TOURISM IN ICELAND IN FIGURES

MAY 2018

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TOURISM IN ICELAND IN FIGURES
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ECONOMIC STATISTICS IN ICELANDIC TOURISM

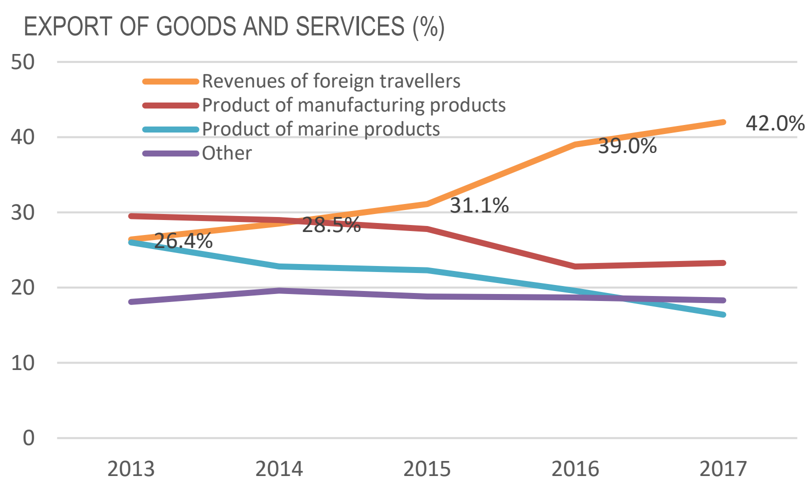
THE SHARE OF TOURISM IN EXPORT REVENUE

Tourism's share of foreign exchange earnings has grown from 26.4% to 42.0% between 2013-2017 according to measurements on the export of goods and services.

	Export of goods and services (ISK billion)	Tourism* (ISK billions)	Share of tourism
2013	1,047,908	276,634	26.4%
2014	1,068,320	304,637	28.5%
2015	1,188,744	369,553	31.1%
2016	1,186,686	462,533	39.0%
2017	1,199,721	503,349	42.0%

*Total activity of Icelandic companies operating in Iceland and abroad.

Tourism generated higher foreign exchange earnings than exports of marine products and industrial products in the years 2013–2017.



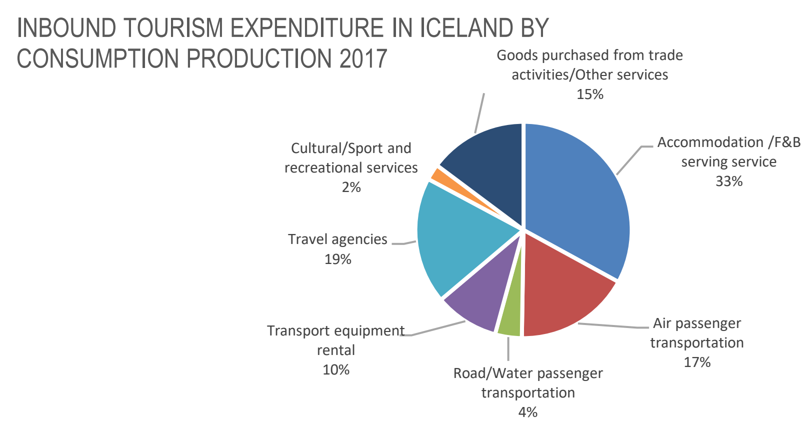
SPENDING OF FOREIGN VISITORS

Revenue from foreign tourists amounted to ISK 376.6 billion in 2017 i.e. ISK 30.6 billion more than in 2016[1]. This represents a year-on-year increase of some 8.8%.

	Visitors, total	Tourists (Overnight visitors)	Same day visitors (Cruise arrivals)
2013	166,234.1	164,257.3	1,976.8
2014	198,021.1	195,895.0	2,126.1
2015	259,972.9	257,586.8	2,386.1
2016	345,969.8	343,365.1	2,604.7
2017	376,578.3	373,530.3	3,048.1

[1] ISK at each year's levels.

The Tourism Industry 2017 overview from Statistics Iceland breaks down tourism expenditure by sector. A third of expenditure, or 124 billion is attributable to holiday accommodation and catering services; 17%, or 65 billion to passenger transport by air; 19%, or 71 billion, to travel agencies; 10% or 36 billion to the rent of transport, car rentals, etc.; 4%, or ISK 14.9 billion, to passenger transport on land and sea and 2.4% to other characteristic travel services; and 15%, or ISK 56 billion, to various retail enterprises/services.

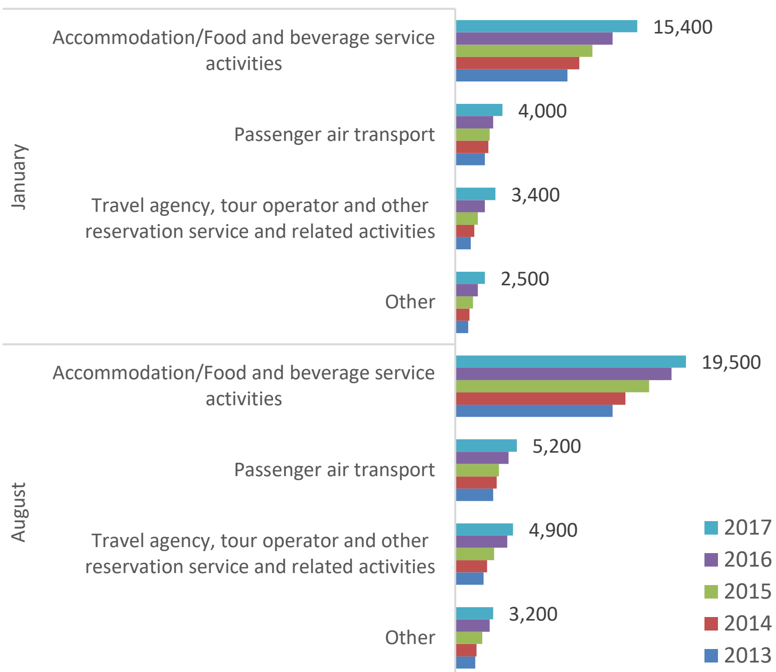


Source: Statistics Iceland.

JOBS IN TOURISM-RELATED INDUSTRIES

The total number of people employed in tourism-related sectors was 24,500 in January 2017, or the month the fewest were employed, and 31,700 in August 2017, when the most were employed. Most employees worked in accommodation and at restaurants, 15,400 in January and 19,500 in August. However, the percentage increase of employees was greatest among travel agencies, tour operators, booking services and in sectors classified as other. Since 2013, the number of employees in tourism-related sectors has increased yearly by more than 68%.

NUMBER OF EMPLOYEES IN ACTIVITIES RELATED TO TOURISM 2013-2017



TURNOVER IN ACTIVITIES RELATED TO TOURISM

The turnover in VAT-liable operations in characteristic tourism services increased by ISK 45.6 billion between 2016 and 2017, or 7.6%. The turnover provides a reasonable view of the development of sectors in the short term and fluctuations within the year. In relative terms, turnover increased most in the rental of cars and vehicles, or by approximately 12.6% between years, and in the operation of accommodation (10.8%) and travel agencies and tour operators (10.9%).

	Turnover (ISK millions)	
	2016	2017
Total turnover*	**595,735**	**641,313**
Passenger air transport[1]	258,827	270,272
Accommodation	85,241	94,487
Food and beverage service activities	87,561	95,262
Renting/leasing of cars & light motor vehicles	45,401	51,106
Travel agencies	97,156	107,734
Passenger land transport[2]	21.547	22,452

*Preliminary figures. Turnover in ISK millions, excl. VAT, in characteristic tourism sectors.

[11]Domestic scheduled flights not included.

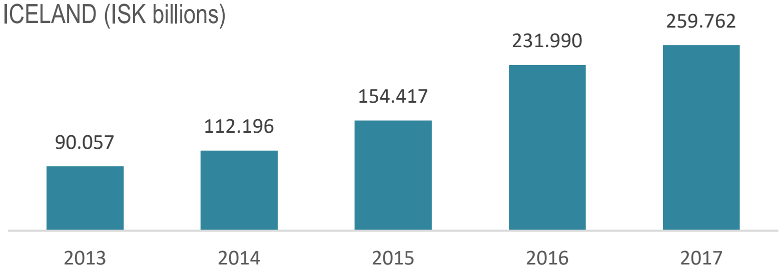
[2]Public transport and taxi services are not included.

Source: Statistics Iceland.

FOREIGN CARD TURNOVER

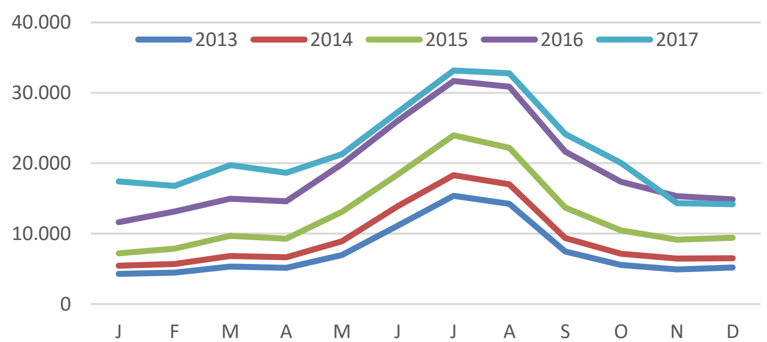
Foreign payment card turnover in Iceland nearly tripled from 2013–2017. In 2017, payment card turnover was around ISK 260 billion, 12% higher than in 2016, when payment card turnover was ISK 232 billion. Payment card turnover increased by 24.6% from 2013–14, by 37.6% from 2014–2015 and by 50.2% from 2015–2016.

TOTAL USE OF FOREIGN DEBIT AND CREDIT CARDS IN ICELAND (ISK billions)



Foreign card turnover has been the highest during the summer, but the share of the summer card turnover has fallen steadily in line with the increase of tourists visiting outside the summer months. The yearly share of foreign card turnover during the summer was about 45% until 2013, but by 2017, it was 35.9%.

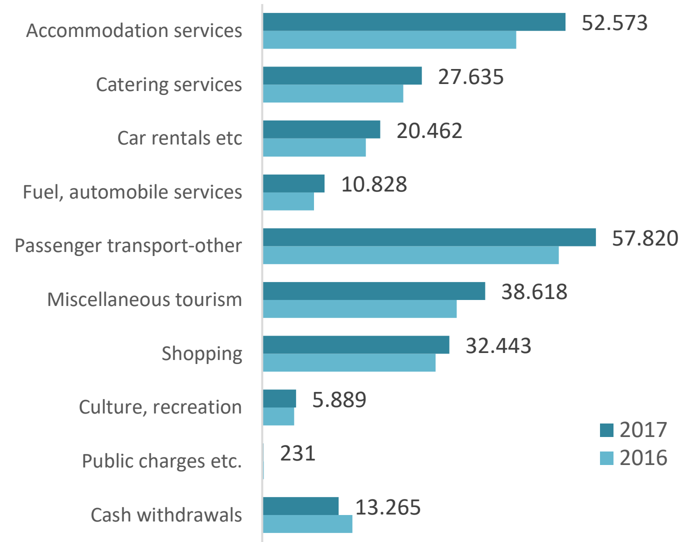
CARD TURNOVER BY MONTH (ISK BILLIONS)



FOREIGN CARD TURNOVER BY EXPENSE ITEMS

In 2017, a little less than a third (30.8%) of foreign payment card turnover was spent on accommodation and restaurant services, 12.1% on car rentals, petrol stations, repair and maintenance services and 22.2% for various services related to passenger transport. About 14.9% went to different types of tourism, 11.5% to commerce and 2.3% to cultural, recreational and leisure activities, and 5.5% went to other aspects connected to tourism. Cash withdrawals made up 5.1% of card turnover.

CARD TURNOVER BY EXPENSE ITEM (ISK BILLIONS)*



* The data on card turnover by expense items contains all payment card use, both debit and credit cards. The card turnover of foreigners who purchase travel tickets or package tours to Iceland from their home countries is not included unless the card turnover is channelled through Icelandic acquirers.

Source: Centre for Retail Studies.

INTERNATIONAL VISITORS AND CRUISES

FOREIGN TOURISTS TO ICELAND

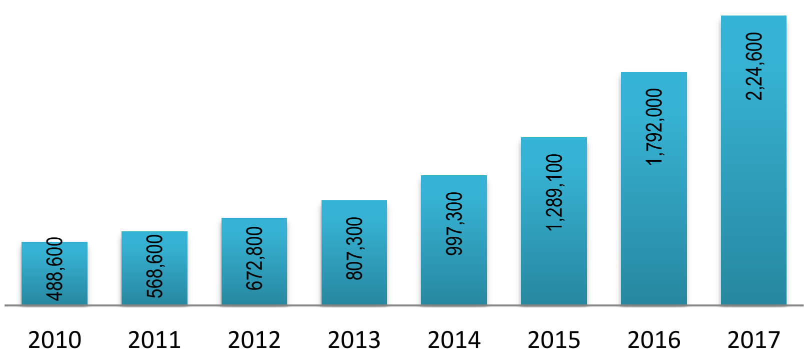
The number of foreign visitors to Iceland has nearly quadrupled since 2010. The average yearly growth rate has been 24.3% since 2010. The biggest increase was from 2015 to 2016, or 39.0%.

	Number of visitors
2010	488,600
2011	565,600
2012	672,800
2013	807,300
2014	997,300
2015	1,289,100
2016	1,792,200
2017	2,224,600

	Proportional increase
2010-11	15.7%
2011-12	18.9%
2012-13	20.0%
2013-14	23.5%
2014-15	29.2%
2015-16	39.0%
2016-17	24.1%
2010-17*	24.3%

*Average yearly growth rate

INTERNATIONAL VISITORS TO ICELAND 2010-2017



Sources: Icelandic Tourist Board, Austfar, Isavia and Air Iceland Connect.

