# Tourism NI Industry Survey

November 2024 Report

Cognisense
INSIGHTS THAT INCITE

TOURISM NORTHERN IRELAND

# Research objectives, methodology & sample

# Research objectives

- This report details the findings from Tourism NI's Industry Survey, the purpose of which was to gather information to enable Tourism NI to:
    - monitor industry performance for the year to date (January-September 2024).
    - assess expectations for October-December 2024 and for 2025.
    - determine causes for concern regarding business this year.
    - help inform the development of future industry support.

# Methodology

- Cognisense Ltd. conducted the survey and data analysis.

- A total of 414 businesses participated:

  209 online

  205 via telephone

- The fieldwork was administered in October 2024.

- All research was carried out in accordance with the Market Research Society's Code of Conduct.

# Responses by sector

| Sector | Responses (% of sample) |
|---|---|
| Accommodation provider | 265 (64%) |
| Activity/experience provider | 55 (14%) |
| Attraction | 41 (10%) |
| Golf club | 11 (3%) |
| Tour operator | 7 (2%) |
| Carrier/transport provider | 4 (1%) |
| Festival/events | 3 (1%) |
| Food and drink | 2 (<1%) |
| Golf media/golf tour operator | 2 (<1%) |
| Destination management company | 2 (<1%) |
| Bar/restaurant/café | 1 (<1%) |
| Other | 21 (5%) |
| **Total** | **414** |


Accommodation businesses make up 64% of the survey sample with activity/experience providers representing 14% and attractions a further 10%.

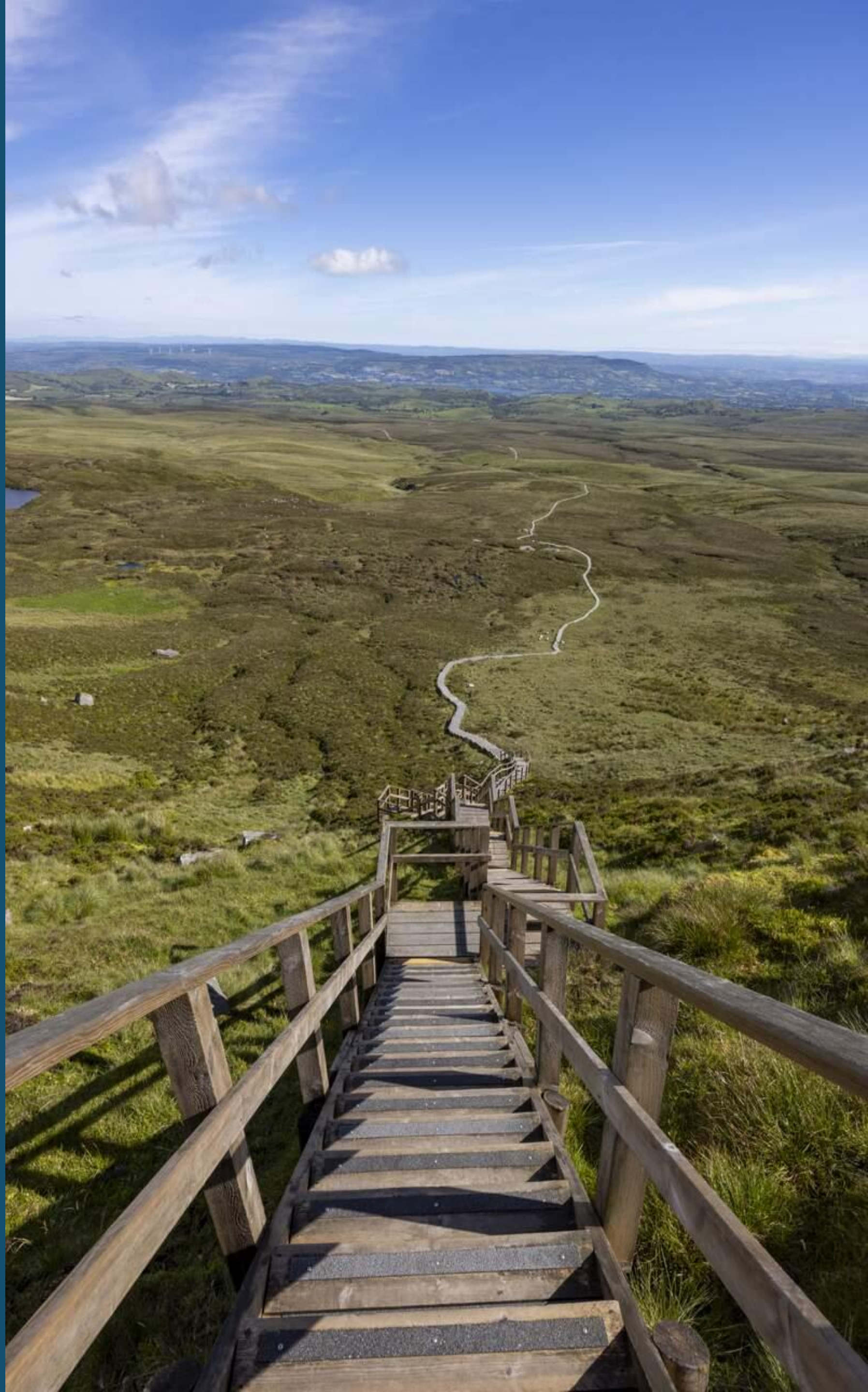
**Q. Which of the following is your main business type?** *Base: all businesses (n=414).*

# Key findings

# Overview

Overall, positive visitor volumes were reported for the closer to home and international markets during the first nine months of 2024, although around one-fifth of businesses reported a decline in performance across these markets.

Whilst outlook was generally optimistic for the last quarter of the year and for 2025, significant levels of concern remain regarding key issues, including reduced disposable incomes and higher energy costs.



# Positive visitor volumes from closer to home and international markets

- Four in 10 businesses reported higher turnover for January-September 2024 compared to the same period in 2023, with a similar proportion indicating their turnover was at the same level, and around one-fifth reporting a decrease.
- A significant proportion of businesses reported growth in both the NI domestic (39%), and GB (35%) markets, with just under one-third recording growth from ROI visitors ( 31%). A minority of around one fifth reported reduced levels of business from these key markets.
- Over 8 in 10 businesses have seen international visitor volumes either exceed (38%) or match (46%) 2023 levels, with less than one-fifth (16%) reporting a decline on the previous year.
- Two in five businesses indicated that profitability for January-September 2024 was above the level recorded in 2023, with a similar number (39%) reporting that there had been no change. Just under one-fifth (19%) noted a decrease in profitability.

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In line with this positive industry survey feedback, Tourism NI analysis of January-September 2024 cardholder spend data indicates increased tourism-related spend compared to the same period in 2023 (+7%). Growth was evident for tourism related spending for both the closer-to-home and international markets.

# Outlook positive (despite challenging environment)

- One-third of providers expected their overall business volume for October-December 2024 to be higher than for the same period in 2023, with just under half anticipating no change in volume, while around one-fifth were expecting a decrease.
- More than two-fifths of businesses were expecting business turnover for 2025 to be higher than this year, with half anticipating a similar volume, whilst one in ten were expecting a decrease.
- Four-fifths felt confident about running their business profitably for the rest of the year and throughout 2025.

# Causes for concern & reasons to be positive

- A *reduction in people's disposable income* (34%) has overtaken *energy costs* (24%) as the main cause for concern regarding business this year.  Perhaps not surprisingly, the *weather (26%)* has featured more strongly than in recent years.  Other concerns related to *increased competition* (20%), with an increase in people going abroad (20%) also specified.

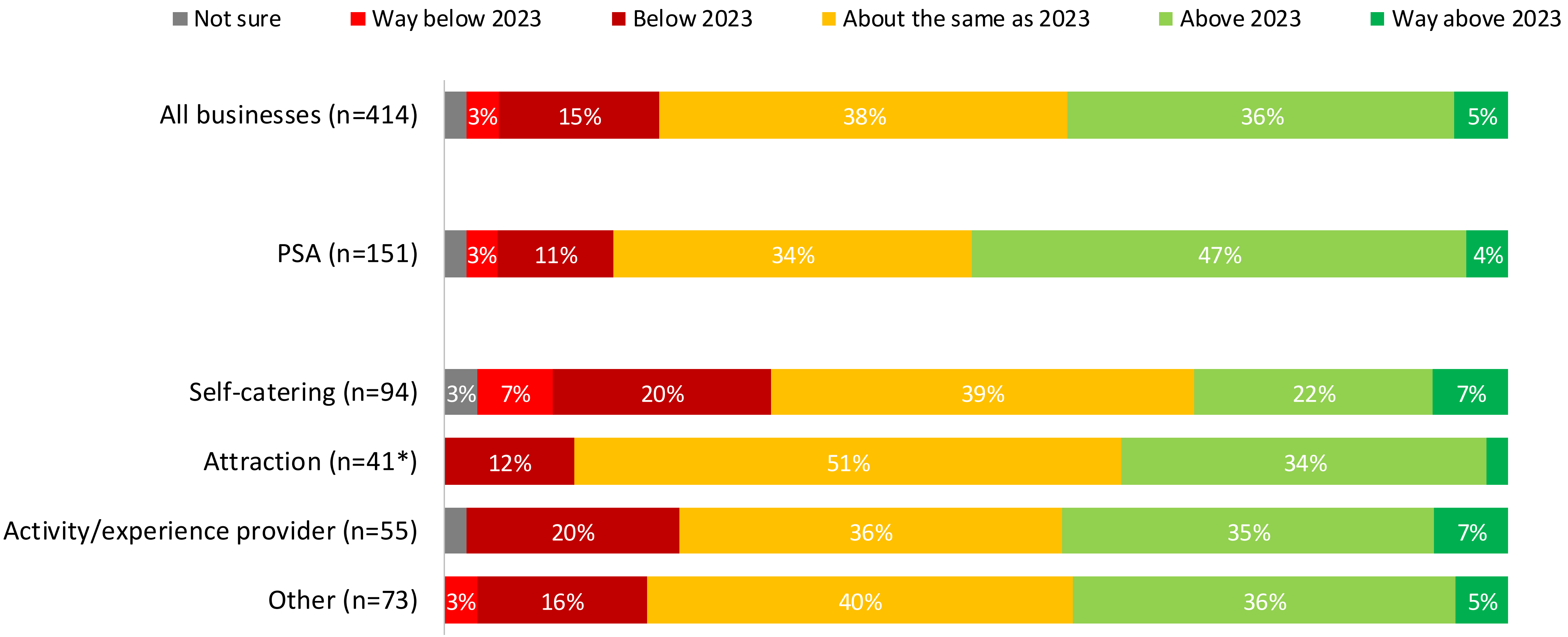
- The vast majority of businesses cited a reason to be positive for the remainder of the year and 2025, with *repeat visitors* (51%) and the *return of overseas visitors* (41%) most likely to have been mentioned.

