

Key Figures for Norwegian Travel and Tourism 2021

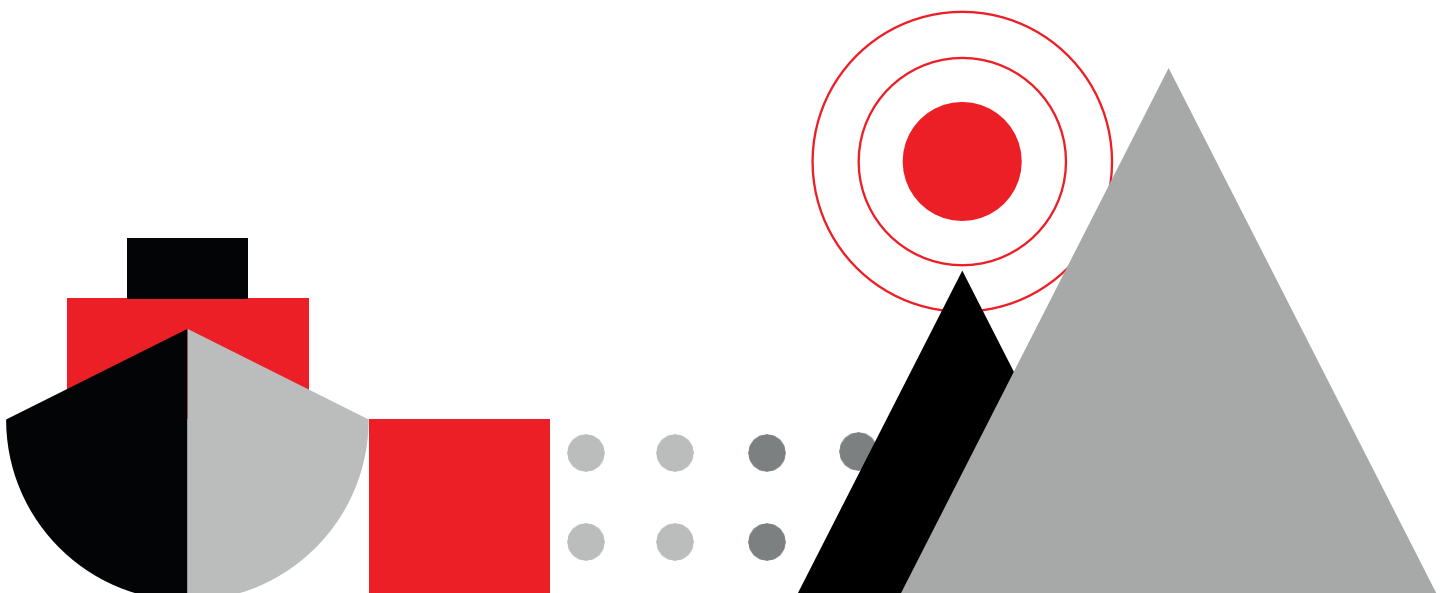




Key Figures for Norwegian Travel and Tourism 2021

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The global travel and tourism industry has just emerged from a few challenging years. Overnight, borders were closed, flights were grounded and hotels and other places offering hospitality and attractions were closed. At that time the industry was able to look back on ten years of continuous growth and a good start to 2020. It went from having 1.5 billion cross-border journeys, a new record in 2019, to a massive 73 per cent decline the following year. 2020 became the worst year for international tourism. Travel and tourism picked up slightly in 2021, with 4 per cent growth compared to the previous year. Nevertheless, the number of trips was 72 per cent below the 2019 level.

Norway was also hit hard, but there are regional differences

There were 27 million commercial overnight stays in 2021, which is an increase of 14 per cent compared to 2020. More Norwegians travelled in their own country and Norwegian overnight stays increased by as much as 17 per cent from 2020. This means that the number of Norwegian overnight stays is only three per cent below the level in 2019. Unfortunately, the growth from the domestic market cannot cover the loss of foreign overnight stays for almost two years. The level of foreign overnight stays in 2021 is unchanged from the previous year, but represents a decline of 69 per cent compared to 2019. This means that the total number of commercial overnight stays declines by 23 per cent compared to 2019.

Simplified edition

This brochure contains much less information than in previous years.

If the growth in camping and holiday cabins had not been so high, this decline would have been even greater. Hotels were hit hardest during the pandemic. The pandemic led to temporary discontinuation of our Tourism Survey and in order to obtain a good idea of what tourism was like in Norway before the pandemic, please refer to the Key Figures for Norwegian Travel and Tourism 2019, which can be found on visitnorway.no/innsikt. This also contains updated Travel Barometers showing the development in interest for visiting Norway.

Further information and full reports can be found on Innovation Norway's website visitnorway.no/innsikt



Margrethe Helgebostad.
Analytics Manager, Tourism

The importance of tourism to Norway 2019



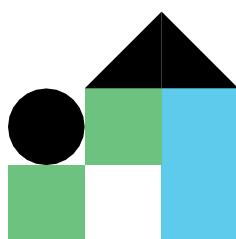
Photo: Hans Petter Sørensen/VisitNorway



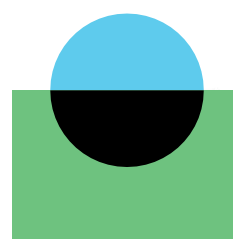
4.2% of GDP
Amounts to 126.3 billion*



7 out of 100
Jobs in the travel and tourism
industry, amounting to 182,900
employees



194,330 billion
Total tourism consumption



59.4 billion
Foreign visitors' share of total
tourist consumption, which
amounts to 31 per cent

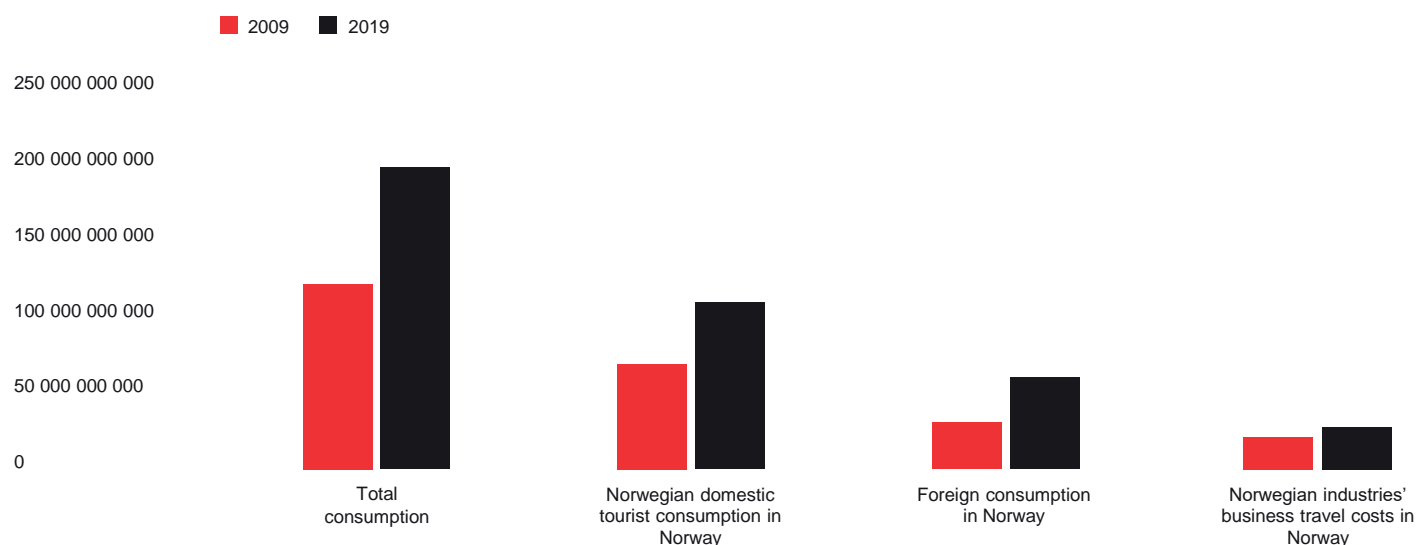
Source:
Tourism Satellite Accounts, Statistics Norway (SSB) - Updated with new figures from SSB Nov/Dec 2022

According to the final figures issued by Statistics Norway, total tourist consumption in 2019 was estimated at NOK 194.3 billion. NOK 126.3 billion of this total goes towards the purchase of goods and services that come under what is defined as tourism products, such as transport, accommodation, food and beverage services, presentations and cultural and entertainment activities.

This means that the tourism industry's contribution to the country's GDP amounted to 4.2 per cent that year.

