Finland on the German Market – News from your Potential Guests

Helsinki, April 27, 2016

Ulf Sonntag, NIT/FUR
Holiday demand of the Germans

Annually since 1972

8,000 interviews face-to-face plus 5,000 interviews online

Multi-client

Non-profit association
Market Overview
Holiday travel 5+ days 2015: **VOLUME**

Share in the population with at least one holiday trip (5+ days) in 2015: 77%

- 53 million holiday travellers
- 69 million holiday trips
- 66 billion € expenditure

**TREND 2025**
- Stability of travellers and trips
- Growth of expenditure

Basis: German-speaking population 14+ years in Germany
Source: Reiseanalyse 2016, RA trend study "German Holiday Travel 2025"
Intention for holiday travel 2016:
Stability on a high level despite migrants, terror etc.

Basis: German-speaking population 14+ years in Germany
Source: Reisanalyse 2012-2016
Holiday travel 5+ days 2015: DESTINATIONS

Share of international holiday destinations in all holiday trips

71%

1/3 Germany
1/3 Mediterranean
1/3 ‘Rest of the world’

TREND 2025
Best chances for growth in
Germany
Long-haul
NW-Europe/Scandinavia

Basis: Holiday trips 2015 (5+ days) of German-speaking population 14+ years in Germany
Source: Reiseanalyse 2016, RA trend study "German Holiday Travel 2025"
### Holiday travel 5+ days: TYPE OF HOLIDAYS

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Sun&amp;beach</td>
<td></td>
<td>46%</td>
<td>🟢</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Relaxing</td>
<td></td>
<td>37%</td>
<td>🟡</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nature</td>
<td></td>
<td>28%</td>
<td>🟢</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family</td>
<td></td>
<td>26%</td>
<td>🟢</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adventure/Experience</td>
<td></td>
<td>24%</td>
<td>🟡</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Active</td>
<td></td>
<td>18%</td>
<td>🟡</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sightseeing</td>
<td></td>
<td>17%</td>
<td>🟢</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VFR</td>
<td></td>
<td>13%</td>
<td>🟡</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fun/Party</td>
<td></td>
<td>13%</td>
<td>🟢</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Touring</td>
<td></td>
<td>10%</td>
<td>🟢</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cultural</td>
<td></td>
<td>8%</td>
<td>🟢</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health</td>
<td></td>
<td>5%</td>
<td>🟡</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Study</td>
<td></td>
<td>4%</td>
<td>🟢</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Holiday trips (5+ days) of German population 14+ years; type of holiday travel (multiple answers) in %, sparklines without uniform scale, trend: linear regression 2002-2015; Source: RA 2003-2016
Learnings 1:
- You can count on the German tourist
- The German „cake“ does not get bigger
- Trend for holidays that are not boring but not strenuous either
Market Position Finland
Market share SCANDINAVIA: Quite stable around 3% or 2 million trips to DK, NOR, SWE, FIN

Basis: Holiday trips (5+ days) of German-speaking population 14+ years in Germany
Source: Reiseanalyse 2006-2016
### Market shares within SCANDINAVIA:
**DK dominates, Finland is the smallest destination**

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>million</td>
</tr>
<tr>
<td>Denmark</td>
<td>49</td>
<td>50</td>
</tr>
<tr>
<td>Norway</td>
<td>26</td>
<td>21</td>
</tr>
<tr>
<td>Sweden</td>
<td>22</td>
<td>26</td>
</tr>
<tr>
<td>Finland</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

**Basis:** All holiday trips 2005 and 2015 to Scandinavia (5+ days) of German-speaking population 14+ years in Germany
**Source:** Reiseanalyse 2006 and 2016
Interest to travel to SCANDINAVIA:
DK dominates, Iceland and Finland with the highest growth

<table>
<thead>
<tr>
<th>Country</th>
<th>2006</th>
<th>2016</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denmark</td>
<td>14.3</td>
<td>17.9</td>
<td>+ 25%</td>
</tr>
<tr>
<td>Sweden</td>
<td>11.0</td>
<td>14.2</td>
<td>+ 29%</td>
</tr>
<tr>
<td>Norway</td>
<td>11.1</td>
<td>13.6</td>
<td>+ 23%</td>
</tr>
<tr>
<td>Finland</td>
<td>5.8</td>
<td>8.6</td>
<td>+ 48%</td>
</tr>
<tr>
<td>Iceland/Greenland</td>
<td>3.6</td>
<td>6.2</td>
<td>+ 72%</td>
</tr>
</tbody>
</table>

