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TRAVEL AND TOURISM SPENDING ACCELERATED IN THE FOURTH QUARTER OF 2013

Real spending on travel and tourism accelerated in the fourth quarter of 2013, increasing at an annual rate of 4.2 percent after increasing 3.1 percent (revised) in the third quarter of 2013. In contrast, growth in real gross domestic product (GDP) decelerated, increasing 2.4 percent (second estimate) in the fourth quarter after increasing 4.1 percent in the third quarter. For the year, real spending on travel and tourism increased 3.6 percent in 2013 after increasing 2.8 percent in 2012. By comparison, real GDP increased 1.9 percent in 2013 after increasing 2.8 percent in 2012.

The leading contributors to the acceleration in the fourth quarter were “traveler accommodations,” and “food services and drinking places.” “Traveler accommodations” accelerated, increasing 14.5 percent in the fourth quarter after increasing 3.3 percent in the third quarter. “Food services and drinking places” also accelerated in the fourth quarter, increasing 7.7 percent after no change in the third quarter.

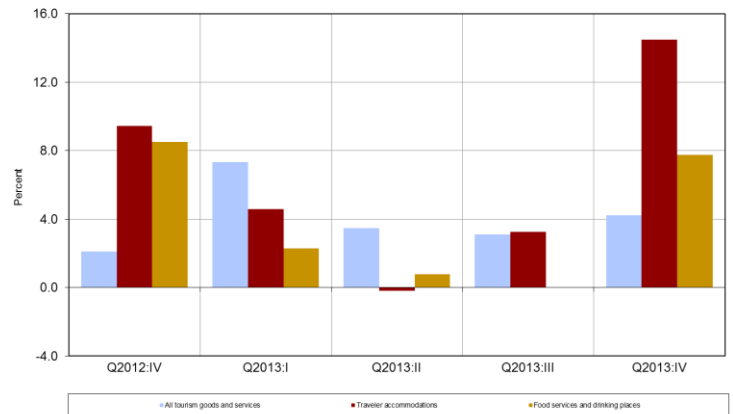
Overall growth in prices for travel and tourism goods and services decelerated in the fourth quarter of 2013, increasing 0.1 percent following a 3.9 percent (revised) increase in the third quarter. The deceleration in prices was driven by “traveler accommodations,” decreasing 8.0 percent in the fourth quarter after decreasing 3.0 percent in the third quarter. For the year, prices for travel and tourism goods and services increased 0.4 percent in 2013 after increasing 2.5 percent in 2012.



Employment in the travel and tourism industries accelerated, increasing 2.8 percent in the fourth quarter of 2013 after increasing 1.8 percent (revised) in the third quarter. By comparison, overall U.S. employment increased 1.8 percent in the fourth quarter after increasing 1.6 percent in the third quarter. For the year, employment in the travel and tourism industries increased 2.2 percent in 2013 after increasing 2.7 percent in 2012. By comparison, overall U.S. employment increased 1.7 percent in 2013 and in 2012.

Real Tourism Spending. Real spending on “traveler accommodations” accelerated, increasing 14.5 percent in the fourth quarter after increasing 3.3 percent in the third quarter. The increase was primarily driven by group and corporate revenue growth. Real spending on “food services and drinking places” also accelerated, increasing 7.7 percent in the fourth quarter after no change in the third quarter.

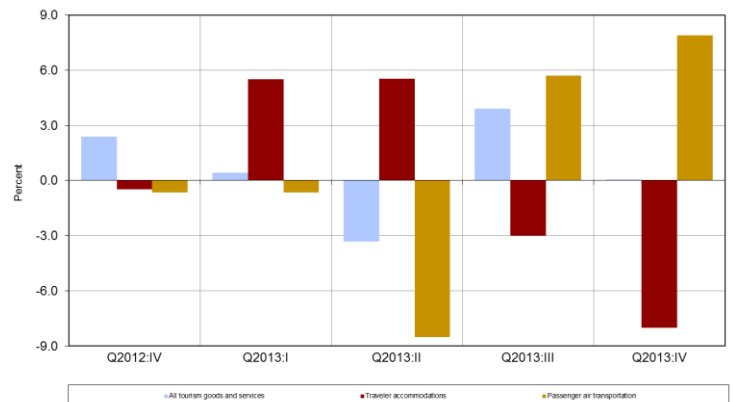
Chart 2. Quarterly Growth in Real Tourism Spending



