

TOURISM 360°

Performance Update – November 2023

Contents:

- 03. NI Hotel Performance**
- 04. Cardholder Spend**
- 05. Online Review Analysis**
- 06. Air & Sea Access into NI**
- 07. Consumer Sentiment Research**

Summary

Available data for 2023 indicate an overall positive year-to-date tourism picture. Northern Ireland hotel room occupancy for January-September 2023 exceeded pre-pandemic levels, with continued strong growth evident for January-September's average daily rate and revenue per available room.

However, following a very strong 2022, coupled with the re-opening of world markets, there are some indications of a slowdown in growth for the closer to home markets as anticipated. This is balanced with continued signs of recovery from international markets.

Overall while concerns around cost-of-living are impacting on consumer confidence, with spending on leisure activities likely affected, the desire to travel and the air access forward picture remain strong. As consumers' wallets will be further strained with winter fuel bills and Christmas approaching, price sensitivity and value for money are becoming even more important.

Northern Ireland (NI) hotel occupancy for January–September 2023 continues to exceed January–September 2019 levels, with growth largely driven by Belfast hotels. Average daily rate (ADR) and revenue per available room (RevPAR) remain significantly above 2019 figures. NI room occupancy for the first nine months of the year increased by 4 percentage points compared to last year (January–September 2022).

NI Hotel Performance January–September 2023

- STR data report NI hotel room occupancy for January–September 2023 is 2.7 percentage points above the same period in 2019 and 4 percentage points higher than the same period in 2022.

Room Occupancy	Change vs 2019
75.8%	+3pps

**pps = percentage point change*

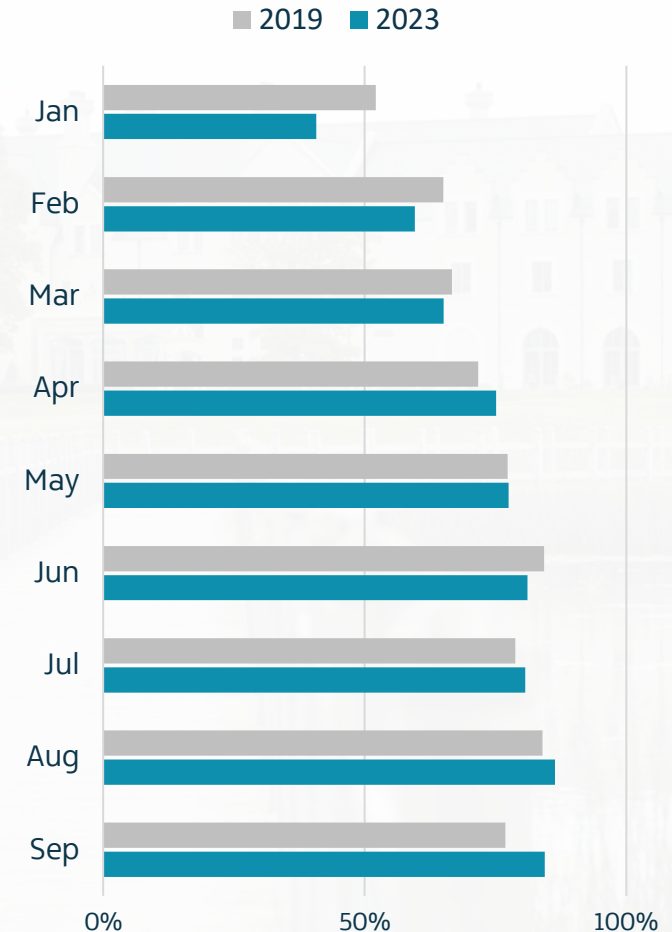
- NI’s ADR and RevPAR continue to show significant growth on 2019, with increases of 35.9% and 41% respectively.

ADR	Change vs 2019
£107.82	+36%

- Looking at individual monthly performance in September 2023– NI room occupancy experienced a 7.5 percentage point increase in YTD room occupancy compared to September 2019.

RevPAR	Change vs 2019
£81.72	+41%

NI Monthly Room Occupancy



Tourism NI analysis of January-September 2023 online review data for accommodation establishments in NI indicates continued recovery for the international markets, but a slow-down in performance from the closer to home markets, as anticipated. Attractions are continuing to recover at a slower pace than accommodation establishments.

