Tourism Ireland
Marketing the island of Ireland overseas

Mainland Europe - Sustaining our Success

Market Review 2009





PREFACE

The review of Mainland Europe is the latest in a series of assessments which examine the performance and the potential of various markets to the island of Ireland.

In compiling this review we have carried out an in-depth analysis of the prevailing market conditions, the competition we face and the continuing opportunity presented by the Mainland Europe market. The review drew on the input and support of the tourism industry both on the island of Ireland and in Europe, and benefitted from a strong representative steering group. I would like to sincerely thank all those involved in the steering group.

Mainland Europe has been a source of sustained growth in visitors to the island of Ireland. A full 30% of visitors to the island of Ireland now arrive from Mainland Europe and they account for 34% of revenue. Visitors from Europe have a high propensity to visit the regions and Northern Ireland, and stay for a longer than average number of nights.

The markets of Mainland Europe are quite diverse and are at differing stages of development. The enlargement of the European Union provides large numbers of potential visitors. The growth in air access from Europe has made the island of Ireland much more accessible. This review has considered the recent evolution of visitor flows in Europe and has quantified the scale of the opportunity in the period up to 2013.

This review has helped us to identify the best prospect markets and consumer groups in Mainland Europe and has provided a prioritisation of the opportunities available to us.

The completion of the review has coincided with perhaps the most challenging conditions facing the tourism sector globally in more than a decade. I am confident, however, that the strong partnership which exists between the tourism industry across the island of Ireland, the Department of Enterprise, Trade & Investment, the Department of Arts, Sports & Tourism, Tourism Ireland, Fáilte Ireland, the Northern Ireland Tourist Board and the industry in Europe will continue to unlock the potential of the important Mainland Europe market.

Paul O'Toole
Chief Executive, Tourism Ireland

1 THE EUROPEAN TRAVEL MARKET – AN OVERVIEW

Market Size & Value

Residents of the European Union currently generate almost a quarter of a billion outbound holiday trips each year, with over 180 million trips of 4 nights or more and 60 million short trips. Germans are by far the greatest travellers, spending over €60 / £52 billion and accounting for almost one in three foreign holidays trips taken by Europeans each year.

International expenditure by Europeans on travel has shown steady growth since 2000, with an average annual growth rate of +2.4%. Almost 90% of expenditure is generated by the top 10 source markets, the largest of which are Germany (71m), France (20m), Netherlands (15m), and Italy (13m). Within Europe there are significant differences across source markets in terms of size, incidence of outbound travel and relative expenditures on leisure travel. Western and southern countries are the leading source markets for international travel, although some of these markets have shown relatively low growth in recent years. In contrast, northern and eastern European markets have shown significant growth in outbound travel in recent years, much of which has been to destinations within Europe. Given that most countries have land borders with neighbouring countries it is not surprising that the majority of holiday trips abroad (57%) are taken by car, although travel by air now accounts for one in four trips and is growing. July to September is the most popular time for holiday travel abroad accounting for 45% of trips of 4 nights or more, while Europeans are becoming increasingly independent in organising their holiday travel. Since 2004 there has been a boom in outbound tourism from the new Member States but most of it is related to migration patterns with low expenditure per trip.

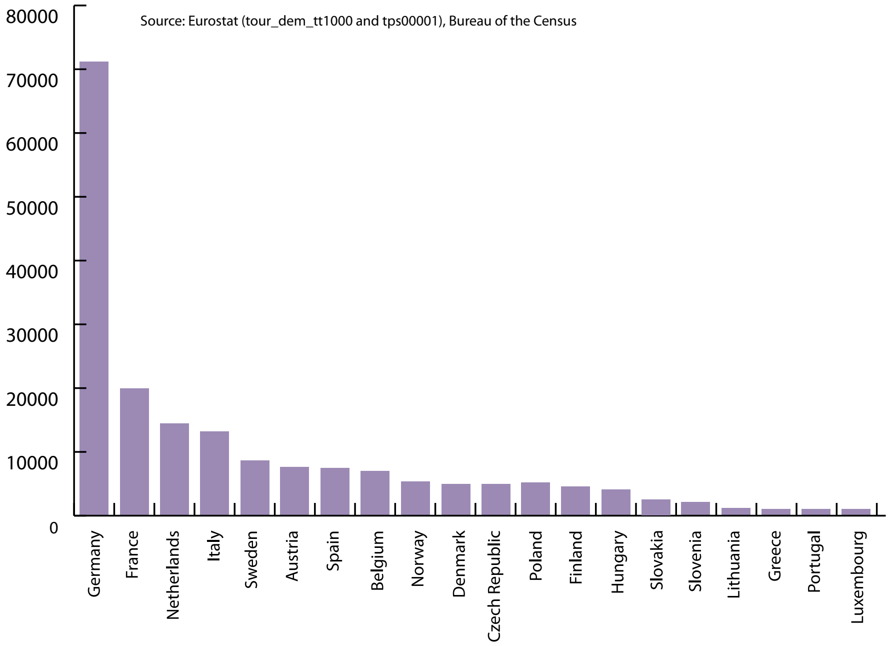
While Europeans on average make at least two holiday trips (4 nights or more) per year, the incidence of EU residents taking a holiday abroad (4 nights or more) varies considerably across markets. 69% of Germans take at least one holiday abroad, fewer than 10% in some new EU member states do so. Spain is the No.1 destination for holidays by Europeans, followed by Italy and France.

What Has Been Driving Growth in Travel?

