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Key Figures

Norwegian Tourism 2006

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INNOVATION NORWAY

One million more foreign tourists by 2010!



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Increasing international competition makes branding and marketing more important than ever. It is essential that the branding and marketing of Norway as a travel destination are consistent and effective; while simultaneously ensuring that the growth is profitable and we are offering the right products. Through dialogue with the Norwegian tourism industry, we must ensure the appropriate and sustainable development of Norway as a travel destination.

Innovation Norway will help boost growth in the Norwegian tourism industry by:

- Increasing emphasis on building the brand of Norway as a travel destination
- Prioritising greater refinement of the Norwegian tourism product through future-oriented product and experience concepts, particularly emphasising short breaks and seasonal development
- Fostering innovation in current activities with development potential and innovative new businesses
- Focusing on wealthier international target groups

Based on this, Innovation Norway has chosen four strategic priority areas for the period 2006-2010:

- Revitalising round trips and base holidays
- Theme holidays
- Meetings, incentives, congresses, exhibitions and events (MICEE)
- Short breaks



Per-Arne Tuftin
Director of Tourism, Innovation Norway

Fresh, genuine, friendly, innovative

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1. Key Figures



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FOREIGN TOURISTS	2001	2002	2003	2004	2005	2006	Percentage-change 05/06
Holiday and leisure arrivals*	2,297,000	2,372,000	2,520,000	2,781,000	2,913,000	3,004,000	3 %
Holiday and leisure arrivals by plane	464,000	532,000	674,000	819,000	900,000	1,031,000	15 %
Holiday and leisure arrivals by car	1,771,000	1,774,000	1,781,000	1,861,000	1,925,000	1,931,000	0
Cruise passengers (day visits)	804,000	914,000	1,014,000	1,207,000	1,444,000	1,800,000	25 %
Holiday and leisure guest nights	16,800,000	17,363,000	19,003,000	21,000,000	21,761,000	21,652,000	-1 %
Average holiday duration	7,3 days	7,3 days	7,5 days	7,6 days	7,5 days	7,2 days	-4 %
Shares							
Norwegian hotels' share of foreign guest nights in the Nordic countries	23,80 %	24,60 %	25,10 %	25,90 %	25,40 %	25,10 %	-1 %

NORWEGIAN TOURISTS	2001	2002	2003	2004	2005	2006	Percentage-change 05/06
Holiday and leisure trips	n/a	17,110,000	18,070,000	16,410,000	16,600,000	17,310,000	4.28 %
Holiday and leisure trips in Norway	n/a	12,880,000	13,980,000	11,590,000	11,810,000	11,940,000	1.10 %
Holiday and leisure trips abroad	n/a	4,230,000	4,080,000	4,820,000	4,790,000	5,370,000	12.11 %
Holiday and leisure guest nights	n/a	59,910,000	59,210,000	76,070,000	78,370,000	84,030,000	7.22 %
Holiday and leisure guest nights in Norway	n/a	35,900,000	37,650,000	41,520,000	43,720,000	43,780,000	0.14 %
Holiday and leisure guest nights abroad	n/a	24,000,000	21,560,000	34,550,000	34,660,000	40,250,000	16.13 %
Shares							
Share of holiday trips taken in Norway	n/a	75 %	77 %	71 %	71 %	69 %	-3 %

TOURIST CONSUMPTION	2001	2002	2003	2004	2005**	2006	Percentage-change 05/06
Total foreign and Norwegian tourists' consumption in Norway * (MNOK)**	77,693	76,129	75,523	82,858	87,088	n/a	n/a
Foreign tourists' consumption while holidaying in Norway (MNOK)	22,415	21,458	22,232	24,846	26,420	n/a	n/a
Norwegian tourists' consumption while holidaying in Norway (MNOK)	37,251	37,336	37,380	41,329	42,979	n/a	n/a
Tourism industry's share of GNP	3,5%	3,8 %	3,5 %	3,3 %	3,1 %	n/a	n/a

* Arrivals with at least one overnight stay. ** Preliminary figures for 2005.

*** Figures include Norwegian households' tourist consumption in Norway, foreigners' tourist consumption in Norway and Norwegian industry's expenses for business trips in Norway.

Source: Norwegian Centre for Transport Research (TØI) Guest survey 2006 (864/2006), Statistics Norway (SSB) Tourism Satellite Accounting 2006, SSB Travel survey, 4th quarter 2006, Finnish Tourist Board (MEK) Nordic hotel statistics, UNWTO World Tourism Barometer, Volume 5, No. 1, January 2007.



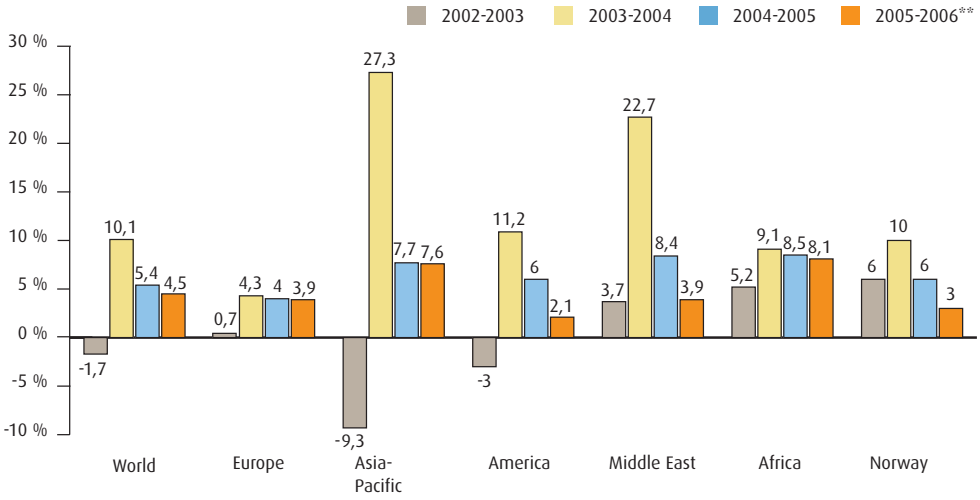
Photo: © Johan Wildhagen/Innovation Norway

