

# Tourism Statistics Report 2019

## Capital Region



# Introduction



2019 was the year when construction of the future 2,500 meter airport in Nuuk began, thus paving the way for people, from the end of 2023 or the beginning of 2024, to be able to fly directly to Nuuk from Copenhagen – and in time from other international hubs. Thus, there is likely a need to adjust the destination management over the coming 3 years – i.e. accommodation, dining options, tours and other relevant services to accommodate the increased amount of tourists that will likely arrive once the new airport is up and running.

On a national level 2019 saw both positive and negative developments and indicators. The number of tourists remains so low that even a variation of a few from a specific country segment will cause disproportionate percentage differences from one year to the next, so growth percentages can easily be overinterpreted. Furthermore there is a natural variation in the demand from the international adventure market, which must also be kept in mind.

It is therefore most appropriate to look at the development in tourism in Greenland on a national level and over a period of 5 or 10 years, as this is where we can read trends more clearly. Thus we can conclude that tourism in Greenland in the 4-year perspective from 2015 through 2019 (we only have country of residence data on flight passengers since mid-2014) has been growing, both in terms of land-based tourism and cruise.

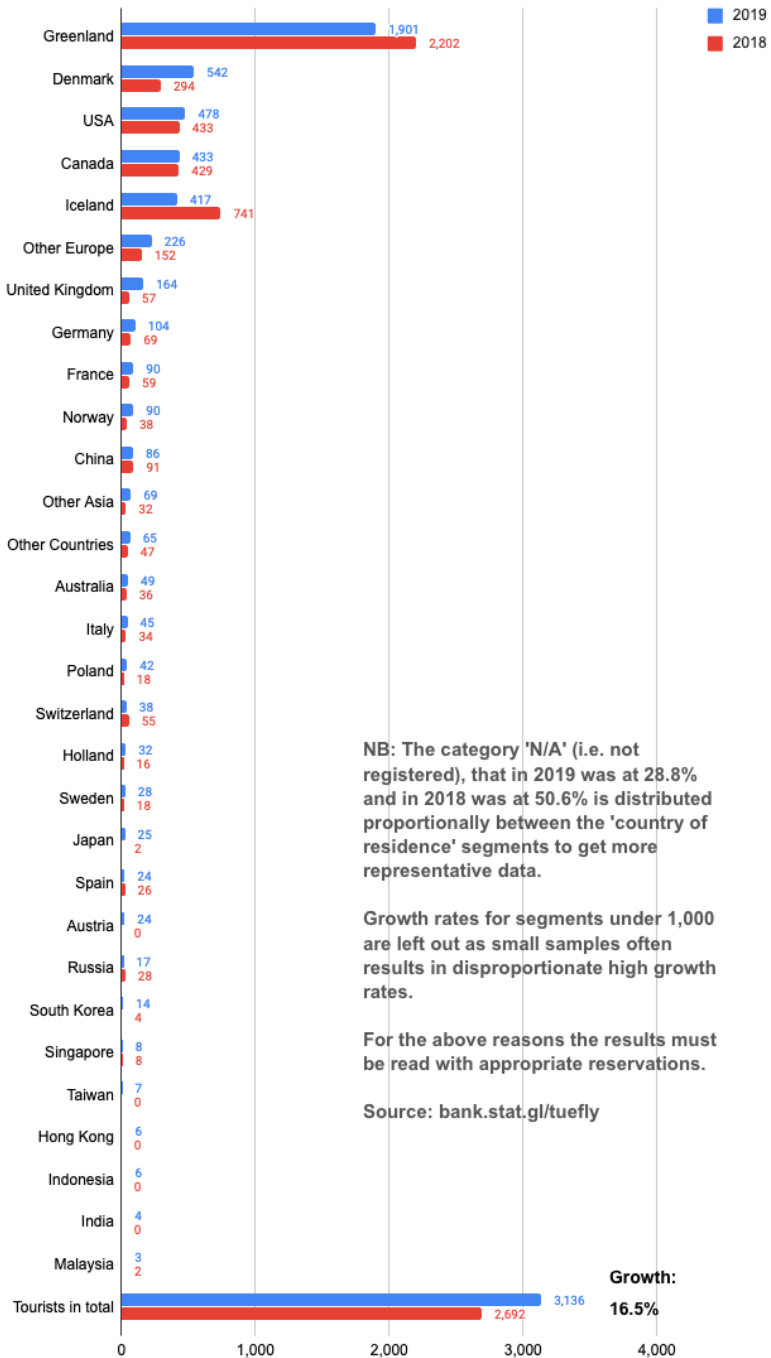
In 2015 we registered approximately 51,803 international flight passengers travelling out of Greenland incl. the DK segment. In 2019 we registered approximately 58,149 international flight passengers, which is a growth of 12.3 %. That is equivalent to an annual growth of approximately 2.9 %. It is slightly under the average annual global tourism growth in the same period, but it must still be considered a healthy development.

