



FOREIGN TRAVEL PROFESSIONAL SURVEY ABOUT ICELAND TOURISM

January 2018

Main findings

Iceland rates as a desirable destination and majority of the foreign operators have high expectations regarding bookings of their tours to Iceland.

79% of respondents experienced similar or increased sales of tours to Iceland in 2017 compared to 2016. This is an 5% increase from June 2017.

76% of respondents expect similar or increased bookings compared to last winter season (Sep'17-Apr'18). This is slightly less optimism compared to same time last year when additional 9% expected similar or increased bookings. Operators in N-America, in addition to distant markets ("other countries"), stand out regarding positive expectations while operators in the UK and Germany stand out regarding negative expectations. The German operators are expecting the greatest shift from last year.

77% of respondents are expecting similar or increased sales of tours to Iceland in 2018 compared to 2017. Operators in N-America and distant markets continue to show increased positivity compared to other market regions while more operators in Germany and the UK are expecting decreasing bookings.

The main positive factors to move Icelandic tourism forward in 2018 are, according to respondents, how trendy the destination is (17%), the destination's safety (16%), increased air connections (13%) and marketing (10%). The price level (28%) was however most often mentioned as a negative factor followed by availability of service from local suppliers (15%), growth in tourism in Iceland (13%) and competing destinations (10%).



Fieldwork summary

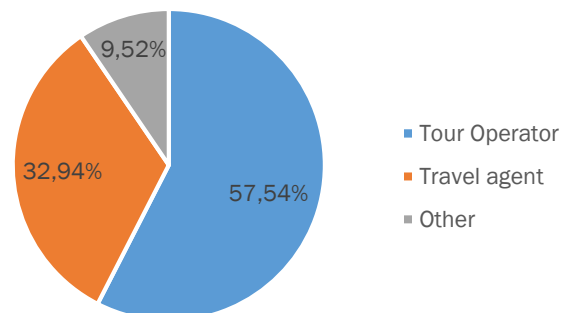
Promote Iceland carried out an attitude survey in January 2018 amidst foreign travel professionals that sell tours to Iceland. Their outlook on the development of Icelandic tourism and prospects regarding sales of tours to Iceland were surveyed. A comparable survey was carried out in December 2016 and June 2017. The survey was sent by email to over 4000 travel professionals that sell tours to Iceland. Altogether 252 responses to the survey came through.

Fieldwork period: January 2018

Methodology: Online Survey

Sample: Foreign tour operators that offer tours to Iceland

Proportional breakdown of tour operators by categories:



Started survey	Finished survey	Response rate
252	228	90,48%

Market area	Country	Number	Proportion	
N-AMERICA (82 respondents)	Canada	20	7,94%	
	United States of America	62	24,60%	
CENTRAL AND SOUTH EUROPE (96 respondents)	Austria	1	0,40%	
	Belgium	5	1,98%	
	France	7	2,78%	
	Germany	28	11,11%	
	Italy	12	4,76%	
	The Netherlands	10	3,97%	
	Spain	18	7,14%	
	Swiss	15	5,95%	
NORDIC COUNTRIES (25 respondents)	Norway	6	2,38%	
	Denmark	8	3,17%	
	Finland	4	1,59%	
	Sweden	7	2,78%	
UNITED KINGDOM (27 respondents)	UK	27	10,72%	
Other countries (22 respondents)	Australia	0	0,00%	
	China	0	0,00%	
	Hong Kong	3	1,19%	
	India	3	1,19%	
	Japan	1	0,40%	
	Russia	3	1,19%	
	Singapore	1	0,40%	
	Other*	11	4,37%	
	Altogether:		252	

