Data compilation: Travel vs International tourism Background

Regional WorkShop on Travel and International Tourism Consumption
Organized by UNSD with UNWTO and Caricom
14-17 Mayo 2013
Dominica

Content

- Measuring the travel item in the Balance of Payments
  - A pure IRTS is increasingly falling apart…
  - Sometimes data from an (adjusted) IRTS and from surveys are not so much apart
  - In other cases, the difference between BoP data and tourism data is quite significant
- Travel- Requirements of the Manual on Statistics on International Trade in Services
- Recommended general procedures
  - Phase 1: Measuring flows of travelers/visitors
  - Phase 2: estimation of expenditure/consumption

World Tourism Organization | a specialized Agency of the United Nations

Recording definitions: Travel

- goods and services for own use or to be given away, acquired from an economy, by non-residents during visits to that economy. It covers stays of any length, provided that there is no change in residence.

- may be purchased by the persons concerned or by another party on their behalf;

- may be acquired by being paid for by the person going abroad, paid for on his or her behalf, or produced on own account.

- Acquisition by visitors of consumption goods and services, as well as valuables for their own use or to give away for or during trips.

- Inbound tourism expenditure: the tourism expenditure of a non resident visitors within the economy of reference.

Measuring the travel item in the Balance of Payments

- Previously, the BPM 5 recommended the use of an International Transactions Reporting System;

- It seemed to work well in countries where a strong currency control was in place and in particular when residents were not authorized to own and manage foreign currency: current transactions in foreign currency could be associated with transactions with non residents

- Nevertheless:

  – It supposes a cash system of recording, when an accrual system is recommended

  – Only transactions with a monetary counter part in foreign currency can be measured;

  – Not all transactions in foreign currency by visitors correspond to "travel"

  – The required breakdown of business and personal and health related, education related usually could not be implemented, or if Banks made estimations, it was not possible to check their consistency

A **pure** IRTS is increasingly falling apart.....

1. with the creation of monetary unions (the Euro zone), (there are no longer flows of foreign currency)

2. the extensive use of international credit cards limiting the physical exchange of currencies into the currency of the country visited and

3. the activity of packagers with worldwide activities dealing directly with worldwide chains of service providers;

4. With the possibility of using different sources...

Sometimes, data are not so different….

The case of Mauritius

years	1998	2000	2002	2004	2006	2008
Balance of Payments: Gross receipts from Tourism		14.234	18.328	23.448	31.942	41.213
Estimation using the Survey of Outgoing Tourists	11.764	14.187	17.775	23.117	31.198	

Millions of Ms

Source: Mauritius Ministry of Tourism Data on Tourism statistics 2008

IN other cases, the difference is quite significant (even when Travel is not estimated using a pure IRTS but survey data)

The case of Colombia

Tabla 1 : comparación global de las cifras CST - Viajes (BdP)						
						millones de US$ corrientes
	2000	**2001**	**2002**	**2003**	**2004**	**2005**
CST: Turismo receptor						
aeropuertos	570	622	562	637	821	997
fronteras	99	123	67	52	68	59
turistas	37	66	23	19	30	24
excursionistas	62	57	43	33	38	35
Total consumo turismo receptor	**669**	**745**	**629**	**689**	**889**	**1.056**
Balanza de Pagos						
Viajes (exportaciones)	**1.030**	**1.217**	**967**	**893**	**1.061**	**1.222**
Aeropuertos	600	616	612	648	794	941
Terrestre y Fluvial	430	601	355	246	267	280
Nota: la cifra CST excluye transporte internacional						

Travel- Requirements of the Manual on Statistics on International Trade in Services

4. Travel

    4.1 Business

        4.1.1 Acquisition of goods and services by border, seasonal and other short-term workers

        4.1.2 Other

    4.2 Personal

        4.2.1 Health-related

        4.2.2 Education-related

        4.2.3 Other

Alternative presentation for travel (for both business and personal travel)

4a.1   Goods

4a.2   Local transport services

4a.3   Accommodation services

4a.4   Food serving services

4a.5   Other services

          of which

    4a.5.1 Health services

    4a.5.2 Education services

The alternative presentation aims at closing the gap with tourism statistics

Recommended general procedure: direct statistical observation

The estimation of travel and tourism expenditure/consumption will usually be developed in two phases:

- Phase 1: **estimation of the flows** of travelers/visitors and some basic characteristics that determine expenditure, using a mix of administrative data and statistical observations;

- Phase 2: **estimation of average expenditure** per person per   day to be applied to numbers estimated in Phase 1 using statistical observations;

Phase 1: Measuring flows of travelers/visitors (1)

A combination depending on types of flows of…..

- **Administrative sources**:
  - Border controls: E/D cards
  - Data from airlines

- **Data complemented by some specifically designed survey if needed** (in particular in absence of border controls (mostly flows on land borders, or specific agreements)

- **Other possible sources: (but partial coverage….)**
  - At accommodation establishments
  - At tourism sites
  - Mirror statistics with partner countries

Phase 1: Measuring flows of travelers/visitors (2)

Type of information that needs to be collected
- Demographic data
- Country of nationality
- Country of residence
- Date of arrival
- Duration of trip (actual) (relationship arrival/departure)
- Frequency of trip
- Purpose of trip; identifying the possible existence of an employer/employee relationship
- Form of accommodation

Frequency of observation
- An important topic that needs to be discussed and established as a current statistical operation

Phase 2: estimation of expenditure/consumption(1)

- It has to go through the estimation of average expenditure per person per day according to characteristics of visitors/travellers;

- Usually, flows of a period refer to entry flows, while expenditure are observed once finished the trip, that is on exit…

- Total expenditure is obtained multiplying flows by average length by average expenditure per person pero day

- Average expenditure per person per day depends highly on purpose of trip, type of accommodation, size of the travel party,… and less on country of residence (once international transport has been excluded….): this has to be taken into consideration in the survey design (in particular when a quota system is used….): the statistical design of the survey is a crucial issue, as important as the design of the questionnaire… Conflict with marketing analysis where country of origin is the leading variable of interest….

Phase 2: estimation of expenditure/consumption(2)

- Most difficulties are associated with the fact that persons often travel in parties, with one of the party paying for all the remaining persons who do not know what the expenditure was;

- Additional difficulties occur when a third party, not part of the travel party, is paying for the expense (mostly case of business travel);

- Observations might not be as frequent as for phase 1 as there is a relative stability (at constant prices) of structure of average expenditure per person per day

- Increasing international experience in the design of questionnaires

Thank you!
Marion
LIBREROS
Consultant

@unwto.org

Visit us at unwto.org