

# Visitor Export in Relation to Economic Impacts of Travel and Tourism in the Capital Bratislava

Ludmila Novacká<sup>1</sup>

**Abstract:** *The aim of this article is to present the results of economic impacts by the way of visitor exports, it means by expenditure of tourists in Bratislava, the capital of the Slovak republic. The success to achieve the main aim depends on the survey. In present conditions (by available data) is possible to express the total economic impact of direct incomes in the named destination Bratislava. In present circumstances it is necessary to calculate the leakage. In our conditions is possible to count out the value of VAT and local tax. Other leakages related to import of the goods is not possible to calculate because of absence the necessary data. The same problem effects in relation to the savings of the business and the state taxes. The first step presents the survey. By results the total visitor export is in Bratislava average approximately 110 EUR per day/per person. The survey refers high difference of expenditure amount by individual source market. Visitor export survey presents the first step in the process of economic impacts evaluation.*

*In generally it is possible to make conclusion and to suggest the hypothesis, that multiplier coefficient of economic impacts could reach value more than 1.*

**Key words:** Travel and Tourism · Economic Impacts · Multiplier · Leakage · Tourist Expenditure · Visitor Export

**JEL Classification:** D11 · F4 · R10

## 1 Introduction

After Travel and tourism is the temporary short-term movement of people to destinations outside the places where they normally live and work, and activities during their stay at these destinations with the aim to satisfy the needs. It includes movement for all purposes, as well as day visits or excursions. The satisfaction of the needs is only one-part view. Management of travel and tourism is based on three basic elements. It means economy, environment and social. Speaking about balance of 3BL (sustainable) we have to think that economic issues are very important. It is the reason, why every destination wants to know more exact economic impact of travel and tourism.

The theory is not new. The multiplier models presented by Keynes in 1936 are the basement for theory of economic impact generally and in the area of travel and tourism as well. Economic impacts by multiplier model had been enormously influential in macroeconomic analysis over the last century. Samuelson and other economists proclaimed the thesis, that multiplier model provides a simple way to understand the impact of aggregate demand on the level of output. (Samuelson 1998, p. 462). Many authors do develop the economic impacts in the area of travel and tourism. They are looking to quantify the multiply effects better and more precisely. The proposal to solve the basic problem of leakages they express by formula. Multiplier is the share of proportion of leakages to the unit. This idea is frequent in the books of Holloway, (2006, p. 104), Page & Connell, (2006, p. 351), Mason, (2008, p. 39), Swarbrooke & Horner, (2002, p. 76) and others. Zabajevoa & Dracevoa (2005, p.76), Beranek (2013, p. 131) discuss, relay and spread the theoretical issue of multiplier by incomes. All authors distinguish the first „direct contribution“ of Travel and Tourism to GDP calculated to be consistent with the output of tourism-characteristic sectors (hotels, airlines, tour-operators etc)., the second wider impacts of total contribution“ and the third „induced contribution“ measures the GDP and direct and indirect employment in travel and tourism industry.

These principles are consistent with the definition of Tourism GDP, specified in the 2008 Tourism Satellite Account: Recommended Methodological Framework (TSA: RMF 2008). The methodology, applied by World travel and tourism Commission (WTTC) do'es classify calculations of these categories:

- Visitor exports
- Domestic expenditure (includes government individual spending)
- Internal tourism consumption
- Purchases by tourism providers, including imported goods (supply chain)
- Direct contribution of Travel and Tourism to GDP

---

<sup>1</sup> **prof. JUDr. Ludmila Novacká, Ph.D.**, University of South Bohemia in České Budějovice, Faculty of Economics, Department of Trade and Tourism, Studentská 13, 370 05 České Budějovice, e-mail: novacka@ef.jcu.cz

- Other final impacts (indirect and reduced) + domestic supply chain
- Capital investment
- Government collective spending
- Imported goods from indirect spending
- Induced
- Total contribution of Travel and Tourism to GDP
- Employment impacts, direct contribution of Travel and Tourism to employment
- Total contribution of Travel and Tourism to employment
- Other indicators, expenditure on outbound travel

This methodology is applied by WTTC for analyse of economic impact of travel and tourism in the world, in the Europe, in world's and European regions and in individual states. This is the highest level of this model. The regions inside the states or the towns have to solve the quantification of economic impacts. The basic problem is absence of the data's, because of hard and expensive collecting. The aim of this article is to present the results of economic impacts by the way of visitor exports, it means by expenditure of tourists in destination Bratislava – Slovakia.

