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Visitor Arrivals to the United States Historical Growth and Projections

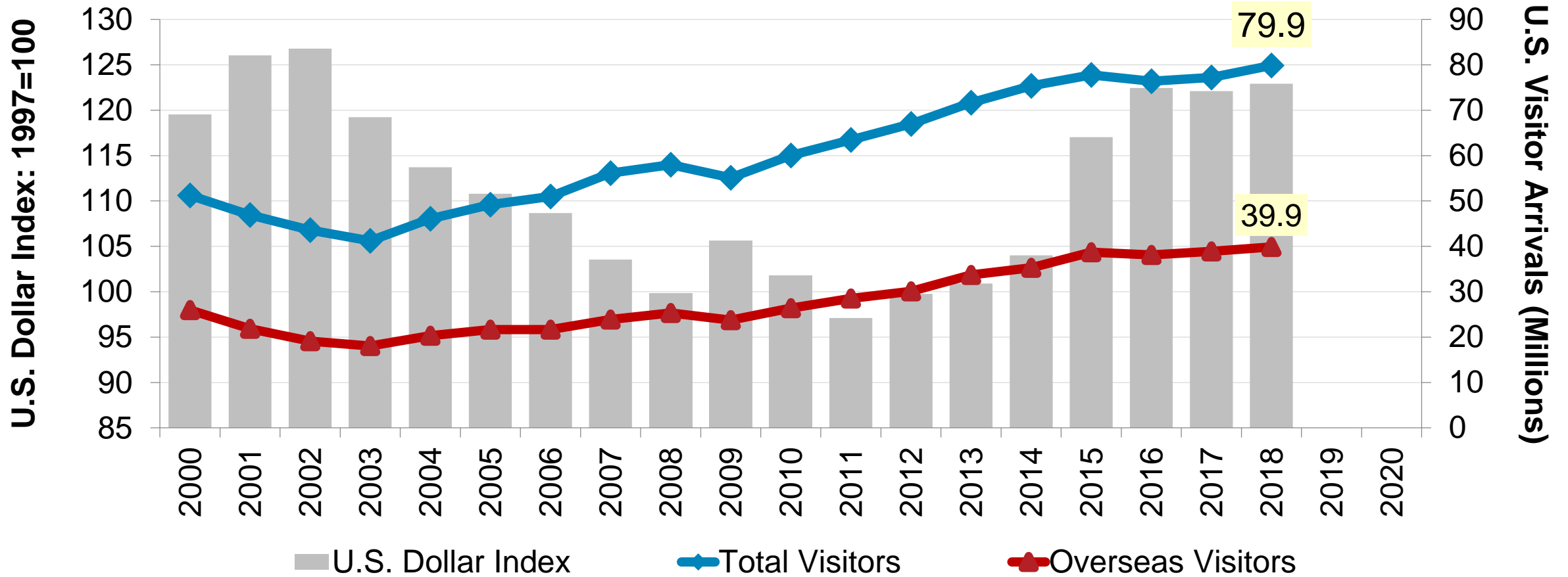
A4A Economics
Updated December 3, 2019

Contents

VISITOR ARRIVALS TO THE UNITED STATES

From 2009-2018, U.S. Visitors Grew 44 Percent Despite a 16 Percent Stronger U.S. Dollar

Visitors Increased Every Year Except 2016



Sources:

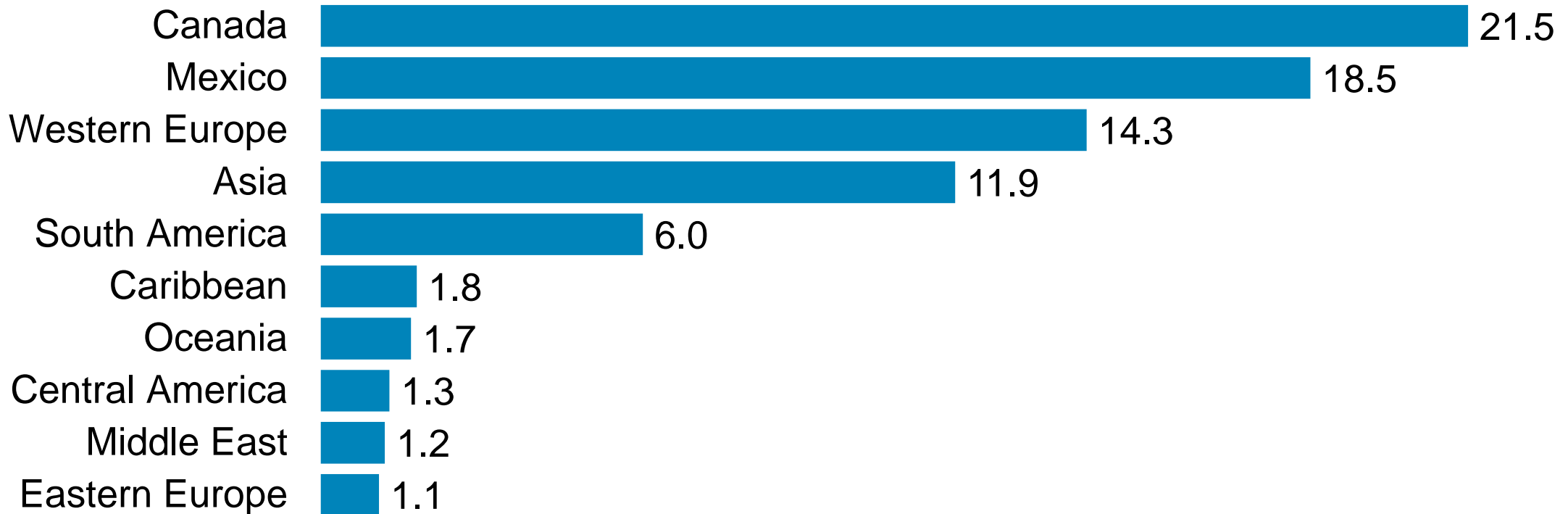
U.S. dollar = Federal Reserve Board of Governors weighted average of foreign exchange value of USD against currencies of broad group of major U.S. trading partners

