



Foreign travel professional survey about Icelandic tourism

Submitted in June 2020

Main findings

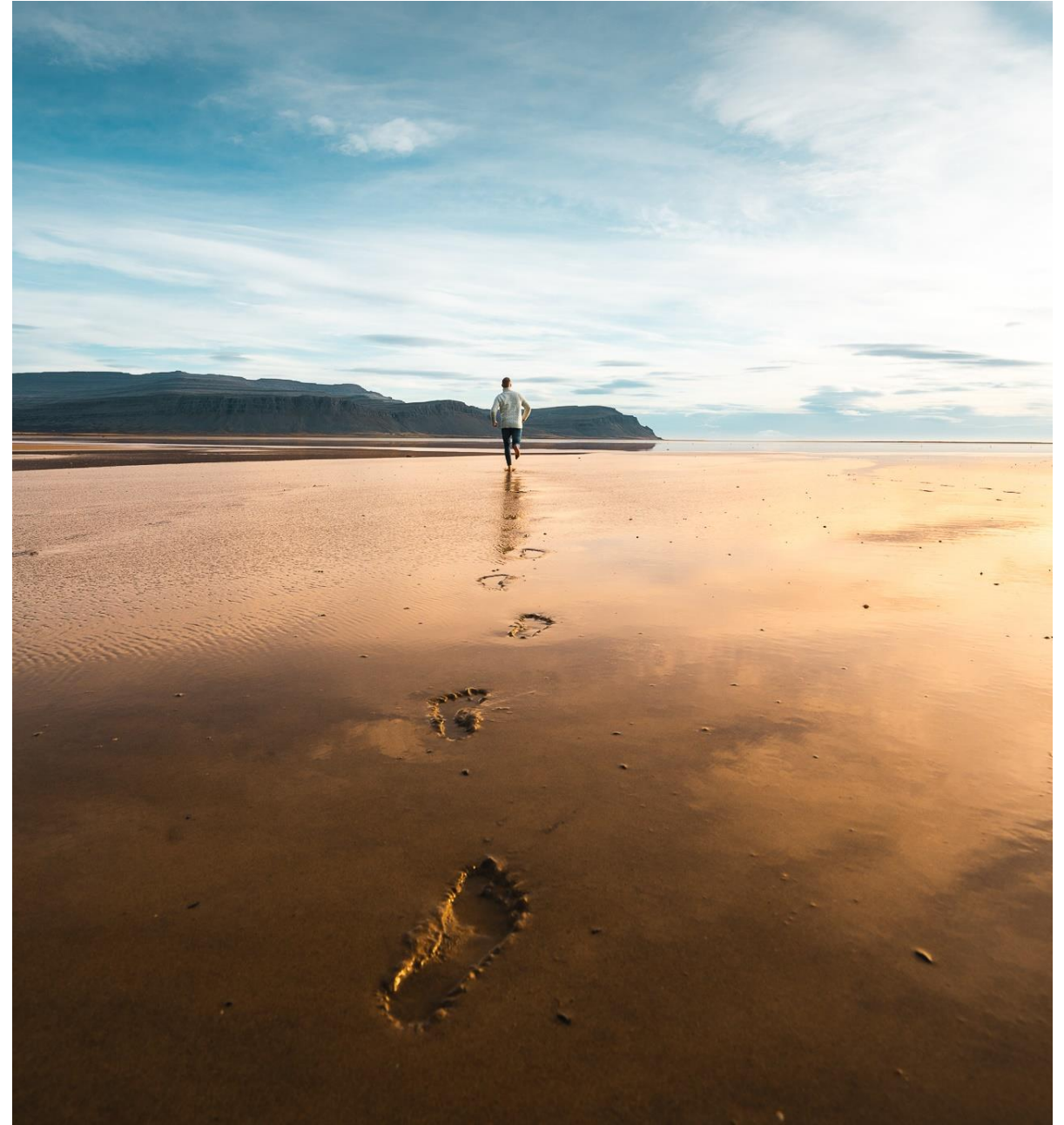
This survey was submitted in June 2020. As expected the results were coloured by the impacts of the recent travel restrictions and COVID-19. For example the booking status for 2020 turns out to be considerably worse than in previous surveys. Expectations for bookings to Iceland this winter are slightly better than the bookings for the year in whole, but still considerably worse than in previous surveys. The results were similar for all market areas.

The main findings are that the Net Promotor Score (NPS) for Iceland as a destination continues to measure high among travel professionals, and has never been higher compared to previous surveys. This is a positive sign for Icelandic tourism and indicates how strong the brand Iceland is among travel professionals.

When it comes to future travel participants expect bookings to pick up again this coming winter season, and further more that their customers will willing to travel before the winter season is over. It's not a surprise that the closer markets seem likelier to book and travel sooner than the distant markets.

Iceland scored highest in comparison to selected destinations regarding sustainable development. Safety and the popularity of the destination also continue to be the top positive factors that participants associate with the development of tourism in Iceland. Iceland's response to COVID-19 was also in the lead for positive factors, but naturally it hadn't been an option in previous surveys.

The price level continues to be the negative factor most often mentioned. The air supply followed suit as the overall supply decreased last year and again this winter due to COVID-19. We can however look at it positively that proportionally fewer mentioned the price level and the changes in visitor numbers than in previous surveys, as well as the availability of service from local suppliers.



Fieldwork summary

Promote Iceland carried out an attitude survey in June 2020 amidst foreign travel professionals that sell tours to Iceland. Their outlook on the development of Icelandic tourism and prospects regarding sales of tours to Iceland were surveyed. A comparable survey has been carried out twice a year since 2017.

The survey was sent by email to over 4000 travel professionals that sell tours to Iceland, All in all 438 took part in the survey, 377 of whom completed it in whole.

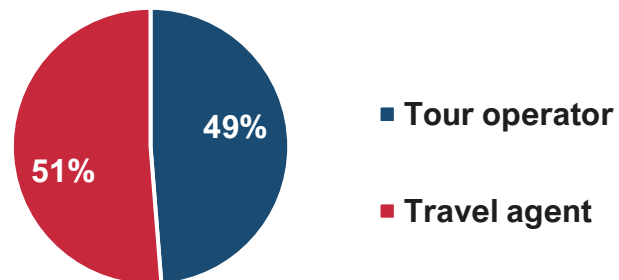
Fieldwork period: June 2020

Methodology: Online Survey

Sample: Foreign travel professional that offer tours to Iceland

Languages: English, French, German and Spanish

Proportional breakdown of participants by categories



Market Area	Country	Number	Proportion
N-America (141 answers)	Canada	32	7%
	United States	109	25%
Central- & Southern Europe (146 answers)	Austria	3	1%
	Belgium	6	1%
	France	15	3%
	Germany	30	7%
	Italy	37	8%
	Netherlands	10	2%
	Spain	31	7%
	Switzerland	13	3%
Nordic countries (15 answers)	Denmark	9	2%
	Norway	2	0%
	Sweden	4	1%
British Isles (14 answers)	Ireland	1	3%
	United Kingdom	13	0%
Eastern Europe (8 answers)	Poland	4	1%
	Russia	2	0%
	Other countries	2	0%
Distant markets (114 answers)	Australia	5	1%
	Brazil	5	1%
	India	60	14%
	Malaysia	17	4%
	Singapore	5	1%
	Other countries	22	5%
	Sum:		438



