

CHAPTER 4 DOMESTIC TOURISM EXPENDITURE

4.1 General

This chapter deals with expenditure incurred in connection with overnight and same-day trips. As explained in Chapter two, tourism expenditure includes expenditure made not just during the trip but also the expenditure related to the trip even if made before or after the trip. It included all expenses related to the trip paid or payable by the household. It also included expenditure related to the trip, whether directly paid or reimbursed, by some institution like Government or other agencies on behalf of the selected household. All expenditure in connection with the trip except those used for productive purposes/enterprises was included. Estimates were generated to obtain average expenditure per trip by sector of the reporting households, as well as separately for each leading purpose. The break-up of overnight and same-day trip expenditure over broad expenditure heads is also examined. It is further investigated how the expenditure pattern varies with the leading purpose of an overnight/a same-day trip.

4.2 Expenditure on overnight trips

4.2.1 Statement 4.1 shows the item-wise average expenditure (in Rs.) per overnight trip in respect of different leading purposes for rural and urban areas combined. Health and medical trips were the costliest overnight trips among those completed during the last 365 days with average expenditure per trip of Rs. 15589 followed by trips with leading purpose shopping (Rs.14864). Among trips completed during last 30 days, leading purpose education & training is observed to be the costliest with an average expenditure per trip of Rs. 8230, followed by pilgrimage & religious activities (Rs. 7855). Average expenditure on package component for overnight trips were not prominent for trips completed either during the last 365 days or the last 30 days.

Statement 4.1: Average expenditure (in Rs.) per overnight trip by categories of expenditure for each leading purpose (Rural + Urban)

Leading purpose	Package component	Non-package component							Total
		Accommodation	Food & drink	Transport	Shopping	Recreation, religious, etc.	Medical	Others	
Completed during last 365 days									
Holidaying, leisure & recreation	66	386	1527	1737	2656	296	133	226	7027
Health & medical	56	1020	2303	1914	1223	18	8738	316	15589
Shopping	6	335	2163	1894	9721	13	624	109	14864
Completed during last 30 days									
Business	0	607	1158	1247	3870	107	733	131	7554
Social	0	229	1657	1874	2511	193	235	268	6877
Pilgrimage & religious activities	395	968	915	1894	1525	767	1000	391	7855
Education & training	107	851	1545	1765	1893	69	1739	260	8230
Others	359	288	1028	944	1743	65	345	310	5082

4.3 Item-wise share of overnight trip expenditure

4.3.1 Tourism expenditure usually has two components- one package component and other non-package component. Non package component includes accommodation, food, transport, shopping, recreation, religious, cultural, sporting and health related activities and others.

4.3.2 Statement 4.2 gives item wise share of overnight trip expenditure separately for rural and urban areas for trips completed during (a) last 365 days with leading purposes holiday, leisure, health & medical and shopping (b) last 30 days with leading purposes business, social, religious and pilgrimage, education & training and others. This statement shows that there is variation in expenditure over different items related to domestic tourism.

4.3.3 For overnight trip expenditure, contribution of Package component is low compared to that of non-package component – less than 3% for rural sector and less than 2% for urban. Further, for trips undertaken in the last 365 days with leading purpose holidaying, leisure, medical, etc. the share of expenditure was highest for shopping in the rural sector (about 40%) and medical in the urban sector (31%). With respect to other items, the next highest share of expenditure was that of medical (23%) in rural and shopping (30%) in urban sector.

4.3.4 For trips undertaken in the last 30 days with leading purposes business, social, religious, etc. share of expenditure was highest for shopping in both rural and urban sectors (about 34% and 30% respectively), followed by transport in both sectors (about 21% and 23% in rural and urban sectors respectively).

Statement 4.2: Item-wise share (in %) of trip expenditure for overnight trips

Items of expenditure	Completed during last 365 days for leading purposes holidaying; leisure and recreation; health & medical and shopping		Completed during last 30 days for leading purposes business; social; pilgrimage; education & training and others	
	Rural	Urban	Rural	Urban
Package	0.2	0.3	2.8	1.5
Accommodation	3.4	7.1	8.2	8.4
Food	15.8	15.4	15.9	21.4
Transport	14.8	14.6	20.8	22.8
Shopping	39.9	30	33.8	30
Recreation etc.	0.8	0.7	3.6	3
Medical	23	31	10.4	10.4
Others	2.2	0.9	4.5	2.5
Total	100	100	100	100

4.4 Expenditure for each quintile class of UMPCE on overnight trips

4.4.1 Statements 4.3R and 4.3U describe the average expenditure per overnight trip by leading purpose and quintile classes of UMPCE for Rural and Urban areas respectively. Quintile class of UMPCE range from 1 (lowest quintile class) to 2, 3, 4 and 5 (highest quintile class) [refer Chapter One, paragraph 1.6 for details of UMPCE].

