



FOREIGN TRAVEL PROFESSIONAL SURVEY ABOUT ICELAND TOURISM

February 2019

Fieldwork summary

Promote Iceland carried out an attitude survey in January 2019 amidst foreign travel professionals that sell tours to Iceland. Their outlook on the development of Icelandic tourism and prospects regarding sales of tours to Iceland were surveyed. A comparable survey was carried out in December 2016 and January 2018 and a similar survey in June 2017 and July and August 2018.

The survey was sent by email to nearly 4000 travel professionals that sell tours to Iceland, All in all 226 took part in the survey, 204 of whom completed it in whole.

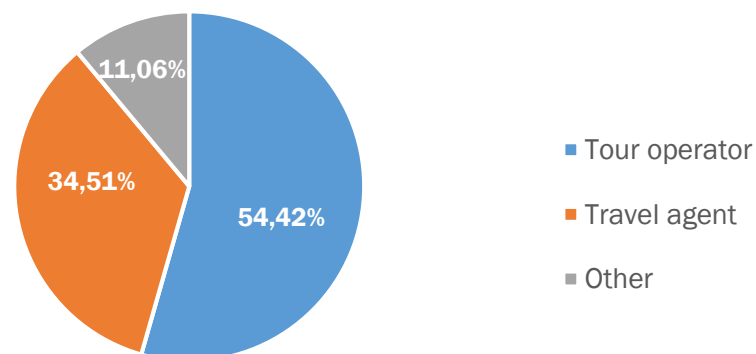
Fieldwork period : January 2019

Methodology: Online Survey

Sample: Foreign travel professional that offer tours to Iceland

Languages: English, French, German and Spanish

Proportional breakdown of participants by categories



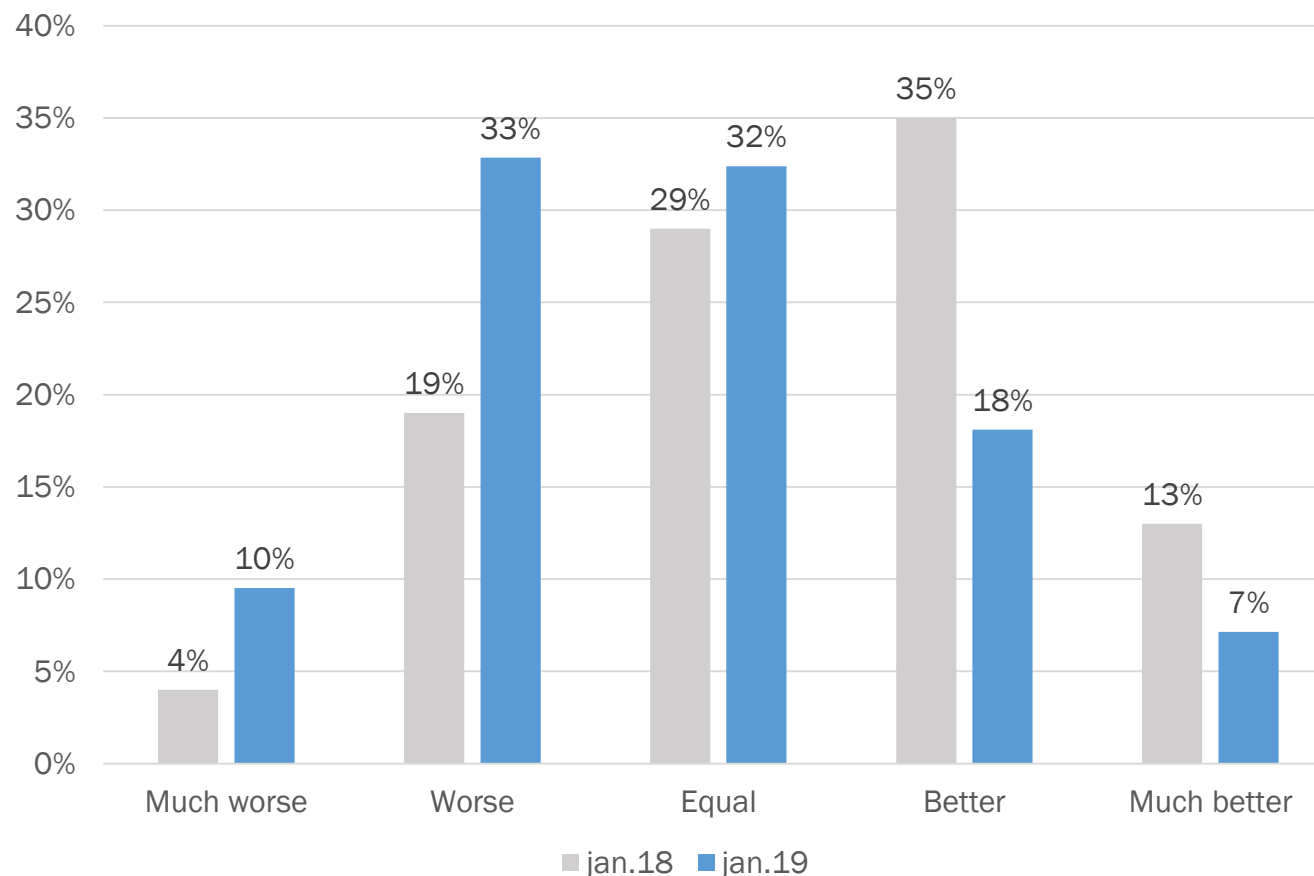
Market Area	Country	Number	Proption
N-America (59 answers)	United States	47	20,80%
	Canada	22	9,73%
Central and Southern Europe (62 answers)	Austria	3	1,33%
	Belgium	10	4,42%
	France	10	4,42%
	Germany	20	8,85%
	Italy	11	4,87%
	Netherlands	15	6,64%
	Portugal	3	1,33%
	Spain	21	9,29%
	Switzerland	13	5,75%
	Nordic countries (9 answers)	Denmark	7
Norway		1	0,44%
Sweden		4	1,77%
British isles (27 answers)	Ireland	0	0,00%
	United Kingdom	15	6,64%
Eastern Europe (9 answers)	Czech Republic	1	0,44%
	Estonia	1	0,44%
	Hungary	1	0,44%
	Latvia	1	0,44%
	Lithuania	1	0,44%
	Poland	4	1,77%
	Distant markets (15 answers)	Various: Australia (1), China (1), India (3), Hong Kong (5), Israel (1), Japan (1), Malasia (1) & Singapore (2)	15
Total		226	

Number of bookings to Iceland in 2018

57% of participants reported similar or increased number of bookings to Iceland in 2018 compared to 2017

(-20% from the survey in June 2017)

Compared to same time last year, how are the number of bookings to Iceland with arrivals in 2018 for your company?



