A Closer Look at Tourism: Sub-national Measurement and Analysis

UNWTO Statistics and Tourism Satellite Account Programme

Symposium on Measuring the Performance and Economic Contribution of Tourism
Montreal, 24 September 2012

Outline

1. About why tourism has to be measured

2. How can tourism be measured – the national level

3. Measuring tourism at the sub-national level
   - Ireland case study
   - Brazil case study

4. The approach

"The United Nations recognizes the World Tourism Organization as the appropriate organization to collect, to analyse, to publish, to standardize and to improve the statistics of tourism, and to promote the integration of these statistics within the sphere of the United Nations system."

World Tourism Organization | a specialized Agency of the United Nations
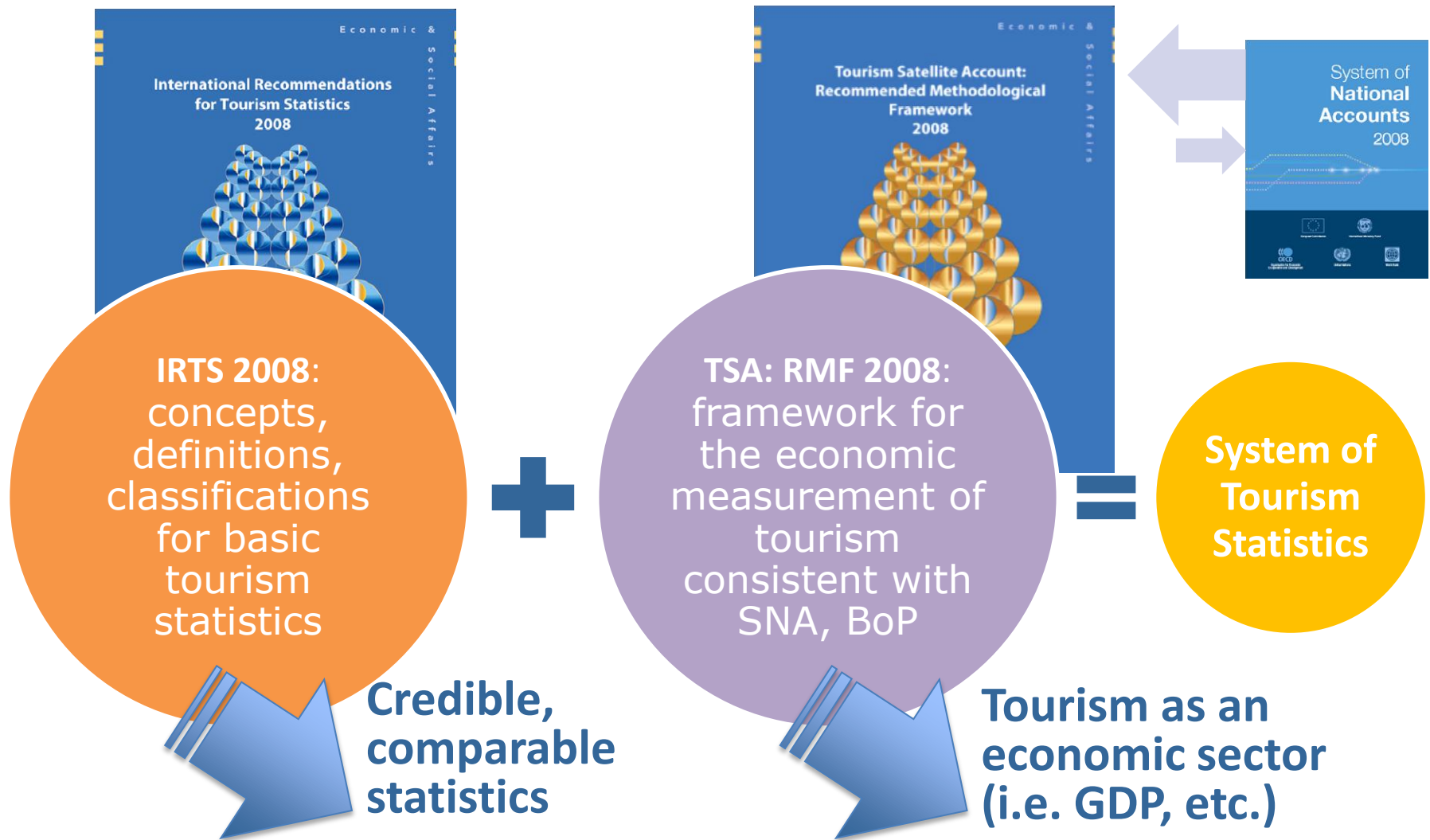
About why tourism has to be measured

- Can managers disregard the economic importance of tourism?