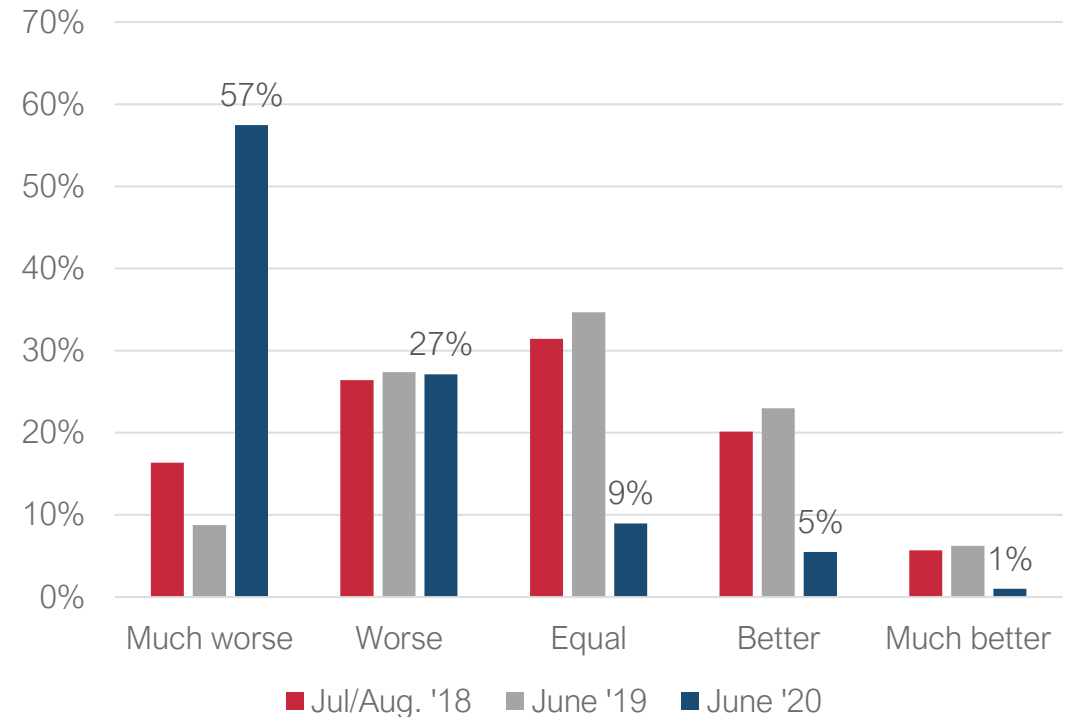
Booking status for Iceland last year

15% of participants said their bookings were similar or better last year

-48% from June 2019

-42% from July/August 2018

Compared to 2019, how are the number of bookings to Iceland with arrivals in 2020 for your company?



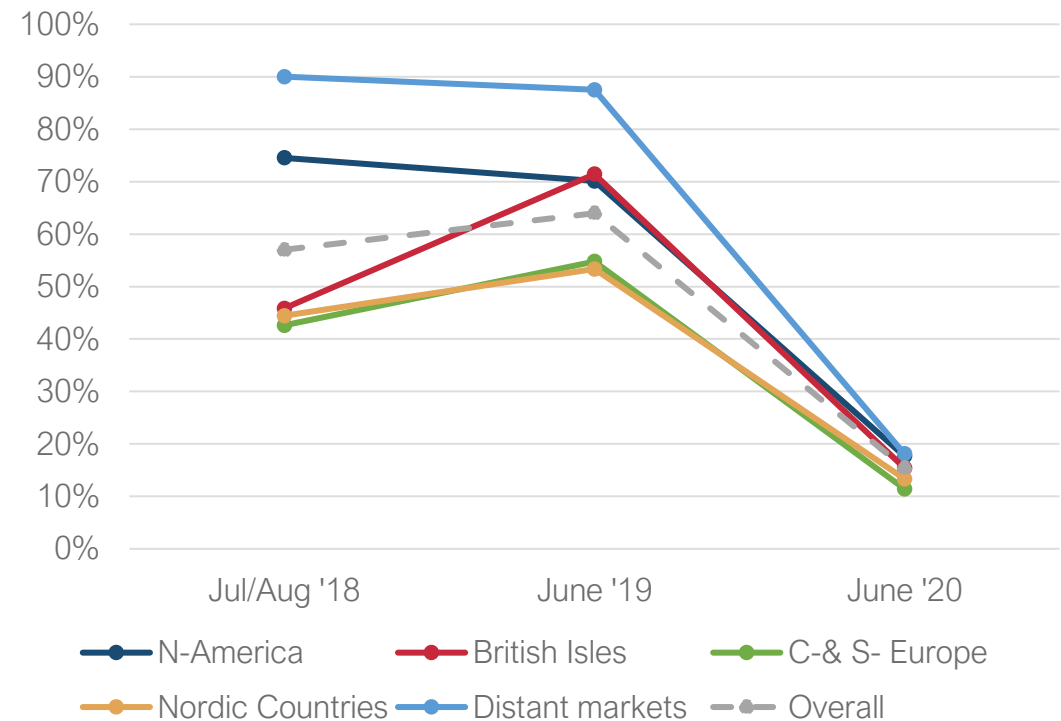
Booking status for Iceland last year

Market breakdown

As expected, in light of COVID-19 and the travel restrictions, considerably fewer participants reported on similar or better booking status this year than in previous surveys.

The results are similar for all market areas, as this is a global pandemic.

Proportion of those that reported similar or increased number of bookings in 2020





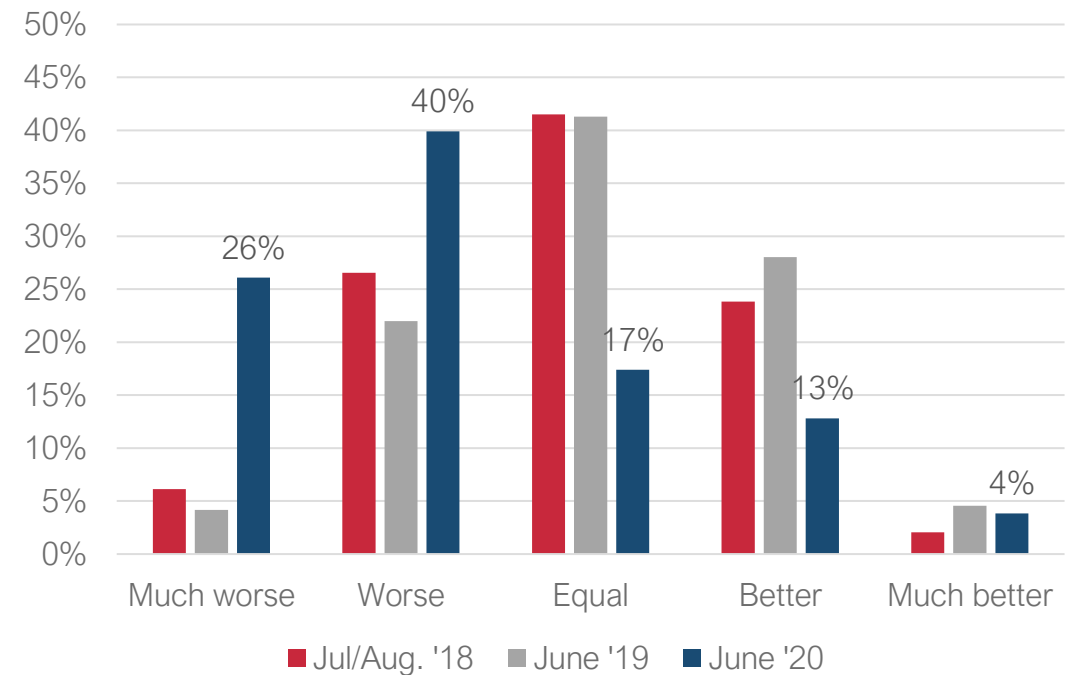
Expectations about bookings to Iceland this winter

34% of participants said they expected equal or better number of bookings this winter season

-40% from June 2019

-33% from July/August 2018

Compared to last winter season what is your company's prospects for bookings to Iceland with arrivals next winter season?



