

Summary:

Norwegian domestic holiday and expenditure survey summer 2008

The Norwegian holiday and expenditure survey included a nationwide representative sample of domestic holiday trips in Norway. The survey was conducted on the Internet, and based on 4,000 respondents recruited from across the country. An average Norwegian domestic summer holiday trip lasted a week (7.1 nights) during the summer of 2008. The average number of persons in the travel party was 3.6. Total consumption was about NOK 3,100 per holiday guest per trip, i.e. about NOK 430 per guest night. There are significant geographical variations in expenditures and in their distribution on types of goods and services. There are also variations by type of accommodation, mode and purpose of travel, length of stay, type of site visited, number of sites visited, and by the socio-economic composition of the travel party.

This study focuses on the expenditures of domestic holiday tourists in Norway during the summer of 2008. The study includes consumer expenditure aspects related to main forms of accommodation, mode and purpose of travel, and travel destination characteristics. A key objective has been to provide new expenditure figures for development of regional tourism satellite accounts (RTSA). This survey is a part of the TOURIMPACT research project, which is funded by the Research Council of Norway through the Tourism Policy Program. This is the first interim report from the project.

The data collection was carried out in August 2008 as an Internet based survey provided by the Norstat bureau of market analysis. The sample was drawn the population of individuals who had made a holiday with at least one night's stay in Norway between 1st July and 10th August. The nationwide survey included 4,000 households, representing 11,500 holiday travellers.

The survey reveals that an average Norwegian domestic summer vacation trip lasts about a week (7.1 nights). Overall per person expenditure corresponded to NOK 3,100 per Norwegian holiday guest per trip in Norway in the summer of 2008, which amounted to just over NOK 430 per guest night. Travel parties using public transport had an expenditure of NOK 4,160 per person for the entire trip, while travel parties with private means of transport spent approx. NOK 2,700 on the trip per member of the travel party.

The holiday expenditures are influenced by a number of factors related to characteristics of both the trip itself and the holiday travellers.

Table A: Expenditures by main purpose of travel. NOK per guest night.

| Main purpose of the trip | Average expenditure | Number of nights on the trip | N | Percentage of sample |
|------------------------------|---------------------|------------------------------|------|----------------------|
| Visiting with family/friends | 347 | 8.0 | 1320 | 33.0 |
| To the cottage/second home | 282 | 8.3 | 951 | 23.8 |
| Shopping/purchasing trip | 744 | 5.3 | 138 | 3.5 |
| Organized group travel | 612 | 7.3 | 79 | 2.0 |
| Activity/attraction/event | 647 | 5.3 | 808 | 20.2 |
| Other purposes | 629 | 6.4 | 704 | 17.6 |
| Total | 433 | 7.1 | 4000 | 100.0 |

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The trips that show the lowest cost are usually second home visits or visiting friends and family; while shopping trips, activity-based holidays, or organized group travels tend to imply higher expenditures, as shown in Table A.

In general, it appears that visits to one of the major cities usually means that expenditure per guest nights is larger than by visits to smaller towns or rural areas (Table B). Expenditures per person per nights are twice as high in major cities as in rural areas.

Table B: Expenditure by type of destination. NOK per guest night and per cent of sample.

| Type of destination | Average expenditure | Number of nights on trip | N | Percentage of sample |
|---|---------------------|--------------------------|------|----------------------|
| Major city (Oslo, Bergen, Trondheim, Stavanger / Sandnes) | 626 | 6.6 | 828 | 20.7 |
| Medium city | 484 | 7.1 | 648 | 16.2 |
| Small town / village | 427 | 7.5 | 1025 | 25.6 |
| Sparsely populated areas | 310 | 8.6 | 846 | 21.2 |
| Mountains / forests / wilderness | 358 | 5.7 | 653 | 16.3 |
| Total | 433 | 7.1 | 4000 | 100.0 |

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The survey also reveals that round trips compared to single destination visits usually result in higher travel costs. Naturally, the length of stay has an effect on daily expenditure. Shorter trips often entail larger expenditure per guest night, while longer trips generally entail larger expenditure per person per trip as a whole.

The use of commercial accommodation (hotels, guest houses, hostels etc) also generally means a higher expenditure, compared to for example private accommodation with friends or family or in owned or borrowed holiday home (Table C).

Table C: Expenditures by main type of accommodation. NOK per guest night, and per person.

| The main type accommodation | NOK per guest night | NOK per person | Number of nights on trip | N | Percentage of sample |
|---|---------------------|----------------|--------------------------|-------------|----------------------|
| Hotels, guest houses, hostels, tourist cabins | 782 | 4244 | 5.4 | 1028 | 26.2 |
| At camping sites | 426 | 2897 | 6.8 | 380 | 9.7 |
| Outside camping sites | 414 | 2610 | 6.3 | 128 | 3.3 |
| Cabin/second home | 280 | 2238 | 8.0 | 882 | 22.4 |
| With friends and family | 333 | 2655 | 8.0 | 1283 | 32.6 |
| Other accommodation | 472 | 3522 | 7.5 | 230 | 5.9 |
| Total | 431 | 3056 | 7.1 | 3931 | 100.0 |

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Public transport (including e.g. aircraft, train, bus or boats) is also associated with higher costs per person than the private/individual transport mode such as a car or mobile home (Table D). Lower costs per person per kilometre and shorter travel distance than by for instance airplane may explain some of the differences in spending per guest night in terms of transport cost.