- Understanding tourism is not straightforward: need to go beyond physical indicators

- Reasons:
  - Tourism expenditure and relations to economic growth and jobs
  - Tourism as an economic sector: establishments produce goods and services supplied to visitors
  - Significant/desirable contributor to environmental, economic, and social changes

- Understanding the importance of having to measure tourism are:
 - NSOs, Central Banks and international trade negotiators, NTAs

How can tourism be measured – national level

International Recommendations for Tourism Statistics 2008

Tourism Satellite Account: Recommended Methodological Framework 2008

System of **National Accounts** 2008

IRTS 2008: concepts, definitions, classifications for basic tourism statistics

+

TSA: RMF 2008: framework for the economic measurement of tourism consistent with SNA, BoP

=

System of Tourism Statistics

Credible, comparable statistics

Tourism as an economic sector (i.e. GDP, etc.)

World Tourism Organization | a specialized Agency of the United Nations

How can tourism be measured – national level

- The UN international recommendations mean that tourism is considered
  - Not just as: people moving around (visitors) and consuming
  - But also as: an **economic sector**, i.e.
    - **establishments** producing goods and services consumed by visitors
    - **jobs** in these establishments

- Inter-national data compilation: **UNWTO *Compendium of Tourism Statistics*** has 145 data and indicators on:

  - ➢ **Inbound, domestic, outbound tourism**
  - ➢ **Tourism industries**
  - ➢ **Employment**
  - ➢ **Domestic tourism**
  - ➢ **Macroeconomic indicators**

Compendium
of Tourism Statistics

Data 2006–2010

2012 Edition
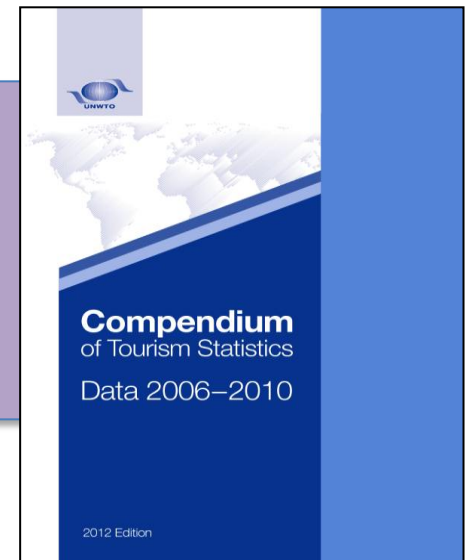
Measuring tourism at the sub-national level

- **UN international recommendations**
  - apply to the national level
  - Are the **foundation** but require an **adaption** to the sub-national level

- **Tourism and territory**

- **Challenges at the sub-national level:**
  - Administrative units (e.g. regions, municipalities, etc.)
  - Analytical units (e.g. coastal areas, parts of municipalities, aggregations amongst them, etc.)

- **How much information is really available at the sub-national level?**
  - **Much more than you may think**!..
  - If we consider tourism a **sector**, we can use supply-side data (i.e. business registers)

Measuring tourism at the sub-national level:
The case of Ireland (1)

(Taken from C. Wall and S. MacFeely (2012), Fáilte National Tourism Development Authority and Central Statistics Office, presented at INRouTe Seminar, Venice)

