

Inbound tourism statistics

Main concepts, definitions, classifications, data sources, variables and practical examples



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Forms of tourism: Inbound, Domestic, Outbound

Visitors may travel within their countries of residence or abroad. In doing so, they must cross political and administrative borders (except in the case of vacation homes). It is important to qualify tourism with respect to those borders in order to determine in which economy (or which place) the economic effects of tourism will fall. That is what the concept of forms of tourism is about.

A **domestic trip** is one with a main destination within the country of residence of the visitor.

An **inbound or outbound trip** is one with a main destination outside the country of residence of the visitor.

An **outbound tourism trip** might include visits to places within the country of residence in the same way as a **domestic trip** might include visits outside the country of residence of the visitor. For example, a person travelling abroad may have to first travel to a city from which his or her flight might depart. While in that city he or she may stay there for a few days. This component of the whole trip would be measured as a domestic visit.

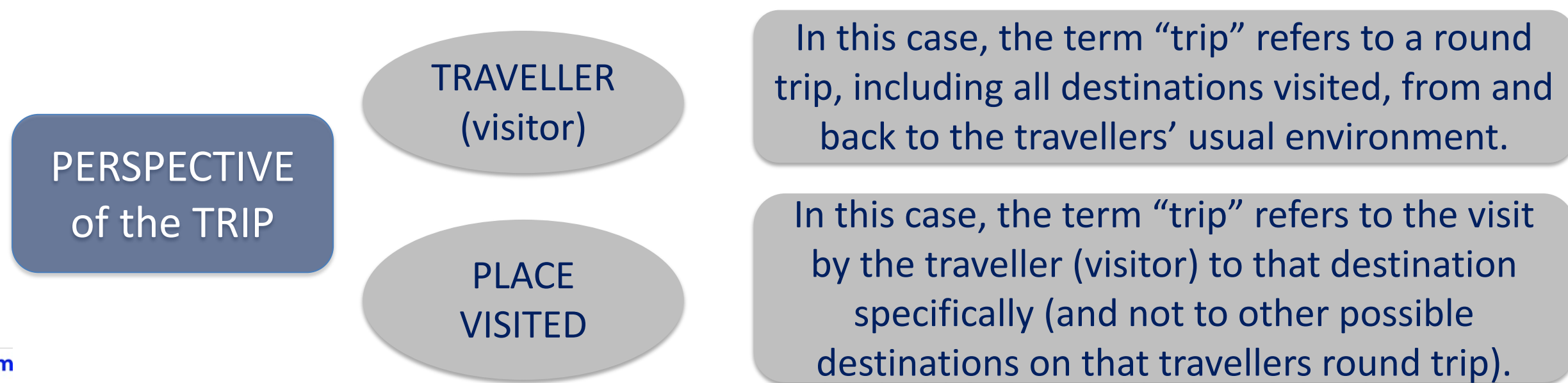
An **inbound trip**, however, includes only visits within the country of reference.

Statistical units: Visitor Tourism trip

A **visitor** is a traveller taking a tourism trip. To be considered a visitor one must pay a visit to a place. The traveller must stay in that place for a minimum duration and engage in some kind of activity, even if non-economic in character.

The **trip** is the statistical unit of tourism statistics and the visitor is an attribute of the trip.

Tourism trip is a trip taken by a traveller to a main destination outside his/her usual environment, for less than a year, for any main purpose other than to be employed by a resident entity in the country or place visited.



Statistical units: Visitor Tourism trip

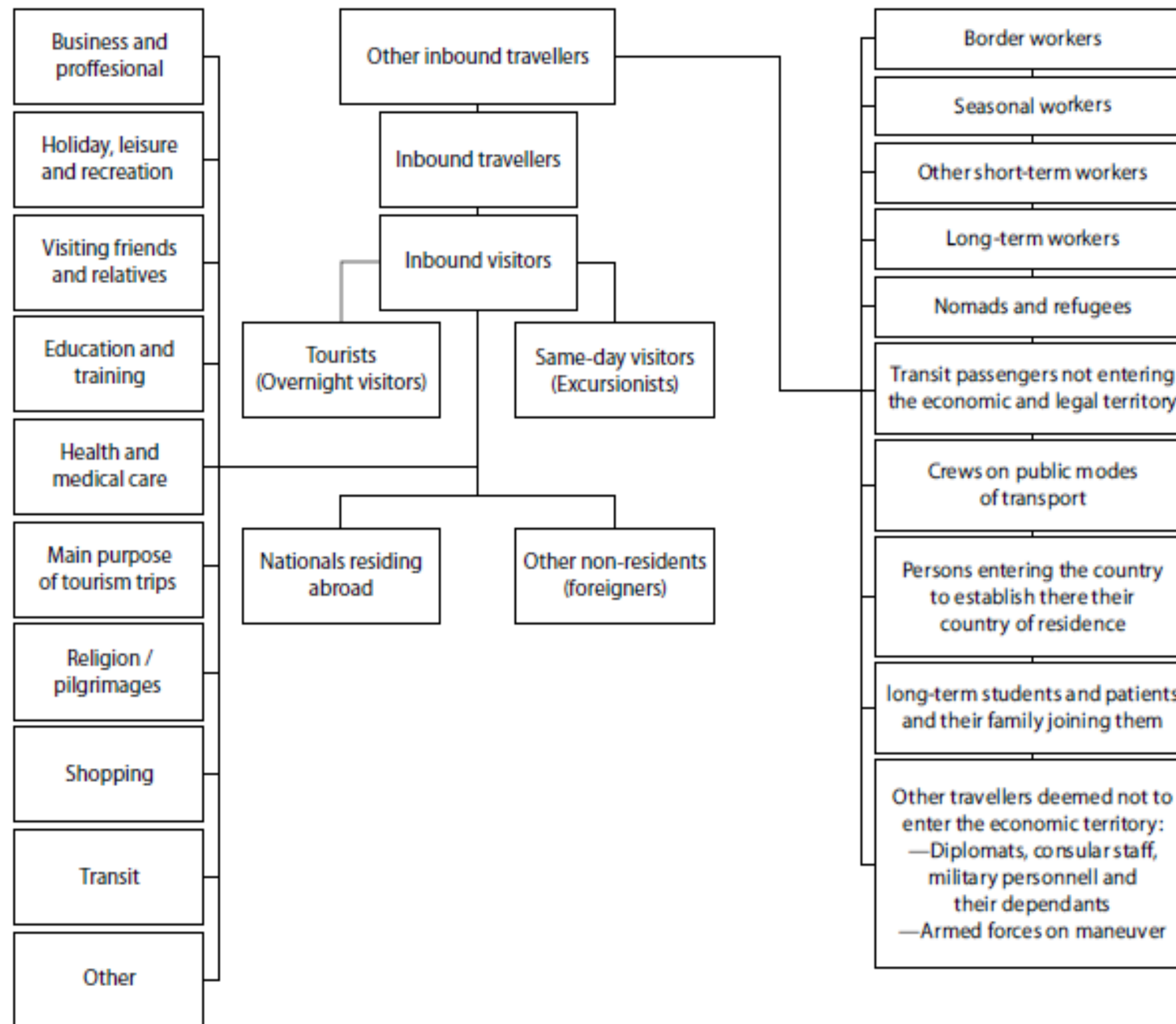
At the national level, trips are measured differently depending on the form of tourism concerned:

- In the case of domestic and outbound tourism statistics, the term “trip” refers to all tourism activity engaged in from the moment the traveller (visitor) leaves his/her usual environment until he/she returns there.
- In the case of inbound tourism statistics, the term refers to the “travel of a visitor from the time of arriving in a country (in a place) to the time of leaving” and excludes any visits to other destinations (countries).

