Improving the World's Tourism Statistics: Recommendations of an International Conference
Douglas C. Frechtling
Journal of Travel Research 1991; 30; 49
DOI: 10.1177/004728759103000211

The online version of this article can be found at:
http://jtr.sagepub.com

Published by:
http://www.sagepublications.com

On behalf of:
Travel and Tourism Research Association

Additional services and information for Journal of Travel Research can be found at:

Email Alerts: http://jtr.sagepub.com/cgi/alerts

Subscriptions: http://jtr.sagepub.com/subscriptions

Reprints: http://www.sagepub.com/journalsReprints.nav

Permissions: http://www.sagepub.com/journalsPermissions.nav
Improving the World’s Tourism Statistics: Recommendations of an International Conference

DOUGLAS C. FRECHTLING

More than 200 delegates from 90 countries attended a week-long International Conference on Travel and Tourism Statistics in Ottawa, Canada, on June 24-28, 1991. Sponsored by the World Tourism Organization (WTO) and Tourism Canada, this was the first worldwide gathering to reach agreement on improving the world’s tourism marketing and economic impact statistics since government representatives met in Rome in 1963 to establish the first definitions for international tourism.

Conference Chairman ALLAN COCKSEDGE, Tourism Canada’s Assistant Deputy Minister, opened the meeting by noting that tourism was a strategic industry for Canada and hoped that delegates would agree on how to define and measure the performance of tourism.

The Hon. TOM HOCKIN, Canada’s Minister of State for Small Business and Tourism, noted that tourism does not enjoy the credibility that other industries do and is handicapped in the competition for national resources and private capital. He maintained that the future health of the global tourism industry depended on the success of the conference.

ANTONIO ENRIQUEZ SAVIGNAC, Secretary-General of the World Tourism Organization, urged the delegates to create a uniform framework for monitoring tourism, to provide a common set of standards and definitions, and to give renewed emphasis to tourism research for the world’s biggest industry. Declaring, “Tourism suffers a credibility gap,” Mr. Savignac enjoined delegates to devise standards and methodologies responsive to the needs of the tourism industry in the 21st century.

GEOFFREY LIPMAN, President of the World Travel and Tourism Council, presented the first of three statements of conference expectations. Noting that although his council’s research found that travel and tourism produces 5.5% of the gross world product and 7% of all jobs in the world, governments of the world still make decisions key to the world community through special manuals and handbooks, training seminars, and technical advice and cooperation.

Professor ANTONIO MEREDIZ MONTERO of Spain gave the first of six keynote papers, presenting a system of basic definitions and classifications for tourism statistics. The basic concept in his system of tourism statistics was the visitor, defined as:

- any person traveling to a place other than that of his usual environment for less than a specified duration and the purpose of whose trip is other than the exercise of an activity remunerated from within the place visited.

He proposed defining international visitor as “any person who travels to a country other than that in which he has his usual residence for a period not exceeding one year and whose main purpose of visit is other than the exercise of an activity remunerated from within the country visited.” A home visitor was similarly defined, except traveling outside his usual environment within the country for less than six months. These visitors were further broken down into tourists (staying from one night to a year) and excursionists (traveling for less than 24 hours).

Prof. Merediz presented additional definitions for other terms as well, such as “trip,” “tour,” “tourism expenditure,” “duration,” and “tourist accommodation.”

MARTIN BUTTERFIELD, from the Australian Central Bureau of Statistics, presented a response to Prof. Merediz’s paper, arguing for a strong demand orientation to the definition. He maintained that the consumer (tourist) defines the product (tourism) which, in turn, defines the suppliers (the tourism industry). Moreover, he recommended expenditure estimates distinguish where it is incurred (at origin or on trip) and the source of funds (the visitor or his host).

A second keynote paper presented definitions of “same day travel” or day trips. BRIAN BATY, tourism statistician for the United Kingdom Department of Employment, argued that day visits are an important tourism activity in the United Kingdom, numbering 630 million and generating nearly $9 billion in 1988/89 when his survey was conducted. The survey defined tourism day visits as nonroutine trips from residences of at least three hours’ duration and at least 20 miles round trip.

Based upon the U.K. experience, Mr. Baty recommended the following definition for domestic day visits: a round trip of a nonroutine nature from a home or temporary base and lasting less than 24 hours and not involving an overnight stay. Information should be...
collected on the total time taken and total distance covered on each round trip in conformity with the internationally agreed time and distance standards.

He similarly defined international day visits.

