

The background of the slide is a close-up, slightly blurred image of the United States flag, showing the stars and stripes in detail. The flag is waving, creating a sense of movement. The colors are vibrant, with a deep blue field for the stars and bright red and white stripes.

The United States of
America:
Travel Promotion
Campaign

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Executive Summary

The United States (U.S.) is experiencing a crisis in the decline of overseas travel. The travel industry brings billions of dollars to the American economy.

Since 2000, overseas travel to the U.S. has declined by 17%. This decline has cost 16 million jobs, \$94 billion in visitor spending and \$16 million in tax receipts. While overseas travel has increased among other countries, the United States continues to lose overseas travelers and falls from second to the third most traveled country in the world.

In order to better understand the travel origins and importance of the travel industry to the American economy, the situation analysis gives a brief history of the travel and tourism industry.

The history is followed by factors that affect the industry. Those factors include seasonality, growth potential and product life cycle, forecast, legal and regulatory issues and cultural considerations.

The client and competitor profile gives insight into the U.S. advertising budgets, habituation of overseas travelers and consumer spending and perceptions of America among other countries.

Next, the SWOT analysis shows the strengths, weaknesses, opportunities and threats of the U.S. travel and tourism industry.

The literature review provides insight into the sources used to distinguish problems by analyzing surveys and statistics, and understanding various needs within the U.S. travel and tourism

industry. The review consists of an overview of the book, *America Against the World* by Andrew Kohut and Bruce Stokes, the Pew Survey Web site, a chapter written by Dr. Lisa Fall and Heather Epkins outlining post 9/11 problems within U.S. public relations strategies and the TIA Web site.

The final part of the case analysis is the campaign proposal. The proposal describes the goals, target audiences, strategies, objectives and tactics recommended to address the crisis of the decline in overseas travel to the United States.

In conclusion, this campaign proposal uses primary data to analyze the United States travel industry and the factors leading to the decline of travel to America.

Industry Overview

Brief History

The travel and tourism industry in the United States generates \$740 billion in direct revenue. The majority of states within the U.S. rank travel and tourism among its top ten industries for employment. The U.S. travel industry directly employs 7.5 million workers. The Travel Industry Association (TIA) is a national non-profit organization with more than 2,000 members that represent all aspects of the American travel industry. Those aspects include theme parks, rental car companies, restaurants, airlines and resorts. The organization's mission statement is, "To promote and facilitate increased travel to and within the United States." Also, the main goal of the organization is "To strengthen America's image around the globe by demonstrating the power of travel."

The travel industry was the first industry to feel the impact of 9/11. Since 2000, the United States has lost more than 2 million travelers, while other countries have experienced a 28% increase in

travelers. Due to the lack of tourists, the U.S. has suffered a negative balance of trade, higher unemployment rate and significant loss of revenue.

Seasonality

Vacation is the main reason for travel. An average American receives 13 days of vacation per year. Yet, one third do not take their full vacation time. This trend occurs in Britain and France as well. Also, many private sector organizations do not offer paid vacation. The Bureau of Labor Statistics recently reported that American intention to take a vacation in the next six months is at a 30-year low. Only 39% of Americans agreed that they would take a vacation in the next six months.

Forecast

The current forecast for the travel and tourism industry in the United States is positive. The TIA plans to implement a campaign that will increase the number of

overseas travelers, improve America's image abroad and create a single, unified, well-communicated message.

Growth Potential and Product Life Cycle

Currently, the U.S. travel and tourism industry is in decline. Since 2000, the U.S. has experienced a "drought" in overseas travelers. However, international travel, when Mexican and Canadian travelers are included, is projected to rise six percent in the next year. Canada is the largest source of international visitation for the U.S. In 2006, Canadian visitors spent more than \$13 billion in the U.S. retail market. Nonetheless, overseas travelers are a larger source of revenue for the U.S. Visitors from Western Europe and Japan spend an average of \$4,000 per person per trip.

Legal and Regulatory Issues

The Travel Promotion Act of 2007 addresses America's travel crisis. It would create a solid communication and promotion campaign toward global competition. In order to fully address the decline in overseas travelers, Congress must enact the Travel Promotion Act.

