Semiannual Report – BENELUX

Winter season 2017-18 and outlook for summer 2018

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Factors affecting the results of the winter season 2017-18

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

Economic situation
Reaching highest level since the start of the financial crisis, especially in the Netherlands: saving accounts and the real estate market in the Netherlands have reached unprecedented levels which fires up consumer spending. The holiday intensity remains at 80-82 %, growing only incrementally & seems to have reached maximum level. Total holiday expenditure however is growing at a steady pace of around 4,5%.

Changing demographics
The 50+ segment is booming as in a few years 50% of Dutch and Belgian citizens will be 50+ of age. They have time and money on their hands and traveling to ‘original’ destinations is high on their list.

Campaign results:
Netherlands: Winter promotions by Trade are successful judging from the overnights (+18% in 2018, from +40% in 2017), whereas in Belgium momentum for winter is heating up: 2018 overnights +34%, 2017 + 29% due to cooperations with the trade. Summer campaigns and product offer is seeing double digit growth in the Netherlands but is stalling in Belgium (+1% for probable reasons: explained further-on).
Factors affecting the results of the winter season 2017-18

Reasons for the increase/decrease in travelling to Finland?

Changes in demand
Due to the changing demographics shoulder season is becoming more important as seniors are able to book outside the high season periods. families and coules are still tied to ‘traditional’ (school) holiday patterns. The trend is towards more, shorter trips. Finland is an ideal destination to fit this bill as being not too far away, offering various experiences and seasons. Winter season in Finland is distinctly different from the Alpine experience (more than 1 million wintersports-trips to Alpine regions from NL alone!). ’Snow security’ is becoming an increasing challenge in the Alpine regions

Finland’s image as a travel destination
Finland has a good safety perception of Finland as a holiday destination. Friendly people, clean and natural surroundings, peaceful and not crowded, not cheap but also not very expensive.

Changes in distribution
Direct sellers like Travelbird have been disrupting the business. Social influencers are starting to use their reach to sell. There is however a counter-movement of consumers wanting to be advised by real people in stead of getting lost in an online price-battle. Agents are remarkably successful in our market. Many Dutch TO’s are now active in Belgium with updated tools.

Changes in accessibility:
More airlift, TO’s & airlines adding flights. More transits as well (doubled from 8.000 to 17.000 from NL alone)
Factors affecting the results of the winter season 2017-18

Reasons for the increase/decrease in travelling to Finland?

**Products that have been attractive**
Fly & Drive
Family oriented packages

**Regions that have been attractive**
Nr. 1: Lapland: Winter 2017: 74,500 overnights (+52%)
Nr. 2: Archipelago: Winter 2017: 10,100 overnights (approx +25% in total)

Archipelago: high growth but still small in absolute numbers.

**Campaigns, joint promotions results**
TO's have had good results with considerable growth, they expect another good year with the continued joint promotions, but are worried about the current VF orientation on Summer season & continuation of the Winter joint promotion campaigns as most see Winter as their main season for Finland.
Outlook for the summer season 2018

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

Increase/decrease and reasons for the increase/decrease

Dutch market specific: summer is growing fast (+20%), expenditure per person is well above average. Visit Finland Summer Promotion initiatives with the bigger sellers of Finland will boost growth and may lead to increased flight capacity, boosting further growth. Also the region Vuokatti is promoting summer season actively with press trips and promotion with the trade.

Belgium market: Summer overnights are stalling, only +1%. Probably this is due to lack of specific promotion, although also it is also a fact that the Belgian consumer tends to focus on the Mediterranean for their ‘shorter break’ Summer destination. Re-opened low cost summer destinations like Tunisia and Egypt are slowing demand for Summer in Finland as well.

New summer products:

MiniCamper holidays
Activity week for families

New sales channels

Specialised Social influencers are increasingly selling to their fanbase. Agents networks becoming quite successful, both mainstream products as for special interest destinations
Outlook for the summer season 2018

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

What are the trends for the summer 2018?

Benelux Market: The Helsinki region is by far the most popular in summer, attracting approx. 50% of all Benelux summer overnights to Finland with almost the same pattern for NL & BE.

