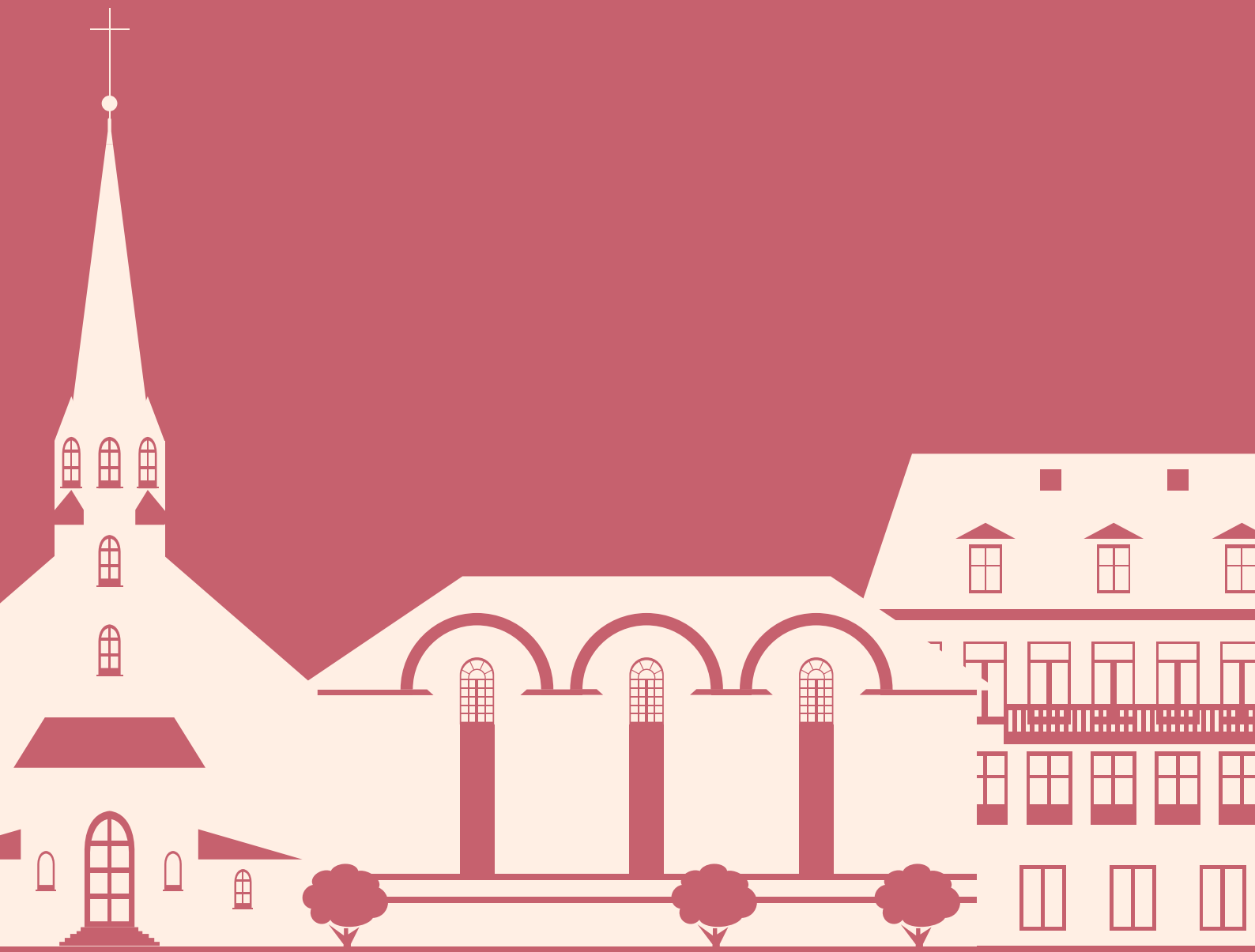
