



**VF USA Market Report**  
November 2019

Visit Finland Country Representative

**Heli Mende**



# Semiannual Report – USA

## Summer season 2019 and outlook for winter 2019-20

### CONTENTS

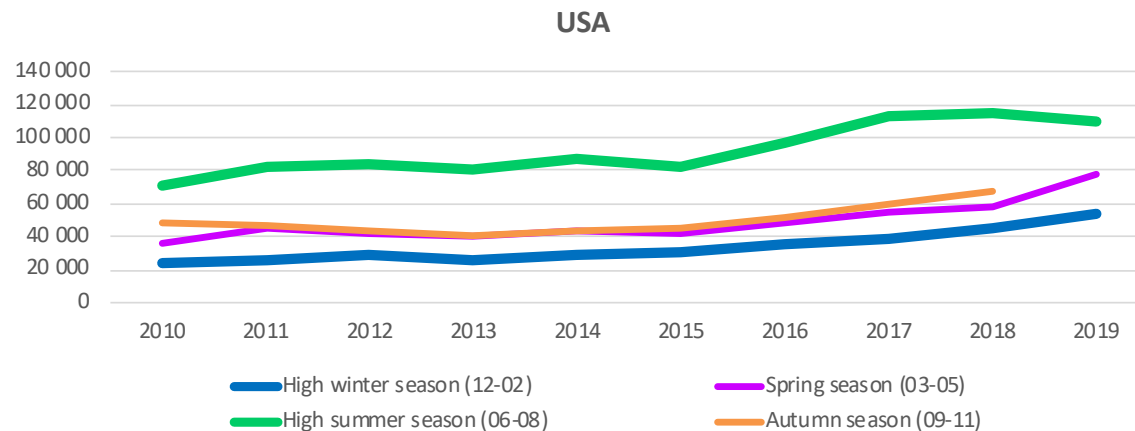
- Factors affecting the results of the summer season 2019
- Outlook for the winter season 2019-20
- Prospects for the summer season 2020
- Prospects for the autumn/winter season 2020
- Theme check: Food tourism
- Trends and other relevant travel related topics
- Facts and figures - Market review data

# Factors affecting the results of the summer season 2019

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

## Travel from US to Finland is steady

- US travelers continue to show interest and book travel to Nordic countries and Finland is gaining as well from that trend.
- Summer season is the main season from the US, but very positive to see that spring and fall are increasing.
- During the summer months there is a lot of competition and flight prices have an impact on which destination the traveller chooses.
- Active B2B sales promotion has supported the growth.
- High number of Visit Finland's media trips and PR activities have helped to get more visibility and supported the steady growth.



# Factors affecting the results of the summer season 2019

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

- Changes in demand
  - US overnights grew only slightly during the summer high season months June and August. The negative numbers in July 2019 compared to July 2018 were a result of the high level Trump – Putin summit in Helsinki 2018 which created a lot of additional overnights from the US.
  - April –May 2019 showed great growth. September has been approximately 5% growth level in overnights.
- Finland's image as a travel destination
  - June, July and August are the main months for US holiday travellers. However, during those months there is also a lot of competition and flight availability and prices have an impact of which destination the traveller chooses.
  - Majority of the overnights are generated in Helsinki region and Helsinki is often only one stop in lengthy Nordic or Baltic (+Russia) itinerary. Increasing the number of overnights in the peak summer seasons is tough but not impossible.
- Changes in distribution
  - There are new tours under construction for summer 2020 but during 2019 no major changes yet.
- Changes in accessibility
  - Finnair's direct year round flight Los Angeles – Helsinki

# Factors affecting the results of the summer season 2019

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

- Products that have been attractive
  - Majority of the overnights are generated in Helsinki region and Helsinki is often only one stop in lengthy Nordic or Baltic (+Russia) itinerary.
  - Increasing the number of overnights in the peak summer seasons is tough but not impossible. More interesting content for extension packages from Helsinki to Lakeland, Archipelago and summer Lapland are needed.
- Regions that have been attractive
  - Helsinki region
- Campaigns, joint promotions results
  - Whole seller joint marketing: Avanti E-brochure and campaign – too early to see the results yet

# Outlook for the coming winter season 2019-20

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

- Increase/decrease and reasons for the increase/decrease
  - Finnish Lapland is starting to become more and more interesting in the US. Especially the Northern Lights and Glass igloos are now breaking through in the US.
- New winter products
  - The existing winter Helsinki and Lapland offering works well also in the US and packages are based on those.
- New sales channels
  - Visit Finland is a member of Signature and Virtuoso networks and many high end travel agents belonging to those networks have now shown interest to sell Finland.
  - TourRadar has increased the number of winter packages to Finland
  - Travel agents with own production or tailor made packages have shown interest to sell Finland as family destination (families, multi-gen and skip-gen families).

