

## Travel & Tourism

### Overview

Brazil became the 4th **largest source of overseas** visitors to the United States in 2011, and is the top arrivals market for South America, accounting for more than 30 percent of arrivals from the continent.

With only 5 million outbound travelers from a population of 190 million, and the country's economic growth prompting more middle-class travelers, growth seems likely to continue for many years. In **2009**, Brazil had a double-digit increase of 16% in the number of visitors to the United States over 2008, with 892,000 Brazilian visitors. In **2010**, the U.S. Department of Commerce's Office of Travel and Tourism Industry (OTTI) reported that Brazil had a **34% increase** in the number of arrivals to the United States, reaching the record number of **1,197,000 visitors**. The rate of growth continued in 2011, when 1,508,279 Brazilians visited the United States, representing an increase of 26% over the previous year -- another record number.

Brazil's spending in the United States continues growing every year, and a record-breaking \$5.9 billion in 2010 or \$ 4,940 for each visitor. Brazilians travelers rank first in per capita spending among the top ten groups of foreign visitors to the U.S.

The Commerce Department expects the total number of Brazilian visitors will be even higher in 2012. Recently, the United States Department of State added more consular officers at its consulates in Brazil, to speed up the visa process for Brazilians wishing to visit the US.

There were 944,000 visas issued in Brazil in 2011, a 51% increase over 2010 total numbers.

President Obama signed an executive order in January 2012 giving the Departments of Homeland Security and State 60 days to come up with a plan to process visa applications from Brazil and China more quickly. The order calls for shortening the process to a maximum of three weeks.

### Top 20 Countries

|             |                                  | 2011                      |                 |
|-------------|----------------------------------|---------------------------|-----------------|
| <u>RANK</u> | <u>COUNTRY OF RESIDENCE</u>      | <u>NUMBER OF ARRIVALS</u> | <u>% CHANGE</u> |
| 1           | Canada                           | 21,028,177                | 5.3             |
| 2           | Mexico                           | 13,414,020                | -0.4            |
| 3           | United Kingdom                   | 3,835,300                 | -0.4            |
| 4           | Japan                            | 3,249,569                 | -4.0            |
| 5           | Germany                          | 1,823,797                 | 5.7             |
| <b>6</b>    | <b>Brazil</b>                    | <b>1,508,279</b>          | <b>25.9</b>     |
| 7           | France                           | 1,504,182                 | 12.1            |
| 8           | South Korea                      | 1,145,216                 | 3.4             |
|             | People's Republic of China (EXCL |                           |                 |
| 9           | HK)                              | 1,089,405                 | 35.9            |
| 10          | Australia                        | 1,037,852                 | 14.8            |

|                        |             |            |      |
|------------------------|-------------|------------|------|
| 11                     | Italy       | 891,571    | 6.4  |
| 12                     | Spain       | 700,183    | 9.5  |
| 13                     | India       | 663,465    | 1.9  |
| 14                     | Netherlands | 601,013    | 5.4  |
| 15                     | Venezuela   | 561,080    | 14.1 |
| 16                     | Argentina   | 512,258    | 17.4 |
| 17                     | Colombia    | 496,814    | 0.4  |
| 18                     | Switzerland | 476,502    | 22.0 |
| 19                     | Sweden      | 438,972    | 18.0 |
| 20                     | Ireland     | 346,879    | -3.8 |
| TOTAL TOP 20 FOR Y-T-D |             | 55,324,534 | 4.4  |

### **The U.S. as a Destination**

The U.S. is Brazil's second most popular destination, behind only Argentina, competing for Brazilian travel dollars with Argentina, Europe, Australia, Canada and Asia. More Brazilians are traveling to the U.S. because of promotions offered by U.S. companies and the Brazilian Real's increased value.

Brazil ranked 6<sup>th</sup> in country of origin for visitors to the US during 2011, based on an increased number of direct flights to U.S. destinations, and on a constant strengthening of its currency – the Real – playing an important although small role in the U.S. travel and tourism industry. In 2010, among top activities of Brazilians when visiting the U.S., shopping accounted for 89% of their preferences, followed by dining in restaurants (88%), visiting historical sites (47%) and amusement/theme parks (43%). The most popular destinations for Brazilian visitors in the U.S. are Florida (Miami and Orlando), New York/New York City, California (Los Angeles), and Las Vegas. Washington, DC, New Orleans, Massachusetts, San Francisco and Texas are popular secondary destinations.

Brazil's typical visitor to the U.S. has visited at least once before. The high season for Brazilian travel to the U.S. is December through January, and then during school holidays in July. Shorter trips during public holidays are also very popular. Although not as popular as before, fly and drive trips still attract Brazilian families wishing to drive through Arizona, California, Nevada, Colorado, Florida, Louisiana or New England.

