

Travel Compilation

AMF – WTO – UN ESCWA – UNSD

**Follow –up Regional Workshop on the Compilation of
Trade in Services Statistics**

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What are travel services?

- Travel cover goods and services for own use or to give away, acquired from an economy by nonresidents during visits to that economy during visits of *less than one year* in the economy
 - acquired by international business or holiday travellers
 - acquired by people travelling for education or medical reasons
 - acquired by seasonal, border, or other short-term workers
 - regardless of whether they are paid for by the traveller, paid on the traveller's behalf (eg. by an employer), or provided free of charge
- The standard component breakdown of travel is between
 - business
 - border, seasonal, and other short-term workers
 - personal travel
 - health-related and education-related
- A demand oriented activity; travelers moves to the location of the provider (residents of the economy visited) for the goods and services desired

Travel

- One year rule does not apply to students and medical patients; their expenditures are included in travel
- Travel excludes
 - goods for resale, which are included in general merchandise
 - acquisition of valuable, consumer durable goods, and other consumer purchases for own use that are included in general merchandise (i.e., in excess of customs threshold)
 - (Travel includes the personal acquisition of goods and services while on business travel) but excludes the sales of purchases business travelers may conclude on behalf of the enterprise they represent

Excluded from definition of travelers are :

- Personnel stationed on a military base
- Diplomats and embassy personnel
- Individual temporarily engaged in a productive activity directly for an entity resident in the compiling economy, BUT their expenditures on goods and services in the host economy is included in travel (BPM6).

Business Travel

- Carrier crews stopping over (but in-flight, or shipboard expenses incurred by resident crew on resident carrier *not* included)
- Government employees on official travel
- Employees of international organizations on official business
- Self-employed nonresidents traveling for business purposes
- Seasonal/border/short-term workers
- Travel includes the *personal acquisition* of goods and services while on business travel (including goods and services for which they are reimbursed by employers), but *not* the sales of purchases business travelers may conclude on behalf of the enterprise they represent.

Other issues related to travel (5)

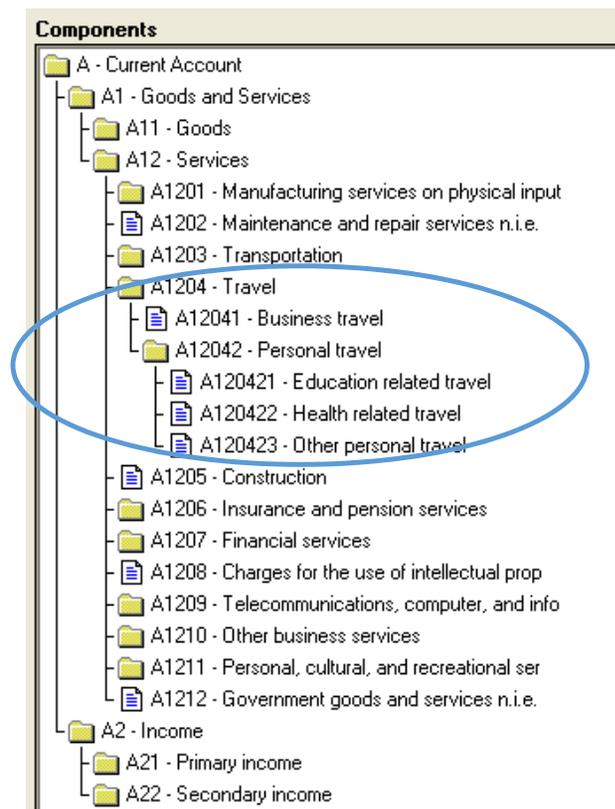
- A separate supplementary breakdown of travel may be provided according to *product group*:
 - (a) Goods
 - (b) Local transport services
 - (c) Accommodation services
 - (d) Food serving services; and
 - (e) Other services

This breakdown would allow for close links with tourism satellite accounts as well as supply and use tables.

Travel versus tourism

	BoP Travel	Tourism in Tourism Satellite Account (TSA)
Expenditure by overseas visitors	Included	Included
International students	Spend included regardless of length of study	Spend included for students studying less than 12 months
International airfares	Excluded – counted in transportation services	Included
Domestic airfares purchased by visitors to your country	Included	Included
Expenditure by seasonal or other short-term workers	Included	Excluded

Where do travel services fit in?