## 2 Methodology

The success to achieve the main aim depends on the survey, partial aim. Survey created and established conditions to recognise the expenditure of the visitors in destination Bratislava. Author decided to reach foreign visitors. It was the way to express the visitor export. This category of data's present, the first step named by methodology WTTC.

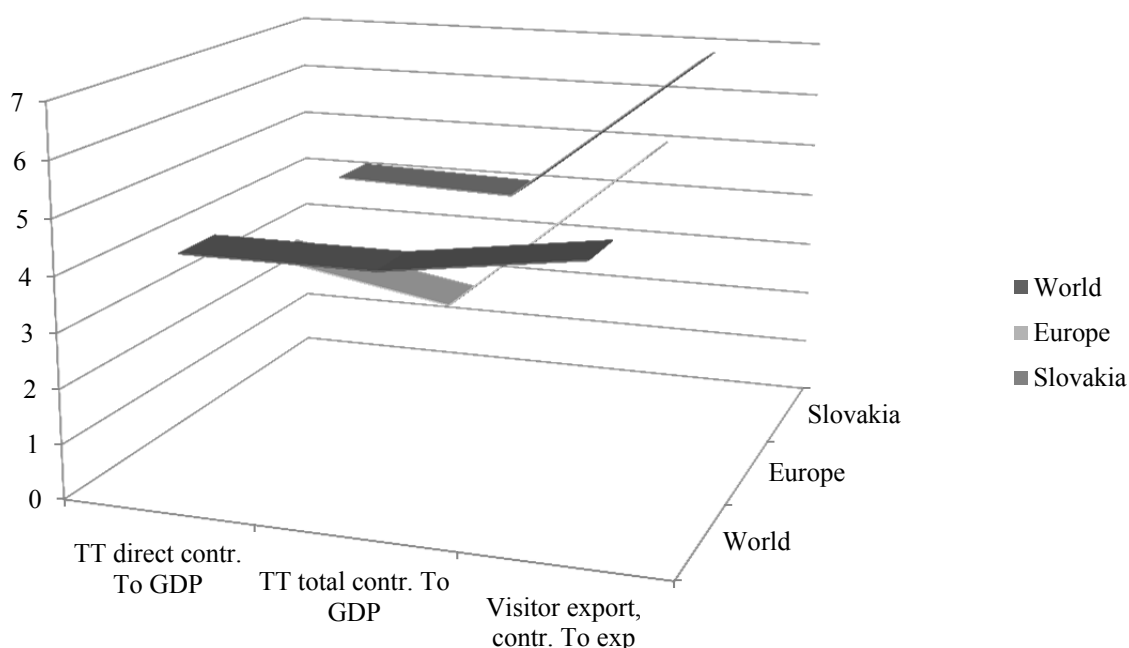
The author applied methods of primary and secondary research. The primary research was done in the year 2013 by questionnaires. Bratislava's research involved 2300 questionnaires in 6 language variants. This survey doe's follow the preliminary survey done six month ago in the number 680 questionnaires. Analyse, synthesis, deduction, induction, brain storming, statistics methods had been applied in the framework of secondary research.

## 3 Results and discussion

Economic impact of travel and tourism by WTTC study presents economic impacts of GDP direct contribution, GDB total contribution, Employment direct contribution, Employment total contribution, visitor exports and investment.

In our article we disseminate the basic data's related to GDP and visitor exports. Visitor exports are the main topic of our survey provided by authors in the destination Bratislava.

