TOURISM STATISTICS REPORT 2022

PREPARED BY VISIT GREENLAND MAY 2023

Index

Executive Summary

Best year for land-based tourism

2022 was the year with the most tourists in Greenland ever. There was a growth in foreign air passengers (incl. DK) out of Greenland of 2.6% compared to the best year so far in 2019, and a significant increase in overnight stays of around 30% for the tourism segments. There was a slight decrease in the number of cruise passengers of -5.7% compared to the best year so far in 2019. All in all, a very positive development, especially considering that the previous two years were heavily impacted by Covid-19 with dramatic drops in the number of land-based tourists and no cruise tourists.

Significant growth in the accommodation sector

The most significant development in 2022 is a 101.7% growth in the number of foreign (incl. DK) overnight stays in Capital Region. The segments that contributed the most to this growth were Denmark (12,007 more overnight stays than in 2019), Other Countries (1,870 more), USA (1,682 more), UK (1,362 more) and Rest of Europe (1,110 more).

The large difference in growth rate between air passengers and foreign overnight stays (and guests as well) likely means that the typical tourist in 2022 will have visited more accommodation locations and/or destinations in Greenland than was the case in 2019.

Asian source markets were still ‘shut down’ in 2022

According to Icelandair, in 2022 there were still so many travel restrictions in most Asian countries that they were still quite absent among their customers, and we can also see this in the data for Greenland. There may still be some muted effect for some of the source markets in 2023, but Icelandair reports that they are seeing increased overall demand on their Greenland routes in Q1-23 and expect a positive development in 2023.

Major analyses on core markets

Visit Greenland (VG) also has new data from 2 separate analyses among potential and former Greenland tourists. One was an online survey in collaboration with Greenland Travel (GT) and the other 5 large market surveys with between 2,000 and 3,500 respondents from the 5 core markets Scandinavia (DK, DE, NO), Germany, France, UK and North America (USA, CA) in collaboration with nit-kiel.de. The analysis shows an increasing interest in Greenland as a travel destination compared to the last round of surveys in the same markets in the period 2016-2018, but the analysis also shows that there is competition from other adventure destinations.

Big boost for Capital Region

In the overnight stays data, there is a significant growth - especially for the capital region - of 101.7% in the number of non-Greenlandic overnight stays. While the region has for many years had a seasonal pattern that - unlike the other regions - had a downward ‘kink’ in July, this does not appear to be the case in 2022. There was strong growth in the number of overnight stays for the DK segment, but also USA, GB, IS, CA, Other countries and Other Europe.

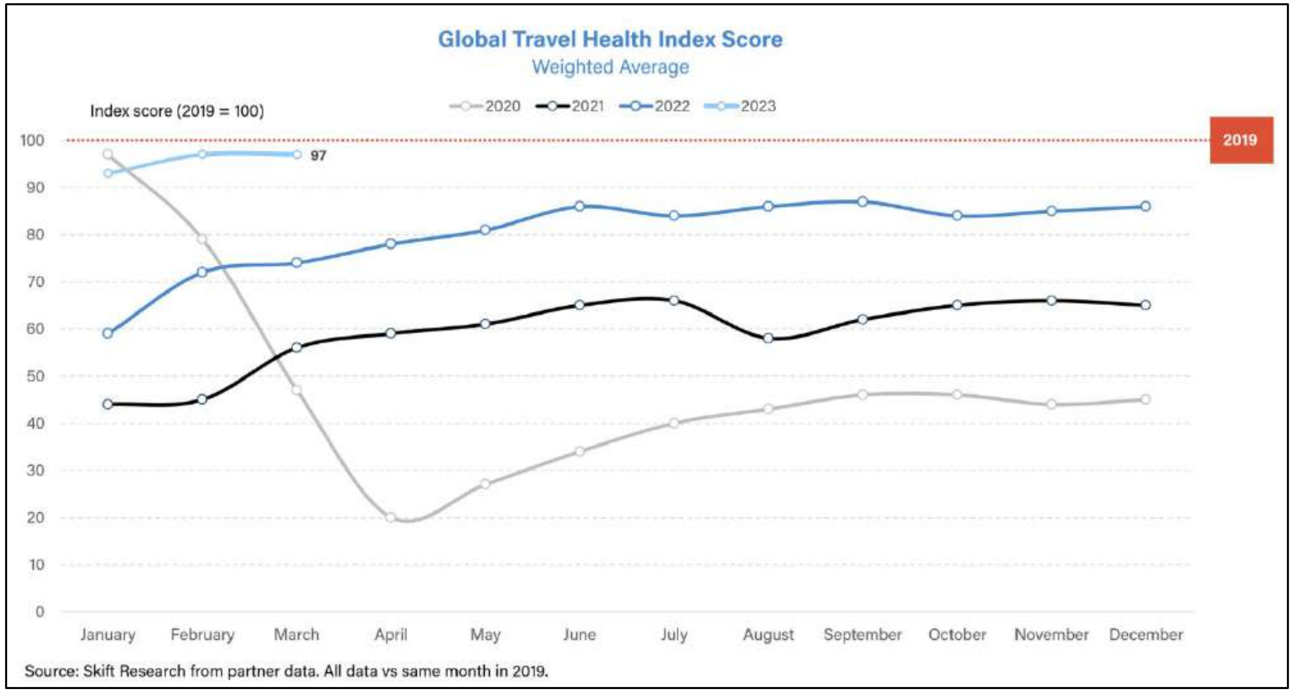
Online survey among former and potential Greenland tourists

In Q1-23, VG in collaboration with Greenland travel conducted an online survey with over 10,000 respondents. It is a repeat of the same type of survey that was conducted in 2021 with around 6,000 respondents. The survey largely confirms previously collected data and assumptions, but

Introduction

Great 'Covid-19 recovery'

2022 marks the first 'normal' tourism year after 2020 and 2021 were hit hard by Covid-19 travel restrictions. Most research agencies (including research.skift.com and adventuretravel.biz) predicted at the end of 2021 that it would take several years for tourism to reach 2019 levels (called 'Covid recovery'), and it almost came true if you look at the global development :



However, globally, they are already returning to 2019 levels by Q1-2023. In Greenland, Covid Recovery has happened faster than in most other destinations in the world, and 2022 has even become the best tourism year ever for land-based tourism.

Some of the demand in 2022 was what is known as 'pent up demand', i.e., people who would have visited Greenland in 2020 or 2021 but were prevented by Covid-19. However, according to several major tourism operators, around ¾ of customers were new customers they hadn't had contact with before, and thus 'new' demand.

Focus on sustainability in cruising

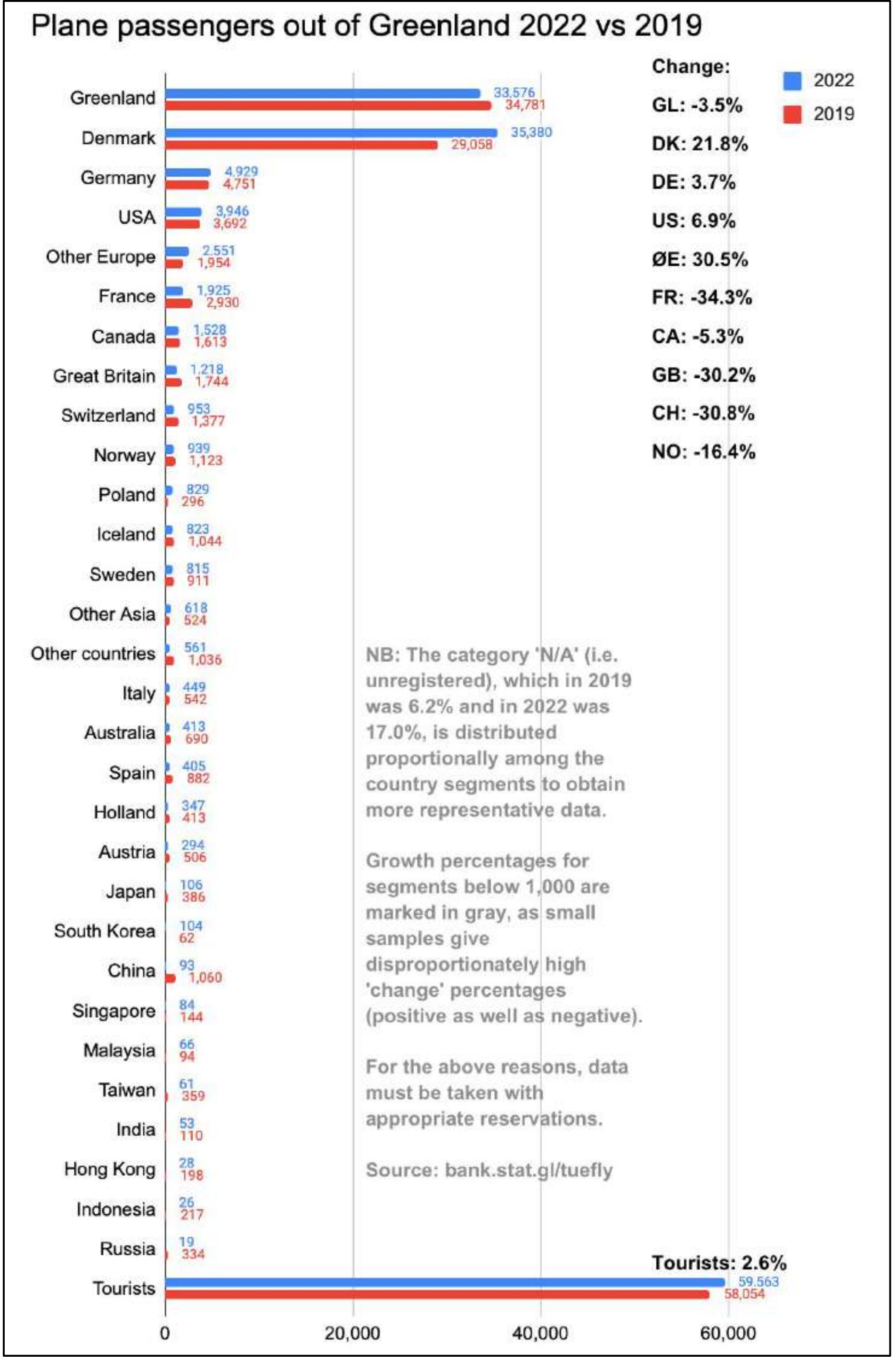
Visit Greenland has previously participated in various international cruise trade fairs around the world. In recent years, however, VG has chosen to focus its resources on developing the framework conditions that will ensure responsible and sustainable development of the Greenlandic cruise industry. This involves, among other things, close and broad collaboration with the entire industry to highlight potentials and challenges in the area.

Furthermore, there are various collaborations with AECO (Association of Arctic Expedition Cruise Operators), as well as research projects, mapping surveys, and dialogue with DMOs and authorities.

Growth prospects ahead of the new airport openings

With the data available for both 2022 and Q1-23, as well as survey data from the core markets, there seems to be growth in the years leading up to the opening of the new airports in Greenland.

This naturally brings into focus the question of whether sufficient tourism capacity has been built up in the country. This balance between the number of tourists and local capacity is an area Visit Greenland has a particular focus on.



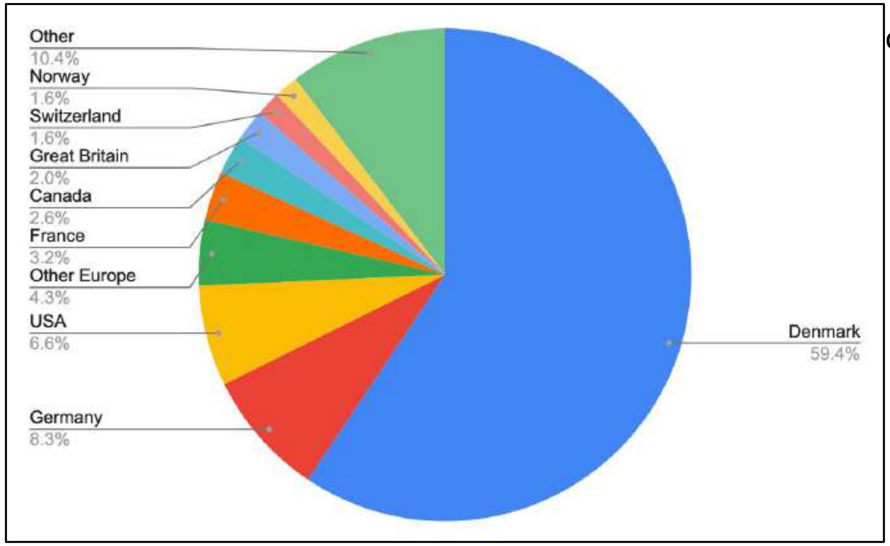
Air passenger data

As can be read on page 8, the registration of country of residence for air passengers in Narsarsuaq, Kulusuk and Nerlerit Inaat only resumed late in 2022, after a 2020 and 2021 where there were virtually no international flights, which explains the 17.0% non-registered passengers in 2022.

Danish tourists remain the dominant segment, accounting for 38.0% of all passengers in 2022, while Greenlandic citizens account for 36.0%, and the other tourist segments for the remaining 26.0%.

In 2019, the DK segment accounted for 31.3% while the other tourist segments accounted for 31.2%, so in 2019 the segments were divided into the 3 roughly equal ‘pieces of the pie’: GL citizens, Danes and non-Danish tourists.

Germany goes from a market share of 5.1% in 2019 to 5.3% in 2022, the USA from 4.0% in 2019 to 4.2% in 2022 and the Rest of Europe from 2.1% in 2019 to 2.7% in 2022.

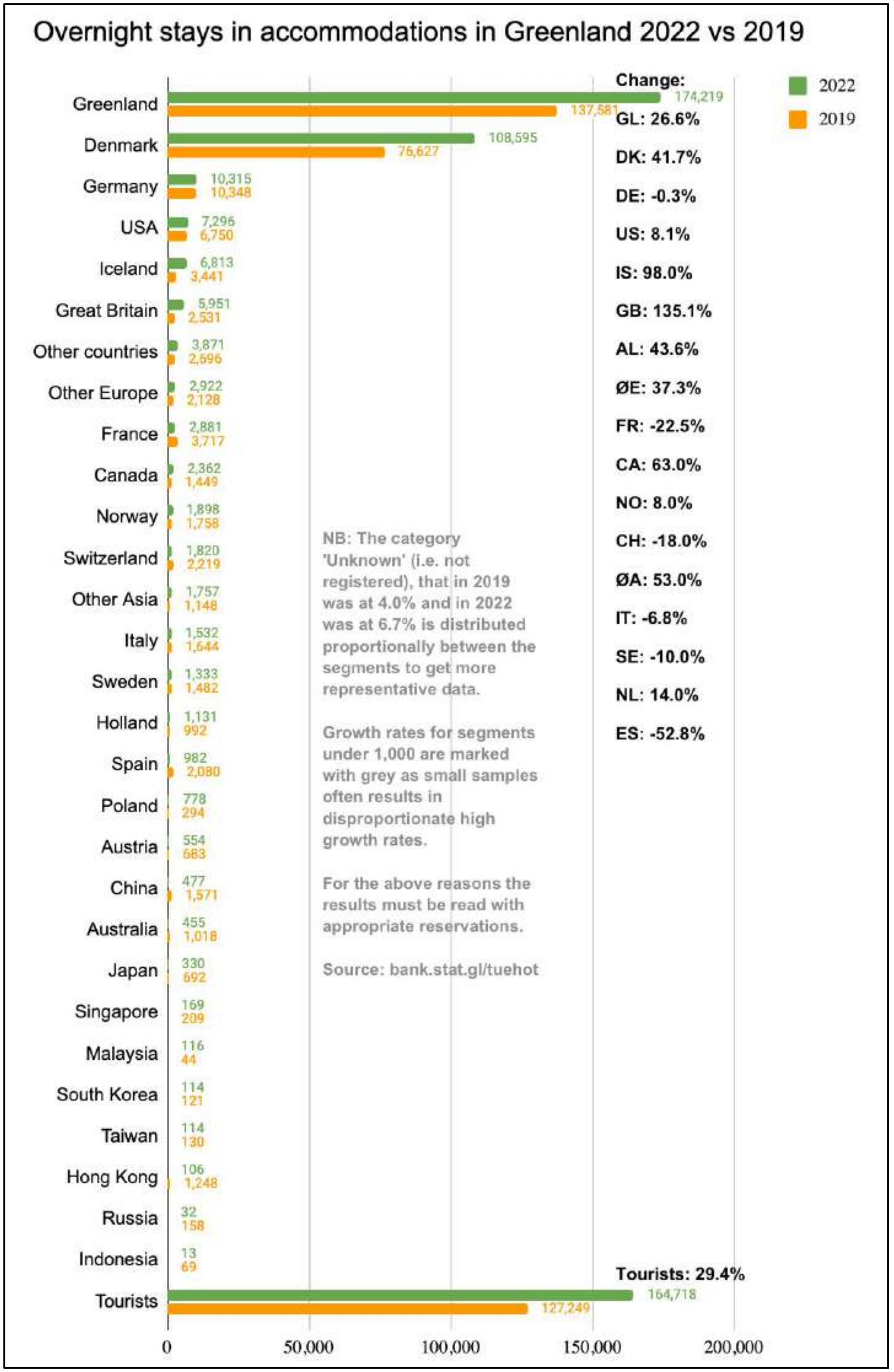


ooks like this:

Denmark accounts for 59.4% of the entire tourism market.

If you look at the USA/CA as one market (North America), they account for 9.2% and are larger than Germany.

Germany is still one of the most important markets, and if you add Switzerland and Austria to Germany, you reach 10.4%. It’s not one market, but it’s the same language when it comes to marketing.



Accommodation data - number of overnight stays sold

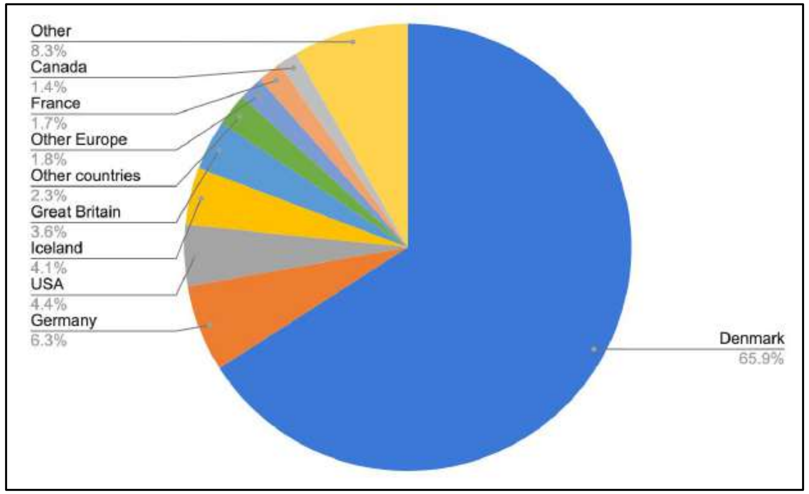
For unknown reasons, in 2022 there are slightly more unregistered overnight stays overall (6.7% compared to 4.0% in 2019). However, this is still valid data if you exclude Sermersooq East, where only 23.2% of overnight stays were registered by nationality.

A growth of 29.4% for non-Greenlandic overnight stays is surprisingly high when taking into account a 2.6% increase in non-Greenlandic air passengers.

Danish overnight stays have increased by a significant 41.7%. The increases for the DK segment have been largest in Capital Region and North Greenland as you can see on page 10.

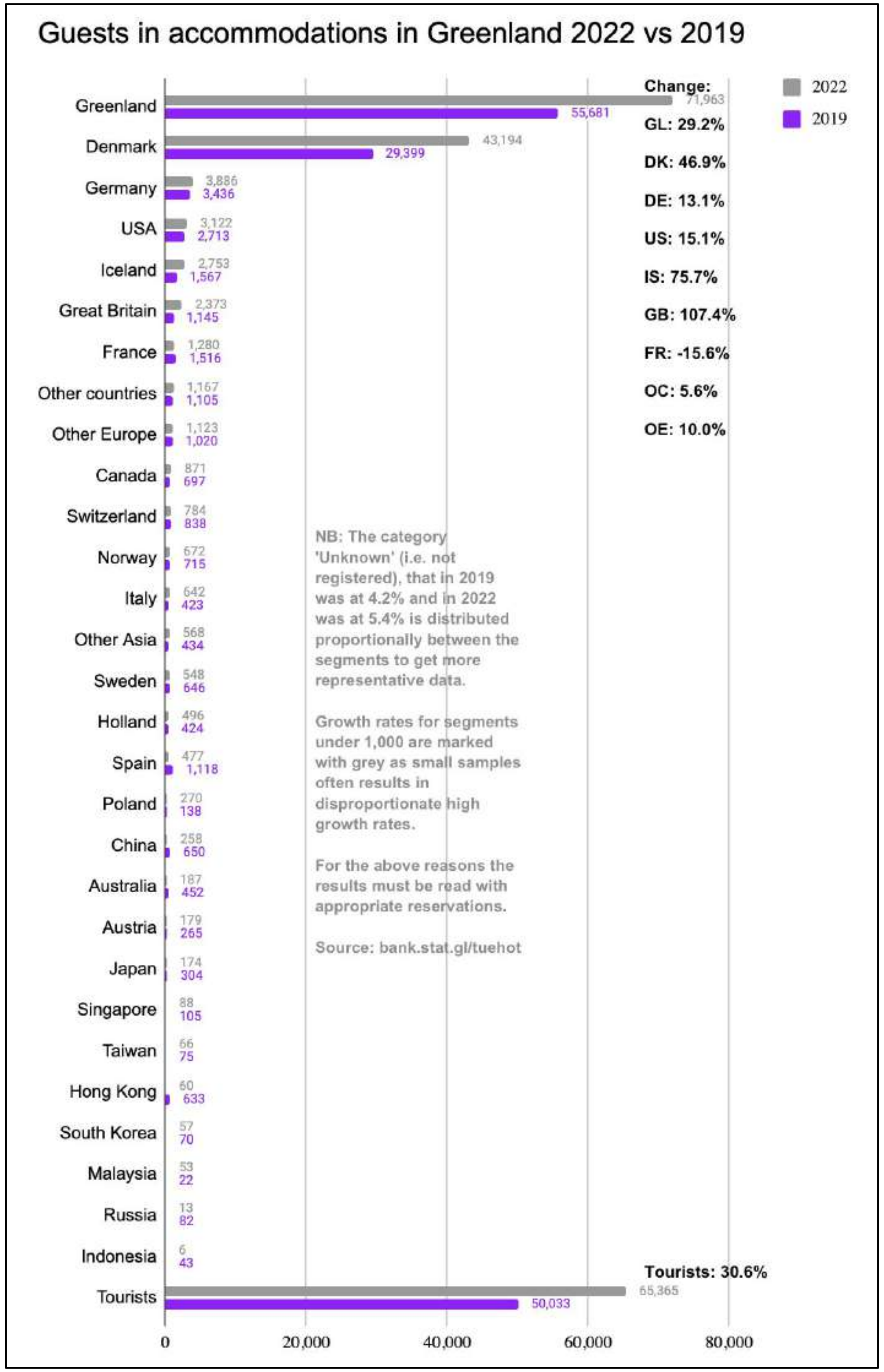
The Iceland and UK segments have also taken a huge jump since 2019, doubling and more than doubling respectively, which is also noteworthy.

The only markets with more than 1,000 overnight stays in decline are France, Switzerland, Italy, Sweden and Spain.



Denmark has 2/3 of the market for the tourism segments, which is significant.

We do not have the specific data, but we know from partners in the Greenlandic tourism industry that a larger proportion of the DK segment is in Greenland for business purposes.



Accommodation data - number of individual guests

The number of individual guests roughly follows the trend for overnight stays, which will be the case in most years.

Again, a significant growth of 30.6% in the number of non-Greenlandic guests, with the Denmark segment contributing an increase of 13,795 guests compared to 2019, corresponding to a growth of 46.9%.

The Denmark segment had a 21.8% growth in air passenger numbers, so the average Danish tourist is likely to have visited more destinations than was the case in 2019, as they are not 'recognised' from accommodation location to accommodation location in the data.

Iceland and the UK also have sky-high growth rates of 75.7% and 107.4% respectively, corresponding to an absolute increase of 1,186 and 1,228 guests respectively.

