Appendix 8.4
Overview of trends in tourism in Dublin

Developments in tourism trends in the Dublin region provide an important background context in considering the impact of the proposed stadium. Tourism numbers may impact on the demand for large-sized leisure facilities such as the proposed National Stadium and secondly the economic value of any new tourism business generated by the Stadium must be considered in the context of the overall trends in tourism in Dublin. Below we examine the recent trends in tourism to Dublin as well as the composition of tourism flows. We look in particular at such factors as the composition of tourism in terms of the origin of visitors, the purpose of visiting Dublin, the means of travel chosen by visitors, the social class of visitors, and the seasonality of tourism in the region. Appendix 8.4 concludes by considering the prospects for tourism into Dublin over the next five years.

Overall trends in tourism to Ireland and Dublin

Coinciding with the remarkable performance of the Irish economy, the tourism sector has shown very strong growth in recent years. In Table 8.4A we present an analysis of the overall level of visitors to Ireland and Dublin over the period 1994-1998.

Table 8.4A
Developments in Tourism Numbers to Ireland and Dublin
1994-1998 (000's)

Market	1994	1995	1996	1997	1998	Average annual growth - 1994-98 - %
Ireland						
Total overseas	3,679	4,231	4,682	5,007	5,534	10.7
Northern Ireland	630	587	607	580	530	-4.2
Domestic trips	7,244	6,924	6,170	6,850	6,934	-1.1
Dublin						
Total visits to Dublin*	**3,007**	**3,332**	**3,470**	**3,685**	**4,095**	**8.0**

Source: Bord Failte

** Overseas, Northern Ireland and domestic trips.*

According to the figures in Table 8.4A total overseas visits to Ireland reached 5.53 million in 1998, representing an increase of 10.5 per cent on the 1997 level. Overall visits to Ireland have grown at an average annual rate of 10.7 per cent over the period 1994-1998. There were 4.1 million visits to Dublin in 1998, up 11.1 per cent on 1997. The growth in visits to the Dublin region has averaged 8 per cent over the period 1994-1998.

In Table 8.4B below we analyse the revenues generated from tourism to Ireland and the Dublin region over the last five years. Total revenues from overseas visits reached £1.7 billion in 1998, while revenues from Northern Ireland tourism and domestic trips came to £97.1 million and £751 million respectively in 1998. £627.8 million in revenues were generated from visits (overseas, Northern Ireland and domestic trips) to Dublin in 1998. Revenues from tourism in Dublin increased by 11 per cent compared with their level in 1997. The Dublin region accounts for around one quarter of the total revenues generated from overseas, Northern Ireland and domestic tourism combined.

Table 8.4B
Tourism Revenue from Visits to Ireland and Dublin
1994-1998 (£million)

	1994	**1995**	**1996**	**1997**	**1998**
Total overseas	1114.1	1286.4	1451.0	1588.6	1704.2
Northern Ireland	46.1	82.6	85.0	101.9	97.1
Domestic tourism	657.1	610.9	578.8	670.8	751.0
Visits to Dublin	**446.7**	**519.4**	**523.3**	**565.6**	**627.8**
Dublin as % of total of above markets	24.6	26.2	24.7	24.0	24.6
Source: Bord Failte					

Profile of visitors to Dublin

In Table 8.4C we present an analysis of the origin of visitors to Dublin over the period 1994-1998. The figures show that there were 4.1 million visits to Dublin in 1998, of which 2.9 million were overseas visitors, 123,000 were from Northern Ireland and 1.04 million were domestic trips. Overseas visitors accounted for the largest proportion (71.6 per cent) of total visits. Almost 37 per cent of visitors came from Britain, while 18 per cent came from mainland Europe and 12.9 per cent from North America.

Table 8.4C
Origin of Visitors to Dublin
1994-1998 (000's)

Market	**1994**	**1995**	**1996**	**1997**	**1998**
Britain	807	956	1111	1313	1507
Mainland Europe	541	636	645	652	736
North America	317	399	475	480	530
Other Overseas	103	143	129	141	160
Total Overseas	1768	2134	2360	2586	2933
Northern Ireland	110	130	140	110	123
Domestic Trips	1129	1068	970	989	1039

Total	3007	3332	3470	3685	4095
Source: Bord Failte					

An analysis of the revenues generated from visits to Dublin by market over the last five years is presented in Table 8.4D. The figures show that £525.2 million in revenues were generated from visits to Dublin during 1998, up from £474.5 million in 1997. The largest proportion of overseas revenues came from the British market. British visitors spent £211.2 million in Dublin in 1998, or 40 per cent of the total overseas revenues. Mainland Europeans constituted the second largest market, spending £171.7 million in the Dublin region in 1998, while the North American market accounted for £93.1 million in revenues. Northern Ireland and domestic tourism together accounted for 16.3% of overall revenues generated during 1998.

