

A low-angle shot looking up at two people ziplining against a clear blue sky. The person in the foreground is a woman with a red helmet, white long-sleeved shirt, and black leggings, smiling as she glides. The person in the background is a man in a grey shirt and blue pants. To the left, a wooden structure of the zipline course is visible. Green trees are seen in the lower right corner.

Tourism Employment Proxy and Multipliers – PPSE case

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Context & Terminology



1 Promoting Private Sector Employment



Food Processing



Tourism



1 PPSE-Tourism

Int. Area 2: International Promotion

Fair Participation in the
UK, Germany, Turkey and
France

Familiarization trip

Tailored packages and B2B
links with TOs in the UK,
Italy, Turkey, Serbia and
Albania

Int. Area 3: Local Promotion

Development of Tourism
Products and coaching

Press Familiarization Trip

Prishtina Tourism Fair -
EKSplore

Int. Area 4: Tourism Statistics

Capacity
building for
ASK

Improved
statistics for
accommoda
tions and
international
arrivals

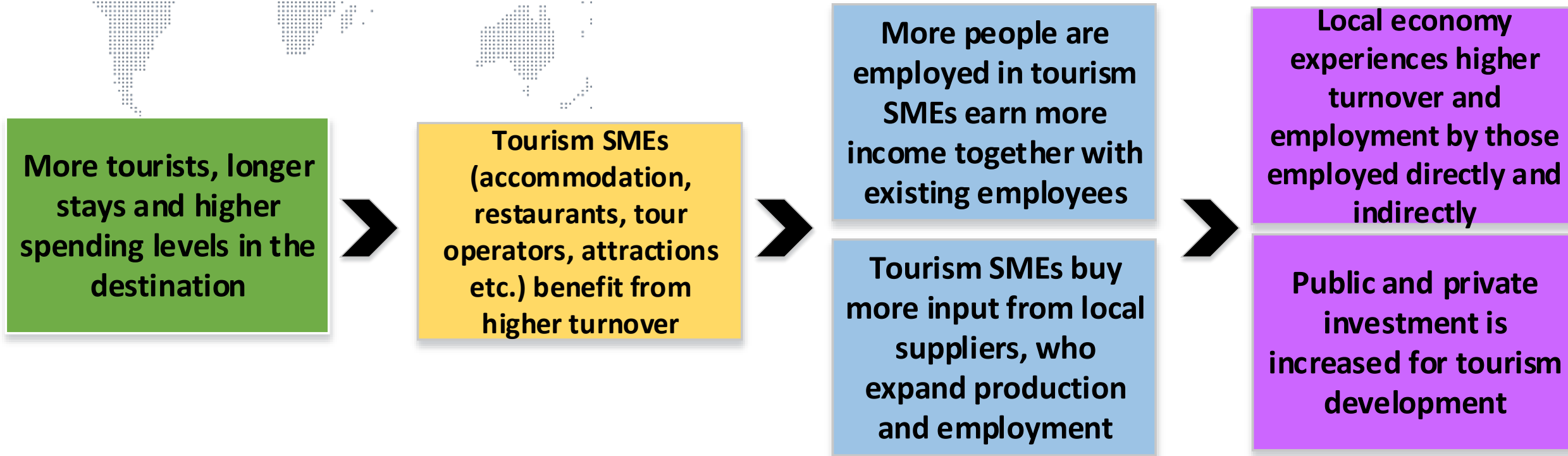
Int. Area 1: Destination Management Organization

Destination management,
coordination, networking, promotion
and Public-Private dialogue