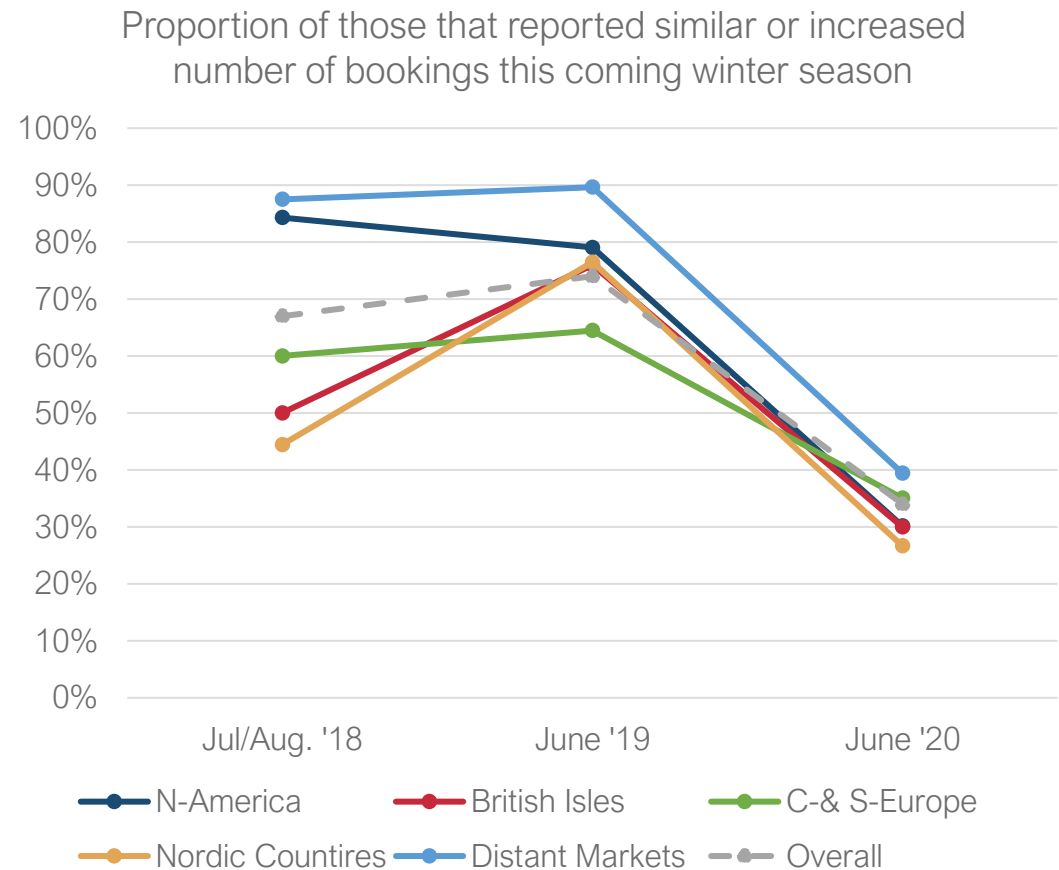


Expectations about bookings to Iceland this winter

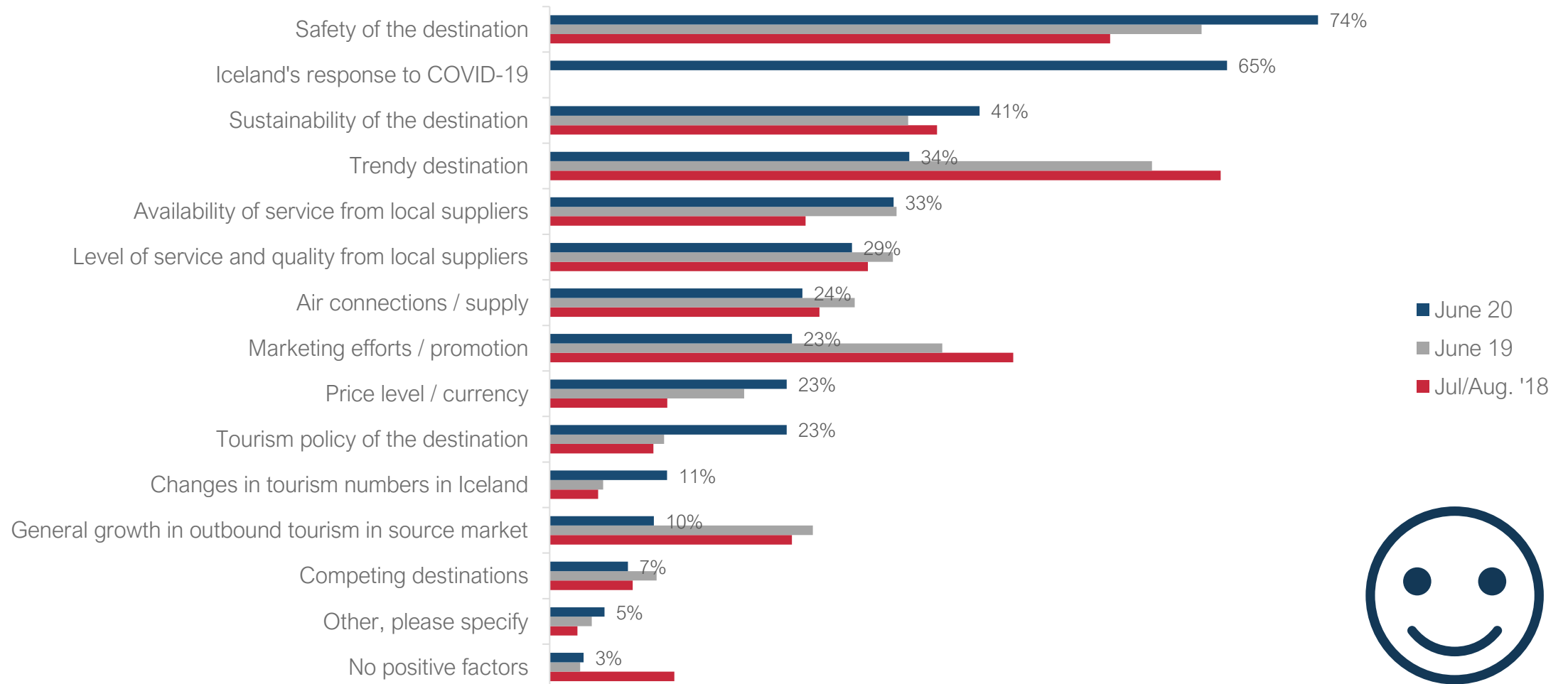
Market breakdown

Considerably fewer participants said they expected similar or better booking status this coming winter season than in previous surveys.

The impact of COVID-19 and travel restrictions seems to have similar impact in all market areas. As in previous surveys there is slightly more positivity among participants from distant markets.



Top positive factors for the development of tourism in Iceland



*In your opinion, what are the top five positive factors for the development of tourism in Iceland this year? (Please select up to 5 factors)

