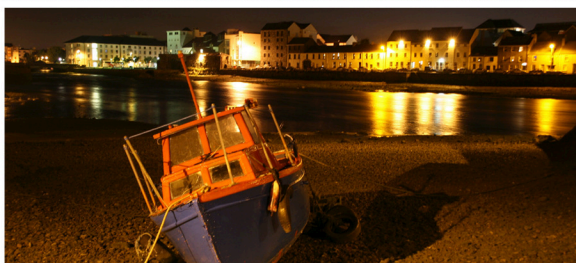
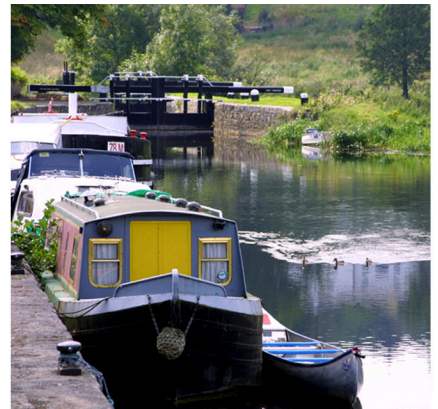
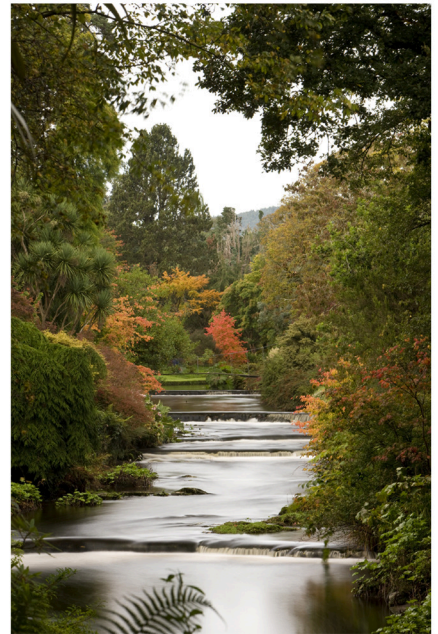


Tourism Barometer



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1. Headline Findings

Background to the Tourism Barometer

The Fáilte Ireland Tourism Barometer is a survey of tourism businesses designed to provide insight into tourism performance for the year to date and prospects for the remainder of the year / for the following year.

We received 397 responses to an online survey with tourism businesses in November and December 2015 and conducted 150 top-up telephone interviews. We also conducted eight qualitative interviews with senior industry executives. More details on the methodology can be viewed in appendix 1.

Business Sentiment Index (year to date and prospects for the year ahead)

	2007	2008	2009	2010	2011	2012	2013	2014	2015
Up	45	14	15	28	39	48	68	75	80
Same	24	18	11	25	31	26	21	17	18
Down	31	68	74	47	30	26	11	8	4

Base: Accommodation Providers (weighted to available rooms)

- 1.1 The above Business Sentiment Index shows continued improvement for the tourism industry in Ireland, highlighting the country's positive tourism performance.

Another buoyant year for the paid serviced accommodation sector

- 1.2 The paid serviced accommodation (PSA) sector enjoyed a very strong year. The majority (82%) of PSA businesses¹ have seen more visitors in 2015 compared to the previous 12 months.
- 1.3 PSA businesses – hotels, guesthouses and B&Bs – have shown improvements across the board. Leading the way are the hotels, of which 84% report more visitors in 2015, followed by guesthouses (78%) and B&Bs (69%).
- 1.4 The positive results in 2015 are reflected in both the domestic and the overseas markets. Most (72%) PSA businesses have received more visitors from the Republic of Ireland than in 2014, and a similar proportion (79%) have received more visitors from overseas. The domestic market has been helped by an improved economy, while exchange rates in favour of the dollar and the

¹ PSA results are weighted in accordance with the available rooms in the hotel, guesthouse and B&B sectors

pound against the euro are believed to have contributed significantly towards increased visitors from Britain and America.

- 1.5 The Northern Ireland market had been quiet in recent years, but in 2015 there has been an upturn in visitors. About half (51%) of PSA business have seen more visitors from Northern Ireland in 2015.

Self-catering sector benefitting greatly from increased overseas visitors

- 1.6 Close to two thirds (63%) of self-catering businesses have welcomed an increase in visitor numbers in 2015, with a further three in ten (29%) seeing the same level of visitors. The overseas market, in particular, has shown strong growth, with 83% of businesses reporting more visitors from abroad.

French guests in Irish hostels on the increase

- 1.7 Guests sleeping in Irish hostels in 2015 may well have found themselves sharing a room with French visitors. About two in three (64%) hostels say they have had more French visitors.
- 1.8 Overall, around three quarters (73%) of hostels have seen an improvement in visitor numbers compared to 2014.

Attractions proving to be just the ticket

- 1.9 A high proportion (73%) of attractions have enjoyed a very good 2015 as they report more visitors to their site. The overseas market has been strong for attractions, with 72% reporting an increase in numbers, and 57% have seen more domestic visitors.

Appetising increase in covers for restaurants

- 1.10 Six in ten (60%) restaurants have served more hungry customers in 2015 than they did in 2014. As with all other sectors, the overseas market has given a welcome boost, with 57% of restaurants seeing an increase in visitors from outside the island of Ireland.
- 1.11 Half (50%) of restaurants have seen more customers from Britain, thanks in part to an exchange rate in favour of sterling.

Time to add a new focus

- 1.12 Over the past few years, a confidence has been spreading through the tourism industry as the number of visitors increase year-on-year. The domestic economy has continued to improve, initiatives such as the Wild Atlantic Way and more recently, Ireland's Ancient East have boosted trade and morale.
- 1.13 The industry is now somewhat 'relaxing' into that confidence and is starting to look past the anxiety of rebuilding visitor numbers. Instead, greater attention is being turned to improving the visitor experience.

2. Qualitative Findings

We have conducted eight depth interviews with industry leaders (see appendix 1 for more details). The main findings from these interviews are discussed below.

Excellent year for tourism – with double-digit growth for some

- 2.1 The last five years have seen continued improvements in visitor numbers and mood for the tourism industry in Ireland. Not only has there been a recovery of the industry, but there has also been a recovery of Ireland's reputation abroad.

“We've seen a steady improvement over the last five years”

“A recovery of our image overseas is a big factor in the growth”

- 2.2 At the end of 2015, industry leaders reflect on a very good year that has seen an overall growth of more than 10% for some.

“The year has been good – the organisation is up 12%”

“The latest numbers I've got show we're up around 10% across the board, which is excellent as we were expecting moderate business increase”

Key European markets flock to Ireland

- 2.3 Leading the way for many in the tourism industry, European markets – especially France and Germany – have performed very well for some sectors.

“The German market was quite strong, the French market was good - all European markets were good”

“All key markets in Europe good - Germany, France, Great Britain, Spain and Italy are all good, which is mirrored in overall figures for the country”

“It's been very strong, there has been a tremendous rise in overseas visitors”

Strong sterling and dollar rates have seen an influx from Britain and America

- 2.4 Fluctuations in exchange rates have fallen in favour of British and American visitors changing their pounds and dollars into euros. As a result, and also thanks to improving global economies, Ireland has welcomed an increased number of visitors from these two nations in 2015.

“There is strong demand from USA thanks to strong currency rates. We've seen 60% transatlantic growth in the last five years”

“The British market has been particularly strong, we think because of the sterling, which would have driven that market”

Ireland’s tourism marketing initiatives are on track

- 2.5 Praise has been showered on programme areas and tourism initiative across Ireland, as industry leaders note the positive impact they have on inbound tourism.

“The marketing of Fáilte Ireland and Tourism Ireland has been very focused in recent years”

- 2.6 In particular, the Wild Atlantic Way continues to be a big draw to potential visitors – especially those from overseas. Not only have the ideas been solid in concept, but the joined-up marketing is enticing people to take their holidays and short breaks in Ireland.

“The marketing of the Wild Atlantic Way was a huge help this year, so the continued promotion of that. Keep those big selling tourist destinations going”

“The overall promotion of Ireland overseas has been very well executed and broader concepts such as Wild Atlantic Way and Ireland’s Ancient East are well thought out and will have longevity”

“The Wild Atlantic Way has caught the imagination especially in France and Germany – it’s been a strong hook”

Great expectations for 2016

- 2.7 Industry leaders are very hopeful for further increases in visitors in the next 12 months. Along with the continuing upwards trend, the number of people starting to book ahead is rising.

“Forward bookings are better, people are booking earlier. There is a definite trend towards forward bookings and we’re more or less at capacity for July and August”

“There has been a significant increase in booking ahead, which is a good indicator”

“Next year is looking very strong at this stage”

The roots of confidence are growing deeper...

- 2.8 Over the last few years, the mood of tourism businesses in Ireland has cautiously been improving. Now, what started out as tentative optimism is becoming more sure and rooted within the industry.

