

# **SUBMISSION FROM THE IRISH TOURIST INDUSTRY CONFEDERATION**

## **OUR OCEAN WEALTH – A TOURISM RESPONSE**

### **I. INTRODUCTION**

Marine resources form a valuable component of the appeals and experiences of tourism in Ireland. As an island destination the maintenance and development of the marine resources contribute to the enhancement of the Ireland brand identity and reputation abroad.

Tourism as an indigenous industry is unique in its contribution to the economic, cultural and social fabric of the nation. The value of tourism, of which the range of marine experiences form an important part, goes well beyond the employment and direct economic benefits which arise from domestic and international visitors.

Tourism in Ireland currently generates an estimated €5 billion annually from almost 6 million overseas visitors and 8 million domestic trips. The sector which has been severely hit by the international recession and falling domestic demand since 2007 resulted in a loss of over one quarter of annual earnings. Tourism is facing a challenging future with an urgent need to regain competitiveness in the marketplace by delivering unique experiences for the visitor.

The Irish Tourist Industry Confederation (ITIC) welcomes the public consultation process, recently launched by the Minister for Agriculture, Food and the Marine, on how best to harness Ireland's ocean wealth and is happy to present the following inputs for consideration.

### **2. TOURISM CONTEXT**

#### **2.1 Demand Trends**

Tourism demand continues to be driven primarily by economic conditions and personal disposable income. However, a range of other factors impact demand patterns, including demographics, health and safety issues, competition and ease of access. Demand for travel is currently characterised by a number of trends which are expected to shape Ireland's tourism in the medium to longer term. These include:

- An ageing, but more active, demographic in Europe and North America – Ireland's top sources of visitors;
- Changing travel patterns, including a shift to more short holidays with city destinations gaining market share
- An increasing incidence of activity or interest as the primary driver of choice of destination
- A growing interest and participation in activity and adventure holidays across all age cohorts
- Domestic market profile, based on recent birth rates, points to a sizeable younger age and family cohorts.

#### **2.2 Ireland's Performance**

The past decade has seen very significant shifts in demand for travel in a fast changing consumer market. The pattern of where visitors go and what they do in Ireland has also changed. Today's visitors seek more unique experiential and participative experiences. While rural and coastal imagery, particularly the west of Ireland, has in the past showcased the quintessential appeals of Ireland, the pattern of demand has shifted to a greater concentration of visitors to Dublin. Each of

the tourism regions outside of Dublin – North West, West, Mid West, South West, South East and Lakelands – has experienced a downturn in demand from all markets. This is most evident in a 37% fall-off in bednights generated by overseas holiday visitors along the western seaboard over the past decade. Currently just over half of all nights spent by holiday visitors to Ireland are spent along the west coast, down from two out of three bednights 10 years ago.

Tourism is critically important to areas outside of the main centres of population where in many instances along the seaboard the visitor accommodation and food services sector is one of the main employers. Visitor expenditure indirectly supports retail, food producers, transport and other service sectors.

A key finding in ***New Directions for Tourism in the West*** – a report from the Irish Tourist Industry Confederation (ITIC) in 2011 - is the need to create more distinctive ‘reasons to visit’. The report points to the need to highlight the range of adventure and activity holidays on offer together with ‘dialling up’ the appeals of local heritage, eco/natural attractions, the islands, the Gaeltacht, local food, water based recreational and sporting activities together with a range of festivals and sporting events.

Greater leisure and recreational access to and use of marine resources has the potential to compensate for the limited number of ‘must see’ attractions along the western seaboard and in the midlands, as the tourism industry faces the challenge of creating and delivering more distinctive and memorable experiences which exploit natural, human and manmade assets.

Notwithstanding the decline in overseas tourism to the western seaboard over the past decade, experience demonstrates that even in the most severe downturns, significant opportunities emerge at a local business level. A particular challenge is to differentiate the appeals and experiences outside of Dublin and to make them more compelling to attract overseas visitors and marine tourism can greatly contribute to this.

### **2.3 Future outlook for Irish tourism**

Despite the recent sharp downturn in demand, the outlook for the sector is positive with leisure travel from domestic and overseas markets firmly established in lifestyle behaviour. All forecasts point to a resumption of growth in demand for travel, albeit at a slower rate than that enjoyed in the past.

Best prospects for attracting increasing numbers of overseas visitors to Ireland are forecast to exist in selected markets of mainland Europe and North America. The British holiday market, traditionally Ireland’s top source of holiday visitors, while still significant in volume, has more than halved over the past five years and points to need to diversify Ireland’s customer base.

