

STATE OF THE WORLD'S TOURISM STATISTICS 2013

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STATISTICS AND TOURISM SATELLITE ACCOUNT
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D. C. Frechtling, George Washington University
Tad Hara, University of Central Florida



BACKGROUND

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Enzo Paci, UNWTO Chief of Statistics & Market Research headed presentation at 1992 TTRA Conference, “International Issues Forum: Common Measures of Tourism”

DCF observation –

166 out of 184 countries of the world reported tourism statistics to UNWTO

- **13 did not report international tourism receipts**
- **46 did not report international travel spending**
- **84 did not report international departures**

ACTIONS SINCE 1992

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- UNWTO's 9 regional forums "to promote the development of tourism statistics" 1992-98
- 1995 European Council directive on country tourism statistics; 2011 update
- *International Recommendations on Tourism Statistics 2008 (IRTS 2008)*
- Spread of Tourism Satellite Accounts
- UNWTO Statistics Capacity Building Programs (SCBP)

OBJECTIVES OF THIS STUDY

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Present the current state of world's national tourism statistics in a Metadata Exercise

- **Construct a database statistical series reported to the *Compendium of Tourism Statistics 2013 or 2012***
- **Apply analytical methods**
- **Assess breadth and depth of national Systems of Tourism Statistics (STS)**
- **Explore explanations for the current state**
- **Conclusions and Recommendations**
 - for improving knowledge about national STS and
 - for building capacities.

SYSTEM OF NATIONAL STATISTICS (STS)

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“that part of the National Statistics System that provides reliable, consistent and appropriate statistical information

on the socio-economic aspects of tourism, integrated with economic and social statistics systems in other fields and at different territorial levels

the basic framework for coordinating and integrating statistical information on tourism.”

– *International Recommendations for Tourism Statistics 2008
Compilation Guide - Provisional Draft (June 2013)*

WHY BOTHER?

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➤ **United Nations Statistics Division**

➤ “Official statistics provide an indispensable element in the information system of a democratic society”

➤ **International Recommendations for Tourism Statistics 2008**

UNWTO and **UN Statistical Commission** recommendations

➤ “essential for policymakers to make effective decisions”

➤ “necessary for designing marketing strategies, strengthening inter-institutional relations, evaluating the efficiency and effectiveness of management decisions”

➤ “facilitate holistic approach to tourism development, management and monitoring”

➤ Required for elaborations of Tourism Satellite Accounts

UNWTO COMPENDIUM OF TOURISM STATISTICS

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- Published annually since 1986
- Based on reports from individual countries' statistical offices
- 2011 edition implemented expanded report structure consistent with *IRTS 2008*
- Countries supply data for recent year and four prior years
- We assume data reported represent the quality of countries' STS

COMPENDIUM OF TOURISM STATISTICS 2013

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- 205 countries reported data for 2010 or 2011, plus 4 from 2012 edition (out of possible 241 countries)
- By definitions in *IRTS 2008*
- Most: Turkey reported 85 current statistical series
- Least: Sint Eustatius reported 5 current series
- 32 countries did not report for 2010 or 2011

ANALYTICAL METHODOLOGY

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- Recognized 4 basic categories of statistics based on categories in *Compendium 2013*
- Selected 12 statistical series across these categories as indicative of STS development
- Developed database of 209 countries reporting each series or not (2011 or 2010)
- Assumed reporting pattern is a surrogate for whether a country collects each series or not

SELECT TOURISM CATEGORIES & SERIES

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Inbound Tourism Demand

- ❑ Inbound arrivals
- ❑ Inbound same-day visitors
- ❑ Inbound business/professional arrivals
- ❑ Inbound travel expenditure

Domestic Tourism Demand

- ❑ Domestic accommodation (number of guests or overnight stays)
- ❑ Domestic trips

Outbound Tourism Demand

- ❑ Outbound departures
- ❑ Outbound overnight visitors
- ❑ Outbound travel expenditure

