Painting Domestic Tourism With Numbers

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Outline of the Presentation

- Importance of Domestic Tourism in the Philippines
- Philippine Domestic Tourism Statistics Compilation and Reporting
- Use of Domestic Tourism Statistics
- Development in the Compilation of Domestic Tourism Data
Tourism has been growing steadily in the Philippines for many years now.

It not only catch the interest of the policy makers and developers in the national level, but also has been the apple of the eye of that in the sub-national level both in the public and the private sector.

It is to this end that the Congress of the Philippines moved to define the direction of Tourism in the Philippines thru the National Tourism Act of 2009 in order to sustain the growth and at the same time protect the stakeholders.
“The State declares tourism as an indispensable element of the national economy and an industry of national interest and importance, which must be harnessed as an engine of socioeconomic growth and cultural affirmation to generate investment, foreign exchange and employment, and to continue to mold an enhanced sense of national pride for all Filipinos.”

- Section 2, Tourism Act of 2009 (RA 9593)

Significance of Domestic Tourism

- Development of activities favorable to the destination
- Opportunity for citizens to get to know his own environment and creates awareness of the national identity because of its high social, cultural, historical, environment and educational value
- Generates employment opportunities particularly in rural areas
- Requires simple infrastructure in transport, accommodation and services
- Serves as backbone of tourism, especially during lean months of international tourism
Recognizing the significance of Domestic Tourism, the National Government placed many provisions in the National Tourism Act that pertains to the development of tourism in the local destinations which will have high impact in sustaining domestic tourism.

Republic Act 9593: Tourism Act of 2009

Major Provisions in the Philippine Tourism Act that concerns sustainability of Domestic Tourism

- Adoption of a sub-national tourism action plan guided by a national tourism action plan (Section 3a)
- Promotion of the diverse culture found in the Philippines’s different regions (Section 3b)
- Wider participation of members of the communities hosting tourist attractions (Section 3i)
Major Provisions in the Philippine Tourism Act that concerns sustainability of Domestic Tourism

- Uphold the role of national and sub-national tourism councils that have members from different tourism stakeholders (Section 3j)
- Ensure development in regional (sub-national level) destinations (Section 3m)
- Capacitate sub-national level public and private sector to direct and manage tourism development (Section 3n)

And more importantly, in recognition of the role of STATISTICS in determining the significance of tourism...

It is the policy of the state to enhance the collection, analysis and dissemination of data which accurately measure the economic and social impact of tourism in the country to facilitate planning in the public and private sectors.

Section 3(g),
Tourism Act of 2009
(RA 9593)
It also distributed the responsibility of producing data, specifically of domestic tourism, by institutionalizing Tourism Statistics Reporting in the sub-national government units.

Reports. – In order to monitor the resources of the Department and to ascertain the economic and social impact of tourism, all LGUs shall provide an inventory of all the resources available to the Department for use in the implementation of this Act. They shall likewise periodically report to the Department on the status of tourism plans and programs, tourist arrivals and tourism enterprises, among others, within their jurisdictions.

– Section 38, RA 9593
In order to supply reliable, up-to-date and comparable domestic tourism data to different end-users, the Philippine Department of Tourism is engaged regularly in:
1. Compilation of Domestic Tourism data
2. Report Generation on Domestic Tourism
3. Development of programs that enhance domestic tourism database and its use in the public and private sector.
The Use of Philippine Domestic Tourism Statistics

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Philippine Domestic Tourism Statistical Framework and the Major Indicators Compiled

Supply – Side
- Number of Rooms and AEs in Destinations
- Number of Employees in AEs
- Number of Flights in Domestic Destinations
- Total Endorsed Tourism-related Investments

Demand – Side

Domestic Tourism

Hotel and Resort Average Occupancy
Volume of Domestic Travelers
Average Length of Stay in Hotels
Domestic Traveler’s Profile and Characteristics
Average Expenditure
The Use of Philippine Domestic Tourism Statistics
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Data Flow (Compilation and Reporting) in the Domestic Tourism Statistics Framework

