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TOURISM BUSINESSES

AS KEY DRIVERS OF ECONOMIC DEVELOPMENT

A Symposium on Measuring
the Performance and Economic
Contribution of Tourism

BACKGROUND DOCUMENT

20 years

CHAIR

**Transat Chair
in Tourism**

ESG UQÀM

BACKGROUND DOCUMENT

A SYMPOSIUM ON MEASURING THE PERFORMANCE AND ECONOMIC CONTRIBUTION OF TOURISM

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FOREWORD

At the Transat Chair in Tourism, we are constantly asked about the economic aspects of tourism in order to assess the relevance of a new investment, evaluate the economic benefits of a specific event or recommend reliable and credible indicators of measurement.

Designed as a tool to help readers reflect on the economic measurements of tourism, this document was produced for the international symposium on the same topic being organized to mark the 20th anniversary of the Transat Chair in Tourism at the Université du Québec à Montréal School of Management.

As we did for similar conferences organized by the Chair, we have created a discussion paper for researchers, businesspeople, managers, students and professors. Conceived as a participant booklet, it offers an up-to-date look at the topic with multiple examples and a focus on excellence. In this regard, we would like to give special thanks to writer France Lessard, who fulfilled the task with rigour and professionalism.

We would also like to thank all the men and women who, over the past 20 years, have helped the Chair become the leading provider of tourism research in Quebec, earning it a reputation that extends far beyond the borders of Canada. Therefore, to our financial partners, colleagues, research professionals and, above all, past and current members of the Chair team, we express our sincere appreciation for all your hard work and support.

The Chair's core mission is, and will continue to be, to constantly monitor strategic information and disseminate it in an intelligent, easy-to-understand format for all tourism stakeholders, both here and elsewhere.

We hope you enjoy both this document and the symposium.



Michel ARCHAMBAULT
Associate Professor and Chairman of the
Board of Governors of the Chair



Paul ARSENEAULT
Professor and Holder of the Chair

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MEASURING TOURISM

The source of 5% of global gross domestic product (GDP), one job out of twelve and, for the first time in 2011, more than US\$1 trillion in spending,¹ tourism has had a successful economic history.

However, have we truly benefited from this growth? What is tourism's contribution to our national economy? Is my destination competitive? How can I demonstrate the economic value of my business project? Such questions, though simple at first sight, nonetheless pose unique methodological challenges.

The complexity of tourism lies in the fact that, unlike other, narrower branches of economic activity, "The goal of tourism is the production and consumption of heterogeneous goods and services that compete to **satisfy tourist and non-tourist needs** (e.g., food, clothing, transportation, accommodation, recreation)."²

Together, these two particularities of tourism, the heterogeneity of the commodities produced and consumed and the need to specify the consumer, compound the difficulties involved in accurately measuring its economic size.

In 2012, what do we know about the economics of tourism? What techniques exist to measure the impacts of tourism here and elsewhere in the world? Are there any reliable indicators to help destinations improve their performance? Do tourism businesses have access to the data needed to create a convincing business plan? These are just some of the questions that will be discussed in this document.

Some of the topics to be examined are terms used in the economics of tourism, the primary data and collection methods, models for determining the economic weight of an event, the primary indicators and measuring tools.

Concrete examples drawn from Canada and elsewhere in the world will be inserted in boxes alongside the primary text.

Finally, this paper includes a list of the main organizations involved in collecting, processing and disseminating tourism data, as well as an inventory of the major indicators used in tourism.

Though it does not cover every economic aspect of tourism, this paper nonetheless invites all organizations active in tourism to acquire the tools needed to improve their performance in a complex and competitive environment.

1. WORLD TOURISM ORGANIZATION, *UNWTO World Tourism Barometer*, Madrid, World Tourism Organization, May 2012, 44 pages.

2. PY, Pierre, *Le tourisme un phénomène économique*, Paris, La documentation française, collection Études de la documentation française, 2007, 181 pages

1. THE ECONOMICS OF TOURISM

In this era of “big data,”¹ businesses must have access to increasingly specialized information to understand the environments in which they operate, and the field of tourism is no exception.

Whether one needs to draft a tourism policy, manage daily business operations, promote a destination or comprehend how tourism affects one’s business, pertinent data are useful for effectively anticipating, planning, taking action and measuring performance. However, the references used vary depending on the size of the territory covered.

1.1. THE MACROECONOMICS OF TOURISM

At the level of vast territories (continents and countries), the most commonly used tools in tourism are macroeconomic; in other words, they are designed to provide an overview of the economic situation by analyzing the main items in national accounts.

The publications issued by the various authorities overseeing tourism on a global or national scale² most often make use of the following indicators:

- **tourism flows: the number of international visitor³ arrivals, which can be used to compare the popularity of destinations**
- **tourism receipts: spending by international visitors and the primary indicator of a country's economic performance in the field of tourism**
- **commercial activity: expressed in the currency of the country, this refers to imports and exports of tourism commodities and is used to help calculate tourism demand**
- **employment: jobs attributable to tourism expressed as the number of workers**
- **air traffic: sometimes expressed as the number of available seats to a destination, but more often as the number of passengers who embark or disembark at a destination on transborder and international flights, which thus excludes domestic flights**
- **hotel performance: expressed as the number of person-nights, this assesses the importance of commercial accommodation, which is a major component of tourism receipts**

1. This term, also known as "infobesity," refers to quantities of data so large that they are difficult to manage. In tourism, information is used and shared at all stages of travel via various tools. Website visits, clearing customs, mobile telephone use, taking and sharing photos, discussions on social

networks—all of these actions significantly increase the amount of data to be processed and the number of ways they can be interpreted to discern opinions, trends and development and marketing strategies.

2. A list of the primary organizations is provided in Appendix 3.

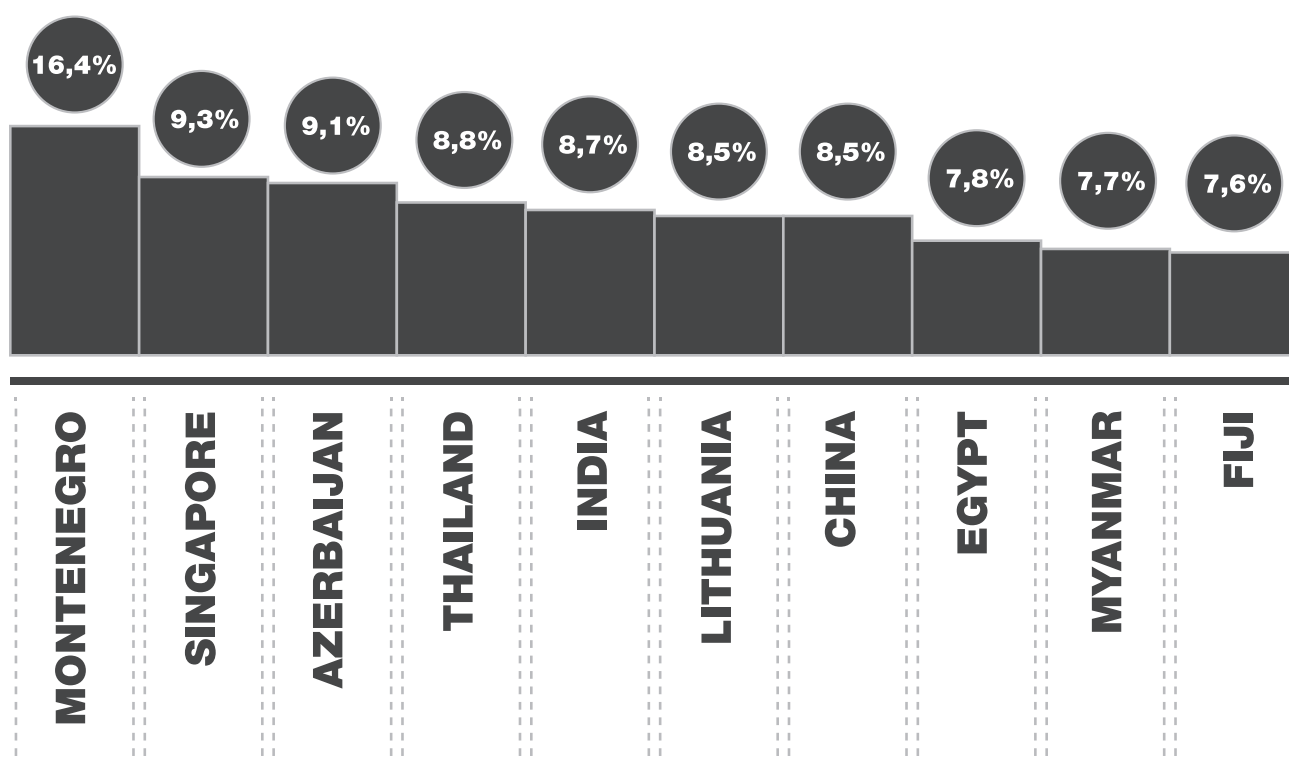
3. Visitor: term that includes both tourists and same-day visitors. See section 2.1 for more detailed definitions.

The World Tourism Organization (WTO) uses **tourism flows** as a measuring tool to compare and classify destinations according to popularity and ability to attract visitors.

In an open economy, “any direct injection of foreign currency into the destination country leads to an increase in revenues in tourism service sectors and, indirectly, in the rest of the economy.”⁴ Therefore, it is understandable that **tourism receipts** are considered key to evaluating a country’s economic success.

Although used less often, tourism **investments** can help forecast tourism’s future vitality and the industry’s ability to attract capital. When investments in the tourism sector are presented as a percentage of total capital investment, emerging countries have spectacular investment growth curves. This table from Travel and Tourism 2011, published by the World Travel & Tourism Council, is a good illustration of this.

TOP TEN COUNTRY RANKING, 2011-2021
(% ANNUAL GROWTH IN TRAVEL & TOURISM’S
CONTRIBUTION TO TOTAL CAPITAL INVESTMENT)



Source: WTTC/OXFORD ECONOMICS

4. BATES, Samuel, S. DOKOUI and O. POGNON, “Évaluation de l’avantage macroéconomique net du tourisme : Analyse coûts-bénéfices des recettes touristiques internationales,” *Revue d’Économie régionale & urbaine*, No. 1, 2007, pp. 79-96.

1.2. THE ROLE OF TOURISM IN A NATIONAL ECONOMY

Industry stakeholders often complain about that governments underestimate the economic importance of tourism. However, as we will see, the impact of tourism is more difficult to pinpoint than that of other sectors.

To determine how their economies change over time, a number of countries have developed extensive accounting systems that create statistical statements called **national economic accounts**, which respect certain international standards.

However, tourism does not easily fit into the traditional framework of economic accounts. Its accounting is complicated by the fact that it involves several different industries (e.g., transportation, food and beverage services, accommodation, entertainment) and only represents part of the production of these industries

To get around this problem and illustrate tourism's contribution to the overall national economy,⁵ the **tourism satellite account (TSA)** was developed;⁶ this tool provides data that are used to create **national tourism indicators (NTI)**⁷ such as the **tourism trade balance**, tourism supply, gross output of tourism commodities and tourism **GDP** and employment.

The trade balance or **balance of payments**⁸ is a major tourism indicator for a country because it measures the difference between what residents of the country spend abroad and what visitors spend in the country. Below are two balance of payments examples, one for Canada and one for France.⁹

5. In 2010, the Conseil national du tourisme de France decided to conduct a study on the economic weight of tourism to counter the fact that professional and political decision makers fail to recognize the importance of this sector of activity. DGCIS, *Le poids économique et social du tourisme*, [online],

[<http://www.tourisme.gouv.fr/cnt/publications/poids-economique-social-du-tourisme.pdf>], (June 2012).

6. The tourism satellite account is explained in greater detail in section 3.4 .

7. In Canada, national tourism indicators (NTI) are produced jointly by the Canadian Tourism Commission (CTC) and

Statistics Canada. They are used to determine the weight of tourism in the economy and monitor its improvement or deterioration throughout the country. CTC and STATISTICS CANADA, National Tourism Indicators, Ottawa, Income and Expenditure Accounts Division, Catalogue No. 13-009-X, 2011, [online], [<http://www.statcan.gc.ca/pub/13-009-x/13-009-x2011004-eng.pdf>], (June 2012).

8. Please note that the method for calculating the balance of payments may vary from one country to another.

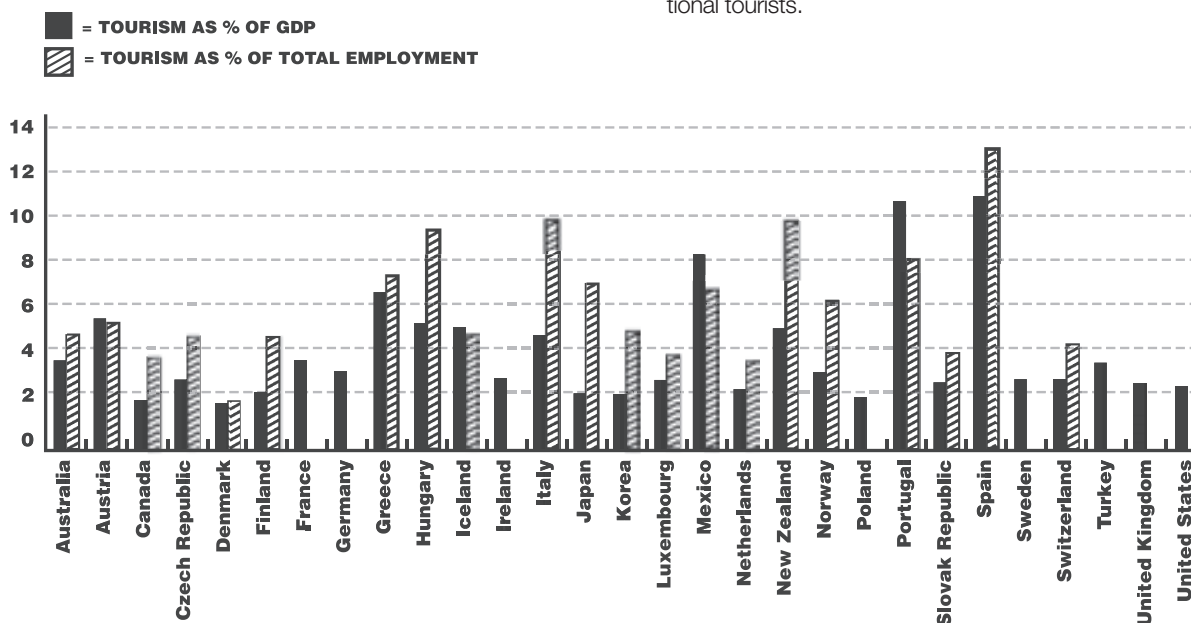
9. Please note that the method for calculating the balance of payments may vary from one country to another.

BALANCE OF PAYMENTS — “TRAVEL” ACCOUNT		2008	2009
CANADA SOURCE : CTC	Total receipts from all visitors to Canada (in billions of dollars)	16,1	15,6
	Total spending by Canadian travellers outside Canada (in billions of dollars)	28,7	27,8
	Balance (deficit – in billions of dollars)	-12,6	-12,2
FRANCE SOURCE : BANQUE DE FRANCE	Total receipts from all visitors to France (in billions of euros)	38,5	35,4
	Total spending by French travellers outside France (in billions of euros)	28,1	27,6
	Balance (surplus – in billions of euros)	10,4	7,8

Tourism's share of gross domestic product (GDP)

is another major national tourism indicator because it measures the productivity of the tourism economy by establishing the total monetary value of all the goods and services produced¹⁰ by this economy within the country's borders during a year. This indicator is expressed as a figure in the country's currency, but also as a percentage of national GDP, which demonstrates the relative weight of tourism in the country's GDP. The following chart illustrates the relative share of tourism in the GDP of OECD member countries.

Another example of using GDP to illustrate the importance of tourism to a country's economy is found on the **NationMaster.com** site, which categorizes some 160 countries according to the following statistic:¹¹ **International tourism, receipts/current US\$ (per \$ GDP) (most recent) by country**. This index demonstrates the impact of international tourism by measuring the share of goods and services consumed by tourists. Palau, a small country in Oceania, is ranked first, with an index of US\$726/US\$1,000. This means nearly ¾ of the goods and services produced in the country were consumed by international tourists.



Taken from : OECD TOURISME TRENDS AND POLICIES 2010 - OECD © 2009

10. Generated by transportation, accommodation, food and beverage services, and other tourism commodities.

11. **NATIONMASTER.COM**, *Economy Statistics, International tourism*, [online], [http://www.nationmaster.com/graph/eco_int_tou_rec_cur_us_per_gdp-receipts-current-us-per-gdp], (June 2012).

1.3. THE ECONOMICS OF TOURISM AT THE LOCAL AND REGIONAL LEVELS

The closer we get to the local level, the less tourism stakeholders are interested in measurements like air traffic, trade balance and GDP. In fact, at the level of actual tourism consumption, the indicators sought relate to clientele, developing supply, and the concrete, visible impacts of tourism. However, there are limited tools to measure such things.

Canadian travel surveys

In Canada, some previously mentioned indicators like the **number of tourists, tourism spending and employment** are available at the provincial and tourist region levels, although in the latter case the degree of reliability is somewhat questionable. The disaggregated data used come from surveys conducted throughout Canada by **Statistics Canada** to determine the balance of payments. These surveys are the **International Travel Survey (ITS)**¹² and the **Travel Survey of Residents of Canada (TSRC)**.

Commercial accommodation data

In Quebec, hotel performance data are the most accessible and reliable tourism indicators at the level of the 21 tourist regions. Compiled from a sampling of 1,369 establishments out of the 2,300 total hotel establishments and tourist residences

with permits in 2010, the data come from the **Enquête sur la fréquentation des établissements d'hébergement du Québec** conducted by the **Institut de la Statistique du Québec (ISQ)** on behalf of the **Ministère du Tourisme du Québec (MTO)**, which then publishes the results.¹³

In Canada's major urban centres, several **private firms active in the tourism and hotel sector** provide various services for a fee. One such example is the collection and processing of reservation data to create a dynamic calendar (backlog) segmented by clientele to anticipate occupancy levels. Some products, however, are provided free of charge. For example, the Canadian Monthly Lodging Outlook is published weekly by HVS Canada in partnership with Smith Travel Research (STR).

12. These surveys are presented in greater detail in section 3.1.

13. TOURISME QUEBEC, *Le bulletin touristique, Fréquentation quotidienne des établissements d'hébergement du Québec*, [online], [http://www.tourisme.gouv.qc.ca/publications/bulletins_info/bulletin/heb_frequentation.php], (25 August 2012).

A COMPOSITE REGIONAL TOURISM INDEX: THE CASE OF THE QUEBEC CITY REGION

In 2000, with funding from Canada Economic Development (CED), the Ministère du Tourisme du Québec (MTO) and in partnership with the Association hôtelière de la région de Québec, Québec City Tourism (known by its French abbreviation OTQ) launched ECHOSTAT, a tourism performance monitoring system.

In addition to commissioning a full census of the MTO's accommodation data, which can then be used to break down performance by geographic area, thus creating different zones, each with its own indicators, the project includes agreements with attractions (indoor and outdoor) throughout the region, as well as with restaurants and retail businesses located in popular tourist areas.

Collected monthly, these data are used to create sector-based indices and a composite regional tourism index (the weighting is 44.6% for lodging, 34.6% for restaurant industry, 10.0% for boutiques/retail stores and 10.8% for sites and attractions). In return for their participation, organizations and businesses receive their results along with the aggregated results of comparable businesses in their geographic area and category (similar size), which helps them assess their competitiveness.

In addition, every three years since 1995, the OTQ has conducted a survey of over 1,000 tourists to create behavioural profiles, including those associated with consumption patterns at the destination.

Source : QUÉBEC CITY TOURISM, ECHOtourism STATistics, Quebecregion.com

Other data are collected at the regional level by **regional tourism associations** and **sectoral tourism associations** (known by their French abbreviations, **ATR** and **ATS**).¹⁴ The purpose of these data is to develop a better understanding of the needs of members, improve the search engine optimization of member Websites and determine the profile of the clientele visiting the destination. However, the latter data are often gathered using homemade, non-standardized surveys in tourist reception locations, which means their reliability varies widely and they are impossible to use for regional comparisons.¹⁵

To help market their destinations, ATRs also commission specialized firms to conduct more extensive surveys to gather profile and behaviour information on potential tourist clientele in specific markets or segments. However, studies on adapting supply to demand are practically nonexistent.

In addition to ATRs, **various economic development organizations** like municipal departments, regional county municipalities (RCM), local development centres (known by their French abbreviation, CLD) and the regional offices of certain government departments and organizations with an economic

or sector-based orientation¹⁶ compile and publish data that can be used to develop specific indicators pertinent to regional tourism. Some examples of this are the monitoring of **investments in commercial accommodation, recreational infrastructure and certain transportation services** that improve a destination's attractiveness and accessibility and the compiling of data related to **developing specific products** like bike paths, tourist routes and special events. However, such efforts are not common.