The appeals of Ireland to Europeans and Americans are predominantly associated with scenery and people, with demand patterns from Europe tending more towards activity type holidays. In addition, recovery of demand from Britain is likely to be driven by activity and special interest holidays. The future growth of tourism, at least in part, will be the result of successfully attracting niche segments of the market to engage in activity holidays, with marine related activity a key strategic fit with the images, appeals and motivations for visiting Ireland.

The fundamentals of the market for leisure trips by Irish residents, which peaked in 2008/09, continue to be positive, although impacted by the current economic situation. The population structure points to a continuing substantial home holiday market, especially for short leisure trips, increasingly motivated by activities and events.

Market outlook assessments would suggest that Ireland's tourism has yet to fully capitalise on the wealth of marine resources. Ireland has a unique opportunity to attract more visitors to experience the marine/ocean wealth. It is estimated that currently less than 10% of visitors engage with the marine heritage and facilities.

### 3. OCEAN WEALTH – THE OPPORTUNITIES & CHALLENGES FOR TOURISM

#### 3.1 Strategic Background

The Marine Institute's comprehensive *Marine Tourism and Leisure Development Strategy (2007-2013)*, provided a detailed overview of the sector, the opportunities and constraints facing the industry and set out clear goals and targets for development.

Fáilte Ireland's *Tourism Product Development Strategy (2007-2013)* also highlighted the under exploited potential of marine tourism, particularly in the marine sports area which it viewed as a core product with good potential. Many initiatives to improve access to and experiences related to marine tourism have been supported by Fáilte Ireland's current Tourism Capital Investment Programme. These have included projects aimed to deliver high quality, distinctive holiday experiences capitalising on the marine wealth of the key tourism destinations around the country.

While the current strategic framework and on-going research combine to provide a valuable platform for the further development of the tourism potential related to the country's marine assets, a number of issues are proposed for consideration and prioritisation.

#### 3.2 Policy, Legislative and Regulatory framework

ITIC fully supports the specific identification by Government of marine and coastal tourism as a development priority to provide Ireland with a distinctive competitive advantage.

At present it would appear that there is room for greater integration between Government Departments, state agencies and local authorities to deliver a coherent strategic plan and to ensure a co-ordinated and improved cost effective implementation programme, where primary responsibility is clearly identified.

The development of the marine resource for tourism is at times hindered by the absence of integrated coastal zone management plans to balance the needs and aspirations of tourism and other stakeholders.

The current fragmented, and at times confusing, licensing and planning regime needs to be addressed.

Protecting the environmental quality of the marine and inland waterway resources must continue to be a priority. Good water environmental standards are essential to maintain a clean green image of Ireland. Measures to promote clean beaches and top water quality, such as Blue Flag status, should continue to be encouraged. **The regulation and management of offshore alternative energy and oil exploration must take into consideration the potentially negative impacts on scenic quality and aspects of the tourism experience.**

A particular challenge is the on-going financial ability of local authorities to sustain existing coastal and lakeside facilities, including beaches, car parks, toilets, signage and interpretation.

Improved management standards are required for access to water, beaches, and other essential infrastructure, as in many instances the quality of the facilities and safety practices fall short of international best practice. This situation is damaging to Ireland's competitive advantages as a tourist destination.

### 3.3 The Tourism Opportunity

Sea and inland waterways offer a range of opportunities to expand the tourism base by delivering more reasons to visit and deepening the visitor experience. The attractiveness of water based scenic appeals and visitor experiences, from soft to hard adventure, represent a strategically good fit with the primary appeals of Ireland as well as constituting new and, as yet, under exploited product expansion opportunities.

ITIC would favour a strategy of selective spatial development to provide a series of best in class water related facilities, attractors and experiences within Ireland to provide identifiable stand out and viable clusters in specific tourism locations. A series of differentiated themed marine zones or clusters along the western seaboard, linked to Fáilte Ireland's destination strategy, is suggested.

