AIANTA

American Indian Alaska Native Tourism Association

Welcome

Session A1 – Tourism Basics:

How to Understand and Benefit from Domestic and International Tribal Tourism Research and Data

Tuesday, September 18, 2018

10:30am - 12:00pm

To receive a Certificate of Completion, please provide information requested in the session sign-in sheet for each session attended

UPDATE ON INTERNATIONAL MARKETS FOR NATIVE AMERICAN TOURISM

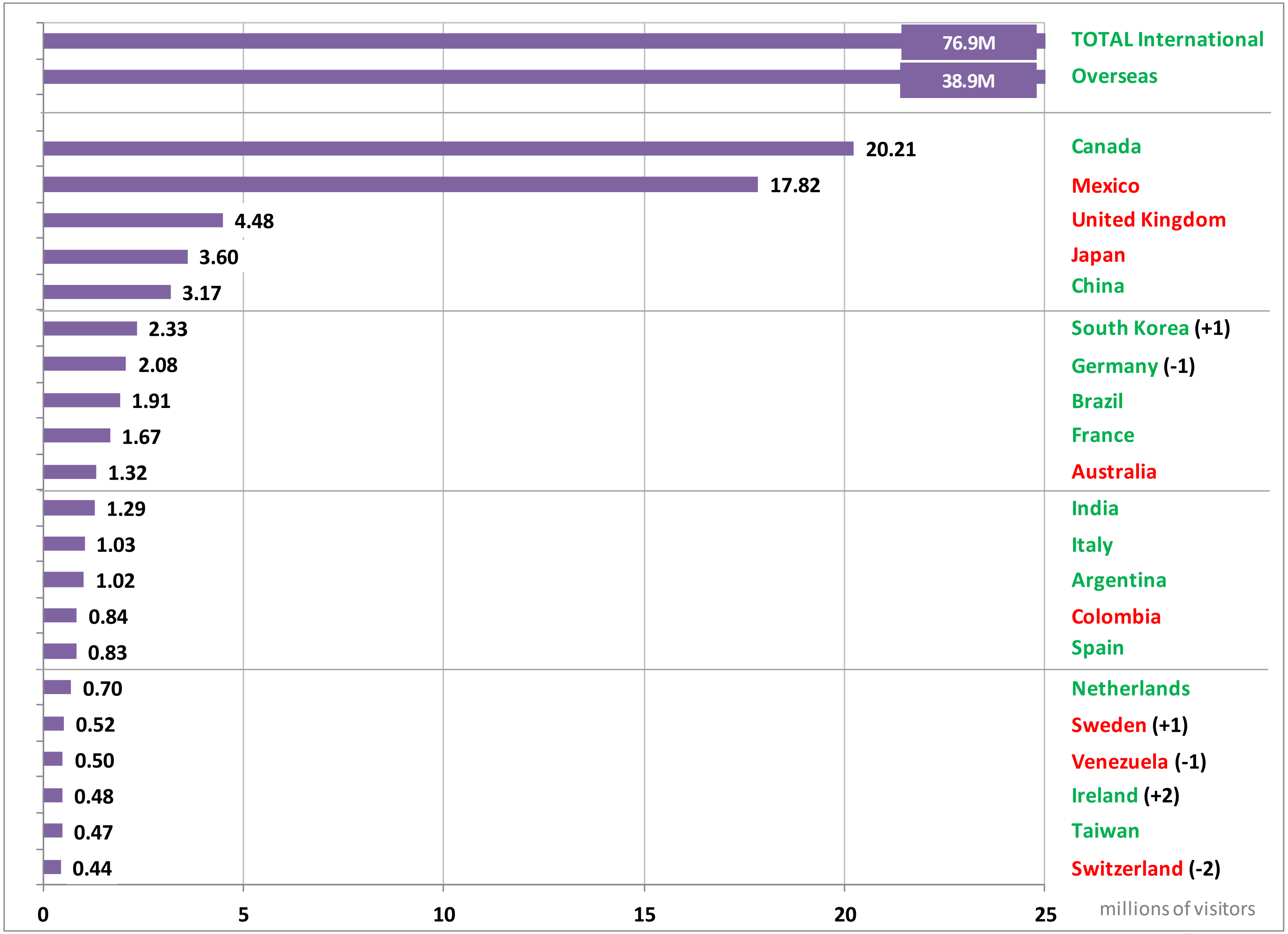
julie heizer

National Travel & Tourism Office

Industry & Analysis, International Trade Administration

September 2018

Visitor Volume: 2017 (millions – preliminary)



