



2009 International Visitation to North Carolina

April 2011

North Carolina Division of Tourism, Film and Sports Development

Report developed in conjunction with



Executive Summary

International Visitation to North Carolina

- Applying conservative assumptions to empirical data provides that an estimated 511,115 international visitors travel to North Carolina (this total does not include Canada).
- Approximately \$237 million in spending is associated with these visitors. The top ten origin countries represent 53 percent of visitation and 49 percent of spending.
- In terms of market share of international visitors to North Carolina, the United Kingdom is the top market with 15.2% of market share and 12.6% of spending. Germany (market share, 11.2%; spending, 8.4%) and Mexico (market share, 5.7%; spending, 4.6%) are the next top markets. Other top countries are Japan, India, France and South Korea.
- In terms of spending per visitor, visitors from China/Hong Kong spend the most with an average of \$721 per visitor. Brazilians follow with \$585 per visitor. Other top countries with high per person spending are Switzerland (\$551), Northern Ireland (\$542), Venezuela (\$531) and Japan (\$509). Spending includes only spending that occurs in North Carolina. Air fares and other pre-paid expenses are not included.
- Visitors from Asia, in particular India and Japan, spend a much larger proportion of their total spending on lodging than European visitors to North Carolina. This is likely due to a longer length of stay. Visitors from Latin America spend even less on lodging than Europeans.
- Visitors from Europe tend to spend more on restaurants and dining, while visitors from South America and India spend more in supermarkets, indicating that they may be cooking in their places of lodging rather than eating out. Surprisingly, in 2009 French visitors to North Carolina spent a larger proportion of their total spending in supermarkets than in restaurants.
- Visitors from South America and Mexico spend more of their total travel budget on retail in general, particularly in radio/TV/stereo stores, department stores, specialty retail and discount stores.
- Italian and German visitors spend a larger proportion of total spending on auto rental and gasoline/oil than visitors to North Carolina from any other country.
- Spending in clothing and jewelry stores rank high in all countries of origin, particularly Venezuela, Mexico, China, and Germany.

Table 1: North Carolina's Top 15 International Markets by Market Share
(Ranked by Total Spend)

| Rank | Country of Origin | Estimated Visitors | Total Spent | Average Spending per Visitor |
|--------------|-------------------|-----------------------|-----------------------|------------------------------------|
| 1 | United Kingdom | 77,788 | \$ 29,883,526 | \$ 384 |
| 2 | Germany | 57,031 | \$ 19,943,694 | \$ 350 |
| 3 | Japan | 26,679 | \$ 13,568,973 | \$ 509 |
| 4 | Mexico | 29,207 | \$ 11,002,465 | \$ 377 |
| 5 | China/Hong Kong | 13,161 | \$ 9,490,400 | \$ 721 |
| 6 | India | 19,868 | \$ 8,937,030 | \$ 450 |
| 7 | France | 19,327 | \$ 7,882,987 | \$ 408 |
| 8 | Brazil | 13,212 | \$ 7,731,870 | \$ 585 |
| 9 | South Korea | 13,606 | \$ 6,633,561 | \$ 488 |
| 10 | Italy | 11,152 | \$ 5,030,487 | \$ 451 |
| 11 | Australia | 12,018 | \$ 4,605,511 | \$ 383 |
| 12 | Switzerland | 7,906 | \$ 4,355,518 | \$ 551 |
| 13 | Ireland | 6,240 | \$ 3,381,791 | \$ 542 |
| 14 | Venezuela | 5,649 | \$ 3,000,091 | \$ 531 |
| 15 | Sweden | 7,555 | \$ 2,545,173 | \$ 337 |
| TOTAL | | 511,115 | \$ 237,193,905 | \$ 464 |