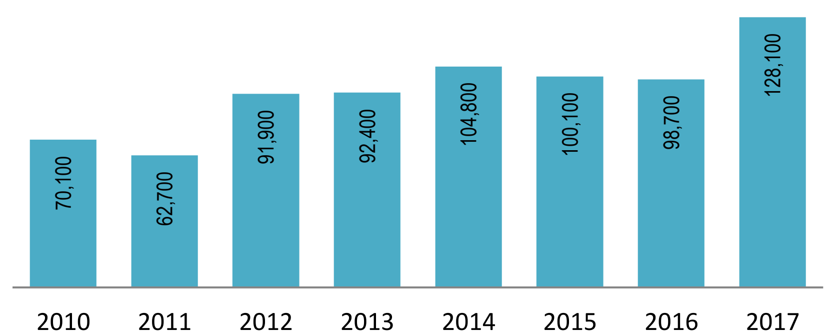
INTERNATIONAL CRUISE SHIP PASSENGERS *

Since 2010, cruise ship passengers to Iceland have increased significantly from 72,000 in 2010 to 132,000 in 2017. The mean annual increase has been 10.5% per year. Approximately 97% of cruise ships stopover in Reykjavik, but many ships stay in more than one port.

	2015		2016		2017	
	Passengers	Vessels	Passengers	Vessels	Passengers	Vessels
Reykjavík	100,141	108	98,676	114	128,094	134
Akureyri	72,015	86	82,516	93	109,365	124
Ísafjörður	54,000	64	85,108	81	78,732	95
Seyðisfjörður	19,115	28	16,139	32	19,973	42
Vestmannaeyjar	8,036	31	11,374	41	12,138	50
Grundarfjörður[1]	12,628	28	10,861	27	11,142	26

[1]In 2017, 9,365 passengers came to Djúpavogur, 6,200 to Grímsey, 7,635 to Hafnarfjörður, 6,971 to Húsavík, 4,610 to Siglufjörður, 4,121 to Eskifjörður, 2,471 to Stykkishólmur.

INTERNATIONAL CRUISE SHIP PASSENGERS TO REYKJVÍK 2010-2017



Sources: Faxaports and Cruise Iceland.

* Cruise-ship passengers are defined as day-trip passengers, as they do not spend the night in Iceland. They are counted separately.

INTERNATIONAL VISITORS TO ICELAND 2015-2017

The total number of foreign visitors was around 2.2 million in 2017, a 24.1% increase from 2016, when foreign visitors numbered around 1.8 million.

Around 2,195,000 tourists came on flights through Keflavík International Airport in 2017, or 98.7% of the total number of visitors. Around 22,000 came with Norræna through Seyðisfjörður, or around 1% of the total. Around 7,000 came on flights through Reykjavík Airport or Akureyri Airport, or 0.3 % of the total. It must be assumed that there are variations in counts at Keflavik International Airport, as they cover all departures, including foreign nationals resident in Iceland.*

INTERNATIONAL VISITORS BY POINT OF ENTRY

				Change between years	
	2015	2016	2017	15/16	16/17
Keflavik Airport	1,261,938	1,767,726	2,195,271	40.1%	24.2%
Seyðisfjörður seaport	18,540	19,795	22,353	6.8%	12.9%
Other airports	8,661	4,680	6,979	-46.0%	49.1%
Total	**1,289,139**	**1,792,201**	**2,224,603**	**39.0%**	**24.1%**

*The counts conducted by the Icelandic Tourist Board and Isavia at Keflavík Airport are considered to be additional information to the passenger counts of Isavia to analyse the number of travellers to Iceland according to nationality. The counts are manual counts of passengers leaving the country, and the results should be regarded with the reservations inherent in the methodology used. It should be noted, however, that transfer passengers are not included in these figures.

The results from a survey that Isavia has had conducted among departing passengers during the 3rd and 4th quarters in 2017 and the 1st quarter of 2018 indicate that around 83.3–92.7% of passengers visited Iceland for personal or business-related purposes. Those that were in transit and stopped for a short time in Iceland proved to be 1.6–6.2%. Foreign nationals living in Iceland for shorter or longer periods and those who were in transit and did not leave the airport proved to be 5.3–7.5%. The results of the departures counts are published on the website of the Iceland Tourist Board each month.

By Nationality

	2015	2016	2017	15/16	16/17
Canada	46,654	83,144	103,026	78.2%	23.9%
China	47,643	66,781	86,003	40.2%	28.8%
Denmark	49,225	49,951	53,240	1.5%	6.6%
Finland	16,021	19,895	24,068	24.2%	21.0%
France	65,822	85,221	100,374	29.5%	17.8%
Germany	103,384	132,789	155,813	28.4%	17.3%
Italy	23,817	31,573	40,865	32.6%	29.4%
Japan	16,547	22,371	22,397	35.2%	0.1%
Netherlands	29,546	39,098	49,164	32.3%	25.7%
Norway	51,402	51,012	47,958	-0.8%	-6.0%
Poland	27,079	39,613	66,299	46.3%	67.4%
Russia	4,877	6,320	11,819	29.6%	87.0%
Spain	27,166	39,183	57,971	44.2%	47.9%
Sweden	43,096	54,515	56,229	26.5%	3.1%
Switzerland	25,935	28,682	30,166	10.6%	5.2%
UK	241,024	316,395	322,543	31.3%	1.9%
USA	242,805	415,287	576,403	71.0%	38.8%
Other	199,895	285,896	390,933	43.0%	36.7%
Total	**1,261,938**	**1,767,726**	**2,195,271**	**40.1%**	**24.2%**

By Market Area

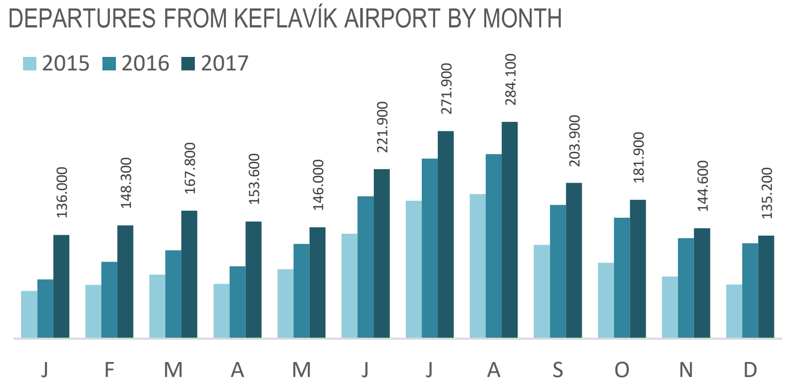
	2015	2016	2017	15/16	16/17
Nordic countries	159,744	175,373	181,495	9.8%	3.5%
UK	241,024	316,395	322,543	31.5%	1.9%
Central/S-Europe	275,670	356,546	434,353	29.3%	21.8%
N-America	289,459	498,431	679,429	72.2%	36.3%
Other	296,014	420,981	577,451	42.2%	37,2%
Total	**1,261,938**	**1,767,726**	**2,195,271**	**40.1%**	**24.2%**

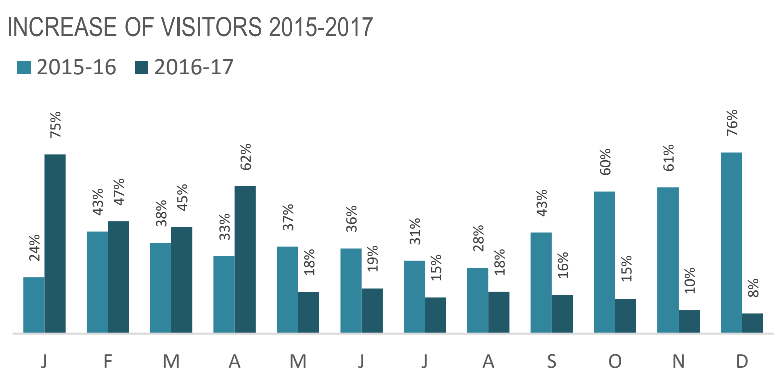
* France, Germany, Italy, Netherlands, Switzerland and Spain.

Sources: Icelandic Tourist Board, Isavia, Air Iceland Connect, Austfar and Smyril Line.

INTERNATIONAL VISITORS BY MONTHS

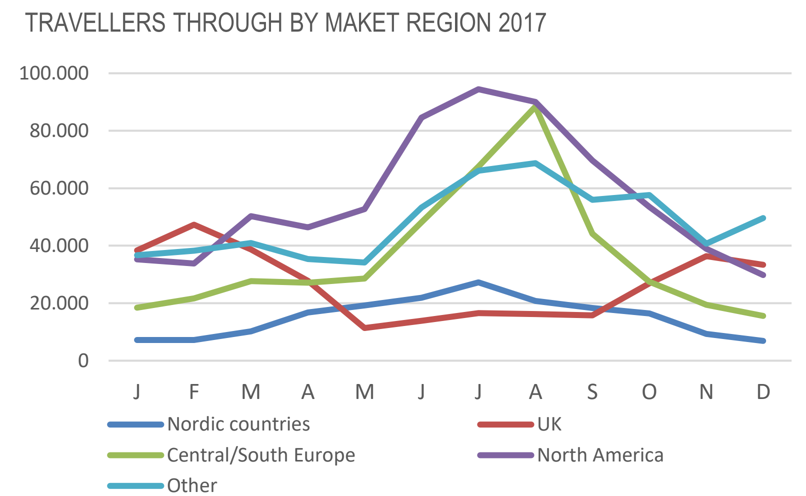
Over the past three years, the increase in the number of tourists has been proportionately greater in winter than in spring, summer and fall. Records were broken in all months of 2016 and 2017 in comparison with the same months in preceding years. The increase was more than 30% for ten months from 2015–2016 and four months from 2016–2017. The greatest increase between years was outside the summer season during the period 2015–2017, when it was more than 60% in some of the months.





DEPARTURES FROM KEFLAVÍK AIRPORT BY MARKET

Travellers from individual market areas were widely distributed in 2017. Thus, travellers from Central and South Europe were prominent during the summer months, while travellers from the Nordic countries, North America and from countries categorised as “elsewhere” were distributed evenly over the year. Travellers from the UK were the exception, as around 60% of these visitors came during the winter months.



Source: Icelandic Tourist Board.

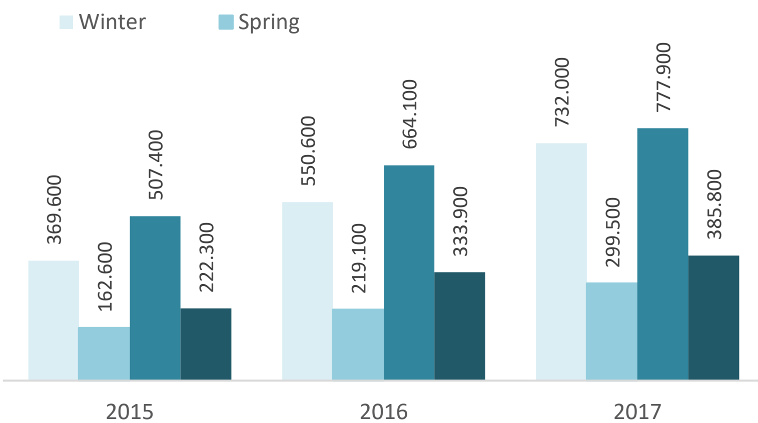
INTERNATIONAL VISITORS BY SEASON

Approximately 35% of tourists in 2017 visited during the summer months, while the proportion was higher in 2015 (40.2%) and 2016 (37.6%). In 2017, almost a third visited during the spring or autumn and a third during the winer. The share of winter guests has increased slightly over the years while remaining fairly stable during the spring and autumn.

	2015		2016		2017	
	Number	%	Number	%	Number	%
Winter	369,558	29.3	550,612	31.1	732,029	33.3
Spring	162,631	12.9	219,124	12.4	299,548	13.6
Summer	507,423	40.2	664,113	37.6	777,889	35.4
Autumn	222,326	17.6	333,877	18.9	385,805	17.6
Total	**1,261,938**	**100**	**1,767,726**	**100**	**2,195,271**	**100**

Winter: Jan.-March/Nov.-Dec., Spring: April-May, Summer: June-August, Autumn: Sept.-Oct.

VISITORS BY SEASON

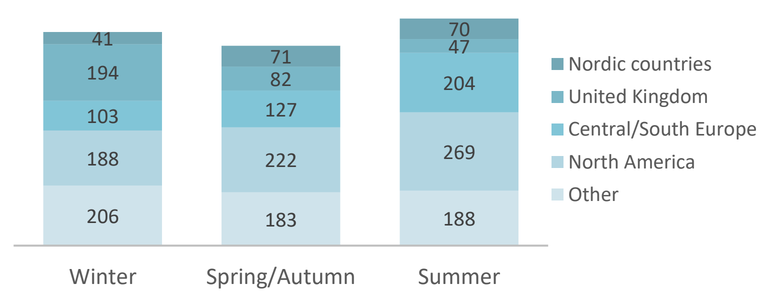


VISITORS BY MARKET 2017

Around a quarter of winter guests were from the UK, a quarter from North America and approximately a quarter from countries characterised as “other”. During spring and autumn, the highest proportion was from North America, or around a third. Almost a fifth were from Mid and South Europe, one in ten from the Nordic countries and around one in ten from the UK. North Americans, moreover, were most numerous during the summer, or around a third. Travelers from Mid and South Europe were also numerous and were around a quarter of the travellers. One of every ten summer guests came from the Nordic countries. A quarter of summer guests came from countries classified as “other”.

	Winter		Spring		Summer		Autumn		Total
	Number	%	Number	%	Number	%	Number	%	Number
Nordic c.	40,798	5.6	35,992	12.0	69,945	9.0	34,760	9.0	181,495
UK	194,114	26.5	39,180	13.1	46,608	6.0	42,641	11.1	322,543
C/S-Europe	102,842	14.0	55,754	18.6	204,108	26.2	71,649	18.6	434,353
N-America	188,051	25.7	99,107	33.1	269,059	34.6	123,212	31.9	679,429
Other	206,224	28.2	69,515	23.2	188,169	24.2	113,543	29.4	577,451
Samtals	**732,029**	**100**	**299,548**	**100**	**777,889**	**100**	**385,805**	**100**	**2,195,271**

VISITORS BY MARKET 2017 ('000)



Source: Icelandic Tourist Board and Isavia.

