

## Understanding Tourism: Basic Glossary (\*)

The glossary has been made possible thanks to the international community's work on defining a new conceptual framework for measuring and analysing tourism economics; an effort that lasted almost three years (2005/2007). The international consensus that followed, in the form of United Nations approved International Recommendations, establishes the concepts, definitions, classifications and the basic set of data and indicators that should be part of any national System of Tourism Statistics.

Tourism is a social, cultural and economic phenomenon which entails the movement of people to countries or places outside their usual environment for personal or business/professional purposes. These people are called *visitors* (which may be either *tourists* or *excursionists*; residents or non-residents) and tourism has to do with their activities, some of which imply *tourism expenditure*.

As such, tourism has implications on the economy, on the natural and built environment, on the local population at the destination and on the tourists themselves. Due to these multiple impacts, the wide range and variety of production factors required to produce those goods and services acquired by visitors, and the wide spectrum of stakeholders involved or affected by tourism, there is a need for a holistic approach to tourism development, management and monitoring. This approach is strongly recommended in order to formulate and implement national and local tourism policies as well as the necessary international agreements or other processes in respect of tourism.

<b>Business visitor</b>	<i>A business visitor</i> is a <i>visitor</i> whose main purpose for a tourism trip corresponds to the <i>business and professional</i> category.
<b>Country of reference</b>	<p>The <i>country of reference</i> refers to the country for which the measurement is done.</p> <p>As a general observation, it should be noted that in the <i>International Recommendations 2008</i>:</p> <ul style="list-style-type: none"> <li>(a) The term “country” can be transposed to a different geographical level using the term “place” instead (either a region, municipality or other subnational geographic location);</li> <li>(b) The term “long-term” is used as the equivalent of a year or more and “short-term” as less than a year.</li> </ul>
<b>Country of residence</b>	The <i>country of residence</i> of a household is determined according to the <i>centre of predominant economic interest</i> of its members. If a person resides (or intends to reside) for more than one year in a given country and has there his/her <i>centre of economic interest</i> (for example, where the predominant amount of time is spent), he/she is considered as a <i>resident</i> of this country.
<b>Destination (main destination) of a trip</b>	The <i>main destination of a tourism trip</i> is defined as the place visited that is central to the decision to take the trip. See also <i>purpose of a tourism trip</i> .
<b>Domestic tourism</b>	Comprises the activities of a resident <i>visitor</i> within the country of reference, either as part of a <i>domestic tourism trip</i> or part of an <i>outbound tourism trip</i> .
<b>Economic analysis</b>	Tourism generates directly and indirectly an increase in economic activity in the places visited (and beyond), mainly due to demand for goods and services that need

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\* This Annex includes some key concepts and the corresponding definitions as conveyed in the *International Recommendations for Tourism Statistics 2008 (IRTS 2008)*, <http://statistics.unwto.org/en/content/conceptual-framework-tourism-statistics-international-recommendations-tourism-statistics-200> . While some of them focus exclusively on the economic measurement of tourism, others (like the key concepts of visitors –including tourists and excursionists-, trip, usual environment, forms of tourism, etc.) are also applicable to other areas of analysis and research.