U.S. visitors = Department of Commerce (NTTO I-94 Program), Statistics Canada, and Banco de Mexico/Secretaria de Turismo (Mexico)

In 2018, Canada and Mexico Accounted for Half of Visitors* to the United States

Canada, Mexico and Western Europe Collectively Accounted for Over Two-Thirds of Visitors*

Visitors* (Millions) to the USA by Country of Residence, 2018

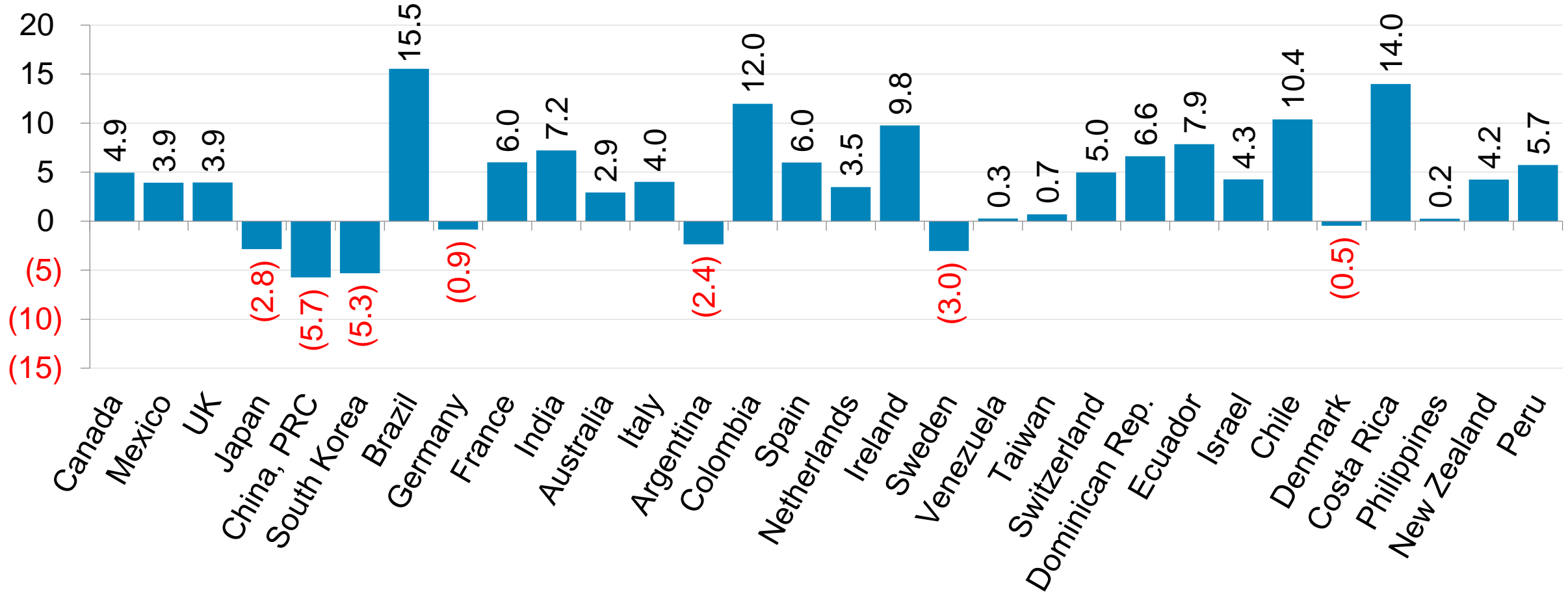


Source: U.S. Department of Commerce (NTTO I-94 Program), Statistics Canada, and Banco de Mexico/Secretaria de Turismo (Mexico)

* All modes of transportation

In 2018, Visitor Arrivals to USA Rose From 23 of the Top 30 Markets

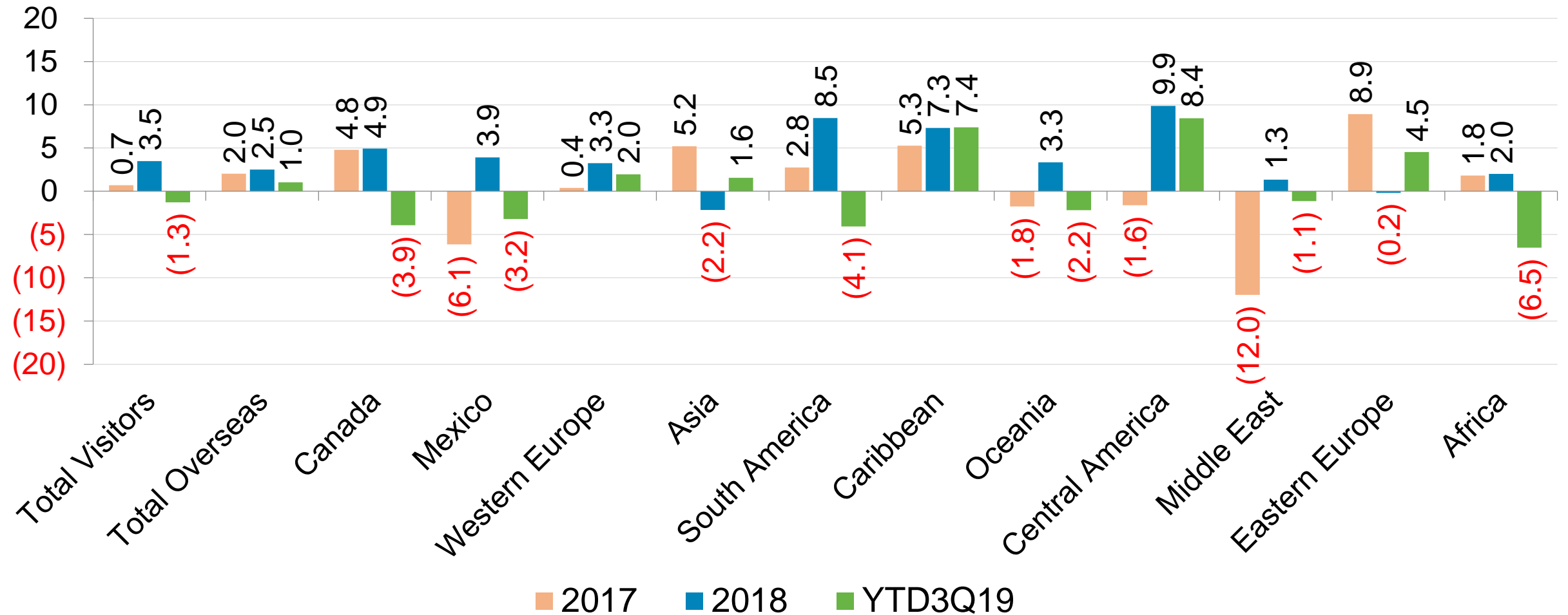
Change (Percent) in Visitor Arrivals to USA, by Country of Residence – Top 30



