

The **POWER** of **TRAVEL** **PROMOTION**

What Destination Marketing Means to Communities Nationwide

In today's highly competitive global marketplace, travel destinations require investment in their brand to remain relevant. By investing in effective travel promotion, states and cities attract new visitors, create significant local economic activity and generate crucial tax revenue to support essential services. Without effective promotion, states and cities cede these benefits to competing destinations.

Investing in travel promotion creates a virtuous cycle of economic benefits. Travel promotion generates awareness and creates visitor demand. Travelers visiting a destination spend money at local attractions, hotels, retail, restaurants and on transportation.

- Promotion also improves the quality of life for residents, offering a positive 'halo effect' on perceptions of a destination for potential businesses, residents and visitors alike.
- First impressions matter—research shows that nearly one-third of new residents first visited their communities as tourists.

Travel provides essential support to state and local government.

- Travel generated \$158 billion in total tax revenue, including \$72 billion in state and local tax revenues in 2016.
- Without these travel-generated revenues, each household would pay \$1,250 more in taxes every year.
- Nationwide, travel generated enough tax revenue to cover at least 10 percent of the cost of educating our children in more than half of the 50 states and the District of Columbia.



In 2016, the travel industry generated **\$72 billion** in state and local tax revenue—enough to pay the salaries of:

All 978,000 state and local police and firefighters across the U.S., or

All 1.1 million secondary school teachers,

or

1.2 million (88%) elementary school teachers.

Source: U.S. Travel Association, 2016.



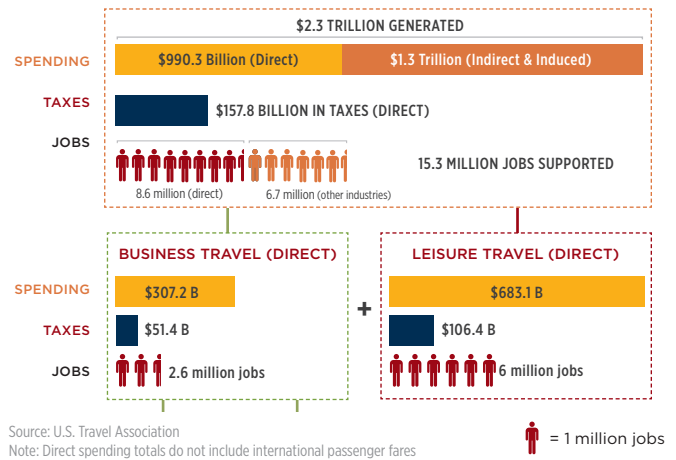
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What Destination Marketing Means to Communities Nationwide (CONTINUED)

Investing in destination marketing drives broad economic growth.

- Supporting more than 15 million Americans—one in nine private-sector jobs— the \$2.3 trillion travel industry is an economic driver and job creator.
- From 2010 to 2015, the travel industry created jobs at a faster rate than the rest of the economy in 47 states and the District of Columbia.
- In 2016, 75.6 international visitors to the U.S. generated \$246 billion in total travel exports directly supporting 1.2 million jobs.

U.S. TRAVEL INDUSTRY IMPACT



KEY TAKEAWAYS

Today, travel remains a central pillar of the U.S. economy. The industry drives economic growth, creates jobs and generates much needed tax revenue for local communities. And while states' and local governments' budgets for tourism promotion fluctuate from year to year, investment in travel promotion never fails to drive new visitors to destinations and deliver economic benefits to communities across the country.

This report offers five key insights on the impact and benefits of travel promotion:

- 1. Travel gives back to local communities.** Travel and tourism creates jobs and generates tax revenue for local communities, which in turn, help pay for important public services.
- 2. Investment in travel promotion helps destinations compete and thrive.** In an increasingly competitive travel market, the destinations that prioritize travel promotion benefit from increased visitation.
- 3. Enhanced travel-related offerings help states and destinations attract visitors and businesses.** Destinations that are able to provide a range of offerings are not only likely to draw more visitors, but also attract new businesses and skilled workers.
- 4. Brand USA boosts tourism to the United States.** Since its inception in 2011, Brand USA has played a major role in marketing the U.S. as a destination and helped bring millions of international travelers to U.S. shores. Destinations partnering with Brand USA have the ability to utilize their existing relationships, platforms and marketing programs to increase their visibility and engagement with potential travelers.
- 5. Decreases in travel promotion investments have an immediate and long-term negative impact.** Time and again, destinations that have reduced their investments in travel promotion have seen a drop in overall visitation and missed out on potential economic benefits.