



US Market

A Strategy for Growth

2018-2025



Tourism Ireland

Marketing the island of Ireland overseas



US MARKET: A STRATEGY FOR GROWTH, FOUNDED ON A WIDE-RANGING ASSESSMENT OF THE MARKET

The United States continues to be one of our strongest performing markets, delivering visitors who stay longer and spend more than average. The new strategy is the result of a comprehensive review and is designed to build on recent record levels of visitor growth and identify the key opportunities and challenges ahead.

As part of the review, new research was undertaken to deepen and enrich our understanding of the journey prospective US visitors take when choosing their holiday – either on the island of Ireland or competing destinations – and to help us to map their ‘path to purchase’. This granular analysis has generated new insights that inform our business plans for 2018 and future years.

The strategy presents an overview of seven key strategic imperatives that need focus, resource and action in order to deliver upon our future ambition and growth targets.

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

This document sets out the ambition for the US market together with a clear strategy and an action plan to drive growth. It will be owned collectively by Tourism Ireland, Fáilte Ireland, Tourism Northern Ireland and the Industry.



MARKET CONTEXT

Recent strong growth has been driven by positive macro-economic conditions, increased direct air access, effective communications and sales activity.

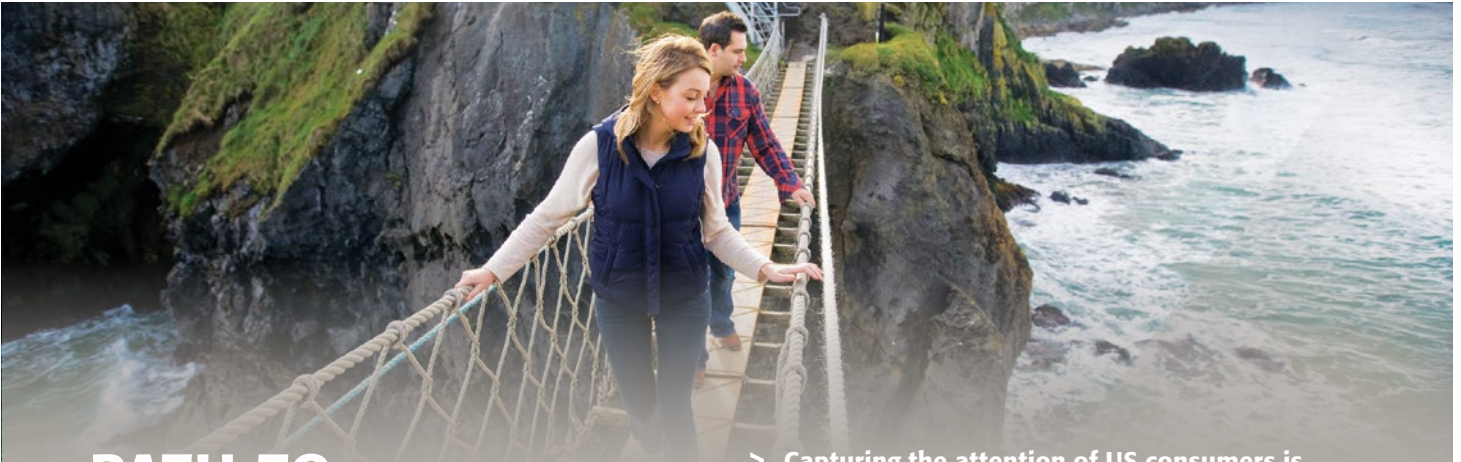
- > Strong growth of circa 70% in holidaymaker revenue and 60% in the number of holidaymakers (2012-2016)
- > The island of Ireland’s brand experiences (the Wild Atlantic Way, Ireland’s Ancient East, Dublin, the Causeway Coastal Route and Belfast) are resonating well with key US segments and offer future potential for development and growth
- > Air capacity trending upwards, which is key to future growth
- > Continuing to deliver the level of growth seen in recent years will be challenging as the competitive environment is becoming increasingly crowded
- > Peak capacity (accommodation and attractions) is a short to medium term issue
- > The island of Ireland’s competitive ranking is slipping and there is a requirement to develop greater brand distinctiveness

SCALE OF AMBITION

While the period of the strategy is set from 2018-2025 to allow for a longer lead in time for investment in product and experience development, visitor growth targets have been set for the four-year period 2018-2021. **The key measure of performance will be holidaymaker revenue**, with the future focus on attracting not only more holidaymakers but also generating more revenue per holidaymaker. In setting four-year growth targets, two scenarios have been developed. The quantum of these scenarios is linked to key dynamics, such as air access, overseas marketing investment, accommodation capacity and the availability of new products and experiences.

