

€157 billion in tourism consumption in France in 2013

Internal tourism consumption grew 1.4% to €157 billion in 2013, reaching 7.4% of GDP. French tourists accounted for two-thirds of this consumption with non-residents representing one-third. Growth was higher for foreign tourists (+2.3%) than for French holidaymakers (+1.0%). Spending on cafés and restaurants posted a sharp rise (+3.7%) while hotels remained stable. An upturn in spending on campsites, hotel-residences and furnished rentals drove up total growth in expenditure on market accommodation (+2.1%). Low-cost flights continued to make their mark on air travel as in previous years: the upsurge in volumes largely offset the cut in prices.

Table 1: Growth in tourism consumption

	2010	2011	2012	2013
Internal tourism consumption (bn current euros)	141.2	151.0	154.7	156.9
French visitors	97.5	103.5	104.8	105.9
Foreign visitors	43.6	47.5	49.9	51.0
Growth (%)	1.2	7.0	2.5	1.4
French visitors	0.9	6.1	1.3	1.0
Foreign visitors	2.0	8.9	4.9	2.3
Contribution to growth (% points)	1.2	7.0	2.5	1.4
French visitors	0.6	4.2	0.9	0.7
Foreign visitors	0.6	2.8	1.6	0.7

Reading: in 2013, tourism consumption by foreign visitors totalled €51.0 billion, representing 2.3% growth over 2012. French and foreign visitors accounted for 0.7 percentage point respectively of internal tourism consumption growth in 2013.

Source: Tourism Satellite Account, base 2010, Directorate General for Enterprise (DGE); National Accounts, base 2010, INSEE.

French and foreign tourists and same-day visitors spent €157 billion in France in 2013 (table 1). French residents accounted for two-thirds of internal tourism consumption (see box) at €106 billion, while non-residents represented one-third of spending¹ at €51 billion. Internal tourism consumption stood at 7.4% of GDP in France in 2013 (table 2), up from 7.1% in 2010. This increase reflects tourism's growing contribution to the French economy.

Foreign tourists account for half of the growth in internal tourism consumption

Internal tourism consumption rose 1.4% in value compared with 2012 (figure 1), driven mainly by a price rise (+1.2%). Total growth is calculated as the sum of French and foreign tourists' contributions, which were equal at +0.7 percentage points each. Foreign tourism consumption has been slowing since 2011 (+2.3% in 2013 down from +4.9% in 2012 and +8.9% in 2011). Yet its growth over the period, especially

in 2013, was much higher than French tourism consumption also on the backslide (+1.0% in 2013 following +1.3% in 2012 and +6.1% in 2011).

Tourism is a vital element of the French economy. The vast majority of French tourists holiday in France (90% of holidays) with their tourism consumption accounting for 9.4% of all actual final consumption by households in 2013 or 5% of French GDP. Tourism consumption by foreigners, at 2.4% of GDP, alone made up nearly one-third of total tourism consumption.

An upsurge in expenditure on cafés and restaurants in 2013

Spending on cafés and restaurants grew 3.7% in 2013 (table 3) driven by a price increase of 2.2%, but also by sharp ex-price growth in foreign expenditure (+6.2%). At the same time, French spending in constant prices slid 1.1%.

Whereas spending on market accommodation rose 2.1%

¹ Hereafter, "French" refers to residents and "foreigners" refers to non-residents.

in total, due to a price rise of +1.2% and +0.9% in constant prices, hotel expenditure stagnated at -0.1% without any price effect as prices remained more or less stable. Hotel guest occupancy suffered mainly from a dearth of French tourists, who spent 2.2% less on hotel rooms. At the same time, foreign consumption rose 3.2%. So although French hotel guest occupancy fell across all hotel categories, foreign hotel guests rose, especially in the higher star ratings. This drove up average expenditure per night. Tourism consumption in other types of accommodation grew 3% to 5%, due especially to a 2%-3% price increase.