- 29% stated that *improved visitor experiences locally* was a cause for optimism, with just over one-fifth citing the *pandemic subsiding*.

# Business performance

# January-September 2024

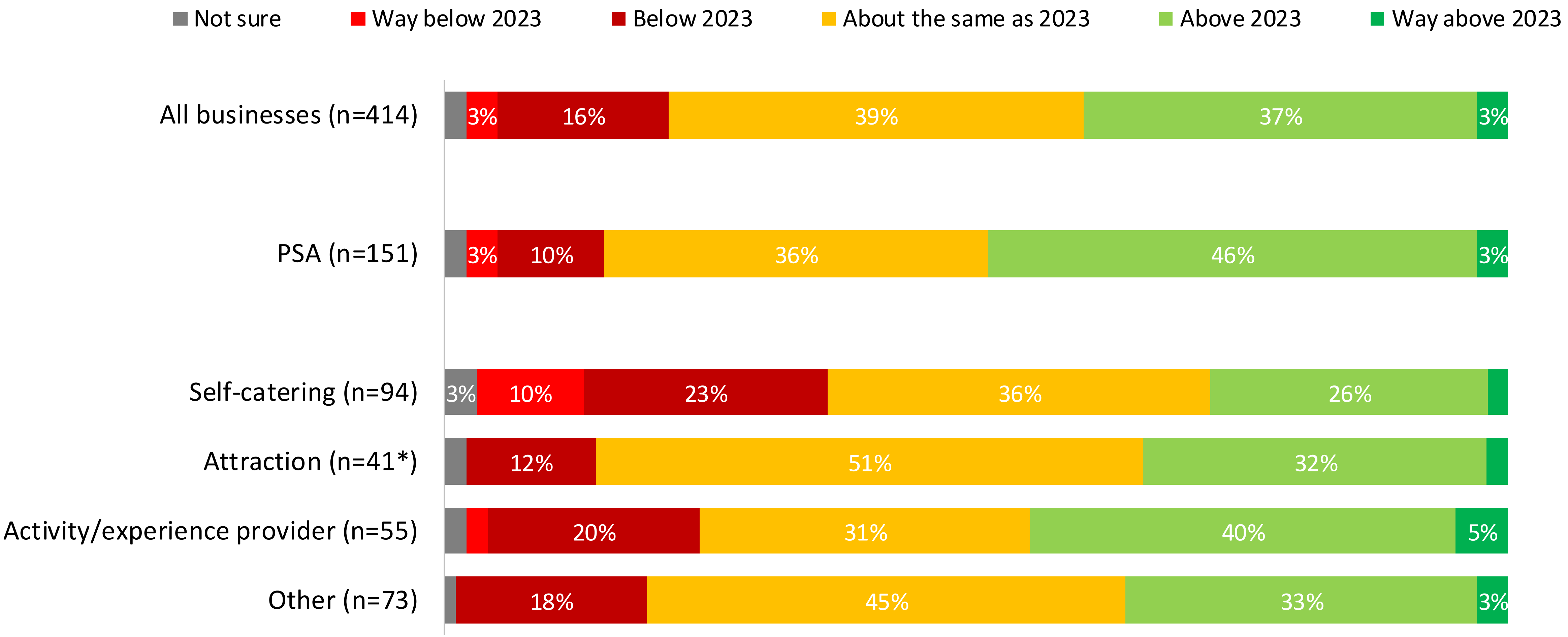
# Business turnover January-September 2024 *v* 2023




**Q. Was your business turnover better or worse for January to September 2024 compared to the same period in 2023?**

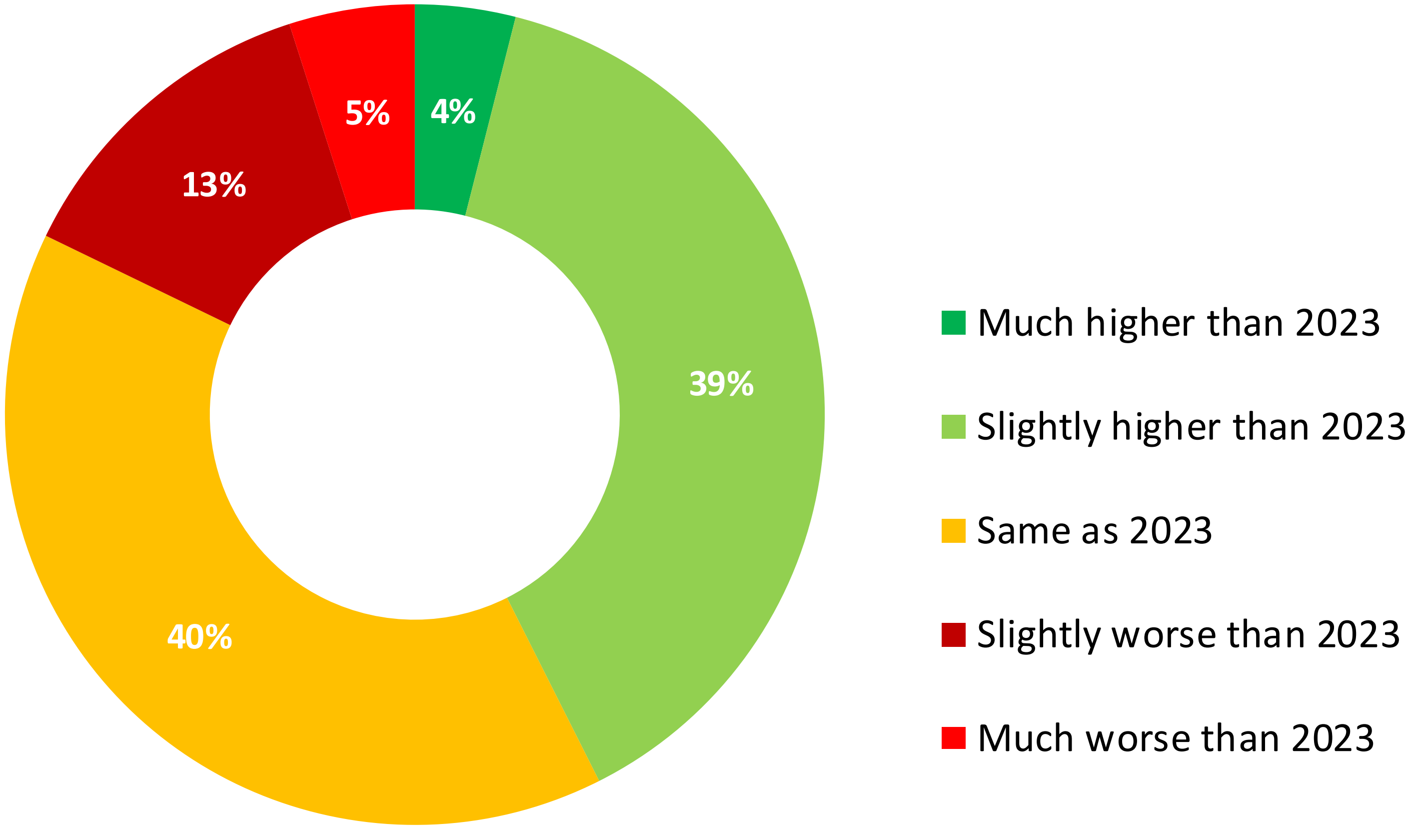
*Base: all businesses – sample sizes denoted on chart. *Caution: small sample size. Note: each chart segment without a data label = 2%.*

# Business profitability January-September 2024 *v* 2023




**Q. Was your business profitability better or worse for January to September 2024 compared to the same period in 2023?**
*Base: all businesses – sample sizes denoted on chart. *Caution: small sample size. Note: each chart segment without a data label ≤ 2%.*

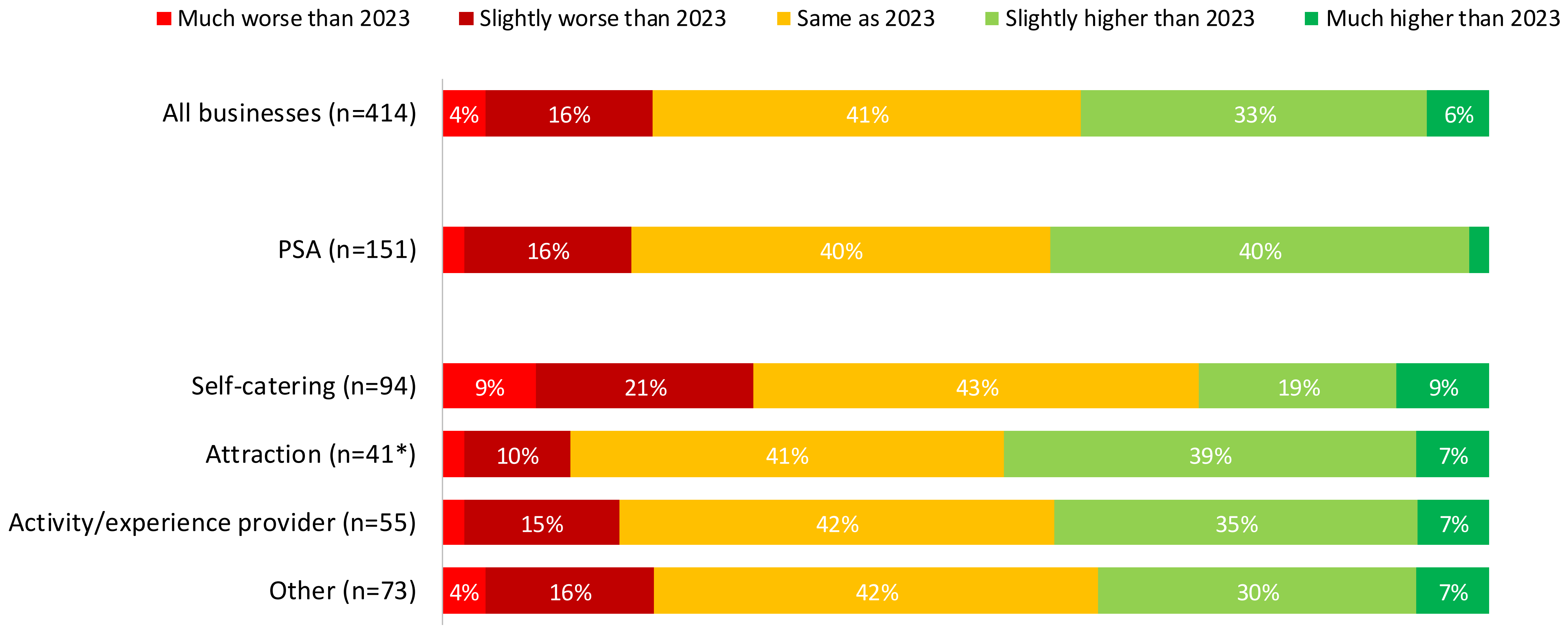
# Average room yield January-September 2024 v 2023