U.S. Bureau of Economic Analysis

Tourism Prices. Prices for “traveler accommodations” decreased 8.0 percent in the fourth quarter, after decreasing 3.0 percent in the third quarter. In contrast, prices for “passenger air transportation” accelerated, increasing 7.9 percent in the fourth quarter after increasing 5.7 percent in the third quarter. Strong holiday demand was reflected by an increase in passenger unit revenue.

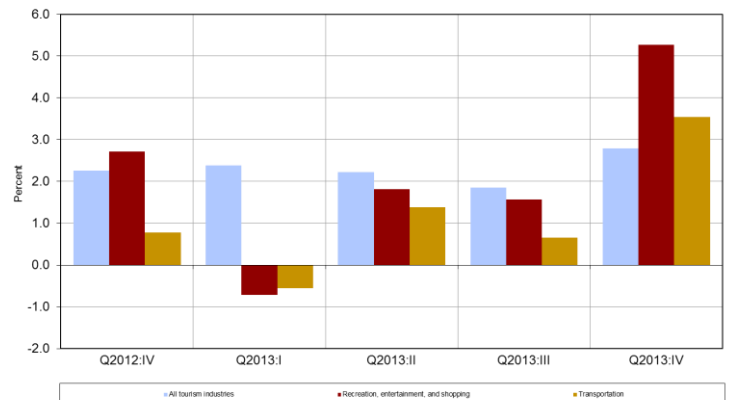
Chart 3. Quarterly Growth in Tourism Prices



U.S. Bureau of Economic Analysis

Tourism Employment. Employment in the travel and tourism industries accelerated in the fourth quarter, increasing 2.8 percent after increasing 1.8 percent in the third quarter. The primary contributors to the acceleration in employment were increases in “recreation, entertainment, and shopping” and “transportation.”

Chart 4. Quarterly Growth in Tourism Employment



U.S. Bureau of Economic Analysis

Total Tourism-Related Spending in the U.S. includes the goods and services that are purchased directly by tourists and also a portion of the goods and services produced by the supply chain that supports tourism activity; for example, a firm that supplies linens to hotels and restaurants.

In the fourth quarter of 2013, total current-dollar tourism-related spending was \$1.5 trillion and consisted of \$915.0 billion (59 percent) of direct tourism spending — goods and services sold directly to visitors — and \$625.0 billion (41 percent) of indirect tourism-related spending — goods and services used to produce what visitors purchase.

Total Tourism-Related Employment was 8.1 million jobs in the fourth quarter of 2013 and consisted of 5.8 million (71 percent) direct tourism jobs — jobs where workers produce goods and services sold directly to visitors — and 2.3 million (29 percent) indirect tourism-related jobs — jobs where workers produce goods and services used to produce what visitors purchase.

Definitions

Tourism spending. Tourism spending comprises all goods and services purchased by tourists (defined as people who travel for any reason). In the following tables, tourism spending is referred to as direct tourism output.

Indirect tourism-related spending. Indirect tourism-related spending comprises all output used as inputs in the process of producing direct tourism output (e.g., toiletries for hotel guests and the plastic used to produce souvenir key chains).

Total tourism-related spending. Total tourism-related spending is the sum of direct tourism spending and indirect tourism-related spending.

Direct tourism employment. Direct tourism employment comprises all jobs where the workers are engaged in the production of direct tourism output (such as hotel staff, airline pilots, and souvenir sellers).

Indirect tourism-related employment. Indirect tourism-related employment comprises all jobs where the workers are engaged in the production of indirect tourism-related output (e.g., employees of companies that produce toiletries for hotel guests and the plastic used to produce souvenir key chains).

