Tourism Statistics Report Greenland 2017

Table of Contents

Executive Summary

Flight passenger statistics for 2017 are influenced by incomplete registration to an extent that these data cannot be used as an indicator of the development in tourism. But the trends in the statistics on overnight stays and cruises as well as statements from Greenlandic tourist operators paint a clear enough picture of another good year for tourism in Greenland. Overall the growth is approximately 10%.

The combined number of land-based and cruise tourists in 2017 is calculated to be 84,299 - likely slightly higher. Read more on p. 19

As a new initiative we have asked 240 Greenlandic tourists operators via email about how their 2017 season went and their expectations for 2018. The 82 responses show that 20.5% had a season much like 2016, 26% saw a slight growth, 32.9% medium growth and 15.1% saw vast growth. Overall, a mere 5.5% experienced negative growth.

According to the same operators they look positively at the 2018 season which is promising as most of them at this stage already have solid indications in the shape of bookings made to date (they responded in week 11).

When we look at the numbers on cruises it is a bit mixed. Compared with 2016 there were 13.1% more cruise guests. But when examining the number of times each passenger had the opportunity to go ashore and spend money on merchandise or tourist products, 2017 saw fewer port calls per passenger.

What has happened in practice we do not know, but when we ask around in the industry, most say it has been a good season. Additionally Statistics Greenland has indicated that there may be missing registrations from a few ships.

Since we began to publish annual reports we have experienced vast growth. Country of residence has only been registered since July 2014, and flight passenger data from 2017 is unfortunately not valid. We do however have data on overnight stays reaching back more than 10 years, and when we look at the development in that perspective it would seem that the negative curve in the years following 2008 has been broken between 2014 and 2015 – a positive change that appears to continue.

Along with a vast growth in Iceland, our nearest flight hub, at least on paper there is increased potential for Iceland-Greenland combination travel, and globally it is full steam ahead when it comes to the desire to travel. UNWTO predicts an average growth in global tourism of 4-5% in the coming years, so unless something unexpected happens there is cause for continued optimism.

Introduction

Determining the development in the Greenlandic tourism has been extra challenging in 2017. For most of 2017 the data on the country of residence of the flight passengers has been dogged by incomplete registrations. A complete registration of the country of residence of the flight passengers is by far the best source of data to determine the development in the tourism. Unfortunately only 78,872 out of 89,892 flight passengers travelling out of Greenland in 2017 were registered according to country of residence. This corresponds to 13% that were not registered unfortunately especially during the summer season where the share of tourists is the greatest.

Greenland is already challenged by having only relatively few tourists per year – 75,553 in 2016. This means that a difference of even a few hundred tourists from year to year will result in large differences in percentage. This is true especially with the smaller country segments such as Norway. In 2015 1,109 passengers came from Norway vs. 1,301 in 2016. Though only a difference of 192 individuals this correlates to a growth of a staggering 17.4%. Thus in all the graphs we have marked all growth percentages for country segments with less than 1000 individuals in grey so as to underline the statistical uncertainty connected with these particular growth percentages.

The combination of these different statistical ‘vulnerabilities’ means that the 2017 flight passenger data are not sufficiently valid to draw credible trends for the tourism in Greenland. That is why Visit Greenland, Statistics Greenland and Mittarfeqarfiit have joined forces to launch initiatives with the goal of securing as complete a registration of flight passengers in 2018 as possible.

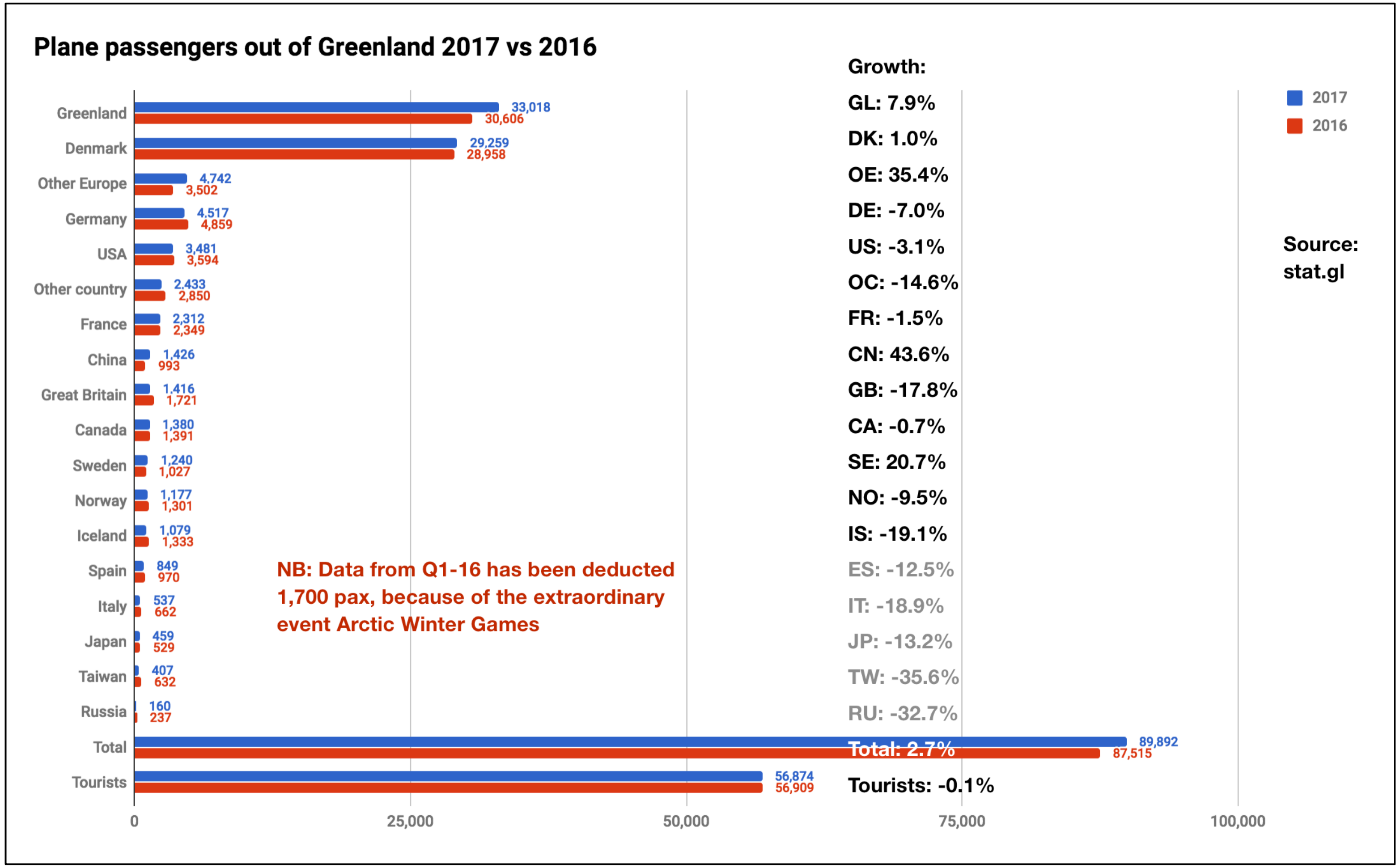
We do however have overnight stay data from the majority of accommodations in Greenland. Furthermore we have chosen to ask 240 Greenlandic tourism operators about their 2017 season in order to confirm our theory that the flight passenger statistics are misleading.

Where the misleading flight passenger data shows zero growth, the overnight stay data shows a fair increase. However the cruise passenger statistics cannot contribute to establishing trends for the land based tourism, as the two sectors in practice are fairly separated. The cruise lines are good at maximizing profit meaning they manage to keep the lion share of the turnover generated by the cruise passengers in the country. The positive number for the cruise tourism could however be a sign of a general positive demand for Greenlandic tourist experiences.

Globally 2017 was another great year for tourism. UNWTO estimates that the global growth in 2017 was an impressive 7%, and the expected growth for 2018 is 4-5%. There are no signs of that slowing down in the coming years. Especially the Asia/Pacific region will, according to UNWTO, represent an annual growth of roughly 5%.

Flight Passenger Statistics

Please note that the flight passenger data below are not statistically viable as too many passengers were not registered. The chart shows – as was the case in the equivalent report last year – that 1,700 passengers from Canada, USA, Norway, Sweden, Finland and Russia in connection with the extraordinary event Arctic Winter Games are deducted. If the 1,700 international AWG guests were not deducted the data on 2016 would be disproportionate and thus would not give a picture of the actual tourism development.



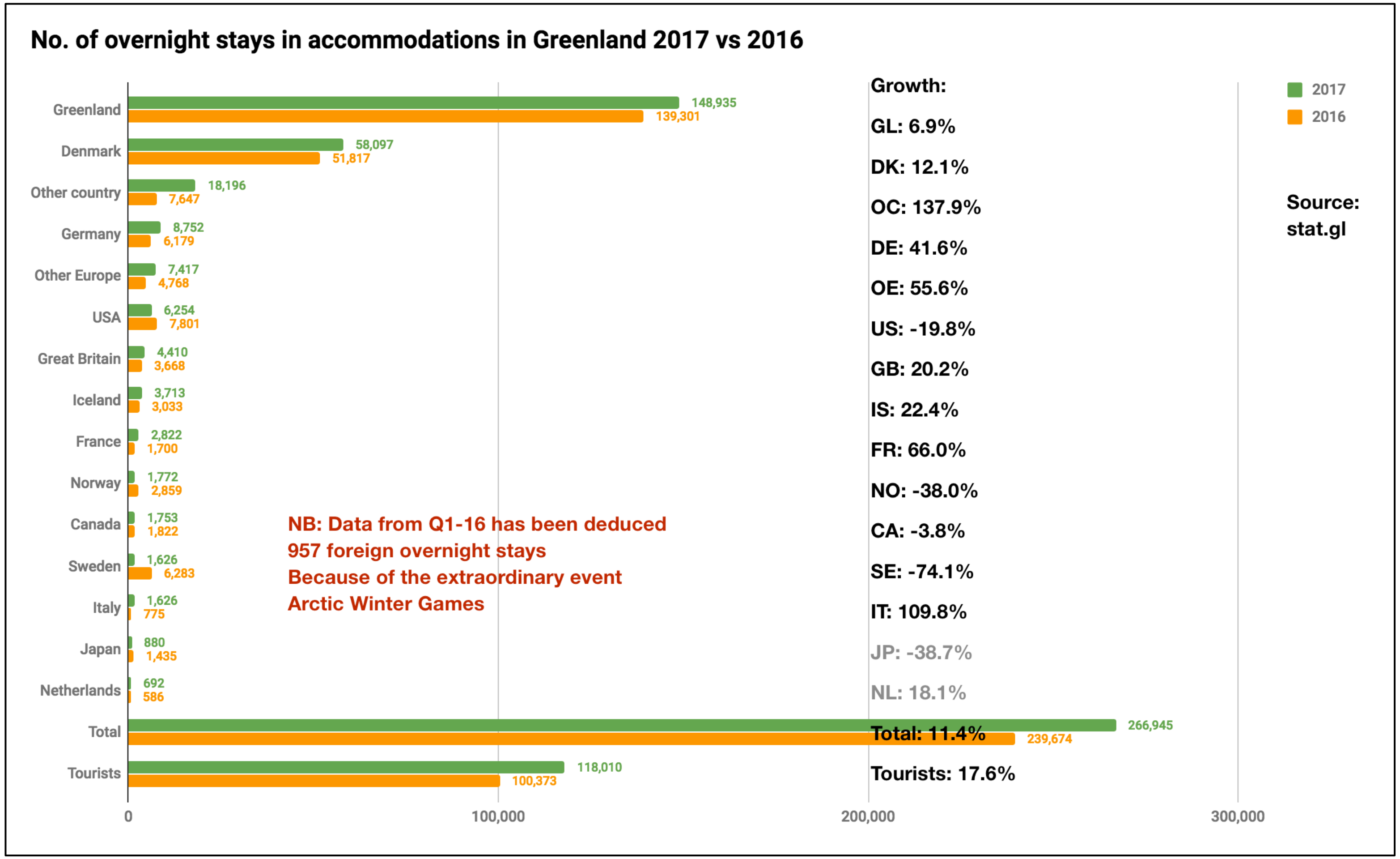
Every time we do a chart on flight passengers we include the amount of unregistered passengers as it would otherwise paint a wrong picture. We have agreed with statistics Greenland to distribute the amount proportionally on the registered countries of residence and regions (such as 'Other Europe' and 'Other Countries') as this ensures the best representation.

As for the 2017 data the big problem is that the summer season is hit the hardest when it comes to the lack of registrations. This is the time of year where the share of tourists is the largest and thus the lack of registrations is influencing the tourist segment even more.

The growth percentage of tourists travelling by airplane has been calculated based on the statistics at hand that. The very same that Visit Greenland and Statistics Greenland this year have chosen to denote as misleading.

Overnight Stay Statistics – Number of Overnight Stays Sold

As for the statistics on overnight stays the 2017 data are better than the data on flight passengers. It is still not all accommodations that submit registrations, however most do submit and that number is growing. Thus 11 new accommodations began submitting registrations in 2017. That fact alone contributes to more overnight stays and guests in the statistics and registers as 'growth'. We are showing the registered data, but also wish to explain how many of the gross amount is due to the 'new accommodations' in order for the reader to take appropriate reservations.



As is the case with the flight passenger numbers we have deducted an amount corresponding with the number of extra overnight stays that can be seen in the data on Q1-16 – overnight stays brought on by the extraordinary event Arctic Winter Games.

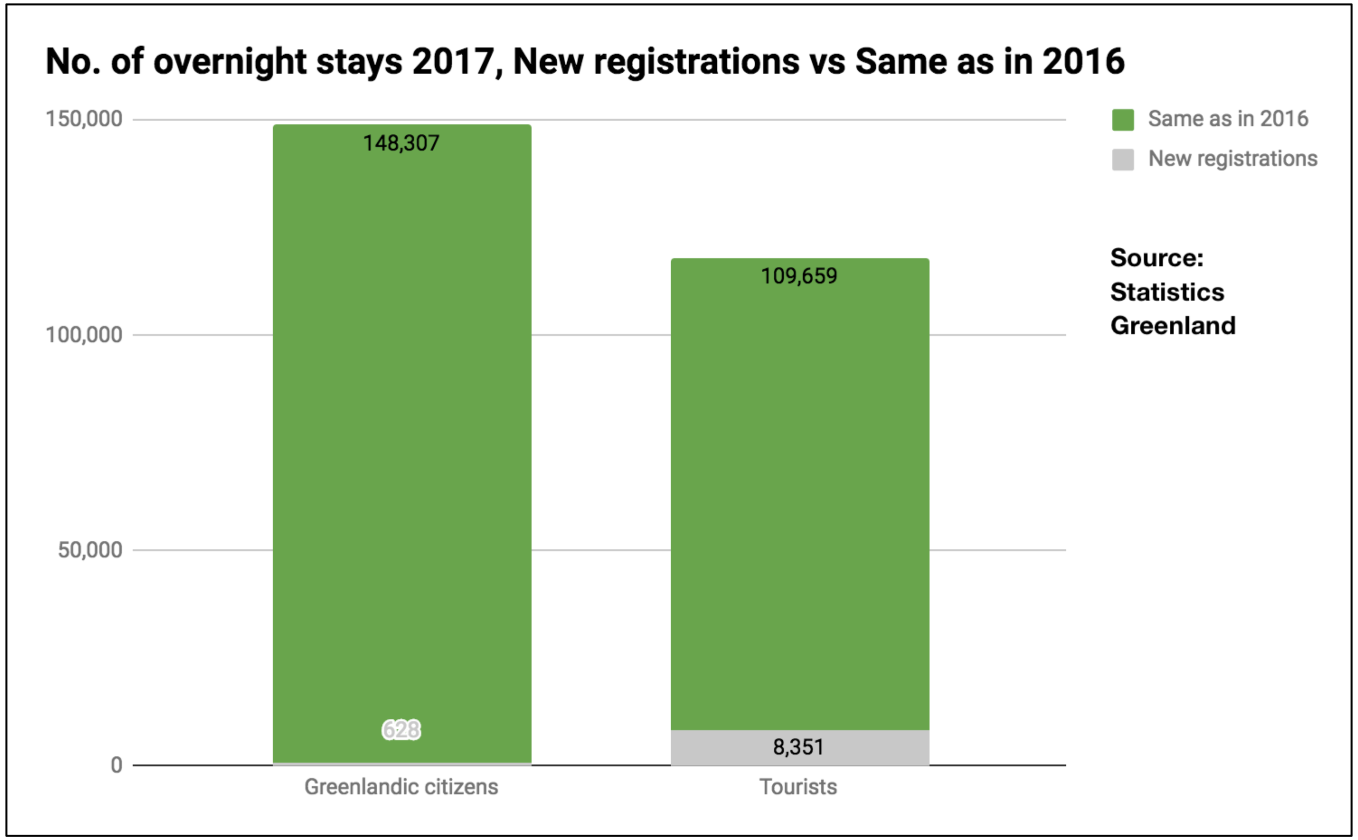
In other words the data has been corrected for the unusual and rarely occurring events (AWG took place in Greenland in 2002 and 2016) – otherwise the statistics would paint a rather confusing picture of the years where the Arctic Winter Games have taken place.

On the following page the total amount (of number of overnight stays) for the 11 new accommodations can be seen. When deducting them from the 201 data one has a more accurate picture of the growth from 2016 to 2017.

Overnight Stay Statistics – Number of Overnight Stays Sold

The graph below shows the number of overnight stays at accommodations in Greenland in 2017. It has been divided in two: Data from the same accommodations that submitted registrations in 2016 (green) – and data from the accommodations that began to submit registrations in 2017 (light grey).

It is important to note that these 'new' accommodations have an effect on the growth. As can be seen below these new accommodations have registered 8,351 international (by default tourists) overnight stays in 2017 – and this on its own generates a growth that is not real as the 'new' accommodations also had guests in 2016 – only they were not registered and submitted to Statistics Greenland. The **growth of 17.6%** in the number of tourist overnight stays must thus be adjusted to give a more reliable overview. When we deduct the 8,351 international overnight stays from the total number of tourist overnight stays it amounts to a **growth of 9.3%**.



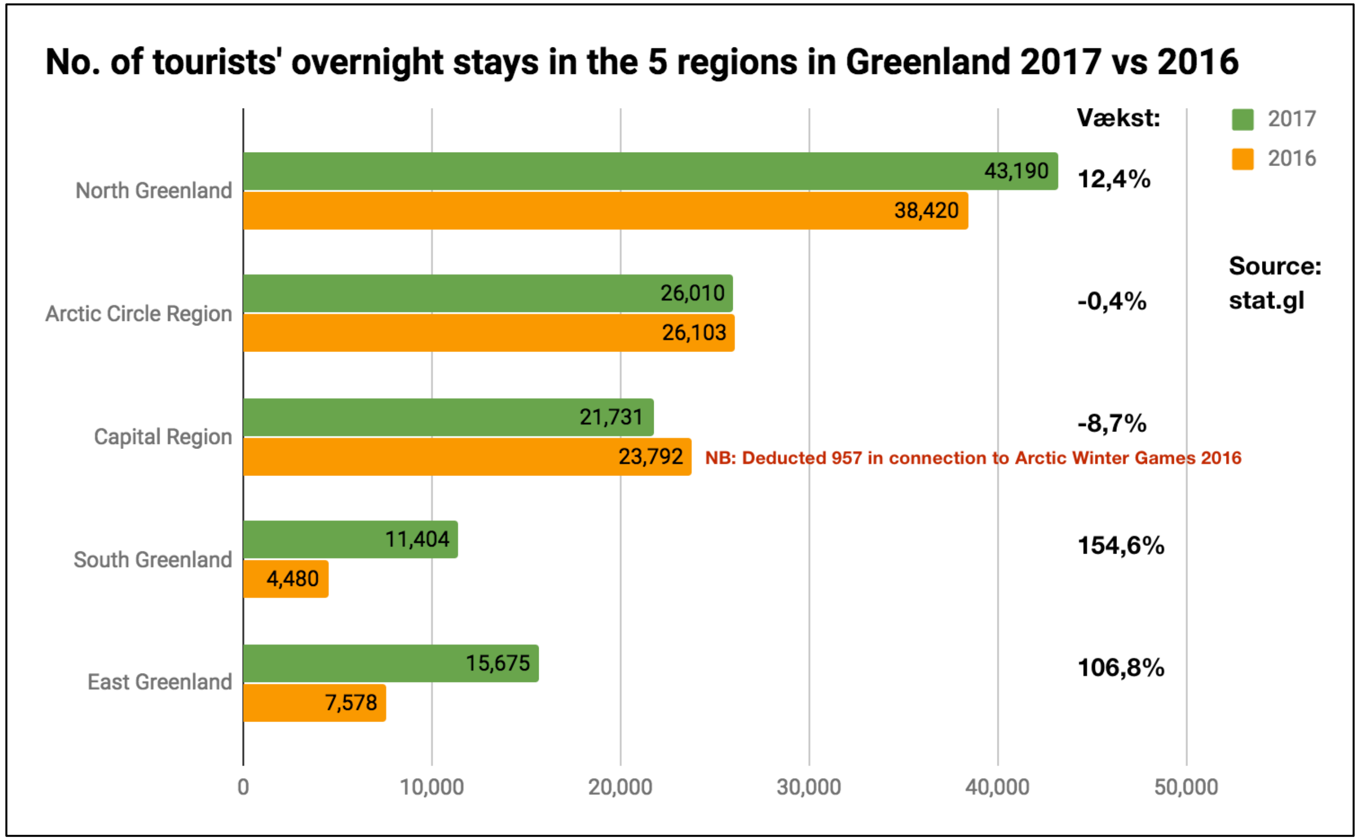
Unfortunately we do not know if the 'new' accommodations in 2017 have had a better or worse season than 2016.

