CP&I – Consumer Update - February 2021

Fāilte Ireland
National Tourism Development Authority

Consumer Insights

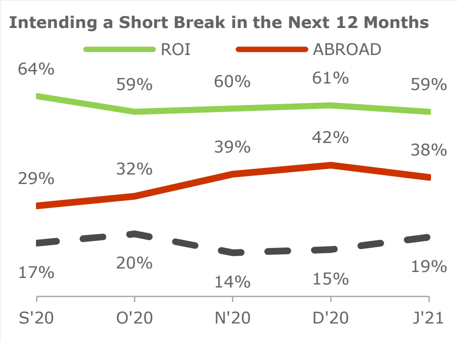
The data for 2020 has enabled us to set new benchmarks from which we will be assessing the 2021 data, insights and consumer sentiment. The numbers are of course, significantly lower than in previous years:

- Penetration for any break - 55%.
- Penetration for leisure breaks - 38%.
- Staycations were further impacted by a significant increase in people who did not travel at all last year. Further, 60% of consumers claimed they took less domestic trips in 2020 than in previous years.

Most consumers are generally still hedging their bets and adopting a wait and see attitude before they make their final bookings. As we saw last year, there was a lot of hype about bookings but stock was not filled to capacity and many bookings came through at the last minute. Consumers still hope to be able to travel internationally this year, especially for longer breaks.

However, lead indicator metrics for 2021 are generally up and various diagnostics point to this year being stronger than 2020:

- Those who claimed to have taken less domestic trips last year are showing higher intent for 2021 with the opportunity being to ensure conversion from intent into booking.
- While families continue to show strong intent, younger unconstrained adults, especially those from NI, are showing an interest in travel in the ROI (of note is that the latter are looking at Dublin as a destination).
- Intent metrics pick up from March (in line with the lifting of Level 5) as well as spring, and peak in August.
- WAW again tops the regional list but IHH has lower consideration.
- Galway is the most popular city destination and Donegal, Kerry, Cork and Wexford are the preferred counties for travel.



[Fieldwork Jan 2021; includes notice of extended lockdown period]

Travel Behaviour (IOI) – Past 12 Months

As would be expected, domestic penetration for the last 12 months is down significantly with domestic travel not increasing, despite restrictions on international travel. Further, the percentage of consumers who did not take a break in 2020 more than doubled, meaning that domestic travel did not see the benefits of potential staycations with some people preferring not to travel at all.

During last year short breaks declined in general, while there was a slight uptake in long breaks.

The penetration opportunity is fundamental to any strategy and tactics this year.

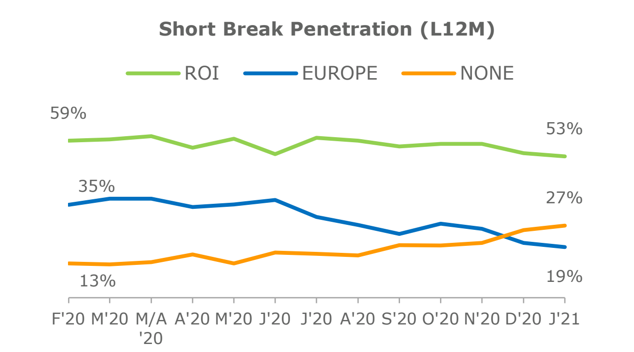
MARCH 2020 **JANUARY 2021**

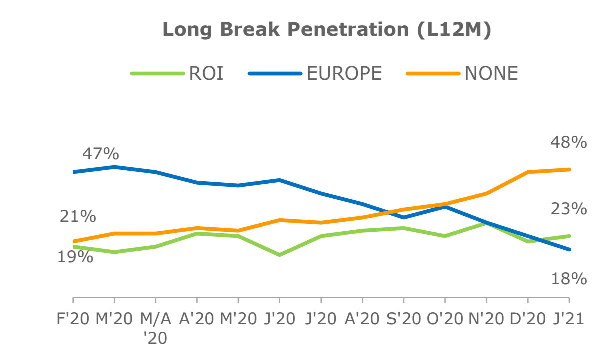
Total Market
Any short break at home/abroad