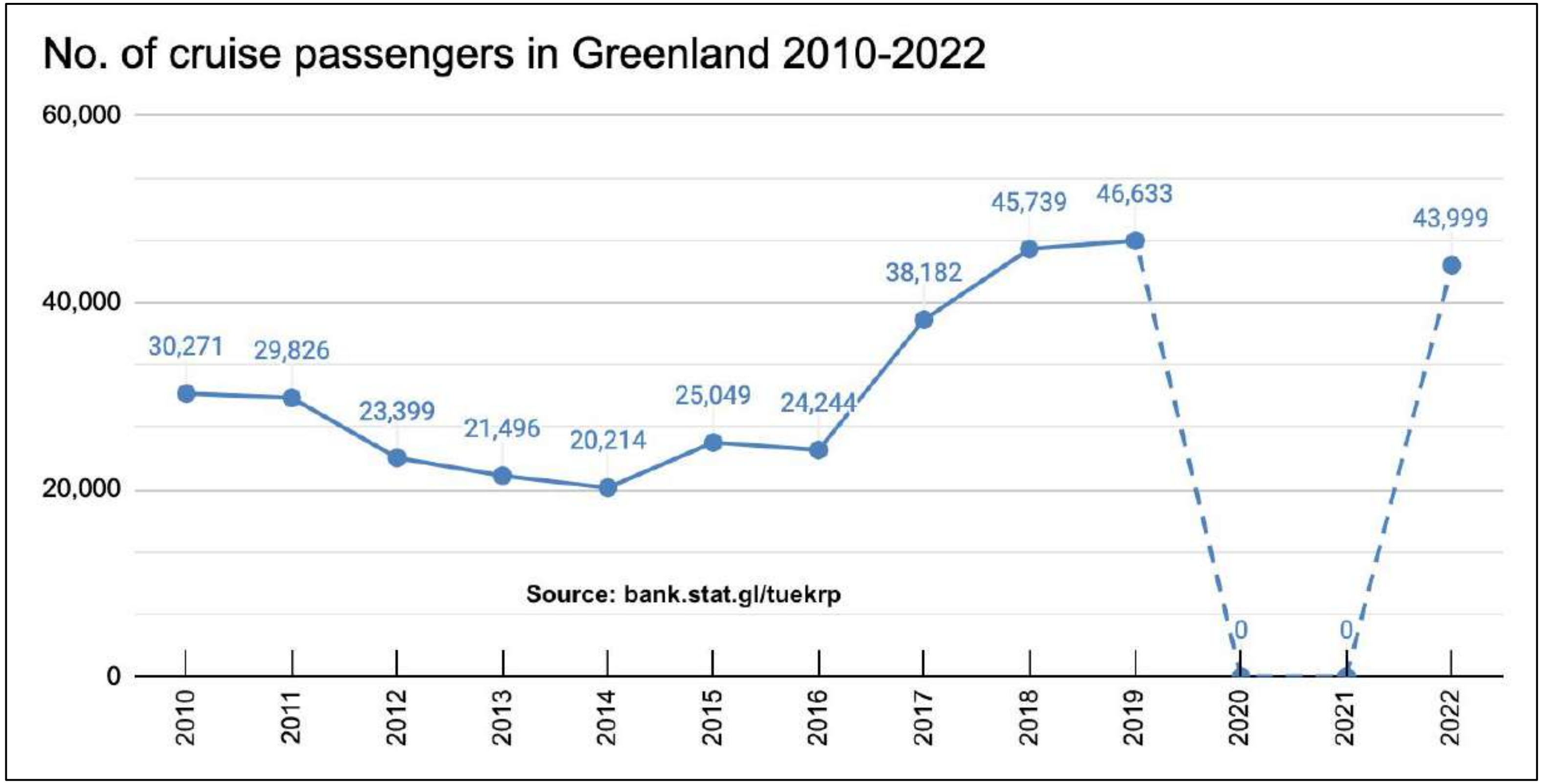
The Iceland segment had a negative growth of -21.2% in air passenger numbers, which means that the average Icelandic tourist has stayed at significantly more accommodation locations than was the case in 2019.

The same applies to the UK segment, which had a negative growth of -30.2% in air passenger numbers.

These data should be taken with the reservation that not all accommodation locations submit accommodation data to Statistics Greenland. However, it is estimated that the data has a coverage rate of over 80%.

Cruise tourism - number of passengers 2010-2022

As the graph shows, from 2016 to 2018 there were double-digit growth rates in terms of cruise passenger numbers, while from 2018 to 2019 there was a more modest growth of 2.0%. In 2022, there have been 397 cruise calls in inhabited places, corresponding to an increase of 7.6% compared to the previous year. 2019 (369 calls) and 28 calls on uninhabited places (26 calls), which is an increase of 7.7% compared to the previous year. 2019. Despite this increase in calls, there were fewer total individual cruise passengers in 2022 compared to 2019, which means, among other things, that there were fewer calls per cruise in 2022 than in 2019. There were 5.7% fewer individual cruise passengers in 2022 compared to 2019, and the number in 2022 will not quite reach 2018 levels either.



According to cyprusshippingnews.com, the global turnover in the cruise industry in 2019 was approx. USD 27 billion. It dropped to around USD 3 billion in 2020 and in 2021 recovery was underway and it hit around USD 13 billion. By 2022, revenue had reached approximately USD 18 billion. Revenue is expected to rise to USD 25 billion in 2023 and to USD 30 billion in 2024.

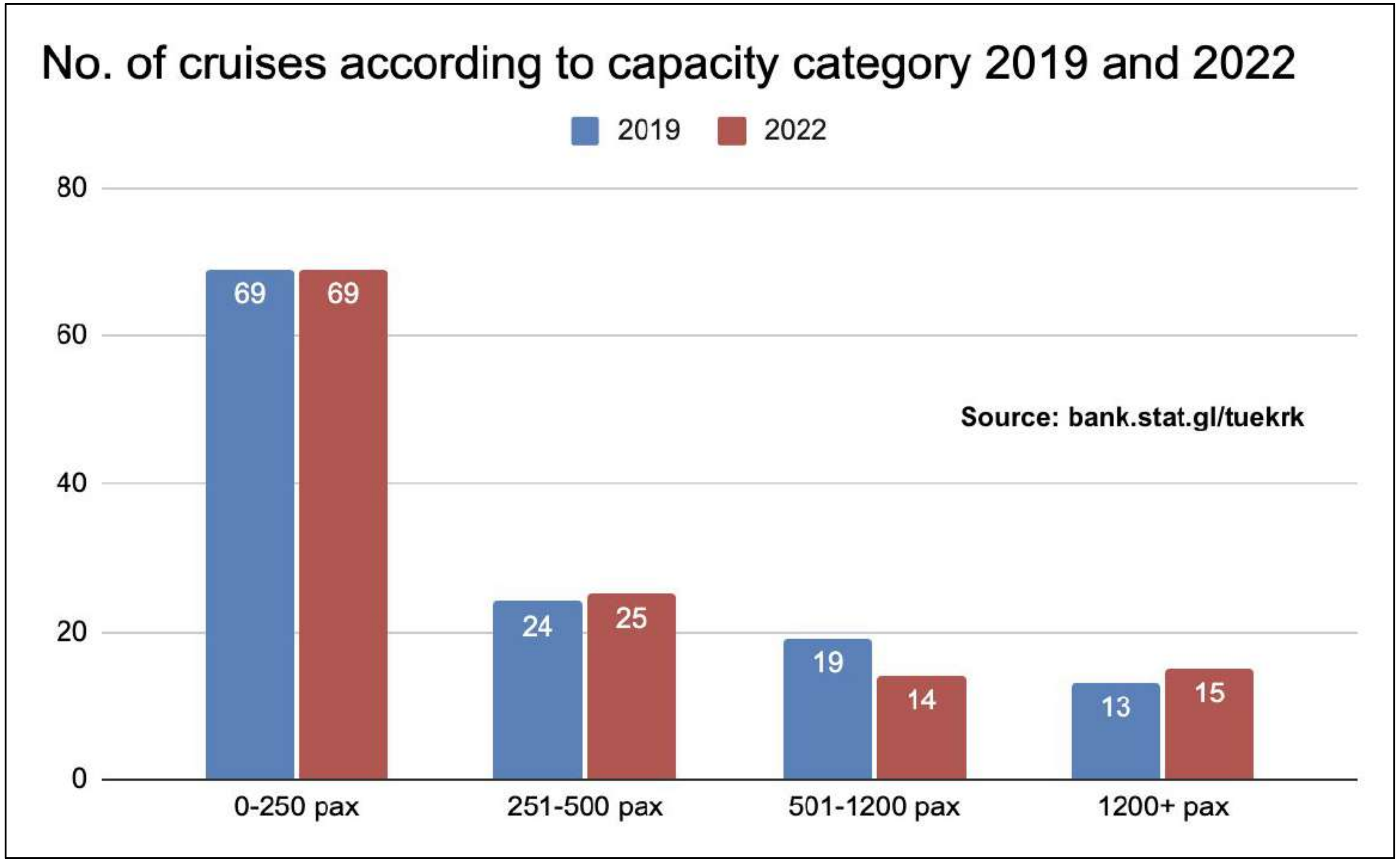
In 2022, 49 different cruise ships docked in Greenland, compared to 51 in 2019.

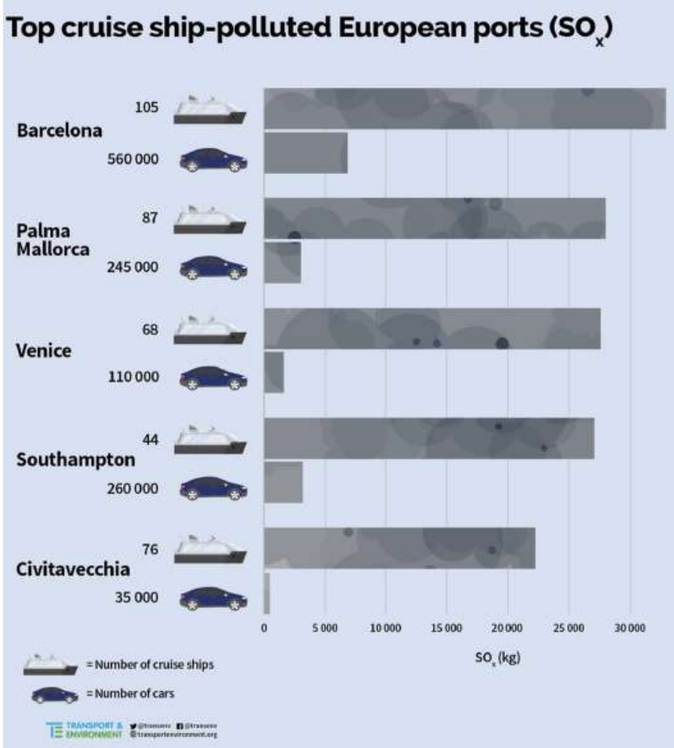
According to cyprusshippingnews.com, there is a fleet of approximately 430 cruise ships globally.

3 large shipping companies dominate the market with a combined market share of 85%: Carnival Cruise (45%), Royal Caribbean Group (25%), and Norwegian Cruise Line (15%).

Cruise tourism - number of passengers 2010-2022

Although there were 7.6% more calls in 2022 than in 2019, there were two fewer trips in 2022 (123 compared to 125 in 2019). Below are 4 categories for the number of maximum passenger capacity (max pax). All ships in the smallest category are members of the Association of Arctic Expedition Cruise Operators (AECO), which is an association of shipping companies that fulfil a number of environmental and safety guidelines, as well as other, e.g., location-specific - guidelines. AECO ships do not use Heavy Fuel Oil (HFO) and focus on making their voyages as sustainable as possible.



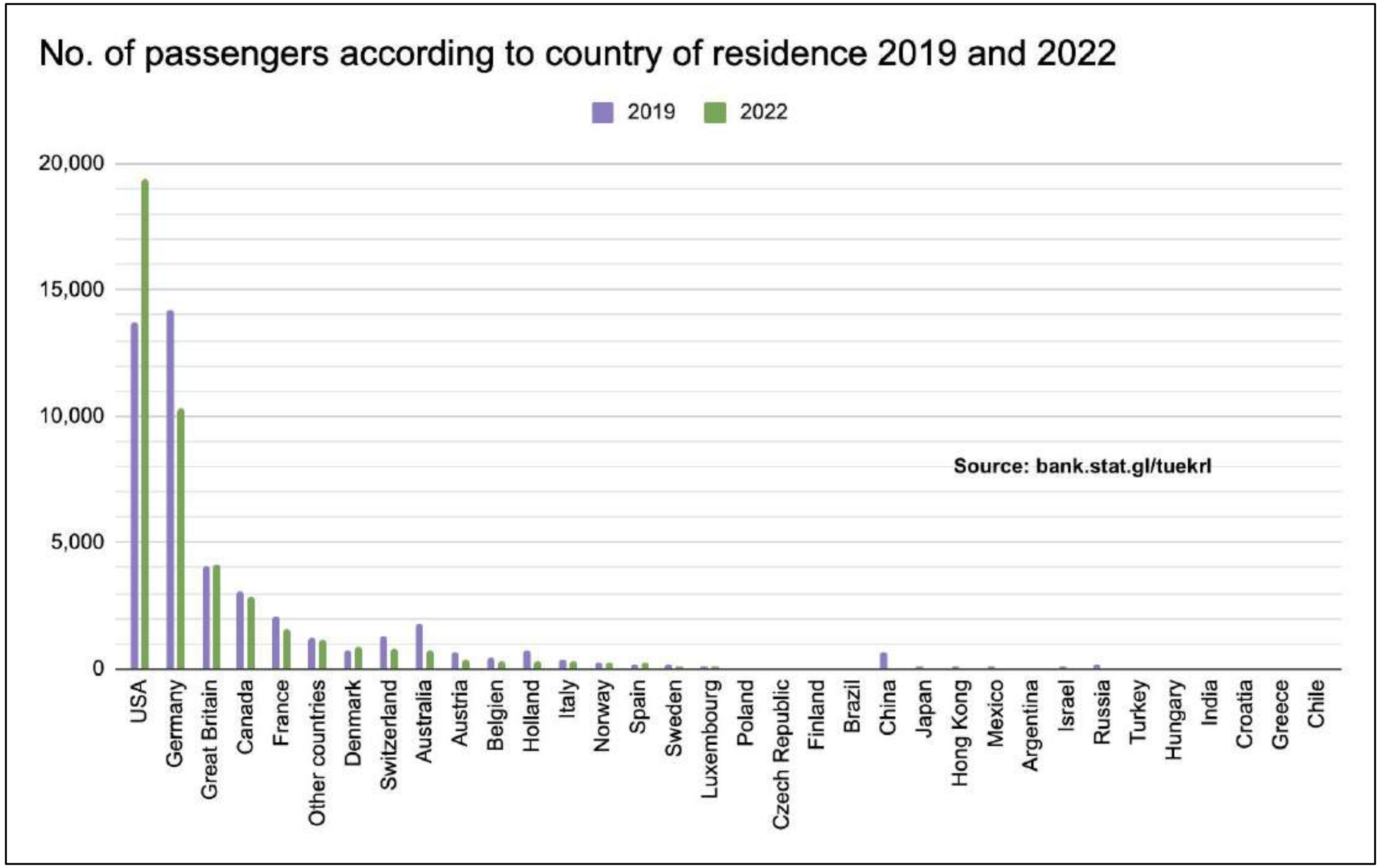


Ships sailing with HFO have high emissions of Sulphur Oxide (Sox), as well as Nox and black carbon. Source: Transport & Environment.

Cruise tourism - number of passengers by country of residence 2019 and 2022

Passengers from the USA and Germany heavily dominate cruises in Greenland, followed by a secondary group consisting of the UK, Canada and France.

Overall, the market consists almost exclusively of passengers from Europe and North America. China had a certain share in 2019 with 676 passengers, but since Asian countries in 2022 were still characterised by Covid-19 travel restrictions, they were largely absent in 2022



On a global level, the market is also dominated by the USA, Germany and the UK with around 6 million passengers, 1 million passengers and 1 million passengers respectively.

Australia is number 4 with approx. 800,000 passengers.

According to the latest survey on board cruise ships in Greenland in 2015, the average spend per guest per shore excursion was EUR 50 (approx. DKK 375) including tours. If we adjust for inflation (via the consumer price index on dst.dk), this equates to approximately DKK 430 in July 2022. On average, there are around 3 calls per cruise, which means that each passenger spent approx. (3 x DKK 430) DKK 1,290 ashore while in Greenland. With 43,999 passengers in 2022, this equates to approx. DKK 56.8 million.

Cruise ships pay DKK 1.1 per call per gross registered tonne in call fees in Greenland. In 2019, cruise lines paid a total of DKK 7,866,748 in call fees and 9,455,562 in 2022 according to the Danish Tax Agency. Furthermore, there are payments to harbour agents for handling (water, waste, provisions, etc.) and expenses to PolarOil for various fuel and oil.

Regions compared: Air passengers out of Greenland 2022 vs 2019

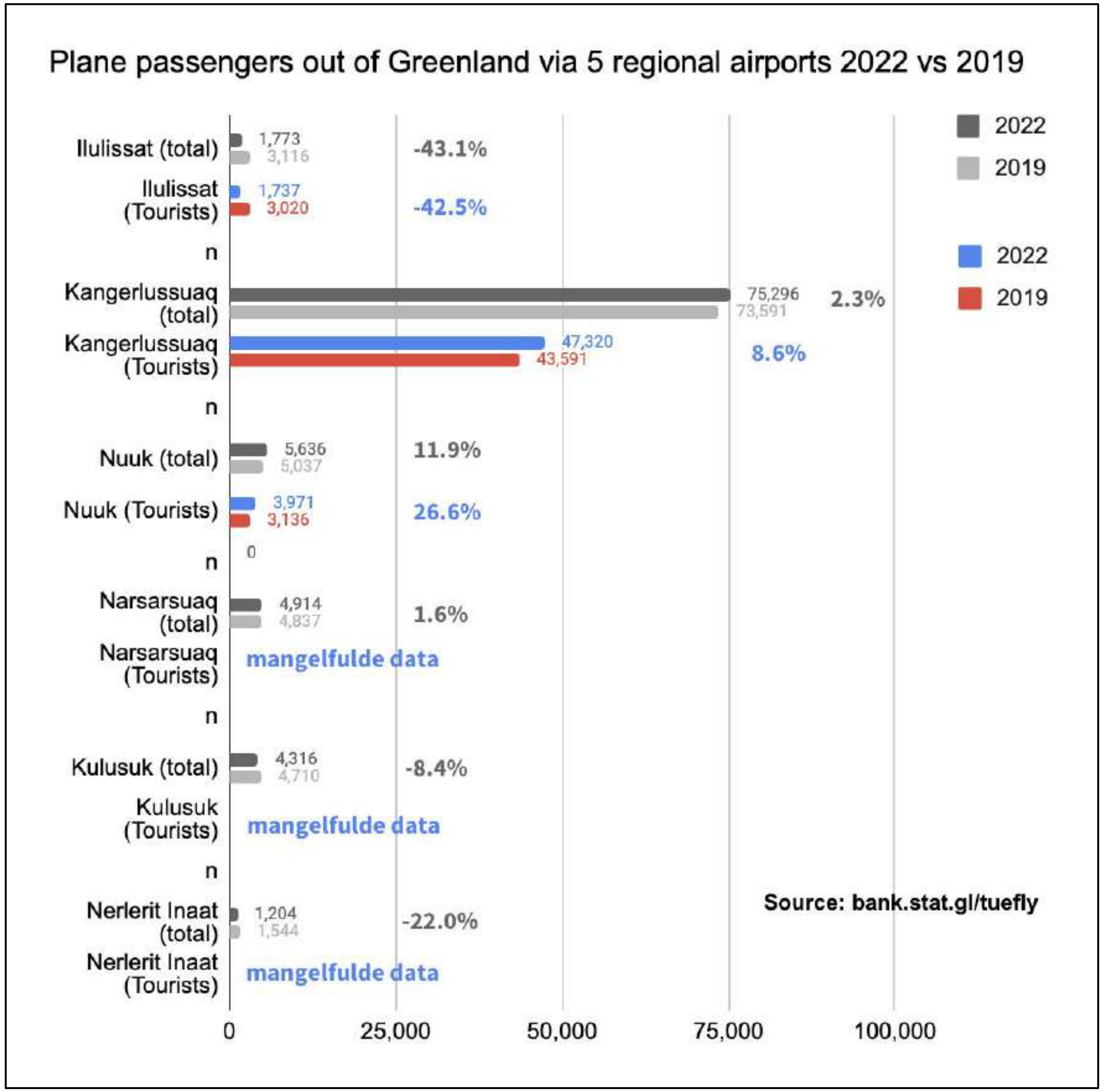
It is interesting to compare the development in the different regions in terms of air passengers, overnight stays and cruise passengers. It should be noted that there has been a reduction in the registration of country of residence for air passengers on international flights out of Greenland from for the Narsarsuaq, Kulusuk and Nerlerit Inaat airports, which applies to the period from the beginning of 2020 to the end of 2022.

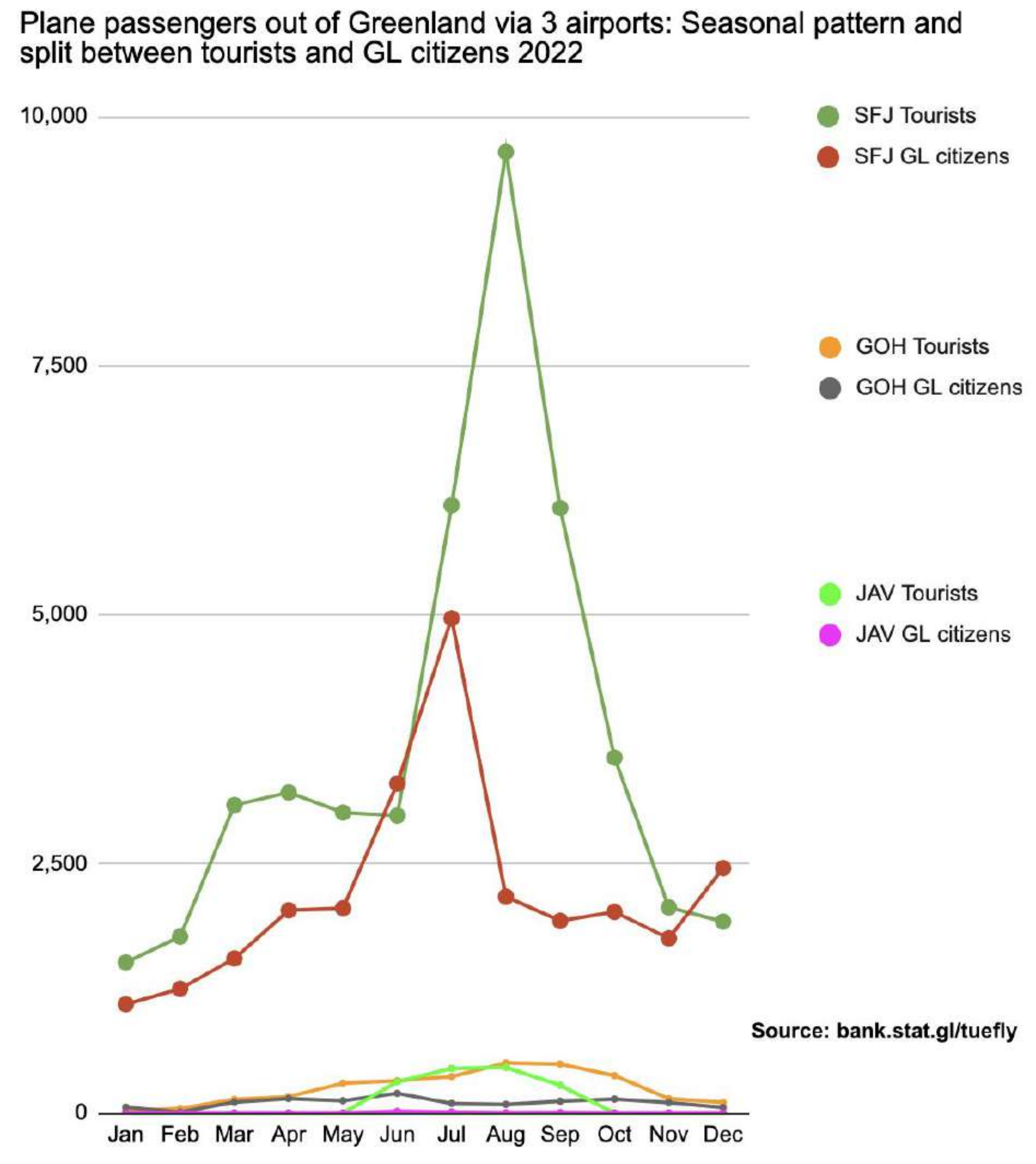
In 2020 and 2021, there were virtually no international flights from these 3 airports due to Covid-19 restrictions. The reason why it has not been taken up again in 2022 is because we (Statistics Greenland and Visit Greenland) only belatedly realised that new airport managers had been appointed in all 3 airports and that they did not know anything about the registration.