These growth scenarios are set out as follows:

Scenario 1		Scenario 2	
Budget 2017	€9m	Budget 2017	€9m
Budget 2021	€11m	Budget 2021	€13m
Visitor numbers (2018-2021)	+23% (2 million)	Visitor numbers (2018-2021)	+30% (2.1 million)
Holidaymaker revenue (2018-2021)	+33% (€1.37bn)	Holidaymaker revenue (2018-2021)	+39% (€1.43bn)



PATH TO PURCHASE

Understanding the consumer journey is key to unlocking growth potential.

As part of the development of the US market strategy, a dedicated research study was conducted to understand key segments' current path to purchase and the island of Ireland's performance. The study established that:

- > **There is a prominence of online sources at initial stage, however, offline sources remain very important.** The key **Culturally Curious** segment relies more heavily on offers/prices, travel TV/books and official tourism organisations.
- > **Breaking the inertia – current communications tend to reinforce existing perceptions of the destination, rather than prompt people to reassess their assumptions and get them to book now!** The island of Ireland has good consideration levels, but reactions are too passive, leaving the island of Ireland on the 'visit someday' list.
- > **Capturing the attention of US consumers is not about changing technology or finding new interventions in the consumer journey.** It is more about the salience of the island of Ireland and how we build/stimulate consideration. The island of Ireland must be vivid, motivating, noticeable and arresting.
- > **Holidaymakers are using multiple sources offline and online to inspire, select and book.** To release the potential from the connected holidaymaker requires the island of Ireland to maximise micro-moments. Micro-moments occur when consumers instinctively go to a device – increasingly a smartphone – to act on a need to learn something, do something, watch something, or buy something. They are intent-rich moments when decisions are made and preferences shaped. To capitalise there is a need to:
 - Enhance interactivity to deliver personalised authentic experiences on the ground and through rich media
 - Personalise each experience for the consumer
 - Ensure communications are active in multiple channels, including shared on social media
 - Trigger assessment with unexpected benefits that align with travel aspirations

FOCUS ON THE BEST-PROSPECT CONSUMER SEGMENTS

- > We will retain our primary focus on the **Culturally Curious** with this segment being the core focus of attention for 'above the line' (ATL) communications. They are particularly warm towards the island of Ireland as a holiday destination, they outperform other segments on spend while here, and are more likely to explore different regions and visit outside of the peak seasons.
- > The secondary target is **Social Energisers**, as research indicates that there is a significant latent potential in this segment. The US **Social Energisers** share similar motivations around landscape, heritage and culture with the **Culturally Curious** traveller, but differences emerge around their planning and booking behaviours. Additionally, the availability of more low-cost air access, especially from the US East Coast, increases the propensity for this segment to visit the island of Ireland on a 'short break' and out of peak season.

STRATEGY TO DELIVER GROWTH

A precisely targeted strategic framework has been developed based on extensive analysis and collaboration among the Industry on the island of Ireland, overseas trade, Tourism Ireland, Fáilte Ireland and Tourism Northern Ireland.

The strategy focuses on the following priority areas:

1. BRAND AND MARKETING

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

2. DISTRIBUTION AND PURCHASABILITY

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

3. PRODUCT AND EXPERIENCE

Development and delivery of products and experiences that resonate with the consumer and create standout for the island of Ireland as a holiday destination and a basis for competitive advantage

4. MARKET AND CONSUMER INSIGHT

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

5. ACCESS

Development of air access as a key growth enabler

6. REGIONAL AND SEASONAL DEVELOPMENT

Development of regional and seasonal experiences to facilitate incremental and sustainable growth (broadening the 'order book' in terms of where and when US holidaymakers will travel)