“Business has been good for our members, it’s been another promising year”

- 2.9 This has been helped, in part, by Ireland being increasingly perceived by overseas visitors as a value-for-money destination.

“For inbound tourism, the Republic of Ireland has improved in recent years in terms of price and quality perception”

... but wary of the need to protect the future of tourism

- 2.10 Industry leaders, happy with the improvements seen in recent years, are keen to make sure the growth is sustainable. This, they suggest, should be tackled by two issues that are starting to creep into the market: capacity and price.

- 2.11 Some believe there is a need for more accommodation in Ireland, especially in Dublin. With a perceived shortage in hotels and other accommodation, prices are starting to rise – an issue that is concerning for some.

“There is a shortage of hotels in the Dublin area which will drive up prices. We need more capacity. Congestion drives up pricing – that can affect price perception and we can go back to perception of bad value”

“Capacity and price are the two big issues going forward... there just aren’t enough hotels and spaces for the growing markets. Rising prices are of concern also, but you can’t even have the conversation about price when you can’t get the space”

- 2.12 Maintaining a competitive edge is essential if Ireland wants to remain a sought-after destination. Keeping an eye on inflation is key if the country is to retain its value perception.

“We need to maintain the competitiveness of our industry”

“We’re now seeing creeping inflation coming into costs, so the key thing is for us to remain competitive”

Help the Midlands

- 2.13 One area that is not growing at the same rate as the rest of the country is the Midlands. While there is still a rise in the number of visitors in the middle of the country, some believe more should be done to drive people to explore the region.

“We seem to have different projects running at different speeds and destinations in the country that are steaming ahead. For example Dublin is steaming ahead and we’re pumping more money into that, but why would we do that when we have other regions that are not performing well”

“Business is generally up, although the Midlands isn’t seeing the increase as other areas and parts of the south east”

Visitors are now coming – so improve their experience

- 2.14 The industry is much more confident in the number of visitors holidaying and taking short breaks in Ireland. So now there is a belief that more should be done to improve the experience once people are in the country.
- 2.15 As mentioned later in the report, some operators are already ploughing profits back into their businesses to help visitor satisfaction. And now industry leaders say there is more public bodies such as Fáilte Ireland can do to make sure any visit is at the top of its game.

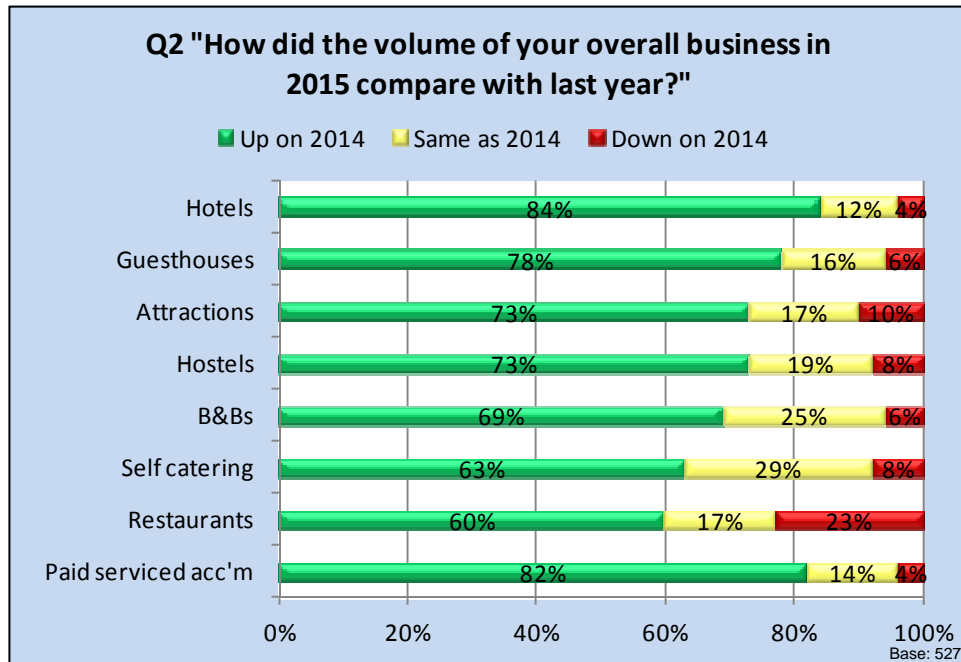
“The Office of Public Works and Fáilte Ireland need to start a capital investment programme - landmarks and properties are well maintained and well signposted”

“The challenge is to maintain those numbers with the type of visitors who would stop coming here when the currency reverses, so we need to encourage the type of visitors that aren’t just there to take advantage of a cheap holiday. It’s now about focusing on the right kinds of visitors”

3. Overall Visitor Volumes in 2015 and 2016 Expectations

In this section we discuss the performance in 2015 and expectations for 2016 for the industry overall. More detailed results by market for each individual sector are discussed in subsequent chapters.

Overall visitor volumes in 2015



In all charts, 'don't know' or 'not applicable' answers to the question have been excluded and the percentages re-based. Results are split by sector and ordered by proportion answering an increase in numbers (shown in green).

In addition to the individual sector results, the last bar on each chart in this section shows weighted results for the paid serviced accommodation sector; these figures have been derived from the hotel, guesthouse and B&B results, with weightings applied in accordance with each sector's share of total bedrooms within paid serviced accommodation.

Positivity is rife within the tourism industry

- 3.1 Ireland's tourism industry continues to blossom as confidence goes from strength to strength. The last twelve months have seen solid improvements in the number of visitors taking holidays and short breaks in Ireland, and this follows an excellent 2014.
- 3.2 A growing faith in the Irish economy, supported by excellent exchange rates for British and American visitors, is helping this confidence become the 'norm' among tourism operators.
- 3.3 As a result, some operators are starting to reinvest in their business and own marketing to improve visitor satisfaction.

Hotels lead the progress in 2015

- 3.4 The majority (84%) of hotels have seen an increase in the number of visitors they welcomed through their doors compared to 2014. As has been the case for the last few years, this sector has seen – and continues to see – the strongest recovery compared to other sectors.

Further improvements for guesthouses

- 3.5 Around four in five (78%) responding guesthouses have enjoyed an increase in visitor numbers in 2015, which is a high proportion, especially on the back of an excellent 2014 (when 73% reported an increase).

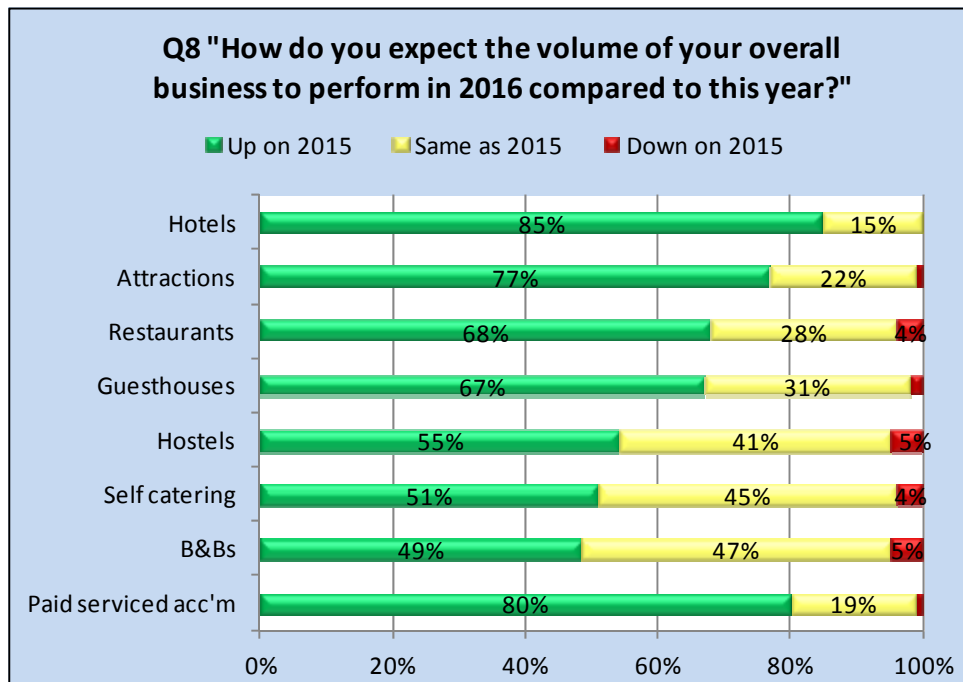
Continued relief for B&B operators

- 3.6 The B&B sector struggled to gain positive momentum as quickly as other sectors – but the once-gloomy outlook that was commonplace a few years ago has noticeably diminished over the last two years. In 2015, 69% of B&Bs are up on 2014.

Confident performance across other sectors

- 3.7 All other sectors have seen growth this year. The following sections of this report will consider each sector in more detail.

