Summer Consumer Update

Consumer Planning & Insights

November 2024

Fáilte Ireland

Today’s presentation

1. **Consumer context**
   - Trends and challenges impacting travel.

2. **What domestic visitors did over the Summer.**

3. **Looking forward.**
   - Identifying future travel intent and planning.

Research sources used

1. Fáilte Ireland’s Domestic Tracker (BBT)
   - Nationally representative sample of n=1,300 Island of Ireland (IOI) consumers interviewed monthly, online.
   - Broad content covering past travel behaviour, future travel intent, trip specifics.

2. Fáilte Ireland’s Economic and Industry Analysis Division economic analysis.

3. Other key sources used:
   - The Irish Credit Union Consumer Sentiment Index, August 2024..
   - Central Statistics Office (CSO), Consumer Price Index.

Headline Findings

- There has been a continuation of the trend of consumers taking domestic breaks more frequently and for shorter duration.
- The proportion of people taking domestic breaks this summer is in line with summer 2023.
- Satisfaction with domestic summer trips remains high amongst Families and Unconstrained Adults over 45. However, levels of satisfaction amongst younger unconstrained adults has fallen compared to last summer.
- Summer concerts and events played an important role in encouraging visitors to travel particularly those who don't usually take an ROI break.
- Domestic travel intent for the shoulder season is up compared to the same period last year.

Consumer Context

A range of factors have impacted the domestic tourism sector for the 2024 summer season.

Cost of living

Irish consumers remain cautious in their assessments of the economic and financial conditions they face. While things have clearly stopped getting worse, they are not getting markedly better for many households.

Airline Strikes

Hot topic at the start of summer with many consumers impacted by pilot strikes in Aer Lingus. Coincided with big events such as Taylor Swift concerts in Aviva in June.

Industry Pressures

Like many sectors, tourism and hospitality continues to be impacted by higher operating costs. Return of higher VAT rate continues to impact sector. Dublin Airport passenger cap was also a key topic in media over the summer.

Unpredictable Weather

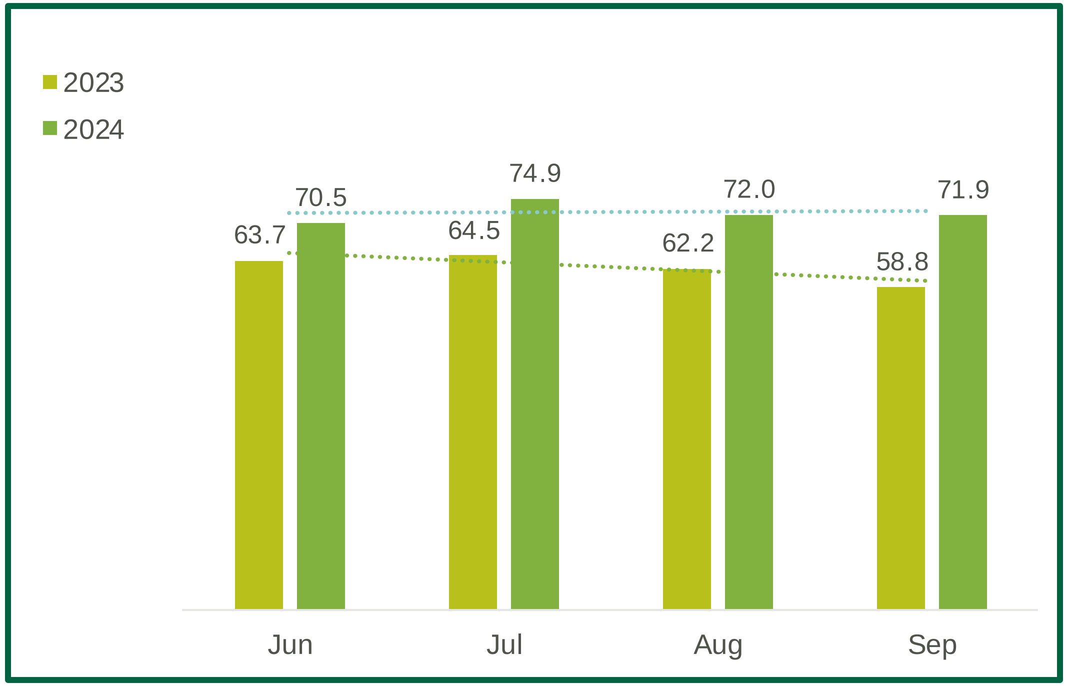
Media coverage was dominated by unpredictable weather patterns again this summer. While Irish media reported on inclement weather for July and August, excessive heat and floods impacted Europe once again in 2024.

Source: Fáilte Ireland Domestic Tracker 2024, Irish League of Credit Union Consumer Sentiment, Aug 2024, RTE News, Newstalk.ie, Irish Examiner.

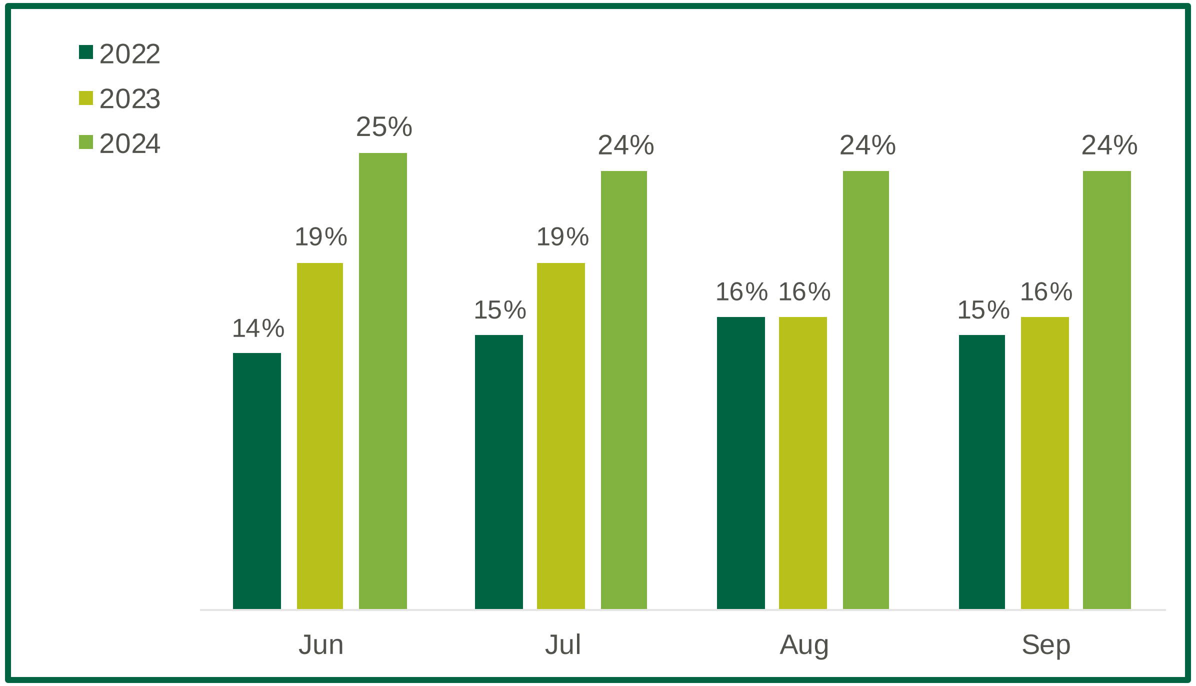
While higher than last year, financial situation and sentiment remained stable throughout the summer.

CONSUMER SENTIMENT & FINANCIAL SITUATION

CONSUMER SENTIMENT INDEX



IMPROVEMENT IN FINANCIAL SITUATION



Q. To what extent has your personal/household financial situation improved, worsened, or remained unchanged compared to the same time last year ?
Base: All monthly respondents BBT (n=1300)
Source: Credit Union Consumer Sentiment/CPI SUMMER Report 2024

Visitors claimed that finding an affordable place to stay was the key challenge when looking for accommodation.

CHALLENGES WITH FINDING ACCOMODATION – latest summer trip

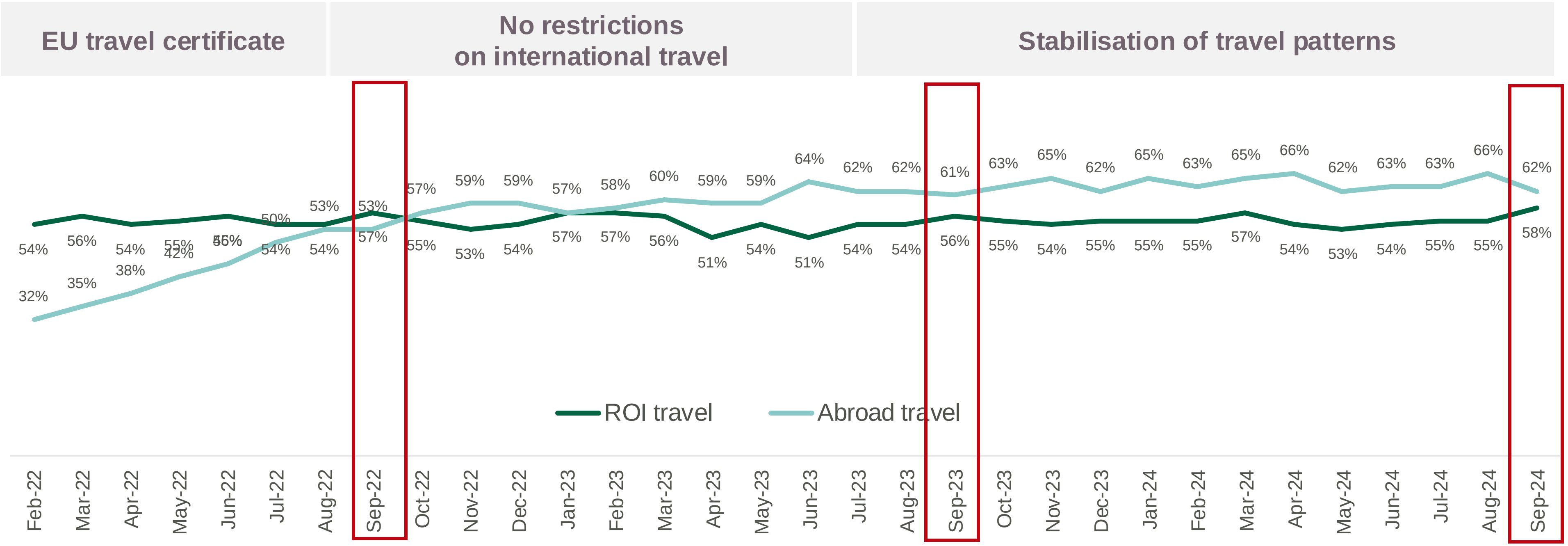
Q. What elements of finding accommodation presented issues for you?
Base: Those took an ROI summer break and gave a score of 1 to 4 for ease of booking (n=114)
Source: CPI SUMMER Report 2024

Domestic Travel Patterns

Fáilte Ireland

The proportion of Irish residents taking breaks both abroad or domestic remains stable.