Interest to visit destination within the next three years

Basis: German-speaking population 14+ years in Germany, 2006 only Germans
Source: Reiseanalyse 2006 and 2016
Interest to travel to FINLAND: The interest is 12 times higher than the experience

**Finland last 3 years**

0.7% (0.5 million) of the population in Germany (aged 14+) have been to Finland on holiday or short holiday in the years 2013-2015

**Finland next 3 years**

8.6% (6.0 million) of the population in Germany (aged 14+) are "almost definitely planning" or "generally considering" to spend a (short-)holiday in Finland in the years 2016-2018.

Interest for Finland 12x bigger than experience → space for marketing

Basis: German-speaking population 14+ years in Germany
Source: Reiseanalyse 2016
Interest to travel to FINLAND:
Constant growth of interest but not of experience

Interest = “almost definitely planning”
or “generally considering”

Basis: German-speaking population 14+ years in Germany, until 2010 only Germans
Source: Reiseanalyse 2006-2016
Competition for FINLAND: Potential guests have also many, many other travel options in mind

Population

Potential travellers to Finland

Number of destinations visited 2013-2015

Number of destinations interested in 2016-2018

2.4

3.4

26.6

7.1

Basis: German-speaking population 14+ years; Persons interested to travel to Finland 2016-2018 (“almost definitely planning” or “generally considering”); Set of 59 destinations abroad.
Source: Reiseanalyse 2016
Competition for FINLAND: Potential guests also like to go basically everywhere else on holiday

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sweden</td>
<td>87%</td>
</tr>
<tr>
<td>Norway</td>
<td>83%</td>
</tr>
<tr>
<td>Denmark</td>
<td>78%</td>
</tr>
<tr>
<td>Germany</td>
<td>77%</td>
</tr>
<tr>
<td>Spain</td>
<td>71%</td>
</tr>
<tr>
<td>Austria</td>
<td>67%</td>
</tr>
<tr>
<td>Italy</td>
<td>67%</td>
</tr>
<tr>
<td>France</td>
<td>66%</td>
</tr>
<tr>
<td>Ireland</td>
<td>59%</td>
</tr>
<tr>
<td>Greece</td>
<td>57%</td>
</tr>
<tr>
<td>Switzerland</td>
<td>56%</td>
</tr>
<tr>
<td>USA</td>
<td>55%</td>
</tr>
<tr>
<td>Iceland/Greenland</td>
<td>54%</td>
</tr>
<tr>
<td>Portugal</td>
<td>53%</td>
</tr>
<tr>
<td>UK</td>
<td>53%</td>
</tr>
</tbody>
</table>

Basis: Persons interested to travel to Finland 2016-2018 ("almost definitely planning" or "generally considering"); Set of 59 destinations abroad. Source: Reiseanalyse 2016
Learnings 2:

- There are plenty of potential guests (6 million!)
- Finland seems to be quite exotic compared to the other Scandinavian countries
- Fierce competition with destinations in Scandinavia and around the world
Holiday Image Finland
Image of FINLAND: Nature, scenery, safety

unspoiled nature
stunning scenery
Interesting cities
Comfortable weather/climate
Guarantee of nice weather
Cultural attractions and events
Tasty local cuisine
Good value for money
Good service
Acceptable political and social situation
Environmentally friendly destination
Hospitable population
Personal safety
Great holiday accommodation
Suitable for holidays with children
Good bathing/swimming possibilities
Good possibilities for hiking
Good possibilities for cycling
Good possibilities for winter sports
Unique destination

Question:
Please tell me which of these characteristics do you think particularly apply to Finland?