If we assume they had roughly the same number of tourist overnight stays, we can hold on to the 9.3%. However, if they overall had a better season in 2017 than in 2016 the actual growth would be higher than the 9.3%.

Number of Overnight Stays in the 5 Regions – 2017 compared with 2016

The chart shows data from stat.gl, but since the 2017 data includes data from accommodations that have submitted registrations for the first time these new registrations should be deducted before a comparison with the 2016 data should be made.

Correction relative to South Greenland: When the 3,263 new tourist overnight stays (from accommodations that have only submitted registrations in 2017) are deducted from the 11,404 tourist overnight stays in the region that leaves us with 8,141 tourist overnight stays. In comparison with 2016 this is **an increase of 81.7 %**. This sounds almost too impressive, and in all likelyhood, a certain amount of incorrect registrations will have found their way into the data and the numbers must therefore be taken with reservations.



Correction relative to East Greenland: In 2017 three medium sized accommodations began submitting registrations – a total of 5,088 tourist overnight stays. If they are deducted from the 15,675 it brings us to 10,587 tourist overnight stays, the equivalent of a growth of **39.7 %.**

This also sounds so high that one should make reservations for a certain amount of incorrect registrations.

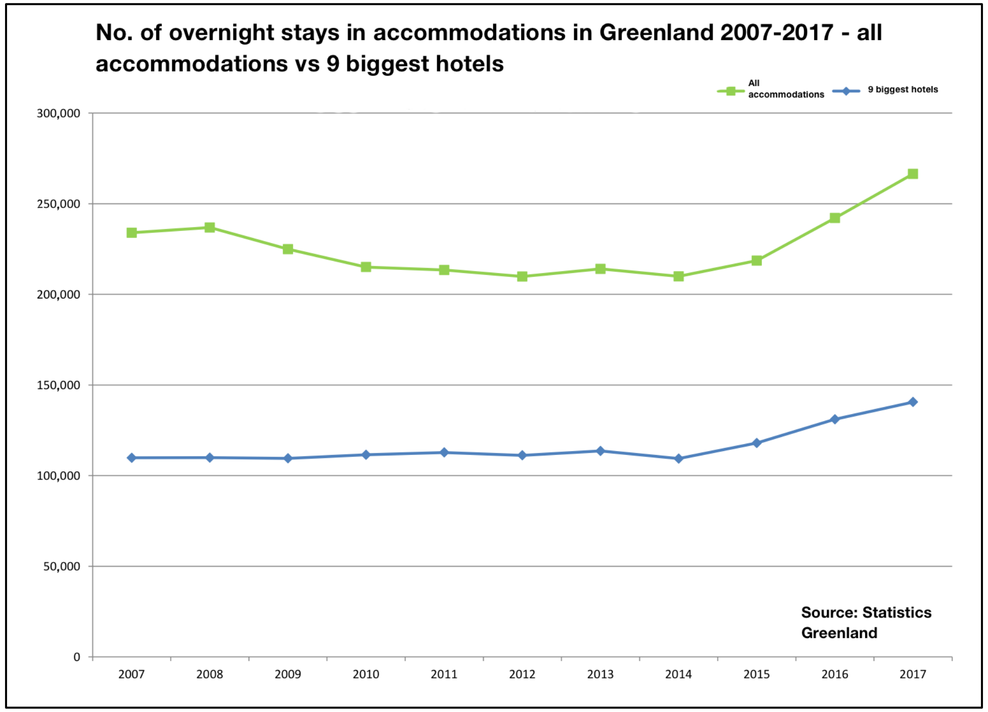
As mentioned previously not all accommodations in Greenland submit registrations, however a large majority does. Visit Greenland and Statistics Greenland continuously work to involve more and more accommodations in the registration.

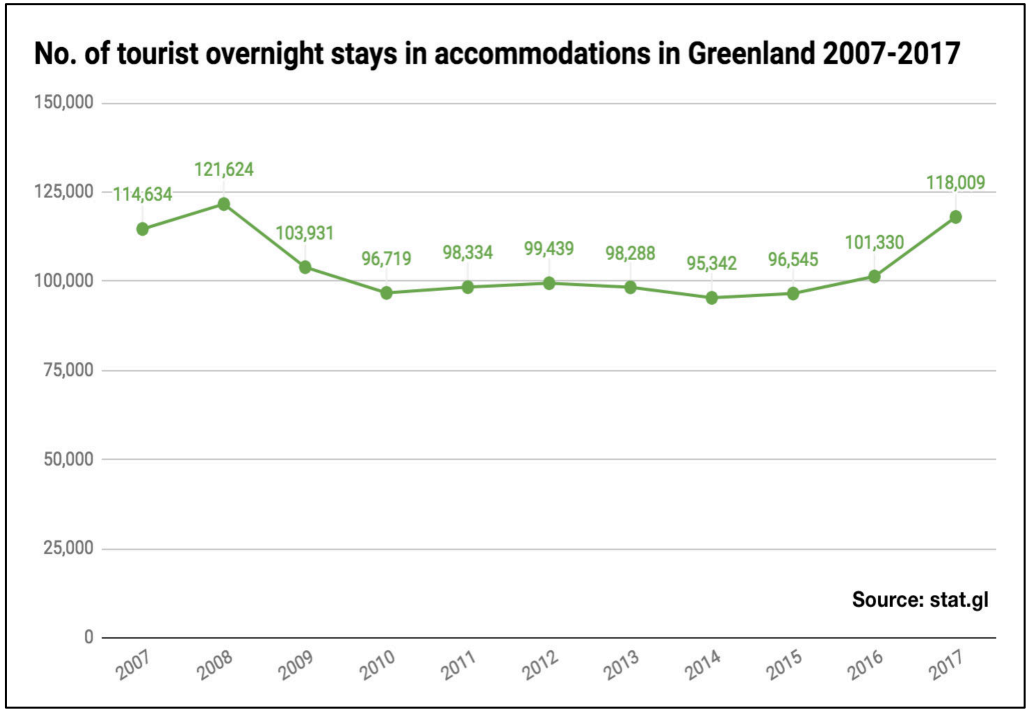
Number of Overnight Stays in Accommodations 2007-2017

Statistics Greenland has pulled a specific set of data as Visit Greenland does not have access to raw data that shows individual accommodations. The graph on the left shows the development in the number of overnight stays (including Greenlandic citizens) over the last 11 years. Data has been pulled on a control group consisting of nine of the largest star classified hotels that have all submitted registrations in the past 11 years.

In the 11-year period the group ’All accommodations’ has seen a decline and stagnation in the years following the financial crisis in 2008. From 2014 on the growth has been positive. It is remarkable that the level has been so stable for the nine largest hotels in the period from 2007-2013. These hotels must have been better equipped to handle the effects of the financial crisis. From 2014 on the correlation between the two data sets is great.

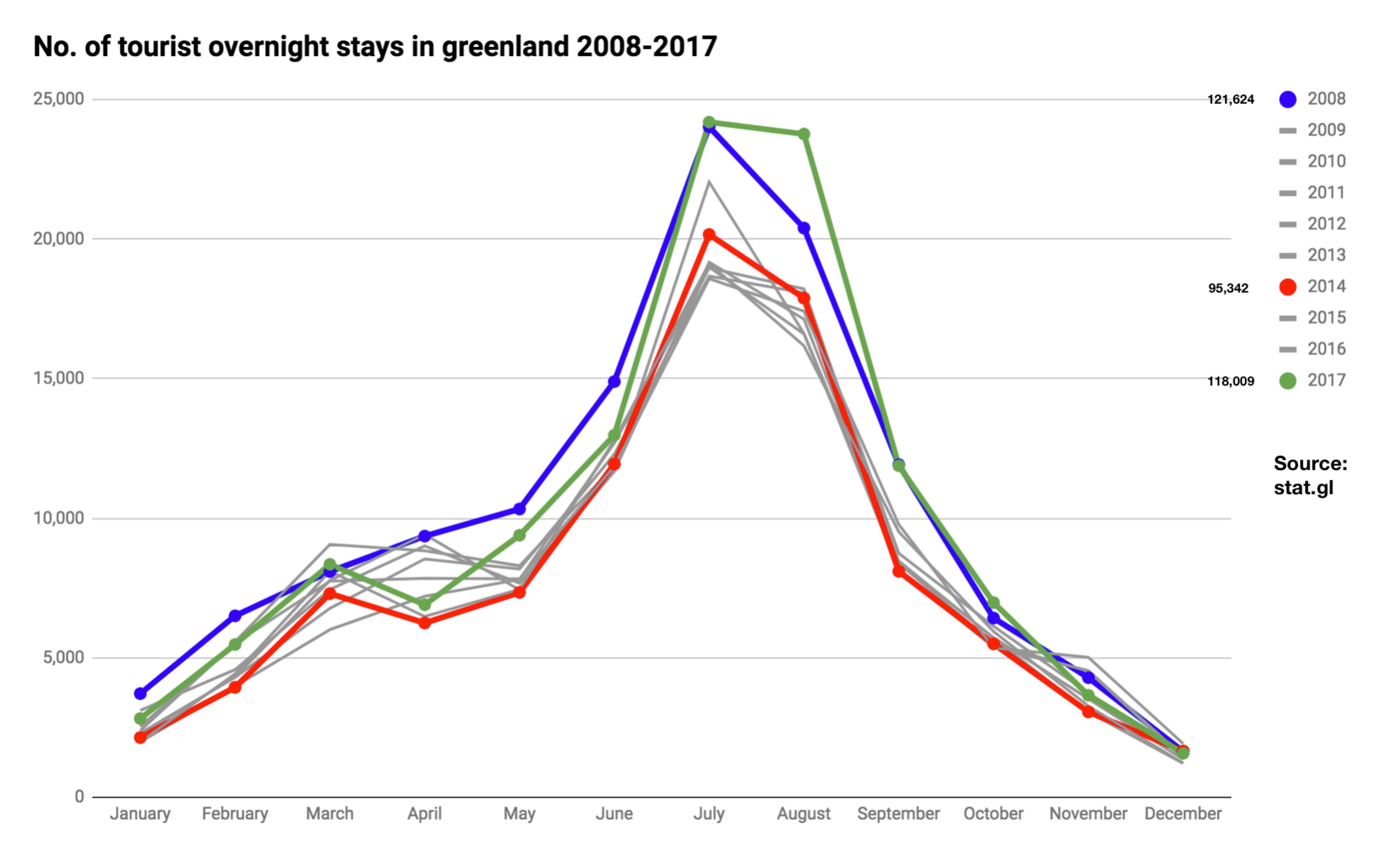
The graph to the right solely focuses on tourist overnight stays. Please remember that the 2017 data includes 8,351 tourist overnight stays from accommodations that only began submitting registrations in 2017. Even with this number deducted (118,009 – 8,351 = 109,658) one can see a positive development since 2014 which is also evident in the data on the nine largest hotels.





Overnight Stay Statistics – Season Trends

Greenland experienced the largest number of registered tourist overnight stays ever in 2008: 121,624. In the following years as the global financial crisis played out there was a general decline in the tourism development. This downward trend culminated in 2014 with only 95,342 tourist overnight stays sold. Since then there has been a steady improvement, and the 2017 season brings us back to near the level of 2008 with 118,009 tourist overnight stays sold (please bear in mind the reservations about the 8,351 tourist overnight stays from accommodations that only began submitting registrations in 2017).



When one examines the shape of the graph throughout the 12 months of the years 2008-2017, one can see the steep season trend in June-July-August-September as absolute high season months.

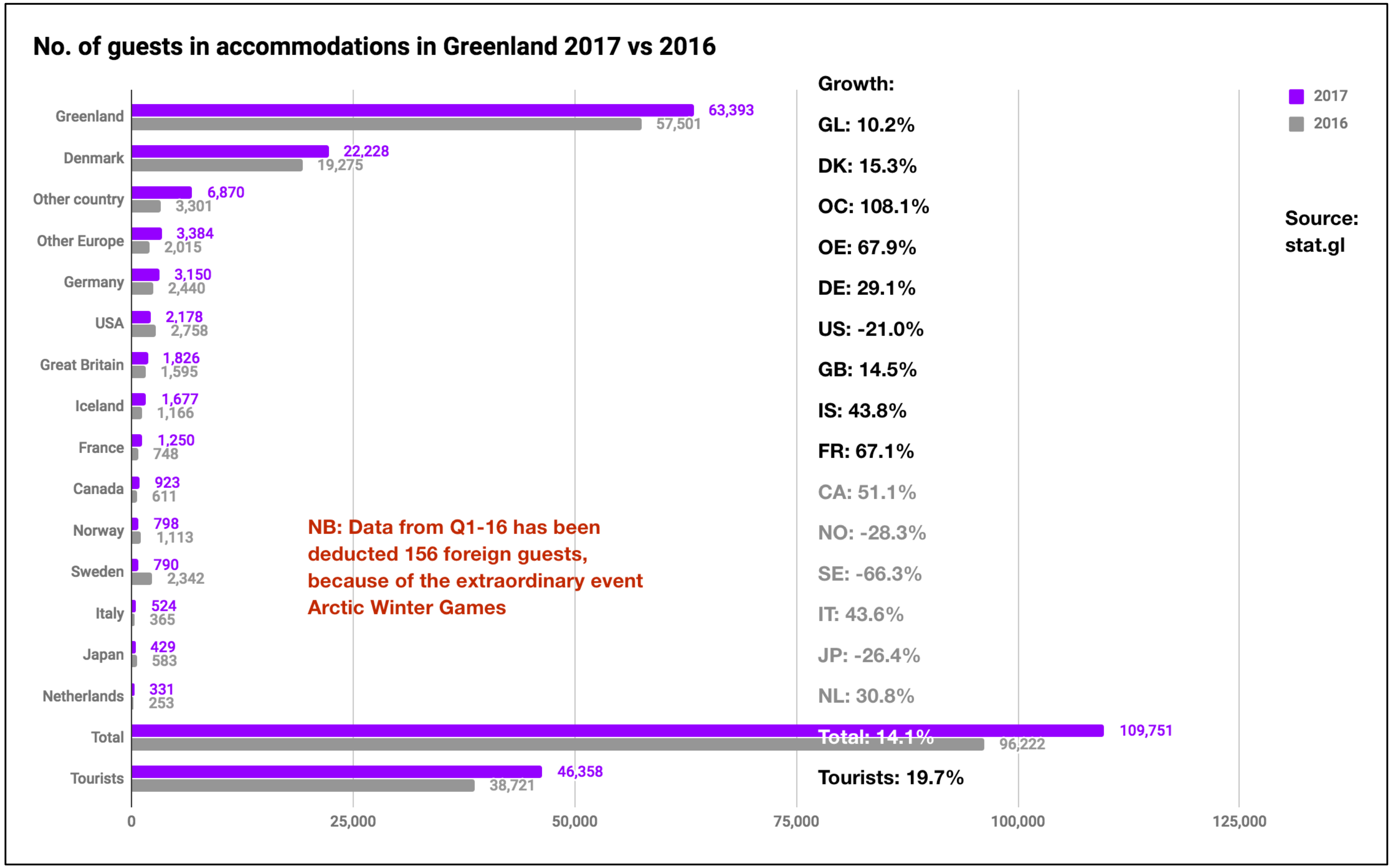
The spring season has decline after March every year with the exception of 2008. That year saw a more even demand throughout the spring which is more optimal than a break between the winter high season and summer high season.

A prerequisite for a sustainable tourism as most know is to have a more even distribution of tourists throughout the year in order for hotels and tour operator companies to be able to have full-time employees all year round.

It can be difficult to increase demand in the shoulder seasons, however we can see a development in Iceland that points in this direction so objectively there must be potential.

Overnight Stay Statistics – Number of Individual Guests

We also have data that shows the overnight stay statistics from a different perspective namely as the number of individual guests (head count). These data can show a different development than the number of individual overnight stays sold as it can vary from year to year exactly how many overnight stays each guest will buy on average. One year the average number of overnight stays bought per guest might be 2.7 only to be an average of 2.5 overnight stays per individual guest the following year.



The graph on the left shows a healthy **growth of 19.7%** in the number of international guests (i.e. tourists defined as non-Greenlandic citizens) – but as is the case with the number of tourist overnight stays, one must deduct the registrations from accommodations that only began to submit in 2017 in order to reach a more realistic number.

The 'new' accommodations submitted a total of 2,772 international guests in 2017.

If one deducts them from the total sum of international guests in 2017 what is left is a **growth of 12.6%** - a more realistic picture of the growth in the number of international guests in the accommodations in 2017.

Overnight Stay Statistics – Number of Individual Guests

In terms of the number of tourist overnight stays one must take into account the new registrations in the 2017 data that as previously mentioned concern 3 medium sized accommodations in East Greenland and 7 smaller accommodations in South Greenland.

