

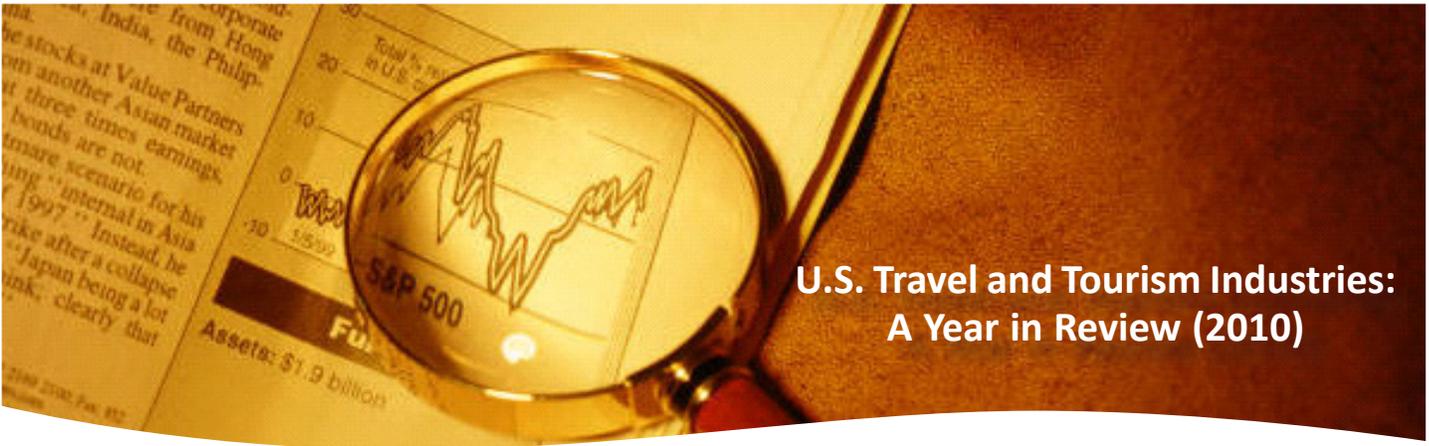
U.S. Department of Commerce
International Trade Administration



Office of Travel and Tourism Industries

U.S. Travel and Tourism Industries: A Year in Review **2010**





U.S. Travel and Tourism Industries: A Year in Review (2010)

Travel and Tourism Stats-at-a-Glance

Did You Know...?

...that the U.S. travel and tourism industry generates nearly \$1.1 trillion in economic output for the U.S. economy each year?

...that U.S. travel and tourism-related industries support more than 7.5 million American jobs?

...that the United States welcomed nearly 60 million international visitors in 2010?

...that in 2010 international visitors spent more than \$134 billion experiencing the United States?

...that travel and tourism exports account for 24% of U.S. services exports and 7% of all U.S. exports?

...that the United States enjoys a \$31.7 billion travel and tourism balance of trade surplus?

2010: A Year in Review

A Record-Setting 60 Million International Travelers Visited the United States in 2010

4.8 Million

More international visitors

\$14 Billion

Increase in tourism exports

112,000

Industry jobs lost

\$68 Billion

Rise in tourism output

After arguably the most difficult year for U.S. travel and tourism since 9/11, the industry has weathered the single largest contraction in history and is now exhibiting signs of a strong recovery.

The United States welcomed 60 million international visitors in 2010, 4.8 million more visitors than in 2009. Arrivals from overseas markets totalled 26.4 million while Canada and Mexico

accounted for 20.0 million and 13.5 million, respectively. Of the top 20 inbound visitor markets, the United Kingdom, Venezuela and Ireland were the only three markets that experienced declines for the year. Moreover, 17 of the top 20 inbound visitor markets posted increases, with 13 accounting for double-digit increases.

Those international visitors who traveled to the United States collectively injected more than \$134.4 billion into the U.S.

economy in 2010, an increase of nearly 12 percent when compared to 2009.

Americans increased their travel-related spending abroad, too, spending nearly

4 percent more while traveling abroad in 2010. Subtracting exports from imports, we are left with a \$31.7 billion balance of trade surplus for travel and tourism, nearly \$11 billion more favorable than in 2000.



Improvements to the entry/exit procedures in 2010 helped facilitate a record-breaking level of international visitation in the United States last year.

Despite all these signs of a strong recovery, industry-related employment has not recovered. In fact, travel and tourism-related industries jettisoned 112,000 jobs in 2010, the third consecutive year in which this industry reduced the size of its workforce. Clearly the economic downturn and lessened demand for travel and tourism-related goods and services took a major toll on this industry.

