

ANALYSING THE MAIN INDICATORS OF GLOBAL TOURISM FLOWS IN EVOLUTION AND STRUCTURE

Daniela MIHAI^{1*}, Smaranda SIMONI^{2†}

¹ Faculty of Economics, University of Pitești
dana_mihai2005@yahoo.com,

² Faculty of Economics, University of Pitești
tmaranda@yahoo.com

***Abstract:** Tourism is one of the most important economic sectors and the largest industry in the world, as it contributes to 5% of gross domestic product (GDP) worldwide and 6-7% of total employment. The international tourist flow has increased significantly during the latest 15 years. In 2011 there was a record number of international tourist arrivals (980 million), although during this year the global economic recovery has been slow and there have been major political changes in the Middle East or North Africa and natural disasters in Japan. The UNWTO forecasts show that the record of 1 billion international tourists (growth rate of 3-4%) will be reached in 2012.*

***Key words:** tourism, tourist regions, indicators of tourist flow, tourism flows.*

JEL Classification Code: L83

1. INTRODUCTION

Tourism means all activities related to the movement of people for leisure recreational purposes (rest, treatment, entertainment) in another city or country. Tourism is a social, cultural, and recreational activity that developed spectacularly over the last century, due to rising living standards, income, and leisure time; the developing means of transportation allowed travel at great distances in a short time and emerged new tourist destinations. Thus tourism became the main source of income in countries like Greece, Italy, Spain, Switzerland, the countries around the Caribbean Sea, some Pacific islands, etc.

On the other hand, tourism is the industry of goods and services created to meet tourists' desires, preferences and motivations in a destination. The tourism industry also includes those facilities for tourists' accommodation, dining, entertainment, transport, treatment.

The unitary, coherent and effective development of tourism as any other field of activity, requires an appropriate institutional framework, a proper tourist destination management, whose performances will reflect certainly in economic and social progress of the respective region.

2. RESEARCH OBJECTIVES AND METHODOLOGY

The main objectives of the research consisted of gathering, synthesizing and analyzing the evolution and structure of the main indicators of tourist flows globally. This paper considered both physical and value indicators.

* PhD Lecturer

† PhD Master student

The structure and evolution of the global tourist flows were analyzed first in terms of international tourist arrivals, including comparisons between advanced and emerging economies, and then in terms of the main tourist regions.

Since this analysis includes the evolution of the main value tourism indicators, the authors collected and processed statistical data on tourism receipts by tourist destinations.

An important issue in measuring the tourism phenomenon is collecting the information, register methods and tools used for this purpose. The reference studies show that the basic tools for tourism research are the *direct and complete observations* of the phenomenon, such as censuses, inventories and *partial observations*, such as surveys on samples with behavior identical to the assembly. They may be applied on key areas of tourism, namely customs, accommodation facilities, or points of financial transactions.

Statistics and research studies in tourism are very important in supporting sustainable investments and capacity planning decisions in tourism. The information from statistical sources is the starting point in the documentation process of a prospective study in tourism (especially regarding quantitative side). The detailed investigation of the statistical sources provides most of the information for a prospective study, highlighting the most important laws, directions, guidelines and scale of development in the tourism market phenomena [1].

Data collection from bibliographic sources and statistics on tourism was performed considering the following aspects:

- the bibliographic and statistical sources must inspire confidence (to provide accurate, objective and valid information,), such as those provided by the World Tourism Organization (UNWTO), or specialists' papers;
- the information was collected carefully to avoid various mistakes (of inattention, or technical mistakes);
- the direct information about the investigated phenomena was supplemented with indirect information concerning tangential or interdependent issues;
- we consulted the most recent statistical sources and selected the most valuable and representative information (based on the latest theoretical and practical concepts in the field);
- all information has been assessed according to the stated purpose of the study.

This study is based on reliable bibliographic research and data sources available on the internet, on some leading global organizations' websites. Primary data on tourism statistics were taken from the Department of Statistics and Economic Quantification of Tourism of the World Tourism Organization, United Nations World Tourism Organization (UNWTO) and the Tourism Satellite Account and processed into pertinent conclusions.