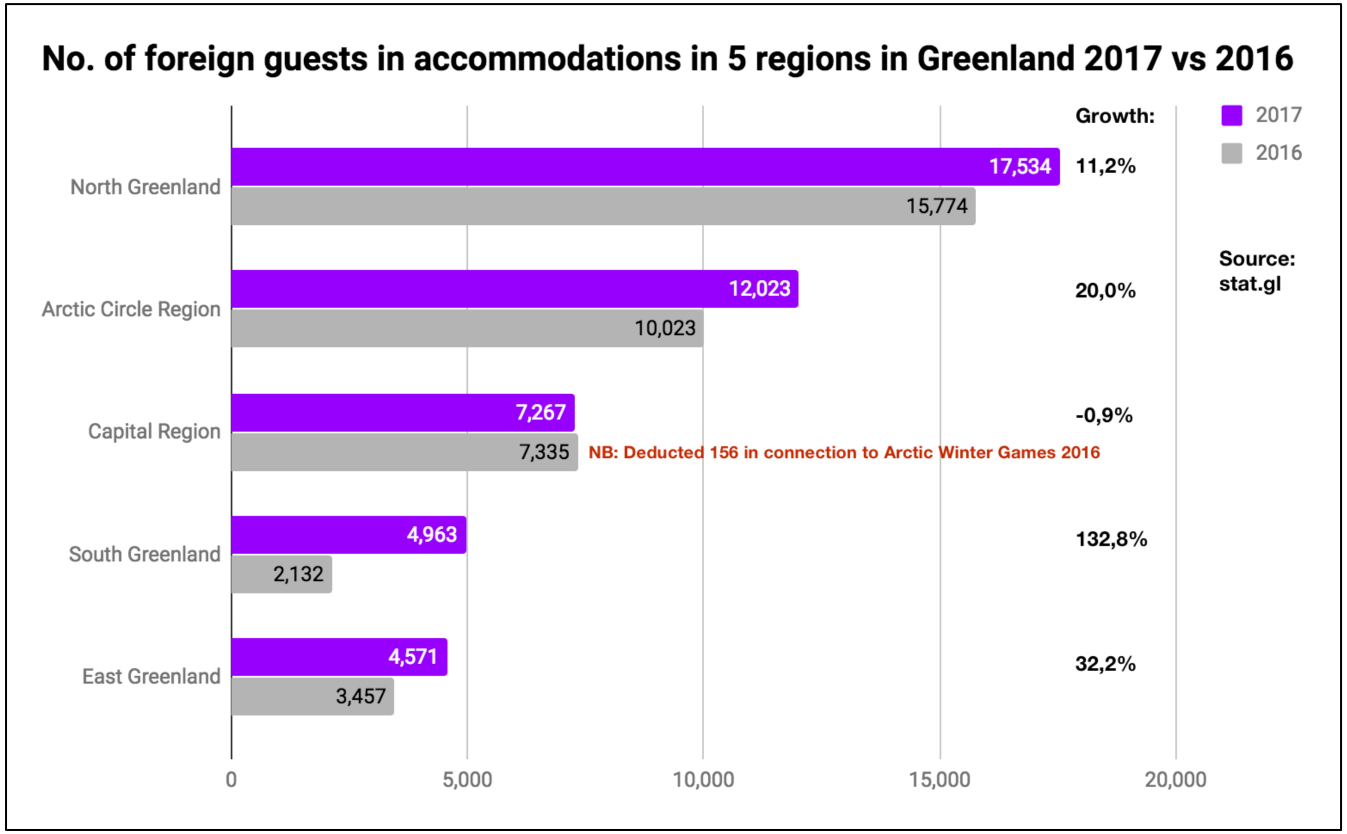
Out of the 46,358 international guests in the accommodations in 2017 2,772 of them stayed in accommodations that we only have 2017 data on. If we are to compare with data on 2016 the 2,772 new registrations should be deducted in order to get a realistic comparison.

A comparison between the number of international guests in accommodations in Greenland in 2016 and 2017 according to regions can be seen on the following page.

Number of Individual Guests in the 5 Regions – 2017 vs. 2016

The graph below shows data from Statistics Greenland including the new registrations that have only been submitted in 2017 from Region South Greenland and Region East Greenland.

Correction regarding South Greenland: In order to make an accurate comparison with 2016 1,757 new registrations are deducted. This amounts to 3,206 international guests in 2017 vs. 2,132 in 2016 – a **growth of 50.4 %**. As previously mentioned on page 8 these numbers should be taken with reservations to account for possible incorrect registrations, as the growth percentage appears unrealistically high.

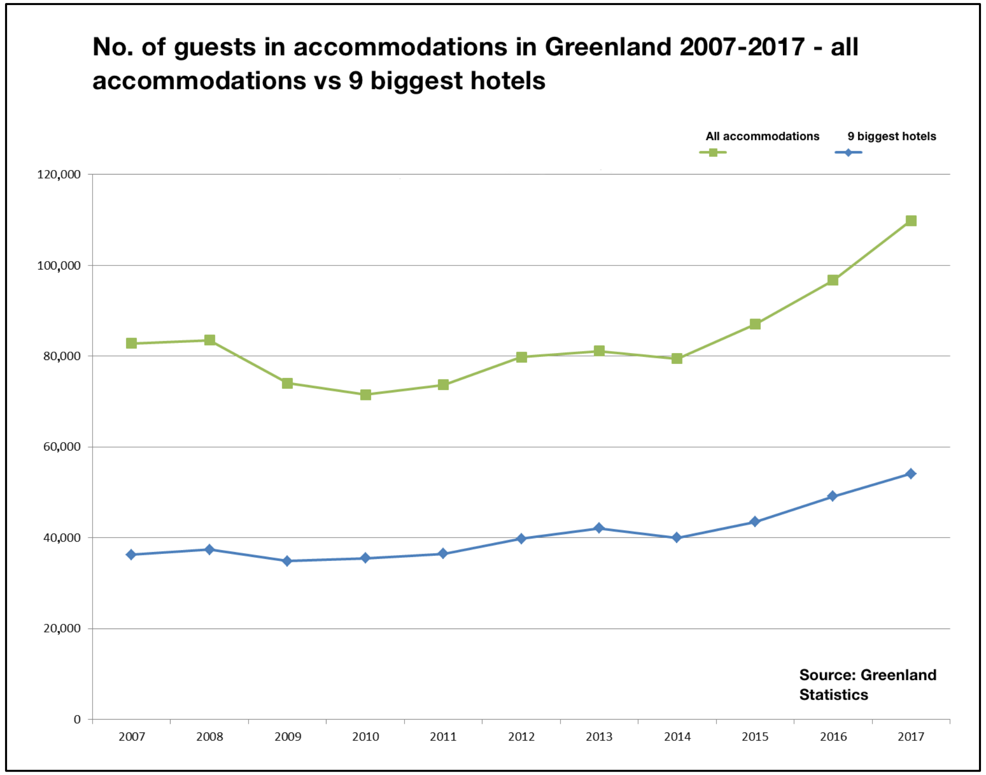


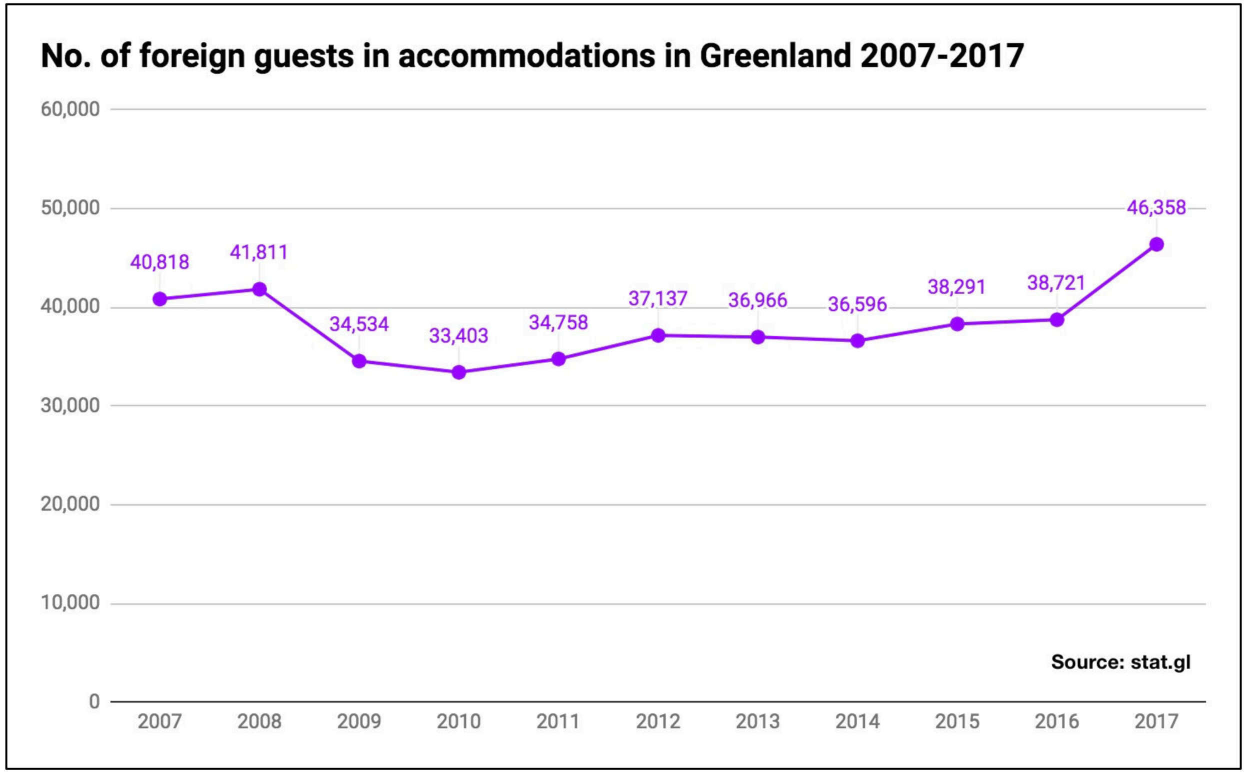
Correction regarding East Greenland: In a similar way 1,015 international overnight stays are deducted (from 3 accommodations that have submitted registrations for the first time) in a comparison with the 2016 data. That amounts to a total of 3,556 international overnight stays, the equivalent of a **growth of 2.9%**.

Number of Guests in Accommodations in Greenland – 2007-2017

The graph to the left contains a special extract of data from Statistics Greenland with an added control group that consists of the 9 large star classified hotels. As can be seen there is a relatively large correlation between the total sum of all accommodations and the 9 largest hotels. However, there are some minor fluctuations for the 9 largest hotels which can also be seen on page 7 where the focus is on the number of overnight stays. Once again, this is an indication that the larger hotels have weathered the effects of the financial crisis in the years following 2008 better than the smaller accommodations.

The graph to the right focuses on international guests (tourists) in the same period. Here we also see a relatively large degree of correlation to the two other data sets – the most correlation with the total sum group (all guests including Greenlandic citizens). The 2,772 new registrations from 2017 have however not been deducted. That would have meant a total of 43,586 international guests in 2017.



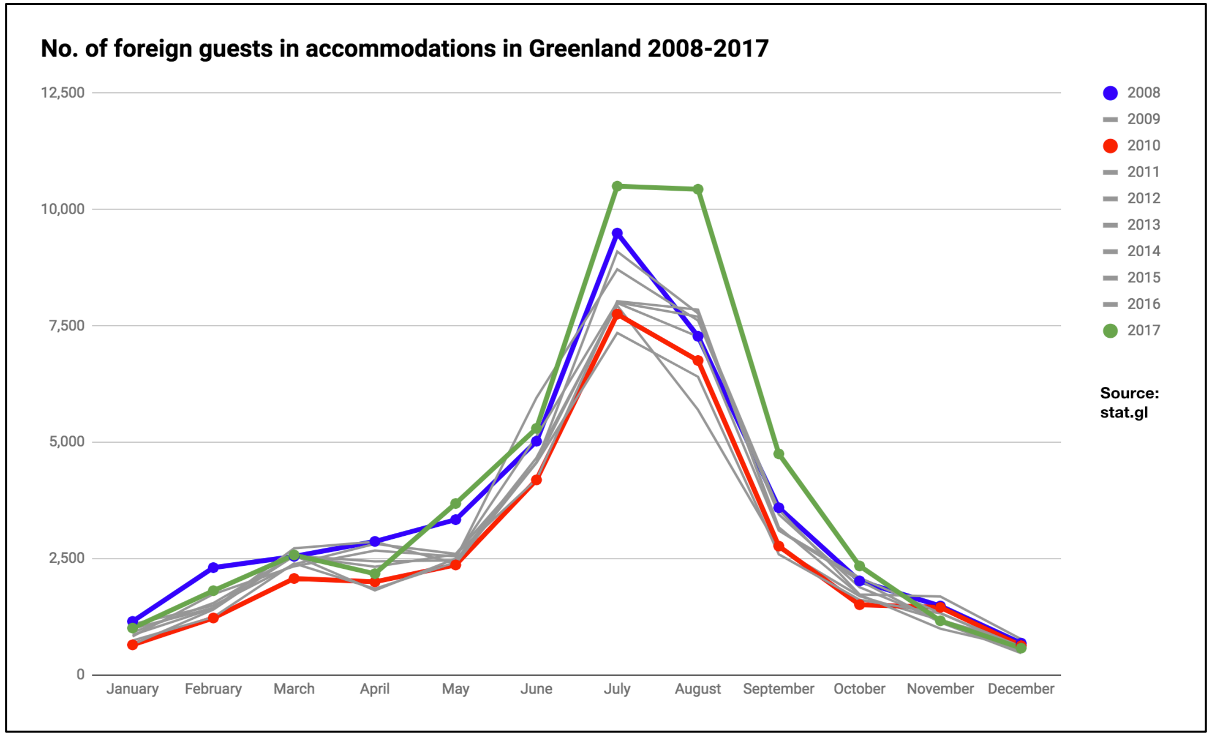


Number of International Guests – Season Trends 2008-2017

Prior to 2017 2008 was the year that saw the largest number of international guests. If we adjust for the 2,772 'new' registrations from 2017, there were 43,586 – which is still a greater number than the 41,811 in 2008.

2010 on the other hand was the year with the least amount of international guests in the period shown (33,403).

As is the case with the season graph with the number of international tourist overnight stays on page 8, the steep season trend can also be observed in the summer season here. And as with the graph with the number of tourist overnight stays on page 10, in 2017 there is also a decline after March, a decline that was not there in 2008.

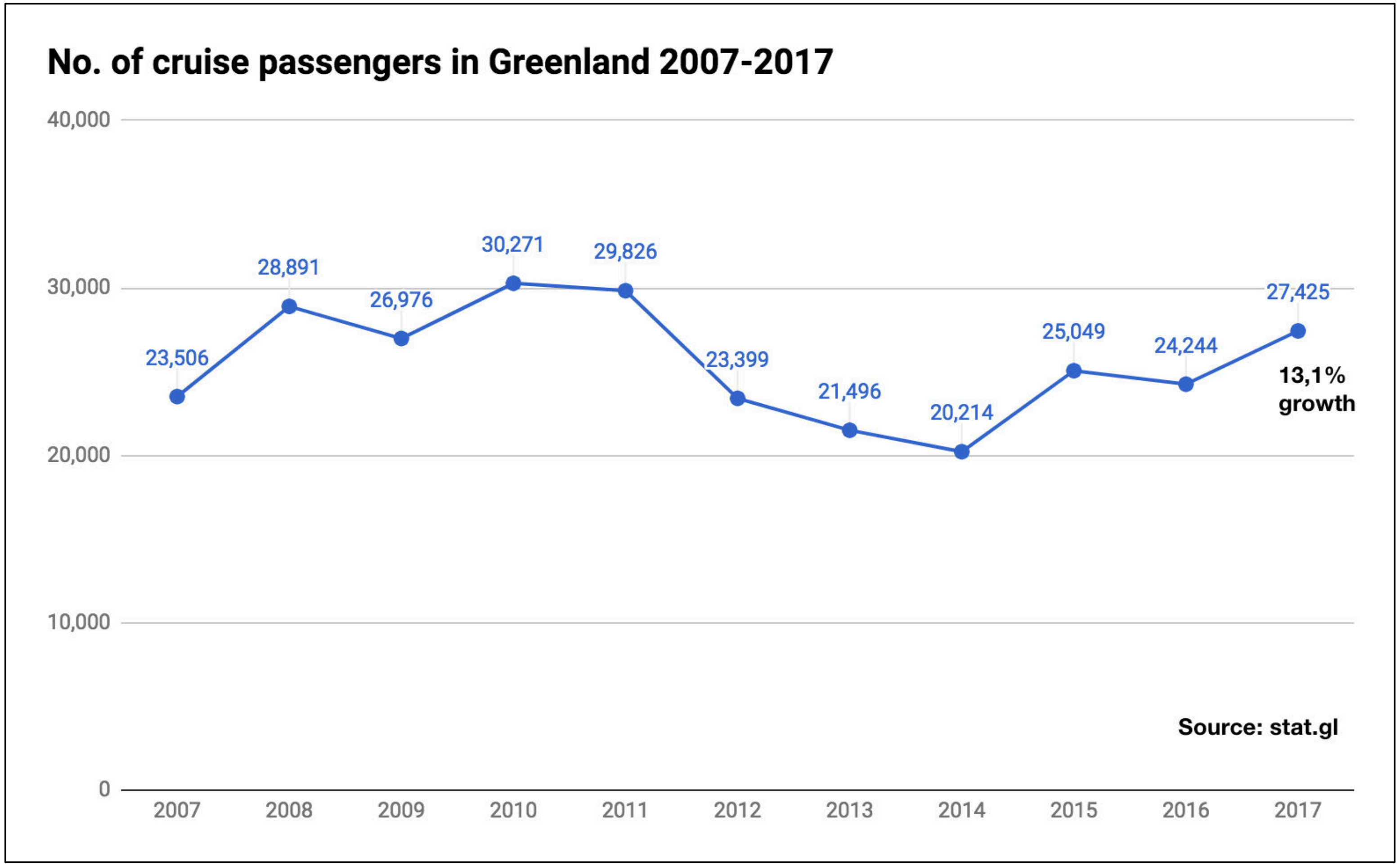


There is a constant variation in terms of how many overnight stays each guest buy on average from a given accommodation – please remember that a tourist might well book a stay at 2 or more different accommodations on the same trip in Greenland.

During the last several years the average has varied slightly from year to year, but from 2008-2017 the average is 2.7 booked overnight stays per tourist per accommodation.

Cruise Statistics – Total Number of Passengers

2017 saw 13.1% more individual passengers in cruise ships in Greenland. The number of passengers can be counted in several ways and this on this page the focus is on head count – how many individual cruise guests visited Greenland in the year in question. Theoretically some of these guests may not have been ashore at all and will then not have contributed to the tourism generated turnover for the local tourism operators.

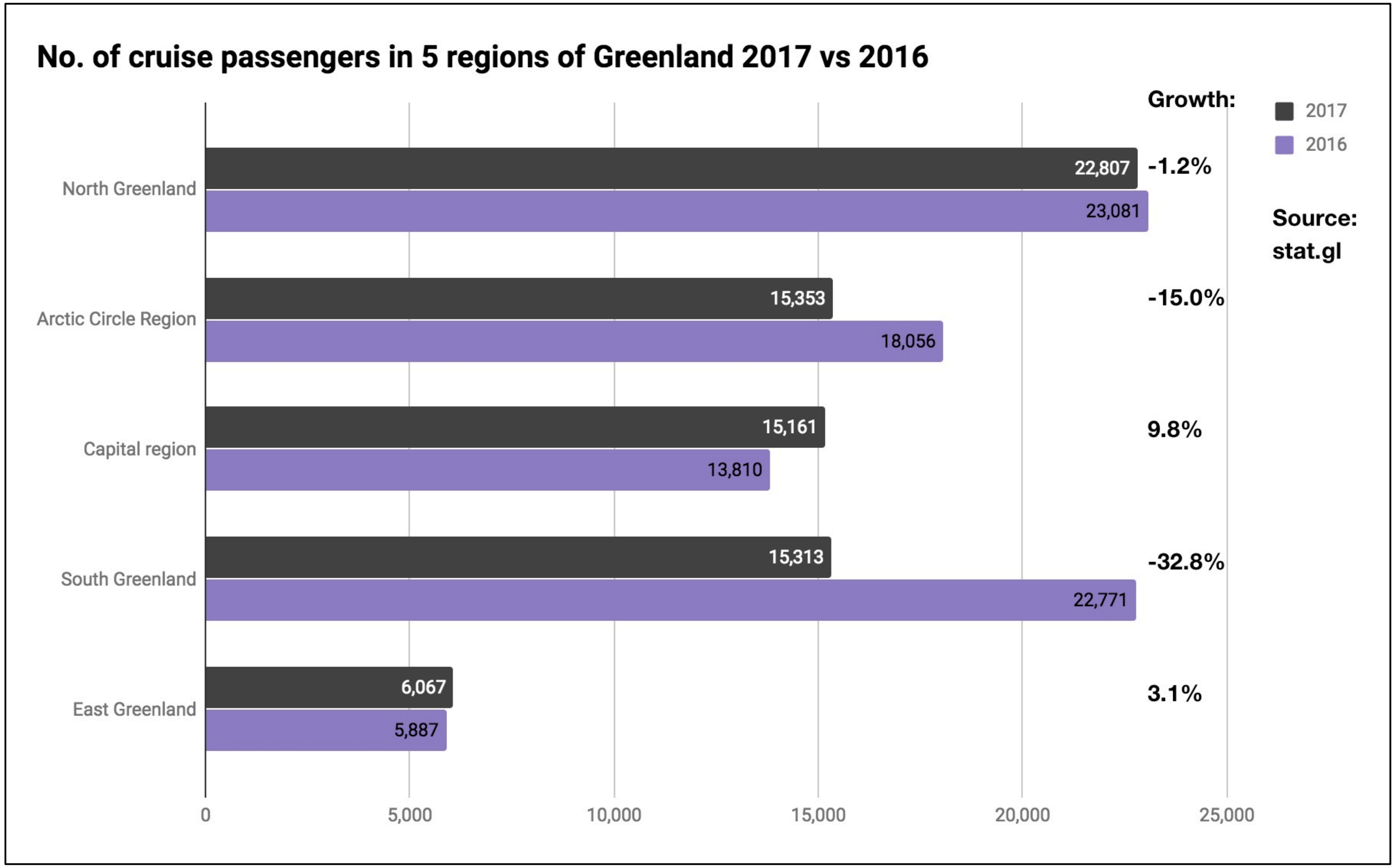


Unfortunately, we do not know how many tourists that in fact came ashore at each port call. However, the latest cruise survey from 2015 showed that 98% of the passengers came ashore at least once during their cruise in Greenland.