Tour bookings to Iceland in 2018

Market breakdown

Survey from January 2019

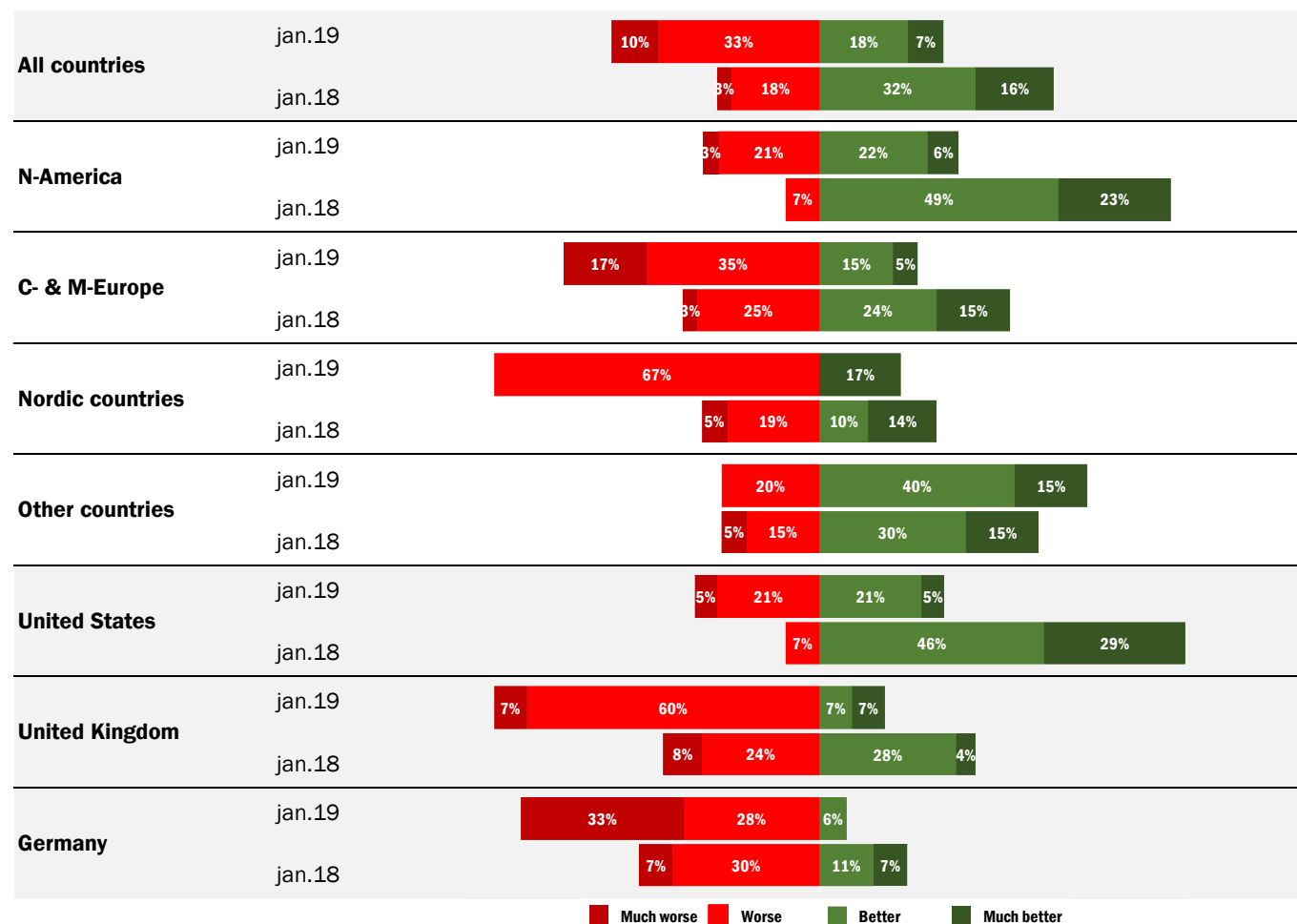
We see a trend when the answers are broken down to market areas and countries. It turns out that participants from most market areas reported about worse, or much worse, booking status in 2018. The greatest outlier are participants from countries that fall under „other countries“, as more reported about better, or much better, booking status. Equally many participants from the United States also reported about better and worse booking status.

Comparison with last year's survey

Comparing these findings to the findings from last year's survey we see that proportionally fewer reported about better, and much better, booking status. The change was greatest among participants from Germany, United States and United Kingdom, impacting answers from North America and Central- and Southern Europe.

Looking at the answers from those that reported about worse, or much worse, booking statuses there is a trend linked to the positive side. Proportionally the change was greatest among participants from the United States, impacting the answers from North America. The change was also great among participants from the Nordic Countries and United Kingdom. Participants from "other countries" however stand out in this category as proportionally there was no change between the two surveys.

Compared to same time last year, how are the number of bookings to Iceland with arrivals in 2018 for your company?

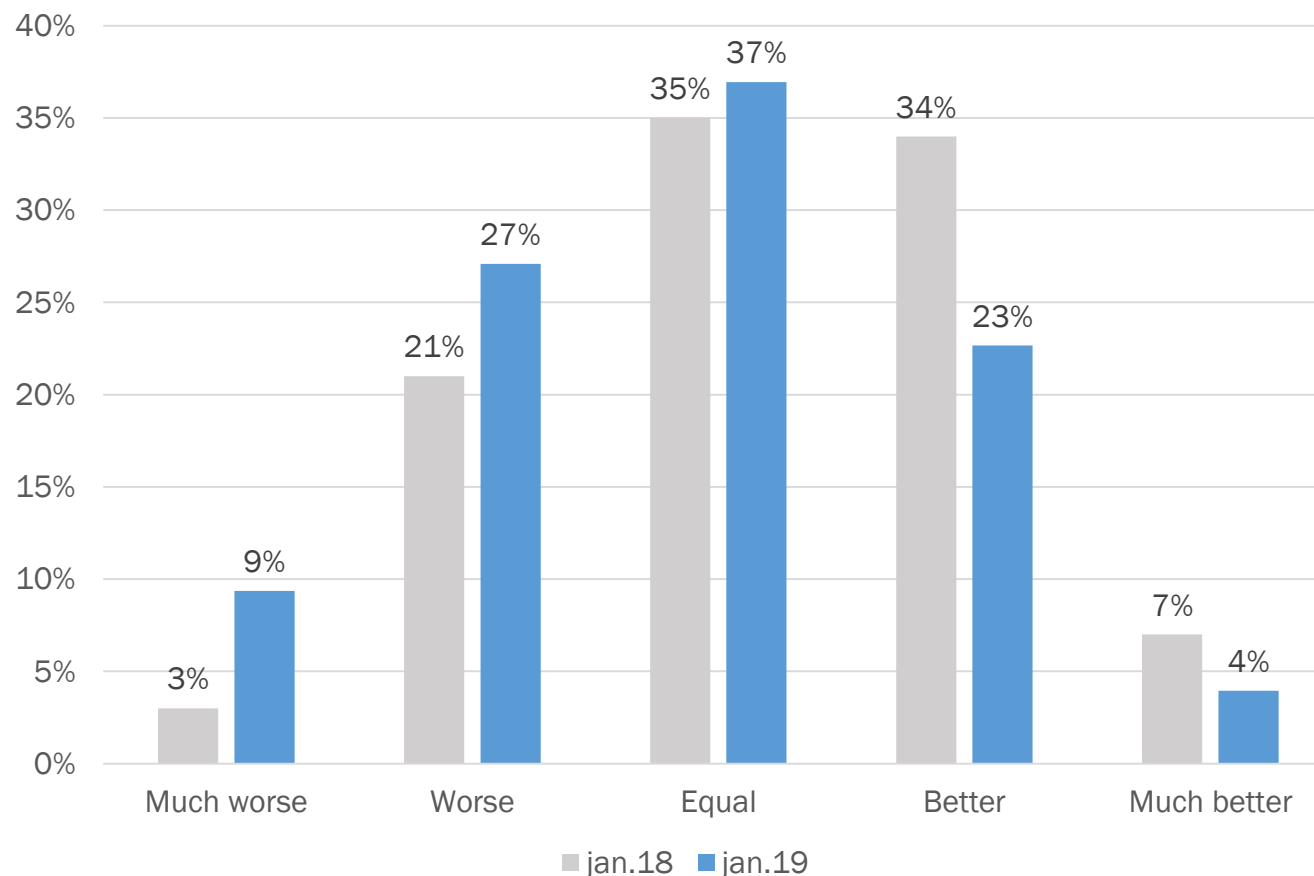


Expectations about bookings to Iceland this winter

64% of participants expect equal or better number of bookings to Iceland in winter 2018/2019

(-12% from the survey in January 2018)

Compared to last winter season, what is your company's prospects for bookings to Iceland with arrivals this winter season?



