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TOURISM IN ICELAND IN FIGURES - APRIL 2014

TOURISM IN ICELAND IN FIGURES

CONTENTS

REPORT BY: ODDNÝ ÞÓRA ÓLADÓTTIR

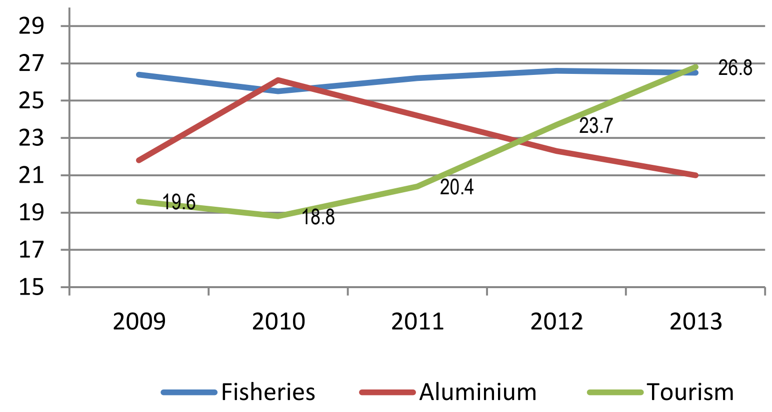
COVER PHOTO: RAGNAR TH. SIGURÐSSON

ECONOMIC STATISTICS IN ICELANDIC TOURISM

ECONOMIC GROWTH SUPPORTED BY TOURISM

Considerable growth in tourism was responsible for much of the economic growth in Iceland last year. The real value of the growth was 3.3% in 2013. Further income created due to the stay of foreign tourists in Iceland and high income from the fisheries industry meant that export income in 2013 amounted to 57.3% of GDP. This is the highest proportion seen since the first national accounts in Iceland were prepared in 1945. The proportion of income from foreign tourists was 15.4% of GDP in 2013, growing from just more than 10% in 2009.

EXPORT OF GOODS AND SERVICES



THE SHARE OF TOURISM IN EXPORT REVENUE

Tourism's share of foreign exchange earnings has grown from 19.6% to 26.8% between 2009–2013 according to measurements on the export of goods and services. At present, tourism accounts for more foreign exchange income than the fisheries industry and aluminium production.

	Export of goods and services (ISK billion)	Tourism (ISK billions)	Share of tourism
2009	791,296	155,160	19,6%
2010	865,623	162,822	18,8%
2011	961,615	196,495	20,4%
2012	1,009,005	239,471	23,7%
2013	1,027,303	274,819	26,8%

AVERAGE SPENDING OF FOREIGN VISITORS

Spending by foreign tourists in Iceland amounted to approximately ISK 129bn in 2013, an increase of around 15% from the previous year at fixed-price levels. The average amount spent by foreign tourists in 2013 was ISK 165,000, 4.8% higher than the year before.

	Travel consumption ISK bn. [1]	Average spent per person
2009	81,306	164,600
2010	75,503	154,500
2011	91,970	162,600
2012	105,727	157,100
2013	128,840	164,965

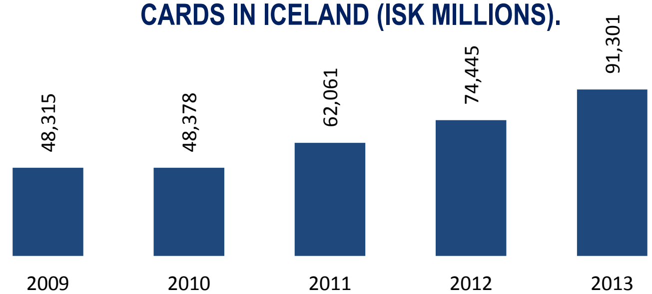
[1]At the 2013 price level. Airline fares not included.

Source: Statistics Iceland.

FOREIGN CARD TURNOVER

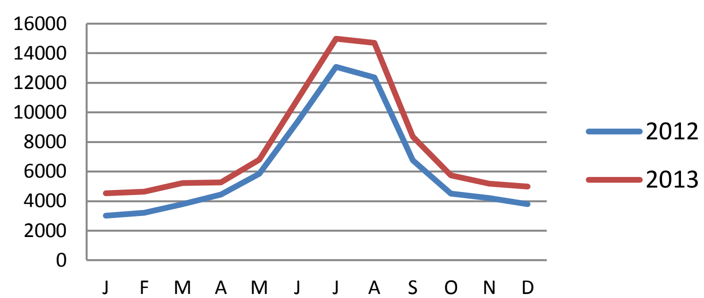
There has been considerable growth in foreign card turnover in Iceland in recent years. In 2009, the card turnover was just more than ISK 48bn, increasing to more than ISK 91bn in 2013.

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



Foreign card use increased significantly between 2012 and 2013 in all months, proportionately the most in January, February, March and December, when the increase in card turnover was measured between 31% and 50%. The card turnover, however, was greatest during the three summer months, or 44.5% of the total turnover in 2013 and 46.8% of the total turnover in 2012.

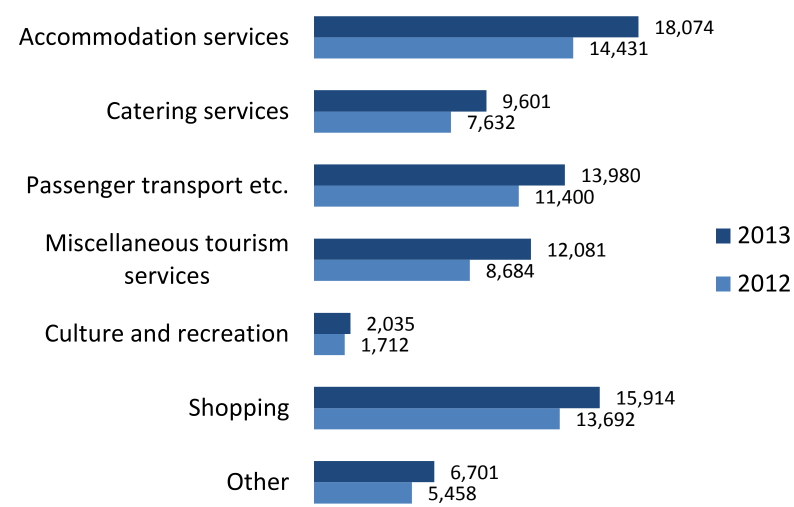
CARD TURNOVER BY MONTH (ISK MILLIONS)



FOREIGN CARD TURNOVER BY EXPENSE ITEMS*

Just more than a third (35.3%) of foreign card turnover was spent on accommodation and catering services in 2013, a fifth (20.3%) in shops, 17.9% on passenger transport and related services, 15.4% on various types of tourist services such as sightseeing, 2.6% on culture, entertainment and leisure activities and 8.5% on other items in connection with tourist services.

CARD TURNOVER BY EXPENSE ITEMS (ISK MILLIONS)



***The data on card turnover by expense items contains all payment card use, both debit and credit cards, and does not include cash withdrawals. 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: Central Bank of Iceland, Statistics Iceland and Centre for Retail Studies.

INTERNATIONAL VISITORS AND CRUISES

Visitors to Iceland have almost tripled since 2000. Their number had risen to 807,000 by 2013. The mean annual increase has been 8.2% since 2000.

	Number of visitors
2000	302,900
2001	296,000
2002	277,900
2003	320,000
2004	360,400
2005	374,100
2006	422,300
2007	485,000
2008	502,000
2009	493,900
2010	488,600
2011	565,600
2012	672,900
2013	807,300

	Increase/decrease
00-01	-2.3%
01-02	-6.1%
02-03	15.1%
03-04	12.6%
04-05	3.8%
05-06	12.9%
06-07	14.9%
07-08	3.5%
08-09	-1.6%
09-10	-1.1%
10-11	16.6%
11-12	18.9%
12-13	20.0%
00-13	**8.2%**

INTERNATIONAL CRUISE SHIP PASSENGERS

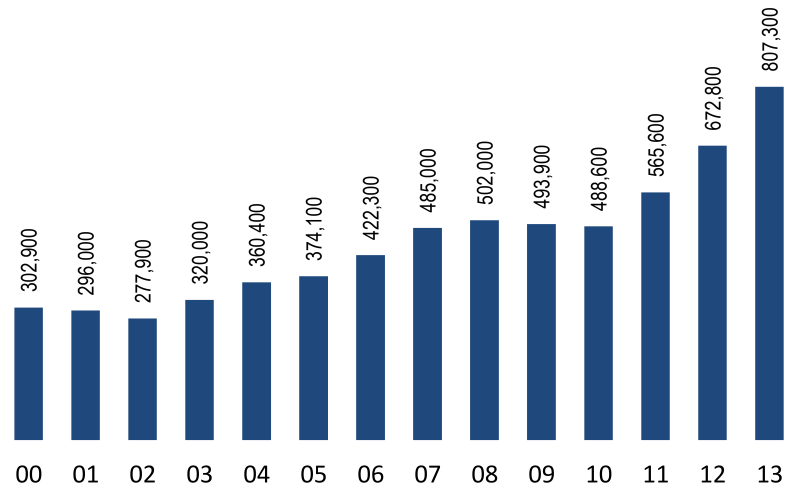
Since 2000, cruise ship passengers to Iceland have increased significantly, from 27,000 in 2000 to 95,000 in 2013. The mean annual increase has been 12.4% per year.

	2011		2012		2013	
	Passengers	Vessels	Passengers	Vessels	Passengers	Vessels
Reykjavík[1]	62,673	67	91,954	81	92,412	80
Akureyri	49,475	56	66,383	62	71,338	63
Ísafjörður	21,000	31	31,385	34	42,317	38
Grundarfjörður	5,674	14	5,784	17	1,905	8
Vestmannaeyjar	5,087	17	4,744	17	5,928	15
Seyðisfjörður, etc.[2]	4,974	10	7,150	14	5,928	9

[1] *Approximately 96% of cruise ships that visit Iceland berth in Reykjavik.*

[2] *2,848 passengers came to Húsavík and 2,113 to Djúpavogur in 2013.*

INTERNATIONAL VISITORS TO ICELAND 2000-2013



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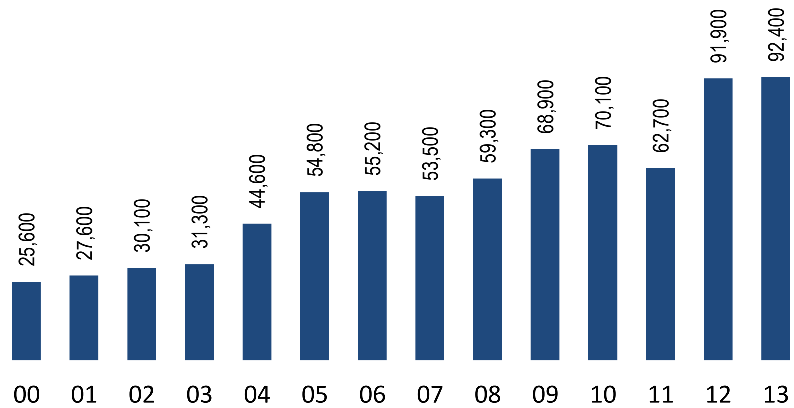
INTERNATIONAL CRUISE SHIP PASSENGERS TO REYKJAVIK 2000-3013



Sources: Icelandic Tourist Board, Austfar, Isavia, Air Iceland, Faxaports and other ports that maintain a record of the number of cruise ship passengers.