Source: U.S. Department of Commerce (NTTO I-94 Program), Statistics Canada, and Banco de Mexico/Secretaria de Turismo (Mexico)

In 2019, USA Seeing Fewer Visitors* From Canada, Mexico, S. America, Oceania and Africa

Change (Percent) in Visitor Arrivals to USA, by Region of Residence



Source: U.S. Department of Commerce (NTTO I-94 Program), Statistics Canada, and Banco de Mexico/Secretaria de Turismo (Mexico)

* All modes of transportation

VISITOR EXPENDITURES

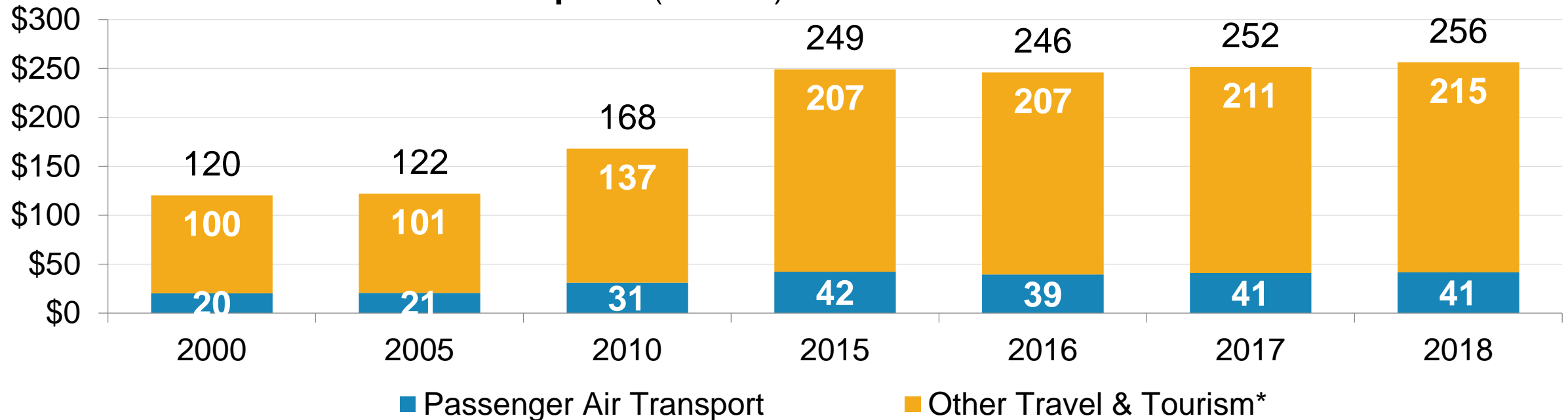
Airlines Helped the U.S. Generate a Record 215 Billion in Visitor Spending in 2018

Travel and Tourism Exports Were \$256 Billion – 31 Percent of U.S. Services Exports

“International travelers continue to set spending records visiting the United States... The American tourism industry...continues to help drive our economy to new heights.”

— Sec. of Commerce Wilbur Ross (Sept. 12, 2018)

U.S. Travel and Tourism Exports (Billions)