Accommodation Reviews January-September 2023

- Overall, the number of online reviews for NI accommodation establishments during January-September 2023 was down by around one-third vs 2019, reflecting the continued downturn of international visitors on pre-COVID levels. Although reviews from international visitors to NI remain below what was recorded for the first nine months of 2019, there are signs of recovery, as the rate of decline has slowed significantly.
- Analysis of January to September 2023 reviews indicates a slow-down in the number of ROI reviews left for NI accommodation establishments.

- Reviews of NI accommodation establishments from United Kingdom (UK) residents are around 2% lower compared with the same period in 2019.

Total Reviews	Change vs 2019
United Kingdom	↓
Republic of Ireland	↑
Other	↓
All Markets	-31%

It is not possible to break out Northern Ireland from the rest of the UK in the online review analysis. The online review data should be seen as indicative of trends rather than providing actual figures for accommodation/attractions.



Attraction Reviews Jan-Sep 2023

- The total number of NI attraction reviews during January-September 2023 was down more significantly on pre-pandemic levels than the accommodation sector, however there are signs of recovery as increases were evident compared to the same period in 2022.

Visitor Experience Jan-Sep 2023

Global Review Score (GRS)	
Accommodation	Attractions
89.1%	+93.1%
No Change vs 2019	+0.9pps vs 2019

**pps = percentage point change*

- GRS is indicative of visitor experience.
- Overall, analysis of Global Review Scores suggests that NI's accommodation establishments and attractions provided a largely positive visitor experience during the first nine months of 2023.

Tourism NI analysis of cardholder spend in NI during January-June 2023 indicates increased tourism-related spend* compared to the same period in 2019. A comparison of January-June 2023 cardholder spend with the first half of 2022 shows a decline and suggests a slowdown in performance for the close-to-home markets, but more positive spend data for Great Britain (GB) and international markets.

Cardholder Spend January-June 2023

- Overall, January-June 2023 domestic (NI) spend was 5% above 2019 levels. However, there was a small reduction in tourism-related spending from the GB market compared to January-June 2019. ROI residents' cardholder spend in NI during the first half of the year shows significant growth on key tourism-related categories compared to the same period in 2019.
- As international travel returns, increased spending in other overseas markets has been identified compared with pre-pandemic times, driven primarily by

longer haul markets such as North America and Australia.

- A comparison of January-June 2023 cardholder spend with the same period in 2022 indicates a small reduction in ROI spend on key-tourism related categories and greater declines for domestic (NI) spend. GB cardholder spend is on a par with January-June 2022 while strong growth is evident for other overseas spend in NI.

**The tourism-related categories are:*

- Bars/Taverns
- Eating Places & Restaurants
- Hotels/Motels/Resorts.

Key Tourism-Related Cardholder Spend in NI by Market vs January-June 2022

Northern Ireland	↓
Republic of Ireland	↓
Great Britain	↔
Other Overseas	↑
All Markets	-17%

Background:

The data in this report is based on transactions processed by a major card company.

Due to issues such as market share and the fact that accommodation is often booked in advance through a third-party platform rather than by a local business or branch, the spend data should be seen as indicative of trends instead of giving total spend.

Data is sometimes withheld to protect merchant and cardholder confidentiality.

It is likely that some growth can be attributed to the continued preference for card payments as opposed to cash.

Civil Aviation Authority (CAA) airport data indicate that air passenger flow for NI during January-August 2023 stood at 5.4m, down 12% on the same period in 2019. Conversely, the number of passengers travelling on ferries to NI is at 102% of 2019 levels. OAG airline schedule data indicate that scheduled seat capacity to NI during October-December 2023 is showing growth of over one-quarter compared to 2022 (and up by 16% on the final quarter of 2019).


