



Office of Travel and Tourism Industries

The State of U.S. Travel and Tourism Industries: **2010**



The State of U.S. Travel and Tourism: 2010

U.S. Travel and Tourism Balance of Trade

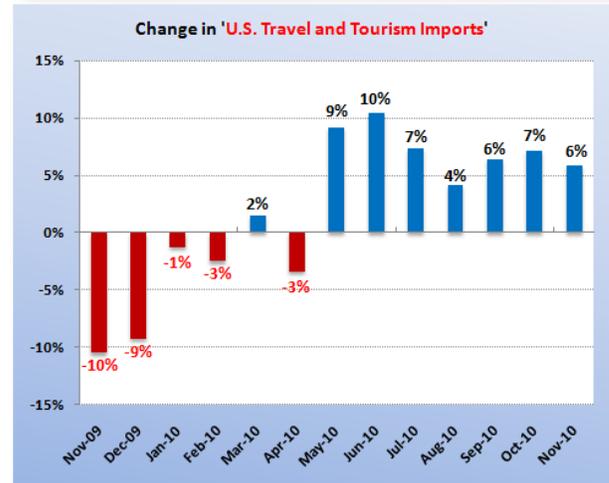
Monthly Travel & Tourism Exports

- In November international visitors spent an estimated \$11.7 billion on travel to, and tourism-related activities within, the United States—\$1.6 billion more (16 percent) than was spent in November 2009.
- November marks the eleventh consecutive month of increased international visitor spending in the United States and the seventh straight month of double-digit export growth.



Monthly Travel & Tourism Imports

- U.S. residents spent \$8.8 billion traveling abroad in November, an increase of \$488 million (6 percent) when compared to November 2009.
- U.S. spending abroad on travel and tourism-related goods and services has increased in eight of the last eleven months of 2010, only once recording double-digit growth.



Monthly Passenger Fare Balance

- Though rarely running a balance of trade surplus, the United States has now enjoyed a *passenger fares* surplus every month this year.
- In November the U.S. travel and tourism industry enjoyed a \$232 million balance of trade surplus for passenger fares (i.e., U.S. carriers took in more from international travelers than foreign carriers took in from U.S. travelers abroad).

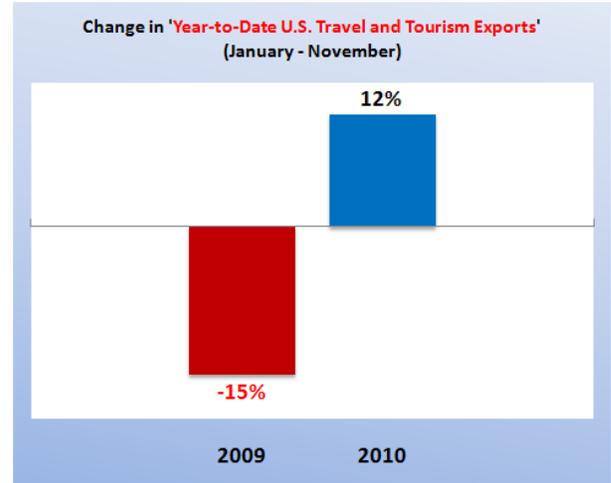


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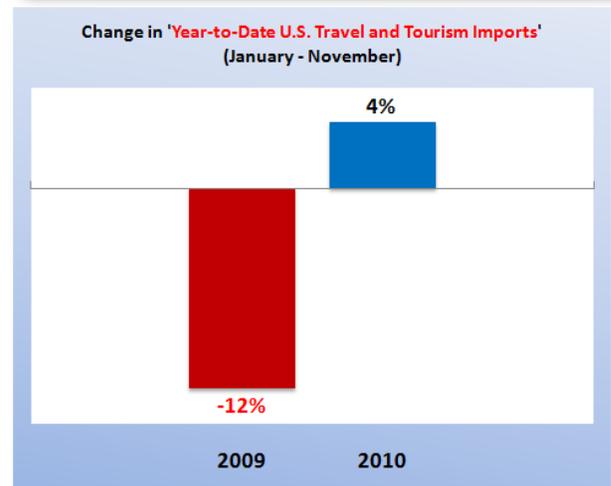
Year-to-Date Exports

- International visitors have spent an estimated \$123.0 billion on U.S. travel and tourism-related goods and services year to date, an increase of 12 percent compared to the same period last year.
- Total international visitor spending in the United States has increased, on average, nearly \$1.2 billion a month in 2010.



