

MARCH 2024 | QUICK MESSAGING GUIDE

Travel is essential to the U.S. economy, but we struggle to regain pre-pandemic levels of international travel.

- In 2023, U.S. welcomed nearly **67M** international visitors—down from 79M visitors in 2019.
- U.S. inbound visitation is **just 84% recovered** (as of 2023) and market share has declined (5.3% in 2023, down from 5.4% in 2019).
- *Other competitor countries have fully recovered visitation levels and are gaining market share.*

A wake-up call: Euromonitor ranks U.S. 17th out of 18 travel markets in terms of global competitiveness.

- **U.S. is hindered by self-imposed barriers:** Restrictive visitor visa policies and lengthy wait times (avg. **400 days** in top markets), lack of focused leadership at federal level and decades of underinvestment.

Other countries are prioritizing travel to aggressively compete for travelers.

- While we **inch back to pre-pandemic travel numbers**, countries such as the **U.K., France, Canada and Saudi Arabia** are advancing strategies to ease barriers and increase international visitation.
- Other nations are using technology to **lift carry-on liquid bans** and virtually **eliminate Customs wait times**, which can surpass 2 hours at peak times at U.S. airports.
- Only 42 nations can travel visa free to the U.S. while 102 countries can travel visa-free to U.K.

U.S. Travel Association has launched a “Seamless & Secure Travel Commission” to identify solutions.

- Former Acting Secretary of Homeland Security Kevin McAleenan chairs the commission comprised of a dozen former government and private industry experts.
- Commission will make policy recommendations to modernize and improve the travel experience, increase U.S. competitiveness and facilitate growth (report coming autumn 2024).

It's time the government took bold and decisive steps to grow and modernize travel.

- Congress **must pass a long-term FAA bill.**
- U.S. should set a goal to get visitor visa wait times **to 30 days or less.**
- **Reduce Customs wait times** and accelerate the deployment of **biometric entry-exit security screening** systems at U.S. airports.

Inaction comes at an unacceptable economic cost.

- The U.S. could lose **39 million visitors and \$150 billion in spending** over the **next 10 years** if there is no reduction in visa wait times.
- Each time a new daily international flight to one airport cannot be accommodated due to Customs staffing shortages, the U.S. economy loses **\$227 million per year.**

However, there are opportunities to facilitate growth.

- In 2024, the U.S. **could gain 2.4 million more visitors** if the market were unconstrained by visa wait times.

Full recovery of both international and business travel segments requires an intentional approach by government.

- U.S. Travel's forecast shows travel performance overall is **normalizing.**
- While international inbound and business travel volume are nearly fully recovered to pre-pandemic levels, spending levels are still years away from a recovery.
- International inbound travel spending levels (adjusted for inflation) are not expected to recover until 2026, while business travel spending is not expected to recover to pre-pandemic levels within the range of U.S. Travel's forecast (beyond 2027).