



Tourism in Åland

– Facts & Figures



Government of Åland
Department of Trade and Industry



Åland in brief

Åland is an autonomous, demilitarised region of Finland and a part of the EU.

Legislature	The Parliament of Åland (Ålands lagting)
Government	The Government of Åland (Ålands landskapsregering)
Geography	6,500 islands, land area 1,527 km ² , total area 13,347 km ²
Population	26,300; in the town of Mariehamn 10,600
Language	Swedish
Currency	Euro
Other	Own flag, own stamps

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How important is tourism for Åland?

In 2003 Statistics and Research Åland (ÅSUB) conducted a major survey of **the economic significance of tourism in Åland** on behalf of the Åland Government and the Åland Tourist Board. This brochure summarises some of the findings of that survey. It also draws on figures from **annual accommodation statistics in Åland** as well as **the events survey** produced by ÅSUB on behalf of the Town of Mariehamn. The accommodation figures have been provided by local businesses while the two surveys are primarily based on interviews with visitors to Åland.

MEASURING THE EFFECTS

Tourism's significance for a society is hard to assess, as tourism is not a separate, uniform industry. In the Åland Islands many businesses derive only a part of their income from tourism. What is clear, however, is that tourism has an impact on most industries in Åland. Tourism is a defining feature of Åland's economy and is, in turn, heavily reliant on the ferries which link Åland to Sweden and Finland. In 2003 tourism, including the shipping sector, accounted for about 35 per cent of Åland's GDP. Land-based tourist activities' share of GDP in the same year was 3.5 per cent.

ONE MILLION GUEST NIGHTS

According to the annual accommodation statistics the number of guest nights in Åland in 2003 was about 625,000. The figure includes guest nights at hotels, guest houses, camp sites, marinas and holiday villages with more than 4 cottages. The number of guest nights in holiday villages with less than 5 cottages is estimated at 373,000, which means that the total number of guest nights spent in paid accommodation was almost 1 million.

MANY VISITS TO HOLIDAY HOMES, RELATIVES AND FRIENDS

Åland has a large number of visitors who own holiday homes in the Åland Islands or stay with relatives and friends. The number of nights spent in Åland by this category of visitor in 2003 is estimated at just over 800,000. This brings the total number of visitor nights to about 1,800,000.

LAND-BASED TOURISM BROADENS ECONOMIC BASE

Land-based tourism helps to broaden and differentiate Åland's economic base. Tourism, which is often a sideline business, employs 5.5 per cent of Åland's labour force.

TOURISM GDP AT BASE PRICES (2003 prices)

	2001	2002 *	2003 *
LAND-BASED TOURISM			
Contribution to regional GDP, EUR million	24,7	30,0	29,3
Share of regional GDP	3.0 %	3.7 %	3.5 %
TOURISM, TOTAL			
Contribution to regional GDP, EUR million	297,7	285,2	291,5
Share of regional GDP	35.9 %	35.4 %	34.8 %

* Estimate.

Conditions and prospects

THE TOURIST SEASON

Land-based tourism in Åland is concentrated to the summer months of June, July and August. The brief peak season accounts for 75 per cent of all guest nights. This means that for many local businesses tourism is a sideline that is unable to provide sufficient income all year round. The Åland Government has therefore initiated a number of support schemes and other measures aimed at prolonging the season.

COMMUNICATIONS

Because of Åland's insular location in the Baltic Sea local land-based tourist businesses are dependent on good communications with neighbouring regions. A number of privately owned shipping companies offer services between Åland and its principal markets; Sweden and mainland Finland. The regional authority also provide a ferry service connecting the main island of Åland with the eastern archipelago and mainland Finland.

There are air connections to Stockholm, Turku and Helsinki which are used primarily by business travellers.