This report focuses specifically on the development in Capital Region in 2019 and thus one must keep in mind that it is largely only the overnight stay statistics that provides solid indications on the land-based tourism in the region, as data on the number of international flight passengers on direct flights to Iceland, travelling out of Nuuk Airport, only account for a small portion of the tourists travelling out of the region on their way to their country of residence. More than  $\frac{3}{4}$  of the tourists fly out of the region and out of Greenland via Kangerlussuaq, where they are registered according to country of residence. On the other hand, we have valid data on the number of cruise passengers in the region.



# Flight Passengers Travelling Out of Greenland via Nuuk Airport

No. of air passengers out of Greenland via Nuuk Airport 2019 vs 2018



For the first time we can show all the 30 segments that have been registered since January 2016 – plus the segment India, which has been registered since January 2019. At [bank.stat.gl/tudfly](http://bank.stat.gl/tudfly) only the segments registered since 2008 are shown. Not all the 'new' segments are added to the data set, as it would break history. A new data set including all the 30 segments will be added eventually.

As the graph shows the following segments experienced a decline in the number of passengers: GL, IS, CN, CH, ES and RU. The rest of the segments experienced growth. The overall growth for all the tourist segments (incl. DK) was a total of 16.5 %. In number of passengers this is the equivalent of 444 more international passengers (incl. DK) in 2019 compared with 2018.

One must bear in mind that only approximately 10 % of the passengers travelling out of Nuuk Airport fly directly to Iceland. Of the remaining the majority fly to Kangerlussuaq, and from there out of the country via Copenhagen. Thus, the numbers in the graph must be taken with appropriate reservations.

## No. of overnight stays in Capital Region 2019 vs 2018



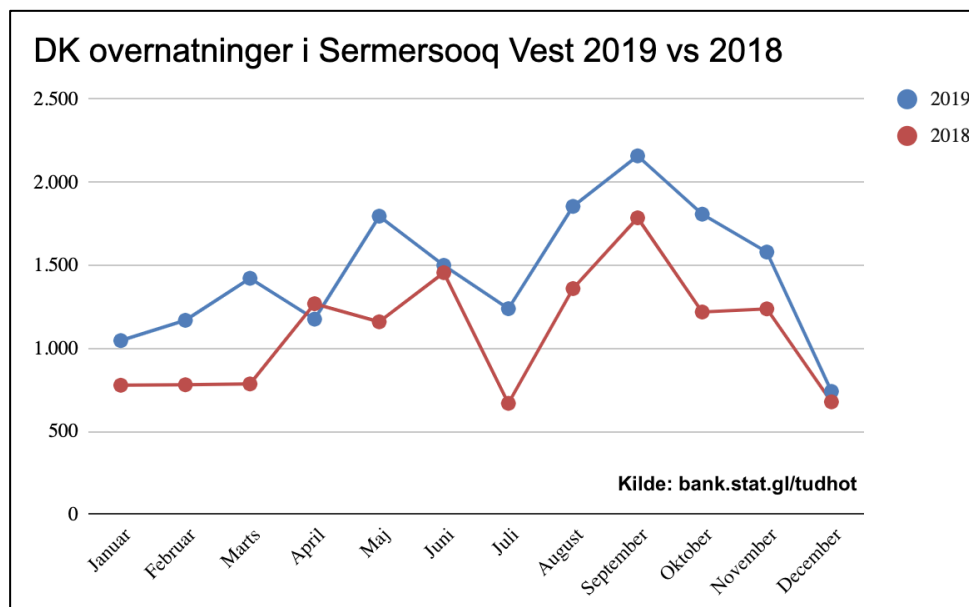
# Number of Overnight Stays in Capital Region