Table 8.4D
Revenues generated from visits to Dublin by market - 1994-1998 (£million)

Market	1994	1995	1996	1997	1998
Britain	99.5	118.3	140.8	179.9	211.2
Mainland Europe	145.3	169.9	162.6	166.1	171.7
North America	62.6	82.9	94.2	94.3	93.1
Other Overseas	23.4	47.4	43.1	34.2	49.2
Total Overseas	330.8	418.5	440.7	474.5	525.2
Northern Ireland	14.0	15.4	16.2	14.1	26.5
Domestic Trips	101.9	85.5	66.3	77.0	76.1
Total from all visits	446.7	519.4	523.2	565.6	627.8
Source: Bord Failte					

It is useful to examine the contribution of different markets to tourism revenues in terms of the average spend per visitor in the Dublin region. In Table 8.4E we present an analysis of the average spend per visit over the period 1994-1998 for visitors to Dublin from overseas markets, as well as from Northern Ireland and domestic trips. There is a considerable variation in the average spend depending on the origin of visitors. Of the overseas market, visitors from Britain had the lowest average spend in 1998 (£140.1 per visit), while visitors from other regions outside Europe and North America had the highest average spend (£307.5 per person). Overseas visitors overall spent on average £179.1 per person. Average revenue from visitors from Northern Ireland reached £215.4 per person in 1998, while domestic trips yielded £73.2 per visit on average. A notable feature of the overall overseas market is that the average spend has fallen since 1994. Britain and the non-Europe/North America markets were the only areas to show an increase in yield over the period 1994-1998.

Table 8.4E
Average spend per visitor[1] to the Dublin region by market - 1994-1998 (£)

Market		1994	1995	1996	1997	1998

Britain	123.3	123.7	126.7	137.0	140.1
Mainland Europe	268.6	267.1	252.1	254.8	233.3
North America	197.5	207.8	198.3	196.5	175.7
Other overseas	227.2	331.5	334.1	242.6	307.5
Total Overseas	187.1	196.1	186.7	183.5	179.1
Northern Ireland	127.3	118.5	115.7	128.2	215.4
Domestic Trips	90.3	80.1	68.4	77.9	73.2
Total	148.6	155.9	150.8	153.5	153.3

Source: Indecon calculations from Bord Failte data

1 Average spend=revenue generated by market/visits by market

An analysis of the route of travel of visitors to Dublin in 1997 is presented in Table 8.4F. The figures show that of the total of overseas visitors to the Dublin region in 1997, the majority (46 per cent) came by air from Britain, while 21 per cent came by air from mainland Europe and 8 per cent came by air from North America. A further 22 per cent of overseas visitors came by sea from Britain, while 2 per cent came by sea from mainland Europe.

Table 8.4F
Route of travel of overseas visitors to Dublin region - 1997 (%)

	All visitors	Britain	Mainland Europe	North America
Air from Britain	46	64	13	39
Air from Mainland Europe	21	*	74	5
Air Transatlantic	8	-	*	41
Sea from Britain	22	35	7	11
Sea from Mainland Europe	2	-	6	3

Source: Bord Failte

The month of arrival of overseas visitors to Dublin in 1997 is profiled in Table 8.4G. The analysis shows that the arrival of visitors to Dublin is fairly evenly spread throughout the year. Of note is the fact that off-season (October-March) visits to Dublin accounted for 38 per cent of all visits. This compares with a proportion of 32 per cent in 1995. In particular, 45 per cent of British visits were off-season in 1997. The majority of mainland European and North American visitors arrive in the summer months.

Table 8.4G
Month of arrival of overseas visitors to Dublin 1997 (%)

	All Visitors	Britain	Mainland Europe	North America
January-March	18	20	16	15
April	7	8	7	7
May	9	8	8	12
June	11	8	13	15
July	12	10	17	13
August	13	12	15	14
September	10	9	8	12
October-December	20	25	16	12
Source: Bord Failte				

In Table 8.4H we examine the average length of stay of overseas tourists and holidaymakers in Dublin in 1997. The analysis shows that the typical length of stay in Dublin for overseas visitors is 4.9 nights, while holidaymakers stay for 3.3 nights on average. The longest average length of stay for overseas visitors to Dublin is 7.3 nights for mainland Europeans, while British visitors stay on average for 3.8 nights and North Americans for 4.2 nights.

