

WSTPC 2007 ISSUE PAPER

INTERNATIONAL TOURISM MARKETING

BACKGROUND: Since the 1995 demise of the U.S. Travel and Tourism Administration, the United States has been the only western industrialized nation without a national tourism agency to market the country as an international tourism destination and the U.S. share of the global tourism market has slowly but steadily declined. Overseas travel to the U.S. declined steadily prior to 9/11 and the decline has worsened since then. This has meant lost substantial revenue and lost jobs to the U.S., made even worse by the fact that international visitors typically stay longer and spend more on their vacation trips than do Americans. The absence of a meaningful U.S. international marketing effort and increased marketing by our major international competitors have been major reasons for this decline.

In September, 2006, the Department of Commerce's U.S. Travel and Tourism Advisory Board published *Restoring America's Travel Brand: A National Strategy to Compete for International Visitors*. In January, 2007, the new Discover America Partnership (DAP) (formed in September, 2006, by the Travel Industry Association, the Travel Business Roundtable (TBR) and other industry corporations) published *A Blueprint to Discover America* to advocate modernizing and securing U.S. ports of entry for more recreational and business travel and a national marketing campaign to increase international visitation to the U.S. A major industry national public relations campaign is underway in support of these goals.

Three 2007 Congressional hearings have considered these issues. On January 31st and March 20th the Senate Commerce, Transportation and Science Committee held hearings where industry leaders decried the declining share of global tourism and urged action to improve the facilitation of international travel and the establishment of a marketing campaign to attract more visitors. Tourism Subcommittee Chairman Byron Dorgan (D-ND) has pledged to draft legislation aimed at these problems. Also on March 20th, the House Foreign Affairs Subcommittee on International Organizations heard testimony from the TBR and DAP affirming that travel and tourism is America's greatest tool for combating its increasingly negative image around the world.

ISSUES: Should the Federal government establish an international tourism marketing program?

What will be source(s) of funding for such a program?

What will be the role of the private sector in funding and implementing such a program?

IMPORT: International visitors are a major component of the tourism industry in the West where their expenditures help support jobs and state and local economies.

STATUS & OUTLOOK: The outlook is uncertain because the Administration and some in Congress do not support Federal funding for such an international tourism marketing campaign.

WSTPC POSITION: The WSTPC strongly supports Federal support for a public-private international tourism marketing campaign. The WSTPC further urges that such an international tourism marketing campaign include an active, positive role for state tourism offices and also promote tourism in rural America. The WSTPC further supports Federal funding for a robust research program in conjunction with such a marketing campaign.

5/3/07