The registrations that are submitted to Statistics Greenland accounts for 68 % of the bed capacity (at CVR-registered accommodations) in Capital Region. In addition, a share of tourists in Nuuk stay with friends and family or in an airbnb apartment. VG has registered at least 20 airbnb apartments in Nuuk, but there are likely more, which were visible on airbnb at the time of our research.

2019 saw an overall growth in all international overnight stays (incl. DK) of 15.9 %, which is quite positive. It is primarily due to a large growth in the DK segment of 32.7 %. Excluding the DK segment, however, there was negative growth of -19.8 %.

The graph below shows the number of overnight stays in the DK segment in 2019 vs. 2018. As drop can be observed in July, which supports the thesis that a large portion of the overnight stays by the DK segment are in relation with business travel, official travel, and educational travel.



# Number of Individual Guests in Capital Region

2019 saw an overall growth in international guests of 14.0 %. As was the case with the number of international overnight stays the growth can primarily be attributed to the growth in the number of DK guests of 27.2 %. Excluding the DK segment there was a decline of -7.0 % in the number of international guests.

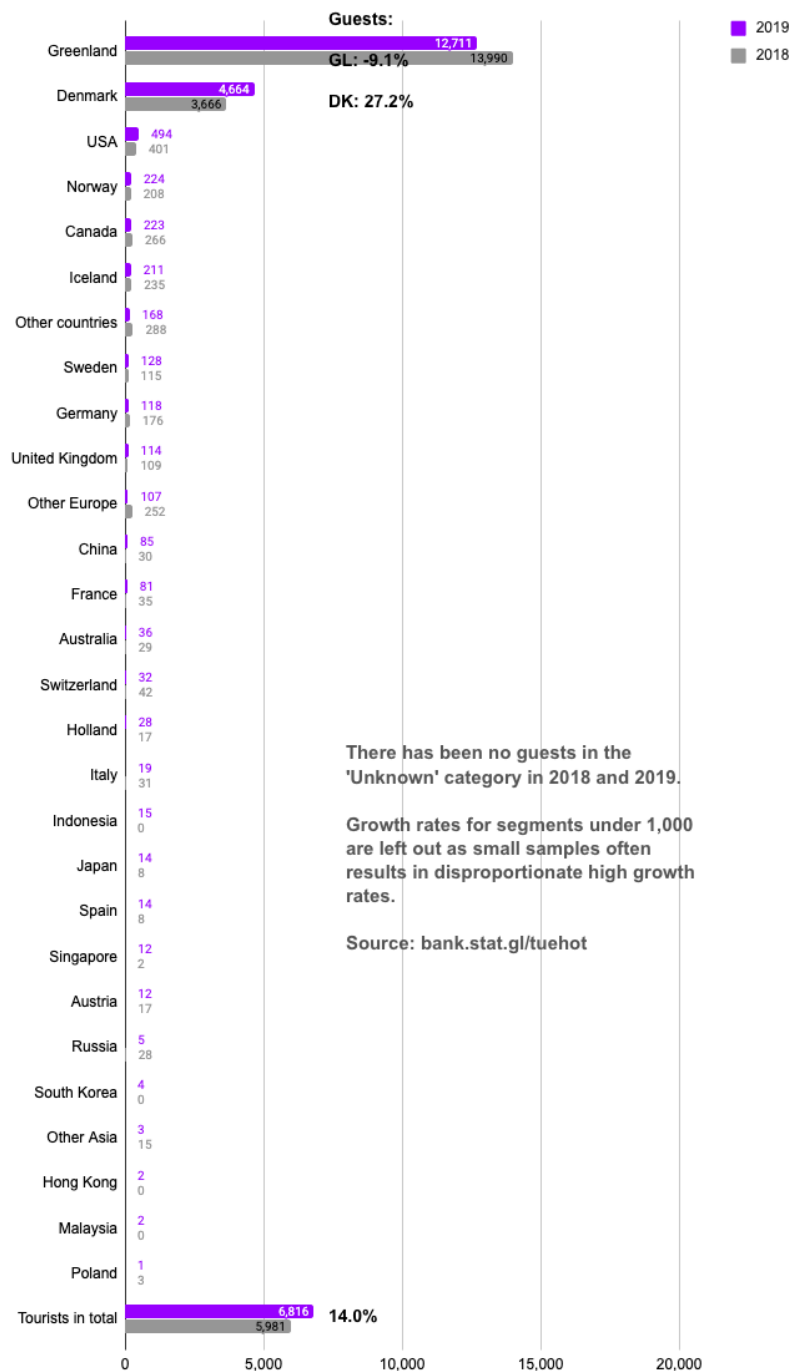
In reality the graph to the left represents only data for Nuuk city, so we can conclude that though Nuuk is the capital of Greenland, in regards to international guests excluding the DK segment, it is a relatively small destination compared to Ilulissat.

