



German Market
A Strategy for Growth
2018-2025

 **Tourism Ireland**
Marketing the island of Ireland overseas



GERMAN MARKET: A STRATEGY FOR GROWTH

Tourism Ireland, Fáilte Ireland, Tourism Northern Ireland, the industry and overseas trade have worked together to undertake a comprehensive review of the German market in order to increase holidaymakers to the island of Ireland. This collaborative endeavour will enable the island of Ireland to build on recent successes, and to anticipate the various opportunities and challenges that lie ahead.

The German Strategy – an iterative process



The strategy presents key strategic imperatives and action plans on which we will focus resources to deliver on our future ambitions and growth targets.

The majority of recommendations outlined in the strategy are designed to be adopted and implemented over a four-year period. However, given the need to ensure the development of new products and experiences to meet the needs of the German holidaymaker, a broader strategy has been developed with an eight-year horizon to 2025, allowing for longer-term planning and capital investments to be made.

The final section of this document outlines the action plans for Tourism Ireland, Fáilte Ireland, Tourism Northern Ireland, the industry and overseas trade that will deliver on the strategy.



GERMAN MARKET CONTEXT

Strong growth in recent years, with visitor revenue increasing by +62% between 2012-2016, has been driven by effective communications and sales activity, increased access and positive macro-economic conditions.

- > The island of Ireland brand is strong, however there has been some decline in interest levels, compared with the competition
- > Consumer perceptions of the island of Ireland are positive – specifically the island’s nature and untouched beauty
- > There is a clearly defined consumer segment – the Culturally Curious have a strong affinity to what the island of Ireland offers. Motivated by ‘living historical stories’ and ‘active in nature’, they are the largest and best-defined consumer segment and are pre-disposed to visit the island of Ireland
- > Access, both air and sea, is trending upwards
- > Positive growth is forecast for 2018-2021

SCALE OF AMBITION

The period of the strategy is set from 2018-2025 to allow for a longer lead in time for product and experience development, while four-year action plans have also been developed for the period 2018-2021.

In setting the growth target, two scenarios have been developed, both based on increased marketing investment.

These growth scenarios are set out as follows:

| Scenario 1 | | Scenario 2 | |
|----------------------------------|--------------|----------------------------------|--------------|
| Budget 2017 | €4m | Budget 2017 | €4m |
| Budget 2021 | €7m | Budget 2021 | €9m |
| Visitor numbers (2018-2021) | +20% (800k) | Visitor numbers (2018-2021) | +29% (860k) |
| Holidaymaker revenue (2018-2021) | +27% (€375m) | Holidaymaker revenue (2018-2021) | +36% (€400m) |



RESEARCH AND INSIGHTS INFORMING THE STRATEGY

Understanding the consumer journey is key to unlocking growth potential.

In addition to the collation and analysis of existing data, new research was undertaken as part of the review in order to deepen and enrich our understanding of the journey our target consumers take when choosing their holiday. This research reviewed holiday choices and mapped the 'path to purchase' for those considering visiting the island of Ireland or competing destinations. This granular analysis has generated new insights that will inform our future business plans.

Key findings:

- > The island of Ireland brand needs to be more distinctive in order to motivate German consumers to choose us over competitors
- > Visual stimuli is a very important motivator for the German consumer – particularly the use of inspiring video and imagery
- > Concerns that need to be addressed include a dearth of destination knowledge (things to see and do), cost, ease of access, weather and the perceived quality of food
- > Consumers seek multiple recommendations/ reassurance before booking and their main sources of information include friends and family, search engines and guidebooks
- > The internet is used extensively to plan and prepare for a holiday
- > The island of Ireland and Northern Ireland in particular will benefit from being more visible and topical
- > Consumers evaluate price early and often when planning their holiday, with 53% looking at price comparison websites and online travel operators

FOCUS ON THE BEST-PROSPECT CONSUMER SEGMENTS

- > Concentrate resources on targeting the **Culturally Curious**, the largest segment in Germany (27%). This consumer segment will be the core focus of attention for 'above the line' communications. They are particularly warm towards the island of Ireland (46% of current visitors) as a holiday destination and are significantly more receptive to our brand messaging than other segments.
- > The secondary target segment is **Great Escapers**. This segment represents 24% of the addressable market and shares many common motivations and purchase behaviours with the Culturally Curious. Therefore, we are able to use the same media buying strategy and marketing communications to target this segment in a cost-effective way.

STRATEGY TO DELIVER GROWTH

A strategic plan has been developed which identifies market segments, addresses the challenges and provides opportunities for continued growth and development.