Air Passenger Flow and Scheduled Seat Capacity

- CAA airport data indicate airport data indicate that air passenger flow for NI during January-August 2023 stood at 5.4m, down 12% on the same period in 2019. Passenger flow is improving, with an increase of 24% compared to last year (January-August 2022).
- OAG flight data (October 2023) indicates that scheduled seat capacity to NI during October-December 2023 is showing growth of over one-quarter compared to October-December 2022. Scheduled seat capacity over this period is also up 16% vs the final quarter of 2019.
- In September, Belfast City Airport announced the expansion of its summer 2024 schedule with charter services to Menorca, Mallorca and Italy. In November, Belfast City Airport announced it will expand its 2024 summer routes with flights to Alicante taking off from May 2024.

Airport 	Jan-Aug 2023	Change vs 2019
Belfast Int'l	4.0m	-9%
Belfast City	1.4m	-20%
City of Derry	110k	-17%

Sea Access – Ferry Passengers

- January-September 2023 data for the number of passengers travelling on ferries to NI is at 102% of 2019 levels. Ferry passengers through the Northern Corridor (GB to NI) is performing significantly better than ferry traffic through the central and southern corridors in ROI, where car traffic is only at 83% and 82% of 2019 levels respectively.

Corridor 	Ferry Passengers Jan-Sep 2023	Change vs 2019
Northern Corridor <i>(GB to NI)</i>	1.7m	+2%
Central Corridor <i>(Dublin & Dun Laoghaire)</i>	1.3m	-17%
Southern Corridor <i>(Rosslare)</i>	396,000	-18%

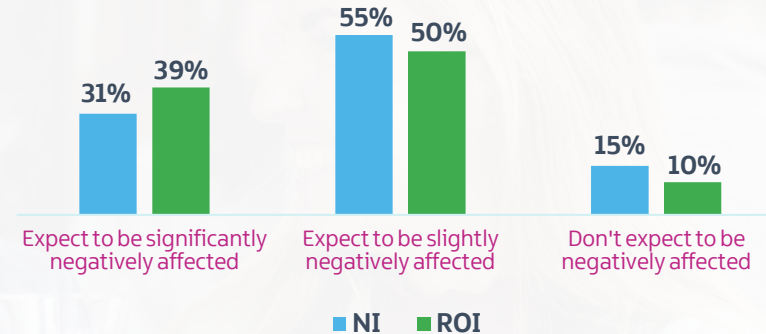
ROI consumers' travel intentions for an NI trip remain broadly stable over autumn/winter 2023 and into early spring 2024, compared with this time last year. Reduced levels of domestic break intentions are evident over the same period. As a result of the cost-of-living crisis, many consumers across both markets anticipate that they will likely reduce spend on things like eating out, going to pubs/bars and visiting paid attractions over the months ahead.

Tourism NI Consumer Sentiment Research



- Wave 13 of Tourism NI's consumer sentiment research in NI and ROI was undertaken to monitor consumer attitudes towards travel in NI and elsewhere and help inform how current issues have impacted on consumer behaviour.
- Results point to a generally steady performance in terms of NI and ROI visitor volumes for the first nine months of 2023, albeit with a marginal dip in domestic trips over the same period in 2022.
- For the ROI market, intentions to take a short break in NI between October 2023 and April 2024 are broadly stable compared to this time last year. However, short break intentions for the domestic market have declined for the months ahead.
- Significant declines are evident for ROI residents' perception of value for money of a domestic break.
- Intentions to take a late winter/early spring 2024 trip in ROI decline for NI and ROI consumers.
- Overall, consumers in both markets continue to rate NI as a better value for money tourism destination than ROI and GB. Competition from abroad remains strong however, given the perceived VFM of popular mainland Europe destinations.

Cost of Living Perceptions



- Compared to the previous research wave in February 2023, domestic consumer expectations of being significantly negatively affected by cost-of-living increases have reduced somewhat.
- By comparison, expectations of significant negative impacts remains unchanged for ROI residents. Just under 9 in 10 consumers in both markets, however, still expect to be negatively affected in the coming months.
- In the immediate months ahead, there are some signs of a potential slowdown in both domestic and ROI consumer leisure spend, with over half intending to spend less eating out, going to pubs/bars, visiting paid attractions/activities and going to events/festivals.



This report was produced in November 2023 by Tourism NI's Insights & Intelligence Service.

