



Key Figures for Norwegian Tourism 2017

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Contents

Yet another record year for the Norwegian tourism industry	4
1. Key Figures	6
2. International tourism and Norway's market share	13
3. The tourism year	23
4. Expenditure linked to trips in Norway	43
5. What holidaymakers are like	51
6. Perceptions of Norway as a holiday destination and the development of the Norway brand	67
7. Norwegians' holiday habits	73
8. Cruise	78
9. International meetings	79
10. Innovation Norway in brief	80
11. Methodology	81
12. Definitions	82

Yet another record year for the Norwegian tourism industry

Figures from the World Tourism Organization (UNWTO) show that 2017 was the seventh year in a row with major growth in international tourism.

In total there were 1.32 billion international tourist arrivals around the world. This constitutes 7% more than in 2016, and represents 83 million more trips across national borders. The increase in the volume of travel across national borders demonstrates the robustness of the industry. Despite economic and political unrest, terrorism and natural disasters, people are increasingly interested in experiencing new places and cultures. The competition for tourists is global. The world is perceived as smaller and almost every nook and cranny is now accessible to tourists.

2017 was yet another record-breaking year for Norwegian tourism, but growth was not distributed equally throughout the year or throughout the country

Tourism provides greater prosperity, economic growth and employment throughout the world, but the economic benefits of tourism are not shared equally. And neither are they in Norway. Traditionally, the Norwegian tourism industry is largely seasonal, with more than half of all overnight stays limited to the summer months of May to August.

This trend was further enhanced in 2017. The tourism industry was profitable this year thanks to a good summer season. Figures from Statistics Norway show that 66% of the growth in the number of commercial overnight

stays was in the summer season. This means that 52.4% of total overnight stays was in the four summer months. Nor was the growth in the summer months evenly distributed throughout the country. To a large extent, it was concentrated around Fjord Norway and Northern Norway. So Norway was far from full, but the challenge we face is that a limited number of destinations have a lot of visitors during a few weeks of the year.

Level is high

Viewing the year and the country as a whole, we observe that we are managing to sustain the level of considerable growth that the country has experienced in recent years. Compared to 2005, prior to the financial crisis, there are now seven million more commercial overnight stays in Norway. This is an increase of 27 percent. Fewer than five million of these are Norwegian, and more than two million are from foreign countries.

Norway is highly competitive and is one of the safest travel destinations in the world

Norway remained highly competitive in 2017. The Norwegian krone has been relatively weak compared to many other currencies, which means that foreign tourists get more value for their money during their stay. Innovation Norway's own surveys show that interest in Norway as a holiday



Photo: Astrid Waller/Innovation Norway.

Margrethe Helgebostad
Market insight, tourism

destination continues to rise in important foreign markets. This is also reflected in an increase in online searches for Norway as a holiday destination. Searches have increased by 16 percent from 2016 to 2017. While figures from IPC International show that Norway is still considered one of the safest travel destinations in the world.

Simplified key figures

The purpose of the key figures brochure is to provide a simplified introduction to the key figures for Norwegian travel and tourism. Here you can read how Norwegian travel and tourism is developing in a global perspective, and the importance of the tourism industry for the Norwegian economy and job market. The brochure also includes information on the tourists visiting Norway and how Norway is observed from a foreign perspective. Most of the data in the key figures brochure comes from surveys conducted by Innovation Norway. The Tourism Survey provides a great deal of information about Norwegian and foreign tourists in Norway. It is a year-round, nationwide survey in which both Norwegian and foreign leisure and business travellers are interviewed. An important aim of the survey is to document the importance of the tourism industry to the Norwegian economy. The results are also used to promote Norway as a holiday destination and to develop the Norwegian tourism product. Innovation Norway also conducts weekly surveys in its seven main markets in order to learn how various target groups view Norway as a holiday destination and how likely they are to choose to visit Norway. These surveys provide us with data on why people go on holiday, what it would take for them to book a holiday in Norway and whether our marketing campaigns are having the desired effect.

Assignment from the Government

The letter of assignment from the Norwegian Ministry of Trade, Industry and Fisheries states: "Innovation Norway will collect and compile statistics, further develop market data and other analyses and documents that are relevant to the tourism industry as well as actively disseminate information about markets and international trends in the tourism industry." Only a small excerpt from this is included in this brochure. More detailed information and full reports can be found on Innovation Norway's tourism website: visitnorway.no/innsikt.

Have fun reading!
Margrethe Helgebostad

Selling dreams and cultural understanding

The tourism industry is more than just an industry. It sells the dream of experiencing new places, meeting people and self-realisation. Whether the purpose of the trip is leisure or business, everyone wants to feel welcome and get on with the locals. Therefore, it is important that tourism does not spoil the environment or nature, or the quality of life enjoyed by those who live in the destination.

1. Key Figures

FOREIGNERS' contribution to the tourism industry increases significantly.

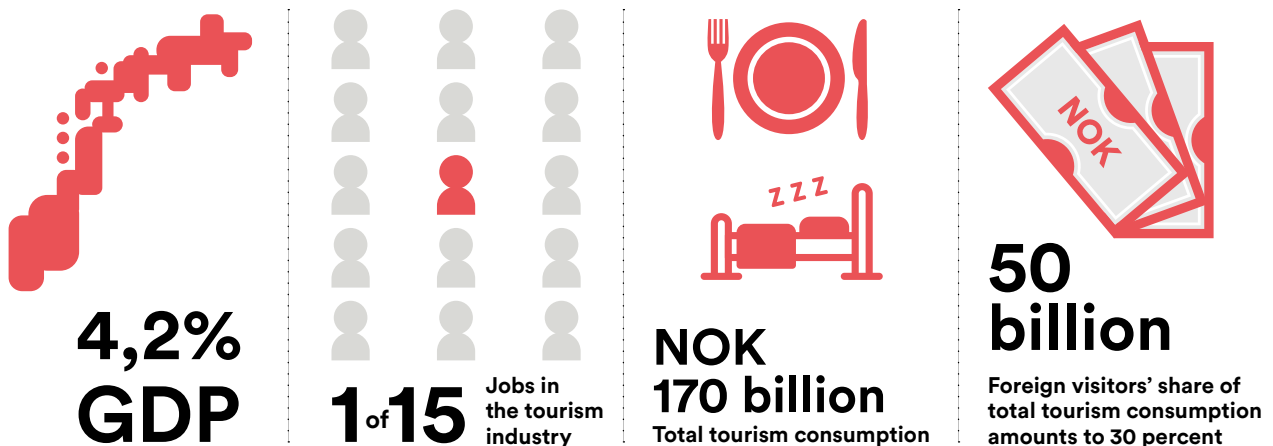
Figures from Statistics Norway show that total tourist consumption ended at NOK 170 billion in 2016, according to preliminary figures from Tourism Satellite Accounts. Foreign tourists increased their consumption by 7.4 percent from the previous year, measured in volume. This is the second consecutive year with strong growth, and for the two years in total the increase was more than 17 percent. There was a moderate growth in Norwegian domestic tourist consumption from 2015 to 2016 of 1.8 percent for leisure travel and one percent for business travel.

Most to accommodation providers and the food and beverage service industry

Half of the foreign tourists' spending was on the *tourism products* – accommodation, food and beverage services – and three out of ten kroner were spent on these, while two out of ten kroner were spent on transportation. The consumption of accommodation and food and beverage services increased more than the consumption of transportation services.

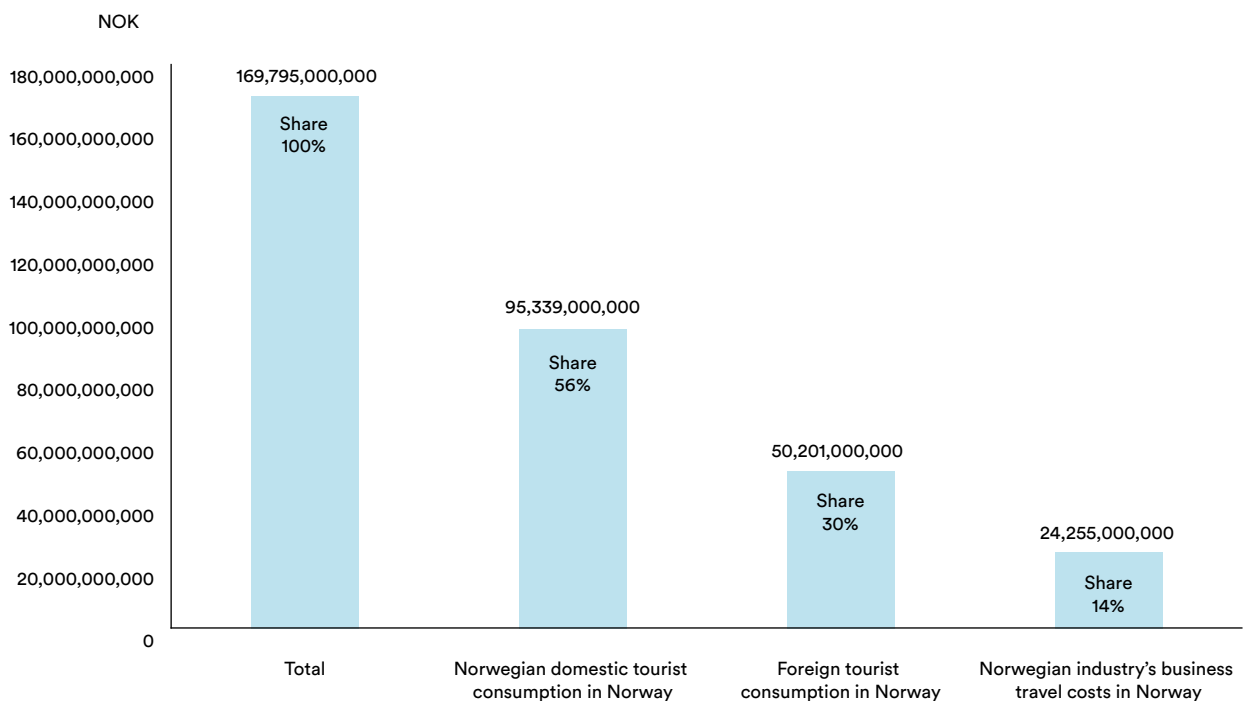
The somewhat weaker growth in transportation is partly due to foreign transport companies often being used for travel to Norway, and therefore revenues from this sector do not contribute to the Norwegian economy, Statistics Norway explains.

The importance of tourism for Norway



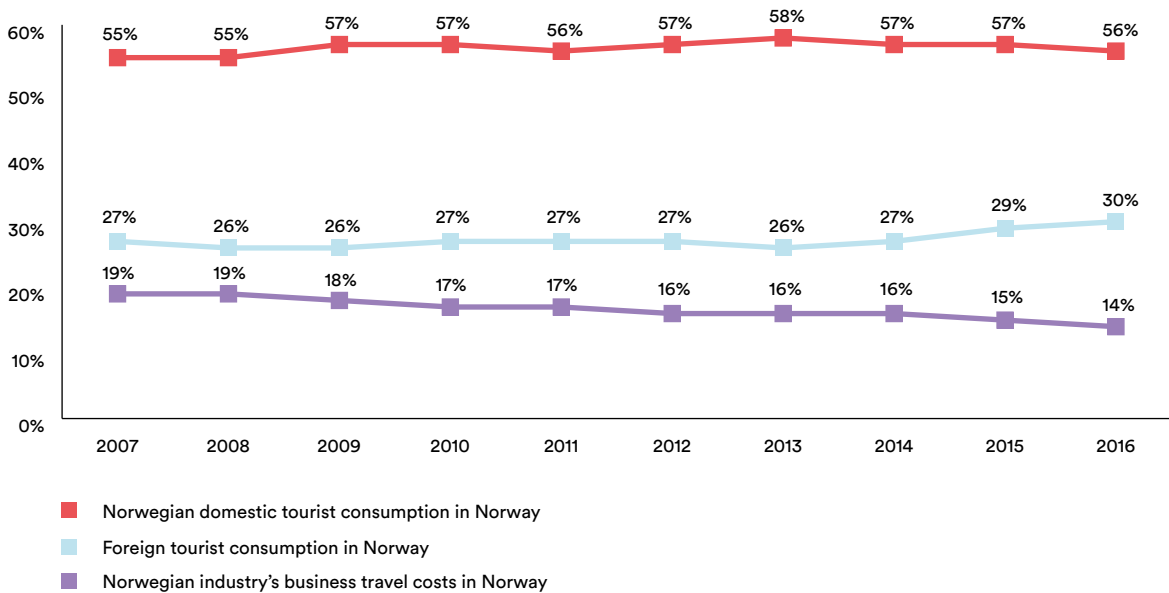
Tourism satellite accounts

The purpose of the satellite accounts is to say something about the economic effect of tourism on the Norwegian economy. The accounts are composed of three parts; foreign tourists' consumption in Norway, Norwegian domestic tourist consumption and Norwegian industry's costs of business travel in Norway. Total tourist consumption is estimated at NOK 170 billion for 2016.



Development in tourist consumption, by consumer group

Share of tourist consumption in Norway



In 2007, which was the year prior to the financial crisis, total tourist consumption was NOK 115.5 billion. Preliminary calculations for 2016 indicate a consumption of NOK 169.8 billion. The growth of 47 percent represents an increased revenue to Norway of NOK 54.3 billion. Foreign tourist consumption for 2016 is estimated to be in excess of 50 billion. This represents an overall increase of as much as NOK 19.5 billion and explains 36 percent of the growth for the period.

The number of foreign overnight stays increased from 8.3 million to 9.7 million for the same period. The growth of 17 percent, represents 1.4 million more commercial overnight stays.

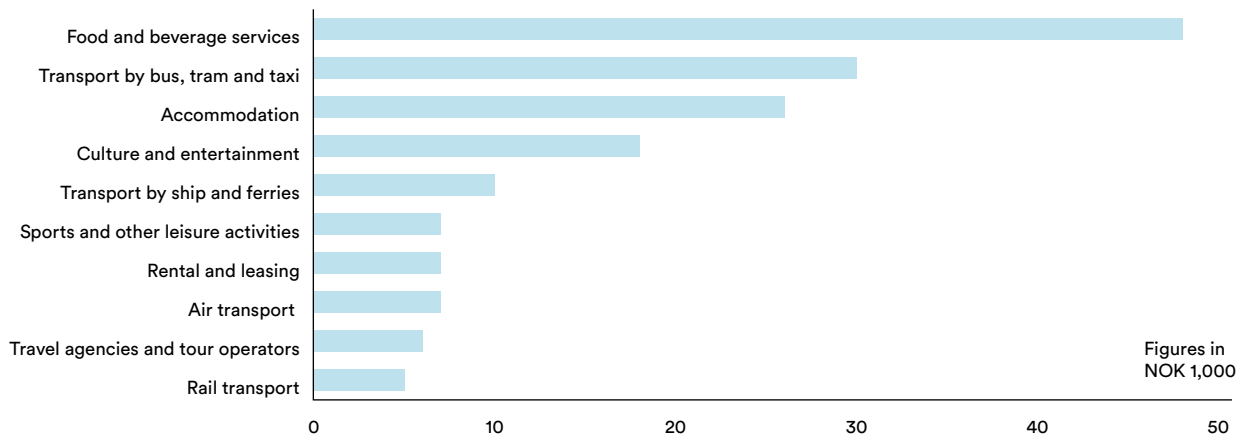
Good growth from 2013

From 2013 to 2016, total tourist consumption increased by 7.7 percent. Figures for fixed prices are used to exclude price inflation. Foreign tourism consumption increased by over 22 percent. These are high percentages and are not unusual. However, what is not so usual is that foreign tourists account for so much of the increase in absolute numbers since they are so many fewer than Norwegian tourists. From 2013 to 2016, they accounted for half of the growth in tourist consumption in Norway, according to Statistics Norway.

A similar, if not a greater, trend can be found in the Statistics Norway figures for overnight stays that show the development in commercial overnight stays. Here we see that foreign overnight stays accounted for 44 percent of the growth in 2014, 50 percent of the growth in 2015 and 62 percent of the growth in 2016.

Growth in numbers employed in the tourism industry – one out of ten new jobs are in the tourism industry

As many as 162,400 people were employed in the tourism industry in 2016, measured in full time equivalents. This is a growth of 11,000 full time equivalents from 2011. The increase in the number of full time equivalents for mainland Norway was 113,800. The increase in the tourism industry resulted mainly from the accommodation and food and beverage services that gained as many as 9,000 new full time equivalents in the period 2011–2016. In 2016, the number of full time equivalents was closer to 74,000 in these two industry sectors.



Stronger production growth in the tourism industry than on mainland Norway

Production from the tourism sector for 2016 is preliminarily estimated at more than NOK 280 billion. This is a growth measured in volume of more than 12 percent for the period 2011–2016. By comparison, production on mainland Norway grew by more than nine percent for the same period. The tourism industry's share of the total production on mainland Norway was 6% in 2016. Gross production from the tourism sector for 2016 is preliminarily estimated at more than NOK 114 billion. This represents a share of 4.2 percent of the gross domestic product for mainland Norway. This share has been stable for a number of years.

The tourism industry – a major contributor to increased prosperity, through global economic growth and job creation

Figures from the World Travel & Tourism Council show that the tourism industry was an important contributor to the global economy in 2017 – the seventh year in a row. While global GDP grew by 3.5% in 2017, the tourism industry grew by 4.6%. Not only is tourism a major contributor to the global economy, it is also an employer. On a worldwide basis, one in ten jobs is in tourism.

Key Figures

	2011	2012	2013	2014	2015	2016	2017	Change 2016/2017
Employment in the tourism industry								
Full time equivalents, salaried employees and self-employed persons	151,400	153,000	153,700	156,800	159,100	162,400 ¹	N/A	N/A
Tourist consumption in Norway, by consumer group. Current prices. Figures in NOK 1,000								
Total consumption	128,526	136,882	145,156	151,416	158,669	169,795 ¹	N/A	N/A
Foreign tourist consumption in Norway	34,430	36,574	38,214	40,629	45,407	50,201 ¹	N/A	N/A
Norwegian domestic tourist consumption in Norway	72,560	78,008	84,158	86,939	90,101	95,339 ¹	N/A	N/A
Norwegian industry's business travel costs in Norway	21,536	22,300	22,784	23,848	23,161	24,255 ¹	N/A	N/A
Commercial² overnight stays	29,074,313	29,914,832	29,243,016	30,306,594	31,653,839	33,114,132	33,296,767	1%
Norwegian commercial overnight stays	21,230,072	21,974,364	21,551,330	22,152,158	22,825,068	23,387,248	23,348,139	0%
Foreign commercial overnight stays	7,844,241	7,940,468	7,691,686	8,154,436	8,828,771	9,726,884	9,948,628	2%
Share of foreign commercial overnight stays	27%	27%	26%	27%	28%	29%	30%	3%
Share of overnight stays in hotel	66%	66%	68%	67%	68%	68%	70%	3%
Share of leisure overnight stays in hotel	49%	48%	48%	48%	51%	52%	51%	-3%
Cabin rental overnight stays								
Norwegian cabin rental overnight stays	228,683	283,046	276,100	292,219	323,118	297,879	257,452	-14%
Foreign cabin rental overnight stays	829,188	705,421	825,495	888,966	751,912	764,408	756,244	-1%
Cruise tourism								
Number of visiting cruise passengers	457,000	588,000	620,000	574,000	511,000	658,882	749,414	14%
Number of day visitors from cruises to Norwegian ports	2,040,166	2,573,335	2,996,114	2,667,362	2,494,921	2,700,000	3,045,000	13%
Number of cruise ship port calls to Norwegian ports	1,678	2,066	2,187	1,985	1,787	1,809	2,067	14%
Norwegian holiday and leisure travel								
All holiday and leisure travel domestic and foreign	17,320,000	17,000,000	19,190,000	19,140,000	17,880,000	17,320,000	18,350,000	6%
Holiday and leisure travel in Norway	10,610,000	9,590,000	11,590,000	11,670,000	10,660,000	10,820,000	11,370,000	5%
Holiday and leisure travel abroad	6,710,000	7,410,000	7,600,000	7,480,000	7,230,000	6,530,000	6,990,000	7%
All holiday and leisure overnight stays domestic and foreign	91,510,000	93,180,000	99,660,000	105,280,000	95,280,000	95,610,000	100,440,000	5%
Holiday and leisure overnight stays in Norway	39,460,000	35,390,000	43,970,000	45,180,000	39,860,000	43,340,000	43,390,000	0%
Holiday and leisure overnight stays abroad	52,050,000	57,790,000	55,700,000	60,090,000	55,420,000	52,260,000	57,040,000	9%

¹ Figure for 2016 is preliminary

² Generic term for overnight stays in commercial accommodation such as hotels, campsites, cabin villages and youth/family hostels





2. International tourism and Norway's market share

NEW RECORD for global tourism in 2017.

Figures from the World Tourism Organization (UNWTO) show that 2017 was the seventh year in a row with major growth in international tourism. The number of arrivals increased by 7%, which represents an increase of 83 million across national borders compared with the previous year. In total there were 1.32 billion international tourist arrivals around the world.

Norway's market share decreases

The number of foreign arrivals at Norwegian hotels increased by three percent, while average global growth was seven percent. This means that Norway, following two years of a higher arrival growth than the rest of the world, is not keeping pace with the development in 2017.

In 2017, Europe experienced the strongest growth compared to the rest of the world. Europe is the most visited continent and more than half of all international travel was to a European country.



Tourism is defined as all activities people participate in outside their normal place of residence – irrespective of purpose. This means that tourism includes all travel, both leisure and business travel.

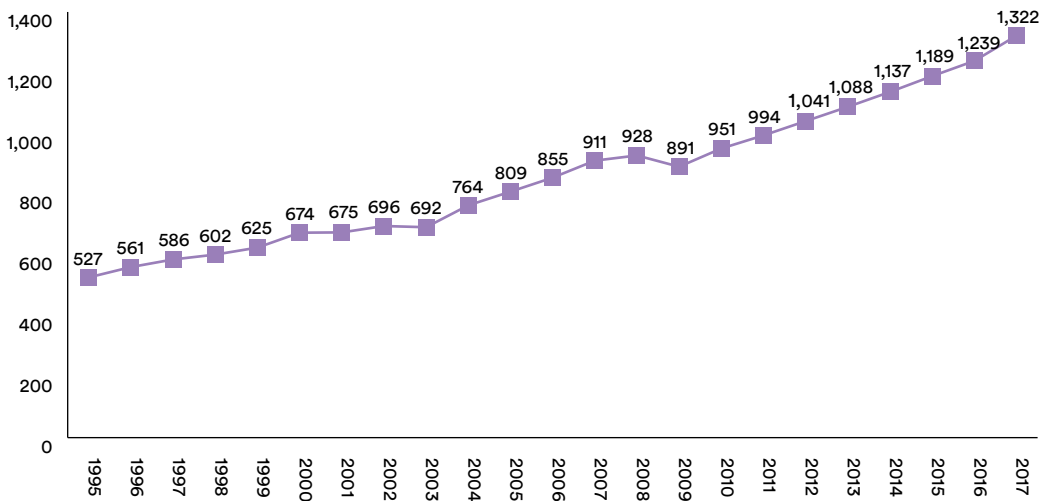


There were 1,322 billion trips across national borders with at least one overnight stay in 2017.