How do we
distinguish a
traveller from a
visitor?

Classification of Inbound Travellers

Classification of inbound travellers



Which variables are
needed to identify
an inbound visitor?

Which variables are
needed to identify
an inbound visitor?

Let's go to
[menti.com](https://www.menti.com)

Instructions

Go to

www.menti.com

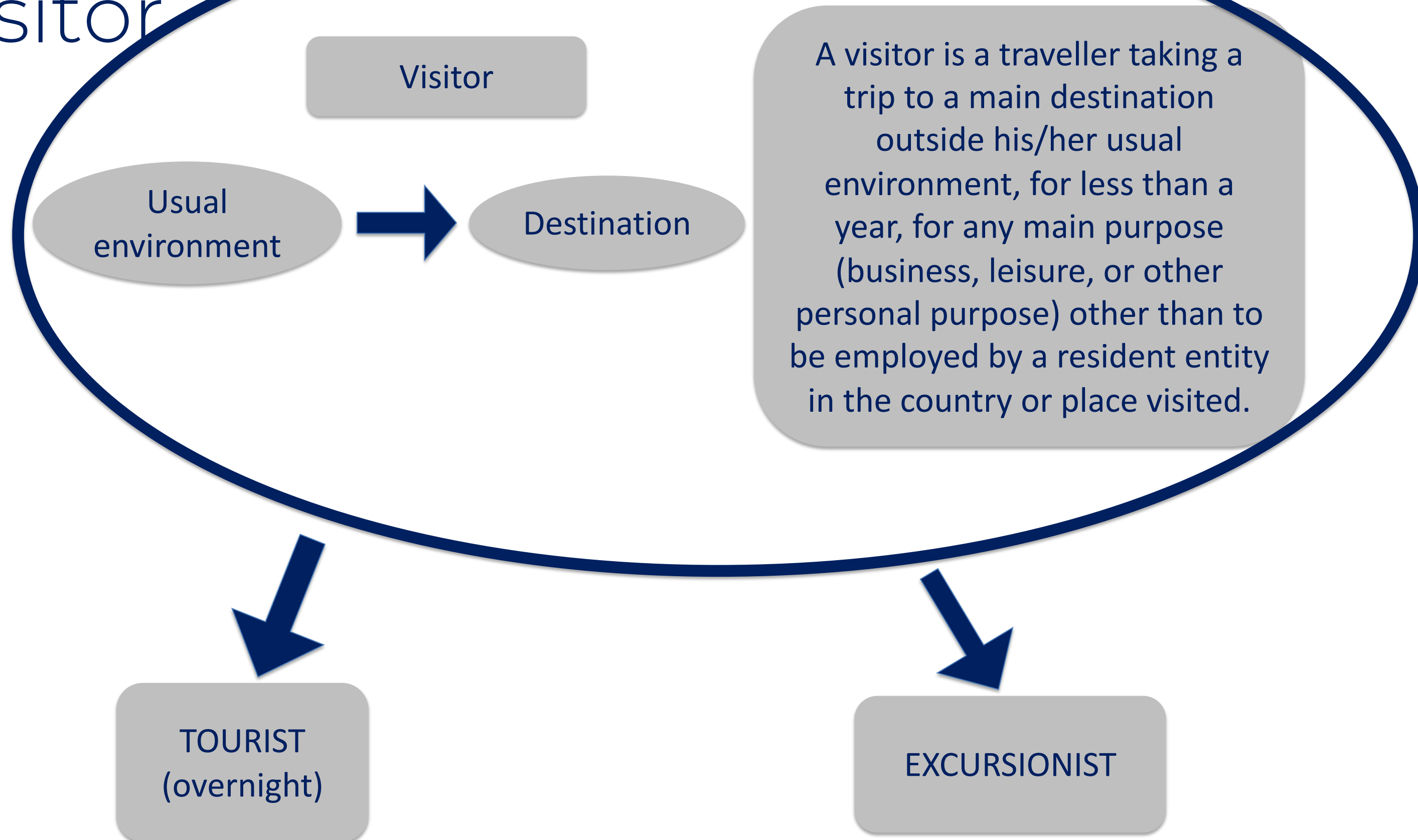
Enter the code

1327 9903



Or use QR code

Definition of a visitor



IRTS, 2008

Usual environment

The concept of usual environment plays a major role in tourism statistics: to be considered a tourism trip, travel must take the traveller outside his/her usual environment.

“The usual environment of an individual, a key concept in tourism, is defined as the geographical area (though not necessarily a contiguous one) within which an individual conducts his/her regular life routines.” (IRTS 2008)

Despite repeated efforts, however, it has not been possible, owing to differences between and within countries, to develop a unique world-wide statistical and operational definition of an individual's usual environment.

Usual environment

The operational definition of an individual's usual environment should be flexible; the recommendations indicate **four** possible criteria to be used:

- **Frequency** of the trip (except for visits to vacation homes);
- **Duration** of the trip;
- The **crossing** of administrative or national borders;
- **Distance** from the place of usual residence.

There is no dominance of one criterion over another.

However, the criteria “frequency” and “duration” are essential and it is recommended to include the remaining two in the definition of usual environment if possible (IRTS 2008, 2.53).

When disseminating the results, each country should clearly indicate what criteria were used.

Usual environment frequency

Places visited frequently as part of a regular life routine are considered part of an individual's usual environment irrespective of the distance travelled.

Vacation homes, on the other hand, even if frequently or routinely visited, are considered outside the usual environment.

Staying at paid accommodation close to the usual place of residence (at a hotel or spa) is not considered a tourism activity unless the accommodation is outside the usual environment.

The repetition of trips by an individual can influence their classification, or not, as tourism trips:

Routine trips to the same place, once or more a week, tend not to be considered tourism trips.

Trips taken by students/workers between their place of study/work and the place of usual residence of the household to which they belong are also outside the scope of tourism.

UNWTO recommends to use a threshold of “at least once per week” to distinguish between regular/routine and irregular/non-routine trips

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Usual environment

Criterion “duration”

IRTS 2008 recommends that countries should “define the minimum duration of stops to be considered as tourism visits”. Examples in Table 1.

Criterion “administrative border”

One criterion should be the crossing of an administrative border, combined if necessary with physical distance; in some small countries (particularly small island countries), this may result in all movements by residents within the country being considered as happening within the usual environment, which means that there is no domestic tourism.

Criterion “distance”

Each country should determine the threshold for distance in the definition of usual environment according to the current behaviour of visitors. Examples in Table 1.

