

# Switzerland in a nutshell

## Market insights and business opportunities

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# Country quick facts

- Population: 9 mio. by the end of 2023
- Set-up of the country:
  - German/Swiss German (60%)
  - French (30%)
  - Italian (9.5%)
- 10% of the population does not speak one of the national languages
- Currency: Swiss Franc (CHF)
- Average income: Euro 6'400.00/Month
- Outbound travel: ca. 20 Mio. Trips/Year
- In average 3-4 trips per person
- Vacation days: 20 + days





# Current economic situation Switzerland

- Tense situation on the energy market and rising prices are weighing on economic forecasts for 2023. A growth rate of 0.7% next year, compared to 2.1% in 2022 is expected.
- Risk of recession remains low, thanks to solid domestic consumption
- Inflation: The Swiss National Bank (SNB) expects a rate of 2.4% for 2023, compared to 2.9% in 2022
- Slight increase in unemployment is expected (rise to 2.3% by 2023)
- The Swiss currency (Swiss Franc) is strong and is expected to remain strong in the future.
- The current exchange rate EUR-CHF is roughly 1:1. Since Switzerland is a very expensive country, exports are expensive and import conditions are favourable





# Current economic situation Tourism

## INCOMING

- By 2023, hotel overnight stays are expected to reach 95% of the 2019 level
- Bookings by Swiss guests will be 8% above pre-coronavirus levels. However, the increase in domestic tourism will not be sufficient to fully compensate for the absence of guests from abroad

## OUTGOING

- For the European markets, a stabilisation at the level of 2019 is expected for 2025
- Travel agencies and tour operators report record booking figures





# Market insights

In 2022:

- 55% of the Swiss stay in Switzerland, 41% prefer Europe, and only 4% travelled outside of Europe
- Preferred transportation for holidays: car and plane as well as train
- 60% of trips abroad are leisure, only 3-5 % are business
- Preferred time of travel: between May and October
- Strongest traveler groups are families and individuals between 25 and 54 – golden agers travel now less than average and less abroad
- Biggest holiday markets are Germany, Italy and France
- On average, the Swiss spend 135 CHF per person, per trip on site (excluding accommodation/travel arrangements)



# Market Trends

- After Covid, the general approach is to start travelling mostly domestic, to the neighbouring countries and to beach destinations in Europe – in long-haul the US, Thailand and Indian Ocean destinations are popular.
- The Swiss are looking for nature, activity and culture holidays mixed with gastronomy
- Swiss are curious to understand the lifestyle of the population of their vacation destination





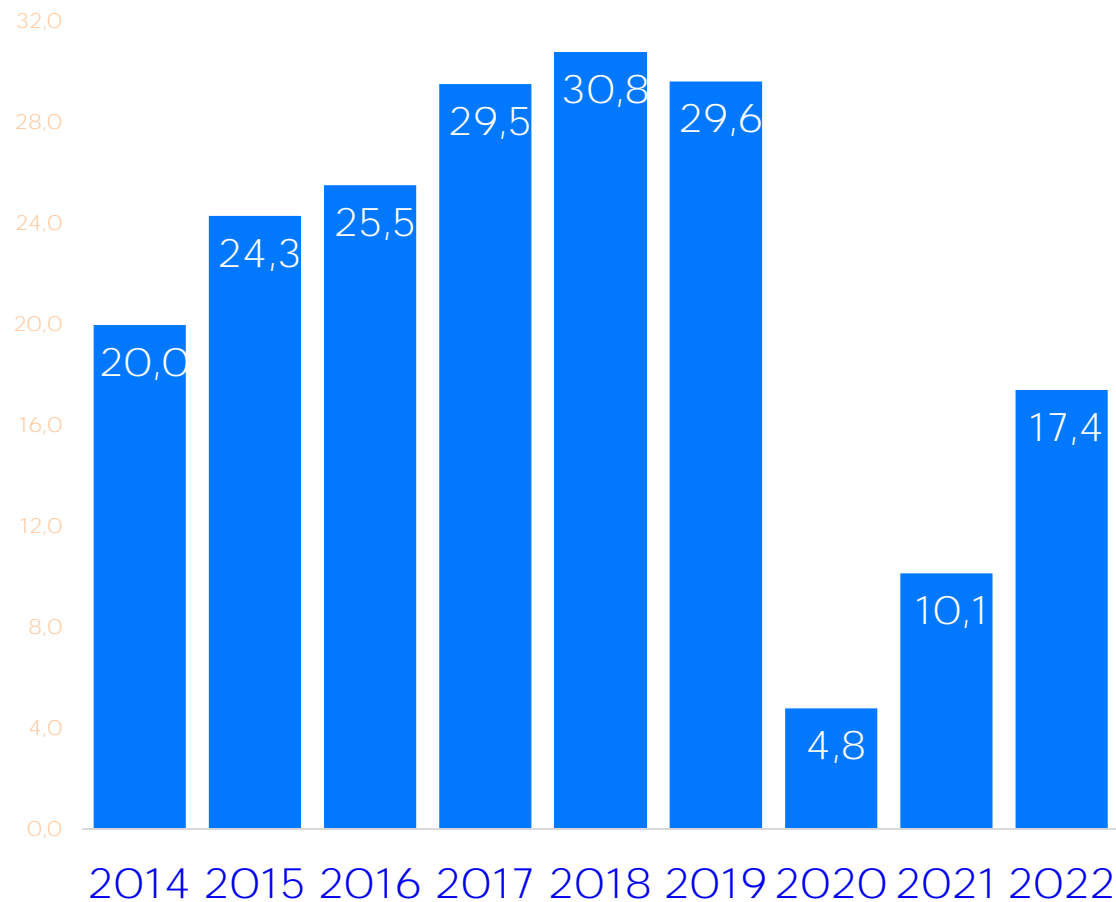
# Market trends (cont.)