Sub-national Level

Tourism Enterprises (Public and Private)

Municipality/City

Province

Region

National

Current Domestic Tourism Data Gathering Methodologies and the Major Indicators Generated
1. Compilation of Data from Accommodation Establishments

- **Data Compiled**
  - Guest Arrivals
  - Number of Rooms Available
  - Average Occupancy
  - Average Length of Stay

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2008 Distribution of Domestic Travelers by Region with Top 14 Destinations in the Philippines

*In millions, Source: AE’s*
2. Accommodation Capacity Survey in Destinations

- **Major Data Compiled**
  - Number of Accommodation Establishments
  - Number of Rooms Available
  - Number of Employees

3. Volume of Endorsed Tourism-related Investments

- **Major Data Compiled**
  - Total Investments per type

4. Number of Accredited Establishments

- **Major Data Compiled**
  - Number of Establishments per type
  - Number of employees
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DOT Data Gathering Activities:

5. M. I. C. E. Surveys

- Major Data Compiled
  - Number of Events and Volume of Participants
  - Average Expenditure

The MICE Component

- Convention Utilization Survey
- Convention Expenditure Survey
- Incentive Travel Survey
The Use of Philippine Domestic Tourism Statistics

- To provide data for assessing the performance of the convention industry
- To give the government planners and convention practitioners data essential in formulating directions and strategies for the promotion and development of the country’s convention industry

The CUS Report

Top Five Convention Destinations (by Events)

<table>
<thead>
<tr>
<th>International</th>
<th>National</th>
</tr>
</thead>
<tbody>
<tr>
<td>Destination</td>
<td>No. of Events</td>
</tr>
<tr>
<td>Metro Manila</td>
<td>153</td>
</tr>
<tr>
<td>Cebu</td>
<td>53</td>
</tr>
<tr>
<td>Laguna</td>
<td>12</td>
</tr>
<tr>
<td>Davao</td>
<td>9</td>
</tr>
<tr>
<td>Cavite</td>
<td>7</td>
</tr>
</tbody>
</table>

The Convention Utilization Survey
### The Use of Philippine Domestic Tourism Statistics

**DOT Office of Tourism Planning, Research and Information Management**

#### The Use of Philippine Domestic Tourism Statistics

- To determine the average daily expenditure per delegate of organizers hosting international and national meetings in the country.
- To determine the average daily expenditure of foreign and local delegates.

#### The Convention Expenditure Survey

- To determine the average daily expenditure per delegate of organizers hosting international and national meetings in the country.
- To determine the average daily expenditure of foreign and local delegates.

#### Distribution and Percentage Share of Events and Participants

<table>
<thead>
<tr>
<th></th>
<th>Metro Manila</th>
<th>Secondary Destinations</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Events</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>International</td>
<td>124</td>
<td>1.08</td>
<td>1.00</td>
</tr>
<tr>
<td>National</td>
<td>6,150</td>
<td>98.02</td>
<td>98.00</td>
</tr>
<tr>
<td><strong>Total Participants</strong></td>
<td>588,550</td>
<td>100.00</td>
<td>1,081,207</td>
</tr>
<tr>
<td>International</td>
<td>22,200</td>
<td>3.83</td>
<td>2.08</td>
</tr>
<tr>
<td>National</td>
<td>566,350</td>
<td>96.17</td>
<td>97.92</td>
</tr>
</tbody>
</table>

**January - December 2007**
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The Convention Expenditure Survey

- To determine the average length of stay of delegates and average duration of events and exhibits, both international and local
- To determine the average daily expenditure of an exhibitor

<table>
<thead>
<tr>
<th>Convention Expenditure Survey, 2009</th>
<th>National</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Association Survey</strong></td>
<td><strong>Total</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
</tr>
<tr>
<td>Total Domestic/Local</td>
<td>3,979,833,300</td>
</tr>
<tr>
<td>Total International</td>
<td>53,934,200</td>
</tr>
<tr>
<td>Total Total</td>
<td>3,825,899,100</td>
</tr>
</tbody>
</table>

Note: The table shows the total expenditures for domestic and international conventions, with the average duration of events and the average daily expenditure of exhibitors.