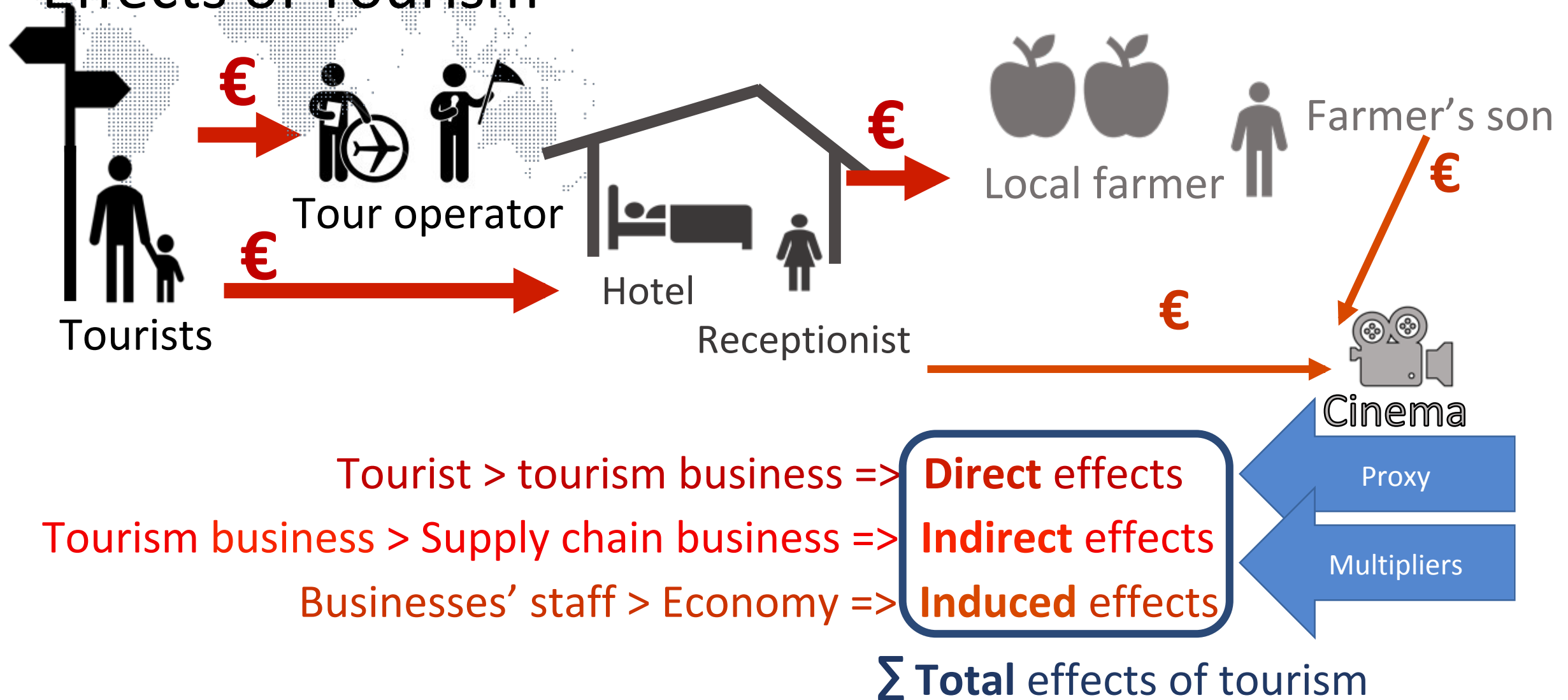
2 Why PPSE developed employment proxy & multipliers

- Lack of documented existing experiences
- The necessity of finding a practical and cost effective approach for monitoring
- Impact contribution vs. attribution
- To assess and report the wider impact of tourism
- Lack of official statistics/data in Kosovo