PROPORTION TAKING OVERNIGHT TRIP(S) IN PAST 12 MONTHS (IOI) - SHORT AND LONG TRIPS COMBINED



	ROI
Sep 23	56%
Sep 24	58%

	Abroad
Sep 23	61%
Sep 24	62%

Q. In which, if any, of the following places have you taken a short/long trip, break or holiday in the past 12 months?
Base: All IOI residents (n=1,300 per month)
Source: CPI SUMMER Report 2024

Proportions of Irish residents who took a domestic summer break are in line with last year.

DOMESTIC TRAVEL OVER THE SUMMER MONTHS

32% of Irish residents went on a domestic trip during summer 2024

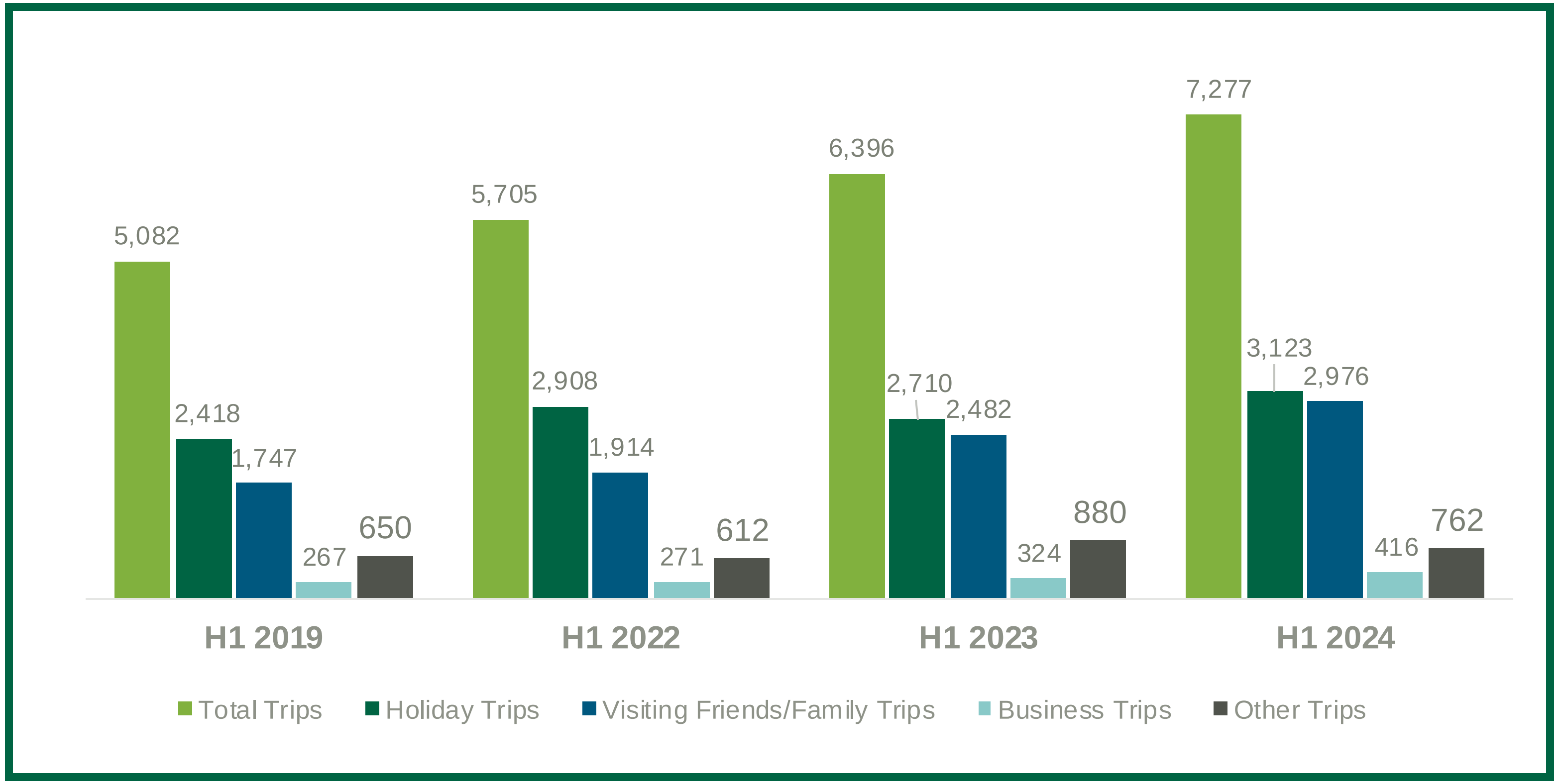
While **18%** went on a general leisure break during the summer months

General leisure trips are in line with summer 2023 levels

Q. In which, if any, of the following places have you taken a short/long trip, break or holiday in the past 12 months?
Base: All IOI residents (n=1,300 per month)
Source: CPI SUMMER Report 2024

While the proportion of domestic visitors taking a trip has remained stable, the number of trips has increased.

NUMBER OF OVERNIGHT TRIPS – CSO Household Travel Survey – First half of the year data



Over the past 4 years, visiting friends and family has been driving growth – up 70% compared to H1 2019. While Holidays are only up 29% compared with H1 2019.

Total trips are up 14% compared to H1 2023, while holidays are up 15%.

Source: CSO Household Travel Survey

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In general, consumers are now taking domestic breaks more frequently and for shorter duration.

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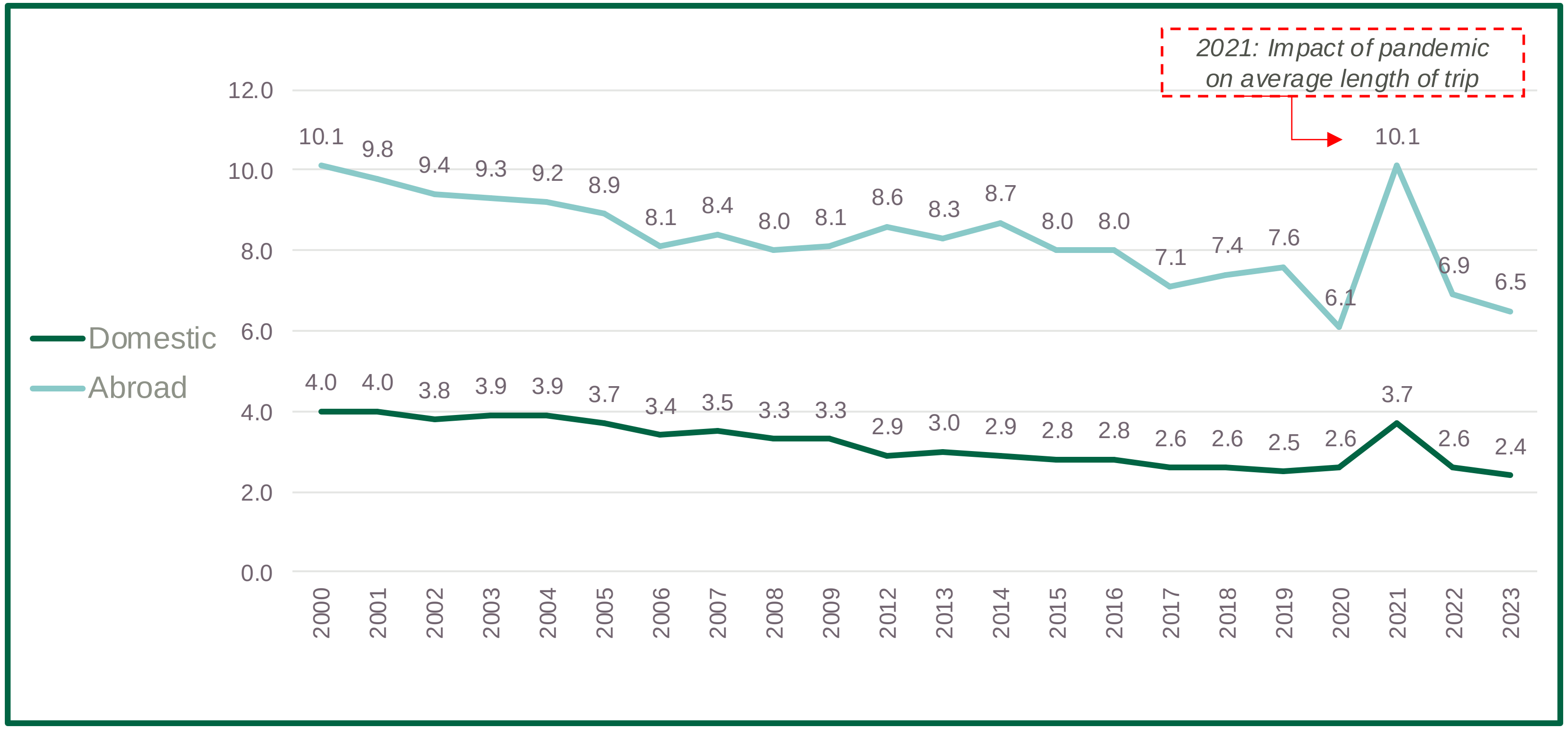
AVERAGE LENGTH OF TRIP – CSO Household Travel Survey



Trend is evident in both domestic and overseas travel patterns.

More recently, in H1 2024, the average length of holiday stay has fallen to 2.0 – down from 2.2 in H1 2023.

Source: CSO Household Travel Survey

PROFILE OF SUMMER GENERAL LEISURE VISITORS

KEY CALLOUTS

- **Unconstrained adults 45+** are taking **more general leisure trips** in ROI compared to Summer 2023, with a **decrease this year in families** taking trips.
- There is **a decrease in Northern Irish visitors** on general leisure trips in ROI this Summer compared to 2023.
- There is **a significant increase in visitors travelling alone** this Summer compared to 2023.