The importance of tourism to Norway is increasing in line with the rest of the Norwegian economy

Tourist consumption



Source:
Tourism Satellite Accounts, Statistics Norway

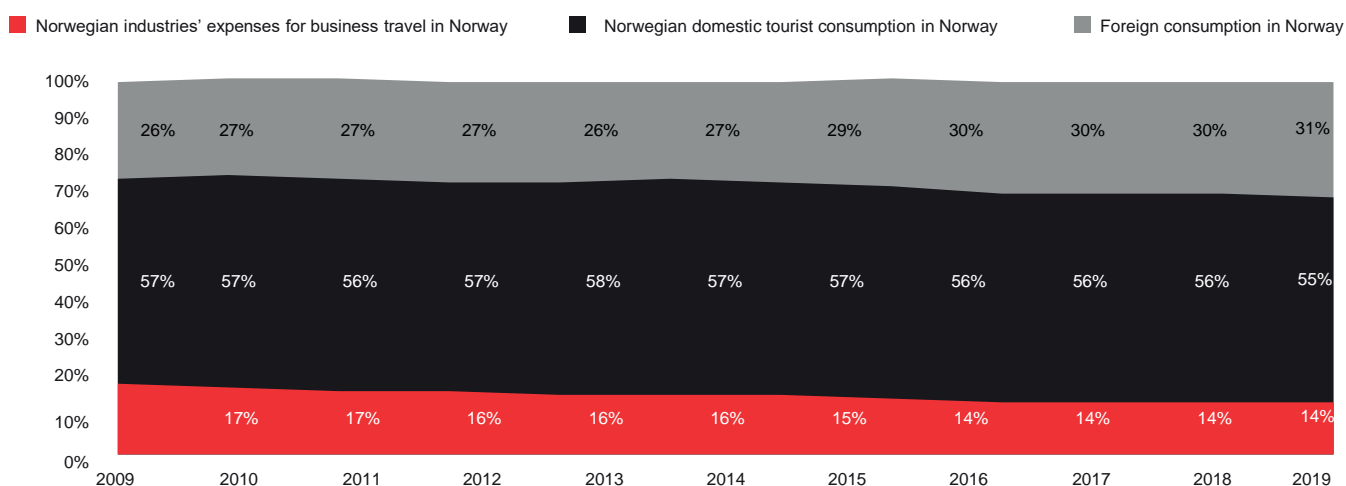
Between 2009 and 2019 tourist consumption increased from NOK 119.6 billion to NOK 194.3 billion. This increase of 62 per cent corresponds to NOK 74.9 billion.

It is obviously Norwegians who contribute the most to tourist consumption, be it spending on leisure or business trips here at home, or the use of travel agents and tour operators. The corresponding figure for 2019 was NOK 134.9 billion. Despite satisfactory growth on the domestic market, the contribution made by foreign tourists is increasing more rapidly. During this period foreign tourism consumption has almost doubled from NOK 30.5 billion to NOK 59.4 billion.

Never before has foreign tourist consumption in Norway accounted for as much as 31 per cent of total consumption and this is a new record in terms of absolute figures. By comparison, the number of foreign commercial guest nights increased by 42 per cent, suggesting that Norway was earning more from tourists in 2019 than in 2009.

Over the course of ten years consumption from foreign tourists has doubled

Distribution of consumption between Norwegian and foreign tourists, 2009-2019



Source:
Tourism Satellite Accounts, Statistics Norway

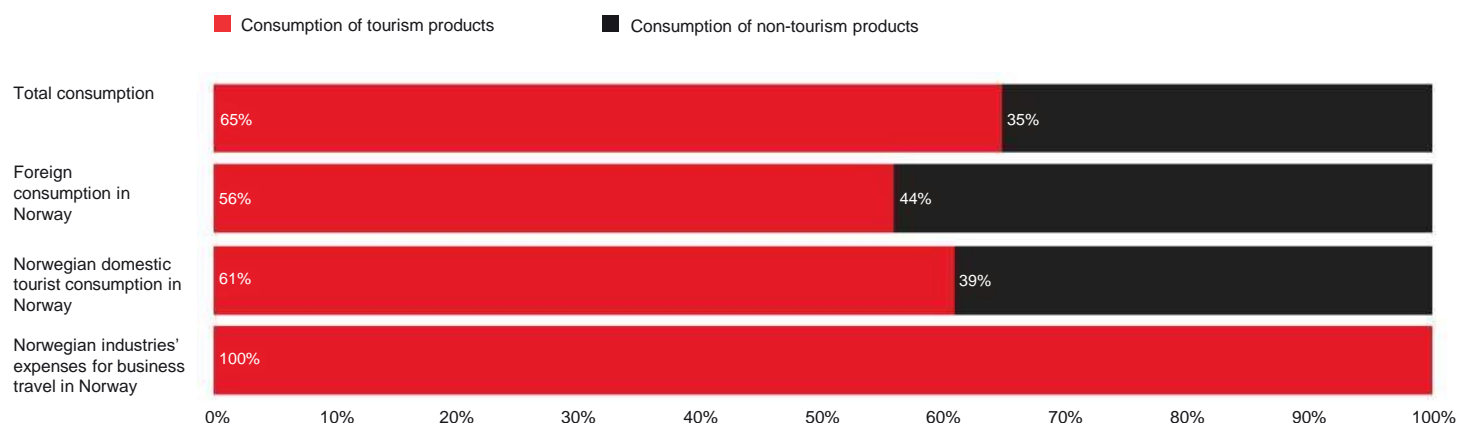
Industries outside the traditional tourism industry also earn money from tourism. Much of what Norway earns from tourism goes towards the purchase of goods and services that are not tourism products.

Of the total consumption of NOK 194.3 billion, NOK 126.3 billion goes towards the purchase of goods and services that are defined as tourism products.

This constitutes 65 per cent of total consumption. This means that 35 per cent, equivalent to NOK 68 billion, accrues to other industries.

More industries are making money from tourism

Distribution of tourist consumption of NOK 194,3 billion

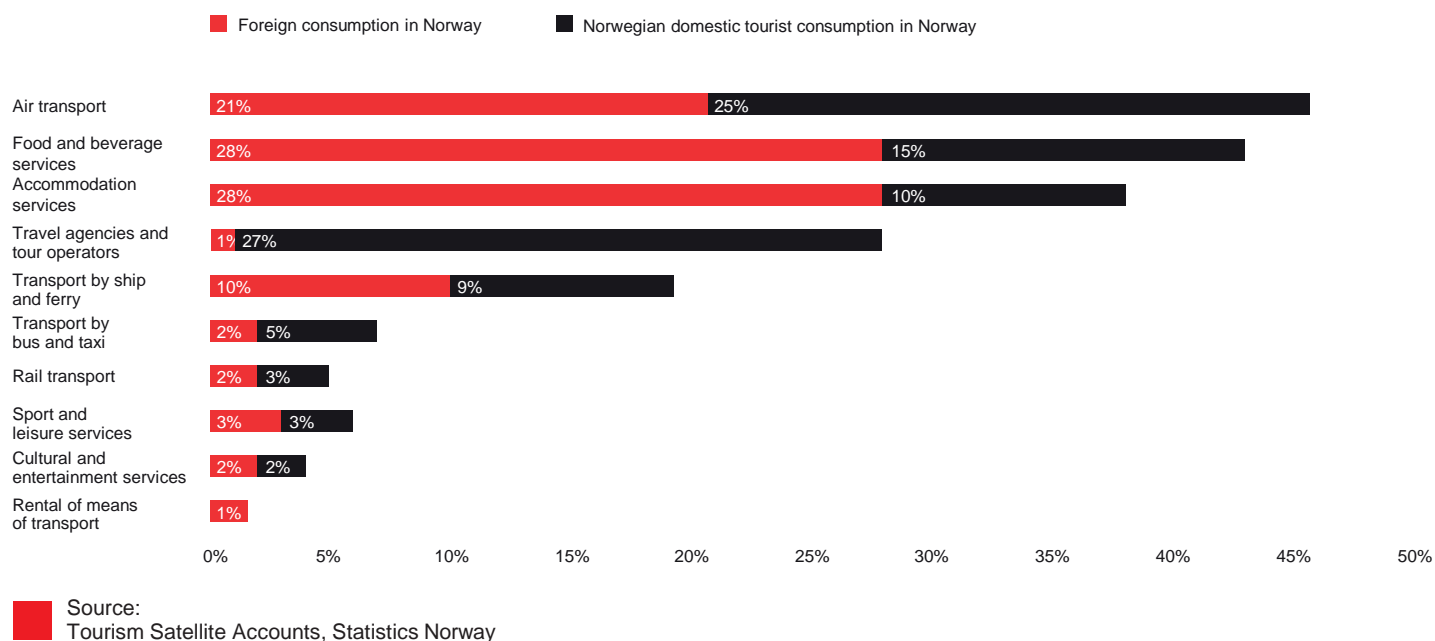


Source:
Tourism Satellite Accounts, Statistics Norway

If we look at the distribution of the NOK 126.3 billion spent on tourism-related goods and services, air transport is the largest contributor with NOK 34 billion. This is followed by catering services with just under NOK 26 billion, accommodation with

NOK 20.3 billion and travel agency and tour operator services with just under NOK 20 billion. The chart below shows how consumption is distributed between Norwegian and foreign tourists.