3. INDICATORS OF TOURISM – A SHORT LITERATURE REVIEW

The statistical analysis of the tourism market is a method aimed at the evolution of some indicators expressing the satisfied demand. Based on these indicators and using analytical techniques and processes, one may determine the main characteristics of tourism demand (volume, structure, distribution, density, development and territorial distribution of tourism demand trends and changes) and research the origin and destination of tourist demand, motivation of travel, the average overnight stay, or loyalty to a particular destination [1].

The tourism indicators capture and render synthetically and mathematically, information on different aspects of travel, useful information to measure the phenomenon and its effects, to anticipate trends and to substantiate evolution of development policy. These diverse indicators depend on the existence of some primary sources of data collection, as well as on appropriate methods and techniques [2].

Tourism flow is one the most important indicators of tourism. Tourist flows are measured in physical units and value units.

The *physical units* are represented by the number of tourists that can be recorded as arrivals and departures, either at the border or at the accommodation units [3].

The *value indicators* of tourist flows refer to the effect of tourism consumption and effort. The effect is measured by sales volume for domestic tourism, while the effort is measured by the total tourism consumption expenditure for domestic tourism [3].

From the category of value indicators, the most important are the volume of expenditure and the amount of tourism receipts.

By combining the value and the physical indicators, other two indicators may be determined: average receipt/ expenditure per tourist and average receipt/ expenditure per tourist daily [4].

4. ANALYSIS OF INTERNATIONAL TOURIST ARRIVALS DURING THE LAST 15 YEARS AND THEIR STRUCTURE ON TOURIST REGIONS

International tourist flow increased spectacularly in the last 15 years (Table 1), from 561 million tourists in 1996 to 980 million tourists in 2011.

Table 1. Global international tourist arrivals during the last 15 years															
(million tourists)															
1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
561	586	603	625	674	673	693	682	753	797	842	898	917	882	939	980

(Data source: World Tourism, Barometer, UNWTO, Jan. 2012)

2000-2003 period was one of stagnation, and in 2009 there was a slight decrease in the number of international tourists, due to the economic crisis that affected this sector (Figure 1).

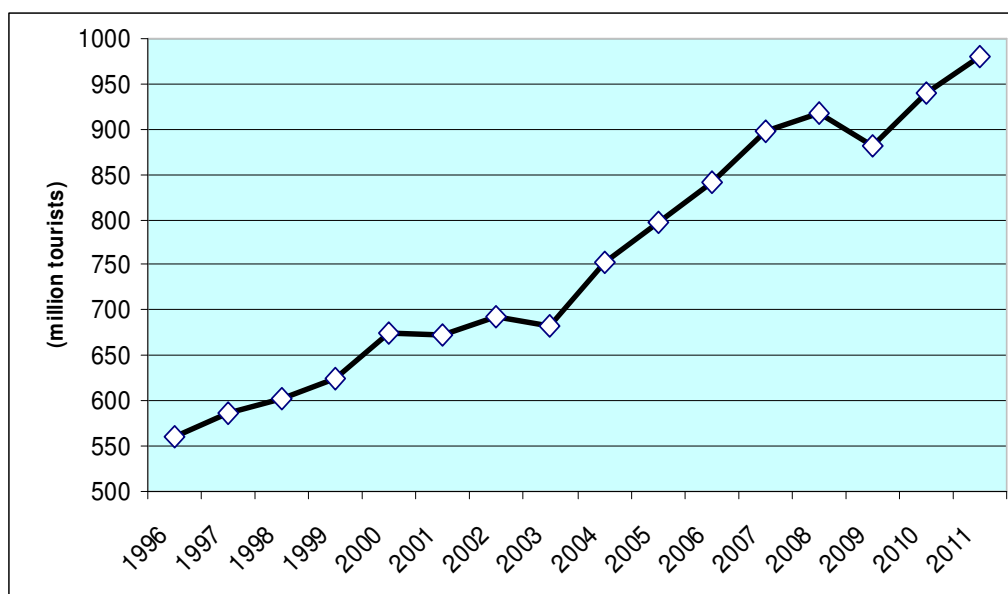


Figure 1. Global international tourist arrivals during the last 15 years

In 2011, there was a record number of international tourist arrivals (980 million), although during this year the global economic recovery was slow, and there were major political changes in the Middle East or North Africa, and natural disasters in Japan (earthquakes, tsunamis) [6].