WHO

AGE

	2024	(2023)
18-34	25%	(28%)
35-44	22%	(26%)
45-54	17%	(18%)
55+	35%	(28%) △

WHO WITH

TRAVEL PARTY

	2024	(2023)
Couples	42%	(45%)
Families	37%	(42%)
Adult Family	11%	(10%)
Other Adult Party (Friends)	11%	(10%)
Alone	8%	(4%) △

WHO

LIFESTAGE

Unconstrained Adults		Families
Under 45	45+	
22%	38% △	41% ▽
(21%)	(32%)	(48%)

WHO

SOCIAL GROUP

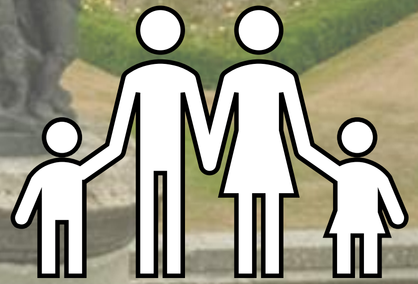
	2024	(2023)
ABC1	49%	(53%)
C2DEF	51%	(47%)

ORIGIN

WHERE DO YOU LIVE?

	2024	(2023)
Dublin	24%	(20%)
Rest of Leinster	23%	(23%)
NI	16%	(22%) ▽
Munster	25%	(22%)
Connaught/ Ulster	11%	(13%)

31% of Families (with kids) didn't take their break with their kids.



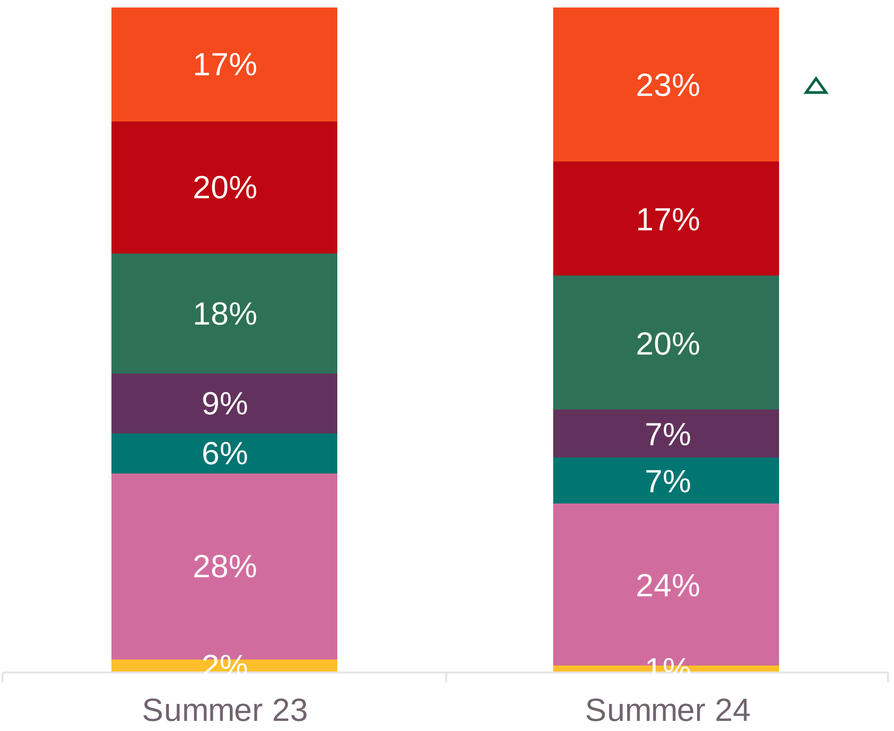
Source: Fáilte Ireland, CPI SUMMER report, 2024

Base: All IOI residents on a domestic trip. 2024: (n=598), 2023: (n=565). Please note, **2023 figures in brackets (_)**

△▽ Significant difference vs 2023

Social Energy became a more significant motivation this summer. Bonding trips continue to feature strongly.

SUMMER TRAVEL MOTIVATIONS



△▽ Significantly above/below Summer 2023

Social Energy is about immersing oneself in the vibrancy and atmosphere by being around people.

Social Energy	2023	2024
Unconstrained Adults U45	25%	33%
Unconstrained Adults 45+	25%	29%
Families	8%	12%

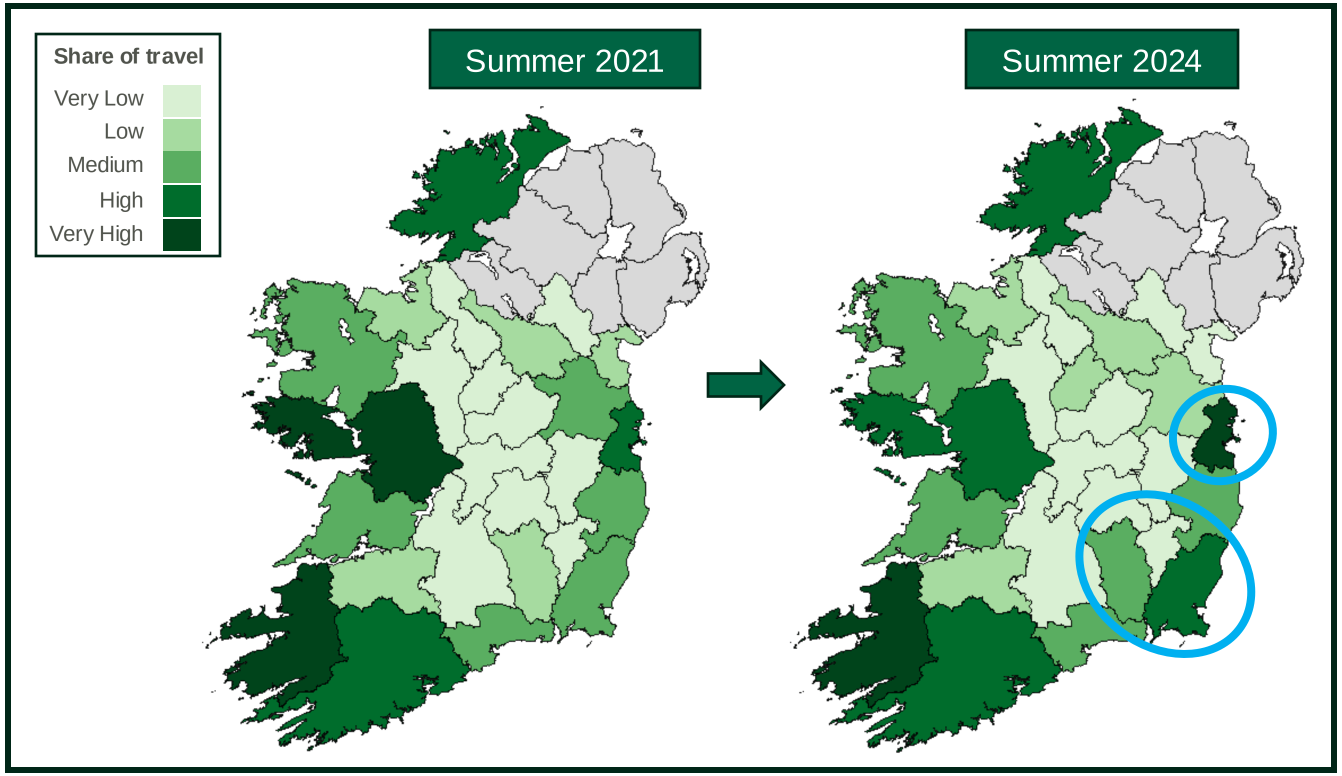
35% of Older Unconstrained Adults went on an Exploration holiday this summer

55% of Families went on a bonding holiday this summer

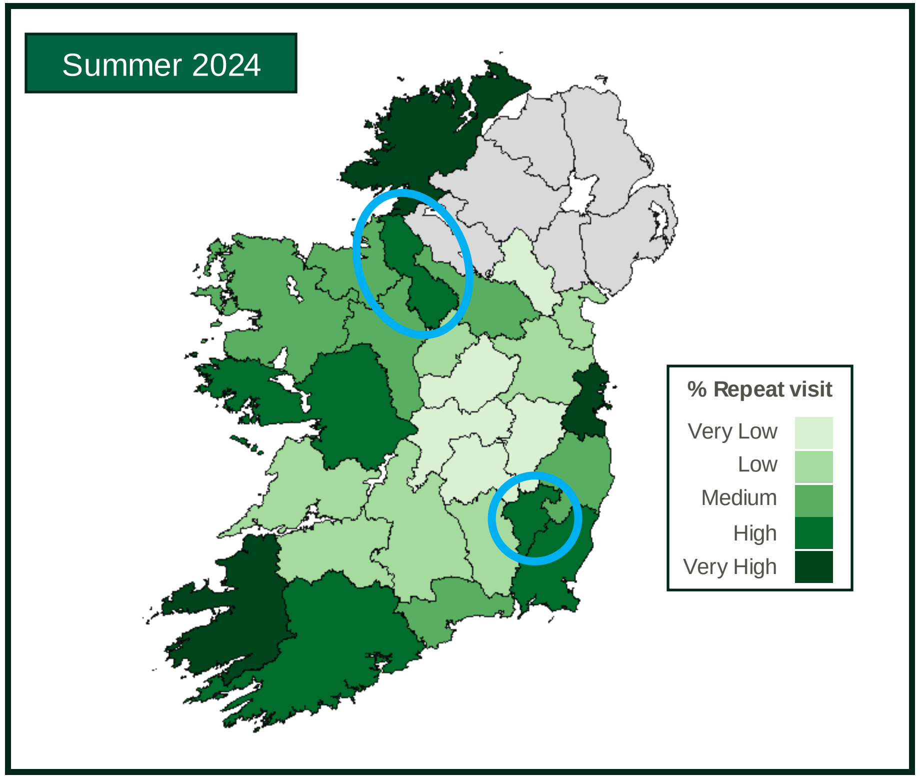
Q15.1 Now thinking about the different reasons for taking trips, how important to you was… Q16.1 And of those that you have chosen as important to you, which would you say are the top 3, and in what order?
Base: Those who went on a general leisure overnight trip in summer months: 2024 (n=613)
Source: CPI SUMMER Report 2024

Marginal differences in share of travel by county versus 2021. Repeat travel aligns to most visited counties; Carlow and Leitrim also high.

