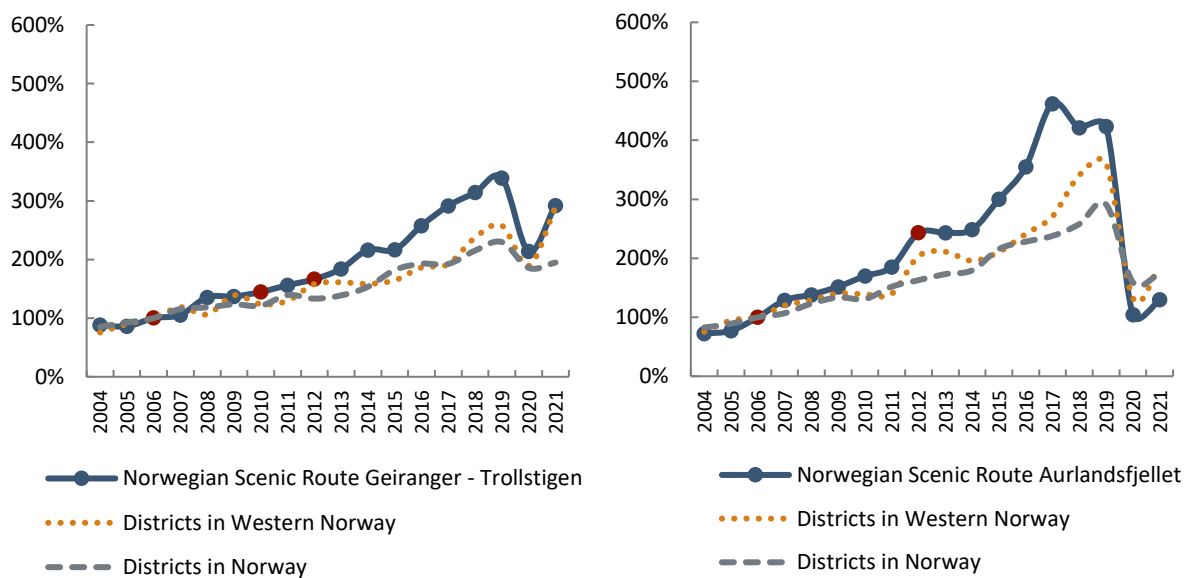


## English summary

Menon Economics has, on behalf of the Norwegian Scenic Routes section of the Norwegian Public Roads Administration, carried out an ex post impact study of the Scenic Routes Geiranger – Trollstigen and Aurlandsfjellet. The purpose of the project was to investigate whether the roads have had a positive impact on local tourism. The analysis was carried out using the methodology developed in connection with previous Menon studies on the impact of Norwegian Scenic Routes Varanger and Rondane in 2017, Senja and Gaularfjellet in 2019, and Atlanterhavsvegen and Ryfylke in 2020.

**The analysis finds that tourism-related business has grown considerably faster along Norwegian Scenic Route Geiranger – Trollstigen and Norwegian Scenic Route Aurlandsfjellet than in comparable areas regionally and nationally.** We conclude that the two Norwegian Scenic Routes probably have had a positive impact on local value added. The charts below show the indexed development in tourism companies along the Scenic Routes compared to similar companies regionally and nationally.

Figure 1: Growth in value added in tourism companies along the Norwegian Scenic Routes compared to similar tourism companies in other regions. To the left: Norwegian Scenic Route Geiranger – Trollstigen. To the right: Norwegian Scenic Route Aurlandsfjellet. Index year=2006. The red dots mark the years in which investments were made on the routes. Source: Menon Economics



We conclude that the investment in, and promotion of, Norwegian Scenic Routes have had a positive effect on tourism-related businesses along both routes. The growth in value-added development along the Scenic Routes can be a result of both increased growth in the adventure tourism in the area and the investment in amenities and marketing along the scenic routes. The development in value-added tourism is also qualitatively assessed with the help of interviews conducted by the Norwegian Public Roads Administration. Menon has been given access to minutes from 48 interviews and the feedback from the respondents supports our conclusion that the Norwegian Scenic Routes have had a positive effect on local tourism industry on both Geiranger – Trollstigen and Aurlandsfjellet.

The common feature of both routes is that they cover destinations with high attractiveness and welcome various types of travelers, including a large volume of cruise tourists. The maturity of the tourism industry may be related

to the fact that growth since 2006 has primarily taken place in established businesses located in the largest destinations, such as Flåm, Geiranger, and Åndalsnes. A central challenge that the tourism industry faces is sustainable visitor management during periods of high activity, which can contribute to enhancing the quality of the experience for visitors of the Norwegian Scenic Routes and improving the situation for the local population.

The tourism industry along both routes experienced a deeper decline during the pandemic years compared to the reference groups. Two possible reasons for this are that the pre-pandemic tourism was characterized by a relatively high proportion of foreign visitors and a relatively low presence of the local population. We consider it likely that the positive trend will resume after the pandemic, based on both the forecasts for the overall Norwegian tourism industry pointing in that direction, and the expected increase in demand for experience tourism.

Norwegian Scenic Routes have attracted considerable attention through a number of articles in both Norwegian and foreign media and is also used by Innovation Norway when advertising Norway as a destination abroad. This interest has likely contributed to the increased income and activity of businesses along the route, but it is probably also creating more traffic in other regions. The Norwegian Public Roads Administration is measuring the interest in the Scenic Routes domestically by monitoring mentions in newspapers and magazines, while attention abroad is harder to measure, and has not been estimated so far.

The attention is likely contributing to increased traffic in regions with Scenic Routes. If the Scenic Routes contribute to an increase in traffic on other roads in the regions they are situated in, the Scenic Routes also contribute to tourism-related consumption in wider areas surrounding the roads. Because we do not have good estimates of how much the Scenic Routes have increased traffic, it is difficult to estimate their total value-added contribution.