TOURISM DEMAND
- OVERVIEW AND CZECH CASE -

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CONCEPTS AND DEFINITIONS

Tourism vs. Travel

- Tourism is a subset of travel
- All tourism includes some travel, but not all travel is tourism.

TOURISM IS:

- Temporary, to distinguish it from the permanent travel of the tramp and nomad
- Voluntary, to distinguish it from the forced travel of the exile and refugee
- Round trip, to distinguish it from the one-way journey of the migrant

Definition by UNWTO:

“Tourism’ means the activity of visitors taking a trip to a main destination outside the usual environment, for less than a year, for any main purpose, including business, leisure or other personal purpose, other than to be employed by a resident entity in the place visited.”
FORMS OF TOURISM

3 Basic forms and combinations of tourism

- **Domestic tourism**, which comprises the activities of a resident visitor within the country of reference either as part of a domestic trip or part of an outbound trip
- **Inbound tourism**, activities of a non-resident visitor within the country of reference on an inbound trip
- **Outbound tourism**, which comprises the activities of a resident visitor outside the country of reference, either as part of an outbound trip or as part of a domestic trip

**Internal tourism** = domestic + inbound

**National tourism** = domestic + outbound

**International tourism** = inbound + outbound
USUAL ENVIRONMENT

= Key concept in tourism

„Is defined as the geographical area (though not necessarily a contiguous one) within which an individual conducts his/her regular life routines.“

- A1) Subjective feeling of the respondent vs.
- A2) Using of (suggested) criteria:
  - i. Frequency of the trip (except for visits to vacation homes);
  - ii. Duration of the trip;
  - iii. The crossing of administrative or national borders;
  - iv. Distance from the place of usual residence.

What should be respect?!

density of population, transportation accessibility, cultural behaviours, vicinity to national or administrative borders etc.

What is not Tourism?

- Border/Seasonal workers
- Other short-term workers
- Long-term workers
- Crews on public modes of transport
- Frequent border crossers
- Long-term students
- Long-term patients
- Diplomats, consular staff, military personnel...
- Nomads, Refugees
TOURISM DEMAND

Coverage of tourism expenditure

- Symmetrically with 3 form of tourism it can be defined: 1) domestic expenditure/consumption (TSA T1), 2) Inbound expenditure/consumption and 3) Outbound expenditure/consumption
- „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.“
- Goods or services that satisfy the wants and needs of individuals
- It includes expenditures by visitors themselves, as well as expenses that are paid for or reimbursed by others.

3 phase of expenditure

BEFORE  DURING  AFTER

START  A TRIP  END
TYPES OF EXPENDITURE

Paid directly by visitor

- Transportation
- Accommodation
- Food and beverage
- Valuables (jewellery, etc.)
- Durable consumer goods
- Manufactured items ....

Other expenditures / payments

- (a) Monetary expenditure on consumption goods and services paid for directly by the employer for employees on business travel;
- (b) Monetary expenditure by the visitor refunded by a third party, either employers (businesses, government and non-profit institutions serving households), other households or the social insurance scheme;
- (c) Monetary payments made by visitors for the individual services provided and subsidized by Government and non-profit institutions serving households in the areas of education, health, museums, performing arts, etc.;
- (d) Out-of-pocket payments for services provided to employees and their families on tourism trips financed principally by employers, such as subsidized transport, accommodation, stays in holiday residences of employers etc.;
- (e) Supplementary payments made by visitors to attend sports or any other cultural events on the invitation of, and principally paid for by, producers (business, government, non-profit institutions serving households).
**TSA TABLES T1 – T3**

Basic template of tables concerning tourism expenditure

<table>
<thead>
<tr>
<th>Products</th>
<th>Tourists (overnight visitors)</th>
<th>Excursionists (same-day visitors)</th>
<th>Visitors (1.3) = (1.1) + (1.2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A.</td>
<td></td>
<td></td>
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<tr>
<td>A.1.</td>
<td>Tourism characteristic products</td>
<td></td>
<td></td>
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<tr>
<td>1.</td>
<td>Accommodation services for visitors</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>1.a.</td>
<td>Accommodation services for visitors other than 1.b</td>
<td>X</td>
<td></td>
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<tr>
<td>1.b.</td>
<td>Accommodation services associated with all types of vacation home ownership</td>
<td>X</td>
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<tr>
<td>2.</td>
<td>Food- and beverage-serving services</td>
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<td>3.</td>
<td>Railway passenger transport services</td>
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<td>4.</td>
<td>Road passenger transport services</td>
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<tr>
<td>9.</td>
<td>Cultural services</td>
<td></td>
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<tr>
<td>10.</td>
<td>Sports and recreational services</td>
<td></td>
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<tr>
<td>11.</td>
<td>Country-specific tourism characteristic goods</td>
<td></td>
<td></td>
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<tr>
<td>12.</td>
<td>Country-specific tourism characteristic services</td>
<td></td>
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<tr>
<td>A.2.</td>
<td>Other consumption products (a)</td>
<td></td>
<td></td>
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<tr>
<td>B.1.</td>
<td>Valuables</td>
<td></td>
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<tr>
<td>Total</td>
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</tr>
</tbody>
</table>

X does not apply.

