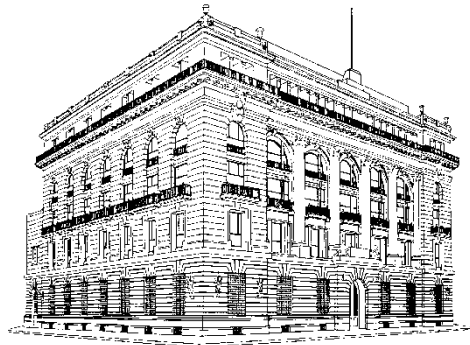


BORDER TRAVELERS AND IN CRUISES TRAVELERS, THE MEXICAN CASE

Methodological Aspects




BANCO DE MEXICO



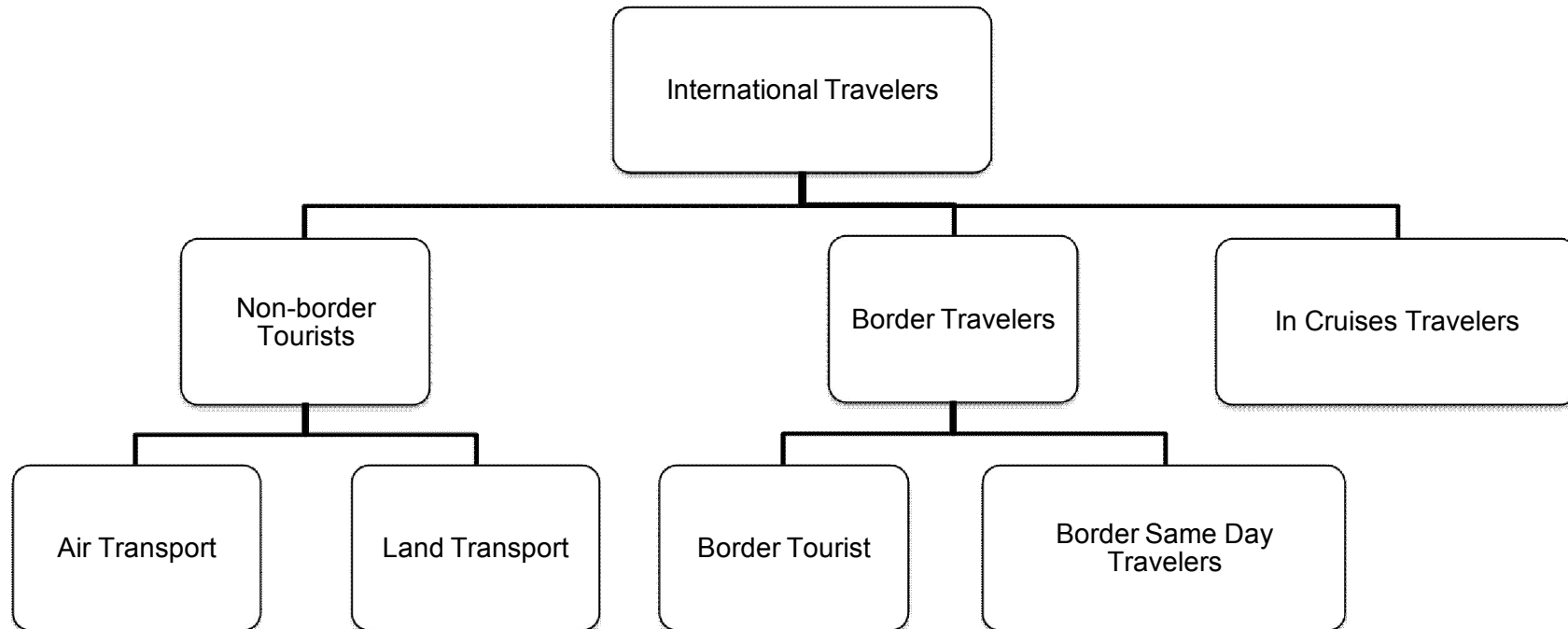
Introduction

- Regarding the travel account of the balance of payments, the main objective of Bank of Mexico is to estimate the expenditures in Mexico of international travelers who reside in other countries and the expenses abroad of residents in Mexico.
- However, due to there are different types of travelers, it is needed to identify the right methodologies to estimate the different flows.
- The methodologies to measure the international travelers expenses should consider the nature of their expenses and, of course, the information available for any type of traveler.
- Similarly, it is important to consider the information needed by other institutions interested in travel and tourism, as the Ministry of Tourism and the National Statistics Office.



