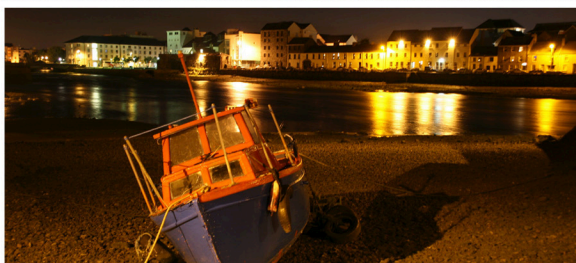
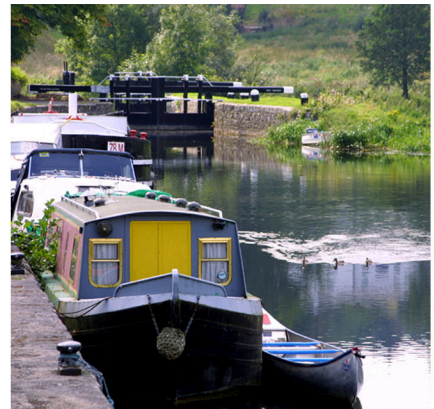
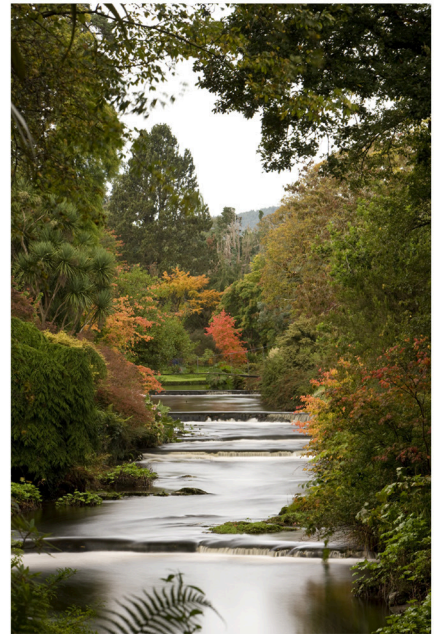


Tourism Barometer



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1. Headline Findings

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

How have we conducted it? We have received 269 responses to an online survey with tourism businesses in November 2017 and have conducted 236 top-up telephone interviews. We have also conducted eight qualitative interviews with senior industry executives. More details on the methodology can be viewed in appendix 1.

Business Sentiment Index

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Up	14	15	28	39	48	68	75	80	76	64
Same	18	11	25	31	26	21	17	16	19	26
Down	68	74	47	30	26	11	8	4	5	10

Base: All Accommodation Providers (weighted to available beds)

Sentiment is good Sentiment in the industry is less positive than in recent post-crisis years; however, it is still healthy. The industry started 2017 with much uncertainty over Brexit and sterling exchange rates, but has been bolstered by more American and German visitors.

North Americans and Germans boosting PSA performance The paid serviced accommodation (PSA) sector has enjoyed a strong year, with two in three (67%) businesses receiving more visitors than the same period last year.

Hotels are performing particularly well, with 69% welcoming more visitors than in 2016. The strength of the North American market this year has been very important for making up the shortfall in visitors from Britain.

Guesthouses are also doing well in 2017. About three in five (59%) have had more visitors than last year. Much of this success is due to the strength of the German market – 71% of guesthouses have welcomed more German visitors this year.

B&Bs are ending the year strongly. About half (49%) have received more visitors this year, and like guesthouses, the German market is behind this good performance. Over half (54%) of B&Bs have received more German visitors this year.

Attractions active with their own marketing Nearly two in three (63%) attractions have had more visitors this year. They are being active with their own marketing, about half (52%) expect that to affect their businesses positively in 2018.

Self-catering visitors returning About two in five (39%) self-catering operators are busier this year than last year. Repeat visitors are a key reason for continued success – 63% of operators state this as a likely positive factor for 2018, the highest proportion of any sector.

Hostels busy accommodating French and German visitors 2017 has been a good year for hostels. Nearly half (46%) have had more visitors than in 2016, and the French and German markets have contributed to this. 48% of hostels have had more German visitors this year and 46% have welcomed more French visitors.

North Americans making up the shortfall of British visitors to restaurants Half (50%) of restaurants have been busier serving tourist customers this year, and they have the North American market to thank. The majority (59%) of restaurants have had more American customers this year. By comparison, no (0%) restaurants have had more British customers, and most (72%) have had a decrease from this market.

Improvement in Northern counties' performance Nearly two thirds (63%) of PSA businesses in Northern¹ counties say they have been affected by the £/€ exchange rate this year. This compares to a lower but not insignificant proportion (46%) of PSA businesses in other areas.

This is reflected in Northern Ireland visitor volumes this year. Over half (53%) of these businesses are down on NI visitors in 2017.

However, the overall performance in Northern counties looks much better than a few months ago in the September barometer. Well over half (58%) say they are up overall in 2017.

Dublin affected by downturn in GB market, but still performs strongly overall Many (61%) Dublin PSA businesses are down on GB visitors in 2017. This compares to 46% of PSA businesses in the rest of the country.

The £/€ exchange rate plays a part in this, although the difference between Dublin and outside Dublin is less significant than earlier this year in the April barometer.

In spite of the knock on Dublin's GB visitor numbers, Dublin still outperforms the rest of the country in terms of overall visitors vs 2016. 69% of PSA businesses in Dublin are up on visitors compared to last year.

¹ "Northern counties" include the following: Cavan, Donegal, Leitrim, Longford, Louth, Mayo, Monaghan, Sligo

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.

Positive growth in 2017

- 2.1 2017 has been positive for all stakeholders interviewed. Some have experienced modest growth, while others have experienced exceptional growth.

“It has been a relatively positive year. Most businesses have had a good season, with many reporting an increase in business.”

“Both volume and value are up on last year. We have experienced moderate growth, which we are happy with.”

“We are delighted with the results this year. We are up in the region of 20%. How can we not be pleased with that?”

“Our market has done very well. I think it’s up about 7-8%, and up 25% on two years ago. So we are in a very good moment.”

- 2.2 Most industry leaders say growth in 2017 is not as strong as 2016, but 2016 was an exceptional year which saw recovery type growth.

“2016 saw recovery types rates of growth, so it would always have been difficult to match that. But, this year has seen good growth.”

“It’s been a very good year – visitors and profit are good. Not as good as last year, but last year was pretty exceptional.”

Business from the UK has been flat

- 2.3 All stakeholders say the UK market has either been flat or has fallen slightly. The effect of this stagnation depends on how much each market depends on UK business.

“The UK market has more or less been the same, but perhaps just down ever so slightly.”

“We have had a 7% drop in visitors from the UK. We have a large dependence on visitors from the Sterling area. These equate to a huge chunk of our market.”

Further increase in European and North American visitors

- 2.4 Industry leaders say there has been continued growth from the European and North American markets. Most say the strongest growth has come from Germany and North America. They also mention growth from the Netherlands, France, Spain, Belgium, Switzerland and Australasia.

“There has been a trend in the European market with visitor numbers increasing over the last few years, particularly driven by the German market.”

“The US market is up by around 24%, France is up 17% and Dutch visitors are up 33%.”

“The French and German markets have been reasonably strong this year... the Wild Atlantic Way has worked well in Europe”

- 2.5 This growth from Europe and North America has been so strong that the effects from a flat British market have not been as severe as expected.

“British visitor numbers are pretty flat. The growth in the US and Europe has more than made up for it.”

“We have had very strong growth – mostly from Germany. There has been a dip in the British market but this only accounts for a small percent of our total business. Whilst we are disappointed with this, it hasn’t affected our overall results too much.”

“I think we are down about 6% on the UK market. This obviously isn’t great, but the numbers from overseas have made up for the loss in the UK market.”

2017 has been better than expected

- 2.6 The uncertainty surrounding Brexit has meant that many industry leaders were concerned at the start of the year. They were concerned of the implications of a ‘no deal’ and also the effects that Brexit may have on disposal income in the UK.

- 2.7 Despite visitor numbers from the UK being lower this year for many – as expected – the rise in visitors from Europe and North America means that 2017 has been far better than expected.

“Everyone was a bit nervous about Brexit at the start of the year. Whilst there has been a small decline in the British market, it wasn’t that big and the other markets have made up for this shortfall.”

“Everyone was nervous about Brexit, but the growth in European and US visitors means we have not suffered at all.”

“The year has been as good as can be expected. We knew Brexit would cause difficulties with the GB market. And, after having years of significant growth – recovery rate growth – we knew it couldn’t last forever.”

“Going into this year, everyone was scared of the UK market and so businesses were reticent to build up their business. But, the year turned out much better than expected. Very successful numbers mainly driven from the North American market.”

- 2.8 Some foresaw a poor performance from the British market and altered their strategy accordingly. Some discounted prices whilst others promoted more, especially in Europe and North America.

“2017 has been better than envisaged. We had expected a disappointing year because of Brexit and the exchange rate, but it’s been pretty good. We expected the UK market would be down significantly so we promoted and discounted more and it’s paid off.”

Some concern for 2018, but most are confident of steady growth

- 2.9 There is concern for 2018 because of Brexit. Some are unsure what will happen politically from week to week, let alone a year.

“We are quite worried about the exchange rate. UK visitors aren’t getting as much value for money. It hasn’t affected them this year but there’s always a lag until you feel the effect.”

- 2.10 However the growth experienced this year, particularly from non-UK markets, means that most are confident of at least moderate growth. This comes in spite of another expected fall in visitors from the UK.

“We are confident considering the success we have had this year. There is no doubt we will achieve growth next year also. Perhaps not on the same level as this year.”