STR hotel performance data also indicates that NI hotels have seen an 8% increase in average room rates in January-September 2024 compared to 2023.

**Q. Thinking about the year to date (January to September 2024), how does your average room yield compare to the same time in 2023?**
*Base: all accommodation providers (n=265).*

# Business Performance January-September 2024 *v* 2023 for NI market

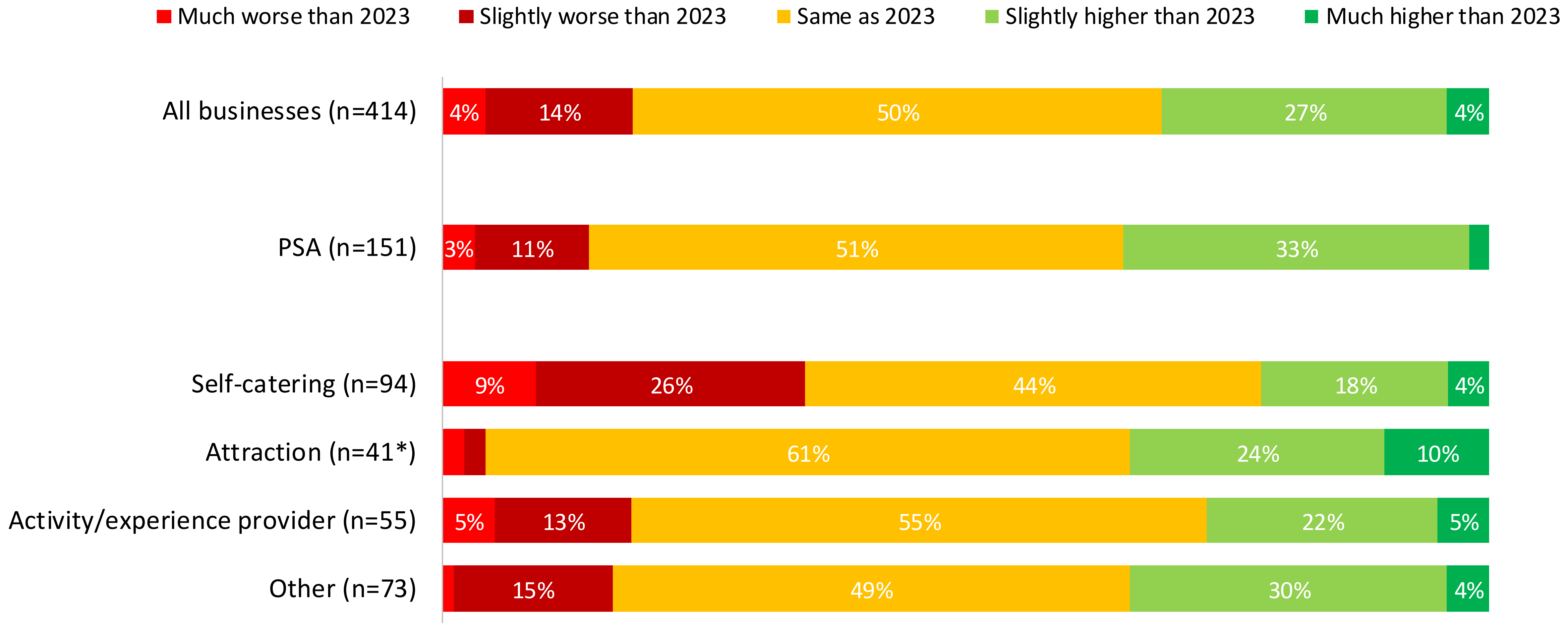



**Q. Thinking about the year to date (January to September 2024), how did the volume of your overall business compare with the same time in 2023 for each of the following markets?** *Base: all businesses – sample sizes denoted on chart. *Caution: small sample size. Note: each chart segment without a data label= 2%.*

# Factors influencing worse NI market performance for January-September 2024 *v* 2023


**Q. Which, if any, of the following are factors influencing the performance of your business for the year to date (January to September 2024) for the Northern Ireland market?**
*Base: all businesses with worse NI market performance for Jan-Sept 2024 compared to the previous year (n=84).*

# Business performance January-September 2024 *v* 2023 for ROI market



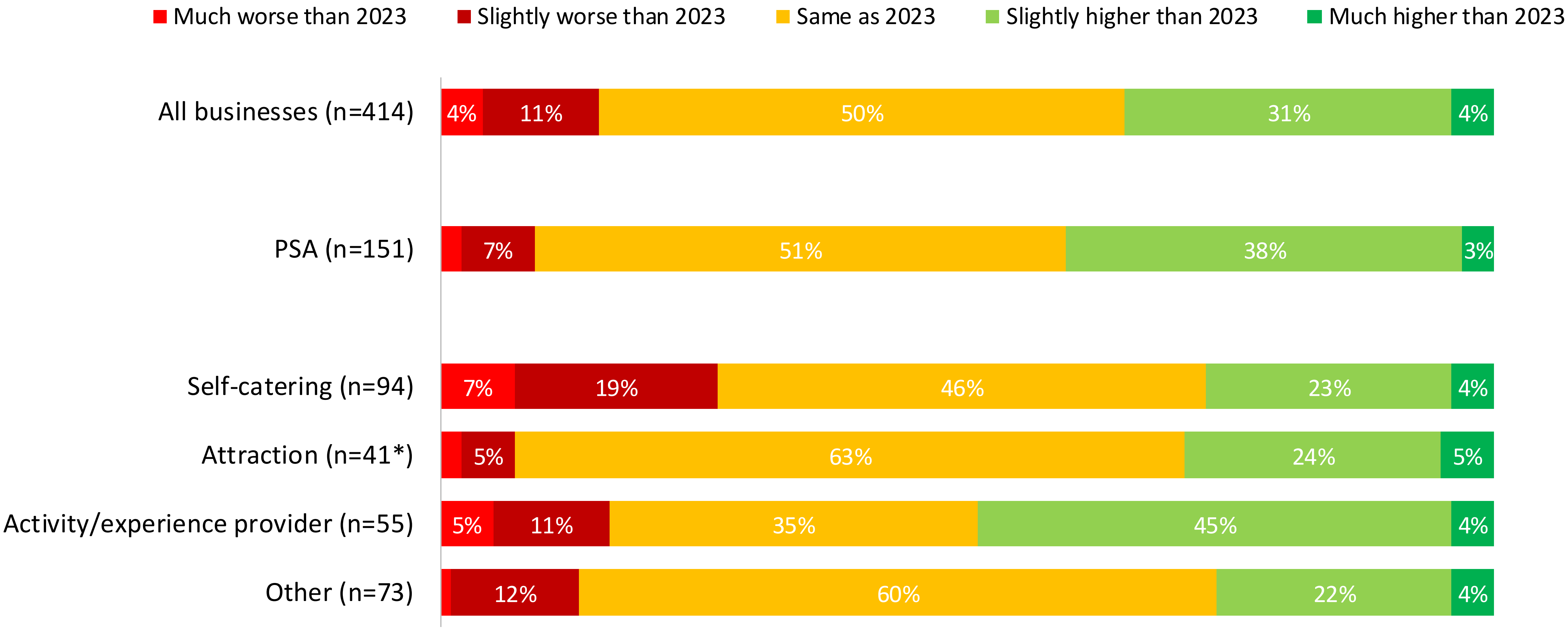

**Q. Thinking about the year to date (January to September 2024), how did the volume of your overall business compare with the same time in 2023 for each of the following markets?** *Base: all businesses – sample sizes denoted on chart. *Caution: small sample size. Note: each chart segment without a data label ≤ 2%.*

# Factors influencing worse ROI market performance for January-September 2024 *v* 2023


**Q. Which, if any, of the following are factors influencing the performance of your business for the year to date (January to September 2024) for the Republic of Ireland market?**

