

Market insight



Germany

Analysis of tourist profiles, traveler flows, transportation and target groups

April 2019

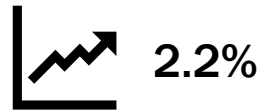


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Market profile

Economy

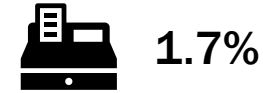
Real GDP Growth



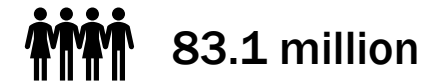
GDP per capita



Consumer price inflation



Population



Travel & Tourism

GLOBAL

Total Outbound Trips

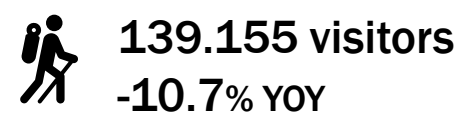


Average spend per trip



ICELAND

German visitors to Iceland 2018



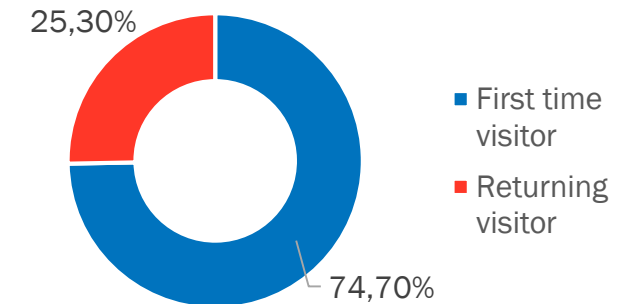
Share of guest nights



Average length of stay



Likelihood of return visit



Air Transportation

All year direct flights

- Berlin Tegel
- Frankfurt
- Munich

Seasonal direct flights

- Hamburg
- Düsseldorf
- Cologne / Bonn

Airlines



Air capacity to Iceland 2018



983 thousand seats
-5% YOY



Seasonality

Germany is the third largest visitor market in Iceland. The majority of the German visitors come during the summer time. There is a long tradition for German Travelers to visit Iceland during the summer time. However, in recent years the seasonality has been decreasing as flight availability has been increasing in the lower seasons.

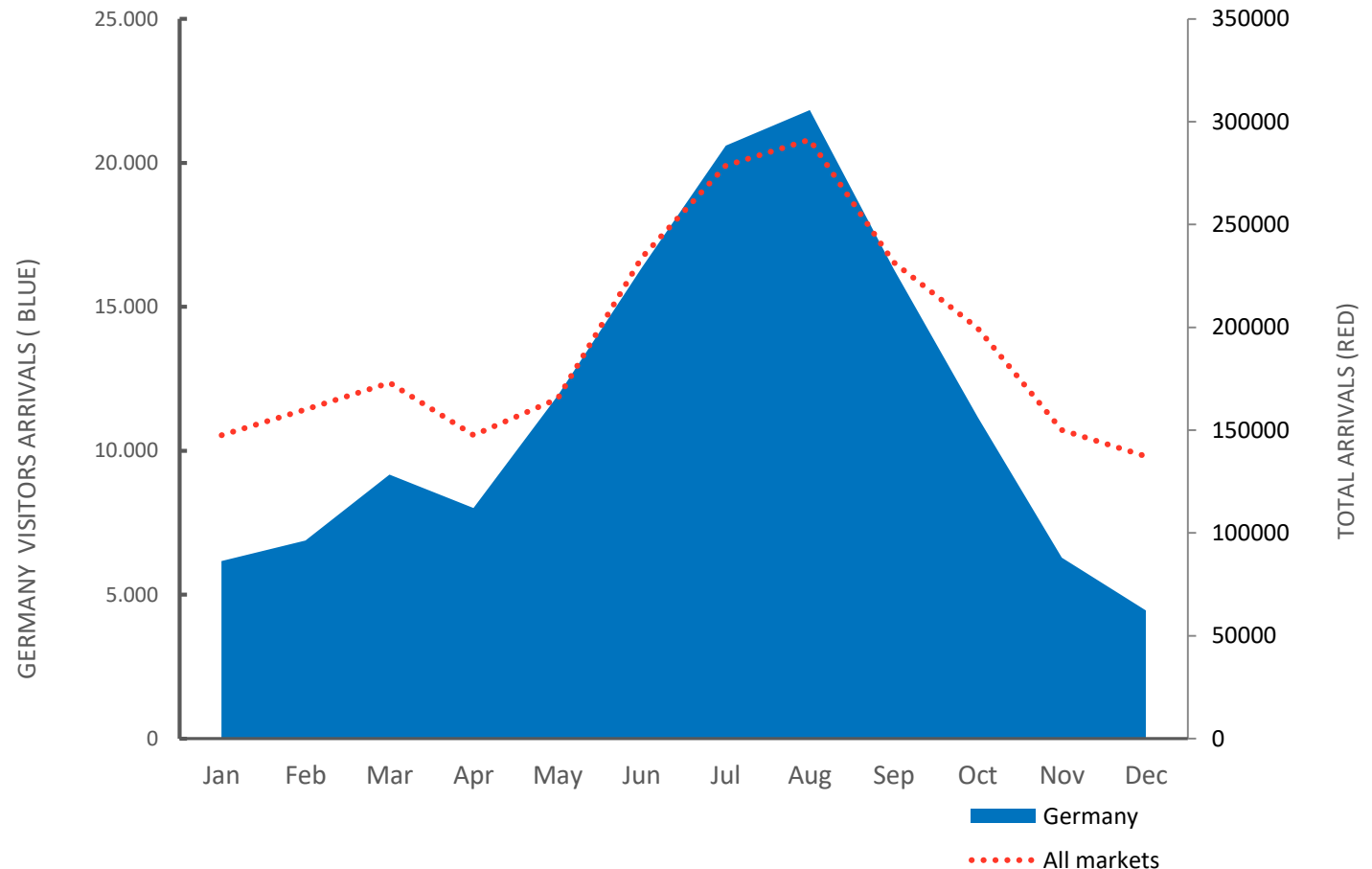
COME DURING

SUMMER: 42%
(JUNE – AUGUST, ALL MARKET AVG 35%)

WINTER: 24%
(JAN – MARCH, NOV – DEC
ALL MARKET AVG 33%)

SPRING: 14%
(APRIL – MAY, ALL MARKET AVG 14%)

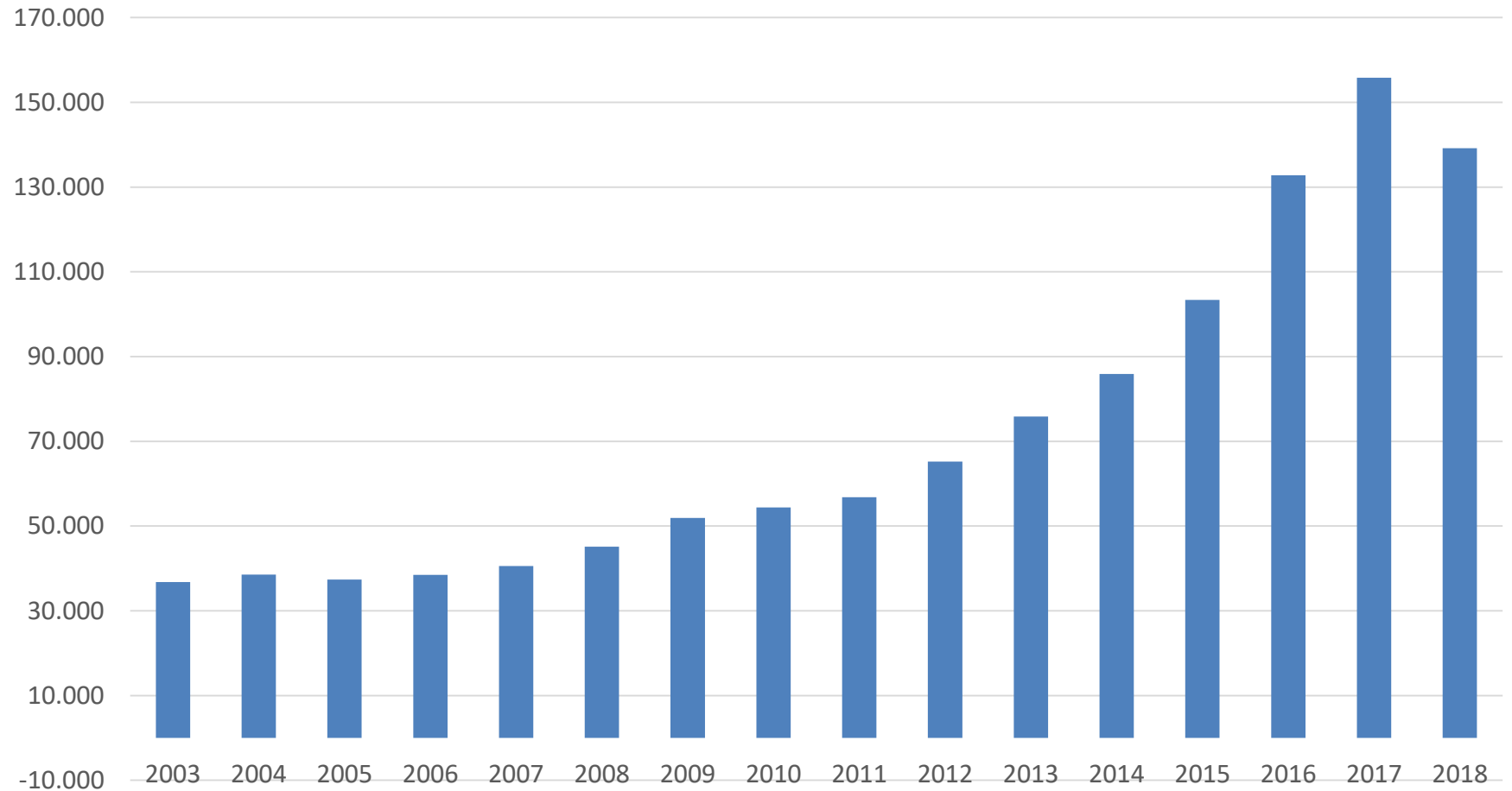
AUTUMN: 20%
(SEPT – OCT, ALL MARKET AVG 19%)



Arrivals over time

- There was a substantial increase in visitor arrivals from Germany to Iceland from 2009 – 2017.
- The decline in flight offers with the collapse of Air Berlin affected visitor arrivals from Germany to Iceland in 2018.
- The seasonality has been declining relatively since 2014.

