



UNITED STATES TRAVEL AND TOURISM ADVISORY BOARD

December 14, 2017

The Honorable Wilbur Ross
Secretary of Commerce
Washington, D.C. 20230

Dear Mr. Secretary:

The U.S. Travel and Tourism Advisory Board (TTAB) was tasked to provide a new 10-year international visitation and spending goal for the United States. Based on Department of Commerce data, in 2016, the U.S. travel and tourism industry was responsible for 11% of all U.S. exports and 33% of services exports. With one out of every 18 Americans employed – either directly or indirectly – in tourism-related jobs, the industry currently represents 2.7% of U.S. gross domestic product.

Accounting for nearly a fifth of real GDP growth since 2010, exports of goods and services are critical to the U.S. economy, and travel & tourism are critical to export growth. In fact, from 2010 to 2016, growth from this sector was responsible for nearly a quarter (22%) of the increase in total U.S. exports, more than other major export sectors such as capital goods, automotive products, industrial supplies, consumer goods, financial services, telecommunications and information technology/services. Given the Administration's goal of achieving sustained 3% GDP growth, international inbound tourism represents a key U.S. export in achieving this milestone.

While domestic travel represents the largest segment of total visitation, international travelers generate a disproportionate percentage of total travel-related expenditures, totaling \$245 billion in 2016 and yielding an \$84 billion trade surplus.

A total of 75.6 million international visitors arrived in the U.S. in 2016. Based on the economic importance of international inbound travel, the U.S. government previously established the goal of welcoming 100 million annual international visitors to the United States by 2021. Since that target was set, however, there have been a variety of factors that may impact the viability of that objective.

Recent figures released by the Department of Commerce showed that the U.S. lost over 800,000 international visitors from January through May 2017 vs. the same period in 2016, with visitation

from outside of North America down 5.3% and travel from Mexico off by 6.1%. Analysis by Tourism Economics estimates that the decline in the first quarter of 2017 alone represented nearly \$2.7 billion in lost visitor spending.

Furthermore, while global long-haul travel is expected to grow to 307 million travelers in 2017, the U.S. share is expected to decline for the second consecutive year. The last time that happened was in the years immediately following 2001, when the U.S. share of global long-haul travel declined for four consecutive years (2001-2004), dipping to a low of 11.7% in 2006.

It is this TTAB’s objective to identify a) those competitive strengths that we should continue to leverage and enhance, b) areas of existing weakness and potential threats that may negatively affect international visitation and c) opportunities to further differentiate the U.S. from its competitive set and generate incremental inbound visitation through corresponding initiatives.

The SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis below and continuing on the following page provides a high-level overview of these elements, with detailed recommendations immediately following.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Brand USA – Since its inception, U.S. share of international visitation has grown steadily, making the destination fundamentally more competitive • Safety & Security – Perception of U.S. as a safe destination, particularly relative to some international competitors • Accessibility – Among other factors, significant increase in non-stop air service resulting from Open Skies agreements has been a key business driver • Diversity – The U.S. “has it all”, offering virtually every travel experience imaginable; the cultural and ethnic diversity of major gateway cities also create a welcoming climate for international guests • Efficiency – Through successful initiatives like the Visa Waiver and Preclearance programs, residents of participating countries enjoy a streamlined process for U.S. entry • Holistic Governmental Approach – A broad cross section of federal agencies have prioritized travel and tourism as a vital contributor to the U.S. economy, and this focus has significantly advanced export growth and the creation of American jobs 	<ul style="list-style-type: none"> • Strength of U.S. Dollar – Due to currency fluctuations during the last 12 months, the U.S. has become a more expensive destination • Staffing Levels – An insufficient number of Consular Officers and CBP agents limits our ability to efficiently meet the growing demand from key international audiences • Ease of Visa Access – As visitation from non-urban centers grows, it is challenging for some prospective travelers to apply for a visa; visa refusal rates have grown significantly in some key markets (e.g. – China) • Customer Service – Particularly since CBP and TSA staff create the first and last impression for international visitors, negative service experiences impact return intent

OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Expand Visa Processing Facilities – This is particularly important in key international markets where providing ease of access is paramount in growing U.S. market share • Leverage Technology – By exploring and testing how to better leverage technology to improve accessibility from non-urban centers, there is an opportunity to drive incremental visitation from untapped markets • Increase Transparency – Since visa approval timelines vary significantly throughout the year, sharing historical wait times with prospective travelers will enable them to more efficiently plan their travel and redirect visa applications to less busy periods • Ongoing Analysis of Visa Refusal Rate – By actively analyzing refusal rates by market on a monthly – rather than annual – basis, issues can be addressed more proactively • Educate Personnel on MICE Business – High refusal rates for this vital and growing customer segment suggest that there is a need to educate Consular and CBP personnel regarding the unique nature of these groups • Expand the Visa Waiver Program – This initiative is a true success story – effectively balancing security and visitation – and appropriate expansion of Visa Waiver would drive significant new inbound travel to the U.S. • Rename the Visa Waiver Program – Serious consideration should be given to renaming the program given the negative/inaccurate perception it creates among U.S. residents • Expand the Preclearance Program – While currently limited in scope, this is another success story that would make the U.S. more competitive relative to other destinations 	<ul style="list-style-type: none"> • Negative Brand Perception – Efforts to increase the security of our aviation, border and visa systems have been controversial and created a perception that the U.S. is less welcoming to international visitors • Increased Competition – Competitive destinations have significantly increased their investment in attracting international visitors, including Australia, Canada, China, the U.K. and various EU countries • Further Weakening of Foreign Currencies – As the economies of some countries continue to stagnate – particularly in the EU – the resulting decline in buying power may inhibit discretionary travel spending • “Overtourism” – As the number of visitors to major destinations around the world has increased, there has been growing concern about the potential negative impact of tourism on local residents • Fear of Gun Violence – With the marked increase in mass shootings in the U.S. during the last year, a growing number of countries are issuing travel advisories to their citizens • Slower Growth Rates – Although there will be continued growth in outbound travel, as emerging markets have matured, it is anticipated that the pace of that growth will decline moving forward

Recommendations

First and foremost, the TTAB recognizes the need to strike an effective balance between legitimate security concerns and the desire to promote the U.S. as a welcoming destination for international travelers. This has been a central theme in the TTAB’s thought process, which has ultimately driven our recommendations. It is also worth noting that the work of the TTAB’s Secure Travel Partnership Operations Subcommittee and National Goal Subcommittee is complementary.

In order to successfully develop and implement these recommendations, it is imperative that travel & tourism industry leaders partner effectively with the Departments of Commerce and State and Homeland Security to identify solutions that are pragmatic, data driven and can be quantifiably measured.



Strengths – Maintaining U.S. Market Share

For the U.S. to effectively maintain its current share of international visitation, it is essential that we continue to leverage those strengths identified above. The TTAB’s operating assumption is that – absent any additional initiatives – these items contribute to a “steady state” in which our market share neither significantly increases nor declines. Oxford Economics estimates that the “steady state” represents a target of 104 million annual international visitors by 2027, worth a corresponding \$432 billion in travel & tourism exports. (See attached “T&T Export Targets” exhibit detailing the basis for this projection.) Specific recommendations regarding existing strengths include:

- **Continue support for and engagement with Brand USA** – The TTAB stands unequivocally in support of Brand USA and the foundational role it plays in ensuring that the U.S. remains at the forefront of international visitation. The organization has been able to consistently, quantifiably demonstrate its exceptional impact on the U.S. economy. In fact, a recent analysis by Oxford Economics reported that Brand USA was responsible for

generating \$8.5 billion in tourism spending in 2016, representing a 27:1 return on investment. In addition, since Brand USA's funding isn't reliant on tax revenues but rather, is supported by contributions from other Destination Marketing Organizations (DMO's), travel industry partners and revenue from ESTA fees, this is a proven business model that pays significant dividends – not just for those associated with travel and tourism, but for the U.S. economy as a whole. The TTAB recommends that the Tourism Policy Council formalize communication channels with Brand USA that will allow federal agencies to communicate entry and visa security changes more effectively to the international community.