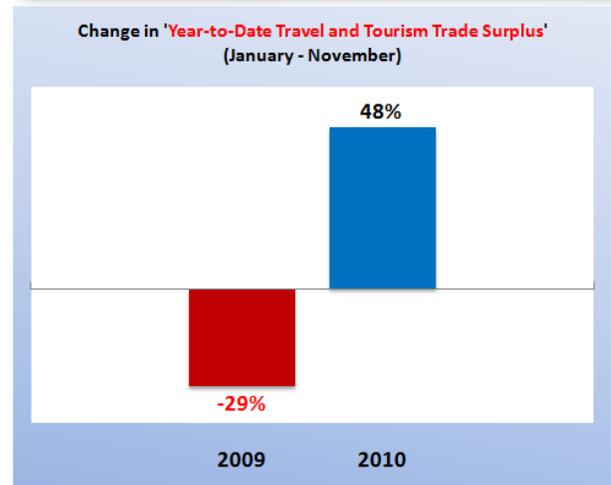
Year-to-Date Imports

- Americans have increased their spending, too, spending \$94.5 billion abroad this year (up 4 percent) on travel and tourism-related goods and services.
- Total U.S. resident spending abroad on travel and tourism-related goods and services has increased, on average, \$329 million a month in 2010.



Year-to-Date Balance of Trade

- The U.S. travel and tourism industry has generated a \$28.5 billion trade surplus (i.e., exports minus imports) through November, a 48 percent more favorable balance of trade when compared to the same period last year.
- International visitors have spent more money on U.S. carriers than U.S. residents have spent on foreign passenger air transportation, resulting in a \$2.9 billion passenger fare surplus year to date.



The State of U.S. Travel and Tourism: 2010

U.S. Travel and Tourism Output

Total Travel & Tourism Output

- Total spending (domestic + international) on U.S. travel and tourism-related goods and services has rebounded, exhibiting five consecutive quarters of growth.
- Were the current rate of growth in tourism-related spending to continue, the industry would close out the year with nearly \$1.34 trillion in total economic output, an increase of \$102.3 billion when compared to 2009.



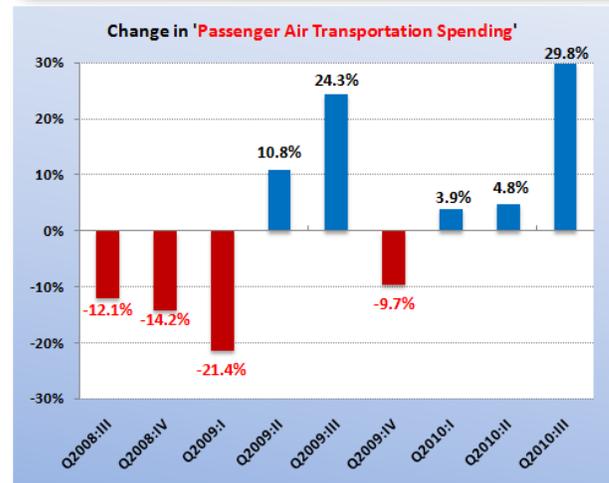
Real Travel & Tourism Output

- Real spending (adjusted for changes in price) on travel and tourism increased at an annual rate of 8.0 percent in Q3 2010, following an increase of 3.4 percent (revised) in Q2 2010.
- By comparison, real gross domestic product (GDP) increased 2.6 percent in Q3 2010 after increasing 1.7 percent in Q2 2010.



Passenger Air Transportation

- Spending on passenger air transportation services increased 29.8 percent in Q3 2010, following an increase of 4.8 percent in Q2 2010.
- For perspective, real spending on traveler accommodations and tourism-related shopping increased 9.5 percent and 2.6 percent, respectively, in Q3 2010.



