

GAO Highlights

Highlights of [GAO-13-705](#), a report to the Ranking Member, Committee on Homeland Security, House of Representatives

Why GAO Did This Study

In 2012, 67 million international travelers visited the United States, spending a total of \$168 billion and supporting 7.7 million U.S. jobs. However, the U.S. market share of global spending by international travelers has fallen over the last decade. In 2010, Congress passed TPA, establishing the Corporation for Travel Promotion—which conducts business as Brand USA—as a nonprofit public-private partnership to promote international travel to the United States. TPA requires that Brand USA’s annual budget consist of private sector cash and in-kind contributions, with federal matching funds. Commerce reviews Brand USA’s requests for federal matching funds and directs Treasury to disburse the funds. For fiscal year 2012, Brand USA received about \$50 million in private-sector funding and \$100 million in federal matching funds.

This report addresses (1) Brand USA’s programs and activities, (2) efforts to measure performance, and (3) certain policies and procedures. GAO reviewed Brand USA documents and data and interviewed officials from Brand USA, Commerce, and private firms as well as academic experts.

What GAO Recommends

GAO recommends that Brand USA (1) develop a performance plan, (2) competitively select its media consultant for the development of valuation methodologies, and (3) formalize procedures for revising the in-kind contributions policy. Brand USA concurred with the recommendations.

View [GAO-13-705](#). For more information, contact Timothy J. DiNapoli at (202) 512-3665 or dinapolit@gao.gov.

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TRAVEL PROMOTION

Brand USA Needs Plans for Measuring Performance and Updated Policy on Private Sector Contributions

What GAO Found

Brand USA’s global campaign promotes travel to all 50 states through various television, print, billboard, Internet, and social media advertising activities, and its targeted campaigns conduct similar promotions in selected countries. To select countries for targeted campaigns, Brand USA uses several criteria, including volume of visitors and tourism revenue from the country. Brand USA launched targeted campaigns in 2012 in Canada, Japan, and the United Kingdom during each country’s peak travel-planning periods, and it plans to launch targeted campaigns in these and additional countries in 2013. Brand USA contracts with overseas firms to plan and coordinate marketing activities in targeted countries. In addition, partners help Brand USA promote travel to specific U.S. destinations and establish a campaign presence outside targeted countries.

Brand USA has taken some steps to measure its performance but has not yet developed a plan to monitor and evaluate its promotional campaign’s impact regarding two key long-term goals—increasing travel to, and travelers’ spending in, the United States. Brand USA has developed metrics to monitor its Internet and social media activity and contracted with a firm to evaluate the campaign’s effects on traveler perceptions, which found positive results. These metrics and evaluations do not measure the campaign’s impact on international traveler visits or spending. Brand USA officials said that isolating the campaign’s impacts from other factors would be difficult, although the corporation is considering approaches for doing so. Without a plan that identifies the specific timeframes, methods, and data sources for evaluating its progress toward its long-term goals, Brand USA may be missing opportunities to optimize its resources.

Brand USA has established policies for personnel, procurement, and in-kind contributions consistent with applicable Travel Promotion Act (TPA) requirements. Brand USA’s personnel policies address discrimination and equal opportunity, while its procurement policy requires Brand USA to generally follow competitive procedures to acquire goods and services. However, Brand USA did not competitively award a contract to develop valuation methodologies for in-kind contributions. Experts whom GAO interviewed found the methodologies reasonable but noted that other approaches may provide more accurate assessments. Brand USA officials said the corporation may competitively award another contract after the current contract expires in December 2013. Brand USA and the Department of Commerce established the in-kind contributions policy in November 2011 and have revised it three times since then, most recently in March 2013. However, GAO found that Brand USA and Commerce disagree regarding whether certain types of in-kind contributions that are eligible under the policy qualify for federal matching funds. Brand USA returned nearly \$1.1 million in federal matching funds that Commerce had previously approved, but Brand USA noted that it reserved the right to resubmit these types of contributions. GAO’s recent work on organizations that receive both federal and nonfederal resources found that formalizing and documenting a process for resolving disagreements between partners, such as Brand USA and Commerce, can enable productive interactions and facilitate collaboration.