

**Sixteenth Meeting of the
IMF Committee on Balance of Payments Statistics
Washington D.C., December 1–5, 2003**

**Compiling the Travel Expenditure of France's Balance of Payments
and the Specific Case of the Internet Users Survey**

**Prepared by the Balance of Payments Directorate
Banque de France**

***Compiling the travel expenditure
of France's balance of payments and
the specific case of the Internet Users Survey***

The new information system developed to compile the expenditure item of the travel account of France's balance of payments has been ***operational*** since the reference month of April 2003. It has three components:

- Two surveys designed to gather information on spending abroad in the course of overnight trips, the first on trips made for personal purposes and the second on trips made for business purposes.
- An estimate of expenditure linked to day business trips (cross-border workers).

These three components have supplied data for the balance of payments since the reference month of April 2003. The results obtained are consistent with the expenditure levels recorded using the previous information system.

A preliminary analysis shows unequivocally that it is ***necessary to use an observation tool that takes account of travel for business purposes***. The balance would be incomplete without such a tool given that ***the expenditure arising from business trips represents over a quarter of total expenditure***. In addition, France's contribution to the euro area balance of payments would be underestimated because ***overnight business trips are made mostly in countries outside the euro area***.

The preliminary analysis also provides the following information:

- Overnight business trips represented ***12% of all overnight stays recorded in the second quarter of 2003***.
- Trips for personal purposes are often made in euro area countries.
- Almost two-thirds of business trips are made in countries outside the euro area.
- Overnight business trips make up a proportionally larger share of total overnight stays during periods in which there are fewer tourist visits.
- The average cost of overnight stays is extremely high for business trips, amounting to two to six times the cost for personal trips depending on the month and the destination (in or outside the euro area).

A. The new information system

The information system set up by the Banque de France for the compilation of the expenditure item is now complete and operational.

Two different surveys of residents returning from abroad are conducted simultaneously. The first survey, which monitors tourist demand, is known as the SDT (*Suivi de la Demande Touristique*) and focuses on trips undertaken for personal purposes. The second, called VEMP (*Voyages à l'Étranger pour Motifs Personnels*) deals with business trips. Both surveys are conducted by means of a panel.¹

¹ Panel members are usually recruited in the course of telephone interviews conducted at random according to a method of quotas. Interviewees agree, or not, as the case may be, to be members of the panel at the end of the interview. If they agree, their details and characteristics (social and occupational category, age, etc.) are taken down by the pollsters.

The collection methods used for both surveys (CATI 2 and CAWI 3) guarantee the quality of the data. Notably, all expenditure declared in a foreign currency is immediately converted into euro and the amount is submitted to survey respondents for their approval. Similarly, total expenditure is calculated in the course of the interview and the sum arrived at is submitted to respondents for their approval.

Each of these surveys gives rise to three different extrapolation methods:

- **Provisional figures:** monthly extrapolation for only two geographical areas (extra 12 and intra 12).
- **Semi-definitive figures:** quarterly extrapolation for 19 geographical areas (each of the 14 European Union Member States, Switzerland, the United States, Canada, Japan and the rest of the world).
- **Final figures:** annual individual extrapolation for each country in the world.

This system nevertheless only makes it possible to identify expenditure incurred on trips abroad that last at least one night.⁴

A1. Trips made by residents for personal purposes:

Survey jointly conducted and funded by the Directorate of Tourism and the Banque de France.

Population surveyed: representative panel (*Métascope*) of French people aged 15 and above.

Interview methods: the 20,000 panellists that make up *Métascope* are interviewed at the start of every month via a questionnaire sent by post, which they send back. The questionnaire makes it possible to determine, *inter alia*, whether panellists have travelled abroad in the course of the past month. If they have, they are then interviewed over the telephone on the expenditure they incurred in the course of the trip.

Data collection method: self-administrated data collection for the first tranche of the survey (to select individuals who have travelled abroad). CATI collection for the expenditure tranche.

Deadline for remittance of survey results: relatively long because time needs to be allowed for the return of replies to the questionnaire on travel abroad (roughly five weeks following the end of the reference month).

