

Summary:

International and domestic air travel in Norway 2011

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Since the financial crisis led to a downturn in air traffic in 2009, the market has again grown strongly. In 2011, there were 18.4 million single journeys by air between Norway and international destinations (scheduled and non-scheduled flights combined) and 14.2 million single domestic journeys. This represents an annual growth of 11.8 per cent (international) and 6.3 per cent (domestic) for the period 2009-2011. International traffic growth has primarily been driven by increased holiday and leisure travel by Norwegians. At Avinor's airports, this type of travel accounted for half of the increase in international air travel between 2009 and 2011. 64 per cent of international travel to/from Avinor's airports is now for leisure purposes. In the domestic market, too, leisure travel has grown at a higher rate than business travel in the last two years, but work-related travel still constitutes the majority of domestic air travel (51 per cent).

Domestically, SAS is still the biggest operator, with 46 per cent of the market. For travel between Norway and international destinations however, more passengers chose to fly with Norwegian than with SAS in 2011 (applies to international travel to/from Avinor's airports).

About the survey

In the 2011 Air Travel Survey (RVU 2011), more than 140,000 passengers responded to questions about their travel. The survey covers all domestic air travel, with the exception of travel between regional airports (STOL airports), and all travel between Norway and international destinations via Avinor's airports. Sandefjord Airport Torp and Moss Airport Rygge are not included in the survey. Together, these have international traffic of some 2.5 million passengers that is not included in our data. Domestic traffic to/from these airports is however included, through the data collected at Avinor's airports.

Data collection was carried out during one week each month, in order to account for seasonal variations. The data collection weeks have largely been the same since 2003, with adjustments for holiday periods such as winter and Easter holidays. Days of the week and time of day have also been taken into account, to obtain the most representative picture possible of air traffic. The data have been weighted in order to reflect total domestic scheduled traffic in 2011, and all scheduled international traffic via Avinor's airports.

Domestic air traffic

In 2011, Norwegians made an average of 2.6 single domestic air journeys, or just over one return trip each. As previously, it is the population of North Norway that travels most by air domestically, the population of Finnmark being the most frequent travellers. On average, the people of Finnmark took 13 times as many domestic flights as the residents of Oppland in 2011, who travelled least by air.

SAS is still the largest airline on the domestic network, with a market share of 46 per cent. After several years of declining traffic, SAS saw a slight growth in passengers between 2009 and 2011, but still lost market share (50 per cent in 2009). Widerøe increased its market share from 13 to 16 per cent, giving the two airlines a combined 62 per cent of the domestic market. Norwegian is still growing, with 37 per cent of the traffic, following an increase of 18 per cent between 2009 and 2011.

There is now direct competition on most of the major domestic routes after Norwegian entered the Oslo-Kristiansand/Haugesund/Ålesund/Molde routes in 2009. From Oslo Airport Gardermoen (OSL), the only routes that do not have competition between the airlines are those to Kristiansund (SAS) and Bardufoss (Norwegian). On eight of the twelve main routes from OSL with competition, SAS is the largest airline. The majority of business travellers continue to choose SAS, while Norwegian carries more leisure passengers.

Norwegian's entrance on the Oslo-Molde and Oslo-Ålesund routes has led to considerable growth in traffic over the last two years (37 per cent and 23 per cent, respectively). By comparison, traffic growth on Oslo-Kristiansund, which SAS operates alone, has been modest. Traffic growth on Oslo-Molde has mainly been in the leisure market, while for Ålesund both leisure and business travel have increased.

Air fares continue to fall. On average, business travellers paid about eight per cent less for their tickets in 2011 than in 2009 (nominal prices), while the average for leisure travel was four per cent lower. This gives a combined estimated price reduction of 6.6 per cent for domestic travel in Norway.

Air traffic between Norway and international destinations

International scheduled air traffic from Avinor's airports grew by as much as 24 per cent between 2009 and 2011. This is almost twice the growth in domestic travel. The growth in international traffic is being particularly driven by Norwegian leisure travellers, who accounted for half of the traffic growth of the last two years. The relative growth of travel activity has been highest for people in their sixties.

In all, 37 airlines operated international flights to and from Avinor's airports in 2011. Three airlines (SAS, Norwegian and KLM) had over a million international passengers each. Norwegian has overtaken SAS as the biggest airline using Avinor's airports. Between 2009 and 2011, Norwegian increased its traffic by 34 per cent, while SAS had a passenger growth of 14 per cent. In 2011, the airlines had a market share of 33 per cent and 31 per cent respectively.

86 per cent of international traffic is to European destinations. Copenhagen is the biggest destination from Avinor's airports, with approximately 1.2 million journeys in 2011. On the intercontinental market, Asia is still growing somewhat more than North America. As previously, New York is the biggest intercontinental destination. More capacity and more competition on the Oslo - New York route (SAS and Continental) have contributed to a 26 per cent growth in traffic in the last two years.

35 per cent of the total number of tourist arrivals into Norway are by air, and air travel has represented 63 per cent of the growth in incoming tourism since 1998. The United Kingdom and Germany are the biggest markets for incoming air tourism.

Fares to/from international destinations are also continuing to fall, especially in the business market. On average, business travellers to European destinations paid NOK 500 less in 2011 than in 2009 and about NOK 1,800 less than in 2003 (nominal prices). The average ticket price paid in the leisure travel market has also fallen, but here the picture is somewhat more complex.