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Statistics Austria
Baku, Azerbaijan
10-12 June 2013

Agenda Item 5.7
Information used by Travel Agencies (TAs) and Tour Operators (TOs)

Capacity Building, WS III, Baku 2013

About me

Jürgen Weiss

Education
• MA in Tourism Economics (University of Applied Sciences Vienna)
• BA and MA in Political Science (University of Vienna)

Profession
• Head of Tourism and Travel Statistics – Statistics Austria: Responsible for compilation of Tourism Statistics and Travel Item of Balance of Payments

International
• TAIEX Expert in Tourism and Balance of Payments Statistics

Teaching
• Lecturer in economics (University of Applied Sciences in Vienna, Bachelor’s programme)
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Supply and demand related information

Equilibrium of supply and demand

- Travel products, sold by TAs and TOs are package products in many cases. The variables concerned can be surveyed either from the supply side, from the demand side or in combination.
- As supply should equal demand the outcome should be the same
- The variables of interest can be
  - Expenditure
  - Number of trips
  - Destination
Supply and demand related information

**Strength and weaknesses of data sources**

- Consumers/Travellers buy travel products that are sold by Travel Agencies, which are produced by Tour Operators
- The price that customers are paying, is not the price Travel Agencies are earning, as their turnover is only the margin
- For expenditure purposes the information from TAs is therefore not sufficient
  - But it delivers information about
    - Supply net structure
    - Physical flow
    - Structures for disaggregating information from household survey
- The total amount for Package Services is delivered by consumers via surveys

Supply net structure of package products

System of possible Supply net structures underlying the Package production process

<table>
<thead>
<tr>
<th>Service</th>
<th>Involved</th>
<th>TAO</th>
<th>TO (D)</th>
<th>TO (F)</th>
<th>Accommodation</th>
<th>Transportation</th>
<th>Other Components</th>
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</thead>
<tbody>
<tr>
<td>Domestic</td>
<td>Domestic</td>
<td>Domestic</td>
<td>Domestic</td>
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<td>Accommodation</td>
<td>Transportation</td>
<td>Other Components</td>
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<td>Variable</td>
<td>Domestic</td>
<td>Domestic</td>
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<td>Domestic/Abroad</td>
</tr>
</tbody>
</table>

Price of the Package Product

Source: Statistics Austria, Tourism
Model questions for Travel Agency Survey

Survey among travel agencies and tour operators

Travel Agencies are asked to give structure information about their business.

**Main field of business**
- Flight packages
- Coach/Bus packages
- Other?

For getting more detailed information the following question could also be asked:

Please indicate the shares of the package products according to the main mean of transportation

- % flight packages
- % coach packages
- % other (according to the countries specific situations)

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Model questions for Travel Agency Survey

Survey among travel agencies and tour operators

For then getting information about domestic transport production and non-domestic production the categories are further devided:

**Example: Flight Packages:**

Indicate: % of flight packages with domestic carrier
+Indicate: % of costshare of transportation

Indicate: % of flight packages with non-domestic carrier
+Indicate: % of costshare of transportation

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Model questions for Travel Agency Survey

Survey among travel agencies and tour operators

As it is sometimes difficult to distinguish between TA
\[\rightarrow\text{should only }\text{sell}\text{ a produced travel product to costumer}\]
and a TO
\[\rightarrow\text{should produce a travel product and }\text{sell}\text{ the product to a costumer via a}\]
TA
and in awareness of several forms of travel companies which are both, TA and TO at the same time, the following question collects the information, who the travel product produces and where it is produced:

Please indicate the share of self produced travel products you sold in your own name and travel products you sold in the name of the producers (TO) of the product.

Model questions for Travel Agency Survey

Survey among travel agencies and tour operators

Travel products that are sold via domestic TAs might be produced by non-domestic TOs and therefore are imported services which are sold to domestic costumers. In order to get the share between domestic production of travel packages and import, the following question is asked:

Please indicate the share of package products you sold to domestic consumers which were produced by a domestic TO compared to a non- domestic TO

\[\rightarrow\text{These questions are seperately asked for the main subaggregates of travel products according to the main mean of transport.}\]
Model questions for Travel Agency Survey

Survey among travel agencies and tour operators

Travel products might be split up by several criterias in order to get homogenous subsets. One criteria is the main mean of transport. Another criterium is the distance to destination. Therefore the question is asked:

Please indicate the share between longhaul-destination products and shorthaul-destination products you sold.

The distance to destination has influence on the transportation share, at least for flight packages the question is asked:

Please indicate the share of flight compared to the whole costs of the travel product
  ➔ for longhaul destinations in %
  ➔ for shorthaul destinations in %

For imported package products the exporting partner country is of interest:

Please indicate the countries from where you imported the package products

➔ For all questions in the questionnaire it is to emphasize:

• No absolute figures are indicated
• Focus of interest is always the specific distribution which is indicated by shares and structures
• If the Travel agency does not have the specific information because of lacks in the accounting system, complexity of the questions, etc. at least an expert guess could be done!

➔ The shares are further be used to disaggregate the figure from the demand side (household survey or border survey)
Use of the data

Demand and supply side information are confronted

→ Aim

Creation of subsets of package tours with widely homogenous supply net structures

- Subset 1
  - Domestic Carrier
  - TO in third country is involved
  - Longhaul Destination

- Subset 2
  - Foreign Carrier
  - NO TO in third country is involved
  - Shorthaul Destination

- Subset xy
  - .................
  - .................
  - .................

The creation in subsets is achieved by subaggregating the aggregate delivered by the household survey (or the border survey)

Use of the data

Demand and supply side information are confronted

Disaggregation tree for package tours:
(Focus on Air Transportation)

The demand side information delivers the total amount for...

- Package Tours
  - Flight Packages
  - Coach Packages
  - Other Packages

- Domestic Carrier
  - Total Domestic Production
  - Totally Imported
  - Partly Imported

- Foreign Carrier
  - Total Domestic Production
  - Totally Imported
  - Partly Imported

Down to level 3 → Disaggregation by demand related information
→ No further information by consumer
→ Other sources have to be used
Use of the data

Example

- Demand side information (Household Survey, Border Survey)
- Total Expenditure for Package Products (e.g. Flight Packages)
- Supply side information (Survey among TOs and TAs)
- Domestic Carrier
- Non Domestic Carrier
- Total Domestic Production
- Partly Imported
- Totally Imported
- Share of Transportation
- Share of other travel components
- Tourism Statistics TSA BoP

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Capacity Building Programme
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