



Innolink

German Market Potential Analysis for Visit Finland



Visit Finland

Dörte Nordbeck, February 2022

1 The German Traveller

2 Finland's market position and potential compared to it's competitors

2.1 Status in numbers

2.2 Product benchmark (accessibility, visibility/ booking channels)

2.3 Image

3 General Traveller Profile and Winter/ Summer Profile

4 Corona impact and Outlook

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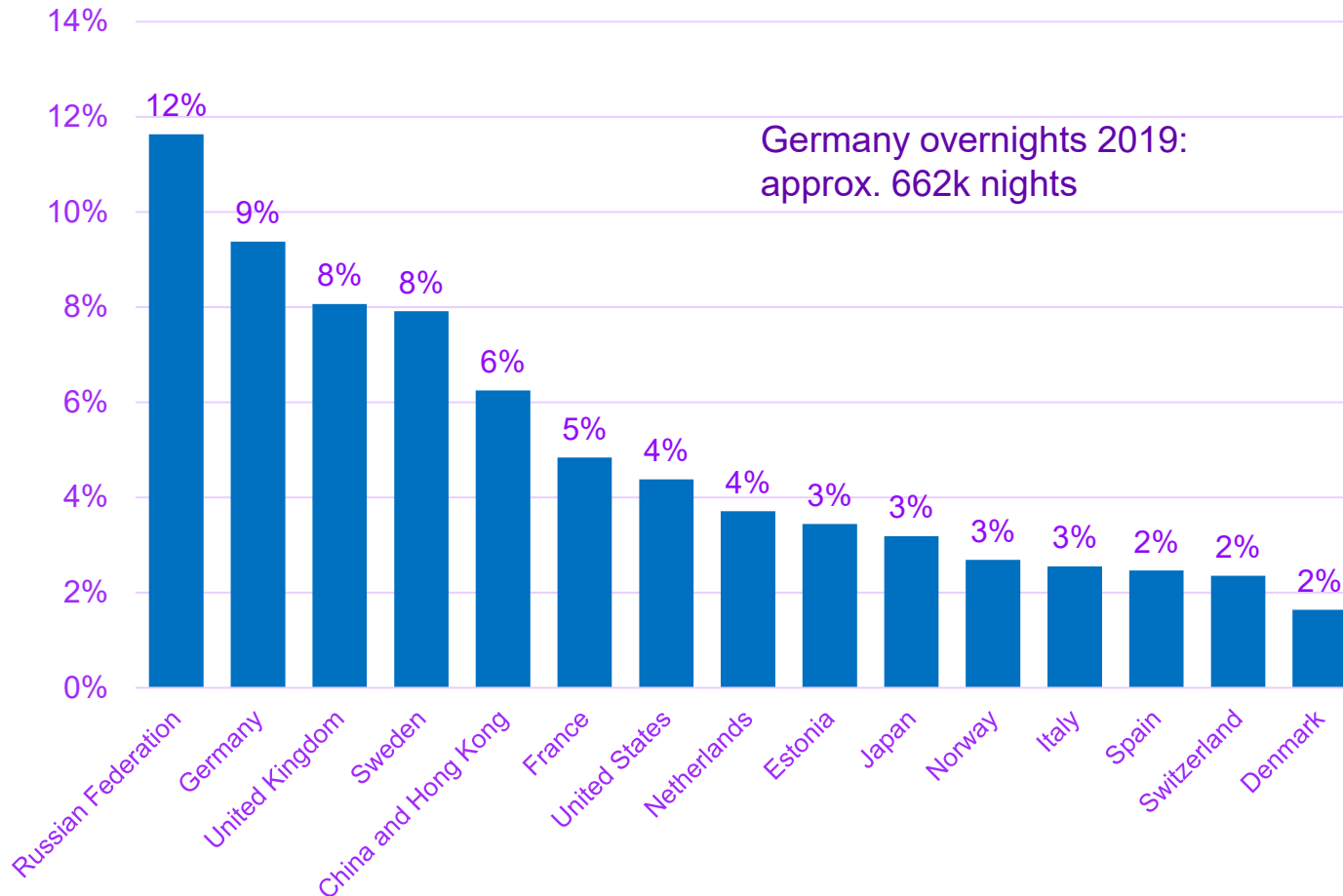
4 Corona impact and Outlook

Chapter 1: Key Learnings

“The German Traveller“

- Germany is an important pillar of the Finnish Travel Industry. In return, Finland is not yet among the Top 25 destinations of Germans.
- Germans are keen to travel – this covers holiday trips as well as short trips. If they don't go on family holidays, they very much like to relax.
- Germans prefer to travel in Summer and book far in advance. Promotions need to start early.
- Inspiration on destinations is number one topic when searching for holidays on the internet, price and product follow.
- Having taken a decision, Germans prefer to book packages. They do that online but also F2F. Half of the German tourism market consists of tour operator trips. To be present there is key.
- Plane and Car almost share the first place among the means of transport.
- Will the trend towards Sustainability change this? There is still a way to go as it is more “saying“ than “doing“ so far. However, consideration wise sustainable holiday trips are already within the Top 20 activities in DE. This has particularly increased during the last three years.

Germany is an important pillar of the Finnish Travel Industry



With a share of 9% of all overnights Germany is the **second largest source market** and therefore an important pillar of the Finnish Travel Industry. The market counts for **662k overnights in 2019** which is about double as high as France or the US market.

Finland is not yet among the Top 25 Destinations of Germans

Location	2019
World	116011
Europe	102030
Western Europe	78013
Emerging Europe	24017
Middle East & Africa Total	5502
Asia Pacific	4338
Americas	4142
Africa	3871
North America	2752
North Africa	2539
Southeast Asia	2075
Middle East	1630
Sub-Saharan Africa	1332
Northeast Asia	1302
South America	719
South Asia	642
Caribbean	500
Oceania	318
Central America	171

Rank	Top Destinations	Arrivals 2019
1	Austria	14383
2	Italy	13951
3	France	12887
4	Spain	11158
5	Netherlands	5940
6	Poland	5136
7	Turkey	4367
8	Greece	4026
9	Denmark	3785
10	United Kingdom	3125
11	Croatia	2881
12	Czech Republic	2842
13	Hungary	2619
14	United States	2064
15	Egypt	1848
17	Sweden	1703
23	Norway	862
31	Finland	532
43	Iceland	244

Putting it the other way round, Finland only ranks **31st place on Germany's Hitlist** of destinations. The top destinations are lead by **Austria** and can be found around the **Mediterranean** sea with Italy, France and Spain. Finland ranks far behind Denmark, behind Sweden and Norway but in front of Iceland. However, it accounts for approx. **500k** arrivals in 2019 which is on the **same level as the Caribbean**.

Germans are keen to travel – this covers holiday trips as well as short trips

Toplines

Basis: Holidays 5+ days German speaking population 14 years +, short strips
 German speaking population 14-75 years



Holidays 5+ days

2019	55,2 Mio.	1,28	70,8 Mio.	1.033 €	73,1 Mrd. €
2018	55,0 Mio.	1,27	70,1 Mio.	1.017 €	71,2 Mrd. €

Short trips 2-4 days

2019	35,8 Mio.	2,45	87,6 Mio.	271 €	23,7 Mrd. €
2018	35,4 Mio.	2,49	88,0 Mio.	268 €	23,6 Mrd. €

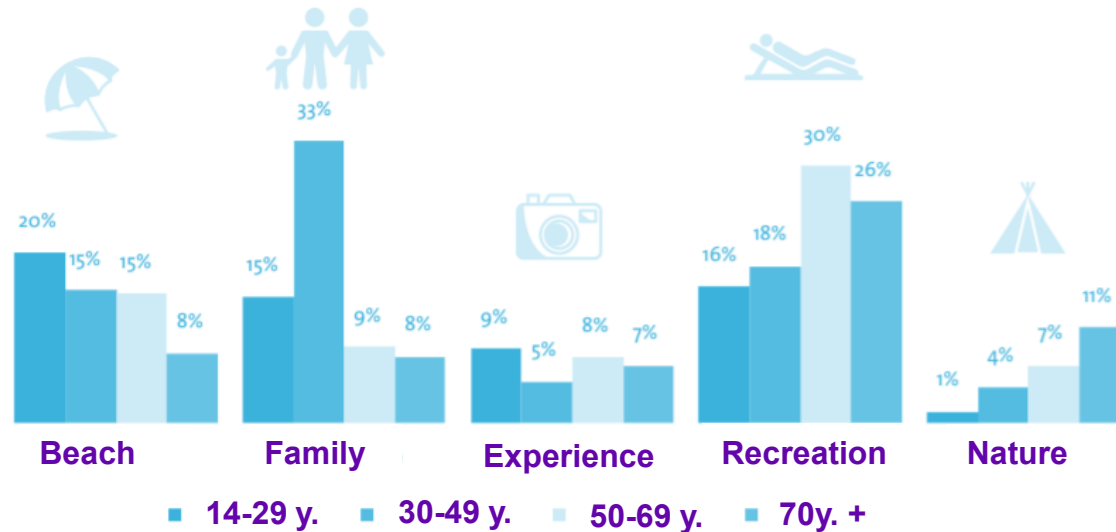
Germans like to travel!

Summing it up, they took 157,6 M. trips in 2019. This means around **two trips per inhabitant in one year** on average which is comparable to the year before.

With 88 M. they took a few more short trips than holiday trips (71 M.)

If they don't go on family holidays, Germans very much like to relax

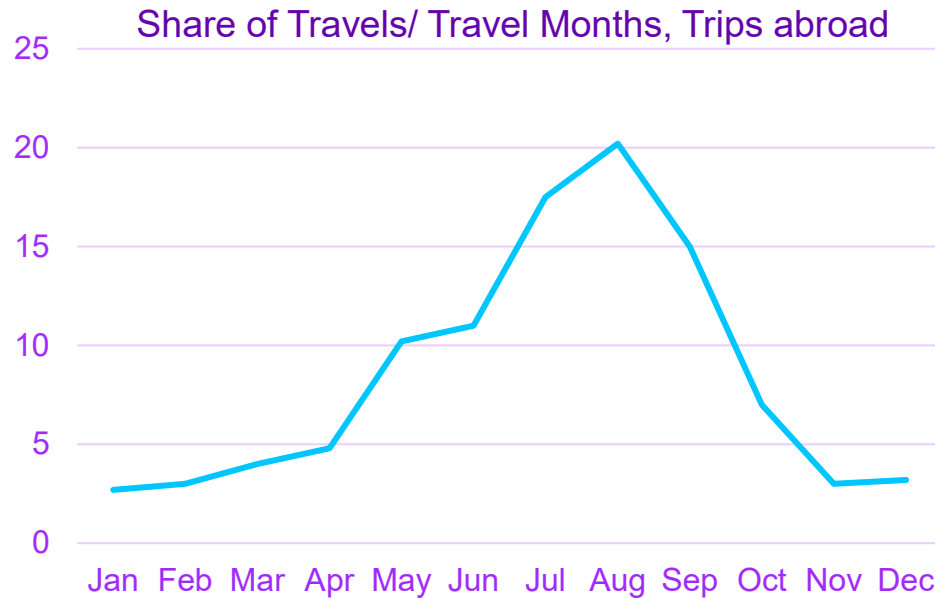
Type of holiday preferred (selection)



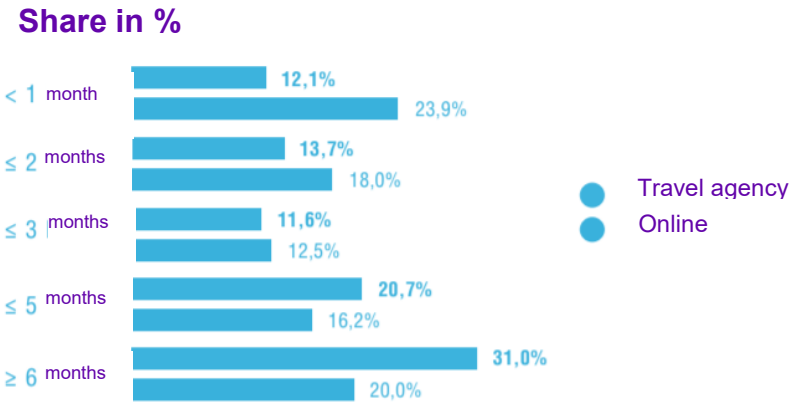
The Top 3 types of holidays are “family holidays” followed by “holidays for recreation” and “beach holidays”, “nature” and “experience” show lower shares.

“Nature” and “Recreation” are famous with older people while younger people prefer “beach” or “family holidays”.

Germans prefer to travel in Summer and book far in advance



Share of Prebooking periods organised Travel



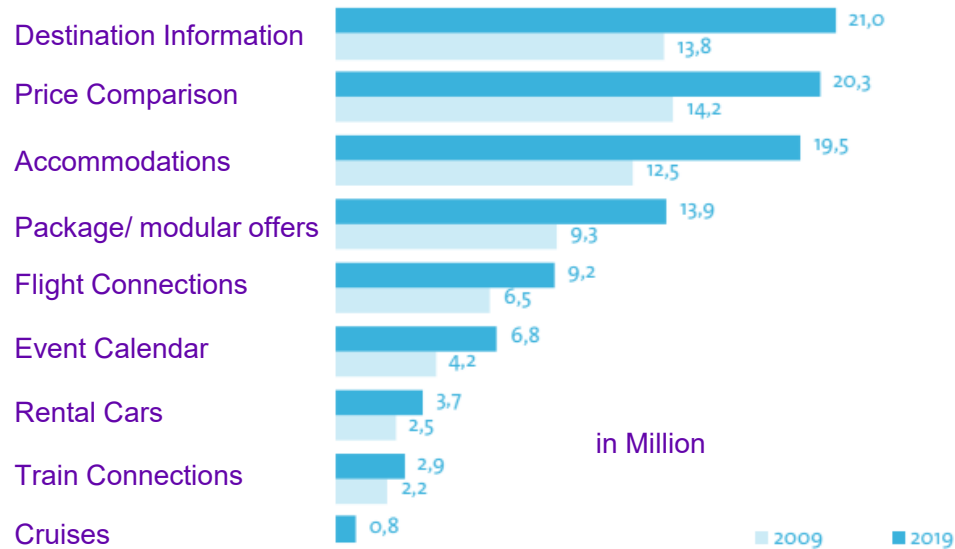
Summer is the main holiday season for Germans reaching from Jul-Sep (>15% share each). However, Pentecost or October do also play an important role.

Most trips are **booked** far in advance, some also more than 6 months in advance (31% in travel agencies). For that reason, summer holiday **promotions need to start in Dec/ Jan** at the latest.

Inspiration on destinations is number one topic when searching for holidays on the internet

Content looked for when looking for holiday information on the Internet

Basis: main holiday 5+ days, German speaking population, 14+ years, 2009 just German nationality, Cruise not covered in 2009

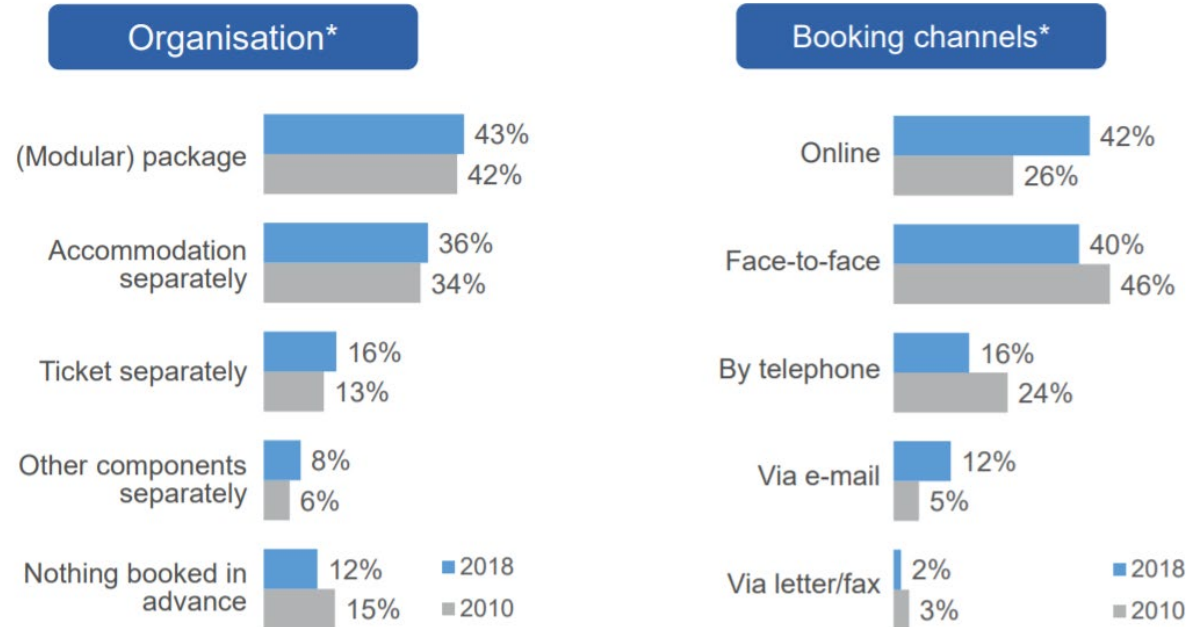


The Customer Journey always starts with **inspiration**. This may be triggered by ads and commercials e.g. from tourism boards or tour operators but is also **part of the yearly search process for choosing a holiday**.