DUTY FREE – A DEROGATION TO SAFEGUARD ÅLAND'S COMMUNICATIONS

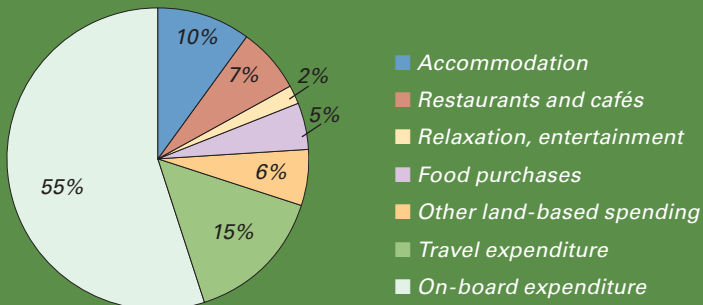
Under a special EU fiscal derogation air and ferry operators are allowed to continue to provide duty free sales on services to and from the Åland Islands. This has enabled the ferries to keep ticket prices at relatively low level and offer frequent services both in high and low season.

PASSENGER FERRIES DOMINATE STATISTICS

A considerable proportion of the ferries serving the Åland Islands are cruise ships or ferries with a large entertainment offering. Cruise passengers spend the night on board the ship and their expenditure in Åland is negligible. However, as they are included in the figure for the total number of arrivals, it is necessary to distinguish between total tourist revenues, most of which come from the ferry business, and revenues from land-based tourist activities.

TOTAL TOURIST SPENDING IN 2003: EUR 235.6 MILLION

The following chart shows the breakdown of tourist spending in Åland. The figures also include spending on board Ålandic ferries.



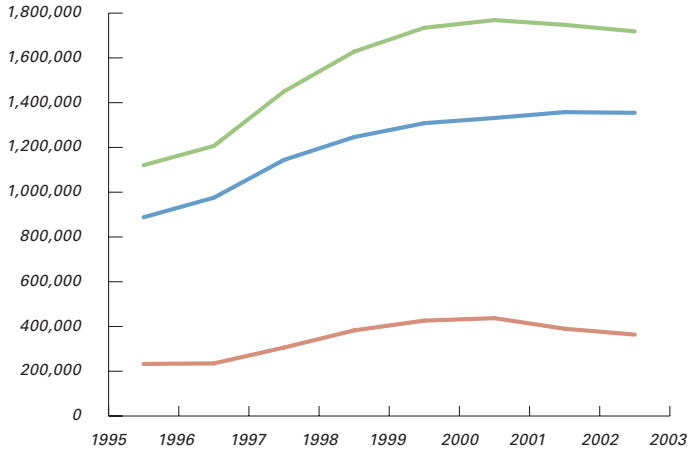
Unless otherwise specified, all figures in this brochure refer to 2003.

Volume growth in tourism

The total number of arrivals (excluding local residents) in 2003 was 1.56 million.

- Total no. arrivals
- Sweden
- Finland

Number of arrivals, including local population



TOTAL NO. ARRIVALS

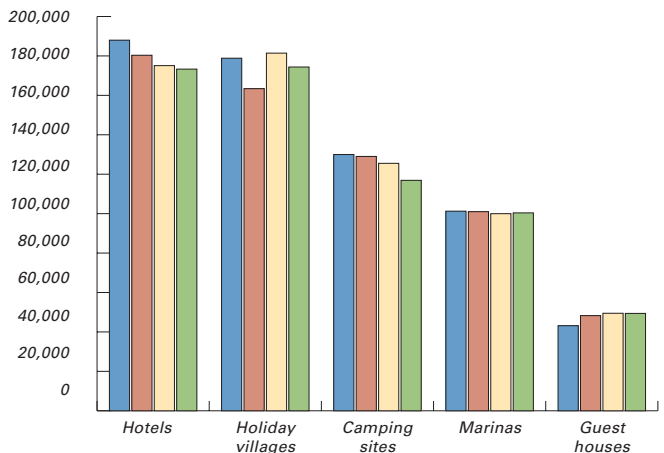
1995	1996	1997	1998	1999	2000	2001	2002	2003
1,120,697	1,206,500	1,450,000	1,628,000	1,734,578	1,768,821	1,747,576	1,718,404	1,769,955

Tourism is defined as the “activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes”.