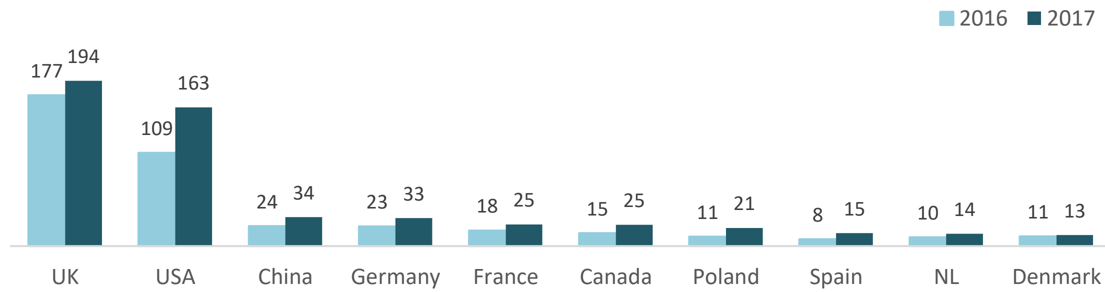
NATIONALITIES THROUGH KEFLAVIK AIRPORT 2017/2016

Winter: Around 732,000 visitors came in 2017, 33% more than during the winter 2016. Broken down by nations, the largest proportion came from the UK (26.5%) and US (22.3%). Travellers from China (4.6%), Germany (4.5%), France (3.5%), Canada (3.4%), Poland (2.9%), Spain (2.1%), the Netherlands (2.0%) and Denmark (1.8%) came thereafter. The total number of visitors from these ten nations was 73.6% of visitors during the winter of 2017.

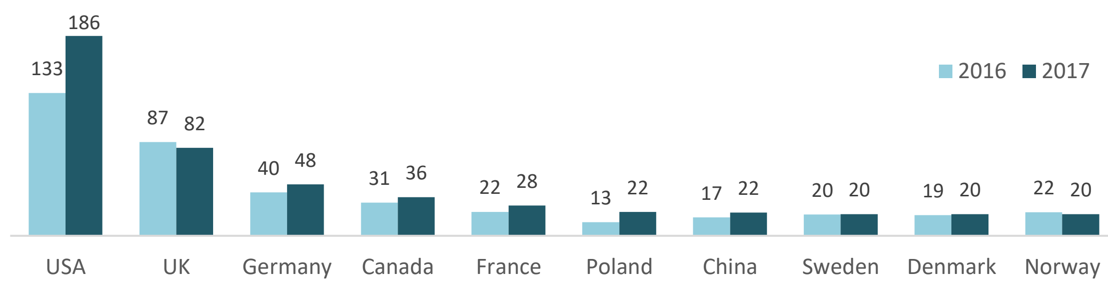
SPRING/AUTUMN: 685,000 visitors came during the spring or autumn in 2017, 23.9% more than in 2016. Most came from the US (27.2%) and the UK (11.9%). Travellers from Germany (7.0%), Canada (5.3%), France (4.1%), Poland (3.2%), China (3.2%), Sweden (3.0%), Denmark (2.9%) and Norway (2.9%) came thereafter. Together, these ten nations made up 70.7% of travellers during spring or autumn in 2017.

SUMMER: Around 778,000 came during the summer 2017, 17.1% more than in 2016. Most summer visitors in 2017 came from the US (29.2%), Germany (9.7%), France (6.0%), UK (6.0%), Canada (5.4%), China (3.9%), Spain (3.3%), Sweden (3.0%), Poland (2.9%) and Italy (2.8%). In total, these ten nations comprised 72.2% of visitors during summer 2017.

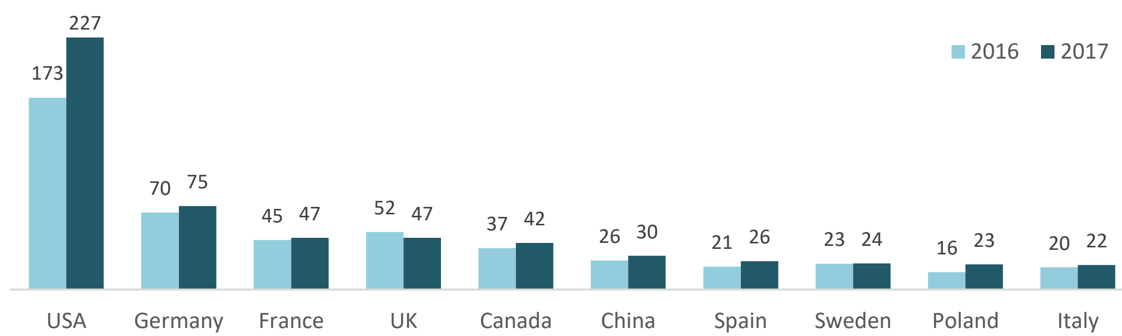
WINTER (´000)



SPRING/AUTUMN (´000)



SUMMER (´000)



Source: Icelandic Tourist Board.

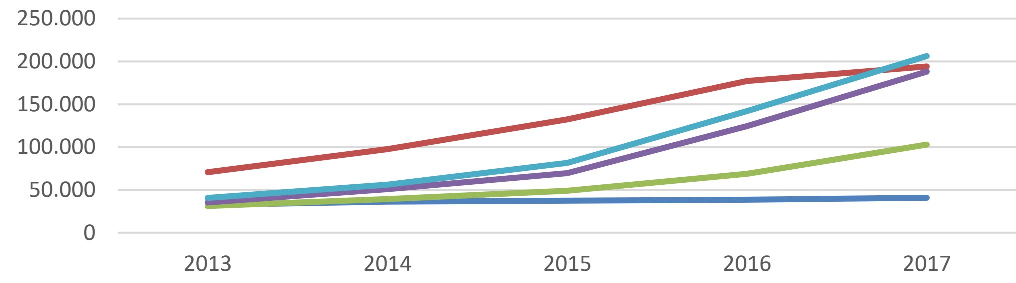
MARKETING AREAS THROUGH KEFLAVIK AIRPORT 2013-17

WINTER: The number of winter visitors in 2017 was triple that of those counted in 2013. The average annual increase has been 36.8% since 2013. Visitors from Britain were slightly more than a quarter of winter visitors in 2017, whilst visitors from North America made up a quarter. These two market areas, as well as those classified as “other”, have shown the greatest increase in relative terms since 2013.

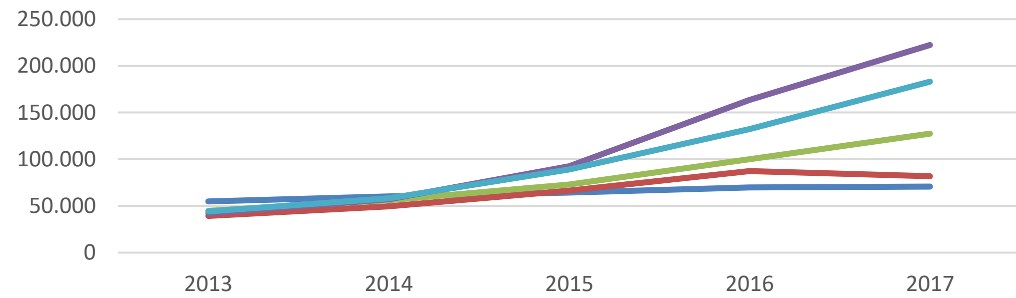
SPRING/AUTUMN: The number of travellers during spring and autumn tripled from 2013 to 2017, from 225,000 in 2013 to 685,000 in 2017. The increase during the period has been around 32.6% per year. In the past, most visitors came from the Nordic countries. As time passed, however, the share of North American visitors became greater, or around a third of the total.

SUMMER: Travellers in summer have more than doubled since 2013, from 345,000 in 2013 to around 778,000 in 2017. The average annual increase has been 22.7%. Visitors from North America were the largest market in the summer 2017 or 34.6% of the total. Their share has grown year after year, and they have surpassed visitors coming from Central and Southern European countries, who made up the largest group of visitors during the summer for the longest time.

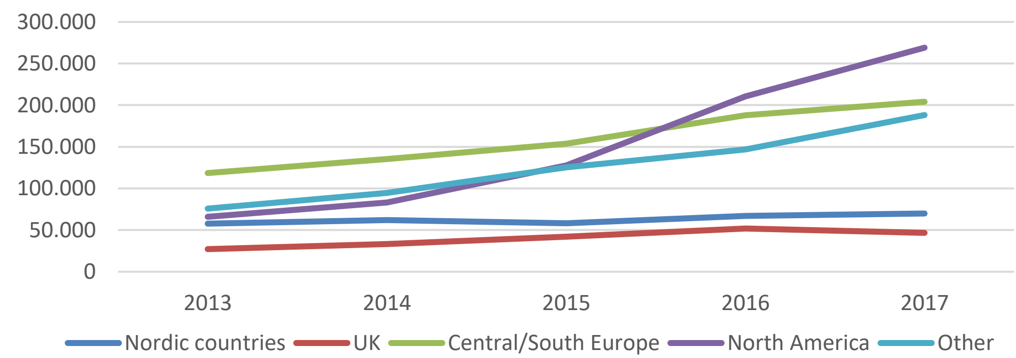
Winter



SPRING/AUTUMN



SUMMER



Source: Icelandic Tourist Board.

DEPARTURES FROM KEFLAVÍK AIRPORT 2017

By nationality		By season*				By month											
	Total	Winter	Spring	Summer	Autumn	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Canada	103,026	25,121	15,093	41,884	20,928	4,199	4,929	7,346	6,014	9,079	12,612	13,830	15,442	12,353	8,575	5,253	3,394
China	86,003	33,993	7,387	30,420	14,203	7,278	8,407	5,204	3,560	3,827	8,530	9,617	12,273	6,447	7,756	2,916	10,188
Denmark	53,240	12,831	9,543	20,291	10,575	2,074	2,412	3,392	5,026	4,517	5,194	8,817	6,280	5,507	5,068	2,615	2,338
Finland	24,068	4,265	5,634	9,446	4,723	666	652	1,123	2,537	3,097	3,602	3,326	2,518	2,417	2,306	913	911
France	100,374	25,413	14,313	46,659	13,989	4,457	6,638	5,938	6,739	7,574	11,082	15,137	20,440	8,380	5,609	4,635	3,745
Germany	155,813	32,875	20,026	75,160	27,752	6,002	6,542	9,916	9,299	10,727	21,607	25,620	27,933	17,624	10,128	6,307	4,108
Italy	40,865	10,005	3,961	22,091	4,808	1,611	1,698	3,002	2,266	1,695	3,332	6,014	12,745	3,190	1,618	1,998	1,696
Japan	22,397	12,439	1,603	3,830	4,525	3,246	2,698	2,848	836	767	805	1,007	2,018	2,547	1,978	1,783	1,864
Netherlands	49,164	14,421	7,957	18,654	8,132	2,953	3,056	3,835	3,686	4,271	4,564	6,138	7,952	4,326	3,806	2,464	2,113
Norway	47,958	11,281	10,048	16,649	9,980	1,922	2,114	3,009	4,611	5,437	5,330	6,439	4,880	4,919	5,061	2,595	1,641
Poland	66,299	21,397	9,167	22,736	12,999	2,555	2,873	3,697	4,150	5,017	7,026	8,618	7,092	6,661	6,338	5,278	6,994
Russia	11,819	2,217	1,526	5,816	2,260	425	367	479	561	965	1,203	2,082	2,531	1,462	798	617	329
Spain	57,971	15,204	5,790	25,535	11,442	2,502	2,463	3,667	3,172	2,618	4,259	8,187	13,089	7,614	3,828	3,265	3,307
Sweden	56,229	12,421	10,767	23,559	9,482	2,567	2,027	2,683	4,638	6,129	7,788	8,670	7,101	5,457	4,025	3,154	1,990
Switzerland	30,166	4,924	3,707	16,009	5,526	937	1,331	1,306	2,021	1,686	3,335	6,437	6,237	3.063	2,463	746	604
UK	322,543	194,114	39,180	46,608	42,641	38,357	47,321	38,687	27,817	11,363	13,878	16,551	16,179	15,779	26,862	36,378	33,371
USA	576,403	162,930	84,014	227,175	102,284	31,009	28,913	42,978	40,388	43,626	71,949	80,622	74,604	57,315	44,969	33,629	26,401
Other	390,933	136,178	49,832	125,367	79,556	23,239	23,902	28,696	26,247	23,585	35,749	44,808	44,810	38,825	40,731	30,095	30,246
Total	**2,195,271**	**732,029**	**299,548**	**777,889**	**385,805**	**135,999**	**148,343**	**167,806**	**153,568**	**145,980**	**221,845**	**271,920**	**284,124**	**203,886**	**181,919**	**144,641**	**135,240**

By market		By season*				By month											
	Total	Winter	Spring	Summer	Autumn	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Nordic countr.	181,495	40,798	35,992	69,945	34,760	7,229	7,205	10,207	16,812	19,180	21,914	27,252	20,779	18,300	16,460	9,277	6,880
UK	322,543	194,114	39,180	46,608	42,641	38,357	47,321	38,687	27,817	11,363	13,878	16,551	16,179	15,779	26,862	36,378	33,371
Cent-/S-Europe	434,353	102,842	55,754	204,108	71,649	18,462	21,728	27,664	27,183	28,571	48,179	67,533	88,396	44,197	27,452	19,415	15,573
North America	679,429	188,051	99,107	269,059	123,212	35,208	33,842	50,324	46,402	52,705	84,561	94,452	90,046	69,668	53,544	38,882	29,795
Other	577,451	206,224	69,515	188,169	113,543	36,743	38,247	40,924	35,354	34,161	53,313	66,132	68,724	55,942	57,601	40,689	49,621
Total	**2,195,271**	**732,029**	**299,548**	**777,889**	**385,805**	**135,999**	**148,343**	**167,806**	**153,568**	**145,980**	**221,845**	**271,920**	**284,124**	**203,886**	**181,919**	**144,641**	**135,240**

** Winter: January-March/November-December, Spring: April-May, Summer: June-August, Autumn: September-October.*

Source: Icelandic Tourist Board.