- **Increase awareness and understanding of Secure Travel Partnership programs** – For many international travelers, the U.S. remains an attractive destination based on its perception as a safe and secure option relative to other competitive markets. Under the auspices of the TTAB's Secure Travel Partnership Operations Subcommittee's work, there is a branding opportunity to create greater awareness of the Visa Waiver, Preclearance and Trusted Traveler programs – both among prospective visitors to the U.S. and to our own citizens to increase public support for international visitation. This work will benefit greatly from using all of the tools available, including the communications expertise and reach of Brand USA on the international side and of industry partners like the U.S. Travel Association on the domestic side.
- **Continue private and public-sector support for Open Skies agreements** – The TTAB strongly believes that Open Skies agreements, while not without their challenges, are a vital component to the U.S. achieving its international visitation goals. In an environment in which the U.S. must effectively compete with a host of other destinations for inbound travel – particularly from rapidly expanding markets like China and emerging markets like India – increasing affordable, non-stop service is critical to long-term success. This is particularly true in high value markets currently participating in Open Skies including Australia, Canada, France, India, Japan, Scandinavia, South Korea and the U.A.E.
- **Focus on “Marketing the Welcome”** – As DMO's and travel & tourism companies promote their respective destinations, products and services, it is imperative that we all continue to actively incorporate the message that the U.S. remains a welcoming destination for international travelers. By speaking with a unified voice as an industry, we can exponentially magnify this message and leverage the diversity that makes the U.S. a truly unique destination. The U.S. Commercial Service also plays a critical role in actively promoting U.S. destinations and in encouraging greater international enrollment in our higher education and training institutions. Brand USA plays a central role in this area also. The destination marketing organization for the country is often the first line of communication for international travel trade and media, conveying the message that the United States remains a welcoming destination of limitless possibilities that protects the safety of more than 75 million visitors from around the world each year. Brand USA also implements a “market the welcome” program with U.S. embassies and consulates around the world and with key airports of entry to create a welcoming environment as visitors navigate visa waiting areas and international arrival halls. These efforts should remain a top priority for the Commerce Department as they have a large economic footprint on local communities across the country.

- **Actively Promote Visa Waiver and Preclearance** – These two programs represent exceptional examples of how to effectively balance our nation’s security interests with the goal of increasing international visitation. DMOs and other travel organizations should consistently highlight the value of these programs as they market to prospective travelers in participating countries. Particularly since DHS has already established multiple Preclearance centers throughout Canada, this represents a competitive advantage that should be leveraged. Similarly, there are a number of U.S. luxury markets that depend heavily on inbound travel from the Middle East, and DHS’s Preclearance operations in Abu Dhabi and the U.A.E. should be actively promoted to this audience.

Weaknesses & Threats – Protecting U.S. Market Share

While some of these items are beyond our direct control (e.g. – strength of the U.S. dollar, increased competition, slower growth rates, need for upgraded transportation infrastructure), taken as a whole, these issues pose a serious threat to our ability to simply maintain our existing market share. Since a decline of just one percentage point in current travel & tourism exports represents almost \$2.5 billion in lost revenue, it is vital that we take appropriate steps to mitigate the effect of those Weaknesses and Threats that can be directly impacted. In this regard, the TTAB recommends the following:

- **Increase staffing levels to meet growing demand** – Recent DHS reports estimate that the organization is currently understaffed by over 2,000 CBP officers, resulting in long wait times and negative visitor satisfaction at the point of entry. In a similar vein, many Consular Offices are insufficiently staffed to effectively manage the volume of visa applications, which is a labor-intensive process since it requires that a U.S. Consular Officer personally interview each applicant. This results in long visa approval delays – particularly in high growth markets (e.g. – China). The TTAB strongly recommends that incremental funds should be allocated to support the staffing requirements already identified by DHS. In addition, the State Department should evaluate what additional Consular staffing levels would facilitate a faster visa review process in key international markets. In both instances, an ROI analysis should be conducted to determine the incremental revenue that the U.S. stands to gain as a result of these personnel expenditures.
- **Create a positive visitor experience across all touchpoints** – In evaluating how to positively impact the continued growth of international inbound travel, it is vital to recognize that the visitor’s perception of the U.S. starts as early as their interactions with Consular personnel when applying for a visa, with CBP staff at Preclearance centers or upon arrival in the States and continues through their departure experience with TSA. A standard “best practice” among travel and tourism suppliers (i.e. – hotels, airlines, car rental companies, etc.) is consistently measuring satisfaction at every customer touchpoint, and using consumer feedback as a means for continuous improvement. The TTAB fully recognizes that security-related personnel have an incredibly demanding and difficult role to play – one that is paramount in ensuring that the United States remains a safe and secure destination.

That said, there is an opportunity for the private sector to partner with all relevant agencies to a) more effectively measure total visitor satisfaction from the point of inception through

return, b) identify commonly occurring themes that negatively impact the visitor experience and c) develop appropriate training programs and related initiatives that enable all parties to effectively balance the need for security with the goal of driving positive customer interactions and high return intent.