The Use of Philippine Domestic Tourism Statistics

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The Incentive Travel Survey

- To determine the number, profile, travel characteristics and expenditure of incentive travel winners
The Incentive Travel Survey

- To determine the number, profile, travel characteristics and expenditure of incentive travel winners

Other Data Gathering Activities:

1. Household Survey on Domestic Visitors (HSDV)
   - Implemented by the Philippine National Statistics Office (NSO) and the Department of Tourism
   - 2005 – First Full Implementation
   - 2009 – Partial Implementation (for Core Indicators)

   Major Data Compiled
   - Number of Trips, Volume of Domestic Travelers and their profile and characteristics
   - Average Expenditure
Background of the Survey:

- A nationwide undertaking designed to gather data on household information on domestic tourism
- Joint effort of the Department of Tourism (DOT) and the National Statistics Office (NSO) – rider to the Labor Force Survey

Objectives of the Survey:

- To provide baseline data to measure the volume of domestic tourism
- To determine the profile and travel characteristics of domestic visitors
- To identify the travel patterns of the Filipino households
- To estimate the extent and economic contribution of domestic tourism in the country
- To provide data on the volume of visitors received by households
- To provide data on second homes
1. Dependent on cooperation (private and LGUs), resulting in under estimation.

2. Issue on the confidentiality of data

3. Lack of resources

4. Lack of interest in tourism statistics (especially at the sub-national level).

5. Legal and Administrative hurdles at the sub-national level (no permanent tourism officers, lack of regulatory policies, local program prioritizations, etc.

6. Capacity of tourism data producers both public and private, in the sub-national level thereby limiting the implementation of any standard tourism statistics system.
Relative to the Implementation of Household Survey:

1. Problem on recall
2. Expenditure is on the most recent trip
3. Reliability of data on expenditure. Some respondents tend to over-estimate or under-estimate their expenses.
1. Institutionalizing Tourism Statistics Reporting of Local Government Units thru the Tourism Act of 2009 (RA 9593)

**Reports.** - In order to monitor the resources of the Department and to ascertain the economic and social impact of tourism, all LGUs shall provide an inventory of all the resources available to the Department for use in the implementation of this Act. They shall likewise periodically report to the Department on the status of tourism plans and programs, tourist arrivals and tourism enterprises, among others, within their jurisdictions.

– Section 38, RA 9593

2. Progressive Tourism Statistics Capacity Building for Sub-national Public and Private Sector

Recognizing the limitations of both the compilation of regional travellers’ statistics and the data users’ access to tourism statistics, DOT aims to bring the tourism database building to the roots by empowering the sub-national government units as well as the private sector in their jurisdiction with standard tourism statistical tools.
Standard Tourism Statistics System for Local (Sub-National) Government Units

Components Standardized:

- Basic Tourism Concepts
- Data Sources
- Data Recording and Reporting Forms
- Minimum Domestic Tourism Indicators
- Schedule of Collection and Reporting

Basic Tourism Concepts

- 14th National Statistics Month Celebration with the theme “Sustaining Tourism’s Competitive Edge Through Statistics” in October 2005
- National Convention on Tourism Statistics with the provincial, city, municipal tourism officers and planning officers all over the country were among the participants
- The output of the convention, among others, were the following:
  - Structure common terminologies, framework and methodology for compiling tourism statistics
  - Formulate an action plan to harmonize and establish the system for collecting and generating tourism statistics at the provincial, regional and national levels
  - Apply tourism statistics in their planning, development and promotion activities to sustain the competitive edge of tourism destinations
Basic Tourism Concepts