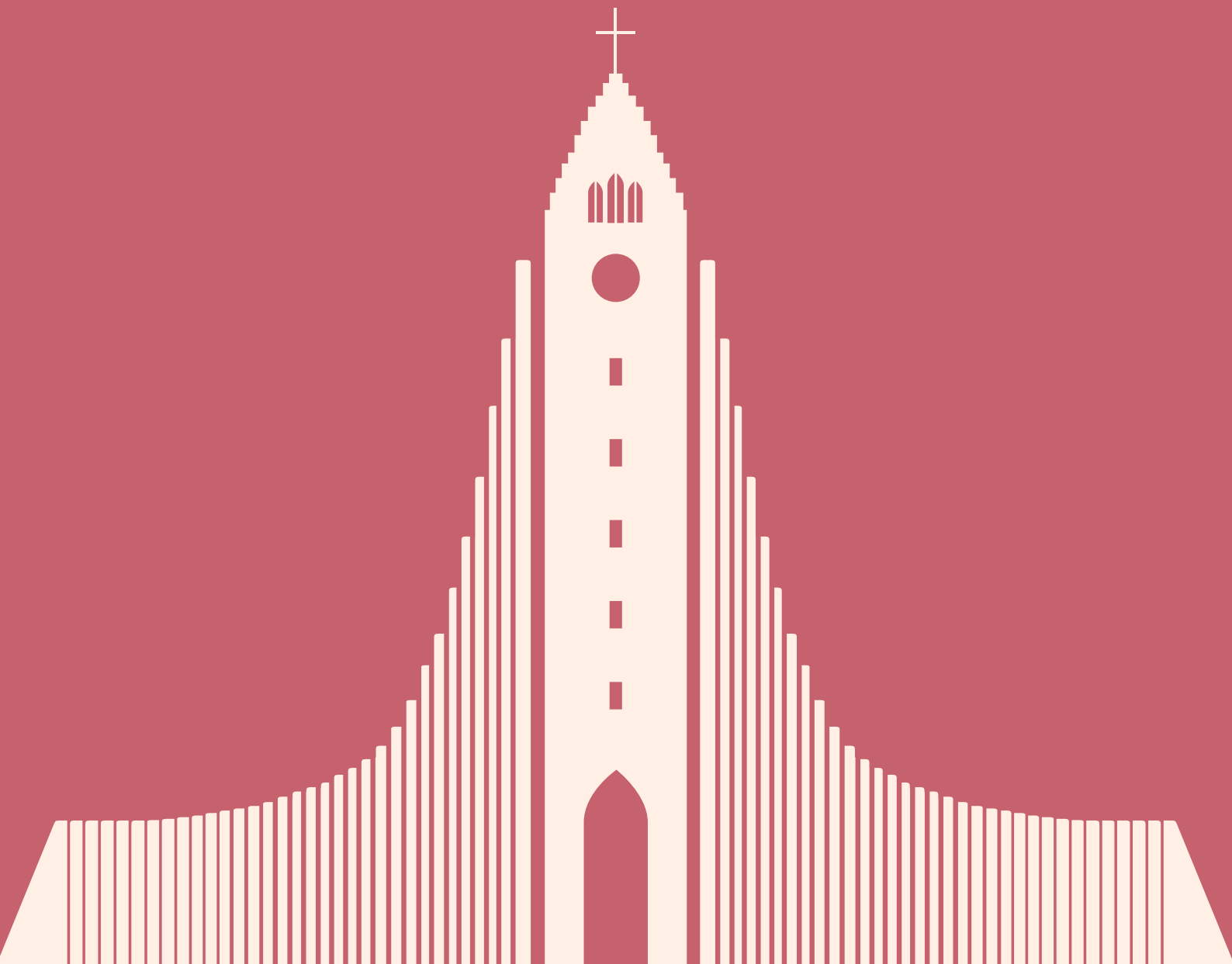