2. International tourism

2006 was yet another record year for tourism on a global basis. The number of tourist arrivals ended at 842 million, showing an average worldwide growth of 4.5 percent. Europe grew by 3.9 percent in 2006 which is again below average rates. The areas experiencing the greatest percentage growth were Africa with 8.1 percent and the Asia-Pacific region with 7.6 percent. The Middle East grew at the same rate as Europe, while the US grew by only 2.1 percent in 2006.

The results for 2006 show that despite all the risk factors at the start of the year such as terrorism, avian flu and rising oil prices, international tourism has enjoyed another year with growth rates exceeding those forecast by UNWTO. The forecasts predicted an average annual growth rate of 4.1 percent until 2020.

Percentage change in number of tourist arrivals by world region



*Figures include holiday, leisure and business arrivals. **2006 figures are preliminary.

Market share of global tourist arrivals in 2005 and 2006 by region

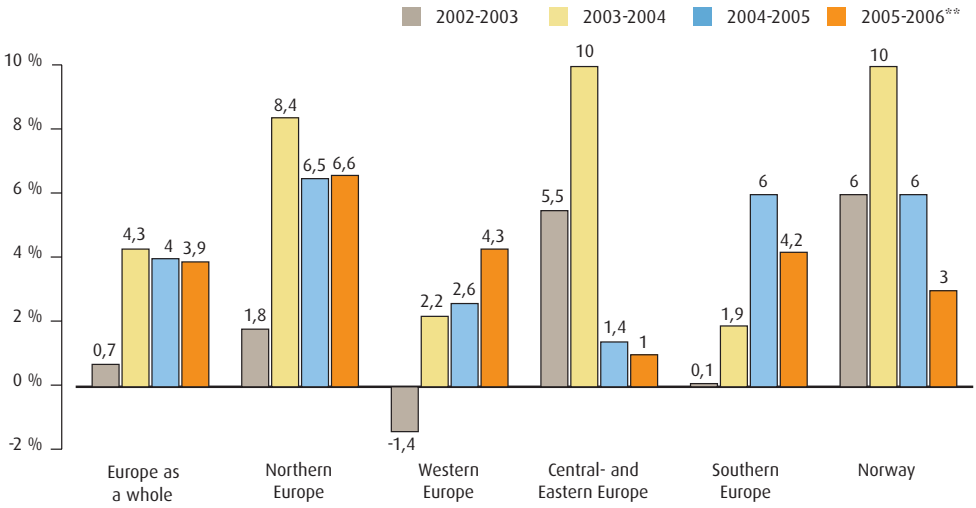
	World	Europe	Asia – Pacific	America	Middle East	Africa	Norway
2005	54.9 %	19.3 %	16.5 %	4.8 %	4.5 %	0.47 %	
2006	54.4 %	19.8 %	16.2 %	4.8 %	4.8 %	0.47 %	

Source: UNWTO, World Tourism Barometer, January 2007 and TØI, Guest survey 2006.

Even though the percentage growth in international tourist arrivals in Europe is below the global average, more than half of all global arrivals (54 percent) are to European countries. Arrivals from overseas markets are growing, but intra-European travel continues to represent the greatest volume. Continued expansion and dispersion of low-cost carriers across the whole of Europe has stimulated demand, at times at the expense of other destinations which are not served by these operators. (UNWTO, World Tourism Barometer, January 2007).

The three percent rise in the number of tourist arrivals in Norway was below the European average. During 2006 we therefore lost market share compared to the rest of Europe.

Percentage change in number of European tourist arrivals* by region



*Figures include holiday, leisure and business arrivals. **2006 figures are preliminary.

Market share of European tourist arrivals in 2005 and 2006 by region

Europe	Northern Europe	Western Europe	Central- and Eastern Europe	Southern Europe	Norway
2005	11.7 %	31.8 %	20.8 %	35.8 %	0.87 %
2006	12.3 %	32.5 %	19.2 %	36 %	0.86 %

Source: UNWTO, World Tourism Barometer, January 2007 and TØI, Guest survey 2006.



