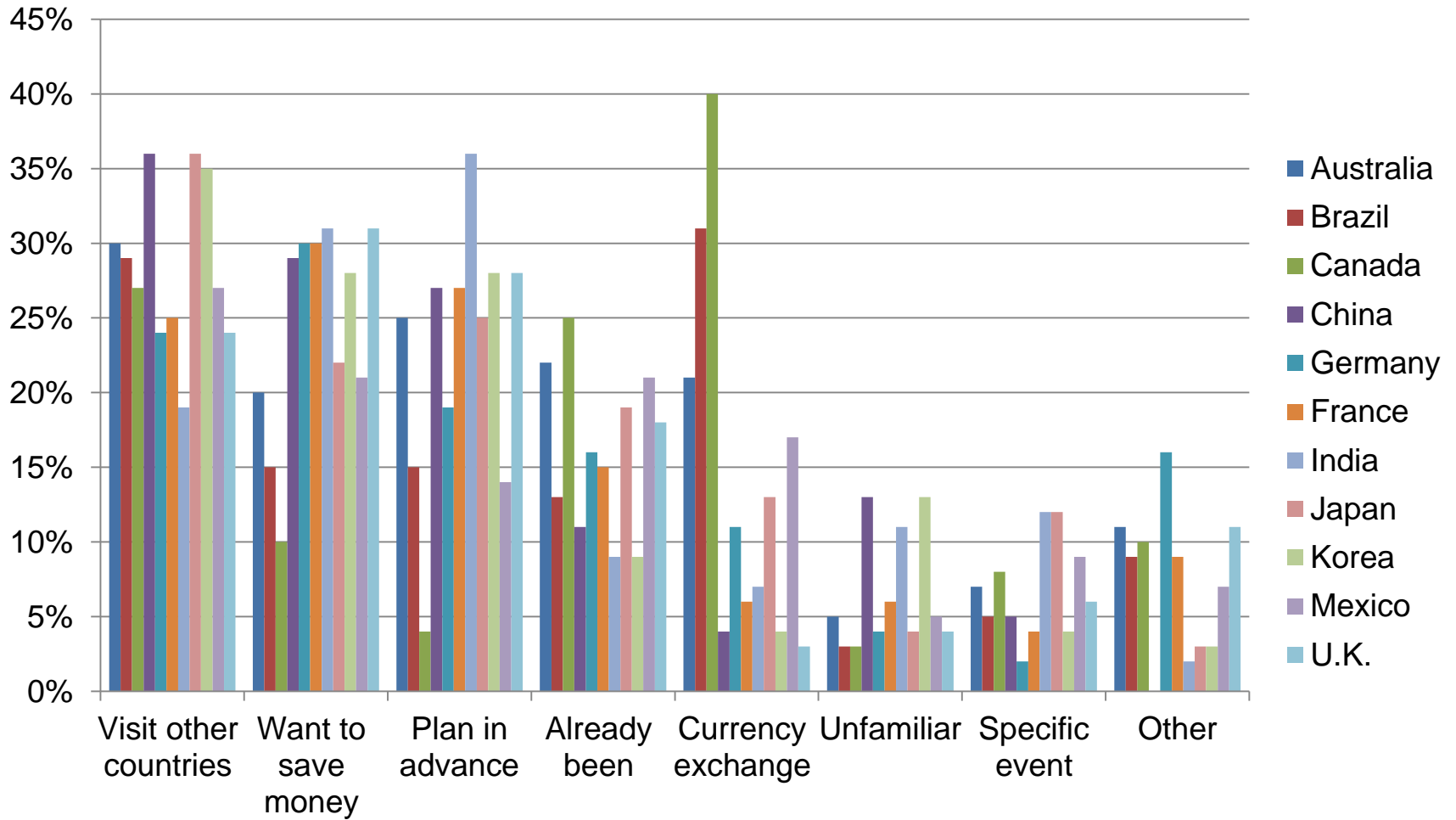
Among international travelers



Source: Brand USA proprietary research conducted by ORC International



Reasons For Not Visiting the U.S. in Next 12 Months (Apr. 2015)



Source: Brand USA proprietary research conducted by ORC International

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