The State of U.S. Travel and Tourism: 2010

U.S. Travel and Tourism Employment

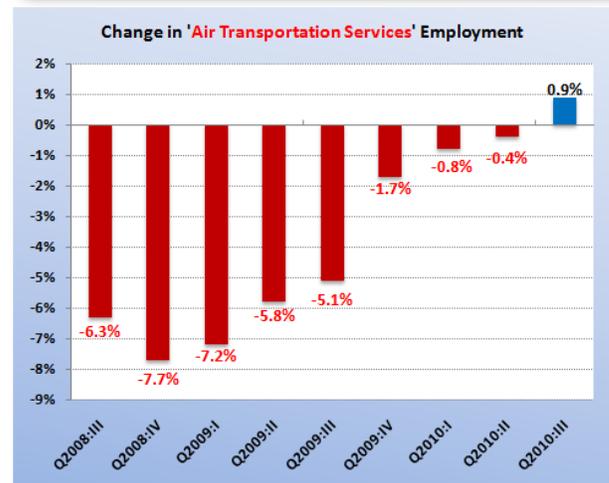
U.S. Travel & Tourism Employment

- In Q3 2010 total tourism-related employment increased 2.0 percent to 7.76 million.
- Total employment consisted of 5.5 million (71 percent) direct tourism jobs — jobs where workers produce goods and services sold directly to visitors — and 2.2 million (29 percent) indirect tourism-related jobs — jobs where workers produce goods and services used to produce what visitors buy.



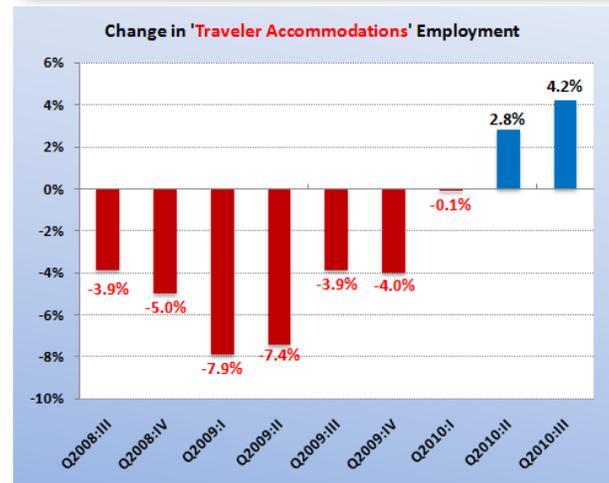
Passenger Air Transportation Services

- After jettisoning jobs for nine consecutive quarters, the passenger air transportation sector increased the size of its workforce ever-so-slightly during Q3 2010 (+0.9 percent).
- Though exhibiting the smallest quarterly gains in employment of all tourism sectors, passenger air transportation output has risen for three consecutive quarters, so increased output is finally turning into real jobs.



Traveler Accommodations

- The traveler accommodations sector increased the size of its workforce by 4.2 percent in Q3 2010, the second consecutive quarter of job growth.
- Before turning positive in Q2 2010, employment for this sector had declined for eight consecutive quarters. Since then, however, the traveler accommodations sector has added nearly 22,000 jobs.