Distribution of tourist consumption of NOK 126.3 billion



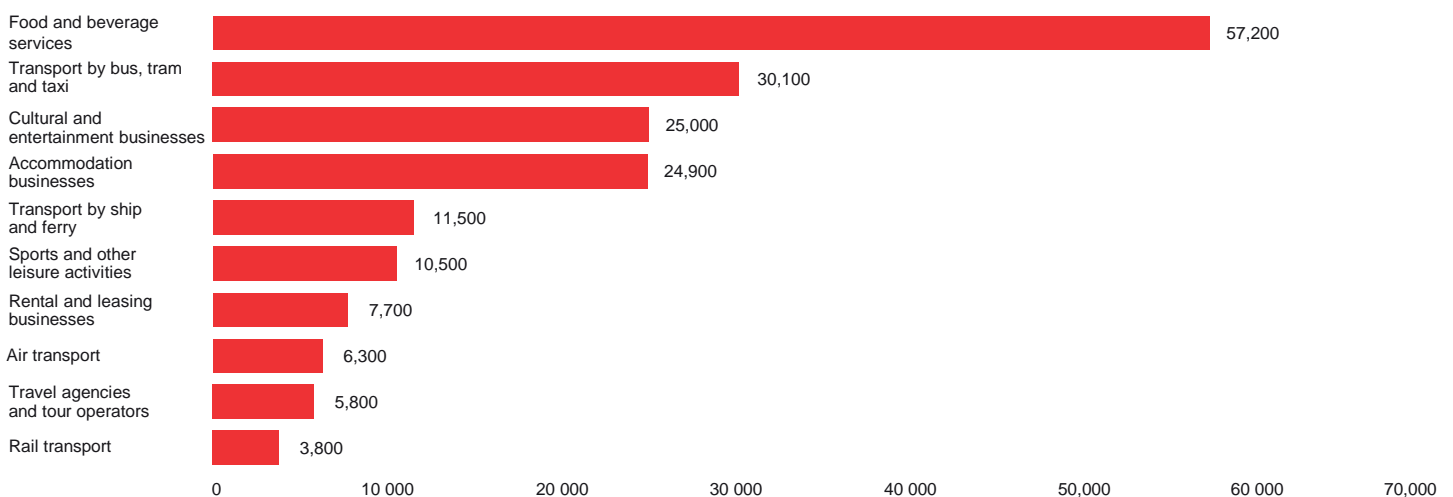
182,900 people were employed in the tourism industry in 2019. This is an increase of two per cent compared to the previous year. The percentage of people employed in the travel and tourism industry accounts for 7.4 per cent of all employment in Norway. This means that seven out of every 100 people employed in Norway work in the tourism industry.

Most of these, 31 per cent, are employed in food and beverage services.

This is followed by transport that includes transport by buses, trams, taxis, ships, ferries, aircraft and coaches, with 28 per cent. Accommodation establishments employ 14 per cent.

7 out of 100
people work in the
travel and tourism industry

Number of employees by consumer group



Source:
Tourism Satellite Accounts, Statistics Norway



© *Andreas Wolden*

Photo: Visit Norway.com

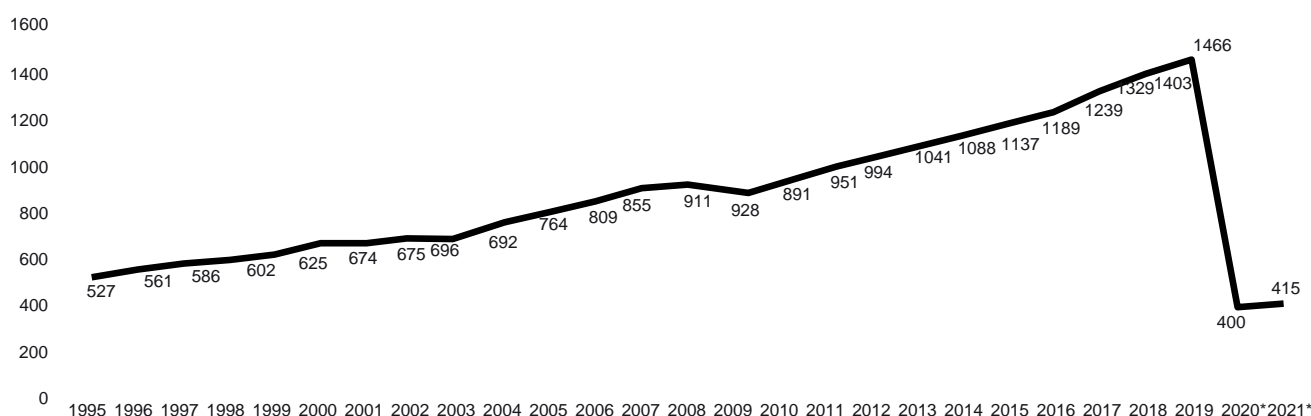
2020 was the worst year for international tourism with only 400 million cross-border journeys involving one night or more. This increased to 415 million trips in 2021.

After ten years of continuous growth and a good start to 2020, all global travel came to an abrupt halt. From 1.5 billion cross-border journeys in 2019, the number of trips decreased by 73 per cent in 2020, resulting in the worst ever year for international tourism. Travel and tourism picked up slightly in 2021, with 4 per cent growth compared to the previous year.

Nevertheless, the number of cross-border journeys made is 72 per cent below the 2019 level. What helped tourism in many countries was a substantial increase in domestic travel in each country. The same thing happened here in Norway. Statistics Norway's Travel Survey shows that 2021 was a record year featuring the highest number of holiday trips made in Norway by Norwegians. The same survey shows the highest holiday consumption ever measured here at home. However, despite a sharp increase in Norwegian holidaymakers with cash in their pockets, this growth on the domestic market cannot compensate for the loss of foreign tourists over almost two years.

International tourist arrivals involving at least one overnight stay

Figures in millions



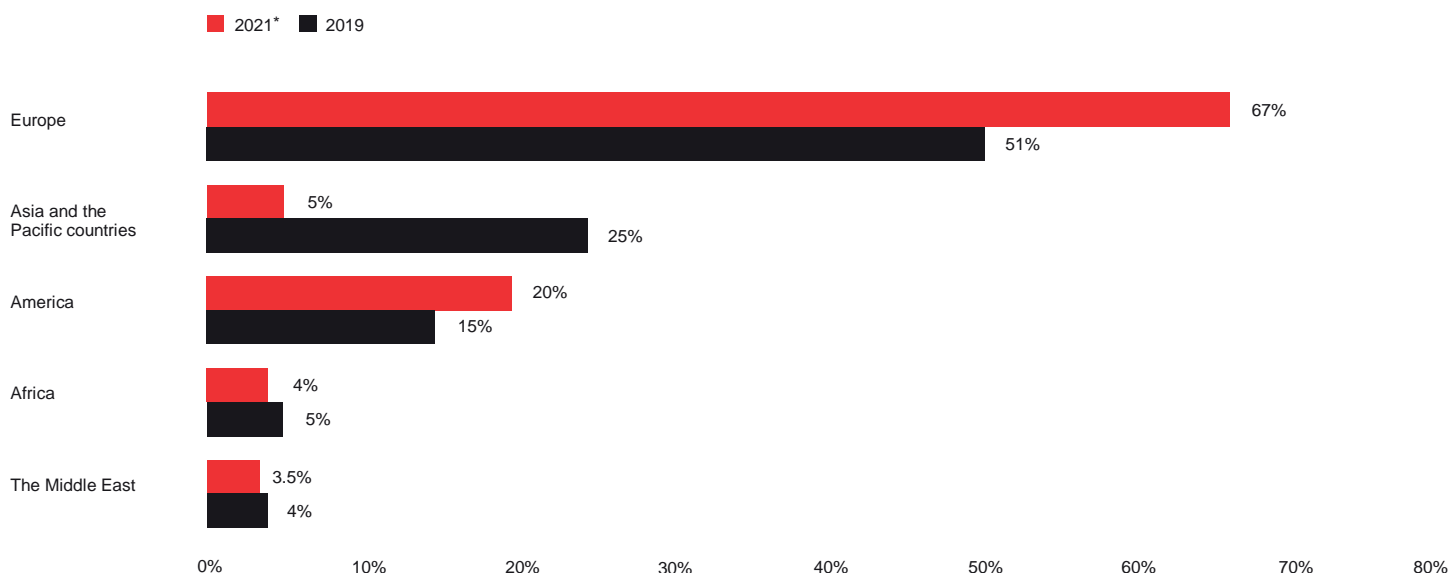
*Provisional figures for 2020 and 2021

Source:
World Tourism Organisation (UNWTO)

The whole world was hit hard in March 2020, but the recovery of arrivals during the subsequent period varied in accordance with how far the various countries had progressed with vaccinations and their different ways of handling entry restrictions. Of the 415 million cross-border journeys in 2021, almost two out of three were trips to a European country. Europe thus increased its market share from 51 per cent in 2019 to 67 per cent.