Table 8.4H
Overseas Tourists and Holidaymakers in Dublin - Average Length of Stay per Visit - 1997 (Nights)

	Tourist			Holidaymaker		
Market	No. of visits - 000's	Nights - 000's	Average nights per visit	No. of visits - 000's	Nights - 000's	Average nights per visit
Britain	1313	5080	3.8	347	1120	3.2
Mainland Europe	652	4790	7.3	263	920	3.4
North America	480	2060	4.2	301	990	3.2
Other Areas	141	860	6	80	250	3.1
Total Overseas	2586	12790	4.9	991	3280	3.3
Source: Bord Failte						

Purpose of visit and socio-economic profile of visitors to Dublin

In Table 8.4I we present an analysis of the purpose of visit of overseas tourists to Dublin in 1997. According to the figures, of the overall number of visits to Dublin in 1997, 39 per cent stated that the main purpose of their visit was for holidaymaking, while 28 per cent were visiting for business/conference purposes. Among British visitors a high proportion (34 per cent) travel to Dublin for business/conference purposes. Almost two thirds of North American visits and 40 per cent of mainland European visits were for the main purpose of a holiday.

Table 8.4I
Main purpose of visit - overseas tourists to Dublin - 1997 (%)

Purpose	All visitors	Britain	Mainland Europe	North America
Holiday	39	27	40	63
VFR	20	26	15	13
Business/Conference	28	34	27	16
Study/Personal/Other	13	13	18	8
Source: Bord Failte				

The socio-economic profile of visitors to Dublin by market is shown in Table 8.4J. The figures show that the majority (83 per cent) of visitors to Dublin are from managerial, professional and white collar backgrounds, while 16 per cent are from skilled and unskilled backgrounds. The proportion of visitors from North America (90 per cent) and mainland Europe (89 per cent) who come from managerial, professional and white collar backgrounds is higher than the average for all visitors to Dublin.

Table 8.4J
Socio-economic profile of visitors to Dublin 1997 (%)

Socio-economic bracket	All visitors	Britain	Mainland Europe	North America
Managerial/professional (AB)	43	40	42	49
White Collar (C1)	40	37	47	41
Skilled (C2)	12	16	7	8
Unskilled (DE)	4	7	3	1
Source: Bord Failte				

In Table 8.4K we examine the age profile of visitors to Dublin in 1997. The analysis shows that over half of the visitors to Dublin in 1997 were over 35 years, while a quarter were between 25 and 34 years. North American visitors tend to be older than both British and mainland European visitors.

Table 8.4K
Age Profile of Overseas Visitor to Dublin 1997 (%)

Age group	All visitors	Britain	Mainland Europe	North America
Up to 18 years	8	6	9	4
19-24 years	13	11	18	11
25-34 years	24	30	30	11

35-44 years	16	20	17	11
45+ years	39	32	25	63
Source: Bord Failte				

Accommodation supply in Dublin

The supply and quality of accommodation plant is a key factor affecting the choice of destination for many visitors. In Table 8.4L below we present the supply of approved accommodation in the Dublin region between 1994 and 1998. The figures show that there were 10108 approved rooms available in Dublin in 1998. Room capacity in the region has increased by 42 per cent over the period 1994-1998. In relation to approved hotel rooms in Dublin, there were a total of 7,596 rooms available in 1998, the majority (65 per cent) of which were in hotels of 3 star and above.

Table 8.4L
Approved Accommodation Supply in Dublin
1994 - 1998 (Rooms)

	1994	**1995**	**1996**	**1997**	**1998**	**% change - 1994-1998**
Hotels						
5 Star	n/a	1,120	1,092	1,139	1,165	n/a
4 Star	n/a	1,065	1,026	1,128	1,211	n/a
3 Star	n/a	1,802	2,109	2,338	2,560	n/a
2 Star	n/a	710	708	553	640	n/a
1 Star	n/a	492	339	339	314	n/a
Other	n/a	500	541	595	1,706	n/a
Total Hotels	5,344	5,689	5,815	6,092	7,596	42.0
Guesthouses and B&Bs	1,773	2,042	2,107	2,191	2,512	42.0
Total Paid Serviced	**7,117**	**7,731**	**7,922**	**8,283**	**10,108**	**42.0**
Source: Bord Failte						

An analysis of the type of accommodation used by overseas visitors to Dublin by market in 1997 is presented in Table 8.4M. Of the 12.8 million nights spent in Dublin in 1997 16 per cent were spent in hotels and 12 per cent were spent in guesthouses and B&Bs. 28 per cent of nights were spent with friends or relatives. North Americans tend to stay in hotel accommodation, while 40 per cent of British overnights were spent with friends and relatives.

Table 8.4M
Accommodation Nights spent by overseas visitors to Dublin
1997 (%)

	All visitors	Britain	Mainland	North America

			Europe	
Hotel	16	20	10	29
Guesthouse and B&B	12	16	8	18
Rented	20	10	26	13
Hostels	4	2	4	7
Caravan & Camping	1	1	1	0
Friends and relatives	28	40	20	28
Other	19	11	31	5
Source: Bord Failte				

Capacity Utilisation

A notable feature of tourism trends in Dublin outlined above is that the city has a strong off-peak tourism business. The data presented in Table 8.4G showed that 38 per cent of all overseas visitors in 1997 arrived in the months of October to March. This period coincides with the traditional playing season for outdoor field sports such as rugby and soccer. It is likely that sporting events such as Five Nations rugby internationals make a contribution to off-peak performance.