On that basis, the TTAB recommends that a working group be formed to perform a comprehensive review of available visitor volume, spending, trip characteristic and satisfaction data (e.g. – SIAT, DHS) across all touchpoints, with the goals of better understanding America’s international visitors, identifying areas of concern impacting visitor satisfaction and developing practical, relevant initiatives to enhance the perception of the U.S. as a welcoming destination for international travelers. There is extensive research showing the direct correlation between customer service, problem resolution and long-term loyalty. As such, all recommendations stemming from the work group would include introducing initiatives to modernize data collection, timeliness and reporting and should be developed in conjunction with a corresponding business case demonstrating the projected economic impact of these initiatives.

The TTAB further recommends that the working group perform a “gap analysis” to evaluate the perception of travel to the U.S. vs. other competitive destinations to better understand factors negatively impacting the future growth of U.S. market share of international travel. It is the TTAB’s understanding that a fair amount of data is already available from previous work in this area and we hope to expand on those efforts.

Opportunities – Growing U.S. Market Share

While the previous sections have focused on how the U.S. can maintain its current market share and/or prevent further declines in international visitation, the TTAB believes that there are numerous opportunities to significantly enhance our competitive positioning.

- **Expand visa processing facilities** – More than 40% of travelers to the United States must obtain a visa to enter the country. Consequently, it is in our nation’s interest to deliver a secure, timely, transparent and fair visa process. The Departments of State and Homeland Security should be applauded for introducing many successful reforms that have decreased visa wait times and offered visa applicants greater flexibility. However, there is more that can be done in this area. Furthermore, since the U.S. has significant security requirements for visa issuance that many of our international competitors do not, it is essential that we deploy appropriate security measures without discouraging legitimate applicants from applying.

The TTAB recommends that the analyses prepared by Commerce under previous Administrations be updated to evaluate the ROI on adding additional visa processing centers in key international markets. This is particularly important given the rapid expansion of direct air service from China and the growth of non-stop service from India.

China’s six processing centers are insufficient to meet current demand and the U.S. does not currently have visa processing capabilities in many large cities in these markets. Given the rapid, continued growth of outbound Chinese travel, it should prove relatively easy to

quantify how much incremental business would be required to offset the additional personnel and infrastructure necessary to meet the corresponding increase in visa requests.

- **Leverage technology to capture new market share** – Beyond physical processing centers, the TTAB recommends the implementation of a pilot program to test using technology-based solutions to enable visa applicants to conduct their initial interviews via teleconferencing rather than requiring in-person interviews, which are impractical and prohibitively expensive for those living outside of major metropolitan areas. This initial pilot would be limited in scope and tightly controlled and monitored to ensure that it still meets all State Department and DHS security requirements. It is intended as a “proof of concept” to determine the viability of this approach and to quantify the potential positive economic impact of such enhancements. The TTAB recommends identifying a non-Visa Waiver country in which to pilot this initiative.
- **Increase transparency regarding visa processing wait times** – The TTAB believes that increased transparency in processing will lead to a more effective visa system. To better manage applicant expectations, we recommend that the State Department publish historical average monthly wait time data for Consular posts around the world. This data will allow travelers to see when wait times are highest and make more informed decisions about when to apply for a visa, hopefully shifting many requests to lower demand periods. In addition, it will enable Consular Offices to more effectively plan for periods of high demand.
- **Enhance data analysis to improve visa processing** – The TTAB recognizes that the Department of State currently analyzes visa refusal rate data on a monthly basis for each Consular office. To complement these efforts, the TTAB recommends implementing a mechanism by which major travel & tourism industry leaders can share feedback with State regarding unexpectedly high visa refusal rates – particularly for group business from key international markets. By taking a real-time, data-driven, collaborative approach, State will be able to more quickly assess reasons for unexpected spikes in visa denials and provide feedback to the industry in a timely manner. This information can, in turn, be utilized by travel & tourism companies to better assist their international customers in planning group travel to the U.S.
- **Educate Consular and CBP personnel regarding MICE business** – A particularly important segment in driving international visitation to the U.S. is MICE (Meetings, Incentives, Conferences & Exhibitions) business from China, which has consistently shown double digit growth year over year. Historically, MICE applicants have received visas for their visits with little problem, and have generated significant economic impact for the U.S. More recently however, most MICE applicants have faced new hurdles in acquiring a U.S. visa and the refusal rate for many MICE groups has jumped from an average of 13% to as much as 85%. To help address this issue, we recommend developing a formal mechanism to educate Consular Officers and CBP personnel on the nature of MICE groups so that they are better equipped to evaluate visa applications and service arrivals from this lucrative audience. In addition, enabling MICE travelers to schedule their visa interviews as a group may prove an effective way of facilitating their applications and making the U.S. a more attractive destination for Chinese meeting planners.