New record for global tourism

International tourist arrivals with at least one overnight stay

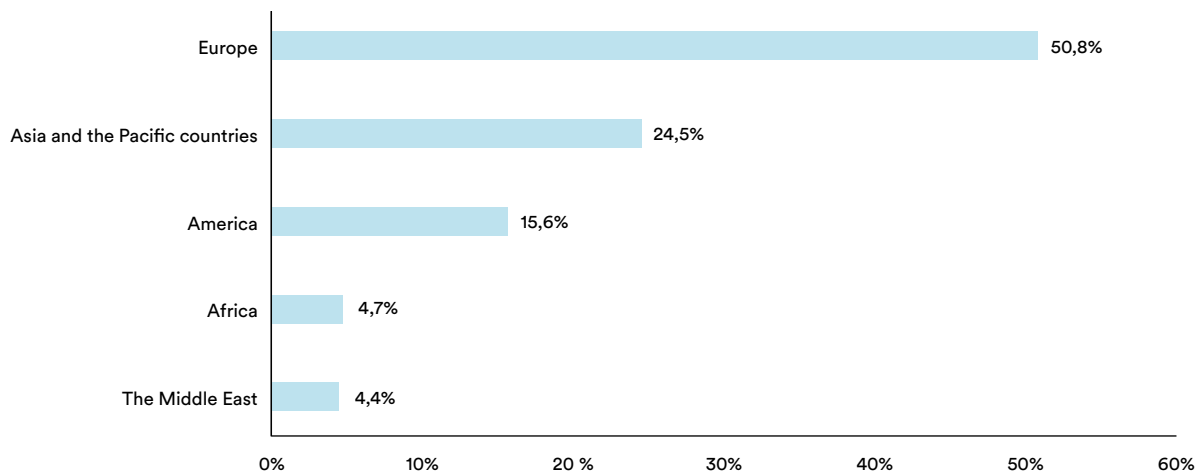
Figures in millions



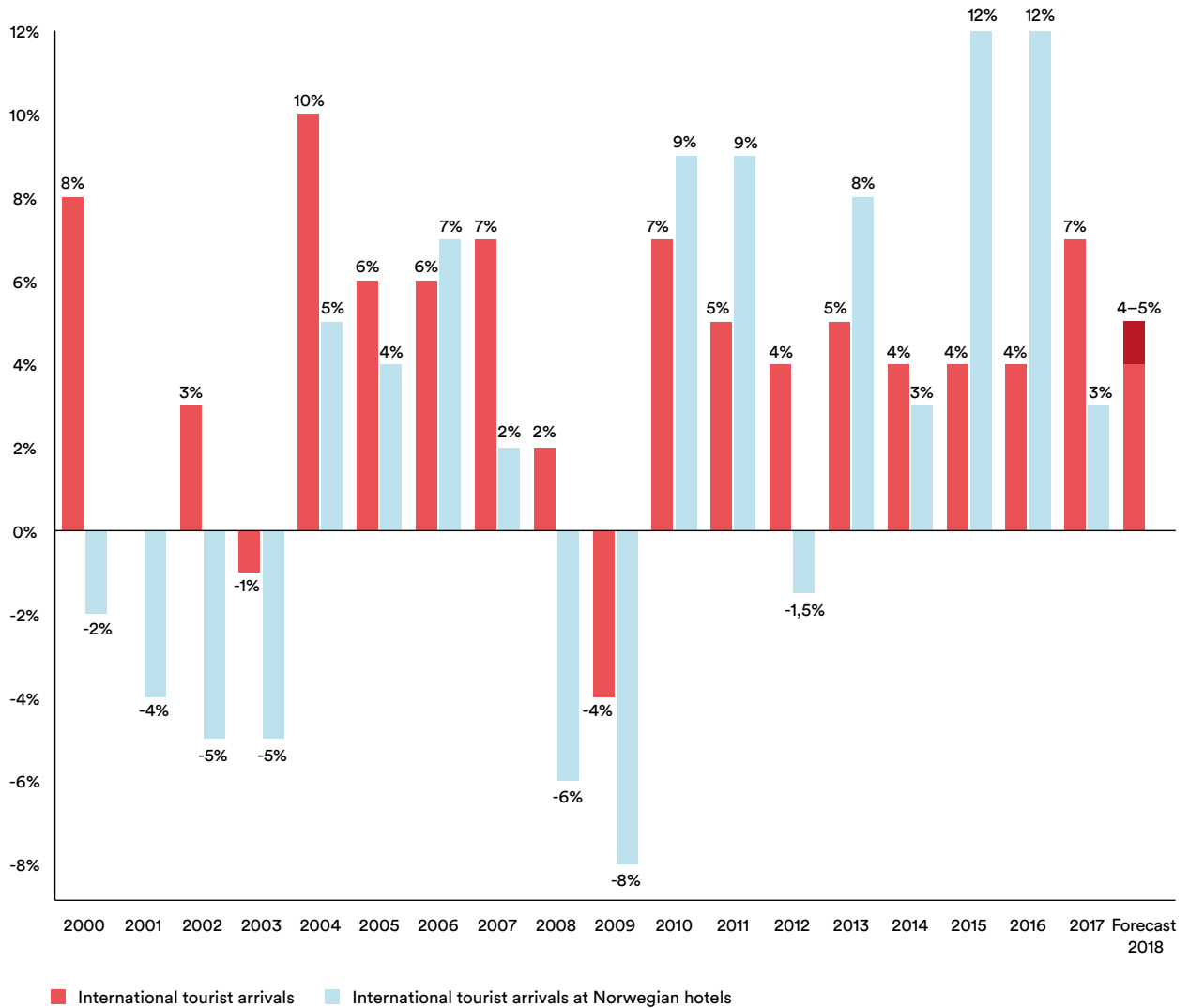
Europe is the most visited tourist destination, and has also the greatest arrivals growth in 2017

Europe, which accounts for more than half of all arrivals, is still the most visited continent. That is how it has always been, but its market share is falling. In 2014, Europe's market share was 52%, while in 1980 it was 63%.

Breakdown of international tourist arrivals



International tourist arrivals and arrivals at Norwegian hotels



Some events and acts of terrorism

2001

11 September

Al Qaida's terrorist attack in the USA. 2,982 people die. Followed by an economic recession.

2003

The USA invades Iraq. SARS epidemic in Asia kills 506 people in May. The epidemic is contained by July.

2004

1 March

Train bombings in Madrid. 191 people die.

2005

7 July

Suicide bombers on the London underground. 52 people die. 2008 The financial crisis develops from the middle of the year.

2009

Swine flu (H1N1 virus) spreads from April.

2010

Volcanic eruption in Iceland in April.

2011

22 July

Terrorist attacks in Norway. 77 people die.

2015

19 August

Terrorists attack tourist attraction in Istanbul, Turkey.

13 November

Terrorists attack various locations in Paris. 130 people die.

2016

22 March

Terrorists attack the airport and metro station in Brussels. 56 people die.

14 July

Terrorist attacks on the promenade in Nice. 86 people die.

19 December

Terrorist attacks on the Christmas market in Berlin. 12 people die.

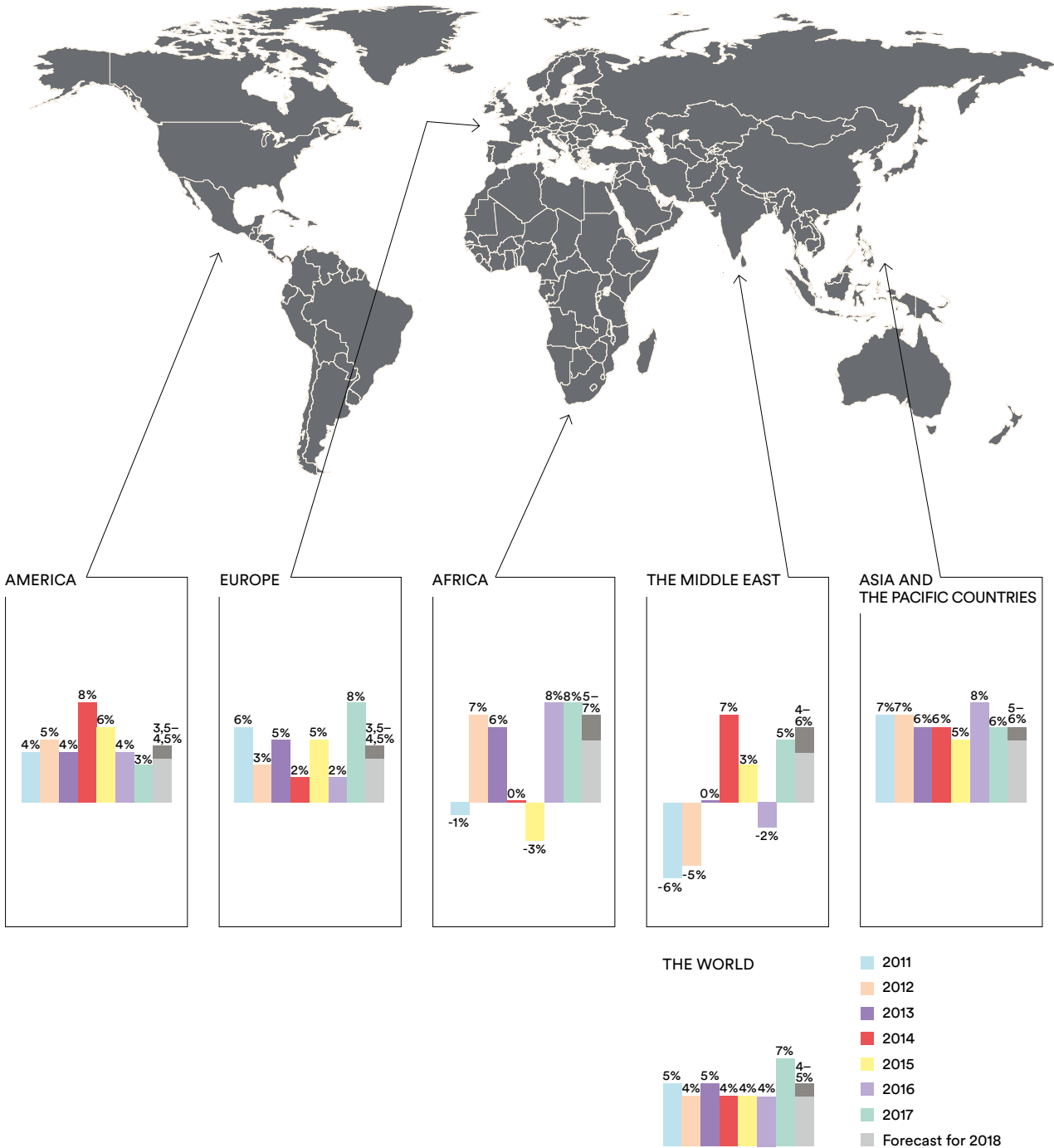
2017

22 March

Terrorist attacks at Westminster, London. 6 people die.

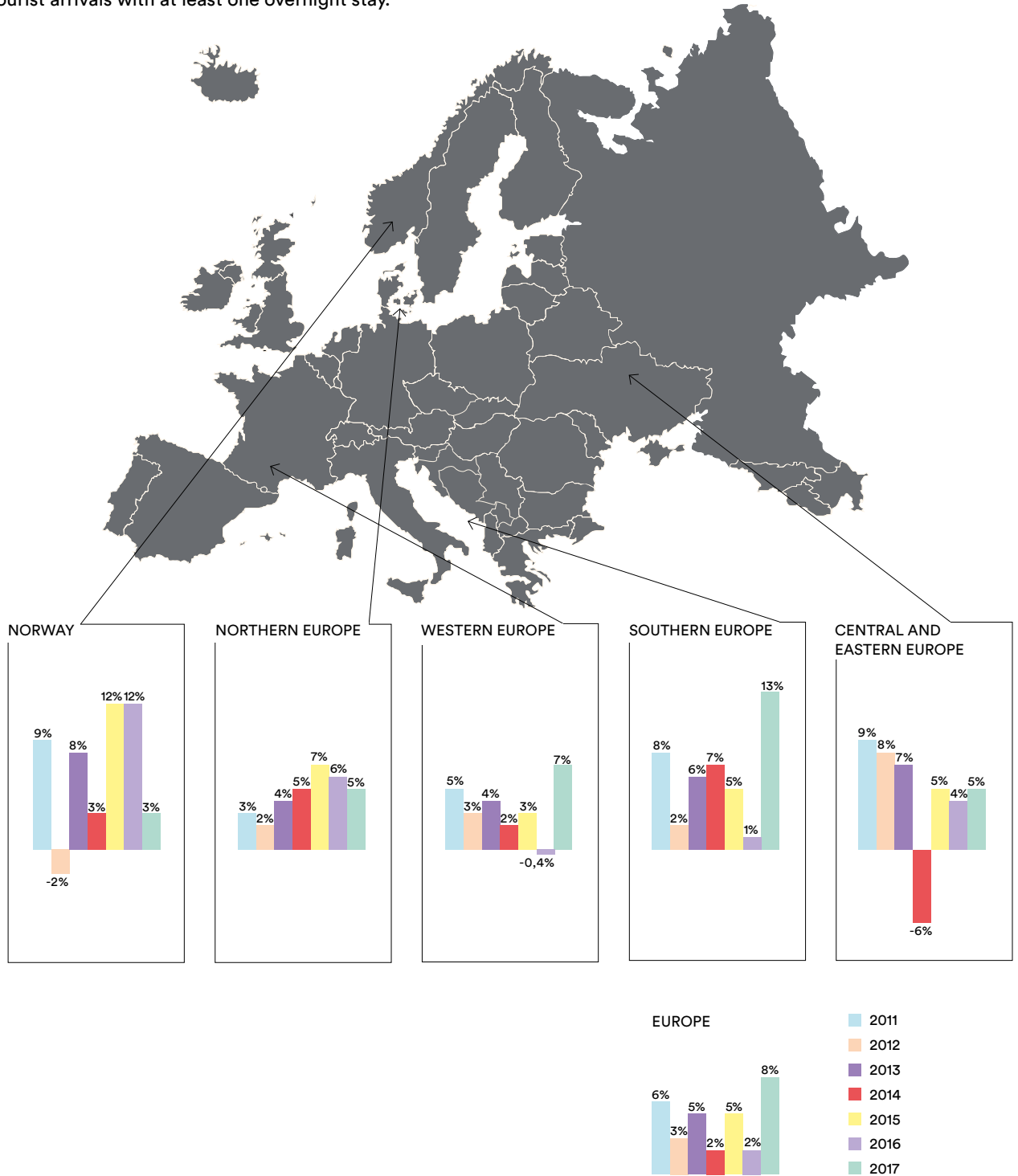
Changes in the number of tourist arrivals globally

Tourist arrivals with at least one overnight stay.



Changes in the number of tourist arrivals in Europe and Norway

Tourist arrivals with at least one overnight stay.

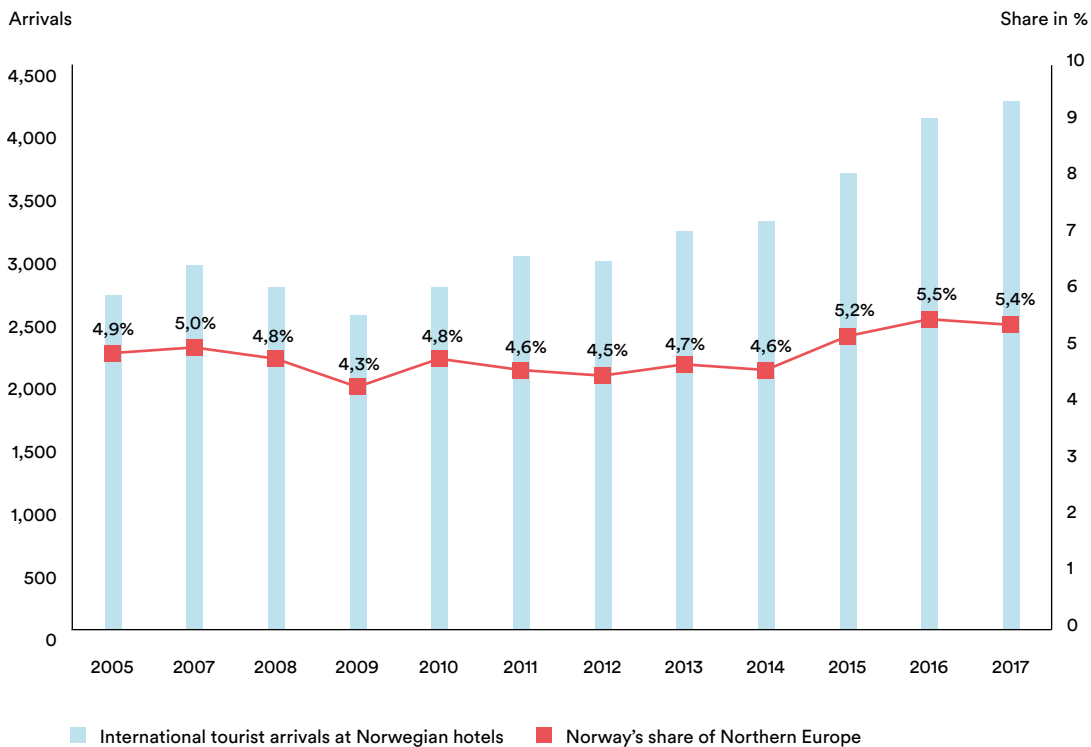


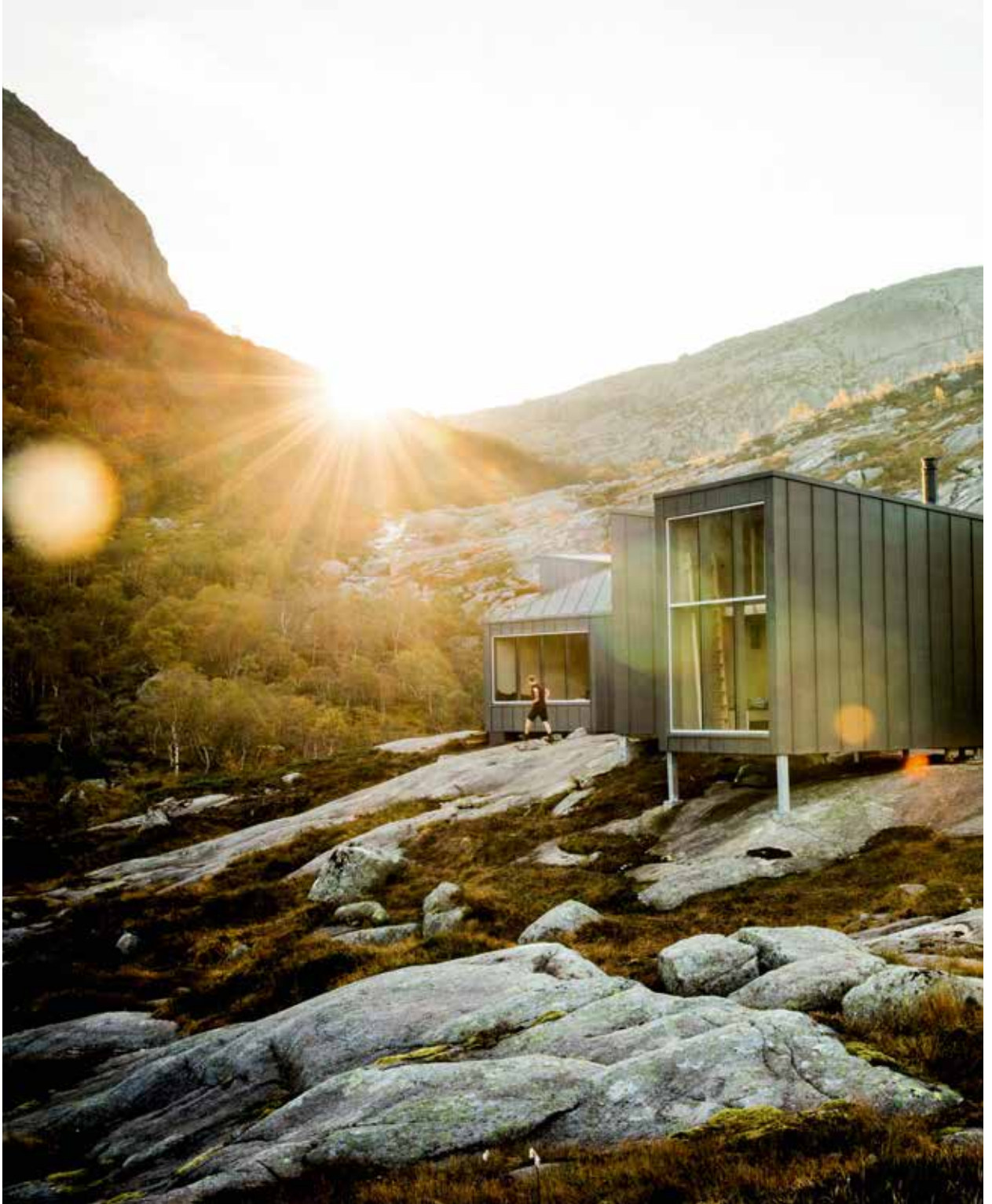
Norway's share of Northern Europe

In 2017 there were 6,6 million foreign overnight stays at Norwegian hotels, the same as in 2016. At the same time there were 4.2 million arrivals at the hotels, which is three percent more than in 2016. What does this mean? This means that more foreigners arrived at the hotels in 2017, but the average length of stay was shorter.

The three percent growth in 2017 is lower than the average arrivals globally and in Northern Europe, so that, after gaining market shares in both 2015 and 2016, Norway lost its market share of international tourism in 2017.

International tourist arrivals at Norwegian hotels and Norway's market share in Northern Europe







3. The tourism year

2017 WAS YET ANOTHER RECORD YEAR for Norwegian tourism. Never before have there been so many overnight stays.

Nevertheless, growth in Norway is slightly lower than the average growth in the world and Europe, as shown on the previous page. The reason for 2017 being a profitable year is good growth throughout the summer months. The winter season shows a decline. Norwegian tourism has traditionally been very seasonal, with the majority of overnight stays in the summer season. This trend was further enhanced in 2017.

In this chapter you can read about the characteristics of the Norwegian 2017 tourism year.

The positive trend continues

Interest in Norway as a holiday destination is still increasing, and more people search online for Norway as a holiday destination. Norway remains strongly competitive and is considered as one of the safest travel destinations in the world.



More overnight stays and an increasing interest in visiting the country prove that Norwegian tourism is reaping the benefits of long-term brand building.

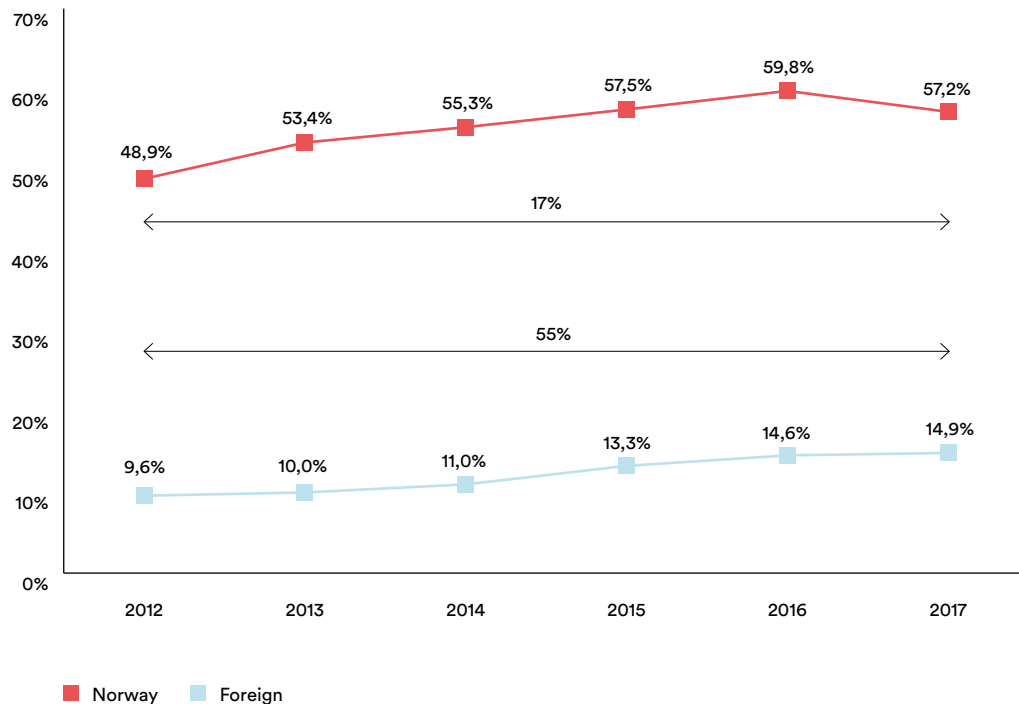
Long-term brand building pays off

Interest in Norway as a holiday destination from important foreign markets continues to increase. Innovation Norway conducts weekly surveys in the majority of the main markets in which Norway is marketed as a tourist destination. Results show that interest in visiting Norway has increased considerably. Norwegians' interest in holidaying in their own country increased by 17% from 2012 to 2017. The corresponding figure for the foreign target group is 55%.