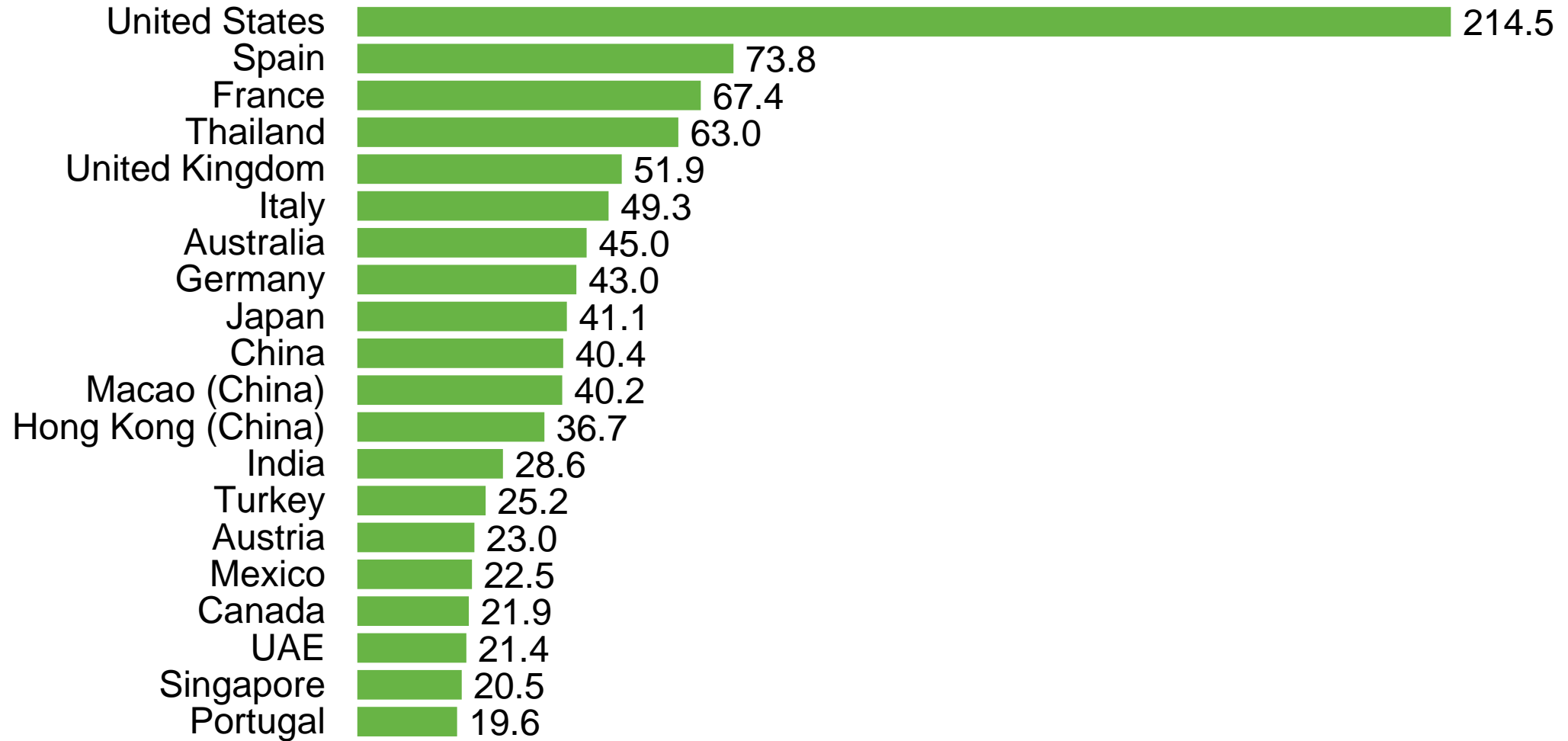
Source: Bureau of Economic Analysis

* Food, lodging, recreation, gifts, entertainment, local transportation in the USA, and other items incidental to foreign travel

By Far, Foreign Visitors Spend More Money in the USA Than in Any Other Country

Top 20 Countries by Visitor Spending (aka International Tourism Receipts), 2018

Visitor* Spending (\$ Bils), 2018

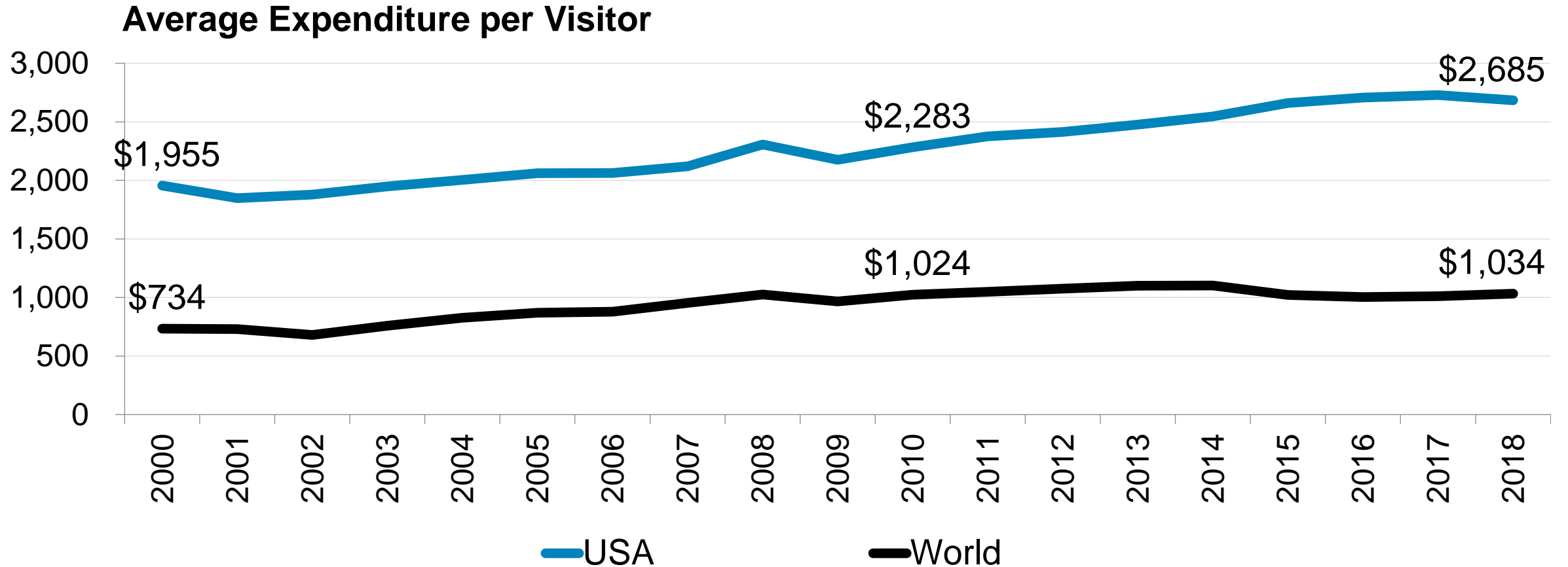


Source: United Nations World Tourism Organization (UNWTO)