- **Expand the Visa Waiver Program as a best in class union of security and efficiency** – As referenced above, the TTAB believes that the Visa Waiver Program is an exemplar of how to strike an effective balance between security concerns and legitimate visitation. The bilateral sharing of information between the U.S. and its Visa Waiver partners significantly enhances our ability to identify potential security threats while making the U.S. a more attractive destination through a streamlined entry process. This is particularly important since many international markets actually have relatively short booking windows – particularly with the addition of low-cost, non-stop service to key U.S. markets.

The TTAB recommends working in partnership with the Tourism Policy Council to identify a list of potential new entrants to the Visa Waiver Program and develop action plans to work with identified countries to prepare them for participation in the Program.

- **Rename the Visa Waiver Program** – The TTAB strongly believes that the Visa Waiver Program’s name is, in and of itself, problematic in fostering a welcoming climate for international visitors, since many Americans believe that the program reduces the level of security required to gain entrance to the U.S. Particularly in light of growing security concerns in the wake of global terrorist attacks, it is vital that the American public understand that Visa Waiver countries actively cooperate with the U.S. to share intelligence and that the program, in fact, enhances security related to international inbound travel – a stance that is supported by the Trump Administration. This is, fundamentally, a marketing challenge and the TTAB recommends that serious consideration be given to renaming the program.
- **Expand the Preclearance Program** – The TTAB believes that the Preclearance program is a unique competitive differentiator that should be more heavily leveraged to promote ease of travel to the U.S. Given the significant investment required of host countries in supporting Preclearance operations, the TTAB recommends that the Administration request incremental funding from Congress to assist a select number of key international markets in offsetting the start-up costs associated with Preclearance and assisting U.S. airports in implementing domestic infrastructure improvements to manage expanded preclearance. This will require a comprehensive analysis of all costs associated with opening and maintaining a Preclearance center, addressing financing and time constraints for impacted U.S. airports to adjust domestic baggage infrastructure to accommodate pre-clearance growth, and an assessment of the incremental visitation and spend that the U.S. would generate through the establishment of additional Preclearance operations. Potential countries for consideration include Australia, China, India, Mexico and the U.K.
- **Expand Open Skies and bilateral aviation agreements** – The TTAB strongly recommends the continued expansion of Open Skies agreements, including making it a priority to formalize agreements in key markets with “provisional” application status (e.g. – Germany, Ireland, Spain and the U.K.). In addition, in markets where Open Skies agreements have not proven viable, the TTAB recommends that the State Department actively explore the expansion of bilateral aviation agreements to enable expanded air service to the U.S. Again, all such efforts should be substantiated by a supporting business case demonstrating the economic impact – both through direct and induced spending – resulting from these agreements.

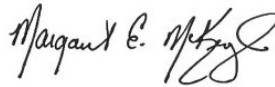
As stated previously, Oxford Economics is projecting a “steady state” target of 104 million annual international visitors by 2027, worth a corresponding \$432 billion in travel & tourism exports. Taken in aggregate, however, Oxford Economics estimates that the recommendations highlighted under the “Opportunities” section above would enable us to achieve a **revised target of 110 million annual international visitors by 2027, representing \$460 billion in travel & tourism exports.** (See attached “T&T Export Targets” exhibit detailing the basis for this projection.) This represents a **5.8% increase in international visitation and a 6.5% increase in travel & tourism exports.**

The TTAB stands ready to assist in this effort, and we look forward to partnering with Commerce, State and Homeland Security to make the U.S. the world’s leading travel destination

Respectfully submitted,



John Sprouls
Chair



Margaret McKeough
Vice Chair



Greg Stubblefield
Vice Chair

T&T Export Targets

November 27, 2017

US International Inbound Visitor Baseline Forecast

Based on economic forecasts and continued competitiveness, the US can achieve a target of 104 million international visitors by 2027.

This target assumes a consistent set of competitive actions as outlined in the TTAB strategic plan.

Specifically, these forecasts assume the continued strengths of Brand USA, open skies agreements, and Visa Waiver program.

While this is a slower pace of growth than experienced in the past decade, emerging travel markets have matured somewhat, which will lead to slower growth from these markets moving forward.