The strategy focuses on the following priority areas:

1. BRAND AND MARKETING

Creating the conditions for sale through effective and distinctive positioning of the island of Ireland brand

2. DISTRIBUTION AND PURCHASABILITY

Strengthening the island of Ireland's presence and efficacy at all stages in the consumers' path to purchase

3. PRODUCT AND EXPERIENCE

Development and delivery of products and experiences that resonate and motivate the consumer and create standout for the island of Ireland as a holiday destination, thereby delivering a basis for competitive advantage. Tourism infrastructure must also be developed further

4. MARKET AND CONSUMER INSIGHTS

Delivery and application of relevant, timely and actionable market/consumer insights to ensure focused strategy implementation

5. ACCESS

Access development will play a vital role in supporting and delivering the growth targets

6. REGIONAL AND SEASONAL DEVELOPMENT

Development of regional and seasonal offerings to facilitate incremental and sustainable growth and strengthen the 'order book' in terms of where and when German holidaymakers will travel

7. INDUSTRY COLLABORATION AND ACTIVATION

Growth driven from the ground up by an informed, ambitious, collaborative and pro-active industry and trade



STRATEGIC PRIORITIES



BRAND AND MARKETING

- > Increase investment in distinctive, outstanding and engaging communications
- > Promote both iconic and new experiences
- > Provide compelling reasons/motivations for Germans to holiday on the island of Ireland
- > Align agency, industry and trade marketing messages for greater impact



DISTRIBUTION AND PURCHASABILITY

- > Strengthen the island of Ireland's presence and value at all stages of the path to purchase
- > Remain visible and active on key marketing channels, especially during the main booking period
- > Create and optimise the most effective conditions for sale



PRODUCT AND EXPERIENCES

- > Develop and deliver products and experiences that specifically appeal to the German segments with a focus on 'living historical stories' and 'active in nature' motivators
- > Create and promote specific seasonal and regional propositions which can be actively sold
- > Encourage greater connectivity in the development of North-South products and experiences
- > Increase the number of German speaking guides and enhance translation and interpretation facilities
- > Invest in key facilities, such as car parking, toilets etc. at visitor attractions to enhance the experience and improve visitor management
- > Devise an approach, process and system to manage visitor flow and avoid overcrowding at key attractions, enabled and supported by online booking capabilities



MARKET AND CONSUMER INSIGHTS

- > Create an environment where tourism agencies, industry and trade share data, market insights, segment overviews, research, communication guidelines and sales toolkits
- > Ensure consistency of consumer-focused messages from partners and agencies through sharing of messaging, photography and video content



ACCESS

- > Encourage and exploit the introduction of new routes and drive demand for existing services, particularly those to regional airports and those important to off-season business
- > Share market intelligence with air and sea carriers to encourage new strategic routes
- > Work with airports and carriers to develop new routes into Northern Ireland
- > Implement more co-operative campaigns with carriers



REGIONAL AND SEASONAL DEVELOPMENT

- > Develop and implement a product and experience development roadmap
- > Focus on key 'seasonal extension' and regional development initiatives
- > Define and establish the Northern Ireland Proposition of Scale
- > Ensure the opening of product/experiences, accommodation, restaurants and other tourism businesses is sustained further into the shoulder seasons
- > Consolidate the promotion of products and experiences which incorporate both Northern Ireland and the Republic of Ireland including golf, coastal drives and lakeland products



INDUSTRY ACTIVATION AND COLLABORATION

- > Build industry understanding of the German consumer
- > Encourage the industry to share relevant and real-time information and insights
- > Monitor the value-for-money offering
- > Provide cost-effective marketing platforms and digital sales opportunities for industry partners to utilise and exploit
- > Highlight industry and trade's 'value offerings' more obviously in our marketing campaigns
- > Greater collaboration with agencies on the image inventory
- > Develop Northern Ireland industry's sales capabilities and experiences

Action plan to deliver growth

Brand and Marketing

- > Create new, differentiated messages for TV and digital communications
- > Increase brand-led co-operative campaigns
- > Generate a new range of online videos to address barriers, such as food, music, activities and push regional and seasonal extension
- > Share content and imagery and encourage the use by all partners in order to underpin consistent messages

Distribution and Purchasability

- > Make the island of Ireland more visible where consumers are looking and booking
- > Work with partners to develop value-for-money initiatives

Product and Experience

- > Build on and promote the strengths of the experience brands and define and establish Northern Ireland Proposition of Scale
- > Assist Fáilte Ireland and Tourism Northern Ireland to ensure that the industry are prepared for working in the German market
- > Work with the two agencies and industry to pilot off-season initiatives

Insight

- > Develop actionable insights based on primary research and monitor market and consumer trends so we can all improve our marketing activities
- > Share our understanding of the market and consumers with the agencies and partners to underpin product development

Access

- > Work with airports to encourage new strategic routes, particularly to regional areas
- > Work with air and sea carriers to maximise opportunities for new and existing access, particularly in the shoulder season

Industry Collaboration and Activation

- > Continue successful collaboration with all stakeholders, maintaining relationships and being better informed to achieve common goals
- > Create an environment which will enable better sharing of information

Regional and Seasonal Development underpins each of the key strategic priorities.