Nevertheless figures for room occupancy of Dublin hotels indicate that there is some spare capacity to deal with any increased demand associated with larger or additional sporting or similar events outside of the peak tourist season. The data presented in Table 8.4N show that while room occupancy averaged 86 per cent for the 6 months between April and September 1997 the figures for January-March and October-December were 64 and 70 per cent respectively.

Table 8.4N
Room Occupancy by month 1997 (%)

	Per Cent
January-March	64
April	79
May	85
June	89
July	87
August	86
September	90
October-December	70
Source: Bord Failte - Hotel Performance	

Prospects for tourism in the Dublin region

The prospects for tourism in the Dublin region over the next five years will depend on a number of factors, of which the most important are described below:

- The prospects for economic growth in Ireland's tourism markets - principally the UK, mainland Europe and the US;
- The attraction of Ireland and Dublin in particular as destinations for different types of visitors - this will be influenced by the tourism product and facilities on offer and the ability of Dublin to compete effectively on price and quality;
- The success with which Ireland is marketed as an attractive destination;
- The cost of access to Dublin - principally related to the costs of air access to Dublin as opposed to other (particularly European) competing cities.

In recent years Dublin has benefited enormously from the positive and 'fashionable' image which Ireland has developed among British, European and American visitors. Dublin has gained market share particularly in the short-stay, city breaks segment. It must also be noted, however, that Dublin also benefits from its status as the capital city and main point of entry into the country (Dublin airport handled 11.6 million passengers in 1998). Many visitors will remain in Dublin only for a few days before travelling onwards to other regions of the country. The ability of Dublin to attract and retain visitors for longer periods will depend on the quality and cost of various attractions and activities which are unique to the city, as well as the availability of facilities such as accommodation up to a high standard.

In 1997 Bord Failte, in conjunction with a number of other national and international organisations, prepared a set of projections for visitor numbers and revenues by market out to 2003. Although these projections are not up-to-date and no forecasts are available for the Dublin region in particular, they are nevertheless useful as a basis for preparing projections for the Dublin region. Table 8.4O contains Bord Failte's projections for visitor numbers and revenues for the period 1999-2003.

Table 8.4O
Forecast Overseas Visitor Numbers and Revenues in Ireland
1999-2003

Ireland	1998[1]	1998[2]	1999	2000	2003
Total visitors - 000's	5,394	5,534	5,730	6,120	7,120
Revenues* IR£ billion	2.30	2.28	2.55	2.83	3.69

Source: Bord Failte, A Business Plan for Irish Tourism Marketing, 1998-2003.

1 Bord Failte 1997 forecast for 1998

2 Actual numbers and revenues for 1998

** Revenues are based on total foreign exchange earnings from tourism*

The projections in Table 8.4N show that total visitor numbers to Ireland are expected to reach 7.12 million by 2003, representing a growth of almost 29 per cent compared with the actual level of visitors in 1998. Revenues (as measured by foreign exchange earnings) are forecast to rise to IR£3.69 billion by 2003, implying a growth of 62 per cent compared with the actual 1998 level of IR£2.28 billion.

In order to prepare a set of projections for tourism in Dublin, Indecon has made the following assumptions in relation to market share and revenue yield:

- Dublin's share of total revenues from tourism in Ireland remains stable over the period 1999-2003;
- Revenue per visit to Dublin is assumed to grow by 1 per cent per annum plus an inflation increase of 2.5% per annum over the period 1999-2003;
- Revenue per overseas visit to Dublin is assumed to grow in line with foreign exchange earnings per visit.

In Table 8.4P we present Indecon's forecast for Dublin overseas visitor numbers and revenues for the period 1999-2003, based on Bord Failte's national projections and the assumptions set out above. According to our projections, total overseas visitors to Dublin are expected to reach 4.28 million by 2003, representing an increase of 45.9 per cent compared with their level in 1998. Revenues from overseas visitors to Dublin are forecast to reach almost £850 million by 2003, equivalent to a growth of 62 per cent on 1998. The average revenue per visit (or the yield from overseas visitors) is projected to increase to £198.5 by 2003, compared with £179.1 in 1998.

Table 8.4P
Indecon Forecast for Overseas Visitor Numbers and Revenues in Dublin 1999-2003

Ireland	1998	1999	2000	2003
Total overseas visitors - 000's	2933	3168	3397	4280
Revenues from overseas visitors - IR£ million	525.2	587.1	651.6	849.6
Revenues per visit - £	179.1	185.3	191.8	198.5
Source: Forecasts based on Bord Failte projections and Indecon assumptions				