# Outlook for the coming winter season 2019-20

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

- What are the trends for the winter 2019-20?
  - All Nordic countries interest in general
  - Travellers are looking for alternative northern lights destinations
  - Unique accommodations interest
  - Off the beaten path especially for younger travellers
- Which are the traveller segments?
  - Majority is high end, still 50+ mostly
  - Both groups and FIT's

# Outlook for the summer season 2020

## Ad hoc marketing opportunities

- TO cooperation, joint promotions, crossover, events, PR, social media
  - Visit Finland in the US is pushing for to have a wider selection of tours to Finland:
    - ✓ Longer stays in Helsinki region
    - ✓ Extensions to Lakeland, Archipelago, Lapland
    - ✓ Tours and packages for wider audiences: adventure travellers, family travellers, culture travellers
  - The above requires heavy marketing activities for both btob and btobtoc (joint marketing campaigns with tour operators) as well as media and PR activities
  - There are many possibilities to create marketing campaigns with tour operators already selling and interested in expanding their production as well as some new tour operators.
  - Fam trip is always the best way to sell the product and there are also many co operation possibilities. But the product must be otherwise tested and ready for the US market before inviting the buyers to visit!
  - Visit Finland is also planning to launch a crossover PR project together with travel and consumer businesses to support the country branding.



# Prospects for the autumn/winter season 2020

## The overall outlook of travelling to Finland?

- What trends should be considered in product development to increase the demand in the autumn/winter time?
  - It is good to remember that the majority of current US travellers to Finland are affluent people who can travel year round provided that there is a destination offering content that interests the end customer.
  - Tour operators are interested in as long tour periods as possible and also are able to put a better mark up on the packages in spring and autumn time.
  - Autumn with foraging, foliage and northern lights interests
  - Winter northern lights and unique accommodation interests
- Which present target groups should be considered to increase the demand?
  - Well traveled high end
  - FIT's in general
- Which new target groups should be considered to increase the demand?
  - Bleisure (year round)
  - Family travel (during school holidays in July-August, December, February and April)
  - Adventure travellers (winter and summer)

# Theme check: Food tourism

What kind of demand or potential you find in the market you represent?

**1. What is "in" on your market in food tourism? Is food important for travelers on your market?**

- Cuisine plays a big role in a holistic travel experience for US travellers. 'Culinary tourism is a niche but growing. Local and organic food are a big trends in the US.

**2. Is there any specialized tour operators for food tourism? Are "general" tour operators promoting food experiences?**

- Some specialized tour operators. Food tourism to Italy and France for example is promoted.

**3. What kind of food tourism offerings should be developed more in Finland?** E.g. food related activities in nature (like foraging/picnic in a forest), cooking classes (like baking Karelian pies), food walks, home dining, food producers tours, local/Finnish restaurants, beverage tours/tastings, sustainable food, food routes etc.?

- Foraging
- Picnic in the forest or by campfire
- Cooking classes
- Home dining

**4. The best benchmark and examples (destinations or products)?**

<https://visitsweden.com/ediblecountry/>

<https://www.bookculinaryvacations.com/all/d/the-americas-and-caribbean/usa>

<https://www.classicjourneys.com/culinary/>

<https://www.intrepidtravel.com/us/theme/food>

# Trends and other relevant travel related topics

## Trends

- Any new travel trends on your market? What's hot now on your market (BtoC and/or BtoB)
  - Off the beaten path destinations are becoming more and more interesting
  - Instagrammable destinations are hot
  - Family travel is slowly growing
  - Unique accommodations interest

## New distribution channels

- Your suggestion on how to develop business with them: what needs to be done?
  - Active promotion together with Visit Finland for new products in all four main regions in Finland by local DMO's DMC's and service providers.
  - Itinerary proposals and packages for Helsinki + extensions to Archipelago / Lakeland / Lapland
  - Fam trips