	<p>to be produced and provided.</p> <p>In the <i>economic analysis</i> of tourism, one may distinguish between tourism's 'economic contribution' which refers to the direct effect of tourism and is measurable by means of the TSA, and tourism's 'economic impact' which is a much broader concept encapsulating the direct, indirect and induced effects of tourism and which must be estimated by applying models.</p>
	<p>Economic impact studies aim to quantify economic benefits, that is, the net increase in the wealth of residents resulting from tourism, measured in monetary terms, over and above the levels that would prevail in its absence.</p>
<b>Employment in tourism industries</b>	<p><i>Employment in tourism industries</i> may be measured as a count of the persons employed in <i>tourism industries</i> in any of their jobs, as a count of the persons employed in <i>tourism industries</i> in their main job, as a count of the jobs in <i>tourism industries</i>, or as full-time equivalent figures.</p>
<b>Excursionist (or same-day visitor)</b>	<p>A <i>visitor (domestic, inbound or outbound)</i> is classified as a <i>same-day visitor (or excursionist)</i> if his/her <i>trip</i> does not include an overnight stay.</p>
<b>Forms of tourism</b>	<p>There are three basic forms of tourism: <i>domestic tourism, inbound tourism, and outbound tourism</i>. These can be combined in various ways to derive the following additional forms of tourism: <i>internal tourism, national tourism and international tourism</i>.</p>
<b>Inbound tourism</b>	<p>Comprises the <i>activities</i> of a non-resident <i>visitor</i> within the country of reference on an <i>inbound tourism trip</i>.</p>
<b>Internal tourism</b>	<p><i>Internal tourism</i> comprises <i>domestic tourism</i> plus <i>inbound tourism</i>, that is to say, the <i>activities</i> of <i>resident and non-resident visitors</i> within the <i>country of reference</i> as part of <i>domestic or international tourism trips</i>.</p>
<b>International tourism</b>	<p><i>International tourism</i> comprises <i>inbound tourism</i> plus <i>outbound tourism</i>, that is to say, the <i>activities</i> of <i>resident visitors</i> outside the <i>country of reference</i>, either as part of <i>domestic or outbound tourism trips</i> and the <i>activities</i> of <i>non-resident visitors</i> within the <i>country of reference</i> on <i>inbound tourism trips</i>.</p>
<b>Meetings industry</b>	<p>To highlight purposes relevant to the <i>meetings industry</i>, if a trip's main purpose is business/professional, it can be further subdivided into "attending meetings, conferences or congresses, trade fairs and exhibitions" and "other business and professional purposes".</p>
	<p>The term <i>meetings industry</i> is preferred by the International Congress and Convention Association (ICCA), Meeting Professionals International (MPI) and Reed Travel over the acronym <i>MICE</i> (Meetings, Incentives, Conferences and Exhibitions) which does not recognize the industrial nature of such activities.</p>
<b>MICE</b>	<p>See <i>meetings industry</i>.</p>
<b>National tourism</b>	<p><i>National tourism</i> comprises <i>domestic tourism</i> plus <i>outbound tourism</i>, that is to say, the <i>activities</i> of <i>resident visitors</i> within and outside the <i>country of reference</i>, either as part of <i>domestic or outbound tourism trips</i>.</p>
<b>Outbound tourism</b>	<p>Comprises the <i>activities</i> of a resident <i>visitor</i> outside the country of reference, either as part of an <i>outbound tourism trip</i> or as part of a <i>domestic tourism trip</i>.</p>
<b>Place of usual residence</b>	<p>The <i>place of usual residence</i> is the geographical place where the enumerated person usually resides, and is defined by the location of his/her principal dwelling (Principles and recommendations for population and housing censuses of the United Nations, ¶¶2.20 to 2.24).</p>
<b>Purpose of a tourism trip (main)</b>	<p>The <i>main purpose</i> of a <i>tourism trip</i> is defined as the purpose in the absence of which the <i>trip</i> would not have taken place. Classification of <i>tourism trips</i> according to the <i>main purpose</i> refers to nine categories: this typology allows the identification of different subsets of <i>visitors</i> (business visitors, transit visitors, etc).</p>

See also *destination of a tourism trip*

**Tourism expenditure**

*Tourism expenditure* refers to the amount paid for the acquisition of consumption goods and services, as well as valuables, for own use or to give away, for and during tourism trips.

**Tourism industries**

*Tourism industries* (also referred to as *tourism activities*) are the activities that typically produce *tourism characteristic products*.

*Tourism characteristic products* are those that satisfy one or both of the following criteria:

- (a) *Tourism expenditure* on the product (either good or service) should represent a significant share of total *tourism expenditure* (share-of-expenditure/demand condition);
- (b) *Tourism expenditure* on the product should represent a significant share of the supply of the product in the economy (share-of-supply condition). This criterion implies that the supply of a *tourism characteristic product* would cease to exist in meaningful quantity in the absence of visitors.

