



UK Market Report

May 2018

Visit Finland Country Representative

Caroline Stanton

31.5.2018



Semiannual Report – UNITED KINGDOM

Winter season 2017-18 and outlook for summer 2018

CONTENTS

- Factors affecting the results of the winter season 2017-18
- Outlook for the summer season 2018
- Prospects for the autumn/winter season 2018-19
- Trends and other relevant travel related topics
- Facts and figures - Market review data

Factors affecting the results of the winter season 2017-18

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

Economic Situation

- Q2 is starting positively after a very bleak Q1 of poor spending on the high street, extreme cold weather, 'The Beast from the East', gloomy outlook of Brexit which resulted in the UK losing almost 2% of predicted growth and 4% from household incomes. Translating £900 loss per household. However research suggest there has been an increase of Brits are flying to long-haul destinations since the EU referendum vote.
 - **72% of travellers say they will not cut back on spending this year 10% of people are prioritising their getaways by saving in other areas such as eating out and spending on clothes**
 - **A quarter (25%) of people said they have done at least one thing to save money in relation to holidays or breaks since the EU Referendum**

Security Situation

- As well as political uncertainty we saw terrorist attacks in Manchester, London and Barcelona, political unrest in The Gambia, a devastating earthquake in Mexico last year. The largest British airline failure in history happened when Monarch collapsed, however despite these troubled times, Brits are showing resilience in travelling smarter and safer, **The EU remains the UK's largest travel destination**. People would rather travel to the EU countries despite the falling pound.
(telegraph, Financial Times, ABTA & Guardian).

Factors affecting the results of the winter season 2017-18

Reasons for the increase/decrease in travelling to Finland?

Changes in demand

Winter grew by 27% in 2017, with Lapland receiving over half the overnights. The UK is strong with traditional family Santa holidays and the Wilderness areas with Northern Lights and winter activities creating lots of demand. Winter Finland being a Instagram friendly country and a variety of bloggers posing in snowy igloos. Operators are adding more capacity to meet the demands of their holidaymakers. Lapland is becoming more and more expensive during peak months which is concerning for the Operators. This means there might be a dip in the numbers for 2018.

Finland's image as a travel destination

The image of Finland is still of a wintry wonderland, Santa and his reindeers. however more varied due to PR, embassy work media, social media, Lapland TV coverage, diverse product offered by the Operators, the image is modifying to much more varied and a safe country to travel to, clean air, Northern Lights, pioneers in Education, recycling and inventors of the Sauna, all of this positive news has reached the UK!

Changes in distribution & accessibility

Better flight days and sociable times have been implemented by Finnair and new routes extended winter and ski resorts from TUI are in place for 2018. TO's have new and increased product offering in Lapland for the winter season.

Factors affecting the results of the winter season 2017-18

Reasons for the increase/decrease in travelling to Finland?

Products that have been attractive

Unique accommodation such as Igloos, Ice hotels, Aurora Cabins
Snow activities
Cross country skiing
Northern lights
Santa holidays

Regions that have been attractive

Rovaniemi
Levi
Inari Saariselkä
Ruka Kuusamo
Yllas

Campaigns, joint promotions results

Inghams – Broadgate Winter Village Campaign Nov 17-Jan 18 – Winter Forest at London
Liverpool promoting Finland throughout the Village, coasters with competition entries, Adverts before each movie shown in the teepee. Posters and logos throughout.

Results: 150,000 Visitors

11,000 Cinema patrons

5,842,500 Social reach

250,000 Marchant Square natural footfall

Competition had **over 1K** of entries - Inghams website traffic to end of Dec17 was **up 10%**



Visit 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

Overnights from the UK to Finland in the Summer increased by 28% during 2017 good work to build product with the TO's and awareness to the UK Market.
Holidaymakers who have visited other Nordic countries will be more attracted by the cheaper prices and the novelty of Finland as an alternative destination.

New summer products

Helsinki combined with nature and fun activities at Nuuksio national park

– Sold by Hel Out and with Flash Pack, a hip UK singles adventure holiday company

Helsinki Wellness and Cycling break – offered by Magnetic North Travel – Nordic wellness with sauna, spas and guided cycling tours.

Moomins in Finland – Helsinki, Tampere and Turku seeing all the wonderful café's, Moomin museum and Moomin World, offered by Best Served Scandinavia

New sales channels

- **Titan Holidays** – Saga groups escorted group travel arm are going to add Finland and recently been on the City Break Triangle trip to get ideas for the tour
- **Inghams** – the leading Winter Operator are ready to discover the Summer product and going on the Lakeland Mega FAM in June 2018

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?