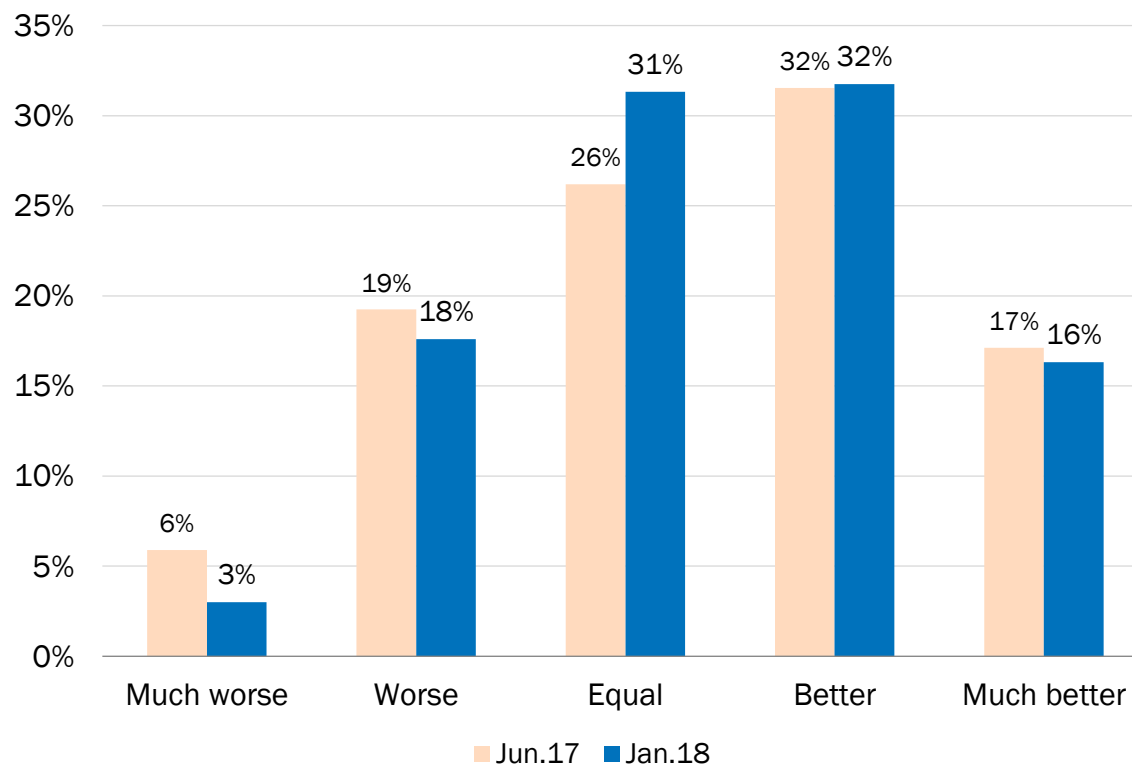
*Thailand (1), Lithuania (1), Malaysia (3), Estonia (1), Poland (3), Latvia (1), Hungary (1)

Tour bookings to Iceland in 2017

79% of respondents reported similar or increased number of bookings to Iceland in 2017 compared to 2016

(+5% from the survey in June 2017)

Compared to 2016, how are the number of bookings to Iceland with arrivals in 2017 for your company?