Basis: German-speaking population 14+ years in Germany who are aware of Finland as a holiday destination
Source: Reiseanalyse 2016
Image of FINLAND: At one glance

CHARACTER:
Unspoilt nature
Stunning scenery
Safe & stable destination

NOT WELL-KNOWN FOR:
Nice weather
Good value
Swimming
Family holidays

POTENTIAL GUESTS:
Hospitable people
Hiking
Accommodation
Eco-friendly

Basis: German-speaking population 14+ years in Germany who are aware of Finland as a holiday destination
Source: ReiseAnalyse 2016
Advantages compared to Sweden:
- Winter sports
- Uniqueness
- Stunning scenery

Disadvantages compared to Sweden:
- Family destination
- Weather/climate
- Interesting cities
- Cycling/Hiking
- Cuisine
- Accommodation

Basis: German-speaking population 14+ years in Germany who are aware of Finland resp. Sweden as a holiday destination
Source: Reiseanalyse 2016
Learnings 3:
- Holidays in Finland stand above all for nature, scenery and safety
- The image fits with the holiday motivations, activities and requirements of potential guests
- This helps regarding the positioning of Finland
Potential Guests of Finland
### Potential guests of FINLAND: Sociodemography

<table>
<thead>
<tr>
<th></th>
<th>most important</th>
<th>relative to population</th>
<th>2006 → 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Life Cycle:</strong></td>
<td>20-39 years and 40-59 years no kids (68%)</td>
<td>Young singles/ couples and elder singles above average!</td>
<td>Growing share of young and elder singles</td>
</tr>
<tr>
<td><strong>Residence:</strong></td>
<td>37% West</td>
<td>NW/East above South below West around average</td>
<td>Growth of the West on cost of the NW and South</td>
</tr>
<tr>
<td></td>
<td>24% East</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>21% NW</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>18% South</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Income:</strong></td>
<td>32% up to 1,999€</td>
<td>Middle and top segment slightly above average</td>
<td>Increase for top segment on cost of low segment</td>
</tr>
<tr>
<td></td>
<td>33% 2,000-2,999€</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>36% 3,000€ plus</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Basis: Persons interested to travel to Finland 2016-2018 ("almost definitely planning" or "generally considering")
Source: Reiseanalyse 2016
Potential guests of FINLAND: Internet and travel

<table>
<thead>
<tr>
<th>Service</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet Access</td>
<td>93%</td>
</tr>
<tr>
<td>Online Information</td>
<td>81%</td>
</tr>
<tr>
<td>Online Booking</td>
<td>59%</td>
</tr>
</tbody>
</table>

Basis: Persons interested to travel to Finland 2016-2018 (“almost definitely planning” or “generally considering”)
Source: Reiseanalyse 2016
### Potential guests of FINLAND: Inspiration and Information

<table>
<thead>
<tr>
<th>Source of Inspiration</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Destination websites</td>
<td>34%</td>
</tr>
<tr>
<td>Accommodation websites</td>
<td>33%</td>
</tr>
<tr>
<td>Printed brochures</td>
<td>28%</td>
</tr>
<tr>
<td>Google etc.</td>
<td>26%</td>
</tr>
<tr>
<td>Travel guides/literature</td>
<td>23%</td>
</tr>
<tr>
<td>Online travel agency</td>
<td>22%</td>
</tr>
<tr>
<td>Travel agency</td>
<td>21%</td>
</tr>
<tr>
<td>TV documentations</td>
<td>19%</td>
</tr>
<tr>
<td>Tour operator websites</td>
<td>19%</td>
</tr>
<tr>
<td>Articles in newspapers</td>
<td>13%</td>
</tr>
<tr>
<td>Travel magazines (print)</td>
<td>12%</td>
</tr>
</tbody>
</table>

**Sources of Inspiration and Information regarding main holiday trip 2015**

- **Basis:** German-speaking holiday travellers 14+ years living in Germany; persons interested to travel to Finland 2016-2018
- **Source:** Reiseanalyse 2016
Potential guests of FINLAND: General holiday motivation

**BASIC:**
- Fun/enjoy myself
- Get away from daily routine
- Relaxation
- Freedom
- Discover something new

**DISTINGUISHING:**
- Adventure
- Sports
- Clean environment
- See the world
- Culture
- Be on the move

**NATURE**

Basis: Persons interested to travel to Finland 2016-2018 ("almost definitely planning" or "generally considering")
Source: Reiseanalyse 2016
Potential guests of FINLAND: General holiday activities