Photo: © Johan Wildhagen/Innovation Norway



Photo: © Nancy Bundt/Innovation Norway



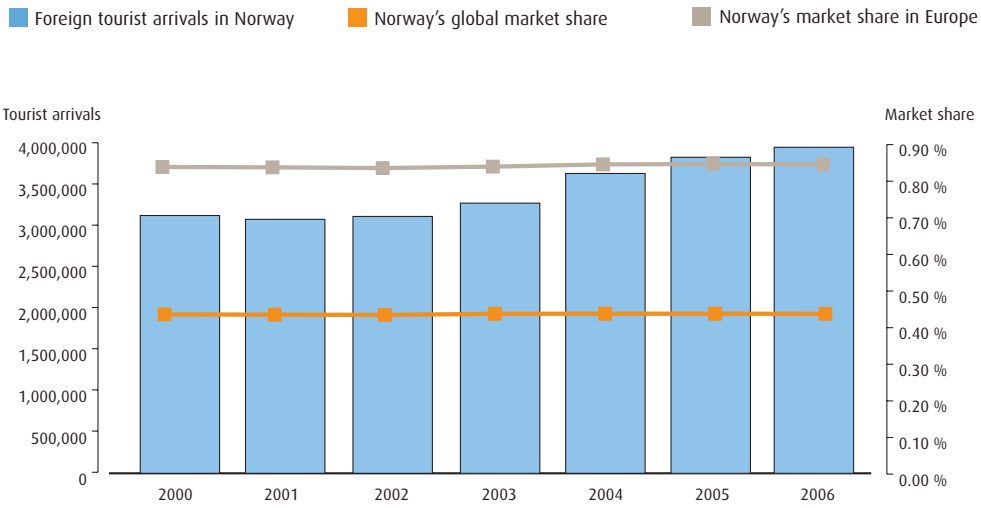
Photo: © Anders Gjengedal/Innovation Norway



Photo: © Casper Tybjerg/Innovation Norway

Norway's market share of tourist arrivals from 2000-2006

Following a period of high growth and increased market shares in Europe and the world in general from 2002 to 2005, the percentage growth was halved in 2006 and market shares were marginally lower.



Source: TØI, Guest survey 2006 and UNWTO, World Tourism Barometer 2007.



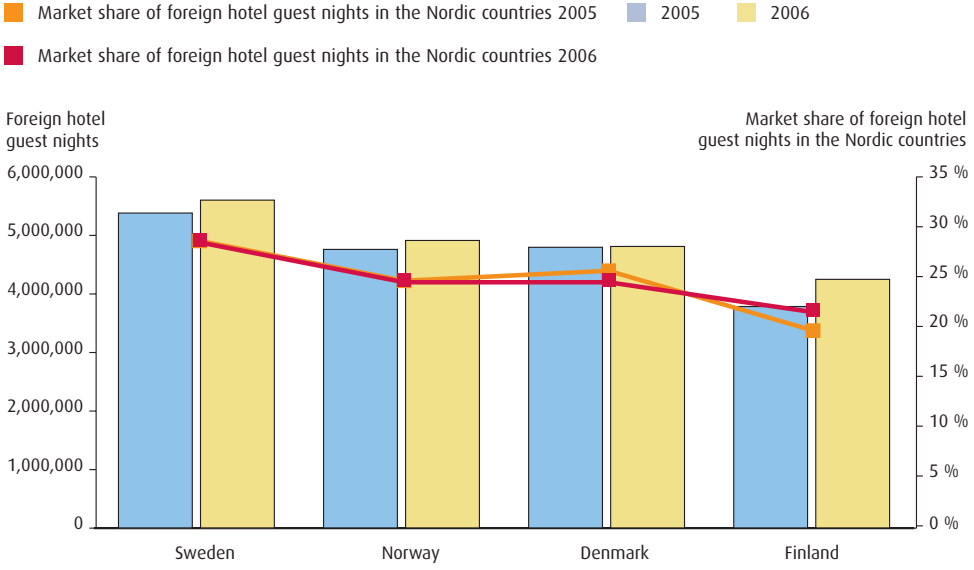
Photo: © Nancy Bundt/Innovation Norway



Photo: © Hanne Ølsen/Innovation Norway

3. Nordic hotel tourism

In 2006 there were 19.6 million foreign guest nights in Nordic hotels. This is an increase of five percent from 2005. Finland, which had an increase in foreign guest nights of 12 percent, is the only Nordic country which increased its market share in 2006. Both Sweden and Norway remained unchanged with 29 and 25 percent, respectively, while Denmark lost market share in 2006.



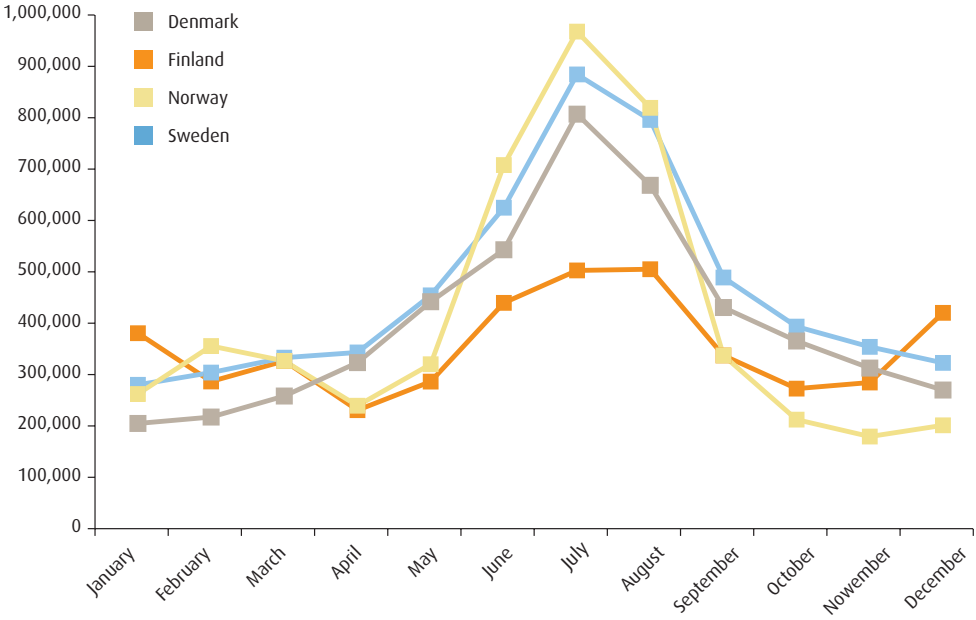
Source: Finnish Tourist Board (MEK).

