
UCD MARKETING DEVELOPMENT PROGRAMME

**Report on
Emerging Global Economies and
Analysis on Potential Tourism Opportunities for
Ireland over the Coming Decade**

Prepared for:

**Mr. Eamonn McKeon
CEO
Irish Tourist Industry Confederation**

Prepared By:

**Rosemarie Cahill
Sorcha Fennell-Sheehan
Claire Henry
Julie O' Mahony
and
Sean Purcell
Marketing Advisors**

8 July 2011

CONTENTS

	<u>Page</u>
Executive Summary	i
Section One: China	1
Section Two: India	8
Section Three: Russia	16
Section Four: Brazil	20
Section Five: Middle East	25
Section Six: Japan	32
Appendix One: Assignment Brief	
Appendix Two: Additional Research	

EXECUTIVE SUMMARY

The UCD Marketing Development Programme conducted research on behalf of the Irish Tourism Industry Confederation (ITIC) into the potential tourism opportunities for Ireland from emerging economies over the next decade.

This report outlines the findings, which were obtained from both secondary research, using various databases, and primary research, which involved consulting with experts in the tourism industry.

At present, there are many forecasts to suggest that the emerging economies, such as Brazil, Russia, India and China (BRIC) as well as the Middle East and Japan offer significant potential for Ireland in terms of tourism opportunities over the coming years. The purpose of this report is to establish whether these potential opportunities are real, how Ireland can best target these markets and when potential opportunities could be realised.

Overview

China and India are both rapidly growing countries, with GDP forecasts at 7 to 8 percent per annum for the coming years. At present India's GDP is US\$3,200 per capita, China's is US\$7,600. China's population is 1.4 billion and is growing at 0.6 percent per year. The country has 26.8 million outbound travellers, and the middle class is expected to grow to 700 million by 2020, representing 45 percent of the population. Similarly, India has a population of 1.1 billion that is growing by 1.4 percent, there is a large and growing middle class of about 300 million Indians which is expected to increase ten-fold by 2025.

In Brazil the current population is approaching 193 million, and is forecast to increase by 8 percent over the next decade. The country had a GDP growth rate of 7.5 percent in 2010, and 46 percent of the population is considered middle class. Russia has a lower population than Brazil at 139 million, and had a lower GDP growth rate at 4 percent, but the region has a much greater GDP per capita, at US\$15,900 versus a GDP per capita of US\$10,800 in Brazil.

Other countries that are examined in this report for potential tourism opportunities are Japan, and countries in the Gulf region, including Israel, UAE and Saudi Arabia. Japan has a population of 126.5 million, and GDP per capita of US\$34,000. Israel's population is 7.4 million, Saudi Arabia has a population of 27.5 million, and UAE is 4.3 million. UAE's gross domestic product reached US\$270 billion in 2010. Saudi Arabia's GDP is estimated at US\$622.5 billion in 2010. Israel's GDP is approximately US\$219 billion for 2010.

Current Travel Patterns

China

Outbound travel from China is largely intra-regional, with 65 percent of trips going to neighbouring countries in Northeast Asia. Approximately 4 percent, or 1 million, of travellers visit Western Europe, with France and Germany being the favoured destinations. The outbound market size was 26.8 million in 2009. That year there were 89,000 travellers to the UK, however only 26 percent of these also visited another country. Estimates of annual visitors to Ireland are in the region of 5,000-10,000. The top 5 forecast destinations for 2014 are Hong Kong, Macao, Singapore, Korea and Thailand, and the UK ranks 14th.

Beijing, Shanghai and Hong Kong are the main departure cities. The UK reported the following breakdown for arrivals from China in 2009: 31 percent holidays, 27 percent VFR, 28 percent business, 7 percent study and 3 percent other.

Value for money is of great importance to the Chinese consumer. They tend to stay in mid-priced accommodation, generally 3-star hotels, and choose cheap sight-seeing tours and food. They are, however, amongst the biggest spenders on outbound trips, reserving more than one-third of their budget for shopping. A 2005 survey showed that Chinese travellers to various EU member states spent about €3,000 per trip, of which 34 percent went on shopping, 17 percent on the air fare, 18 percent on accommodation, 9 percent on entertainment, and 3 percent on travel agency services.

India

The outbound market size is 9.1 million at present but is forecast to grow to 10.1 million by 2014. Of these travellers, only 8 percent come to Western Europe which accounts for over 750,000 people. There were 273,000 visits to UK in 2009, and 33 percent of these visited another country as well. At present, there are up to 20,000 arrivals into Ireland from India each year, which is a mix of Indian nationals and expatriates coming home.

The UK breakdown for arrivals from India in 2009 was: 34 percent business, 29 percent VFR and 27 percent holiday.

Shopping is the most popular activity for VFR tourists. The average spend per trip to the UK is £985 and these tend to be relatively long in duration, with 37 percent of all visits from India lasting 15 nights or more. The peak months for travel to Europe are May to July and October to December.

Brazil

Of Brazil's 4.5 million outbound travellers, a total that is set to increase to 6.1 million by 2014, 29 percent currently travel to Western Europe. Of these travellers, 150,000 travel to the UK. The primary purpose of travel for Brazilians in 2009 was 57 percent holiday, 14 percent VFR, 12 percent business and 12 percent study. Holiday visitors to the UK tend to stay on average for about 9 nights. Of those who visited the UK, 59 percent visited another country too, suggesting some visitor potential for Ireland.

Russia

There are set to be 24 million outbound trips from Russia in 2014. At present, the Ukraine is the most frequently visited destination accounting for 37 percent of outbound journeys. This is followed by Turkey, China, and Egypt. The UK accounts for just one percent of all outbound journeys. Of those journeys, the purpose of the visits tends to be 35 percent holiday, 26 percent business and 21 percent VFR.

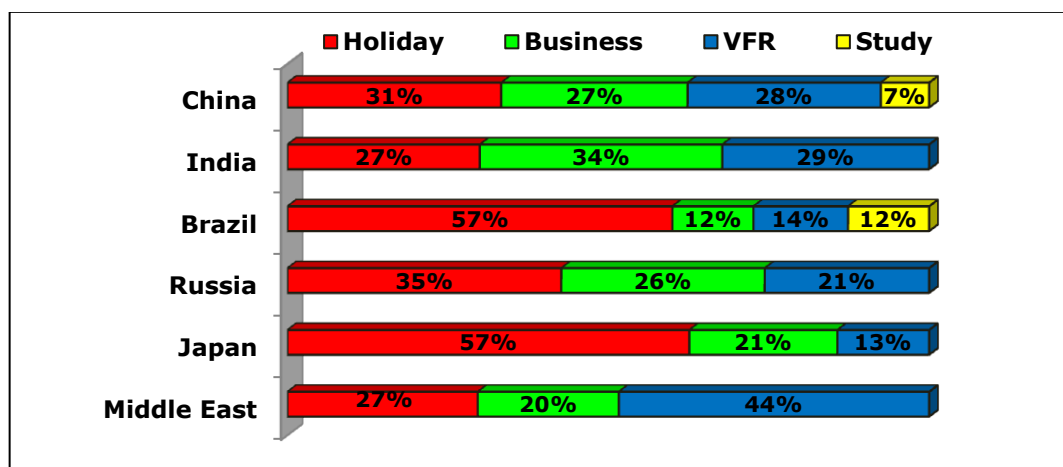
Middle East

There are over 3 million outbound trips from Israel each year. Italy and Greece are the most popular destinations for holiday makers, with over 250,000 visitors to each country per year. Britain is the sixth most visited country by Israelis each year, receiving over 150,000 travellers. The primary purpose for travel from Saudi Arabia and UAE is 44 percent VFR, 27 percent Holiday and 20 percent Business.

Japan

Japan is forecasted to have over 25 million outbound trips made each year by 2014. Of these, 15 percent will come to Western Europe, with over 235,000 travelling to the UK. The primary purposes of travel for the Japanese are 57 percent holiday, 21 percent business and 13 percent VFR.

Figure 1: Emerging Economies' Purpose for Travel to the United Kingdom



Potential Opportunities:

A new holiday and short-stay Visa Waiver Programme is being set up for 14 of the countries whose nationals currently require a visa to visit Ireland. This pilot programme, which will run from 1st July 2011 to 31st October 2012, will allow those nationals who have a short-term UK visa to come to Ireland without the need for a separate Irish visa. The countries include China, India, parts of Eastern Europe and the Middle East. This is hoped to encourage an add-on trip to Ireland of between 2 and 3 days when visiting Britain. This could prove particularly beneficial with the influx of tourists to the London Olympics in 2012.

There is an opportunity to increase existing numbers of Indians being educated in Ireland as this is an important source market for VFR visits. Thousands of Indians are pursuing studies abroad, with the UK, Australia, USA and New Zealand as market leaders in attracting students. UCAS data in 2008 shows that 2,330 Indians applied to study at UK universities and 1,674 (55%) were successful. For Ireland, promoting language and business learning could prove very beneficial for this market.

There are opportunities for tourism from Russia, particularly for weekend breaks, as Moscow to Dublin is just over a four hour journey and S7 Airlines have direct flights into Dublin two days a week. As the Russian economy continues to grow, there has been a push to improve fluency in English for business reasons. This leads to opportunities for attracting students.

A bilateral agreement to co-operate in education and research was signed recently by the governments of Brazil and Ireland. It is expected the agreement will see an increase in the number of Brazilian students coming to Ireland for undergraduate and graduate studies as well as increasing the number of research partnerships between Irish and Brazilian educational institutions.

In the Middle East, education also appears to be a potential opportunity for attracting foreign nationals into Ireland. Enterprise Ireland has promoted Irish higher education in Saudi Arabia since 2007. There are currently over 400 Saudi Arabians studying in the country's higher education institutions and a similar number studying English in Ireland. After another recent education trade mission headed by Minister for Enterprise, Richard Bruton, there is further opportunity to grow this segment in the future.

Potential Barriers

Trying to attract Chinese tourists to Ireland is difficult as they are more likely to be drawn to major cities such as Paris, London and Barcelona. This factor is compounded by the lack of direct airline routes from China to Ireland. Cost is also considered to be a major barrier, both in terms of the cost of travelling to Britain or Ireland, but also the cost of being in the country. While a high proportion of Chinese take English as a foreign language course, problems still remain in terms of communication. Chinese tourists require bilingual guides and tour leaders, as well as translation on all literature. They are very particular about their food; they are used to eating Chinese style lunch and dinner and do not readily accept other cuisines. At least one Chinese meal every two days would be required.

The majority (83 percent) of the Indian population is Hindu, 11 percent Muslim, 2 percent Christian and 2 percent Sikh. This can lead to complexity in accommodating Indian tourists, and is compounded by language barriers. Catering to the Indian palate poses a challenge, but is important as many Indians are vegetarian and relatively conservative, especially those from the business communities. Indian Hindus do not eat beef, and Indian Muslims do not eat pork. No non-vegetarian elements should be mixed in its preparation or presentation. The weather in Ireland is a potential barrier for Arab visitors from the Middle East. Although they want to escape the heat of the Middle East, clouds and rain are viewed as depressing and gloomy.