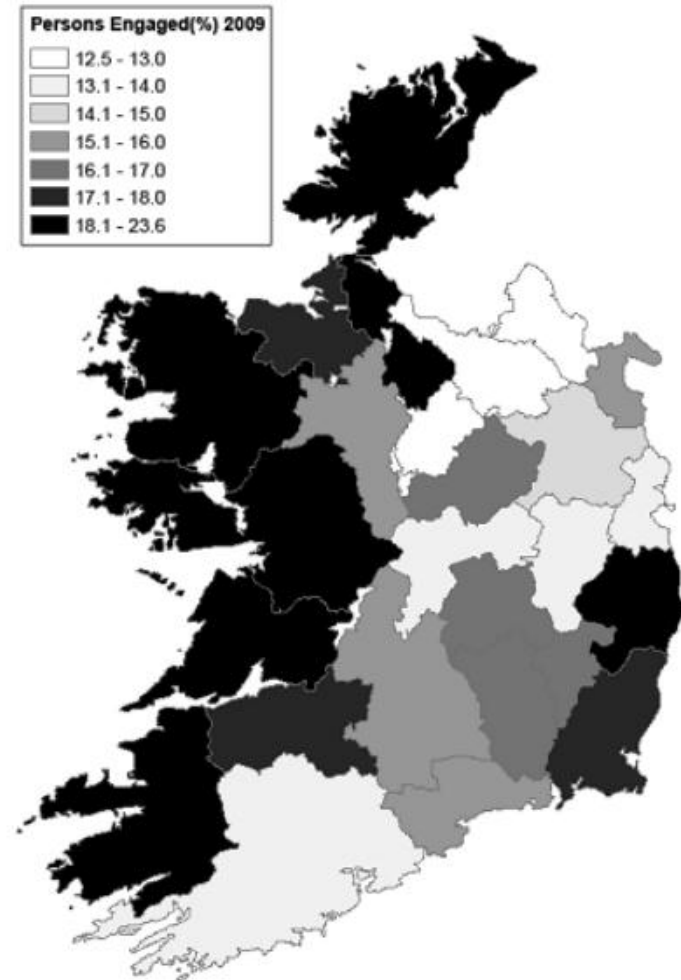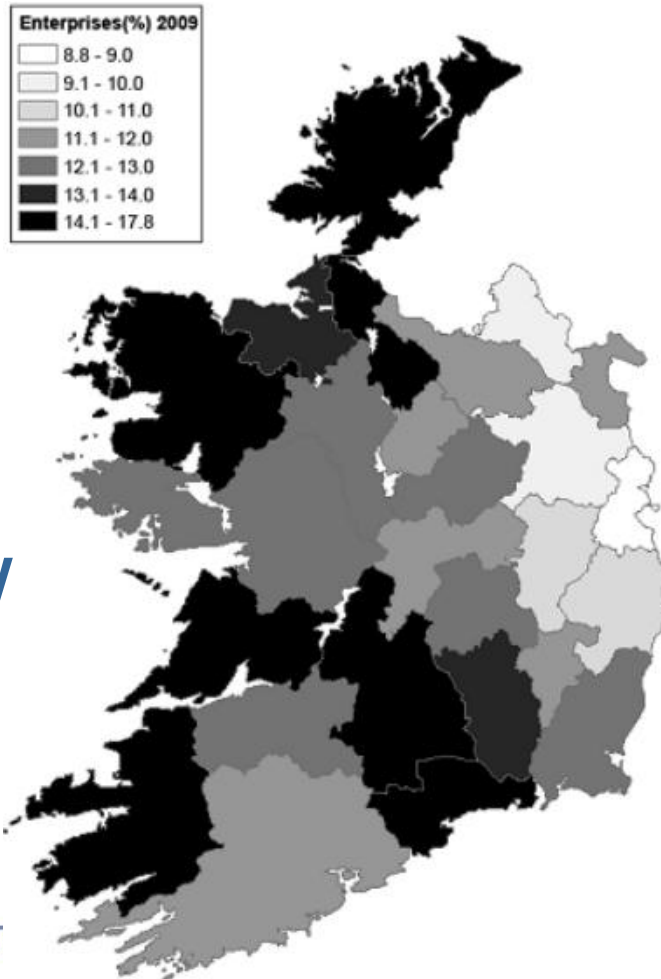**Where are tourism business clustered?**

Identifying Initial Priority Destinations:
The Supply Side «Hotspot»