Foreign spending on campsites shot up (+6.9%) in 2013, driven largely by a +5.1% ex-price-effect upturn in expenditure. This was due to an increase in the number of nights on campsites and also campsite upgrades to meet camper demand. Foreign holidaymakers are increasingly opting for pitches with amenities, rather than without, and staying on high-end campsites. The French campsite supply is gradually adjusting with a growing number of pitches with amenities and a wide range of services.

Increase in air travel expenditure despite low-cost flights

Tourism consumption of transport services, excluding urban transport, grew 2.1% in 2013. Air travel accounted for a large proportion of this total growth, with a 2.8% rise in expenditure by tourists in 2013. Flight prices have been falling for a number of years now, due in particular to the penetration of low-cost flights, but the rise in traffic has largely offset this downturn. In rail transport, however, in both 2013 and 2012, the +1.5% rise in tourism consumption was driven mainly by a sharp price rise (+2.6%). Growth in road and water travel expenditure was almost entirely flat in 2013.

Fuel expenditure tumbled 3.8% in 2013 due to both price cuts (-2.8%) and a downturn in the volume of fuel consumed (-1.1%). Oil prices fell in 2013 with a knock-on cut in prices

Table 2: Weight of tourism consumption in GDP

	2010	2011	2012	2013
Gross domestic product (billions current euros)	1 998.5	2 059.3	2 091.1	2 113.7
Weight of internal tourism consumption in GDP (%)	7.06	7.33	7.40	7.42
French visitors	4.88	5.02	5.01	5.01
Foreign visitors	2.18	2.31	2.39	2.41

Reading: Internal tourism consumption represented 7.4% of GDP in 2013, 5.0% of which comprised French visitors' consumption and 2.4% of which was foreign visitors' consumption.

Source: Tourism Satellite Account, base 2010, Directorate General for Enterprise (DGE); National Accounts, base 2010, INSEE.

at the pump. At the same time, the distances covered by drivers to go on holiday have been shrinking for a number of years now and the stock of cars is being replenished with more modest models. These phenomena have combined to reduce fuel consumption.

Cultural, sport and leisure spending stagnates

Casino expenditure slumped 4.6% with bets nose-diving in recent years. Spending on museums, shows and other cultural activities posted a slight upturn in 2013 (+2.2%). Entries to the main French cultural sites rose as the Louvre-Lens Museum opened to the public in December 2012 and completed its first full year. With over 860,000 visits in one year, the museum ranks as one of the top twenty most visited French cultural sites in 2013.

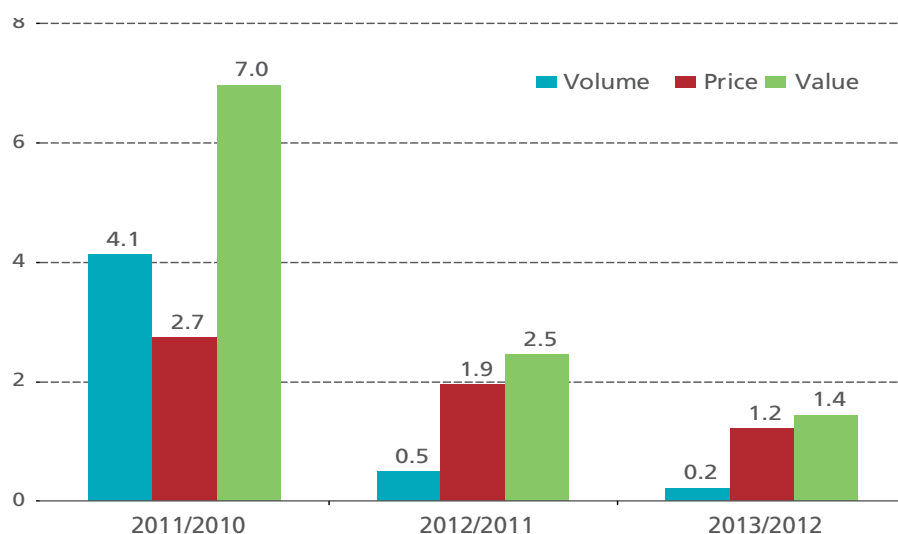
Following a +3.8% hike in 2012, tourism spending on amusement parks and other recreational services fell off to a more modest +1.1% in 2013. This growth rate tallied with the drop in entry numbers observed in most of the major French amusement parks.