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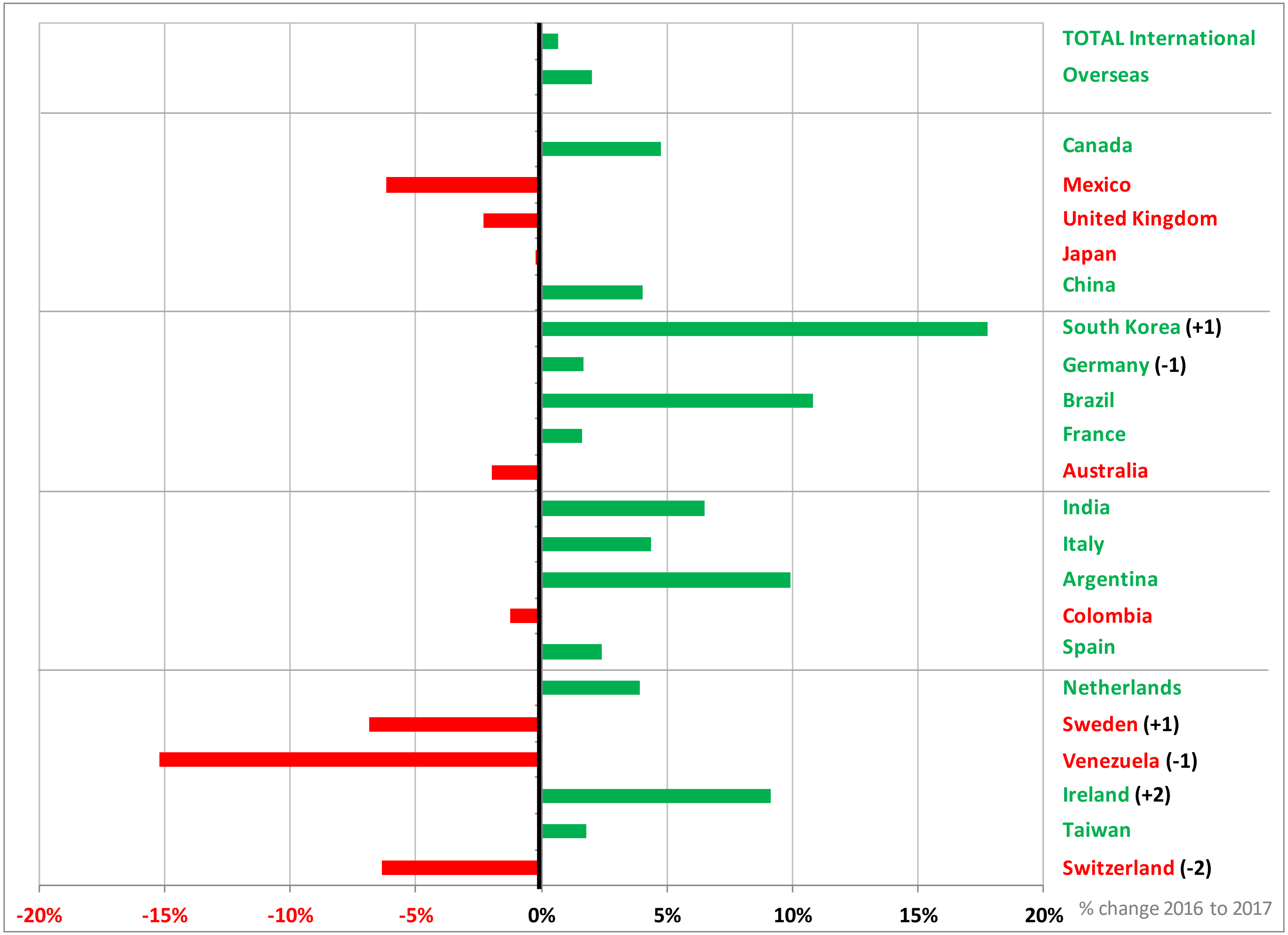
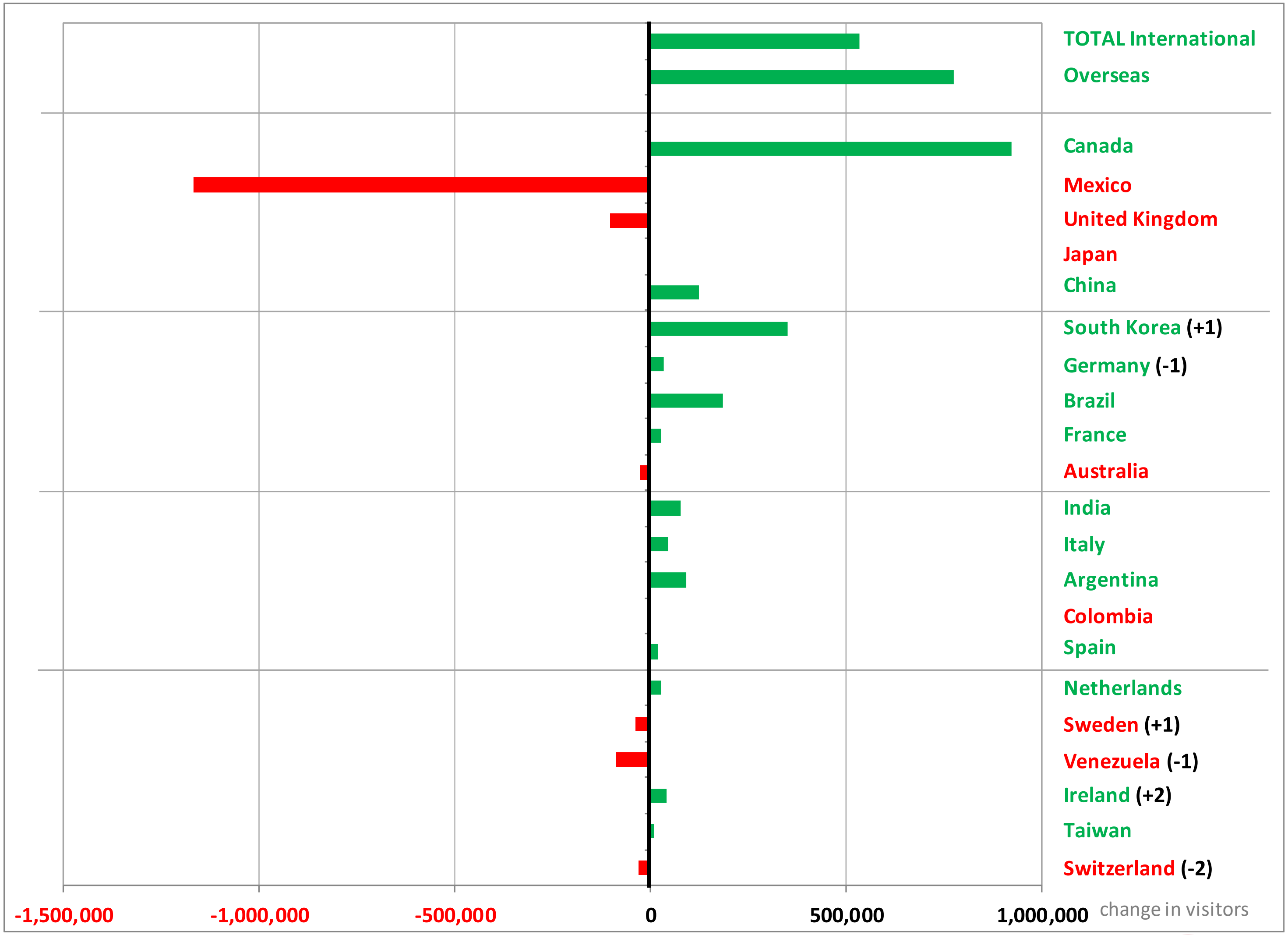
Visitor Volume: PERCENT Change 2017

