

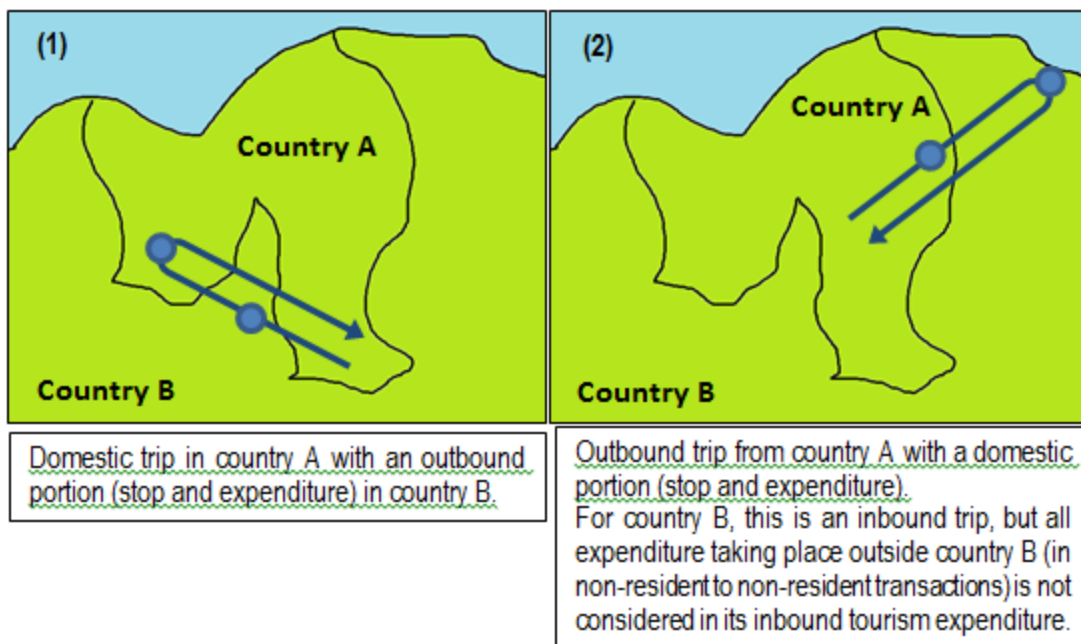
B.2.1. Definitions

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- 4.15. Any expenditures by domestic and international visitors at any time during their trip can potentially be considered (although not all actually are) tourism expenditure. Even goods and services acquired – in the usual environment or elsewhere – before the trip, such as clothes, travel guides, inoculations and travel insurance, should be included if clearly related to the trip.
- 4.16. It should be mentioned that the recommendations previous to the [IRTS 2008](#) suggested including posttrip expenditure as well. Drycleaning and photo printing were the most frequently cited examples, but there are a host of other possibilities – even car repairs or hospital bills in the case of accidents during travel. Given the circumstantial character of the examples cited and the prospect of sweeping adjustments to tourism expenditure figures (long after the completion of a trip), the present 2008 recommendations do not treat such posttrip spending as falling within the scope of tourism expenditure (or consumption).
- 4.17. For the purposes of economic analysis and policy design which are clearly linked to a specific economy, the national economy in which expenditures have occurred needs to be specified.
- 4.18. In response to this requirement, the following categories of tourism expenditure have been defined ([IRTS 2008, para. 4.15](#)):
- **Domestic tourism expenditure** which is the tourism expenditure of a resident visitor within the economy of reference
 - **Inbound tourism expenditure** which is the tourism expenditure of a nonresident visitor within the economy of reference
 - **Outbound tourism expenditure** which is the tourism expenditure of a resident visitor outside the economy of reference
- 4.19. It should be underlined that not all expenditure made by a visitor who is on an outbound trip occurs outside the visitor's economy of reference. Since a trip is defined as a roundtrip, an outbound trip involves travel from the time of departure from a person's place of residence until the person returns to that place, in which the main destination is outside this country of residence ([IRTS 2008, para. 2.7](#)). This means that an outbound trip can include a leg (even a long one) travelled within the country of origin before it is departed from (see para. 3.103). This leg might involve expenditure on transportation to the airport, port, railway or bus station or land border; on food, goods and services; and even on accommodation for one or more nights before departure of the country. All such expenditures, provided they correspond to transactions between two residents (the visitor and the purveyor), should be included in domestic tourism expenditure as it relates to the domestic leg of an outbound trip. Included in domestic tourism expenditure are also all the resident-to-resident expenditures made for the purpose of an outbound trip before the trip (e.g., clothes for the trip and film).
- 4.20. The case is similar for outbound legs of domestic trips. Such visits should not be counted as trips, since by definition they are not round trips ([IRTS 2008, para. 2.30](#)). The expenditure associated with outbound legs of domestic trips should be included under outbound tourism expenditure (since they involve transactions between residents to nonresidents). It should be noted that a trip with both a domestic and an outbound component should be classified as "domestic" or "outbound" on the basis of the location of the main destination.