“We are confident for next year, but considering Brexit you just don’t know what will happen. Whilst overseas visitors are picking up, we are still dependent on UK tourists.”

“We are confident in so far as we have been successful in diverting the loss in the UK to a higher revenue market - the North American market. I’m confident that next year we will see another increase, albeit slightly less at around 4-5%.”

“We are cautiously confident that it will be a good year. The North American market is looking good, and I can’t see any reason why we can’t build on that.”

Divergence from hotspots to less visited areas

- 2.11 Some industry leaders comment on how saturated the market is in hotspot areas. As a result, visitors are staying in areas which were less visited in the past.

“A lot of tour operators are now using hotels in the previously lesser visited areas because it can be difficult to book hotels in Dublin and other hotspots. Whereas they might have spent 3 or 4 nights in Dublin, they are now spending maybe their first and last night in Dublin.”

- 2.12 Some industry leaders feel this could be turned into a positive. Rather than choosing to holiday elsewhere, visitors are choosing other areas of Ireland which have more availability and are perhaps cheaper.

“I think partly due to the capacity issues in Dublin and Killarney have meant that people are branching out more. They are being pushed to other areas and we have really benefitted from that.”

“This spreads the wealth to other areas, so it isn’t much of a concern as long as visitors get a product they are happy with.”

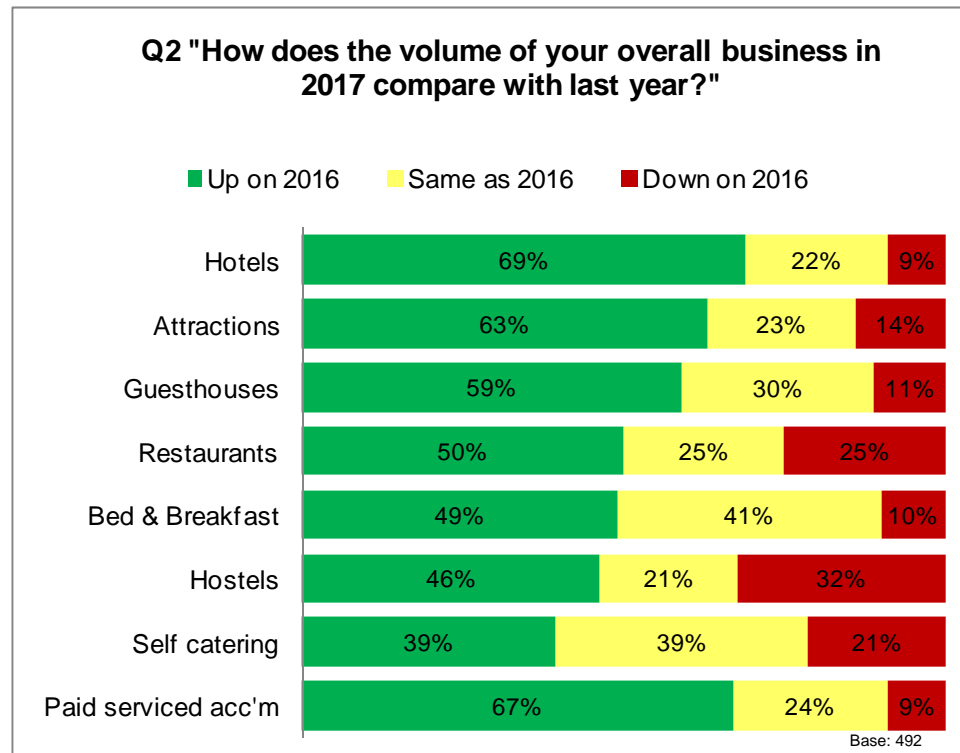
- 2.13 However, one industry leader is concerned that rising costs in Dublin mean that some visitors will have a negative perception of Ireland.

“Dublin has to be careful that it doesn’t price people out of the market. Prices are so high there now and visitors have this perception that Ireland is expensive.”

3. Overall Visitor Volumes in 2017 and 2018 Expectations

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

Overall visitor volumes in 2017



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 (PSA); 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.

Strong year for PSA sector

- 3.1 Continuously improving, the PSA sector is enjoying another leap forward this year, with two thirds (67%) reporting more visitors in 2017 compared to 2016.

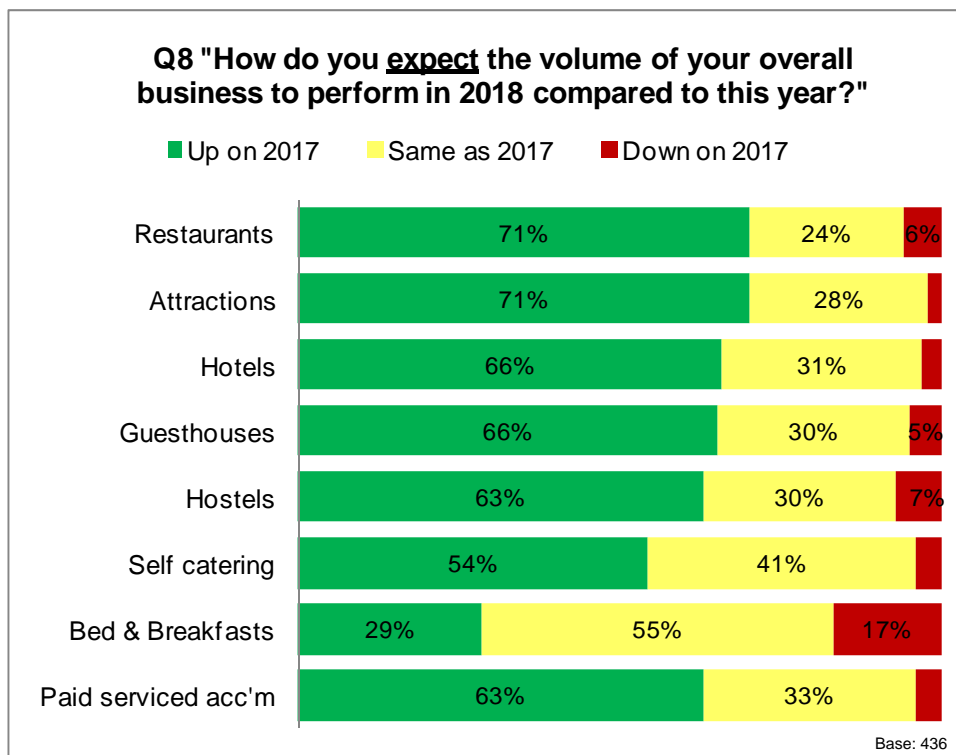
Further growth for hotels

- 3.2 Hotels in Ireland continue to show the most growth out of all the sectors, with seven in ten (69%) checking in more visitors in 2017.

All sectors are up on balance

- 3.3 While hotels are the strongest performing sector, all sectors are comfortably up on visitor numbers compared to last year. The performance of the self-catering sector was hanging in the balance in the September barometer, but it seems to have finished the year strongly.

Expectations for 2018



2018 to shine brighter

- 3.4 Although 2017 has been good overall, next year is looking far more promising. Restaurants and attractions in particular have high hopes for the coming 12 months.
- 3.5 B&B operators are more cautious, with more than half (55%) expecting to hold onto similar visitor numbers.

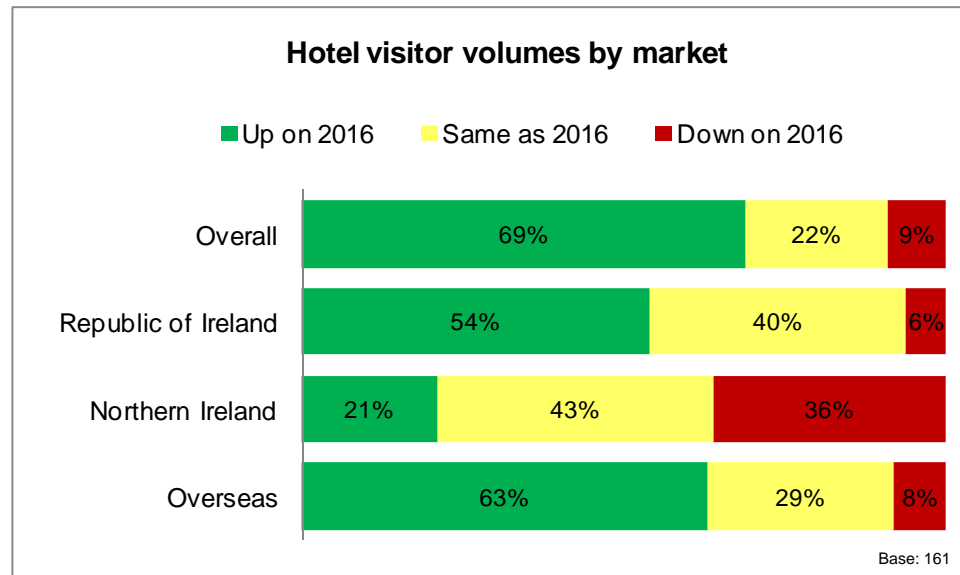
Hotels to turn over more rooms

- 3.6 Two thirds (66%) of hotels are expecting more visitors next year. The main reasons for this expectation are:
- Repeat visitors (56% of hotels)
 - Own marketing (55%)
 - Own investment in the business (52%)

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 2017



Welcoming American visitors

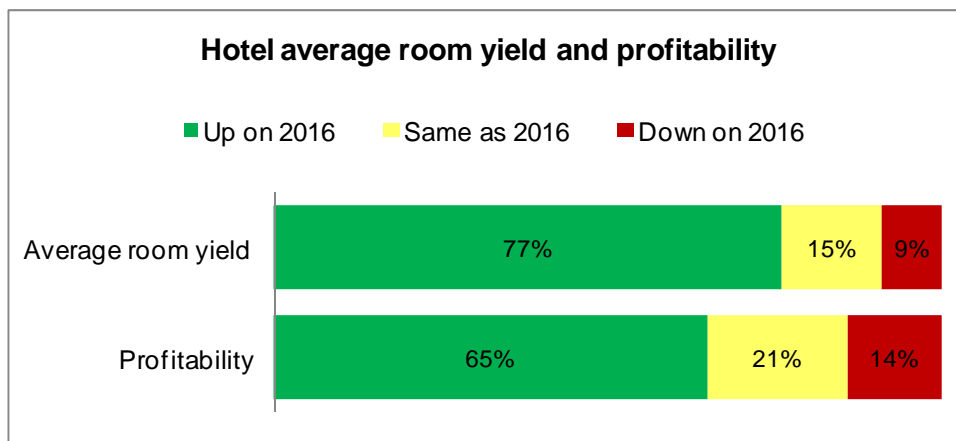
- 4.1 Hotels are enjoying another high performance year as we approach the end of 2017, with 69% up on the previous 12 months. One of the markets helping this overall lift is North America – 61% have checked in more Americans.