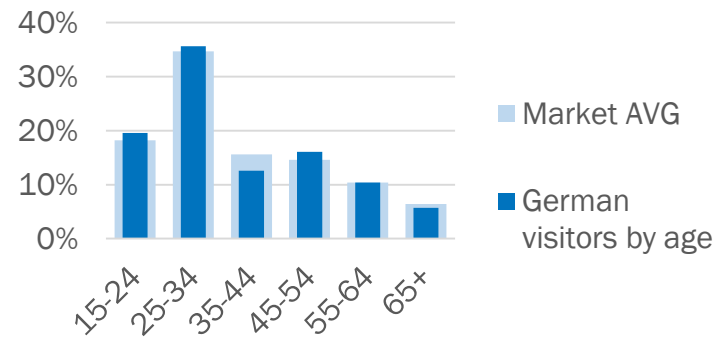
Visitor arrivals from



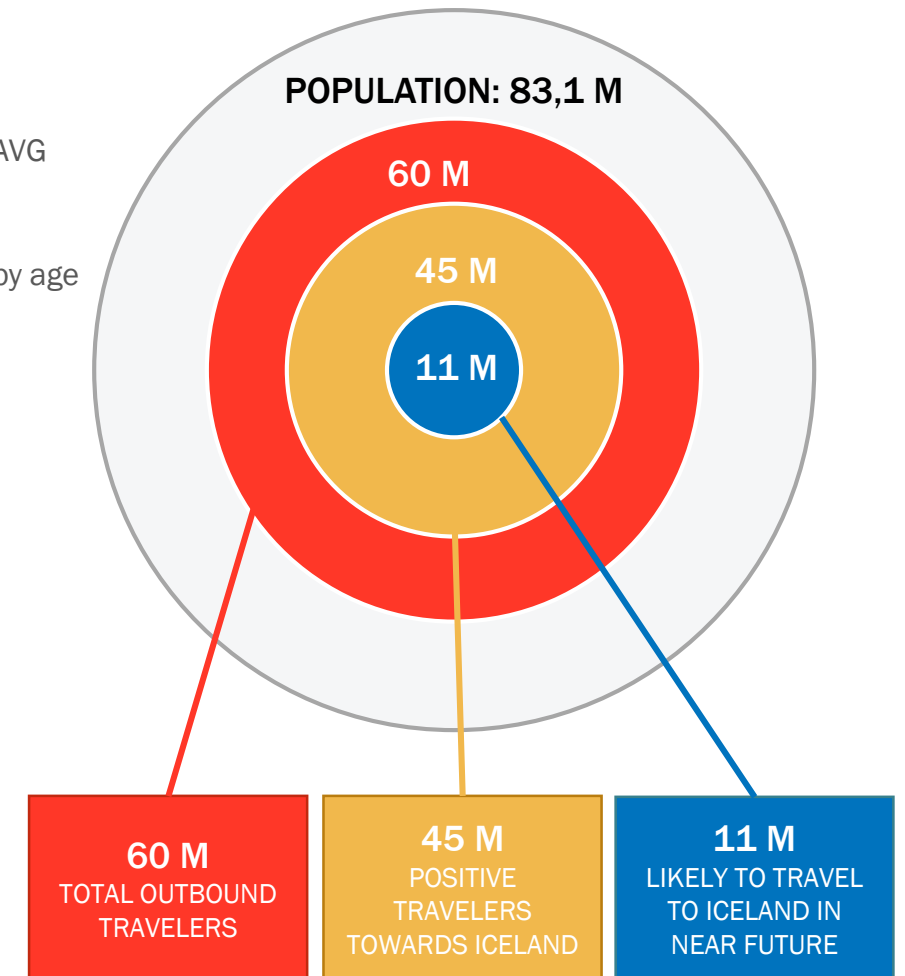
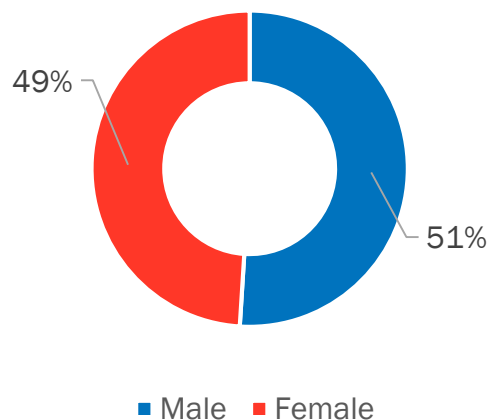
Traveler profile

- International travel from Germany is flourishing thanks to its range of tour operators, vacation culture, high average income, and an increase in destinations offered by airlines.
- The duration of outbound trips taken by German travelers is slightly increasing.
- German citizens enjoy a higher number of holidays than other OECD countries. Germany is characterized by a culture of offering and encouraging vacation and free time. This encourages German tourists to take longer holidays, during which they can relax and detach from life's worries.
- 78% of German travelers are positive towards Iceland as a destination with the 25-49 age group with urban profile and higher income being most positive and likely to travel in the near future.

German visitors by age



German visitors by gender



Target groups

For Icelandic Tourism





Germany

82,7 million

Population: 82,7 million people

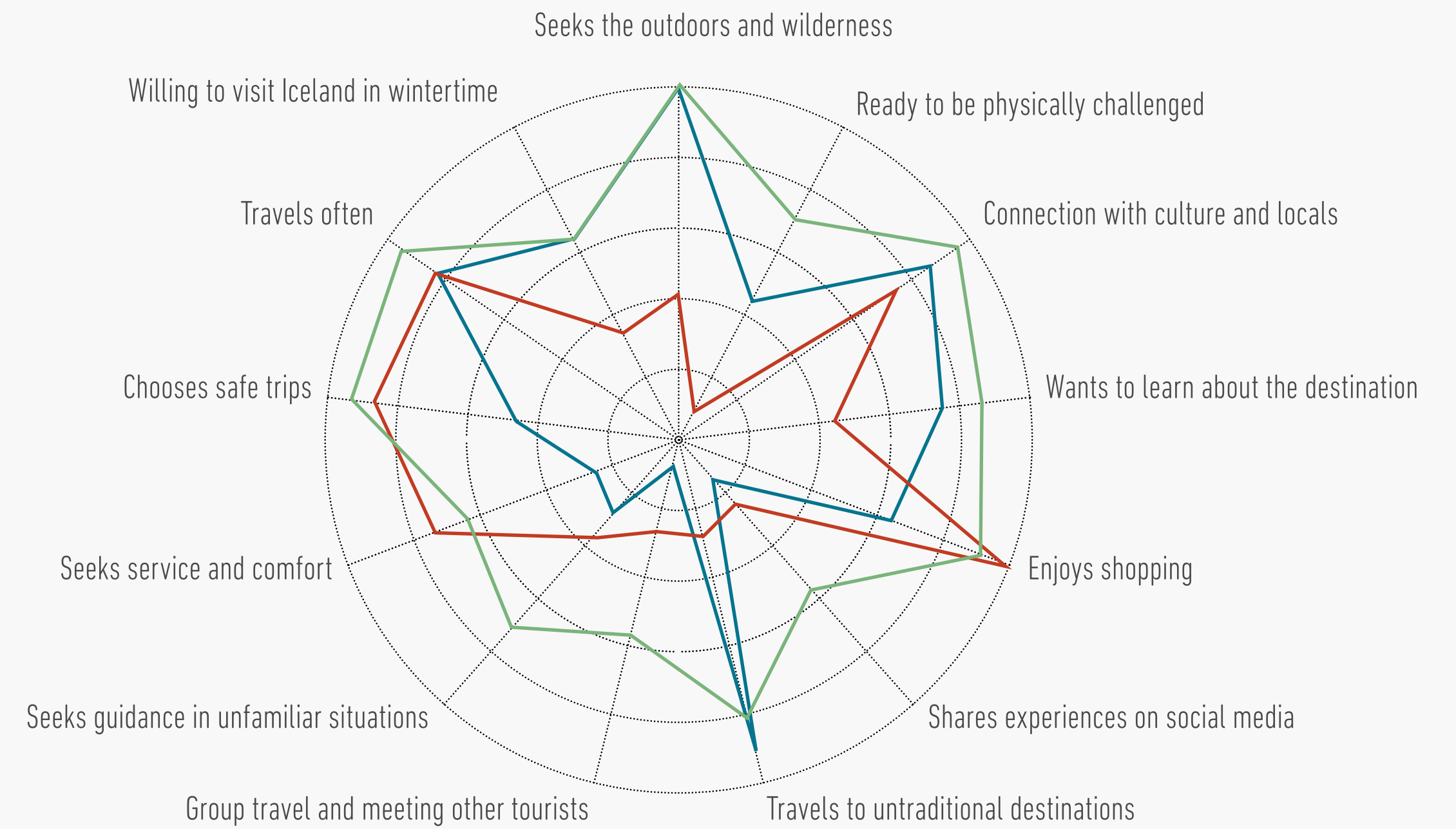
Annual number of outbound travellers: 60 million people