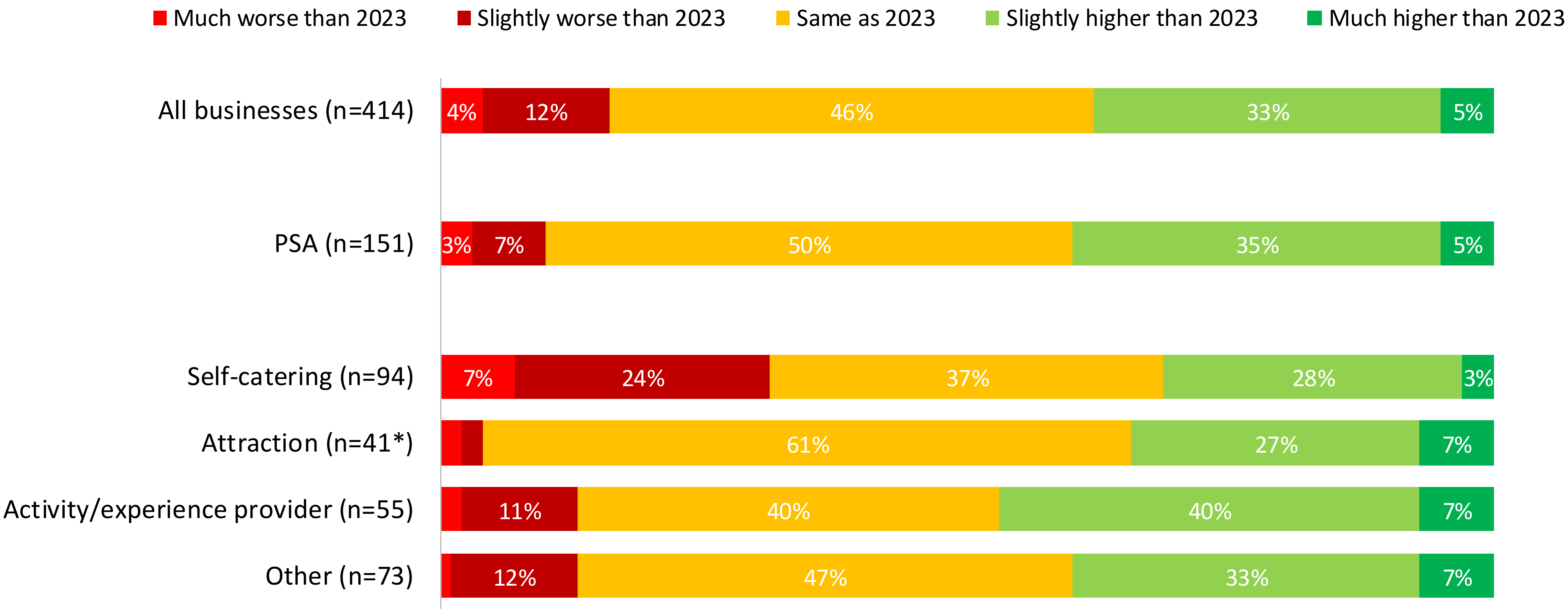
*Base: all businesses with worse ROI market performance for Jan-Sept 2024 compared to the previous year (n=77).*

# Business Performance January-September 2024 *v* 2023 for GB market



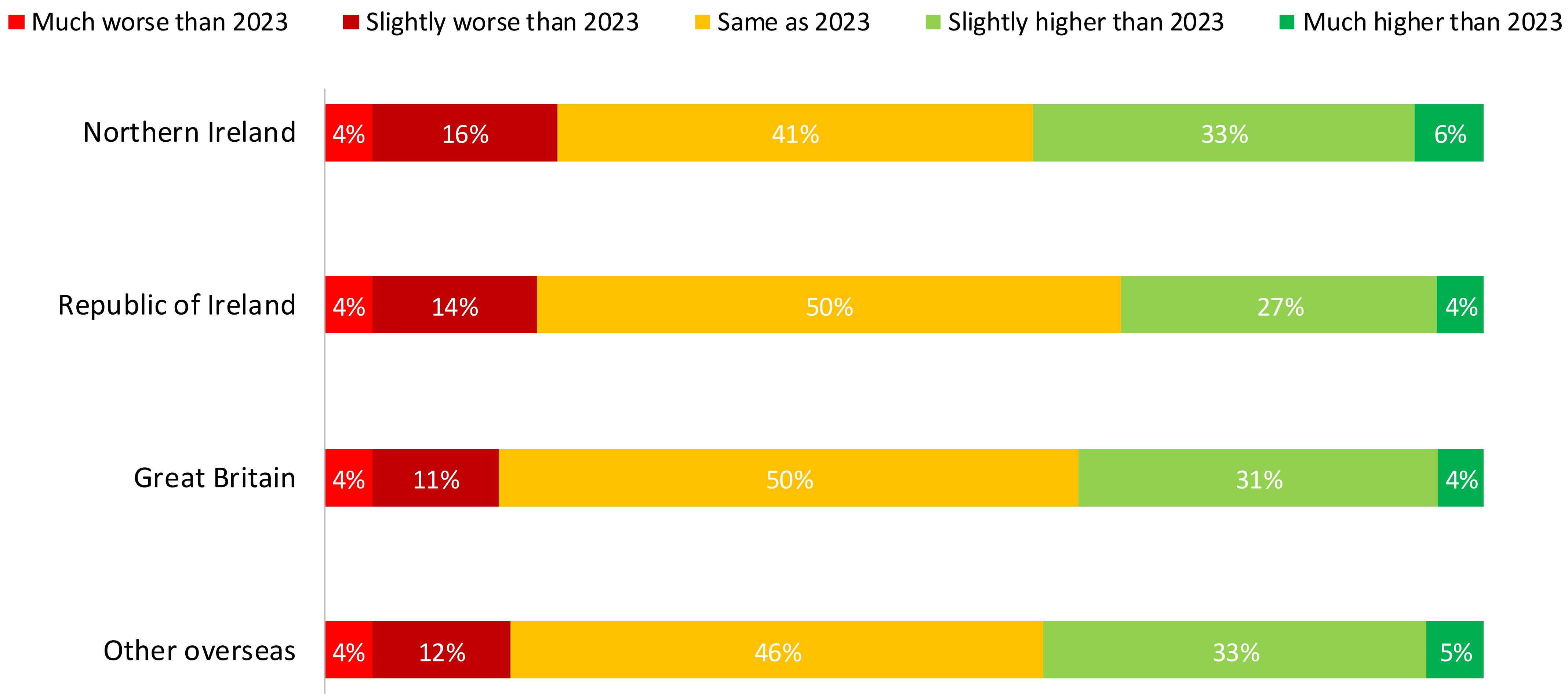

**Q. Thinking about the year to date (January to September 2024), how did the volume of your overall business compare with the same time in 2023 for each of the following markets?** *Base: all businesses – sample sizes denoted on chart. *Caution: small sample size. Note: each chart segment without a data label ≤ 2%.*

# Business Performance January-September 2024 *v* 2023 for other overseas market




**Q. Thinking about the year to date (January to September 2024), how did the volume of your overall business compare with the same time in 2023 for each of the following markets?** *Base: all businesses – sample sizes denoted on chart. *Caution: small sample size. Note: each chart segment without a data label ≤ 2%.*

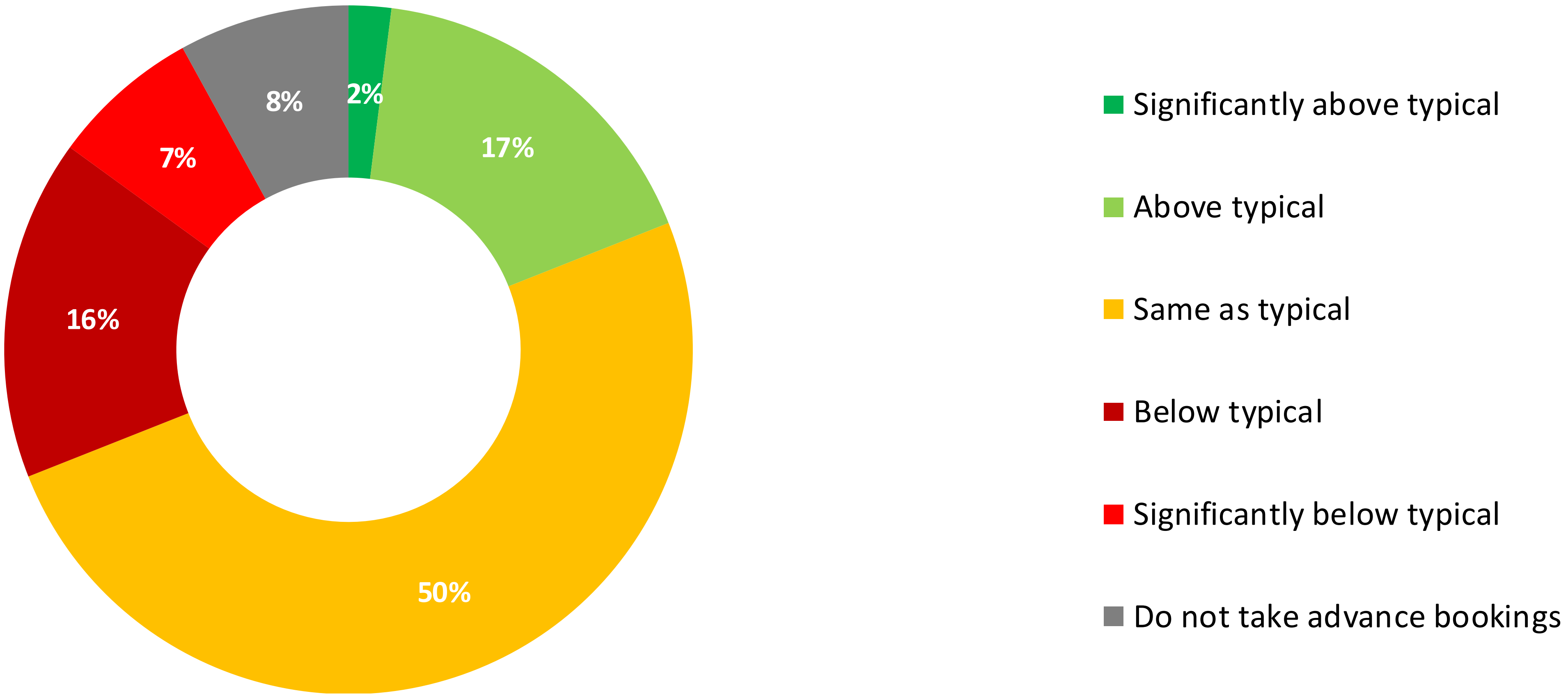
# Business Performance January-September 2024 v 2023 by market (summary)




