



USA

VisitTheUSA.com

Brand USA



Brand USA Background Information

China – Travel Marketing & Public Relations Services
December 2018

INTRODUCTION

As the destination marketing organization for the United States, Brand USA's mission is to increase international visitation to the USA in order to fuel the U.S. economy and enhance the image of the United States worldwide. Established by the Travel Promotion Act of 2009 as the nation's first public-private partnership to spearhead a globally coordinated marketing effort to promote the United States as a premier travel destination and to communicate U.S. entry policies, Brand USA began operations in May 2011.

As one of the best levers for driving economic growth, international travel to the United States currently supports 1.8 million American jobs (directly and indirectly) and benefits virtually every sector of the U.S. economy. Brand USA works in close partnership with more than 800 partner organizations to invite the world to explore the exceptional, diverse, and virtually limitless travel experiences and destinations available in the United States of America. According to the studies by Oxford Economics, over the past five years, Brand USA's marketing initiatives have helped welcome 5.4 million incremental visitors to the USA, benefiting the U.S. economy with \$38.4 billion in total economic impact, which has supported, on average, more than 51,000 incremental jobs a year.

Brand USA's operations are supported by a combination of non-federal contributions from destinations, travel brands, and private-sector organizations plus matching funds collected by the U.S. government from international visitors who visit the United States under the Visa Waiver Program. For industry or partner information about Brand USA, please visit TheBrandUSA.com. For information about exceptional and unexpected travel experiences in the United States, please visit Brand USA's consumer website at VisitTheUSA.com.

Brand USA is committed to including diverse firms as an important part of its sourcing and procurement activities. In furtherance and support of this goal, we encourage minority, women and locally-owned firms to pursue business opportunities with us. Minority and women-owned firms who otherwise meet the minimum requirements set forth in this Request for Proposal are encouraged to submit a Notice of Intent to Bid. In addition, Brand USA also seeks to do business with firms that also recognize the value of diversity and inclusion in the composition of their workforce and in their own contracting, subcontracting or teaming activities. We encourage such firms who meet the minimum bidding requirements (regardless of size or ownership) to also submit a Notice of Intent to Bid. Brand USA reserves the right to give weight or allocate bidding credit to diverse firms or those with a demonstrated commitment to inclusion as part of its evaluation process.

WHY DOES A COUNTRY AS POPULAR AS THE USA NEED A MARKETING PROGRAM?

Although the United States remains one of the world's most popular travel destinations, during the first decade of this century, while the global travel market was booming, the USA's share of international travelers declined 28 percent—from 17.2 percent in 2000 to 12.4 percent in 2010. The resulting impact on the U.S. economy was an annual loss of 467,000 jobs and \$606 billion in lost revenue. In addition to being seen as unwelcoming (resulting from increased security measures that came following 9/11) and too familiar, the United States was also one of the world's only industrialized nations without a national tourism board to attract international travelers to its shores in order to fuel the nation's economy by inspiring the world to visit the U.S.A.—to see it again, or for the first time.

With the strength of a national marketing effort from Brand USA now in place, the United States is working to regain its share of the global travel market. By welcoming more international visitors to the USA, Brand USA is supporting U.S. economic growth, helping to spur job creation, and creating a more positive impression of the United States around the world.

WHY IS INTERNATIONAL VISITATION SO IMPORTANT TO THE NATION'S ECONOMY?

International visitation helps local communities.

On average, overseas visitors spend nearly \$4,400 per trip and generate tax revenue in communities across America without burdening local services, such as public schools and fire departments. When international travelers spend this kind of money in our communities, it lessens the tax burden on U.S. citizens.

International visitation supports American jobs and economic growth.

When international visitors come to the U.S.A., the money they spend directly supports about 1.2 million American jobs and added over \$180 billion to the U.S. economy. Overseas arrivals represent around 50% of all international arrivals, yet account for over 85% of total international travel spending. (Source: US Travel Association and NTTO 2016 Data)

International visitation enhances the image of the United States worldwide.

Surveys show that international visitors to the United States are 74 percent more likely to have a favorable view of America and 61 percent more likely to support U.S. policies.

Who Pays for It?

International visitors and private contributions fund the work of Brand USA— no U.S. taxpayer dollars are used to fund Brand USA's marketing efforts. Instead, the organization is supported by contributions from partnering organizations that are matched by fees paid by international travelers to the Electronic System for Travel Authorization (ESTA) program.

ESTA is an automated system implemented by the Department of Homeland Security in 2008 that determines the eligibility of visitors from 38 international markets to travel to the United States under the Visa Waiver Program (VWP). ESTA authorizations are generally valid for multiple trips over a period of two years or until the traveler's passport expires, whichever comes first.

BRAND USA IS BUILDING ON SUCCESS

Brand USA is delivering on a dynamic marketing strategy that includes, but is not limited to, a global advertising campaign, earned media and public relations strategies, a robust social media outreach plan, promotional and incentive campaigns, trade shows and sales missions, and educational campaigns about U.S. entry policies. Brand USA carefully selects its marketing tools and target markets and travelers after vigorous analysis of existing and original market research.

Brand USA with and through the support of more than 800 partners worldwide has made notable progress towards our mission of increasing international visitation to the United States and by all accounts, our efforts are working. Since we began operations in 2011, Brand USA has:

- Generated 5.4 million incremental international visitors to the USA over the past five years, which has benefited the U.S. economy with \$38.4 billion in total economic impact and supported, on average, more than 51,000 incremental jobs a year (source: Oxford Economics).
- Established consumer and trade marketing initiatives in more than 40 international markets, which generate 90 percent of all inbound travel to the United States.
- Continued to execute the USA consumer campaign in 14 markets (Australia, Brazil, Canada, Chile, China, Colombia, France, Germany, India, Japan, Mexico, South Korea, Sweden, and the United Kingdom). In total, these markets generate more than 80 percent of all international visitation to the United States.

- Leveraged \$52.5 million in contributed media from 35 global media partners, plus an additional \$5.7 million of in-kind contributions, to promote travel to the USA directly to consumers in numerous international markets. This compares to \$49 million in contributed media from 29 global media partners in FY2016.
- Generated \$110 million in industry contributions, including cash contributions of \$43.5 million (compared to \$53 million in FY2016) and in-kind contributions of \$66.3 million (compared to \$47 million in FY2016) in recognized revenue—representing 40 percent in cash contributions and 60 percent in in-kind contributions for the year.
- Maintained a partnership program retention rate of 94 percent in FY2017.
- Kept overhead expenses to below 10 percent each year since our founding—devoting more than 90 percent of Brand USA's resources toward marketing and programs to increase international visitation.