## Online channels

- Channels where Visit Finland should be present and suggestion of how to be present
  - TourRadar (summer 2020 campaign starting in November 2019)
  - Travelzoo (requires co-operation with tour operators in the US and partners in Finland)
  - Expedia (requires co-operation with partners in Finland)



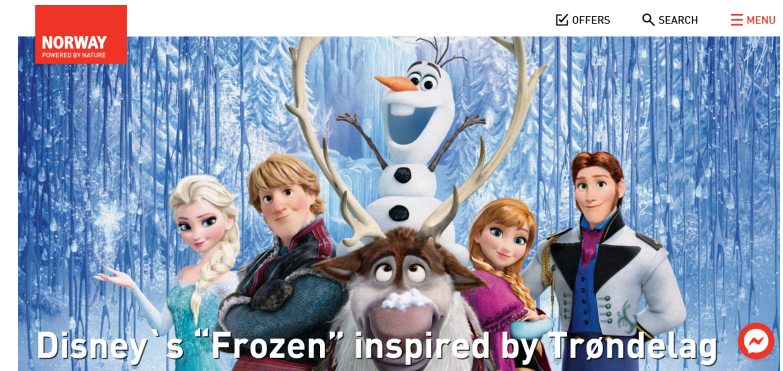
Visit Finland

# Trends and other relevant travel related topics

## Competitors

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

- ✓ United States is the promised land of marketing and sales. To be considered as an option some form of visibility and activation is simply must. All travel destinations in the world are present in the US and all are actively pursuing marketing and sales promotion activities. Celebrity travel, TV shows, movies and media have a big impact on people's interest. Visibility in different online platforms is essential. Tour operators market their packages through these online platforms to consumers.
- ✓ Norway has partnered with Disney for Frozen 2 and they are expecting a big impact of this co-operation. The fjords and the mountain sceneries in the summer are the main attractions, northern lights in the winter.
- ✓ Sweden has chosen culinary as their big marketing theme: Edible Sweden. Also pushing the West Coast of Sweden as well as all winter activities and northern lights in Swedish Lapland
- ✓ Denmark is using "Hygge" a lot in their marketing.
- ✓ All above are also using their history, castles and royals as part of their USP.



## Can you hygge alone?

This article on hygge is for all of you who typed this into Google. Because you are not alone. You can always come and hygge with us.



# Trends and other relevant travel related topics

## Free word

- Something else that you would like to say to the Finnish travel trade

Finland is still very unknown in the US and there are many misconceptions about Finland. Continuing building the country's brand on high level and showcasing Finland as a modern country with high technology, well functioning infrastructure and lots of beautiful sceneries and pure nature is imperative.

Reaching the next level in overnights requires a lot of targeted PR and media activities as well as btob and btobtoc activities with travel trade and media (sales and marketing).

Important is, that those travel businesses who are interested in selling to US customers, are visible in the market: participating in the sales events and following up each lead, joint marketing activities, fam trips, media trips.

Use pictures with beautiful sceneries but also images that have people in them.

Compared to other Nordic countries Finland is still very small in the US. For example, Sweden has around 900 000 overnights from the US and Norway over 800 000 over nights whereas the yearly overnights to Finland was less than 300 000 in 2018. This however should be seen as a big possibility as there is a lot of potential in the market.



