

# Tourism

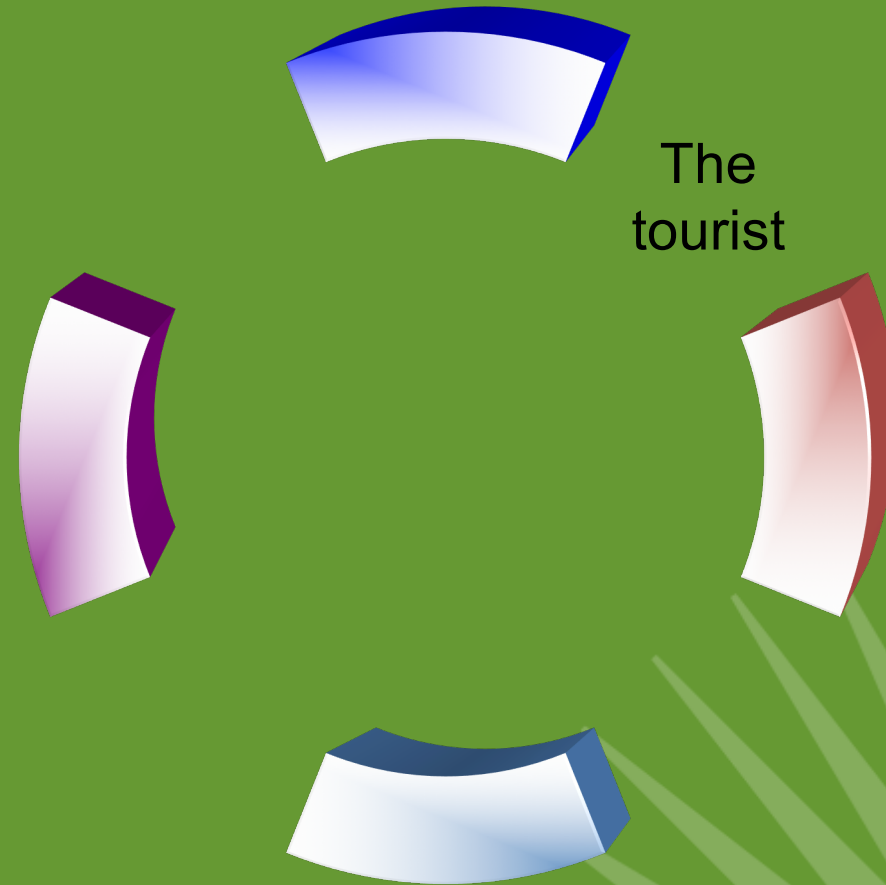
Kathleen Andereck, Ph.D.  
School Director and Professor

Christine Vogt  
Director and Professor, Center for Sustainable Tourism  
School of Community Resources and Development  
Arizona State University