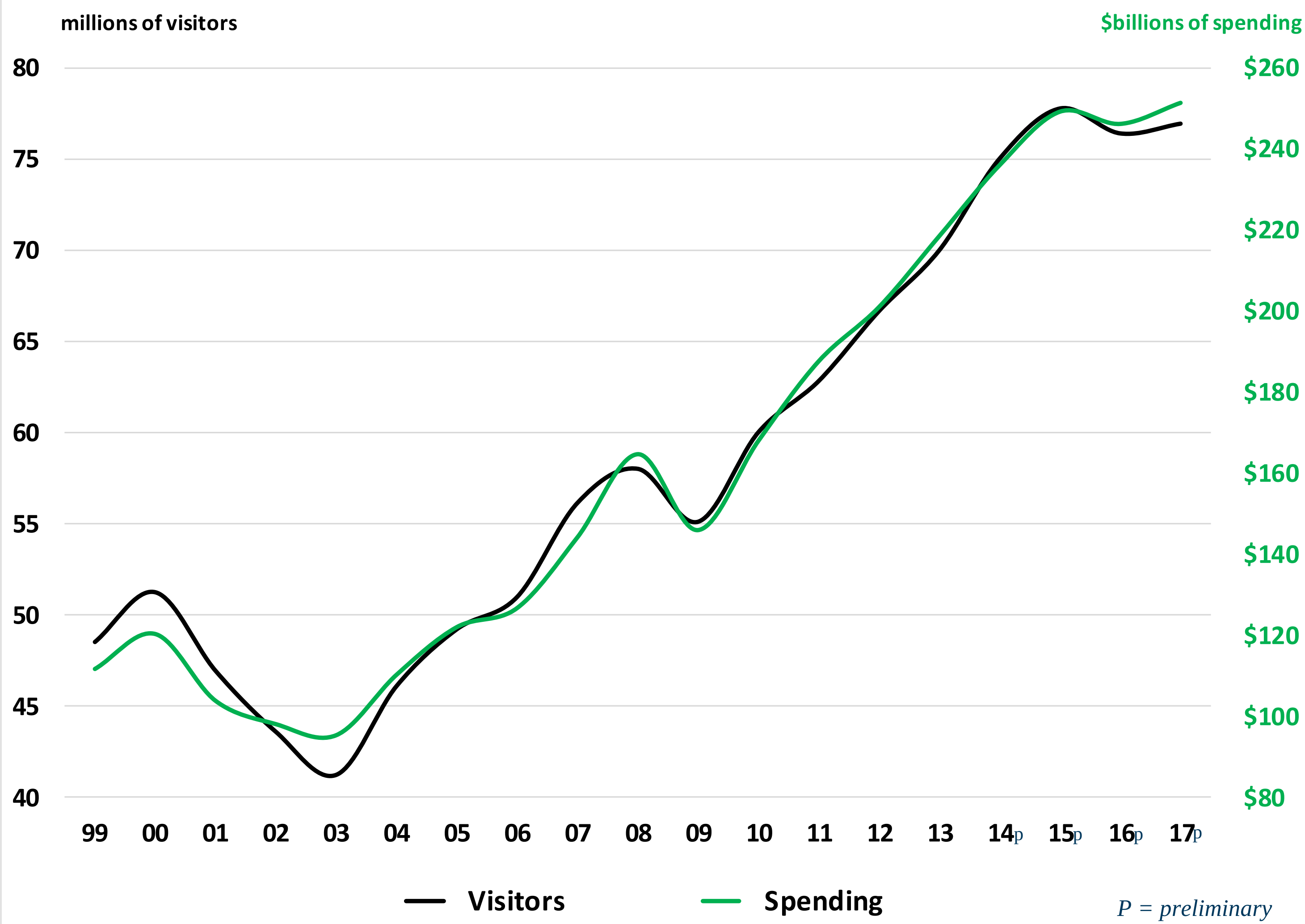
(preliminary)