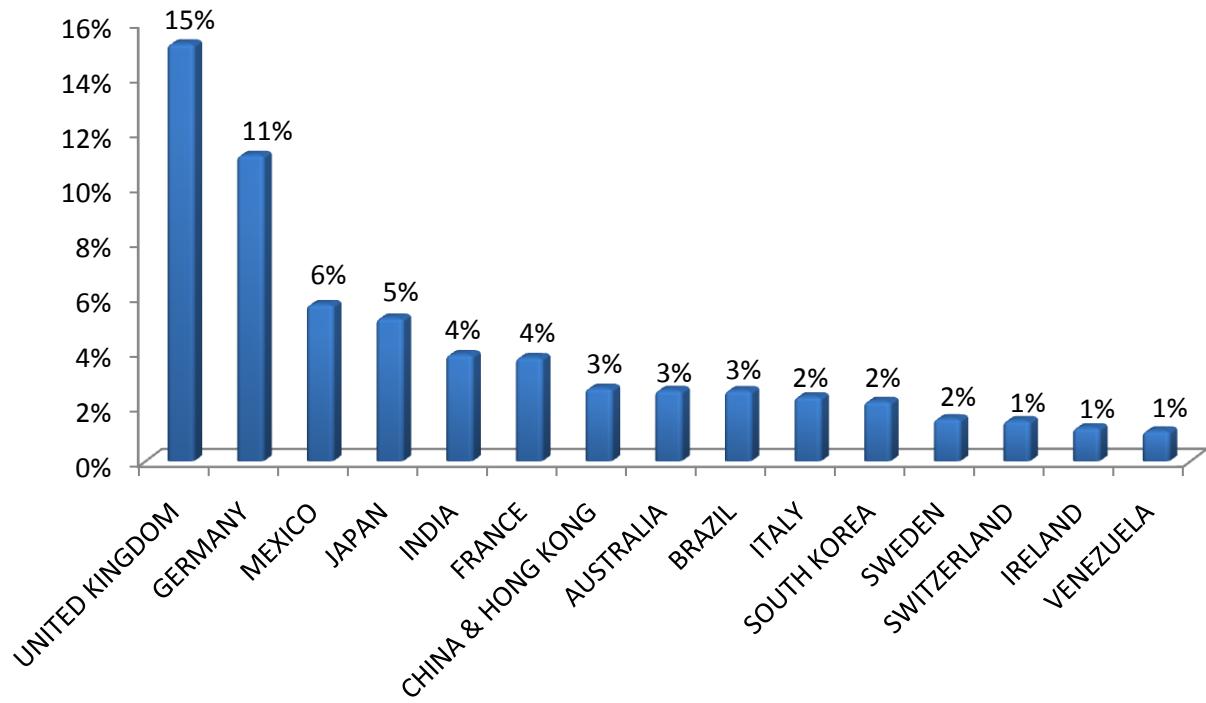
*Canada not included

** Spending only includes what is spent in North Carolina.

***North Carolina Division of Tourism estimates based on extrapolations from government data and aggregate Visa usage data provided by VisaVue Travel for the period of calendar year 2009.

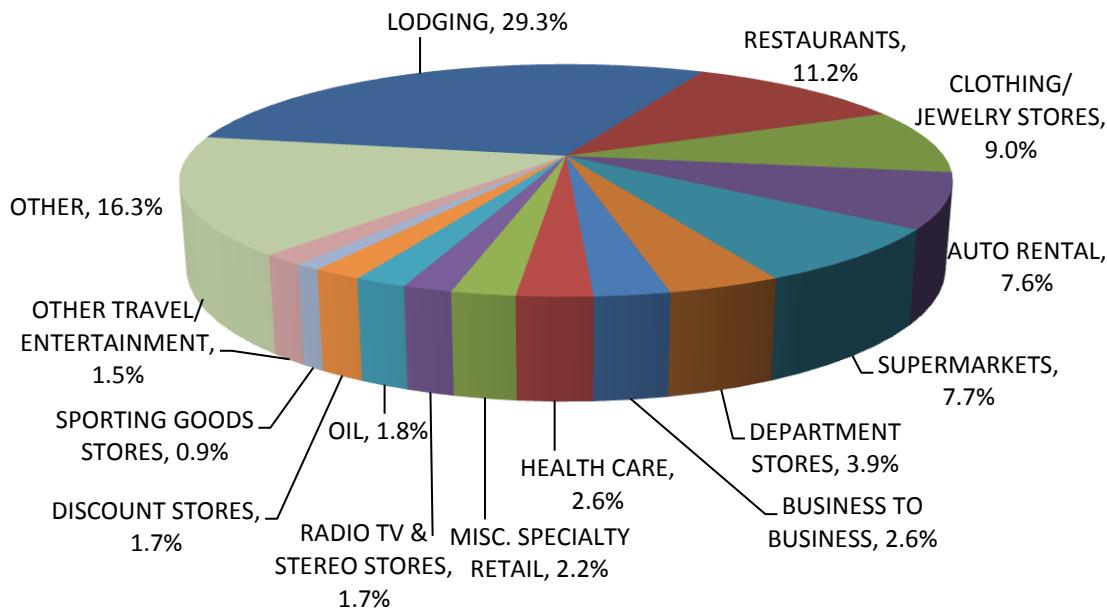
- The United Kingdom ranks #1 in terms of volume of international visitors to North Carolina with over 77,000 visitors. Spending by UK visitors is estimated at \$29.9 million (12.6% of all international spending in North Carolina).
- German visitors represent the next largest country of origin with over 57,000 visitors and \$19.9 million in spending.
- While Japanese visitors have a higher average per person spending (\$509), its lower visitor volume translates to a lower total spending estimate of \$13.6 million.
- Visitors from China have the highest per person spending average at \$721, followed by visitors from Brazil (\$585).

Chart 1: Market Share of Top International Countries of Origin to North Carolina



- The United Kingdom ranks #1 in terms of market share of international visitors to North Carolina with 15.2 percent of market share. UK visitors also ranked #1 in terms of total spending with 12.6 percent of total international spending.
- Germany (11.2%), Mexico (5.7%) and Japan (5.2%) were the next top markets by market share.
- The top 15 countries of origin represent over 62 percent of market share of international visitation to North Carolina.