INTERNATIONAL VISITORS TO ICELAND 2011-2013

The total number of foreign visitors was around 807,000 in 2013, a 20% increase from 2012, when foreign visitors numbered around 673,000.

Approximately 781,000 tourists came on flights through Keflavík International Airport in 2013, or 96.7% of the total number of visitors. Just fewer than 17,000 came with Norræna through Seyðis-fjörður, or around 2.1% of the total. Just fewer than 10,000 came on flights through Reykjavík Airport or Akureyri Airport, or approximately 1.2%. It should be noted that figures for places other than Keflavík Airport are not based on counts but on assessments based on sales and passenger figures.

INTERNATIONAL VISITORS BY POINT OF ENTRY

				Increase/decrease	
	2011	2012	2013	11/12	12/13
Keflavík airport	540,824	646,921	781,016	19.6%	20.7%
Seyðisfjörður seaport	12,505	12,780	16,637	2.2%	30.2%
Other airports	12,282	13,072	9,696	6.4%	-25.8%
Total	**565,611**	**672,773**	**807,349**	**18.9%**	**20.0%**

Sources:
-The Icelandic Tourist Board counts visitors when they leave through Keflavík Airport according to nationality and publishes the figures every month on its website.
-Austfar estimates visitor numbers with Norræna based on sales figures.
-Isavia and Air Iceland estimate visitor numbers through other airports.

VISITORS THROUGH KEFLAVÍK AIRPORT

By Nationality				Increase	
	2011	2012	2013	11/12	12/13
Canada	17,929	18,760	23,970	4.6%	27.8%
China	8,784	14,036	17,597	59.8%	25.4%
Denmark	40,705	40,906	43,119	0.5%	5.4%
Finland	12,031	13,684	13,799	13.7%	0.8%
France	35,957	41,570	48,313	15.6%	16.2%
Germany	56,815	65,179	75,814	14.7%	16.3%
Ítaly	12,346	13,841	16,213	12.1%	17.1%
Japan	6,902	10,343	12,363	49.9%	19.5%
Netherlands	19,997	21,305	22,820	6.5%	7.1%
Norway	41,802	51,534	52,707	23.3%	2.3%
Spain	13,971	15,278	17,017	9.4%	11.4%
Sweden	32,835	35,601	35,491	8.4%	-0.3%
Switzerland	10,155	12,838	14,307	26.4%	11.4%
UK	67,608	94,599	137,108	39.9%	44.9%
USA	77,561	95,026	119,712	22.5%	26.0%
Other	85,426	102,421	130,666	19.9%	27.6%
Total	**540,824**	**646,921**	**781,016**	**19.6%**	**20.7%**
By Market Area					
Nordic countries	127,373	141,725	145,116	11.3%	2.4%
UK	67,608	94,599	137,108	39.9%	44.9%
Central/S-Europe	149,241	170,011	194,484	13.9%	14.4%
N-America	95,490	113,786	143,682	19.2%	26.3%
Other	101,112	126,800	160.626	25.4%	26.7%
Total	**540,824**	**646,921**	**781,016**	**19.6%**	**20.7%**

VISITORS THROUGH SEYÐISFJÖRÐUR SEAPORT

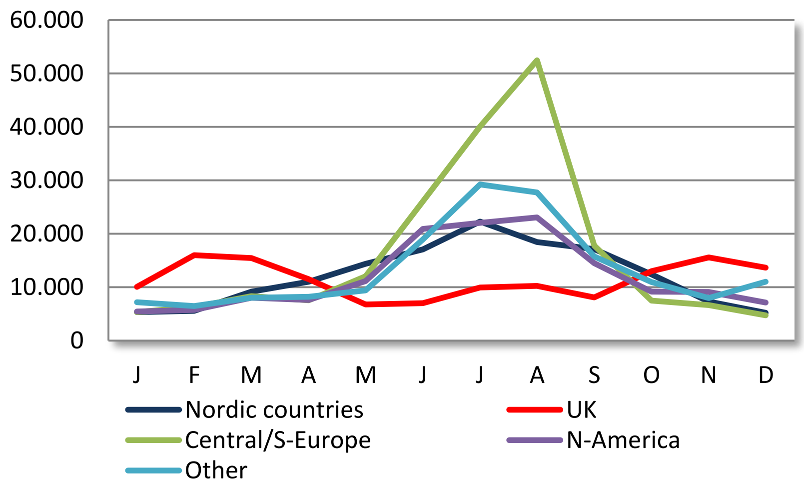
				Increase/decrease	
	2011	2012	2013	11/12	12/13
Nordic countries	3,352	3,550	4,650	5.9%	31.0%
Europe	7,850	7,967	10,610	1.5%	33.2%
Other	1,303	1,263	1,377	-3.1%	9,0%
Total	**12,505**	**12,780**	**16,637**	**2.2%**	**30.2%**

INTERNATIONAL VISITORS BY MONTHS

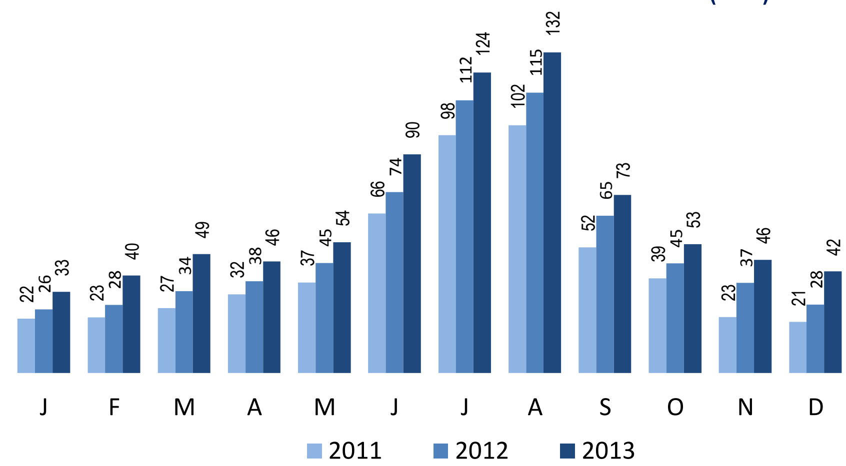
Over the past three years, the increase in the number of tourists has been proportionately greater in winter than in spring, summer and fall. Records were broken in all months of 2012 and 2013 in comparison with the same months in preceding years. The increase exceeded 10% in all months during the period between 2011 and 2013, peaking at 60% in November 2012 and over 40% in three months in 2013, i.e. February, March and December.

DEPARTURES FROM KEFLAVÍK AIRPORT BY MARKET AREAS

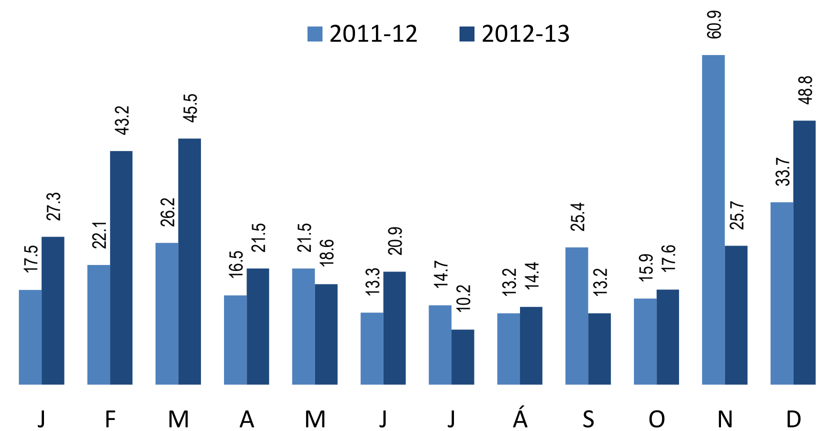
Travellers from individual market areas were widely distributed in 2013. Thus travellers from central and south Europe were prominent during the summer months, while travellers from the Nordic countries, North America and from countries categorised as “elsewhere” were distributed evenly over the year. Travellers from the UK were the exception, as around half of these visitors came during the winter months.



DEPARTURES FROM KEFLAVÍK AIRPORT BY MONTH ('000)



INCREASE OF VISITORS 2011-13 (%)



Source: Icelandic Tourist Board.

INTERNATIONAL VISITORS BY SEASON

Around 44% of visitors in 2013 came during the three summer months (Jun-Aug), slightly less than in 2011 and 2012. Just more than a quarter came in the spring (Apr–May) or autumn (Sep–Oct) and around a quarter in winter (Jan–Mar/Nov–Dec).

