America’s Wake Up Call

Published in *Tourism Management*, vol. 17, no. 2 (March 1996), pp. 139-141.

In a historic first, the White House Conference on Travel and Tourism convened in Washington, D.C. on October 30 to 31, 1995, focusing the attention of the highest levels of government and business on pressing needs of travel to and within the United States and the industry that serves it.

Concerned about a three-year slide in U.S. share of the international tourism market, 1,700 delegates from the private and public sectors of America’s tourism industry in 50 states and five U.S. territories gathered for a two-day conference to explore solutions. Dubbed the “White House Conference on Travel and Tourism,” this historic congress discussed the challenges facing the U.S. tourism industry and devised a national strategy for improving tourism’s growth prospects into the 21st century.

While estimates indicate tourism is America’s largest service export, its second largest private employer, and contributes 6 percent directly to the U.S. GDP, there is much consternation that the activity and the industry that serves it is not accorded its rightful place in government policy-making. Rather, its infrastructure is short-changed, its tax burden is growing, visitors encounter barriers to entry, and government does not acknowledge its role in economic growth and development. Such constitutes the “decade of neglect” of tourism and the tourism industry that Conference was prepared to redress in a “wake up call for America.”

Eighteen months earlier, private and government tourism leaders dissatisfied with the U.S. approach to marketing America as an international travel destination, and concerned that the nation’s tourism industry was not positioned to address the issues and opportunities the next decade or two will present, proposed this conference to President William Clinton and his Administration. Special impetus was provided by the realization by many leaders that continued federal funding of the U.S. Travel and Tourism Administration (USTTA), the national tourism office, at less than $20 million annually would not redress the slide in international market share. Moreover, even this meager amount was not likely to be forthcoming in the current era of government cutbacks and privatization. Finally, the Canadian move to a public-private partnership to promote inbound travel with a budget of C$100 million a year was viewed as a strong additional challenge to America’s future competitiveness as a global tourism destination.

The Clinton Administration endorsed this gathering in the spirit of similar White House Conferences on aging, small business, and other salient policy subjects. A coalition of private industry organizations with the cooperation of public agencies then went to work to organize, fund and produce the Conference.

Each state travel office, the official agencies charged with developing tourism markets for the state and encouraging the local tourism industry to provide quality services to domestic and international visitors, spearheaded the local effort. This centered on holding a statewide conference to develop recommendations in nine issue areas and to select delegates to the national conference. Additional delegates were
appointed by the Administration, and all state governors and members of the U.S. Congress were invited to participate.

Recommendations from the state delegations were transmitted to 10 task forces comprised of public and private tourism leaders appointed by the Administration. In addition, a recent report by the federal Tourism Policy Council, comprised of the key federal agencies with tourism-related responsibilities (e.g., national parks, transportation, customs) was also reviewed for input. These task forces then developed specific recommendations in their issue areas for presentation to the White House Conference. A final meeting of task force representatives in New Orleans hammered out the final wording of the national strategic plan for tourism.

The result was four goals covering ten objectives, and 46 detailed recommendations for achieving these objectives. Each recommendation was stated in terms of an action, a date for accomplishment, and an organization responsible for completing the action.

The four goals adopted by the Conference are:

• Demonstrate the economic power of the travel and tourism industry;

• Ensure an American travel experience that is second to none;

• Promote and facilitate travel to the United States as the international destination of choice;

• Create a structural framework to implement this National Tourism Strategy.

These goals were expressed in ten objectives or priorities:

1. Create greater awareness of the industry’s economic importance as a job creator, revenue builder, and trade surplus generator

2. Adopt a uniform public and private sector data collection and reporting measurement system and mandate better representation of the industry in government accounting systems

3. Enhance career and employment opportunities and worker skills through improved public and private sector coordination of educational training initiatives.

4. Preserve natural, historic and cultural resources for future generations and expand urban and rural economic development opportunities by fostering environmental and cultural travel and tourism.

5. Mobilize the industry to respond to travel safety and security concerns through partnership within communities and disaster preparedness programs.

6. Enhance the visitor experience and dramatically change the way the travel and tourism industry does business by increasing the use of new and emerging technologies.
7. Ensure that America keeps pace with increasing travel demand and changing travel patterns by allocating appropriate funding to our national transportation and tourism infrastructure.

8. Reduce travel barriers to the United States by continuing and expanding the Visa Waiver Pilot program (extended to visitors from 23 designated countries) and improving customer services at international ports of entry.

9. Create Visit USA, Inc., a private sector managed, federally sanctioned entity to promote the U.S. as the premier travel destination in the world, stemming the tide against fragmented industry efforts and lost global market share.

10. Form a public/private partnership that will drive the efforts of the industry, Congress, federal agencies and state and municipal travel and tourism organizations to achieve the collective goals of the industry established by the White House Conference.