There was also a fair increase in arrivals in America. Asia and countries in the Pacific region are the ones that have been hit hardest during the 2-year pandemic, with a decline of 84 per cent in 2020 and a further decline of 65 per cent in 2021. This means that in 2021 they only had five per cent of all arrivals in the world, compared to 25 per cent in 2019.

Breakdown of international tourist arrivals



*Provisional figures for 2021 and 2021

Source:
World Tourism Organisation (UNWTO)

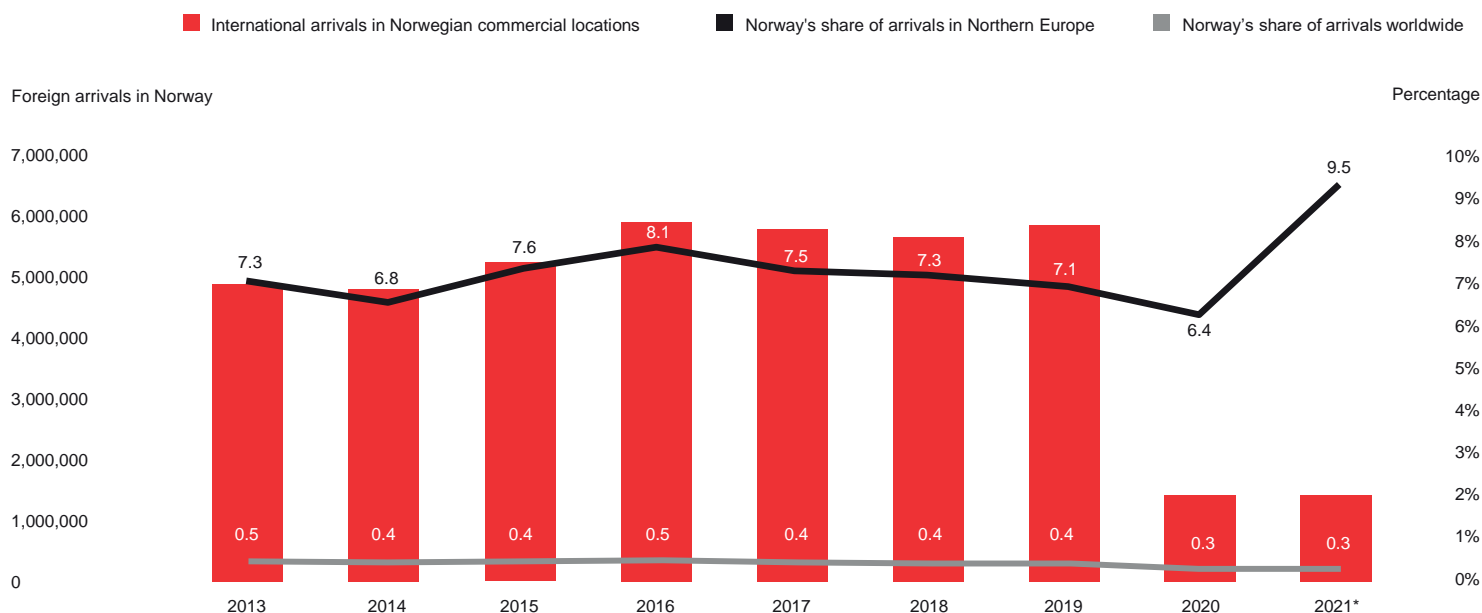
Foreign arrivals in Norway

Sharp drop in foreign arrivals in Norway as well, with a slight increase in 2021

The number of foreign arrivals in Norway fell from 5.9 million in 2019 to 1.39 million in 2020. The decline of 76 per cent corresponds to 4.5 million arrivals. In 2021 the number of arrivals increased to 1.43 million. The growth of three per cent means that Norway's share of arrivals in Northern Europe is higher than in normal years. Because there are not only big differences between continents, there are also differences within continents and between countries.

In 2021 there were major differences in arrivals in Northern Europe. Of particular note is the sharp drop of 81 per cent in arrivals in the UK. The UK accounts for half of all arrivals in this region and this is thus decisive for the 30 per cent drop in arrivals in Northern Europe. At the other end of the scale is Sweden, which saw a 30 per cent increase after 2020.

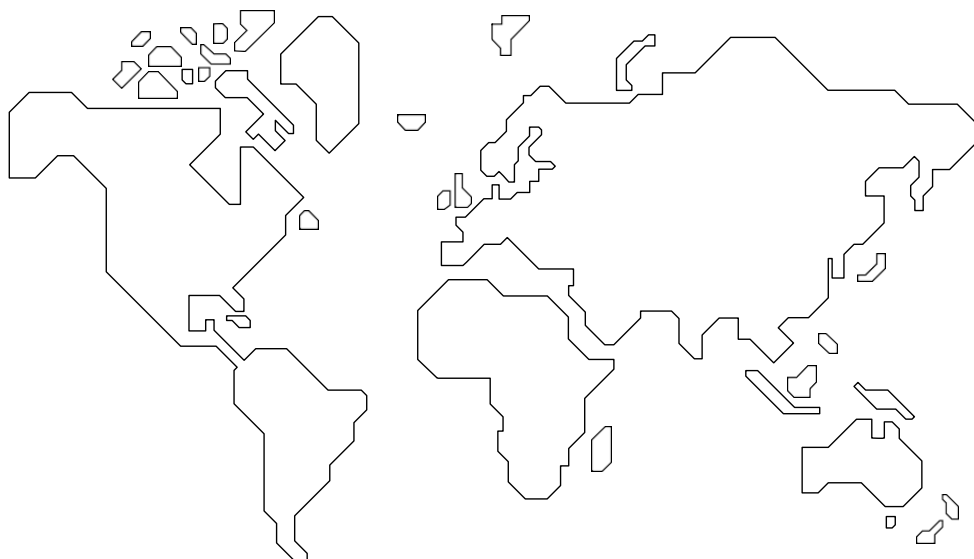
Sharp drop in foreign arrivals in Norway as well, with a slight increase in 2021



*Provisional figures for 2021

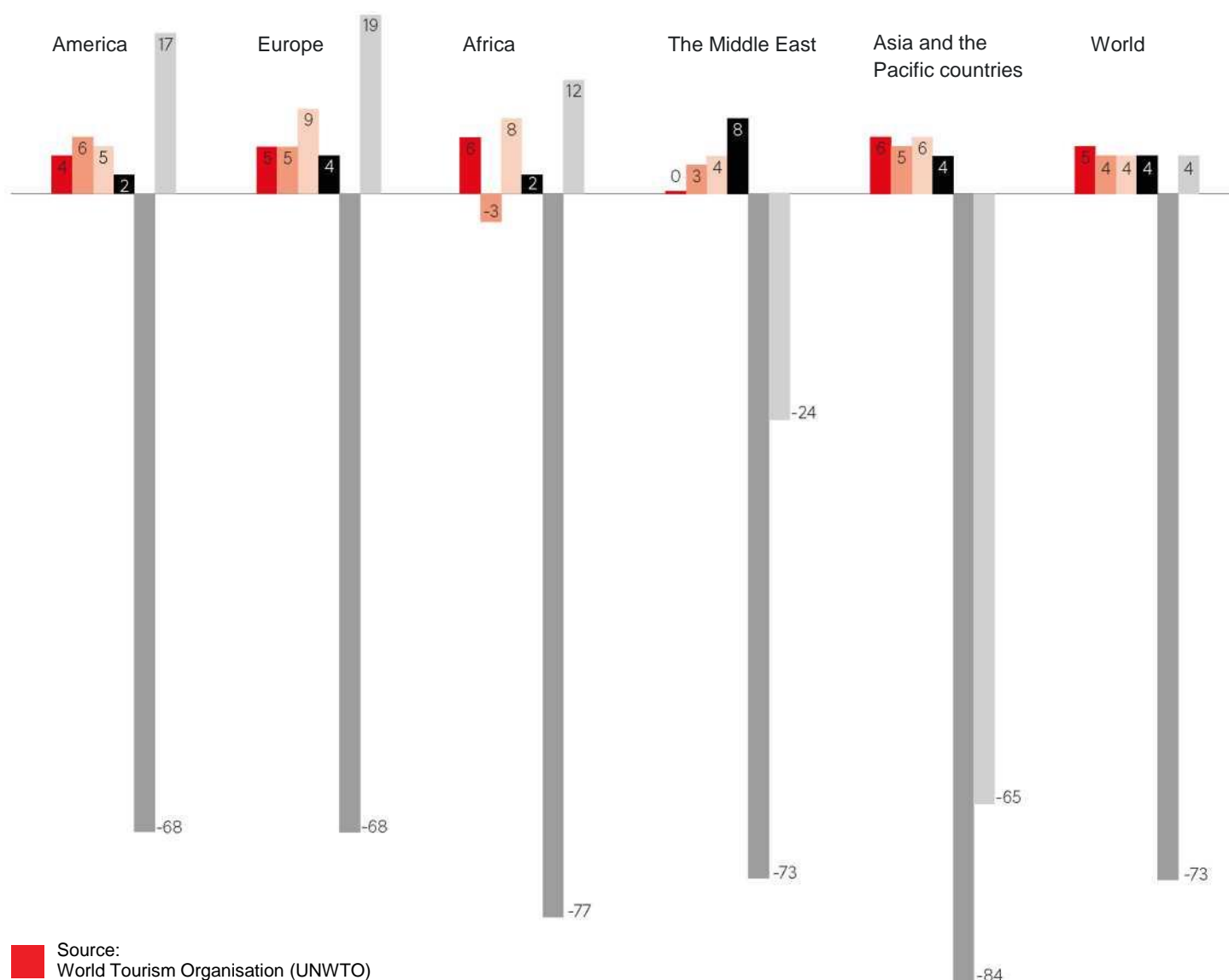
Source:
The World Tourism Organisation (UNWTO) and Eurostat