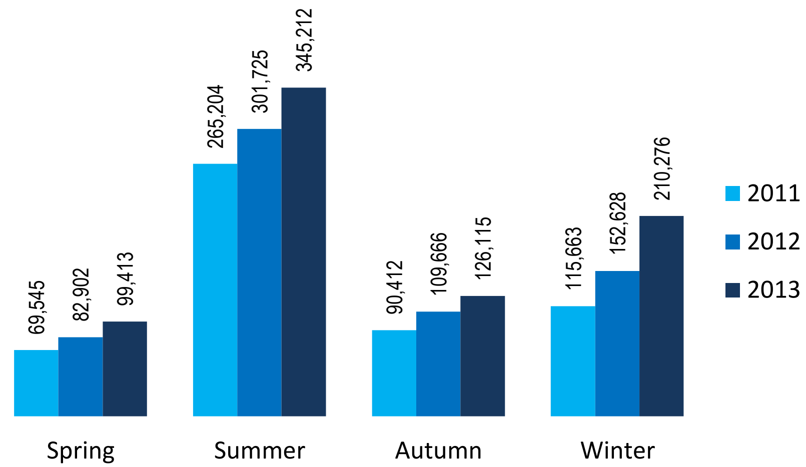
	2011		2012		2013	
	No.	%	No.	%	No.	%
Spring	69,545	12.9	82,902	12.8	99,413	12.7
Summer	265,204	49.0	301,725	46.6	345,212	44.2
Autumn	90,412	16.7	109,666	17.0	126,115	16.1
Winter	115,663	21.3	152,628	23.5	210,276	26.9
Total	540,824	100	646,921	100	781,016	100

In 2013, 61% of central and south European visitors came during the summer, 46% of N. American visitors, 40% of Nordic visitors, 20% of UK visitors, and 47% of those categorised as from "elsewhere". Some 38% of Nordic visitors came in the spring or autumn, 29% of UK visitors and a similar proportion of N. American visitors. Half of UK visitors came in winter, a fifth of Nordic visitors and a fourth of N. American visitors and those categorised as coming from "elsewhere".

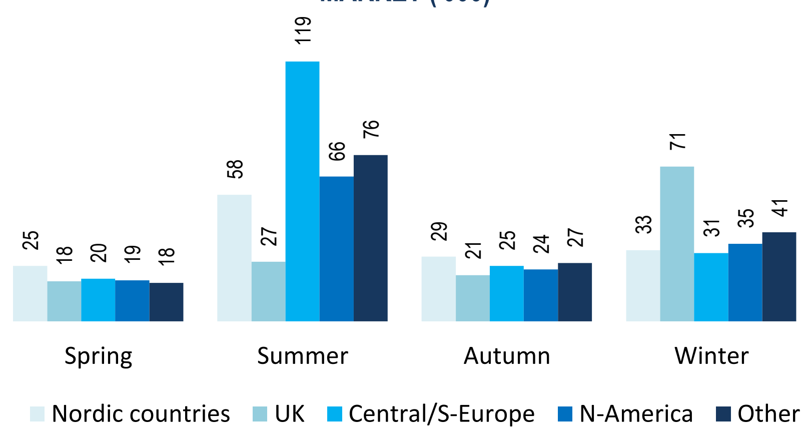
MARKETS ACCORDING TO SEASONS 2013

	Spring		Summer		Autumn		Winter		Total
	No.	%	No.	%	No.	%	No.	%	No.
Nordic c.	25,378	17.5	57,758	39.8	29,477	20.3	32,503	22.4	145,116
UK	18,253	13.3	27,138	19.8	21,087	15.4	70,630	51.5	137,108
Cen/S-Eur.	19,538	10.0	118,505	60.9	25,260	13.0	31,181	16.0	194,484
N-America	18,716	13.0	65,980	45.9	23,631	16.4	35,355	24.6	143,682
Other	17,528	10.9	75,831	47.2	26,660	16.6	40,607	25.3	160,626
Total	99,413	12.7	345,212	44.2	126,115	16.1	210,276	26.9	781,016

DEPARTURES THROUGH KEFLAVÍK AIRPORT



DEPARTURES THROUGH KEFLAVÍK AIRPORT BY MARKET ('000)



Source: Icelandic Tourist Board.

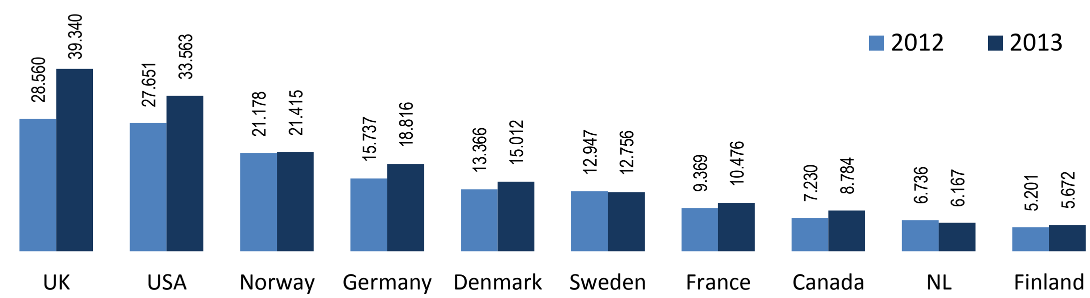
NATIONALITIES THROUGH KEFLAVÍK AIRPORT 2013/12

SPRING/AUTUMN: 225,528 visitors came during the spring or autumn in 2013, 17.1% more than in 2012. Most came from the UK (17.4%) and the US (14.9%). Travellers from Norway (9.5%), Germany (8.3%), Denmark (6.7%), Sweden (5.7%), France (4.6%), Canada (3.9%), the Netherlands (2.7%) and Finland (2.5%) came thereafter. Together, these ten nations made up to 76.2% of travellers during spring or autumn in 2013.

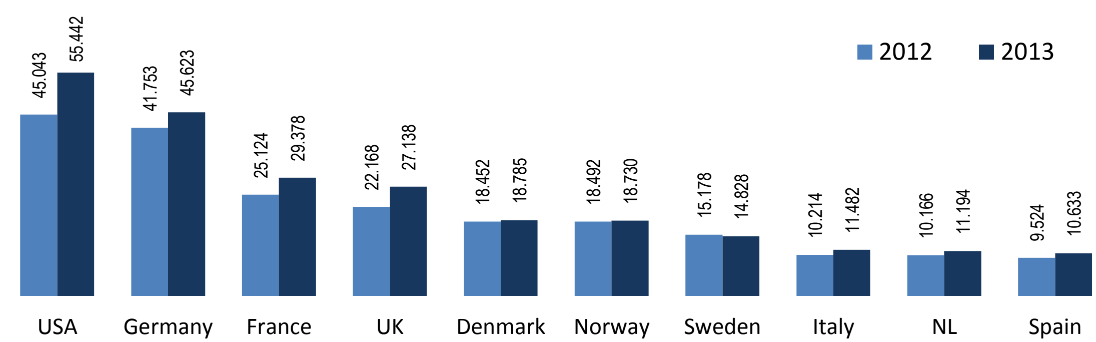
SUMMER: 345,212 came during the summer of 2013, 14.4% more than in 2012. Most summer visitors in 2013 came from the US (16.1%), Germany (13.2%), France (8.5%), the UK (7.9%), Denmark (5.4%), Norway (5.4%), Sweden (4.3%), Italy (3.3%), the Netherlands (3.2%) and Spain (3.1%). In total, these ten nations comprised 70.4% of visitors in 2013.

WINTER: 210,276 visitors came in 2013, 37.8% more than during the winter of 2012. Broken down by nations, the largest proportion came from the UK (33.6%) and the US (14.6%). Travellers from Norway (6.0%), Germany (5.4%), Denmark (4.4%), France (4.0%), Sweden (3.8%), Japan (3.1%), the Netherlands (2.6%) and China (2.3%) then followed. The total number of visitors from these ten nations was 79.8% of visitors during the winter 2013.

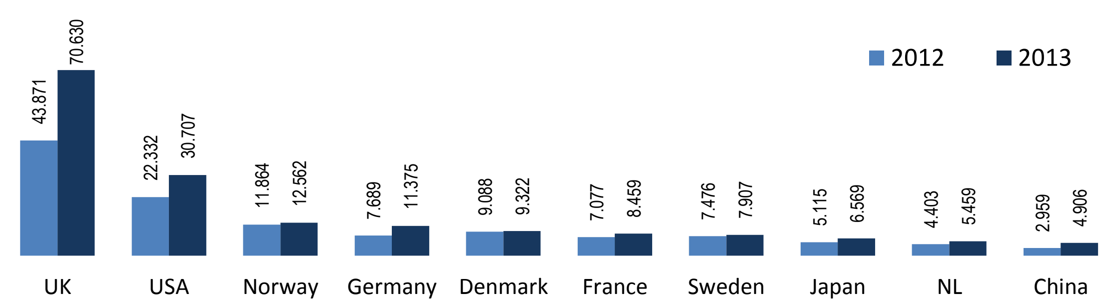
SPRING/AUTUMN



SUMMER



WINTER



Source: Icelandic Tourist Board.

MARKETING AREAS ACCORDING TO SEASONS THROUGH KEFLAVÍK AIRPORT 2002–13

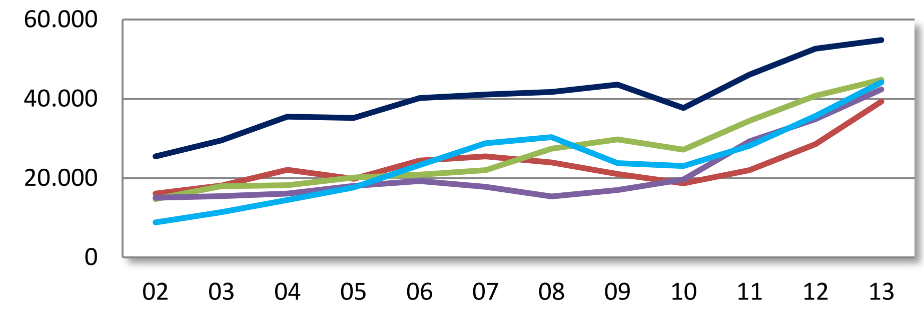
SPRING/AUTUMN: The number of tourists has increased from 80,000 during spring and autumn to approximately 225,000 in the period between 2002 and 2013, or by around 145,000 travellers. The annual mean increase has been around 10.3%. The Nordic countries have been the largest marketing area during spring and autumn since 2002, or at least 30% of travellers. Over the past three years, however, the share of the Nordic countries has been falling during spring and autumn.

SUMMER: The number of travellers during the summer has tripled since 2002, rising from 129,000 in 2002 to around 345,000 in 2013. The average mean increase has been around 9.6%. Central and south Europe are the largest market area during summer, comprising about a third to two-fifths of travellers during the period between 2002 and 2013.