4. Tourists visiting Norway

Monthly breakdown of when tourists visit Norway

If we compare ourselves with the other Nordic countries, Norway is the country with the greatest seasonal variation in foreign guest nights in hotels in 2006. Norway experienced an increase of 122 percent from May to June. Hotels in Norway hosted the majority of foreign guest nights during the summer months of June, July and August. After August we lost market share, and Norway was under the average from September to December.

Foreign hotel guest nights in 2006



Source: Finnish Tourist Board (MEK).



Photo: © Jens Henrik Nybo/Innovation Norway

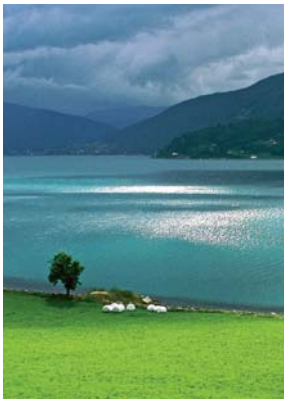


Photo: © Jens Henrik Nybo/Innovation Norway

Important foreign markets for Norway as a tourist nation

People from our neighbouring countries, and Sweden in particular, holiday the most in Norway. In 2006 there were 758,000 holiday and leisure arrivals from Sweden, followed by 493,000 from Germany, 408,000 from Denmark and 240,000 from the UK.

Despite an increase in the number of tourists visiting Norway in 2006, the number of overnight stays fell by one percent to 21.6 million guest nights. This means that the average holiday duration was reduced from 7.5 days in 2005 to 7.2 in 2006.

	Holiday and leisure arrivals 2006*	Percentage change in arrivals 2005-2006	Arrivals by plane 2006	Arrivals by road 2006	Holiday and leisure guest nights 2006
Total	**3,004,000**	**3 %**	**1,031,000**	**1,931,000**	**21,652,000**
Sweden	758,000	6 %	87,000	642,000	3,059,000
Germany	493,000	-4 %	112,000	375,000	4,851,000
Denmark	408,000	-8 %	75,000	327,000	2,642,000
UK	240,000	19 %	206,000	32,000	1,824,000
Netherlands	128,000	-4 %	46,000	81,000	1,349,000
The US	111,000	8 %	n/a	n/a	1,301,000
France	93,000	3 %	n/a	22,000	895,000
Poland	63,000	n/a	n/a	44,000	710,000
Spain	53,000	13 %	n/a	6,000	543,000
Italy	45,000	-3 %	n/a	11,000	395,000
Russia	35,000	43 %	n/a	26,000	272,000
Japan	27,000	-13 %	n/a	n/a	116,000

* Arrivals with at least one overnight stay.

Source: TØI, Guest survey 2005 and 2006. Consumption figures are based on information from the consumption survey in 2005 and volume from 2006.



Photo: © Anders Nielsen/Innovation Norway



Photo: © Anders Gjengedal/Innovation Norway

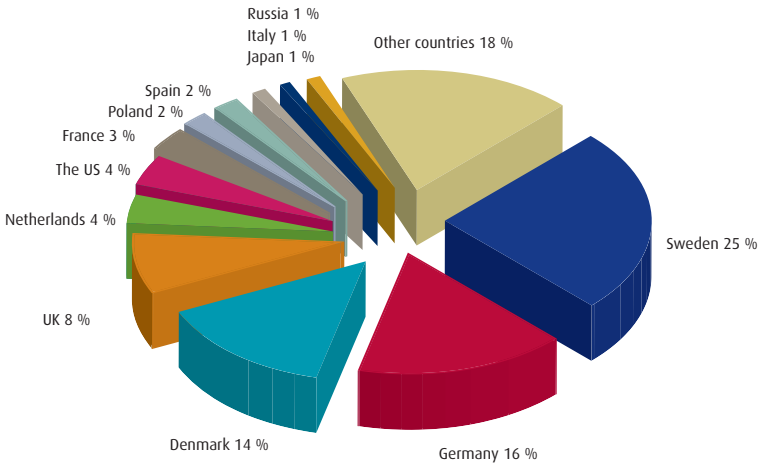


Photo: © Pål Bugge/Innovation Norway



Photo: © Nancy Bundt/Innovation Norway

Percentage change in holiday and leisure guest nights 2005-2006	Average duration 2006	Percentage change in average duration 2005-2006	Consumption by market		
			Per day	Per holiday	Market total
-1 %	7.2 days	-4 %	n/a	n/a	n/a
7 %	4.0 days	1 %	386	1,558	1,180,774,000
-9 %	9.8 days	-6 %	733	7,213	3,555,783,000
-12 %	6.5 days	-5 %	573	3,710	1,513,866,000
15 %	7.6 days	-5 %	1,066	8,102	1,944,384,000
-1 %	10.5 days	3 %	636	6,703	857,964,000
16 %	11.7 days	7 %	1,136	13,315	1,477,936,000
18 %	9.6 days	13 %	557	5,360	498,515,000
n/a	11.3 days	n/a	n/a	n/a	n/a
4 %	10.2 days	-13 %	n/a	n/a	n/a
-8 %	8.8 days	-6 %	1,592	13,974	628,840,000
30 %	7.8 days	-5 %	n/a	n/a	n/a
-2 %	4.3 days	10 %	n/a	n/a	n/a