Dealing with price perceptions poses a challenge for nearly all of the markets outlined. Many Chinese, Indian and Middle Eastern visitors expect 5 star accommodation for 3 star prices, they expect to pay a similar rate as that in their native countries. As a result, they can be disappointed with the level of service offered in Ireland in terms of value for money. For example, up to 90 percent of Arabs believe "Britain is an expensive destination". Ireland is viewed in a similar light.

Finally, although progress has been made through the introduction of the new holiday and short-stay Visa Waiver Programme, the UK visa remains the most expensive in Europe. The ADS visa costs £67, while a tourist visa to the 15 Schengen countries costs less than £40.

Channels of Distribution

China

Media reference points are seen as being the most inspirational sources of information, with the most effective channels being advertisements and travel programmes on television, and articles and advertisements in newspapers and magazines. Other trusted sources of information are national tourism organisation websites, travel agency websites and travel blogs. CTRIP is one of the most successful online travel companies. Other important e-commerce sites include Alibaba.com, Dangdang.com, Taobao.com, Tencent.com and Joyo.com (owned by Amazon).

Over 80 percent of outbound travels are booked through travel agencies. Travel retailers act as both tour operators and travel agencies for domestic, inbound and outbound travel. Agencies play a key role in helping the consumers to decide where to visit and what to spend their money on.

The following table lists the largest outbound agents of the 68 accredited ADS travel agents in China:

Beijing	Shanghai	Guangdong
1. CITS Head Office	1. Jing Jiang	1. GZL International Travel Service
2. China Comfort	2. SH CITS	2. CTS Guangdong
3. CYTS	3. SH Airline	3. CITS Guangdong
	4. SH CTS	4. Shantou Tourism General Co
	5. SH CYTS	

India

For the majority of Indian travellers, family and friends are the most trusted source of information, as they prefer personal recommendations and word-of-mouth rather than detailed reading. In terms of media, the most popular sources are articles in magazines and newspapers, and advertisements on television, in magazines or newspapers, or on websites. Other more reliable reference points include travel programmes on television, guidebooks and a national tourism organisation website.

Travel agents and tour operators are relied on, and up to 95 percent of bookings still go through traditional travel agents. TCI, Kuoni India, Thomas Cook, Cox and Kings and Raj Travels make up the top five travel agents in India. SOTC, Kesari, CLUB 7, Dewan Travels, Compass Travels amongst others are also sending large numbers of travellers.

Brazil

When Brazilian tourists are considering a holiday, friends, family, travel agents and the web are key information sources. The top five travel agency websites in Brazil are Decolar, Viajanet, Hotel Urbano Mundi Buscador de Viagens and Submarino Viagens. The top five sites account for almost 75 percent of all visits to travel agency websites. Decolar receives more than 20 percent of all traffic.

Almost 40 percent of all outbound trips are arranged through a travel agent, flights however are typically purchased online directly from the airline. Accommodation and other attractions are regularly booked upon arrival in the destination. BRAZTOA, the Brazilian Association of Tour Operators has 70 members representing 80 percent of package holiday sales and 15 percent of ticket sales. The largest provider to Europe is CVC.

Russia

The key sources of information when planning a trip are: the Internet, word of mouth and travel agents. Secondary sources of information are: guide books, TV programmes, such as Vokrug Sveta (Around the World) and Neputeviuje Zametke (hosted by Dmitry Krylov), and magazines, e.g. Voyazh i Turizm.

Ninety-seven percent of all bookings and sales in Russia are made through travel agents. This is, in part, due to the fact that credit cards cannot be used for online purchases. Furthermore, there are no budget airlines in Russia.

Japan

The source that Japanese use most often for inspiration and ideas about holiday destinations are travel programmes on television. Conversations with friends and family fill around a quarter (24 percent) with ideas about where to go on holiday. Equally, 24 percent are inspired by printed travel brochures. Just over a fifth (21 percent) sought holiday inspiration from travel guidebooks. Each of these sources is seen as being fairly reliable.

Forty-five percent of Japanese tourists stated that they preferred to book their holiday through a travel agent. There is a low incidence of booking travel online, as 2 in 3 people do not see this as a safe option.

Middle East

The most prominent travel agent in the Middle East is Emirates Holidays, which is a subsidiary of Emirates Airways. In Israel, the travel agents used most frequently are Air Travel and Dynamic Tours for travelling to European destinations.

Conclusion

It has emerged from the research that, of all the countries studied in this report, China and India hold the most potential for Ireland. Although boasting sizeable outbound travel markets, the actual numbers coming to Ireland from each of these source markets is quite low. However, forecasts show significant growth in visitor numbers to Ireland from both China and India.

The new holiday and short stay Visa Waiver Programme holds potential for boosting travel to Ireland, and it is hoped by those in the industry that this will encourage an add-on trip to Ireland of 2-3 days from those visiting Britain. Both China and India qualify for this programme. With the London Olympics next year, there is great potential for attracting tourists through the Visa Waiver Programme.

Education is increasingly seen as a reason to travel to Ireland, with a large proportion of both Chinese and Indian students already in the country, and significant numbers also from countries in the Middle East and Brazil. Education has long term potential of increasing tourists into Ireland. With a strong business environment that includes large multinational companies such as Google, Facebook and Microsoft and being an English speaking country, provides Ireland with a strong competitive advantage to attract foreign students. This can result in positive word-of-mouth, increased VFR visits and boosting business trips into Ireland over the coming decade.

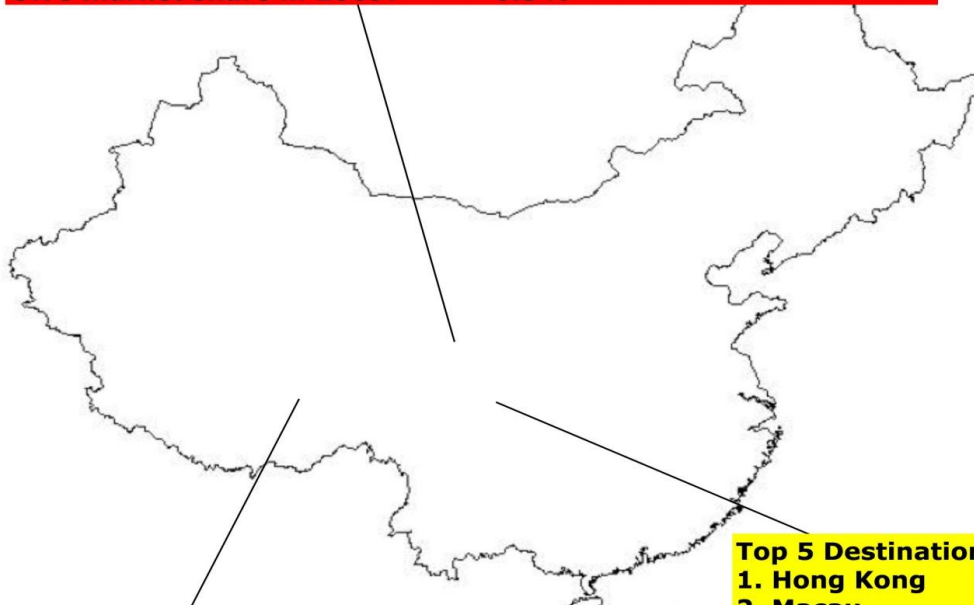
It should be noted, however, that despite these positive signs in terms of increasing visitor numbers, and positive growth forecasts, these markets do not hold immediate potential for Ireland. It is widely recognised by those in the tourism industry that while the potential from the emerging economies of China, India, Russia, Japan, Brazil and the Middle East will not be realised in the coming decade, they do indeed hold significant long term potential for Ireland. Nurturing these markets and catering to the diverse needs of these travellers is essential. In order to ensure a positive outlook for tourism to Ireland in the longer term, developing relationships with travel agents in these markets could make Ireland a more attractive package holiday destination.

SECTION ONE:

CHINA

1. China:

Total visits in 2009:	89,000 (down 17%, rank 40th)
Total spend in 2009:	£117m (down 14%, rank 31st)
Average spend per visit in 2009:	£1,310 (up 3%)
Average length of stay in 2009:	13 nights
Market population in 2009:	1.4bn
Outbound market size in 2009:	26.8m
UK's market share in 2009:	0.3%



Visitors
51% are aged between 25-44 with 56% of these being male
What Motivates Them
31% holiday, 28% business, 27% VFR (2009)
74% visited the UK only with 26% also travelling to another country (2007)

Top 5 Destinations:
1. Hong Kong
2. Macau
3. Singapore
4. South Korea
5. Japan

1.1 Economic Overview:

China has a population of 1.4 billion, and it is growing by about 0.6 percent a year. The populations of the main international tourism generating regions, Beijing, Shanghai and Guangdong, are estimated at 16, 19 and 96 million respectively.

The 1980 law which sets a limit of one child per family has contained the population growth in China, but has caused the population to age rapidly. The population under 45 is falling by about 0.75 percent a year, while the population over 45 is still growing by about 3.25 percent a year. In China, around 45 percent of the labour force is employed in the agricultural sector, while industry and services account for 24 percent and 31 percent respectively. The total employed labour force in 2009 is estimated at 769m, and is expected to reach 793m in 2013. The unemployment rate is expected to decrease from 4.2 percent to 4.1 percent in 2011.

China has maintained strong economic growth in recent years. China's five year (2011-16) plan envisages an average annual GDP growth target of 7 percent. Current GDP per capita is US\$3,088 (at constant 2000 prices) for 2011 and is forecasted to be US\$4,241 in 2015.

For the 825,000 super-rich in China, frequent worldwide travel is possible. There are about 120 million people who represent the richest quintile of urban households, who are travelling abroad, but generally not to Europe. Occasional trips to Europe are feasible for middle class Chinese, of whom there are 5-6 million, and who work for Fortune 500 companies or their equivalents. The Chinese middle class is expected to grow to 700 million by 2020, representing 45 percent of the population.

1.2 Demographic Profile:

In 2009, 51 percent of Chinese visitors were aged 25-44, 20 percent were aged 45-54, and 15 percent were aged 16-24. Sixty-nine percent of all outbound Chinese travellers are female and 31 percent are male.

In 2008, 80 percent of outbound travellers were employed in the private sector and 20 percent by the government. One percent were self-employed entrepreneurs, 45 percent managers, 33 percent non-management staff, 16 percent professionals and technicians and 5.5 percent 'other'.

1.3 Current Travel Patterns:

The main departure cities in China are Beijing, Shanghai and Hong Kong. The main airports in these cities, Beijing Capital International Airport (PEK), Pudong International Airport (PVG) in Shanghai, and Guangzhou New Baiyun International Airport (CAN) provide frequent, direct flights to 21 airports in Europe, and the main airlines servicing these are Virgin Atlantic, British Airways, Air China, KLM, Air France, Lufthansa, Swiss International, China Eastern and Etihad.