Introduction

The International Travelers account in Mexico is composed by the next items: non border tourists, border travelers and in cruises travelers.





Introduction

As seen in the next table, they have different expenses because they have not the same behaviors.

	Expenditure, millions of dollars	Percentage Structure	Number of Travellers, thousands	Average Expense dollars
Income	12,739	100.0	76,749	166.0
Non-Border Tourist	10,199	80.1	13,665	746.3
Air Transport	9,544	74.9	11,361	840.1
Land Transport	655	5.1	2,304	284.1
Border Tourists	2,100	16.5	57,885	39.0
Border Same Day Travelers	1,533	12.0	48,148	31.8
Border Travelers	568	4.5	9,738	58.3
In cruises travelers	440	3.5	5,199	84.7
Expenses	8,449	100.0	87,332	96.7
Non-Border Tourist	5,223	61.8	11,209	466.0
Air Transport	3,708	43.9	3,679	1008.1
Land Transport	1,515	17.9	7,530	201.2
Border Tourists	3,226	38.2	76,124	43.9
Border Same Day Travelers	2,900	34.3	71,752	40.4
Border Travelers	326	3.9	4,372	74.5
Balance	4,291			



Border Travelers

Border zone:

The northern border of Mexico is defined by the area between the parallel lines at a distance of 25 miles to the north and 35 kilometers to the south, taking by reference to the dividing line between Mexico and the United States of America. The southern border is the equivalent territory between the dividing line between Mexico and the countries of Belize and Guatemala.



Border Travelers

Northern Border.

Due to the lack of information regarding the flow of persons crossing the northern border, Bank of Mexico implemented a methodology to estimate the average expenditure and the number of visitors. This survey is collected in 10 border cities. The number of travels in the cities not selected is calculated using information from the covered cities. The results of this survey are published on a monthly basis.



Border Travelers

In addition of the expenses, the survey collects information about place of residence, the size of the group and the purpose of the trip, among others, but only with annual representativeness.

The most difficult part of these measurements is to calculate the amount of border travelers, because the flow is of the order of 140 millions persons a year. To measure the flow, the methodology implemented uses two stages:

1. Generation of the framework: All the border travels are counted during a specific week (as a census) in the 10 selected cities, in order to obtain an hourly structure of the amount of travels, according to the mode of transportation, by car or pedestrian, for all of the selected cities and days of the week.



Border Travelers

This census is done in what could be considered a typical week during which there is not public holidays in either side of the border and with no vacation periods.

2. Continuous survey to measure the number of travels at specific times (monthly survey) on different days of the month in the 10 selected cities.

The combination of the two previous elements allow to calculate the expansion factors to estimate the number of travels for each month.



Border Travelers

Census Data

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
0-2	X 1,1	X 1,2	X 1,3	X 1,4	X 1,5	X 1,6	X 1,7
2-4	X 2,1	X 2,2	X 2,3	X 2,4	X 2,5	X 2,6	X 2,7
4-6	X 3,1	X 3,2	X 3,3	X 3,4	X 3,5	X 3,6	X 3,7
6-8	X 4,1	X 4,2	X 4,3	X 4,4	X 4,5	X 4,6	X 4,7
8-10	X 5,1	X 5,2	X 5,3	X 5,4	X 5,5	X 5,6	X 5,7
10-12	X 6,1	X 6,2	X 6,3	X 6,4	X 6,5	X 6,6	X 6,7
12-14	X 7,1	X 7,2	X 7,3	X 7,4	X 7,5	X 7,6	X 7,7
14-16	X 8,1	X 8,2	X 8,3	X 8,4	X 8,5	X 8,6	X 8,7
16-18	X 9,1	X 9,2	X 9,3	X 9,4	X 9,5	X 9,6	X 9,7
18-20	X 10,1	X 10,2	X 10,3	X 10,4	X 10,5	X 10,6	X 10,7
20-22	X 11,1	X 11,2	X 11,3	X 11,4	X 11,5	X 11,6	X 11,7
22-24	X 12,1	X 12,2	X 12,3	X 12,4	X 12,5	X 12,6	X 12,7
Daily Total	Total Monday	Total Tuesday	Total Wednesday	Total Thursday	Total Friday	Total Saturday	Total Sunday