Changes in the number of tourist arrivals in the world involving a minimum of one overnight stay



All figures in %

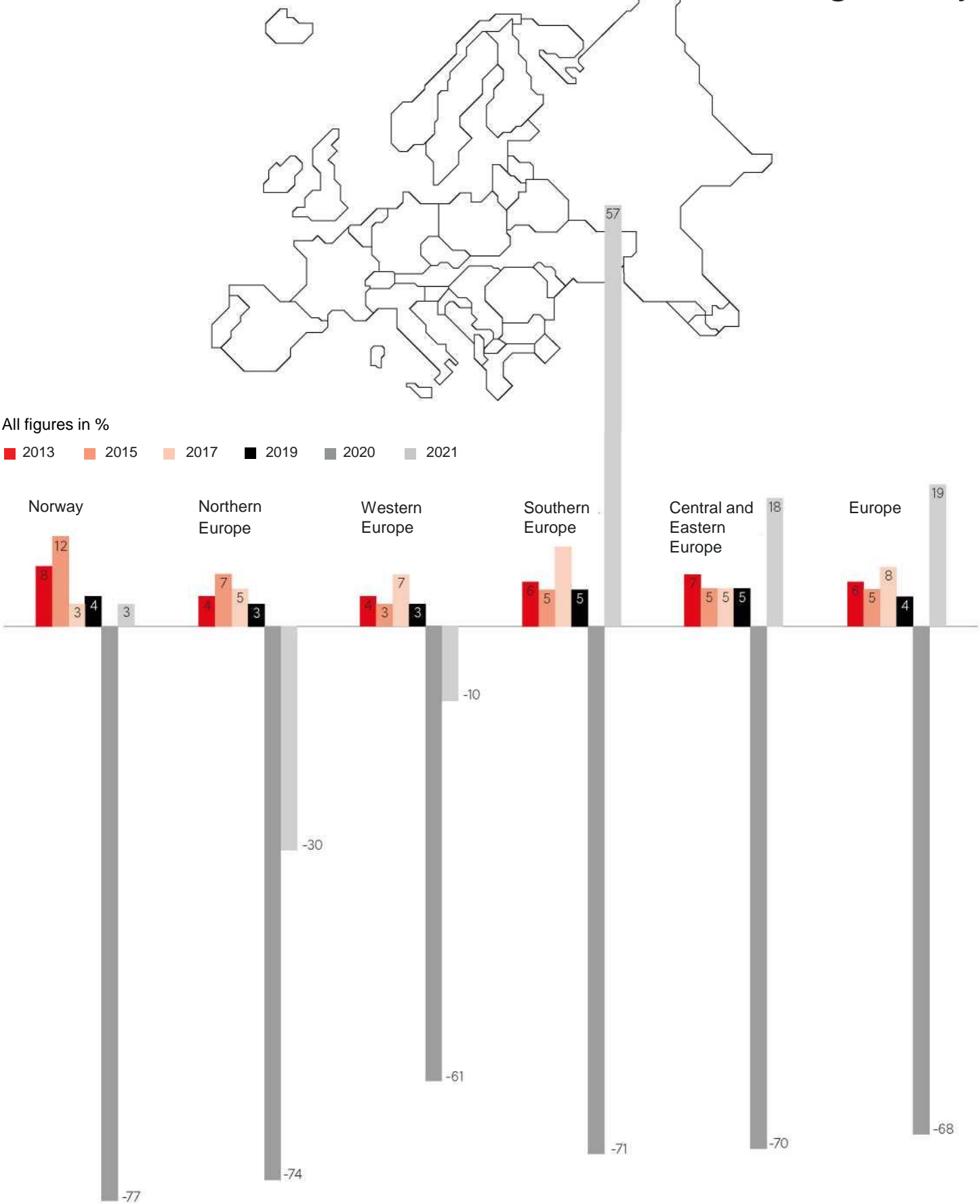
■ 2013 ■ 2015 ■ 2017 ■ 2019 ■ 2020 ■ 2021



Source:
World Tourism Organisation (UNWTO)

03

Changes in the number of tourist arrivals in Europe and Norway involving a minimum of one overnight stay



Source:
World Tourism Organisation (UNWTO)

Commercial overnight stays

There were 27 million commercial overnight stays in 2021, which is an increase of 14 per cent compared to 2020. More Norwegians travelled in their own country and Norwegian overnight stays increased by as much as 17 per cent from 2020. This means that the number of Norwegian overnight stays is only three per cent below the level in 2019. Unfortunately the growth in the domestic market cannot compensate for the loss of foreign overnight

stays over a period of almost two years. The level of foreign overnight stays in 2021 is unchanged from the previous year, but represents a decline of 69 per cent compared to 2019. This means that the total number of commercial overnight stays declines by 23 per cent compared to 2019. If the growth in camping and holiday cabins had not been so high, this decline would have been even greater.

The table below has been prepared in accordance with the largest shares in 2019

	2007	2010	2013	2016	2019	Share in 2019	2020	2021	Share in 2021	Change 2020–2021	Change 2019–2021
In total	28,663,930	28,540,497	29,243,016	33,114,132	35,179,554	100%	23,720,833	27,092,046	100%	14%	-23%
Norway	20,338,157	20,637,311	21,551,330	23,387,248	24,478,073	70%	20,402,530	23,782,515	88%	17%	-3%
Total foreign visitors	8,325,773	7,903,186	7,691,686	9,726,884	10,701,481	30%	3,318,303	3,309,531	12%	0%	-69%
Germany	1,703,050	1,637,206	1,309,550	1,687,582	1,955,111	18%	565,953	788,659	24%	39%	-60%
Sweden	912,915	958,838	999,339	1,189,888	1,103,425	10%	397,600	376,801	11%	-5%	-66%
USA	330,727	315,436	303,199	496,626	956,174	9%	203,954	211,696	6%	4%	-78%
Denmark	1,006,816	914,053	835,121	828,916	755,652	7%	589,832	262,335	8%	-56%	-65%
Netherlands	873,342	799,515	519,989	658,478	773,696	7%	171,852	217,594	7%	27%	-72%
UK	755,172	520,428	581,496	734,876	649,981	6%	288,742	179,954	5%	-38%	-72%
China	70,694	68,133	161,878	392,529	471,822	4%	27,614	6,135	0%	-78%	-99%
France	291,826	318,280	285,525	372,107	451,608	4%	65,530	114,200	3%	74%	-75%
Spain	313,766	245,638	174,862	304,303	343,513	3%	43,286	70,186	2%	62%	-80%
Italy	228,275	222,540	164,254	235,288	273,372	3%	65,730	101,058	3%	54%	-63%
Switzerland	121,970	133,159	139,545	204,456	243,469	2%	43,380	57,178	2%	32%	-77%
Belgium	65,857	88,866	81,671	130,164	160,179	1%	27,845	48,978	1%	76%	-69%
Russia	130,434	172,811	211,805	105,285	154,189	1%	19,033	16,401	0%	-14%	-89%
Australia	41,620	43,917	61,294	87,498	125,339	1%	22,041	4,052	0%	-82%	-97%
Austria	64,536	76,045	67,776	98,760	112,522	1%	23,402	37,288	1%	59%	-67%
South Korea	40,609	38,008	57,042	88,157	104,339	1%	5,670	749	0%	-87%	-99%
Japan	115,962	104,014	103,882	111,579	100,283	1%	8,833	4,807	0%	-46%	-95%
Thailand	n/a	n/a	n/a	n/a	53,132	0%	10,931	2,790	0%	-74%	-95%
Brazil	13,847	22,882	38,999	35,582	50,726	0%	11,001	4,516	0%	-59%	-91%
United Arab Emirates	n/a	n/a	n/a	n/a	40,068	0%	3,345	3,748	0%	12%	-91%
Singapore	n/a	n/a	n/a	n/a	38,623	0%	6,190	1,286	0%	-79%	-97%
Indonesia	n/a	n/a	n/a	n/a	25,140	0%	3,996	969	0%	-76%	-96%
Other countries	1,244,355	1,223,417	1,594,459	1,964,810	1,759,118	16%	712,543	798,151	24%	12%	-55%

