

INCOMING TOUR OPERATORS ASSOCIATION

Survey of Membership Business, 2013

prepared for the



by

CHL Consulting Company Ltd.

Updated, October 2014

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**Incoming Tour Operators Association
Survey of Membership Business, 2013
- Report Highlights -**

- Total gross **turnover** for the 30 ITOA members in 2013 amounted to €234.2 million, an increase of almost 8% on 2012.
- Based on gross turnover, the average yield per tourist, excluding cruise excursions, amounted to €616 in 2013.
- The value of **total purchasing** from Irish suppliers in 2013 amounted to €169.7 million, an increase of 9% over 2012.
- Tourists handled by ITOA members **spent €392 million** while in Ireland.
- The total **number of tourists** handed by the ITOA members in 2013 was 466,451, an increase of over 11% on the 2012 total.
- Total **marketing spend** in 2013 is estimated at €7.19 million, an increase of 17% on 2012.
- **Group and coach tours and FIT** combined accounted for the largest share of turnover at 84% in 2013.
- The distribution of **visitors by source market** shows that there were continued increases over 2012 in the main markets: North America +24%, Germany/Austria +29%, Britain +6% and France +4%.
- In gross terms, based on CSO & NISRA 2013 statistics, **ITOA members handled 12% of total 'promotable' visitors** to the Island of Ireland in 2013. The share of promotable visitors handled by ITOA members by market was: **North America 25%, Continental Europe 14%, GB 3% and Other Markets 5%**.
- A total of 524 **staff** were employed in 2013, a 7% increase in the number of full time staff employed on 2012.
- A total of 1,981 **man-days** were spent travelling overseas in 2013 representing 9 full-time sales people in the marketplace selling Ireland over a 52 week period.

**Incoming Tour Operators Association
Survey of Membership Business, 2013
- Executive Summary -**

CHL Consulting Company Ltd. were commissioned by the Incoming Tour Operators Association (ITOA) to conduct a survey of its members with regard to their business activities in 2013. This is the ninth consecutive year in which this survey has been conducted. The purpose of the survey is to gather information on the nature, scale and scope of the business operations of ITOA members. The findings of the survey are intended to provide an increased understanding of the tour operating business for the ITOA and its membership, and to communicate to other stakeholders the value of ITOA members' contribution to Irish tourism. The key findings of the survey are as follows:

Value and Volume of Activity

- 1) The total gross turnover for the 30 ITOA members in 2013 amounted to €234.2 million, representing an increase of 7.8% over the 2012 figure of €217.2 million. Almost a quarter (23%) of members have a turnover in excess of €5 million.

- 2) The total number of tourists handed by the ITOA members in 2013 was 466,451. This represented an 11.3% increase on the 2012 figure of 419,236 and a 29.7% increase on the 2011 figure of 359,554.

In gross terms, the number of visitors handled by ITOA members in 2013 represents 7% of all overseas visitors to Ireland. Based on CSO & NISRA 2013 statistics, **ITOA members handled 12% of the total 'promotable' visitors** to the Island of Ireland in 2013. The share of promotable visitors handled by ITOA members by market was: **North America 25%, Continental Europe 14%, GB 3% and Other Markets 5%.**

- 3) The weighted average length of stay for Groups in 2013 is estimated at 7.5 nights, with FIT/Other business averaging 4.5 nights. On this basis, the total number of bednights generated by the membership is estimated to have been over 2.2 million bednights in 2013, an increase of over 260,000 bednights over 2012. Group bednights accounted for almost three-quarters of the total (over 1.6 million).

- 4) Group and coach tours are the largest part of the business, accounting for 57% of turnover in 2013. FIT business accounted for 27% of turnover in 2013 with incentives accounting for 7% of the business. Therefore, group and coach tours and FIT combined accounted for the largest share of turnover at 84% in 2013, up from 75% in 2012 and 79% in 2011, with incentives and conferences accounting for most of the balance.
- 5) It is estimated that, excluding carrier receipts, tourists handled by ITOA members spent just over €392 million in Ireland in 2013. €312.6 million came from leisure tourists and €79.5 million from business tourists.

Purchasing and Distribution of Business

- 6) Payments to Irish suppliers in 2013 amounted to €169.7 million. Accommodation accounted for close to two-thirds (62.3%) of the procurement of services by ITOA members in 2013. Transport/Guides and Entertainment/Attractions/Dining are the other two major areas of expenditure.
- 7) Coaching accounts for just over 60% of expenditure on transport by ITOA members in 2013, followed by car-hire and guides which accounted for 16.1% and 11.6% respectively, while chauffeur-drive accounted for 11%. This pattern reflects the large share of overall business attributable to Group & Coach Tours.
- 8) 4-star hotels continued to be the dominant accommodation option, with a marginal increase to 48.7% of purchasing in 2013 over the 2012 total of 46.5%. However, there was a slight decrease in both the purchasing of 5-star and 3-star hotel accommodation, with both segments share of purchasing decreasing marginally in 2013.
- 9) Over the years, visitor attractions have accounted for an increasingly large share of this component of procurement – in 2005, they took just 26% of the total, whereas in 2012 they represented 38%. This rose to 41% in 2013. The share of banquets/restaurants decreased marginally in 2013 to 30%, down from a 37% share in 2012.
- 10) Dublin accounted for 38% of total turnover in 2013, marginally down on the 41% recorded in 2012. The balance (62%) of ITOA members' business was distributed throughout the regions, highlighting the crucial role that Incoming Tour Operators perform in promoting the regional distribution of tourism in Ireland as a whole.

Markets and Marketing

- 11) The share of business sourced through the leisure travel trade (tour operators and travel agents) accounted for 65% of members' turnover in 2013, compared with 66% in 2012. Direct bookings from customers saw a significant increase in 2013, up from a 12.6% share in 2012 to 15.8% in 2013.

- 12) The distribution of visitors by source market shows that there were increases in the majority of main markets, with the exception of Italy in 2013. Significant increases were recorded for Germany/Austria (28.8%), North America (24.2%) and Spain/Portugal (18.4%). The British and French markets increased marginally by 5.9% and 4.1% respectively. Overall, the four largest markets generated 77% of the total number of tourists in 2013, slightly up from a 74% share recorded in 2012.

- 13) The seasonal distribution of business by value in 2013 was broadly consistent with historic patterns, with the majority (73.5%) of tourists arriving during the May through September period. The shoulder months of March/April and October showed a slight decrease in share over 2012 - decreasing from 22.8% in 2012 to 18.3% in 2013. A degree of fluctuation from year to year in the share of demand recorded for these months is generally due to particular one off initiatives and events that take place.

- 14) The total marketing spend of all ITOA members in 2013 is estimated at €7.19 million, an increase of 17.0% on the 2012 figure of €6.14 million.

- 15) Advertising, overseas staff, overseas travel and sales calls & inspections accounted for two thirds (66%) of the distribution of sales and marketing expenditure by activity type in 2013.

- 16) 70% of members stated that the use of the internet for provision of company information/on-line brochure was vitally important to their business, and 58% of members stated that using the internet for advertising purposes was imperative.

- 17) A total of 1,981 man-days were spent travelling overseas in 2013 by the respondent companies. In effect this represents 9 full-time sales people in the marketplace selling Ireland over a 52 week period.

Staff

- 18) A total of 524 staff were employed in 2013. There was a 6.8% increase in the number of full time staff employed between 2012 and 2013, building on a 9.2% increase between 2011 and 2012.
- 19) The primary deficiencies encountered when recruiting staff in 2013 were: a poor knowledge of tour operating, poor knowledge of the Irish tourism product and a poor knowledge of Ireland itself were the principal deficiencies encountered when recruiting staff.

Business Influences and Opportunities

20) The most important **positive influences** on business performance in 2013 were identified as:

- The Gathering, raised the profile of Ireland, increasing positive image and revival of interest in Ireland.
- Retention of reduced 9% VAT rate ensuring that Ireland remains competitively priced.
- Return to growth of global economy, particularly in the US market; more optimistic and positive business environment and increased spending power in the markets.
- Better marketing, better support, positive media coverage, increased attendance at trade shows, all contribute to increasing demand in the overseas markets
- Increased access from North America particularly but other key markets also.

21) The most important **negative influences** on business performance in 2013 were identified as:

- Fragility of economic recovery particularly in European markets.
- Lack of hotel availability and space at certain times of the year, particularly in Dublin, Galway and Killarney; difficulty in finding good quality alternative hotels at reasonable cost; lack of investment in hotels refurbishment becoming apparent and commented on by customers.
- Increased overheads, regulatory burdens combined with agents looking for more competitive prices increasing pressure on margins.
- Increase in product pricing at unsustainable paces.

- Increasing access costs and lack of access to southern and western seaboard is always an issue.

22) Respondents identified the **key business opportunities** to business performance in the coming 3 years as being:

- Increased air access and routes; most notably from North America, direct flights from West Coast USA and also Canada.
- Retention of 9% VAT rate and removal of air travel tax - both hugely positive messages on Ireland's commitment to competitiveness in the Intl. markets.
- Continued growth/recovery of global economy, and increased consumer confidence in our main markets, slight increase in positivity in the Irish economy.
- Positivity of and legacy from The Gathering, continuing momentum from it and opportunities to be gained from new tourism initiatives and products (e.g. Wild Atlantic Way, Battle of Clontarf Millennium Anniversary etc).
- Increased awareness of Ireland in international markets and in particular, new and emerging markets (e.g Russia), new clients and repeat clients

23) Respondents identified the key **threats** to business performance in the coming 3 years as being:

- Lack of hotel space availability, particularly in Dublin city centre and generally at weekends; impacting on business in other locations also
- Rates are beginning to rise at an unsustainable pace. Perception that the worst is over in terms of recession however economies are still fragile in our main overseas markets and competitiveness is still a vital component of our continued recovery.
- Continued and increasing competition from other destinations, (e.g. Scotland, England).
- Threat of increasing access costs if flights are reduced; while there are more flights from the USA and Canada costs are still high.
- Internet operators and online booking engines, unexpected changes in Google search methodology.