OVERNIGHT STAYS – ALL TYPES OF ACCOMMODATION*

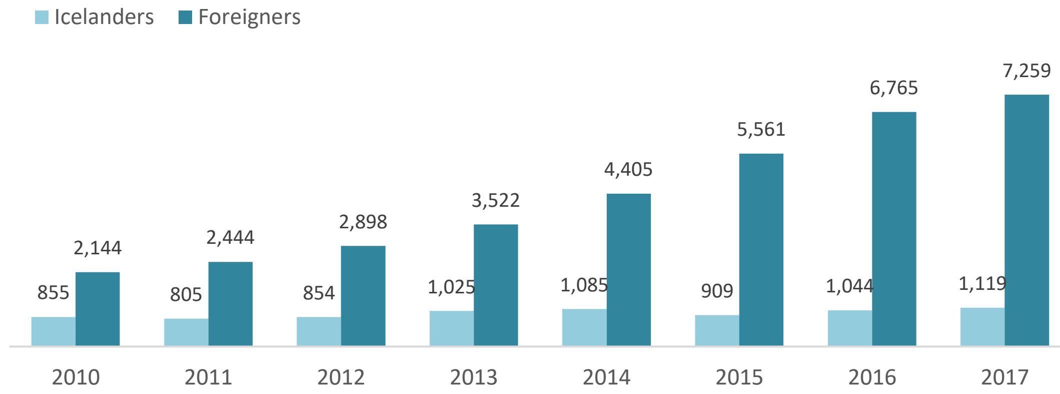
The total number of registered overnight stays in Iceland was around 8.4m in 2017. The overnight stays of foreign visitors were around 7.2m in 2017 and have increased by 19.2% annually since 2010. Overnight stays of Icelanders were around 1.1m in 2017 and have increased by 4.6% since 2010.

OVERNIGHT STAYS BY SEASONS

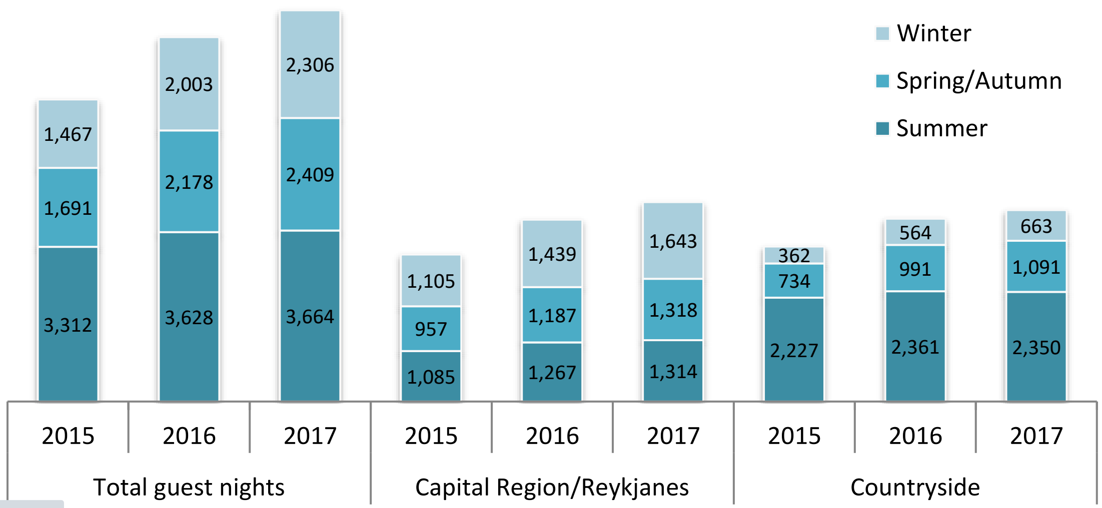
During 2017, 43.7% of registered overnight stays were during the summer, 288. % during the spring or autumn and 27.5% during winter. About 4.3 million overnight stays were spent in the greater Reykjavík area and in Reykjanes peninsula in 2017, or about half of the total overnight stays, of which 38.4% were during winter, 30.7% in the summer and 30.8% in the spring or autumn. About half (49%) of overnight stays, or about 4.1 million, were spent in other parts of the country, of which 57.3% were during the summer, 26.6% in spring or autumn and 16.2% in winter.

*A summary of overnight stays takes into account overnight stays which are registered in Statistics Iceland's database. Non-registered overnight stays were estimated to be 522,000, i.e. in vehicles outside camping grounds in 2017, and 332,000 with friends and family, through apartment exchanges or other locations where accommodation is not paid for. Payments were made for 1.9 million overnight stays through the website of Airbnb and comparable websites in 2017, although a large proportion of these are unregistered overnight stays.

OVERNIGHT STAYS IN ALL TYPES OF REGISTERED ACCOMMODATION ('000)



OVERNIGHT STAYS 2017/2016/2015 ('000)



Source: Icelandic Tourist Board.

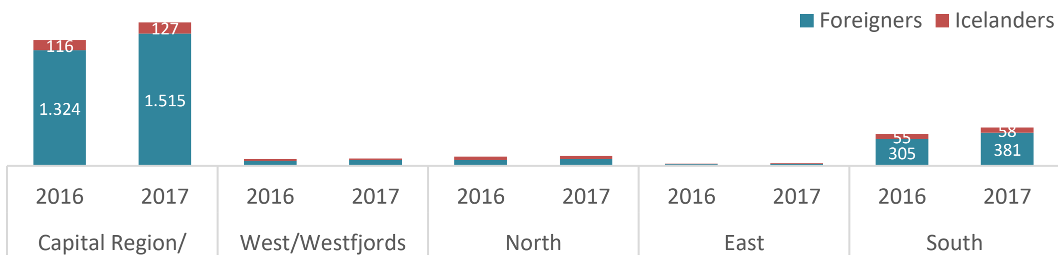
GUEST NIGHTS BY REGION 2017/2016

Winter: Some 2.3 million guest nights were spent in the winter of 2017, i.e. 15% more than in 2016. Some 71% of guest nights (i.e. 1.6 million) were spent in the Capital Region and Reykjanes peninsula, 92% of which were spent by foreigners. Outside of the Capital Region and Reykjanes peninsula, most guest nights were spent in South Iceland (19% of the total).

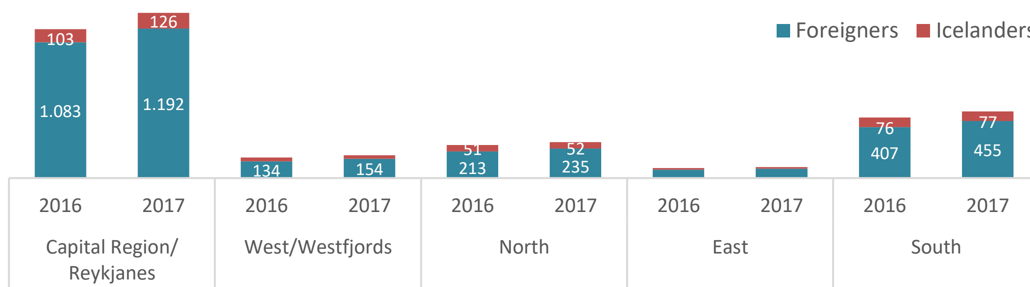
Spring/Autumn: Just less than 2.4 million guest nights were spent in the spring and autumn of 2017, i.e. 10.6% more than in the same period in 2017. Around 55% of total guest nights were in the Capital Region and Reykjanes, 22.1% in South Iceland, 11.9% in North Iceland, 7.6% in West Iceland/West-fjords and 3.7% in East Iceland. Foreigners accounted for 87.7% of total guest nights in the spring and autumn of 2017.

Summer: Some 3.7 million guest nights were spent in the summer of 2017, as many as in the summer 2016. Around 35.8% of total guest nights were in the Capital Region and Reykjanes peninsula, 26.7% in South Iceland, 17.7% in North Iceland, 12.4% in West Iceland and Westfjords and 7.3% in East Iceland. Foreigners accounted for 84.3% of total guest nights in Iceland in the summer 2017.

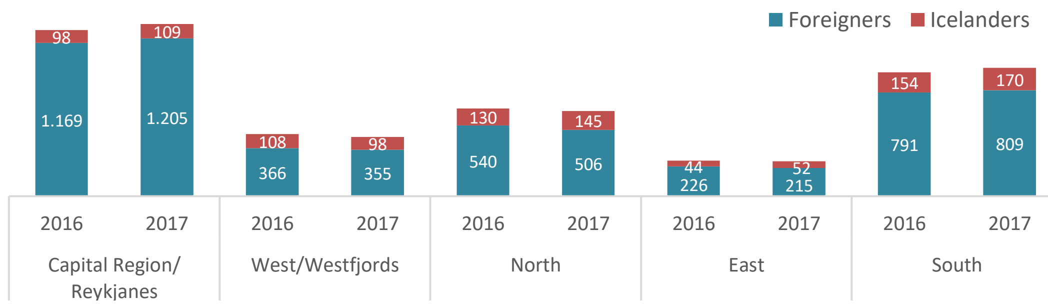
WINTER (´000)



SPRING/AUTUMN (´000)



SUMMER (´000)



Source: Statistics Iceland.

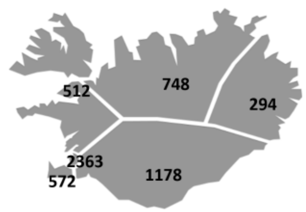
AVAILABLE ROOMS AND OCCUPANCY RATE

AVAILABLE ROOMS IN HOTELS AND GUESTHOUSES

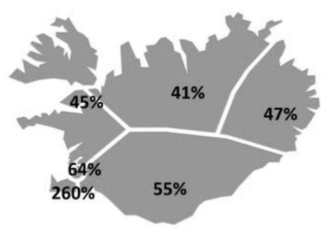
In July 2017, there were 15,442 rooms available in 474 hotels, hotel apartments and guesthouses in Iceland, 39.4% thereof in the Capital Region. Room availability in July 2017 in Iceland was 4.4% higher than in 2016.

	2016		2017		Changes between 2016 and 2017
	No.	%	No.	%	
Capital Region	5,881	39.8%	6,080	39.4%	3.4%
Reykjanes	682	4.6%	929	6.0%	36.2%
West	1,023	6.9%	1,054	6.8%	3.0%
Westfjords	616	4.2%	594	3.8%	-3,6%
Northwest	607	4.1%	502	3.3%	-17.3%
Northeast	1,926	13.0%	2,049	13.3%	6.4%
East	883	6.0%	920	6.0%	4.2%
South	3,169	21.4%	3,314	21.5%	4.6%
Total	**14,787**	**100%**	**15,442**	**100%**	**4.4%**

Rooms in hotels and guesthouses in all of Iceland have increased by 5,667, or 58%, since 2010. The most increase has been in the Capital Region, where 2,363 rooms have been added since 2010.

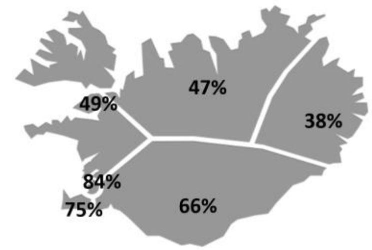


However, the number of rooms has proportionally increased the most in the Reykjanes peninsula since 2010, as the number has almost tripled. The next largest increase has been in the Capital Region, or 63.6%, and in the South, or 55.1%.



OCCUPANCY RATES IN HOTELS (%)

HOTEL ROOM OCCUPANCY 2017



Nationwide room occupancy in year-round hotels was 72.1% in 2017, which is 53.7% increase from 2010 when it was 46.9%.

In 2017, the best utilization was in the Capital Region, or 84.4%, followed by Reykjanes with 74.7%.

There was an annual increase in room occupancy from 2016 to 2017 during ten months of the year in South Iceland, 6 months of the year in West Iceland, the Westfjords and East Iceland, 5 months in Reykjanes, 4 months in the Capital Region and 3 months in North Iceland.

Occupancy was more than 75% in the Capital Region 11 months of the year in 2017. In the Reykjanes peninsula, occupancy was more than 75% seven months of the year in 2017. Occupancy went below 50% most months during the winter of 2017 in West Iceland, the Westfjords, North Iceland and East Iceland.

	Capital Region		Reykjanes peninsula		West Westfjords		North		East		South	
	'16	'17	'16	'17	'16	'17	'16	'17	'16	'17	'16	'17
J	72	83	40	66	16	27	17	17	7	10	24	45
F	92	96	59	90	31	43	27	30	13	17	49	68
M	89	93	67	80	37	45	35	35	16	15	56	68
A	73	80	55	69	34	35	49	41	26	32	43	60
M	79	71	51	64	45	51	45	51	40	38	53	54
J	88	88	86	75	74	72	70	73	73	65	74	77
J	94	93	98	90	87	79	88	82	84	80	89	90
A	93	89	97	78	82	77	89	83	84	86	87	88
S	85	82	93	90	61	60	72	67	58	59	66	71
O	86	84	87	73	36	45	47	45	26	29	62	66
N	91	81	74	60	35	32	27	27	14	13	48	55
D	85	76	66	65	22	20	16	16	8	8	50	48
Alls	**86**	**84**	**73**	**75**	**47**	**49**	**49**	**47**	**38**	**38**	**59**	**66**

>75% utilisation	50-74% utilisation	25-49% utilisation	<24% utilisation

Source: Statistics Iceland.

GUEST NIGHTS BY TYPE OF ACCOMMODATION

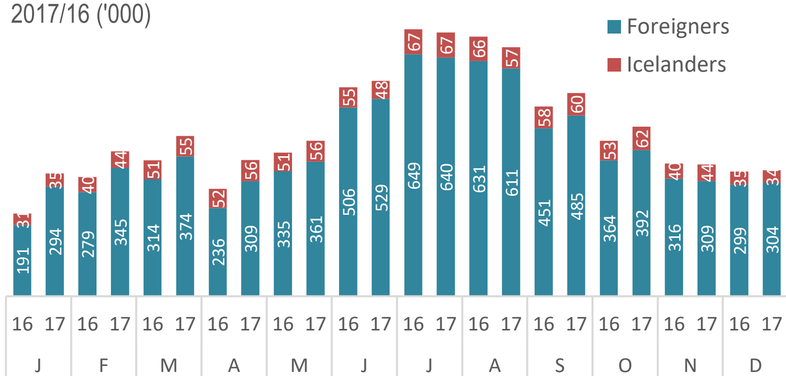
GUEST NIGHTS IN HOTELS AND GUESTHOUSES

In 2017, the total number of guest nights in hotels and guesthouses was approximately 5.6 million, i.e. 7.8% more than in 2016. Guest nights spent by foreigners were 88.9% of the 2017 total and accounted for 94.7% increase in guest nights between years (2016-2017).