Table D: Expenditures by main mode of transport. NOK per guest night and per person.

| The main type of transport | NOK per guest night | NOK per person | Number of nights on trip | N | Percentage of sample |
|-----------------------------|---------------------|----------------|--------------------------|-------------|----------------------|
| Individual transport | | | | | |
| Car, van etc. | 385 | 2667 | 6.9 | 2637 | 65.9 |
| Caravan | 397 | 3942 | 9.9 | 56 | 1.4 |
| Car w/camper | 341 | 3446 | 10.1 | 100 | 2.5 |
| Motorcycle, moped | 840 | 4233 | 5.0 | 26 | 0.7 |
| Bicycle | 513 | 1806 | 3.5 | 17 | 0.4 |
| Collective transport | | | | | |
| Airplane | 611 | 5062 | 8.3 | 661 | 16.5 |
| Bus | 510 | 2624 | 5.1 | 115 | 2.9 |
| Train | 475 | 2538 | 5.3 | 199 | 5.0 |
| Boat, ferry, coastal/cruise | 474 | 3464 | 7.3 | 163 | 4.1 |
| Other transportation | 599 | 4440 | 7.4 | 26 | 0.7 |
| Total | 433 | 3092 | 7.1 | 4000 | 100.0 |

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* When more than one transport mode, all expenditures of the travel unit has been allocated to the main mode.

Other results show that there are small variations only in expenditures by age, gender, and household gross income. There are, however, significant variations by household composition and type and size of travel party. Single travellers and travel parties without children reported expenditures of NOK 542 and NOK 510 per person per night, respectively, while families with 1-2 children reported NOK 410 and families with 3-4 children NOK 337.

Table E provides an overview of expenditure per guest night and per person by main commodity groups. Accommodation cost is the biggest expenditure item, with just over NOK 100 per day per person and NOK 720 for the entire trip per person, closely followed by transportation cost (NOK 100 / NOK 700). Catering services also constitute a major expenditure for Norwegian holiday makers, with just over NOK 80 per person per day, and nearly NOK 600 for the entire holiday trip.

The three main commodity categories make up about 65 percent of all travel costs in terms of expenditure per person.

Table E: Expenditures by expense category. NOK per guest night, NOK per person, and shares of expenditures (per cent).

| Expenditure category | NOK per guest night | Per cent | NOK per person | Per cent |
|----------------------|---------------------|--------------|----------------|--------------|
| Accommodation | 101 | 23.2 | 719 | 23.2 |
| Food and beverage | 82 | 19.0 | 589 | 19.0 |
| Transport | 97 | 22.5 | 697 | 22.5 |
| Groceries | 55 | 12.7 | 394 | 12.7 |
| Other shopping | 60 | 13.8 | 427 | 13.8 |
| Activities | 23 | 5.4 | 167 | 5.4 |
| Other expenses | 14 | 3.2 | 100 | 3.2 |
| Total | 433 | 100.0 | 3092 | 100.0 |

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The expenditure of the holiday varies considerably depending on type of destination (degree of urbanisation) (table F). Expenditures by guest night is twice as high in major cities than in sparsely populated areas. This is mainly due to purpose of trip and type of accommodation, particularly to the fact that visits to rural areas are often second home trips while city trips frequently imply hotel accommodation, catering services and more expensive transport.

Table F: Expenditure by type of destination and commodity category. NOK per guest night.

| Expenditure category / region | Major city | Medium city | Small town / village | Sparsely populated areas | Mountains / forests / wilderness | Total |
|-------------------------------|------------|-------------|----------------------|--------------------------|----------------------------------|------------|
| Accommodation | 165 | 118 | 100 | 56 | 78 | 101 |
| Food and beverage | 134 | 103 | 82 | 51 | 52 | 82 |
| Transport | 146 | 104 | 99 | 73 | 69 | 97 |
| Groceries | 38 | 48 | 57 | 58 | 74 | 55 |
| Other shopping | 83 | 64 | 53 | 48 | 59 | 60 |
| Activities | 37 | 31 | 24 | 13 | 15 | 23 |
| Other expenses | 22 | 16 | 12 | 10 | 10 | 14 |
| Total | 626 | 484 | 427 | 310 | 358 | 433 |

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The report also presents figures for expenses by guest night and total expenses per person for the 19 counties of Norway. The results show that there are considerable geographical differences in expenditures, and in the distribution on the main commodity categories. This is mainly due to two factors. One is that the level of expenses and the composition of commodities purchased reflect the tourism characteristics of each county as regards degree of urbanisation, purpose of trip and the supply of commercial versus private accommodation. The other is that transport expenses increase the costs of visiting remote counties like those in the northern part of Norway.