Total tourism-related employment. Total tourism-related employment is the sum of direct tourism employment and indirect tourism-related employment.

These statistics are from BEA's Travel and Tourism Satellite Accounts (TTsAs), which are supported by funding from the Office of Travel and Tourism Industries, International Trade Administration, U.S. Department of Commerce. The current-price statistics of direct tourism output were derived from BEA's annual TTsAs and from current-price quarterly statistics of personal consumption expenditures from the National Income and Product Accounts (NIPAs). The real statistics of direct tourism output were developed using price indexes from the Bureau of Labor Statistics (BLS) and real quarterly statistics of personal consumption expenditures from the NIPAs. The statistics of direct tourism employment were derived from the annual TTsAs (revised in June 2013) from BEA, the Quarterly Census of Employment and Wages (QCEW), and Current Employment Statistics (CES) from BLS.

Quarterly statistics are seasonally adjusted and expressed at annual rates, unless otherwise specified. Percent changes are calculated from unrounded data and annualized. Real values are in chained (2005) dollars. Price indexes are Fisher chain-type measures. Growth in overall U.S. employment is calculated using BLS total nonfarm employment from Current Employment Statistics, www.bls.gov/ces/home.htm#data.

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Next release – Travel and Tourism statistics for first quarter 2014 will be released on Friday, June 27, 2014 at 8:30 A.M. EDT.

BEA's national, international, regional, and industry statistics; the *Survey of Current Business*; and BEA news releases are available without charge on BEA's Web site at www.bea.gov. By visiting the site, you can also subscribe to receive free e-mail summaries of BEA releases and announcements.

Table 1.a. Percent Change in Real Tourism Output
[Percent change from preceding period]

Tourism Goods and Services Group	Seasonally adjusted at annual rates																				
	2008	2009	2010	2011	2012	2013	Q2010:II	Q2010:III	Q2010:IV	Q2011:I	Q2011:II	Q2011:III	Q2011:IV	Q2012:I	Q2012:II	Q2012:III	Q2012:IV	Q2013:I	Q2013:II	Q2013:III	Q2013:IV
Traveler accommodations	0.9	-6.5	6.1	6.6	5.4	5.0	8.4	7.6	5.1	9.4	6.7	0.6	7.8	5.9	3.8	5.3	9.5	4.6	-0.2	3.3	14.5
Transportation	-5.8	-6.2	0.5	7.1	2.0	4.3	0.0	8.4	2.3	17.1	6.3	1.6	1.4	5.4	2.9	-4.7	-1.7	13.4	7.9	3.8	-1.0
Passenger air transportation	-3.5	-6.5	1.5	2.9	-2.2	7.9	2.7	14.7	-0.5	8.0	2.3	-3.3	-13.3	9.7	-3.3	-6.3	-2.7	26.9	14.8	5.5	-0.9
All other transportation-related commodities	-7.3	-5.8	-0.2	9.9	4.8	2.1	-1.9	3.9	4.4	23.8	9.1	4.9	12.0	2.8	7.1	-3.6	-1.2	5.8	3.7	2.8	-1.1
Food services and drinking places	-7.3	-13.3	4.5	4.8	3.4	2.9	9.8	5.9	5.4	5.2	2.7	2.7	4.8	5.0	0.6	0.6	8.5	2.3	0.8	0.0	7.7
Recreation, entertainment, and shopping	-8.0	-15.0	-2.1	5.5	1.8	1.4	-3.4	6.9	9.0	5.3	7.7	2.6	2.3	1.9	0.2	1.0	-1.4	2.8	0.9	3.8	2.8
Recreation and entertainment	-7.8	-11.2	-1.5	3.1	1.2	0.7	-7.4	9.3	6.2	-1.9	8.7	1.5	0.5	2.1	0.8	-0.2	-4.0	3.0	-0.1	5.1	0.9
Shopping	-8.1	-17.9	-2.5	7.6	2.2	1.9	0.2	4.8	11.5	11.7	7.0	3.6	3.7	1.8	-0.3	1.9	0.8	2.6	1.7	2.7	4.3
All tourism goods and services	-5.4	-9.7	1.6	6.2	2.8	3.6	2.4	7.5	5.0	10.8	6.2	1.8	3.4	4.6	2.1	-0.6	2.1	7.3	3.5	3.1	4.2