GABRIEL VERA, Chief of Statistics for the Bank of Mexico, presented a response to Mr. Baty focusing on cross-border travel and expenditures on day trips. He noted that such tourism annually generates 158 million trips a year across the United States-Mexican border accounting for $5.5 billion in expenditures. His survey defined these visitors as those crossing the border for less than 72 hours and traveling no further than 25 miles into the other country. He described methods of measuring this activity and detailed its magnitude, concluding that this important activity required standard definitions and that the best place to measure it is at the border crossing or point of destination in order to minimize recall decay.

Workshops were held after these papers, allowing delegates to discuss recommendations and their implications and present their findings to the assembly.

U.S. transportation policy consultant ALAN PISARSKI presented a keynote paper describing a Standard International Classification of Tourism Activities (SICTA). Based on the United Nations’ International Standard Industrial Classifications (ISIC), the SICTA provides detailed classifications of enterprises that at least partially sell directly to tourists or provide fixed capital assets for such enterprises.

The SICTA is designed to provide the structure for uniform classification of tax, employment, and other reports to governments, for the design of economic surveys and systems of reporting by enterprises, and the uniform aggregation of statistical series.

Mr. Lancetti delivered a response to Mr. Pisarski’s paper, arguing that the SICTA must be consistent with the European Activity Nomenclature (NACE), since this is the mandatory classification system in the European Community. Contrary to Mr. Pisarski, he recommended that SICTA include only enterprises selling directly to tourists, and that the classification system be extended to incorporate functions and transactions through reference to the United Nation’s Central Product Classification system.

The next section of the program dealt with tourism satellite accounts. These special accounts assist analyses of the economic consequences of tourism at the national level and are extensions of—satellites—to a country’s national economic accounts, especially input-output accounts.

Stewart Wells, Assistant Chief Statistician of Statistics Canada, presented a paper detailing his country’s considerable progress in defining a satellite account for tourism and its related information system. He established three primary principles for developing such accounts:

1. The account must be based on recognized economic accounting principles so tourism can be “credibly compared” to other industries.
2. The account should include a much wider range of data than normally carried in national accounting systems, such as tourism volumes and trip and traveler characteristics.
3. The account must be user friendly, allowing easy access for policy analysis, marketing, and industry development.

Dr. Alfred Franz, Head of National Accounts for the Austrian Central Statistical Office, presented a response paper based on the manual he has written on tourism economic accounts for the Organisation for Economic Co-operation and Development (OECD). Dr. Franz emphasized the supply-side perspective of tourism satellite accounts with an approach somewhat less ambitious than the Canadian one and requiring no special data base. His approach focuses on domestic tourism and employs a three-fold basic structure of:

1. a production account detailing supply;
2. a consumption account specifying the tourism uses; and
3. a commodity account reconciling supply and use.

A second response paper on tourism satellite accounts was presented by Ke-Chian Wang, Regional Advisor on National Accounts for the United Nations Economic Commission for Africa. In contrast to the Canadian system, he recommended tourism satellite accounts:

1. concentrate on international tourism;
2. exclude business travel since they are intermediate transactions rather than final consumption expenditures; and
3. may be more easily constructed by developing countries by replacing an input-output table with a simpler supply and use table.

Workshops after the classification and tourism satellite accounts papers transmitted delegate recommendations to the entire assembly.

There followed a session on indicators for measuring tourism industry performance, led off by keynote speaker Marc Christine of the French Ministry of Tourism. He presented his agency’s experience with a “tourism tote board,” designed to present macroeconomic factors affecting tourism demand and conditions in the tourism industry in a coherent fashion.

The tote board periodically reports the following indicators:

1. physical flows, including border and home surveys of travel activity and monthly surveys of the hotel industry;
2. financial flows and monetary indicators, including price changes in the tourism sector and international travel receipts and payments;
3. social flows, comprising new tourism businesses and bankruptcies, employment applications and job openings, and wage developments; and
4. competitive positions, represented by exchange rates and relative price movements among countries.

The information has lead to the development of a short-term tourism forecasting and simulation model.

Albert Gomes, Director of Hospitality, Travel and Tourism for Arthur D. Little, Inc., presented indicators for measuring the performance of the accommodations industry. These included measures of capacity, capacity utilization, revenue generated, operating profits, return on investment, employment, and productivity.

Stephen Wheatcroft, Special Consultant to the World Travel and Tourism Council, discussed performance measures for the transportation sector: air, road, urban transport, rail, and shipping. He recommended that the minimum list of comparable indicators to measure transport performance should provide measures of output and scope of operations, traffic flows, economic performance, employment, safety, fuel efficiency, investments, and taxes and user charges.

