



2010 International Visitation to North Carolina

September 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 593,716 international visitors travel to North Carolina (this total *does not* include Canada).
- Approximately \$278 million in spending is associated with these visitors. The top ten origin countries represent 55 percent of visitation and 53 percent of spending.
- In terms of market share of international visitors to North Carolina, the United Kingdom is the top market with 14.1% of market share and 11.7% of spending. Germany (market share, 9.8%; spending, 7.5%) and Mexico (market share, 5.9%; spending, 4.9%) are the next top markets. Other top countries in terms of volume are Japan, India, China/Hong Kong, France and Brazil.
- In terms of spending per visitor, visitors from China/Hong Kong spend the most with an average of \$698 per visitor, slightly less than in 2009 (\$721). Visitors from Switzerland followed with an average per person spending of \$588 (up from \$551 in 2009), followed closely by Brazilians with \$582 per visitor. Other top countries with high per person spending are Japan (\$578 up from \$509 in 2009), India (\$543), Venezuela (\$520) and South Korea (\$498). 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. Over seventeen percent of spending in NC by Venezuelan visitors is in supermarkets, while only eight percent is spent in restaurants and quick service establishments.
- 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. Brazilians and Venezuelans spend over half (56.9% and 58.6% respectively) of their total spending in NC in retail.
- 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 fairly high in most countries of origin, particularly Venezuela, Mexico, China/Hong Kong, and Germany.

Table 1: North Carolina's Top 15 International Markets by Market Share

(Ranked by Total Spend)

Rank	Country of Origin	2010 Estimated Visitors	% change from 2009	2010 Total Spent	Average Spending per Visitor
1	United Kingdom	83,501	+7.3%	\$32,590,120	\$ 390
2	Germany	57,951	+1.6%	\$20,849,224	\$ 360
3	Mexico	35,296	+20.8%	\$13,679,607	\$ 388
4	Japan	30,111	+12.9%	\$17,409,420	\$ 578
5	India	28,216	+42.0%	\$15,324,759	\$ 543
6	China/Hong Kong	22,745	+72.8%	\$15,865,904	\$ 698
7	France	22,072	+14.2%	\$ 7,601,554	\$ 344
8	Brazil	18,883	+42.9%	\$10,998,162	\$ 582
9	Australia	13,997	+16.5%	\$ 5,577,968	\$ 399
10	South Korea	12,666	-6.9%	\$ 6,308,256	\$ 498
11	Italy	12,177	+9.2%	\$ 5,399,414	\$ 443
12	Switzerland	8,974	+13.5%	\$ 5,275,716	\$ 588
13	Sweden	8,302	+9.9%	\$ 3,095,773	\$ 373
14	Ireland	6,220	-0.3%	\$ 3,093,247	\$ 497
15	Venezuela	4,039	-28.5%	\$ 2,100,055	\$ 520
TOTAL		593,716	+16.2%	\$ 278,164,532	\$ 469

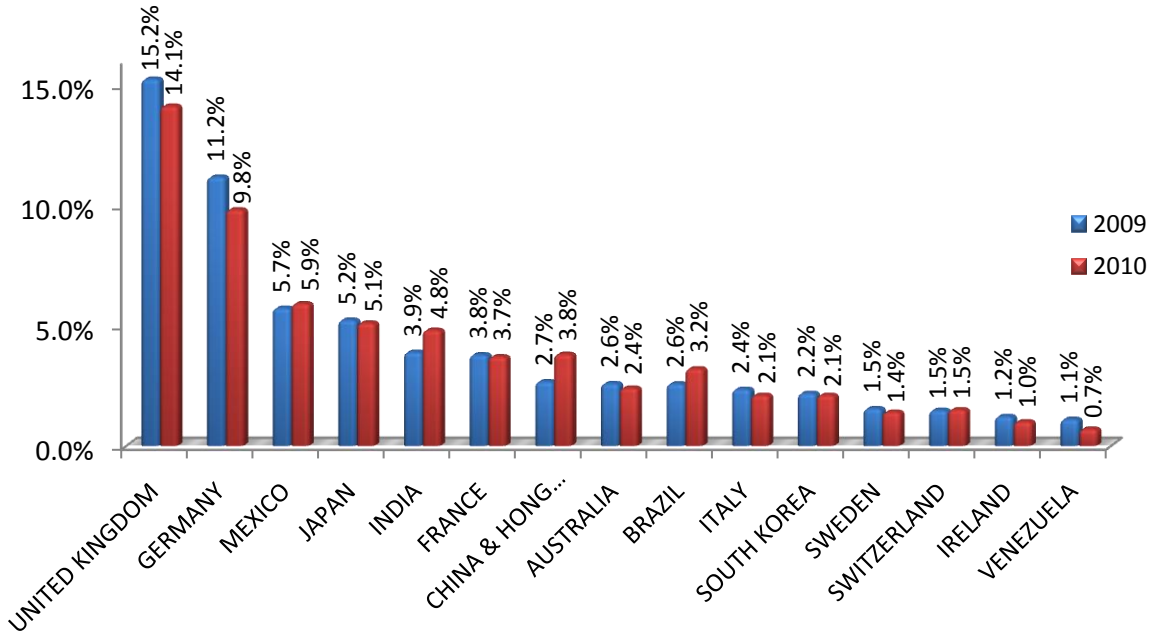
*Canada not included

** 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 2010.

- The United Kingdom ranks #1 in terms of volume of international visitors to North Carolina with over 83,000 visitors, up 7.3% from 2009. Spending by UK visitors is estimated at \$32.6 million (11.7% of all international spending in North Carolina), up 9.1% from 2009.
- German visitors represent the next largest country of origin with nearly 58,000 visitors and \$20.8 million in spending, up 4.5% from \$19.9 million in 2009.
- While Japanese visitors have a higher average per person spending (\$578), its lower visitor volume translates to a lower total spending estimate of \$17.4 million (up 22% from 2009).
- Visitors from China/Hong Kong have the highest per person spending average at \$698, followed by visitors from Switzerland (\$588) and Brazil (\$582).

