

INSETE

INTELLIGENCE

# TOURISM'S CONTRIBUTION TO THE GREEK ECONOMY 2018-2019



European Union  
European Social Fund



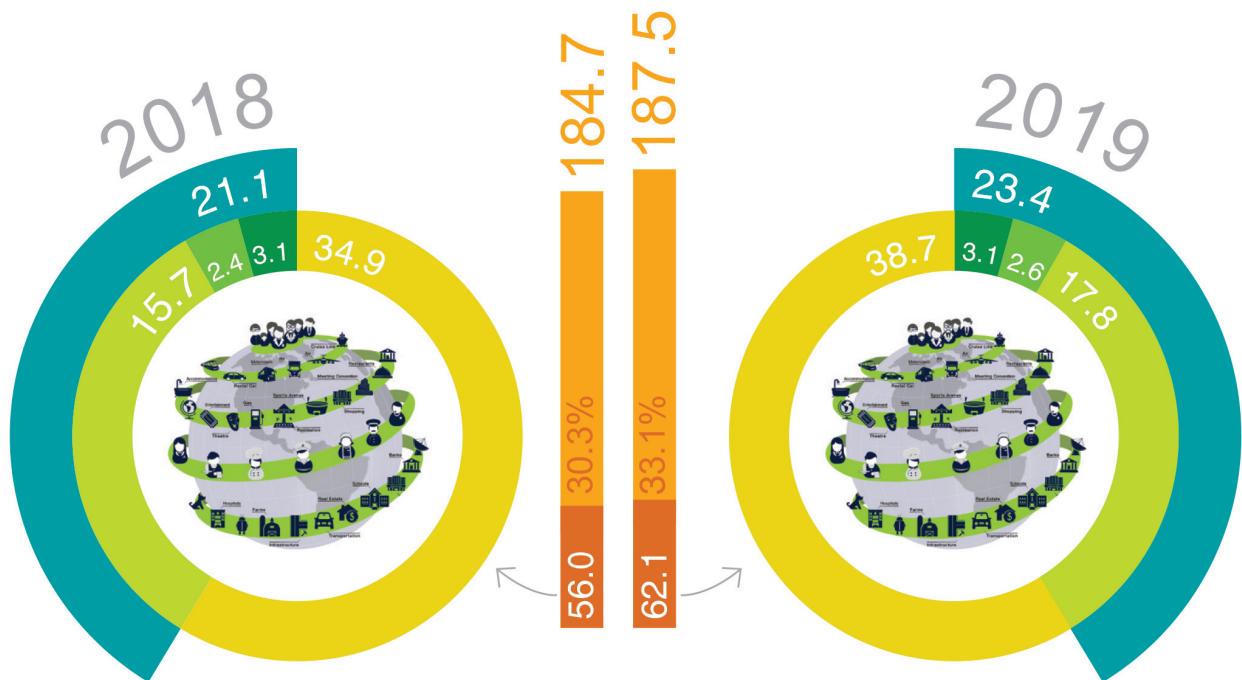
HELLENIC REPUBLIC  
MINISTRY OF  
DEVELOPMENT AND INVESTMENTS  
SPECIAL SECRETARIAT FOR  
ERDF & CF PROGRAMMES  
MANAGING AUTHORITY OF ΕΡΑηΕΚ

ΕΡΑηΕΚ 2014-2020  
OPERATIONAL PROGRAMME  
COMPETITIVENESS  
ENTREPRENEURSHIP  
INNOVATION

ΕΣΠΑ  
2014-2020  
ανάπτυξη - εργασία - αλληλεγγύη  
Partnership Agreement  
2014 - 2020

Co-financed by Greece and the European Union

# Contribution of Tourism to GDP (billion €)



- Incoming Tourists
- Domestic Spend
- Transport & Cruise
- Direct Impact
- Indirect and Induced Impact
- GDP
- Tourism

Tourism's direct (€ 23.4 billion) and indirect (€ 38.7 billion) contribution to the economy accounted for 33.1% of Greece's GDP in 2019, compared with 30.3% in 2018 (€ 21.1 billion direct and € 34.9 billion indirect).