Northern Ireland and Great Britain slow down

- 4.2 As is the case for most in the tourism industry, hotels are seeing a reduction in the number of visitors they receive from Northern Ireland (36% of businesses are down) and Great Britain (49% down).
- 4.3 These slow-downs are attributed mainly to the ongoing impact of Brexit uncertainty and currency fluctuations between the countries.

“The Brexit issue and exchange rates are a problem. I’m not sure which is having the bigger effect. However, a drop of 6% in the English market – and further expected – is a concern”

Hotel average room yield and profitability



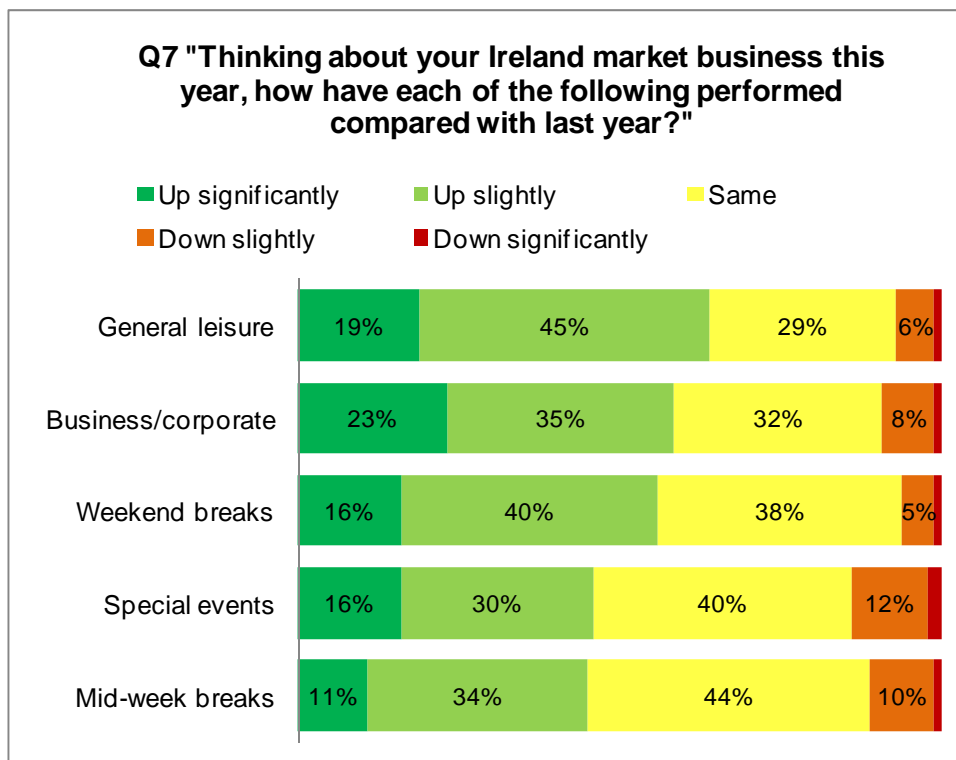
Base: 151

Building for the future

- 4.4 While average room yield has risen for 77% of hotels this year, profitability is up for fewer (65%). One reason for this is the money hotels are investing into their business to improve their offering in future years.

“Continued investment in our product”

Hotel visitor types (Ireland market)



Base: 154

Good improvements across all markets

4.5 The hotel industry has been enjoying a lift across all markets this year, especially general leisure (64% are up) and the business / corporate market (58% are up).

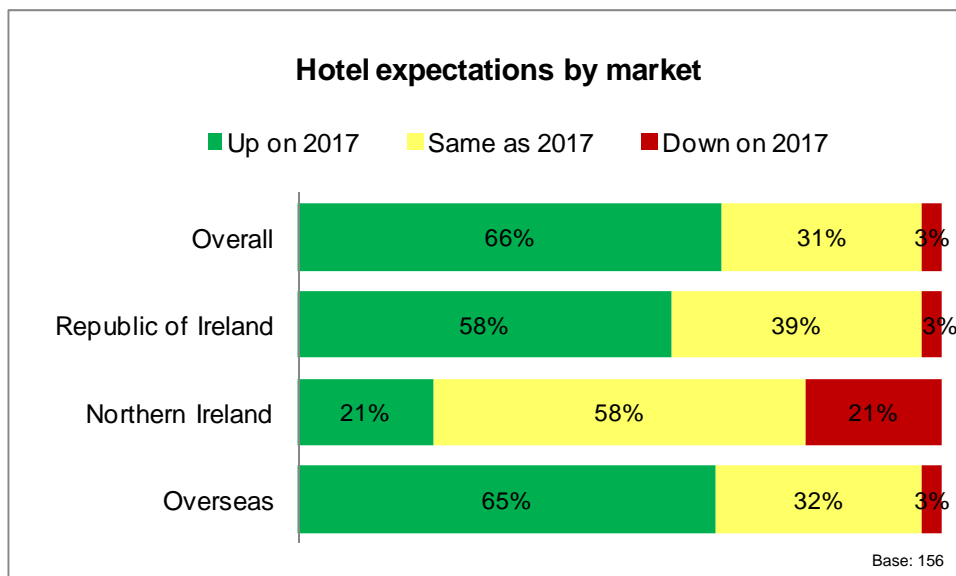
"International conference and events market is good"

Saying 'I do' in Ireland

4.6 Special events are also up for 46% of hotels, with many saying that they are seeing an increase in people booking weddings at their venues.

"We have more weddings booked"

Hotel expectations 2018



Investments to pay off

- 4.7 In recent years, some hotels have been investing in their businesses through renovations and expansions. Half (52%) of all hotels say that that investment will have a positive effect on their business next year.

“The hotel is embarking on a full refurbishment in 2018”

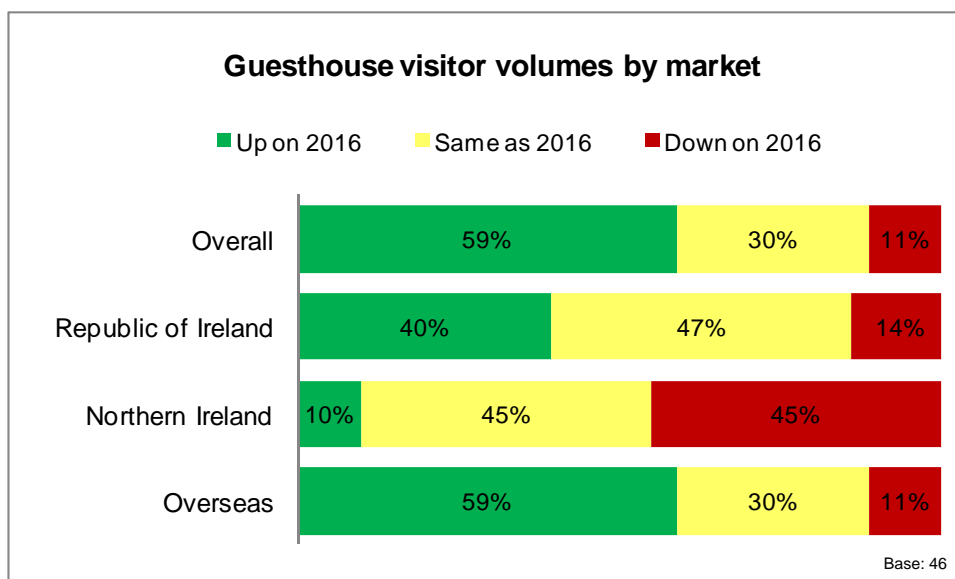
Keeping eyes on North America

- 4.8 Around two thirds (64%) of hotels expect to see an increase in the North American market next year. One of the reasons for the predicted increase is the extra transatlantic flights scheduled to and from Ireland.

“Extra flights from America”

5. Guesthouses

Guesthouse visitor volumes 2017



European boost for guesthouses

- 5.1 Six in ten (59%) guesthouse operators are seeing a lift in visitors this year, and for many, it is continental Europe that has really helped the boost.
- 5.2 Seven in ten (71%) are welcoming more German visitors and 42% are taking in more people from Spain.