Tourism Supply

- ❑ Accommodations industry establishments/rooms
- ❑ Other tourism industries establishments
- ❑ Employment in the tourism industries

RATIONALE FOR CATEGORIES & SERIES

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Inbound Tourism Demand

- ❑ Able to report inbound visitor expenditure
- ❑ Able to report total arrivals and/or a purpose subset of arrivals
- ❑ Able to distinguish overnight visitor arrivals

Domestic Tourism Demand

- ❑ Able to report domestic accommodation demand volumes
- ❑ Able to report domestic trip volumes

Outbound Tourism Demand

- ❑ Able to report total outbound visitors, or overnight outbound visitors
- ❑ Able to report outbound visitor expenditure

Tourism Supply

- ❑ Able to report accommodations industry establishments/rooms
- ❑ Able to report non-accommodation industry establishments data
- ❑ Able to report employment in the tourism industries

TOURISM SERIES 2010 OR 2011

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Tourism Series	Reporting countries
1. Inbound travel expenditure	92%
2. Inbound business/professional arrivals	92
3. Outbound travel expenditure	82
4. Inbound overnight arrivals	79
5. Accommodation industry establishments/rooms	72
6. Inbound total arrivals	71
7. Domestic accommodation guests/overnight stays	46
8. Inbound overnight arrivals	44
9. Tourism industries employment	31
10. Other tourism industries establishments	24
11. Domestic trips	18
12. Outbound departures	12

CLASSIFICATION METHODOLOGY

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We grouped reporting countries into 5 tiers –

Tier 1 = report 9 or more out of 12 series in all 4 categories and include employment in tourism industries: **Comprehensive Tier**

Tier 2 = not Tier 1 but report one or more series for each of 4 categories: **International Plus Tier**

Tier 3 = not Tier 2 but report Inbound arrivals and expenditure and Outbound arrivals and expenditure: **International Tier**

Tier 4 = not Tier 3 but report Inbound expenditure and Outbound expenditure: **International Spending Tier**

Tier 5 = not Tier 4 but report 1 or more series: **Minimal Tier**

COUNTRIES IN STS TIERS

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Tier	Series reported	Countries	Of Reporting Countries
1. Comprehensive	9 to 12	23	11%
2. International Plus	6 to 10	19	9
3. International	5 to 9	49	23
4. International Spending	4 to 7	73	35
5. Minimal	3 to 8	45	22
Total		209	100%

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- UNWTO Region
- GDP per capita
- Inbound visitor spending/GDP
- Outbound travel spending/GDP
- Index of Political Freedom/political rights
- Index of Political Freedom/civil liberties
- Index of Economic Freedom
- Index of Global Competitiveness
- Predominant language group
- National religion

TESTS FOR ASSOCIATION

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- **Paired sample t-tests for ratio and interval series**
 - Tests whether means are significantly different for two series
- **Wilcoxon signed-rank test for cardinal and ordinal series**
 - Tests whether the difference in the signed ranks between two series is significantly different from zero

RESULTS = none of these series are associated

HOW TO EXPLAIN TIER MEMBERSHIP?

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- Tested for associations among variables and found none.
- Ran logistic regressions with membership in each Tier on nominal scale as the dependent variable and each of the 10 country characteristics as explanatory variables
- Logit regression is a generalized linear model, binomial and multinomial; does not require normal distribution
- Used to predict membership in more than two groups when explanatory variables are continuous, discrete or dichotomous
- Backwards stepwise regression was used beginning with all 10 explanatory variables

WHAT EXPLAINS TIER MEMBERSHIP?