Internet as information source is key. Besides **inspiration for locations (21%)**, people look for prices (20%) but also accommodations (20%), flights (9%) and last but not least **tour operator offers (14%)**.

Germans prefer to book packages – Online and Face-to-face

Holiday organisation and booking in 2010 vs. 2018 (holiday trips 5+ days)

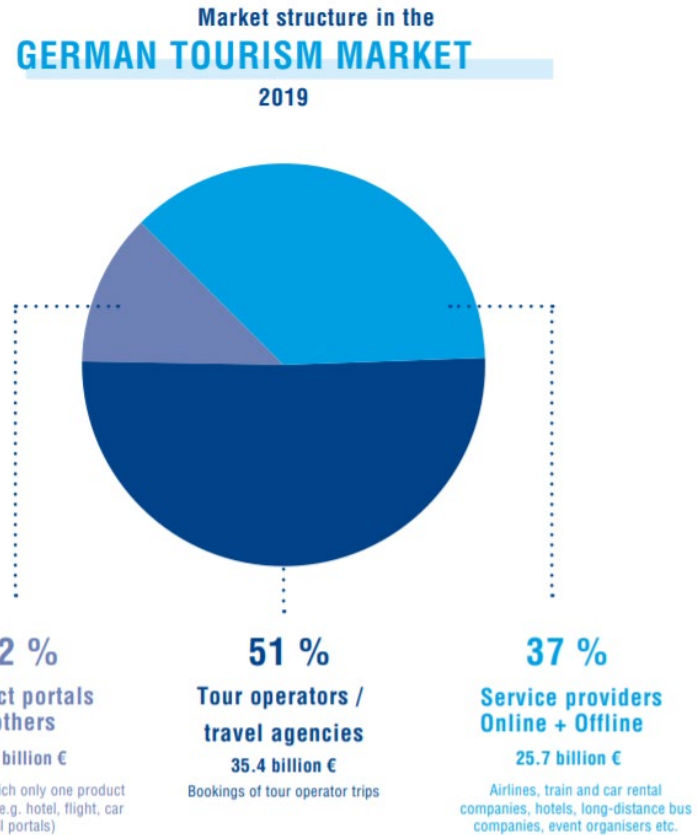


* Basis: holiday trips (5+ days) of the German-speaking population aged 14 or over
 ** Basis: holiday trips with advance booking (5+ days) of the German-speaking population aged 14 or over
 Source: RA 2011-2019

The German market differs significantly from other source markets in Europe as for example UK.

Bookings are more and more done **Online** but there is still a **very high Face-to-face share** (40%, travel agencies) combined with a high affinity to book **Packages (43%)**.

Half of the German tourism market consists of tour operator trips



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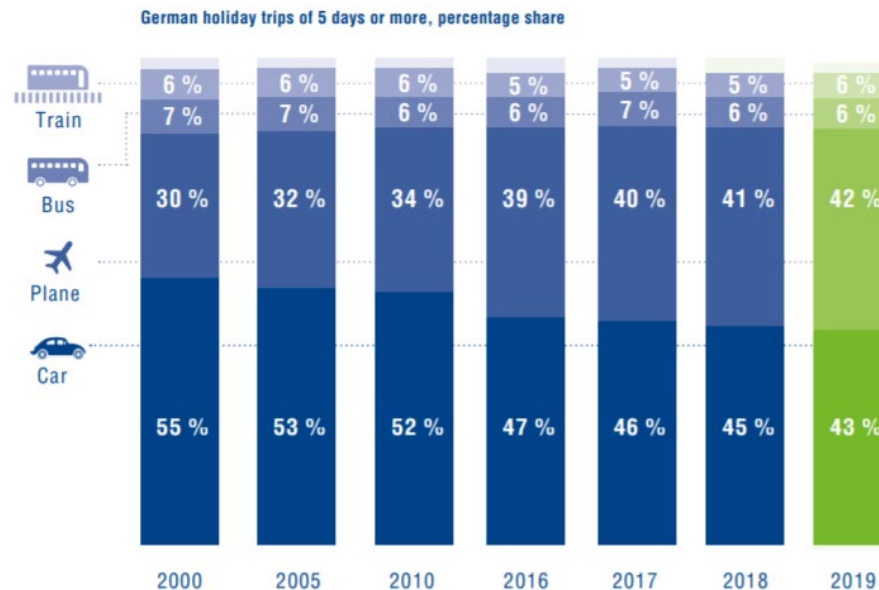
Source: GfK Mobilitätsmonitor (Services booked before departure for holiday and private trips with at least one overnight stay)

51% of the tourism market turnover is generated **by tour operators or travel agencies with tour operator products**, only 12% come via product portals, 37% are directly booked at airlines, hotels etc.

Being present in **tour operator offers is key** to be **successful** in the German market which is different to other markets like UK.

Plane and Car almost share the first place among the means of transport

The most popular MEANS OF TRANSPORT for holiday trips



Difference to 100 percent: other means of transport such as ship
Source: Reiseanalyse 2020

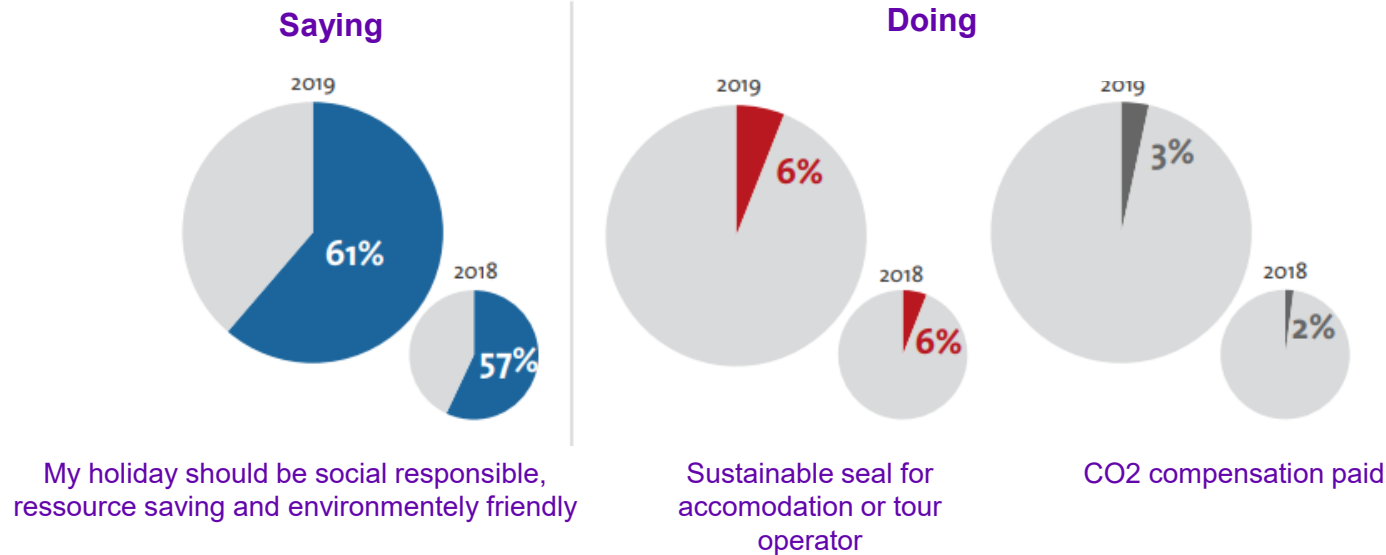
39

Germans like to be independent and to travel by car. But air travel has grown during the last 10 years and **is now almost at the same level** with car transportation. **Low Cost Carrier** has supported this trend strongly with low prices (sometimes even lower than train or car).

The development of the flight segment will strongly be influenced by the **price development** as well as the trend towards **sustainability/ climate protection**.


Sustainability is not yet “doing“

Sustainability of holiday trips 2018 and 2019
 Basis *travels or **travellers, German speaking Population



Before the pandemic, German travellers **wished** a holiday that was **sustainable and socially responsible** on the one hand (61%) but booked a holiday that did **not fulfil this criteria (94%)** on the other hand.

Sustainable holiday trips are within the Top 20 considered activities in DE

 Ranking of the considered holiday activities with regard to the general interest potential (mean = 37%) Source market: Germany Base: All respondents Number of respondents: 17,000 Top-two-box on a scale from "5 = very interested" to "1 = not at all interested"			
		% of respondents	projection*
1	Relaxing and resting	76%	46.9 m
2	Enjoying nature	70%	43.5 m
3	Enjoying culinary / gastronomic specialities	63%	38.9 m
4	Discovering regional products / enjoying regional specialities	62%	38.6 m
5	Swimming and being at the beach	62%	38.5 m
6	Taking a city break	56%	34.8 m
7	Visiting gardens / parks	53%	32.8 m
8	Visiting castles, palaces and cathedrals	52%	32.5 m
9	Enjoying water-based holiday activities	52%	32.2 m
10	Visiting castles, mansions, parks and gardens	50%	31.3 m
19	Undertaking a sustainable holiday trip (nature preserving / environmentally friendly, economically and socially fair)	41%	25.5 m

Within the framework of DESTINATION BRAND 21, inspektour asked the German population how high their general interest is in more than 50 holiday activities. Below you will find the results, the top 10 holiday activities among all considered themes. The top holiday activity is "Relaxing and resting". 76% of the respondents answered that they are generally interested and very interested in this activity on holiday. With 70%, "Enjoying nature" ranks second, and in third place "Enjoying culinary / gastronomic specialities" with 63%. **"Undertaking a sustainable holiday trip" ranks 19th** out of a total of 59 holiday activities.

* Projection of the absolute volume of the prospective interest potential (number of people).

► **Note:** Last survey taken into consideration in October until December 2021

The interest in sustainable holidays has been increasing since 2016

General interest potential of the specific themes

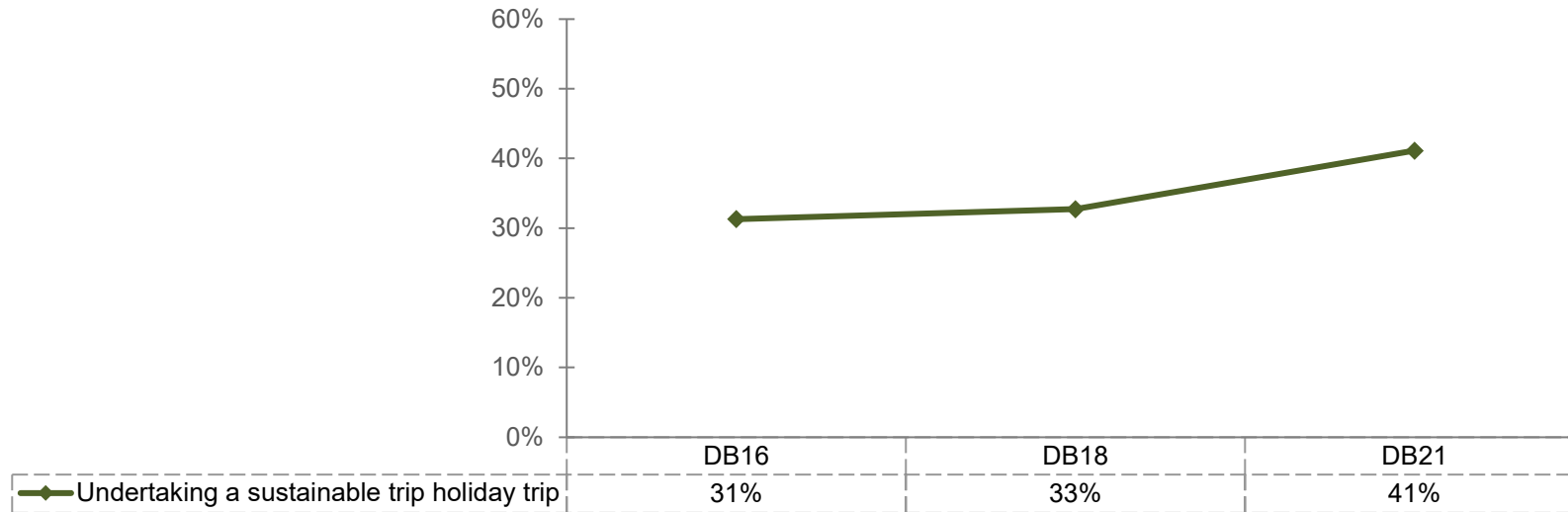
> The following question is about your general interest in touristic holiday activities, regardless of a specific tourist destination. How interested are you in pursuing the following touristic holiday activities as part of your holiday trip with at least one overnight stay?

■ Sustainable holiday trip

Source market: Germany

Base: All respondents

Number of respondents: min. 4,000



If you now look at the course of time, you can see from the graph that the interest in the holiday activity “Undertaking a sustainable holiday trip” has been steadily increasing since 2016 (DB16) in Germany. In particular, from 2020 (DB20) to 2021 (DB21), interest increased again by a total of 3 percentage points.

“The interest in “Undertaking a sustainable holiday trip” has increased in importance in recent years. The situation is similar in the source markets of Austria and Switzerland: 42% of the Austrians and 41% of the Swiss surveyed confirm their interest here. However, we were able to determine the highest general interest in sustainable holidays in the source markets Spain (54%) and Italy (52%) within the framework of Destination Brand 21”, explains **Ellen Böhling**, Managing Director of inspektour international GmbH and head of the study series Destination Brand.



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Chapter 2: Key Learnings

“Finland’s market position and potential compared to it’s competitors“

- Finland ranks fourth compared to it’s neighbours regarding arrivals from Germany in 2019 and also regarding potential guests. There are lots of competitors (26) to differentiate from in the relevant set. Even within Scandinavia there is a high overlapping of potential guests (38% consider FI, NO and SE at the same time).
- The share of Winter travel months is the highest for Finland whereas it is on a par with it’s competitors for most holiday types’ consideration. Finland is more difficult to reach as car is no option to go there but it’s flight offer is good.
- The Nordic countries are present in several booking channels (Tour Operators, OTAs, Meta searchers). There is a potential in organized distribution for all Nordics. Cruises are a good door opener for longer stays. Finland is well represented there.
- Finland’s USPs are not yet top of mind but it is almost on the same level with it’s competitors regarding supported image criteria
- Sustainability that means preserving the nature for most Germans needs to be further promoted. This is particularly true for the younger age group.

How each country promotes itself



THE OUTDOOR ENTHUSIAST'S PARADISE

Every day, there is an **adventure** waiting to happen in Iceland. With its abundance of **mountains, volcanoes, glaciers, rivers, lakes, caves** and otherwise rough terrain waiting to be tackled, Iceland is truly an **outdoor** enthusiast's **paradise**. But, it is also a warm and **welcoming** place for the rest of us.



Nature by day, culture by night

If you're hungry for **food** or hungry for **action**, we can help you to find what you need. Whether you want natural highs or artistic depths, climbing up or skiing down, walking slow or running fast, there's a good **chance** you'll find what you're after.



From **relaxing in nature** to **celebrating in the city**, there are plenty of things to do in Europe's north. Each season and region offers something new – whether you're looking for **peace and quiet** or **adrenaline-filled adventures**.



Here you will find tips on top things to do in Sweden – from **nature** and **outdoor activities** to **city weekends** and round trips combining nature and urban experiences. Tips on **cultural** and **culinary** tourism activities are also included.



It's about more than ticking sights off a list, you know! We have got big, famous sights (and they're over on our highlights page). But wait! Before you click there... If you come to Denmark and get to know our **quirks and customs, our food, our neighbourhoods**, then a little of the **wonder of our everyday** might just rub off on you. And isn't that what travel is all about? We think so!

