



**United Arab Emirates Market Report**  
May 2019

Visit Finland Country Representative

**Nour Aridi**



# **Semiannual Report – UAE** United Arab Emirates

## **Winter season 2018-19 and outlook for summer 2019**

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# Factors affecting the results of the winter season 2018-19

## Reasons for the increase/decrease in overall outbound travelling from your market?

- As per The Gulf Cooperation Council (GCC) Outbound Travel Market', a report prepared by UNWTO, finds that per-capita international tourism spending from the GCC was 6.5 times higher than the global average last year, with expenditure estimated to be more than USD 60 billion.
- The UAE's economy is at a turning point as government-led stimulus, Expo 2020 investment, higher oil prices and a pause in monetary tightening by the Federal Reserve, accelerate growth momentum.
- Domestic credit growth, higher employment and greater tourist numbers will continue to underpin economic activity
- The UAE is expected to be among the fastest-growing Gulf economies this year with a projected 2.6 per cent expansion on the back of continued infrastructure spending and economic stimulus.
- UAE was highlighted as the second biggest market for outbound travel from the Middle East, surpassed by Saudi Arabia with business and luxury outbound travelers being a combination of locals and expats. The growing number of destinations served by the UAE's airlines is one of the factors that attributes to the growth of outbound travel from the UAE.
- New destinations are becoming more popular with UAE travelers with Georgia, Azerbaijan and Montenegro benefiting from this trend.
- Consolidation of Emirates Airlines and Fly Dubai has added more flexibility to travelers from the UAE
- The political situation between Turkey and the UAE continues to affect the number of travelers from UAE with the once favorite destination from the region currently 32% down YTD having already seen a 32% decline in 2018

# Factors affecting the results of the winter season 2018-19

## Reasons for the increase/decrease in travelling to Finland?

### Changes in demand

- Demand for Finland has certainly increased based on the activities we have carried out over the last 12 months but we need to ensure this demand does not fade and we remove the perception that Finland is a winter only destination.

### Finland's image as a travel destination

- Finland continues to be seen as a winter travel destination. With the direct flight from Fly Dubai it is important for us to change this perception. For 2 reasons: firstly as a LCC now landing in a Schengen country we need to take advantage of those travelers who travel around Europe for the summer using Finland as a starting point.
- Secondly, if load factor is low for Fly Dubai in the summer we may face an issue of discontinuation of the summer flight.

### Changes in distribution

- Bed banks acquisition during 2018 creating a stronger alliance in the Middle East and especially UAE market had impacted the distribution being in control of the classic travel agents connected to their platforms and act as a stronger marketing channel to direct flows for certain destinations rather than others.
- It is expected with this new acquisition to divert more flows from the shares of the OTA's in the market.

### Changes in accessibility

- 2019 will be the first year of a year round direct flight from Fly Dubai. This will ensure greater numbers arriving from UAE to Helsinki

# Factors affecting the results of the winter season 2018-19

## Reasons for the increase/decrease in travelling to Finland?

### Products that have been attractive

- The number one attraction for Finland seen from the UAE Travelers are the Northern Lights followed by the snow activities that represent an interaction between different environmental components which reflect the culture and authenticity of the destination.
- Luxury services and ecological products allow Finland to be well positioned among the favorites key destinations by the UAE travelers.
- Selling Finland as a Lifetime Experience helped stimulating the demand from the UAE market and support the tourism flows during the previous winter seasons.

### Regions that have been attractive

- Finnish Lapland remain the number one destination to be visited by UAE travelers especially Rovaniemi being the commercial hub and known as the hometown of Santa Claus which attracts Families from the UAE Market.
- Saariselkä benefited from the close proximity to Rovaniemi- however a new trend and increase of flows has been noticed towards Kittilä/Levi thanks to the positioning of Levi as a high standard facilities genuine Lappish hospitality.