U.S. Travel and Tourism Industries: A Year in Review (2010)

International Visitation (Arrivals)

2010 Total International Visitation

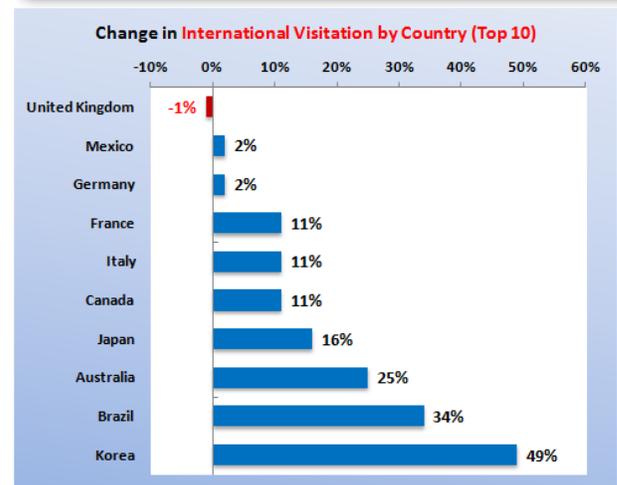
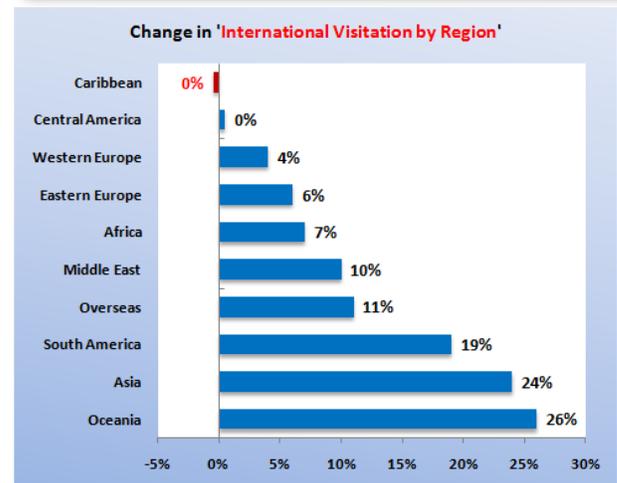
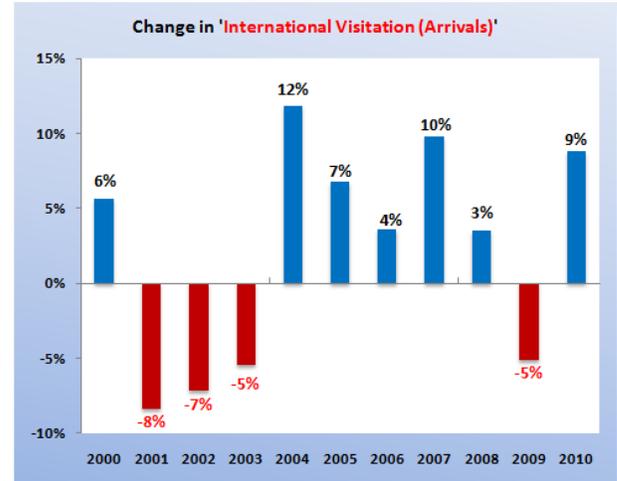
- The United States welcomed a record-breaking 60 million international visitors in 2010, an increase of nearly 9 percent when compared to 2009.
- In 2010 overseas arrivals accounted for 44 percent of total arrivals to the United States and set a new all-time high visitation record; accounting for the remainder of visitation, arrivals from Canada and Mexico were up 11 percent and 1 percent, respectively.

International Visitation by Region

- Asia, South America, Oceania and the Middle East experienced the strongest growth in 2010, largely driven by record-setting visitation from Brazil, South Korea, Australia, China, India and Colombia.
- The Caribbean was the only major world region to send fewer international visitors to the United States in 2010.

International Visitation by Country

- For the second year in a row, the United States welcomed fewer travelers from the United Kingdom in 2010; in total, 3.9 million U.K. residents visited the United States last year, down 1 percent when compared to the previous year when U.K. visitation plummeted by 15 percent.
- Seventeen of the top 50 overseas markets set new visitation records in 2010, including Canada, France, and Italy.



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U.S. Travel and Tourism Exports

Total U.S. Travel & Tourism Exports

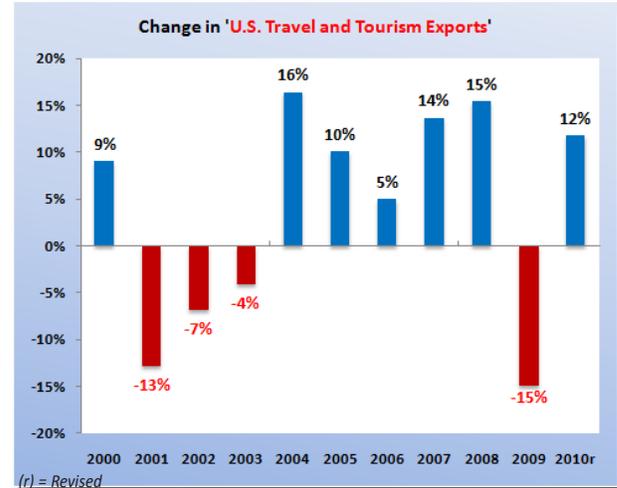
- International visitors spent more than \$134.4 billion experiencing the United States in 2010, an increase of nearly 12 percent when compared to 2009.
- When compared to the record-setting levels of 2008, however, industry exports are still 5 percent lower than they were before the onset of the economic downturn.

