

Tourism Ireland SOAR

(Situation & Outlook Analysis Report)
July 2019



Keel Beach, Co Mayo, on the Wild Atlantic Way

1. Summary Headlines

- The **outlook for the year ahead** is currently very mixed. Sentiment among overseas market contacts and industry partners at home is now much more subdued than earlier in the year. Global economic unease and the continuing uncertainty surrounding the UK's withdrawal from the EU remain key concerns here on the island and in some markets overseas. A late booking pattern has also emerged, together with intensified price competition in some markets.
- Tourism Ireland continues to monitor the situation closely in consultation with industry partners and other stakeholders. In addition, our **extensive promotional programme** continues in key markets right now to boost peak season travel and stimulate demand for holidays later in the year. Our global marketing campaign, *Fill your Heart with Ireland*, and our programme of publicity, B2B promotions, campaigns with carriers and OTAs and sales missions continues to keep the island of Ireland front of mind for potential visitors in key markets overseas.
- Latest figures from the CSO indicate that there were more than 3,986,700 arrivals in Ireland during the January to May period of 2019, which equates to an increase of +3.7% on the same period last year. North America and long haul markets continue to perform positively, up +9.1% and +7.2% respectively. However, Mainland Europe (+3.2%) and Great Britain (+0.8%) have shown a weaker pattern for the year so far and in the month of May alone were down -4.6% and 4.4% respectively. This is giving cause for concern and Tourism Ireland and industry partners are monitoring the situation closely.
- There is no 2019 data available yet for overseas visitors to Northern Ireland. Figures from the Northern Ireland Statistics and Research Agency (NISRA) for 2018 show an increase of +12% in overseas holidaymakers for last year, with a +13% increase in holidaymaker spend.
- Tourism Ireland continues to work closely with industry partners and with colleagues in Fáilte Ireland and Tourism Northern Ireland to capitalise on all opportunities to promote the island of Ireland overseas and to maximise overseas tourism revenue.

2. Global Outlook

The UNWTO’s latest World Tourism Barometer reports worldwide growth of +4% in international tourist arrivals for January-March 2019. This rate is in line with long term norms and comparable to the 2008-2018 average of +4% per year, though softer than the +6% increase seen in the past two years.

Europe saw +4% more international arrivals in Q1 2019, after its +6% growth last year. The Middle East saw growth of +8%, Asia & the Pacific +6%, Africa +4% and the Americas +3%.

According to the latest UNWTO Confidence Index Survey, confidence in global tourism performance has begun to improve again and the outlook for May-August 2019 is more optimistic than the preceding three periods.

The European Travel Commission (ETC) expects that tourism in Europe will hold up this year, despite faltering global economic prospects. They anticipate that demand will maintain an upward trajectory over 2019, however, growth rates by destination will be slower than in previous years. They expect the region to struggle to remain resilient as trade tensions disrupt the global economy. While Europe’s largest long-haul markets continue to support tourism growth, the contribution from intra-European demand will become even more significant.



3. External Travel Trends

Key Markets Economic and Travel Outlook

3.1 Overview

Indicators of global trade continue to paint a downbeat picture and Oxford Economics' world trade indicator has fallen to its lowest level since mid-2009. Combined with the sombre tone of recent economic data, this has led Oxford Economics to become slightly more pessimistic about the near-term outlook. It has lowered its global GDP growth forecast to +2.7% with 2020 growth remaining at +2.7%, which is well below the +3.2% gains of 2017 and 2018.

The direct effect of the US decision to open a new front in its trade wars will be small, but it raises the risk of more substantive measures further down the line. Oxford Economics expects US dollar strength to persist due to the more uncertain outlook, which at a global level may offset the benefits of lower oil prices and interest rates.