### Campaigns, joint promotions results

- A campaign with Marriott hotels had been conducted in 80 different outlets and venues within the UAE exposing Christmas season in Finland during Festive Cravings Event that last for two month (November 15<sup>th</sup> 2018 to January 15<sup>th</sup> 2019).
- Multiple Fam Trips (educational, high influencers and media) had been conducted with support of Fly Dubai and Finnair.

# Outlook for the summer season 2019

## The overall outlook of travelling to Finland for the coming summer?

### Increase/decrease and reasons for the increase/decrease

- The Summer 2019 will be the longest Summer Vacations since the past 5 years with a 3 months consecutive vacations with no interruption due to the holy month of Ramadan. Thus, more flows are expected during Summer 2019 due to increase of tendency of long and mid haul destination.
- There is likely to be a strong YoY increase this summer to Finland given the increased connectivity from Fly Dubai

### New summer products

- UAE travelers are looking for easy multi-destination travel, thanks to Schengen area and common currency.
- Development of cruise travel by selling a packages of Finland as a hub connecting with Sweden and Estonia mainly.

### New sales channels

- Still OTA's remain the main platform for vacation bookings from the UAE market with 72% of the total bookings (2018 - 2019)
- Traditional travel agencies represent 28 % from the total outbounds flows and still remain as key partners for promoting different packages that OTA's are not able to sell.

# Outlook for the summer season 2019

## The overall outlook of travelling to Finland for the coming summer?

### What are the trends for the summer 2019?

#### Summer 2019 trends reflect:

- Multi-destination traveler
- Quality accommodation Seekers
- Food and Entertainment activities driven
- Focus from July to September
- 7 days average length of stay
- Preference for City and Beach Holidays

### Which are the traveler segments?

- The traveler profile include multi generational mix with tendency towards Youngster travelers as well as Family leisure holidays.

# Outlook for the winter season 2019-20

## Ad hoc marketing opportunities

### Joint Promotions and Campaigns

- Coop marketing activity to launch with top Tour Operator Dnata Travel. It's also very important to show Fly Dubai that we are willing to work together to promote the route.
- Coop marketing activity with number one Wholesaler in market – Hotelbeds promoting the destination and boosting bookings during upcoming vacations.

### Fam trips

- Travel Agents Educational Fam trip to Finland
- TV & Media Fam trip
- Educational awareness campaign visiting schools in UAE
- Participation to Travels Fairs & Expos



# Prospects for the autumn/winter season 2019-20

## The overall outlook of travelling to Finland?

### **What trends should be considered in product development to increase the demand in the autumn/winter time?**

- Focus more on positioning Finland as high standard facilities genuine hospitality destination
- More packages that expose nature, climate and environmental activities.
- More attention needed to cultural trends of the UAE traveler profile (ie. halal food)

### **Which present target groups should be considered to increase the demand?**

- Family travelers
- Young Travelers (30 to 45 years –age group)
- Educational groups

### **Which new target groups should be considered to increase the demand?**

- Multi generational mix groups
- MICE (Small and Medium Mice groups)

# Theme check: Sustainability, digitalization and year-round tourism

Visit Finland strategic cross-cutting themes are sustainability, digitalization and year-round tourism.

**What kind of demand or potential of these themes you find in the market you represent ? (Products, target groups)**

**Year round tourism** is the theme that impact UAE market the most going along with the market trends of multiple travel period during the year due to the presence of several short/long vacations.

Long/Medium destination are favourite during summer periods however Finland with their natural eco environment is seen as all year round tourism destination where travellers can enjoy snow activities during winter and natural scenery with cool climate compare to the UAE regional environment.

Families and Youngster are the main group need to be targeted in order to capitalise on the current momentum and flows from the UAE Market.

# Trends and other relevant travel related topics

## Trends

- As Finland is a relatively new destination it is an exciting option for younger travelers. As such we need to work on B2B2C channels through the OTA's such as Dnata, Holidayme and Tajawal.
- Social media influencers continue to be a key promotional tool

## New distribution channels

- We need to start to invest some money to ensure Finland is seen as both a summer and a winter destination and this requires training at a B2B level and communication at B2C level
- Coop opportunities can be developed with booking incentives to ensure Finland is a destination of choice.