Accommodation, catering and transport account for half of all tourism expenditure

The main items of expenditure by tourists (*figure 2*) are on transport services, excluding urban transport (€28 billion), accommodation when it is paid (€24 billion) and spending on restaurants and cafés (€20 billion). These three items together make up half (52%) of the budget spent by tourists in France. These tourists also spend a large amount (€17 billion) on fuel, motorway tolls and car rentals.

The structure of spending by foreign tourists differs from French tourists. These foreign tourists spend more than the French on transport services, restaurants and cafés, and "other expenditure". In particular, foreign tourists have higher transport costs than the French as they generally come from further afield and opt more for expensive means of transport. Their expensive purchases (valuables, luxury goods, etc.) are also concentrated during their stay in France whereas the French can spread them more easily over a number of shopping trips due to their proximity to the supply.

Figure 1: Percentage growth in tourism consumption for all visitors



Source: Tourism Satellite Account, base 2010, Directorate General for Enterprise (DGE).

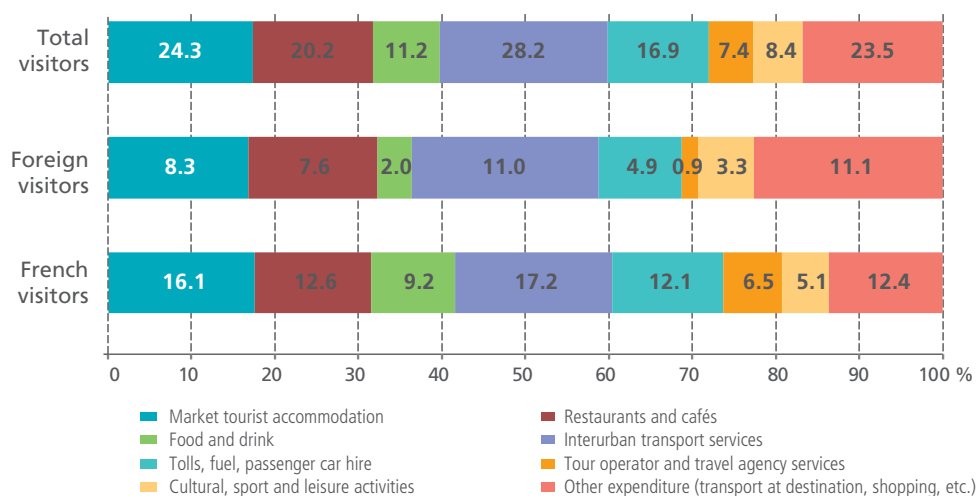
In addition, a slightly higher proportion of a foreign tourist's budget goes on cultural, sport and leisure services.

However, foreign tourists spend less of their budget on food and drink as they spend more on restaurants and full-board hotels. Their fuel outlays are also lower, since they opt more easily for public transport (aeroplanes, trains, etc.). Their travel agency expenditure tends to be made before the departure from their country of residence so it is not covered as internal tourism consumption.

Rentals win accommodation market share

Hotel expenditure has been on a downward trend as a share of total

Figure 2: Structure of tourism expenditure in billions of euros in 2013



Reading: Foreign visitors spent € 8.3 billion on market tourist accommodation, about 17% of their total tourism expenditure.
Source: Tourism Satellite Account, base 2010, Directorate General for Enterprise (DGE).

