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Tourism, restaurant and event sector in Helsinki

Fact Sheet

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1. Statistics

Tourism indicators

- Tourism is usually measured in terms of overnight stays (bednights), as this is practically the only indicator that is measured in the same way all over the world. Overnight stays in Finland are recorded by [Statistics Finland](#). However, not everyone stays in hotels or other registered accommodation providers, so overnight stays do not account for total volumes in the number of visitors.
- Currently, estimates of the number of foreign visitors and spending, for example, are obtained from the [Border Interview Survey](#).
- Data for overnight stays is obtained on a monthly basis with a delay of about a month. Monthly tourism statistics are collected by TAK Research's [Visitory service](#). Data for hotel occupancy rates is obtained on a daily basis and is reported internally by the City of Helsinki on a weekly basis. This confidential information is collected from accommodation providers by the [Benchmarking Alliance](#).
- In addition, the civil aviation administration [Finavia](#) reports data on air passenger numbers on a monthly basis approximately one week after the end of each month.

1.1 Overnight stays

Overnight stays and accommodation sales:

- **2019**
 - In the last "normal" year in 2019, there were approximately 4.5 million overnight stays in Helsinki, of which 54 percent were made by foreign visitors. The share of foreign visitors in overnight stays is highest in late summer, when they account for over 60 percent of overnight stays, and lowest in late autumn. Summer accounts for the highest number of overnight stays. The seasonal peak is in July for domestic overnight stays and in August for foreign visitors. Helsinki accounted for 19 percent of all overnight stays in Finland in 2019 and as much as 24 percent in May.
 - In normal circumstances, business trips account for almost half of all overnight stays in Helsinki. This information is collected from hotel registers and is not completely reliable.
 - Top 10 countries of origin for overnight stays in Helsinki in 2019: Finland (2,080,000), Russia (215,000), Germany (203,000), USA (182,000), UK (158,000), Sweden (146,000), Japan (144,000), China (116,000), France (76,000), Italy (69,000).
 - Among the Nordic capitals, Stockholm, Copenhagen and Oslo are clearly ahead of Helsinki in terms of overnight stays. Stockholm reported more than 10 million and Copenhagen 9.3 million overnight stays in 2019. Tallinn and Reykjavik recorded fewer overnight stays than Helsinki, although both recorded more overnight stays by foreign visitors than Helsinki.
 - Helsinki's official accommodation capacity in 2019 was approximately 10,500 rooms (approximately 23,000 for Stockholm and 17,000 for Copenhagen). Helsinki's accommodation capacity has increased by approximately 2000 rooms over the past decade. A rough estimate for other forms of accommodation is around 20 percent of the total, perhaps more. Accommodation capacity from Airbnb and similar providers was perhaps 2500 rooms last year. Airbnb statistics are collected by [AirDNA](#).
 - Helsinki Marketing keeps a record of hotel rooms for congress bids, and the number of active rooms for these is 12,942.
 - Accommodation sales by registered accommodation providers in Helsinki amounted to approximately EUR 350 million in 2019, which represents around a quarter of all Finnish accommodation sales. A rough

estimate for accommodation sales in Helsinki by Airbnb and similar providers is approximately EUR 40 million, which represents around a third of total sales in Finland.

- The occupancy rate among registered accommodation providers in Helsinki in 2019 was 74.3 percent compared to 75.9 percent in the previous year. This reflects the increase in capacity. The occupancy rate has increased gradually from around 67 percent at the start of the decade. The occupancy rate was highest last year in late summer, when it reached 83-85 percent. During the peak season, Helsinki's hotel capacity is almost completely filled.
- **2020**
 - The number of overnight stays in 2020 was approximately 1.6 million, of which 30 percent were made by foreign visitors and 70 percent by domestic visitors.
 - Record high numbers were set for the months of January and February.
 - The number of overnight stays fell by 64 percent in 2020 compared to the previous year (79.5 percent among foreign visitors and 46 percent among domestic visitors). The number of overnight stays fell by 30 percent in Lapland (including Kuusamo) and by 38 percent for the whole of Finland.
 - Helsinki's share of total overnight stays in Finland decreased from 19 percent in 2019 to 11.3 percent in 2020. The market share of Lapland increased from 13.5 percent to 14.3 percent. This reflects how the crisis has had a bigger impact on Helsinki than on the rest of the country.
- **2021**
 - According to preliminary information, the occupancy rate in January was around 12 percent, when normally it would be around 65 percent. January is anyway traditionally one of the quietest months of the year.
 - Large hotel chains have reported a truly critical financial situation at the start of 2021.

1.2 Traffic

Airline passengers

- **2019**
 - The number of airline passengers served by Helsinki Airport has increased rapidly in recent years. Growth in 2018 was in double digits and remained significant also in 2019. Growth has been most visible among transit passengers. The number of airline passengers served by Helsinki Airport was close to 22 million in 2019, which is around five percent more than in the previous year.
- **2020**
 - [Helsinki Airport](#) served 5 million airline passengers in 2020, representing a drop of approximately 77 percent.