* All modes of transportation

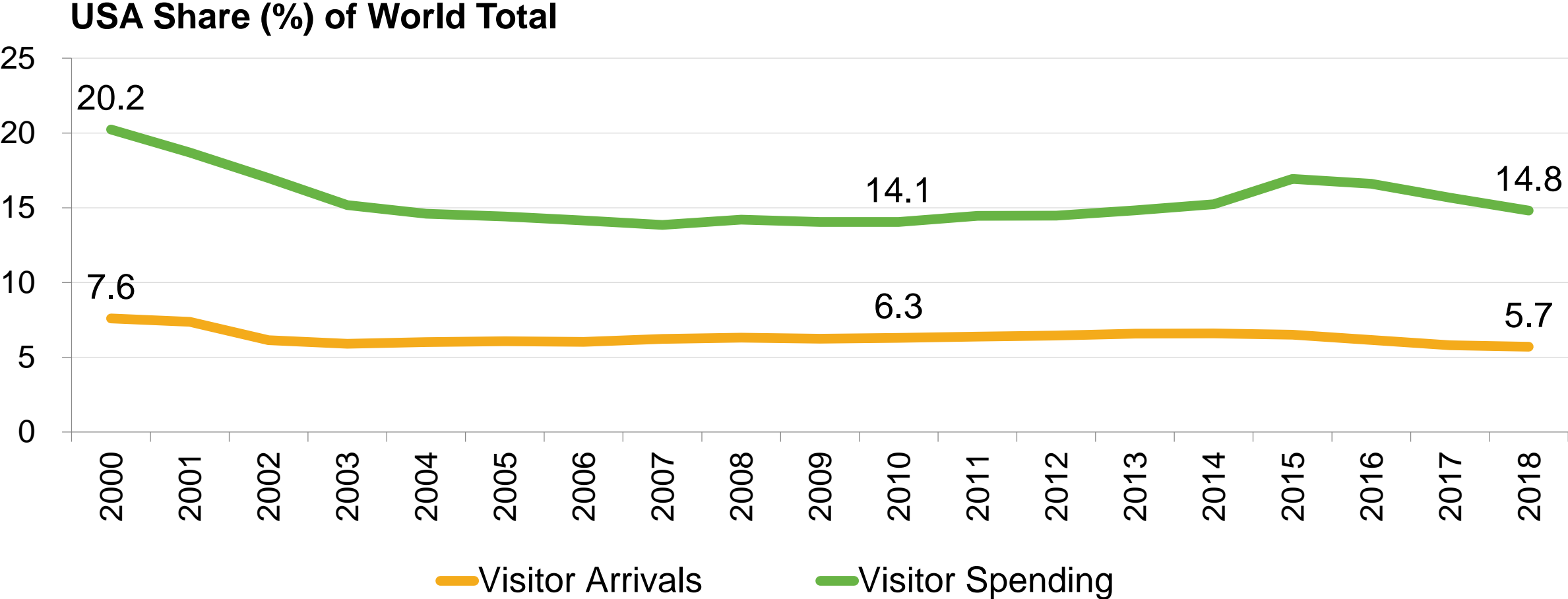
From 2010-2018, USA Experienced 18% Increase in Spend per Visitor, vs. 1% Worldwide

Spend per Visitor to USA Now 2.6 Times the World Average, Up From 2.2 in 2010



Source: A4A and United Nations World Tourism Organization (UNWTO)

The United States Continues to Command ~15 Percent of Global Tourism Receipts

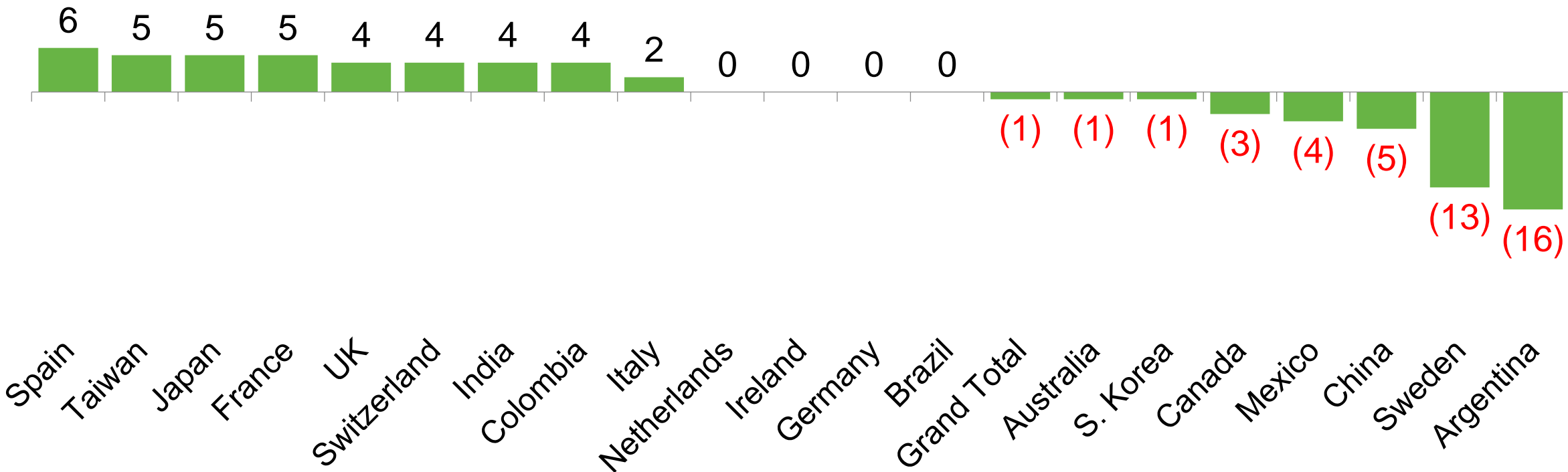


Source: United Nations World Tourism Organization (UNWTO) and U.S. Department of Commerce