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 14.1 percent of market share, a slight decrease in market share from 2009. Even with the decrease in market share, total volume of UK visitors to NC increased 7.3% from 77,788 in 2009 to 83,501 in 2010.
- Germany (9.8%), 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.
- India, China/Hong Kong, and Brazil all had significant market share increases from 2009 to 2010.

Chart 2: Volume Growth of Top International Markets to North Carolina

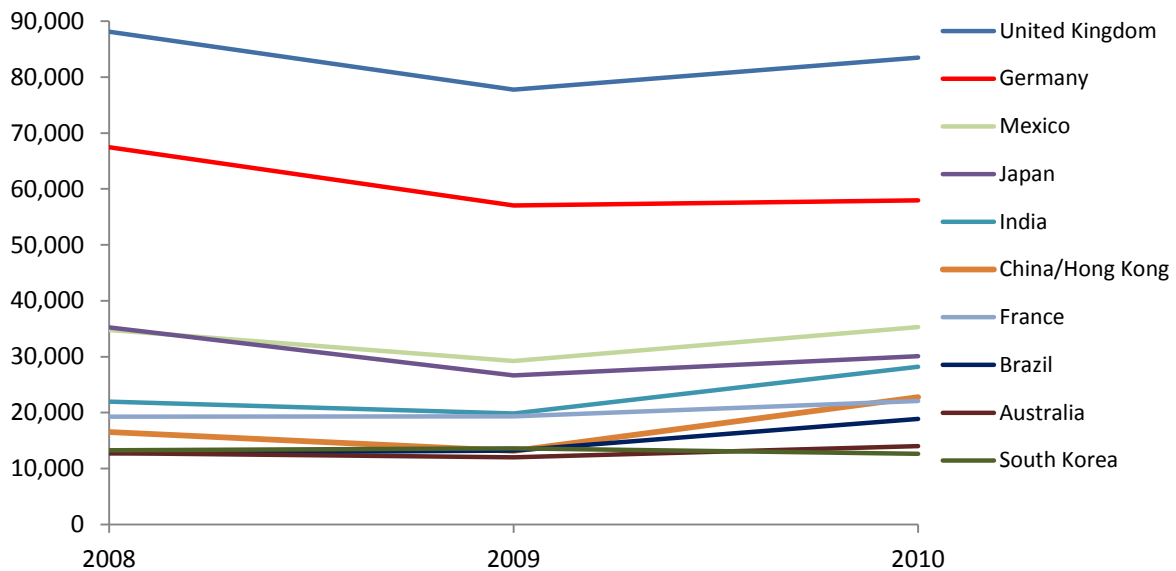
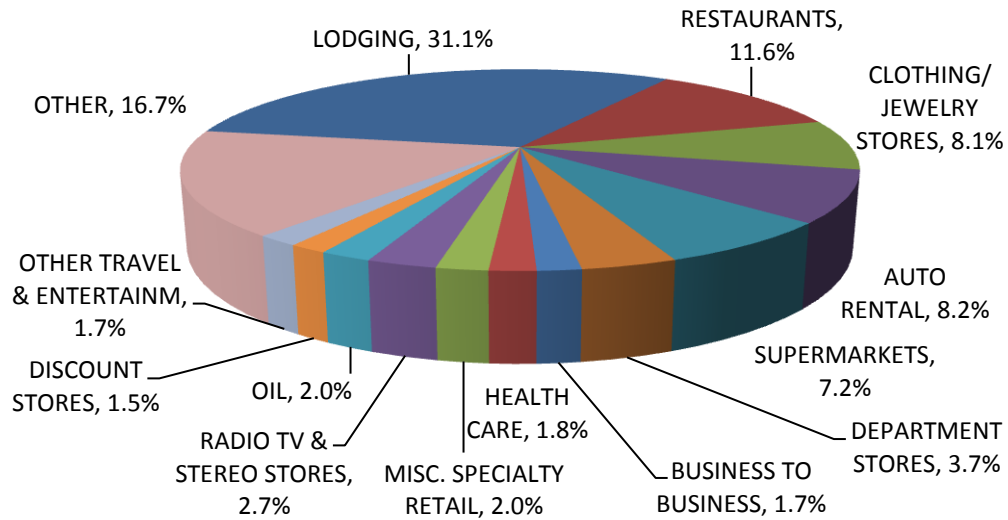