SHARE OF SUMMER DOMESTIC TRAVEL



REPEAT TRAVEL IN THE PAST 3 YEARS

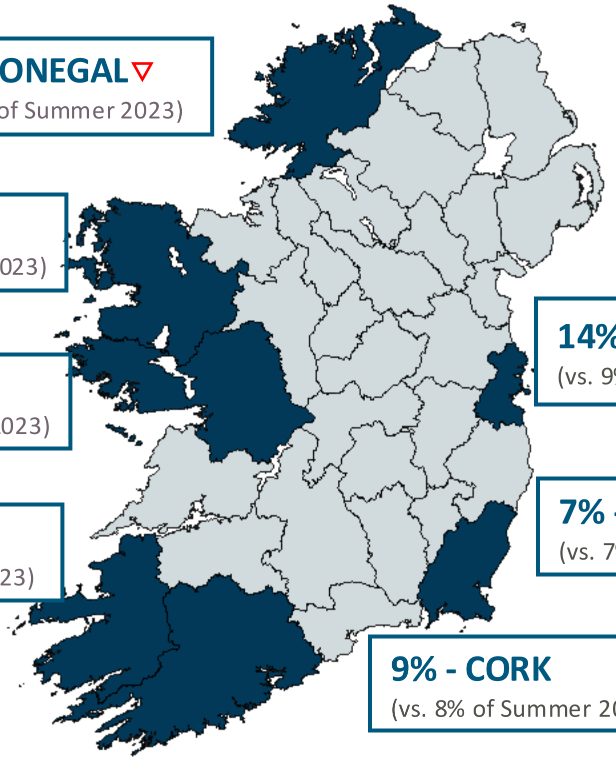


Q. What was the MAIN COUNTY you stayed overnight in on this trip?
Base: Those who went on a general leisure overnight trip in summer months: 2024 (n=602)
Source: CPI SUMMER Report 2024

SHARE OF DOMESTIC TRIPS – Most recent summer general leisure break in the Republic of Ireland

Regional Brand - Share of Trips

- Wild Atlantic Way: 49%▽ (56%)
- Ireland's Ancient East: 29% (29%)
- Dublin: 14%△ (9%)
- Ireland's Hidden Heartlands: 7% (6%)



9% - DONEGAL▽
(vs. 19% of Summer 2023)

5% - MAYO
(vs. 6% of Summer 2023)

11% - GALWAY
(vs. 11% of Summer 2023)

13% - KERRY△
(vs. 9% of Summer 2023)

14% - DUBLIN △
(vs. 9% of Summer 2023)

7% - WEXFORD
(vs. 7% of Summer 2023)

9% - CORK
(vs. 8% of Summer 2023)

- **95% of visitors** were from **ROI**
- More **Unconstrained Adults (67%)** and less **Families (33%)**
- **Exploration** (29%), **Social Energy** (21%) and **Bonding** (18%) were top motivations.

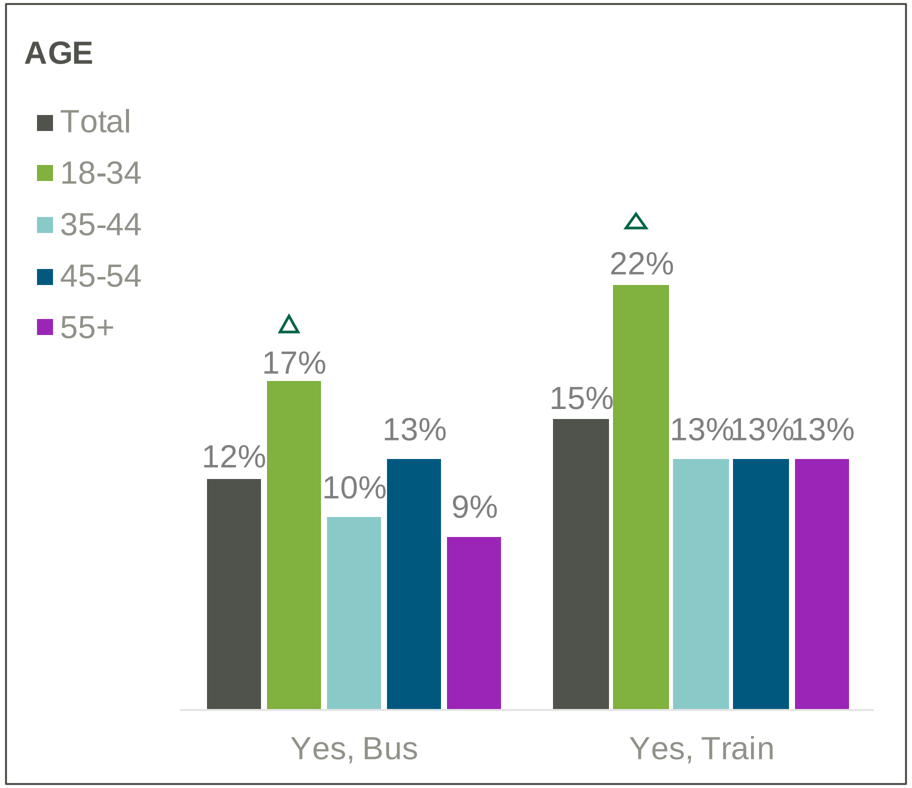
- The top visitor markets were **Northern Ireland (28%)** and **Munster (35%).**
- **37%** of visitors were **travelling as a couple**.
- **31%** of the trips were motivated by **Social Energy**.

Q. What was the MAIN COUNTY you stayed overnight in on this trip?
Base: Those who went on a general leisure overnight trip in summer months: 2023 (n=588), 2024 (n=602)– Shows counties with 5% or more share
Source: CPI SUMMER Report 2024

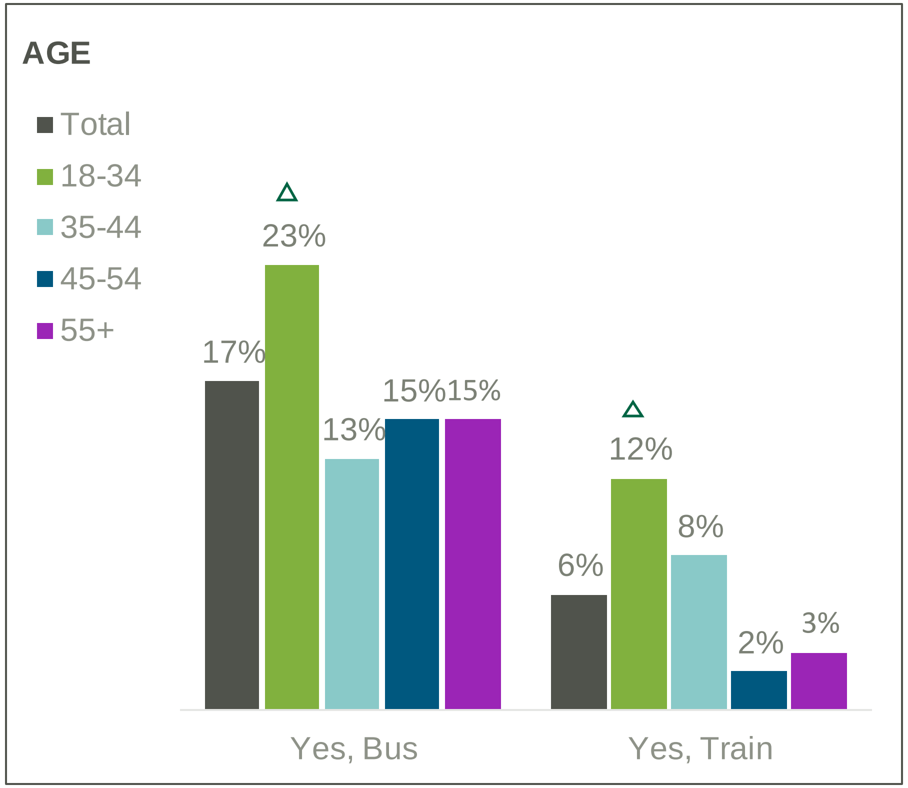
▽△ Significantly above/below Summer 2023

Public transport usage is higher amongst younger age groups whilst on domestic breaks compared to other groups.

Public Transport either to or from your destination



Public Transport to travel within and around your destination



Under 35s, who are less likely to hold a driver's licence according to the CSO, show higher usage rates of public transport when on a domestic trip.

△▽ Significant difference vs total sample

Q. On this trip, did you use public transport either to travel to or from your destination?
Q. And did you use public transport to travel within and around your destination during this trip?
Base: n=613
Source: CPI SUMMER Report 2024

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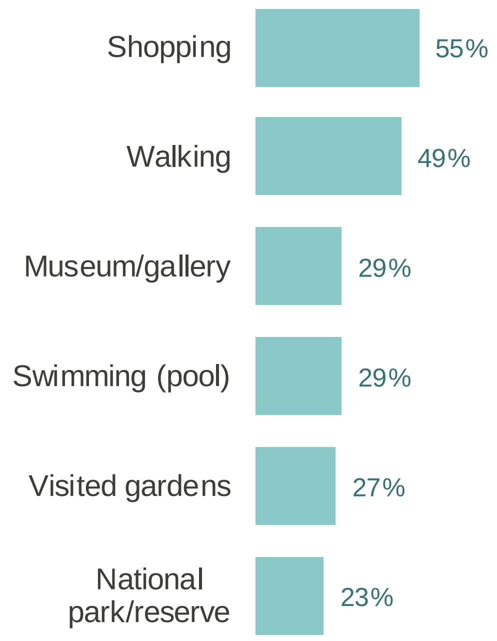
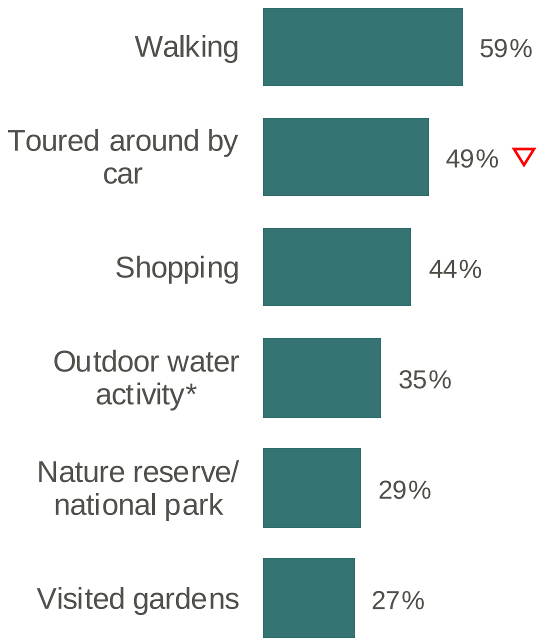
On a summer break, outdoor activities prevail, while shopping and visiting museums is particularly popular in Dublin.