In TSA Table T2

**Domestic tourism**

Expenditures divided also by **types of trips:**

- a) Domestic trips
- b) Outbound trips (domestic part of theirs expenditures)
- Total = a + b
TOURISM CONSUMPTION

Concept, coverage and other components

- Concept of tourism consumption used in the TSA goes beyond that of tourism expenditure
- Besides the amount paid for the acquisition of consumption goods and services for and during tourism trips, which corresponds to monetary transactions (the focus of tourism expenditure), it also includes

3 other components of tourism consumption:

A) Services associated with vacation accommodation on own account

B) Tourism social transfers in kind (except refunds)

C) Other imputed consumption

These transactions need to be estimated using sources different from information collected directly from the visitors, such as reports on home exchanges, estimations of rents associated with vacation homes, calculations of financial intermediation services indirectly measured (FISIM) etc.
TSA TABLE T4

Basic template of table concerning tourism consumption

EXPENDITURE + OTHER COMPONENTS OF TC = ITC

<table>
<thead>
<tr>
<th>Products</th>
<th>Inbound tourism expenditure</th>
<th>Domestic tourism expenditure</th>
<th>Internal tourism expenditure</th>
<th>Other components of tourism consumption (**)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A.</td>
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<td>A.1.</td>
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<td>A.2.</td>
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<td>B.</td>
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<td>B.1.</td>
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<tr>
<td>Total</td>
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</tbody>
</table>
SCHEME FOR TOURISM (FLOWS AND SOURCES)

Main data sources

A) Household surveys
- Domestic tourism
- Outbound tourism

B) Border surveys

C) Partner (mirror) data
- Inbound tourism
- Outbound tourism

D) Accommodation statistics
- Inbound tourism
- Domestic tourism

E) Visitor surveys etc.

* Other countries’ outbound or inbound tourism data
## TOURISM DEMAND – CZECH CASE

### INBOUND TOURISM
- **Inbound tourism survey**
  - MRD + Czech Tourism + CZSO
  - **Covered period:** 2005 – 2016
  - Foreign visitors aged 15+
  - Face-to-face interviews
  - **63 border crossings:**
    1) Random step
    2) Interval 3 minutes - each fifth person
  - **Sample size:** 2,5 - 6 500 individuals / quarter
  - **Survey period:** Continuously
  - **Publication period:** Quarterly
- -> since 2017 new version + mobile positioning

### DOMESTIC and OUTBOUND TOURISM
- **Household survey**
  - Czech Statistical Office
  - **Covered period:** Since 2003
  - All residents (since 2010 incl. children)
  - Face-to-face (tel.) interviews
  - **Two stage random sampling:**
    1) Census district
    2) Dwellings within census districts
  - **Sample size:** 2 250 dwellings / month
  - **Survey period:** Monthly
  - **Publication period:** Quarterly
- -> both types of tourism in one questionnaire

### INTERNAL TOURISM
- **Inbound + Outbound tourism data**
  - Compilation character = TSA Table T1 + T2
  - Methodology, definitions in accordance with IRTS and Eurostat
  - **All financial resources from tourism allocated on the economic territory of the Czech Republic**
  - 1) tourism consumption of non-residents allocated into the CZ
  - 2) expenditures of Czech residents on domestic tourism
  - 3) domestic part of exp. of Czech residents on outbound trips
  - Tourism social transfers in kind are included but only business trips
  - Consumption of individual non-market services is not included

### Statistical procedure of estimation (basic description)
- Extrapolation of the number of foreign visitors by category (SDV, tourists, transit)
- Estimation of their Ø expenses per 1 day
- Transfer of (part of) expenses paid before trip
- Breakdown by products (incl.package tour)

### Other sources
- Accommodation st., BoP data
- Mirror statistics, BoP data
TOURISM IN THE CZECH REPUBLIC

INBOUND TOURISM
- 148 MLD. CZK
  - 74 % Tourists
  - 26 % SDV
  - +2,9 % Y-to-Y

DOMESTIC TOURISM
- 102 MLD. CZK
  - 24 % Tourists
  - 76 % SDV
  - +8,9 % Y-to-Y

INBOUND TOURISM
- 250 MLD. CZK
  - 59 % Inbound
  - 41 % Domestic
  - +5,3 % Y-to-Y

OUTBOUND TOURISM
- 64 MLD. CZK
  - 95 % Tourists
  - 5 % SDV
  - +2,4 % Y-to-Y

BALANCE OF TOURISM
- 84 MLD. CZK
  - 57 % Tourists
  - 43 % SDV
  - +3,3 % Y-to-Y

STRUCTURE OF CONSUMPTION BY PRODUCTS 2015

- Internal
  - 30%
- Inbound
  - 32%
- Domestic
  - 32%
- TA/TO
  - 19%
- Accommodation
  - 19%
- Boarding
  - 19%
- Transport
  - 19%
- Goods
  - 16%
- Others
  - 13%

TOURISM BALANCE 2003-2015

CZECH STATISTICAL OFFICE | Na padesátém 81, 100 82 Prague 10 | czso.cz 12/X
Thank you for your attention

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