



Fáilte Ireland
National Tourism Development Authority

Coach Tourism: A Sectoral Study

May 2012

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Key Terms Explained

- Coach Tour: a coach tour mean a holiday or outing on which people travel from place to place by coach.
- For the purposes of this study we define:
 - i. A coach as a vehicle of more than 9 metres and 40 seats.
 - ii. A midi-coach is a vehicle of approx 7-9 metres and with 16-39 seats.
 - iii. A minibus has 8-16 seats and is usually around 5-7 metres in length.

1. Executive Summary

Background & Context

Coach holiday tours are an important component for a number of reasons:

- No other tourism 'product' achieves the same regional distribution of trips.
- Some 86% of coach tourists stay in hotels across Ireland and contribute to the sustainability of our hotel stock.
- The seasonal spread of coach tourists across the shoulder season is relatively good which means that they contribute well to the sustainability of tourism SMEs and they improve the year round utilisation of Ireland's tourism infrastructure.

There were 300,000 overseas coach tourists to Ireland in 2010. These tourists contributed an estimated €180 million to the Irish economy. It is fair to say that coach tourism contributes hugely to the regional distribution of spending power, the sustainability of hotels across Ireland and spreads demand across the off-peak shoulder periods. Since 2006 the number of coach touring visitors to Ireland has fallen by 16%.

The Study Approach

A confidential survey questionnaire, was circulated electronically to all coach tour operators listed on the www.discoverireland.ie. A good response rate of 68% was achieved and the results of the survey were weighted up to approximate the true scale of the coach touring sector.

In addition, case studies were undertaken by an independent qualified accountant who provides financial and advisory services to coach businesses. Aggregated results were generated from the five case study consultations with selected operators. The aim of the consultations was to build an evidence-based picture of the financial standing of coach tourism operators.

The focus of this paper is specifically on the coach tourism business. We have excluded the other market services by coach operators such as school transport, scheduled passenger road services and private hire. However, there is a considerable level of interdependence between coach tour operations and the other transport services provided by operators.

The Study's Findings

Pressure on Rates, Revenues & Profitability

- Currently the reported average hire-out rate is circa €400 per day, down 5% since 2006. This hire-out rate decline is consistent across operators various business channels.
- Most operators have suffered sharp revenues falls since 2006.
- The sharp drop in turnover is reflected in profitability. Between 2006 and 2011, 55% of operators suffered from deteriorating profitability. The outlook for 2012 is challenging as operators foresee costs continuing to eat into the margins, with anticipated profits falling by more than turnover.

Below Cost Selling – Coach Tourism Is Loss Making

- If the case study operators are reflective of the wider coach tourism sector, average daily hire-out rates do not cover running costs once fixed costs are factored into the calculations. It would appear that the sector is running at a loss.
- It is reported that some operators are willing to do business at daily rates that generate a modest margin over day-to-day operating costs. However, these low daily rates are not sufficient to cover the substantial fixed cost of fleet replacement. Thus, financial losses are being reported.

Other Issues

- **The Fuel Rebate:** Up to October 2008, there was a long standing practice of refunding private coach operators a significant portion of the excise duty payable on the fuel that they used. The rebate's loss had a universally negative impact on the sector.
- **VAT:** UK and Northern Ireland based coach operators are zero rated for charging VAT but can claim back all their inputs VAT giving them a significant cost advantage. This arises as operators in the Republic of Ireland are VAT exempt and unable to claim back their vatable inputs.
- **Personalised Number Plates:** The introduction of private registration plates for touring coaches would enable operators based in the Republic to compete on a more equal basis with coaches from Northern Ireland and Great Britain. Depending on how such registration plates were priced, there may be a revenue gathering opportunity for the State.
- **The 6/12 Day Rule:** A derogation of the day rule would remove the particular anomaly regarding 'international' travel on the island of Ireland, which was most likely an unintended consequence of the European regulation. This would eliminate a handicap on the coach touring industry in the Republic.

2. Background & Context

Introduction

This brief context section explains what coach tourism is and its importance to Ireland's tourism offering. It also outlines recent visitor trends in the sector.

Coach Tourism

In tourism terms, a coach tour mean a holiday or outing on which people travel from place to place by coach. Coach tourism journeys broadly fall into two categories:

- **Touring Holidays:** When overseas visitors come to Ireland for a coach tour holiday they generally book their trip via a tour operator whose role is to put together and package a mix of things to see and do, places to stay and organise the transport. Tour operators rely on the expert services of coach touring companies
- **Day and Overnight Trips:** A great many tourists go on short trips of one or two days. These trips are generally from (and return to) the main urban centres and take in many of Ireland's most popular tourist attractions and sights that are not easily, or readily, accessible by public transport.

The members of the Coach Tourism and Transport Council (CTTC) operate in conformity with criteria agreed between the CTTC and Fáilte Ireland. These criteria include compliance with specified quality standards for coaches and with all relevant licensing and other statutory requirements. Their 64 members comprise the vast majority of touring coach operators in Ireland.

Please note that the focus of this paper is specifically on the coach tourism business. We have excluded the other market services by coach operators such as school transport, scheduled passenger road services and private hire. However, it is true that there is a considerable level of interdependence between coach tour operations and the other transport services provided by operators. The vast majority of CTTC's members provide services to these markets owing to the seasonal nature of coach tourism.

Recent Visitor Trends & Coach Tourism

As Table 2.1 shows, there were 300,000 overseas coach tourists to Ireland in 2010. These tourists contributed an estimated €180 million to the Irish economy. It is fair to say that coach tourism contributes hugely to the regional distribution of spending power, the sustainability of hotels across Ireland and spreads demand across the off-peak shoulder periods.

Table 2.1: Overseas Coach Tourists 2006-2010 (000's)

Source Market	2006	2007	2008	2009	2010
Britain	148	154	117	111	92
North America	124	151	110	88	115
Mainland Europe	63	86	70	61	67
Other Areas	22	12	30	17	26
Total	356	403	328	278	300

Source: Fáilte Ireland Survey of Overseas Travellers

Since 2006 the number of coach touring visitors to Ireland has fallen by 16%. Much of this decline is due to the drop in British touring visitors and reflects a wider trend across the industry as Ireland has been losing market share in Britain since the start of the recession. It must also be noted that many coach touring visitors from Britain arrive on a UK operated coach via ferry.

Coach holiday tours are an important component of the market for a number of reasons:

- No other tourism 'product' achieves the same regional distribution of trips. This is an important attribute at a time when the prevailing trend towards short-stay city breaks works against spreading tourists' spending power across all regions.
- Some 86% of coach tourists stay in hotels across Ireland and contribute to the sustainability of our hotel stock at a time when many hotels are struggling to stay in business
- The seasonal spread of coach tourists across the shoulder season is relatively good which means that they contribute well to the sustainability of tourism SMEs throughout the year and they improve the year round utilisation of Ireland's tourism infrastructure
- It suits older tourists. On average 56% of coach tourist were aged 55 or older, but the age profile varies by source market.
- In terms of activities engaged, 90% of coach tourists actively engage with Irish culture and visit sites of historical interest which again improves the utilisation of Ireland's existing tourism infrastructure.

More details are available in Appendix A.

While there is no official data on day tours, it has been noted that there has been a sharp increase in these services in the last few years, driven by three factors:

- Improved roads from the capital to many popular attractions means that visitors can now visit the likes of the Cliffs of Moher as a day-tour from Dublin, whereas such trips used to involve an overnight in Galway, and a day-tour from there.
- A concentration of arrivals at Dublin Airport, and a lesser reliance on Shannon, Cork and other airports means that the vast majority of tourists begin their sightseeing activity in the capital.

-
- A drop in the rent demanded for street-level retail space on the capital's most important shopping streets means around six new 'tourist information' shops have opened recently that are owned and operated by day-tour companies.

It should be note that many of the day tour operators are not members of the CTTC, and most of the Council's members are not involved in day tours.

3. The Size of the Coach Tourism Sector

Introduction

This section, which draws on survey data and case study information generated between December 2011 and February 2012, is designed present an overview of the present state of the coach tourism sector. It opens with a summary of how the baseline facts were gathered and then presents information on the fleet and sectoral employment.

The Study Methodology: A Survey & Case Studies

A confidential survey questionnaire, agreed between Fáilte Ireland and the CTTC, was circulated electronically to all 66 coach tour operators listed on the www.discoverireland.ie, of whom 64 are members of the CTTC. This is taken to represent the private coach tourism sector.