Visitor Volume: CHANGE 2017
(preliminary)



U.S. Visitor and Spending Trends
(millions / $billions)



P = preliminary

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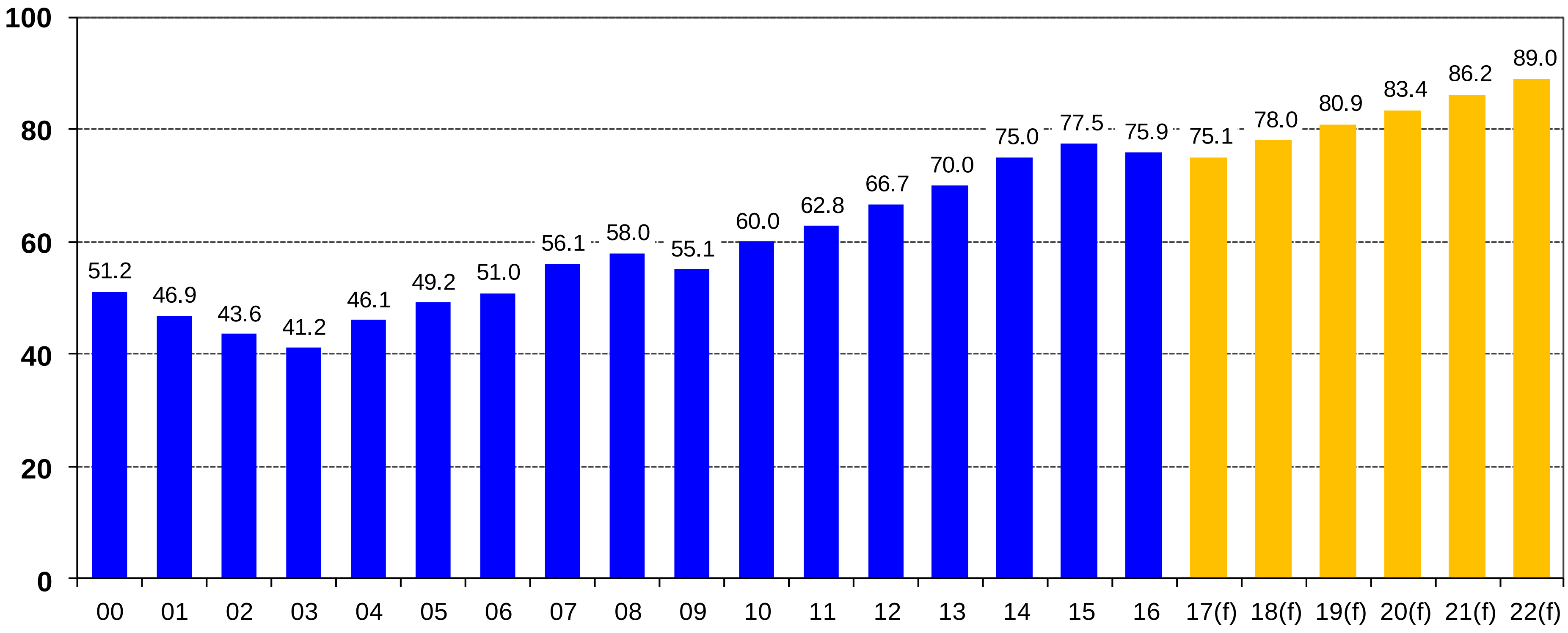
International Visitors to the U.S. and Projections
(2000-2022)



NTTO Travel Forecast Update (Fall 2017)