3.2 Economic Indicators

Great Britain

GDP fell by -0.4% in April and it looks likely that the economy will endure a modest contraction in Q2 as a whole, according to Oxford Economics. With the drag from Brexit-related uncertainty, weak sterling, the global backdrop softening, and the unexpectedly weak April GDP outturn, they have reduced the forecast for growth in 2019 and 2020 to +1.3% and +1.6% (from +1.5% and +1.7% in May). This forecast is based on the new Prime Minister seeking another extension until March 2020, and that MPs ultimately agree on an 'orderly' Brexit.

2019 GDP Forecast:	+1.3% (down from +1.5%)
CPI 2019:	+1.9% (no change)
Unemployment:	3.8% (down from 3.9%)
Exchange rate (€ / £):	€1: £0.90 (down from £0.86)

USA

The US economy is now in its longest expansion period on record with ten years of uninterrupted growth. While headwinds persist in the form of reduced fiscal stimulus, slower global growth and lingering trade uncertainty, strong labour market fundamentals and resilient private sector confidence should prevent an imminent downturn.

2019 GDP Forecast:	+2.6% (up from 2.3%)
CPI 2019:	+1.9% (down from +2.0%)
Unemployment:	3.7% (up from 3.6%)
Exchange rate (€ / \$):	€1: \$1.12 (down from \$1.13)
Exchange rate (£ / \$):	£1: \$1.25 (down from \$1.27)

France

Final results for Q1 confirmed GDP growth at +0.3% Q/Q. Latest data suggests that the economy started Q2 on a relatively sound footing, with household spending and industrial production rebounding in April after disappointing results in March. Oxford Economics maintains its GDP growth forecasts at +1.4% in 2019 and +1.5% in 2020, slightly above the eurozone average. Growth will be driven by household spending as consumers benefit from lower unemployment, rising wages, low inflation and strong fiscal support.

2019 GDP Forecast:	+1.4% (no change)
CPI 2019:	+1.2% (no change)
Unemployment:	8.8% (no change)
Exchange rate (€ / £):	€1: £0.90 (down from £0.86)

Germany

The economy started the year well, as Q1 GDP grew by +0.4% Q/Q, despite the backdrop of global weakness and uncertainty. Early indications for Q2 were disappointing as industrial production fell by -1.9% M/M in April, exports by over -3% and retail sales by -1%. However, Oxford Economics think this overstates the weakness of the economy and May and June hard data should partially make up for this. They predict that GDP growth will slow so they have cut their Q2 forecast to 0.2% Q/Q and lowered their overall 2019 GDP forecast 0.9%.

2019 GDP Forecast:	+0.9% (down from +1.1%)
CPI 2019:	+1.5% (no change)
Unemployment:	5.0% (up from 4.9%)
Exchange rate (€ / £):	€1: £0.90 (down from £0.86)

Source: Oxford Economics Briefing and June reports 2019

3.3 Travel Trends in Key Markets

Great Britain

Partners in the GB market have noted the emergence of a late booking trend, and a move toward price-driven competition, as the market deals with political and Brexit-related uncertainty. Demand is growing for non-eurozone countries such as Turkey, Tunisia and Bulgaria. Staycations are also growing in popularity. The ONS has reported that outbound tourism from the market showed slight growth during the period January to March 2019. There were 13.4 million visits abroad by UK residents, +1% more than the corresponding period in 2018. Spend decreased by -3% however. There was an increase of +3% in visits to European countries, however trips to North America declined by -14% and visits to countries outside North America and Europe declined by -2%. Holiday visits declined by -2% and business visits declined by -2%, while visits to friends and relatives increased by +9%. Inbound tourism to GB saw a -1% decrease during the period January to March 2019. There was also a -5% decline in overseas visitor spending over this period. Different trends were noted for different world regions for this three-month period: there was an increase of +5% in visits from North America, while visitors from Europe remained the same. Visits from residents of countries outside Europe and North America decreased by -9%. While holiday visits to the UK increased by +7%, business visits decreased by -4% and visits to friends and relatives decreased by -5%.