World Tourism Organization

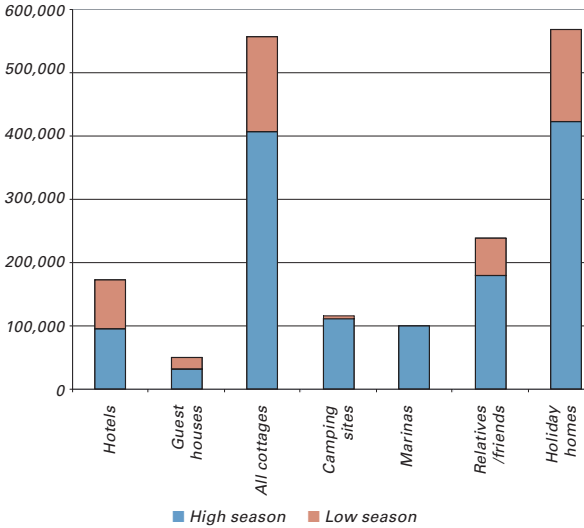
- 2000
- 2001
- 2002
- 2003

Number of guest nights



Visitor nights in high and low season

No. visitor nights



Åland has 60 holiday villages with more than 4 cottages, 18 hotels, 18 guest houses and pensions, 15 camp sites and 20 marinas.

Figures refer to 2003.

The Åland Government's overall objectives for tourism is to ensure that Åland remains an attractive tourist destination and to promote the long-term sustainability of the industry while ensuring that it benefits all parts of the islands.

Accommodation statistics

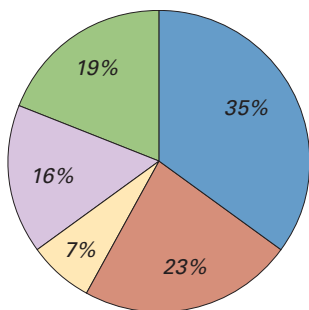
	HOTELS	GUEST HOUSES	HOLIDAY VILLAGES	CAMPING SITES	TOTAL
FINLAND					
No. people	49,633	13,399	19,650	21,923	104,605
Visitor nights	77,466	23,625	66,270	36,897	204,258
Average stay, no. days	1.6	1.8	3.4	1.7	2.0
SWEDEN					
No. people	52,763	14,015	28,625	22,553	117,956
Visitor nights	83,834	23,590	99,735	63,873	271,032
Average stay, no. days	1.6	1.7	3.5	2.8	2.3
OTHER					
No. people	6,315	1,292	3,169	7,119	17,895
Visitor nights	12,016	2,424	19,266	16,128	49,834
Average stay, no. days	1.9	1.9	6.1	2.3	2.8
TOTAL					
No. people	108,711	28,706	51,444	51,595	240,456
Visitor nights	173,316	49,639	185,271	116,898	525,124
Average stay, total	1.6	1.7	3.6	2.3	2.2

(Figures provided by the industry 2003)

Tourism and the regional economy

Land-based tourist revenues were EUR 68.7 million. The breakdown was as follows.

(2003)



* For 1995 Services is included in Other expenditure.

Tourist spending by expense item

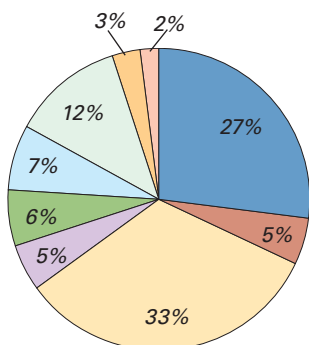
EUR '000, adjusted for inflation.