Ilulissat had 7,545 international guests (excl. DK) in 2019. The same number for Nuuk was 2,152 guests. In the month of July 2019 Ilulissat had 2,064 international guests (excl. DK). The same number in Nuuk was 295 – a mere 13.7 % of the tourists in Ilulissat.

As our capital has a larger hotel room capacity than Ilulissat, Nuuk possesses a large growth potential especially in the month of July – which is as is the case in the other regions the busiest tourist month.

From surveys with 4,000 respondents from each of our core markets DK, DE, FR, GB and US we know that a large portion of the respondents, which are interested in visiting Greenland, would like to visit several regions in one trip to Greenland. This indicates that there is good potential for offering vacation packages including more regions – among others the capital region.

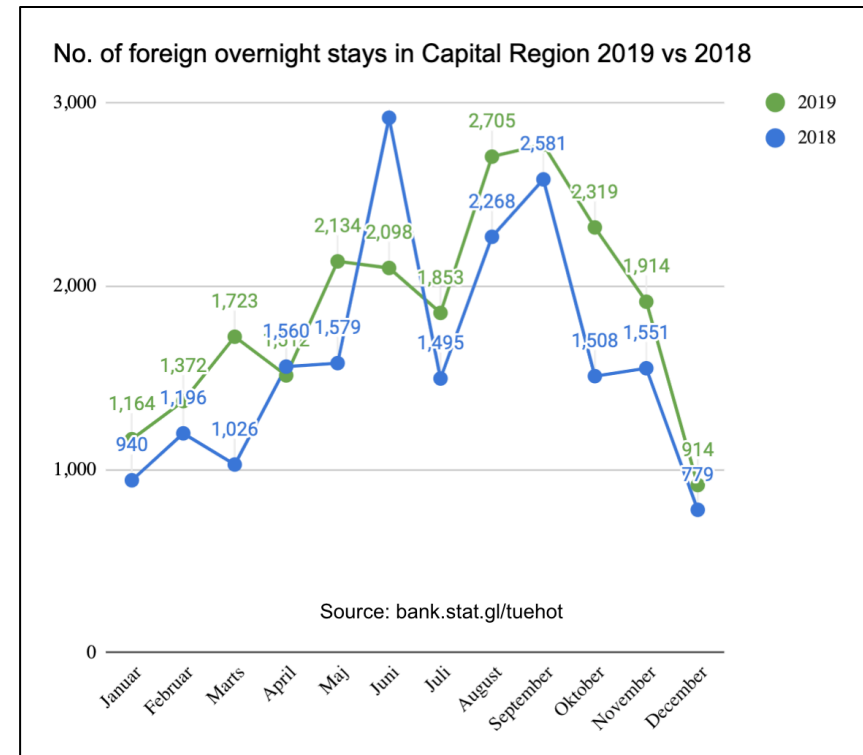
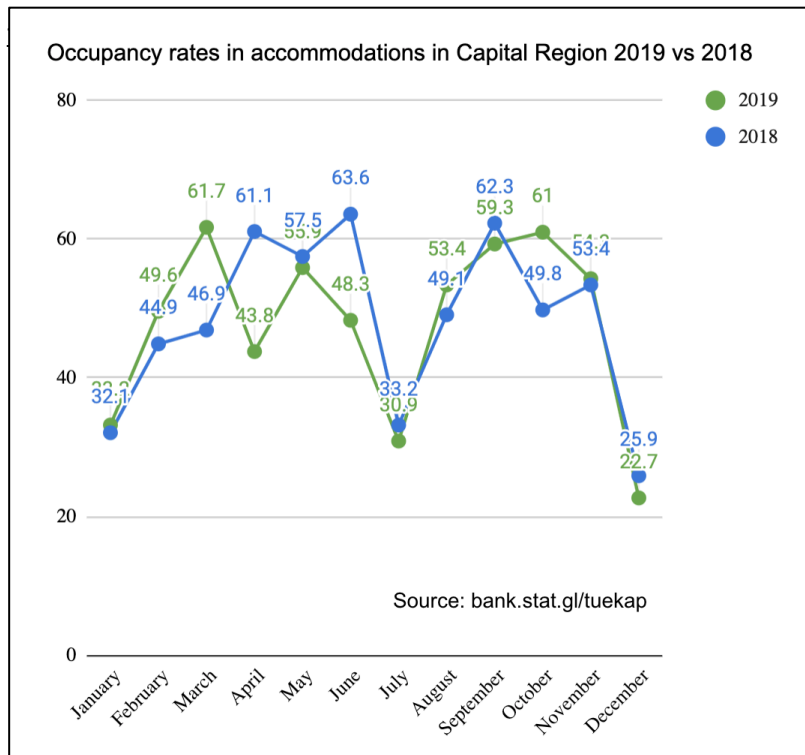
No. of guests in Capital Region 2019 vs 2018



# Seasonal variation in Accommodations in Capital Region

The graph to the left shows the *occupancy rate* over the 12 months of the year in Capital Region for all guests incl. GL citizens. There is a significant drop in July – both in 2018 and 2019. The graph on the right exclusively shows the *no. of international overnight stays* (incl. DK) over the 12 months one can see an almost identical pattern, however the drop in July is not as significant – especially in 2019 – as it is on the graph to the left.

In the other regions of Greenland, the seasonal variation over the 12 months is shaped more like a ‘Mexican hat’ with a spike beginning in June, a peak in July and August and a downward trend again in September. The pattern indicates a strong season trend, which is not desirable, as this visitor pattern makes it difficult to do business based on tourism all year round. In Sermersooq there would also be the same Mexican hat pattern if the number of tourists in the accommodations in July was high. This does not, however, mean that Sermersooq has a better season pattern than the other regions, it is more an indication of an un-tapped potential in the month of July.