World Tourism Organization | a speciali
UNWTO
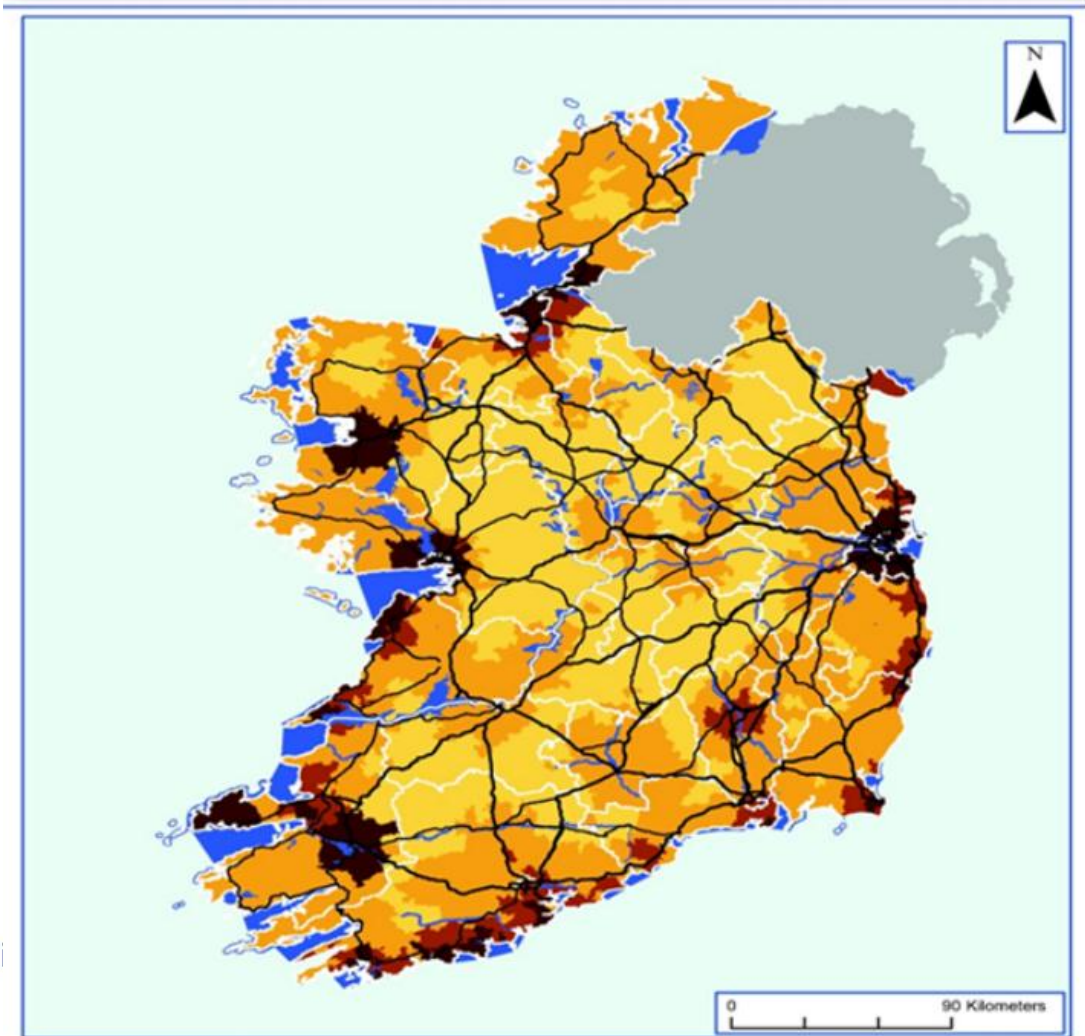
Measuring tourism at the sub-national level:
The case of Ireland (2)

(Taken from S. MacFeely and J. Delaney (2012), Central Statistics Office, presented at INRouTe Seminar, Venice)

Tourism Dependency Ratios

World T

Measuring tourism at the sub-national level:
The case of Ireland (3)