The 66 coach operators were sent an email which contained a link to an on-line questionnaire (c.f. Appendix B). We achieve a good response rate of 68% - 45 firms completed the survey. This high response rate can be attributed to the following:

- Firstly, active follow-up by Fáilte Ireland and the Council.
- Secondly, use of a tightly focused survey instrument. The survey questionnaire went through a number of drafts as the CTTC were very conscious that it had to be easy for busy operators to provide the information sought.

The results of the survey have been weighted up to approximate the true scale of the coach touring sector.

The case studies were undertaken by Mr. Jimmy Kelly. Mr. Kelly is an independent qualified accountant who provides financial and advisory services to coach businesses. His services were engaged so as to ensure case study participants that their individual data would not be shared with third parties. Aggregated results were generated from the five case study consultations with selected CTTC members. The aim of the consultations was to build an evidence based picture of the financial standing of coach tourism operators.

The Size of the Coach Tourism Sector

The survey showed that in 2011 there were 1,369 coaches in the fleet. However, there are reasonable concerns over the validity of the information provided by respondents based on industry knowledge and CSO data. It may be that respondents answered the questions regarding their tourism fleet with details of their total fleet, i.e., erroneously including vehicles not dedicated to tourism use such as those serving school transport and other uses.

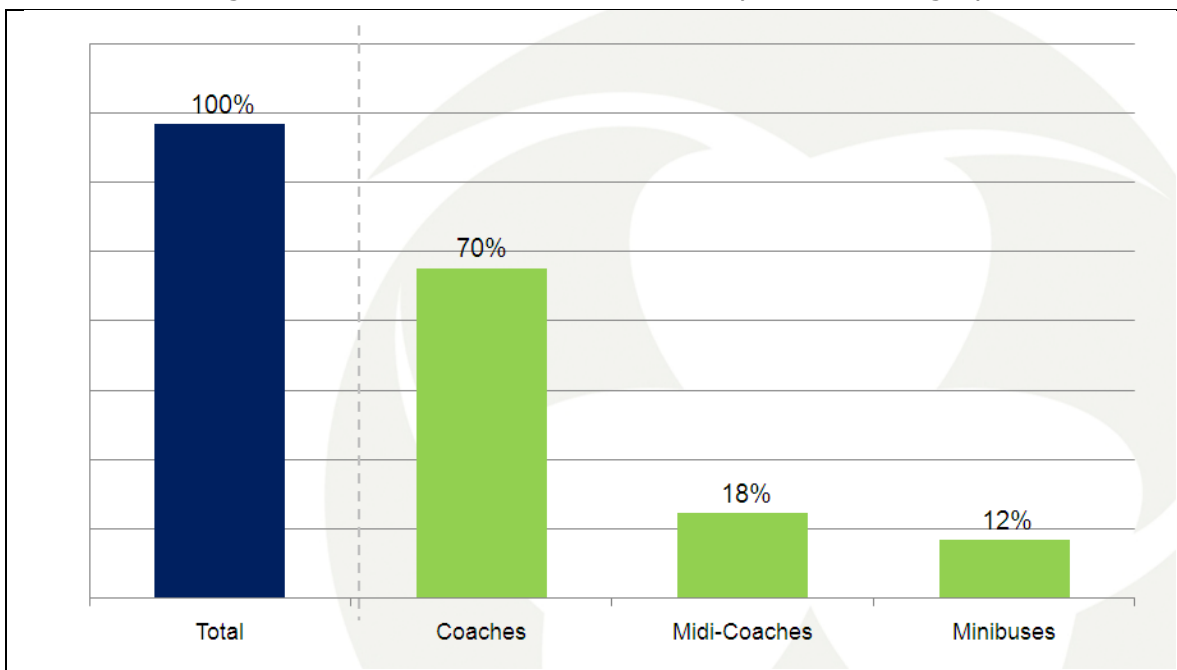
To illustrate the observation that respondents may have misstated their fleet size, CSO data on large public service vehicles show that new registrations fell from 699 in 2006, to 102 in 2011. The survey had suggested that 137 new coaches were registered in 2011, which is incompatible with CSO results.

There were circa 620 coaches approved under the Fáilte Ireland coach tourism approvals scheme in 2011. For the purposes of this study the true coach tourism fleet size is taken to be 620 based on industry knowledge and Fáilte Ireland approvals.

Figure 3.1 shows that 2011's fleet was made up as follows:

- 70% vehicles were standard coaches.
- 18% vehicles were midi-coaches.
- 12% of the fleet were minibuses.

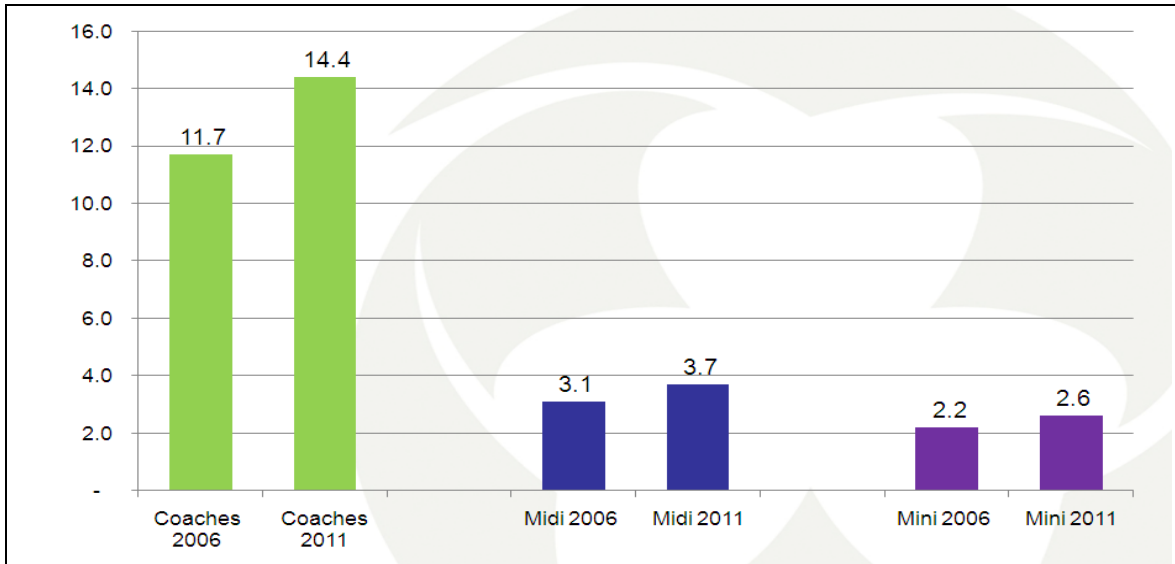
Figure 3.1: 2011 Coach Tourism Fleet by Vehicle Category



Source: 2011 Operators Survey

In terms of the typical fleet size, Figure 3.2 illustrates the average operator’s fleet in 2011 relative to the position in 2006.

Figure 3.2: Average Coach Tourism Operator’s Fleet Size 2011 v 2006



Note: The figures above may overstate the true size of the coach tourism fleet. It would appear that non-coach tourism vehicles were included in the returns provided.

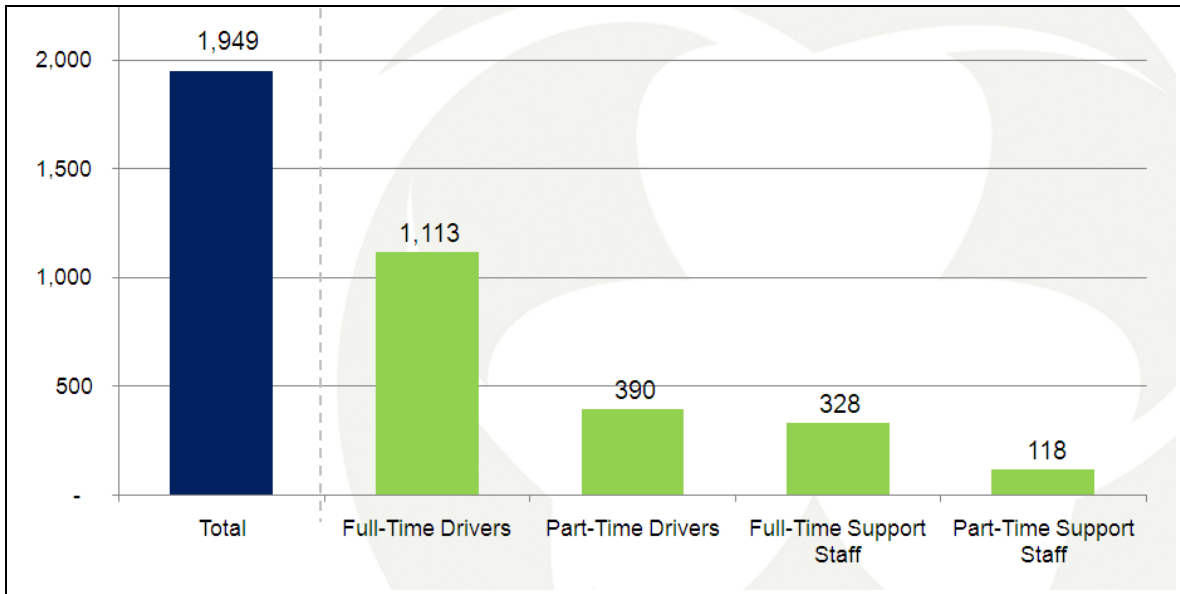
Source: 2011 Operators Survey

Once again, operators within the coach touring sector found the results of the survey hard to rationalise against their own observations. They would have expected to see a decline in the total fleet and in average fleet size.