Expectations for 2016



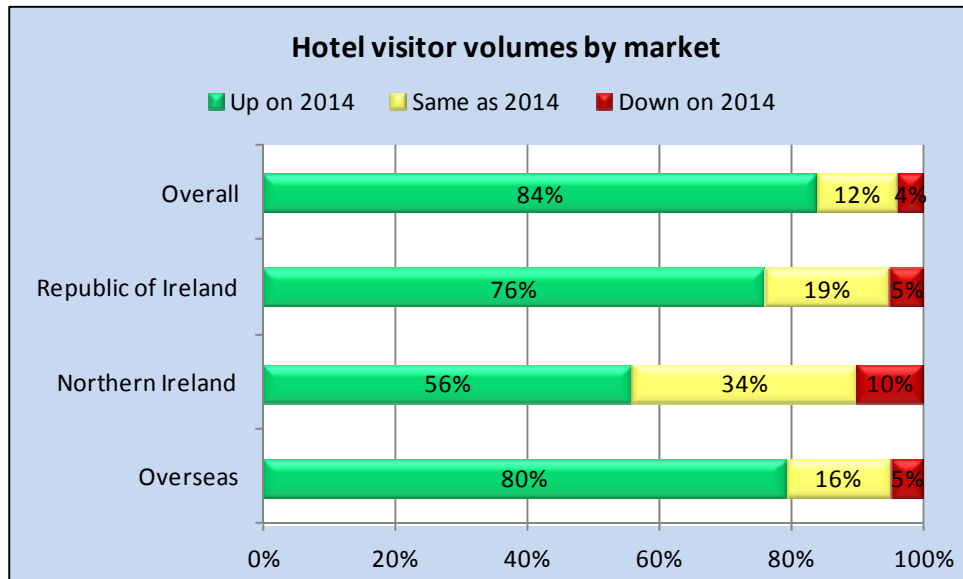
Further growth expected in 2016

- 3.8 Riding on the back of an excellent 2015, large proportions of businesses predict a further increase in the number of visitors they attract in 2016.
- 3.9 Hotels in particular remain very optimistic, with 85% expecting to enjoy more visitors in the next 12 months.
- 3.10 The PSA sector has come into the new year with great expectations – four in five (80%) businesses expect to see an increase in bookings in 2016.

4. Hotels

In this and the following sections we discuss each sector in turn in terms of performance and expectations, starting with hotels.

Hotel visitor volumes 2015



Overseas markets boost hotels

- 4.1 Hotels can reflect on a successful 2015 with 84% seeing an increase in the number of visitors choosing to stay with them. In particular, the overseas markets have driven more visitors for 80% of hotels.
- 4.2 Many hotels have benefited from the exchange rates between the euro and the pound and dollar, as they see more visitors from Britain (65% report an increase) and America (66%).

“Current exchange rates are favourable to overseas visitors travelling to Ireland”

Hotel

“Continued weak euro against both the US dollar and sterling”

Hotel

Powerful home performance

- 4.3 Three quarters (76%) of hotels say the domestic market is up on 2014 as more Irish people have taken holidays and short breaks in the country.

- 4.4 According to hotels, an improved economy in Ireland and related increase in spend has helped this market gain strength.

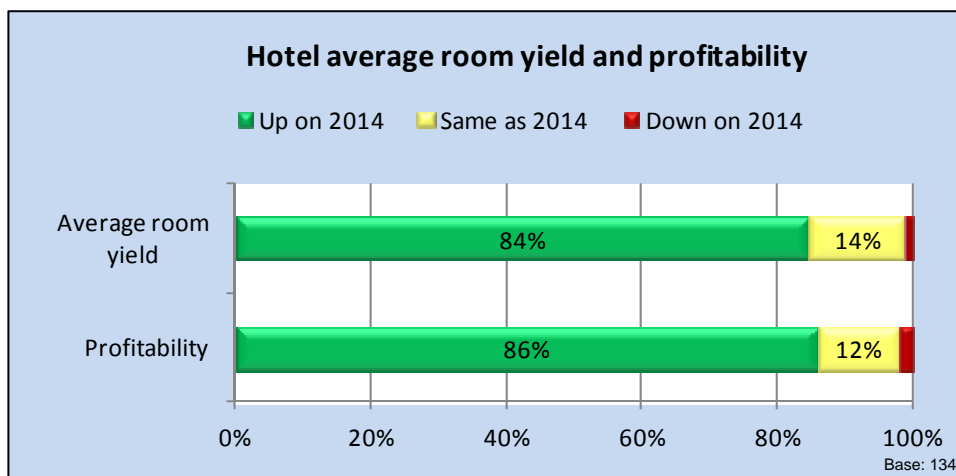
“There is a consumer confidence, a general feeling that the economy is coming around again”

Hotel

“People are now starting to forget about recession and are not afraid to spend anymore”

Hotel

Hotel average room yield and profitability



Yielding strong returns

- 4.5 More than four out of five hotels report that average room yield and profitability are up on 2014.
- 4.6 This increase in profitability along with market confidence is helping businesses to improve their hotels, not only to attract more visitors but also to improve the visitor stay.

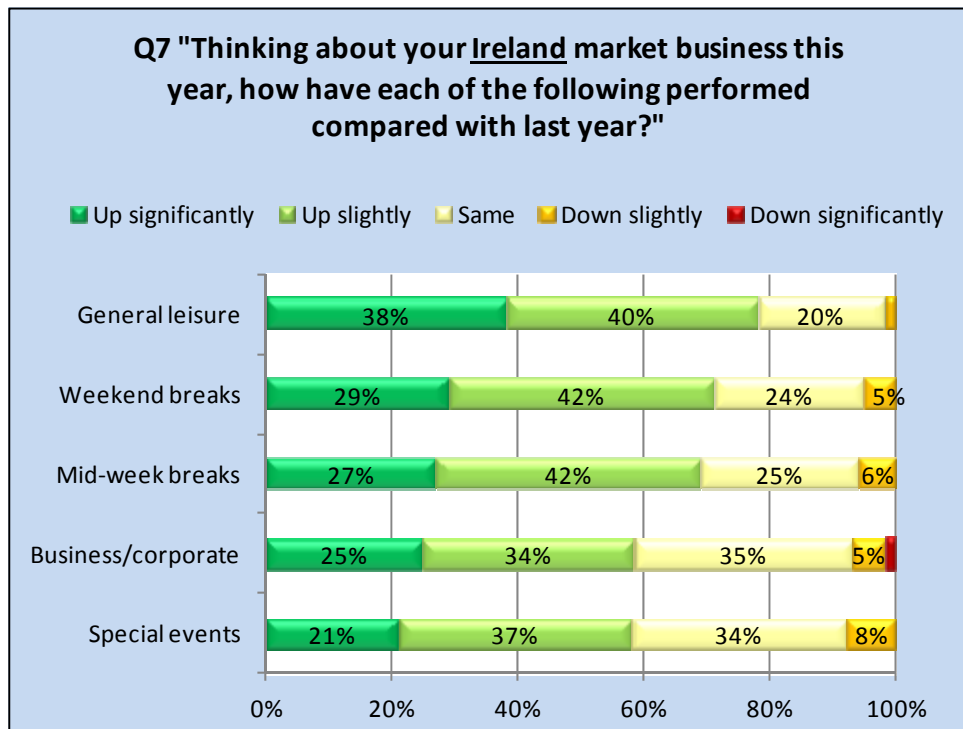
“Major renovations are taking place in the hotel - new bedrooms, leisure centre, gym and facilities, so we will be able to offer a better product to attract more people”

Hotel

“A lot of refurbishment and improvements are being made to the hotel bar area and restaurant - the hotel is on the up”

Hotel

Hotel visitor types (Ireland market)



Base: 133

Domestic market performs well across the board

- 4.7 As reported earlier, many hotels have seen more visitors from Ireland, and this is reflected in all types of stay including general leisure (78% report to be up), weekend breaks (71%) and midweek breaks (69%).
- 4.8 Six in ten (59%) say their business/corporate market is up, and a similar proportion (58%) have seen more special events trade.

"Growth in special events"

Hotel

"Corporate business is coming back into the city"

Hotel

Irish have more money to spend

- 4.9 Hotels believe that this marked improvement in the Irish market is thanks to an improved domestic economy and the knock-on effect of more disposable income.

