Ecostat Tourism Barometer –

The Confidence Index of the Hungarian Tourism Sector

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Ecostat Government Institute for Strategic Research of Economy and Society

What we do?

- researches, analyses, forecasts

- impact studies for the public and the private sector

- surveys, confidence indexes

- developing and operating econometric models

- special information services for public and private orders

- business database – based on the tax return details of the Hungarian enterprises and companies

Department for Economic Analyses

Ecostat's business surveys –
business climate and confidence indexes

- Ecostat Surveys of the Business Sector (monthly confidence index of the Hungarian enterprises – TOP100 and SMS's, details on sectors (industry, commerce, etc.)

  - New methodology from 2008: panel of 7000 enterprises

- Survey of Households – quarterly CCI
- Survey of Property Market – quarterly Property Barometer®
- Survey of Tourism – biannual Tourism Barometer®
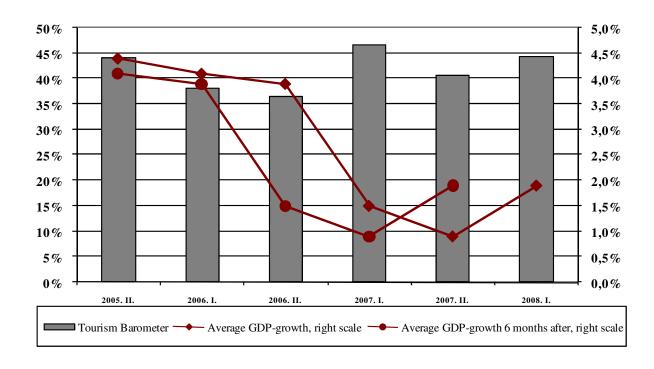
Ecostat Tourism Barometer®

- reason: needed to forecast the development of tourism

The Ecostat Tourism Barometer® is not just an index; added up from **3 elements**:

1. **The Tourism Barometer index** calculated from supply-side only; expectations of

   - Hungarian tour operators

   - Catering providers (restaurants, etc.)

   - Accommodation providers (hotels)

2. Analyses of the results from the **demand side** surveys (households and enterprises)

3. Analyses of the available **statistical dataset** on tourism (data from Central Statistical Office of Hungary, etc.)

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- first survey in 2005, by now 6 surveys done
-monitoring short-run expectations: half year ahead

The Ecostat Tourism Barometer® Index, 2005-2008

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The Methodology of the Ecostat Tourism Barometer® Index I.

- Questions used for calculating the index are common in all three questioners (supply only: tour operators, accommodation and catering providers)

1. What do you think, how is going to change the **economic growth in Hungary** in the next half a year?

    - it's going to be significantly higher   - it's going to be slightly lower
    - it's going to be slightly higher   - it's going to be significantly lower
    - it's going to be the same

2. What do you think, how is going to change the economic growth **in your own sector** in the next half a year? (5 possibilities)

3. What do you think, how is going to change the growth **of your own company** in the next half a year? (5 possibilities)

4. What do you think, how is going to change the **number of** the local and foreign **guests** using your services in the next half a year? (2*5 possibilities)

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The Methodology of the Ecostat Tourism Barometer® Index II.

- 3 questionnaires, 5 questions each with 5 possibilities to answer: the Ecostat TBI is the **simple average** of the 3 sub indexes based upon the 3 questionnaires (sub index of tour operators, sub index of catering providers, sub index of accommodation providers)

- sub indexes are calculated as the weighted average of the number of each answers (1,0-0,75-0,5-0,25-0,0-the highest number for the best answer)

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The Methodology of the Ecostat Tourism Barometer® Index III. – an example

Example of 5 questioners	Weights	Number of answers				
		1. question	2. question	3. question	4. question	5. question
Number of answers		5	5	5	5	3
best	1	1	0	0	0	0
second best	0,75	0	1	2	2	2
no changes	0,5	0	0	2	3	0
bad	0,25	2	2	1	0	1
worst	0	2	2	0	0	0
Total value per question		1,5	1,25	2,75	3	1,75
Average value per answer		0,3	0,25	0,55	0,6	0,5833333
Sub index (simple average)						**0,46**
TUB index: simple average of the 3 sub indexes						

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The Methodology of the Ecostat Tourism Barometer® – non-index questions
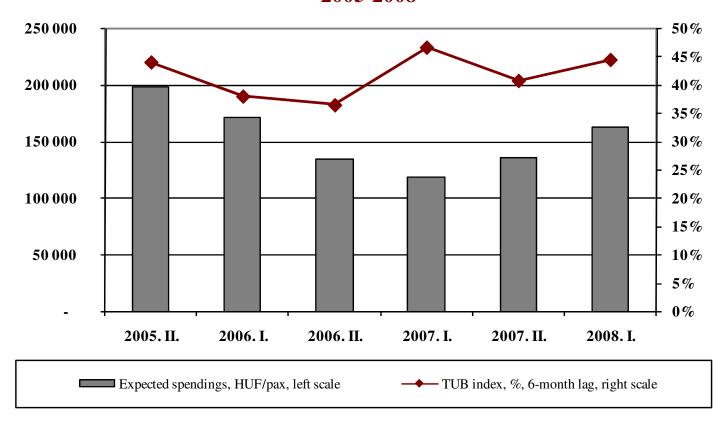
Supply side