Finland ranks fourth compared to it's neighbours regarding arrivals from Germany in 2019

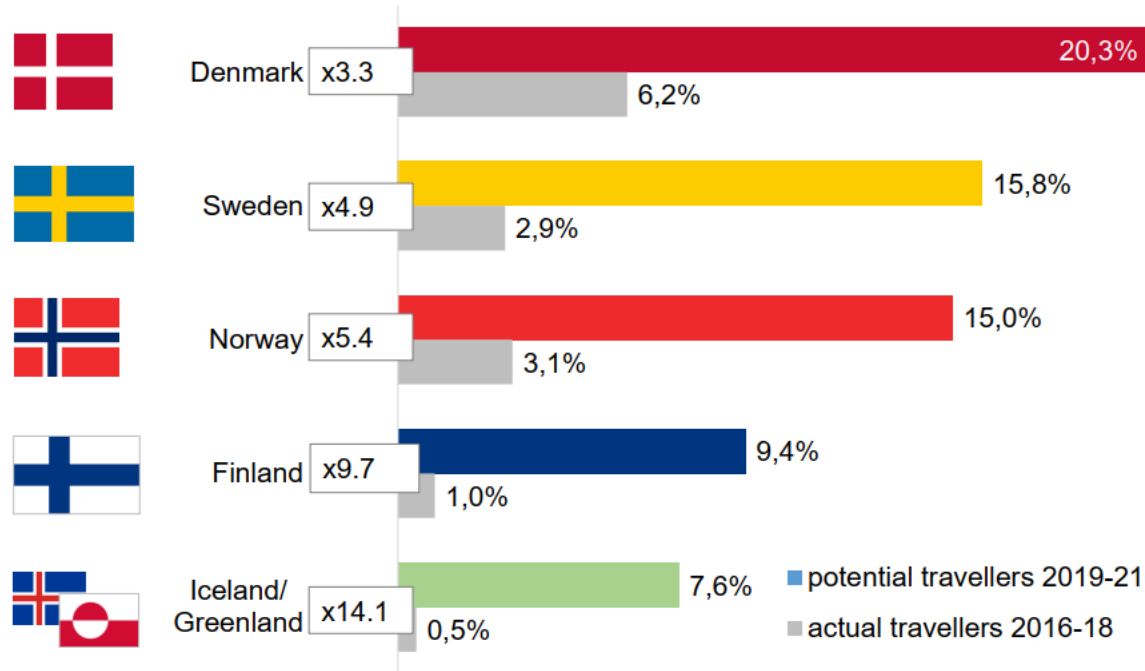


Denmark is leading the list of the Nordic countries and more than double the size of Sweden. **Vacation Homes** in Summer and people going there by car play an important role.

Comparing the destinations where you normally fly to, **Finland is behind Norway and far behind Sweden but double the size of Iceland.**

Finland ranks fourth regarding potential guests compared to it's main competitors

Interest to travel to FINLAND: Share of actual and potential guests compared with competitors in Northern Europe



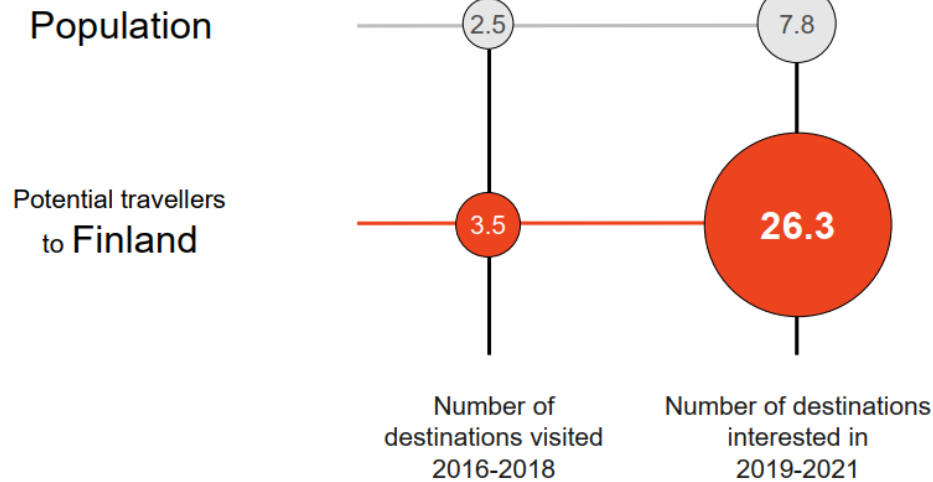
*Are you almost definitely planning to go on a holiday to one of these countries in the next three years? (2019-2021) And which of these countries would you generally consider as a holiday destination in the next three years?" Set of 46 destinations worldwide; Basis: German/German-speaking population 14+ years in Germany; Source: Reiseanalyse 2019

The share of Germans that actually visited Finland between 2016-2018 is just 1% but actually close to 10% are interested in Finland.

This is a large gap but also a potential. Maybe, Finland is not yet part of the relevant set when people are not directly asked for it. Additional inspiration might be needed.

The relevant set of destinations interested in is large

Competition for FINLAND: Potential guests to Finland have also many, many other travel options in mind



Basis: German-speaking population 14+ years in Germany; Source: Reiseanalyse 2019

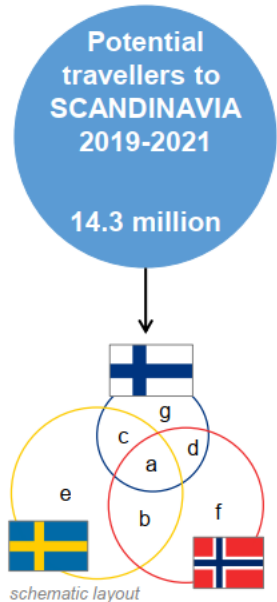
It has to be said that the **competition is very tough**. Germans like to travel and visit 3.5 destinations in a three years period.

But, besides Finland, there are 26 other destinations on their radar on average to choose from.

Those people interested in Finland have a wider relevant set than the whole population.

There is a high overlapping of potential guests between the Scandinavian countries

Competition for FINLAND: Overlapping of the potential guests for FIN, NOR & SWE



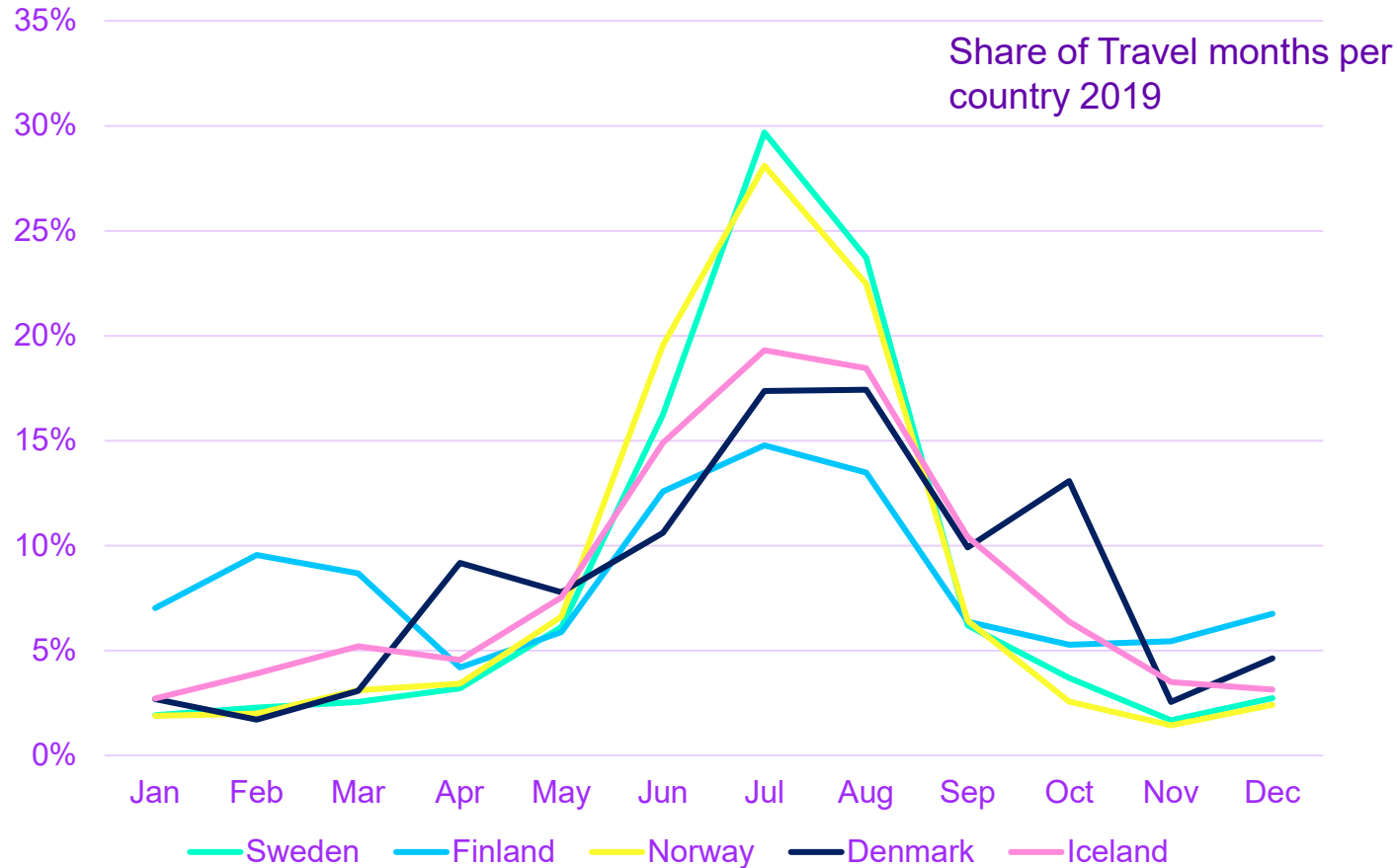
	Basis: 14.3 million potential travellers to SCANDINAVIA 2019-2021	%	million
a		38	5.4
b		18	2.6
c		3	0.4
d		2	0.3
e		19	2.7
f		17	2.4
g		4	0.5

Even among Scandinavian countries, competition is high. The biggest share of people interested in Finland (38%) are interested in Norway and Sweden at the same time.

USPs and “noise“ are definitely needed.

Are you almost definitely planning to go on a holiday to one of these countries in the next three years? (2019-2021) And which of these countries would you generally consider as a holiday destination in the next three years?, Set of 46 destinations worldwide;
Basis: German-speaking population 14+ years in Germany; Source: Reiseanalyse 2019

The share of Winter travel months is the highest for Finland

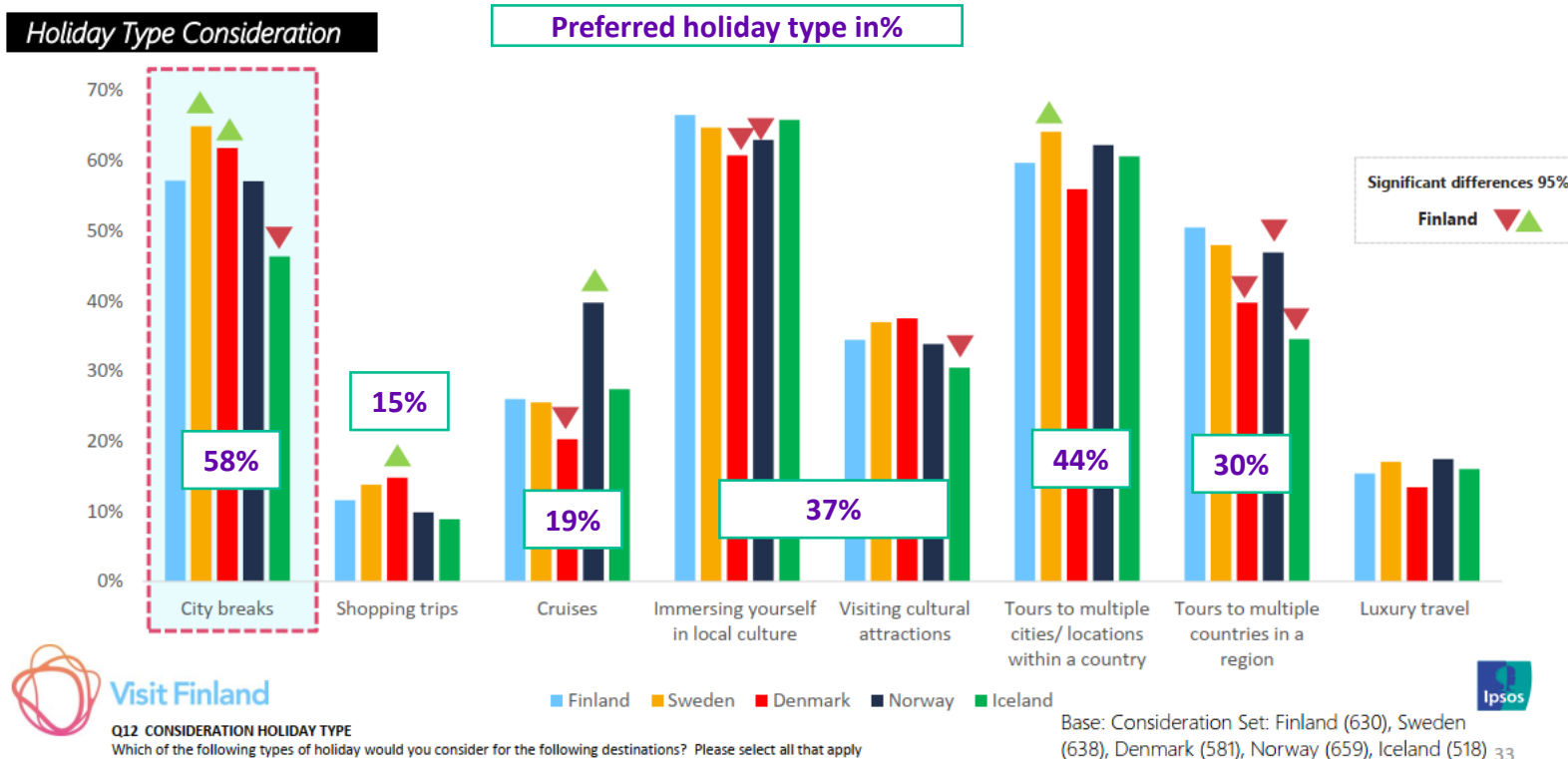


Both, **Norway and Sweden** show a high peak in **Summer (July)**,

Denmark is also strong for Easter and Autumn holidays and Finland is stronger in Summer than in Winter but shows the **highest share during the Winter months among all Nordics.**

2.1 Status in numbers

Finland is on a par with it's competitors for most holiday types



Finland is on a comparable level with it's neighbours for most travel types, only Norway stands far out when asking about Cruises.

There is an opportunity to push and promote Helsinki, Tampere and Turku as great city break destinations to attract the city travellers (58%).

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Finland is more difficult to reach as car is no option to go there


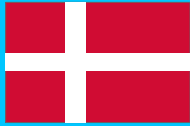



2.2 Product benchmark

					
Car	22h	6h40	12h	12h40	-
Train	-	7h	19h	15h	-
Flight	2h	1h	1h40	1h45	3h30
Flight/ Seat capacity <small>Pre-Pandemic year</small>	1.3 M	n.a.	1.1 M	2.2 M	n.a.
No. airports dept. <small>(>1.000 pax per year, Pre-Pandemic)</small>	9	n.a.	6	13	n.a.
Flight pricing <small>(Google Maps BER-capital City, 19.01.2022)</small>	129 Euro+	51 Euro+	136 Euro+	55 Euro+	261 Euro+

Comparing accessibility among the Scandinavian countries, Finland but also Sweden show a **disadvantage** in being reachable by **car** which is the most important transport Germans use to go on holiday. **Train** is also just relevant for trips to Denmark.

On the other hand, **flight connections to Finland are good and at a reasonable price level.**

The Nordic countries are present in several booking channels

					
DERTOUR Catalogue (Summer/ Winter pages)	68 (10/38)	-	86 (52/34)	58 (42/16)	76 (50/26)
booking.com accommodations	6.642	8.280	3.443	5.536	1.273
hometogo accommodations	29.026	109.370	30.867	55.342	12.278

Germany's No. 1 Tour Operator does not present the Nordics in an own catalogue anymore. This might lower awareness for all Scandinavian countries. But, all countries except Denmark are presented in Dertour's catalogues (No. 2 Tour Operator)

Norway shows a slight advantage in being present at Dertour (No. 2 German TO)

Denmark but also Finland and Sweden are well presented in booking.com

Denmark is very strong in vacation home booking channels (hometogo).