North America and Australia

The US: Outbound travel remains strong from the US and key economic indicators are staying positive and supportive of growth. Consumer confidence remains high and the unemployment rate is holding steady at 3.6%, the lowest in 50 years. Traffic from the USA to Europe is trending upwards at +10% for Q1. The US legacy Carriers (American Airlines, Delta and United Airlines) continue to report strong profits and have announced further expansion plans from multiple departure points around the US.

Canada: Outbound travel remains strong from the Canadian market. According to the independent research organisation, CBOC, Canadian arrivals in Europe during the summer months have almost doubled over the past decade and are expected to grow again this year. Intentions to visit Europe are also at their highest level in a decade, and almost half of all travellers planning a visit are aged 55+. Europe saw a +5% increase in Canadian visitors for the first four months of this year and are forecast to see a +4% increase between May and October 2019. The largest volume increases are predicted for Italy, France, Ireland and Portugal. Travel agents continue to be a key resource for Canadian travellers, with six-in-ten Canadians planning to travel to Europe intending to use an agent to book their trip. Spain, Italy and Croatia remain popular European destinations in Canada, though anecdotal accounts suggest that over-tourism and capacity issues may have a negative impact in the coming years.

Australia: Outbound travel continues to grow, though at a slower pace. The *Australian Bureau of Statistics* has reported a slow-down in growth both month-on-month and year-on-year. Monthly international airline traffic figures for Australia have also dipped year-on-year for the first time since 2011, with the percentage of seats filled declining from 78.5% in March 2018 to 75.6% in March 2019. A number of macro-economic factors are impacting growth - the national elections in May, an increase in the cost of living, record low wage growth and a cooling housing market have all affected spending.

Mainland Europe

Germany: Outbound travel from Germany remains subdued, with market partners reporting lower than expected holiday bookings. The recent *German Consumer Climate Report* has shown a softening in sentiment for the second month running with ongoing Brexit related uncertainty continuing to have an impact on consumer confidence in the market. Recent high temperatures are reportedly having a positive effect on enquiries for the island of Ireland, with our temperate climate representing an attractive proposition for holidaymakers looking to escape Europe's record high temperatures.

France: Outbound travel continues to grow from France with competition becoming more intense in the market. Israel, Morocco, Tunisia, Turkey, Egypt and Portugal are all performing well. The inconvenient timing of the "ponts" bank holidays this year did impact travel in May when compared with 2018. While the "Yellow Vest" protests continue, their impact has diminished substantially.

Spain: The Spanish outbound market remains strong, with the late-booking trend continuing, and a growing demand for outbound holidays. Our key competitor destinations Britain, Germany and Holland are all performing well in the market and seeing good results from their ongoing promotions and advertising.

Italy: Outbound travel is growing in Italy, according to a recent report from *Findomestic/Doxa*, with international travel now on par with home holidays for the first time in the market. Demand for European destinations is also growing, and longer holidays are also becoming more popular, with beach holidays seeing a decline in demand. Competitor destinations Switzerland and The Netherlands are seeing slight growth this year, while Norway and Iceland have seen a decline. England is performing well in the market while Scotland is currently on par with 2018. Passenger traffic at Italian airports was up +4% overall in May, while Rome, which accounts for the biggest movement of traffic, was down -2%.

BeNe: Outbound travel is strong in Belgium and The Netherlands. A recent study by *ANVR/GFK* shows that the late booking trend continues to grow in The Netherlands. Awareness of environmental issues is also growing, with the study showing that 60% of Dutch people are now considering the environmental impact of their holiday before deciding on a destination. Turkey is enjoying a resurgence in demand, at the expense of Spain and Portugal. Scandinavian markets have also seen a strong booking pattern from The Netherlands this year. In Belgium, research by *Group S* shows a trend for shorter and more frequent holidays emerging in the last 10 years. The most popular holiday destinations for Belgian holidaymakers are France, Spain, Italy and domestic destinations.

