



TOURISM 360°

Performance Update – May 2024

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Summary

Northern Ireland (NI) hotel and self-catering performance for the first three months of the year was positive, with rates remaining above those achieved during January-March 2023, and encouraging forward bookings for these sectors over the next 90 days.

However, there are indications of a reduced appetite for travel generally among Republic of Ireland (ROI) and NI consumers for spring/summer 2024, which follows a wider trend seen elsewhere. This is likely linked to the cost-of-living and a reduction in the pent-up demand that followed COVID. This softening in demand brings opportunities for travel on the island of Ireland as well as threats.

There are signs of a stable performance from our international markets, with scheduled seat capacity to Northern Ireland during May-September 2024 currently sitting at 109% of the levels experienced in 2023.

In the current climate, value for money and visitor experience will remain important drivers for 2024.

The Central Statistics Office (CSO) recently published January–December 2023 results from their Household Travel Survey, including data on ROI residents’ trips, nights and spend in NI. ROI market performance during Jan–Dec 2023 is extremely positive compared to 2022. Each of the KPIs experienced significant growth, with trips, nights and spend all increasing by over two-fifths.

Key Findings:

- According to figures released by the CSO, 1.3m overnight trips were taken by visitors from ROI to NI in 2023, up 46% compared to 2022.
- These trips translated into 3m nights spent in NI and spend of £268m, an increase of 48% on the spend recorded for 2022.
- The CSO data showed that all types of tourism grew rapidly in 2023 – including holiday trips, visiting friends and relatives, and business tourism.
- While ROI domestic performance also saw growth in overnight trips and spend during 2023, increases were not to the same levels experienced for ROI to NI trips.
- NI market share of ROI trips and spend on the island of Ireland both increased in 2023.
- This positive ROI performance provided a very important source of income for the NI tourism industry at a time when the recovery in visitors from other countries was slower.

January–December 2023

At a Glance



1.3m Trips

+46% vs 2022



3.0m Nights

+45% vs 2022



£268m Spend

+48% vs 2022

NI hotel performance during January-March 2024 is encouraging, with all regions experiencing growth in all KPIs compared with the first quarter of 2023. NI's self-catering occupancy during January-March 2024 is on a par with 2023, despite the number of self-catering properties increasing by almost one-fifth. The number of reserved nights (demand) grew significantly. Self-Catering average daily rate growth has slightly exceeded that for hotels in the first quarter of 2024 vs 2023.

NI Hotel Performance January-March 2024

- STR report NI hotel room occupancy during January-March 2024 was 65.3%, 2.5 percentage points above the same period in 2023.

Room Occupancy	Change vs 2023
65.3%	+2.5pps

**pps = percentage points*

- NI's average daily rate (£100.97) and revenue per available room (£65.96) experienced increases of 7.7% and 12.1% respectively, compared with January-March 2023.

ADR	Change vs 2019
£100.97	+7.7%

- The growth in Derry~Londonderry's ADR and RevPAR over the first three months of 2024 falls short of that experienced by the other areas.

RevPAR	Change vs 2019
£65.96	+12.1%

NI Self-Catering Performance

January-March 2024

Occupancy	ADR	Reserved Nights
41%	£140.45	198,983
No change vs Jan-Mar 2023	+9.2% vs Jan-Mar 2023	+19.9% vs Jan-Mar 2023

- Lighthouse report NI self-catering room occupancy during January-March 2024 was 41%, on par with the same period in 2023.
- NI's average daily rate (£140.45) experienced growth of 9.2% compared with January-March 2023.
- Encouragingly, the number of reserved nights booked in the first quarter of 2024 is up by approximately one-fifth compared to 2023. This follows on from a significant increase in accommodation stock compared to March 2023.

Tourism NI analysis of Q1 (January-March) 2024 online review data for accommodation establishments in Northern Ireland (NI) indicates a reduction in reviews from the closer to home markets but stable review numbers from international markets. The number of reviews left for NI attractions is largely on a par with Q1 2023. Analysis indicates that NI's accommodation establishments and attractions continued to provide a positive visitor experience during Q1 2024.

Accommodation Reviews January-March 2024

- The number of reviews for NI accommodation establishments during Q1 2024 was down by around one-tenth compared to the same period in 2023, reflecting a slow-down from the initial rate of recovery post pandemic in visitor numbers from our closer to home markets.
- Declines in the number of reviews left for accommodation establishments in competitor destinations also showed declines.
- Reviews from ROI residents were lower than the number recorded for January-March 2023, and reviews left by United Kingdom (UK) residents were also down.
- The number of reviews from international visitors remained stable compared to Q1 2023.