Data sources for collecting travel services

- Border surveys (face to face, online)
- ITRS
- Enterprise surveys
- Household surveys (more for travel debits)
- Models based on estimated expenditure
- Partner country data
- Big data
 - Smartphone roaming data, credit/debit card data, internet robots (search programs)

Border surveys

- Advantages:
 - Direct responses from actual travellers
 - Control over your sample
 - Can choose the variables you want to collect
- Disadvantages:
 - Interviewer bias
 - Cost
 - May need separate surveys to measure education or health travel



ITRS

- Advantages:
 - Data may already available – no extra cost
 - Should cover most transactions (prepaid, foreign currency exchange, credit/debit cards)
- Disadvantages:
 - Difficult to break down expenditure by purpose of travel
 - Won't capture expenditure from income earned in the host economy, or from domestic currency purchased abroad

Enterprise surveys

- Advantages:
 - Can cover a greater sample of travellers
 - For example, by surveying a travel agent you receive more data than if you were to try to survey individuals
 - Surveys of banks can provide you with aggregated credit and debit card data
- Disadvantages
 - Cost
 - Respondent burden
 - Will tend to exclude international students' spending

Household surveys

- Advantages:
 - Can refer to their personal financial information (eg. credit card statements) – more accurate information?
- Disadvantages
 - Not a suitable measure for travel credits
 - Travel covers individuals, not households
 - Can be difficult to rate up to represent the entire population
 - Sample bias
 - People who travel a lot may not be around to complete the survey, so are replaced by people that do not travel

Data models

- Advantages:
 - Uses data that has already been collected – cheap
 - Can produce timely data – migration information usually has a quick turnaround
- Disadvantages
 - Relies on average spend estimates so may not be very accurate
 - Can lose relevance if new markets start emerging or spending patterns change

Partner country data

- Advantages:
 - Cheap – you're not collecting your own data
- Disadvantages
 - Relies on partner countries collecting accurate information
 - This information may only be available for main tourist sources/destinations
 - Data sharing may not be an option

A closer look at border surveys

- To come up with an accurate estimate for travel credits you need two things:
 - The ability to count the number of visitors entering the country in a given period
 - Accurate expenditure data for each visitor
- A border survey can address the second point, but you will also need a way to count the number of visitors – arrival and departure cards will be one source of information for this

Designing a border survey

- Before going out and collecting information you need to decide what variables are of interest.
- Spend is obviously important, but what else will the survey collect?
 - Demographic information (age, sex, country of origin etc.)
 - Purpose of visit
 - Activities and places visited?
 - Visitor satisfaction?
 - Expenditure by region? By product?
 - Modes of transportation used?
- But only limited time to interview

Selecting your sample

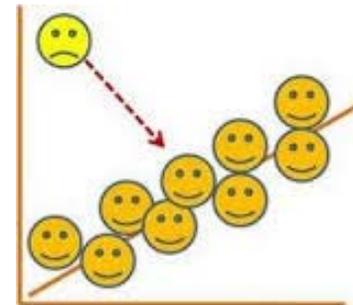
- The sample should be representative of the entire population – different border posts.
- Seasonality.
- Different sampling methods will lead to different results
 - Systematic sample versus a random sample
- Cluster sampling could be used
 - For example, surveying every passenger on a given flight (you would need the airline's cooperation)
- A 2-stage sampling method may be more appropriate in some situations
 - For example, a stratified sample first, then selecting the n^{th} person in that strata to survey

How to conduct the actual survey?

- Different ways to do this
 - Hand out paper questionnaires for travellers to fill in
 - Instructions would have to be very clear, and available in multiple languages
 - Interviewer completed questionnaire
 - Either paper or on a tablet/laptop
 - A laptop could have built in editing rules for survey responses and the interviewer can clarify responses with the traveller
 - Survey emailed out to travellers after collecting contact details at the border (eg New Zealand)
 - Travellers can then access financial records to help them complete the survey
 - Need to be careful with timing though – not too long after completing the travel

Data cleaning

- You may not be able to use every single response gathered from your border survey
 - Some answers will be:
 - Illegible
 - Inconsistent
 - Incorrect
 - Outliers
- Automatic system checks can help identify responses that need further attention



When a border survey may not be the best solution

- Expenditure by people travelling for education and health reasons may need to be measured separately
 - Their expenditure patterns are likely to be very different to that of other travellers
 - Responses by these visitors can skew overall results
 - They may have more difficulty recalling their expenditure
 - Students, in particular, may stay for long periods of time and it would be impossible for them to remember what they spent with any degree of accuracy
- Estimate separately eg numbers of students studying abroad (or in compiling economy), fee rates + other expenditure.

Jordan Travel Survey (Arrivals and Departures Survey)

- Collaborative project between CBJ, DOS, Ministry of Tourism , Antiques and Ministry of Interior and Jordan Tourism Board.
- Designed survey instrument to meet needs of travel and tourism.
- Trained enumerators: role play, enumerators guide.
- Pilot survey to test survey questions, best place to interview etc.
- Results
- Funding (consultant and enumerator costs).
- Transfer skills.

Jordan Travel Survey

Questions / Comments /
Conclusions