1. INTRODUCTION AND SURVEY STRUCTURE

CHL Consulting Company Ltd. were commissioned by the ITOA to conduct a survey of its members with regard to their business activities in 2013. This is the ninth consecutive year in which this survey has been conducted.

The purpose of the survey is to gather information on the nature, scale and scope of the business operations of ITOA members. The findings of the survey are intended to provide an increased understanding of the tour operating business for the ITOA and its membership, and to communicate to other stakeholders the value of ITOA members' contribution to Irish tourism.

This report contains the findings of the 2013 survey. A copy of the survey questionnaire is attached. Note that Questions 1 and 2 referred to the names of the company and individual respondent respectively. The analysis therefore starts with Question 3.

The report has been updated in October, 2014, to take into account tourism statistics published by Fáilte Ireland and Tourism Ireland.

2. OVERALL CONTRIBUTION TO NATIONAL TOURISM INDUSTRY

2.1 Economic Contribution

The overall contribution to the national tourism industry made by the tourists handled by ITOA members is substantially greater than the gross revenue of the tour operators. Based on the breakdown of tourists' expenditure in Ireland in 2013, published by Fáilte Ireland (Tourism Facts 2013), it is estimated that the gross revenue for holiday visitors handled by ITOA members represents almost two-thirds of their total expenditure in Ireland (excluding carrier receipts). It is assumed that the tour operators' gross revenue includes 100% of the cost of bed and board and internal transport, and two-thirds of the cost of other food and sightseeing. As shown in Table 1 below, this leaves a balance of 34% of their customers' expenditure unaccounted for in the ITOA's gross turnover figures. This balance is spent on other meals, sightseeing, shopping and miscellaneous items.

Table 1: Breakdown of Tourists' Expenditure (%)

Item	All Tourists	Incl. in ITOA Revenue	% Additional to ITOA Revenue	Net Addition to ITOA Revenue
Bed & Board	30%	100%	0%	0%
Other Food	21%	67%	33%	7%
Sightseeing	13%	67%	33%	4%
Internal Transport	13%	100%	0%	0%
Shopping	12%	0%	100%	12%
Miscellaneous	11%	0%	100%	11%
Total	100%			34%

Source: Fáilte Ireland and survey results

The total gross revenue earned by ITOA members from leisure tourists in 2013 amounted to €201.3m. If this represents 66% of the total expenditure in Ireland by these tourists, then that total can be estimated at €305.1m. To this can be added expenditure estimates for business tourists and day excursions handled by ITOA members. The former is based on an average per head estimate for business tourists of €1,400.¹ The estimate for day excursions is based on the revenue figures reported by ITOA members grossed up to cover shopping, other food and miscellaneous items. Taking these sources together, it is estimated that tourists handled by ITOA members spent just over €392 million in Ireland in 2013, broken down as follows:

¹ Fáilte Ireland

	€
Leisure tourists	305.1
Business tourists	79.5
Excursions	7.5
Total	392.1

It is evident that the tourists generated by ITOA members make a very valuable economic contribution. Based on figures for 2013 published by Fáilte Ireland, the share of total national receipts from overseas generated by ITOA members in 2013, excluding carrier receipts, was around 12%. This is consistent with the finding that the ITOA members accounted for 12% of promotable tourists visiting the Island of Ireland in 2013..

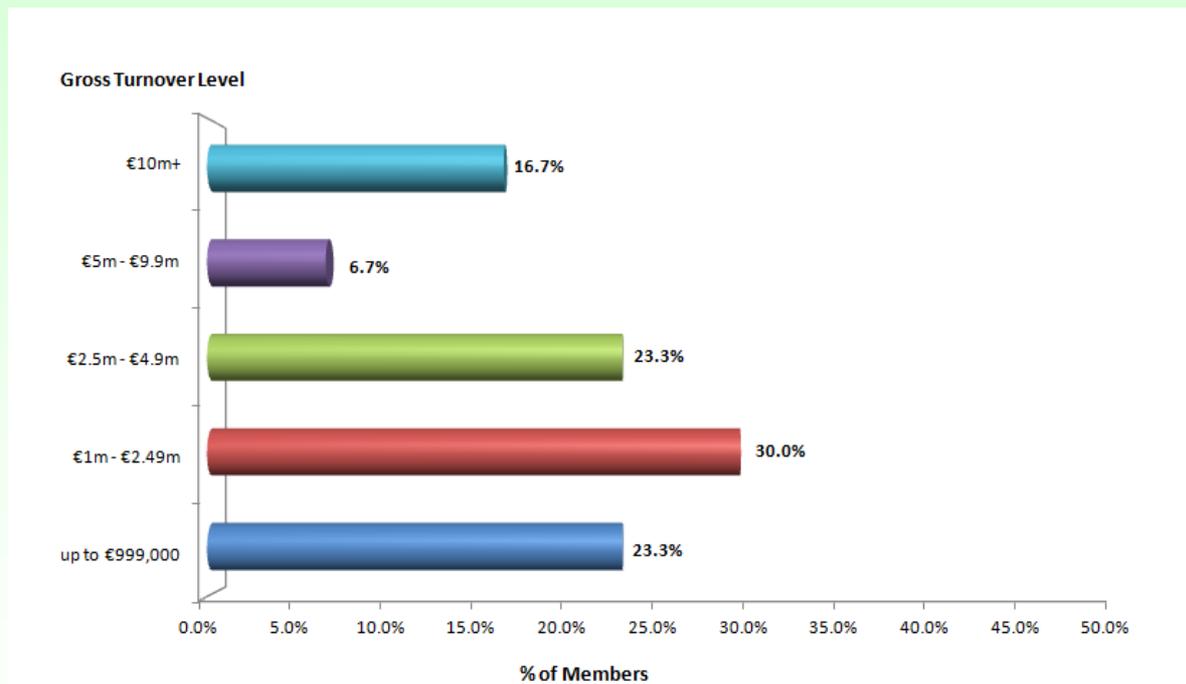
3. SURVEY RESULTS

Q3. What was your gross turnover in 2013, including VAT?

The total gross turnover for the 30 ITOA members in 2013 amounted to **€234.2 million**, representing an increase of 7.8% over the 2012 figure of €217.2 million. Almost a quarter (23%) of members have a turnover in excess of €5 million.

Based on gross turnover, the average yield per tourist, excluding cruise excursions, amounted to **€616** in 2013, a decrease of 2.8% on the 2012 figure of €634.

Distribution of Membership by Gross Turnover Level



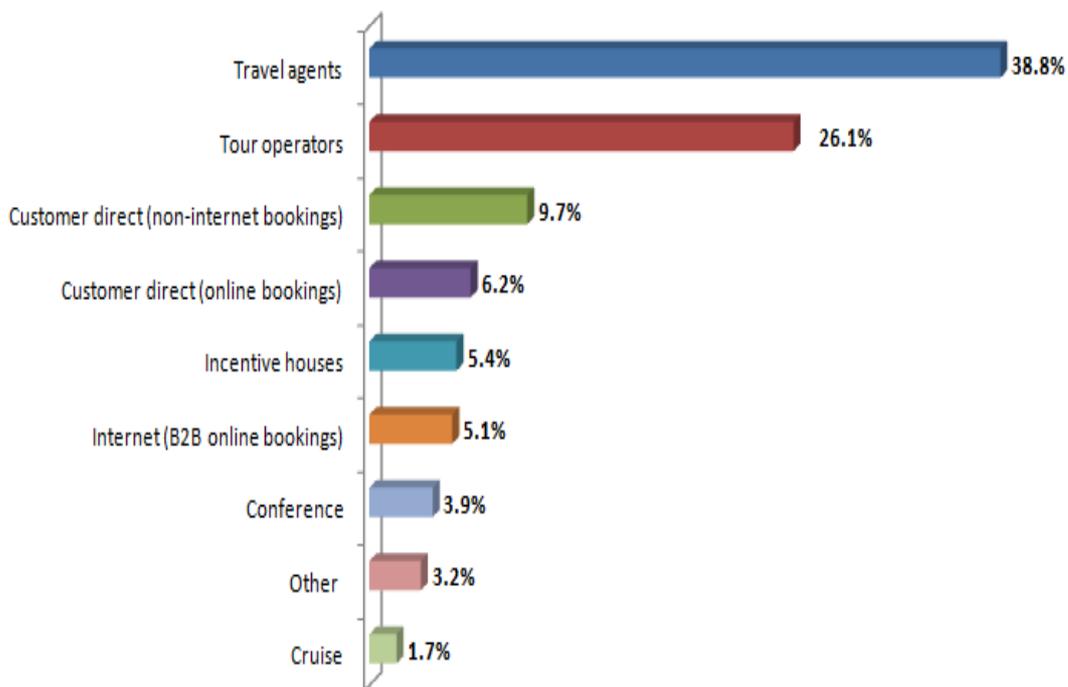
Q3b: What was the value of your total purchasing from Irish suppliers in 2013?

The total value of purchasing from Irish suppliers by ITOA members in 2013 was **€169.7 million**, an increase of 9.0% on the 2012 figure of €155.7 million.

Q4. What was the percentage distribution of your turnover by business channel?