Chart 2: Spending by Merchant Category for the UK Market in North Carolina

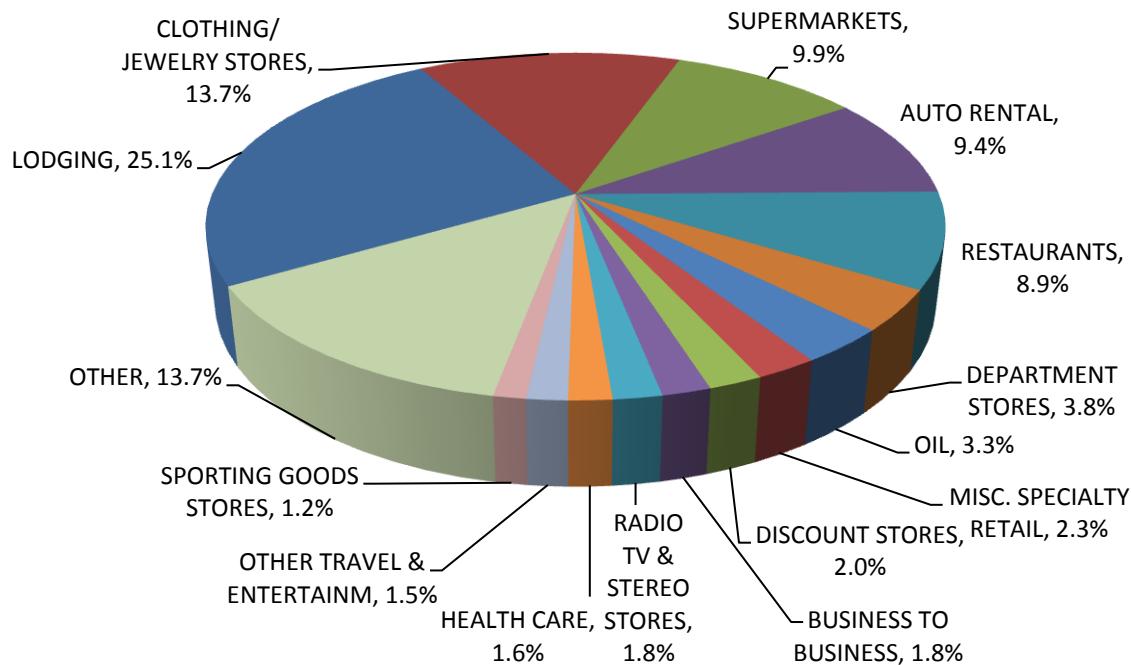


- In the UK market, “other” represents one of the largest consumer card spending categories followed by “lodging”. “Other” includes categories such as miscellaneous retail, drug stores/pharmacies, furniture stores, etc.
- UK visitors spend a larger proportion of their total spending on “restaurants” than visitors from other countries.

Table 2: UK Spending in North Carolina

| Category | Percent of Total | Spending |
|-------------------------|------------------|----------------|
| Lodging | 29.3% | \$ 8.7M |
| Restaurants | 11.2% | \$ 3.3M |
| Clothing/Jewelry Stores | 9.0% | \$ 2.7M |
| Supermarkets | 7.7% | \$ 2.3M |
| Auto Rental | 7.6% | \$ 2.3M |
| Department Stores | 3.9% | \$ 1.2M |
| Health Care | 2.6% | \$778,160 |
| Specialty Retail | 2.2% | \$662,668 |
| Sub Total | 73.5% | \$21.9M |
| Total | 100.0% | \$29.9M |

Chart 3: Spending by Merchant Category for the *German* Market in North Carolina

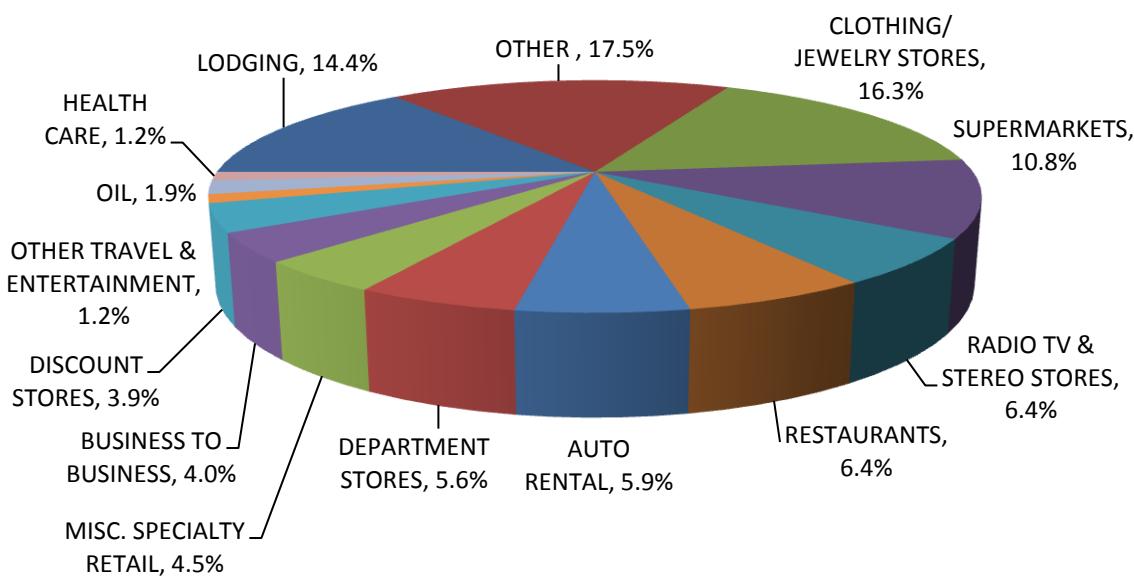


- German visitors spend a larger proportion of their total spending on “auto rental” than visitors from most other countries (though the total dollar spend is still less than UK due to less volume).
- Germans spent a smaller proportion of total spending in NC on restaurants and dining.