Forecast of International Travelers to the United States by Top Origin Countries

Estimates in thousands

Rank Order 2016	Visitor Origin Country	Actual 2016	% Change 16/15	Forecast 2017	% Change 17/16	Forecast 2018	% Change 18/17	Forecast 2019	% Change 19/18	Forecast 2020	% Change 20/19	Forecast 2021	% Change 21/20	Forecast 2022	% Change 22/21	Change 22/16	% Change 22/16	CAGR 22/16
	Grand Total	**75,868**	**-2.1%**	**75,104**	**-1.0%**	**78,011**	**3.9%**	**80,920**	**3.7%**	**83,420**	**3.1%**	**86,205**	**3.3%**	**88,956**	**3.2%**	**13,088**	**17%**	**2.7%**
1	Canada	19,289	-7%	20,253	5%	21,063	4%	21,695	3%	22,129	2%	22,793	3%	23,477	3%	4,188	22%	3.3%
2	Mexico	18,991	3%	17,281	-9%	17,627	2%	18,156	3%	18,701	3%	19,262	3%	19,839	3%	849	4%	0.7%
	Overseas	**37,589**	**-2.1%**	**37,569**	**-0.1%**	**39,321**	**4.7%**	**41,069**	**4.4%**	**42,590**	**3.7%**	**44,151**	**3.7%**	**45,640**	**3.4%**	**8,051**	**21%**	**3.3%**
3	United Kingdom	4,574	-7%	4,391	-4%	4,435	1%	4,479	1%	4,613	3%	4,798	4%	4,894	2%	320	7%	1.1%
4	Japan	3,577	-5%	3,541	-1%	3,647	3%	3,720	2%	3,720	0%	3,720	0%	3,758	1%	181	5%	0.8%
5	China	2,972	15%	3,032	2%	3,244	7%	3,568	10%	3,889	9%	4,201	8%	4,537	8%	1,564	53%	7.3%
6	Germany	2,035	-10%	2,055	1%	2,096	2%	2,138	2%	2,160	1%	2,181	1%	2,203	1%	168	8%	1.3%
7	South Korea	1,974	12%	2,329	18%	2,492	7%	2,617	5%	2,722	4%	2,803	3%	2,887	3%	913	46%	6.5%
8	Brazil	1,693	-24%	1,575	-7%	1,654	5%	1,720	4%	1,771	3%	1,807	2%	1,843	2%	149	9%	1.4%
9	France	1,628	-7%	1,677	3%	1,778	6%	1,866	5%	1,904	2%	1,942	2%	1,961	1%	333	20%	3.2%
10	Australia	1,346	-7%	1,320	-2%	1,372	4%	1,414	3%	1,456	3%	1,500	3%	1,575	5%	228	17%	2.6%
11	India	1,172	4%	1,114	-5%	1,147	3%	1,193	4%	1,253	5%	1,328	6%	1,407	6%	235	20%	3.1%
12	Italy	983	-5%	1,022	4%	1,094	7%	1,137	4%	1,149	1%	1,172	2%	1,195	2%	212	22%	3.3%
13	Argentina	906	14%	761	-16%	800	5%	832	4%	865	4%	899	4%	935	4%	29	3%	0.5%
14	Colombia	836	-2%	777	-7%	808	4%	833	3%	858	3%	883	3%	910	3%	74	9%	1.4%
15	Spain	801	6%	833	4%	883	6%	918	4%	936	2%	946	1%	955	1%	154	19%	3.0%
16	Netherlands	672	-7%	685	2%	733	7%	755	3%	763	1%	771	1%	778	1%	106	16%	2.5%
17	Venezuela	580	-2%	452	-22%	416	-8%	404	-3%	396	-2%	392	-1%	388	-1%	-192	-33%	-6.5%
18	Sweden	559	-5%	536	-4%	563	5%	580	3%	592	2%	609	3%	622	2%	63	11%	1.8%
19	Switzerland	469	-13%	418	-11%	426	2%	435	2%	448	3%	461	3%	475	3%	6	1%	0.2%
20	Taiwan	463	5%	468	1%	482	3%	492	2%	501	2%	516	3%	532	3%	69	15%	2.3%
21	Ireland	442	-2%	468	6%	501	7%	526	5%	542	3%	553	2%	564	2%	122	28%	4.1%

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Trends We Watch for the Forecast

- **Global Traveler Volumes:** Volume and spending growth continues, more or less on UNWTO schedule of decelerating growth rates to 2030.
  - 2016: +3.6%
  - 2017: up +6.8%
  - 2017: outbound spending was higher for every top 50 country (in own currency)

- **U.S. Arrivals:** Down 1.6% in 2016, up 0.7% in 2017; Overseas up in 2018 through March. Canada and Mexico are up BIG in 2018 through early summer.

- **U.S. Travel Exports:** 2017 vs 2016 (June 2018 release)

+ 2.1%	Total
+ 1.9%	Receipts
+ 8.6%	Education/Medical/Seasonal Workers
+ 0.1%	Travel Spending (excluding E/M/S)
+ 3.4%	Passenger Fares

- **Airline Capacity:** 2018 (first half)/2017 (first half) flights up 4%; seats up 5%; up for nearly all markets; USA outbound visitor volume was up 9% in 2017, and thus using much of the additional seat capacity.