Congress has expanded the Visa Waiver Program. The Visa Waiver Program expansion will help the U.S. welcome millions more visitors each year.

Also, the House passed H.R. 2764 to help those having trouble meeting the 30-day visa processing standard. H.R. 2764 improves visa access in areas with excessive travel distances by developing videoconference interviews.

Despite promotions to encourage travel, negative immigration issues have further added to the "unwelcoming" perception of the U.S. Many lawmakers are unaware of the tourism crisis and the strain it has placed on the global market share.

Societal and Cultural Issues

The current travel crisis can be traced to the lack of foreign policies during the eight-year term of George W. Bush. The overall positive perception of the U.S. among other countries has decreased from the Clinton administration to the Bush administration. The new perception is that Americans' are rude, unfriendly, and unwelcoming. The 9/11 attacks and declaration of war on terrorism fueled even more negative perceptions.

Client Profile

The United States consists of 50 individual states that cover an area of roughly nine million square miles. The United States has unparalleled wealth, unrivaled military power, a unique immigrant heritage and is equipped with land and natural resources that other nations do not have. The United States lies in the third largest continent, North America, and in 2007, was the third most visited country in the world.

In 2007, The United States received more

than 24 million visitors that created \$7.4 billion for the American economy. The top five most visited states by overseas travelers are Nevada, California, Florida, California, New York and Washington D.C.

However, since 2000, overseas travel has declined by 17%. The U.S. is a popular country to visit but it spends less than \$4 million on international advertising, which is drastically less than competing nation's advertising budgets. The United States is expected to fall from the third most visited country in the world to fourth in 2008.

Some reasons for the decline in overseas travelers are the negative perceptions and attitudes about the U.S. among other countries. The combination of foreign policy and circumstance has sparked a widespread resentment of America and anti-Americanism around the world. Foreigners perception of American views on business, religion, military force and globalization has received negative criticism since 2000. Because of this scrutiny, overseas travelers perceive Americans to be rude and unwelcoming.

Consumer Analysis

Demographics

The number of overseas travelers visiting the U.S. has decreased significantly (8%) from 2000 to 2007. In 2000, the U.S. welcomed almost 26 million overseas visitors, compared to 24 million in 2007. Moreover, while the U.S. experienced a loss of 2 million visitors from 2000 to 2007, worldwide overseas travelers have increased by 35 million during this period. Figure 1.1 shows the decline in overseas visitors to the United States from 1997 to 2007.

The U.S. experienced a decrease in tourism in the following countries from 2000 to 2007: Great Britain (4%), Japan

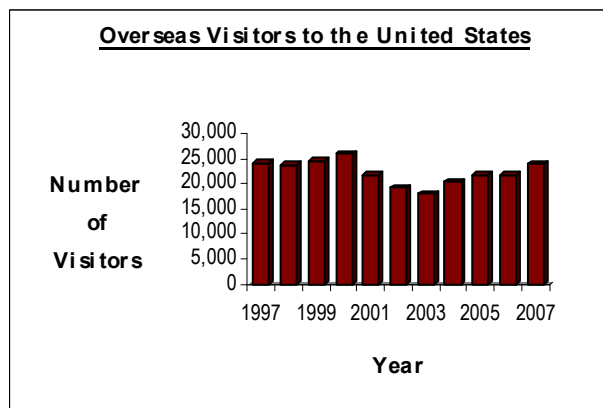


Figure 1.1

(30%), German (15%), France (8%), the Netherlands (8%) and Brazil (13%). The U.S. is predicted to fall from the third to the fourth most visited country in the world behind France, Spain and China.

Psychographics

The U.S. is viewed as an isolationist nation in most parts of the world. Lack of communication and foreign diplomacy during the Bush administration has sullied the reputation of America and its citizens, causing overseas travelers to find other vacation destinations not including America. From 2000 to 2008, only five countries have increased their positive perspectives of the U.S.