Visitor Spending by Region

- U.S. travel and tourism exports to every world region increased in 2010 following a year in which all world region posted declines.
- International visitors from the Asia and Pacific region collectively spent nearly \$35.9 billion in the United States last year, an increase of \$5.4 billion over 2009 and the strongest rebound of any region.

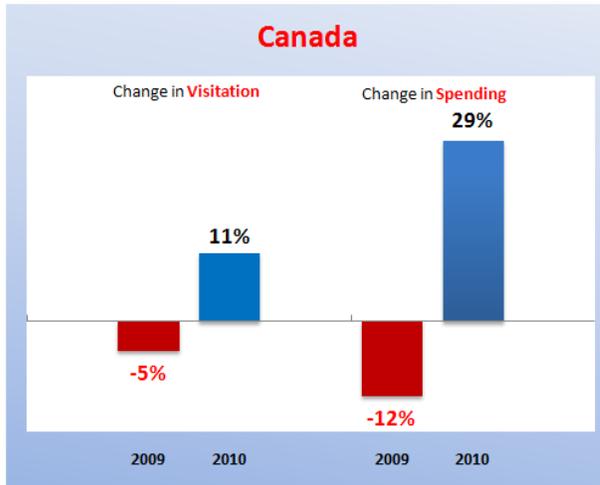
Visitor Spending by Country

- Helping to drive the strong Asian rebound, visitors from China injected more than \$5 billion into the U.S. economy in 2010, an increase of 39 percent in travel and tourism-related spending and a new all-time high.
- Travel and tourism exports to France declined 1 percent in 2010 following a decline of nearly 14 percent in 2009. As a result, France loses its grip on seventh place to China and drops to eighth in terms of total travel and tourism exports.



U.S. Travel and Tourism Industries: A Year in Review (2010)

U.S. Travel and Tourism: Top Markets

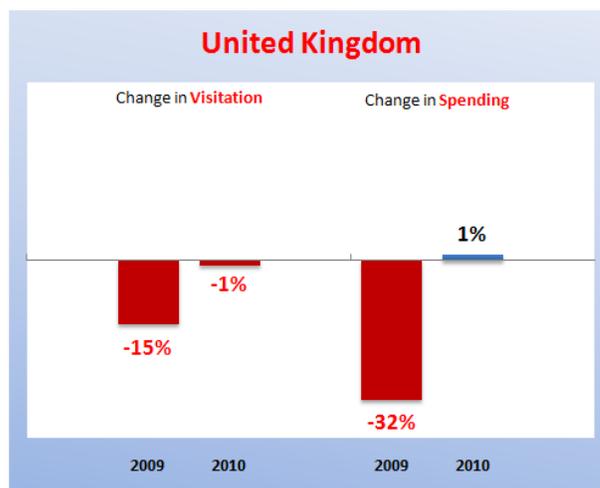


International Markets: Canada

- Canadian visitors opened their wallets wider than ever before in 2010, spending nearly \$21 billion on travel and tourism-related goods and services in the United States. In fact, since the implementation of the Western Hemisphere Travel Initiative (WHTI) in 2007, the United States has enjoyed record levels of tourism spending from our neighbors to the north in three of the last four years.

International Markets: Mexico

- Record-setting passenger fare exports to Mexico helped the United States export \$8.7 billion of travel and tourism-related goods and services to Mexico in 2010, an increase of more than 8% and a much-welcomed improvement over 2009, when international visitor spending from Mexico fell 17%.



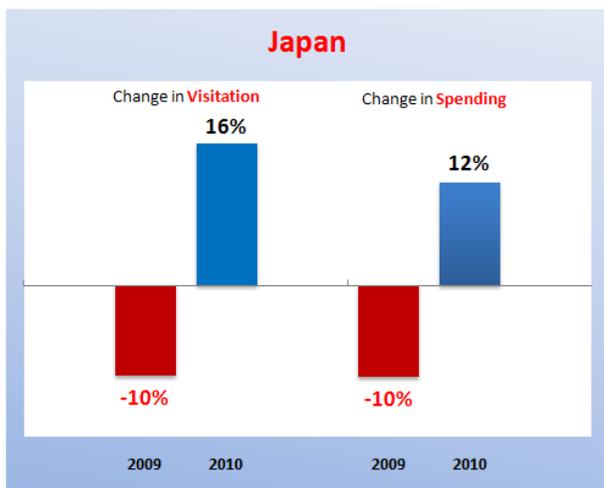
International Markets: United Kingdom

- Total U.S. travel and tourism-related exports to the United Kingdom have dropped by nearly a third (31%) since 2008. Indeed, U.K. visitors spent nearly \$12 billion traveling in/to the United States in 2010, nearly \$5.2 billion less than was spent in 2008. U.S. travel and tourism exports account for 24% of all U.S. services exports to the United Kingdom.



