



tourism market insights
NORWAY

WESGRO

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1. Overview of Norway

About Norway

Where is Norway?	Norway is located in Northern Europe, bordering the North Sea and the North Atlantic Ocean, west of Sweden.
Population (millions)	5,3 (2019)
Time Difference	South Africa is an hour ahead of Norway
Language	Bokmal Norwegian (official), Nynorsk Norwegian (official), small Sami- and Finnish-speaking minorities
Economy	Norway has a stable economy with a vibrant private sector, a large state sector, and an extensive social safety net. Norway opted out of the EU in 1994, but as a member of the European Economic arena, still partially participates in the EU's single market and contributes sizably to the EU budget.

General Overview

Norway's economy is expected to grow in 2020. Real GDP is expected to be 1,8% in 2020, before slipping to around 1,7% per year by 2027.

Norway's current population is around 5,3 million and with moderate fertility of 1.6 births per female, the median age is rising rapidly. It is predicted that the median age will grow from 39.7 years in 2019 to 41.6 years in 2030. Norway is a preferred destination for immigrants, who currently make up more than 10% of Norway's population.

In 2019, Norway's savings ratio amounted to 1,2% of disposable income and consumer expenditure per capita amounted to USD 30 387.

Consumer spending is expected to grow at an average annual rate of 1,6% over the 2020 – 2030 period. Spending on Housing and Hotels and Catering are expected to be the fastest growing categories over the 2020 – 2030 period.

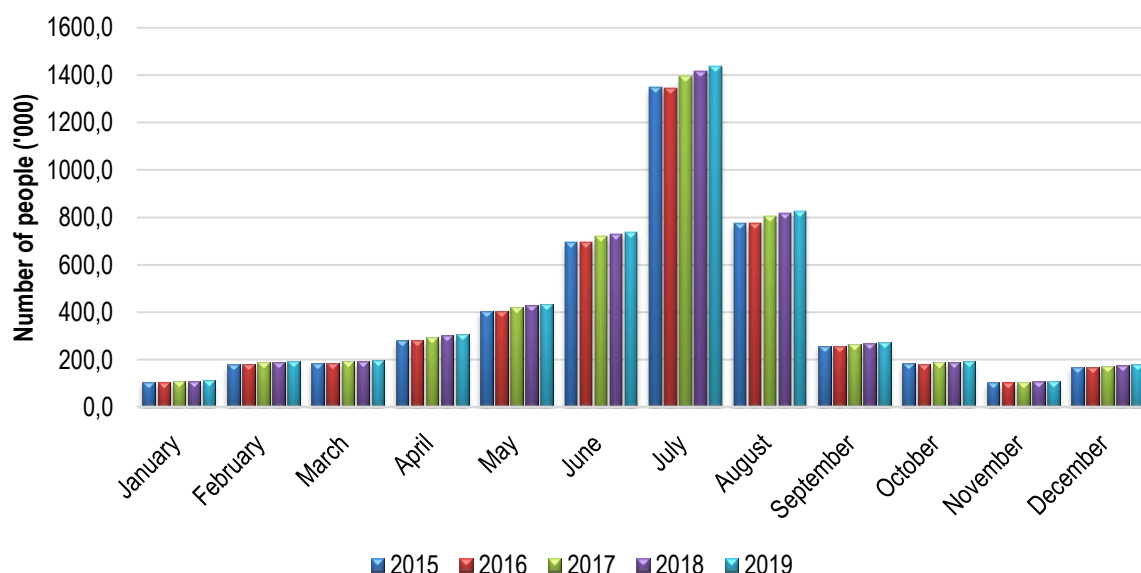
2. Overview of the Norwegian Travel Market