Chart 3: Spending by Merchant Category for the UK Market in North Carolina



- 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

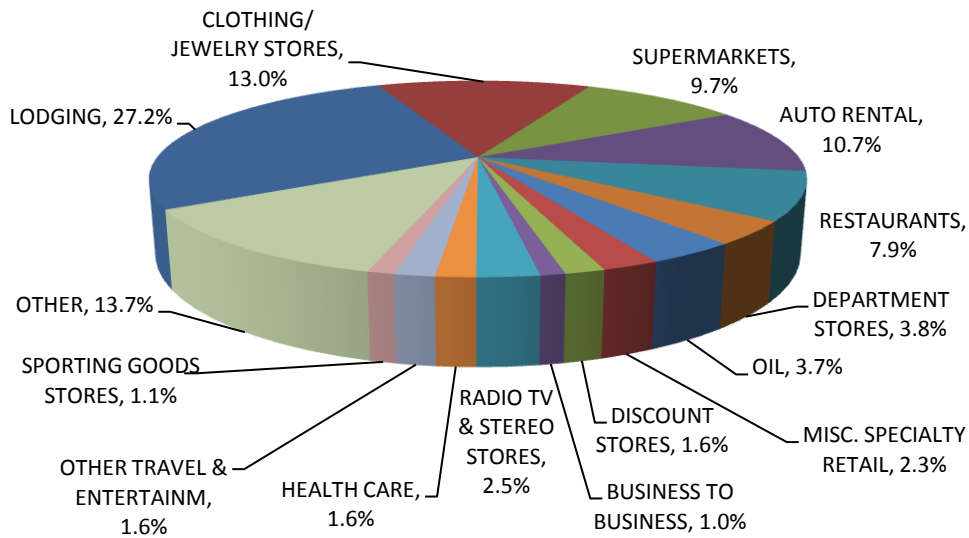
Category	Percent of Total	Spending	% Growth from 2009
Lodging	31.1%	\$10.1M	+15.9%
Restaurants	11.6%	\$ 3.8M	+12.8%
Auto Rental	8.2%	\$ 2.7M	+18.5%
Clothing/Jewelry Stores	8.1%	\$ 2.7M	-0.9%
Supermarkets	7.2%	\$ 2.3M	+0.9%
Department Stores	3.7%	\$ 1.2M	+5.3%
Radio/TV/Stereo Stores	2.7%	\$866,003	+71.8%
Specialty Retail	2.0%	\$653,241	-1.4%
Oil	2.0%	\$642,778	+16.9%
Sub Total	76.6%	\$25.0M	
Total	100.0%	\$32.6M	+9.1%

Table 3: UK Visitor Volume 2008-2010

UK Visitor Volume	2008	2009	2010
	88,138	77,788 -11.7%	83,501 +7.3%

- Visitation to North Carolina by UK visitors decreased from 2008-2009, but had a good rebound in 2010.

Chart 4: 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 4: German Spending in North Carolina

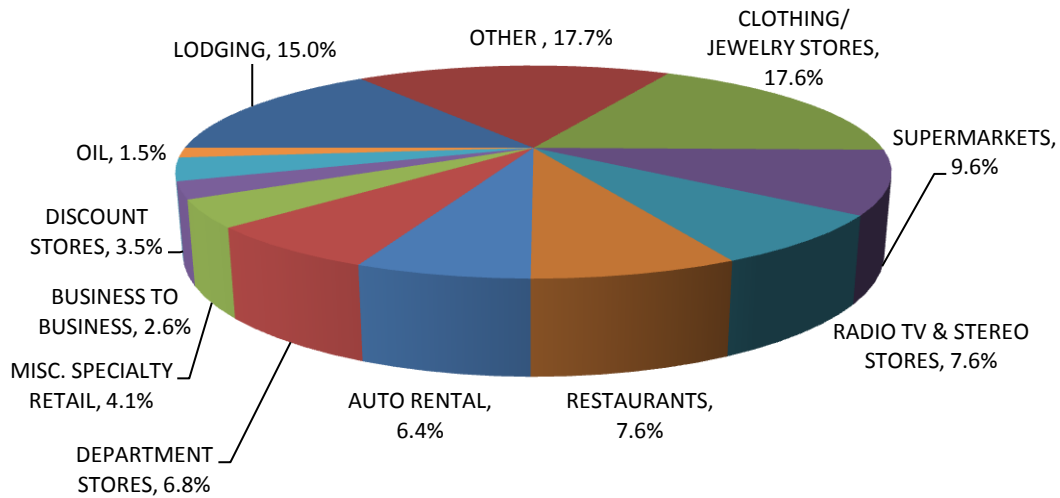
Category	Percent of Total	Spending	% Growth from 2009
Lodging	27.2%	\$5.7M	+13.0%
Clothing/Jewelry Stores	13.0%	\$2.7M	-0.7%
Auto Rental	10.7%	\$2.2M	+19.1%
Supermarkets	9.7%	\$2.0M	+3.1%
Restaurants	9.2%	\$1.9M	+8.2%
Department Stores	3.8%	\$796,197	+5.8%
Oil	3.7%	\$764,813	+16.6%
Radio/TV/Stereo Stores	2.5%	\$515,687	+41.6%
Specialty Retail	2.3%	\$471,510	+0.7%
Sub Total	82.1%	\$17.1M	
Total	100.0%	\$20.8M	+4.5%

Table 5: German Visitor Volume 2008-2010

German Visitor Volume	2008	2009	2010
	67,471	57,031 -15.5%	57,951 +1.6%

- Though there was positive growth, German visitation to North Carolina did not grow as much as other European markets from 2009 to 2010.

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



- Mexican visitors spend a smaller proportion of their total spending on lodging than visitors from other countries.
- These visitors do spend a larger proportion on retail. Over half (52.9%) of their spending is in retail, particularly in clothing and jewelry stores.

Table 6: Mexican Spending in North Carolina

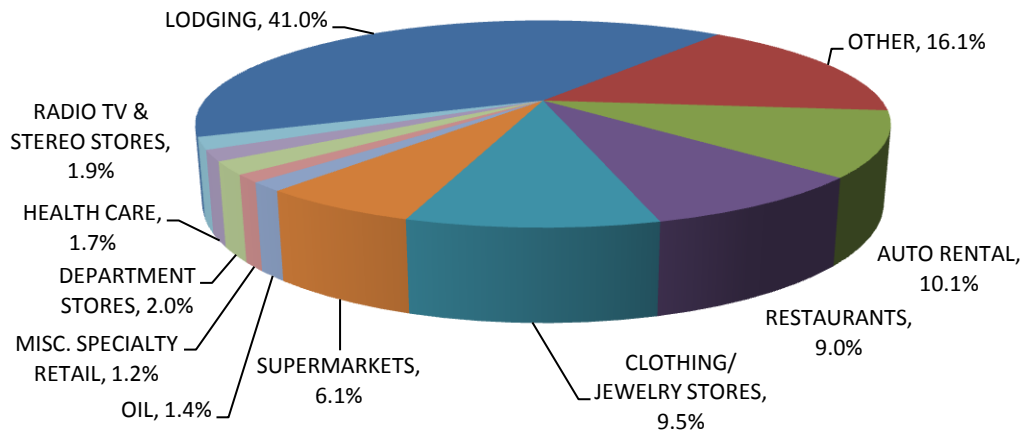
Category	Percent of Total	Spending	% Growth from 2009
Clothing/Jewelry Stores	17.6%	\$2.4M	+34.6%
Lodging	15.0%	\$2.0M	+28.7%
Supermarkets	9.6%	\$1.3M	+10.2%
Restaurants	7.6%	\$1.0M	+47.3%
Radio TV & Stereo Stores	7.6%	\$1.0M	+47.7%
Department Stores	6.8%	\$931,053	+52.1%
Auto Rental	6.4%	\$874,511	+34.9%
Sub Total	70.6%	\$9.7M	
Total	100.0%	\$13.7M	+24.3%

