

D.1. Household surveys and services items of EBOPS 2010: travel, transportation and other services

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7.19. Using a household survey to collect information in relation to residents travelling abroad (i.e., outbound travel) will serve the needs of the BOP (travel and passenger transport items) and those of tourism statistics, in particular with respect to international tourism consumption, including international passenger transport. Residents, as members of households, will be asked, among other questions, about their travel abroad, the circumstances and characteristics of the travel and the expenditures attached to them (products and values). It should be underlined that travel and tourism refer to individuals, not to households. Nevertheless, when persons travel together and belong to the same household, data on shared expenditure by the travel party can be collected. Households are used exclusively for selection purposes, but not for providing results; households, as such, do not travel.

7.20. The fact that household surveys are generally conducted in the home facilitates the possibility for the persons being interviewed to check information, such as credit card invoices. The interviewer can collect the information on paper questionnaires or an electronic device, making it possible to control the consistency of the information (see chapter 21). Such procedures can be costly. As a consequence, some countries use telephone interviews, a cheaper procedure, but with less possibility, however, of asking more sophisticated questions. The telephone interview could also be used as a first step in approaching respondents through simple questions, after which the respondents could be asked if they would agree to respond to a questionnaire with more probing questions.

7.21. The travel item of resident/non-resident trade in services statistics, as well as tourism consumption, is expenditure oriented. Compilers will need an estimate of the value of expenditures per person in a given period, and that value will vary depending on numerous factors. In addition, the information on the characteristics of those travelling and their travel itself may be of interest for compiling other variables. Compilers will therefore need the type of information shown in box 7.1. The information on the characteristics of travel might differ from person to person within the same household, even if they travelled together (e.g., their purpose of travel might be different, and also their expenditures).

Box 7.1

Information needed for international passenger transport, travel and their breakdowns, as well as for mode 2 number of persons/trips

The points below summarize the information to be collected from surveys of persons or households in compiling statistics on the international supply of services (e.g. international passenger transport, travel and their breakdowns). As shown below, the needed information is strongly related that needed for tourism expenditures. Information is needed on the following:

(a) **Characteristics of travel** The main purpose, identifying clearly the different tourism and other travel purposes, the duration, the origin and the destination, the modes of travel or transport, the forms of accommodation and the organization involved, i.e. travel with or without package, travelling alone or in a party or with persons of the household or others, etc. Obtaining such information does not usually present major difficulties;

(b) **Characteristics of expenditure** the expenditure to be included, both for travel and tourism expenditure, refers not only to the portion directly paid by the persons travelling, but also that paid by others for their benefit. The consequence is that, for each trip and each category of expenditure, it is necessary to ask: (i) whether there has been an expenditure, and the value of that expenditure, (ii) who has paid for it (oneself, a business, the Government, another person in the travel party, another person, etc.), (iii) the form of payment used (credit cards, cash, traveller's cheques, etc.), and (iv) the number of persons to which the reported expenditure corresponds, as an individual might pay for him/herself and for any other persons within a travel party;

(c) **Breakdown of expenditure** It is important to take into consideration the following breakdowns, suggested both in tourism statistics and in resident/non-resident services transactions:

i. Tourism expenditures should be broken down into the following functional categories (the categories have been defined so as to facilitate response):

- a. Package travel, package holidays and package tours;
- b. Accommodation;
- c. Food and drink;
- d. Local transport;
- e. International transport;
- f. Recreation, culture and sports activities;
- g. Shopping;
- h. Other;

ii. In BOP and international trade in services statistics, the recommended breakdown is the following:

- a. International passenger transport;
- b. Travel, broken down into the following categories:
 - i. Goods;
 - ii. Local transport services;

- iii. Accommodation services;
- iv. Food-serving services;
- v. Other services, including education and health services.