- **Domestic Visitor** – any person regardless of nationality, resident of the Philippines and who travels to a place in the Philippines other than his usual place of environment for a period not more than 365 days for any reason other than following an occupation remunerated at the place visited. Minimum distance of travel covered is between municipality and with purposes of trip as any of the following – pleasure (holidays, culture, active sports, visit to relatives & friends other pleasure purposes), professional (events, official mission, business), other purposes (short-term studies, health, pilgrimage)

Basic Tourism Concepts

- Domestic tourist
- Domestic same-day visitors
- Visitor nights
- Visitor days
- Visitor points
- Etc.
Data Sources

Data Source Points for Basic Tourism Statistics

- Accommodation Establishments
- Tourist Attractions

WHY?

Data Recording and Reporting Forms

Data Encoding/Recording and Reporting Forms

- Data Templates prepared using Microsoft Excel (a software most commonly available in sub-national public and private sector).
- Manual Forms
- Forms with Automated Features
**Minimum Supply Data Required for the Local Tourism Database**

- Accommodation Establishments
  - Number of AEs
  - Number of Rooms
  - Number of Employees

- Tourist Attractions
  - Number of Attractions
  - Facilities Available

**Minimum Demand Data Required for the Local Tourism Database**

- Accommodation Establishments
  - Volume of Arrivals
  - Distribution of Guests by Country of Residence
  - Total Guest Nights
  - Total Rooms Occupied
  - MICE Data

- Tourist Attractions
  - Volume of Visitors
  - Distribution of Same-day Visitors by Country of Residence
Introducing the DOT – MS Excel Automated Template for Sub-national Government Units

Schedule of Collection and Reporting

Supply Data (Once a Year):
- Number of Accommodation establishments and rooms by Type and Classification of AE
- Number of Employees

Demand Data (Once a Month):
- Number of Guest Arrival in AE
- Length of Stay in terms of guest nights
- Occupancy Rate
- Convention Utilization

Data from AE will be collated through the initiative of the LGU and the cooperation of the private sector (AE)
3. Domestic Tourism Data Compilation Cooperation/Resource Sharing between National Agencies

a. With the Department (Ministry) of Interior and Local Government

Thru the Local Governance Performance Management System (LGPMs) – Tourism Module
Major indicators captured by sub-national government units:
1. Number of tourism establishments.
2. Inventory of developed and potential tourist attractions.
3. Tourism-related expenditure and income

b. With the National Statistics Office

1. Household Survey on Domestic Visitors:
   - The success of the Household Survey on Domestic Visitors have led to designating the survey as a regular data gathering activity. It is again implemented in 2010. Following are the enhancements to the survey:
     - Inclusion of indicators on outbound travel by Philippine residents including outbound expenditure, destination, purpose and length of stay
     - Inclusion of indicators on long weekend holiday
3. Domestic Tourism Data Compilation
Cooperation/Resource Sharing
between National Agencies

b. With the National Statistics Office

ii. Survey on Tourism Establishments in the
Philippines (STEP)

- A new tourism survey rider to NSO’s regular Survey
on Establishments is now being implemented that
will capture supply data particularly the capacity of
tourism establishments, revenue generated and
employment generated by the same.

4. Partnership with International
Institutions

DOT/JICA Technical Cooperation Program on
the Development of Tourism Statistics System
for Local Government Units
The Department of Tourism and Japan International Cooperation Agency (JICA) began working together in 2006 in the development of standard data gathering and reporting methodologies for LGUs.

Project Outputs:
- Training of Tourism/Planning Officers from the pilot areas (Cebu and Bohol) on Basic Tourism Concepts and Data Gathering Methodologies.
- Publication of the Tourism Statistics Manual

The project was from April 2006 – March 2007.

The Tourism Statistics Manual produced by the project discussed data gathering methodologies and prescribed recording and reporting data forms that can be used feasibly by the LGUs.

The methodologies implemented in the pilot areas only included basic data gathering and reporting – a third of what the tourism statistics capacity building is all about.