Another perspective is to focus on the number of port calls and thus the number of opportunities for the cruise tourists to come ashore and spend money. Read more about this on the following page.

Cruise Statistics – Number of Passengers at Port Calls

The graph below focus on how many passengers were aboard the cruise ships at each port call in the different regions. Theoretically, a ship might have had port calls in a number of cities in one of the 5 regions while it may only have had a port call in one city while passing one of the other regions. This connection does not, however, appear in these data. The numbers below only show how many times a passenger had the opportunity to come ashore. Every passenger counts once for each port call in a new city.



We can, for the sake of understanding, assume that 65% of the guests on average come ashore at each port call. If this assumption holds water we must deduct 35% from the numbers in the graph in order to get the accurate number of times a passenger has come ashore in the given region (typically several times per passenger as mentioned previously).

If the 65% assumption also goes for the 2016 numbers it means that in general a few more guests came ashore in 2016 than in 2017 – especially where the number of guests aboard ships that called on ports in South Greenland are concerned.

It does however remain somewhat of a guess as to how many actually came ashore, and we also do not know how many tourist products they purchased while ashore.

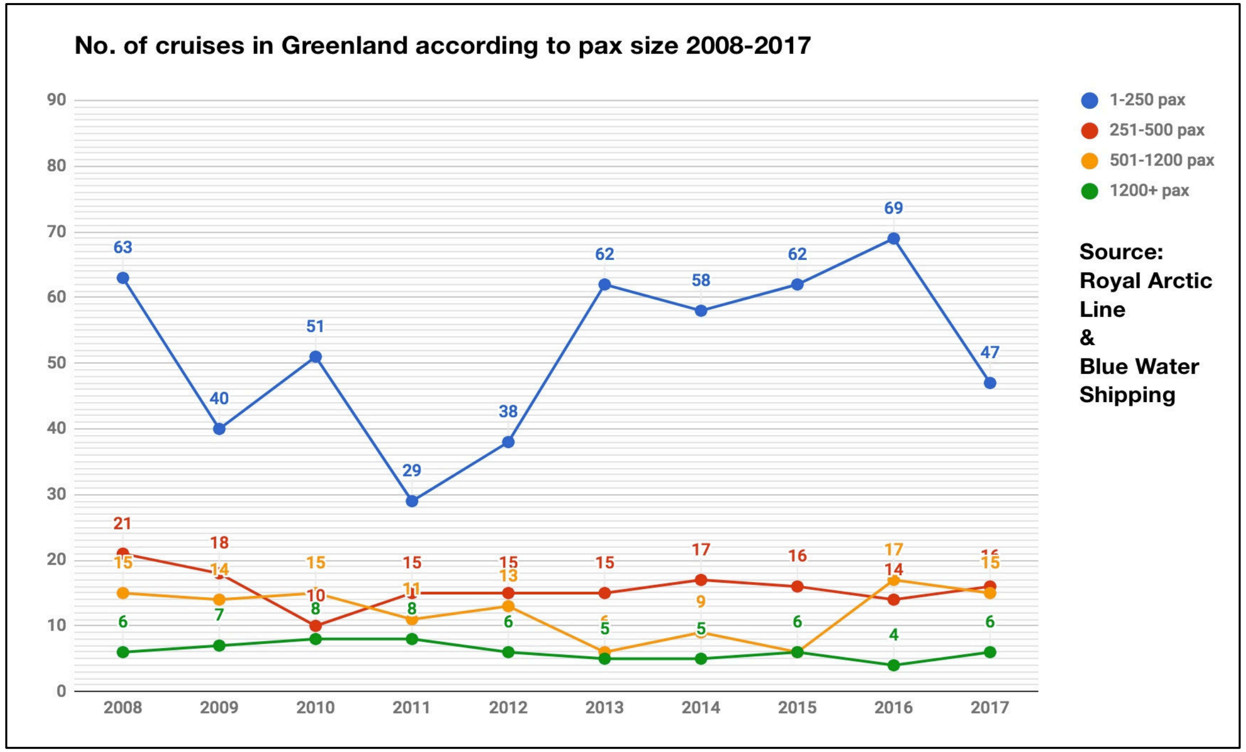
Statistics Greenland considers it possible that some port calls in 2017 may not have been registered for some reason or other.

Number of Cruises By Passenger Capacity

The cruise ships to visit Greenland are divided into so called pax categories according to passenger capacity. We operate with 4 pax categories.

The smallest category of up to 250 pax is the type of cruise that has been the most of every year in the last 10 years. But at the same time this is the category where the number of cruises varies the most from year to year as shown in the graph. From 2016 to 2017 there is a large decrease in the number of cruises from 69 cruises to a mere 47. A part of the explanation of this decrease can be found in the fact that Rembrandt Van Rijn (34 pax) had 10 cruises in 2016, but none in 2017. In the light of the general large fluctuations from year to year in the number of cruises in the 0-250 pax category the decrease from 2016 to 2017 can be seen as a natural effect hereof.

From 2011 to 2017 the level of number of cruises in the 251-500 pax class has been stable. 16 cruises in 2017 is the average for the period pictured below.



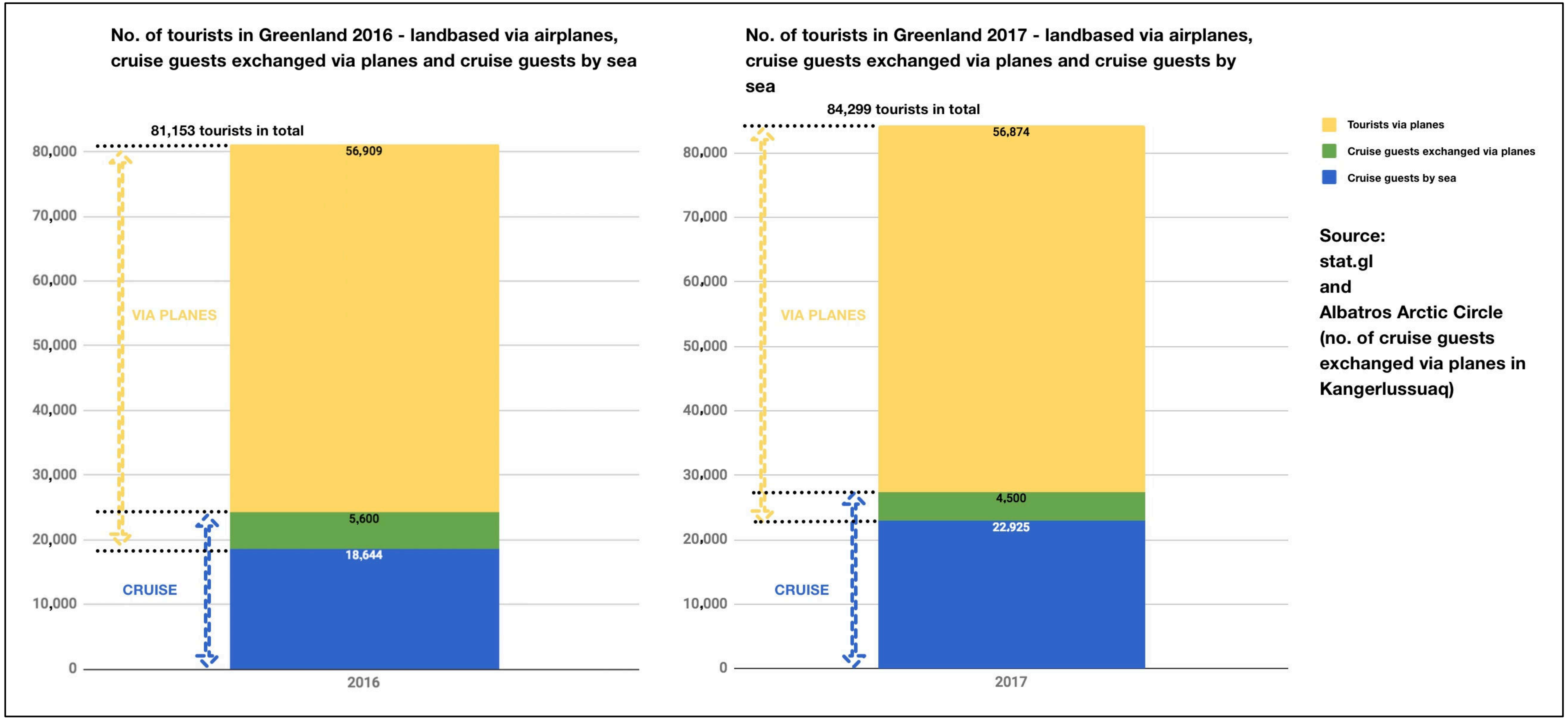
In 501-1200 pax category the level has varied between 6-17 cruises per year with the highest levels in the beginning and the end of the period pictured. 15 cruises in 2017 must be categorized as satisfying.

In the largest pax category 1200+, the number of cruises has only fluctuated between 5 to 8 cruises per year. The 6 cruises that took place in 2017 amount to an average year.

Types of Tourists – Distribution by Type

In order to visualise the distribution of the different types of tourists we have stacked the graph so the sum corresponds with the total number of tourists that visited Greenland in 2016 and 2017. As mentioned several times, the data at our disposal on the number of tourists travelling by plane in 2017 unfortunately is not accurate. There are indications that the correct number is between 5 to 10% higher when we compare with the overnight stay statistics.

It does however give an understanding of the dynamic between the land based tourists and the two types of cruise tourists: Those that arrive in Greenland via sea and those that fly in or out of the country. Thus, 4,500 cruise tourists in 2017 exchanged via airplane and therefore they do not count as land based tourists.



If we assume that the real growth in tourists by plane is 5% that means that 2017 saw a total of 59,750 tourists by plane which amounts to 87,175 tourists in total.

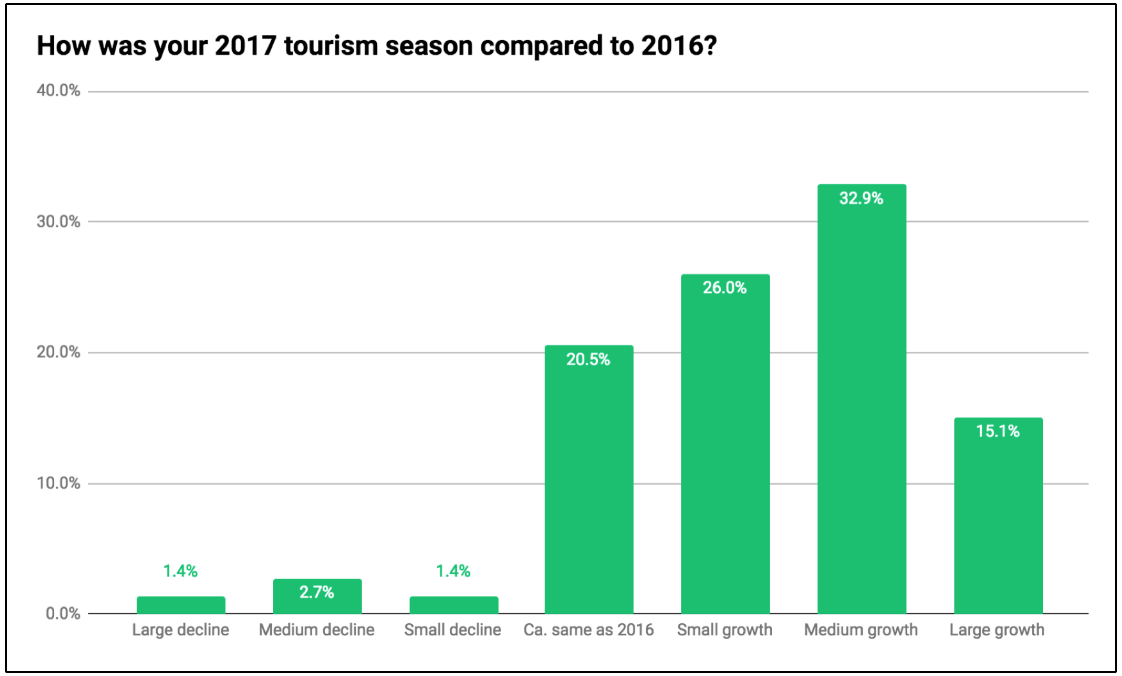
If the real growth in tourists by plane was 10% that means that 2017 saw a total of 62,600 tourists by plane which amounts to 90,025 tourists in total.

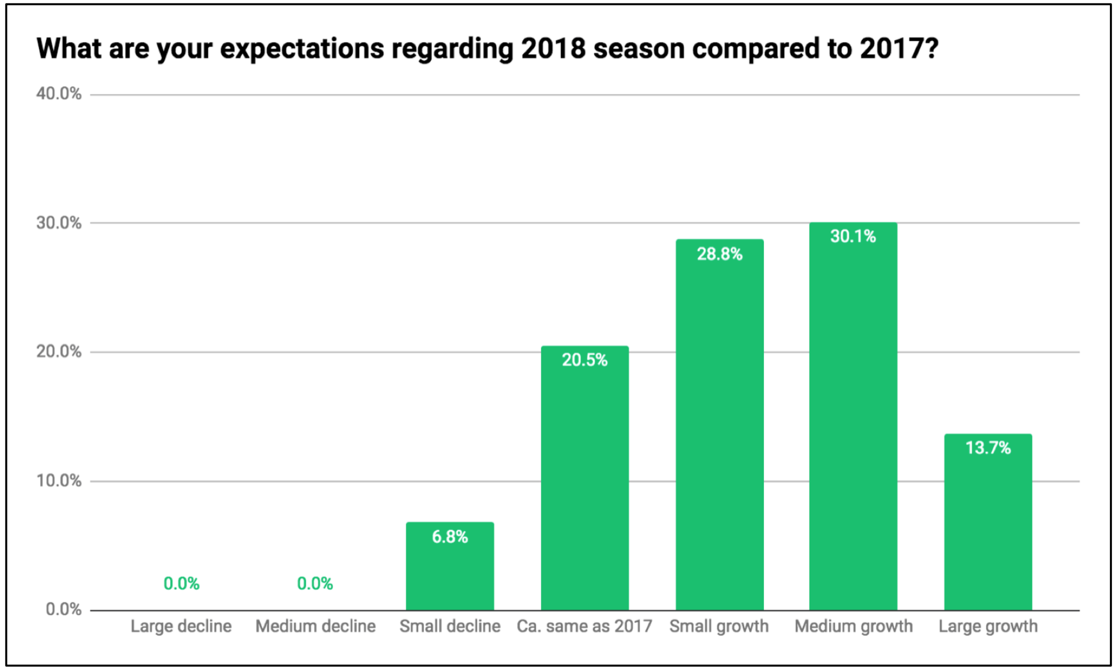
Statements from Tourism Operators in Greenland

When the available flight passenger data is not credible due to a lack of registrations one must find other ways to get indications from the tourism industry. That is why this year we have asked 240 tourism operators in Greenland about how they rate 1) their 2017 season vs. 2016 and 2) their expectations for the 2018 compared with 2017.

Luckily an impressive 73 (i.e. 30.4%) of the operators have participated in this short survey. It confirms the theory of Visit Greenland and Statistics Greenland that the overnight stay numbers are considerably more accurate than the flight passenger statistics on 2017. We have promised the operators full anonymity and have not asked them to note growth percentages (negative or positive). Instead we have asked more general questions with 7 possible answers as can be seen in the graphs below.

The numbers speak for themselves. The overwhelming majority has had a good tourist season in 2017 and they are equally positive in their expectations of the 2018 season. They all answered the survey in the middle of March 2018 thus the operators will at this point have had credible indications in the shape of already placed bookings.





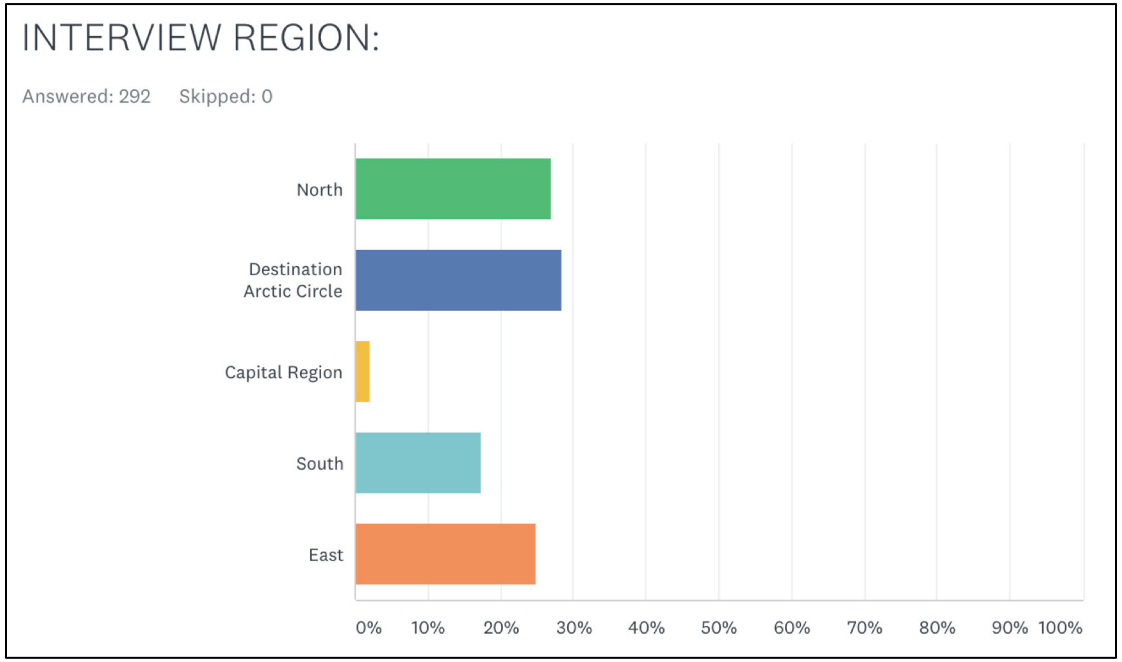
Tourist Interviews – Place of Interview and Age Group

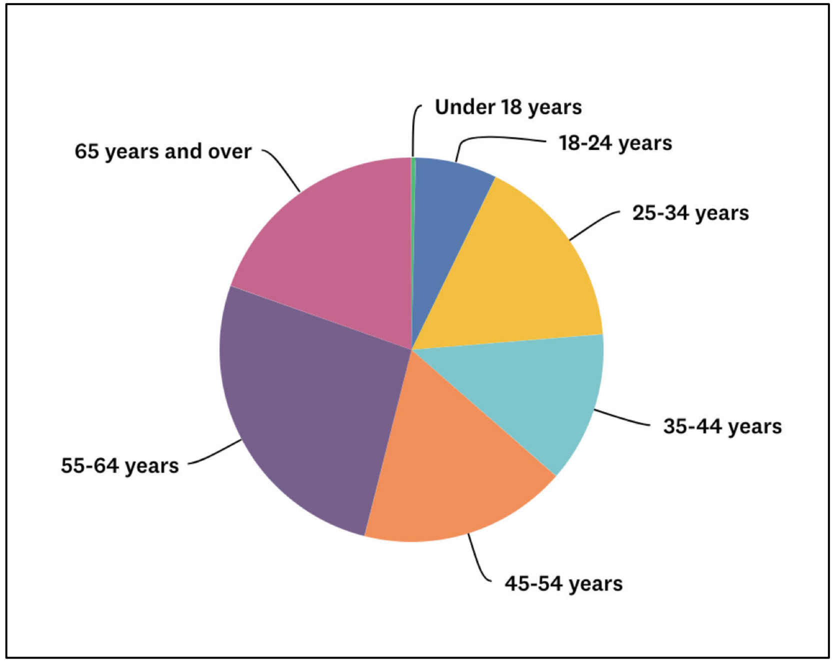
In 2017 Visit Greenland hired two interns from the tourism program at The University of Aalborg to conduct thorough interviews with land based (292 respondents) as well as cruise respondents (88 respondents). The interviews were carried out in the course of July and August in a number of cities and regions all over Greenland (the graph to the left) to ensure that the group was representative. The following pages focus solely on the land based respondents. The results from the interviews with the 88 cruise respondents, cruise passengers are overall an entirely different segment, can be read separately as an appendix here.