	2016		2017		Increase/decrease 2016-17
	Number	%	Number	%	
Foreigners	4,571,713	88.4%	4,955,163	88.9%	8.4%
Icelanders	598,019	11.6%	619,394	11.1%	3.6%
Total	**5,169,732**	**100%**	**5,574,557**	**100%**	**7.8%**

Guest nights in hotels and guesthouses increased during nine months in 2017 compared to the previous year but decreased during three months, in July, August and November. The proportional distribution of guest nights across the seasons in 2017 was as follows: 35% in summer, 32% in spring and autumn and 33% in winter.

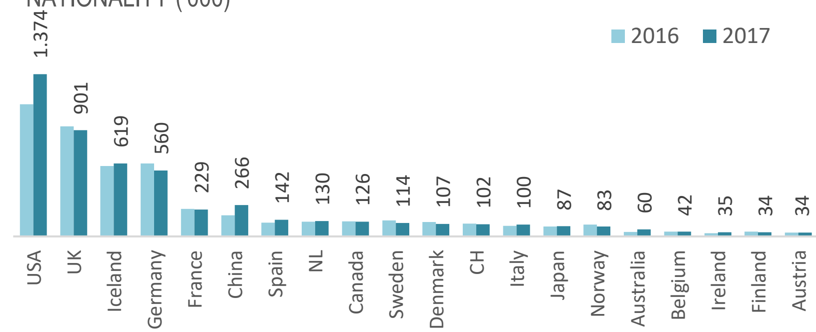
OVERNIGHT STAYS IN HOTELS AND GUESTHOUSES 2017/16 ('000)



Further information may be seen on the Statistics Iceland website.

Twenty nationalities accounted for 92.3% of guest nights in hotels and guesthouses in 2017. The vast majority of overnight stays in hotels and guesthouses were from visitors from the US, Britain, Iceland and Germany, or 62% of the total.

GUEST NIGHTS IN HOTELS AND GUESTHOUSES BY NATIONALITY ('000)



OTHER ACCOMMODATION ('000)

Registered overnight stays in accommodation other than hotels and guesthouses was 2.8 million in 2017, 6.3% more than in 2016. Most of them were spent in camping sites (38.2%), residential housing (20.5%) and hostels (19.0%). Overnight stays by foreigners were 82.1% of the total in other accommodation, 5% more than in 2016, and the highest growth rates were for overnight stays in camp sites and hostels.

	Foreigners		Icelanders		Total	
	2016	2017	2016	2017	2016	2017
Camping sites	665	744	272	327	937	1,071
Apartments	525	545	29	29	554	575
Youth hostels	456	511	32	22	488	534
Holiday centres	246	205	61	67	306	272
Private home acc.	229	231	20	19	250	250
Lodges/sleeping bag	71	67	33	35	104	102
Total	**2,192**	**2,303**	**447**	**499**	**2,639**	**2,804**

Source: Statistics Iceland.

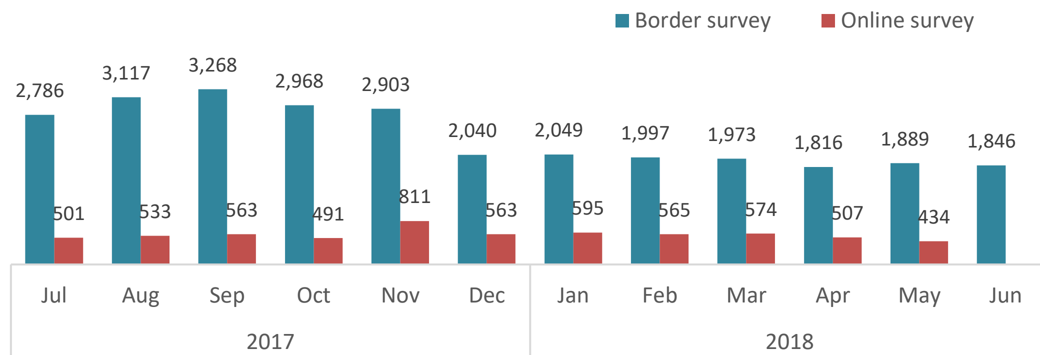
INTERNATIONAL VISITORS IN ICELAND 2017-18

The Icelandic Tourist Board has conducted a survey among foreign travellers since July 2017 in co-operation with Statistics Iceland. The goal is to collect statistical information to provide a clear picture of the behaviour and attitudes of travellers in Iceland. The survey is two-fold, i.e. a border survey conducted at Keflavík Airport and an Internet survey conducted among respondents who have agreed to participate further*. The results from the responses of those who visited the country during the period between July 2017 and June 2018 are presented here.

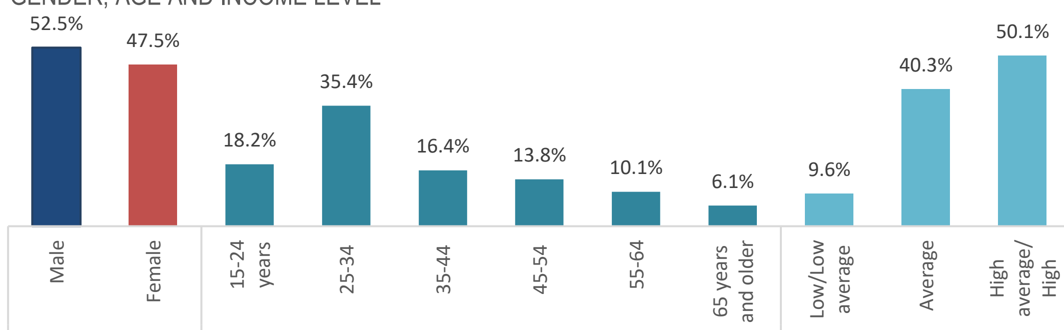
GENDER, AGE, INCOME: Approximately 52% of respondents in the border survey in the period July 2017 to June 2018 were men and 47.8% were women. The average age of respondents was 37.3 years. Slightly more than a third were aged between 25 and 34 years, slightly less than a third were 35 to 54, almost a fifth were 15 to 24 and one of every ten were 55 or older. Approximately half of the respondents had an income that was higher than average in comparison to income in their own countries, two of every five had average incomes and one of every ten had incomes that were less than the average.

LENGTH OF STAY: The average length of stay was 6.5 nights in the period between July 2017 and June 2018. The stay was longest in August, or 9.3 nights, but shortest in November 2017, or 4.9 nights, as the chart indicates.

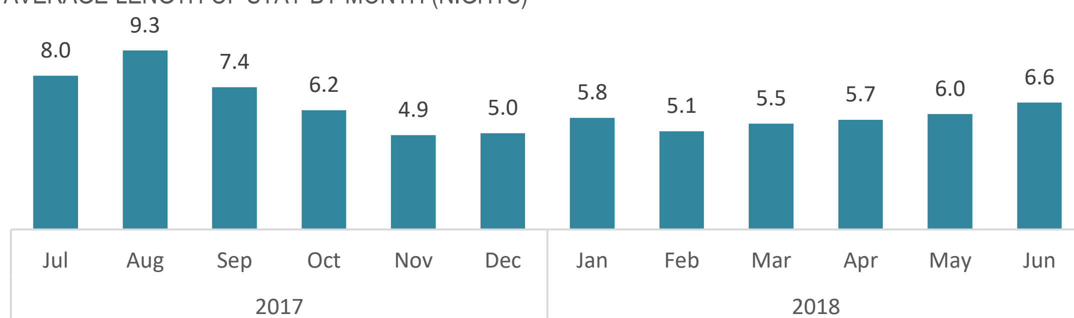
NUMBER OF RESPONSES BY MONTH



GENDER; AGE AND INCOME LEVEL



AVERAGE LENGTH OF STAY BY MONTH (NIGHTS)



*The border survey asks about length of stay, reason for travel, type of accommodation, expenses and background of respondents. The survey consists of questions about the reason for the trip, travel behaviour and tourist attitudes towards various aspects of Icelandic tourism. The results can be accessed on the [Travel services dashboard.]

FINDINGS FROM A BORDER SURVEY CONDUCTED BETWEEN JULY 2017 AND JUNE 2018

	NORDIC COUNTRIES	BRITISH ISLES	CENTRAL/ SOUTHERN EUROPE	NORTH AMERICA	EASTERN EUROPE	ASIA
GENDER AND AGE						
-Male	54.2%	51.1%	54.9%	50.0%	55.8%	50.6%
-Female	45.8%	48.9%	45.1%	50.0%	44.2%	49.4%
-Average age	39.6 years	38.6 years	37.4 years	39.1 years	31.7 years	34.6 years
HOUSEHOLD INCOME						
-Low/Low average	12.4%	10.4%	9.0%	10.3%	13.1%	5.3%
-Average	40.0%	40.6%	42.3%	36.4%	44.5%	47.6%
-High average/High	47.5%	49.0%	48.8%	53.4%	42.4%	47.1%
LENGTH OF STAY						
-Average length of stay	6.1 nights	5.9 nights	9.5 nights	5.4 nights	9.3 nights	6.7 nights
-Average length of stay/Summer	6.8 nights	6.3 nights	10.3 nights	5.9 nights	10.8 nights	6.7 nights
-Average length of stay/Autumn	4.8 nights	4.9 nights	8.5 nights	5.9 nights	8.7 nights	6.9 nights
-Average length of stay/Winter	5.8 nights	4.1 nights	6.5 nights	4.7 nights	7.4 nights	6.2 nights
-Average length of stay/Spring	5.1 nights	4.8 nights	7.6 nights	4.9 nights	7.3 nights	7.3 nights
PURPOSE OF VISIT						
-Holiday, leisure or recreation	59.0%	88.0%	90.0%	86.2%	78.7%	96.1%
-Confererence/Business purpose	17.0%	3.5%	2.3%	2.0%	4.0%	1.2%
-Visiting friends/Relatives	12.2%	1.9%	2.3%	1.6%	5.7%	0.4%
-Short term or seasonal work	3.8%	1.2%	1.3%	1.3%	6.7%	0.7%
-Health and medical care/Other	4.8%	2.2%	1.8%	0.5%	2.5%	0.7%
TYPE OF ACCOMMODATION						
-Hotel or guesthouse	46.9%	58.5%	39.4%	44.7%	22.6%	50.4%
-Rented private accommodation	11.0%	13.6%	12.5%	21.0%	12.3%	14.6%
-Hostel	7.8%	7.8%	9.7%	10.2%	12.0%	10.6%
-Apartment hotel	5.4%	7.8%	5.7%	5.8%	4.3%	12.3%
-Tent	3.3%	1.3%	7.4%	2.7%	14.8%	1.0%
-Caravan/Camper van	1.2%	1.4%	5.5%	3.4%	3.0%	1.5%
-Cottage/Cabin	3.4%	3.2%	7.7%	2.8%	5.7%	5.8%
Unpaid accommodation						
-Friends, relativ./Home exchange	15.5%	2.4%	4.4%	2.0%	10.5%	0.8%
-Caravan/Camper van	1.4%	1.0%	3.9%	1.8%	8.5%	0.5%
-Other accommodation	2.5%	1.6%	2.4%	2.2%	3.4%	0.7%

WHAT GAVE YOU THE IDEA TO COME TO ICELAND

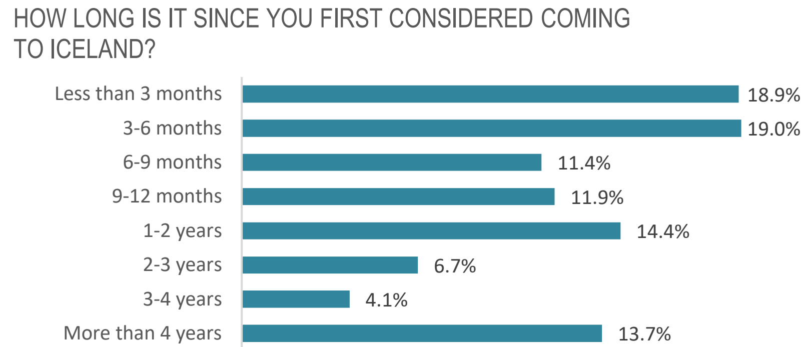
When respondents were asked to take a position on what had led them to consider coming to Iceland, most mentioned Icelandic nature, that they had wanted to try something new or that Iceland was a place that they had always wanted to visit.

The country's nature or particular natural feature*	92.4%
Wanted to try something new, had not been there before	81.9%
A destination I have always wanted to visit	80.0%
Interest in the Nordic region	74.1%
Nature related recreation	73.0%
Safe travel destination	63.8%
Icelanders/Icelandic culture in general	54.1%
Friends, relatives or colleagues recommended Iceland	54.0%
Internet media coverage of Iceland	53.3%
Movies/TV programmes showing Icelandic landscapes	39.4%
Read about Iceland in a newspaper or magazine	35.8%
Attractive price offer/Low airfare	34.3%
Icelandic food/Food culture	26.0%
Broadcast media coverage of Iceland (television/radio)	23.4%
Icelandic design	23.3%
Icelandic music	15.2%
Icelandic literature or a book featuring Iceland	15.2%
Stopover opportunity in Iceland	14.8%
Previous visit	14.1%
Friends/Relatives in Iceland	11.1%
Particular event in Iceland (cultural/sports)	10.2%
From seeing Icelandic-language films	8.7%
Special family event (wedding, birthday, or another event)	7.6%
Conference/Meeting/Intern.collaboration/Business relat.	5.8%
Health/Medical treatment in Iceland	3.1%

*Those mentioning nature as an influencing factor were asked what specifically it was about nature that attracted them. Many things were mentioned: 1. Northern lights (45%), 2. Unspoilt/Untouched (44%), 3. Beautiful nature (28%), 4. Geysers/Geothermal areas (26%), 5. Uniqueness/Different/Diversity (24%), 6. Landscape/Scenery (24%), 7. Glaciers (17%), 8. Natural baths (13%), 9. Waterfalls (13%) and 10. Glacier lagoons/Icebergs (13%).