**Q. Thinking about the year to date (January to September 2024), how did the volume of your overall business compare with the same time in 2023 for each of the following markets?** *Base: all businesses (n=414)*

# Advance bookings & business expectations October-December 2024

# Advance bookings for Oct-Dec 2024 compared to normal

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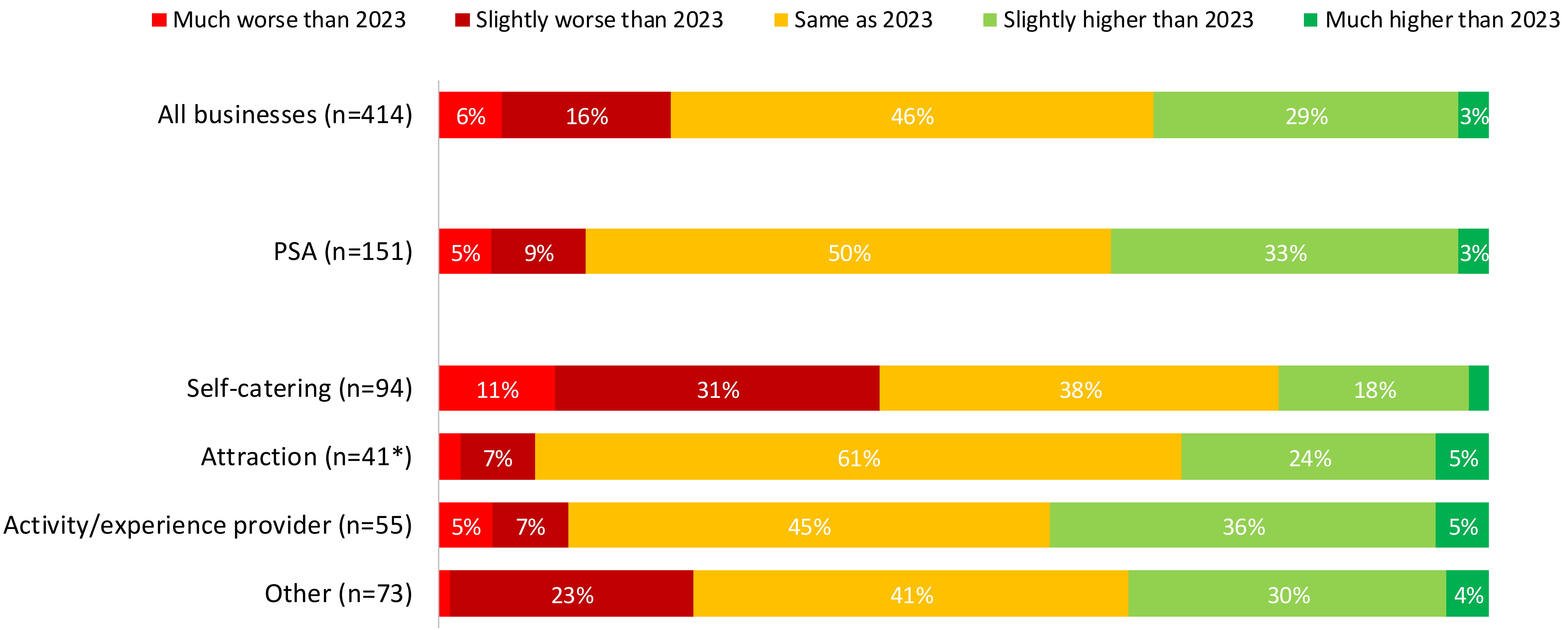
**Q. How many advance bookings do you have for the remainder of 2024 (October-December) compared to what you would normally have at this point in the year?** *Base: all businesses that take advance bookings (n=379)*

# Expectations regarding business volume for October-December 2024 *v* 2023




**Q. Thinking about the remainder of 2024 (October-December), how do you feel the volume of your overall business will compare with the same period in 2023?** *Base: all businesses – sample sizes denoted on chart. *Caution: small sample size. Note: each chart segment without a data label≤ 2%.*

# Advance bookings & business expectations for 2025

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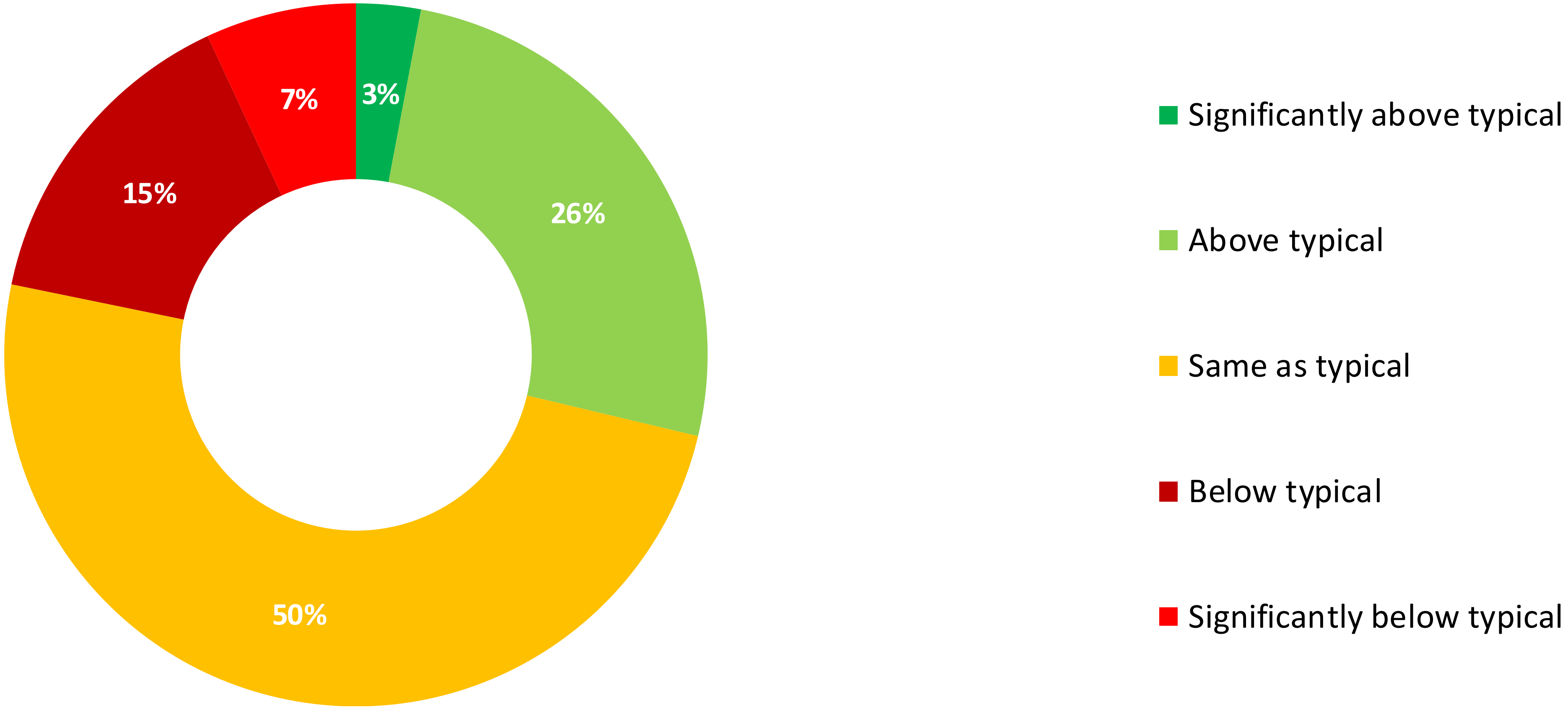
# Advance bookings for 2025 compared to normal




**Q. How many advance bookings do you have for 2025 compared to what you would normally have at this point in the year?**
*Base: all businesses that take advance bookings (n=379)*

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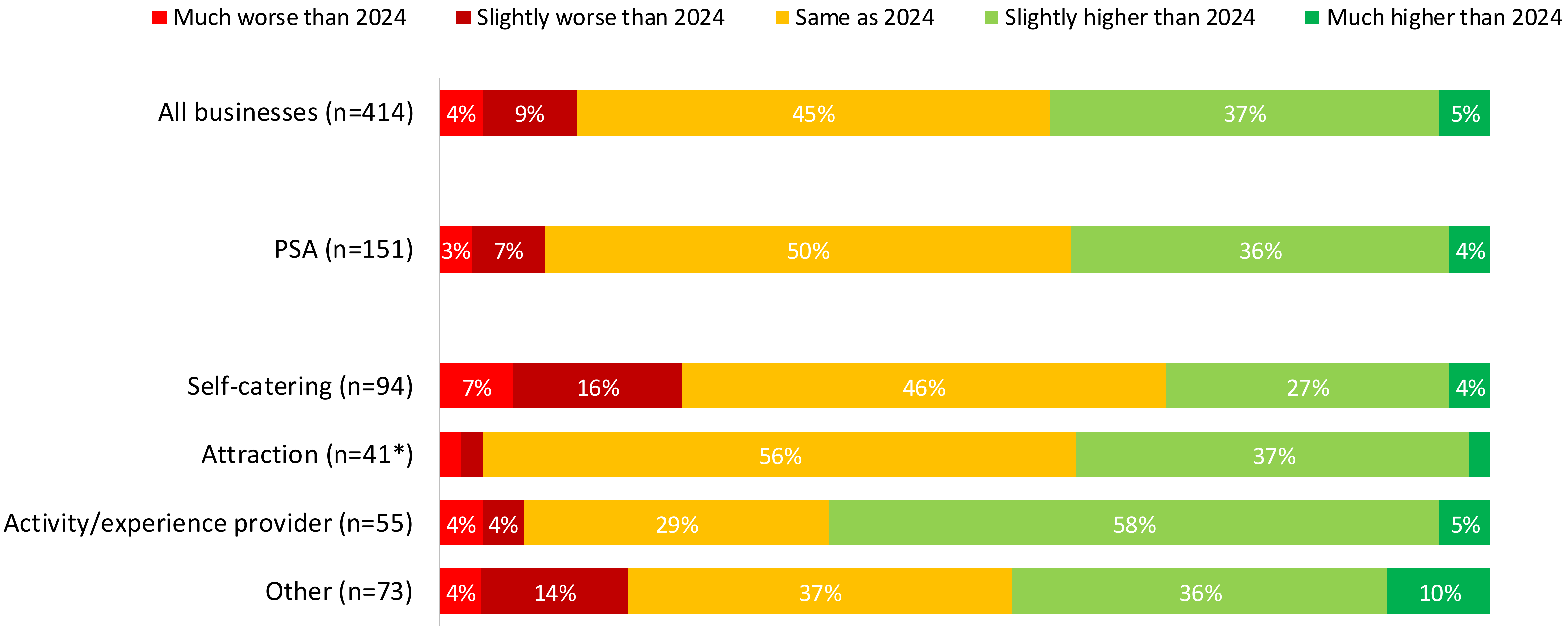
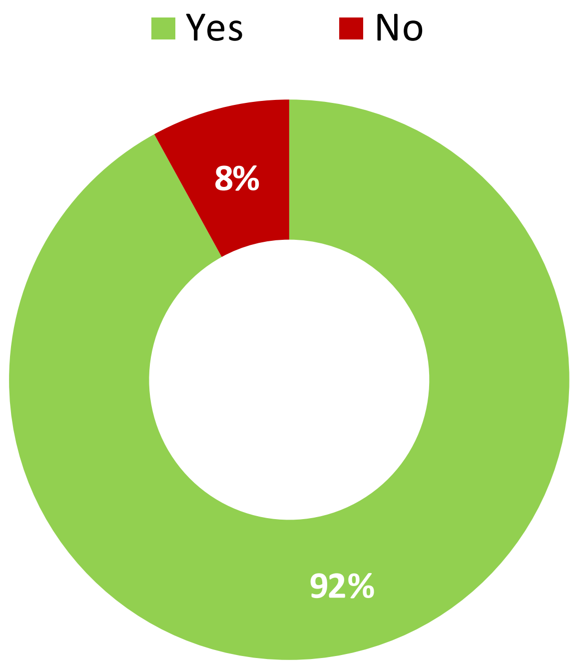
# Expectations regarding business volume for 2025 *v* 2024