Netherlands: summer is growing (+20%) so the potential is there and being fulfilled. City Break Plus; combine City & nature. Although Lapland is most popular and showing healthy growth, especially Lakelands is growing rapidly in Spring and Summer and has very much potential. Helsinki is still the most popular but highest growth for summer is being achieved in Lapland & Lakelands. TO's signal highest summer growth in Roundtrips in Central/South Finland.

Belgium: summer needs more attention to the special interest of the BE consumer: only 1% growth. Focus on culinary aspects of Finnish culture and luxury accommodations on offer, more campaigns & PR in the right channels.

Which are the traveller segments?
Couples with young kids, seeking natural environments
DINKY's: double income no kids, seeking (short) breaks Summer and Winter, unique experiences
Senior traveler, seeking culture, culinary & nature, beautiful landscapes, good facilities & accommodations.
Outlook for the summer season 2018

Ad hoc marketing opportunities

TO cooperation, joint promotions, crossover, events, PR, social media

• **Cooperations with Travel agent networks** like events: speeddating events, masterclasses & presentations

• **In-house media barters** (TO provides trip, in-house media provide targeted exposure exclusively for Finland by bartering tickets)

• **Broader approach with Joint Promotions**: working with more partners (more budget required)

• **Many quality PR opportunities present themselves**, be it TV (e.g. BNN Op reis, All You Need is Love Christmas Special, Print (e.g. KBO Magazine, Columbus Magazine) and online

• Same for **bloggers and influencers** with relevant fanbase.

• Cooperating with **local Tourism Offices and with TO's** to sponsor ground programs. If VF would donate the tickets, considerable added Earned Publicity can be achieved.
Prospects for the autumn/winter season 2018-19

The overall outlook of travelling to Finland?

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

Autumn: • **Pure Culinary delights**
  - Be surprised by Northern lights early in season
  - 'Break out of the crowds', 'different' destination

Winter: • **'Snowsnack':** go on multiple, shorter winter breaks, built around a certain experience
  • **'Uniqueness':** Winter season in *Finland is distinctly different from the Alpine experience. The wintersports market is huge and still has enormous potential.*
  All that is different from Alpine skiing and après ski could be emphasized: husky rides, reindeer, sleigh, culinary delights, Lapp culture, snowmobile, Northern lights, polar circle

Which present target groups should be considered to increase the demand?
• The 50+ target group is often underestimated but hugely important for shoulder season
• For Winter season: higher income groups to enhance expenditure per trip rather than just increase numbers when facilities are reaching saturation point

Which new target groups should be considered to increase the demand?
**Stopover crowd:** number of stopovers in Helsinki Airport from the Benelux has doubled in the past years
Trends and other relevant travel related topics

Trends
• As the larger world cities & destinations grow more & more crowded with tourism, the consumer will increasingly look for less known & less crowded destinations
• Tiny houses trend: compact design-luxury accommodations (preferably coastal / nature area)
• Sustainability: sustainable materials and circular tourism policies, off-the grid accommodations and facilities
• Culinary travel: 2018 will be about authentic, local and pure culinary experiences, with growing popularity of websites like Eat With and Meal Sharing
• ‘Bleisure’; combining business & pleasure on a trip

New distribution channels
• Agent networks show increasing selling power, against the digital tide:
  Sponsor agent network events, do presentations, participate in promotion programs
• invite influencers with significant fanbase and who are selling travel already
• Giants like TUI buying agents networks and starting labels like ‘Small & Friendly’, marketed by influencers

Online channels
In general: boosting sales by joint promotions is probably the best way to be present on the largest channels like Google Adwords, Booking.com etc. It hardly seems to make sense to bid ‘against’ the local trade with standalone VF campaigns on these platforms.
In stead, local specialised channels can be used to boost inspiration. Some ideas / examples:
• Work with lifestyle social influencers: personal marketing is becoming ever more important
  • Zoover.nl: largest Dutch accommodation review community/website
  • ANWB.nl: originally the national motorists association, nowadays a mainstream travel media & selling powerhouse
  • Local channels of National geographic, also their social networks; short inspirational stories & posts about pristine nature in Finland & how to enjoy it
• Wellness channels, to position Finland as the cradle of sauna culture
• Work with culinary bloggers to produce items about the pure Finnish food tradition
Trends and other relevant travel related topics

Competitors’ actions

Visit Sweden: 
Campaigns: very active sponsored campaign with National Geographic on NG NL’s Facebook fanpage: Regular posts & stories about various nature related subjects, but engaging travel related subjects as well. Online advertorials with National Geographic NL language website. Example: https://www.nationalgeographic.nl/avontuur/fietsen-op-het-zweedse-vakantie-eiland-oland
KLM started a new flight to Växjö in the South of Sweden.