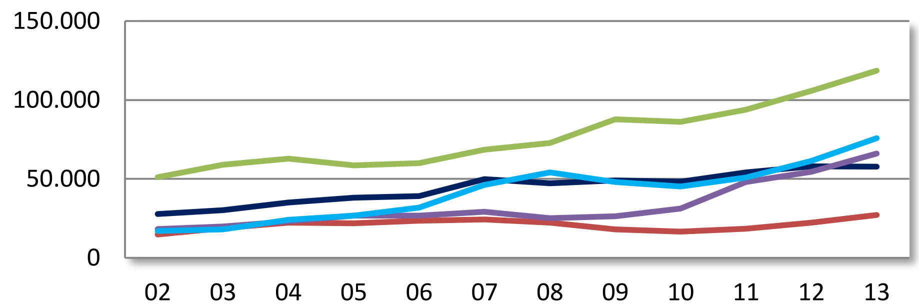
WINTER: The number of travellers in 2013 was triple that of those measured in 2003. The annual mean increase has been 12.3% since 2003, has varied over the period and was greatest during the past two years, increasing to more than 30% between years. Visitors from the UK have increased the most, or over 60% between years over the past two years, becoming around a third of all visitors during winter.

Source: Icelandic Tourist Board.

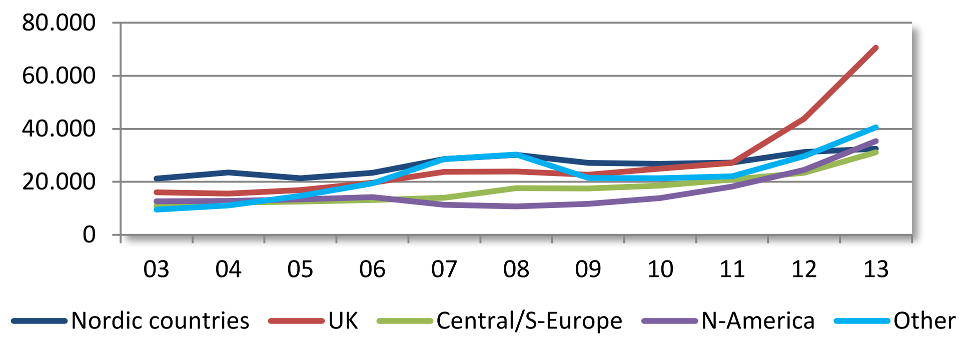
SPRING/AUTUMN



SUMMER



WINTER



DEPARTURES FROM KEFLAVÍK AIRPORT 2013

By nationality		By season*				By month											
	Total	Spring	Summer	Autumn	Winter	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Canada	23,970	3,862	10,538	4,922	4,648	404	374	1,044	1,584	2,278	3,333	3,573	3,632	2,944	1,978	1,730	1,096
China	17,597	1,387	8,397	2,907	4,906	738	779	796	491	896	2,705	2,628	3,064	1,797	1,110	595	1,998
Denmark	43,119	6,177	18,785	8,835	9,322	1,504	1,590	2,747	2,750	3,427	4,300	8,938	5,547	4,884	3,951	1,956	1,525
Finland	13,799	2,897	5,415	2,775	2,712	347	387	756	1,416	1,481	1,898	1,786	1,731	1,577	1,198	578	644
France	48,313	4,923	29,378	5,553	8,459	1,371	1,671	2,427	1,911	3,012	6,268	10,183	12,927	3,855	1,698	1,656	1,334
Germany	75,814	7,949	45,623	10,867	11,375	2,101	2,278	3,117	2,786	5,163	12,139	15,027	18,457	7,669	3,198	2,367	1,512
Italy	16,213	1,279	11,482	1,424	2,028	335	299	436	502	777	1,790	3,380	6,312	1,024	400	656	302
Japan	12,363	803	2,221	2,770	6,569	1,566	1,148	1,417	497	306	533	654	1,034	1,752	1,018	1,137	1,301
Netherlands	22,820	2,973	11,194	3,194	5,459	733	1,272	1,552	1,248	1,725	2,514	4,237	4,443	1,993	1,201	1,034	868
Norway	52,707	9,974	18,730	11,441	12,562	2,003	2,418	3,556	4,203	5,771	6,386	6,268	6,076	6,733	4,708	2,804	1,781
Poland	15,835	1,831	7,768	2,170	4,066	486	490	682	629	1,202	2,771	2,944	2,053	1,396	774	570	1,838
Russia	6,988	841	3,953	875	1,319	355	245	230	338	503	710	1,514	1,729	629	246	298	191
Spain	17,017	1,544	10,633	2,608	2,232	415	321	373	680	864	1,598	2,975	6,060	2,025	583	606	517
Sweden	35,491	6,330	14,828	6,426	7,907	1,480	1,142	2,079	2,647	3,683	4,461	5,298	5,069	3,899	2,527	1,955	1,251
Switzerland	14,307	870	10,195	1,614	1,628	345	427	375	398	472	1,721	4,235	4,239	1,209	405	281	200
UK	137,108	18,253	27,138	21,087	70,630	10,031	15,970	15,458	11,490	6,763	6,969	9,954	10,215	8,087	13,000	15,527	13,644
USA	119,712	14,854	55,442	18,709	30,707	5,054	5,357	6,962	5,990	8,864	17,581	18,452	19,409	11,547	7,162	7,333	6,001
Other	107,843	12,666	53,492	17,938	23,747	4,022	3,811	4,861	6,205	6,461	12,182	21,475	19,835	10,169	7,769	5,368	5,685
Total	**781,016**	**99,413**	**345,212**	**126,115**	**210,276**	**33,290**	**39,979**	**48,868**	**45,765**	**53,648**	**89,859**	**123,521**	**131,832**	**73,189**	**52,926**	**46,451**	**41,688**

By market		By season*				By month											
	Total	Spring	Summer	Autumn	Winter	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Nordic countr.	145,116	25,378	57,758	29,477	32,503	5,334	5,537	9,138	11,016	14,362	17,045	22,290	18,423	17,093	12,384	7,293	5,201
UK	137,108	18,253	27,138	21,087	70,630	10,031	15,970	15,458	11,490	6,763	6,969	9,954	10,215	8,087	13,000	15,527	13,644
Cent/S-Europe	194,484	19,538	118,505	25,260	31,181	5,300	6,268	8,280	7,525	12,013	26,030	40,037	52,438	17,775	7,485	6,600	4,733
N-America	143,682	18,716	65,980	23,631	35,355	5,458	5,731	8,006	7,574	11,142	20,914	22,025	23,041	14,491	9,140	9,063	7,097
Other	160,626	17,528	75,831	26,660	40,607	7,167	6,473	7,986	8,160	9,368	18,901	29,215	27,715	15,743	10,917	7,968	11,013
Total	**781,016**	**99,413**	**345,212**	**126,115**	**210,276**	**33,290**	**39,979**	**48,868**	**45,765**	**53,648**	**89,859**	**123,521**	**131,832**	**73,189**	**52,926**	**46,451**	**41,688**

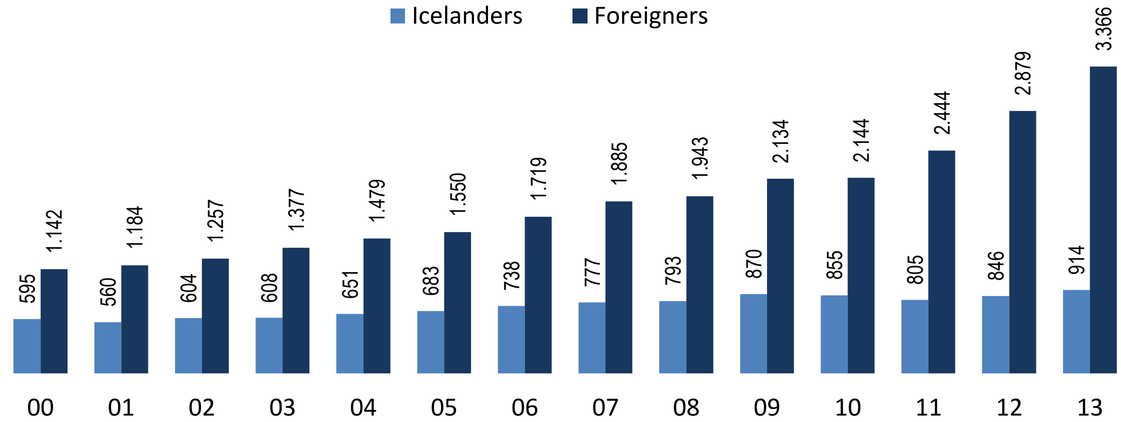
**Spring: April-May, Summer: June-August, Autumn: September-October, Winter: January-March/November-December.*

Source: Icelandic Tourist Board.

OVERNIGHT STAYS - ALL TYPES OF ACCOMMODATION

The total number of overnight stays in Iceland was around 4,3m in 2013. The annual increase of overnight stays has commonly been 7.3% between years since 2000. The overnight stays of foreign visitor were nearly 3,4m in 2013. The average annual increase has been 8.8% since 2000. Overnight stays of Icelanders were around 914,000 in 2013 and have increased by 3.5% annually since 2000.

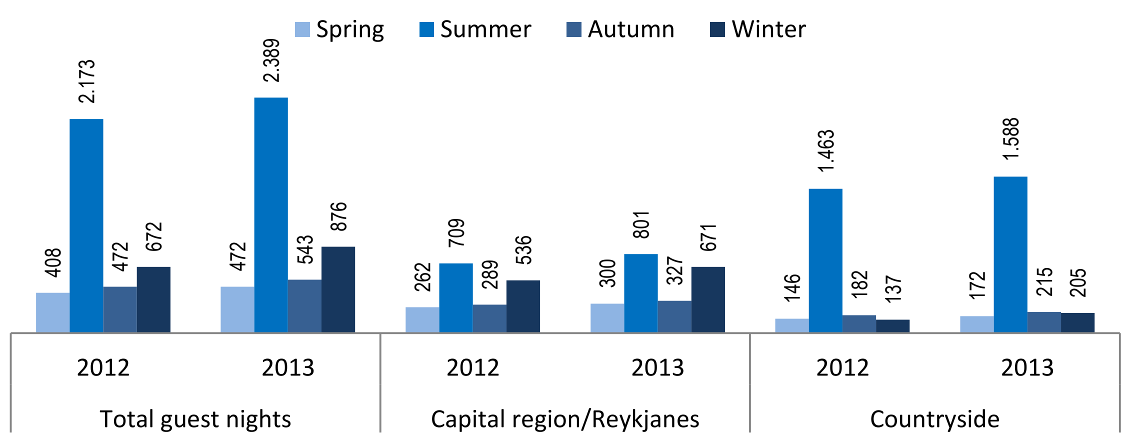
OVERNIGHT STAYS IN ALL TYPES OF ACCOMMODATION 2000-2013 ('000)



OVERNIGHT STAYS BY SEASONS

Around 56% of the total overnight stays in 2013 were during summer, 11% during spring, around 13% during autumn and 20% during winter. There were approximately 2.1 million guest nights spent in the Reykjavík and Reykjanes areas in 2013, or approximately 49% of the total number of guest nights. Of these, 14.3% were during spring, 38.1% during summer, 15.6% during autumn and 32.0% during winter. Approximately half (50.9%) of guest nights, or around 2.2 million, were spent in other parts of Iceland, whereof 72.8% were spent during summer, 7.9% during spring, 9.9% during autumn and 9.4% during winter.