Globally, tourism has experienced a dramatic recovery in 2010-2011, whereas the economic sector was affected by the global financial crisis and economic recession, especially in 2009. The present average multi-yearly growth rate of international tourism is 3.4% and reached 4.4% in 2010-2011.

Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Advanced economies	349	363	376	393	417	409	414	405	430	453	476	497	496	474	498	523
Emerging economies	211	223	226	232	257	264	279	277	323	345	365	400	421	407	440	457

(Data source: World Tourism, Barometer, UNWTO, Jan. 2012)

Contrary to previous years, and reflecting the economic situation, the tourism recovery was more pronounced in advanced economies (Table 2), where arrivals increased by 5% compared to emerging economies - 3.8% increase - Figure 2. This was due to higher results in Europe (+6%) and decreases in the Middle East (-8%) and North Africa (-12%).

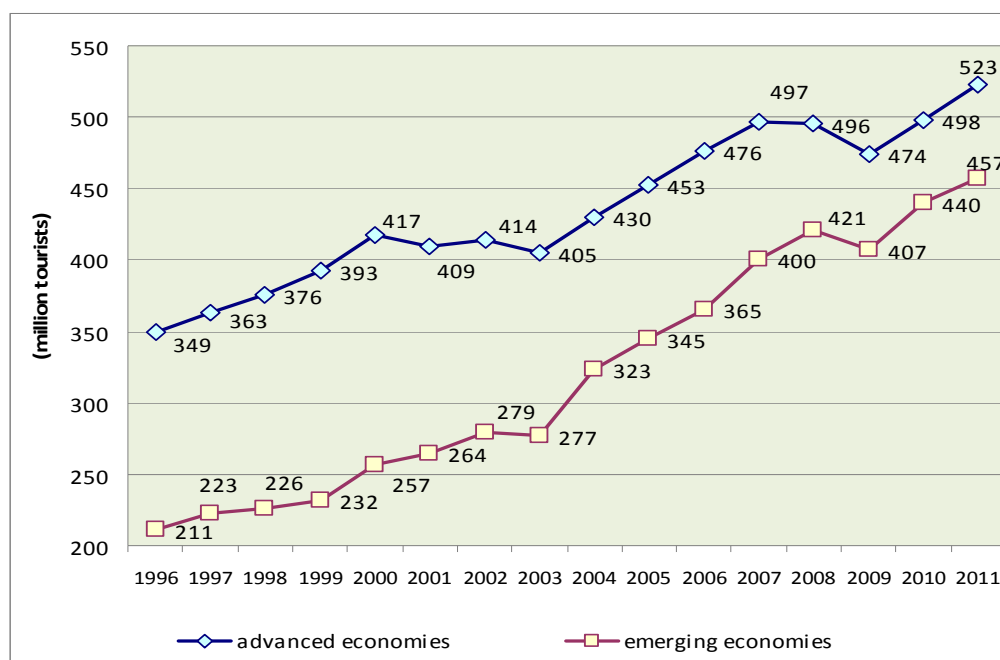


Figure 2. International tourist arrivals during the last 15 years in advanced and emerging economies

The relatively small differences of arrivals growth in countries with advanced economies and in emerging countries are predictable taking into account the situation:

- **travel motivations** - approximately 50% of international tourists traveled for leisure, recreation and holidays, 15% for business and professional activities, other 34% for other purposes such as visiting friends and relatives, pilgrimages, treatment and health;