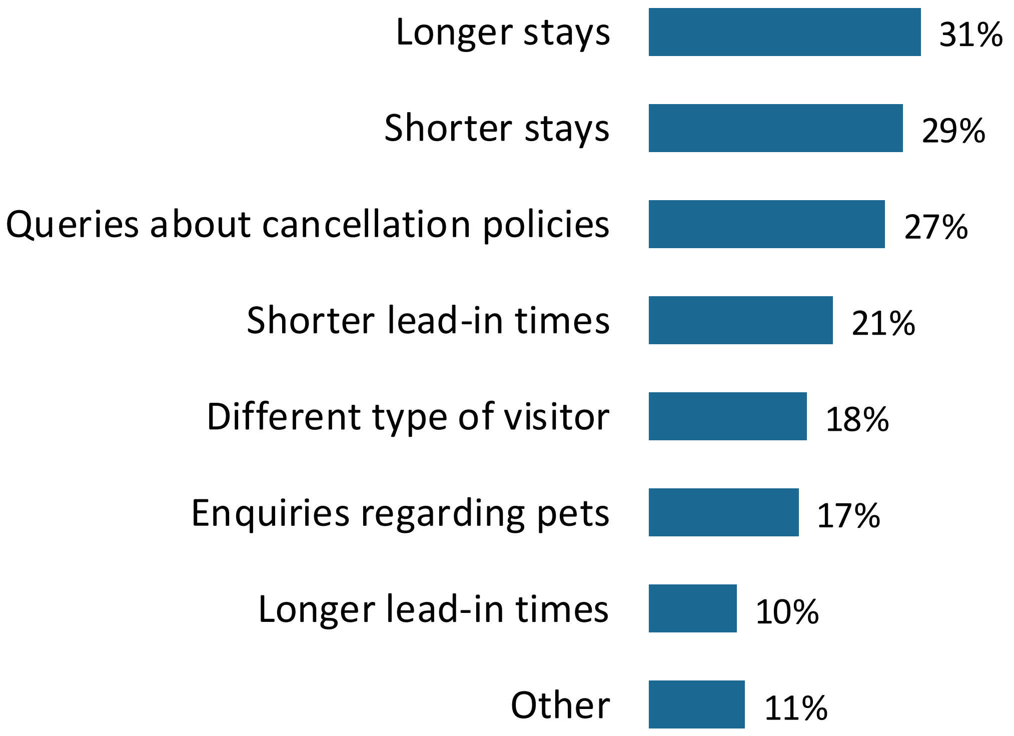



**Q. Thinking about 2025, how do you feel the volume of your overall business will compare with the same period in 2024?** *Base: all that take advance bookings businesses – sample sizes denoted on chart. *Caution: small sample size. Note: each chart segment without a data label = 2%.*

# Flexible booking terms and booking trends for 2024

# Flexible booking terms




**Q. Do you offer flexible booking terms (such as free cancellation, opportunity to move booking)?**
*Base: all businesses that take advance bookings, excluding self-catering and activity/experience provider – split sample applied (n=235)*

**Q. Are there any booking trends you're noticing for 2024 that are different from normal?**
*Base: all businesses that take advance bookings, excluding self-catering and activity/experience provider – split sample applied (n=235)*

# Reasons to be positive regarding business for the remainder of the year and 2025

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**Q. Are there any particular reasons to be positive about business for the remainder of the year and 2025?**
*Base: all businesses (n=414)*

# Causes for concern regarding business this year

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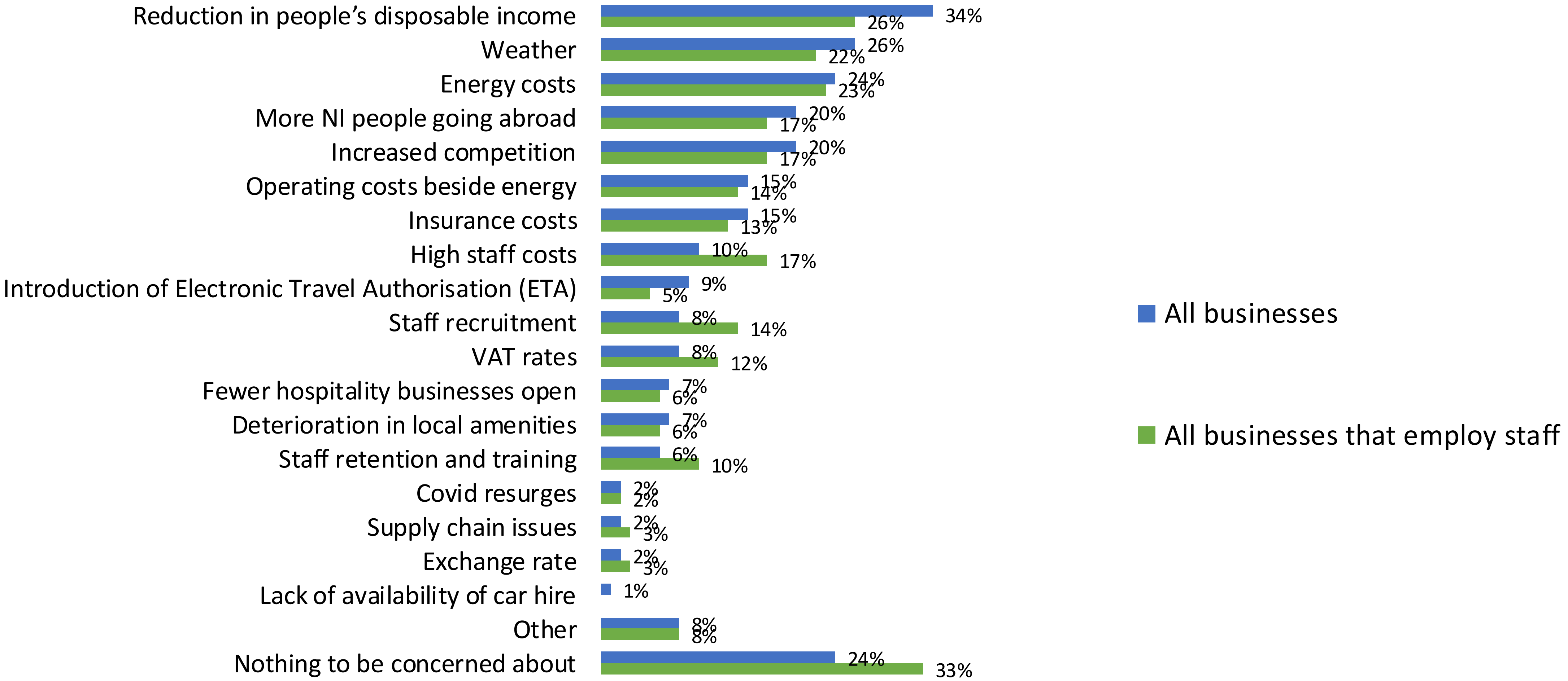
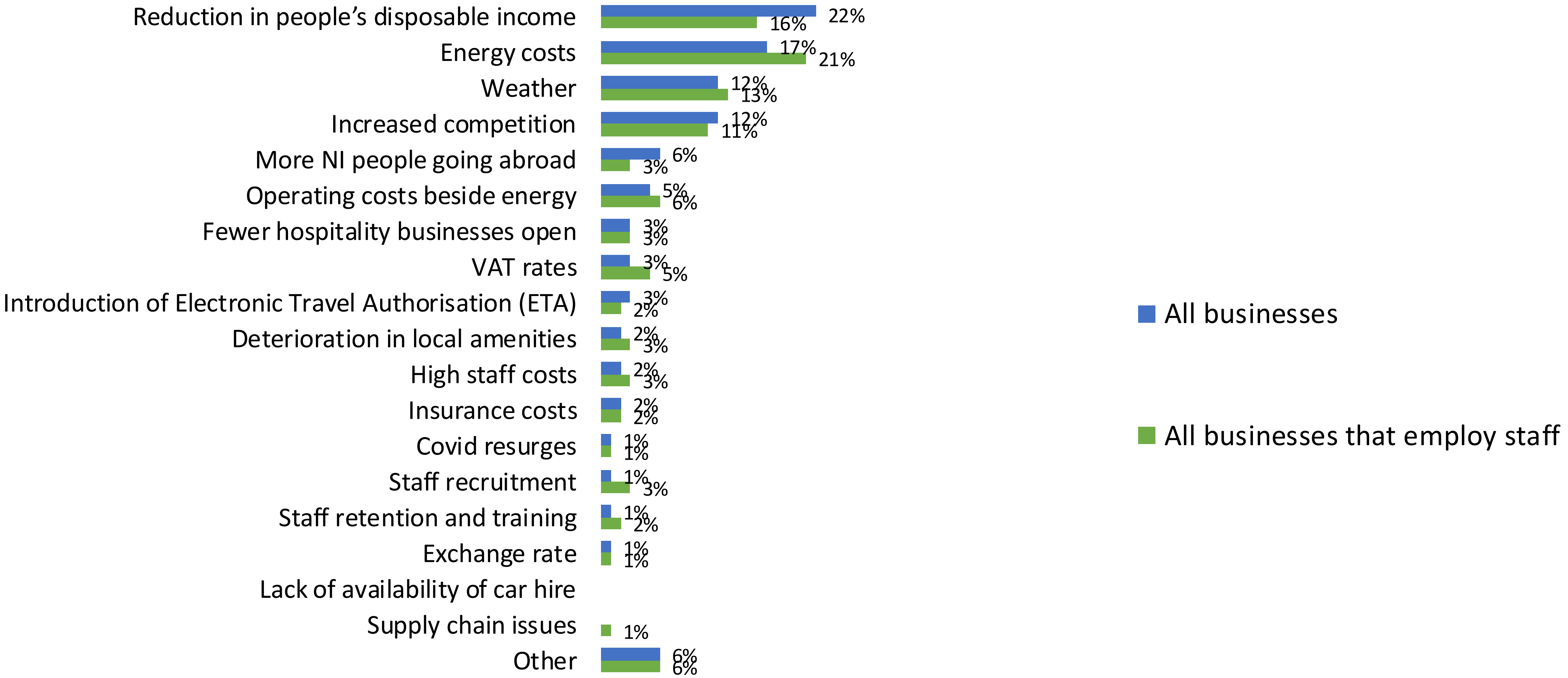