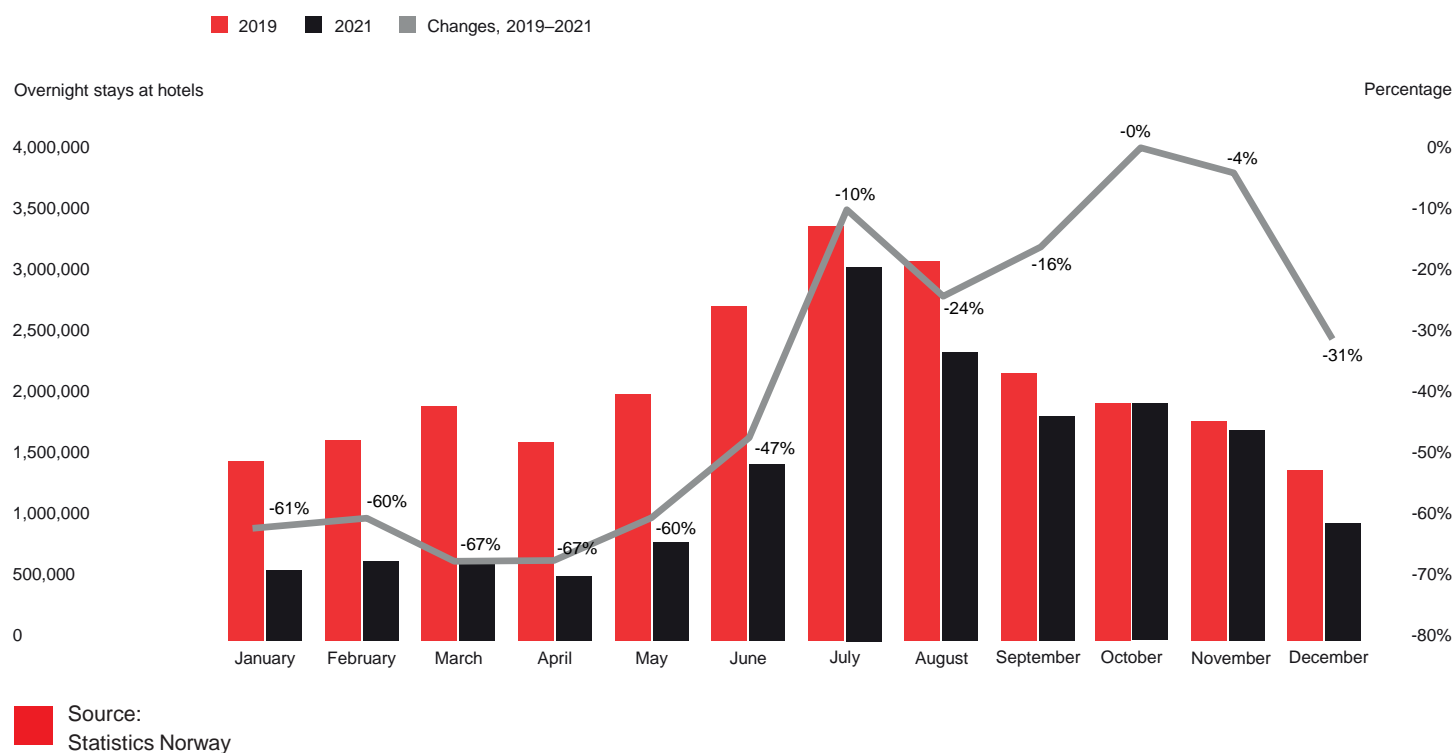
Source:
Statistics Norway

The number of overnight stays at hotels picked up somewhat in 2021, increasing by 11 per cent compared to 2020. With the exception of the declines in January to March and July, which were unchanged, hotels have experienced solid growth throughout the year. The same applies to overnight stays at camping sites (+15 per cent) and the joint category of holiday cabins and hostels (+35 per cent) which are continuing to increase.

This is a trend that we have seen throughout the pandemic. If we look at developments since 2019, hotels have been the hardest hit with a decline of 35 per cent. Camping and holiday cabins and hostels are 7 and 2 per cent higher respectively than in 2019.

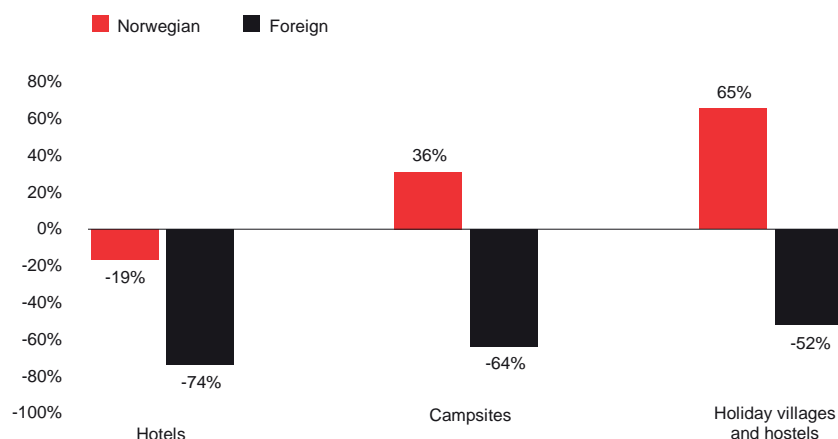
Hotels hardest hit

Hotel accommodation throughout the year and changes from 2019 - 2021



Changes in accommodation types from 2019-2021

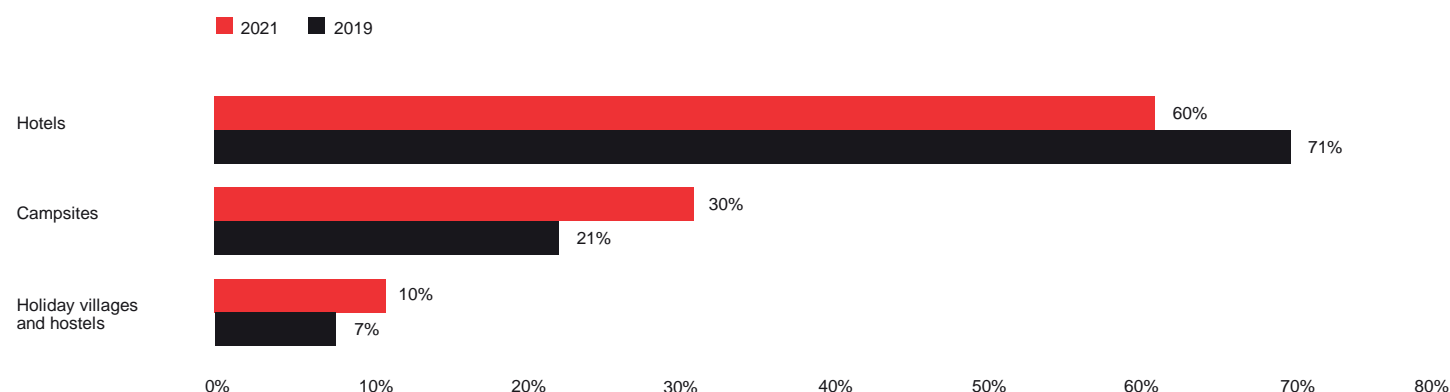
Norwegians are responsible for increases in camping and holiday cabins and hostels



Record high interest in camping among Norwegians Throughout the pandemic there has been a steady increase in Norwegian overnight stays at campsites, holiday villages and hostels. It is especially the increase in stays at campsites that stands out.

Since 2019 Norwegian overnight stays have increased from 5.3 million to 7.2 million. This means that the percentage of overnight stays at camping sites has increased from 21 per cent in 2019 to 30 per cent in 2021.