ROI - Total Penetration
Any break in ROI

ROI - Leisure Penetration
Short break specifically for general leisure

No Short or Long Trips
Home / Abroad





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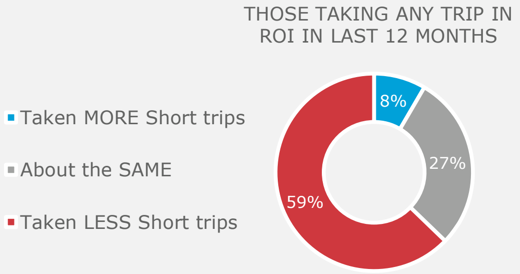
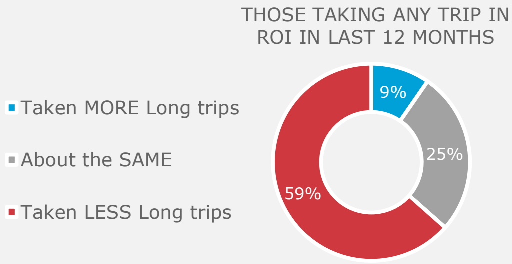
Trip Frequency

Nearly 60% of consumers took less trips in the ROI last year. Few (9%) claimed to have taken more trips. With frequency showing very low numbers, the penetration focus continues to be key.

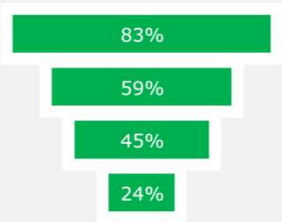
An interesting dynamic that is emerging is that those who claimed to have taken less trips than normal in 2020 now have higher intent for taking trips this year. This is an early indicator of a change in consumer behaviour, driven by a reconsideration of domestic breaks.

Relative Frequency of trips taken in ROI in the last 6 months (compared to same time last year)





REPUBLIC OF IRELAND - Short Break Intent



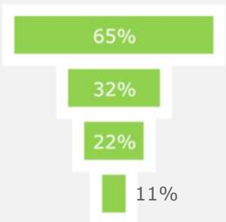
	ROI	NI
Consideration	87%	71%
12 month Intention	65%	43%
6 month Intention	50%	31%
3 month Intention	26%	17%

Intent for short breaks in the Republic of Ireland remains stable with strong conversion rates from consideration to intent.

Families with children are particularly keen on taking a short trip this year (68% at 12 months).

Conversion from consideration to intent is much lower for NI consumer, reinforcing the opportunity to continue to drive the ROI as a destination, subject to restrictions. Younger unconstrained adults have the strongest intention.

REPUBLIC OF IRELAND - Long Break Intent



	ROI	NI
Consideration	69%	52%
12 month Intention	36%	24%
6 month Intention	25%	15%
3 month Intention	14%	5%

Consumers are far less committed to taking a long break in Ireland. 12-month intention is less than half that of overall consideration. This is driven predominantly by unconstrained adults.

Anecdotal evidence is that these consumers will be the last to convert to actually taking a break in the ROI as they are hedging their bets when it comes to travel abroad.

Top Destinations

The geographic distribution of intended trips follows long established patterns of domestic tourism and suggests that most consumers will stick to key, popular destinations. This is apparent for both short and long breaks. Non-traditional destinations, including Ireland's Hidden Heartlands and Dublin, have an opportunity to communicate compelling reasons for consumers to break these patterns.

Intended Destinations	LONG Trips	SHORT Trips	SHORT Trips x Region of Residence				
			Dublin	Rest of Leinster	Munster	Connaught/ Ulster	NI
WAW	47%	49%	44%	47%	52%	45%	56%
IAE	26%	30%	30%	30%	30%	24%	64%
DUBLIN	14%	14%	11%	9%	13%	27%	13%
IHH	5%	6%	5%	6%	2%	13%	5%
Galway	30%	25%	30%	19%	29%	25%	21%
Kerry	21%	23%	21%	29%	40%	9%	10%
Donegal	20%	20%	18%	17%	8%	21%	40%
Cork	16%	17%	14%	16%	25%	11%	14%
Wexford	5%	10%	14%	11%	8%	6%	9%
Mayo	8%	9%	14%	5%	6%	14%	9%
Clare	11%	8%	8%	12%	11%	6%	2%
Waterford	8%	8%	6%	10%	11%	6%	4%
Wicklow	6%	7%	9%	4%	7%	2%	14%
Kilkenny	5%	6%	2%	5%	11%	6%	4%

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Travel Intent for destinations abroad

Many consumers intend taking overseas leisure trips in the year ahead and this is especially true of long breaks. This suggests many will seize the opportunity for overseas travel if allowed. As with the summer of 2020, day and short trips will offer the chance to encourage a re-appraisal of the Irish holiday experience in advance of the re-emergence of competition from overseas.