2013: 29 respondents replied to this question

	2013
Travel agents	38.8%
Tour operators	26.1%
Customer direct (<i>non-internet bookings</i>)	9.7%
Customer direct (<i>online bookings</i>)	6.2%
Incentive houses	5.4%
Internet (<i>B2B online bookings</i>)	5.1%
Conference	3.9%
Other	3.2%
Cruise	1.7%

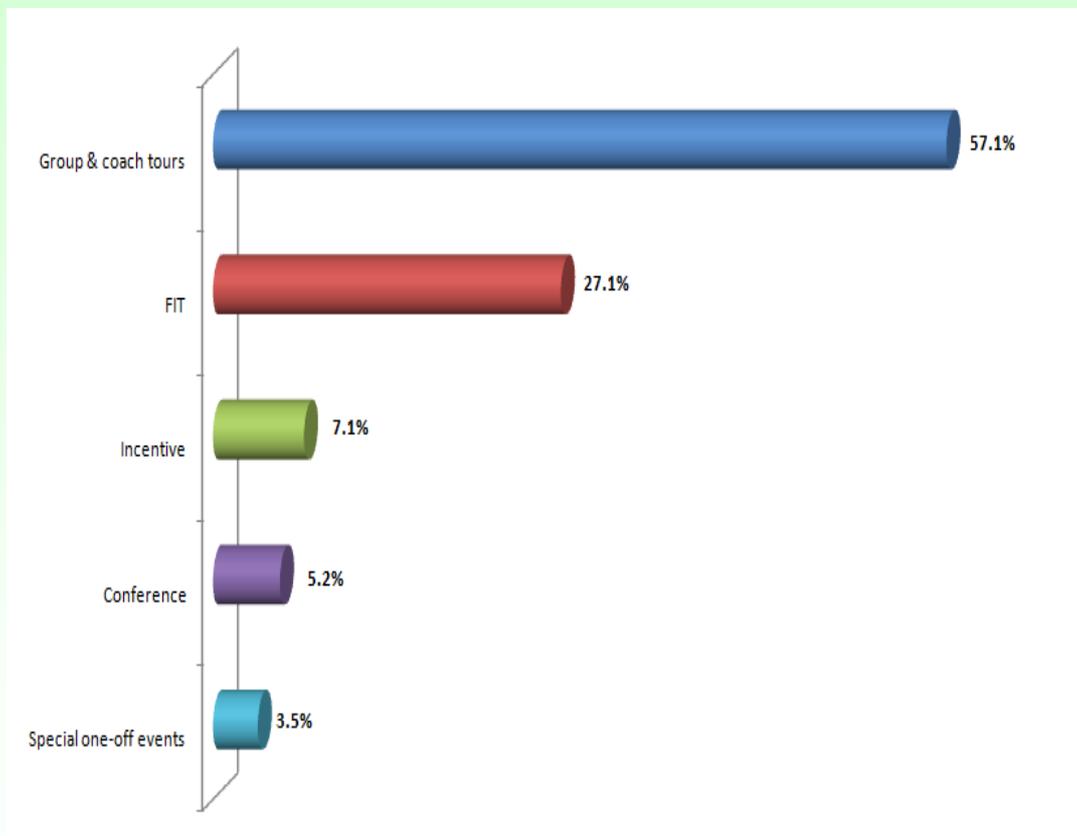


The share of business sourced through the leisure travel trade accounted for 65% of members' turnover. Direct bookings from customers saw a significant increase in 2013, up from a 12.6% share in 2012 to 15.9% in 2013.

Q5. What percentage of your turnover came from the following product categories in 2013?

2013: 29 respondents replied to this question

	2013
Group & coach tours	57.1%
FIT	27.1%
Incentive	7.1%
Conference	5.2%
Special one-off events	3.5%



In line with previous years, group and coach tours continue to account for the largest share of turnover. Most notably in 2013, the group and coach tour segments share increased significantly from almost half (49.6%) of all turnover in 2012 to 57.1% of all turnover in 2013.

Q6. How many tourists did you handle in 2013?

2013: 29 respondents replied to this question

The total number of tourists handed by the **ITOA members in 2013 was 466,451**. This represented an 11.3% increase on the 2012 figure of 419,236 and a 29.7% increase on the 2011 figure of 359,554.

In gross terms, based on CSO & NISRA data on total arrivals, **ITOA members handled 12% of 'promotable' visitors** to the Island of Ireland in 2013. The share of promotable visitors handled by ITOA members by market was: **North America 25%, Continental Europe 14%, GB 3% and Other Markets 5%**.

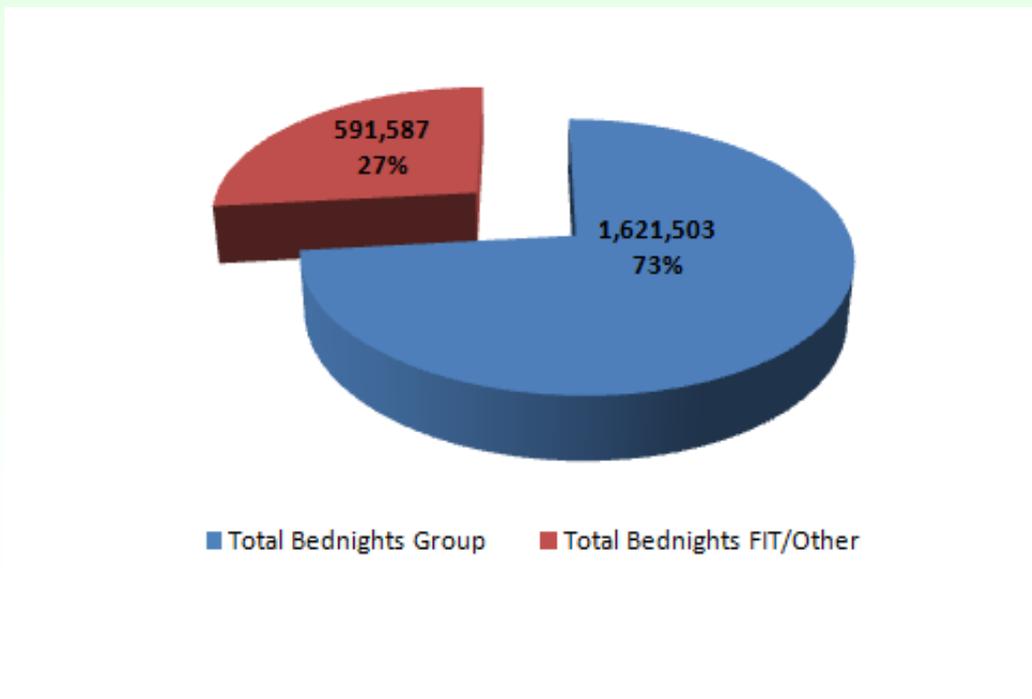
Q6a. Please estimate the average length of stay of your incoming visitors in 2013

2013: 29 respondents replied to this question

The weighted average length of stay for Groups in 2013 is estimated at 7.5 nights, with FIT/Other business averaging 4.5 nights.

When compared with 2012, the average length of stay for Groups business has increased by 0.4 nights, from the 2012 estimate of 7.1 nights. The average length of stay for FIT/Other business in 2012 was 4.7 nights.

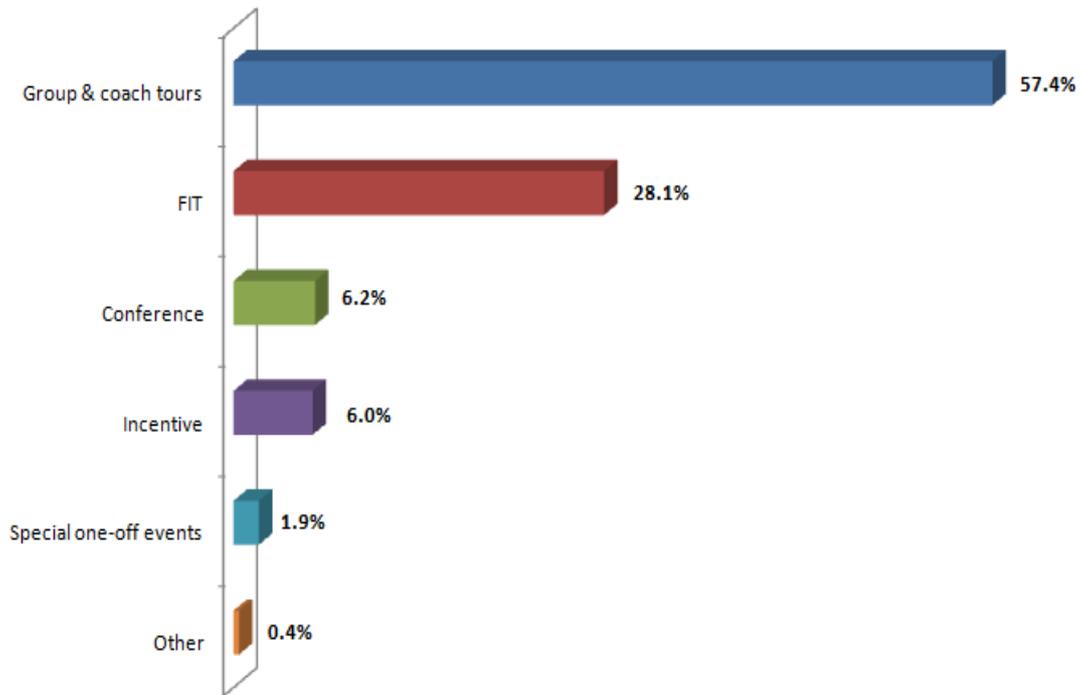
On this basis, the total number of bednights generated by the membership is estimated to have been over 2.2 million bednights in 2013, an increase of over 260,000 bednights on 2012. Group bednights accounted for almost three-quarters of the total (over 1.6 million).