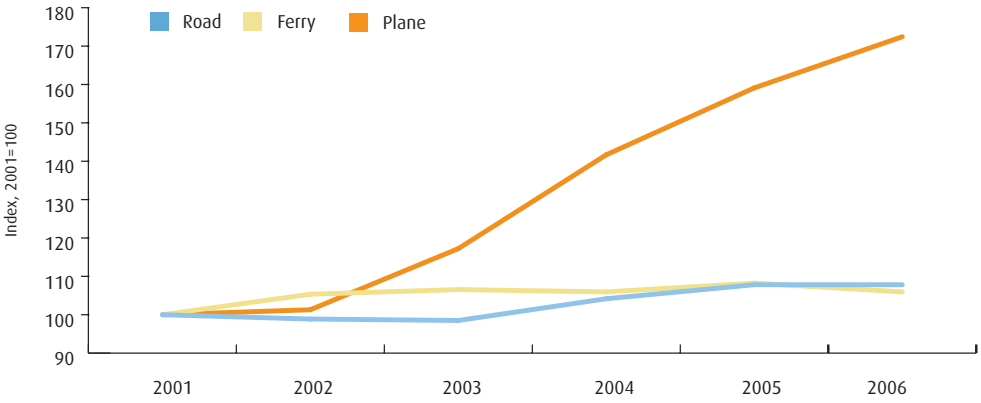
Source: TØI, Guest survey 2006.

Arrivals broken down by our prioritised holiday and leisure markets

Sweden, Germany and Denmark were responsible for 55 percent of all holiday trips to Norway in 2006. This is a decline of two percentage points from 2005, due to fewer arrivals from both Germany and Denmark.

How tourists travel to Norway

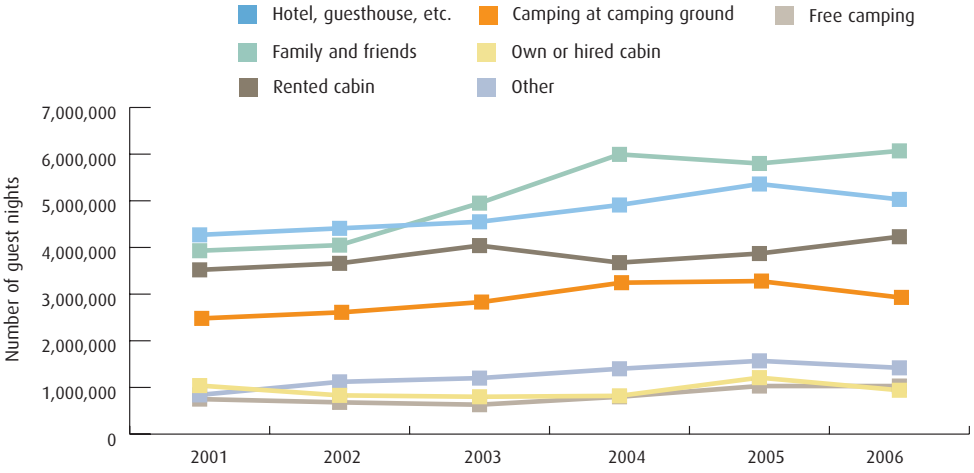
Over 80 percent of the growth in foreign arrivals is due to more tourists arriving by plane. From 2001 air traffic has risen by 72 percent, from 998,000 arrivals in 2001 to 1.72 million in 2006. Even though the rate of growth diminished somewhat in 2006 (up eight percent), air traffic is responsible for all the growth in the number of overnight guests in Norway. From 2001 to the present day, the number of overnight guests arriving by ferry rose by a meagre six percent and the number who came by road rose by eight percent. Last year arrivals by ferry fell by two percent and the number of overnight guests by road remained unchanged from the year before; still almost twice as many visitors travel to Norway by road as by plane.



Source: TØI, Guest survey 2006.