2 Tourism Development Impact



2 Terminology: Direct – Indirect – Induced Effects of Tourism

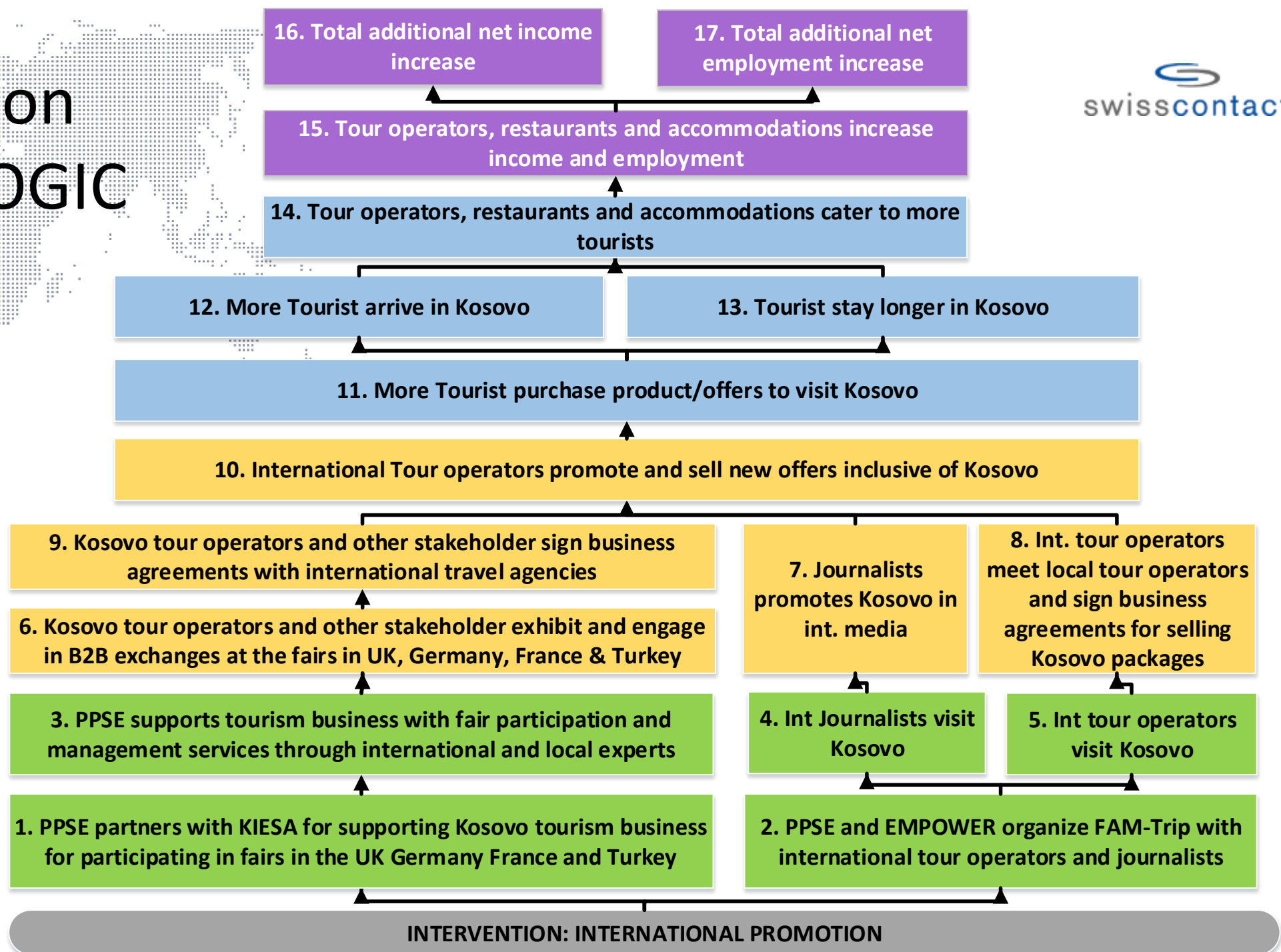


3 How PPSE developed the employment proxy

Direct Impact →



3 Attribution IMPACT LOGIC



3 Employment proxy calculation

- Annual Supply Side Survey – direct interviews with all tourism related SMEs in the destination (Western Kosovo)
 - Accommodations
 - Food and Drinks providers
 - Souvenir shops
 - Transportation companies
 - Tour operators and guides
 - Attractions
- Calculation and estimation of revenues and employment data from Accommodations and Food and Drinks providers

3 Tourism Employment Proxy

ACCOMMODATIONS				
Year	FTE	Number of Overnights	Revenue	Revenue to Job
2013	385	31,425	€ 2,751,000	€ 7,150
2014	458	32,832	€ 2,874,700	€ 6,270
2015	399	50,863	€ 3,405,100	€ 8,500