The Nordics: Flygskam - “shame of flying” - remains a trending topic in the region. In 2018 Swedes made half a million fewer journeys overseas for leisure purposes than the year before – around 11.2 million, down from 11.7 million in 2017. The Danish Government has recently introduced climate legislation that aims to reduce emissions by -70%, with air travel set to be included to achieve this goal. Norwegian Airlines have taken steps to reduce its carbon footprint and is now ranked the most fuel-efficient transatlantic carrier as rated by The International Council for Clean Transportation (ICCT). Copenhagen airport is expecting to handle a record number of passengers this year with 100,000+ anticipated daily this summer. This reflects the recent air route expansion at CPH giving Danes and Swedes many more options for outbound travel.

Emerging Markets

China: Outbound travel remains strong and continues to grow from China. According to travel researchers *ForwardKeys*, for the first five months of 2019, Chinese bookings to Europe are +7% ahead of 2018, while bookings to the US are -3%. Chinese FIT outbound travel grew by +19% during 2019’s Chinese New Year holiday, compared to the same period in 2018. The growth was especially strong considering the ongoing trade tensions, currency inflation and a slowing economy. The country is seeing a growing market of family tours, which account for up to 60% of all domestic and overseas travels, according to a survey conducted by the *China Tourism Academy*. Chinese travel technology continues to innovate and expand, with Alipay recently launching an international taxi-hailing integration programme that allows Chinese tourists to book a taxi when overseas and pay with their Alipay account. Operating from five overseas platforms, in 33 cities in 10 countries (including the UK, the US, Australia and the UAE), it plans to expand to 20 countries and regions by 2020.

The UAE: Outbound travel from the UAE is strong, with significant investment continuing into its airport infrastructure. Dubai airport has returned to full capacity following a recent refurbishment and Sharjah Airport is planning an extensive expansion project. Air connections to Europe have grown with Etihad Airways’ expanded services to Rome.

India: The ICC Cricket World Cup, taking place in England and Wales, has prompted growth of +15% in Indian visitors to Europe. Market partners have seen an increase in Indians travelling to the island of Ireland on holiday pre or post cricket games, with the convenience of the British Irish Visa Scheme (BIVS) reportedly helping to stimulate business to the island. Airfares for Europe and the US have risen by an average +20-25% in India, mainly due to the severe shortage of seat availability, as a result of Jet Airways suspending operations in the market.

4. Market Intelligence

4.1 Arrivals and Visitors

Preliminary Estimates

Visitor	2019		2018		2018	
Origins	Ireland Direct Arrivals January-May 2019	%YoY	Northern Ireland Holidaymakers Jan-Dec 2018	%YoY	*Island of Ireland Holidaymakers Jan-Dec 2018	%YoY
Total	3,986,700	+3.7%	794,000	+12%	5,639,000	+11%
Great Britain	1,482,600	+0.8%	352,000	+10%	1,680,000	+5%
Mainland Europe	1,462,000	+3.2%	165,000	+5%	2,128,000	+11%
North America	812,600	+9.1%	187,000	+22%	1,484,000	+18%
Rest of World	229,300	+7.2%	90,000	+14%	347,000	+10%

Source : CSO, NISRA

Note : **Arrivals** are all overseas trips into an Ireland port, including transfers, overnights and day-trips.

Ireland (Direct) Overnight Visitors – only includes those that leave through ports in the ROI

Visitors only include those who overnight in the destination

*Current estimates, to be agreed before external publication

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There are no 2019 statistics available yet for overseas visitors to Northern Ireland. Figures from the Northern Ireland Statistics and Research Agency (NISRA) for 2018 show an increase of +12% in overseas holidaymakers for last year, with a +13% increase in holidaymaker spend. In 2018, Great Britain holidaymakers increased by +10% and their spend by +6%; North American holidaymakers grew by +22%, and their spend by +33%; Mainland European holidaymakers were up +5% and their spend by +11%; and Emerging Market holidaymakers grew by +14%, and their spend by +16%.