Where tourists stay in Norway

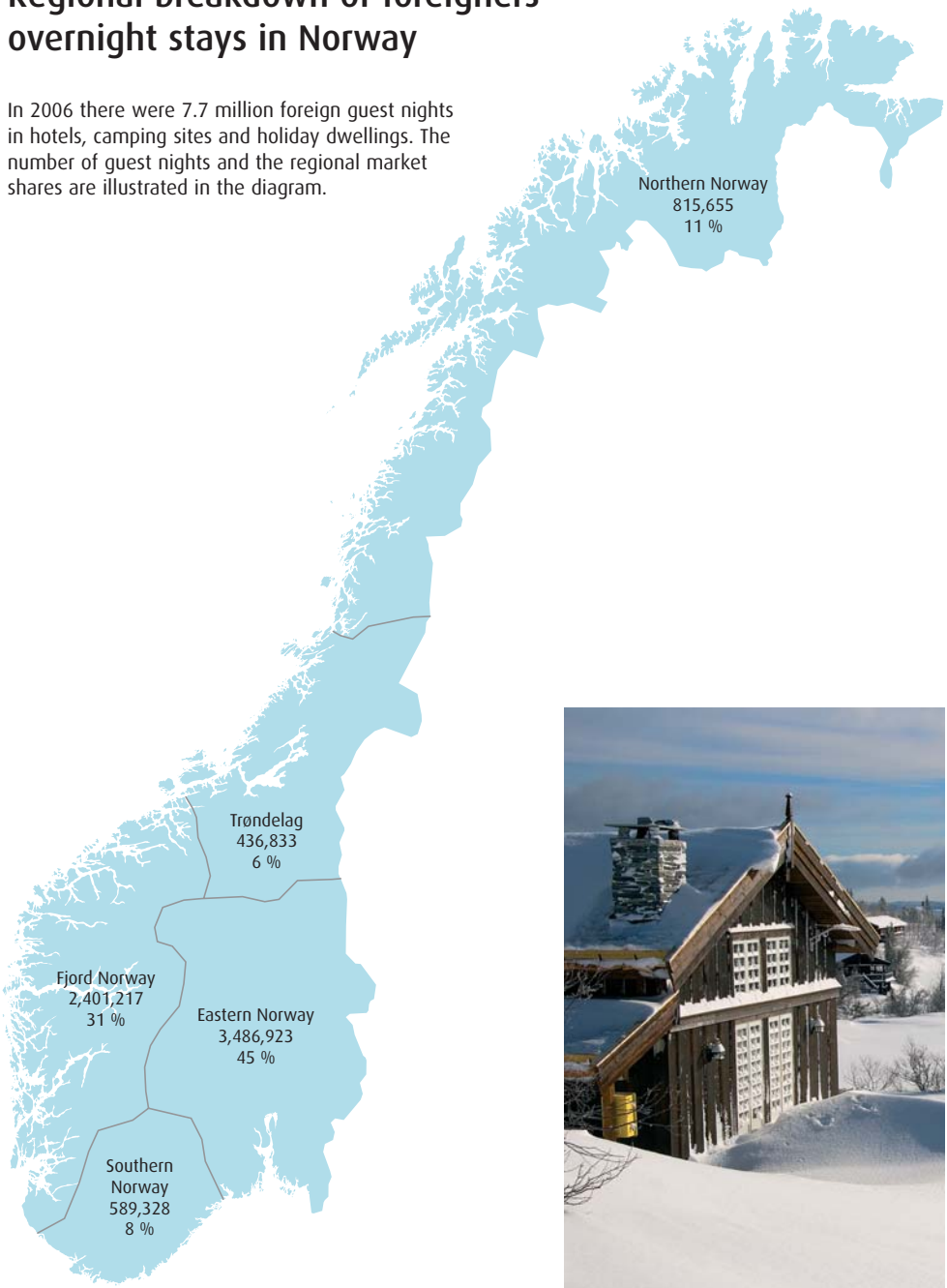
Staying with friends and family is the category that is increasing the most. In 2006, 25 percent of all foreign guest nights were spent with friends and family. This is a rise of five percent from 2005 and 54 percent above 2001 levels.



Source: TØI, Guest survey 2006.

Regional breakdown of foreigners' overnight stays in Norway

In 2006 there were 7.7 million foreign guest nights in hotels, camping sites and holiday dwellings. The number of guest nights and the regional market shares are illustrated in the diagram.



Source: SSB, Accommodation statistics.

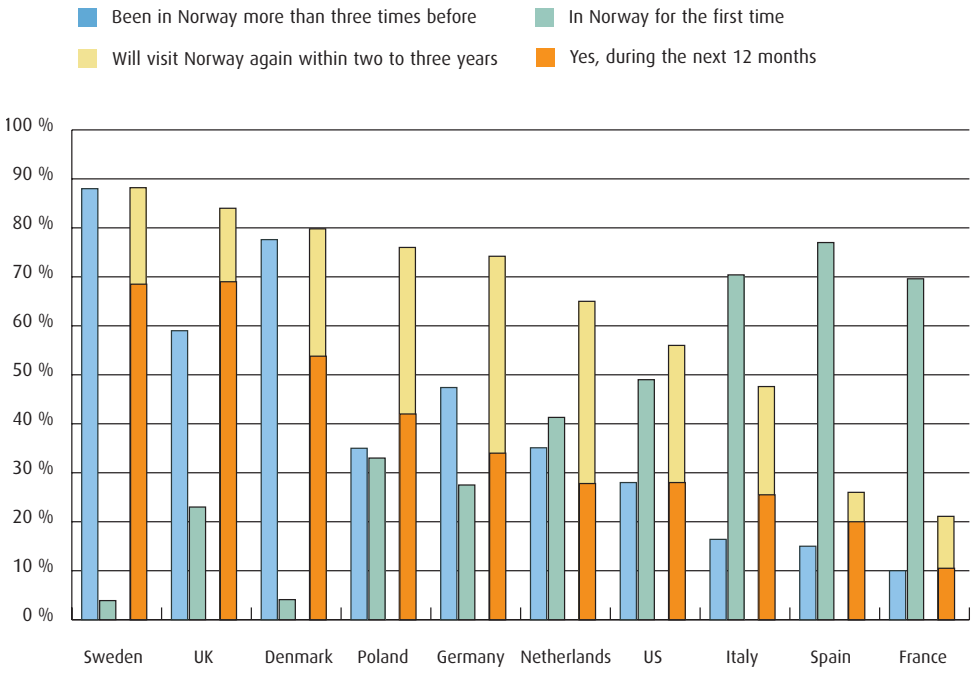
Photo: © Erik Jørgensen/Innovation Norway

Repeat visits and interest in returning

As many as 88 percent of Swedes and 78 percent of Danes who holidayed in Norway during summer 2006 had visited Norway more than three times before. The majority of these visitors also responded that they could imagine returning on holiday within two or three years. Of those that responded that they will return to Norway within two or three years (yellow column), a large proportion wanted to return as soon as within the next 12 months (orange column). The figures show that new recruitment from Sweden and Denmark is low, and during the 2006 summer season only 3.9 percent of the Swedes and 4.1 percent of the Danes were here on holiday for the first time.