International Visits to the US				
	2006-16 CAGR	2017-27 CAGR	2017 (estimate, '000s)	2027 (target, '000s)
Asia	6.5%	4.4%	13,247	20,445
Europe	3.9%	3.0%	14,677	19,782
Mideast and Africa	8.6%	2.7%	1,450	1,901
South America	10.7%	4.7%	5,030	7,939
Central America	5.4%	3.5%	1,180	1,664
Caribbean	2.5%	2.7%	1,797	2,339
Canada	1.9%	2.9%	20,203	26,902
Mexico	3.5%	3.0%	17,336	23,207
Total	4.0%	3.3%	74,995	104,261
Total Overseas	5.7%	3.8%	37,456	54,152

The above forecasts are based on the Tourism Economics / Oxford Economics Tourism Decision Metrics global travel model.

Outbound travel forecasts for each market are based on expected economic growth, exchange rate shifts, and demographic projections.

Opportunities for greater growth

With advancements in visa policy and processing, and the facilitation of travel, the US can hit a target of 110 million visitors.

The US can increase its global competitiveness as a destination while maintaining the priority of national security

The following opportunities are outlined in the National Goal Subcommittee review document:

- Expand visa processing capacity and locations
- Improve MICE (meetings) visa facilitation
- Expand Visa Waiver program
- Expand preclearance
- Expand Open Skies

With advances in each of these five areas, the US stands to strengthen its market position and reverse recent market share declines.

International Visits to the US				
	2006-16 CAGR	2017-27 CAGR	2017 (estimate, '000s)	2027 (target, '000s)
Asia	6.5%	5.6%	13,247	22,898
Europe	3.9%	3.6%	14,677	20,965
Mideast and Africa	8.6%	3.7%	1,450	2,094
South America	10.7%	6.2%	5,030	9,153
Central America	5.4%	3.8%	1,180	1,713
Caribbean	2.5%	2.9%	1,797	2,385
Canada	1.9%	2.9%	20,203	26,902
Mexico	3.5%	3.3%	17,336	23,892
Total	4.0%	3.9%	74,920	110,001
Total Overseas	5.7%	4.7%	37,381	59,207

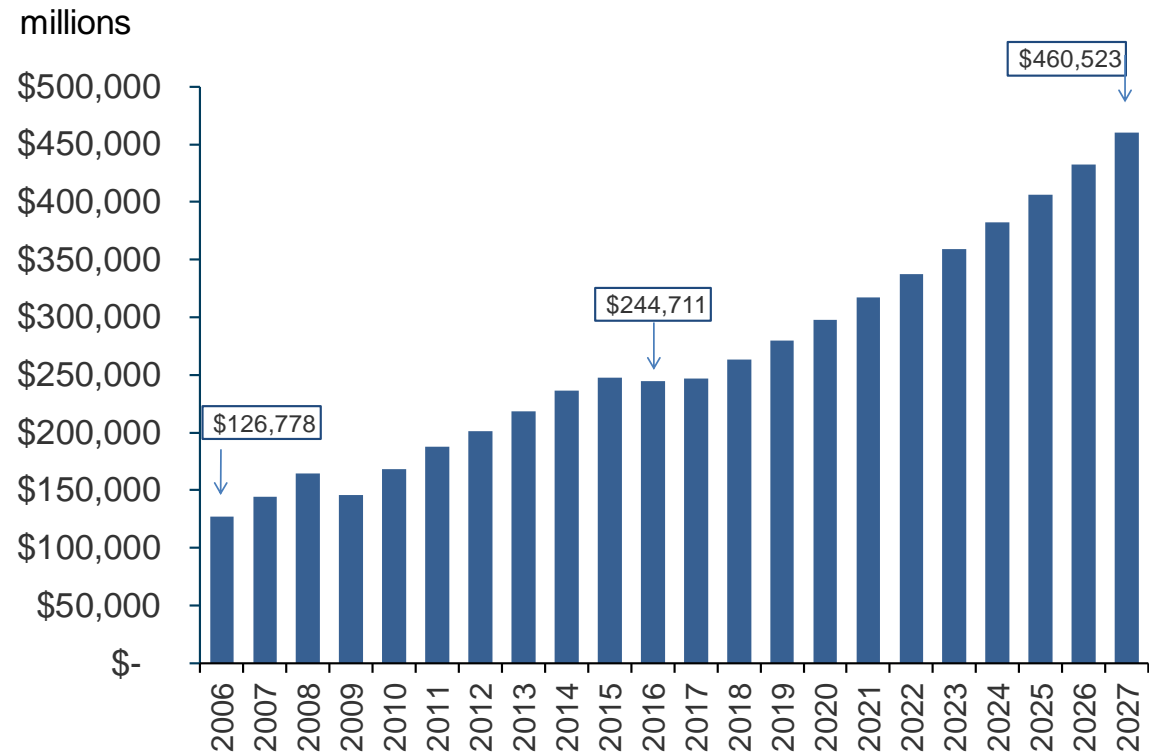
Setting a spending target for future growth

Based on historic trends and continued competitiveness, the US can achieve a target of \$460 billion in travel and tourism exports by 2027.