14. Regional tourism associations (ATR) are usually private, independent, non-profit organizations created by their members. As regional representatives officially recognized by the Quebec government, ATRs are responsible for coordinating regional hospitality as well as promotional and tourism development efforts. Quebec is

divided into 21 tourist regions, each one represented by an ATR, which together represent nearly 10,000 organizations and businesses.

15. To provide information for the Groupe de travail sur les connaissances stratégiques en tourisme, the Ministère du Tourisme du Québec (MTO) gave the Tourism Intelligence Network (TIN) a

research mandate to become more familiar with the primary sources of information used by ATRs and ATSs, their research activities and their strategic information needs. TOURISM INTELLIGENCE NETWORK, *La recherche et la connaissance en tourisme, sources d'information régionales et sectorielles*, Montreal, Transat Chair in Tourism, ESG UQAM, 2011, 10 pages.

16. For example, the Institut de la Statistique du Québec (ISQ) produces sector-based statistics pertinent to culture (Observatoire de la culture et des communications du Québec) on museums and heritage sites.

1.4. THE MICROECONOMICS OF TOURISM AND BUSINESSES

"The growth and survival of tourism businesses depend on their knowledge of markets, their current and potential clients and current (and future) national and international competitors."¹⁷

The **microeconomics** of tourism also examines market behaviours, exchanges between households and businesses, and the factors that influence decisions; it focusses on supply and demand, costs and prices, and the profitability of tourism projects.

Concepts of tourism supply and demand

Tourism demand is defined by visitor spending and broken down into two categories: **domestic demand**, which is spending by residents of the country, and **outside or international demand**, which is part of exports, when it is spending by non-resident visitors. Tourism expenditures by businesses, governments and individuals are included in these two types of demand.¹⁸

One of the key **economic factors**¹⁹ of demand has to do with **income**. Since tourism demand is also **price-sensitive**, it therefore varies according to fluctuating exchange rates.

Demand is characterized by the fact that it is **concentrated during a specific time (seasonality) and within a certain space, and it is intangible, complex and multifaceted**.

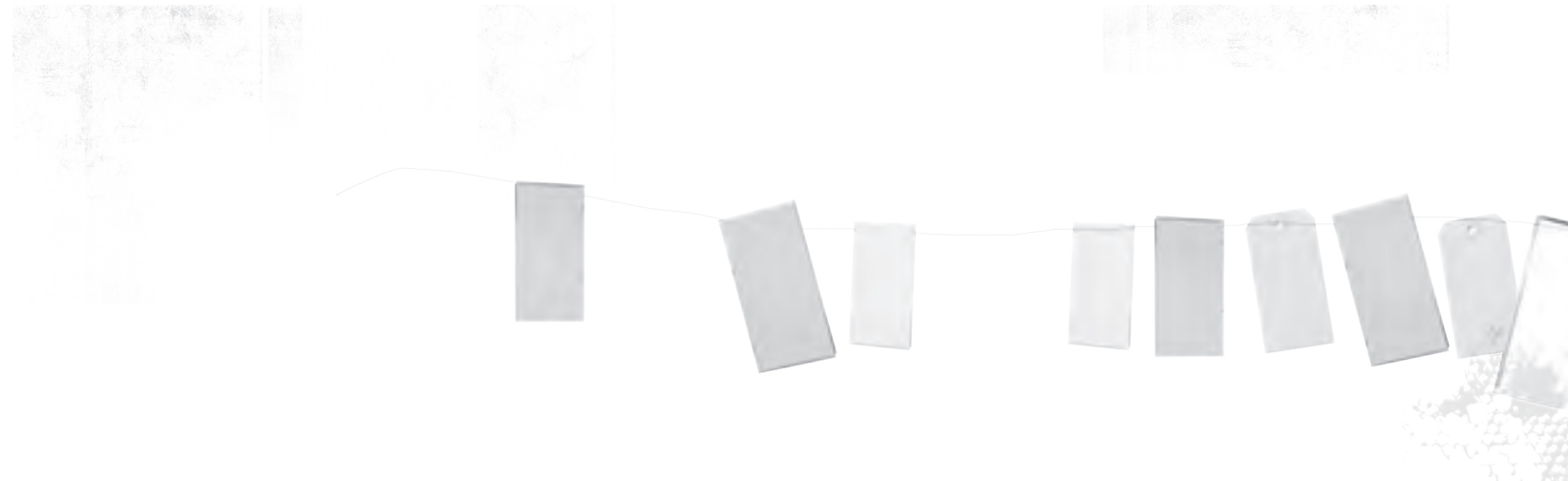
17. STAFFORD, Jean, *Microéconomie du tourisme*, Québec, Presses de l'Université du Québec, 1999, 132 pages.

18. As we are essentially discussing inbound tourism, we will not examine spending by residents outside the country, which are considered tourism imports at the international level.

19. A key economic factor is one that plays a decisive role.

20. We will take a look at the more technical aspects of surveys in

21. Market segmentation means dividing a given population into distinct, homogeneous groups (segments) according to a significant criterion, in other words, one that is relevant, measurable and accessible.



For a tourism business, the challenge is to be **very familiar with and even anticipate demand**. What are the needs and expectations of my current and potential clients?

The primary means for answering this question is **to survey**²⁰ a large number of visitors and then break them down into **different market segments**²¹ according to multiple evolving criteria that can be grouped as follows:

SOCIO-ECONOMIC TRAITS	PURPOSE OF TRAVEL	TYPE OF VACATION	LIFE STYLE
Age, education level, income	Visiting friends and family	Relaxation, health and fitness	These categories are created from contrasting types:
Socio-professional status	Leisure and recreation	Change of pace, self-discovery	Ascetic — sensual
Community (urban/rural)	Business and convention	Active, sports-oriented	Conservative — rebellious
Other	Personal reasons	Adventure, challenges, new horizons	Sensitive — insensitive to certain values
	Other	Learning, culture	Other
		Other	

Surveys conducted over many years (time series) can be used to determine **trends**, eventually make projections about the changing tourism demand, and **compare different segments**.

Tourism supply is defined as the total production of tourism goods and services purchased by visitors and residents; it therefore surpasses tourism demand because it includes the total production of tourist goods and services, regardless of whether they were purchased by visitors or not.

Tourism supply is therefore broadly defined, hard to pinpoint, and above all, **inflexible**, that is, not easily modified in the short term. It is, in fact, a topical issue as client behaviours are changing and outbound markets are undergoing profound

transformations.²² For example, how can a product that currently interests an elderly or American clientele evolve to appeal to a young and Brazilian clientele in the future?

Supply is also very **sensitive to factors that cannot be controlled**, such as changes related to technology, weather and economic conditions.

22. GONZALEZ, Chloé., *L'adéquation de l'offre touristique française à la demande étrangère : Un enjeu des politiques en faveur de l'activité liée au tourisme.*, Paris, DGCIS, Dossiers, may 2012, 36 pages.

23. Every month, the New Brunswick Department of Culture, Tourism and Healthy Living gathers provincial tourism indicator data. The annual report summarizes all these tourism indicators. New Brunswick Tourism Indicators Summary Report 2011, Fredericton, Province of New Brunswick, April 2012, 30 pages.

CONSUMER CONFIDENCE, GAS PRICES, EXCHANGE RATES AND WEATHER?

*In its 2011 report, the department responsible for tourism in New Brunswick discussed the stagnant performance of the province's visitor economy. With consumer confidence levels low in Canada and the United States, shaky economic indicators in target European markets, an unfavourable travel price index, elevated Canadian dollar, fuel prices 29% higher, and falling accommodation prices in competing destinations, the outlook was not good. However, there was yet another influential factor: the weather! "From May to the end of September 2011, New Brunswick had rain on 60% of weekends (...). Rain events related to the Atlantic hurricane season continued in August and September (...). This weather (...) in 2011 curtailed (...) shorthaul trips (...). The poor weather also contributed to the 6% decrease in provincial park campsite nights sold (...). Outdoor attraction visits also declined by 6% (...), while indoor attraction attendance remained stable."*²³ Weather may increasingly be a predictor of tourism performance.²⁴

Concepts of products, markets and experience

While tourism demand is measured in markets and clienteles, tourism supply is measured in **products** made of goods and services. In Canada, **tourism commodities** are defined by the **North American Industry Classification System (NAICS)**,²⁵ though there are many categories, they can be summarized as follows: transportation, accommodation, food and beverage services, recreation and entertainment, and travel services.

When the destination is a province or region, the products offered are described in more general terms; for example, Quebec's top five products²⁶ are winter tourism, nature and adventure tourism, cultural and event tourism, business and convention tourism and tourism north of the 49th parallel.

At the local level (municipality, community), the products offered are more specific and generally involve a business (e.g., inn, campground, café, shop, museum, festival) or public department (e.g., urban park, walking trails).

The concept of **experience** is more recent and more nebulous: "Authors Pine and Gilmore have written a book on the subject entitled The Experience Economy. According to these authors, creating an "experience" means making one's service or product more theatrical, so that employees become actors, customers are guests and the site becomes a stage²⁷."

Experience has more to do with the approach used to deliver a product and make it dynamic and memorable, in other words, the "wow" factor.

As for **the market**, it is defined as a real or virtual location for buyers and sellers to make transactions and for sellers to conduct business amongst themselves (competition, partnerships).

In tourism, **markets are categorized** in various ways. For example, a market can be identified according to its clients' geographic origins (e.g., the German market), the type of product involved (e.g., the ski market), the quality of the product supplied (e.g., the market of 4-star and higher hotels) or the target clientele (e.g., the school market).

This practice often leads tourism businesses and the associations that represent them to limit — or generalize — their **market analysis** solely to the geographic aspect, even though the variety of behaviours clearly demands that such analysis be more specific.

24. A predictor is an economic indicator whose evolution slightly anticipates that of the actual economy. 25. STATISTICS CANADA, *Canadian Satellite Account* (2004) - Appendix C, [online], [http://www.statcan.gc.ca/pub/13-604-m/13-604-m2009063-eng.htm], (June 2012).

25. STATISTICS CANADA, *Canadian Satellite Account* (2004) - Appendix C, [online], [http://www.statcan.gc.ca/pub/13-604-m/13-604-m2009063-eng.htm], (June 2012).

26. GOUVERNEMENT DU QUÉBEC, Plan de développement de l'industrie touristique 2012-2020 : Un itinéraire vers l'accroissement, Québec, 2012, 110 pages, [online], [http://www.tourism.gouv.qc.ca/publications/publication/plan-developpement-industrie-touristique-2012-2020-itineraire-vers-croissance-245.html?categorie=43], (June 2012).

27. LALIBERTÉ, Michèle, *Defining a tourist experience*, Tourism Intelligence Network, Transat Chair in Tourism, ESG UQAM, [online], [http://tourismintelligence.ca/2005/03/23/defining-a-tourist-experience/], (June 2012).

Tourism businesses and the challenge of profitability

As an economic phenomenon, tourism is essentially based on **tourism businesses** who supply intangible or perishable goods and services that require direct contact with clients and must be consumed on-site. The problem with such goods and services is that they are **impossible to stockpile**. An unsold hotel room or plane seat is a loss, because once the date has passed, it can never be sold.

These few explanations concerning the characteristics of tourism supply and demand hint at the problems that businesses encounter when trying to establish a **clearing price** and thus achieve profitability. In response, the travel sector has developed techniques to set **sales prices that vary almost in real time along with demand**.

Though the **classification of tourism businesses** varies from one country to another, it is generally based on the primary sectors of activity mentioned earlier, that is, transportation, accommodation, food and beverage services, recreation and entertainment and travel services.

For example, according to the classification used by France's **National Institute of Statistics and Economic Studies (INSEE)**,²⁸ that country was home to nearly 250,000 tourism businesses in 2009. In Quebec, the most recent sector-based diagnostic produced by the Conseil québécois des ressources humaines en tourisme (CQRHT) in 2010 counted approximately 24,800 tourism businesses.²⁹

28. INSEE, *Entreprises du tourisme en 2009*, ESANE system, INSEE and public statistics, [online], [http://www.insee.fr/fr/themes/tableau.asp?reg_id=0&ref_id=NATTEF13531], (June 2012).

29. CQRHT, *Les entreprises touristiques*, Conseil québécois des ressources humaines en tourisme, [online], [http://www.cqrht.qc.ca/minformer-sur-le-marche-du-travail/les-entreprises-touristiques], (June 2012).

DYNAMIC PRICE FIXING, REAL-TIME PRICING, YIELD MANAGEMENT

In tourism, businesses in certain sectors of activity, including the airline and hotel industries, have developed price setting techniques designed to maximize revenues while varying price according to the product, customer segment and time of purchase. These techniques are facilitated by reservation processes that enable businesses to predict (modelling) the optimal sales price (for maximum profit), in real time and using established rules, by utilizing the available capacity (inventory) to provide service adapted to very familiar specific customer segments. In short, the right price for the right product for the right customer at the right time.

*With the arrival of online reservations and travel agencies (e.g., Expedia, **Hotel.com**), these techniques are increasingly transparent, to the point where the most savvy consumers try to take advantage of this by adjusting their requests (day and time of reservation) to get the best rate. Another way in which consumers have adapted to these techniques is the practice seen in the hotel industry of making multiple reservations in several hotels before ultimately keeping only the room with the best price.*

Other tourism sectors are making use of this practice as well. In the United States, some entertainment venues, including Broadway theatres in New York City, have adopted similar methods. Prices are set according to the percentage of tickets sold and the time left to sell unsold tickets. The price can rise when 60-70% of tickets have been sold, or drop several hours before the start of the show if sales lag.

2. BASIC DATA FOR MEASURING TOURISM

We live in an information-rich world. Every day brings more data and statistics of all kinds. But is all this information relevant and reliable?

In tourism, certain data are essential because they help us understand, evaluate and maximize the performance of the industry and our businesses.

2.1. TOURISM: A FEW DEFINITIONS

If you are in charge of developing tourism products or would like to know what role tourism plays in the success of your attraction or event, you must begin by defining tourism.

What is tourism?

It is not easy to define tourism. In 2007, after three years of work, the World Tourism Organization (WTO) produced a new conceptual framework for evaluating and analyzing the tourism economy. The result was a glossary¹ of concepts and definitions that should be integrated into all national systems of tourism statistics. Some of these were mentioned in Chapter 1.

According to this glossary, **tourism** is defined as: “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.”¹

The WTO identifies three forms of tourism: **domestic tourism**, which describes the movements of residents within their own country; **inbound tourism**, which is when visitors come from another country; and **outbound tourism**, which refers to the movements of residents of one country in another country.

What is the difference between visitors and tourists?

One of the most common errors in tourism is to use the terms “visitor” and “tourist” as synonyms.

The WTO defines a **visitor** as “a traveller taking a **trip** to a main destination **outside his/her usual environment**, for less than a year, for any **main purpose** (...) other than to be employed by a resident entity in the country or place visited.”¹ When visitors spend the night at the place visited, they are called **tourists**, while same-day visitors, or those whose trip does not include an overnight stay, are called **excursionists**.

For the WTO, the **usual environment** is the geographical area within which an individual conducts his/her regular life routines. The size and scope of this concept may differ, depending on the context of the country.

A visitor takes a **trip**, defined as travel by a person from the time of departure from his/her usual residence until he/she returns (round trip). A trip has a **main destination**, that is, the place visited that is central to the decision to take the trip; later we will examine how this relates to the **main purpose** of a trip. A **trip** is made up of **visits**² to different places.

1. World Tourism Organization UNWTO, *Understanding Tourism: Basic Glossary*, [online], [<http://media.unwto.org/en/content/understanding-tourism-basic-glossary>], (June 2012).

2. Depending on the country, the terms “stay” and “visit” can be used interchangeably; however, the term “stay” is sometimes reserved for designating a visit involving at least one person-night.

40 KILOMETRES, 100 KILOMETRES OR 3 HOURS

In Canada, travel survey methodology uses the concept of “out-of-town” instead of “outside the usual environment”; it also specifies that out-of-town same-day trips must be at least 40 km away from home to be counted as tourism trips.³

In France, this distance is defined as over 100 kilometres⁴ from home, with the exception of cross-border day trips, which are considered outside the usual environment, regardless of distance. Of course, these trips exclude regular or mandatory travel for work or school.

In Great Britain, a tourism day visit is not defined by a specific distance, but must involve a certain type of activity (from a set list) and duration (at least 3 hours) to be considered a “Leisure Day Visit.”⁵

3. STATISTICS CANADA, *Communications for the Travel Survey of Residents of Canada*, January 24, 2007, [online], [http://www23.statcan.gc.ca:81/imdb-bmdi/pub/document/3810_D3_T9_V1-eng.pdf], (June 2012).

4. DGCIS, *Mémento du tourisme 2011, Définitions*, tourisme.gouv.fr, [online], [http://www.tourisme.gouv.fr/stat_etudes/memento/2011/memento-2011.pdf], (June 2012).

5. VISITENGLAND ET AL., *2011 Great Britain Day Visits Survey (GBDVS 2011)*, visitengland.org, [online], [http://www.visitengland.org/Images/GBDVS_Summary_Annual_Report_FV_-_outlier_amendments_made_-_30_Market_2012_tcm30-31621.pdf], (June 2012).

2.2. VISIT AND VISITOR CHARACTERISTICS

Visitor surveys, whether taken at the border or while a traveller is visiting an area, must specify certain **characteristics** about visitors, the trip and visits.⁶ These data are used to create visitor profiles of outbound markets and help explain certain behaviours essential to determining economic impacts,⁷ such as those associated with tourism expenditures.

Among these characteristics:

- **The visitor's status:** This information is used to determine whether the visitor is a **resident or non-resident** of the country; in addition, some travellers⁸ have a special status that prevents them from being counted as visitors (e.g., immigrants, refugees, cross-border workers, diplomats, transiting passengers).
- **The visitor's socioeconomic characteristics:** The data to be gathered depend on the objectives of the particular survey. However, the primary such data are: **place of residence** (country, region, city and postal code), **gender**, **age group**, **family status** (single, couple with or without children, etc.), **education level**, **income**, **occupation** (student, retiree, manual worker, professional, etc.), **travel party**⁹ (travelling alone, as a couple, with other people). These data are used to categorize the findings as part of a descriptive statistical analysis.
- **The visitor's pre-travel behaviour:** This information includes the **places visited before and after crossing the border**, the **information sources** consulted and their influence on the choice of destination, the **planning services and tools** used (e.g., physical and online travel agencies, destination Websites, guides, brochures) and the **means of transportation** used to reach the destination.

- **The main characteristics of the trip:** A key piece of information is the **reason for the trip**,¹⁰ followed by the **name of the border crossing**, the **entry and exit dates**, the **total number of person-nights** (to determine the time period and length of stay), and **travel frequency** (i.e., number of times the destination has been visited).



6. Depending on the survey objective and at what point during the trip it is conducted, visitors may be questioned about their entire trip, the destination visited (province, region, city) or about a specific visit (leg of trip, site visited). To simplify the text, we will use the word "trip" to refer to all of these concepts.

7. The subject of economic impact is discussed in section 3.3.

8. A travel party is defined as a group of visitors travelling together on a trip and whose expenditures are pooled. This group may be private (a family, relatives or friends) or organized commercially by a tour operator.

9. A travel party is defined as a group of visitors travelling together on a trip and whose expenditures are pooled. This group may be private (a family, relatives or friends) or organized commercially by a tour operator.

10. We will take a closer look at the concept of "reason for trip" in section 2.4.

- **The visitor's travel behaviour:** The data to be gathered depend on the objectives of the particular survey. However, the primary such data are: **information sources used at the destination** (e.g., tourist facilities, mobile applications), **places visited**, **activities engaged in**, **means of transportation used**, **types of accommodation** used (homes of friends or relatives, commercial), **spending** in specific categories (accommodation, transportation, food and beverages, recreation and entertainment and other) as well as who or what is **responsible for the expenditures** (personal or business expenditures, percentage of expenditures covered by the respondent). Increasingly, surveys will gather information on the visitor's **perceptions, values and behaviours** outside the travel environment, in order to extract useful information for various purposes, such as marketing.
- **The visitor's assessment of the trip:** The data to be gathered depend on the objectives of the particular survey. However, the primary such data are: the destination's **reputation and originality**, local **hospitality** and the **satisfaction level** or opinion of the **quality-price ratio** of certain trip components like accommodation, food and beverage services, activities available and tourist facilities.¹¹

These surveys are usually administered using standard questionnaires and protocols to ensure their reliability and consistency for comparison purposes.

11. It is important not to introduce any biases into surveys by pre-emptively interpreting the choices of visitors according to one's own culture or the characteristics of the product.

2.3. TOURISM VOLUME AND THE TOOLS TO MEASURE IT

Though tourism **volume**, or the number of visitors, is a key piece of data, it is also one of the most difficult to measure.