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U.S. Travel and Tourism: Top Markets

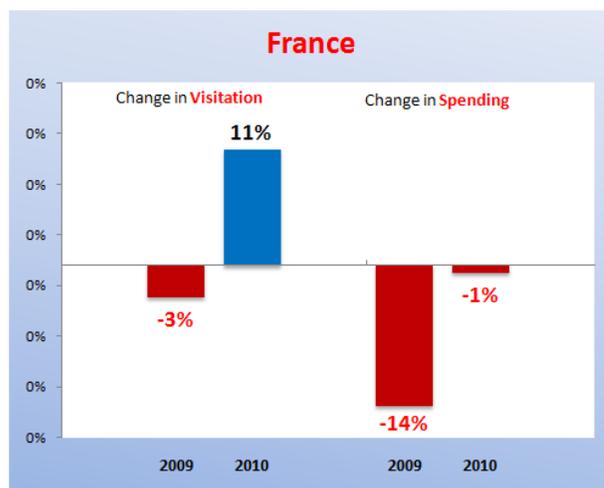
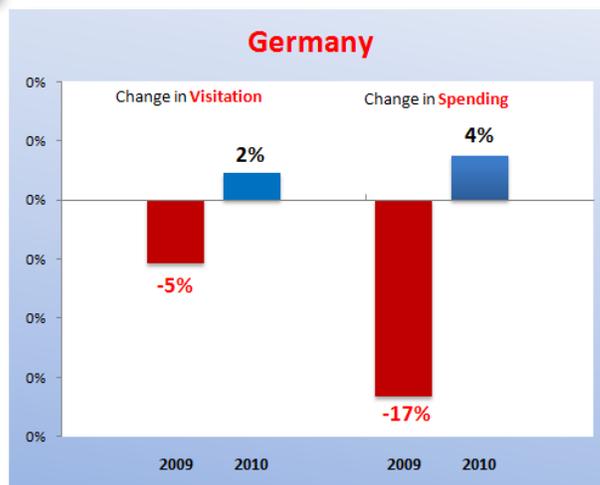


International Markets: Japan

- Declining in six of the last ten years, Japanese visitor spending in the United States increased 12% to \$14.6 billion in 2010, following a decrease of more than 10% in 2009 and a far cry from the record set in 1995 when Japanese visitors spent nearly \$18 billion experiencing the United States.

International Markets: Germany

- Displaced by the growth of U.S. travel and tourism exports to Brazil, Germany dropped to sixth in terms of total international spending in the United States. Following a 17% decline in 2009, exports to Germany increased nearly 4% to \$5.8 billion in 2010.



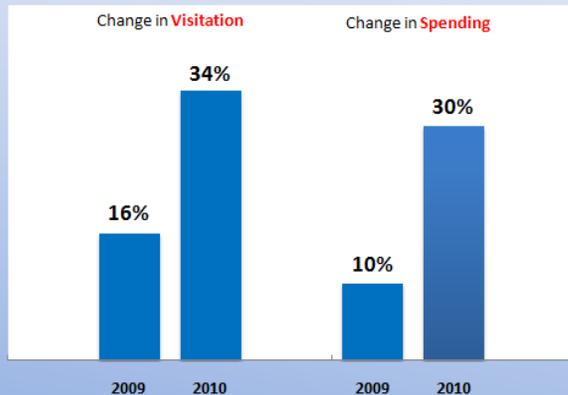
International Markets: France

- For the second consecutive year, U.S. travel and tourism exports to France have declined (decreasing 14% and 1% in 2009 and 2010, respectively). Supplanted from its seventh place ranking by China, France drops to eighth in terms of total travel and tourism exports.

U.S. Travel and Tourism Industries: A Year in Review (2010)

U.S. Travel and Tourism: Top Markets

Brazil



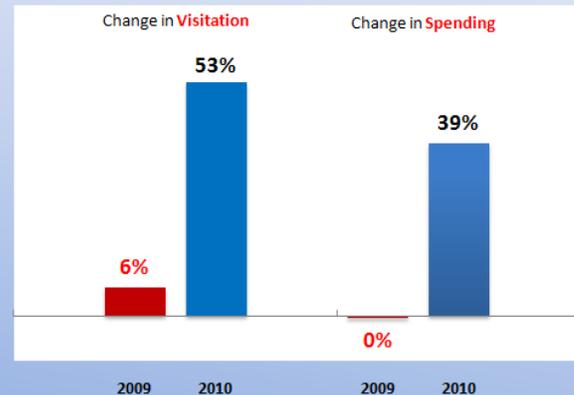
International Markets: Brazil

- Seven consecutive years of increased visitor spending in the United States has propelled Brazil up the rankings to become the fifth largest international market for U.S. travel and tourism-related exports. In 2010 visitors from Brazil spent a record-setting \$5.9 billion on U.S. travel and tourism-related goods and services, an increase of nearly 30% when compared to 2009.

