BRAND USA

NEWS RELEASE

Brand USA seeing results as it markets United States to international travelers

June 19, 2017

Study shows efforts have infused U.S. economy with $29.5 billion over past four years

WASHINGTON, DC – Brand USA, the destination marketing organization for the United States—with a mission to increase international visitation, spend, and market share has announced its positive impact on U.S. international arrivals and the U.S. economy. Brand USA launched operations in 2011 with the support of 89 partners representing various segments of the U.S. travel and tourism industry. To date, it had has worked in partnership with more than 700 organizations worldwide.

Now, with the investments of its ever-expanding partner network, Brand USA has used a variety of marketing programs – over the past four years – to generate 4.3 million incremental international visitors to the United States, which, in turn, injected $29.5 billion into the U.S. economy during that span of time, according to a recent study by Oxford Economics, an independent research firm based in Oxford, England.

The Oxford study also showed that this enhanced flow of international visitors accounted for $13.6 billion in incremental spending, while producing nearly $3.9 billion in federal, state, and local taxes, and supporting an average of 51,000 incremental jobs each of those four years.

“Raising the level of inbound tourism to the United States is one of the best ways to propel economic growth and create jobs,” said Christopher L. Thompson, Brand USA president and CEO. “Travel is the number-one service export for our country. It represents 33 percent of all U.S. service exports, and 11 percent of our total exports.”

Brand USA’s origin as a public-private partnership with a mission to lead the national effort to market the United States as a premier global travel destination coincides with the National Travel and Tourism Strategy, established in 2012 by then-President Obama. The goal of this initiative is to welcome at least 100 million international visitors to the United States every year, starting in 2021. By attaining this level of inbound visitation, more U.S. jobs would be created as the tourism sector expands and fuels the national economy.

Thompson said the number of international travelers – who come from countries where Brand USA actively markets U.S. travel – is growing at a swifter pace than overall international visitation. “We are seeing tangible results from our multi-dimensional approach to marketing the United States.

Brand USA uses an array of brand marketing, public relations, travel-trade outreach and cooperative-marketing programs, he said. “And, our line-up of programs and opportunities make it possible for all of our partners – large and small – to leverage Brand USA marketing well beyond what they could do on their own.”

These varied marketing campaigns are designed to promote all 50 states, the District of Columbia and the five U.S. territories as destinations for international travelers, Thompson said. The campaigns spotlight both urban and rural areas, including places that are beyond traditional gateway destinations.

Brand USA funds its operations through a combination of non-federal contributions by its partners – a network that includes destination-marketing organizations, travel brands and private-sector companies – and matching funds that the U.S. government collects from international visitors who come to the United States through the Visa Waiver Program.

Benchmarks for effective marketing

Brand USA has attained numerous benchmarks that align with its success in marketing the United States to travelers around the world. It uses three primary types of marketing: direct to consumer (USA Campaign); cooperative marketing (for partners); and travel-trade outreach (promotional programs through influential tour operators and travel agents). Cooperative-marketing programs (approximately

100) make up the largest segment of Brand USA's promotional efforts.

Highlighted achievements in 2016 include these indicators of marketing effectiveness:

- Significant increases occurred in the measured rates of "intent to visit the United States," ranging from 7 percent among international travelers from China to 99 percent among travelers from Mexico.
- A new Brand USA website led to a 17-percent increase in page views, a 24-percent rise in the average duration of visits to the site and a 13-percent decrease in the bounce rate.
- Innovative marketing campaigns generated 360.6 million social engagements (i.e., comments, likes, shares and video views, which was a 46-percent hike over the number of social engagements the previous year.
- Brand USA has adhered to its policy of keeping overhead expenses below 10 percent each year. This allows Brand USA to allocate at least 90 percent of its resources toward marketing efforts that are designed to increase inbound international visitation to the United States.