**Australia, Argentina, Brazil, Colombia  
Non-Resident Visitation to the U.S.  
By world region/country of residence 2011**

| MONTH/QUARTER       | AUSTRALIA        |             | ARGENTINA      |             | BRAZIL           |             | COLOMBIA       |              |
|---------------------|------------------|-------------|----------------|-------------|------------------|-------------|----------------|--------------|
|                     | COUNT            | % CHANGE    | COUNT          | % CHANGE    | COUNT            | % CHANGE    | COUNT          | % CHANGE     |
| JANUARY             | 71,293           | 26.6        | 42,557         | 19.2        | 144,981          | 27.8        | 29,225         | 5.0          |
| FEBRUARY            | 52,808           | 22.5        | 43,055         | 19.3        | 85,868           | 7.7         | 21,129         | 2.1          |
| MARCH               | 64,574           | 13.7        | 36,279         | 8.4         | 112,486          | 53.1        | 28,651         | -32.7        |
| <i>1ST QUARTER</i>  | <i>188,675</i>   | <i>20.8</i> | <i>121,891</i> | <i>15.8</i> | <i>343,335</i>   | <i>28.7</i> | <i>79,005</i>  | <i>-13.3</i> |
| APRIL               | 92,512           | 32.5        | 43,179         | 32.7        | 112,678          | 28.3        | 43,305         | 45.4         |
| MAY                 | 100,609          | 25.8        | 47,607         | 10.2        | 111,594          | 20.8        | 34,522         | -4.6         |
| JUNE                | 104,942          | 17.0        | 37,200         | 22.4        | 112,377          | 33.8        | 65,051         | 7.8          |
| <i>2ND QUARTER</i>  | <i>298,063</i>   | <i>24.5</i> | <i>127,986</i> | <i>20.6</i> | <i>336,649</i>   | <i>27.4</i> | <i>142,878</i> | <i>13.1</i>  |
| JULY                | 89,529           | 10.8        | 51,071         | 8.3         | 153,223          | 21.4        | 53,977         | -0.6         |
| AUGUST              | 91,467           | 10.1        | 40,643         | 21.6        | 106,410          | 30.0        | 35,374         | 0.7          |
| SEPTEMBER           | 122,370          | 14.5        | 51,663         | 22.4        | 133,387          | 33.1        | 36,075         | 2.0          |
| <i>3RD QUARTER</i>  | <i>303,366</i>   | <i>12.0</i> | <i>143,377</i> | <i>16.8</i> | <i>393,020</i>   | <i>27.5</i> | <i>125,426</i> | <i>0.5</i>   |
| OCTOBER             | 83,015           | 0.9         | 45,806         | 15.7        | 145,286          | 25.0        | 48,203         | -3.3         |
| NOVEMBER            | 66,504           | 2.9         | 34,676         | 22.3        | 119,235          | 27.7        | 41,570         | 2.6          |
| DECEMBER            | 98,229           | 8.1         | 38,522         | 13.0        | 170,754          | 14.6        | 59,732         | -3.8         |
| <i>4TH QUARTER</i>  | <i>247,748</i>   | <i>4.2</i>  | <i>119,004</i> | <i>16.6</i> | <i>435,275</i>   | <i>21.4</i> | <i>149,505</i> | <i>-1.9</i>  |
|                     |                  |             |                |             |                  |             |                |              |
| <b>YEAR-TO-DATE</b> | <b>1,037,852</b> | <b>14.8</b> | <b>512,258</b> | <b>17.4</b> | <b>1,508,279</b> | <b>25.9</b> | <b>496,814</b> | <b>0.4</b>   |

### **Brazil's Travel & Tourism Distribution System**

While wholesalers are key travel distributors, Brazil's 10,000 travel agencies, 60% of who issue international tickets, are most important. Many tour operators start out as travel agencies, so many provide both services, with stiffer competition prompting many to upgrade technologies and improve efficiencies. Associations are important in Brazil's travel industry. The Brazilian Tour Operators Association (Braztoa), formed by 70 operators, is the main association of tour operators. The Brazilian Travel Agencies Association (ABAV) has approximately 3,500 members responsible for just over 80% of travel sales. The majority of Brazil's visitors to the U.S. go through a travel agency, while others go directly to airlines, through the Internet, or use state/city travel offices.

### **Promotion to Attract Brazil's Diverse Travelers**

Travel and tourism promotion in Brazil has seen success over the past decades. Brazil's large and diverse population means the country has a diverse set of interests from which U.S. destinations can recruit travelers. For a U.S. destination, finding the hook for potential Brazilian travelers could lead to great returns.

The U.S. Commercial Service/Brazil organizes the **VISIT USA** shows. This is the most effective and affordable vehicle for the U.S. travel trade industry to increase its market exposure in Brazil. **VISIT USA 2011**. Brazil took place in Rio de Janeiro and São Paulo in April of 2011, and was visited by over 1,400 select travel agents, tour operators and media members in both cities.

**VISIT USA 2012** will be held in São Paulo and Rio de Janeiro in May 2012.

Source: U.S. Department of Commerce's Office of Travel & Tourism Industry – OTTI

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