4.2 Air and Sea Connectivity

Air Access Seat Capacity Estimates		Summer 2019 vs. Summer 2018		
YOY % Change	Ireland	NI	Island of Ireland	
Great Britain	NC	+1%	NC	
Mainland Europe	+5%	NC	+5%	
North America**	NC	-100%	-1%	
Rest of World	+15%	NA	+15%	
Overall	+3%	NC	+2.5%	

Source: Based on the TTC Summer Access Inventory Report 2019 - Sourced from OAG/airlines scheduled direct one-way weekly seat capacity July 2019. NA= Not applicable. NC= No change

The air access outlook for summer 2019 season remains positive overall at +2.5% compared to summer 2018, but the picture is not as strong as originally anticipated.

The fallout from the worldwide grounding of the Boeing 737 MAX aircraft continues. Norwegian has suspended services from Shannon and Cork through summer 2019 and winter 2019/20. Norwegian continues to operate from Dublin to Stewart and Providence with a substitute aircraft. The winter schedule continues to show daily service between Dublin and Stewart and 4 flights per week between Dublin and Providence, effective 29 October 2019. Ryanair has announced that the delayed delivery of Boeing 737 MAX aircraft may impact flights from some of its bases across Europe as it anticipates these planes may not be approved for service until December.

Brittany Ferries is back to full service since mid-June following delays to the repair of its vessel on the Roscoff-Cork route. While Irish Ferries' Cherbourg-Dublin route sees the WB Yeats boosting available car capacity from Mainland Europe.

4.3 Total Passenger Numbers

	Total Pax 2018*	% change 2018	May 2019	June 2019
ROI sea passengers	3m	-2%	-7%	+4%
NI sea passengers	2.1m	-1%	-2%	n/a
Dublin Airport	31.5m	+6%	+4%	+4%
Shannon Airport	1.9m	+6%	-6%	-12%
Cork Airport	2.4m	+4%	+9%	+7%
Ireland West Airport Knock	0.8m	+3%	+2%	-3%
All ROI Airports	36.2m	+6%	+4%	n/a
Belfast International Airport	6.3m	+7%	+9%	0%
Belfast City Airport	2.5m	-2%	-4%	n/a
City of Derry Airport	0.2m	-4%	-1%	n/a
All NI Airports	9m	+4%	+5%	n/a

Sources: CAA, DAA, Shannon Group, IWAK, Fáilte Ireland, Annaero, Ferrystat, TTC, Anker Report
 *Total Pax 2018 is the total traffic (two-way) at the airport(s)/seaports
 n/a = not available

Latest published data shows air passenger traffic growth of +4% was recorded at airports in Ireland for the month of May 2019. Sea passenger numbers to and from Ireland declined by -7% YOY for the same month. Latest published sea passengers to and from Northern Ireland for the month of May were down -2%. Note: passenger numbers do not necessarily reflect inbound tourism patterns.

4.4 Accommodation

Hotel accommodation data estimates

Hotel Accommodation January - June 2019					
	Occupancy		Room Sales	ADR	
	%	% change v 2018	%	Average Daily Rate	% change v 2018
Island of Ireland	75.2%	-0.5%	+2.3%	€121.66	+0.1%
Northern Ireland	69.5%	-5.2%	+3.8%	£75.01	-4.8%
Ireland	76.1%	+0.2	+2.1%	€126.85	+0.6%
Scotland	73.2%	-0.9%	+2.6%	£76.37	-2.4%
England	75.0%	+0.1%	+2.4%	£90.06	+1.4%

Source: STR Hotel reports – Properties across the island of Ireland are included, with a strong representation from Dublin and Belfast.

The hotel data specialist STR has reported a continuing pattern of increased room sales for the island of Ireland this year. In the January to June period, Northern Ireland saw increases of +4% in room sales. However, increased hotel capacity in Northern Ireland resulted in reduced occupancy (-5%) and Average Daily Rate (-5%) due to the additional rooms available.

Between January and June this year, hotels across Ireland saw the ADR trade broadly in line with the same period last year (+1% growth), with occupancy also on par with the same period last year (0%). Room sales increased by +2% for the period.