Q7. Please breakdown the total number of incoming visitors handled into the following categories

2013: 29 respondents replied to this question

Number of incoming visitors	2013
Group & coach tours	267,975
FIT	130,841
Incentive	27,945
Conference	28,817
Special one-off events	8,966
Other not stated	1,907
Total	466,451

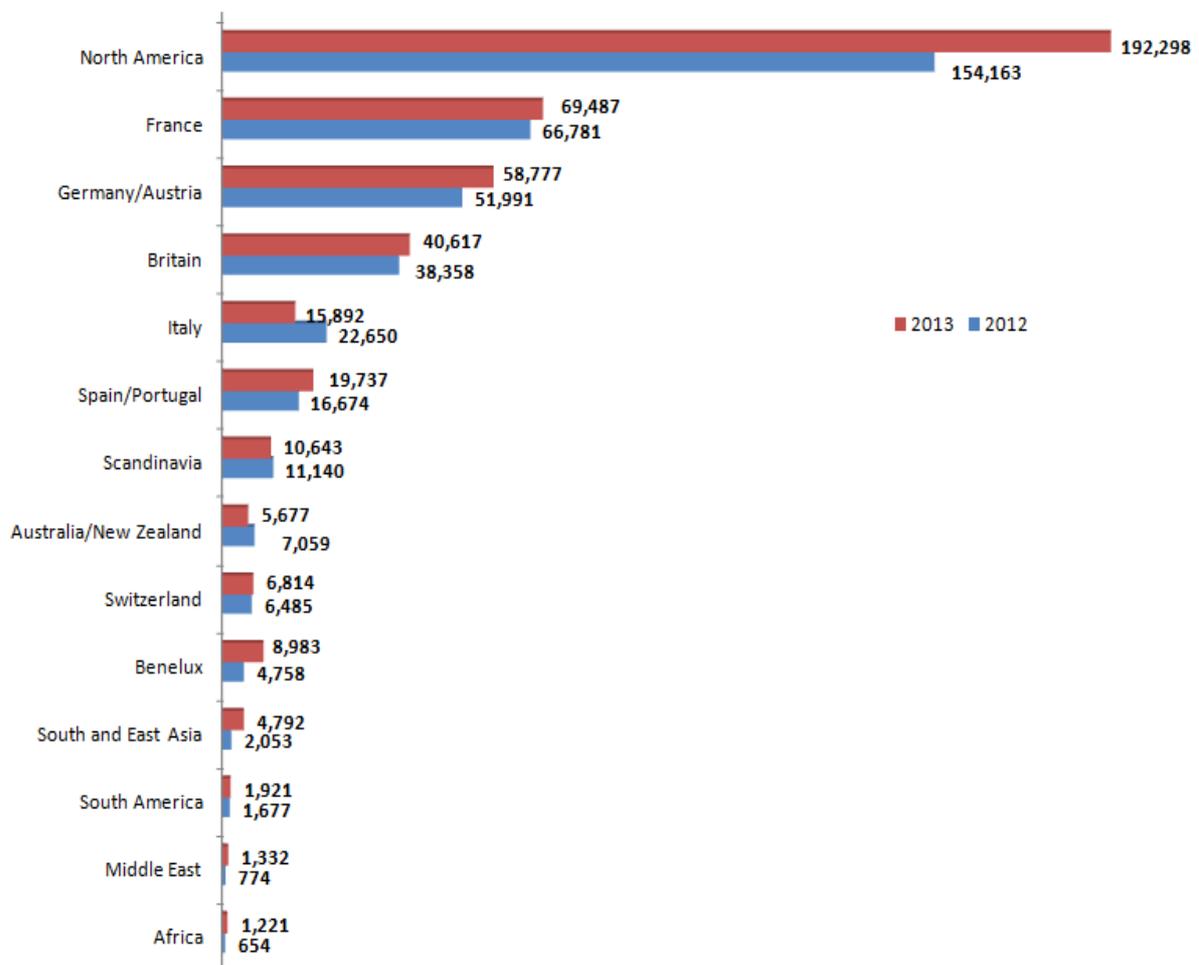


Q8. Please breakdown the total number of visitors handled by source market

2013: 29 respondents replied to this question

Source Market	2013
Mainland Europe	44.9%
North America	41.5%
Britain	8.7%
Australia/New Zealand	1.2%
Other & Eastern Europe	1.6%
South & East Asia	1.0%
South America	0.4%
Middle East	0.3%
Africa	0.3%
Total	100.0%

Estimated Distribution of Tourists by Source Market, 2013 vs. 2012



Market Growth Rates

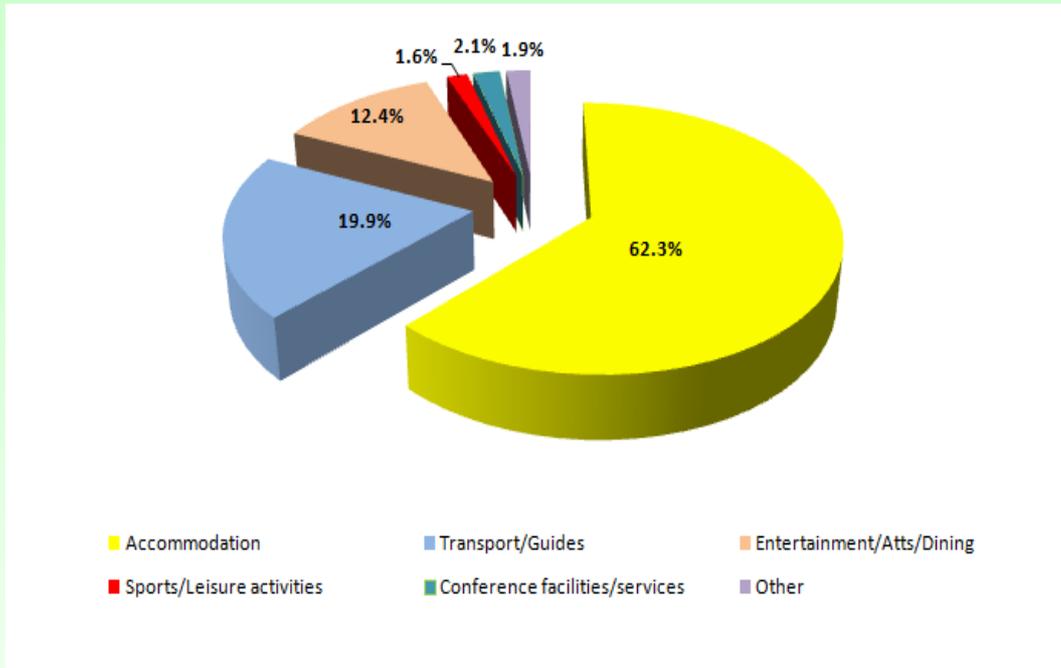
Market	2012/2013 % +/-
North America	24.2%
France	4.1%
Germany/Austria	28.8%
Benelux	88.8%
Britain	5.9%
Italy	-29.8%
Spain/Portugal	18.4%
South America	14.5%
Australia/New Zealand	-19.6%
South & East Asia	133.4%

The distribution of visitors by source market shows that there were increases in the majority of main markets, with the exception of Italy in 2013. Significant increases were recorded for Germany/Austria (28.8%), North America (24.2%) and Spain/Portugal (18.4%). The British and French markets increased marginally by 5.9% and 4.1% respectively.

Overall, the four largest markets generated 77% of the total number of tourists in 2013, slightly up from a 74% share recorded in 2012.

Q9. What was the distribution of your purchasing on the Island of Ireland in 2013 by main product category?

2013: 29 respondents answered this question

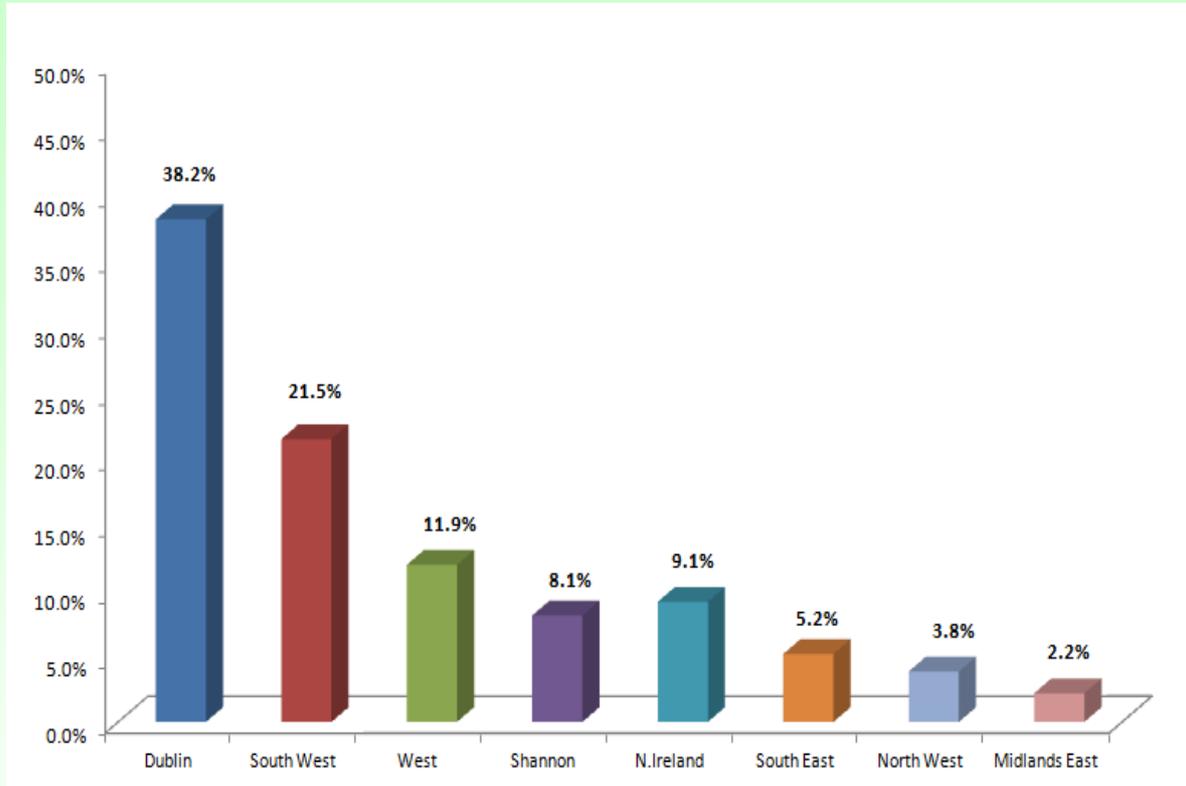


Source Market	2013
Accommodation	62.3%
Transport/Guides	19.9%
Entertainment/Attractions/Dining	12.4%
Conference facilities/services	2.1%
Other	1.9%
Sports/Leisure Activities	1.6%
Total	100.0%

Accommodation accounted for close to two-thirds of the procurement of services by ITOA members in 2013. Transport and entertainment are the other two major areas of expenditure. This was in line with 2012.

Q10. What was the regional distribution of your business in 2013 by value?