The key trends in the UK will be positive as Finland will be a strong contender being that 51% of holidaymakers are looking for a city break. Flash Pack are combining city and nature. Cruises will stopover in Helsinki from Stockholm and St Petersburg and brits looking for new and adventurous destinations.

Forward sales from the TO's have been positive with new tours from Best Served Scandinavia including Moomins tour and bear watching with Artisan, Magnetic North Travel and Regent Holidays. Cultural groups from the UK are coming to the Kuhmo and Savonlinna Opera festival.

Which are the traveller segments?

Families, city breakers, nature lovers, comfort seekers, couples, silver-pound, culture vultures

Outlook for the summer season 2018

Ad hoc marketing opportunities

TO Cooperation, Joint Promotions, Crossover

Outlook for JMA's with key Operators is positive. They are keen to push the Summer and Autumn months and not just the Winter season.

We currently have 7 UK JMA campaigns activated

In May we had a very successful **City Break Triangle trip** Helsinki, Turku & Tampere – 6 Operators attended from the UK

Future trips scheduled for the summer

June Lakeland Mega FAM – 3 UK Operators joining June/July 2018

June 'Sunshine Lapland' – showcasing the best Midnight sun outdoor activities, 7 UK Operators & Finnair

August Unwind & De-stress Lakeland Trip – 6 UK Operators

September Archipelago Mega FAM – 3-5 UK Operators

E-learning course going live with Equator Learning for Travel Agents to become Finland experts

Events, PR, social media

- **April Summer Seminar** – 41 Travel trade attended a Seminar presented with some of the Visit Finland team. 6 new enquiries about the Summer in Finland and more follow up throughout the Summer months
- **May Good Housekeeping PR Event**
- **June Meetings Show**
- **July Incentive agents evening**
- **September PR Ruska event** with both Trade and PR, Visit Finland and Finnair



Visit Finland

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?

There needs to be more awareness on the Northern Lights in the Autumn time and product around the Autumn Northern lights

Wellness product around the Finnish Sauna experience

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

Active couples, groups and comfort Seekers

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

Families – October half term

Trends and other relevant travel related topics

Trends

New travel trends on your market? What's hot now on your market (BtoC and/or BtoB)

- Over one in 10 (14%) Londoners are travelling **to cheaper destinations for holiday breaks since the EU Referendum**
- **Over half of British holidaymakers will take City breaks** and beach holidays are also expected to remain the top holiday choices for 2018.
- **All inclusive packages** are performing well so holidaymakers can manage their budgets and this might sway people to chose beach over city and lakes holidays (ABTA research)
- Warm weather in May, royal wedding and good prices the **UK Staycation looks set to be the most popular choice**
- **Cruising is growing at a rapid rate by 14% in 2018**, European river cruising becoming the most popular
- Holidaymakers may respond in 2018 by trying somewhere new, with over **a quarter (27%) planning to visit a country they've never been to before and almost a third (32%) expecting to visit a new resort or city**

New distribution channels

- The variety of FAM trips is very important to get new product and tours on sale and sales staff confident in selling Finland first hand.
- Travel trade media is crucial in educating the UK travel trade

Online channels

Social media is very important in choosing or even booking a holidays and video is key in the UK. YouTube videos. Visit Finland should be considering more TV channels with BBC being the most popular



Visit Finland

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

- Las Vegas – London Underground tube trains
- St Lucia – Billboards
- Turkey, California, Israel – TV advertising
- Flow Festival Helsinki – Hammersmith Billboard