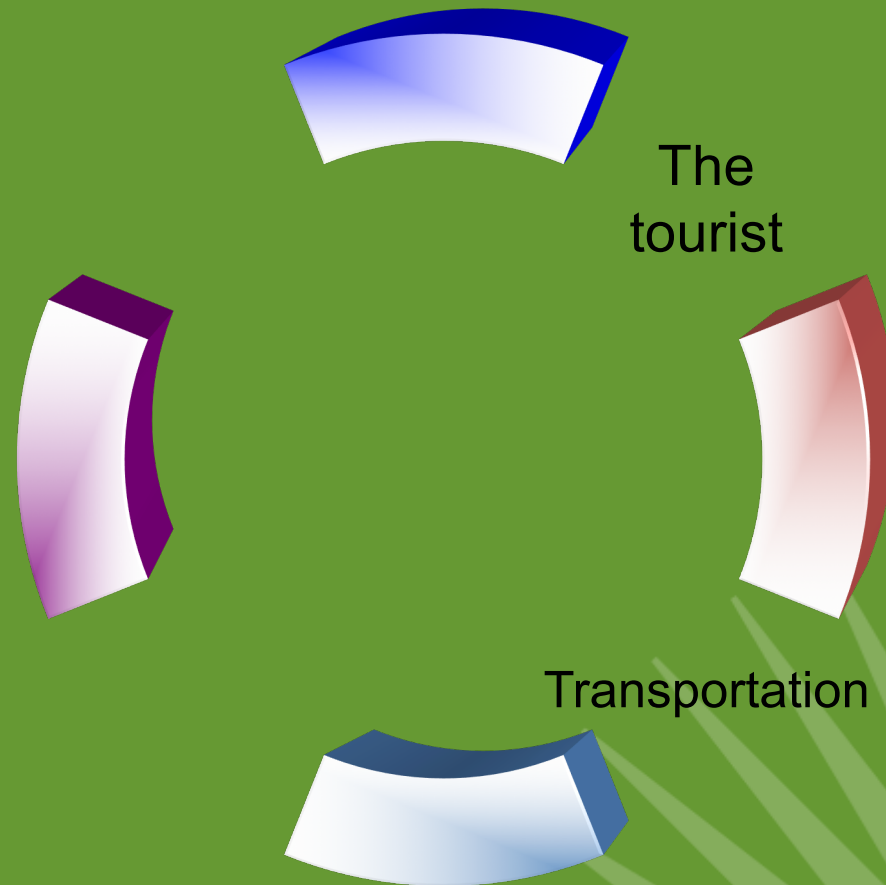
# Overview of the Tourism System

- Underlying components
  - Natural and cultural resources
  - Community and lodging hospitality
  - Infrastructure
  - Superstructure