Annual leave entitlement: 33 days

● **Fun-loving Globetrotters:** 18,6 million travellers

● **Independent Explorers:** 12,6 million travellers

● **Cultural Comfort Seekers:** 6 million travellers





Germany:

The Fun-loving Globetrotter

% of the German market: 31%

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Extrovert, creative and open to new things and company. Curious by nature and likes to be challenged by unfamiliar nature and culture, without taking unnecessary risks. Wants to see how people in different places live and makes time to truly experience.

Value for Icelandic Tourism:

- Travels during wintertime
- Active traveller
- Likely to re-visit
- Cares about the environment and protecting nature
- Ready to pay for quality, service and goods
- Careful by nature and seeks guidance and quality certifications
- Willing to travel further and visit smaller communities





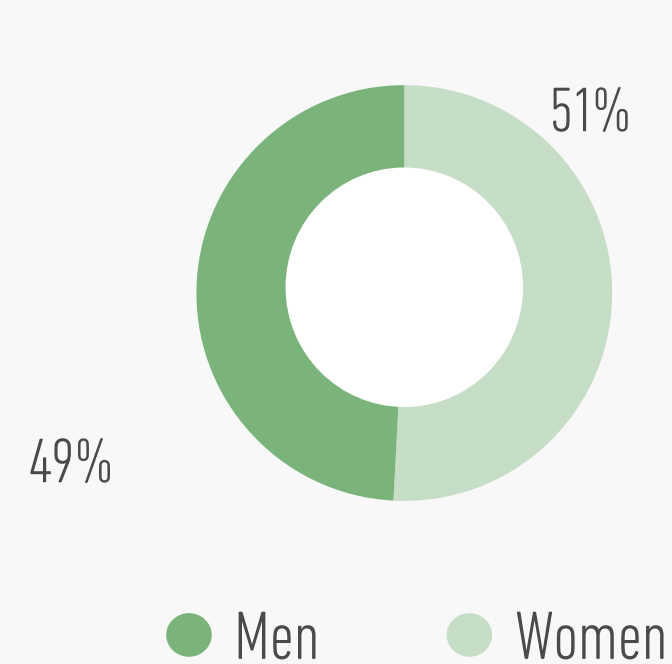
Personality

- I live in a metropolitan city or large town, am highly educated and have a high income.
- My children are still in preschool or elementary school.
- I am in the first part of my career and also travel for work.
- I desire to get away from my everyday routine and experience something new.
- I really enjoy eating good food in good company.
- I enjoy shopping and buying new things
- Certain brands represent quality, style and status
- I have an open personality and enjoy meeting new people
- I care deeply about nature and the environment, I understand that the threat of climate change must be met and am willing to take action to do my part for nature.

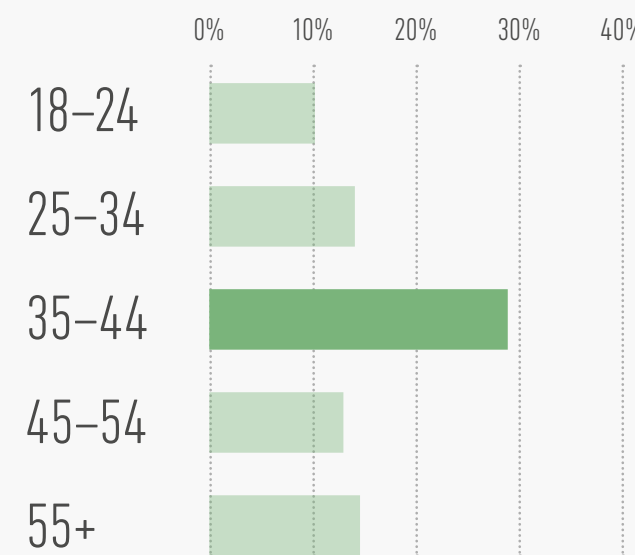
Keywords

- Fashionable, shopping, brands
- Comfort, safety and quality
- Extrovert and seeking
- Culture and history
- Inquisitive