**List of categories of tourism characteristic products and tourism industries**

Products	Industries
1. Accommodation services for visitors	1. Accommodation for visitors
2. Food and beverage serving services	2. Food and beverage serving activities
3. Railway passenger transport services	3. Railway passenger transport
4. Road passenger transport services	4. Road passenger transport
5. Water passenger transport services	5. Water passenger transport
6. Air passenger transport services	6. Air passenger transport
7. Transport equipment rental services	7. Transport equipment rental
8. Travel agencies and other reservation services	8. Travel agencies and other reservation services activities
9. Cultural services	9. Cultural activities
10. Sports and recreational services	10. Sports and recreational activities
11. Country-specific tourism characteristic goods	11. Retail trade of country-specific tourism characteristic goods
12. Country-specific tourism characteristic services	12. Other country-specific tourism characteristic activities

**Tourism Satellite Account (TSA)**

The *Tourism Satellite Account* (described in the *Tourism Satellite Account: Recommended Methodological Framework 2008*) is, besides the *International Recommendations for Tourism Statistics 2008*, the second international recommendation on tourism statistics that has been developed in a framework of consistency with the System of National Accounts. Both recommendations are mutually consistent and provide the conceptual framework for measuring and analyzing tourism as an economic activity.

As a statistical tool for the economic accounting of tourism, the TSA can be seen as a set of 10 summary tables, each with their underlying data and representing a different aspect of the economic data relative to tourism: inbound, domestic tourism and outbound tourism expenditure, internal tourism expenditure, production accounts of tourism industries, the Gross Value Added (GVA) and Gross Domestic Product (GDP) attributable to tourism demand, employment, investment, government consumption, and non-monetary indicators.

**Tourism sector**

The tourism sector, as contemplated in the TSA, is the cluster of production units in different industries that provide consumption goods and services demanded by visitors. Such industries are called *tourism industries* because visitor acquisition represents such a significant share of their supply that, in the absence of visitors, their production of these would cease to exist in meaningful quantity.

**Tourist (or**

*A visitor (domestic, inbound or outbound) is classified as a tourist (or overnight*

<b>overnight visitor)</b>	<i>visitor</i> ), if his/her <i>trip</i> includes an overnight stay.
<b>Travel / tourism</b>	<i>Travel</i> refers to the activity of travellers. A traveller is someone who moves between different geographic locations, for any purpose and any duration. The visitor is a particular type of traveller and consequently tourism is a subset of travel.
<b>Travel party</b>	A <i>travel party</i> is defined as <i>visitors</i> travelling together on a <i>trip</i> and whose expenditures are pooled.
<b>Trip</b>	A <i>trip</i> refers to the travel by a person from the time of departure from his/her usual residence until he/she returns: it thus refers to a round trip. Trips taken by visitors are tourism trips.
<b>Usual environment</b>	The <i>usual environment</i> of an individual, a key concept in <i>tourism</i> , is defined as the geographical area (though not necessarily a contiguous one) within which an individual conducts his/her regular life routines.
<b>Vacation home</b>	A <i>vacation home</i> (sometimes also designated as a holiday home) is a secondary dwelling that is visited by the members of the household mostly for purposes of recreation, vacation or any other form of leisure.
<b>Visit</b>	A <i>trip</i> is made up of visits to different places. The term <i>tourism visit</i> refers to a stay in a place visited during a <i>tourism trip</i> .
<b>Visitor</b>	A <i>visitor</i> is a traveller taking a <i>trip</i> to a main destination outside his/her <i>usual environment</i> , for less than a year, for any main purpose (business, leisure or other personal purpose) other than to be employed by a resident entity in the country or place visited. A <i>visitor</i> ( <i>domestic, inbound</i> or <i>outbound</i> ) is classified as a <i>tourist</i> (or <i>overnight visitor</i> ), if his/her <i>trip</i> includes an overnight stay, or as a same-day <i>visitor</i> (or excursionist) otherwise.