- introducing new services
- having investments; financing
- new competitors
- employment plans for the next half a year
- opinion about the attractive or affective factors of the economy, the economic policy and Hungary

Demand side – Households

- holiday practices
- holiday plans – domestic and abroad
- holiday spending in the next 3 month

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The expected spending of households in the next 3 months, 2005-2008

Legend:
- Expected spendings, HUF/pax, left scale
- TUB index, %, 6-month lag, right scale

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The Methodology of the Ecostat Tourism Barometer® – non-index questions II.

Demand side – Households

- purpose of traveling, way of traveling, accommodation etc.;
- how they organize the holiday (travel agency, internet, etc.);
- how they judge the financial situation of their family and how it may change in the next year.

Demand side – companies (TOP-100 and SMS's)

- tourism-related allowances to the employees;
- how much they are planning to spend on traveling, conferences and trainings in the next year;
- conferences, trainings, related services (accommodation, etc.);
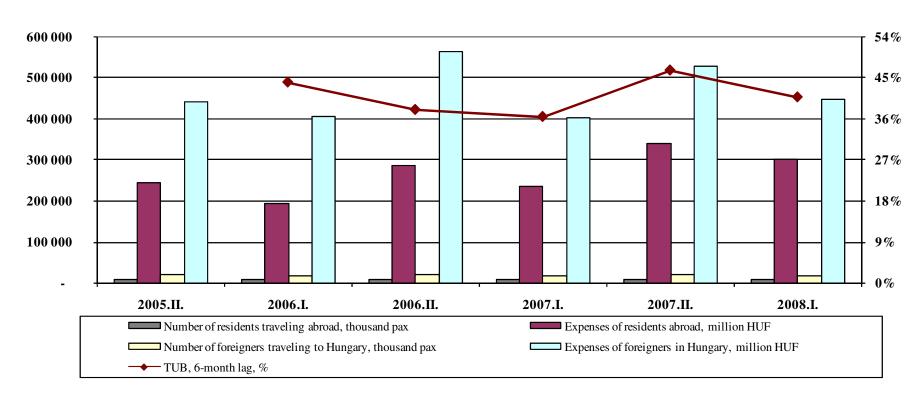
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The Methodology of the Ecostat Tourism Barometer® –
  statistical data

- Central Statistical Office of Hungary: hotel indicators,
  accommodation turnover, characteristics of domestic and
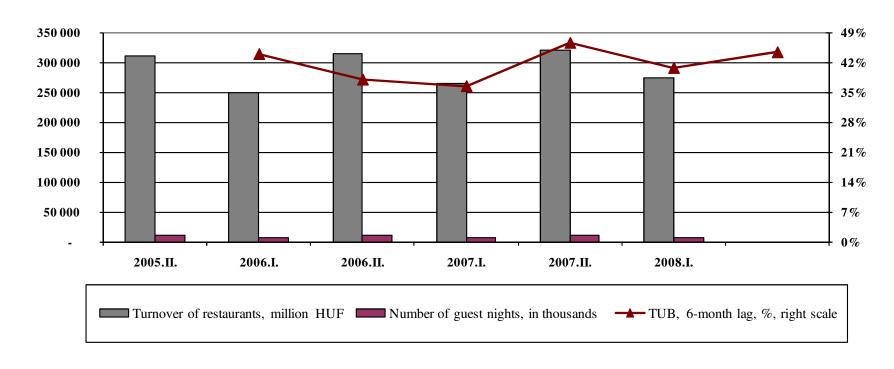 international travels

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The relation between the Ecostat Tourism Barometer® Index and the tourism data, 2005-2008

- Number of residents traveling abroad, thousand pax
- Expenses of residents abroad, million HUF
- Number of foreigners traveling to Hungary, thousand pax
- Expenses of foreigners in Hungary, million HUF
- TUB, 6-month lag, %

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The relation between the Ecostat Tourism Barometer® Index and the tourism data II., 2005-2008

| | 2005.II. | 2006.I. | 2006.II. | 2007.I. | 2007.II. | 2008.I. |

Legend:
- Turnover of restaurants, million HUF
- Number of guest nights, in thousands
- TUB, 6-month lag, %, right scale

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Publication of the Ecostat Tourism Barometer®

- in Hungarian only; no English edition
- can be ordered from www.turizmusbarometer.hu upon registration
- please contact me on anna.adamecz@ecostat.hu for temporary accessibility

Thank you for your attention!