Usual environment applied

Table 1: Criteria for usual environment in selected countries

Criterion Country	Distance (Km)	Administrative Borders	Respondents' self-opining	Frequency of Visit	Duration (Hour)
Austria		√	√	Twice a month	
Chile	30			Once a week	
Finland	30-50			Once a week	
France	100		√		
Indonesia	100	√	√		
Ireland			√	Once a week	
Israel			√		5
Latvia		√	√	Daily	
Netherlands	10				2
Saudi Arabia	80			Once a month	
Switzerland			√		4
United States	80-120				
Cyprus	50			Daily	
Czech		√	√	Once a week	3
Netherlands					
Sweden	50				
Slovenia	50			Ten visits in 3 months	
United Kingdom					3
South Africa	50				
Spain			√		
Portugal			√		
Germany		√	√		

Source: TSA in Egypt: Final Report, 2011

Usual environment applied

Box 6: Hypothetical example – Definition of usual environment

Country A uses three criteria to define the usual environment				
Criteria	↓	Traveller 1	Traveller 2	Traveller 3
Frequency (regular, irregular, "once a week" rule)	applied	irregular	irregular	regular, once a week
Duration (set to 4 hours)	applied	more than 4 hours	more than 4 hours	more than 4 hours
Administrative borders (yes/no)	not applied	no	no	yes
Distance (set to 50 km)	applied	exceeds 50 km	does not exceed 50 km	exceeds 50 km

↓	↓	↓
Visitor	Non-Visitor	Non-Visitor

Usual environment applied

Country B uses four criteria to define the usual environment				
Criteria	↓	Traveller 1	Traveller 2	Traveller 3
Frequency (regular/irregular, "once a week" rule)	applied	irregular	irregular	regular, once a week
Duration (set to 4 hours)	applied	more than 4 hours	more than 4 hours	more than 4 hours
Administrative borders (yes/no)	applied	no	no	yes
Distance (set to 50 km)	applied	exceeds 50 km	does not exceed 50 km	exceeds 50 km



Non-Visitor	Non-Visitor	Non-Visitor
-------------	-------------	-------------



Inbound Tourism



Inbound tourism objectives

Establishing the **universe** of non-residents (international travellers) on an inbound trip and of residents returning from an outbound visits or trips for period of reference (Again, we speak here of individuals, but we refer to trips: a same person taking various trips in the period of reference will be counted as various visitors (or travellers for BoP).

Identifying, within these universes, international visitors and other international travellers; and

Establishing the main characteristics of international visitors' trips in terms of:

- Country of residence
- duration;
- main purpose;
- modes of transport;
- types of accommodation used; and
- other characteristics (either of the visit/trip or of the international visitor)

Inbound tourism sources of information

- **Official administrative sources:** including immigration records based, or not, on Entry/Departure cards (E/D), manifests (sea and river) and Advanced Passenger Information (mainly air). Data provided by such administrative sources are produced on a continuous basis and are usually aggregated monthly.
- **Complementary sources:** Airlines, bus companies, ferries, etc. for information on passengers transported, embarking or disembarking, arriving and departing passengers at airports, manual or automatic counts at the borders (land borders), counts at toll booths in the vicinity of the border, etc. Some of these sources are not publicly accessible. If published, their frequency might not always be monthly.

Inbound tourism sources of information

- **Specific sample survey** sources: In countries where no such sources exist, or where the data provided is too global to be of much use, sample survey sources are the only possible alternative for estimating the universe of arrivals by non-resident travellers and departure by resident travellers. In some countries where administrative data is available, additional sample surveys are conducted to provide additional information on the visitors/trips which are not available through the administrative source
- **Mirror data**, mainly from neighbouring countries (inbound data derived from outbound data gathered by partner countries) may serve as a source, although the differences between the definitions of inbound and outbound trips should be kept in mind (IRTS 2008, 2.39). For example, in the case where an outbound visitor is visiting more than one country on their trip, possible only the main destination country is recorded in the departure statistics.

Inbound tourism sources of information

In countries where the use of **credit or debit cards is firmly established**, it might be possible to use data from card records to estimate part of total inbound tourism expenditure (and possibly that of other forms of tourism as well) and to break it down into a few categories based on the main business of the payment beneficiaries.

This is subject to the following assumptions:

- All (or almost all) holders of credit or debit cards issued by foreign banks are non-residents, and all holders of credit cards issued by resident banks are residents (unless an algorithm is established for usual environment)
- All non-residents using credit or debit cards issued by foreign banks are visitors (unless an algorithm is established for usual environment)
- In most transactions payment is by credit or debit card or with cash withdrawn from an ATM
- Such an approach would require agreements with the local managers of international credit card companies in order to establish what kind of information might be collected and under what conditions it might be provided.

Inbound tourism sources of information

Inbound tourism statistics are usually collected in two phases.
This reflects the structure of data collection at border posts:

- Phase one involves the use of the administrative data collected by the border protection authorities. This data identifies all travellers – both visitors and non-visitors – although in some countries very frequent border crossers, e.g. people crossing the border on a daily basis for work purposes, may not be recorded.
- Phase two usually involves a sample survey of visitors as they depart the country. This phase can then collect data such as the demographics of the visitors, activities while in the country, places visited, how much spent while in the country, etc. To design such a survey it is very useful to get the data mentioned above from phase one to provide a basis for stratifying the sample and making it more efficient and representative.

Inbound tourism sources of information

Administrative data collected by the border protection authorities.

- This data identifies all travellers – both visitors and non-visitors – although in some countries very frequent border crossers, e.g. people crossing the border on a daily basis for work purposes, may not be recorded.
- Usually a limited amount of data is collected. What is collected is required for security, rather than tourism, purposes and so the data does not provide all that required by tourism bodies.
- However, border protection authorities are increasingly working with NTAs to include more information in their data collection which is purely for tourism purposes (e.g. on the Arrival/Departure Cards). This is happening as a result of border agencies increasingly becoming aware of the importance of tourism to their economy.
- It is useful if the data collected in this phase includes such information as country of residence, main purpose of the trip, length of stay and the mode of transport used.

Inbound tourism sources of information

- It is worth emphasising that any country setting out to develop a system of data collection on international tourism should **first identify all available relevant administrative records.**
- Indeed, even countries with well-developed data collection systems should ensure that they have identified and examined such sources for possibly providing supplementary data.
- The main reason for identifying such data is because it is data that is already being collected and thus does not incur any additional resources.
- This is particularly important for countries without an existing well-developed STS which are usually those with the most limited available resources.
- Also setting up a new survey without investigating what is already available through administrative sources could lead to duplication where the survey data is already available.

Inbound tourism sources of information

T.M.6 ตม.6
THAI IMMIGRATION BUREAU

บัตรขาออก
DEPARTURE CARD

T.M.6 ตม.6
THAI IMMIGRATION BUREAU

บัตรขาเข้า
ARRIVAL CARD

Please complete this application form in CAPITAL LETTERS and use only BLACK or BLUE ink.
กรุณากรอกด้วยตัวอักษรภาษาอังกฤษตัวพิมพ์ใหญ่ และด้วยหมึกสีดำหรือสีน้ำเงินเท่านั้น

ชื่อสกุล
Family Name

ชื่อตัวและชื่อรอง
First & Middle Name

วัน-เดือน-ปีเกิด
Date of Birth

เลขที่หนังสือเดินทาง
Passport no.

สัญชาติ
Nationality

หมายเลขเที่ยวบินหรือพาหนะอื่น
Flight no. / Vehicle no.