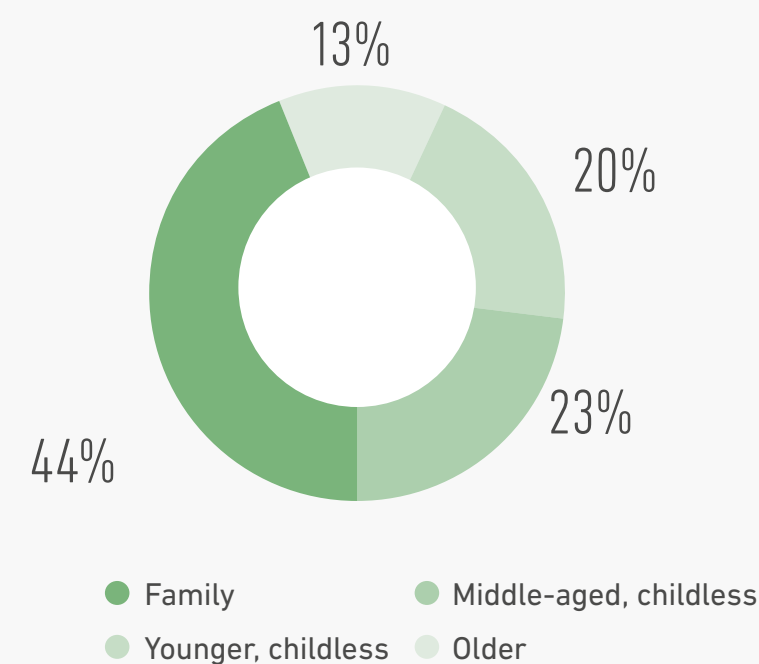
Sex ratio



Age



Life span



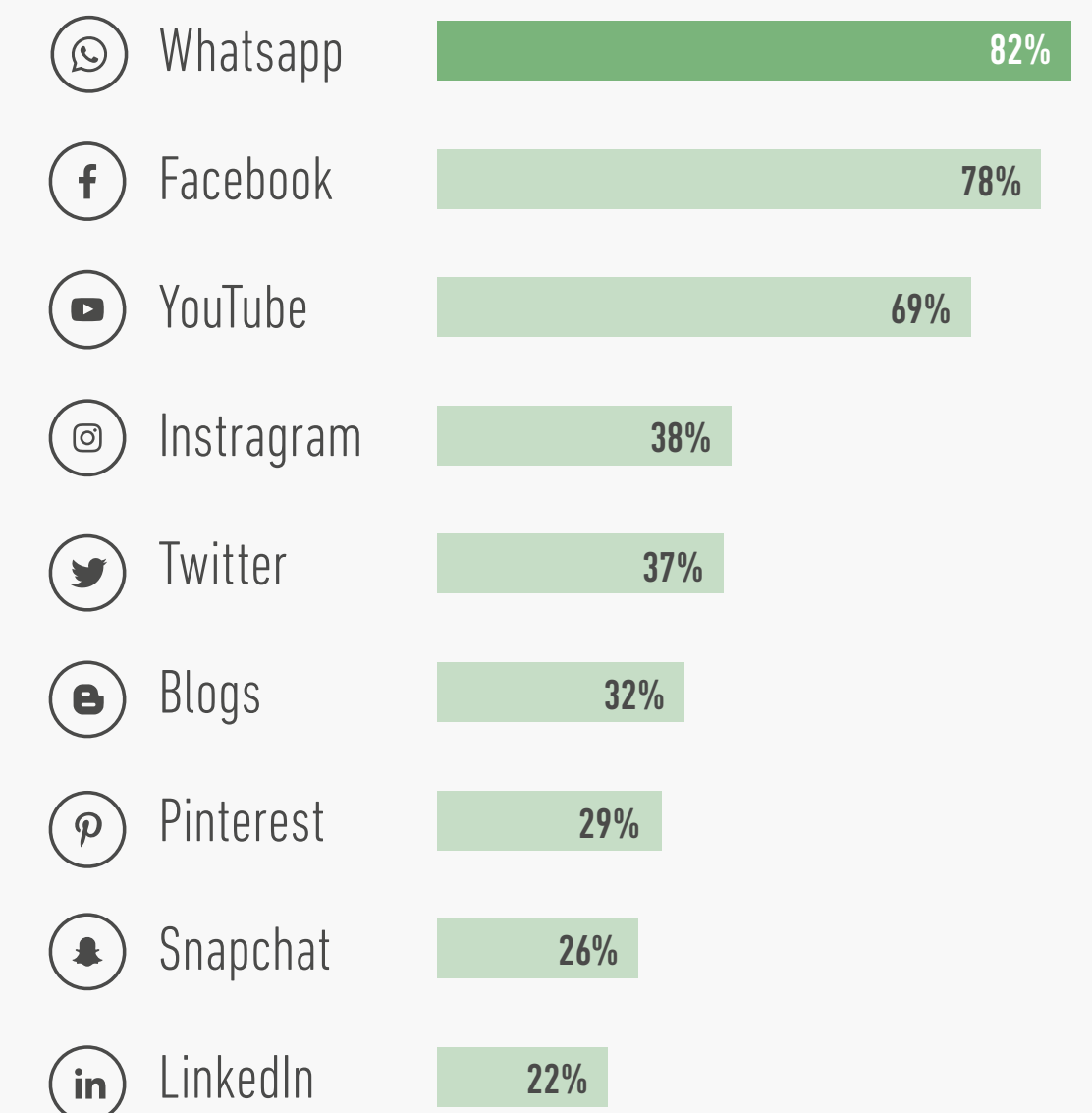
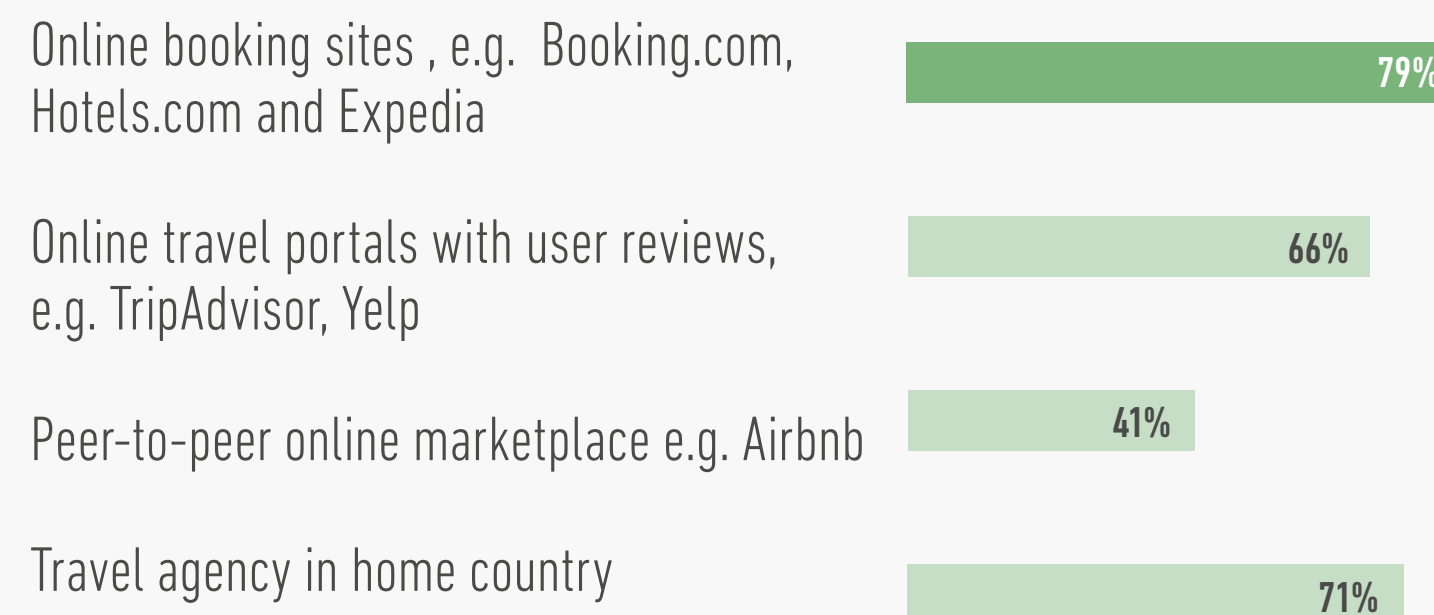
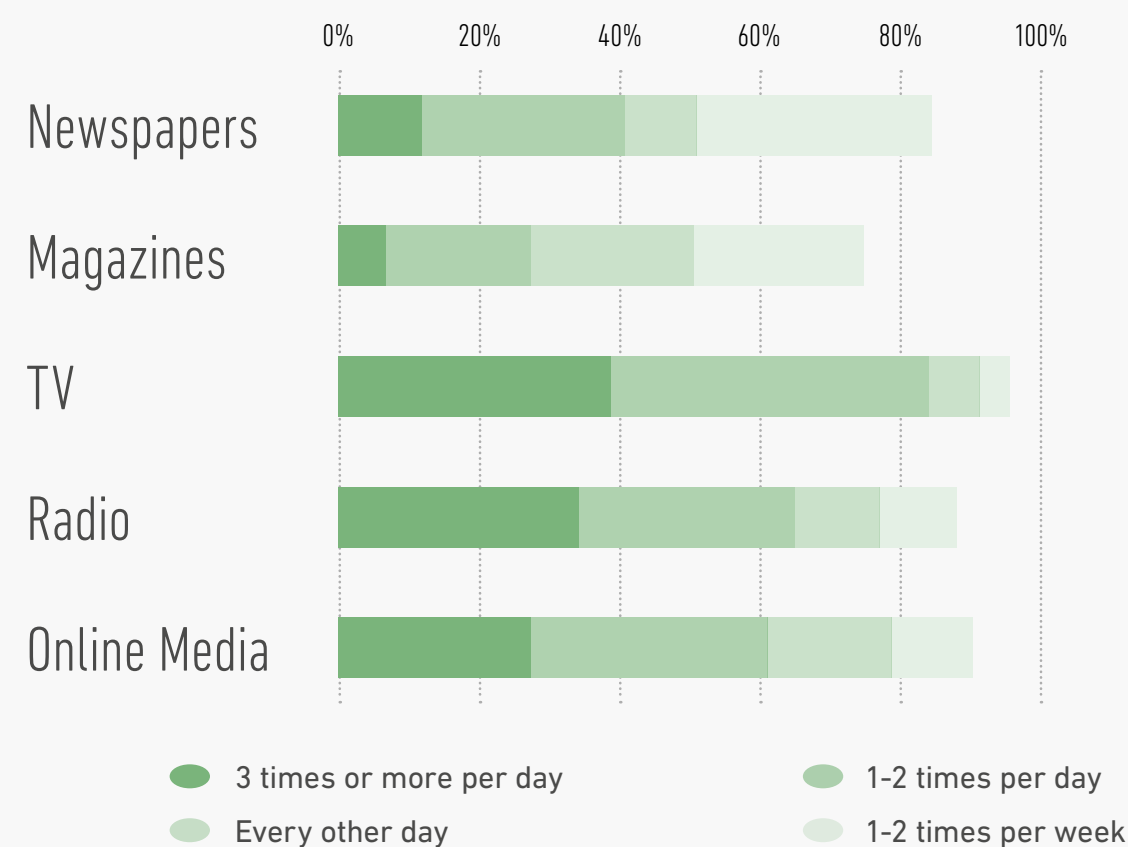
Top 10 interests

1. Reading
2. Cycling
3. Fashion / Clothing
4. Health / Natural Foods
5. Gardening
6. Gourmet / Fine food
7. Swimming
8. Hiking / Walking
9. Photography
10. Running / Jogging



The Consumer

- I am a very active media user, and use traditional media, online media and social media.
- I use all major social media outlets and enjoy communicating with others in that arena. I mostly use Whatsapp, Facebook and YouTube.
- I enjoy shopping and am a fashionable person.
- I am quick to grasp new technology and use services such as Airbnb, Uber and TripAdvisor.
- Recommendations from other travellers are important to me during the decision making process and I use Tripadvisor and similar websites.
- I prefer to book tours online but also book through travel agencies when appropriate.
- I am ready to pay a premium for quality and like to have a few options to compare prices and services.
- I appreciate personal service and direct contact with service providers.





The Traveller



The Type

I love travelling and appreciate a challenge, I enjoy experiencing new things and seeing the world. Travelling is a lifestyle and I enjoy telling others about it on social media. The journey is stimulating and unfamiliar destinations fascinate me. I enjoy learning about each destination I visit, connecting with the locals and prefer to stay longer or to return.

Planning

I don't take unnecessary risks and prefer the company of a professional guide when I visit an unfamiliar destination. Environmental and tourism quality certifications, brands, and other travellers' comments matter to me when I plan my activities.

Experiences

I am an adventure seeker and enjoy new and exciting experiences. I am at home in nature and like to spend time in museums and visiting places of historical interest to learn more about local culture and traditions. I enjoy tasting local cuisine and talking to the locals in order to see the world in a new way with their eyes. I like to enjoy myself when travelling and seek unique experiences that I can share with others on social media.

Accommodation

I choose comfort and services but the adventure and story of the trip has the final say as to where I spend the night. I enjoy spending the night somewhere that has a special history or connection to the destination and offers the opportunity to get to know other tourists.