2013: 29 respondents replied to this question



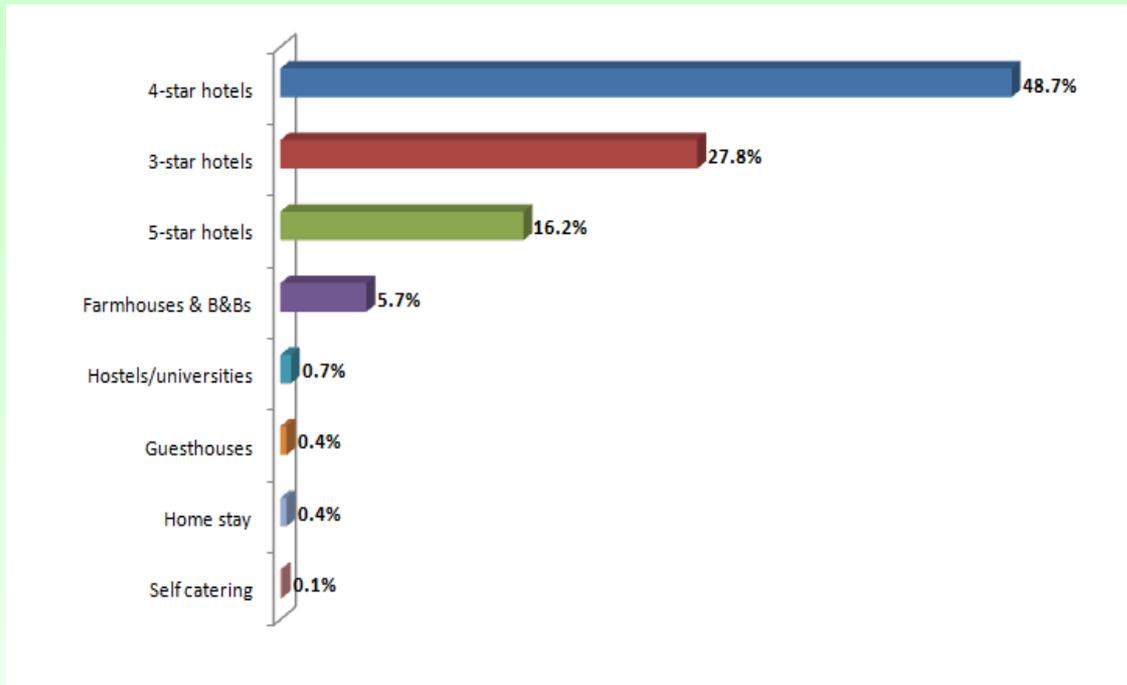
	Dublin	South West	West	Shannon	NI	South East	North West	Midlands-East
2013	38.2%	21.5%	11.9%	8.1%	9.1%	5.2%	3.8%	2.2%

Dublin accounted for 38% of total turnover in 2013, marginally down on the 41% recorded in 2012. The balance (62%) of ITOA members' business was distributed throughout the regions, highlighting the crucial role that Incoming Tour Operators perform in promoting the regional distribution of tourism in Ireland as a whole.

Q11. What was the distribution of your purchasing on the Island of Ireland in 2013 within the following product categories?

a) Purchasing of Accommodation

2013: 28 respondents replied to this question



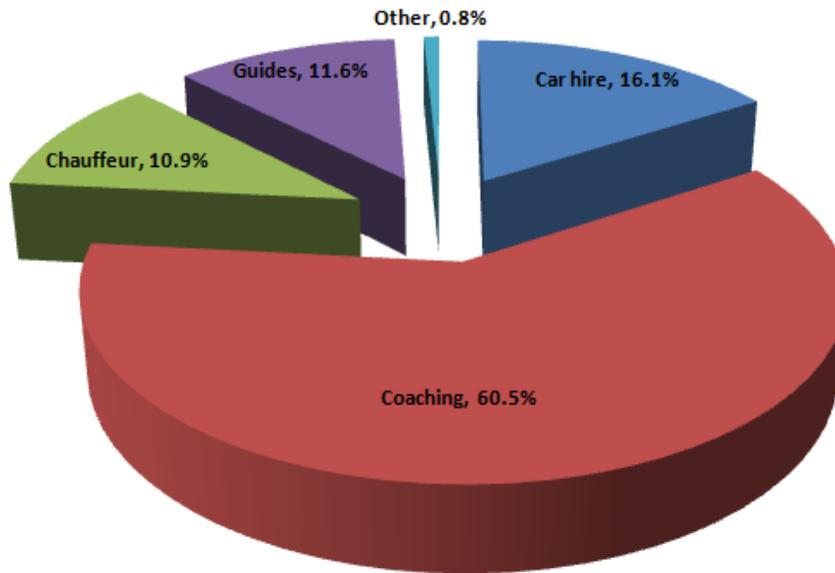
Accommodation	2013
4-star hotels	48.7%
3-star hotels	27.8%
5-star hotels	16.2%
Farmhouses & B&Bs	5.7%
Hostels/Uni's	0.7%
Guesthouses	0.4%
Home stay	0.4%
Self catering	0.1%

4-star hotels continued to be the dominant accommodation option, with a marginal increase to 48.7% of purchasing in 2013 over the 2012 total of 46.5%. However, there was a slight decrease in both the purchasing of 5-star and 3-star hotel accommodation, with both segments share of purchasing decreasing marginally in 2013.

Q11. What was the distribution of your purchasing on the Island of Ireland in 2013 within the following product categories?

b) Purchasing of Transport

2013: 29 respondents replied to this question



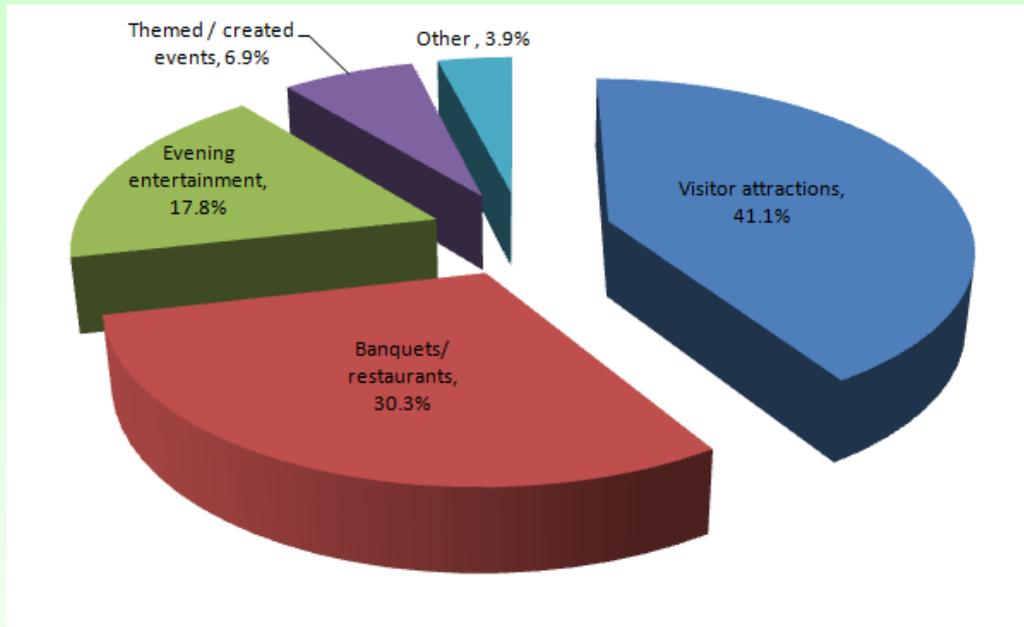
	Coaching	Car Hire	Guides	Chauffeur	Other
2013	60.5%	16.1%	11.6%	10.9%	0.8%

This pattern reflects the continuing large share of overall business attributable to Group & Coach Tours.

Q11. What was the distribution of your purchasing on the Island of Ireland in 2013 within the following product categories?

c) Purchasing of Entertainment / Attractions

2013: 23 respondents replied to this question

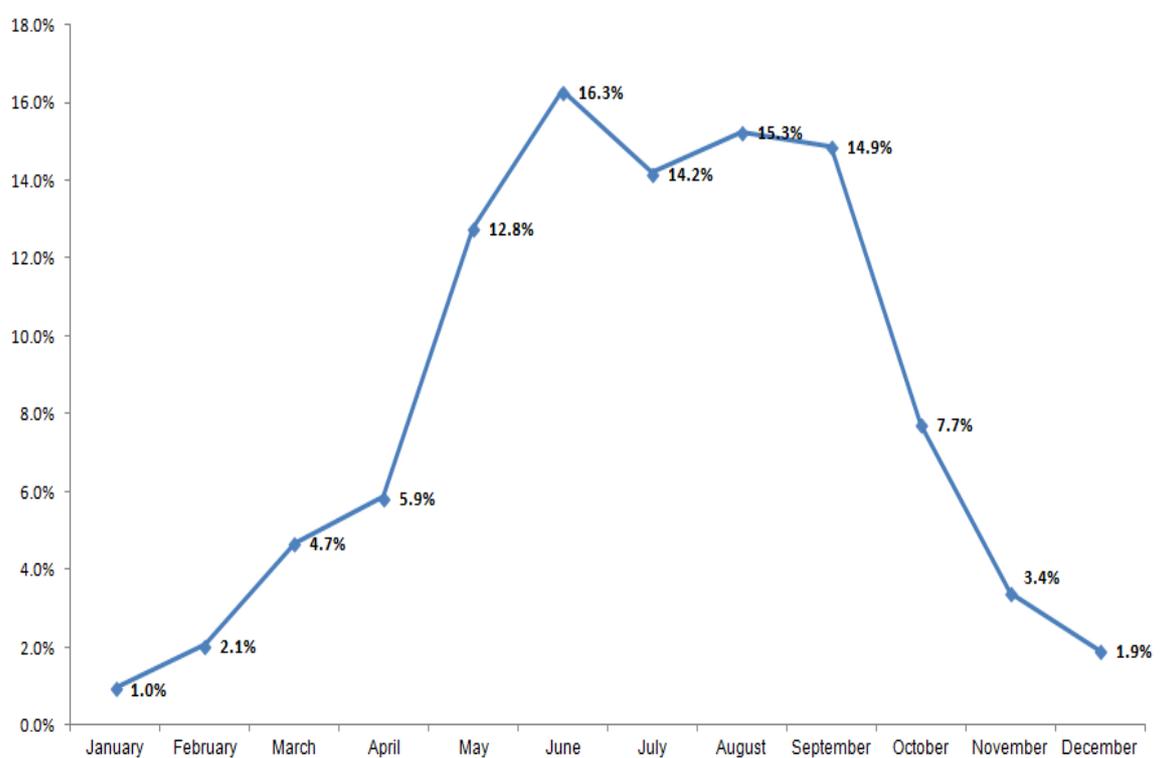


	Visitor attractions	Banquets/restaurants	Evening entertainment	Themed / created events	Other
2013	41.1%	30.3%	17.8%	6.9%	3.9%

Over the years, visitor attractions have accounted for an increasingly large share of this component of procurement – in 2005, they took just 26% of the total, whereas in 2012 they represented 38%. This rose to 41% in 2013. The share of banquets/restaurants decreased marginally in 2013 to 30%, down from a 37% share in 2012.