Figures from 2016–2017 show that the total interest in visiting Norway from major foreign markets increased by two per cent, while there has been a corresponding decrease of four per cent among Norwegians. At the same time, we know that after a summer season where much of the country did not have the best summer weather, Norwegians have a greater tendency to travel to warmer destinations.

How likely are you to spend your holidays in Norway during the next 12 months?

The responses here have been selected from those who responded 8, 9 or 10 on a 10-point scale.



The "foreign" group comprises people in the target group from Denmark, Sweden, the Netherlands, Germany, the United Kingdom and France

Source: Tracker Data, Innovation Norway

Increased interest in Norway is reflected in the increased number of searches for Norway online

What do people look at when they are interested in holidaying in Norway? Online product searches about Norway increased by 16% in 2017. A report prepared by Bloom Consulting and commissioned by Innovation Norway shows the trend in searches for Norway as a tourist nation in 2015 and 2016. The most popular search engines in the world were monitored. These represent 90% of all searches during the period.

Norway was associated with natural beauty in online searches as well. Many search for fjords, glaciers and the Northern Lights, but also different types of accommodation, cities and outdoor activities.

Among the most popular keywords, surprisingly enough, are “zoos”, “tree house hotels” and “luxury resorts”. Searches on the “Airbnb” distribution channel total 37,560, an increase of 93 percent from 2016.

Most searches from Germany and the USA

There were 8.68 million tourism-related searches for Norway in 2017. This is an increase of 16 percent from 2016. Germany was the market with most searches, followed by the USA and the United Kingdom. Searches from the USA have increased by 52 percent since 2015.

Countries that most often search for Norway

	2017	Change 2016–2017
Total number of searches	8,680,135	16%
Germany	1,258,885	15%
USA	958,233	21%
United Kingdom	835,496	14%
Spain	615,713	14%
Netherlands	492,477	16%
China	466,386	4%
Sweden	320,401	14%
France	303,873	12%
Japan	255,334	20%
Poland	245,618	16%
Denmark	245,395	11%
Italy	243,037	15%
Russia	211,948	30%
India	197,386	37%
Belgium	167,627	7%
Switzerland	162,818	13%
Canada	146,748	16%
Austria	123,899	19%
Brazil	117,368	22%
Finland	99,545	11%
South Korea	96,307	39%
Other markets	1,115,641	17%

The 50 most popular keywords/phrases

Keywords	Number of searches
Fjords and Glaciers	1,542,947
Travel	804,797
Northern Lights	600,582
Cruises	471,805
Holiday Packages	468,950
Jungles and Forests	311,625
Camping	292,462
Visit	271,220
Places to Visit	263,057
Tourism	243,891
Cities	210,260
Skiing	207,689
Hiking	184,755
Hotels	174,856
Tours	159,057
Holiday Apartments	150,257
Angling	131,592

Keywords	Number of searches
Things to Do	110,636
Fishing	110,540
Tourism Attractions	103,763
Igloos Ice Hotels	89,249
Natural Wonders	61,910
Midnight Sun	60,660
Waterfalls	59,710
Vacation Packages	57,475
Beaches	55,307
Ski Resorts	51,401
Cottages	49,777
Islands	48,595
Hostels	38,928
Airbnb	37,560
National Parks	36,774
Holiday Houses	35,180
Climbing	33,240

Keywords	Number of searches
Bus Tours	30,406
Holiday Rentals	27,797
Cycling	26,725
Cathedrals	26,613
Shopping	25,696
Trekking	25,664
Kayaking	25,550
Regions	25,048
Towns	24,670
Coastline	23,441
Accommodation	23,330
Cabins	23,170
Bed and Breakfast	22,730
Cross Country Skiing	22,535
Lakes	22,122
Castles and Fortresses	21,175

The 50 keywords/phrases with the greatest growth

Keywords	Increase 2016–2017
Zoos	313,55 %
Tree House Hotels	191,09 %
Luxury Resorts	153,19 %
Beaches*	140,15 %
Parks*	99,49 %
Airbnb	93,21 %
Aquaparks	89,68 %
Waterfalls	86,41 %
Mosques*	84,43 %
Theme Parks	72,47 %
Luxury Tourism	71,93 %
Ski Hotels	70,00 %
Eco Tourism*	68,55 %
SPA Hotels	64,32 %
Camping	63,66 %
Bakeries and Patisseries*	62,00 %
5 Star Hotels	61,62 %

Keywords	Increase 2016–2017
Aquariums*	60,53%
Beer Tourism	59,35%
Rafting*	59,11%
Shopping Malls*	57,23%
Adventure Parks	56,34%
Boutique Hotels*	54,89%
Youth Backpacking Hostels*	54,71%
Scuba Diving	51,52%
Luxury Hotels	50,36%
Rural Houses*	49,93%
Hotels	49,76%
Road Tours*	45,46%
Hostels*	45,30%
Sky Diving*	44,98%
Golf*	42,82%
Boat Rentals*	42,77%
Ice Skating	42,15%

Keywords	Increase 2016–2017
Resorts*	41,21%
Animal Riding*	40,31%
Bed and Breakfast*	38,85%
Castles and Fortresses*	38,50%
Adventure Tourism*	38,46%
Bungee Jumping*	37,21%
National Parks*	36,84%
Museums*	35,31%
Volcanoes*	33,42%
Couch Surfing*	32,79%
Amusement Parks*	32,61%
Spa and Beauty Treatments	31,50%
Safari	31,03%
Palaces*	30,97%
Food Tourism*	30,27%
Igloos Ice Hotels*	30,01%

*Keywords/phrases that are new on the top 50 list for 2017

The weaker krone made Norway a cheaper holiday destination and thus more competitive

The currency effect

For the last few years, the Norwegian kroner has been relatively weak against the euro, pound, American dollar and the Danish and Swedish kroner. Tourism is an export industry, which benefits from a weak Norwegian kroner exchange rate.

Norway's ability to compete can be measured using the trade-weighted exchange rate index. A rise in this index means a weaker kroner, making Norway more competitive, and vice versa. The weaker the kroner exchange rate, the more competitive Norway becomes. This in turn means that foreign tourists get more for their money in Norway. There is also a clear correlation here. When the kroner exchange rate goes down, foreign overnight stays go up.

2008 and 2009 were exceptions, since much of the world was impacted by the financial crisis. The low kroner exchange rate has made Norway more competitive in the last few years. Compared with the summer season 2007, Norway's competitiveness has increased by 17 percent as at July 2017, while the number of foreign overnight stays has increased by 22 percent. This development has levelled out in the period 2016 to 2017.

The exchange rate strengthened in July 2017, compared to July 2016, which led to a one percent weakening in competitiveness. The trend was accompanied by a zero growth in foreign overnight stays. That these thus follow each other in such a way shows that there is a strong correlation between the krone exchange rate and the number of foreigners visiting us.

A weaker Norwegian kroner exchange rate means more foreign overnight stays

Hotel overnight stays – foreign guests (July)

Trade-weighted exchange rate index



Overnight stays in July are used to isolate holiday traffic from business traffic

Source: Statistics Norway and Norges Bank

Fear of terrorism

Fear of terrorism is still a factor when holiday destinations are chosen, and in 2017 there were more people who responded that fear of terrorism had an impact on their choice of holiday destinations. Figures from February 2018, show that this fear has been slightly reduced.

Analysis company IPK International conducts a World Travel Monitor ® in 42 countries. In 2016, new questions were included, to find out more about the importance of terrorism for international tourism.

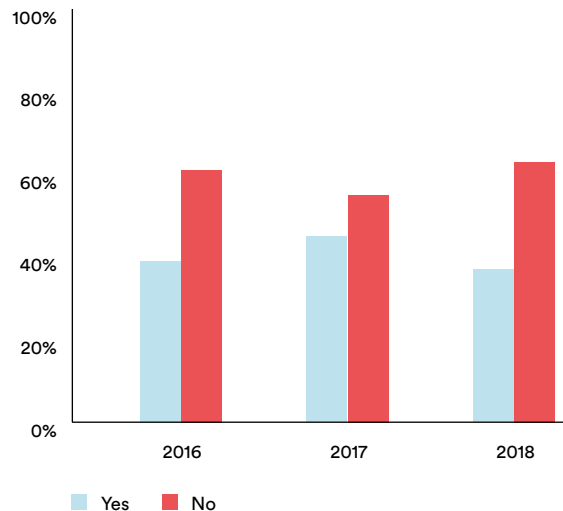
To the question: “Do terrorist attacks and terror alerts affect how you want to travel during the next 12 months?” 45 percent of those who took part in the survey replied “Yes”. That is 15 percent more than in 2016.

Question: Do terrorist attacks and terror alerts affect how you will travel during the next 12 months?

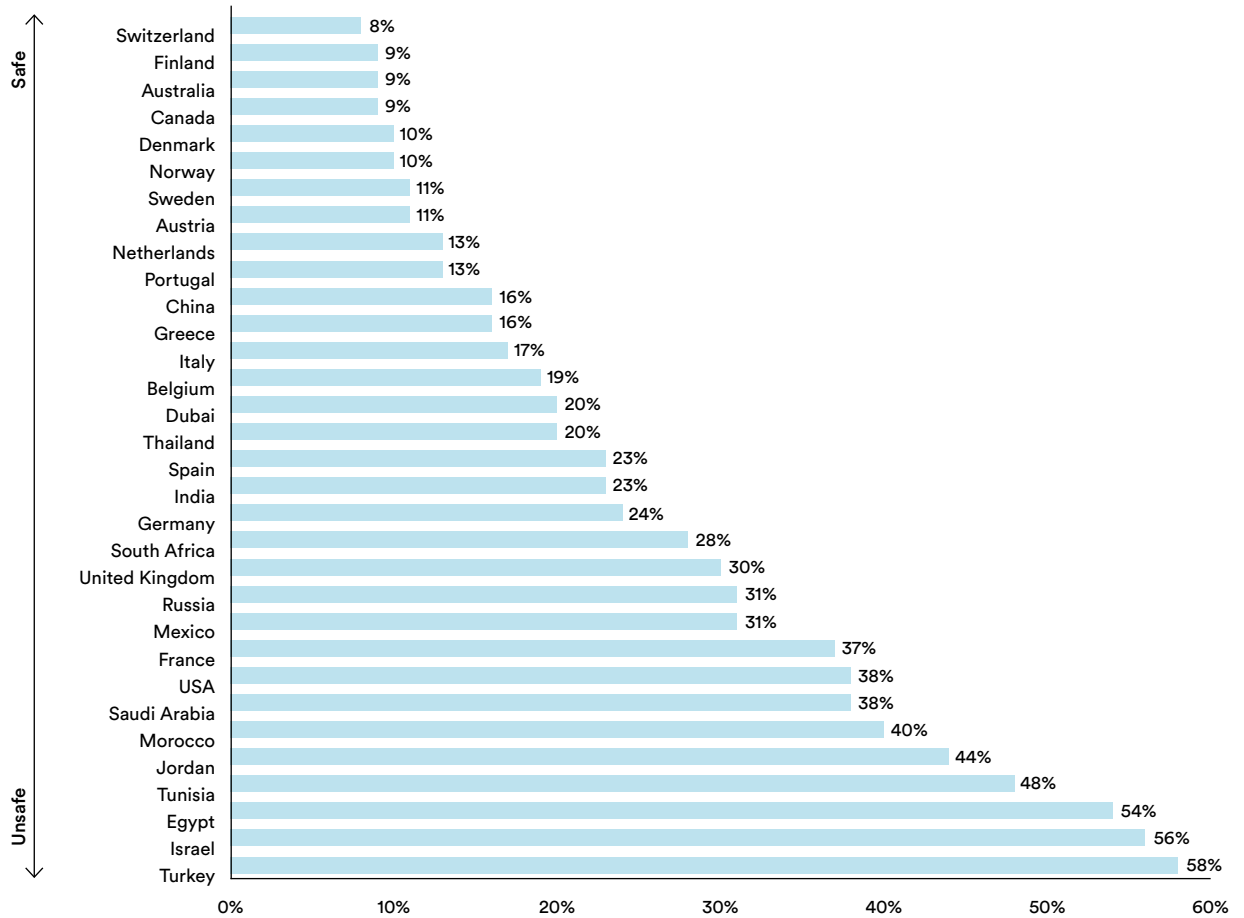
Of the 37 percent that responded that fear of terrorism has an impact in 2018, 24 percent responded that they will travel to a destination they consider as safe, while 13 percent would only travel in their own country or not at all.

Despite a heightened fear of terrorism in 2017, it did not hinder more travel across national borders. Quite to the contrary, but growth was not equally distributed. Not surprisingly, the survey shows that destinations that have been exposed to terrorism are being considered as the least safe, but also neighbouring countries are being considered as less safe.

Results for 2017 show that Norway, along with Denmark, is considered the fifth safest travel destination in the world, after Switzerland, Finland, Australia and Canada.



Question:
Would you be concerned about terrorist threats if you travelled to the following destinations?



Commercial overnight stays

There were 33.3 million overnight stays in commercial accommodation in 2017. This is an increase of 1% from 2016. Foreign overnight stays rose by 2%, while the number of Norwegian overnight stays remained unchanged. After continuous growth from the spring of 2014, it stopped up in 2017, and the increase of one percent was mainly due to a continued growth during the summer season.

Markets in which Innovation Norway promotes tourism

	2007	2010	2013	2014	2015	2016	2017	Change 2016/2017	Share 2017	Change 2007-2017
Total	28,663,930	28,540,497	29,243,016	30,306,594	31,653,839	33,114,132	33,296,767	1%	100%	16%
Norwegian	20,338,157	20,637,311	21,551,330	22,152,158	22,825,068	23,387,248	23,348,139	0%	70%	15%
Total foreign	8,325,773	7,903,186	7,691,686	8,154,436	8,828,771	9,726,884	9,948,628	2%	30%	19%
Germany	1,703,050	1,637,206	1,309,550	1,388,978	1,459,808	1,687,582	1,725,066	2%	17%	1%
Other Europe	983,010	1,017,721	1,223,290	1,402,358	1,596,411	1,620,977	1,511,696	-7%	15%	54%
Sweden	912,915	958,838	999,339	1,040,168	1,097,231	1,189,888	1,168,554	-2%	12%	28%
Denmark	1,006,816	914,053	835,121	741,241	749,517	828,916	776,196	-6%	8%	-23%
United Kingdom	755,172	520,428	581,496	614,876	704,508	734,876	716,930	-2%	7%	-5%
Netherlands	873,342	799,515	519,989	539,733	567,343	658,478	716,308	9%	7%	-18%
USA	330,727	315,436	303,199	397,801	425,295	496,626	671,385	35%	7%	103%
China	70,694	68,133	161,878	176,767	287,153	392,529	476,767	21%	5%	574%
Other Asia	154,269	165,183	257,614	287,063	364,921	385,833	489,064	27%	5%	217%
France	291,826	318,280	285,525	301,889	326,866	372,107	382,769	3%	4%	31%
Spain	313,766	245,638	174,862	200,441	253,590	304,303	346,610	14%	3%	10%
Italy	228,275	222,540	164,254	191,390	196,785	235,288	250,876	7%	3%	10%
Japan	115,962	104,014	103,882	91,091	98,203	111,579	111,976	0%	1%	-3%
Russia	130,434	172,811	211,805	181,196	108,086	105,285	123,604	17%	1%	-5%
South Korea	40,609	38,008	57,042	56,825	71,381	88,157	120,540	37%	1%	197%

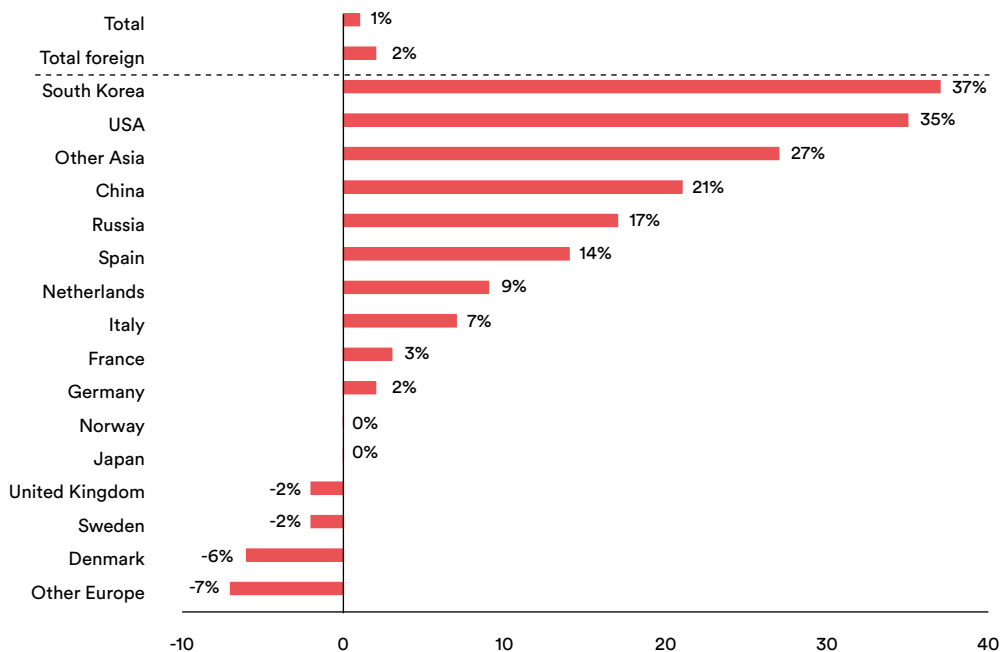
Composition of foreign overnight stays

The domestic market continues to be the most important for Norwegian tourism, but it does not grow at the same pace as the foreign markets, which take an increasing share of the market each year.

2017 is characterized by a positive development in many of the markets where Innovation Norway has a tourism initiative. The reason why the number of foreign overnight stays only showed a growth of two per cent is a weakening of high-volume markets such as Sweden, Denmark and the United Kingdom. What is noteworthy about 2017 is that the number of Russian overnight stays increased for the first time since 2014.

Good development in several markets, but a decline in high-volume markets such as Sweden, Denmark and the United Kingdom has a negative impact

Change 2016–2017



High Seasons

We can look back on positive growth in the number of overnight stays from 2013 and to date. In 2017, there were four million more commercial overnight stays in Norway than in 2013. The increase of 14 percent means just slightly below 2.3 million more foreign overnight stays, and 1.8 million more Norwegian overnight stays for the period.

Development during the high seasons

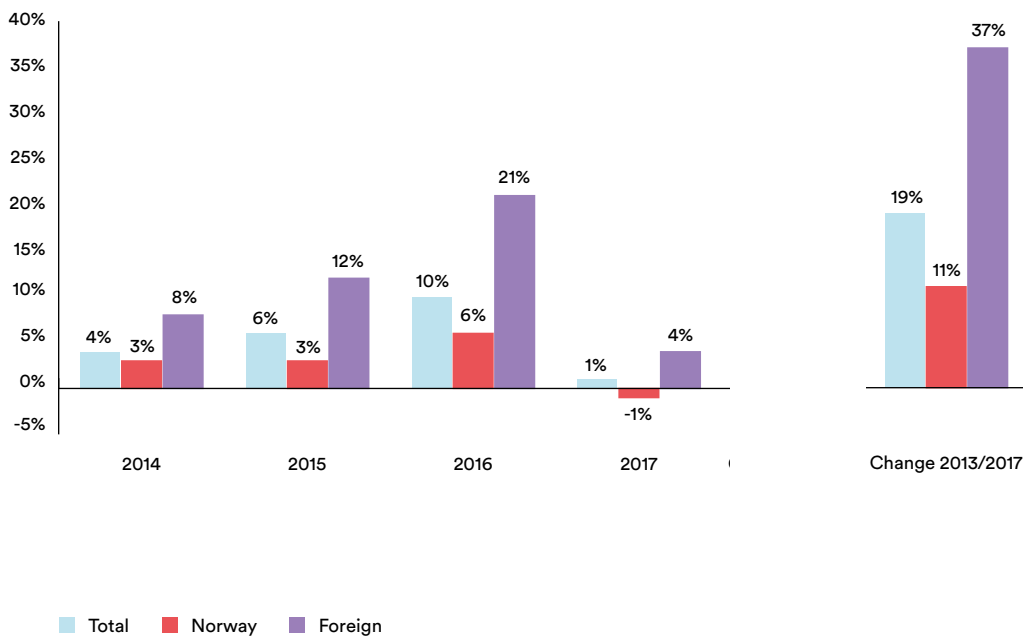
The greatest growth in the period has been in the summer season, with a positive increase in both Norwegian and foreign overnight stays. In the 2017 summer season there were 37 percent more foreign overnight stays and 11% more Norwegian overnight stays than in 2013.

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2017 was the fourth year in a row with growth in the summer season

Summer season

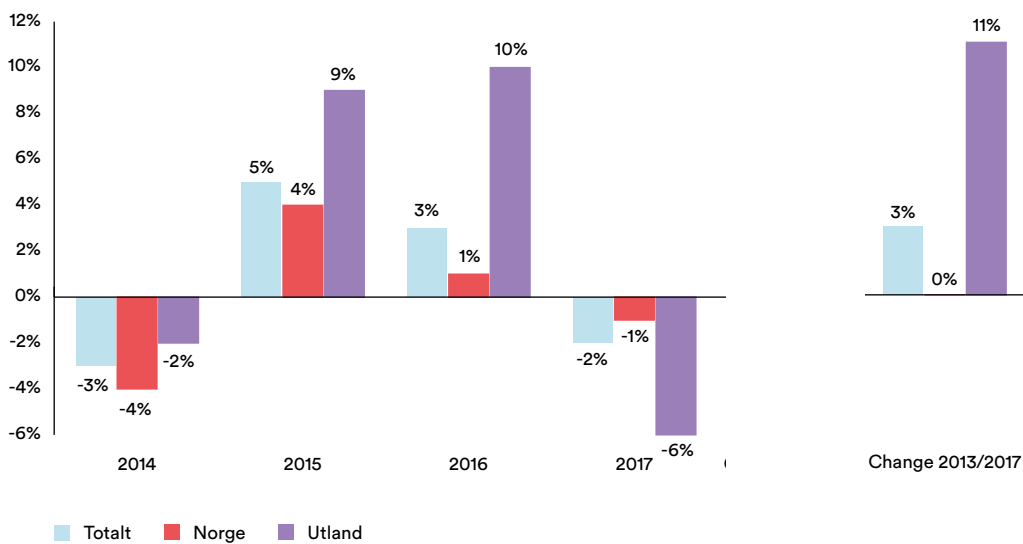
Change in commercial overnight stays



There has also been a positive development in the number of overnight stays during the winter season, but this is due to the growth in the number of foreign tourists. Norwegian overnight stays are at the same level in the 2017 winter season as in 2013.