Expectations about bookings to Iceland this winter

Market breakdown

Survey from January 2019

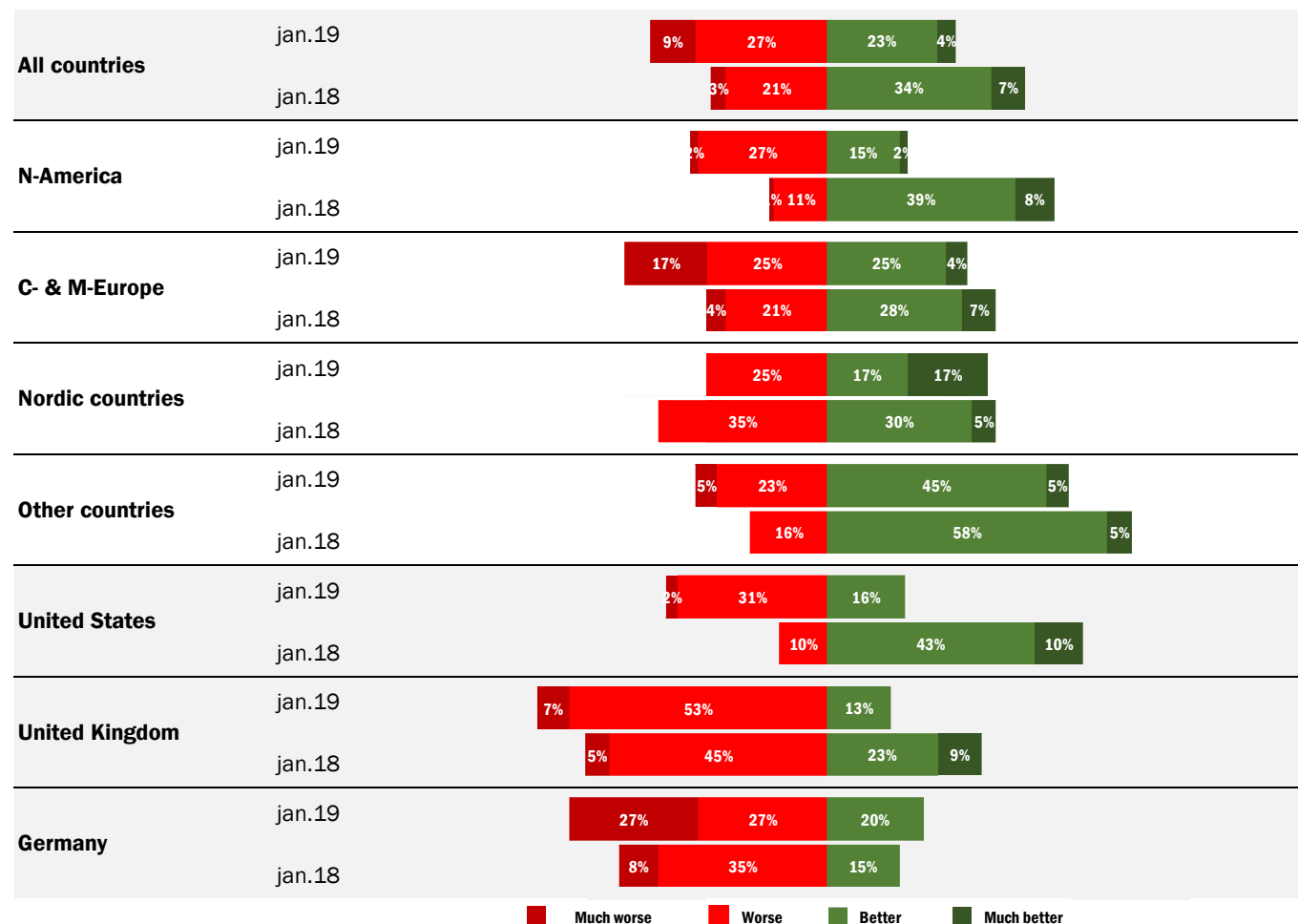
Again we see a trend when we break the answers down to market areas and countries. It turns out that in most market areas more participants are expecting worse, or much worse bookings for this winter season. The exception are participants from the Nordic countries, where the proportion is almost equal, and participants that fall under “other countries“, where the expectations for this winter season are greater.

Comparison with last year’s survey

Comparing these findings to the findings from last year’s survey we see that the greatest proportional change for better, or much better, bookings this winter is among participants from United States, impacting the results for North America, as well as among participants from United Kingdom. Unlike other participants the change was actually positive among participants from Germany.

Looking at the answers from those that reported about worse, or much worse, bookings this winter we see that the change was proportionally greatest among participants from the United States, again impacting the results for North America. The change among participants from Central and Southern Europe and those that fall under “other countries” is also noteworthy. The change is only positive among participants from the Nordic countries.

Compared to last winter season, what is your company’s prospects for bookings to Iceland with arrivals this winter season?

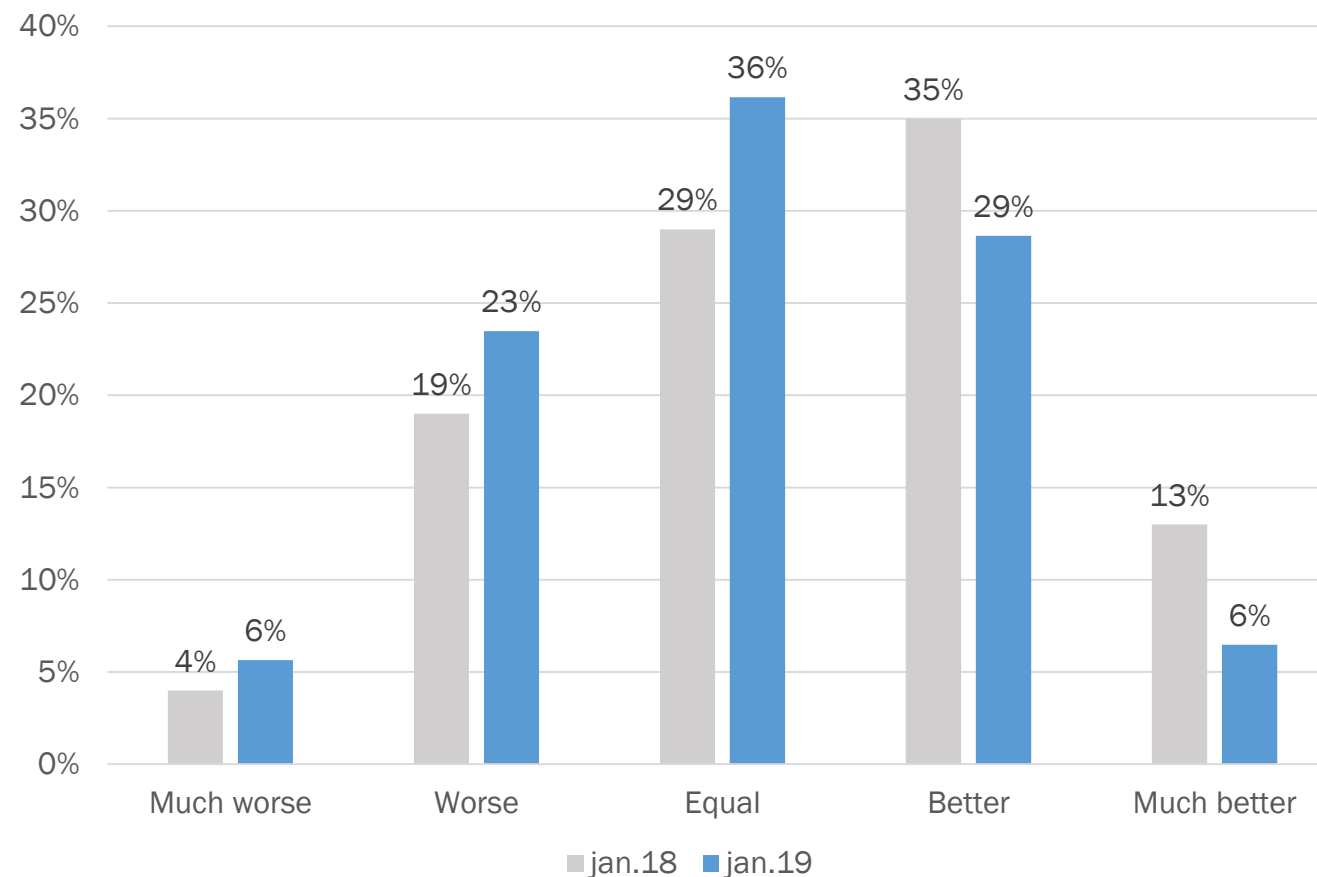


Expectations about bookings to Iceland in 2019

71% participants expect equal or better number of bookings to Iceland in 2019

(-6% from last survey in January 2018)

Compared to same time last year, what is your company's prospects for bookings to Iceland with arrivals in 2019?