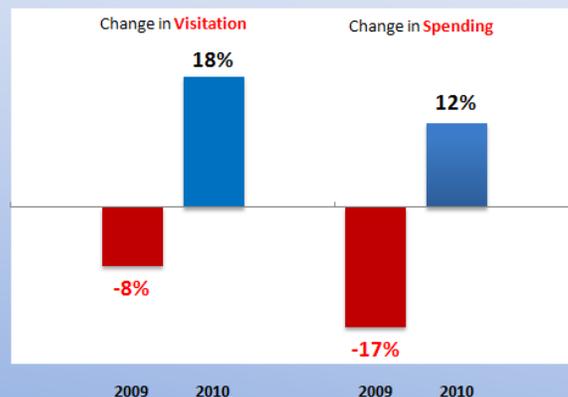
International Markets: China

- U.S. travel and tourism exports to China have increased by at least 30% in six of the last seven years! Following an ever-so-slight decline (.33%) in 2009, international visitors from China spent slightly more than \$5 billion in the United States last year, a new record for U.S. travel and tourism exports to China. This increase of 39% moved China up one place in the rankings to number seven in terms of spending.

China



India



International Markets: India

- Reversing the downturn in 2009, international visitor spending from India increased 12% in 2010 to \$4.0 billion, allowing India to maintain its ninth place ranking overall. India finished the year about \$300 million shy of its previous record set in 2008.

U.S. Travel and Tourism Industries: A Year in Review (2010)

U.S. Travel and Tourism Employment

U.S. Travel & Tourism Employment

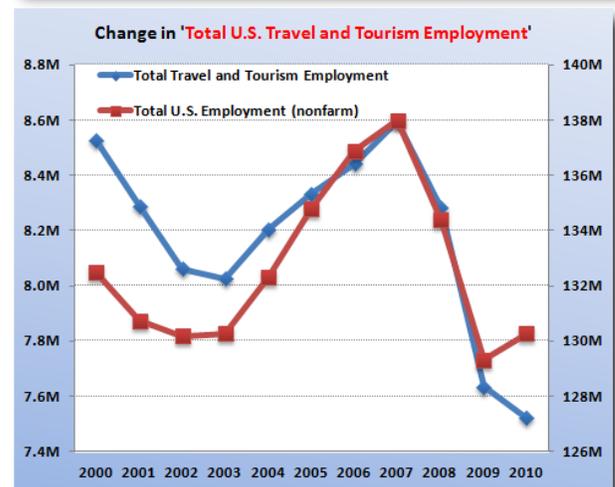
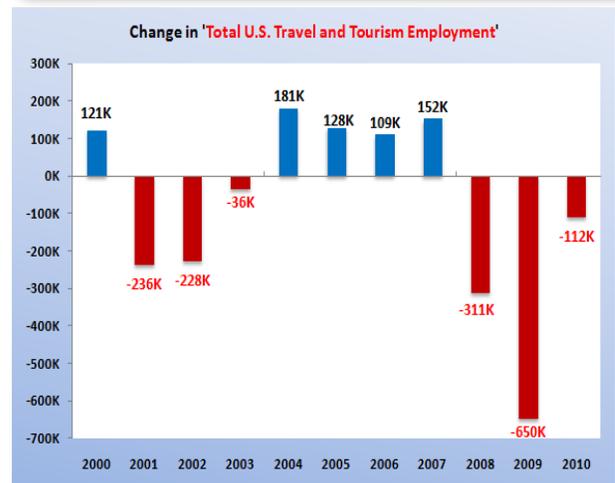
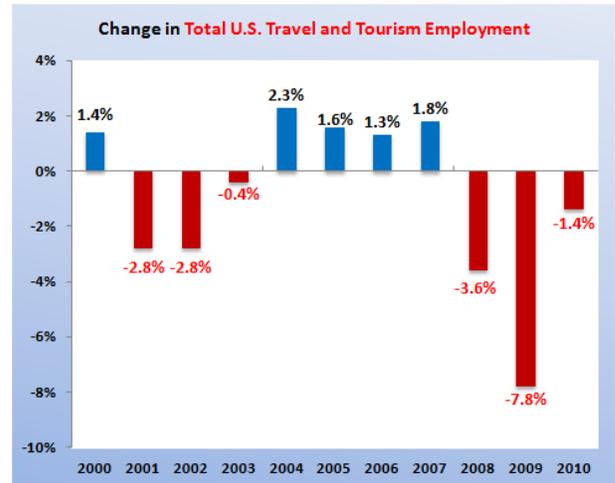
- Total U.S. travel and tourism-related employment declined 1.4 percent in 2010 following a decline of 7.8 percent in 2009, marking the third consecutive year of declines in industry employment.
- The magnitude of the impact the global economic downturn has had on travel and tourism-related output overshadows the three consecutive years of decline following the tragic events of September 11, 2001.