OVERNIGHT STAYS 2013/2012 ('000)



Source: Statistics Iceland. For further information on accommodation statistics, see [Statistics Iceland.]

OVERNIGHT STAYS IN HOTELS/GUESTHOUSES

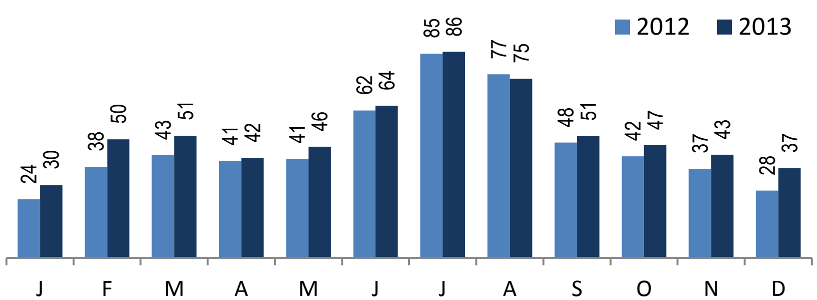
AVAILABLE ROOMS IN HOTELS AND GUESTHOUSES (JULY)

In 2013, there were 11,050 rooms available in 340 hotels and guesthouses in Iceland, when they were most numerous, 36.2% thereof in the greater Reykjavík area. Room availability in 2013 was 8% higher than in 2012.

	2012		2013		Increase/ decrease 2012-13 (%)
	No.of rooms	%	No.of rooms	%	
Capital region	3,584	35.0	3,997	36.2	11.5
Reykjanes	391	3.8	465	4.2	18.9
West	771	7.5	768	7.0	-0.4
Westfjords	444	4.3	513	4.6	15.5
Northwest	505	4.9	536	4.9	6.1
Northeast	1,521	14.9	1,516	13.7	-0.3
East	1,232	12.0	1,253	11.3	1.7
South	1,781	17.4	2,002	18.1	12.4
Total	10,229	100	11,050	100	8.0

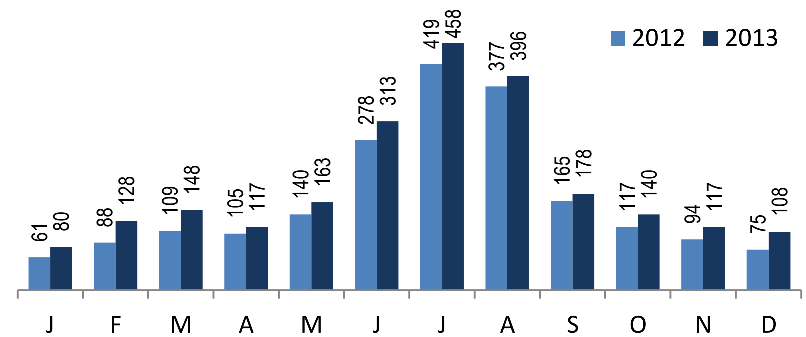
OCCUPANCY RATES IN HOTELS AND GUESTHOUSES (%)

Occupancy rates in hotels and guesthouses rose between years 2012/2013 in almost every month of the year. The greatest proportional increase was outside peak periods, rising to approximately 50% in February, March, September and October. Use was best, however, in July and August.



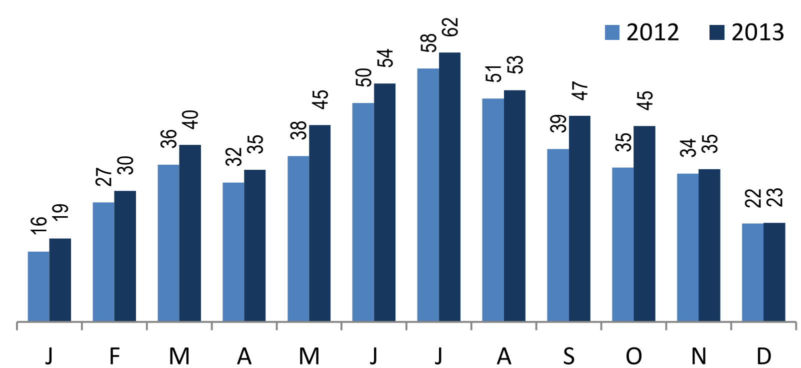
FOREIGN GUEST NIGHTS AT HOTELS AND GUESTHOUSES ('000)

International visitors spent approximately 2,3m guest nights in hotels and guesthouses, or around 70% of the guest nights of foreign visitors. This corresponds to 15.7% more guest nights than in 2012. Around 51% were spent during the summer, around 26% during spring or autumn and 23% during winter months.



DOMESTIC GUEST NIGHTS AT HOTELS AND GUESTHOUSES ('000)

Icelanders spent around 487,000 guest nights in hotels and guesthouses in Iceland in 2013, or 53.3% of guest nights of Icelanders. This corresponds to 11% more guest nights than in 2012. Around 35% were spent during the summer, around 35% during spring or autumn and 30% during winter months.



INTERNATIONAL VISITORS IN ICELAND

The Icelandic Tourist Board has, for a number of years, carried out surveys among foreign tourists, focusing on obtaining an overview of the travel markets that visit Iceland, finding out what attracts tourists to Iceland, what foreign tourists are seeking and how much they spend; examining their travel behaviour; and finding out about their views. The most recent survey was conducted during the period between June 2011 and May 2012. Some of the results will be presented in this report. A similar survey is being conducted during the period between October 2013 and August 2014. The results for the survey period between October 2013 and May 2014 will be available in August 2014, and the results for the period between June and August will be available in October 2014.

TYPE OF VISITORS TO ICELAND

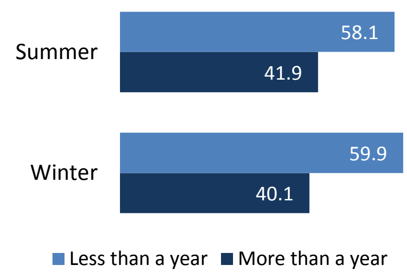
- Iceland attracts mostly prosperous individuals who are well employed and are interested in nature.
- Although the natural environment is the main attraction, interest in Icelandic culture appears to be rising.
- The decision process to visit Iceland is lengthy. Trips to Iceland, however, are booked on shorter notice during the winter than in summer.
- More travel on package tours during winter than summer.
- Traveller stays during winter are more commonly in the south-west of Iceland. During summer, however, around 60% of guest nights are spent outside the greater Reykjavík area.
- Foreign travellers use nature-related recreation activities extensively and rate such activities highly.
- The south of Iceland is the area outside the south-west corner that most travellers visit.

See survey on the [ITB website](). It consists of 70 questions on why Iceland was chosen, visitor travel behaviour, expenses and spending habits and attitudes to various aspects of Icelandic tourist services.

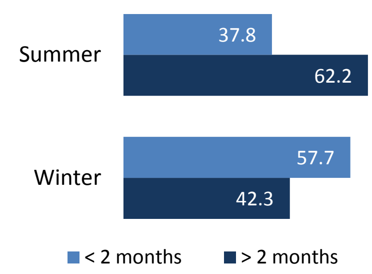
WHEN WAS THE DECISION MADE AND THE TRIP BOOKED (%)

60% of summer and winter visitors decided on visiting Iceland within one year of travelling. The time from booking to departure was less than two months in 38% of cases during summer and in 58% of cases during the winter.

IDEA FOR TRIP

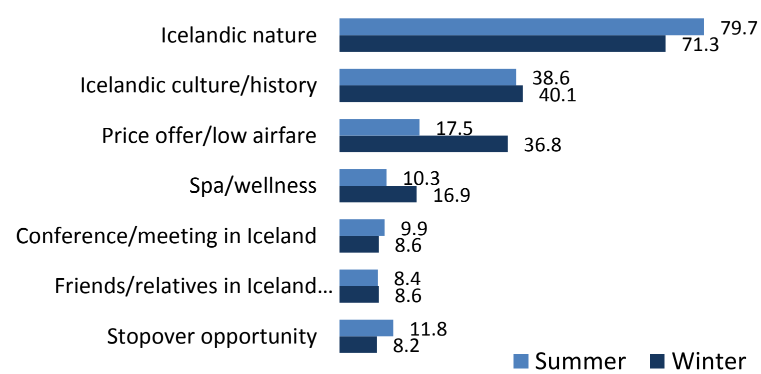


VISIT BOOKED



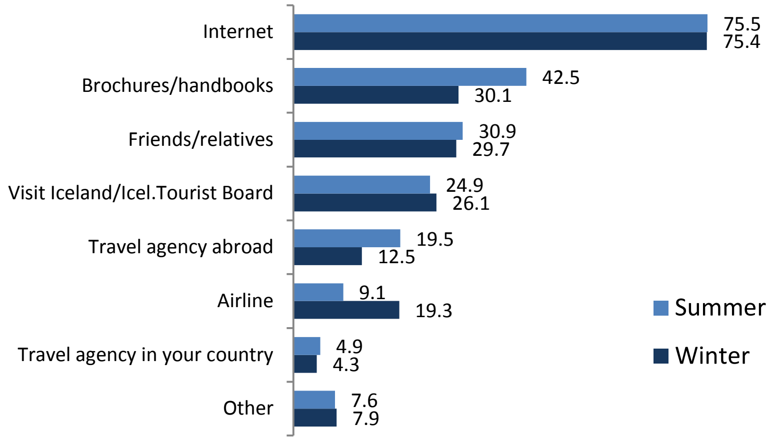
FACTORS INFLUENCING DECISION TO TRAVEL TO ICELAND (%)

The vast majority of summer and winter visitors stated that an interest in nature affected their decision to travel to Iceland. Many mentioned Icelandic culture/history. Favourable travel offers were mentioned by many winter travellers. Other reasons lagged behind.



