

The Italian Tourism Satellite Account: a Preliminary Study about the Statistical Sources and Methodology

Il Conto Satellite del Turismo in Italia: uno Studio Preliminare delle Fonti Statistiche e della Metodologia

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Riassunto: L'Italia, terzo paese in Europa nel settore del turismo, ha necessità di stimare un conto satellite del turismo. L'Istat ha eseguito uno studio finalizzato a costruire una versione preliminare e sintetica del conto satellite. Questo documento si basa sul lavoro di analisi delle principali fonti statistiche, classificazioni e metodologie adottate dall'Istat al fine di sintetizzare le principali informazioni volte a misurare l'impatto economico del turismo. Infine sono stati descritti i principali problemi incontrati nell'elaborazione delle tavole del TSA e le prospettive di sviluppo future.

Keywords: Tourism Satellite Account, International Classification, Tourism Activities.

1. Introduction

Tourism plays a significant role in the Italian economy. Interest in tourism has grown substantially over the last quarter century, as 'the industry' has become a significant economic and social phenomenon. Although the recognised complexity of phenomenon, statistical information on the nature, progress and consequences of tourism is mainly based on quantitative statistics – such as arrivals, overnight stays, trips as well as Balance of Payment information. Even if tourism statistics have moved forward with the implementation of Directive 95/57/EU, in addition to quantitative data the descriptive information concerning the characteristics of visitors and the condition in which visitors travel and stay *do not grasp the whole economic phenomenon of tourism*. In order to evaluate the importance of tourism for the economy, tourism satellite account methodology (TSA-MET) has been established and recognised by WTO/OECD and EUROSTAT¹. In this paper the study of the definitions, classifications adopted for Italy is expressed (§2), then the methods used for establishing TSA, based on the concepts and classifications of national Accounts (SNA 93 and ESA 95) are described (§3), finally some conclusions on the Italian preliminary work are pointed out (§4).

2. Statistical sources and definitions for TSA

Italy's experience has its reference frame within those standards singled out by TSA-MET but at the same time it analyses the main statistical sources available in Istat. Yet,

¹ EUROSTAT et al. (2001).

it should be noted that besides these sources, there are a series of information sources such as the Sample Survey on International Italian Tourism, carried out by the Italian Exchange Bureau (UIC), data on tourism enterprises coming from workers' registers, from research institutes and from other public and private bodies.

Istat sources on tourism are mainly made up of two types of data: the statistics on the supply that concern internal tourism (resident and non resident visitors within the economic territory of the country of reference) and the statistics on the demand that concern national tourism (resident visitors within and outside the economic territory of the country of reference).

The system of statistical information on the part of the supply can be used both as a reference for TSA definitions and classifications and as a whole of data useful for the compilation of the single tables forming a satellite account. It is mainly made up of the following surveys: a) capacity of accommodation services; b) flow of customers in accommodation services; c) hotel-related and lodging activity in specific periods of the year. The occupancy of Italian and foreign clients could be used as a benchmark in the evaluation of the domestic and internal tourist consumption.

On the side of the demand a survey entitled 'Trips and holidays'² is carried out. This survey is mainly aimed at quantifying and analysing national tourism, that is the flows of resident visitors both within the country of reference (domestic tourism) and abroad (outbound tourism). From TSA's perspective, the data on tourism demand collected through this survey is referred to 'national consumption', out of which one could extrapolate 'domestic tourism consumption' and 'outbound tourism consumption'. Furthermore, as far as 'non monetary' information on tourism is concerned, the survey provides a lot of information on tourism flows which represents a useful link with economic data in the reference methodology for the construction of a TSA.

On the part of tourism production, the available information sources can be summarised as follows: a) general business registry (ASIA); b) the survey on the System of Enterprises Accounts (SCI); c) the survey on Small- and Medium-sized Enterprises and the exercise of arts and professions (SMEs). These surveys represent a crucial information source for the creation of the aggregates regarding production, value added and investments for the specific activities required for the core TSA tables.

3. Classifications and Methodology

In this paragraph some basic information about the main classification systems and methodologies to compile the tables constituting the Italian TSA are described.

The general methodology adopted by Istat for establishing a TSA is based on the concepts and classifications of the system of National Account, which are in their turn based on UN and EU standards (SNA '93 and ESA '95). The key concept is constituted by the make and use tables that show the input and output of industries broken down by type of products. The derivation of value added (output less intermediate consumption) is attributed to the appropriate industry according to the following principles: use valued at purchasers' prices, and production valued at basic prices.

² The survey entitled 'Trips and Holidays' is performed by phone with CATI (Computer Assisted Telephone Interview). It is carried out every three months on a sample of households, representing the whole population resident in Italy. The yearly sample amounts to 14.000 households (3.500 every three-month period).