The international media has aided in the decline of America's reputation. International visitors to the U.S. have been quoted in the news in saying they were "treated like criminals" and subject to "strip searches." In a 2006 DAP poll, international travelers called the U.S. "the

most unfriendly to international travelers," ranking below Africa and the Middle East. The poll revealed that 9 out of 10 international travelers to the U.S. return home and tell their friends and family about their experiences. This is why it is imperative that their trip is not only pleasant, but that visitors leave with a good impression of the American people. Figure 1.2 shows various countries and their favorable opinion of the United States from 1999-2005.

Country	99-00	02	02	04	05
Great Britain	83%	75%	70%	58%	55%
Netherlands	-	-	-	-	45%
France	62%	63%	43%	37%	43%
Germany	78%	61%	45%	38%	41%
Spain	50%	-	38%	-	41%
Russia	37%	61%	36%	47%	52%
Pakistan	23%	10%	13%	21%	23%
India	-	54%	-	-	71%
China	-	-	-	-	42%

Figure 1.2

Competition Analysis

For the past two years, France and Spain have been the number one and number two most visited countries in the world (Figure 1.4). The United States has followed in third place in 2006 and 2007. However, in 2008, the United States is predicted to fall to the fourth most visited country in the world. What allows France and Spain to have the greatest number of visitors each year?

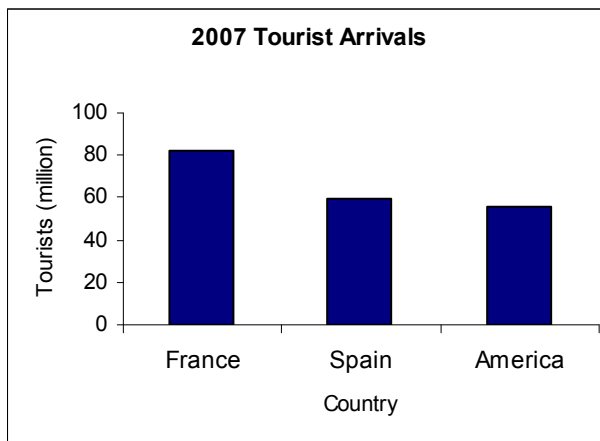


Figure 1.4

spent a total of \$63 million in promotional spending last year. Paris, France is the most popular city to visit in the world with more than 30 million visitors each year. France boasts many of the world's most popular tourist attractions. Five of the top 20 most visited tourist attractions, according to *Forbes Traveler*, are located in France as well.

France and Spain have key influences that promote its country in a positive light. Both countries offer a stable GDP, minimal

1.3). The fact that these countries are backed with a high level of government office devoted to competing for international travelers along with other factors help makes France and Spain the top two most visited countries in the world.

The Notre Dame de Paris, Disneyland Paris, Basilique du Sacre-Coeur de Montmartre, Musee du Louvre and Eiffel Tower all earned spots on the top 20 list.

National Advertising Budgets (millions)	
Greece	\$152
Mexico	\$149
Spain	\$120
Australia	\$113
France	\$63
America	\$4

travel distances involved within each country and an abundance of reliable visitor statistics. Also, each country has a higher marketing budget (Figure

France

France welcomed more than 82 million tourist arrivals in 2007. It

Spain

Spain received more than 59 million tourist arrivals in 2007 and spent

more than \$120 million on advertising. It has something to offer everyone with its different scenic locations, including its coasts, national parks and beautiful cities that are rich with the history of the country.

Figure 1.3

SWOT Analysis

<p style="text-align: center;"><u>STRENGTHS</u></p> <ul style="list-style-type: none"> • Diverse attractions • American “legacy of freedom” • Experience the essence of America’s cultural “melting pot” • Weak dollar value creates positive exchange rate 	<p style="text-align: center;"><u>OPPORTUNITIES</u></p> <ul style="list-style-type: none"> • Tourism helps the economy by: <ul style="list-style-type: none"> - providing jobs - increasing tourism spending - taxes • Ability to change negative reputation of the United States citizens
<p style="text-align: center;"><u>WEAKNESSES</u></p> <ul style="list-style-type: none"> • Negative attitudes towards foreign visitors • Airport security issues • Poor diplomacy • Weak dollar value • U.S. location/isolation 	<p style="text-align: center;"><u>THREATS</u></p> <ul style="list-style-type: none"> • Losing market share • Other countries competing • Terrorists threats on America • Americans traveling abroad