Ferry passengers

- **2019**
 - The Port of Helsinki served 12.2 million passengers in 2019, including both ferry and international cruise passengers. Estonia accounted for 77% of this volume and Sweden 20%.
 - Ferry passengers: 11.6 million
 - Cruise passengers: 604,756
- **2020**
 - In 2020, the Port of Helsinki served 4.8 million passengers.

Cruises

- **2019**
 - A [new record for international cruises](#) was set in 2019, with a total of 604,756 cruise passengers arriving in Helsinki.
 - A [survey on spending by cruise visitors](#) was conducted in 2019, according to which cruise visitors spent around EUR 25 million in Helsinki.
- **2020**
 - Not a single cruise visitor arrived in Helsinki in 2020.
- **2021**
 - The Port of Helsinki has 250 cruise ship bookings for the coming summer, but it is entirely uncertain whether international cruise traffic will be possible. Cancellations are being made each week by international cruise operators due to the vaccination and corona situation in Europe.

1.3 Employment and tourism income

Employment

- **2018**
 - According to the [tourism income and employment survey](#) for 2018, the overall employment impact of tourism in Helsinki was 10,292 person years.
 - According to a [regional tourism report](#) published by the Ministry of Economic Affairs and Employment in 2018, tourism employed 57,000 people in the Uusimaa region. This represents approximately 40 percent of all people employed by tourism in Finland (142,000).
 - The two above figures are not directly comparable due to different research methods.
- **2020**
 - Comparing the number of overnight stays in Uusimaa in 2019 (7 million) and 2020 (2.8 million), there has been a contraction of 60 percent. If this percentage is applied to employment, the number of people in the tourism sector in Uusimaa who have been made unemployed is 34,000. **This figure is just a rough estimate and does not necessarily reflect the actual situation.**

Tourism income

- **2018**
 - According to the [tourism income and employment survey](#) for 2018, tourism generated approximately EUR 1.6 billion in direct income for Helsinki. This includes tourism income generated by both domestic and foreign visitors (but does not include income generated for Helsinki by Finns travelling abroad).
 - According to the [Ministry of Economic Affairs and Employment](#), the total demand for tourism in Finland in 2018 amounted to EUR 15.7 billion. Uusimaa accounted for EUR 8 billion of the total.
- **2020**
 - It is extremely difficult to estimate the loss in tourism income.
 - If the loss in tourism income is estimated in the same way as for employment, i.e. by the drop in the number of overnight stays, then tourism income in Uusimaa fell by EUR 4.8 billion in 2020. Most of this was in Helsinki. It is important, however, to highlight the major impact of Helsinki Airport.
 - The [Ministry of Economic Affairs and Employment](#) estimates that the coronavirus pandemic has reduced spending by tourists in Finland by nearly EUR 7 billion

1.4 Events

Professional events

- **2019**
 - Normally, approximately half of Helsinki's tourism involves work-related travel, which distinguishes Helsinki from other Finnish cities and regions.
 - The total number of congress delegates (people attending international association meetings and conventions) in Helsinki in 2019 was 84,000. To this number can be added other business meetings. Congress visitors tend to stay longer and generate more tourism income for the city than leisure tourists. Business meetings and congress tourism generate an estimated EUR 400 million in tourism income for Helsinki each year including multiplier effects.
- **2020**
 - In 2020, leisure travellers spent 876,000 nights (-64.1 %) and business travellers 741,000 nights (-63.8 %) in Helsinki.
 - Congresses in Helsinki were attended by approximately 19,000 delegates, including around 4000 in person and the rest virtually. The majority of previously confirmed congresses were postponed until the coming years or cancelled altogether.
- **2021**
 - A total of 104 congresses have been confirmed so far for Helsinki for 2021- 2030. The estimated total number of delegates for these congresses is 57,360.
 - [Business travel is not expected to recover to its 2019 level until 2025.](#)

Public events

- **2019**
 - The economic impact of events is difficult to assess because official industry classifications do not identify the event sector as its own industry. The Finnish event industry association [Tapahtumateollisuus ry](#) has estimated the turnover of the industry in Finland to be approximately EUR 2 billion. Events are one of the most important drivers of tourism in Helsinki.
 - The turnover of the event sector almost doubled in 2012-2019, and profitability increased significantly especially in 2018-2019 ([Part 1](#) and [Part 2](#) of the 2020 Finnish Event Industry Report).
 - Many public events are organised in Helsinki, particularly in the summer season, ranging from free events to major festivals lasting several days. Estimating the economic impact of all these events is difficult due to their diverse range.
- **2020**
 - According to estimates, the turnover of the event sector in Finland [decreased by approximately EUR 1.5 billion as a result of the crisis](#).
 - According to a survey completed at the end of October, just 4 percent of companies in the event sector reported a good amount of business, while 62% reported that they could only survive a maximum of six months anymore (Source: Tapahtumateollisuus ry – tilannekatsaus 2/2021).
- **2021**
 - The first bankruptcies in the event sector were reported already in January 2021. Event organisers remain hopeful, but news is coming in from around the world of cancellations for the entire summer.
 - Decisions regarding summer events will mostly likely be made in March-April.
 - The number of spontaneous events by local residents and other less professional events will possibly increase this summer.