Table 7: Mexican Visitor Volume 2008-2010

Mexican Visitor Volume	2008	2009	2010
	34,805	29,207 -16.1%	35,296 +20.8%

- Mexican visitation to NC rebounded quite well in 2010, topping 2008 levels by 1.4%.

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



- Japanese visitors to North Carolina spend about a third more of their total spending on lodging as European visitors and twice as much as South American, Australian and Mexican visitors.
- These visitors spend a much smaller proportion of their total spending in retail in general, specifically in department stores, supermarkets, and radio/TV/stereo stores.

Table 8: Japanese Spending in North Carolina

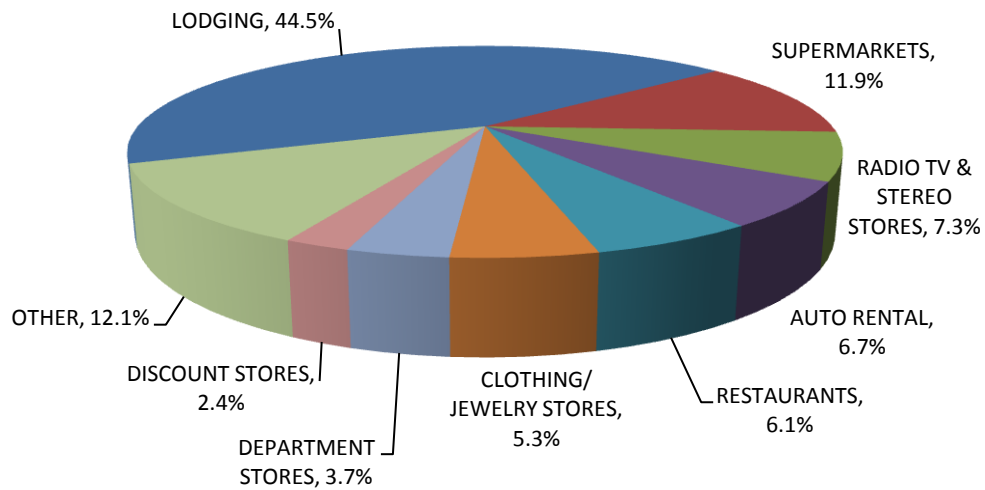
Category	Percent of Total	Spending	% Growth from 2009
Lodging	41.0%	\$7.1M	+34.7%
Auto Rental	10.1%	\$1.8M	+67.1%
Clothing/Jewelry Stores	9.5%	\$1.7M	+26.6%
Restaurants	9.0%	\$1.6M	+24.3%
Supermarkets	6.1%	\$1.1M	+13.8%
Department Stores	2.0%	\$356,157	+59.4%
Business to Business	2.0%	\$341,555	+102.9%
Sub Total	79.7%	\$13.9M	
Total	100.0%	\$17.4M	+28.3%

Table 9: Japanese Visitor Volume 2008-2010

Japanese Visitor Volume	2008	2009	2010
	35,227	26,679	30,111
		-24.3%	+12.9%

- With an increase of nearly 13% in visitation from 2009 to 2010, Japan remained the fourth top market for international visitors to North Carolina. Still 14% below 2008 visitation, Japan remains an important market.

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



- Like Japanese visitors to North Carolina, visitors from India a much larger 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. Nearly twelve 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 10: Indian Spending in North Carolina

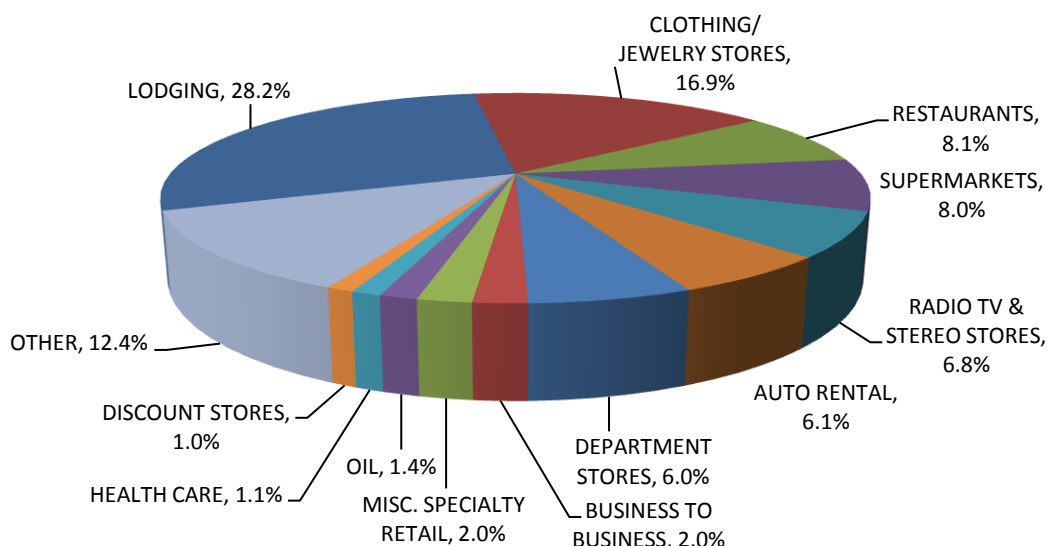
Category	Percent of Total	Spending	% Growth from 2009
Lodging	44.5%	\$6.8M	+101.8%
Supermarkets	11.9%	\$1.8M	+55.9%
Radio/TV/Stereo Stores	7.3%	\$1.1M	+38.2%
Auto Rental	6.7%	\$1.0M	+46.3%
Restaurants	6.1%	\$940,950	+57.2%
Clothing/Jewelry Stores	5.3%	\$807,604	+88.5%
Department Stores	3.7%	\$559,886	+77.4%
Discount Stores	2.4%	\$371,198	+23.5%
Sub Total	87.9%	\$13.5M	
Total	100.0%	\$15.3M	+71.5%