Revenue / FTE

FOOD AND DRINKS PROVIDERS				
Year	FTE	Number of Visitors	Revenue	Revenue to Job
2013	473	3,317,704	€ 11,806,200	€ 24,900
2014	508	4,430,400	€ 15,765,780	€ 31,000
2015	600	5,527,980	€ 16,953,727	€ 28,200

Revenue / FTE

- For every € 7,300 of tourist spending a new full time equivalent job is generated in hotels/accommodations
 - 10% potential variation (from € 6,750 to € 8,250 of tourist spending)
- For every € 28,000 of tourist spending a new full time equivalent job is generated in food and drinks providers.
 - 5% potential variation (from € 28,000 to € 31,000 of tourist spending)



3 Tourism Employment Proxy

(additional jobs based on marginal revenues)

10 FTEs	12 FTEs	+2 FTEs
\$ 100,000 revenues	\$ 150,000 revenues	+ \$ 50,000 revenues
1 FTE/ \$ 10,000	1 FTE / \$12,500	+ 1 FTE / + \$25,000
YEAR 1	YEAR 2	Marginal

4 How PPSE developed the multipliers

Indirect & Induced Impact →



4 World Travel & Tourism Council (WTTC)

Income Contribution					
Country	Direct	Indirect	Induced	Indirect Multiplier	Induced Multiplier
Montenegro	297	222	99	0.75	0.33
Serbia	61	89	32	1.45	0.53
Macedonia	6	13	4	2.13	0.65
Albania	78	110	50	1.40	0.64

Employment contribution				
Direct	Indirect	Induced	Indirect Multiplier	Induced Multiplier
13	9	4	0.73	0.33
34	35	14	1.04	0.42
7	5	5	2.13	0.70
51	98	35	1.91	0.69

- Factors analyzed initially (import dependency, government promotion, geography, similar tourism offers, etc.)
- Lowest in the region (Montenegro)

5 Application of Results and Lessons Learnt



5 Results and Interpretation

Reporting



1285



$1285 \times 2 \times 40 =$
102,800 EUR



$1285 \times 2 \times 20 =$
51,400 EUR



Direct Impact \Rightarrow Accommodations = $\text{€ } 102,800 / \text{€ } 8,250 = 12.4 \text{ FTEs}$
 \Rightarrow Food and Drinks providers = $\text{€ } 51,400 / \text{€ } 31,000 = 1.6 \text{ FTEs}$

Indirect = $14 \text{ FTEs} \times .73 = 10.22 \text{ FTEs}$

Induced = $14 \text{ FTEs} \times .33 = 4.62 \text{ FTEs}$


Σ Total effects of tourism = 28.8 FTEs

5 Measurement of employment directly


Annual interviews with direct beneficiaries

Details of new employees engaged for additional tourists:				
Gender	Full time (at least 8 hours per day)	Seasonal		Notes:
	Number	Number	Months Engaged	
Female <input type="checkbox"/>			J F M <u>A</u> M J J A S O N D	
Male <input type="checkbox"/>			J F M <u>A</u> M J J A S O N D	

Direct (indirect)
beneficiary



How many tourists do you receive in 2017 as a result of business partnerships from this fair? _____		
What is the average length of stay for new tourists visiting Kosovo _____		
Average per day spending of a typical tourists from the above channel: _____		
Item	Amount in EUR:	%
Accommodation		
Food and Drink		
Other spending (recreational, shopping, transport, etc.)		
TOTAL		100%



Direct
beneficiary – e.g.
Tour Operators



5 Lessons learnt

- It is difficult to get reliable and consistent annual data
- Calculation of additional/marginal values will require more resources/expertise
- Calculation of proxy beyond the project location (western Kosovo) will require location specific data collection
- Field evidence to support the growth of indirect & induced jobs is difficult to capture



5 Way forward

- Replicate the methodology in other tourism projects
- Further analysis between tourist Spending Vs Purchase
- Categorization of hotels, restaurants etc. to capture marginal revenue
- Impact wheel, qualitative assessments, time lag etc.



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