According to Cormac O’Connell of the DAA, there are deficiencies in runway lengths at Dublin Airport, which affects the availability of some long-haul flights. However, there are plans to build a 3,600 metre long runway which will allow for direct flights from Dublin to Singapore.

In 2009, there were 26.8 million outbound trips from China. Outbound travel is largely intra-regional, with 65 percent of trips going to neighbouring countries in Northeast Asia. Western Europe accounted for 5 percent of arrivals and emerging Europe for 4 percent. The UK accounted for 0.3 percent. The top 5 forecast destinations for 2014 are Hong Kong, Macao, Singapore, Korea and Thailand, and the UK ranks 14th.

Visitor numbers to popular destinations are as follows:

France	778,000 (2008)
Germany	385,000 (2009)
Australia	366,000 (2009)
Switzerland	187,000 (2009)
New Zealand	102,000 (2009)
UK	89,000 (2009)
Ireland	5,000-10,000 (annually)

It should be noted that Switzerland experienced a 45 percent increase in visitor numbers after joining the Schengen visa system.

Popular destinations and attractions in Ireland for Chinese visitors include the Powerscourt Gardens, the Cliffs of Moher, the Giant’s Causeway, and the main cities such as Dublin, Belfast and Cork.

Outbound travel from China primarily takes place in the summer months, however Chinese New Year in February is also a popular travel time. Tourists from China tend to stay at least 10 days on each long haul trip, showing a decrease in duration in recent times from 14 days. Jim Paul of Tourism Ireland maintains that Ireland is seen as an add-on to a holiday in Europe or Britain, with tourists spending 2-3 days on average.

One of the key reasons for travel to Ireland by the Chinese is to experience the rich cultural history. However, shopping, as well as coastal scenery and historic architecture are also key motivators for travel and golf is popular among the newly affluent Chinese.

Education is becoming a primary reason for travel to Ireland. Large numbers of young Chinese have been permitted to study abroad in recent years, estimated at over 100,000 per year. China is the largest source market for UK overseas higher education students, with 32,000 Chinese students studying in the UK at any one time.

The UK reported the following breakdown for arrivals from China in 2009: 31 percent holidays, 27 percent VFR, 28 percent business, 7 percent study, 3 percent other. Although attention has focused on leisure travel allowed under the ADS scheme, business, MICE and FIT travel are also increasing rapidly and John Healy of Abbey Tours emphasises the importance of these markets. These segments comprise senior officials and executives, entrepreneurs and professionals who combine business and leisure on their travels, they stay on average for 5 days, and are generally male. Incentive travel for employees and business partners is still a relatively young segment of the market, but it is expected to increase in significance.

Value for money is very important to Chinese consumers. They tend to stay in mid-priced accommodation, generally 3-star or 4-star hotels. The phrase "sleep cheap, shop expensive" is used by some in the travel industry. Shopping is one of the highlights of travelling abroad and the Chinese are amongst the biggest spenders during outbound trips. Chinese tourists reserve more than one-third of their holiday budgets for shopping. In fact, in 2009 Chinese tourists passed Russians as the highest-spending non-European visitors to France. A survey of Chinese tourists in 2005 released by the CNTA showed that travellers to various EU member states spent approximately €3,000 per trip (including approximately €500 on the flight) – of which 34 percent went on shopping, 17 percent on the air fare, 18 percent on accommodation, 9 percent on entertainment, and 3 percent on travel agency services

European hotels are frequently perceived as unsatisfactory to the Chinese, and this is generally due to the size of the rooms, the facilities and the service. European hotel rooms also seem to lack some of the items that are provided by their Chinese counterparts, and welcomed by Chinese tourists, such as green tea, sewing kits, slippers, combs, toothpaste and toothbrushes.

1.4 Potential Opportunities:

A new holiday and other short-stay Visa Waiver Programme is being set up for 14 of the countries whose nationals currently require a visa to visit Ireland. This pilot programme will run from 1 July 2011 to 31 October 2012, and will allow nationals of these 14 countries, who have a short-term UK visa, to come to Ireland without the need for a separate Irish visa. This is hoped by those in the tourism industry to encourage an add-on trip to Ireland of 2-3 days when Chinese tourists are visiting Britain.

There is also potential to generate tourism through Chinese students coming to Ireland to study, based on the high numbers of Chinese students in the UK.

1.5 Potential Barriers and Costs:

Trying to attract Chinese tourists to Ireland is difficult as they are more likely to visit major cities such as Paris, London and Barcelona. While there are many direct airline routes from China to Europe, there are currently none to Ireland, which is seen by some in the tourism industry as a barrier to increasing visitor numbers. Although progress has been made in terms of the visa waiver programme, the UK visa, which can now be used to travel to Ireland, is the most expensive visa in Europe. The ADS visa costs £67, while a tourist visa to the 15 Schengen countries costs less than £40.

While a high proportion of Chinese take English as a foreign language course, problems still remain in terms of communication. Chinese tourists require bilingual guides and tour leaders, as well as translation on all literature. Certain cultural differences can also pose problems. Sensitivity to discrimination, or perceived discrimination, against China or the Chinese is sometimes an issue.

Chinese tourists are very particular about their food; they are used to eating Chinese style lunch and dinner and do not readily accept other cuisines. At least one Chinese meal every two days would be required.

Finally, cost is also seen to be a major barrier, both in terms of the cost of travelling to Britain or Ireland, but also the cost of being in the country. It is a widely held opinion in the industry that Chinese visitors expect to get 5 star accommodation for a lower price than is offered in Ireland, as they are used to getting it much cheaper in their homeland, and are thus frequently disappointed with the value-for-money in terms of accommodation in Ireland. Chinese visitors are used to a high level of service and are quite prepared to voice discontent if they do not receive this.

1.6 Future Travel Volumes:

It is claimed that of the two million Chinese tourists who visited Europe last year, less than 10,000 came to Ireland.

Visits to the UK are forecast to more than double by 2014, with almost 130,000 additional visits. The top 5 forecast destinations for 2014 are Hong Kong, Macao, Singapore, Korea and Thailand, with the UK ranked 14th.

1.7 Channels of Distribution:

Media reference points are seen as being the most inspirational sources of information, with the most effective channels being advertisements and travel programmes on television, and articles and advertisements in newspapers and magazines. Other trusted sources of information are national tourism organisation websites, travel agency websites and travel blogs. CTRIP is one of the most successful online travel companies. Other important e-commerce sites include Alibaba.com, Dangdang.com, Taobao.com, Tencent.com and Joyo.com (owned by Amazon).

Over 80 percent of outbound travels are booked through travel agencies. Travel retailers act as both tour operators and travel agencies for domestic, inbound and outbound travel. Agencies play a key role in helping consumers to decide where to go and spend money on, and also in steering the customers towards one or another package.

The following table lists the largest outbound agents of the 68 accredited ADS travel agents in China:

Beijing	Shanghai	Guangdong
1. CITS Head Office	1. Jing Jiang	1. GZL International Travel Service
2. China Comfort	2. SH CITS	2. CTS Guangdong
3. CYTS	3. SH Airline	3. CITS Guangdong
	4. SH CTS	4. Shantou Tourism General Co
	5. SH CYTS	

1.8 Conclusion:

China first appeared on the tourism landscape in the 1990s, and since then it has been one of the fastest growing outbound tourism markets in the world. The past few years have shown a somewhat erratic growth pattern, however 2010 once again showed strong growth.

Having said this, it is widely recognised by those in the tourism industry that while China holds long-term potential for Ireland, this will not be realised in the coming decade. As such, this is a market that needs to be nurtured, and while it should not be ignored, it does not hold substantial immediate potential for Ireland.

SECTION TWO:

INDIA

2. India:

Total Visits in 2009:	273,000 (down 24%, rank 18th)
Total Spend in 2009:	£269m (down 4%, rank 16th)
Average Spend per Visit (AEV) in 2009:	£985 (up 26%)
Average Length of Stay (ALS) in 2009:	27 nights
Market Population in 2008:	1.15 billion
Outbound Market Size in 2009:	9.1 million
UK's Market Share in 2009:	3.0%

Top 5 Destinations

1. Bahrain
2. Singapore
3. USA
4. UAE
5. Thailand

Market Shape

Purpose of Visit
34% Business, 29% VFR, 27% Holiday (2009)
Length of stay
37% of all visits from India are for 15 nights or more.
In 2009, 67% of visits took place from April-September, which are traditionally the peak months.

Visitors

51% are aged between 25-44. VFR visitors are older, 64% are aged over 45+. 68% of these are male. Overall, 45% came to the UK alone in 2009. 18% of holiday visits were traditional "family" holidays (partner and children).

What Motivates Them

Holiday visitors enjoy sightseeing and visiting museums. Shopping is another major attraction.

2.1 Economic Overview:

India is the second most populous nation in the world, with a population of 1.1 billion, and is growing rapidly by 1.4 percent a year. The great majority of this population still lives in poverty, but there is a large and growing middle class, a small proportion of which are becoming very affluent.

The number of unemployed people continues to be relatively high in the country, and has consistently remained above 8 percent over the past number of years.

India's economic growth has increased considerably since the late 1990's and the country is now often ranked close behind China as one of the world's most dynamic emerging economies. Real GDP growth fell to 6.4 percent in 2008 and recovered in 2009 to reach 7.4 percent. The country has a long term growth potential of 7-8 percent a year. The growth process is driven by the services sector and supported by industrial activity that accounts for 62 percent and 20 percent of the country's GDP, respectively. The agricultural sector employs 60 percent of the labor force. The industry and services sectors provide employment to around 12 percent and 28 percent of the labour force, respectively.

There is a large and fast-growing middle class in India, and a small proportion of these are becoming quite affluent. Research suggests that about 60 million people live in households with incomes above US\$4,000 a year. Most outbound travellers have household incomes exceeding US\$9,000. They typically belong to the upper socio-economic strata of society and are well educated.

2.2 Demographic Profile:

Almost one-third of the population in India is under 15 years of age, while 16 percent is aged 50 or over. This pattern is predicted to reverse over the next few decades, however, as the population in India ages. Nearly two-thirds of Indian visitors to Europe are male. Three-quarters of outbound travellers are married and have children living in the household. Two-thirds of leisure travellers tend to holiday abroad with family, usually including members of the extended family.

The majority of outbound travellers from India are businessmen and industrialists (41 percent), senior or middle officers and executives (30 percent) or self-employed professionals (10 percent). Over 40 percent of all outbound trips by Indians are for business purposes

2.3 Current Travel Patterns:

The Indian Government has a programme underway to invest approximately US\$10 billion over ten years to upgrade India's main airports and to modernise air traffic services.

The two principal international airports, Mumbai and Delhi, have been partially privatised and are being modernised. In March 2010, 10 airports in India provided direct scheduled flights to Europe: Delhi, Mumbai, Ahmedabad, Amritsar, Bangalore, Calicut, Chennai, Goa, Hyderabad and Pune. At that time 12 airports in Europe were served by direct scheduled flights from India: London, Amsterdam, Brussels, Frankfurt, Helsinki, Istanbul, Rome, Moscow, Munich, Paris, Vienna and Zurich. In addition, there are a few flights from Frankfurt, Derby, Manchester, Gatwick, Moscow and Leningrad catering for European holidaymakers bound for Goa. Since 2003 India has liberalised its air transport regime, signing many open-skies (or more limited) agreements with other countries. However, only very limited rights to fly charter services have been granted.