A number of factors can be identified as contributing to the evolution of demand for international travel within Europe over the recent past. The principal underlying positive and negative influences impacting travel motivations, demand levels, holiday travel patterns and choice of destinations have included:

- *Economic drivers including low interest rates and the impact of the common euro currency.*
- *Socio-political events including the re-unification of Germany and the recent enlargement of the European Union.*
- *Changing demographics and lifestyle patterns have also influenced the choice*

European Outbound Holiday Trips, 2006 ('000s)



of travel destination and travel patterns. These include an aging population profile; more singles; the search for authentic experiences; adventure and self-enrichment; a growing environmental awareness; increased health and safety consciousness; and the desire for greater customisation, convenience and service quality. Major sports and cultural events also continue to generate strong travel flows.

- *The explosion of low cost airlines has been one of the major drivers of travel growth in recent years together with the expansion of high-speed train networks, including the channel tunnel. The increase in travel frequency (in particular short breaks) has been stimulated by the spread of low-cost airline travel, with the opening of new routes making more destinations accessible and affordable. Low-cost carriers now dominate the intra-European air travel market.*
- *The internet has revolutionised travel by empowering the consumer. On the supply side, the spread of information and communication technologies has increased opportunities for tourism destinations and businesses to reach a larger market. Internet availability, e-commerce developments coupled with the increasing use of mobile technologies and social networking, continue to have a significant impact on consumer's travel behaviour.*

Structural Changes in the Travel Industry

The travel industry across Europe has undergone significant changes in recent years. These changes include:

- *The growing dominance of a limited number of low cost carriers (LCC) – principally Ryanair, easyJet and Air Berlin – in the intra-European short-haul market.*

- *The growth of virtual distributors and online travel agents including Expedia and lastminute.com.*
- *Cross-border consolidation within the tour operator sector with a small number of pan-European players controlling an increasing share of the business.*
- *A reduction in the number of retail travel agent outlets and further rationalisation of vertically integrated operators.*
- *The increased incidence of airlines, especially LCCs, offering a full range of holiday components on their websites.*
- *The emergence in some markets of non-traditional distributors of travel, including supermarket chains and mail order companies.*
- *Consolidation within full-service airlines, the low-cost sector and charter operators.*
- *Charter airlines shifting focus from short-haul Mediterranean destinations to medium to longer haul destinations.*

Medium Term Uncertainty

The global financial crisis and the current economic recession is impacting consumer confidence and depressing demand for travel. The three largest economies – Germany, France and Italy – are already displaying the impact of recession on consumer confidence and activity, while Spain is experiencing a construction sector slowdown resulting in contraction in the wider economy.
Tourist arrivals slowed during the 2008 summer months, evidencing a softening of demand in intra-European tourism. As the recession now underway has different causes and is displaying different characteristics, it is difficult to predict the impact of the downturn on travel demand. Current thinking within the industry would suggest the earliest upturn is not likely to occur until 2010.

Currency shifts between the euro and sterling and US dollar are also impacting travel patterns as consumers seek best value.

Despite the difficult economic outlook, recent polls suggest that consumers will be most reluctant to abandon leisure travel as the desire to travel is still strong, unlike the travel downturn post 9/11. The predicted response is that consumers will opt for fewer trips and/or reduced spending, perhaps staying closer to home, rather than completely forego leisure travel. Travel has proved resilient in the past.

Implications for Our Strategy

The dynamic mainland Europe travel and tourism market represents a microcosm of changes in the global travel scene: political cohesion and economic growth have been underpinned by the expansion of access and a more flexible marketing environment to generate strong growth in intra-European travel. An understanding of the drivers of destination success in this large market is critical for the attainment of the stretching goals of the island of Ireland.

While the short term uncertainty will cause a reversal in travel and tourism, the underlying factors will see a return to growth in the longer term, with opportunities for the island of Ireland.

2 IRELAND'S GROWING SUCCESS IN EUROPEAN SOURCE MARKETS

Recent Growth

Mainland Europe has been the fastest growing source market for tourism to the island of Ireland in recent years. An estimated 2.6 million tourists from mainland Europe visited the island of Ireland in 2007, spending in excess of €1.5 / £1.3 billion. Ireland currently draws its holiday visitors from over 20 countries, each with varying motivations, characteristics, visitation patterns and behaviours. Germany was the top source market in 2007, followed by France, Italy and Spain.

Preliminary estimates for 2008 would suggest little change in the aggregate number of mainland European visitors to the island of Ireland compared to the previous year, while visitors from Britain and North America declined.

Mainland Europe has grown in importance since 1999 providing an increasing share of visitor numbers, expenditure and bednights, as well as an increasing share of holiday visitors. Europe is now the source of 35% of overseas holiday visitors to the island of Ireland, up from 23% in 2003. These holiday visitors now account for just under two out of every five (39%) bednights spent in the country up from 30% in 2003.

An estimated 104,000 holiday/leisure visitors from mainland Europe visited Northern Ireland in 2007. Since 2004 the number of mainland European holiday/leisure visitors has increased by 141%, the vast majority of whom visit both parts of the Island.