Our largest markets display high levels of loyalty. Many of the same tourists return on holiday year after year, but there is relatively little new recruitment.

From smaller markets as measured by the number of tourist arrivals, such as southern Europe, there is less loyalty and the percentage growth in new recruitment is higher. A disproportionately large number of southern Europeans who were here on holiday in summer 2006 were here for the first time. A smaller proportion of these answered that they could see themselves returning on holiday within the next three years.



Source: TØI, Guest survey 2006.

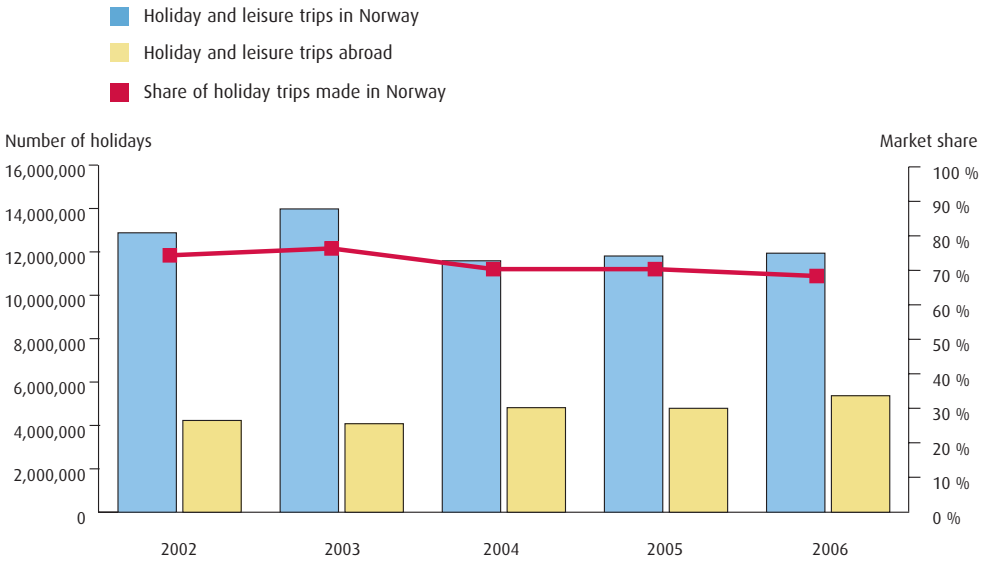
The figures contain responses from holiday and leisure travellers during the 2006 summer season. The respondents had been in Norway for more than one day, and arrived by road or air. The results from the UK, Spain, Poland, and the US only contain responses from tourists who travelled to Norway by air.



Photo: © Johan Wildhagen/Innovation Norway

5. Norwegians on holiday

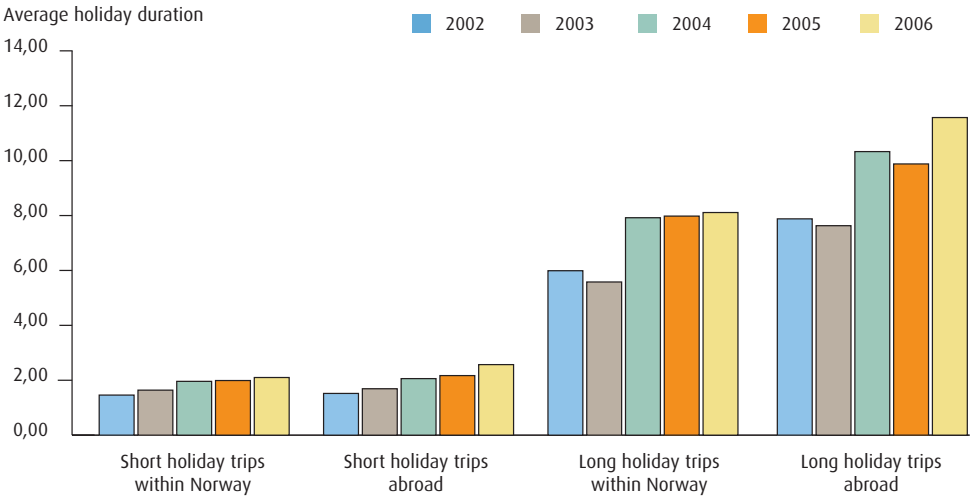
Norwegians went on 17.3 million holiday trips during 2006. This is an increase of four percent from the previous year. National traffic remained stable, and it was a rise of as much as 12 percent in holiday trips abroad which drove the growth. Despite Norwegians holidaying more abroad, 69 percent of all holiday trips were made in Norway. During the period 2002-2006 there has been 27 percent growth in the number of holidays trips abroad, while the number of holiday trips made in Norway has fallen by seven percent.



Source: SSB, Travel survey, 4th quarter 2006.