It is important to note that, beyond the breakdowns recommended above, compilers may also identify other breakdowns of importance at the level of their economy (see the Caribbean Community proposal for creative/cultural services (http://unstats.un.org/unsd/tradeserv/TFSITS/newsletter/TFSITS%20newsletter_9.pdf). In addition, the breakdowns of expenditures in tourism and trade in services statistics are not entirely equivalent, as the orientation of the tourism statistics classification is by purpose, whereas in trade in services statistics it is by type of product. This means that expenditure in fuel for a car, for example, would be classified as "transport" in tourism statistics and as "goods" in BOP statistics. To compile recommended breakdowns, it will therefore be necessary to collect detailed information to respond to all needs. Owing to those circumstances, different designs of forms are possible in order to observe separately and with different frequencies travel and average expenditure per day, or to observe both flows and expenditure simultaneously, using a separate questionnaire. The same source could also be used for associating information related to mode 2 trips/persons.

Challenges in collecting information on expenditures/consumption by type of product consumed Regarding the collection of data on expenditures by persons travelling, there are a number of challenges in obtaining data by type of product consumed. Visitors frequently share expenditures within a group of persons travelling together. Persons travelling do not always know the amount of expenditures attached to their trip, as they do not pay directly for all the expenses (accommodation, transportation, etc.). There might be agreements for receiving some implicit or explicit payment in kind (transport, meals, accommodation). This may occur for residents travelling for personal purposes, but may be even more frequent for those travelling for business purposes. Persons travelling usually perceive their expenditures by "family" of product, not necessarily by being able to single out each detailed type of product that they consume. For instance, separating goods from services might not be as straightforward as it seems for such items as medical expenses, which might include drugs and services; education expenses, which might include lectures, books and other services; or transport, which might include such goods as gas. Persons travelling for business purposes (mode 4 and others) or those who move frequently from their country of residence to their country of employment might not have a clear perception of the expenditures associated with their travel, in particular for expenditures such as accommodation. Such aspects need to be taken into consideration when devising questions for the survey form to collect such information.

Seasonality of travel and the survey organization Travel is often highly seasonal; it cannot be observed over a reduced period of time, and then be extrapolated to the whole year as travel. Travel for personal reasons, in particular, will be influenced by such variables as climate conditions in the country of origin and of destination and periods of vacation. As a consequence, frequent observations will be required. It is good practice to collect information on a continuous basis, though results might be produced with different frequencies: quarterly or with such other types of groupings as the peak season and the low season, though seasonality might differ depending on the purpose of the trip (business, work, study, personal, etc.).

7.22. **Reference period** Additionally, because of memory effects, the period of reference to be used, regarding both travel/trips and the expenditure associated with them, must be very short. The present Guide considers it good practice to use a month as a reference period in order to reduce telescopic errors (improper date assigned to trips) and recalling errors (improper characteristics and expenditure) (see box 7.2). As a consequence, because most persons might not have made any trip during such a short period of reference, the selected sample should be sufficiently large so as to collect enough valid information.^[1] A solution could be to ask about travel in the last x months and then deal with the memory effect by weighting up information relating to older travel.

Box 7.2

Research on the effect of expanding the period of reference for reporting tourism trips in Spain^[2]

Research carried out by the Instituto de Estudios Turísticos (IET) of Spain confirms that relying on a respondent's memory for information covered by a domestic and outbound tourism survey can cause two distinct types of errors entirely unrelated to sampling, and that have often opposite signs:

- *Telescopic error*: the actual date of an event (an expense, a trip) is unconsciously and erroneously moved up to a more recent date;
- *Pure memory effect*: an event that, in fact, occurred during the observation period is simply omitted, because, subjectively, by the time of the interview, it seems to have occurred long before.