There were 7.8 million outbound trips from India in 2008. The most commonly visited regions from India are the Middle East and Southeast Asia, which accounted for 32 percent and 25 percent of outbound travel in 2008 respectively, while Western Europe accounted for 8 percent. It is forecast that there will be an additional 350,000 visits to Western Europe by 2014. The top 5 forecast destinations for 2014 are Bahrain, Singapore, Kuwait, Saudia Arabia and the USA, while the UK ranks 8th. At present, there are between 10,000 and 25,000 arrivals into Ireland from India each year, including some expatriates.

First-time Indian outbound travellers are likely to take package tours, but repeat and VFR visitors prefer independently organised trips. The proportion of FIT travellers has been rising. As an overall average, about 60 percent are group and 40 percent independent travellers. Group inclusive tours to Europe tend to be 10-21 days, with 2-3 days spent in each country. However, independent holidaymakers tend to stay 7-10 days in a single country.

According to Jim Paul of Tourism Ireland, in India, it is seen as a "status thing" to be able to afford to visit Europe. However, they tend to try to experience all of Europe in ten days, which is not practical. Trying to attract visitors to Ireland during these visits is difficult as they are likely to visit major cities such as Paris, London and Barcelona.

Ruth Andrews of The Irish Tour Operators Association maintains that most business from India is add-on business, where the Indian holiday maker to Europe might take Ireland as an add-on for a few days from Britain. The peak months for travel to Europe are May-July and October-December.

According to the Pacific Asia Travel Association (PATA), quoting trade sources, 40 percent of all outbound trips by Indians are for business purposes, while leisure, visiting friends and relatives (VFR) and other reasons each account for 20 percent of outbound trips from India.

However, the proportions vary enormously from one destination to another. VFR can be very important in countries such as the UK, where large numbers of Indians have settled or are working as expatriates. Other countries, including for instance Thailand and Switzerland, are primarily leisure destinations.

Purpose of trips	Primary (Percent)	Secondary (Percent)
Business	57	3
Travel & sightseeing	22	52
Visits to relatives	9	10
Entertainment	6	36
Study & training	3	2
Shopping	2	71
Honeymoon	1	1
None	0	8

Business travel (including meetings and events) is more important for the Indian market than most. The IT industry, telecommunications, banking, insurance and other financial sectors, and pharmaceuticals are identified as important target segments.

According to Jim Paul of Tourism Ireland, Indian travellers on package tours tend to opt for 3 or 4-star hotels, while independent travellers often choose more upmarket accommodation. Many Indian visitors expect 5 star treatments for a lower price than is offered in Ireland, as they can purchase it much cheaper in their homeland.

Evidence from the UK and Australia suggests that the majority of VFR travellers stay with family and friends and those more affluent families like to rent apartments for their stays.

2.4 Potential Opportunities:

Thousands of Indians are pursuing studies abroad, with the UK, Australia, USA and New Zealand as market leaders in attracting students. UCAS data shows that in 2008, 2,330 Indian applicants applied to study at UK universities and 1,674 (55 percent) were successful. The British Council library service in India has 80,000 private members and 4,000 corporate members. Typically, education is the last expense to be cut back on by Indian families.

Indians, especially first-time travellers, have fairly low expectations when travelling abroad and do not usually expect a warm, friendly response. Therefore when they receive one, they tend to stay longer or spend more. Targeting Indian residents of the UK to visit Ireland presents an opportunity. Jim Paul of Tourism Ireland highlights the value of positive word-of-mouth for this traveller, which they are likely to spread following a good experience.

Last year the Department of Justice permitted Indian travellers to stay in Ireland for 72 hours when en route to the US without needing a visa. Dublin provided cross connections from 3 airports in India to 3 airports in the US. These 1.2 million passengers were deemed low risk due to their application for a US visa. According to Cormac O'Connell of the DAA, this was a positive step forward in terms of Ireland's visa laws.

2.5 Potential Barriers and Costs:

The national language in India is Hindi, but 60 percent use another language. English is widely used in business and administration, and an estimated 180 million Indians, including most people affluent enough to travel, speak English well. The majority (83 percent) of the population is Hindu, 11 percent Muslim, 2 percent Christian and 2 percent Sikh. Others include Buddhists, Jains, Jews, Zoroastrians and Baha'is.

Long-haul travellers naturally come from the most affluent segments of Indian society. Most have household disposable incomes of US\$9,000 or more; half belong to two-income families. In India, they live luxurious and pampered lives: labour is so cheap that most have several servants, including nanny, cook and driver. When abroad, Indians expect high standards of service, for example from porters, waiters and hotel staff. John Healy of Abbey Tours has alluded to the subsequent mismatch between the expectations of these travellers and what we can deliver in terms of price and service.

The 'basic travel quota', the amount of foreign currency Indians can take abroad per year on leisure trips, has been increased to US\$10,000 per person. For corporate travellers the limit has been raised to US\$25,000 per trip, but this is still a significant barrier.

France, Germany, Belgium and Luxembourg all lie within the Schengen Area, a border-free zone that can be visited on a single visa. This appeals to Indian tourists, who must submit reams of papers and face a long list of intrusive questions about their finances, employment and personal circumstances to obtain visas for Europe. In 2008 Switzerland joined Schengen and visitor numbers instantly soared.

The UK faces strong competition from Germany, especially for trade fair visitors, and also from the USA, as California is synonymous with new technology. Singapore and Dubai are emerging as popular trade fair conference and incentive destinations due to their proximity to India.

Indian restaurants are increasing in number in European cities and resorts along the routes of package tour itineraries. This is in response to the fact that many Indian tour groups travel with their own chef. Catering to the Indian palate, especially for strict vegetarians, can be extremely challenging, but important. Many Indians are vegetarian, teetotallers and relatively conservative, especially those from the business communities of Gujarat and Rajasthan. Indian Hindus do not eat beef, and Indian Muslims do not eat pork. No non-vegetarian elements should be mixed in its preparation or presentation.

Indians usually like to see a fair variety of vegetarian options when ordering. Most Indians do not mind eating European or British vegetarian food, but will want to eat an Indian meal every 3rd or 4th meal. Indians tend to prefer tea to coffee. Tea is commonly drunk mid-morning or in the afternoon around 5pm. Dinnertime is usually late, not before 9pm in most cases. Whisky, beer, vodka, and rum are the most popular alcoholic beverages among those who drink alcohol. The increasing interest of celebrity chefs Gordon Ramsay, Jamie Oliver and Nigella Lawson in Indian food is helping to reduce the perception of Britain and Ireland as being difficult places to source authentic Indian food (especially (vegetarian)).

The Indian travel trade is fragmented and highly competitive. There are over 20,000 retail travel agents spread across the country, but most are simply ticketing agents focusing largely on the domestic travel market and on selling tickets and pre-packaged tours. Few are able to cater to the demands of independent travellers going overseas. The three biggest outbound tour operators in India are Cox & Kings (which claims to be the oldest in the world, established in 1758), Thomas Cook and SOTC/Kuoni.

2.6 Future Travel Volumes:

According to Cormac O'Connell, head of Aviation Marketing for the DAA "If the government allowed residency visas to be recognised, then we would have 1 million extra visitors on our doorstep. There is a massive Indian population in Belfast, but they cannot come through the Republic."



The above 'hot map' shows the destinations where Indians are predominantly forecasted to travel in the future. These include the Far East (China, Thailand, Singapore and Malaysia), the Middle East (Saudi Arabia, UAE, Kuwait and Bahrain), the UK and the USA.

2.7 Channels of Distribution:

For the majority of Indian travellers, family and friends are the most trusted source of information, as they prefer personal recommendations and word of mouth rather than detailed reading. In terms of media, the most popular sources are articles in magazines and newspapers, and advertisements on television, in magazines or newspapers, or on websites. Other more reliable reference points include travel programmes on television, guidebooks and a national tourism organisation website.

Travel agents and tour operators are relied on, and up to 95 percent of bookings still go through traditional travel agents. TCI, Kuoni India, Thomas Cook, Cox and Kings and Raj Travels make up the top five travel agents in India. SOTC, Kesari, CLUB 7, Dewan Travels, Compass Travels amongst others are also sending large numbers of travellers.

Indian agents will also travel to the various B2B fairs held in the UK and can be reached here. In India, there are many trade fairs, which would augur participation like SATTE, various IITMs, OTMs, OTRs, as well as film tourism shows in Mumbai. The best time to approach Indian trade is October-November, as they plan for next year's peak outbound season then. Face-to-face meetings are the best way to make an impact, as trade prefers to deal with people they have met.

2.8 Conclusion:

In short, the Indian market holds significant potential for Ireland, as the outbound market is forecasted to increase up to 585,800 to the UK in 2014, making the UK the 8th most visited country for Indians. Unfortunately Ireland would need to be promoted more to local travel agents in India to see a large increase in numbers with add-on to UK trips.

SECTION THREE:

RUSSIA

3. Russia:

Total Visits in 2009:	137,000 (down 34%, rank 33rd)
Total Spend in 2009:	£136m (down 24%, rank 28th)
Average Spend per Visit (AEV) in 2009:	£988 (up 15%)
Average Length of Stay (ALS) in 2009:	10 nights
Market Population in 2008:	140.7 million
Outbound Market Size in 2009:	24.8 million
UK's Market Share in 2009:	0.5%

Top 5 Destinations

1. Ukraine
2. Turkey
3. China
4. Egypt
5. Germany



Market Shape

Purpose of Visit
35% Holiday, 26% Business (sharp fall in 2009), 21% VFR

Length of stay
32% stay 4-7 nights per visit and 30% stay 1-3 nights

Seasonality
There is a summer peak (31% July-September, 2009)

83% visited the UK only with 17% also visiting another country on their trip.

Visitors

75% of visitors are aged between 25-54.
22% travel to the UK with other adults (friends, family, colleagues) and 50% travel alone (2009).

What Motivates Them

60% of Holiday visitors enjoy museums/galleries and sightseeing. Britain's key position in world history is a big draw for the Russian market

3.1 Economic Overview:

The population of Russia is estimated to be 142 million, making it the 9th most populated country worldwide.

Russian GDP per capita is estimated at US\$15,900. High oil prices have buoyed Russian growth of late and are expected to help reduce the inherited budget deficit from 08/09.

Unemployment is currently estimated at 7.6 percent, almost one percent down from the previous year.

3.2 Demographic Profile:

Currently 75 percent of visitors from Russia to UK/IRE are aged 25-54, and there is an equal split of male and female travellers. Twenty-two percent travel to the UK with other adults; friends, family and colleagues and 50 percent travel alone. Fifty-nine percent of Business visits were from males and 59 percent of VFR visits were from females. Holiday visits are more evenly balanced between males and females.

Russian travellers can be categorised in three ways; the ultra-wealthy, young professionals and emerging middle class families.