**Q. Are there any particular causes for concern regarding business this year?**
*Base: all businesses (n=414); all businesses that employ staff (n=239)*

# Causes for concern regarding business this year – ranked first




**Q. Please rank the top three causes for concern regarding business this year?**

*Base: all businesses with concerns (n=315); all businesses with concerns that employ staff (n=159)*

# Confidence about running a tourism business profitably for the rest of the year and throughout 2025

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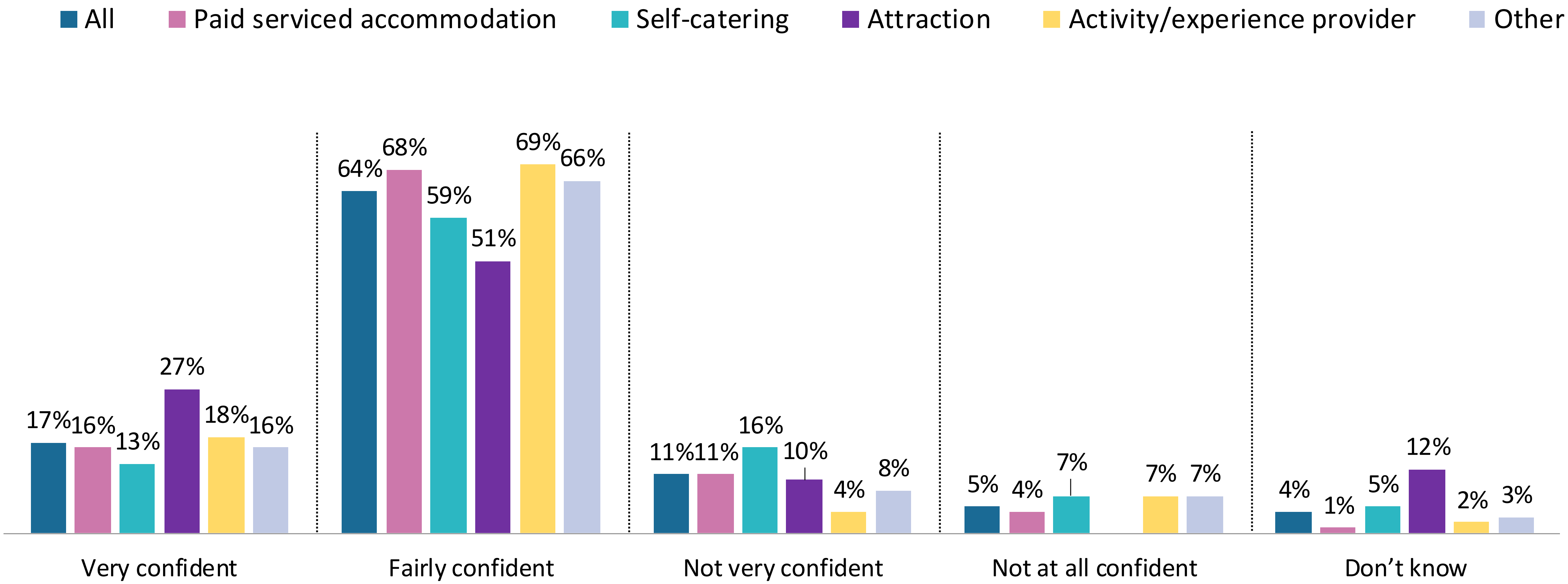


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**Q. And how confident do you feel about running a tourism business profitably for the rest of the year and throughout 2025?**

*Base: all businesses (n=414); PSA (n=151); self-catering (n=94); attraction (n=41*); activity/experience provider (n=55); other (n=73)*

*Caution: small sample size

# Changes in response to rising operating costs and the rising cost of living for consumers

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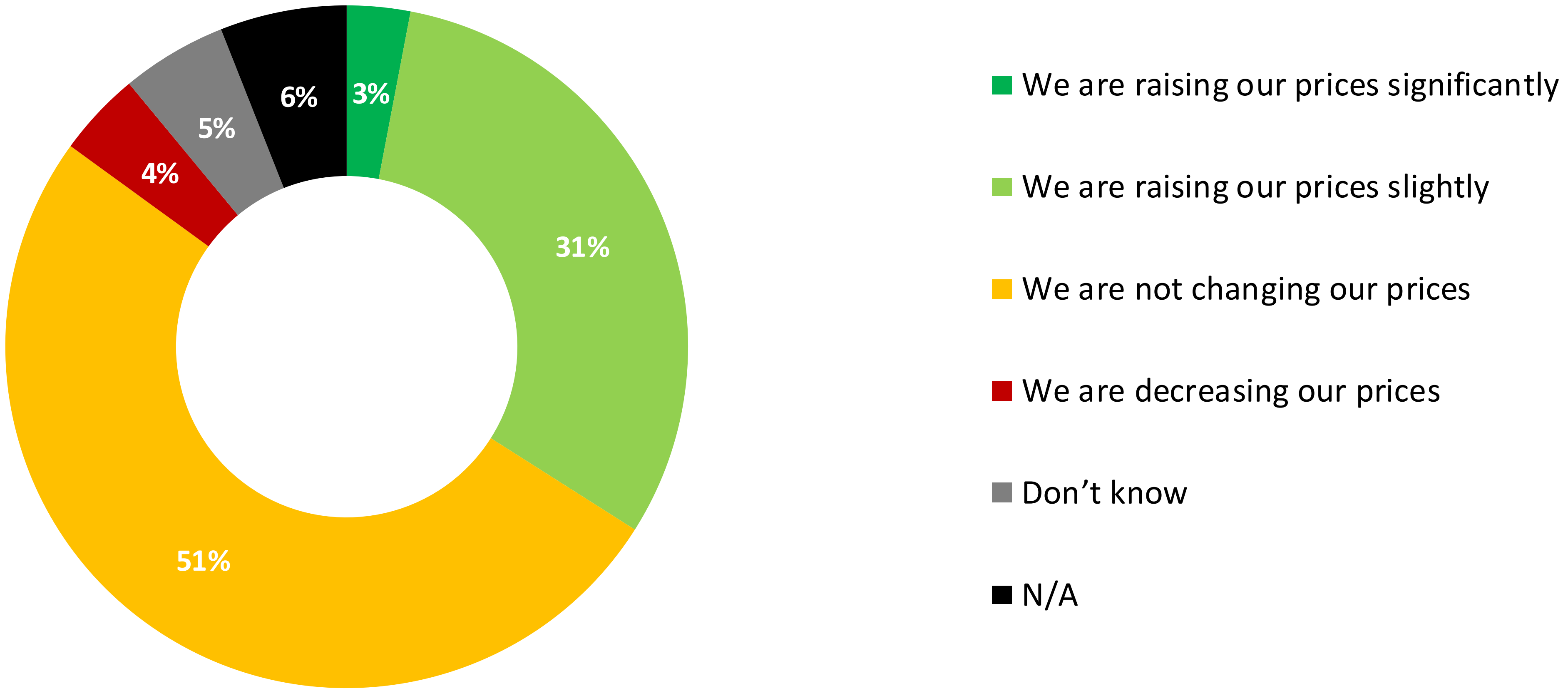
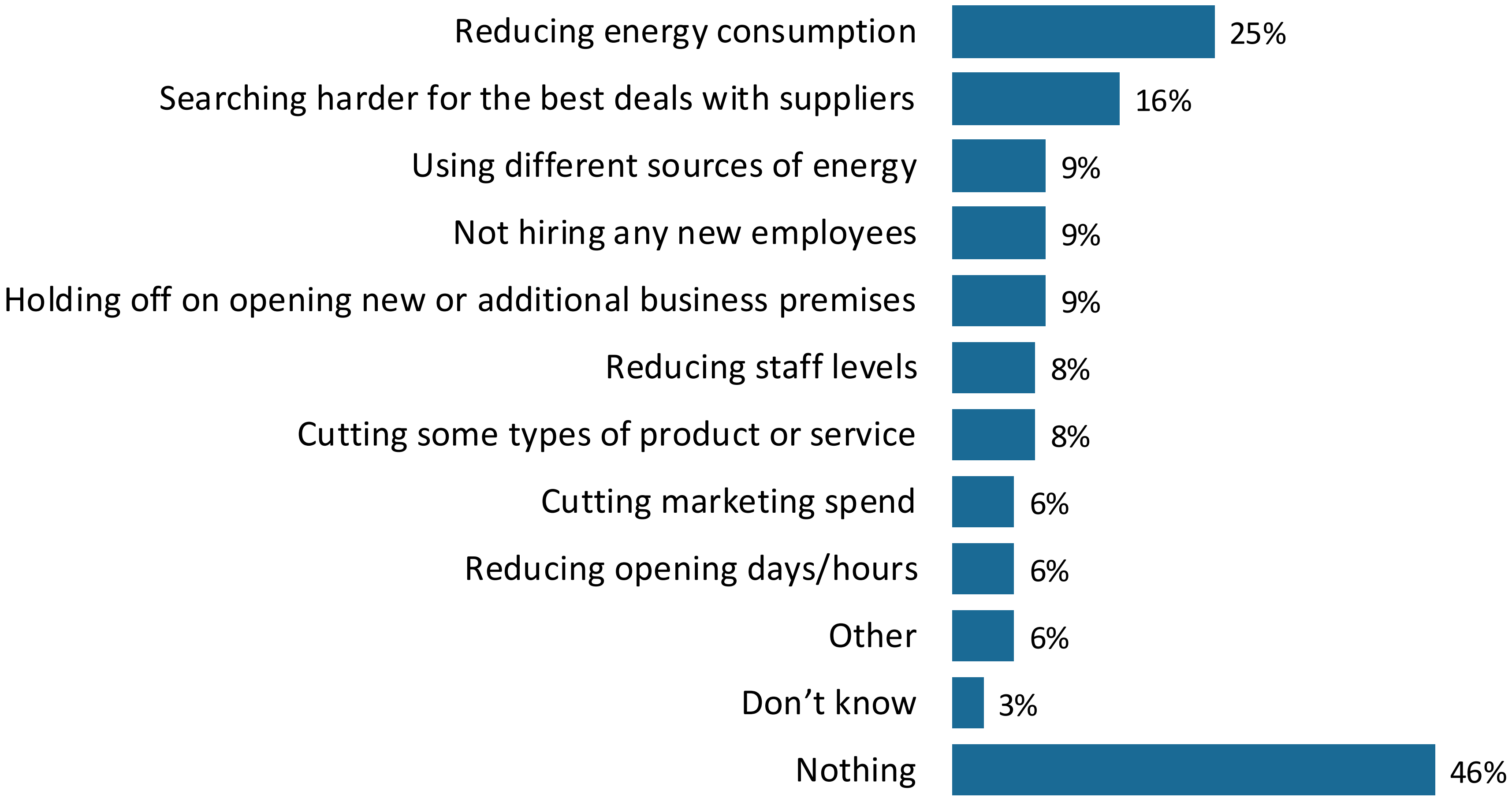
# Changed prices or intend to do so in response to rising operating costs and the rising cost of living for consumers