Statement 4.3R: Average expenditure (in Rs.) per overnight trip by quintile class of UMPCE and leading purpose of trip (Rural)

Leading purpose	Quintile class of UMPCE					
	1	2	3	4	5	All
Completed during last 365 days						
Holidaying, leisure & recreation	5688	4513	7732	9324	5566	6477
Health & medical	9709	9903	6933	13919	19890	12438
Shopping	13416	7273	6446	12953	25444	14686
All	9987	7276	6796	12380	19331	12180
Completed during last 30 days						
Business	11128	4024	5392	10636	6434	6548
Social	4013	6123	7908	8658	7465	6993
Pilgrimage & religious activities	8668	1908	0	7811	12394	8232
Education & training	2579	8003	14920	4168	8093	6626
Others	3944	1568	5433	5673	4597	3966
All	5336	4352	7485	7798	7074	6402

Statement 4.3U: Average expenditure (in Rs.) per overnight trip by quintile class of UMPCE and leading purpose of trip (Urban)

Leading purpose	Quintile class of UMPCE					
	1	2	3	4	5	All
Completed during last 365 days						
Holidaying, leisure & recreation	6070	6362	7656	8427	9233	7876
Health & medical	31888	19109	27030	25913	27112	26273
Shopping	10720	13273	13756	16800	18117	15463
All	14946	11797	14240	16844	17242	15463
Completed during last 30 days						
Business	11816	10460	13315	10303	10031	11132
Social	5888	5167	6144	9287	5880	6596
Pilgrimage & religious activities	2530	1745	3489	7762	6323	6517
Education & training	11324	9127	6355	13007	19089	13065
Others	6161	5821	8850	11714	8521	8665
All	7290	6833	7838	9888	8872	8233

4.4.2 It is observed from statement 4.3R that there is no specific pattern of spending of the different quintile classes on overnight trips. In rural areas, the 5th quintile class made the maximum expenditure with an average of Rs. 19331 on overnight trips with leading purposes holidaying, health and shopping during the last 365 days. On the other hand, the 4th quintile class on average spent the highest amount (Rs. 7798) on overnight trips with leading purposes business, social, religious, education and others during last 30 days. The 3rd quintile class with leading purposes holidaying, health and shopping (Rs. 6796) and the 2nd quintile with leading purposes business, social, religious, education and others (Rs. 4352) is seen to spend the average least with respect to the other quintile classes in the rural areas.

4.4.3 Statement 4.3U shows that in urban areas, the highest average expenditure has been made by the 5th quintile class with leading purposes holidaying, health and shopping (Rs.17242) and the same made by the 4th quintile class with leading purposes business, social, religious, education and others (Rs. 9888). The 2nd quintile class is observed to spend the least with respect to the other quintile classes in the urban areas for all leading purposes (Rs. 11797 for trips completed during last 365 days and Rs. 6833 for those completed during last 30 days).

4.5 Expenditure on overnight trip by leading purposes

4.5.1 The following Statement 4.4 provides the estimates of average expenditure (in Rs.) per overnight trip with respect to different leading purposes. It may be observed that for rural households it is shopping that incur maximum expenditure (Rs. 14686) while for urban households, it is health and medical trips (Rs. 26273) among all other trips completed during last 365 days. For trips completed during last 30 days, it is education & training (Rs. 13065) for urban households and religious activities (Rs. 8232) for rural households which spends the most.

Statement 4.4: Average expenditure (in Rs.) per overnight trip for each leading purpose

Leading purpose	Average Expenditure (in Rs.)	
	Rural	Urban
Completed during last 365 days		
Holidaying, leisure & recreation	6477	7876
Health & medical	12438	26273
Shopping	14686	15463
Completed during last 30 days		
Business	6548	11132
Social	6993	6596
Pilgrimage & religious activities	8232	6517
Education & training	6626	13065
Others	3966	8665

4.6 Expenditure on same-day trips

4.6.1 A domestic same-day trip is one that does not involve an overnight stay (i.e. duration of more than 12 hours including 12 midnight to 5 A.M.) but fulfill other conditions for overnight trips, irrespective of the number of hours spent on the trip.

Statement 4.5: Average expenditure (in Rs.) per same-day trip completed during last 30 days for each leading purpose

Leading purpose	Average Expenditure (in Rs)		
	Rural	Urban	Rural + Urban
Business	6401	4134	5395
Holidaying, leisure & recreation	1571	3505	2026
Social	2336	2425	2353
Pilgrimage & religious activities	1538	2842	1642
Education & training	1184	6558	2796
Health & medical	4206	5786	4311
Shopping	6200	8065	6520
Others	2376	2620	2404
All	3950	4628	4075

4.6.2 Statement 4.5 provides average expenditure per same-day trip incurred by the households in rural and urban areas. The rural-urban gap is seen to be maximum for leading purpose education, followed by holidaying and religious where the urban households spend considerably more than their rural counterparts. Also, it can be observed that a general trend exists in expenditures incurred by urban households being higher than rural households, in exception of one i.e. leading purpose business.

4.7 Item-wise share of same-day trip expenditure

4.7.1 The following Statement 4.6 provide the item wise contribution of same-day trip expenditure separately for urban and rural areas completed during last 30 days. For the same-day trips undertaken by rural households, shopping constitutes nearly 52% of the total expenditure whereas for urban households making same day trips, shopping contributes nearly 55% of the total expenses. No remarkable differences in the item-wise share of expenditure were observed between trips undertaken by the households from rural and urban areas, except for package component where the urban households are seen to spend more than their rural counterparts.

Statement 4.6: Item-wise share (in %) of trip expenditure for same-day trips completed during last 30 days

Items of expenditure	Sector	
	Rural	Urban
Package component	0.2	1.9
Accommodation	0.7	1.3
Food	6.4	8.3
Transport	14.7	13
Shopping	51.7	54.3
Recreation, religious, etc.	0.5	1
Medical	7.3	3.9
Others	18.5	16.3
All	100	100