Table 3: German Spending in North Carolina

| Category | Percent of Total | Spending |
|-------------------------|------------------|----------------|
| Lodging | 25.1% | \$5.0M |
| Clothing/Jewelry Stores | 13.7% | \$2.7M |
| Supermarkets | 9.9% | \$2.0M |
| Auto Rental | 9.4% | \$1.9M |
| Restaurants | 8.9% | \$1.8M |
| Department Stores | 3.8% | \$752,684 |
| Oil | 3.3% | \$655,724 |
| Specialty Retail | 2.3% | \$468,138 |
| Sub Total | 76.4% | \$15.2M |
| Total | 100.0% | \$19.9M |

Chart 4: Spending by Merchant Category for the *Mexican* Market in North Carolina

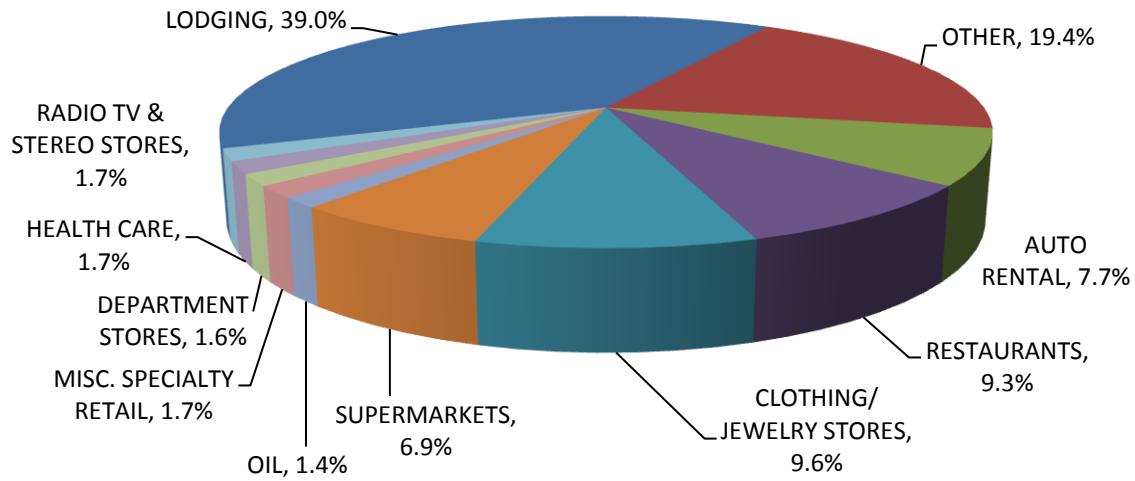


- Mexican visitors spend a much smaller proportion of their total spending on lodging than visitors from other countries.
- These visitors do spend a larger proportion on retail, particularly in clothing and jewelry stores.

Table 4: Mexican Spending in North Carolina

| Category | Percent of Total | Spending |
|--------------------------|------------------|----------------|
| Lodging | 14.4% | \$1.6M |
| Clothing/Jewelry Stores | 16.3% | \$1.8M |
| Supermarkets | 10.8% | \$1.2M |
| Restaurants | 6.4% | \$707,190 |
| Radio TV & Stereo Stores | 6.4% | \$706,408 |
| Auto Rental | 5.9% | \$648,357 |
| Department Stores | 5.1% | \$611,970 |
| Sub Total | 66.4% | \$7.2M |
| Total | 100.0% | \$11.0M |

Chart 5: Spending by Merchant Category for the Japanese Market in North Carolina

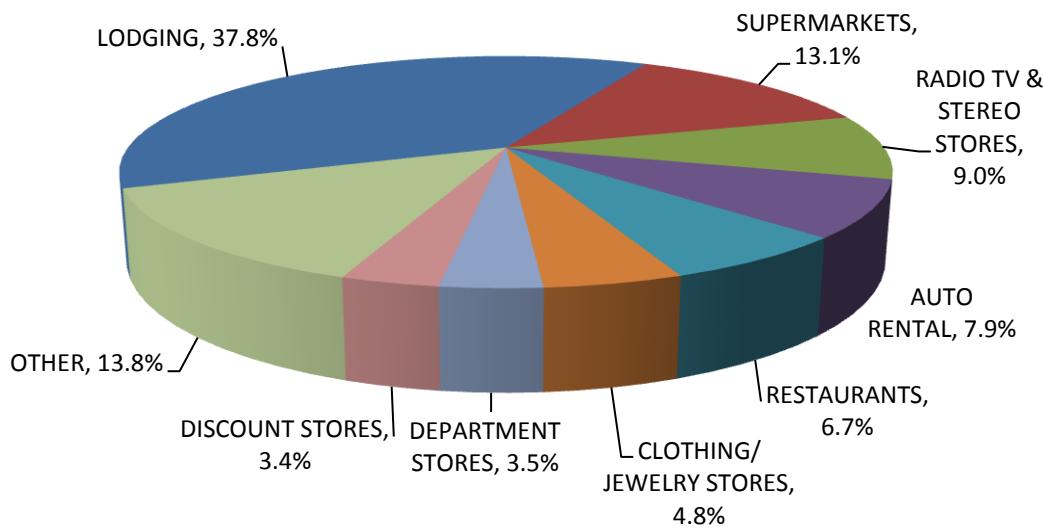


- Japanese visitors to North Carolina spend nearly twice the proportion of their total spending on lodging as visitors from other countries of origin.
- These visitors spend a much smaller proportion of their total spending in department stores, supermarkets, and radio/TV/stereo stores.