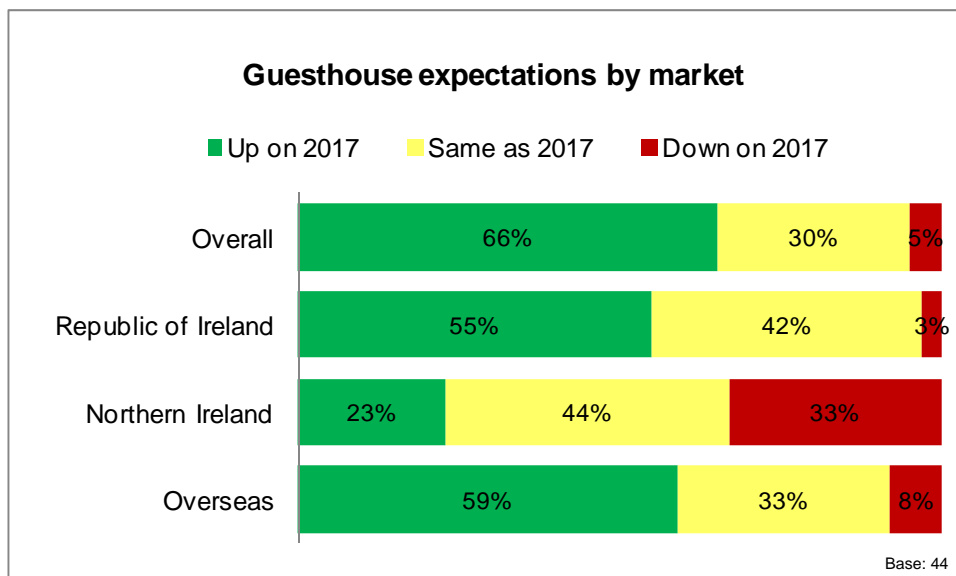
“More European tourists are coming to Ireland”

Fewer UK visitors

- 5.3 Like other sectors, many guesthouses are seeing fewer visitors from Northern Ireland (45%) and Great Britain (57%). The ongoing effects of Brexit are, in part, being attributed to the drop.

“Lower level of British visitors”

Guesthouse expectations 2018



Brighter times ahead

- 5.4 Visitor numbers look set to rise for two thirds (66%) of guesthouses next year. Germany is expected to continue to perform well, with 58% predicting more German visitors.

Concerns over Brexit

- 5.5 The uncertainty over Brexit is a key concern in this sector.

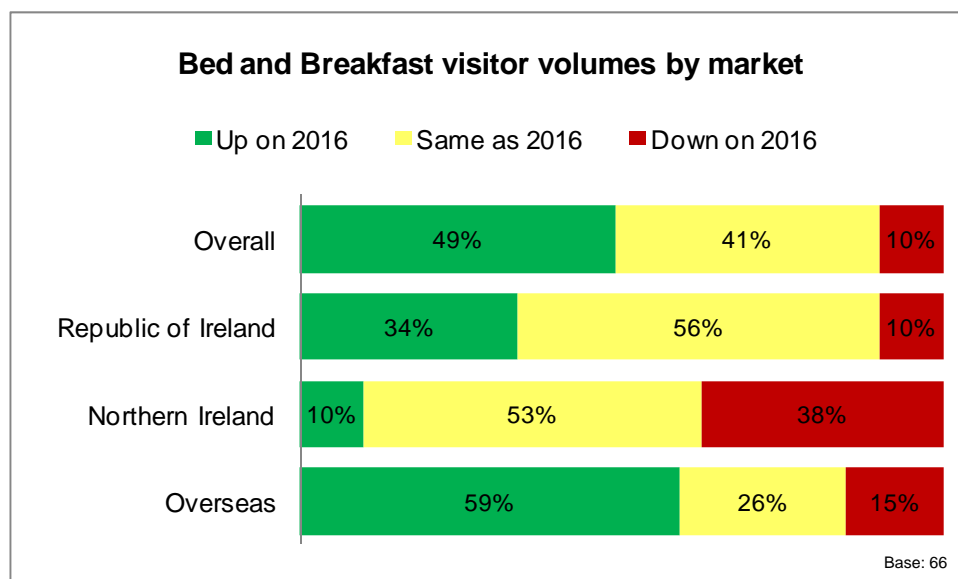
"I'm concerned about Brexit"

"The number of English coming to Ireland after Brexit"

"Brexit and access to Ireland"

6. B&Bs

B&B visitor volumes 2017

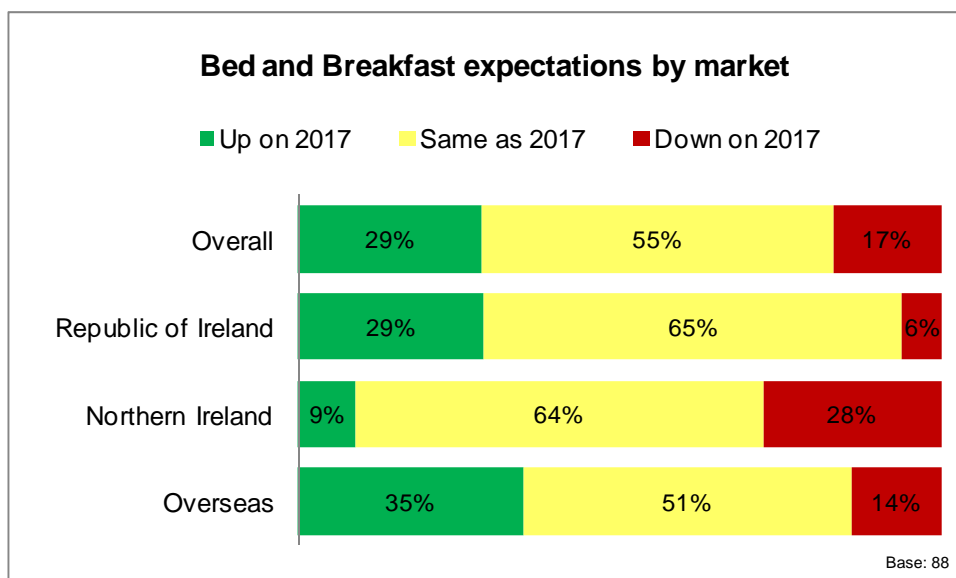


Ireland offers a 'safe haven'

- 6.1 Six in ten (59%) B&B operators have seen a lift in overseas markets. This is, in part, thanks to the perception of Ireland as a safe destination.

"There is a lot of global uneasiness. We are pleased to find a safe place in Ireland."

B&B expectations 2018



Low-priced competition affecting business

6.2 Out of all sectors, B&B operators are more likely to see low-priced competition as an issue of concern next year (37% of B&Bs say this). For these, it is often Airbnb accommodation that is in direct competition with their offerings.

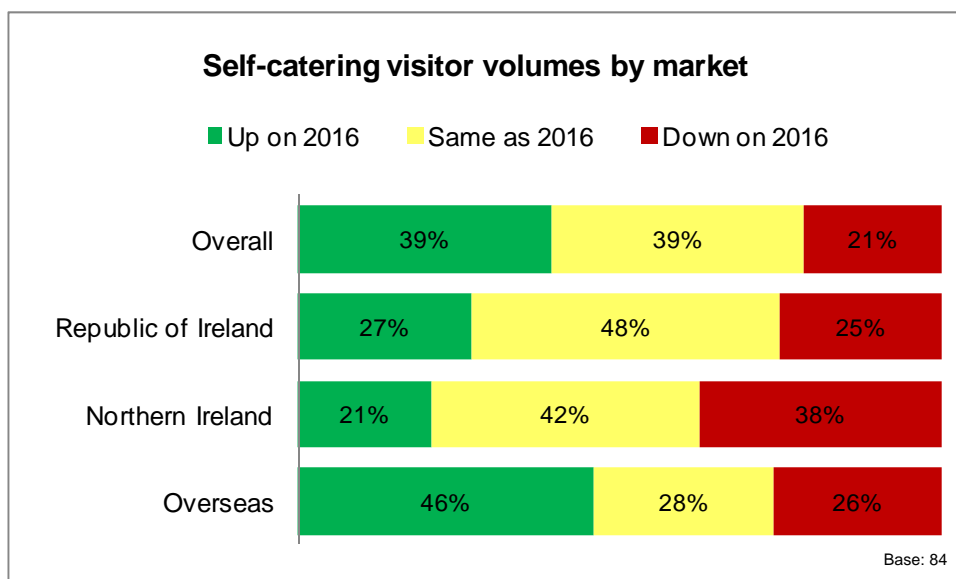
“There has been an increase in the volume of Airbnbs”

“Unregulated and unregistered Airbnbs”

“The number of Airbnbs operating in my area, without the need for registration with Fáilte Ireland”

7. Self-catering

Self-catering visitor volumes 2017

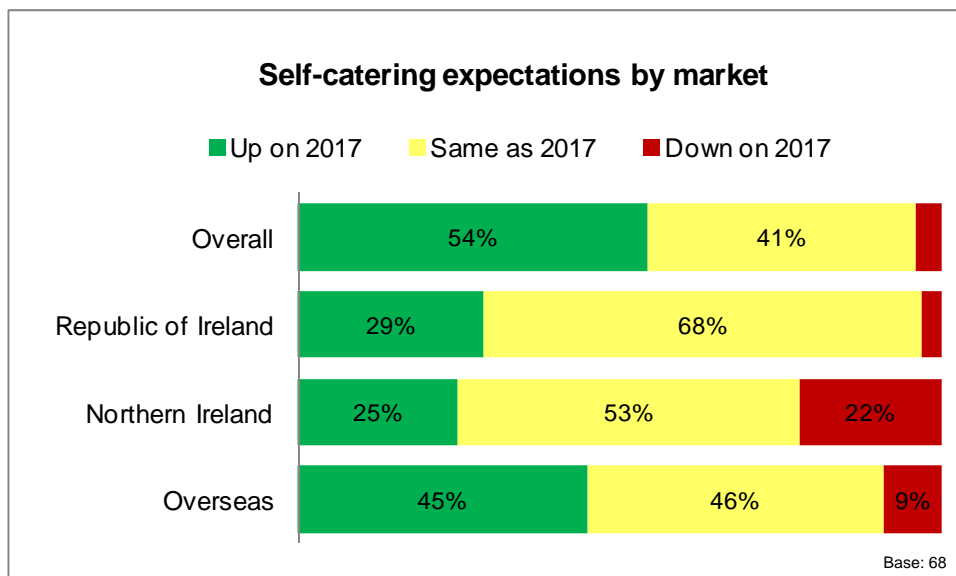


Good end to the year for self-catering operators

- 7.1 The performance of the self-catering sector was hanging in the balance in the September barometer, but it seems to have finished the year strongly. Two in five (39%) have received more visitors in 2017 – which is comfortably higher than the proportion (21%) experiencing a decrease.
- 7.2 Repeat visitors are expected to be a positive factor for 63% of self catering operators in 2018, and 55% expect to boost business through their own marketing.