Key changes in performance and composition of European visitors to Ireland during the period from 2002 to 2007 include:

- *The annual number of visitors grew by 87%.*
- *Annual revenue in current terms increased by 62% (approximately 40% in real terms).*
- *With a decline in the average length of stay, per capita expenditure fell by 13% in current terms or close to 25% in real terms.*
- *Holiday visitors per year almost doubled to 1.4m.*
- *There has been a dramatic increase in VFR visitors, doubling in the past 3 years, mainly due to migration patterns.*
- *Business, including conference, visitors grew by 60% over the period.*
- *Ireland has broadened its market base for holiday visitors with strong growth from Spain and Italy.*

Trends in the Pattern of European Holiday Visitors to Ireland

Recent years have seen a number of changes in the composition and behaviour patterns of European leisure visitors to Ireland, including:

- *A marked growth in short leisure breaks, predominantly city breaks, up from less than 60,000 per year five years ago to an estimated 235,000 in 2007.*
- *An improvement in seasonal spread with relatively less concentration on the peak, and a higher incidence of demand for travel in the shoulder and off-season, most noticeably in May-June period.*

- *Air travel is the mode of choice for an increasing share of the market at 90% in 2007, compared to 80% in 2002.*
- *The proportion hiring a car in Ireland has remained largely unchanged at just under one in three (30%).*
- *An increasing concentration of bednights in Dublin as 2 out of every 3 now spend at least one night in the capital, in part dictated by airline schedules, accounting for approximately one third of all holiday nights..*
- *The western seaboard regions have attracted consistent share over the past 5 years at around 55% each year, leading to good growth in the absolute number of visitors.*
- *While guesthouses/B&Bs are still market leaders in share of bednights, hotels have been the main beneficiary of the increased demand from Europe. The share of demand for hostels and rented accommodations has remained reasonably stable over the recent past, resulting in good growth for these sectors.*
- *Currently about four out of every five are independent travellers, with the share of those travelling on package arrangements having fallen from 40% at the turn of the century to 20% in the most recent period. Survey results would suggest some stabilisation in the share of package travel during the past two years.*
- *The age profile has changed with a higher proportion, (and growing absolute number) of over-55s, up from 12% in 2000 to approximately 25% last year. The 19-34 year old cohort has declined in relative importance, though not in absolute numbers, while the relative share of visitors in the 35-54 age group remains unchanged.*
- *While satisfaction with value for money had disimproved, the ratings have begun to recover somewhat in more recent times.*
- *In terms of the composition of visitors, couples account for 40%, with those travelling alone or in adult groups each accounting for approximately 20%. Families tend to account for fewer than 20% of visitors from Mainland Europe in any year.*
- *Typically one in three holiday visitors from Europe are repeat visitors.*

Air Access is a Major Growth Driver

There has been a threefold increase in summer capacity on scheduled services linking the island of Ireland with mainland Europe compared to five years ago. Aggregate capacity for summer 2008 at 196,000 seats per week in each direction on 174 routes compared to 65,000 seats on 50 routes in 2003.
While the growth in access services has been driven mainly by a rapidly growing outbound market from Ireland and new routes to serve migration flows, the availability of low fare

Holiday Visitors to the Island of Ireland 2002 - 2007 ('000s)

	2002	2003	2004	2005	2006	2007	AAGR
Germany	198	183	187	266	259	334	11%
France	149	16	162	146	183	210	7%
Italy	90	102	96	96	134	176	14%
Spain	37	50	56	65	77	102	22%
Netherlands	90	83	83	96	93	101	2%
Sweden	27	31	28	48	73	63	18%
Norway	10	12	22	21	31	55	40%
Austria	16	19	16	39	22	44	22%
Denmark	14	16	21	28	41	43	23%
Switzerland	29	30	47	40	30	41	7%
Belgium/Lux	49	43	50	42	50	40	4%
Finland/ Iceland	15	16	15	36	28	30	14%

access on new routes has clearly stimulated demand for inbound tourism.

The most significant developments in air services linking Ireland and mainland Europe over the past 5 years have included:

- *A fivefold increase in scheduled capacity to/from Spain.*
- *More than a doubling of capacity and a more rapid expansion of routes to/from France, Germany and Italy.*
- *The launch of new routes to/from Poland, the Baltics, Slovakia and Croatia.*
- *The launch of new European routes to/ from Belfast airports from fewer than 1,000 seats per week on one route in 2003 to 18,000 seats on over 19 routes in summer 2009.*
- *The launch and rapid expansion of European routes to/from Cork and Shannon airports.*

An analysis of the correlation between growth in access and growth in inbound tourism would suggest a strong relationship, although with a distinct time lag. It is evident that the expansion of air services have at least facilitated, if not driven, tourism growth: those source markets with the most significant expansion in air service have performed best while low growth tourism markets to Ireland have been those with little or no development in air services.

How the Island of Ireland's Performance Compares with Its Main Competitors

The rate of growth in holiday traffic to the island of Ireland from 3 of the top 4 source markets - Germany, France, and Italy - has outpaced the rate of increase in total outbound holidays in recent years, while growth to Ireland has lagged the rate of growth of travel abroad by residents of Spain.

Over the past 5 years, the island of Ireland's performance from the top European source markets has tended to either outpace or at least track the growth in holiday visitation to Britain - Ireland's primary competitor in most European source countries.