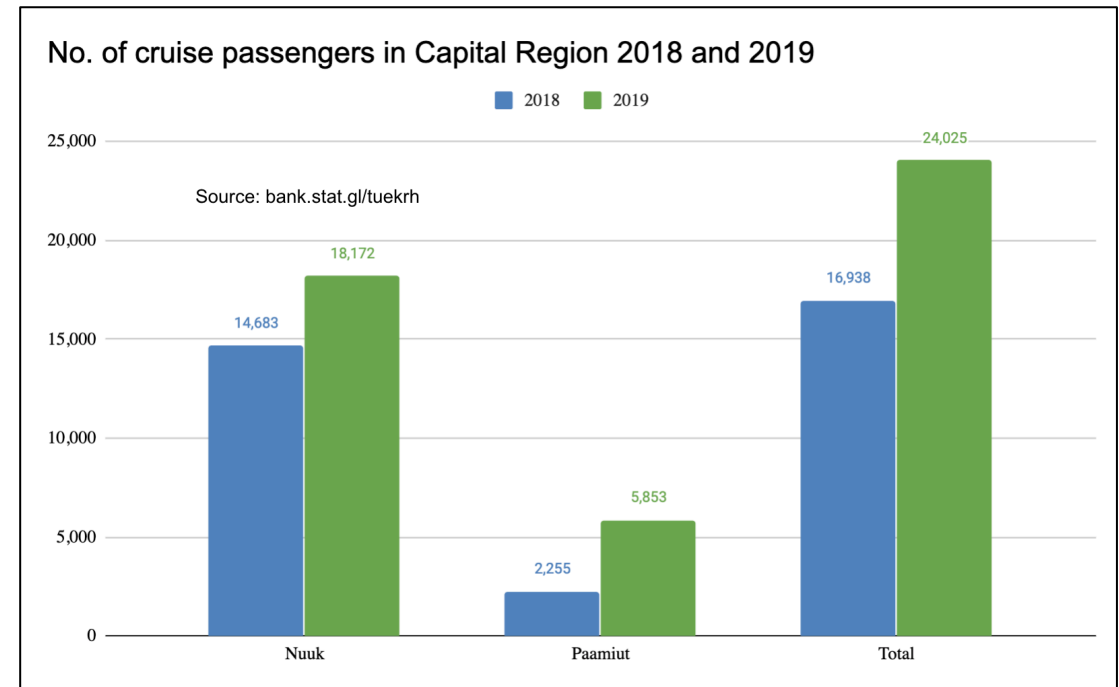
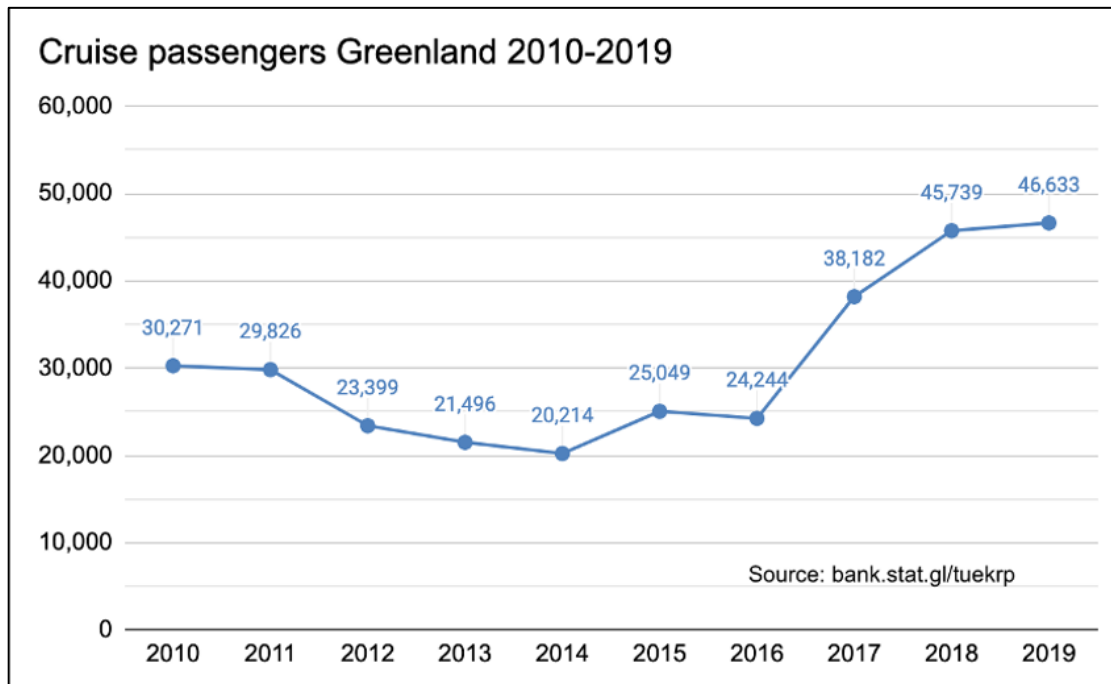