- provisional results are delivered seven weeks after the end of the reference month,
- semi-definitive results are delivered two weeks after the results for the third month of the quarter are remitted,
- final results are delivered eight weeks after the results for December are remitted.

A2 Trips made by residents for business purposes (the Internet Users Survey):

Survey steered and funded solely by the Banque de France.

Population surveyed: panel of Internet users representing the social and occupational categories that are most likely to travel for business purposes (business managers, senior executives and professionals).

Interview methods: at the end of the reference month, Internet users receive an e-mail informing them that a questionnaire has been sent to them via the website of the polling company. The fieldwork lasts for as long as it takes to obtain 10,000 respondents to the filter question, which is whether or not users have travelled abroad in the course of the previous month. Travellers are then questioned on the nature of their trip and the expenditure they incurred. The number of respondents varies each month and is limited to a maximum of 500.

Data collection method: Data is collected solely by CAWI. This collection method is particularly well-suited to people who travel a great deal, who are rarely at home – and therefore difficult to get hold of – and who are heavy users of the Internet. Survey respondents may answer questionnaires at any time and from any location (including from abroad).

Deadline for remittance of survey results: Very short due to the data collection method.

- provisional results are delivered 32 days after the end of the reference month (within four to five weeks),
- semi-definitive results are delivered three days after the results for the third month of the quarter are remitted,

² Computer Assisted Telephone Interviewing.

³ Computer Assisted Web Interviewing.

⁴ This is why an estimate is made of expenditure arising from day business trips (chiefly cross-border workers).

- final results are delivered ten days after the results for December are remitted.

B. the expenditure data of the travel account: first results

Business trips are made mainly outside the euro area

Residents of mainland France spent over 38 million nights abroad between April and June 2003. A small proportion of these overnight stays were for business purposes (an average of 12% over the period). This proportion nevertheless varies significantly from one month to the next, standing at 15% in April and even 23% in February 2003.

Almost two-thirds of overnight business trips were carried out outside the euro area, irrespective of the month under review. This geographical breakdown is however much less stable for personal trips: while trips in the euro area made up the majority of personal trips in the second quarter, they accounted for only a minority in February.

Overnight business trips are much more costly than personal trips

The expenditure incurred on trips abroad varies significantly depending on the month, the destination and, most importantly, the purpose of the trip. The cost of an overnight stay outside France came to EUR 155 in February, compared with less than EUR 120 in June. These average values mask sharp differences linked to the purpose of the trip. In February, for example, EUR 96 was the cost of a personal overnight trip as compared with EUR 352 for an overnight business trip. Lastly, personal overnight trips are systemically more costly inside than outside the euro area, whereas the opposite is true for business trips.

Table 1: Residents' overnight stays abroad broken down by purpose of trip

<i>Thousands of overnight stays</i>	February 2003	April 2003	May 2003	June 2003
France – world	8,354	11,425	14,524	12,611
Personal purposes	6,422	9,750	13,000	11,246
Business purposes	1,932	1,676	1,524	1,365
France – extra 12	5,568	5,355	6,366	6,123
Personal purposes	4,228	4,141	5,338	5,257
Business purposes	1,341	1,214	1,028	866
France – intra 12	2,786	6,070	8,158	6,488
Personal purposes	2,194	5,609	7,662	5,990
Business purposes	592	461	496	498

Sources: SDT Survey (personal purposes)
VEMP Survey (business purposes)

Table 2: Average cost of residents' overnight stays abroad broken down by purpose of trip

<i>Value in EUR</i>	February 2003	April 2003	May 2003	June 2003
France – world	155.2	131.4	126.9	118.8
Personal purposes	96.0	99.9	104.4	97.3
Business purposes	352.0	315.0	319.5	295.5
France – extra 12	141.7	108.4	105.3	97.6
Personal purposes	71.3	89.4	86.7	81.0
Business purposes	402.7	339.9	393.3	297.7
France – intra 12	162.0	157.6	154.6	141.2
Personal purposes	108.8	114.2	129.7	116.0
Business purposes	329.7	305.5	283.9	294.3

Sources: SDT Survey (personal purposes)
VEMP Survey (business purposes)