Number of Jobs Lost

- Jettisoning nearly than 112,000 jobs in 2010, the U.S. travel and tourism industry has reduced its labor force by nearly 1.1 million since 2007.
- Clearly the economic downturn has taken a major toll on this industry; in fact, the three years of declines in 2008, 2009, and 2010 are more than double the number of jobs lost in the three years following 9/11.

Compared to the U.S. Economy

- Prior to 2010, the downward pressure on U.S. travel and tourism industry employment is neither unique nor disproportionate; in fact, the rate of job loss for this industry nearly mirrors the loss of jobs for the entire U.S. economy.
- In 2010, however, we see a divergence of the two lines as industry employment fails to recover and follow the upward path of the U.S. economy. Instead, travel and tourism employment continues its decline.

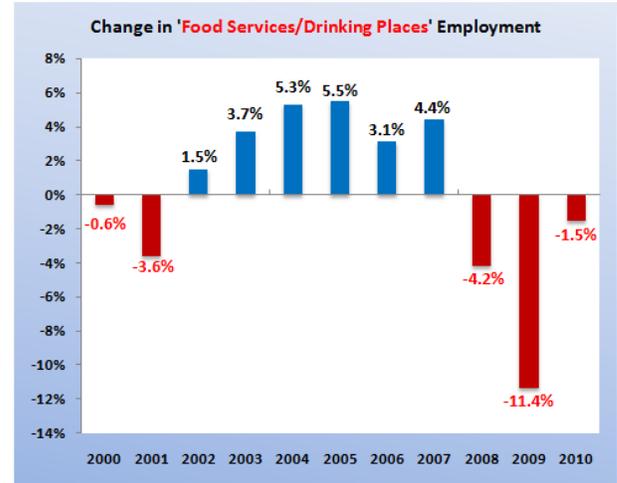


U.S. Travel and Tourism Industries: A Year in Review (2010)

U.S. Travel and Tourism Employment

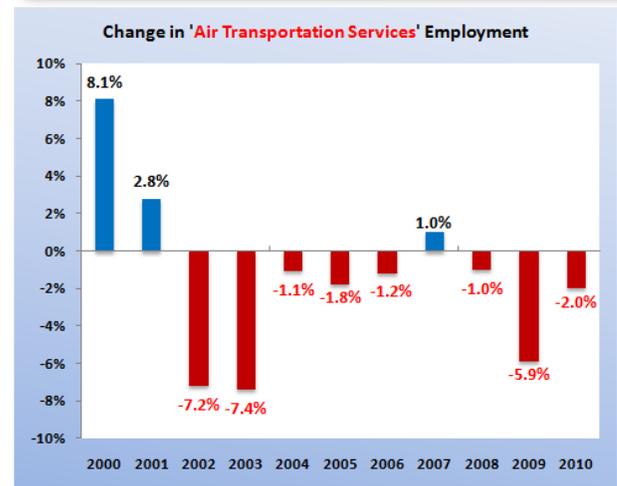
Food Services & Drinking Places

- For the third consecutive year this sector - a sector that some have considered recession proof - has scaled back its workforce, eliminating 1.5 percent of the full-time equivalent positions in 2010.
- Total employment for this industry, after reducing its workforce by more than 25,000 jobs in 2010, accounts for 2.0 million American jobs.



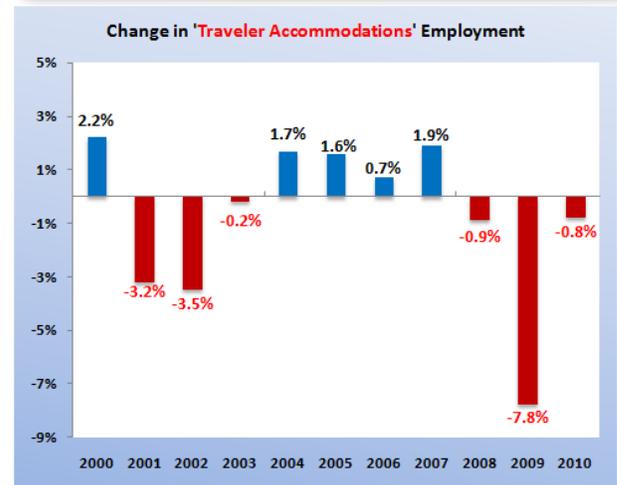
Passenger Air Transportation Services

- The air transportation services sector is no stranger to declining employment figures; indeed, this sector has reduced the overall size of its workforce in 8 of the last 10 years.
- Total employment for this industry, after reducing its workforce by 15,000 in 2010, accounts for slightly more than 750,000 American jobs, the lowest level ever measured by the U.S. travel and tourism satellite accounts.



Traveler Accommodations

- The traveler accommodations sector has weathered the economic storm better than many other travel and tourism-related sectors, reducing its workforce by less than 1 percent in 2010.
- Total employment for this industry, after reducing its workforce by nearly 13,000 in 2010, accounts for 1.6 million American jobs.