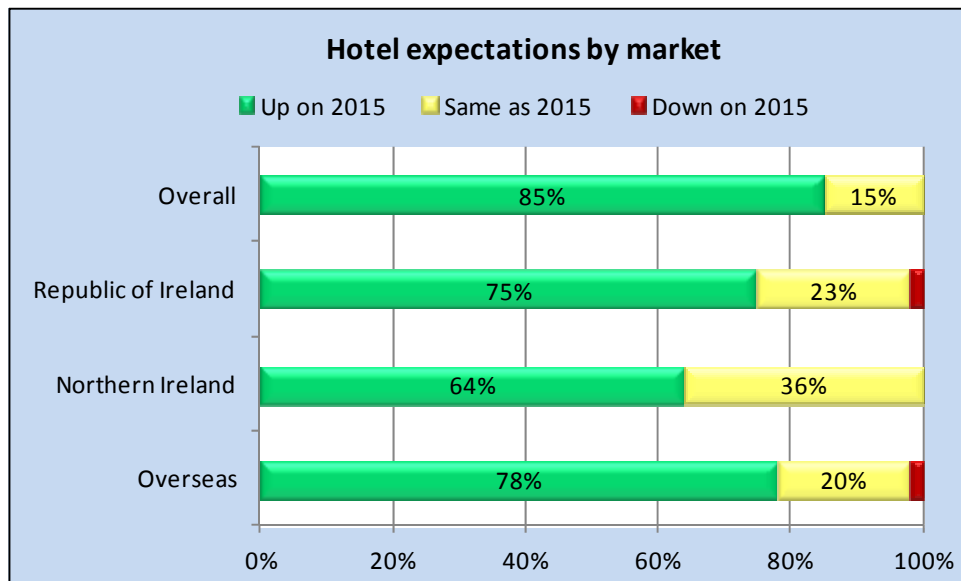
"Things are changing, people have more disposable income"

Hotel

"People spending more money and accepting the increase in room rate"

Hotel

Hotel expectations for 2016

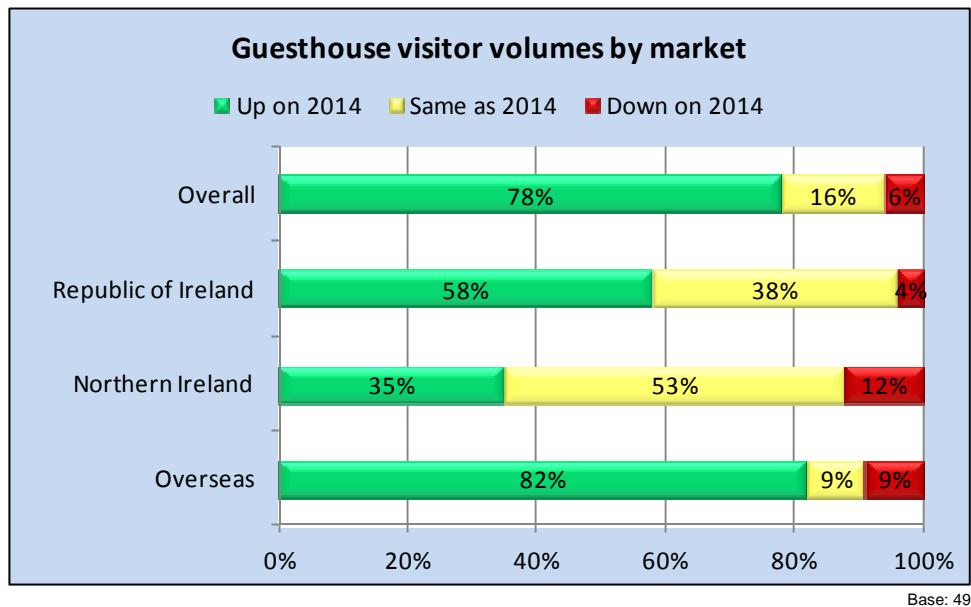


Upwards momentum to continue for hotels

- 4.10 The thriving hotel sector is set to further improve in 2016 with 85% of operators expecting more visitors than 2015. This shining positivity is somewhat reflected in all major markets.
- 4.11 The domestic market is expected to be up for three quarters (75%) of hotels, Northern Ireland up for 64%, and 78% of hotels expect an increase from overseas markets.
- 4.12 As is common with the tourism industry as a whole in this research wave, it is the British (72% of hotels predict an increase) and American (71%) markets which should perform well in the next 12 months.

5. Guesthouses

Guesthouse visitor volumes 2015



Overseas markets offer big lift to guesthouses

- 5.1 Largely, guesthouse operators are feeling confident at the end of 2015, with 78% having seen more visitors than last year.
- 5.2 A big contributing factor to the step up in business is the overseas market. As with hotels, the British (72% of guesthouses report an increase) and American (76%) markets in particular have been very strong.

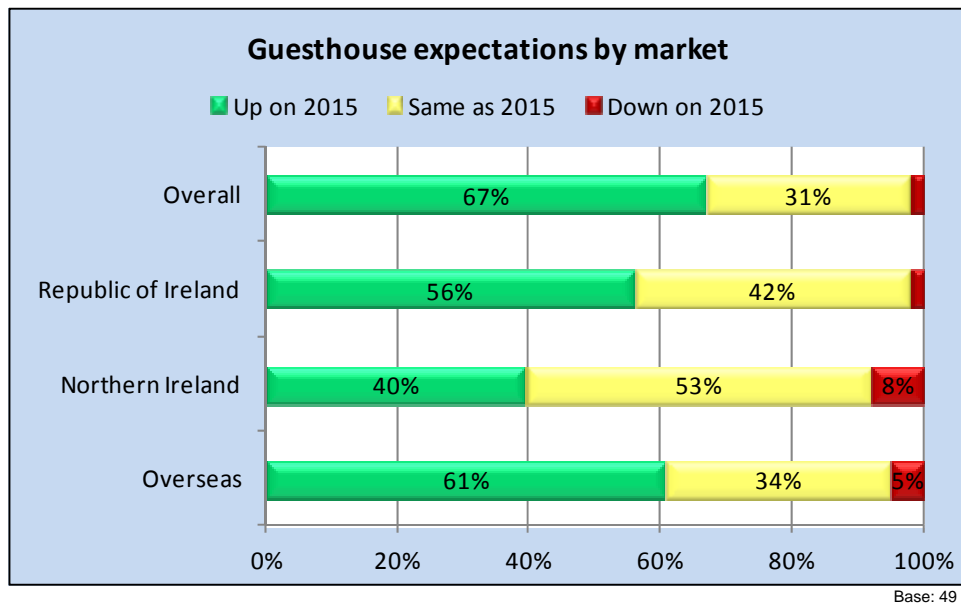
“The weak euro is a great help”
Guesthouse

“Sterling and dollar rates”
Guesthouse

Noticeable improvements for the island of Ireland

- 5.3 Both the domestic and Northern Irish markets have made good progress. In 2015, 58% of guesthouses say they saw more visitors from the domestic market, compared to 44% who saw an increase in 2014 compared to 2013.
- 5.4 Similarly, a third (35%) have welcomed more Northern Irish visitors in 2015, while only 15% saw an increase in 2014.

Guesthouse expectations for 2016

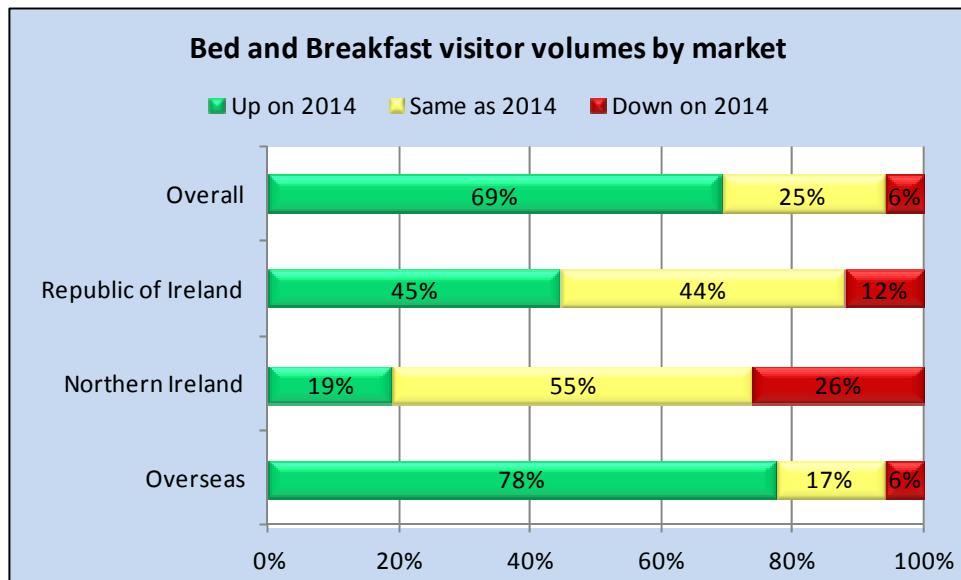


Performance expected to progress further in 2016

- 5.5 Guesthouses have moved comfortably into the New Year, with expectations of more visitors compared to bookings in 2015. Overall, 67% of guesthouses look forward to higher visitor numbers in 2016.
- 5.6 Six in ten (61%) expect more overseas visitors, and 56% predict an increase in domestic visitors this year.
- 5.7 Two in five (40%) guesthouses say they think they will welcome more people from Northern Ireland in 2016.