**Figure 1** Real growth of the tourism impacts in the year 2014



Source: WTTC (2014a, 2014c, 2014d)

**Table 1** Real growth of the tourism impacts in the year 2014

	World	Europe	Slovakia
Travel and tourism direct contribution to GDP	4.3	3.4	4.2
Travel and tourism total contribution to GDP	4.3	2.8	4.1
Visitor exports, contribution to exports	4.8	5.8	6.9

Source: WTTC (2014a, 2014c, 2014d)

**Table 2** Long term growth forecast 2014 – 2024 in %

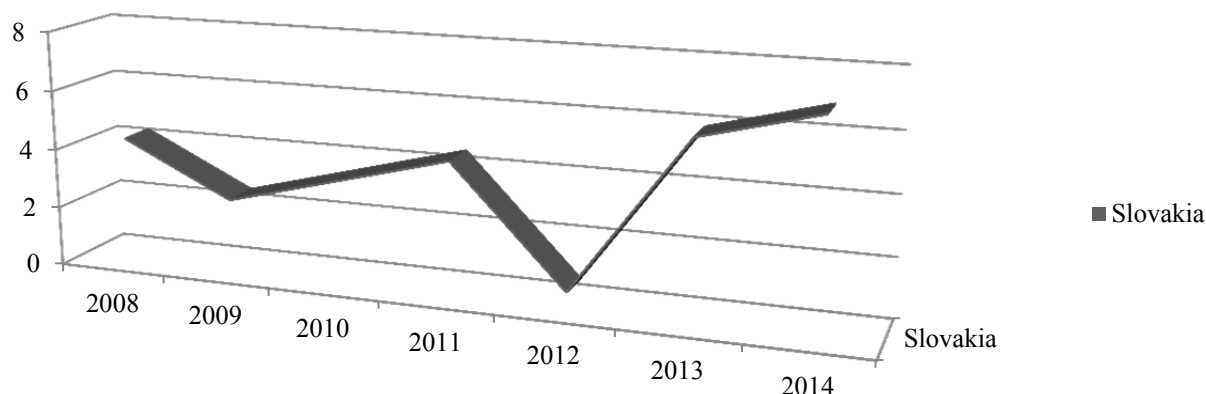
	World	Europe	Slovakia
Travel and tourism direct contribution to GDP	4.2	2.9	3.3
Travel and tourism total contribution to GDP	4.2	2.8	3.2
Visitor exports, contribution to exports	4.2	3.7	4.2

Source: WTTC (2014a, 2014b, 2014c, 2014d)

**Table 3** The economic contribution of travel and tourism: Growth – visitor exports in %

Country	2008	2009	2010	2011	2012	2013	2014
Slovakia	15.7	-10.1	-5.7	0.8	0.6	5.9	6.9

Source: WTTC (2014a)

**Figure 2** The economic contribution of travel and tourism: Growth – visitor export in %

Source: WTTC (2014a)

Bratislava is the capital of the Slovak republic. The number of foreign tourist overnights in Bratislava in the year 2013 = 947 730. The survey in Bratislava done in the year 2013 documents the expenditures of foreign tourists, in other hand the incomes of business.

**Table 4** Foreign tourist's expenditure per day (visitor export)

Tourist flows	Total $\Sigma$ exp. in Bratislava excl.transport to BA	Total $\Sigma$ exp. in Bratislava incl.transport to BA
All foreign	111.32	167.39

Resource: author

**Table 5** Conditions for visitor export in Bratislava

Destination	Number of over-nights in the year 2013	Expendi-tures/per day €	Total visitor ex-ports €	Leakage VAT %	Leakage local tax €
Bratislava	947 730	111.32	105 501303.6	20	1.65

Source: author

The average tourist's expenditure per day (visitor export) excluding transport to Bratislava reached the level 111.2 EUR. The great differences by the market source documents the table 6.

**Table 6** Average expenditure of foreign visitors per day by source markets in Bratislava (visitor export)

Source market	Asia	Austria	Czech Rep.	France	Germany	Hungary	Italy
Expenditure in €	136.69	91.87	77.76	118.35	100.86	74.75	149.13

Source market	Poland	Russia	Spain	South America	UK	USA
Expenditure in €	77.63	260.43	73.58	89.55	154.38	81.91

Source: authors

The visitor export is in average approximately 110 EUR per day/per person. High difference in the amount of expenditure by source markets is usual. Many determinants form effect in the process of consumer behaviour and spending of money.