Hence, DOT and JICA started anew the project in 2009 and aims to expand the gains of the previous Cooperation by providing trainings that includes Basic Tourism Statistics, Advance Tourism Statistics and Tourism Development Planning covering more areas for pilot implementation.
Project Purpose

Development and improvement of DOT’s and LGU’s capacity to formulate tourism development plans by enhancing database-building skills.

Project Overall Goal

To sustain the growth of tourism in the Philippines by improving the institutional mechanism for recording, collecting and disseminating tourism statistics.
Project Objectives

1. Improve and raise the capacity of selected LGUs and DOT to formulate tourism development plans by enhancing their knowledge and skills on tourism statistics.

2. Develop and strengthen the organizational and institutional mechanisms at the national, regional and local levels to support the generation of tourism statistics.

Duration:
- April 2009 ~ March 2012

Main Beneficiaries:
- LGUs of the pilot project areas (a maximum of 11 provinces and 130 LGUs)
- Tourism and Planning Officers from LGUs
- DOT National and Regional Office Personnel
Major Components

1. **Tourism Capacity Building Trainings/Workshop**
   - Basic Tourism Statistics
   - Advance Tourism Statistics
   - Tourism Development Planning

2. **Publication of Revised Tourism Statistics Manual**

3. **Development of Tourism Training Modules**

4. **Project Webpage**

5. **Development and Implementation of Tourism Data Management System for LGUs**

6. **Publication of Guidebook for Tourism Departments of LGUs**

7. **Holding of National Tourism Conference, primarily to present outcome of the project, and to endorse the Tourism Data Management System for LGUs.**

Organizational Structure

- Joint Coordinating Committee
  - JICA Expert Team
  - Project Director
  - Project Manager
  - Office of Tourism Development Planning
    - Tourism Research & Statistics Division
    - Regional Development Planning Division
  - Project Manager
  - Project Manager
  - Project Manager
General Plan of Operations

First Year
- LGU/Local Executives Orientation
- Basic Tourism Statistics Training
- Mentoring
- AF Orientation
- Tourism Statistics Report
- Advance Tourism Statistics Training (First Batch)
- Mentoring
- Revision of Tourism Statistics Manual and Training Modules
- Project Webpage

Second Year
- Advance Tourism Statistics Training (Next Batches)
- Mentoring
- Survey
- Tourism Statistics Report
- Tourism Development Modules
- Project Webpage

Third Year
- Tourism Development Planning Workshops
- Monitoring of LGUs
- Publication of the Revised Tourism Statistics Manual
- Publication of Guidelines for Tourism Offices in LGUs
- Publication of Tourism Statistics Report
- Conduct of National Tourism Conference
- Project Webpage

Major Outputs
1. Tourism Statistics Training Modules
2. Revised Tourism Statistics Manual
3. Project Webpage
4. Tourism Statistics Report
5. Guidebooks for Tourism Departments of LGUs
6. Tourism Development Planning Modules
7. Conduct of trainings, workshop and National Conference for LGUs and private sector
8. Inception, Evaluation and Workshop Reports/Proceedings
The Use of Philippine Domestic Tourism Statistics

Resulting Benefits of the Project

1. Approval of local ordinances and resolutions for gathering, compilation and reporting of tourism statistics

2. Improvement in the submission of reports by accommodation establishments due to the introduction of a Coding System

3. Creation of a separate tourism department not under the office of the local executive

4. Strengthened the institutional framework, broadening the participation of the private sector and local government units in the measurement of domestic tourism

5. Creation of a web-based group for discussion and uploading of updates, files, etc

6. Implementation of visitor surveys by the local government units to gather data on expenditure and length of stay
5. Inter–institutional Cooperation

a. Conduct of statistical advocacy seminar to private sector stakeholders and at the same time improving the inter–institutional linkage with the private sector

b. Conduct of statistical capacity building training for LGUs, resulting in the inter–institutional linkage with the local government units