(Taken from S. MacFeely and J. Delaney (2012), Central Statistics Office, presented at INRouTe Seminar, Venice)
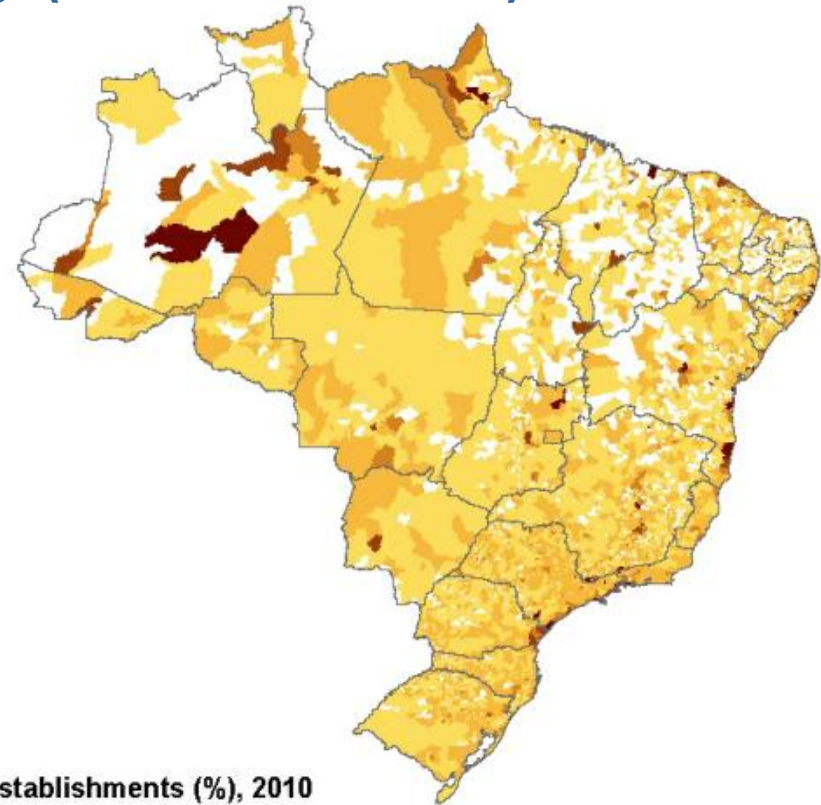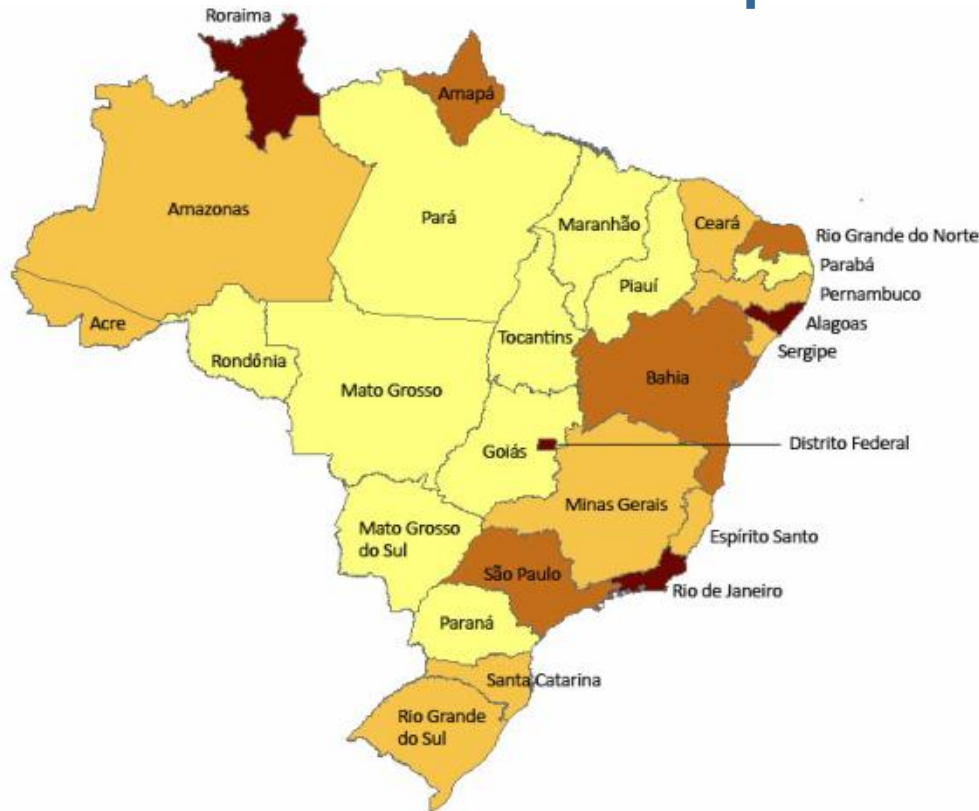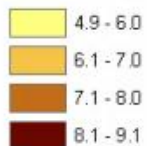
3 Year Regional Survival Rates
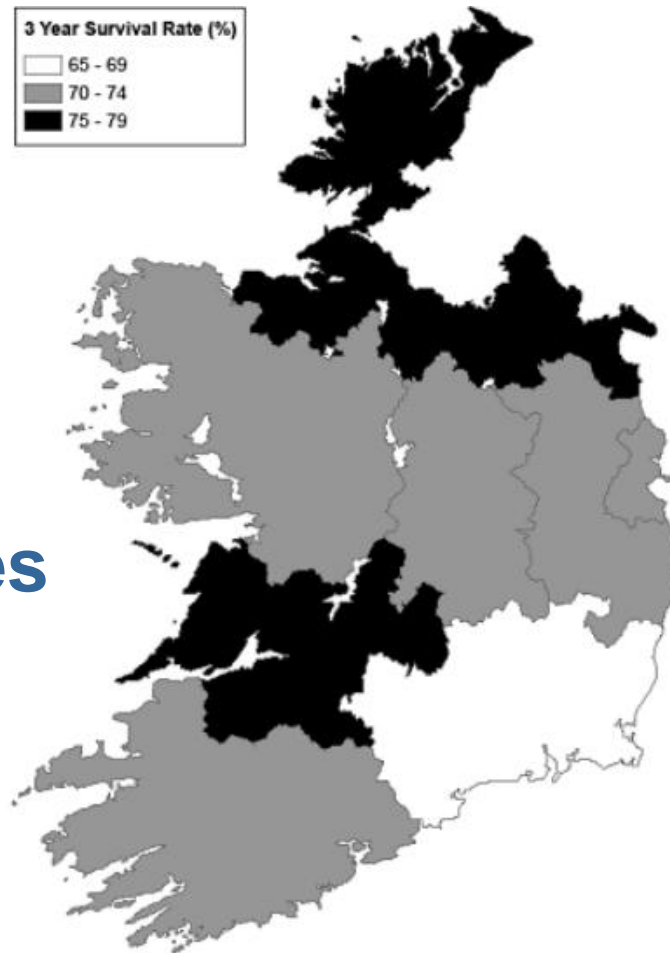
Measuring tourism at the sub-national level: The case of Brazil (1)