Norway Travel Market

Capital City	Oslo
Disposable income Per capita, US\$ 2019	30,387
Savings As % of disposable income	1.2%
Median Age	39.7 years
Paid Holidays (2019)	25.0
Public Holidays (2019)	10.0
Annual Leave (2019)	35.0
Outbound Departures ('000 trips)	1. 2017: 10,142.3 2. 2018: 10,639.3 3. 2019: 10,931.8
Top 3 Outbound Destinations ('000 trips, 2019)	1. Denmark: 2,019.7 2. Sweden: 1,942.5 3. Spain: 1,722.5
Type of Outbound Trips	Leisure: 80.5% Business: 19.5%

Seasonality Patterns

NUMBER OF PEOPLE TRAVELLING BY MONTH, JAN - DEC 2015 - 2019

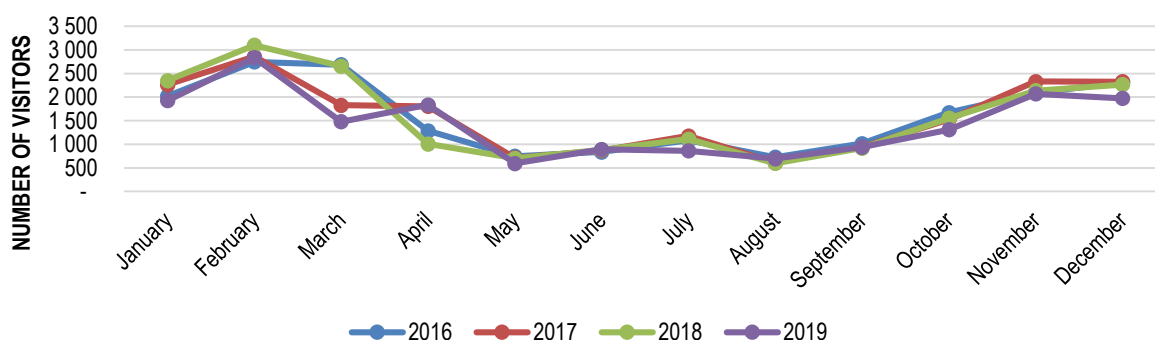


3. The Norwegian Traveller to South Africa

Norway Travel Market

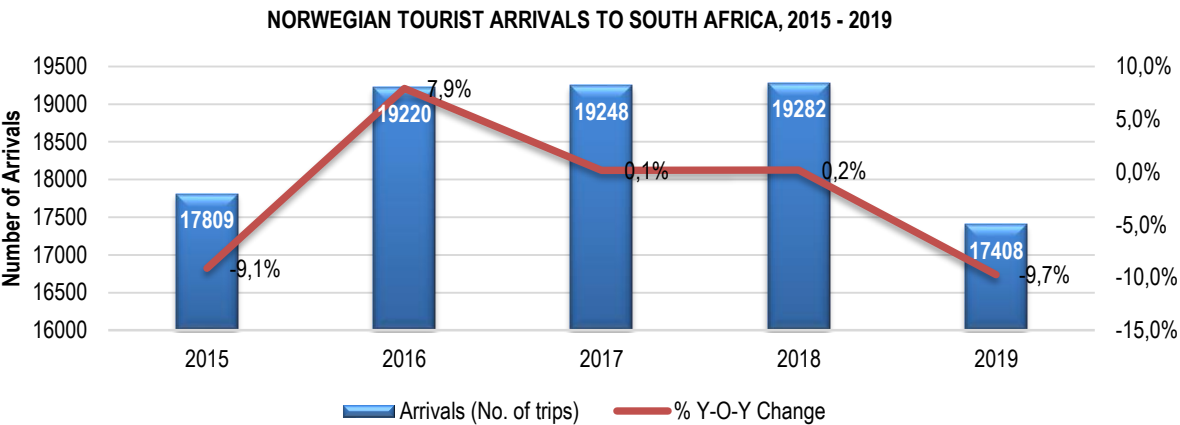
Number of Arrivals	2015: 17 809 2016: 19 220 2017: 19 248 2018: 19 282 2019: 17 408
Purpose of visit to South Africa (2019)	Holiday (56,1%) Business (7,9%)
Average length of stay in South Africa (Number of nights)	2017: 17,1 2018: 18,7 2019: 18,2
Age profile (2019)	18 – 24 yrs (21,6%) 25 – 34 yrs (28,5%) 35 – 44 yrs (16,8%) 45 – 54 yrs (13,7%)
Repeater Rate of Norwegian Travellers (2019)	1. First Time: 62,0% 2. 2 -3 times: 15,8%
Accommodation Usage (2019)	1. Hotels (84 949) 2. Friends & Family (53 599) 3. Self Catering (42 712)
Total Foreign Direct Spend in South Africa (R in millions)	2017: R 375 2018: R 319 2019: R 450
Average Spend in South Africa	2017: R 23 100 2018: R 18 600 2019: R 28 000
Most positive experiences for Norwegian visitors in South Africa (2017)	1. The scenery 2. The hospitality and friendly people 3. The wildlife

