

“Is there Life after Corona?”

Webinar 18 June 2020

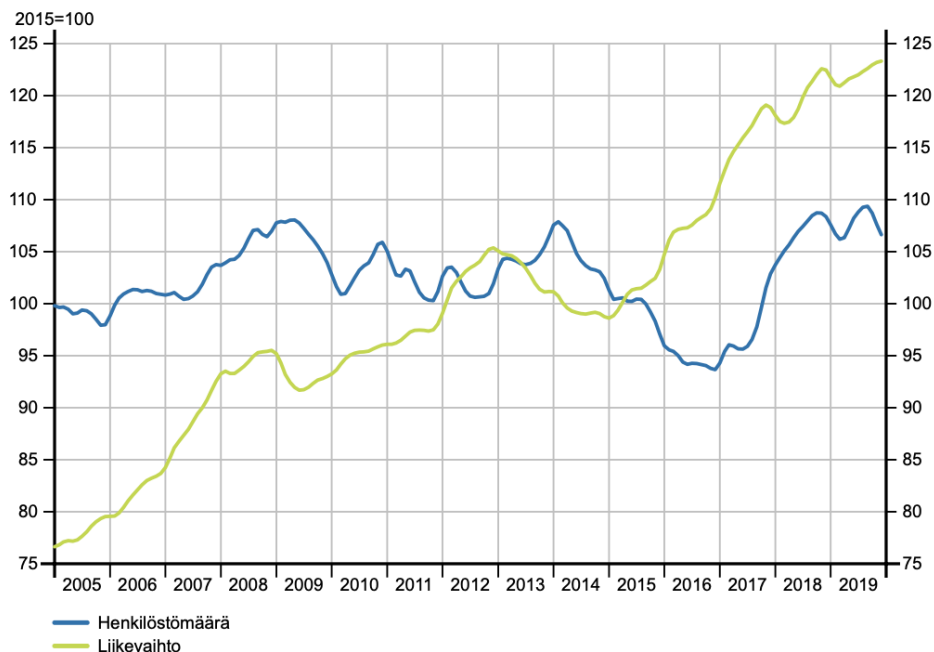
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KAINUU TOURISM SECTOR

The development of turnover and amount of employees
2005-2019

Trendivertailu Kainuun maakunnassa
Matkailuklusteri



Tilastokeskus / Asiakaskohtainen suhdannepalvelu

- Registered overnights in 2019 1.0 million, + 5% (compared to 2018)
- Accomodation sales 41,6 M Euroa + 61% (compared to 2018)

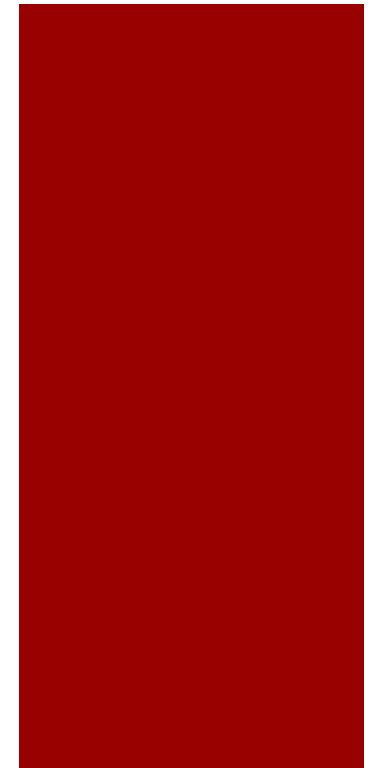


Effects of Corona crisis to tourism sector in Kainuu

The Corona crisis brought significant losses to almost 90% of tourism companies in Kainuu

Accommodation sales in April fell by almost three million Euros.