Employment

At present the coach tourism sector employs almost 2,000 people. The sector’s employment is heavily concentrated within the driver category as they make up 77% of all staff, with support staff making up the balance of 23%. Three out of every four working the sector are full-time, with one in four on part-time hours.

Figure 3.3: Coach Tourism Employment 2011



Source: 2011 Operators Survey

4. Financial Performance

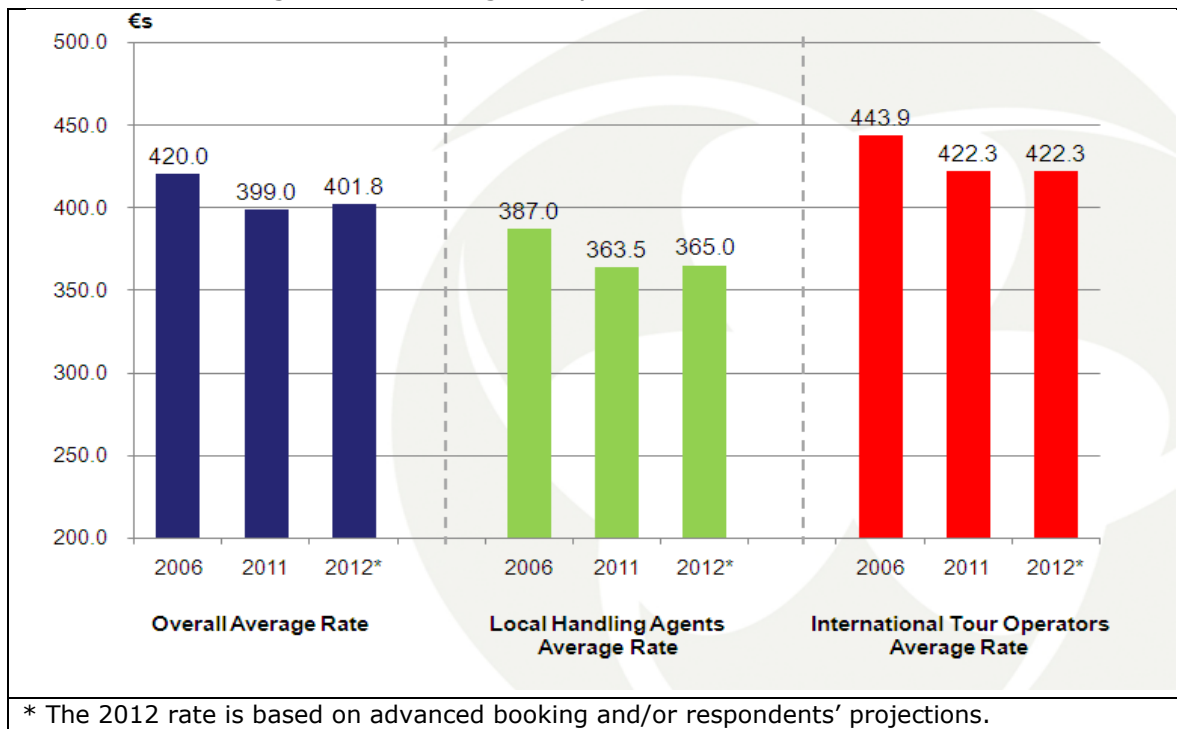
Introduction

This part of the paper focuses on the financial performance of the sector. It begins by looking at the recent trend in daily rates before discussing revenue, cost and profitability. It draws on data from the sectoral survey and on the case study findings.

Daily Rates

Figure 4.1 shows the trend in daily rates. From the survey, the reported average hire our rate is €400 per day, but this can range from €365 to €422. Since 2006 daily hire-out rates have fallen by 5%. This hire-out rate decline is consistent across the various channels through which coach operators secure business.

Figure 4.1: Average Daily Rates 2006, 2011 & 2012

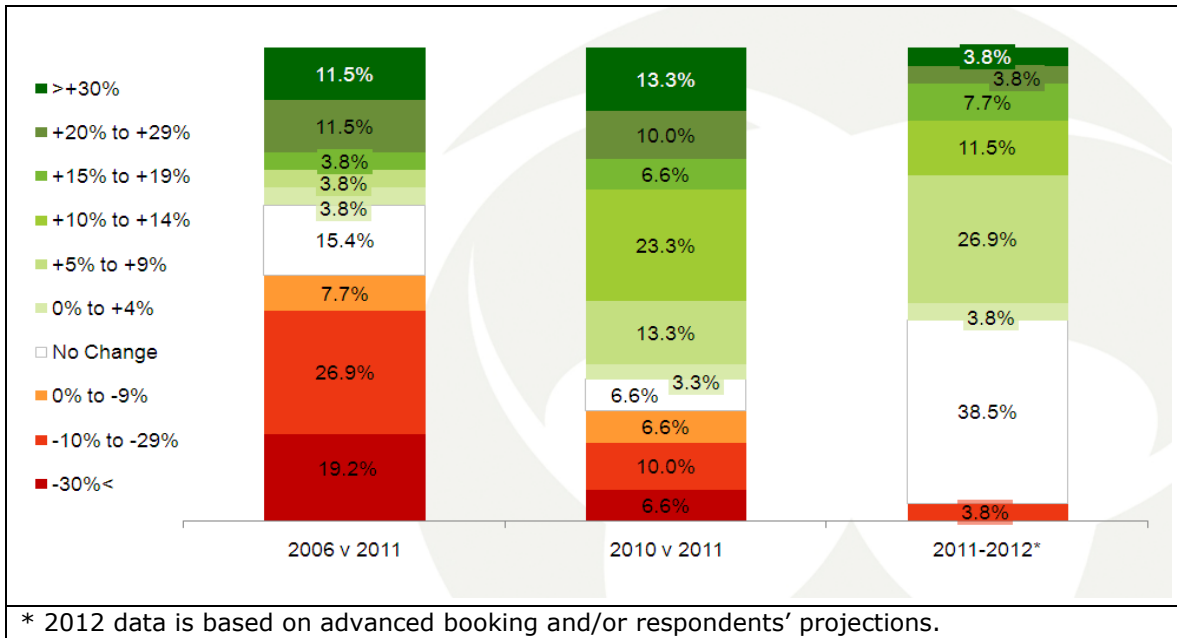


Source: 2011 Operators Survey.

Revenue & Profitability

Following on from the above, it is unsurprising to find that most operators have suffered sharp revenues falls since 2006.