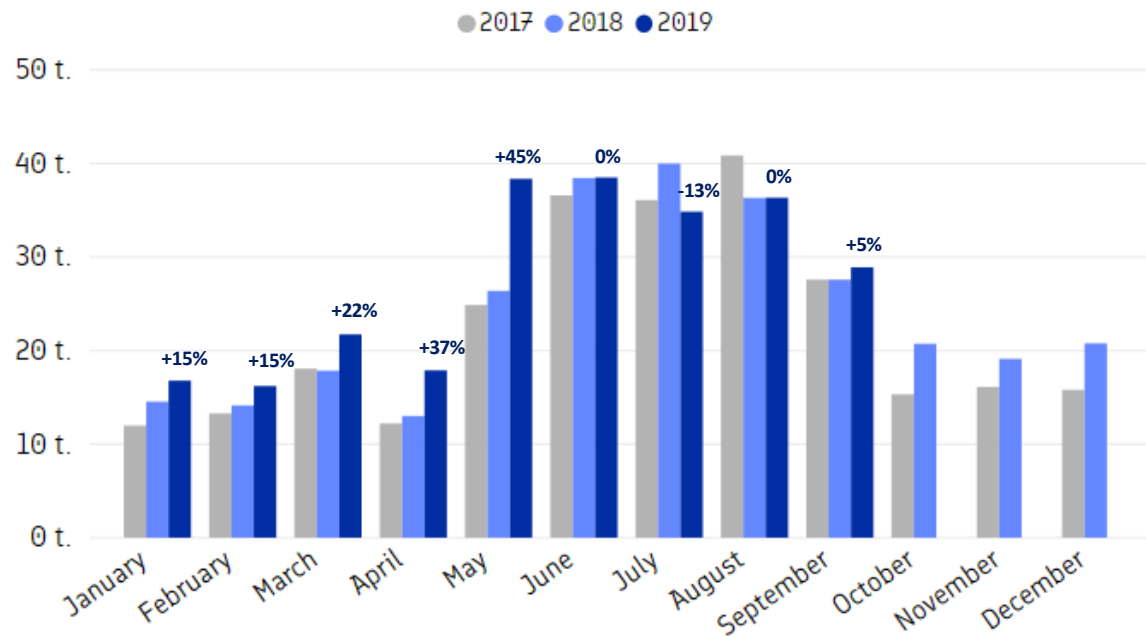
SALES  
SALES  
SALES

# USA – Market Review

# American overnights in Finland



MONTHLY NIGHTS SPENT IN FINLAND



## Year 2018

**7<sup>th</sup>** in country rankings  
with a **4.5% share** of foreign overnights

Average change 2000-2018: **+2%**

Change 2018 compared to 2000: **+27%**

## Share of overnights by regions 2018



**72%**



**9%**



**8%**



**11%**

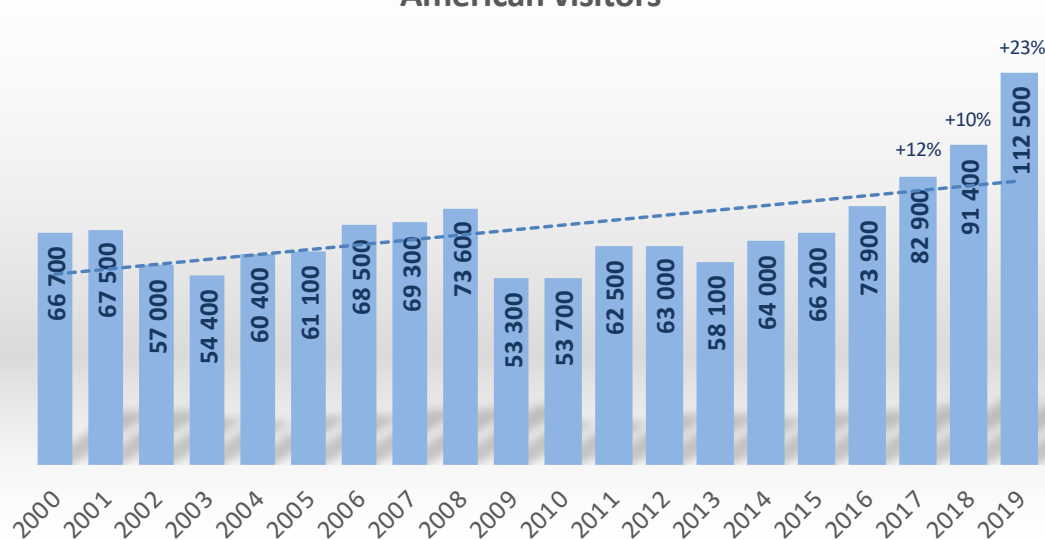


American overnights in Finland



## Winter 2019 and Summer 2018

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

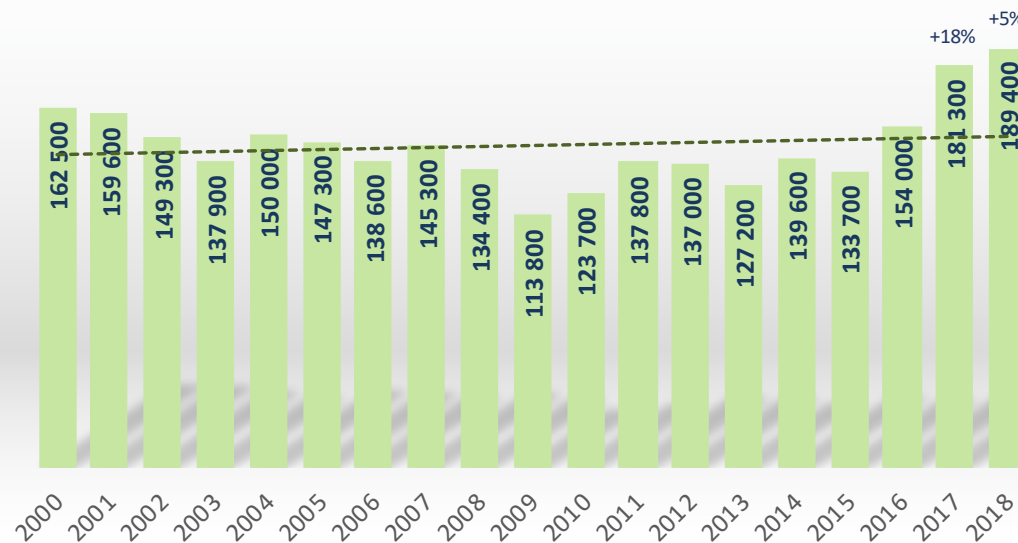