7. INDUSTRY ACTIVATION AND COLLABORATION

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

KEY DRIVERS

Brand

Marketing Activation

Distribution and Purchasability

KEY ENABLERS

Product and Experience

Dynamic Market Insight

Access and Infrastructure

AREAS OF FOCUS

Regional Development

Season Extension

FOUNDATION

Industry Activation and Collaboration

STRATEGIC PRIORITIES



BRAND AND MARKETING

- > Focus on 'creating the conditions for sale', increasing brand distinctiveness and cut through
- > Position the island of Ireland brand to break through the inertia, driving urgency, preference and ultimately purchase
- > Communicate the diversity of holiday experiences available on the island of Ireland
- > Present the island of Ireland as an exciting destination, promoting the experience brands – the Wild Atlantic Way, Ireland's Ancient East, Dublin, Belfast and the Northern Ireland Proposition of Scale
- > Invest in outstanding and engaging marketing communications through a refresh



DISTRIBUTION AND PURCHASABILITY

- > Strengthen the island of Ireland's presence and efficacy at all stages in the path to purchase
- > Ensure the island of Ireland is 'easily purchasable'
- > Ensure the value for money proposition is competitive and motivating
- > Address barriers to drive reassessment of the island of Ireland's offering



PRODUCT AND EXPERIENCE

- > Create world-class connected experiences that appeal to the US consumer
- > Devise and deliver product and experiences that support regional and seasonal development
- > Leverage niche products and experiences including Golf, Business Tourism, the Irish Diaspora and Scots-Irish



MARKET AND CONSUMER INSIGHT

- > Create an environment where all tourism stakeholders can share data, insights, research and sales toolkits
- > Develop a forensic understanding of key consumer segments
- > Establish a dynamic understanding of the consumers' path to purchase
- > Increase the understanding of competitor activity and its impact on the US consumer



ACCESS

- > Exploit new routes, and sustain strategically important ones
- > Implement cooperative campaigns and share market intelligence with carriers to encourage new strategic routes
- > Work with airports and carriers to develop new routes into Northern Ireland
- > Lobby to ensure the right macro conditions exist for air access development



REGIONAL AND SEASONAL DEVELOPMENT

- > Develop and implement a product and experience development roadmap
- > Focus on key season extension and regional development initiatives
- > Promote specific seasonal and regional propositions within the US market
- > Ensure the opening of product/experiences, accommodation, restaurants etc. is sustained further into shoulder seasons
- > Encourage greater connectivity between North-South experiences



INDUSTRY ACTIVATION AND COLLABORATION

- > Drive activation and collaboration from the ground up
- > Continue to offer value-for-money to the US consumer
- > Incorporate trade and industry offerings into key marketing content
- > Strengthen the presence of sales capabilities of Northern Ireland Industry

Action plan to deliver growth

Brand and Marketing

- > Develop new differentiated communications so as to make the island of Ireland more salient to promote reassessment
- > Lead with island of Ireland brand messaging
- > Maintain TV plus digital media focus in order to increase brand awareness and interest levels
- > Increase brand exposure on review and online travel agents' sites
- > Develop new brand partnerships with key industry, market trade and non-travel consumer lifestyle and media brands
- > Address the key barriers that deter consumers from considering a holiday by promoting food, world-class and authentic things to do and see, ease of purchase and value-for-money messages
- > Promote specific seasonal and regional propositions, which can be actively sold

Distribution and Purchasability

- > Increase island of Ireland visibility where consumers are looking and booking
- > Consolidate and strengthen traditional distribution channels and identify and maximise new sales platforms
- > Work with partners to develop value-for-money initiatives

Product and Experience

- > Provide and ensure US market insights inform product and experience development
- > Build on strengths of experience brands
- > Continue to prioritise off-season initiatives
- > Assist Fáilte Ireland and Tourism Northern Ireland with Industry market readiness

Insight

- > Develop actionable insights based on primary research and through monitoring of market and consumer trends
- > Act as the voice of the US consumer to the Industry on the island of Ireland

Access

- > Work with air carriers to sustain current access and maximise new route capacity
- > Work with airports to encourage new strategic routes