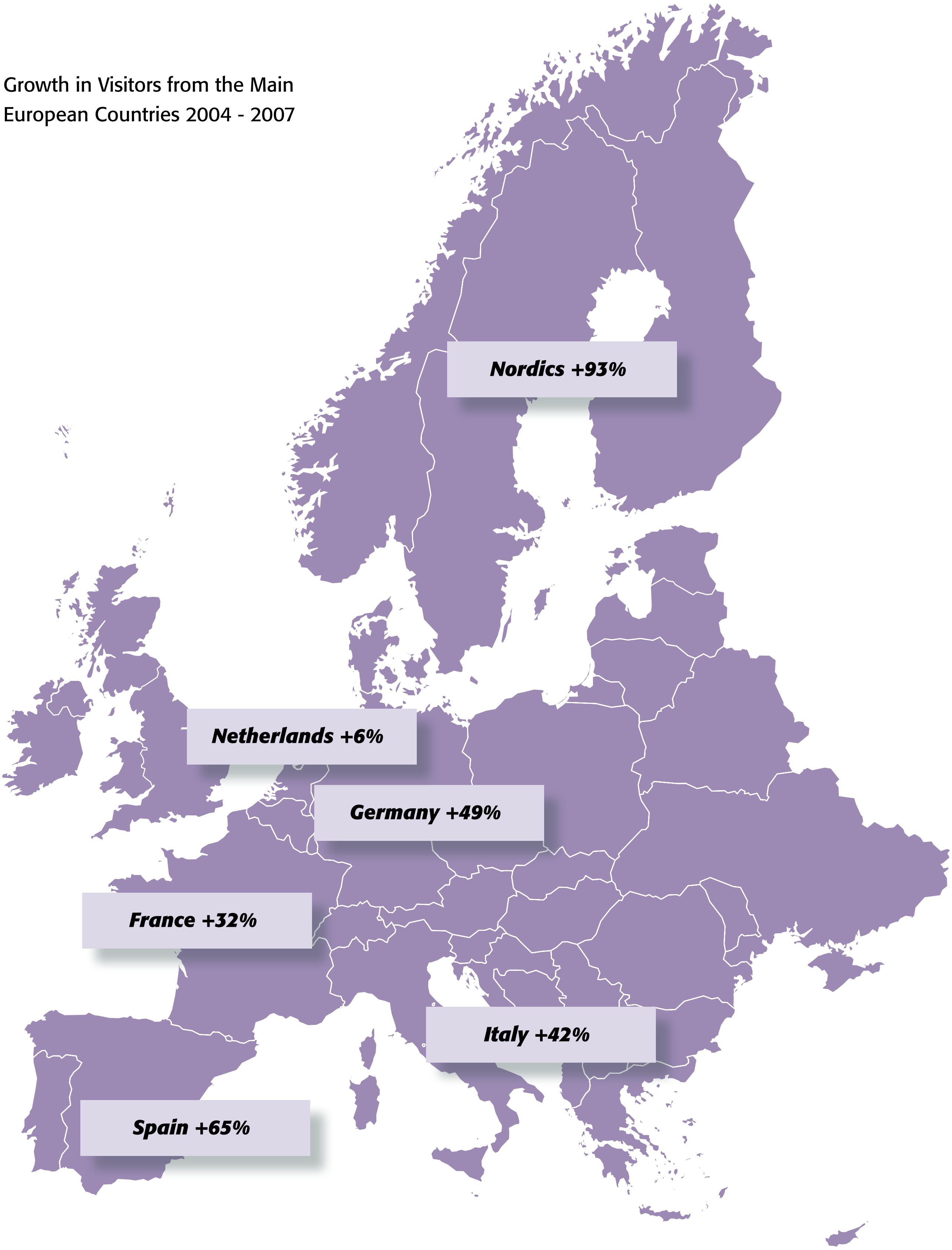
A number of interesting conclusions can be drawn from a comparative analysis of the average annual growth rate (AAGR) of European holiday visitors to Ireland from the top source markets with growth rate from the same markets to Britain generally, and to Britain excluding London and including Scotland. While the pattern of growth has been broadly similar a number of important variances emerge, including:

- *Ireland has achieved a higher average annual growth rate over the period from the two top source markets of Germany & France.*
- *Ireland's rate of growth from Norway, Denmark, Switzerland and Austria has outperformed the rate of growth to Britain.*
- *Growth from the Netherlands and Belgium to Britain, while low, has outperformed growth to Ireland.*

Implications for Our Strategy

The island of Ireland has enjoyed sustained success in mainland Europe. Visitor numbers have grown steadily, are staying longer and visiting the regions. In the short term, the economic downturn is leading to a slowdown in arrivals from mainland Europe. During the current downturn and beyond it is clear that the mainland European marketplace will become more competitive. Given the recent decline in access to the island of Ireland, maintaining volume growth will be a major challenge. However our ambition to achieve market share growth can still be achieved provided the decline in access to the island of Ireland is not disproportionate to that expected by other destinations. Against this backdrop it is imperative that our resources are focussed on the best consumer prospects in the most attractive markets within Europe.

Growth in Visitors from the Main European Countries 2004 - 2007



3 A STRATEGY FOR GROWTH

Future Opportunities & Goals

While the short-term outlook is both uncertain and challenging, the medium- to longer-term prospects are for continued growth in intra-European travel. The analysis points to a growth opportunity when demand expands within defined geographic markets and niche segments. Anecdotal evidence would suggest that even in the current economic recession European consumers are reluctant to forego leisure travel.

The overall goal is to win market share in an increasingly competitive environment.

The Source Markets Offering Best Potential

The challenge facing Ireland is to decide which of the more than 30 potential mainland European source markets offer the best potential for the island of Ireland. While each market offers some potential, the objective of Tourism Ireland and its industry partners is to identify those markets which offer the best return on investment and deliver on the strategic goals of attracting high yield tourists, who visit Northern Ireland and the regions in the Republic of Ireland, and can be attracted both in the peak months and at other times of the year.