All visitors are counted when crossing the border so it is relatively easy to validate the number of international visitors. In Canada, the **Frontier Counts** is an ongoing survey conducted by the **Canada Border Services Agency** (CBSA), which then provides Statistics Canada with administrative data on all international travellers entering and re-entering Canada (number of border entries). These data are then used as control totals for weighting all the questionnaires returned by international travellers entering and re-entering Canada.

The challenge is to determine the number of visitors travelling throughout the country, be they residents or non-residents.

Most countries determine the number of visitors for each region based on national surveys of large samples of international and resident visitors. The questionnaires ask respondents for specific information on each **place visited** (e.g., city, province or region visited, number of person-nights, type of accommodation, travel distance or time).¹²

From these data, **estimates**¹³ are produced to determine the volume of visitors at the subnational level. However, the size of the samples means that it is still problematic to interpret the findings at the regional level; the limited number of international visitors and those from other regions travelling to outlying regions from major urban centres damages the reliability of results segmented at this level.

Units of measure

The unit of measure used to express tourism volume varies depending on the size or importance of the territory. At the national level, results are presented as the number of visitors or trips, using the following terms: **number of international visitors**,¹⁴ **number of tourists**, **number of border entries**, **number of person-trips**.

At other levels of a territory, the number of visitors is most often expressed as the number of **person-visits** per specified area; this number is thus greater than the total number of person-trips because a single visitor can visit several places.

Therefore, the term **province-visits** is used in Canada to describe a trip to a province (regardless of destination) by a person travelling alone or in a group; the total number of province-visits is greater than the total number of trips taken in the country because one visitor can visit several provinces during a single trip. The same logic applies to **region-visits**, which refer to the tourist region visited, regardless of the destination; once again, the number of region-visits surpasses the number of province-visits because a single visitor can travel to several regions during a single trip to a province. This terminology is also used to describe the residents of a province who may visit several regions during a single trip.

12. For example, the 2010 Canadian ITS and TSRC survey questionnaires can be found on the Statistics Canada Website, *List of questionnaires by subject*,

[online], [http://www23.statcan.gc.ca:81/imdb/p2SV.pl?Function=getSubTheme&Item_id=97413&CE_Id=545&CE_Start=01010001&lang=fr&db=imdb&adm=8&dis=2], (June 2012).

13. Estimates are produced by assigning relative weights to survey data (sample) to extrapolate results for the total population. In 2010, Canadian estimates were made using 36,700 questionnaires completed by non-resident travellers.

14. Terminology may vary depending on the country involved, and sometimes the terms "visitors" and "visits" are used interchangeably; please see Chapter 1 to review the definitions of the main terms used here.

DATA ACCESSIBILITY, THE CASE OF ONTARIO

If tourism data are to be used, they must be accessible and easy to manipulate. The province of Ontario is a prime example of this approach.

On the Ministry of Tourism, Culture and Sport Website,¹⁵ the “Tourism research” section offers a wealth of information and data, completely free of charge. Navigating the site is easy, dynamic, intuitive and rapid. Here are some examples of what is available:

- *International tourism and Ontario tourism (primary indicators)*
- *Reports derived from the TAMS¹⁶ and Ministry surveys on Ontario’s regions (e.g., market and supply profiles)*
- *Statistics Canada survey results (ITS and TSRC) for each Ontario tourist region, as well as for each province and census metropolitan area throughout Canada*
- *The GeoTravelStats application, which creates interactive maps to illustrate statistical data and enable regional comparisons (e.g., visitor movements among regions)*
- *The tourism outlook for Ontario as well as key indicators for Canada and the world (e.g., fuel price and exchange rate forecasts)*
- *Links, maps, glossaries and contact information for useful resources related to Ontario and Canadian tourism*

15. MINISTRY OF TOURISM, CULTURE AND SPORT, *We know. Just ask. Tourism research*, Ontario, [online], [http://www.mtc.gov.on.ca/en/tourism/research.shtml], (July 2012).

16. Tourism Activities and Motivation Survey.

For tourist events, attractions, activities and businesses, the most commonly used unit of measure for volume is the number of **entries**, that is, the number of attendees recorded by the ticket office or any other people counting system. The two primary difficulties encountered are: how to determine the number of **unique visitors**, since each visitor can generate several entries, and how to isolate those who are actual tourist visitors.

Some types of activities use more specific terms; for example, accommodation establishments track the **number of rooms or beds**, retail businesses count the **number of invoices** and restaurants tally the number of **customers served and chairs occupied**. We will take a closer look at this topic in Chapter 4, which examines tourism indicators.

Counting the number of visitors in cities and towns

Since it is very challenging for regions, cities and small towns to reasonably estimate the number of visitors and there is a lack of reliable national data, other methods and tools are used to do so.

The following are often used to quantify tourism volume or at least describe how it has changed over time, compared to an earlier period: the **volume at tourist facilities**,¹⁷ the **number of rooms or beds occupied** in commercial accommodations, **electronic tools**¹⁸ to estimate the number of visitors at busy tourist sites and short **qualitative surveys** of tourism business activity.

A common way to identify the origins of clients and obtain an idea of the percentage of visitors in the total volume is to **query** passers-by in busy tourist areas and note the **license plates** on cars in parking lots.

These examples illustrate the methodological limitations of each approach; in addition, combining several measurement tools (e.g., automated counter along with querying and surveys) generally enables users to reduce the risks of error. However, in the absence of rigorous, standardized procedures, it seems difficult to guarantee reliable results and even more risky to make regional comparisons.

17. By tourist facility, we mean any physical space that visitors are directed to for tourist information and that can be used to record demand (e.g., information bureau, tourism office, information booth and interactive information kiosk).

18. Various tools may be used to help estimate the number of visitors at specific sites. Though such tools are constantly evolving, here are a few examples: optical or infrared door sensors, stair sensors, integrated RF chips, tags for locating mobile devices, wi-fi hot spots, and camera systems used to estimate crowd numbers.

2.4. PURPOSE OF A TRIP - CRUCIAL INFORMATION

Though the purpose of a trip often appears as just one more piece of information among others, it is, in fact, a determining factor in identifying visitor needs and expectations and assessing the economic impact of tourism.

The World Tourism Organization (WTO) defines the **main purpose of a tourism trip** as the purpose in the absence of which the trip would not have taken place and identifies the following nine categories:

- | | |
|-------------------------------------|--------------------------------------|
| 1) Holidays, leisure and recreation | 6) Shopping |
| 2) Visiting friends and relatives | 7) Transit |
| 3) Education and training | 8) Other personal reasons |
| 4) Health and medical care | 9) Business and professional reasons |
| 5) Religion/pilgrimages | |

Each country uses or specifies these categories in accordance with its particular characteristics and needs. In Canada, the International Travel Survey (ITS) lists 11 different reason for trip categories, plus one open category (see Question 5 on the ITS).

Sometimes, the main reasons for trip can be summarized in the following three categories: **personal, professional and in transit**. Asking questions about the activities engaged in during the trip can then provide more details on travel behaviours. However, it is important not to confuse the main reason for travel with the activities enjoyed, since these can be secondary motivations that are independent of the main reason.

For example, a visitor whose main reason for travel is to attend a convention could, during the trip, purchase something in a new sports store; this spending would then be considered accessory to the main reason for travel if included in a study on the economic impact of opening the new store. However, the same purchase would be considered a central expenditure, that is, directly related to the reason for travel, if it was made by a visitor whose main reason for travel was shopping.

In Chapter 3 we will look more closely at how the reason for travel affects the calculation of economic impact.

5. Quelle a été la raison principale pour laquelle le groupe de voyage a effectué ce voyage au Canada ?
Cochez une case seulement.
(Exemple: si, à l'occasion d'un voyage d'affaires, votre conjoint(e) et/ou vos enfants vous ont accompagné(e) en vue de visiter des parents, veuillez cocher uniquement la rubrique "affaires".)

Affaires	Agrément	Autre
01 <input type="checkbox"/> Réunions	14 <input type="checkbox"/> Agrément/sciences	06 <input type="checkbox"/> Raisons personnelles (visite médicale, mariage, etc.)
02 <input type="checkbox"/> Participer à un congrès, une conférence, une foire commerciale	15 <input type="checkbox"/> Visiter des amis et/ou des parents	08 <input type="checkbox"/> Être en transit vers d'autres pays
03 <input type="checkbox"/> Autre travail	16 <input type="checkbox"/> Se rendre à une résidence secondaire, maison de campagne, deuxième résidence	09 <input type="checkbox"/> Faire des études
	17 <input type="checkbox"/> Participer à des événements, voir des attractions	11 <input type="checkbox"/> Faire des achats
	18 <input type="checkbox"/> Autre - Veuillez préciser _____	

2.5. TOURISM EXPENDITURE, BOTH QUANTITY AND QUALITY

While the reason for travel is a key piece of information, the most crucial tourism economy data are still those related to **tourism expenditure**, which is defined as the amount paid for the acquisition of goods and services during a trip, either for own use or to give away.

Total tourism expenditures are calculated as the sum of domestic demand (residents) and international demand. However, international visitor spending represents the lion's share of the economic impact of tourism, creating wealth by injecting new money into the economy of the country visited.

Resident visitor spending also contributes to collective wealth, if only by keeping tourism expenditures within the country and thereby reducing the potential deficit balance of payments. In addition, the very nature of tourism activities and spending often play a role in consolidating employment and helping to maintain basic retail businesses in some regions located far from major urban centres.

Tourism expenditure data is gathered from various national surveys. The categories used to organize this data are usually goods and services known to be either totally or partially tourist-related.¹⁹ For example, the International Travel Survey (ITS) asks visitors to break down their total spending inside Canada by category. Questions 15 and 16 of the ITS are the most relevant for establishing the amounts spent during a trip to Canada.

15. Pour ce voyage, quel a été le total des dépenses encourues au Canada par toutes les personnes du groupe de voyage ?

Le total des dépenses comprend les opérations commerciales effectuées au comptant et à crédit pour, entre autres, l'alimentation, l'hébergement, les divertissements, les achats de biens personnels et de cadeaux, l'utilisation d'une automobile, le transport local, etc. même si elles ont été payées par une autre personne ou une entreprise. Veuillez exclure les taxes et les pourboires. Ne comptez pas non plus les frais de transport et/ou forfait déclarés à la question 12. Des estimations seraient appréciées.

Montant	Devisse (si différent du SCA)
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/>

Nom :
Prénom :
Nombre de personnes incluses dans les dépenses :

16. Veuillez distribuer les dépenses totales (telles que déclarées à la question 15) dans les catégories suivantes :

*Des estimations seraient appréciées.
Si vous est impossible de donner des estimations, veuillez indiquer un pourcentage (%) par rapport au total des dépenses.*

Catégorie	Montant dépensé	OU	%
Hébergement <i>(y compris au Canada (y compris l'essence, la location de voiture, les transports en train, en avion, en bateau, les transports interurbains et locaux en autobus et en taxi))</i>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	OU	<input type="text"/> <input type="text"/> <input type="text"/>
Aliments et boissons	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	OU	<input type="text"/> <input type="text"/> <input type="text"/>
Lieux et divertissements	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	OU	<input type="text"/> <input type="text"/> <input type="text"/>
Autres (souvenirs, achats photos, etc.) ▼ <i>Précisez les principaux items:</i>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	OU	<input type="text"/> <input type="text"/> <input type="text"/>

Les totaux des questions 15 et 16 doivent être égaux.

19. See Chapter 1 for a discussion of these concepts.

Other questions are designed to avoid double-counting and to assess amounts spent outside Canada that could also be included, either in whole or in part, in tourism expenditures (e.g., the price of a plane ticket to Canada purchased from a Canadian airline). The questions in the survey administered to Canadians are similar, though adapted to the fact that respondents can spend these amounts in a province or region other than where they live.

Since only a sample of visitors complete these surveys, the data undergo statistical processing (weight per sub-sampling, expenditures posted according to average expenditures, etc.) to generate estimates for the entire targeted population (international visitors and residents).

In Chapter 3, we will see that while the quantity of expenditures plays a key role in the calculation of tourism's economic impact, the type of expenditure also has a major impact. For example, the more visitors purchase goods and services that have been produced in the country visited, the greater the impact on the country's economy. The inverse is also true: the more travellers spend on imported products, the smaller the economic impact. It is no wonder, then, that destinations try to encourage visitors to buy locally made products.

20. CANADIAN TOURISM COMMISSION, *Research, Inspiring the world to explore Canada*, [online], [<http://en-corporate.Canada.travel/research/product-knowledge>], (8 July 2012).

21. CONFERENCE BOARD OF CANADA, Canadian Tourism Industry Benchmark Study: Where Do We Rank in the Context of the Canadian Economy? for the Canadian Tourism Commission, *Inspiring the world to explore Canada*, 70 pages,

[online], [http://fr-corporate.Canada.travel/sites/default/files/pdf/Research/Industry-research/Economic-political-impacts/CanadianTourismIndustryBenchmarking_EN.pdf], (8 July 2012).

22. TOURISME QUÉBEC, See *Diagnostics and Publications/ Études et statistiques-Produits touristiques*, [online], [<http://www.tourisme.gouv.qc.ca/programmes-services/services/diagnostics/index.html>], (8 July 2012).

2.6. WHAT ABOUT DATA ON TOURISM PRODUCTS AND THE INDUSTRY?

In Canada, there is a large volume of easily accessible data dealing with markets and visitors. However, information about tourism products and services and the evolution of the industry tends to be out-of-date, spread out and harder to find. In fact, it seems that authorities only pay attention to and monitor products that are relatively popular, the subject of repeated requests for financing or that suffer from structural problems.

On the **Canadian Tourism Commission's corporate Website**, the "Product information" page²⁰ only features one study that discusses tourism supply: a 2006 report on the spa sector (number of spas, sales, visitors, employment, etc.). The other products on the page (Aboriginal tourism, culture and entertainment, outdoor activity) are discussed almost entirely from the viewpoint of demand (market, visitor profiles, activities, etc.). The "Industry research" page includes a Conference Board of Canada benchmark study on the economic competitiveness of Canadian tourism.²¹ To determine the extent of tourism supply or particulars about it, one must usually consult the individual provinces or sector-based departments and organizations (e.g., Heritage Canada, Parks Canada), which makes the information much more difficult to access.

In Quebec, the Ministère du Tourisme (MTO) recently commissioned diagnostics for five priority tourism products: nature tourism, Aboriginal tourism, agri-tourism, cultural tourism and outfitters (hunting and fishing). However, most of the other sector-based studies available on the **MTO's Website** are five to ten years old.²²

With the exception of several sector-based organizations like the Québec Ski Areas Association, which does publish an annual report on the economic and financial performance of ski areas, no tourism products or services other than accommodation and camping are the subject of regularly published tourism statistics. In addition, the "Tourisme" tab on the Website of Quebec's **Banque de données des statistiques officielles** only features data on non-resident arrivals.²³ However, the MTO does maintain an exhaustive updated database of the products and services offered in each tourist region for the benefit of tourists, but does not process or distribute this information in any way to further overall knowledge about tourism supply and its evolution.

DATA ON TOURISM PRODUCTS AND SERVICES, THE CASE OF THE INSEE (FRANCE)

France's National Institute of Statistics and Economic Studies (INSEE) provides, under the title "Services-Tourism-Transportation,"²⁴ a wealth of information available in Portable Document Format (.pdf) that can also be exported in .xls format for a spreadsheet (MS Office Excel). Covering all economic sectors that could be of interest to visitors and using a search engine to filter the information by type of product and geographical level, this immense database enables users to import useful data and analyze it according to their own needs.

23. The Banque de données des statistiques officielles (BDSO) provides access to official statistics produced by several Quebec government departments and organizations. It is a partnership between the Institut de la statistique du Québec (ISQ) and the approximately 28 departments and organizations that

produce and disseminate official Quebec statistics. Unfortunately, the Ministère du Tourisme is not associated with this initiative.

24. NATIONAL INSTITUTE OF STATISTICS AND ECONOMIC STUDIES, *Services-Tourism-Transportation*, INSEE and official statistics, [online], [<http://www.insee.fr/en/themes/theme.p?theme=13&nivgeo=0&type=2>], (8 July 2012).

3. SURVEYS, IMPACTS AND BENEFITS: METHODS AND THEIR LIMITATIONS

To demonstrate the importance of their business, reassure their banker and obtain financing, promoters must create a business plan to highlight their project's economic impact. Tourism is no exception and, very often, public funders also require an **economic impact assessment** of the project.

While an announcement of millions of dollars in economic benefits and hundreds of jobs is readily accepted in the case of industrial or technology projects, a similar announcement for a tourism project is often met with skepticism and criticism.¹ Where do these figures come from? Are they truly credible? To answer these questions, one must take a closer look at the very nature of tourism, an economic activity that “imports” consumers instead of exporting products, making it difficult to find increasingly reliable and accurate tools for monitoring visitor spending.

For example, it is easy enough to determine how many snowmobiles were built, imported or sold in Quebec, and at what price. However, finding out how many visitors went snowmobiling in Quebec is an entirely different matter. In the first instance, there is perfect product traceability, from manufacturing to consumption. In the second, the product (a snowmobiling excursion) is a combination of various goods and services (transportation, lodging, snowmobile rental, tour guide services, meals, etc.) that may be consumed over a wide area encompassing different economic units (provinces, states, regions, cities), each of which would like the impact of consuming this product to be assessed for its own economy. Therefore, what **methods and means** should be used to ensure that the economic impacts generated by this snowmobiling trip are credible?

1. See: PORTER, Isabelle, "Les retombées économiques des festivals : des chiffres pas toujours fiables," *Le Devoir, Actualités culturelles*, 9 July 2011, [online], [<http://www.ledevoir.com/culture/actualites-culturelles/327100/les-retombees-economiques-des-festivals-des-chiffres-pas-toujours-fiables>], (10 July 2012).

3.1. SURVEYS, THE PRIMARY SOURCE OF TOURISM DATA

Reliable results must be based on credible data. Other than frontier visitor counts, nearly all other tourism data is gathered from visitor feedback **surveys**.

National travel surveys

In the preceding chapters, we have referred to surveys conducted on a national scale with international visitors and local populations (domestic tourism).

Although they may differ somewhat in their methods, countries that have adopted the **international recommendations on tourism statistics** proposed by the World Tourism Organization² generally conduct these two types of survey.

In Canada, the national surveys are called the International Travel Survey (ITS)³ and the Travel Survey of Residents of Canada (TSRC). In France, the Enquête auprès des visiteurs venant de l'étranger (EVE) and the Suivi de la demande touristique (SDT) fulfil similar purposes, while Australia has the International Visitor Survey (IVS) and the National Visitors Survey (NVS).

2. The following publication provides a comprehensive methodological framework for the collection and compilation of tourism statistics in all countries. WTO, *International Recommendations for Tourism Statistics 2008*, New York, Department of Economic and Social Affairs, Studies in Methods, Series M, No. 83/Rev. 1, 2010, 145 pages,

[online], [http://unstats.un.org/unsd/publication/SeriesM/seriesm_83rev1e.pdf], (14 July 2012).

3. The ITS encompasses several surveys that complement the Frontier Counts survey, including four that target non-Canadian international visitors: Government Travel Survey of Visitors to Canada, Government Travel Survey of U.S. Visitors to Canada, Air Exit Survey of Overseas Travellers and the United States Resident Questionnaire for Same Day

Automobile Travel Between the U.S. and Canada. STATISTICS CANADA, *International Travel Survey: Mail-back Questionnaires and Air Exit Survey* (ITS), [online], [<http://www23.statcan.gc.ca:81/imdb/p2SV.pl?Function=getSurvey&SDDS=3152&lang=fr&db=imdb&adm=8&dis=2>], (17 July 2012).

TRAVEL SURVEYS: COMPARING METHODS IN THREE COUNTRIES ⁴

		<i>Canada</i>	<i>France</i>	<i>Australia</i>
INTERNATIONAL VISITORS	Name of survey	International Travel Survey (ITS)	Enquête auprès des visiteurs venant de l'étranger (EVE)	International Visitor Survey (IVS)
	Collection method	Mail-back questionnaire, with the exception of the air exit survey of overseas visitors, which is collected on-site (airports)	On-site collection (airports, train stations, highway rest areas)	On-site collection (airports)
	Sample - number of questionnaires	36 700	120 000	40 000
RESIDENT VISITORS	Name of survey	Travel Survey of Residents of Canada (TSRC); a supplement to the Labour Force Survey (LFS)	Suivi de la demande touristique (SDT)	National Visitor Survey (NVS)
	Collection method	By telephone	By mail	By telephone
	Sample – number of questionnaires	108 000	20,000 per month (representative panel) with a more detailed survey every quarter	120 000

4. Although not mentioned here, the surveys of Canadian residents also ask about their travel habits outside the country to collect information related to the trade balance.

In Canada, the ITS (international visitors) and TSRC (resident visitors) are conducted by Statistics Canada for the System of National Accounts and national and provincial tourism authorities. Although the samples are relatively large on a national scale, they are markedly smaller when broken down by province; for example, 19,400 households in the province of Quebec were used to produce the Quebec sample of the 2010 TSRC.