ลายมือชื่อ
Signature

OR20222

ชื่อสกุล
FAMILY NAME

ชื่อตัว
FIRST NAME

ชื่อกลาง
MIDDLE NAME

เพศ/Gender
Male หญิง

สัญชาติ
Nationality

เลขที่หนังสือเดินทาง
Passport no.

วัน-เดือน-ปีเกิด
Date of Birth

หมายเลขเที่ยวบินหรือพาหนะอื่น
Flight no. / Vehicle no.

ตรวจลงตราเลขที่
Visa no.

อาชีพ
Occupation

เดินทางมาจากประเทศ
Country Where You Boarded

วัตถุประสงค์ของการเดินทาง
Purpose of Visit

ระยะเวลาที่พำนัก
Length of Stay

เมืองและประเทศที่ท่านพำนัก / Residence
City / State Country of Residence

ที่อยู่
Address in Thailand

โทรศัพท์
Telephone

อีเมล
Email

ลายมือชื่อ
Signature

OR20222

เฉพาะชาวต่างชาติ กรุณากรอกข้อมูลบนบัตรทั้ง 2 ด้าน / For non-Thai resident, please complete on both sides of this card

เฉพาะชาวต่างชาติ / For non-Thai resident only

Type of flight
 Charter Schedule

Is this your first trip to Thailand?
 Yes No

Are you traveling as part of a tour group?
 Yes No

Accommodation
 Hotel Friend's House
 Youth Hostel Apartment
 Guest House Others

Next city/Port of disembarkation.....

Purpose of Visit
 Holiday Meeting
 Business Incentive
 Education Convention
 Employment Exhibition

Yearly Income
 Less than 20,000 US\$
 20,001 - 60,000 US\$
 More than 60,000 US\$
 No Income

Sports
 Medical & Wellness
 Transit
 Others

For Official Use / สำหรับเจ้าหน้าที่

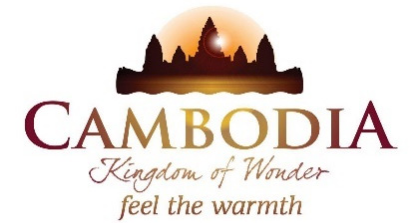
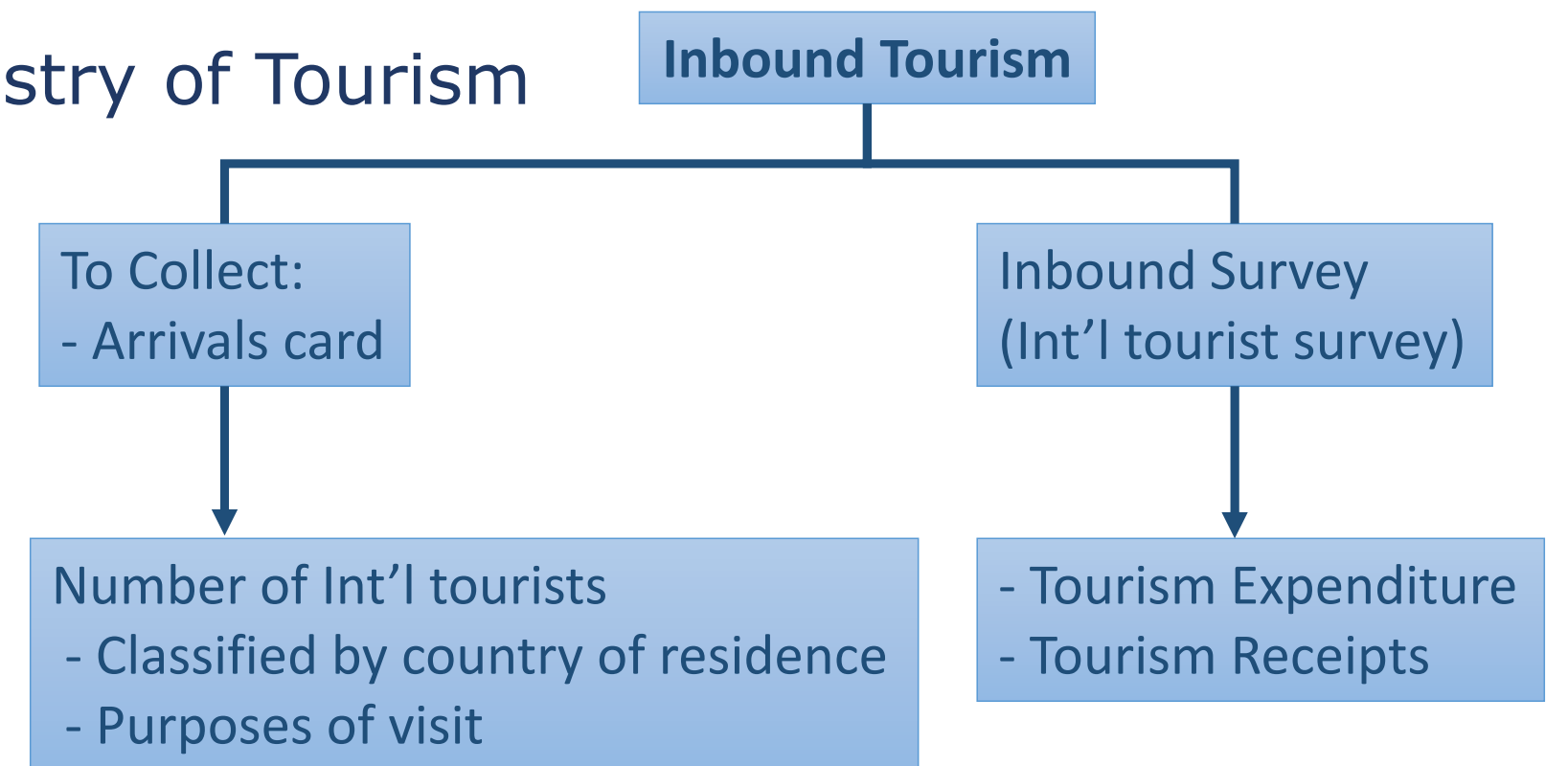
IMPORTANT NOTICE
In accordance to Immigration Act, B.E. 2522

- All passengers must complete the T.M.6 card.
- The passenger must keep the departure card with his/her passport or travel document and present the card to the Immigration Officer at the Checkpoint at the time of departure.
- If the alien stays in the Kingdom longer than 90 days, he/she must notify in writing at the nearest Immigration Office, concerning place of stay, as soon as possible upon expiration of 90 days. And required to do so every 90 days.
- Aliens are not allowed to work unless they are granted Work Permit.

Cambodia example as shown in UN Tourism workshop in 2023

1. Inbound Tourism

- Concepts and definition: Prakas of tourism statistics 2011
- Coverage: National wide (Cambodia)
- Type: Admin data
- Frequently: Monthly, Quarterly and Annual
- Agency involved: Ministry of Tourism
- Sources: Immigration



Inbound tourism sources of information survey

Usually involves a sample survey of visitors as they depart the country.

- This phase can then collect data such as:
 - the demographics of the visitors,
 - activities while in the country,
 - places visited,
 - how much spent while in the country,
 - etc.

To design such a survey is critical to get the data mentioned above from phase one to provide a basis for stratifying the sample and making it more efficient and representative.