ACTIVITIES BY REGION ON AN OVERNIGHT TRIP DURING THE SUMMER

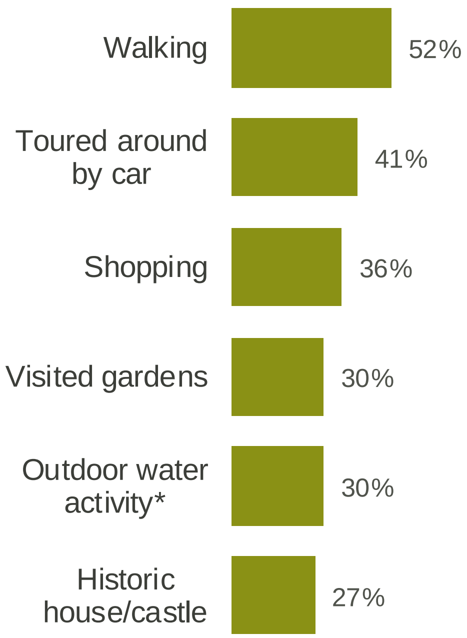
Dublin



WILD ATLANTIC WAY
SLÍ AN ATLANTAIGH FHIÁIN



IRELAND'S ANCIENT EAST®
Wander Through Time



Ireland's Hidden Heartlands was not reported on due to sample size limitations

*outdoor swimming, surfing, diving, snorkelling, Kayaking, canoeing, kite surfing, wind surfing, Sailing, Boat trips / Boat Tours, Fishing/ Angling

Q. Which of the following activities did you participate in on this trip?
Base: Those who went on a general leisure overnight trip in summer months: Dublin (n= 80), WAW (n= 297). IAE (n= 181)
Source: CPI SUMMER Report 2024

△▽ Significantly above/below previous Summer

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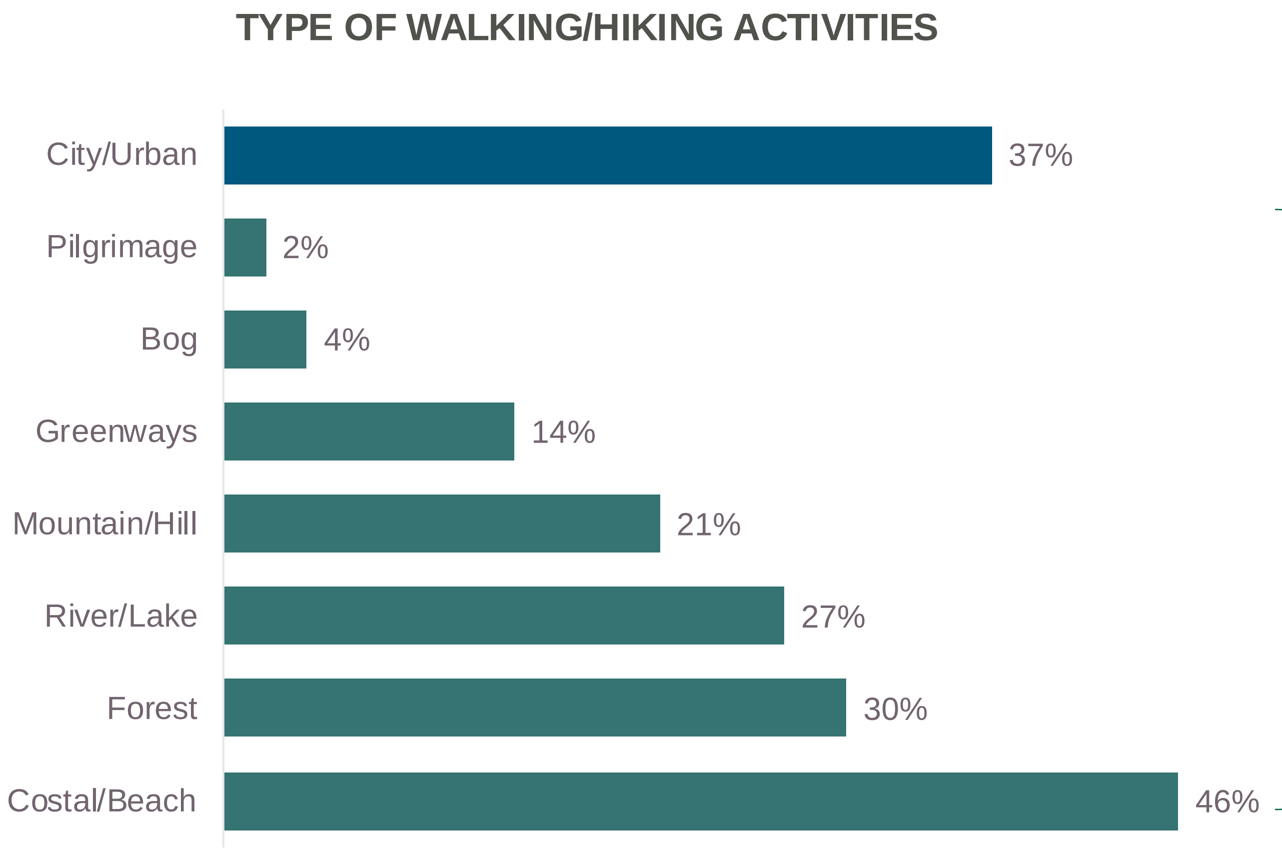
Fáilte Ireland

Visitors seek outdoor experiences where they can get in touch with nature, with coastal walks being most popular.

55% went a **walk**
13% went on a **hike**

…when travelling for leisure in the summer months



WILD ATLANTIC WAY
SLÍ AN ATLANTAIGH FHIÁIN

62% of those who took any walk/hike were in the WAW region. River/Lake walks were particularly popular in this brand region.

Q. What type of walking / hiking did you do on this trip?
Base: Those who went on a walk/hike during an overnight general leisure trip in summer months: (n=366)
Source: CPI SUMMER Report 2024

Spotlight on Summer Concerts

Fáilte Ireland

consumer planning & insights

Timeline: Summer Schedule of Large-Scale Concerts.

Fáilte Ireland

Pink
Dublin

Bruce
Kilkenny, Cork, Dublin

AC/DC
Dublin

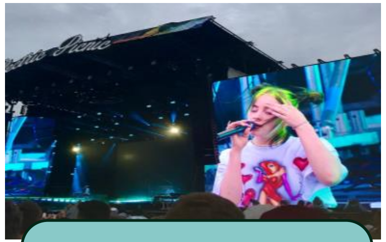
Coldplay
Dublin

June → **July** → **Aug** → **Sept**

Taylor Swift
Dublin

Shania Twain
Cork, Dublin

Liam Gallagher
Dublin, Limerick



Electric Picnic
Laois

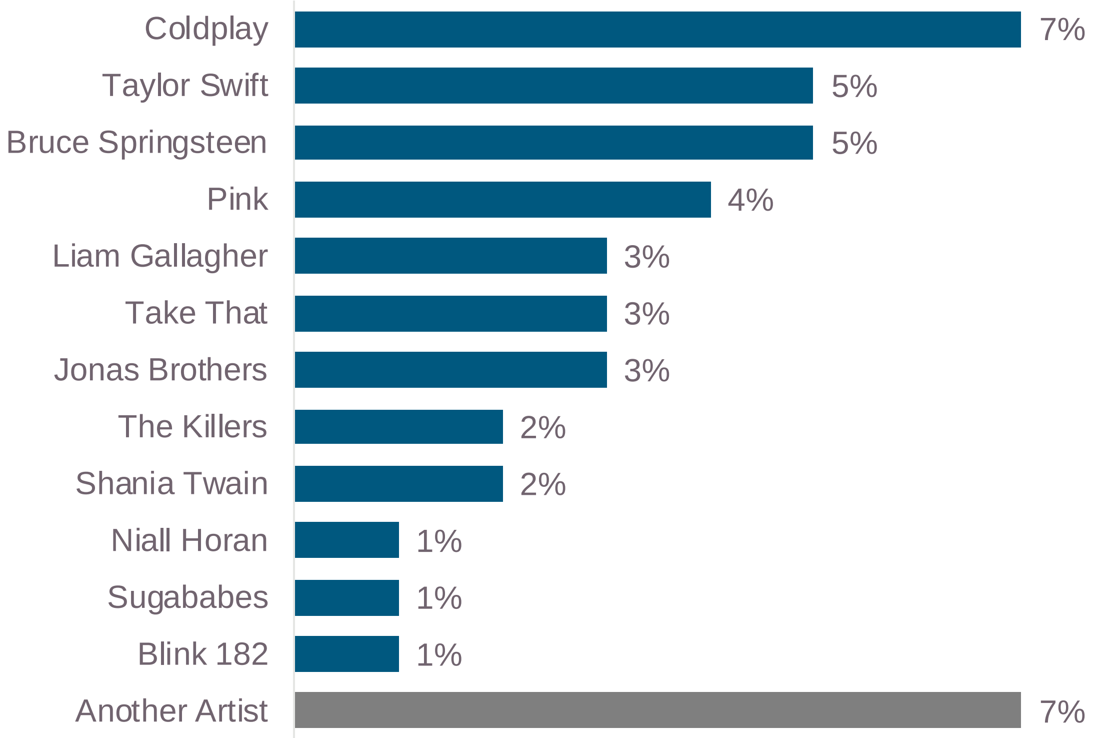
Source: CPI SUMMER Report, 2024

Concerts had a significant influence over travel during the summer months – over 1 in 4 visitors attended an event.

ATTENDENCE AT CONCERTS IN ROI OVER THE SUMMER

28%

Attended a concert over the summer months



Q. Did you attend any concerts for any of the following artists in the Republic of Ireland during the summer months of this year?
Base: Those who attended a concert this Summer in ROI: (n=1300)
Source: CPI SUMMER Report Sept 2024

PROFILE OF CONCERT ATTENDEES

KEY CALLOUTS

- **Over 2 in 3 are travelling from outside the capital to attend concerts** – this is significant considering the majority of big concerts took place in Dublin.
- Audience skewed towards **younger cohorts and families**.
- Circa **half of concert attendees also stayed in paid accommodation** as part of their trip for the event.

WHO

AGE

AGE		Index
18-34	46%	159
35-44	24%	120
45-54	15%	83
55+	15%	45

WHO

LIFESTAGE

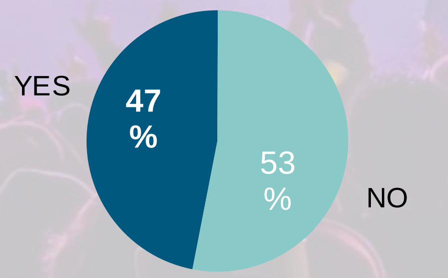
Unconstrained Adults		Families
Under 45	45+	
31%	15%	54%
Index		
135	38	142

WHO

SOCIAL GROUP

SOCIAL GROUP		Index
ABC1	51%	116
C2DEF	49%	86

STAYED IN PAID ACCOMMODATION



ORIGIN

WHERE DO YOU LIVE?

WHERE DO YOU LIVE?	%	Index
Dublin	32%	154
Rest of Leinster	20%	105
NI	18%	64
Munster	16%	83
Connaught/ Ulster	13%	108

Source: Fáilte Ireland, CPI SUMMER report, 2024

△▽ Over/under indexing vs total sample. Base: n=1,300.

Almost half of concert goers stayed in paid accommodation as part of their trip. Over 1 in 3 attended multiple events.