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1. **Comprehensive Tier: Global Competitiveness (+), GDP per capita (-)**
2. **International Plus Tier: none of the variables**
3. **International Tier: Global Competitiveness (+), GDP per capita (-)**
4. **International Spending Tier: Global Competitiveness (-), GDP per capita (+)**
5. **Minimal Tier: Civil Liberties (-)**

(+) = positive relationship with probability of being in the Tier

(-) = negative relationship with probability of being in the Tier

OTHER EVIDENCE - OECD

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- Organization for Economic Co-operation and Development (OECD) = 34 countries committed to democracy and market economies, aims to stimulate economic progress and world trade
- 59% of OECD members are in Tier 1 or 2
- OECD members = 57% of Tier 1 and 37% of Tier 2

OTHER EVIDENCE – EUROPEAN UNION

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- The European Union (EU) = 27 countries in Europe
- EU Regulation no. 692/2011: “Member states shall collect, compile, process and transmit harmonised statistics on tourism supply and demand.”
- Regulation 295/2008 covers industry data; 184/205 covers Balance of Payments data
- 52% of EU members are in Tier 1 or 2
- EU members = 39% of Tier 1 and 26% of Tier 2

MORE EVIDENCE: WHITHER DOMESTIC TOURISM?

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- Geographic area of a country and measures of Domestic Tourism
 - Less than 9% of 47 countries <2,550 sq. kilometers report any Domestic Tourism statistics
 - Only 15% of 60 countries <12,000 sq. kilometers do
 - Overall: 49% of 209 countries report Domestic Tourism
- Speculation: smallest countries do not recognize the concept, so do not measure Domestic Tourism

CONCLUSIONS

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- Upgrading the STS of countries is a worthy objective
- Data countries report to UNWTO Compendium are revealing indicators of the quality of an STS
- Progress since 1992 is disappointing:

	1992	2010-11
World's countries reporting	90%	85%
International Tourism Receipts	83%	74%
International Travel Expenditures	65%	70%
International Departures	45%	10%

MORE CONCLUSIONS

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- UNWTO Compendia country statistical reporting can be organized into 5 clusters or Tiers by data function
- Only 20% of reporting countries approach having a comprehensive System of Tourism Statistics (Tier 1 or 2)
- Certain variables “explain” Tier membership
- These could be employed to design strategies to lift more countries to higher Tiers
- Fifteen percent of the world’s countries do not report data for the *Compendium* (2012 or 2013)

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RECOMMENDATIONS

- A. Countries may have more extensive STS than they are reporting, so reporting to UNWTO could be improved**
- B. Countries with elementary STS should receive assistance in building their Tourism Statistics capacities**

A. RECOMMENDATIONS – ENSURE REPORTING

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- **All EU countries are required to gather primary STS data series**
 - **But 13 countries are located in Tiers 3-5, according to the 2013 Compendium**
 - **UNWTO should partner with the EU to ensure all STS data are reported for annual Compendia**
- **UNWTO should similarly partner with OECD to improve annual reporting of its members to the Compendium**
- **Other programs to improve reporting of existing STS?**

B. RECOMMENDATIONS – IMPROVE CAPACITIES

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First Priority: UNWTO partner with Eurostat and OECD to develop programs leading to expanded STS in member countries

- **Aggressive goal: move all 18 OECD/EU countries in Tiers 3-5 up to Tier 2 by 2018.**

Second Priority: UNWTO direct a program of technical assistance to non-OECD/EU countries in Tiers 4 and 5 to raise them to higher Tiers.

- **Use the IRTS Compilation Guide as the foundation for SCBP workshops; monitor outcomes**
- **Employ Tier 1 countries to provide guidance**
- **Aggressive goal: move 149 countries up one Tier by 2018**

B. RECOMMENDATIONS – IMPROVE CAPACITIES

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Third Priority: UNWTO focus technical assistance on non-reporting countries that are Dependent States

- 19 of 37 non-reporting countries are Dependent States administered by 8 countries
- Partner with administering countries (6 are Tier 1-2) to implement STS in these non-reporting countries
- Aggressive goal: all 19 countries in at least Tier 4 by 2018

Fourth Priority: UNWTO focus technical assistance on non-reporting countries that are not Dependent States

- Determine why these countries do not report and design technical assistance accordingly

B. RECOMMENDATIONS – IMPROVE CAPACITIES

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Expand resources by considering non-government sources of data and expertise

- Countries should engage capable private firms for assistance
- Universities can supply valuable technical assistance
- Extend budget resources by substituting surveys for censuses where possible.