SEASONALITY PATTERNS: NORWEGIAN TRAVELLERS TO SOUTH AFRICA BY MONTH, JAN - DEC 2016 - 2019



3. The Norwegian Traveller to South Africa

3.1. Visitor Arrivals to South Africa

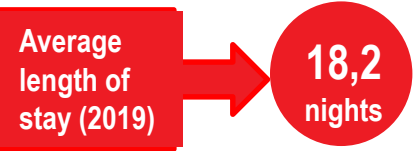


3.2. Purpose of visit to South Africa

Norwegian visitors travelling to South Africa are predominantly visiting for the purpose of holiday, visiting friends and relatives, business and MICE. They are most impressed with South Africa’s scenery, wildlife, and the friendliness of people. They typically visit the Western Cape, Gauteng, and Eastern Cape province and their length of stay in the country is on average 18,2 nights.

They are typically between the ages of 18 and 44 years, with 21,6% in the 18 – 24 years category, 28,5% in the 25 – 34 years category, 16,8% are in the 35 – 44 years category and 13,7% are in the 45 – 54 years age category. In 2019, 62% of Norwegian travellers to South Africa were first time visitors to the country and 38% were repeat visitors.

Top reasons for travel to SA
Holiday (56,1%)
VFR (17,8%)
Business (7,9%)



3.3. Activities in South Africa

Top activities undertaken
1. Shopping
2. Visiting natural attractions
3. Wildlife
4. Beach
5. Culture and heritage

Shopping, visiting natural attractions, the wildlife, visiting the beach and cultural activities were amongst the top activities undertaken by Norwegian tourists while in South Africa. In 2019 their average spend was R28 000 per tourist.

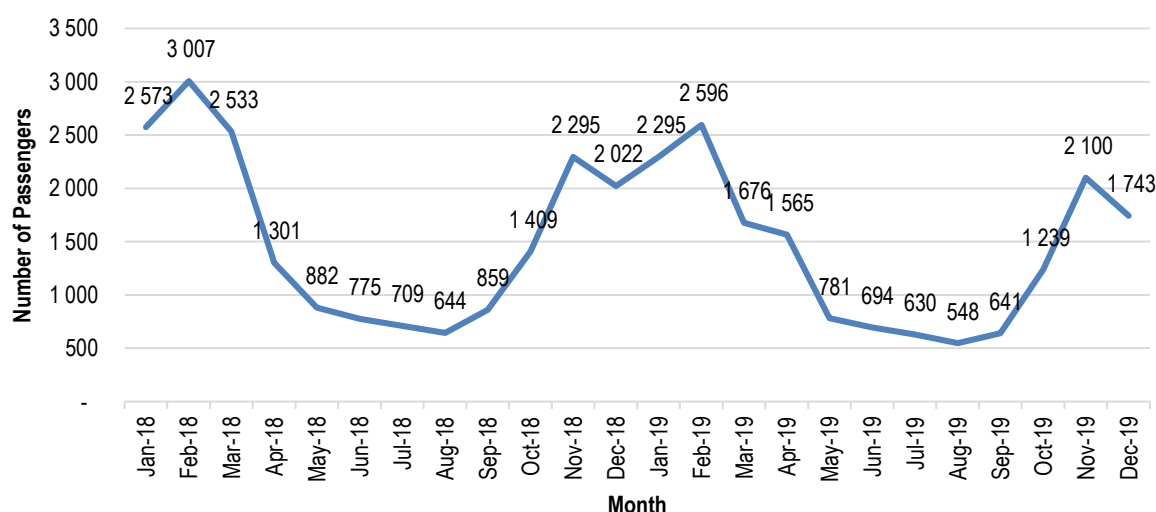
They are more likely to book hotels or stay with family and friends. Many Norwegian guests also make use of self catering accommodation.