The major theme among the 46 recommendations within these ten objectives was to increase the U.S. share of the growing international tourism market. Major recommendations in this area include:

- the telecommunications industry should extend existing toll-free telephone multilingual visitor information services to include emergency assistance to all parts of the country

- each tourism destination community should develop a Community Safety Plan in cooperation with local law enforcement agencies and visitor bureaus which adequately provides for the safety of its visitors

- adoption throughout the tourism industry of the United Nations/World Tourism Organization standard tourism definitions and classifications

- federal border control and inspection agencies should take advantage of technology to facilitate visitor entry

- the Visa Waiver Program should be made permanent by Congress, visa lengths of stay should be extended, and consular offices should be expanded to expedite visa issuance

- customer service and cultural sensitivity of port of entry staff should be improved

- development, display and distribution of multilingual traveler information at key ports of entry and destination areas should be promoted

- a new, federally chartered organization, called Visit USA, Inc., should be created to improve U.S. competitiveness in international markets through promotion of travel to and within the U.S.

Visit USA, Inc., would take over the international marketing functions of the USTTA. The life of the latter agency is expected to be extended by the U.S. Congress through August, 1996, and then be terminated. Visit USA, Inc., has a funding goal of
$100 million annually by 2000, not including private sector funds. While a source of such federal funding is not yet set, Conference leadership is proposing an increase in the U.S. passport fee of $30 for each ten-year extension. This would bring the total passport renewal fee to $80.

While federal funding would underwrite the Visit USA program, the private sector would contribute $3 million a year for each of two initial years of the organization, and would purchase certain services as needed, such as in-market representation.

Delegates recognized that a new organization was required to “drive the efforts of industry, Congress, federal agencies involved in tourism development, and state and municipal travel and tourism organizations to achieve the collective goals of the travel and tourism industry established by the White House Conference.” Tentatively called the “national public/private partnership organization,” this body would:

• advise the Administration on national tourism economic and trade policy issues,
• approve the White House Conference strategic plan,
• develop assessment criteria for overall travel and tourism program performance,
• approve Visit USA, Inc., marketing plans,
• provide policy guidance to the Tourism Policy Council and private sector partner organizations.

Given past major efforts to structure radically improved international tourism marketing programs, one is tempted to place little faith in the prospects of this one, except for three unique developments:

The general if not unanimous agreement that USTTA cannot continue to be the U.S. national tourism office. Congress and the Administration have agreed the agency will terminate next year, and industry leaders will not fight this decision.

The level of endorsement the Conference’s strategic plan has received. The Conference goals, objectives and recommendations were endorsed on site by President William Clinton, Vice President Albert Gore, Commerce Secretary Ron Brown. Congressional leader Newt Gingrich invited legislative recommendations by video, as did other members of Congress, several state governors, and an number of large city mayors. The senior executives of American Express Company, Hyatt Hotels Corporation, Alamo Rent A Car, Walt Disney Attractions, Loews Hotels, and other major tourism industry organizations were on hand to personally endorse the plan, as well.

The momentum provided by the broad industry representation at the Conference. Over eighteen months, local tourism organizations gathered together and agreed on goals and recommendations. Major tourism companies and government agencies agreed as well on the comprehensive national strategy. This was finally endorsed by 1,700 delegates during the Conference.

The Conference leadership will meet with members of Congress over the succeeding weeks to achieve agreement on the legislative issues that must be resolved, such as funding Visit USA, Inc. This effort will be coordinated by the Travel Industry Association of America, the umbrella organization representing the interests of more than 30 national tourism trade associations and all sectors of the industry.
The Conference itself was extremely well-managed, with nearly flawless multimedia presentations interspersed with live speakers and entertainment by nationally known celebrities. Delegate feedback was encouraged through the use of an interactive audience response system which quickly and automatically tallied votes on large screens.

Delegates interviewed varied in their opinions of Conference results affecting their own businesses or destination areas. Most felt the Conference elevated the stature of their activities which could be translated into greater local government support for tourism-related infrastructure, reduced taxes on tourism activities, market development, and other benefits of raising public consciousness of the role of tourism in economic development and personal lifestyles. Some believed the unity achieved by the myriad sectors at this gathering would strengthen private sector cooperative efforts to attract visitors back home. Others saw a greater sense of pride in their industry from being recognized by a White House Conference.

So, amidst the hype of calls at the Conference to “Make travel and tourism number 1” and “What’s good for tourism is good for America,” there was substance that could translate into a stronger, coordinated effort to market the U.S. to international visitors and improve the quality of the tourism experience in America. This will become clear by August, 1996, when USTTA is terminated. In the mean time, a legion of public and private large and small organizations will be working to turn the White House Conference for Travel and Tourism plan into reality.

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Following is my article on the White House Conference on Travel and Tourism that concluded yesterday.

I hope you find this satisfactory.