Source: U.S. Bureau of Economic Analysis

Table 1.b. Real Tourism Output
[Millions of chained (2005) dollars]

Tourism Goods and Services Group	Seasonally adjusted at annual rates																				
	2008	2009	2010	2011	2012	2013	Q2010:II	Q2010:III	Q2010:IV	Q2011:I	Q2011:II	Q2011:III	Q2011:IV	Q2012:I	Q2012:II	Q2012:III	Q2012:IV	Q2013:I	Q2013:II	Q2013:III	Q2013:IV
Traveler accommodations	142,396	133,176	141,279	150,549	158,652	166,634	140,236	142,820	144,622	147,910	150,323	150,562	153,402	155,632	157,086	159,129	162,763	164,599	164,526	165,854	171,556
Transportation	260,131	244,114	245,424	262,737	268,009	279,558	242,603	247,525	248,966	258,971	262,984	264,036	264,956	268,467	270,383	267,179	266,007	274,476	279,722	282,374	281,658
Passenger air transportation	108,175	101,173	102,687	105,620	103,275	111,476	101,119	104,647	104,526	106,545	107,148	106,259	102,527	104,934	104,066	102,396	101,706	107,954	111,735	113,239	112,975
All other transportation-related commodities	152,035	143,223	142,994	157,217	164,729	168,246	141,751	143,126	144,682	152,614	155,987	157,868	162,400	163,507	166,321	164,790	164,300	166,638	168,156	169,319	168,868
Food services and drinking places	111,481	96,677	100,980	105,812	109,365	112,498	100,498	101,946	103,306	104,612	105,317	106,033	107,287	108,604	108,754	108,930	111,173	111,806	112,024	112,028	114,136
Recreation, entertainment, and shopping	188,707	160,433	157,094	165,776	168,691	171,007	154,603	157,202	160,626	162,706	165,764	166,852	167,784	168,573	168,644	169,060	168,486	169,636	170,014	171,603	172,777
Recreation and entertainment	82,735	73,442	72,313	74,562	75,447	75,949	70,896	72,492	73,590	73,244	74,785	75,060	75,159	75,543	75,691	75,660	74,893	75,446	75,426	76,375	76,550
Shopping	105,959	86,944	84,733	91,182	93,209	95,021	83,663	84,659	86,991	89,432	90,947	91,759	92,590	92,994	92,919	93,365	93,557	94,153	94,551	95,190	96,190
All tourism goods and services	702,673	634,307	644,251	684,464	703,799	728,801	637,421	648,976	656,883	673,879	684,024	687,131	692,821	700,709	704,318	703,253	706,917	719,512	725,666	731,226	738,802

Source: U.S. Bureau of Economic Analysis

Table 1.c. Percent Changes in Chain-Type Price Indexes for Direct Tourism Output
[Percent change from preceding period]