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More Trends We Watch for the Forecast

- **APIS:** Citizenship-based census count of persons entering/departing the U.S. via air regardless of residence or purpose or stay length. The non-U.S. citizen count (entering the USA) consistently up 3.5% to 4.5% past five years, including 2018YTD.

- **Electronic System for Travel Authorization (ESTA):** Interest in visiting the U.S. from VWP countries continues to grow; FY17 1% growth in ESTA applications is lowest since collections began.

- **Brand USA:** USG match of up to $100M fully funded moving forward based on ESTA fee collections. 12-month moving sum is $151M, thus room to spare for some time.

- **IMF Country-Level Forecasts:** Semi-annual database release. April 2018 release revised upward and bullish, but only for this and next year. Concerns 2+ years out.

And Still More Trends We Watch for the Forecast

- **U.S. Visa Issuance:** FY17 U.S. Department of State visa issuance -9%, but -1% not counting China (-27%); India and Brazil issuance on the rebound.

- **Miscellaneous:** Gasoline after-tax 'windfall' for household budgets worldwide continues, but is declining as gas prices inch upward.

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Hotel-Motel Room Nights

(millions) assumes 1 room/party

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Overseas	**99**	**104**	**95**	**111**	**122**	**136**	**152**	**151**	**169**	**177**
Canada	17	18	18	22	24	34	23	28	27	25
China	3	2	3	5	5	9	11	17	19	22
U.K.	16	17	15	15	15	16	16	18	21	21
India	7	7	6	7	7	8	11	10	9	12
German	7	9	7	8	9	9	9	10	11	11
Japan	9	9	8	11	9	10	10	10	10	10
Australia	4	5	4	6	7	7	9	9	10	10
Brazil	3	4	5	6	9	9	11	10	9	8
Mexico (air)	4	4	5	5	6	7	6	7	7	7
South Korea	3	3	3	5	6	5	6	6	9	7
France	4	5	4	5	6	7	8	7	7	7
Italy	3	3	3	3	3	4	3	4	4	4

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Visitation Estimates & Traveler Characteristics of Overseas Travelers to American Indian Communities

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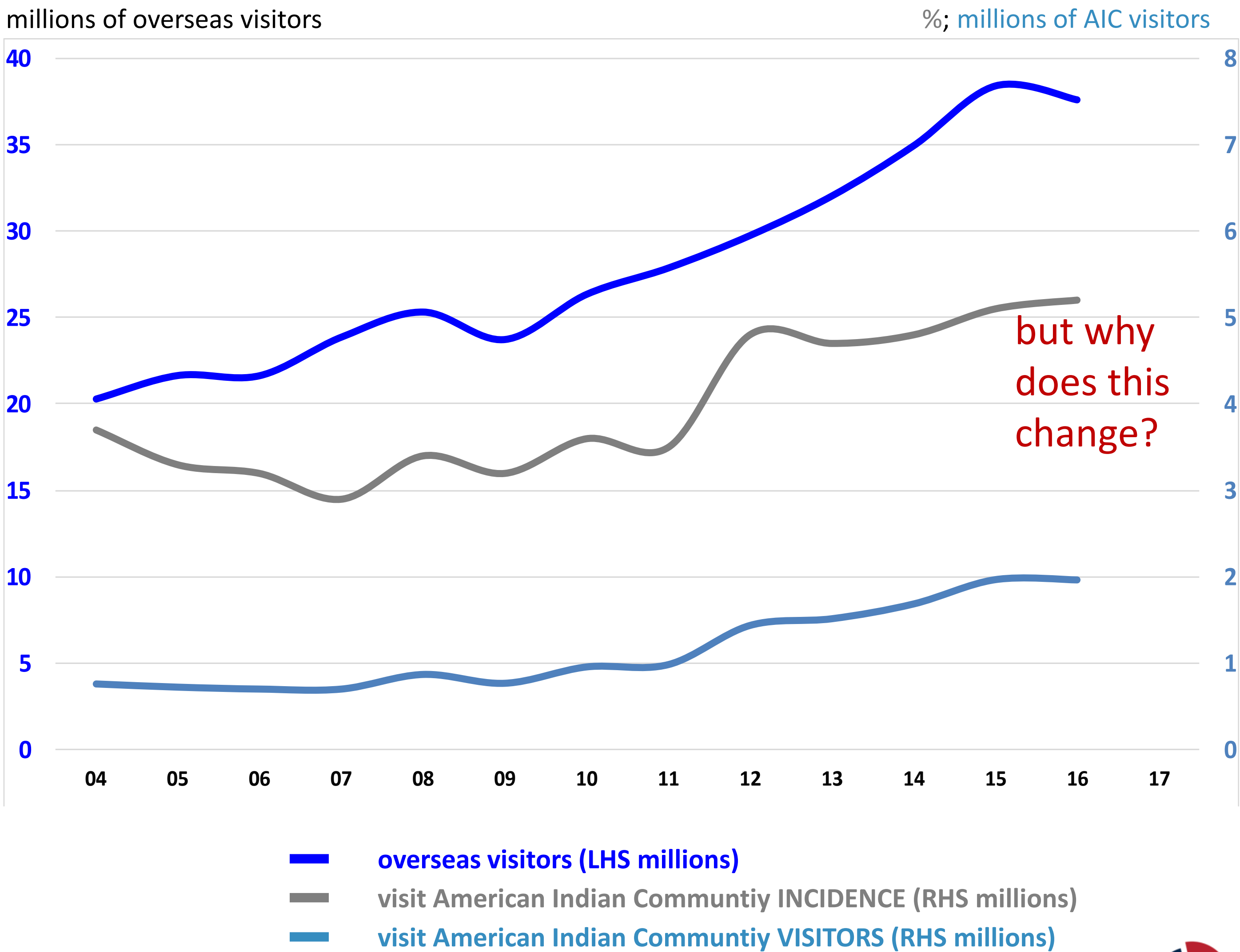
Visitor Volume to American Indian Communities…Deconstructed