Table 11: Indian Visitor Volume 2008-2010

Indian Visitor Volume	2008	2009	2010
	21,993	19,868 -10.5%	28,216 +42.0%

- India had one of the largest increases in visitation from 2009 to 2010, an increase of over forty percent. Even with a decrease in 2009, visitation to NC by Indian visitors is up 28% from 2008.

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



- Chinese visitors to North Carolina spend over one-fourth of their total spending on lodging – about the same as European visitors, but much 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 12: Chinese/Hong Kong Spending in North Carolina

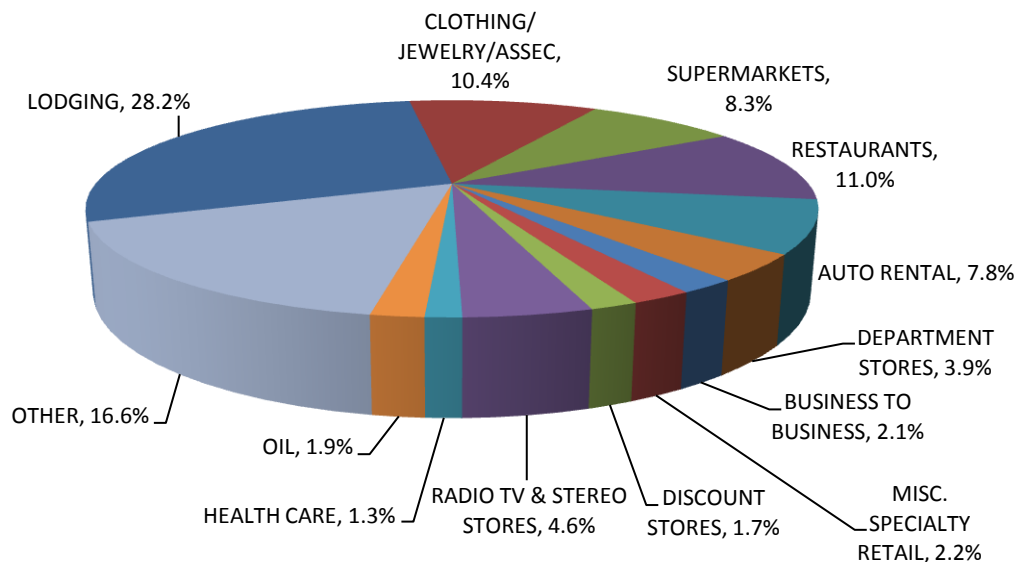
Category	Percent of Total	Spending	% Growth from 2009
Lodging	28.2%	\$4.5M	+96.1%
Clothing/Jewelry Stores	16.9%	\$2.7M	+78.8%
Restaurants	8.1%	\$1.3M	+65.1%
Supermarkets	8.0%	\$1.3M	+28.0%
Radio TV & Stereo Stores	6.8%	\$1.1M	+229.2%
Auto Rental	6.1%	\$968,213	+112.5%
Department Stores	6.0%	\$955,878	+56.3%
Miscellaneous Specialty Stores	2.0%	\$311,480	+38.3%
Business to Business	2.0%	\$321,610	+2.0%
Sub Total	84.1%	\$13.3M	
Total	100.0%	\$15.9M	+67.3%

Table 13: Chinese/Hong Kong Visitor Volume 2008-2010

Chinese/Hong Kong Visitor Volume	2008	2009	2010
	16,530	13,161 -20.4%	22,745 +72.8%

- Visitation to North Carolina by Chinese visitors increased dramatically from 2009 to 2010 (+73%). As a result of this growth, China/Hong Kong moved up in ranking from 9th to 6th in 2010.

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



- French visitors to North Carolina spend just over 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 14: French Spending in North Carolina