There is a potential in organized distribution for all Nordics

Total Organized Travel (Offline+Online) |
 TY 2018/2019 |
 Ranking Turnover



Rank	Top Destinations	Turnover
1	Spain	
2	Turkey	
3	Greece	
4	Egypt	
5	Germany	
6	Italy	
7	UAE	
8	USA	
9	Portugal	
10	Maldives	
...		
49	Norway	<20 M. EUR
52	Sweden	<20 M. EUR
65	Finland	<20 M. EUR
Total		17,8 Bn.EUR

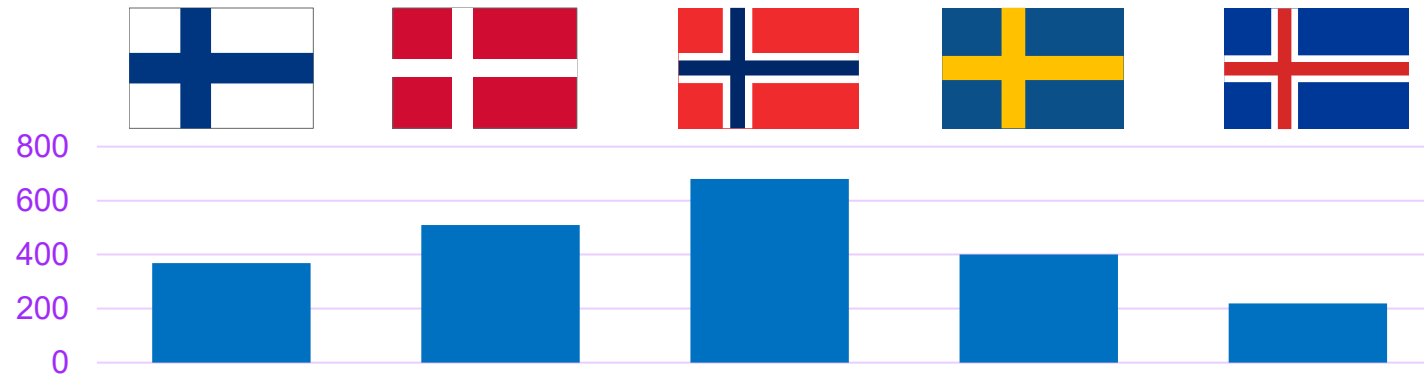
Looking at the top destinations of organized travel, Finland ranks 65th place.

Remember:

- Organized distribution represents 50% of the German market.
- Finland ranks 31st place in the total market.

Norway (23rd in total) and Sweden (17th in total) are behind their total position as well.

Finland is well represented in Cruises



Total	369	510	680	400	219
Top 3	83	98	229	68	25
Aida	44	39	129	27	9
TUI Cruises	23	21	53	25	8
Costa	16	38	47	16	8

Cruises are often the first visit to a country - coming for only 1 or 2 days and getting a first impression. Many people return later for a longer stay.

Although Norway is clearly No. 1 (Fjord travels), Finland as well as Denmark are well represented in the Cruise market with stops at their capitals. This is a great angle to “open the door“ for longer stays.

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Image Comparison Nordics

	Finland	Denmark	Norway	Sweden	Iceland
Top 3 Top of mind associations	Nature, Lakes, Helsinki	Sea/ beaches, Copenhagen, Nature	Fjords, Nature, Beautiful landscape	Nature, Stockholm, Beautiful landscape	Hot Springs, Nature, Beautiful landscape
Strengths associations	Friendly welcoming people, peaceful	Easy to go, friendly welcoming people, attractive, peaceful, attractive cities	friendly welcoming people, peaceful	Attractive cities, Friendly welcoming people, peaceful	friendly welcoming people, peaceful
Weaknesses associations	Cold/ dark	Expensive	Expensive, cold/ dark	Expensive	Expensive, cold/ dark
Association with sustainable tourism	29%	29%	37%	35%	37%

Happiness is contagious

The Finns have long been considered to lead one of the happiest lifestyles, resulting in Finland having been named the happiest country in the world by the United Nations World Happiness Report in 2018, 2019, 2020 – and 2021...“...Sustainable happiness is our superpower...” explains Heli Jimenez, Senior Director, International Marketing at Business Finland.

There is no survey that confirms that the Finnish being considered as happy attract additional visitors to Finland.

However, Happiness is contagious. So, people like to surround themselves with happy people.

“...And getting connected to happy people improves a person’s own happiness, they reported in the British Medical Journal.”:

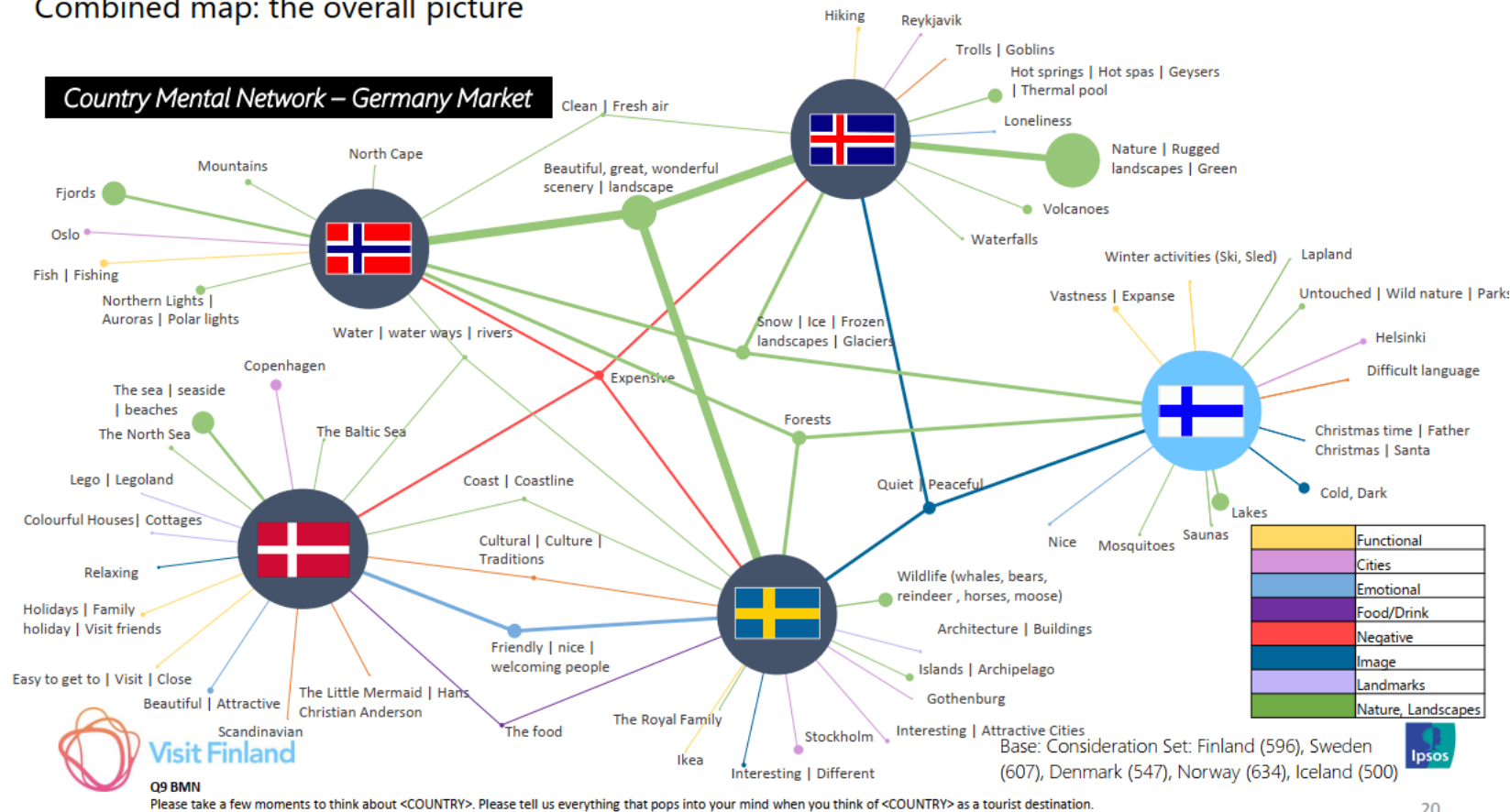
<https://www.reuters.com/article/us-happiness-idUSTRE4B400H20081205>

So, promoting Happiness can only be of advantage.



Finland's USPs are not yet top of mind

Combined map: the overall picture



The picture people have in mind of Finland seems to be a bit fuzzy. Snow, Forests and particularly lakes appear. Santa is a clear USP but not too present. Northern lights or Midnight Sun do not appear at all.

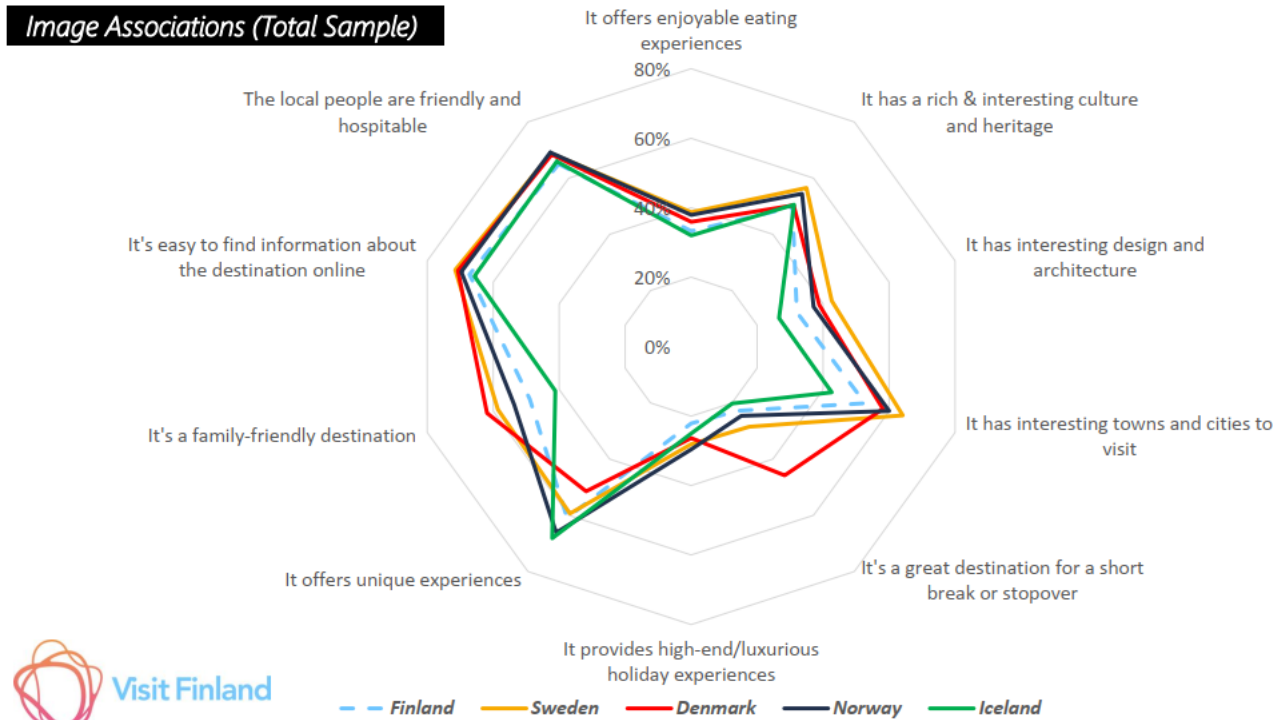
Top of mind USPs for competitors are:
 Norway: Fjords, North Cape, Northern Lights
 Sweden: not clear also
 Denmark: beaches
 Iceland: Rugged landscapes (Hot Springs, Volcanos, green)

Finland is almost on the same level with its competitors regarding image criteria

Finland does not stand out much from its Nordic neighbours on imagery perceptions, though do fall slightly behind Sweden, Denmark and Norway in terms of cultural perceptions

Iceland and Norway are perceived as offering **unique experiences**, **Denmark** is seen as a great destination for a **short break**.

Finland does not fall far behind its neighbours...



Q13 IMAGE ASSOCIATIONS
Do you associate any of these holiday destinations with the following statements?



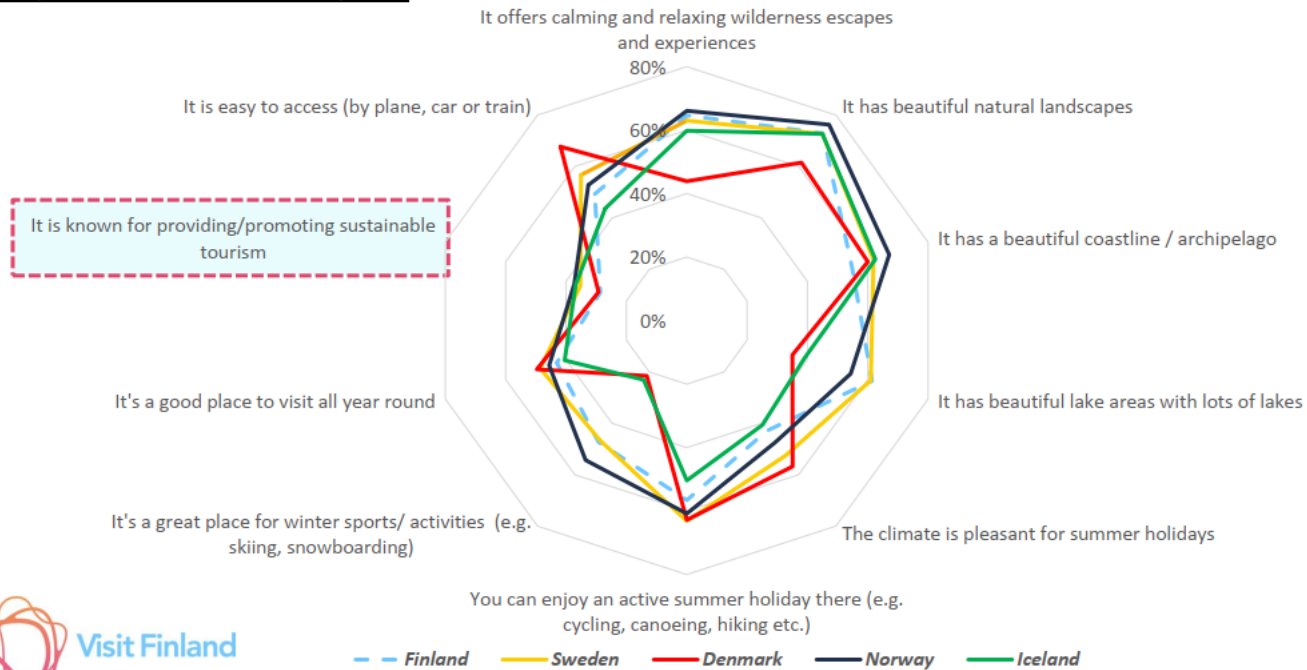
Base: Total Sample (1,000)

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Sustainability is not yet connected with Finland

The Nordics, especially Norway, have strong nature associations. Sustainable tourism isn't very well known

Image Associations (Total Sample)



...but the **only no. 1** topic for Finland are the beautiful **lakes**. However, there are shared top places for **“offers wilderness escapes“** and **“has beautiful landscapes“** that can further be promoted.

Another area to be promoted is **sustainability**. People are **not yet aware** of this topic for all countries.



Q13 IMAGE ASSOCIATIONS
Do you associate any of these holiday destinations with the following statements?