#### 4 Conclusion

In relation to named data's we can formulate the conclusion. In present conditions (by available data) is possible to express the total economic impacts of direct and indirect incomes in the named destination Bratislava incompletely. With the aim to quantify the visitor export more clearly and more transparently, it is necessary to calculate the leakage. In our conditions is possible to count out the value of VAT and local tax. These categories represent the income for state (VAT) and income for the municipality (local tax).

**Table 7** The leakage VAT and local tax

	Total visitor exports €	Leakage VAT+ local tax
Bratislava	105 501 303.6	22 664 021.70

Source: authors

Other leakages related to import of the goods is not possible to calculate because of absence the data. The same problem is important in relation to the savings of the business and the state taxes. The first step of total visitor exports presented by our survey suggests the general hypothesis, that multiplier coefficient could reach the value more than 1.

#### References

- Holloway, J.Ch., & Taylor, N. (2006). *The Business of tourism*. FT Prentice Hall, US, ISBN 0-273-701613.
- Lisý, J. et al. (2013). *Ekonomía*, IURA Edition, Bratislava, ISBN 978-80-78-42-32
- Mason, P. (2008). *Tourism impacts, planning and management*. Butterworth-Heinemann, Oxford, 39-41. ISBN 978-0-7506-8492-7
- Page, S.K., & Connel, J. (2006). *Tourism a modern synthesis*, Thomson, UK. ISBN 978184480985.
- Samuelson P.A., & Nordhaus W. D. (1998). *Economics*, Irvin McGraw-Hill, US. ISBN 0-07-115542-2.
- Swarbrooke J., & Horner S. (2001). *Business Travel and tourism*, Butterworth-Heinemann, Oxford. ISBN 9-780-750-643924.
- EUROSTAT (2014). *European implementation manual on TSA*, Available at: [http://ec.europa.eu/eurostat/ramon/statmanuals/files/-TSA\\_EIM\\_EN.pdf](http://ec.europa.eu/eurostat/ramon/statmanuals/files/-TSA_EIM_EN.pdf)
- WTTC (2014a). *Travel and tourism economic impact 2014, Slovakia* [online]. Available at: [http://www.wttc.org/site\\_media/uploads/-downloads/slovakia2014.pdf](http://www.wttc.org/site_media/uploads/-downloads/slovakia2014.pdf)
- WTTC (2014b). *Travel and tourism economic impact 2014, Slovenia* [online]. Available at: [http://www.wttc.org/site\\_media/uploads/downloads/slovenia2014.pdf](http://www.wttc.org/site_media/uploads/downloads/slovenia2014.pdf)
- WTTC (2014c). *Travel and tourism economic impact 2014, Europe* [online]. Available at: [http://www.wttc.org/site\\_media/uploads/downloads/europe2014.pdf](http://www.wttc.org/site_media/uploads/downloads/europe2014.pdf)
- WTTC (2014d). *Travel and tourism economic impact 2014, World* [online]. Available at: [http://www.wttc.org/site\\_media/uploads/downloads/world2014.pdf](http://www.wttc.org/site_media/uploads/downloads/world2014.pdf)
- SPIRIT Slovenia. (2012). *Slovenian tourism in numbers* [online]. Available at: [http://www.slovenia.info/pictures/TB\\_board/-attachments\\_2/2013/tvs\\_brosura\\_2012-\\_ang\\_web\\_16695.pdf](http://www.slovenia.info/pictures/TB_board/-attachments_2/2013/tvs_brosura_2012-_ang_web_16695.pdf)
- ŠÚSR. (2014). *Slovenská republika* [online]. Available at: <http://portal.statistics.sk/showdoc.do?docid=61>
- Rjabova, I. A., Zabajevova, J. V., & Dračevova L. (2010) *Ekonomika i organizacija turizma*, Meždunarodnyj turizm, M Knorus. ISBN 13-975-406003640