Inbound tourism sources of information survey

Expertise is required

Cooperation with National Statistics Office

Determining:

- Sample size
- Selection of the sample
 - distribution by type of port of entry,
 - by type and characteristics of modes of transport used,
 - by flight (charter/scheduled, low-cost/conventional),
 - time (day or night),
 - day of the week (working days, holidays, weekends),
 - periods of the year,
 - as well as other characteristics of the tourism trip or the visitor considered relevant.

Inbound tourism sources of information survey

In determining sample size, consideration should be given to the minimum number of interviews required to ensure that the entire population of travellers arriving at each port of entry is represented as well as to the distribution of travellers over time, within the constraints imposed to minimize variance of the overall estimators of all variables observed.

Cooperation from the NSO should also extend where possible to subsequent processing of the data collected – their entry, filtering, validation and tabulation – all processes commonly applied in undertaking surveys and often requiring expertise mainly or exclusively possessed by a NSO.

Unlike other statistically observed phenomena, where a given stratification and sampling assignation might remain virtually stable over the years, travel flows can be volatile in response to a variety of factors, so the initial sample design should be updated regularly.

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Inbound tourism frequency of measurement

Frequency of measurement – relevance

- For policy making and practitioners' decision making
- Studying seasonality
- Evolutionary studies

Ideal frequency: reporting on a monthly basis a month after it happened.

Inbound tourism frequency of measurement

In cases in which the basic information necessary to measure international tourism flows is collected through **administrative procedures** (basically immigration data, data from carriers, ports, airports, etc.), observation is permanently on-going. However, data might not be processed or turned over to tourism administrations as a constant flow. It is quite often difficult for NTAs to get timely, up-to-date information on a more or less continuous basis, especially where immigration processes are not totally computerized or centralized. In such cases, NTAs should focus their efforts on collecting such information **at least every quarter**. The **information should also be provided in a way that allows cross-classification with information on different variables collected simultaneously with the basic count** (i.e. country of residence, nationality, length of stay, purpose of visit).

In general, NTAs (or NSOs if in charge of producing the information) should receive the **microdata** (with personal identification erased) from the original data source in the form of a **user-friendly electronic database or files**.

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Inbound tourism frequency of measurement

If information has to be collected through a **sample** (mainly in the case of tourism by residents collected through surveys, or in the case of obtaining additional information in the case of international travel), the actual frequency of observation will depend on the assumed seasonal pattern and on overall cost.

A higher **frequency observation** does not necessarily increase costs. If the aim is to get, e.g. 120,000 observations, it is less costly to run the survey continuously through the year, getting 10,000 observations per month with a small team of interviewers who can be kept on throughout the year as opposed to getting 120,000 observations in the summer, requiring a big team to work for a few months.

Inbound tourism Measurement challenges

For inbound tourism (as for all inbound travel), what are usually observed are “trips”: movements of non-residents across international borders.

From a tourism statistics’ perspective, there is only one notable exceptions: travel by persons having entered the country as non-visitors but then engaging in a secondary tourism activity, e.g. a person who arrives in the country to work for a resident business but takes a tourism trip while in the country or trips taken within the country for personal purposes by diplomats of foreign representations.

If the observation takes simple count of border crossings, it is not possible to associate with an individual all other trips or visits he/she might have taken during the period of reference. And while the statistics might speak of “visitors”, what are actually observed are “arrivals” (or “tourism trips”). Countries are encouraged to use precise and consistent terminology in all publications in disseminating tourism statistical data.

Inbound tourism Measurement challenges

The measurement of inbound tourism has its peculiar challenges

For example, *where and when should the data be collected?* Clearly, while some data relating to the visitor can be collected on arrival in the country, very little data can be collected on the visit, as this has not yet taken place.

Similarly, it is not satisfactory to collect the data during the visitor's trip as this is not yet completed. This leads to the solution of collecting the data *when the visitor is departing the country*. Most countries have a relatively small number of immigration/border posts through which visitors enter and depart, providing useful survey points.

Inbound tourism Measurement challenges

- The set of question should be adapted to the particularities of tourism in each country and should be discussed with key tourism sector stakeholders, Balance of Payments and National Accounts;
- Since border surveys are expensive, the entire process should be tested (including the tabulation of results) by means of a pilot exercise to ensure that the final version is as efficient as initially envisaged;
- The tables of expected results to be issued alongside the questionnaire should be designed and their content tested using the data collected through the pilot exercise, since the final objective of a questionnaire is to produce data that cross-classify the main variables observed; the usefulness of the tables for tourism analysis should also be reviewed;
- Since border surveys are technically challenging it should be ensured that the necessary resources and technical expertise have been committed to them and that their funding will be stable over time;
- Guidelines for field personnel should be drafted and a serious commitment made to training before launching the survey;

Expenditure

Besides **measuring** the **physical flows** of visitors and **their characteristics**, tourism statistics are especially useful for understanding the **economic implications** of visitors' activities. Such measurements allow tourism analysis to be linked with other forms of **economic analysis**, thereby, permitting the **integration of tourism policy within a country's general macroeconomic policy framework**.

One of the key economic dimensions encompasses tourism as related to **visitor expenditure for and while on tourism trips**, associated with movements of non-resident visitors to the country of reference (**inbound tourism**), movements of resident visitors within the country of reference (**domestic tourism**) and movements of resident visitors outside the country of reference (**outbound tourism**).

Tourism expenditure is an important component of basic visitor information which is useful for a variety of purposes, such as marketing and policy development.

Expenditure

Why measure expenditure?

- Performance
- Role in the national accounts
- Policy development
- Development of local economies
- Sustainable development goals
- International comparability
- Foreign investments
- Strategic analysis

Expenditure

Tourism expenditure *is the amount **paid by visitors** for the acquisition of consumption goods and services, as well as valuables, **for own use or to give away for and during tourism trips.***

Expenditure

Tourism **expenditure includes** also:

- **Monetary expenditure on consumption goods and services paid for directly by the employer for employees on business travel;**
- **Monetary expenditure by the visitor refunded by a third party**, either employers (business, Government and non-profit institutions serving households (NPISH)), other household or the social insurance scheme;
- **Monetary payment made by visitors for the individual services provided and subsidized by Government and non-profit institutions** serving households in the areas of education, health, museums, performing arts, etc.;
- **Out-of-pocket payments for services provided to employees and their families on tourism trips financed principally by employers**, such as subsidized transport, accommodation, stays in holiday residences of employers or other services;
- **Supplementary payments made by visitors to attend sports or any other cultural events on the invitation of, and principally paid for by producers** (business, government, non-profit institutions serving households).

Expenditure

Vs

Consumption

Tourism expenditure **does not include all trip-related expenses**, only those for the acquisition of goods, services and valuables for one's own use or to give away: **incurred by visitors themselves**, as well as expenses that are **paid for or reimbursed by others**.

Tourism expenditure also **excludes** certain items such as **social transfers in kind that benefit visitors**, the imputation of **accommodation services from owned vacation homes** and **financial intermediation services indirectly measured**, **interest payments**, **donations to a foundation**, **the purchase of a vacation home** and **money transferred to family or relatives**.

All those are not treated as acquisitions of goods or services and are excluded from tourism expenditure, but included in **tourism consumption**.

Expenditure

Vs

Consumption

Tourism consumption goes far beyond the visitors' purchases on the trip, encompassing a number of other non-expenditure consumption items whose value needs to be imputed.