In the autumn of 2022, VG sent new iPads to all airports in Greenland with international departures as the old iPads were becoming obsolete, as well as new updated instructions on how to use the iPads. We compare 2022 with 2019 because it was the last 'normal' tourist year without Covid-19 restrictions. As can be seen, the vast majority of tourists travelled out of Greenland via Kangerlussuaq-Copenhagen with Air Greenland.

The main reason why Ilulissat saw a decrease of -42.5% for tourists is because Air Greenland had a route between Ilulissat and Reykjavik in 2019, which was not the case in 2022. In addition, Icelandair reports that in 2022 the Asian market had not yet been opened up, which is also a contributing factor to the decline. For Kangerlussuaq and Nuuk, 2022 saw good growth for the tourism segments of 8.6% and 26.6% respectively.

We have data on the total number of passengers travelling out of Greenland via the other 3 international airports, and here the development for Narsarsuaq is more or less status quo with a growth of 1.6%. For Kulusuk and Nerlerit Inaat, there was a negative development of -8.4% and -22.0% respectively. As was the case for Ilulissat, the Asian markets have still been more or less 'shut down' in 2022, which is the main reason why the number has not yet reached 2019 levels.





Regions compared: Seasonal pattern + distribution between tourists and locals in 2022

As mentioned, we unfortunately do not have country of residence data for Narsarsuaq, Kulusuk and Nerlerit Inaat for 2022, but below is the seasonal pattern for Ilulissat, Kangerlussuaq and Nuuk airport, including the distribution between tourists and Greenlandic citizens. NB: Data for the 'Unknown' category (i.e., unrecorded passengers) is not included in the graphs.

Ilulissat (JAV)
It is the airport with the smallest share of Greenlandic citizens on departures out of Greenland (Ilulissat-Reykjavik). There are almost exclusively tourists on those flights. As mentioned, Air Greenland's Ilulissat-Keflavik route - which was active in 2019 - was cancelled. Icelandair, on the other hand, reports that in 2023 there is good growth in demand (and bookings at the time of writing) on the route compared to 2022. This is mainly due to the reopening of the Asian markets. It's clear that Ilulissat - Reykjavik is a dedicated summer route.
NB: The share of unrecorded was 13.8%.

Kangerlussuaq (SFJ)
For many years, the share of foreign (incl. DK) passengers has been just below the number of passengers residing in Greenland. This trend has been overtaken by a development where 62.8% of passengers on international flights in 2022 were from countries other than Greenland. Nationally, the same figure in 2022 was 64.0%, in line with Kangerlussuaq Airport. A clear summer peak season trend can be observed.
NB: The share of unrecorded was 5.0%.

Nuuk (GOH)
There are flights between Nuuk and Iceland (Icelandair Nuuk-Reykjavik and Air Greenland Nuuk-Keflavik) throughout the year, but there is a clear seasonal trend in favour of the summer peak season. The share of tourists was on the high end (70.5%). NB: The share of unrecorded was 25.0%.

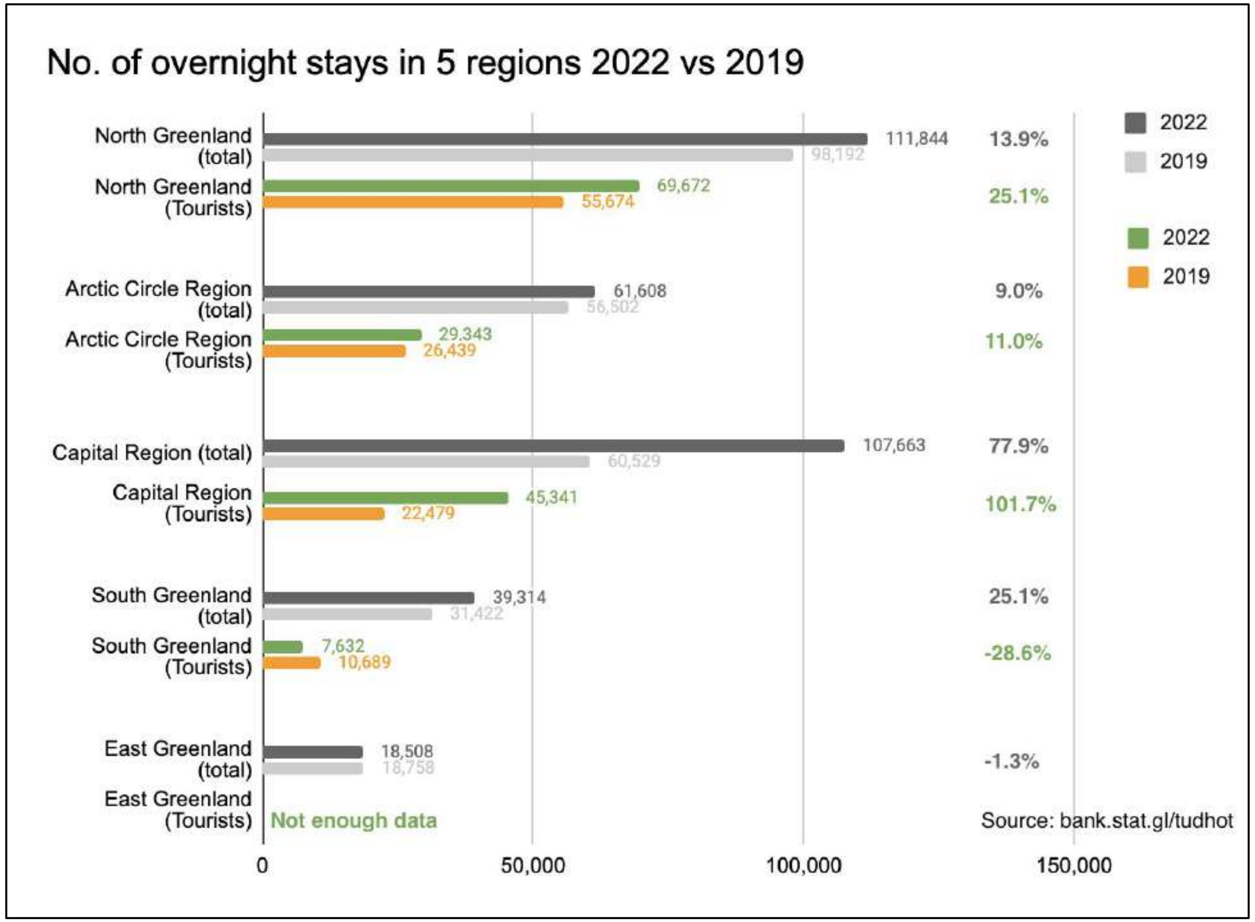
Regions compared: Number of overnight stays 2022 vs 2019

As you know, the number of foreign air passengers (incl. DK) does not say much about how many tourists have been in a particular region, as the vast majority are still travelling in and out of the country via Kangerlussuaq. Accommodation data, on the other hand, is by far the best indicator of this.

There is a significant discrepancy between the growth in the number of foreign air passengers (2.6%) and the number of foreign overnight stays and individual visitors (29.4% and 30.6% respectively) at a national level.

Despite this, the average number of nights purchased per tourist per accommodation location was the same as in 2019 (2.5). This suggests that the typical tourist in 2022 will have visited more destinations while travelling in Greenland than was the case in 2019, as tourists are not ‘recognised’ from one accommodation location to another. This is a very positive development.

North Greenland, Arctic Circle Region and Capital Region have experienced high growth in the number of foreign overnight stays of 25.1%, 11.0% and 101.7%, respectively. The town of Ilulissat accounts for the vast majority of tourist nights (61,328 out of 69,672) in the northern region, while the city of Nuuk accounts for the vast majority of overnight stays in Capital Region (no data on this, but the only other town with accommodation locations in the region is Paamiut).



In the Southern region, there was an overall increase of 25.1%. The growth here is due to a sharp increase in the number of overnight stays by Greenlandic citizens, because when looking at foreign overnight stays, there was a decrease of -28.6% (input from Sarah W. here).

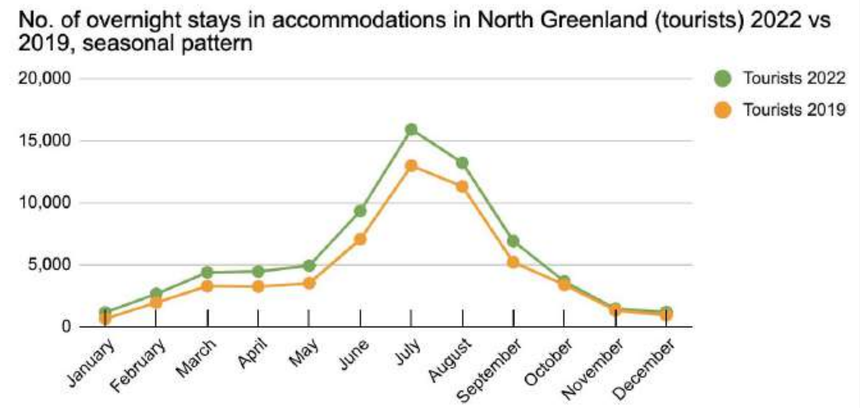
In the eastern region, nationality is only recorded for 23.2% of overnight stays, which means that we cannot extrapolate from the data and say anything meaningful about the development there, other than that there was a slight decrease of -1.3% in relation to the total number of overnight stays compared to 2019.

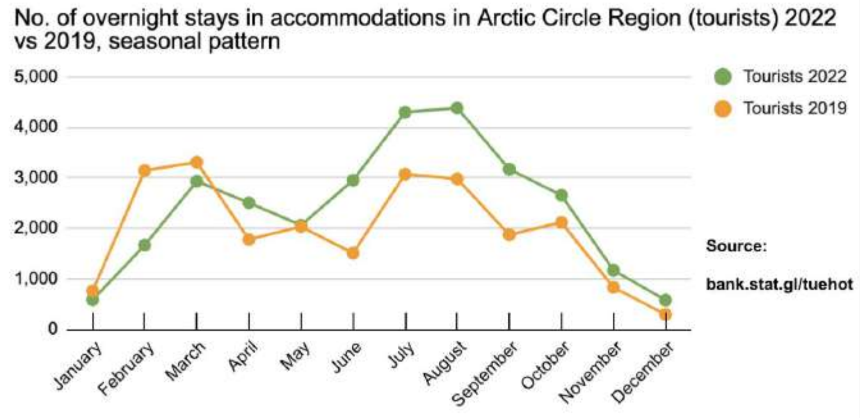
Regions compared: Number of overnight stays, seasonal pattern 2022 vs 2019a

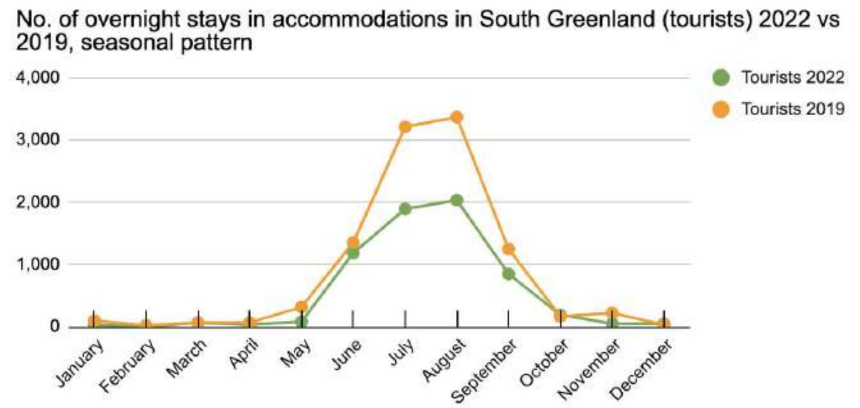
Below we compare the seasonal pattern in 4 out of 5 regions in terms of overnight stays (there is not enough data for Sermersooq East). The northern region shows a typical summer peak season pattern (June-July-August-September). October and March-April-May fall under the category ‘shoulder seasons’. The period November-December-January can be referred to as the ‘low season’.

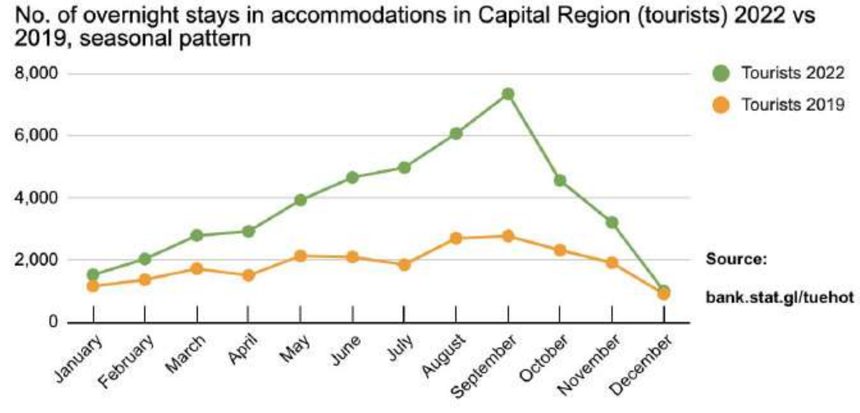
Arctic Circle Region has almost a ‘secondary peak season’ in the spring months, however, the pattern for 2022 is slightly different from 2019.

Kujalleq had a good season in 2022 compared to the previous year. GL citizens, but not so good for tourists, and you see that there is very little activity outside the summer high season.









Capital Region is the region that has had the most even seasonal pattern in recent years - though often with a ‘gap’ in July, which could indicate that the typical foreigners (the vast majority of whom are from Denmark) have mainly purchased overnight stays for business purposes.

The 2022 pattern is slightly atypical in that it is more ‘pyramid-shaped’ than previous years, indicating more ‘pure tourism’.

2022 was also an extraordinary tourism year with over 100% growth in the number of overnight stays compared to 2019.

Regions compared: Number of individual guests 2022 vs 2019

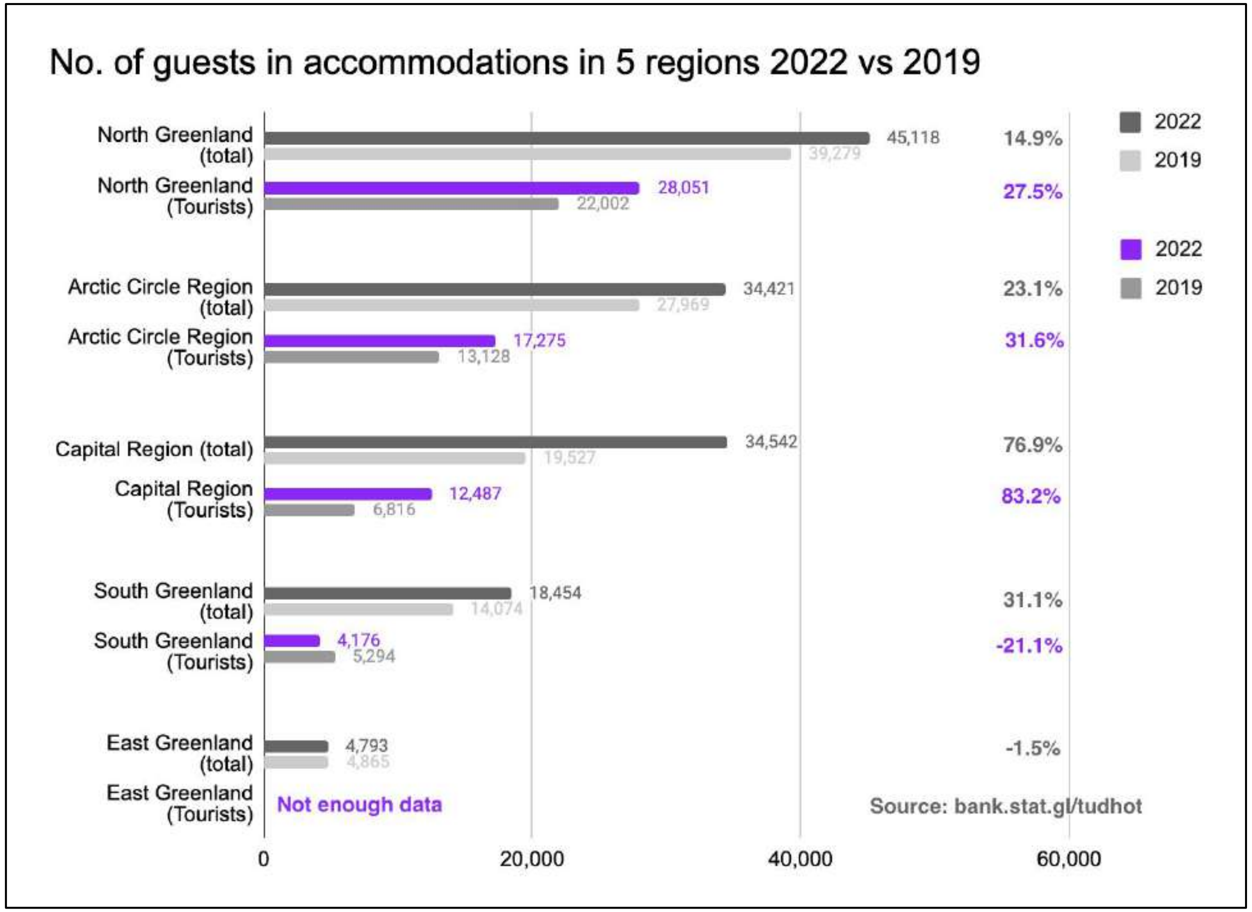
Data for the number of overnight stays (tourists incl. DK) tends to broadly follow the trends for the number of individual guests at the accommodation locations. However, sometimes there is some difference in the percentage growth or decline due to fluctuations in how many overnight stays an average guest has purchased at each accommodation location, which can vary from year to year.

If we compare the number of individual foreign visitors with the number of foreign overnight stays, both have around a 30% growth, which is a significant growth, especially when considering a 2.6% growth for foreign air passengers.

However, as discussed on page 7, the growth may be due to the fact that the typical guest in 2022 is likely to have visited more destinations in Greenland than was the case in 2019, as they are not 'recognised in the accommodation records from one accommodation location to the next.

Capital Region had by far the largest growth in the number of foreign visitors (83.2%), which cannot be explained in any other way than that Danish tourists in 2022 have visited significantly more accommodation locations and/or more towns than was the case in 2019.

We don't have data on this, but we know that there are many business travellers to Nuuk from Denmark, so the sharp increase may also be an indication of increased business activity.



Overall, the overnight stay figures indicate a trend of visiting multiple accommodation locations and/or destinations on the same trip. If tourism development is to be as sustainable as possible, it is important that every tourist stays longer, visits as many places in Greenland as possible, and of course buys as many local tours, products and goods as possible. It is also important that tourists increasingly visit the smaller settlements and increasingly visit Greenland all year round, as opposed to the pronounced summer high season trend that has characterised the picture for many years. That is why Visit Greenland focuses on the adventure segment, which has this type of behaviour.

Regions compared: Number of foreign visitors (incl. DK) in 4 regions 2002-2022

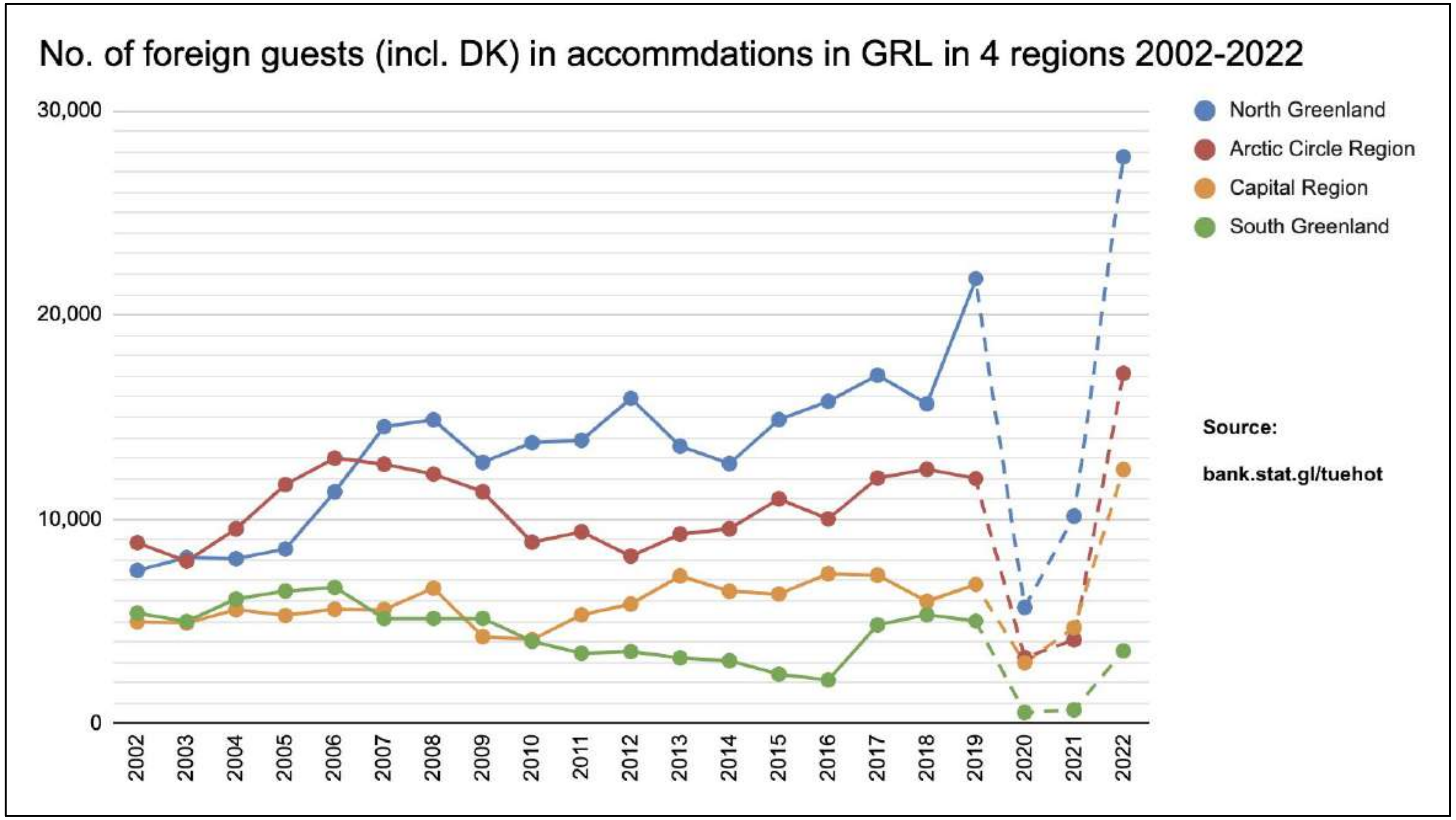
It does not make sense to look at the seasonal pattern for the number of foreign visitors as it very closely follows the seasonal pattern for the number of foreign overnight stays - as you can see on page 11.

However, it is interesting to zoom out a little and look at how the number of foreign visitors has developed in the regions (minus Sermersooq East) to get a better overview of how tourists have been distributed between the regions over the past 20 years.

It's remarkable how similar the 4 regions were in 2002, but they spread out more and more in the following years. In the half decade or so after 2002, North Greenland and Arctic Circle Region in particular grow, but the latter experiences a slowdown as early as 2007.