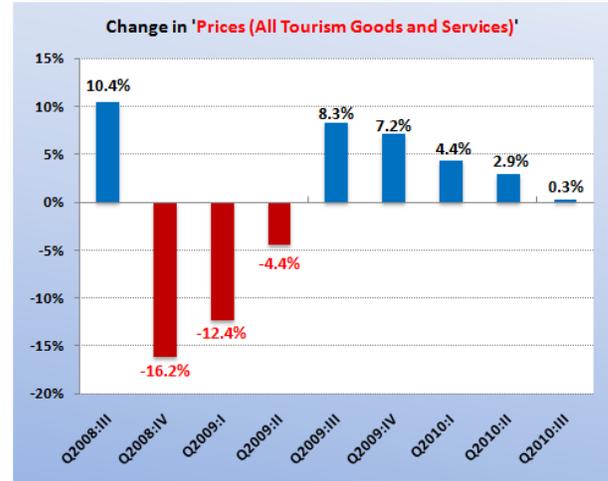


The State of U.S. Travel and Tourism: 2010

U.S. Travel and Tourism Prices

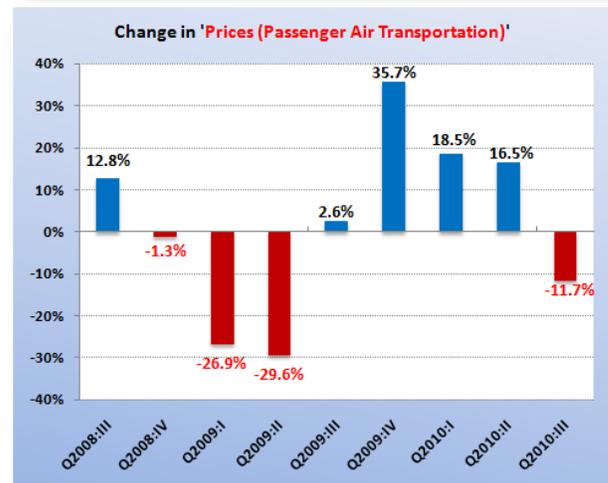
All Travel & Tourism Goods/Services

- The global economic downturn suppressed the demand for travel and tourism-related goods and services in the latter part of 2008 and throughout 2009, thereby suppressing prices.
- Beginning in Q3 2009 and for five consecutive quarters, however, travel and tourism prices have gravitated upward in response to increased demand for travel and tourism-related goods and services.



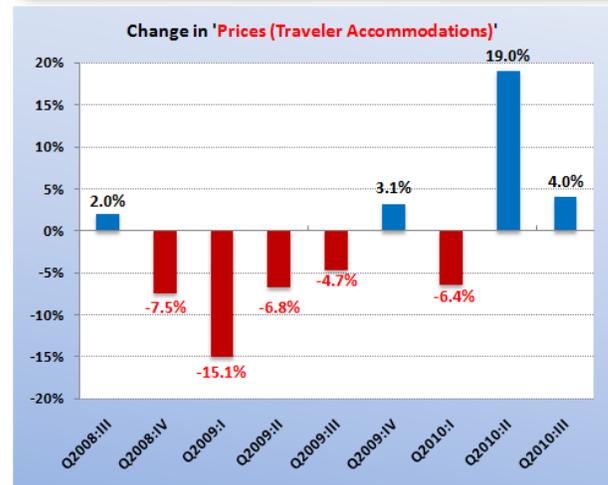
Passenger Air Transportation Prices

- Prices for passenger air transportation services turned down in Q3 2010, falling 11.7 percent after three consecutive quarters of double-digit price increases.
- Air carriers have increased capacity by bringing idle planes back into service, contributing to the price decline.



Prices of Traveler Accommodations

- Prices for traveler accommodations showed a sharp upturn in Q2 2010, spiking 19 percent in Q2 2010, and continued their upward trend in the third quarter.
- Though higher occupancy rates created pricing opportunities for hotels during Q3 2010, average prices of traveler accommodations are only 6 percent higher than they were 5 years ago.



The State of U.S. Travel and Tourism: 2010

U.S. Travel and Tourism Overview

U.S. Travel and Tourism Indicator	November		Year to Date (Jan-Nov)	
U.S. Travel and Tourism Exports		16%		12%
U.S. Travel and Tourism Imports		6%		4%
U.S. Travel and Tourism Balance of Trade		68%		48%
International Visitation in the United States (Total)		3%		10%
International Visitation in the United States (Overseas)		11%		12%
International Visitation in the United States (Canada)		10%		11%
International Visitation in the United States (Mexico)		-18%		2%
Total U.S. Travel and Tourism-Related Output	Q4 2010 Released: March 18, 2011			Q3 2010 8%
Total U.S. Travel and Tourism-Related Employment	Q4 2010 Released: March 18, 2011			Q3 2010 2%