



# Northern Ireland Tourism Strategy - Supporting Evidence

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## Northern Ireland Tourism Strategy - Supporting Evidence

### 1: Introduction

#### 1.0 Introduction

Northern Ireland has enjoyed 10 years of growth in tourism and is now seen as an industry that can make a significant contribution to the economy of the country.

The global financial crisis has slowed tourism worldwide but there are confident predictions that the industry will return to growth as the appetite for travel remains undiminished and new markets develop in China, India and Asia Pacific.

This pause in growth provides an opportunity for Northern Ireland to reflect on the kind of future it would like to create. This is an opportunity to shape the future.

This evidence document and appendices provide some of the background information that informed the debate and explains how the conclusions and recommendations were reached.

Consultation confirmed that the industry is confident and ambitious and clearly wants to see tourism grow. There is also a real recognition that what makes Northern Ireland special is the quality of the experience, and any development must be sensitive to this.

Overall, the conclusion is that Northern Ireland has not yet reached its tourism potential. The growth in confidence in the industry, combined with increased quality as a result of major investments and many undeveloped source markets suggests that the best is yet to come. The recession has been a setback, but it should be seen as a pause on the road to an exciting future.

Tourism can contribute hugely both to the economy and the quality of life in Northern Ireland. It touches everyone and can benefit everyone. This also means that many people need to work together to achieve success; government departments, agencies, businesses, local authorities and the people of Northern Ireland. They all need to support and welcome tourism and this strategy invites them to do that.

# Northern Ireland Tourism Strategy - Supporting Evidence

## 2: Review of Achievements

### 2.0 Introduction

This section aims to identify the starting point – where we have come from, what we have achieved and what remains to be achieved.

This review of performance identifies key issues and provides the foundation for setting our direction for the future.

### 2.1 Analysis of tourism data and trends

In terms of overall performance, Northern Ireland has been through a fundamental change.

From 1967 to 1997 tourism grew very slowly with visits doubling from 1m to 2m over that 30 year period. The political situation stifled the potential of tourism when most western economies were seeing their tourism sector flourish.

In contrast, the next 10 years from 1997 to 2007 has been a period of rapid growth with the number of visits increasing by 65% (Fig 2.0) .

At the end of 2007 the world was hit by the global financial crisis and this has had an impact on all business activity and led to a drop in global tourism in 2008/9.

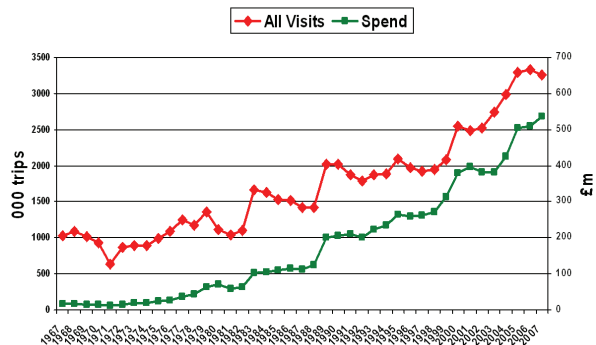


Fig 2.0 : All Northern Ireland Visits and Spend 1967-2007 (Source: Northern Ireland Tourist Board / Mary Lynch Associates estimates)

It is encouraging to see that the growth in tourism has been spread around Northern Ireland. The analysis of the spread of visitors shows that the share of visitors enjoyed by each area has not changed significantly. Many destinations that enjoy rapid growth find that this growth is concentrated in small areas – especially capital cities. This leads to resentment amongst businesses in the rest of the country and can lead to congestion and high prices. Maintaining balanced growth will be a key consideration for the future (Fig 2.1) .

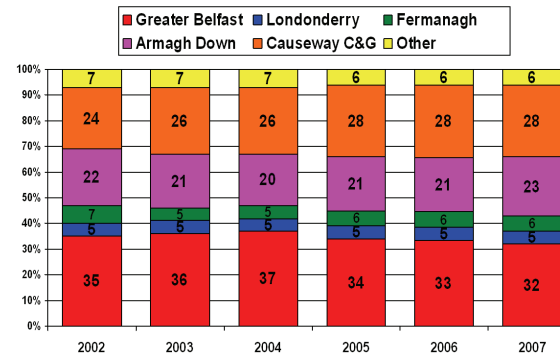


Fig 2.1 : Northern Ireland all Visits by region (Source Northern Ireland Tourist Board all visits)

(Each year is a 3-yr average based on the regions as they existed in 2007, with previous years re-worked for purposes of comparability)

If we look in more detail at how this growth has been achieved we can see that significant growth has come from Europe and the Republic of Ireland, growth from the US, Australia and New Zealand and growth in the domestic market.

The GB market contributes 60% of all Out of State visits and is therefore the most important source market. This market has grown slowly and has very different characteristics to the other source markets in that it is predominantly driven by family ties and business trips rather than leisure visits (Fig 2.2) .

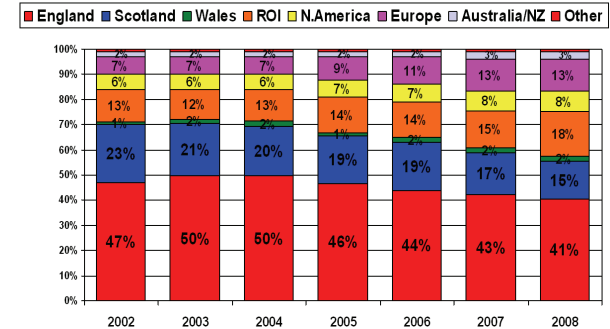


Fig 2.2 : Northern Ireland Out of State Visits (Source: Northern Ireland Tourist Board visits from Out of State)

The strategy in the last 10 years has been to focus on growing holiday visits and influence discretionary travel. This has been successful in that the share of the market made up by holidaymakers has grown (Fig 2.3) .

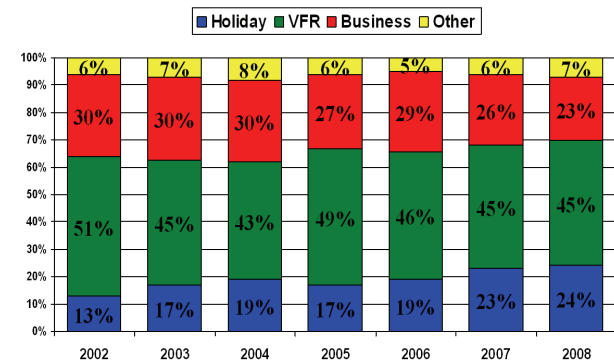


Fig 2.3 : Northern Ireland Out of State Visits by Type (Source: Northern Ireland Tourist Board visits from Out of State)

Continued page 4

# Northern Ireland Tourism Strategy - Supporting Evidence

## 2: Review of Achievements

### 2.1 Analysis of tourism data and trends (Continued)

Most destinations also focus on how much each visitor spends.

The analysis shows that the money earned from visitors to Northern Ireland is low compared to others (Fig 2.4) and the amount spent per night has not been growing (Fig 2.5).

The reasons for this are explored in more detail in Appendix 4

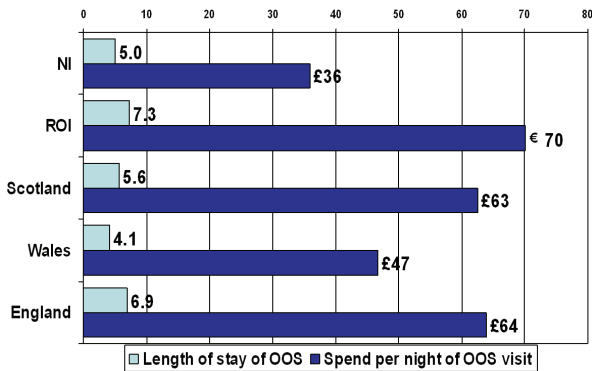


Fig 2.4 : Out of State Length of Stay / Spend per Night (Source: Northern Ireland Tourist Board / Failte Ireland / VisitBritain / VisitScotland / VisitWales 2007 data)

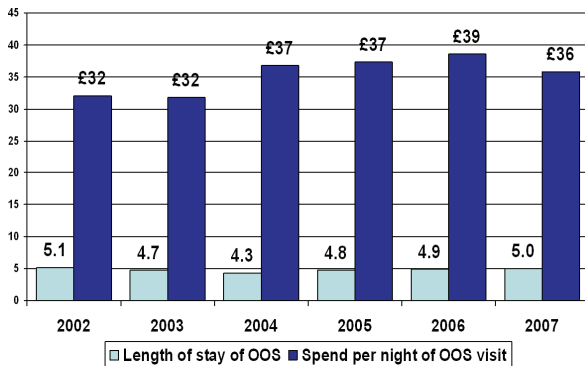


Fig 2.5 : Out of State Length of Stay / Spend per Night 2002-2007 (Source: Northern Ireland Tourist Board)

### 2.2 Analysis of product development

One of the striking features of the last few years has been the rapid growth in access into Northern Ireland as new air routes have been added.

This trend is consistent with developments in the rest of the UK and Europe as low cost carriers and liberalisation combined to bring many more players into the market (Fig 2.6) .

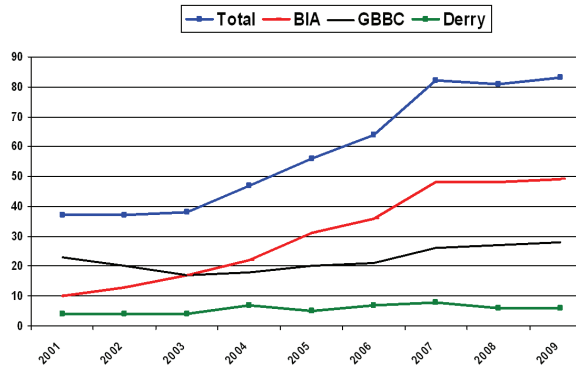


Fig 2.6: Air Routes into Northern Ireland 2001-2009 (Source: Northern Ireland Tourist Board)

This has not, however, translated into more visitors arriving direct into Northern Ireland (Fig 2.7) .

The major expansion has been in air routes to Europe and these have largely had the effect of providing more choice for Northern Ireland residents who wish to take holidays in Europe.

This rapid expansion ended in 2007 and the financial crisis of 2008 has seen airlines reduce their commitments and shrink their route networks. This has led to the loss of some European and North American services.

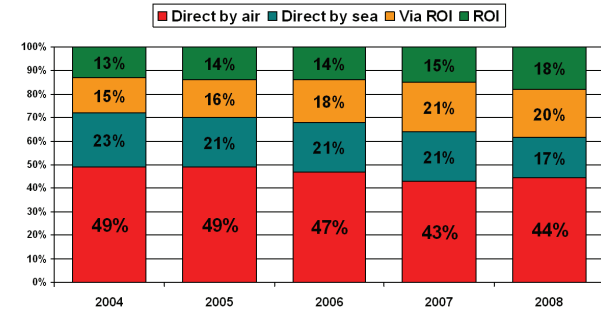


Fig 2.7: Access to Northern Ireland (Source: Northern Ireland Tourist Board based on all overseas visitors)

\* Via ROI: International visitors that arrive in Northern Ireland via Republic of Ireland  
ROI: Republic of Ireland residents that visit Northern Ireland

This table also illustrates the extent to which success for Northern Ireland in "international" (excluding GB and ROI) markets is closely intertwined with the success of Ireland as a whole.

Approximately 60% of "international" visitors to Northern Ireland arrive in Ireland via the Republic. This in part reflects the range of access points and will change over time as route networks expand and contract.

It is also the case that more distant markets will see Ireland as a single destination – even a stopping off point during a tour of Europe.

The international marketing strategy is to promote as the island of Ireland and to encourage visitors to tour around.

Tourism Ireland has a network of representative offices around the world and has a number of tasks; to make potential visitors aware of Ireland, to convert interest into visits, and to encourage visitors to visit the whole island.

In 2007 only 5% of the 8.7m visitors to the island of Ireland did visit both north and south so there is still huge potential.

# Northern Ireland Tourism Strategy - Supporting Evidence

## 2: Review of Achievements

### 2.2 Analysis of product development (Continued)

The period of rapid growth from 1997 has encouraged the development of new accommodation (Fig 2.8).

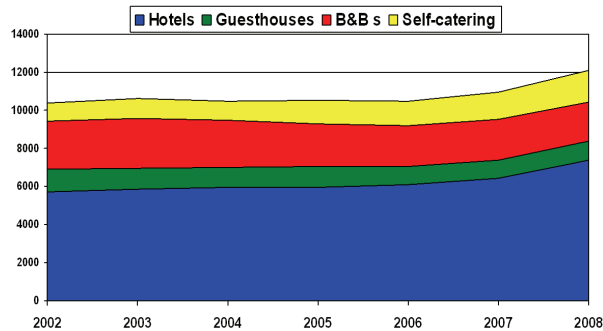


Fig 2.8: Accommodation Rooms and Units 2002-2008 (Source: Northern Ireland Tourist Board)

The perception is that new hotel development has been concentrated in Belfast – and this was certainly true in the late 90's - but the analysis shows that in the last five years there has been development across Northern Ireland (Fig 2.9).

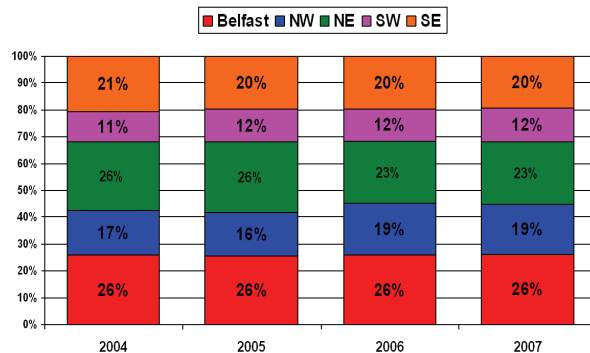


Fig 2.9: Regional Share of Available Rooms / Units (Source: Northern Ireland Tourist Board)

This investment and development is being rewarded with hotels enjoying relatively high occupancy rates compared to other parts of the UK (Fig 2.10).

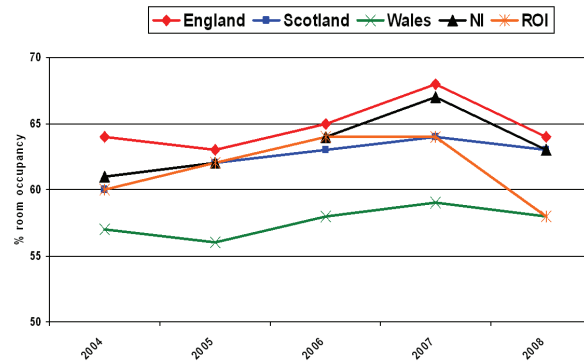


Fig 2.10: Annual Hotel Occupancy (Source: UK Occupancy Study / Fáilte Ireland)

By contrast, guest houses and bed & breakfasts experience comparatively low occupancy. This may be due to a short season, the desire to run a lifestyle business, or to a lack of business skills.

This is a poor utilisation of accommodation stock and should be an area for action in the new strategy.

Camping and caravan parks are often overlooked when considering accommodation supply. Research has identified that Northern Ireland has approximately 15,000 static caravan/holiday home pitches and 3,000 touring pitches of which 1,000 are for tents. Industry associations confirm that the vast majority (c95%) of the market is made up of Northern Ireland residents with some demand from GB, German and Dutch visitors.

Camping is predominantly supplying the home holiday market but it is also making a wider contribution to the sustainability of rural communities providing:

- a market for local goods and services
- facilities that are often extended to their host communities
- jobs in rural communities, and
- their customers' patronage is often fundamental to the viability of marginal local businesses such as visitor attractions.

The quality offered by holiday parks is generally good but operators expressed the view that they would like to expand the floor area of existing parks to improve quality and comply with safety requirements - such as fire spread limits.

Park operators often seek to 'breathe out', increasing their parks' footprint to improve landscaping and enhance their environmental performance. At present the perception is that there is a presumption against expansion and this is limiting investment and therefore constraining quality improvements.

Looking forward, it is unlikely that the caravan sector will be a significant supplier of accommodation to the inbound market although their customers' support for other aspects of the rural tourism offering is significant. It is important to provide the right framework that will allow them to improve quality across the board. Proposals for upgrading and investment should be considered on their merits in each area and there should not be an automatic presumption against development.

### 2.3 Attractions

There are just under 300 visitor attractions in Northern Ireland that attracted 9.5 million visits in 2007. Visits have been increasing and this is reflected in increased investment in marketing and redevelopment.

In 2007 visitor attractions spent an estimated £5.7m on improvements and refurbishment. Most attractions (64%) do not charge for entry and over 50% are owned by local authorities or government departments.