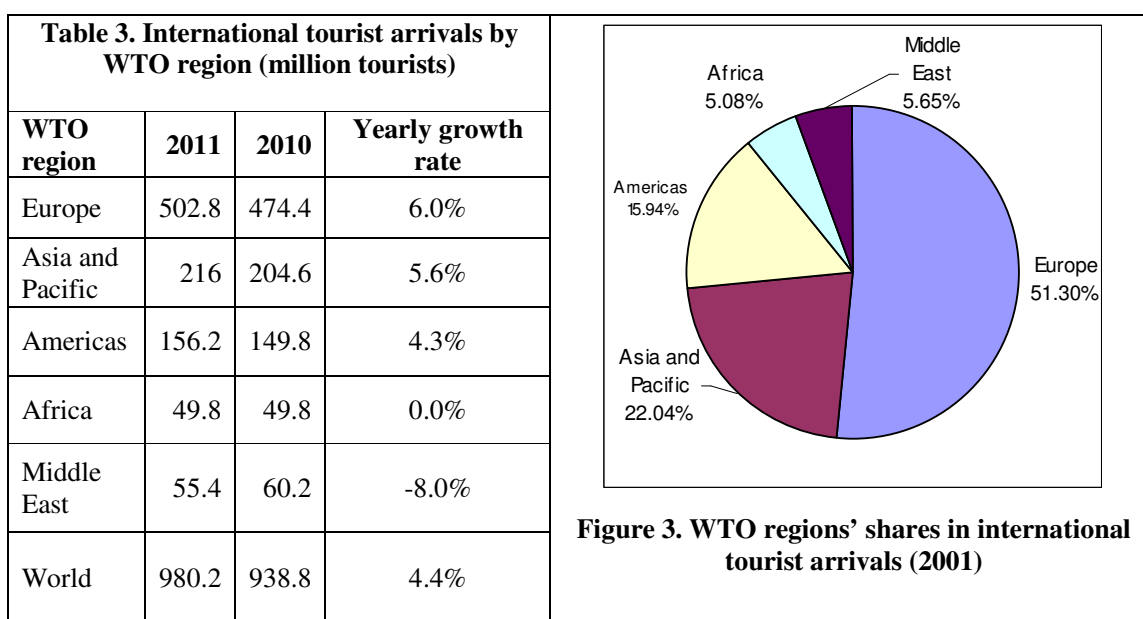
- **means of transportation** used in international travel - over 50% is air transport, more than 40% road, 6% waterway and 2% railway (considerable share of air transport limits the adverse effect of road infrastructure in emerging economies, often inadequate for a civilized tourism).

5. ANALYSIS OF INTERNATIONAL TOURIST ARRIVALS BY TOURIST REGIONS

Given a set of criteria (geographical, tourist potential, international tourist arrivals, receipts from international tourism, tourism potential, tourism infrastructure, environmental quality), the World Tourism Organization (UNWTO) distinguished **five main tourist regions** in world: Europe, Asia and the Pacific, the Americas, Africa and the Middle East, each with its subregions.

The top tourist regions of the world regarding international tourist arrivals and tourism receipts are: Europe, Asia-Pacific and the Americas. The international tourist arrivals the international tourist receipts are the two key indicators in tourism.

In case of international tourist arrivals by WTO regions in 2011 (Table 3), the top ranks Europe (502.8 million visitors and 51% of world tourist flow), followed by Asia and the Pacific (216 million tourists and 22 % of world tourist flow), the Americas (156.2 million visitors, or 16% of world tourist flow) - Figure 3.



(Data source: World Tourism, Barometer, UNWTO, Jan. 2012)

The growth rate of tourist arrivals worldwide was 4.4% (in 2011 compared to 2010), above average, occurring in the same regions mentioned above (Table 3). Thus, due to armed conflicts and political changes, North Africa showed stagnation (49.8 million visitors, and 5% of world tourist flow) and the Middle East (55.4 million visitors, representing 6% of world tourist flow) a decline in tourist flow (-8%) - Figure 4.