Table 5: Japanese Spending in North Carolina

| Category | Percent of Total | Spending |
|-------------------------|------------------|----------------|
| Lodging | 39.0% | \$5.3M |
| Clothing/Jewelry Stores | 9.6% | \$1.3M |
| Restaurants | 9.3% | \$1.3M |
| Auto Rental | 7.7% | \$1.0M |
| Supermarkets | 6.9% | 940,389 |
| Department Stores | 1.6% | 223,467 |
| Sub Total | 74.1% | \$10.1M |
| Total | 100.0% | \$13.6M |

Chart 6: Spending by Merchant Category for the *Indian* Market in North Carolina

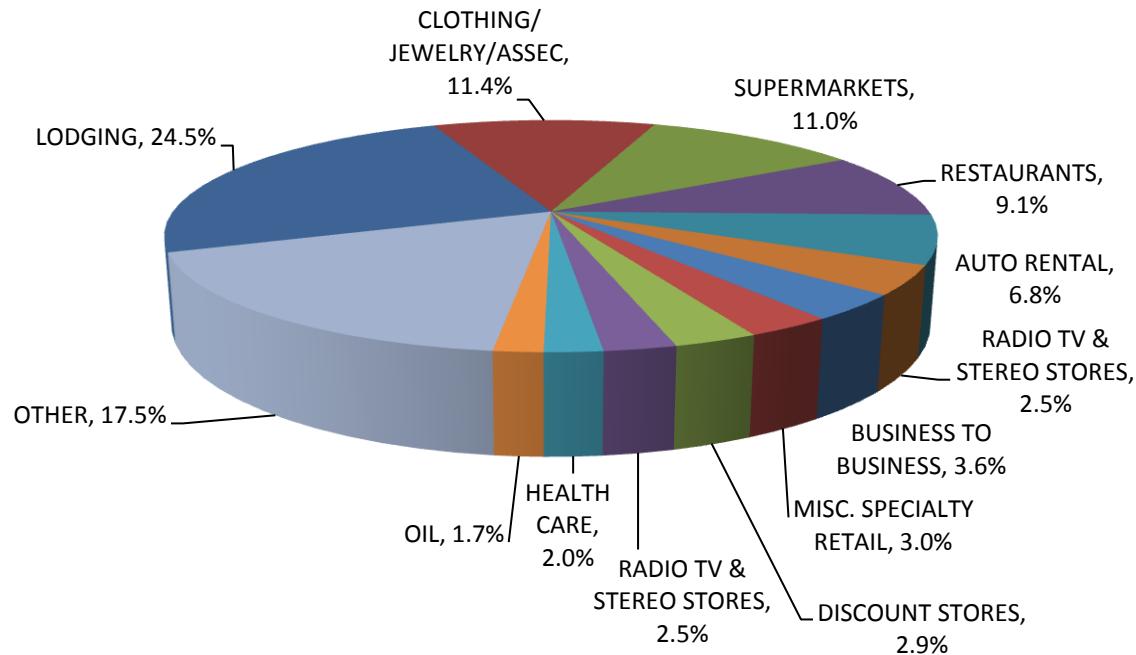


- Like Japanese visitors to North Carolina, visitors from India spend nearly twice the proportion of their total spending on lodging as visitors from other countries of origin.
- These visitors spend a much smaller proportion of their total spending on restaurants, but a larger proportion at supermarkets. Over thirteen percent of their total spending in the state is in supermarkets.
- Visitors from India also spend a much larger proportion of their total spending at radio/TV and stereo stores and discount stores than visitors from other countries.

Table 6: Indian Spending in North Carolina

| Category | Percent of Total | Spending |
|-------------------------|------------------|---------------|
| Lodging | 37.8% | \$3.4M |
| Supermarkets | 13.1% | \$1.2M |
| Radio/TV/Stereo Stores | 9.0% | \$807,124 |
| Auto Rental | 7.9% | \$705,370 |
| Restaurants | 6.7% | \$598,727 |
| Clothing/Jewelry Stores | 4.8% | \$428,328 |
| Department Stores | 3.5% | \$315,662 |
| Discount Stores | 3.4% | \$300,571 |
| Sub Total | 86.2% | \$7.7M |
| Total | 100.0% | \$8.9M |