One third of attractions are not open in January and start their season at Easter.

Northern Ireland residents make most visits (62%) but the pattern of visiting is quite different. Out of State visitors are much more likely to visit places of worship, workplaces, visitor and heritage centres and historic properties. Residents make more visits to country parks, zoos etc.

The top 10 visitor attractions\* are: Visitor figures 2008

Giant's Causeway Visitor Centre	751,693
Oxford Island National Nature Reserve	341,025
W5	282,756
Island Arts Centre	276,000
Belfast Zoological Gardens	275,494
Carrick-a-Rede Rope Bridge	241,291
Historic Walls of Derry	215,015
Ulster Folk & Transport Museum	190,580
Portstewart Strand	170,333
Ulster American Folk Park	152,717

\* The Ulster Museum was closed in 2007 and re-opened in 2009

# Northern Ireland Tourism Strategy - Supporting Evidence

## 2: Review of Achievements

### 2.4 Visitor attitudes

A detailed survey of visitor opinions on Northern Ireland is conducted every two years. The analysis of this forms a major part of the Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis (Full details page 7).

It is worth noting that visitors to Northern Ireland do enjoy their visit and rate the destination highly compared to England, Scotland and Wales (Fig 2.11).

There is a small but significant difference in the way different visitors rate the product. Those visiting friends and relatives are most satisfied and those visiting for business are least satisfied with the experience (Fig 2.12).

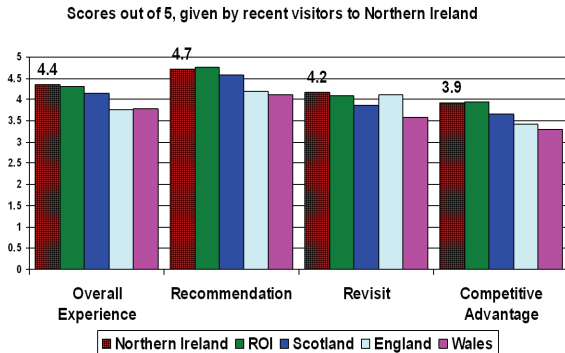


Fig 2.11: Satisfaction Levels (Source: TNS Visitor Survey 2007)

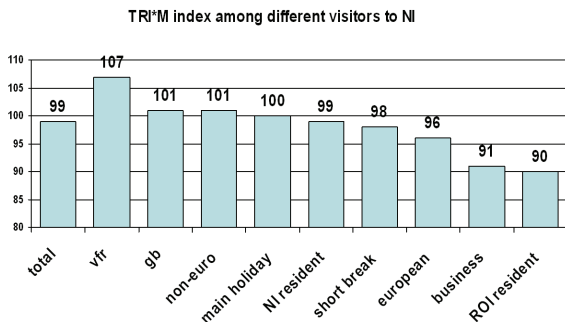


Fig 2.12: Satisfaction Levels by Visitor Type (Source: TNS Visitor Survey 2007)

### 2.5 Business Tourism

Business tourism is very important to the Northern Ireland visitor economy. Business visitors account for 1 in 4 of all visitors but they account for 37% of income and in 2007 contributed £139m. Since 2004, the focus has been on developing discretionary business tourism – this means those events or visits that can be influenced and covers conferences and exhibitions, association meetings and incentive travel.

Belfast has seen the fastest growth supported by new facilities and hotels, but there has been growth across the board.

The global financial crisis has had a significant impact on business travel. Tailor made business products, such as premium airline travel and business class hotels have reported performance in 2008/9 of -10 to -20%. However, conferences and association meetings have fared better.

A survey of business visitors to Northern Ireland in 2007 highlighted some priority areas for action. These included improved professionalism and service standards, more flexible facilities and infrastructure and better marketing and support for international meetings.

## Northern Ireland Tourism Strategy - Supporting Evidence

### 2: Review of Achievements

#### 2.6 SWOT

Visitor surveys and comments from consultation have highlighted the following issues as strengths, weaknesses, opportunities and threats.

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Good air and sea routes from Europe</li> <li>• Friendly and informative staff</li> <li>• Good information to help visitors plan</li> <li>• Countryside &amp; coast/scenery and landscape</li> <li>• Ability to visit a World Heritage Site</li> <li>• Genuine welcome</li> <li>• Distinctive sense of place and unique culture</li> <li>• Good outdoor activities</li> <li>• A safe place where visitors can relax</li> </ul>	<ul style="list-style-type: none"> <li>• Poor welcome on arrival</li> <li>• Cost of travel to Northern Ireland</li> <li>• Value for money</li> <li>• Limited budget / bed &amp; breakfast accommodation</li> <li>• Lack of accommodation that is distinctive and part of the holiday experience</li> <li>• Lack of interesting good local food &amp; drink</li> <li>• Proposition not compelling – why should I visit?</li> <li>• Security concerns</li> <li>• Opening hours</li> <li>• Range of things to do in the evening</li> <li>• Not vibrant &amp; exciting</li> <li>• Not geared for families</li> <li>• Lack of an entrepreneurial culture</li> <li>• Fragmentation in the industry</li> <li>• Variable quality &amp; service</li> <li>• Low spend per visitor</li> <li>• Dependence on the Visiting Friends and Relatives (VFR) market</li> <li>• No international standard convention facilities</li> <li>• Skills gaps across the sector</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Growing desire for escape &amp; tranquillity</li> <li>• Growth of air routes into Northern Ireland</li> <li>• Signature Projects coming on stream</li> <li>• Potential to expand the season</li> <li>• Development of a range of events</li> <li>• Curiosity about Northern Ireland history</li> <li>• People of Northern Ireland</li> <li>• Outdoor activities and landscape</li> <li>• Conference and business tourism</li> <li>• Short Breaks</li> </ul>	<ul style="list-style-type: none"> <li>• Global financial crisis may change long term travel patterns</li> <li>• Environmental taxes will increase the cost of travel</li> <li>• Investment funding may not be available to support development</li> <li>• Growth will put pressure on precious landscapes</li> <li>• Larger number of visitors may dilute contact with people of Northern Ireland</li> <li>• Infrastructure may not be sufficient to cope with growth</li> <li>• Planning regime may delay or limit development</li> <li>• Loss of direct air routes from some markets e.g. Canada</li> </ul>

## Northern Ireland Tourism Strategy - Supporting Evidence

### 2: Review of Achievements

#### 2.7 Recent developments

The Strategic Framework developed in 2004 introduced the concept of Signature Projects.

The ambition was to identify icons that had the potential to give Northern Ireland 'standout' on the world stage. These projects include Titanic/Maritime Belfast, Giant's Causeway and Antrim and Causeway Coast Area, Walled City, Saint Patrick and Christian Heritage and the Mournes.

The Programme for Government and new EU programmes have identified significant ring fenced funding to deliver these projects. This includes £43.5m for Titanic, £15m for the Causeway, £9m for the Walled City, £4m for the Mournes and £3.5m for St. Patrick and Christian heritage.

The projects will come on stream during the life of the new strategy. There is no question that these will bring Northern Ireland to the attention of new visitors and detailed estimates have been made of their impact.

The next stage of development is to manage the transition of these from Signature Projects to Signature Destinations. This means linking each project to its hinterland and ensuring that the full potential offered by the new facilities is developed.

Other major projects have benefited from substantial investment, such as the Ulster Museum, which reopened in late 2009 after a £17m transformation. Belfast has seen enormous change due to public and private investment and developments around Northern Ireland, such as the opening in 2008 of the 5 star Lough Erne Golf Resort, which has set new standards.

This level of investment will create the new Northern Ireland experience. To date a lot of hard work has gone into bringing these projects to fruition. Some have opened, but most are in the pipeline and the payback will be realised over the next 10 years.

#### The Northern Ireland Brand

In the last 18 months the Northern Ireland Tourist Board (NITB) has worked with the industry on a fundamental reappraisal of Northern Ireland's positioning.

The development of a brand strategy had the aim of identifying what makes Northern Ireland different and unique.

The brand strategy set out a framework to align product development, experience, delivery and marketing communications. The aim is to ensure that the promises made in the marketplace are kept through the visitor experience on the ground.

The vision that underpins the branding strategy is,

"To create the new Northern Ireland experience and get it on everyone's destination wish list."

This is supported by two key themes:

Experience our Awakening – this encapsulates the extent to which Northern Ireland is about rebirth, renewal and change and moving on from the past.

Uncover our Stories – this is about people, places, myths and legends, adventure and exploration and implies active participation by the visitor in discovery.

At the heart of this strategy is the visitor's experience and the project is now delivering a series of pilot projects that illustrate how the brand values can be brought to life in a variety of settings. The brand strategy and values are the foundation for the tourism strategy.

#### The Global Financial Crisis

The analysis of data reviewed the 10 year period from 1997 to 2007. The dramatic change in the performance of the global economy from the end of 2007 has had an impact on tourism patterns.

In 2008 world tourism slowed in the second half of the year leading to lower than expected growth of 1.9%. The World Tourism Organisation has revised downward the forecast for 2009 and they are now predicting a drop in international arrivals of -6%.

In the longer term, the World Tourism Organisation (WTO) predicts a return to growth with visitor patterns returning to the long term trend. For Europe this translates to an annual growth rate of +3%.

The impact on a particular destination will depend on local factors such as the exchange rate and employment. In the case of Northern Ireland, 2008 saw a small drop in Out of State visitors compared to 2007.

In 2009 the mix of visitors has changed. There has been a dramatic increase (+30%) in the number of visitors from the Republic of Ireland and a significant drop in GB and international visits. Business visits have declined in line with the global trend in Europe. The final position for 2009 will not be confirmed until early 2010, but it is very unlikely that it will be in line with government aspirations.

The current performance targets for tourism, included in the Programme for Government, envisaged growth in Out of State visitors of +5% per annum and growth in revenue of +7% per annum through to 2011.

These targets were set well before the financial crisis and the 2009 performance indicates that it is unlikely that they will be achieved. This is not surprising, as tourism volumes are down all over the world. The impact of the downturn on Northern Ireland has been cushioned, to an extent, by the influx of visitors from the Republic of Ireland.

Nevertheless, a new baseline is needed for setting targets from 2010 onwards that recognises the new reality. For planning purposes the baseline for 2010 has been taken as the actual performance in 2007. This means that 2008/9 are assumed to have overall modest losses and 2010 will see a modest recovery. These assumptions are in line with WTO and Visit Britain forecasts.

#### 2.8 Summary

Overall the last ten years has been a very positive period with substantial growth in business achieved across the whole of Northern Ireland.

There has been investment in new product and development has taken place in all regions. There is no doubt that some of this growth has been driven by curiosity and a perception that Northern Ireland is now 'open for business'.

Continued page 9

## Northern Ireland Tourism Strategy - Supporting Evidence

### 2: Review of Achievements

#### 2.8 Summary *(Continued)*

The challenge now is to build on this good start and develop Northern Ireland as a sustainable visitor destination that inspires enthusiasm and a desire to return.

There are areas of concern. The analysis shows that the average spend by visitors to Northern Ireland is low and has not been increasing over the last 5 years. This represents missed opportunities.

There is a range of views on why this should be the case. It is likely that a combination of restricted opening hours, undeveloped infrastructure in some areas, lack of premium product, the dominance of backpackers from some source markets and long stay contractors in budget accommodation will all contribute to this.

Creating the opportunity to earn more from visitors in the future is very important.

Proposals to address this issue are set out in the Action Plan. This is an area where the tourism industry needs to take the lead. Better quality combined with an understanding of yield management and the ability to cross sell and up sell could transform Northern Ireland's performance.

The GB market is dominant in Northern Ireland and its success will dictate the success or failure of any future tourism strategy.

It is not a typical leisure market as it is predominantly made up of those on business and those visiting friends and relatives. The plan for the last 5 years was to focus on growing the holiday market to Northern Ireland. This has not been achieved and the overall market is static.

Tourism Ireland has conducted a review of the GB market and published a new plan covering the period from 2009 to 2013. This Action Plan proposes increased investment to

halt the decline in visits to the island of Ireland and has a specific focus on growing holiday visits to Northern Ireland.

Low occupancy rates in bed & breakfast and guest house accommodation is also a concern.

If tourism is to thrive it needs to be built on profitable businesses that earn enough to be able to reinvest and upgrade what they offer.

A comment expressed frequently during consultation was that the quality of accommodation was variable and this may in part be due to low profitability.

It is important that businesses are supported to improve and reinvest to meet the needs of the future visitor.

Overall, the conclusion is that Northern Ireland has not yet reached its tourism potential. The growth in confidence in the industry, combined with increased quality as a result of major investments and many undeveloped source markets suggests that the best is yet to come. The recession has been a setback, but it should be seen as a pause on the road to an exciting future.

# Northern Ireland Tourism Strategy - Supporting Evidence

## 3: Strategic Context

### 3.0 Strategic context

This tourism strategy is intended to set a strategic direction for tourism development in Northern Ireland through to 2020. It therefore needs to link to, and integrate with, other agencies and government departments.

The pattern of relationships is quite complex and this chapter describes these linkages and relationships. This will follow through to the responsibilities described in the Action Plan.

#### International Linkages

Northern Ireland has the opportunity to work with two jurisdictions; as part of the United Kingdom it has a relationship with Visit Britain, and as part of the Good Friday agreement it works with Tourism Ireland (TI).

In addition, the Northern Ireland government has allocated responsibility for the development of domestic tourism, business tourism and the Republic of Ireland market to the Northern Ireland Tourist Board (NITB).

The linkages are summarised opposite (Fig 3.1).

#### United Kingdom

Tourism is a fully devolved responsibility and the Northern Ireland government sets the agenda for tourism development. However, tourism is affected by UK government policy on issues like security and visas, and fiscal policy such as air passenger duty, VAT etc.

In addition, the operating environment for business is largely controlled by UK standards and decisions on issues like the level of the minimum wage have a direct impact on costs.

Recent decisions, such as the increase in Air Passenger Duty, can have a disproportionate impact on Northern Ireland as it is the only part of the UK that GB residents cannot drive to. The Northern Ireland Executive can make a case to

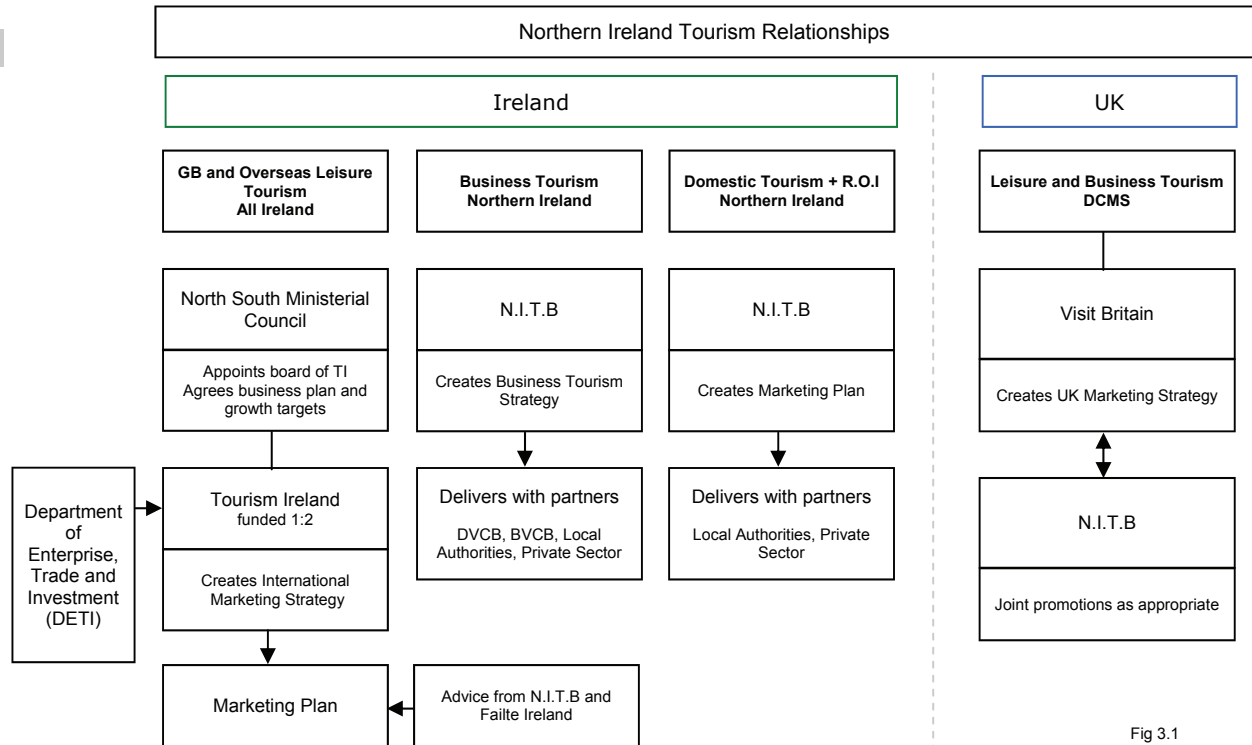


Fig 3.1

Westminster, but it is likely that most decisions will be made on a UK wide basis.