“If I succeed in attracting additional business it will be because I have spent more money on advertising”

Self-catering expectations 2018



Exchange rates concern operators

- 7.3 More than any other sector, self catering operators (60%) are concerned about how currency exchange rates between the Republic of Ireland and the UK will affect their business next year.

“Because of the sterling / exchange rate, British people are going elsewhere”

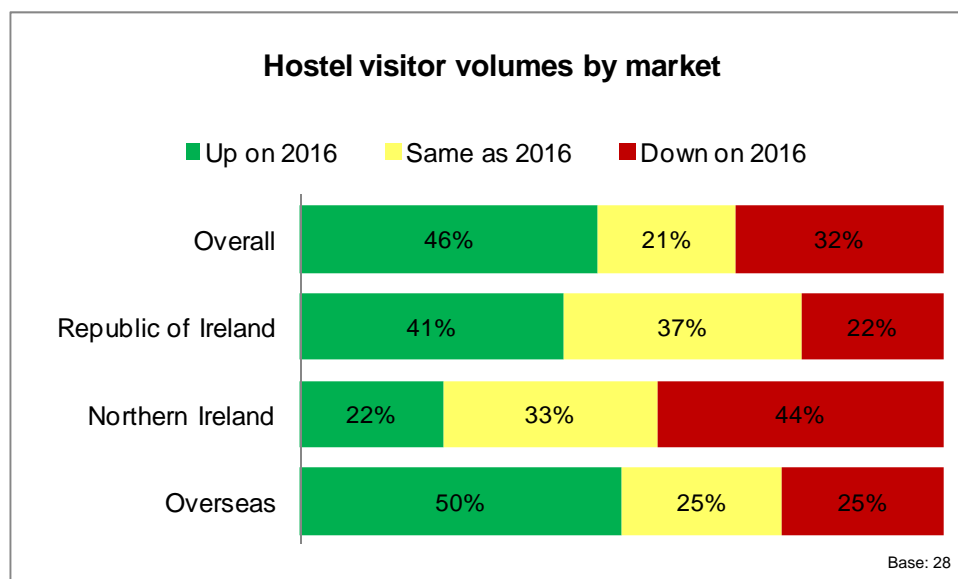
“The currency difference”

- 7.4 Along with currency issues, the uncertainty over Brexit negotiations is also concerning some self catering operators.

“Brexit and removing the freedom to travel between Northern Ireland / UK and Ireland – border control”

8. Hostels

Hostel visitor volumes 2017



Progress for hostels

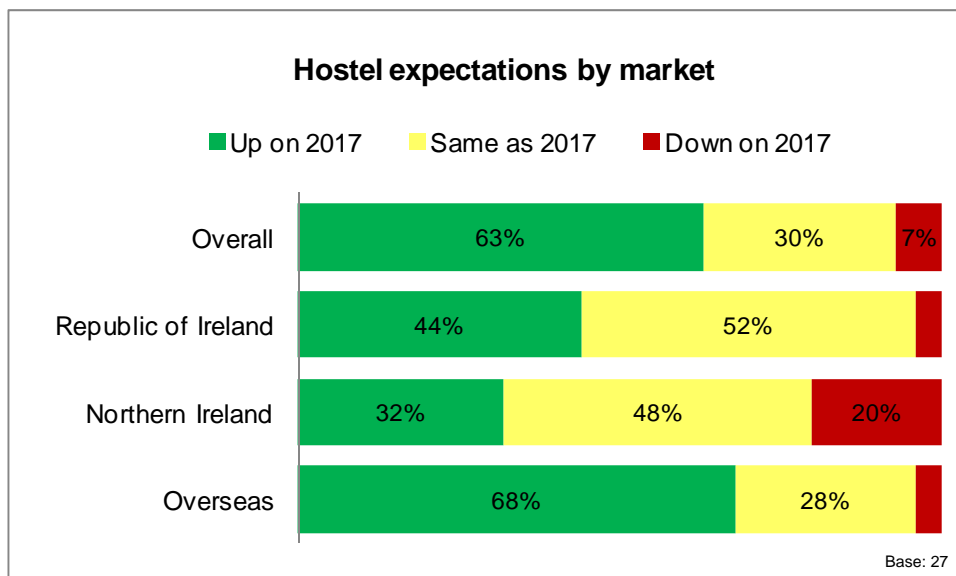
- 8.1 Hostel operators deliver positive results on the whole this year. Close to half (46%) report an increase overall, but a third (32%) are seeing fewer visitors.
- 8.2 For some hostels, fuel and energy costs (32% cite this as an issue) and low-priced competition (29%) – particularly Airbnb and B&Bs – are a concern.

“Competition from B&Bs is a concern”

Hostels bolstered by Germany and France

- 8.3 The German and French markets have contributed well to the overall positive performance of hostels this year. 48% of hostels have had more German visitors this year and 46% have welcomed more French visitors.

Hostel expectations 2018



Stepping up a gear next year

8.4 Next year is expected to see great improvements for the hostel sector. Nearly two thirds (63%) expect to see more visitors than they have done this year.

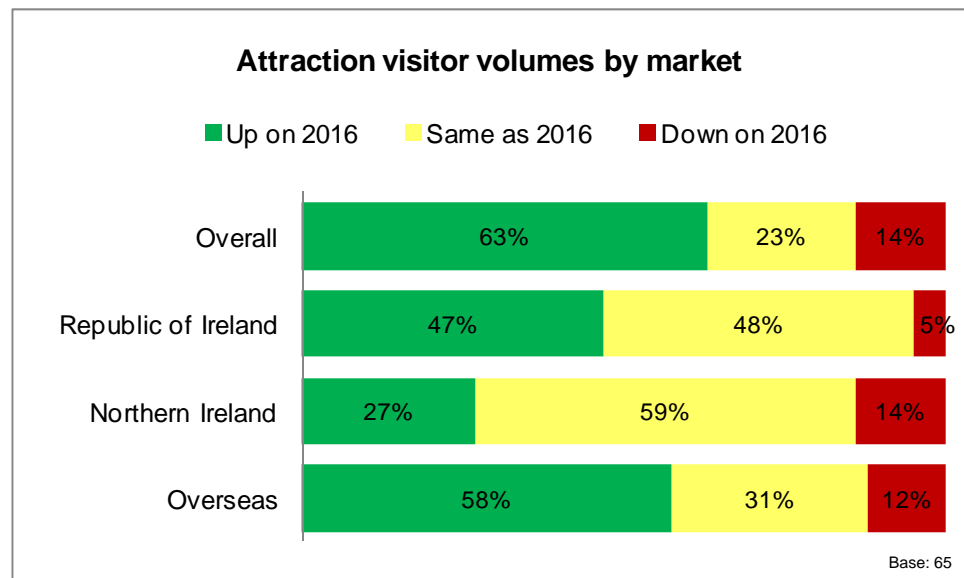
8.5 Overseas markets are set to deliver more visitors for 68% of hostels. Some overseas markets are expected to see bigger improvements for hostels compared to other sectors, including Germany (64%) and Spain (52%).

Hostels bucking the trend in the British market

8.6 On the whole, the tourism industry isn't expecting Great Britain to perform very well next year. But around half (48%) of hostels predict more British visitors in 2018.

9. Attractions

Attraction visitor volumes 2017



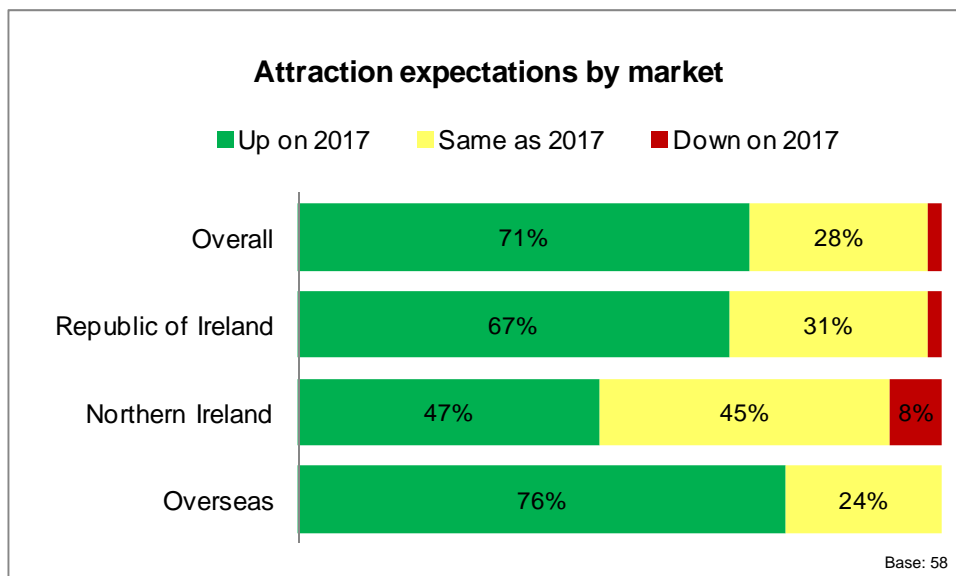
More overseas visitors attracted

- 9.1 Around two thirds (63%) of attractions are pulling in more visitors this year, and the overseas market is important for this. They are being active with their own marketing, about half (52%) expect that to affect their businesses positively in 2018.