Only one region, the capital region, is slightly underrepresented.

The age distribution shows an overrepresentation of the 3 oldest age groups (the graph to the right), but at the same time it is roughly the average age distribution the interns met.

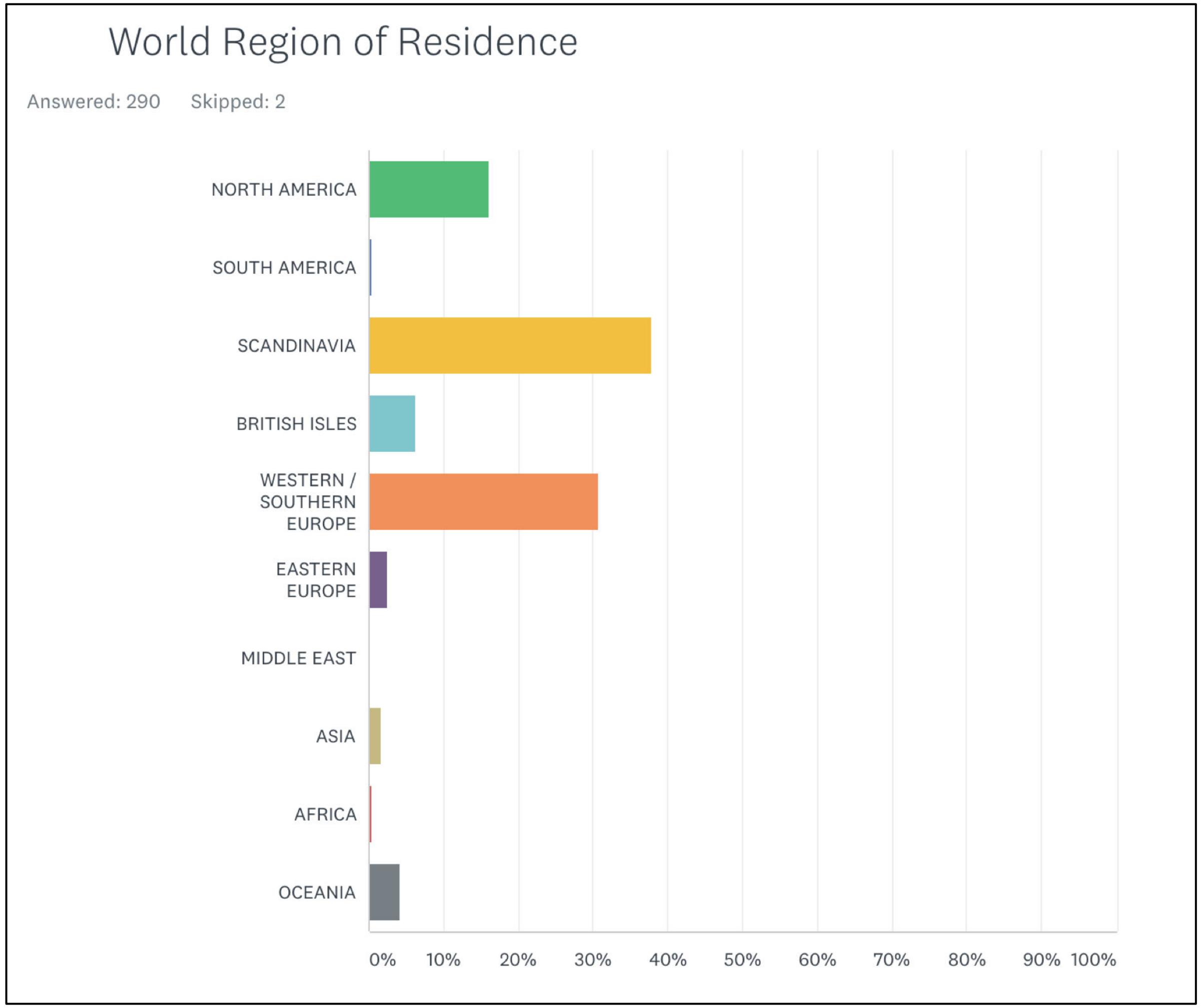
The following pages will show a number of graphs with sparse accompanying text as the graphs to a large extent are self-explanatory. The most important findings are summarized at the end.

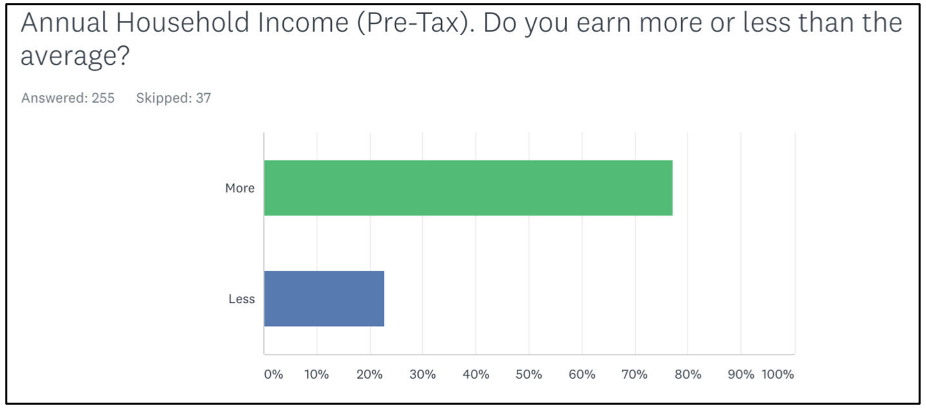


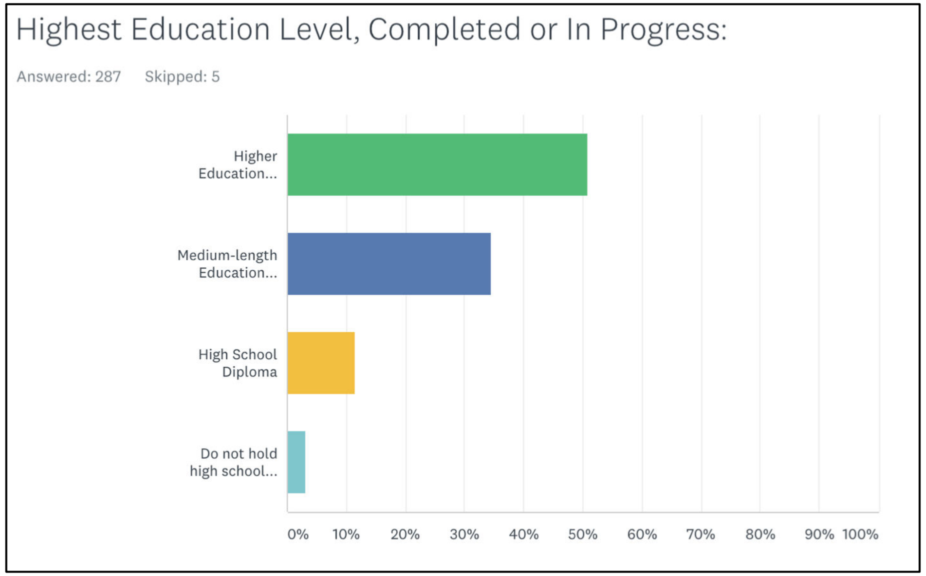


Tourist Interviews – Where do They Live, Income Group and Education Level

Facts about the respondents that in this series are solely land based tourists. The numbers roughly confirm the theories that Visit Greenland works with: There is an overrepresentation of people with an income above average and with medium or high education.







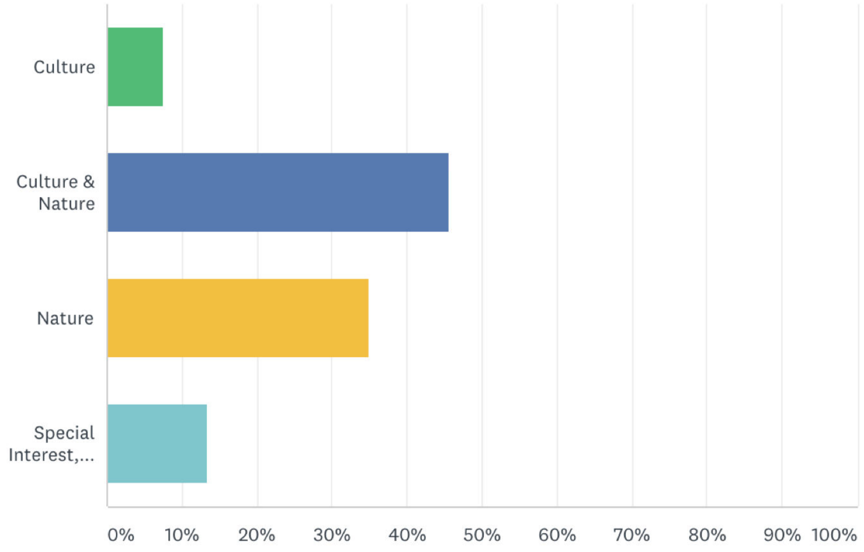
Tourist Interviews – Experience Preferences and Booking Behaviour

Selected answers about motivational factors to visit destination as well as typical booking behaviour. Approximately 45% unsurprisingly travel in order to experience a mixture of nature and culture. About 35% are solely focused on nature and 7% travel solely for cultural experiences. The group 'Special Interest' (circa 13%) represents people that travel for a particular activity such as river fishing, trophy hunting etc.

The 292 respondents in this survey are highly likely to book their activities themselves rather than to book a package tour via a travel agency.

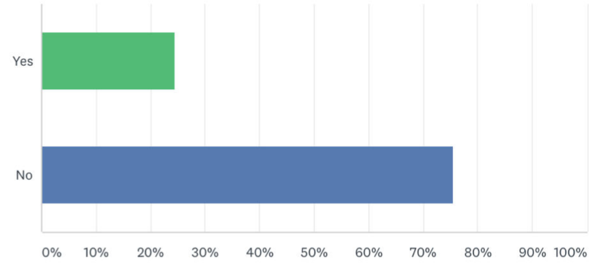
What is your main motivation to visit a destination - to experience its culture or its nature? Or, is it the pursuit of one particular special interest, eg: fly fishing, that motivates you to travel? (Choose one)

Answered: 292 Skipped: 0



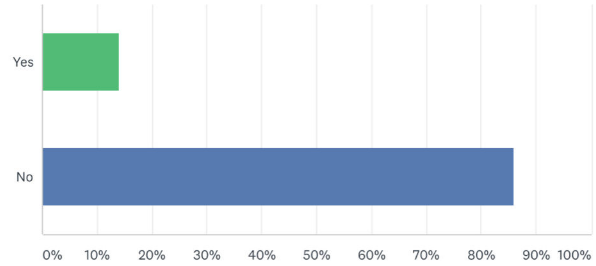
Do you typically use a travel agent to book your holiday?

Answered: 291 Skipped: 1

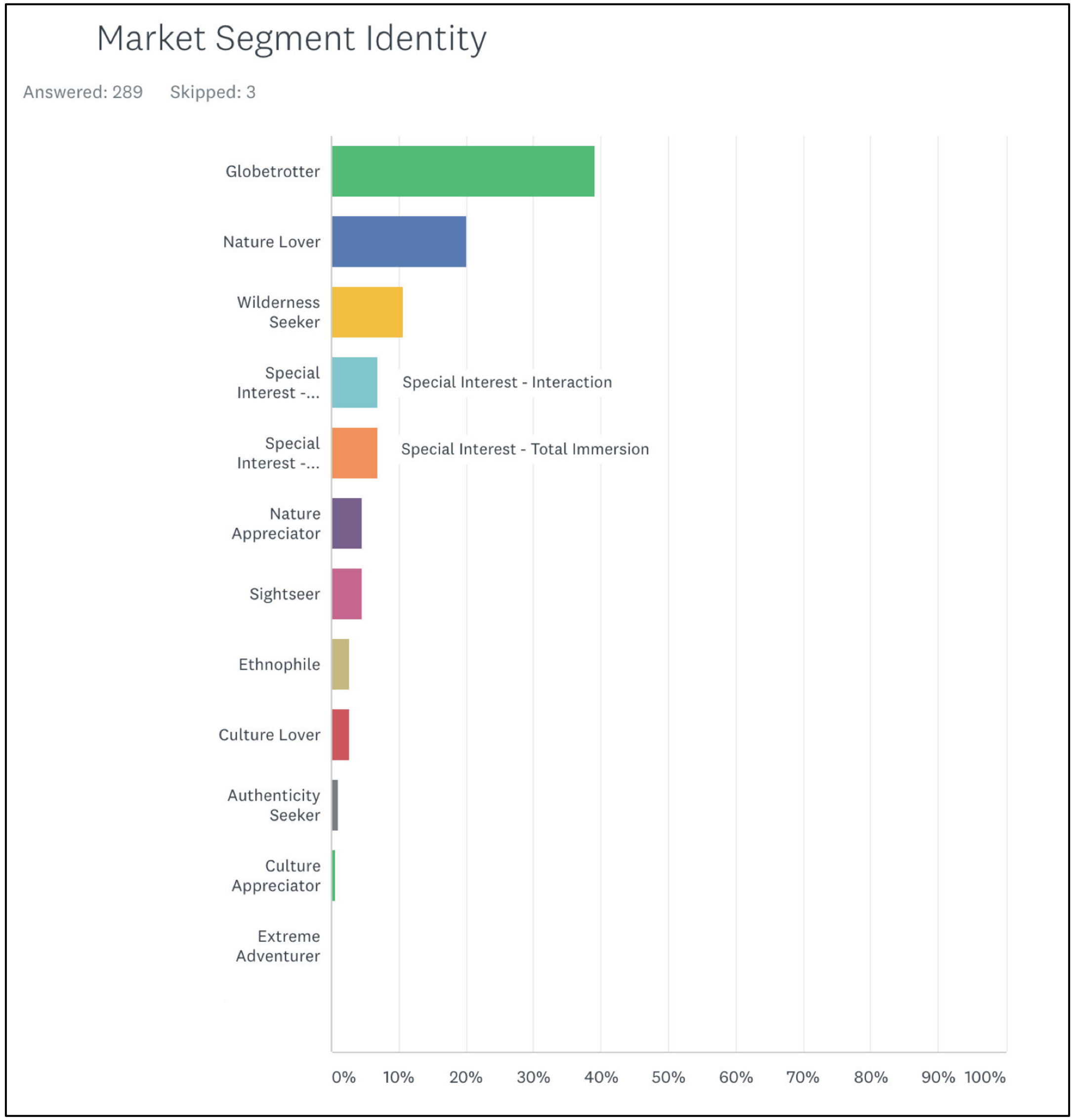


Do you typically select pre-packaged itineraries for holiday?

Answered: 292 Skipped: 0

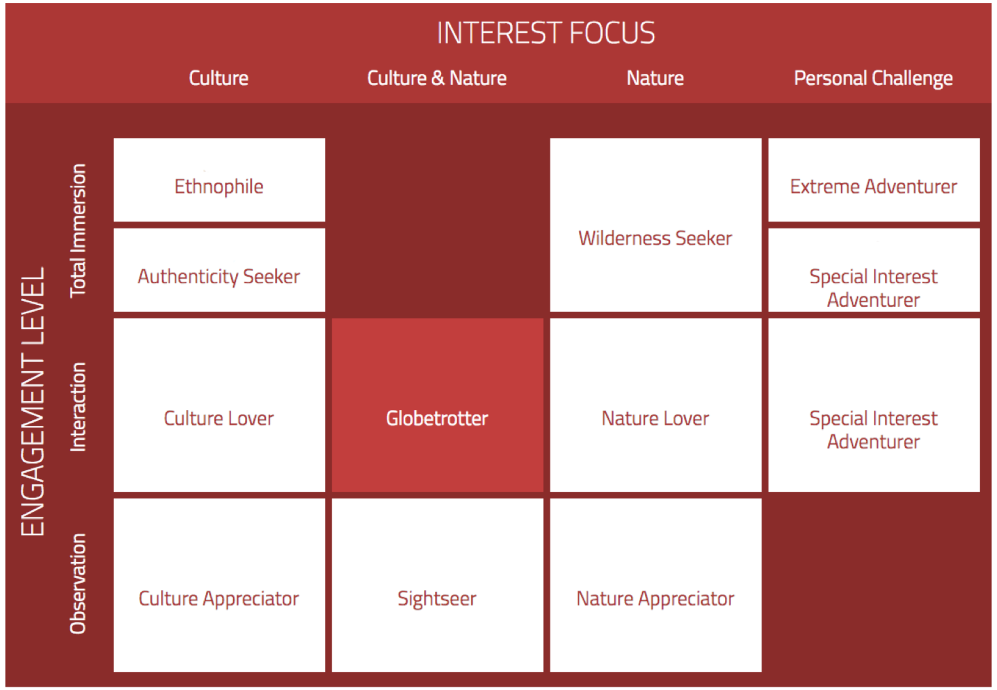


Tourist Interviews – The Segments of the Respondents



The graph to the left shows that the top 5 segments are: 39% Globetrotters, 20% Nature Lovers, 11% Wilderness Seekers, 7% Special Interest (interaction) and 7% Special Interest (total immersion).

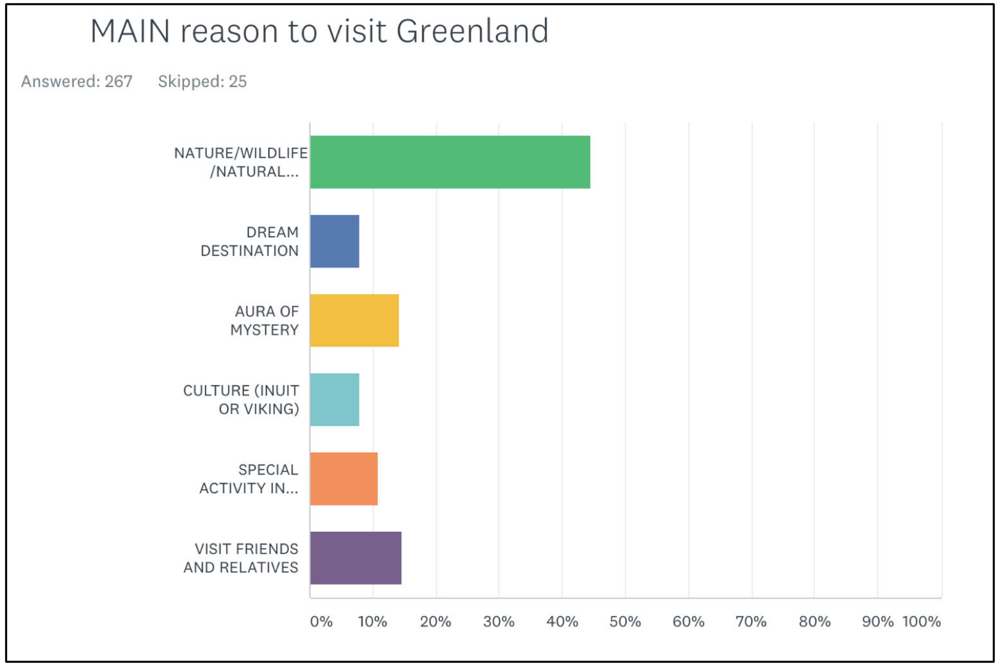
Nature Appreciators (4.5%), Sightseers (4.5%), Ethnophiles (3%), Culture Lovers (3%), Authenticity Seekers (1%), Culture Appreciators (0.7%) and Extreme Adventurer (0%) place as the last 7 out of our 12 segments – out of which we do in fact have 2 Special Interest segments included.