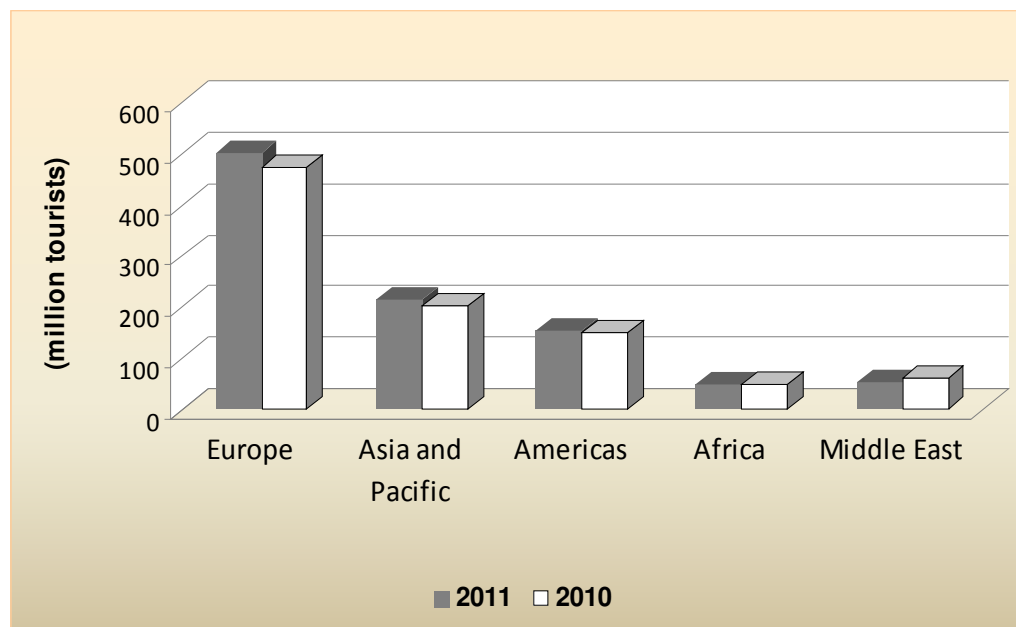


Figure 4. The international tourist arrivals by WTO regions

Despite the economic uncertainty in the analyzed period (2009-2011), the number of international tourists in Europe continued to grow, reaching 503 million in 2011 (Table 4 and Figure 5).

WTO subregions	International tourist arrivals (millions)			Yearly growth rate of international tourism	
	2009	2010	2011	2010/2009	2011/2010
World	882	939	980	6.5%	4.4%
Northern Europe	57.8	57.98	60.9	0.3%	5.0%
Western Europe	148.5	154	158.3	3.7%	2.8%
Central and Eastern Europe	9.2	93.5	100.8	916.3%	7.8%
Southern Mediterranean Europe	164.5	169	182.8	2.7%	8.2%
European Union	353.9	362.4	382.4	2.4%	5.5%
North-East Asia	98	111.6	115.5	13.9%	3.5%
South-East Asia	62.1	69.8	76.2	12.4%	9.2%
Oceania	10.9	11.6	11.6	6.4%	0.0%
South Asia	10.1	11.6	12.6	14.9%	8.6%
North America	92.1	98.2	101	6.6%	2.9%
Caribbean	19.5	20.1	20.8	3.1%	3.5%
Central America	7.6	7.9	8.2	3.9%	3.8%

South America	21.4	23.6	26.1	10.3%	10.6%
North Africa	17.6	18.7	16.4	6.2%	-12.3%
Sub-Saharan Africa	29.1	31.1	33.3	6.9%	7.1%
Middle east	52.2	60.2	55.4	15.3%	-8.0%

(Data source: World Tourism, Barometer, UNWTO, Jan. 2012)