Bill Hartman, Director of Research and Statistics for Walt Disney World, recommended a series of performance
indicators that would permit comparison of site-specific attractions around the world. These indicators include attendance, average days visiting per individual, number of different visitors, market share, repeat visitation, profit margin, and financial value.

The last performance indicators for the tourism indicators were presented by KENNETH PRYSOR-JONES, Executive Vice President of Group SITUR in Mexico. Based on his experience with large resort developments in Mexico, he suggested building models of the requirements and impact of such developments. Included as input would be estimates of additional visitors attracted, new hotel rooms necessary to service this demand, investment in new rooms, infrastructure, permanent housing, and commercial aircraft. Results would be presented in terms of foreign currency earnings, tax revenue, and profitability.

Futurist FAITH POPCORN, Chairman of BrainReserve, Inc., a U.S. marketing consultancy, presented 10 trends she argued would shape U.S. consumer markets for the next 10 years. She based these on the work of her organization in monitoring what people read, what they buy, and who their role models are. These trends are:

1. Cocooning — focus on the home environment as insulation from a harsh world;
2. Fantasy adventures — safe but exotic escapes from routine;
3. Small indulgences — affordable luxuries consumers treat themselves to;
4. Ergonomics [sic] — new ways consumers express themselves through distinctive products and services;
5. The Vigilante Consumer — manipulating marketers and the marketplace through pressure, protest, and politics;
6. Staying Alive — awareness that good health extends life;
7. 99 Lives — activities to expand time, reduce chores, offer flexibility in a fast-paced world;
8. Cashing Out — career people opting for better quality of life;
9. Down-aging — adults acting like kids, thinking young, and aging slowly;
10. Save Our Society — a social conscience expressed through ethics, education, and the environment.

Dr. DOUGLAS C. FRECHTLING, Adjunct Associate Professor of Tourism at George Washington University, presented the final keynote paper. He proposed a work program for tourism marketing and economic statistics collection by national tourism offices for the next decade. This program of phased research is based on the reality that countries spend money to stimulate tourism in order to obtain certain benefits for their citizens, and on the fundamental principle that countries should maximize the benefits achieved for a given marketing investment.

Dr. Frechtling proposed a number of principles to help set priorities in data collection for tourism marketing and economic impact analysis, and he detailed phased programs of data collection for each of these areas. The programs will help national tourism offices to select the most efficient market segments to attract based upon the net economic benefits segments return to the country.

On the final day of the conference, the “Ottawa Conference Resolutions” were presented to the delegates for discussion. These are quite numerous and it was agreed that some further analysis and study is required to resolve certain issues before the fall of 1993 for submission to the United Nations Statistical Commission. Major resolutions, summarized here, include:

1. As a general working concept, tourism refers to the “activities of a person traveling to a place outside his or her usual environment for less than a specified period of time with a main purpose other than the exercise of an activity remunerated from within the place visited.”
2. Same-day travel should be defined by distance and duration criteria and measured, but reported separately from overnight tourism.
3. National tourism programs should establish supply-oriented activity classifications within their statistical systems that are responsive to the needs of tourism, such as the SICTA.
4. Enlist support for tourism satellite accounts, with the OECD system as a “useful and practical starting point.”
5. Develop a relatively small number of indicators to compare tourism sectors worldwide.
6. Adopt the proposed phased programs of tourism marketing and economic impact statistics, and report to the WTO in a timely manner.
7. Expand this phased program to include standard measures of the environmental impact of tourism.
8. Develop an action plan to assure adoption of relevant recommendations by the United Nations Statistical Commission, and include technical manuals and workshops and a clearinghouse to encourage implementation of the recommendations by governments of the world.

The conference recommendations will be submitted to the 1993 session of the United Nations Statistical Commission for its approval.

For further information on the proceedings of the conference and the conference recommendations, contact: Mr. Enzo Paci, Chief, Statistics Section, World Tourism Organization, Capitán Haya 42, 28020 Madrid, Spain.

A Conference Report . . .

New Horizons in Tourism and Hospitality Education, Training and Research

The New Horizons Conference held at the University of Calgary on July 2-5, 1991, and co-organized with the University of Surrey (U.K.), focused on tourism and hospitality education, training and research. The New Horizons Conference was a followup to the “Tourism Teaching into the 1990s” Conference in 1988 co-organized by the University of Surrey and the University of Calgary.

The purpose of the conference was to bring together tourism professionals in education, research, government, and industry to explore issues, ideas, and initiatives and to establish working partnerships. With over 200 attendees from 23 different countries, presenting over 62 papers, this