U.S. Travel and Tourism Industries: A Year in Review (2010)

U.S. Travel and Tourism Output

Total Travel & Tourism Spending

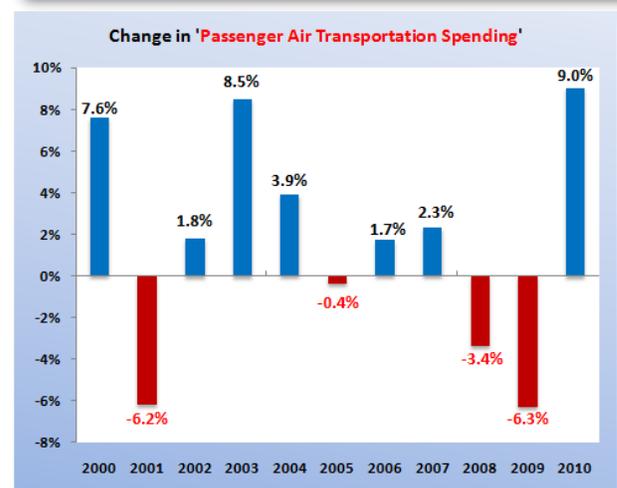
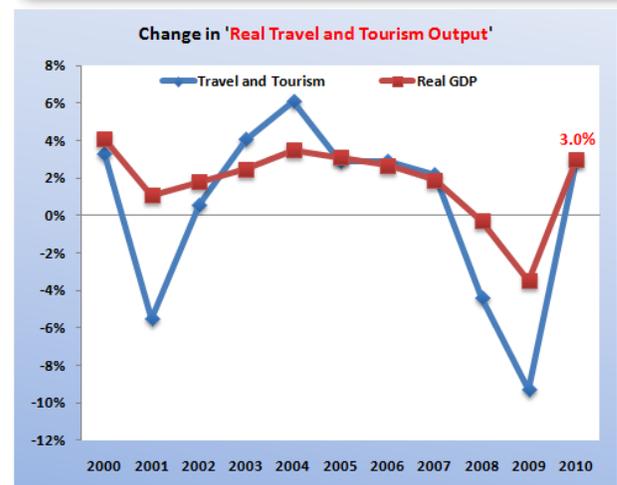
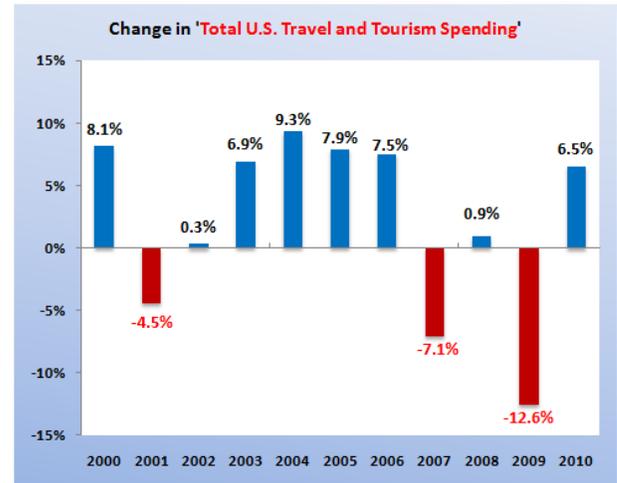
- After a very difficult year in 2009, a year in which total travel and tourism-related spending plummeted nearly 13 percent and arguably the most difficult year for travel and tourism since 9/11, total travel and tourism output rebounded in 2010.
- This 6.5 percent rise in total travel and tourism-related spending translates into nearly \$68 billion in additional spending.

Real Output Rebound

- Twenty-one of twenty-four commodities contributed to the turnaround in overall real tourism output in 2010, including both domestic and international passenger air transportation, traveler accommodations, and food and beverage services.
- When adjusted for changes in price, travel and tourism output increased 3.0 percent in 2010, the single largest increase in real output since 2004.

Passenger Air Transportation

- Spending on passenger air transportation services rebounded appreciably in 2010, rising 9.0 percent following a decline of 6.3 percent in 2009.
- Spending on passenger air transportation services totaled \$189.2 billion in 2010, an increase of nearly \$30 billion when compared to 2009 and largely a function of price ('real spending' increased a little more than \$9 billion).



U.S. Travel and Tourism Industries: A Year in Review (2010)