THE CITY OF REYKJAVÍK'S
TOURISM POLICY

2020–25



"Reykjavík is the most beautiful city I've seen. It's so clean, the people are so friendly and there's so much to do! Everyone must come here!"
Starr Comer, from the USA



THE DESTINATION

REYKJAVÍK

Tourism has been one of the main drivers of progress for Reykjavík in recent years. It has generated a great deal of revenue for businesses, individuals and the public sector, encouraged various kinds of growth and brought more life to the city.

This development has also sometimes tested the city's infrastructure and the patience of residents, not least in the city centre, and the large number of tourists has called for costly infrastructure investments, with a corresponding increase in costs for the city.

In early 2020, the COVID-19 pandemic disrupted tourism all over the world. Icelandic tourism and the destination of Reykjavík were no exception. While it's still not clear how long it will take the tourism industry to return to its pre-pandemic level, there are no indications that interest in Iceland and Reykjavík as a destination is on the decline. The vision for the future development of the city must therefore be based on the assumption that Reykjavík will once again become the destination of hundreds of thousands of tourists each year. This will not happen automatically, however.

It is important that, when the public is willing and able to resume travel, the destination of Reykjavík will be ready to press ahead with powerful marketing so that tourism can thrive once more and continue to be a driving force for value creation, jobs and growth.

The marketing and branding of Reykjavík as a destination must be based on a clear vision and policy and have a dependable framework and conditions.

The city is an important part of the destination of Iceland and the 'base camp' for tourists. They enjoy the nature of Iceland, but also the city life of Reykjavík. One of the tasks for the next few years is to further strengthen the independent image of Reykjavík as a destination in the minds of tourists before they arrive in Iceland.

The main task of the City of Reykjavík in past years has been, and will continue to be, developing the city as a destination in harmony with its residents.

Tourism in Reykjavík is mostly limited to the city centre, although the centre has certainly 'grown' both to the east and west, e.g. with the development of the Grandi area. Looking to the future, it is important to develop tourist attractions in more locations around the city.

The rapid growth of tourism has forced the city into the position of constantly responding instead of being able to develop and enforce a clear strategy. Now that conditions have changed, it is a good time to deal with the challenges ahead and show initiative.

DEVELOPMENT OF A NEW TOURISM POLICY

In the spring of 2018, the City of Reykjavík's Department of Culture and Tourism began preparing a new tourism policy for the city. The intention was for city authorities to sharpen their focus, prioritise and reassess how they intend to deal with the issue in the long term, knowing that they would have to take a leading role in that process. The main focus was on maintaining a balance between the needs of the tourism industry and the perspectives and needs of residents.

Average daily expenditure of tourists in Reykjavík in ISK:

2018: **37,693**

The Department of Culture and Tourism recruited experts from Capacent to collaborate on the process with staff from the department, including Visit Reykjavík. Consultation was provided by a working group consisting of the head of the Department of Environment and Planning, who also served as Chair of the group, and Visit Reykjavík's project manager for tourism, who also served as an employee of the group.

The work began with a status analysis and in-depth interviews with key stakeholders, including individuals in the tourism sector, tourism administration and city administration, in order to gain a clearer perspective on the issue and how the city had dealt with it in previous years: what had worked out well and what had to be changed? There were also workshops with representatives from municipalities in the Reykjavík area, as well as open work meetings with representatives of tourism operators in the city and residents. This process included the collection of data used for further strategy development.

When the main challenges of the project had been mapped out in the autumn of 2018, the City Council appointed a three-member steering committee to oversee the project: Þórdís Lóa Þórhallsdóttir, who also chairs the group, and councillors Hjálmar Sveinsson and Valgerður Sigurðardóttir.

In a status assessment presented at the City Council meeting on 4 October 2018, five key challenges to be addressed by the policy were highlighted.

- **Infrastructure development should be in line with the vision to develop the city as a tourist destination.**
- **Dialogue between the city and tourism stakeholders.**
- **Harmony between residents and tourism activities.**
- **More targeted marketing strategies and a clearer vision of how Reykjavík wants to develop as a destination.**
- **Better coordination of how the city deals with tourism challenges.**

The status assessment also looked to several European cities where there has been a rapid growth in tourism in recent years. This revealed several common factors:

- There is a great emphasis on 'harmony' between residents and tourists, as this is a prerequisite for both viable city life and growth and development in tourism.
- There is a focus on maintaining sustainable growth in tourism that causes minimal disruption to infrastructures, the environment and the community.
- There is an increased focus on cities getting to grips with and gaining control of the most important factors – such as accommodation via a sharing economy.
- There is a focus on making the experience of tourists as memorable and enjoyable as possible, not least through digital and smart solutions.
- There is a focus on preserving the characteristics and unique properties of cities, as these are the basis for their attractiveness as tourist destinations.