The credibility of these national survey findings and, subsequently, their credibility when used at the level of other territorial units relies on the following:

- **The quality of the data collection tools and methods (questionnaire content and clarity, interviewer skill, variety of languages used, etc.)**
- **The rigour with which the data are processed (sample size, coverage of entry points, proportional distribution of questionnaires by month, country of origin, province and visitor category; response rate, appropriate weighting, detection of data entry errors, quality assessment of answers and adjustments, imputation rules if questionnaires are missing information, expertise of personnel in charge of statistical processing and estimates, etc.)**
- **The accuracy of the responses reported by the visitors themselves**

These survey findings are usually reliable at the national and provincial levels because they are based on representative samples and have been conducted by official organizations known for their competency in the field. However, the situation can be very different when such data are used at other territorial levels. For example, national survey findings are of limited reliability for certain Quebec tourist regions, given the size of the samples used, although these limitations are rarely mentioned.

Expertise must be shared throughout the territory

One of the major difficulties in collecting and processing tourism data at the level of regional and local territories is that the organizations commissioning this work lack expertise and, too often, so do those that carry out the work.

To generate data better adapted to the tourism environments of such territories and ensure reliability and comparability, some countries have created training tools and national programs to share skills developed at the national level. Australia is one such country.

In addition to the Destination Visitor Surveys (DVS) research program offered by Tourism Research Australia (TRA), the Australian Bureau of Statistics (ABS)⁵ offers basic training that introduces participants to the fields of statistics and surveys; courses are scheduled across the country and distributed online (video tutorials)⁶.

5. Responsible for processing and publishing data related to the Tourism Satellite Account, the ABS conducts several tourism surveys such as the Survey of Tourist Accommodation (STA).

6. AUSTRALIAN BUREAU OF STATISTICS, Understanding Statistics, [online], [<http://www.abs.gov.au/ebsitedbs/a3121120.nsf/home/Understanding%20statistics>], (15 July 2012).

Australia and the Destination Visitor Surveys (DVS) research program

Started in 2004 by the Australian government, this research program offers tourist destinations research services to support their information needs and assist in decisionmaking. Research projects are determined in cooperation with the State Tourism Organizations (STO) of each state and cover two types of research:

1) The Visitor Profile and Satisfaction Program (VPS): In addition to providing a specific visitor profile, these studies offer a destination a standardized database of key indicators that can be used to compare it with other destinations.

2) The Strategic Regional Research Projects (SRR): These projects target broader influential topics for the destination, for example, the impact of drought on tourism in Murray River (Queensland), a study on cruises to Darwin (Northern Territory) and consumer perceptions of vacations in the Snowy Mountains (New South Wales).

This program is offered by Tourism Research Australia (TRA), a branch of the Australia Department of Resources, Energy and Tourism (RET) that provides statistics, research and analysis to support industry development, policy development and marketing for the Australian tourism industry.

3.2. ECONOMIC IMPACT STUDY: APPROACH AND CHALLENGES

Some definitions

Whether it is an event or a ski resort investment, any project involves changes in the physical, social and economic environments of the initiator. An **impact study** measures these pre- and post-project differences, positive or negative, more significant or less significant, **that would not have occurred without the project**.

An **economic impact** assessment looks solely at the collective wealth created in the economic environment of a specific territory, without taking into consideration any other project consequences (e.g., environmental, cultural and social impacts).⁷

Economic impact is measured in the **amount of new money**⁸ that is pumped into the **economy of the territory under study**⁹. This new money generally comes from visitor spending in the local economy and primarily benefits local tourism businesses.

There is an initial impact¹⁰ when businesses hire staff and purchase goods and services from suppliers to meet this demand (**direct or primary effects**). A second wave occurs when these suppliers do the same thing and re-inject some of this money into the economy to meet their own needs (**indirect or secondary effects**). Some studies include **induced effects**, in other words, the rise in economic activity due to increased consumption by households benefiting from the direct and indirect effects.

Between the new money injected into the regional economy and the money “recuperated” from the event, there are **leakages** or money chalked up to other economies. This is the case when wages or fees are paid to workers from outside the area, imports are purchased or taxes are earmarked for an economy other than that under study, though they often remain, for the most part, within the borders of the country.

These successive waves of economic impact from visitor spending in the economy under study are called **economic benefits** and expressed using the following **economic indicators**:¹¹ **business volume generated, number of jobs, salaries paid, value added** and **imports** associated with these expenditures; the resulting **tax and incidental tax revenues** are also estimated.¹²

Measuring the economic benefits of a tourism project is a complex exercise full of pitfalls. To make it easier to understand the process used to calculate these benefits, we will use the relatively common example of a **tourism event economic impact study**.¹³ However, please note that since there is no unique, standardized methodological framework for this kind of study, we will only look at the basic principles and usual challenges.¹⁴

7. Studies on the benefits and impact of tourism are increasingly taking a sustainable approach and widening their coverage to include other fields besides economics. For example, section 5.4 of this document looks at measurements associated with sustainable tourism. Furthermore, a recent study on the impact of 12 festivals held in Edinburgh integrates the social,

environmental and media aspects with the economic. BOP CONSULTING, *Edinburgh Festivals Impact Study*, Executive Summary for Media, Edinburgh, Festivals Forum, May 2011, 9 pages, [online], [http://www.scottish-enterprise.presscentre.com/imagelibrary/downloadMedia.ashx?MediaDetailsID=647] .

8. Although the term “fresh money” is often used, the term “new money” is considered more accurate.

9. This territory must be well defined from the very start of the study so as to properly distinguish between residents and visitors. For example, a study of the impact of an event on the Quebec economy would only take into account the expenditures of visitors from outside the province, while an economic impact study of the same event in terms of the host region's economy would look

at the expenditures of any visitors described as tourists (i.e., residing at least 40 kilometres away).¹⁰ Se référer à la méthodologie de l'étude consultée, car les notions d'impacts directs, indirects et induits peuvent varier selon le pays ou la méthode utilisée.

10. See the methodology of the study consulted because the concepts of direct, indirect and induced impacts can vary depending on the country or method used.

Identifying sources of new money

We have established that economic benefits refer to the results generated by an influx of new money into the economy of the territory under study. In the case of an event, there are two distinct sources of new money:

1) **Spending by participants** (e.g., spectators, supporters, journalists, sponsors) **from outside the territory under study (visitors) who were attracted by the event (focussed visitors)**

2) **Spending generated by the activities of the event organizer**, in other words, its **operating** and **capital** budgets, as well as corporate expenditures from outside the territory (e.g., sponsorship revenues from outside the region that are not included in the organizer's revenue)

The primary challenges of an economic impact study are to assess, as accurately as possible, the amount of **focussed visitor spending** and the **event organizer's capital and operational** expenditures. In the first case, data are obtained from visitor surveys, while organizational expenditures come from the organizer's financial statements.

Once visitor spending and organizational expenditure data have been obtained, they are formatted with a protocol so they can be processed by a **recognized economic model**¹⁵ that converts them into **economic benefits**.

It is now easy to understand the importance of the economic impact study that produces the data used by the economic model; these findings present the amount of new money pumped into the economy under study by expenditure category since the products and services consumed will not all have the same impact on the economy.

STAGES OF AN EVENT ECONOMIC IMPACT STUDY



¹¹The terms used to describe the economic benefits of a project can vary from one country to another, due to differences in national accounting systems and taxation, but they generally refer to the business sales generated, the value added produced by intermediate consumption, the number of people employed, additional

household income created and the fiscal revenues captured by governments via various business, personal and consumption taxes.

¹²Therefore, tourism expenditures and economic benefits are not the same, nor are they synonyms. The former (tourism expenditures) are an input that help measure the latter (economic benefits). Tourism expenditures, which

are expressed in the currency of the country visited (dollars, euros, etc.), generate economic benefits, which are expressed in jobs, value added, etc.

¹³To simplify matters, the term "event" will be used to designate an event, festival, sporting event, exhibition or attraction.

¹⁴Economic impact assessment models have been developed, including several designed specifically for sports: the Sport Tourism Economic Assessment Model (STEAM) developed in Canada in 2002 and the model created by AISTS, the International Academy of Sports Science and Technology in Switzerland.

The main challenges of accurately evaluating visitor spending

Continuing with our example of an event, without going into too much detail, let's look at the main challenges of conducting an economic impact study.

CHALLENGE 1: CHARACTERIZE PARTICIPANTS TO ISOLATE FOCUSED VISITORS AND ELIGIBLE EXPENDITURES

At an event, the only source of new money is spending by visitors¹⁶ who attend as participants.¹⁷ Furthermore, only **focused visitors**, that is, those whose attendance is directly attributed to and motivated by the event, will be considered as a potential source of new money. Therefore, spending by visitors in attendance who do not cite the event as their primary motivation will not be included in the calculation.

That being said, visitors rarely cite only one reason for travel, so several survey methods try to determine the event's degree of influence on the visitor's motivation in order to include only part of the spending in the calculation of the event's economic benefits. Since each method has its proponents and detractors, an interesting compromise would be to observe the following principles:

- **Spending by local participants (residents of the territory under study) is always excluded**
- **Spending by participants who had no prior knowledge or intent to participate is always excluded**
- **Spending by participants who intended to travel and merely scheduled their departure to coincide with the event should always be excluded**
- **Spending considered the result of multiple travel motivations could be limited solely to that done during the event itself**

However, it must be determined whether the expenditures of focused visitors are indeed eligible. The following are not eligible: focused visitor expenditures that are included in the operations of the event organizer or that originate in the territory under study (e.g., foreign journalists invited to attend free of charge, performers who receive a fee, expenditures reimbursed by a local organization).

In 2006, to clarify its expectations and standardize the methods used by event organizers in their funding requests, Québec City Tourism produced a guide for internal use specifying rules for the survey techniques used by consultants conducting economic impact studies.

In April 2012 in France, the DGCIS published a study and guide with a similar goal of suggesting principles

and methods to make practices more consistent and supply some reference points. MAURENCE, Éric, *La mesure de l'impact économique d'un événement touristique*, Perpignan, EMC/Ministère de l'Économie, des Finances and de l'Industrie, DGCIS, 2010, 159 pages, [online], [http://www.tourisme.gouv.fr/stat_etudes/etudes/entreprises/mesure-impact-economique-evenement-touristique.pdf];

Also summarized under the title *Guide méthodologique* [online], [http://www.tourisme.gouv.fr/stat_etudes/etudes/entreprises/mesure-impact-economique-evenement-touristique-methode.pdf], (30 May 2012).

15. We will describe the Quebec cross-sectoral model used by the Institut de la Statistique du Québec (ISQ) as an example of such a model.

16. Expenditures of residents of the territory under study, referred to here as local participants, are never counted as part of economic benefits because this money would very likely have been spent on something else in the area if the event had not taken place.

CHALLENGE 2: DETERMINE THE NUMBER OF UNIQUE FOCUSED VISITORS, WITHOUT DOUBLE COUNTING

Estimating the number of unique **focussed visitors** at an event requires tremendous attention to detail because an error at this stage can introduce a major bias in the calculation of economic benefits.

Overall attendance corresponds to the total number of entries and is expressed as the number of person-visits (attendees, entries) at the event. This concept is often confused with the number of unique participants¹⁸ at an event, which explains how an announcement of one million festival-goers often actually refers to 200,000 festival-goers who have attended an average of 5 activities each.

Therefore, to estimate the number of unique focussed visitors, one must first measure the following: **total attendance**, the **percentage of visitors**, their **travel motivation (degree of influence the event had on their trip)** and the **average number of person-visits** per visitor.

Attendance

It is relatively easy to measure attendance at a closed event¹⁹ for a specific clientele (e.g., athletes at a competition). With this knowledge in hand, one can then intercept visitors²⁰ to determine what percentage of them are unique focussed visitors.

To measure attendance at an open event, interception must be accompanied by a **direct counting method** (e.g., digital image and counting, periodic estimates of crowd density per square metre, portals equipped with motion detectors) or an **indirect counting method**, the most common being the so-called “by association” method, which requires a survey of the population of the territory under study to estimate its level of participation and thereby deduce that of visitors with the help of established visitor/resident ratios.



17. There are different categories of visitors: spectators, those taking part in the event (e.g., athletes, performers, lecturers, exhibitors), those who accompany participants (e.g., trainers, family and friends of the athletes) and observers (e.g., media, sponsors, referees). Each visitor category must be tabulated and analyzed separately if it is likely to have significant eligible expenditures.

18. The number of unique participants can be estimated by dividing the total attendance by the average number of person-visits.

19. Closed event: an event with a known number of attendees, thanks to registration info, ticket sales or some other mechanical or electronic means of counting. Open event: an event with an unknown number of attendees because it is open

to the public at large and has no real system for verifying the number of entries.

20. Interception is a commonly used survey method that consists of questioning people at random (intercepting) from among a group of people physically present at an event. People are asked about their origin (visitor?), their motivation (event-specific?) and the number of visits (average

person-visits?). Intercepting a very large number of spectators on the event site or sites can help establish the percentage of visits by locals and those by visitors (e.g., out of 1,000 people questioned, 300 are visitors, so 30% of those in attendance come from outside the region).

New technological tools

For the past several years, new technologies have helped events and attractions collect information about the number, movements and profile of thousands of visitors, in addition to speeding up site access.

Here are some examples:

- **Optical people-counting systems:** *A stereoscopic camera or infrared sensor can record the number of entries and exits along a counting line (doorway, post, door, ceiling, wall), either continuously or according to specified increments of time; this technology is primarily used in buildings (e.g., airports, museums, casinos, convention centres, public transit systems) or in outdoor spaces with controlled access.*
- **Counting via infrared sensor and heat-sensitive lens:** *Similar to the preceding, but enhanced by a lens that senses the heat emitted by the human body, this technology is used for outdoor applications such as recording the movements of pedestrians and cyclists in various contexts (paths, bike lanes, the urban environment).*
- **Magnetic stripe, barcode or QR code reader:** *These technologies require visitors to carry coded digital data in the form of a magnetic stripe or image (on a card or badge) that references the information provided when they purchased a ticket or registered. This information is decoded by a magnetic or optical reader (in the case of 2D codes, a laser or CCD camera is used). This type of system is used to control site access and connect to a database for various transactions (e.g., debiting a payment card or prepaid account).*
- **Radio frequency identification (RFID):** *The most up-to-date technology, RFID also requires visitors to carry a chip containing previously provided information (badge, wristband or other). An electromagnetic reader remotely reads the RFID tag when the visitor comes into range, thus monitoring access (entrance through a doorway) and movements (readers located in strategic places throughout the site), offering spontaneous promotions and associating visitor profiles with their activities and expenditures (via an electronic purse with a preloaded monetary value). Data transfer speed and flexibility are the primary advantages of this technology.*

These last two technologies can clearly establish the number of unique visitors, regardless of the number of visits, since they are able to associate visits with the actual individuals and ascertain whether the person is a resident or visitor.

Challenge 3: Determine average expenditures and match them with the number of visitors

Now that the number of unique focussed visitors with eligible expenditures has been determined, the next step is to find out the **actual expenditures** of these visitors in order to calculate the economic benefits.

This information is usually collected after travellers return home,²¹ via a follow-up phone call or email, using a questionnaire given to a representative sample of these visitors. The questions reference specific spending categories (a minimum of six to eight) to obtain the data needed by the economic model used to calculate the benefits.

During interviews, respondents can report the expenditures of more than one person, report none at all, or report a percentage of the expenditures if such costs were shared with another member of the travel party. Generally speaking, survey-takers take for granted **that the sample used is sufficiently homogeneous and representative** to derive average expenditures that may be applied to all visitors. However, in practice, the **sample** taken is sometimes too small for the law of averages, which leads to more or less credible results.

In addition, the increasing number of life styles means there are more types of travel behaviours and more diverse consumer habits. For example, friends are increasingly travelling in groups, with one person managing all the shared expenditures; travellers too young to be eligible for the survey now travel alone and manage major expenditures; and blended families are travelling without the presence of the primary purchaser.

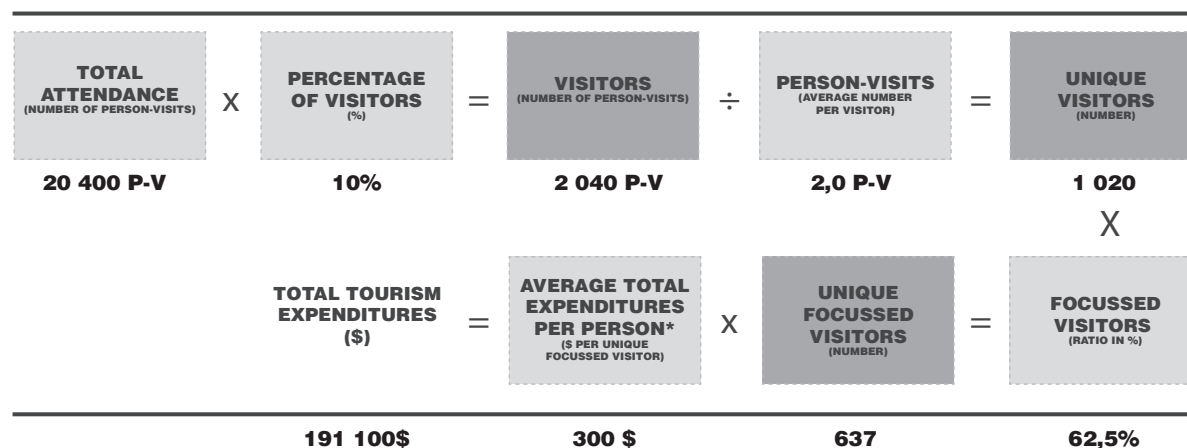
These diverse situations therefore require a great number of respondents and a closely managed survey method so that the sample is truly representative of all realities. However, this rigour comes at a price, and many event organizers do not have the means to pay it.

These three challenges, along with those attributable to statistical techniques and methods, give an idea of what is involved in conducting an accurate economic impact study and the associated costs, which is why the industry is seeking a simplified, standardized methodology.

21. To avoid making an unacceptable error (see DESABIE, Jacques, *Théorie et pratique des sondages*, Paris, Dunod, 1966, 482 pages), contact is made as soon as possible after the event, but with enough of a time lag that people have a chance to

return home and receive their credit card statements. Some methods use on-site face-to-face interviews that only take into account expenditures made in the preceding 24 hours, and then estimate total expenditures based on the average length of stay determined by interception.

SIMPLIFIED EXAMPLE OF A METHODOLOGICAL APPROACH TO DETERMINE THE TOURISM EXPENDITURES OF AN EVENT USING A REPRESENTATIVE SAMPLE (FOR ONE VISITOR CATEGORY)



 = Data obtained through survey/interception

 = Data obtained through calculation

Methodological reference points for more accurate assessments

When submitting funding requests to the Ministère du Tourisme du Québec, to be eligible, festival and tourist event organizers must demonstrate the attainment of certain performance levels.

Depending on the size of the organization (i.e., budget),²² there are minimal requirements regarding attendance and the percentage of entries attributable to visitors. In addition, the responses submitted by event organizers must conform to specific definitions and come from a study conducted by experts in the field. Certain methodological requirements must also be met, such as minimum sample size.

22. Ministère du Tourisme requirements for events with operating budgets of \$300,000 or more. MINISTÈRE DU TOURISME, Repères méthodologiques du ministère du Tourisme, [online], [http://www.tourisme.gouv.qc.ca/publications/media/document/aidefinanciere/festivals/Annexe-reperes-provenance-achalandage.pdf], (18 July 2012).

Assessing organizational expenditures

It is easier to prepare the economic impact assessment associated with an event organizer's operational and capital expenditures, since these expenses are listed in the organization's financial statements.

The required data usually cover the following: revenues and expenditures, payroll and benefits, the number of jobs created by the event, sums paid to self-employed workers like performers, any subsidies received, capital expenditures (building, machinery, equipment) and depreciation.

These data are processed separately from visitor spending; in addition, the revenues generated from these expenditures (e.g., ticket sales, on-site food and beverage services, related product sales) are subtracted from the event's financial results or visitor spending to avoid any double counting.

Included or not included?

Generally speaking, only short-term expenditures directly connected to the event are considered part of operational and capital expenditures, since long-term investments are difficult to account for. For example, one would not attempt to estimate the cost share of a stadium hosting a one-time sports competition.

However, some expenditures directly associated with the event, even though they do not appear in the organization's budget, are seldom counted. For example, although subsidies from the local community are accounted for because they appear in the organization's budget, various public services provided for the event will not always be counted, for example, the cost of additional security services or public works prompted by a major event held in a public space (e.g., extra police presence, street cleaning, public transit schedule changes, first aid) and shortfalls (e.g., lost parking fees due to street closings).

In addition, when open-access events provide similar services to those of local businesses, such businesses may lose revenue.

What is the real impact of these expenditures or "lost revenues"? Are these amounts significant or not?