# Cruise Tourism Nationally and in Capital Region

Both 2017 and 2018 saw a significant growth in the total number of unique cruise passengers in Greenland (the graph to the left), the equivalent of a 57.5 % growth from 2016 to 2017 and a 19.8 % growth from 2017 to 2018. From 2018 to 2019 the increase was ‘only’ 2.0 %.

The development in Capital Region shows a large growth in both Nuuk and Paamiut with regards to the number of passengers on the ships that called here. Overall, the growth was a rather significant 41.9 % – especially in the light of the national growth of 2.0 %. One of the reasons was the 48 port calls in 2019 vs. 44 in 2018. In addition, in 2019 there were port calls made by 2 ships with a capacity over more than 3,000 passengers (MSC Orchestra and Caribbean Princess) – which did not have any port calls in 2018.

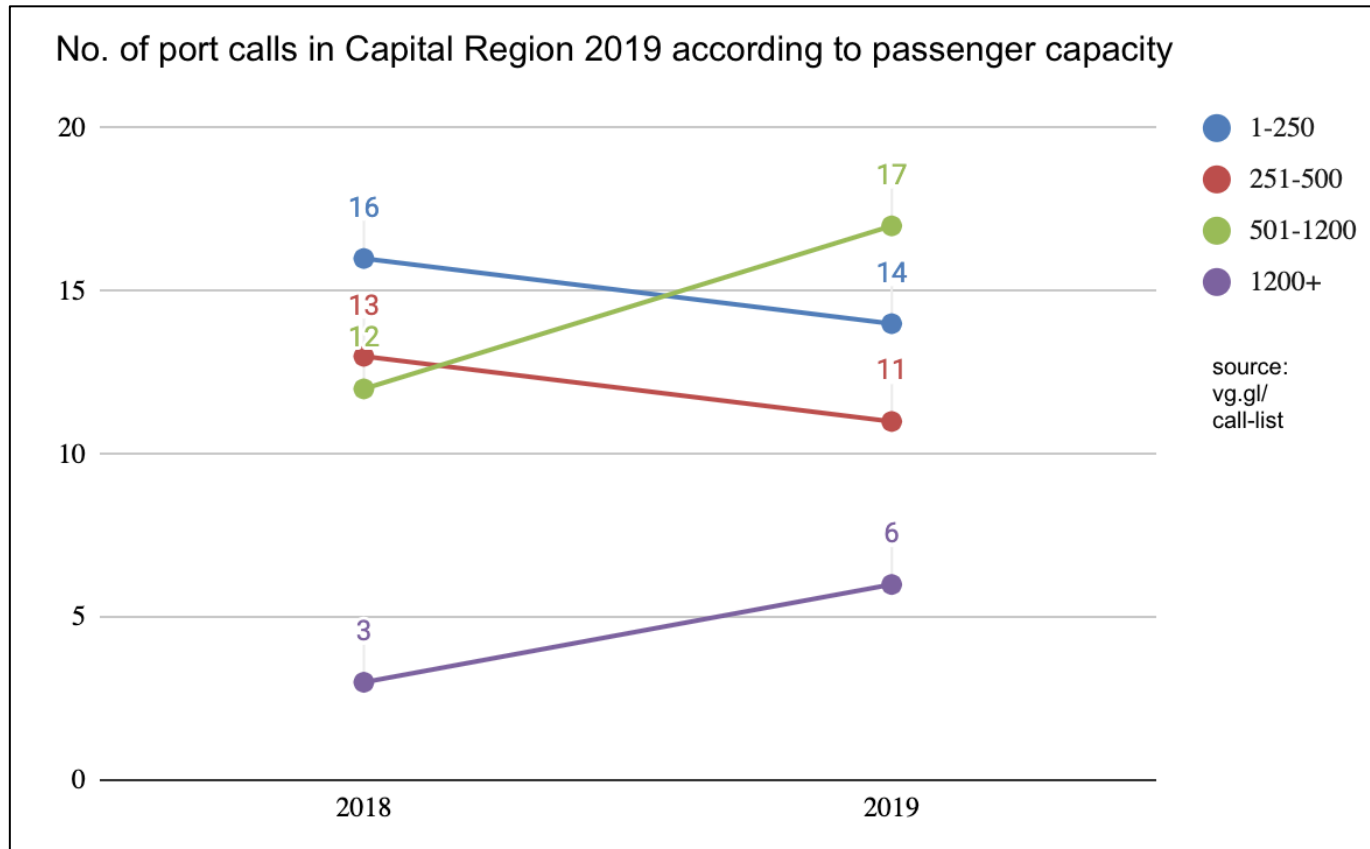
Note: We do not have data on how many of the passengers came ashore on each port call. From a 2015 cruise survey we know that 98 % of the passengers came ashore at least once during their cruise in Greenland, which often consists of between 2 to 6 port calls.