Figure IV.1

Case of a domestic trip with an outbound leg and of an outbound trip with a domestic leg



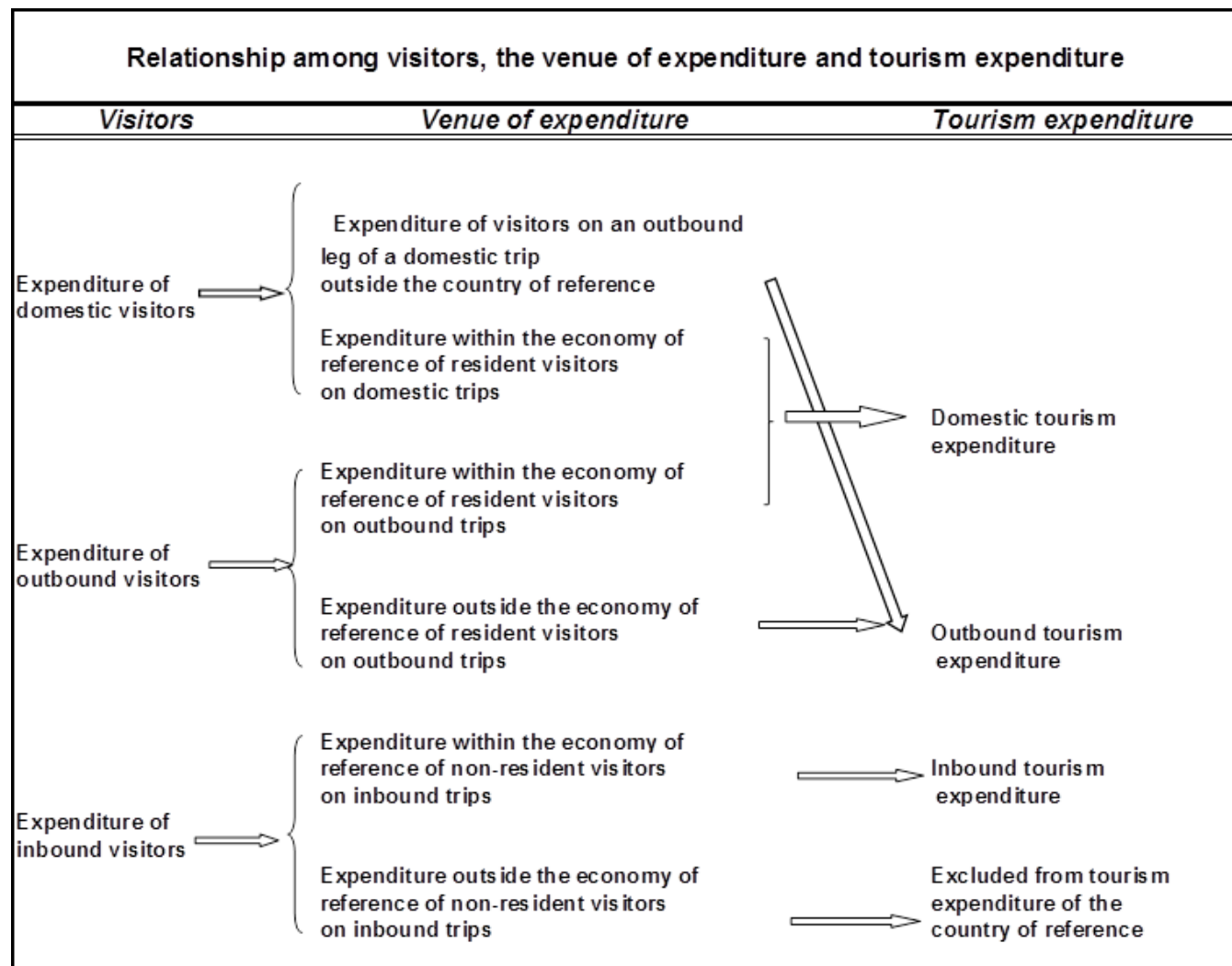
- 4.21. The above demonstrate that there is no one-to-one correlation between trip classified as domestic, outbound or inbound tourism, on the one hand, and tourism expenditures classified in those same categories (domestic, outbound, inbound), on the other. Part of the expenditure by visitors on outbound trips is treated as outbound tourism expenditure, while part is treated as domestic tourism expenditure and added to expenditure by visitors on domestic trips. The opposite is also true: part of the expenditure on a domestic trip might correspond to an outbound leg of the trip, thus falling within outbound tourism consumption. Similarly, expenditure by visitors on inbound trips which occurs en route within the visitors' own economy of origin (or in an economy other than the reference economy) is excluded from inbound tourism consumption in the country visited. It should be noted that the determinant of whether the expenditure is domestic or outbound depends on the economy in which the good or service is obtained by the visitor, not the economy in which the payment is made.

4.22. A related situation is one where a domestic visitor (with no outbound component of his or her trip) purchases a product obtained on the domestic trip from a nonresident provider (e.g., an agent on the Internet). In such a case, the expenditure should be included in outbound expenditure, as the transaction is between a resident and a nonresident entity (IRTS 2008, para. 4.17). However, in practice in collecting such data in a household survey (the recommended methodology), it is unlikely that the nonresidency of the provider could be identified.

4.23. The figure below illustrates how types of tourism trips and the categories of tourism expenditure are related.

Figure IV.2

Relationship among trips, the venue of expenditure and tourism expenditure



Note: For domestic visitors: "expenditure within the economy of reference of resident visitors on domestic trips" is not "domestic tourism expenditure" if the product is provided by a nonresident entity. For outbound visitors: "expenditure within the economy of reference of resident visitors on outbound trips" is not domestic tourism expenditure if the provider is a nonresident.