In 2019, direct tourism contribution to the economy increased by € 2,299 million while nominal GDP increased by € 2,743 billion.

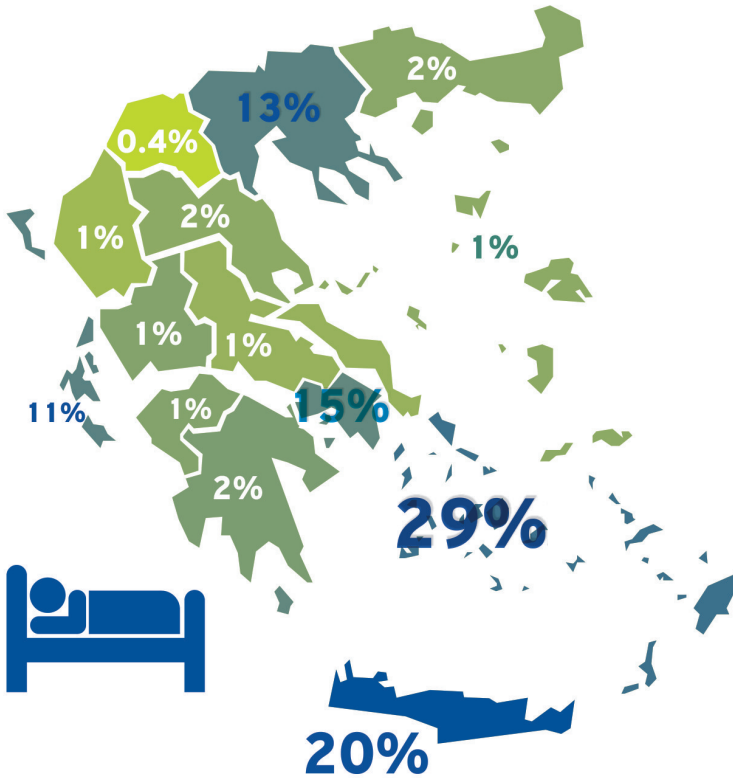
Tourism has an important multiplier effect: for every 1.0 of tourism revenue, the country's GDP grows by 2.65.

Only 12.9% of receipts from incoming tourism are re-exported.

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tourism is the **8th** (out of 64) most interconnected sector of the economy

# Contribution to regional development



## DISTRIBUTION OF REVENUES 2019

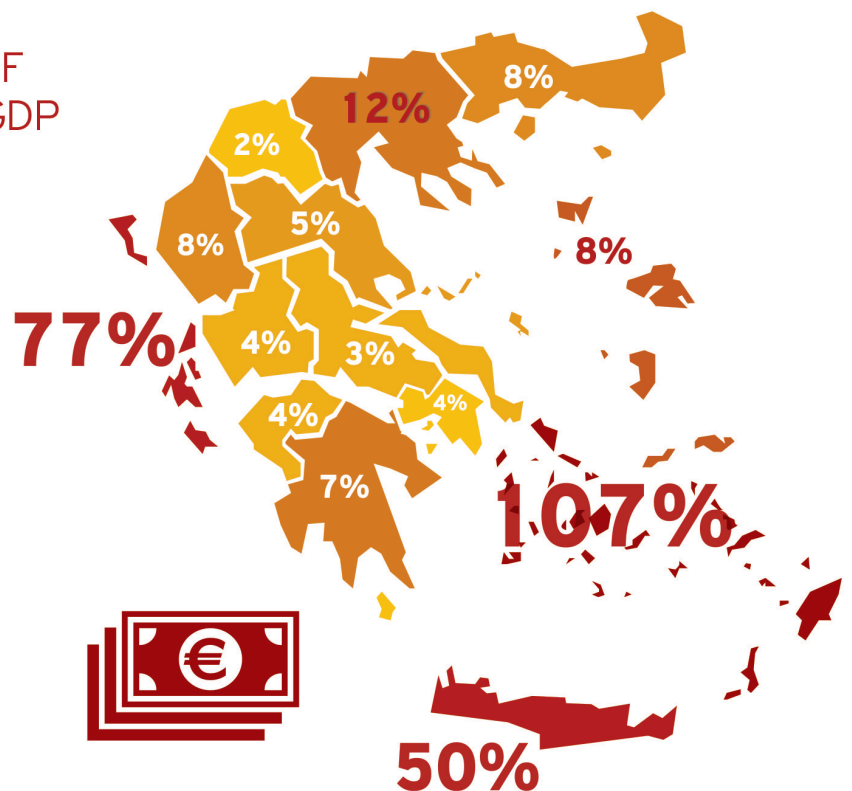
88% of tourism revenue in 2019, is recorded in 5 regions, i.e.:

- 29% in South Aegean
- 20% in Crete
- 15% in Attica
- 13% in Central Macedonia
- 11% in Ionian Islands

## DIRECT CONTRIBUTION OF TOURISM TO REGIONAL GDP 2019

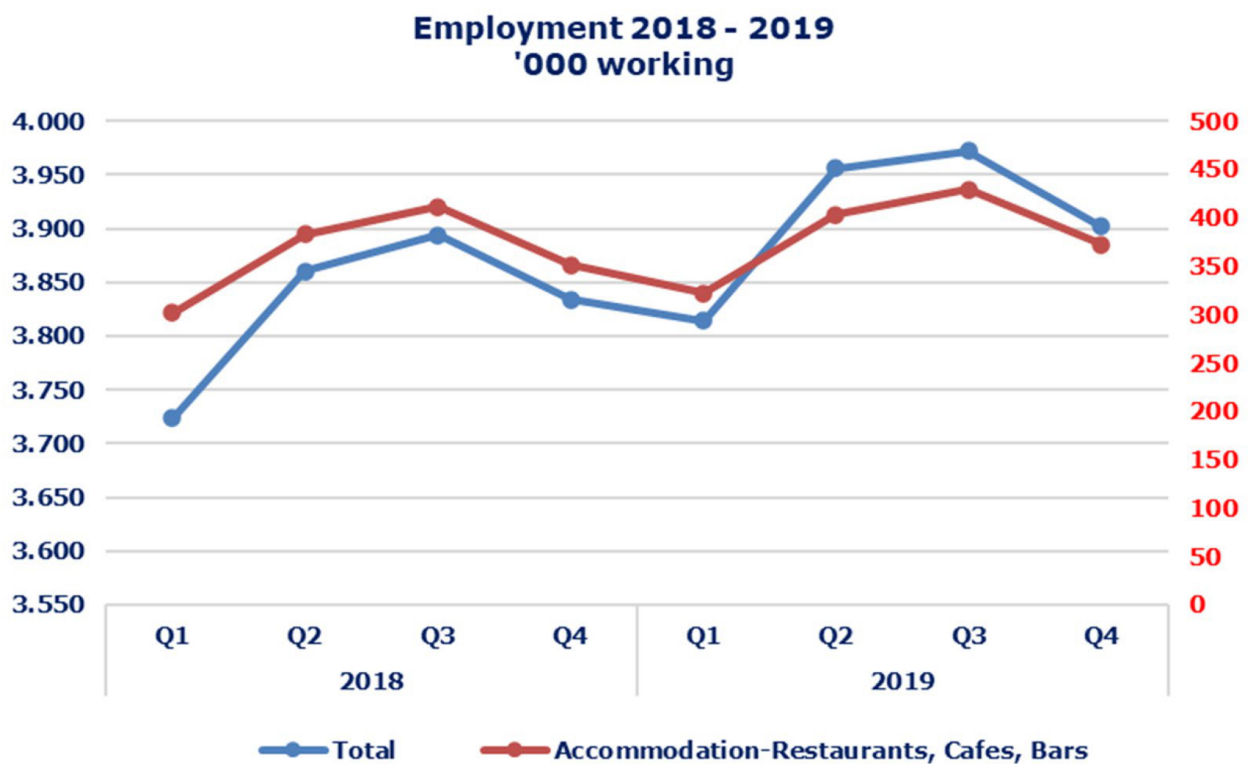
In 3 of these Regions direct tourism activity accounts for 1.5 in every 3 euros (or more) produced, i.e.:

- 107% in South Aegean
- 77% in Ionian Islands
- 50% in Crete



# Contribution to employment

# 2018-2019



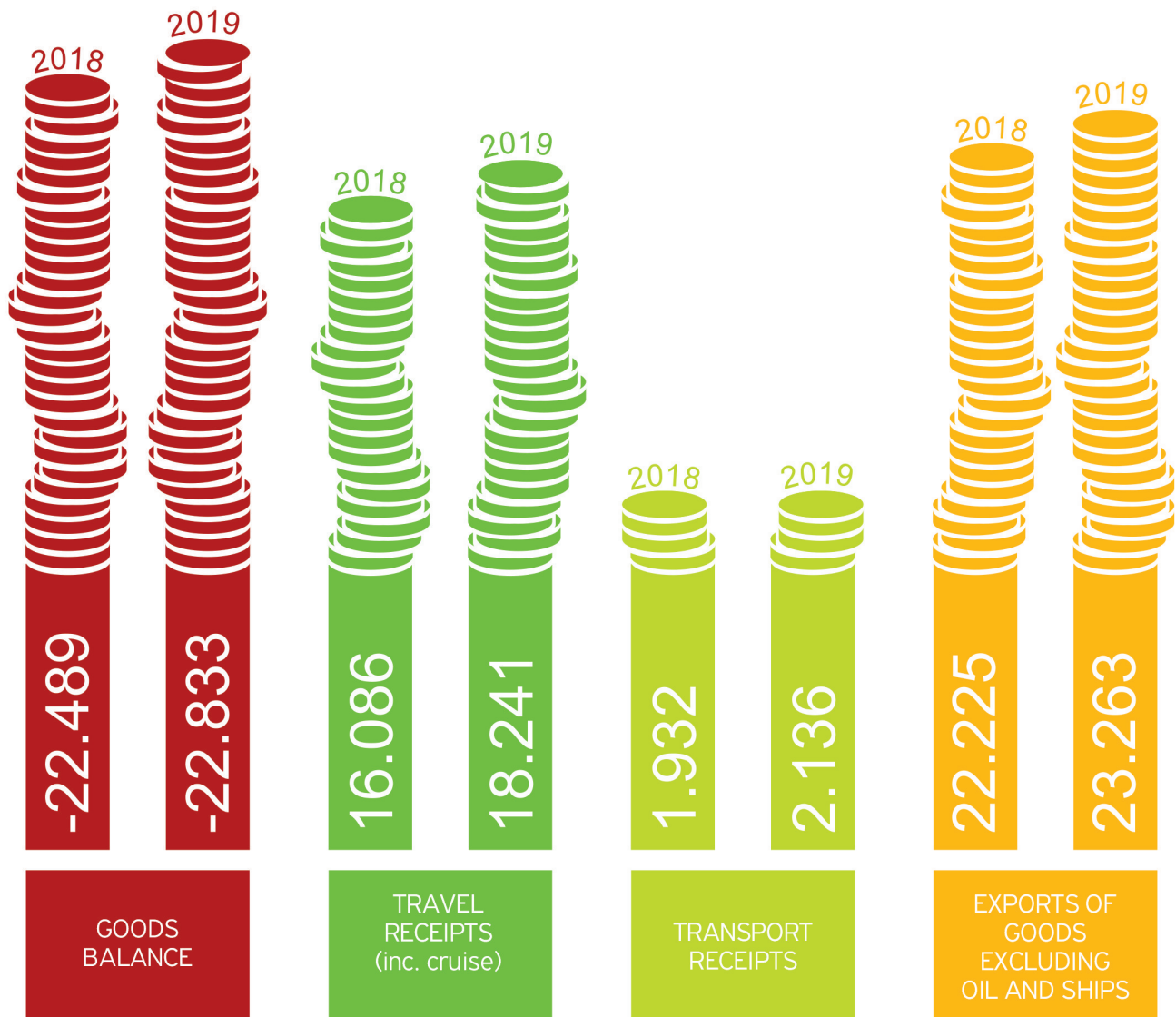
Source: Labour Force Survey, ELSTAT - Processing INSETE Intelligence

According to IOBE, accommodation and bar/restaurants represent 63.3% of tourist expenditure in Greece (accommodation 45.3% and bar/restaurants 18.0%).