These are mainly the use of second (holiday) homes and government subsidies to facilities used by visitors (e.g., museums and exhibitions).

Tourism consumption is usually required only for purposes of constructing a **TSA**.

Expenditure

Vs

Consumption

Tourism **consumption includes** also:

- The **imputed value of barter transactions** (for example, temporary exchange of dwellings for vacation purposes);
- The **imputed value of goods** (vegetables, fruits, game, fish, etc.) **produced on own account from the vacation home** or resulting from recreation activities (gardening, hunting, fishing, etc.) outside the usual environment;
- The **value of services** (either market or for own final use) **associated with vacation accommodation on own account** (secondary dwellings for vacation purposes and all other types of non-traditional vacation home ownership);
- The **value of FISIM** (Financial intermediation services indirectly measured) included in any interest paid by visitors on tourism expenditure;
- The **net cost for hosts of receiving visitors in terms of increased expenditure** on food, utilities, invitations, presents, etc.;

Expenditure

Vs

Consumption

Tourism **consumption includes** also:

The cost for producers (businesses, Governments and NPISH) **of expenditure by employees on business trips that do not involve a monetary disbursement by the employee**

(transportation services provided free of charge or at subsidized price to their employees by carriers, accommodation or meals provided free of charge or at subsidized price to employees by hotels, etc.);

- **The net cost** (that is net of employees' out of pocket payment) **for producers of additional services provided to their employees and their families as visitors beyond those already included in tourism expenditure**, such as: cost of free or employer-subsidized transportation, cost of accommodation in vacation centres, etc.;

- The part

of the value of what the System of National Accounts 2008 qualifies as government consumption expenditure on individual non-market services on products such as education, social services, health, museums, recreation services, etc. that can be considered as benefiting visitors and that System of National Accounts 2008 describes as **social transfers in kind**.

Expenditure

Frequent references are made to the **Tourism Satellite Account (TSA)** to both:

- Explain conceptual issues connected with **tourism expenditure and its different categories**;
- Underline the relationship between the terms **“expenditure”** (used in the context of surveys and questionnaires) and **“consumption”** (which includes tourism expenditure and other items).

Expenditure categories

In order that **demand** by visitors for specific goods and services **may be related to the supply** of those goods and services in the economy, **information on expenditure needs to be collected in disaggregated form** and according to a common classification of goods and services.

The categories most commonly used and recommended in IRTS 2008, are:

- **Package travel, package holidays and package tours**
- **Accommodation**
- **Food and drink**
- **Local transport**
- **International transport**
- **Recreation, culture and sporting activities**
- **Shopping**
- **Others**

Expenditure

Time issues

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 they are clearly related to the trip.

The recommendations previous to the IRTS 2008 suggested including post-trip expenditure as well. Dry-cleaning 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), such **post-trip spending do not fall within the scope of tourism expenditure** (or consumption).

Inbound tourism expenditure Time issues

Transactions of goods or services are to be recorded:

- upon the transfer of ownership from seller to buyer in the case of goods,
- or upon service delivery by seller to buyer in the case of services

and not necessarily at the time of payment, which can occur beforehand (for instance, when a travel ticket is purchased in advance) or afterwards (when the payment is by credit card).

For this reason, the terms “**acquisition**” and “**payment**” should not be used interchangeably since acquisition and payment **usually occur at different points in time.**

Inbound tourism expenditure Purchaser issues

Individuals who acquire goods or services **do not necessarily purchase them with their own resources**; they may have been paid for by others on those individuals' behalf.

Examples include other households (such as relatives or friends hosting visitors), or employers who cover transportation, paid accommodation or other services for their employees.

However, **irrespective of who actually pays, if a visitor acquires a good or service, then it may be considered in tourism statistics.**

Respondents should be made aware of this when responding to a survey on tourism expenditure.

In addition, and in the case of a market transaction, **the valuation of tourism expenditure should correspond to the unit value paid by the visitor (purchaser's price).** This should include all taxes, as well as voluntary or compulsory tips, that relate to the purchase of a product and should correct for any value-added tax (VAT) rebates to non-residents.

Expenditure Geographical concerns

Let's think about an outbound trip.

Since a trip is defined as a **round trip**, 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.

This means that **it can include a leg** (even a long one) **travelled within the country of origin** before it is departed from. 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).

Expenditure Geographical concerns

Relationship among visitors, the venue of expenditure and tourism expenditure

Visitors	Venue of expenditure	Tourism expenditure
Expenditure of domestic visitors	Expenditure of visitors on an outbound leg of a domestic trip outside the country of reference	Domestic tourist expenditure
	Expenditure within the economy of reference of resident visitors on domestic trips	
Expenditure of outbound visitors	Expenditure within the economy of reference of resident visitors on outbound trips	Outbound tourism expenditure
	Expenditure outside the economy of reference of resident visitors on outbound trips	
Expenditure of inbound visitors	Expenditure within the economy of reference of visitors on outbound trips	Inbound tourism expenditure
	Expenditure outside the economy of reference of non-resident visitors on inbound trips	Excluded from tourism expenditure of the country of reference

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 non-resident 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 non-resident.

Expenditure

Special issues

In general, determining which part of an international visitor's expenditure corresponds to inbound/outbound tourism expenditure, which part corresponds to domestic tourism expenditure, and which part should be excluded is not a very complex process: **visitors themselves can often easily identify where their expenditures were made and the country of residence of the sellers or providers.**

For a few areas of expenditure, however, such determinations are less straightforward, in particular for the **following three:**

- **Reservation services, embedded in the purchase of some services**
- **Package tours**
- **Transportation between origin and destination**

Expenditure Intermediaries

Visitors often purchase services for and during their trips through intermediaries, most commonly, **travel agencies** (physical or Internet-based) but often also including **reservation services** (e.g., for shows and hotels).

The transaction is usually conducted on a **commission or fee basis** (either explicitly, with individual invoices, or implicitly, as part of the total price charged).

This create a double difficulty:

- **valuing reservation services,**
- **determining the country of residence** of such providers, so that consumption of their services can be assigned to the proper category of tourist expenditure.

Expenditure

Special issues

Usually, the adjustment will be carried out only in respect of reservation services provided by travel agencies for international air transportation, packages and cruises.

It is assumed that when those services are purchased in the traveler's country of residence, the travel agency resides in that country and that the value of its services represent a fixed percentage of the sale value based on the fees currently charged by local travel agencies.

Adjustments will tend to be made on an aggregated basis, possibly to all relevant visits and for data over a given period (e.g., a full year's data).

Expenditure Package tours

The statistical treatment of package tours is complicated. Package tours usually involve a number of different products and services which are supplied by different providers.

The total cost of packages reported by visitors needs to be broken down by analysts using information collected directly from the packagers themselves or from the travel agencies that sell packages to the public.

There are two **approaches available** to countries in this regard to obtain the information:

- **by means of modules added to supply surveys.**
- **by means of a “case study” sample** of selected key travel agent establishments.

Expenditure Transportation

How to distribute the total amount paid for a ticket among the different legs of the journey and the different companies involved?