Capital Region has remained at a relatively stable level until the first 'normal' year after Covid-19, when in 2022 there is a sudden surge in growth.

Kujalleq, on the other hand, has lost ground to non-Greenlandic visitors over the years - with a slight upturn in 2017-2018-2019.

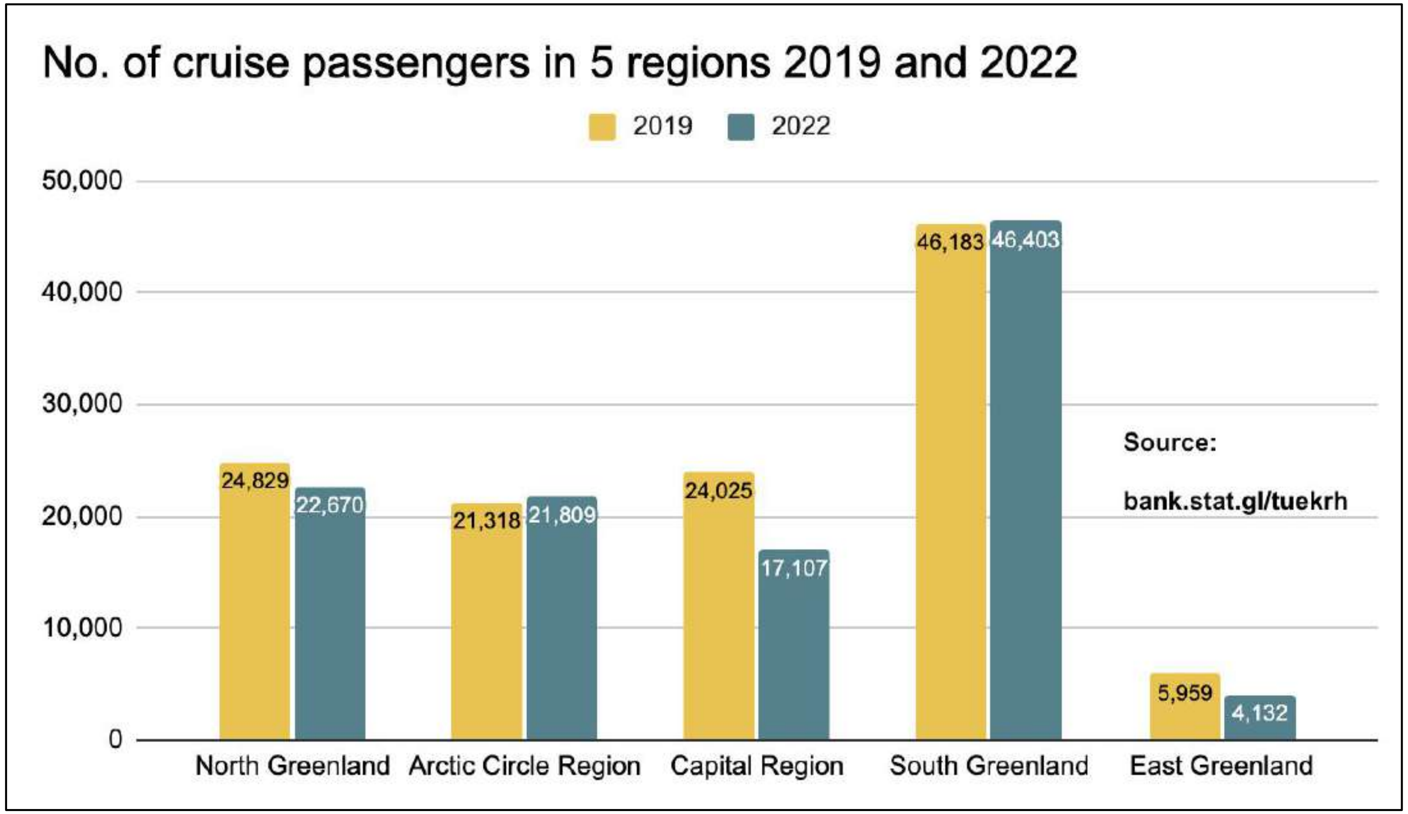


There are roughly two ways to monetise tourism: Many tourists spending little money or few tourists spending a lot of money. It is clearly the last category that is the most economically, environmentally and socially sustainable. The former category is what is also known as 'mass tourism', which many popular destinations have experienced many negative consequences of in recent decades. Greenland may not need 10 times as many tourists in the next few decades, but rather to cultivate a market for adventure tourism.

Regions compared - number of passengers per region 2019 and 2022

As you can see on page 8, in 2022 there were 5.7% fewer individual cruise passengers than in 2019. This pattern was true for the regions of North Greenland, Capital Region and Sermersooq East, while there were actually more passengers in Arctic Circle Region and Kujalleq.

It is a typical pattern that Kujalleq gets the highest number of passengers as it is visited by the largest ships, some of which belong to the class with over 1200 passenger capacity. So, while Kujalleq is less strong in terms of the number of foreign guests staying in its accommodation locations, it is strong in the cruise area, and since 2020, it has seen a good growth in Greenlandic citizens as guests in its accommodation locations, a consequence of the growth in staycation holidays.

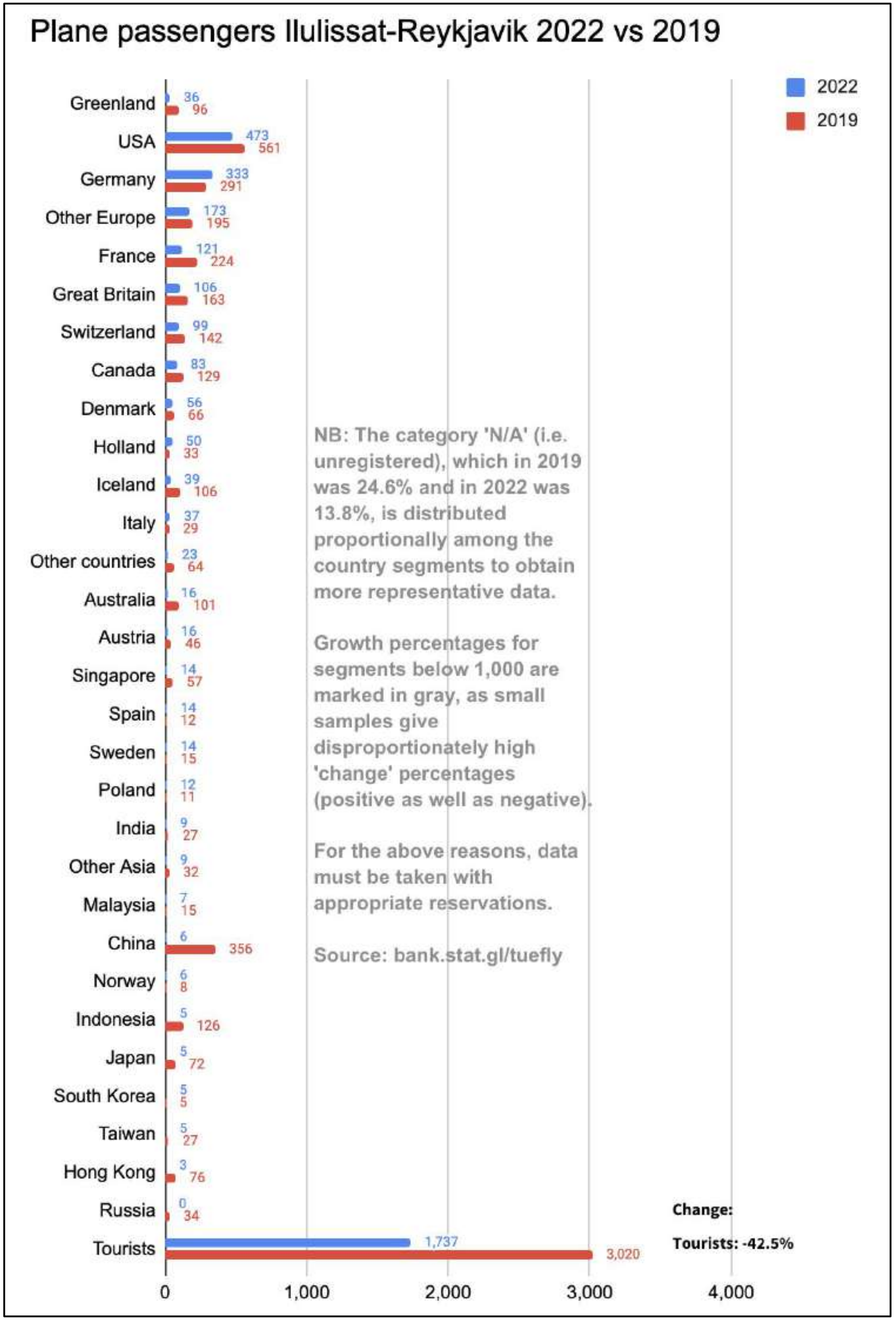


According to cyprusshippingnews.com, the global revenue for the cruise industry in 2019 was approx. USD 27 billion. It dropped to around USD 3 billion in 2020 but increased in 2021 to around USD 13 billion.

By 2022, revenue was on the road to recovery at around USD 18 billion, albeit with a slight dip to 2019 levels.

The same source predicts that revenue in 2023 will be around USD 25 billion, rising to USD 30 billion in 2024.

The three major cruise lines Carnival Cruises, Royal Caribbean and Norwegian Cruise Line have a combined 85% of the cruise market with a market share of 45%, 25% and 15% respectively.



North Greenland: Air passengers out of Ilulissat 2022 vs 2019

On page 8, we compared the number of foreign (incl. DK) air passengers out of Ilulissat, Kangerlussuaq and Nuuk (not enough data from the other airports with international departures). The graph on the left focuses on passengers travelling out of Ilulissat, i.e., the individual country segments plus the regions Other Europe, Other Asia and Other Countries.

As mentioned before, the large decrease compared to the previous year compared to 2019, is primarily because in 2019, Air Greenland had a route between Ilulissat and Reykjavik, but which was not resumed after Covid. In addition, according to Icelandair, the Asian markets hadn't opened up in 2022 compared to the rest of the world. Covid-19 travel restrictions.

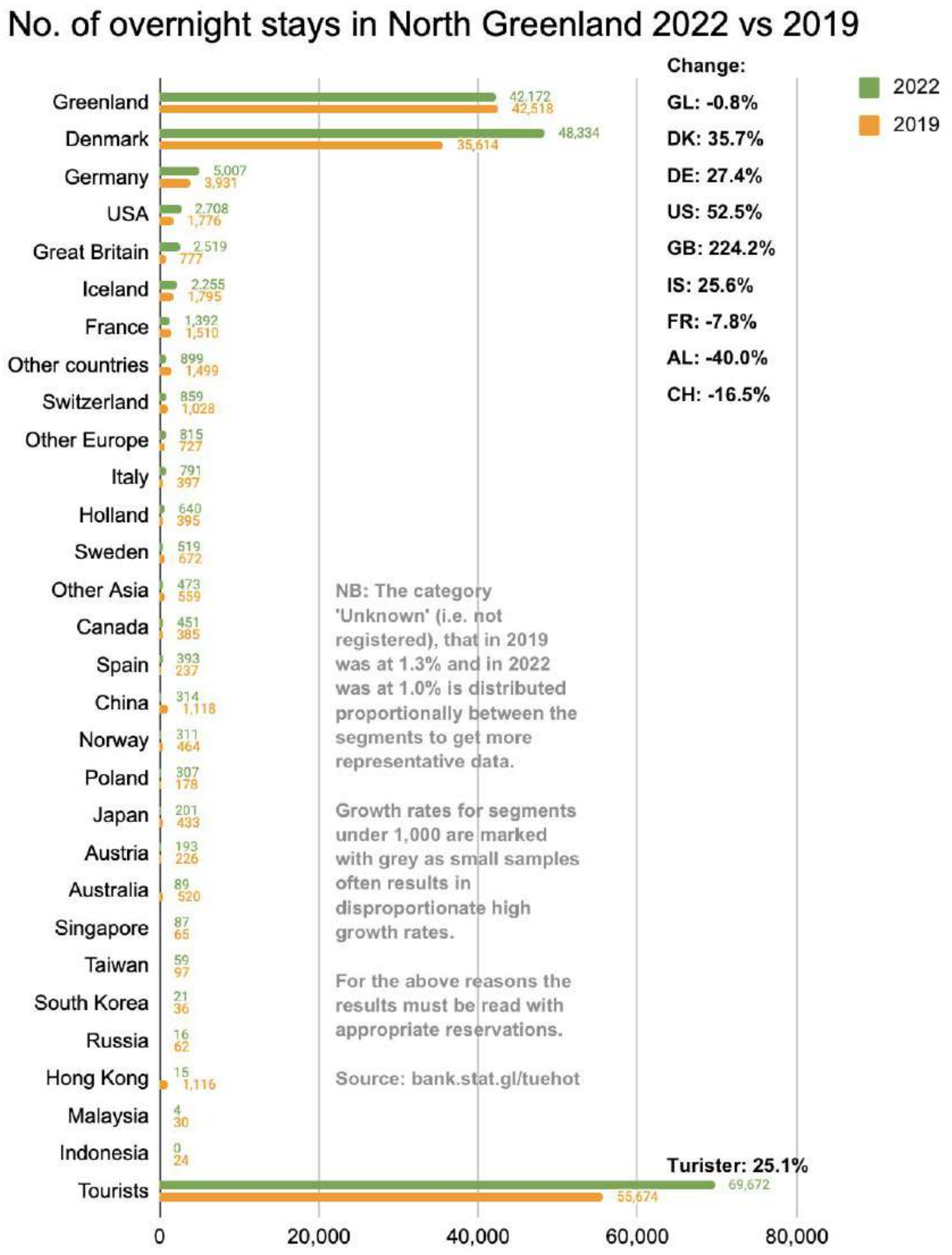
Notice that there were only 14 passengers from Singapore, 9 from Other Asia, 7 from Malaysia, 6 from China, 5 from Indonesia, 5 from Japan, 5 from South Korea, 5 from Taiwan and 3 from Hong Kong, meaning only a total of 59 passengers from Asia in 2022, as opposed to 766 in 2019, a decrease of 92.3%.

Also, passengers from Iceland and Australia had not fully recovered to pre-pandemic levels by 2022. Icelandair stated at the end of March 2023 that it looks like they will have around 5% more bookings for 2023 than in 2019 for all their Iceland-Greenland routes.

Again, it is important to keep in mind that still only a limited proportion of all tourists to the region fly to/from Ilulissat via the Ilulissat-Reykjavik route. The vast majority come to/from the region primarily with Air Greenland via Kangerlussuaq and other towns, as well as with Sarfaq Ittuk and cruise ships.

That said, there is no doubt that the opening of the new transatlantic airport in 2024 (according to kair.gl) will be a game changer, as Air Greenland's Airbus A330, which will be deployed on direct routes between Ilulissat and Copenhagen, has a capacity almost 10 times greater than the Dash-8 aircraft currently operating at Ilulissat Airport.

There are currently no specific reports on whether Icelandair will deploy aircraft with



North Greenland: Number of overnight stays 2022 vs 2019

We pick up the thread from page 14 where the number of overnight stays (total and international) from 4 out of 5 regions were compared. The graph on the left shows the development of the individual segments.

The most significant development is the large growth for the DK segment of 35.7%, corresponding to 12,720 more Danish overnight stays than in 2019. Danish overnight stays account for 69.4% of all international overnight stays. This is impressive, even when taking into account a large growth in the number of Danish air passengers out of Greenland (nationally) in 2022 of 21.8%. This means that the typical Danish tourist has purchased more overnight stays than was the case in 2019 and has likely visited more destinations while travelling.

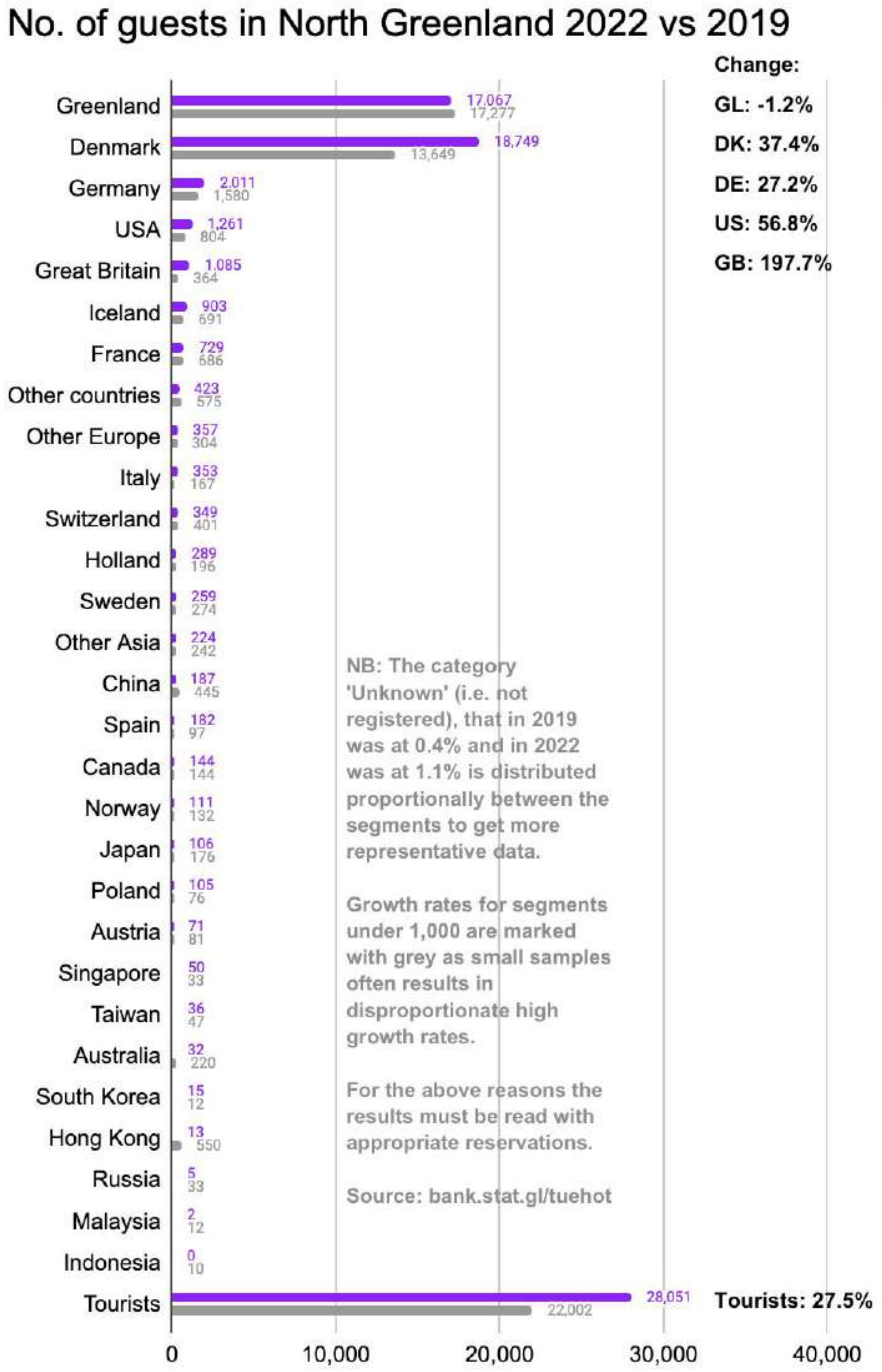
The UK had the highest percentage growth of all segments at 224.2%, which equates to 1,742 more overnight stays. British tourists have made a significant jump from number 11 to number 5 in terms of overnight stays in the region.

There were fewer British air passengers travelling out of Ilulissat in 2022 than in 2019, which means that most Brits in 2022 flew via Copenhagen and not via Iceland.

Germany, the USA and Iceland also had relatively high growth rates of 27.4%, 52.5% and 25.6% respectively, but France and Switzerland clearly declined.

For several years now, there has been pressure on accommodation capacity in Ilulissat during the summer high season. When the new airport opens, this means that an increase in capacity is likely to be necessary if the increased flight capacity is to be utilised, or even accommodated, as there seems to be a growing interest in Greenland in general (see page 43 on the major market analyses). Alternatively, the expected increased tourist volume via Ilulissat must be efficiently fed out to the other

Region North Greenland: Number of overnight stays 2022 vs 2019



We pick up from page 16 where we compared the number of guests (total and international) in each region.

Only the 5 largest segments have over 1,000 guests, and here we look at percentage changes between 2019 and 2022. The pattern is almost identical to that of the number of overnight stays, with strong growth for the DK, DE, USA and GB segments. In absolute numbers, this equates to 5,100, 431, 457 and 721 more guests than in 2019, which is pretty impressive.

Unfortunately, it does not make sense to compare the number of foreign air passengers on international flights out of Ilulissat airport (Ilulissat-Reykjavik) as most of them travelled via Kangerlussuaq. However, considering that nationally there was ‘only’ a 2.6% growth in the number of foreign air passengers, this means that North Greenland was one of the regions that was visited to a greater extent than in 2019, and that the typical tourist probably stayed at more accommodation locations in the region than in 2019.

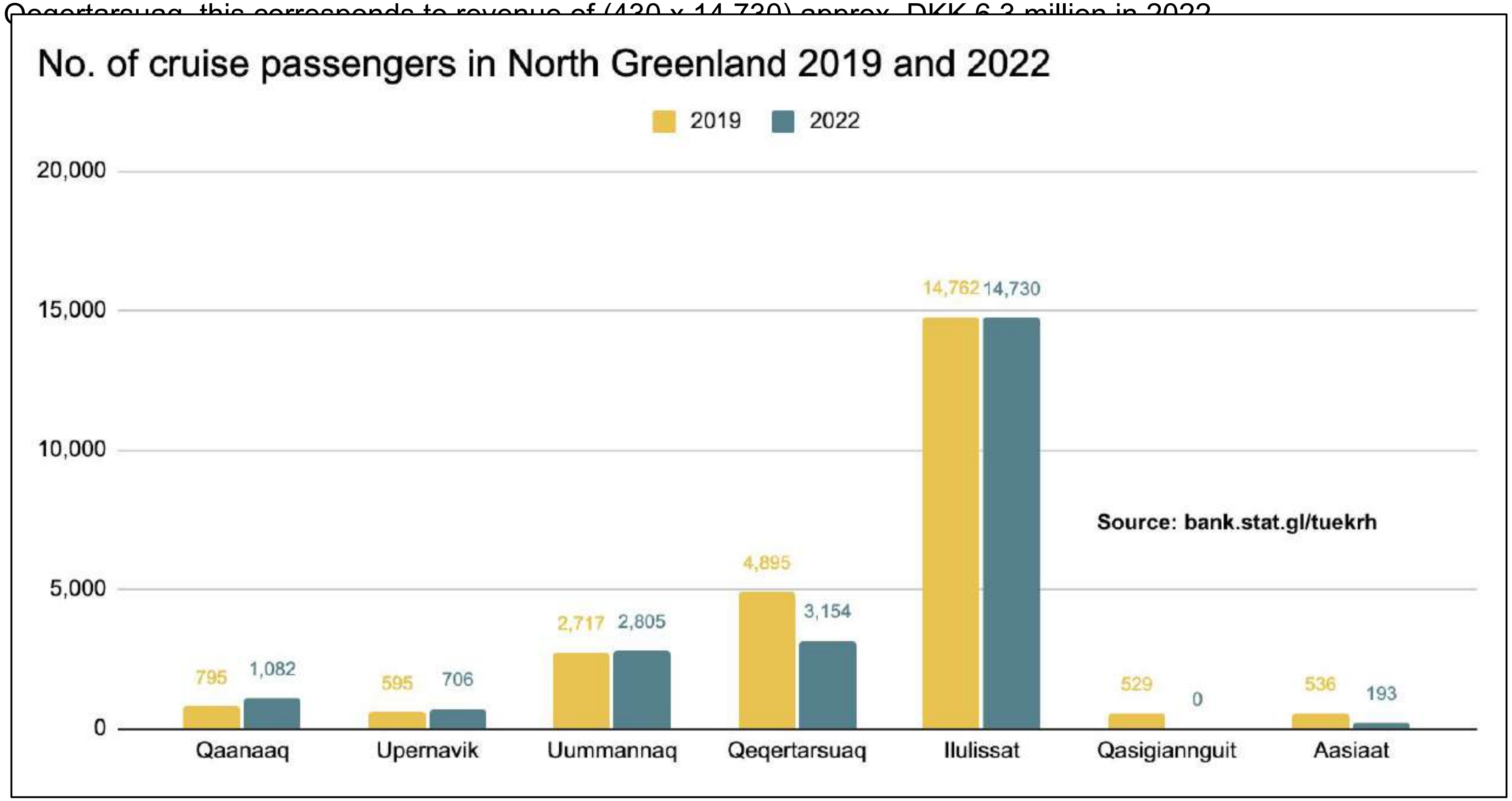
Ilulissat town alone accounted for 24,325 of the 28,051 foreign visitors in the region, corresponding to 86.7% of the overnight tourist market.