Expectations about bookings to Iceland in 2019

Market breakdown

Survey from January 2019

Breaking the answers down to market areas we see a different trend for this question. More participants from all market areas except United Kingdom are expecting better, or much better, bookings for 2019. The proportion is though close to equal among participants from the United States and Germany, impacting results from North America and Central and Southern Europe.

Comparison with last year's survey

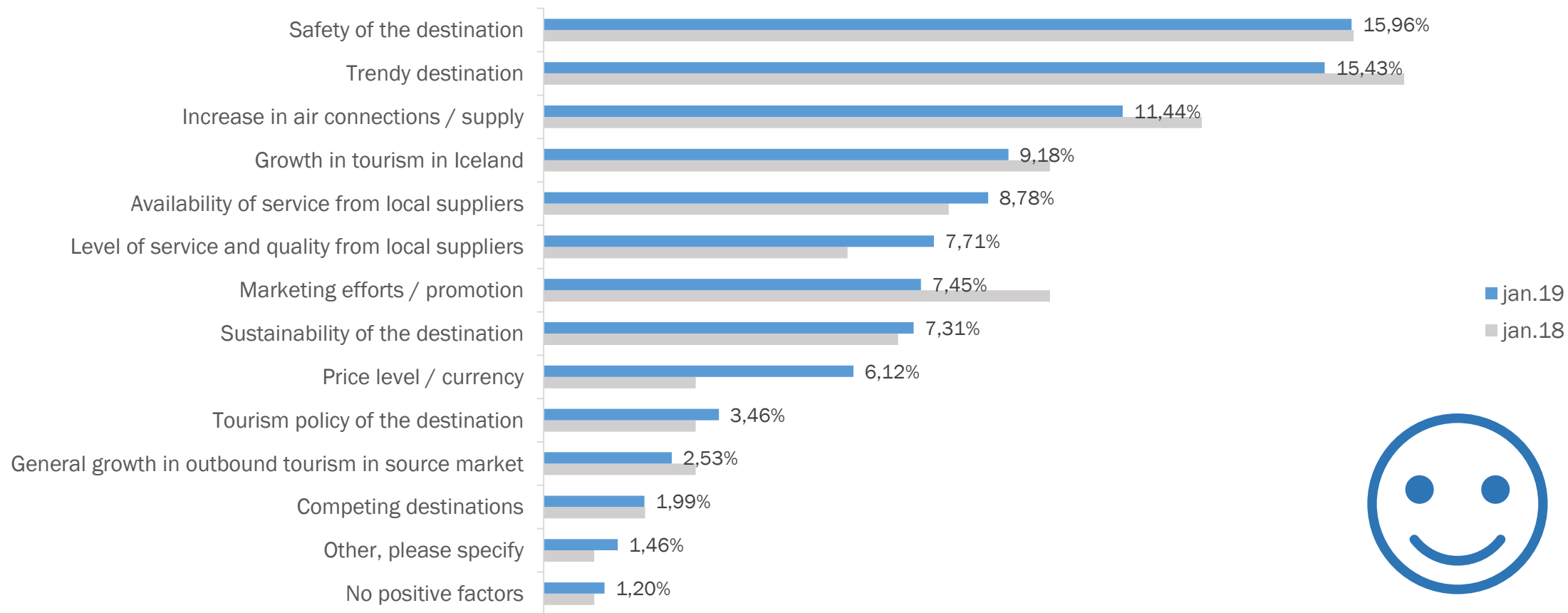
Comparing these findings to the findings from last year's survey we see that the greatest proportional change in expectations for bookings in 2019, a significant decrease in expectations for better or much better, for is among participants from United Kingdom, United States and Germany. Unlike other participants the change was actually positive among participants from the Nordic countries.

Looking at the answers from those that expect worse, or much worse, bookings this winter we see that the change was proportionally greatest among participants from N-America, impacted by answers from United States, as well as participants from Germany. The change is not as great among participants from United Kingdom, although, of all market areas and countries we see that proportionally most participants from United Kingdom fall under that category.

Compared to this time last year, how are the number of bookings with arrivals to Iceland this winter season for your company?



Top positive factors for the development of tourism in Iceland



Question: In your opinion, what are the top five positive factors for the development of tourism in Iceland this year? (Please select up to 5 factors); Marketing efforts / promotion, Safety of the destination, Increase in air connections / supply, Sustainability of the destination, Tourism policy of the destination, Trendy destination, Price level / currency, Availability of service from local suppliers (e.g. accommodation, tours, restaurants, etc.), Level of service and quality from local suppliers, Growth in tourism in Iceland, General growth in outbound tourism in source market, Competing destinations, Other, please specify

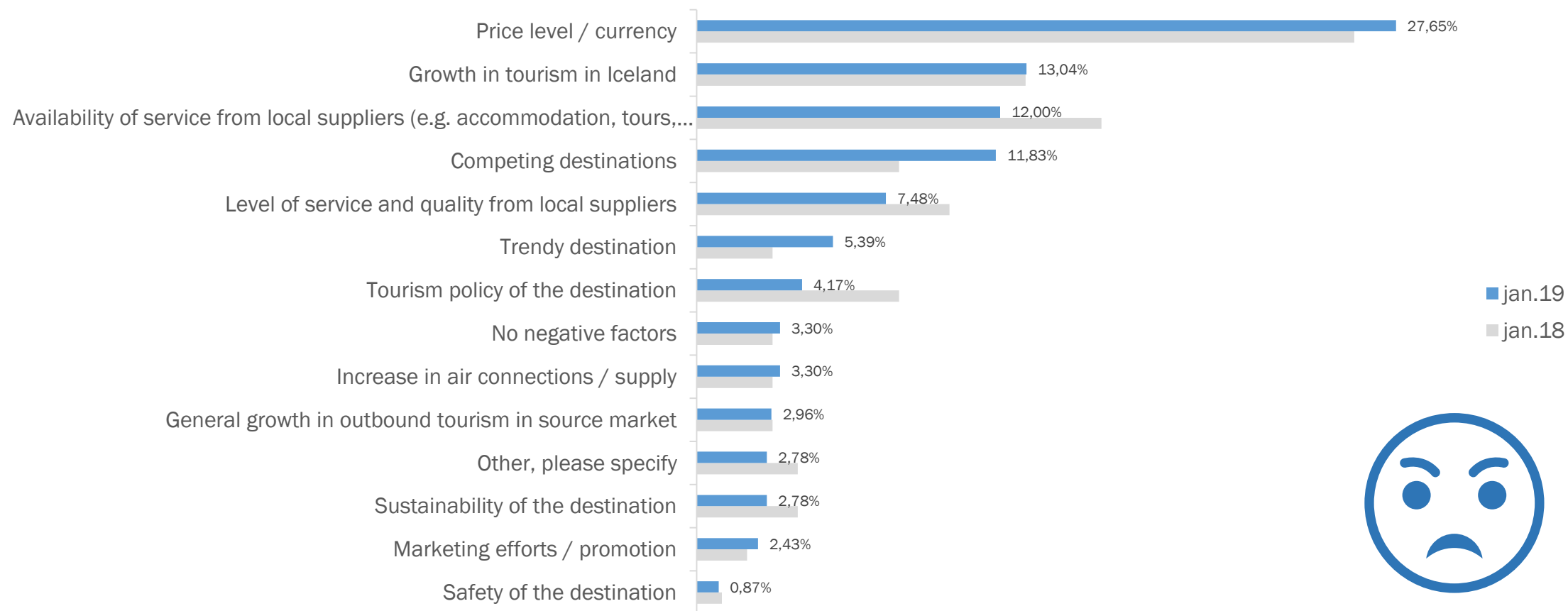
Top positive factors for the development of tourism in Iceland