3.3. ECONOMIC BENEFITS AND ECONOMIC MODEL

For project promoters,²³ calculating economic benefits is useful for demonstrating the importance of their activities and the validity of their business to public funders and private sponsors.

To be meaningful, this calculation must involve a certain volume of expenditures. As a result, it is generally only done for organizations with high sales whose activities generate a high volume of expenditures from outside the territory under study.

Using the economic model to simulate impacts

Data on focussed visitor spending (consumer spending) are gathered according to a **pattern of spending** that usually corresponds to the following major tourism categories (aggregates): accommodation, food and beverage services, recreation, groceries, transportation, clothing and other expenditures. The data are generated for specifications with a known impact that are part of the economic model, such as visitor origin, for example.²⁴

Expenditures data from the event organizer are also processed, but using a different pattern of spending.

The **economic model** simulates the effects that these expenditures should have on the economy of the territory under study; it attempts to replicate the exchanges of goods and services and interactions between the various sectors of activity (e.g., agriculture, manufactured products, construction) by showing, for each category of goods and services, the sectors that use them and those that produce them (input-output tables).

We have already seen that these effects are expressed in the **wealth and activities created** that have an impact on businesses (sales), the community (value added, jobs, salaries) and the entities that benefit from the fiscal impact. In addition, leakages are measured in imports.

In Quebec, the Institut de la Statistique du Québec (ISQ) uses the **Quebec cross-sectoral model**²⁵ to conduct **simulations** of the effects of tourism expenditures on the Quebec economy. To measure the impacts (direct and indirect effects) of all tourism expenditures in Quebec, at the request of the Ministère du Tourisme, the ISQ uses a pattern of spending by origin that includes 27 headings (accommodation, food and beverage services, banking services, grocery products, fuel, etc.) and nearly 100 categories of goods and services.

When the ISQ conducted this exercise for the year 2010, it generated the following results: \$11 billion in receipts, a tourism GDP representing 2.5 % of Quebec's GDP and over \$3.4 billion in compensation for salaried workers. Furthermore, while 71% of all tourism expenditures go towards Quebec goods and services, this percentage rises to 76% for international tourism expenditures and falls to only 63% for same-day visitors of all origins. Another interesting piece of information is that the employment multiplier associated with the tourism sector was 1.43 in 2010; in other words, 100 person-years worked in tourism generate an additional 43 person-years of work in other sectors of the Quebec economy. Finally, on the \$11 billion in receipts, 24% or \$2.63 billion was collected by the Quebec (\$1.852 billion) and Canadian (\$774 million) governments in tax and incidental tax revenues.²⁶

Like all economic models, the Quebec cross-sectoral model is a simplified representation of the Quebec economy. As a result, it does not encompass all possible economic phenomena and is based on hypotheses that must be known if the results are to be appropriately used and correctly interpreted. Therefore, the results calculated with the model give an idea of relative scale rather than exact or absolute values.

23. In some cases, during the pilot or funding stage, prospective economic impact studies are conducted to highlight the benefits of supporting the project; to be credible, this highly speculative practice requires, at a minimum, the use of conservative hypotheses and comparable cases.

24. The visitor's origin and status as either a tourist or same-day visitor have an impact because the pattern of spending will vary according to the visitor's travel habits and cultural behaviours.

25. INSTITUT DE LA STATISTIQUE DU QUÉBEC, *Études d'impact économique*, [online], [<http://www.stat.gouv.qc.ca/services/etudes.htm>], (19 July 2012)

26. MINISTÈRE DU TOURISME DU QUÉBEC, *L'impact économique du tourisme au Québec en 2010*, [online], [<http://www.tourisme.gouv.qc.ca/publications/media/document/etudes-statistiques/Impacts-economiques-2010.pdf>], (20 July 2012).

3.4. THE USEFULNESS OF THE TOURISM SATELLITE ACCOUNT

As mentioned previously, the nature of tourism expenditures, which involve a variety of industries, required the creation of a “satellite” account in the system of national accounts. This account is used to define tourism, compile and integrate tourism statistics, measure its importance to the economy, and enable comparisons between tourism and other industries in the economy as a whole.

The Tourism Satellite Account (TSA) provides a detailed analysis of all aspects of visitor demand for goods and services, demonstrates how imports and domestic supply meet this demand and describes the interactions between this supply and other economic activities.

The Tourism Satellite Account provides a “link between economic data and non-monetary information on tourism, such as number of trips (or visits), duration of stay, purpose of trip, modes of transport, etc., which is required to specify the characteristics of the economic variables.”²⁷

With regard to the calculation of economic benefits, the TSA provides data essential for determining the direct effects of consumption on production, as well as the value added of tourism industries and other industries serving them. It is also used to produce input-output tables when this method is used to calculate indirect and induced effects.

A 2010 OECD study found that, of the 34 most developed countries, 24 had set up a TSA that followed all the international recommendations, 9 were in the process of setting up a TSA or had partially done so, and 1 country had a TSA that did not conform with the recommendations.

27. WTO, *Tourism Satellite Account: Recommended Methodological Framework 2008*, Luxembourg, Madrid, New York, Paris, Department of Economic and Social Affairs, Studies in Methods, Series F, No. 80/Rev. 1, 2010, 124 pages, [online], [http://unstats.un.org/unsd/publication/SeriesF/SeriesF_80rev1e.pdf], (22 July 2012).

4. TOURISM INDICATORS

On a daily basis, indicators like the stock market index, inflation rate, consumer price index and exchange rate provide quick updates on changes in various sectors of the economy.

But what exactly is an indicator and what can it do for the tourism sector? Which indicators should we consult to find out how tourism is faring in the world, in our country and in our region? And which indicators should we use to monitor the performance of our tourism business? The following should shed some light on tourism indicators, which are monitoring tools to help with both performance and decision making.



4.1. DEFINITION, NATURE AND PURPOSE OF TOURISM INDICATORS

The primary role of an **indicator** is to describe a phenomenon and measure it, either quantitatively (number) or qualitatively (e.g., word, colour, symbol). Indicators are expressed in the form of an **absolute value** (e.g., number of rooms available) or **relative value** (e.g., % of rooms available) calculated from several variables (e.g., revenue per available room).

Finding the appropriate indicator

Indicators have no inherent value or objectivity. **The choice of indicator** depends on what information must be communicated to a specific public. For example, to describe the health of the commercial accommodation sector in a given territory, one could choose the indicator of recent hotel investments or the occupancy rate of existing hotels. Both indicators describe the same phenomenon, but for different purposes and publics. Therefore, it is crucial to know **what the indicator is to be used for**, because it will only be effective if it can describe, as accurately as possible, the phenomenon being analyzed.

To be **correctly interpreted**, indicators must be **measured against a standard or reference**. Therefore, the figure of “700 rooms available in a given town in 2012” becomes a relevant indicator only if it is compared with the average number of rooms available in towns of the same size, if it is accompanied by the total regional capacity or if it refers to the number of rooms available every year since 2008.

In short, the indicator chosen must be **relevant, easy to interpret and comparable**; it must also be based on **available data** and **reliable** information sources.

The various types of indicators

Tourism phenomena are often multifaceted, which means they require several **types of indicators** to describe them. Here is a list of types with examples that refer to management monitoring in a tourism business:

- **Strategic indicators:** These are used to create a concrete benchmark for a specific goal (e.g., increase the percentage of a museum's clientele represented by school groups) or the implementation of a policy (e.g., ongoing improvement in educational tourism products).
- **Activity indicators:** These measure an organization's volume of work (e.g., the number of clients served in a restaurant).
- **Resource indicators:** These measure the availability, allocation and consumption of an organization's human, material and financial resources (e.g., the costs of developing a new package).
- **Efficiency indicators:** These establish the link between an organization's activities and the resources used to carry them out (e.g., total hours worked per ticket sold).
- **Effectiveness indicators:** These show the rate at which established objectives are achieved (e.g., the percentage of the attendance objective achieved during the first quarter).
- **Quality indicators:** These measure the conditions under which activities are delivered, the extent to which procedures are followed or the degree of customer satisfaction (e.g., clients' level of satisfaction with the hospitality services received).

More and more, tourism businesses and organizations are using a **variety of indicators** that can monitor, in almost real time, changes in certain **fundamental aspects** of their management, performance and strategic planning. These indicators are grouped under various names like **observatory, barometer** and **dashboard**; we will take a closer look at each of these later in this chapter.

To simplify a situation that requires monitoring numerous indicators, indicators are sometimes summarized in the form of an **index**. An example of this is the tourism competitiveness index of 139 countries produced by the World Economic Forum. This index is created using 14 thematic indicators grouped into 3 sub-indices: a) regulatory framework; b) business environment and infrastructure; and c) human, cultural and natural resources.¹

TRAVEL & TOURISM COMPETITIVENESS INDEX

SUBINDEX A: T&T REGULATORY FRAMEWORK	SUBINDEX B: T&T BUSINESS ENVIRONMENT AND INFRASTRUCTURE	SUBINDEX C: T&T HUMAN, CULTURAL, AND NATURAL RESOURCES
POLICY RULES AND REGULATIONS	AIR TRANSPORT INFRASTRUCTURE	HUMAN RESOURCES
ENVIRONMENTAL SUSTAINABILITY	GROUND TRANSPORT INFRASTRUCTURE	AFFINITY FOR TRAVEL & TOURISM
SAFETY AND SECURITY	TOURISM INFRASTRUCTURE	NATURAL RESOURCES
HEALTH AND HYGIENE	ICT INFRASTRUCTURE	CULTURAL RESOURCES
PRIORITIZATION OF TRAVEL & TOURISM	PRICE COMPETITIVENESS IN THE T&T INDUSTRY	CLIMATE CHANGE

Source : World Economic Forum

1. WORLD ECONOMIC FORUM, *The Travel & Tourism Competitiveness Report 2011: Beyond the Downturn*, Geneva, 2011, 531 pages, [online], <http://www.weforum.org/issues/travel-and-tourism-competitiveness/>, (26 July 2012).

4.2. THE MAIN TOURISM INDICATORS

Indicators of tourism demand

What indicators are used in tourism? Other than the primary economic results of tourism at the national level,² the most observed tourism phenomena are those closely tied to **tourism demand**, for example:

- the performance of destinations
- characteristics and behaviours of clienteles and markets
- travel intentions and economic trends
- changes observed or forecast in the various environments (economic, financial, political and health) that influence demand

Primarily **descriptive**, they are often based on a single variable and mainly measure performance or **validate marketing efforts** by analyzing client behaviours. The indicators most often used to describe demand³ refer to number of times visited, visitor origin, visitor spending, duration of stay and purpose of trip.

The indicators used in **forecasts or economic analyses** of demand or to describe **external and internal environments** that could influence demand are generally more sophisticated and expressed in the form of ratios (e.g., consumer confidence index)⁴.



Flickr Tourism Indicator 2011, Barcelona⁵

The Flickr Tourism Indicator was created by the company, The Data Republic, using data drawn from 192,800 photos of Barcelona uploaded to Flickr between January 1 and December 31, 2011.

After photos uploaded by Barcelona residents and unknown users (without a Flickr profile) were removed from the database, approximately 47,800 photos were left, representing a sample of 2,858 tourists.

The photos were used to analyze tourist behaviours (sites visited), while calculations like the number of tourists per census section, per square kilometre and per 1,000 inhabitants helped determine how they move around (within polygons associated with the census sections).

The total population of visitors to Barcelona in 2011, estimated at 7,450,000 by Turisme de Barcelona, establishes the margin of error of these findings at 1.8% and a confidence interval of 95%. Web 2.0 is thus becoming a generator of extremely accurate data on visitors and their behaviours (name and contact information, origin, date and exact sites visited, etc.). Only time will tell whether this is the beginning of the end for traditional surveys in major tourist destinations

2. Please see Chapter 1 of this document.

3. See Appendix 1 for a table listing the main indicators of tourism demand at the national and regional levels, organized by phenomena observed.

4. In Canada, the Canadian Tourism Research Institute (CTRI), in association with the Conference Board of Canada, produces reports on key trends and forecasts in tourism for the entire country, the provinces and Canada's major metropolitan areas. For more information on the CTRI, please see: THE CONFERENCE

BOARD OF CANADA, *Travel and Tourism, The Conference Board, Insights You Can Count On*, [online], [http://www.conferenceboard.ca/topics/economics/travel.aspx], (29 July 2012).

5. The same exercise was done for Madrid. THE DATA REPUBLIC, *Flickr Tourism Indicator 2011, Barcelona*, [online], [http://flickrtourism.thedatapublic.com/flickrtourism/en/barcelona/#data], (31 July 2012).

Indicators of tourism supply

There are clearly fewer indicators **associated with tourism supply**,⁶ and those that exist are less varied and sophisticated than those used to describe demand.

Apart from those associated with commercial accommodation and, to a lesser degree, with air travel, attendance at major attractions and tourist hospitality services, indicators of supply are harder to find and more difficult to access. The importance of **commercial accommodation services** can be explained by a number of factors. A home away from home for nomadic customers, commercial accommodation is the only service aimed almost exclusively at a tourism clientele. The ease of data collection, its economic importance (investment required, jobs created, share of tourism expenditures) and the presence of major brands conducting business on several continents also help explain the standardized indicators found in the accommodation sector, which facilitate global monitoring and comparability.

With the exception of **air travel**, the other sectors that make up tourism supply (other modes of transport, food and beverage services, attractions and events, retail businesses, recreational activities, etc.) are addressed primarily at residents, which makes it difficult to develop indicators just for tourists. Furthermore, existing indicators are the subject of sector-based monitoring by government departments or organizations active in their respective domains and are rarely the subject of systematic monitoring by organizations active in tourism.

6. A table in Appendix 2 summarizes the main indicators of tourism supply at the national and regional levels, organized by phenomena observed.

4.3. TOOLS FOR MONITORING TOURISM

Countries, destinations and tourism businesses compete against one another in increasingly challenging and complex economic and competitive environments. This reality has encouraged many stakeholders to **group several key indicators together** into **monitoring tools** that enable them to check the status of the situation in almost real time, carry out diagnostics to understand problematic situations and improve performance by optimizing resource use.

These tools come in various forms, with the most common being **statistical tables, observatories, barometers and dashboards**.

Statistical tables

Destinations and tourism organizations make **statistical tables** available to users. Although some values are themselves indicators, this format allows users to reformulate the data as they see fit to create their own indicators.

In the United States, the Office of Travel & Tourism Industries (OTTI, US Department of Commerce) offers potential users, free of charge, or sometimes with an access fee (e.g., Travel Barometer Program), a series of data tables derived from national (federal) survey programs.⁷ Summaries are available, however, free of charge, in the form of newsletters (TI News) that provide an overview of the situation (e.g., international arrivals, expenditures, reservations, analyses of target markets) based on simple indicators.

PRIMARY TOOLS FOR MONITORING TOURISM

	STATISTICAL TABLE	OBSERVATORY	BAROMETER	DASHBOARD
WHAT IS IT?	Quantitative data in tabular form, taken from surveys of travellers and tourism businesses	Presentation of relevant indicators including, sometimes, sector-based analyses or studies	Indicators drawn from economic surveys of a variety of businesses representative of current tourism activity	Summary of various internal and external indicators (indices, ratios)
PRIMARY USE	Enables users to process data as they see fit and create their own indicators	Provides a snapshot of the current situation and key trends in tourism (usually for a specific territory)	Provides the facts on the amount of current activity, especially during high season	Assesses the status of an organization for informed decision making
PROCESSING/FORMAT	Little or no processing/Excel-type tables with regular updates	Graphs or tables with analyses/Annual, quarterly or monthly reports	Graphs or tables with short analyses/Monthly or bimonthly reports	Graphs or tables/Summaries of one or several pages for the needs of decision makers
EXAMPLE	Tourisme Montréal — R&D, Statistics, Database	Brussels Tourism Observatory	Charente-Maritime Tourisme — Observatoire en Charente Maritime, Ma note de conjoncture	United States National Tourism Office Travel & Tourism Dashboard

7. OFFICE OF TRAVEL AND TOURISM, *Travel and Tourism Research Programs*, [online], [<http://tinet.ita.doc.gov/research/index.html>], (29 July 2012).

Statistics Canada does the same thing in Canada with the “Tourism indicators” tables in its CANSIM database.⁸

In Quebec, Tourisme Montréal provides access to a comprehensive database that includes descriptive data on various subjects having to do with demand (number of visitors, air and rail traffic) in leisure tourism (attendance at tourist attractions, events and exhibitions, number of cruise passengers) and business tourism (number of conventions, etc.). Other data relate to tourism supply (accommodation, inquires at information booths), economic impact (economic benefits), while some data are organized specifically in the form of indicators to illustrate, for example, changes in the American consumer confidence index.⁹

Observatory

In Europe, the term **observatory** is generally used to designate a tool that combines the primary tourism indicators in the form of a report describing the state of tourism in a country, region or department.

In France, the Agence de développement touristique de la France (ATOUT France) provides various observation and monitoring services at the national level, including economic data, the SNAV barometer on travel distributors, the TNS Sofres barometer on tourist numbers and the tourism investment dashboard. The Direction générale de la compétitivité de l'industrie et des services (DGCIS) complements these services with a more general, albeit well documented, tourism dashboard.

Observatories therefore vary in format and include other tools like barometers and dashboards. They are used to monitor the market, discern trends and take stock of the economy; the Comité régional de Côte d'Azur has created an observatory¹⁰ that is organized into four sections (barometer, key figures, studies and analyses, statistics), each with a specific purpose.

In Quebec, though it does not use the name of observatory, the ÉCHO tourisme STATistique monitoring project of the Québec City Tourism office plays this role.¹¹

ClicAlsace, an active observatory!

The regional tourism observatory for Alsace¹² plays an interesting role: educate as many people as possible about tourism, what it means to the Alsatian economy, how supply and demand change over time, and the potential for improvement. The Website has a wealth of information that is updated regularly: key figures, seasonal reports, the evolution of supply and tourist numbers, and travel surveys. It is also of interest for its use of social media to communicate, distribute information and interact with its various clienteles.

8. STATISTICS CANADA, CANSIM-Search results, *Displaying tables 1 to 43 of 43 for Tourism indicators*, [online], [http://www5.statcan.gc.ca/cansim/a33?RT=TABLE&theMeID=3550&spMode=tables&lang=eng], (31 July 2012).

9. TOURISME MONTRÉAL, *R&D, Statistics, Database*, [online], [http://www.tourisme-montreal.org/Montreal-Tourism/Toolkit], (31 July 2012).

10. COMITÉ RÉGIONAL DE CÔTE-D'AZUR, *L'observatoire du tourisme de la Côte d'Azur, Touriscope*, [online], [http://www.cotedazur-touriscope.com/v2/home/], (30 July 2012).

11. Please see the example presented in section 1.3.

12. COMITÉ RÉGIONAL DU TOURISME D'ALSACE, *Observatoire régional du tourisme d'Alsace, ClicAlsace*, [online], [http://www.clicalsace.com/], (2 August 2012).

Barometer

Barometers are used in particular to provide economic information and, as such, are aimed more specifically at organizations capable of taking action to remedy problematic situations during a season and tourism businesses that can use this information to compare their performance to a trend observed in their territory.

In Quebec, this role is played by a Ministère du Tourisme economic outlook memo that is based on a monthly questionnaire completed by approximately 400 business managers.¹³

Dashboard

A **dashboard** usually refers to a tool that summarizes key management data and, as such, is of particular interest to businesses.

However, this tool can be used at all levels of a territory; this is the case, for example, with the United States government's *Travel & Tourism Dashboard*.¹⁴ This concise document publishes performance indicators on international tourism and the impact of certain regulations on tourism (e.g., the number of visas issued in China, India and Brazil).

The tourism dashboard produced by France's Direction générale de la compétitivité de l'industrie et des services (DGCIS)¹⁵ is a much more elaborate publication (the July 2012 edition has 68 pages!). Updated every two months, it is accompanied by a three-page written summary and a statistical database available in PDF and Excel format.



13. MINISTÈRE DU TOURISME DU QUÉBEC, *Notes de conjoncture*, [online], [<http://www.tourisme.gouv.qc.ca/publications/media/document/etudes-statistiques/note-conjoncture-juin-2012.pdf>], (26 July 2012).