When the new transatlantic airport opens, Ilulissat will be many times larger on paper as an infrastructural hub for the region, with an Airbus A330 that can accommodate almost 10 times more passengers per arrival than the current Dash-8. This opens up new opportunities to bring significantly more tourists to the region, but at the same time puts even more pressure on the current tourism capacity in Ilulissat, which has already been experiencing bottleneck challenges during the summer peak season for some years.

Region North Greenland: Number of cruise passengers 2022 vs 2019

Overall, there were 8.7% fewer individual cruise passengers in the region in 2022 than in 2019. However, the 3 northernmost towns had slightly more people in 2022 than in 2019, while the rest of the towns had fewer. In addition to the calls below, there was 1 in Saqqaq, 2 in both Siorapaluk and Savissivik, 4 in Ilimanaq and 3 in Eqip Sermia.

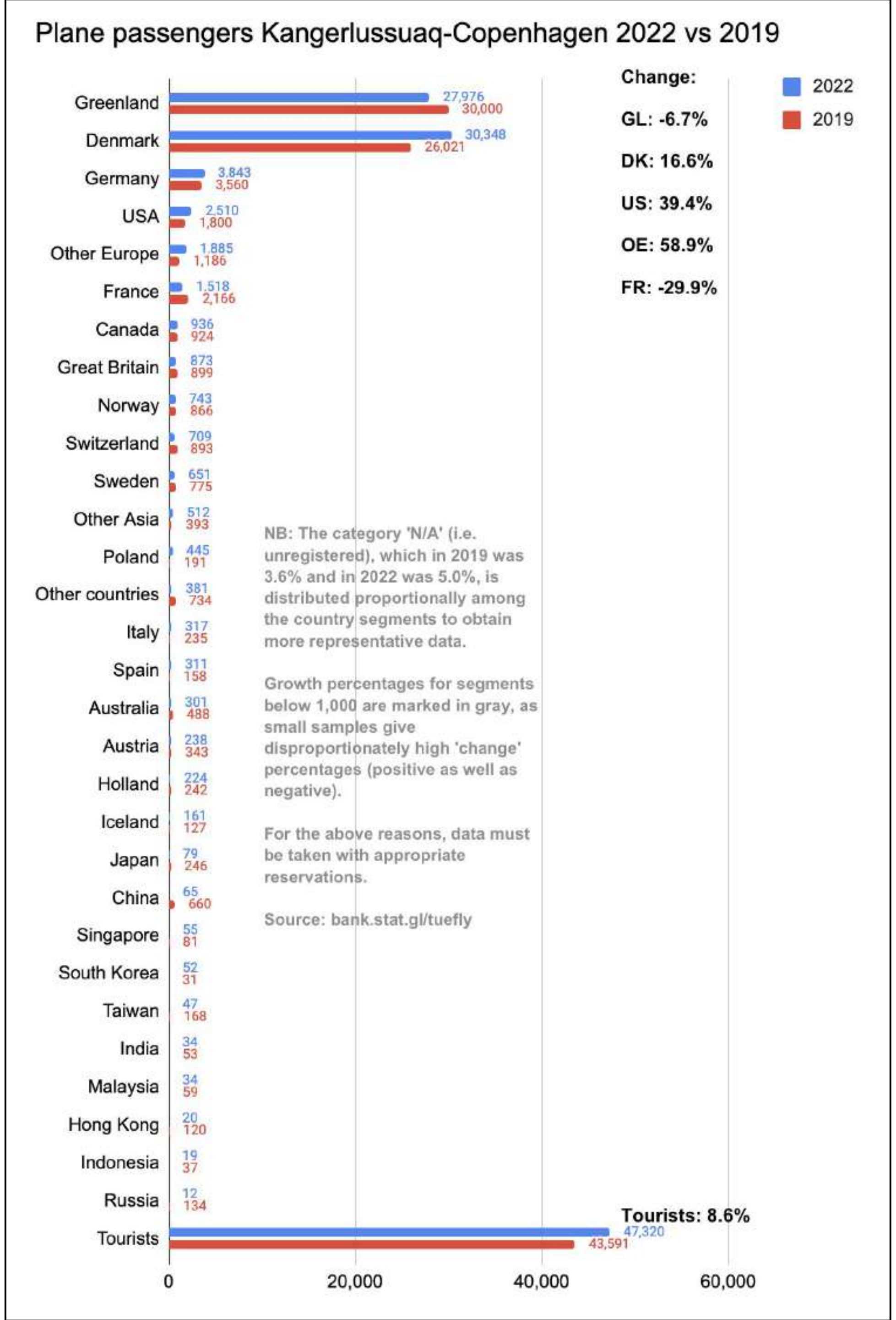
In 2022, there were 108 calls in the region compared to 113 in 2019. As mentioned on page 11, a survey in 2015 showed that the average spend per disembarkation per cruise tourist including tour products was around EUR 50 in 2015, which equates to around DKK 430 in 2022 (inflation adjusted). In Qeqertarsuaq, this corresponds to revenue of (430 x 14,730) approx. DKK 6.3 million in 2022.



Of course, there is a big difference between how much a land-based tourist spends compared to cruise tourists.

Land-based tourists generally buy a lot of airline tickets from the national airline (both international and domestic flights), airport taxes, overnight stays, meals, supermarket items, etc.

Cruise tourists spend most of their money ‘on the ships’ as they provide transport (apart from air-based transfers in Kangerlussuaq, which about 1/8 of cruise passengers do, according to aac.gl), accommodation, dining and many of the tours. However, there is still a lot of revenue for the organisations that provide services and tours to cruise tourists.

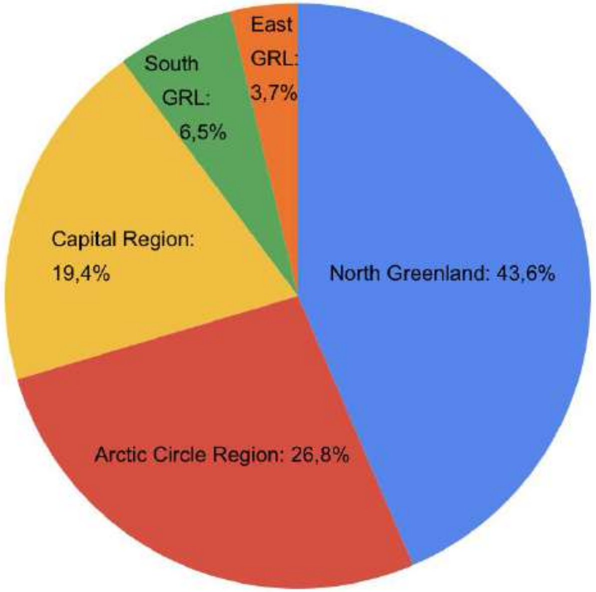


Arctic Circle Region: International passengers out of Kangerlussuaq 2022 vs 2019

When we look at the specific segments for international passengers travelling on flights out of Greenland via Kangerlussuaq, it is of course very similar to the national pattern, as international passengers from here correspond to 79.5% of all international passengers travelling out of Greenland.

When you look from the top down, it's very clear that the DK segment is dominant. At the same time, you can see that the GL segment and the DK segment have swapped places. 2019, making the DK segment the largest with a market share of 40.3%. The GL segment has a share of 37.2%, while the third largest segment, Germany, has a market share of 5.1%.

A large proportion of the foreign passengers were travelling out of Greenland via Kangerlussuaq in transit from other regions. When compared to the number of foreign visitors in the regions :

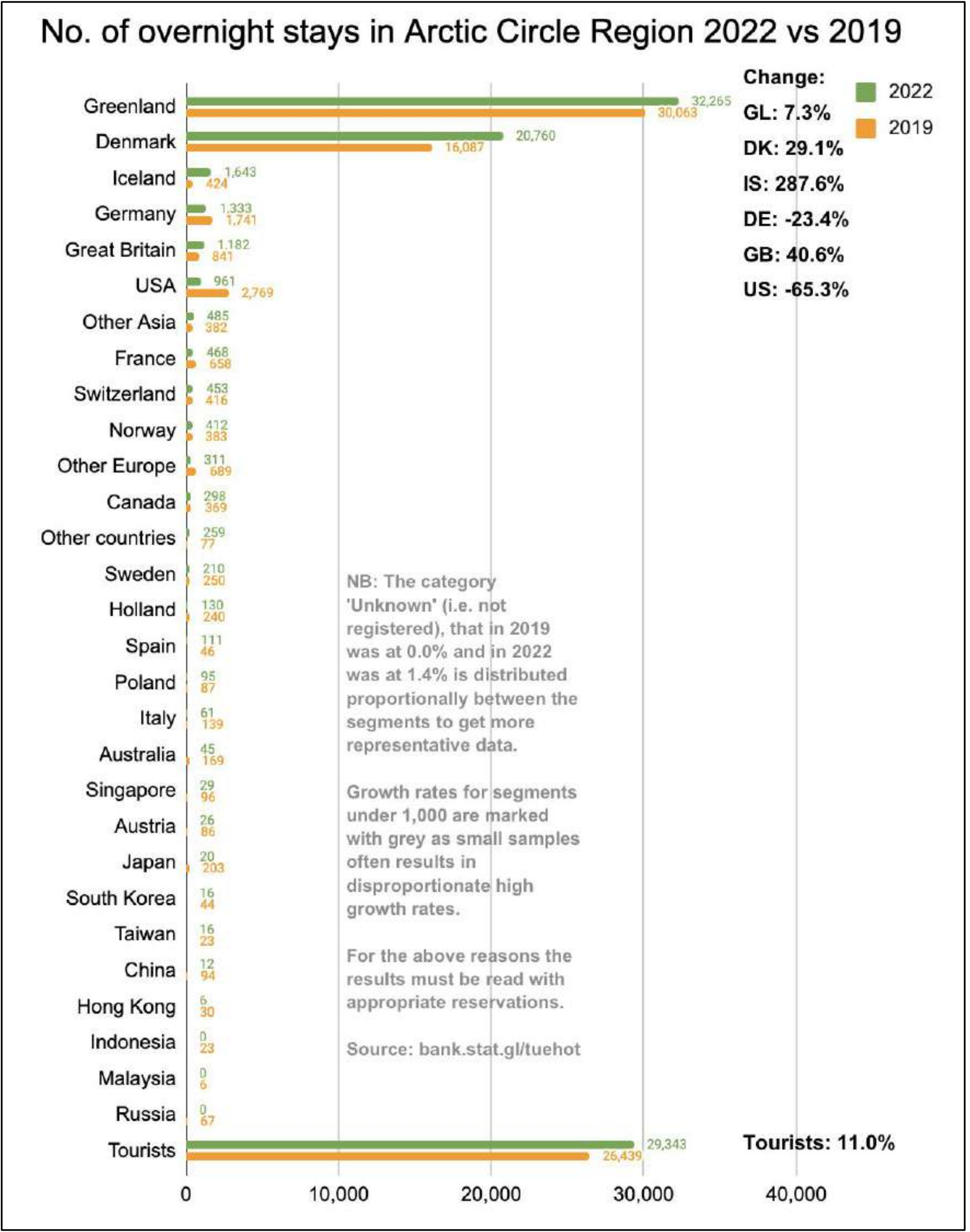


- we can see that the share of foreign visitors in Arctic Circle Region in 2022 was 26.8%.

Unsurprisingly, by far the largest share is found in the northern region, with just under half of all foreign visitors. A whopping 37.8% of all foreign visitors in 2022 stayed at accommodation in Ilulissat town.

Despite the fact that most air passengers out of Kangerlussuaq are in transit, Arctic Circle Region is the second most visited region in terms of foreign visitors, closely followed by Capital Region, which almost exclusively consists of visitors who have visited Nuuk.

NB: As we do not have valid nationality data for guests in Sermersooq East, we have assumed that approximately half were non-Greenlandic guests.



Arctic Circle Region: Number of overnight stays 2022 vs 2019

Compared to 2019, there are a few notable differences when looking at the individual segments:

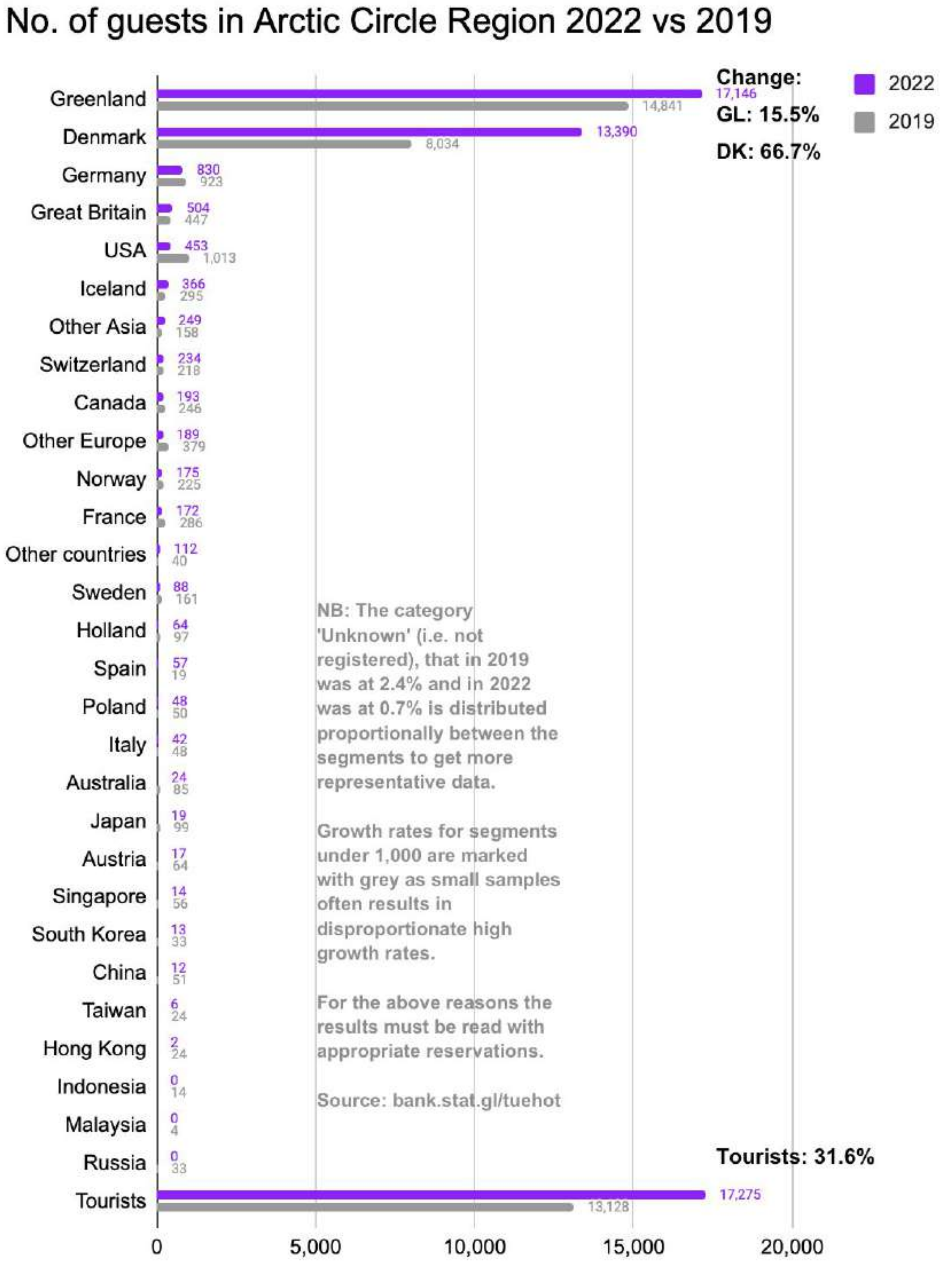
The DK segment represents significant growth as in several of the other regions in 2022. The trend of buying more overnight stays and/or visiting more destinations in Greenland than was the case in 2019 may be due to the fact that most Danes were much less likely to go on long holiday trips outside their own country's borders in the two Covid-19 years. This means they could probably afford to stay longer and visit more destinations on their 2022 visit to Greenland.

The Iceland segment has a growth of 287.6%, corresponding to 1,219 more overnight stays than in 2019. On the one hand, 2019 can be highlighted as a year with particularly few Icelandic overnight stays (in 2018 there were 785), but on the other hand, 2022 still represents significant growth. We don't have data on why this might be, but it is safe to assume that a certain proportion of them have visited Greenland for business purposes.

The USA segment has seen a decrease of -65.3%, which is quite significant considering that the number of USA overnight stays in 2018 was in line with 2019.

The Germany segment accounts for a decrease of 23.4%, which is not many in absolute numbers (408 fewer German overnight stays) but still results in high percentage changes. It is currently impossible to know if this is a coincidence or a trend in the region.

For the other segments, the samples are so small that it doesn't make sense to look at percentage changes.



Arctic Circle Region: Number of guests 2022 vs 2019

Where in Arctic Circle Region there was a growth of 11.0% compared to foreign overnight stays, the number of foreign guests grew by 31.6%. The number of overnight stays indicates the turnover generated by an accommodation location, while the number of guests indicates how many people have visited that geographic region. This could indicate that Arctic Circle Region has had significantly more visitors in 2022, but that each tourist on average has purchased slightly fewer overnight stays per accommodation location. Remember that data does not recognise guests from accommodation location to accommodation location.

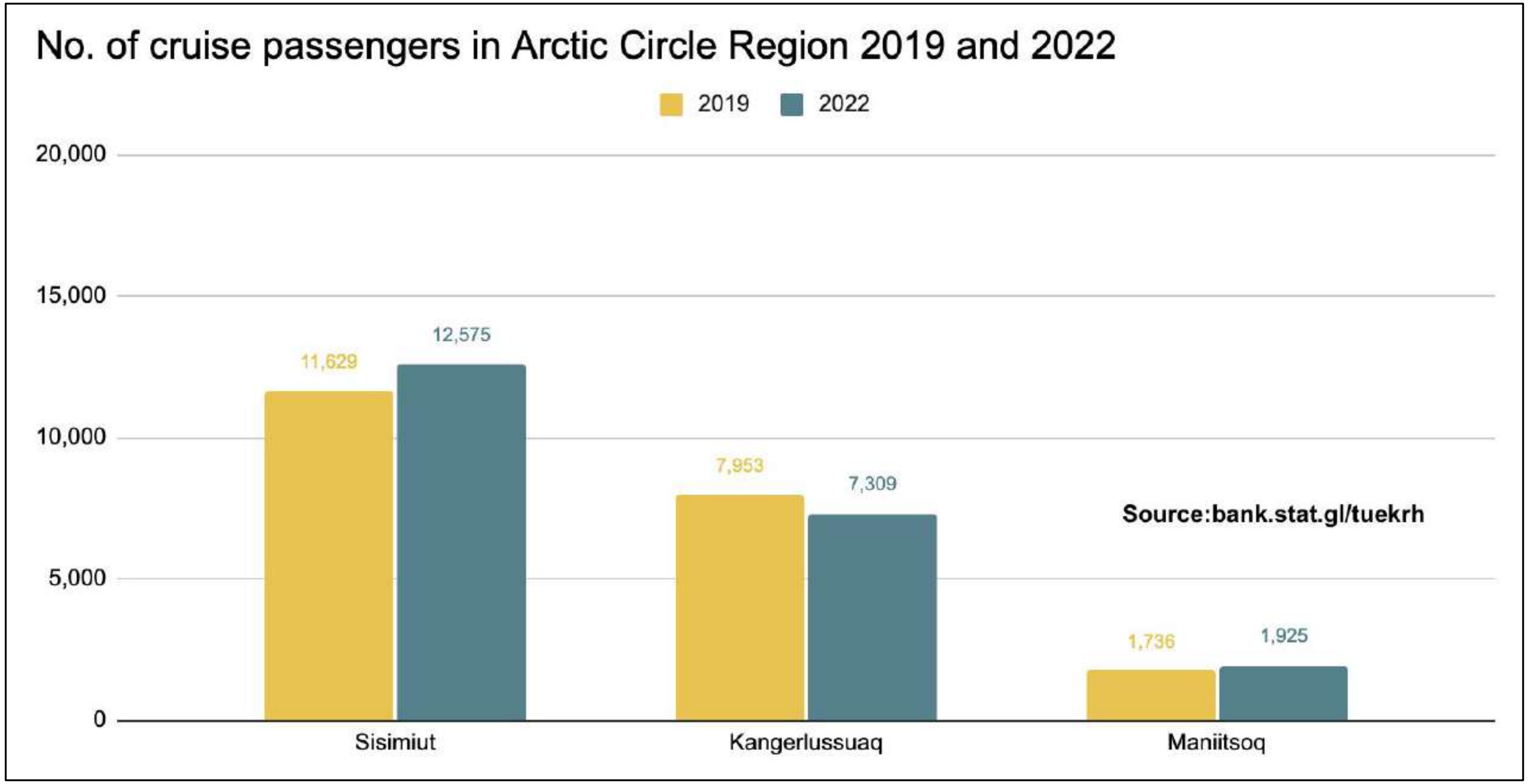
On the previous page, you could see that the number of Danish overnight stays increased by 29.1% compared to the previous year. 2019. The graph on the left shows that the growth in the number of Danish guests was 66.7%, which is a significant increase. In the context of a 21.8% growth for Danish air passengers, this shows that the typical Danish visitor purchased approximately the same number of nights per accommodation location, but that they visited more accommodation locations (likely in a different town in the region) than was the case in 2019.

The GL and DK segments were the only ones that had over 1,000 guests at the accommodation locations. As mentioned, it doesn’t make sense to look at percentage changes for smaller samples than that, as even small differences in absolute numbers can result in disproportionately large percentage changes.

That said, you can see that there were significantly fewer American visitors to Arctic Circle Region in 2022 than in 2019 - in fact, less than half. This is probably more of a random variation, as nationally, there were 15.1% more American guests staying at the accommodation locations.

Arctic Circle Region: Number of cruise passengers 2022 vs 2019

Overall, in 2022 there were 2.3% more individual cruise passengers in the region than in 2019. Nationally, there were 5.6% fewer individual cruise passengers in 2022 than in 2019. Keep in mind that on a national level, only ‘heads’ are counted, whereas on a regional level, ‘heads’ are multiplied by calls in the region. A passenger is counted as many times that person was on board during a call in the region. According to the latest cruise survey (2015), every time a passenger is ashore, it represents a spend of around DKK 430 (see also page 21).



In 2022, 21,809 passengers were recorded at calls in Arctic Circle Region (remember that a passenger is counted once at each call in the region) compared to 21,318 in 2019. This represents a theoretical increased spend of (491 x DKK 430) just over DKK 200,000.

Only calls are recorded in the towns shown in the region where there are representatives of one of the 2 port agencies RAL and Blue Water Shipping. However, Visit Greenland’s call list (vg.gl/calls) shows that there were also 4 calls in Kangaamiut and 2 in Itilleq.