Brand and Marketing

- > Provide in-depth product knowledge and real-time updates to inform marketing communications
- > Share content developed through activity for the domestic market
- > Provide the industry with the skills to be active at the appropriate stages of the purchase funnel
- > Work on seasonal extension initiatives and thereby assist the value for money messaging

Distribution and Purchasability

- > Work with Tourism Ireland to ensure buyers and channel intermediaries are aware of the product development pipeline
- > Encourage the industry to drive value for money messaging
- > Develop sales/brand 'toolkits' to assist industry in becoming market-ready

Product and Experience

- > Focus on the development of experiences which are the most appealing to the German market – in particular experiences that enable a connection to the landscape
- > Develop and extend range of things to see and do, in particular our iconic historic attractions
- > Develop products and experiences that will encourage travel to various regions on the island and in the off-season
- > Increase German interpretation and guiding at key attractions
- > Implementation of best-practice mechanisms to increase capacity and fill existing underutilised capacity at attractions
- > Evaluate and define niche opportunities in the German market

Insight

- > Work with Tourism Ireland to implement an overarching shared research strategy

Access

- > Work with the industry to maximise the opportunities from new and existing routes

Industry Collaboration and Activation

- > Develop toolkits to assist the industry in becoming market-ready

Regional and Seasonal Development underpins each of the key strategic priorities.

Action plan to deliver growth



**tourism
northernireland**

Brand and Marketing

- > Provide in-depth product knowledge and real-time updates to inform marketing communications
- > Share content developed through activity for the domestic market

Distribution and Purchasability

- > Strengthen the sales capabilities of Northern Ireland industry, focusing on those with a product for the market through a marketing and sales skills training programme
- > Encourage the industry to take advantage of the competitive exchange rate

Product and Experience

- > Define, establish and develop the Northern Ireland Proposition of Scale
- > Develop and deliver a range of compelling experiences that showcase Northern Ireland's distinctive offering
- > Evaluate and define niche opportunities and establish experience bundles for outdoor activities
- > Integrate the food offering into all experiences and communications
- > Strengthen the connectivity between Northern Ireland experiences and that on the northern half of the island of Ireland

Insight

- > Work with Tourism Ireland to implement an overarching shared research strategy

Access

- > Maximise the opportunity of the Berlin-Belfast route

Industry Collaboration and Activation

- > Deliver an industry workshop to highlight opportunities in the German market

Regional and Seasonal Development underpins each of the key strategic priorities.

Action plan to deliver growth

Island of Ireland Industry

Brand and Marketing

- > Support the island of Ireland communication and marketing messages through appropriate product and experiences
- > Lobby and case-make for enhanced marketing funds for Tourism Ireland
- > Collaborate with agencies on campaigns and image inventory – using toolkits developed by agencies
- > Increase industry marketing in Germany using island of Ireland assets

Distribution and Purchasability

- > Increase island of Ireland industry bookability through online channels
- > Increase attendance on German market sales trips and trade shows
- > Work on initiatives to spread regional and seasonal business where possible

Product and Experience

- > Ensure that quality of experience ratings remain high as per annual surveys
- > Continue to offer good value for money as measured by annual surveys
- > Lobby for state charges, North and South, to remain competitive including VAT and air passenger duty
- > Increase the supply of suitable accommodation
- > Increase German interpretation and guiding with support of Fáilte Ireland and Tourism Northern Ireland

Insight

- > Leverage German market insights that are provided by agencies

Access

- > Maximise opportunities of new and existing air and sea access
- > Lobby for expediting the second runway and new infrastructure at Dublin Airport

Industry Collaboration and Activation

- > Lobby for enhanced public investment in tourism infrastructure and product
- > Increase hotel and private sector attraction capacity to achieve new drivers of growth and introduce competition
- > Support product investment plan of Fáilte Ireland and Tourism Northern Ireland by encouraging large-scale investments in tourism experiences
- > Work with agencies to exploit the island of Ireland's food offering
- > Develop Lakelands/Midlands brand with Fáilte Ireland that has particular appeal to German market

Regional and Seasonal Development underpins each of the key strategic priorities.



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For further information please visit
www.tourismireland.com

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