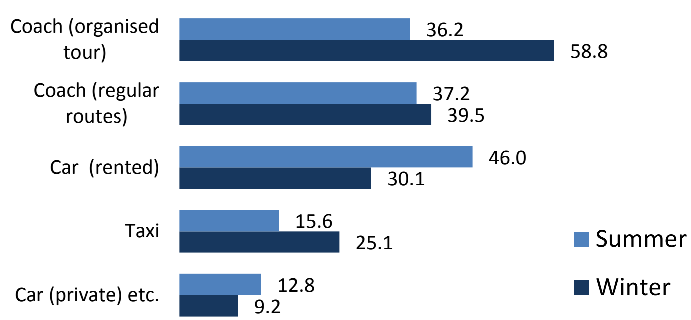
SOURCE OF INFORMATION ON ICELAND (%)

Information on Iceland was obtained from various sources. The Internet, however, was by far the most important source.



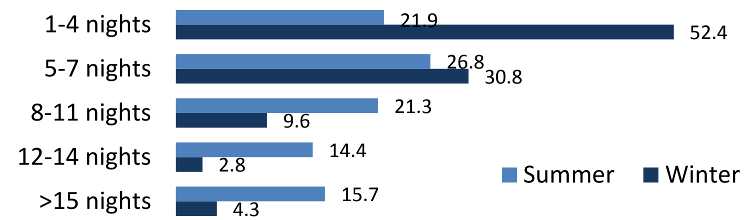
MODE OF TRAVEL (%)

Tour coaches were used extensively during the winter season. The same can be said of scheduled coaches and rental cars, although a rather larger proportion used rental cars during the summer than in winter.



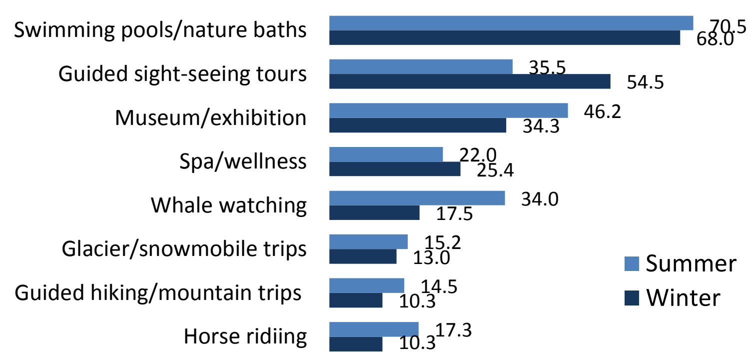
LENGTH OF STAY (%)

Foreign visitors stayed on average 10.2 nights in Iceland during summer 2011 and 6.6 nights during winter 2011-2012. Almost half of visitors during the summer spent seven nights or fewer and around half during winter spent four nights or fewer.

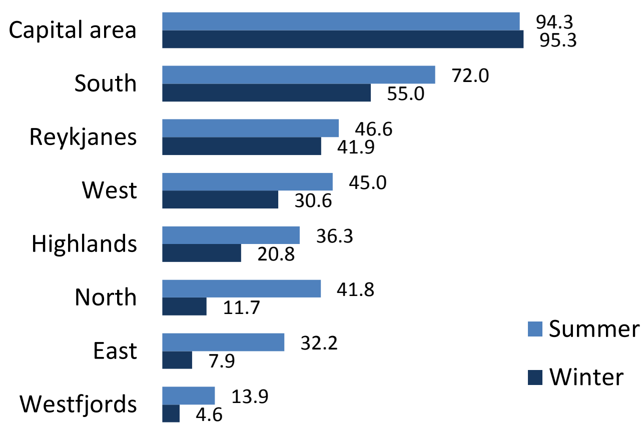


RECREATION PURCHASED IN ICELAND (%)

Winter visitors, as well as summer visitors, were particularly interested in recreational activities involving nature experiences, health and wellbeing. Swimming and warm spring baths were the most popular among international visitors during summer and winter. A much larger proportion of visitors went on guided tours during the winter, while more visitors went on whale watching tours, boating and horse riding tours during the summer. Summer visitors, moreover, visited museums and shows to a greater extent.



TO WHAT REGIONS AND PLACES DID VISITORS TRAVEL



MOST VISITED LOCATIONS (%)

Of the 36 locations specifically mentioned in the survey carried out by the Tourist Board, the following were most visited.

Summer:	%
1.Reykjavík	94.3
2.Þingvellir/Geysir/Gullfoss	72.0
3.Vík	52.4
4.Skaftafell	47.6
5.Skógar	45.3
6.Akureyri	42.0
7.Mývatnssveit	42.0
8.Húsavík	42.1
9.Ásbyrgi/Dettifoss	32.3
10.Snæfellsne	30.9

Winter:	%
1.Reykjavík	95.3
2.Þingvellir/Geysir/Gullfoss	61.0
3.Vík	32.6
4.Skógar	27.3
5.Skaftafell	22.8
6.Reykjanesbær	21.9
7.Snæfellsnes	20.7
8.Reykjanes lighthouse & surr.	15.1
9.Akureyri	13.7
10.Hornafjörður	13.0

		Summer	Winter
Capital area/Reykjanes	Capital area	94.3	95.3
	Reykjanesbær	21.3	21.9
	Reykjanes lighthouse & surr.	14.7	15.1
West	Snæfellsnes	30.9	20.7
	Borgarfjörður	23.7	12.6
	Stykkishólmur/Breiðafjörður	18.9	7.4
	Búðardalur/Dalir	9.7	3.4
Westfjords	Ísafjörður	11.1	4.2
	Hólmavík/Strandir	8.8	2.4
	Látrabjarg	6.7	1.8
	Arnarfjörður/Dynjandi	6.6	1.6
North	Akureyri	42.2	13.7
	Mývatn	42.1	11.8
	Húsavík	32.3	7.6
	Ásbyrgi/Dettifoss	30.9	5.8
	Skagafjörður	17.6	4.8
	Hvammstangi/Hvítserkur	11.5	3.0
	Melrakkaslétta/Þórshöfn	4.0	1.6
East	Egilsstaðir/Hallormsstaður	27.5	7.3
	Seyðisfjörður	20.2	5.2
	Dúpivogur	15.5	3.3
	Neskaupsstaður/Norðfjörður	6.4	2.4
	Borgarfjörður eystri	7.6	1.9
South	Þingvellir/Geysir/Gullfoss	72.0	61.0
	Vík	52.4	32.6
	Skógar	45.3	27.3
	Skaftafell	47.6	22.8
	Hornafjörður	20.5	13.0
	Eyrarbakki	13.7	10.9
	Westmann-Islands	14.1	7.0
Interior	Landmannalaugar	23.4	7.6
	Þórsmörk	13.5	5.1
	Kjölur/Hveravellir	12.4	4.1
	Kárahnjúkar/Snæfell	5.7	3.9
	Sprengisandur	4.8	2.4
	Herðubreiðalindir/Askja	7.2	2.2

VISITOR RESPONSES

- Media coverage of Iceland as a travel destination is highly visible on the Internet, which is by far the most powerful information tool for foreign travellers.
- A greater number of guests book a guided tour during the winter then in summer.
- Winter guests are less likely to visit museums and shows than summer guests.
- Winter guests are more quality conscious than summer guests.
- Winter guests generally award the tourist services a similar or even better grade than summer guests.
- In the opinion of travellers, much has been done well in regards of infrastructure and services, although there is always room for improvement.
- Winter guests felt, as did summer guests, that Iceland's strength as a tourist destination lies mainly in its nature and in its inhabitants and their hospitality.
- In the majority of cases, the trip to Iceland met expectations and many travellers plan to return.

IMPROVEMENTS THAT CAN BE MADE – A FEW POINTS

REYKJAVÍK
More events and things to see
More live music and theatrical shows
More museums, e.g. geological museum
Event calendar
Better maps and signs that point to museums, galleries and bars
Repair buildings in town centre, clean up graffiti
Public transport
Longer opening hours
TOURIST SERVICES IN GENERAL
Service orientation and hospitality
Professionalism
Accommodation quality
Tour pricing
Back-up plans if the weather fails
Introduction to Icelandic cuisine
Hotel architecture – some clash with their environment
Offer recreational packages
Better guidance and information provision on tours
MISCELLANEOUS
Roads and public transport around Iceland
Avoid mass tourism / limit access
Provide better info. on where to find the main tourist attractions
Provide more information on Icelandic culture and history
Safety at tourism locations
Change Iceland's image as an expensive destination
State prices in foreign currencies
Weather forecast and signs in English
Public lavatories
Make it easier to exchange foreign currency into Icelandic krónur
Hiking trails
Advertise the country more

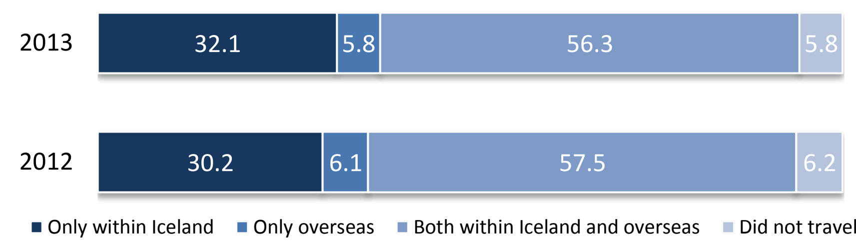
TRAVELS OF ICELANDERS 2013/2012

The Icelandic Tourist Board has carried out surveys among Icelanders as regards their travels in Iceland for a number of years. An Internet survey on the travels of Icelanders in 2013 carried out in January 2014 was based on a 1700-person sample. The response proportion was 61.3%. The results were processed according to several demographic categories: gender, age, residence, education, employment, income and length of stay.