	2003	1997	1995
Accommodation	23,812	19,487	14,074
Restaurants and cafés	16,002	15,100	8,194
Food purchases	10,835	12,786	9,407
Relaxation, entertainment, culture	4,697	3,472	1,680
Shopping	6,185	6,589	3,472
Petrol	2,476	2,147	1,400
Local transport	1,705	467	429
Souvenirs	1,016	1,568	1,139
Services	856	1,325	*
Wine, beer and spirits	548	131	355
Other expenditure	561	411	560
Total land-based spending	68,695	63,481	40,709

Tourist spending by form of accommodation

EUR '000, adjusted for inflation.

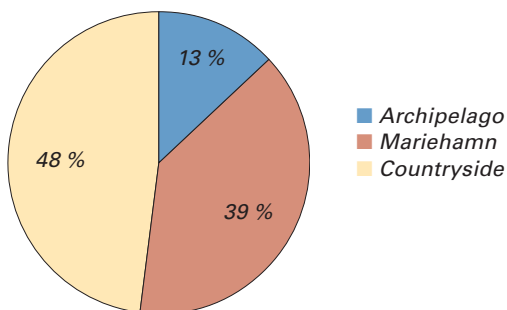
Tourist spending by form of accommodation.



Tourist category	2003	1997	1995
Renting a cottage	23,214	20,663	14,615
Hotel guests	18,630	15,604	10,322
Holiday homes	7,926	9,911	3,733
Visiting relatives & friends	4,878	3,322	2,035
Staying in a marina	4,058	3,229	2,762
Campers	3,248	3,266	2,277
Staying in a guest house	3,144	3,080	1,512
Cruise passengers	1,900	896	1,736
Day-trippers	1,698	3,509	1,717
Total land-based spending	68,695	63,481	40,709

Tourist spending by region

In the town of Mariehamn and the countryside on the main island annual tourist revenues are EUR 2,500 per capita. In the archipelago, i.e. the islands to the east of the main island, annual tourist revenues are about EUR 3,900 per capita. The following chart shows the breakdown of tourist revenues by area.



Average expenditure by country of origin (EUR)

Refers to overnight tourists only.

Country of origin	Daily expenditure/person	Average stay	Total expenditure during stay
Finland	42	5.6	234
Sweden	29	6.9	199
Other	46	6.9	316
Average tourist	35	6.3	223

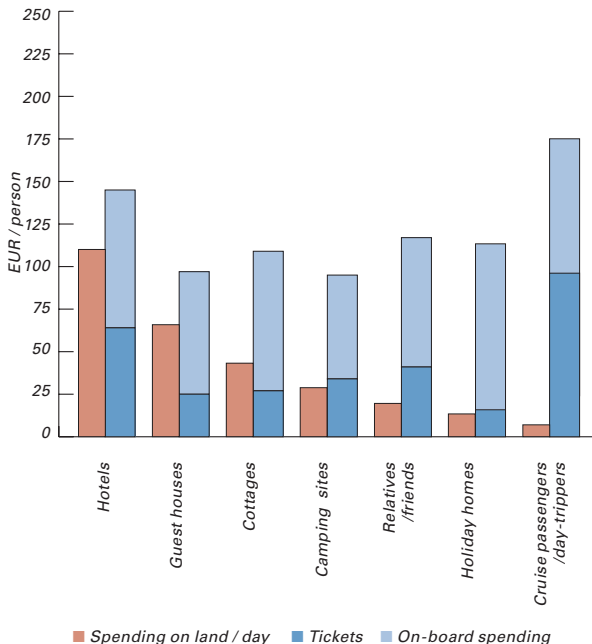




Average expenditure by form of accommodation (EUR)