(Taken from P.A. Morita (2012), IPEA, presented at INRouTe Seminar, Venice)

2010 Tourism Dependency (establishments)

Establishments (%) 2010
- 4.9 - 6.0
- 6.1 - 7.0
- 7.1 - 8.0
- 8.1 - 9.1

Establishments (%), 2010
- 0.0
- 0.1 - 5.0
- 5.1 - 10.0
- 10.1 - 15.0
- 15.1 - 20.0
- 20.1 - 65.0

Measuring tourism at the sub-national level:
The case of Brazil (2)

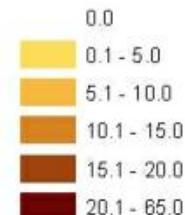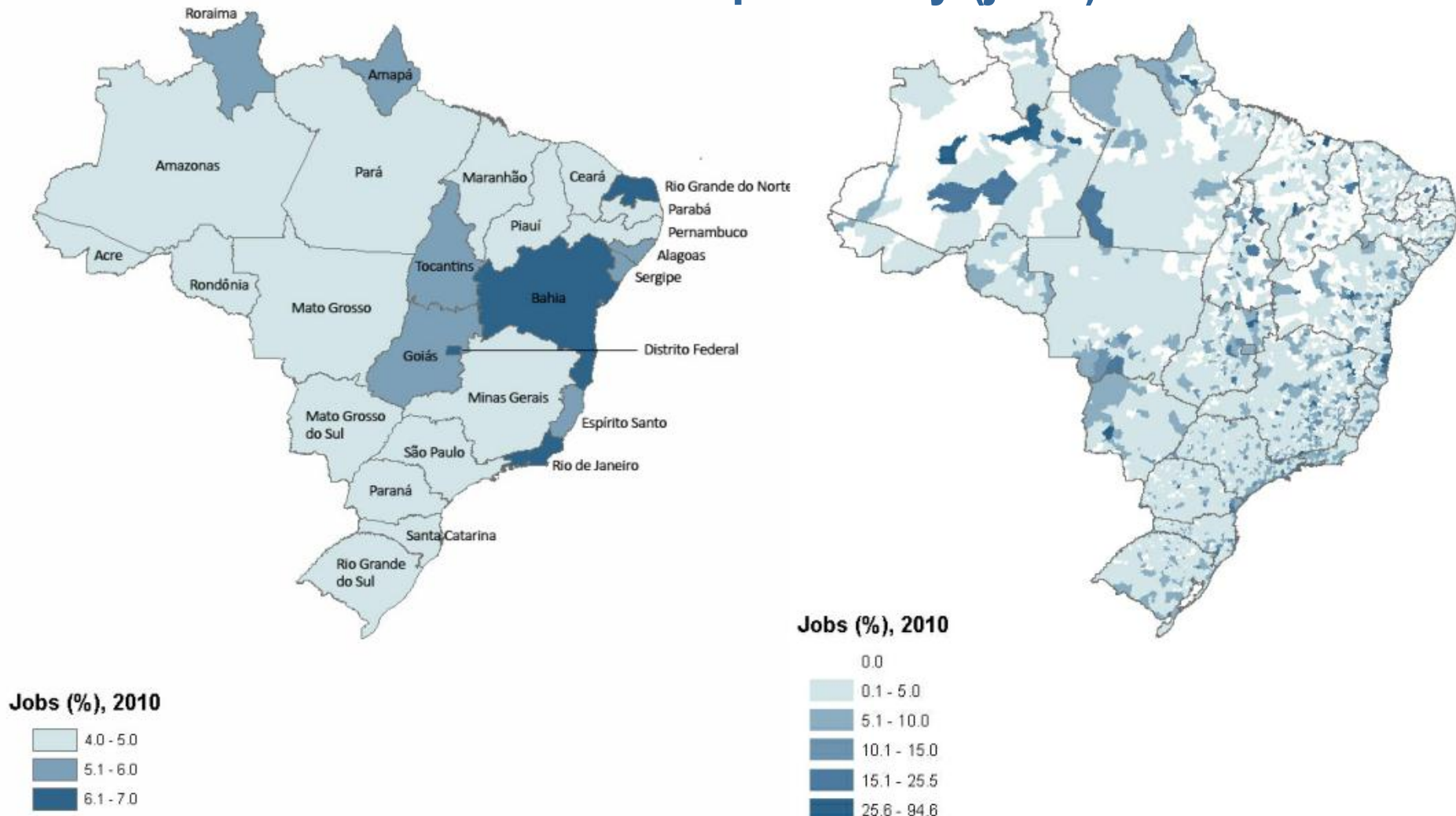**(Taken from P.A. Morita (2012), IPEA, presented at INRouTe Seminar, Venice)**
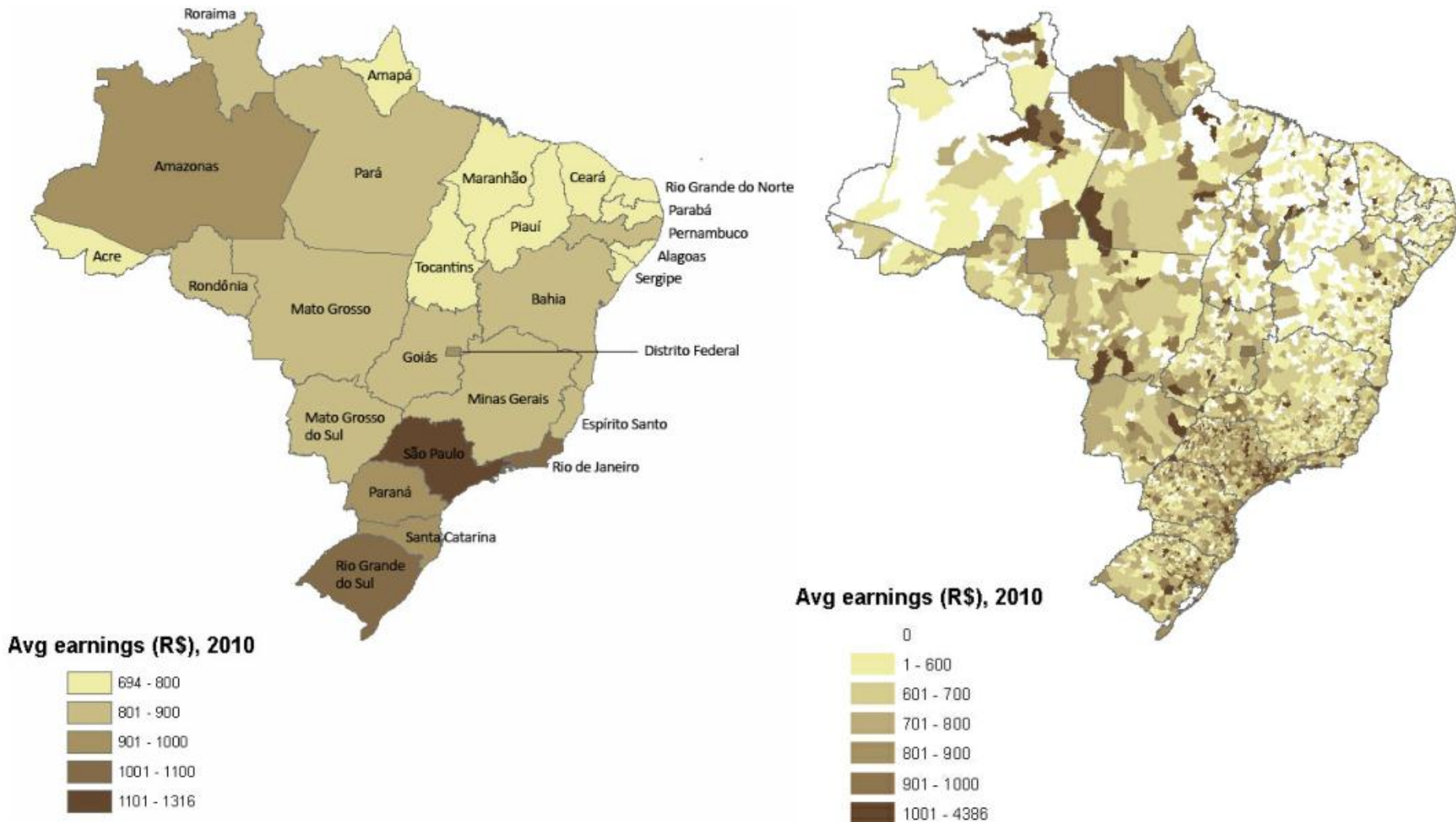
2010 Tourism Dependency (jobs)