Market breakdown

	All countries	N-America	Central & S-Europe	Nordic countries	Other countries	United States	United Kingdom	Germany
Safety of the destination	15,96%	15,70%	17,46%	17,14%	11,83%	15,00%	17,31%	22,92%
Trendy destination	15,43%	15,29%	15,56%	17,14%	13,98%	16,11%	17,31%	18,75%
Increase in air connections / supply	11,44%	11,98%	11,11%	5,71%	12,90%	12,22%	9,62%	4,17%
Growth in tourism in Iceland	9,18%	9,50%	6,98%	20,00%	9,68%	9,44%	13,46%	0,00%
Availability of service from local suppliers	8,78%	14,46%	5,40%	0,00%	7,53%	15,00%	11,54%	4,17%
Level of service and quality from local suppliers	7,71%	5,79%	7,62%	8,57%	11,83%	5,56%	7,69%	2,08%
Marketing efforts / promotion	7,45%	5,37%	10,16%	5,71%	3,23%	6,67%	7,69%	14,58%
Sustainability of the destination	7,31%	8,68%	6,98%	2,86%	7,53%	8,33%	7,69%	6,25%
Price level / currency	6,12%	5,37%	7,30%	8,57%	5,38%	0,56%	1,92%	12,50%
Tourism policy of the destination	3,46%	3,31%	3,81%	8,57%	3,23%	4,44%	0,00%	4,17%
General growth in outbound tourism in source market	2,53%	0,41%	3,81%	0,00%	6,45%	2,22%	0,00%	2,08%
Competing destinations	1,99%	2,48%	0,95%	5,71%	3,23%	3,33%	0,00%	2,08%
Other, please specify	1,46%	1,24%	0,95%	0,00%	3,23%	1,11%	3,85%	2,08%
No positive factors	1,20%	0,41%	1,90%	0,00%	0,00%	0,00%	1,92%	4,17%

Question: In your opinion, what are the top five positive factors for the development of tourism in Iceland this year? (Please select up to 5 factors); Marketing efforts / promotion, Safety of the destination, Increase in air connections / supply, Sustainability of the destination, Tourism policy of the destination, Trendy destination, Price level / currency, Availability of service from local suppliers (e.g. accommodation, tours, restaurants, etc.), Level of service and quality from local suppliers, Growth in tourism in Iceland, General growth in outbound tourism in source market, Competing destinations, Other, please specify

Top negative factors for the development of tourism in Iceland



Question: In your opinion, what are the top five negative factors for the development of tourism in Iceland this year? (Please select up to 5 factors); Marketing efforts / promotion, Safety of the destination, Increase in air connections / supply, Sustainability of the destination, Tourism policy of the destination, Trendy destination, Price level / currency, Availability of service from local suppliers (e.g. accommodation, tours, restaurants, etc.), Level of service and quality from local suppliers, Growth in tourism in Iceland, General growth in outbound tourism in source market, Competing destinations, Other, please specify