ACCOMMODATION FOR MAIN SUMMER CONCERTS

47%

Stayed in paid accommodation as part of their concert trip

On average, concert-goers stayed between 1 and 2 nights in paid accommodation (2.22 nights)

Those most likely to stay in paid accommodation are :

- Families and unconstrained adults over 45
- Those attending a concert alone
- Living outside of Dublin

Concert-goers are likely to go multiple concerts:

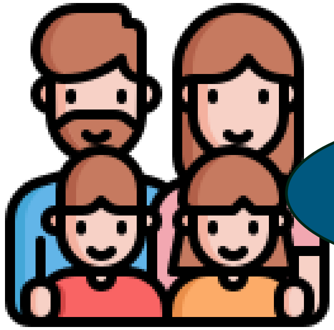
- 35% of them went to more than one concert during the summer
- 44% of families going to a concert went to more than one

Q. Did you stay in paid accommodation on the trip to go to the concert?
Base: Those who went on a main concert: Any (n=265)
Source: CPI SUMMER Report 2024

Almost 1 in 3 who attended a large-scale concert this summer had not taken a domestic break in previous 12 months.

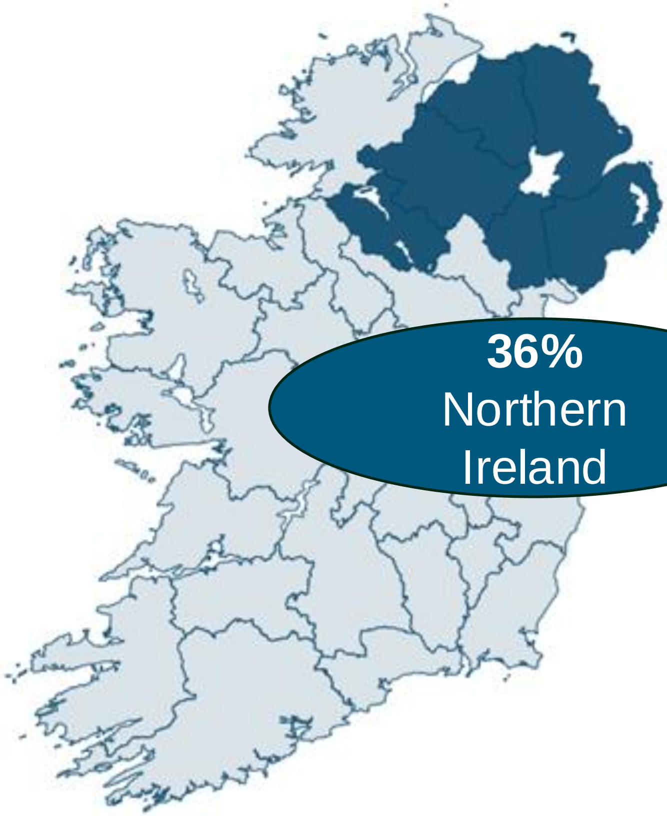
CONCERT ATTENDEES – NOT TAKEN ROI BREAK IN LAST 12 MONTHS

29%
of concert goers hadn't taken a break in ROI in the past 12 months



45%
Families

43%
18-34



36%
Northern Ireland

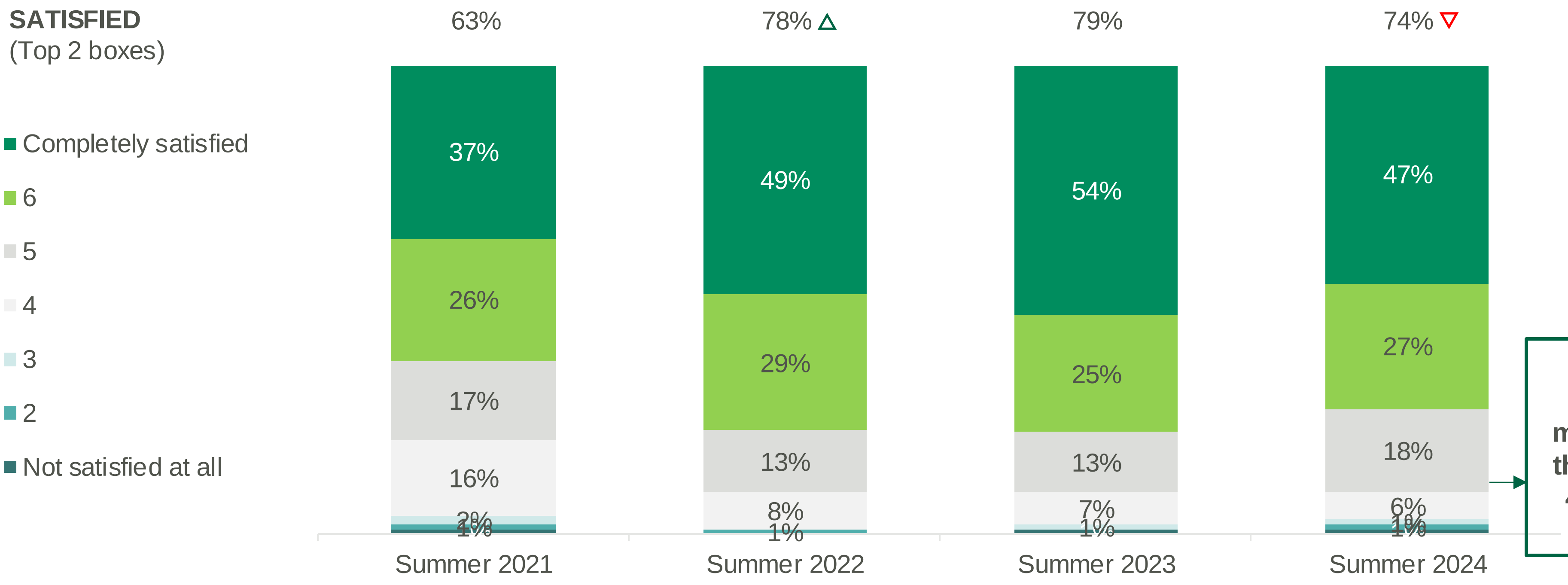
Q. Did you attend any concerts for any of the following artists in the Republic of Ireland during the summer months of this year?
Base: Those who went on a main concert: Any (n=265)
Source: CPI SUMMER Report Sept 2024

Summer Travel Experience

Fáilte Ireland

Trip satisfaction remains high with circa 3 in 4 visitors satisfied with their domestic summer break.

OVERALL TRIP SATISFACTION – Most recent break in the Republic of Ireland



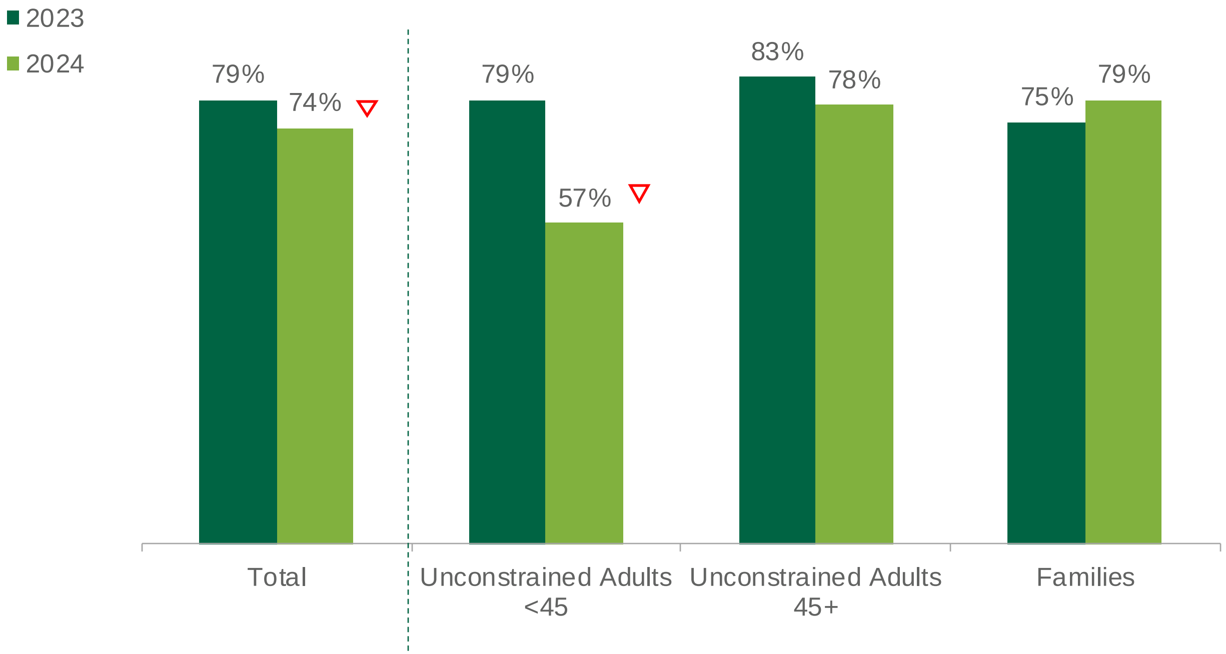
A proportion of visitors have moved down from the top 2 boxes to 4/5 compared to summer 2023.

Q. All things considered, how satisfied were you with your most recent break in the Republic of Ireland?
Base: Those took an ROI Leisure break: 2021 (n=875), 2022 (n=300), 2023 (n=589), 2024 (n=613)
Source: CPI SUMMER Report 2024

△▽ Significantly above/below previous Summer

Levels of satisfaction amongst younger unconstrained adults has fallen compared to last summer.