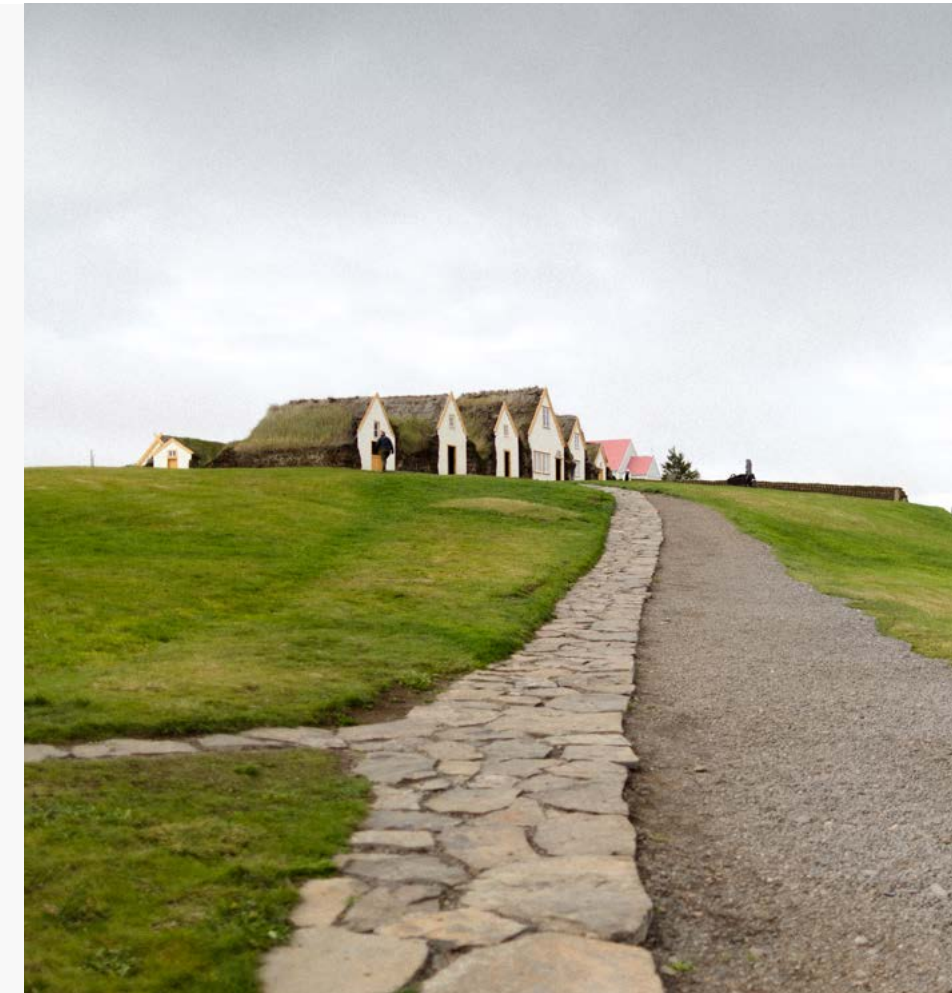
Tourism

I seek:

- Guided activities in nature with beautiful surroundings
- Visiting small towns and experiencing the culture and the people
- Ecotourism
- Restaurants with high quality local produce
- Museums and places of historical interest
- Spas and wellbeing
- Daytrips / Group travel
- Family friendly activities
- Festivals / Events
- Shopping for Icelandic design

What I avoid on my travels:

- Any experience that may harm nature
- An inauthentic experience which is out of touch with the locals
- Uncertified service providers
- Unnecessary risks in unfamiliar situations





The Product

- Challenge and stimulation in a safe environment.
- Connecting with nature.
- Information about culture and history.
- Authentic “local” experiences greatly enhance the value of the product.
- High quality, locally sourced food is a great advantage.
- Well organised with no surprises.
- Opportunity to get to know other travellers or locals.
- Environmentally friendly product.
- The opportunity to share the experience on social media.

Message and Tone

- Tell the story and introduce the people behind the product.
- Accessible and authentic experience.
- Feedback from others that have tried the product matters.
- Mention your connection to the destination or locals.
- The environmental impact of the product matters to the group.

Media

- The Target group follows the news- and lifestyle media, prioritise PR, e.g. media trips and press releases.
- The Target group is active on all major social media outlets (Facebook, Twitter, Instagram, Youtube and Snapchat).
- Make sure your company is active online and responds quickly to inquiries. Influencers may be effective in increasing the visibility of your product.
- The Target group is active online and researches destinations and books online.
- Using SEO, keyword advertising and online ads / website banners to reach the target group when it is searching for products that are similar to yours.
- Advertisements in traditional media could be effective, especially in magazines, but are also much more expensive than in digital media. Not very efficient since the target group is very active online and on social media.

Price

Less price-sensitive than other groups, ready to pay more for good quality and prefer to have a few options to compare prices and services.

Sales

- Other travellers' recommendations matter to this target group so it is good to show them reviews from other travellers, for example on TripAdvisor.
- Show environmental certifications and mention the sustainability of the product.
- Make sure that it is easy to book your product online by having a good website and/or being registered on popular booking sites.
- Make sure that it is easy to contact your company online and through social media and be personal in all communications.
- The target group is likely to buy trips with a travel agent in their home country. It may be a good idea to work with a network of travel agents.



Germany:

The Independent Explorer

% of the German market: 21%

Does not want a typical holiday or overplanned itinerary and rather chooses unfamiliar and new options. Chooses to travel in a small group where authentic Icelandic experiences matter. Seeks opportunities to learn about the culture and history of the destination and travels in an environmentally friendly way.

Value for Icelandic Tourism:

- Willing to travel further and visit smaller communities
- Travels during wintertime
- Active traveller
- Likely to re-visit
- Cares about the environment and protecting nature





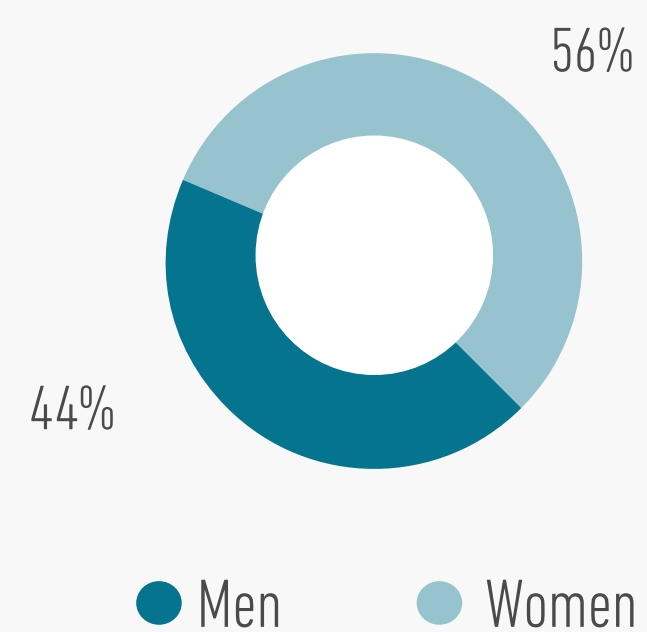
The Person

- I have an average education and income and live in a small city or medium sized town.
- My children are grown and can take care of themselves.
- I have plenty of free time to take care of myself and to travel.
- I desire to get away from my daily routine and experience something new in my life.
- I want to enjoy life and eat well. I choose healthy options and prioritise my health.
- I care deeply about nature and the environment, I understand that the threat of climate change must be met and am willing to take action to do my part for nature.

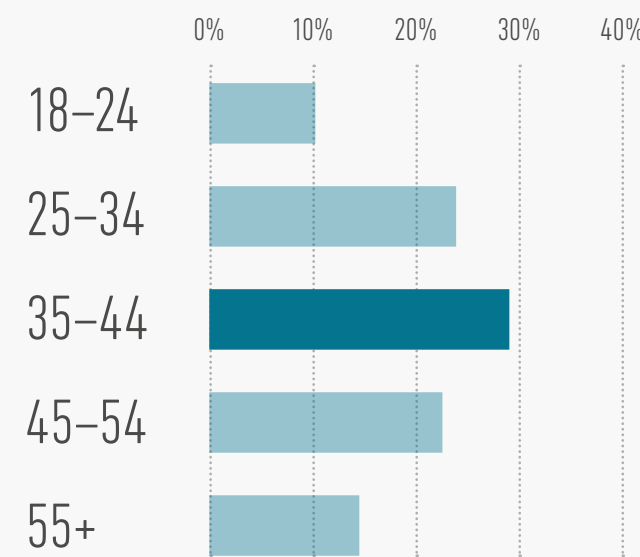
Keywords

- Authentic experience
- Introvert and small groups
- Seeking and inquisitive
- Culture and history