GENDER	2012	2013
Female	49.4%	47.9%
Male	50.6%	52.1%
AGE		
18-39 years	44.3%	47.5%
40-59 years	36.4%	35.0%
60-80 years	19.3%	17.5%
RESIDENCY		
Capital area	59.1%	62.5%
Communities near the capital area	13.9%	13.8%
Rest of Iceland	27.0%	23.7%
HOUSEHOLD INCOME (ISK)		
Under 250,000	16.3%	15.4%
250,000-399,000	22.1%	16.9%
400,000-599,000	22.6%	21.9%
600,000-799,000	17.8%	19.2%
800,000 and higher	21.2%	26.6%
JOB		
Managers and experts	31.0%	30.1%
Technicians and office workers	17.5%	13.1%
Waiters and shop assistants	10.1%	12.5%
Tradesmen & industrial specialists	8.1%	7.0%
Machinists/workers/seamen/farmers	7.9%	9.3%
Students	13.8%	16.9%
Not employed outside the home	11.7%	11.1%

TRIPS UNDERTAKEN IN ICELAND OR OVERSEAS 2013 (%)

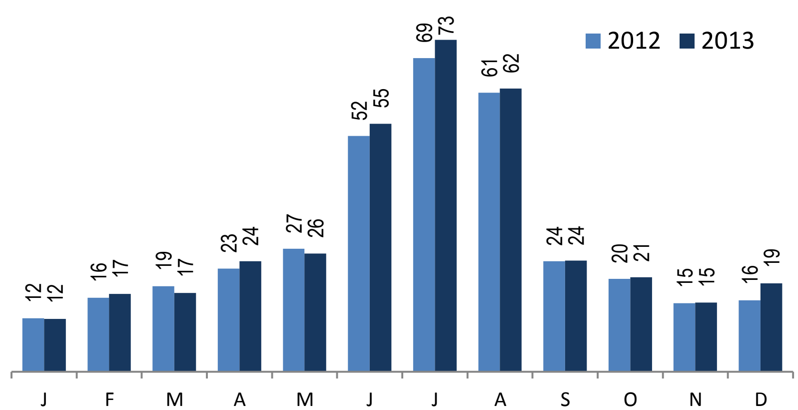
Nearly nine of ten Icelanders travelled in Iceland in 2013, a similar proportion as the year before. A similar number also travelled overseas in 2013 as in 2012, or approximately 60%.



- DOMESTIC TRAVELS -

MONTH IN WHICH TRIPS[1] WERE UNDERTAKEN IN ICELAND (%)

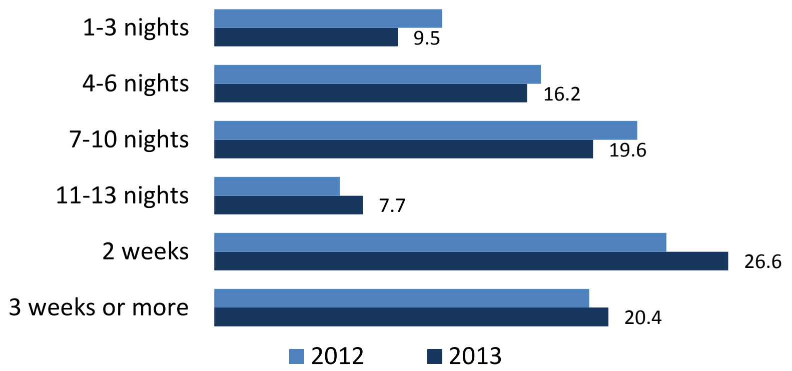
As before, July was by far the most popular month for travelling. June and August followed closely in popularity. Fewer travelled at other times.



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

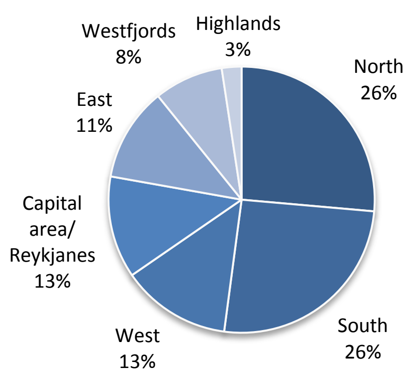
NUMBER OF OVERNIGHT STAYS IN ICELAND (%)

The average length of stay in domestic travels in 2013 was 15,4 nights, similar to that in 2012. Around a quarter stayed less than a week, approximately a quarter one to two weeks, around a quarter two weeks and one fifth three weeks or longer.



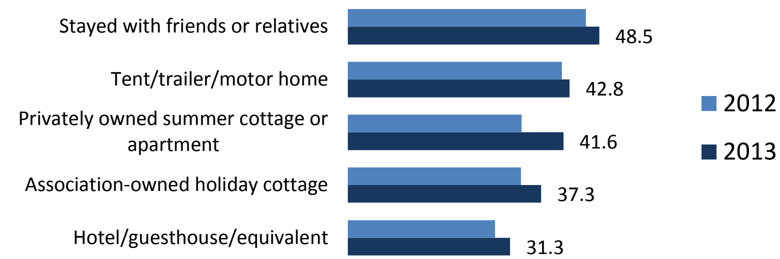
OVERNIGHT STAYS BY REGION (%)

Information on length of stay by region indicates that around half of the guest nights were spent in south and north Iceland. The results are similar to those seen in 2012.



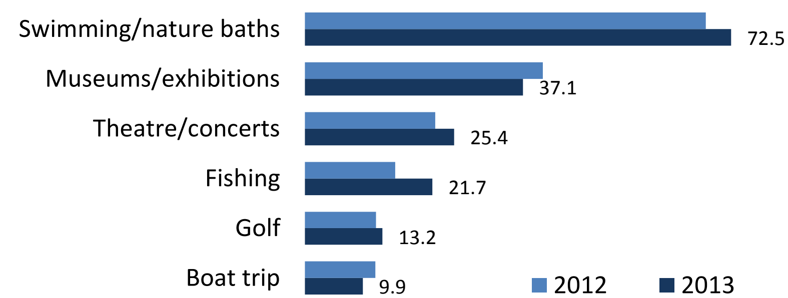
ACCOMMODATION OPTIONS USED DURING TRAVEL (%)

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

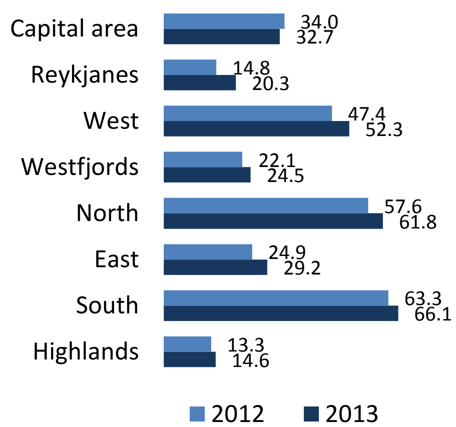


RECREATIONAL ACTIVITIES PAID FOR DURING TRAVEL (%)

Swimming and bathing in hot springs, visiting museums or exhibitions and concert or theatre tickets and angling were the recreational options that most Icelanders paid for in domestic travel in 2013. Other recreational options, such as golf, boat trips, wellness programmes, sailing, horse riding and various sightseeing tours were userd to a lesser extent.



REGIONS AND PLACES VISITED BY ICELANDERS (%)



MOST VISITED DESTINATIONS

Of the 54 locations specifically mentioned in the survey carried out by the Tourist Board, the following were most visited in 2013:

1.	Akureyri	49.6%
2.	Borgarnes	33.9%
3.	Þingvellir/Geysir/Gullfoss	30.1%
4.	Skagafjörður	22.5%
5.	Egilsstaðir/Hallormsstaður	21.6%
6.	Mývatn	21.3%
7.	Hvalfjörður	20.0%
8.	Vík	19.1%
9.	Húsavík	17.6%
10.	Kirkjubæjarklaustur	17.3%

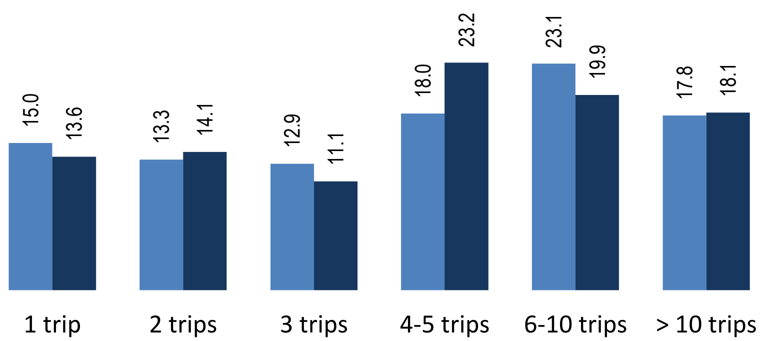
	2012	2013
Reykjanes	**14.8%**	**20.3%**
Reykjanesbær	10.1	13.9
Grindavík	6.6	9.1
Krísuvík	4.1	5.9
The Blue Lagoon	3.5	5.7
Sandgerði	3.3	5.6
Reykjanes lighthouse & surr.	4.3	5.0
West	**47.4%**	**52.3%**
Borgarnes	27.5	33.9
Hvalfjörður	12.6	20.0
Akranes	12.4	16.3
Húsafell/Reykholt	11.7	15.3
Stykkishólmur	13.9	13.0
Dalir	11.6	11.4
Snæfellsnes National Park	10.3	10.7
Westfjords	**22.1%**	**24.5%**
Ísafjörður	13.6	13.4
Hólmavík/Strandir	9.5	10.6
Patreksfjörður	5.6	8.3
Látrabjarg	2.8	4.4
Hrafnseyri	2.5	3.5
Djúpavík	2.4	3.3
Hornstrandir	2.6	2.9
Flatey/Breiðafjörður	1.8	1.7
North	**57.6%**	**61.8%**
Akureyri	43.1	49.6
Skagafjörður	20.3	22.5
Mývatn	18.2	21.3
Húsavík	14.8	17.6
Siglufjörður	18.0	16.8
Ásbyrgi	8.8	11.0
Dettifoss	7.8	9.9
Hvammstangi	9.2	8.8
Þórshöfn	3.2	4.5

	2012	2013
East	**24.9%**	**29.2%**
Egilsstaðir/Hallormsstaður	17.7	21.6
Djúpivogur	7.5	11.0
Seyðisfjörður	7.5	9.9
Eskifjörður	7.5	9.7
Stöðvarfjörður	5.3	6.8
Borgarfjörður eystri	4.8	5.3
Vopnafjörður	4.3	4.5
South	**63.3%**	**66.1%**
Þingvellir/Geysir/Gullfoss	26.7	30.1
Vík	15.1	19.1
Kirkjubæjarklaustur	13.7	17.3
Jökulsárlón-Glacier lagoon	11.3	16.3
Skógar	11.6	15.1
Hornafjörður	10.2	14.3
Eyrarbakki	13.3	13.8
Westmann-Islands	14.3	12.2
Skaftafell	7.8	11.4
Þórsmörk	6.5	7.5
Highlands	**13.3%**	**14.6%**
Landmannalaugar	5.0	4.9
Kjölur (incl. Hveravellir)	4.3	4.1
Sprengisandur	2.9	3.2
Kárahnjúkar	0.8	2.2
Herðubreiðalindir/Askja	1.6	1.5
Kverkfjöll	0.8	0.9
Lakagígar	0.9	0.2

- DOMESTIC DAY TRIPS -

Approximately 62% went on day-trips[1] in 2013, whereof just over a fourth went on one to two trips, a third went on three to five trips and just less than two fifths went on six or more trips.

