

# TOURISM TURNS INTO A SUCCESS INDUSTRY FOR OBAMA



It has been two years since U.S. President Barack Obama signed those "executive orders" which should have paved the way for numerous initiatives in order to significantly increase the American domestic and incoming tourism. It was based on a "national travel & tourism strategy" which was created and formed by a "task force on travel & competitiveness." Now, two years later, first effects are noticeable and results are obvious.

Last year's pow wow in the Las Vegas player's metropolis was record breaking. However, the IPW topped 2014 results in Chicago. Around 6,200 participants from the United States and over 70 countries assembled at the Michigan Lake metropolis, which was slowly awakening from the wintry grasp. While, 1,400 nationalities and international buyers and close to 500 media representatives throughout the world were present at the "McCormick Place," one of the largest convention centers in the western hemisphere.

"We have already accomplished so much and our country has become more attractive to foreign visitors, but there is still a lot of work ahead of us," emphasized Roger J. Dow, President and CEO of the U.S. Travel Association. Dow specifically raised the issue of the improvement of the "Visa Waiver Program" in the last five years. This enables citizens from countries included in the program to travel to the USA without a visa. In the beginning, this included 25 countries, and today, it already includes 38 countries. Using the example of South Korea (a Visa Waiver Program member since 2008), Roger J. Dow has shown how the Visa Waiver Program has boosted incoming tourism. The number of visitors from South Korea has risen 52% since the country joined, and the yearly growth rate is 6%. Also, their spending levels have risen substantially: from approximately 1.95 billion Euros in 2008 to around 3 billion Euros in 2012.

But, what's the use of a visa waiver if one has to wait too long for it? The American authorities have thought of that too - and an executive order ensured, among other things, that the abovementioned wait times would be significantly reduced. This resulted in the immigration process becoming faster, simpler, and more pleasant. Now, you really feel like a welcome visitor, which was not always the case a few years ago. Roger J. Dow states, "The staff at all major international airports was increased, which reduced the waiting time extreme. The training of civil servants has also been improved, especially regarding their language skills. Our guests are welcomed at the airport now in up to 10 different languages." Another new approach is emerging. Enterer of Visa Waiver countries can soon use the automatic entry switch (global entry). The first airport in the U.S. that will offer, in addition to the conventional switch, this entry point is the Chicago O'Hare approached by the Austrian Airlines, which is with around 70 million passengers annually, the second largest national, and the fourth largest international airport.

Back to the pow wow: during the three days of the Fair, over 95,000 individual conversations were held at 1,100 stalls. According to estimates of the USA Travel Association, around 4.7 billion U.S. dollars (3.4 billion Euros) worth of orders were encashed for the next three years during that time. If converted, this sum corresponds to approximately 8.8 million international guests; as a result of which, up to 115,000 jobs are created.

This time around, the delegation from China was record-breaking and was by far the strongest of all

participating nations. While in 2009, there were 14 participants from the Middle Kingdom; their number increased this year to 100 – the largest single delegation in the history of the IPW. A total of 1,806 million tourists (plus 22.5 percent) came from China. With this, China already ranks in the 7th position. This time around, it should overtake Germany and Brazil and reach the top five for the first time.

In conclusion about this year's IPW, the comments of the buyers were consistently positive; the 46th edition of the largest U.S. tourism fair was a complete success for the organizers, the host city of Chicago and the industry. The IPW 2015, however, will occur a little later on May 30 – June 3. Orlando and Florida will host it and, in all probability, will set new records.

### **A fifth more revenue in just two years**

When Barack Obama signed the “Executive Order” two years ago, the tourism contributed 2.7 percent to the GDP of the United States (results of 2011). In 2013, it was already 2.8 percent. In 2011, the income from international tourism reached the order of 153 billion U.S. dollars, and in 2013, it was 180.7 billion U.S. dollars – which is nearly a fifth more.

The industry was attributed approximately 7.5 million jobs in 2011, and in 2013, there were already 8 million. The number of people employed directly in tourism rose from 5.36 million to 5.7 million. There are probably only a few areas in which the Obama administration can boast such success. The share of the U.S. in the global tourism revenues climbed from 11.3 to 11.9 percent, and the international arrivals rose from 62.7 million to 69.8 million. The order of the top 10 source markets (all rose) didn't change with the exception of China (from 9th to 7th). At the top remained Canada, followed by Mexico, the UK, Japan, Brazil, and Germany. France, South Korea, and Australia complete the top 10.

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