- Total expenditure of Swiss outbound tourism was CHF 18.7 bln – dropped in 2020, to CHF 9.7 bln, but will recover as demand for international travel remains high
- Future trends such as wellness, wellbeing and nature are accelerating, and adapting to these trends will be crucial to the success of tourism companies
- 68% say the authentic experience of nature (as well as regionality and locality (63%) will also gain in importance
- 46% expect more sustainability in tourism





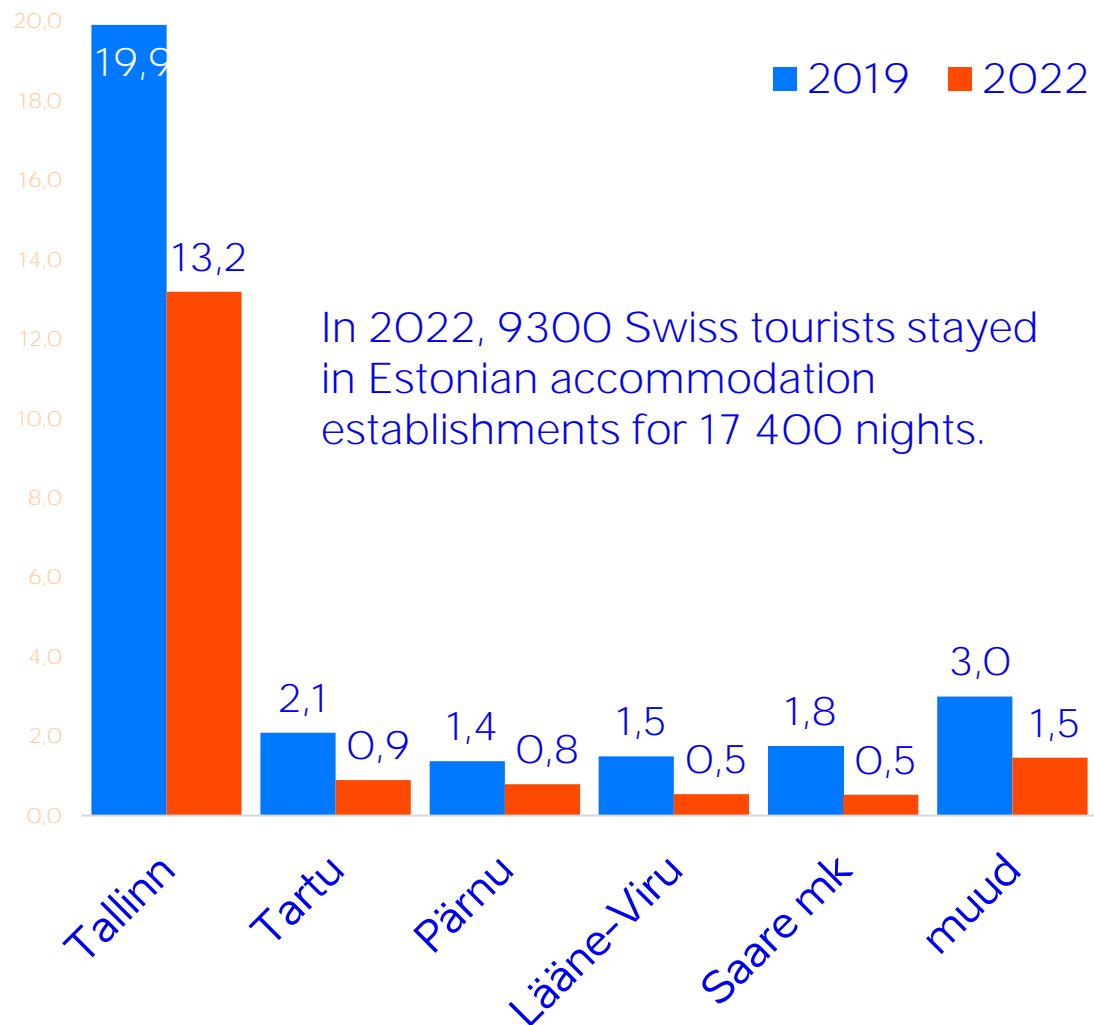
# Nights spent by Swiss tourists in Estonian accommodation establishments (thousands)