6. B&Bs

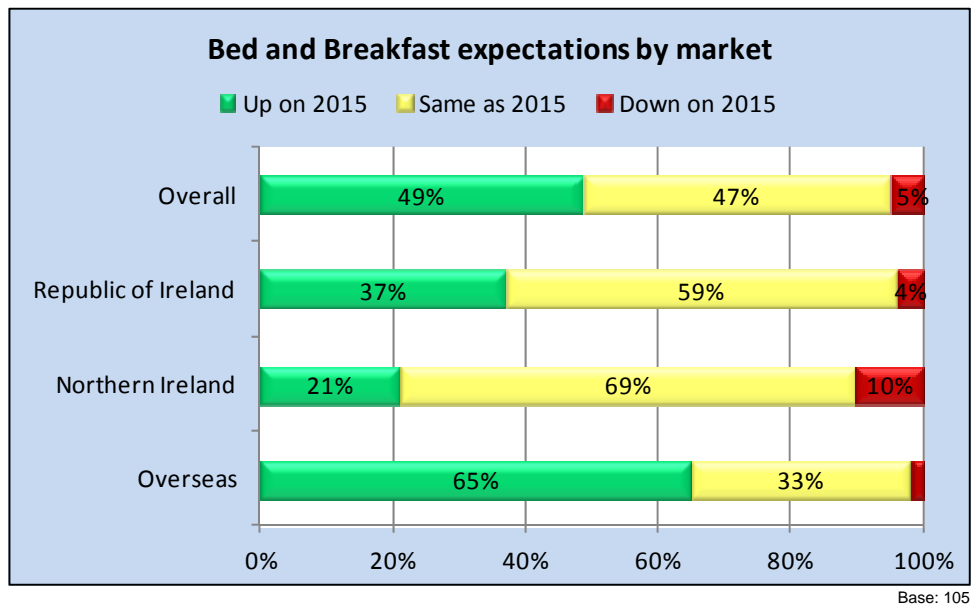
B&B visitor volumes 2015



Opening more doors to Germans

- 6.1 B&B operators have benefitted from blooming overseas markets in 2015, with 78% saying they have seen more visitors from across the waters. The German market has really shone for B&Bs, with 64% reporting higher numbers of Germans – a higher increase than any other industry sector.
- 6.2 Overall, 69% of B&Bs have seen an increase in visitors 2015 compared to 2014, which is higher than 2014's increase on 2013 of 60%.
- 6.3 And with 45% seeing more business from the domestic market and 19% from Northern Ireland, B&Bs are in a much better place than they were a couple of years ago.

B&B expectations for 2016

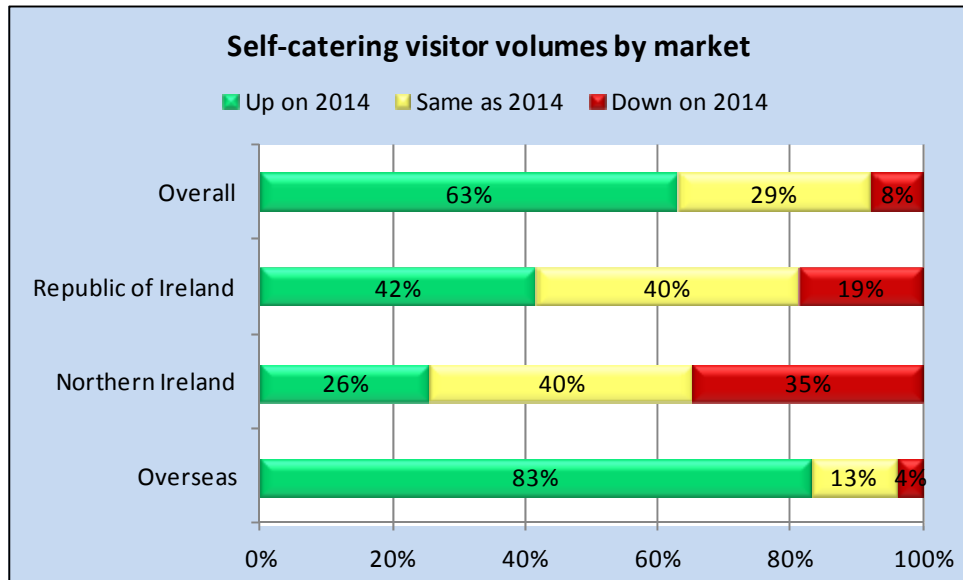


Steady progress expected in 2016 – but another leap from overseas

- 6.4 This year is expected to bring another increase in overseas visitors for 65% of B&Bs in Ireland and a rise in overall numbers for half (49%) of operators.
- 6.5 But from the island of Ireland, increases are set to be smaller. One in five (21%) expect growth from Northern Ireland and 37% from the domestic market.

7. Self-catering

Self-catering visitor volumes 2015



Vast improvement from overseas

- 7.1 Opting for self-catering accommodation appears to be on the rise for overseas visitors, as 83% of operators have welcomed more visitors from abroad in 2015.

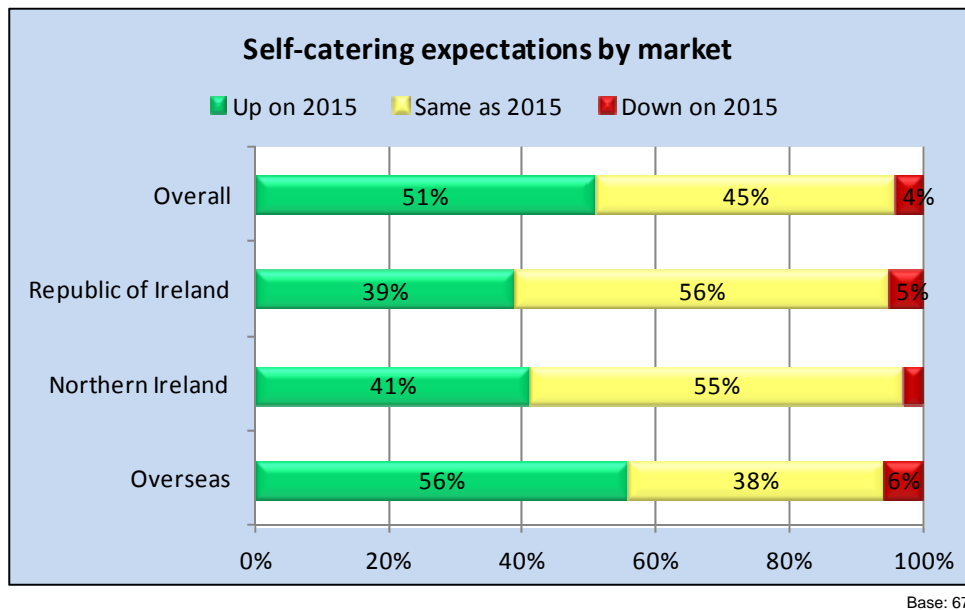
“Stronger dollar and sterling holidaymakers are getting better value for money”
Self catering

“Self-catering seems to be popular with newly retired couples touring Europe from US, Canada, New Zealand and Australia”
Self catering

Good performance overall, slower closer to home

- 7.2 Reflecting over the past year, 63% of self-catering operators have seen an overall rise in the number of visitors staying in their accommodation.
- 7.3 There has been slightly lower progress within the domestic market (42% report an increase) and from Northern Ireland (26%).

Self-catering expectations for 2016



Markets to step up for self-catering

7.4 This year should bring with it more visitors for half (51%) of self-catering operators. A slightly higher proportion (56%) expect the number of overseas visitors to be up in the next 12 months.

7.5 Like other sectors, many believe the value offered by a weaker euro will help encourage British and American people to choose Ireland as a holiday or short break destination.

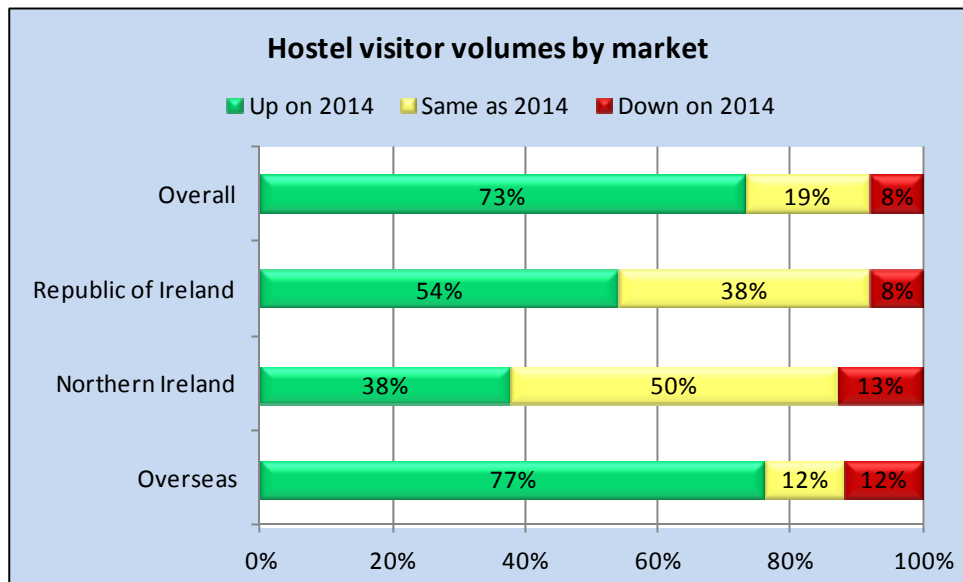
“The strength of the dollar and sterling will hopefully be a positive”
Self-catering

7.6 Around two in five also predict an increase from the domestic market (39%) and Northern Ireland (41%).

“A strong sterling currency should help with British and Northern Ireland markets”
Self-catering

8. Hostels

Hostel visitor volumes 2015



Vive la France!