Figure 1.5

Branding America is the basis of this campaign. By branding the U.S., the travel campaign will be more effective and the negative perceptions of America will decrease abroad. The six points of the brand image influence hexagon (Figure 1.6) prove to be categories of weakness for the tourism industry. These areas led to the development of the strengths, weaknesses, opportunities, and threats of the campaign (Figure 1.5). Therefore, the SWOT analysis, led to the development of the overarching goals, objectives, strategies, and tactics.

Brand Image Influence

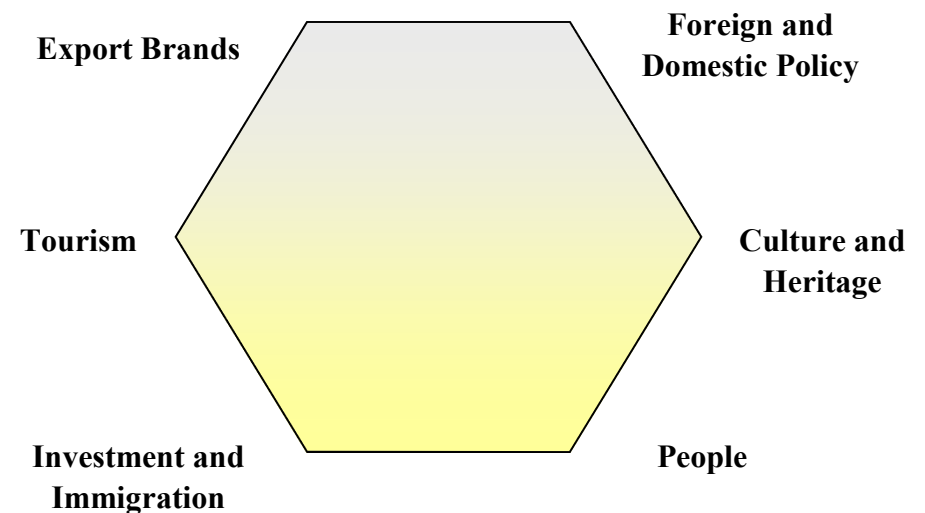


Figure 1.6

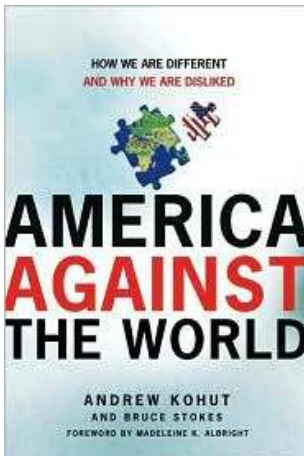
Literature Review

America Against the World by Andrew Kohut and Bruce Stokes

America Against the World highlights the main reasons why America has become uninviting to overseas travelers.

The three main points that can be derived from the book are America's sense of "exceptionalism," poor foreign policy created by the 8-year term of George W. Bush and poor response to the 9/11 terrorists attacks.

The chapters within the book give charts and graphs for a better understanding of the differences between Americans and foreign citizens. Also, Pew surveys are located throughout the chapters, giving insight to how the British, French, Germans, and Italians dislike the way Americans do business. However, Americans were



among the strongest believers that most people who fail in life have themselves to blame.

Overall, *America Against the World* gives substantial support and evidence to why the American travel and tourism industry has declined. The three main points described in the book play a part in why overseas travelers have sought other destinations besides America.

Pew Survey Website

The Pew Research Center for the People and the Press is an independent opinion research group. The group studies attitudes of the press, politics and public policy issues. The center is best known for national surveys of public attentiveness to major news stories and polls that chart trends in values and fundamental political and social attitudes.