--- Finland --- Sweden --- Denmark --- Norway --- Iceland



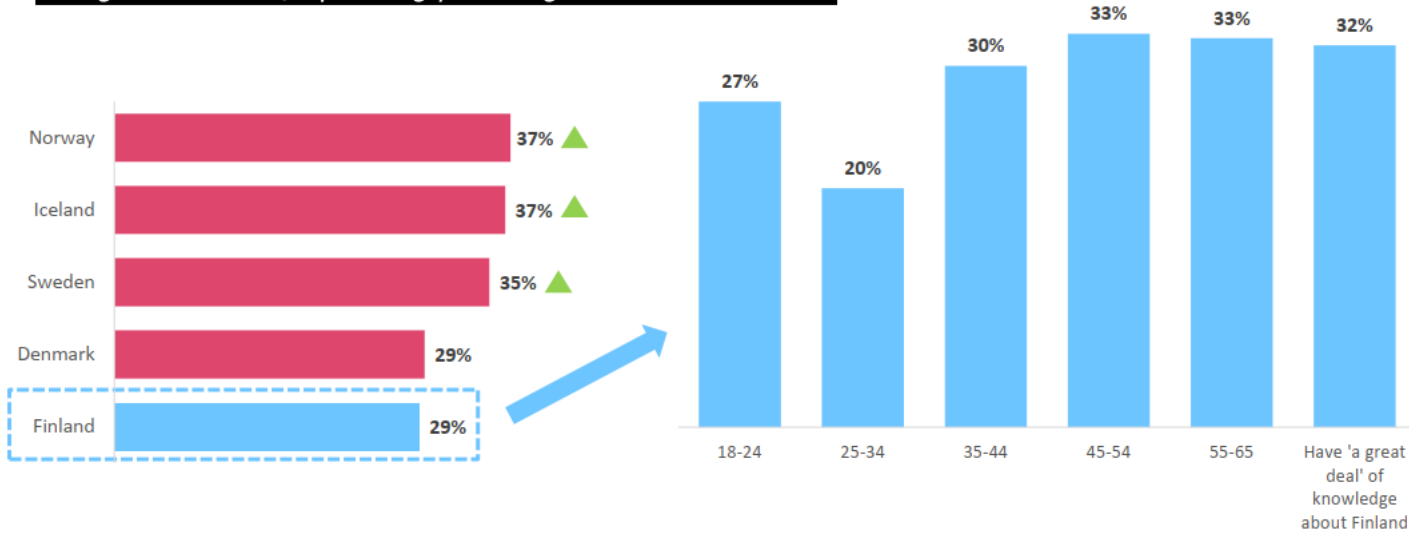
Base: Total Sample (1,000) 25

2.3 Image

Particularly the younger age group does not connect Finland with Sustainability

More needs to be done to promote Finland's association with sustainable tourism amongst the German population – particularly so amongst the younger audience

Image - It is known for providing/promoting sustainable tourism



As said, **sustainability is not yet well associated** in general with all Nordic countries. However, Denmark and Finland fall a bit behind Norway, Sweden and Iceland.

Younger age groups show the **lowest rates** so far. Knowing that these are **meanwhile most interested** in sustainability, these should be the first ones to promote this topic.



Q13 IMAGE ASSOCIATIONS
Do you associate any of these holiday destinations with the following statements?

Sig diff at 95% vs Total Sample

Base: Total Sample (1,000)



26

Sustainability means preserving the nature for most Germans

Sustainable travel destination - OEs

Little destruction of nature for hotels and other tourist things. Climate-friendly means of transport to the destination. Regional, seasonal organic food, gladly vegetarian.

Untouched nature and great diversity of flora and fauna.

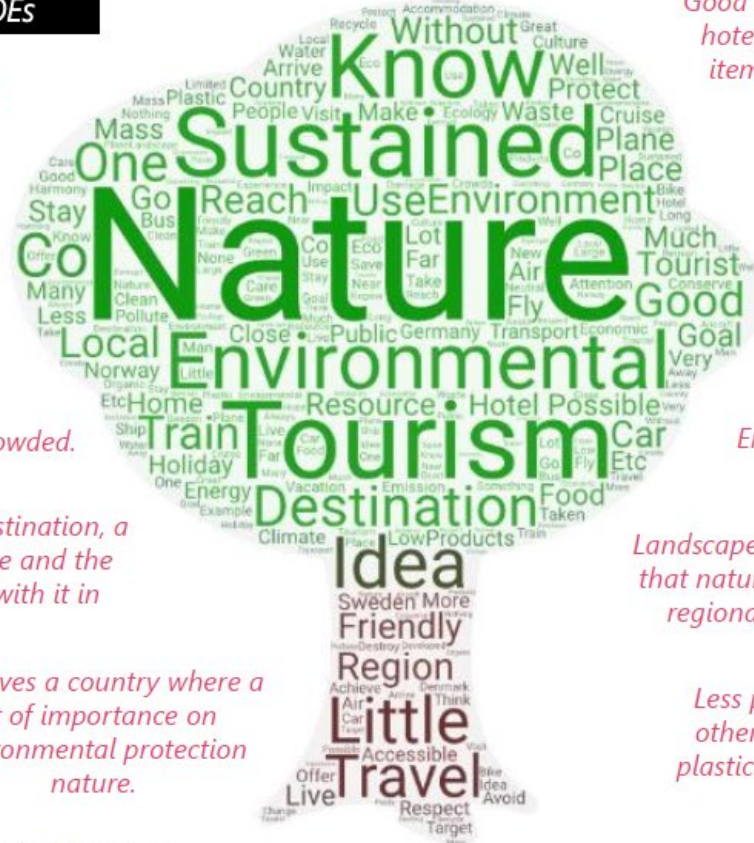
Regulated tourism, not too crowded.

For me personally, is a sustainable destination, a country where the people take nature and the environment into account and live with it in peace, harmony.

Preserves a country where a lot of importance on environmental protection nature.



Q23 SUSTAINABILITY
In your opinion, what is meant by a 'sustainable' travel destination?



Good environment for those who are at the hotel. For example, no disposable plastic items used, it uses green electricity, etc.

No environmentally damaging events, sustainable food, sustainable accommodation.

A place where tourists can admire the sights and nature is not damaged.

Environmentally friendly.

Landscapes not destroyed for tourism, but expanded so that nature is undisturbed in spite of the people. Offer regional products and eco-friendly travel options.

Less paper (ticket or other card) and less plastic use as a tourist.

Cycling holidays.

German's perception of what a sustainable travel destination is, is focused on **preserving the natural environment.**

Additionally, Germans would like to see less waste and more sustainable transport.



Base: Total Sample (1,000)

27

1 The German Traveller

2 Finland's market position and potential compared to it's competitors

2.1 Status in numbers

2.2 Product benchmark (accessibility, visibility/ booking channels)

2.3 Image

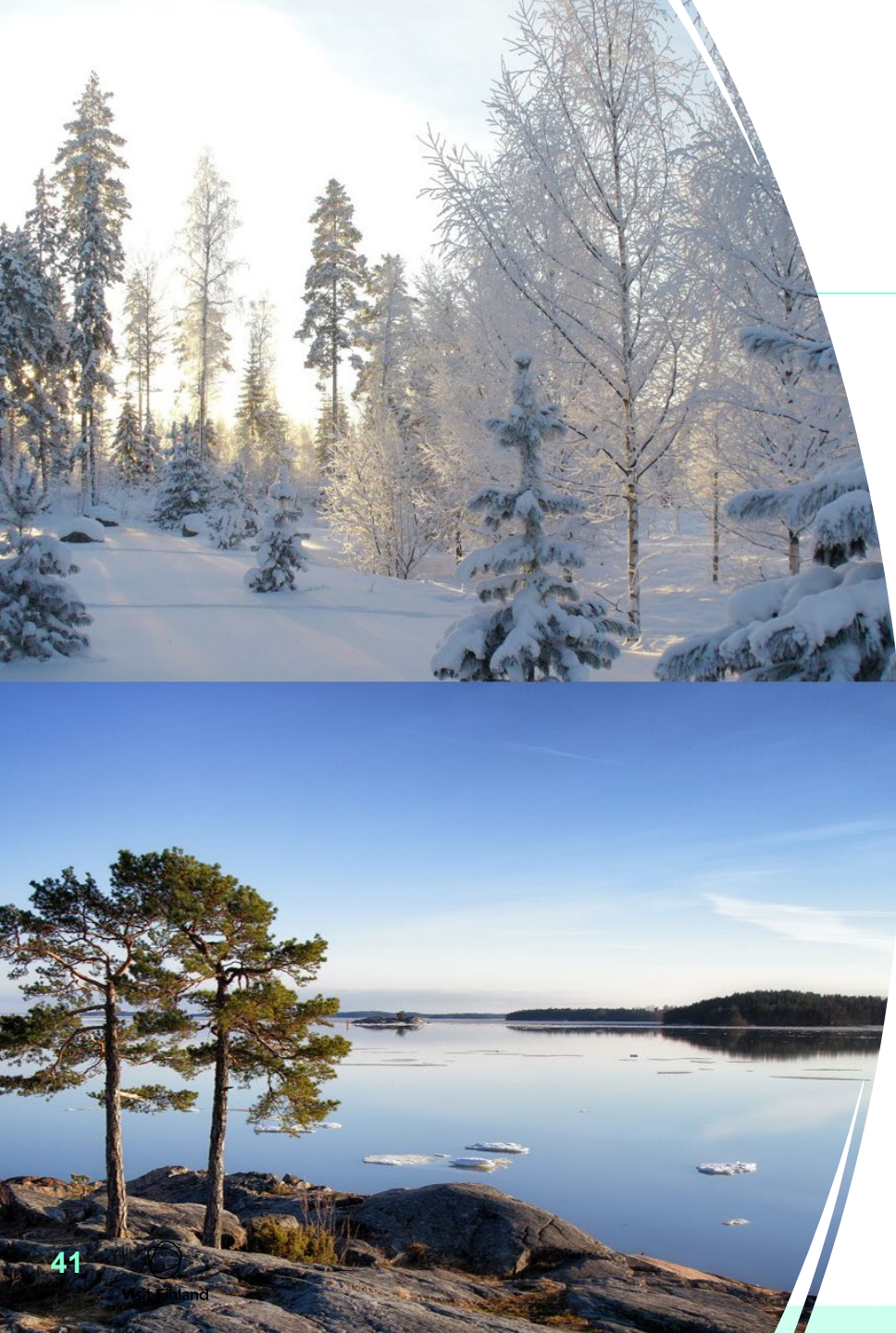
3 General Traveller Profile and Winter/ Summer Profile

4 Corona impact and Outlook

Chapter 3: Key Learnings

“General Traveller Profile and Winter/ Summer Profile“

- At present, older couples are strong for Finland but younger target groups would also be a potential as they are open to visit Finland
- “E-biking“ and “Golf“ are the most common general holiday activities of potential guests to Finland. They are open minded and plan several types of holidays. “Adventure“, “Sports“ and “Escape from pollution“ are the top 3 motivations to go on holiday for them.
- Germans plan/ search their holidays, also to Finland, often around Christmas. This is the time for promotions. There is a second lower peak in July.
- Summer travels to Finland are below German average and below flight capacities to Finland.
- Summer’s top searches are “Camping“, “Cities“ and “Lakes“. Christmas and July are times for promotion. Promoting additional Summer buzzwords could support Finland’s consideration for a summer holiday such as “National Parks“, “Bears“ or “Midnight Sun“.
- Winter’s top searches mainly done in Winter are “Northern Lights“ but also “Igloos“, “Santa“ and “Skiing“. There are also some Winter topics that could be pushed further as they are real attractions like “Arctic Circle“, “Tree Houses“, “Husky Tour“, “Block House“ and “Ruska“ .

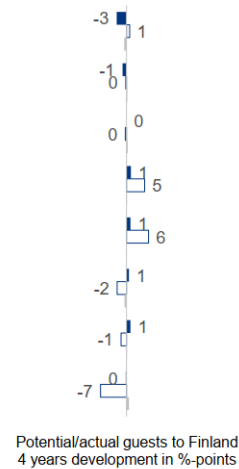
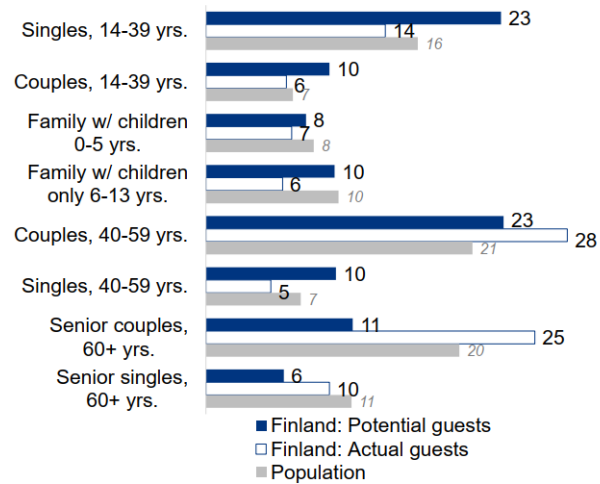


Winter/ Summer Traveller Profile

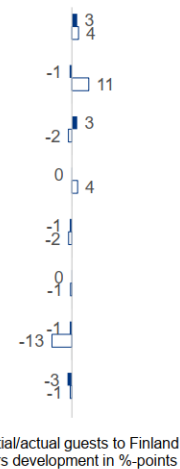
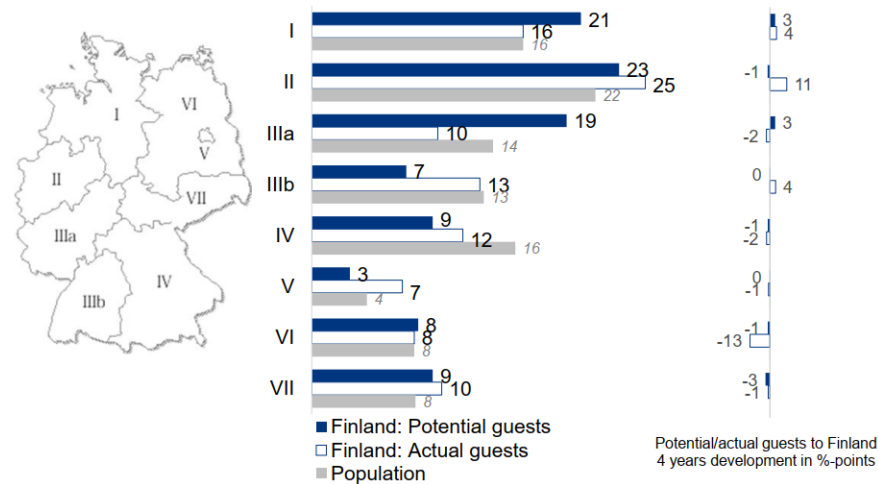
	Winter	Summer
Share Flight Capacity	49%	51%
Share Overnights	58%	42%
Search Topics	Sauna, Northern Lights, Igloos, Skiing, Santa Claus	Camping, Cities, Lakes
Search Seasonality	mostly Oct to Jan	around Christmas, short-term Summer
Topics with Potential	Arctic Circle, Tree Houses, Husky Tour, Block House and Ruska	National Parks, Bears, Midnight Sun

There is a high share of older couples among Finnish guests

Potential guests to Finland: Stages of life
Young singles and older couples are most important



Potential guests to Finland: Residency
The North-West is dominating, but do not forget the East



The highest potential for Finland can be seen for **singles or couples (14-39), singles (40-59) but also families with older children.**

There are also gaps between actual and potential guests in the **north (region I) and centre of Germany (region IIIa)**

Finland: Potential guests: Respondents who are **almost definitely planning** or would **generally consider** to go to Finland for a holiday in the next three years; *Finland: Actual guests*: Respondents who visited Finland for a holiday in the last 3 years; in %
Basis: German/German-speaking population 14+ years in Germany 2014-2016/2017-2019; Source: Reiseanalyse 2014-2019

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Basis: German/German-speaking population 14+ years in Germany 2014-2016/2017-2019; Source: Reiseanalyse 2014-2019

E-biking and Golf are the most common holiday activities of potential guests to Finland

Potential guest to Finland: General holiday activities Excursions, food/drinks, swimming

Holiday activities: frequently exercised during last 3 years			Holiday activities: frequently exercised during last 3 years		
	%	Index*		%	Index*
trips, excursions	84	115	hiking	49	143
eating local specialities	79	115	cycling	36	169
window shopping, shopping	78	112	visiting amusement parks	22	164
swimming in a lake or the sea	76	121	playing with the children	21	105
swimming in a pool	61	129	used spa/wellness facilities	16	145
gentle sports	60	156	downhill skiing / snowboarding	10	155
rest, relax, catch up on sleep	59	139	e-biking	05	193
visiting natural attractions	58	159	cross-country skiing	05	167
visiting sites of cultural or historical interest/museums	54	144	golf (not miniature golf)	04	300
making new friends	50	143	mountain biking	02	169

* Index (100)= Population average
 Basis: "Potential guests": Respondents who are almost definitely planning or would generally consider to go to Finland for a holiday in the next three years; German-speaking population 14+ years in Germany; Source: Reiseanalyse 2014-2016

The following **holiday activities** are the most promising to be **promoted**:

- Gentle sports
- Visiting natural attractions
- Cycling
- Visiting amusement parks
- Downhill skiing
- E-biking
- Cross-country skiing
- Golf
- Mountain biking

Potential guests to Finland are open minded and plan several types of holidays

Potential guest to Finland: General interest in types of holiday
Showing at the same time opportunities and challenges