Total Reviews	Change vs 2023
United Kingdom	↓
Republic of Ireland	↓
Other	↔
All Markets	-11%

It is not possible to break out Northern Ireland from the rest of the UK in the online review analysis. The online review data should be seen as indicative of trends rather than providing actual figures for accommodation/attractions.

Attraction Reviews Jan-March 2024

- Analysis of online reviews left for NI attractions indicates the number of reviews during Q1 2024 was slightly higher than Q1 2023.

Visitor Experience Jan-March 2024

Global Review Score (GRS)	
Accommodation	Attractions
89.6%	+93.3%
+0.3pps vs 2023	+0.3pps vs 2023

**pps = percentage point change*

- GRS is indicative of visitor experience.
- Overall, analysis of Global Review Scores suggests that NI's accommodation establishments and attractions provided a positive visitor experience during Q1 2024.



A comparison of January–December 2023 tourism related* cardholder spend with the same period in 2022 shows a decline and suggests a slowdown in performance from the close-to-home markets, but more positive spend data for international visitors. Spend in bars/taverns experienced the largest drop, possibly inked to the cost-of-living crisis, and consumers’ desire to spend less on leisure activities.

Cardholder Spend Jan-Dec 2023

- After substantial increases in tourism-related spend in Northern Ireland (NI) from the Republic of Ireland (ROI) market in recent years, high levels of spend remain for Jan-Dec 2023.
- Domestic tourism-related spend is down by around one-fifth compared to Jan-Dec 2022, with reductions of around 5% compared to 2019.
- Compared to Jan-Dec 2019, the Great Britain (GB) market’s tourism-related spending in NI in 2023 was up by 3%. A comparison with 2022’s spend data indicates similar levels of tourism-related spend from this market in 2023.
- Following on from recent encouraging trends, tourism-related spend for international markets such as North America and Australia have shown substantial increases compared to Jan-Dec 2022. Other European and Asian markets have also shown positive levels of recovery.



*The tourism-related categories are:

- Bars/Taverns
- Eating Places & Restaurants
- Hotels/Motels/Resorts.



Key Tourism-Related Cardholder Spend in NI by Market Jan-Dec 2023 v Jan-Dec 2022	
Northern Ireland	↓
Republic of Ireland	↑
Great Britain	↔
Other Overseas	↑
All Markets	-12%

Background:

The data in this report is based on transactions processed by a major card company.

Due to issues such as market share and the fact that accommodation is often booked in advance through a third-party platform rather than by a local business or branch, the spend data should be seen as indicative of trends instead of giving total spend.

Data is sometimes withheld to protect merchant and cardholder confidentiality.

It is likely that some growth can be attributed to the continued preference for card payments as opposed to cash.

Civil Aviation Authority (CAA) airport data indicate that air passenger flow for Northern Ireland (NI) during January-February 2024 stood at 1.16m, up one-quarter on the same period in 2023. The number of passengers travelling on ferries to NI is on par with 2023 levels. OAG airline schedule data (April 2024) indicates that scheduled seat capacity to NI during May-September 2024 stands at 2.8m, representing a 9% increase on the same period in 2023.

Air Passenger Flow and Scheduled Seat Capacity

- CAA airport data indicate that air passenger flow for NI during January-February 2024 stood at 1.16m, up one-quarter on the same period in 2023. Belfast International Airport experienced the largest growth, followed by George Best Belfast City Airport. City of Derry Airport saw air passenger flow decline by almost one-fifth over this period
- OAG airline schedule data (April 2024) indicates that scheduled seat capacity to NI during May-September 2024 stands at 2.8m, representing a 9% increase on the same period in 2023. Flights from

Great Britain (GB) make up 71% of scheduled seat capacity to NI between May-September 2024.

- A new year-round route has recently been announced from Belfast International to Enfidha in Tunisia.

Airport	Jan-March 2024	Change vs 2023
Belfast Int'l	816k	+25%
Belfast City	331k	+15%
City of Derry	18k	-18%

Sea Access – Ferry Passengers

- January-March 2024 data for the number of passengers travelling on ferries to NI is on par with 2023 levels. Ferry passengers through the Northern Corridor (GB to NI) is performing slightly better than the central and southern corridors in the Republic of Ireland (ROI) which have experienced a 1% decline in ferry passengers compared with the first quarter of 2023.