ABROAD - Short Break Intent

		ROI	NI
12 month Intention	38%	36%	41%
6 month Intention	20%	18%	24%
3 month Intention	10%	9%	11%

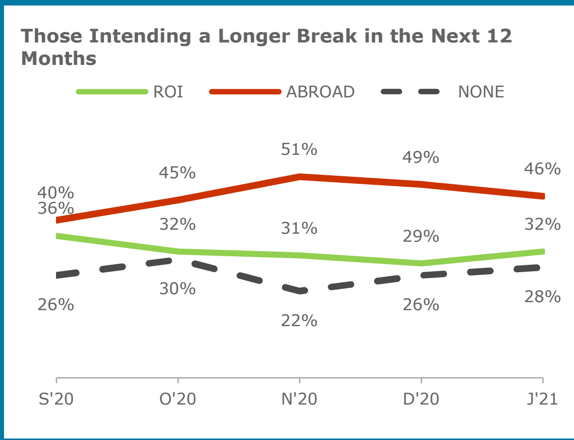
ABROAD - Long Break Intent

		ROI	NI
12 month Intention	46%	45%	47%
6 month Intention	27%	26%	30%
3 month Intention	11%	10%	12%

Although falling recently, many still intend on taking long breaks abroad over the next 12 months (this research was conducted post restrictions being extended and while strong). This cohort is skewed by couples and Dubliners.

Those intending to take a long trip abroad have high travel activity across both domestic and international settings. They are as likely to have taken short and long trips in ROI as other groups although more likely to have gone abroad. Their intent to travel in the ROI this year in line with general intent measures which suggests a strong desire for travel overall.

In this context, high intention is a sign of optimism, and if international travel is restricted, this group will likely default to domestic holidays. Communications will need to inspire with the trade needing to present compelling opportunities to entice them to take a long holiday at home, before international travel opens up again.

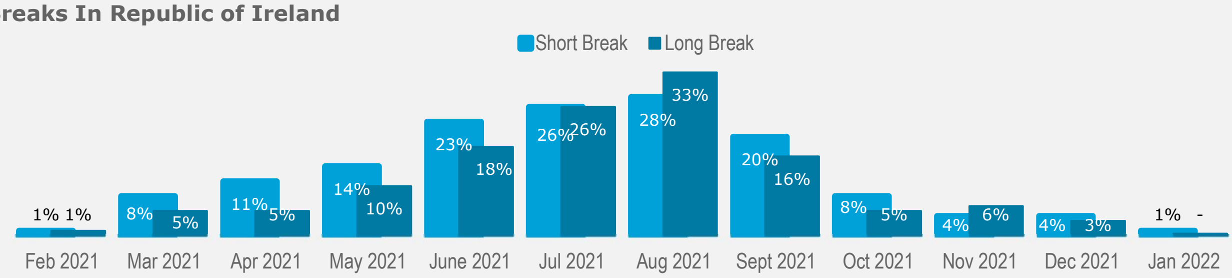


Planning (IOI) – Months for when trips intend to be taken

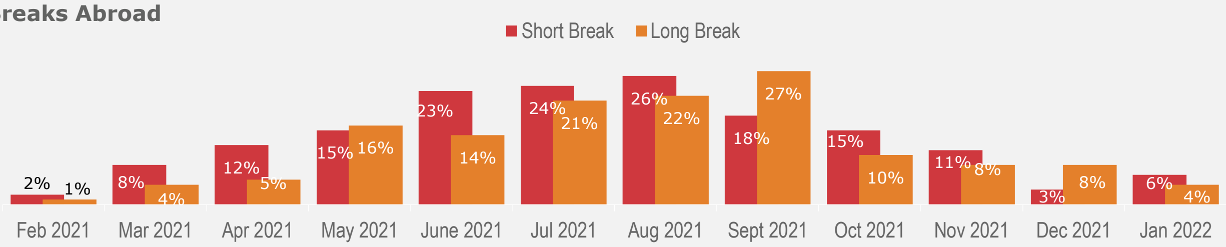
Significant interest in short breaks in Ireland starts from June and runs solidly into summer, alongside long breaks through the traditional summer season. The initial interest in June is spear-headed by unconstrained adults (under 35 years old) and pre-school families, giving way to families in August.

Many consumers planning overseas trips expect international travel to open up in the second half of the year, with travel patterns largely mirroring domestic months. The one exception being September, as consumers (over-indexing on unconstrained adults of all ages) seek to extend summer overseas. The overlap in travel months between domestic and overseas trips signals substitutions will likely be made given opportunities.