- 8.1 As is common in the tourism industry in 2015, the overseas market has proved fruitful for hostels, with around three quarters (77%) saying they are up on 2014.
- 8.2 The French market in particular has had an appetite for hostels in 2015, with around two thirds (64%) attracting more people from France compared to 2014.

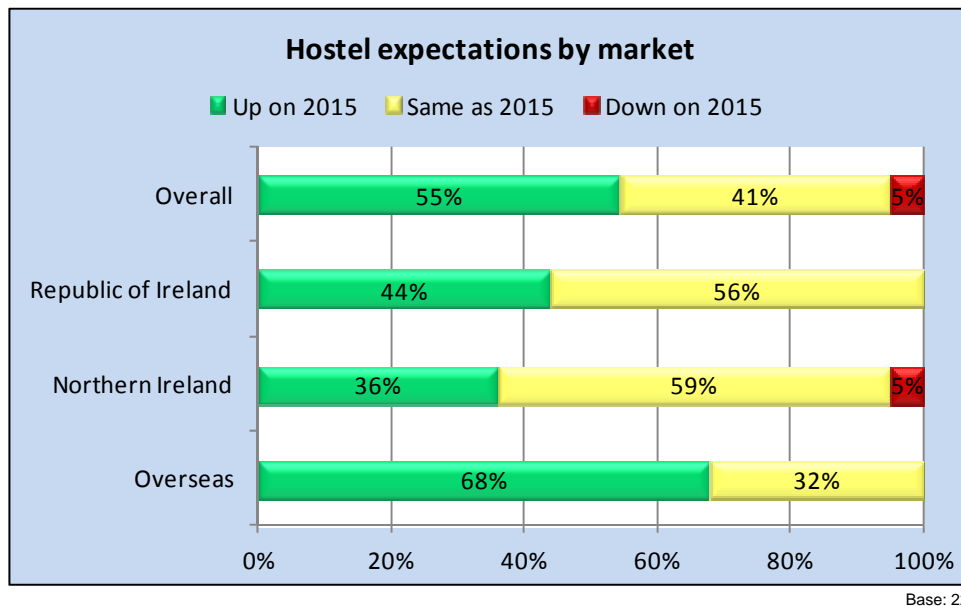
Global financial climate gives hostels a leg up

- 8.3 Around three quarters (73%) of hostels say they have had more people bunking up in their rooms over the last 12 months.
- 8.4 According to hostels, reasons for the upturn include better domestic and global economies, strong exchange rates against the euro and a boost from the Wild Atlantic Way.

“Strong sterling and the Wild Atlantic Way brand growing stronger”
Hostel

“Fáilte Ireland’s promotion of the Wild Atlantic Way”
Hostel

Hostel expectations for 2016



Overseas markets to further flourish next year

- 8.5 The trend for improved overseas markets is expected to continue for 68% of hostels, while more than half (55%) predict overall growth.

“More people are travelling generally globally again”

Hostel

“There has been a recovery of Irish and world economies”

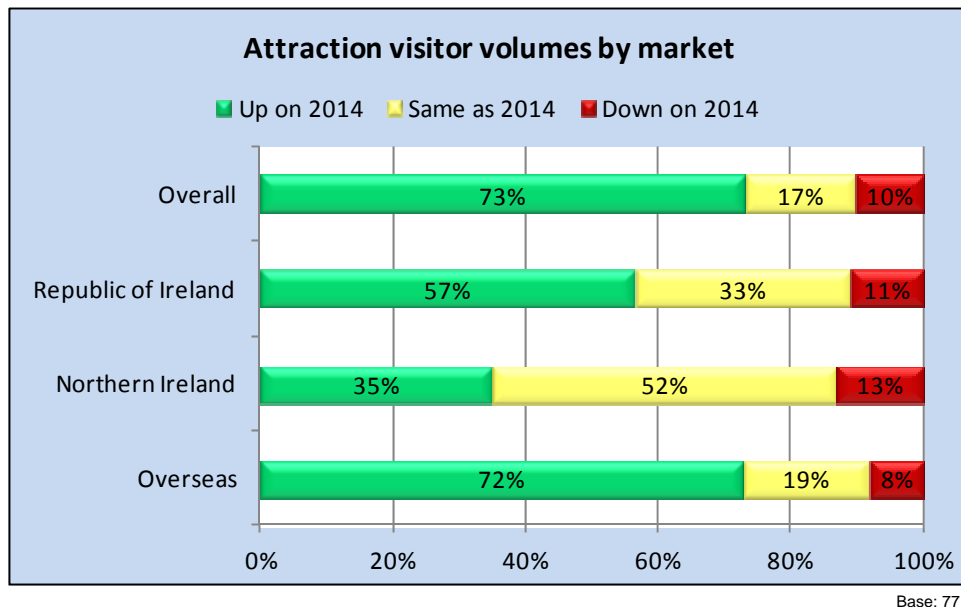
Hostel

Modest movement from the Emerald Isle

- 8.6 While not as strong as overseas markets, both the domestic and Northern Irish markets look like they will deliver more visitors for hostels next year – more than a third (36%) expect an increase from NI and 44% expect an increase from ROI.

9. Attractions

Attraction visitor volume 2015



Growing confidence helps elevate attraction visits

- 9.1 Attractions attribute the rise in visitors to confidence brought about by improved economies. Around three quarters (73%) say they have welcomed more people in 2015.

“There is a general confidence in the market”
Attraction

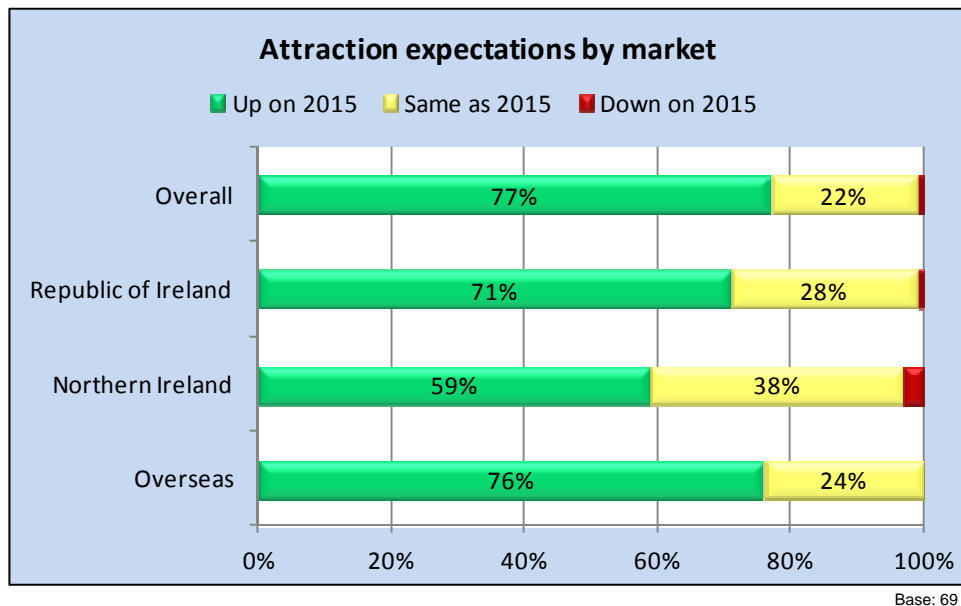
“The fact that overall tourism is increasing at least 10% each year for the country will have a positive effect”
Attraction

Overseas visitors are flying in

- 9.2 A large proportion (72%) of attractions say they have seen a boost in overseas visitors. This is, in part, thanks to the added value for British and Americans who gain from a weaker euro.