Corridor	Ferry Passengers Jan-March 2024	Change vs 2023
Northern Corridor <i>(GB to NI)</i>	363,000	No Change
Central Corridor <i>(Dublin & Dun Laoghaire)</i>	269,000	+2%
Southern Corridor <i>(Rosslare)</i>	50,000	-15%

Tourism NI's consumer sentiment research indicates a softening in demand for travel to/within Northern Ireland (NI) from the NI and Republic of Ireland (ROI) markets for spring/summer 2024 however, this reduced appetite for travel is present across the board. Overall, NI and ROI consumers continue to rate NI as a better value for money tourism destination than ROI and Great Britain (GB). The two main barriers to taking an NI trip were finance related, with cost-of-living increases and personal finances cited by both NI and ROI consumers.

Tourism NI Consumer Sentiment Research



Wave 14 of Tourism NI's consumer sentiment research in NI and ROI was undertaken to monitor consumer attitudes towards travel in NI and elsewhere and help inform how current issues have impacted on consumer behaviour. Fieldwork was completed in March 2024 with a robust, nationally representative sample from both markets.

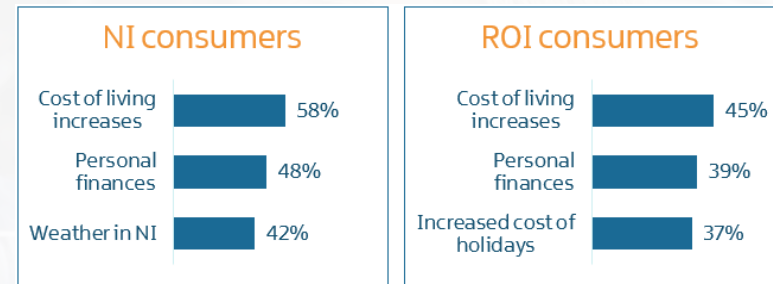
- Findings show a slight decrease in visitor volumes for NI short breaks in both markets for the start of the year compared to when this research was conducted last year.
- For the vast majority of NI and ROI consumers who have taken a recent

NI break, their trip matched or exceeded expectations, with the range of places to eat & drink and the welcome & hospitality being particularly highly rated.

- Overall, consumers in both markets continue to rate NI as a better value for money tourism destination than ROI and GB.
- ROI residents' adverse perception of value for money of a domestic break continues to offer potential opportunities for NI, particularly in the current economic climate.

Travel Intentions

Top 3 barriers to taking a short break or holiday in NI in the next 6 months



- Short break intentions for spring/summer 2024 have dipped compared to this time last year, however this reduced appetite for travel is present for short breaks in ROI, GB and abroad.
- When asked what would reduce their likelihood of taking a trip in NI, finances were by far the biggest barrier in both markets, with cost-of-living increases and personal finances the top two reasons they would not take a trip in NI in the next six months.
- In the current climate, value for money and visitor experience will remain important drivers for 2024.

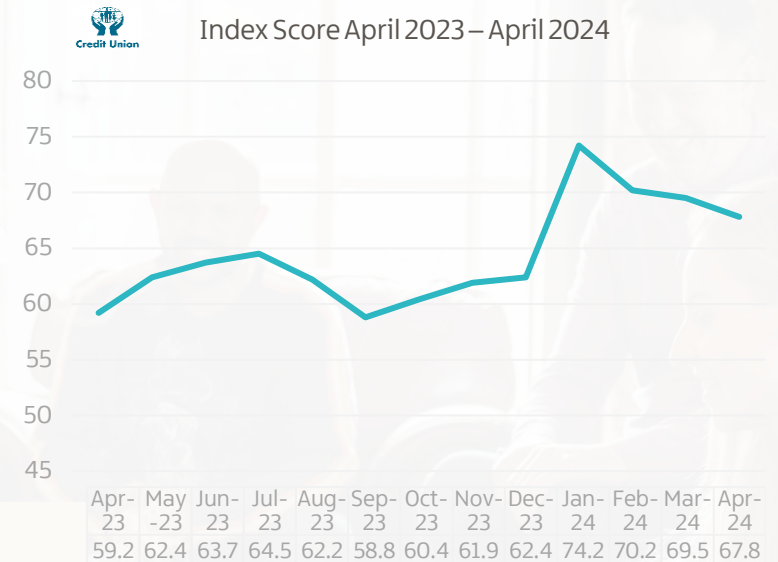
The UK Consumer Confidence Barometer is conducted by GfK and reports on consumer confidence against five measures including personal finance, general economic situations and major purchase index. The Republic of Ireland (ROI) Consumer Sentiment Index is conducted by the Irish League of Credit Unions and reports on consumer confidence against seven measures including conditions, expectations, economic outlook, unemployment, personal financial situation and major purchases.