# Cruise Tourism – Number of Port Calls According to Capacity 2017-2018

The graph below shows the number of port calls in Capital Region in 2018 and 2019, according to the 4 so-called 'pax classes', i.e. by the passenger capacity of the ships. From 2017 to 2018 there was a decline in the two smallest pax classes, but an increase in the two largest pax classes. The biggest difference from 2018 is the increased number of larger ships, i.e. 5 more port calls in the 501-1200 pax class and 3 more port calls in the 1,200+ class, which clearly outweighs the decline in the two smallest pax classes due to the large difference in capacity.

It is not immediately clear whether this was a trend in the market before the Covid-19 crisis started, but at present due to the pandemic the future development is completely uncertain.





# Final Thoughts



The tourism development in Capital Region in 2019 had a lot of positive notes.

The number of international flight passengers on the Nuuk-Iceland routes increased by 16.5 %. However, one must keep in mind that the majority of the Capital Region tourists still feeds out of the region and out of Greenland via the Kangerlussuaq-Copenhagen route.

With regards to accommodation we saw a relatively large growth in the tourist segments when it comes both number of overnight stays sold and the number of unique guests. It was, however, almost exclusively the significant growth in the DK segment that drove the positive development. Without the DK segment the result was a moderate decline. As has been the case in many other years, the month of July represented a significant untapped potential, as this month continues to have a low occupancy rate in the accommodations.

The cruise sector saw a 41.9 % growth in the total number of passengers that visited the region and had the opportunity to come ashore and purchase goods, services and tours. This can be attributed to more port calls made by the ships in the large pax classes – also despite the decline in the number of port calls made by ships in the two smallest pax classes.

With the construction of the new Transatlantic airport it is relevant to consider adjusting the capacity regarding accommodation, dining options, tour offerings etc. As the opening of the airport in 2023 is likely to increase the inflow of tourists.

We wish you all the best possible 2020 season despite the Covid-19 crisis!

Best regards  
Visit Greenland