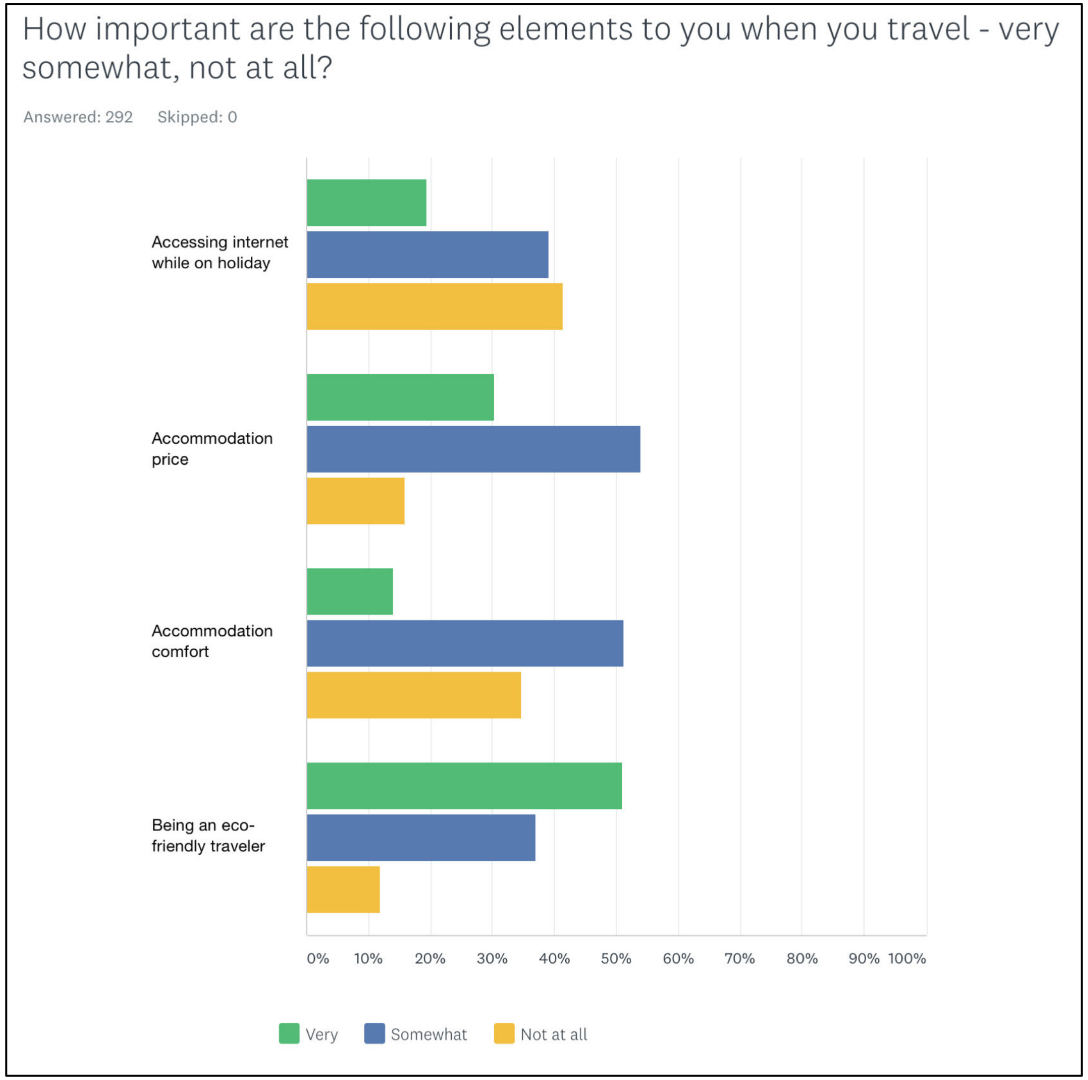


Tourist Interviews – Main Motivation and Secondary Elements

The graph to the left shows that nature, wildlife and natural phenomena is the main motivation for 45% of the respondents. Visiting friends and relatives is the second largest , but only the main motivation for 14.6% of the respondents.

The secondary elements that might be important for the tourists during the trip are listed in the graph to the right. It is a slightly mixed image that appears. Being a climate-conscious traveller is the one element that most find very important while internet access while on holiday is the least important element.

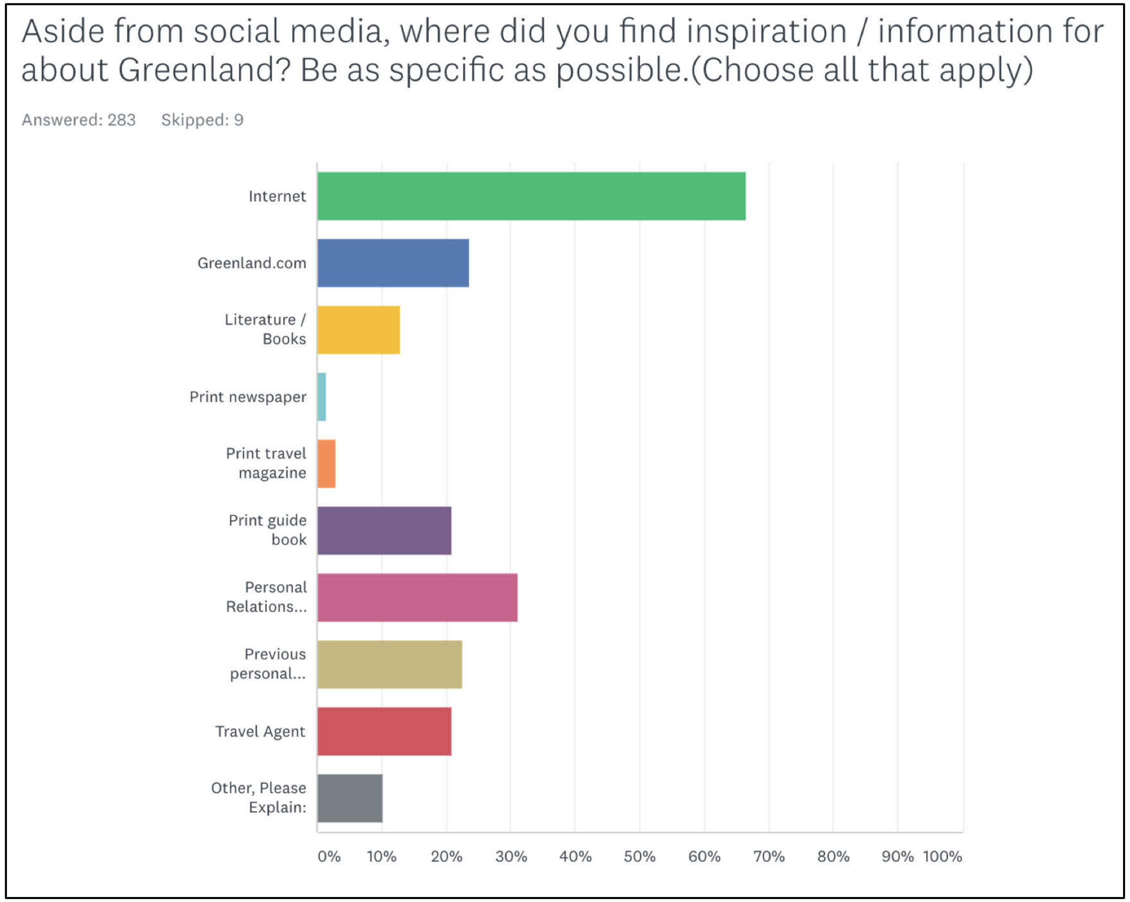




Tourist Interviews – Sources of Information and Time of Booking

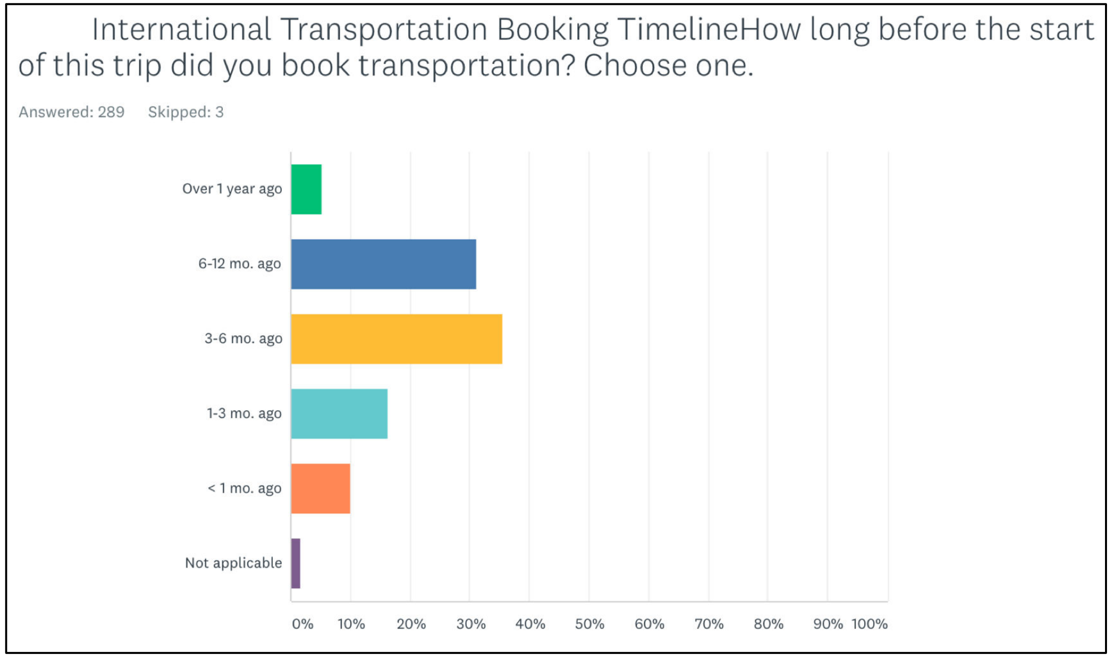
Unsurprisingly the internet is the main source of inspiration and information about Greenland before booking a trip. Personal relations and recommendations is the second most important source by 31%. Greenland.com (now visitgreenland.com) is the 3. most important source with 24% followed by Previous personal knowledge (23%), Guide Book (21%) and Travel Agent (21%), Other literature/books, travel Magazine (3%), Newspapers (1.4%) and ’Other’ sources than those already on the list.

The most frequent booking timelines are 3-6 months before the trip (36%), 6-12 months before (31%) and 1-3 months before (16%).



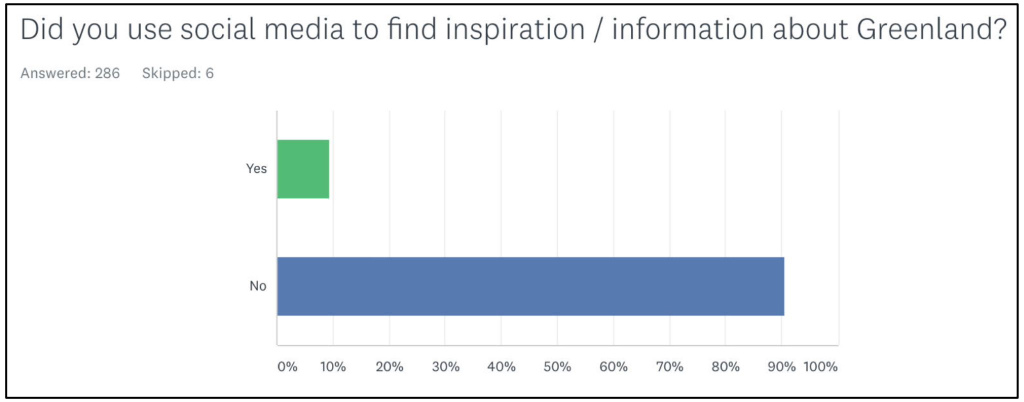
’Less than one month before the trip’ is only 10%, and ’Over a year before the trip’ is the least frequent booking horizon of 5%.

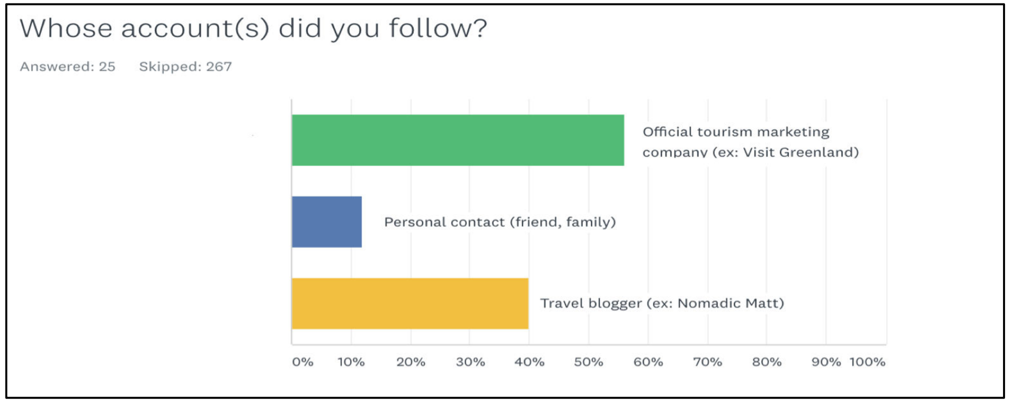
This corresponds with what Visit Greenland has experienced in relation to marketing initiatives and the theories Visit Greenland works from.

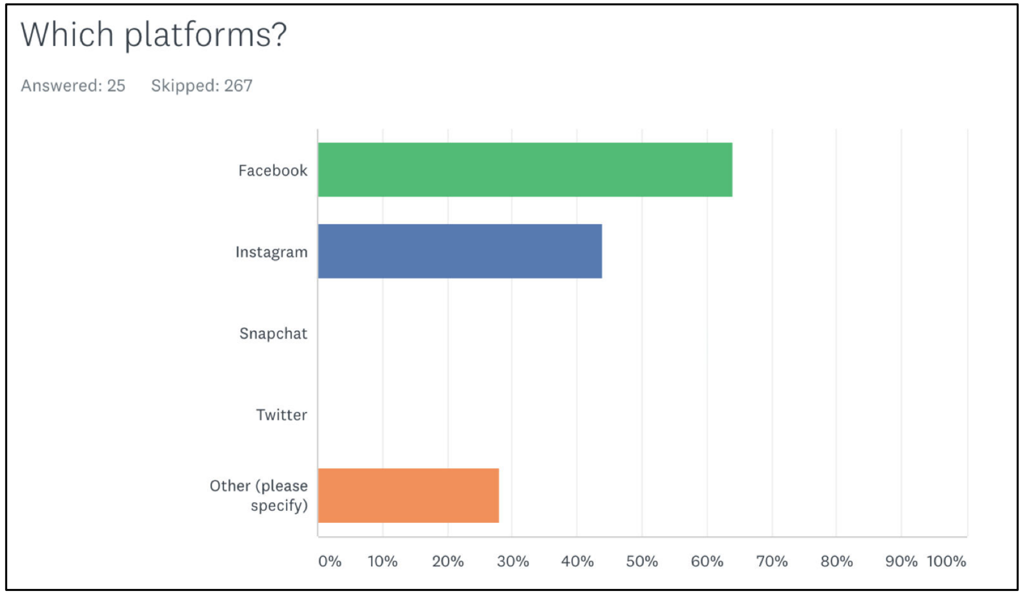


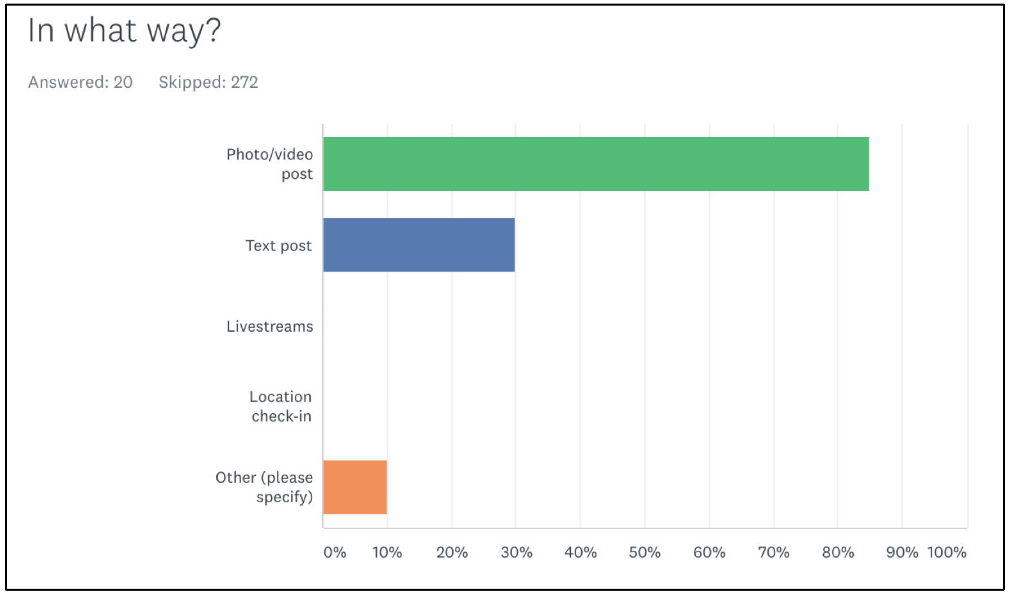
Tourist Interviews – The Role of Social Media

The 4 graphs below show the influence and significance of social media as regards to inspiration and travel decisions. 9% of the interviewees has used social media in particular Facebook and Instagram as sources of inspiration and information about Greenland. 55% has browsed the social media pages of Visit Greenland or other relevant operators. They primarily look at visual content such as photos and videos and to a smaller extent written content.