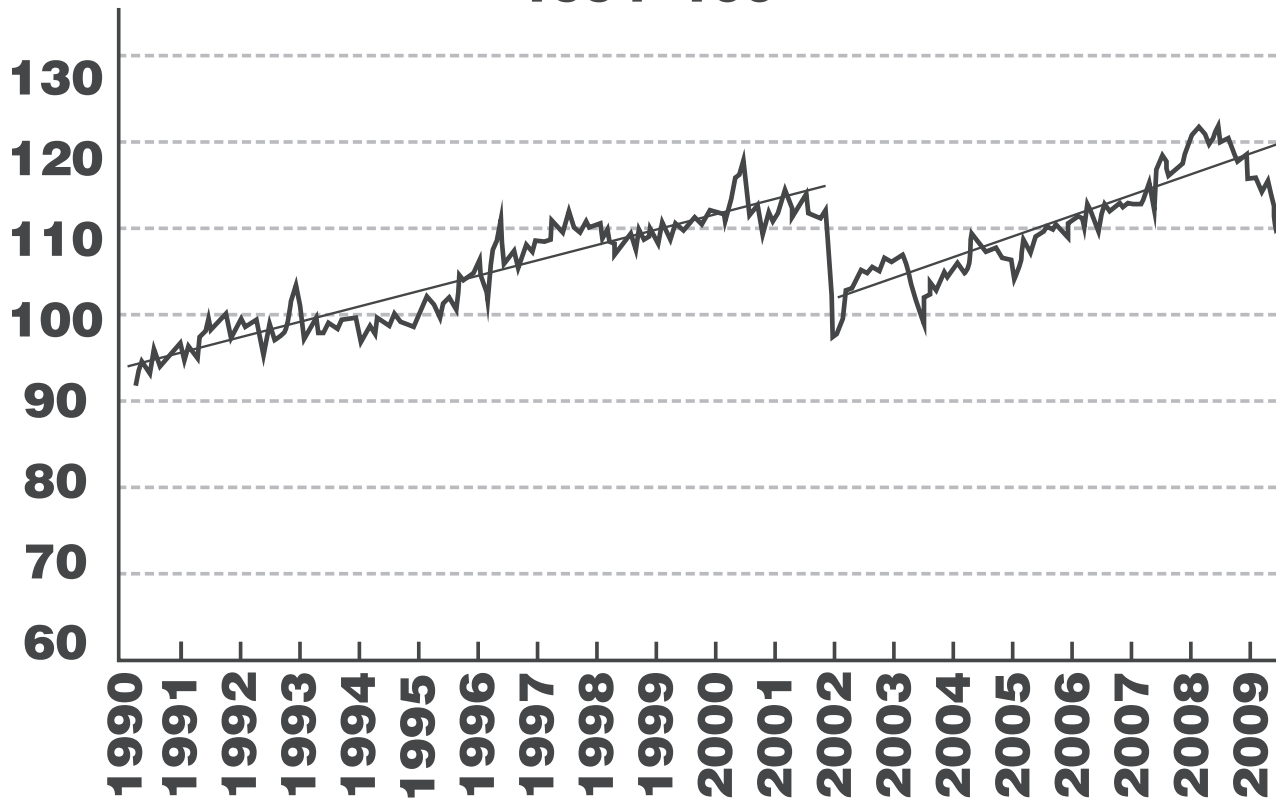
14. UNITED STATES NATIONAL TOURISM OFFICE, *Travel & Tourism Dashboard*, [online], [<http://www.trade.gov/travelindicators/travel-performance-indicators.pdf>], (30 July 2012).

15. MINISTÈRE DE L'ARTISANAT, DU COMMERCE ET DU TOURISME, *Tableau de bord du tourisme*, *Le site tourisme de la DGCIS*, [online], [<http://www.tourisme.gouv.fr/stat-etudes/tableau-de-bord/>], (31 July 2012).

The Northern California Tourism Barometer

Arizona State University, in collaboration with San Jose State University, developed the Northern California Tourism Barometer, an index derived from four indicators: 1) Non-resident arrivals to the United States; 2) Number of visits to the region's 17 national parks; 3) Hospitality and leisure employment in the region's 26 counties; and 4) Commercial aircraft landings for nine airports in the region. Each indicator gives a different perspective of the tourism industry. The barometer was created by seasonally adjusting and analyzing monthly data over 20 years (1990-2009), using a reference point established in June 1994. The same exercise will be done for 17 other major metropolitan regions in the US.

NORTHERN CALIFORNIA TOURISM BAROMETER 1994=100



4.4. THE DASHBOARD, A MANAGEMENT TOOL FOR TOURISM BUSINESSES

Regardless of the nature of its activity, all businesses, large or small, must monitor their sales, marketing, advertising, projects, the quality of the goods and services produced, their finances and their employees' skills.

In addition to common financial and accounting ratios analysis, businesses¹⁶ now use structural and economic **management indicators**¹⁷ to monitor the other components of their activities. However, in today's more complex management environment, business leaders are increasingly encouraged to identify, orient and follow up their interventions **in terms of their business strategies and objectives**. This rationalization means that the collection and processing of various data is being replaced by **key performance indicators** (KPI) that facilitate business management and decision making.

To identify these KPI, one must determine **fundamental success factors**, i.e., the elements that will have the most influence (positive or negative) on the success of the business and its ability to reach its targeted objectives. These factors often involve determinants such as sales, costs and cash flow, which explains the use of efficiency indicators (cost-effectiveness).

However, these factors can vary and require intervention in various aspects of the business (finances, clientele, internal procedures, training). For their part, tourism businesses must identify certain risks in particular, seasonal variations being just one. Indicators can also involve **direct or indirect measurement**.

Let's take the example of a tourism business with the goal of cutting expenses by 5%. A 10% reduction in energy costs is identified as a key success factor. The chosen performance indicator may be **directly associated with this factor** (measuring the change in energy costs), or it may be an **indirect indicator** for measuring the actions taken (employee training and tips on energy efficiency) or evaluating demonstrations of planned actions (ask employees to use a designated symbol to signal when they have made an effort to reduce electricity costs).

Performance indicators must reflect the reality of the business, but they can sometimes make use of existing indicators as reference points (e.g., surpass by 5 percentage points the average occupancy rate of B&Bs in my tourist region, which is itself an indicator supplied by the regional tourism office).

¹⁶ This chapter is aimed at tourism businesses of all sizes and from all sectors. Of course, businesses with higher sales and more complex management will require more sophisticated tools.

¹⁷ BÉRIQUE, Normand, "Finalement, c'est quoi un Indicateur de gestion?" *Quotient Management*, 9 April 2010, [online], [<http://www.quotientmanagement.com/finalement-c%E2%80%99est-quoi-un-indicateur-de-gestion/>], (1 August 2012).

PROCESS FOR SELECTING KEY INDICATORS, ILLUSTRATED WITH THE EXAMPLE OF A RECREATIONAL SITE

PROCESS

VISION AND OBJECTIVES?	SUCCESS FACTORS KEY TO...	TAKE ACTION IN...	KEY INDICATORS?
Strategic Activities Quality	Sales Costs Cash flow?	Finances Clients Internal processes Training	Efficiency Effectiveness

ILLUSTRATION

Revitalize the customer base by increasing the youth clientele (YC) by 5% each year	High value of our services The site's revenue-generating features Groups that stabilize attendance	Solicit the clientele of summer camps and campgrounds (within a 60-km radius) Offer original activities and services that generate on-site revenues	Number of YC/Tot. no. (%) Number of camps and campgrounds solicited \$Site rev./ \$Tot. Rev. (%) Goal: 5% increase 10/year 5% increase
-------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------

Combining performance indicators in a dashboard

A dashboard can be a decision making tool if it enables a board of directors, management committee or business owner to always know whether the business' objectives and strategic orientations are being respected, efficiency is improving, and that decisions made have been implemented and are producing the desired results.

What should be added to a dashboard?

• Basic indicators related to the company's finances and operations

• Performance indicators associated with the company's orientations and objectives

• Indicators that take into account internal and external determinants so as to quickly detect trends and situations that could have an impact on the business (e.g., certain regional tourism indicators)

To be effective, the dashboard must become a **real time** management tool integrated into the company's information system so it is "automatically" updated.¹⁸

¹⁸ Although many IT companies offer specialized software for this purpose, many businesses develop their own dashboards using an Excel spreadsheet. However, the software only comes at the final stage, after the business has thoroughly discussed its objectives and planned actions and then selected relevant indicators (and the data necessary) to measure them.

The dashboard uses a simple format that makes it easy to interpret and discuss with company managers. For example, staff efficiency can be measured with the following ratio: sales/ hours worked. Then, if this figure deviates significantly from an ideal average, the group can work together to find out why.

Additions can be made to the dashboard to monitor a specific project or problem and respond to questions from decision makers. For example, a shop owner who notices a substantial drop in tourist revenues would like to determine the source of the problem. Why are fewer tourists patronizing the shop? Are my products less attractive to the changing tourism clientele? What about the number of purchases per client? Although regional indicators may offer some possible explanations, it is much more useful to implement performance indicators, even if they are initially less than perfect. However, one must also have a data collection system that can pinpoint the problem. An ongoing survey of store clientele (e.g., postal codes, city of origin, short online survey) or interactions on social media are simple, low-cost ways of doing so.

The primary qualities of a dashboard are therefore a limited array of relevant indicators for decision making, an easy-to-read format (graphs, simple tables) that is easy to share, systematic updates and an evolving nature that constantly reflects the new challenges facing the business.

SIMPLIFIED EXAMPLE OF A DASHBOARD CREATED WITH EXCEL

Family Speech			COLLECTIVE					REMARKS			
Key performance indicators			Increase the number of annual admissions (ACM) by 50% from \$80 in revenues per hour worked (R/W) to \$100.00 in revenues per admission (P/A) by 2012					2011-2012 2011-2012			
OBJECTIVES											
July 2012											
Difference	TARGET Month	TOTAL	Week 1	Week 2	Week 3	Week 4	Difference	TARGET Year	Updated increases in ACM	R/W/HW	P/A/ADM
		1842	1200	1687	1822	2133					
	7	207	35	54	35	83	-175	Aug	124		
		\$ 73,813.80	\$ 12,540.00	\$ 17,797.85	\$ 19,950.90	\$ 23,143.05	\$ -1,122	\$ 18.50			\$ 18.75
		\$ 3,119.45	\$ 365.75	\$ 569.70	\$ 383.25	\$ 900.55					
		142	160	176	176	200	\$ -12.50	\$ 90.00		\$ 92.10	
		7	7	7	7	7					
Remarks:											
Based on increase admissions from 700 to 1800 units to reach a total of \$ 18,000.00 and 1000 units, because a constant number of 1000 units do not work to generate more revenue.											
2012-2013											
OBJECTIVES											
January 2012											
Difference	TARGET Month	TOTAL	Week 1	Week 2	Week 3	Week 4	Difference	TARGET Year	Updated increases in ACM	R/W/HW	P/A/ADM
		3494	551	894	960	1089					
	1	33	12	-17	10	18	-18	Aug	112		
		\$ 26,310.80	\$ 5,592.65	\$ 8,940.00	\$ 9,888.00	\$ 10,890.00	\$ -1,000	\$ 18.00			\$ 18.15
		\$ 124.80	\$ 121.80	\$ 170.00	\$ 103.50	\$ 180.00					
		480	100	100	140	140	\$ -15.00	\$ 90.00		\$ 73.50	
		21	0	7	14	10					
Remarks:											
The 42 additional hours worked for additional growth for 11 hours per person in hours worked (R/W) to reach a total of 1000 units.											

4.5. SECTOR-BASED INDICATORS

Each tourism **sector** has its own indicators. Though it would, of course, be impossible to list every one of them, they generally involve the following elements: an **object to be observed**, **characteristics examined** and **type of data used**.

The following table, though not a comprehensive inventory, gives an idea of the variety of indicators created from permutations of these four dimensions. The main indicators presented in Appendices 1 and 2 are examples of these different combinations.

SECTOR OF ACTIVITY	CHARACTERISTIC
<p>All types of :</p> <ul style="list-style-type: none"> • Accommodation • Transportation • Food and beverage services • Attractions • Events and exhibitions • Retail businesses • Personal services 	<ul style="list-style-type: none"> • Nature/type (classification) • Size/capacity/square footage • Launch/construction/closing/demolition • Attendance/patronage • Origin/destination/location • Motivation/attractiveness • Quality/price range (classification) • Duration • Change/gain/loss (time and space) • Period/season (time) • Distribution (space) • Indoor and outdoor • Stages • Value
OBJECT BEING MEASURED	TYPE OF DATA
<ul style="list-style-type: none"> • Trip • Destination • Visitors • Businesses • Activities • Goods and services offered/consumed • Investments • Expenditures/receipts/taxes • Employment (jobs/employees) • Infrastructure (airports, convention centres) 	<ul style="list-style-type: none"> • Figures (absolute and relative value) • Socio-economic • Financial • Economic • Behavioural • Spatial and temporal (localized)

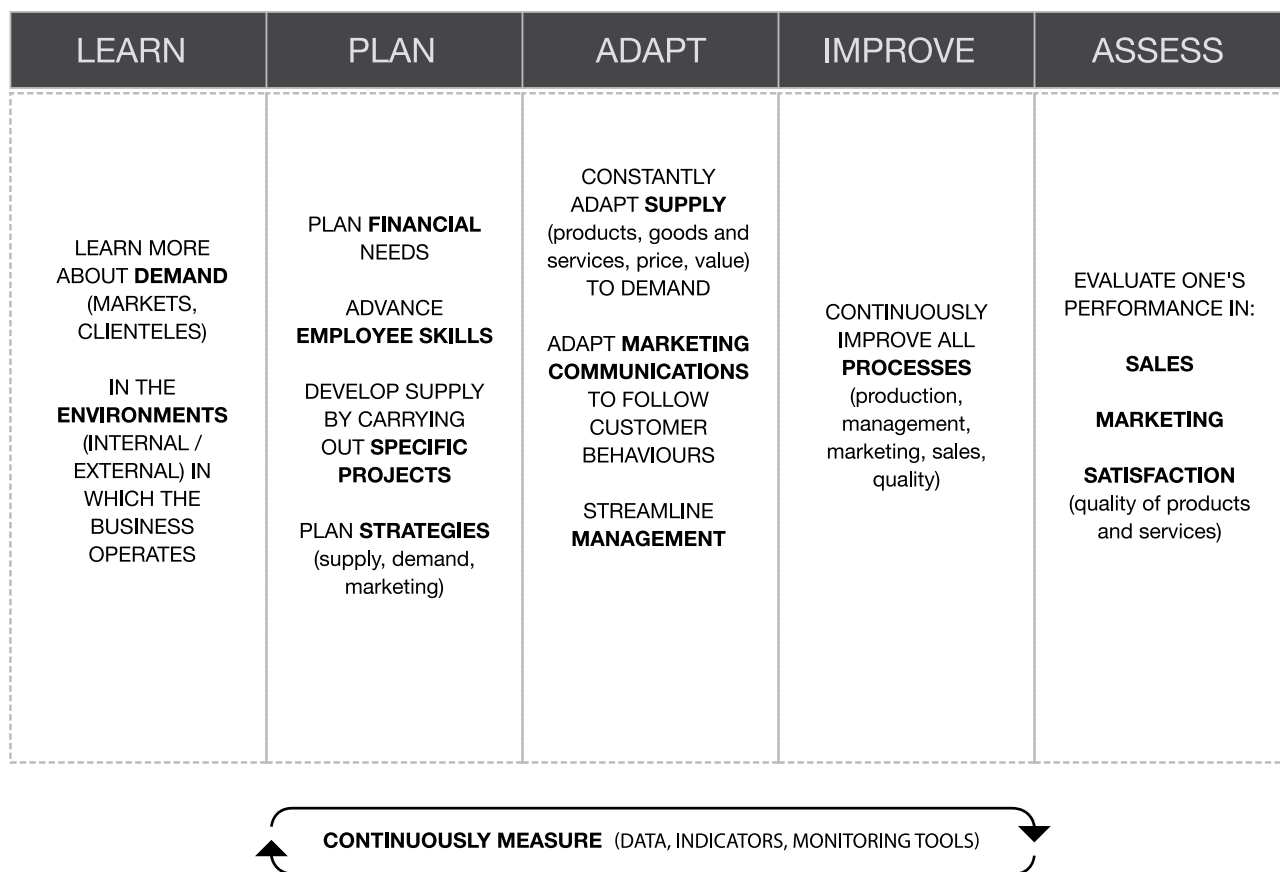
Example of an indicator in accommodations (sector): the average cost (financial data) of construction (characteristic) of a room (object - services) in a 4-star hotel (characteristic – price range) in the city of Laval (object - destination).

Since there is practically an infinite number of potential indicators, the primary selection criterion for an indicator is its usefulness.

5. MEASURING AS A MEANS TO IMPROVE PERFORMANCE

At any territorial level—local, regional, national, global-, and for any size of business, measuring is no longer a luxury, but a necessity.

To perform well and succeed in the highly competitive field of tourism, businesses can use measuring to learn more about the future and plan for tomorrow, adapt to change, continuously improve and assess their current position so they can take effective action.



5.1. THE BUSINESS PLAN AND MARKET RESEARCH

Even before your business is launched, measuring can help determine whether your dream business or product is capable of becoming a reality.

Let's say you have a **tourism project** that you believe will attract customers. Although it is original, high-quality and competitively priced, that is not enough. You need to create several scenarios to help establish that the project is economically realistic and viable and that its likelihood of success is greater than its risk of failure.

Validating a project's **business opportunity** (need and demand) and **feasibility** (technical and economic) can reduce the risks of error and show funders that, in addition to skills, instinct and passion, the entrepreneur has the tools needed to navigate the hurdles of the turbulent, yet fascinating, world of tourism.

To succeed, one must demonstrate two things: that the business will be in the hands of **competent managers** and that there is a **profitable market** for the product offered.

Two tools have traditionally provided support for these affirmations: the **business plan and market research**. However, your potential funders will have seen plenty of business plans and your pile of documentation is not likely to impress them. What should you highlight to stand out?

A realistic business plan¹

The business plan provides proof, to you and your potential backers, that your project is relevant, that you are a qualified entrepreneur and manager and that your approach is consistent with commercial success.

The business plan sets forth facts (e.g., product presentation, the competition, the current and potential market), three- to five-year target objectives (sales and performance) and strategies for achieving them (e.g., commercialization, partnerships), providing data to support your choices and reassure your backers.

Without detailing the contents of a business plan, here are **several examples of measurements** that can be used to highlight the merits of your tourism project.

Credible market research

Market research analyzes and measures the potential of a particular market to determine whether there is a demand for the product. When submitting a request for funding or launching a business, you can use this research to show there is a demand (market, clientele) for your supply (product) and a predictable environment for commercializing said product (sales and marketing strategies and interventions). Here are several examples of measurements included in market research:

¹ .As a reference, here is a sample business plan proposed by the BUSINESS DEVELOPMENT BANK OF CANADA, Advice centre - Business plan, Entrepreneurs first, [online], [http://www.bdc.ca/EN/advice_centre/tools/business_plan/Pages/default.aspx#.UDgAV51mQ-TY], (8 August 2012).

SUBJECT	QUESTIONS	MEASUREMENTS
OBJECTIVES AND FOLLOW-UP	<p>What are the business' target objectives?</p> <p>How will the attainment of these objectives be measured?</p> <p>What methods and strategies will be employed?</p> <p>How much money is required to meet financial requirements?</p> <p>To maintain assets? To pay the dividends expected by shareholders?</p>	<p>Number of clients, revenues, market share, etc. over three to five years</p> <p>Methods and strategies are measured: proposed budget, distribution network and skills network (e.g., benefits of a low outsourcing cost for a given position)</p> <p>Mention the implementation of a dashboard</p>
BUSINESS ENVIRONMENT	<p>What is the condition of the tourism industry and the market for your product in your region and target markets?</p> <p>What are current trends in your sector of activity?</p> <p>What is the competitive environment of your project?</p> <p>Is your project a priority for the region?</p>	<p>Present current trends supported by figures from recognized sources such as:</p> <ul style="list-style-type: none"> - number of visitors and how this number has changed over time in the region, sub-region and sector where your project is located - consumer confidence index or travel intentions in the destination's target markets - changes over time in sales of comparable products - measurements of behaviour to help predict the development of new clientele for this product
PRODUCT OFFERED	<p>How does your product differ from the competition?</p> <p>Does your product fit into the development plan of the region's tourism marketing organizations?</p>	<p>Number of businesses offering comparable products in the region or within the area encompassing your local clientele</p> <p>Position (rank) that your product would hold within the region (uniqueness, capacity, variety of supply, known or estimated attendance)</p>
PRICE AND COMPETITIVE ADVANTAGES	<p>What will be the price of your product?</p> <p>How does this compare to the competition?</p>	<p>Comparison with an average regional price</p> <p>Cost-benefit analysis (value) for consumer in comparison with the closest competitors</p> <p>Comparative advantages (e.g., accessibility in terms of shorter travel time, free parking, or average customer savings of \$X)</p>
DISTRIBUTION	<p>What distribution networks will carry your product?</p>	<p>Target number of tour operators offering the product</p> <p>Strengths and activities of the regional tourism marketing organization which the business will be affiliated with (e.g., marketing budget for target markets, number of promotional efforts relevant to the product, number of visits to the regional Website)</p>
CLIENTELES (SEGMENTS) AND MARKETS	See the section on market research	

2. Many national and regional organizations involved in various tourism sectors (e.g., accommodation, culture, outdoor activities) are adopting performance indicators and carrying out research that is usually accessible to entrepreneurs. Some

organizations are also producing specialized economic indices (e.g., consumer confidence and competitiveness) that monitor more specific changes in the environment. For example, the Ontario government and its partners regularly commis-

sion the Travel Intentions Study, and the US Travel Association produces its travelhorizons survey of US leisure and business travel intentions and the Traveler Sentiment Index, which rates consumer perceptions of travel.