The sponsoring department for tourism in the UK government is the Department for Culture, Media and Sport (DCMS).

They sponsor the Non Departmental Public Body – Visit Britain that has a remit to promote Britain overseas as a tourist destination.

Visit Britain's relationship with the Northern Ireland Tourist Board is influenced in part by the Good Friday Agreement which created the cross border Tourism Ireland.

Tourism Ireland undertakes the majority of international marketing for Northern Ireland, but the agreement allows for Visit Britain, at the request of NITB, to undertake promotional activities outside of the UK, and for collaboration between Visit Britain & Tourism Ireland where this is considered appropriate.

### 3: Strategic Context

#### 3.0 Strategic context *(Continued)*

Visit Britain works in cooperation with NITB on practical issues such as tourism statistics and NITB has observer status on the board of Visit Britain.

##### Ireland

The Good Friday Agreement, signed in 1998, established new working relationships and structures for the island of Ireland. The North South Ministerial Council (NSMC) is the overarching body, whose role is,

“To develop consultation, co-operation and action within the island of Ireland - including through implementation on an all-island and cross-border basis - on matters of mutual interest and within the competence of the Administrations, North and South’.

The NSMC, therefore, comprises Ministers of the Northern Ireland Executive and the Irish Government, working together to take forward co-operation between both parts of the island to mutual benefit.”

One of the agreed areas of cooperation is in relation to tourism. The NSMC role is to,

“Make decisions on common policies and approaches in the area of tourism. It also takes decision on policies and actions to be implemented by Tourism Ireland, a publicly owned limited company established to promote the island of Ireland overseas as a tourist destination”.

##### Tourism Ireland

The NSMC appoints the Tourism Ireland Board of 12 and reviews the business plan and work programme of the organisation. Funding for Tourism Ireland is derived from the Republic of Ireland and Northern Ireland governments on a 2:1 ratio.

Tourism Ireland's role is to grow overseas tourism revenue and visitor numbers to the island of Ireland, and to help Northern Ireland to realise its tourism potential. It also helps to influence product development on the island, by sharing insights on global tourism trends and the changing needs of overseas consumers with other tourism agencies, particularly with Fáilte Ireland and the Northern Ireland Tourist Board.

Tourism Ireland develops an international marketing strategy that sets targets for a three year period. The 2008-11 target was for Revenue growth of 6.6-7.5% per annum, visitor growth of 4.2-5.1% per annum and promotable growth of 14 -17.2% per annum.

Tourism Ireland has a very important role to play in the success of this strategy. The network of offices around the world aims to ensure that Ireland is known about and considered by potential visitors.

In distant markets the Ireland brand is a considerable strength and a source of competitive advantage. The network can also work with the travel industry, journalists and businesses to ensure that every opportunity is maximised.

This interdependence means that Northern Ireland needs to work very closely with Tourism Ireland to share information about visitor requirements and ensure that ‘visitor inspired’ product development is communicated to appropriate market segments.

##### Business Tourism

Business tourism is a specialist sector and is managed and developed for Northern Ireland by NITB working in partnership with important business destinations such as Belfast and Derry.

NITB has a leadership role and is responsible for the development of the Business Tourism Action Plan. This identifies the priority markets and market segments and sets

targets that are monitored annually. This plan is delivered in partnership with Invest Northern Ireland, Belfast and Londonderry, Fáilte Ireland and Tourism Ireland.

##### Domestic Market and Republic of Ireland

NITB has responsibility for marketing Northern Ireland to residents of the Republic of Ireland and for the promotion of home holidays to residents of Northern Ireland.

This is mainly, but not exclusively, a short break market and themed and tactical promotions are developed and run in partnership with local authorities and the private sector.

##### Summary

This section highlights the fact that there are several players involved in generating visitors to Northern Ireland. Each source market and type of visitor will make a contribution to the overall performance of the tourism sector in Northern Ireland.

It is therefore important to ensure that each agency supports the strategic direction and can commit to delivering the growth targets outlined.

Continued page 12

3: Strategic Context

3.0 Strategic context (Continued)

The Northern Ireland government is focused on creating economic opportunity for all and sees the potential of the tourism sector to bring jobs and prosperity to all parts of Northern Ireland.

This has become even more important in the light of the global economic crisis. Some industry sectors, such as construction, have been badly affected by the recession while the tourism sector is well positioned to create new jobs.

There are targets for growth in the current Programme for Government and this strategy will set targets for the period 2011 to 2020.

Creating quality visitor experiences depends on the actions of many government departments as well as individual businesses.

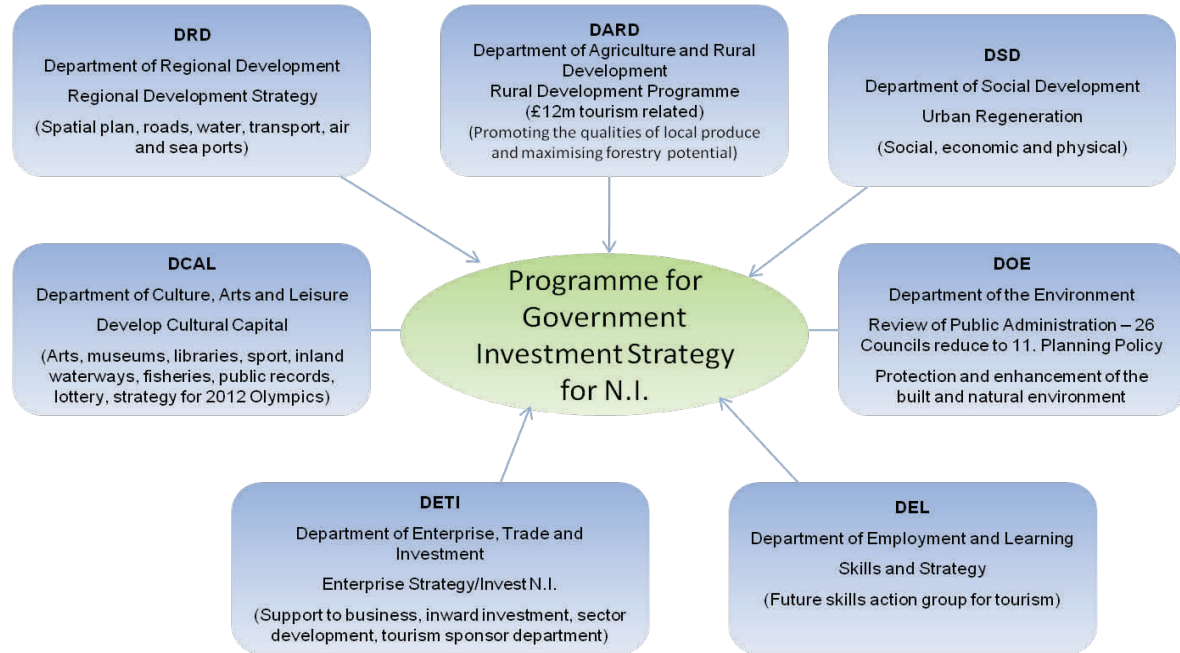
The chart opposite summarises the government departments with a direct influence on the tourism sector. Many of these will be managing programmes and investments that should integrate with and support the tourism strategy.

One of the challenges is to ensure that government departments understand the critical issues for the growth of the tourism sector and ensure that barriers to development are overcome.

Related government strategies highlight the importance of improving productivity and the desire for new jobs to be paid above the private sector median wage level. This means that the strategy needs to foster a profitable and professional industry that can offer well paid jobs with good training opportunities.

Sustainable development and the responsible use of resources are issues that are now top priority for government.

The potential of Northern Ireland to grow its visitor economy must be realised in a way that strikes a balance between development and conservation. This has been the subject of



considerable debate during consultation and the growth targets have been set with sustainability as a guiding principle.

In addition it has been recognised that the tourism sector needs to lead by example and demonstrate wise use of resources and the championing of local products in their offer.

Department of Agriculture and Rural Development (DARD)

The rural development strategy recognises the fact that many farms are not generating sufficient income and there is a need to broaden the base of economic activity beyond farming. Diversification can include expansion into the tourism and hospitality sector and the Rural Development Programme supports this.

The key challenge is to ensure that the proposals for tourism support integrate with the broad direction of this tourism strategy. This will allow investment to be maximised and ensure that the facilities that are developed will be those demanded by visitors of the future.

The Rural Development Programme is being delivered by local cluster groups that are seeking to take an integrated approach to investment in rural areas. NITB managers liaise with these cluster groups and DARD.

DARD also has responsibility for the support of the agri-food, fishing and forestry sectors and therefore needs to continue initiatives to increase use of local produce. The Forest Service, an agency within DARD, is a key partner in developing activity tourism and is already committed to establishing commercial partnerships with public and private

## Northern Ireland Tourism Strategy - Supporting Evidence

### 3: Strategic Context

#### 3.0 Strategic context (Continued)

sector operators for the provision of high quality recreation/tourism facilities throughout the forest estate.

##### Department of Culture, Arts and Leisure (DCAL)

DCAL is responsible for arts and creativity, museums, libraries, sport, inland waterways and inland fisheries, linguistic diversity, public records, and for advising on National Lottery distribution. The Department's remit includes raising the profile of Northern Ireland culture internationally and jointly with Sport Northern Ireland has developed a strategy for the 2012 Olympics.

DCAL works with the Arts Council to foster the creative and performing arts. The Arts Council's mission, articulated in their 5 year strategy entitled *Creative Connections: a 5 year plan for developing the Arts 2007 – 2012*, is "to place arts at the heart of our social, economic and creative life". In tourism terms cultural events and festivals have been identified as a means of extending the tourism season and attracting new visitors. The work of the Arts Council is therefore a key part of maximizing the opportunities arising from events. The investment DCAL is making in upgrading museums will contribute to improving the visitor experience.

DARD and DCAL will also play a very important part in working to open up greater access to forests, waterways and fisheries for visitors.

##### Department of the Environment (DOE)

DOE has responsibility for the protection and enhancement of the natural and built environment and overall responsibility for planning. The commitment of this department to the recommendations in the strategy will be crucial. In particular, the revised Planning Policy Statement on tourism will need to reflect a facilitation role in supporting high quality development.

The Review of Public Administration will be implemented during the life of this strategy. Local authorities play a vital role in managing the public realm, operating visitor attractions, providing visitor information and facilities and supporting businesses.

The new local authorities will need to understand their responsibilities and support the priorities identified in the tourism strategy.

##### Department of Social Development (DSD)

The role of DSD in urban regeneration is very important in improving the quality of the visitor experience. While the driving force behind urban renewal is to create better quality places for the residents of Northern Ireland, there is an impact on visitors. Research on visitor satisfaction supports the view that a place that residents are proud of is also more highly rated by visitors.

##### Department of Employment and Learning (DEL)

A frequent comment during consultation was that the tourism sector was seen to be low status in career terms; that skill levels needed to improve, and that continuous professional development was not the norm in the industry.

DEL has a major contribution to make in creating a system for identifying and fostering talent and professionalism – especially in young managers. Significant resources are being invested in skills but there is a perception that this investment is not achieving the desired outcomes. The development system that exists in the Republic of Ireland was quoted as an example of best practice.

DEL works with the Department of Education (DE) and People 1st in this area.

##### Department of Regional Development (DRD)

Easy access to, and travel around, Northern Ireland is essential if the visitor is to experience the best of what is on offer.

This is another area where there is a common interest between the needs of visitors and residents - as good roads and public transport facilitates business and employment as much as tourism.

At present there is no clear view on development priorities in relation to visitors. DRD needs input from the tourism sector on improving access to Northern Ireland and where intervention can bring the greatest return on investment. The

needs of visitors should then be reflected in the investment priorities of DRD and form part of their ongoing work programme.

##### Department of Enterprise, Trade and Investment (DETI)

DETI is responsible for economic policy development, energy, tourism, mineral development, health and safety at work, Companies Registry, Insolvency Service, consumer affairs, and labour market and economic statistics services. The goal of DETI intervention is to grow a dynamic, innovative economy.

DETI has identified the tourism sector as an industry that has the potential to make a bigger contribution to the Northern Ireland economy. The Programme for Government targets reflect that aspiration. DETI is the sponsor of four Non Departmental Public Bodies: the Health and Safety Executive, the Consumer Council, NITB and Invest Northern Ireland. NITB is responsible for the development, promotion and marketing of Northern Ireland and works with Tourism Ireland to deliver this. DETI is also the co sponsor of Tourism Ireland.

Invest Northern Ireland is responsible for the delivery of the Department's policies and strategies in relation to business support in Northern Ireland. These include: encouraging investment (foreign and indigenous); stimulating entrepreneurial activity; increasing exports and trade; promoting R&D/innovation; and providing development support.

DETI therefore has a direct influence on tourism strategy development and works across government to ensure that tourism issues are recognised in the policy development work of other government departments.

## Northern Ireland Tourism Strategy - Supporting Evidence

### 4: Strategic Options

#### 4.0 Aspirations for tourism in Northern Ireland

Success in tourism depends on putting the visitor at the heart of any strategy. This is the thinking that has guided the development work on branding for Northern Ireland and it will guide the setting of objectives and priorities for the tourism strategy.

From the public policy point of view, tourism has multiple impacts - it can deliver significant economic benefits and investment in visitor facilities will provide services and jobs for residents. In thinking about the future it is therefore sensible to consider the strategic options from these two different angles and then bring the conclusions together into a series of recommendations.

#### 4.1 Public policy considerations

Tourism in Northern Ireland is at a fascinating point in its development. This is an opportunity to determine the kind of tourism industry that is right for Northern Ireland.

In order to explore this, the consultants posed a series of questions to the Steering Group and explored the same questions at a series of consultation workshops.

The strategic choice was to decide on the aspirations for the growth of the tourism sector through to 2020. Four scenarios were developed that set out possible levels of growth as follows:

- Track Average Growth

This scenario assumed that the last 10 years in Northern Ireland has been a period of 'catch up' and that we have now caught up. It is therefore time to plan on the basis of a more settled level of growth and aim to do as well as the rest of Europe from 2010 to 2020.

- Emerging Tourism Destination

This scenario assumes that the fast growth that was experienced between 2002 and 2007 in Northern Ireland is just the beginning of a 'catch up' period. This catch up still has a long way to go and the aim should be to keep growing at this rate from 2010 through to 2020.

- Ambitious Growth

Northern Ireland has done well in the last 10 years but it is just the beginning. In view of this and the level of investment over the last few years, Northern Ireland should be more ambitious and regard the last 10 years as just the start of a transformation. The country should set its sights high and aim to double tourism in the 10 years 2010 to 2020.

- Tourism as an engine of the economy

Many countries have identified tourism as an engine of economic growth and have invested heavily in the sector with the aim of creating jobs and widening the base of their economy away from a reliance on raw materials, agriculture or manufacturing.

At present direct tourism earnings account for approximately 2% of output in Northern Ireland. This is low compared with the UK contribution of 3.7% of output. Northern Ireland could make the tourism sector a priority and aim to double the sectors contribution from 2% to 4%. Appendix 2 includes more detail.

#### 4.2 Preferred option

The consensus was to aim for **ambitious growth**. However, there was concern about the impact of the increased number of visitors on the quality of the experience. It was therefore agreed that the strategy should have a focus on growing income faster than visitor numbers and agreed that the target should be to double **income** from visitors by 2020 with more modest growth in **numbers**. This would require explicit plans to encourage visitors to spend more and to stay longer.

It was also recognised that the domestic market would be a vital contributor to the long term sustainable growth of Northern Ireland tourism and that tourism revenue should be calculated on total visitor expenditure inclusive of the domestic market which previously has not been considered.

The discussions agreed on an absolute target but the debate centred around the values that should guide development. These are as important, if not more important, than the absolute target. In summary the key considerations were:

*Authenticity* – this is a core brand value and was seen as something that needs to be uppermost in any development plans. There was real concern that we get the balance right.

*Protection of the environment* – a concern about over development and the need to protect the tranquil places and spaces that people travel for. There was a desire to manage this by having a conscious plan to disperse visitors around the country and throughout the year.

*Design* – many comments about the need for high standards and the role that design can play in shaping places.

