



UNITED STATES TRAVEL AND TOURISM ADVISORY BOARD

November 20, 2015

The Honorable Penny Pritzker
Secretary of Commerce
U.S. Department of Commerce
1401 Constitution Avenue, NW
Washington, DC 20230

Dear Secretary Pritzker:

On behalf of the United States Travel and Tourism Advisory Board, we respectfully submit this letter. We have been working to formulate relevant, measurable, and attainable goals to support the efforts of the Department of Commerce and advance President Barack Obama's National Travel & Tourism Strategy. This particular recommendation is aimed at stimulating domestic travel, including leisure travel and business travel, such as for meetings and conventions, and has been the subject of much discussion by the full board. As the discussions have evolved, so too has this letter.

The charter of the U.S. Department of Commerce Travel and Tourism Advisory Board states that the board shall "advise the Secretary on matters relating to the U.S. travel and tourism industry." Since its founding, the board has focused the majority of its attention on the important issue of attracting international visitation to the United States. Indeed, the charter was created in response to the decline in international visitors that occurred in the aftermath of the tragic events of September 11, 2001. Hence, the members of the first board created a series of recommendations entitled "Restoring America's Travel Brand: The National Strategy to Compete for International Visitors." These recommendations have had a profound and positive impact on the United States' travel and tourism economy.

However, as is stated in the National Travel and Tourism Strategy, "We will also encourage Americans to travel within the United States and its territories to see all that our country has to offer." This second goal of the Strategy has been a priority for Travel and Tourism Advisory Boards as well as demonstrated by a recommendation to Secretary Kerry dated June 10, 2013 which stated: "We must elevate this second goal of encouraging more Americans to travel. We call upon the Tourism Policy Council with the direct involvement and input of the Travel and Tourism Advisory Board to set forth at least one specific and measurable goal that all of us, the public and private sector can use together to encourage Americans to travel throughout the U.S."

Accordingly, our recommendation is to build and implement a sustainable campaign aimed at driving significant increases in domestic tourism across all 50 states, U.S. territories, and

the District of Columbia. Recognizing the positive economic impact of developing a robust domestic tourism industry, the U.S. Travel and Tourism Advisory Board recommends that the Secretary of Commerce, as the head of the National Tourism Policy Council, lead a collaborative inter-agency initiative for advancing this mission. A successful domestic tourism program will require strong inter-agency collaboration, as well as direct engagement with private sector stakeholders, industry associations, and thought leaders.

With job creation and economic growth at the top of the Administration's agenda, we note that domestic spending on travel within the United States in 2013 was more than \$706 billion, the most recent figure available. Total tourism-related employment in the United States supported 7.9 million jobs in 2014. In turn, U.S. residents spent more than \$146 billion abroad in 2014 on travel and tourism-related goods and services.

Linked to our key recommendation are specific strategies outlined below. They include:

1. **Establish a domestic tourism dashboard, and aggregate and facilitate data to ensure continual progress on the domestic tourism conversation.** This includes transmitting, celebrating and promoting data throughout the United States. It is broadly recognized that we can't manage or change what we don't measure. A domestic tourism dashboard would give us a tool and a mechanism to measure metrics such as direct, indirect, and induced economic impacts, and compilations of industry data from both the public and private sectors, including federal, tribal and state agencies involved in tourism. It would also provide a framework to make the data available to those who need it. Additionally, a domestic tourism dashboard would serve to inform risk and resource allocation to help ensure the rapid pace of growth in domestic travel and tourism does not compromise the integrity of the very characteristics that prompt Americans to visit more of America and draw visitors to America — its unique environmental and cultural attributes.

While there is no shortage of sources of relevant data, there is a shortage of aggregated and accessible data. States and tourism agencies measure domestic tourism economics, and other countries utilize sophisticated measurements to monitor their important domestic tourism market. For example, New York reported in 2012 that U.S. domestic markets supplied 70 percent (\$40 billion) of the state's traveler spending base. In 2013, California reported 227.2 million domestic person-trips, of which 184.2 million were taken for leisure. Australia derives 76 percent of total tourism revenue from domestic travelers, and this market is of such importance to its economy that Tourism Research Australia established a metrics-driven approach called the Total Domestic Economic Value (TDEV).

In addition to state and federal sources, we recommend requesting that a third party, such as the U.S. Travel Association, collect available data from local convention and visitor bureaus, state tourism offices, tribal welcome centers, economic development agencies and chambers of commerce, U.S. Travel Association, the International Air Transport Association (IATA), the World Travel and Tourism Council (WTTC), online booking sites and travel agents, industry trade groups, and other key partners.