Chart 7: Spending by Merchant Category for the *French* Market in North Carolina

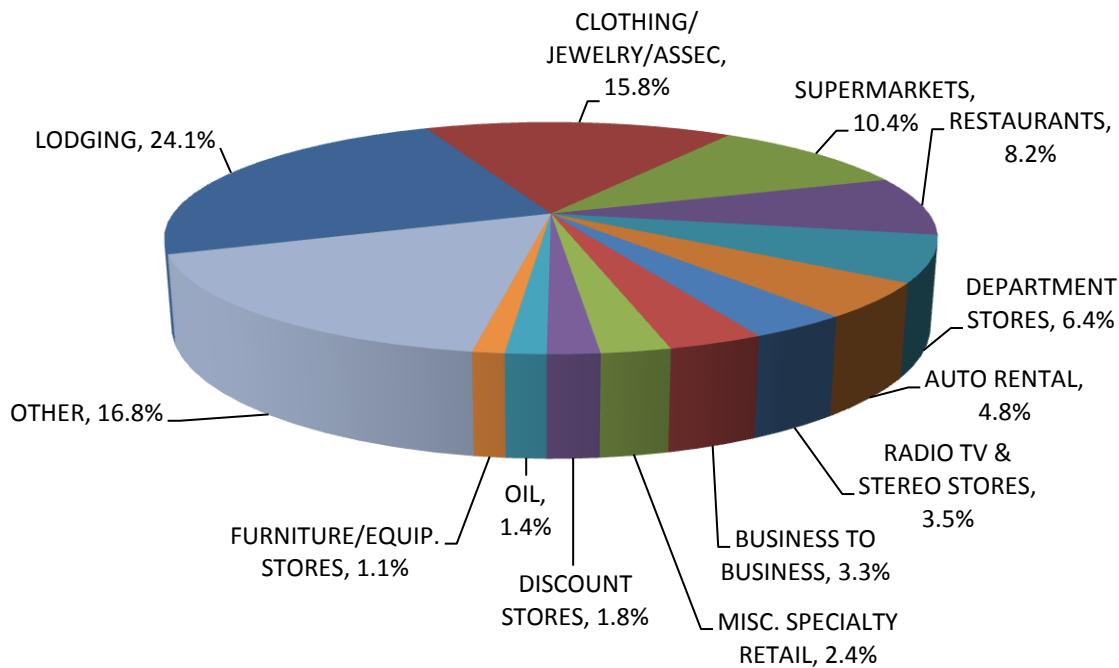


- French visitors to North Carolina spend about one-fourth of their total spending on lodging – about the same as visitors from Germany and China.
- These visitors spend slightly larger proportion of their total spending on restaurants than visitors from most other countries of origin, and also spent more in supermarkets than visitors from other European countries.

Table 7: French Spending in North Carolina

| Category | Percent of Total | Spending |
|--------------------------------|------------------|---------------|
| Lodging | 24.5% | \$2.4M |
| Clothing/Jewelry Stores | 11.4% | \$1.1M |
| Supermarkets | 11.0% | \$1.1M |
| Restaurants | 9.1% | \$881,375 |
| Auto Rental | 6.8% | \$653,428 |
| Department Stores | 4.0% | \$381,077 |
| Miscellaneous Specialty Stores | 3.0% | \$285,346 |
| Radio TV & Stereo Stores | 2.5% | \$244,439 |
| Oil | 1.7% | \$168,512 |
| Sub Total | 74.0% | \$7.1M |
| Total | 100.0% | \$9.6M |

Chart 8: Spending by Merchant Category for the *Chinese/Hong Kong* Market in North Carolina

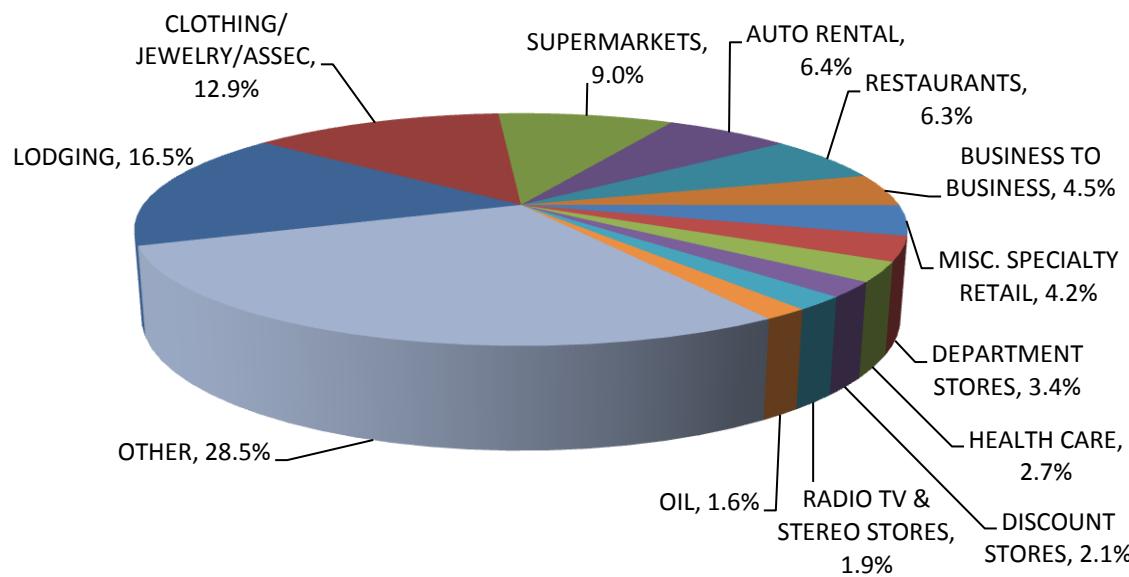


- Chinese visitors to North Carolina spend almost one-fourth of their total spending on lodging – about the same as European visitors, but less than other Asian visitors.
- These visitors spend more in clothing, jewelry and department stores than most other countries of origin, but less on auto rentals than others.