## Online channels

- Visit Finland needs to be present on all the OTA platforms even if it is just a country guide that people can research the destination
- Focus needs to be placed on Google adwords and Instagram and Youtube as these are key channels for communication amongst our target markets

# Trends and other relevant travel related topics

## Competitors' actions

**Which countries have been active, where have you seen their promotion, what was the main message/content of the communication, competitors' new products or activities with tour operators/sales channels**

- Destinations such as Germany, Switzerland, Austria, UK that are known for their greenery landscape and quality lifestyle that the UAE travellers are looking for and newly Ireland and Portugal promoting heavily their Nature and hospitality attractions for Summer.
- However Switzerland remain known similar for winter activities such as skiing in the alps, lakes beauty but sees strong potential for education.
- But also UAE residents growing interest in medical tourism is encouraging travel to countries such as Switzerland and Sweden.
- We keep seeing a colossal rise from the emerging Western Europeans countries such as Azerbaijan, Georgia, Armenia, Kazakhstan, Krysgystan, Bosnia. We still see continuously a strong growth in the number of people from visiting these respective countries owing to close by destinations, multiple accessibility and good value for money.
- Mostly all these destinations has been partnering with wholesalers such as Dnata, Emirates Holidays, GTA, hotelsbeds, lotsofhotels, Web beds and Online Travel Agencies mainly Booking.com, Expedia and Musafir.com, Tajawal.

# Trends and other relevant travel related topics

## Free word

- To date our focus has been entirely UAE but we now have the opportunity to enter the rest of the GCC as a market. We know of corporates who arrange annual group trips out of Kuwait and Saudi Arabia
- Working in Saudi Arabia will allow us to consolidate our work with Dnata and work with Emirates Holidays as they will focus on the connection between the main cities in KSA and the Fly Dubai flight to Finland
- Dual destination is something that can be promoted given the direct flight to Oslo and Stockholm with Emirates Airlines
- Air Arabia have also invested in aircraft which can now reach Finland and we need to develop regional demand in order for them to consider a launch

