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Overview of the Implementation of Surveys on Tourism in France

Prepared by the Banque de France

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1 – Brief reminder

1.1 Consequences of the cash changeover to the euro

The withdrawal of national currencies within the euro area, as well as the ensuing fact that since January 1, 2002 it is impossible to allocate exchanges of banknotes in euros and in foreign currencies to a specific country belonging to the euro area, relatively affect the collection of data related to the Travel item, vis-à-vis countries both within and outside the euro area.

The weight of Tourism within the French economy (6% of GDP) and within the Balance of Payments (i.e. the major surplus within the current account) has led us to implement a new system. It differs from systems under review by other European countries inasmuch as it is focused on information provided by credit card issuers which, contrary to banknotes transactions, are not affected by the cash changeover and represent reliable data, broken down geographically and available in relatively short delays.

1.2 The French system for the valuation of the Travel item

Thus, at least concerning data sent to the ECB which are provided in short delays, the new system under review in France consists in using credit card payment data together with the share of these payments in total receipts and expenditure. In the future, this share will be calculated on the basis of two surveys ; their outcome will subsequently be directly used for the Balance of Payments in the provisional and definitive versions published and provided to Eurostat, the ECB and the IMF.

The valuation method of travel data through credit card data for the needs of the ECB, 40 days after the end of the month under study, presents three major advantages : the credit card reporting system is already set up and, finally, data availability corresponds to delays of transmission to the ECB. It also allows for longer delays to process the surveys, and had delays been shorter a much more sophisticated and costly system would have been necessary.

2 – Recent surveys : state of progress

2.1 Two types of surveys :

The first survey (the so-called *SDT* survey) based on **resident spending abroad** consists in a monthly survey of 20,000 households. It is the development of a survey, carried out initially by the Tourism Directorate, on residents' travels in France and abroad. Since April 2002, the part concerning spending abroad, set up in April 1999 in the form of a mailed questionnaire , is carried out through computer-aided phone interviews (*CAPI*). A higher quality of answers and shorter transmission delays of the results (which were quite long previously) are expected. The results for the first months of the *CAPI* survey are under study.

The second survey (the so-called *EVE* survey) is carried out among **foreign visitors at the end of their stay** in France (receipts of the Travel item). This survey, which was previously carried out directly on the borders for the needs of the Tourism Directorate, is being upgraded both on the methodological and technical level.

On the one hand, the fact that it is now impossible to carry out surveys on inland borders though they represent 70 % of tourists' arrivals in France, following the police's refusal in the aftermath of the September's events to collaborate any more to any sort of statistical operation, compels us to shift places for the survey from the border to motorway rest areas and, in all likelihood, to give up surveys on main and secondary roads. However, surveys carried out on other customs checkpoints (harbours, airports, trains and Shuttle) are maintained as such, except that, in airports, surveys will no longer be carried out on a particular flight but on several flights according to the number of non-resident tourists registered at the same time in the departure lounge, and that counting will be fixed accordingly.

On the other hand, though the previous methodology was only based on a yearly data processing, the need for the Banque de France to provide each month a country breakdown of the Travel item (i.e. the 14 members of the European Union, Japan, the United States, Switzerland and Canada), requires a minimum sample for each of these countries. Thus, the new methodology which has been tested in August generally consists in fixing a quota of questionnaires to carry out for each country of residence, a quota which is then allocated according to the means of transport (road, plane, ferry, train, Shuttle) and according to the variance of spending for each subgroup (country of residence x means of transport), i.e. according to their homogeneity.

This new methodology, together with a new adapted questionnaire, has just been tested, as much regarding feasibility (in particular concerning surveys on motorway rest areas performed using an interview (face to face) or a self-administrated mode, counting operations along roads and for other means of transport) as results. These will be examined, broken down (correlation research between the type of accommodation, the means of transport, the length of the stay, etc., so as to create relatively homogeneous sub-groups of visitors ; research on the optimum size of the sample ; comparison of results according to the survey mode on the road : face-to-face or self-administrated).

The results of this study, carried out in August 2002, should be followed by the end of the year by the implementation of a methodology, of a polling plan and of a final operating mode for the start of a permanent operation in 2003. However, the operational implementation of the new survey is subject to the consent of the Banque de France and of the Ministry of finance regarding the financing of the significant budget to be granted to the Balance of Payments Directorate and to the Tourism Directorate (estimated slightly below 2 million Euros).

2.2 Content of the questionnaires :

The SDT questionnaire which is intended for French people and concerns their spending abroad is centred on all the means of payment used : travellers' cheques, banknotes, credit cards, etc. However, the new version of the EVE questionnaire which is intended for foreign visitors has been trimmed down and, for the spending part exclusively, simply concerns total spending, expenses made before leaving, including expenses directly made in France by credit card (by phone or the internet for example) and spending on the spot in France, including expenses made by credit card. It is translated into seven languages.

3 – Compliance with recommendations of the Fifth manual of the IMF

The survey on expenses abroad carried out among French households, connected to the one performed by the Tourism Directorate, slightly differs from the Balance of Payments' methodology. Indeed, for the sample selected for the needs of the Tourism Directorate, foreigners living in France, children under fifteen and French people residing in French overseas departments are excluded from the panel. Among them, holiday-makers, cross-border workers and people staying over four months abroad are not asked to describe their stay abroad and therefore the expenses related to it.

However, there is no methodological discrepancy between the survey of foreign visitors and the Fifth manual. It has to be known, though, that dropping main and secondary roads for the land organisation will de facto lead to the exclusion of all holiday-makers and cross-border workers using these roads. Until now, the bias has not been estimated yet and a solution is being sought for.

4 –The Travel item since January 1st, 2002 and problems related to the implementation of the system

Though the SDT survey is operational since 1999, the implementation of data processing, as well as methodological inconsistencies, significantly delayed the reconciliation with credit card data. As it is not yet finalised, the reconciliation will be carried out with the results of the survey performed using the CAPI process.

As far as the EVE survey is concerned, due to methodological and implementation problems only one reconciliation has been made concerning data for August 2002, bringing positive results though they need to be confirmed through a study on a longer period.

Until the system is perfectly operational, the Travel item is estimated for the moment from credit card data and historical series of credit cards payments.