3.3 Current Travel Patterns:

Russia was the stand out performer of 2010 with a growth in the number of arrivals in all reporting destinations, as well as increases in nights spent in all but one destination. Early 2011 data indicates continued, robust growth of Russian travel. However, it should be noted that only 15 percent of Russia's population have ever travelled abroad.

The Ukraine is the most frequently visited destination from Russia, accounting for 37 percent of outbound journeys, followed by Turkey, China, and Egypt. The UK accounts for just 1 percent of all outbound journeys. Cyprus has experienced the largest growth rate of Russian visitors, with almost a 50 percent increase in the number of visitors from January to March 2011, compared to the same period last year. The top 5 forecast destinations for 2014 are Ukraine, Turkey, China, Egypt and Germany.

The purposes of visits from Russia tend to be 35 percent holiday, 26 percent business and 21 percent VFR. Russians are high spenders on holidays; they spend on average US\$1000 per head, and trips primarily take place during school holidays, which run from 1st June to 1st September.

3.4 Potential Opportunities:

The top five aspirational destinations are Italy, France, UK, Japan and Germany.

The inclusion of the UK suggests some visitor potential for Ireland as 17 percent of those visiting the UK tend to travel to another country during their holiday. Education tourism is an attractive option for Russians. As an English speaking country Ireland is a potential destination for Russians hoping to learn a foreign language. There are currently 12,000 Russian students in higher education in the UK and 6,000 Russians visit Britain to learn English every year.

3.5 Barriers and Costs:

Although many Russians are highly educated, the learning of foreign languages was not particularly encouraged under the previous regime, therefore the supply of Russian speaking guides and materials is welcome.

As foreign travel is regarded as a luxury in Russia, Russian tourists can be quite demanding. They have high expectations in terms of both quality and service. Hotel rooms in the UK and Ireland have been noted as small in size and somewhat disappointing. Hotel rooms are assumed to be en-suite.

Russians are required to apply for a visa in order to enter Ireland; this may act as a deterrent to potential visitors. Countries that have relaxed their visa requirements in recent years have seen the benefits of doing so, in the increase in the number of Russian visitors.

Russians are hearty eaters and although they are quite open to trying new foods they expect a hot meal at lunchtime.

3.6 Future Travel Volumes:

According to the UNWTO, Russia has the 9th largest outbound tourism market in terms of expenditure, and it is increasing by 14 percent per annum. It also has the fastest growing internet population in Europe leading to an increase in direct reservations. This summer it has been forecast that Russian outbound tourism will grow by up to 10 percent.

3.7 Channels of Distribution:

The key sources of information when planning a trip are: the Internet, word of mouth and travel agent. Secondary sources of information are: guide books, TV programmes, such as Vokrug Sveta (Around the World) and Neputeviuje Zаметke (hosted by Dmitry Krylov), and magazines, e.g. Voyazh i Turizm.

Ninety-seven percent of all bookings and sales in Russia are made through travel agents. This is, in part, due to the fact that credit cards cannot be used for online purchases. Furthermore, there are no budget airlines in Russia.

3.8 Conclusion:

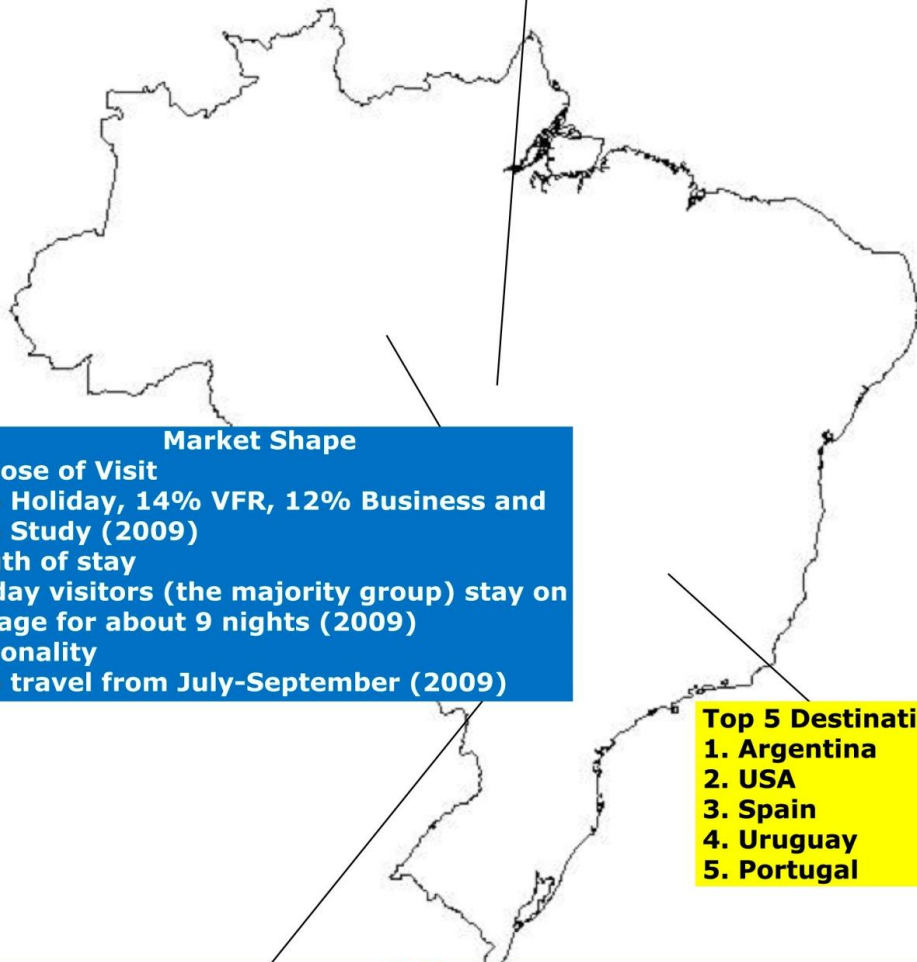
While the number of Russian outbound travellers is seemingly increasing, there is little evidence of any immediate benefit or prospects for Ireland. Very few Russian tourists travel to the UK and even fewer to Ireland. Business and education are likely to be the biggest pull factors to Ireland for Russian travellers and service providers in these areas should be aware of this.

SECTION FOUR:

BRAZIL

4. Brazil:

Total Visits in 2009:	151,000 (down 15%, rank 29th)
Total Spend in 2009:	£151m (up 2%, rank 27th)
Average Spend per Visit (AEV) in 2009:	£998 (up 21%)
Average Length of Stay (ALS) in 2009:	15 nights
Market Population in 2008:	192 million
Outbound Market Size in 2009:	5.2 million
UK's Market Share in 2009:	2.9%



Market Shape
Purpose of Visit
57% Holiday, 14% VFR, 12% Business and 12% Study (2009)
Length of stay
Holiday visitors (the majority group) stay on average for about 9 nights (2009)
Seasonality
37% travel from July-September (2009)

Top 5 Destinations
1. Argentina
2. USA
3. Spain
4. Uruguay
5. Portugal

Visitors
32% are aged between 25-34. In 2009, 38% travelled alone although they often travel in groups with other adults or with a spouse or partner.
What Motivates Them
Half of all visitors (and over 1/3 business visitors too) did shop during their visit.
Heritage/Cultural Activities/Nightlife are also popular (especially with Holiday visitors)

4.1 Economic Overview:

Brazil's population is approaching 193 million, having more than doubled in just 50 years. This means that one person in every 36 people on the planet is a resident of Brazil. Brazil is the fifth most populous country in the world after China, India, the United States and Indonesia.

Brazil's GDP per capita is estimated at US\$11,000 and though there is substantial individual wealth, 26 percent of the population still live below the poverty line. The inflation rate in Brazil was reported at 6.5 percent in April of 2011.

The unemployment rate in Brazil was reported at 6.5 percent in March of 2011. From 2001 until 2010, Brazil's unemployment rate averaged 9.95 percent, reaching an historical high of 13.10 percent in August of 2003.

4.2 Demographic Profile:

Thirty-two percent of Brazilian travellers are aged 25-34, and 50 percent are male. In 2009, 38 percent travelled alone. Those travelling to Europe do not usually tend to take their children with them. For example, in 2007 only 2 percent of Brazilians travelling to the UK were accompanied by their children. They often travel in large groups with other adults, such as friends, family or a partner.

Brazilian travellers to Europe tend to come from the higher social classes, are relatively affluent (annual incomes of US\$40,000+), well educated, multi lingual and most commonly in their 30s/40s. Less affluent people may also travel, but mainly to their ancestral countries. Sao Paulo is the principal source of outbound travellers, because of its large population and relative wealth.

4.3 Current Travel Patterns:

Domestic tourism in Brazil overshadows international travel, however it is still the largest travel market in South America. International travel from Brazil has been increasing significantly in recent years due to growing disposable income, better connectivity and greater confidence in the economy.

Leisure travel to Europe from Brazil is largely the preserve of the affluent. Middle class Brazilians would only consider Europe really for VFR, business or study. Europe attracts approximately an equal share of first timers and repeats.

As one might possibly expect long haul travellers come from the upper segments of Brazilian society.

These travellers are interested in a variety of experiences such as action and adventure sports, culture, nature and exploration. Outbound departures increased by 11 percent in 2010, quickly rebounding from the 4 percent decline seen in 2009.

In 2010, Argentina and the US remained the most popular international destinations among outbound Brazilians. Despite the potential difficulties involved in obtaining a visa to the US, the return of the 10-year visa, which was approved in 2010, further stimulated outbound travel from Brazil to the US.

The UK experienced an increase in the number of Brazilian tourists in 2010 of 18 percent. This was mainly due to the decrease in the value of sterling of 16 percent against the Brazilian real in May. As a result, the UK, traditionally perceived as an expensive destination, became more affordable for Brazilians. Thirty-three percent of Brazilians travelling to the UK fall between the ages of 25 and 34, and these travellers represent the largest age group of outbound departures to the UK. The second largest group travelling to the UK aged 35-44.

There are currently no direct flights operating between Brazil and Ireland; the principal carriers operating to Europe are TAP, Air France, Iberia, Lufthansa, BA and Alitalia.

In 2010, leisure travellers continued dominating outbound travel in Brazil. Business departures regained growth in 2010, comprising 30 percent of all departures. The primary purpose of visiting the UK for Brazilians in 2009 was 57 percent holiday, 14 percent VFR, 12 percent business and 12 percent study. Holiday visitors tend to stay 9 nights on average. Of those who visited the UK, 59 percent also visited another country, suggesting high visitor potential for Ireland.

4.4 Potential Opportunities:

A new bilateral agreement in education with Brazil is expected to see an increase in the number of Brazilian students coming to Ireland for undergraduate and graduate studies, as well as increasing the number of research partnerships between Irish and Brazilian educational institutions. More than 6,000 Brazilian students studied English in Ireland last year.

4.5 Potential Barriers and Costs:

In Brazil, one of the key barriers of travel to Ireland is cost. This not only involves the cost to travel here but also the expense of being on holiday in Ireland, for example, eating out, attractions and public transport. As most visitors stay for approximately 7-14 days, these costs can become significant.