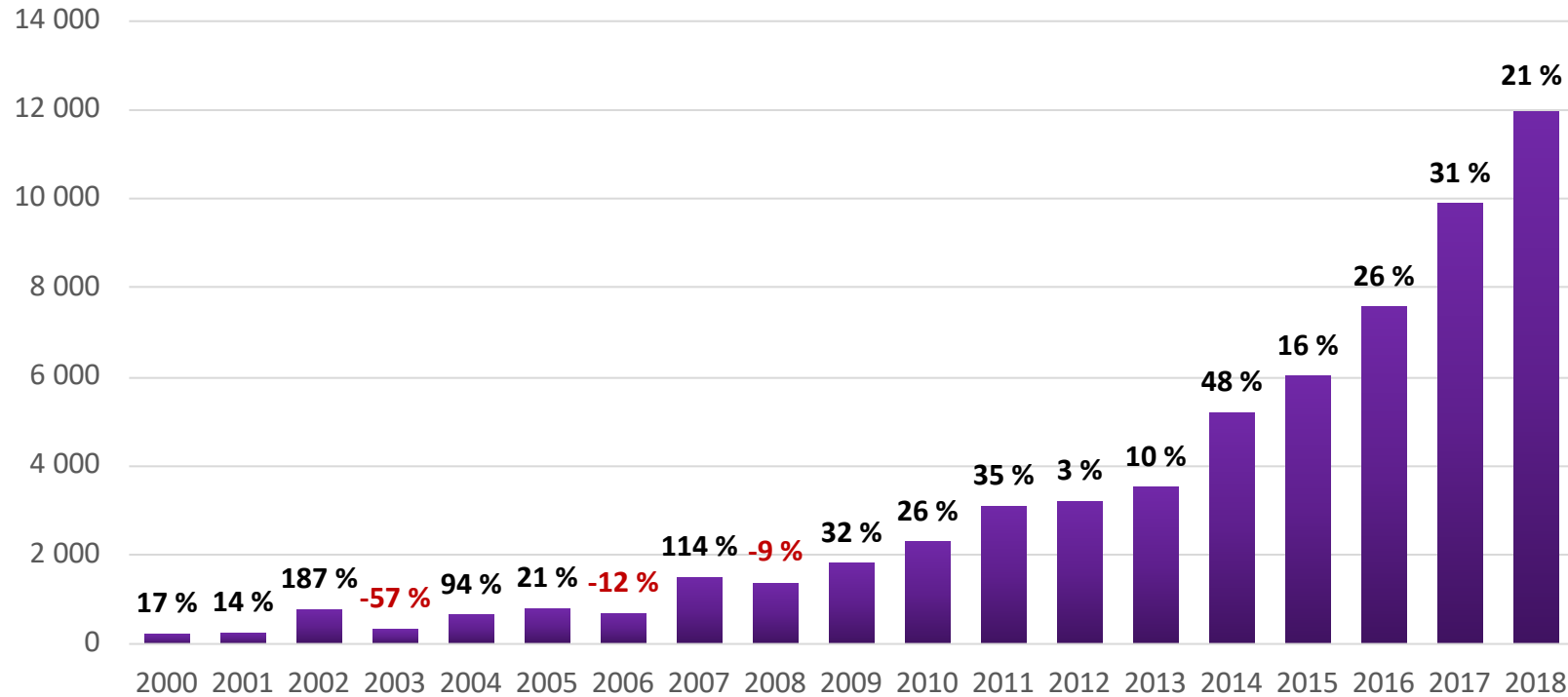
# UAE – Market Review



Visit Finland



# UAE overnights in Finland



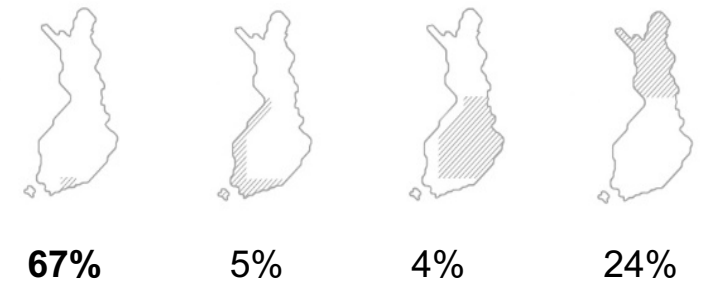
Year 2018

**43<sup>rd</sup>** in country rankings  
with **0%** share of foreign overnights

Average change 2000-2018: **+32%**

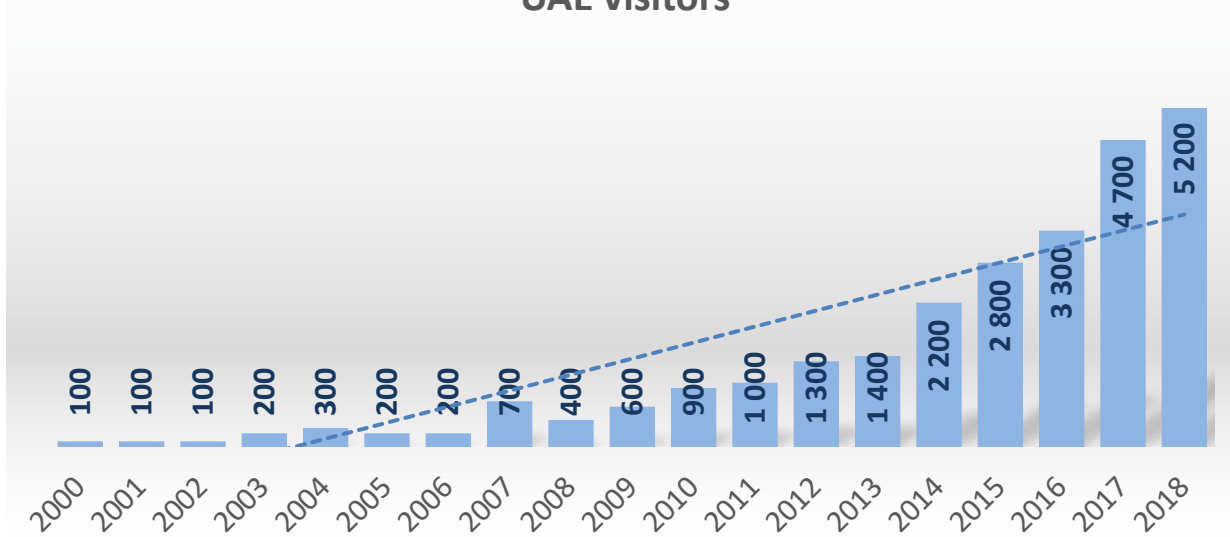
Change 2018 compared to 2000:  
**+4884%**