Priorities from a tourism perspective would include:

- Create a greater awareness of Ireland's coastline, especially the Atlantic coast, with its spectacular coastal scenery and accessible resource for a range of passive and active experiences. ITIC's *New Directions for Tourism in the West*, specifically recommended researching 'Atlantic Ireland' as a possible branding for the western seaboard, as well as proposing the development a branded and well interpreted 'Atlantic Coast Drive' to encourage exploration of points of scenic and cultural interest.
- The development of eco-tourism water-based experiences such as whale and dolphin watching is well worth pursuing in response to growing interest in unique natural experiences.
- The continued investment in public infrastructure, including access to piers, slipways, beaches, fishing stands together with other facilities such as parking, changing rooms, showers, etc.
- The continued development of coastal walking routes with access to the shore, incorporating adequate signposting, viewing points and interpretation, as appropriate is supported.
- The expansion of sailing visitors would require investment in visitor marinas and safe havens along the coast. The economic justification would most likely require the co-location of other related businesses such as marine related industries, guest accommodations, training facilities, etc.
- The market for tuition in marine related leisure activities and sports would appear to be an expanding market which offers an opportunity for Ireland to develop a foothold. Investment to address the limited visitor marina network, particularly along the west and north-west coastline, is required.
- Fast growing water based leisure activities such as surfing and diving represent a market opportunity, provided Ireland can deliver on the necessary infrastructure. Surfing in Irish water has gained international acclaim in recent years. However, basic shore infrastructure is lacking in most locations.
- The success of hallmark events, such as the Volvo Ocean Race, Tall Ships, etc., in creating an awareness of Ireland's maritime heritage and potential warrants continued support for a calendar of events.

- Investment in interpretation of Ireland's marine wealth would benefit tourism. Recognising that the realisation of a major marine centre is unlikely in the short to medium term, significant benefit could be attained by small scale investments in interpretation, visitor information and presentation at key centres along the coast.
- The creation of a series of signature experiences related to the sea could, as proven in other destinations, prove of great benefit to coastal tourism at a local level. Innovative experiences such as storm watching, escape to the islands, lighthouse trails, etc. can be delivered through linkages with low or nil capital requirements.
- To encourage innovation and micro-enterprises in relation to marine tourism an expanded range of supports for R&D/innovation and incubation of new micro enterprises is required.
- The strategic development of marine related tourism experiences would benefit from more in-depth research and timely statistical data, specifically on customer trends.

### **3.4 Seafood**

In recent years experiencing local foods and beverages which express creativity and embody cultural and individual destination identity has become an increasingly sought after travel experience. Food with a focus on local produce, including traceability, strategically complements the increasing interest in sustainability and the growing environmental consciousness of the discerning consumer in Ireland's domestic and international source markets. Restaurants, pubs, cafes, festivals, cookbooks, grocery stores, farm shops and markets, cooking classes and demonstrations all provide a tangible experience in many instances linked to the unique cultural heritage of a destination. A genuine Irish seafood experience adds to the sense of place for the visitor. The economic linkages are very obvious between the hospitality sector, seafood industry, fishermen, artisan providers, value-added providers and distributors.

While exports of seafood continue to grow, especially to mainland Europe, it would appear that there is an opportunity to better exploit locally sourced and presented seafood offerings to visitors. Greater promotion of seafood to visitors, focussing on quality local catches would be worthwhile, possibly incorporating Tourist Taste Trails or 'Place on a plate' promotions.

### **3.5 Ferries & Ports**

#### *Access to Ireland*

Ireland is well served with frequent and high quality car and passenger access on a modern fleet operated by major shipping lines. Key short sea crossing operate to/from Britain plus routes to/from France. Demand for surface access by tourists has been in decline with the explosion of low fare air services and the trend towards short break holidays. Current capacity is more than adequate to meet projected demand.

From a tourism perspective the prime consideration is to ensure that the quality and cost of port facilities provided for ferry operators on international services are competitive with those in other destinations.

#### *Access to islands*

Off shore islands hold a particular appeal for visitors and the key components of exploiting this potential include:

- Well regulated ferry operations; and
- Adequate pier infrastructure.

Based on informal research it is apparent that the opportunities to attract more visitors to off-shore islands in considerable provided that the necessary infrastructure is in place. Furthermore, a market exists for tourist sightseeing boat trips from several tourism hubs around the coast.

### **3.6 Cruise Tourism**

Over the past decade Ireland has performed well in attracting port of call visits from cruise liners with Dublin now firmly established as a marquis port. Dublin is now the top port of call for itineraries cruising the Irish Sea. While demand for cruising worldwide is growing, especially from European and Asian consumers, demand for seasonal cool water destinations such as the Irish Sea will continue to be a niche though attractive market.

ITIC is of the view that investment to improve the berthing and cruise passenger facilities should be coordinated to ensure that the scale of capital employed is commensurate with the opportunity and can be commercially justified. The proposal to develop a cruise terminal at Dublin Port, based on its dominance in the sector, is welcome.

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