NUMBER OF TRIPS TAKEN



DAY TRIPS IN 2013

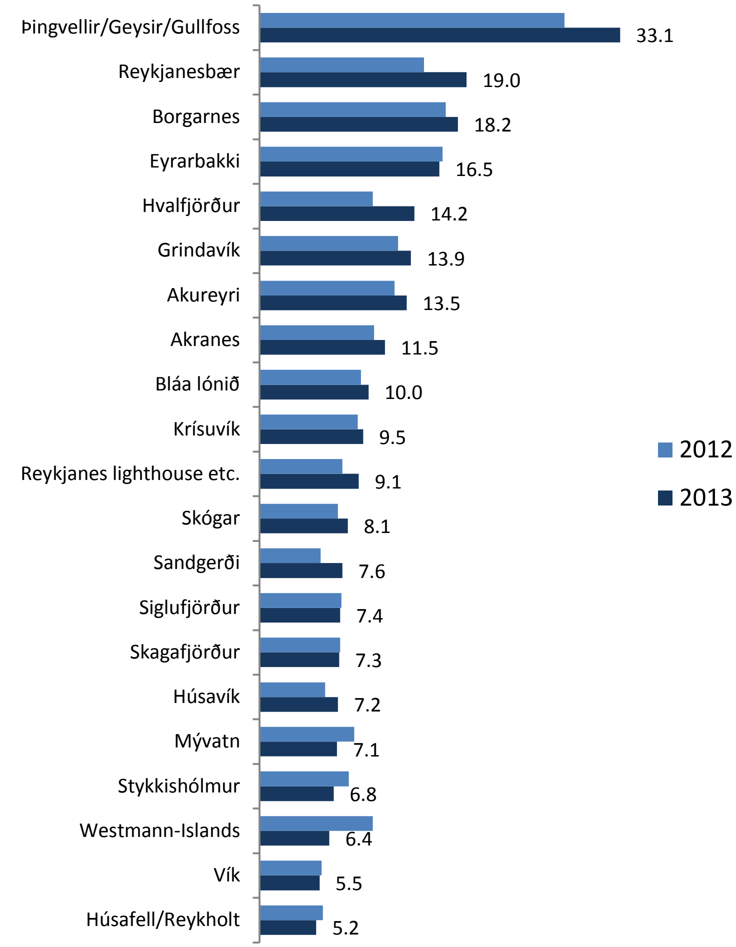
Eight trips were commonly taken, the majority in south Iceland

	Took a day trip	Average no. of day trips
Capital area	23.3%	6,9
West	35.4%	2,7
Westfjords	5.6%	3,1
North	24.8%	5,0
East	10.6%	6,4
South	60.4%	4,0
Reykjanes	27.1%	3,3
Interior	6.1%	3,4

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

LOCATIONS VISITED ON DAY TRIPS IN 2013 (%)

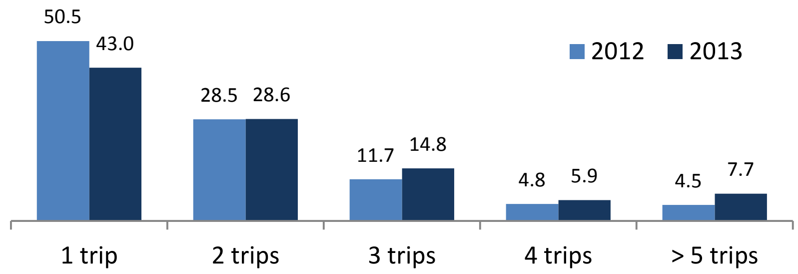
Of the 54 locations asked about in various part of Iceland, the following were most often visited.



- OVERSEAS TRIPS -

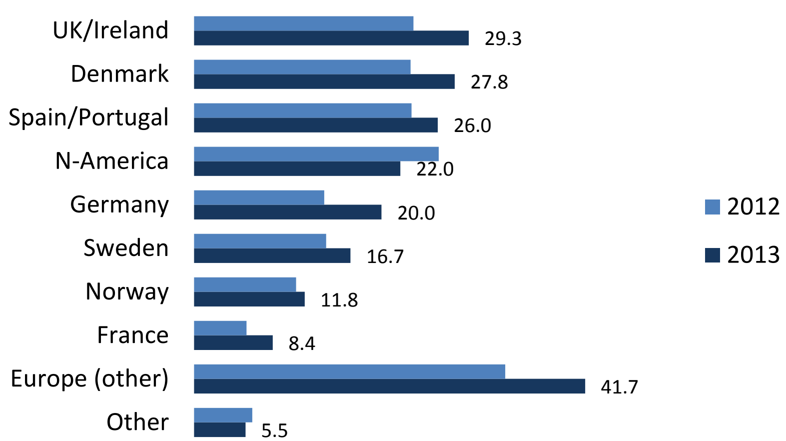
OVERSEAS TRIPS TAKEN IN 2013 (%)

Approximately 62% of respondents went on overseas trips in 2013, commonly going on 2.4 trips, slightly more than the previous year, when the average was two trips. Most, or 43%, went on one trip, around 29% took two trips and 28% took three or more trips.



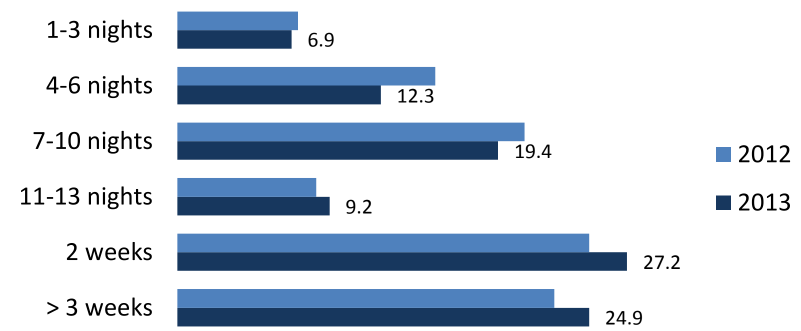
COUNTRIES VISITED IN 2013 (%)

Travels of Icelanders were largely limited to Scandinavia, the UK, Spain, Portugal and N-America.



NUMBER OF GUEST NIGHTS OVERSEAS IN 2013 (%)

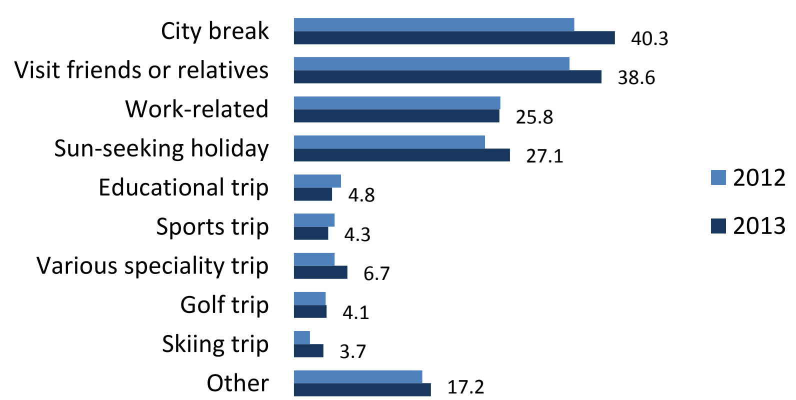
The average length of stay during travel overseas was 17.8 nights in 2013, slightly longer than in 2012, when the length of stay was commonly 15.9 nights.



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

TYPE OF OVERSEAS TRAVEL UNDERTAKEN (%)

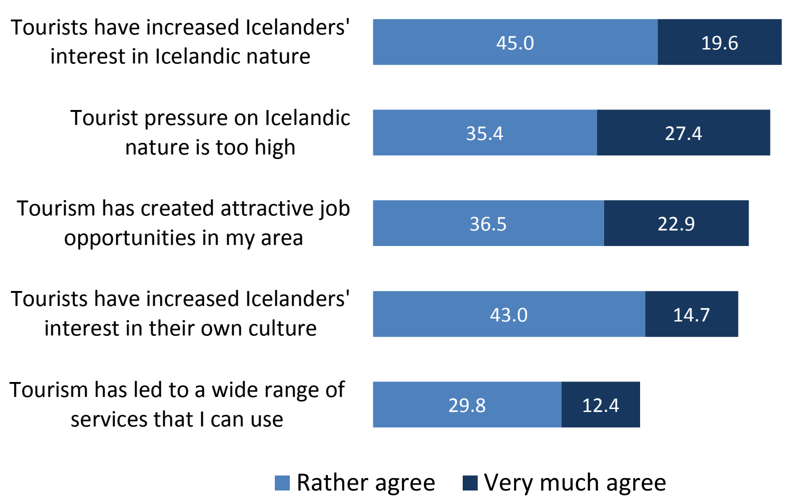
The majority went on a city or town break overseas, a visit to friends or relatives, a work-related trip and sun-seeking holidays.



EFFECTS OF TOURISM AND FOREIGN TRAVELLERS

Most (64.6%) are of the opinion that foreign travellers have increased Icelanders' interest in Icelandic nature and are moreover of the opinion (62.8%) that tourist pressure on Icelandic nature is excessive. In the opinion of 59.4%, tourism has led to the creation of attractive job opportunities in their area, and 57.7% believe that tourists have increased Icelanders' interest in their own culture. Around 42% believed that tourism has resulted in wider range of services that they were able to take advantage of.

ASSESSMENT OF THE EFFECTS OF TOURISM -those (%) who agreed with the statements



Survey among Icelanders may be found [on ITB website.]

- ICELANDERS' TRAVEL PLANS -

TYPE OF TRIPS PLANNED FOR 2014 (%)

Around 90% of Icelanders said they have plans for travel in 2014. Of these, 59% say they intend to spend time in a summer cottage in Iceland, 54% intend to visit friends or family, 40% intend to take a city break overseas, 33% intend to travel in Iceland with a group of friends or with a club, 29% intend to take a city or town break in Iceland and 26% on sun-seeking holidays, 25% plan an outdoors recreation trip of some form in Iceland while 25% are simply going to look for the best weather.