Border Travelers

Sample Data

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
0-2							
2-4							
4-6							
6-8	Y			Y	Y		Y
8-10		Y		Y		Y	
10-12		Y	Y				Y
12-14	Y		Y		Y	Y	
14-16		Y		Y			Y
16-18	Y				Y	Y	
18-20		Y	Y		Y		Y
20-22	Y		Y	Y		Y	
22-24							



Border Travelers

Estimates of quotients and total calculation

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	
0-2								
2-4								
4-6								
6-8	Xi/Yi			Xi/Yi	Xi/Yi		Xi/Yi	
8-10		Xi/Yi		Xi/Yi		Xi/Yi		
10-12		Xi/Yi	Xi/Yi				Xi/Yi	
12-14	Xi/Yi		Xi/Yi		Xi/Yi	Xi/Yi		
14-16		Xi/Yi		Xi/Yi			Xi/Yi	
16-18	Xi/Yi				Xi/Yi	Xi/Yi		
18-20		Xi/Yi	Xi/Yi		Xi/Yi		Xi/Yi	
20-22	Xi/Yi		Xi/Yi	Xi/Yi		Xi/Yi		
22-24								
Averages	Average(X/Y) Monday	Average(X/Y) Tuesday	Average(X/Y) Wednesday	Average(X/Y) Thursday	Average(X/Y) Friday	Average(X/Y) Saturday	Average(X/Y) Sunday	
Daily Total Average*	Estimation Monday	Estimation Tuesday	Estimation Wednesday	Estimation Thursday	Estimation Friday	Estimation Saturday	Estimation Sunday	
Number of days in the month	Number of Mondays	Number of Tuesdays	Number of Wednesdays	Number of Thursdays	Number of Fridays	Number of Saturdays	Number of Sundays	
Estimation of the month = Estimation of the day*Number of days	Crossings in Monday	Crossings in Tuesday	Crossings in Wednesday	Crossings in Thursday	Crossings in Friday	Crossings in Saturday	Crossings in Sunday	Sum of the Month



Border Travelers

In addition to the counts for the census and the monthly samples
The following activities are carried out:

- Sample of the residence of pedestrians.
- Sample of the number of occupants per vehicle depending on the origin of the license plates.
- Sample of the residence of the driver of vehicles entering with foreign license plates.

Thus, the estimation of total travels can be split between residents in Mexico and residents abroad.



Border Travelers

Moreover, on the same days in which monthly samplings are conducted about the amount of travels, another survey is conducted to estimate the average expenditure of border travelers.

As a result of estimating the number of border travels and the estimated average expenditure, total revenues and total expenses of border travelers are also estimated.

The Ministry of Tourism needs to split these border travelers by tourist (they who remain overnight) and same-day travelers. Thus, we separate our statistics according this criteria.



Border Travelers

Southern Border.

The National Migration Office gives monthly information about the flow of travels in the southern border. Then, Bank of Mexico does not have to measure that flow and only calculate the average expense per person.

The flow in the southern border is small, the yearly expense in Mexico of travelers resident abroad is less than 50 million dollars. If compare this amount to the total expense of travelers of 12,739 million of dollars, it is clear that it is not needed to apply much resources in the calculation of the average expenditures.



Border Travelers

Because that reason, the methodology consist in an annual census of travelers crossing the border in a week. The objective of this census is to measure the average expenditure and the share of those who remain overnight (tourists).



In Cruises Travelers

The travelers in cruises present a particular situation. They are not admitted to go beyond the ports or to remain overnight in land. Hence, they are not classified as tourist.

The amount of this type of travelers is given monthly by the National Migration Office.



In Cruises Travelers

The Bank of Mexico has an annual survey oriented to calculate the average expenditure of these travelers, which is carried out in a week.

Total revenue is calculated as the multiplication of the number of visitors and their average spending.