Winter 2019: **8<sup>th</sup>** in country rankings  
with a **3%** share of foreign overnights

Average change 2000-2018: **+4%**

Change 2018 compared to 2000: **+37%**

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



Summer 2018: **5<sup>th</sup>** in country rankings  
with a **6%** share of foreign overnights

Average change 2000-2018: **+1%**

Change 2018 compared to 2000: **+17%**



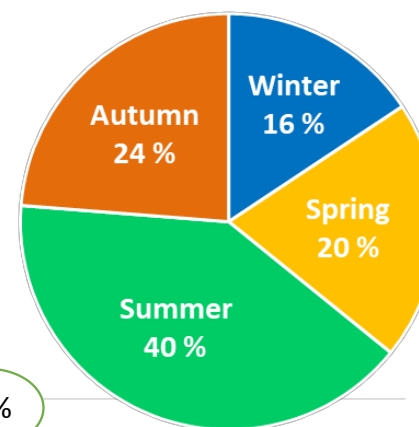
Source: Visit Finland Statistics Service Rudolf, Statistics Finland



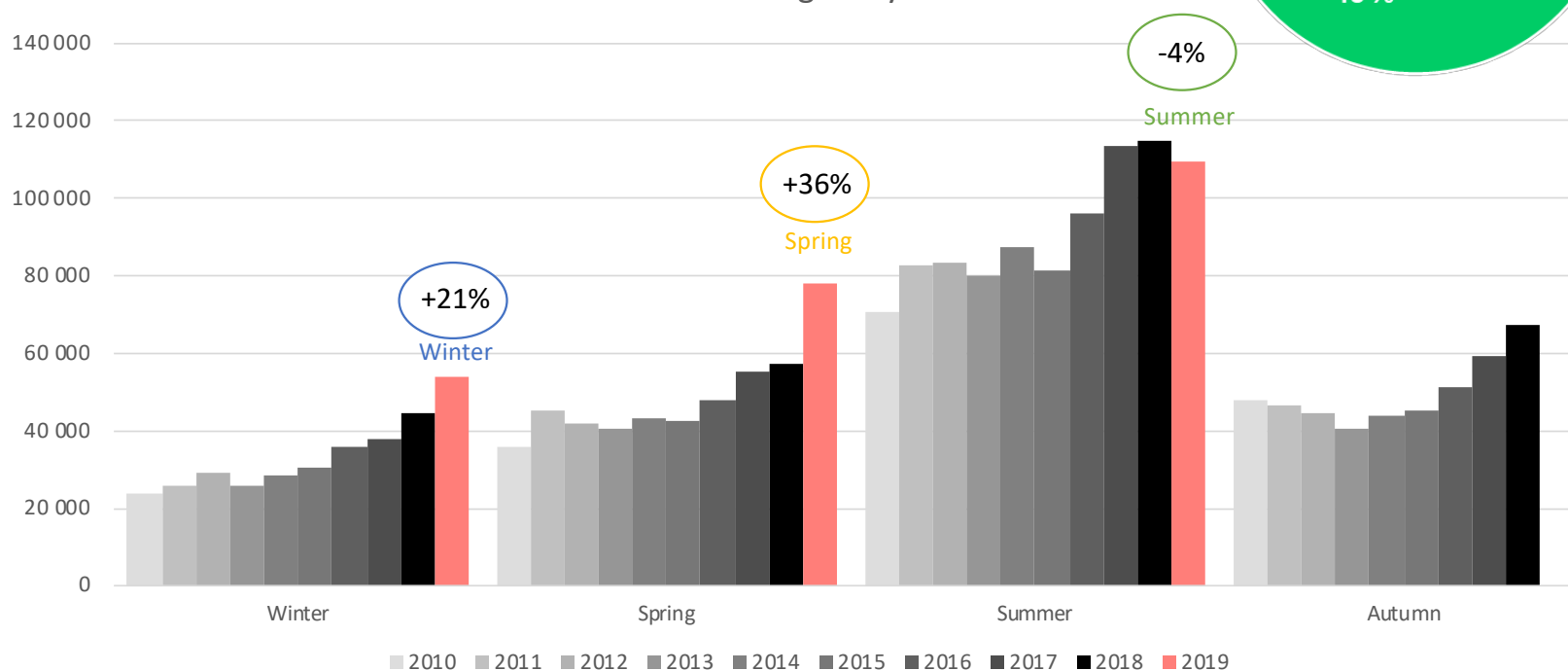
# Trends for seasonal overnights in Finland American visitors