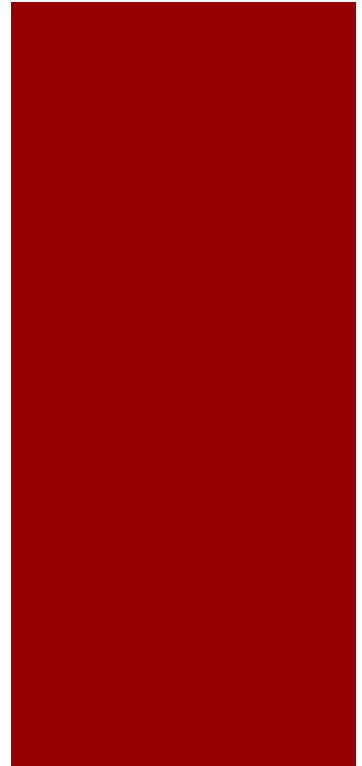
- The number of tourists decreased in 90% of tourism companies in April 2020.
- The Corona crisis caused the cancellation of mass events, the closure of ski slopes and the suspension of flights to Kajaani Airport.
- Closing the borders took almost all foreign tourists (-98%) from Kainuu, but it also affected domestic tourists (-89%).
- According to the Research and Analysis Center TAK Oy, overnight stays decreased by almost 90% compared to April of the previous year 2019.
- The decrease was more in leisure travelers (-86.8%) than in business travelers (-76.4%).
- Indeed, several companies offering cottage accommodation report that some have been compensated for the decrease in the number of holidaymakers by accommodating construction crews as a safety alternative.



Effects of Corona crisis to tourism sector in Kainuu

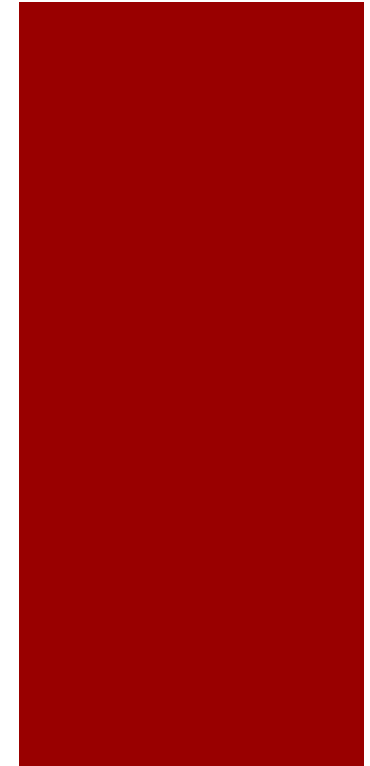
- Accommodation sales fell by almost three million in April compared to the previous year. In total, overnight stays brought only 268,000 euros to registered accommodation establishments in April 2020, compared to more than 3 million in the previous year.
- From the beginning of 2020, tourism in Kainuu was growing strongly, but in March Corona interrupted the winter season.
- Registered sales in January-April were EUR 11.7 million, down EUR 6.3 million from the previous year.
- Events canceled in the spring also caused a significant deficit in the regional economy, as the use of services normally used by other tourists decreased in addition to accommodation.

However, in the Corona crisis, Kainuu held its ground and survived with a smaller drop than the rest of Finland. For Finland as a whole, the number of tourists decreased by 88.4%, while in Kainuu the number of tourists decreased by 85.7%. Of the tourist destinations, Sotkamo (-84.6%) survived with the smallest drop.



Regional survey among tourism companies in Kainuu

- Almost 90% of Kainuu's tourism companies estimate that the corona crisis has significantly reduced their turnover.
- Some report that their turnover has fallen by as much as 80% of normal or that operations are at a complete standstill. 6% of companies have suffered small losses.
- Only 4% of companies said their business remained unchanged despite the corona.
- 77% of companies received cancellations from domestic tourists and 62% of companies received cancellations from foreign tourists
- The number of advance bookings decreased significantly and trading was prolonged.
- Restaurant companies report a big food loss when operations unexpected ended in March. The range of products and services had to be reduced and opening hours shortened around 16%. 4% of companies made redundancies.
- Companies expect a better time and want to stick to a skilled staff. Most of the companies estimate that April was the worst phase, although the beginning of summer is still uncertain. In the autumn, the situation is expected to improve. Nearly a third of companies estimate that the crisis will still have an impact on visitors this coming winter, especially for international tourism



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