*Assets* – a view that assets such as rivers, lakes, forests etc. should be opened up for use by residents and visitors. There should be positive encouragement from government to facilitate this. Other assets should be supported to develop their potential – this includes bed & breakfast's and guest houses that have low usage through the year.

*Skills* – This was a critical issue and comments were wide ranging. They included the need for continuous professional development, a need for 'welcome' based training, language skills being encouraged, grant funding linked to investment in training, better links with universities and easier access to training for small businesses.

*Entrepreneurial culture* – a view that this was about more than the tourism sector - it was about developing a country that wants to do business and facilitates it. References were made to opening hours and flexibility but the general view was that the 'system' did not encourage innovation and change.

## Northern Ireland Tourism Strategy - Supporting Evidence

### 4: Strategic Options

#### 4.2 Preferred option (Continued)

*Product innovation and quality* – a view that quality at every price point was important and that there needed to be a better awareness of what competitors are doing. There needed to be a much better understanding of what visitors were looking for.

*Focus on spend* – it was accepted that Northern Ireland had potential to grow the number of visitors but that the aim should be to earn more from any visitor, so that we maximised earnings and minimised the environmental impact of visitors.

At the heart of the discussions was a debate about sustainability. The desire is to grow but to 'grow carefully'. The comments described an aspiration for a sector that was sustainable in the broadest sense i.e. developing for the long

#### 4.3 Delivery issues

The desire to transform tourism in Northern Ireland emerged from all the discussions, but there was recognition that the will to bring about change was also needed. The clear consensus was that there needed to be commitment from government, local authorities and industry to change and to treat the sector as a key economic driver. The particular areas identified as priorities were:

*Prestige of the sector* – this will take time to change but the education sector needs to be targeted to change perceptions from school and through higher and further education. There also needs to be a dedicated Public Relations campaign to address negative media images.

*Lateral connections* – There was a concern that the implications of the strategy on policy and delivery in other government departments needed to be spelt out so that Ministers had the opportunity to accept the commitments they were making and were willing to be accountable when progress was being monitored.

*Vertical connections* – Several examples were given of failure to translate national policy to delivery on the ground. There needs to be Tourism Area Plans for each area put in place that link back to and support the national strategy. Some of these already exist or are in development, such as the Derry Tourism Development Strategy and the Belfast Tourism Strategy.

There should be coherence between these plans and funding should seek to achieve both local and national priorities. Local plans should involve the community as part of the development process.

It was agreed that vertical integration would work better if the roles of each agency were more clearly defined. This is particularly relevant in view of the Review of Public Administration. Appendix 3 describes the future roles and responsibilities of each agency.

This advocates a two tier structure where the national strategy is supported by Tourism Area Plans that identify local actions. Local authorities will play a very important role in integrating their work on community planning with the development of Tourism Area Plans. This responsibility needs to be recognised as part of the new 'super councils'.

*Planning* – Responsibility for planning will change from 2011, but nevertheless there was a view that planning currently does not support and facilitate tourism development. Planning needs to operate with clear and consistent criteria and the new Planning Policy Statement (PPS) on tourism is critical to this. Overall there was little appreciation of the contribution a professional planning system can make to development and a desire for a new partnership approach.

*Infrastructure* – concern that infrastructure investment will not be sufficient to support growth. The need for an access strategy was reinforced and specific projects identified and funded to improve access to and from airports.

*Business support* – a desire for a 'clearing house' system for business support. This was described as a one stop shop for advice, information, funding, development, access to training etc.

These items reflect bigger issues that affect the economy of Northern Ireland as a whole. They will require cross government support and concerted action by a wide range of departments and agencies.

The priorities include action on these issues and they will be monitored as part of the review process.

#### 4.4 Fine tuning the option

The scenarios that were developed were based on some simple extrapolations from the current position. (See Appendix 2)

In view of the feedback and discussions, further work was done to look at how Northern Ireland could achieve a doubling of income and be truly sustainable.

There was a clear consensus that our approach should not be 'one dimensional' and just look at visitor numbers. It was also agreed that it was important to grow the income from each visitor as the current performance of Northern Ireland is below the competition.

From the modelling the conclusion was that the aim should be to increase average spend across all markets and to identify growth markets and target these for higher than average growth in visitor numbers.

Tourism Ireland and Northern Ireland Tourist Board have reviewed the model and confirmed that the assumptions are realistic and the growth markets identified have potential.

It was recognised that increasing spending will require concerted action and that it will take time to bring some projects on stream that will attract higher spend. The targets here therefore have been graduated so that spending from all markets (including the domestic market) increases by +2% p.a. 2011-2012, by +3% p.a. in 2013-16 and by +4% p.a. in 2017-2020

Some of the background thinking is shown in Appendix 1. The modelling has produced a 2020 target for the strategy of increasing visitor numbers to 4.5m and revenue to £1bn.

### 4: Strategic Options

#### 4.5 Summary

The industry in Northern Ireland is ambitious for the future and supports a target of doubling income from tourism by 2020.

There is a strong desire for managed development that protects the authenticity of the Northern Ireland experience.

The target will be achieved by focussing on increasing average spend, extending the season and achieving higher than average growth from specified Out of State markets.

Tourism in Northern Ireland has an opportunity to bring about a transformation of the industry and see it recognised as a key economic sector.

This will only be achieved if government, other public sector agencies and industry all work together and commit to action.

Some of the barriers to development result from a historically public sector driven industry/economy and go beyond the tourism sector. Tourism can be at the forefront of improving productivity, demonstrating sustainable growth and fostering entrepreneurs but needs the wholehearted support of government.

There is also a leadership role for the tourism industry. The consultation process has demonstrated real enthusiasm on the part of the industry and this now needs to be translated into concerted action. The industry needs to organise itself to speak with one voice, to form a professional approach to delivering value while driving up spending and to participate fully in the development of a more skilled and professional workforce.

Visitors must be at the heart of the strategy as they bring the economic benefits that Northern Ireland wants.

The implementation of the branding strategy for Northern Ireland is essential to ensuring that it becomes a compelling destination. Storytelling must be the basis for all product development in the future.

5: Looking Ahead

5.0 Tourism forecasts

The current global economic crisis, the worst since the Second World War, is undoubtedly having a significant impact on tourism across the world, with the United Nations World Tourism Organisation (UNWTO) expecting international arrivals to decline in 2009 for only the 4<sup>th</sup> time in the last 40 years.

Latest 2009 forecasts are for a decline of between -8% and -5% for Europe with Visit Britain forecasting -5% for the UK.

However, despite the current gloom, it is widely expected that the global economy will start to recover during 2010, when growth will again be restored.

The latest forecasts from the International Monetary Fund (IMF) indicate a global decline of 1.1% in 2009 followed by growth of 3.1% in 2010. For 2011 onwards the prediction is for global growth of 4-5%. The global economy is now starting to recover in most countries, with the UK being slower than others. The IMF predicts that the Republic of Ireland economy will not return to growth until 2011.

The outlook is less strong, but a similar pattern, for the G7 countries, which include the largest outbound tourist markets (historically) of US, UK and Germany and weaker still for the UK and the Euro area which are not expected to return to growth until 2011. In contrast, the emerging economies (which include Brazil, Russia, India and China) are likely to remain in growth throughout the period, albeit slowing down rapidly from their previous rates.

Beyond 2014, most economic forecasts appear to follow a broadly benign pattern of assuming continuing growth at around the same rate.

The UNWTO currently has a programme in place to develop forecasts for global tourism up to 2030, but is not expected to release its findings until the autumn of 2009. Meanwhile, its previous forecasts, completed in 1995 and updated in 1999, predicted an annual growth rate of 4.1% so that international arrivals would reach 1.6 billion by 2020. This forecast was broadly on track at the end of 2007 reaching just over 900 million (Fig 5.1).

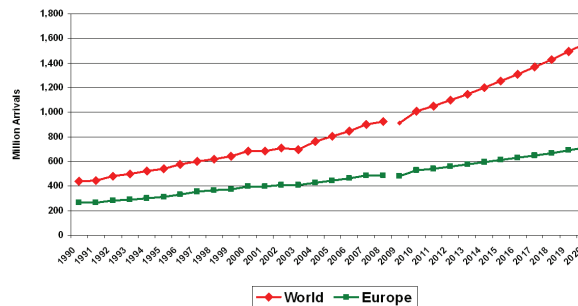


Fig 5.1 Arrivals forecast (Source: UNWTO)

However, 2008 and 2009 have seen a significant slowdown and if the previously predicted rate of 4.1% were achieved from 2010 onwards, then international arrivals would reach 1.4 billion by 2020.

A growth rate of 3.0% for Europe from 2010 onwards would mean an increase in arrivals from an expected 490 million in 2009 to 664m in 2020.

Visit Britain has analysed growth trends through to 2020 and has confirmed that the top outbound markets, measured in volume terms, will be similar to today (Fig 5.2).

It is worth noting that one of the strongest growing markets for the UK in the next decade is the USA. Americans remain some of the wealthiest citizens and, due to the Western Hemisphere Travel Initiative, growing numbers are passport holders.

The BRIC nations (Brazil, Russia, India and China) are forecast to account for an additional one million visits per annum by 2020 compared to today.

Medium Term Assumptions

Producing a long term forecast is always a challenge, and this is particularly the case at present in view of the unprecedented economic upheaval in 2008/9. These forecasts must be viewed as informed predictions based on reasonable assumptions.

Rank	Country
1	Germany
2	United Kingdom
3	United States
4	France
5	China
6	Italy
7	Netherlands
8	Canada
9	Spain
10	Japan

Fig 5.2 Top outbound markets in 2020 (Source: Visit Britain)

The Republic of Ireland has recently reviewed the performance of the tourism sector under the chairmanship of the Tourism Renewal Group. Some of the assumptions underpinning their forward planning are relevant to Northern Ireland and are restated here as:

- The global economy gradually returns to growth in the second half of 2009 but growth remains slow and uncertain, with less developed regions recovering more quickly
- The long term growth trend will be slower than the global average in those economies most important to the island of Ireland's performance – trending around 2% in the UK, US and Eurozone
- Oil prices remain at levels over \$60 a barrel and continue to trend upwards with occasional volatility
- There is progress in 2010 in restoring access to credit, particularly working capital, but investment finance remains relatively scarce, expensive and subject to rigorous stress testing
- There are continued fluctuations in the currency markets; sterling and the dollar remain broadly within recent trading ranges into 2010, with some possibility of sterling recovery over 2010-2013

## Northern Ireland Tourism Strategy - Supporting Evidence

### 5: Looking Ahead

#### 5.0 Tourism forecasts *(Continued)*

- Occasional health alerts occur as in recent years, following the H1N1 Flu alert
- Moderate political instability in some regions of the world; but no catastrophic terrorist/security developments

#### Implications for Northern Ireland

In setting the strategic direction, it was concluded that Northern Ireland should not be regarded in the same way as the rest of the UK as it is not a mature tourism market.

It has the potential to grow faster than its close neighbours as it is still playing catch up to 30 years of limited investment. However, it will be affected by developments in the global economy and these forecasts do set the competitive environment in which Northern Ireland will be operating.

This economic data has been used to identify where growth will come from. The aim has been to identify the key source markets for Northern Ireland and to identify those countries where we should aim for higher than average growth. More detail is included in Appendix 1.

A particular challenge will be to ensure that Northern Ireland achieves its ambition of growing income from visitors faster than visitor numbers. Appendix 4 explores some of the reasons why spending is lower than average.

The conclusion is that there needs to be a focus on solving several problems

- Limited opportunities to spend
- Not enough cross selling and up selling
- Not enough quality products in the market place
- A system that does not facilitate innovation
- Generic marketing that does not target segments with spending power

The Action Plan proposes solutions.

#### Strategic Targets for Northern Ireland Tourism

Strategic targets provide a sense of direction for tourism policy and they facilitate the prioritisation of actions to support the development of the sector.

The high level targets set out in this strategy cover an 11 year period through to 2020 and are achievable based on current assumptions. These high level targets have been translated into annual performance targets for 2010 to 2013 to allow for monitoring of progress.

These should not be seen as an inflexible straightjacket – it can be expected that many outcomes will be out of line with targets because of changing circumstances.

In view of the volatile economic circumstances that apply in 2009 it is recommended that these targets are reviewed in 2013 at the end of the current Action Plan.

## Northern Ireland Tourism Strategy - Supporting Evidence

### 5: Looking Ahead

#### 5.1 The visitor of the future

The SWOT analysis summarised the views of current visitors to Northern Ireland. As this strategy is looking to the longer term, the industry was invited to review future trends and identify how they are likely to impact on visitors.

These drivers of change are wide ranging - from the impact of peak oil to the changing fortunes of eastern economies. These were discussed to identify the most significant drivers of change and the opportunities these create for Northern Ireland. The table opposite identifies the most important issues and opportunities.

These changes in consumer taste have implications both for marketing and product development. The summary comments in the table highlight some of the issues raised.

These longer term trends need to be incorporated into product development plans and further research will be required into the size and value of some of the market segments.

The Action Plan covers the 4 years from 2010 –2014 and during this time it will be possible to address some of these new opportunities. However, during this period, development work will be needed to position Northern Ireland as attractive for some of these new markets. The short term opportunities are identified in the Action Plan. The medium term opportunities are:

- Wellbeing
- Green travel and eco tourism
- Extended family groups
- Development of a profile by Tourism Ireland (TI) in Asian/Chinese markets.

Future Trend	Description	Issues for Northern Ireland
The vigorous old	Between 2005 and 2030, the proportion of UK population aged 50+ will increase by 40% - but that trend will be paired with increasingly vigorous longevity due to advances in health and wellness.	A significant opportunity due to the large, mature European population on the doorstep. Need to research the tastes of this market.
Culturally unique and authentic	Increasing cultural awareness (from rising educational levels) heightens interest in cultural diversity and heritage travel; combined with hedonism, produces the 'festival' tourist: fun, action-packed and culturally unique.	Development of a wider range of events coupled with the 'storytelling' approach encapsulated in the branding strategy means that Northern Ireland (NI) is well positioned to attract this market.
Rise of social media	Before travel: TripAdvisor During travel: Twitter and LiveJournal After travel: Facebook, Flickr, Panoramio, and YouTube.	Northern Ireland needs to invest in content development and distribution to catch up with other destinations.
Maturing experiential society	Increasingly prefer more authentic and real experiences to the 'manufactured' experiences of resorts and theme parks.	Signature Projects, such as the Derry Walls, appeal particularly to this market.
The new global middle class	Increasingly affluent, better educated, tolerant of diversity, more fluid gender roles and notions of identity; more single travellers.	Will demand more consistent quality and a wider range of food, drink and local products.
Consumers more empowered	People's expectations of products and services are increasing -- and so are their complaints: consumers are increasingly assertive when faced with poor service or faulty goods.	Will demand more consistent quality and a wider range of food, drink and local products.
'A new me:' wellbeing	Increasingly demand healthier foods, access to physical activities and physical training, and look for access to both Western and alternative medical services (medical tourism in India forecast to reach \$2 bn by 2012).	NI has the environment to tap this market but the product is relatively undeveloped. Requires open access to landscapes and high quality wellness offers by businesses.
Cachet of 'untouched'	Increasing comparative advantage in branding of 'untouched' unique locations with 'authentic' heritage -- destination authenticity could be endangered by increased in-migration (e.g. Polish becoming the second language of the UK)	Management of demand at hotspots and the maintenance of a tranquil environment in designated locations is critical. Legislation to enable the creation of National Parks a priority.
Congested roads, trains, buses	Traffic jams could be costing the UK economy up to £20 bn per year. Improvements to regional train and bus services are a high priority especially in rural areas.	Development of an access strategy is needed to identify priority investments and key routes for visitors.
Visitors from the East	UNWTO forecasts that by 2020, Asia will generate more trips to Europe than the Americas. By 2014, there will be over 650 mn middle class households in Asia earning above US\$ 5,000 / year.	Marketing strategy needs to make a long term investment in the development of this market. Significant numbers are unlikely to visit for at least 5 years but relationships need to be built.
Green travellers and ecotours	Consumers increasingly focussed on lowering carbon and water footprints, and lessening waste; rising values conflict between consumerism and concern for societal/ecological impacts.	Industry needs to lead by example and adopt new standards and practices.
Perceptions of risk	Tourists increasingly concerned about crime, terrorism, inter-state conflicts, natural disasters, and infectious diseases.	NI branding that celebrates the new Northern Ireland is key. Continue well developed damage limitation in response to sporadic incidents.
Searching for sustainability	'Eco-labelling' makes information on tourism sustainability more available, increasing tourists' environmental awareness and demands for environmentally sustainable tourism infrastructure, goods, and services.	Industry needs to lead by example and adopt new standards and practices.
Vertical families and the rise of 'Grand Travellers'	Longer lives = more generations within one family, fewer children = time with grandchildren valued. Visiting Friends and Relatives (VFR) / holiday combined travel.	This market demands larger units of accommodation and a range of facilities for all ages. The large VFR market in NI means that this could become a valuable niche to develop.
Shorter stays	Average length of stay in some destinations is currently as low as 1.5 days; increasingly 'time-poor' travellers will opt for multi-centre, multi-country visits, and demand ease and speed of movement through airports and customs.	Development of an access strategy combined with better gateways and a clear system of welcome will assist this market.
Boom for young East	Even with the current deceleration of the world economy, the underlying rate of growth remains relatively high in the emerging economies of the East - Asia, Middle East, (IMF).	Cities – especially Belfast - have an offer that could appeal to this market. Events are key to attracting new visitors.
Increasing debt	Public and private debt mounting in the wake of the credit crunch constrain investment in travel infrastructure by government; expenditures on business travel by corporations; expenditures on leisure travel by consumers.	Government investment will need to be prioritised to support those developments that bring greatest return on investment. Industry will need to focus on cost management and value for money.
City over coast and country	Increasing significance of cities as destinations among domestic visitors -- primarily at the expense of the seaside. Due to increased and improved hotel stock as well as cultural facilities, attractions, retailing, and restaurants.	Belfast and Derry can exploit the short stay and event related market in ROI, GB and Europe.
Government security concerns	Increased security, environmental, health, congestion, capacity, and immigration concerns will lead to increasing government controls on travel, via electronic passports & IDs, visas for tracking and monitoring.	Gateways need to develop a reputation for polite efficient processing as this will become a competitive advantage in the future.