2. **Create the first-ever Domestic Tourism Summit.** A national roundtable would be the foundation for the conversation between private sector, industry, and Tourism Policy Council members regarding the benefits of domestic travel, as well as the economic, social, and environmental indicators that should be measured. The roundtable meeting would be funded through private enterprise, and would allow the Department of Commerce to have a forum to understand the importance of domestic tourism and engage on the topic at a significant leadership level. We appreciate that similar travel roundtables may already take place in the U.S., and as an alternative we first recommend adding “domestic travel” as an agenda item to an existing forum, if it is feasible. Such an alternative could lead to the dedicated roundtable in the future.

3. **Promote the multiple economic, social, and multi-cultural benefits of domestic travel and tourism—with included focus on diverse populations—to communities to attract visitors, and to our citizens through the National Travel and Tourism Office.** We recommend capturing and marketing the sentiment that travel and tourism can drive a healthy environment and economic, social, and cultural well-being. Taking vacations, spending more time outdoors, and exploring our federal recreation areas enhances health and wellness, strengthens family bonds, increases performance and fulfillment at work, and improves academic performance, all while driving economic value and the protection of our natural and cultural heritage attractions.

4. **Bring to light the importance of minority and cultural sectors in domestic tourism.** The U.S. Census Bureau projects that the overall minority population will rise to 56 percent of the total population in 2060, and aggregates data for Hispanic, Black/African American, American Indian/Alaskan Native, Asian, and Native Hawaiian/Pacific Islander populations. Despite projections of growth for each of these populations, there exists little data on their travel and tourism preferences. The significance of these markets should not be underestimated; the Census Bureau reports that Hispanics will make up nearly 29 percent of the population by 2060, and Nielsen reports that they currently have \$1.4 trillion in spending power. We recommend that the National Travel and Tourism Office work with a third party partner, such as the U.S. Travel Association, to engage in data collection, tourism research, and marketing efforts that are specific to diverse populations in the U.S. Specifically, we recommend that the Department of Commerce work with federal agencies to develop verified data, from federal sources, relating to different sectors of visitors’ experiences, including visits to tribal lands. Finally, all of these efforts should take into account the diversity of travelling tastes, party size and makeup, and culturally relevant activities.

We believe the recommendations and strategies contained within this document are achievable and would serve to enhance and grow the travel and tourism industry in the United States. Most importantly, they are immediately actionable. Additional information regarding proposed messaging is presented in the attached Addendum.

We thank you for the continued opportunity to serve as members of the U.S. Travel and Tourism Advisory Board, and we look forward to our continued work together.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "S. Gilliland".

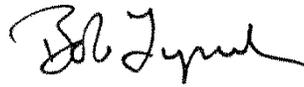
Sam Gilliland
Chair

A handwritten signature in black ink, appearing to read "John Sprouls".

John Sprouls
Vice Chair

A handwritten signature in blue ink, appearing to read "Jerry Jacobs Jr".

Jerry Jacobs Jr
Co-Chair, Cultural and Natural Heritage
Subcommittee

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Robert Lynch
Co-Chair, Cultural and Natural Heritage
Subcommittee

Addendum

- **Arts strengthen the economy.** In January 2015, the U.S. Bureau of Economic Analysis reported that the arts and culture sector is a \$699 billion industry in the U.S., which represents [4.3 percent of the nation's GDP](#)—a larger share of the economy than tourism and transportation. (Note that this includes a range of arts sectors such as fine arts, museums, film, publishing, and architecture.) [Arts & Cultural Production Satellite Account, Department of Commerce, 2015]
- **National parks drive tourism and are also a significant job supporter.** National park visitors contributed \$26.5 billion to the nation's economy and supported almost 240,000 jobs in 2013, according to a peer-reviewed report released by National Park Service.
- **Arts drive tourism, which helps to drive the protection of our cultural heritage.** [Arts travelers are ideal tourists, staying longer and spending more](#) to seek out authentic cultural experiences. The U.S. Department of Commerce reports that the percentage of international travelers including museum visits on their trip has grown steadily since 2003 (18 to 28 percent). The share attending concerts and theater performances has grown from 14 to 18 percent since 2003.
- **National Parks help drive the preservation of our natural heritage.** A total of 292.8 million NPS recreation visits to our National Parks were reported in the 2014 NPS Statistical Abstract. This resulted in expenditures of \$978.2 on NPS lodging and camp grounds alone, the proceeds of which help support the NPS' mandate to preserve and protect our National Parks.
- **American Indians enrich and expand the American cultural heritage landscape.** There is currently not a measurement system in place to gauge the impact of domestic travel and tourism in Indian Country. However, overseas visitors to Indian Country typically stay longer, are more likely to be here for a leisure trip, visit more destinations, and use more types of domestic transportation options than other overseas travelers to the U.S.