Figure 4.2: Change in Operators' Turnover

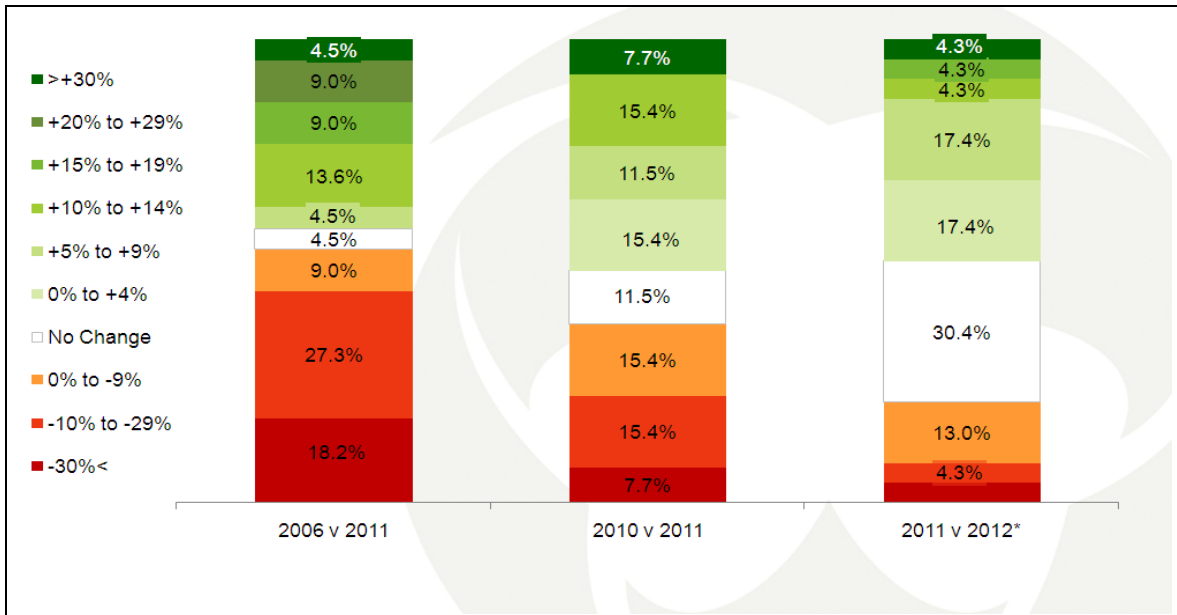


Source: 2011 Operators Survey.

Looking at 2011 relative to 2006, most (54%) firms suffered from declining revenues. While the rate of decline has eased off, the results are consistent with the notion of excess capacity given that the coach tourism fleet has increased at a time when demand shrank.

The sharp drop in turnover is reflected in profitability. Between 2006 and 2011, 55% of operators suffered from deteriorating profitability. Looking at 2011 relative to 2011, the profit performance was much worse than the trend in revenues. This is explained by increasing cost pressure. The outlook for 2012 is challenging as operators foresee costs continuing to eat into their margins, with anticipated profits falling by more than turnover.

Figure 4.3: Change in Operators' Profitability



* 2012 data is based on advanced booking and/or respondents' projections.

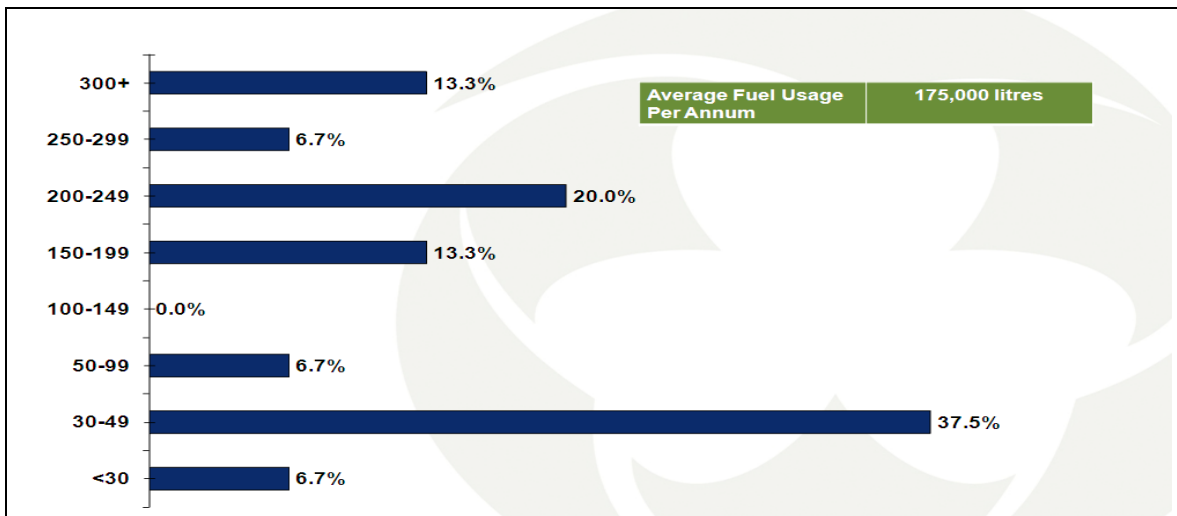
Source: 2011 Operators Survey.

Fuel Usage

Respondents were asked about their fuel usage. Based on the returns provided, the average operator consumes 175,000 litres per annum. However, there is much variation in fuel usage:

- 51% of firms use less than 100,000 litres every year.
- 33% use between 100,000 and 249,000 litres every year.
- 16% use more that 250,000 litres per annum.

Figure 4.4: Approximate Fuel Usage in Thousands of Litres (% of Businesses)



^ Only 16 respondents answered this questions and one respondent's data was as the significant amount of fuel used made it an outlier relative to the other observations.

The case study data showed the importance of fuel costs. Aggregating the information provided, fuel accounts for 24% of total costs – the largest cost item outside of operators’ control. Clearly, operators are going to be very sensitive to fuel costs, all the more so given the recent acceleration in fuel prices.

The Case Study Findings

Cost were not directly addressed in the survey, rather details on the sector’s cost base was picked up via the case studies. The aim of the case study consultations was to build an evidence based picture of the financial standing of coach tourism operators.

Five operators were asked to participate and they were chosen to reflect the broad mix of businesses in the sector. Two of the operators are located in the Dublin area and three are provincial operators. These are not small operations as between them they run 72 tourism coaches, with an average of 14.4 tourism coaches each. Each of the operators has other coaches or buses which are excluded from the case study as they are not predominantly engaged in coach tourism. Three of the operators are heavily reliant on coach tourism for their revenue. One operator runs his own coach tour program.

Each operator completed a spreadsheet template giving details of their cost base and revenue. The aggregated results for the five operators are shown below.

Table 4.1: Average Costs Based on Combined Case Study Results (2011 Data)

Cost Type	Average daily cost per coach	Share of total cost	No. of days hired per coach	Costs per coach
Coach depreciation	€120	25%	215	€25,848
Lease or loan interest	€25	5%	215	€5,434
Insurance	€12	2%	215	€2,509
Drivers wages	€124	25%	215	€26,635
Fuel	€116	24%	215	€25,003
Maintenance costs	€34	7%	215	€7,303
Admin and other salaries	€28	6%	215	€6,014
Other costs	€28	6%	215	€6,100
Total Costs	€488	100%	215	€104,825

Note: Figures might not add as rounding applies.

On the cost base:

- The key figure is the average daily cost per tour coach of €488.
- Fuel is 24% of total cost and its share rises to 34% of operating costs.
- Depreciation, drivers wages and fuel each account for around 25% of costs. Depreciation costs varied depending on number of days hired but also on the

method used to calculate depreciation which varied between operators.

Table 4.2: Average Revenues Based on Combined Case Study Results (2011 Data)

	Daily revenue per tour coach	No. of days hired per coach	Yearly revenue per coach
Average total revenue per tour coach	€423	215	€90,776
<i>Note: Figures might not add as rounding applies.</i>			

On the revenues side:

- The average daily revenue is the total revenue earned per coach from touring and other work divided by the number of days hired. About 75-80% of yearly revenue was from touring.
- The average daily revenue was similar for all five participants but there were variations in the number of days hired with one operator reporting good off season utilisation due to a favourable client mix.
- The case study average daily revenue of €423 is consistent with the survey daily rates in Figure 4.1. The participants reported downward pressure on rates from tour operators (which was said to be prompted by below cost pricing from other coach operators).
- The number of days hired for touring and other work of 215 showed variations between operators but all operators reported a significant decline compared to historic levels. Two operators reported the number of days hired for tour work at 144 and 167 compared with a break-even target of 180 days.
- All participants said that poor utilisation as measured by number of days hired reflects reduced demand and excess capacity.

Table 4.3: Average Profitability Based on Combined Case Study Results (2011 Data)

	Daily results per coach	Avg. no. of days hired	Yearly results per coach
Revenues	€423	215	€90,776
Costs	€488	215	€104,825
<i>Profit (loss)</i>	<i>(€65)</i>	<i>215</i>	<i>(€14,049)</i>
<i>Note: Figures might not add as rounding applies.</i>			

The loss per tour coach of €65 is attributed by participants to increased daily costs especially fuel, lower hire rates and lower utilisation.

