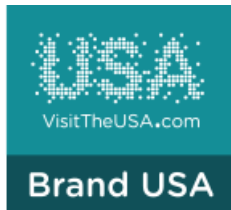


Brand USA Background Information

Germany – Travel Marketing & Public Relations Services
April 2017



Request for Proposals: Travel Marketing & Public Relations Services in Germany

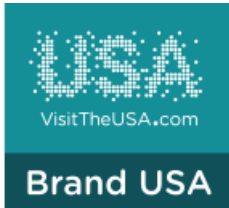
INTRODUCTION

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 and visa policy, 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 600 partner organizations to invite the world to explore the exceptional, diverse, and virtually limitless travel experiences available in the United States of America. According to studies by Oxford Economics, over the past three years Brand USA's marketing initiatives have helped welcome more than three million incremental visitors to the USA, benefiting the U.S. economy with nearly \$21 billion in total economic impact, which has supported, on average, 50,000 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 governed by an 11-member Board of Directors. Each director is appointed by the U.S. Secretary of Commerce. Each director represents a sector of the travel and tourism industry as identified by the Travel Promotion Act. The executive leadership team possesses strong expertise and experience in the travel, tourism, and advertising industries.

Brand USA delivers a dynamic marketing program 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



Request for Proposals: Travel Marketing & Public Relations Services in Germany

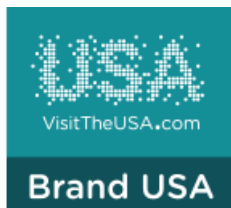
policies. Brand USA carefully selected its marketing tools and target audience after vigorous analysis of existing and original market research.

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 Proposals (RFP) 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 37 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 and too familiar, the USA 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 USA—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 has begun 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 USA around the world.



Request for Proposals: Travel Marketing & Public Relations Services in Germany

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

International visitation helps local communities.

On average, each overseas traveler to the USA spends approximately \$4,300 per trip and generates tax revenue in communities across the USA 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.

In 2015, the 77.5 million international travelers who visited the U.S. spent a record \$246 billion on goods and services, supporting 2.2 million U.S. jobs, including 1.1 million jobs directly generated from international visitor travel-related spending.

(Source: US Travel Association and NTTO 2015 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.

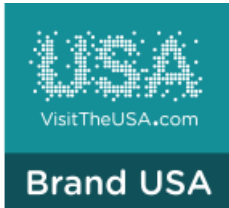
(Source: US Travel Association)

Who Pays for It?

Half of Brand USA's budget is funded by contributions from non-Federal sources with matching funds provided by a \$10 fee paid by travelers from markets that do not require most travelers to have a visa to enter the USA. These markets are designated as visa-waiver countries. As a result, U.S. taxpayers contribute \$0 toward Brand USA's marketing efforts.

HOW DOES IT WORK?

Each year, Brand USA deploys a number of market-driven platforms and programs to increase inbound visitor travel to the United States and drive tourism dollars to communities in all 50 states, the District of Columbia, and the five territories. These ongoing programs included the USA Campaign (direct to consumer high-profile marketing initiatives), cooperative marketing opportunities (providing



Request for Proposals: Travel Marketing & Public Relations Services in Germany

opportunities to amplify our partners marketing initiatives in cooperation with Brand USA), trade outreach initiatives (B2B initiatives to promote travel to the USA through influential travel trade), and public relations outreach that, in total, promoted the United States in its entirety and added and created value for our partners.

The USA Campaign (direct to consumer)

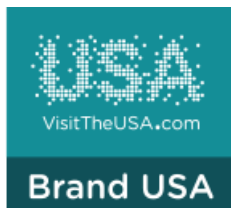
The USA campaign, which includes any combination of macro-level promotion and advertising messages via broadcast, out-of-home, print, online video, and digital/social marketing channels, plus public relations efforts to generate earned media, has been fundamental to Brand USA's ability to create broad-based awareness and inspire travel to the United States.