Top negative factors for the development of tourism in Iceland

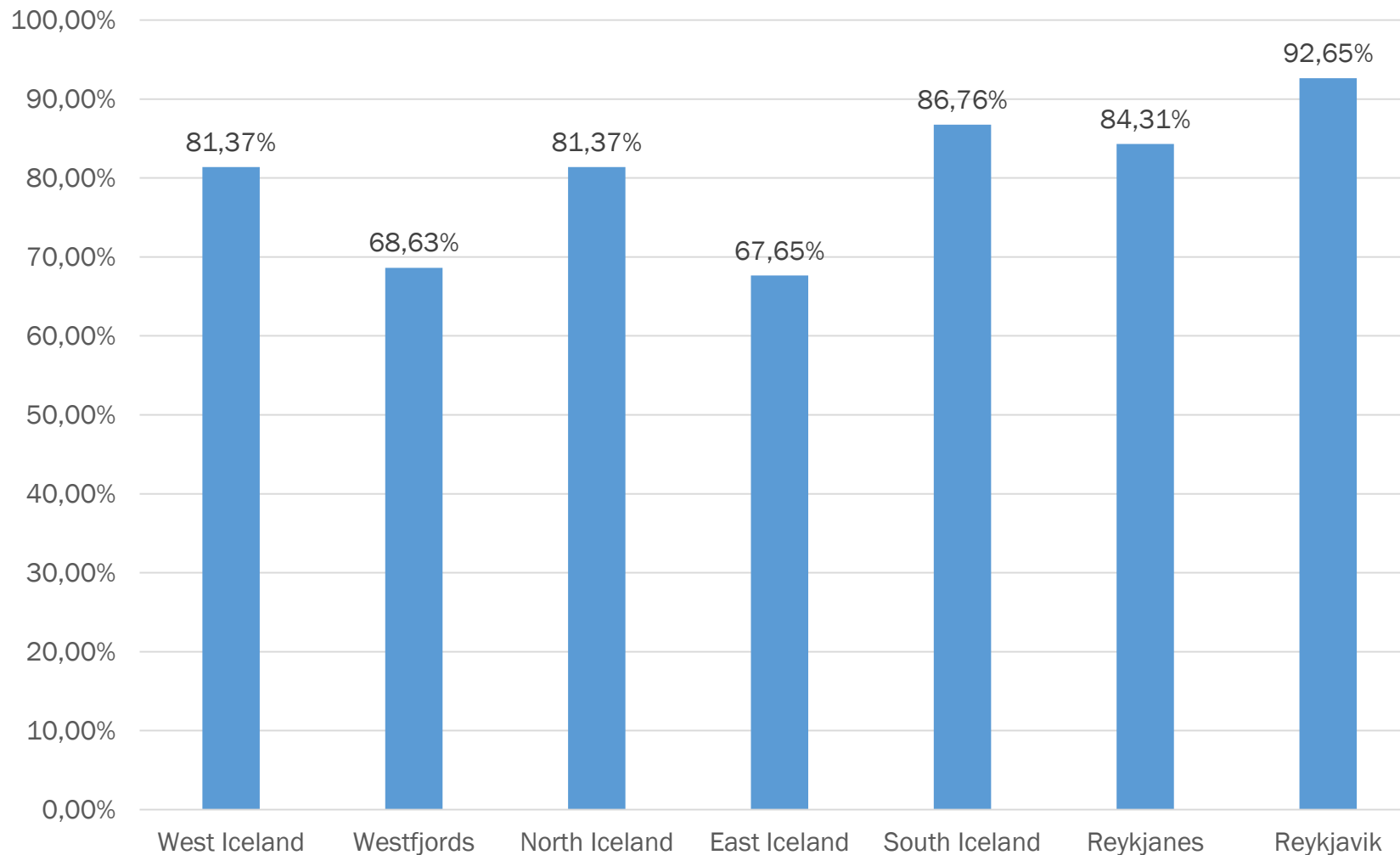
Market breakdown

	All countries	N-America	Central & S-Europe	Nordic countries	Other countries	United States	United Kingdom	Germany
Price level / currency	28,20%	26,23%	29,05%	30,77%	38,89%	27,08%	25,97%	27,27%
Growth in tourism in Iceland	13,74%	9,02%	17,32%	19,23%	5,56%	9,38%	12,99%	16,36%
Availability of service from local suppliers	13,27%	16,39%	9,50%	11,54%	16,67%	17,71%	16,88%	1,82%
Competing destinations	9,72%	10,66%	7,26%	19,23%	11,11%	10,42%	10,39%	5,45%
Level of service and quality from local suppliers	8,77%	6,56%	10,61%	3,85%	5,56%	7,29%	10,39%	12,73%
Trendy destination	5,69%	1,64%	10,06%	0,00%	0,00%	0,00%	5,19%	18,18%
Tourism policy of the destination	4,27%	6,56%	2,23%	3,85%	5,56%	6,25%	5,19%	5,45%
No negative factors	3,32%	4,10%	3,35%	3,85%	0,00%	3,12%	2,60%	3,64%
Increase in air connections / supply	3,32%	10,66%	0,00%	0,00%	5,56%	11,46%	0,00%	0,00%
General growth in outbound tourism in source market	2,61%	2,46%	2,23%	3,85%	0,00%	2,08%	3,90%	5,45%
Other, please specify	2,37%	2,46%	3,35%	3,85%	0,00%	2,08%	0,00%	0,00%
Sustainability of the destination	2,37%	0,82%	3,35%	0,00%	5,56%	0,00%	2,60%	1,82%
Marketing efforts / promotion	1,66%	1,64%	1,12%	0,00%	5,56%	2,08%	2,60%	1,82%
Safety of the destination	0,71%	0,82%	0,56%	0,00%	0,00%	1,04%	1,30%	0,00%

Question: In your opinion, what are the top five negative factors for the development of tourism in Iceland this year? (Please select up to 5 factors); Marketing efforts / promotion, Safety of the destination, Increase in air connections / supply, Sustainability of the destination, Tourism policy of the destination, Trendy destination, Price level / currency, Availability of service from local suppliers (e.g. accommodation, tours, restaurants, etc.), Level of service and quality from local suppliers, Growth in tourism in Iceland, General growth in outbound tourism in source market, Competing destinations, Other, please specify

Knowledge of the Icelandic regions

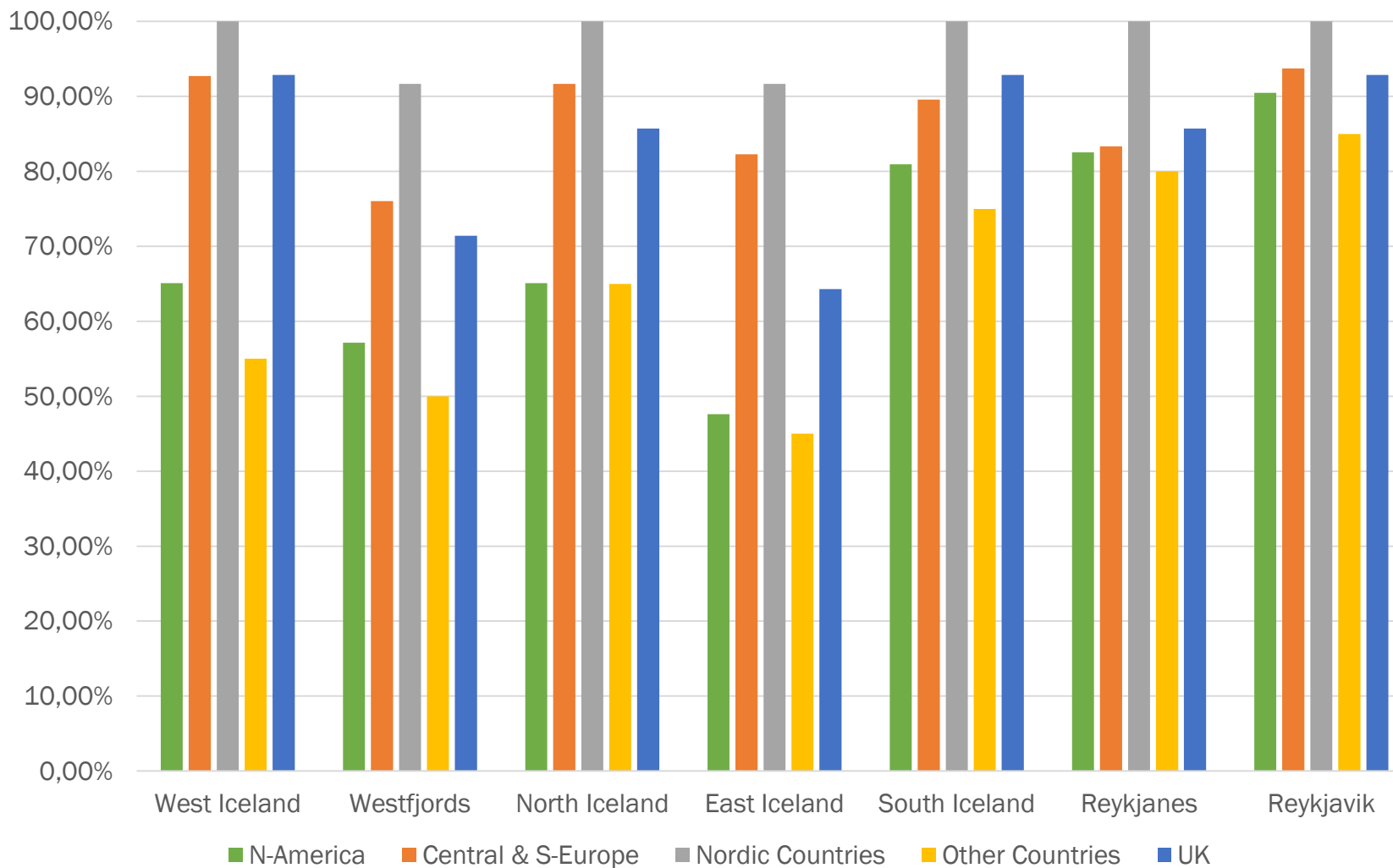
Which of these areas of Iceland are you aware of, or have you heard of?