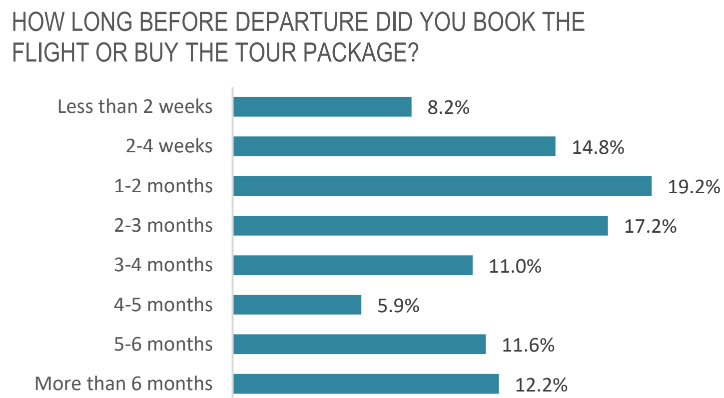
HOW LONG WAS IT SINCE YOU FIRST CONSDERED COMING

38% of visitors decided on visiting Iceland within six months of travelling. Almost a quarter said that they first had the idea 6–12 months before making the trip and two of every five more than a year prior.



WHEN WAS THE TRIP BOOKED

The time from booking to departure was less than one month in 23% of cases. Slightly more than a third booked the trip one to three months prior to the trip and two of every five with longer notice.

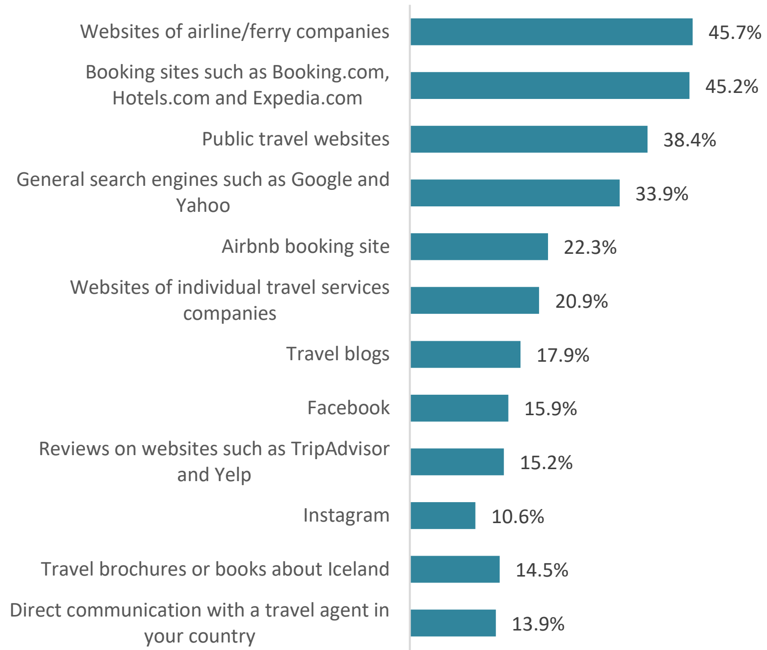


Source: Icelandic Tourst Board.

ORGANISATION OF ICELAND TRIP

Numerous forms of media were used to organise the trip to Iceland. Many used the websites of airline operators, booking sites such as Booking.com and Hotels.com, public tourism sites and general search engines on the Internet.

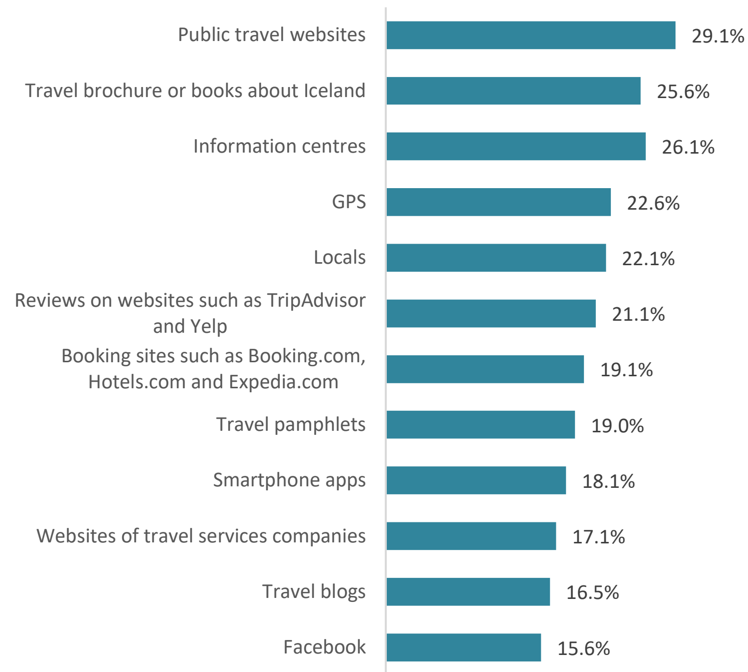
MOST COMMON OPTIONS USED TO ORGANISE AND BOOK THE TRIP TO ICELAND



ORGANISATION AFTER ARRIVAL IN ICELAND

After arrival in Iceland, various media were used to find information on what is on offer in Iceland to book services and organise the trip, such as public tourism websites, travel books, books about Iceland, information centres and GPS technology.

MOST COMMON MEDIA USED TO ORGANISE TRIP AFTER ARRIVAL IN ICELAND

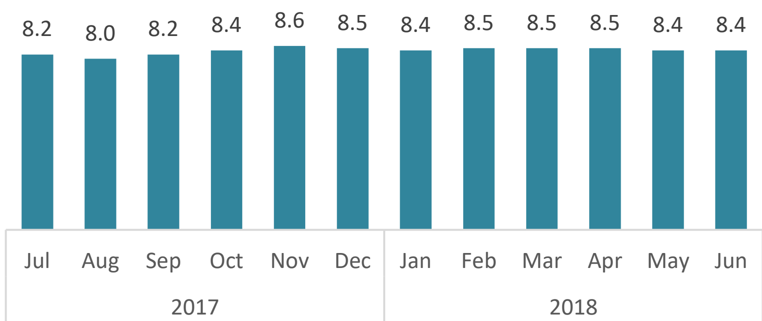


Source: Icelandic Tourist Board.

SATISFACTION WITH TOURIST SITES

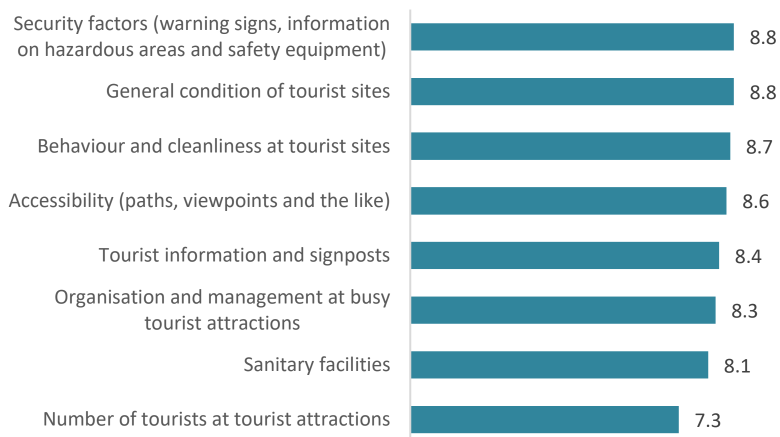
The overall satisfaction with tourist sites was measured on a scale of 0–10 for eight aspects that are all equal in weight.

OVERALL SATISFACTION WITH TOURIST SITES



The aspects used as the basis for the assessment of the overall satisfaction with tourist sites are the following:

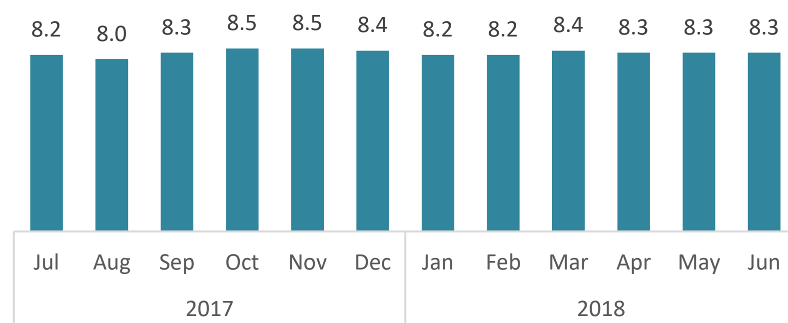
ASSESSMENT OF OVERALL SATISFACTION WITH TOURIST SITES - 8 ASPECTS



SATISFACTION WITH ROAD SYSTEM

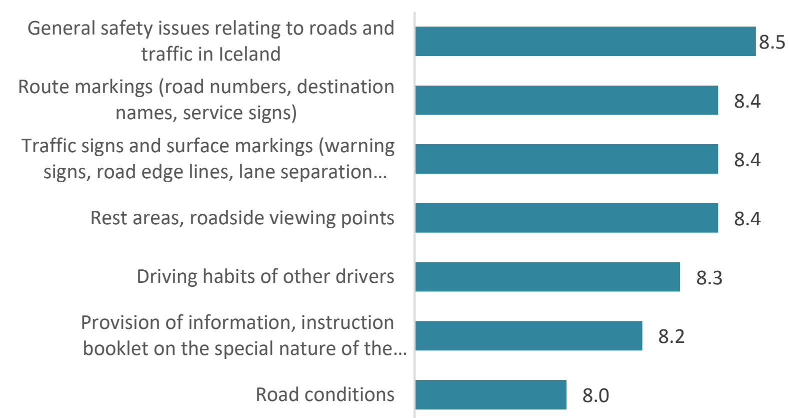
The overall satisfaction with the road system was measured on a scale of 0–10 for seven aspects that are all equal in weight.

OVERALL SATISFACTION WITH THE ROAD SYSTEM



The aspects used as the basis for the assessment of the overall satisfaction with the road system are the following:

ASSESSMENT OF OVERALL SATISFACTION WITH ROAD SYSTEM - 7 ASPECTS

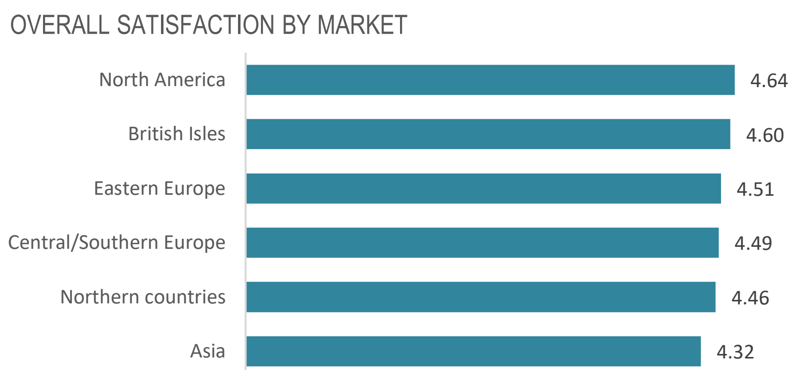


Source: Icelandic Tourist Board.

SATISFACTION WITH THEIR TRIP TO ICELAND

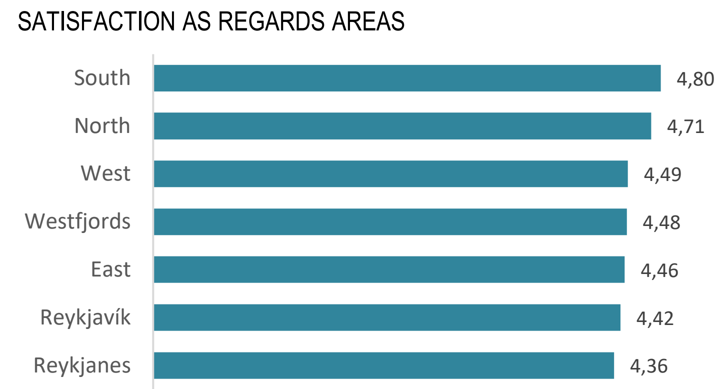
By far, most visitors were satisfied with their trip to Iceland during the period July 2017 – June 2018, with the responses being measured on a five-point scale.

Travellers from North America and Britain were the most satisfied with their visit.



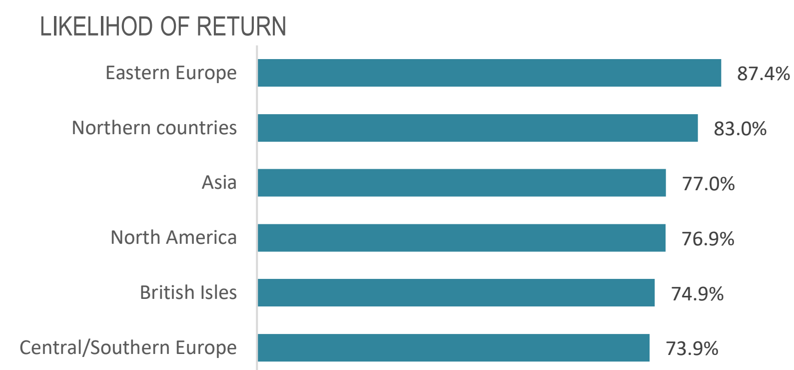
SATISFACTION WITH AREA

The south of Iceland is the part of the country that most travellers were satisfied with, while the north of Iceland was in second place.



RETURN

Most travellers are interested in coming back to Iceland. Visitors from Eastern Europe and the Nordic countries appear to be the most interested.



Source: Icelandic Tourist Board.