Q12. What was the seasonal distribution of your business in 2013 by value?

2013: 29 respondents replied to this question



	2013
January	1.0%
February	2.1%
March	4.7%
April	5.9%
May	12.8%
June	16.3%
July	14.2%
August	15.3%
September	14.9%
October	7.7%
November	3.4%
December	1.9%

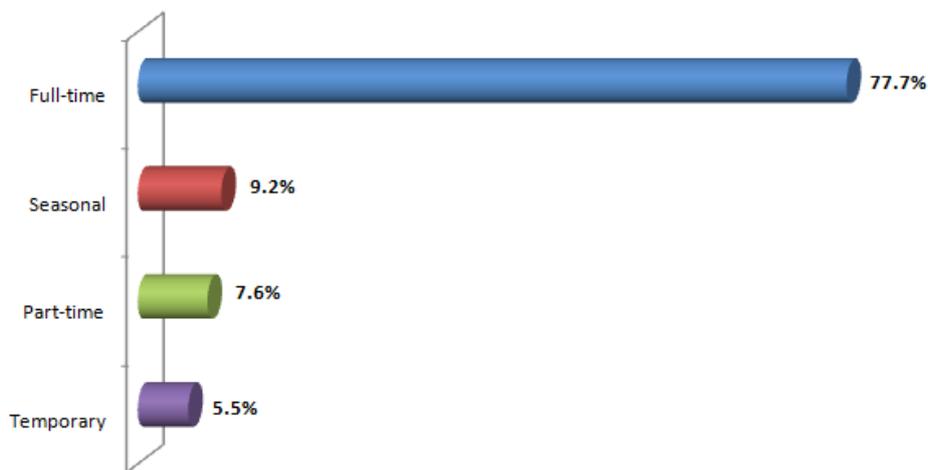
The shoulder months of March/April and October showed a slight decrease in share over 2012 – decreasing from 22.8% in 2012 to 18.3% in 2013. However, there tends to be a degree of fluctuation from year to year in the share of demand recorded for these months, to a degree reflecting particular initiatives and events that take place.

Q13. How many staff did you employ in 2013?

2013: 29 respondents replied to this question

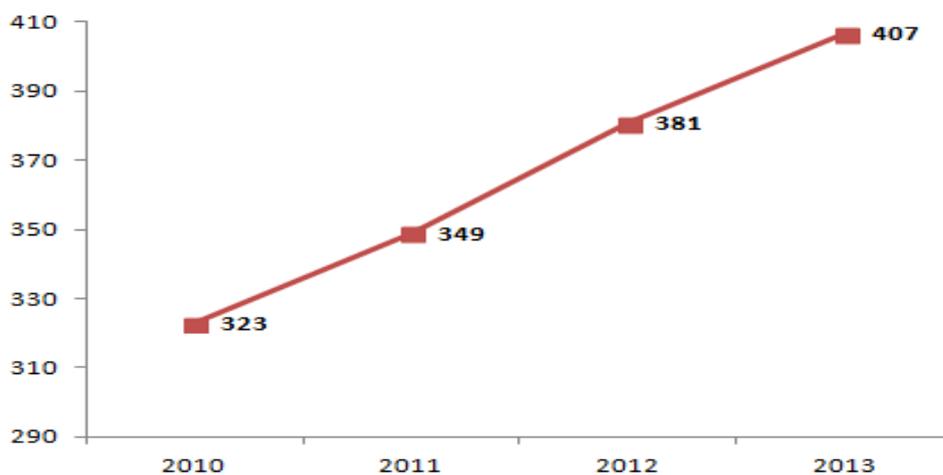
A total of **524 staff** were employed in 2013. The distribution of staff by employment category is as follows:

	2013
Full-time	77.7%
Seasonal	9.2%
Part-time	7.6%
Temporary	5.5%



As shown in the chart below, there was a 6.8% increase in the number of full time staff employed between 2012 and 2013, building on a 9.2% increase between 2011 and 2012.

No. of Full Time Staff



Q14. What, if any, skill and/or educational deficits did you experience when recruiting staff in 2013?

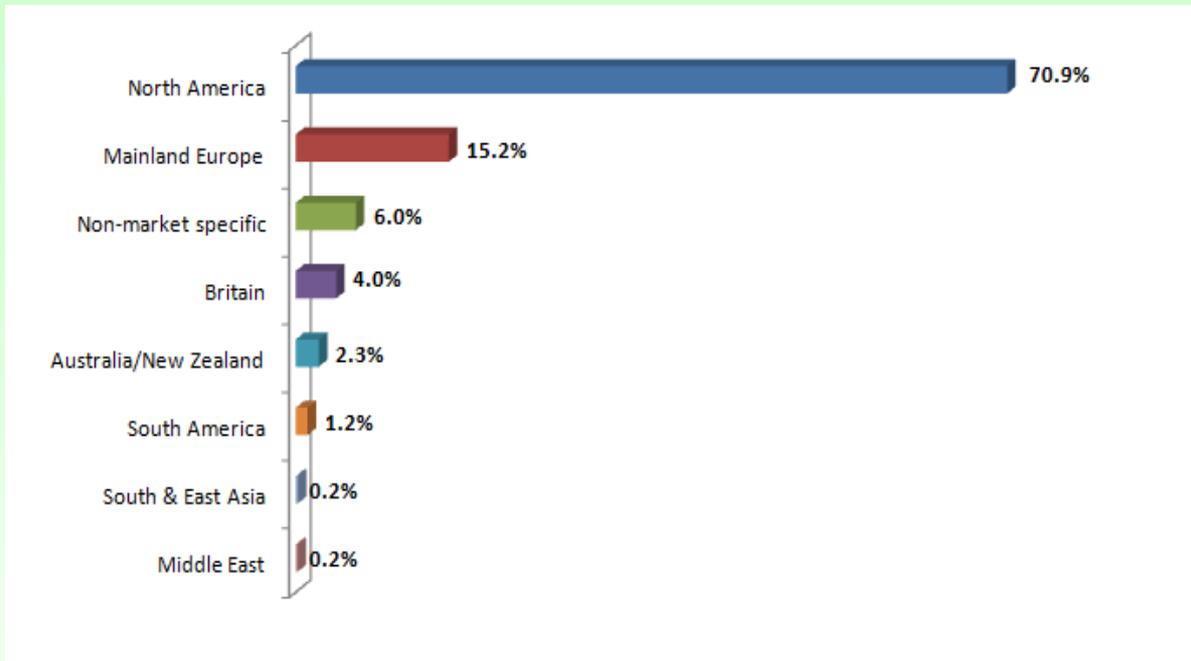
There was a low response rate to this question in general, with only over half of respondents identifying any skills/educational deficits of concern to them when recruiting staff.

For 2013, in line with the 2012 findings, the majority of respondents stated that a poor knowledge of tour operating, poor knowledge of the Irish tourism product and a poor knowledge of Ireland itself were the principal deficiencies encountered when recruiting staff.

Foreign language skills deficits are becoming less of an issue, with only a couple of respondents identifying weaknesses with German. Poor writing skills and poor verbal communication skills were also mentioned by respondents, albeit a small number.

Q15. What was the distribution of your marketing expenditure in 2013?

2013: 29 respondents replied to this question



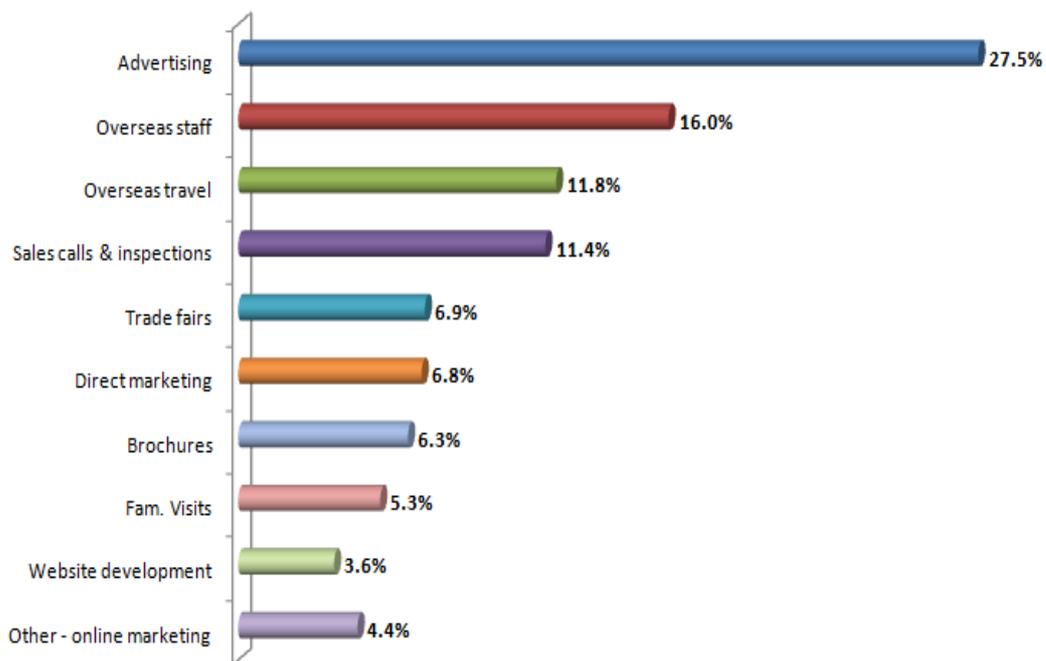
	2013
North America	70.9%
Mainland Europe	15.2%
Non-Market Specific	6.0%
Britain	4.0%
Australia / New Zealand	2.3%
South America	1.2%
South & East Asia	0.2%
Middle East	0.2%

The total marketing spend of all ITOA members in 2013 is estimated at **€7.19 million**, an increase of 17.0% on the 2012 figure of €6.14 million.