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Visitor Volume to American Indian Communities…Deconstructed (continued)

		2004 Overseas Volume # (000s)	2004 VAIC % Inc. Incidence %	2004 VAIC # Volume # (000s)	2004 % of VAIC Volume %	2016 Overseas Volume # (000s)	2016 VAIC % Inc. Incidence %	2016 VAIC # Volume # (000s)	2016 % of VAIC Volume %
	Overseas	20,322	3.7%	752	---	37,589	5.2%	1,955	---
1	**U.K.**	4,303	4.4%	206	27.4%	4,574	3.9%	201	10.3%
2	**Germany**	1,320	6.8%	95	12.6%	2,035	6.7%	145	7.4%
3	**France**	775	5.6%	45	6.0%	1,628	8.2%	141	7.2%
4	**India**	309	14.1%	44	5.8%	1,172	10.6%	96	4.9%
5	**Netherlands**	425	9.3%	42	5.6%	672	9.5%	61	3.1%
6	**Japan**	3,748	0.8%	35	4.7%	3,577	0.6%	23	1.2%
7	**Italy**	471	8.3%	35	4.6%	983	7.7%	78	4.0%
8	**Australia**	520	5.1%	29	3.9%	1,346	7.1%	108	5.5%
9	**Switzerland**	243	6.5%	16	2.1%	469	3.4%	16	0.8%
10	**South Korea**	627	2.3%	15	2.0%	1,974	9.5%	211	10.8%
11	**Denmark**	151	0.0%	14	1.9%	326	6.8%	22	1.1%
12	**Sweden**	254	3.3%	8	1.1%	559	6.7%	37	1.9%
13	**China**	203	3.7%	8	1.0%	2,972	6.8%	209	10.7%
14	**Spain**	333	2.3%	8	1.0%	801	11.9%	100	5.1%
15	**Colombia**	295	2.7%	7	0.9%	836	4.6%	39	2.0%
16	**Taiwan**	298	2.2%	7	0.9%	463	6.1%	29	1.5%
17	**Brazil**	385	0.8%	3	0.4%	1,693	1.9%	37	1.9%
18	**Dom. Rep.**	180	1.7%	3	0.4%	348	14.1%	49	2.5%
19	**Guatemala**	162	0.9%	1	0.0%	251	8.6%	22	1.1%
20	**Argentina**	168	0.4%	1	0.1%	906	2.8%	27	1.4%

Visitor Volume to American Indian Communities…Deconstructed (continued)

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What Does This REALLY Mean?

- Earlier we proclaimed VAIC visitor volume grew 160 percent from 2004 to 2016 because…
  - Overall overseas visitor volume nearly doubled; and
  - Overall overseas visitor INCIDENCE of VAIC grew from 3.7% to 5.2%
- But we (smartly) asked, *why did VAIC incidence increase?*
- Overall overseas visitor volume changes, of course, because volumes for each of 230 countries changes.
- But VAIC (or any travel segment) <u>incidence</u> changes for any/all of several reasons…
  - Interest in VAIC is changing consistently across ALL top origin markets;
  - The countries growing in volume are also growing in VAIC incidence (exponential), or both declining;
  - NTTO revised its visitor survey questionnaire.
- Visitor volume to American Indian Communities from overseas countries increased substantially from 2004 to 2016…

  mostly due to overall increases in overseas volume (rising tide lifts all boats);
  partially due to increased interest in VAIC, especially from growing countries;
  a little bit due to 2012 changes to the survey questionnaire (a mostly stable incidence through 2011 increased in 2012 for several travel activities).