Industry Collaboration

- > Continue successful collaboration with all stakeholders
- > Instil better sharing of information

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

Action plan to deliver growth



Fáilte Ireland

National Tourism Development Authority

Brand and Marketing

- > Continue to build Ireland's experience brands and provide newsworthy product knowledge updates so as to inform marketing communication activity
- > Share regional and product content with Tourism Ireland and Industry
- > Deliver regional and seasonal extension initiatives to help sustain value-for-money offering and substantiate messaging from Tourism Ireland
- > Provide Industry with the skills and tools to be active at the intent and active planning stages of the purchase funnel

Distribution and Purchasability

- > Work with Tourism Ireland to ensure buyers and channel intermediaries are aware of the product development pipeline, and securing remedies where programming difficulties emerge
- > Use business development funds to de-risk incremental programming for new and/or existing distributors
- > Work with Industry to develop new and innovative programming, including regional and seasonal extension initiatives
- > Use channel research and insights to help the Industry to be market-ready and perform better in market. This would include assistance in the areas of channel management, revenue management and sales and marketing capability with supporting toolkits

Product and Experience

- > Focus on the development of experiences that have the greatest appeal to the US consumer. In particular, develop and extend the range of things to see and do, with emphasis on iconic and authentic historic attractions and gentle water-based experiences
- > Roll-out new food strategy and cuisine programmes
- > Deliver new products and experiences to support region and season extension
- > Advocate to secure additional accommodation capacity in key hotspots
- > Support measures to increase online booking facilities, revenue management and dynamic pricing to ensure better visitor experience and capacity utilisation in key attractions
- > Evaluate and define niche opportunities, including business tourism, luxury travel, golf and adventure of particular interest in order to unlock additional growth in the US market

Insight

- > Partner with Tourism Ireland to ensure a combined and coherent consumer and distribution channel research programme is implemented

Access

- > Support sustainability of new routes by partnering with tour operators and Industry to ensure strong product offering and programming is in place to attract buyers and consumers

Industry Collaboration

- > Mobilise Industry offers in key distribution channels whenever Tourism Ireland is in campaign

Action plan to deliver growth



**tourism
northernireland**

Brand and Marketing

- > Provide in-depth product and experience updates to inform the marketing communications
- > Share content developed through other activity, including the domestic and ROI market

Distribution and Purchasability

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

Product and Experience

- > Develop and deliver a range of compelling experiences that celebrate Northern Ireland's distinctiveness in the US market
- > Define, establish and develop the Northern Ireland Proposition of Scale, in the context of the island of Ireland
- > Evaluate and define 'niche' opportunities in the US market with a defined and accessible audience and clear route to market as identified by Tourism Ireland
- > Deliver product and experiences to support the Ulster Connections project and build on activity generated by Stone Mountain
- > Integrate the food offering into all experiences and communications
- > Strengthen the connectivity between experiences in the northern half of the island
- > Support the development of regional and seasonal opportunities

Insight

- > Work with Tourism Ireland to implement an overarching shared research strategy for the US market

Access

- > Work with Tourism Ireland to sustain and maximise opportunities through the new direct US routes

Industry Collaboration

- > Identify the most appropriate routes to market for Northern Ireland Industry, including non-traditional and niche
- > Scope out the feasibility of a market access fund to encourage more activity in the US market
- > Deliver targeted Industry workshops to highlight opportunities in the US market

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
- > Increase Industry marketing in the US using island of Ireland assets

Distribution and Purchasability

- > Increase island of Ireland Industry book-ability through online channels
- > Increase attendance on US market sales trips and trade shows
- > Work on initiatives that will improve regional and seasonal business, where possible

Product and Experience

- > 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 the product investment plans of Fáilte Ireland and Tourism Northern Ireland by encouraging large-scale investments in tourism experience
- > Work with agencies to exploit the island of Ireland's food offering
- > Develop Lakelands/Midlands brand with Fáilte Ireland and roll out the Northern Ireland Proposition of Scale

Insight

- > Leverage US market insights that are provided by agencies

Access

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

Industry Collaboration

- > 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 (APD)
- > Increase the supply of suitable accommodation



Acknowledgements

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For further information please visit
www.tourismireland.com