4. The Norwegian Traveller to the Western Cape

Norway Travel Market

Number of Arrivals	2015: 10 800 2016: 12 116 2017: 12 530 2018: 12 001
Total Foreign Direct Spend in the Western Cape (R in millions)	2015: 142 2016: 137 2017: 220
Average Spend in the Western Cape	2015: R 14 400 2016: R 13 100 2017: R 20 400
Average length of stay in the Western Cape (Number of nights)	2015: 14,5 2016: 13,1 2017: 15,9
Total bed nights spent in the Western Cape	2015: 142 000 2016: 137 000 2017: 175 000
Total number of *formal bed nights spent in the Western Cape	2015: 94 000 2016: 111 000 2017: 131 000

NORWEGIAN PASSENGER MOVEMENT THROUGH CAPE TOWN INTERNATIONAL AIRPORT, JAN 2018 – DEC 2019



Sources: SA Tourism, OAG Traffic Analyser, 2020

*Formal bed nights = Hotels, B&B's, Guesthouses, Self-catering units, Game Lodges and Backpackers

4. The Norwegian Traveller to the Western Cape

4.1. Visitor Arrivals to the Western Cape

Visitor numbers to the Western Cape declined by -4,2% in 2018, despite a 0,2% increase nationally. This indicates that the drought in the Western Cape may have impacted Norwegian visitors' decision to travel to the province.

After a sharp decline of -32,2% in Q1 of 2019, Norwegian visitor arrivals rebounded, increasing by a significant 47,8% in Q4 2019 when compared to the same period in 2018.

The vast majority of Norwegian air travellers to Cape Town started their journey from Oslo Airport.

Period	Tourist Arrivals	Y-O-Y % Change
2014	11 053	-
2015	10 800	-2,3%
2016	12 116	12,2%
2017	12 530	3,4%
2018	12 001	-4,2%

4.2. Passenger Traffic through Cape Town International Airport

Inbound Passenger Performance: Norway – Cape Town				
Country	Passengers 2019	% Change 2018-19	Passengers Jan – Mar 2020	% Change Jan – Mar 2019-20
Norway	15 650	-14%	4 385	-30%

Top 5 Cities: Norway – Cape Town					
Rank	Airport	Passengers 2019	% Change 2018-19	Passengers Jan – Mar 2020	% Change Jan – Mar 2019-20
1	Oslo	10 773	-15%	3 217	-28%
2	Stavanger	1 157	4%	293	-21%
3	Bergen	1 423	-17%	266	-49%
4	Trondheim Vaernes	578	-16%	160	-35%
5	Oslo Sandefjord-Torp	378	-3%	122	-20%