Multiple Pew surveys were used in Andrew Kohut and Bruce Stokes' book,

America Against the World. The surveys charted the trends and values of Americans versus other populations from the likes of Great Britain, France, Germany, Italy, Spain and Canada. Therefore, many of Pew Research Center's findings about the travel and tourism problem in America are also explained in *America Against the World*.

The Pew Research Center provides information about perceptions so that analysts do not have to make assumptions. Therefore, in this specific case, the surveys provide a wealth of information about the perception that America excludes and an insight to overseas travelers' opinions and mind sets.



THE PEW RESEARCH CENTER
FOR THE PEOPLE AND THE PRESS

“The USA Extends the Welcome Mat for International Travelers’: A Case Study of Post 9/11 Public Relations Campaign Strategies Inside America’s Travel Industry” by Dr. Lisa Fall and Heather Epkins

This case analysis outlines three major problems facing the United States travel and tourism industry since 9/11. According to the analysis, these challenges include: 1) a decline in the number of overseas travelers to the United States, 2) a negative perception of U.S. and Americans, and 3) a lack of a single communication body to collectively represent the U.S. as a destination for international travelers.

Included were many facts from credible research databases, such as Pew Research and the U.S. Department of Commerce. Statistics and polls throughout the study about the negative attitudes toward the U.S. and Americans, the decline in tourism to the United States and the continuing loss of market share make it evident to the



reader that something must be done to solve these problems.

The study argues for an effective public relations campaign to counter the issues

affecting the United States and offers insight from the organizations representing the United States travel and tourism industry: The Travel Industry Association (TIA), The Discover America Partnership (DAP) and the Travel Business Roundtable (TBR). The efforts to inform the public and promote the United States as a travel destination such as, The “Discover America” website and the Travel Promotion Act, serve as an important first step on the road to repairing America’s image.

TIA Web site

The Travel Industry Association Web site is an online resource that promotes travel to the United States and acts as the authoritative source



for travel industry information and research. Its mission statement includes several critical objectives: 1) to promote the importance of travel and tourism as an industry that contributes to economic, cultural and social well-being of the nation, 2) to improve domestic and international travelers’ experiences while keeping security enforced, and 3) to implement and advertising and marketing campaign to promote the United States overseas.

TIA works with different branches of the government to promote travel to the United States and monitors the news in regard to its industry. It boasts a wealth of research and publications that help businesses cater to their marketing needs when trying to reach various markets in this industry. TIA is made up of a Board of Directors, Officers, an Executive team and Committee that have various roles ranging from organizing the budget and discussing industry issues to discussing ways to improve communication and research within TIA.

Campaign Proposal

Problem Statement

America's lack of public diplomacy abroad and the idea of American "exceptionalism" are the main causes of the decrease in tourism and the growing dislike of the United States. These concerns are creating new problems and worsening existing issues in the United States. The recent downturn in the U.S. economy is causing inflation overseas. The U.S. is also rapidly losing market share. The lack of public diplomacy and ineffective foreign policies, coupled with strict security enforcement and immigration restrictions is discouraging people from visiting America. In order to fix these problems and reassure people around the world that the U.S. is an excellent vacation destination, the campaign must counter the misrepresentations and develop a united promotions plan for the U.S.

Campaign Goal

The Travel Industry Association (TIA) along with the United States government should implement a campaign to in-

crease the number of travelers and tourists that visit the United States in 2009. In addition, the TIA and the government should develop tactics to improve the perceptions and attitudes of the United States among foreign visitors.

Target Audience

The Travel Promotion Campaign and advertising for the United States will be aimed at three target audiences:

1. **Overseas travelers**
2. **Foreign diplomats**
3. **American citizens**

Overseas Travelers

Since 2000, the United States has lost more than 2 million tourists to competing countries. This campaign will target overseas travelers, more specifically Western Europeans and Japanese travelers. The average travelers from these areas spends \$4,000 per person per trip. These travelers would stimulate the American economy with their heavy spending habits.

Foreign Diplomats

In order to promote more positive perceptions and attitudes about the United States, this campaign must target foreign leaders and diplomats. By promoting "Brand America" and appealing to foreign diplomats, there is a greater opportunity to reach a larger population that the targeted diplomats represent.