Winter season

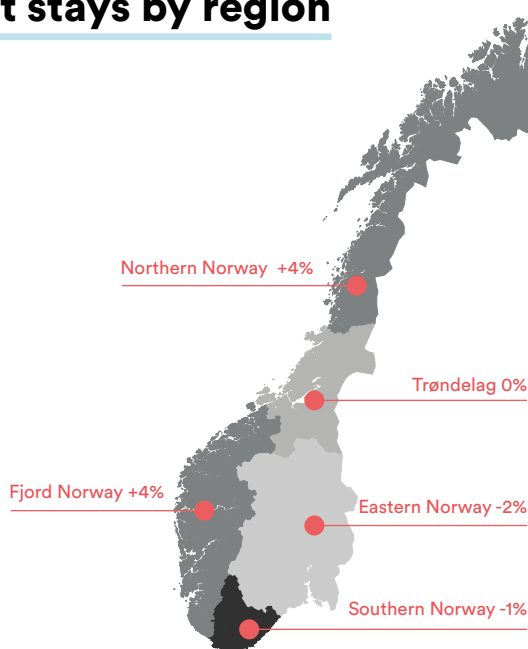
Change in commercial overnight stays



Development in overnight stays by region

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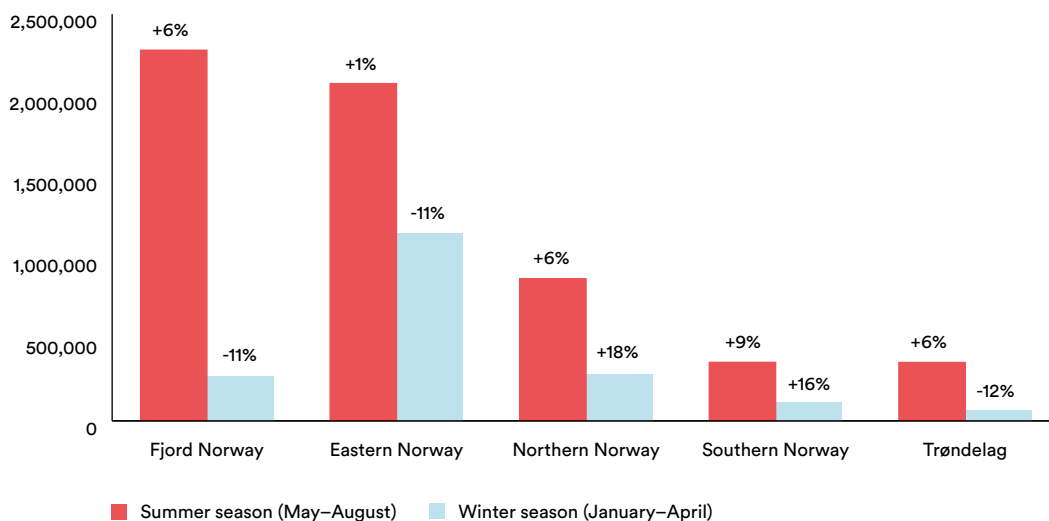
Only Fjord Norway and Northern Norway saw a rise in overnight stays in 2017. Fjord Norway saw a rise because of the growth in the summer season, while Northern Norway experienced good growth in both the winter and summer seasons.



The illustration shows the change in Norwegian and foreign overnight stays 2016–2017.

The number of foreign overnight stays in the 2017 high seasons, and changes from the previous year

The regions have been ranged according to the most foreign overnight stays in the summer season. The four fjord counties that make up Fjord Norway had more foreign overnight stays than Eastern Norway with its seven counties.

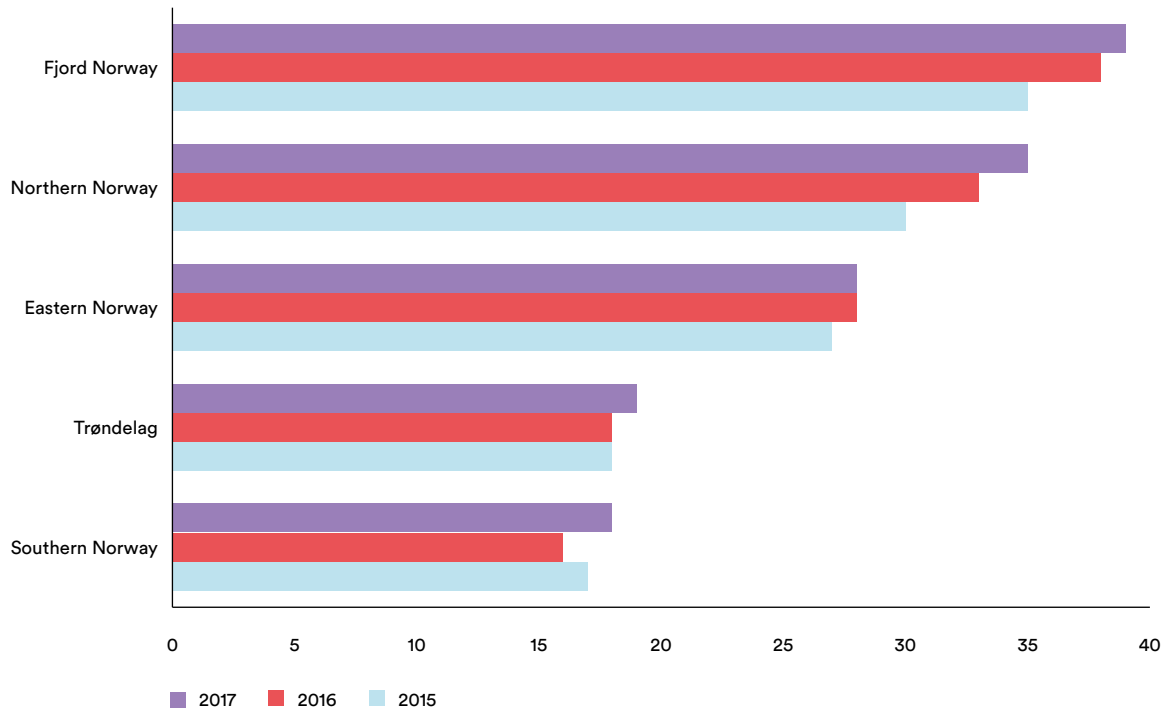


Fjord Norway has the largest share of foreign overnight stays

What makes Fjord Norway so special is that the four fjord counties have the greatest share of foreign overnight stays within the region throughout the year.

Year-round most of the overnight stays in Norway are Norwegian. The ratio in 2017 was 70% Norwegian and 30% foreign. The corresponding figure for Fjord Norway shows that the share of foreign overnight stays was 39% in 2017, compared to 35% in 2015. Northern Norway takes second place and has also experienced good growth in its share of foreign overnight stays. Southern Norway is the region with the smallest share of foreign overnight stays, but also here foreign overnight stays increased more than the Norwegian equivalent.

Share of foreign commercial overnight stays per region 2017



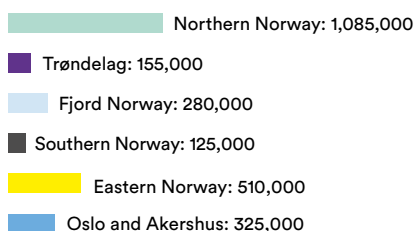
Norwegian and foreign overnight stays across regions

The majority of overnight stays within each region is Norwegian, as shown on the previous page, but how much of this do we spend outside the region where we live and what is the distribution of foreign overnight stays?

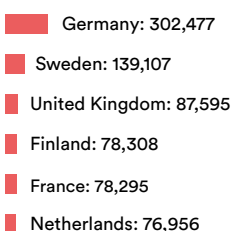
NORTHERN NORWAY

■ Top six foreign markets

Norwegian overnight stays: 2,520,192

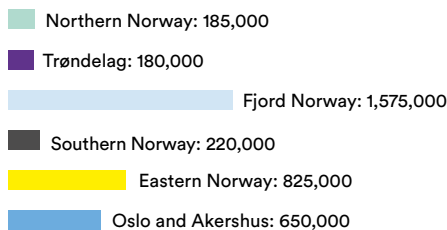


Foreign overnight stays: 1,359,778

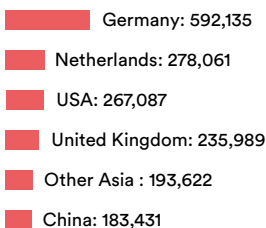


FJORD NORWAY

Norwegian overnight stays: 4,978,129

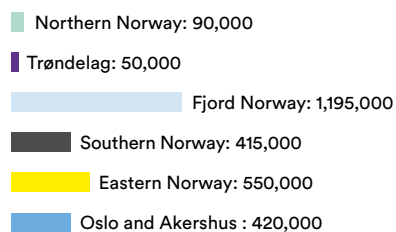


Foreign overnight stays: 3,123,210

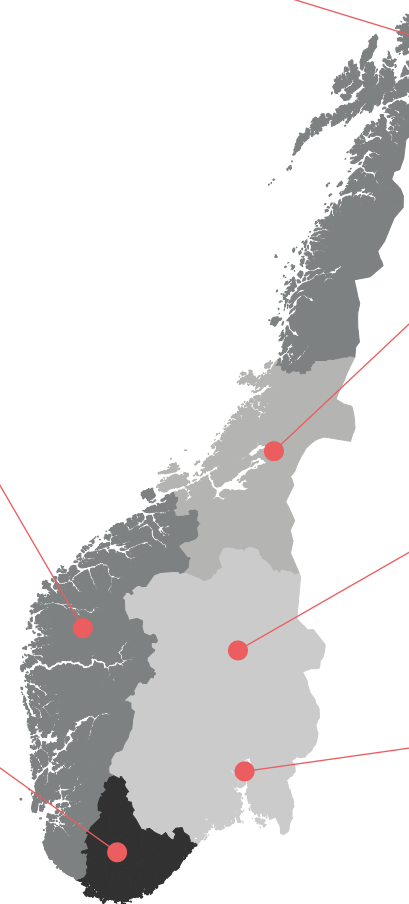
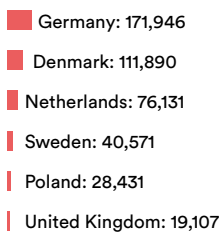


SOUTHERN NORWAY

Norwegian overnight stays: 2,463,579



Foreign overnight stays: 547,051



Statistics Norway's accommodation statistics show overnight stays by nationality, but only the Innovation Norway Tourism Survey provides information about where in Norway the Norwegian business tourists actually live.

The map shows the top six foreign markets in each region and where in Norway the people who make up the Norwegian overnight stays actually live.

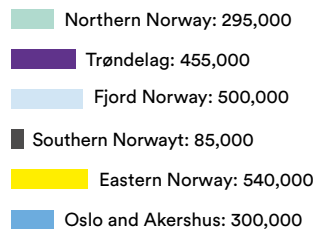


TRØNDELAG

■ Top six foreign markets

Norwegian overnight stays: 2,176,912

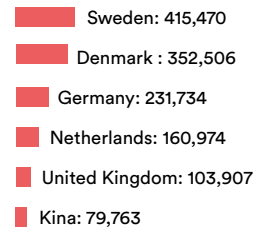
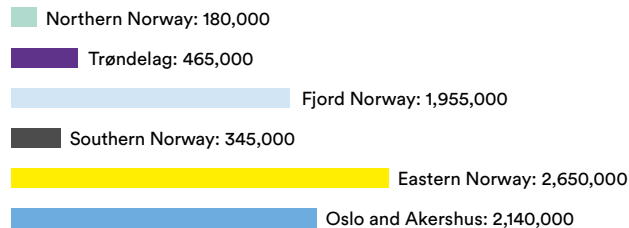
Foreign overnight stays: 506,926



EASTERN NORWAY (excluding Oslo and Akershus)

Norwegian overnight stays: 6,363,440

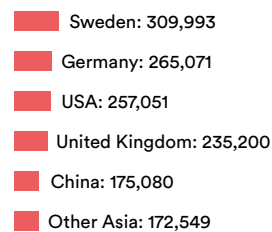
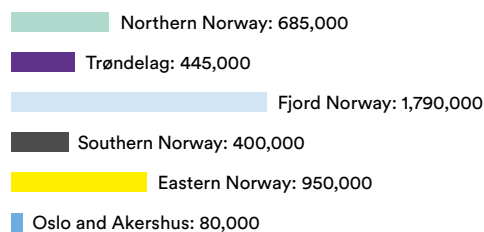
Foreign overnight stays: 1,851,605



OSLO and AKERSHUS

Norwegian overnight stays: 4,755,281

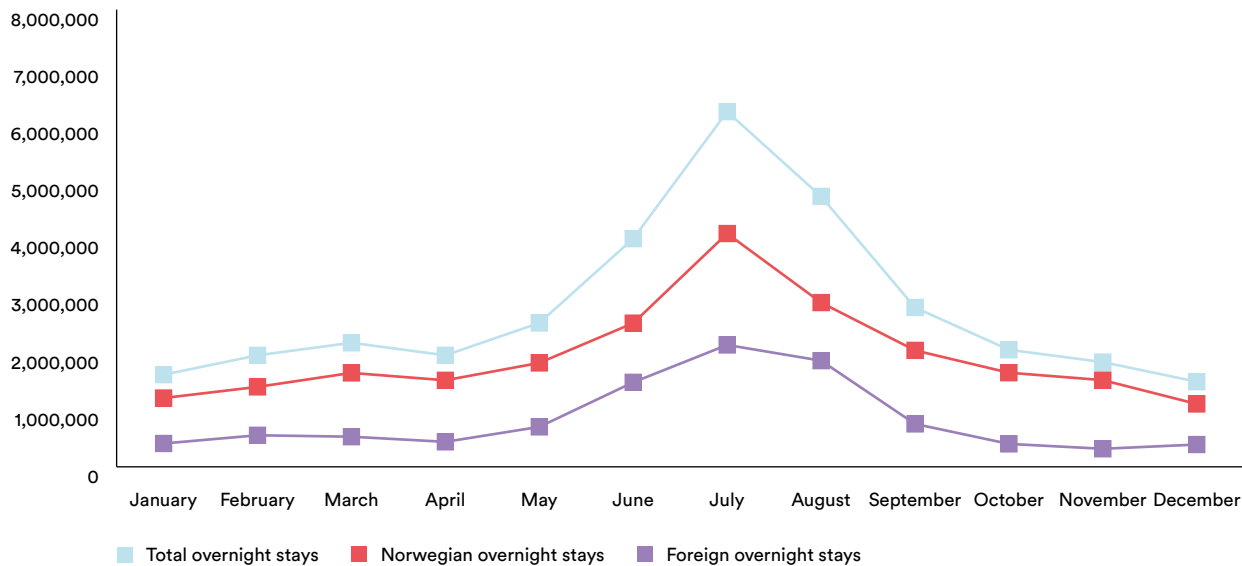
Foreign overnight stays: 2,504,149



Norwegian tourism is seasonal

The tourism industry made a profit this year thanks to a good summer season. There was a decline throughout most of the year, except for the summer season, but it ended well with growth in both November and December. That means that the pressure was greater in the summer season with an increasing number of visitors. In 2017, there were 170,000 more overnight stays in Norway. 111,000 of these were spent in the summer months.

Development in commercial overnight stays throughout the year

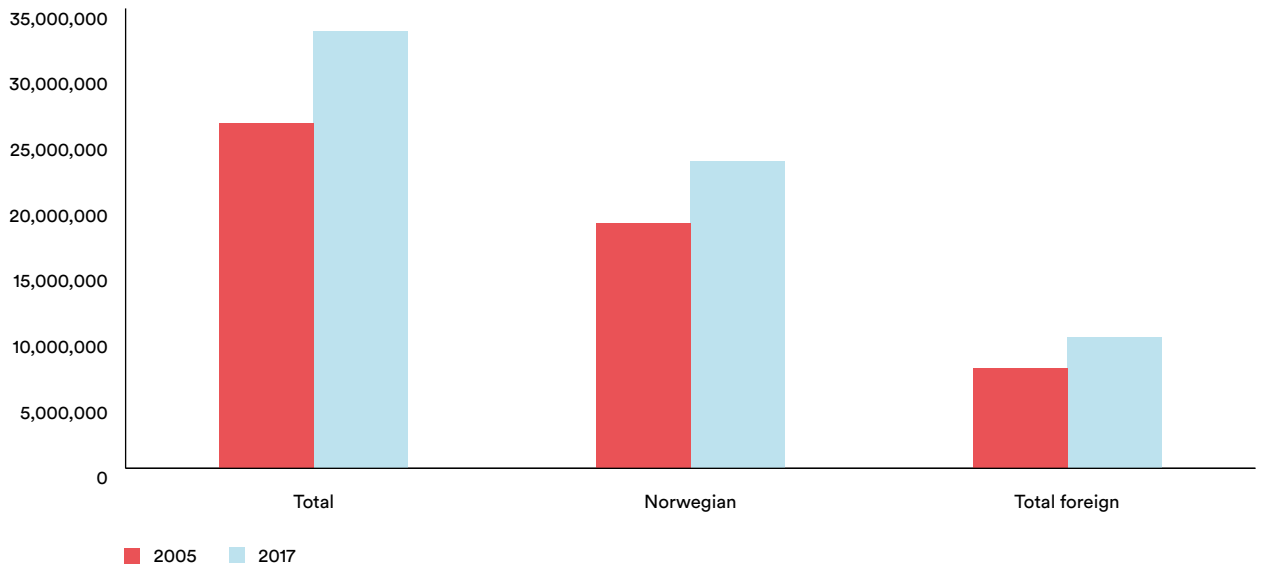


Good development from 2005 to 2017

Compared to 2005, there are now seven million more commercial overnight stays in Norway. This is an increase of 27 percent. Fewer than five million of these are Norwegian, and more than two million are from foreign countries.

Good development in both Norwegian and foreign overnight stays

Commercial overnight stays 2005 and 2017

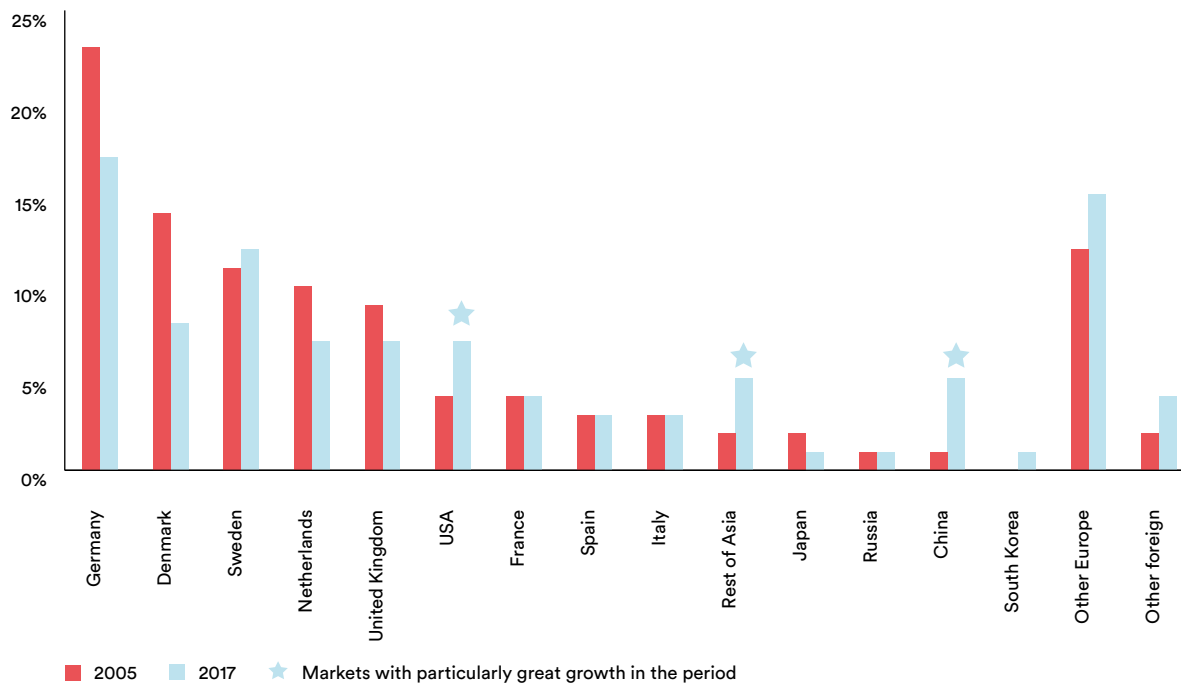


During this period the number of foreign overnight stays has increased by 2.3 million, corresponding to 30 percent. There is a good growth from most markets during this period, while the number of overnight stays from Germany, the Netherlands, Denmark and Japan is lower in 2017 than in 2005.

The traditional neighbouring markets headed by Germany were, and still are, the most important for Norwegian tourism. Nevertheless, the neighbouring markets do not grow at the same pace as the overseas markets.

Share of commercial overnight stays 2005 and 2017

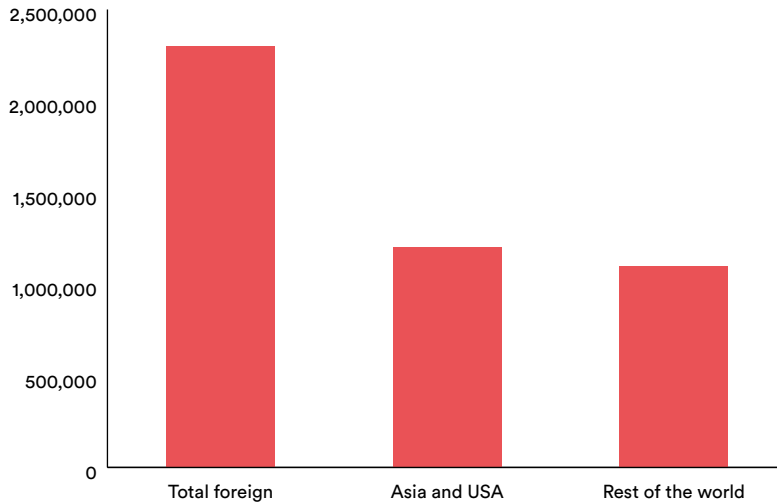
Share of foreign overnight stays
The graph is ranged according to the largest share in 2005



Over half of the growth comes from Asia and the USA

52 percent of the growth in the period is from overnight stays from Asia and the USA

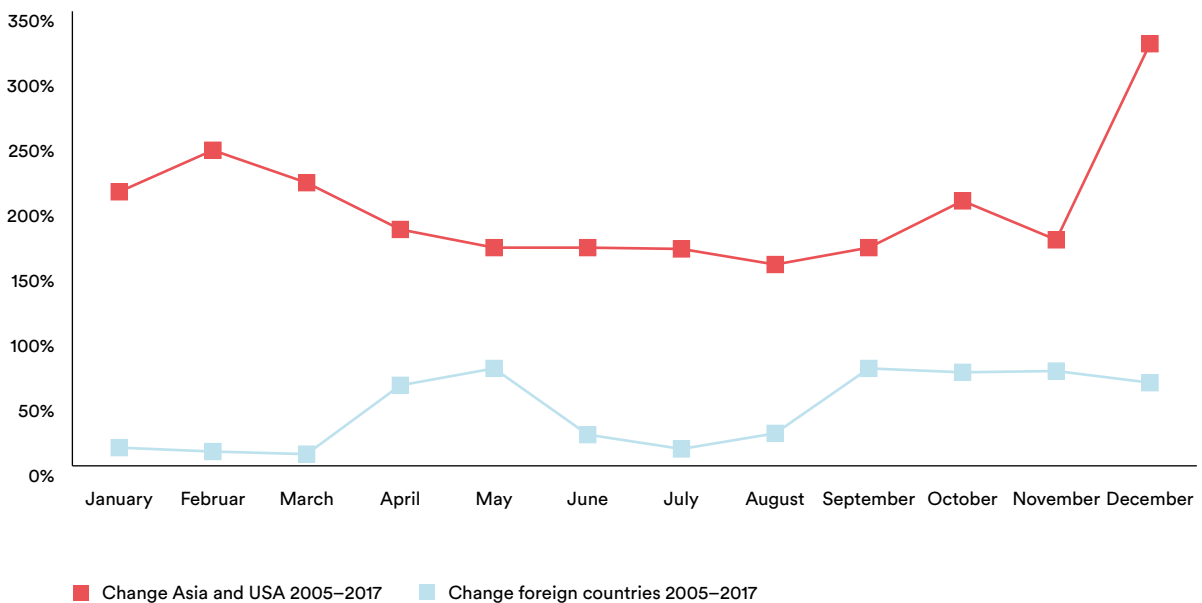
Commercial overnight stays



The share of Asian and American overnight stays has increased from 7% in 2005 to 18% in 2017.

Good growth from Asia and USA throughout the year

The growth from Asia and the United States is characterized by being high throughout the year. If we look at the number of foreign overnight stays in total, Norway has managed to obtain good growth outside of the high seasons.





4. Expenditure linked to trips in Norway

TOURISTS staying in commercial accommodation and on the Hurtigruten significantly increased their expenditure in 2016.

Figures from the Tourism Survey show that the total expenditure by tourists in connection with trips to Norway is estimated at NOK 84.1 billion for 2016. This is an increase of 23% from 2015.