“An improving world economy and the strength of the dollar and sterling”
Attraction

Attraction expectations for 2016



Longer queues expected in 2016

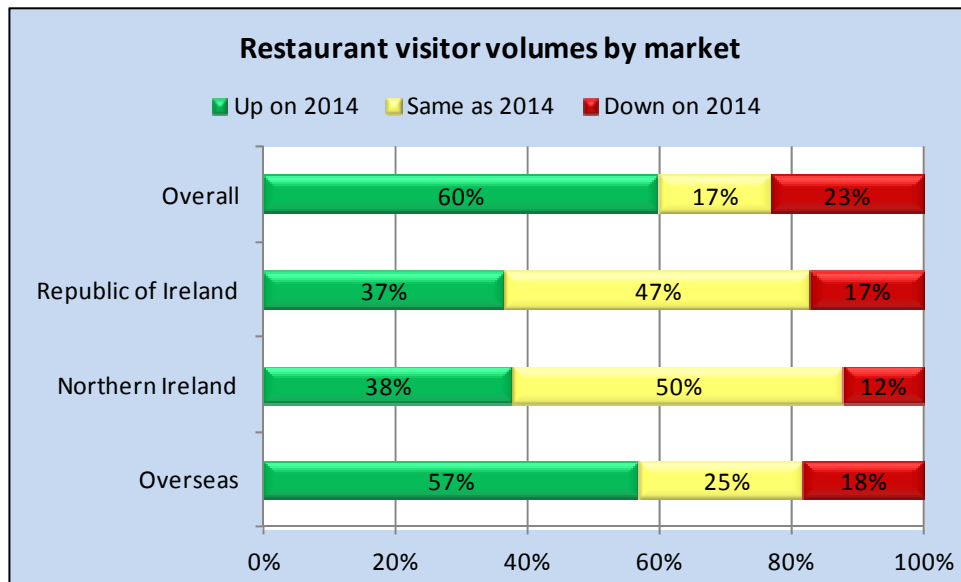
- 9.3 The year ahead is set to be even better than 2015 for attractions. Around three quarters (77%) expect to see more visitors through their gates and doors compared to the previous 12 months.
- 9.4 The strong performance from overseas markets should further improve, with 76% predicting a hike in business from overseas tourists – especially from Great Britain, with three quarters (75%) expecting to welcome more British.

Island of Ireland to see further progress

- 9.5 Good performances from the domestic and Northern Irish markets are expecting to spread even further in 2016 with 71% expecting more visitors from ROI and 59% from Northern Ireland.

10. Restaurants

Restaurant visitor volumes 2015



Restaurants invited to take part in the Barometer are in areas of high tourism footfall, and respondents have been asked to answer questions in the context of their tourism, i.e. non-local, business

Restaurants get a slice of tourism increase

- 10.1 Covers have risen for 60% of restaurants when it comes to serving tourist trade in 2015. Diners are more likely to find themselves seated near a British or American visitor, as a significant increase is reported for both markets in 2015 (50% say they have had more visitors from Great Britain and 58% from America), and 57% have seen more paying guests from overseas.

“The strength of the sterling has helped this year”
Restaurant

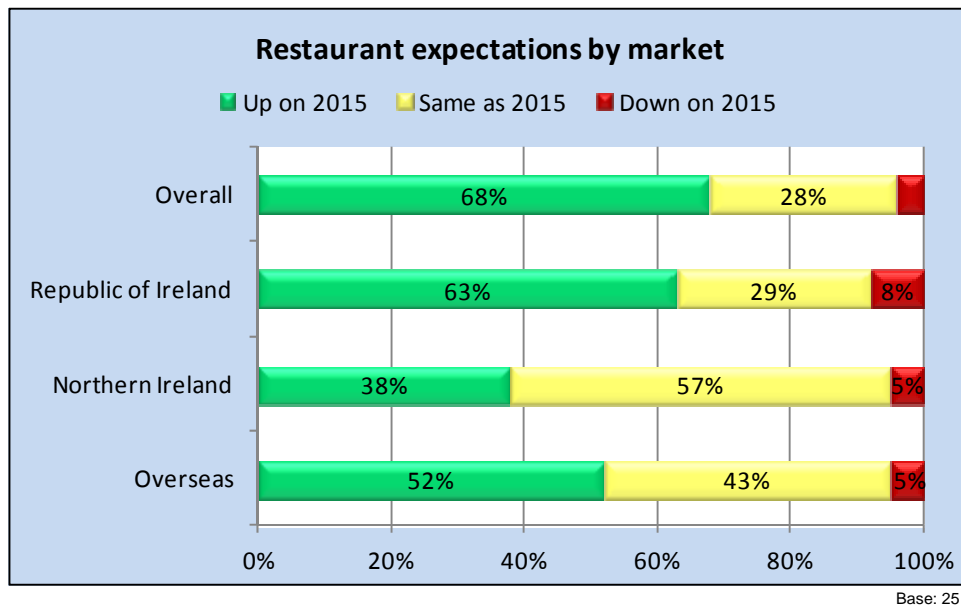
- 10.2 More than a third of restaurants have also seen more domestic visitors (37%) and business from Northern Ireland (38%).

Economic boost fans the flames in the kitchen

- 10.3 Like other sectors, many restaurants believe an upturn in economies around the world has helped lift the number of tables booked in their eateries.

“There has been a general upturn in the economy”
Restaurant

Restaurant expectations for 2016



Tasty increases expected in 2016

- 10.4 Hopes are high within the restaurant sector, with 68% predicting more tourism visitors in 2016 compared to 2015.

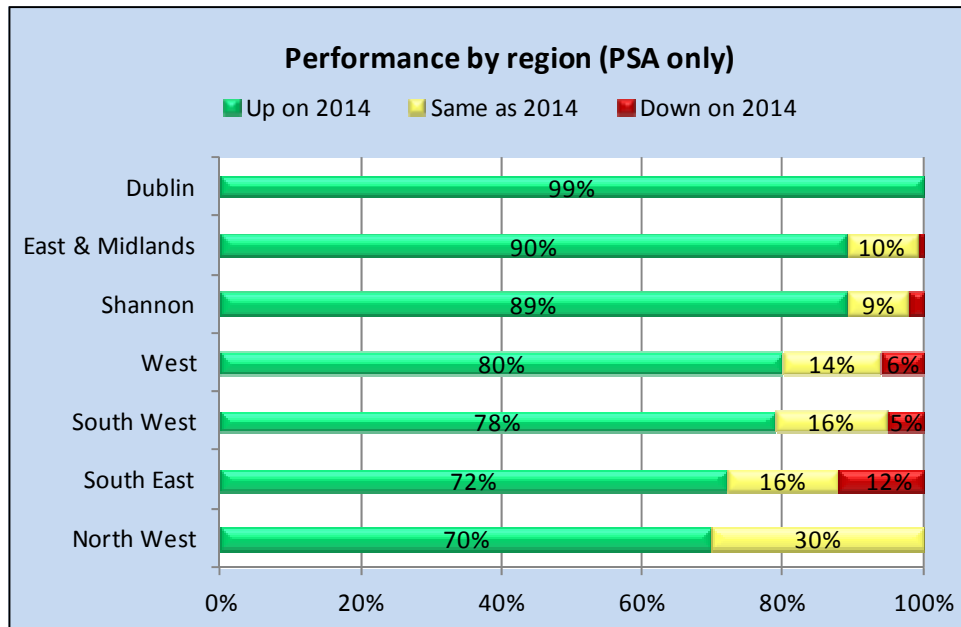
“We hope that the tourist business keeps booming the way it has been the past year”
Restaurant

“There seems to be a greater financial stability”
Restaurant

- 10.5 This year, it’s the domestic market that should provide the biggest improvement, with nearly two thirds (63%) expecting to see more Irish tourists grace their tables.
- 10.6 A similar proportion (60%) predict more British visitors and 55% say they expect more Americans in 2016.

11. Performance by Region

Here we discuss the performance by region for the PSA sector



PSA sector across the country enjoys more visitors

11.1 The paid serviced accommodation (PSA) sector across Ireland has really benefited from marked improvements in visitor numbers in 2015. Dublin, in particular, has had an extremely strong year, with nearly all (99%) PSA operators saying they have had more visitors this year compared to 2014.

Welcome lift in the East & Midlands and Shannon

11.2 The vast majority (90%) of PSA operators in the East & Midlands report more visitors. A similar proportion (89%) in Shannon have also noted an increase compared to 2014. Some praise increased traffic to Shannon Airport for the lift in their business.

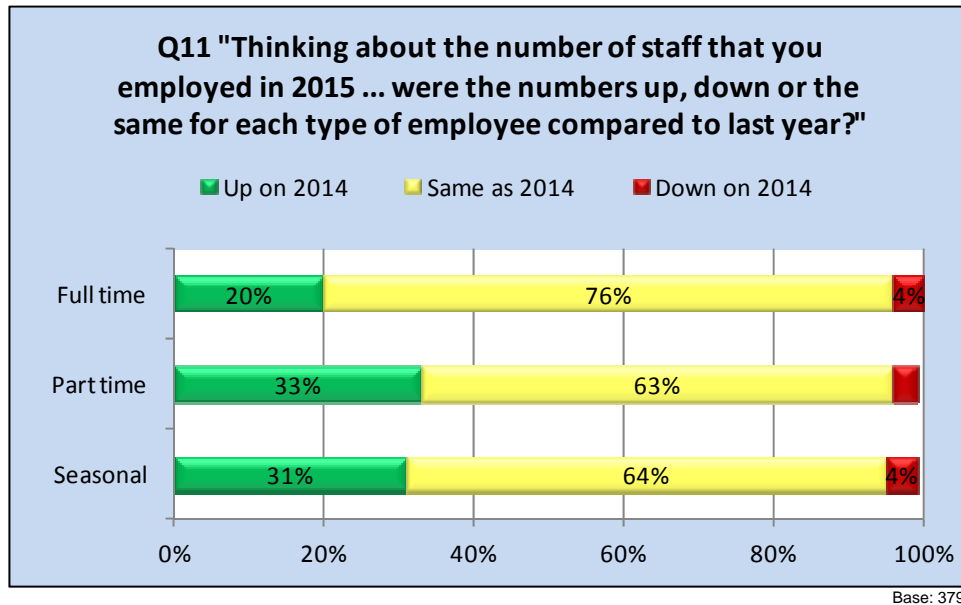
“Connections to Shannon airport very important to us - the more overseas connections the better”

B&B

Rest of Ireland performs well

11.3 Elsewhere in Ireland, the proportion of businesses reporting more visitors is strong – with at least seven in ten (70%) up on 2014 in every region.