Trends and other relevant travel related topics

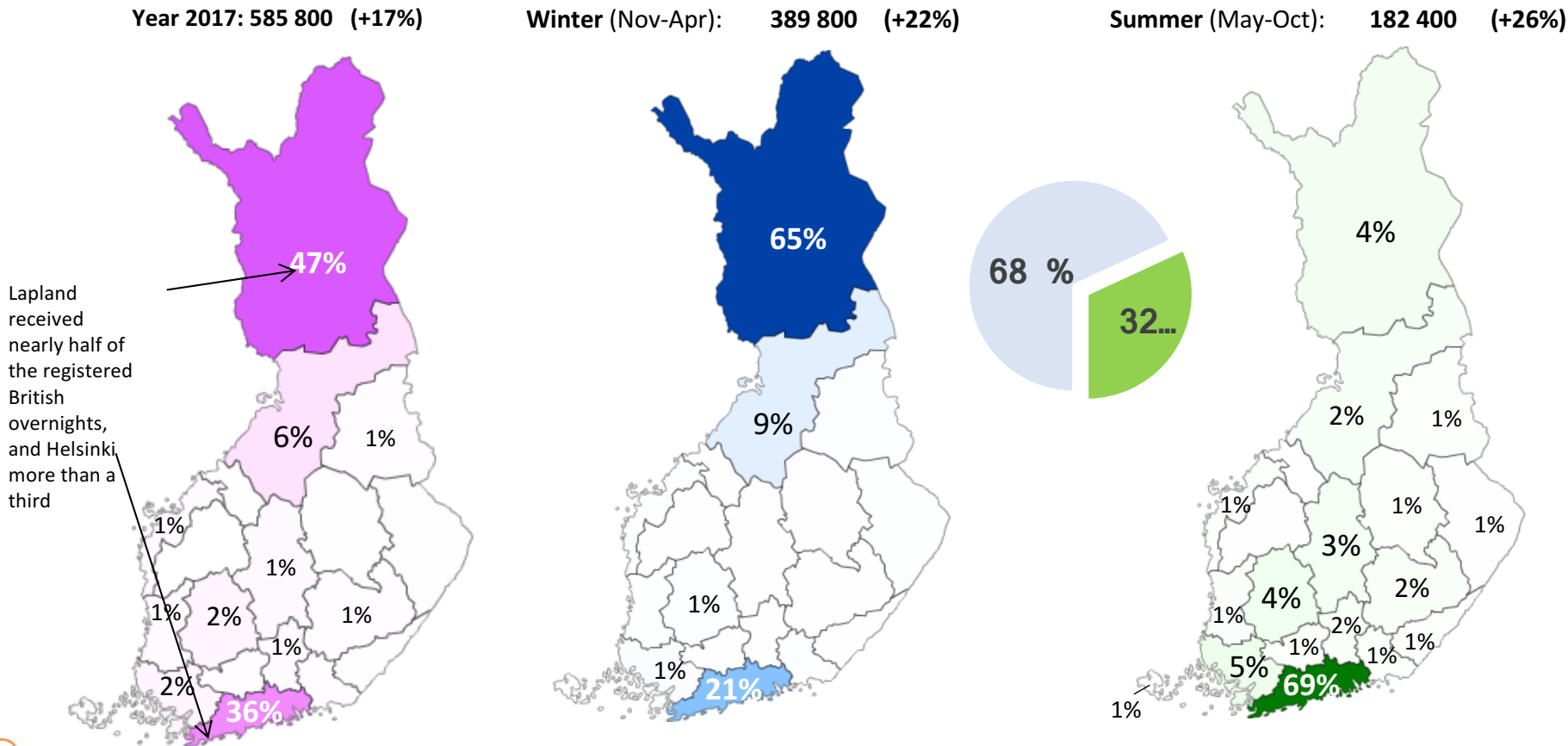
Free word

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

The UK love Finland and looking forward to growing product and overnights together from the UK market

UK – Market review data

British overnights in Finland 2017



Source: Visit Finland Statistics Service Rudolf, Statistics Finland

Seasonal overnights in 2017 - 2018

Finland

| | | |
|-------------------------------|----------------|---------------|
| Winter 2017 (Dec-Feb): | 308 700 | (+27%) |
| Spring 2017 (Mar-May): | 83 600 | +15% |
| Summer 2017 (Jun-Aug): | 110 000 | +28% |
| Autumn 2017 (Sep-Nov): | 75 900 | +23% |
| Winter 2018 (Dec-Feb): | 319 300 | (+3%) |

Coast & Archipelago

| | | |
|---------------------|---------------|---------------|
| Winter 2017: | 10 800 | (+5%) |
| Spring 2017: | 9 100 | (+11%) |
| Summer 2017: | 15 100 | (+23%) |
| Autumn 2017: | 9 200 | (+17%) |
| Winter 2018: | 8 900 | (-17%) |

Lapland

| | | |
|---------------------|----------------|---------------|
| Winter 2017: | 254 100 | (+33%) |
| Spring 2017: | 20 400 | (+4%) |
| Summer 2017: | 4 100 | (+6%) |
| Autumn 2017: | 14 200 | (+61%) |
| Winter 2018: | 261 700 | (+3%) |

Lakeland

| | | |
|---------------------|---------------|---------------|
| Winter 2017: | 6 400 | (+9%) |
| Spring 2017: | 7 400 | (+14%) |
| Summer 2017: | 18 400 | (+32%) |
| Autumn 2017: | 7 600 | (+13%) |
| Winter 2018: | 7 600 | (+20%) |

Helsinki area

| | | |
|---------------------|---------------|---------------|
| Winter 2017: | 37 500 | (+6%) |
| Spring 2017: | 46 600 | (+21%) |
| Summer 2017: | 72 400 | (+30%) |
| Autumn 2017: | 44 900 | (+17%) |
| Winter 2018: | 41 100 | (+10%) |