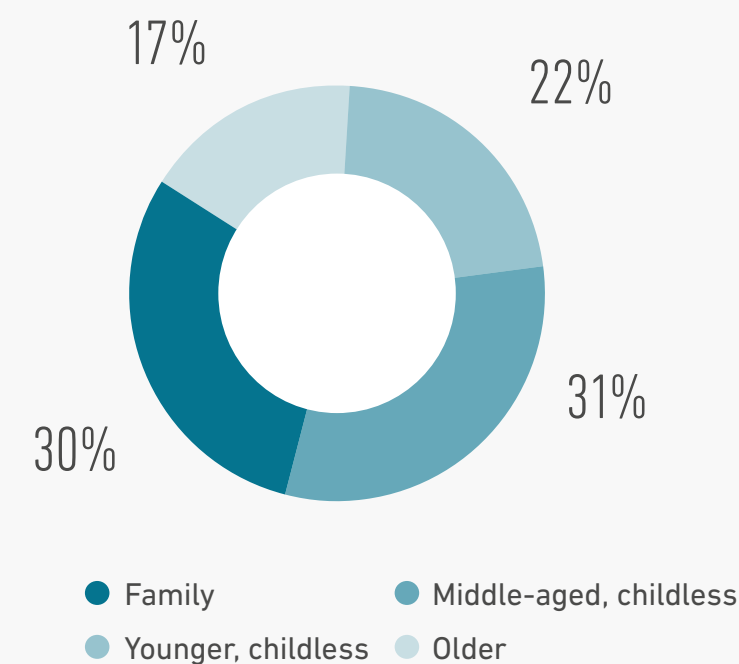
Sex ratio



Age



Life span



Top 10 interests

1. Reading
2. Gourmet / Fine food
3. Cycling
4. Health / Natural Foods
5. Hiking / Walking
6. Gardening
7. Photography
8. Swimming
9. Fashion / Clothing
10. Crafts

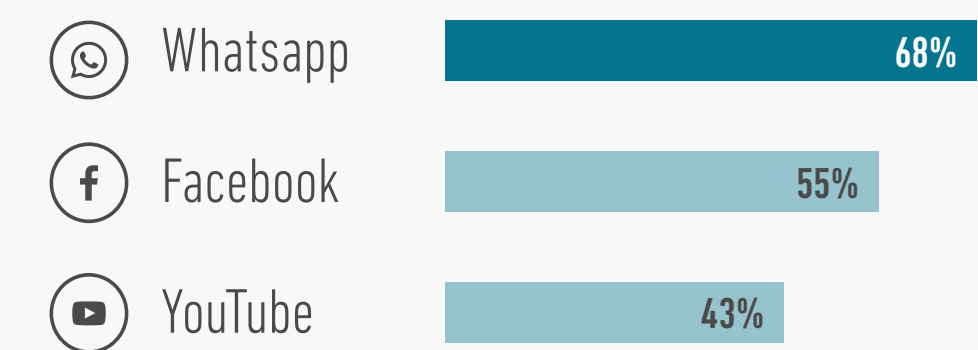
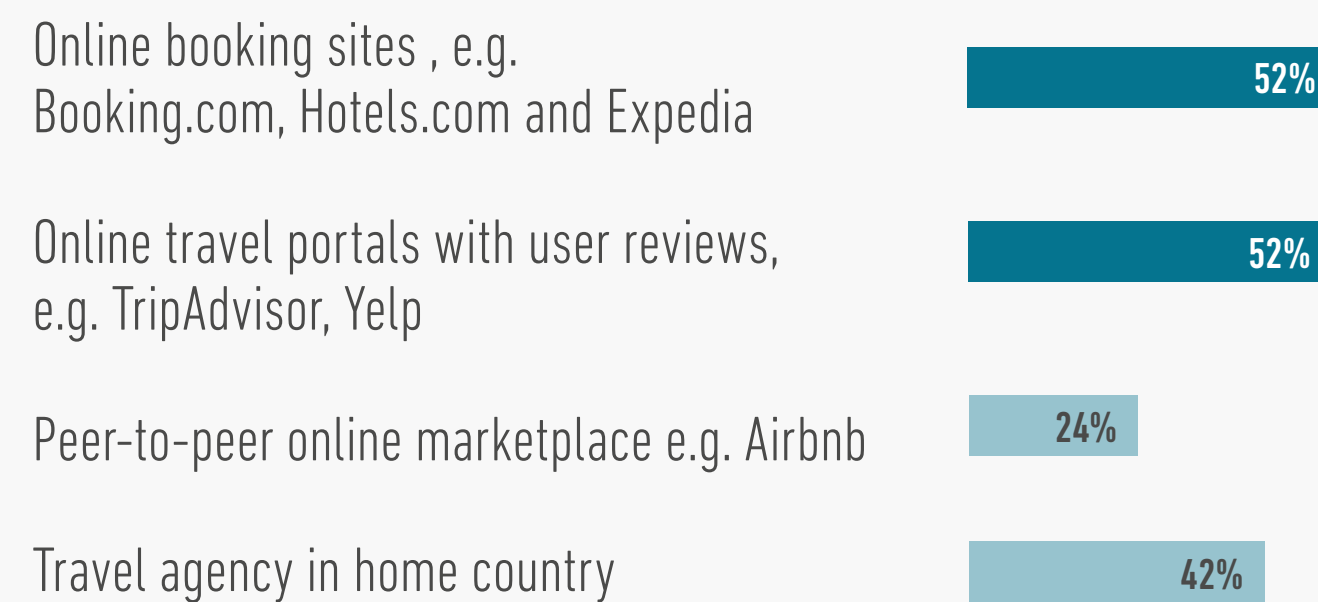
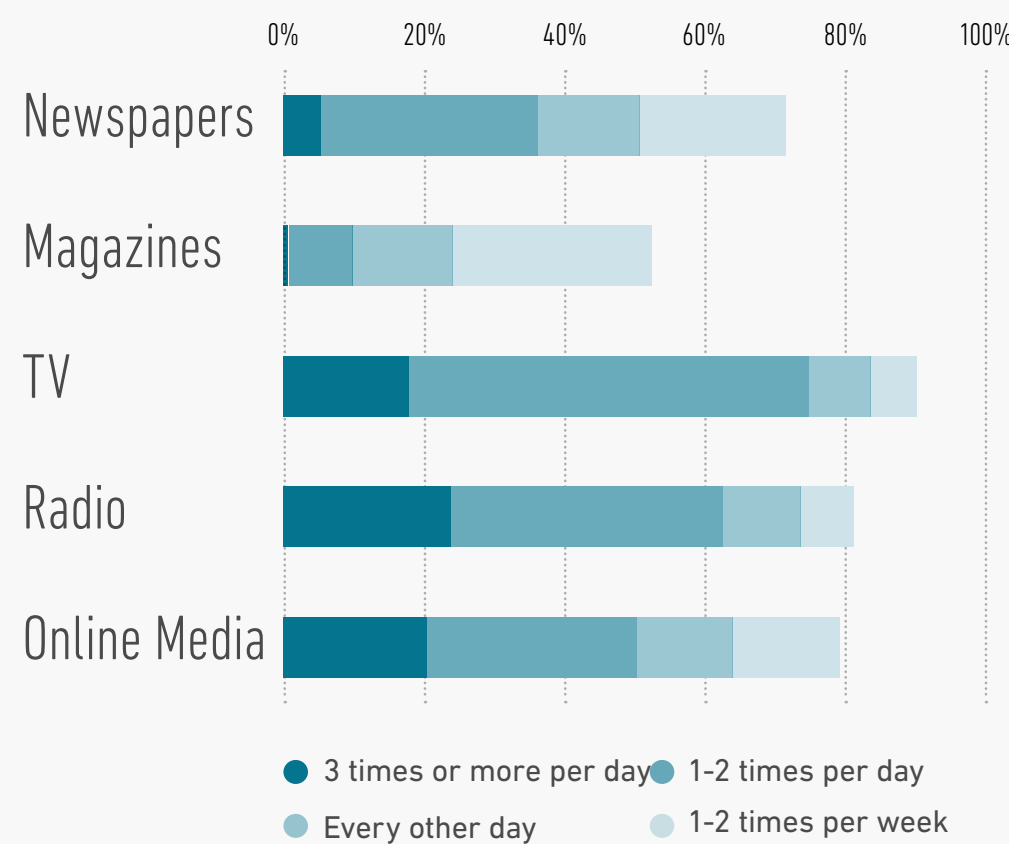


The Consumer

- I am not very active on social media. I use Whatsapp and Facebook to keep up with friends and family and YouTube to gain knowledge.
- Recommendations from other travellers are important to me during the decision making process and I use Tripadvisor and similar websites.
- I prefer to organise my trips myself and book online but I also use travel agents in my home country when appropriate.
- I would consider using online booking services such as Airbnb or Uber.
- I am price-sensitive, don't enjoy shopping and only buy things that have a practical value.



I am an active media user and use both traditional and online media





The Traveller



The Type

I desire to get away from my daily routine and experience something new. I travel to see different and unfamiliar things. I find destinations in the North charming and do not need warm days and sunshine. I like to learn about the destination that I visit and prefer to blend in with the locals than to feel like a "tourist". I prefer "real" communication to using social media online.

Planning

I prefer to travel in a small group and do not like being surrounded by tourists. I like to have free time, do not appreciate an overplanned schedule and do not need a lot of guidance. Time matters, I want to have the privacy to fully experience and dwell in the moment. I do not appreciate being in a hurry or under pressure when I am travelling. I am ready to pay for goods and services that meet my needs and have a practical value for me.