Bookings of tours to Iceland in 2017

Market breakdown

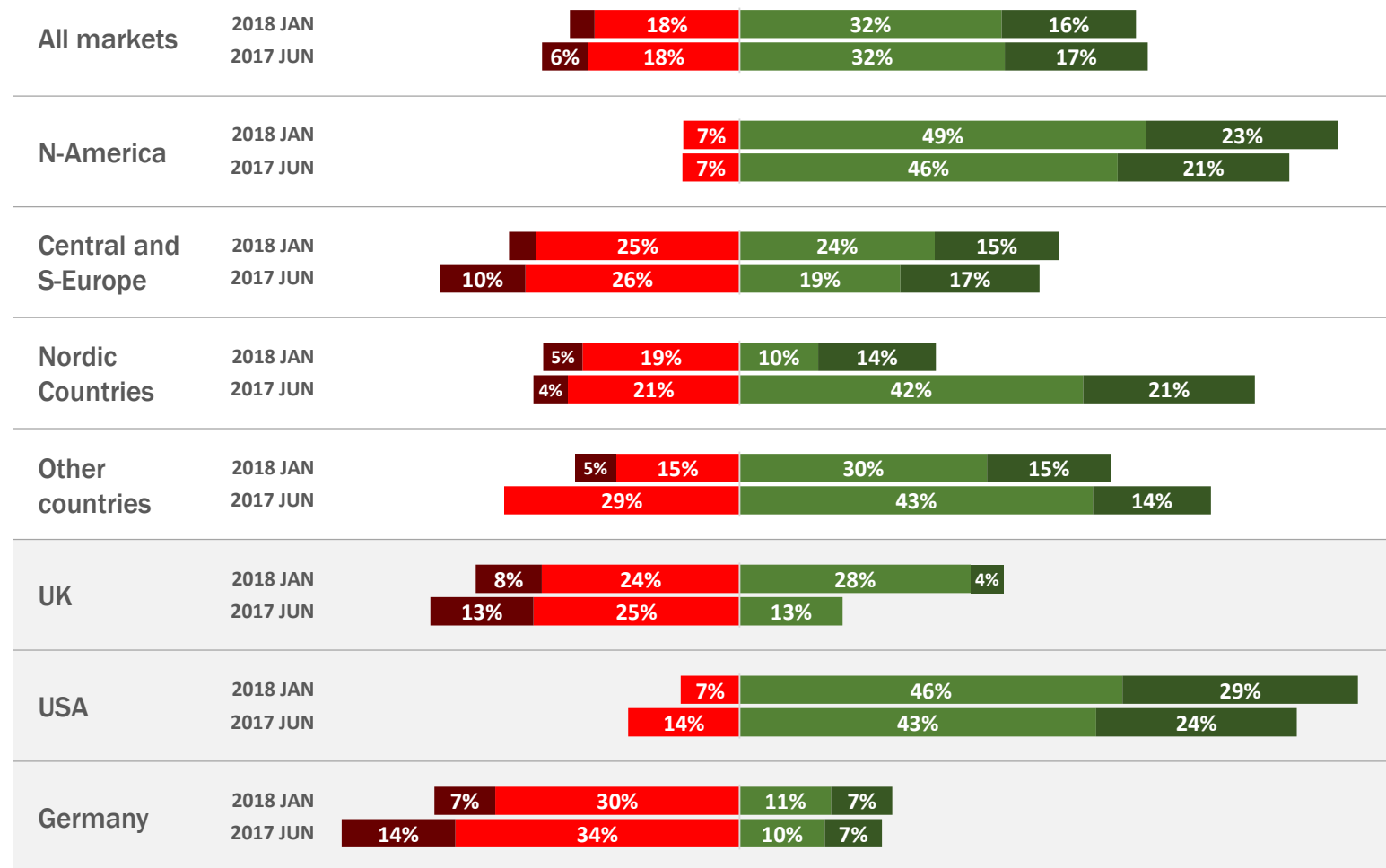
Overall the results from the N-American market were more positive than in other market regions as 93% of their respondents reported similar or increased number of bookings.

In the Nordic Countries 75% of respondents reported similar or increased number of bookings. The overall result is similar to what it was in the survey conducted in June 2017 although a lot less (40%) experienced increased number of bookings.

In the UK 68% of respondents experienced similar or increased number of bookings which is an additional 6% from the survey in June 2017.

The trend is similar in Central and Southern Europe as 72% of respondents experienced similar or increased number of bookings in 2017. Looking closer at individual countries Germany stands out regarding negative prospects. Only 18% of German operators experienced increased number of bookings compared to 39% of respondents from Central and Southern Europe as a whole.

Compared to 2016, how are the number of bookings to Iceland with arrivals in 2017 for your company?