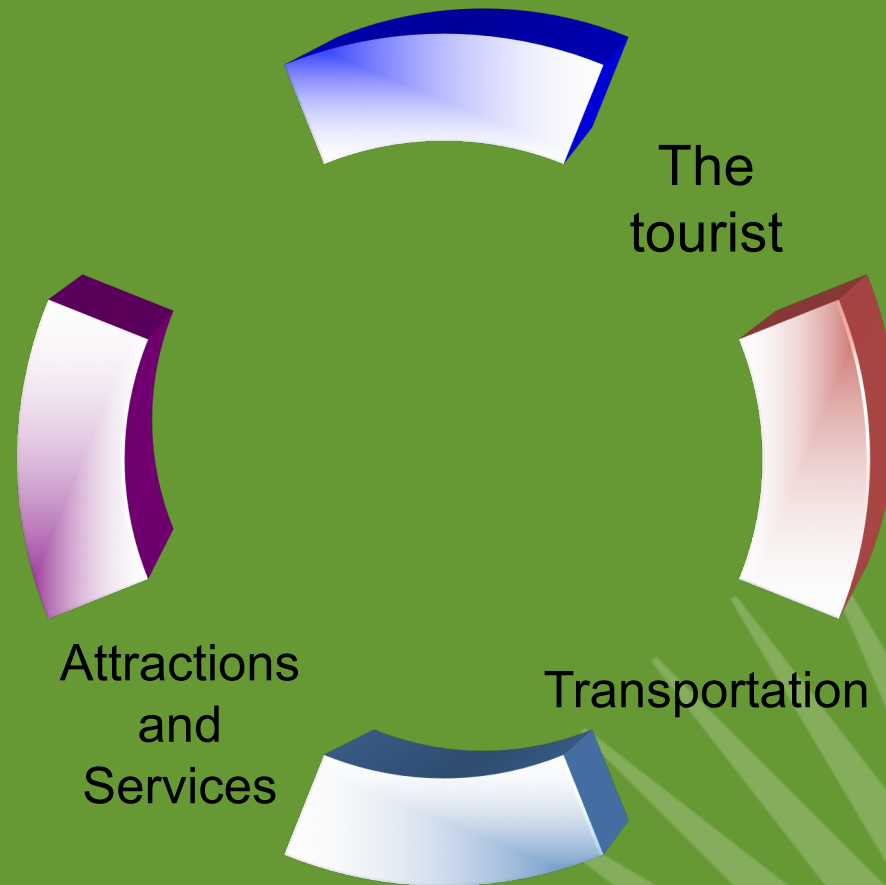
# Overview of the Tourism System



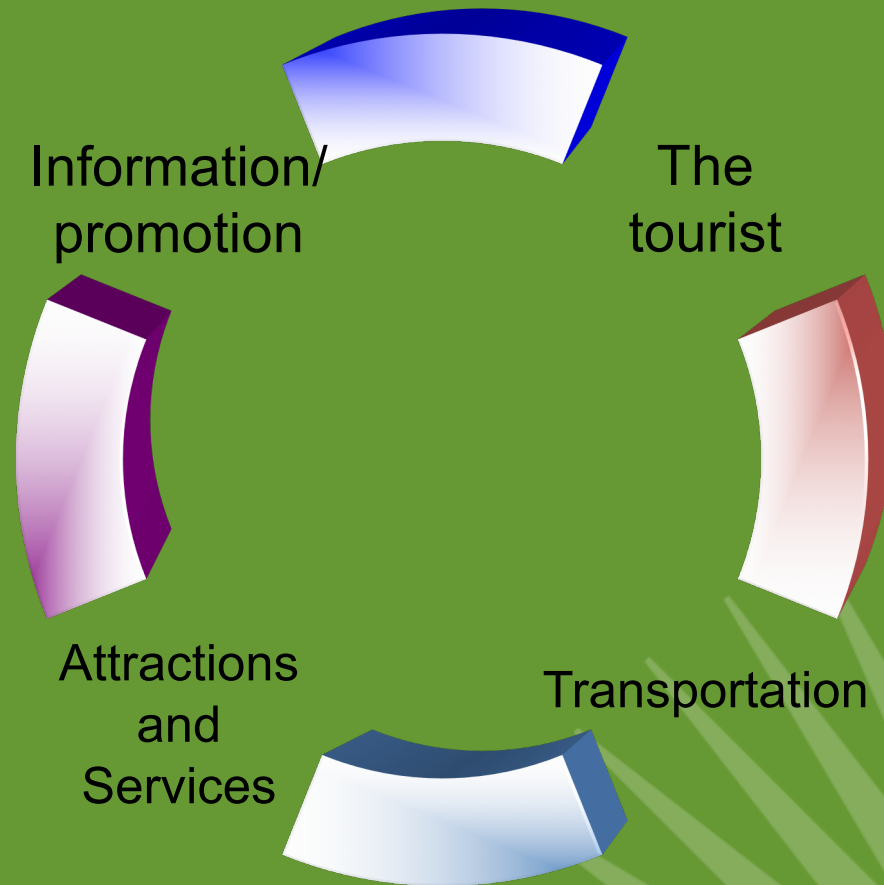
# Overview of the Tourism System



# Overview of the Tourism System



# Overview of the Tourism System



# Tourism development is community and economic development

- Helps a community strengthen itself and develop towards its full potential
- Its key purpose is to build sustainable communities
  - Contributes to the economic, socio-cultural and environmental fabric of communities enhancing quality of life

# Recognize benefits and costs

## Benefits

- Economic impact: brings in money and taxes
- Diversify economy
- Creates jobs and businesses
- Preserves natural and cultural sites and activities
- Enhances community image and pride

## Costs

- Negative environmental impact
- Costs for development and marketing to be competitive
- Seasonal visitors and spending
- Traffic, congestion
- Social consequences
- Conflict with local values and culture
- Some benefit more than others



# Goals of tourism development

- Creating jobs
- Increasing personal income
- Promoting community identity/image
- Encouraging a viable economic industry
- Enhancing the quality of life
- Increasing the demand for local goods and services
- Diversifying and expanding the local economic base
- Increasing public revenue
- Utilizing idle or excess capacities in declining areas



INTERNATIONAL  
**TRADE**  
ADMINISTRATION

**The United States National Tourism Office**  
**Travel & Tourism Dashboard**

The U.S. Department of Commerce, Department of Homeland Security, and Department of State prepare this dashboard to provide performance indicators for international travel to the United States and travel facilitation programs.