Percentage of overnight stays by accommodation type



Source:
Statistics Norway

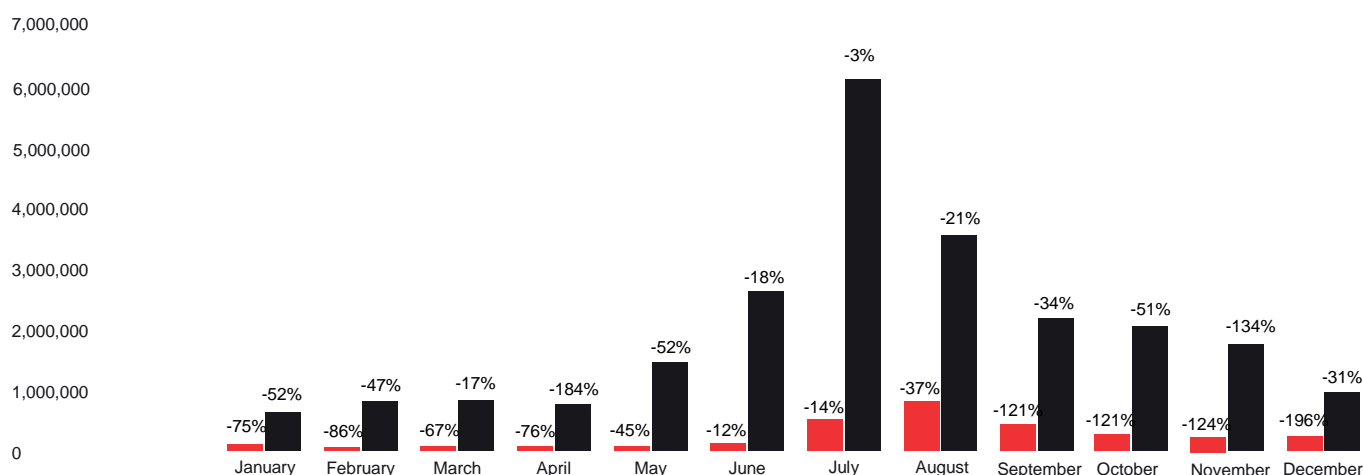
Although the number of overnight stays picked up after 2020, 2021 also suffered from restrictions. In February the mutated virus resulted to stricter travel restrictions and even after a year of the pandemic, we need to go back to April and May 2020 in order to find such low numbers for foreign overnight stays in Norway.

Record number of overnight stays in July

There were 6.6 million overnight stays in commercial accommodation in Norway in July. This is the highest number of overnight stays ever recorded in a single month and is one per cent higher than in July 2019. Compared to July 2020 the number of overnight stays last year increased by four per cent. Norwegian stays increased by three per cent, while the number of foreigners increased by 14 per cent.

Despite the easing of entry restrictions on 15 July, we did not experience the type of foreign growth that we might have expected. The fact that we were relatively slow to open our borders may have meant that anyone wishing to embark on a foreign holiday would already have made other plans. At the same time, foreigners spent fewer nights than previously at hotels that summer. Norwegians, on the other hand, were back in hotels during the summer of 2021, and there was a record high interest in camping. During the summer of 2021, just under 5.8 million Norwegian overnight stays were recorded at campsites. This is an increase of 43 per cent compared to the summer of 2019 and corresponds to 1.7 million overnight stays.

Foreign and Norwegian overnight stays during 2021 and changes since 2020



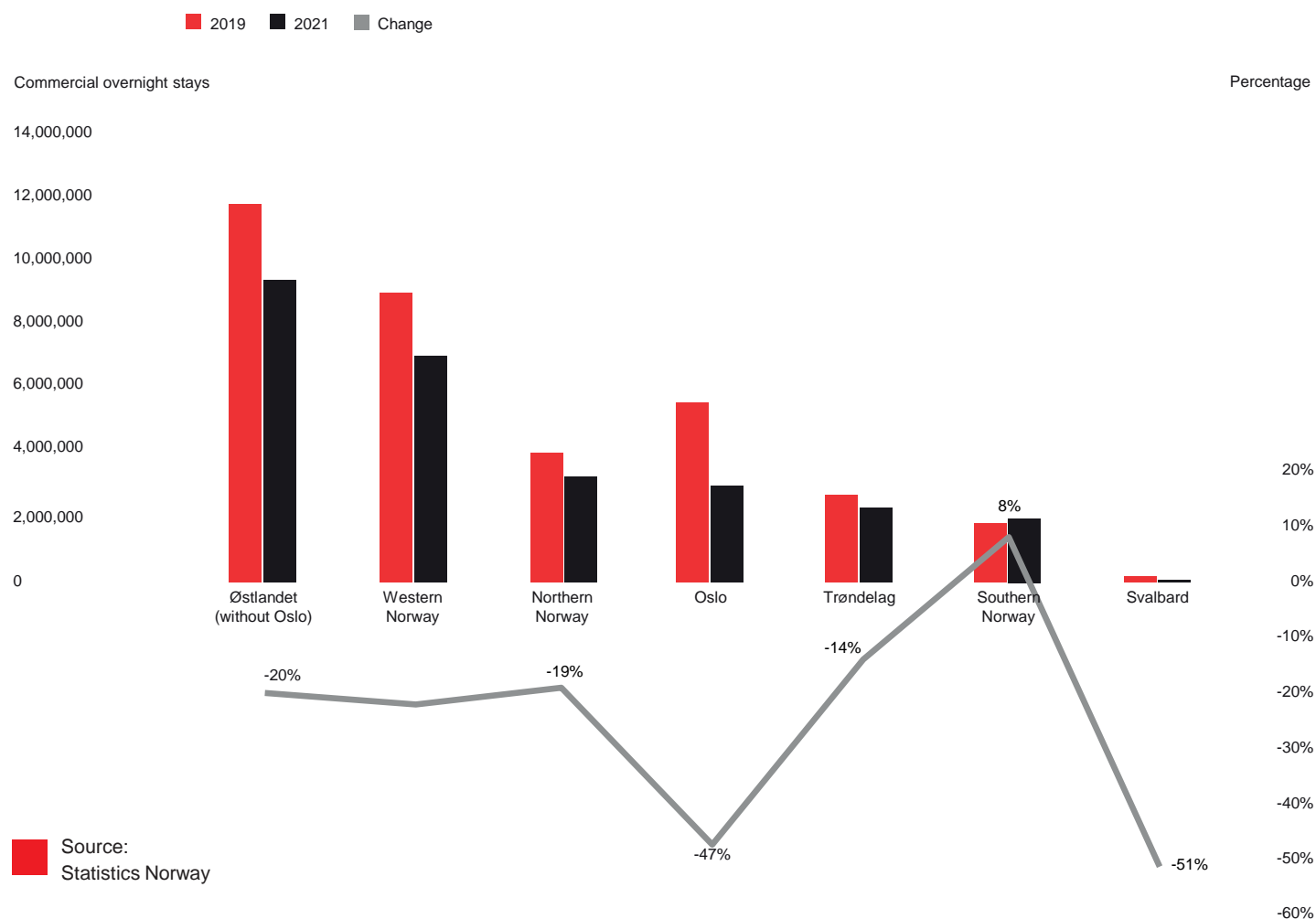
Source:
Statistics Norway

Hardest hit were those who generally have many foreign visitors and a lot of business traffic

The pandemic led to a sharp decline throughout the country, with the exception of southern Norway. Southern Norway stands out as being the only region that had more commercial overnight stays in 2021 compared to before the pandemic.

This is due to a substantial increase in Norwegian overnight stays, especially during the summer months, and the fact that this region usually has fewer foreign visitors than elsewhere in the country.