Ireland is not seen in quite the same light as competitor destinations France and Italy, to which Brazilians feel a connection.

English is the preferred second language over Spanish, and educated Brazilians generally speak two languages. Brazilians expect information to be provided on good restaurants in all price ranges, markets, attractions, transport alternatives, entertainment and particularly shopping areas.

4.6 Future Travel Volumes:

The number of outbound departures is expected to increase at a slower rate over the next few years. The growth in outbound departures is predicted to be 37 percent between 2011 and 2014 as opposed to the 59 percent growth recorded between 2007 and 2010, as Brazilians are increasingly encouraged to explore domestic destinations rather than travel abroad. Brazil is set to record strong outbound flows, mainly due to its strong resilience to the economic crisis and improving currency exchange rates. A rapidly growing middle class with easy access to credit is also likely to boost future outbound tourism flows.

The 2014 FIFA World Cup and the 2016 Olympic Games are not expected to negatively impact outbound tourism flows due to their short duration and timing. June and August are by no means high season periods for outbound travel from Brazil.

Outbound travel from Brazil to Western Europe was forecast to fall slightly in 2009, not recovering to 2008 levels until 2012. However, by 2014, an additional 300,000 trips to Western Europe are expected (compared to 2008). The UK is predicted to rank 8th in the most popular destinations for Brazilian travellers.

4.7 Channels of Distribution:

When Brazilian tourists are considering a holiday, friends, family, travel agents and the web are key information sources. The top five travel agency websites in Brazil are Decolar, Viajanet, Hotel Urbano Mundi Buscador de Viagens and Submarino Viagens. The top five sites account for almost 75 percent of all visits to travel agency websites. Decolar receives more than 20 percent of all traffic.

Almost 40 percent of all outbound trips are arranged through a travel agent, flights however are typically purchased online directly from the airline. Accommodation and other attractions are regularly booked upon arrival in the destination.

BRAZTOA, the Brazilian association of tour operators has 70 members representing 80 percent of package holiday sales and 15 percent of ticket sales. The largest provider to Europe is CVC.

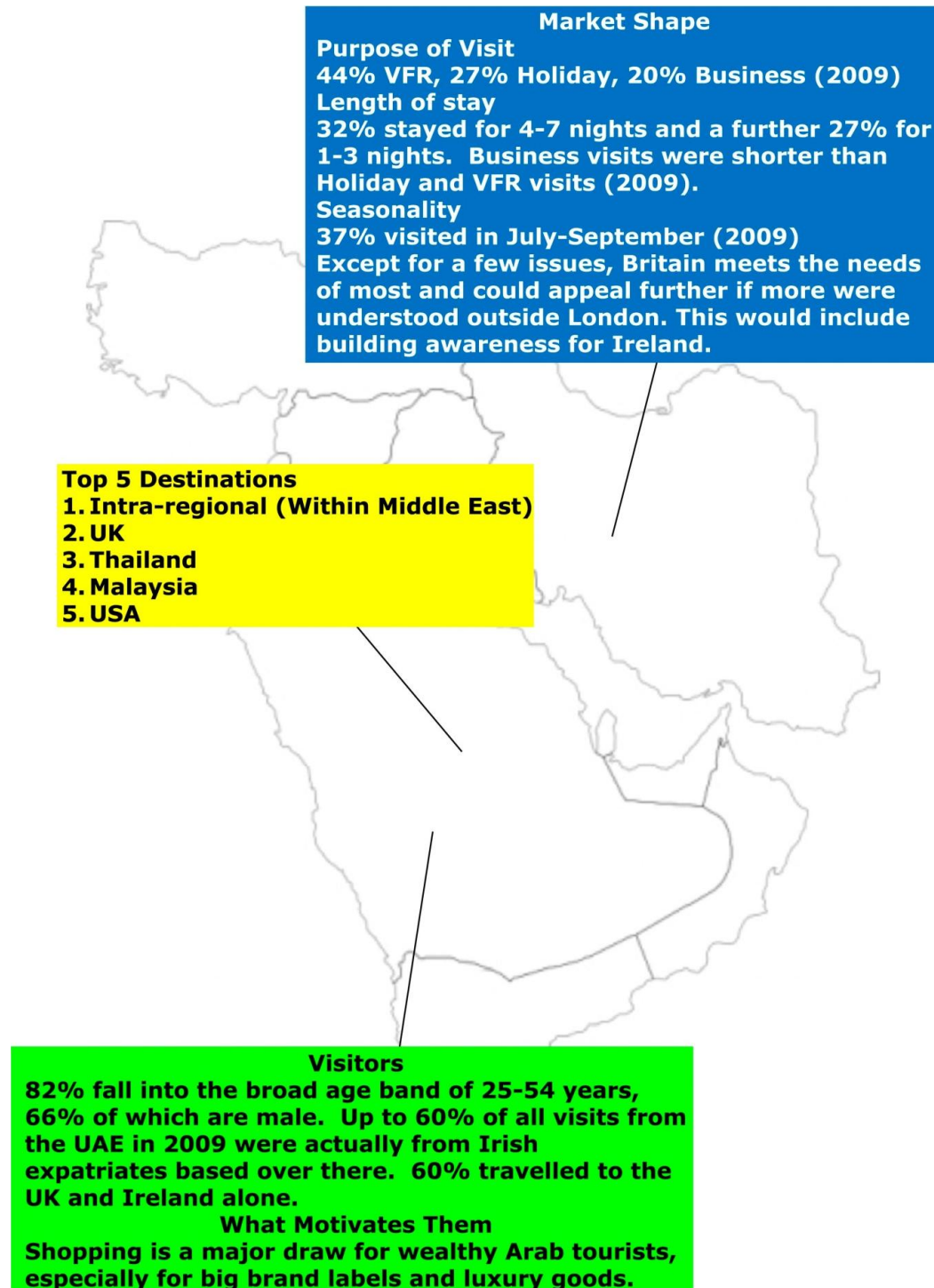
4.8 Conclusion:

International travel from Brazil has been rising steadily over the last few years and Ireland has begun to see some of the benefit. With the introduction of a new bilateral education agreement, this benefit is set to increase. With the UK as the 8th most popular destination and the new 3 day visa agreement between the two countries, Ireland should experience an increase in the number of Brazilian visitors.

SECTION FIVE:

MIDDLE EAST

5. Middle East:



5.1 Economic Overview:

The main countries for tourism in the Middle East are UAE, with a population of 4.3 million, Saudi Arabia, with a population of 27.5 million, and Israel, with a population of 7.4 million. UAE's gross domestic product reached US\$270 billion in 2010. Saudi Arabia's GDP is estimated at US\$622.5 billion in 2010. Israel's GDP was approximately US\$219 billion for 2010.

5.2 Demographic Profile:

Travellers from the UAE and the Middle East tend to comprise of 60 percent males and 40 percent females. The age breakdown of Arabs who travel to Europe consists of 35 percent aged 16-34, 30 percent aged 35-44 and 30 percent aged 45-64. Approximately 25 percent are single and 75 percent married, and these travellers generally have middle to high incomes.

Expatriates account for a large proportion of travellers from the Middle East. From UAE to UK around 51 percent are British, 15 percent are Indians and 11 percent are UAE nationals. Arab tourists often travel with family groups of up to 30 people.

5.3 Current Travel Patterns:

Most of the 925,000 UAE nationals take one extended holiday break a year.

The UAE ranked 21st in the world in terms of travel expenditure in 2006. Expenditure per trip was approximately €1,600 in 2006 and has risen slightly in recent years. Expenditure was on average €1,750 for trips to the UK.

There were approximately 170,000 UAE arrivals into Britain in 2006. There were approximately 33,000 arrivals into the US. The most popular European destinations were France and Switzerland with between 50,000 and 150,000 arrivals. This was followed by Germany and Italy with between 25,000 and 50,000. Ireland had up to 10,000 arrivals in 2006, which included expatriates. Destinations 3 to 4 hours away such as Seychelles, Maldives, Lebanon and Sri Lanka are becoming increasingly popular. Relief from the intense summer heat is a reason why many Arabs leave from June to September.

Arabs prefer luxury accommodation, usually in city centres. They usually come in family groups, and as such, suites and inter-connecting rooms are favoured.

High quality, serviced apartments are also popular. Awareness of Muslim traditions is crucial for hotels and guesthouses targeting Arabs. They have specific prayer and dietary requirements and appreciate service providers accommodating their religion.

For Saudi Arabians, 80 percent of bookings are made within 4 weeks of travel and 30 percent within 2 weeks. It can be presumed that UAE is quite similar. Flights and accommodation tend to be paid through cash payments.

In 2007, Etihad introduced flights from Dublin to Abu Dhabi. The service, which offers 4 flights per week, gives Irish travellers direct access to many of the most popular and fastest growing tourist destinations in the Middle East and beyond. "This is a very exciting time for Irish aviation. The arrival of Etihad Airways to Ireland is a terrific opportunity for Ireland and Irish tourism," said Transport Minister Noel Dempsey.

Cormac O'Connell of the DAA stated "there are 10 flights a week now to the Middle East, because there is potential offered by flying onto Australia". He explains that "we set up airline services to try and attract tourists from the Middle East to Ireland, but it is a huge region and there needs to be a strategic high level marketing campaign to promote Ireland."

As with most regions, the majority of arrivals originating in the Middle East were to destinations within the region itself. It is estimated that over 77 percent of all outbound trips are intra-regional.

Destinations outside of the Middle East have become less attractive to many residents of the Middle East itself since the events of 9/11. Most countries in Europe and America are receiving fewer tourists from the Middle East today than they did in 2000.

When travel outside the region occurs, it is dominated by trips to Africa, in particular North Africa, where the most popular destinations of Libya and Tunisia are located. Within Europe, Eastern Mediterranean Europe (Cyprus and Turkey) and Western Europe (mainly France, Germany and Switzerland) are the most popular destinations.

Britain represents Israel's third most important export market and fourth leading supplier of imports. However, Italy is the most popular outbound destination, with almost twice as many annual visitors than Britain; Britain is the sixth most visited outbound destination. In 2006, Israeli tourists made 152,000 visits to the UK, spending £86 million.

The primary purpose for travel is 44 percent VFR, 27 percent Holiday, and 20 percent Business.

5.4 Potential Opportunities:

Research conducted in 2010 shows that Britain is considered to be the most expensive place in Europe but it is also an aspirational destination, being associated with richness and showing-off.

Tourism Ireland, together with industry partners from around Ireland, embarked on a five-day tourism sales mission in the UAE in the second week of February, 2011. Organised in conjunction with VisitBritain and VisitScotland, the mission took in Dubai, Sharjah and Abu Dhabi.