Share of overnights by regions 2018



# Winter and Summer 2018

Registered overnights in winter season (Nov-Apr) by UAE visitors

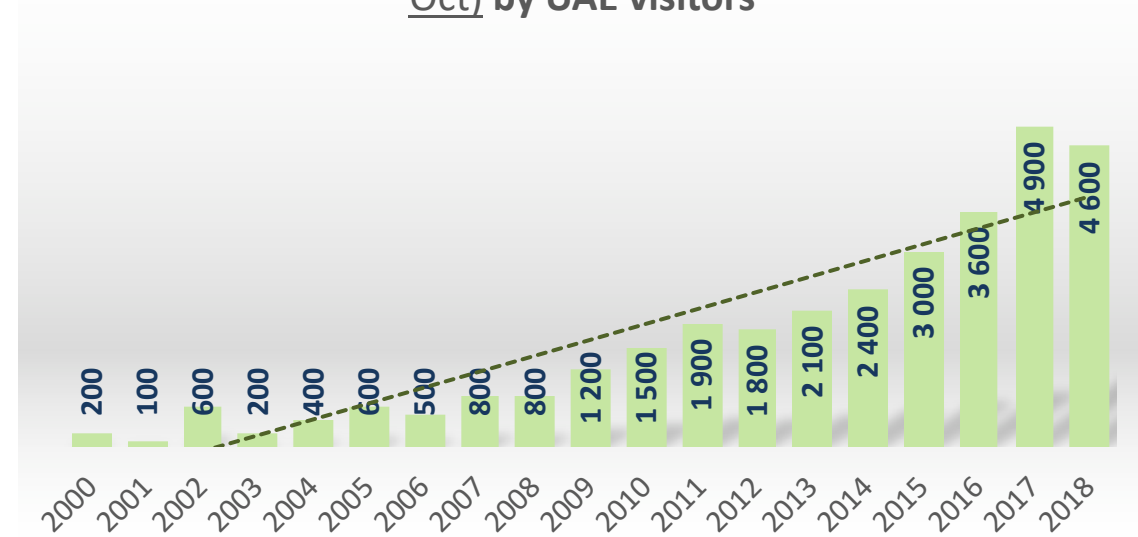


Winter 2018: **44<sup>th</sup>** in country rankings with **0%** share of foreign overnights

Average change 2000-2018: **+33%**

Change 2018 compared to 2000: **+4938%**

Registered overnights in summer season (May-Oct) by UAE visitors



Summer 2018: **45<sup>th</sup>** in country rankings with **0%** share of foreign overnights