Table 8: Chinese/Hong Kong Spending in North Carolina

| Category | Percent of Total | Spending |
|--------------------------------|------------------|---------------|
| Lodging | 24.1% | \$2.3M |
| Clothing/Jewelry Stores | 15.8% | \$1.5M |
| Supermarkets | 10.4% | 987,689 |
| Restaurants | 8.2% | 780,963 |
| Department Stores | 6.4% | 611,388 |
| Auto Rental | 4.8% | 455,582 |
| Radio TV & Stereo Stores | 3.5% | 327,953 |
| Miscellaneous Specialty Stores | 2.4% | 225,258 |
| Oil | 1.4% | 134,308 |
| Sub Total | 77.0% | \$7.3M |
| Total | 100.0% | \$9.5M |

Chart 9: Spending by Merchant Category for the Australian Market in North Carolina

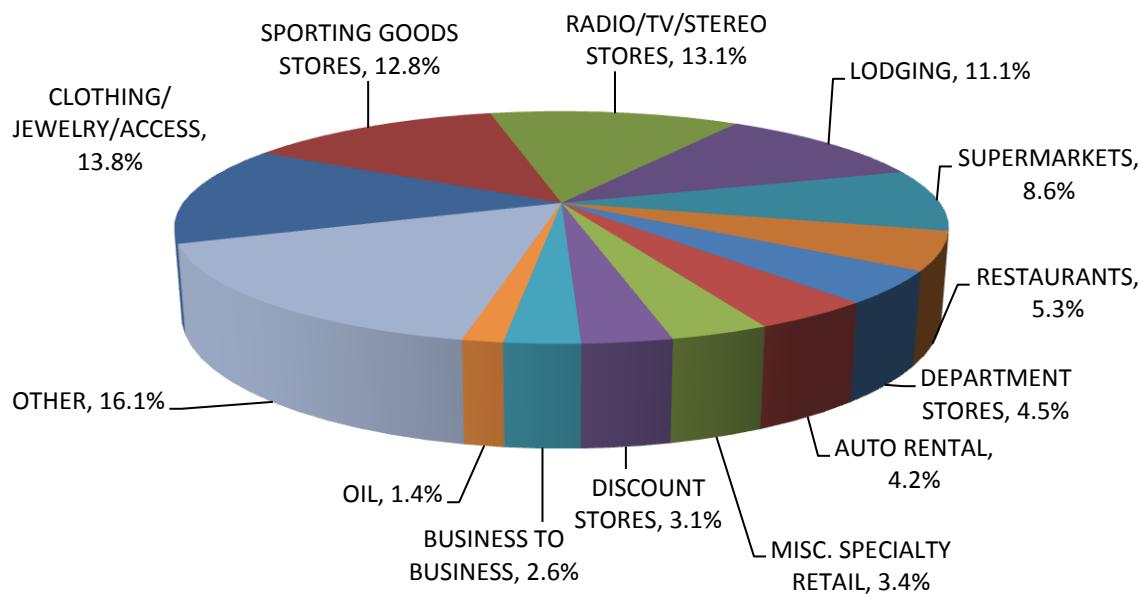


- Australian visitors to North Carolina spend less of their total spending on lodging than most other visitors to the state. Less than seventeen percent of their total spending is on lodging.
- Visitors from Australia spend a larger proportion of their total spending in retail than visitors from other countries of origin. Nearly half of their total spending is in some type of retail store.

Table 9: Australian Spending in North Carolina

| Category | Percent of Total | Spending |
|--------------------------------|------------------|-----------|
| Lodging | 16.5% | \$759,124 |
| Clothing/Jewelry Stores | 12.9% | \$593,049 |
| Supermarkets | 9.0% | \$413,601 |
| Auto Rental | 6.4% | \$294,837 |
| Restaurants | 6.3% | \$291,458 |
| Business to Business | 4.5% | \$206,766 |
| Miscellaneous Specialty Retail | 4.2% | \$193,566 |
| Department Stores | 3.4% | \$155,336 |
| Health Care | 2.7% | \$122,988 |
| Radio TV & Stereo Stores | 1.9% | \$85,423 |
| Oil | 1.6% | \$72,097 |
| Sub Total | 69.4% | \$3.2M |
| Total | 100.0% | \$4.6M |

Chart 10: Spending by Merchant Category for the *Brazilian* Market in North Carolina