Expanding marketing reach

Highlighted achievements reflecting Brand USA's expanding marketing reach include:

- The USA consumer campaign was implemented in 11 global markets in 2014, 12 markets a year later, and 14 markets in 2016. These 14 markets generate more than 80 percent of all international visitation to the United States. This year, the campaign will be in a total of 16 markets.
- Brand USA hosted three of its signature MegaFams, or large-scale U.S. familiarization trips for international travel agents from designated markets. Agents who participate in these trips tend to increase their bookings to U.S. destinations when they return home, Thompson said. The 2016 MegaFams allowed 233 agents from three markets to experience 86 U.S. cities.
- Brand USA also hosted two sales missions (to India and China), which allowed 91 representatives of U.S. tourism-industry companies and organizations to promote their brands and destinations to more than 730 travel buyers in the two countries.
- The USA Discovery Program – Brand USA's online-training platform for international travel agents – became available in Brazil and China, along with a global version for a variety of international markets. More than 12,000 agents in eight markets around the world have registered for the Discovery program, which uses a series of modules to introduce U.S. travel themes and destinations to the agents.
- The Brand USA travel inspiration guide – with a targeted distribution of 580,600 print copies – is available in nine languages and 21 global markets.
- Brand USA partners have access to 14 multi-channel, cooperative-marketing programs in 10 international markets. More than 100 individual partners participated in these programs an average of 2.5 times.

Giant-screen film

Feature films are another part of Brand USA's marketing portfolio. During 2016, in partnership with MacGillivray Freeman Films, Brand USA released "National Parks Adventure" – a cinematic tribute to the National Park Service centennial. This award-winning documentary was screened at IMAX theaters in more than 100 cities worldwide. The film led to these accomplishments:

- Surveys conducted by MacGillivray Freeman showed that 81 percent of international viewers of the film said they were much more likely or somewhat more likely to visit the USA as a result of watching the film. Also, 62 percent said they were more likely to visit the USA rather than another destination as a result of viewing the film.
- Public-relations campaigns for the film garnered more than 4,000 pieces of earned media, and over 7 billion global media impressions.
- Viewership exceeded an initial estimate of 4 million viewers, which generated more than $44 million in advertising value prior to the end of the film's run in theaters around the world.
- "National Parks Adventure" became the highest-grossing documentary film (both giant-screen and Hollywood productions) of 2016. The Giant Screen Cinema Association also named it as the year's best short-subject film, and recognized it for top achievement awards in cinematography, original score, sound design and distributor marketing.

Partnerships, industry engagement

"Since beginning operations six years ago, we have dedicated our efforts to consistently developing programs and opportunities for our network of partners," Brand USA's Thompson said. "We have also steadily focused on maintaining a leadership presence in the industry."

Here is a sampling of how Brand USA has been involved in those pursuits:

- Partner programs with cooperative-marketing (

- The programs have generated more than $100 million in industry contributions. This includes cash contributions of $53 million (53 percent of all contributions) and in-kind contributions of $47 million in recognized revenue (47 percent of all contributions).
- Brand USA has maintained a 90-percent or higher partner-program retention rate each year.
- In 2016, Brand USA received a 96-percent rating in its annual partner-satisfaction survey, with 7 out of 10 partners saying they strongly agree, and 27 percent saying they slightly agree, with this statement: “Brand USA’s partnership provides value to my organization.”
- The number of state and regional destination partners participating in Brand USA cooperative-marketing programs jumped by more than 50 percent – from 32 partners in 2015 to 50 in 2016. These partners include organizations representing 30 states, the District of Columbia and the U.S. Virgin Islands.

###

About Brand USA
Brand USA is the nation’s destination marketing organization, dedicated to attracting legitimate international inbound travel to strengthen the U.S. economy, increase exports, create quality jobs, and promote community prosperity. By running data-driven campaigns and unifying messaging across industry and government, Brand USA positions the United States as a top global destination while providing current visa and entry information.

Over the past 13 years Brand USA has driven 11.3 million additional international visitors who spent $38.1 billion in the United States, leading to $82.9 billion in total economic impact and sustaining an average of more than 40,000 jobs each year. These efforts have generated nearly $11 billion in attributable tax receipts at the federal, state, and local levels.