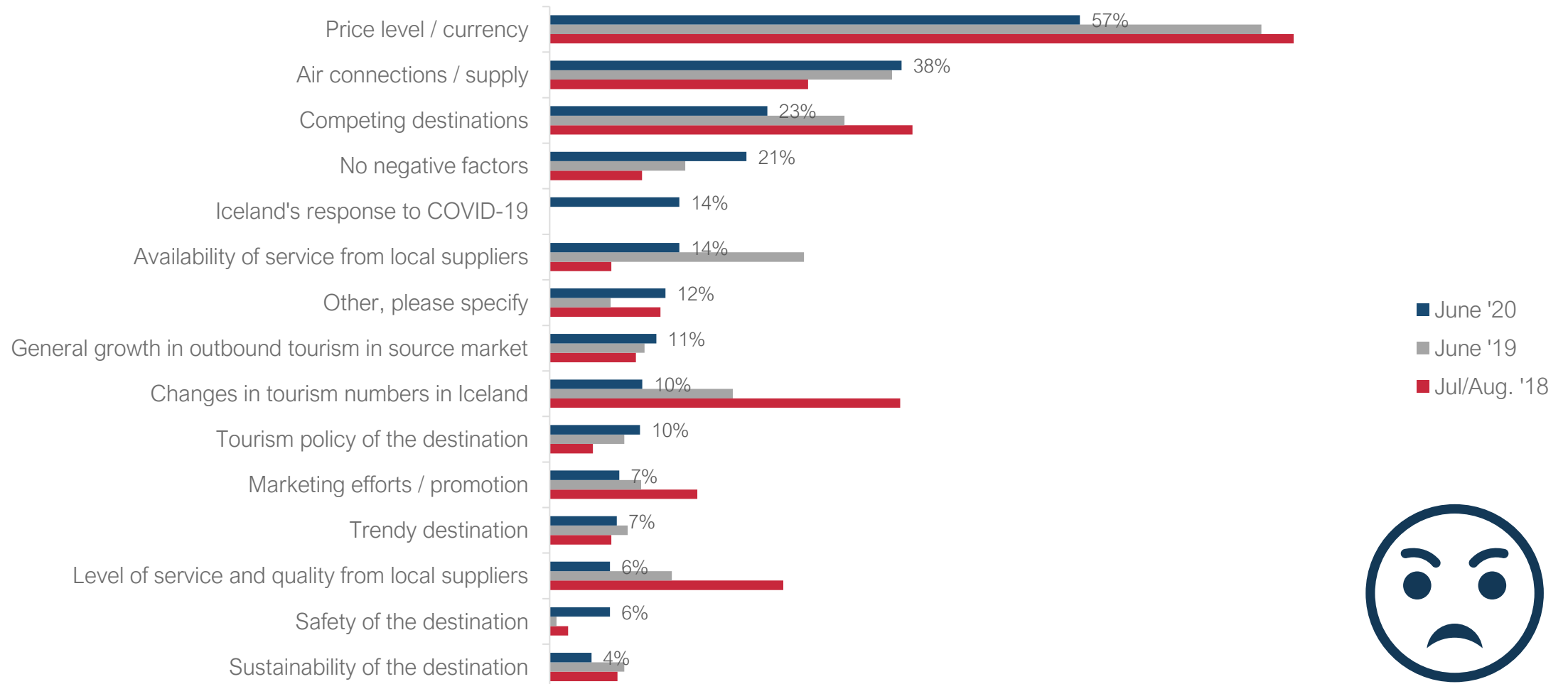


Top positive factors for the development of tourism in Iceland

Market breakdown

	All market areas	N-America	British Isles	C- & S-Europe	Nordic Countries	Distant markets	United States	Germany
Safety of the destination	73,6%	79,7%	47,8%	72,6%	66,7%	66,7%	78,6%	80,8%
Iceland's response to COVID-19	64,8%	67,2%	43,5%	65,9%	80,0%	56,8%	70,4%	73,1%
Sustainability of the destination	41,1%	42,2%	17,4%	48,9%	40,0%	31,5%	43,9%	50,0%
Trendy destination	34,4%	42,2%	8,7%	34,1%	26,7%	29,7%	40,8%	50,0%
Availability of service from local suppliers	32,9%	40,6%	26,1%	23,7%	26,7%	35,1%	40,8%	19,2%
Level of service and quality from local suppliers	28,9%	33,6%	30,4%	18,5%	26,7%	34,2%	35,7%	19,2%
Air connections / supply	24,2%	25,8%	8,7%	19,3%	26,7%	28,8%	25,5%	15,4%
Marketing efforts / promotion	23,2%	28,1%	13,0%	9,6%	6,7%	36,9%	25,5%	3,8%
Tourism policy of the destination	22,7%	22,7%	0,0%	17,8%	26,7%	30,6%	25,5%	3,8%
Price level / currency	22,7%	22,7%	13,0%	18,5%	40,0%	26,1%	23,5%	26,9%
Changes in tourism numbers in Iceland	11,2%	4,7%	4,3%	17,8%	13,3%	10,8%	3,1%	30,8%
General growth in outbound tourism in source market	10,0%	7,8%	4,3%	5,2%	13,3%	18,0%	6,1%	3,8%
Competing destinations	7,5%	7,0%	0,0%	3,7%	6,7%	13,5%	5,1%	0,0%
Other, please specify	5,2%	4,7%	4,3%	4,4%	6,7%	6,3%	5,1%	0,0%

Top negative factors for the development of tourism in Iceland



*In your opinion, what are the top five negative factors for the development of tourism in Iceland this year? (Please select up to 5 factors)



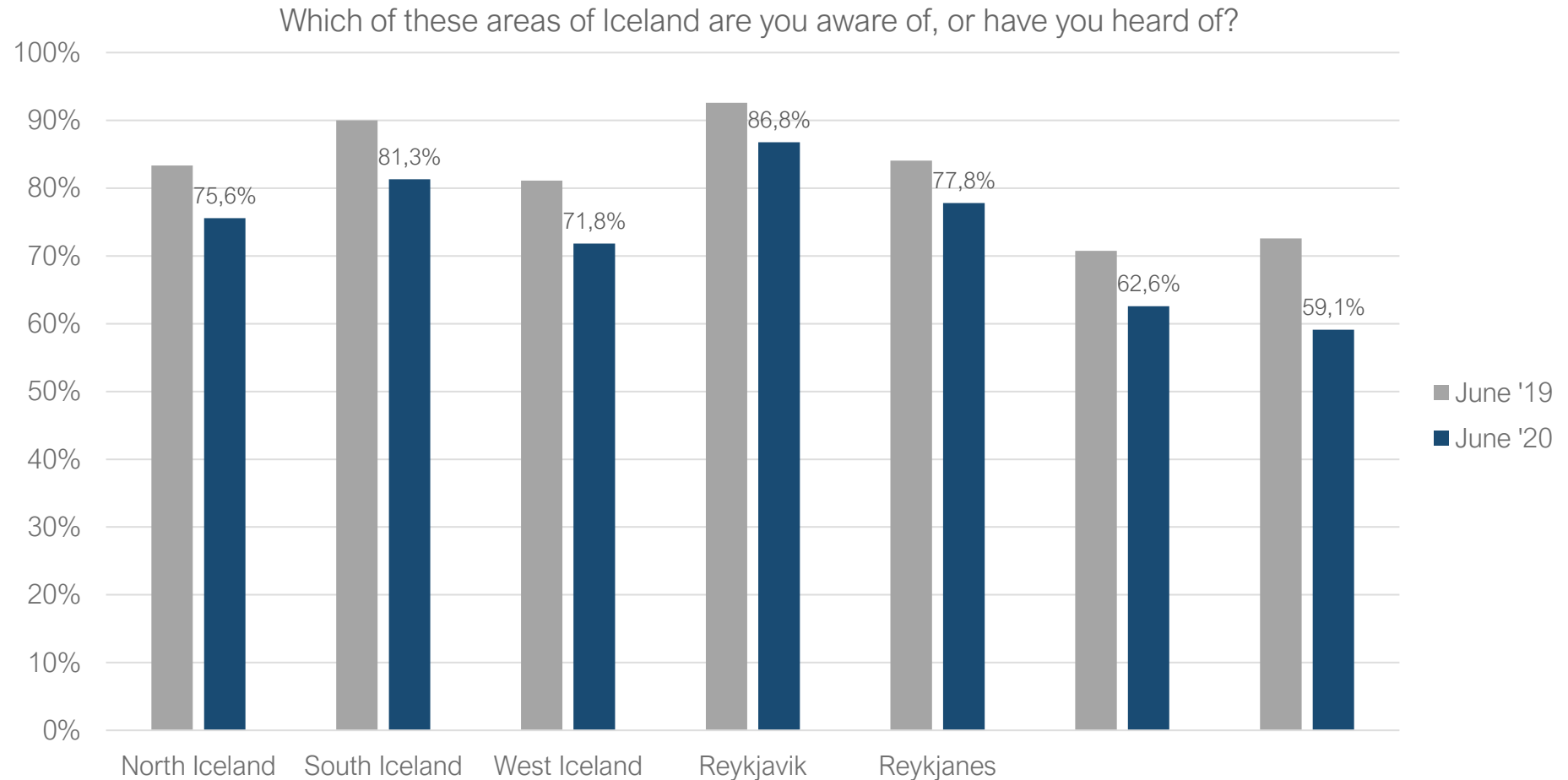
Top negative factors for the development of tourism in Iceland

Market breakdown

	All market areas	N-America	British Isles	C- & S-Europe	Nordic Countries	Distant markets	United States	Germany
Price level / currency	57,1%	53,1%	43,5%	62,2%	73,3%	51,4%	50,0%	61,5%
Air connections / supply	37,9%	28,9%	30,4%	41,5%	33,3%	42,3%	27,6%	30,8%
Competing destinations	23,4%	23,4%	8,7%	22,2%	13,3%	27,0%	25,5%	11,5%
No negative factors	21,2%	32,0%	4,3%	10,4%	6,7%	25,2%	31,6%	11,5%
Availability of service from local suppliers (e.g. accommodation, tours, restaurants, etc.)	14,0%	9,4%	8,7%	11,1%	13,3%	22,5%	8,2%	3,8%
Iceland's response to COVID-19	14,0%	6,3%	0,0%	20,7%	20,0%	15,3%	6,1%	7,7%
Other, please specify	12,5%	17,2%	13,0%	11,1%	13,3%	7,2%	19,4%	11,5%
General growth in outbound tourism in source market	11,5%	8,6%	4,3%	10,4%	26,7%	14,4%	8,2%	7,7%
Changes in tourism numbers in Iceland	10,0%	5,5%	8,7%	11,1%	13,3%	12,6%	6,1%	23,1%
Tourism policy of the destination	9,7%	4,7%	4,3%	10,4%	13,3%	14,4%	3,1%	7,7%
Marketing efforts / promotion	7,5%	7,0%	4,3%	2,2%	6,7%	15,3%	9,2%	0,0%
Trendy destination	7,2%	7,8%	4,3%	7,4%	0,0%	7,2%	8,2%	7,7%
Safety of the destination	6,5%	6,3%	0,0%	3,0%	6,7%	11,7%	3,1%	0,0%
Level of service and quality from local suppliers	6,5%	0,8%	4,3%	7,4%	0,0%	12,6%	1,0%	3,8%
Sustainability of the destination	4,5%	2,3%	4,3%	3,0%	0,0%	9,0%	1,0%	3,8%