Tourism Goods and Services Group	Seasonally adjusted at annual rates																				
	2008	2009	2010	2011	2012	2013	Q2010:II	Q2010:III	Q2010:IV	Q2011:I	Q2011:II	Q2011:III	Q2011:IV	Q2012:I	Q2012:II	Q2012:III	Q2012:IV	Q2013:I	Q2013:II	Q2013:III	Q2013:IV
Traveler accommodations	1.9	-3.1	-0.6	1.6	1.8	0.8	5.7	-2.0	-3.0	2.5	6.4	5.8	-6.5	6.3	8.7	-8.2	-0.5	5.5	5.5	-3.0	-8.0
Transportation	9.5	-9.5	7.9	9.2	2.9	-0.6	1.3	0.3	12.5	17.3	11.2	5.5	-3.4	9.8	-3.7	1.9	4.9	-2.5	-11.0	9.4	3.2
Passenger air transportation	10.3	-9.8	9.0	7.2	4.6	-2.0	13.1	-5.2	5.2	14.5	8.9	3.7	7.4	12.1	4.8	-11.4	-0.6	-0.6	-8.5	5.7	7.9
All other transportation-related commodities	8.9	-9.5	7.1	10.6	1.8	0.3	-6.3	4.6	18.1	19.3	12.8	6.7	-9.6	8.4	-8.9	11.3	8.4	-3.5	-12.6	11.8	0.3
Food services and drinking places	4.6	3.7	1.2	2.4	3.0	2.1	0.9	1.7	1.9	2.0	4.0	2.9	2.6	3.2	3.3	2.8	1.5	1.6	2.8	2.0	1.9
Recreation, entertainment, and shopping	3.6	1.3	1.2	2.5	2.1	0.9	1.5	1.5	0.9	3.5	3.7	2.9	1.5	2.8	1.3	1.8	1.1	0.5	-0.4	2.0	0.6
Recreation and entertainment	3.4	0.5	1.4	1.8	1.9	1.1	3.1	2.2	0.3	2.9	2.3	1.1	0.2	3.5	1.9	2.2	1.1	0.7	-0.5	2.4	1.1
Shopping	3.8	1.9	1.0	3.0	2.3	0.7	0.1	0.9	1.4	4.1	4.9	4.4	2.6	2.2	0.9	1.5	1.2	0.3	-0.4	1.7	0.3
All tourism goods and services	5.7	-3.5	3.4	5.0	2.5	0.4	2.2	0.3	4.7	8.5	7.4	4.6	-2.0	6.4	0.9	-0.1	2.4	0.4	-3.3	3.9	0.1

Source: U.S. Bureau of Economic Analysis

Table 4. Percent Change in Direct Tourism Employment
[Percent change from preceding period]

Tourism Industry Group	Seasonally adjusted at annual rates																				
	2008	2009	2010	2011	2012	2013	Q2010:II	Q2010:III	Q2010:IV	Q2011:I	Q2011:II	Q2011:III	Q2011:IV	Q2012:I	Q2012:II	Q2012:III	Q2012:IV	Q2013:I	Q2013:II	Q2013:III	Q2013:IV
Traveler accommodations	-0.1	-6.9	1.4	3.1	2.0	2.0	4.7	3.8	3.8	3.0	2.3	3.2	0.4	2.3	3.1	1.2	1.2	4.0	1.8	0.5	0.7
Transportation	-2.3	-6.5	-2.9	2.0	1.7	0.8	-1.2	-0.5	2.1	3.0	3.0	2.5	2.0	1.6	1.1	1.5	0.8	-0.5	1.4	0.7	3.5
Air transportation services	-0.7	-5.2	-1.2	1.7	0.7	-0.4	-0.6	-1.2	3.5	2.3	2.0	1.8	1.4	-0.1	-0.2	0.8	0.3	-3.3	0.5	0.4	2.3
All other transportation-related industries	-3.4	-7.5	-4.1	2.2	2.5	1.7	-1.6	0.1	0.9	3.5	3.7	3.0	2.5	2.8	2.0	1.9	1.2	1.5	2.0	0.9	4.5
Food services and drinking places	-4.9	-10.8	2.7	3.0	3.7	3.6	7.6	5.1	4.5	0.8	2.3	2.1	2.9	6.5	2.5	3.3	3.6	4.6	3.3	3.7	2.7
Recreation, entertainment, and shopping	-8.5	-8.7	-6.0	2.5	2.5	1.3	-3.2	-0.9	2.4	3.3	4.4	4.8	2.3	2.9	1.4	0.6	2.7	-0.7	1.8	1.6	5.3
Recreation and entertainment	-7.2	-10.2	-2.3	3.2	3.1	1.5	2.1	3.6	4.2	1.2	3.6	5.4	2.3	4.2	2.3	0.3	3.6	-1.3	1.9	0.9	7.6
Shopping	-9.8	-7.2	-9.8	1.7	1.9	1.2	-8.7	-5.8	0.2	5.7	5.4	4.1	2.3	1.3	0.4	0.9	1.7	0.0	1.7	2.3	2.5
All other industries	-9.1	-3.5	-10.6	9.9	4.8	2.2	-7.7	-0.9	9.0	16.3	17.4	10.8	5.2	3.4	1.7	1.4	2.2	3.0	2.3	1.7	1.6
All tourism industries	-4.2	-8.3	-1.0	3.0	2.7	2.2	2.4	2.3	3.6	2.8	3.4	3.3	2.1	3.7	2.1	1.8	2.3	2.4	2.2	1.8	2.8