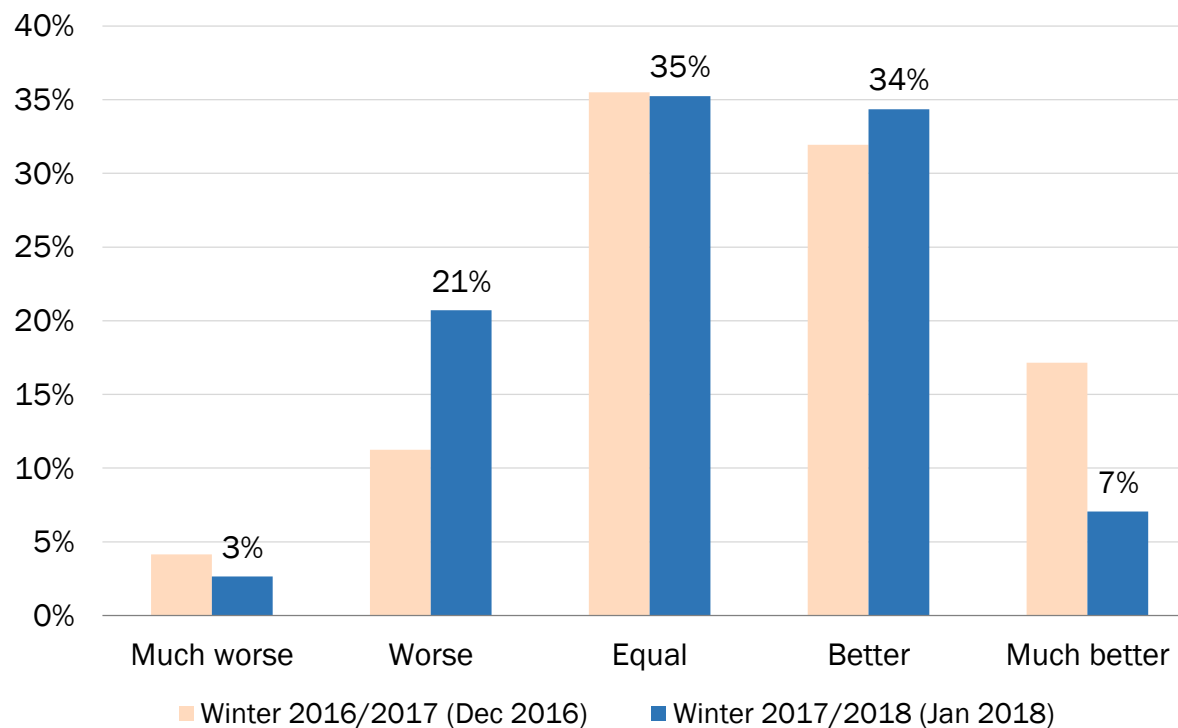
■ Much worse ■ Worse ■ Better ■ Much better

Expectations about bookings to Iceland in winter 2017/2018

Compared to last winter season, what is your company's prospects for bookings to Iceland for arrivals this winter season (September 2017 - April 2018)?

76% of respondents expect equal or better number of bookings to Iceland in winter 2017/2018

(-9% from last survey in December 2016)



Expectations about bookings to Iceland in winter 2017/2018

Market breakdown

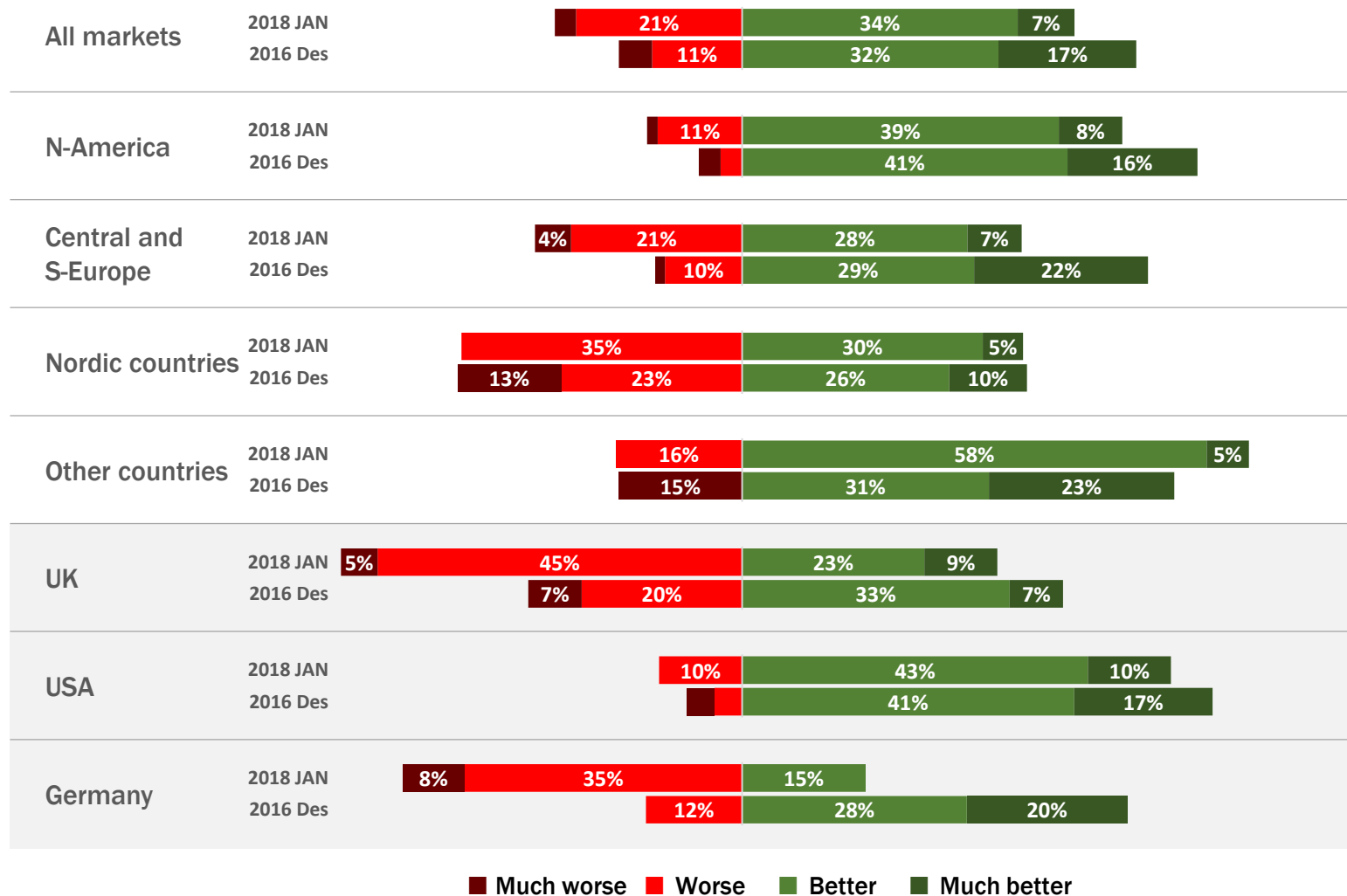
Positive prospects for bookings to Iceland this winter season were apparent in most market regions.