12. Staffing Levels



Lift in employment

- 12.1 The increase in visitors welcomed by the tourism industry in 2015 has had a positive knock-on effect on jobseekers in Ireland. A third (33%) of tourism businesses took on additional part time staff and a similar proportion (31%) called for more hands on deck during busy seasonal periods.
- 12.2 Encouragingly, one in five (20%) businesses have seen the need for more staff as a longer-term measure, and say they employed more full time staff in 2015 compared to 2014.

13. Positive Factors

- 13.1 Respondents have been asked to describe what main positive factors might affect their business in 2016. Below are the key findings from this open question:

100 year anniversary of the 1916 Easter Rising to further boost tourism

- 13.2 The centenary of the Easter Rising will be marked in 2016. Many operators believe the occasion will bring more visitors to the country as events and celebrations are planned.

“Hopefully increased visitors to Ireland to commemorate the 100th anniversary of the 1916 rising”

B&B

“We are looking to see if we can tap into the 1916 commemoration event and provide something that appeals to people interested in Irish history”

Attraction

Exchange rates attract more British and American visitors

- 13.3 In 2015, the British pound and US dollar have been strong against the euro – a factor that the industry believes has helped attract visitors from these countries into Ireland.
- 13.4 Businesses in Ireland hope that these exchange rates will carry on encouraging more British and American visitors into the country.

“The strength of the dollar and sterling will hopefully be a positive”

Self catering

“Hopefully the sterling will remain strong”

Hostel

The promotion of programme areas goes from strength to strength

- 13.5 The Wild Atlantic Way continues to be praised by operators in Ireland, who are reaping the benefits of a ‘well-thought out’ initiative. Those seeing more business as a result of the WAW are strong in their praise.

“Whoever invented the tag line ‘Wild Atlantic Way’ followed by the words ‘starting in Donegal’ has done the “forgotten county” some service and I will happily buy him/her a meal at the best restaurant locally and accommodate him/her for free, overlooking the WAW”

Hostel

- 13.6 While still in its infancy, many are beginning to see more business from the recently launched Ireland's Ancient East, and hope the initiative increases the appeal of the area as promotion continues.

"The marketing of the IAE and WAW by Tourism Ireland and Fáilte Ireland"
Attraction

"The ancient east attraction that is opening up near us will hopefully bring a lot of visitors"
Attraction

Improved economies drive demand

- 13.7 The upturn in both the domestic and some overseas markets has helped boost tourism trade in 2015. Operators believe visitors feel more relaxed and open with their spending, which has driven demand across the country.

"The way the economy is rising"
Restaurant

"Better overall world economy"
B&B

"Improved economies, optimistic attitudes of the marketplace and pent-up demand"
Hotel

Perceived safety in Ireland

- 13.8 With threats and acts of terrorism affecting other parts of the world, many operators believe Ireland offers potential travellers a safe haven. Choosing to take a holiday or short break in Ireland is seen as a break out of harm's way, according to some.

"Ireland seems safer than a lot of European countries"
B&B

"Ireland is a very clean, safe holiday destination and I think this will cause visitor numbers to go up next year"
Attraction

"Visitors may view Ireland a safer place to holiday in view of terrorism"
B&B

Increase in flights means increase in visitors

- 13.9 Additional flights scheduled at Irish airports have been another positive contributing factor expected in 2015. Businesses closer to airports have seen a lift in the number of visitors over the year.

"More flights from the US into Dublin has been positive"
Guesthouse

“Increased number of visitors from the UK due to the increase in flights from the UK to Cork Airport. And the USA as well for the same reason”

Attraction

“Increased air traffic through Kerry, Shannon and Cork”

Restaurant

Own marketing and self-improvement increases customer satisfaction

13.10 With a few years of growth and a confidence that has become ‘the norm’ for tourism businesses in Ireland, many have now started to re-invest in making visitors’ stays more attractive and enjoyable.

13.11 For some, this means focussing on self-promotion through improving their own website and upping their spend on marketing.

“We’re updating our website and website images”

Self catering

“Adding more content to Discover Ireland’s website and more intensive usage of social media channels”

Attraction

“My improved web site/marketing”

B&B

13.12 Others are using the additional profit to refurbish and renovate their offerings, hoping visitors’ satisfaction improves. This could lead not only to repeat business, but also to recommendations to potential new visitors.

“A lot of refurbishment and improvements are being made to the hotel bar area and restaurant”

Hotel

“Investment in capital expenditure/refurbishment”

Hotel

13.13 And for some tourism businesses, investment in both marketing and improving their offerings is already underway.

“Refurbishment, and opening a new cafe, plus new marketing launch all together we expect to have a positive impact on revenue, occupancy and profitability”

Guesthouse

14. Issues of Concern

- 14.1 Respondents have been asked to describe what main issues of concern might affect their business in 2016. Below are the key findings from this open question:

Fear of safety could prevent travel

- 14.2 While many respondents believe that the terrorist threats and acts could help make people see Ireland as a safe place for a visit, some others think potential overseas visitors could be cautious about travelling abroad.

“World terrorist threats are deterring people from travelling overseas”
Hotel

“Tensions in France may affect the European traveller”
B&B

“Fear of travelling abroad due to terrorist threats”
Guesthouse

“Political climate in Europe and Middle East spilling to the rest of the world”
Guesthouse

Costs and overheads still an issue for some

- 14.3 The costs and associated overheads of running a tourism business in Ireland are an issue for some operators, who are still struggling financially.

“Increase in minimum wage, commercial rates, banking charges, utilities”
Attraction

“Increasing costs of products and services which are already starting to happen will affect how we spend money and recruit staff”
Restaurant

“Wages and the price of fuel going through the roof”
Guesthouse

Weather could dampen 2016 for some

- 14.4 While difficult to predict this early, some businesses say that adverse weather could be an issue of concern for their business in 2016.

“Weather is always a factor”
Hostel

“If we have bad weather next summer again”
B&B

15. Appendix 1 – Background and Methodology

Background and Objectives

- 15.1 The Fáilte Ireland Tourism Barometer is a survey of tourism businesses designed to provide insight into tourism performance for the year to date and prospects for the remainder of the season or coming year. It has been conducted regularly since 1999.
- 15.2 In March 2013, Strategic Marketing, an independent research agency, was commissioned to continue conducting the survey for three years.
- 15.3 Fieldwork for this third wave in 2015 took place in late November and early December. The objectives were to measure:
 - Business performance in 2015 in terms of visitor volume – overall and by key markets – and profitability
 - Average room yield (hotels)
 - Visitor volume expectations for 2016
 - Positive factors and issues of concern affecting business

Methodology

- 15.4 The methodology used was a combination of an online survey and telephone interviews.
- 15.5 Fáilte Ireland and Strategic Marketing worked together to produce a questionnaire for online and telephone interviewing. A copy of the questionnaire is included in appendix 2.
- 15.6 Fáilte Ireland provided a database of 3,213 usable contacts (i.e. not opted out) for the survey spread across eight industry sectors (discussed under ‘sampling’ below). An email was sent to all contacts on the database containing a link to the online survey and an explanation of the survey objectives. A subsequent reminder email was sent to non-responders.
- 15.7 A total of 397 responses were received to the online survey – a response rate of 12%.
- 15.8 Following this, we conducted 150 ‘top-up’ interviews by telephone with non-responders in order to improve the robustness of their individual sample sizes so that results can be reported by sector. Interviews were conducted in daytime and evening hours with business owners or managers.

Sampling

15.9 The table below shows the sample split by sector and interview methodology:

Sector	Online responses	Telephone top-ups	Total sample size
Hotels	87	49	136
Guesthouses	29	22	51
Bed & Breakfast	110	20	130
Self-catering	73	18	91
Hostels	20	6	26
Attractions	52	28	80
Restaurants	26	7	33
Total	397	150	547

Interviews for Contextual Background

15.10 In a separate exercise, we conducted eight qualitative telephone interviews with senior executives in key organisations. The purpose of these interviews was to provide a contextual background to the quantitative findings, and this is given in section 2 before the findings to the main quantitative survey.