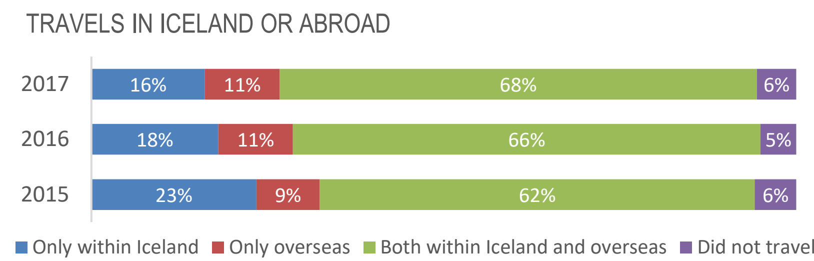
TRAVELS OF ICELANDERS 2017/2016/2015

The Icelandic Tourist Board has for may years conducted surveys among Icelanders on their domestic and international travels. A survey from February 2018 was based on a 1,534-person sample selected randomly from MMR's 18,000-person opinion group, which was randomly selected from the National Register. The response proportion was 63.2%. The results were processed according to several demographic categories: gender, age, residence, education, employment, income, and length of stay.

GENDER	2015	2016	2017
Female	49%	49%	49%
Male	51%	51%	51%
AGE			
18-39 years	44%	44%	43%
40-59 years	36%	36%	38%
60-80 years	19%	19%	19%
RESIDENCY			
Capital Region	64%	64%	64%
Communities near the Capital Region	12%	12%	11%
Rest of Iceland	24%	25%	25%
HOUSESHOLD INCOME (ISK)			
Less than 249,000	12%	8%	8%
250,000-399,000	15%	14%	14%
400,000-599,000	21%	22%	20%
600,000-799,000	17%	16%	18%
800,000 and more	35%	40%	40%
JOB			
Managers and experts	29%	27%	28%
Technicians and office workers	14%	17%	16%
Waiters and shop assistants	15%	12%	13%
Tradesmen & industrial specialists	9%	8%	9%
Machinists/workers/seamen/farmers	8%	12%	10%
Students	11%	10%	10%
Not employed outside the home	14%	14%	15%

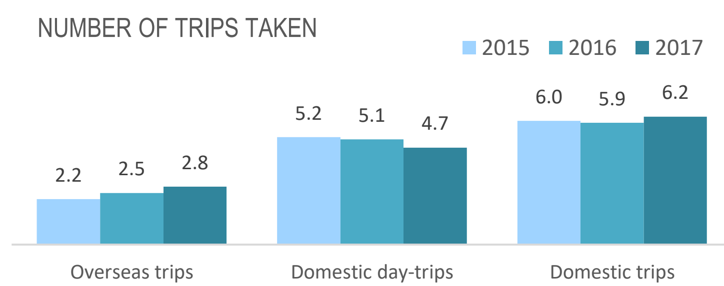
TRIPS UNDERTAKEND IN ICELAND OR OVERSEAS

Approximately 84% respondents travelled domestically in 2017, a similar number as in 2015 and 2016. However, more respondents went abroad in 2017 than in previous years, or 78%, while 71% went abroad in 2015 and 77% in 2016



NUMBER OF TRIPS

Those who went abroad in 2017 went on average 2.8 trips, slightly more than in 2015 and 2016. Those who went on a day trip in 2017, however, went on fewer trips than in the years before. Those taking domestic trips away from home with at least one overnights stay took, on average, 6.2 trips, while in 2015, the trips were six and were 5.9 in 2016.



Source: Icelandic Tourist Board.

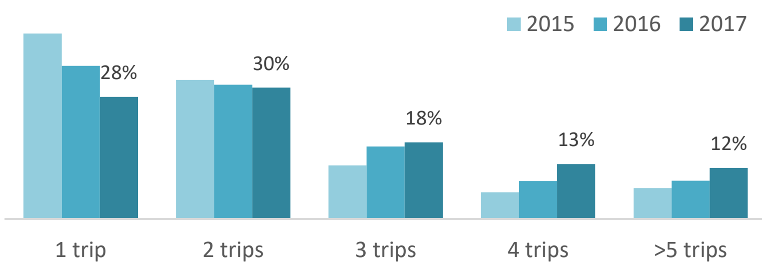
Survey among Icelanders may be found on ITB website.

- OVERSEAS TRIPS

NUMBER OF TRIPS AND LENGTH OF STAY

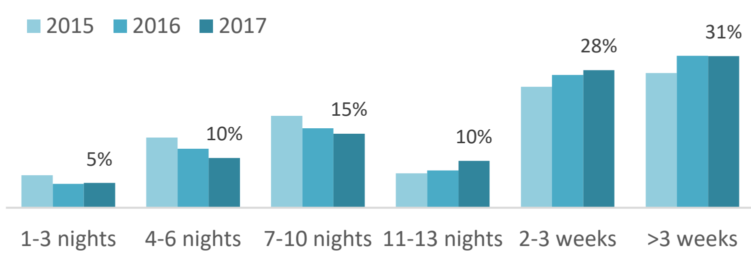
Some 78% of respondents went abroad in 2017 and went on an average of 2.8 trips. The largest number, or 28%, took one trip, 30% took two trips, 18% took three trips and 24% took four trips or more.

HOW MANY OVERSEAS TRIPS WERE TAKEN?



The average length of stay for overseas trips was 18.8nights [1] in 2017, as many as in 2016 and one night more than in 2015. Around 15% stayed between one and six nights, a quarter stayed seven to thirteen nights, about a quarter stayed two to three weeks and nearly a third stayed more than three weeks.

HOW MANY NIGHTS WERE SPENT OVERSEAS?

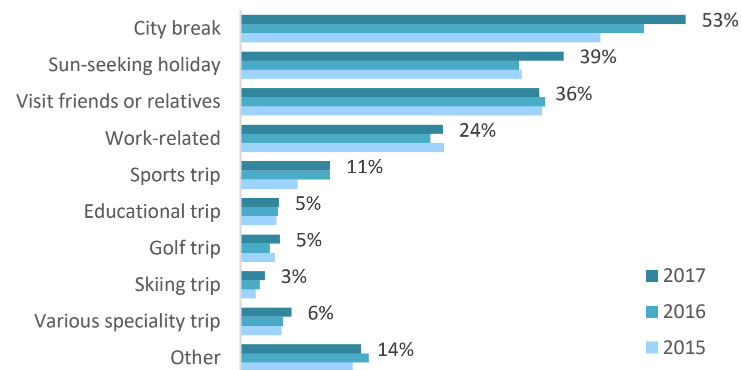


[1]Those staying longer than 100 nights were not included in the data.

WHAT KIND OF TRIP AND WHERE?

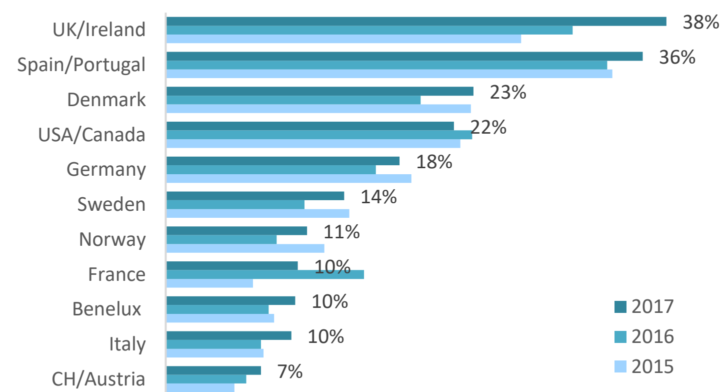
The majority went on a city or town break overseas, sun-seeking holidays, a visit to friends or relatives and a work-related trip in 2017.

WHAT KIND OF OVERSEAS TRIP WAS TAKEN?



Travels of Icelanders in 2017 were largely limited to UK, Ireland, Spain, Portugal, Scandinavia, the USA, Canada, Germany and France.

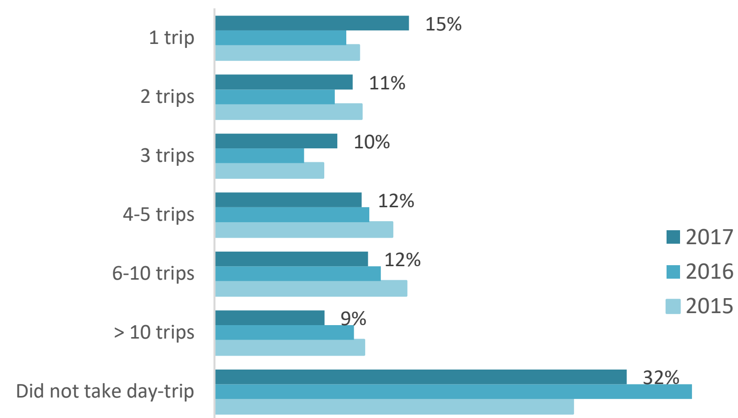
WHICH COUNTRIES WERE VISITED?



Source: Icelandic Tourist Board.

- DOMESTIC DAY TRIPS [1]

Some 76% took a day-trip in 2017, on average 4.7 times. Around a quarter went on 1–2 trips, just over a quarter on 3–5 trips and a similar proportion went on 6 trips or more.



Most day-trips were to South Iceland, followed by West Iceland, Greater Reykjavík, Reykjanes and North Iceland.

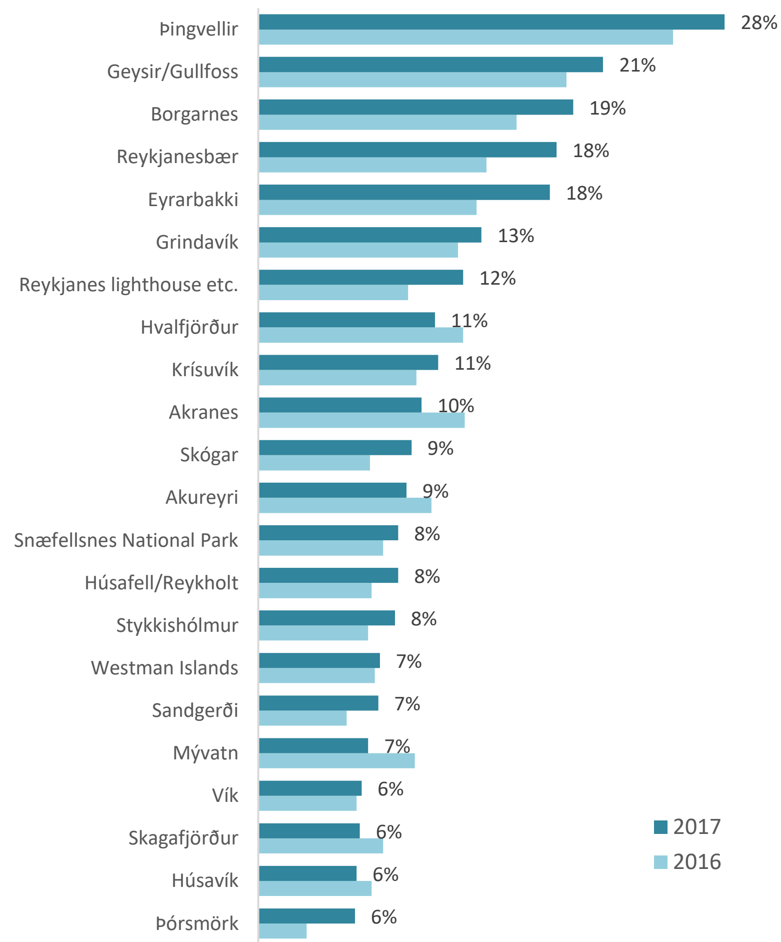
WHERE WERE DAY-TRIPS TAKEN IN 2017?

	Took a day-trips	Average no. of trips	% of day-trips
South	61%	4,1	36%
West	33%	2,5	12%
Capital Region	23%	5,3	18%
Reykjanes	22%	2,6	8%
North	22%	3,7	12%
East	7%	7,9	8%
Westfjords	5%	3,8	3%
Highlands	6%	2,9	3%

[1] *Recreational trip lasting at least 5 hours and spent away from the home without staying overnight.*

LOCATIONS VISITED ON DAY-TRIPS

Of the 56 locations asked about in various part of Iceland, the following were most often visited.

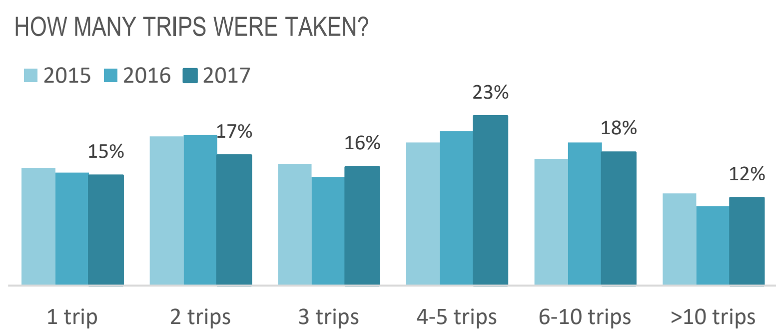


Source: Icelandic Tourist Board.

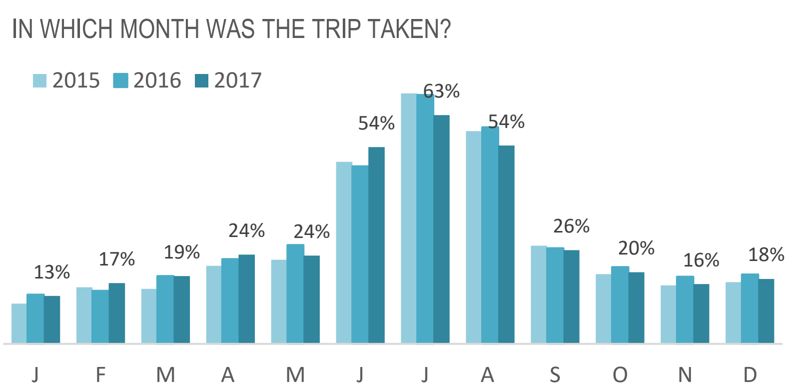
- DOMESTIC TRAVELS [1]

LENGTH OF STAY IN ICELAND

Approximately 84% travelled domestically in 2017, on average six times. The principal reason for most of them, or in 70% of cases, were holidays or entertainment tours. Almost a third went on 1–2 trips, just more a third on 3–5 trips and almost a third on six or more.