The output of consultations, and a statistical model developed on the basis of current market characteristics and forecasts, would suggest a top tier grouping of 6 source markets for Ireland, with Germany representing by far the largest volume opportunity, followed by France. A further group of four markets appear to offer similar levels of potential, namely Italy, Spain, the Netherlands and Sweden.

The findings of this volumetric analysis were then further analysed as follows. When the markets were rated for 'attractiveness' (based on Ireland's performance, including value, seasonal spread and regional distribution) and 'attainability' (i.e. prospects for success based on image, interest and access) a prioritisation of market potential and opportunity was arrived at.

The challenge for Tourism Ireland is how best to optimise the allocation of available

Category	*Country*
High Potential	*Germany*
Good Potential	*France*
Core Markets	*Italy, Netherlands, Spain, Sweden*
Limited Opportunity Markets	*Austria, Belgium, Denmark, Finland, Norway, Switzerland*
Longer term Potential/Emerging	*Czech Republic, Hungary, Poland, Slovakia*

resources in an effective and efficient manner to maximise returns for Ireland over the next 3 to 5 years. It is undoubtedly the case that the principle of minimum threshold effectiveness applies in allocating resources to markets.

New Prioritisation of Markets

The key strategic approach to the European marketplace will be a re-focussing on, and prioritisation of, those source markets which offer the best potential for Ireland to increase visitor flows.

The new strategy will concentrate on the 6 top markets offering the best potential while maintaining the 6 markets with the next greatest potential and monitoring new emerging markets. In each market a tailored marketing campaign will operate in line with potential and resources.

What Needs to Change

The Allocation of Resources – to reflect the new relative prioritisation of potential, with the current resource allocations to the top 6 markets being at least maintained, while any savings from the markets with less potential and long term emerging markets be re-allocated to the higher potential markets.

A More Selective Marketing to Niche Segments - While the prime target prospects continue to be 'Sightseers and Culture Seekers', in several of the potential source markets there are opportunities to attract specialist visitors. A re-focussing of resources will align promotional funds with potential. In addition, VFR opportunity and repeat visitors also represent valuable opportunities to be targeted in selected markets.

A More Pro-Active Approach to Securing Sustained Access Services - based on the proven impact of convenient and competitively priced air access, a greater focus will be placed on securing existing and, where the opportunity arises, new access services.

A Balanced Approach to Exploiting New and Traditional Communication and Distribution Channels - In addition to advertising in traditional media, Tourism Ireland will continue to expand its use of new media. The challenging market environment also calls for a balanced approach to developing traffic through traditional tour operators and travel agents, with online intermediaries and non-traditional channels, in order to ensure effective distribution in the marketplace.

Engagement of Industry in the European Marketplace - An objective of our new approach to the European market is to secure even greater engagement on the part of the industry in promoting the island of Ireland in the priority markets. Tourism Ireland will facilitate this through a series of initiatives aimed at better informing the industry of the opportunities and reducing the perceived difficulties of dealing with a complex marketplace.

Implications for Our Strategy

Tourism Ireland will need to be even more organisationally flexible and focussed to sustain our success in mainland Europe. Biasing our resources towards the priority markets will be critical, while also opportunistically exploiting niche markets. Tourism Ireland has demonstrated its willingness and ability to work closely with the industry across the globe: as the industry changes and consolidates in mainland Europe, this will be a key requirement.

4 THE BEST PROSPECTS FOR THE ISLAND OF IRELAND

Our Biggest Opportunity

Sightseers and Culture Seekers remain the biggest consumer prize. The analysis confirms that the key target segment should continue to be the Sightseer and Culture Seeker. This is a major motivation for destination choice for many millions of consumers in mainland Europe. This segment continues to have the economic wherewithal to travel, a good fit with our visitor offering and can be effectively accessed using mainstream and emerging channels.

Niche Markets Offering Opportunity

While research and consultation reaffirm that the main consumer target audience continues to be Sightseers and Culture Seekers, there are other smaller but important niche segments offering further potential. These include:

- ***Discretionary Business Travel (Meetings and Incentives)***

  While the short term outlook is likely to be of little or no growth in the sector, the opportunities for market share gains exist provided we can offer a competitive product to the Corporate and Association sectors. The continued expansion of convention centre capacity provides an opportunity to generate additional interest in the destination with the potential to convert to incremental business for the island of Ireland.

- ***Common Interest Groups***

  Demographics and lifestyle patterns indicate a growing potential for Ireland to attract common interest travel groups. As interests and hobbies increasingly motivate travel and as increasing numbers seek likeminded fellow travellers, group travel is enjoying a revival. An ageing European population and increasing numbers of singles are also contributing to the trend as are concerns regarding security and language. Group travel potentially contributes to several of the strategic goals set for Irish tourism, namely more likely to travel outside of the peak season; most commonly visit several regions of the country and leave a smaller carbon footprint by travelling as a group. The promotional channels to reach group travel are also undergoing change as new innovative approaches are being adopted in the marketplace by non-traditional sellers of travel and through associations and clubs. The source markets of Germany and southern Europe offer the best potential for group travel.