Table 3: Internal tourism expenditure (provisional results as at 8 October 2014)

	Values 2010	Values 2011	Values 2012	Values 2013	Growth 2013/2012
I Expenditure on tourism characteristic services	84.0	88.5	90.3	92.1	2.1%
1. Market tourist accommodation	21.5	23.2	23.8	24.3	2.1%
Hotels	11.7	12.4	12.7	12.7	-0.1%
Campsites ⁽¹⁾	1.8	1.9	2.0	2.0	4.4%
Rural holiday accommodation and other seasonal rentals	6.0	6.6	6.8	7.2	5.2%
Other market accommodation ⁽²⁾	2.0	2.3	2.3	2.4	3.5%
2. Restaurants and cafés	18.0	19.0	19.5	20.2	3.7%
3. Interurban transport services	25.2	26.7	27.6	28.2	2.1%
Air transport	15.3	16.0	16.7	17.2	2.8%
Rail transport ⁽³⁾	6.8	7.5	7.8	7.9	1.5%
Coach transport	2.4	2.4	2.4	2.4	-0.4%
Inland water and sea transport	0.8	0.8	0.8	0.8	0.3%
4. Short-term equipment rental	3.3	3.4	3.4	3.5	1.4%
Passenger car hire	2.1	2.1	2.1	2.2	0.8%
Sport and leisure equipment hire	1.2	1.3	1.3	1.3	2.3%
5. Tour operator and travel agency services	7.7	7.8	7.4	7.4	0.1%
6. Cultural, sport and leisure services	8.3	8.4	8.5	8.4	-0.2%
Museums, shows and other cultural activities	2.1	2.1	2.1	2.2	2.2%
Casinos ⁽⁴⁾	2.3	2.3	2.3	2.2	-4.6%
Amusement parks and other recreational activities	2.9	2.9	3.1	3.1	1.0%
Ski lifts	1.0	1.0	1.0	1.0	0.9%
II Other expenditure items	41.8	46.9	48.2	48.2	-0.1%
Fuel	9.8	11.4	11.7	11.2	-3.8%
Tolls	3.3	3.4	3.5	3.5	1.7%
Food and drink ⁽⁴⁾	10.0	10.6	10.9	11.2	2.9%
Specific consumer durable goods ⁽⁵⁾	6.1	6.6	6.5	6.5	-0.1%
Other consumer goods ⁽⁶⁾	8.2	10.0	10.6	10.1	-4.1%
Taxis and other urban transport services	1.5	1.7	1.8	2.0	10.0%
Other services ⁽⁷⁾	2.9	3.1	3.3	3.6	8.7%
III Tourism expenditure (III = I + II)	125.8	135.3	138.5	140.3	1.3%
IV Non-market tourism accommodation⁽⁸⁾	15.4	15.7	16.2	16.6	2.6%
V Tourism consumption (V = III + IV)	141.2	151.0	154.7	156.9	1.4%

⁽¹⁾ Ministry for the Economy and Finance - Public Finances Directorate General - Situation as at 2 September 2014.

⁽²⁾ Including municipal campsites.

⁽³⁾ Holiday residences and hotel-residences, holiday villages, youth hostels, etc.

⁽⁴⁾ Excluding Paris region Transilien trains.

⁽⁵⁾ Excluding restaurants and cafés.

⁽⁶⁾ Campers, pleasure boats, travel and leather goods and certain types of sports equipment used specifically in holiday resorts.

⁽⁷⁾ Purchase of local products, souvenirs, gifts, etc.

⁽⁸⁾ Car repairs, beauty care, etc.

⁽⁹⁾ Second holiday homes (imputed rent value).