Not an easy answer, because it is common to find particular situations:

- Different **price categories**, different **taxes** levied by the countries of origin and/or destination and, in some cases, a commission for the travel arranger
- **Interlining**: it is common for one airline to sell a single ticket for travel on many other resident or non-resident airlines (for segments of the journey that are not served by the validating airline).
- **Code-share agreements**: commercial flights operated by one airline but marketed by others.

Expenditure Cooperation

Fortunately, compilers of tourism statistics are not the only compilers interested in these issues: national accounts and balance-of-payments compilers deal with similar questions and face precisely the same difficulties, which means **that cooperation in this field is essential**. For issues relevant to their countries, many balance-of-payments compilers have developed methods of estimation based on information collected from railway companies or airlines. It is important that compilers of tourism statistics understand and participate in the estimation procedure so that they can apply the results properly.

Some issues that have clear implications for tourism statistics might still require more review: the treatment of commissions and fees paid to travel agencies by travel services providers.

- Balance of Payments recommends **a gross measurements** whereas a net measurement is recommended when passengers pay this fee directly;
- In tourism statistics, **a net measurement is recommended in all cases** so that there is a homogeneous treatment;

This is another reason why **the inter-institutional platform** should include all the institutions: not only **TSA** and **National Accounts compilers** but also the compilers of **the “travel” item** and **“international passenger carriage”** so that methods of estimation be totally **consistent and coordinated** in the field, and as a consequence, values be consistent also.

Expenditure BoP

Examples of divergence in Classifications of different items according to different classification principles

Description	Tourism expenditure	Balance of Payments	TSA
Package bought abroad by an inbound visitor	Broken down in its components and each part separately considered and classified as corresponds as non resident to resident transactions	If fare on a resident carrier, portion corresponding to Fares will be included in international passenger carriage; (including, eventually fees payable by carrier to travel agency); all the rest of the value of services provided in country of reference treated as intermediate consumption of non resident packager: not in travel	Broken down in its components and each part separately considered and classified as corresponds as non resident to resident transactions
Car rental paid by a visitor	iv. local transport	Travel: services	7. Transport equipment rental
Payment of laundry within the hotel bill	ii. accommodation	Travel: services	Other non tourism characteristic product

Expenditure

BoP

A growing number of countries have developed surveys to measure inbound tourism expenditure.

The use of such instruments to also measure the “travel” item in the balance of payments has created increasing pressure for the **alignment of tourism statistics** with the IMF publication Balance of Payments and International Investment Position Manual, Sixth Edition and the Manual on Statistics of International Trade in Services 2010.

It has also **fostered improvements in the international comparability of balance-of-payments.**

Expenditure Estimating

Measuring visitor expenditures is linked to three contexts:

- **Time frame:** past or future
- **Occasion:** a specific event or a significant time period.
- **Venue:** a specific site or geographic area

Inbound tourism expenditure Estimating

The **flows** tend to be measured **at the point of arrival** in the country of reference **for inbound tourism** and **at the point of departure** from the country of reference **for outbound tourism**.

The reverse is the case for expenditure: it is measured at the point of departure from the country of residence for inbound tourism and at the point of arrival in the country of residence for outbound tourism.

The reason is that **visitors are best able to answer questions about their expenditure at the moment of conclusion of the trip**, and not at the onset, when a large portion of the expenditure is still to be made.

In such a dual construction, whereby flows are calculated on the one hand and average expenditure on the other, it becomes necessary to use a **common categorization** so that the information can be combined at a later stage.

Inbound tourism expenditure Estimating

In countries in where tourism is significant, **inbound tourism expenditure can be measured continuously and simultaneously with the observation of visitor flows**, provided that the necessary technical and financial resources are available for this work on an ongoing basis.

If sufficient resources are not available, or if it is deemed unnecessary to perform these measurements continuously —for instance, because average expenditure per day is observed or because expenditure is considered to remain relatively constant over roughly five-year time spans (controlling for important determinants such as purpose of trip and form of accommodation used) — countries may conduct their observations with the following frequencies:

Inbound tourism expenditure Estimating

Pluri-annually (every five years, for instance).

- For the years in between the observations, a modelling procedure is used, correlating the structure and level of expenditure with the characteristics of tourism flows.
- For the years in which observations are conducted, the number of observations needs to be sufficiently large in each category to permit such modeling within acceptable margins of error.
- The observations must be spread throughout the year, since the categories of visitor (families, retirees, business persons) and their activities (winter sports, summer sports, etc.) and thus their level and structure of expenditure are often highly seasonal **During high and low seasons.**
- Before setting up such a system, it is important to determine clearly the seasonality of tourism, which may differ depending on the purpose of the visit. In particular, the busiest seasons for personal tourism may be entirely different from those for business and professional tourism.
- The design of border surveys should reflect such patterns, enabling identification of which flows should be covered in high versus low season.
- Seasonality should also be verified regularly, to identify changes in the cycle.

Inbound tourism expenditure Estimating

Information	Area	CLOSED AREA		OPEN AREA			
		LARGE Country	SMALL		LARGE Region	SMALL	
			Island	Attraction		City	Attraction
Volume of visitor flows	EXIT	EXIT or TRANS	PLACE	PLACE or ACCOM	PLACE or ACCOM	PLACE	
Visitor and trip characteristics	EXIT	EXIT or TRANS	PLACE	PLACE or ACCOM	PLACE or ACCOM	PLACE	
Quality of travel experience	EXIT	EXIT or TRANS	PLACE	PLACE or ACCOM	PLACE or ACCOM	PLACE	
Expenditure behaviour	EXIT	EXIT or TRANS	PLACE	PLACE or ACCOM ¹	PLACE or ACCOM ¹	PLACE	

Note:

EXIT = survey at entry/exit points

TRANS = survey in means of transport

ACCOM = survey at accommodation establishments

PLACE = survey at popular tourist places

¹ The last survey provides a detailed estimate of expenditure met by tourists only.

Inbound tourism expenditure Survey

The most common and rigorous method of observing **expenditure by non-resident visitors** entails surveying them as they leave the country.

A separate “expenditure module” can be included in **border surveys** and used in conjunction with other types of procedures at accommodation establishments and/or popular tourism sites.

D. ACQUISITION OF SERVICES IN YOUR COUNTRY OR IN ANOTHER COUNTRY BEFORE ARRIVING IN OUR COUNTRY

25	26	27	28	29	30
The information concerning expenditure will refer to...	Number of nights spent in our country	Are you travelling on a package tour?	Price paid for the package tour	Does it include round-trip transportation?	Does it include one-way travel?
A. You alone..... <input type="checkbox"/> 2 → 26 B. Other persons you are travelling with. <input type="checkbox"/> 7 <hr/> --- Party size (Including yourself)	A. None (I am in transit to/ from other countries) . <input type="checkbox"/> 01 B. (None (I am just visiting your country for one day)..... <input type="checkbox"/> 02 C. One or more nights <input type="checkbox"/> 03	A. No..... <input type="checkbox"/> 3 B. Yes..... <input type="checkbox"/> 8 → 28	A. Unknown <input type="checkbox"/> 4 34 B. Known <input type="checkbox"/> 9 <hr/> --- Amount <hr/> Currency	A. No.... <input type="checkbox"/> 3 → 30 B. Yes.... <input type="checkbox"/> 8	A. No <input type="checkbox"/> 2 B. Yes <input type="checkbox"/> 7