Norwegian tourists accounted for expenditure of NOK 56 billion, while foreign tourists spent NOK 28 billion. Expenditure in connection with holidays accounted for NOK 42.7 billion, while NOK 41.3 billion came from business travel.

Why has expenditure increased?

Expenditure is calculated on the basis of average daily expenditure and the number of commercial overnight stays. The number of commercial overnight stays increased by more than 1 million from 2015 to 2016.

At the same time, the average daily expenditure of Norwegian holidaymakers increased from NOK 1,450 kroner to NOK 1,665. Similarly, foreign holidaymakers had an increase in daily expenditure from NOK 1,855 to NOK 2,240 in 2016.

Norwegians spend the most in Norway

Not surprisingly, it is Norwegians who spend the most in Norway. This is true whether it is a business trip or a holiday trip. Expenditure by Norwegians represents a

67% share of all expenditure in 2016, compared with 69% in 2015. This decrease means that expenditure by foreigners means more for Norway.

The expenditure figures shown here are for tourists who stayed in commercial accommodation and on Hurtigruten. Tourists who only stay in private accommodation, or accommodation not included in the official statistics, are not included in the figures here. The figures here cover about half of the expenditure included in the Tourism Satellite Account published by Statistics Norway. Nevertheless, they provide a very good indication of trends in Norwegian tourism.

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The total expenditure by tourists in connection with trips to Norway is estimated at NOK 84.1 billion.

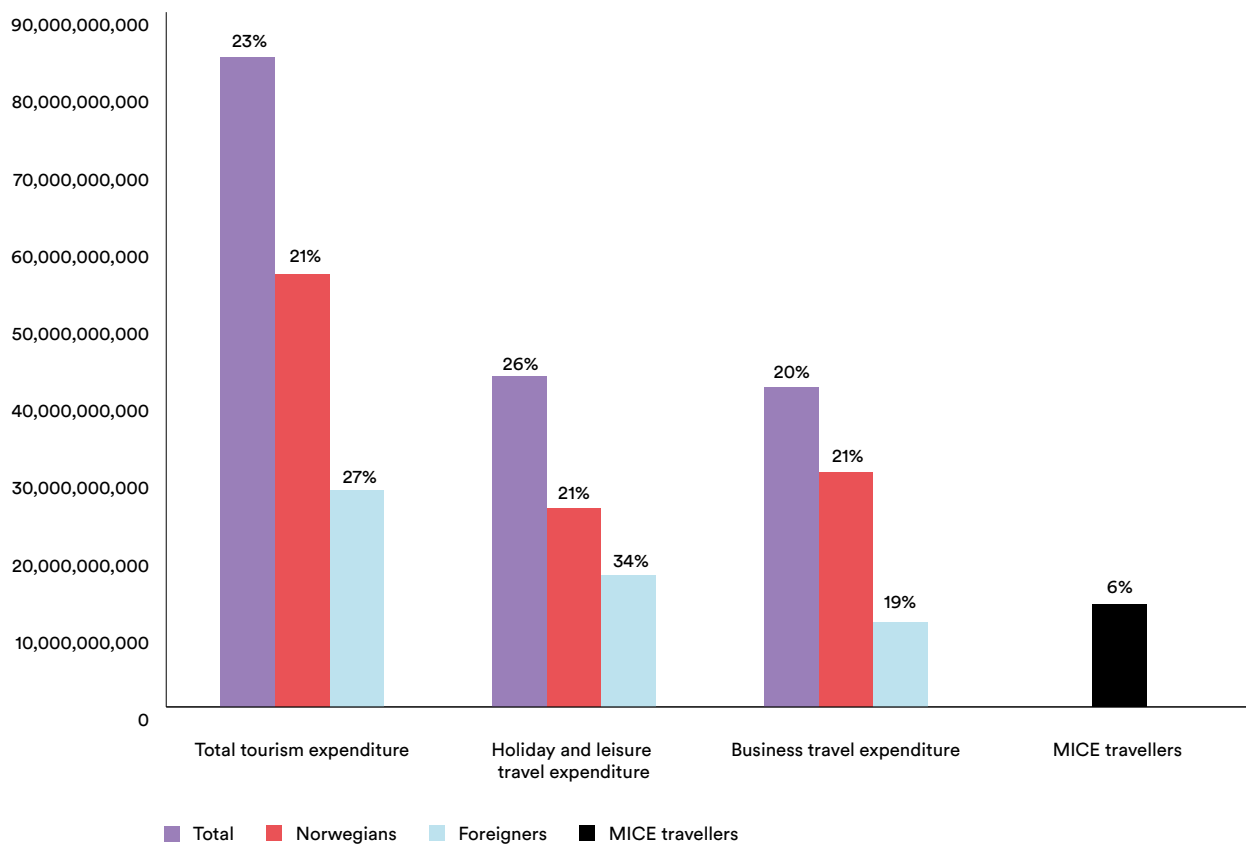
Expenditure by tourists who stayed in commercial accommodation and/or on Hurtigruten

Of the total expenditure of NOK 84.1 billion, NOK 42.8 billion is expenditure related to holiday- and leisure travel. That means a 51 percent share. Consumption related to business trips is estimated at NOK 41.3 billion.

The graph shows total expenditure on tourism and distribution by holiday- or business travel, as well as the change from 2015. The outer column shows NOK 13.3 billion pertaining to expenditure related to MICE

visitors. These are figures that are already included in business travel expenditure, but these expenditure figures are given special attention since this group is an important part of Innovation Norway's priority areas.

MICE travellers belong to the business traveller group, that have stated the purpose of their business trip to Norway as either congress, conference or company meeting, course/ education, trade fairs or reward/ bonus trips.



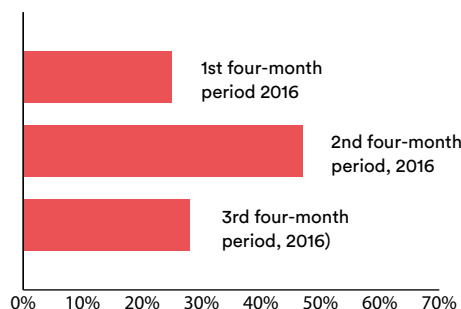
Average daily expenditure

In the tourism survey, tourists are asked how much money they have spent on transportation to and from Norway, hotels, package tours and, where relevant, course fees for business travellers. The “other expenditure” category includes spending in Norway excluding accommodation, such as shopping, local transportation and the like.



Expenditure distributed by four-month period

Figures in brackets show the distribution for 2015



Kilde [The 2016 Tourism Survey, Innovation Norway](#)

Expenditure estimates for holiday tourists 2016

Market	Expenditure per holiday stay for travel companion	Daily expenditure per person	Expenditure per holiday stay per person	Total expenditure
Norwegian holidaymakers	kr. 27,205	kr. 1,665	kr. 10,005	kr. 25,710,000,000
Swedish holidaymakers	kr. 44,160	kr. 1,875	kr. 13,635	kr. 1,335,000,000
Danish holidaymakers	kr. 31,165	kr. 1,470	kr. 10,605	kr. 960,000,000
German holidaymakers	kr. 78,815	kr. 1,720	kr. 25,220	kr. 3,140,000,000
Dutch holidaymakers	kr. 50,280	kr. 1,260	kr. 19,145	kr. 720,000,000
British holidaymakers	kr. 64,305	kr. 2,505	kr. 21,775	kr. 1,345,000,000
American holidaymakers	kr. 100,745	kr. 3,630	kr. 34,925	kr. 1,125,000,000
French holidaymakers	kr. 135,900	kr. 3,515	kr. 44,155	kr. 940,000,000
Spanish holidaymakers	kr. 109,410	kr. 2,700	kr. 21,880	kr. 625,000,000
Italian holidaymakers	kr. 76,600	kr. 2,920	kr. 31,275	kr. 495,000,000
Chinese holidaymakers	kr. 119,595	kr. 3,275	kr. 13,185	kr. 1,120,000,000
Swiss holidaymakers	kr. 79,240	kr. 2,195	kr. 33,445	kr. 690,000,000
Other European holidaymakers	kr. 47,240	kr. 1,945	kr. 18,660	kr. 1,560,000,000
Other holidaymakers outside Europe	kr. 174,285	kr. 3,395	kr. 29,690	kr. 3,005,000,000
All foreign holidaymakers	kr. 86,520	kr. 2,240	kr. 24,080	kr. 17,060,000,000
All holidaymakers	kr. 42,485	kr. 1,855	kr. 14,125	kr. 42,770,000,000

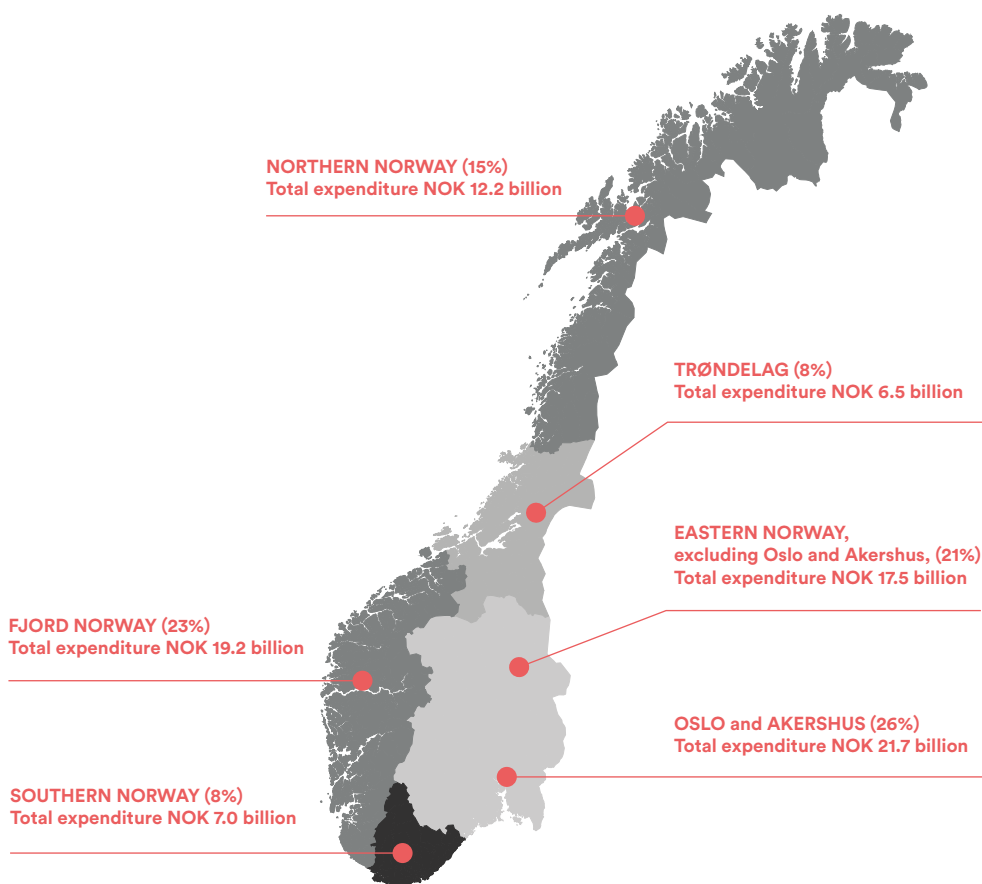
The expenditure estimates are for holidaymakers who had one or more overnight stays in commercial accommodation and/or on Hurtigruten

Expenditure per region in 2016

Figures from the Tourism Survey show that the total expenditure by tourists in connection with trips to Norway is estimated at NOK 84.1 billion for 2016. The map shows the distribution by region.

Large share of the total tourist expenditure is attributed to the national capital

NOK 21.7 billion, or 26% of total tourism expenditure, was spent in Oslo and Akershus. Followed by the fjord counties with a 23% share. The counties in Eastern Norway, excluding Oslo and Akershus, represent a share of 21% and Northern Norway 15%. The smallest share of expenditure was in Southern Norway and Trøndelag, with 8% each.



The expenditure estimates are for holidaymakers who had one or more overnight stays in commercial accommodation and/or on Hurtigruten

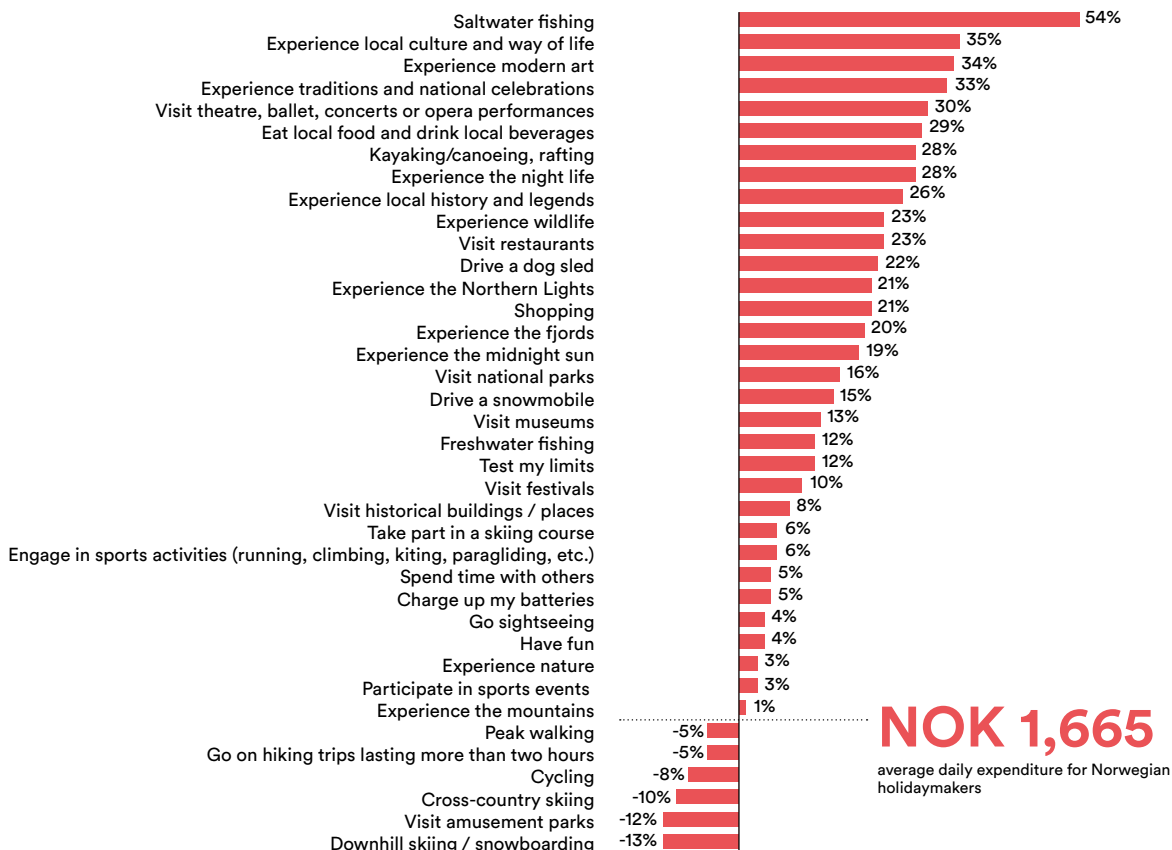
Activities increase expenditure

The average daily expenditure of a Norwegian holiday-maker was NOK 1,665 in 2016, compared with NOK 1,450 in 2015. The Tourism Survey found relatively large differences in expenditure depending on which activities are important and deciding factors in their decision to spend their holidays in Norway.

The expenditure of Norwegians who stated that “saltwater fishing” was an important activity in their holiday was 54%

above the average expenditure. This corresponds to a daily expenditure of NOK 2,564 in 2016. Next come those interested in culture, who generally spent more on a daily basis in 2016 than others. This is especially true for those who stated that experiencing the local culture and way of life, local food, modern art, or theatre, ballet, concert or opera performances was important. The Norwegian holidaymakers with the lowest daily expenditure were those preferring hiking, cycling, skiing and amusement parks. Their daily expenditure was below average at NOK 1,665.

Daily expenditure by activity (undertaken or planned). Norwegian holidaymakers

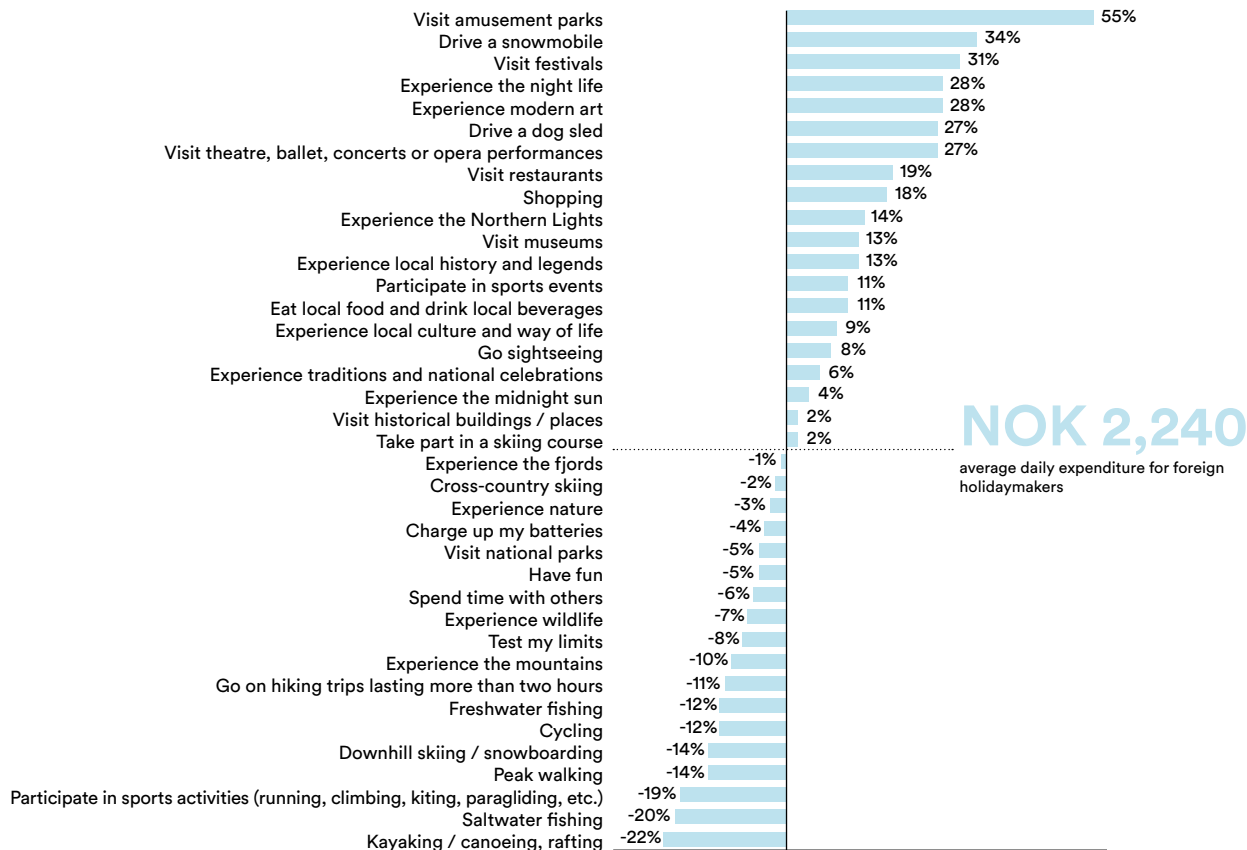


Large differences in the expenditure of foreign holidaymakers

Foreign holidaymakers' expenditure varies more than that of the Norwegians. In 2016, the average daily expenditure for a foreign holidaymaker was NOK 2,240, compared with NOK 1,855 in 2015. Those with the highest average expenditure were those who wanted to visit an amusement park, drive snowmobiles, go to festivals, experience the nightlife and modern art, go dog sledding or go to theatre, ballet, concert or opera performances.

At the bottom, with daily expenditure 22% lower than the average, we find those who said kayaking/canoeing and rafting were an important and deciding factor in their decision to holiday in Norway. Their expenditure was around NOK 1,747 per day.

Daily expenditure by activity (undertaken or planned). Foreign holidaymakers







5. What holiday-makers are like

MORE AND MORE tourists visit Norway and many of them want active holidays and a variety of cultural experiences.

While the typical tourist in Norway wants to have fun and experience the fjords and mountains, they also want to visit historical buildings and places. They want to experience the local way of life and culture, and to try the local food and drink. The good news is that the number of tourists is growing and that they are spending more days in Norway.

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Regardless of where the tourists come from, they would highly recommend a holiday in Norway to others.

Regional differences

By looking at tourists' travel habits and behaviour, they can be divided into stationary tourists and touring tourists. This gives us an indication of whether staying in a region was the main purpose of the holiday or whether it was part of a tour of Norway.

Northern Norway has a very high share of stationary tourists who stay in the region for a long time. Half of all the tourists can be called stationary tourists and Northern Norway was thus the region of Norway with the highest share of this category of tourist in 2016. The smallest category was the share of touring tourists who were in the region for a short stay.

If the distribution of regional tourists in Northern Norway is compared with the other regions of Norway, significant differences can be seen between them. Northern Norway, Eastern Norway, Southern Norway and Fjord Norway had the largest shares of stationary tourists, unlike Oslo and Trøndelag where touring tourists on short stays dominated.

Fjord Norway had a relatively even distribution of the four types of regional tourists. The region had just as many stationary tourists as touring tourists. Stationary tourists spent more than half of their holiday in the region, while touring tourists spent less than half of their holiday in the region. Relatively few stationary tourists had fewer than three overnight stays in the region.

Those who visited Oslo and Akershus were different from the other holidaymakers in Eastern Norway, which is why they are put into a separate category. Oslo and Akershus had a slightly higher share of touring tourists than stationary tourists. Touring tourists on short stays especially account for a large share. Compared with the other regions, this was the region with the most touring tourists on short stays in 2016.

The tourists in Trøndelag were also generally touring tourists on short stays in the region. Four out of ten of the regional tourists can be called touring tourists. The other three types of tourists were almost equally distributed, with stationary tourists making up the smallest share.

Regional tourists in Norway consist of all holidaymakers with a minimum of one overnight stay in the aforementioned regions and these can be roughly divided into four different types of regional tourist:

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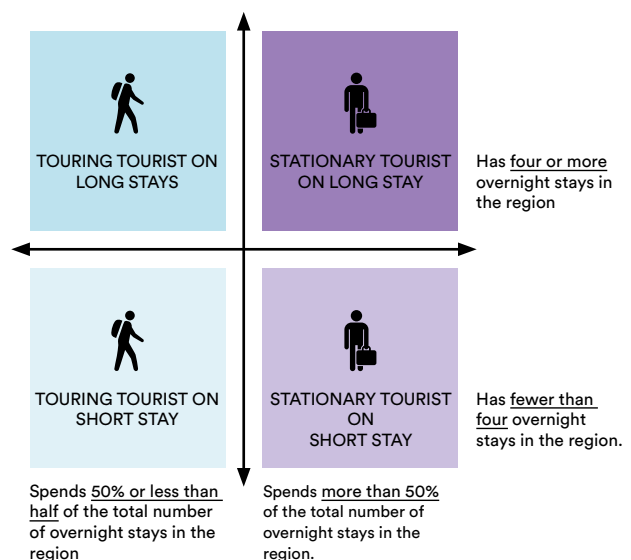
STATIONARY TOURISTS ON LONG STAYS IN THE REGION. These tourists spend a minimum of four nights in the region and more than half of all overnight stays on the holiday are spent in the region.
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STATIONARY TOURISTS ON SHORT STAYS IN THE REGION. These tourists spend fewer than four nights in the region, but more than half of all overnight stays on the holiday are spent in the region.
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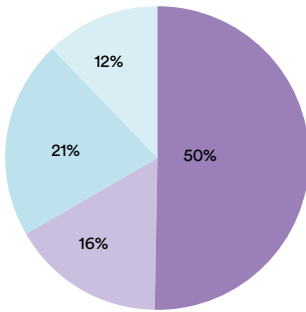
TOURING TOURISTS ON LONG STAYS IN THE REGION. These tourists spend a minimum of four nights in the region, but only half or less than half of all overnight stays on the holiday are spent in the region.
- 

TOURING TOURISTS ON SHORT STAYS IN THE REGION. These tourists spend fewer than four nights in the region and only spend half or less than half of all overnight stays on the holiday in the region.