If the employment multiplier is comparable to that of GDP (2.2 or 2.65), then the total employment (direct and indirect) generated by tourism amounts to 37.6%-45.2% of the total.

If the contribution of these two sectors to employment in activities related to tourism is assumed to be proportional to their contribution to GDP, it is possible to deduce that the total employment generated by tourism at peak season (Q3) of 2019 was 678,000 workers or 17.1% of total employment.

## Contribution to the Balance of Trade

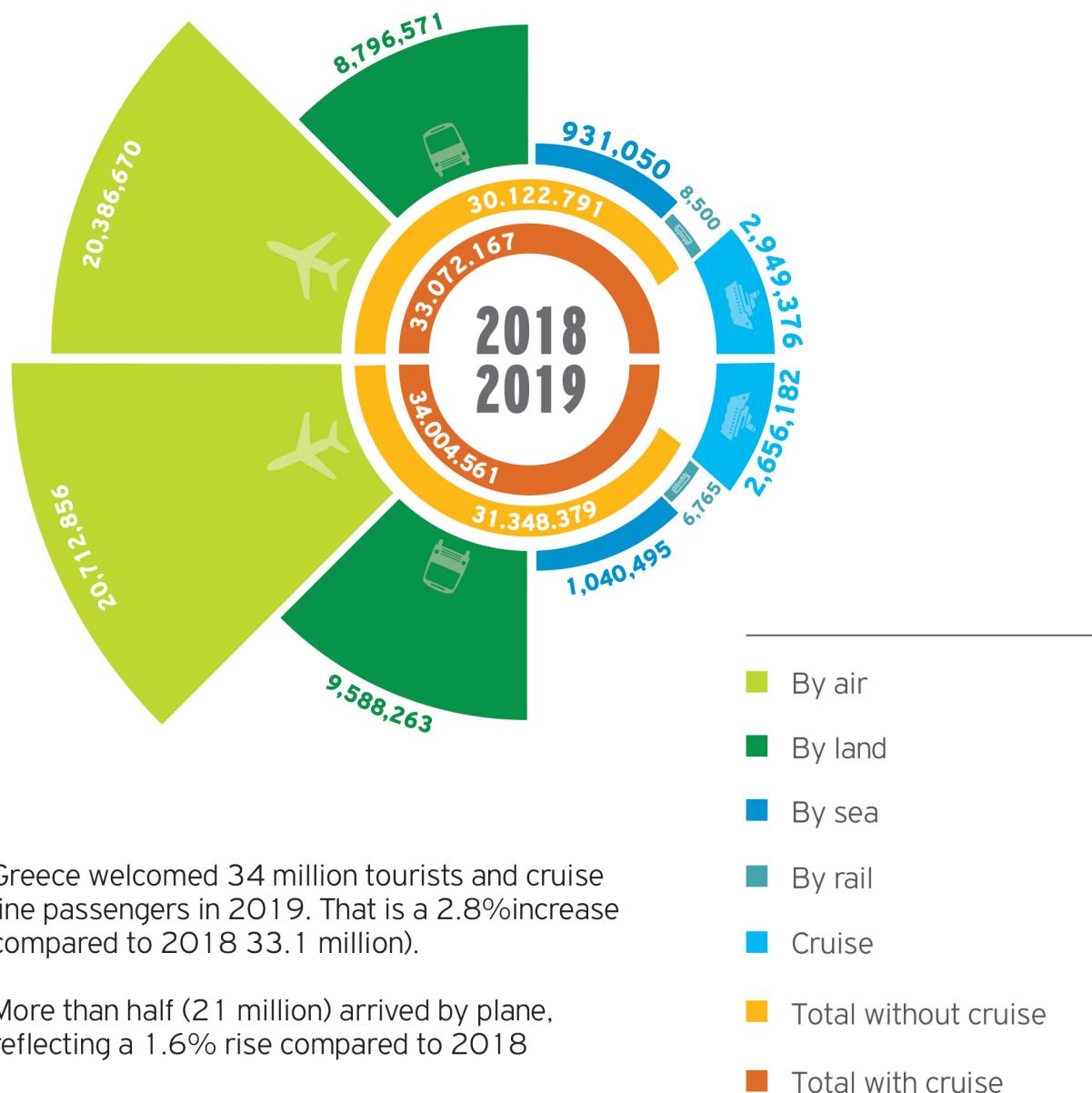


In 2019 travel receipts (€ 18.2 billion) covered 80% of the balance of travel deficit (€ 22.8 billion). Compared to 2018, travel receipts increased by € 2,156 million.