Average change 2000-2018: **+33%**

Change 2018 compared to 2000: **+2466%**



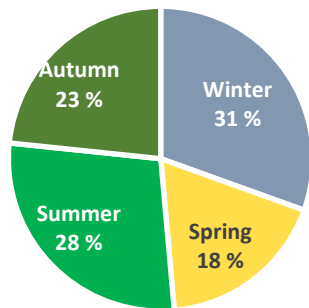
# UAE overnights in Finland

## Seasonal overnights in 2018

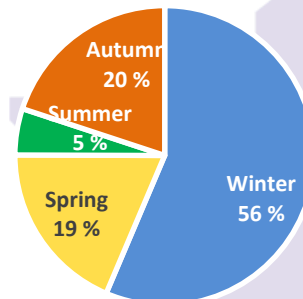
Whole Finland	UAE overnights		Change %	UAE overnights	Change %
	2017	2018	2018 vs. 2017		2019
<b>Winter</b> (Dec-Feb)	2 541	<b>3 167</b>	<b>25%</b>	<b>6 440</b>	<b>+103%</b>
<b>Spring</b> (Mar-May)	2 261	<b>1 878</b>	<b>-17%</b>		
<b>Summer</b> (Jun-Aug)	3 153	<b>2 915</b>	<b>-8%</b>		
<b>Autumn</b> (Sep-Nov)	1 601	<b>2 425</b>	<b>+52%</b>		
<b>Winter 19</b> (Dec-Feb)					

UAE overnights in Finland by season in 2018

WHOLE COUNTRY 2018



LAPLAND 2018

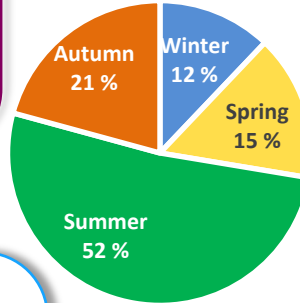


Kuusamo 533%  
Kemi 146%  
Sodankylä 103%  
Rovaniemi 86%  
Inari (Saariselkä) 80%  
Kemi-Tornio 62%

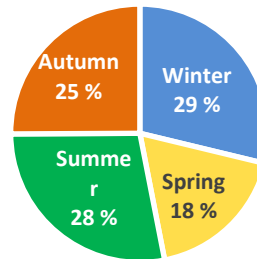
**Lapland 2018**

<b>Winter</b>	<b>1 284</b>	<b>+37%</b>
<b>Spring</b>	<b>425</b>	<b>-25%</b>
<b>Summer</b>	<b>114</b>	<b>+33%</b>
<b>Autumn</b>	<b>454</b>	<b>+106%</b>
<b>Winter 19</b>	<b>2 453</b>	<b>+91%</b>

LAKELAND 2018



COAST AND ARCHIPELAGO 2018



Mikkeli reg. 4800%  
Kuopio reg. 500%  
Kajaani. 350%  
Sotkamo 300%  
Hämeenlinna 100%

**Lakeland 2018**

<b>Winter</b>	<b>60</b>	<b>-42%</b>
<b>Spring</b>	<b>77</b>	<b>+71%</b>
<b>Summer</b>	<b>256</b>	<b>+71%</b>
<b>Autumn</b>	<b>103</b>	<b>+78%</b>
<b>Winter 19</b>	<b>148</b>	<b>+147%</b>

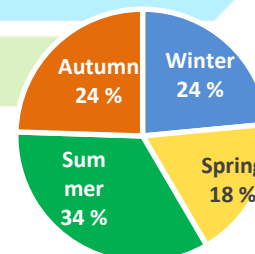
**Coast & Archipelago 2018**

<b>Winter</b>	<b>187</b>	<b>+18%</b>
<b>Spring</b>	<b>118</b>	<b>-60%</b>
<b>Summer</b>	<b>182</b>	<b>-48%</b>
<b>Autumn</b>	<b>163</b>	<b>-12%</b>
<b>Winter 19</b>	<b>89</b>	<b>-52%</b>

Turku 89%  
Salo 27%  
Seinäjoki 17%  
Oulu 12%

Espoo. 144%  
Vantaa 73%

HELSINKI REGION 2018



**Helsinki area 2018**

<b>Winter</b>	<b>1 636</b>	<b>+22%</b>
<b>Spring</b>	<b>1 258</b>	<b>-7%</b>
<b>Summer</b>	<b>2 363</b>	<b>-8%</b>
<b>Autumn</b>	<b>1 705</b>	<b>+50%</b>
<b>Winter 19</b>	<b>3 750</b>	<b>+129%</b>

# Trends for seasonal overnights in Finland – UAE visitors