Cross-Visitation Incidence for Other Activities

(% VAIC visitor also participating in activity)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	16 O/S
Visit Am. Indian Comm.	100	100	100	100	100	100	100	100	100	100	100	100	100	5
Sightseeing									91	90	90	89	88	78
Shopping	86	94	89	84	88	90	91	90	92	91	91	89	88	86
National Parks/Monuments									78	75	77	74	74	35
Small Towns/Countryside									66	64	65	64	61	27
Historical Locations									64	62	63	61	61	27
Cult. / Ethnic Heritage Sites									53	54	51	54	50	15
Amusement/Theme Parks	42	44	53	47	46	50	50	54	48	49	52	47	50	29
Art Gallery/Museum	41	37	38	34	32	36	45	41	49	51	50	55	49	28
Experience Fine Dining									50	56	52	51	48	32
Guided Tours	35	31	35	35	33	39	41	41	54	49	50	48	46	23
Casinos/Gambling	35	35	37	39	37	38	39	44	35	34	30	31	29	9
Concert/Play/Musical	21	24	28	23	25	28	31	28	34	31	28	29	24	16
Nightclubs/Dancing	22	17	24	21	20	22	16	21	22	23	22	22	21	13
Sporting Event	10	13	14	15	11	16	11	17	22	23	20	22	19	12
Water Sports									17	18	17	14	15	10
Camping/Hiking	17	19	11	16	18	22	18	20	16	15	17	16	14	5
Environ./Eco. Excursions	14	15	14	13	16	16	12	14	13	13	15	13	13	4
Golfing/Tennis	6	7	11	6	5	6	4	7	8	7	5	6	4	3
Hunting/Fishing	3	5	5	4	5	4	4	5	8	4	6	4	4	2
Snow Sports									3	7	4	5	2	1
Other									2	1	2	1	2	1

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Trip Planning
(2016)

Information Sources/ Decision Times	Visit Amer. Indian Comm.	Overseas Travelers to the U.S.	Point Change
Airline	41%	44%	-3%
Personal Recommendations	38%	28%	10%
Online Travel Agency	36%	32%	4%
Travel Agency Office	25%	20%	5%
Travel Guides	19%	12%	7%
Decision Timing (days):			
Trip Decision:	125	98	27
Airline Booking:	90	73	17

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Selected Key Traveler Characteristics

(2016)

Trip / Party Characteristic	Visit Amer. Indian Comm.	Overseas Travelers to the U.S.	Point Change
Purpose of Trip: Vacation	83%	68%	15%
Purpose of Trip: VFR	33%	30%	3%
# of Nights in U.S.: Mean	26	18	8
# of Nights in U.S.: Median	15	10	5
% 1st-Time U.S.	37%	24%	13%
Visited Only 1 State	40%	73%	-33%
Ave # of Destinations Visited	3.5	2.1	1.4
1+ Night in Hotel/Motel	78%	78%	0%

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Top Ports Of Entry
(2016)

Visit Amer. Indian Comm.	Overseas Travelers to the U.S.
LAX – 21%	JFK – 17%
JFK – 16%	MIA – 13%
MIA – 10%	LAX – 11%
SFO – 9%	HNL – 6%
EWR – 5%	SFO – 6%
GUM – 5%	EWR – 5%
ORD – 5%	ORD – 4%
LAS – 4%	MCO – 4%
HNL – 3%	GUM – 4%
SEA – 3%	4 ports - 3%

The ports listed had at least a 3% share of arrivals

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Transportation Modes
(2016)

Transportation Modes in U.S.	Visit Amer. Indian Comm.	Overseas Travelers to the U.S.	Point Change
Rented Auto	44%	33%	11%
Airlines between U.S. Cities	40%	29%	11%
Auto Private or Company	37%	33%	4%
City Subway/Tram/Bus	34%	31%	3%
Taxicab/Limousine	32%	31%	1%
Bus Between Cities	24%	17%	7%

Top States Visited
(2016)

1.955 million overseas visitors	37.5 million visitors
Visit Amer. Indian Comm.	Overseas Travelers to the U.S.
California (44%)	New York (27%)
Nevada (35%)	Florida (25%)
New York (29%)	California (22%)
Florida (18%)	Nevada (9%)
Arizona (18%)	Hawaii (8%)
Utah (10%)	Texas (5%)
Hawaii (6%)	Massachusetts (4%)
Massachusetts (6%)	Guam (4%)
Illinois, Guam, & **Colorado** (5%)	Illinois (4%)
WA / TX / **LA / WY** (4%)	

* Only states with at least 4% market share are shown

Key Takeaways

Global travel remains VERY robust;.

NTTO Forecast calls for a rebound in volume in 2018 to a new record and continue through 2022. Four countries will account for half the growth over the forecast period – Canada, China, South Korea and Mexico.

VAIC visitor volume has increased over the past several years due to overseas overall volume increases, increases in VAIC incidence, and a minor change in survey questionnaire wording.

The combination of these factors have **changed the ranking of top markets** for VAIC communities to South Korea, China, and the U.K.

2017 volumes and profile data are coming soon!

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For More Info: https://trade.travel.gov

Thank you!

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