Commenting on the longer-term potential of new and developing markets such as the Middle East for tourism to the island of Ireland, Niall Gibbons, Tourism Ireland's Chief Executive, stated:

"The majority of our overseas visitors come from our core markets of Britain, the US, and Mainland Europe, and while this will continue, it is important to also consider the longer-term opportunities presented by markets in the Middle East and Asia. In 2011, Tourism Ireland will grow the successful alliances we have developed with our travel trade partners in the GCC markets and will provide face-to-face opportunities for our Irish industry partners to meet these key trade contacts. We will also focus on hubs like Dubai and Abu Dhabi, emphasising the ease of access to Ireland from there."

Education appears to be the most attractive way to attract foreign nationals from the Middle East. The government of Saudi Arabia has been placing emphasis on higher education. Irish Minister of Jobs, Enterprise and Innovation Richard Bruton paid a one-day visit in April to Saudi Arabia, Ireland's most important trading partner in the Middle East. Enterprise Ireland has promoted Irish higher education in Saudi Arabia since 2007.

There are currently over 400 Saudis studying in the country's higher education institutions and a similar number studying English in Ireland. The visit by Richard Bruton was to support an education mission of 13 leading Irish universities and institutes of technology. According to Jim Paul of Tourism Ireland, education would appear the most attractive incentive for people to come to Ireland from the Gulf countries. However, due to a lot of illegal immigrants being linked to language schools early in the last decade, Irish legislation became quite tight on illegal immigrants. Therefore, while education abroad is being promoted, it is quite difficult to acquire an Irish visa.

5.5 Potential Barriers and Costs:

Travellers are advised to allow up to 3 weeks for a Schengen visa to be issued, but single entry and 10 year visas for the UK can be issued within 24 hours. This gives the UK a strong competitive advantage, as Arab travellers tend to leave bookings until close to the departure time. A significant proportion of UAE nationals are Palestinians, Iranians or 'other Arabs' who may have an issue obtaining a visa. With the new Visa Waiver programme, however, there is an opportunity to attract visitors from the Middle East for a visit to Ireland as well as the UK. However, it should be noted that many Arabs travelling outside of the Middle East still worry about anti-Arab and Muslim feelings and security risks.

Weather is another significant barrier to travel. Although Arabs like the outdoors and want to escape the heat of the Middle East, clouds and rain are viewed as depressing and gloomy. Another potential barrier is cost; research conducted in 2008 showed that Britain is perceived to be expensive.

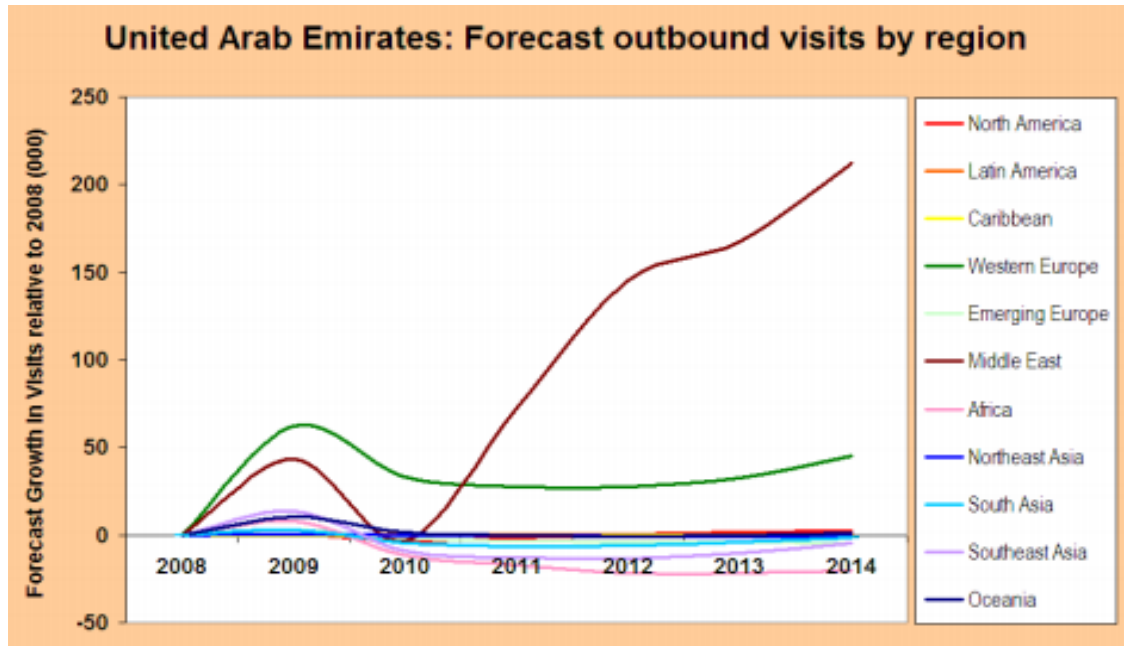
Catering for Arabs tends to be much more specific than other travellers. Service staff need to be aware of cultural and religious differences, and facilities and activities need to be designed to cater for these. These affluent travellers also demand high quality service.

5.6 Future Travel Volumes:

Ninety percent of Arabs claim to take comfort in going back to places they have enjoyed before, and 80 percent maintain they are adventurous and like to explore new places, which holds potential for Ireland.

International oil prices are currently very high. This is a positive for the UAE and Saudi Arabia. This implies they will remain prosperous for the short term future and therefore will continue to travel, particularly UAE nationals.

The UAE, particularly Dubai, has built up a reputation as an international hub and has a high number of tourists each year. This heavy exposure to tourism will encourage UAE nationals to continue travelling themselves. The Arabs have a strong cultural tradition of travelling, as they were quite nomadic.



This clearly shows that the vast majority of visits outbound of UAE will be to destinations within the Middle East. However, Western Europe will remain the second highest for the foreseeable future.

5.8 Channels of Distribution

Arabians find their information on travel destinations usually through word-of-mouth, consumer publications and sightings on television. There are very few tour operators who provide single and multi-packages. The best known would be Emirates Holidays, which is a subsidiary of Emirates Airways.

The most prominent travel agent in the Middle East is Emirates Holidays, which is a subsidiary of Emirates Airways. In Israel, the travel agents used most frequently are Air Travel and Dynamic Tours for travelling to European destinations.

5.9 Conclusion:

The research would suggest the Middle East is one of the least lucrative markets for attracting tourism to Ireland. The majority of outbound travel from the Arab nations is from expatriates. It would be unwise to discount the potential of these countries but it may take a long time to see any real results. Jim Paul of Tourism Ireland said "we set up airline services to try and attract tourists from the Middle East to Ireland, but it is a huge region and there needs to be a strategic high level marketing campaign to promote Ireland." In the short-term education would appear the most appropriate ways of attracting foreign nationals from the Gulf.

There are a large number of tourists from Israel visiting Britain each year. This suggests potential for an add-on trip of 2-3 days to Ireland.

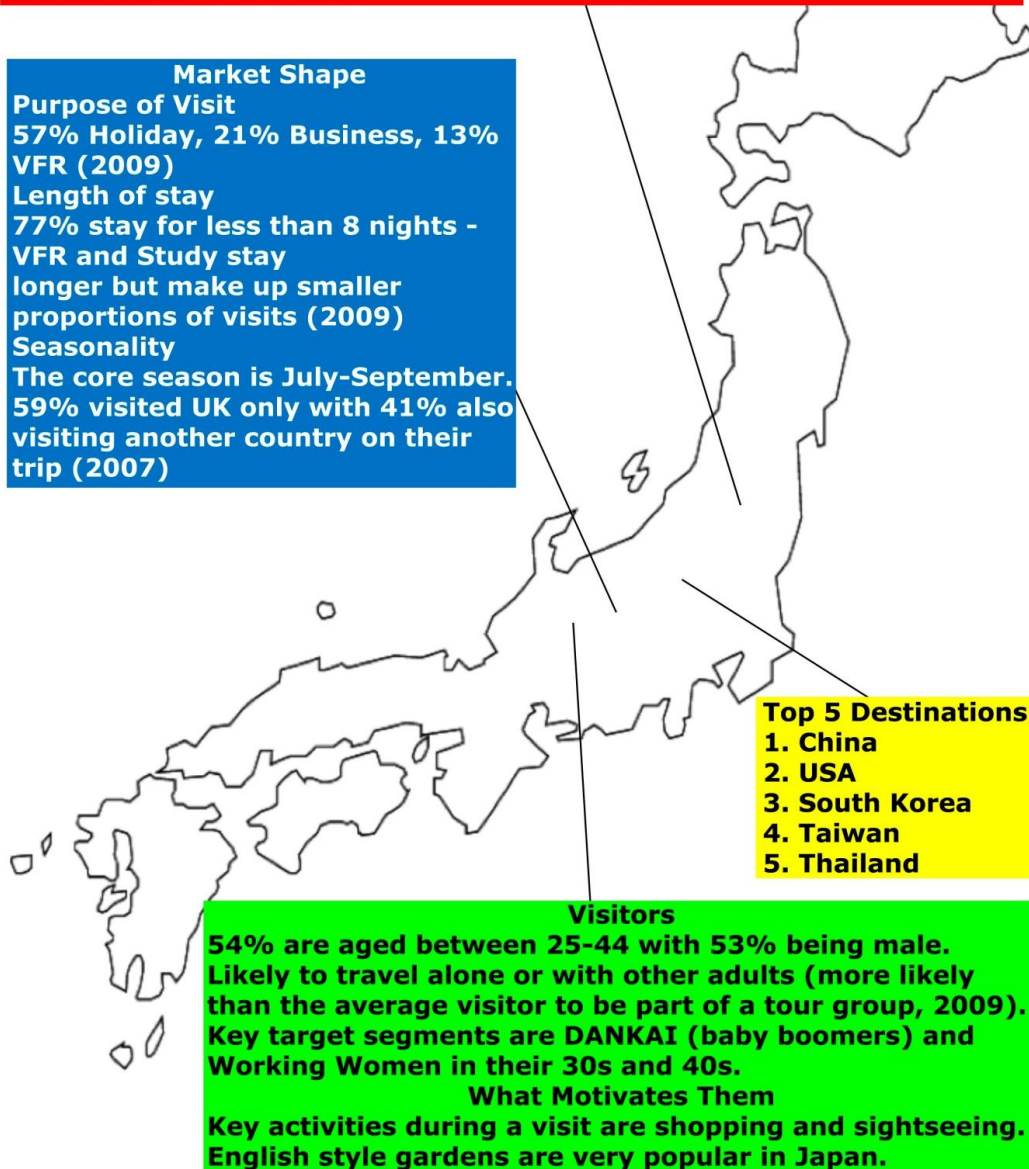
SECTION SIX:

JAPAN

6. Japan:

Total Visits in 2009:	235,000 (down 1%, rank 23rd)
Total Spend in 2009:	£305m (up 85%, rank 14th)
Average Spend per Visit (AEV) in 2009:	£1295 (up 88%)
Average Length of Stay (ALS) in 2009:	11 nights
Market Population in 2008:	127.3million
Outbound Market Size in 2009:	18.9 million
UK's Market Share 2009:	1.2%

Market Shape
Purpose of Visit
57% Holiday, 21% Business, 13% VFR (2009)
Length of stay
77% stay for less than 8 nights - VFR and Study stay longer but make up smaller proportions of visits (2009)
Seasonality
The core season is July-September. 59% visited UK only with 41% also visiting another country on their trip (2007)



6.1 Economic Overview:

Japan is the world's most tenth populous country. The current population of Japan is estimated to be 126.5 million, although Japan is currently experiencing a decline in population at a rate of -0.28 percent. Japan's current GDP per capita is US\$34,000.