Northern Ireland holding

- 9.2 Compared to other sectors, attractions are the least likely to be seeing fewer Northern Irish visitors, with only 14% seeing a drop, compared to 35% overall across all sectors. Around a quarter (27%) are even seeing more Northern Irish visitors.

Attraction expectations 2018



High hopes for 2018

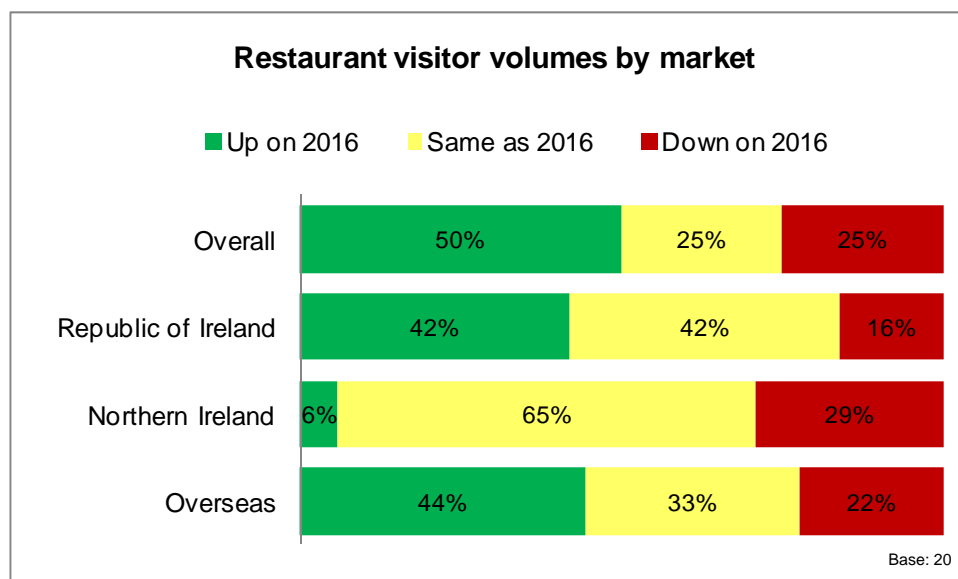
- 9.3 Next year is expected to see further strides forwards for attractions, of which 71% predict more visitors overall.
- 9.4 Following this year's lift, overseas markets look to increase for three quarters (76%) of attractions. North America, in particular, is expected to deliver more visitors for seven in ten (70%) attractions.

Bucking the NI trend

- 9.5 Continuing to buck the trend, a higher proportion of attractions (47%) expect the Northern Irish market to increase next year, compared with 24% across all sectors.

10. Restaurants

Restaurant visitor volumes 2017

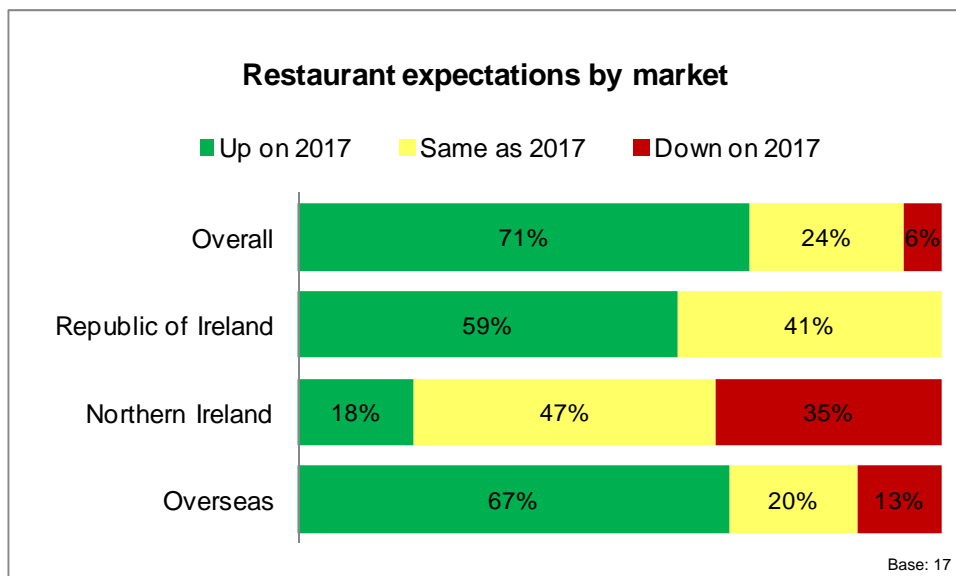


Restaurants invited to take part in the Barometer are in areas of high tourism footfall, and respondents have been asked to answer questions in the context of their tourism, i.e. non-local, business

Serving up a storm to non-UK visitors

- 10.1 Half (50%) of restaurants are enjoying serving more covers this year. But 29% are seeing fewer visitors from Northern Ireland and 72% have noted their British visitors are down.
- 10.2 As with other sectors, it is believed that the lower-value Sterling is having an impact on the number of British and Northern Ireland guests.

Restaurant expectations 2018



Events to lend a helping hand

- 10.3 Next year is expected to bring with it more visitors for 71% of restaurants. Restaurant operators are more likely than other sectors to say that local festivals and events should have a positive impact over the coming 12 months (45% say this).

“The area is developing more festivals”

“There are lots of music events going on”

Searching for chefs

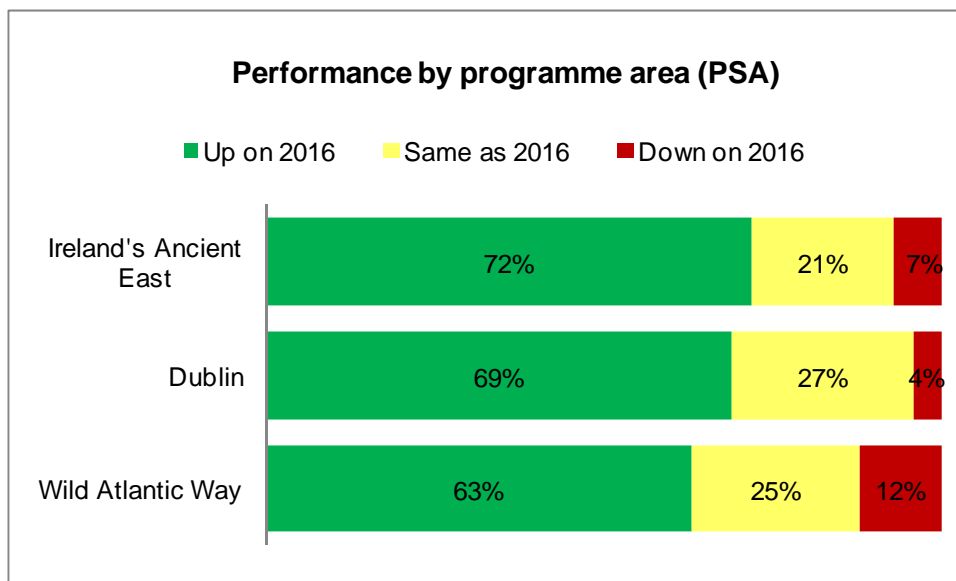
- 10.4 An issue some restaurants are concerned about is how difficult it can be to find trained chefs and other staff.

“The lack of chefs is driving wages up. There is also a lack of unskilled labour”

“There is a lack of trained kitchen chefs”

11. Performance by Programme Area

Here we discuss the performance by programme area for the PSA sector



Ireland's Ancient East gains positivity

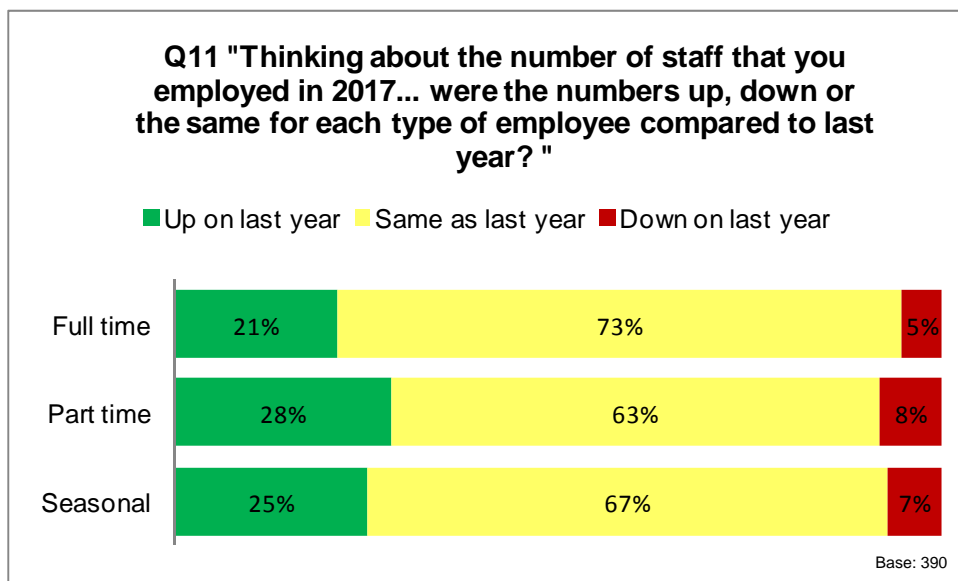
- 11.1 Nearly three quarters (72%) of PSA operators in Ireland's Ancient East report more visitors this year, and many hope that the programme area will attract more visitors through 2018.