**BASIC:**
- Excursions
- Shopping
- Swimming
- Local food

**DISTINGUISHING:**
- Sports (Golf, Cycling, Skiing, Hiking)
- Visit cultural/natural attractions

Basis: Persons interested to travel to Finland 2016-2018 (“almost definitely planning” or “generally considering”)
Source: Reiseanalyse 2016
Potential guests of FINLAND:
General interest in different types of holiday

**OPPORTUNITIES:**

- Nature + Outdoor
- Study + Culture
  - Winter in the snow
  - Cruise
  - Camping
  - Farm Holidays
- Relax/Wellness/
  - Fitness/Health

**THREATS:**

- Sun + Beach
- Winter in the sun
- Club holiday
  - Family holiday
  - City trip

*Basis: Persons interested to travel to Finland 2016-2018 ("almost definitely planning" or "generally considering")
Source: Reiseanalyse 2016*
Learnings 4:

- This knowledge helps you to address your potential guests in Germany
- Adventure, Outdoor sports, Nature, Culture are potentially distinguishing topics
- Information has to transported with traditional and digital media
Nature and Outdoor Holidays
Potential guests to FINLAND:
General interest for nature and outdoor holidays

Interest in these types of holidays = “almost definitely planning” or “generally considering” in the years 2016 to 2018

Population

- Nature holiday: 36% (3.3 million)
- Hiking holiday: 15% (1.8 million)
- Cycling holiday: 7% (1.3 million)
- Skiing holiday: 9% (1.2 million)

Source: Reiseanalyse 2016

Basis: German-speaking population 14+ years in Germany; persons interested to travel to Finland 2016-2018
Potential guests to FINLAND (RA 2012):
Product requirements nature holidays

**BASIC:**
- Exercise in Nature
- Pristine Nature
- Health Climate
- Tranquility
- „Natural“ Attractions
- Rest/Relax

**DISTINGUISHING:**
- Money should stay in the region
- Accommodation in the middle of nature
- National parks
- Local Food
- Meet likeminded people

Basis: Persons interested to travel to Finland 2012-2014 with interest in nature holidays
Source: Reiseanalyse 2012
Potential guests to FINLAND: Product requirements outdoor holidays

**HIKING:**
1. Attractive scenery
2. Gastronomy en-route
3. Signposted and well-kept routes
4. Unspoilt nature/wilderness
5. Variety of routes
6. Easy access
7. Good maps

**CYCLING:**
1. Attractive scenery
2. Gastronomy en-route
3. Variety of routes
4. Accommodation for one night
5. Good maps
6. Signposted and well-kept routes
7. Attractive stops

**(Alpine) SKIING:**
1. Stable weather
2. Attractive scenery
3. Signposted and well-kept routes
4. Ski rental
5. Gastronomy en-route
6. Bad weather options
7. Ski guides

Basis: Persons interested to travel to Finland 2016-2018 with interest in hiking/cycling/skiing holidays
Source: Reiseanalyse 2016
Potential guests to FINLAND: Preferred intensity of outdoor activities

- **Hiking**
  - Every day, 4+ hours: 34%
  - Every day, max. 4 hours: 22%
  - Not every day: 18%

- **Cycling**
  - Every day, 4+ hours: 39%
  - Every day, max. 4 hours: 26%
  - Not every day: 30%

- **Skiing**
  - Every day, 4+ hours: 44%
  - Every day, max. 4 hours: 31%
  - Not every day: 37%

Basis: Persons interested to travel to Finland 2016-2018 with interest in hiking/cycling/skiing holidays
Source: Reiseanalyse 2016
Learnings 5:

- Nature and outdoor activities are central image components and interests of potential guests.
- The closer look reveals details in product requirements that help you in product development and marketing.
Thank you!
Questions?
More to come ...
FUR Forschungsgemeinschaft Urlaub und Reisen e.V.
Fleethörn 23
D-24103 Kiel

Tel.: +49 (0)431 88888 00
Fax: +49 (0)431 8888 679

E-Mail: ulf.sonntag@reiseanalyse.de
Internet: www.reiseanalyse.de