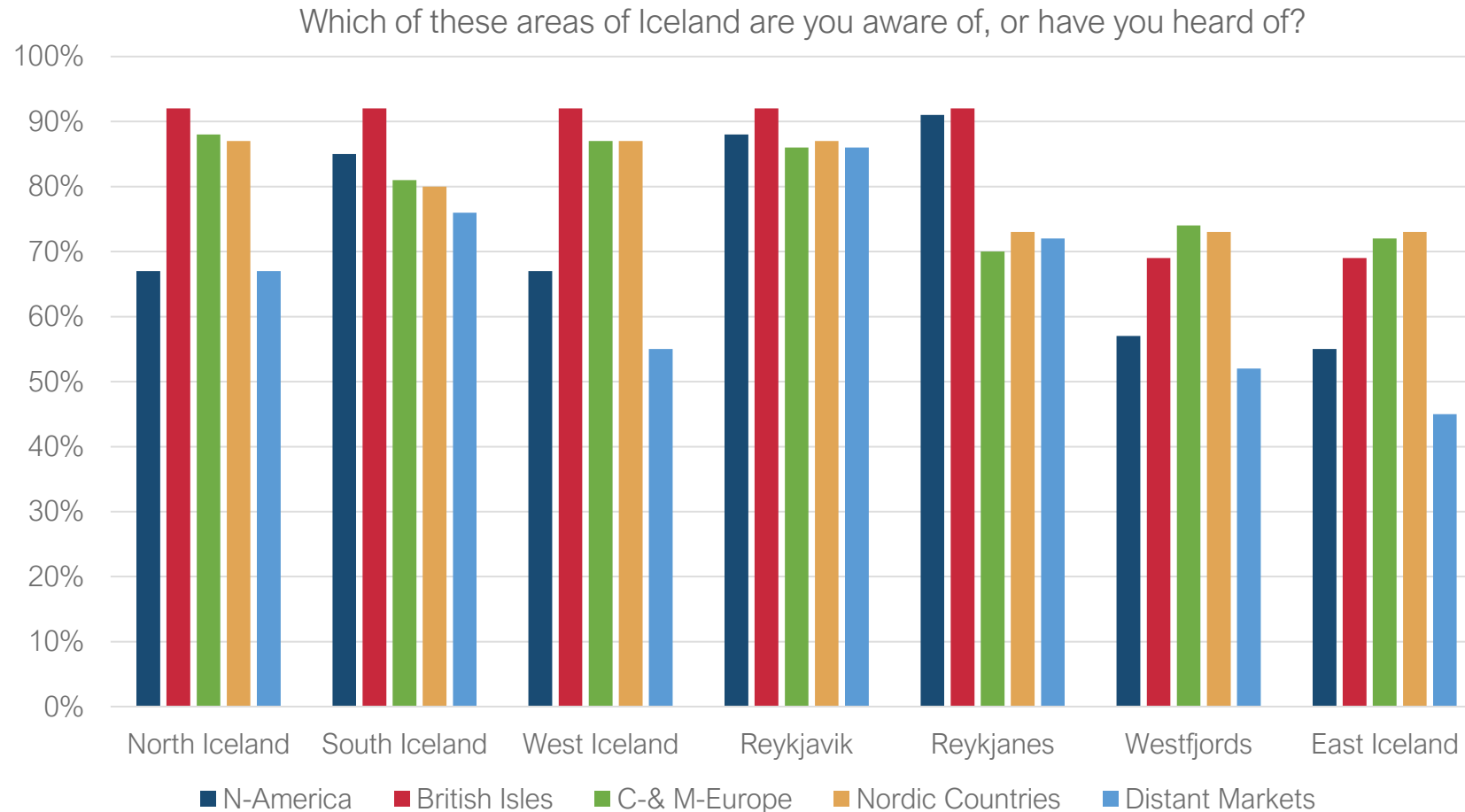
Knowledge of the Icelandic regions





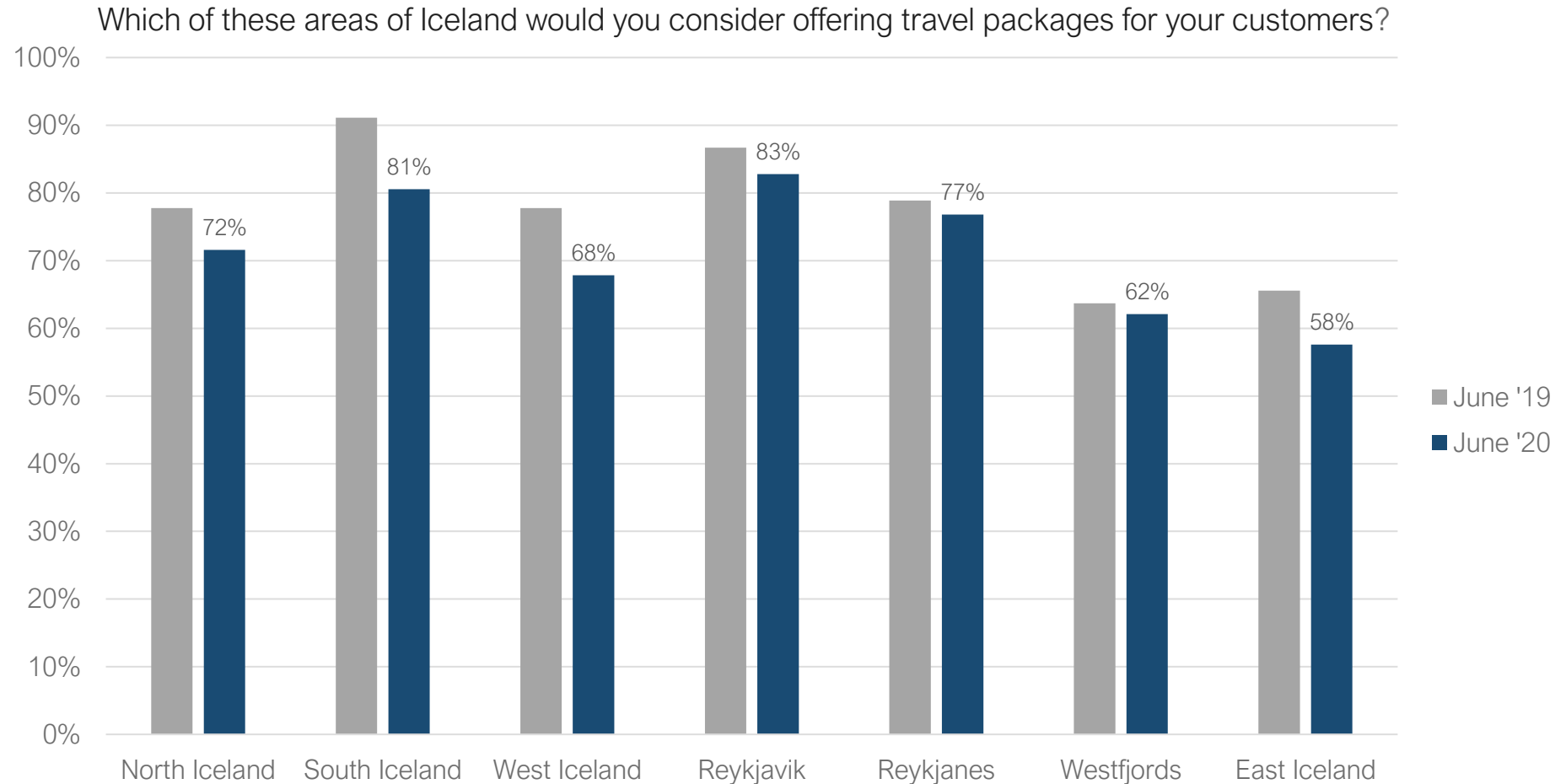
Knowledge of the Icelandic Regions

Market breakdown





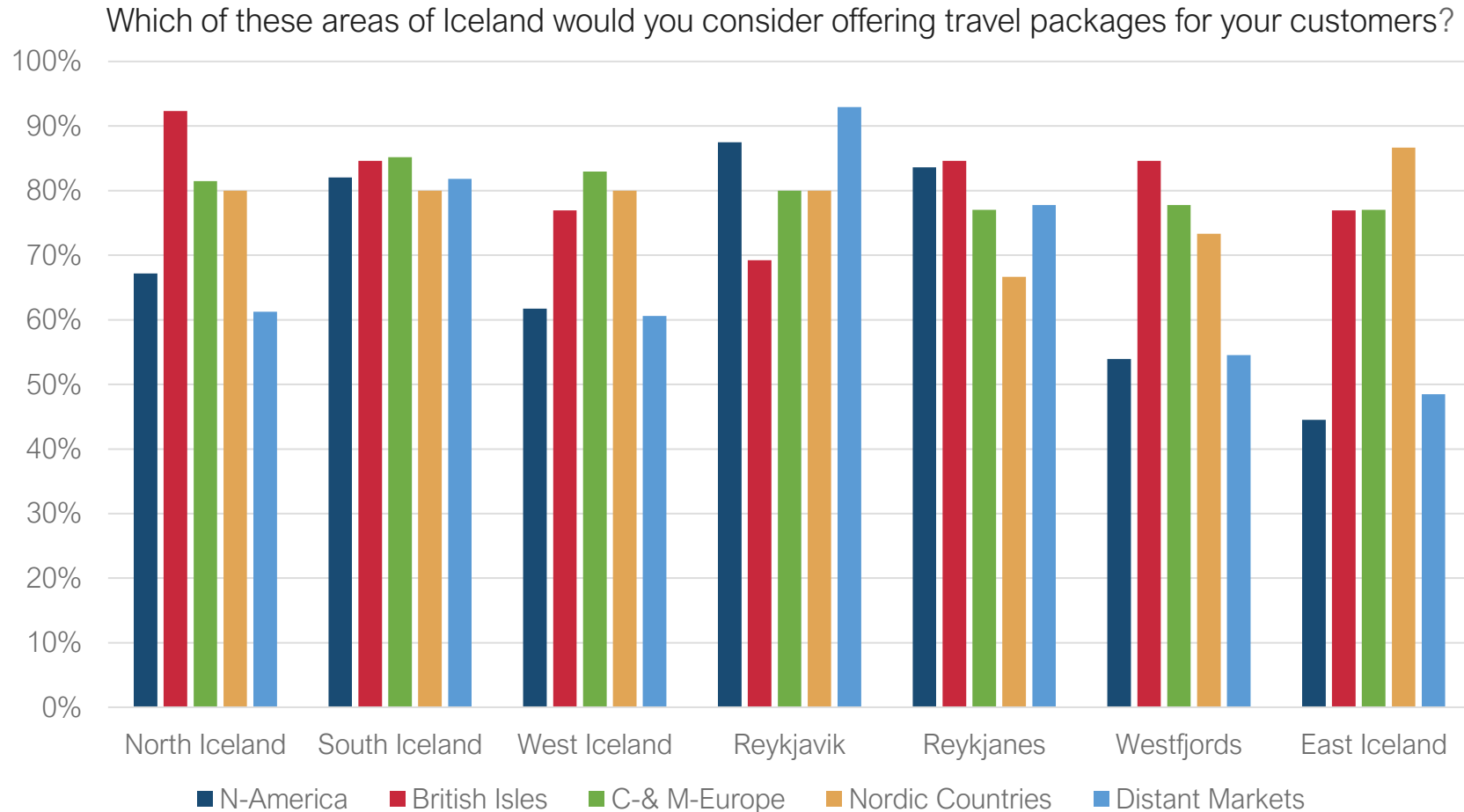
Interest in tour bookings to the regions





Interest in tour bookings to the regions

Market breakdown





Net Promoter Score (NPS)

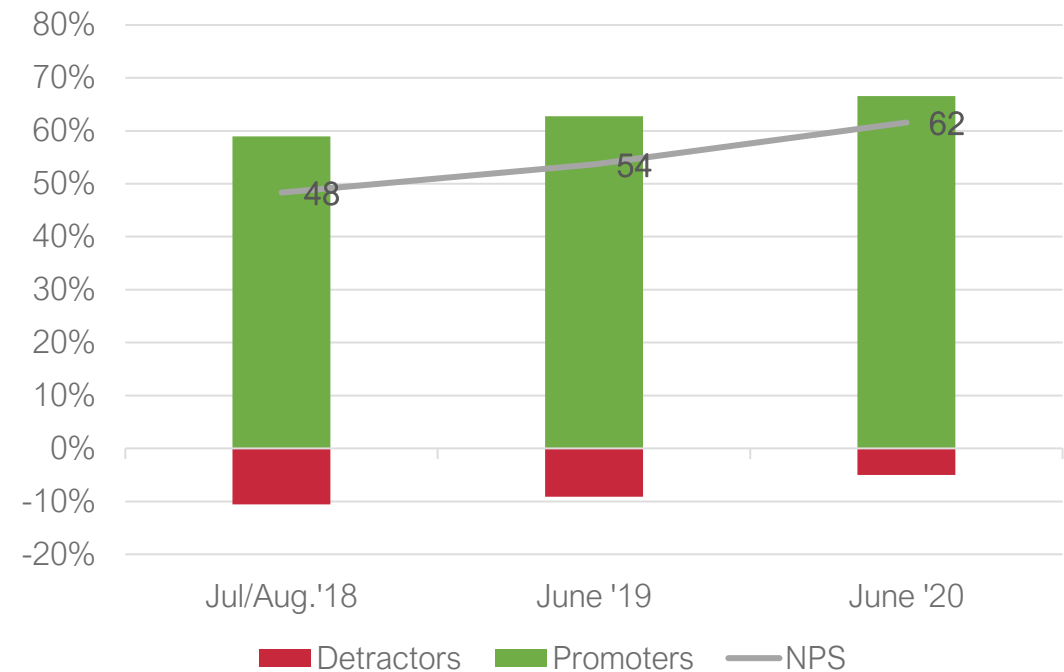
The NPS score for Iceland as a destination was 62 points

+8 points from June 2019

+13 points from Jul/Aug. 2018