This compares to a baseline forecast of \$432 billion, assuming a continuation of existing policies as outlined in the TTAB strategic plan.

By implementing the recommended opportunities for greater competitiveness, the US would realize an additional \$28 billion in visitor spending; an increase of 6.5% over the baseline forecast.

US Travel & Tourism Exports



Historic and future export trends

A target of \$460 billion implies growth that continues well above the rest of US exports

T&T exports has grown faster than the total of US exports over the past decade, expanding 6.8% per annum (compared to just 4.2% a year for total exports).

The T&T exports target implies annual growth of 6.4% over the next decade. This outpaces the Oxford Economics forecast for total exports of goods and services so that T&T exports would rise to 12.3% of all exports from its 2016 share of 11.0%.

US T&T and Total Exports			
	2006	2016	2027
T&T exports	\$ 126,778	\$ 244,711	\$ 460,523
Total exports (goods and services)	\$ 1,476,300	\$ 2,232,500	\$ 3,745,208
T&T Share of total	8.6%	11.0%	12.3%

US T&T and Total Exports		
	2006-2016	2017-2027
T&T exports CAGR	6.8%	6.4%
Total exports (goods and services) CAGR	4.2%	4.8%
T&T cumulative growth	93.0%	86%
Total cumulative growth	51.2%	59%

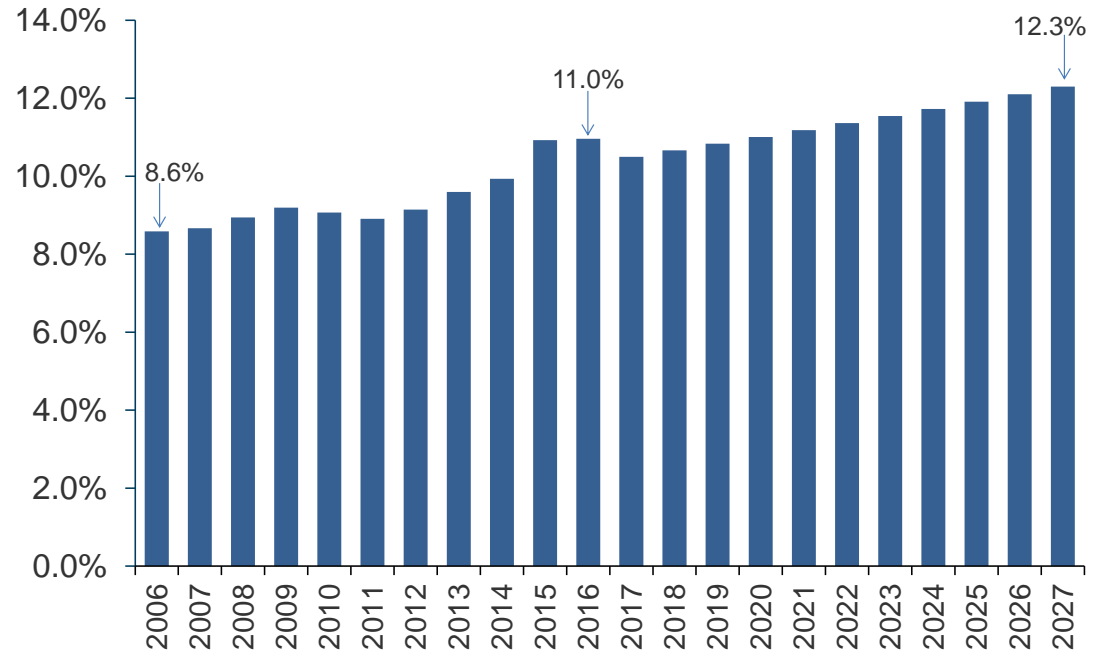
The T&T export target implies that the sector will continue to increase its share of total exports

The travel & tourism sector represented 11% of all US exports in 2016, up from 8.6% in 2006.

The target involves a continued increase in T&T's share of total exports, from 11% in 2016 to 12.3% in 2027.