OUTLOOK FOR GROWTH IN U.S. VISITORS

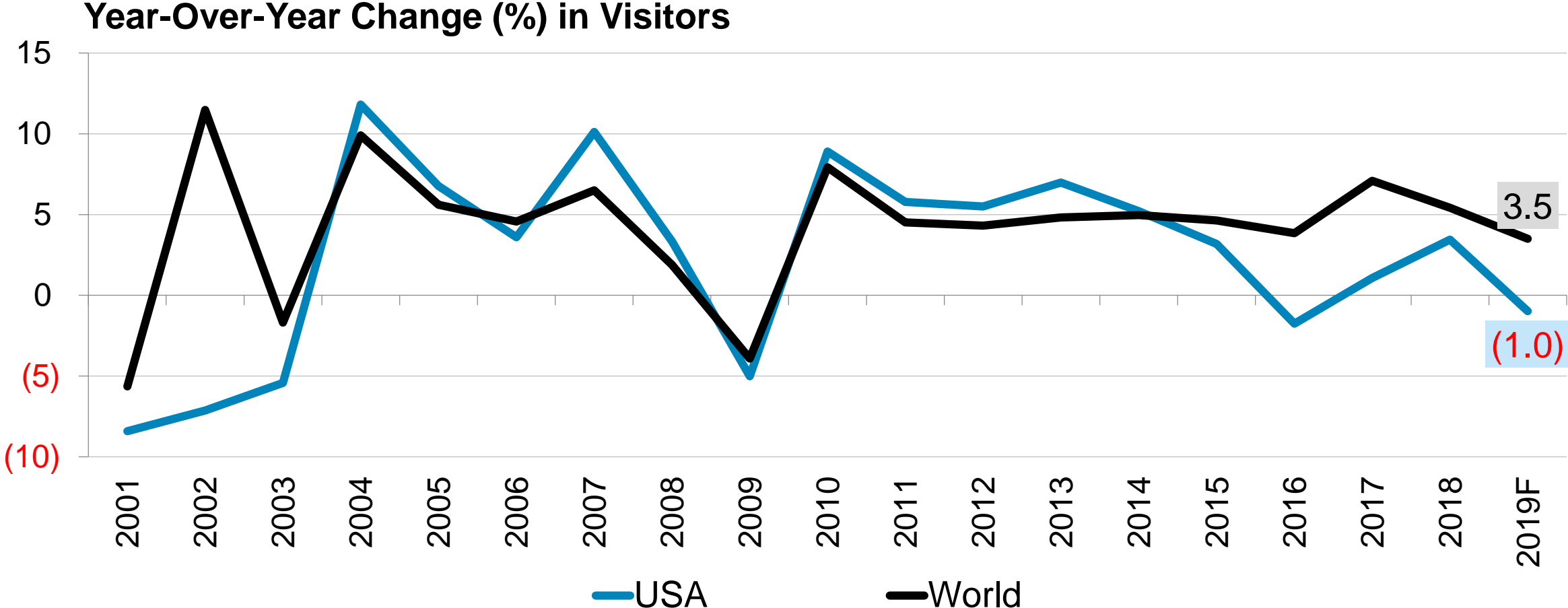
In 2019, Visitors From Spain, Taiwan, Japan and France Leading the Way, But Declines From Canada, Mexico and China Resulting in a Net Decline of 1 Percent

Projected Change (Percent) in Visitors to USA – 2019 vs. 2018



Sources: U.S. Department of Commerce NTTO Travel Forecast (October 2019) for top 21 origin countries, which accounted for 87 percent of U.S. visitors in 2018

In 2019, the Gap Between U.S. Visitor Arrivals and World Visitor Arrivals Will Grow

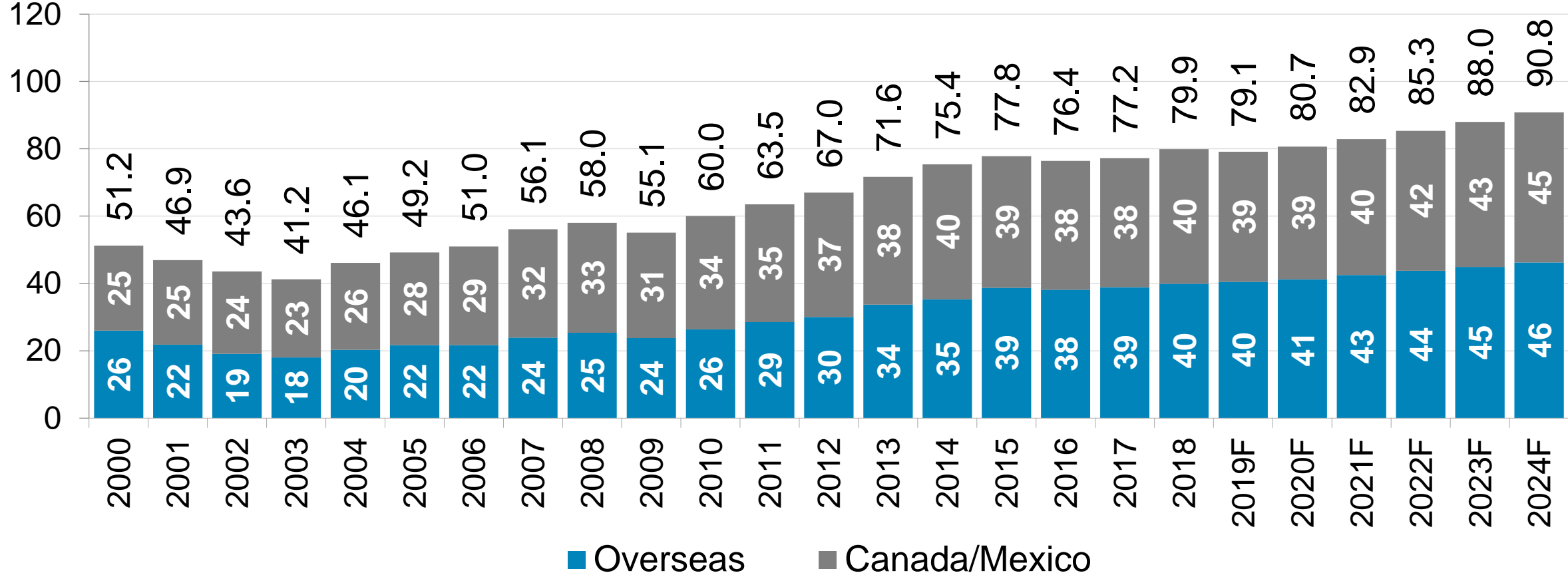


Source: United Nations World Tourism Organization (UNWTO) and U.S. Department of Commerce

The U.S. Government Projects Visitors to Grow 2.2 Percent Annually From 2018-2024