**US National Tourism Office is primarily focused on inbound or international travel. This is an export. It is similar to domestic manufacturing.**

**A “sweet” spot for the travel and tourism sector is that it has yielded a trade surplus. More spending coming into the U.S. by foreign travelers than U.S. citizens traveling overseas. With the strength of the dollar this balance has become softer. But U.S. is still an attractive destination. Arizona is popular for the Grand Canyon, desert landscape, Native American culture, and world class resorts and hotels.**



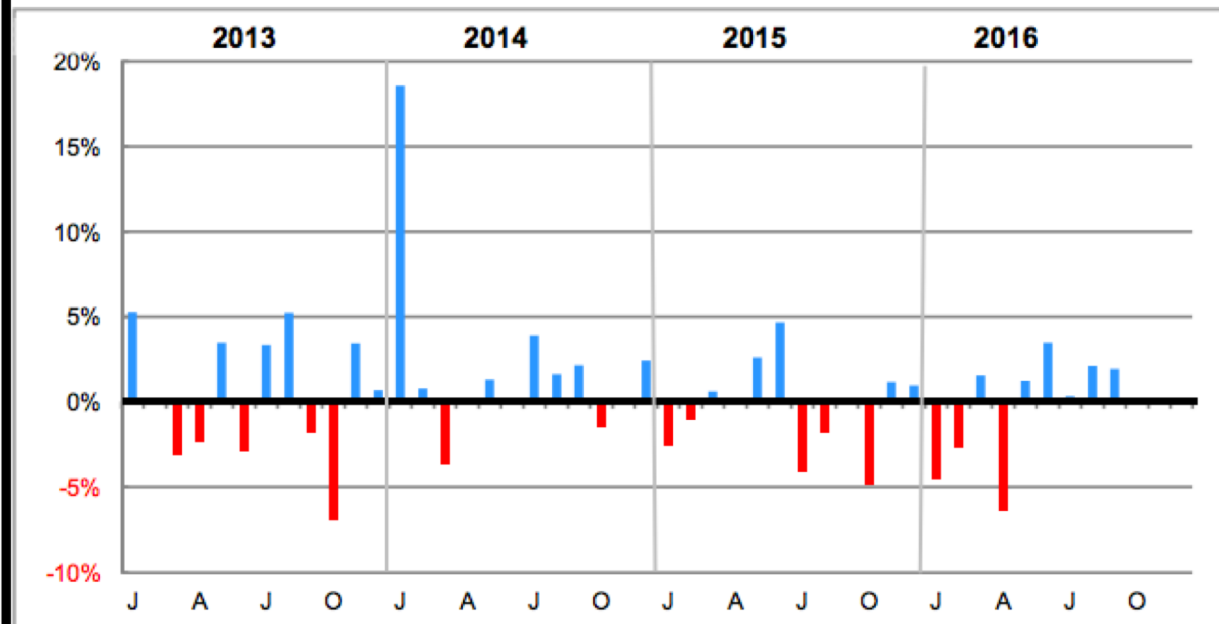
INTERNATIONAL  
**TRADE**  
ADMINISTRATION

## The United States National Tourism Office **Travel & Tourism Dashboard**

The U.S. Department of Commerce, Department of Homeland Security, and Department of State prepare this dashboard to provide performance indicators for international travel to the United States and travel facilitation programs.

### Travel Trade Balance

monthly change rate of annualized/seasonally-adjusted data)



**Source:** U.S. Department of Commerce; Bureau of Economic Analysis.

**Notes:** Spending includes spending within the USA + passenger fares to travel to the USA. Changes reflect the interplay between export travel spending and passenger fares and import travel spending and passenger fares (4 items).



## The United States National Tourism Office **Travel & Tourism Dashboard**

The U.S. Department of Commerce, Department of Homeland Security, and Department of State prepare this dashboard to provide performance indicators for international travel to the United States and travel facilitation programs.