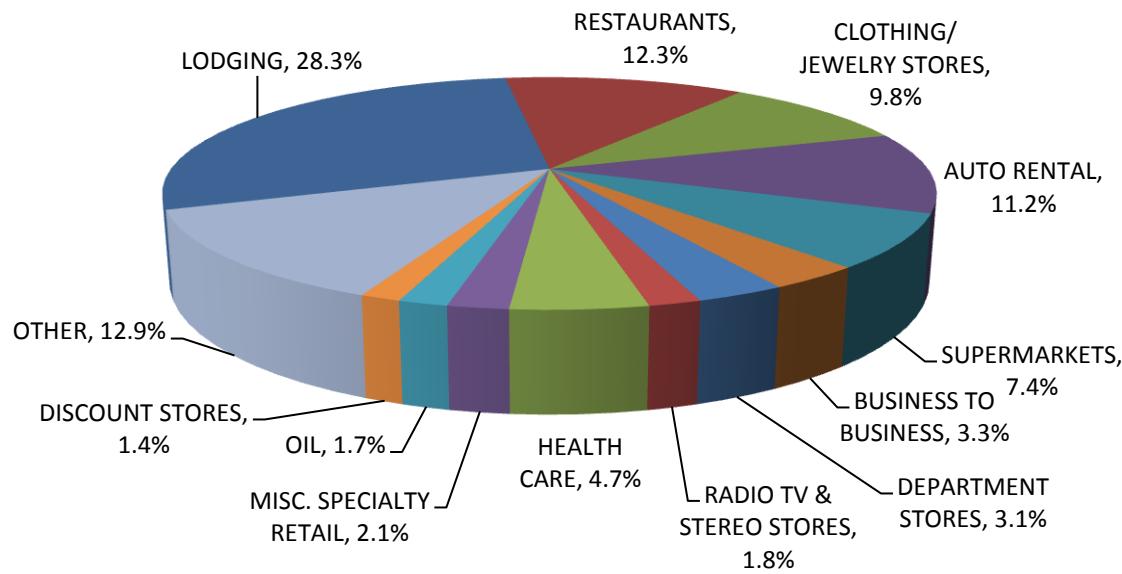


- Brazilian visitors to North Carolina spend a much larger proportion of money in retail in general (61.2%) than visitors from other countries, particularly in radio, TV and stereo stores (13.1%) and sporting goods stores (12.8%).
- Only eleven percent of their total spending is in lodging establishments.
- Brazilian visitors to North Carolina spend only 5 percent of their total travel dollars in North Carolina restaurants.

Table 10: Brazilian Spending in North Carolina

| Category | Percent of Total | Spending |
|--------------------------------|------------------|---------------|
| Clothing/Jewelry Stores | 13.8% | \$1.1M |
| Radio TV & Stereo Stores | 13.1% | \$1.0M |
| Sporting Goods Stores | 12.8% | \$992,970 |
| Lodging | 11.1% | \$862,026 |
| Supermarkets | 8.6% | \$667,906 |
| Restaurants | 5.3% | \$406,445 |
| Department Stores | 4.5% | \$236,691 |
| Auto Rental | 4.2% | \$326,549 |
| Miscellaneous Specialty Retail | 3.4% | \$260,653 |
| Discount Stores | 3.1% | \$236,691 |
| Sub Total | 79.9% | \$6.2M |
| Total | 100.0% | \$7.7M |

Chart 11: Spending by Merchant Category for the *Italian* Market in North Carolina



- Italian visitors to North Carolina spend a larger proportion of their total spending on restaurants (12.3%) and auto rental (11.2%) than any other top country of origin.
- Visitors from Italy spend a smaller proportion of their total spending retail in general (28.2%), particularly in department stores (3.1%).

Table 11: Italian Spending in North Carolina

| Category | Percent of Total | Spending |
|--------------------------------|------------------|-----------|
| Lodging | 28.3% | \$1.4M |
| Restaurants | 12.3% | \$620,325 |
| Auto Rental | 11.2% | \$565,457 |
| Clothing/Jewelry Stores | 9.8% | \$493,520 |
| Supermarkets | 7.4% | \$369,929 |
| Health Care | 4.7% | \$237,095 |
| Business to Business | 3.3% | \$164,710 |
| Department Stores | 3.1% | \$155,256 |
| Miscellaneous Specialty Retail | 2.1% | \$104,350 |
| Radio TV & Stereo Stores | 1.8% | \$92,850 |
| Oil | 1.7% | \$85,439 |
| Sub Total | 85.7% | \$4.3M |
| Total | 100.0% | \$5.0M |

Notes

- The data presented in the following report represents conservative projected estimates by the North Carolina Division of Tourism based on assumptions derived from government data, market penetration data and aggregate Visa usage data provided by VisaVue Travel for the period of calendar year 2008.
- Spending data is only representative of what is spent in person in North Carolina. Air transportation and other spending outside the state are not included.
- The following estimates should not be directly compared to estimates for other states, and in particular other regions, as international visitors are likely to travel to multiple states on single visits to the US. Doing so would not allow valid comparisons for these visitors to multiple states.
- VisaVue data is broken down by personal card and commercial card levels. For the purposes of this analysis, commercial and personal data was aggregated.
- Data in the following report does not include Canadian data. Statistics Canada is the industry accepted method for projecting Canadian visitation. That data can be found on www.nccommerce.com/tourism/research.