**Q. In response to rising operating costs, but also taking into account the rising cost of living for consumers, have you or d o you intend to change your prices for the rest of the year and into 2025 compared to what you would normally charge?**

*Base: all businesses, excluding self-catering and activity/experience providers - split sample applied (n=262)*

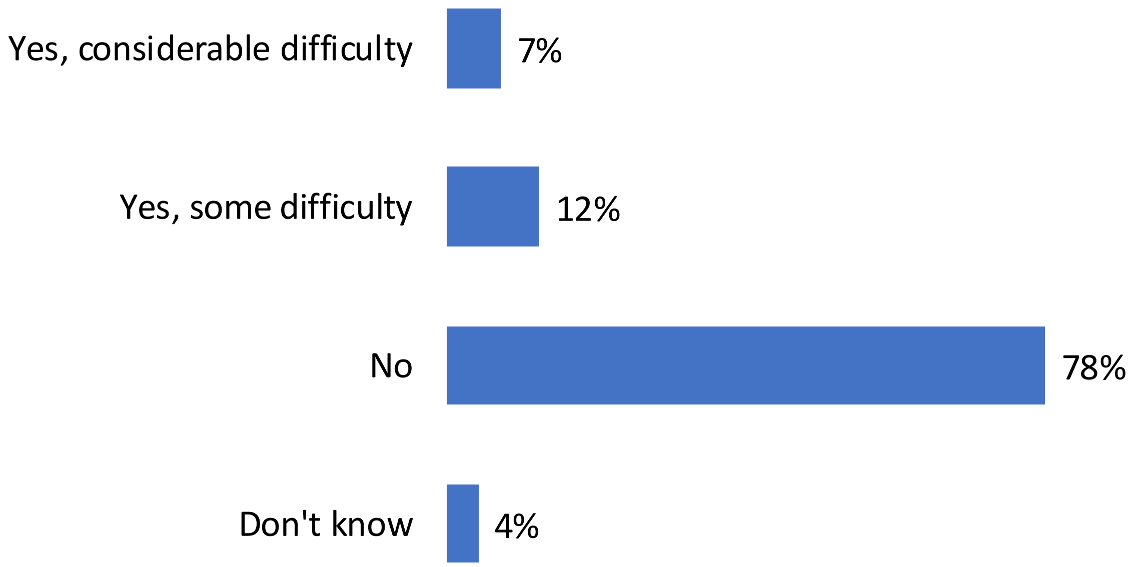
# Other responses to rising operating costs




**Q. Are you doing anything else in response to rising operating costs?**
*Base: all businesses (n=414)*

# Staffing

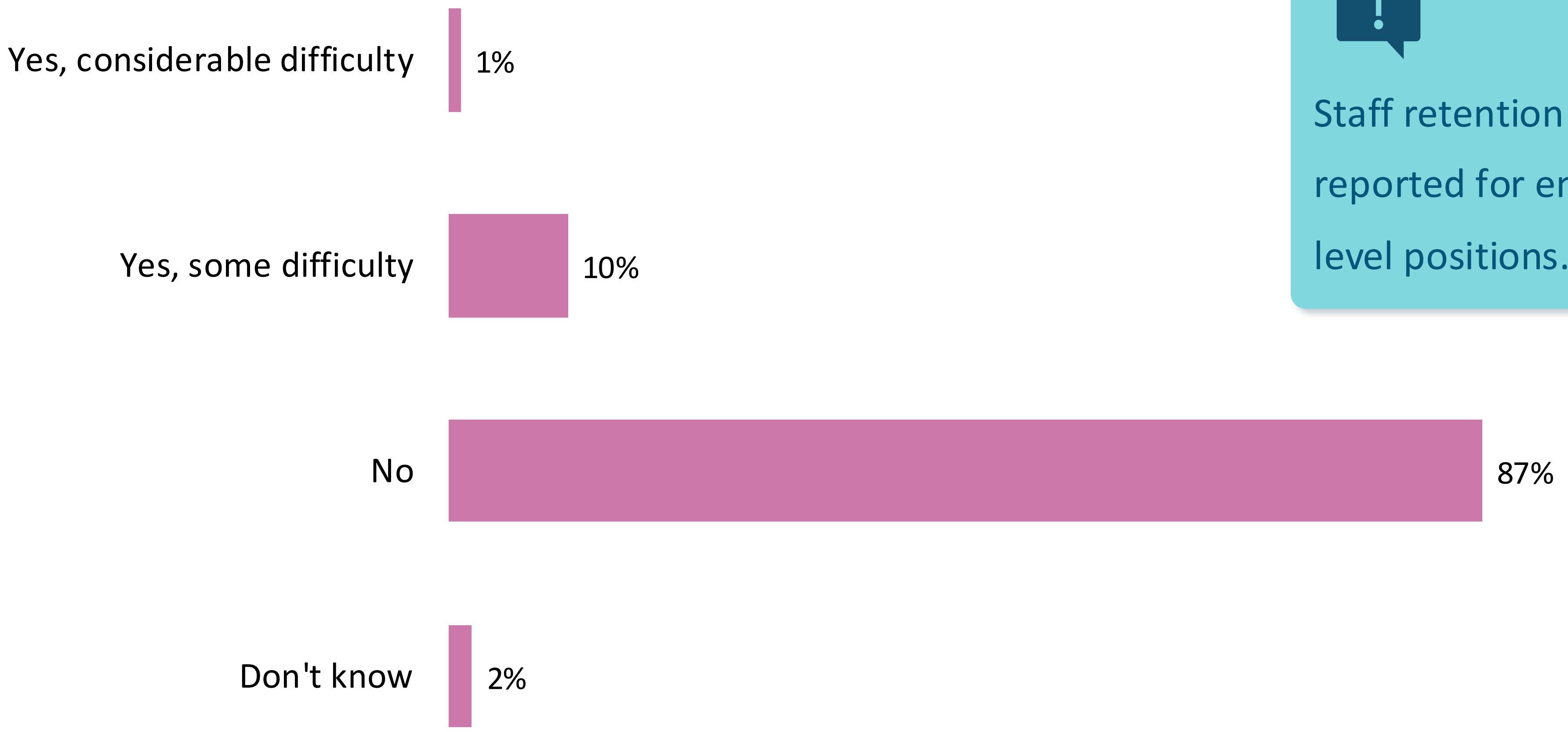
# Recruiting staff




Recruitment difficulties experienced across entry and mid level positions.

**Q. Are you experiencing any difficulties in recruiting the staff you need?**
*Base: all businesses that employ staff, excluding self-catering and activity/experience provider (n=183).*

## Difficulties retaining staff




Staff retention challenges reported for entry and mid level positions.

**Q. Are you experiencing any difficulties in retaining your staff?**
*Base: all businesses that employ staff, excluding self-catering and activity/experience provider (n=183).*