Source: U.S. Bureau of Economic Analysis

Table 5. Direct Tourism Employment
[Thousands]

Tourism Industry Group	Seasonally adjusted at annual rates																				
	2008	2009	2010	2011	2012	2013	Q2010:II	Q2010:III	Q2010:IV	Q2011:I	Q2011:II	Q2011:III	Q2011:IV	Q2012:I	Q2012:II	Q2012:III	Q2012:IV	Q2013:I	Q2013:II	Q2013:III	Q2013:IV
Traveler accommodations	1,380.5	1,284.9	1,303.4	1,343.6	1,370.4	1,397.9	1,298.0	1,310.1	1,322.5	1,332.2	1,339.9	1,350.5	1,351.8	1,359.4	1,369.8	1,374.0	1,378.3	1,392.0	1,398.0	1,399.7	1,401.9
Transportation	1,145.9	1,071.2	1,040.7	1,061.2	1,079.1	1,087.9	1,039.2	1,037.9	1,043.2	1,050.9	1,058.6	1,065.0	1,070.3	1,074.5	1,077.3	1,081.2	1,083.3	1,081.8	1,085.5	1,087.3	1,096.8
Air transportation services	482.1	456.9	451.2	459.0	462.0	460.1	450.8	449.4	453.3	455.9	458.2	460.2	461.8	461.6	461.4	462.4	462.7	458.8	459.4	459.8	462.4
All other transportation-related industries	663.9	614.3	589.4	602.2	617.0	627.7	588.4	588.5	589.9	595.0	600.4	604.8	608.5	612.8	615.9	618.8	620.6	623.0	626.1	627.5	634.4
Food services and drinking places	1,887.6	1,684.0	1,729.3	1,781.3	1,846.8	1,914.1	1,721.7	1,743.1	1,762.2	1,765.8	1,776.1	1,785.3	1,798.1	1,826.6	1,838.1	1,853.0	1,869.6	1,890.7	1,906.0	1,923.4	1,936.4
Recreation, entertainment, and shopping	1,169.5	1,067.2	1,003.3	1,028.4	1,054.3	1,068.4	1,000.9	998.7	1,004.6	1,012.7	1,023.7	1,035.7	1,041.6	1,048.9	1,052.7	1,054.2	1,061.3	1,059.4	1,064.1	1,068.3	1,082.0
Recreation and entertainment	608.8	546.7	534.0	550.9	567.7	576.0	530.9	535.7	541.2	542.8	547.7	554.9	558.1	563.8	567.1	567.5	572.5	570.6	573.3	574.6	585.3
Shopping	560.7	520.6	469.3	477.5	486.5	492.5	470.0	463.0	463.3	469.8	476.0	480.8	483.5	485.1	485.6	486.7	488.8	488.8	490.8	493.6	496.7
All other industries	241.4	233.0	208.3	228.8	239.7	244.9	206.3	205.9	210.3	218.4	227.4	233.3	236.2	238.2	239.2	240.0	241.4	243.1	244.5	245.6	246.5
All tourism industries	5,824.9	5,340.3	5,285.0	5,443.3	5,590.2	5,713.3	5,266.1	5,295.7	5,342.7	5,380.0	5,425.6	5,469.8	5,498.0	5,547.6	5,577.1	5,602.4	5,633.8	5,667.0	5,698.1	5,724.2	5,763.7