“Net Promoter Score is a metric for customer experience and predicts business growth based on grouping customers into three categories: promoters (9-10), passive (7-8) and detractors (0-6).”

On a scale from 0-10, how likely are you to recommend Iceland as travel destination to a customer or a colleague?





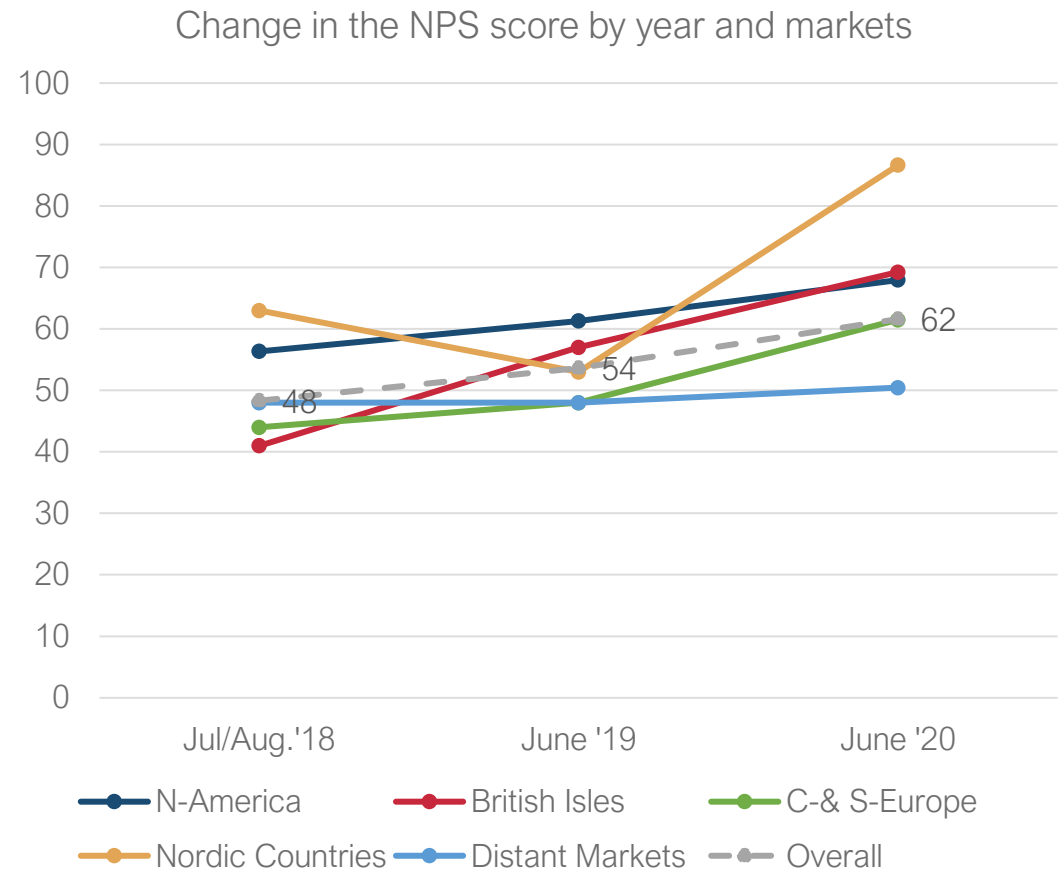
Net Promoter Score (NPS)

Market breakdown

The NPS score is considerably higher in all market areas except the distant markets, compared to previous years.