IET developed a complex observation methodology using three overlapping samples, in which respondents were asked about trips taken three months, two months and one month before being contacted. That study clearly demonstrated that the longer the delay in contacting respondents after the observation period, the fewer trips they report. For example, three statistically validated measurements for the number of trips taken in June 2006 by residents of Spain are as follows:

- 12,991,044 if observed in July
- 12,745,211 if observed in August
- 12,247,920 if observed in September

Source: Guardia, T. and García, S. (2008)

7.23. **Issues to consider** For the process of selecting households, individuals and travel/trips, various possibilities are conceivable and each of has its advantages and disadvantages. Regarding the selection of households:

- (a) All households might be selected with equal probability or with different probabilities, taking into consideration differences in propensity to travel (for the rural population, for instance, or when countries have a stratified universe according to level of income, as higher income is often positively correlated with the propensity to travel);
- (b) A moving panel of households that is renewed periodically can be used, allowing the design of profiles of behaviour over time. However, persons who frequently travel, and thus are absent when requested to answer the survey, will tend to be substituted by more sedentary persons who travel less, thus skewing the results of the survey.

7.24. Regarding the selection of informants, options include the following:

(a) Select randomly one person within the household who will inform on his/her travel and expenditures. The drawback is that much of the cost of visiting a household will be wasted, particularly taking into consideration that travelling over a short period is not so frequent, so that the randomly selected person might not have travelled, but other persons of the household might have;

(b) Include only persons over a certain threshold (10 years of age, 15 years of age, etc.). While this appears to be an attractive option, small children usually travel with other persons of the household, and though children usually do not pay themselves for their expenditures, their participation in a travel party decreases the average expenditure per person per day of all members of the party;

(c) Include everybody. This is often the method followed.

7.25. Regarding the selection of travel, one of the following options is possible:

(a) All travel can be selected both for the description of the trips taken and the attached expenditures. Although that method is often followed, it can be a drawback, especially with a large questionnaire, when persons travel frequently; restricting travel to outbound trips would lower the reported frequency of travel;

(b) All trips can be counted (outbound and domestic, i.e., in relation to tourism information needs), but the characteristics of the trip and expenditure are collected for only one of them (usually the most recent one); that is the approach followed by most compilers.

Using a household survey to collect the above-mentioned information could be done in various ways. It is possible to attach a "travel/tourism" module to an existing household survey (usually, a labour force survey or an income and expenditure survey), or to a design specific procedures for observing the required variables. Because of the particularities of tourism and travel mentioned above, using a household survey is usually considered initially by countries. However, this does not result in obtaining all necessary data and should be complemented by a specific survey to observe tourism and travel. Further information is provided in the ITRS 2008 *Compilation Guide*

7.26. Data for such other BOP services items as services consumed by households online, downloaded or received by e-mail or telephone (e.g., legal services, medical advice, audiovisual or software downloads and gambling). Although households may easily identify the type of online purchases they make, it may be difficult for households to identify whether they are buying their services locally or importing a service, and from which country. An additional difficulty is that the country of billing or marketing may not necessarily be the one that is actually supplying the service to the household. Services provided through mode 4 could be easier to identify, as when the supplier of the service is physically present to render it. This identification of mode 4 transactions for relevant services could be particularly useful for the needs identified in the present *Guide*. However, it will be necessary to ensure that respondents understand the difference between an employment relationship and a service contract. Such information could be collected through existing household surveys, such as expenditure and income surveys, or a specialized survey on the use of the Internet or a telecommunications network by households, or could be collected by developing a specific module or survey. For all those services, sampling will be important to consider, as any household could potentially be a buyer of services. In addition, many of the payments will most probably be low, possibly below thresholds that have been established in the data collection system. Many of the recommendations provided above on the selection of households and informants to collect information on travel/tourism and transport are also relevant for other services. To summarize, although it may be appealing to approach households to collect data for payments for services other than travel/tourism expenditures or related information (including international passenger transport), compilers need to consider if such an approach would provide meaningful and exploitable results for compiling other BOP services items.

Next: [D.2. Household surveys and \(mode 4\) receipts for exports of services](#)

[1] However, it is also necessary to consider cost, burden and sparsity of responses. Alternatives to increasing the size of the sample may involve using auxiliary information to better target travellers in household surveys.

[2] Teresa Guardia and Sandra Garcia, "Memory effect in the Spanish domestic and outbound tourism survey (FAMILITUR)", paper presented to the OECD ninth International Forum on Tourism Statistics, Paris, November 2008.