Knowledge of the Icelandic Regions

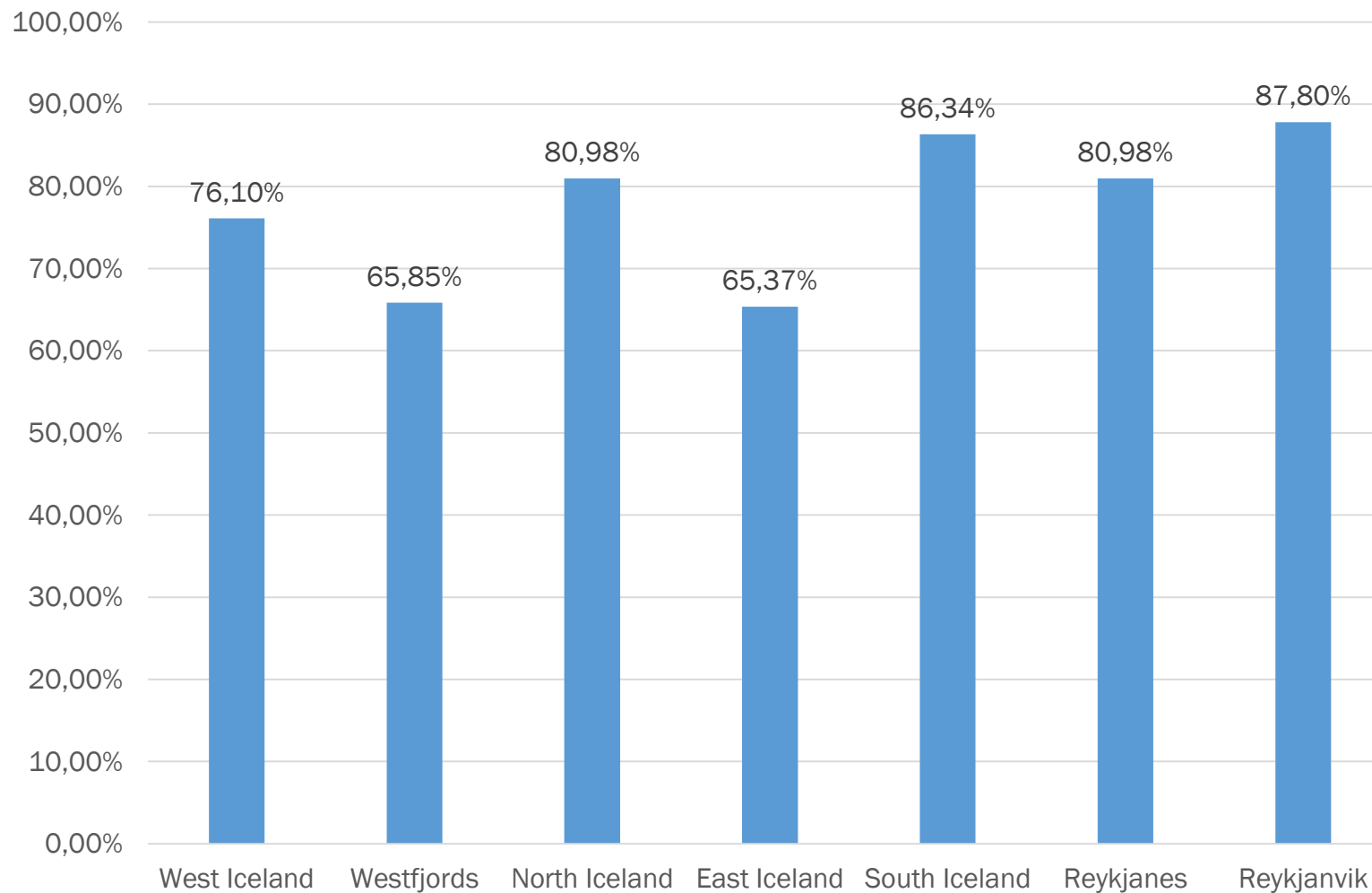
Market breakdown

Which of these areas of Iceland are you aware of, or have you heard of?



Interest in tour bookings to the regions

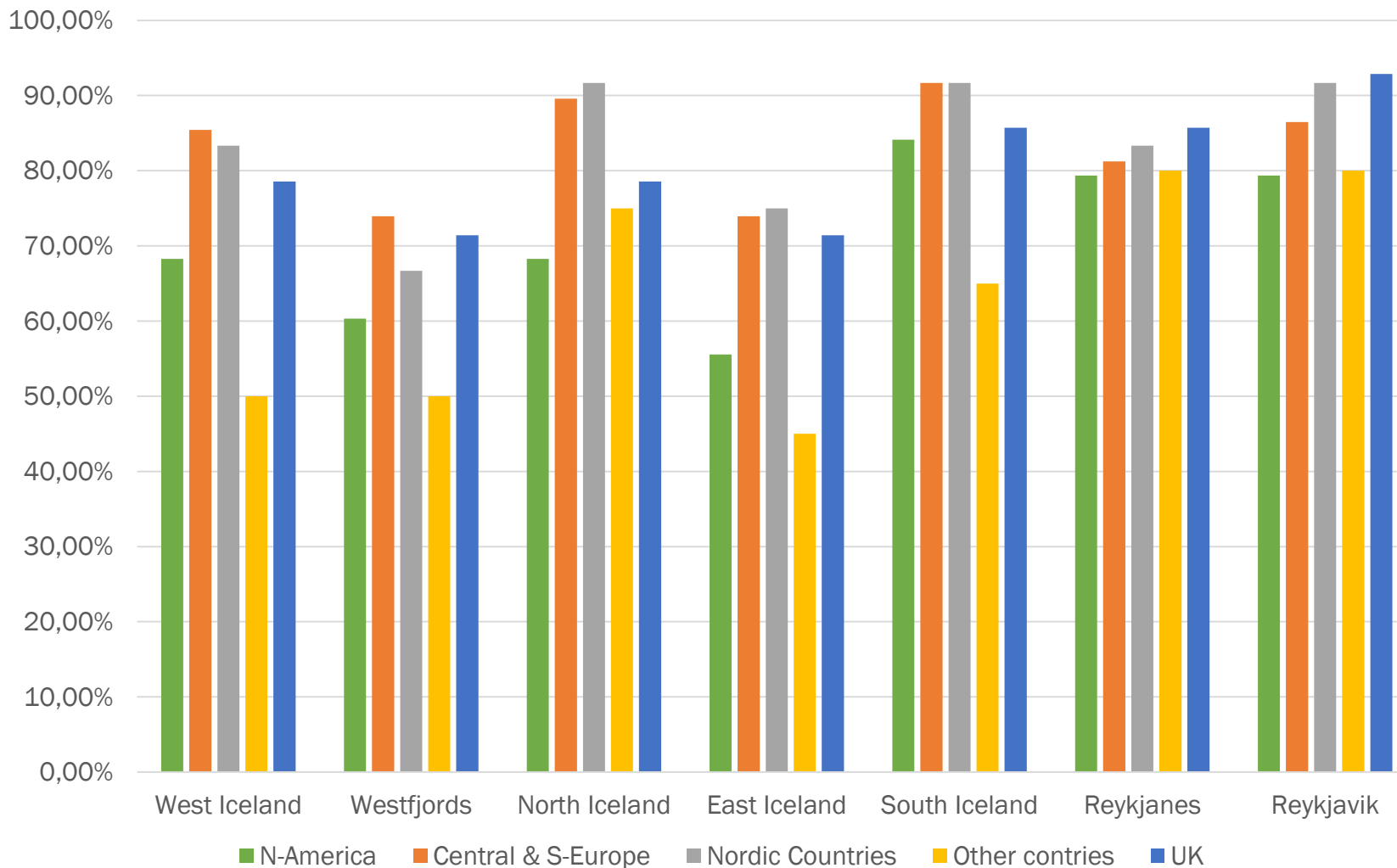
Which of these areas of Iceland would you consider offering travel packages for your customers?



Interest in tour bookings to the regions

Market breakdown

Which of these areas of Iceland would you consider offering travel packages for your customers?



Net Promoter Score (NPS)

What is the Net Promoter Score?

Net Promoter Score is a metric for customer experience and predicts business growth based on grouping customers into three categories: Promoters, Passive and Detractors.

For this survey foreign travel professionals are considered “customers”. They are grouped into categories based on how they responded to the question:

How likely are you to recommend Iceland as travel destination to a customer or a colleague?

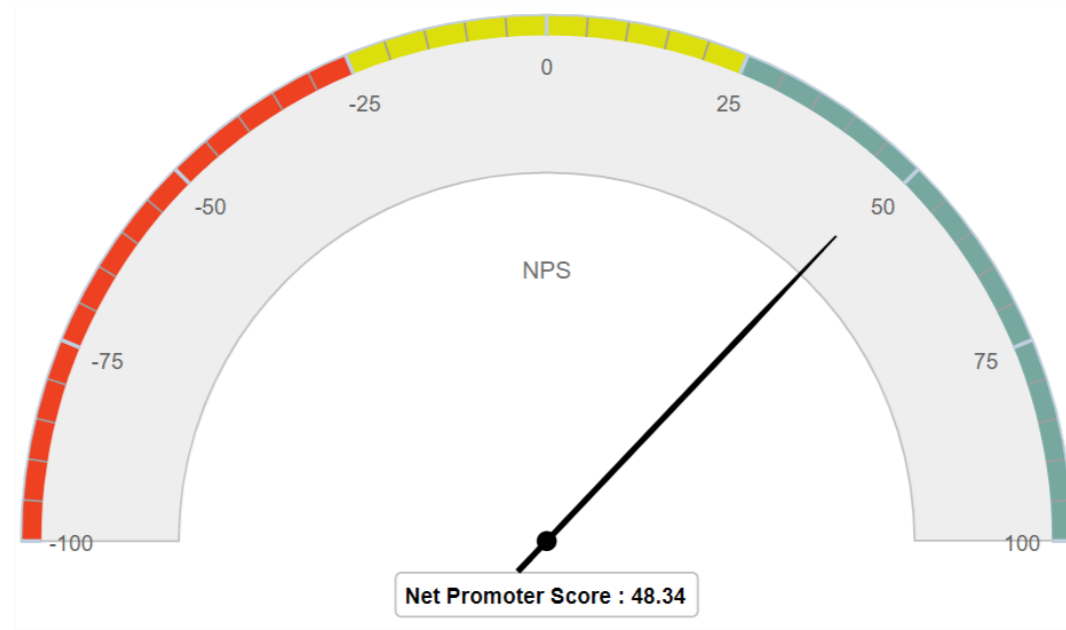
Responses are on a scale from 0 (very unlikely) to 10 (very likely) and the customers grouped into categories according to the illustration on the right.