5. Operators' Concerns

Introduction

As well as the information already presented, survey asked coach operators to indicate the issues of most concern to them. These are addressed below. We also outline a few other well documented concerns.

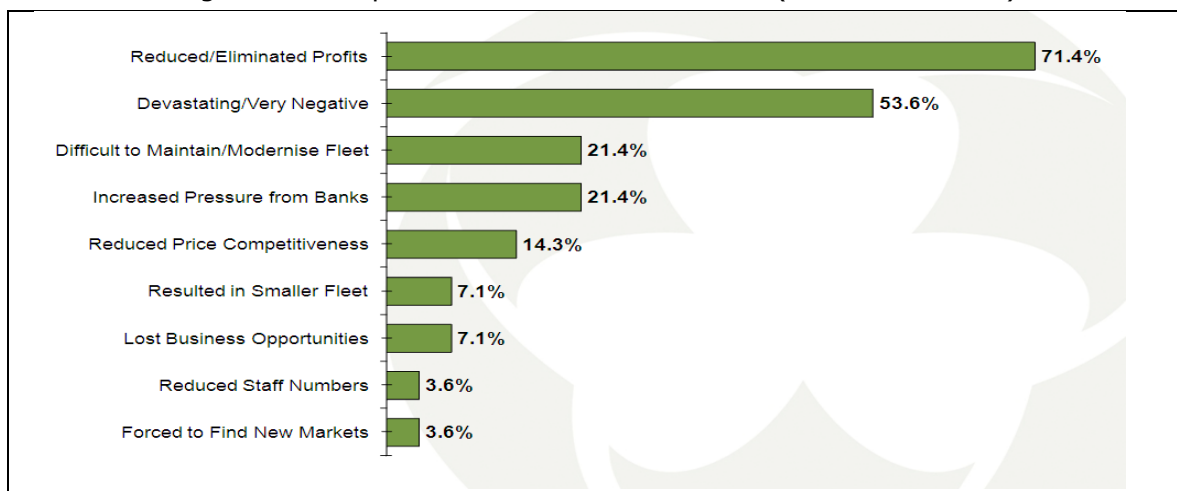
Removal of the Fuel Tax Rebate

Up to October 2008, there was a long standing practice of refunding private coach operators a significant portion of the excise duty payable on the fuel that they used. Refunds had been available in one form or another for over fifty years.

The rebate allowed coach operators to reclaim €345 per 1,000 litres of diesel used while touring. It equated to around 35 cent per litre and was described as a significant factor behind the growth of the coach touring as it enabled *"the cost of tours to be kept at an affordable level thereby allowing the sector to compete effectively with their counterparts in other countries, in particular the UK and Northern Ireland where operators can claim VAT inputs on fuel, spares and maintenance"*¹. However, the rebate scheme, as it was framed under the Finance Act 2003, was found to be in breach of EU legislation. It has been pointed out that the principle of the rebate was not at issue; just its operation.

At the time of the rebate's removal it was estimated that on average, profitability in the private coach sector would halve. Hence, this survey asked operators an open-ended question as follows, *'Please state what impact the removal of the fuel rebate had on your business?'* The results are presented below.

Figure 5.1: Impact of the Rebate's Removal (% of Businesses)



Source: 2011 Operators Survey.

¹ Goodbody Consultants, Impact of the Fuel Rebate on the Private Bus and Coach Industry, Feb 2008

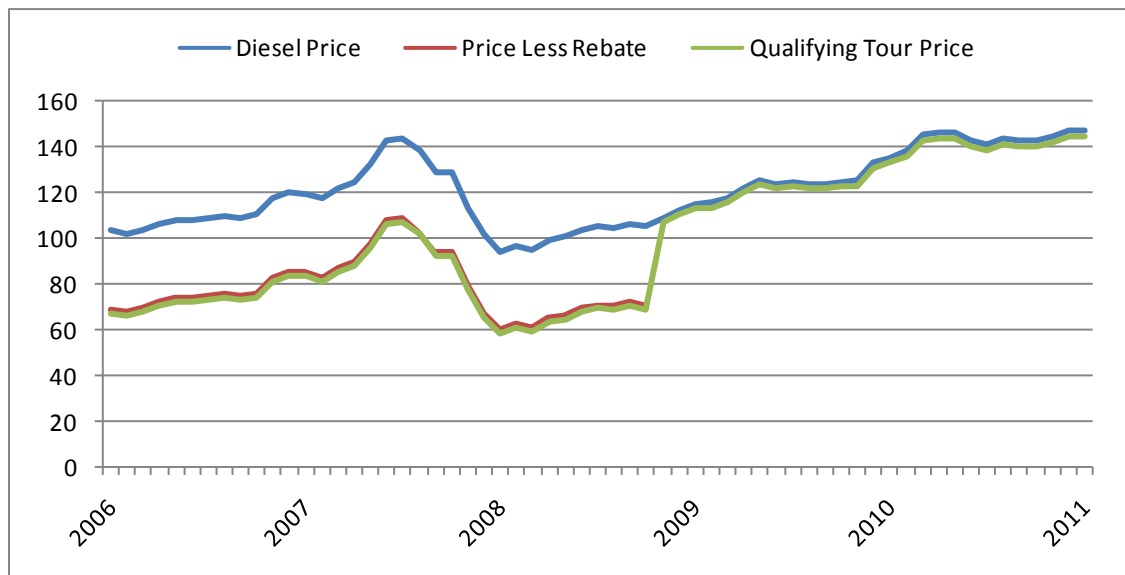
The rebate's loss had a universally negative impact on the sector. For example:

- 71% of firms saw a consequent fall in profitability.
- 54% noted a general negative impact on business performance.
- 21% found it harder to maintain their fleet.
- 21% found themselves under financial pressure from their bank as a result, most likely due to cash flow difficulties and (in)ability to service outstanding loans.

Fuel Prices

Operators were most concerned about fuel costs which are 24% of total costs but 34% of operating costs. Diesel cost increased by 41% from December 2006 to December 2011, going from €1.04 per litre to €1.47. The increase was 108% when allowance is made for withdrawal of the rebate in 2008 – fuel costs for qualifying tours has more than doubled.

Figure 5.2: The Price of a Litre of Diesel for Qualifying Tours 2006-2011

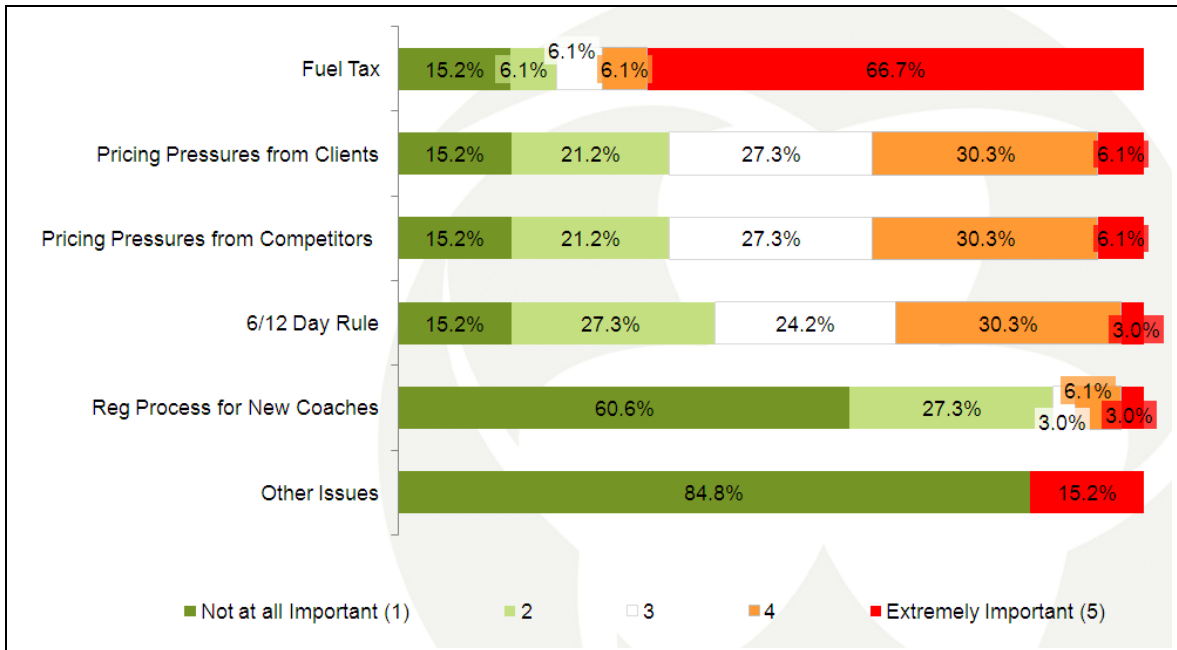


Source: AA Ireland Fuel Price Survey.