Breaks In Republic of Ireland



Breaks Abroad



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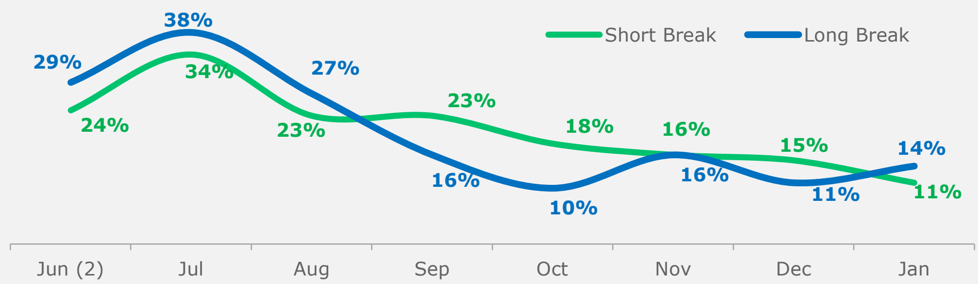
Booking (IOI)

Though intentions are high, few claim to have booked any of their upcoming trips. This is in line with data for 2020 where consideration and intent no longer correlate with actually taking a break. There is a general sense however, that self-catering is being booked fast albeit in traditional holiday areas.

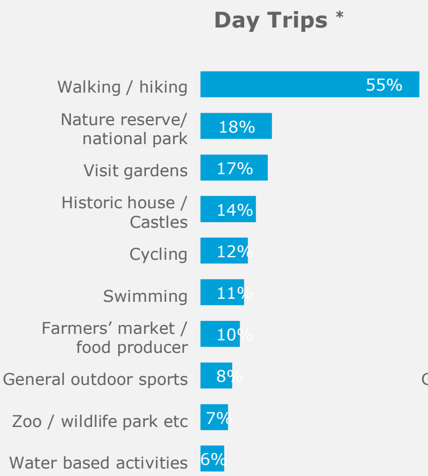
There is no evidence that levels of consumers' optimism or pessimism about catching COVID 19 has any impact on booking habits.

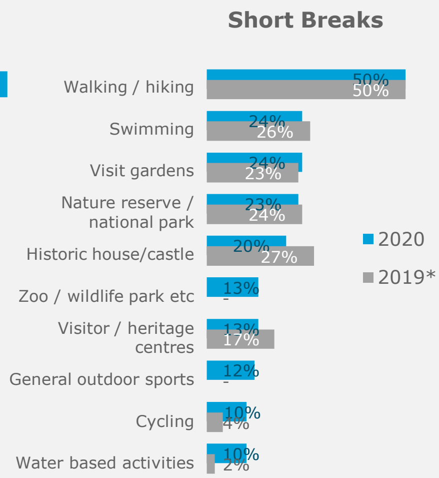
Booked ANY part of short/long break
(those intending a trip in the next 6 months)

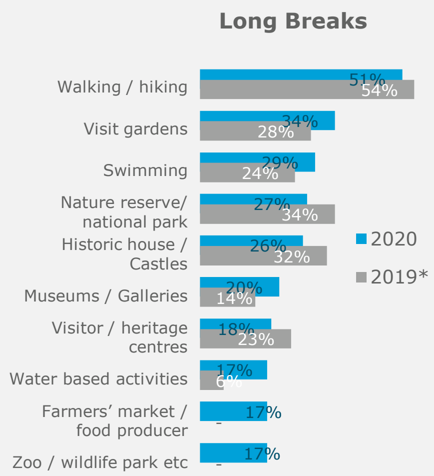


Top 10 Activities on most recent trips (from 2020)

A review of activities participated in last year continues to highlight a keen focus on the outdoors. Families are more pre-disposed to nature reserves, gardens and zoos/wildlife parks – open spaces are a draw but also easily identified as go to places for parents. Building itineraries to both help and encourage broader activities planning would be well received by those looking to book.







Compared to 2019, walking remained dominant during long and short trips. The shift away from the indoors negatively impacted on historic houses & castles. Meanwhile, there were increases in the proportions engaging in cycling and water-based activities.

** Please note – there is no comparable 2019 for Daytrips. Due to changes in questionnaires, some categories in 2020 were not present in 2019.*

Key Covid-19 Developments Impacting Respondent During January 2021

Fieldwork for this wave took place between January 15th – 26th, during this period the country remained under full Level 5 COVID-19 Restrictions.

- Jan 24th – COVID cases in Irish ICU beds peaks at 221 out of the 268 normally available in the state.
- Jan 24th - 143,000 people have been vaccinated, 3% of the population. Most have only had the 1st dose of two required.