Experiences

I want to experience something different that is off the beaten track, but not something that is too challenging physically. I want to travel on my own terms, get in touch with nature and have enough time to learn at a museum or place of historical interest. I like to get to know the local culture and traditions, taste the food, chat with the locals and see the world in a new light with a local point of view.

Accommodation

I am pragmatic and don't want to spend more than necessary. Smaller hotels or guesthouses with a special or historical connection to the area appeal to me.



Tourism

I seek:

- Activities in nature
- Visiting places that are off the beaten path, smaller towns and experiencing the local culture
- Restaurants with high quality local produce
- Museums and places of historical interest
- Communicating with the locals
- Swimming
- Wildlife and nature photography
- Festivals / Events

What I avoid on my travels:

- Circumstances where I am not in control, longer group trips and typical places with many tourists
- Any experience that may harm nature
- An inauthentic experience which is out of touch with the locals
- Spending time on social media





The Product

- Authentic Icelandic experience.
- Connection with the outdoors, wilderness and nature.
- Information about culture and history.
- Spiritual stimulation.
- Good, high quality, locally sourced food is a great advantage.
- Environmentally friendly.
- Smaller groups (20 pax max).

Message and Tone

- Tell the story and introduce the people behind the product.
- An exciting and authentic experience.
- What is the practical value of the product?
- Feedback from others that have tried the product matters.
- Mention your connection to the destination or locals.
- The environmental impact of the product matters to the group.

Media

- Mixed media emphasising online and TV media.
- The target group is not very active on social media but mostly uses Whatsapp, Facebook and YouTube.

Price

Do not need luxury accommodation, but are ready to pay more for an authentic Icelandic experience. Are price-sensitive and not spontaneous. They spend mostly on practical things.

Sales

- Other travellers' recommendations matter to this target group so it is good to show them reviews from other travellers, for example on TripAdvisor.
- Show environmental certifications and mention the sustainability of the product.
- Make sure that it is easy to book your product online by having a good website and/or being registered on popular booking sites.
- Make sure it is easy to contact your company online and be personal in all communications.



Germany:

The Cultural Comfort Seeker

% of the German market: 10%

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Adventurous within sensible limits. Travels “in the present” and seeks to experience the local atmosphere and culture first-hand. Prefers comfort and service.

Value for Icelandic Tourism:

- Active traveller
- Seeks culture
- Cautious by nature and doesn't take unnecessary risks
- Ready to pay for quality, service and goods
- Willing to travel further and visit smaller communities

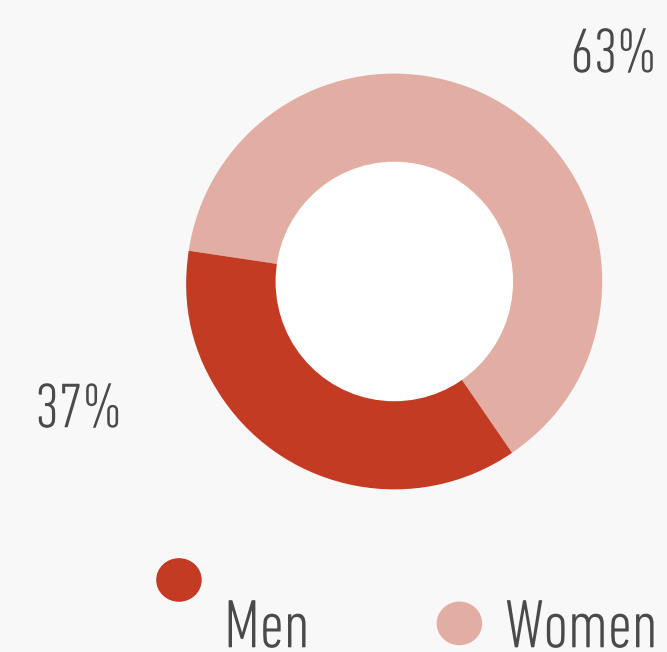




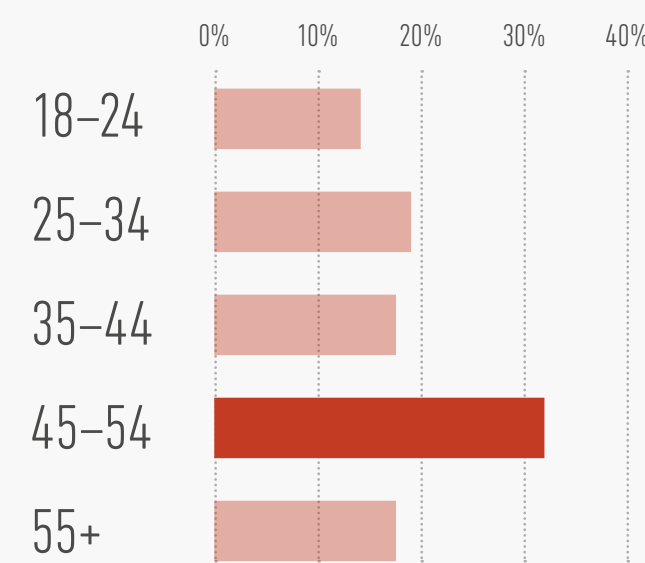
The Person

- I am probably a woman rather than a man, have a high income, an average education and live in a city or small town.
- My children are grown and can take care of themselves.
- I am in the later stage of my career and travel less for work and more to enjoy life.
- I have plenty of free time to take care of myself and to travel, and can afford to do so.
- I want to enjoy life and eat well. I choose healthy options and prioritise my health.
- I enjoy shopping, following fashion and buying new things.
- I care about the environment, I understand that the threat of climate change must be met and am willing to do my part for nature, but am not likely to put in the effort to have a positive impact.
- I don't take unnecessary risks but enjoy new experiences.

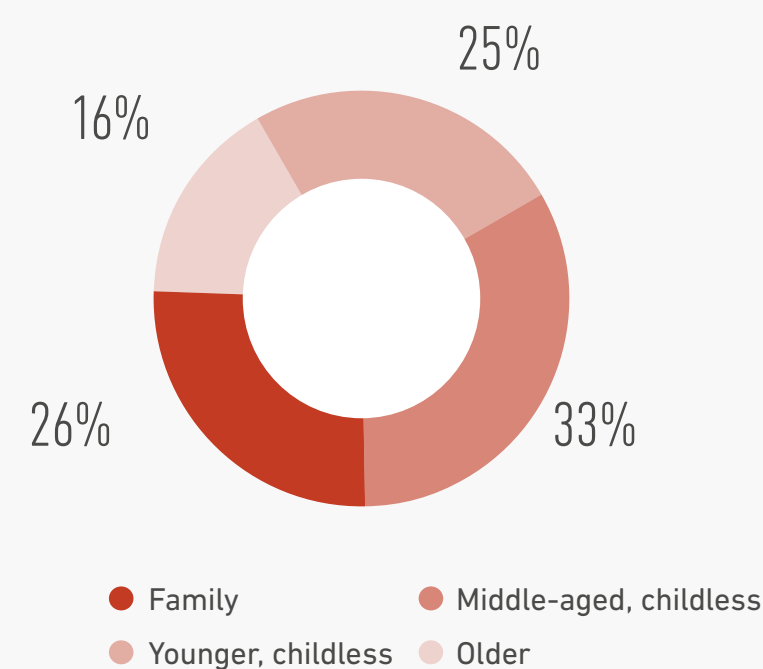
Sex ratio



Age



Life span



Keywords

- Fashionable, shopping, brands
- Comfort and safety
- Introvert and seeking
- Culture and local experiences

Top 10 interests

- | | |
|---------------------------|----------------------------------|
| 1. Reading | 6. Gardening |
| 2. Gourmet / Fine food | 7. Swimming |
| 3. Fashion / Clothing | 8. Gym / Fitness |
| 4. Cycling | 9. Walking |
| 5. Health / Natural Foods | 10. Home Decorating / Furnishing |