1.5 Restaurants

Food service industry in Helsinki

- **2019**
 - The number of outlets in the food service industry, especially restaurants, has continued to grow steadily in Helsinki since the early 1990s. The number of café-restaurants has also increased somewhat.
 - Helsinki had a total of 2612 [outlets](#) in 2019. The number of outlets in Helsinki increased by 15.4% from 2013 to 2019.
 - Finland had a total of 13,466 outlets in 2019. The number of outlets in Finland increased by 5.2% from 2013 to 2019.
 - In addition to the number of outlets, turnover among outlets has also increased faster in Helsinki than in Finland on average.
 - The annual turnover of the food service industry in Helsinki was EUR 1.6 billion, which represents 25 percent of the total turnover for Finland. Among restaurants, those in [Helsinki accounted for 35% of the total turnover for Finland](#).
- **2020**
 - The business operations of restaurants were severely restricted in spring 2020, when only takeaways and deliveries were initially allowed. This led many employees being laid off. As the restrictions were eased and the situation improved towards the summer, some employees were able to return to work.
 - [Employment](#) among restaurant workers did not recover in summer 2020 to the level it had been at in summer 2019. It is also noteworthy that the number of laid-off employees was particularly high throughout the rest of the year from spring 2020 onwards.
 - The statistics for 2020 indicate that the employment figures began to deteriorate in November-December due to a week pre-Christmas season.
- **2021**
 - The weak pre-Christmas season and the traditionally slow early months of the year combined with the corona situation suggest a poor start to the year for the industry.
 - The Government press conference on 25 February 2021 announcing a new shutdown caused strong reactions among actors in the industry; for example, NoHo Partners announced personnel adjustment measures and negotiations on temporary layoffs affecting all personnel under the Act on Cooperation within Undertakings.

- Business operations within the industry are not expected to return to normal this spring after the shutdown, as severe restrictions are expected to continue even after the three-week shutdown in March.

1.6 Local residents

Opinions of Helsinki residents regarding tourism

- A [survey](#) was conducted in 2019 to gather the opinions of local residents regarding tourism.
- Helsinki residents feel that tourism is important for their city. The benefits brought by visitors to Helsinki far outweigh the disadvantages.

2. Development

The development of tourism in Helsinki is guided by its [Roadmap for Tourism \(situation update 11/2019\)](#)

2.1 Development of tourism

Key development projects within the tourism, restaurant and event sector

- *Sustainable tourism.* See actions on the [Tourism Industry website](#).
- *Knowledge management.* See especially the [Carbon Neutral Tourism](#) project.
- *Digitalisation.* See especially the promotion of online trade as part of the [Digitähti project](#).
- *Safety.* See especially the [Leading the Safety in Tourism in Helsinki Area Project](#).
- *Restaurants.* Development of the restaurant ecosystem in collaboration with Gaia Consulting. [This development project is being implemented in 2021.](#)
- *Maritime Helsinki.* The Helsinki Maritime Development Project will continue, even though its [key project status](#) expires in 2021. The results have been extremely positive.
- *Corona.* Numerous actions have been taken in response to the crisis. They are described in two blog posts [here](#) and [here](#).
- In addition, the key tourism organisations Helsinki Marketing, Helsinki Business Hub and Helsinki Abroad [are being merged into a new company in 2021.](#)

2.2 Hotel investments

Hotel projects in Helsinki

- **2019**
 - Approximately 30 hotel projects were planned before the crisis.
- **2020**
 - According to the [Helsinki Business Hub](#), it appears that some projects may be postponed, but so far none of the projects has been cancelled. Hotel projects involve long-term processes, and the currently planned projects will be completed only after 2-4 years.
- **2021**
 - The situation is being monitored. The [hotel project list](#) was last updated on 11 February 2021.

2.3 Cooperation

Key tourism, restaurant and event cooperation groups and networks in which Helsinki is active

- [Helsingin tekijät network](#)
- [Visit Finland](#) (Helsinki active in several committees)
- [Helsinki-Uusimaa Regional Council's tourism committee](#)
- [European Capital of Smart Tourism](#)
- [European Tourism Association - ETOA](#)
- [Nordic Tourism Collective](#)

- [European Cities Marketing - ECM](#)
- [World Tourism Cities Federation - WTCF](#)
- [Cruise Baltic](#)
- [Digital Tourism Think Thank - DTTT](#)
- [Congress Network Finland ry - CNF](#)
- [Association of Tourism Organisations in Finland - Suoma ry](#)
- [International Congress and Convention Association — ICCA](#)
- [Global Destination Sustainability Movement - GDS](#)
- [The City Network on Food & Gastronomy - Delice](#)
- [Finnish event industry association - Tapahtumateollisuus ry](#)

In addition to our normal cooperation networks, a tourism sector crisis committee has been created during the corona crisis led by the Economic Development Department and including representatives of hotels, logistics companies, event organisers, restaurants, the Finnish Hospitality Association MaRa, the Ministry of Economic Affairs and Employment, Visit Finland and the Association of Finnish Travel Industry SMAL.

Further information

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