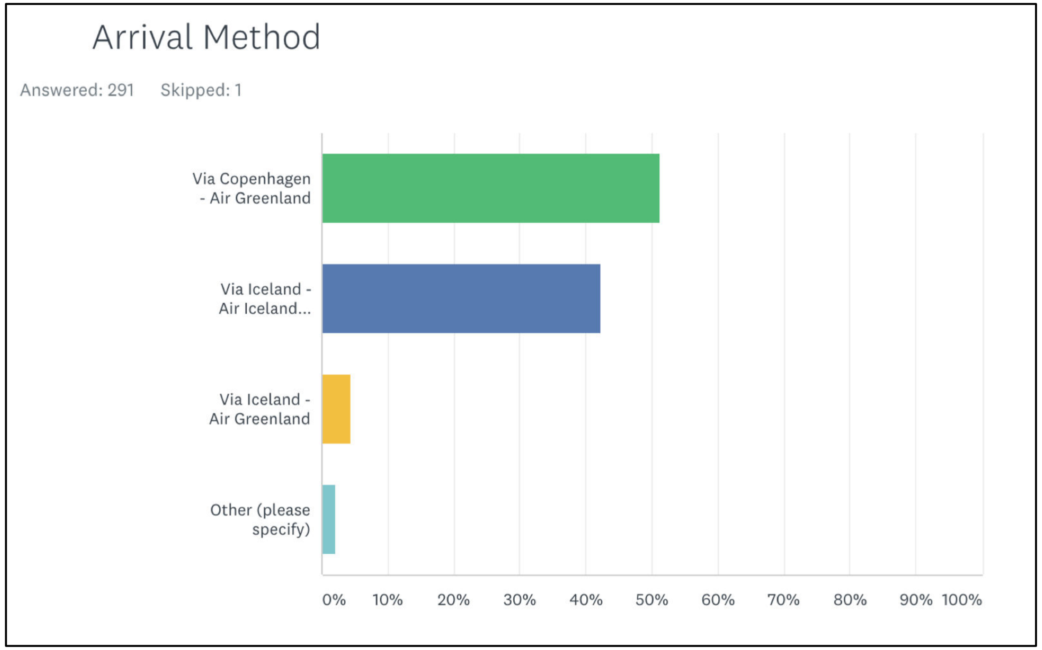


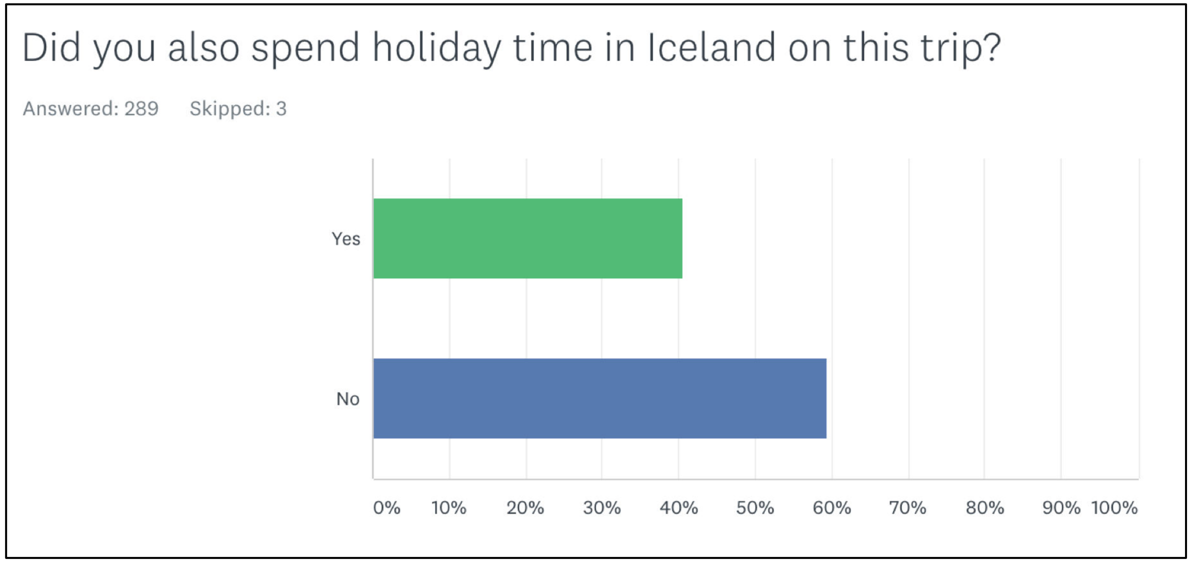


Tourist Interviews – Entry Points and Combination Trips

It is interesting to look at the distribution between Copenhagen and Iceland as entry points to Greenland. 51% of the respondents have travelled via Copenhagen, while 46% (136 out of 291 respondents) have travelled via Iceland with either Air Iceland Connect or Air Greenland (respectively 42% and 4.5% in the graph on the left). Thus this group of respondents have to a large extent used Iceland as a hub. In general approximately 1/3 of all the passengers (incl. Greenlandic citizens) travel via Iceland and 2/3 via Copenhagen.

117 of the interviewees have had vacation days in Iceland as a part of the same trip which is the equivalent of 86% of the 136 that came to Greenland via Iceland. It testifies to an already existing market of a considerable size for combination trips including Iceland and Greenland. In other words there is a tendency that tourists using Iceland as a hub to Greenland also take the opportunity to spent vacation days in Iceland. It is also possible that people that have already planned a trip to Iceland take the opportunity to visit Greenland. Either way it is a potential win-win situation for the Icelandic and Greenlandic operators alike as it could expand the market for both parties.





Tourist interviews – Frequently Chosen Activities

The graph to the right shows the experiences/activities/excursions the respondents have had or booked and which of those were the most popular for this sample of 289 respondents.

Unsurprisingly, the two self-guided activities mountain hiking and city sightseeing are at the top.

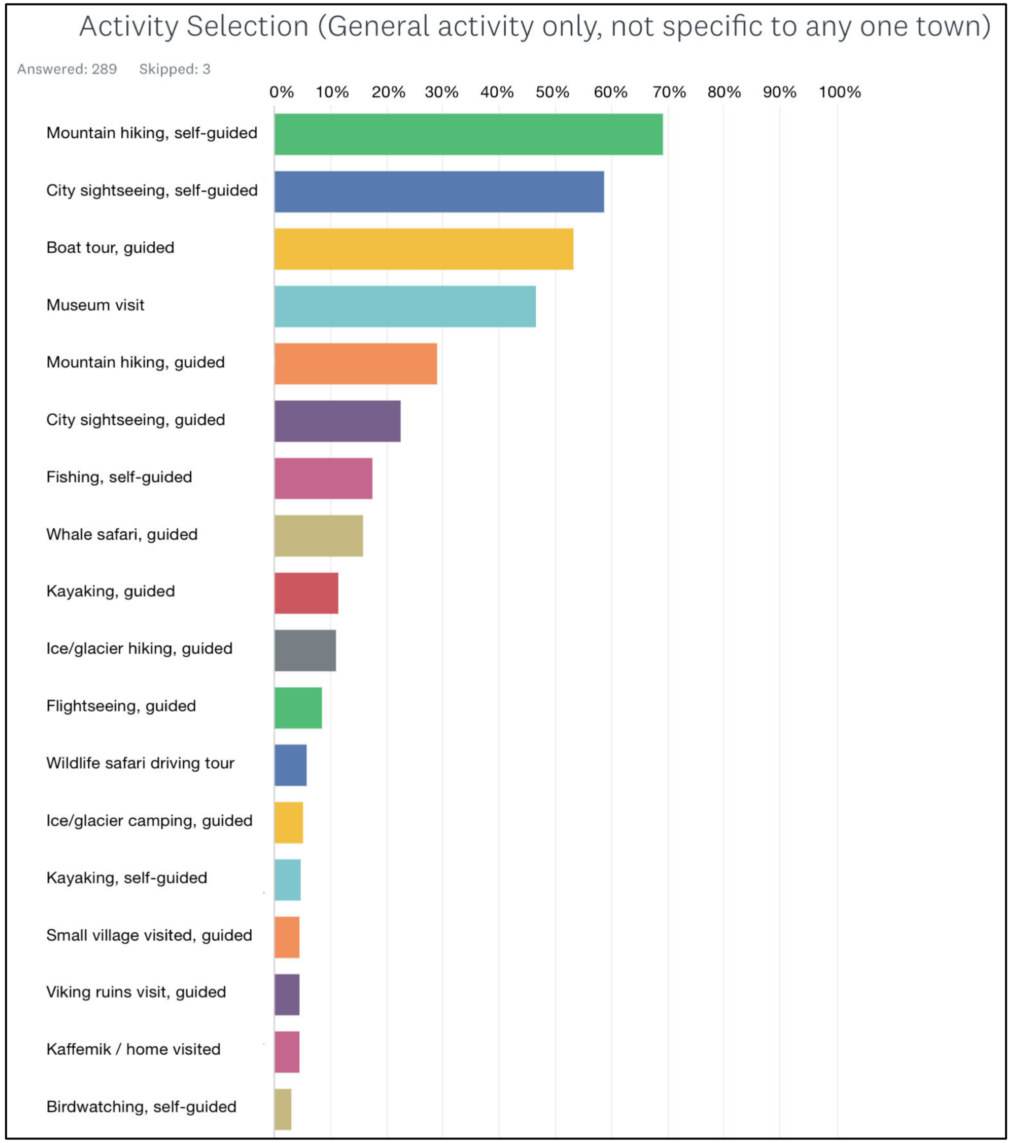
The 2 second most popular activities (boat tours and museum visits) are bought tourist products, one nature based and one culture based.

29% have tried a guided mountain hike. 23% guided city sightseeing, 18% self-guided fishing, 16% whale safari, 11% guided kayaking, 11% guided ice/glacier hiking, 9% flightseeing, 6% guided wildlife safari driving tour, 5% guided ice/glacier camping, 5% self-guided kayaking, 5% guided small village visit, 5% guided Viking ruins visit, 5% kaffemik and 3% birdwatching.

For the sake of clarity the activities from the gross list that have been tried by less than 3% of the respondents are not featured in the graph.

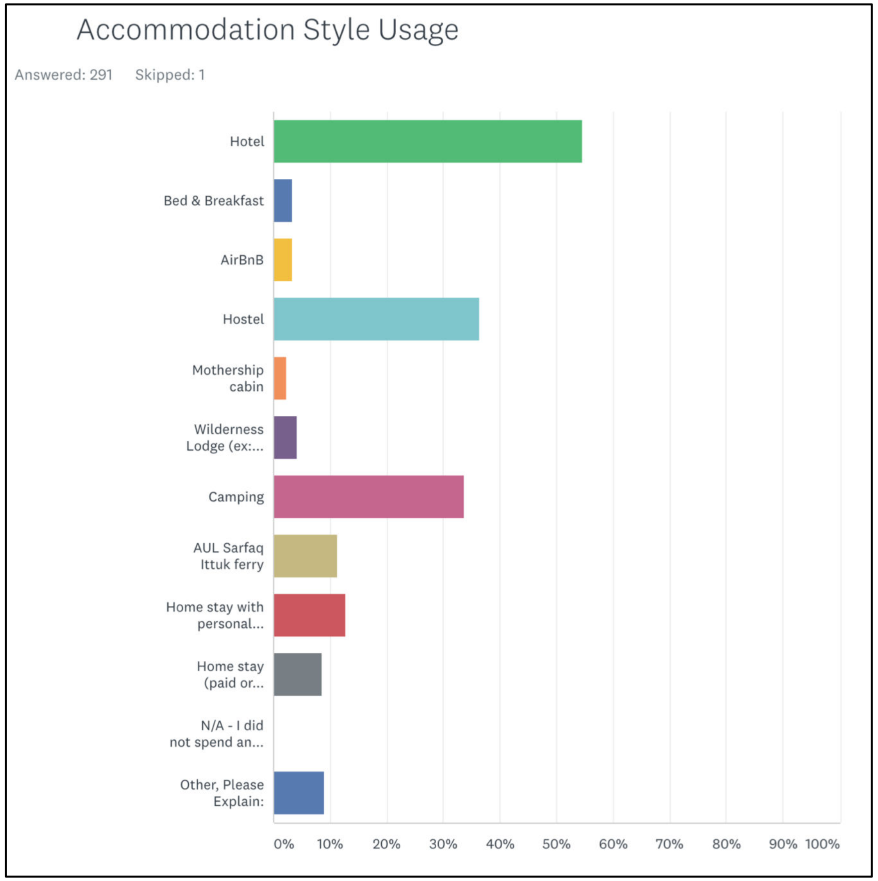
In total 12 out of the listed 18 activities on the graph to the right are guided/bought activities. Museum visits are partially self-guided. The remaining 5 are entirely self-guided.

NB: All respondents in this sample were summer tourists, so they were naturally focused on summer activities. VG has, together with Air Greenland, conducted extensive market research in Germany, France, UK and USA, showing – among other things – that ‘Dog-sledding’ ranks as the 3rd most appealing activity among French respondents who would like to visit Greenland within the next 5 years.

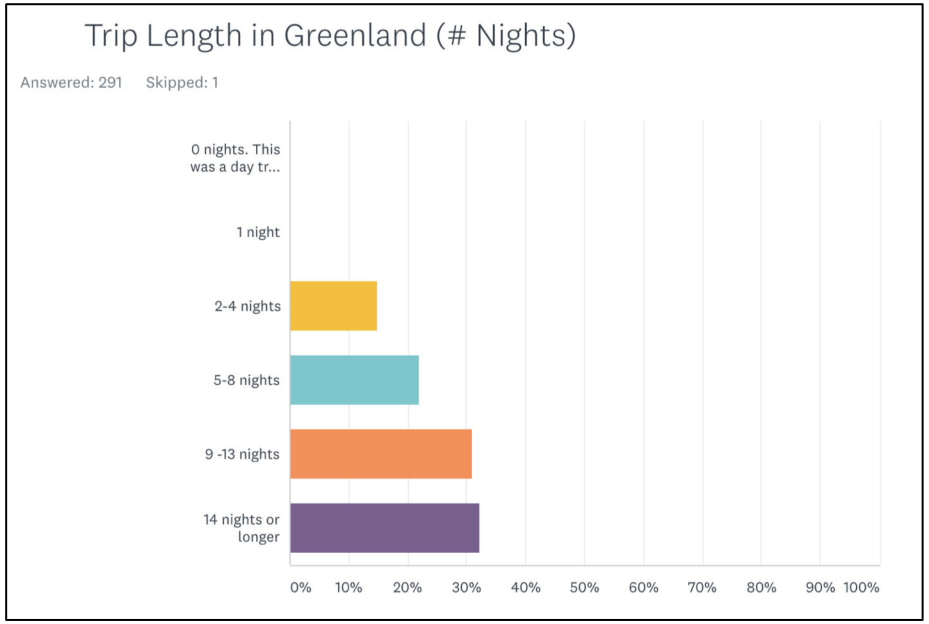


Tourist Interviews – Logistic Facts about the Trip of the Respondents

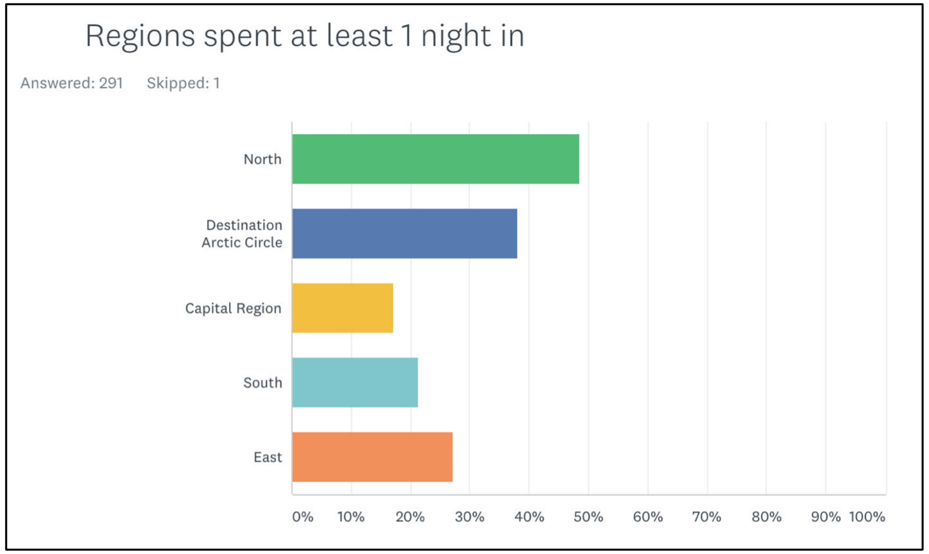
It is a mixed picture that emerges when one asks about the type of accommodation used, but the 3 most popular are hotel (55%), hostel (36%) and camping (34%). Please remember that the interviews were carried out in July-August 2017 which explains the many campers.



The majority of the respondents (63%) have been on trips with more than 9 overnight stays. No day tourists were among the respondents.



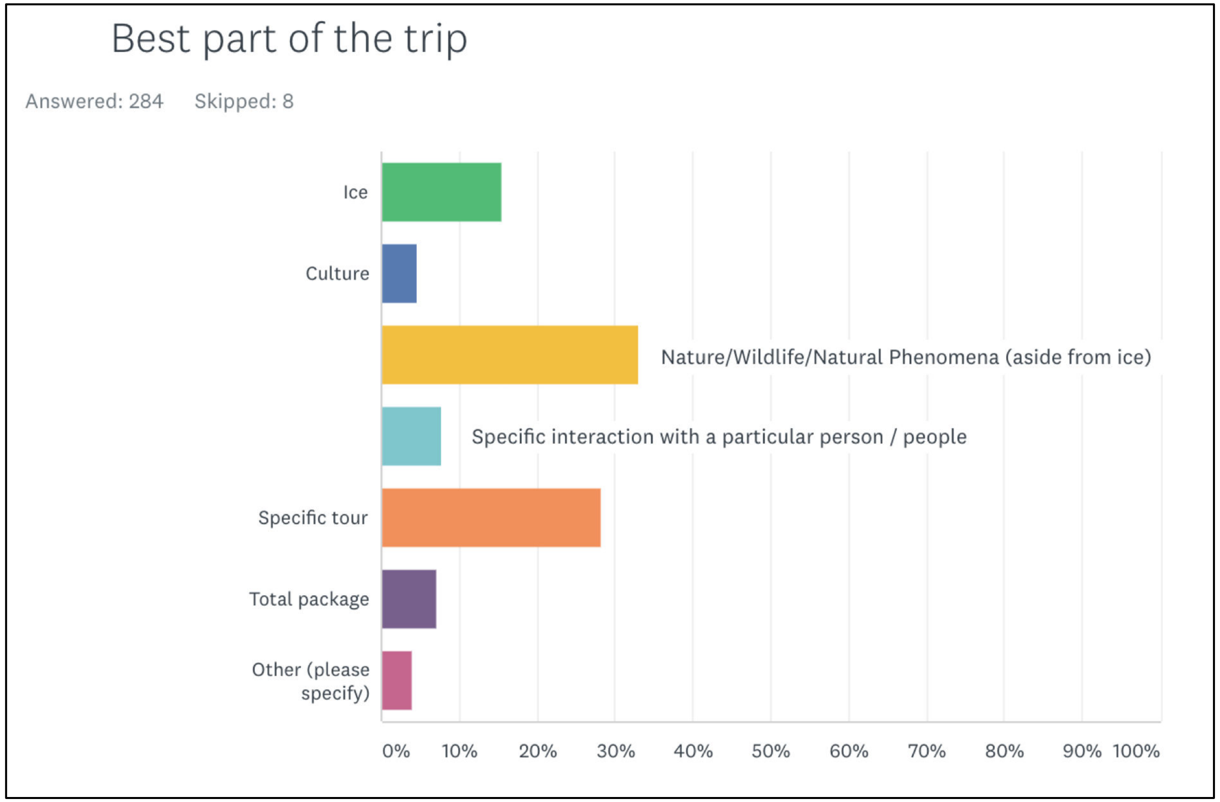
Region North Greenland, Arctic Circle and East Greenland are the regions visited the most by the respondents. The Capital region was the least visited (17%) at the time of the interviews.

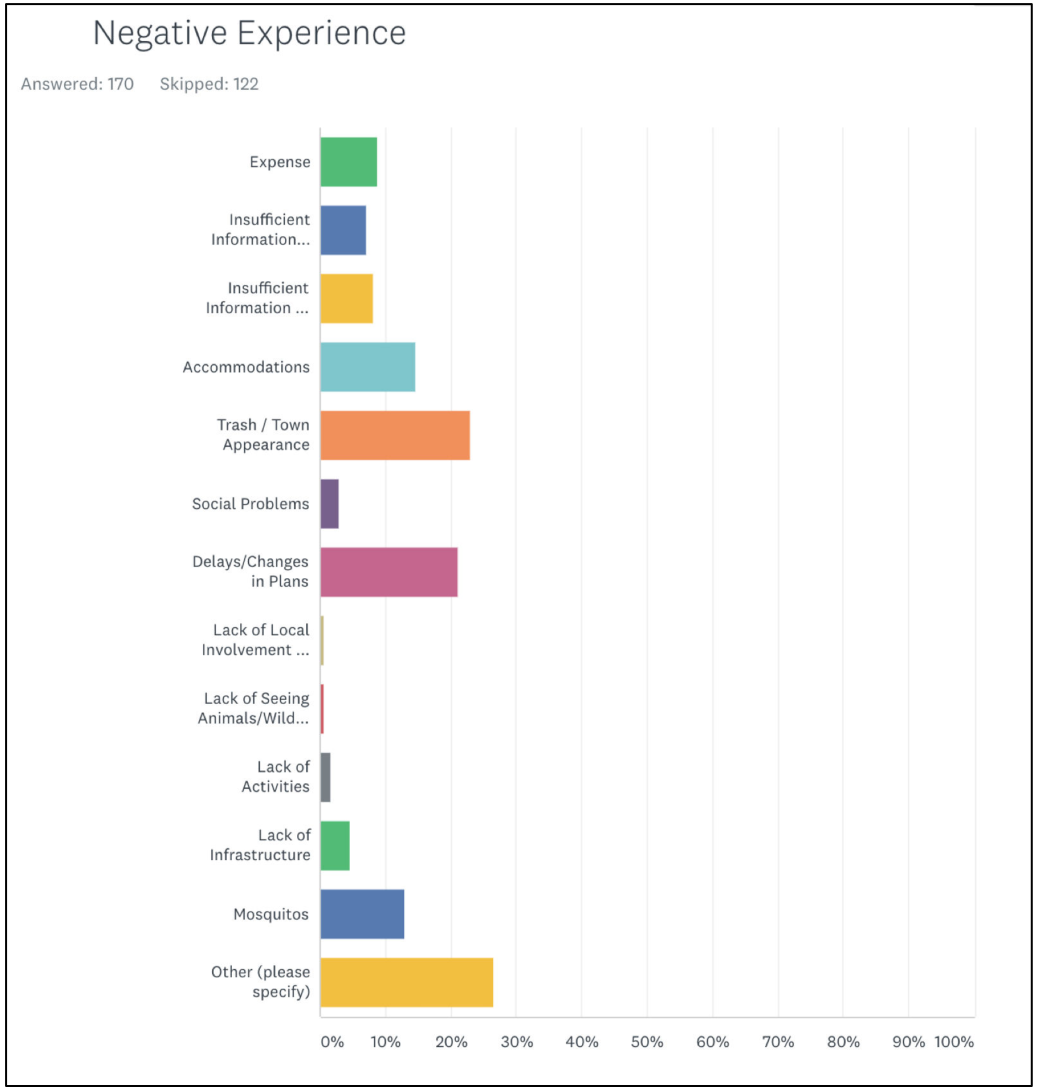


Tourist Interviews – Positive and Negative Experiences

Specific positive experiences can be seen in the graph to the left and the specific negative experiences in the graph to the right. Among the positive experiences the hits are experiences in nature, ice and a specific excursion the respondents have been on.

