

Outlook Positive for U.S. Travel and Hospitality in 2018

The 2017 Turnaround

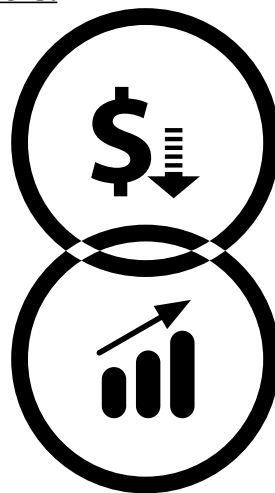
Starting in 2014, international travel to the U.S. began to slow when foreign currencies could not keep up with a strengthening U.S. dollar. As a result, the U.S. hospitality industry began a period of decline.

However, beginning in the second quarter of 2017 we began to see glimmers of a turnaround for the industry. Positive year-over-year numbers continued throughout the year, paving the way for an optimistic outlook for 2018.

Contributing Factors at Home and Abroad

The positive forecast for the U.S. travel and hospitality industries is due to a confluence of two main factors:

A SOFTENING U.S. DOLLAR HAS MADE TRAVEL TO THE U.S. MORE AFFORDABLE



STRONG ECONOMIC GROWTH AND POSITIVE CONSUMER SENTIMENT IN KEY MARKETS FOR U.S. TRAVEL, EUROPE, JAPAN AND CHINA

Not only is travel to the U.S. more affordable, but thanks to the growth of the economies in their home countries, foreigners are coming with more discretionary money to spend.

Key Takeaway

Companies in the hospitality industry should take advantage of this projected uptick in tourism by planning their marketing campaigns to target specific key audiences both domestically and abroad:

- Hospitality brands that cater towards tourism should focus on international travelers.
- Domestically, travel brands should focus on Baby Boomers and Millennials; Baby Boomers have the savings and time to travel, while Millennials value travel and experiences more so than material goods.