UK Consumer Confidence



- GfK’s UK Consumer Confidence Index increased two points to -19 in April 2024.
- While the Overall Index Score remains negative, these improvements reflect the impact on household budgets of lower inflation and the anticipation of further tax cuts. However, we are a long way from the much firmer sentiment last seen in the period before Brexit, Covid and the conflict in Ukraine.

ROI Consumer Confidence



- Credit Union’s ROI Consumer Confidence Index declined slightly (-1.7 points) in April 2024.
- Irish consumer sentiment fell marginally for the third month in a row in April as ongoing price increases and uncertainty about the economic outlook continue to weigh on the mood of consumers. Prior to the declines seen in recent months, ROI sentiment had improved significantly in late 2023.

The Northern Ireland Statistics and Research Agency (NISRA) was commissioned by the Department for Economy to produce a Tourism Satellite Account (TSA) for Northern Ireland (NI) for the 2019 reference year. A TSA is a statistical framework to analyse the economic value of tourism to the NI economy. This has been produced in line with internationally recognised guidance by the United Nations and enables comparisons with other regions and industries.

Key Findings:

Gross Value Added (GVA)

Gross Value Added (GVA) – a measure of the income (e.g. turnover etc) generated by businesses less their expenditure.

- The total value of Northern Ireland (NI) GVA for 2019 (all industries) equated to £43.7 billion.
- All tourism-related industries had a GVA of £2.3 billion and therefore tourism related industries accounted for 5% of NI's total GVA in 2019.

Tourism Direct Gross Value Added (TDGVA)

Tourism direct gross value added (TDGVA) indicates the component of output from the NI tourism industries that is driven directly by tourism spend.

- TDGVA was £920 million in 2019, equating to 2.1% of the GVA for the total NI economy.
- For comparison, the telecommunications sector in NI in 2019 was worth 1% of NI GVA. The Construction was worth 7.9% and computer programming, consultancy and related activities in NI was worth 2.1% of total GVA in 2019.

Key Findings (continued)

Employment

- In NI, there were an estimated 75,000 full time equivalent jobs (FTEs) involved in tourism (this represented 9.7% of all FTEs in NI).