Number of hotel overnight stays in Reykjavík:

2019:

2,515,000



The percentage of foreign visitors who would recommend Reykjavik to others:

Summer 2018:

92%

The next step was a working meeting with councillors where they were asked about their long-term perspectives on the issue. Further in-depth interviews were also conducted, this time with the city's highest-ranking officials; other working meetings were held and work continued on the basis of the earlier in-depth interviews and working meetings with representatives of tourism operators, residents and neighbouring municipalities. The months when the policy was being developed were a time of great upheaval in the Icelandic tourism sector, and work had to be undertaken to take this into account and assess the impact.

The steering group's work served as a basis to draft a new tourism policy to replace the policy that applied up to 2020. The draft was subsequently submitted to an open public consultation, where everyone was free to send in comments. The Icelandic Travel Industry Association, the Icelandic Federation of Trade and Services and the Association of City Centre Residents were especially encouraged to submit comments.

When the comments that were received had been taken into account, comments were requested from four of the City of Reykjavik's specialist councils: the Environment and Health Council, the Planning and Transport Council, the Committee of Culture, Sport and Leisure, and the Human Rights, Innovation and Democracy Council. Comments were received from the three last-mentioned councils.



Percentage of conference guests in Reykjavik:

2019: **7.5%** of all tourists or approximately

149,815

Number of visits to the website *visitreykjavik*:

2019: **813,537**

Average length of stay for foreign visitors in Reykjavik:

2018: **2.6** days

The City of Reykjavik's Tourism Policy is intended to interact with other city policies, such as the Cultural Policy, the Employment Policy and the Reykjavik Municipal Plan. While work on the Tourism Policy was ongoing, Visit Reykjavik, in collaboration with the Icelandic Tourist Board and the neighbouring municipalities, was also developing a destination plan for the entire capital region, the draft of which awaits a review by the Association of Municipalities in the Capital Area. This draft policy has many similarities to the City of Reykjavik's Tourism Policy.

The Department of Culture and Tourism is responsible for the implementation of the City of Reykjavik's Tourism Policy, and Visit Reykjavik is responsible for preparing the relevant one-year action plans. The policy is valid for a term of five years, after which it will be reviewed, or earlier if deemed necessary.

The policy is intended to guide the City of Reykjavik in its continuing development as a tourist destination as well as its efforts to meet the needs of the tourism industry and remain an attractive city that enriches the lives of both residents and domestic and foreign visitors.

Percentage of foreign visitors who purchase culture-related services in Reykjavik:

2018: **41%**

VISION FOR THE FUTURE

A vibrant, progressive city culture and unique natural beauty make Reykjavík an attractive destination.

Tourism supports the development of a dynamic city. It is a positive **driving force** that develops in harmony with the local residents, economy, environment and culture.

Digitalisation and a focus on sustainability make Reykjavík a **smart, accessible** and **environmentally friendly** tourist city.



"I loved this city! The atmosphere is like a small village, but there's as much to do as there is in a big city! I miss Reykjavík and I want to go back there as soon as possible."

Abby Reid, from the United Kingdom

PRIMARY OBJECTIVES OF THE TOURISM POLICY

1. Reykjavík is a vibrant and progressive city, full of life and surrounded by unique nature

Reykjavík is a unique destination in that visitors can enjoy, all at once, a vibrant and progressive city culture, an exciting art scene, knowledge creation, a variety of high-quality services, opportunities for outdoor activities, and a unique natural environment that surrounds and intertwines with the city.

2. Sustainable tourism in harmony with the community

The continued growth and development of tourism is sustainable, in line with the overall development of the city and in harmony with the community. Carbon offsetting is used to counter the carbon footprint from tourism.

3. Consistent, simple, efficient and smart

Administration is consistent and efficient, and digital solutions are used to handle major challenges and promote innovation, exciting experiences and maximum value for visitors, the city and its residents alike.