- ***Specialist Activity Holidays***

  Participation in activities continues to provide motivation for travel. Recent investment in infrastructure for activities such as walking, cycling, golf, fishing, horse riding and health & wellness provides the island of Ireland with an opportunity to compete. Recent research has quantified the core potential for activity holidays from the top European source markets. Currently, the best prospects are:

  - *Angling: France, Netherlands & Germany.*
  - *Cycling: Germany & Netherlands.*
  - *Equestrian: Germany.*
  - *Golf: Germany, France & Sweden.*

- *Walking: Germany & Netherlands.*
- *Water based activities: Germany & France.*

- ***English as a Foreign Language***

  The economic impact of English language training is estimated to be worth €500m. 85% of an estimated 140,000 English language students to the island of Ireland come from Western Europe. With more demand for education in an English context, trade professionals believe that business in this sector is likely to grow in the future. However, while the Republic of Ireland is reported to be more expensive than its main competitor, Britain, the situation offers a distinct advantage to language schools in Northern Ireland. Target markets for the island of Ireland continue to be France, Spain and Italy.

- ***'Best Age' Leisure Travellers***

  Demographics clearly point to the increasing importance of over 55's in the growth of demand for intra-European travel, suggesting that there is an opportunity to be exploited.

Barriers & Challenges

Having identified and sized the opportunity in terms of both attractive geographies and consumer segments, there are a number of barriers to achieving the prize of sustained growth in visitors from mainland Europe. These include the competitiveness of the island of Ireland, the evolution of air access and the impact of growing environmental awareness on travel patterns.

Competitiveness & Value for Money

Universally 'weather' and 'price' were identified as the main challenges in selling the island of Ireland as a holiday destiation. While the level of dissatisfaction with price has at least stabilised over the past two years, it is still a significant word of mouth negative in the marketplace. In the current economic climate the consumer will inevitably become more price and value conscious. An important part of the island of Ireland experience is the friendly welcome. It is vital that this be sustained and nurtured. Interaction with the *characters* of the island of Ireland as well as the *character* is a key part of the value proposition.

Access

If the expansion of competitive air services has been a principal driver of growth to Ireland from Europe over the past 5 years, the challenge will be to continue to grow the market without the benefit of expanding air services. The opportunity for new routes is extremely limited and a concern in the short term must be the continued sustainability of several routes to regional airports which depend on high outbound demand.

Changing Leisure Travel Patterns Prompted by Economic Downturn

The recession will undoubtedly bring about changes in holiday patterns and behaviour. These will range from taking fewer or shorter trips, staying closer to home, perhaps with a shift to domestic leisure trips. Economic circumstances may also result in a shift to different modes of transport, perhaps substituting rail or coach for air transport. It is not clear whether this short-term response will persist and become a long term trend.

Increasing Environmental Awareness

While concern for the environment is high in many European markets, as yet there is little evidence to suggest that the increasing environmental awareness is influencing people's travel choices or behaviour in regard to holidays. Nonetheless as the environment is a key component of the nature-based experience offered by Ireland, conservation and the management of the environment is a key aspect of ensuring sustainable demand from the European mainland.

Share of Voice in a Crowded Marketplace
Perhaps the greatest challenge is to effectively reach the island of Ireland's target market in a fast-changing and highly competitive communications and distribution environment.

Targets

Assuming the effective implementation of the plan and the expected economic backdrop, we believe this plan can help increase our share of the Mainland Europe market.

Our specific target is to grow the market to the island of Ireland over the period 2009-2013 by +2 percentage points ahead of the rate of overall growth in a defined basket of Northern and Western European competitors.

Implications for Our Strategy

Given the nature of our tourism offering, the best prospect consumers continue to be the very large Sightseers and Culture Seekers group. They are well represented in the proposed six key target markets and the fit between the visitor experience on the island of Ireland and the expectations of the Sightseer and Culture Seeking group is very good. However, there is no conflict between targeting this key consumer group and focussing on a number of niche and specialist segments including business travel.

In focussing on the key segments it is important that eliminating the barriers identified above also forms part of the strategy. The continuing full engagement of our agency partners and the industry will be required to deliver the action plan to achieve our ambitious targets.

5 ACTION PLAN 2009 – 2013

The action plan supporting the implementation of the review of the Mainland Europe market is comprised of nine priority areas. These include a market prioritisation, a refinement of our best prospect targets and a series of initiatives aimed at growing the business to Northern Ireland. The following sections describe the full suite of actions as a series of key tasks with specific objectives, ownership and timeframe. The delivery of the action plan is contingent on the cooperation of a wide range of industry players and a wide stakeholder group. The action plan in all cases identifies those with the primary responsibility for each area of focus.

1. Refocus Market Priorities

Key Task	*Action*	*Objective/Target*	*Prime Responsibility*	*Partners*	*Timeframe*
Refocus Market Priorities	*Focus marketing effort on geographic source markets offering the greatest potential for the island of Ireland, prioritised as follows:* *No. 1: Germany* *No. 2: France* *No. 3: The Netherlands, Spain, Italy, Sweden* *No. 4: Maintenance strategy in limited opportunity markets (Austria, Belgium, Denmark, Switzerland, Norway and Finland)* *No. 5: Monitor longer term potential of emerging markets: Poland, Hungary, Czech Republic and Slovakia*	*Increase market share penetration*	*Tourism Ireland*	*Carriers* *Distributors* *Product providers*	*As of 2009 Immediate*