Q16. What was the distribution of your sales & marketing expenditure in 2013 by activity type?

2013: 28 respondents replied to this question

	2013
Advertising	27.5%
Overseas staff	16.0%
Overseas travel	11.8%
Sales calls & inspections	11.4%
Trade fairs	6.9%
Direct marketing	6.8%
Brochures	6.3%
Fam. visits	5.3%
Website development	3.6%
Other – online marketing	4.4%



Q17. How much time in man-days did staff based in Ireland spend travelling overseas in 2013?

2013: 29 respondents replied to this question

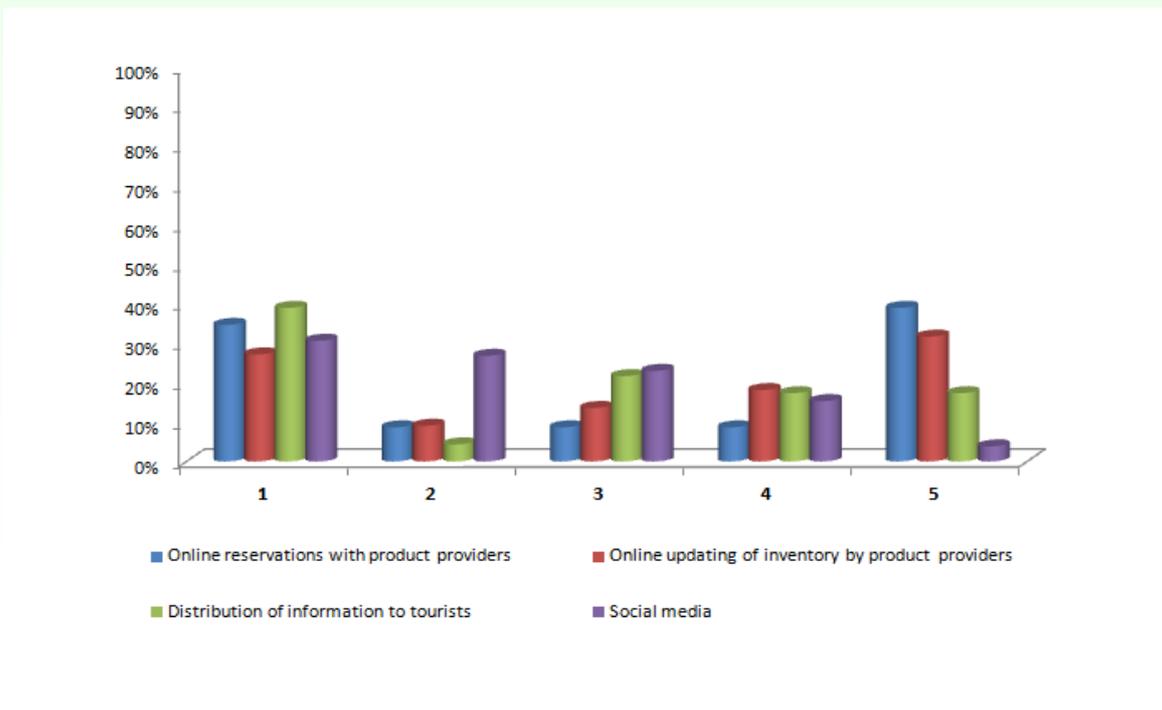
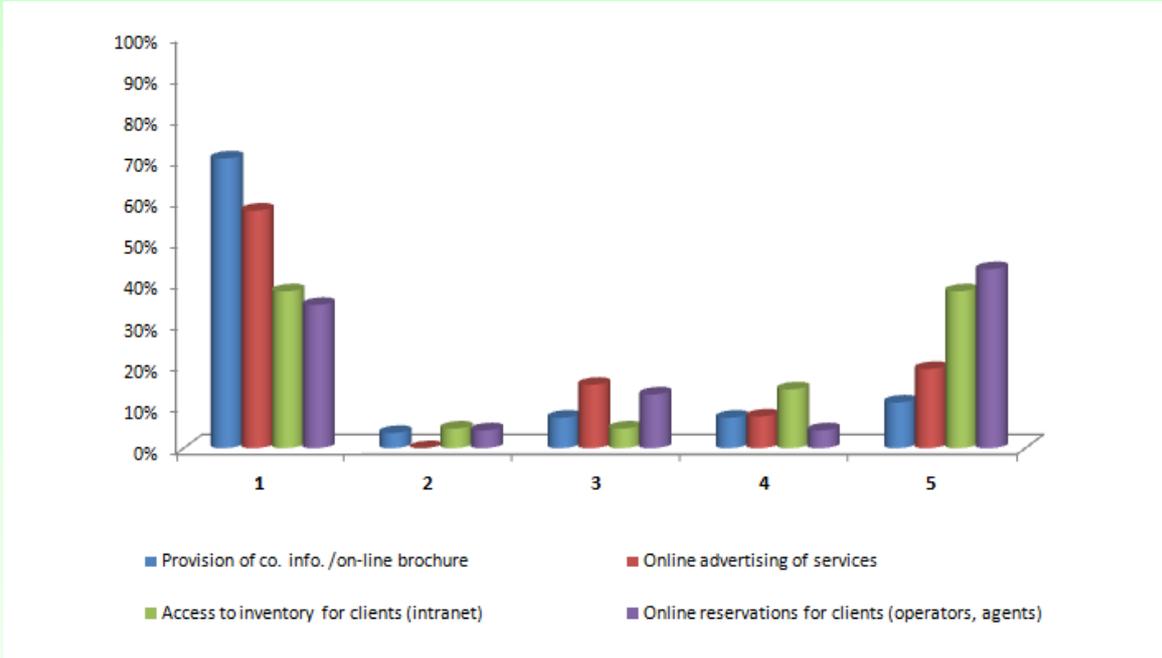
A total of **1,981 man-days** were spent travelling overseas in 2013 by the respondent companies, an increase of 175 man-days on the total of 1,806 man-days reported in 2012 and 467 man-days on the total of 1,514 man-days reported in 2011. This represents a very significant intensification of in-market sales and marketing work.

In effect this represents 9 full-time sales people in the marketplace selling Ireland over a 52 week period.

Q18. Which of the following uses of the Internet does your business with customers include in 2013?

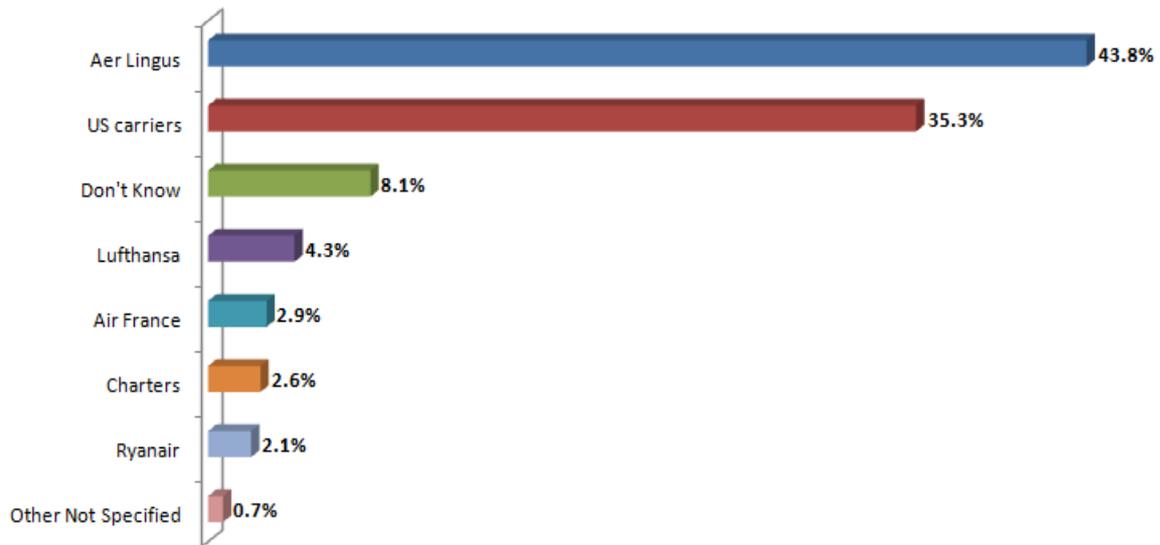
Please indicate the importance of each use, where 1 = very important and 5 = unimportant

2013: between 21 and 27 respondents replied to each of the questions.



Q19: Of your overall group business in 2013, could you identify (approx.) what percentage used the following airlines?

2013: 24 respondents replied to this question



	2013
Aer Lingus	43.8%
U.S. carriers	35.3%
Don't Know	8.1%
Lufthansa	4.3%
Air France	2.9%
Charters	2.6%
Ryanair	2.1%
Other not specified	0.7%

The above chart shows that Aer Lingus continues to have the majority share for all group business carried by members.