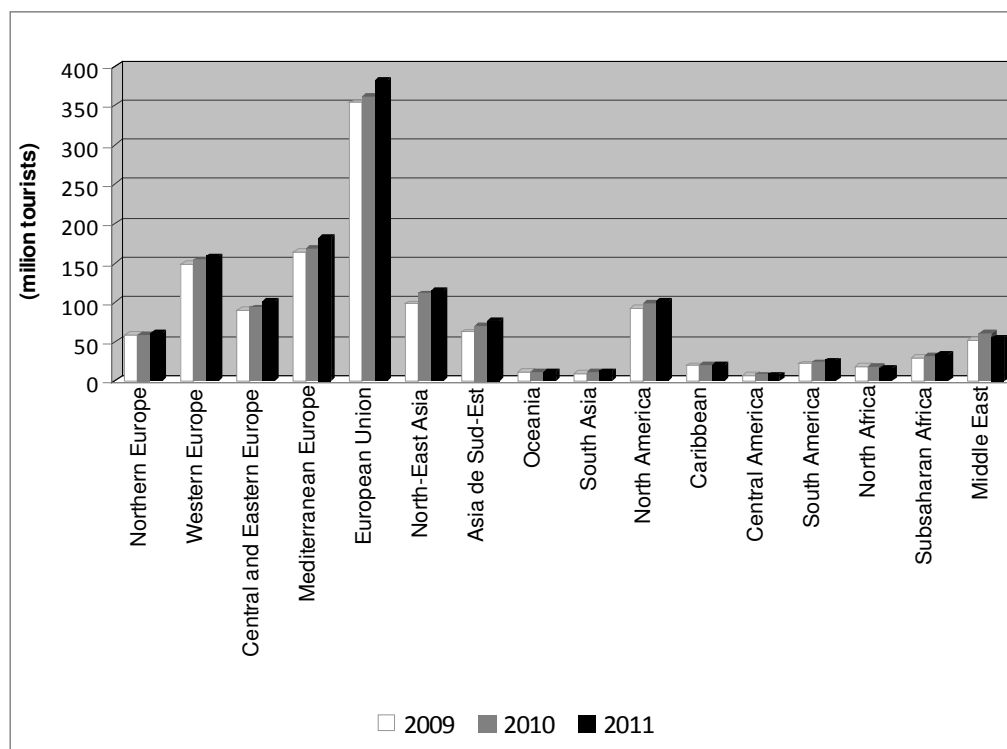


Figure 5. International tourist arrivals by WTO regions (2009 – 2011)

As can be seen in Figure 6, the best results by WTO subregions were registered in Mediterranean Europe (+8.2%), Central and Eastern Europe (+7.8%).

The Mediterranean Europe experienced this growth due to tourist flow reorientation from North Africa and the Middle East. Asia and Pacific region grew by 11 million tourists during the period 2010-2011, the best result subregions being South Asia and South-East Asia (both by about 9%). Lower values of tourism growth rate occurred in North-East Asia subregions (+3.5%) and Oceania (0%), due to the temporary decrease in tourist flows from Japan.