### 5: Looking Ahead

#### 5.2 What are competitors and developers bringing to the market?

##### Accommodation

There are a number of trends in development in Europe that include:

- The continuing growth in branded budget accommodation. Budget brands are now creating sub brands e.g. Easyhotel, upper tier budget brands such as Encore by Ramada and boutique budget such as Big Sleep.
- New build 3 star hotels in cities e.g. Jury's, Park Inn, Garden Inn.
- Emergence of boutique lifestyle hotels e.g. Malmaison, Abode, Hotel du Vin.
- Introduction of suite hotels e.g. Staybridge Suites.
- Opulent "6 star" hotels e.g. Jumeirah.
- Quality pub accommodation e.g. Marston's, Urban Inns.
- 'Glamping' i.e. luxury camping in tepees, yurts
- Redevelopment of static caravan parks to holiday lodges.

In terms of the accommodation offer in Northern Ireland, the analysis highlighted the range of new developments that have come onto the market in the last few years.

Most of the large developments have been in branded hotels as the major chains were keen to establish a presence in Northern Ireland. There is little evidence of the new styles of product mentioned above being introduced to the market.

A weakness identified from the visitor survey is 'a lack of accommodation that is distinctive and part of the holiday experience'.

The analysis of future trends also points up a market opportunity in terms of extended families that require larger units of self catering accommodation with facilities such as games rooms, swimming pools, spas etc.

This suggests that the product development strategy should focus on fostering indigenous businesses and helping them to develop to international standards. It should also target developers that can bring innovative product to the market.

##### Visitor Attractions

Visitor attractions in Europe have enjoyed modest average growth over the last five years but there has been continuing investment by commercial operators and some consolidation of ownership e.g. Merlin Entertainments.

Theme parks continue to invest and a number have added hotel accommodation on site. One of the largest venues in Europe, the O2 Arena, opened in 2008 and is hosting a range of exhibitions and concerts that are attracting very large audiences.

One trend is the increasing use of technology to enhance the visitor experience. An example of this is the use of Radio Frequency Identification (RFID) chips to allow visitors to save aspects of an exhibition to their phone and view it again on their return home.

Northern Ireland will benefit from the investment in Signature Projects such as the visitor centre at the Giant's Causeway, on the St Patrick's trail and in the Mournes.

There are also pilot projects underway as part of the branding strategy at Dunluce and Carrickfergus Castle.

In view of the fact that Out of State visitors are much more likely to visit places of worship, workplaces, visitor and heritage centres and historic properties, then these types of attraction should have priority for investment funding.

This funding should be directed to develop story telling and to exploit the potential of new technology.

##### New Technology and New Media

The pace of change has increased and new opportunities for reaching and servicing visitors appear constantly.

Social media, user generated content, iphone Apps, integrated ticketing using contactless smart cards, GPS and RFID chips are just some of the tools that have been used in the last five years by destinations seeking a competitive advantage.

A strategy that covers a 10 year period should not attempt to prescribe how these tools should be used. However, the product development philosophy must be that all businesses need to be aware of what new tools are coming to the marketplace.

As a minimum, the majority of Northern Ireland businesses should be trading online.

Northern Ireland Tourist Board (NITB) should be the centre of expertise in evaluating and adopting new tools and then sharing this expertise with the industry.

##### Transport

The last 15 years has seen dramatic growth in low cost carriers and the development of regional airports. Northern Ireland has shared in this growth with a doubling in air routes since 2001, although some of this has been reversed in 2009.

There have been no 'game changing' developments in surface transport although faster rail travel has seen a shift away from short flights to rail travel by business travellers in Britain and Europe. Several British and European cities have introduced or re opened tram systems as a clean, green option.

Increased congestion and delays due to security have become barriers to travel and some destinations (Australia & New Zealand) have made faster processing of visitors a priority.

Several destinations have invested in low cost or free transport options for visitors that are designed to reduce car usage in cities.

Examples are the 'velib' free bicycle scheme in Paris and electric tourist cars in San Francisco. As energy costs rise and concerns about the environment increase, visitors will look for destinations that offer something different.

### 5: Looking Ahead

#### 5.3 Opportunities

##### Events

The future trends discussion confirmed the fact that tomorrow's visitor wants to be engaged. This chimes well with the 'story telling' aspect of the new Northern Ireland brand and points up a significant opportunity to attract visitors using events as a hook.

Destinations that try to develop events either try to buy international profile by staging major events, e.g. the Olympics or to grow indigenous events with the aim of building a profile over time e.g. Edinburgh Festival.

Northern Ireland already runs and hosts a wide range of events but there is potential to integrate and develop events as part of the wider strategy of growing income from visitors and attracting year round business.

Responsibility for event development will transfer from the Department of Culture, Arts and Leisure (DCAL) to NITB in 2009 and a new events programme is in preparation.

The priorities for this programme should be:

- Clear criteria for supporting events – those identified should bring new business to Northern Ireland
- Leverage – events that can attract support from multiple partners are more likely to be sustainable
- Authenticity – events that are unique and can tell the Northern Ireland story
- Profile – some events should be supported because they will change the perception of Northern Ireland on the world stage and reinforce the new Northern Ireland experience.

#### 5.4 Marketing priorities

##### Market Segments

In the immediate future the priority market segments are:

- City breaks—especially event led short breaks
- Culture/experience seekers
- Activity/special interest breaks especially music, golf, fishing, walking, gardens, cruising, cycling
- Business visitors—especially National Association conferences, corporate meetings and conferences, trade and consumer exhibitions and incentive travel

Product development work will be needed to exploit the potential of new market segments, in particular:

- Food
- Wellbeing
- Green travel and eco tourism
- Extended family groups

##### Markets

In the immediate future the priority markets are:

- Close to home (GB and ROI), North America and Germany.
- Secondary markets are France, Italy, Netherlands, Rest of Europe
- The domestic market.

##### Marketing Infrastructure

There are a number of core activities required to support the development and growth of markets. These include:

- Implementation of the branding strategy and adoption at all levels.
- Investing in technology to reach and inform visitors in new ways.

- Investing in research to understand the needs of visitors and sharing this with the tourism network.
- Improving the national surveys to provide more robust measures of performance and a better evidence base.

#### 5.5 Development priorities

Development activity is needed to support both product and people. This includes:

- Delivering the Signature Projects and transforming them into Signature Destinations.
- Improving access by developing an all Ireland access plan, identifying investment priorities and upgrading gateways.
- Bringing new accommodation on stream by investing in entrepreneurs and supporting the growth of indigenous businesses.
- Developing a conference and exhibition centre in Belfast
- Developing a year round events programme.
- Improving the use of local food, drink and products by the industry
- Incorporating storytelling into every new development
- Identifying talent in the industry and supporting business growth and development.
- Improving the image of the industry
- Offering improved training, development and career paths for young people

#### 5.6 Policy priorities

Department of Agriculture and Rural Development (DARD) - Supporting rural tourism businesses to improve productivity, profitability and growth; supporting larger scale self-catering development in rural areas to respond to extended family groups; developing supply chain for food, drink and local produce to hospitality and catering. Providing facilities for activities in rural areas e.g. mountain biking, waterways etc.

### 5: Looking Ahead

#### 5.6 Policy priorities (*Continued*)

Department of Culture, Arts and Leisure (DCAL) – Commitment to collaborating on cultural and arts festivals to support an events strategy; investment in upgrading museums; proactive involvement in increasing leisure use of waterways. Support for initiatives to improve cross border licensing for fishing.

Department of the Environment (DOE) – Establishing a new partnership with the tourism sector on planning; incorporating an enabling approach to development in Planning Policy Statement 16; ensuring new local authorities understand and prepare for their tourism development responsibilities.

Department of Regional Development (DRD) – Investing in the creation of efficient, visitor friendly gateways; identifying access priorities for tourism and incorporating these into investment plans.

Department of Social Development (DSD) - Taking a lead in place making to ensure that the needs of visitors are accommodated alongside residents. Ensuring that regeneration projects identify the potential economic benefits that arise from the visitor economy.

Department of Enterprise, Trade and Investment (DETI) – to champion tourism as a major driver of the economy. Ensuring tourism priorities are integrated into other department's priorities; supporting Invest Northern Ireland to attract the right type of investment and develop high quality indigenous businesses, managing the delivery of the visitor targets through the link with Tourism Ireland.

Department of Education (DE) + Department of Employment and Learning (DEL) – Tourism education and careers programmes for schools, attracting high calibre entrants and broadening the appeal of the sector, raising management capability, improving customer service standards, upskilling the work force, investment in teachers into industry and industry into education initiatives at school, further education and university levels, sector small business support, language skills and investment support for the Future Skills Action Group.

Local Authorities – Investing in tourism development and improved interpretation; involving the community in developing Tourism Area Plans; supporting extended trading hours and business innovation. Proactive involvement in opening up access to the natural environment for visitors.

#### 5.7 Driving up spending

The Strategy and Action Plan has been developed to achieve above trend increases in earnings. This will be achieved by:

##### 1. Create opportunities to spend

- Signature Projects coming on stream and developed into Signature destinations
- Making better use of natural resources e.g. good practice is Forest service initiative to develop leisure activities (Go Ape zip-lining in Tollymore)
- Towns and cities – review trading hours and facilitate Sunday/evening opening
- DCAL work on cross border approach to leisure activities such as fishing licences
- Work with insurance industry and two jurisdictions to remove barriers to travel e.g. car hire
- Industry to ensure that products are available to buy on line

##### 2. Improve skills in cross selling/up selling

- Events - industry to leverage existing events by creating packages, featuring events on website, including event tickets as purchase option
- Ticketing – industry to develop clusters of visitor offers locally and provide integrated ticketing, visitor pass for an area, group tickets for visitor attractions
- Spend – industry to set own internal targets for incremental spend and benchmark with competitor set
- Publicly owned visitor attractions to adopt a more commercial focus – review gift and catering sales, special exhibitions and events potential
- Industry to develop skills in yield management. Identify opportunities to offer value added services.

##### 3. Develop quality products & produce

- Development of an events portfolio to create year round opportunities to visit
- Develop business tourism facilities and the business tourism offer
- Food & drink – DARD offer financial assistance to develop food & drink initiatives. Good practice example is Taste of Ulster, Flavour of Tyrone.
- Industry to review food & drink offer, increase local sourcing, menu choice that reflects local produce
- Develop world class facilities in sport and the arts e.g. links golf courses, National Art Gallery
- Souvenirs – develop range of craft items and souvenirs that are linked to the history and culture of Northern Ireland.
- Develop high quality mementos and corporate gifts for business tourism market.
- Businesses and public bodies to feature Northern Ireland arts and crafts in premises

##### 4. Encouraging entrepreneurs/facilitating innovation

- Integrated approach to making place visitor friendly e.g. facilitate café culture through use of public space/pavements
- Flexibility in facilitating events, closing streets, issuing licences etc.
- Supportive approach to film makers requirements
- Partnership approach to steering development through the Planning process

##### 5. Marketing strategy

- Identify source markets with greatest potential and focus efforts on these markets
- Identify market segments in each target market that have ability and propensity to spend and increase investment in reaching these segments
- Match product portfolio with special interest segments in each source market and tailor marketing messages to these niche markets e.g. golf

## Northern Ireland Tourism Strategy - Supporting Evidence

### 5: Looking Ahead

#### 5.8 What could tourism in Northern Ireland look like by 2020 ? The outcome.

This strategy is designed to do more than generate more visitors. Its aim is to transform the visitor experience, create a more professional industry and generate wealth and jobs for Northern Ireland. Some of the characteristics of success are summarised in the table below.

Markets	Market Segments	Industry	Products
<ul style="list-style-type: none"> <li>4.5m visitors of which 3.1m are Out of State</li> <li>Income of £1bn</li> <li>Tourism sector direct GVA contribution of 2.6%</li> <li>50% visitors from closer to home markets</li> <li>2% emerging markets</li> <li>N. America and Germany key source markets</li> <li>1.4m visits made by N.I residents - through out the year</li> </ul>	<ul style="list-style-type: none"> <li>Event led short breaks especially younger audience from UK/ ROI</li> <li>Mature culture/ experience seekers from UK and Europe</li> <li>Extended families from domestic market, ROI and GB</li> <li>Conference and Exhibition delegates</li> <li>'Eco' travellers especially from Germany seeking untouched landscapes</li> <li>'Hobby' visitors especially music, gardens, fishing, golf, cruising, walking, cycling</li> <li>Wellness and rejuvenation breaks with a luxury element</li> <li>'Foodies' inspired by the quality of raw materials and local chefs</li> </ul>	<ul style="list-style-type: none"> <li>An additional 12,000 jobs in the sector</li> <li>Young celebrity chefs and hoteliers a feature of the industry</li> <li>Professionally managed visitor attractions</li> <li>Pay on a par with other service sector employers (retail, distribution)</li> <li>High status careers with low job vacancy rates and competition for training posts</li> <li>Productivity and profitability closer to the UK industry average</li> <li>Integrated development plans with sharing of expertise the norm</li> <li>Industry leading the UK in adoption of sustainable business practices</li> <li>NI brand and values incorporated into all marketing</li> </ul>	<ul style="list-style-type: none"> <li>More accommodation unique to Northern Ireland</li> <li>Several award winning, indigenous boutique businesses</li> <li>State of the art interpretation at Signature Destinations</li> <li>Year round events programme with local artists at the heart</li> <li>Gateways to NI with award winning welcome</li> <li>Locally owned restaurants with rooms using local produce</li> <li>Local food, drink and products available everywhere</li> <li>Local people directly involved in creating the visitor welcome</li> <li>New product coming on stream continuously</li> </ul>

#### 5.9 Summary

The global economic crisis is forecast to depress tourism in 2009 but UNWTO and Visit Britain see a return to growth from 2010 with visitors to Europe returning to their long term trend of growth at +3% per annum.

As Northern Ireland is not a mature tourism destination the strategy has set a more ambitious growth target. Source markets have been analysed to identify those that offer the greatest potential and these will be targeted in marketing activity.

Analysis of the competition highlights the extent to which new technology will be a critical tool in reaching and servicing visitors in the future. The accommodation product needs continuing innovation and there should be investment in fostering the growth of indigenous businesses.

A review of the drivers of change and the impacts on travel has highlighted a number of new market segments and opportunities for Northern Ireland. Some of these will require further research and some will represent opportunities for the medium term as product development will be required before they can be marketed.

Strategic targets have been set so that all partners are clear about the goal and the desired outcomes. The Action Plan identifies what interventions will be required to achieve these targets.

The visitor economy in Northern Ireland has enormous potential. It can be an engine of economic growth, contribute over £1bn, deliver new jobs and offer skills and status to young people. It also has the potential to contribute to creating the new Northern Ireland as people come together to welcome visitors with pride.