The highest NPS score was among participants from the Nordic Countries but the lowest from Distant markets.

The great turnover in the NPS score among participants from the Nordic countries and the British Isles are noteworthy.





NPS

Why are “**detractors**” not recommending Iceland as a destination?

“Iceland is expensive so it tends to attract one time visitors”

“The quality of customer service needs to be higher for our clientele”

“The test at the airport, not the cost but the fact that you may end up in quarantine”

“Way too expensive!”

“Flight connection is poor and relatively high cost”



NPS

What would it take to make “**neutrals**” more likely to recommend Iceland as a destination?

“More communication from operators”

“TV adds to make clients aware of the safety of Iceland travel”

“Easy entry with limited disruption once a passenger has arrived in Iceland.”

“The pricing has to become more realistic”

“Better flight options”



NPS

Why are “promoters” recommending Iceland as a destination?

“Iceland is an amazing destination for everyone who loves adventures. You can't be bored there”

“Because Iceland managed COVID-19 with high degree of success”

“The nature in Iceland is simply breath-taking.”

“It is the safest country in the world and the most peaceful country in the world”

“Everyone wants to go there!”

“I visited last year and loved everything about it”



Bookings after COVID-19

80% of participants expect bookings to pick up again before the next summer season

27% before the New Year

20% next summer or later





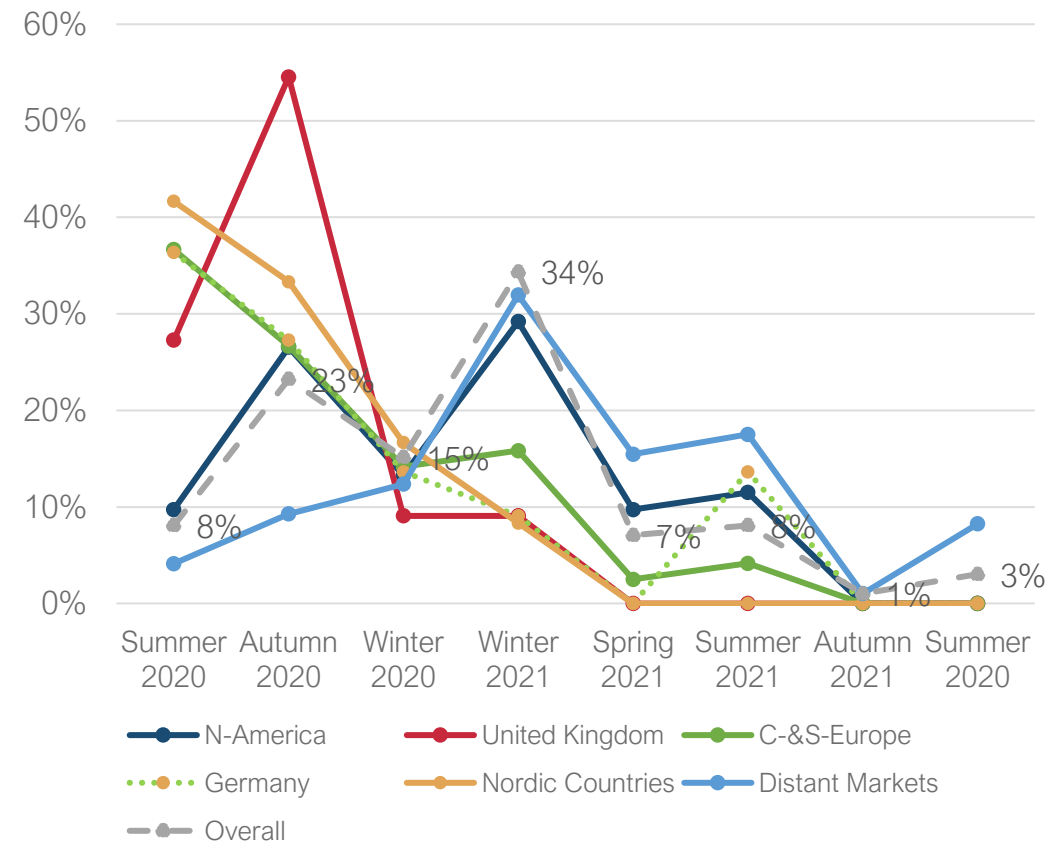
Bookings after COVID-19

Markets

Based on participants answers the markets closer to Iceland in Europe are more likely to start bookings than the distant markets.

Participants from the closer markets expect bookings to have resumed to a normal state before next summer.

When do you expect bookings to Iceland will pick up again after COVID-19?





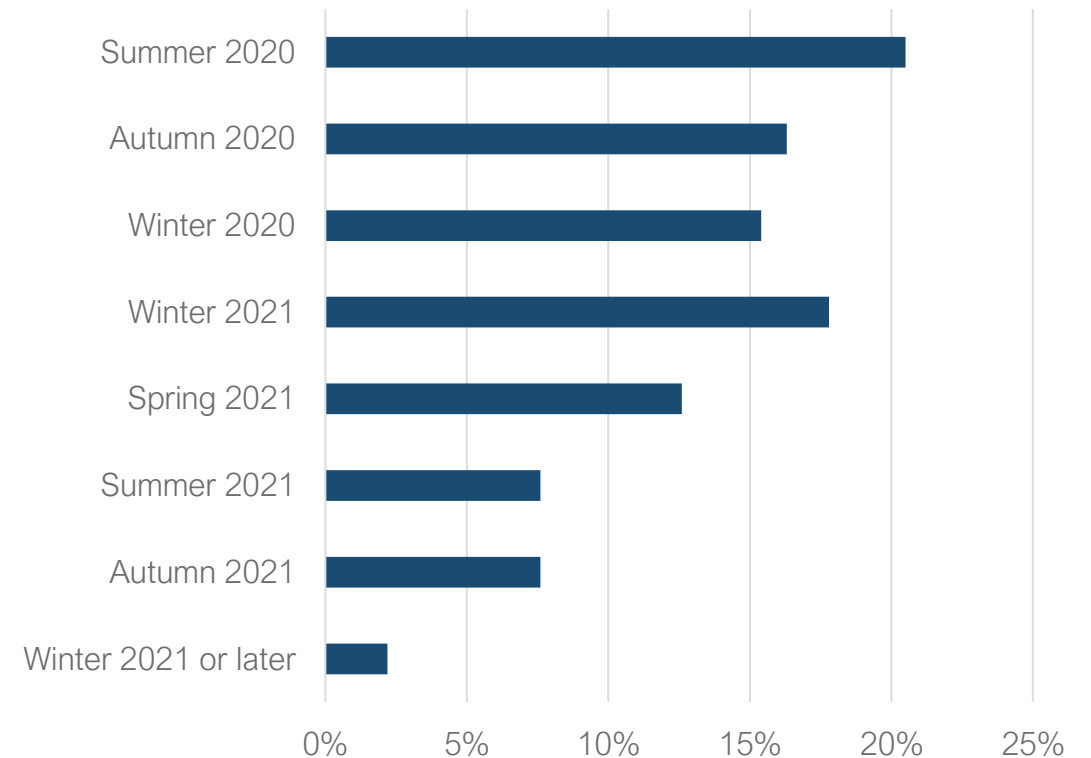
Travel after COVID-19

83% of participants expect their clients to be willing to travel again before next winter season is over

52% before the New Year

17% next summer or later

When do you expect the earliest your clients to be willing to travel to Iceland again after COVID-19?