2. Concentrate on 'Best Prospects'

Key Task	Action	Objective/Target	Prime Responsibility	Partners	Timeframe
Concentrate on 'Best Prospects'	*Focus on and continued refinement of Primary Target Segment*	*Capture an increasing share of potential in selected geographic source markets*	*Tourism Ireland*	*Product providers Distributors*	*Ongoing*
	Sightseers & Culture Seekers				
	• Carry out destination campaigns in France, Germany, Italy, Spain & Nordics	*Focus activity in identified geographic regions & areas of direct access*	*Tourism Ireland*	*Industry partners*	
	• Continue to use Netherlands market as an innovation test-bed until 2010	*Capture new & wider audience with innovative targeted programming*	*Tourism Ireland*	*Industry partners*	
	• Continue to increase investment in on-and off-line direct marketing in all markets	*Build on knowledge & capabilities to access wider audience with frequency & tailored message*	*Tourism Ireland*	*Industry partners*	
	• Increase 'Best Age' group through targeted campaigns	*Increase share of this growing market*	*Tourism Ireland*	*Industry partners*	
	Group Travel				
	Increase emphasis on the segment:		*Tourism Ireland ITOA Market based operators*	*Product providers*	*New campaign Q3 2009*
	• Identify new operators	*Capitalise on growth potential with refreshed approach and offers*			
	• Capture new business through good value off season rates	*Higher concentration on 'Best Age' potential*			
	• Target non traditional channels	*Target new sources of business e.g. supermarkets; mail order catalogues; newspaper reader trips; etc.*			

Key Task	Action	Objective/Target	Prime Responsibility	Partners	Timeframe
	Business Tourism				
	• Re-launch on back of Convention Centre Dublin opening while leveraging existing facilities in Northern Ireland	*Capitalise on recent investment in Ireland*	*Tourism Ireland*	*Tourist Boards Convention Bureaux CCD*	*2009/2010*
	• Continue co-ordinated approach	*To address expected short term downturn and win new business in selected markets*	*Tourism Ireland Fáilte Ireland Northern Ireland Tourist Board*	*Industry partners*	*2009 onwards*
	• Campaigns to target Association conferences	*To boost number of conferences & attendees*			
	• Where appropriate include golf & spa	*Enhance the business tourism offer with golf & spa in Germany, France & Sweden*			
	Specialist Activity Holidays				
	Concentrate efforts on identified highest potential land- and water-based sports in prime markets	*Enhance Ireland message with activity message Markets to be targeted – France, Germany, Netherlands & Nordics*	*Tourism Ireland Fáilte Ireland Northern Ireland Tourist Board*	*Industry partners*	
	EFL				
	Maintain high level of activity & take up in key markets	*Maintain & grow business to Regions & Northern Ireland*	*Tourism Ireland*	*EFL partners*	
	City Breaks				
	• Concentrate on direct access routes and reinforce shoulder period options • Support trend for urban experiences	*Win our share of new business*	*Tourism Ireland*	*Industry partners Carriers*	

3. Focus on the Consumer

Key Task	Action	Objective/Target	Prime Responsibility	Partners	Timeframe
Focus on the Consumer	*Utilise most effective communication and distribution channels – traditional & non-traditional*	*Ensure that Ireland is promoted & available through a range of distribution channels appropriate to each source market*	*Tourism Ireland*	*Carriers* *Distributors* *Product providers*	
	Advertising				
	Roll out new brand Ireland campaign in appropriate media in top priority markets	*Stimulate greater demand*	*Tourism Ireland*	*All stakeholders*	*Q1 & Q2 2009*
	Web				
	Continue the enhancement of Discoverireland.com *Develop more experiential information e.g. Rainbow Routes, and indicative Irish holiday offers*	*To provide comprehensive information, planning and motivational tools for consumers*	*Tourism Ireland*	*All stakeholders*	*Ongoing 2010/11*
	Customer Engagement Marketing				
	Expand engagement with consumer through online & DM marketing *Improve data acquisition for use with Industry to reach potential markets*	*To maximise opportunities provided by the expanding database (currently in excess of 1 million contacts)*	*Tourism Ireland*	*Industry partners*	*Q2 2009 Ongoing*

4. Expand Distribution

Key Task	Action	Objective/Target	Prime Responsibility	Partners	Timeframe
Expand Distribution	*Broaden and deepen range of online, traditional and non-traditional distributors in each market*	*Respond to changing consumer purchasing trends*	*Tourism Ireland*	*Product providers* *In-market trade & other distributors*	
	Tour Operators				
	Continue close co-operation with key market distributors	*Maintain important outlets in each market*	*Tourism Ireland*	*Tour operators*	*Ongoing*
	Develop new business opportunities – develop shoulder and off-season campaigns with operators/ITOA	*Aim to improve presence and expand business with selected operators in key markets*	*Tourism Ireland*	*ITOA* *Market Operators*	*Q3 & Q4 2009*
	Travel Agents				
	Provide support to key travel agents, through Travel Agents training where appropriate	*Maintain and expand knowledge base*	*Tourism Ireland*		*Annual*
	Online Intermediaries				
	Focus on prime online intermediaries in each market	*Continue to ensure market access to the potential market*	*Tourism Ireland*	*Tour operators* *Product providers*	*Ongoing*
	Continue to build online expertise, keep abreast of new developments and share intelligence with industry	*Improve effectiveness of new distribution channel opportunities*	*Tourism Ireland*		*Ongoing*