Travel receipts in 2019, represent 78% of receipts from Greece's exports of all other goods (€ 23,3 billion), excluding oil and ships.

If receipts from air and maritime transport from inbound tourism (€ 2,136 million) are also accounted for as travel receipts, then, the total (€ 20.4 billion) are equal to 88% of the total receipts from the exports of all goods except oil and ships.

# Arrivals



Greece welcomed 34 million tourists and cruise line passengers in 2019. That is a 2.8% increase compared to 2018 (33.1 million).

More than half (21 million) arrived by plane, reflecting a 1.6% rise compared to 2018

The road arrivals showed an increase of 9.0% (from 8.8 million in 2018 to 9.6 million in 2019)

The arrivals by sea and cruises increased by 11.2% (from 3.6 million in 2018 to 4.0 million in 2019)

70% of arrivals are from Europe, and of those 35% came from Eurozone.

# Seasonality

## Seasonality of incoming tourists



Q3 Arrivals • Q3 Revenues

## Cruise Seasonality



Q3 Arrivals • Q3 Revenues

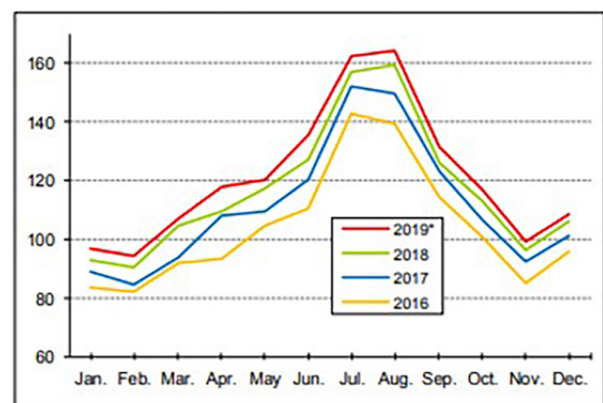


Tourism activity is highly seasonal:

- 59% of revenue and 56% of inbound tourism arrivals in 2019 took place during the 3rd quarter of the year, while the figures for 2018 were 58% and 55% respectively.
- 43% of revenue and 41% of cruise arrivals in 2019 took place during the 3rd quarter of the year, while the figures for 2018 were 45% and 44% respectively