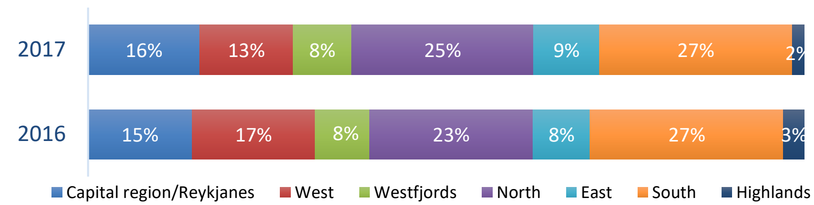
July was the most popular month for trips in 2017, closely followed by June and August. Fewer travelled at other times.



[1] *Travel away from home and staying away for one or more nights.*

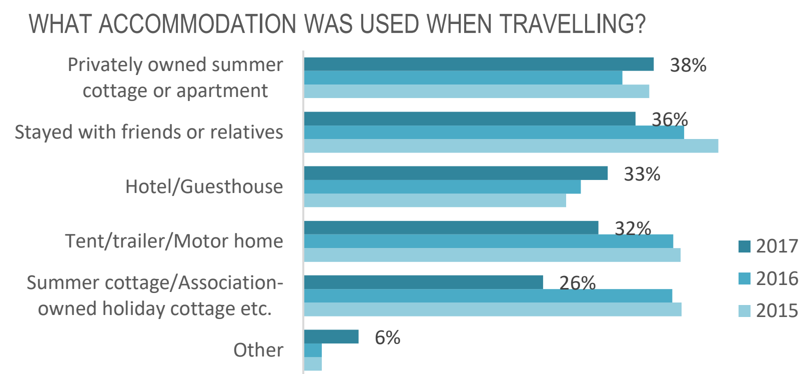
OVERNIGHT STAYS BY REGION

The average length of stay was 13.5 nights in 2017, around one night longer than in 2016. Around 34% stayed for less than a week, 26% for one to two weeks, 22% for two to three weeks and 17% more than three weeks. The findings on length of stay by region show that around half of guest nights were spent in South Iceland and North Iceland in 2017, similar to 2016.



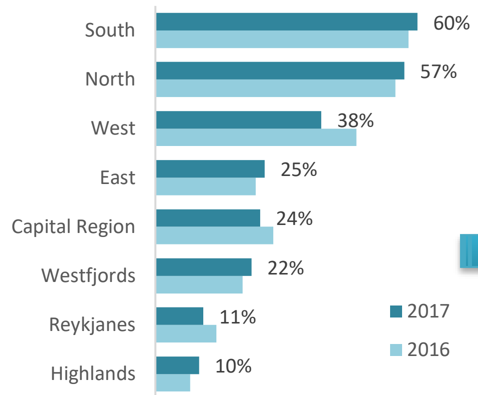
ACCOMMODATION OPTIONS USED DURING TRAVEL

The majority stayed in summer cottages or privately owned apartments or with friends or relatives. Stays in hotels and guesthouses, a tent, trailer tent or motor home and cottages or apartments owned by associations were also extensively used. Other forms of accommodation were less used.



Source: Icelandic Tourist Board.

REGIONS AND PLACES VISITED BY ICELANDERS



MOST VISITED DESTINATIONS

Of the 56 locations specifically mentioned in the survey carried out by the Tourist Board, the following were most visited in 2017:

1.	Akureyri	38%
2.	Capital Region	24%
3.	Þingvellir	17%
4.	Borgarnes	16%
5.	Egilsstaðir/Hallormsstaður	15%
6.	Geysir/Gullfoss	14%
7.	Skagafjörður	13%
8.	Húsavík	12%
9.	Húsafell/Reykholt	12%
10.	Ísafjörður	12%
11.	Stykkishólmur	11%
12.	Westman Islands	11%
13.	Mývatnssveit	11%
14.	Kirkjubæjarklaustur	11%

	2016	2017
Reykjanes peninsula	**14%**	**11%**
Reykjanesbær	9%	7%
Grindavík	5%	4%
Sandgerði	2%	3%
Blue Lagoon	1%	3%
Reykjanes lighthouse & surr.	2%	3%
Krísuvík	2%	2%
West	**46%**	**38%**
Borgarnes	21%	16%
Húsafell/Reykholt	14%	12%
Stykkishólmur	13%	11%
Snæfellsnes National Park	11%	9%
Hvalfjörður	12%	7%
Akranes	7%	6%
Dalir	8%	6%
Westfjords	**20%**	**22%**
Ísafjörður	10%	12%
Hólmavík/Strandir	7%	9%
Patreksfjörður	6%	5%
Djúpavík	3%	3%
Hrafnseyri	2%	3%
Látrabjarg	2%	3%
Hornstrandir	2%	2%
Flatey in Breiðafjörður	2%	1%
North	**55%**	**57%**
Akureyri	38%	38%
Skagafjörður	14%	13%
Húsavík	10%	12%
Mývatn	12%	11%
Siglufjörður	12%	10%
Hvammstangi	7%	6%
Ásbyrgi	5%	6%
Dettifoss	3%	4%
Þórshöfn	3%	2%

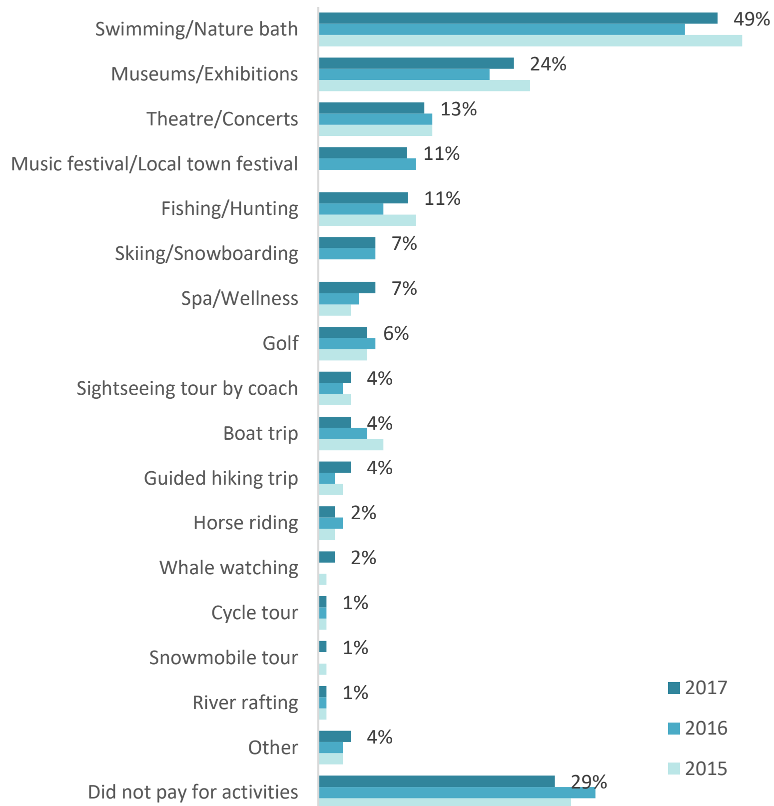
	2016	2017
East	**23%**	**23%**
Egilsstaðir/Hallormsstaður	15%	15%
Djúpivogur	5%	6%
Seyðisfjörður	6%	5%
Eskifjörður	4%	5%
Vopnafjörður	2%	4%
Borgarfjörður eystri	4%	3%
Stöðvarfjörður	3%	3%
South	**58%**	**60%**
Þingvellir	14%	17%
Geysir/Gullfoss	14%	14%
Westman Islands	9%	11%
Kirkjubæjarklaustur	9%	11%
Vík	11%	10%
Jökulsárlón (glacier lagoon)	7%	8%
Hornafjörður	8%	7%
Skaftafell National Park	5%	7%
Skógar	8%	6%
Eyrarbakki	6%	6%
Þórsmörk	4%	6%
Highlands	**8%**	**8%**
Landmannalaugar	3%	3%
Kjölur (incl. Hveravellir)	3%	2%
Sprengisandur	2%	2%
Herðubreiðalindir/Askja	2%	2%
Kverkfjöll	1%	1%
Kárahnjúkar	1%	1%
Lakagígar	0%	1%

Source: Icelandic Tourist Board.

RECREATIONAL ACTIVITIES

Of activities paid for during the trip in 2017, many visited the swimming pools/naturals baths, museums/exhibitions and concerts/ theatres. Many, moreover, paid for concert and town festivals as well as for fishing tours. Other activities were used to a lesser extent, such as spa and fitness activities, skiing trips, golf and excursions of various kinds. Around 29% did not pay for activities.

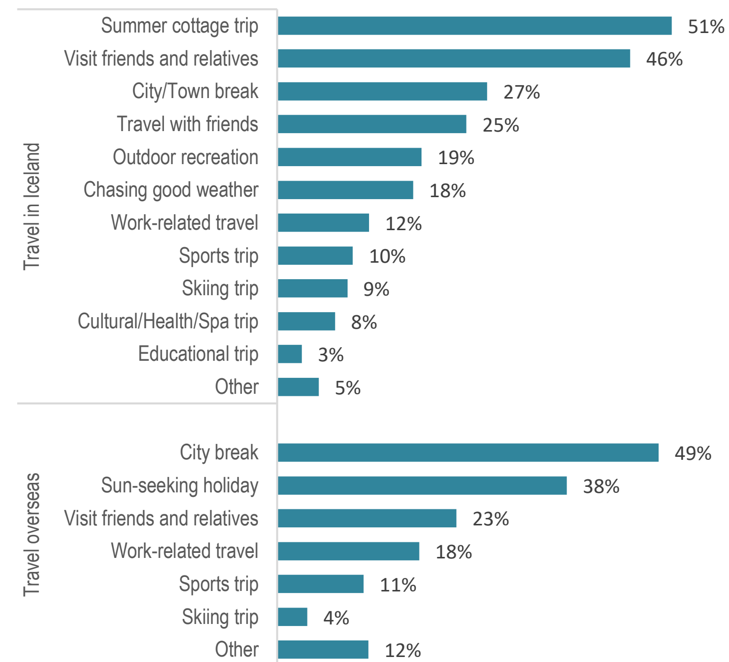
WHAT RECREATIONAL ACTIVITIES WERE PAID FOR WHEN TRAVELLING?



TYPE OF TRIPS PLANNED FOR 2018

Around 93% have plans for travel in 2018. Of these, 51% are planning a trip to a summerhouse within Iceland, 49% will go on a city trip abroad, 46% on a trip within Iceland to visit friends and relatives, 38% on a holiday in the sun, 27% on a city or town trip within Iceland, 25% on a trip within Iceland with friends, 19% on an outdoor activities trip of some kind, 18% on a work-related travel abroad and 18% intended to simply follow the good weather. Approximately 11% have no plans for travel.

WHAT KIND OF TRIPS ARE PLANNED FOR 2018



Source: Icelandic Tourist Board.

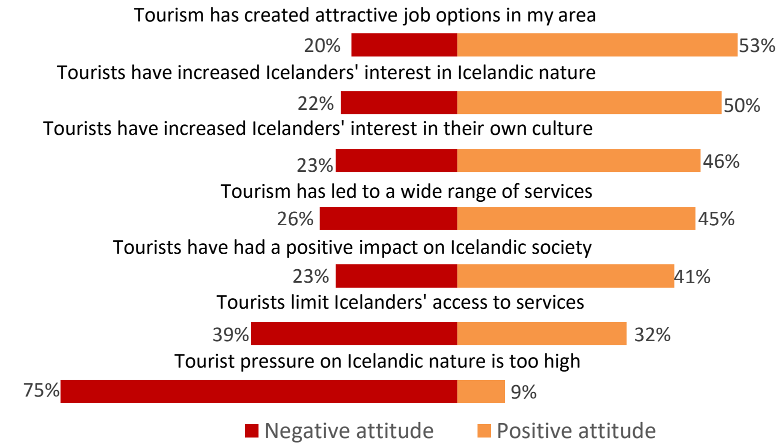
- SUBJECTIVE ASSESSMENT

EFFECTS OF TOURISM AND FOREIGN TRAVELLERS

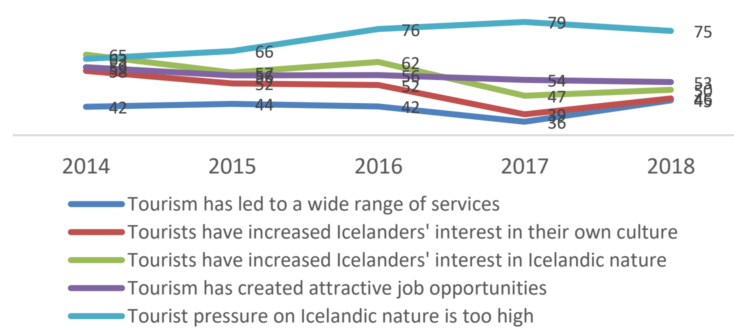
In the 2018 survey, like in previous surveys, participants were asked for their position on several statements on the impact of tourism. It is interesting to see the shift in opinion from year to year.

- Around half of the respondents in the survey in 2018 were of the opinion that visitors had increased Icelanders' interest in nature, or a similar proportion as in the year before, although the proportion was considerably lower than in the surveys conducted in 2014, 2015 and 2016.
- Approximately half of the respondents were of the opinion that tourism had created desirable job opportunities in their hometown, although this rate has fallen steadily since 2014.
- Nearly half believed that tourists have increased Icelanders' interest in nature, a slightly higher proportion than in 2017. The long-term trend seems to be that this proportion is falling.
- Around 45% believed that tourism has resulted in a wider range of services that they are able to take advantage of, which is a somewhat higher proportion than the 2017 survey showed (35.8%) but is similar to what earlier surveys (2014–2016) showed.
- A similar number of respondents as in 2017 are of the opinion that visitors have changed Icelandic society for the better, or two of every five. The same may be said of the assertion "Visitors limit Icelanders' access to services", as 38% of the survey respondents in 2018 and 2017 were of the opinion that this assertion was true. This is the second year that these aspects were included in the survey.
- Three of every four respondents in the survey in 2018 agreed with the statement that the burden of tourists on Icelandic nature was too great, or a similar number as the year before. Long-term forecasts based on the results indicate that the number of people who believe that the burden tourists place on Icelandic nature is too great will increase.

ATTITUDES TOWARDS TOURISTS AND TOURISM SERVICES 2018



DEVELOPMENT OF ATTITUDES TOWARDS TOURISTS AND TOURISM SERVICES (%)



Source: Icelandic Tourist Board.