Inbound tourism expenditure Survey

Indicate if the payment was made (D) directly or through an intermediary travel agency, tour operator. (I)

34	Expenditure related to this trip paid in your country or another country before arriving in our country (transportation, accommodation, others)	A. No..... <input type="checkbox"/> 4 → 34 B. Known..... <input type="checkbox"/> 9 →	_____ Amount Currency	100 Percentage ↓	
34.1	Were there passenger transport services?	A. No..... <input type="checkbox"/> 4 → 34.2 B. Known..... <input type="checkbox"/> 9 →	_____ Amount Currency	_____ Percentage	1. (D) <input type="checkbox"/> 3 2. (I) <input type="checkbox"/> 8
34.1.1.	To enter or to leave our country?	A. No..... <input type="checkbox"/> 4 → 34.2 B. Known..... <input type="checkbox"/> 9 →	_____ Amount Currency		
34.1.2	Local transportation within our country?	A. No..... <input type="checkbox"/> 4 → 34.2 B. Known..... <input type="checkbox"/> 9 →	_____ Amount Currency		
34.2	Were there accommodation services?	A. No <input type="checkbox"/> 2 ↓ B. Yes <input type="checkbox"/> 7 34.3 B.1. Full board..... <input type="checkbox"/> 11 B.2. Half board..... <input type="checkbox"/> 12 B.3. Lodging and breakfast.. <input type="checkbox"/> 13 B.4. Only lodging..... <input type="checkbox"/> 14	_____ Amount Currency	_____ Percentage	1. (D) <input type="checkbox"/> 3 2. (I) <input type="checkbox"/> 8
34.3	Were there other services (for instance, food-servicing services, other services of which: health services, education services, tour escort for entire trip, commercial guided tours, car rental and other services)?	A. No..... <input type="checkbox"/> 4 → 35 B. Known..... <input type="checkbox"/> 9 →	_____ Amount Currency	_____ Percentage	1. (D) <input type="checkbox"/> 3 2. (I) <input type="checkbox"/> 8

Inbound tourism expenditure Survey

E. ACQUISITION OF GOODS AND SERVICES IN OUR COUNTRY BOOKED OR PAID FOR EITHER BEFORE, DURING OR AFTER THE TRIP

35	Trip related to expenses paid in our country (transportation, accommodation, others)	A. No..... <input type="checkbox"/> 4 → End B. Known..... <input type="checkbox"/> 9 →	_____ Amount Currency	100 Percentage		
35.1	Were there passenger transport services?	A. No..... <input type="checkbox"/> 4 → 35.2 B. Known..... <input type="checkbox"/> 9 →	_____ Amount Currency	____ Percentage	1. (D) <input type="checkbox"/> 3	2. (I) <input type="checkbox"/> 8
35.1.1.	To leave our country?	A. No..... <input type="checkbox"/> 4 → 35.2 B. Known..... <input type="checkbox"/> 9 →	_____ Amount Currency			
35.1.2	Local transportation within our country?	A. No..... <input type="checkbox"/> 4 → 35.2 B. Known..... <input type="checkbox"/> 9 →	_____ Amount Currency			
35.2	Were there accommodation services?	A. No <input type="checkbox"/> 2 ↓ 34.3 B. Yes <input type="checkbox"/> 7 ↓ B.1. Full board <input type="checkbox"/> 11 B.2. Half board..... <input type="checkbox"/> 12 B.3. Lodging and breakfast .. <input type="checkbox"/> 13 B.4. Only lodging <input type="checkbox"/> 14	_____ Amount Currency	____ Percentage	1. (D) <input type="checkbox"/> 3	2. (I) <input type="checkbox"/> 8
35.3	Were there other services (for instance, food-servicing services, other services of which: health services, education services, tour escort for entire trip, commercial guided tours, car rental and other services)?	A. No <input type="checkbox"/> 4 → 35.4 B. Known <input type="checkbox"/> 9 →	_____ Amount Currency	____ Percentage	1. (D) <input type="checkbox"/> 3	2. (I) <input type="checkbox"/> 8
35.4	Were there other goods (gifts, souvenirs and other goods)	A. No..... <input type="checkbox"/> 4 → End B. Known..... <input type="checkbox"/> 9 →	_____ Amount Currency	____ Percentage	1. (D) <input type="checkbox"/> 3	2. (I) <input type="checkbox"/> 8

Inbound tourism expenditure Survey

Countries are encouraged to use a more detail breakdown of Expenditure items (by value/currency and for the number of persons):

- Package
- Goods and services related to the trip (except services provided in this country) purchased in country of residence or another country
- Accommodation
- Transportation
 - International transportation
 - Local transportation
- Food and beverage
- Cultural products
- Sports and recreation products
- Health-related goods and services
- Souvenirs, gifts, etc.
- Other goods and services

Who paid for the items:

- Paid for by traveller
- Paid for by other

Inbound tourism expenditure Survey subsampling

So that more details may be obtained on certain aspects of visitor spending, **subsamples of the selected population can be established according to a more detailed breakdown of expenditure.**

Such an approach has the advantage of allowing each respondent to **provide details relating to some but not necessarily all categories of expenditure, thereby making the interview procedure less burdensome while still permitting detailed information to be obtained.**

This approach assumes, however, that the size of the overall sample is sufficiently large to permit subsampling while still yielding reasonably precise information and allowing for the cross-classification of observed variables (non-monetary as well as monetary).

As a result, the statistical design and grossing up procedures could be complex.

Inbound tourism expenditure Accommodation surveys

At accommodation establishments.

This type of survey offers a valuable means of complementing information obtained from border surveys. Such surveys can also be a useful source of information in cases where observing expenditure at the borders is not a viable option (e.g., when there are significant inbound flows by road and no practical means of stopping visitors near the border). They can be especially useful for obtaining “average daily expenditure”, for example, and can be an important complementary source of information when the goal is a more detailed examination of the characteristics of visitors and their expenditure.

Limitations:

- A given visitor might stay at more than one establishment or none at all, making his or her probability of selection variable or unknown.
- Estimating expenditure at the time of the interview, before most visitors have concluded their stay in the country, is even more challenging: they can report what has happened only up to that moment. It may be more useful to ask for expenditure only on the previous day (including the value of accommodation for that day) if the interviews are spread over most or all of the days of the reference period.

Dr. Nagore Uresandi Espinosa

Inbound tourism expenditure

Be aware

Form of accommodation, average expenditure per day (2002 pesos)				
	Family and friends	Hotels and similar	Others	Total
Accommodation	578	54 093	20 028	8 610
Food and beverage	8 837	44 476	23 311	14 266
Air transport	2 743	27 297	7 945	6 232
Land transport	5 751	11 749	7 812	6 645
Car rental	60	548	263	135
Other transport	377	414	869	408
Gas	1 215	3 835	3 331	1 669
Tolls	603	1 835	1 276	800
Other transport services	131	243	100	144
Recreation services	1 014	3 220	1 862	1 348
Gifts	2 365	9 954	2 557	3 369
Culture	333	1 145	434	444
Other expenses	1 990	8 375	2 389	2 847
Total expenditure	25 998	167 183	72 176	46 918

It has been observed not only that persons staying with family and friends spend less accommodation, but also that the whole structure of their expenditure is significantly different from that of persons staying at market accommodation establishments.

THANK YOU

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