Other Areas of Concern Noted in the Survey

In addition to the fuel rebate and fuel prices in general, a number of other issues are impacting on operators.

Figure 5.3: Other Areas of Concern



Source: 2011 Operators Survey.

Figure 5.2 shows that:

- Fuel and fuel tax is the biggest area of concern.
- Pricing pressure from both competitors and clients are the joint second biggest problem areas.
- VAT was noted under 'other issues'. Northern Ireland coach operators can reclaim their VAT on inputs, including the leasing of vehicles, purchase of parts, all fuel, phone bills and electricity. This means that Northern Ireland coach companies can compete against their Republic of Ireland counterparts at a cost advantage.

Personalised Number Plates

Coach operators feel that competitors from Northern Ireland and Great Britain enjoy an advantage over those in the Republic of Ireland owing to our different vehicle registration system. The registration plate in the Republic of Ireland, because of its transparency, draws attention to the age of the vehicle. This puts additional pressure on coach operators to offer much newer vehicles than their Northern counterparts who enjoy the advantage of using private number plates. Owing to their personalised number plates, Northern Ireland vehicles have a much longer life span in the tourism sector, and therefore have a much lower cost base.

The 6/12 Day Rule for Coach Drivers

Under EU regulations coach drivers can only work for six consecutive days on a domestic tour, but may work for 12 consecutive days on an international tour. The

regulations state that a 12 day rule applies only to drivers “engaged in single occasional service(s) of international carriage of passengers”, with a six day rule for domestic carriage.

The 6/12 day rule has had serious consequences for coach touring within the Republic. These include:

- Employing an extra driver on each tour that lasts more than six days, or unnecessary expense and complication of diverting tours of more than six days to Northern Ireland to take advantage of the 6/12 day rule and subsequent loss of tourism revenue to the Republic. Dislocating coach tourists spending power by just one-day is estimated to cause an annualised loss of €21 million in export earnings and €5.1 million in tax revenues.
- Changes in coach tour itineraries negatively impacting the duration of regional tours. Since its introduction most coach tour itineraries have been reduced to six days.
- Increased CO2 emissions as tour groups switch to the less fuel-efficient option of minibuses which are exempt from the legislation.
- Unnecessary disruption of personal life of drivers who will have to take their rest days ‘on the road’ instead of at home.

6. Conclusions/Findings

Indications of Spare Capacity

- According to the survey's findings, there were 1,369 coaches in the fleet in 2011, However, informed sources within the coach tourism sector found the reported size of the touring fleet surprising. It was pointed out that there were circa 620 coaches approved under the coach tourism approvals scheme.
- Tourist demand has declined by 16%.
- Currently the reported average hire-out rate is circa €400 per day, down 5% since 2006. This hire-out rate decline is consistent across the various channels through which coach operators secure business.

Revenues Down, Cost Up

- Most operators have suffered sharp revenues falls since 2006. More than half have suffered from declining revenues.
- The sharp drop in turnover is reflected in profitability. Between 2006 and 2011, 55% of operators suffered from deteriorating profitability. Looking at 2010 relative at 2011, the profit performance was much worse that the trend in revenues. This is explained by increasing cost pressure. The outlook for 2012 is challenging as operators foresee costs continuing to eat into the margins, with anticipated profits falling by more than turnover.
- Operators are very concerned about fuel costs which are 24% of total costs but 34% of day-to-day operating costs. Diesel has increased by 41% since 2006 and by 108% if allowance is made for withdrawal of the fuel rebate.

Below Cost Selling & Reported Financial Losses

- On the assumption that the case study operators are reflective of the wider coach tourism sector, average daily hire-out rates do not cover running costs once fixed costs are factored into the calculations. It would appear that the sector is running at a loss.
- It is reported that some operators are willing to do business at daily rates that generate a modest margin over day-to-day operating costs. However, these low daily rates are not sufficient to cover the substantial fixed cost of fleet replacement. Thus, financial losses are being reported.

Pressure Points

- Below Cost Pricing: This tactics are having adverse effects on the daily rates that the rest of the industry can achieve.
- The Fuel Rebate: Up to October 2008, there was a long standing practice of refunding private coach operators a significant portion of the excise duty payable on the fuel that they used. The rebate's loss had a universally negative impact on the sector.
- VAT: UK and Northern Ireland based coach operators are zero rated for charging VAT but can claim back all their inputs VAT giving them a significant cost

advantage. This arises as operators in the Republic of Ireland are VAT exempt and unable to claim back their vatable inputs.

- Personalised Number Plates: The introduction of private registration plates for touring coaches would enable operators based in the Republic to compete on a more equal basis with coaches from Northern Ireland and Great Britain. Depending on how such registration plates were priced, there may be a revenue gathering opportunity for the State.
- The 6/12 Day Rule: A derogation of this day rule would remove the particular anomaly regarding 'international' travel on the island of Ireland, which was most likely an unintended consequence of the European regulation. This would eliminate a handicap on the coach touring industry in the Republic.

Appendix of Supporting Material

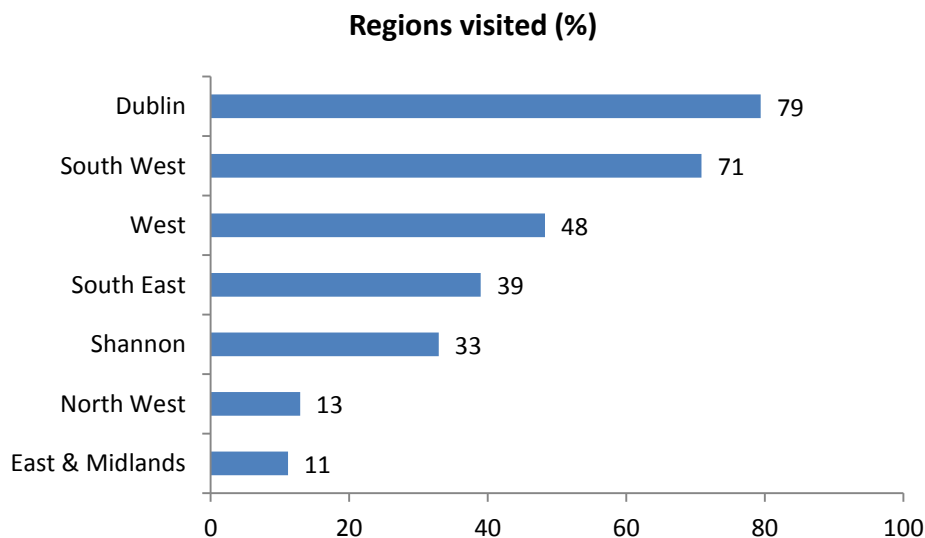
Appendix A: Coach Tourism in Ireland 2010

There were 300,000 overseas coach tourists to Ireland in 2010 contributing an estimated €180 million to the Irish economy.

Total Overseas Coach Tourists 2006-2010 (000)					
	2006	2007	2008	2009	2010
Britain	148	154	117	111	92
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Other Areas	22	12	30	17	26
TOTAL	356	403	328	278	300

Regions Visited

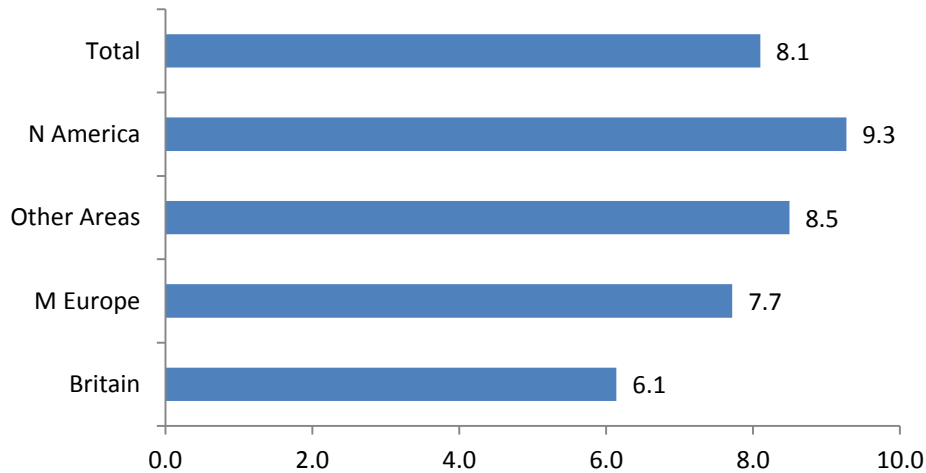
Dublin was the most visited region with almost 80% of overseas coach tourists spending at least one night in Dublin. Outside of Dublin the South West was the next most popular region with just over 70% visiting this region. The West (48%) and the South East (39%) also accounted for a significant proportion of coach visits.