### 6: Summary of Priorities and Actions

#### 6.0 Summary of priorities

##### Strategic Goal

As a result of the analysis and consultation it was clear that there is a real aspiration to be ambitious in setting targets for the strategy. It was also evident that there is a real desire to protect the qualities that make Northern Ireland special and unique and that it was critical to involve everyone. It was agreed that the goal of the strategy should be:

“Northern Ireland has set its sights high. We will double the income we earn from tourism by 2020. We will work together to grow tourism for the benefit of all.”

##### The Link with Branding

The development of Northern Ireland as a tourism destination is about more than economic development. The guiding principles for development have been set out in the extensive work done to develop a branding strategy for Northern Ireland. This summarises the qualities that will set Northern Ireland apart from its competitors and can be summed up as being **Visitor Inspired**. The branding strategy sets the framework for Northern Ireland tourism’s product development, experience delivery and marketing communications. The branding strategy vision is to,

**“Create the new Northern Ireland experience and get it on everyone’s destination wish list”.**

Underpinning this vision is a programme of implementation that demonstrates how the story of Northern Ireland will be brought to life by its people. It is recognised that the Northern Ireland Tourist Board (NITB) owns very little of the visitor experience and their role is to inform and empower others to deliver the type of experience that the visitor wants. The Action Plan for this strategy also recognises the role that many partners will play in bringing this vision and the strategic goal to life.

Priorities for Action have been identified under three themes. These are:

- **People**—this sets out how we will work with the people of Northern Ireland to develop a visitor experience that is unique and an industry that has pride and professionalism
- **Product and Places**—this sets out how we will invest in our product and places to make them better for residents and ready to receive the visitors of the future.

Together, these actions will be the building blocks to **Create the new Northern Ireland experience** .

The third theme is:

- **Promotion**—these are the actions we will take, with our partners in Tourism Ireland, to bring new visitors and to welcome back visitors to see a place that is confidently moving on.

These actions will be the building blocks to **Get it on everyone’s destination wish list**.

The strategy is ambitious. We have recognised that we can only realise these ambitions through wholehearted support from industry and government. There is therefore a cross cutting theme:

- **Partnership**– these actions identify the roles and responsibilities of businesses and agencies and set out how we will monitor progress.

*‘Vision without action is merely a dream  
Action without vision just passes the time  
Vision with action can change the world’  
Joel A Barker*

**i. Create the new NI experience**

**People**

- Inspire the people of Northern Ireland to discover and share our stories with visitors
- Inspire the tourism industry to use storytelling in their messages
- Make our visitor welcome personal
- Create immediate impact at major gateways
- Attract talented people into the industry
- Provide a training and development system that is fit for purpose
- Foster high growth, high quality businesses
- Create an environment that encourages entrepreneurs and developers

**Products and Places**

- Complete the development of the 5 Signature Projects
- Define, develop and manage agreed key tourism areas across Northern Ireland
- Make it easy for the visitor to get to and get around Northern Ireland
- Create more opportunities for visitors to spend money
- Invest in infrastructure to support specific development opportunities
- Develop year round events to extend the season
- Exploit the potential of food, drink and local products to enhance the experience
- Ensure that we remain competitive through benchmarking and continuous quality improvement
- Encourage a suitable range and quality of accommodation provision
- Demonstrate commitment to taking care of the environment
- Commit to high quality destination development
- Upgrade interpretation at visitor sites in line with NI tourism brand and best practice
- Focus on the visitor of the future when planning development

**ii. Get it on everyone's destination wishlist**

**Promotion**

- Know the visitor and respond
- Identify the visitor of the future and their needs
- Grow income from visitors through targeted marketing
- Exploit the potential of new media to reach and persuade relevant visitors
- Implement the Business Tourism Action Plan
- Use events to grow out of season business and bring new visitors to Northern Ireland

**Foundation Partnership**

- Achieve cross government commitment to achieving economic growth through tourism
- Define monitoring and reporting arrangements for the Tourism Strategy for Northern Ireland (TSNI)
- Define the critical role of local authorities in creating quality places for residents and visitors
- Develop an agreed structure for working collaboratively with industry and local authorities
- Develop an approach for working collaboratively with public and private sector in key tourism areas
- Establish a partnership with planning to deliver high quality development
- Ensure that the delivery of the strategy is monitored and success communicated
- Invite the tourism industry in Northern Ireland to take a leadership role
- Become champions of tourism

# Northern Ireland Tourism Strategy - Supporting Evidence

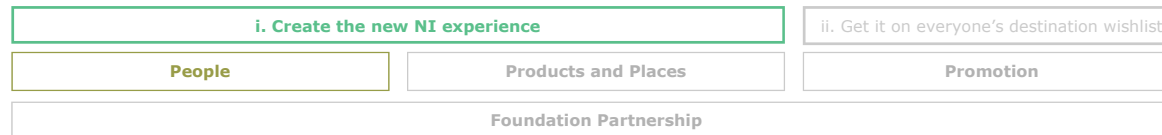
## 6: Summary of Priorities and Actions

### i. Create the new NI experience

#### • People

Inspire the people of Northern Ireland to discover and share our stories with visitors	<ul style="list-style-type: none"> <li>• Develop examples of good practice in interpretation and disseminate to Local Authorities, businesses and other agencies</li> <li>• Extend brand values into all visitor contact across Northern Ireland (including Tourist Information Centres)</li> <li>• Develop and run visitor welcome training material for all parts of Northern Ireland</li> <li>• Develop a campaign to maximise the impact of NI 2012. Campaign to position Northern Ireland as a great place to live, work and visit</li> </ul>
Inspire the tourism industry to use storytelling in their messages	<ul style="list-style-type: none"> <li>• Roll out the Northern Ireland branding and work with businesses to develop linked branding</li> </ul>
Make our visitor welcome personal	<ul style="list-style-type: none"> <li>• Local authorities to actively involve the community in developing and sharing interpretation material</li> </ul>
Create immediate impact at major gateways	<ul style="list-style-type: none"> <li>• Improve welcome and interpretation at major gateways (e.g. pilot project 1 at Belfast International Airport)</li> </ul>
Attract talented people into the industry	<ul style="list-style-type: none"> <li>• Change the perception of tourism held by Northern Ireland residents via an Ambassador Programme and regional teachers careers road shows</li> <li>• Develop education materials for schools and commit to work experience</li> <li>• Identify role models and build a PR campaign around them - link to Great Places to Work &amp; UK Skills Passport campaign. Benchmark best practice in this area with Failte Ireland</li> <li>• Suitable gateway programmes need to be in place to attract from a diverse range of employment pools. These must incorporate the key skills as defined by industry</li> <li>• Develop role of junior chef academy programme</li> </ul>
Provide a training and development system that is fit for purpose	<ul style="list-style-type: none"> <li>• Robust development pathways in place for new entrants to develop skills</li> <li>• Investment in Teachers/Lecturers into industry initiative for schools, further education colleges and universities</li> <li>• Up skilling; develop more flexible/industry focused up skilling solutions to meet industry needs. Review funding support to stimulate interest and uptake. Influence training available to sector by participation in Workforce Development Forum</li> <li>• Work with universities to better link degree programmes to industry needs</li> <li>• Develop management &amp; leadership, customer service and chef skills via Future Skills initiative</li> <li>• Single communications channel - Development of UK skills Passport system is required to ensure employers, employees and potential entrants have access to information on available funded provision for skills and to help encourage continuous professional development in the sector</li> <li>• Work with ROI to learn from their experience regarding skills development in the sector</li> <li>• Improve service standards in the conference and business sector</li> <li>• Improve language skills</li> </ul>

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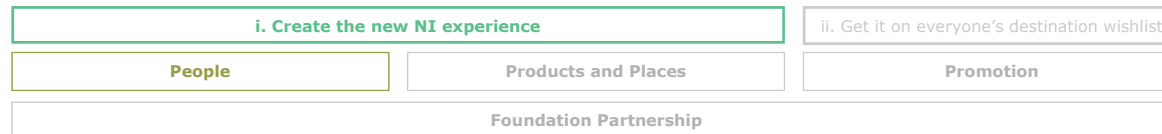
## Northern Ireland Tourism Strategy - Supporting Evidence

### 6: Summary of Priorities and Actions

#### i. Create the new NI experience

#### • People

<p>Foster high growth, high quality businesses</p>	<ul style="list-style-type: none"> <li>• Improve the productivity and quality of existing businesses through targeted intervention - i.e skillsnet initiative in ROI which has established a regional enterprise led training network</li> <li>• Identify high growth businesses and provide mentoring and investment support</li> <li>• Provide professional development to new entrants to the business in rural areas</li> <li>• Invest Northern Ireland to be proactive in targeting customer focussed development</li> <li>• Northern Ireland Tourist Board to be proactive in delivering research led tourism development programme</li> </ul>
<p>Create an environment that encourages entrepreneurs and developers</p>	<ul style="list-style-type: none"> <li>• Ministers to remove 'road blocks' to development</li> <li>• High profile support from government for the sector</li> </ul>



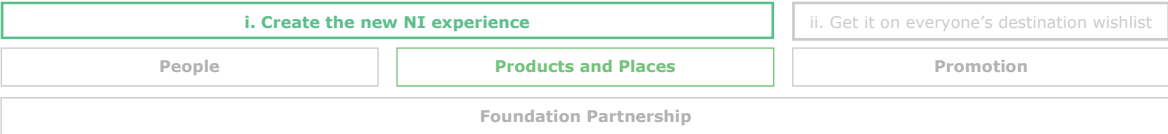
# Northern Ireland Tourism Strategy - Supporting Evidence

## 6: Summary of Priorities and Actions

### i. Create the new NI experience

#### • Products and Places

<p>Complete the development of the 5 Signature Projects</p>	<ul style="list-style-type: none"> <li>• Titanic (Maritime) Belfast: Develop and implement an integrated tourism plan. Develop and implement marketing communications plan for 2012 centenary</li> <li>• Giant's Causeway and Antrim Causeway Coast Area: Encourage the development of the Giant's Causeway Visitor Centre to world class standards. Strategically influence infrastructural development of at least 22 key sites on Causeway Coastal Route</li> <li>• Walled City: Financial assistance to key projects through the Built Heritage Programme. Implement the Lighting Strategy to illuminate the Craigavon Bridge, city walls and key buildings</li> <li>• Mournes: Strategically influence the development of the Mournes by administering financial assistance for infrastructure development</li> <li>• St. Patrick and Christian Heritage: Strategically influence the development of visitor sites and urban centres on the St. Patricks Trail with financial assistance for infrastructure development</li> <li>• Develop linkages and cluster industry across Christian Heritage product throughout Northern Ireland</li> </ul>
<p>Define, develop and manage agreed key tourism areas across Northern Ireland</p>	<ul style="list-style-type: none"> <li>• Develop and implement Tourism Area Plans to:             <ul style="list-style-type: none"> <li>- Increase average daily spend</li> <li>- Increase seasonal spread</li> <li>- Increase employment in tourism</li> <li>- Accelerate the rate of investment in tourism product</li> <li>- Improve the quality of the tourism product</li> <li>- Improve levels of visitor satisfaction</li> <li>- Enhance and conserve the areas natural heritage and cultural assets</li> </ul> </li> </ul>
<p>Make it easy for the visitor to get to and get around Northern Ireland</p>	<ul style="list-style-type: none"> <li>• Develop an access strategy linked to the island of Ireland access plan that identifies critical routes and entry points for visitors</li> <li>• Agree priorities for transport investment, secure funds and implement improvements</li> </ul>
<p>Create more opportunities for visitors to spend money</p>	<ul style="list-style-type: none"> <li>• Local authorities to encourage flexible trading hours</li> <li>• Local authorities to support visitor first enhancements (via planning system) to existing offer</li> <li>• Government agencies to commit to access to land (forests, parks, canals, rivers) for leisure purposes</li> <li>• Tourism Area Plans to identify gaps in visitor offer, identify product clusters and support entrepreneurs in meeting those needs</li> </ul>
<p>Invest in infrastructure to support specific development opportunities</p>	<ul style="list-style-type: none"> <li>• Develop world class links golf facilities</li> <li>• Develop a convention &amp; exhibition facility in Belfast to exploit the potential of business tourism</li> </ul>



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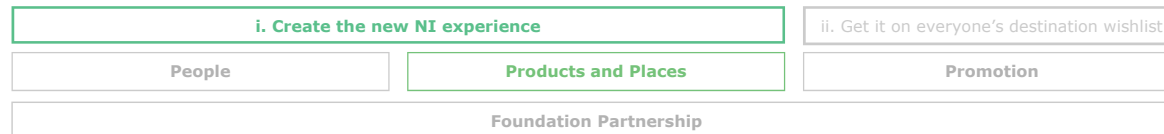
# Northern Ireland Tourism Strategy - Supporting Evidence

## 6: Summary of Priorities and Actions

### i. Create the new NI experience

#### • Products and Places

Develop year round events to extend the season	<ul style="list-style-type: none"> <li>• Create an events programme in co-operation with cities and cultural agencies. Invest in events that bring new business and support the brand messages</li> </ul>
Exploit the potential of food, drink and local products to enhance the experience	<ul style="list-style-type: none"> <li>• Enhance training for practitioners on use of local produce. Develop local supply chains and increase the use of local produce</li> <li>• Support award schemes that celebrate use of local produce</li> <li>• Benchmark visitor feedback and achieve year on year improvement</li> </ul>
Ensure that we remain competitive through benchmarking and continuous quality improvement	<ul style="list-style-type: none"> <li>• Achieve increase in overall star rating of accommodation</li> <li>• Deliver common standards in certification and revised approach to classification</li> <li>• Invest in maintaining and upgrading existing product in line with best practice</li> </ul>
Encourage a suitable range and quality of accommodation provision	<ul style="list-style-type: none"> <li>• Encourage high quality independent accommodation provision</li> </ul>
Demonstrate commitment to taking care of the environment	<ul style="list-style-type: none"> <li>• Develop a green accreditation scheme that suits Northern Ireland and get industry commitment to adopting it</li> <li>• Invest in visitor information to encourage visitors to treat the environment as a precious resource</li> <li>• Embed sustainability into Tourism Area Plans</li> </ul>
Commit to high quality destination development	<ul style="list-style-type: none"> <li>• Agree guiding principles on design standards that the industry and planners can support in line with best practice</li> <li>• Secure a PPS that enables tourism development</li> <li>• Spatial plan and development frameworks to provide a suitable range and quality across key tourism areas in Northern Ireland</li> </ul>
Upgrade interpretation at visitor sites in line with Northern Ireland tourism brand and best practice	<ul style="list-style-type: none"> <li>• Embed an understanding that every new development must add to the sense of place</li> <li>• New media to be used to share stories virtually as well as actually (e.g. pilot project 5 at Carrickfergus and Dunluce)</li> <li>• Audit key visitor sites. Identify and deliver interpretation priorities</li> </ul>
Focus on the visitor of the future when planning development.	<ul style="list-style-type: none"> <li>• Develop product specifications for the needs of each of the target markets</li> <li>• Support exemplar projects with investment and development support</li> </ul>



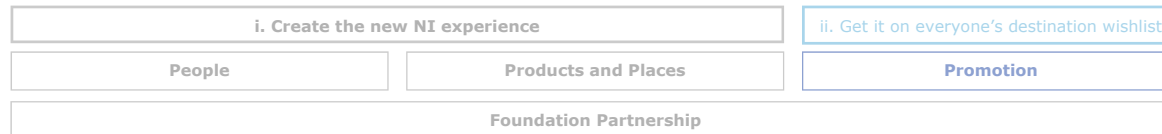
# Northern Ireland Tourism Strategy - Supporting Evidence

## 6: Summary of Priorities and Actions

### ii. Get it on everyone's destination wishlist

#### • Promotion

<p>Know the visitor and respond</p>	<ul style="list-style-type: none"> <li>• Map consumer segments to product and tourism area development</li> <li>• Interpret and disseminate existing market intelligence</li> <li>• Provide insight on new developments from competitor markets</li> <li>• Create a 'feedback loop' from visitor intelligence to product development. Adjust marketing plans in response to intelligence</li> <li>• Implement improvements to annual surveys - NI Passenger survey, UK Tourism Survey, introduce Day Visitor Survey, improve co-ordination with ROI statistics</li> <li>• Improve data on economic impact and performance of tourism (Tourism Satellite Accounts and Public Service Agreement targets)</li> </ul>
<p>Identify the visitor of the future and their needs</p>	<ul style="list-style-type: none"> <li>• Explore the market opportunity for Northern Ireland, in particular in relation to the 'vigorous old', wellbeing, extended families, affluent young and eco tourism markets</li> </ul>
<p>Grow income from visitors through targeted marketing</p>	<ul style="list-style-type: none"> <li>• Short term – focus on closer to home markets with product portfolio of cities, culture &amp; heritage, activities, business visitors</li> <li>• Medium term - achieve target increases from priority markets of GB, US, Germany, ROI. Graduated increase in spend</li> <li>• Medium term - develop product specifications and industry guidance for new markets</li> </ul>
<p>Exploit the potential of new media to reach and persuade relevant visitors</p>	<ul style="list-style-type: none"> <li>• Develop a set of tools that use the potential of new media to influence the visitor before, during and after a visit</li> </ul>
<p>Implement the Business Tourism Action Plan</p>	<ul style="list-style-type: none"> <li>• Grow business tourism through a focus on National Association conferences, corporate meetings and conferences, the incentive market and trade and consumer exhibitions</li> </ul>
<p>Use events to grow out of season business and bring new visitors to Northern Ireland</p>	<ul style="list-style-type: none"> <li>• Integrate the new events programme into marketing campaigns and monitor their success</li> </ul>