Internal Tourism Consumption

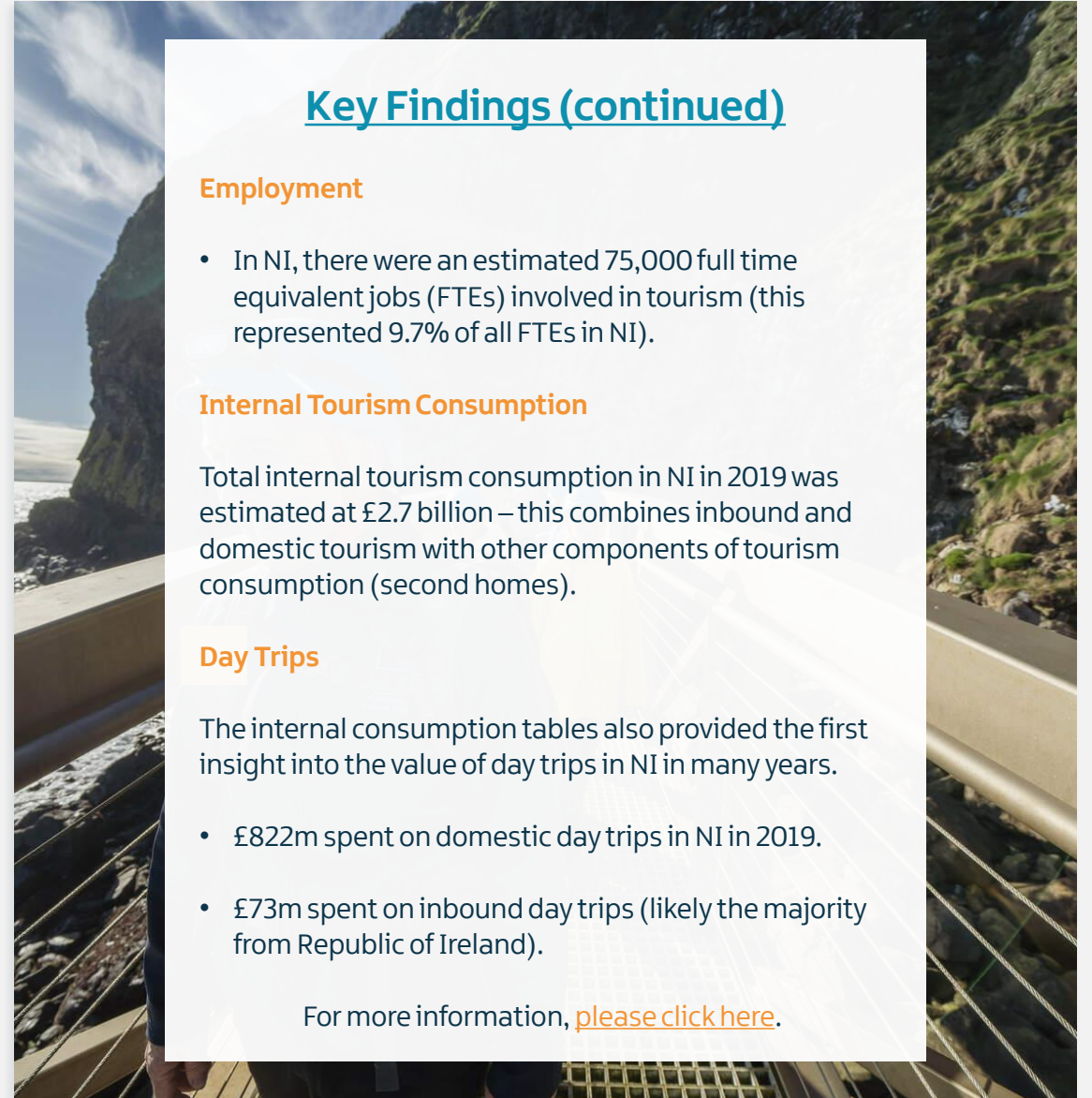
Total internal tourism consumption in NI in 2019 was estimated at £2.7 billion – this combines inbound and domestic tourism with other components of tourism consumption (second homes).

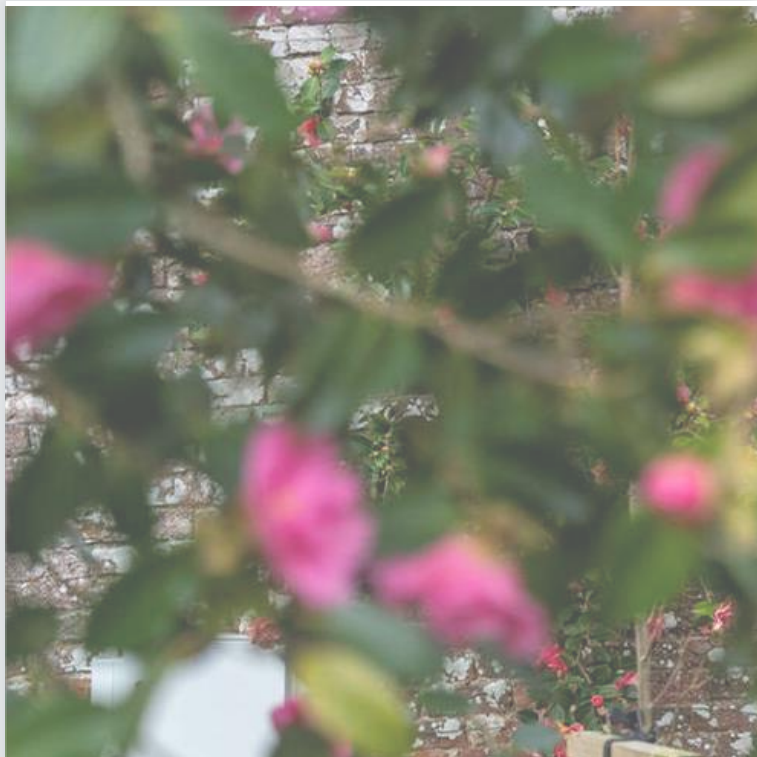
Day Trips

The internal consumption tables also provided the first insight into the value of day trips in NI in many years.

- £822m spent on domestic day trips in NI in 2019.
- £73m spent on inbound day trips (likely the majority from Republic of Ireland).

For more information, [please click here](#).





This report was produced in May 2024 by Tourism NI's Insights & Intelligence Service.