Sources: SA Tourism, OAG Traffic Analyser, 2020

4.3. Spend Patterns

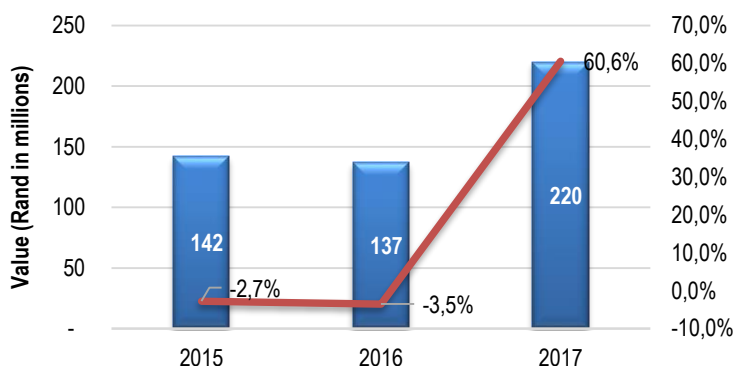
In 2017, the Norwegian market contributed R220 million to the Western Cape's economy making it the 12th most lucrative European source market for the province.

On average, Norwegian tourists spent R20 400 per trip in the Western Cape in 2017. Total Foreign Direct Spend has increased significantly, since 2015 growing by a significant 60,6% from 2016 to 2017.

**Average spend
in the Western
Cape, 2017**

R 20 400

TOTAL FOREIGN DIRECT SPEND IN THE WESTERN CAPE, 2015 - 2017



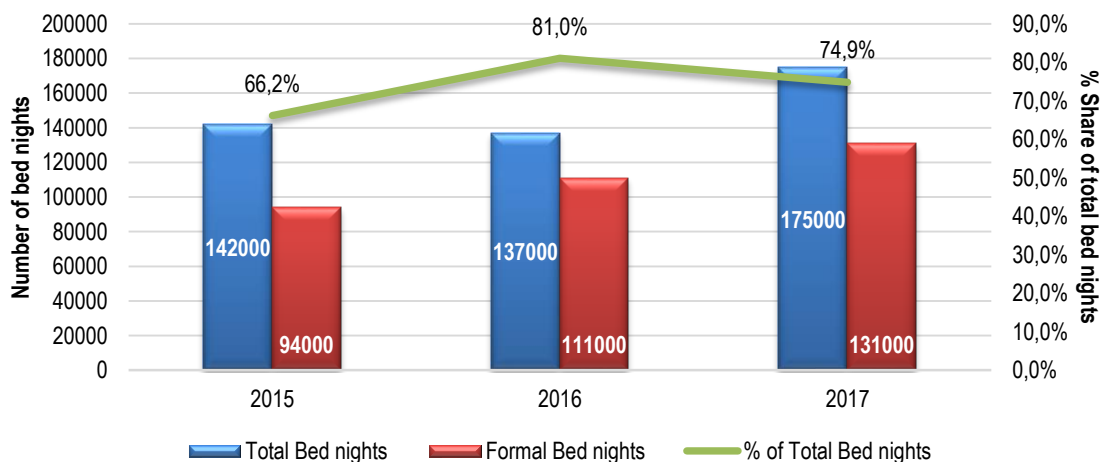
4.4. Bed nights and Average Length of Stay in the Western Cape

In 2017, Norwegian travellers spent 175 000 bed nights in the Western Cape, of which 131 000 were spent in the *formal accommodation sector. The number in total bed nights increased by 27,7% and formal bed nights increased by 18,0% when compared to the 2016 figures.

**Average
length of stay
in 2017**

**15.9
nights**

NUMBER OF BED NIGHTS SPENT BY NORWEGIAN TOURISTS IN THE WESTERN CAPE, 2015 - 2017



*Formal Bednights refers to Hotels, B&Bs, Guesthouses, Self-catering units, Game Lodges and Backpackers.

5. Norwegian Traveller Trends

5.1. Outbound travel trends

In 2019, a total of 10 931 800 Norwegian international outbound trips were made with an expenditure value of NOK 133 million, which is expected to increase to EUR 150 million by 2024. Denmark, Sweden, Spain, United Kingdom, and Poland were the top five outbound destinations for Norwegian travellers in 2019 which accounted for 62,5% of all outbound trips.