The N-American market region, in addition to distant market regions (“other countries”), stands out regarding the positive prospects. A slight shift was though detected between years in those regions, negative for the N-American but positive for distant market regions.

The UK and Germany however stand out regarding the negative prospects. Half of the respondents from the UK expected fewer bookings for this passing winter, which is quite a big dip from previous winter season. The German respondents had an even greater turnaround with 43% of them expecting fewer booking this passing winter compared to 12% previous winter season.

For the Nordic respondents the prospects remain quite similar between years and if anything, they were slightly less negative for this passing winter season. In the Nordic market region equally many respondents expected increase and decrease in bookings.

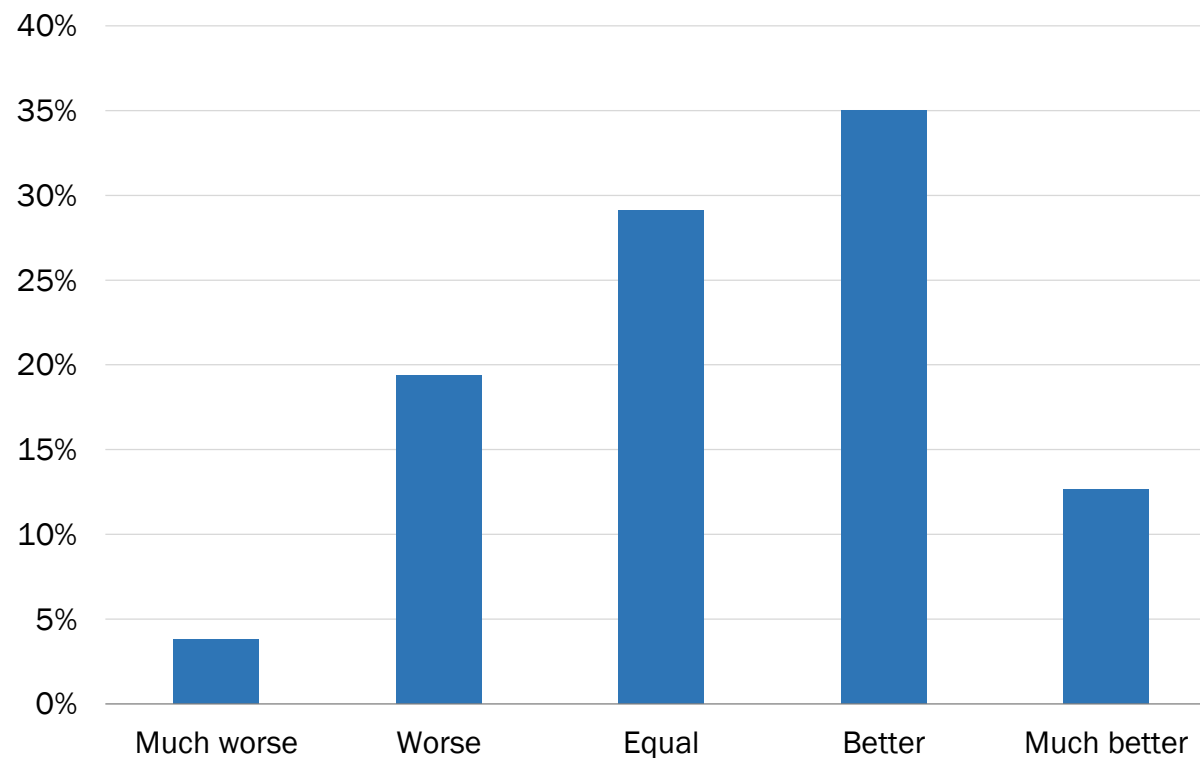
Compared to last winter season, what is your company’s prospects for bookings to Iceland for arrivals this winter season (September 2017 - April 2018)?