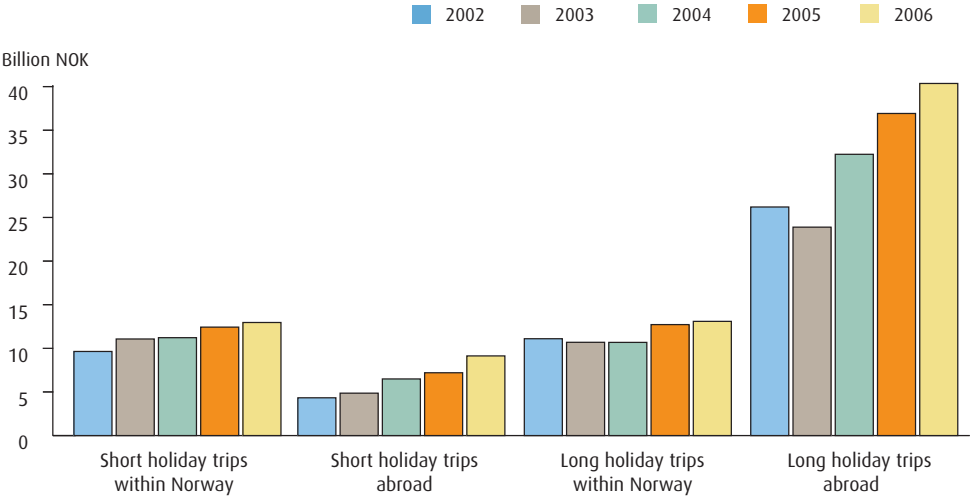
Breakdown of short breaks and long holidays within Norway and abroad

In addition to taking more holiday trips, we are also spending more time away than we did before. From 2002 until 2006 the duration of the short breaks has increased. The number of days we are away on long holiday trips has also risen.



How much money we spend on different types of holiday in Norway and abroad

Norwegians are spending increasingly greater amounts on holiday trips both within Norway and abroad. However, it is on trips abroad that we are spending the most and where the growth is greatest.



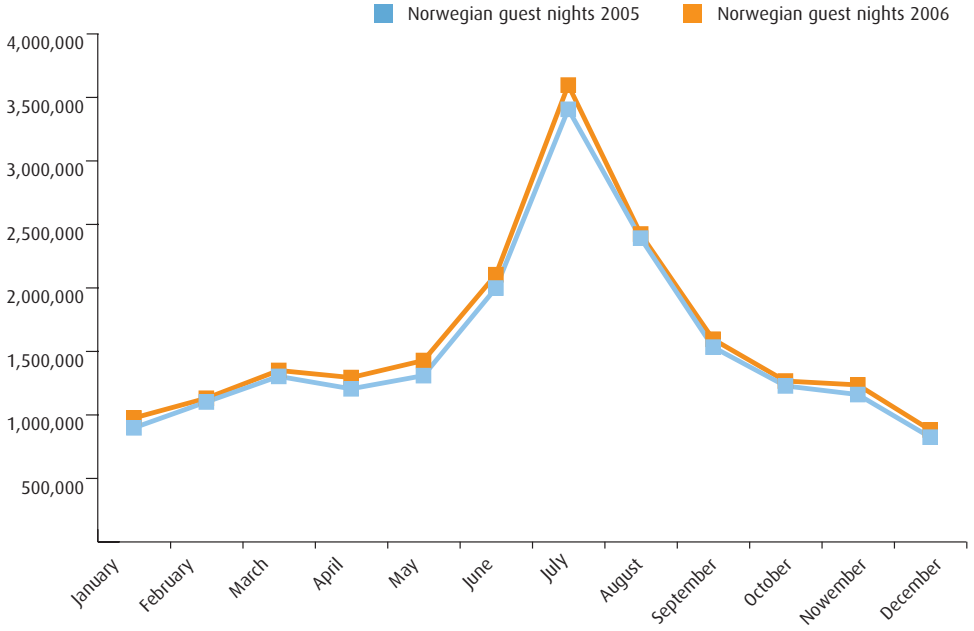
Source: SSB, Travel survey, 4th quarter 2006.



Photo: © Nancy Bundt/Innovation Norway

Monthly breakdown of when Norwegians holiday in Norway

There were 19.3 million Norwegian guest nights in accommodation establishments* in 2006. This is an increase of five percent over the previous year. 42 percent of all guest nights were during the summer months of June, July and August.



* Figures include hotel, camping site and holliday dwellling.

Source: SSB, Accommodation statistics.

Regional breakdown of Norwegian overnight stays

In 2006 there were 19.3 million Norwegian guest nights in hotels, camping sites and holiday dwellings. The number of guest nights and the market shares are broken down by region and illustrated in the diagram.



Photo: © Ute photo/Innovation Norway

Source: SSB, Accommodation statistics.

Definitions

Arrival – a holiday and leisure trip to Norway with a stay of at least one night.

Day trip – holiday trip with no overnight stay.

Foreigner – a person who is domiciled in a country other than Norway.

Guest night – the number of overnight stays on the trip in Norway.

Holiday travel – a trip in which the main purpose is stated as being:

- visiting family and friends
- holiday/leisure travel, including ski holiday
- shopping

Motoring tourist – foreign holidaymaker who has left Norway in a car, camper van or car with caravan.

SSB – Statistics Norway.

The summer season – the period from May to September inclusive.

TØI – Norwegian Centre for Transport Research.

UNWTO – World Tourism Organization.

Innovation Norway

Innovation Norway promotes commercially profitable and economically beneficial commercial development across the whole country, and releases the commercial potential of the various districts and regions through assisting with innovation, internationalisation and branding.

Our services and programmes

Innovation Norway provides services and programmes aimed at assisting in developing the regions, raising the level of innovation in business and industry throughout the country and promoting Norwegian businesses and Norway itself as a travel destination.

A global organisation

Innovation Norway is a global organisation. In addition to representation in all the counties nationwide, we have offices in over thirty countries. In countries where Innovation Norway is not represented by an office, an extensive international network has been established through the Norwegian ambassador.

Ownership and management

The Ministry of Trade and Industry is the principal owner of Innovation Norway. The company also manages resources for the Ministry of Local Government and Regional Development, the Ministry of Fisheries and Coastal Affairs and the Ministry of Agriculture and Food.

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