4.5 Island of Ireland Industry Feedback

Barometer	What they said ...
<p>Mixed</p> 	<p>Accommodation providers</p> <p>Northern Ireland hotels are cautiously optimistic. Demand is up, but so is room supply. The sector is adjusting well overall, however. Bookings throughout The Open are strong. Indications for the remainder of summer and into autumn 2019 are generally positive.</p> <p>In Ireland, hoteliers remain generally positive overall as room sales continue to grow. There are expectations of a softer year however, with rate reductions having an impact on yields. Concerns remain about the impact of the VAT hike on business, and properties in the border region, in particular, are uneasy about the potential impact of Brexit. Feedback from the self-catering and B&B sectors is somewhat muted, with reports of a quieter than usual season so far. B&B sources are reporting declines from France but a more positive performance from other key markets such as Germany and the US.</p>
<p>Mixed</p> 	<p>Air and sea carriers</p> <p>Feedback from air carriers is moderately positive with a mixed outlook from some partners. Europe appears to be softening but business from London and the regions in GB is good. Competitive pressures, rising fuel costs, continuing Boeing aircraft issues, uncertainty in markets and slowing economies are all contributing to a more cautious mood overall.</p> <p>Ferry feedback is subdued, with significant competitive pressures in the market. Latest indications suggest a softening in business overall for the summer and up to October. Main concerns relate to declining yields and the potential impact of the UK's proposed withdrawal from the EU.</p>
<p>Mixed</p> 	<p>Attractions</p> <p>Feedback from attractions across Ireland is somewhat mixed overall. While many saw growth for the first six months, some express caution in their outlook for the coming months. A major tourist attraction in Dublin saw good growth in June, particularly from European markets.</p> <p>Sources in Northern Ireland report a good performance overall from overseas visitors so far this year. While the month of June was slightly softer from some markets, partners remain cautiously optimistic as stronger markets compensate for slower ones.</p>
<p>Mixed</p> 	<p>Tour Operators</p> <p>Mixed sentiment persists among tour operator partners in all markets. Both margins and booked passengers are lower, and a late booking trend is emerging in some markets. The uncertainty of the UK's withdrawal from the EU, increased VAT in Ireland, overall demand for Ireland and ongoing capacity and rate challenges continue to cause concern.</p>

Source: Based on feedback from island of Ireland industry sources, June/July 2019

4.6 Tourism Ireland Market Outlook

Great Britain

While the political landscape remains in turmoil, and Brexit-related uncertainty is still causing unease, British holidaymakers are continuing to travel. The outlook for travel to the island of Ireland remains positive and carrier partners are seeing a good response to joint promotions with Tourism Ireland, with bookings remaining broadly in line with last year. OTA partners are seeing a good sales performance as hotel ADRs decline and stock increases in Dublin. Belfast is reportedly performing well from GB due to competitive room rates and good availability of room stock. Tour Operators are also reporting a positive performance for the first half and quarter three of 2019.

North America and Australia

The US: All signs are strong for continuing growth from the US to the island of Ireland this year. Key transatlantic carriers are seeing a positive performance to the island, with strong advance bookings and high demand for new routes. Tour Operator partners are seeing strong sales, and both FIT and luxury business is strong. The escorted tour market is seeing a somewhat softer performance, however.

Canada: Sentiment remains upbeat in the Canadian market, with expectations for good growth and positive feedback from carrier and operator partners. Canadian meeting planners at the recent *MPI World Education Congress* report that interest is increasing for the island of Ireland as an attractive host for international incentives, with our world-class golf product seen as the primary driver. Conferences and events also proved popular, however limited hotel capacity is seen as a barrier.

Australia: The outlook from the Australian market is mixed, reflecting the uncertain local environment. While some air carriers are seeing good growth into the island of Ireland with strong forward bookings for May-November, others have seen a softening in demand due to competitive pressures. Some Tour Operator partners are seeing declining sales and have indicated that the island is underperforming against other European destinations, while others, particularly the coach tour sector, are seeing strong year-on-year growth. The outlook for travel to Northern Ireland from Australia remains positive.