Credible market research

Market research analyzes and measures the potential of a particular market to determine whether there is a demand for the product. When submitting a request for funding or launching a business, you can use this research to show there is a demand (market, clienteles) for your supply

(product) and a predictable environment for commercializing said product (sales and marketing strategies and interventions). Here are several examples of measurements included in market research:

SUBJECT	QUESTIONS	MEASUREMENTS
IDENTIFICATION OF CLIENTELES	<p>What clienteles are you targeting?</p> <p>What characterizes these clienteles and what are their perceptions of the product offered?</p> <p>What are their purchasing behaviours?</p>	<p>Identify clienteles and their breakdown (e.g., 80% leisure, 20% business groups - meetings)</p> <p>Present the results of surveys conducted on perceptions of the product and price (e.g., survey by "interception," focus group, Web panel), factors affecting consumption, purchasing experience of comparable products, etc.</p>
TARGET MARKETS	<p>What markets is your product targeting?</p> <p>What is the perceived importance of each sales target?</p>	<p>Origin, size of potential markets</p> <p>Visitation rate of these clienteles</p> <p>Breakdown of sales by clientele and market</p> <p>Current and projected trends</p>
CLIENTELES AT THE DESTINATION	<p>Are there many target clients for your product in the region where your project is being launched?</p>	<p>Redo the measurements included in the regional and national marketing plan:</p> <ul style="list-style-type: none"> - characteristics and volume of target clienteles at the destination - favourable trends (e.g., number, percentage of total, profiles³, growth rate, level of expenditures, comparative benefits)

SUBJECT	QUESTIONS	MEASUREMENTS
MARKETING RESOURCES AND PERFORMANCE MONITORING	<p>How do you plan to reach your target clientele?</p> <p>What marketing efforts and strategies will be used?</p> <p>How will you measure the results of these efforts?</p>	<p>Proposed budget, sales force, leverage effect possible with marketing organizations and partnerships</p> <p>Present your marketing efforts:</p> <ul style="list-style-type: none"> - marketing mix, including online marketing (breakdown of investments, number of multiplier effects generated by marketplaces and exploratory visits) - return on investment⁴ of various types of investment, including online, with assorted indicators (e.g., number of visitors, conversion rate, cost per click or email, visibility, reputation, search engine optimization) using different tools (e.g., Google Analytics)

Business plans like these will offer management strategies, including those associated with partnerships and a fallback option (the famous plan B), to demonstrate the merits of the business and thereby reassure backers.

³ Clientele profiles can be expressed various ways. For example, the Canadian Tourism Commission (CTC) has a tool that segments clienteles according to their Explorer Quotient (EQ). CANADIAN TOURISM COMMISSION, *Resources, Explorer Quotient*,

[online], [http://en-corporate.canada.travel/resources-industry/explorer-quotient], (8 August 2012).

⁴ This term is often abbreviated as ROI in the literature.

5.2. BUSINESS INTELLIGENCE

An increasingly common tool is business intelligence (BI), or the idea of providing a business with an **internal and external data operating system** to facilitate administrative and managerial decision making.

We have already looked at the dashboard, which remains one of the most popular tools for setting up a business intelligence system. The main advantage of BI is that it provides a clear, concise portrait of the current state of the business that can be used to identify opportunities (unexpected positive results) and detect problems before they get out of hand. In short, this tool enables users to **act instead of react**.

A business intelligence system can also be a development tool that helps a business **maintain focus on its vision of the future** and not just its short-term financial goals or accounting ratios.

To identify a project's ultimate goal, acquire the means to reach it and motivate employees to help achieve this goal, businesses must create intermediary guidelines, quantified objectives, and indicators to reveal the progress thus far and what remains to be done.

At the moment, the data available suggest that there is much to be done before we can say that the tourism industry has made business intelligence part of its practices.

Australia: A well-stocked toolkit

Tourism Australia offers its members and start-up tourism businesses a toolkit that covers various topics like product development assistance, marketing research and developing global public relations. These tools are offered in the form of short videos or documents for download. The kit also includes links to promotional plans, tourism forecasts and other information key to entrepreneurial success.

5.3. PROSPECTIVE INFORMATION

The working environment of tourism destinations and businesses has its share of trials: economic crises, upheaval in the airline industry, new tourists from BRIC⁵ countries, social changes among young travellers, multiplication of online portals and agencies, e-tourism, m-tourism, “adjusted consumption” and the list goes on. What’s more, every day new trends, social networks and applications join the ranks of existing ones, reminding us that we have to adapt if we are to stay up-to-date.

The challenge for tourism stakeholders, then, is to distinguish between the essential and the unimportant, the indispensable and the temporary and the fundamental and the trendy. However, it is not easy to recognize what we should pay attention to and what is a waste of time.

Here are four ways to help you sort through the mass of information available to identify what can or could have a real impact on your organization:

- **Subscribe to a tourism intelligence network⁶:** Such networks collect, analyze, triage and disseminate pertinent information with a view to supporting businesses.
- **Read prospective studies:** These studies examine more specific⁷ or sector-based topics or rapidly developing phenomena like m-tourism.⁸
- **Monitor tourism barometers:** The information in barometers can help managers foresee certain changes or see things from a more global perspective and thereby anticipate certain structural changes.⁹

• **Visit specialized Websites, blogs, discussion groups or social media pages:** Some of these online resources can provide answers to specific questions, like some groups on the LinkedIn social network, or help monitor social trends, like Trendwatching.com. The important thing is to determine the credibility of the individuals behind the sometimes misleading images of certain sites. When it comes down to it, why not ask your colleagues and professional friends on social networks what sources they use?

Prospective analyses in tourism are usually conducted on a global, continental or national scale because they require interpretation expertise and data that are often unavailable at other territorial levels.

The organizations responsible for tourism or involved in its marketing offer analyses that tend to plan development over a 5 to 20-year horizon, while taking into account changes in major global and national socio-demographic and macro-economic indicators, opportunity studies, perceived threats observed by major travel agencies, hotel and airline products (investments), and demand in specific sectors that generate large expenditures like business travel (conventions) and the cruise industry.

However, the fact remains that prospective studies propose future scenarios that can only be validated or invalidated when the future becomes reality!

5. Brazil, Russia, India, China.

6. In Quebec, the Tourism Intelligence Network of the Transat Chair in Tourism, School of Management, Université du Québec à Montréal, fills this mandate [<http://www.chairedetourisme.uqam.ca/>], just like ATOUT France does for France [<http://www.atout-france.fr/prehome/>].

7. One such example is “The Travel Gold Rush 2020,” written by Oxford Economics for Amadeus about the future of travel and the profitability of businesses.

8. PIPAME, *Prospective du m-tourisme*, Paris, DGCIS-Prospective, November 2011, 188 pages, [online], [<http://www.industrie.gouv.fr/p3e/etudes-prospectives/m-tourisme/m-tourisme.pdf>], (9 August 2012).

9. For example, the 2012 edition of the UNWTO’s *Tourism Highlights* presents the long-term forecast for tourism in 2030.

5.4. MEASURING SUSTAINABILITY

Though the preceding chapters have discussed many economic measurements, we all know that tourism performance and wealth creation are now assessed from the broader perspective of sustainability.

The sustainable approach to tourism, which takes into account the natural, cultural and social resources of an area to minimize the possible negative impacts and maximize the positive impacts, requires the creation of indicators that are not strictly economic.

Although there is no single, established methodological framework for measuring tourism impacts in a sustainable manner, the **guiding principles of sustainable tourism** put forth by the United Nations and presented in the participant booklet written for the International Symposium on the Sustainable Development of Tourism¹⁰ offer some relevant guidance. It is recommended that destinations incorporate the following 12 policy objectives:

- 1) **Economic viability:** Ensure the competitiveness of tourism destinations and enterprises.
- 2) **Local prosperity:** Maximize the proportion of visitor spending that is retained via local job creation.
- 3) **Employment quality:** Strengthen the number and quality of jobs in terms of level of pay, work conditions and availability without discrimination.
- 4) **Social equity:** Seek a widespread distribution of economic and social benefits (e.g., job opportunities, income, services available to the poor).
- 5) **Visitor fulfilment:** Provide safe, satisfying and fulfilling experiences.

- 6) **Local control:** Engage local communities in planning and decision-making that affects tourism in their area.
- 7) **Community well-being:** Maintain and strengthen the quality of life in local communities, avoiding any form of social degradation or exploitation.
- 8) **Cultural richness:** Respect and enhance the historic heritage, authentic culture, traditions and distinctiveness of host communities.

*According to the WTO, the development of **sustainable tourism** is “a process which meets the needs of present tourists and host communities whilst protecting and enhancing needs in the future”. It is seen as leading to “management of all resources in such a way that **economic, social and aesthetic needs** can be fulfilled while maintaining **cultural integrity**, essential **ecological** processes, biological diversity and life support systems.”*

10. PRISKIN, Juliana, *An International Portrait of Sustainability in the Tourism Sector, Participant Booklet, Symposium on the Sustainable Development of Tourism*, Montreal, Transat Chair in Tourism for the Ministère du Tourisme du Québec, 2009, page 11,

and UNITED NATIONS ENVIRONMENT PROGRAMME AND WORLD TOURISM ORGANIZATION, *Making Tourism More Sustainable. A Guide for Policy Makers*, Paris, United Nations World Tourism Organization, 2005, 209 p.

- 9) **Physical integrity:** Maintain and enhance the quality of landscapes, both urban and rural, and avoid the physical and visual degradation of the environment.
- 10) **Biological diversity:** Support the conservation of natural areas, habitats and wildlife.
- 11) **Resource efficiency:** Minimize the use of scarce and non-renewable resources in the development and operation of tourism facilities and services.
- 12) **Environmental purity:** Minimize the pollution of air, water and land and the generation of waste by tourism enterprises and visitors.

Businesses and research, which are widening the scope of assessment to include economic and other impacts of tourism, are using some of these indicators more than others, depending on the **target objectives** and the **specific business environment**. Obviously, holding an event in a highly urbanized environment¹¹, building a hotel in a beautiful natural setting and creating a hospitality village in a rural area could require very different indicators

11. An interesting example of this is the study on the impact of 12 Edinburgh festivals, which integrates social, environmental and media aspects. Please see Chapter 3, footnote 7 (BOP CONSULTING).

Here is an example of indicators that could apply in the context of a development in an exceptional natural setting (Indonesia).¹²

EXAMPLES OF BENCHMARK INDICATORS

TYPE OF RATIO	UNIT OF REFERENCE	BENCHMARK ASSESSMENT
% of tourist use area/total area	%	Equal to or less than 35
% of sewage treated	%	Equal to or greater than 70
% of solid waste treated	%	Equal to or greater than 80
Water consumption per room	litre	Equal to or less than 1500
Average maximum height of buildings	metre	Equal to or less than 15
Jobs created per room/spot	ratio	Equal to or less than 2
% of staff receiving professional development	%	Equal to or greater than 15
% of local tourist attendance	%	Equal to or greater than 6
Crime rate per tourist (%)	%	Equal to or less than 2
Distance from closest physician	Km	Equal to 0
% of cultural expenditures	%	Equal to or greater than 0.03
Information (child protection)	Yes / no	YES
Existence of collective agreement	Yes / no	YES
% of local purchases/total purchases	%	Equal to or greater than 90
Participation in concerted actions to protect the environment	Yes / no	YES
Existence of access to new technologies	Yes / no	YES

Source : Bali Tourism Development Corporation (BTDC)

12. ACTING FOR LIFE, Grille de lecture des projets touristiques à partir des indicateurs du tourisme durable, [online], [http://www.acting-for-life.com/pdf/grille_de_lecture_des_projets_touristiques.pdf], (10 August 2012).

The field of tourism has been moving towards sustainability for the past several years. Some examples: many airlines now offer their customers greenhouse gas (GHG) offset programs; numerous convention centres have created green buildings; a growing number of destinations feature bike-sharing systems and environmentally friendly buses; and some tour operators get socially involved in the countries they visit.

Though the efforts of small businesses are more modest, they are growing nonetheless and often reflect the nature of their activities. For example, a natural site with no recycling or wildlife protection programs might well be viewed negatively by its clients.

However, there are other actions businesses could adopt to boost their visibility and economic performance. Buying local, high-quality jobs, customer satisfaction, efficient resource use like reduced water consumption and a host of other sector-specific activities help businesses reduce costs, retain their best employees, foster customer loyalty and enhance their reputations by encouraging the dissemination of positive comments.

Businesses that help develop a more sustainable tourism industry could add certain indicators to their dashboards and share the results with suppliers and clients and in press releases.

Several public programs have made sustainable development practices a selection or even eligibility criterion for financial support.

Without a doubt, for a thorough, accurate portrait of their performance, tourism businesses should adopt indicators of sustainable development and impact analyses that look at more than just the economic benefits of tourism.

THE ACCESSIBILITY OF TOURISM MEASUREMENT TOOLS

Many of the questions raised in this document will be examined in greater detail at the *Symposium on Measuring the Performance and Economic Contribution of Tourism*.

One issue in particular should be a key element of the topics discussed by speakers and participants: **accessibility**.

Do small and medium-size tourism businesses have access to the data, indicators, monitoring tools and practical interpretations useful for their daily operations?

Tourism associations, professional groups, educational and research institutions, government departments and agencies must answer this question, as they share responsibility for providing the tourism industry with the tools it needs to perform.

However, until then, you can investigate some of the resources available. To facilitate this exercise, contact information and a brief description of the primary organizations involved in the economic measurement of tourism are listed in a table in Appendix 3.

There is a lot of information out there; enjoy the journey!

France Lessard, Tourism and Marketing Consultant

APPENDIX 1: MAIN INDICATORS OF TOURISM DEMAND¹

PHENOMENA OBSERVED	NATIONAL	REGIONAL-LOCAL
DESCRIPTIFS		
ATTENDANCE / PATRONAGE	BORDER ENTRIES: TOTALS BY REGION BY PORT OF ENTRY	REGION-VISITS ENTRIES: TOTALS BY SUB-REGION BY CATEGORY (VISITOR, ACTIVITY, ETC.) BY ORIGIN BY PURPOSE OF TRIP
	TOTAL BY TYPE OF VISITOR (TOURIST/SAME-DAY VISITOR) BY ORIGIN BY PURPOSE OF TRIP (LEISURE, BUSINESS, ETC.) BY SEASON/QUARTER	
VISITOR PROFILE	BREAKDOWN [%] BY ORIGIN [VARIABLE CLASSIFICATION] BY PURPOSE OF TRIP	BREAKDOWN [%] BY ORIGIN, GENDER, AGE, PROFESSION, INCOME, EDUCATION, STAGE OF LIFE, ETC.
DURATION OF STAY	AVERAGE STAY IN DAYS OR PERSON-NIGHTS	
PURPOSE OF TRIP	BREAKDOWN [%] BY PURPOSE: BUSINESS, LEISURE, OTHER PURPOSE – [VARIABLE CLASSIFICATION*]	
TOURISM EXPENDITURES [RECEIPTS]	TOTALS AND AVERAGE BREAKDOWN [%] BY CATEGORY BY VISITOR BY ORIGIN BY PURPOSE OF TRIP BY DAYS/PERSON-NIGHTS	
ACCOMMODATION [ALL TYPES]	TOTAL PERSON-NIGHTS ROOMS/BEDS/RESIDENCE/CAMPSITE, ETC. OCCUPIED BREAKDOWN [%] COMMERCIAL ACCOMMODATION/VFR OCCUPANCY RATE AVERAGE PRICE REVENUE PER AVAILABLE ROOM [REVPAR] BY ORIGIN BY PURPOSE OF TRIP BY CATEGORY OF CLIENTELE [GROUP, BUSINESS, CONVENTION, FIT] BY SEASON, QUARTER, MONTH, WEEK BY TYPE OF ESTABLISHMENT BY SIZE OF ESTABLISHMENT BY CLASSIFICATION OF ESTABLISHMENT BY REGION, SUB-REGION	
ATTRACTION/EVENT/ EXHIBITION	ATTENDANCE [ENTRIES] PERCENTAGE OF VISITORS WHO ENGAGED IN AN ACTIVITY/ PARTICIPATED IN AN EVENT [VARIABLE CLASSIFICATION] BY REGION BY CATEGORY BY VISITOR ORIGIN	

* The classifications used may vary depending on the country observed

1. Certain indicators, like those associated with particular sites and activities, accessibility and

competitiveness may also be considered indicators of supply and its consumption.

APPENDIX 1: MAIN INDICATORS OF TOURISM DEMAND (CONTINUATION)

PHENOMENA OBSERVED	NATIONAL	REGIONAL-LOCAL
TRAVEL BEHAVIOURS	BREAKDOWN OF TRAVELLERS [%] BY COMPOSITION OF TRAVEL PARTY [FIT, GROUP] BY MODES OF TRANSPORTATION USED BY REGION/CITY VISITED BEFORE AND AFTER STAY BY NUMBER OF PREVIOUS VISITS TO THE DESTINATION	
TRANSPORTATION	ATTENDANCE/PATRONAGE IN NUMBER OF PASSENGERS/OCCUPIED SEATS/ARRIVALS OCCUPANCY RATE [%] BY TYPE OF TRANSPORTATION BY VISITOR ORIGIN	
SATISFACTION	LEVEL OF SATISFACTION [% OR QUALITATIVE] RATE OF RETURN [%] BY TERM [DURATION] BY SUBJECT [VARIABLE CLASSIFICATION] BY ORIGIN BY CATEGORY OF GOODS AND SERVICES CONSUMED – [VARIABLE CLASSIFICATION]	
INFORMATION	OFFERED/CONSUMED NUMBER OF QUERIES NUMBER OF USERS BY VISITOR CENTRE BY TYPE OF MEDIA [PRINT, ELECTRONIC] BY STAGE OF TRIP BY ORIGIN	
RESERVATION	PERCENTAGE OF VISITORS [%] BY BOOKING METHOD BY ORIGIN BY PURPOSE BY PRODUCT RESERVED BY AMOUNT OF THE RESERVATION	
SOCIO-STYLES" (I.E., SEGMENTATION BASED ON LIFE STYLE AND SOCIO-DEMOGRAPHIC DATA)	BREAKDOWN OF CLIENTELES BY TYPE, VALUES, ETC. [VARIABLE CLASSIFICATION]	
FORECASTS		
TRAVEL INTENTIONS CONSUMER CONFIDENCE INDEX	CHANGE OVER TIME BREAKDOWN OF RESPONDENTS [%] [VARIABLE CLASSIFICATION]	
ECONOMIC	VISA REQUESTS INTERNATIONAL ARRIVALS - CURRENT - FORECAST [VARIABLE CLASSIFICATION]	ATTENDANCE RESERVATIONS SALES: - CURRENT TRENDS - FORECAST [VARIABLE CLASSIFICATION]

APPENDIX 1: MAIN INDICATORS OF TOURISM DEMAND (CONTINUATION)

PHENOMENA OBSERVED	NATIONAL	REGIONAL-LOCAL
EXTERNAL ENVIRONMENT ON TARGET MARKETS [INFLUENCE ON DEMAND]		
ECONOMIC FACTORS	CHANGES IN: <ul style="list-style-type: none">- GDP- UNEMPLOYMENT RATE- INFLATION RATE- FUEL PRICES	
FINANCIAL FACTORS	CHANGES IN: <ul style="list-style-type: none">- NATIONAL CURRENCY RATE- MARKET CURRENCY RATES	
SOCIO-POLITICAL FACTORS	PRESENCE OR ABSENCE OF FACTORS OF SOCIAL AND POLITICAL INSTABILITY ON FOREIGN MARKETS	PRESENCE OR ABSENCE OF FACTORS OF INSTABILITY ON TARGET INTERNATIONAL AND DOMESTIC MARKETS
HEALTH FACTORS	PRESENCE OR ABSENCE OF FACTORS OF HEALTH INSTABILITY ON FOREIGN MARKETS	
INTERNAL ENVIRONMENT [INFLUENCE ON DEMAND]		
SOCIO-POLITICAL AND HEALTH FACTORS	PRESENCE OR ABSENCE OF FACTORS OF INSTABILITY	
COMPETITION AND COMPETITIVENESS	CHANGES IN PERFORMANCE INDICES AND THOSE OF PRIMARY COMPETITORS [VARIABLE CLASSIFICATION]	

APPENDIX 2: MAIN INDICATORS OF TOURISM SUPPLY²

PHENOMENA OBSERVED	NATIONAL	REGIONAL-LOCAL
DESCRIPTIONS		
TRANSPORTATION	TOTAL AND CHANGES IN THE NUMBER OF SEATS TICKET PRICE BY TYPE OF TRANSPORTATION BY ORIGIN-DESTINATION	
COMMERCIAL ACCOMMODATION	CAPACITY [BEDROOMS/BEDS/ROOMS/PEOPLE]: BY TYPE OF ACCOMMODATION [HOTEL, MOTEL, TOURIST RESIDENCE, B&B, ETC.] BY SEASON OR QUARTER BY TYPE OF ESTABLISHMENT BY SIZE OF ESTABLISHMENT BY CLASSIFICATION OF ESTABLISHMENT BY REGION, SUB-REGION BY AVERAGE DAILY PRICE	
CAMPING		SITES AVAILABLE BY RENTAL TERM [SEASONAL, TRANSIENT] BY TYPE OF EQUIPMENT BY SIZE OF SITE BY REGION
ATTRACTIONS/EVENTS/ EXHIBITIONS — INDOOR AND OUTDOOR	NATIONAL ATTRACTIONS [VARIABLE CLASSIFICATION]: ATTRACTIVENESS SERVICES OFFERED BY TYPE [CULTURAL, RECREATIONAL, PARKS, ETC.] BY REGION	CLASSIFICATION [VARIABLE] SERVICES OFFERED CAPACITY [SQUARE FOOTAGE, ROOMS, VISITORS, ETC.] BY TYPE [CULTURAL, RECREATIONAL, ETC.] BY REGION BY ADMISSION PRICE
FOOD AND BEVERAGE SERVICES		CLASSIFICATION CAPACITY [SEATING — INDOOR, PATIO] BY TYPE BY SERVICES OFFERED BY PRICE RANGE
FORECASTS		
INVESTMENTS	Amounts Breakdown [%] Change [%] By region By sector of activity By category	
ECONOMIC	SEE INVESTMENTS NEW TOURISM PROJECTS NEW INFRASTRUCTURES	

2. Certain indicators, like those associated with transportation, site attractiveness and investments may also be considered indicators of demand.