	<i>Almost definitely planning or generally considering to go next 3 years</i>	%	Index*		<i>Almost definitely planning or generally considering to go next 3 years</i>	%	Index*
1	Beach holiday	75	122	16	Sightseeing holiday	42	255
	Vacation in a holiday apartment	70	147		Wellness holiday	39	217
	Holiday to rest and relax	70	124		Vacation in a holiday park	37	247
	Vacation in a holiday home	67	177		Cultural holiday	34	260
	All-Inclusive-holiday	65	140		Club holiday	31	231
	City holiday	60	179		Motor caravan holiday	31	290
	Adventure/Experience holiday	56	211		Bus/coach tour	30	129
	Nature holiday	56	170		Health holiday	29	193
	Winter holiday in the warmth	54	212		Study trip	26	338
	Family holiday	53	128		Health spa holiday	25	179
	Visiting family and friends	51	143		Caravan holiday	23	252
	Cruise	51	237		Party holiday	22	207
	Tour	50	233		Holiday on a farm	22	220
	Activity holiday	43	231		Camping holiday (tent)	18	244
15	Winter holiday in the snow	43	222	29			

* Index (100)= Population average
Basis: "Potential guests": Respondents who are almost definitely planning or would generally consider to go to Finland for a holiday in the next three years; German-speaking population 14+ years in Germany; Source: Reiseanalyse 2014-2016

The following **holiday types** are the most promising to be promoted:

- Adventure/ Experience holiday
- Cruise
- Tour
- Activity holiday
- Winter holiday in the snow
- Sightseeing
- Wellness
- Culture
- Motor Caravan/ Camping
- Study trip
- Party holiday

“Adventure“ is the top motivation to go on holiday for potential guests to Finland

Potential guest to Finland: General holiday motivation Get away from daily routine, relaxation

	Very important aspects when on holiday	%	Index*		Very important aspects when on holiday	%	Index*
1	get away from daily routine	78	117	16	share experiences, do something with nice people	51	145
	relaxation, no stress, no pressure	74	120		gentle sports or games/fitness	45	156
	recuperate	72	121		meet new people	44	148
	sun, warmth, good weather	71	107		do something for my appearance, get a tan, get a nice, healthy glow	43	138
	freedom, free time	71	136		meet the locals	39	143
	fun, amusement, enjoy myself	70	117		do something for my health	39	134
	enjoy nature (beautiful scenery, clean air, clean water)	66	131		escape from pollution	38	197
	spend time with people close to me (partner, family, children, friends)	62	115		do something cultural and educational	37	157
	get completely new impressions, discover something totally different	59	149		revisit an area, relive memories of a place	35	105
	spoil myself, treat myself to something	57	114		be entertained	34	127
	rest, do nothing, be lazy	57	118		adventure, take risks, do something extraordinary	22	220
	travel around, be on the move	56	151		flirt, holiday romance, sex/erotic experience	20	176
	get to know other countries, see the world	55	171		play with the children, spend time with them	18	101
	healthy climate	54	131		sports	16	198
15	new experiences, diversion from the ordinary, do a lot of different things	54	143	29			

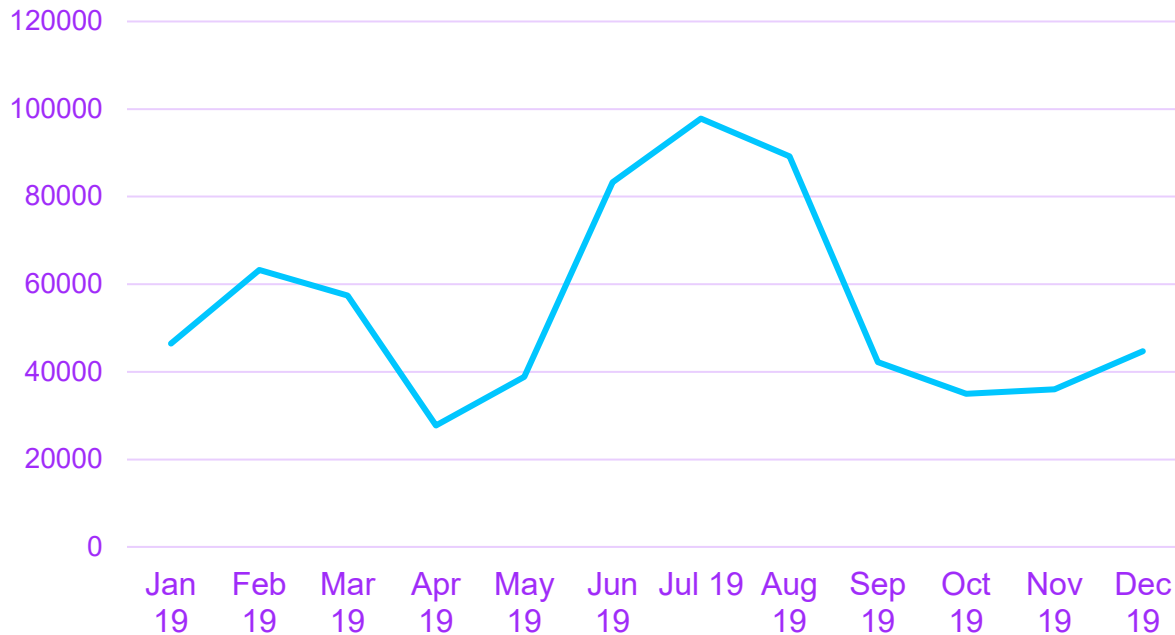
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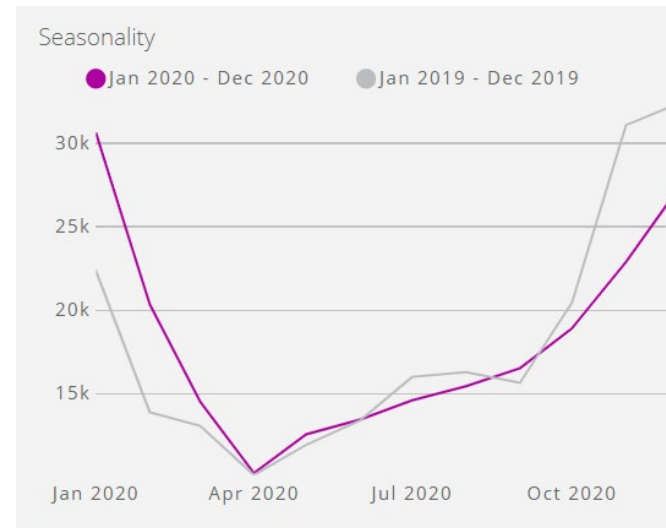
- Travel around, be on move
- Get to know other countries
- Gentle sports/ fitness
- Meet the locals
- Escape from pollution
- So something cultural educational
- Adventure, doing sth. Extraordinary
- Romance
- Sports

Germans plan their holidays, also to Finland, around Christmas

Monthly nights spent in Finland, Source Market Germany



Search, Source Market Germany

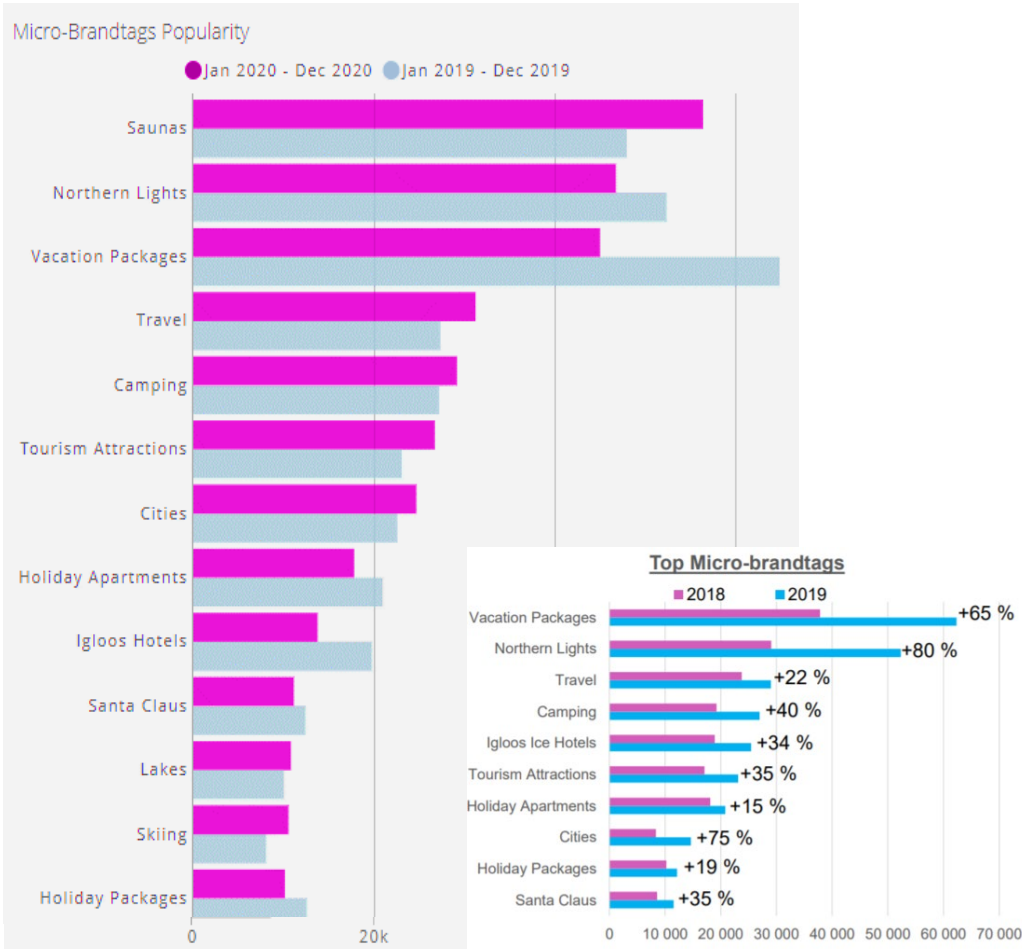


As already seen, Finland is good in the summer season but also attracts many travellers in Winter.

When it comes to search, Germans particularly inform about holiday in Winter (Dec/ Jan) as many are off work after Christmas, people have time to plan holidays with their employer and there are many early-bird booking offers in the end of January.

So, **December/ January is Promotion Time.**

“Northern Lights“ is Top Winter search topic, “Camping“ is Top for Summer

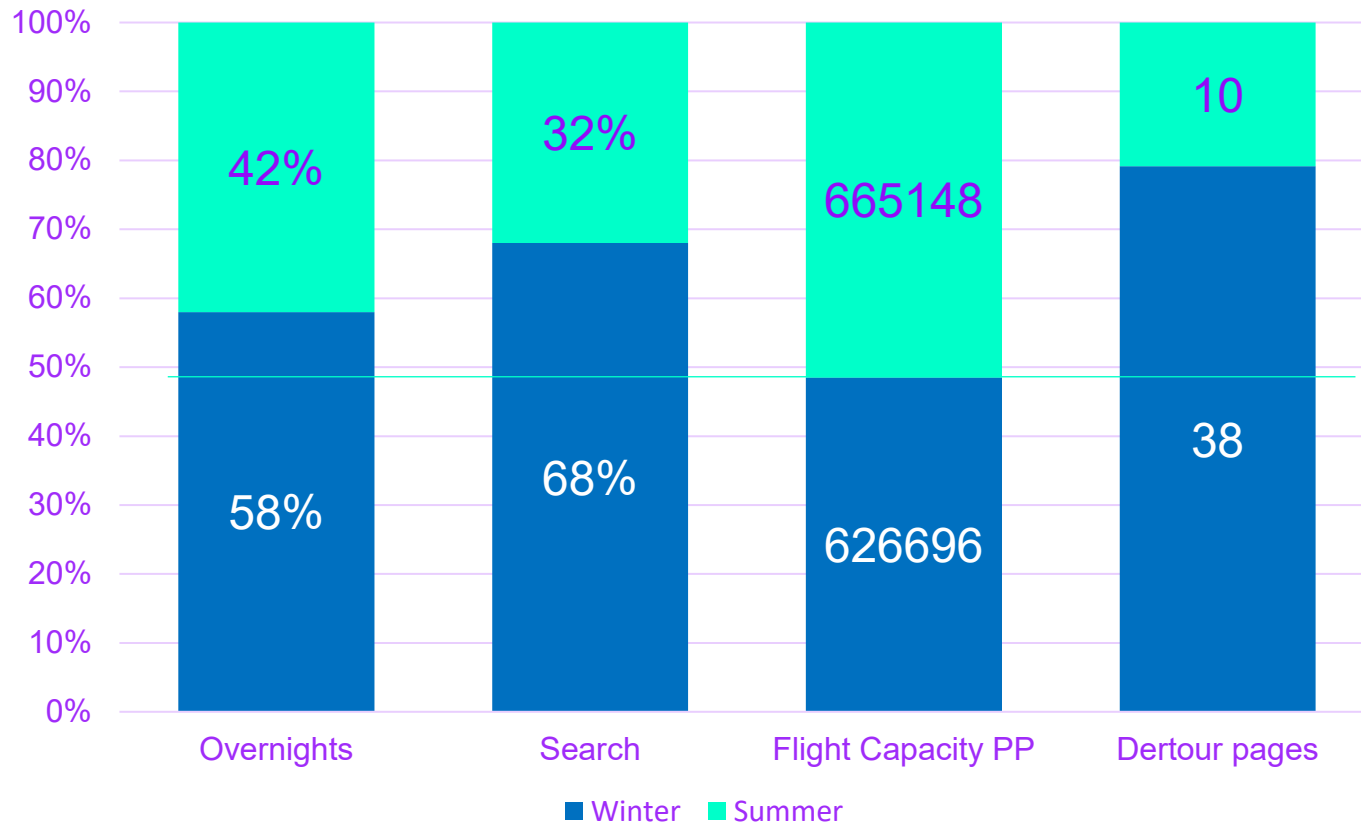


Saunas 56 300 (+18%)	WI
Northern lights 46 700 (-11%)	WI
Camping 29 100 (+7%)	SU
Cities 24 600 (+9%)	(WI)/SU
Igloos Hotels 13 700 (-30%)	WI
Santa Claus 11 100 (-10%)	WI
Lakes 10 800 (+8%)	SU
Skiing 10 500 (+31%)	WI
TOTAL 480 500 (-3%)	

Sauna must not necessarily be a travel topic as many people built a sauna during the lock down.

Vacation packages rank 3rd place, coming from no. 1 before the pandemic.

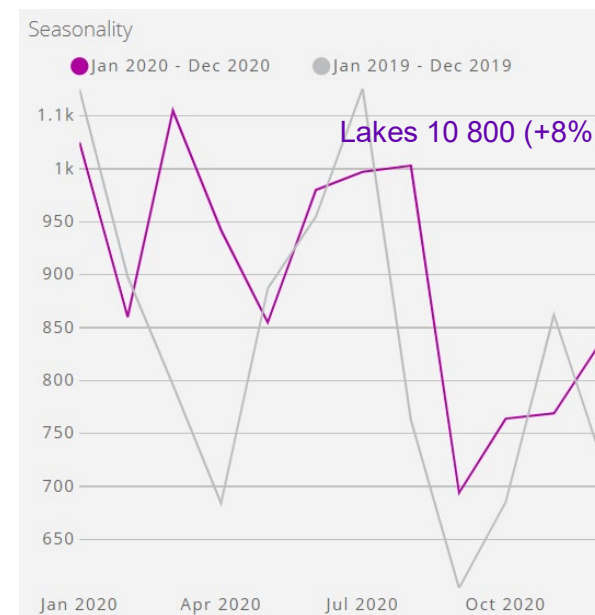
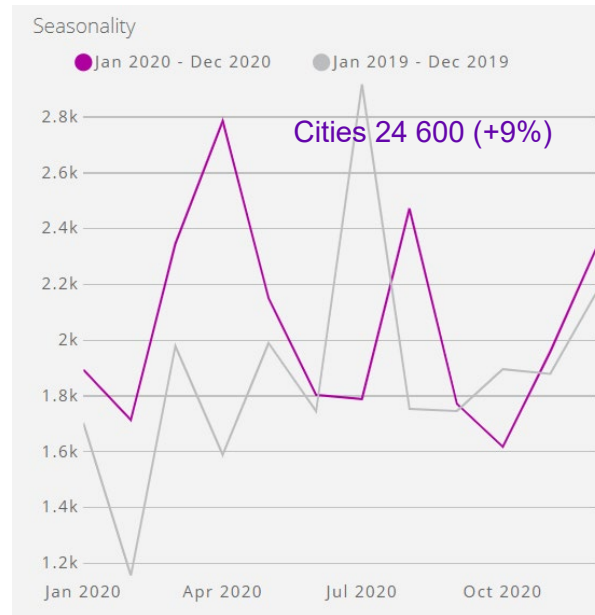
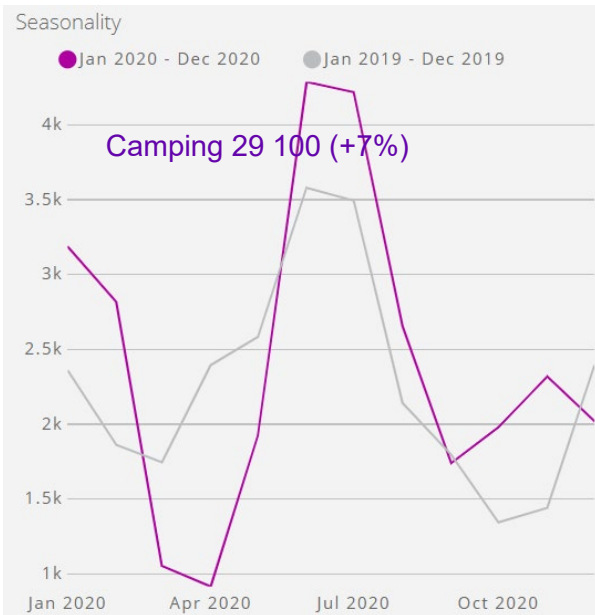
Summer travels are below flight capacities to Finland



While the flight capacity is almost the same over the year, there is a strong Winter focus on overnights, search and particularly Tour Operator offers.