Mainland Europe

Germany: FIT sales to the island of Ireland are performing steadily this summer, with some Tour Operator partners seeing good sales. Group tour business is slower, however, with marketing promotions and discounting required to stimulate sales. Air connectivity and volume of seats between Germany and Ireland declined slightly this summer, albeit from the very high capacity available last year, and this too is slowing growth potential.

France: The outlook for travel to the island of Ireland from France is somewhat mixed, but with air and sea carriers reporting good forward bookings across all routes. Tour Operator feedback is mixed, with price still having an impact on sales and competitor destinations such as Scotland performing better in the market. Q1 performance was reported to be strong and there are also positive indications for Q4.

Spain: Outlook for travel to the island of Ireland is mixed, with some partners seeing a softening in demand, reportedly due to the Spanish market's price sensitivity. Northern Ireland is performing well in the market with partners reporting good results from joint promotional campaigns with Tourism Ireland. Current indications suggest that Q3 will be softer than the same period last year, due to price and availability challenges, but Q4 should see a return to growth.

Italy: Outlook from Italy is mixed on the back of a varied first half performance. Some market partners are seeing declines in FIT and groups business to the island of Ireland, while others are selling well. Partner and joint promotional campaigns are continuing in market to stimulate sales. While traditional Tour Operators are reportedly seeing weaker demand for their group tours, OTAs are recording slight growth for their island of Ireland offerings.

BeNe: The outlook for travel to the island of Ireland is subdued. Market partner sentiment is less confident in recent months, with rising costs, Brexit related unease and the impact of the VAT hike in Ireland having an effect. Many operators are predicting a softer 2019, with Northern Ireland seeing less demand than previous years, when stable growth was recorded.

The Nordics: Consumer and trade sentiment remains positive in the Nordics and local trade partners are reporting steady business to the island this year. The golf segment is growing and the 148th Open is providing Tourism Ireland with a powerful opportunity to target the 1M+ registered Nordic golfers. Year-round air connectivity with new carriers and routes this year is expected to stimulate demand.

Emerging Markets

China: Local market tour operators remain enthusiastic about the island of Ireland and sentiment is positive. There's a strong demand for increased trade promotions with local Chinese airlines, particularly in low and shoulder seasons. Demand for UK + Ireland packages is rising and operators are keen to add more island of Ireland product to their itineraries.

The UAE: Local travel partner sentiment is positive with optimistic expectations for further growth in travel to the island of Ireland this year. Extended group tours to the island of Ireland are proving popular in the market, though delays with Irish visa processing are beginning to cause concern for local operators.

India: Outlook for travel to the island of Ireland from India remains positive with a number of access developments helping to stimulate business. In October this year Virgin Atlantic is relaunching its Mumbai/London Heathrow flights, with onward connection to Dublin. SpiceJet has signed a code-share with Emirates which will give Indian travellers easier access to destinations, such as Dublin, in the Emirates' European network.

5. Conclusion

The **outlook for the year ahead** is currently mixed. Sentiment among overseas market contacts and industry partners at home is generally much more subdued than earlier in the year. While North America and long haul markets continue to grow, global economic unease and the continuing uncertainty surrounding the UK's withdrawal from the EU remain key concerns particularly in Britain and some Mainland European markets. A late booking pattern has also emerged, together with intensified price competition in some markets.

Tourism Ireland continues to monitor the situation closely in consultation with industry partners and other stakeholders. Our **extensive promotional programme** continues to roll out in key markets to boost peak season travel and stimulate demand for holidays later in the year. Our global marketing campaign, *Fill your Heart with Ireland*, and our programme of publicity, B2B promotions, campaigns with carriers and OTAs, and sales missions continues to keep the island of Ireland front of mind for potential visitors in key markets overseas.

Tourism Ireland continues to work closely with industry partners and with colleagues in Fáilte Ireland and Tourism Northern Ireland to capitalise on all opportunities to promote the island of Ireland overseas and to maximise overseas tourism revenue.