APPENDIX 2: MAIN INDICATORS OF TOURISM SUPPLY² (CONTINUATION)

PHENOMENA OBSERVED	NATIONAL	REGIONAL-LOCAL
EXTERNAL ENVIRONMENT [INFLUENCE ON SUPPLY]		
ACCESSIBILITY	CHANGE IN THE NUMBER OF ROUTES, SEATS AVAILABLE PRESENCE OR NOT OF MAJOR ROAD WORK SIGNAGE	
ECONOMIC FACTORS	INVESTOR CONFIDENCE INDEX DEMAND CONDITIONS [SEE DEMAND] STATUS OF THE COMPETITION	
FINANCIAL FACTORS	ASSISTANCE/SUPPORT PROGRAMS [AVAILABILITY, LEVERAGE EFFECT] INTEREST RATES ON LOANS RISK APPETITE OF FINANCIAL INSTITUTIONS	
ENVIRONNEMENT INTERNE (INFLUENCE SUR L'OFFRE)		
COMPETITIVENESS	PERFORMANCE INDICES OF DESTINATION VALUE, PRICE AND PERCEPTION OF SUPPLY	
SOCIO-POLITICAL AND HEALTH FACTORS	PRESENCE OR ABSENCE OF FAVOURABLE FACTORS OR BARRIERS (E.G., QUALITY OF LOCAL HOSPITALITY)	

APPENDIX 3: PRIMARY ORGANIZATIONS INVOLVED IN MEASURING TOURISM

The organizations below are listed alphabetically, grouped according to level of intervention (international, national, regional). Each description includes the organization's mandate in the field of tourism as well as a link to a relevant section of their Website. One section includes private companies listed for their involvement in creating major tourism studies or for their role as a source of relevant tourism data.

NAME OF ORGANIZATION (ABBREVIATION)	MISSION / PRIMARY MANDATE	WEBSITE
I. INTERNATIONAL		
ACTING FOR LIFE FRANCE	An international development organization, Acting for life uses tourism as a factor of development provides technical assistance in three areas of expertise: sustainable tourism indicators, best practices for reducing poverty through tourism and technology transfer for tourism businesses in developing countries.	HTTP://WWW.ACTING-FOR-LIFE.COM/EN/TOUR_PRINCIPES.HTM
EUROSTAT COMMISSION EUROPÉENNE (CE)	Eurostat is a directorate-general of the European Commission and responsible for statistical information. It produces the official statistics of the European Union by harmonizing and aggregating data collected by member countries, candidate countries and countries in the European Free Trade Association. One division of Eurostat is responsible for the tourism sector.	HTTP://EPP.EUROSTAT.EC.EUROPA.EU/PORTAL/PAGE/PORTAL/TOURISM/INTRODUCTION
ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT (OECD)	The travel industry in the 34 member countries of the OECD (developed nations) represents approximately 70% of global tourism. The OECD Tourism Committee provides a unique framework for coordinating their international policies and actions.	HTTP://WWW.OECD.ORG/CFE/TOURISM/
WORLD ECONOMIC FORUM (WEF)	The World Economic Forum is an independent organization that engages global leaders from various fields to discuss global development. The Forum produces a Tourism Competitiveness Index for 139 countries.	HTTP://WWW.WEFORUM.ORG/ISSUES/TRAVEL-AND-TOURISM--COMPETITIVENESS

APPENDIX 3: PRIMARY ORGANIZATIONS INVOLVED IN MEASURING TOURISM (CONTINUATION)

NAME OF ORGANIZATION (ABBREVIATION)	MISSION / PRIMARY MANDATE	WEBSITE
WORLD TOURISM ORGANIZATION (WTO)	The WTO is the United Nations agency in charge of promoting responsible, sustainable and universally accessible tourism. It provides assistance to the sector, encourages the implementation of the Global Code of Ethics for Tourism and works to make tourism an effective tool for development. Its membership includes 155 countries.	HTTP://WWW2.UNWTO.ORG/EN/
WORLD TRAVEL & TOURISM COUNCIL (WTTC)	The WTTC is a forum for business leaders in the travel industry; its members are chief executives of some one hundred of the world's leading tourism companies. Its mission is to raise awareness of tourism as an industry that generates both wealth and jobs. The WTTC encourages public-private partnerships that deliver results to meet the needs of national, regional and local communities.	HTTP://WWW.WTTC.ORG/
II. NATIONAL – COUNTRY		
AGENCE DE DÉVELOPPEMENT TOURISTIQUE DE LA FRANCE (ATOUT FRANCE) FRANCE	The missions of ATOUT France are to promote the country around the world, adapt French tourism products to tourism demand and help its partners become more economically competitive.	HTTP://WWW.ATOUT-FRANCE.FR/ETUDES-OBSERVATION
AUSTRALIAN BUREAU OF STATISTICS (ABS) AUSTRALIA	The ABS supports and encourages informed decision making, research and communications between governments and communities by providing high-quality, objective and responsive national statistics. Tourism is one of the topics covered.	HTTP://WWW.ABS.GOV.AU/AUSSTATS/ABS@.NSF/WEBPAGES/STATISTICS?OPENDOCUMENT
BUSINESS DEVELOPMENT BANK OF CANADA (BDC) CANADA	The BDC is a financial institution of the Government of Canada. As a complementary lender, the BDC offers loans and investments that fill out or complete the services available from commercial financial institutions. More specifically, its clientele is start-ups, innovators and exporters. The BDC provides SMEs with several tools to improve their performance, including business plan templates.	HTTP://WWW.BDC.CA/EN/PAGES/HOME.ASPX#UEC8NTZMQSC
CANADIAN TOURISM COMMISSION (CTC) CANADA	The CTC is a Crown corporation whose mandate is to sustain a vibrant and profitable Canadian tourism industry by marketing Canada as a desirable tourism destination. To do so, it supports a cooperative relationship between the private and public sectors and conducts research to help give Canada's tourism industry a competitive edge.	HTTP://EN-CORPORATE.CANADA.TRAVEL/
CANADIAN TRAVEL RESEARCH INSTITUTE (CTRI) CONFERENCE BOARD OF CANADA CANADA	The CTRI is part of the Conference Board of Canada, a private Canadian organization that provides specialized economic forecasts. The travel and tourism sector is covered by the delivery of services on trends, domestic and international market analysis, forecast databases for the country, provinces and census metropolitan areas, as well as national indicators aimed at businesses.	HTTP://WWW.CONFERENCEBOARD.CA/PRODUCTS/REPORTS/TRAVEL_REPORTS_COPY1.ASPX

APPENDIX 3: PRIMARY ORGANIZATIONS INVOLVED IN MEASURING TOURISM (CONTINUATION)

NAME OF ORGANIZATION (ABBREVIATION)	MISSION / PRIMARY MANDATE	WEBSITE
DIRECTION GÉNÉRALE DE LA COMPÉTITIVITÉ, DE L'INDUSTRIE ET DES SERVICES (DGCIS) MINISTÈRE DU REDRESSEMENT PRODUCTIF FRANCE	The mission of the DGCIS is to develop the competitiveness and growth of industry businesses and services. The DGCIS includes the tourism, commerce, arts and crafts and services division, as well as a sub-directorate of forecasting, economic studies and assessment and a regional action program.	HTTP://WWW.TOURISME.GOUV.FR/
NATIONAL INSTITUTE OF STATISTICS AND ECONOMIC STUDIES (INSEE) FRANCE	The INSEE collects, produces, analyzes and disseminates information about the French economy and society to enable users to enhance their knowledge, conduct studies, prepare forecasts, and make decisions. One of the topics studied is tourism and transportation services.	HTTP://WWW.INSEE.FR/EN/THEMES/ THEME.ASP?THEME=13
OFFICE OF TRAVEL & TOURISM INDUSTRIES (OTTI) INTERNATIONAL TRADE ADMINISTRATION UNITED STATES	The goal of the OTTI is to enhance the international competitiveness of the U.S. travel and tourism industry and increase its exports, thereby creating U.S. employment and economic growth. The OTTI therefore carries out statistical processing to assess the economic contribution of the industry and provide strategic information to support the decision making and managerial processes of the primary stakeholders.	HTTP://TINET.ITA.DOC.GOV/
STATISTICS CANADA CANADA	As Canada's central statistical office, Statistics Canada produces about 350 active surveys on virtually all aspects of Canadian life, including tourism.	HTTP://CANSIM2.STATCAN.GC.CA/CGI- WIN/CNSMCGI.PGM?LANG=E&AS_ ACTION=END-RECHERCHE&RES-INS =STU-ETU/PUB6&AS_UNIV=6&AS_ MODE=2
TOURISM RESEARCH AUSTRALIA (TRA) DEPARTMENT OF RESOURCES, ENERGY AND TOURISM AUSTRALIA	TRA is a branch of the Department of Resources, Energy and Tourism. TRA conducts research on international and domestic visitors to support Australia's development and promote it as a tourist destination.	HTTP://WWW.RET.GOV.AU/TOURISM/ RESEARCH/TRA/PAGES/DEFAULT.AS PX
US TRAVEL ASSOCIATION (USTA) UNITED STATES	The USTA is an association of businesses and organizations active in tourism. Its primary objectives are to provide networking opportunities for learning and improved efficiency, collective marketing efforts, and effective advocacy. The USTA produces various indicators and studies on tourism in the United States.	HTTP://WWW.USTRAVEL.ORG/

APPENDIX 3: PRIMARY ORGANIZATIONS INVOLVED IN MEASURING TOURISM (CONTINUATION)

NAME OF ORGANIZATION (ABBREVIATION)	MISSION / PRIMARY MANDATE	WEBSITE
VISITENGLAND ENGLISH TOURISM INTELLIGENCE PARTNERSHIP (ETIP) ENGLAND	VisitEngland is the organization responsible for tourism in England. Its role is to grow the value of tourism by working in partnership with the industry to market England and improve its tourism product. One such partnership is the ETIP, which has improved the quality of tourism intelligence and led to the creation of the Tourism Intelligence Unit (TIU) in the Office of National Statistics (ONS).	HTTP://WWW.VISITENGLAND.ORG/ ENGLAND-TOURISM- INDUSTRY/ETIP/INDEX.ASPX
III. SUBNATIONAL – REGION, PROVINCE, STATE, DEPARTMENT		
ATR ASSOCIÉES DU QUÉBEC (ATRAQ) PROVINCE DE QUÉBEC CANADA	The ATRAQ brings together all the regional tourism associations (ATR) in Quebec to represent and promote their collective interests. It provides services that enable them to participate in the development and promotion of the Quebec tourism industry.	HTTP://WWW.ATRAQ.COM/CGI- CS/CS.WAFRAME.CONTENT?TOPIC= 14381&LANG=1
CONSEIL QUÉBÉCOIS DES RESSOURCES HUMAINES EN TOURISME (CQRHT) PROVINCE OF QUEBEC CANADA	The CQRHT is a forum of partners with the goal of contributing to the development of human resource training strategies designed to enhance the professionalism of the tourism industry and, as a consequence, improve the economic growth of this sector in Quebec.	HTTP://WWW.CQRHT.QC.CA/
DEPARTMENT OF CULTURE, TOURISM AND HEALTHY LIVING PROVINCE OF NEW BRUNSWICK CANADA	The Department's mandate is to increase the profile and performance of the tourism industry in New Brunswick and to ensure that provincial parks are an integral part of this effort.	HTTP://WWW.GNB.CA/0397/INDEX- E.ASP
INSTITUT DE LA STATISTIQUE DU QUÉBEC (ISQ) PROVINCE OF QUEBEC CANADA	The ISQ is the government organization in charge of producing, analyzing and disseminating official, objective, high-quality statistical data for Quebec. This data is used to enhance knowledge, inform discussions and support the decision making process of various stakeholders in Quebec society. The ISQ plays a role in the creation of economic impact studies.	HTTP://WWW.STAT.GOUV.QC.CA/DEF AULT.HTM
MINISTÈRE DU TOURISME PROVINCE OF QUEBEC CANADA	The Ministère du Tourisme encourages the growth of the tourism industry from the perspective of economic prosperity and sustainable development, working in cooperation and in partnership with public and private stakeholders.	HTTP://WWW.TOURISME.GOUV.QC.C A/INDEX.PHP

APPENDIX 3: PRIMARY ORGANIZATIONS INVOLVED IN MEASURING TOURISM (CONTINUATION)

NAME OF ORGANIZATION (ABBREVIATION)	MISSION / PRIMARY MANDATE	WEBSITE
MINISTRY OF TOURISM, CULTURE AND SPORT PROVINCE OF ONTARIO CANADA	The Ministry promotes a sustainable, customer-focussed tourism industry, seeks to increase investment in Ontario's tourism industry by creating an environment that encourages investment and supports the delivery and marketing of high-quality tourist experiences to Ontarians and visitors to the province.	HTTP://WWW.MTC.GOV.ON.CA/EN/ TOURISM/TOURISM.SHTML
OBSERVATOIRE DU TOURISME DE LA CÔTE D'AZUR (TOURISCOPE) CÔTE D'AZUR REGIONAL TOURISM COMMITTEE FRANCE	The mission of the Observatoire du tourisme de la Côte d'Azur is to conduct the surveys needed for the measurement and statistical analysis of the destination's tourism supply and demand. It provides technical and methodological monitoring services, leads observational studies, and ultimately aims to advance the economic intelligence of tourism and thereby promote sustainable development.	HTTP://WWW.COTEDAZUR- TOURISCOPE.COM/V2/HOME/
OBSERVATOIRE RÉGIONAL DU TOURISME D'ALSACE (CLICALSACE) FRENCH ALSACE REGIONAL TOURISM COMMITTEE	The role of ClicAlsace is to educate as many people as possible about tourism, what it means to the Alsatian economy, its potential for improvement, and how supply and demand change over time.	HTTP://WWW.CLICALSACE.COM/
QUÉBEC CITY TOURISM (OTQ) QUÉBEC CITY AREA PROVINCE OF QUEBEC CANADA	Québec City Tourism's mission is to actively contribute to industry prosperity through integrated and coordinated marketing and development efforts, reception services for tourists, and information to the industry. It brings together nearly 1,000 member businesses from the Québec City area and 4 neighbouring regional county municipalities.	HTTP://WWW.QUEBECREGION.COM/ EN/MEDIA/STATISTICS?A=MED
TOURISM INTELLIGENCE NETWORK (TIN) TRANSAT CHAIR IN TOURISM SCHOOL OF MANAGEMENT UNIVERSITÉ DU QUÉBEC À MONTRÉAL (UQAM) PROVINCE OF QUEBEC CANADA	The Tourism Intelligence Network (TIN) is an organization devoted to strategic intelligence gathering in the field of tourism. Its mission is to locate, gather, analyze and distribute value-added information to enhance the Quebec tourism industry's competitiveness and help its decision-makers develop forward-looking strategies.	HTTP://TOURISMINTELLIGENCE.CA/
TOURISME MONTRÉAL GREATER MONTREAL PROVINCE OF QUEBEC CANADA	The mission of Tourisme Montréal is to assume leadership of the regional effort to position Montreal as a premier destination for business and leisure travel. It is also responsible for generating economic benefits for the entire region and steering Montreal's tourism market development to keep pace with constantly evolving economic realities.	HTTP://WWW.TOURISME-MONTREAL. ORG/MONTREAL-TOURISM/TOOLKIT

APPENDIX 3: PRIMARY ORGANIZATIONS INVOLVED IN MEASURING TOURISM (CONTINUATION)

NAME OF ORGANIZATION (ABBREVIATION)	MISSION / PRIMARY MANDATE	WEBSITE
IV. CONSULTANTS FROM THE PRIVATE SECTOR ³		
ECONOMIST INTELLIGENCE UNIT (EIU) ENGLAND	A member of The Economist Group, the EIU offers forecasts and analyses to support decision making in various fields of the economy and finance. Its services are aimed at business and public leaders. The EIU offers free access to various analyses conducted by country, by industry and by theme (risk analysis, management, etc.).	HTTP://WWW.EIU.COM/
EUROMONITOR INTERNATIONAL ANGLETERRE	Euromonitor International focusses on research in global and niche marketing. Its market research and surveys aim to identify environments offering business and export opportunities in developed and emerging countries. Many of its clients and analyses come from the field of tourism.	HTTP://WWW.EUROMONITOR.COM/ABOUT-US
HVS CANADA CANADA	HVS is a consulting and services organization serving the tourism sector (the hotel, restaurant, gaming and leisure industries). The company offers specialized industry expertise to help clients enhance the economic returns and value of their hospitality assets. In collaboration with Smith Travel Research, HVS produces indicators for the hotel industry, including the Canadian Monthly Lodging Outlook.	HTTP://WWW.HVS.COM/
IPK INTERNATIONAL GERMANY	Specializing in market research and planning, IPK produces a database on global travel behaviour (World Travel Monitor) based on surveys conducted in many countries.	HTTP://WWW.IPKINTERNATIONAL.COM/EN/BUSINESS-SECTORS/WORLDEUROPEAN-TRAVEL-MONITORR-DATA/
OXFORD ECONOMICS UNITED KINGDOM	Oxford Economics provides economic analysis, and forecasts to assist decision makers by offering strategic options; on the travel sector is one of its areas of expertise. Its services are used by destinations, planners and investors (policies, forecasts, economic impact studies).	HTTP://WWW.TOURISMECONOMICS.COM/INDEX.PHP

3. Many companies carry out economic studies in tourism; those listed were chosen as prime examples because they regularly produce major studies or indicators or pioneered new methodologies.

APPENDIX 3: PRIMARY ORGANIZATIONS INVOLVED IN MEASURING TOURISM (CONTINUATION)

NAME OF ORGANIZATION (ABBREVIATION)	MISSION / PRIMARY MANDATE	WEBSITE
PHOCUSWRIGHT, UNITED STATES	PhoCusWright produces quantitative and qualitative tourism research, more specifically smart strategic planning (analysis of the evolving dynamics that influence travel, tourism and hospitality distribution), tactical decision-making (market intelligence) and organizational effectiveness. PhoCusWright produces numerous publications and conferences on cutting-edge subjects.	HTTP://WWW.PHOCUSWRIGHT.COM/
SMITH TRAVEL RESEARCH (STR) UNITED STATES	STR is a company specialized in the collection, management and analysis of supply and demand data for the hotel industry. STR produces various surveys, performance indices and forecasts in this sector.	HTTP://WWW.STRGLOBAL.COM /DEFAULT.ASPX
STANFORD RESEARCH INSTITUTE (SRI INTERNATIONAL) UNITED STATES	SRI International is an independent institute conducting research and development sponsored by a variety of clients (e.g., government agencies, commercial businesses, foundations). Some of its work affects the field of tourism and, more specifically, that of economic impact studies.	HTTP://WWW.SRI.COM/RESEA RCHDEVELOPMENT/ ECONOMICDEVELOPMENT
TOURISM INTELLIGENCE INTERNATIONAL (TII) GERMANY	Tourism Intelligence International, a subsidiary of Caribbean Futures, provides research and analysis, market intelligence and strategic planning services to businesses and government organizations. TII produces and publishes market analyses and a monthly newsletter on key trends and developments from around the world.	HTTP://WWW.TOURISM- INTELLIGENCE.COM/

Main partners



Partners



Collaborators