Three types of goods and services related to the tourism are identified:

- Characteristic goods and services: they are the products *typical* for the field under study, mainly they correspond to services like accommodation, food and beverage serving services, long distance transportation, travel arranger services, tourism guides and recreation services.
- Connected goods and services: they include product that are consumed in a significant measure by the tourists but that are not included in the previous category.
- Non specific goods and services: they are calculated by the difference between all goods and services and tourism specific products (represented by connected plus characteristic products).

The standard classification of the Tourism Specific Products (TSP), defined in the TSA manual, has been linked with the UN Central Product Classification (CPC), the Statistical Classification of Products by Activity in the EEC (CPA) and the UN Classification of Individual Consumption by Purpose (COICOP).

Also the standard list of Tourism Specific Activities has been linked with other international classifications: the ISIC Rev. 3, the SICTA and the NACE Rev. 1. Istat has developed an own list of specific activities as well as a list of specific products.

The classifications are necessary to build up the two TSA core tables: a) the Production accounts of tourism and other industries, b) the Domestic supply and internal tourism consumption, by products. The Production accounts refer to the tourism characteristics, tourism connected and non-specific industries. The output is broken down by product, valued at basic prices and compatible according to CPC classification. Intermediate consumption is broken down according to CPC and valued at purchaser's prices. The difference between "output" and "intermediate consumption" represents the "value added" at basic prices. Those cells of the table that are completely "full" have been identified (@, see Fig. 1), so for the branch definitions and estimates a "make and use" table will not be created; the economic activity branches usually don't include the secondary production: the estimates for branches are comparable to the ones for homogeneous production. The estimating procedures allow differentiating the distribution margins for each type of good. The only problem is to identify the connected products and the ATECO they belong to and to consider the consumer tourism population separately from the total of the consumer population.

The second core table is the combination of the information of supply and internal tourism consumption, that allow to perform two main indicators: Tourism Value Added (TVA) and Tourism Gross Domestic Product (TGDP). The first block of rows of the tables expresses the output by tourism characteristic products, the following rows show "intermediate consumption" by product, the last block of rows presents the components of value added. The columns represent the tourism industries (characteristic, connected, non-specific) for which the tourism share and the output are presented. The object is to establish how much of the output's value is attributable to "internal tourism consumption". These tourism share values can be estimated by direct information from the accounts of the enterprises and budget survey on the expenditures. Then a column called imports represents the supply of imported goods and services. The last column provides the tourism ratio on supply that represents the share of visitor consumption on the domestic supply of each product. On the basis of this ratio an estimate of the value added (at basic prices) corresponding to "internal tourism consumption" can be established for each industry.

Figure 1: Production accounts for Italian tourism branches

Products	TOURISM BRANCHES												TOTAL
	A	B	C	D	E	F	G	H	I	J	K	L	
A. Specific products													
A.1 Characteristic products													
1 – Accommodation services													
1.1 – Hotels and similar accommodation services	a	X											
1.2 – Second homes on own account or for free	X	a	X	X	X	X	X	X	X	X	X	X	
2 – Catering services	a	X	a										
3 – Passenger transport services		X											
3.1 Intercity transportation		X		a									
3.2 Road transportation		X			a								
3.3 Water transportation		X				a							
3.4 Air transportation		X					a						
3.5 Auxiliary transportation services		X						a					
3.6 Car rental		X		a					a				
4 – Travel agency, tour operator and tourist guide services		X											
4.1 Travel agency		X								a			
4.2 Tour operator		X								a			
4.3 Tourist information and tourist guide		X								a			
5 – Cultural services		X									a		
6 – Recreation and other entertainment services		X									a		
7 – Various tourist services		X							a			a	
A.2 Connected products		X											
B. Non specific products		X											
Value of domestic produced goods net of distribution margins		X											
Value of imported goods net of distribution margins	X	X	X	X	X	X	X	X	X	X	X	X	X
TOTAL output (at basic prices)													

Legenda: A=Hotels, camping sites and other commercial accommodations; B=Letting of own or leased tourism property, C=Restaurants, bars and canteens, D=Transport via railways, E=Other land transport, F=Water transport, G=Air transport, H=Supporting and auxiliary transport activities, I=Renting of machinery and equipment w/o operators, J=Travel agents, tour operators and guides, K=Recreational, cultural and sporting activities, L=Financial intermediation.

The “X” represent the cases in which the table should not be filled and the “a” refers to the figures that are now available for Italy.

4. Final considerations

The Italian TSA will undoubtedly be an important instrument for future decisions that before concerning enterprises will have to involve economic policy experts. The analysis of statistical data sources shows that such information exists, based on already EU-legislation or national needs, additional data should come on estimates or survey realised on TSA specific purpose. In terms of classification, one of the main outcomes is the realisation of a list of Italian tourist specific (connected and characteristic) products coherent with the European and international standards. The main outcomes have been the estimation of tourism value added and tourism consumption on the basis of a full integration of a lot of different surveys conducted by Istat. While the main problems related to the completion of Italian TSA table concern the lack of detailed information in terms of TSP, the measurement of the consumption expenditure and the lack of up-to-date data in general.

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