SATISFACTION WITH SUMMER BREAK (Top 2 Box)

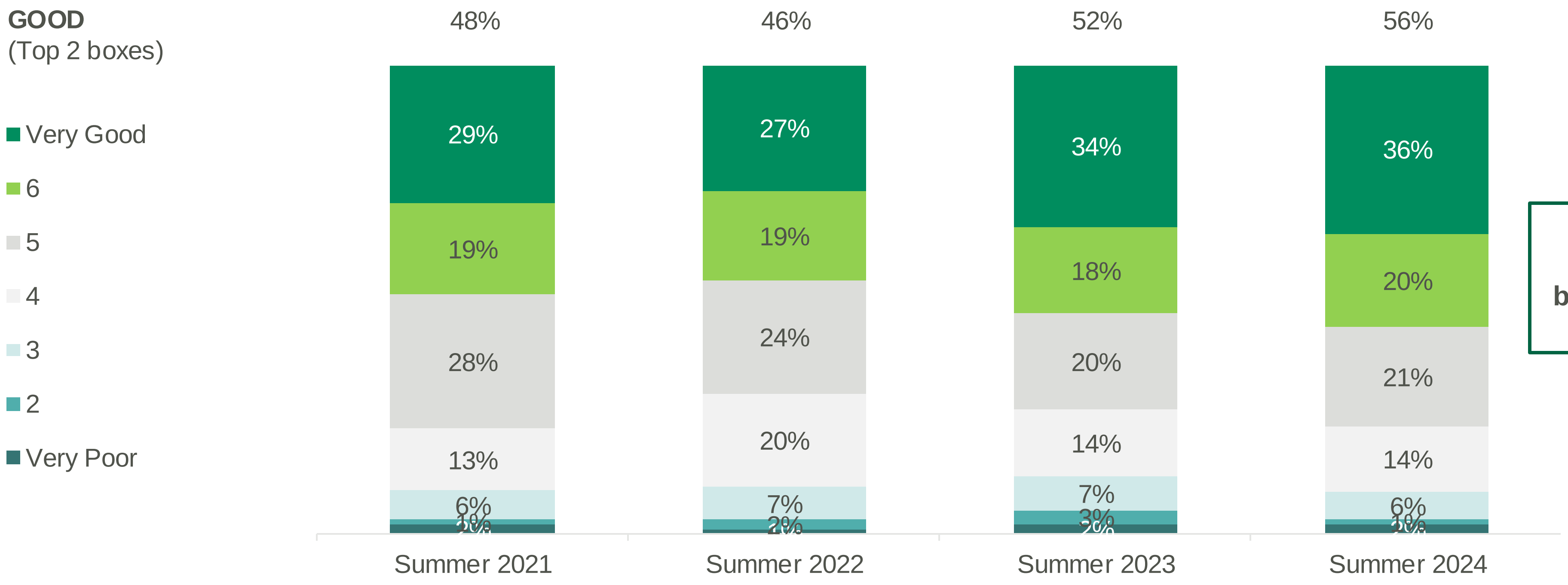


Q. All things considered, how satisfied were you with your most recent break in the Republic of Ireland?
Base: Those took an ROI Leisure break: 2023 (n=589), 2024 (n=613)
Source: CPI SUMMER Report 2024

△ ▽ Significantly above/below previous Summer

Despite the significant inflation over the past few years, VFM perceptions have remained steady with last summer.

VALUE FOR MONEY– Most recent break in the Republic of Ireland



No clear differences between life-stage groups

Q. Overall, would you say the value for money on this trip was…
Base: Those took an ROI leisure break: 2021 (n=875), 2022 (n=300), 2023 (n=589), 2024 (n=613)
Source: CPI SUMMER Report 2024

Encouraging visitors to do additional activities/ attractions can help to improve both VFM perceptions and satisfaction.

Satisfaction / Value for money x Activities/Attractions engaged in

- **Those who were most satisfied with their domestic summer break, were more likely to have done more activities/ visited more attractions.**
  - Satisfied visitors (top two boxes) did **on average 4.3 activities/attractions.**
  - Less satisfied visitors (bottom five boxes) did on **average 3.5 activities/attractions.**

- **Likewise, those who perceived their summer break as better value for money, were more likely to have done more activities/ visited more attractions.**
  - Those who rated the value of their trip as good (top two boxes), did **on average 4.3 activities/attractions.**
  - Those who rated the value of their trip as fair/poor (bottom five boxes) did **on average 3.7 activities/attractions**

Q. Multiple (Satisfaction, VFM, age, dependable)
Base: Those took an ROI break in the Summer months (n=613)
Source: CPI SUMMER Report 2024

Future Travel Intent

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Domestic travel intent to year end looks optimistic while overseas travel intent remains unchanged.

TRAVEL INTENT SNAPSHOT

Intent for taking domestic trips over the next 3 months is up compared to the same period last year.

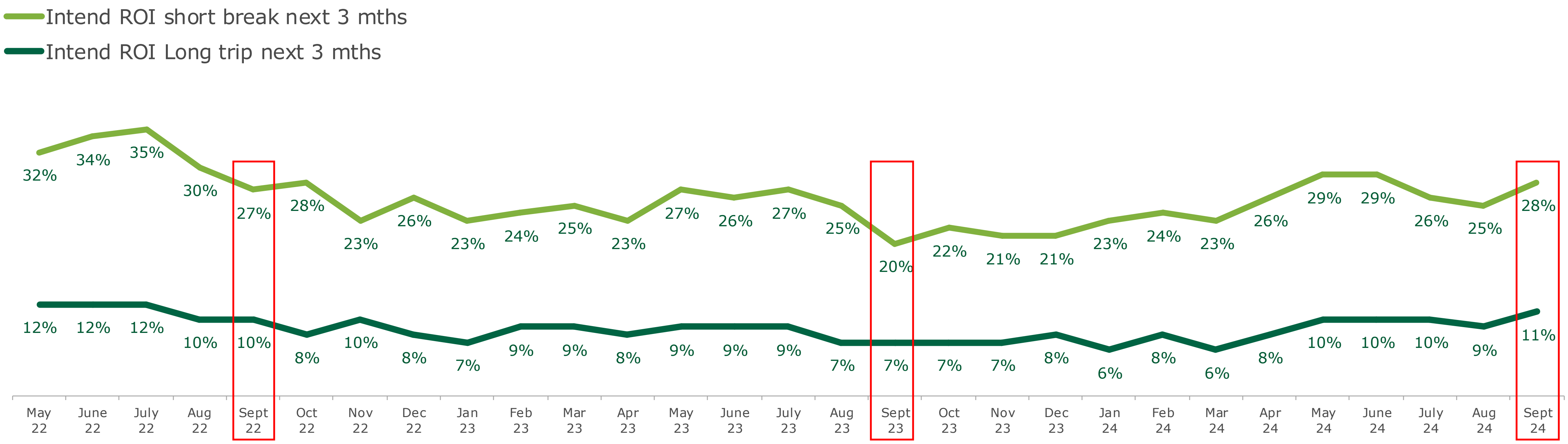
Domestic travel intent is highest amongst those who have already recently taken a break in ROI.

While overseas 3-month intent is in line with the same period last year.

Q. In which, if any, of the following places have you taken a short/long trip, break or holiday in the past 12 months?
Base: All IOI residents (n=1,300 per month)
Source: CPI SUMMER Report 2024

1 in 4 plan to take a short break in ROI in next 3 months. Intent has increased compared to same period in 2023.

INTENT TO GO ON A DOMESTIC TRIP – in the next 3 months



Q. In which of these locations do you intend on taking a trip for leisure over the next 3 months?
Base: All IOI residents (n=1300 per month),
Source: CPI SUMMER Report 2024

Those already in the category are more likely to intend on taking another break in the next 3 months.

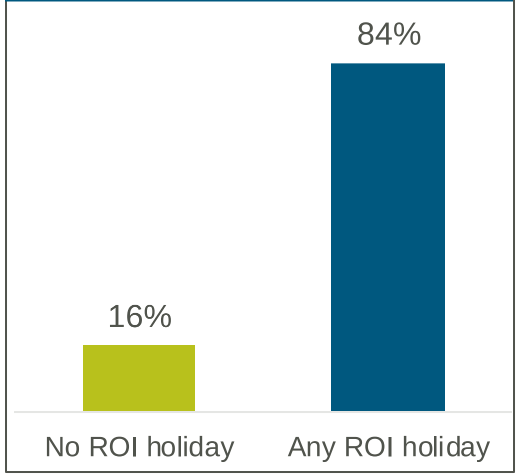
INTENT TO GO ON A DOMESTIC TRIP – in the next 3 months

30%

intend to take any break in ROI in the next 3 months

Of those…

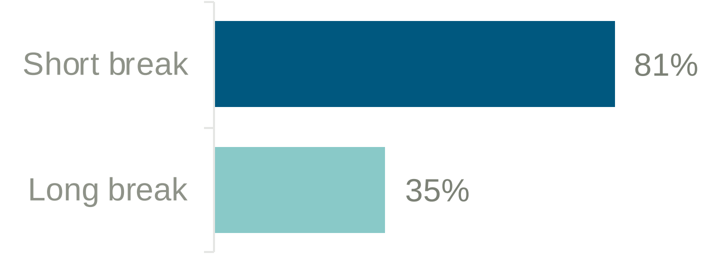
84% had already taken an ROI break in the past 12 months



Of those…

TYPE OF BREAK TAKEN

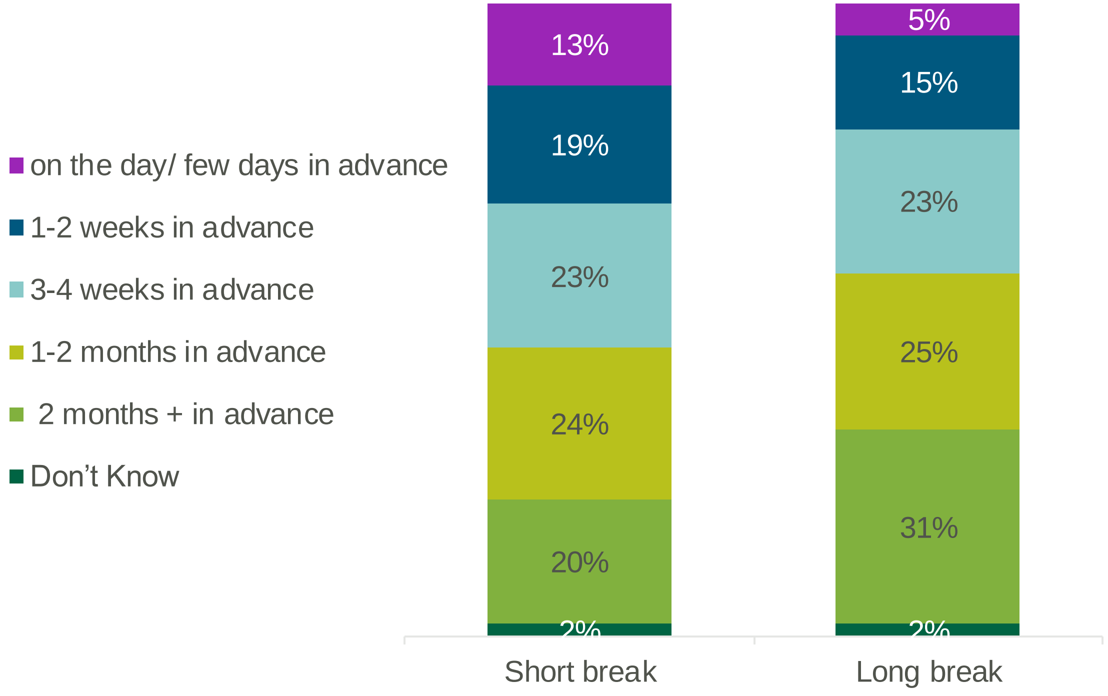
Amongst those intending on taking a break



Q. In which of these locations do you intend on taking a trip for leisure over the next 3 months?
Base: All IOI respondents (n=1300 per month),
Source: CPI SUMMER Report 2024

Visitors more likely to book a short break at shorter notice. Families are an exception who book further in advance.