Allikas: Statistikaamet



# Nights spent by Swiss tourists (cont.)



Allikas: Statistikaamet





# Transport connections to Estonia

- 3 weekly non-stop flights Zurich-Tallinn with Swiss. Increasing to 5 weekly non-stop flights in Summer.
- Other flight providers (with stopovers): Lufthansa, AirBaltic (via Riga), Finnair, LOT Polish Airlines, SAS
- Coach operators (in combination with flights)



# The Swiss Traveller

- is a very loyal customer
- is active (hiking, biking, etc.)
- is interested in culture (history, archeology, art, music, etc.)
- prefers comfort and there is a trend for high-end
- loves nature
- has an interesting budget to spend
- likes good food
- likes wellness
- travels 3-4 times a year
- is a shopping fan
- likes contact with the local population





# Key Estonian products that stand out for that market?

- Round trips
- Boutique hotels / Wellness
- Activities in nature
- City trip Tallinn (spring/summer/autumn/pre-Christmas)
- Hiking/biking tours
- Estonian culture & events
- Cross country skiing and winter



# Swiss «travel clinic»

How to earn extra money with Swiss tourists

- Offer upgrades (rooms / flights / coaches etc.)
- Propose activities (walks, hikes, bike routes etc.)
- Suggest good restaurants and shops
- Sell wellness products / offers (both men and women like to use the SPA)
- Offer rental service (rental bikes, scooters, cars, equipment for activities etc.)
- Artisanal shops (small, authentic shops that sell self-made, local products (homemade food, handicrafts, textiles etc.)





# Testimonials

"Small but mighty! Seriously, Estonia is insanely innovative and creative and still an insider's tip on the northern radar that one should definitely discover. Estonia offers beautiful nature, interesting culture and history. And for all those who also like to discover new culinary territory, an absolute must."

Nicole Bratke – Product Manager North at  
Kontiki Reisen



# Swiss Tour Operator Market

- Leading Swiss tour operators are rather conservative and not very flexible. At the moment, they sell products with the highest margins.
- Annual print catalogues are still traditional and popular for travel inspiration of final consumers.
- However, all the catalogues are also available online and tour operators constantly add tourism products during the year.
- Therefore, business can be conducted at any time.





# Swiss Micro Tour Operator Market

- The micro tour operator market is much more flexible and interesting.
- There are various small and middle-sized companies that are selling destinations on an opportunity level.
- Therefore, this is the key market to focus on at the moment, in order to increase the business opportunities for Estonia.





# Booking Behaviour

- The Swiss customer used to book 3 months in advance. Due to the geopolitical situation it came down to 4-6 weeks in advance.
- However, due to limited flight capacities and increasing flight rates at the moment, the time of booking tends to be going further back again.
- Where does the Swiss traveller book?
  - There are 1'557 travel agencies / tour operators in Switzerland. Currently, 43% book through traditional channels (especially elderly) - directly via a travel agency or TO.
  - As the Swiss are experienced travelers and their English level is high in average, they also book mainly online, either directly via the online-platforms of the agencies and operators, or via secondary booking tools (such as booking.com, expedia.com, etc.)





# Swiss MICE Market

- Switzerland is a leading decision-making market for the MICE industry.
- There are 33 international organisations headquartered in Switzerland (United Nations, WTO, WHO, etc.)
- In addition, more than 800 non-governmental organisations as well as 30 international sports federations are based in Switzerland.
- The impact from the private industry is paramount as well. 850 international companies have their global and regional headquarters in our country.



# Limitations and challenges

- The reputation of and knowledge about Estonia is still low in Switzerland but is constantly increasing





# Activities in Switzerland

- Direct contact to tour operators and travel agents in order to promote Estonia
- B2B events:
  - Evening with travel trade
  - Boutique event for travel trade
  - Visit Estonia roadshow
- FAM Trips (agents) and media trips
- PR activities in order to raise awareness of Estonia as destination
- Trade Website and LinkedIn Account for Swiss market



Thank you for  
your attention