UNWTO should annually monitor country STS by the 5 Tiers in the *Compendium*

- Monitor OECD and EU countries separately

ESTABLISH WORLD OBJECTIVES, e.g., 50 countries move up one Tier each year; by 2019 every country needing technical assistance has received it

THANK YOU!

Comments & Questions?



ADDENDUM: EU COUNTRIES BY TIER

- | | | |
|-------------------|----------------|---|
| 1. Czech Republic | 2. Germany | 3. Slovakia |
| 1. Denmark | 2. Romania | 4. Luxembourg |
| 1. Finland | 2. Sweden | 4. Portugal |
| 1. France | 3. Austria | 5. Greece |
| 1. Hungary | 3. Bulgaria | 5. Malta |
| 1. Lithuania | 3. Cyprus | Net EU/OECD Tier 4 or 5 = 6 countries |
| 1. Slovenia | 3. Ireland | Net EU/OECD Tier 3, 4 or 5 = 18 countries |
| 1. Spain | 3. Italy | |
| 1. United Kingdom | 3. Latvia | |
| 2. Belgium | 3. Netherlands | |
| 2. Estonia | 3. Poland | |

ADDENDUM: OECD COUNTRIES BY TIER

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1. Canada	1. United States	3. Korea, Rep. of
1. Czech Republic	2. Australia	3. Netherlands
1. Denmark	2. Belgium	3. Poland
1. Finland	2. Estonia	3. Slovakia
1. France	2. Germany	3. Turkey
1. Hungary	2. Iceland	4. Japan
1. Israel	2. Sweden	4. Luxembourg
1. Mexico	2. Switzerland	4. Norway
1. New Zealand	3. Austria	4. Portugal
1. Slovenia	3. Chile	5. Greece
1. Spain	3. Ireland	
1. United Kingdom	3. Italy	

ADDENDUM – COUNTRIES NOT REPORTING IN 2013

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Afghanistan	Isle of Man	Somalia
Åland Islands	Jersey, Bailiwick of	South Sudan
Democratic People's Republic of Korea	Libya*	Svalbard and Jan Mayen Islands
Djibouti*	Liechtenstein	Tokelau
Equatorial Guinea	Mauritania	Turkmenistan
Faroe Islands	Mayotte	United Arab Emirates
Falkland Islands	Micronesia, Federated States of*	Wallis and Futuna Islands
Gabon	Nauru	Western Sahara
Gibraltar	Norfolk Island	<u>36 Countries</u>
Greenland	Pitcairn	*4 of these reported 2010 data to <i>Compendium 2012</i> but not to 2013 edition
Guernsey, Bailiwick of	Saint Helena	
Guinea	Saint Martin (French part)	
Guinea-Bissau*	Saint Pierre and Miquelon	
Holy See	Saint-Barthélemy	

ADDENDUM – DEPENDENT COUNTRIES NOT REPORTING IN 2013 (ADMINISTERING COUNTRY)

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Åland Islands (Finland)	Svalbard and Jan Mayen Islands (Norway)
Faroe Islands (Denmark)	Saint Helena (United Kingdom)
Falkland Islands (United Kingdom)	Saint Martin (France)
Gibraltar (United Kingdom)	Saint Pierre and Miquelon (France)
Greenland (Denmark)	Saint-Barthélemy (France)
Guernsey, Bailiwick of (United Kingdom)	Tokelau (New Zealand)
Isle of Man (United Kingdom)	Wallis and Futuna Islands (France)
Jersey, Bailiwick of (United Kingdom)	Western Sahara (Morocco)
Mayotte (France)	19 Countries
Norfolk Island (Australia)	
Pitcairn (United Kingdom)	