### Travel Forecast

(% change previous year)

|          |      | Total USA | Brazil | China | India |
|----------|------|-----------|--------|-------|-------|
| Actual   | 2012 | 6.1%      | 19%    | 35%   | 9%    |
| Actual   | 2013 | 4.7%      | 15%    | 23%   | 19%   |
| Actual   | 2014 | 6.8%      | 10%    | 21%   | 12%   |
| Actual   | 2015 | 3.3%      | -2%    | 18%   | 17%   |
| Forecast | 2016 | -0.9%     | -17%   | 16%   | 11%   |
| Forecast | 2017 | 2.4%      | -6%    | 15%   | 9%    |
| Forecast | 2018 | 4.1%      | -1%    | 15%   | 7%    |
| Forecast | 2019 | 4.9%      | 3%     | 14%   | 9%    |
| Forecast | 2020 | 4.9%      | 5%     | 13%   | 10%   |
| Forecast | 2021 | 4.5%      | 6%     | 12%   | 11%   |

**Source:** U.S. Department of Commerce, National Travel and Tourism Office.

Fall 2016 forecast.

**Notes:** The travel forecast is prepared semi-annually, typically in May and October. Due to changes in volume methodology, 2014-2021 forecast metrics are not comparable to earlier years and are higher to an unknown extent than otherwise would have been.



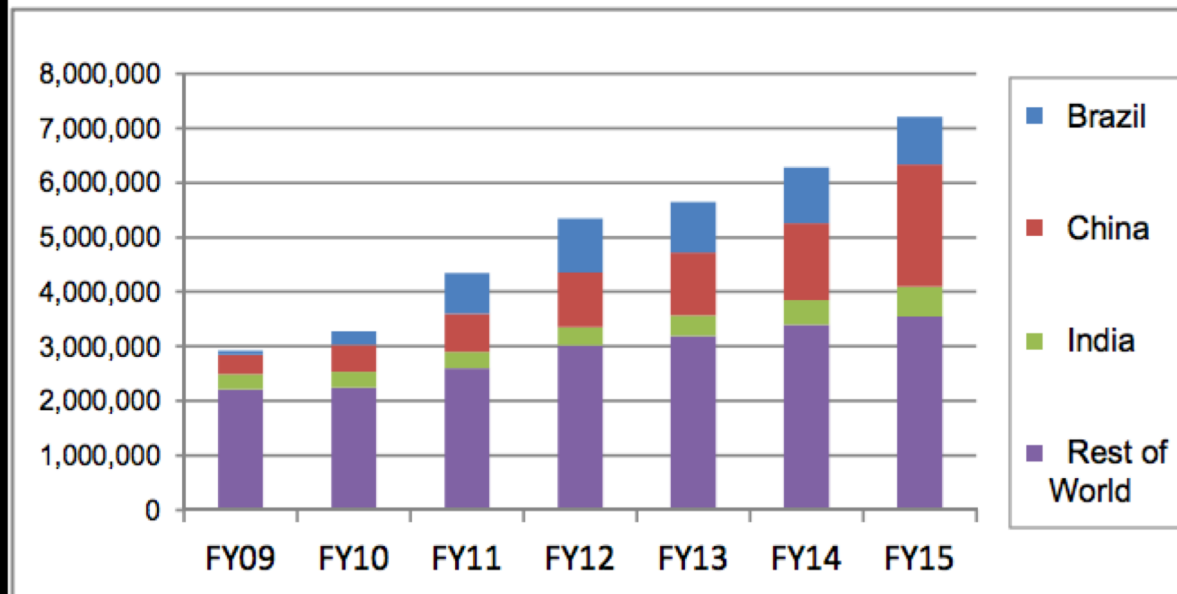
INTERNATIONAL  
**TRADE**  
ADMINISTRATION

## The United States National Tourism Office **Travel & Tourism Dashboard**

The U.S. Department of Commerce, Department of Homeland Security, and Department of State prepare this dashboard to provide performance indicators for international travel to the United States and travel facilitation programs.

### **B1/B2 Short-Term Tourist and Business Travel Visas Issued**

(number of B1/B2 travel visas issued in fiscal year in China, Brazil, India, and the remainder of visa-issuing posts worldwide)



**Source:** U.S. Department of State; Bureau of Consular Affairs.

**Notes:** The graph above represents the number of B1/B2 visas issued in fiscal years 2009–2014 in China, Brazil, India, and worldwide.