"Hopefully the work being done on Ireland's Ancient East will assist in drawing more people to the area"
Attraction

All programme areas see marked improvements

- 11.2 Seven in ten (69%) PSA respondents in Dublin and 63% around the Wild Atlantic Way have welcomed more visitors over the last 12 months.

12. Staffing Levels

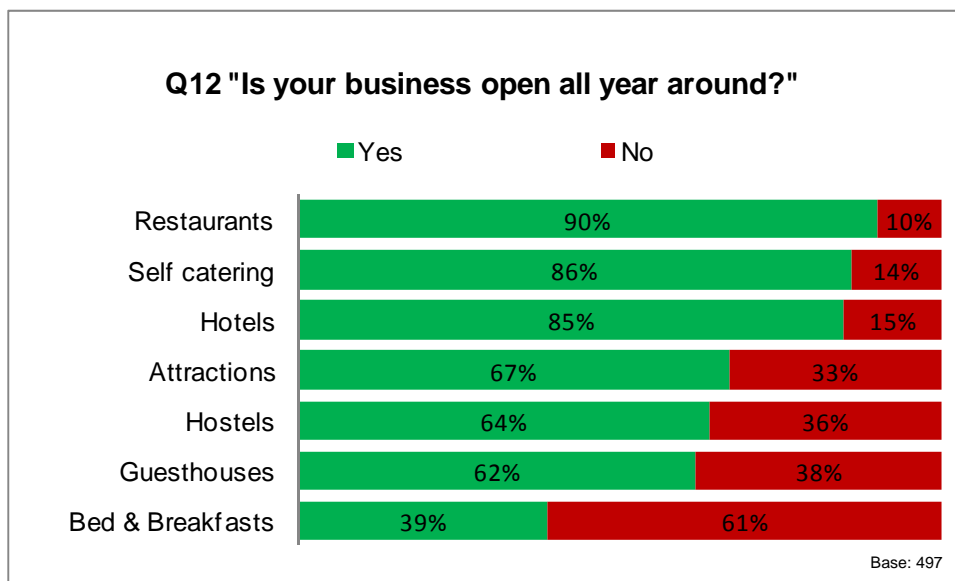


More staff for hotels

- 12.1 Bolstered by increasing good years, hotels are expanding the amount of people they employ. A third (33%) of hotels say they have taken on more full time staff, 40% say they have more part time staff and 36% have more seasonal workers.
- 12.2 Overall, there are higher levels of employment in the tourism industry, although some say they find it difficult to find the right staff – especially trained chefs.

"Shortage of trained staff especially chefs"
Hotel

13. Changes in the Tourism Season

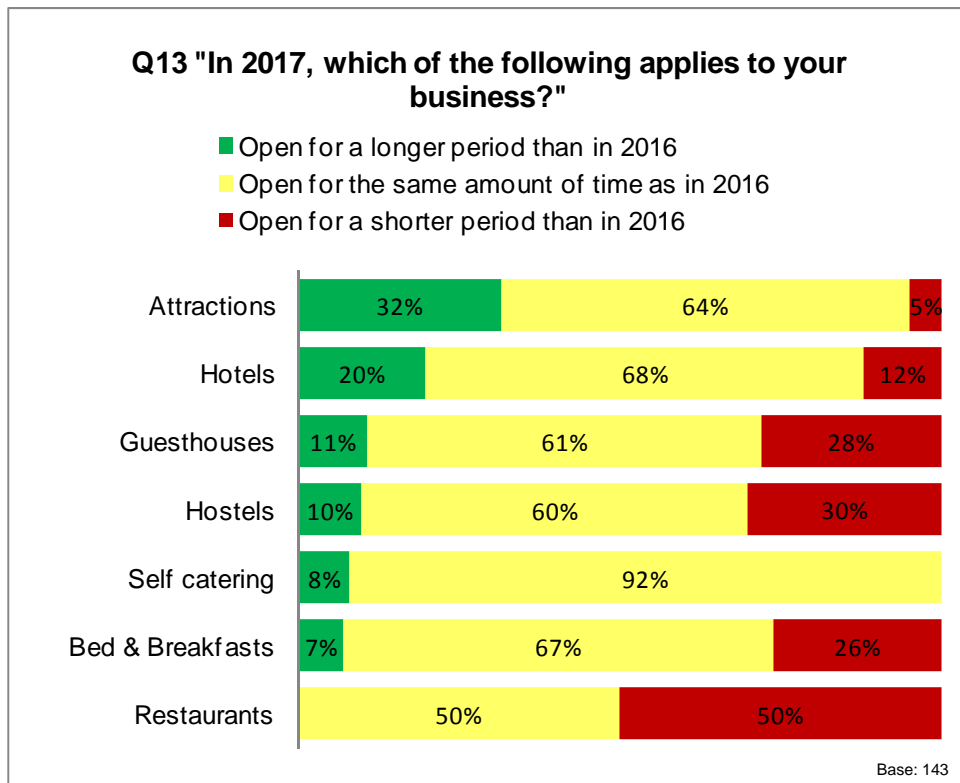


Staying open for business

- 13.1 Most (71%) operators say that their business are open all year around – but for others, the seasons play a big part in how long they stay open for.
- 13.2 The following pages look at any changes to how long businesses are open for, and the reasons for any changes.

Changes to opening periods

13.3 The following questions have been asked to operators whose business is not open all year around.



The restaurant sample is too small to separate out for this question

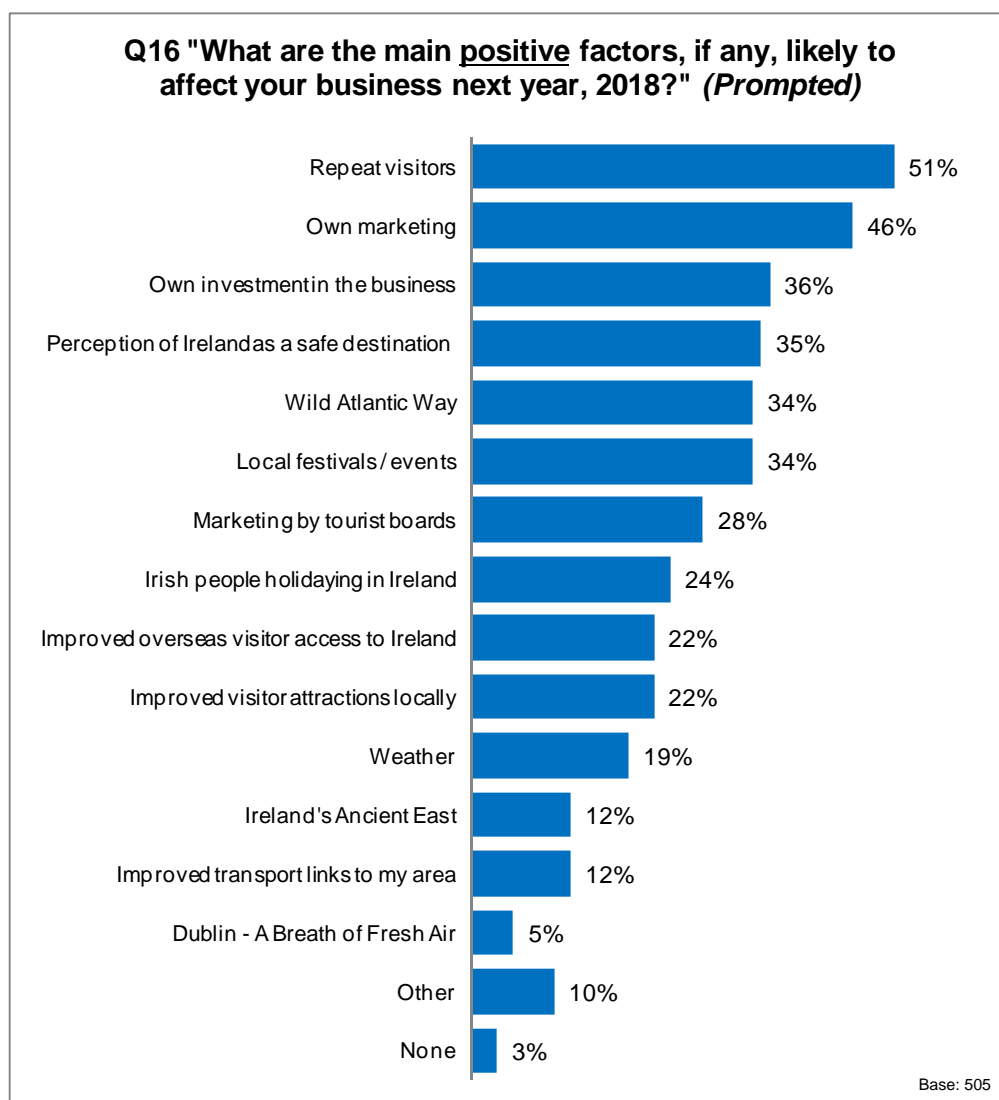
Mixed answers on opening periods

- 13.4 Overall, two thirds (67%) of businesses which are not open all year round say that they have been open for the same length of time in 2017 as in 2016.
- 13.5 14% have opened for a longer period, whereas 19% have opened for a shorter time.
- 13.6 As a broad generalisation, where opening periods have changed this year, it is more likely in sectors containing the larger businesses such as hotels and attractions. In comparison, sectors containing mostly smaller businesses such as B&Bs and guesthouses are the ones more likely to open for a shorter period, if they done anything differently in 2017.

Reasons for changes

- 13.7 A slightly higher proportion of operators extending their season say that they stayed open for longer towards the end of the year, rather than opening earlier.
- 13.8 Out of the operators who say their business was open for a shorter period in 2017, some say that the closures were down to unforeseen problems. Fewer bookings mean a shorter season for some, primarily B&Bs and hostels.