REYKJAVÍK IS A VIBRANT AND PROGRESSIVE CITY, FULL OF LIFE AND SURROUNDED BY UNIQUE NATURE

Reykjavík is a unique destination in that visitors can enjoy, all at once, a vibrant and progressive city culture, an exciting art scene, knowledge creation, a variety of high-quality services, opportunities for outdoor activities, and a unique natural environment that surrounds and intertwines with the city.

Main focus points of primary objective 1:

- a) Ensuring consistency in what Reykjavík represents within the municipal system and in collaboration and dialogue with stakeholders.
- b) Strengthening Reykjavík's status as a winter destination.
- c) Defining and working with the target groups that Reykjavík wants to attract through marketing operations.
- d) Strengthening the position of Reykjavík as a conference city and making it a more attractive destination for MICE travellers (Meetings, Incentives, Conferences, Exhibitions).
- e) Continuously strengthening cultural infrastructure while preserving the strengths on which Reykjavík's cultural image is based, e.g. being imaginative, creative, dynamic and exciting.
- f) Making efforts to design the city's public areas and spaces in a memorable fashion.
- g) Increasing promotion of Reykjavík's cultural institutions and events aimed at foreign visitors.
- h) Drawing attention to opportunities for sports and outdoor activities in Reykjavík's unique environment.
- i) Developing Reykjavík's reputation as a city of knowledge with close connections to the economy and the academic community.
- j) The experience of visitors should be positive, and the city wants to present itself as being hospitable, exciting, safe and friendly.

DISCUSSION

The uniqueness and special status of Reykjavík is interwoven with the quality of life that makes it such a people-friendly city. Reykjavík is a green city, a clean city, a city of equality, a city of culture, a port city, a peaceful city, and a creative city of knowledge that is interwoven with and surrounded by unique nature. Reykjavík emphasises access for all and universal design of public spaces.

The destination's image should be based on Reykjavík's real strengths and characteristics, with which visitors and residents alike can identify.

MEASURABLE GOALS

For at least 92% of visitors to recommend Reykjavík as a destination, consider its residents hospitable and friendly, and believe that the city is exciting and peaceful. Increase the proportion of MICE travellers in Reykjavík to 15% by 2025.

PRIORITY ACTIONS

Define key target groups before the end of 2020.

Reassess the common aims and guiding principles for joint marketing of the destination with neighbouring municipalities. Explore whether there is interest in even more wide-ranging cooperation.

Conduct regular attitude surveys among visitors to Reykjavík.

Apply for funding from the Tourist Site Protection Fund to strengthen infrastructures and development.

SUSTAINABLE TOURISM IN HARMONY WITH THE COMMUNITY

The continued growth and development of tourism is sustainable, in line with the overall development of the city and in harmony with the community. Carbon offsetting is used to counter the carbon footprint from tourism.

Main focus points of primary objective 2:

- a) For the city to take the initiative in reducing the negative environmental impact of tourism by carrying out its own actions, incentives and cooperation. Systematic efforts will be made to ensure carbon offsetting of tourism in Reykjavík.
- b) To use targeted steering, marketing and planning to spread the load from tourism more evenly across the city and strengthen the available tools to achieve this. Quotas will be applied as necessary, as has been done in relation to accommodation in the city centre; parking fees will be used to control the traffic of rental cars, and constant efforts will be made to organise drop-off points and temporary parking for buses.
- c) Sustainability will be a guiding principle in all development of natural areas in and around city land. All development should have the aim of supporting environmental quality and limiting traffic that may cause irreversible damage while maximising the experience of and access to areas for outdoor activities.
- d) That Reykjavík Harbour be electrified when it becomes technically possible so that cruise ships can use tourism-related energy transition solutions instead of heavy fuel oil.
- e) Better information supply to and communications with residents and other stakeholders, as discourse and information flow are necessary to achieve harmony. At the same time, the character and properties of individual parts of the city should be preserved alongside development that improves the experience of both residents and tourists.
- f) The City of Reykjavík's tourism marketing should also be aimed at residents, to develop awareness and understanding of the mutual interests of residents and the tourist industry, and the economic and cultural value that a strong and sustainable tourist industry can bring to city residents.