Prospects for bookings to Iceland in 2018

77% of respondents expect equal or better number of bookings to Iceland in 2018

What is your company's prospects for bookings to Iceland with arrivals in 2018?



Prospects for bookings to Iceland in 2018

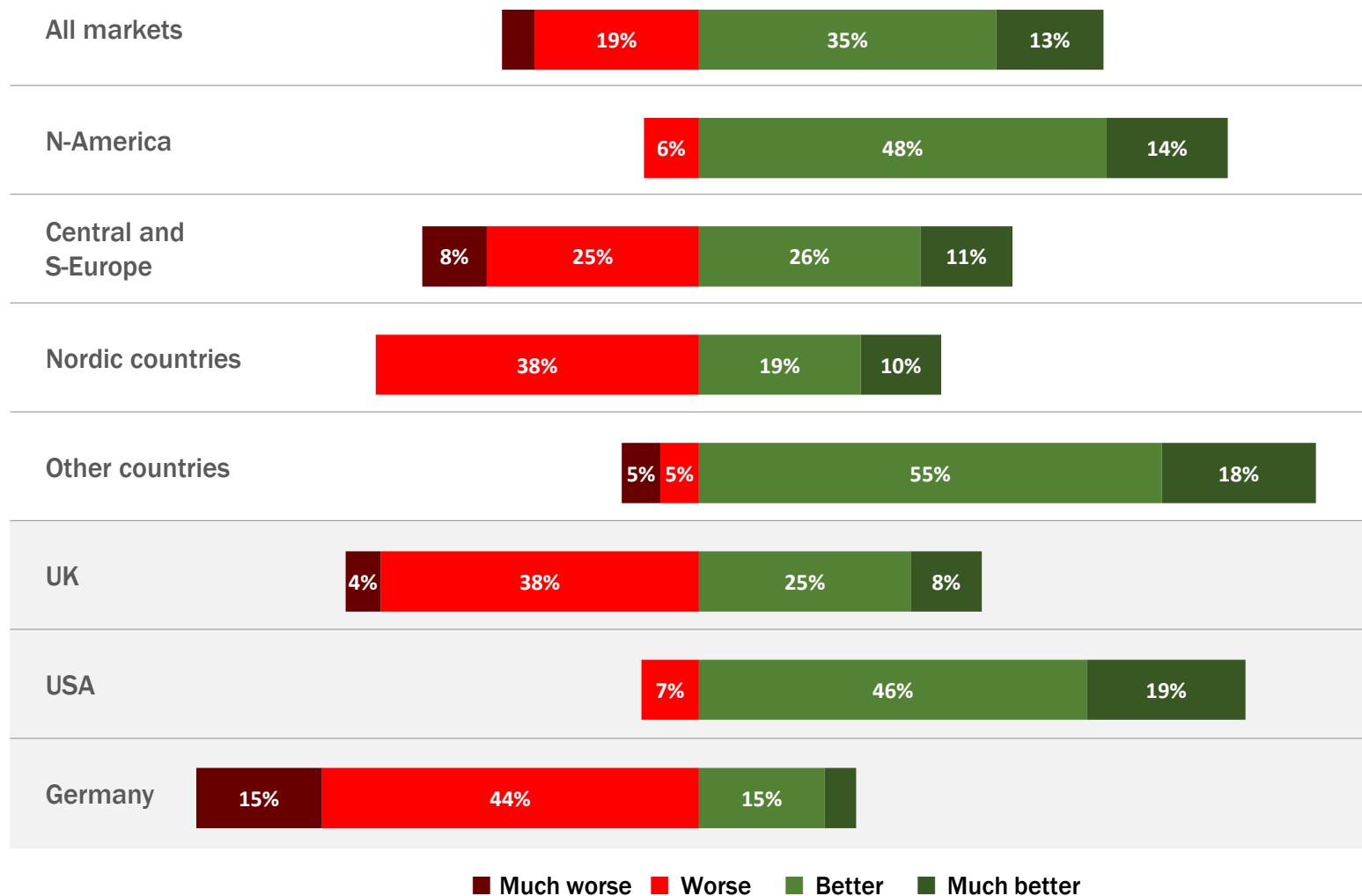