## Northern Ireland Tourism Strategy - Supporting Evidence

### 6: Summary of Priorities and Actions

#### • Foundation Partnership

Achieve cross government commitment to supporting economic growth through tourism	<ul style="list-style-type: none"> <li>All relevant government departments to commit to delivering the targets in the strategy and action plan</li> <li>All government departments to agree to prioritising tourism in their corporate priorities and plans</li> <li>All relevant government departments to agree to report on progress to a Ministerial Steering Group</li> </ul>
Define monitoring and reporting arrangements for the Tourism Strategy for Northern Ireland (TSNI)	<ul style="list-style-type: none"> <li>All relevant government departments to formalise working agreements required to deliver tourism strategy</li> <li>Coordinate presentation of progress against TSNI to Minister - 6 monthly</li> </ul>
Define the critical role of local authorities in creating quality places for residents and visitors	<ul style="list-style-type: none"> <li>Develop Tourism Area Plans that identify product clusters, link to and support the overall strategy</li> </ul>
Develop an agreed structure for working collaboratively with industry and local authorities	<ul style="list-style-type: none"> <li>Ensure that tourism is recognised as a key economic driver within new Local Authority Structures</li> </ul>
Develop an approach for working collaboratively with public and private sector key tourism areas	<ul style="list-style-type: none"> <li>Define collaborative approach to tourism delivery</li> </ul>
Establish a partnership with planning to deliver high quality development	<ul style="list-style-type: none"> <li>Involve planning departments in Tourism Area Plans</li> </ul>
Ensure that the delivery of the strategy is monitored and success communicated	<ul style="list-style-type: none"> <li>Regular meetings chaired by Minister to review progress</li> </ul>
Invite the tourism industry in Northern Ireland to take a leadership role	<ul style="list-style-type: none"> <li>Facilitate the creation of a Northern Ireland Tourism Forum to challenge progress on the strategy</li> </ul>
Become champions of tourism	<ul style="list-style-type: none"> <li>Ensure that tourism is at the heart of the Northern Ireland economic debate</li> </ul>

i. Create the new NI experience

ii. Get it on everyone's destination wishlist

People

Products and Places

Promotion

Foundation Partnership

7: Appendices

Appendix 1

**Where will tourism growth in Northern Ireland come from?**

**1. Domestic Tourism**

In 2008, there were 1.2m domestic trips taken in N.Ireland. This represents 0.7 trips per head of population. Apart from Wales, this is the lowest ratio in the table (Fig 7.0).

Projections for Northern Ireland (NI) population are that it will reach 1.911m in 2020.

If domestic visits could reach just the level of Yorkshire and South East England of 0.78 per capita this would equate to 1.49m trips, growth of approximately 2% per annum.

If it could reach a level of 1 trip per capita 1.91m trips in 2020 would be a growth of 5% per annum (Fig 7.1).

**2. Republic of Ireland (ROI) Market**

Recent years have seen a strong growth in visitors from the Republic rising to 367,000 in 2008, but the growth has only kept pace with the total outbound figures, with NI taking a 4.7% share of all ROI trips, compared to 4.6% in 2004. Furthermore, from a population of 4.2m, it still represents less than 0.1 trips per head of population whereas almost 600,000 trips are taken the other way, or each resident of NI pays 0.34 trips to ROI.

2009 may well do better with the currency attractiveness more than offsetting the downturn in general travel and the opportunity is to build further on this in the next decade. If the number of trips per capita could be built to the same level as in the other direction, with the population projected to grow to 5.45m by 2021, this would generate a massive 1.85m trips from the Republic equivalent to almost 20% growth p.a.; even to get to 0.2 trips per head would lead to over 1m trips.

The potential from ROI has to be great.

	Domestic Trips	Population	Trips per capita
Northern Ireland	1.204m	1.72m	0.70
Scotland	6.226m	5.1m	1.22
England	91.987m	50.43m	1.82
Wales	1.586m	2.96m	0.54
SW England	6.73m	4.93m	1.37
Yorkshire	3.75m	4.96m	0.76
SE England	6.26m	8.0m	0.78

Fig 7.0

Population in 2020	Trips per Capita	Domestic Trips	% growth p.a. 2010-2020
1.911m	0.78	1.49m	2%
1.911m	1.0	1.91m	5%
1.911m	1.2	2.29m	7%

Fig 7.1

**3. Great Britain (GB) Market**

The GB market still represents over 60% of the out of state visitors to Northern Ireland but the numbers have not grown over the last 5 years (which is also true of GB visitors to ROI). Achieving growth from the GB market is a priority as it is core to the success of the whole strategy. Tourism Ireland has reviewed the market and developed a new plan for growth. This envisages growth of 3% per annum from GB into Northern Ireland.

**4. The European Market**

The ROI attracts almost 10 times as many visitors from Europe as Northern Ireland. Even in the high volume markets of Germany and France the ratio is high, as it is for

Italy and to a lesser extent for Netherlands and Spain.

A similar comparison can be made with international visitors to Scotland: although Scotland attracts 5 times as many visitors from outside the British Isles as NI does, it attracts between 6 and 7 times as many from the high volume

European markets. (All these figures are based on an average of the 2006-2008 to smooth out some of the volatility in the data).

Included within other Europe is Poland, which has provided a large number of visitors to both ROI and Scotland over the last few years, but is not broken out in the NI data (Fig 7.2).

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7: Appendices

Appendix 1 (Continued)

There appears to be growth potential from Germany, France, Italy and Netherlands with Spain a little less so (these 5 plus Sweden are the top priority markets for Tourism Ireland from mainland Europe)

5. Long-Haul Markets

A similar analysis of long-haul markets suggests Northern Ireland does better among the main markets (although the ROI still significantly outperforms in attracting visitors from the US) and there is less growth to go for; "Rest of World" appears to be an opportunity but this is fragmented over a number of markets of which Japan is the biggest and would not provide large numbers (Fig 7.3).

CONCLUSIONS

The markets offering best opportunity for growth are:

- **ROI, Germany, US, GB**

Second-tier opportunities are:

- **France, Italy, Netherlands, Rest of Europe and Domestic and Spain**

Market	000 Visitors to NI (2006-2008 avg)	Ratio of ROI to NI	Ratio of Scotland to NI
Europe Total	245	10.0	5.9
Germany	46	9.4	6.1
France	35	11.1	6.3
Italy	21	11.9	6.8
Netherlands	21	7.3	6.5
Spain	38	6.1	3.8
Others	84	11.8	6.1

Fig 7.2

Market	000 Visitors to NI (2006-2008 avg)	Ratio of ROI to NI	Ratio of Scotland to NI
USA	121	7.6	3.4
Canada	35	2.8	2.9
Australia/NZ	54	2.7	2.7
Rest of World	21	8.3	12.9

Fig 7.3

7: Appendices

Appendix 2

**Using scenarios to think about the future**

The purpose of a scenario is to paint a simple picture of the future to help people think about some “what if?” questions. The question we would like you to explore is to do with growing tourism in Northern Ireland. The first part of the discussion looks at the question, “How quickly do we want to grow tourism?”

The second part will look at what will be needed to help tourism grow.

In this exercise we have described four options for you to think about and discuss. The real world is not that simple and there are many possible scenarios. The four scenarios selected show different outcomes based on past tourism performance and have been given a name for ease of reference.

All four scenarios assume that 2009 and 2010 will be difficult years due to the economic climate. All four scenarios are at today’s prices and ignore inflation.

**Scenario 1 “Track average growth”**

Highly respected organisations, such as the United Nations World Tourism Organisation, research tourism trends around the world and make long term forecasts for tourism growth. Their current forecast for visitor growth to Europe is annual growth of +3%.

This scenario assumes that the last 10 years in Northern Ireland has been a period of ‘catch up’ and that we have now caught up. It is therefore time to plan on the basis of a more settled level of growth and aim to do as well as the rest of Europe from 2010 to 2020. The impact of this would be:

- The number of visitors would rise from 3.2m to 4.4m
- Earnings would rise from £536m to £720m

- Direct tourism earnings would account for 2% of the economy
- Approximately 4,000 more rooms/units needed
- The ratio of visitors to residents would rise from 1.9:1 to 2.5:1
- An additional 4,600 jobs would be created

**Scenario 2 “Emerging tourism destination”**

Northern Ireland’s tourism grew very slowly between 1967 and 1997, but once the political and economic conditions improved it grew much more quickly. In that sense Northern Ireland is more like some “new” eastern European countries that grew rapidly as their borders opened up.

This scenario assumes that the fast growth that was experienced between 2002 and 2007 in Northern Ireland is just the beginning of a ‘catch up’ period. This catch up still has a long way to go and we should aim to keep growing at this rate from 2010 through to 2020. The impact of this would be:

- The number of visitors would rise from 3.2m to 5m
- Earnings would rise from £536m to £890m
- Direct tourism earnings would account for 2.2% of the economy<sup>1</sup>
- Approximately 6,000 more rooms/units needed
- The ratio of visitors to local residents would rise from 1.9:1 to 2.8:1
- An additional 9,000 jobs would be created<sup>2</sup>

**Scenario 3 “Ambitious growth”**

Northern Ireland has done well in the last 10 years but it is just the beginning. In that time major investments have been made and some of the benefits of that investment will only be realised in the future – the Signature Projects are a good example of this. The country also benefits from some very large markets on the doorstep that have potential to grow.

In view of this and the level of investment, Northern Ireland should be more ambitious and regard the last 10 years as just the start of a transformation. The country should set its sights high and aim to double tourism in the 10 years 2010 to 2020. The impact of this would be:

- The number of visitors would rise from 3.2m to 6.4m
- Earnings would rise from £536m to £1054m
- Direct tourism earnings would account for 2.6% of the economy
- Approximately 10,000 more rooms/units needed
- The ratio of visitors to residents would rise from 1.9:1 to 3.6:1
- An additional 13,000 jobs would be created

**Scenario 4 – “Tourism as an engine of the economy”**

Many countries have identified tourism as an engine of economic growth and have invested heavily in the sector with the aim of creating jobs and widening the base of their economy away from a reliance on raw materials, agriculture or manufacturing. At present direct tourism earnings account for approximately 2% of output in Northern Ireland. This is low compared with the UK contribution of 3.7% of output. Northern Ireland could make the tourism sector a priority and aim to double the sectors contribution from 2% to 4%.

The impact of this would be:

- The number of visitors would rise from 3.2m to 10m
- Earnings would rise from £536m to £1665m
- Direct tourism earnings would account for 4% of the economy
- Approximately 22,000 more rooms/units needed
- The ratio of visitors to residents would rise from 1.9:1 to 5.7:1
- An additional 28,000 jobs would be created

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<sup>1</sup> Assumes economy grows by 3% per annum from 2010  
<sup>2</sup> Assumes 1 job created from £40,000 visitor spending – Visit Britain research

## Northern Ireland Tourism Strategy - Supporting Evidence

### 7: Appendices

#### Appendix 2 (Continued)

##### **Task**

Review these four scenarios and discuss the advantages and disadvantages of each. Record these on a flipchart.

##### Summary Table

Scenario	Visits	Earnings	Economy	Rooms	Ratio of visitors	Jobs
Track average growth	4.4m	£720m	2%	4,000	2.5	4,600
Emerging tourism destination	5m	£890m	2.2%	6,000	2.8	9,000
Ambitious growth	6.4m	£1054m	2.6%	10,000	3.6	13,000
Engine of the economy	10m	£1665m	4%	22,000	5.7	28,000

Fig 7.4

The conclusion reached as a result of consultation was that the majority of stakeholders favoured the 'Ambitious Growth' scenario, with 'Engine of the Economy' as the second option. This illustrated a real sense of ambition on the part of the industry.

Concern was expressed about the impact of the increased numbers of visitors on the quality of the experience and the level of development required. The scenario was therefore adopted as the preferred scenario but amended to reflect lower growth in numbers. This still provided Northern Ireland with ambitious growth in income via a strategy of increasing quality and visitor spending at all levels.

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Appendix 3

**Tourism Delivery Structures**

**Objective:** To work towards greater collaboration and reduced duplication between regional and local tourism activities.

**The Tourism Strategy for Northern Ireland**

The development of the Tourism Strategy for Northern Ireland (TSNI) is a real opportunity to restate the importance of tourism to Northern Ireland and signal a new beginning, a new charter for tourism.

This is more than just informing the tourism family, although that is clearly vital to success. It is an opportunity to engage with a wider audience (politicians, professionals and the public) and paint a picture of how tourism will be managed for the benefit of Northern Ireland as a whole and demonstrate how all the different interests can play a part in its management, planning and marketing and define roles and responsibilities more clearly.

**A simpler, more transparent structure based initially on a clear 2 tier system**

Northern Ireland is small both in terms of size and resources. Whilst, it is possible to focus on tourism at many different levels from individual enterprises upwards, for the sake of clarity future destination management and marketing activity (in line with the Review of Public Administration) should begin with a focus at just two levels, national and local.

Continued page 37

**Current Responsibilities for Tourism Development in Northern Ireland**

<b>STRATEGIC TOURISM CONTEXT</b>		
<p align="center"><b>Department of Enterprise, Trade and Investment (DETI)</b></p> <p align="center">Lead Government Department for tourism in Northern Ireland. Responsibilities include:</p> <ul style="list-style-type: none"> <li>• Development of tourism policy (including targets and priorities);</li> <li>• Bringing forward, and amending, enabling tourism legislation;                             <ul style="list-style-type: none"> <li>• Securing funding for tourism; and</li> </ul> </li> <li>• Obtaining Executive buy-in for tourism policy and priorities.</li> </ul>		
<p align="center"><b>Other Government Departments</b></p> <p align="center">Department of Employment and Learning (DEL) – Department of Agriculture and Rural Development (DARD) – Department of Social Development (DSD) – Department of the Environment (DOE) – Department of Culture, Arts and Leisure (DCAL) – Department of Regional Development (DRD)</p>		
<p align="center"><b>Northern Ireland Tourist Board</b></p> <p align="center">Lead agency for tourism development in Northern Ireland. Advises DETI on tourism policy matters and is responsible for the development of the tourism sector in Northern Ireland and its promotion on the Island of Ireland.</p>	<p align="center"><b>Tourism Ireland</b></p> <p align="center">Responsible for the overseas promotion of the island of Ireland as a tourism destination and supports Northern Ireland to realise its tourism potential.</p>	<p align="center"><b>Invest Northern Ireland</b></p> <p align="center">Responsible for tourism accommodation grants and business support to the tourism sector for 'client companies'.</p>
<b>LOCAL TOURISM DELIVERY</b>		
<p align="center"><b>Local Councils</b></p> <p align="center">Take the lead on tourism strategy and development within their council boundaries. This includes:</p> <ul style="list-style-type: none"> <li>• local marketing,</li> <li>• local product development; and</li> <li>• local infrastructure development and enhancement.</li> </ul>	<p align="center"><b>Regional Tourism Partnerships and Other Bodies</b></p> <p align="center">Co-ordinate some of the marketing and product development efforts on behalf of various local Councils and the private sector.</p>	<p align="center"><b>Private Sector</b></p> <p align="center">Provision of all those facilities and services essential to tourism eg accommodation, things to see and do, standards of service etc.</p>

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Appendix 3 (Continued)

**Tier 1:**

**National level – Setting the strategic direction**

Primarily the Role of Department of Enterprise, Trade and Investment (DETI) supported by the Northern Ireland Tourist Board (NITB).

**DETI Role**

- Ongoing development of strategic policy
- Securing the support of other government departments in the implementation of the Tourism strategy
- Securing necessary funding for implementing the Tourism Strategy.