14. Positive Factors in 2018



Coming back for more

- 14.1 Repeat visitors are important for business. Leaving a good, lasting impression means that people may well book in again. For half (51%) of businesses, repeat visitors are expected to be a positive factor in 2018. This includes 63% of self catering operators, 59% of B&B operators and 56% of hotels.

"We're getting positive feedback and reviews which will continue to increase customers in the future"

Restaurant

"Our repeat business"

Guesthouse

Going wild for the Wild Atlantic Way

- 14.2 The Wild Atlantic Way is still going strong, drawing in visitors year after year. B&Bs in particular are expecting the Wild Atlantic way to bring benefits to their business next year.

"I hope the Wild Atlantic Way will still bring more visitors to Ireland"

B&B

"I would like to say that the Wild Atlantic Way has been a real success. I didn't think it would do any good when it was first introduced but I have had to change my stance on that."

B&B

Plenty to do

- 14.3 Local festivals and events are expected to be positive for a third (34%) of operators next year. Higher proportions of restaurants (45%), hotels (40%) and hostels (39%) look forward to the effect of events on their businesses in 2018.

"The local festivals are fantastic, they are doing very well which leads to bringing in good business – they are of huge importance to the restaurant"

Restaurant

"Music and sport events"

Hostel

"Area is developing more festivals"

Restaurant

Putting money back into business

- 14.4 It is encouraging to see businesses investing in renovations, expansions and improvements. A sure sign of confidence, putting money back into the business should improve satisfaction levels and visitor numbers in the future. While 36% overall see this as a positive factor next year, this is felt more strongly within the hotel sector (52%).

"We're delivering a new hotel product next year"

Hotel

"Upgrading facilities and improving reviews"

Hostel

Improved economy

- 14.5 Some operators believe the economy in Ireland has improved in 2017 and will continue to do so next year. The improved economy is expected to bring with it increased consumer confidence and increased spend.

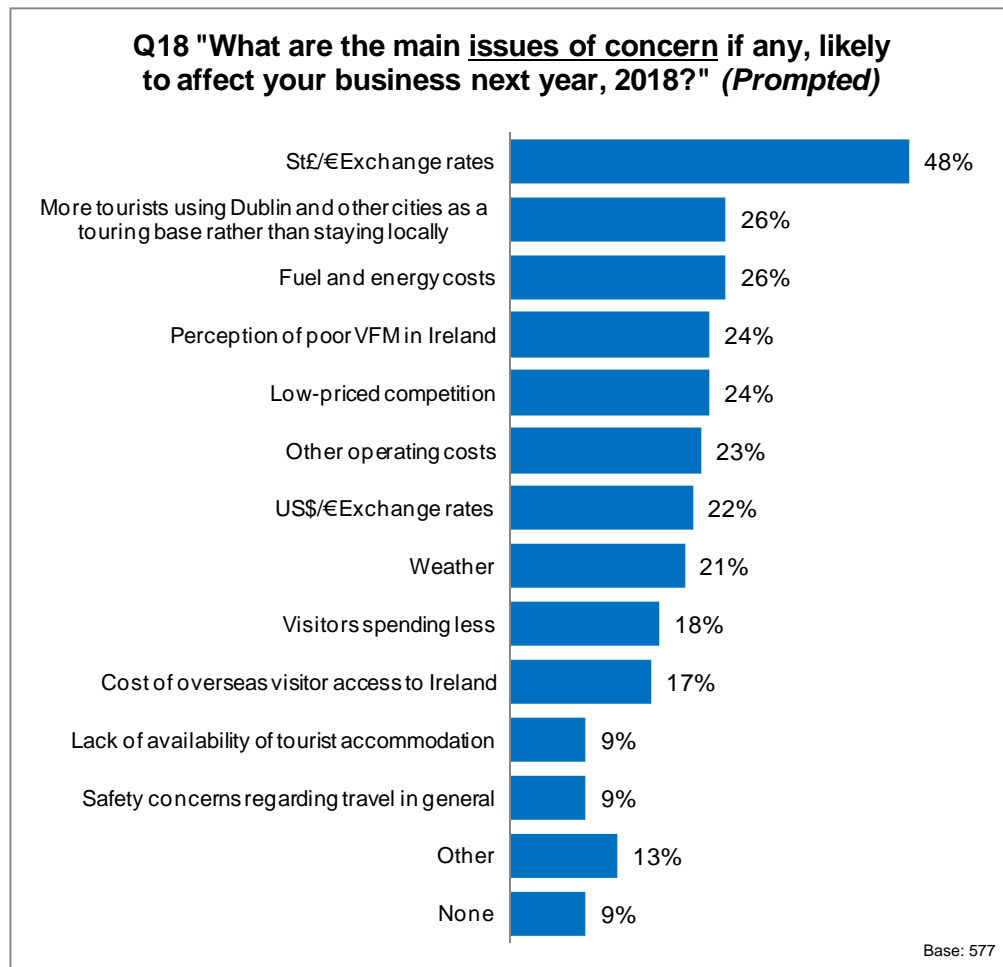
"Improved economical situation in Ireland for businesses and customers"

Hotel

"There is more disposable income in Ireland"

Hotel

15. Issues of Concern in 2018



Exchange rates remain a concern

- 15.1 Ever since the UK voted to remove itself from the European Union, Sterling has dropped in value, making the Republic of Ireland more expensive for visitors from Great Britain and Northern Ireland.
- 15.2 The exchange rates between the countries is a concern for 48% of operators going into 2018, but higher proportions of self catering operators (60%), hotels (51%) and B&Bs (51%) are concerned about the effect this will have on their business.

"Ireland is expensive anyway; the exchange will affect this perception negatively"
Self catering

"Ireland is relatively expensive to other tourism destinations"
Self catering

"Fewer visitors from the UK because of the exchange rate"
Hotel

Bracing for Brexit

- 15.3 The effects of Brexit remain a concern for some operators. Not knowing the full extent of the impact leaves some worried about any implications – and the severity of those implications – to their business.

“Brexit issues are a concern. It’s so unpredictable, we’re not sure what to expect”
Restaurant

“Brexit is a concern, as I think we will lose English visitors”
Guesthouse

“We have concerns regarding Brexit as we are unsure as to the effect it will have on the business”
Restaurant

“Perception of uncertainty of Brexit especially from the British corporate market”
Hotel

16. Significant Differences by Broad Region

- 16.1 Here we highlight significant differences in results in the PSA sector between two pairs of broad regions:
- Northern counties² vs Rest of the country
 - Dublin vs Rest of the country

Northern counties vs Rest of the country

Measurement	Northern counties	Rest of the country
Overall visitor volume year to date Net*	+45	+60
Northern Ireland visitor volume year to date Net*	-32	-13
Overall expectations Net*	+45	+62
% of PSA businesses mentioning £/€ as a concern	63%	46%

*% of Paid Serviced Accommodation (PSA) providers reporting business to be up minus % of those reporting business down

Improvement in Northern Counties' performance since September

- 16.2 The September barometer showed that Northern businesses were being significantly affected by the weak Sterling and therefore overall performance compared to the rest of the country. Although Northern Ireland visitor numbers are still greatly affected, overall performance looks much more positive. Performance is still bettered by the rest of the country, but only because the rest of the country is doing extremely well.
- 16.3 This improved performance feeds into accommodation providers' expectations for the rest of the year. A positive end to the year means that Northern businesses are now much positive about the immediate future.

² "Northern counties" include the following: Cavan, Donegal, Leitrim, Longford, Louth, Mayo, Monaghan, Sligo

Dublin vs Rest of the country

Measurement	Dublin	Rest of the country
Overall visitor volume year to date Net*	+65	+56
GB visitor volume year to date Net*	-48	-28
£/€ a concern (% of PSA businesses)	56%	48%

*% of Paid Serviced Accommodation (PSA) providers reporting business to be up minus % of those reporting business down

GB decline a knock for Dublin, but overall visitor numbers still very strong

- 16.4 The decline in the British market is more noticeable in Dublin than the rest of the country. The £/€ exchange rate plays a part in this.
- 16.5 However, the subdued British market has not stopped Dublin from outperforming the rest of the country compared to 2016. Dublin has made up the shortfall in other markets, especially North America.

17. Appendix 1 – Background and Methodology

Background and Objectives

- 17.1 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.
- 17.2 In March 2016, Strategic Research and Insight, an independent research agency previously called Strategic Marketing, was commissioned to continue conducting the survey for the next three years.
- 17.3 Fieldwork for this third wave in 2017 took place in November. The objectives were to measure:
- Business performance to date in 2017 in terms of visitor volume – overall and by key markets – and profitability
 - Average room yield (hotels)
 - Visitor volume expectations for 2018
 - Positive factors and issues of concern affecting business
 - Changes in staffing levels
 - Changes in opening periods

Methodology

- 17.4 The methodology used was a combination of an online survey and telephone interviews.
- 17.5 Fáilte Ireland and Strategic Research and Insight worked together to produce a questionnaire for online and telephone interviewing.
- 17.6 Fáilte Ireland provided a database of 2,664 usable contacts (i.e. not opted out) for the survey spread across nine 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. Two subsequent reminder emails were sent to non-responders.
- 17.7 A total of 269 responses were received to the online survey – a response rate of 10%.
- 17.8 Following this, we conducted 236 ‘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

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

Sector	Online responses	Telephone top-ups	Total sample size
Hotels	84	80	164
Guesthouses	17	30	47
Bed & Breakfast	60	31	91
Self-catering	47	39	86
Hostels	11	17	28
Attractions	40	27	67
Restaurants	10	12	22
Total	269	236	505

Interviews for Contextual Background

17.10 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.