# Overview of Arizona Tourism Statistics (2015 data)

**Source: State Funded – Dean Runyon Associates\***

- Spending \$20.9 billion by tourists
- Employment - \$5.9 billion in payroll
- Jobs – 171,500
- Tax revenue \$2.8 billion at local, state and federal levels

\* Estimate by Arizona county

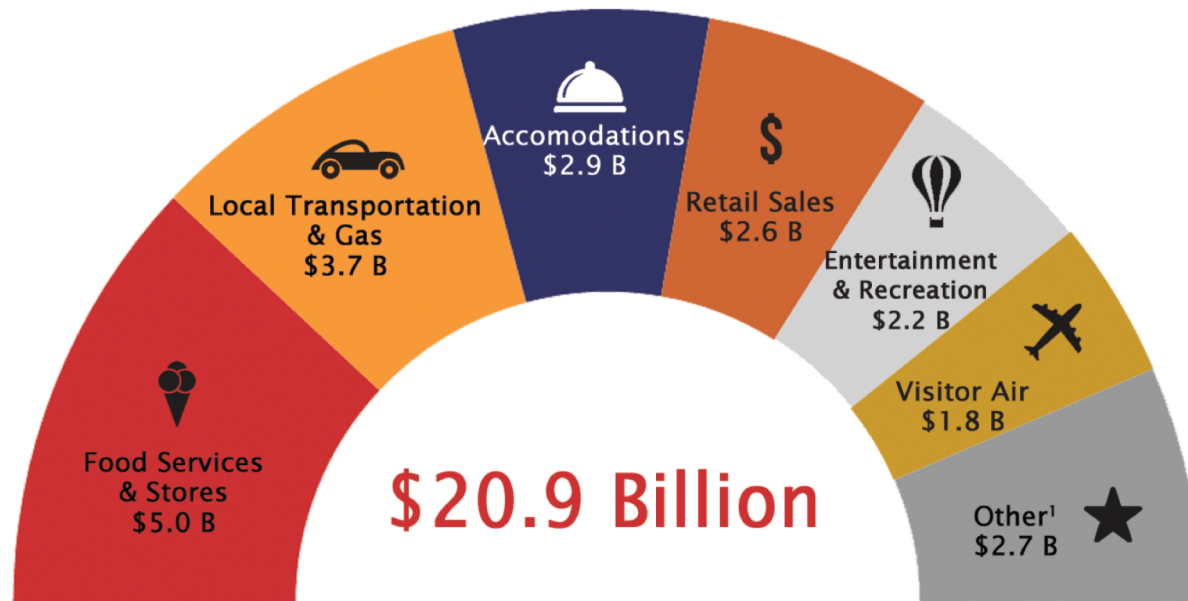
**Source: US Travel Association**

- Spending \$17.6 billion by tourists
- Employment - \$4.9 billion in payroll
- Jobs – 163,500, 7.6% of state's private sector jobs
- Tax revenue \$2.4 billion at local, state and federal levels