BOOKING DECISION TIMEFRAME – Most recent general leisure break in the Republic of Ireland



In general, the decision to book a domestic break occurs up to the two months preceding a trip. This presents a potential opportunity for always-on marketing to support seasonality and to help ensure ROI breaks is front of mind for consumers.

Families are booking more in advance booking.

Unconstrained adults are more likely to make the booking closer to the trip (less than two week before their trip).

Differences in household financial circumstances has little impact on the booking window timeframe.

Q. How far in advance did you make the decision to book this trip?
Base: Those took an ROI break in the past 12 months: Short break (n=1,509), Long Break (n=471)
Source: CPI SUMMER Report 2024

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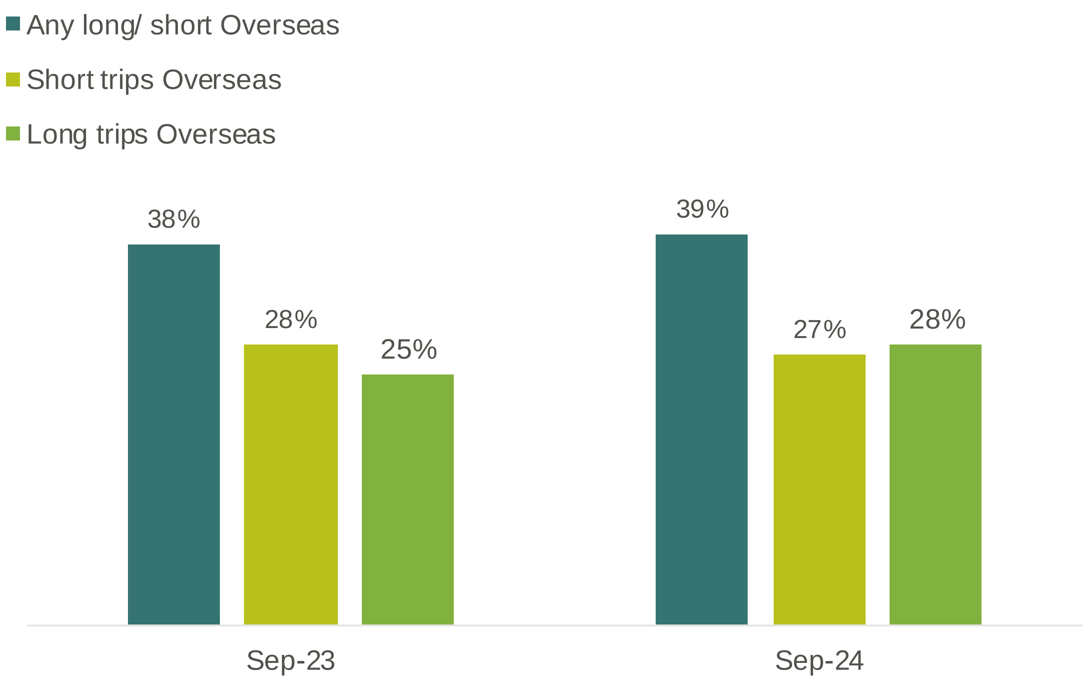
Abroad travel intent is in line with last year, with higher levels amongst those who have already gone abroad this year.

INTENT TO GO ON AN OVERSEAS TRIP – in the next 3 months



- There are significantly **more people intending on taking long beaks abroad during the shoulder season** (28%) than domestic long breaks (11%).
- **84%** of those who are intending on taking an overseas break in the next 3 months **have already taken an abroad trip in the past 12 months.**
- Those living in **Dublin (46%) and ABC1s (46%)** are the most likely to be intending on taking a break abroad.

Q. In which of these locations do you intend on taking a trip for leisure over the next 3 months?
Base: All IOI respondents (n=1300 per month),
Source: CPI SUMMER Report 2024

Household finances are improving, with saving rates remaining high but consumers are in a ‘watch, wait, worry’ mode looking to the near future.

Consumer Spending

A spend trend report published by AIB in August 2024 showed **spending is up by 4% on annual terms.**

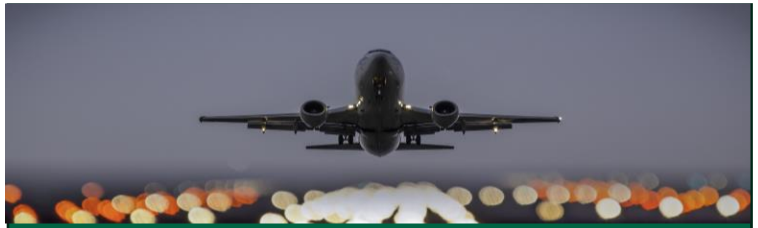
Although spending has increased, there are no significant changes in attitude compared to the previous Summer, with consumers more hesitant and wary about the economy and acting in ‘limbo’.

Household Finances

Irish consumers assessment of their household finances has developed over the past twelve months, **improving in September** according the Credit Union Consumer Sentiment Index results. This is most likely due to factors including **ECB cutting interest rates, a continuing slowdown of inflation and energy bill cuts.**

Saving Rates

Irish and Euro area **household saving rates remain high** compared to historical averages, which **suggests precautionary motives** may be at play. This could be down to perceived inflation, higher returns on deposits and scarring effects of the global economic crisis.



Watch, Wait, Worry

There does not seem to be a significant change in the mood of Irish consumers presently, but they are in a ‘**watch, wait, worry’ mode** looking into the future according to the Credit Union’s most recent consumer sentiment index.

With **increasing uncertainty about the global economic outlook,** ongoing fallout from the cost-of-living crisis, redundancy announcements, and the recent Budget, Irish consumers are in ‘limbo’ and confused and concerned of the what is to come ahead.

Sources: The Irish Credit Union Consumer Sentiment Index September 2024, Fáilte Ireland Economic and Industry Analysis Division, AIB Spend Travel Report August 2024.

Emerging travel trends have potential to help position product offerings and experiences in a new way to domestic visitors.

GLOBAL TRENDS HEADING INTO 2025

All-inclusive / Package Holidays	Set-Jetting Forecast	JOMO (Joy-of-missing-out)	Detour Destinations
There is a rise in travellers opting for all-inclusive trips: minimal stress, ease of booking and luxury	2 in 3 travellers believe TV and films are growing sources of travel inspiration	Taking time on holiday to escape the hustle bustle of everyday life to boost relaxation and reconnection.	Adding on another locale as a daytrip detour destination on your travels

Source: 1. Expedia, Unpack 25 Travel Report, 2024, 2. Foresight Factory, Let's Talk Travel, 2024.

Key Insights

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Key Insights

Consumers are taking shorter domestic trips, more frequently

- Following on from the pandemic, domestic travel penetration has been largely flat. However, **there has been increases in the number of trips taken per person**. This coincides with a trend of domestic visitors taking shorter breaks.
- Efforts to disrupt this downward trend by providing consumers a reason to spend an extra night on their domestic trip is required.
- There are opportunities **to encourage "detour" trips, highlighting value to be had in less mature destinations**, to encourage visitors to engage in more activities and to create tourism itineraries around concerts and events.

Key Insights

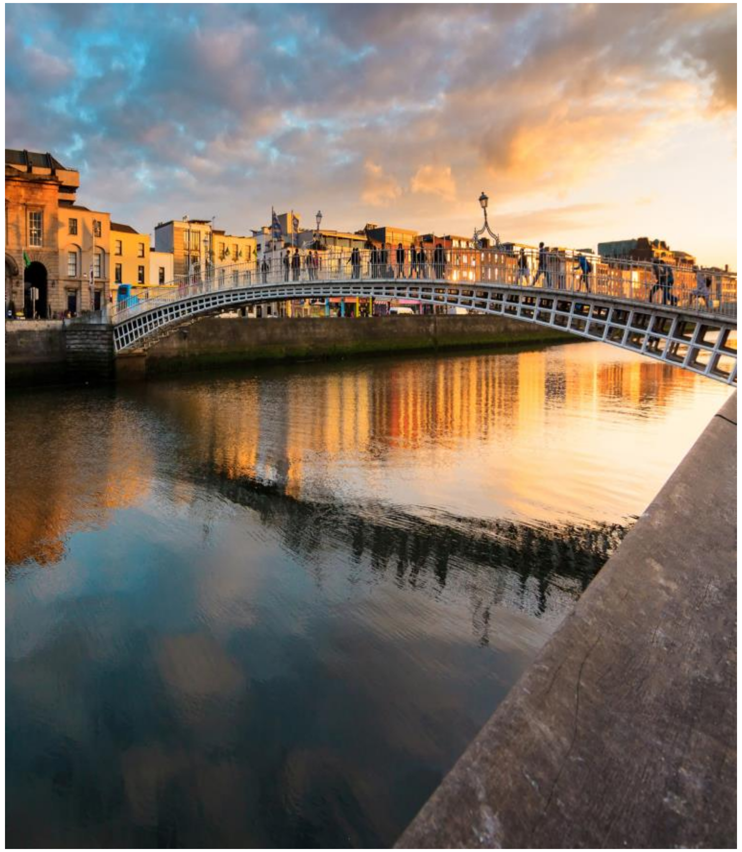
The proportions of Irish residents who took a domestic summer break are in line with last year.

- While fewer families travelled this summer, there was an increase in older unconstrained adults. **Social Energy as a travel motivation became more prominent**, as a rise in concerts and events acted as an important pull factor.
- **Satisfaction with summer trips remain high**, however, there has been a significant decline is satisfaction amongst younger unconstrained adults.
- **Further analysis** into our behaviour tracking data is ongoing. This includes **deep dives** into satisfaction and value for money metrics to understand **what is driving visitor behaviour among different profiles.**

Key Insights

Intent to travel in Ireland over the shoulder season has increased versus same period in 2023.

- **Household finances are improving**; however, consumers are yet to feel the impact on their pocket. As inflation stabilises, the **better financial situation of consumers is likely to result in more taking breaks** during the shoulder season and into 2025.
- The decision to book a domestic break **occurs up to the two months preceding a trip**. This presents a potential opportunity to focus on **always-on activity to support seasonality during winter and into spring 2025.**
- **Consumers are taking a tentative stance to spending** – 'Watch, Wait and Worry'. We need to monitor these factors on an ongoing basis to assess the scale of impact on intent.



Thank you

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November 2024

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