THE FOUR DIFFERENT TYPES OF HOLIDAY TOURISTS

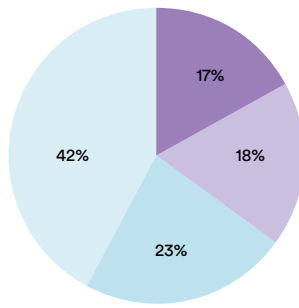


Northern Norway



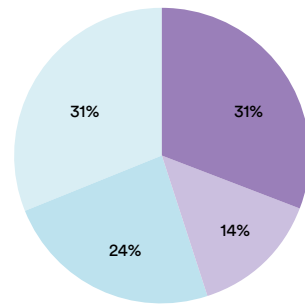
- Stationary tourists on long stays
- Stationary tourists on short stays
- Touring tourists on long stays
- Touring tourists on short stays

Trøndelag



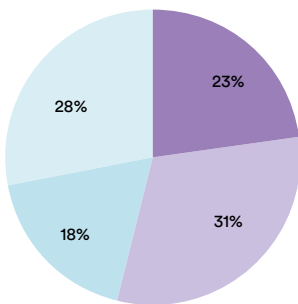
- Stationary tourists on long stays
- Stationary tourists on short stays
- Touring tourists on long stays
- Touring tourists on short stays

Fjord Norway



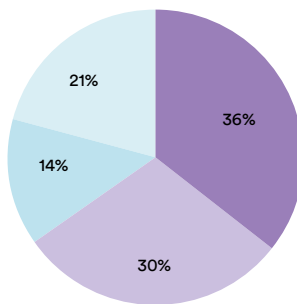
- Stationary tourists on long stays
- Stationary tourists on short stays
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- Touring tourists on short stays

Southern Norway



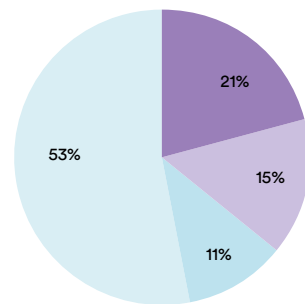
- Stationary tourists on long stays
- Stationary tourists on short stays
- Touring tourists on long stays
- Touring tourists on short stays

Eastern Norway (excluding Oslo and Akershus)



- Stationary tourists on long stays
- Stationary tourists on short stays
- Touring tourists on long stays
- Touring tourists on short stays

Oslo and Akershus

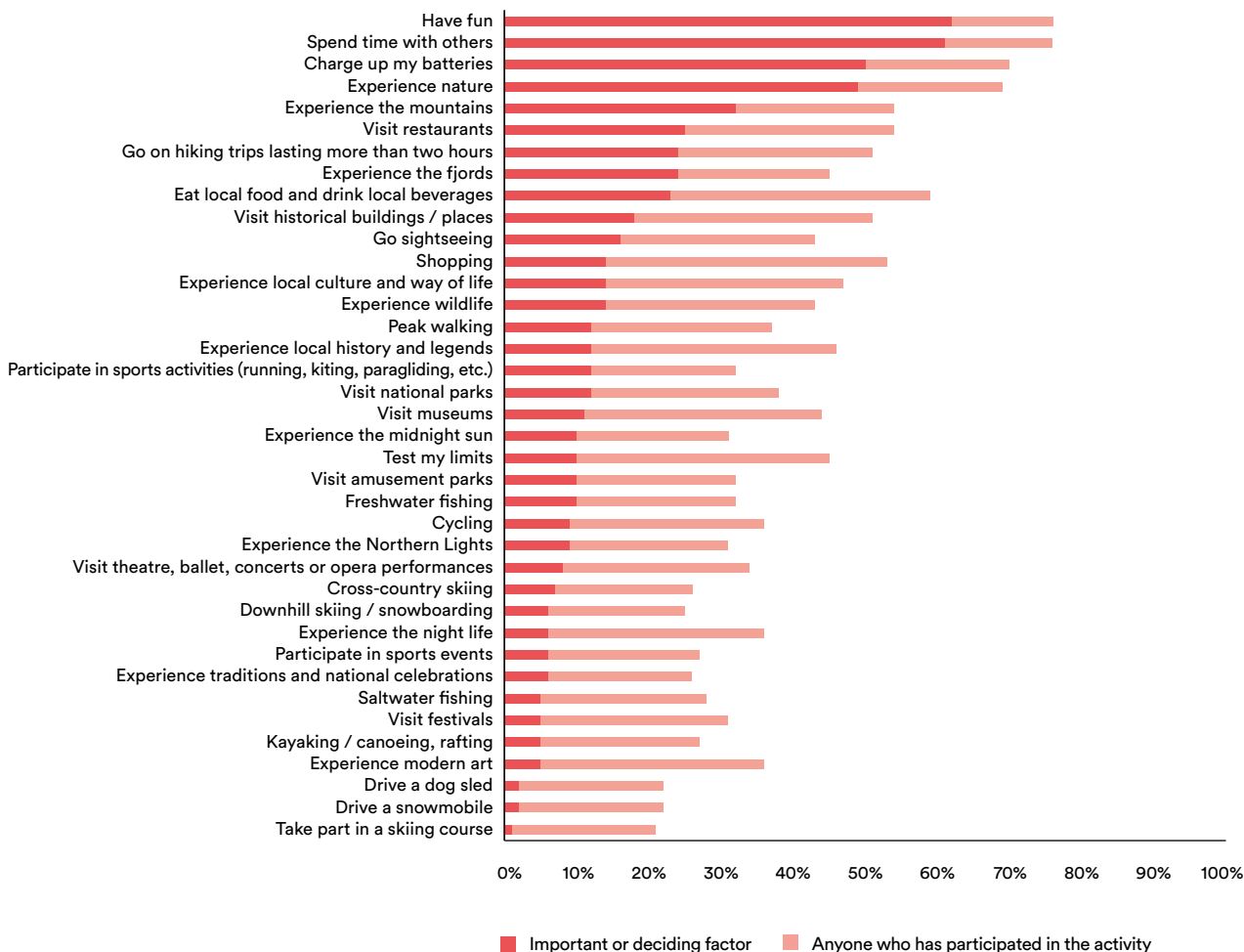


- Stationary tourists on long stays
- Stationary tourists on short stays
- Touring tourists on long stays
- Touring tourists on short stays

Like active holidays

The Tourism Survey asks tourists what activities they have undertaken or plan to undertake. At the same time, Innovation Norway asks whether the activity was an important or deciding factor in their decision to holiday in Norway. As the following pages show, the average tourist wants to see and do a number of things. When we ask whether the activity was an important or deciding factor as regards their stay, the responses are slightly different. See the responses in the first part of the columns. The graphs are sorted by what has had considerable or decisive significance for holidaying in Norway.

Activities among Norwegian holidaymakers



Activities among foreign holidaymakers



Yes thank you, both

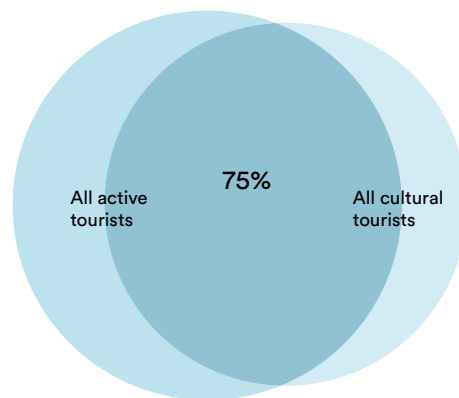
The typical tourist in Norway takes part in a number of activities. They want to have fun and charge their batteries, experience the fjords and mountains. They also want to visit historical buildings and places. Experience the local way of life and culture, and try the local food and drink. Even though there may be regional differences, the vast majority come to Norway to experience the landscape and outdoor activities.

Active cultural tourists

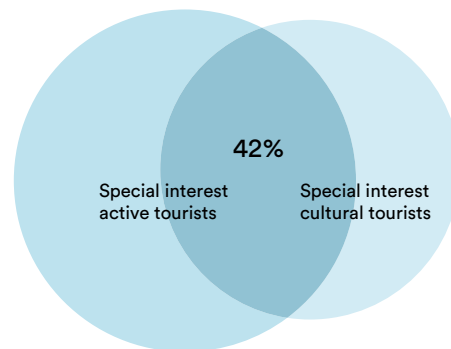
There is a broad overlap between cultural tourists and active tourists. In particular, many cultural tourists can also be defined as active tourists. While the top chart shows the overlap between all tourists who can be defined as either active-or-cultural tourists, the bottom figure shows a minor overlap between those who responded that the activity has been an important or decisive factor in their Norwegian holiday. Described here as “special interest tourists” While around three quarters of all active- and cultural tourists belong to both groups, only just over four out of ten of the special interest tourists belong to both groups.

Common to both categories is the fact that cultural tourists are more likely to overlap with the active tourists, rather than the other way around. This means that a larger share of holidaymakers must be characterised as active tourists rather than cultural tourists.

All tourists



Special interest tourists



There are more active cultural tourists, than cultural active tourists.

Longer stays

The average tourist is here for more than a week

The average duration of a holiday in Norway was 7.6 days in 2016. This is almost half a day longer than in 2015.

This means that the increase in commercial overnight stays in 2016 was due to a combination of more tourists coming and those who came staying longer.

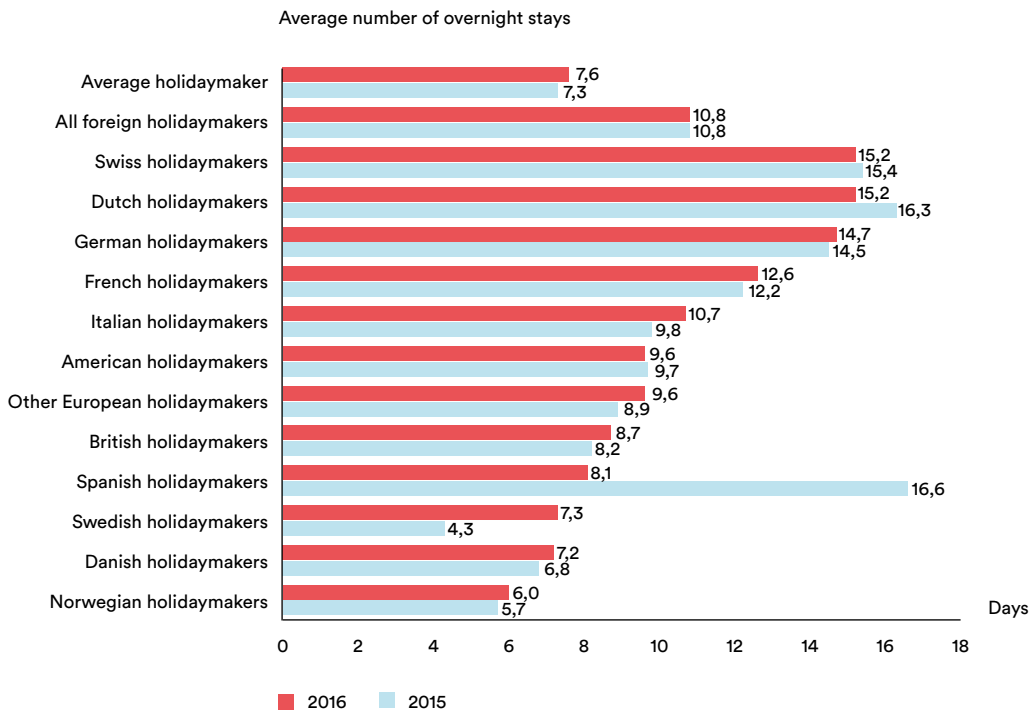
Tourists from a number of markets are staying longer

The crucial reason why the average stay was longer in 2015 was that holidaymakers from high-volume markets, such as Norwegians, Germans, Swedes and Brits, had longer holidays here than they did in 2015.

Swiss, Dutch and German tourists stay the longest

What characterises holidaymakers from these countries is that, on average, they holiday in Norway for more than two weeks.

Duration of stay

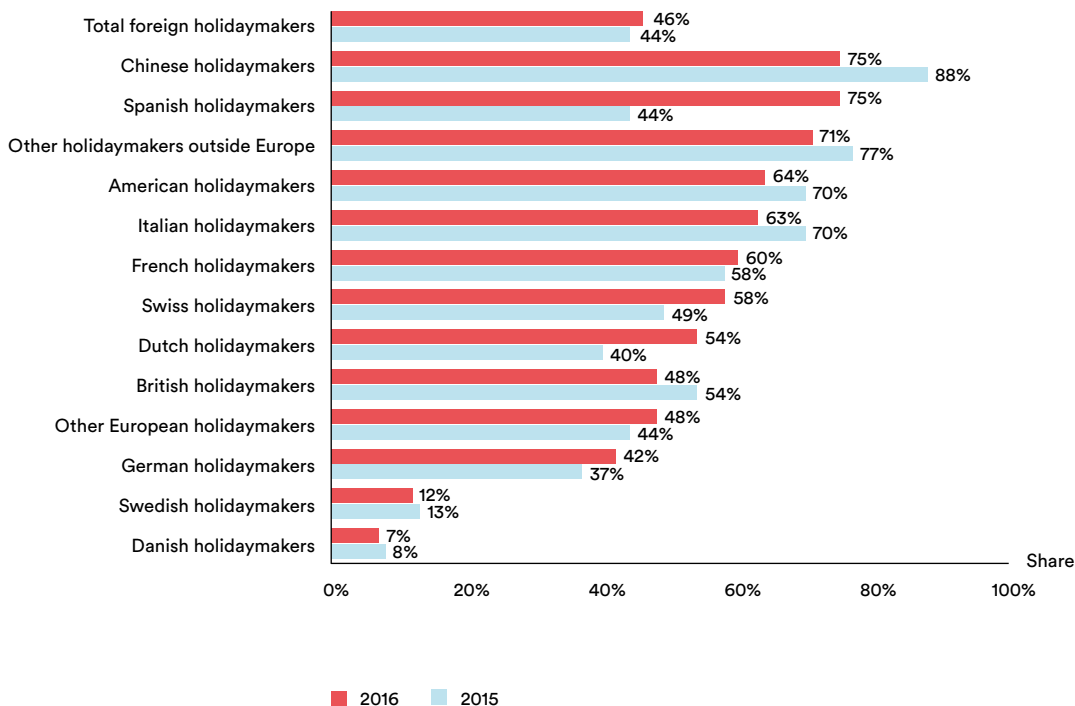


Larger share of first-time visitors

A good mix of first-time visitors and repeat visitors who return year after year is good for a holiday destination. In 2016, 54% of the foreign holidaymakers had holidayed in Norway before, while 46% were visiting Norway for the first time. This is an increase of 5% from 2015. By comparison, the share of first-time visitors in 2014 was 42%.

Most first-time visitors come from countries outside Europe, but holidaymakers from Southern Europe also made their mark. 2016 saw good growth in the number of first-time visitors from countries such as Switzerland, the Netherlands and Germany. Danes and Swedes are loyal holidaymakers who return year after year.

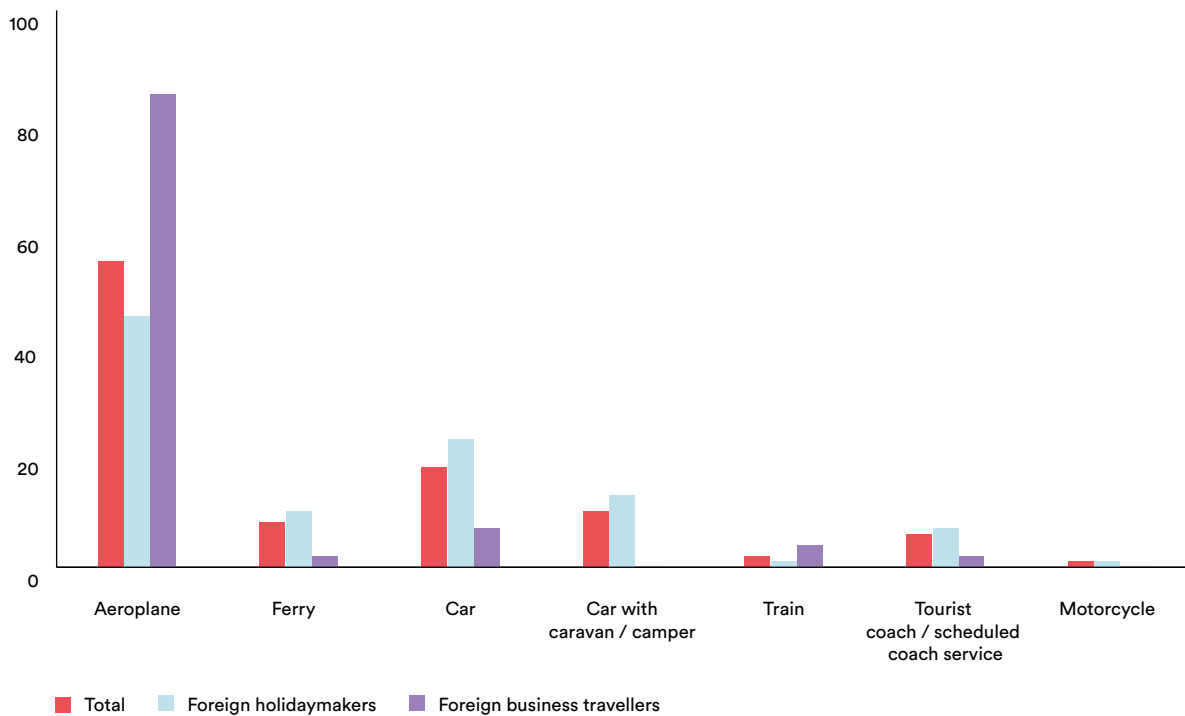
Share of first-time visitors among holidaymakers



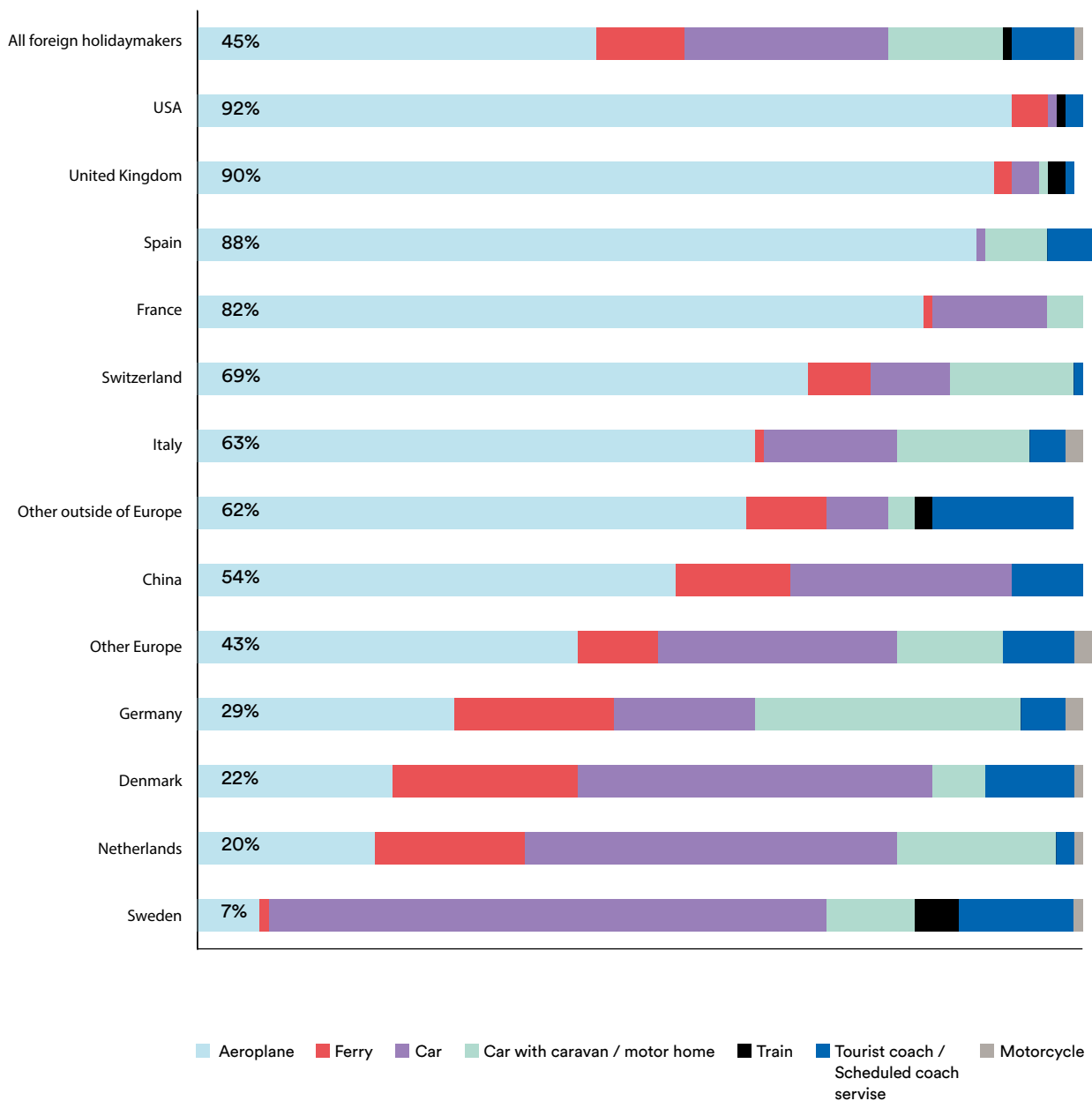
Most people arrive in Norway by air

55% of all those who spent one overnight stay or more in commercial accommodation or on the Hurtigruten arrived in Norway by air. For foreign business travellers, the proportion was 85 percent, while 45 percent of the holiday travellers arrived in the country by air.

Means of transport to Norway



Means of transport to Norway for holidaymakers by nationality





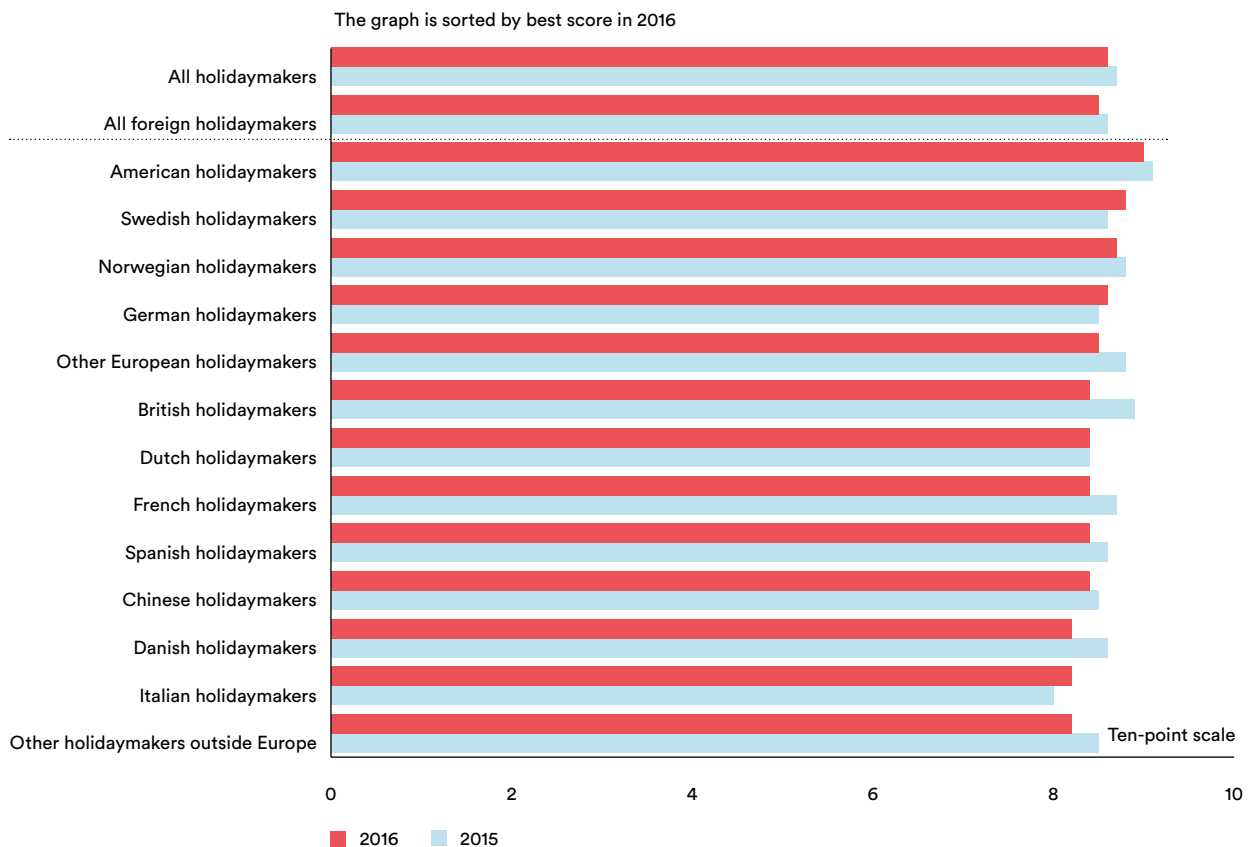
Satisfied with their holiday in Norway

Norwegian and foreign holidaymakers are generally satisfied with their holiday in Norway and would highly recommend a holiday in Norway to others.