Average Length of Stay

The average length of stay in 2010 was 8 nights with North Americans having the longest stay at 9 nights and British visitors the shortest at 6 nights.

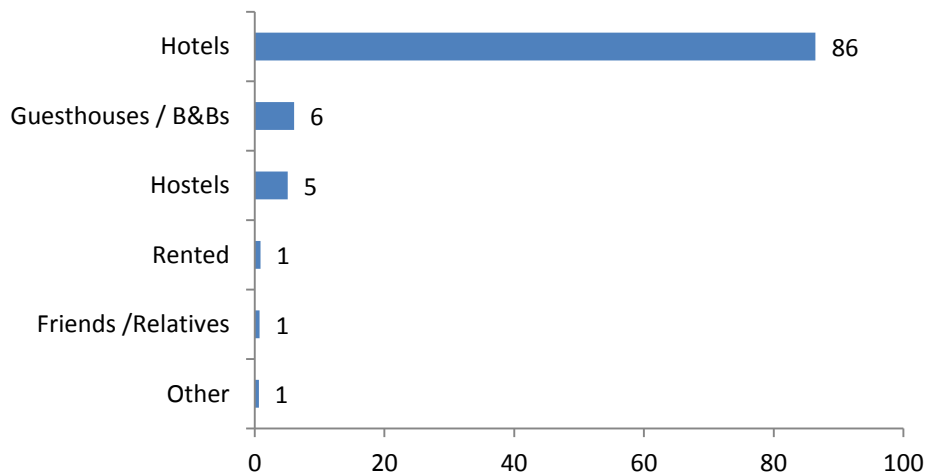
Average length of stay



Accommodation Used

Hotels are by far the main choice for accommodation with 86% using this type of accommodation. Six per cent of coach visitors stayed in Guesthouses/B&Bs and 5% used Hostels.

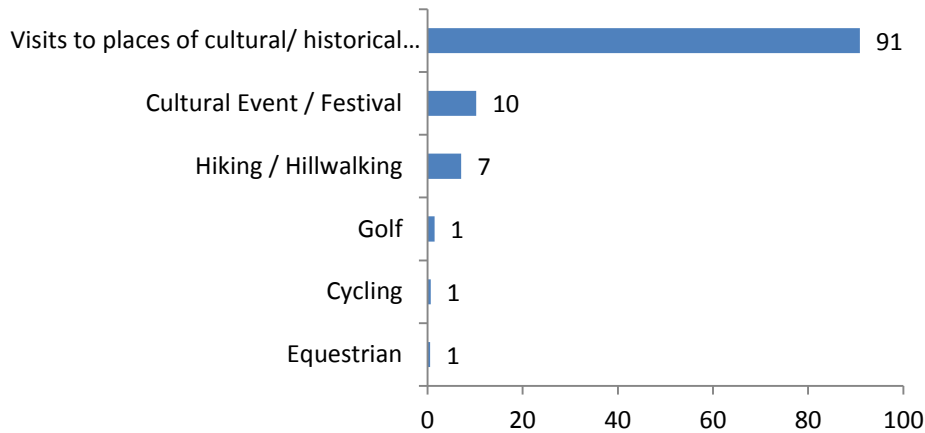
Accommodation used (%)



Activities Engaged In

Visits to places of cultural/historical interest is the main activity for coach tourists with 91% engaging in this activity. A cultural event /festival was attended by 10% of visitors. Considering the more active pursuits Hiking/Hill walking was pursued by 7% of visitors with activities like equestrian, golf and cycling on the itinerary of just 1% in each case.

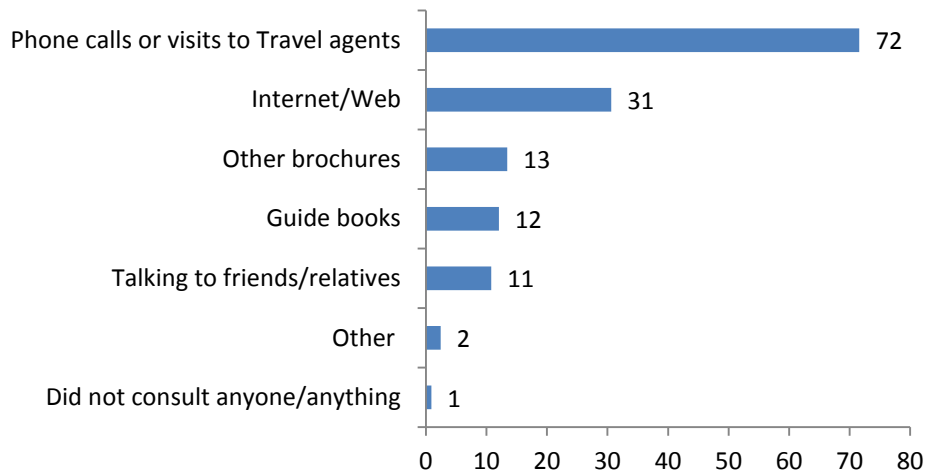
Activities engaged in (%)



Sources of Information

Travel agents were the main source of information used for planning a coach holiday to Ireland with 72% using these services; internet was the next most used resource at 31%. There was a greater propensity amongst Americans (37%) to use the internet compared with British visitors (22%). Brochures were popular with British tourists with one third using this source.

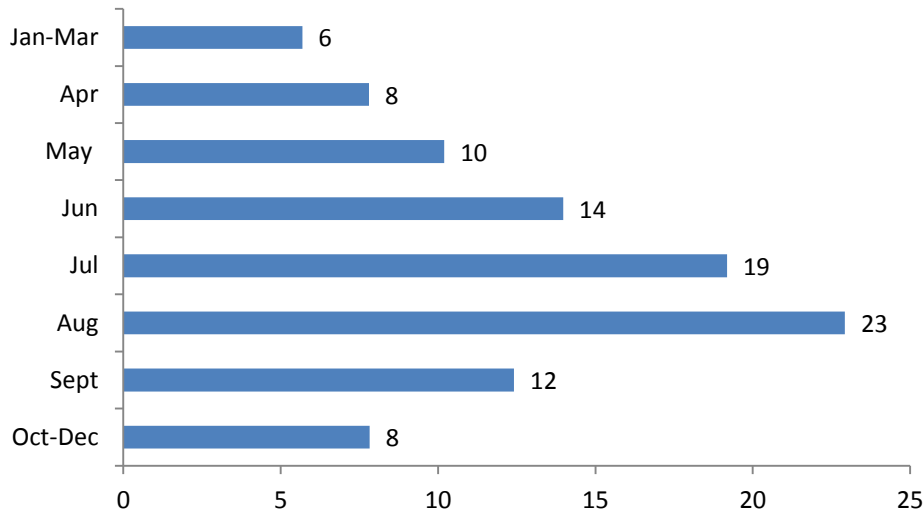
Sources of information used (%)



Month of Arrival

July and August are the peak months for coach arrivals with 19% and 23% arriving respectively during these months.