DISCUSSION

Although the city centre is and will continue to be the main focus of tourism in Reykjavík, it is important to make efforts so that tourism can support the development of activities and services in as many parts of the city as possible.

Further growth and development of tourism should be linked to the city's general development plans, including the Borgarlína bus rapid transit system, and used to promote and support cultural activities and services that are already in place or should be developed in city neighbourhoods.

MEASURABLE GOALS

For least 80% of residents to have a positive attitude towards the tourist industry and tourism.

ACTIONS

Sustainability and environmental protection should be a priority in all collaborative projects relating to tourism and the tourist industry.

Marketing should focus especially on promoting public transport and other environmentally friendly modes of transport to foreign visitors.

In 2020, work will commence to develop a plan on how to carbon offset tourism in Reykjavík.

A consultation forum will be established by the end of the year 2020 and regular meetings held with representatives of tourism operators, residents and city authorities.

Surveys will be conducted regularly to gauge the attitudes of residents towards the tourist industry and tourism.

CONSISTENT, SIMPLE, EFFICIENT AND SMART

Administration is consistent and efficient, and digital solutions are used to handle major challenges and promote innovation, exciting experiences and maximum value for visitors, the city and its residents alike.

Main focus points of primary objective 3:

- a) The Tourism Policy and other City of Reykjavik policies should support each other and an interdisciplinary approach used where necessary.
- b) Efforts must be made to ensure that city authorities have the required information, figures and data to make decisions on a solid basis in each case.
- c) City authorities must work constantly on innovation based on the concept of Reykjavik as a Smart City in order to achieve their sustainability goals for tourism and to maximise the experience and value for visitors, the city and its residents.
- d) Systematic development of digital solutions in various forms will be used to work on the objectives of the Tourism Policy, both as regards marketing and sustainability.

"The hospitality of the people only adds to the beauty of this excellent city."

Javier Olivares, from Spain

DISCUSSION

Tourism is an issue and industry that touches on almost all areas, including economic development, planning and culture, to name just a few examples, as well as influencing the daily lives of almost all city residents in one way or another.

The city's administrative system will be strengthened and coordinated so that it can deal with tourism-related challenges, whether they pertain to residents, tourism companies or sustainability.

Digital solutions will be one of the most powerful tools for communicating information to tourists during their stay, and should be used to make it easier for both tourists and residents to access various services.

MEASURABLE GOALS:

All marketing material for foreign visitors will also, or only, be provided in digital form by 2020.


PRIORITY ACTIONS:

To investigate, before the end of the year 2020, whether there are grounds to establish a destination and marketing agency for the capital region with powerful support from the private sector and the State, along with a contribution from the city. The participation of neighbouring municipalities would also be sought.

A formal consultation forum across municipal departments and institutions will be established to ensure information flow and a common approach before the end of the year 2020.

An assessment of how the city can utilise digital opportunities for tourism in the long term is to be concluded before the end of the year 2020.

By the end of 2020, it should be clear what statistical information has to be collected and preserved and how this should be done.



The following appendices contain proposals made during the work process on methods, focus points and actions to achieve the objectives set forth in the Policy. These proposals may be referenced when determining actions and the implementation of individual focus points relating to the Policy's primary objectives.

Proposals for methods, focus points and actions that have been made and relate to primary objective 1:

- Formulate and implement a powerful marketing strategy, with a clear message and localisation based on the uniqueness and strengths of Reykjavík.
- Regularly measure the effectiveness of marketing actions and, if necessary, reassess and improve measurements such as web traffic, tolerance surveys and attitude surveys among locals, tourists and tourism companies.
- Ensure that a broad range of marketing activities can be conducted in order to develop and maintain Reykjavík as a brand.
- Work systematically on bringing international conferences and meetings to the country in collaboration with the business sector, the academic community and other parties that could promote Reykjavík's international reputation as a leading city for research and innovation, e.g. in areas such as equality, peace, energy, the Arctic, genetics, the fishing industry and creative fields.
- Strengthen the ties to the academic environment, which has already proven to be an attraction for foreign students. Such connections strengthen Reykjavík's international position when it comes to academic studies, research, conferences, innovation and development.
- Provide generous support for the grassroots music scene as one of the main driving forces of Icelandic cultural life.
- Promote Reykjavík as a UNESCO City of Literature as widely as possible. Increase the visibility of the literary heritage in the cityscape with markings, interactivity and routes for tourists.
- Work on the setting and layout of areas for celebrations and events outside the city centre to reduce traffic in the city centre and support other neighbourhoods as hubs of activity.
- Support innovative public art that brings colour and life to the city. Such art supports attractions outside the city centre, gives neighbourhoods their own unique character, and provides positive experiences and social discourse.
- Support the operational basis of municipal museums and exhibitions and ensure that permanent basic exhibitions are updated regularly to make the museums more attractive and reach international quality standards.
- Support the development of Reykjavík's film industry. Reykjavík's authorities should make it easy for foreign film producers to invest in the city through their projects by processing requests and providing services efficiently for the use of city land in film projects.

Proposals for methods, focus points and actions that have been made and relate to primary objective 2:

- Meet the need for more dialogue and consultation between different entities, whether through consultation or advisory groups, regular project group meetings, forums or other efficient means.
- Assess the long-term development of a sharing economy in tourism and entertainment and formulate a clear approach on how this development can benefit residents and the tourist industry.
- Have more consultation with other municipalities in the capital region, regional organisations and the government, as these parties have an internal dependency on each other when it comes to tourism administration, marketing and decisions on the distribution of tourists and development of infrastructures and services.
- For city authorities to gain a better understanding of the needs and expectations of tourism operators in the city through dialogues, information supply and a clear division of administrative responsibilities.
- Use the development of walking and cycling routes and outdoor areas in Reykjavík in marketing aimed at foreign visitors.
- Support the development of outdoor activities and cultural experiences, for example in Elliðaárdalur, Heiðmörk and in the Esja area.
- Decrease light pollution by controlling light intensity and defining so-called dark parks, thus improving dark quality and increasing access to the natural wonders of the night sky.
- Establish green infrastructure, such as more environmentally friendly energy sources and sorting of waste.
- Increase the proportion of those who elect to use public transport during their stay in Reykjavík.
- Consider new areas for tourism development to reduce the strain on the city centre and support activities and services all over the city, in accordance with the proposed plans for the future development of accommodation services in Reykjavík.
- Grandi is one example of an area where various services for tourists have been successfully developed. The construction of hotels and increase in services along the development route along Suðurlandsbraut and into Skeifan has already begun and will continue.
- One new development area is the Reykjavík coastline – our 'Sunset Boulevard' – and the stretch between Grandi and Snorrabraut already attracts many tourists. The area from Snorrabraut to Kirkjusandur, through Vogabyggð and into Elliðaárdalur, therefore offers new opportunities for tourist services.

- There are already numerous pieces of outdoor art and cultural buildings along the coastline, as well as historical relics such as Höfði, in addition to which the coastline is a stepping stone towards the natural, cultural and historical treasure that is the island of Viðey. This aspect, and thereby the area as a whole, should be strengthened further.
- The coastline is well connected to major roads, so both the city centre and international airport can be easily reached.
- With the development planned for the years ahead, assessments should also be made on the feasibility of constructing a new conference centre, which would both be an addition to and clearly distinct from the Harpa Concert Hall and Conference Centre, so that the combination of these two buildings would create a powerful attraction for the conference city of Reykjavík. Such a conference centre would have to be located outside the city centre, by a high-traffic public transit route so that it would support the development of services outside the city centre and create a new attraction in another neighbourhood.

Proposals for methods, focus points and actions that have been made and relate to primary objective 3:

- The coordination and cooperation of the units involved in Reykjavík's promotion and marketing is important in order to achieve successful image building, brand management, marketing and comprehensive worldwide promotion of the City of Reykjavík.
- Offer strong support for the development of all kinds of digital solutions and ensure content creation for these solutions, whether in visual or text form.

"For me, this was an unforgettable experience. I love the museums and the whole place. I'm coming back in November 2020 to see the Northern Lights!"

Federico, from Mexico



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