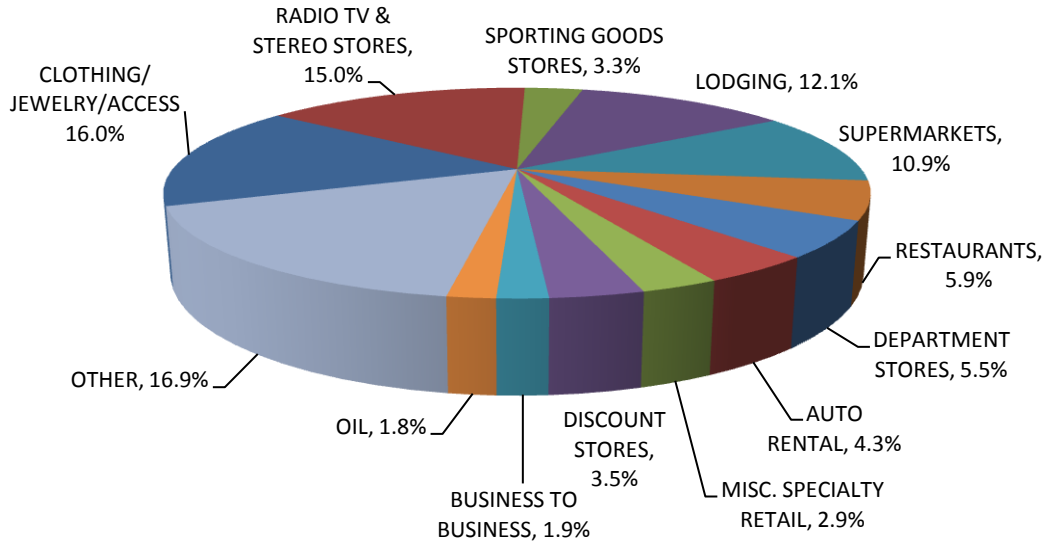
Category	Percent of Total	Spending	% Growth from 2009
Lodging	28.2%	\$2.6M	+11.0%
Restaurants	11.0%	\$1.0M	+15.6%
Clothing/Jewelry Stores	10.4%	\$965,529	-12.4%
Supermarkets	8.3%	\$768,884	-27.2%
Auto Rental	7.8%	\$720,448	+10.3%
Radio TV & Stereo Stores	4.6%	\$423,569	+73.3%
Department Stores	3.9%	\$366,352	-3.9%
Miscellaneous Specialty Stores	2.2%	\$206,849	-27.5%
Sub Total	76.4%	\$7.1M	
Total	100.0%	\$9.3M	-3.6%

Table 15: French Visitor Volume 2008-2010

French Visitor Volume	2008	2009	2010
	19,262	19,327 +0.3%	22,072 +14.2%

- France is one of the few top countries of origin for NC visitors that did not have a decrease in visitation from 2008 to 2009. That, added to the 14% increase in 2010, puts France at the #7 position in top markets for NC, only slightly behind China/Hong Kong.

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 (56.9%) than visitors from other countries, particularly in radio, TV and stereo stores (15.0%) and sporting goods stores (3.3%).
- Only twelve percent of their total spending is in lodging establishments.
- Brazilian visitors to North Carolina spend only six percent of their total travel dollars in North Carolina restaurants.

Table 16: Brazilian Spending in North Carolina

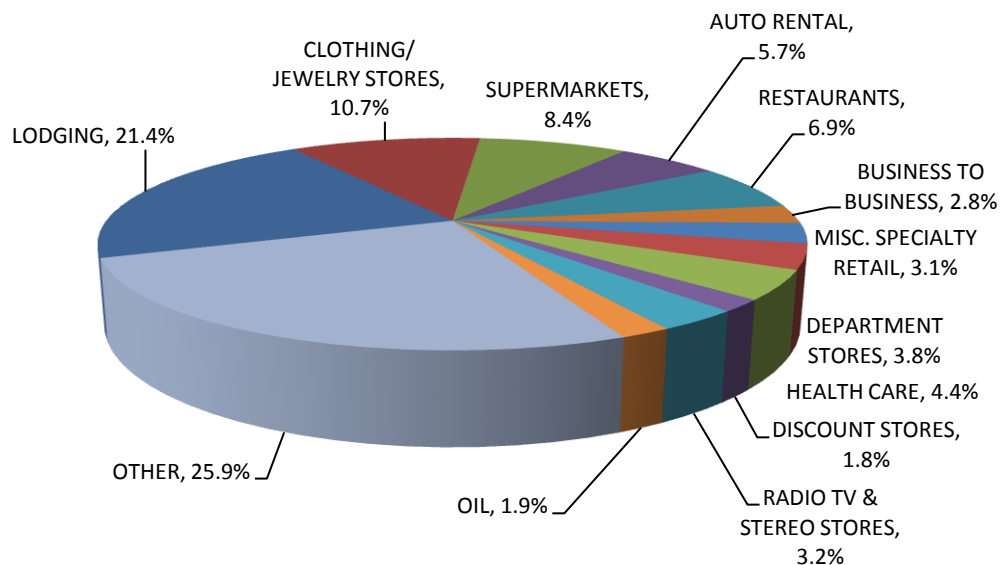
Category	Percent of Total	Spending	% Growth from 2009
Clothing/Jewelry Stores	16.0%	\$1.8M	+39.1%
Radio TV & Stereo Stores	15.0%	\$1.6M	+38.3%
Lodging	12.1%	\$1.3M	+35.3%
Supermarkets	10.9%	\$1.2M	+44.3%
Restaurants	5.9%	\$645,698	+58.9%
Department Stores	5.5%	\$605,215	+42.1%
Auto Rental	4.3%	\$472,931	+31.0%
Discount Stores	3.5%	\$380,723	+37.8%
Sporting Goods Stores	3.3%	\$360,735	-175.3%
Miscellaneous Specialty Retail	2.9%	\$317,162	+17.8%
Sub Total	79.4%	\$8.7M	
Total	100.0%	\$11.0M	+29.7%

Table 17: Brazilian Visitor Volume 2008-2010

Brazilian Visitor Volume	2008	2009	2010
	12,745	13,212 +3.7%	18,883 +42.9%

- Similar to France, Brazil experienced two years of visitation increases to North Carolina. An increase of nearly 43% in 2010 puts Brazil at the #8 position of top markets to the state.

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



- Australian visitors to North Carolina spend slightly less of their total spending on lodging (21.4%) than Europeans and Asians who visit the state, though a higher proportion than in 2009 (16.5%).
- Visitors from Australia spend a larger proportion of their total spending in retail than visitors from other countries of origin. Nearly half (43.8%) of their total spending is in some type of retail store.