The travellers expect attractions and sights, activities, cultural experiences, and food and drink with local roots. The tourists want to be surprised, inspired and involved. They want to meet people and experience the atmosphere in the places they visit.

On the following pages, you can read the holidaymakers' evaluation for 2016. Do we deliver?

Satisfaction with holiday in Norway by market



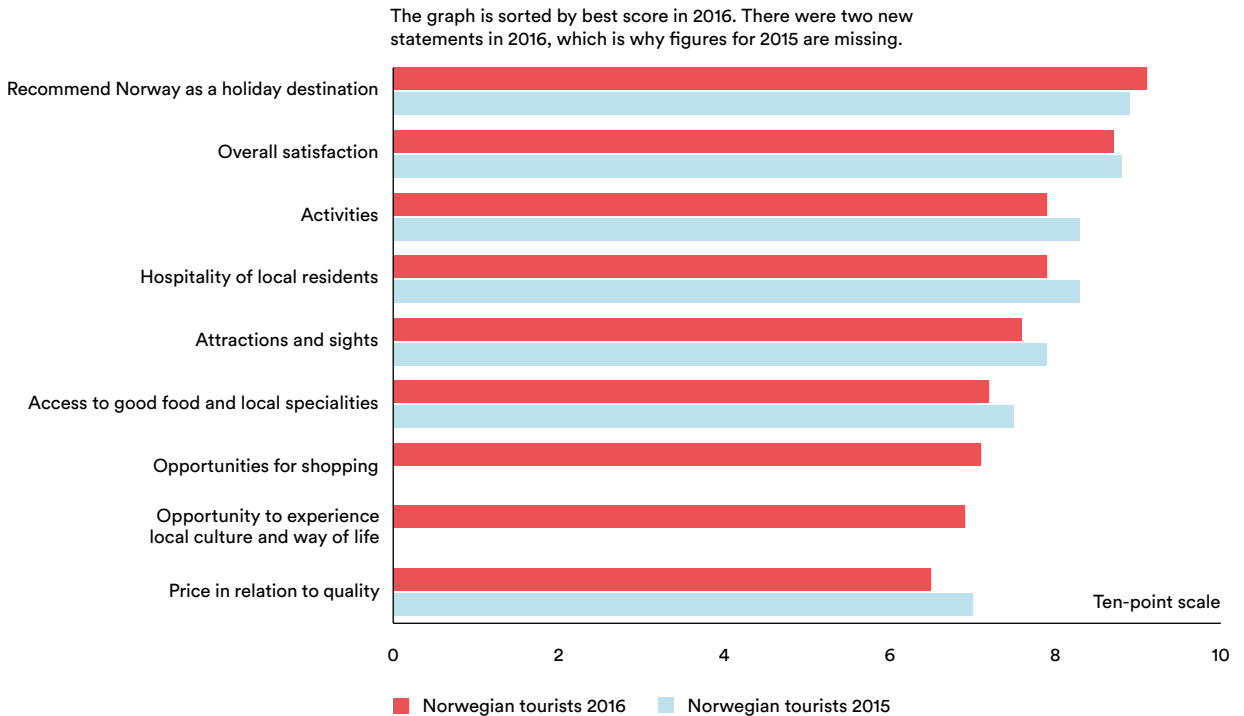
Falling satisfaction

Overall satisfaction fell among both Norwegian and foreign holidaymakers in 2016. For foreign holidaymakers, average satisfaction fell from 8.7 in 2015 to 8.6 in 2016. Decline in satisfaction was seen in several markets, while holidaymakers from Sweden, Germany and Italy were more satisfied in 2016.

If we are going to inspire, we have to live up to expectations, and preferably exceed them!

Even with a weaker exchange rate, Norway is not a low-cost country. Many people experience having to dig deep into their pockets when visiting Norway. That is why they also expect us to deliver quality. There is cause for concern given that the Tourism Survey shows that it was the relationship between price and quality that declined the most in 2016. Norwegian tourists scored this at 8% lower in 2016 and foreign tourists at 10% lower than the previous year.

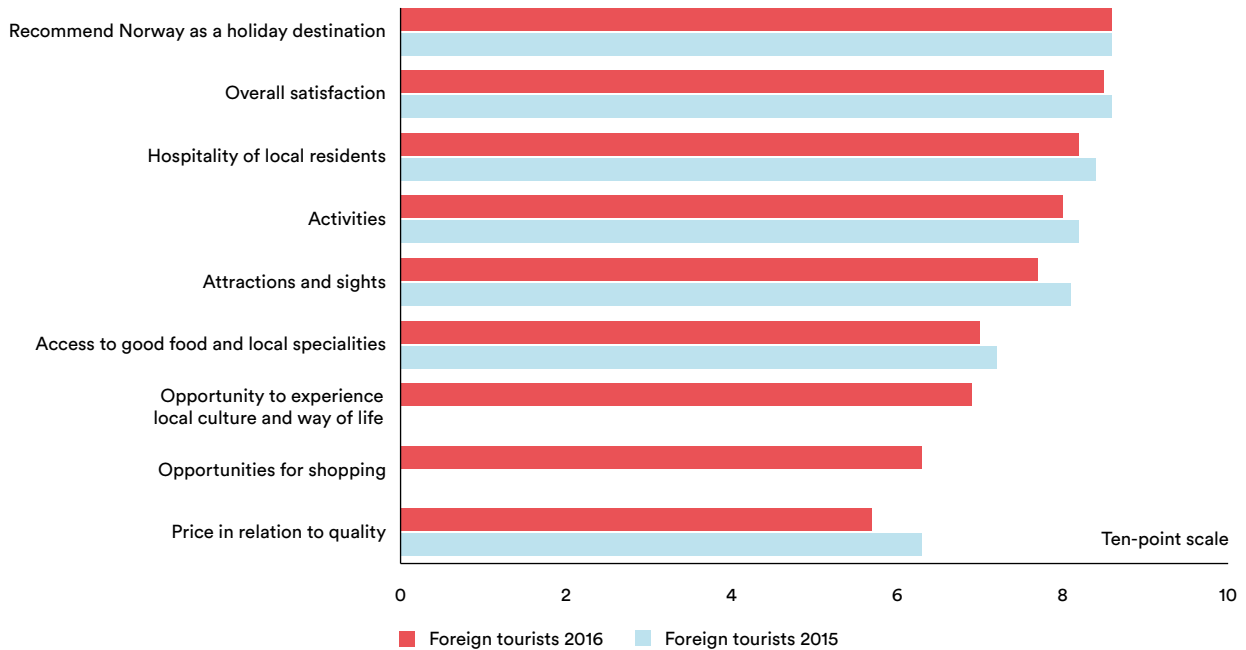
Satisfaction of Norwegian holidaymakers with various aspects of their holiday





Satisfaction of foreign holidaymakers with various aspects of their holiday

The graph is sorted by best score in 2016. There were two new statements in 2016, which is why figures for 2015 are missing.



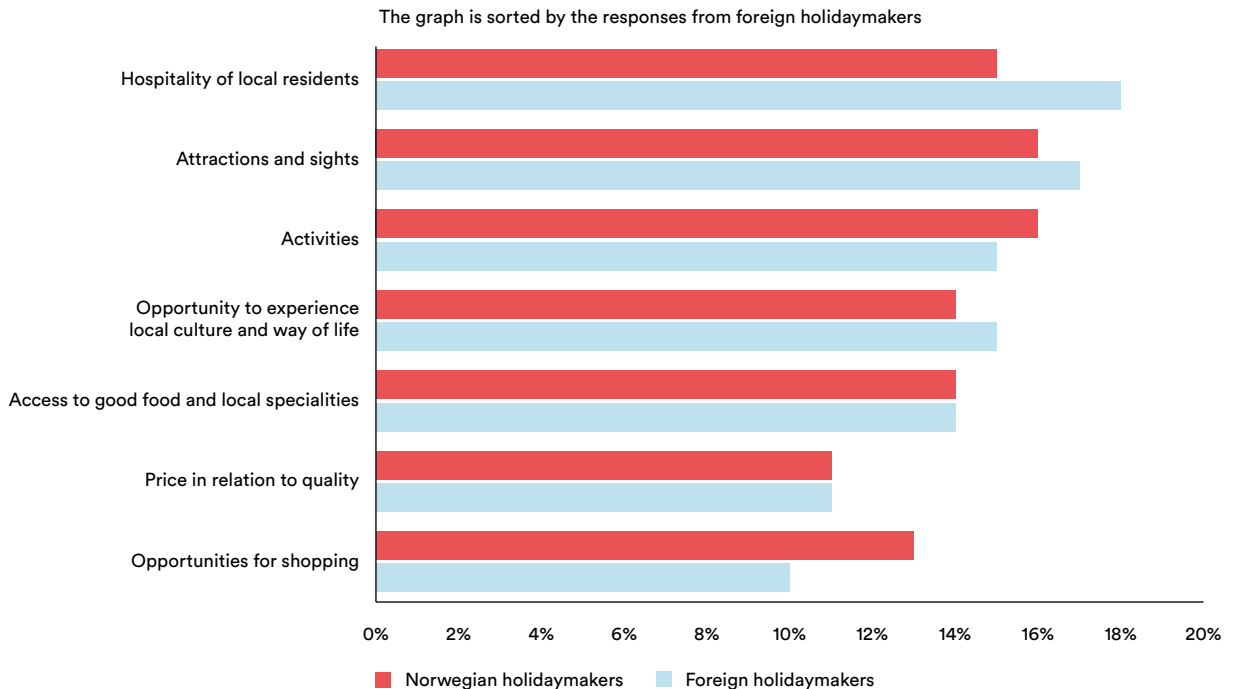
What makes a good holiday

How tourists evaluate the various parts of their holiday is one thing, how a good or poor evaluation of individual aspects affects overall satisfaction is quite another.

Analyses show that the aspect that has the greatest impact for foreign tourists is the level of hospitality, 18%

of satisfaction can be attributed to welcoming locals. It is also important that attractions and sights are experienced as good. Next come activities and the opportunity to experience the local way of life and culture. Meeting the locals is also important for Norwegian tourists, but activities, attractions and sights are most important to them.

What leads to good overall satisfaction





6. Perceptions of Norway as a holiday destination and the development of the Norway brand

FJORDS, MOUNTAINS AND NATURAL PHENOMENA top the list of what many people associate with Norway.

Innovation Norway conducts weekly surveys in Norway, Sweden, Denmark, the UK, Germany, the Netherlands and France. Their purpose is to reveal the perception of Norway as a holiday destination and the likelihood of the respondents visiting Norway on holiday. Among other things, the respondents are asked to write down the first thing that comes to mind about Norway as a tourist destination, and their holiday experiences here. They are then asked to give their opinion on a number of statements related to holidaying in Norway.

Scenic Norway

The strongest association that most people have to Norway is fjords. Many people associate Norway with nature, fjords, mountains, cold and the Northern Lights. That

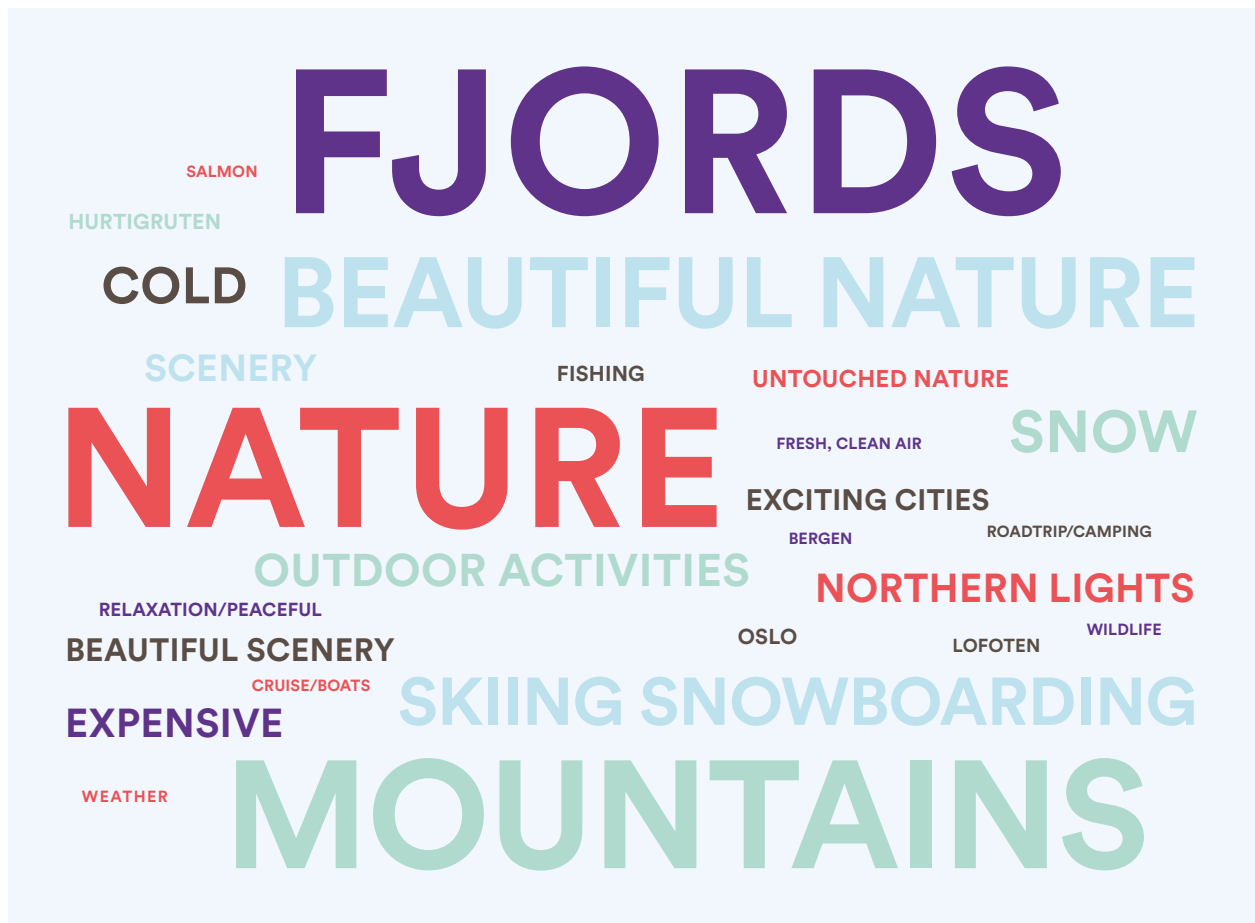
Norway is a suitable place for outdoor activities ranks high on the list. At the same time, the survey shows that more people will come here if they think that a holiday in Norway has something more to offer. The fact that a holiday in Norway can also offer exciting city life, culture and history, good food and local specialities is a plus.

During the last two years, more people have agreed with the statement that Norway is a suitable place for good food and local specialities, exciting city life and interesting culture and history. In the same period, Norway has also strengthened its position as a country with good opportunities for cycling, hiking in the countryside and winter activities such as skiing and snowboarding.

The word cloud is based on the following question: "What is the first thing that comes to mind when you think of Norway as a travel destination and holiday experiences in Norway?"



Top-of-mind results on Norway as a tourist destination

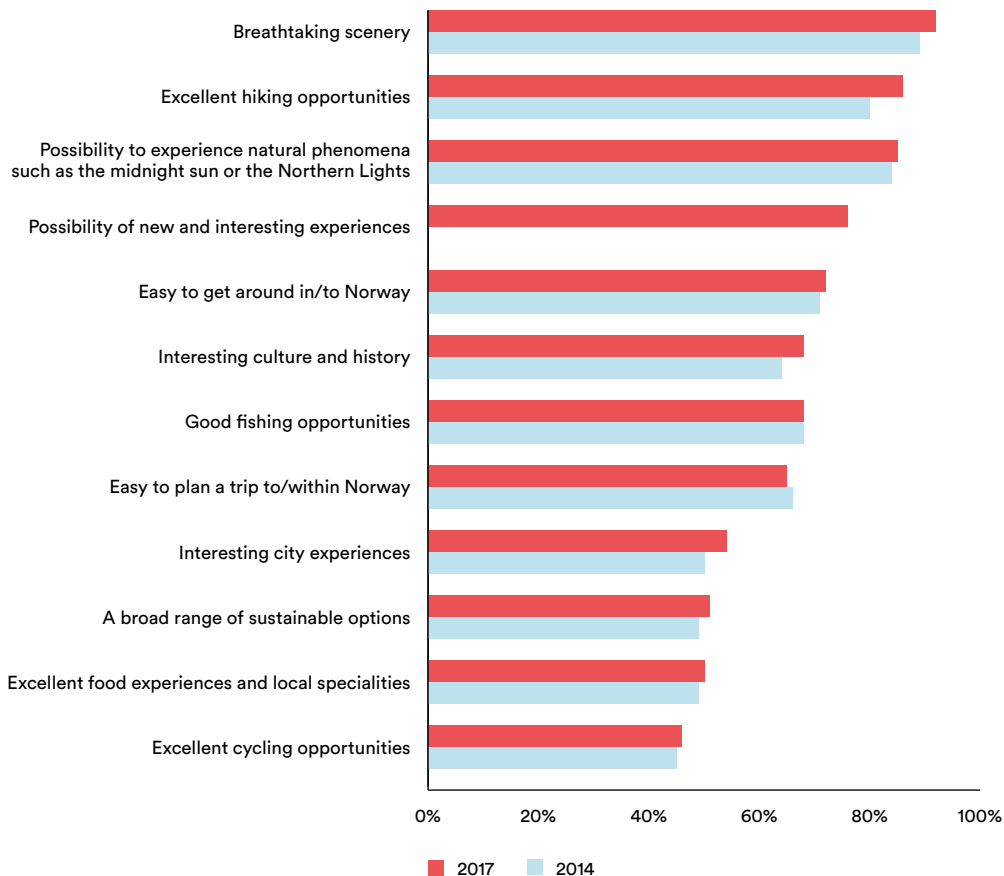


What characterises a holiday in Norway?

In order to find out what the target group thinks characterises a holiday in Norway, they are asked: “The following statements may characterise a holiday in Norway. Indicate how well each statement corresponds to the impression you have of Norway.”

The response options are as follows: Completely agree, agree, neither agree nor disagree, disagree, completely disagree and don't know. People who responded completely agree or agree are regarded as agreeing with the statement and are included in the statistics here.

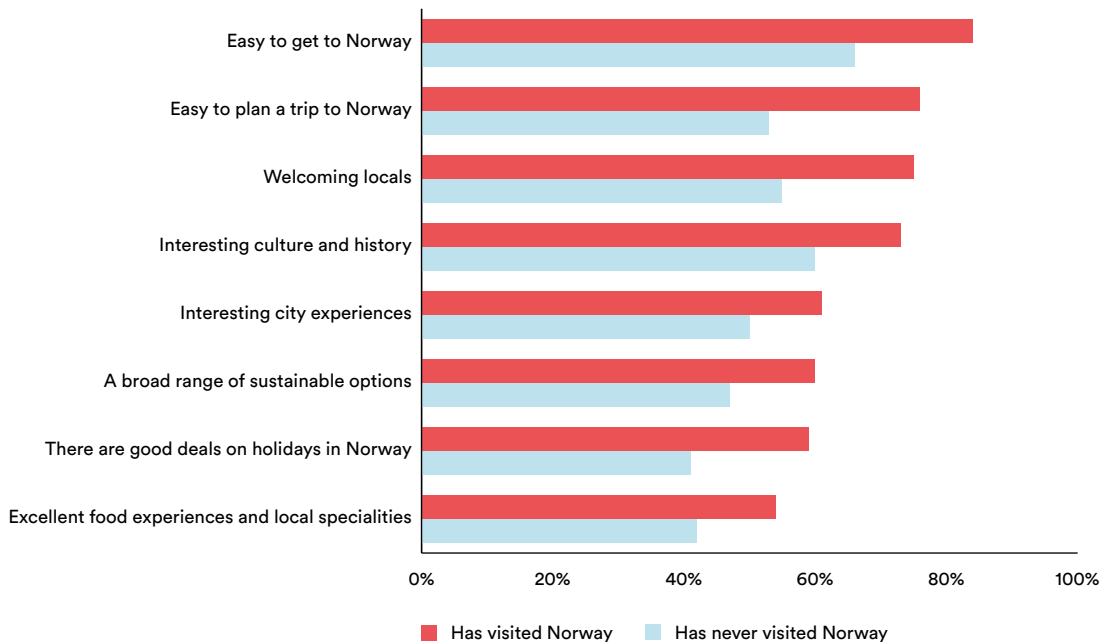
What characterises a holiday in Norway?



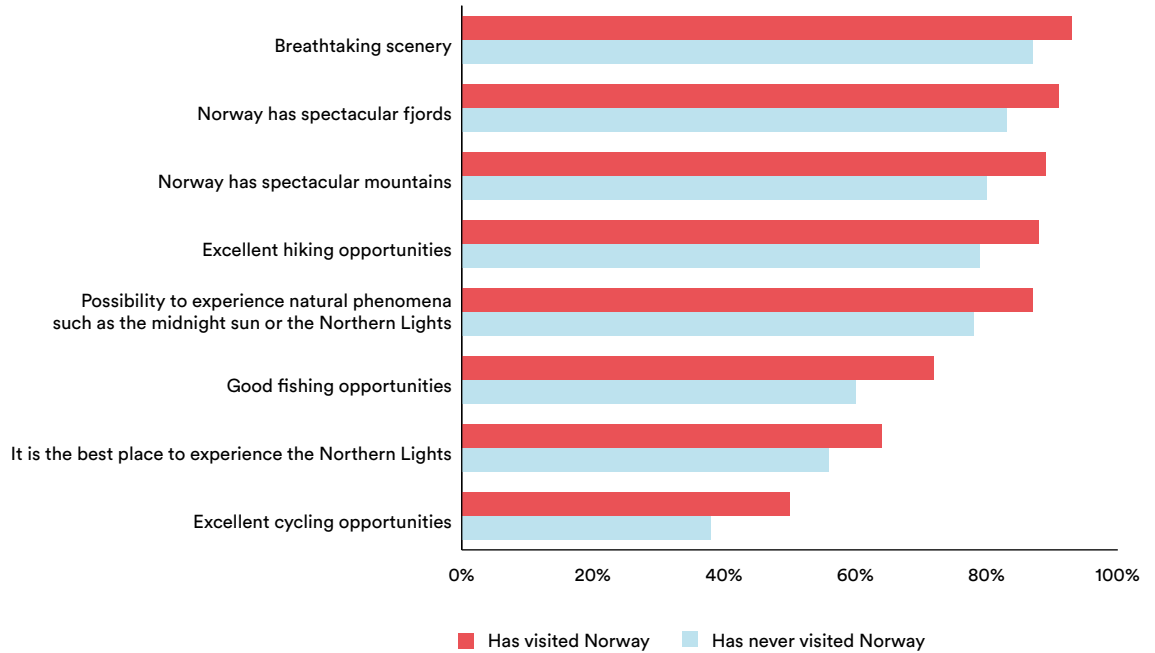
Norwegian travel and tourism has more work to do

It is interesting to distinguish the responses from Innovation Norway's tracker data between those who have visited Norway previously and those who have never been here. The answers that are rendered in the three graphs show that those who have already visited here are more positively inclined than those who have never been here. It shows that Norwegian tourism has more work to do in convincing more people that Norway is an attractive holiday destination.