*Summer is the most popular travel season among Americans. Significant growth in winter, spring and autumn travel too.*

American overnights in 2018



American overnights by season



## American overnights in Finland

# Seasonal overnights in 2018

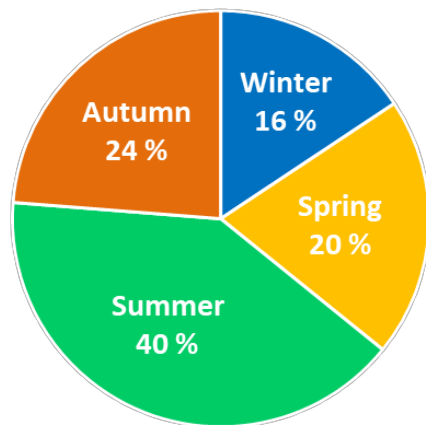


### Whole Finland

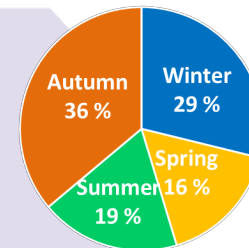
|                         | No. of American overnights |         |         |         | Seasonal YtoY change |               |               |
|-------------------------|----------------------------|---------|---------|---------|----------------------|---------------|---------------|
|                         | 2016                       | 2017    | 2018    | 2019    | 2017 vs. 2016        | 2018 vs. 2017 | 2019 vs. 2018 |
| <b>Winter</b> (Dec-Feb) | 35 600                     | 37 900  | 44 500  | 53 800  | +7%                  | +17%          | +21%          |
| <b>Spring</b> (Mar-May) | 47 800                     | 55 100  | 57 200  | 78 000  | +15%                 | +4%           | +36%          |
| <b>Summer</b> (Jun-Aug) | 96 400                     | 113 500 | 114 700 | 109 700 | +18%                 | +1%           | -4%           |
| <b>Autumn</b> (Sep-Nov) | 51 200                     | 59 000  | 59 000  |         | +15%                 | +14%          |               |

### American overnights in Finland by season in 2018

#### WHOLE COUNTRY 2018



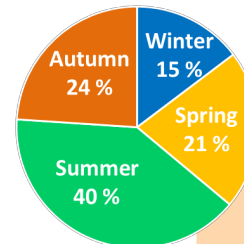
#### LAPLAND 2018



Importance growing:

- Rovaniemi
- Inari (Saariselkä)
- Sodankylä

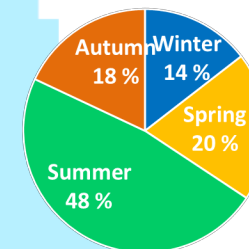
#### COAST AND ARCHIPELAGO 2018



Importance growing:

- Uusimaa excl. Metropolitan area

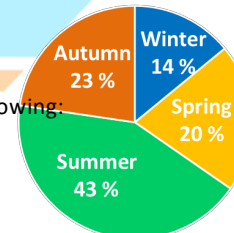
#### LAKELAND 2018



Importance growing:

- Lahti region
- Pohjois-Savo
- Kuopio

#### HELSINKI REGION 2018



Importance growing:

- Espoo
- Vantaa