US Travel & Tourism Exports

Share of total exports of goods and services



Source: BEA, Oxford Economics

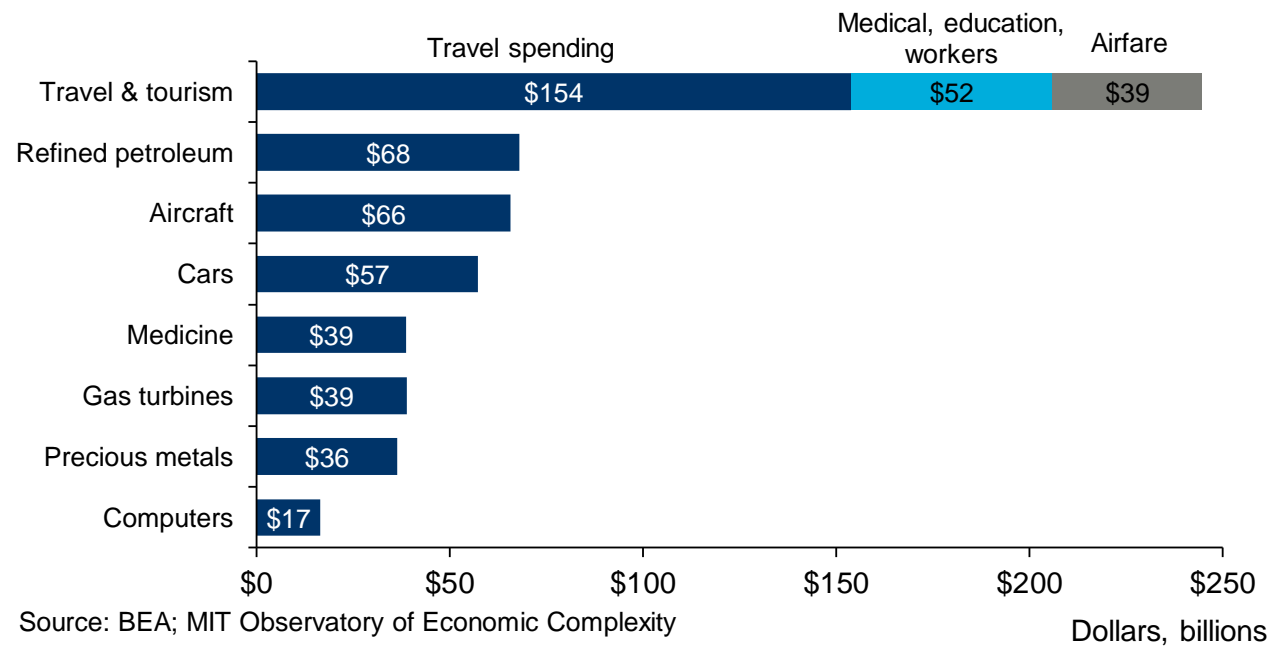
Tourism remains the largest export for the US

Tourism generated US exports of \$245 billion in 2016 and ran a trade surplus of \$84 billion

Tourism is far and away the country's largest service export and consistently runs a trade surplus. That is, visitors to the US spend more in the US economy than US residents spend abroad on travel.

Tourism is also the largest export overall, including goods, when disaggregating transportation products as shown on the adjacent chart.

International tourism and other exports



About Oxford Economics

Oxford Economics is one of the world's leading providers of economic analysis, forecasts and consulting advice. Founded in 1981 as a joint venture with Oxford University's business college, Oxford Economics enjoys a reputation for high quality, quantitative analysis and evidence-based advice. For this, it draws on its own staff of 80 highly-experienced professional economists; a dedicated data analysis team; global modeling tools, and a range of partner institutions in Europe, the US and in the United Nations Project Link. Oxford Economics has offices in New York, Philadelphia, London, Oxford, Dubai, and Singapore.

Oxford Economics is a key adviser to corporate, financial and government decision-makers and thought leaders. Our worldwide client base now comprises over 1,000 international organizations, including leading multinational companies and financial institutions; key government bodies and trade associations; and top universities, consultancies, and think tanks.

Tourism Economics is an Oxford Economics subsidiary with vast experience in providing actionable and credible analysis of tourism. Tourism Economics works with national and local tourism offices throughout North America, Europe, Asia, the Middle East and Africa as well as some of the largest tourism service companies in the world. Hundreds of destinations and companies have trusted our staff to help them make better marketing, investment, and policy decisions based on credible fact-based, quantitative analysis.