Table 18: Australian Spending in North Carolina

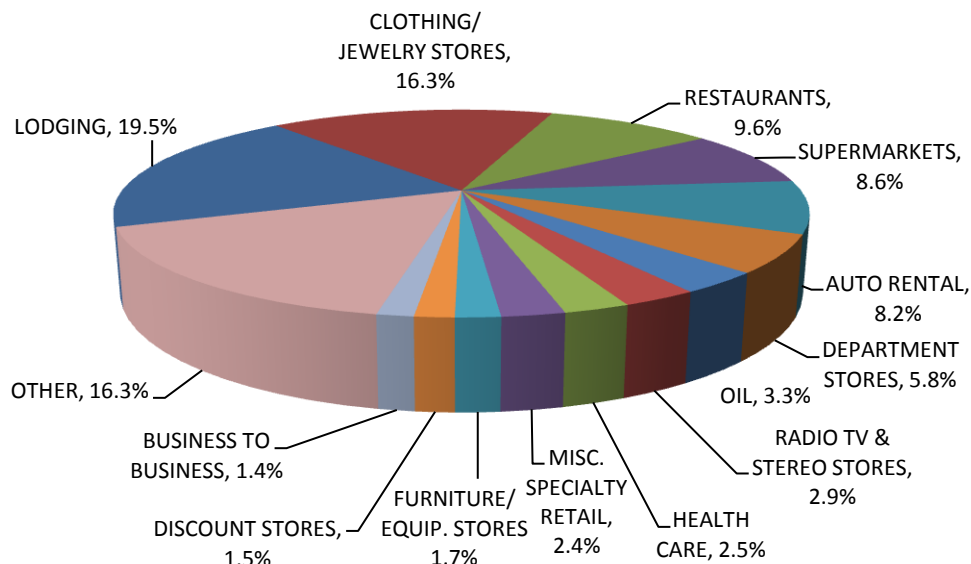
Category	Percent of Total	Spending	% Growth from 2009
Lodging	21.4%	\$1.2M	+57.2%
Clothing/Jewelry Stores	10.7%	\$599,295	+1.1%
Supermarkets	8.4%	\$466,124	+12.7%
Restaurants	6.9%	\$385,783	+32.4%
Auto Rental	5.7%	\$316,917	+7.5%
Health Care	4.4%	\$247,653	+101.4%
Department Stores	3.8%	\$210,518	+35.5%
Radio TV & Stereo Stores	3.2%	\$178,260	+108.7%
Miscellaneous Specialty Retail	3.1%	\$170,600	-11.9%
Business to Business	2.8%	\$158,387	-23.4%
Sub Total	70.4%	\$3.9M	
Total	100.0%	\$5.6M	+21.1%

Table 19: Australian Visitor Volume 2008-2010

Australian Visitor Volume	2008	2009	2010
	12,769	12,018 -5.9%	13,997 +16.5%

- The Australian market grew over 16 percent from 2009 to 2010. Even with a dip of six percent in 2009, there has been a 2-year increase in Australian visitors of ten percent.

Chart 12: Spending by Merchant Category for the South Korean Market in North Carolina



- South Korean visitors to North Carolina spend a fairly large proportion of their total spending on retail in general (42.9%) and in clothing/jewelry in particular (16.3%).
- Visitors from South Korea spend a smaller proportion of their total spending lodging in general (19.5%) than European visitors and other Asian visitors.

Table 20: South Korean Spending in North Carolina

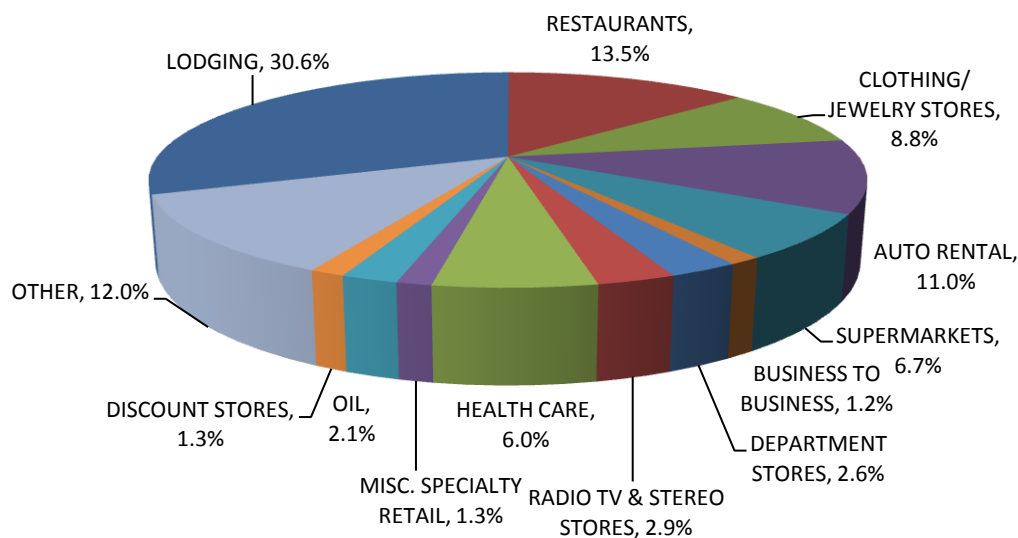
Category	Percent of Total	Spending	% Growth from 2009
Lodging	19.5%	\$1.2M	-13.9%
Restaurants	9.6%	\$606,856	-22.0%
Supermarkets	8.6%	\$544,996	+10.0%
Auto Rental	8.2%	\$517,123	-22.6%
Department Stores	5.8%	\$368,339	+35.2%
Oil	3.3%	\$205,132	+11.6%
Radio TV & Stereo Stores	2.9%	\$183,949	+20.3%
Health Care	2.5%	\$156,989	+54.3%
Miscellaneous Specialty Retail	2.4%	\$151,459	-18.5%
Sub Total	62.8%	\$4.0M	
Total	100.0%	\$12.6M	-4.9%

Table 21: South Korean Visitor Volume 2008-2010

South Korean Visitor Volume	2008	2009	2010
	13,276	13,606 +2.5%	12,666 -6.9%

- South Korea was one of only two markets that showed a decrease in visitation from 2009 to 2010 (but was one of the few that showed an increase the previous year). The country slipped in ranking from 7th to 10th in terms of visitor volume.