Source: U.S. Bureau of Economic Analysis

Table 6. Total Tourism-Related Employment
[Thousands]

Tourism Industry Group	Seasonally adjusted at annual rates																				
	2008	2009	2010	2011	2012	2013	Q2010:II	Q2010:III	Q2010:IV	Q2011:I	Q2011:II	Q2011:III	Q2011:IV	Q2012:I	Q2012:II	Q2012:III	Q2012:IV	Q2013:I	Q2013:II	Q2013:III	Q2013:IV
Traveler accommodations	1,819.0	1,692.9	1,716.9	1,769.4	1,804.5	1,840.6	1,709.8	1,725.7	1,741.8	1,754.5	1,764.6	1,778.5	1,780.1	1,790.1	1,803.8	1,809.3	1,814.9	1,832.8	1,840.8	1,843.0	1,846.0
Transportation	1,919.2	1,793.5	1,744.9	1,778.8	1,809.2	1,824.3	1,742.5	1,741.1	1,749.7	1,761.9	1,774.2	1,785.5	1,793.4	1,800.8	1,806.2	1,813.2	1,816.7	1,814.5	1,820.6	1,823.6	1,838.4
Air transportation services	817.7	775.0	765.4	778.6	783.7	780.5	764.6	762.3	768.9	773.3	777.2	780.6	783.3	783.1	782.7	784.3	784.8	778.2	779.2	780.0	784.4
All other transportation-related industries	1,101.5	1,018.5	979.5	1,000.1	1,025.5	1,043.8	977.9	978.8	980.7	988.5	997.0	1,004.9	1,010.1	1,017.7	1,023.6	1,028.9	1,031.9	1,036.3	1,041.4	1,043.6	1,054.0
Food services and drinking places	2,230.3	1,989.7	2,043.3	2,104.7	2,182.1	2,261.6	2,034.2	2,059.5	2,082.1	2,086.4	2,098.5	2,109.4	2,124.5	2,158.2	2,171.8	2,189.4	2,209.0	2,234.0	2,252.0	2,272.6	2,287.9
Recreation, entertainment, and shopping	1,814.0	1,656.9	1,549.0	1,583.4	1,622.0	1,642.3	1,545.9	1,540.7	1,548.7	1,560.2	1,575.9	1,594.7	1,602.8	1,613.7	1,619.9	1,622.5	1,632.0	1,629.2	1,636.7	1,641.0	1,662.3
Recreation and entertainment	892.6	804.0	786.9	810.6	835.4	847.3	782.1	789.5	797.8	799.4	805.7	816.4	820.7	829.4	834.6	835.2	842.4	839.1	843.6	844.8	861.5
Shopping	921.5	852.9	762.1	772.8	786.7	795.0	763.7	751.2	750.9	760.8	770.2	778.2	782.1	784.3	785.3	787.3	789.7	790.1	793.1	796.2	800.8
All other industries	420.3	404.7	363.2	398.3	417.0	426.2	359.9	359.3	367.0	380.4	395.8	405.9	411.0	414.4	416.1	417.6	420.0	423.1	425.5	427.3	429.0
All tourism industries	8,202.8	7,537.7	7,417.3	7,634.5	7,834.9	7,995.1	7,392.4	7,426.2	7,489.2	7,543.3	7,609.0	7,674.0	7,711.8	7,777.2	7,817.8	7,851.9	7,892.5	7,933.6	7,975.6	8,007.6	8,063.6
<i>Percent change at annual rate</i>	-4.4	-8.1	-1.6	2.9	2.6	2.0	1.7	1.8	3.4	2.9	3.5	3.5	2.0	3.4	2.1	1.8	2.1	2.1	2.1	1.6	2.8

Source: U.S. Bureau of Economic Analysis