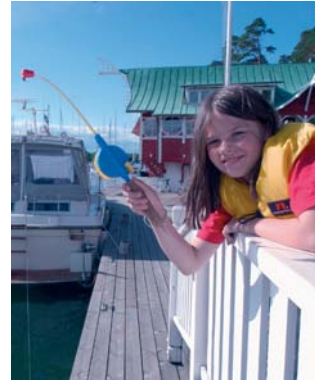
Form of accommodation	Daily expenditure/ person	Average stay	Expenditure/ person during stay
Hotel guests	107	2.0	210
Staying in a guest house	64	2.3	144
Renting a cottage	42	5.5	231
Staying in a marina	37	6.1	222
Campers	28	4.2	117
Visiting relatives & friends	19	4.6	87
Holiday homes	13	9.6	128
Cruise passengers	3	1.0	3
Day-trippers	4	1.0	4

Spending during trip and on land

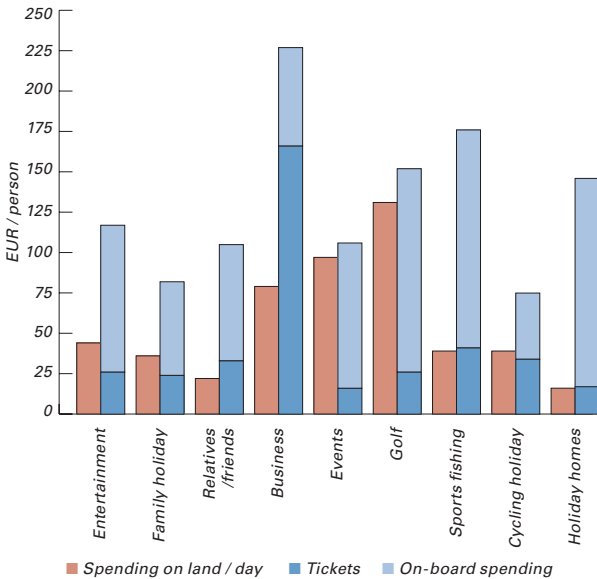


Average expenditure by purpose of trip (EUR)

Purpose of trip	Daily expenditure/ person	Average stay	Expenditure/ person during stay
Golf	131	2.3	301
Events	97	1.8	177
Business	79	3.2	252
Relaxation	44	4.1	181
Sports fishing	39	4.2	165
Cycling holiday	39	3.6	141
Family holiday	36	5.1	184
Boating	33	6.3	207
Visiting relatives & friends	22	4.1	88
Staying in own holiday home	16	8.5	134



Spending during trip and on land



Tourist revenues by industry

Industry	Land-based tourism's share of turnover, %	Revenues from land-based tourism, EUR '000	Tourism's share of turnover, %	Total tourist revenues, EUR '000
Agriculture, forestry & fishing	2.7	939	2.7	939
Energy & water, construction	1.6	2,449	1.6	2,499
Wholesale & commission trade, sale & repair of motor vehicles, etc.	1.1	3,114	1.1	3,114
Retail trade, repair of household products	11.3	19,992	11.3	19,992
Hotels and restaurants	64.4	20,720	64.4	20,720
Land transports	1.7	526	1.7	526
Sea transports	0.8	5,449	85.5	568,932
Supporting and auxiliary activities for transports; travel agencies	12.9	1,517	75.2	8,818
Post & telecommunications	4.2	1,612	4.2	1,612
Banking & financial services	0.9	1,034	0.9	1,034
Recreational, cultural & sporting activities	3.7	1,607	81.5	34,949
Other business services & other services	1.4	441	1.4	441
Total	3.1	59,400	34.8	663,526

The chart only includes industries where the businesses, according to the managers' own estimates, generate annual tourist revenues of at least EUR 15,000. Sales figures are taken from the annual accounts of the businesses and are exclusive of value-added tax.

Total tourist revenues have increased by 22 per cent since 1997.

Since the last major survey of tourism in the Åland Islands in 1997, revenues from land-based tourist activities have grown by approximately 4 per cent after adjusting for inflation. During the same period total tourist revenues from Ålandic businesses, i.e. land-based activities, activities outside Åland, the ferry business and Ålanders' own tourist purchases, have grown by almost 22 per cent. During the same period Åland's GDP grew by just over 10 per cent.

