The context

- In the long term, looking to 2060, Global GDP projected to grow at approx 3% per year, with emerging market economies outpacing OECD growth
- Better educated and more productive workforces the main growth drivers, with aging populations a drag on growth
- Similar patterns in tourism, with implications for competitiveness
  - Pressures on costs for labour, commodities, energy, and fragmentation of tourism markets
- The management of tourism policies is becoming more complex, and appropriate policy responses and structural reforms are necessary to return growth to a sustainable path
- For OECD countries, ‘business as usual’ is not an option even in a growth sector like tourism
The need for adjustment

• The global crisis was a wake-up call to policy makers around the world.
• There is a limitation of existing analytical tools, policy frameworks, and governance arrangements to address the significant rise in interconnectedness and complexity.
• Government policies emphasise competitiveness issues
  – improving productivity and quality
  – encouraging innovation
  – Supporting sustainability...

Enhancing competitiveness in tourism

• Mature tourism economies need to regain competitiveness as a new source of growth
• The basis of competitiveness likely to remain strongly driven by economic considerations and the ability to attract jobs and expenditure growth
• Opportunities for enhanced competitiveness in tourism, leading to sustainable growth, in the areas of innovation, enhanced travel facilitation, skills and education
• Active policies also require a good understanding of the determinants of competitiveness – work to better measure competitiveness in tourism
The measurement framework proposed an integrated and focused approach

• A short list of core indicators
• Indicators to cover different perspectives and evidence needs over time:
  – Indicators measuring the tourism performance and impacts
  – Indicators monitoring the ability of a destination to deliver quality and competitive tourism services
  – Indicators monitoring the attractiveness of a destination
  – Indicators describing policy responses and economic opportunities
• A short list of additional indicators
• Link closely with other on-going work

The shortlist - 11 core indicators

– Tourism Direct Gross Domestic Product
– Inbound tourism revenues per visitor by source market
– Overnights in all types of accommodation
– Exports of tourism services
– Labour productivity in tourism services
– Purchasing Power Parity (PPPs) and tourism prices
– Country entry visa requirements
– Natural resources and biodiversity
– Cultural and creative resources
– Visitor Satisfaction
– National Tourism Action Plan
Example: Tourism Direct Gross Domestic Product

- % change in Tourism Direct Gross Domestic Product
- Measures tourism contribution to GDP
- Focus is on direct impacts, domestic and inbound tourism consumption
- Challenge is measuring indirect and induced impacts
- An established measure and protocols that reinforce TSA application

Example: Labour productivity in tourism services

- % change in labour productivity in tourism services
- Productivity is a main component of competitiveness
- Measures the level of productivity and its evolution
- Challenge relates to difficulties of measurement and the size and specificity of tourism
Example: Purchasing Power Parity (PPPs) and tourism prices

- Price level differences across countries expressed as PPPs
- Changing costs are among the most important competitiveness factors
- Challenge is to develop detailed tourism specific item groups
- Further work with OECD statistics Directorate

Additional supplementary indicators

- Market diversification and growth markets
- Employment in tourism by age, education levels and type of contracts
- Consumer price index for tourism
- Air connectivity and inter-modality
- OECD Better Life Index
- Government budget appropriations for tourism
- Company mortality rate
- Use of e-tourism and other innovative services
- Structure of tourism supply chains
Measuring Competitiveness – the next steps

• Application and testing of core indicators
• Statistical/policy work on selected indicators with lead countries (examples and country specific sources)
• Work with data partners (e.g. OECD statistical directorate, countries, international organisations, private sector)
• Work with policy-makers for mainstreaming competitiveness issues on the policy agenda

For more information, see new OECD Tourism Paper on Indicators for Measuring Competitiveness in Tourism at www.oecd.org/cfe/tourism

OECD activities on tourism for 2013-2014

– Reviewing effective tourism policies for growth
– Monitoring tourism trends and policies, including reforms and short and medium term priorities
– Supporting quality jobs in tourism
– Measuring tourism economic impacts at sub-national level
– Inventory of policies and practices in tourism taxation
– Analysing tourism policy and the creative economy
– Reviewing Iceland environmental performance, including in the field of tourism
To find out more – [www.oecd.org/cfe/tourism](http://www.oecd.org/cfe/tourism)

Publications and OECD Tourism Papers:
- Indicators for Measuring Competitiveness in Tourism (2013)
- Green Innovation in Tourism (2012)
- Food and the Tourism Experience (2012)
- Climate Change and Tourism Policy (2011)
- Italy Tourism Policy Review (2011)
- The Impact of Culture on Tourism (2009)