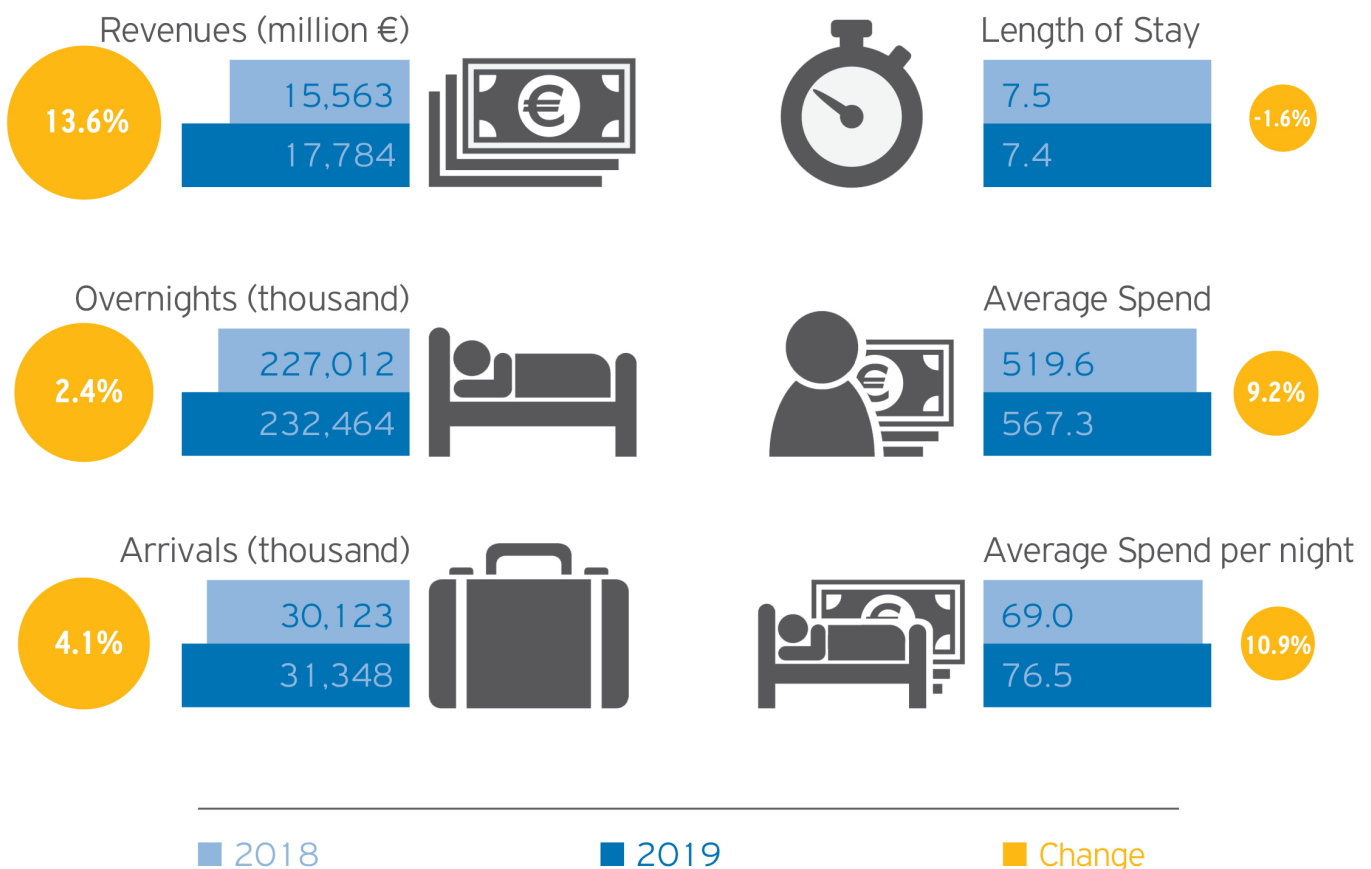
As is evident from the international arrivals graph, seasonality is a global rather than a purely Greek phenomenon. It is, of course linked to summer holidays where the 'Sun & Sea' product dominates.

International Tourist Arrivals, monthly evolution World



Source: World Tourism Organization (UNWTO)

# Length of Stay Average Spend Average Spend per night



Compared to 2018, inbound tourism in 2019 (excluding cruise arrivals) increased by 4.1% in arrivals (from 30,123 thousands to 31,348 thousands), 2.4% in overnight stays (from 227,012 thousands to 232,464 thousands) and +13.6% in revenue (from € 15,563 million to € 17,784 million).

Therefore, the increase in the Average Spend per Person by 9.2% (from € 519.6 to € 567.3) is due to the increase (10.9%) in Average Spend per Night (from € 69.0 to € 76.5). On the contrary, the Average Length of Stay decreased by -1.6% (from 7.5 overnight stays to 7.4 overnight stays).



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## INTELLIGENCE

This study was carried by INSETE under the act “Actions of Forecasting and monitoring changes in the Tourism Sector to strengthen its competitiveness and structural adjustment “ with MIS 5003333 code, which is **part of the operational Programme “Competitiveness, Entrepreneurship & Innovation” (EPAnEK)“** and is co-financed by the European Social

SOURCES:

INSETE Intelligence, UNWTO, WTTC, ELSTAT, Bank of Greece, KEPE, IOBE

## INSETE

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🏠 32, Voukourestiou str. - GR 106 71 Athens

☎ +30 210 3244368

✉ info@insete.gr

🌐 www.insete.gr