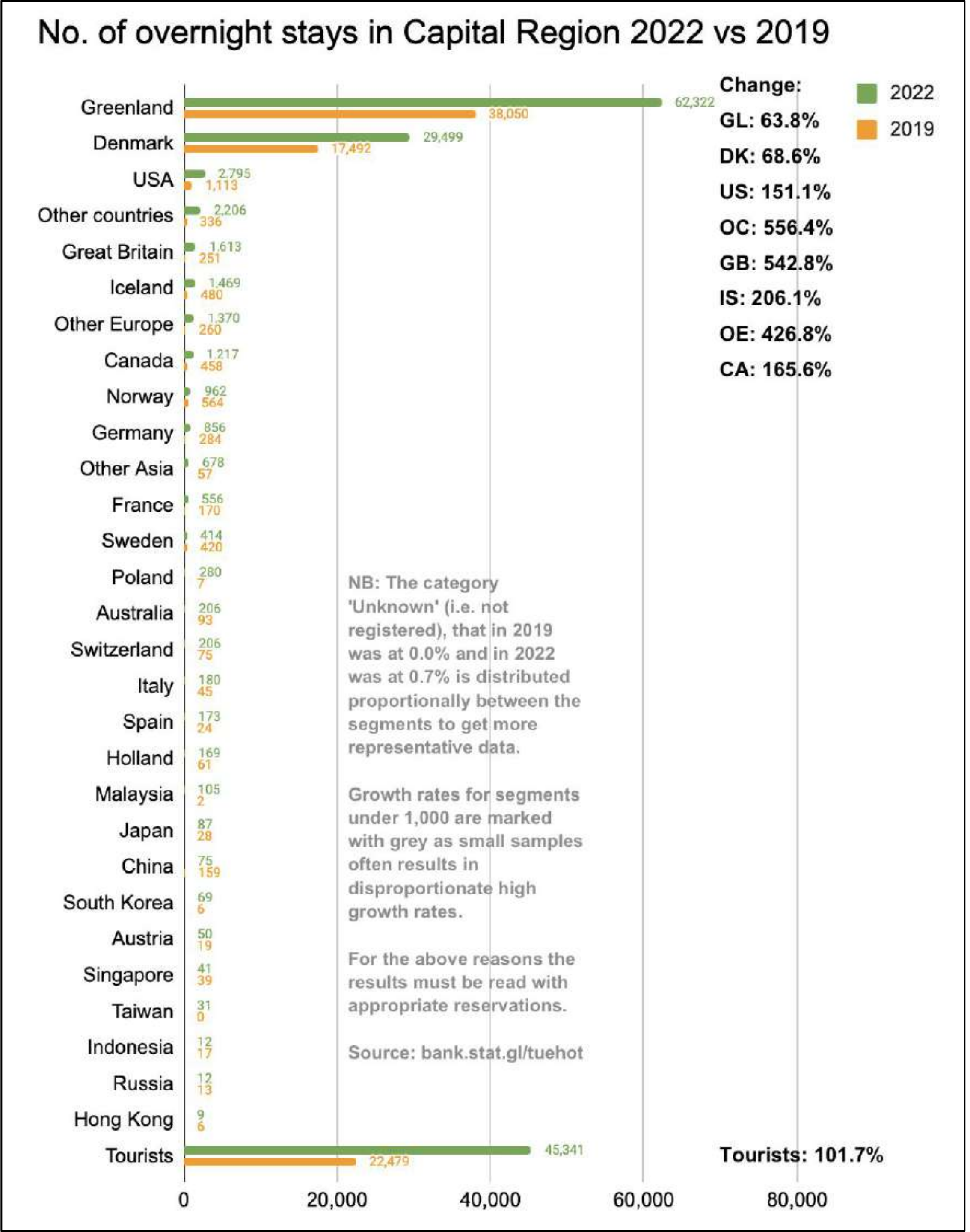
Capital Region: Air passengers out of Nuuk 2022 vs 2019

In 2022, there were a total of 5,636 passengers on flights out of Nuuk to Iceland, of which 3,971 were non-Greenlandic citizens (tourists). In comparison, there were 75,296 air passengers in total out of Kangerlussuaq, of which 47,320 were tourists. When Air Greenland also reports that approximately 75% of all passengers from Nuuk to Kangerlussuaq are in transit to Copenhagen, it says something about the fact that the vast majority are still travelling out of Greenland from the region via Kangerlussuaq and not directly out of Nuuk Airport via Iceland.

According to Icelandair's 2023 schedule, there are 3 flights between Reykjavik and Nuuk throughout the year, just like in 2022. This represents a capacity of 3 x 37 passengers per week, which is a maximum of 111 passengers per week. Air Greenland also had 3 weekly flights in 2022 (Nuuk-Keflavik) with the same aircraft type, which also gives a maximum capacity of 111 passengers per week. The current capacity is 222 passengers per week.

It is currently unclear how many weekly flights there will be between Nuuk and Iceland when the new airport opens, but it is clear that the potential capacity will be drastically increased (up to 800 passengers per hour).

The new airport will be one of Greenland's new international hubs, which will mean, among other things, that cruise passengers can be exchanged at both locations and both scheduled and charter flights from/to abroad can land with a capacity of approx. 300 passengers.



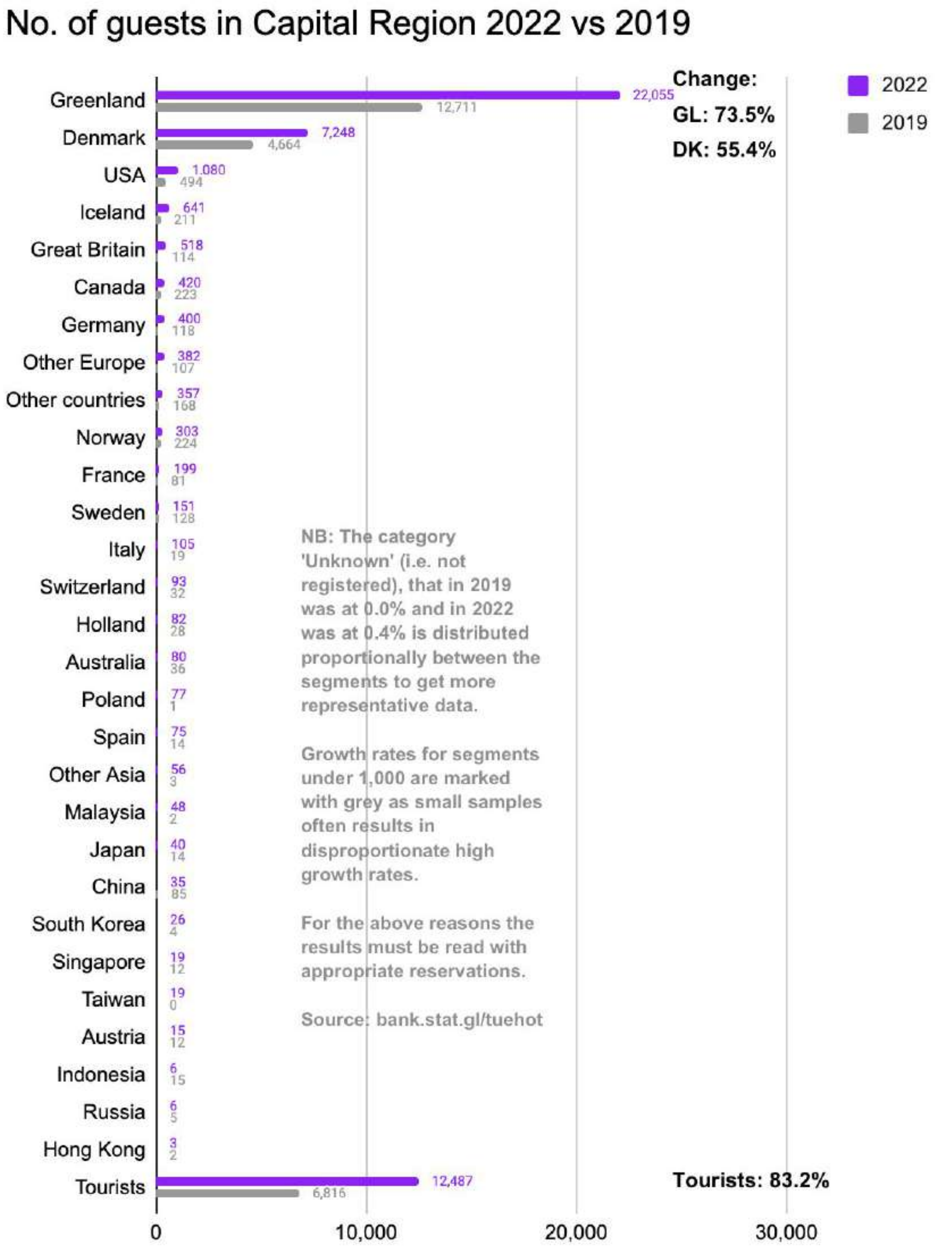
Capital Region: Number of overnight stays 2022 vs 2019

For segments with more than 1,000 overnight stays, there are high growth rates across the board. In numbers, the largest growth comes from the DK segment with 12,007 more overnight stays in the region in 2022 compared to 2019, corresponding to 68.6% growth. This is a significant result, also considering that there was a national growth of 21.8% in the number of Danish air passengers. In conclusion, Capital Region has become a very popular destination for Danish tourists.

NB: We use UNWTO's definition of tourism : " *..the movement of people to countries or places outside their usual environment for personal or business/professional purposes*".

The segment with the second largest growth in absolute numbers is 'Other countries' with 1,870 more overnight stays than in 2019. In third place was the USA with 1,682 more overnight stays and in fourth place was the UK with 1,362 more overnight stays.

A growth for all tourism segments combined of 101.7% is very impressive. It's not clear what this very strong growth is due to, but there may be some pent-up demand from the Covid-19 years at play, which alone cannot explain the phenomenon.



Capital Region: Number of guests 2022 vs 2019

The segment with the largest increase in individual guests was DK with 2,584 in 2022 compared to 2019. In second place is the USA with 586 more guests. In third place is Iceland with 430 more guests and in fourth place is the UK with 404 more guests.

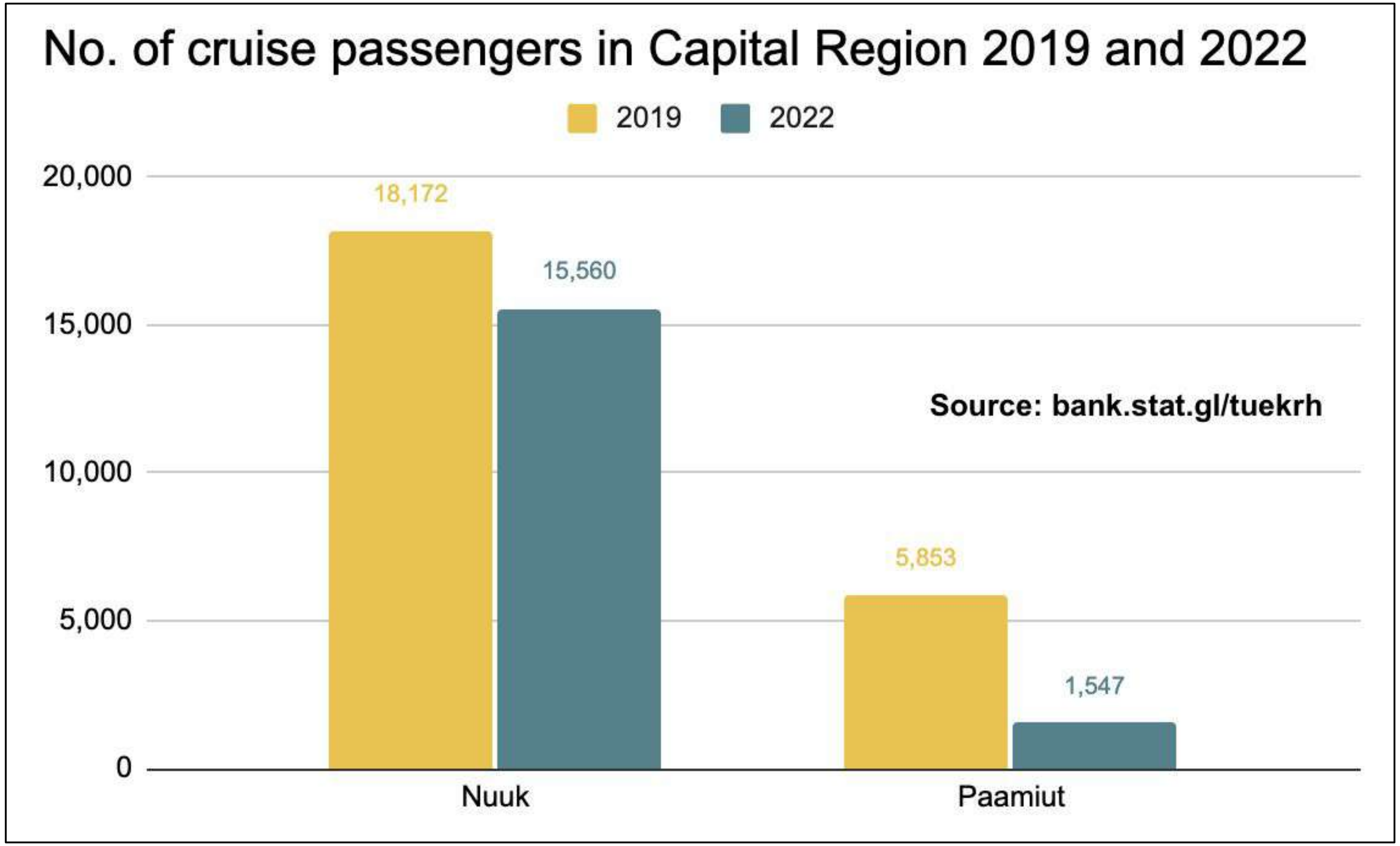
It is remarkable how relatively few German guests were in the region compared to the national figures, where the DE segment is the second largest segment after DK.

Of the 4 largest segments, the following average number of overnight stays were purchased :
DK: 4.7
USA: 2.9
IS: 2.3
GB: 3.4

In this context, the figures are even more striking for the DK segment, which traditionally has a high proportion of overnight stays with friends and family. This may be due to a high proportion of business travellers, who in most cases stay in hotels paid for by their employer.

Capital Region: Number of cruise passengers 2022 vs 2019

In 2022, there were 28.8% fewer individual cruise passengers in the region overall than in 2019 (5.6% fewer nationally), which together with Sermersooq East is the most significant decrease. On the other hand, in 2022 there were 58 calls compared to 57 in 2019, which in practice ‘equalises out’ because there are approximately the same number of times where cruise guests have been ashore and had the opportunity to spend money. However, in 2019 there were two calls by the very large ships (pax capacity 3,200 and 3,224) compared to one in 2022 (pax capacity 3,114), which can make a big difference. However, we do not have figures on how large a proportion of passengers were ashore at these calls.



When looking at the graph, it is striking how much of a decrease there was in the number of individual passengers on board cruise ships visiting Paamiut in 2022 compared to 2019, corresponding to a decrease of 73.6%.

We don’t have information on what this decline is due to; it could be more or less random fluctuations in timetables from one year to the next that determine it and becomes especially pronounced in percentage development the smaller the number of passengers we deal with.

Every year, there are a number of cancellations and changes in sailing plans that can be based on various factors such as weather, logistics and changes in the ships’ value chains all the way back to other ships sailing with the same shipping company, etc. So, there are many factors that can change otherwise announced calls to a given destination.

South Greenland: Air passengers out of Narsarsuaq 2022 vs 2019

As mentioned on page 12, in 2020, 2021 and 2022 there was a reduction in recordings. In 2020 and 2021 because there were virtually no scheduled international flights, and in 2022 because of airport staff turnover. Therefore, we do not have data on the individual segments for 2022.

We have data on the total number of passengers in 2022, which was 4,914 compared to 4,837 in 2019, corresponding to a slight growth of 1.6%. Therefore, it is difficult to identify trends in the development with such incomplete data but based on a small increase in the total number of passengers, it looks more like a status quo compared to the previous year. 2019 than it looks like an outright decline - even though there were fewer non-Greenlandic tourists in the accommodation locations.

Air Greenland
In 2022, there were 2 weekly departures Narsarsuaq-Copenhagen from mid-April to mid-October - a total of approximately 38 departures. Air Greenland operated with a leased JetTime Boeing 737 with a maximum capacity of 148 passengers (reduced capacity due to short runway in Narsarsuaq). Based on passenger numbers reported by Icelandair, it seems that Air Greenland has had approximately 3,360 passengers on international flights (Narsarsuaq-Copenhagen) in 2022.

Icelandair
Icelandair served Narsarsuaq from Reykjavik Domestic with their 76-passenger DHC-8-400 with 2 weekly flights from the beginning of June to the end of September. According to Icelandair, they carried 3,103 passengers back and forth between Reykjavik and Narsarsuaq, which means that about half (1,550) were on international flights (Narsarsuaq-Reykjavik).

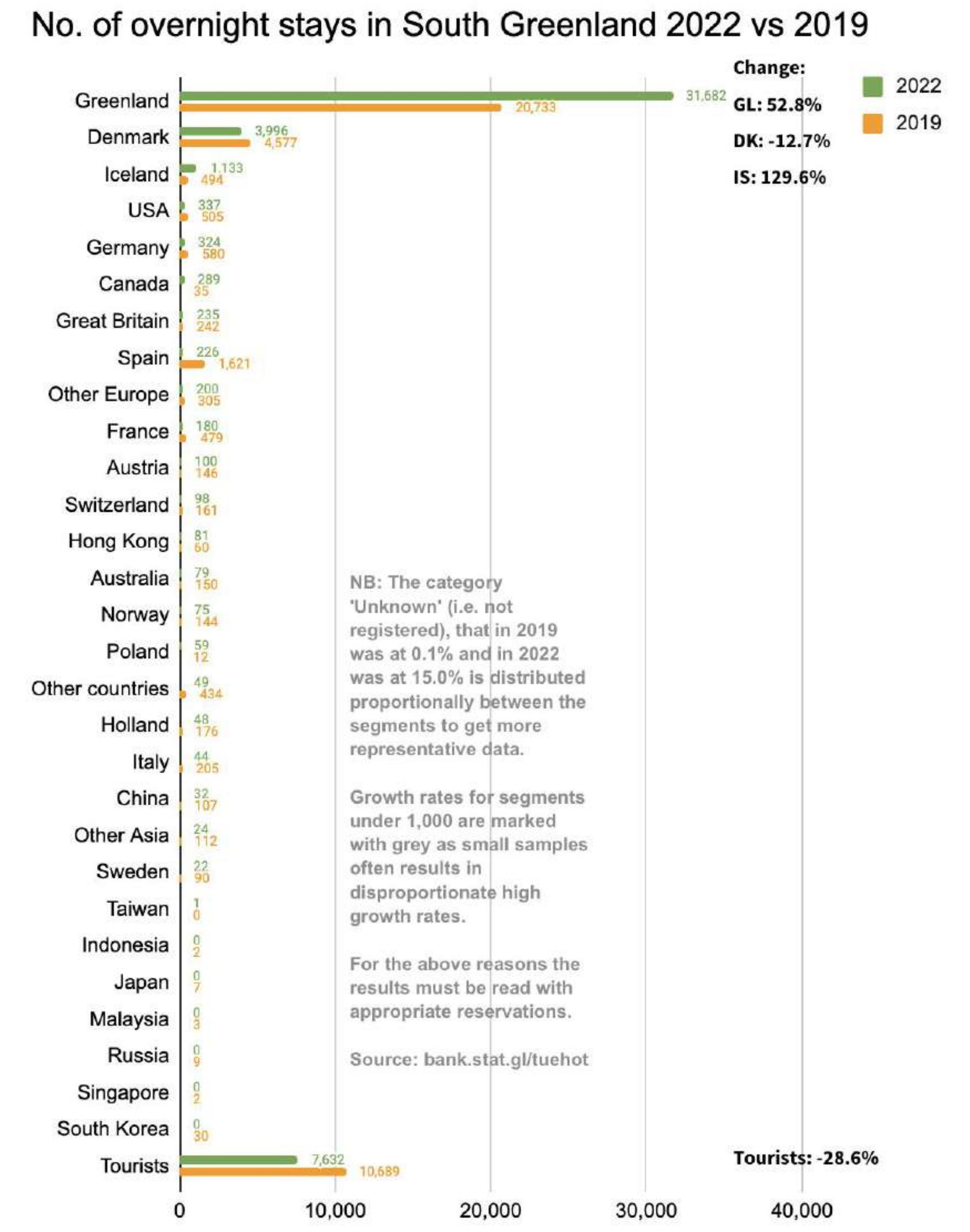
The distribution of international passengers out of Narsarsuaq in 2022 has thus been approx. 1/3 with Icelandair and 2/3 with Air Greenland.

The future 1,500m regional airport currently under construction at Qaqortoq is expected to be operational in autumn 2025, according to kair.gl.

It is expected that Air Greenland will fly to Qaqortoq with their DHC-8-200 aircraft with seating for 37 passengers.

It is likely that Icelandair will continue to serve South Greenland with their 76-passenger DHC-8-400 when the new airport in Qaqortoq opens.

It is currently not publicly known which other airlines may fly to Qaqortoq, but with a runway length of 1,500 metres, it is likely to be either medium-range turboprop aircraft such as the DHC-8-400 or small jet-powered airliners such as the Airbus A220-100, which can seat between 100 and 125 passengers, depending on configuration. It can operate on a runway of at least 1,463 metres.

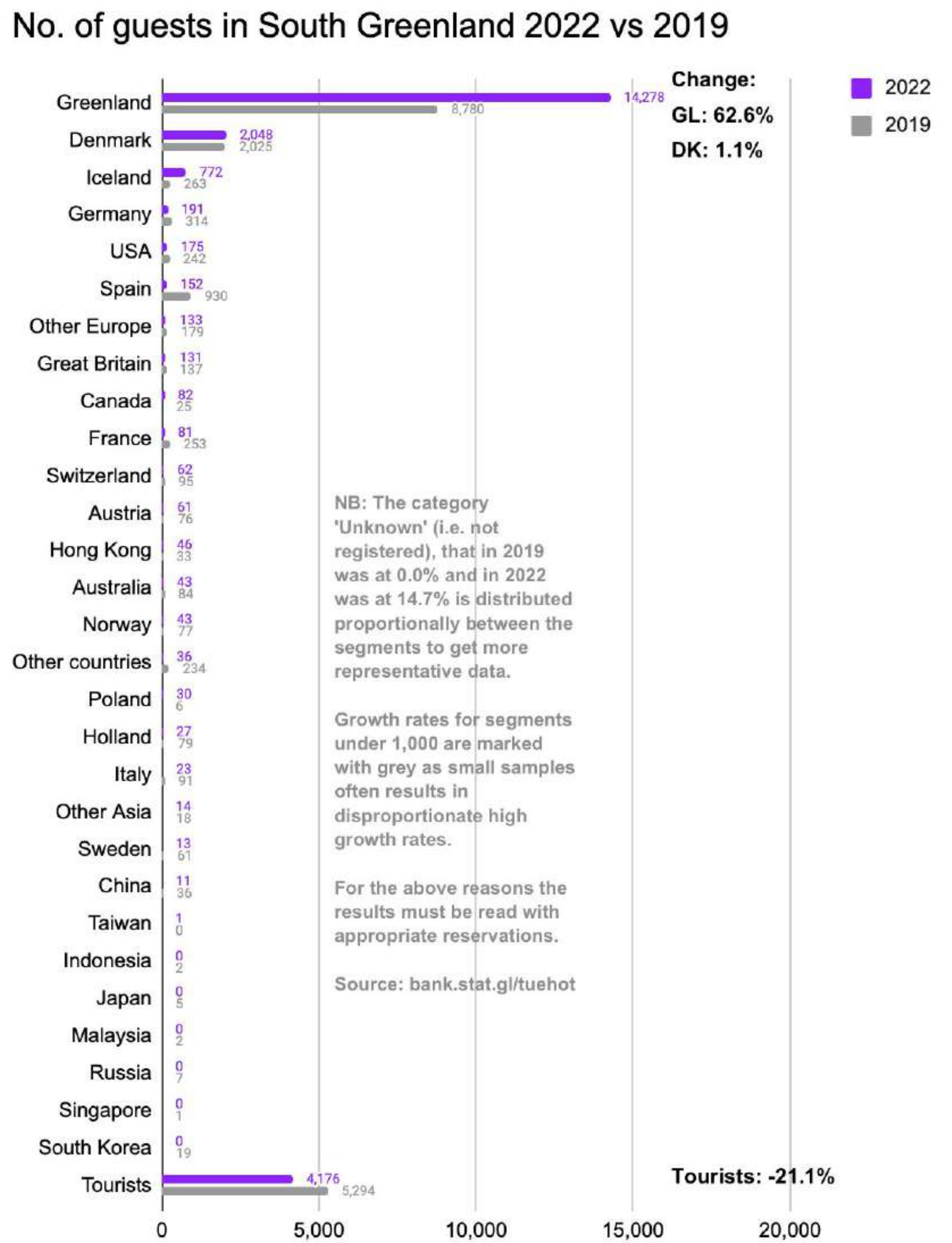


South Greenland: Number of overnight stays 2022 vs 2019

In 2022, there was a 25.1% growth in the number of overnight stays compared to 2021, corresponding to 7,892 more overnight stays, which is very positive for the accommodation locations in the region.