The Travel Season shares of the German population are roughly, 1/3 Winter, 2/3 Summer (expert estimation). The Summer season is therefore under-represented for visiting Finland.

Summer's Top searches are "Camping", "Cities" and "Lakes"



 Although there is a peak in Summer, "Cities" are searched all year round.

2020 figures are influenced by Corona up and down.

Talking about 2019, "Camping", "Cities" and "Lakes" show a **high peak** for searches in **Summer** (short-term bookings). "Camping" could also be promoted **around Christmas** as people seem to think about this at this time, this is even more true for "Lakes".

Promoting additional Summer topics could support Finland's consideration for a Summer holiday

Lapland: Finnland schafft neuen Nationalpark Salla

München, 10.12.2020 | 10:28 | Ivo

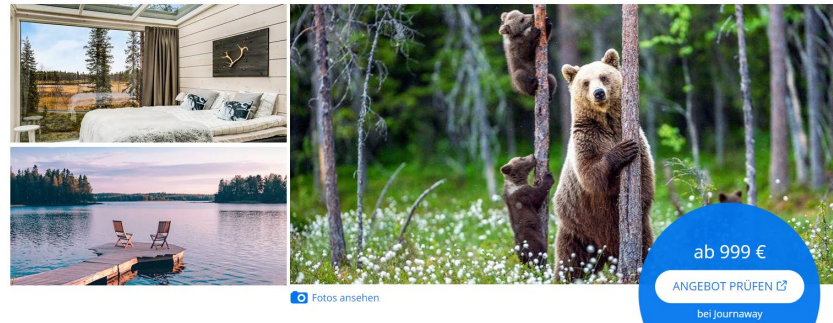
Finnland schafft einen neuen Nationalpark. Das neue Schutzgebiet könnte bereits im kommenden Jahr etabliert werden. Der Nationalpark Salla befindet sich dann nördlich des Polarkreises in der finnischen Region Lapland. Die Region zwischen dem Skigebiet Salla und der russischen Grenze ist zwar eine der am wenigsten besiedelten Gebiete Europas, jedoch leben dort rund 10.000 Rentiere.



Finnland schafft in Lapland einen neuen Nationalpark.

Die Größe des Salla-Nationalparks soll rund 10.000 Hektar betragen und befindet sich im bereits 2017 etablierten Naturreservat Sallatunturi. Die Fläche des künftigen Nationalparks besiedeln Pflanzen- und Tierarten von unschätzbarem Wert. Das Gebiet beherbergt alte Wälder, Sümpfe und Moorlandschaften sowie geologische und kulturhistorische Stätten. Die Schaffung des neuen Nationalpark Salla wurde Mitte November vom Umweltministerium im Rahmen einer Pressekonferenz bekanntgegeben, mit den Vorbereitungen haben die Finnen bereits begonnen.

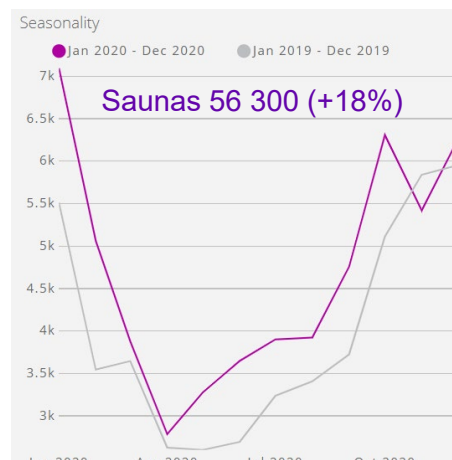
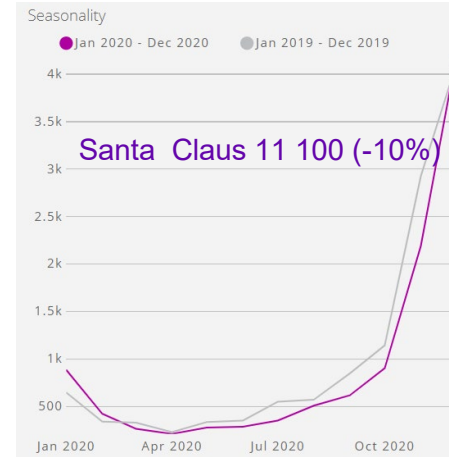
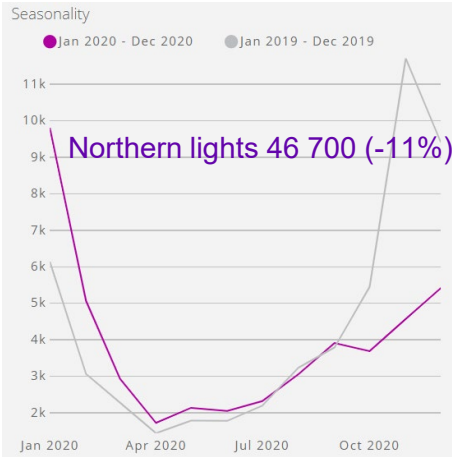
NORDEUROPA
ab 999 € – Finnland: Mitternachtssonne in Glasvilla, -500 €
Journaway



“National Parks“ or “Bears“ perfectly fit to the Wilderness aspect that is already part of the Finnish image. But it would also fit to your target group looking for **adventure, natural attractions and extraordinary things.**

Experience the “**midnight sun**“ could also be such an extraordinary thing to promote. It is **not really present in operator's offers** until now.

Winter Topics Searches are mainly done in Winter



“Sauna“ must not necessarily be a travel topic as e.g. many people built a sauna during the lock down.

Winter topics are searched in Winter starting from Oct up to Jan. Only exception is “Santa Claus“ with a clear season in Dec which is not surprising. July searches for Santa are supposed to be travel related (winter catalogues published).

Some Winter topics that could be pushed further as they are real attractions



Arctic TreeHouse Hotel ♦♦♦♦



Äkäskero Hundeschlitten Tour



Erlebnisreise – von der Hauptstadt zum Polarkreis



Blockhausromantik in Ruka



Studienreisen Studienreise

Finnland

Herbstlaubfärbung im Norden

Natur und Kultur zwischen Helsinki und Lapland

4 Termine 2022

15 Tage

Reise ansehen

“Arctic Circle“, “Tree Houses“, “Husky Tour“, “Log cabin“ and “Ruska“ – all of them are not yet interlinked with Finland. But all of them are also the **extraordinary attractions** that potential Finnish guests look for.

Ruska is not known yet but it could become the “Indian Summer on the doorstep“

1 The German Traveller

2 Finland's market position and potential compared to it's competitors

2.1 Status in numbers

2.2 Product benchmark (accessibility, visibility/ booking channels)

2.3 Image

3 General Traveller Profile and Winter/ Summer Profile

4 Corona impact and Outlook

Chapter 4: Key Learnings Corona Impact and Outlook

- Finland's position and outlook was good until Corona came. The Number of searches had been +36% in Winter 19/20 (Dec 19-Feb 20) compared to the year before but dropped down to -20% in autumn 2020.
- Corona resulted in uncertainty if to travel and where to travel. Uncertainty, short-termism, higher need for information and flexibility as well as a wish for more fairness and transparency challenged the industry to work even closer together during the Pandemic. Some of these trends like flexibility and transparency will probably stay after the Pandemic.
- Overnights for Finland decreased by 63% in 2020 and by 61% in 2021 compared to 2019.
- The development was and is similar among the Nordics but Sweden and Denmark perform a bit better overall.
- Flight pre-bookings are mostly still below Pre-Pandemic (although being far above last year's result) but December 2021 arrivals let assume that recovery is on a good way and people just book not that much in advance than they did in the past.
- However, German travellers forget quickly. If you think of terror attacks, bombs, fires, flues, political uncertainty in Egypt, Turkey, Greece etc. in the past, people got "back to normal" quickly after the "event" was over. So, the probability is high that mass tourism destinations will also be back after the pandemic as strong as before or at least close to it.

Finland's position and outlook looked good until Corona came

Interest to travel to FINLAND, January 2020

Finland last 3 years

0.8% (0.6 million)

of the population in Germany (aged 14+) have been to Finland on holiday or short holiday in the years 2017-2019

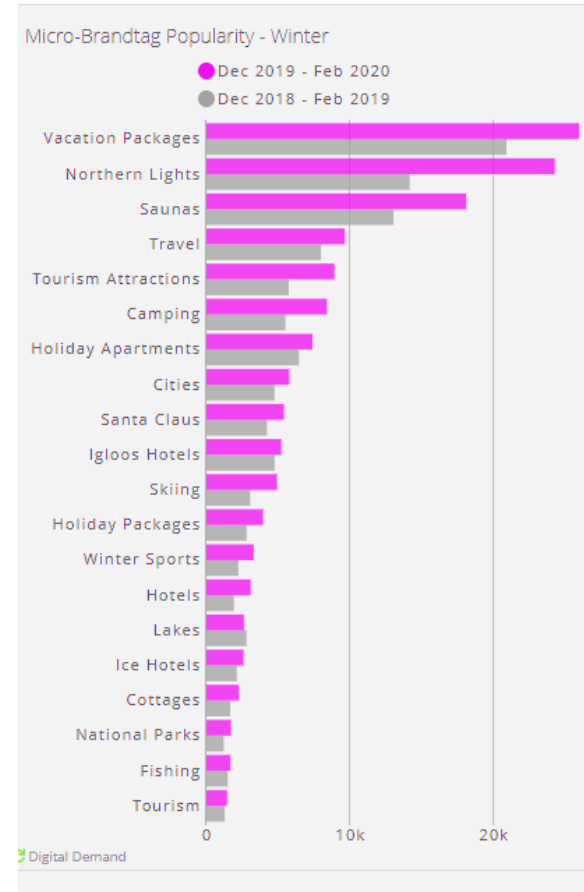
Finland next 3 years

9.4% (6.9 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 2020-2022.

Interest for Finland around 10x bigger than experience → space for marketing

*In which of these countries have you spent a holiday during the last three years (that is 2017, 2018 or 2019)?
 *Are you almost definitely planning to go on a holiday to one of these countries in the next three years? (2020-2022) And which of these countries would you generally consider as a holiday destination in the next three years?
 Basis: German-speaking population 14+ years in Germany; Source: Reiseanalyse 2020



Before Corona the market share of Finland was relatively low with 0,8% of the German market having visited Finland during the last 3 years.

But, Finland was definitely on the **consideration list** and **searches for holiday packages increased double digit** until January 2020

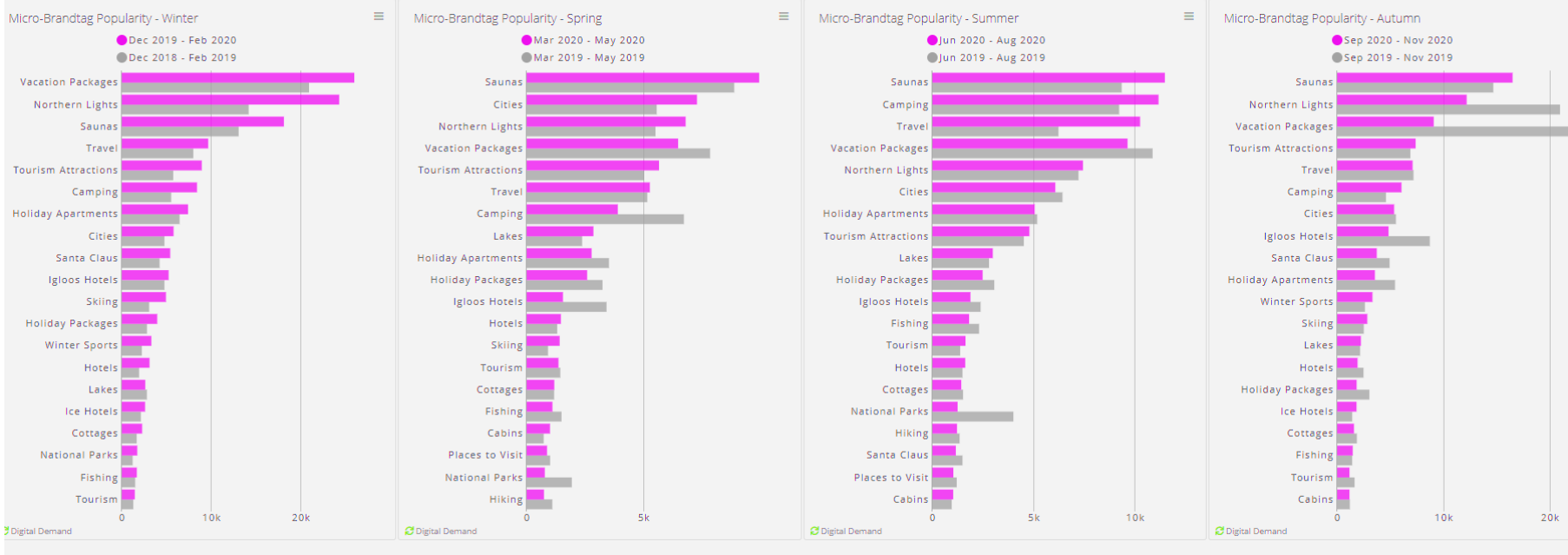
The search dropped down from +36% to -20% in a few months

Winter (181 500, +36%)

Spring (85 500, -2%)

Summer (109 200, +1%)

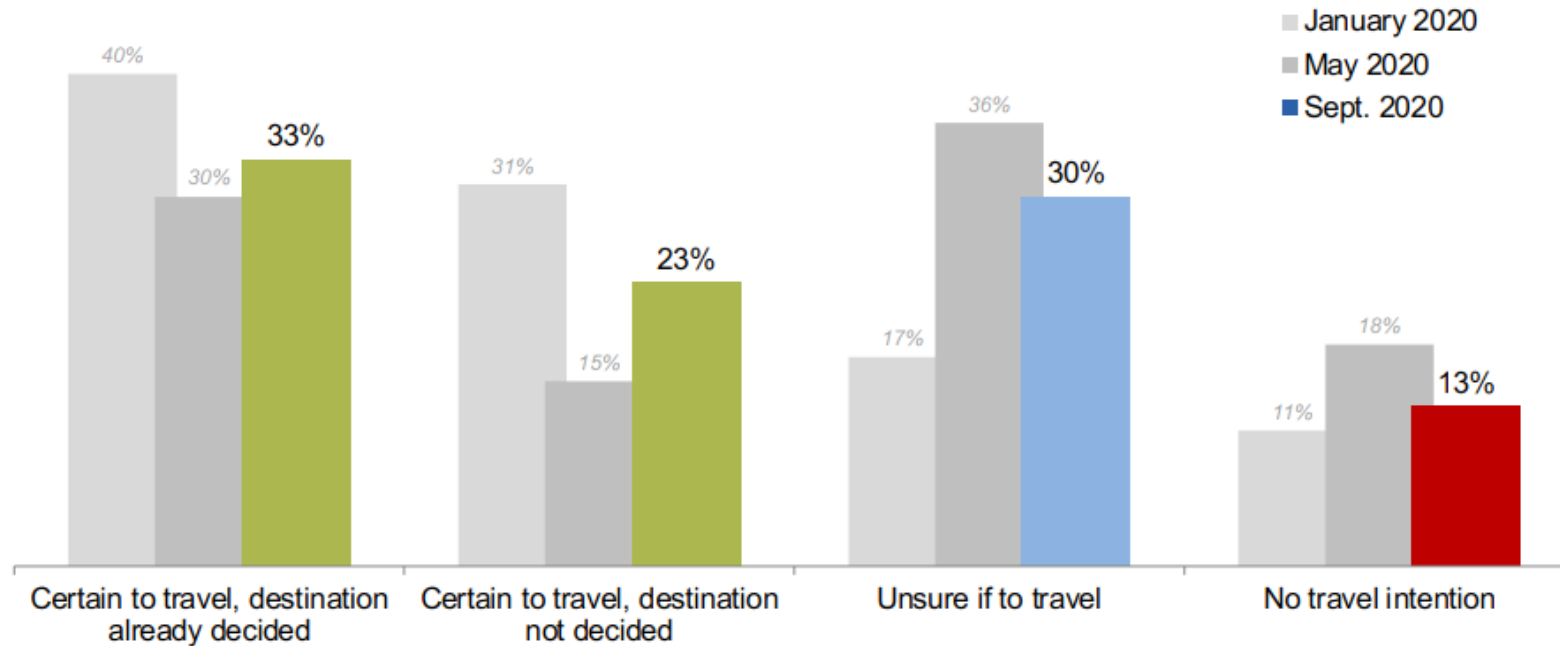
Autumn (118 600, -20%)



The top search items completely **broke down**: “Northern Lights“, “Vacation packages“ or “Igloos“ where no longer concrete searches in a planning process but became **lose plans** or even dreams to break out.