Cooperative Marketing

Our consumer-focused cooperative marketing platforms and programs make up the majority of our marketing efforts and deliver an array of marketing initiatives to drive awareness and engage international travelers to support the ultimate objective of increasing international visitation and spend. Brand USA offers approximately 100 cooperative marketing programs that provide opportunities for partners of all shapes and sizes and are an important way we promote travel experiences in the United States to, through, and beyond the gateways. Brand USA has two major cooperative marketing programs: Brand USA Originals and Brand USA Affinity Programs.

Travel Trade Outreach

Brand USA's travel trade outreach programs consist of business-to-business activities to promote the USA to consumers through the influential travel trade in key source markets. Brand USA offers U.S. destinations, attractions, and travel brands the opportunity to connect with key travel trade influencers who promote and book travel to the USA. From access to thousands of leading travel buyers and influencers at USA-branded pavilions during large-scale trade shows, to the opportunity to connect with travel professionals one-on-one during sales missions, to our ever-popular MegaFam trips, to public relations efforts promoting U.S. destinations, travel brands and attractions to, through and beyond the



Request for Proposals: Travel Marketing & Public Relations Services in Germany

gateways, Brand USA's trade outreach programs inform and motivate travel buyers around the world to book travel to the United States.

Media and Public Relations

Media and public relations are an integral part of Brand USA's ability to increase awareness of the USA as a premier travel destination and to communicate Brand USA programs and results. These efforts help amplify trade and consumer marketing efforts, as well as communicate U.S. visa and entry policy and correct misperceptions about those policies.

In addition, to support our core travel trade marketing strategies, Brand USA works with Visit USA committees, travel and tourism advisory boards, U.S. Commercial Service and embassy teams around the globe that help expand and enhance our efforts.

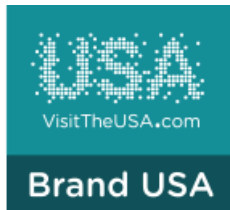
BRAND USA IS BUILDING ON SUCCESS

With the support of its many partners worldwide, Brand USA has grown from a start-up organization (that launched its first full year in operation in 2012 with just 89 partners) to an organization that has worked with and been supported by over 600 partners worldwide.

Here is some of what we've accomplished with the support of our partners since we began operations in 2011¹:

- Established consumer and trade marketing initiatives in more than 30 international markets, which generate 90% of all inbound travel to the United States
- Expanded our USA consumer campaign to 16 key markets that generate more than 85% of the United States' international visitors
- Significantly increased the effectiveness of our consumer campaigns during FY2015 that helped drive increases in international traveler intent to visit the USA ranging from 47% to as high as 171%

¹ Brand USA internal data unless otherwise noted



Request for Proposals: Travel Marketing & Public Relations Services in Germany

- Established the nation's largest in-market representation network to work directly with the international travel trade in 20 top travel markets
- More than tripled our program offerings over the past three years, with cooperative marketing opportunities that add or create demonstrated value for partners
- Earned and maintained a 90% or higher partner program retention rate each year
- Earned a 92% rating on our annual partner satisfaction survey, with 74.5% of partners saying they strongly agree and 17.6% saying they slightly agree with the statement "Brand USA's partnership provides value to my organization."
- Expanded our partner base from 89 core partners in our first year in operation to nearly 600 through fiscal year 2015
- Devoted more than 90% of Brand USA's resources toward marketing the USA by keeping our overhead to less than approximately 10% each year

By all these measures and more, Brand USA's marketing efforts are working—effectively and efficiently.

In fact, according to studies by Oxford Economics, in the past three years alone (fiscal years 2013 through 2015), Brand USA's marketing initiatives are responsible for welcoming more than three million incremental visitors to the USA, benefiting the U.S. economy with more than \$9.5 billion in spending; \$3 billion in federal, state, and local taxes; and \$21 billion in total economic impact, which has supported, on average, nearly 50,000 incremental jobs per year.