5. Sustain & Develop Access

Key Task	Action	Objective/Target	Prime Responsibility	Partners	Timeframe
Sustain & Develop Access	*Exploit current access & where appropriate facilitate the growth of access capacity by* *• Working with carriers to exploit existing routes* *• Building demand for additional capacity on existing routes*	*Ensure adequate, convenient & competitively priced access to the island of Ireland*	*Carriers* *Tourism Ireland*	*Airports* *Fáilte Ireland* *Northern Ireland Tourist Board*	*Ongoing*
	Identify new routes to exploit new markets, specifically: *• From underserved markets including Sweden and the Netherlands* *• Routes to Northern Ireland*		*Carriers* *Airports*	*Tourism Ireland*	
	Work with sea carriers to maintain routes and where possible enhance them	*Prioritise marketing resources on routes of strategic importance*	*Sea Carriers* *Tourism Ireland*		
	Promote car touring & convenience of own car	*Ensure comprehensive sea carrier services*			

6. Deliver the Island of Ireland Experience

Key Task	Action	Objective/Target	Prime Responsibility	Partners	Timeframe
Deliver the Island of Ireland Experience	Protect key experiences of Ireland visit & deliver better value for money	Increase satisfaction & value for money rating to boost recommendation to visit & repeat visitations	Product suppliers	Fáilte Ireland Northern Ireland Tourist Board	
	Focus on ensuring good customer service, welcome and an authentic experience	To safeguard the core values of an Irish holiday experience	Product suppliers	All stakeholders	Ongoing 2009-2013
	Continue to address price/perception issues by promoting 'excellent value' offers	Improve value for money rating	Product suppliers	Fáilte Ireland Northern Ireland Tourist Board	Ongoing priority
	Ensure adequate information and customer service in languages of European marketplace	Improve visitor information, experience & satisfaction	Product suppliers	Fáilte Ireland Northern Ireland Tourist Board	2009-2013
	Promote 'theme-based' accommodation and experience related holidays in niche products including B&Bs	Promote the appeal of the full range of accommodation on offer	Accommodation providers & Associations	Fáilte Ireland Northern Ireland Tourist Board	2010
	Promote 'green' experience	Ensure that product experience meets the increasing environmental expectations of visitors	Fáilte Ireland & Northern Ireland Tourist Board	Local Authorities Product Providers Operators	2009-2013
	Focus on maintaining infrastructure for key activities – walking, cycling, angling	Offer competitive product	Local authorities	Fáilte Ireland Northern Ireland Tourist Board	Ongoing
	Ensure adequate home stay accommodation for EFL business	Opportunity to expand numbers participating in EFL	Fáilte Ireland & Northern Ireland Tourist Board	Language Schools	2009-2013

7. Partner with Stakeholders

Key Task	Action	Objective/Target	Prime Responsibility	Partners	Timeframe
Partner with Stakeholders	*Explore all possibilities for the expansion of our suite of marketing opportunities in line with the requirements of markets and industry to include: • Wide range of marketing opportunities in European Markets for all industry sectors • Range of available online campaigns • Details of co-operative marketing with partners*	*Improve effectiveness of joint public-private sector marketing*	*Tourism Ireland*	*All stakeholders*	
	Actively canvas greater engagement of island of Ireland industry in wide range of market opportunities	*Increase island of Ireland industry's market penetration*	*Tourism Ireland*	*Product Providers*	
	Regularly reassess market environment & advise carriers, trade & product providers	*Ensure on target to achieve market share gains*	*Tourism Ireland*	*All stakeholders*	*Quarterly*
	Provide more market intelligence briefings for industry • Web based • Seminars/presentations • Series of 'know your market' briefings	*Improve understanding & responsiveness*	*Tourism Ireland*	*Fáilte Ireland Regions Northern Ireland Tourist Board Product Providers*	*Quarterly*
	Establish one stop shop for advice and facilitation of market entry	*Respond to needs of product suppliers*	*Tourism Ireland*		*Q2 2009*

8. Northern Ireland & Regional Initiatives

Key Task	Action	Objective/Target	Prime Responsibility	Partners	Timeframe
Northern Ireland & Regional Initiatives	Northern Ireland advertising and promotional platforms Series of 'Know your market' briefings for NI industry	Help to inform & provide greater access to market	Tourism Ireland	Northern Ireland Tourist Board RTPs Industry	Q2 & Q4 2009
	Super Region advertising & promotional platforms (subject to availability of dedicated funding)	Improve spread of visitors & revenue	Tourism Ireland	Fáilte Ireland Regions & Industry	
	Increase publicity visits	To provide greater exposure for the product offering across the destination	Tourism Ireland	Industry	Ongoing

9. Re-Align Tourism Ireland's Resources

Key Task	Action	Objective/Target	Prime Responsibility	Partners	Timeframe
Re-Align Tourism Ireland's Resources	Review resource allocation between markets, based on new prioritisation of potential • Where appropriate assign pan-European functions • Benchmark TI performance • Review/monitoring of effectiveness through agreed KPIs on a quarterly basis	To better reflect new priorities by ensuring optimum use of resources	Tourism Ireland		2009/2010

Industry Steering Group Members

Chaired by Margaret Cahill, Head of Europe, Tourism Ireland

STAKEHOLDER	NAME	TITLE
ITIC	**Eamonn McKeon**	Chief Executive
Fáilte Ireland	**Paul Keeley**	Director of Business Development and Investment
Northern Ireland Tourist Board	**Kathryn Thomson**	Chief Operating Officer
IHF	**John Power**	Chief Executive
NIHF	**Janice Gault**	Chief Executive
Irish Farmhouse Holidays	**Eileen McDonogh**	Chief Executive
ITOA	**Brian McColgan**	Chairman
Hastings Hotels	**Aileen Martin**	Director of Sales

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