American Citizens

Traveling abroad hurts the American market share and economy. The American travel and tourism industry strives to maintain travel within its own borders, the campaign will address American citizens and encourage travel within the United States.

Strategic Statement

The Travel Promotion Campaign will provide the three target audiences with pertinent information about the United States in order to promote various travel opportunities, generate revenue and create more positive perceptions about the United States.

Campaign Proposal

Marketing Objectives

In order to promote the Travel Promotion Campaign, the travel and tourism industry should consider the following objectives:

- To create a unified communication and advertising campaign that reaches more than 3 million foreign travelers during 2009.
- To petition the majority of Congress to pass the Travel Promotion Act for 2009.
- To increase positive perceptions and attitudes about the United States among foreign diplomats by 25% within the next 15 months.
- To increase travel among Americans within the United States by 15% within the next 18 months.
- To increase the travel and tourism industry's national advertising budget by \$4 million in 2009.

Overall, these five objectives will address the crisis that has befallen the United States travel and tourism industry since 2000.

Strategies

The following strategies and tactics will help carry out the previously stated

objectives and will add to the success of the campaign:

- Demonstrate that America is an attractive destination for overseas travelers.
- Demonstrate to Congress the importance of the Travel Promotion Act for the overall benefit of the United States Travel and Tourism industry.
- Promote positive public diplomacy and foreign policy among foreign diplomats.
- Display the benefits of travel within the United States to American citizens.
- Petition to increase the travel and tourism industry's national advertising budget.

Tactics

- Design, produce and distribute a unified print and television advertising about the United States that is targeted and catered to various overseas travelers.
- Increase the amount of countries that participate in the Visa Waiver Program to

encourage more hassle-free travel to the United States.

- Meet with various Congressmen and propose the benefits to the American economy by passing the Travel Promotion Act.
- Form a Travel Promotion Act committee that consists of representative from each states' Travel and Tourism Industry to lobby on behalf of the Travel Promotion Act.
- Hire a White House coordinator and strategist for public diplomacy issues.
- Implement a professional development training program for potential public diplomats in order to unify the foreign policy agenda.
- Develop a separate advertising campaign within the United States in order to promote domestic travel.
- Encourage the TIA to implement a promotion campaign among its partners in order to lower the costs of travel in the United States among Americans.
- Use the Travel Promotion Committee to show the need of additional funding in order to raise the national advertising budget.

Recommendations

Potential Solution to Problem Statement

The standard solution to the problem statement is to increase travel to the United States. This campaign highlights ways to increase travel and make America more attractive to potential tourists. By increasing travel, additional problems concerning the poor economy and negative perceptions abroad will improve.

Strategic Recommendations

These recommendations will aid in the success of the travel promotion campaign.

- In order to demonstrate the attractiveness of America to overseas travelers, each state should promote and advertise individual areas of cultural interests that may include: landmarks, parks, museums, and other areas of historical importance.

- To fulfill the implementation of the Travel Promotion Act, the TIA should create presentations and spark discussions among influential decision makers.
- In order to decipher the opinion of foreign diplomats and issues of negative perceptions abroad, foreign diplomats should be surveyed and asked to address their country's perception towards America and any personal suggestions on how to better America's image.
- Promoting travel within the United States will require discounted airfare for U.S. citizens, lower travel agency vacation packages, travel contests, and lower entrance admission to various attractions which can be created through the TIA.
- To increase the U.S. national advertising budget, a deduction from each states' advertising budget should be taken or a new federal tax should be created.

Research Recommendations

To achieve these strategies that will promote and improve travel to the United States, the following primary research should be done with foreign exchange students.

- Focus Groups
- Surveys and Travel Evaluations (written and electronic)
- Personal Interviews

These types of primary research will measure perceptions of travelers and give further insight of ways to improve the Travel Promotion Campaign.

Conclusion

In conclusion, the Travel Promotion Campaign addresses the problem of the decline in travel to the United States and gives strategic goals, objectives, strategies, tactics and recommendations to re-establish America as a friendly and prime travel destination.

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