Q20: Please identify the major issues that influenced your business performance in 2013: (in order of priority):

2013: 26 respondents replied to this question

Positive Issues

- 1) **The Gathering**, raised the profile of Ireland, increasing positive image and revival of interest in Ireland.
- 2) **Retention of reduced 9% VAT rate** ensuring that Ireland remains competitively priced.
- 3) **Return to growth of global economy**, particularly in the US market; more optimistic and positive business environment and increased spending power in the markets.
- 4) **Better marketing, better support, better media**, increased attendance at trade shows, better marketing, Launch of Discovering Ireland brand website and Better support from tourists boards. Online media updated on a regular basis.
- 5) **Increased access** from North America.
- 6) Increase in **repeat business from existing clients**.
- 7) **Retention of key staff**.

Q20: Please identify the major issues that influenced your business performance in 2013 (in order of priority):

2013: 24 respondents replied to this question

Negative Issues

- 1) Fragility of economic recovery particularly in European markets.
- 2) **Lack of hotel availability** and space at certain times of the year, particularly in Dublin, Galway and Killarney; difficulty in finding good quality alternative hotels at reasonable cost; lack of investment in hotels refurbishment becoming apparent and commented on by customers.
- 3) **Increased overheads** and agents looking for lower prices. Increased pressure on margins as clients look to lower prices.
- 4) Increase in product pricing and **increasing supplier rates**.
- 5) Increasing **access costs** and lack of access to southern and western seaboard is always an issue.

Q21: Please identify the top opportunities to your business performance in the coming 3 years (in order of priority):

2013: 23 respondents replied to this question

Opportunities

- 1) **Increased air access and routes**; most notably from North America, direct flights from West Coast USA and also Canada.
- 2) **Retention of 9% VAT rate and removal of air travel tax** - both hugely positive messages on Ireland's commitment to competitiveness in the Intl markets.
- 3) **Continued growth/recovery of global economy**, and increased consumer confidence in our main markets, slight increase in positivity in the Irish economy.
- 4) **Positivity of and legacy from The Gathering**, continuing momentum from it and opportunities to be gained from new tourism initiatives and products (e.g. Wild Atlantic Way, Battle of Clontarf Millennium Anniversary etc).
- 5) **Increased awareness of Ireland** in international markets and in particular, new and emerging markets (e.g Russia), new clients and repeat clients
- 6) Better use of **social media and technology** as important selling tools (e.g. Twitter, Facebook, LinkedIn), strong online presence.
- 7) **Hotels** being refurbished and upgraded, improving tourism stock with hotels being bought from NAMA providing greater certainty on future trading.

Q21: Please identify the top threats to your business performance in the coming 3 years (in order of priority):

2013: 24 respondents replied to this question

Threats

- 1) **Lack of hotel space availability**, particularly in Dublin city centre and generally at weekends; impacting on business in other locations also
- 2) **Rates are beginning to rise at an unsustainable pace**. Perception that the worst is over in terms of recession however economies are still fragile in our main overseas markets and competitiveness is still a vital component of our continued recovery.
- 3) **Continued and increasing competition** from other destinations, (e.g. Scotland, England).
- 4) Threat of **increasing access costs** if flights are reduced; while there are more flights from the USA and Canada costs are still high.
- 5) **Internet operators and online booking engines**, unexpected changes in Google search methodology.
- 6) **Loss of the reduced VAT rate of 9%**; Government policy on VAT and tourism marketing initiatives.

4. LIST OF MEMBERS IN 2013

No.	Organisation
1.	A Touch of Ireland
2.	Abbey Tours
3.	Advantage ico
4.	Alainn Tours
5.	Aspects of Ireland
6.	Brendan Vacations Ireland
7.	CIE Tours International
8.	Custom Ireland
9.	Eirebus DMC
10.	Emerald Elite Group
11.	Excursions Ireland
12.	Exploring Ireland
13.	Green Light Events
14.	Hello Ireland Tours
15.	Into Ireland Travel
16.	Irish Education Partners
17.	Irish Rugby Tours
18.	Irish Welcome Tours
19.	IrishTourism.com
20.	Joe O'Reilly Ireland Group
21.	Limerick Travel
22.	Moloney & Kelly Travel
23.	Odyssey International
24.	Ovation Ireland
25.	Premier Travel
26.	Specialised Travel Services
27.	Terry Flynn Tours
28.	Travel Choice Ltd.
29.	Vagabond Adventure Tours
30.	Wallace Travel Group

5. SURVEY QUESTIONNAIRE



INCOMING TOUR OPERATORS ASSOCIATION - IRELAND Survey of Membership Business, 2013

Please return the completed survey form by e-mail to smcmahon@chl.ie

This confidential survey is being conducted by CHL Consulting Co. Ltd. on behalf of the Irish Tour Operators Association (ITOIA). The purpose of the survey is to gather core information on the business operations of ITOIA members in 2013, and on key issues that are affecting performance. The findings of the survey will enable the ITOIA to represent and promote the interests of its members more effectively and to influence external bodies including Tourism Ireland, Fáilte Ireland, ITIC and the IHF. **Your input is vital.** The survey is strictly confidential. CHL will not release completed questionnaires to any other person or organisation under any circumstances. The findings will be aggregated in our analysis and our report will not identify any individual or company.

Please complete this Excel survey and Save As an Excel file with the name of your Organisation, and return directly to CHL Consulting by email by Friday, 24 January, 2014. Please call Michael Counahan or Siobhán McMahon at CHL (tel: 01 284 4760 / smcmahon@chl.ie) if you have any queries.

NOTE: ALL DATA PROVIDED SHOULD REFER TO THE YEAR 2013

1) Company Name: _____

2) Questionnaire completed by: _____

3a) What was your gross turnover in 2013, including VAT? _____ €

3b) What was the value of your total purchasing from Irish suppliers in 2013?
Note: include all suppliers in both N.I. and Republic _____ €

4) What % of your turnover came from the following business channel?

Channel	% share of turnover	Channel	% share of turnover
Tour Operators	_____	Incentive Houses	_____
Travel Agents	_____	Conference	_____
Internet (B2B online bookings)	_____	Cruise	_____
Customer Direct (online bookings)	_____	Other (please specify)	_____
Customer Direct (non-internet bookings)	_____	Total	0.0%

5) What % of your turnover came from the following product categories in 2013?

Category	% share of turnover	Category	% share of turnover
Group & Coach tours (incl. student, language, & special interest)	_____	Conference (incl. event management)	_____
FIT	_____	Special One-Off Events (e.g. USA Football Game, Tall Ships 2012, Eucharistic Congress)	_____
Incentive	_____	Other (please specify)	_____
Cruise Excursions	_____	Total	0.0%

6) How many incoming visitors did you handle in 2013?

Direct (all packages including accommodation) _____

Indirect (programmes/packages not including accommodation) _____

Total _____

a) Please estimate the average length of stay of your incoming visitors in 2013

Group	_____	days
FIT/Other	_____	days

(Your estimate of the average length of stay per visitor will enable us to estimate the total number of bednights generated which, in turn, will facilitate the calculation of economic contribution. In the case of groups, this could be done, for example, by adding the duration of stay by all groups, and dividing by the number of groups; in the case of FITs, this may be down to your best estimate based on the typical length of an FIT programme.)

7) Please breakdown the total number of incoming visitors handled into the following categories

Category	No.	Category	No.
Group & Coach tours (incl. student, language, & special interest)	_____	Conference (incl. event management)	_____
FIT	_____	Special One-Off Events (e.g. USA Football Game, Tall Ships 2012, Eucharistic Congress)	_____
Incentive	_____	Other (please specify)	_____
Cruise Excursions	_____	Total	0

8) Please breakdown the total number of incoming visitors handled by source market?

Source Market	No.	Source Market	No.
Britain		Other Europe	
Mainland Europe		- Andorra	
- Germany/Austria		- Armenia	
- France		- Azerbaijan	
- Benelux		- Georgia	
- Italy		- Cyprus	
- Switzerland		- Iceland	
- Spain/Portugal		- San Marino	
- Scandinavia		- Liechtenstein	
- Greece		- Turkey	
Eastern Europe		- Malta	
- Albania		- Monaco	
- Belarus		- Montenegro	
- Bosnia & Herzegovina		- Vatican City	
- Bulgaria		North America	
- Croatia		- USA	
- Czech Republic		- Canada	
- Estonia		- Mexico	
- Hungary		South America	
- Kosovo		Middle East	
- Latvia		South and East Asia	
- Lithuania		Australia/New Zealand	
- Macedonia		South Africa	
- Moldova		Other Africa	
- Romania		Ireland	
- Poland			
- Russia			
- Serbia			
- Slovakia			
		Total	0

9) What was the distribution of your purchasing in Ireland, North and South, in 2013 by main product category?

Product Category	% Total Purchasing	Product Category	% Total Purchasing
Accommodation		Sports/Leisure Activities (golf, equestrian etc.)	
Transport/Guides		Conference facilities/services	
Entertainment/Attractions/ Dining		Other (please specify)	
		Total	0.0%

10) What was the regional breakdown of your business in 2013 by value?

Region	% share of turnover	Region	% share of turnover
Dublin		Shannon	
Midlands-East		West	
South-East		North-West	
South-West		N.Ireland	
		Total	0.0%

11) What was the distribution of your purchasing in Ireland, North and South, in 2013 within the following product categories?

A) Accommodation	%	B) Transport	%	C) Entertainment/Attractions	%
3-star hotels		Car hire		Visitor attractions	
4-star hotels		Coaching		Banquets/restaurants	
5-star hotels		Chauffeur		Evening entertainment	
Guesthouses		Guides		Themed/created events	
Farmhouses & B&Bs		Other		Other	
Self-catering				Total	0.0%
Hostels/Universities					
Home stay					
Other					
Total	0.0%				

12) What was the seasonal distribution of your business in 2013 by value?

Month	% share of turnover	Month	% share of turnover
January		July	
February		August	
March		September	
April		October	
May		November	
June		December	
		Total	0.0%

13) How many staff did you employ in 2013?

Category	No.	Category	No.
Full-time		Seasonal	
Part-time		Temporary	
		Total	0



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