Chart 13: 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 (13.5%) and auto rental (11.0%) than any other top country of origin.
- Visitors from Italy spend a smaller proportion of their total spending retail in general (25.7%), particularly in department stores (2.6%).

Table 22: Italian Spending in North Carolina

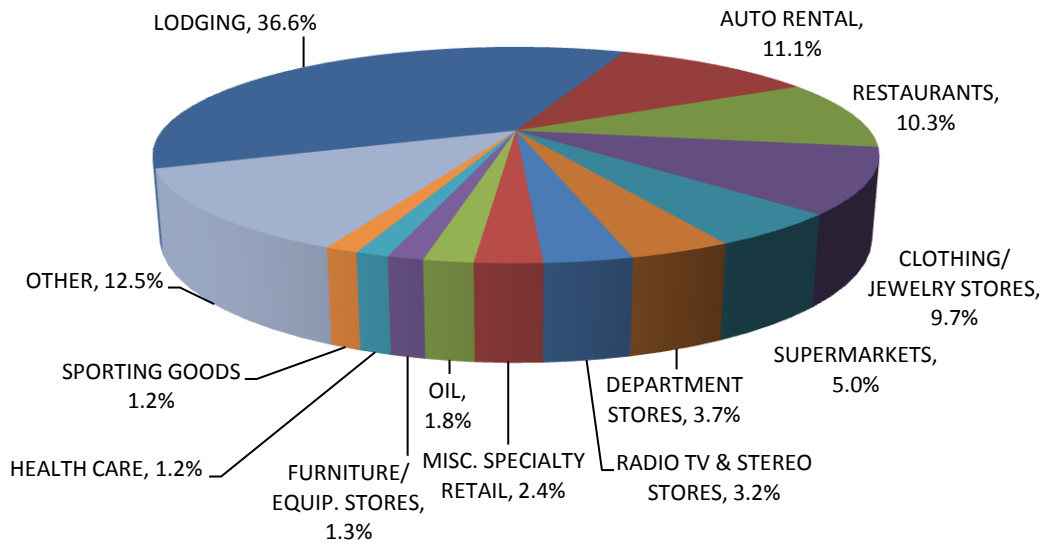
Category	Percent of Total	Spending	% Growth from 2009
Lodging	30.6%	\$1.7M	+16.4%
Restaurants	13.5%	\$729,039	+17.5%
Auto Rental	11.0%	\$592,536	+4.8%
Clothing/Jewelry Stores	8.8%	\$474,514	-3.9%
Supermarkets	6.7%	\$361,804	-2.2%
Health Care	6.0%	\$322,384	+36.0%
Radio TV & Stereo Stores	2.9%	\$158,528	+70.7%
Department Stores	2.6%	\$140,608	-9.4%
Oil	2.1%	\$114,164	+33.6%
Sub Total	84.2%	\$4.5M	
Total	100.0%	\$5.4M	+7.3%

Table 23: Italian Visitor Volume 2008-2010

Italian Visitor Volume	2008	2009	2010
	12,316	11,152 -9.5%	12,177 +9.2%

- Italy, as a country of origin market, made up nearly all of its loss in visitation from 2009 in 2010 (+9.2%). Italy ranks 11th top international country of origin to North Carolina.

Chart 14: Spending by Merchant Category for the Swiss Market in North Carolina



- Swiss visitors to North Carolina spend a large proportion of their total spending on restaurants (13.5%) and auto rental (11.0%).
- Visitors from Switzerland spend a smaller proportion of their total spending business to business in general (less than 1%) than other countries. As well, they don't spend as much on retail in general as other countries.

Table 24: Swiss Spending in North Carolina

Category	Percent of Total	Spending	% Growth from 2009
Lodging	36.6%	\$1.9M	+15.2%
Auto Rental	11.1%	\$586,301	+31.9%
Restaurants	9.8%	\$542,237	+20.0%
Clothing/Jewelry Stores	9.7%	\$509,460	+29.5%
Supermarkets	5.0%	\$262,820	+33.0%
Department Stores	3.7%	\$193,352	+28.5%
Radio TV & Stereo Stores	3.2%	\$166,275	+86.5%
Miscellaneous Specialty Retail	2.4%	\$126,478	+13.8%
Sub Total	81.5%	\$4.3M	
Total	100.0%	\$5.3M	+21.1%

Table 25: Swiss Visitor Volume 2008-2010

Swiss Visitor Volume	2008	2009	2010
	8,686	7,906 -9.0%	8,974 +13.5%

- Similar to Italy, Switzerland outgrew the decline experienced in 2009 in 2010. There has been a two-year growth of three percent in Swiss visitation to North Carolina.

- When reporting international numbers, Germany is sometimes referred to as “German-speaking Europe”. The below tables represent aggregate German, Austrian and Swiss data.

Table 26: German Speaking Europe

Category	Spending	% Growth from 2009
Lodging	\$7.6M	+13.5%
Auto Rental	\$2.8M	+21.5%
Restaurants	\$2.5M	+10.6%
Clothing/Jewelry Stores	\$3.2M	+3.1%
Supermarkets	\$2.3M	+5.8%
Department Stores	\$989,549	+9.6%
Radio TV & Stereo Stores	\$681,962	+50.5%
Miscellaneous Specialty Retail	\$597,987	+3.2%
Sub Total	\$20.7M	
Total	\$26.1M	+7.5%

Table 27: German Speaking Europe Visitor Volume 2008-2010

German Speaking Europe Visitor Volume	2008	2009	2010
	76,157	64,937 -10.8%	66,925 +3.1%

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 2010.
- 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, nor for other particular 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.