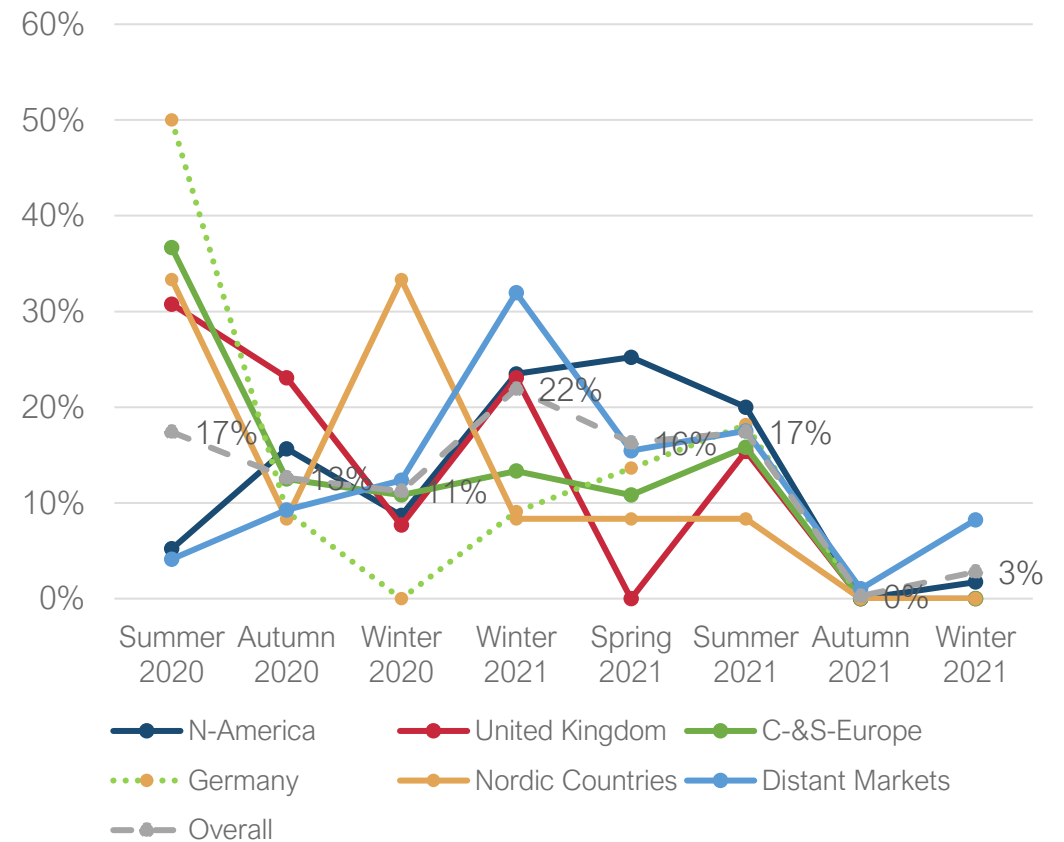
Travel after COVID-19

Markets

Based on participants answers the markets closer to Iceland in Europe are likely to resume earlier than the more distant markets.

Looking at single countries Germany stood out regarding the willingness to travel this summer.

When do you expect the earliest your clients to be willing to travel to Iceland again after COVID-19?



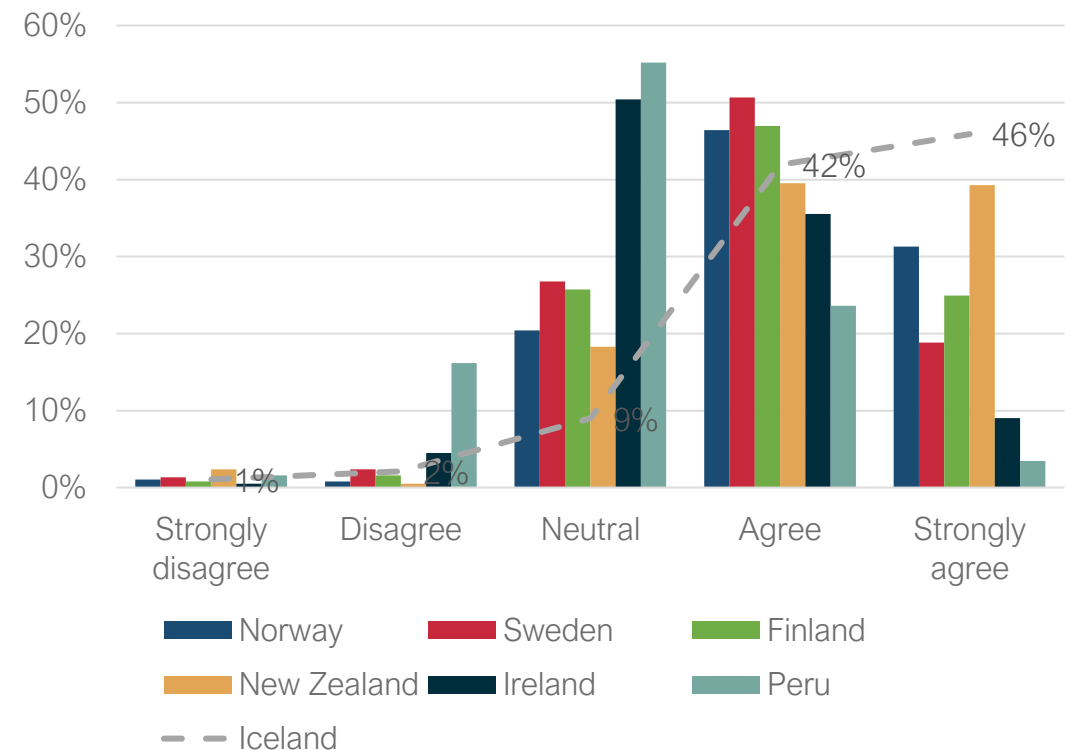
*When do you expect the earliest your clients to be willing to travel to Iceland again after COVID-19?

Leading in sustainable development

Over all the majority of participants either agree or agree strongly with the statement that Iceland is a leading destination in sustainable development.

Compared to the other destinations New Zealand comes closest to Iceland. The other Nordic Countries also have a strong link to sustainable development in the minds of participants.

Do you agree or disagree with the following statement? "This country is leading in sustainable development"





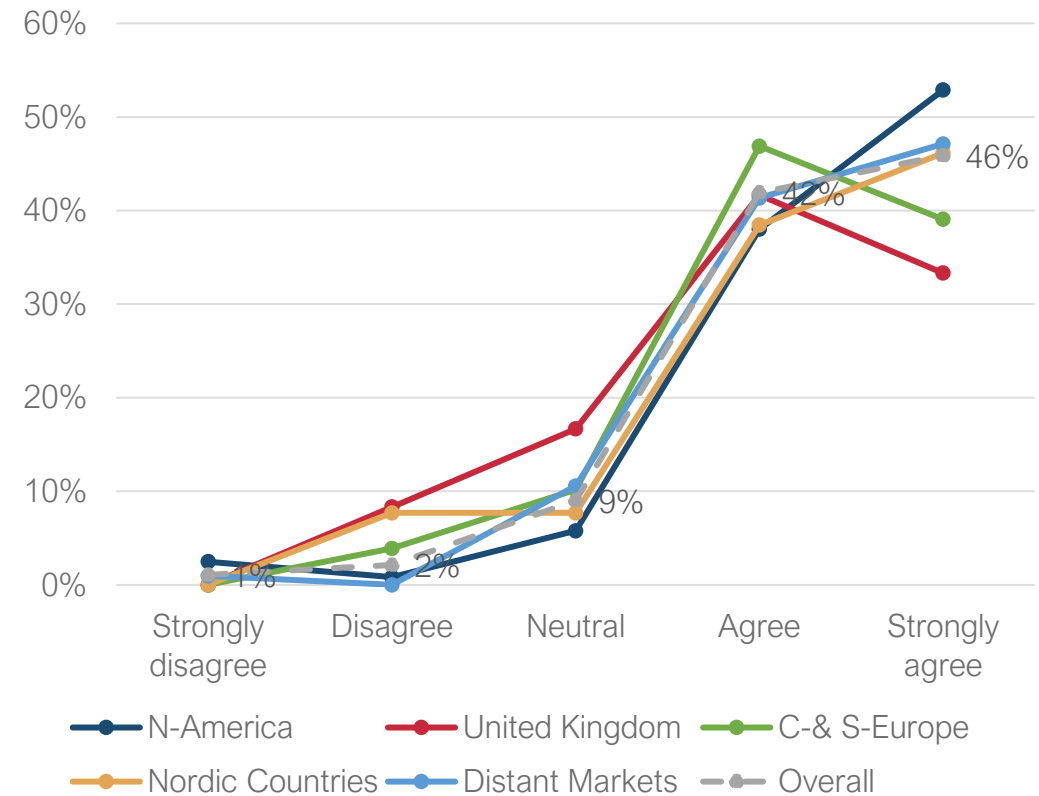
Leading in sustainable development

Market breakdown

When the answers are broken down to market areas we see some harmony.

More than half of participants from N-America said they strongly agreed to the statement that Iceland is leading in sustainable development. Participants from the British Isles and Central and Southern Europe are however not as conclusive.

"Iceland is a leading destination in sustainable development"





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