Commercial overnight stays and changes from 2019-2021



Norwegians' holiday habits



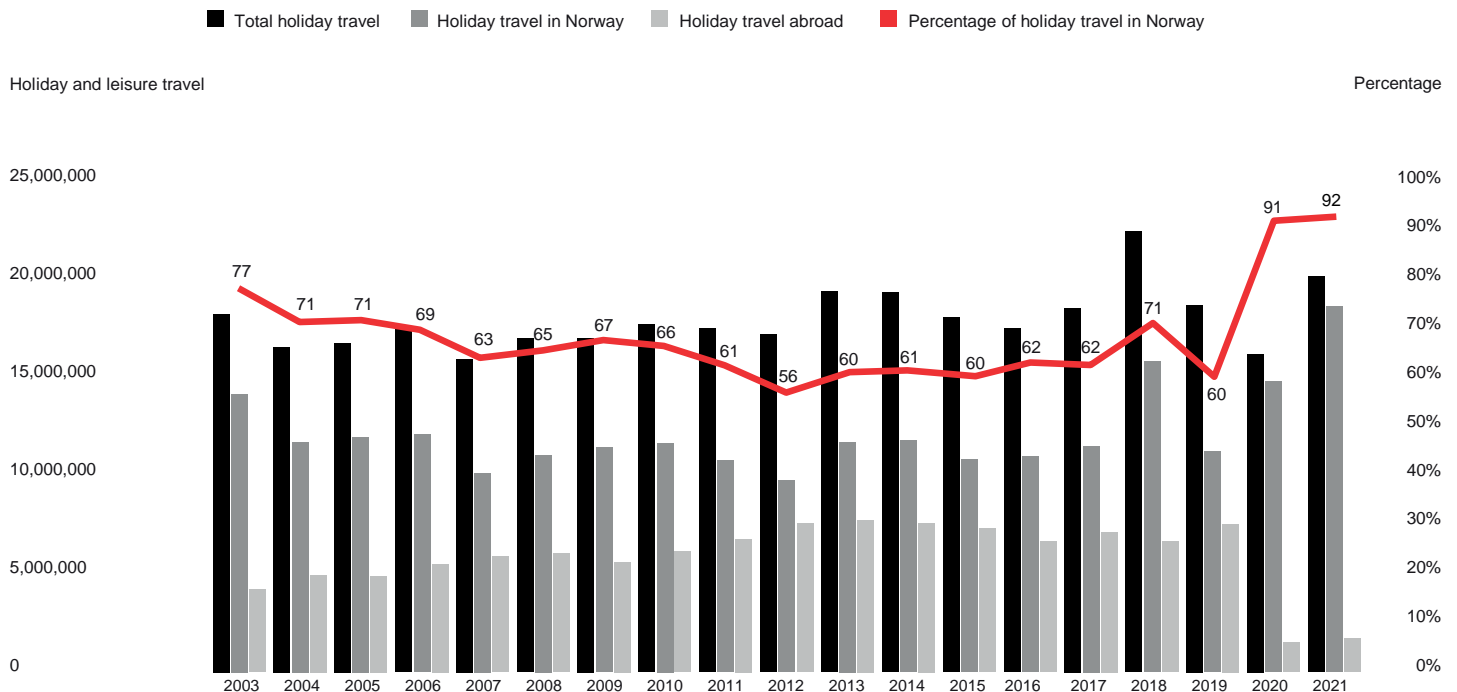
Photo: Visit Telemark

Highest ever number of domestic trips and consumption recorded

In 2021 Norwegians undertook 22.3 million journeys at home and abroad, according to Statistics Norway's Travel Survey. This is 25 per cent more than in 2020 and eight per cent more than in 2019. It is obvious that domestic travel would increase when our borders were closed. Of the 22.3 million trips undertaken by Norwegians in 2021, 90 per cent or 18.4 million

were holiday and leisure trips undertaken in Norway. Whereas before the pandemic we used to spend 60 to 70 per cent of our holidays travelling in our own country, this percentage increased to 92 per cent in 2021. We took 1.6 million holiday trips abroad in 2021. This is up 15 per cent from 2020, but 79 per cent lower than in 2019 which was a normal year when we made 7.4 million foreign holiday trips.

Highest ever number of domestic trips and consumption recorded



Source:
The Tourism Survey, Statistics Norway

Holiday travel consumption at home has doubled since 2019

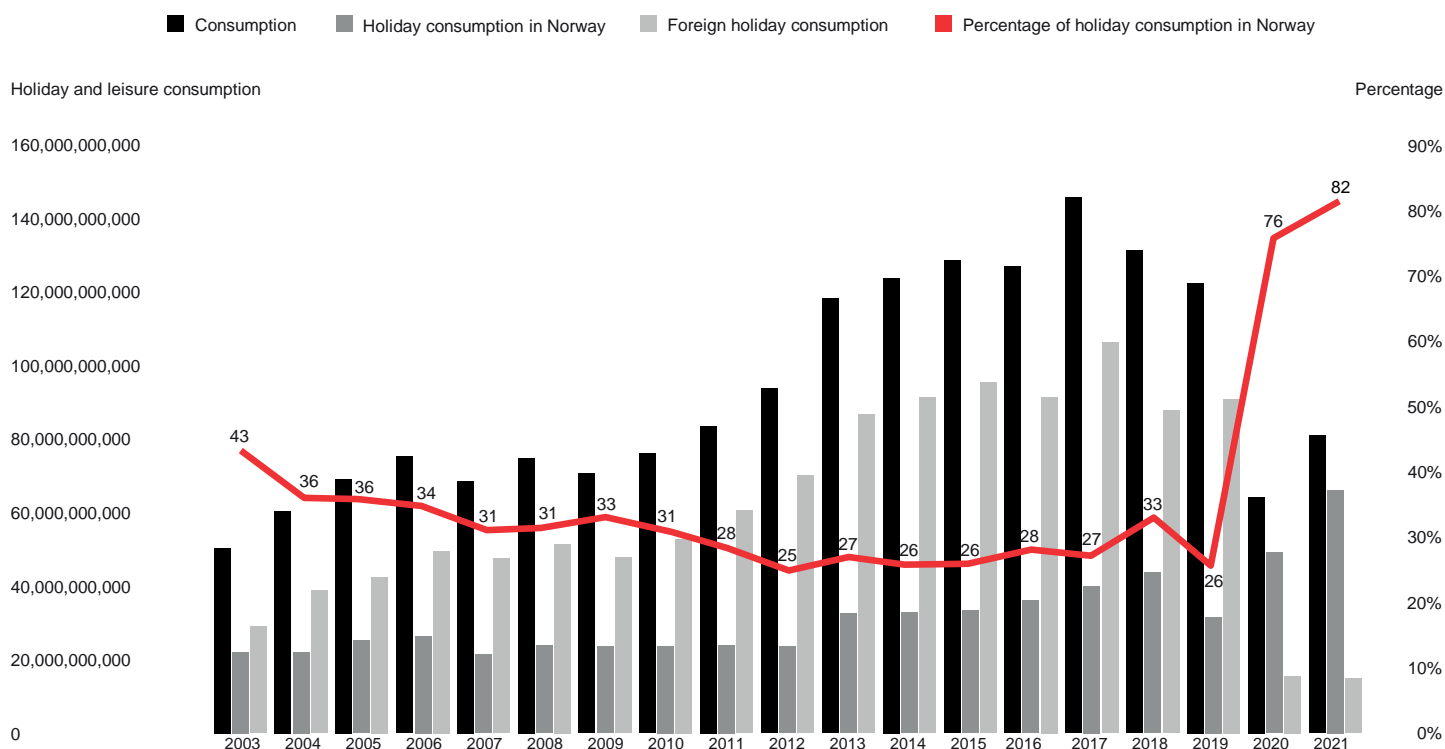
In addition to solid growth in the number of domestic trips, domestic consumption is also record high. In 2019 Norwegians spent a total of NOK 31.86 billion on holidays in Norway. This increased to NOK 66.5 billion in 2021. By comparison, Norwegians spent a total of NOK 16.8 billion on both holiday and business trips abroad that year. This total consumption is well below what Norwegians usually spend on holidays. In the years before 2020, Norwegians spent well over NOK 100 billion annually on holidays abroad.

Over the course of two years, Norwegian consumption on holiday travel fell from NOK 123 billion in 2019 to NOK 81 billion in 2022. So even though consumption increased in Norway, far less money was spent on holiday travel during the last two years.

Spent much less money on holiday travel during the pandemic

Over the course of two years, Norwegian consumption on holiday travel has fallen from NOK 123 billion in 2019 to NOK 81 billion in 2022. So even with increased domestic consumption, this cannot be measured against what Norwegians usually spend on holiday trips abroad.

Record high consumption in Norway



Source:
The Tourism Survey, Statistics Norway

Innovation Norway in brief

Innovation Norway's objective is to be the Norwegian government's and the county authorities' main instrument for achieving value-creating business development throughout the country

With a regional presence in both Norway and abroad, Innovation Norway is uniquely positioned to stimulate profitable business development based on the regions' differing conditions and business opportunities.

Innovation Norway has many clients, and they all require us to contribute to long-term, sustainable value creation in Norway and to work with companies both individually and within networks.

Innovation Norway has a broad, complex social mandate. The core of this work is to contribute towards value creation by creating profitable enterprises and socio-economically profitable business development throughout the country.

Innovation Norway's measures and services are designed to create more successful entrepreneurs, more companies with growth potential and more innovative business clusters.

Our customer groups range from entrepreneurs, business ventures in the early start-up phase and small businesses, to large groups of companies with growth potential in all sectors and industries. Common to all the groups is that they see opportunities in making use of the expertise and assistance that Innovation Norway provides on behalf of a society that attaches importance to new, forward-looking business development.

With its nationwide network of offices, Innovation Norway is able to meet its customers in their business environment. Internationally, customers are served through our offices in the most important markets worldwide.

Innovation Norway is owned by the Norwegian Ministry of Trade, Industry and Fisheries (51%) and the regional authorities (49%).