Compound Annual Growth Rate (CAGR) for Previous Six Years Was 3.0 Percent

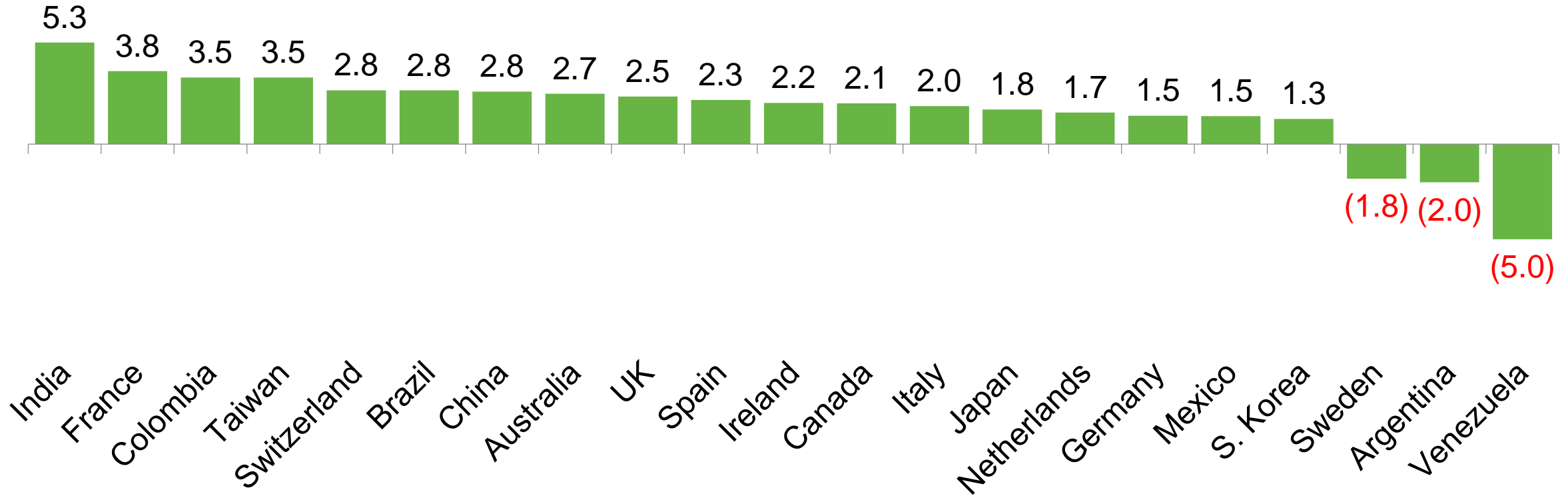
International Visitors (Millions) to USA



Sources: U.S. Department of Commerce National Travel and Tourism Office; INEGI (Mexico); Statistics Canada – 2019 Travel Forecast (October 2019)

Biggest Growth in USA Visitors Expected From India and Ireland

Projected Compound Annual Growth Rate (%) for Visitors to USA in 2018-2024



Sources: U.S. Department of Commerce NTTO Travel Forecast (October 2019) for top 21 origin countries, which accounted for 87 percent of U.S. visitors in 2018

Conclusion

- » Air travel is growing all over the world between countries with increasing populations and trade flows and a rising middle class, among other economic forces
- » U.S. visitor arrivals have grown in every year since the Great Recession except 2016 and 2019
 - They have grown in the face of a strengthening U.S. dollar
 - Arrivals rose 1 percent in 2017 and 3.5 percent in 2018
 - Residents of most major regions visited the U.S. in greater numbers in 2018
- » The United States leads the world in visitor spending at 2.9 times #2 Spain
 - The average spend per U.S. visitor rose 18 percent from 2010 to 2018 vs. a world increase of 1 percent
 - The U.S. share of global visitor spending rose from 14.1 percent in 2010 to 14.8 percent in 2018
- » In 2018, U.S. visitor growth narrowed the gap to world visitor growth
- » In its 2019 forecast, Commerce projected visitors to the USA to reach an all-time high 91 million by 2024
 - Commerce expects the fastest 2018-2024 growth from India, France, Colombia, Taiwan and Switzerland
 - Visitation from Venezuela, Argentina and Sweden expected to decline