Jobs (%), 2010
- 4.0 - 5.0
- 5.1 - 6.0
- 6.1 - 7.0

Jobs (%), 2010
- 0.0
- 0.1 - 5.0
- 5.1 - 10.0
- 10.1 - 15.0
- 15.1 - 25.5
- 25.6 - 94.6

(Taken from P.A. Morita (2012), IPEA, presented at INRouTe Seminar, Venice)

2010 Average earnings in the tourism industries

Avg earnings (R$), 2010

	694 - 800
	801 - 900
	901 - 1000
	1001 - 1100
	1101 - 1316

Avg earnings (R$), 2010

	0
	1 - 600
	601 - 700
	701 - 800
	801 - 900
	901 - 1000
	1001 - 4386

Measuring tourism at the sub-national level

- Making the most of available data, a good start

- Business registers, based in administrative data, allow for huge amount of data

- The exercises of Ireland and Brazil can be replicated in many more countres because their source, business registers, currently exists in many countries

An approach for developing sub-national measurement and analysis of tourism

- UNWTO's commitment: providing counties with guidance on measuring and analysing tourism at sub-national levels

⬇

- Territory is key
- Involve stakeholders, ask politicians
- Inter-disciplinary approach
- INRouTe-UNWTO collaboration
- The national-level conceptual framework as starting point

⬇

INRouTe – UNWTO collaboration:

- Development of a conceptual framework and set of recommendations by INRouTe →future **UNWTO Guidelines**

An approach for developing sub-national measurement and analysis of tourism

- Research areas:
    1. Tourism as an economic sector
    2. Tourism and the environmental dimension, non-economic contributions and impact
    3. Tourism's economic contribution and impact
    4. Tourism development and territorial cohesion
    5. Supporting destination's key stakeholders

- Regional Tourism Information System

- **INRouTe**   For more information:
    Ms. Aurkene Alzua and myself
    www.inroutenetwork.org and
    technicalsecretariat@inroutenetwork.org

World Tourism Organization | a specialized Agency of the United Nations

Conclusion

1. Tourism is an economic sector, composed of establishments that produce goods and services for visitors
   ➤ This perspective enables us to consider a whole new range of data→ business registers

2. UNWTO is committed to advancing the measurement and analysis of tourism at sub-national levels
   ➤ need solid conceptual framework with concepts and definitions
   ➤ the credibility and the framework already in place at the national level as foundation

Thank you

UNWTO.org