Visit Norway: has an Adwords advertising campaign using keywords in Dutch and has online advertorials in national newspaper channels. Example: http://advertoir.nl/visit-norway-noorderlacht

Estonia shows some activity, mainly actively promoting press strips
To our dear Finnish trade partners:

What sets Finland apart from other destinations is the pureness of nature, combined with a feeling of freedom and the luxury of a pure experience. This is a proven success and we hope Finland may never lose this charm. Attracting quality, not quantity tourism is therefore the way forward.

Thank you for the cooperation and many good contact moments already, we hope to have many more in the time to come.

& Thank you Visit Finland Team for the great cooperation, we are looking forward to help making 2019 another succesful year.

Visit Finland team Benelux,
Susan van Egmond
Teun Kees
Benelux—Market review data
Dutch overnights in Finland 2017

Year 2017: 227 400 (+30%)
Winter (Nov-Apr): 129 100 (+33%)
Summer (May-Oct): 90 700 (+20%)

Sources:
Visit Finland Statistics Service
Rudolf, Statistics Finland

Visit Finland
Dutch overnights in Finland

**Seasonal overnights in 2017 - 2018**

### Finland

- **Winter 2017** (Dec-Feb): 86,800 (+40%)
- Spring 2017 (Mar-May): 45,000 (+23%)
- **Summer 2017** (Jun-Aug): 59,500 (+20%)
- Autumn 2017 (Sep-Nov): 30,300 (+19%)
- **Winter 2018** (Dec-Feb): 102,300 (+18%)

### Lapland

- Winter 2017: 62,600 (+52%)
- Spring 2017: 15,000 (+31%)
- Summer 2017: 14,000 (+29%)
- Autumn 2017: 2,400 (+42%)
- Winter 2018: 72,200 (+15%)

### Lakeland

- Winter 2017: 5,000 (+12%)
- Spring 2017: 6,700 (+60%)
- Summer 2017: 14,300 (+36%)
- Autumn 2017: 5,300 (+21%)
- Winter 2018: 9,100 (+82%)

### Helsinki area

- Winter 2017: 12,000 (+12%)
- Spring 2017: 16,100 (+7%)
- Summer 2017: 20,400 (+11%)
- Autumn 2017: 16,600 (+18%)
- Winter 2018: 13,200 (+10%)

### Coast & Archipelago

- Winter 2017: 7,100 (+30%)
- Spring 2017: 7,200 (+20%)
- Summer 2017: 10,800 (+11%)
- Autumn 2017: 6,000 (+13%)
- Winter 2018: 7,800 (+10%)

Source: Visit Finland Statistics Service Rudolf, Statistics Finland
Belgian overnights in Finland 2017

Year 2017: 70,500 (+16%)

Winter (Nov-Apr): 37,300 (+24%)

Summer (May-Oct): 31,000 (+5%)

Sources: Visit Finland Statistics Service Rudolf, Statistics Finland
Belgian overnights in Finland

**Seasonal overnights in 2017 - 2018**

**Finland**

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<thead>
<tr>
<th>Season</th>
<th>Winter 2017 (Dec-Feb)</th>
<th>Winter 2018 (Dec-Feb)</th>
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<tr>
<td></td>
<td>21 100 (+29%)</td>
<td>28 100 (+34%)</td>
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<tr>
<th>Season</th>
<th>Spring 2017 (Mar-May)</th>
<th>Summer 2017 (Jun-Aug)</th>
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<td>17 300 (+21%)</td>
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<td>11 200 (+13%)</td>
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<th>Season</th>
<th>Lapland</th>
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<td>11 900 (+53%)</td>
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<td>Spring 2017</td>
<td>5 300 (+78%)</td>
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<td>Summer 2017</td>
<td>3 000 (+20%)</td>
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<td>Winter 2018</td>
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<td>Autumn 2017</td>
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<td>Winter 2018</td>
<td>1 400 (-2%)</td>
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<th>Helsinki area</th>
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<td>8 600 (-14%)</td>
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