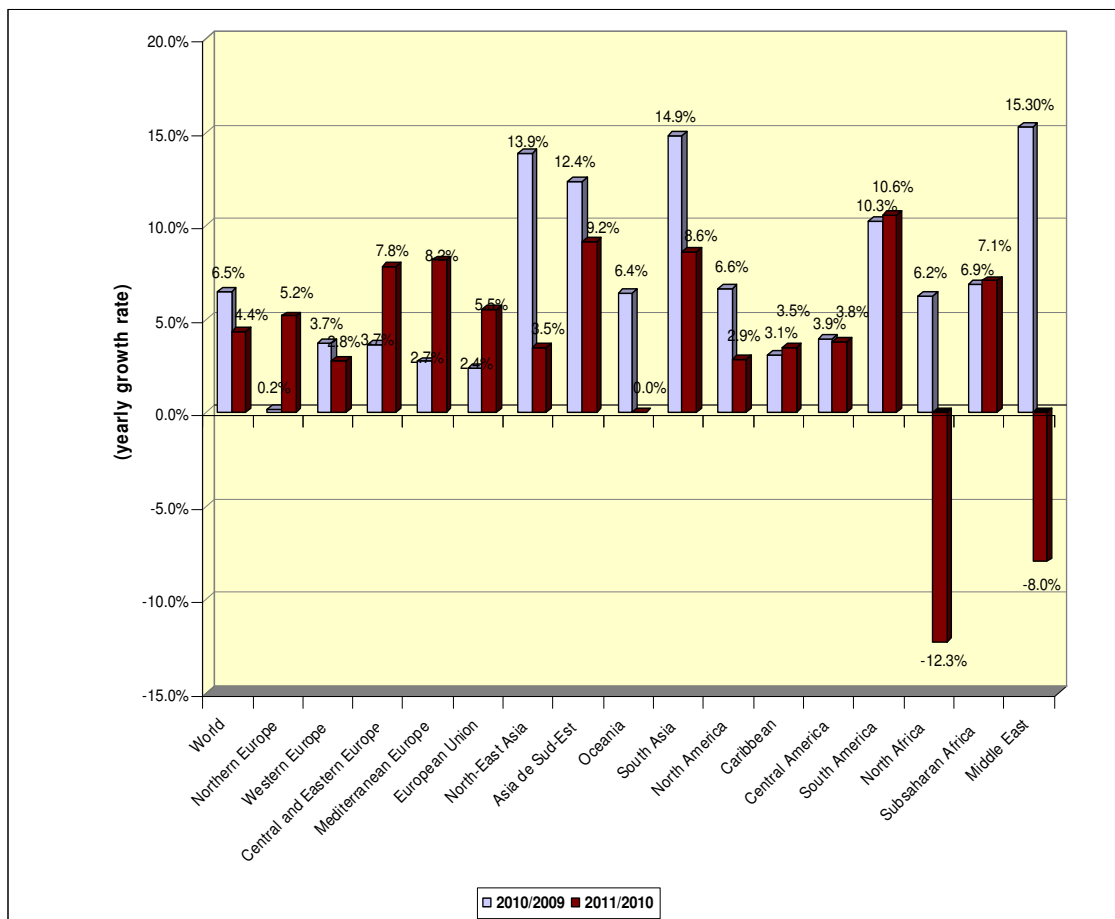


Figure 6. The yearly growth rate of international tourism by WTO subregions during the periods 2009 – 2010 and 2010 – 2011

The UNWTO forecasts show that the record of 1 billion international tourists (3-4% growth rate) will be reached in 2012. Countries with emerging economies will regain their positions, especially those in Asia-Pacific (with a growth rate estimated at 4-6%), followed by those in America and Europe (2-4%). The Middle East is expected to recover the number of international tourists with 0-5% compared to 2011 losses.

As the worldwide tourist destinations try to stimulate demand for travel even in economic crisis, the UNWTO advises governments to develop travel facilities, improve information and communication technologies, facilitate visa formalities and analyze the possible impact of tourism flow growth on economic growth in tourism.

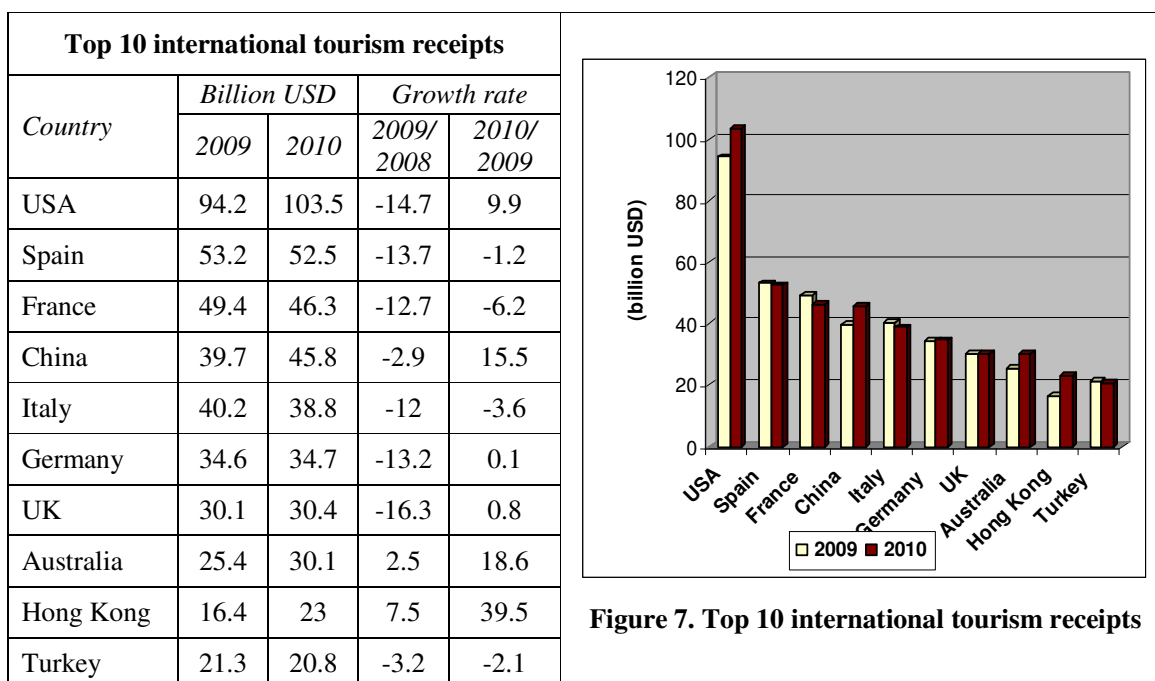
6. ANALYSIS OF TOURIST ARRIVALS BY TOURIST DESTINATIONS AND THEIR INFLUENCES ON THE VALUE INDICATORS OF TOURIST FLOWS