Market breakdown

Overall most respondents (77%) expect similar or increased bookings to Iceland in 2018.

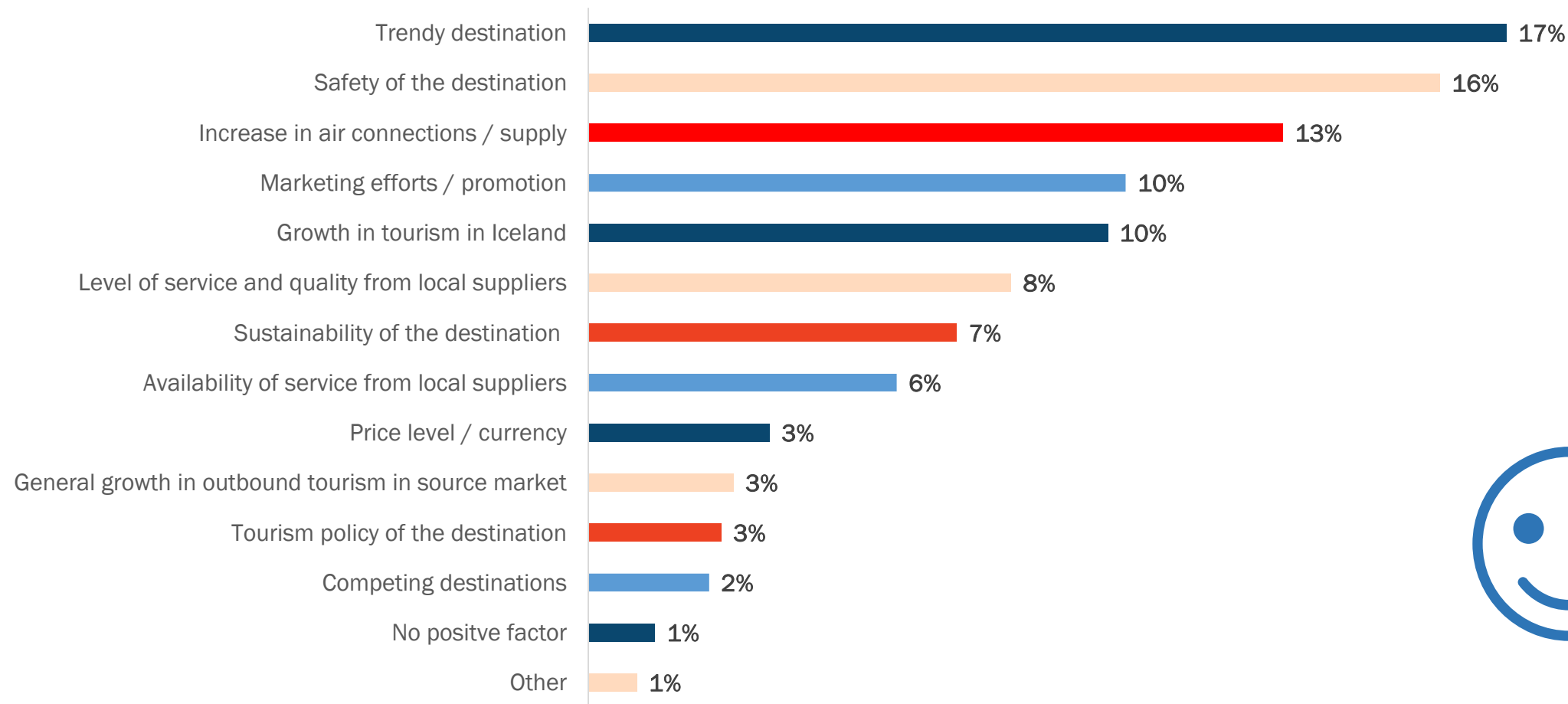
Respondents from N-America and distant markets continue to show greater prospects compared to other market regions.