Iceland's NPS is high among foreign operators

Foreign travel professionals' net promoter score towards Iceland as a destination measured quite high in January 2019, or 48,34 points. This is an increase of nearly five points from the year before. As a comparison it's worth pointing out that Icelandic industries' net promoter score has been measured from -84,5 to 31,6 points and only 11% of the measured companies measured with a positive net promoter score in 2016*.

61,14% of respondents said they were very likely to recommend Iceland as a destination to their customers or colleagues, 26,07% said were satisfied with the destination but unenthusiastic about recommending Iceland as the destination while 12,80% said they were not satisfied and therefore unlikely to recommend Iceland as a destination.



On a scale from 0-10, how likely are you to recommend Iceland as travel destination to a customer or a colleague?

Answers	Number	Proportion	0% 20% 40% 60% 80%
Promoters (9-10)	125	61,14%	<div style="width: 61.14%;"></div>
Passives (7-8)	55	26,07%	<div style="width: 26.07%;"></div>
Detractors (0 - 6)	25	12,8%	<div style="width: 12.8%;"></div>
Altogether	211	100%	

NPS

Market breakdown

Survey from January 2019

Overall the NPS score for Iceland as a travel destination is high (NPS 48,3) and it's even higher than last year.

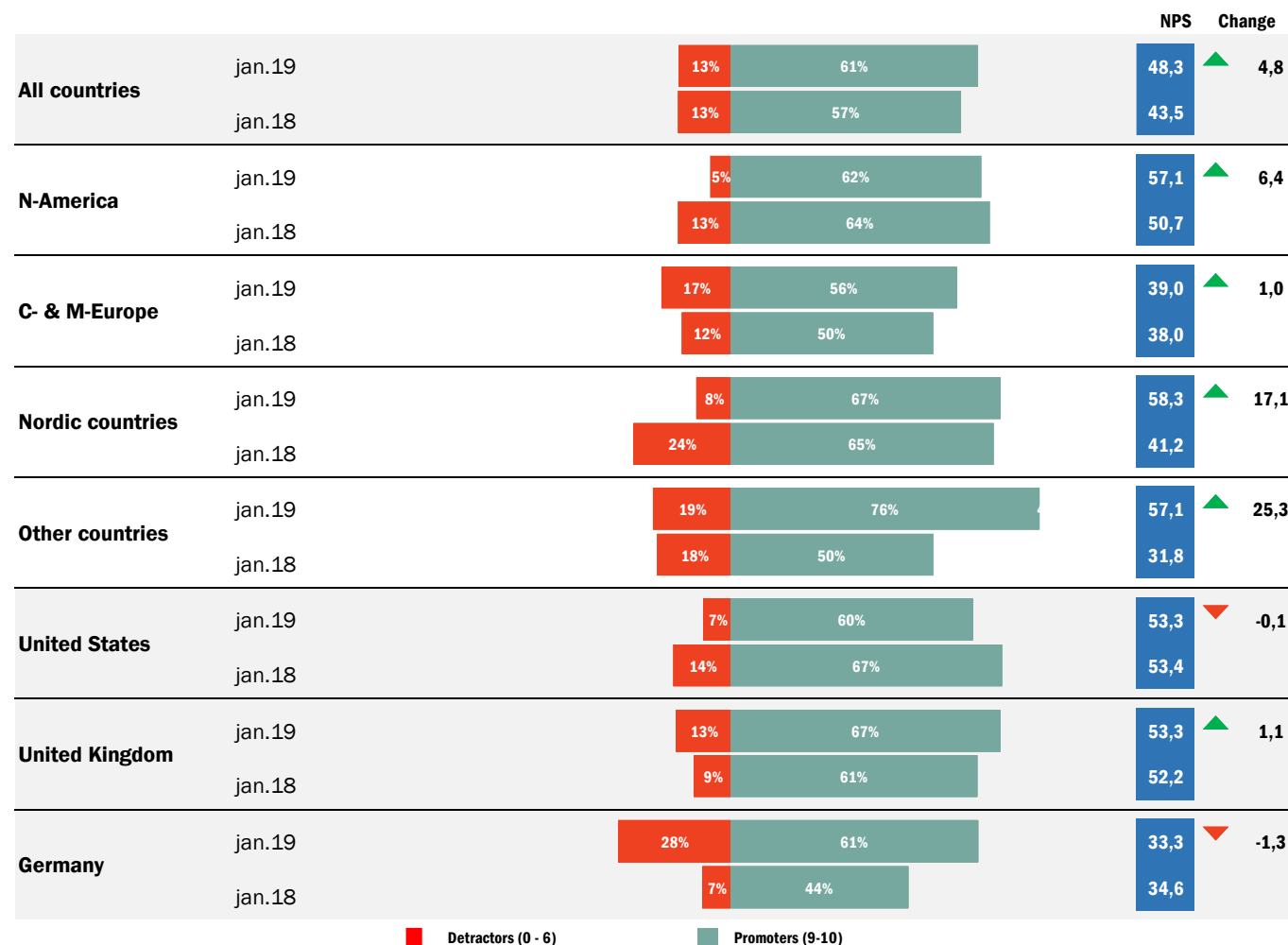
The NPS score varies between market areas but in this survey it's highest among participants from the Nordic countries (NPS 58,3) although participants from N-America and "other countries" follow swiftly.

Comparison with last year's survey

The greatest positive change from last year's survey is among participants from "other countries" (+25,3) and the Nordic countries (+17,1). For participants from the Nordic countries the higher score is a result of a shift from detractors to neutrals while the shift is from neutrals to promoters among participants from "other countries".

The only negative changes detected were among participants from Germany (-1,3) and United States (-0,1). The NPS score is still high among participants from both countries.

On a scale from 0-10, how likely are you to recommend Iceland as travel destination to a customer or a colleague?



■ Detractors (0 - 6)

■ Promoters (9-10)

Why are those that are **negative** towards Iceland not recommending the destination?

“Price too high for the quality of the services.”

“Great place, but far too expensive”

“Too many competitors offering same products.”

What would it take to make those that are **neutral** more likely to recommend Iceland as a destination?

*“...better attitude
towards travel
companies and tourists”*

*“There are too many tourists,
resulting in surly land operations and
a lessening quality of hotel, staff and
product, so, most likely a limit to
tourists”*

***“Prices need to stop
increasing so much.”***

***“Increased availability
of services to increase
availability and help
reduce costs of travel.”***

*“More knowledge of the
destination through
FAM trip”*

Why are those that are **positive** towards Iceland recommending the destination?

“For the welcome and kindness of the people...”

“It still trendy and hot. It's a bucket list destination for some.”

***“breath taking nature,
beautiful country,”***

“...easy to get to”

“because it's one of the most diverse countries in the world”

“It´s a beautiful, impressive and safe country to visit.”

RESEARCH PREPARED BY PROMOTE ICELAND

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