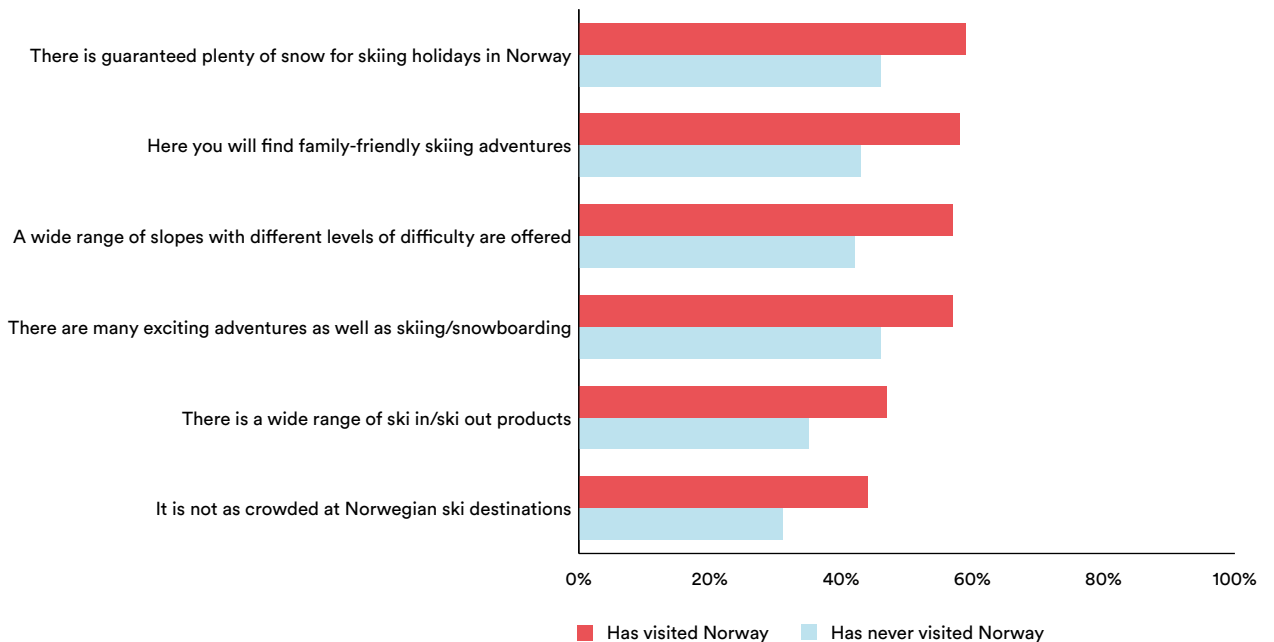
How is Norway perceived?



Nature and Natural Attractions



Skiing adventures



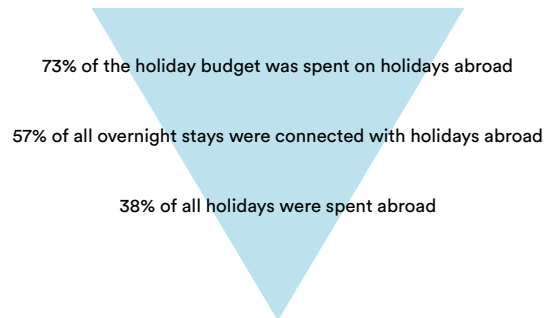


7. Norwegians' holiday habits

NORWEGIANS TRAVEL more and spend more money on holidays.

In 2017, Norwegians went on a total of 18.4 million domestic and international holiday trips. That is six percent more trips compared to 2016, which means one million more trips. The growth is evenly distributed between domestic- and international travel. Norwegians spend most of their holidays in their own country, but although the majority of all holiday trips throughout the year are in Norway, most of the holiday budget is spent on holidays abroad. In 2017 Norwegian holidaymakers spent almost NOK 107 billion on holidays abroad, whereas NOK 40 billion was spent on holidays in Norway.

Norwegians' holiday habits abroad



Facts:

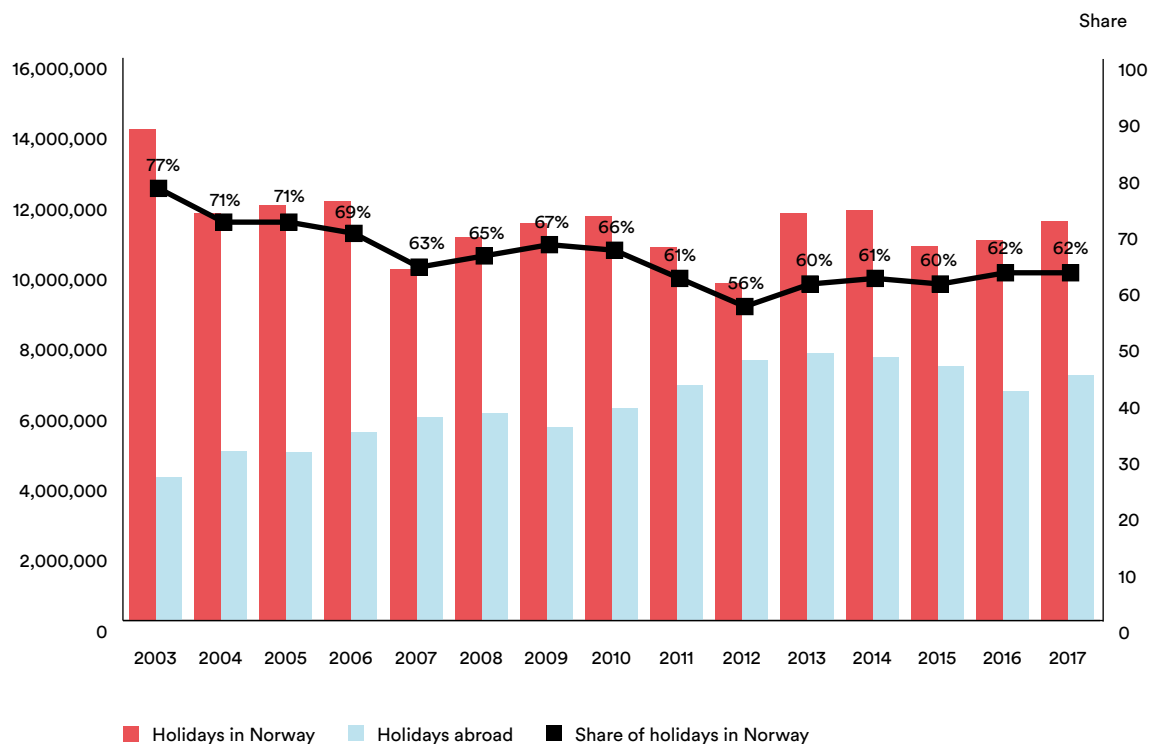
The Statistics Norway Travel Survey includes all types of holiday with at least one overnight stay. It does not matter whether the overnight stay is in commercial accommodation, with family and friends, in Airbnb accommodation, in a rented cabin or holiday home, or in their own or a borrowed cabin.

Most holidays in their own country

In 2017, Norwegians went on a total of 18.4 million domestic and international holiday trips. That is six percent more trips compared to 2016, which means one million more trips. The number of holidays spent in their own country increased by five percent, which equals just over half a million more

holidays, while the number of holidays abroad increased by seven percent, which is equivalent to 460,000 more trips. During the year, Norwegians spent most holidays in their own country. Nonetheless, the proportion is declining, from 77 percent in 2003 to 62 percent in 2017.

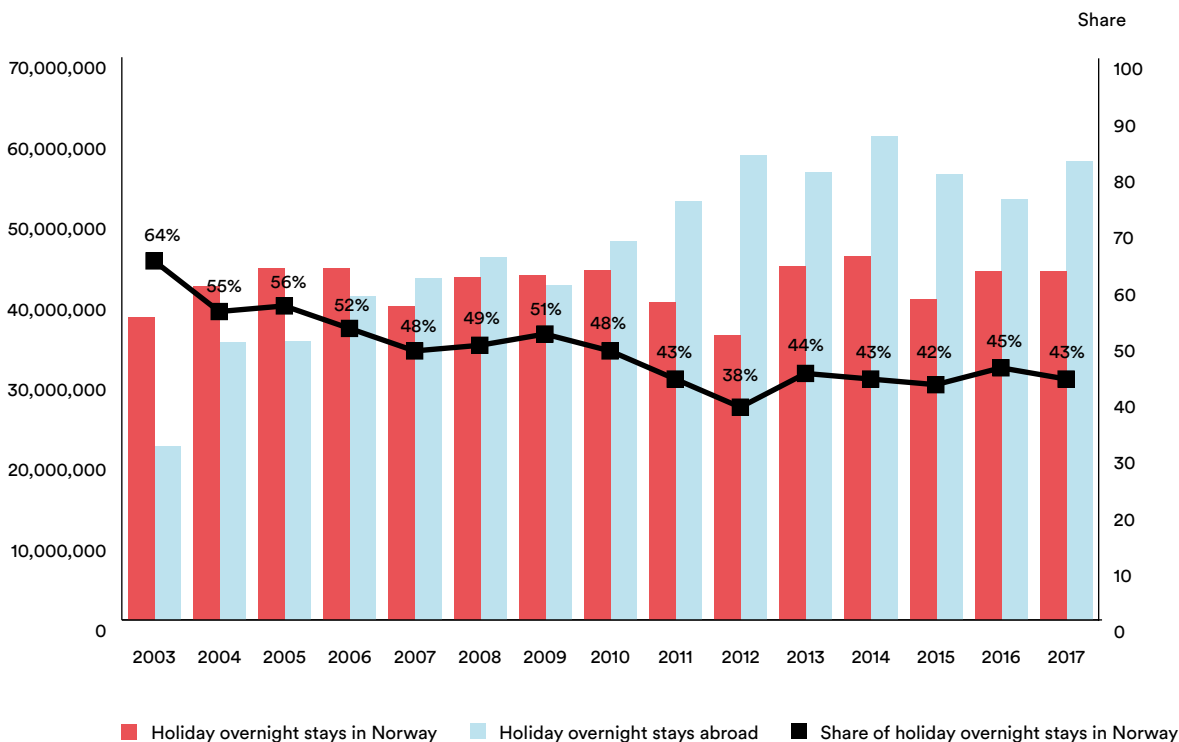
Holiday and leisure travel



Greatest increase in overnight stays on holidays abroad

Norwegians had more than 100 million overnight stays in connection with holidays in 2017. This equals an increase of five percent, or five million more overnight stays, compared to 2016. All growth in overnight stays was in conjunction with holidays abroad. The number of holiday overnight stays in Norway remains unchanged, compared to 2016.

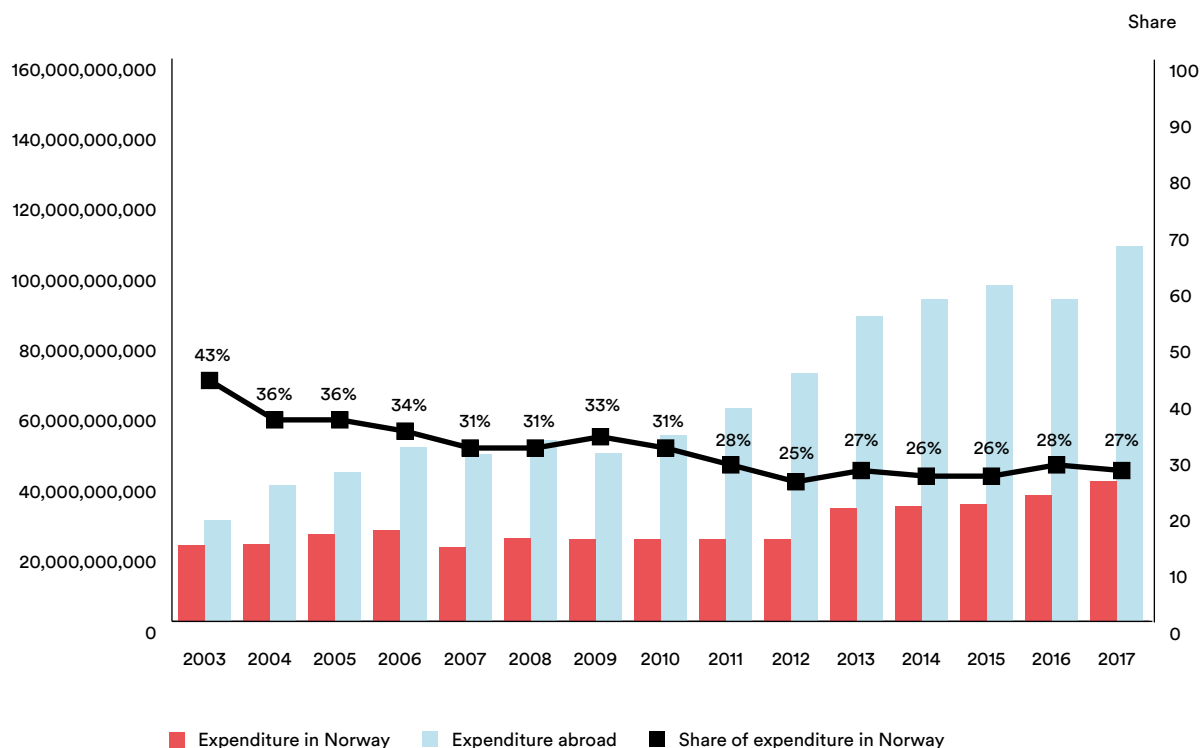
Holiday and leisure overnight stays



We spend ever more money on holidays

Norwegians spent slightly below NOK 147 billion on holiday trips in 2017. This is an increase of 15 percent, or NOK 19 billion, compared to 2016. Most of the growth represents money that was spent abroad. This means that an increasingly small proportion of Norwegians' holiday budget is used on holidays in Norway. Of an overall holiday consumption of NOK 147 billion, NOK 40 billion was spent in Norway, and NOK 107 billion was spent on holidays abroad.

Holiday and leisure expenditure





8. Cruise

MORE PEOPLE COME TO Norway on a cruise holiday.

2017 was yet another year of growth in both global and national cruise traffic. The global market increased to 25.8 million passengers in 2017 and of these slightly below 750,000 passengers were on cruises to Norway. These passengers paid just upwards of 3 million daily visits to Norwegian ports.

In 2018, the global market is expected to increase to 27.2 million cruise passengers and the forecast for Norway is approx. 800,000 cruise passengers, which will constitute approximately 3.2 million daily visits to Norwegian ports.

Cruise tourists who come to Norway are primarily Germans and Englishmen, but there is also growth in tourists from the USA and some of the southern European markets.

Top ten ports in 2017

PORT	Number of passengers in 2017
Bergen	534,221
Geiranger fjord (Geiranger)	349,786
Stavanger	340,220
Flåm	250,961
Ålesund	228,595
Oslo	198,000
Nordfjord Olden-Loen	141,728
Romsdal Fjord (Molde, Åndalsnes & Eresfjord)	137,845
Tromsø	125,873
Nordkapp Honningsvåg	123,462

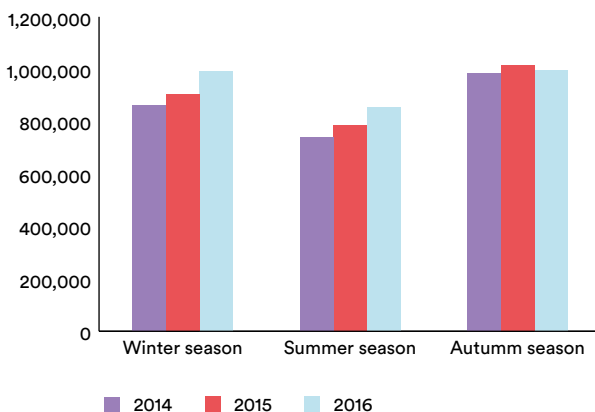
Largest nationalities on cruises to Norway:

COUNTRY	Number of passengers in 2017
Germany	231,015
United Kingdom	164,295
USA	98,741
Spain	39,044
Italy	37,478
Other markets	179,427
Total	749,414

9. International meetings

In 2016 the MICE travellers represented 2.8 million commercial overnight stays. That is five percent more than the previous year, which means 140,000 more overnight stays. Most overnight stays associated with this kind of visitor are in the autumn, and the fewest are in the summer months. From 2014, the greatest increase in the number of visitors has been during the winter and summer seasons, meaning that in 2016 the number of overnight stays in the winter season is at the level of the autumn season.

Number of commercial overnight stays for MICE travellers



The international meeting- and event market is an important segment of the tourism industry. The Innovation Norway Tourism Survey shows that these tourists have a higher average daily expenditure than holidaymakers, see page 45. In addition, these events contribute to more overnight stays outside the summer months, which is the high season for Norwegian tourism.

An attractive segment

An important part of the MICE segment is congresses, meetings and events, and the competition to bring international events to Norway is great. This initiative helps to put Norwegian technical and research communities on the map internationally. By hosting these events, Norwegian innovation and research environments have excellent opportunities for showcasing their results for an international audience. At the same time it is important in building brand Norway as a country of creativity and innovation.

Oslo is the city where most international congresses are traditionally held, with a 52 percent share in 2017. From 2011 to 2017 the number of congresses in Norway has increased from 302 to 498, which is an increase of 65 percent. Trondheim and Oslo have had the greatest growth. Nevertheless, it is worth noting that the collective category “Other cities”, which are cities other than the five university cities, has increased by 26 percent in the period.

Number of international congresses in Norway 2011–2017

	2011	2012	2013	2014	2015	2016	2017
Total in Norway	302	410	421	416	368	481	498
Oslo	117	178	200	202	162	200	261
Bergen	57	65	54	66	60	76	52
Stavanger	31	35	25	35	25	22	34
Trondheim	16	39	31	31	41	65	49
Tromsø	13	21	36	25	24	26	16
Other cities	68	72	75	57	56	92	86

10. Innovation Norway in brief

INNOVATION NORWAY'S objective is to be the Norwegian Government and Regional authorities' main instrument for achieving value-creating business development throughout the country.

With a regional presence both in Norway and abroad, Innovation Norway is uniquely positioned to stimulate profitable business development based on the regions' differing premises and opportunities in business and industry.

Innovation Norway has many clients, yet they all require us to contribute to long-term, sustainable value creation in Norway, and to work with companies, both individually and within networks.

Innovation Norway has a broad and complex social assignment. At the core of this assignment lies the expectation of value creation by stimulating to industrial and socio-economic profitable business development throughout Norway.

Innovation Norway's programmes and services are intended to create more successful entrepreneurs, more companies with growth potential and more innovative business clusters.

Our customer groups range from entrepreneurs, business ventures in the early start-up phase and small businesses, to large groups of companies with growth potential in all sectors and industries. Common to all the groups is that they see opportunities in making use of the expertise and assistance that Innovation Norway administers on behalf of a society that attaches importance to new, forward-looking business development.

With its nationwide network of offices, Innovation Norway is able to meet its customers in their business environment. Internationally, customers are served through our offices in the most important markets worldwide.

Innovation Norway is owned by the Norwegian Ministry of Trade, Industry and Fisheries (51%) and the regional authorities (49%).

11. Methodology

Expenditure figures

Expenditure figures from the Travel Survey (Statistics Norway) versus the Tourism Survey (Innovation Norway).

The figures in the Travel Survey reveal much higher expenditure by Norwegian tourists in Norway than is apparent from the Tourism Survey. This is because Statistics Norway reports trips involving all forms of accommodation, Whether the overnight stay is in commercial accommodation, in one's own cabin, or with family and friends. The Tourism Survey only includes trips where tourists stayed in commercial accommodation and/or Hurtigruten.

12. Definitions

ARRIVALS: Holiday or business travel with a minimum of one overnight stay.

COMMERCIAL OVERNIGHT STAYS: Overnight stays in hotels, campsites, cabin villages and youth/family hostels.

FOREIGNER: Person who lives outside Norway.

HOLIDAY TRAVEL: Travel for which the main purpose is reported to be:

- visiting family and friends
- holiday and leisure travel, including skiing holidays
- shopping

LONG HOLIDAYS: Four or more overnight stays.

MICE TRAVELLERS: MICE travellers belong to the business traveller group, that have stated the purpose of their business trip to Norway as either congress, conference or company meeting, course/education, trade fairs or reward/bonus trips.

NON-COMMERCIAL LOCATION: Accommodation with friends and family
Second-home tourism (e.g. own cabin)
Other accommodation (e.g. tents outside a campsite, Airbnb)

NORWAY'S TARGET GROUP: When Innovation Norway markets Norway as a holiday destination, we specifically target people who are interested in experiences that are typical for Norway. For example, wild, unspoiled nature, beautiful scenery or outdoor activities such as skiing, hiking, fishing, cycling or dog sledding. Other examples include local culture, art and ways of life. In surveys such as the Tracker, the respondent must have travelled within the last three years and had at least one overnight stay not paid for by their employer.

OVERNIGHT STAYS: Number of overnight stays during the trip.

REGIONS: Fjord Norway: Møre og Romsdal, Sogn og Fjordane, Hordaland and Rogaland.
Northern Norway: Finnmark, Troms and Nordland.
Southern Norway: Telemark, Vest-Agder and Aust-Agder.
Trøndelag: Nord-Trøndelag and Sør-Trøndelag.
Eastern Norway: Oslo, Akershus, Buskerud, Oppland, Hedmark, Vestfold and Østfold.

SHORT HOLIDAYS: One to three overnight stays.

SUMMER SEASON: The period from the beginning of May to the end of August.

THE TRAVEL SURVEY: A sample survey conducted by Statistics Norway, the purpose of which is to map Norwegians' travel habits in Norway and abroad.

TOURISM SATELLITE ACCOUNTS: The purpose of the tourism satellite accounts is to describe the economic effect of tourism, in a manner that

is comparable and consistent with other parts of the economy described by the national accounts. The Tourism Satellite Account forms an integral part of the annual national accounts and is compiled by Statistics Norway.

TOURISM SURVEY: Innovation Norway conducts a nationwide, year-round survey where Norwegian and foreign holiday/leisure tourists and business travellers are interviewed at commercial accommodation providers and on Hurtigruten. Statistics Norway is responsible for selecting the accommodation providers and ports, while the analyses and reporting are conducted by Epinion AS. The reports can be found on visitnorway.no/innsikt

The tourism survey was not conducted in 2017. The latest data is from 2016.

TOURIST ARRIVAL:

Includes figures for holiday-, leisure- and business travel with at least one overnight stay.

TOURIST/TOURISM:

Activities of individuals who travel and stay in places that are outside their ordinary place of residence, regardless of purpose, for a period of less than one year. People who are employed in the country they are visiting fall outside the scope of this definition.

TRACKER DATA:

Innovation Norway conducts weekly surveys in the majority of the main markets in which Norway is marketed as a tourist destination. The survey is conducted among people in our target group in Denmark, Norway, Sweden, the UK, Germany, the Netherlands and France. The survey includes questions about the likelihood of the respondent travelling to Norway and their perceptions of Norway as a tourist destination. At the same time, the survey

also indicates whether the marketing work conducted is providing the desired results.

TRADE-WEIGHTED EXCHANGE RATE INDEX:

A nominal effective exchange rate calculated based on the exchange rate of the Norwegian kroner against Norway's 28 most important trade partners.

TRAVEL COMPANION:

Travel companion means individuals who travel together with shared finances.

UNWTO: World Tourism Organization.

WINTER SEASON:

The period from the beginning of January to the end of April.

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