On the negative side the biggest specific objections are the visibility of litter in the streets and delays or changes in transportation or excursions.





Tourist Interviews – Satisfaction and Probability of a Return to Greenland

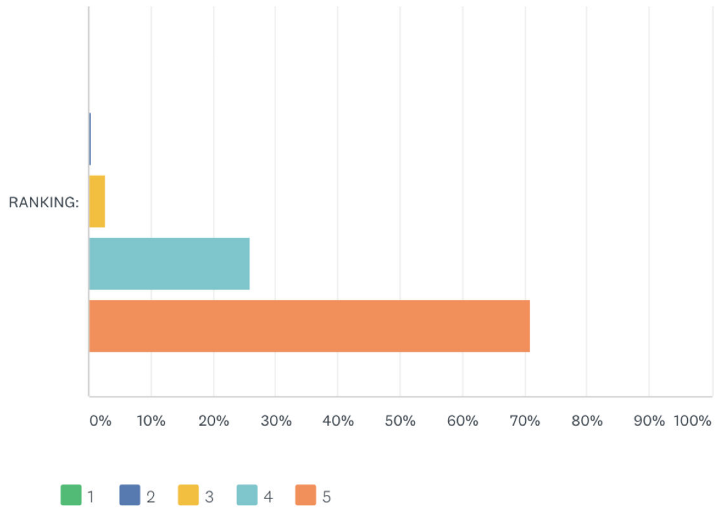
It is always interesting to hear from tourists on their way home from Greenland to which extent their trip has lived up to their expectations. Greenland is not a cheap destination, and many of our guests have saved for the trip for a long time, so obviously customer satisfaction is an important parameter.

Only one respondent out of the 288 has given a score of 2 or less on a scale where 1 is a low satisfaction and 5 is high. 8 have given a score of 3, while 75 have given a score of 4. A total of 204 respondents have given the highest score 5, the equivalent of 71%.

On a scale where 1 is low and 5 is a high probability the respondents have answered how likely it is that they would return to Greenland. 57 out of the 288 respondents have given a score of 1, 39 have given a score of 2, 67 a score of 3, 47 have given a score of 4 and 78 have given a score of 5. Greenland is at times referenced to as 'a once in a lifetime destination' which can mean several different things. It could mean that Greenland range as 'a dream destination' or that it is such an expensive destination that one can only afford to visit once. However the numbers below show that there is potential for return visits.

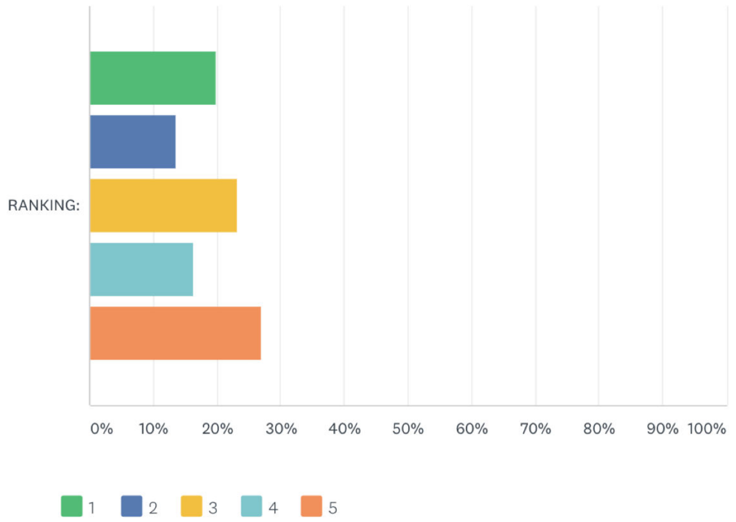
On a scale of 1 to 5 (where 1 is low and 5 is high), how satisfied are you with your OVERALL experience in Greenland? Choose one.

Answered: 288 Skipped: 4



On a scale of 1 to 5 (where 1 is low and 5 is high), how likely are you to REALISTICALLY return to Greenland for another trip? Choose one.

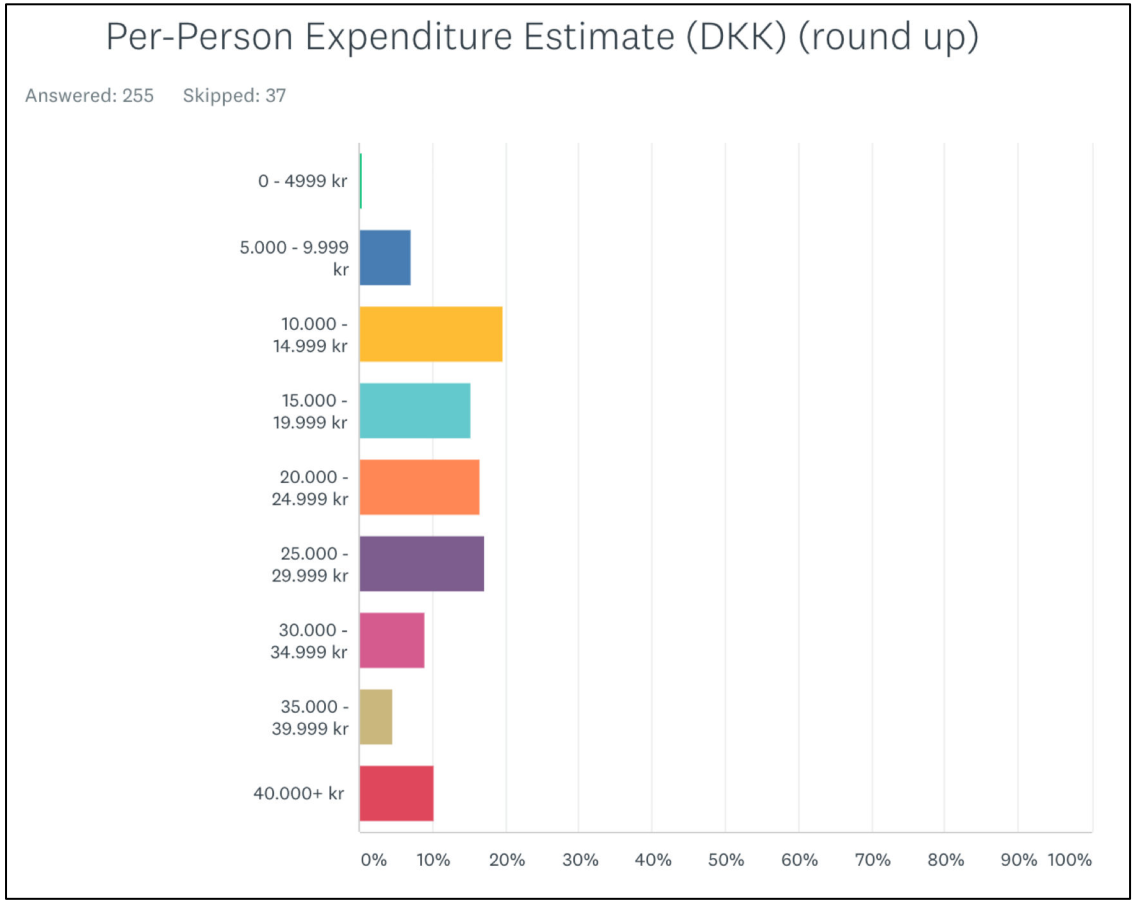
Answered: 288 Skipped: 4

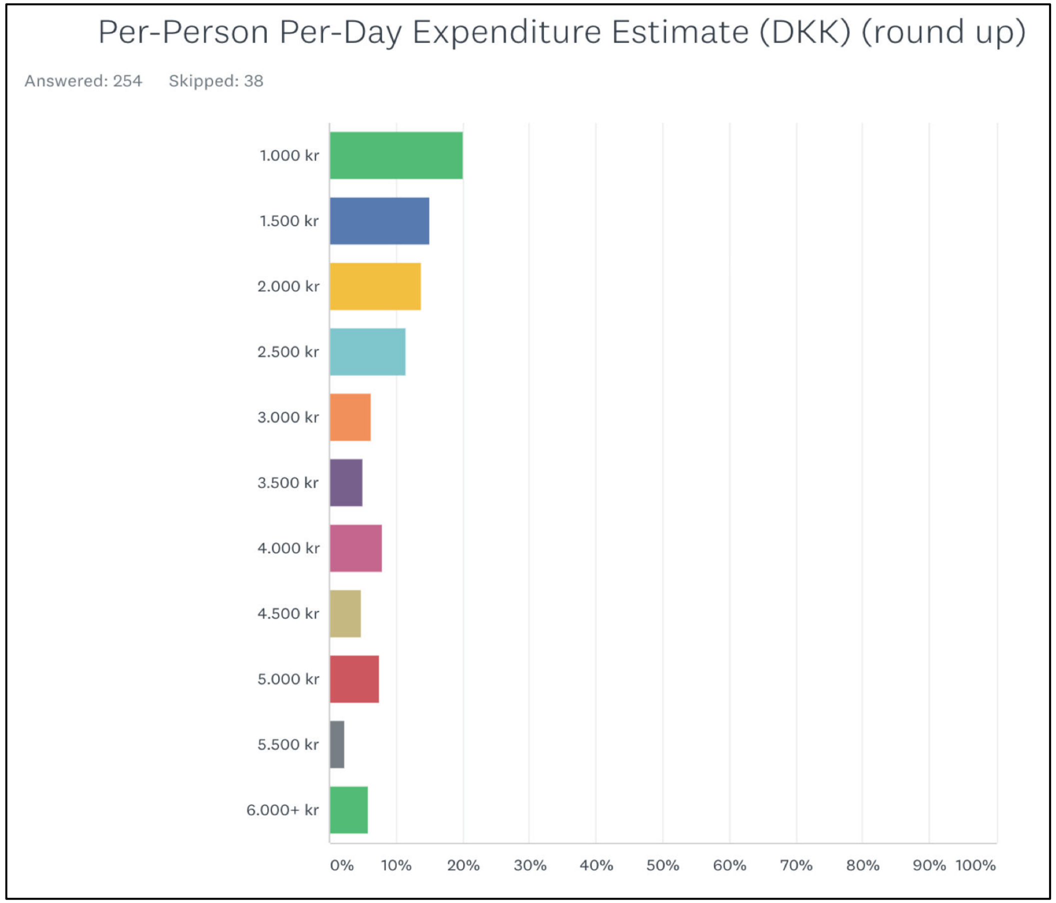


Tourist Interviews – Estimated Total Expenditure and Daily Expenditure

How much money do the tourists spend on a trip to Greenland? In the graph on the left 255 out of the 292 have answered the question about the total estimated and rounded amount per person spent on the entire trip all included.

Logically not a lot of budget tourists find their way to Greenland as it is an expensive destination. What is interesting is the distribution between the different 'price ranges'. There is a fairly even distribution all the way up to the most expensive part of the scale.





Tourist Interviews – Summary

The 292 interviews largely confirm the experience and theories accumulated in the first round of mapping interviews, market research, surveys, conversations with operators, travel agencies and other operators in the tourism industry.

In 2012 Visit Greenland conducted the first mapping project interviews. The word ’mapping’ refers to the fact that Visit Greenland (more specifically Sarah Woodall) at the same time drafted the segmentation model (please, see the chart on page 22) that we have used ever since. We ’map’ the respondents according to the 12 segments of the model based on their answers and thus build a meaningful characteristic surrounding the segments that visit Greenland as a travel destination. One can read more on our segmentation on tourismstat.gl.

This second round of mapping interviews confirms the usability of the segmentation model. However, we have become aware that some of the respondents find it hard to understand the distinction between ’culture’, ’nature’ and ’nature and culture’ when asked about what they primarily travel to experience. Most of them perceive it all as ‘one integrated experience’ and will rarely choose nature over culture without having culture as an implicit factor – or vice versa.

The purpose of the mapping interviews is primarily to keep the segmentation model updated and secondarily to qualify our other sources that have been collected in a quantitative format through online surveys where the respondents typically choose between predefined answers. The mapping interviews have been conducted face to face which minimizes the risk of misunderstanding the questions. At the same time the mapping interview includes a number of open ended questions. Those answers are however not addressed in this report. On vg.gl/mapping17 all answer data is available for download including the answers to the open ended questions.

In 2016 and 2017 Visit Greenland has worked with the bureau NIT Kiel to conduct major market surveys in Germany, France, Grat Britain and USA in the shape of online surveys with 4,000 respondents in each country. Air Greenland has had exclusivity on the full report in the first year following publication, but from the 1st of April 2018 it is available to all. There are two reports: The first on the results from Germany, Great Britain and USA combined. It can be read on vg.gl/de-gb-us. The other report is about the French market in relation to the 3 other markets and can be read on vg.gl/fr.

A few things nevertheless stick out. For example that 46% arrived via Iceland – of which 86% spent vacation days in Iceland on the same occasion.

It is also thought provoking that litter in the streets ranges as the most negative (of the predefined answer options). That is relatively easy to do something about. For instance there has been increasing support for clean up events in cities such as Saligaatsoq – Clean Your City.

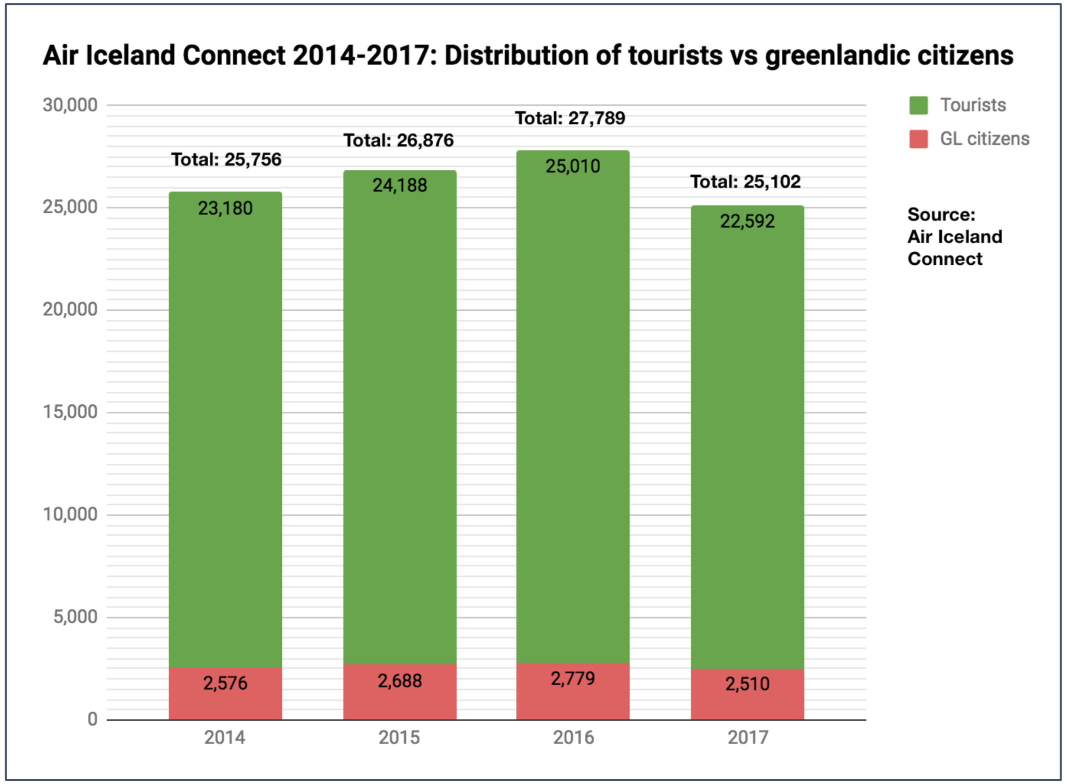
Among the respondents 35% were driven solely by nature experiences, while only 7% were only driven by cultural experiences. It is worth noting that 45% are attracted to a good mix of nature and culture experiences. 8% indicates the meeting with a specific person as the best experience. That shows that one should not underestimate the human factor when an operator, service person or guide meets the tourists.

Air Iceland Connect Routes

The tourist boom Iceland experiences in these years makes the potential for Iceland-Greenland combined products especially interesting. In 2017 Air Iceland Connect (AIC) has had a combined negative growth of -9.7% on their Greenland-routes which can seem illogical. However, Iceland remains a very relevant hub for tourist influx to Greenland, as Keflavik logistically is a natural hub for flight traffic between Europe and North America.

Keflavik-Kangerlussuaq: A new AIC route between Keflavik and Kangerlussuaq opened in 2017 and was active from July-August. It will not be continued in 2018 as AIC estimates that it did not provide the expected results.

Reykjavik-Narsarsuaq: AIC had a good growth in the 2016 season on the Reykjavik-Narsarsuaq route and had planned to increase its flights in 2017. But as a major cruise operator (that exchanged in Narsarsuaq till the end of 2016) bowed out in the 2017 season the plans to increase flight were cancelled.



Reykjavik-Nuuk: In the spring of 2016 AIC experienced less demand than expected and thus reduced the number of departures in April 2017 from 3 weekly (as in 2016) to 2 weekly departures. This resulted in a negative growth of -12% from April 2016 to April 2017.

Reykjavik-Kulusuk: AIC is the only operator on this direct route to Iceland. In 2017 the route has had a negative growth of -10%.

Akureyri-Nerlerit Inaat: Nordland Air operates this route with a De Havilland Twin Otter on behalf of AIC as the only operator on the direct route to Iceland. In 2017 there were 1,570 passengers vs. only 986 in 2016 which is connected with an increased frequency in 2017. This is the equivalent of a growth of 59%.

Final Thoughts

Hopefully we are not far from having something similar to complete flight passenger statistics. As mentioned Visit Greenland, Statistics Greenland and Mittarfeqarfiit are in the middle of a process with the aim of an improved registration. Visit Greenland have also reviewed and updated the iPads used for the registration to ensure the primary internet connection as well as a fallback connection (2G, 3G or 4G mobile data connection).

Year by year we are getting closer to our goal of getting complete registrations on overnight stays for the overnight stay statistics, as more accommodations begin to submit registrations every year. It is however, a process that will take a few years.

So far the two above mentioned sources of data are central to uncovering the behaviour of the land based tourists, but a new project is in the pipeline and it will offer greater insights into tourist travel and consumer patterns. Statistics Iceland has access to the raw data from the largest credit card providers on cash withdrawals and purchases in Iceland. The data shows a lot of very relevant details, and Bifrost University that has secured statice.is access to the credit card data in the first place has agreed to provide consultancy in the process of addressing credit card providers in order to obtain the same kind of data for Greenland in the long term. There are no guarantees that this project will succeed but if it does we will be a lot closer to be able to estimate the average daily expenditure of the tourists, their buying patterns and travel patterns within Greenland and much more – all extremely valuable knowledge.

In conclusion we would like to wish you all a happy and successful tourist season!

Best regards Visit Greenland

Compiled by senior consultant Mads Lumholt, April 2018