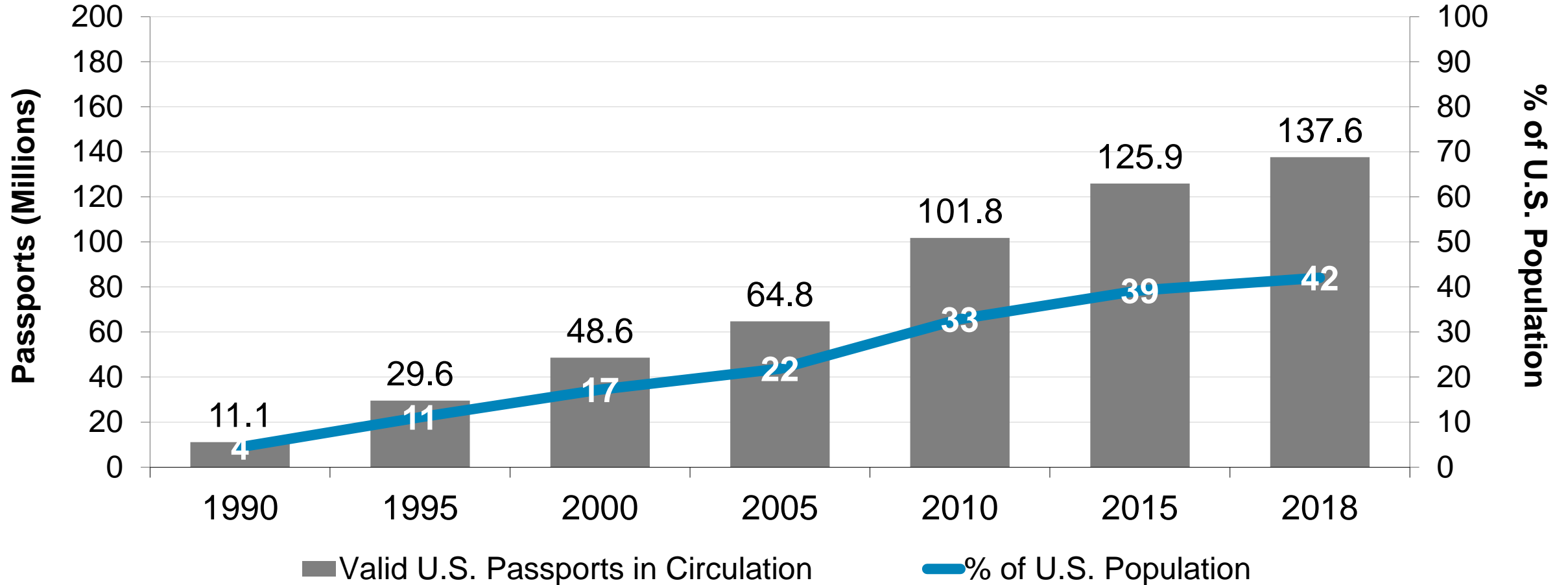
APPENDIX

“Arrivals” Data

- » The National Travel and Tourism Office (NTTO) [within Dept. of Commerce] works cooperatively with the DHS/CBP to release I-94 arrivals data, providing a comprehensive count of **all travelers entering the USA**.*
- » Provides a count of visitor (≥ 1 night) arrivals to the USA to calculate U.S. travel and tourism exports. Source is CBP Entry-Exit I-94 Record, completed electronically by international visitors (non-U.S. citizens) from all countries except for those traveling from Mexico within the 25-mile frontier zone along the southern border.
- » NTTO extracts and processes official visitor arrival I-94 data to adhere as closely as possible with UN tourism guidelines/recommendations. It is a generally accepted practice among countries to follow the UN and to base arrivals data on country of residence (COR).
 - » The United States has followed the intent of these guidelines for more than four decades to report international arrivals. [NTTO also provides country of citizenship-based (COC) arrivals data, which reflect the nationality of visitors, identifying the countries where visitors have citizenship as stated in their passports.]
- » Canada arrivals data are collected by Statistics Canada. Mexico arrivals data (air/sea/auto/pedestrian) are collected by Banco de Mexico. Both programs provide arrivals data based solely on country of residence.

American Passport Ownership Has Grown Steadily

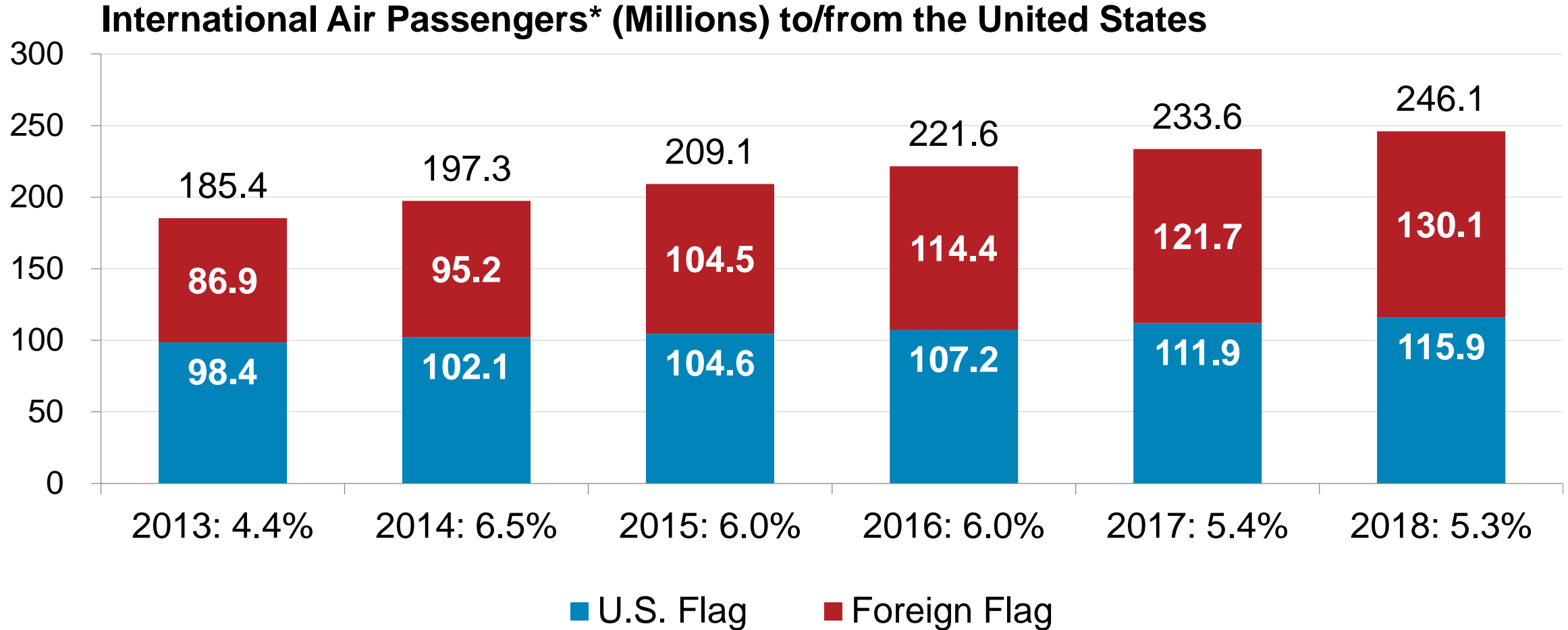
In 2018, 42 Percent of Americans Had Valid U.S. Passports



Source: U.S. Department of State (Bureau of Consular Affairs) and U.S. Bureau of Economic Analysis

Air Travel Between the United States and Foreign Countries* Reached All-Time High in 2018

Foreign Flag Airlines Carried 53 Percent of Passengers



Source: U.S. Department of Commerce National Travel and Tourism Office

*Years preceding 2011 do not include traffic between the United States and Canada



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