U.S. Travel and Tourism Prices

All Travel & Tourism Goods/Services

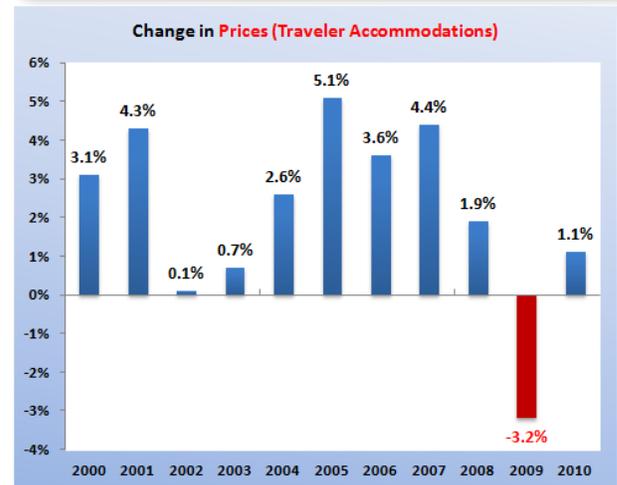
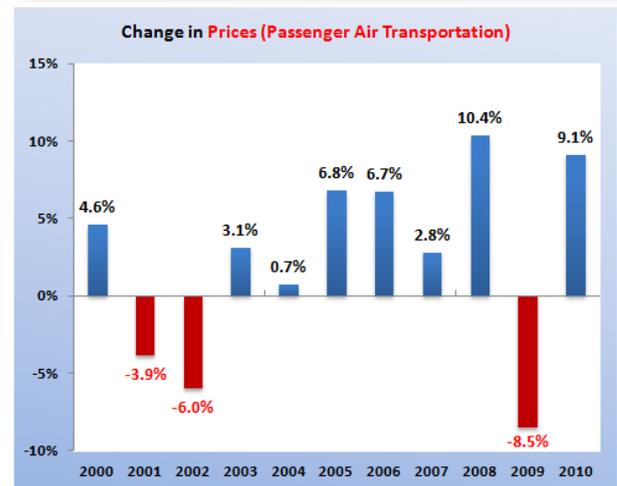
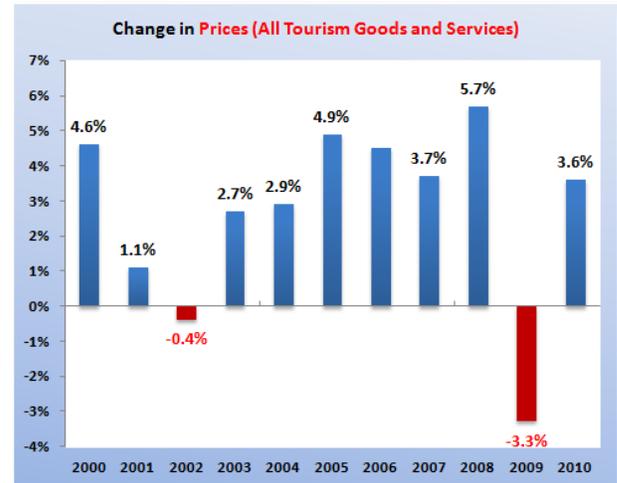
- Prices for tourism goods and services increased 3.6 percent in 2010 after decreasing 3.3 percent in 2009. Passenger air transportation contributed significantly to the upturn as airlines increased prices to align with demand.
- The largest contributors to the turnaround in prices were gasoline, domestic and international passenger air transportation services, and traveler accommodations.

Passenger Air Transportation Prices

- Together, domestic and international passenger air transportation services prices grew 9.1 percent in 2010 after decreasing 8.5 percent in 2009.
- Helping to explain the steep rise in passenger air transportation prices, gasoline prices increased 18.6 percent in 2010 after decreasing 27.6 percent in 2009.

Price of Traveler Accommodations

- Traveler accommodations prices turned up in 2010, increasing 1.1 percent after decreasing 3.2 percent in 2009.
- Traveler accommodations prices have gravitated upward more than 11 percent since 2005 and have increased in 11 of the last 12 years.



U.S. Travel and Tourism Industries: A Year in Review (2010)

U.S. Travel and Tourism Overview

U.S. Travel and Tourism Indicator	2009		2010	
U.S. Travel and Tourism Exports		-15%		12%
U.S. Travel and Tourism Imports		-12%		4%
U.S. Travel and Tourism Balance of Trade		-28%		50%
International Visitation to the United States (Total)		-5%		9%
International Visitation to the United States (Overseas)		-6%		11%
International Visitation to the United States (Canada)		-5%		11%
International Visitation to the United States (Mexico)		-3%		2%
Total U.S. Travel and Tourism-Related Output		-13%		7%
Total U.S. Travel and Tourism-Related Employment		-8%		-2%

Sources:

U.S. Department of Commerce, Office of Travel & Tourism Industries
U.S. Department of Commerce, Bureau of Economic Analysis
Statistics Canada and Banco de Mexico/Secretaria de Turismo

For OTTI programs of interest visit:

<http://www.tinet.ita.doc.gov/research/index.html>

- Summary of International Travel to the United States (I-94)
- U.S. International Air Traveler Statistics (I-92)
- Canadian Statistics
- Survey of International Air Travelers (SIAT)
- Forecast of International Arrivals to the United States
- U.S. Travel and Tourism Exports, Imports and the Balance of Trade
- U.S. Travel and Tourism Satellite Accounts
- Travel Trade Barometer

For more information on the U.S. Travel and Tourism Satellite Accounts (TTSA), please visit:

<http://www.bea.gov/industry/iedguide.htm#TTSA>

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