**NITB ROLE**

- Lead development of TSNi
- Marketing of NI in Rol
- Reviewing strategic priorities for tourism
- Provision of a marketing framework for NI
- Single Destination Management System
- Product Plans for key products
- Visitor Experience framework
- Research, insights, template for Tourism Area Plans
- Fund strategic priorities of NI significance at regional level through Tourism Development Scheme, Innovation, Marketing and Events programmes
- Advising DETI on tourism policy matters

**Tier 2**

**Local level – Developing the Infrastructure and Delivering the Experience**

Local Authorities have played a crucial role in tourism over many years and will continue to play a crucial role under the new Review of Public Administration arrangements. For many of them tourism plays a fundamental role in economic

development strategies, and many have dedicated tourism officers with roles that range in size and scope.

**LOCAL AUTHORITY ROLE**

- Development and implementation of Tourism Area Plans
- Local area marketing in line with national framework
- Investing in local product development ( parks, museums, attractions, events and festivals, etc.)
- Providing, maintaining and improving infrastructure (roads, cycle and walking routes, car parks, toilets, signage, lighting, parks and open spaces etc.)
- Guarding and enhancing the environment
- Directly running attractions (parks, museums, galleries etc.)
- Statutory duties (planning – including community planning and local area planning)
- Visitor Information, Tourist Information Centres, orientation & interpretation.

**Development & Management of Key Tourism Areas**

**Develop, Cluster and Promote**

Whilst a destination can be defined from the point of view of the visitor it can also be defined from the perspective of the local tourism industry

Destinations will usually have a critical mix and mass of facilities and services aimed at visitors such as accommodation and attractions. They are defined by coherency and based on a well-defined geographic area that is easily recognised and understood by external and internal markets where it is natural for people to work together.

They commonly have some unifying physical characteristic or natural boundary but could be a village, a city, seaside resort, stretch of coast or area of countryside that straddles a council boundary. They can vary considerably in size and it is possible for destinations to nest within a larger destination.

For Northern Ireland, these ‘destinations’ or ‘tourism areas’

will be the building blocks of tourism and should be challenged to:

- Increase tourists' average spend and increase daily visitor spend within the area.
- Increase visits throughout the year, not solely in the main holiday season to the area.
- Increase employment in tourism and tourism-related businesses in the area.
- Accelerate the rate of investment in the tourism product in the area
- Improve the quality of the tourism product in the area
- Improve levels of visitor satisfaction in the area
- Enhance and conserve the area's natural, heritage and cultural assets

The following areas are proposed as examples of ‘key tourism areas’ for Northern Ireland:

1. Belfast
2. Fermanagh Lakelands
3. Londonderry
4. Lough Neagh
5. Strangford
6. Causeway Coast and glens
7. Mourne
8. Sperrins
9. Armagh

It is recognised that these areas have different product strengths, weaknesses and are all at different stages in the product portfolio development life cycle.

To successfully develop and promote product within and across these areas will require co-ordination of all the activities and services which impact upon the visitor and their enjoyment of these key destinations.

Although there are already collaborations and action plans etc in place across a number of these areas, it is recommended that **Tourism Area Plans** are developed for all of the proposed areas that focus on 3 key themes:

## 7: Appendices

### Appendix 3 (Continued)

(1) **Product Development** – ensuring that there is investment in product on the ground to deliver a visitor experience in line with the national priorities and brand aspirations.

(2) **Product Clustering** – pulling together product across the spectrum including accommodation, food and drink, visitor attraction and activities that will provide a complete tourist experience within the area and across Northern Ireland where natural synergies exist.

(3) **Product promotion** – ensuring that the product is being effectively marketed to the target audience ( in GB/O/seas a partnership approach with Tourism Ireland is required).

In the first instance, development of Tourism Areas Plans will be about quite loose partnerships, formed as a coming together of the local authority(ies) on the one hand and private sector tourism association(s) on the other.

#### **Product Development**

All would have to agree to delivering a specified range of activities within the Area Plan which are in line with the national priorities in order to qualify for future support and funding from NITB.

#### **Product Promotion**

It is recommended that NITB develop and provide a national marketing framework and umbrella brand for specific promotional activity of each tourism area. A consistent 'lead in' will strengthen the internal coherence of the overall Northern Ireland image and drive brand equity.

NITB will ring fence up to 25% of its core marketing allocation to be match funded by the key tourism areas for tourism area specific campaigns which NITB will deliver alongside its wider marketing and promotional campaigns.

#### **Tourism Area Organisation**

It is likely that there will eventually need to be some sort of formalised structure for the private sector to proactively engage alongside the local authority(ies). However, it is the responsibility of the local authority to decide the most suitable model for their area.

The precise constitution of a structure could vary according to local circumstances and the strategy should not recommend one structure for all areas.

However, in order to be successful, NITB would suggest that each area should have a tourism expert/champion to coordinate the stakeholders and delivery of the agreed priorities within the tourism area plan.

#### **NITB Support**

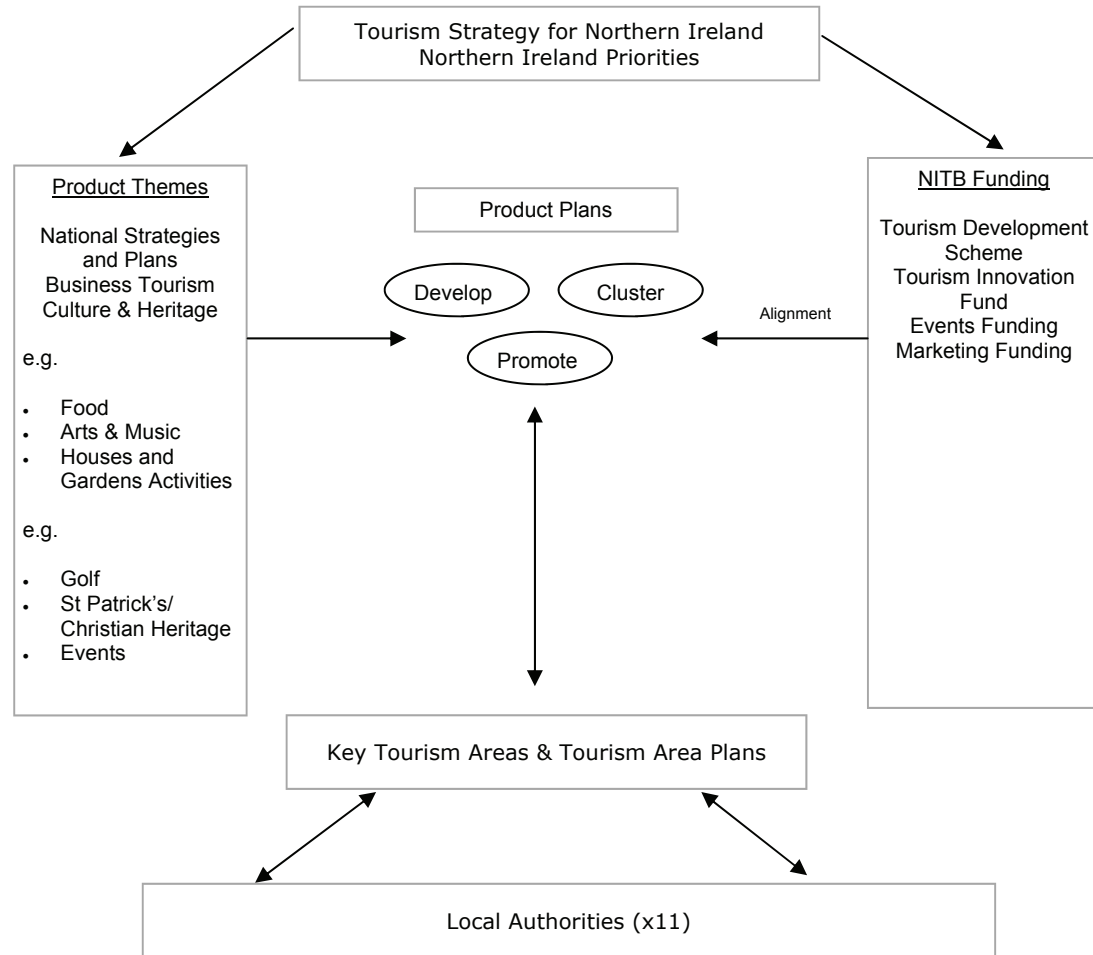
NITB will:

- (i) work to establish and manage good relationships with major area players including large hotel chains, major attractions and key transport operators in each of the areas.
- (ii) provide a suite of tools for the industry including template plans, branding toolkits, insights, expertise, destination management system and plan implementation support with proportionate funding to deliver;
- (iii) work in partnership to prepare the area tourism plan and will review regional strategic priorities and progress on a regular basis;
- (iv) lead and co-ordinate the implementation of strategic research and trend analysis to guide long term future planning for the area.
- (v) work to ensure that all of the area plans are consistent and complementary.

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Appendix 3 (Continued)



7: Appendices

Appendix 4

**Earning more from visitors**

**Background**

A key issue that was identified at the start of strategy development was the fact the Northern Ireland was earning less from visitors than competitor countries. Changing Northern Ireland's performance in this area has been one of the foundations of the development of the strategy. It underpins the 10 year targets and will require a single minded focus on improving earnings.

To try and understand the issue the data was examined to explore a series of questions.

**Could the lower performance be due to an underperformance in the domestic market?**

**Answer:** No

(Fig 7.5) is a like for like comparison and shows that Northern Ireland performs better than Wales in its 'take' from home visitors and close to, but not quite matching, the performance of Scotland and England.

**Domestic Tourism: Spend per Visit**

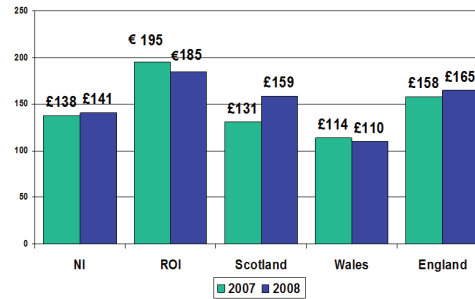


Fig 7.5

Source: UKTS and Failte Ireland

**Can we compare like with like for out of state visitors – and does this change the picture?**

**Answer:** We have been able to do a like for like comparison, but it does not change the picture.

(Fig 7.6) shows the performance if you exclude domestic spending from the picture for each country. This confirms that N.I. is on a par with Wales in earnings, but doing significantly worse compared to England, Scotland and the Republic of Ireland.

**Out Of State : Spend per Visit**

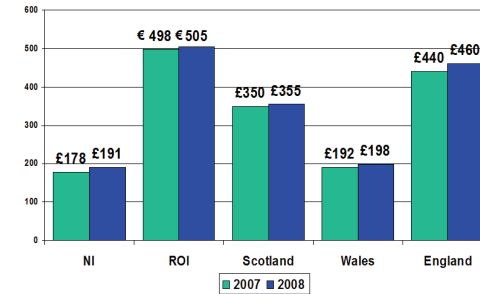


Fig 7.6

Source: NITB/Failte Ireland/VisitBritain/VisitScotland/VisitWales

(Fig 7.7) shows the performance in the 'international' market. This is where we exclude some of the political complications that arise as a result of land borders and just look at how we do excluding the British Isles. This is probably the most worrying chart as the gap in performance is so significant, with Northern Ireland earning less than half the amount earned by England Scotland and the Republic of Ireland.

**Visitors from Outside the British Isles Spend per Visit**

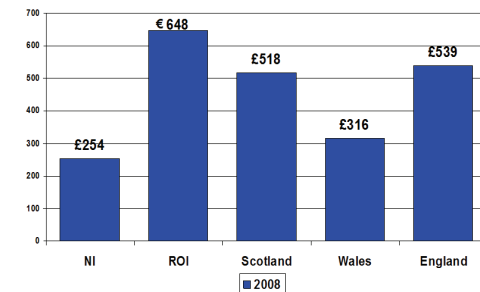


Fig 7.7

Source: NITB/Failte Ireland/VisitBritain

7: Appendices

Appendix 4 (Continued)

**Could this be accounted for by a higher share of Visiting Friends and Relatives (VFR) that typically spend less?**

**Answer:** No. The share of vfr in the 'international' (excluding Great Britain and Republic of Ireland) market is 31% for the UK and 34% for Northern Ireland.

**Could this be accounted for by a change in the length of time visitors are spending in Northern Ireland?**

**Answer:** No.

(Fig 7.8) shows the trend in length of stay and this indicates a minimal change.

(Fig 7.9) and (Fig 7.10) look at this issue in terms of our competitors. This indicates that length of stay has been dropping a little in the competitor set, but they have still been increasing earnings. This suggests that their performance in terms of 'take' per visitor has been getting better.

Trend in length of stay and spend per night (Out of State visitors)

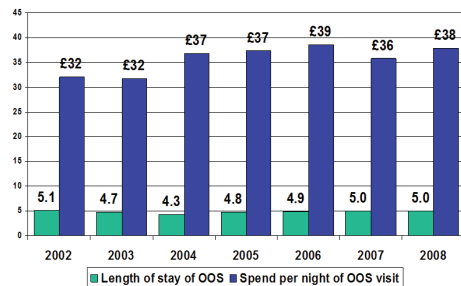


Fig 7.8

Source: NITB

Length of Stay by all out of state staying visitors

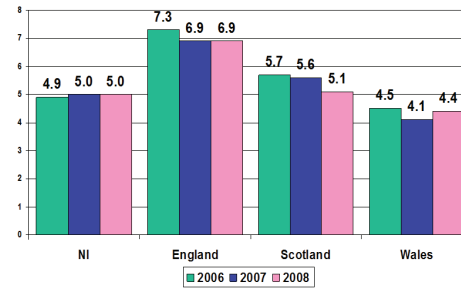


Fig 7.9

Source: NITB/VisitBritain/Office for National Statistics

Spend per Night by all out of state staying visitors

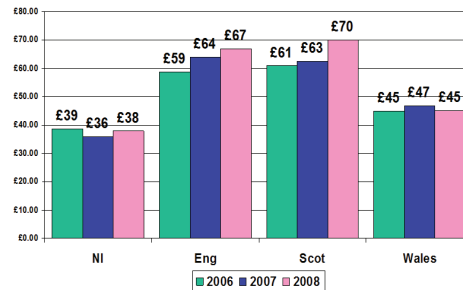


Fig 7.10

Source: NITB/VisitBritain/Office for National Statistics

**Can we break this down by source market? Does it change the picture?**

**Answer:** Yes we can. There have been some changes but they do not alter the overall picture. (Fig 7.11, 7.12 and 7.13) show the pattern of length of stay and earnings. These look at the GB market (Fig 7.11) the British Isles (GB and the Republic of Ireland Fig 7.12) and international (all visitors excluding domestic and British Isles Fig 7.13)

If we look at these in terms of the 'best' performance – this is where some growth in earnings has been achieved despite a drop in length of stay – this is in the market from the Republic of Ireland to Northern Ireland. This is probably accounted for by the exchange rate. The 'worst' performance has been from the GB market.

GB Market

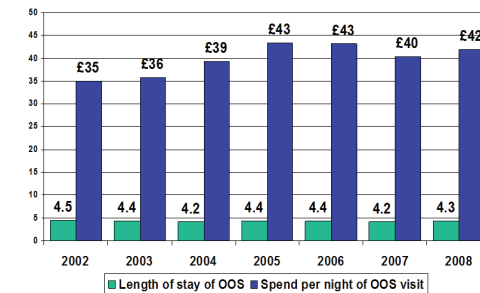


Fig 7.11

Source: NITB

Continued page 42

7: Appendices

Appendix 4 (Continued)

Conclusions

The conclusion is that there needs to be a focus on solving several problems.

- Limited opportunities to spend
- Not enough cross selling and up selling
- Not enough quality products in the market place
- A system that does not facilitate innovation
- Generic marketing that does not target segments with spending power

British Isles Market

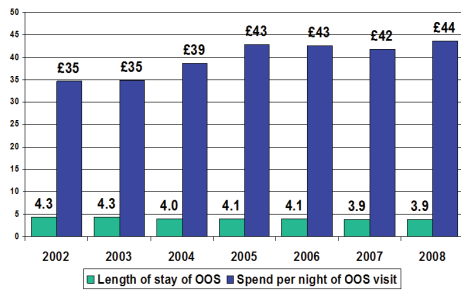


Fig 7.12

Source: NITB

International Market

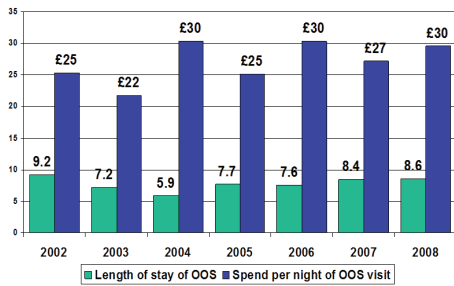


Fig 7.12

Source: NITB