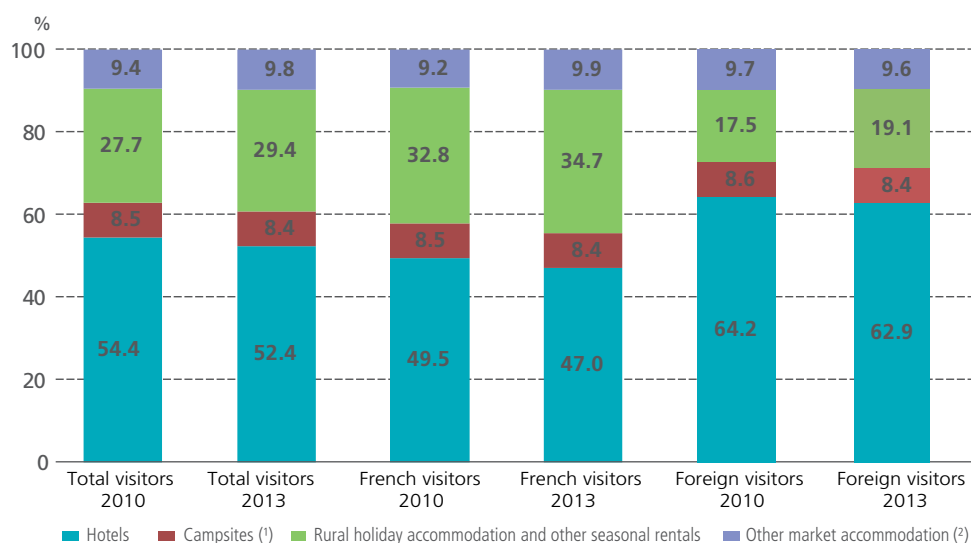
Reading: Internal tourism consumption totalled €156.9 billion in value in 2013.

Source: Tourism Satellite Account, base 2010, Directorate General for Enterprise (DGE).

market accommodation expenditure since 2010 (figure 3). With the market share in campsites and other accommodation remaining stable, the slack in the hotel market share has been picked up by the rental market. This phenomenon concerns French tourists in the main (-2.5% in the share of hotels in market accommodation since 2010), but foreign tourists are also concerned (-1.3%). Rentals to both French and foreign tourists have posted a 1.7% increase in market share as a whole since 2010.

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Figure 3: Market share by type of accommodation in 2010 and 2013



(1) Including municipal campsites.

(2) Holiday residences and hotel-residences, holiday villages, youth hostels, etc.

Source: Tourism Satellite Account, base 2010, Directorate General for Enterprise (DGE).

Tourism satellite account

The 2008 World Tourism Organization (UNWTO) recommendations state that a tourism satellite account (TSA) analyses in detail all the aspects of demand for goods and services associated with visitors' activities in a given economy, sees whether this demand actually matches the supply of these goods and services, and describes the interactions between this supply and other economic activities. The TSA is designed to improve the integration of tourism statistics into the national statistical system and to improve the international comparability of these statistics.

Method

The provisional results presented here cover 2010 to 2013. They have been put together based on constant methodology compared with previous years' publications. The differences observed between this and previous publications are due to the updating of the national accounts data, now with a base year of 2010, and the discounting of certain parameters for the 2010-2013 period.

Glossary

Internal tourism consumption

Internal tourism consumption is a core TSA concept. The aggregate measures the consumption of French and foreign visitors (tourists and same-day visitors) during or for a trip in or from France supplied by service and consumer goods providers resident in France. Internal tourism consumption is made up of two parts: domestic, which measures the consumption of visitors resident in France, and inbound, which measures the consumption of visitors resident abroad.

Internal tourism expenditure

Internal tourism expenditure is the share of internal tourism consumption provided in return for payments made, either by the visitors themselves (most frequent case) or by other agents on their behalf.

It is equal to internal tourism consumption minus the "non-market tourism accommodation" item, which covers imputed rents for owners of second homes. The imputed rents represent the estimated amount that the owners of second homes would have had to pay had they been tenants and not owners of their property.

Visitor

A visitor is a traveller taking a trip to a destination outside his or her usual environment and hence entering into the definition of tourism. The reason for the trip may be personal (leisure, family visit, health, etc.), business (assignment, training, seminar, conference, etc.) or both. There are types of visitor. Tourists spend at least one night (and less than one year) at their destination. Same-day visitors (return trip the same day to more than 100 kilometres from home and outside their usual environment such as their place of work) do not spend the night at their destination. Cross-border day trips are also counted in this category, irrespective of distance covered (except for return trips between home and the place of work or study, which are not defined as tourism).

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