According to respondents from the Nordic countries as well as Central and Southern Europe the prospects are similar to the survey conducted in Dec 16, apart from Germany where over half of respondents (59%) expect fewer bookings. Respondents from the UK are not far behind the German respondents as nearly half of them (42%) expect fewer bookings in 2018.

What is your company's prospects for bookings to Iceland with arrivals in 2018?

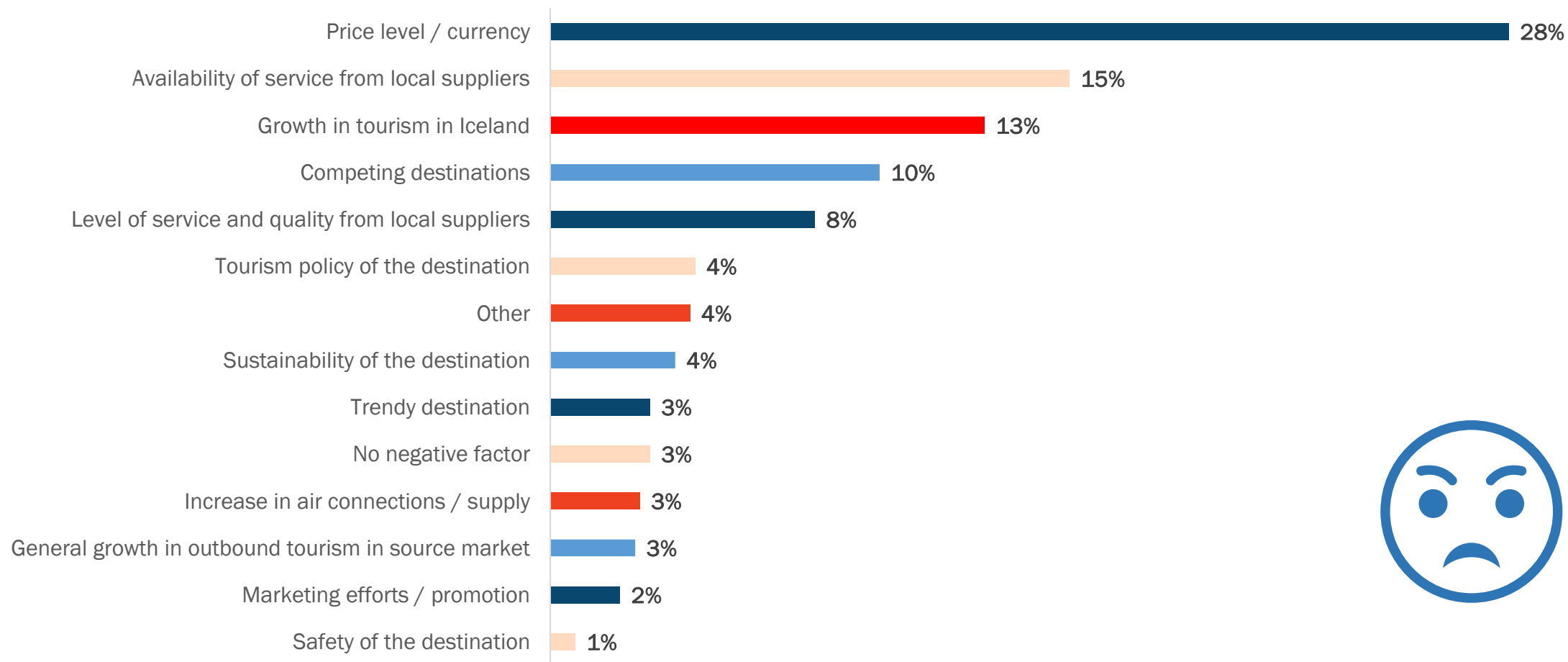


Top positive factors for the development of tourism in Iceland



*In your opinion, what are the top five positive factors for the development of tourism in Iceland this year?

Top negative factors for the development of tourism in Iceland



*In your opinion, what are the top five negative factors for the development of tourism in Iceland this year?

RESEARCH PREPARED BY PROMOTE ICELAND

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