Direct employment effect of tourism by private-sector industry

Industry	Local residents employed in private sector*	No. employees, land-based tourism	No. employees, all tourism
Agriculture, forestry & fishing	759	28	28
Energy & water, construction	787	13	13
Wholesale & commission trade, sale & repair of motor vehicles, etc.	664	9	9
Retail trade, repair of household products	840	95	95
Hotels and restaurants	390	251	251
Land transports	318	5	5
Sea transports	1,339	11	1,145
Supporting and auxiliary activities for transports; travel agencies	66	9	50
Post & telecommunications	76	3	3
Banking & financial services	353	3	3
Recreational, cultural & sporting activities	123	5	101
Other business services & other services	437	6	6
Total employment	7,988	438	1,709
Share of employment	100 %	5.5 %	22.9 %

* The figures refer to the situation on 1 January 2001 and have not been adjusted to reflect the situation in 2003. The chart only includes industries that have tourist revenues.

Which workplaces are included in the chart?

Tourism is by nature a cross-border industry. The regional shipping industry includes several Swedish, Finnish and Ålandic operators that employ people from Åland, Sweden, Finland and other countries. In the chart above only Ålandic businesses and Ålandic employees have been included to ensure comparability with the chart of income effects on page 10. Employees in land-based industries show the direct effect of tourists who visit Åland.

Tourism provides employment in all parts of Åland and in most local industries.

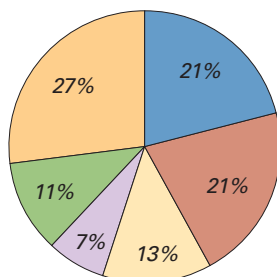
Land-based tourism creates employment in all parts of the Åland Islands and is also an important sideline business for many local farmers. Tourist revenues are of crucial importance for small businesses and people pursuing several lines of business. The ferries provide the majority of full-year jobs in the tourism sector. These maritime jobs are relatively well paid and their effect is noticeable in all parts of Åland. In almost every village there is at least one person who works on board the ferries.



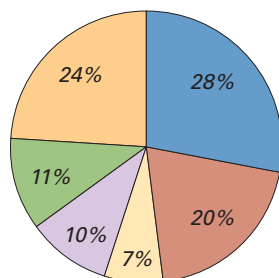
Events survey

Statistics and Research Åland (ÅSUB) has conducted an events survey in Åland during 2003 on behalf of the Town of Mariehamn. The purpose of the survey was to assess the significance of two selected events, one cultural and one in the field of sports, for the regional economy. The figures below show the breakdown of the two events' economic contribution by expense item.

Alandia Jazz



Alandia Cup



■ Accommodation ■ Food purchases
■ Restaurants ■ Other land-based spending
■ Entertainment ■ Travel to and from Åland

Alandia Jazz is an annual music festival that takes place in July. The event lasts several days and comprises a series of large and small concerts. The majority of visitors are aged 45-64. Alandia Cup is an annual five-day football tournament for 10-11-year-olds. Team leaders and family members also come along on the trip.

	Alandia Jazz	Alandia Cup
Visitors to Åland	550	3,750
Average stay	3.2 days	5.4 days
Daily expenditure/person	68 EUR	38 EUR
Average expenditure during stay	219 EUR / person	205 EUR / person
Land-based expenditure	120,200 EUR	776,610 EUR
Expenditure on Ålandic ferries	46,380 EUR	243,540 EUR
Tourist spending	approx. 165,000 EUR	approx. 1,020,000 EUR
Visitors' country of origin	Finland approx. 50 % Sverige approx. 40 %	Finland approx. 70 % Sverige approx. 25 %

PUBLISHER:



Government of Åland
Pb 10 60, AX-22111 Mariehamn
Tel. +358 18 25 000
www.ls.aland.fi

FACTS AND FIGURES:



Statistics and Research Åland
Pb 11 87, AX-22111 Mariehamn
Tel. +358 18 25 490
www.asub.aland.fi