However, it was mostly the growth of the GL segment of 52.8%, corresponding to 10,949 more overnight stays than in 2019, that improved the result. Since the Government of Greenland changed the rules for free holiday travel during Covid-19 so that they could be used in Greenland, there has been a sharp increase in the number of 'staycation tourists', i.e., Greenlandic citizens holidaying in their own country. This has particularly benefited the southern region, which is by far the most popular staycation destination in Greenland.

For all tourism segments combined, there was a decrease of -28.6%, corresponding to 3,056 fewer overnight stays than in 2019.



South Greenland: Number of guests 2022 vs 2019

Where, in relation to the number of Danish overnight stays in 2022 there was a decrease of 12.7% compared to 2019, in relation to the number of Danish guests, there was a small growth of 1.1%. Since Greenlandic and Danish guests accounted for 88.5% of all guests, there is still fairly large growth in the total number of guests of 31.1%, but when looking at the total number of non-Greenlandic guests, there was a decrease of 21.1%, which of course is not positive.

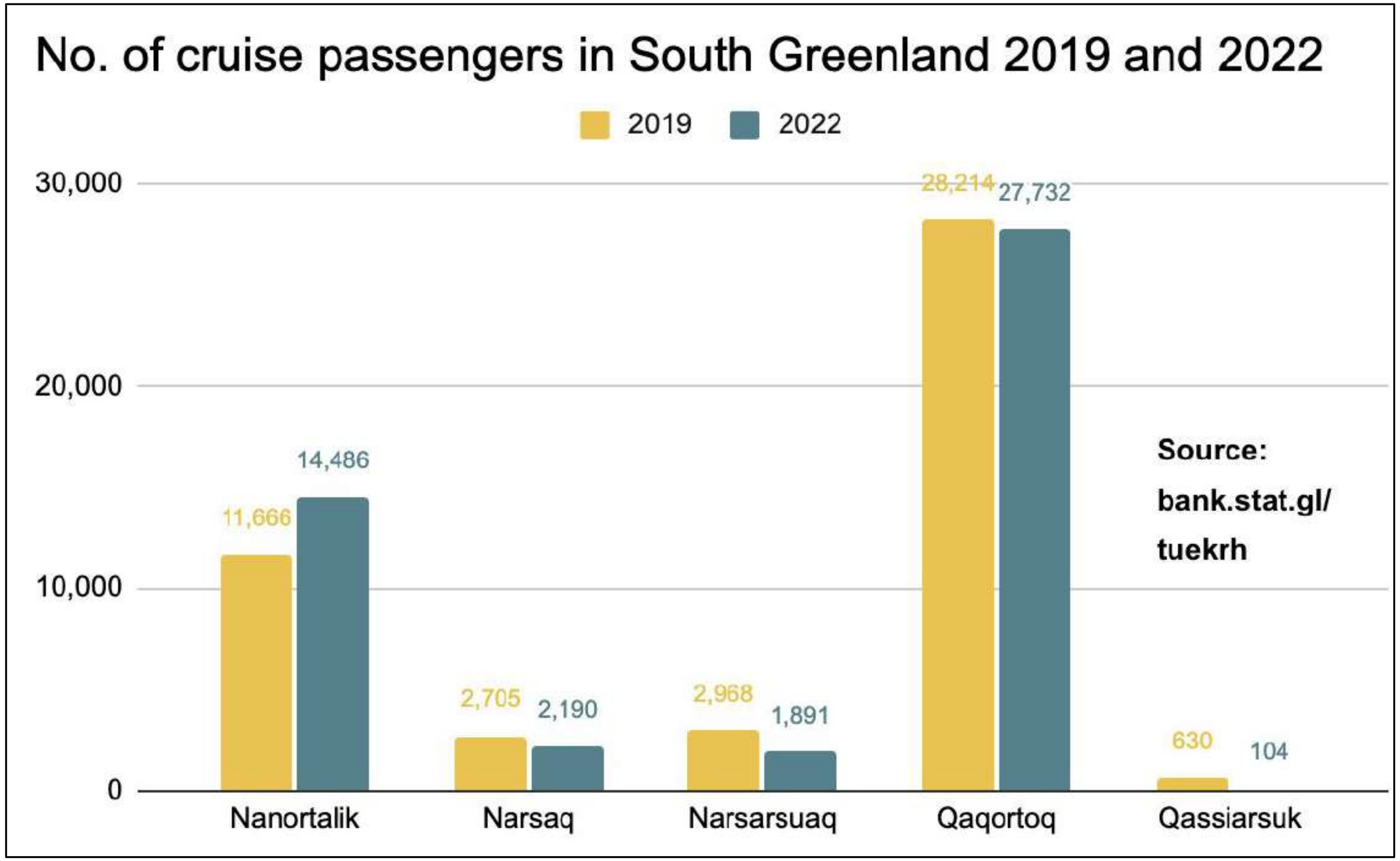
According to statements from Innovation South Greenland, there have often been technical problems in connection with international departures and arrivals in Narsarsuaq, which has often created a bit of chaos and is perhaps one of the reasons why around 15% of guests have not been recorded. With that in mind, there may have been several groups of guests who were ‘stranded’ at the hotel that were not recorded, which means that the number of non-Danish guests may have actually been higher.

NB: We use the practice of distributing the ‘Unknown’ (unrecorded) category proportionally across the segments to better compare one year to the next. However, when dealing with fairly small samples, this method can skew the data slightly. On the other hand, omitting the ‘Unknown’ category from the data can skew it even more.

South Greenland: Number of cruise passengers 2022 vs 2019

In 2022, the number of individual cruise passengers on ships in Kujalleq as a whole remained largely the same, with a positive change of only 0.5%. However, in 2022 there were 106 calls compared to 91 in 2019, which is a factor that could theoretically count for a lot, as it means that passengers have had the opportunity to disembark more often and spend money.

South Greenland is the region in Greenland that receives the most individual cruise guests, mostly because it is the region that is visited by most of the large cruise ships with room for thousands of passengers. In 2022, there were 29 calls by ships with space for more than 1,000 passengers. In 2019, there were only 16 calls of +1,000 pax ships.



In recent years, there has been a tendency for more large ships to come to South Greenland, which has its positive economic effects and its challenges in terms of logistics and tourism flow management.

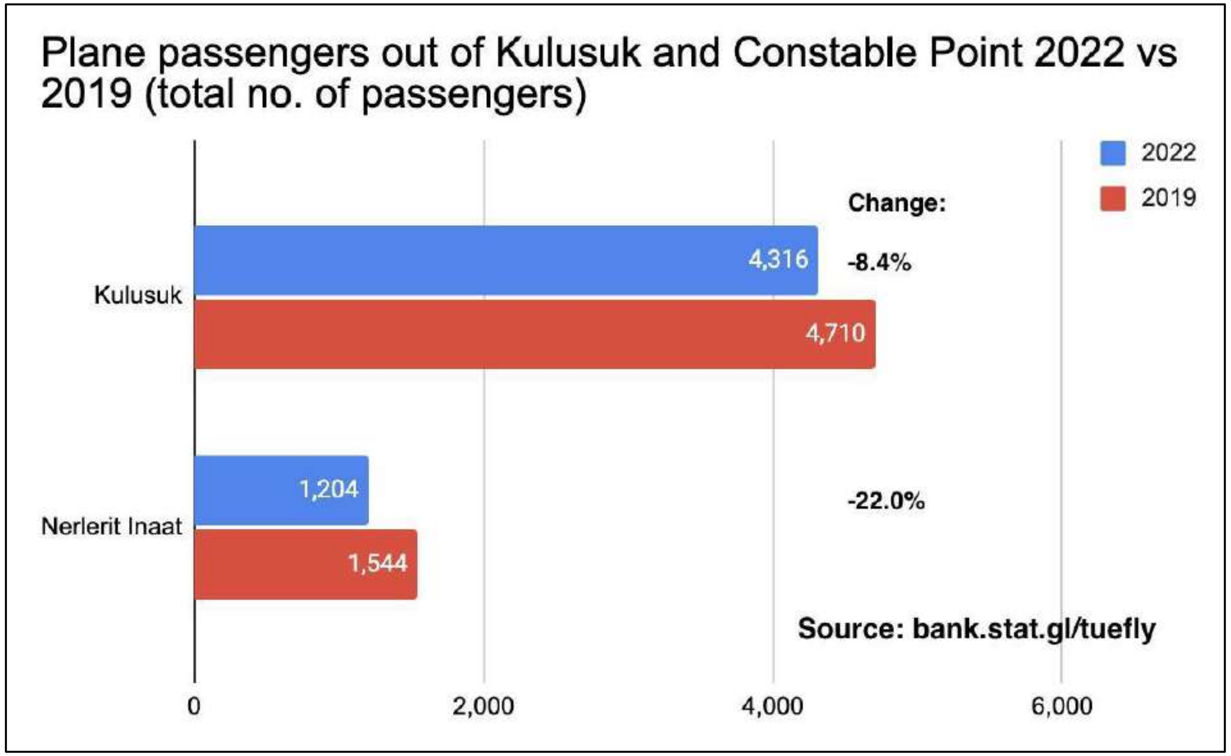
In the autumn of 2022, Visit Greenland conducted an online survey where we asked the Greenlandic population about their attitudes towards tourism, and it showed that since the first time (November 2019) we asked the population about this, there is gradually a more positive attitude towards tourism.

This suggests that there is still some balance in terms of how potentially overwhelming the landing of hundreds of passengers at once can be, especially in Qaqortoq and Nanortalik, which are clearly the two towns in the region that receive the most large ships.

East Greenland: Air passengers out of Kulusuk and Nerlerit Inaat 2022 vs 2019

As mentioned on page 12, in 2020, 2021 and 2022 there was a reduction in recordings. In 2020 and 2021 because there were virtually no scheduled international flights, and in 2022 because of airport staff turnover. Therefore, we do not have data on the individual segments for 2022 in relation to international departures out of Kulusuk and Nerlerit Inaat.

However, we do have data on the total number of passengers and here the following development has occurred when comparing 2022 with 2019. Here we can see that on international flights out of Kulusuk there was a decrease of 8.4% and on flights out of Nerlerit Inaat there was a decrease of 22.0%.



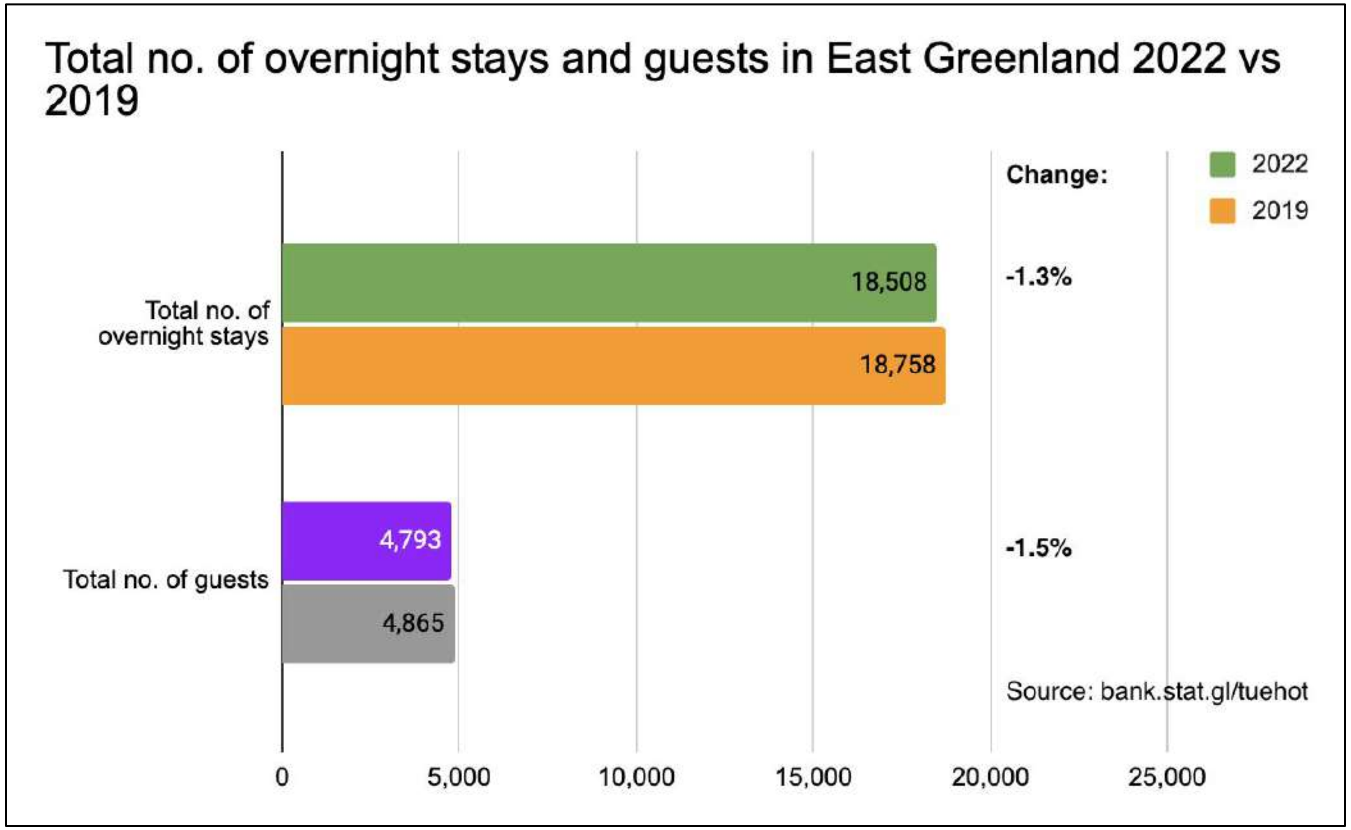
According to Icelandair, in 2022 there were 7,660 passengers on their flights to and from Kulusuk. There were thus (7,660-4,316) 3,344 passengers on flights from Reykjavik to Kulusuk in 2022, as the data from Statistics Greenland is from flights from Kulusuk to Reykjavik.

There is no data on how many tourists arrive in Kulusuk/Tasiilaq via Nuuk on Air Greenland's Dash 8 aircraft, as the country of residence is not recorded on domestic flights.

East Greenland: Number of overnight stays and guests 2022 vs 2019

As mentioned on page 14, nationality, only 23.2% of overnight stays and guests were recorded, which is too little to look at the individual country segments, and therefore only the total number of overnight stays and guests in the region is included in the graph below.

In terms of the sparse data we have, we can see that it's close to status quo in the overnight stay sector with only a very modest decline. However, if you include the decline in air passenger numbers (-8.4% in total passengers from Kulusuk to Reykjavik and -22.0% in total passengers from Nerlerit Inaat to Akureyri), it can be interpreted as slightly more negative when compared to 2019, which was the last 'normal' tourism year without Covid-19.



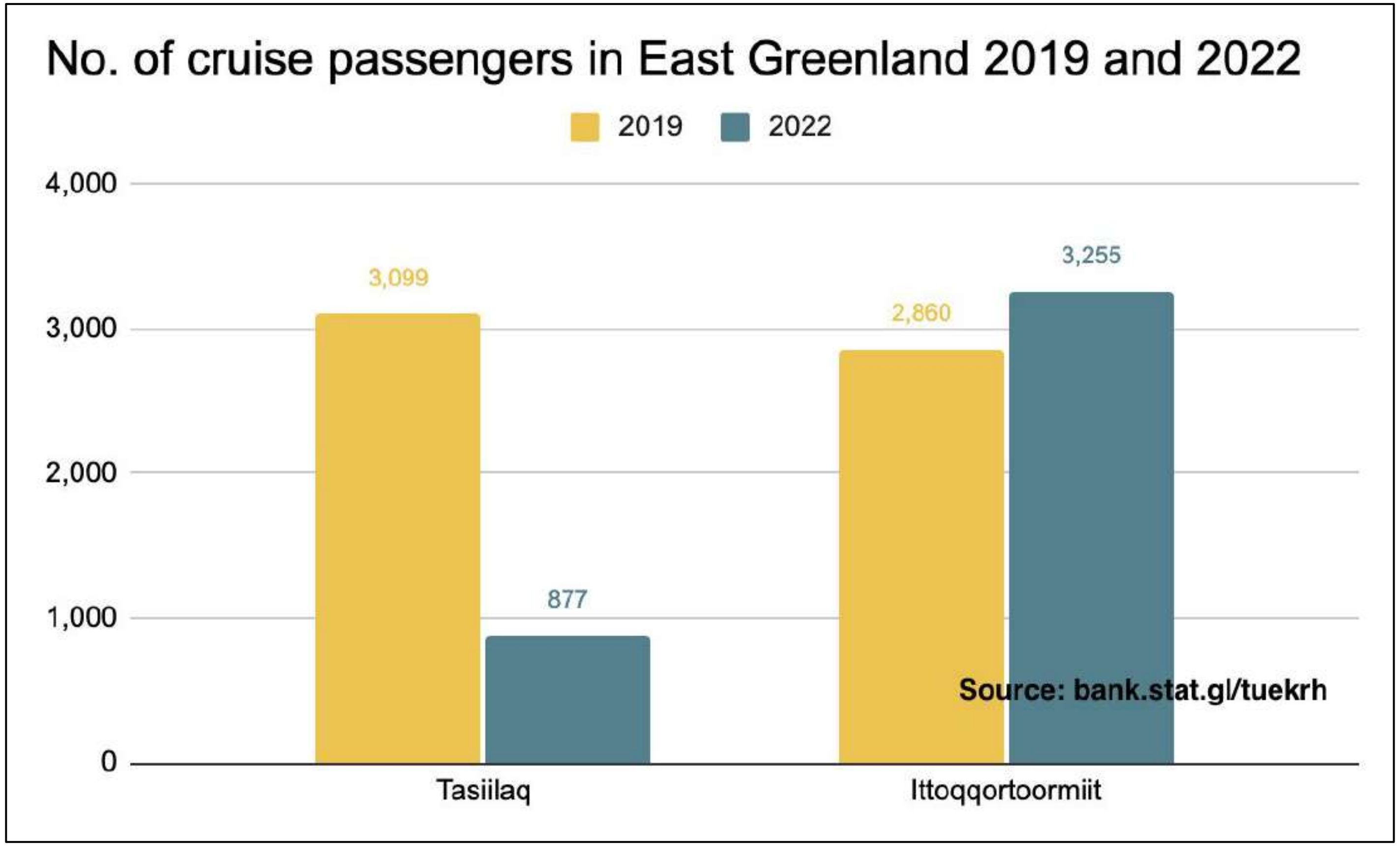
When you also take into account what Icelandair announces, that the Asian outbound markets in 2022 were still largely shut down, this may simply be the effect we can observe, as aspects that affect Iceland will also affect Sermersooq East, where Iceland is the only direct international hub.

According to Icelandair, there should be more demand, so they have positive expectations for all their routes in 2023.

East Greenland: Number of overnight stays and guests 2022 vs 2019

Sermersooq East is the region in Greenland that had the largest decline in the number of individual cruise passengers compared to 2019 - a decrease of 30.7%.

As can be seen in the graph below, Tasiilaq saw the biggest decline, corresponding to 71.7% fewer individual passengers, whereas Ittoqqortoormiit saw a growth of 13.8% compared to 2019. Unfortunately, we don't have data on what the sharp decline in Tasiilaq is due to, and whether it's a sign of a trend at all. Keep in mind that from year to year there can be big differences in how shipping companies plan their sailing schedules, which can be particularly significant in smaller destinations.



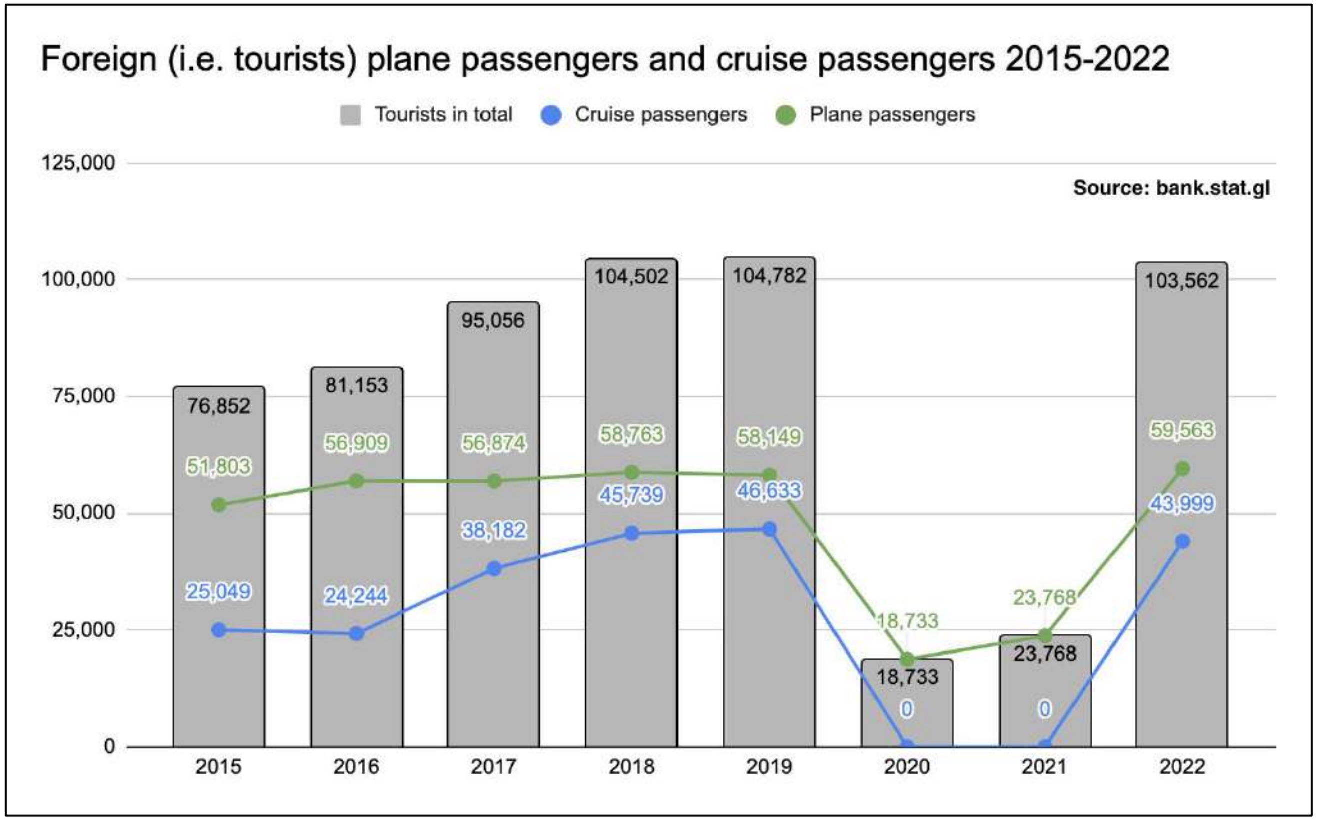
Although there is only data on passenger numbers in Tasiilaq and Ittoqqortoormiit, in 2022 there were also 2 calls in Kulusuk, one at Ella Ø (uninhabited), one at Skjoldungen (uninhabited) and 7 in the National Park (uninhabited). Of those calls, only the call in Kulusuk counts for both the call fee to the national treasury and the possibility that the cruise passengers have been ashore and spent money.

There may therefore be good arguments in favour of also taxing calls at uninhabited locations in the future, as Greenland still 'delivers' value to tourists. Furthermore, cruise ships put a certain amount of pressure on nature in the form of carbon emissions, SOx, NOx, Black Carbon, wastewater, toxic bottom paint that slowly wears off, and disturbance of marine and land animals.