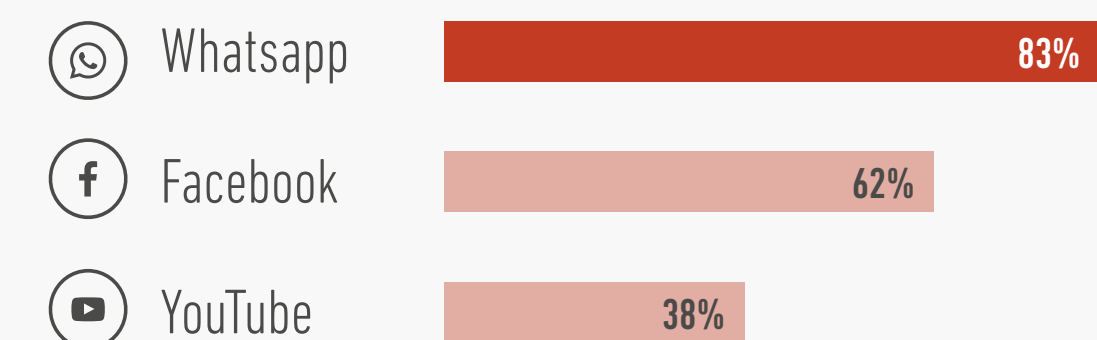
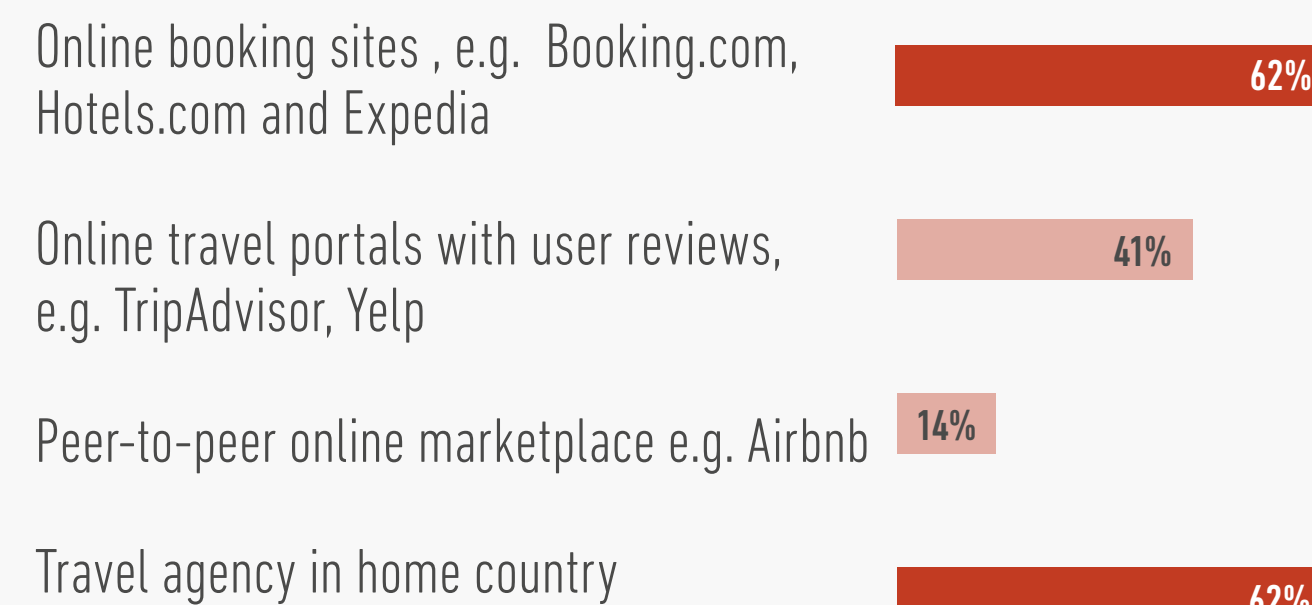
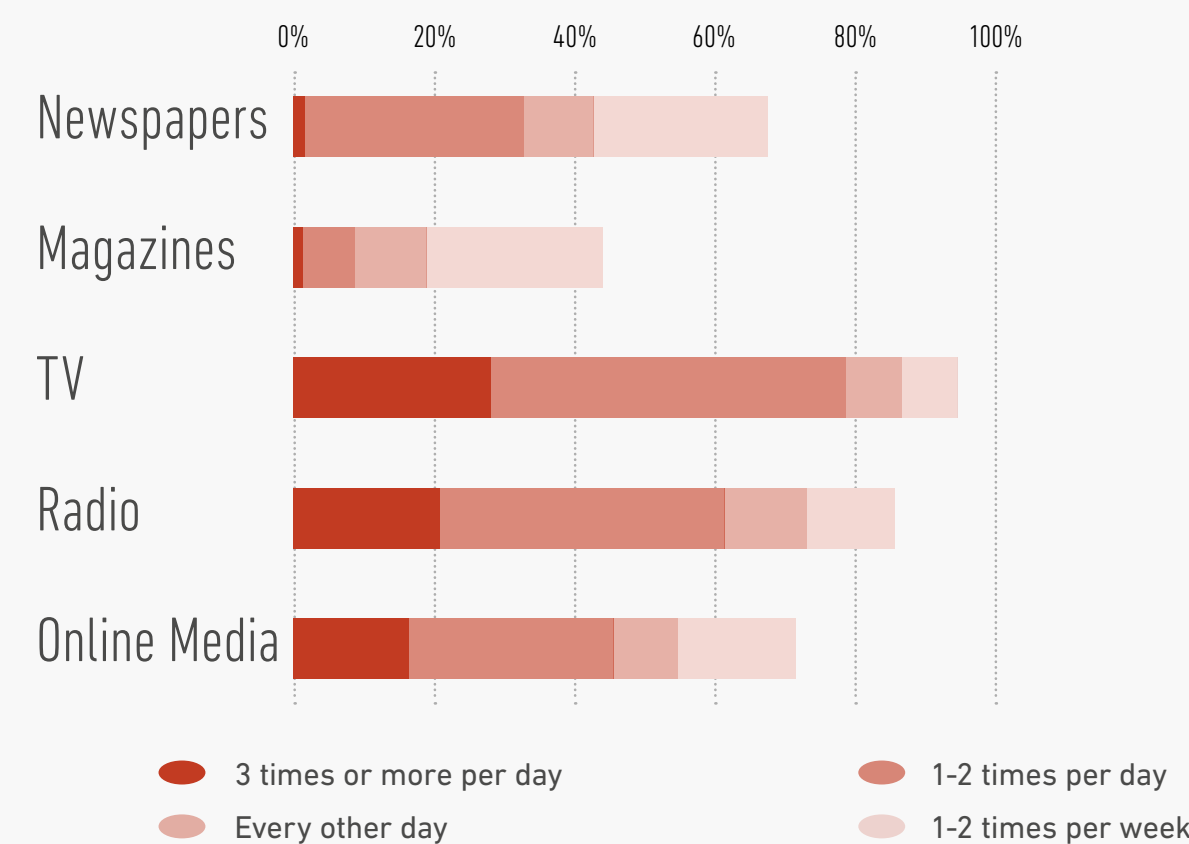


The Consumer

- I am an average media user and mostly use TV, radio and online media outlets.
- I am not very active on social media but mostly use Whatsapp and Facebook, but also YouTube to a lesser extent.
I don't share many personal stories on social media.
- I am an average internet user and might use TripAdvisor to make decisions. I probably don't use online booking services such as Airbnb and Uber.
- I am as likely to book my trip online as through a travel agency in my home country.
- I enjoy shopping and can be a bit spontaneous. I am not very price sensitive but appreciate a good offer.



I enjoy following fashion.





The Traveller



The Type

I am an active traveller and try to travel as often as possible to get away from my everyday routine and experience something new. Prefer to blend in with the locals than to feel like a "tourist". I prefer "real" communication to using social media online although I do use social media in order to keep in contact with friends and family.

Planning

I prefer to travel in a small group and do not like being surrounded by tourists. I like to have free time and do not appreciate an overplanned schedule. I usually travel in summertime and the safety of the destination is important to me. Comfort, quality, service, safety and simplicity matter to me. Travelling should be easy, not challenging.

Experiences

I have a keen sense of adventure and want to experience new and exciting things that are not physically challenging or dangerous. I enjoy experiencing the local culture but am not interested in spending time at a museum or place of historical interest. I like to get to know the local culture and traditions, taste the food, chat with the locals and see the world in a new way as the locals do.

Accommodation

I am more interested in staying in places that offer more service and luxury and are fashionable.



Tourism

I seek:

- Dining at restaurants with locally sourced, high quality food
- Seeing beautiful landscapes and visiting well-known natural attractions without much effort
- City breaks with cultural experiences
- Visiting small towns and experiencing the local culture
- Swimming / Spas and wellbeing
- Festivals / Events
- Shopping for Icelandic design
- A hotel with good service and great facilities

What I avoid on my travels:

- Physical challenge
- Unorganised tours with little service
- Sharing my experience online on social media
- Unnecessary risks and trips off the beaten track





The Product

- Easy in practice, safe and fun.
- Better quality and service.
- Offers relaxation, spa and/or “rejuvenation”.
- Authentic “local” experiences greatly enhance the value of the product.
- Well organised with no surprises.
- Good, locally sourced food is a great advantage.
- Smaller groups (20 pax max).

Message and Tone

- Accessible and unique experience.
- Other consumer’s reviews matter.
- The spiritual stimulation from the product.
- The target group appreciates a good offer and quality.
- Specify what makes your product unique.

Media

- Mixed media with emphasis on online media and TV.
- The target group is not active on social media but mostly uses Facebook.
- Not likely to follow outdoors-related things, rather lifestyle.

Price

Probably not as price-sensitive as other groups but a higher price must reflect better quality and services. Respond well to special offers.

Sales

- Other travellers’ recommendations matter to this target group so it is good to show them reviews from other travellers, for example on TripAdvisor.
- Make sure that it is easy to book your product online by having a good website and/or being registered on popular booking sites.
- A company’s experience and safety matter during the decision making process.
- Make sure your company is easily reachable online and by phone and be personal in all communications.
- The target group is likely to buy trips with a travel agent in their home country. It may be a good idea to work with a network of travel agents.

MARKET SNAPSHOT PREPARED BY PROMOTE ICELAND

APRIL 2019

Promote Iceland aims to enhance Iceland's good image and reputation, to support the competitive standing of Icelandic industries in foreign markets, to attract foreign tourists and investments to the country, and assist in the promotion of Icelandic culture abroad.

www.promoteiceland.is