In March of this year a devastating earthquake and tsunami struck Japan. The Tohoku earthquake affected two regions in particular; Miyagi and Fukushima, which have a GDP of approximately US\$200 billion, accounting for approximately 4 percent of the Japanese total.

In comparison with other developed economies, Japan appears to have maintained a relatively low unemployment rate. In March of this year unemployment was just 5.1 percent.

6.2 Demographic Profile:

Currently the highest travel propensity is seen among the population in the 25-29 age group and thereafter the propensity to travel declines with age. For example, in 2009, 54 percent of Japanese visitors to the UK, which attracts a similar demographic to Ireland, were aged 25-44 and were likely to be travelling alone or with other adults, particularly as part of a tour group.

Japan's population has started to decline and its population is aging. Almost 40 percent of the population are aged over 50 and life expectancy has also increased to 85 years for women and 78 years for men.

In concurrence with Japan's ageing population, the number of Japanese Baby Boomers reaching retirement age is growing steadily; in recent years over 3 million of the existing work force have retired. As a result many couples will be spending prolonged periods of time in one another's company for the first time, and this has and will continue to support a surge in the number of partners seen travelling as companions.

6.3 Current Travel Patterns:

Asia is currently the most popular destination for Japanese tourists, with 43.1 percent of outbound travellers opting to visit. Europe is second but only receives 17.6 percent of all outbound travellers. The top 5 destinations within Europe are France, Germany, Italy, Switzerland and the UK. Ireland is placed 23rd on the list, which is determined by the number of overnight arrivals from Japan.

Japanese visitors to Europe come from a very concentrated location. The island of Honshu supplies about 90 percent of Japan's outbound travellers, within this over 40 percent come from the metropolis of Tokyo, 15 percent from Osaka/Kyoto and 12 percent from Nagoya. As a result, the primary airport for departure is Narita. There are currently no direct flight offerings from Japan to Ireland, however British Airways, Virgin Atlantic Airways, KLM, JAL, ANA and Lufthansa all offer indirect services.

The most popular time to visit is July/August. In Japan, the schools are not in session in August, and they reconvene the first week of September. Japanese employees are entitled to on average between 2-4 weeks of annual leave, however it is reported that only 8 percent take the full allotment. Despite the fact that few take long vacations, the average length of stay for Japanese visitors to Ireland is 8-10 nights. The primary purpose of travel for the Japanese in 2009 was 57 percent holiday, 21 percent business and 13 percent VFR. With regard to expenditure, the average spend per day per visitor is €185. This figure is in line with industry averages. In Britain, the Japanese spend on average GB£1,295 over an 8 day stay.

6.4 Potential Opportunities:

Visits to the UK are expected to grow by 24 percent by 2014. Forty one percent of Japanese tourists to the UK visit more than one country on their trip; this 41 percent could result in additional potential visits for Ireland. Japanese visitors to Ireland do not require a Visa.

6.5 Potential Barriers and Costs:

Ireland's geographical distance from Japan could be interpreted as a barrier to potential visits. The Japanese have a strong work ethic and traditionally do not take a lot of annual leave, and as a result they do not have a lot of time for holidays or to fly long distances. Furthermore, other European destinations such as Italy, France and Spain are perceived to be more compelling and more inviting than Ireland.

Food in Britain and Ireland is perceived to be of low quality, which is problematic as Japanese people are very particular about their food. It does not appear to be a major deterrent for visiting, however it may be a barrier to longer stay. Japanese prefer light, small portioned, and well presented, fresh meals.

In terms of language, fluent English is not widely spoken amongst the older generations of Japanese people and this presents a language barrier which could stop them from having a truly "authentic" experience. Japanese versions of literature, menus, instructions and travel information is appreciated.

6.6 Future Travel Volumes:

While tourist destinations around the world compete for high spending Japanese tourists, Japan's changing demographics now raises concern that outbound travel from Japan may slow dramatically in the future. The United Nations Population Division estimates that Japan, which recorded 127 million people in 2000, will have 3.6 million fewer people in 2025, while the Japanese government predicts an even larger decline of 5.8 million.

Between 2000 and 2025, the number of overseas trips taken by those aged 15 and above is expected to increase from nearly 17 million to 22.5 million. By 2025, the seniors (age 60 and above) are forecasted to account for 26 percent of all Japanese overseas travel (compared to less than 15 percent in 2000).

The aftermath of the Tohoku earthquake will affect the Japanese economy but also outbound travel in the short run. Japan may briefly re-enter recession in 2011 with a 10 percent drop in outbound travel. A considerable rebound is expected on both fronts in 2012.

According to the Anholt-GfK Nation Brands Index (2009), which surveys a representative n=1000 sample of the online population in Japan. If money was not an object", the top 5 aspirational places are Italy, Australia, France, UK and Canada.

6.7 Channels of Distribution:

Forty-five percent of Japanese stated that they preferred to book their holiday through a travel agent. There is a low incidence of booking travel online, as 2 in 3 people do not see this as a safe.

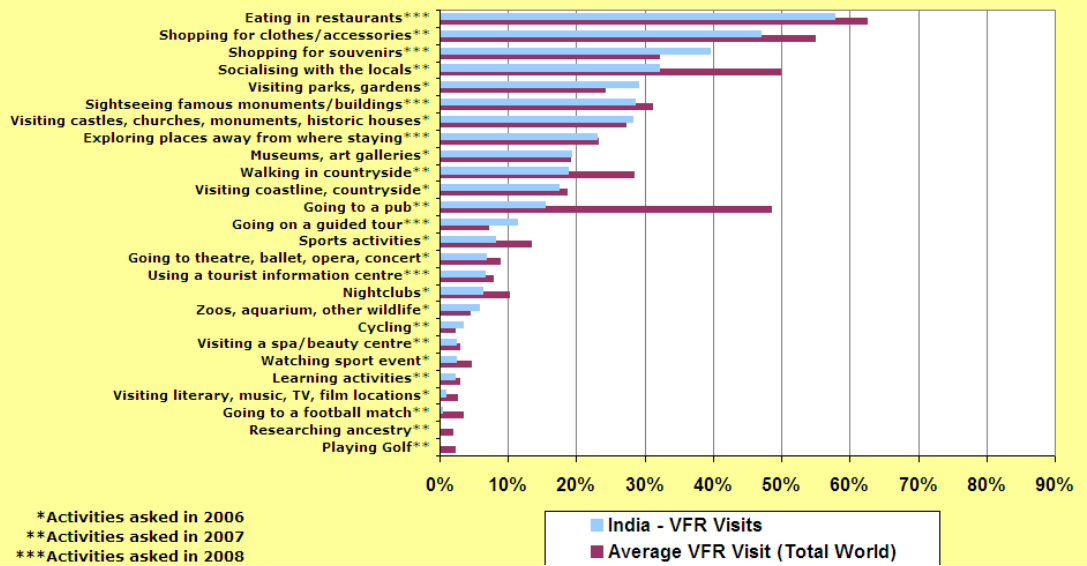
6.8 Conclusion:

Japan has often been highlighted as a potential market for tourism that could offer significant opportunities for Ireland. However, expectations of visits from Japanese tourists have rarely been met. The country is currently recovering from the earthquake and tsunami of March 2011, which could cost Japan up to US\$300 billion and reduce GDP by up to 1%. With major uncertainties at home, many Japanese are more reluctant to travel and this could affect tourism to Europe, and Ireland, for quite some time.

APPENDIX TWO:
ADDITIONAL RESEARCH

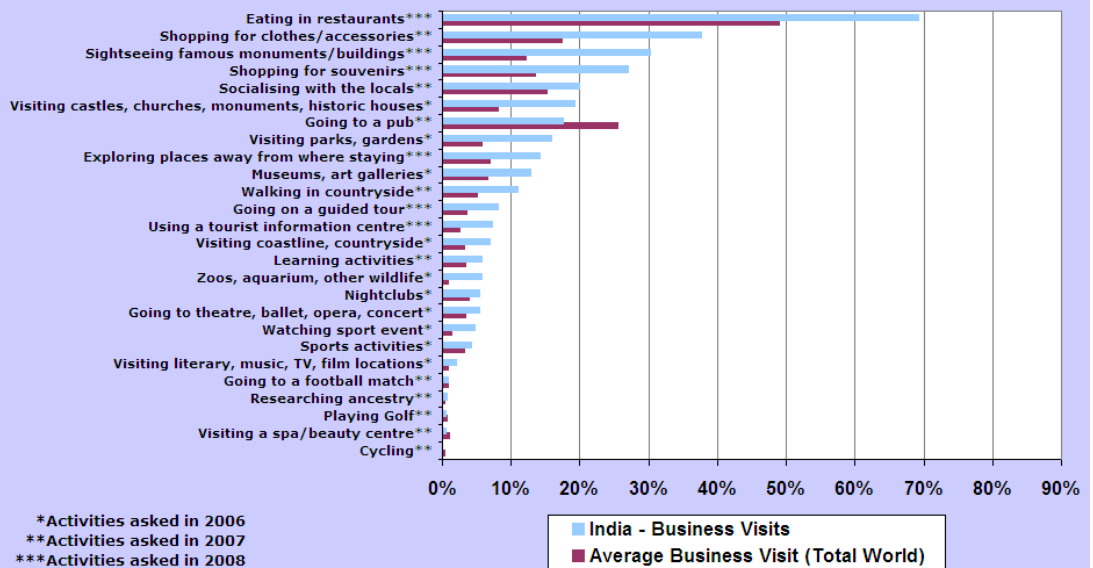
India - VFR Visits

Activities undertaken during visit in 2006, 2007 & 2008



India - Business Visits

Activities undertaken during visit in 2006, 2007 & 2008



Population breakdown by age:

China

Breakdown Years	2010 (Percent)	2020 (Percent) (F)
0-4 years	6.5	6.3
5-14	13.4	12.5
15-24	16.9	12.6
25-34	14.3	15.8
35-44	17.6	13.3
45-54	13.2	16.2
55-64	9.9	11.7
65-74	5.2	7.8
75-84	2.5	3.0
85+	0.5	0.8

(ETC Market Insights – China, 2011: 2)

India

Breakdown Years	2010 (Percent)	2020 (Percent)(F)
0-4 years	10.3	8.8
5-14	20.5	17.9
15-24	19.3	17.9
25-34	16.2	16.7
35-44	12.6	13.9
45-54	9.8	10.7
55-64	6.4	7.8
65-74	3.4	4.4
75-84	1.3	1.6
85+	0.2	0.3

According to the UN, the numbers of children and young people (aged 0-24) will remain stable over the next ten years, while the numbers of those aged 25-60 will increase by one-fifth and those over 60 will increase by nearly a half.