# Tourism System and Tourist Spending in Arizona

## Arizona Travel Impact & Benefits

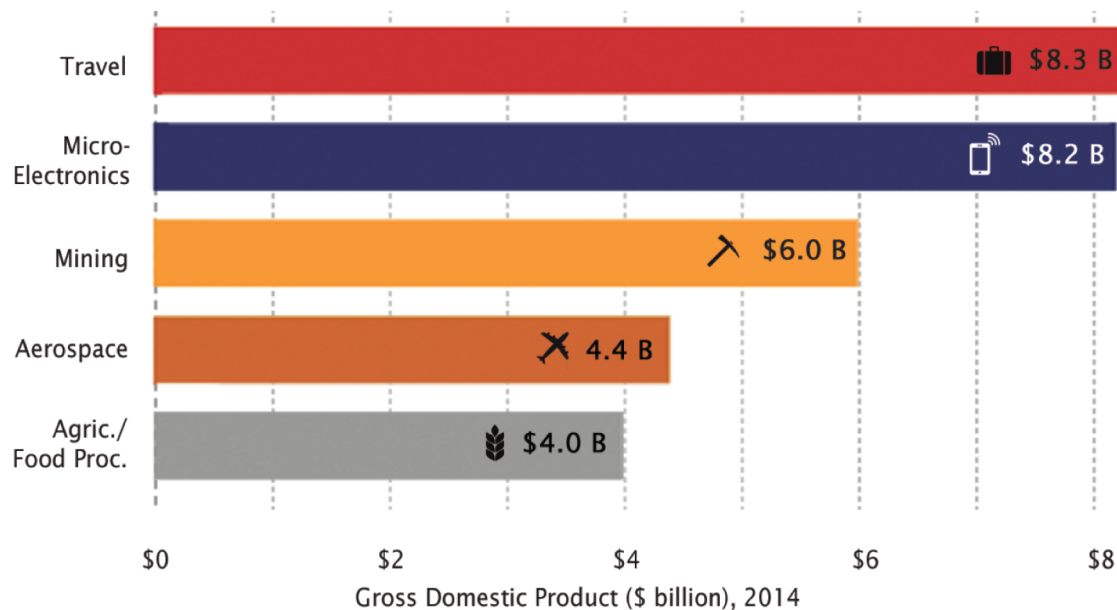
### Direct Visitor Spending



<sup>1</sup> Other represents resident air travel, travel arrangement services, conventions and trade shows.

# Arizona's Contribution to Trade Balance (Exports)

## Gross Domestic Product in Leading Arizona Export-Oriented Industries



Gross Domestic Product (GDP) represents an industry's value to the economy. When compared to other top export-oriented industries in Arizona, the travel and tourism industry consistently ranks first or second in GDP output year over year. This consistent performance provides a vital stabilizing effect on Arizona's economy.



# An Arizona Tourist

## 40.7 Million Overnight Visitors


Domestic: 35.0 million overnight visitors, of which, 25.1 million are non-resident visitors.

International: 5.7 million overnight visitors, of which, 952,313 travel from overseas.


>The average non-resident visitor stays

 **4.3 nights**

>The average non-resident party size is

 **2.9 persons**

>The average non-resident spends


 **\$767 per party/trip\***




>The average overseas visitor stays

 **6.3 nights**

>The average overseas party size is

 **3.6 persons**

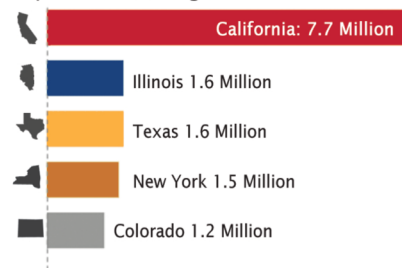
>The average overseas visitor spends

 **\$4,228 per party/trip\***

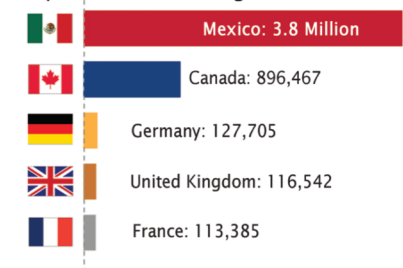


# Origins of Tourists – Need for marketing spending outside the state

## Top Domestic Origins



## Top International Origins



# Overview of Resources Provided

- National tourism statistics – leisure, business and international
- Travel and tourism dashboard – U.S. Dept. of Commerce
- Arizona tourism statistics – State Tourism Office and US Travel
- Arizona tourism statistics by legislative district
- Arizona tourism taxes – compiled by NAU
- Resources for Tourism – national and state government offices, university, associations

# Next Steps

- Sign up for Tourism Tuesday – letter and update from the State’s tourism director  
<https://tourism.az.gov/>
- Visit with tourism office in your jurisdiction – CVB, Chamber, downtown development, nonprofit assoc.
- Visit with local businesses who depend on tourism economy
- Meet with public land managers in and around your jurisdiction
- Understand any issues local residents might have regarding tourism and recreation
- Contact universities and nonprofits who can advocate and help to find resources