Corona resulted in uncertainty to travel and where to travel

Holiday plans next 12 months



Even before the second lock down, people planned their holidays in **a more loose way** and did not decide on a destination ... and many were even unsure if to travel or not.

Question: When you think [about the next 12 months], do you have any holiday plans for that time?
 Basis: German-speaking population 18-75 years of age; source: RA 2021, Corona Recovery Module 09/2020 and previous studies

Those Corona developments challenge(d) the industry

Corona challenges for the tourism industry



uncertainty

short-termism

higher need for information

flexibility

fairness & transparency

One could summarize the developments and impact on the travel industry in those five trends.

Tourism boards therefore needed a closer exchange with all players of the industry such as local tourism boards, tour operators, travel agencies etc.

Some of these trends like flexibility and transparency will probably stay after the Pandemic.

More flexible product offers will stay after the Pandemic

Booking criteria for future holiday trips

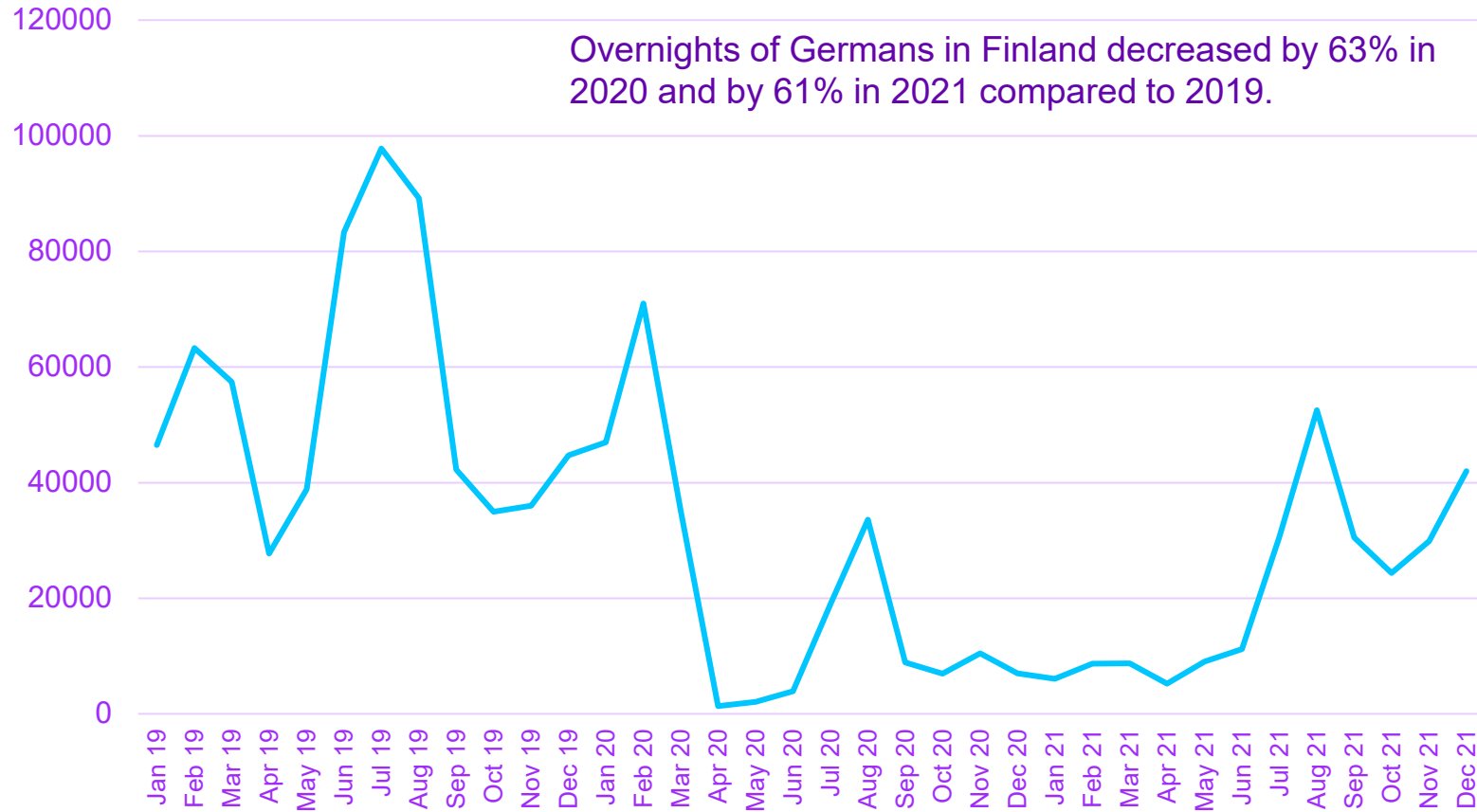


There was a tremendously increased wish for **flexibility** like free of charge cancellations and partly hygienic factors.

However, **German travellers forget quickly.** If you think of terror attacks, bombs, fires, flues, political uncertainty in Egypt, Turkey, Greece etc. in the past, people got “back to normal“ quickly after the “event“ was over. So, the **probability is high that mass tourism destinations will also be back** after the pandemic as strong as before or at least close to it.

Question: If you book a specific travel offer in the future, which of these aspects will you pay particular attention to?
 Basis: German-speaking population 18-75 years; source: RA 2021, Corona Recovery Module 09/2020

Overnights for Finland decreased a lot but recovery can be seen now



December 2021 has been **just 6% below** December 2019 figures.

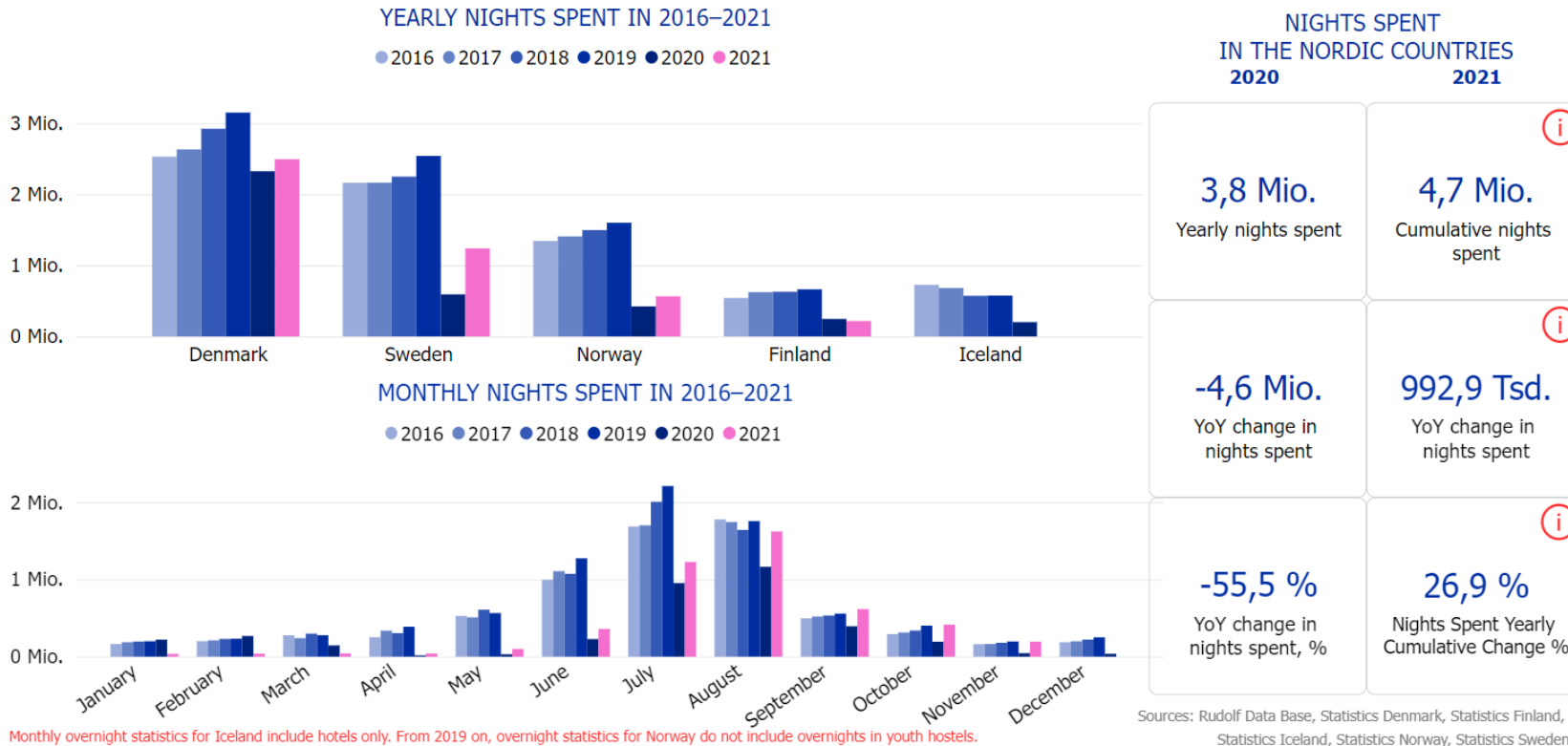
With the impact of vaccinations and a good summer with low incidence rates that felt like “normal” in Finland as well as in Germany, **recovery started and is on a good way.**

Tourism Economics predicts a growth of 5% for Germany in 2023.

Overnights dropped in all Nordic countries

1. OVERNIGHTS BY A TARGET MARKET IN THE NORDIC COUNTRIES

Destination:
 Nationality:
 VISIT FINLAND

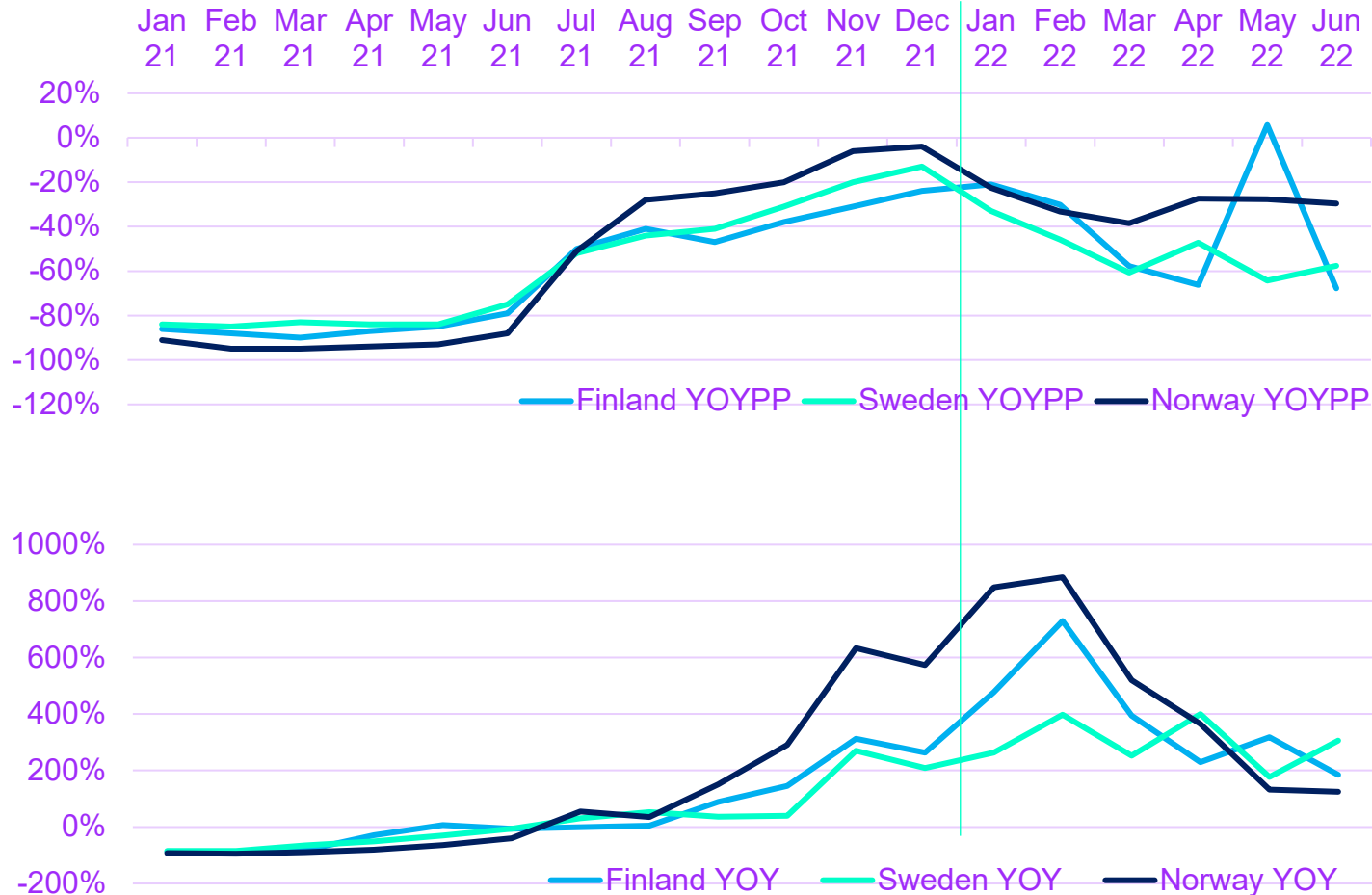


Sweden as a summer destination benefited of the “back to normal“ in Summer (+114% 21 vs. 20).

In 2020 Denmark decreased the least (-26%) maybe because of the high share of vacation homes that have always been seen as a safe location.

Flight bookings have ramped up since Summer 2021

4. Corona Impact and Outlook



Flight bookings are still below Pre-Pandemic but have increased a lot since Summer and are far above last year.

Travels are booked shorter in advance. Therefore, a result close to Pre-Pandemic in Summer is still realistic as numbers from January 22 onwards are just an interim booking result.

YOY=Relative difference between Pax YO and Pax of the year before
 YOYPP=Relative difference between Pax YO and Pax of the corresponding month Pre-Pandemic



Agenda Summary

[Key Learnings Chapter 1: The German Traveller](#)

[Key Learnings Chapter 2: Finland's market position](#)

[Key Learnings Chapter 3: General Traveller Profile and Winter/ Summer profile](#)

[Key Learnings Chapter 4: Corona impact and Outlook](#)

[Actions to follow up on Learnings](#)

Top Actions to follow-up on Learnings

01

Increase awareness and visibility

02

Sharpen the image

03

Ease the booking journey

04

Promote additional highlights

05

Foster Sustainability in the industry and marketing the topic to consumers



Sources

- Digital Demand
- Top Markets from Germany | Oxford Economics Top countries
- FUR Reiseanalyse
- Ipsos Brand Tracking
- Nordic overnights | PowerBI | Published figures
- Forward Keys | Flight Capacity | Accessibility

- **ADDITIONAL SOURCES added by INNOLINK**
 - DRV Facts and Figures: <https://www.driv.de/themen/reisen-in-zahlen.html>
 - VIR Daten & Fakten zum Online-Reisemarkt: https://v-i-r.de/wp-content/uploads/2020/03/web_VIR-DF-2020.pdf
 - Travel Data and Analytics: www.traveldataanalytics.de, data directly provided to Innolink
 - Travel websites: dertour.de, Studiosus.de, hummer-reiseideen.de, travelzoo, booking.com, hometogo etc.
 - Google Maps
 - Inspektour Destination Brand, data directly provided to Innolink

**Questions?
Just connect with us!**

Do it smart – do it Finnish!

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