In terms of international tourist arrivals, the major tourist destinations are: France (76.8 million), the U.S.A. (59.7 million), China (55.7 million), Spain (52.7 million), Italy (43.6 million), the UK (28.1 million), Turkey, Germany, Malaysia and Mexico. Among the top ten tourist destinations, significant increases in international tourist arrivals were recorded by the U.S. (+12%), Spain (+9%), the UK (+7%) and Hong Kong (+25%).

The highest values of tourism expenditure in emerging source markets belong to: China (+38%), Russia (+21%), Brazil (+32%), followed by traditional markets, with increasing expenditures of tourists from Germany (+4%) and the USA (+5%), compared to previous years [6].

International tourism receipts exceed \$ 900 billion annually (919 billion dollars or 693 billion euro in 2010), an increase of 4.7% over 2009. Therefore, tourism is one of the most important industries. Furthermore, tourism is the largest industry in the world, as it contributes to 5% of gross domestic product (GDP) worldwide and 6-7% of the total number of jobs [5].

As Figure 7 shows, the U.S.A. ranks first in receipts from international tourism (\$ 103.5 billion), followed by Spain (52.5 billion dollars), France (46.3 billion dollars), China (45.8 billion dollars), Italy (38.8 billion dollars), Germany (34.6 billion dollars), the UK (30.4 billion dollars), Australia, Hong Kong and Turkey.



(Data source: Tourism Highlights, UNWTO, 2011)

Regarded as an internationally traded service, tourism has become one of the major components of world trade. Exports generated by international tourism which includes passenger transport, exceeded 1000 billion dollars in 2010, in other words \$ 3 billion a day. Export of travel services represents 30% of total world exports of commercial services and 6% of total world exports of goods and services.

Worldwide, viewed as a category of exports, tourism ranks fourth after fuels, chemicals and automotive products. For many developing countries, tourism is the main source of income from foreign exchange, ranking first as export category, creating jobs and opportunities for development [5].

7. CONCLUSIONS

Over time, the number of tourist destinations has increased, as well as the investments in tourism development, so that that modern tourism has become a key driver of socioeconomic progress by creating enterprises and jobs, infrastructure development and considerable revenue from tourism [5].

Europe is the largest tourist region in the world, attracting annually about 480 million tourists, meaning 51% of international tourist arrivals and 44% of international tourism receipts. Among its subregions, the highest growth trends have been registered by Mediterranean Europe (7%) and Central and Eastern Europe (4.5%). In Northern and Western Europe, the growth was lower, about 2-3%.

The European countries with the largest increase in international tourist arrivals are: Ukraine, Turkey, Greece, Portugal, Croatia, and Switzerland.

REFERENCES

1. Cocean P., Dezsi S., *Prospectare și geoinformare turistică*, Presa Universitară Clujeană Publishing House, Cluj-Napoca, 2001.
2. Minciu R., *Economia turismului*, Uranus Publishing House, București, 2002.
3. Stănciulescu G., Micu C., *Economie și gestiune în turism. Probleme, proiecte și studii de caz*, C.H. Beck Publishing House, București, 2009.
4. Stănciulescu G., Micu C., *Managementul operațiunilor în hotelărie și restaurație*, C.H. Beck Publishing House, București, 2012.
5. ***, *Tourism Highlights*, UNWTO, 2011.
6. ***, *World Tourism Barometer*, UNWTO, Jan. 2012.