Visiting Friends and Relatives (VFR) trips – Some insights & Importance for Romania

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General considerations

- An important purpose of trip for many people (one of the 8 categories of personal purpose – IRTS para. 3.17.)
- Apparently low/(er) impact on tourism expenditure
- Strongly related to the private accommodation (unpaid) – Accommodation at Friends and Relatives (AFR) category / (Accommodation provided by households) category
- It involves expenditures made by others for the benefit of visitors - a special issue for statistical measurement
- Problem: Lack of acknowledgment among people to consider VFR trips as tourism!

VFR trips – Importance for Romania
National tourism: domestic + outbound

VFR is overwhelmingly dominate the distribution of trips by purpose in the period 2004-2008

Source: National Institute of Statistics, ACTR survey
Note: data based on number of trips (domestic+outbound) detailed by purposes
Accommodation at Friends and Relatives (AFR) seems to be the most popular option for Romanian residents.

Also in case of same-day trips, VFR is the main purpose of Romanian residents undertaking tips without overnight stays.

* - only domestic and outbound same-day trips
Source: Tour_SDT survey, 2009
VFR trips – Importance for Romania

Inbound tourism

The importance of *Accommodation provided by households to nonresidents* in Romania – Some figures for the 1st semester 2009 (Source: TOUR_SDT survey):

- 816,076 nonresident tourists (compared with 584,011 arrivals in collective accommodation establishments!)
- 6,072,254 overnight stays (compared with 1,223,286 overnight stays in collective accommodation establishments)
- Main countries of origin: Italy (26.3%), Spain (21.2%), Hungary (13.5%), Germany (13.1%) and France (4.5%)
- Services offered by households:
  - Accommodation (100%)
  - F&B (96.1%)
  - Transport (30.4%)
  - Other services (43.3%)

TSA & VFR

Not all the *VFR related consumption* is included in TSA:

- Some “VFR related consumption” are excluded from *tourism consumption* concept - transport services, preparation of meals for own members of the household (see 2008 TSA:RMF, para. 2.34.)
- But some could be included: *Housing services provided to visitors within the main dwelling* (but only in the case of *the increase in the consumption of the household*) (see 2008 TSA:RMF, para. 2.36.)

- SNA & BoP principles to be applied!!
- However, **some imputations** could be calculated (but these should be treated separately not to harm the international comparability of data
TSA & VFR (cont.)

- Is it possible to calculate a “VFR inputed tourism consumption” for Romania?
  - Yes, at least partly for inbound tourism... (based on TOUR_SDT survey, Accommodation provided to non-residents module)

<table>
<thead>
<tr>
<th>No of HHS offering accommodation to non-resident tourists</th>
<th>No of non-residents accommodated</th>
<th>No overnight stays</th>
<th>Types of services offered (%)</th>
<th>% of free of charge services</th>
<th>Assumptions?!</th>
</tr>
</thead>
</table>

Non-monetary variables (known)

Monetary variable (unknown)

Average expenditures of HHS related to receiving VFR visitors (only the increase in HHS consumption)

Inputed VFR Tourism Consumption

Conclusions

VFR trips represent:
- a great “amount of hidden tourism”*
- very important tourism segment for Romania
- challenge to meet for a reliable measurement of tourism activity

In the future a particular attention should be pay to:
- Tourism household surveys (including the case of AFR for residents also)
- Estimation of the “imputed consumption” associate to VFR as an extension to TSA:RMF framework

Towards a VFR-TSA (as a functional extension) similar to TSA for business tourism ?!

* - for more information please see Cristi Frenț, Visiting Friends and Relatives (VFR) trips –understanding their economic importance within the TSA, supporting paper at the 8th International Forum on Tourism Statistics, Cáceres, Spain, 14-16 November 2006
Thank you for your attention!

Questions are welcome

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