5. Advocacy

The DOT continue to do advocacy campaign to raise awareness on domestic tourism:

a. During the 10th NCS, the following papers were presented: 1. Developing the Survey Instruments for the HSDV 2. Understanding the Visiting Friends/Relatives Travel Market 3. Sustainability of Tourism Statistics: Issues in Statistics

b. During the 11th NCS, the following papers were presented: 1. 2009 Survey on Tourism Establishments in the Philippines: Its Rationale and Methodology 2. Modelling International Tourism Demand: Case of Philippines
Use of Domestic Tourism Statistics

Use of Domestic Tourism Statistics in the Philippines

- Designing marketing strategies in local destinations.
- Strengthening inter-institutional relations.
- Evaluating the efficiency and effectiveness of management decisions both in public governance and in tourism enterprises.
- Measuring the impact of tourism.
Use of Domestic Tourism Statistics in the Philippines

- Assessment tools whether tourism policies or activities are effective, sustainable and progressing.

- Monitoring instruments to track changes over time in a constant and consistent manner

- Help clarify goals and direct development of local destinations that can enhance domestic tourism.

Actual Policy Uses of Domestic Tourism Statistics

1. Targeting beneficiaries of programs/projects and infrastructure development

   a. One of the basis in the identification by the National Government of the Central Philippines Super Region as the priority tourism areas for development

   b. The Department of Public Works and Highways and the Department of Transportation and Communications used it as criterion in the identification of target sites for infrastructure leading to tourism destinations

   c. Local Government units used tourism statistics in the identification of priority areas for tourism development
Actual Policy Uses of Domestic Tourism Statistics

1. Targeting beneficiaries of programs/projects and infrastructure development
   
   d. The Japan International Cooperation Agency and the Japan Bank for International Cooperation used tourism statistics in the identification of priority areas for provision of technical assistance, and infrastructure development
   
   e. The Department of Tourism used tourism statistics in the assessment and identification of target areas and beneficiaries for the Grassroots Employment and Entrepreneurship for Tourism (GREET) Program

Actual Policy Uses of Domestic Tourism Statistics

2. Policy Formulation and Planning
   
   a. Basis in the preparation and/or revision of the development, physical framework/comprehensive land use plan by the local government units
   
   b. Basis in the preparation/updating of the Medium Term Philippine Development Plan by the government and marketing plans by both public and private players in the industry
   
   c. Local government units used it as basis for creation of tourism plantilla positions and tourism offices
   
   d. Basis for allocation of budget for tourism
The Use of Philippine Domestic Tourism Statistics
DOT Office of Tourism Planning, Research and Information Management

2. Policy Formulation and Planning
   
e. Basis for formulation of targets and projections
   
f. The academe used it as basis for identification and creation of new curriculum and training modules for tourism schools to cater to the dynamic needs of the industry

Actual Policy Uses of Domestic Tourism Statistics

3. Investments
   
a. Used in determination of feasible areas/destinations for investments
   
b. Assessment of the tourism situation in a destination
   
c. Accommodation establishment owners used it as basis for expanding their facilities
4. Enactment of Laws

Holiday Economics/Long Weekend to give opportunity for nationals to visit destinations and conduct domestic tourism

- Republic Act No. 9492 signed last 25 July 2007 “An Act rationalizing the celebration of national holidays and move holidays, except religious ones, to nearest Monday

MOVING FORWARD

- Continue to strengthen the institutional framework, broadening the participation of the private sector and other stakeholders of the tourism industry in the measurement of domestic tourism
- Expand capacity building to include not only the producers but also the users of tourism statistics at the national and local level.
- Advocate the need to increase investments in the development of tourism statistics both by the public and private sector.
- Implementation of the Recommendations in the IRTS and TSA:RMF applicable to Philippine situation
- Advocate the need for international organization and other regional bodies to assist countries in the compilation, dissemination and analysis of domestic tourism.
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