Norwegian outbound trips to South Africa accounted for 0,2% of all outbound trips in 2019. Other African destinations visited by Norwegian travellers in 2019 included Egypt (0,3%), and Morocco (0,2%)

Norwegian travellers have, on average, 35 days annual leave per year. Seasonality patterns indicate that they are most likely to travel during June, July and August. Of all outbound trips in 2019, 80,5% were for the purpose of leisure.

Outbound travel trips grew by 2,7% in 2019, spurred on by the need for sunshine after the long winter, Norwegians like to travel abroad. Despite a trend towards taking shorter breaks closer to home, Norwegian travellers continue to seek out sunny destinations, particularly over the Christmas and Easter holidays.

5.2. Media consumption habits

Top Travel Resources for planning a trip
Search Engines
Online Ads
Mobile searches
Online travel videos

The ‘Nordic Travel Study 2016’ reveals that 81% of Norwegian travellers use online tools at some point in their customer journey, 57% of travellers would use a search engine to explore a new destination and 34% of travellers have researched a destination, flight, hotel or vacation as a result of seeing an online ad.

Norwegian travellers are inclined to use their mobile devices to answer immediate needs, however due to poor mobile experiences many are forced to switch to another device during the planning stage.

Online travel videos are a popular tool amongst Norwegian travellers during the dreaming phase, with 45% of travel video watchers indicating that videos have inspired them to think about a new destination and 52% saying that videos have inspired them to think about planning a vacation. Of the Norwegian travellers surveyed, 11% have watched a travel related video and 28% of travel video watchers said videos have influenced where they decided to travel.

Sources: Euromonitor International, Think with Google, 2020

6. Key Findings

- Norwegian visitors travelling to South Africa are predominantly visiting for the purpose of holiday, visiting friends and relatives, and business. They are most impressed with South Africa's scenery, wildlife, and the friendliness of people.
- In 2019, a total of 10 931 800 Norwegian international outbound trips were made with an expenditure value of NOK 133 million, which is expected to increase to EUR 150 million by 2024.
- Most Norwegian travellers typically travel to other European destinations. The USA (3%) and Thailand (1,2%) were the most popular non-European destinations for Norwegian travellers in 2019. Egypt, Morocco, and South Africa were the most popular African destination for Norwegian travellers and collectively accounted for 0,7% of outbound trips in 2019.
- Norwegian travellers have, on average, 35 days annual leave per year. Seasonality patterns indicate that they are most likely to travel during June, July and August. Of all outbound trips in 2019, 80,5% were for the purpose of leisure and 19,5% travelled for business. This is in line with Norwegian travellers' purpose of visit to South Africa.
- Spurred on by the need for sunshine after the long winter, Norwegians like to travel abroad. Despite a trend towards taking shorter breaks closer to home, Norwegian travellers continue to seek out sunny destinations, particularly over the Christmas and Easter holidays.
- In 2017, the Norwegian market contributed R220 million to the Western Cape's economy making it the 12th most lucrative European source market for the province.
- Norwegian visitor arrivals to South Africa remained flat at 0,2% in 2018, however a decrease of -4,2% was recorded in the Western Cape which suggests that the 2017/18 drought may have impacted Norwegian visitors' decision to travel to the province. After a sharp decline of -32,2% in Q1 of 2019, Norwegian visitor arrivals rebounded, increasing by a significant 47,8% in Q4 2019 when compared to the same period in 2018.
- Norwegian travellers are inclined to use their mobile devices to answer immediate needs, and tourism operators are encouraged to provide optimal mobile experiences to keep travellers engaged.
- Online travel videos are a popular tool amongst Norwegian travellers during the dreaming phase, which inspires them to think about a new destination as well as planning a vacation. Online travel videos have an influence on where viewers decide to travel.

7. List of sources

1. South African Tourism
2. Euromonitor International
3. OAG Airline Passenger Traffic Analyser
4. Think with Google
5. CIA Factbook

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