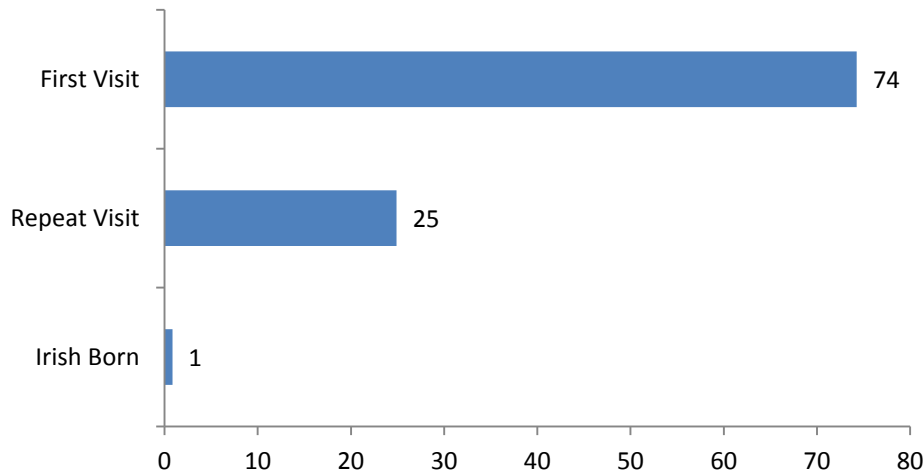
Month of arrival (%)



First or Repeat Visit

For most visitors (74%) it was their first trip to Ireland while for a quarter it was a repeat visit. Just 1% of visitors were Irish born. When broken down by market just over half of British visitors were on a first visit with 45% on a repeat visit.

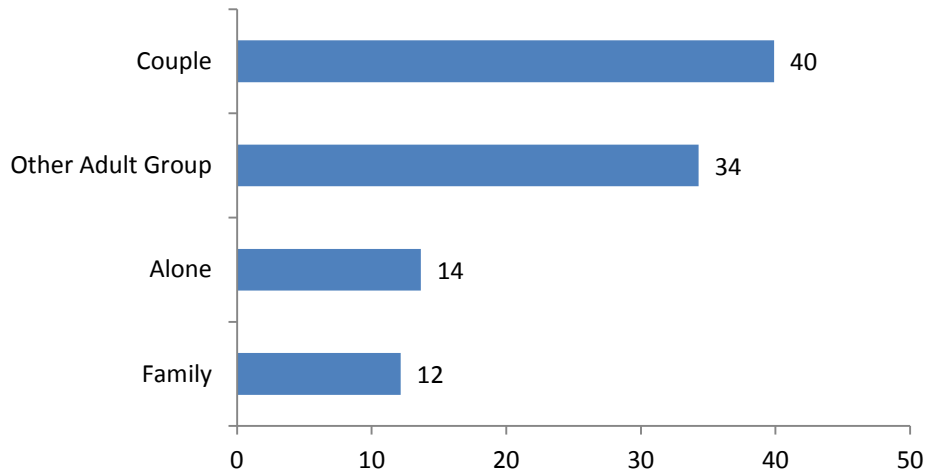
First/repeat visit (%)



Party Composition

Couples, at 40%, form the predominant type of party coming to Ireland on a coach touring holiday with other adult groups comprising 34% of visitors. When looking at the American market, 45% of visitors are couples with 25% falling into the other adult group category.

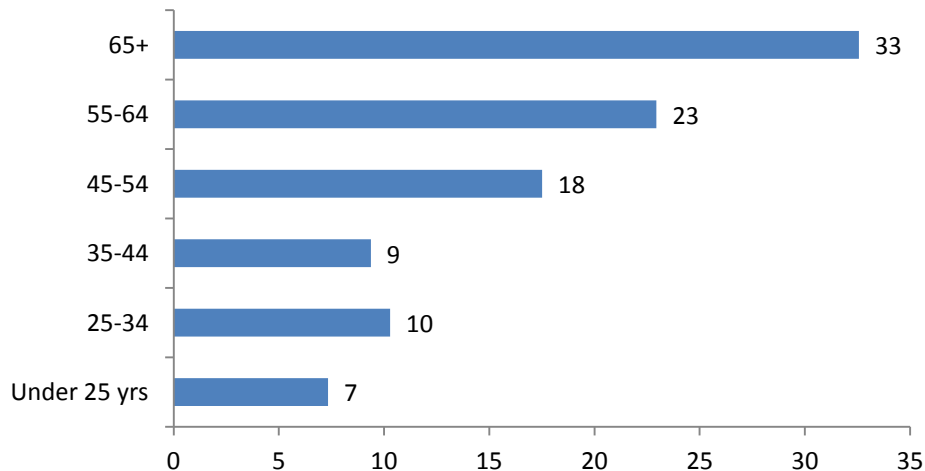
Party Composition (%)



Age

The age profile for visiting coach tourists veers towards the older age groups with one third over 65 and just over 40% aged 46-64. When looking at the individual markets this is more pronounced in the British market with 60% over 65 compared with 19% for Europeans and 23% for Americans.

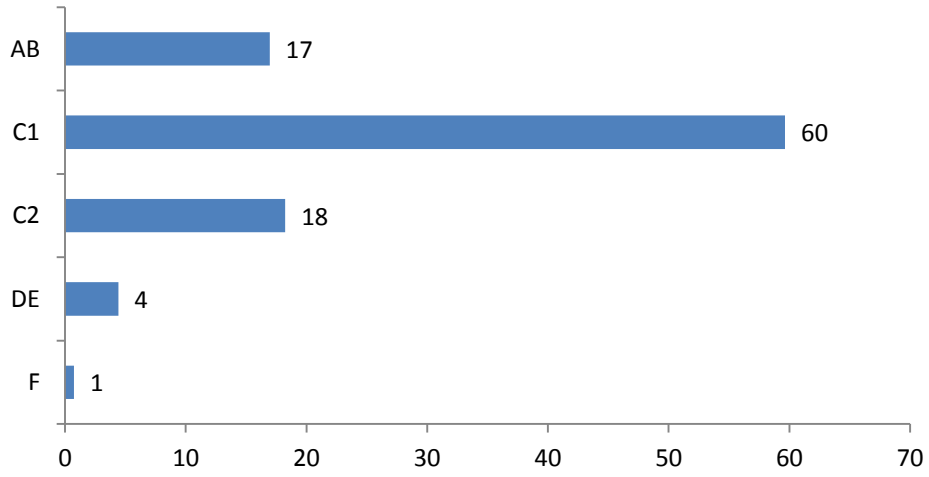
Age (%)



Social Class

Social class C1 dominates the coach touring market with 60% of visitors belonging to this class. For Americans and Europeans this percentage is even higher at 64% and 65% respectively. Britain at 28% has the highest proportion of coach visitors in the C2 segment.

Social Class (%)



Appendix B: The Coach Tour Operators' Survey Questionnaire

The answers you provided will help us to establish the size and state of the coach touring/tourism fleet today.

Please answer for the tourism part of your business only (i.e., not school transport, scheduled services or other activities.) Where more than half of a coach's activity relates to tourism please count it as one coach in the tables below. If less than half, please do not include it.

As we are only looking for approximate details, there should be no need to review your files.

1. Please supply details of the size of your company's coach touring/tourism fleet in the box below, and details for 2006 if possible.

The Tourism & Coach Touring Fleet's Size

Coach Size	Number of Vehicles in 2011	Approx. Number of Vehicles in 2006
Coach		
Midi-coach		
Minibus		

2. Please indicate how many new vehicles were bought in the years listed below for your touring/tourism fleet?

	2006	2007	2008	2009	2010	2011	Expected in 2012
Coach							
Midi-coach							
Minibus							

3. Please indicate the numbers employed in tourism at your company.

Staff Type	Number Focused on Tourism Activities in 2011	Approx. Number Focused on Tourism Activities 2006
Drivers – Full-time		
Drivers – Part-time		
Support Staff - Full-time		
Support Staff – Part-time		

4. By what percentage has your coach touring/tourism business changed? (Make sure to use + and - with the percentage.)

	Turnover (+/- %)	Profitability (+/- %)
2011 compared to 2010		
2011 compared to 2006		
2011 compared with expectation for 2012		

5. In the box below please supply information on your average daily rates. (If you have difficulty supplying information on Local Handling agents versus International Tour Operators, please just supply an overall average.)

	Average daily rate in 2006	Average daily rate in 2011	Expected Average daily rate in 2012
From Local Handling Agents on a seven-day tour	€	€	€
From International Tour Operators on a seven-day tour	€	€	€
Overall average	€	€	€

6. Approximately how many litres of fuel do you use per year? _____,000

7. Please state what impact the removal of the fuel rebate had on your business?

8. On a scale of 1 to 5, where 5 = extremely important and 1 = not at all important, please rate and explain how big a concern the following items are:

Issues	Ranking 1-5	Comment
Fuel Tax		
The 6/12 Day Rule		
Registration process for new coaches		
Pricing pressure from tour operators		
Pricing pressure from other coach operators		
Other issues - please specify		

9. What is the greatest threat to the survival of your business?

1.
2.
3.

This is the end of the questionnaire. Thank you for completing it.