Number of tourists 2015-2022 - by air and cruise ship

We have country of residence data for entire years from 2015, so we can see below the relationship between the number of foreign air passengers on international flights out of Greenland from 2015-2022 versus the number of cruise passengers in the same period.

Of course, the Covid-19 years of 2020 and 2021 made a big 'hole' in a tourism development that had been quietly on the rise for a few years.



Of course, there is some overlap in that there are a number of cruise passengers (approx. 5,000-6,000) flying in or out of Greenland and at exchanges in Kangerlussuaq each year, but the vast majority of these buy tours and goods in transit in Kangerlussuaq, so for the sake of simplification they are listed as both land-based and water-based.

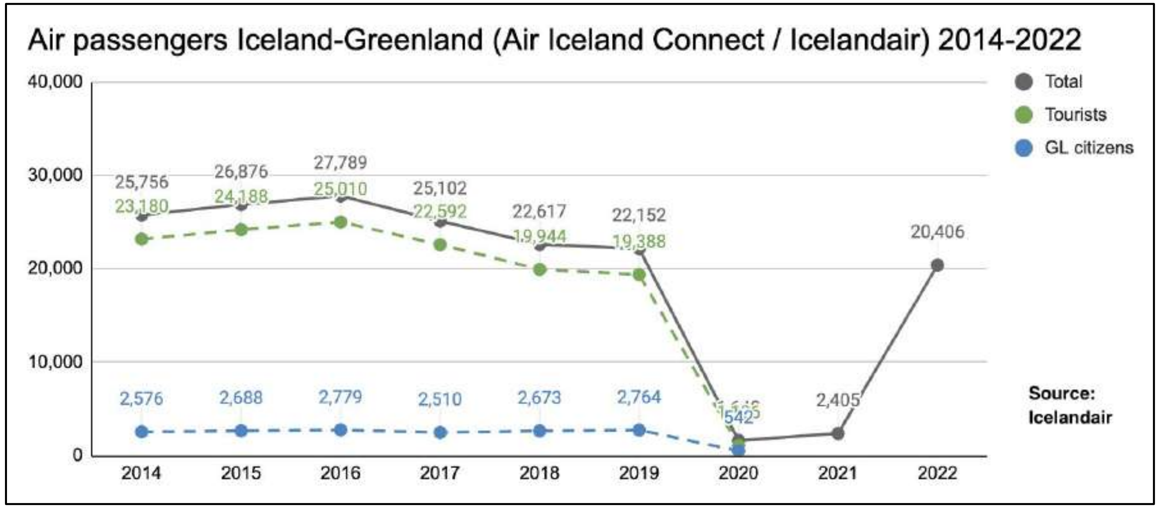
Air Iceland Connect routes and developments in Iceland

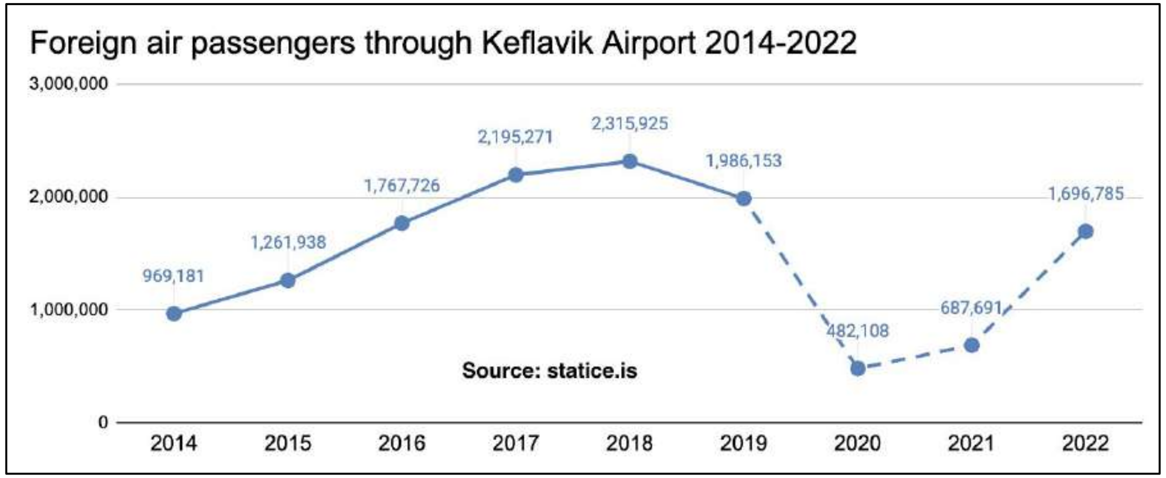
Tourists on Air Iceland Connect routes 2014-2022
Air Iceland Connect, which since March 2021 was taken over by Icelandair, experienced growth on their routes to Greenland until 2016, but 2017, 2018 and 2019 represented a decline. The reason for this is not clear, as in the same period there was a slight growth in the total number of tourists travelling by air out of Greenland (NB: Since 2020, Icelandair has no valid data on the split between tourists and GL citizens). This indicates that Air Greenland's routes experienced stable growth during the period in question.

Icelandair stated in April 2023 that there seems to be a good increase in demand for their routes to Greenland in 2023 compared to 2022.

Tourists on all flights out of Greenland
2020 and 2021 are marked separately in the bottom graph on the right, as the two Covid-19 affected years should be disregarded when looking at the 'real' demand that is not affected by the pandemic (note: residence data on passengers travelling out of Greenland (including all airlines) is only available from 2015 onwards). 2022 was the year with the most foreign air passengers on flights out of Greenland.

Developments in Iceland
Iceland, like all other countries, has been affected by Covid-19 entry restrictions, and in 2020 and 2021 there has been a similar decline in passenger numbers as in Greenland. By 2022, they had approximately 1.7 million foreign passengers through Keflavik compared to approximately 2 million in 2019, so it seems to be heading towards recovery, but not as fast as it has been the case in Greenland.

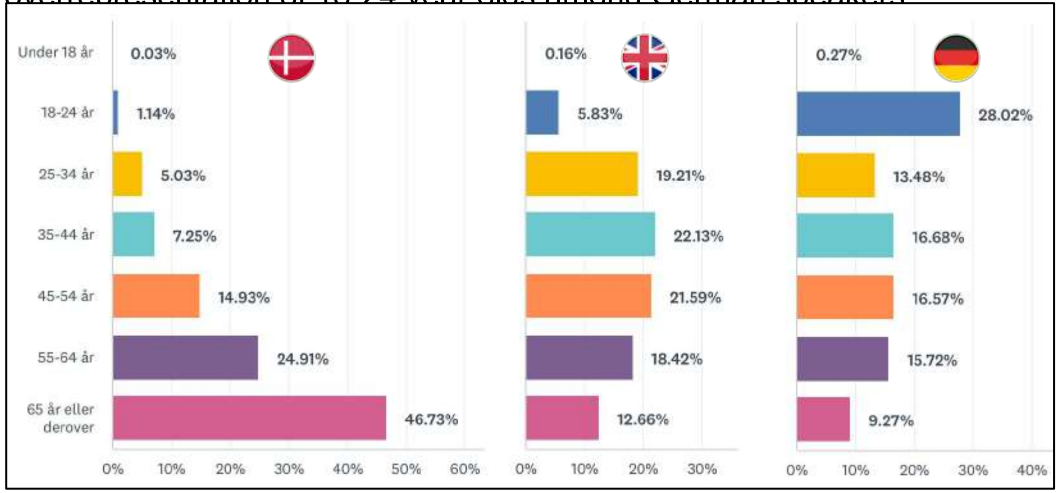


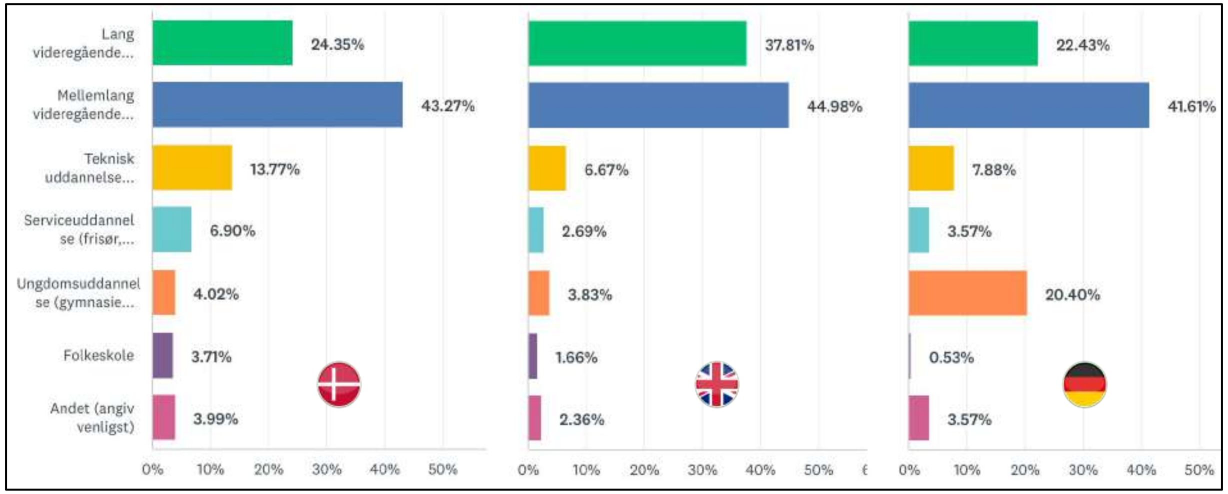


Online survey among potential and former Greenland tourists, part 1

Visit Greenland (VG) conducted an online survey in October 2021 in collaboration with Greenland Travel (GT), where most respondents were recruited via VG's and GT's B2B newsletters, but also via Facebook and the homepage of www.visitgreenland.com. In February 2023, the survey was repeated with almost the same approach. However, this time significantly more people were recruited via Facebook ads. In 2021, 5,767 respondents completed the survey. In 2023, 10,965 respondents completed the survey - almost twice as many.

The main purpose of the survey was to collect data on respondents' demographic data, travel habits and preferences, and the behaviour of previous Greenland tourists in Greenland, including their consumption while travelling. There were 3 language versions, with 3,668 completing the Danish-language version, 5,514 the English-language version and 1,783 the German-language version. In the group of Danish-speaking respondents, the oldest age groups were heavily overrepresented (left graph), as was the case in 2021, where there was a more even distribution among English and German speakers, with a slight overrepresentation of 18-24 year olds among German speakers.





In the graph to the right, you can see that for all three language groups, there is an overrepresentation of the two highest education groups. However, there are also a number of German speakers with only a secondary education, which is consistent with the fact that the sample also includes many 18-24 year olds.

Among other things, the survey shows a tendency to spend more while travelling than the current estimate used by Statistics Greenland. Read the full report via the short URL vg.gl/gt-vg23.

Online survey 2023 - Executive summary, part 1

As was the case for the 2021 survey, this survey's results largely confirm assumptions and previously collected data on both previous Greenland tourists and potential Greenland tourists.

Theme 1: Demographics
For DA respondents, we have a 'skewed' group in terms of age distribution. There is a very strong overrepresentation of older age groups, which seems to push the results in a more 'conservative' direction in terms of travelling habits, preferences, etc. For English (EN) and German (DE) respondents, we have a more age representative sample.

For all respondents, there is almost an equal split between respondents living in a rural setting, those living in a provincial town and respondents living in large cities. There is a certain overrepresentation of people with higher education and income. However, for DE respondents there is also a portion (20.4%) who only have a secondary education. In terms of household income, our sample also seems fairly representative. However, for DA and EN there is a slightly higher proportion of high-income earners, whereas this does not seem to be the case for DE - with the reservation that 37.5% of DE do not wish to disclose their household income.

Theme 2: General travel habits
For all 3 language versions, we see that most people typically take 2-4 trips abroad a year. Most people put together their own trips and bought them directly online from the provider, although DA respondents are more likely to buy through a travel agent, partly because we have an older sample than EN and DE.

Theme 3: Segmentation
The distribution of our 3 main segments is split with a predominance of Immersive Adventurer (DA: 63.6%, EN: 56.6%, DE:47.1%); a medium-sized share of Soft Adventurers (DA: 26.2%, EN: 31.3%, DE: 44.1%). The Ultimate Adventurer segment is the smallest segment (DA: 11.8%, EN: 18.5%, DE: 19.3%).

Theme 4: Transport & logistics
These questions are of course reserved for respondents who have previously visited Greenland. Not surprisingly, DA respondents travelled overwhelmingly via Copenhagen. For EN, about half (49.2%) travelled via CPH, the rest via Iceland. Surprisingly, over half of the respondents from North America travelled to Greenland via Copenhagen.
68.6% of DA, 52.3% of EN and 55.7% of DE had at least 9 overnight stays in Greenland.

Theme 5: Experiences and products
Nature and natural phenomena were the main reason for visiting GL (DA/EN/DE), while No. 2 was 'I have long been fascinated by Greenland'. 5.8% of EN and 8.1% of DE think Greenland has a sense of magic and mystery (DA only 1.7%). 17.6% of DA, 6.1% of EN and 1.4% of DE would visit friends/family.
The 4 most popular products (DA/EN/DE) are a good mix of nature and culture-based experiences: 1) Boat trips 2) Museum visits 3) Settlement visits 4) Guided tour to the ice sheet.

Theme 6: Booking the trip and consumption
The vast majority (DA/EN/DE) booked the trip between 1 and 12 months before travelling. However, DE tended to book further in advance than DA and EN. DA predominantly booked through a travel agent while EN and DE predominantly booked directly online with the provider.

Online survey 2023 - Executive summary, part 2

On average, DA and EN spent around DKK 20,000/person on the entire trip and between DKK 500 and DKK 1,000/day/person (excl. transport and accommodation) - DE slightly more than DA and EN.

Theme 7: Subjective experiences
For DA, ‘recommendations from friends/family’ (word of mouth) is by far the biggest source of inspiration. For EN and DE, travel books and TV (and other visual content) are the main sources of inspiration.
Iceland, Svalbard and Norway made up the top 3 of the other destinations that were also considered when respondents decided to travel to Greenland (DA, EN, DE).
Of the ‘best experiences in Greenland’, there is a fairly large consensus that ‘The journey as a whole’ was the best. For DA, ‘Nature and Natural Phenomena’ is in second place. For EN and DE, ‘Ice’ in second place.
‘Delays and cancellations’ and ‘Mosquitoes/flies’ are the first and second most negative experiences. In third and fourth place are ‘Rubbish’ and ‘Social issues’.
Greenlandic citizens are perceived as extremely hospitable (DA: 79.6%, EN: 84.2%, DE: 84.2%), while most have not experienced language problems (DA: 89.5%, EN: 86.5%, DE: 93.1%).
Greenland scores very high on ‘Satisfaction with travelling to Greenland’. DA: 80.7% give 5/5 while 16.7% give 4/5. EN: 78.4% give 5/5 while 18.8% give 4/5. DE: 81.3% give 5/5 while 13.8% give 4/5.

Theme 8: respondents who have not visited Greenland
Of the respondents who have not yet visited Greenland, almost all of them wanted to visit Greenland, which again makes sense since they were recruited through Greenland-themed media and we gave away a travel gift card to Greenland. Most people would like to visit Greenland more than a year from now (DA: 39.6% 1-2 years from now, 33.3% more than 2 years from now. EN: 33.2% 1-2 years from now, 57.9% more than 2 years from now. DE: 39.3% 1-2 years from now, 36.7% more than 2 years from now).

There is great similarity between the segments. preferences for the time of year they would like to visit Greenland (DA: winter 18.2%, spring 32.2%, summer 33.6%, autumn 16.0%. EN: winter 19.3%, spring 26.1%, summer 33.8%, autumn 20.8%. DE: winter 22.4%, spring 24.9%, summer 34.8%, autumn 17.9%), and compared to the 2021 results, there is now a more even distribution between the desired seasons, i.e., less dominant preference for the summer season.

The most popular products (in order) are Northern Lights, Inland Ice, Wildlife safari, Dog sledding, Hiking, Visit a settlement, Hot springs, boat trips and Visit Viking/Nordic ruins.

DA mainly expects to purchase the trip via a travel agent (65.4%). EN mainly directly online with the provider (55.1%). They expect to book both directly with the provider (41.7%) and via a third-party travel portal (29.1%).

DA (48.8%) prefer hotel, secondly hotel apartment and B&B. EN has roughly the same preferences as DA. DE is also primarily hotel (59.4%) but not far behind are B&B (47.9%) and hotel apartment (37.7%) - while a surprising number (29.3%) favour wilderness camping.

‘Nature and natural phenomena’ is by far the biggest reason for interest in visiting Greenland (DA: 64.1%, EN: 67.4%, DE: 73.9%). For DA, 20.2% have ‘long been fascinated by Greenland’, while for EN (10.2%) and DE (13.5%) it is also true that ‘Greenland has a sense of magic and mystery’.

For the few who are not currently interested in visiting Greenland, it is primarily because it is ‘too expensive’ (DA: 74.2%, EN: 40.9%, DE: 88.9%). Secondary, ‘it seems too difficult to get around’ (DA: 16.1%, EN: 20.6%, DE: 8.4%) and tertiary that they ‘would rather travel to warmer destinations’ (DA: 9.7%), EN: 27.0%, DE: 9.7%).

Market analyses: Scandinavia, Germany, France, the UK and North America, part 1

From 2016-2018, VG conducted market analyses in Scandinavia (DK, SE, NO), Germany, France, UK and North America (USA, CA) in collaboration with New Insights for Tourism (nit-kiel.de), which also produces the annual ‘Reiseanalyse’ known from the world’s largest travel fair ITB in Berlin.

In February 2023, VG and NIT repeated similar market analyses in the same 5 core markets, now using the previous analyses as benchmarks. So-called ‘online panels’ of residents of the countries in question, with a representative distribution in terms of age (from 18), education level, income, geographical distribution, etc., were used, with 2,000 respondents in each of the Scandinavian countries, as well as 3,000 in Germany, France, the UK and the USA, and 500 in Canada.

As in 2016-2018, they showed that there is great interest in Greenland as a travel destination, but also that there is strong competition from other adventure destinations such as Iceland, Norway, Svalbard and Patagonia.

Furthermore, the 2023 analysis shows that interest in Greenland has increased since 2016-2018. However, each respondent in 2023 has on average marked fewer specific predefined experiences and tourism products that one could choose (without limitation in number), which may be due to the fact that although there are more people interested in travelling to Greenland than in 2016-2018, there may be less knowledge of what one can actually experience in Greenland.

The figure to the right shows a comparison between what respondents in 2023 marked as desired experiences and what they marked in 2016-2018. As you can see, the order of popularity is roughly the same, but there are fewer experiences marked in 2023. ‘Potential travellers to Greenland’ are those respondents who have answered yes to being interested in travelling to Greenland within the next 5 years. Note that we have included ‘Volcanoes/hot springs/geysers’ as an answer option to get an idea of how many people are likely to confuse Greenland with Iceland - something we see relatively often with respondents who have little knowledge of Greenland. Read the reports themselves via the short link vg.gl/NIT2023.

Market analyses: Scandinavia, Germany, France, the UK and North America, part 2

Below is a figure that describes one of the overall findings from the analyses. Furthermore, there are some other key findings:

A) In all markets, interest in Greenland has increased since the same analyses were made in 2016-2018.

B) Competition from other adventure destinations has become fiercer; their marketing and sales efforts have become better at targeting segments due to increasingly intelligent segmentation algorithms and more data available (purchased).

Summary & main conclusions: DIFFERENCES of markets

VISIT Greenland

NIT NEW INSIGHTS FOR TOURISM

Germany

- Quite big market by volume and share.
- Top-3 activities: experiencing quietness, photography and hiking.
- Information sources: Guide books, OTAs, travel agents and tour operators are more important than in other markets.
- Preference for July/August/September; staying 8-14 nights

France

- Smallest market by volume and share
- Top-3 activities: dog-sledding, experiencing quietness and wildlife watching
- Information sources: Guide books, destination websites, travel agents and tour operators are more important than in other markets.
- Preference for January-June; staying 8-14 nights
- Big share of "travel dream make true"

UK

- Quite big market by volume and share (but not so much by actual arrivals, yet).
- Top-3 activities: wildlife watching, culinary and nature excursions
- Information sources: Destination websites, travel review sites and OTAs are more important than in other markets.
- Preference for April-Sept; staying 4-7 nights
- Biggest share of "immersive adventurer"

Scandinavia

- Quite small by volume but quite big by share.
- Top-3 activities: wildlife watching, hiking and nature excursions.
- Information sources: Destination websites, travel review sites, Social Media and personal relations are more important than in other markets.
- Preference for April-Sept; staying 4-10 nights
- Big share of "good price"
- Biggest share of "soft adventurer"

North America

- Biggest market by volume and share; *but careful: tends to be over-enthusiastic compared to European markets*
- Top-3 activities: wildlife watching, culinary and photography.
- Information sources: Destination websites, travel review sites, Social Media and OTAs are more important than in other markets.
- Preference for April-Sept; staying 4-10 nights
- Biggest share of "travel dream make true"
- Biggest share of "extreme adventurer"

Altogether, these conclusions show that there are a lot of similarities between the five markets. Nevertheless, all markets have their peculiarities and it is very worthwhile to look at them individually!

C) Nature is still the dominant driver of demand, but interest in culture-based experiences and products is stronger than in 2016-2018.

D) Greenland's greatest strength and most distinctive image in terms of marketing is its unspoilt nature and the opportunity to experience true tranquillity. However, this asset may be threatened in the future by increasing numbers of tourists if the tourism flow is not managed appropriately.

F) The biggest driver for sales is 'the right product at the right price', which requires access to potential tourists - primarily through online channels.

Read the reports via the short URL vg.gl/NIT2023

Rounding off

Best year ever for land-based tourism
In this report, we have primarily focused on tourism development in 2022, and data shows that the so-called 'Covid-19 recovery' in Greenland had largely already happened in 2022, which was the best year so far for land-based tourism and the third best in terms of individual cruise passenger numbers. However, there were 7.6% more calls at inhabited places, which means that theoretically there could have been more people ashore overall, theoretically generating more revenue from cruise tourism.

Looks like continued growth towards the opening of new airports
However, looking at Q1-23 data, it looks like it will be an even better tourism year than 2022, although you shouldn't 'count your chickens before they hatch'. This presents some interesting perspectives for the development leading up to - and especially after - the opening of the 3 new airports in 2024 (Ilulissat and Nuuk) and 2024 (Qaqortoq), as all signals indicate that the currently installed tourism capacity will need to be relatively heavily expanded if the opening of the new airports provides a further boost to tourism demand, which has happened in most other places in the world when infrastructure and accessibility have been improved.

Analyses in core markets confirm increased interest
Referring to the results from the major analyses on Greenland's 5 core source markets Scandinavia, Germany, France, UK and North America conducted in Q1-23, they show an increased interest in travelling to Greenland compared to analyses on the same markets in 2016-2018. Greenland seems to be more on people's radar when it comes to adventure destinations. There are a number of factors that have helped push this development, such as increased focus on global warming in the Arctic, geopolitical focus on the Arctic and a spillover effect of a resurgence of interest in Iceland as a destination - to name a few.

Increased media exposure
But also an increased media exposure in relation to the TV series Borgen, which had an entire season focusing on Greenland, the film Against The Ice with Nikolaj Coster-Waldau, TV series about Vikings, TV and internet-based documentaries about the Arctic and climate change, etc., have given the populations in our relevant source markets increased exposure to Greenland and have thus made our country more relevant in terms of travel plans.

Bright future - with challenges!
At the time of writing, the future looks bright for tourism development in Greenland from an economic perspective, due to a general increase in demand - also for adventure tourism as a form of tourism in general, according to adventuretravel.biz, Skift Research and other research agencies. At the same time, more and more challenges are emerging, such as bottleneck challenges in the high season, pollution from the use of HFO on cruise ships, labour shortages in tourism, etc. And the very positive attitudes towards tourism in Greenland according to the latest survey from October 2022 may risk changing if it is not ensured that tourism growth remains in a certain balance socially, culturally and in relation to a well-managed tourism flow management.

Finally, we wish you all a successful and positive 2023 season!

VISIT Greenland

Mads Lumholt, Visit Greenland, May 2023