

Special Edition | December 2023



TOURISM 360°

Consumer Behaviours



TOURISM
NORTHERN
IRELAND

This Issue

This Special Edition of Tourism 360° focuses on consumer behaviours and preferences for travel, with breakouts provided for key markets and industry takeouts included throughout.

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Northern Ireland Consumers

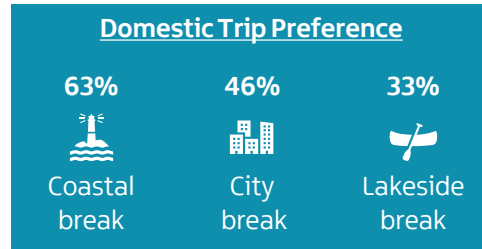
Tourism NI has completed the latest wave (Wave 13) of our research to track consumer sentiment in the Northern Ireland (NI) and Republic of Ireland (ROI) markets, measuring travel behaviour and travel intentions for the remainder of 2023 and early 2024.

Findings for the NI market indicate that the main motivators for travel centre around a desire to relax, unwind and get away from it all. Interestingly, we've seen a significant increase in consumers expressing an interest in 'pampering themselves', potentially presenting new opportunities in the run up to Christmas and beyond. Aligning with the motivations above, over two-thirds of those considering a domestic break want a laid-back holiday.



To relax, unwind and get away from it all is the top motivation for travel amongst NI consumers.

Of NI consumers considering a break in NI in January-April 2024, those over 55 are more likely to pick a coastal break, whereas pre-families indicated a preference for a rural break in NI.



Our research also found a significant increase in preference for city breaks compared to our previous wave in February – likely a seasonal impact.

While many of those considering a domestic break in early 2024 are actively planning, only a small proportion of NI consumers have booked so far. Our latest industry research also highlights consumers' preference for later planning and shorter lead-in times.

Consumer Confidence & Cost-of-Living:



Having improved in the previous two quarters, Credit Union (Ireland's) Consumer Sentiment Survey reports that NI consumer confidence held steady between August and November. However, NI consumers remain subdued as concerns about the general economic environment and cost-of-living remain to the fore. This corroborates results from our consumer sentiment research which suggested that many NI consumers would be pursuing more free things to see and do on trips.

While there is a marginal increase in intentions to take a short break abroad in early 2024 for domestic consumers, a significant proportion of prospective travellers have to date ruled out this travel option as being too expensive.

Spending less while on holiday is one of the most popular ways consumers anticipate they will save money and we are seeing some signs of potential slowdown in domestic leisure spend in the months ahead.



This evidence points to NI consumers being mindful of how they spend their money and therefore emphasising how your offering presents good value for money is imperative in your marketing messaging.

Encouragingly, our research indicates that NI consumers continue to rate NI as better value for money than ROI and GB.

Republic of Ireland Consumers

Tourism NI's latest consumer sentiment research in the ROI market found that similar to the NI results, ROI consumers' key motivators for intended NI trips are to relax and unwind and to have fun, with the opportunity to enjoy NI's food & drink experience particularly important for ROI consumers.



Enjoying NI's food and drink offering is particularly important to ROI consumers.

Our research also indicates that city breaks are the preferred type of break over the coming months and there has been growth in the desire for a laid-back holiday.

As previously mentioned in our NI research, we also found that most ROI consumers considering a break in NI in winter/early 2024 still have not booked.



Approximately one-fifth of businesses in our latest industry research cited enquiries about pets as an emerging trend this year.

Overall, ROI consumers continue to rate NI as better value for money than ROI and GB, presenting the NI industry with an opportunity to appeal to this market, especially given the economic backdrop. In particular, ROI consumers strongly rated NI's shopping and meals out as good value for money.

One significant challenge will be the competition from abroad as our findings suggest that the majority of consumers are likely to prioritise a holiday abroad over a staycation. However, if extreme weather temperatures in Europe and further afield continue, consumers feel they may end up replacing a holiday abroad with a closer destination.

Consumer Confidence & Cost-of-Living:



Credit Union (Ireland)'s ROI Consumer Sentiment Index increased from 60.4 in October to 61.9 in November 2023. This reflects a modest easing of concerns about the economic outlook, likely prompted by falling energy prices and growing hopes that interest rates may have peaked, however sentiment suggests that spending plans remain subdued.

Despite this, the appetite for travel remains strong but concerns around cost-of-living are more likely to encourage ROI consumers to go to a cheaper destination abroad and spend less while on holiday.

Similar to findings relating to NI consumers, our research found ROI consumers are likely to pursue more

free things to do when on a trip, such as going for walks/hikes and visiting free attractions.

When considering day trips in NI, more than two-fifths of ROI consumers would look for free activities.



Overall, ROI consumers continue to rate NI as better value for money than ROI and GB, presenting the NI industry with an opportunity to appeal to this market, especially given the economic backdrop. However, the main challenge will be the competition from abroad as both Spain and Portugal are perceived as better value for money destinations.

NI & ROI Consumers - Takeouts for the NI Industry



The majority of NI and ROI consumers considering a break in NI have not yet booked so **review your T&Cs and cancellation policy** - a flexible booking policy could encourage people to book earlier.



Tourism NI's research found that travel comparison sites and accommodation websites were consumers' preferred method of booking, so **ensure that your website details** (including prices, imagery and booking/cancellation information) **are up-to-date**.



Also **ensure your testimonials and customer feedback function on your website are working and up-to-date** to allow customers to highlight the quality of your offering.



The decline in consumer confidence in ROI and concerns about cost of living suggest that **highlighting the good value for money offered by your business is essential** in attracting ROI consumers.



ROI consumers rate NI as better value for money than ROI so emphasise NI's strengths in your marketing messaging.



Also **promote the quality food and drink** offering available in NI as this will resonate well, particularly with the ROI market.



NI and ROI consumers want to relax and have fun on a break so **emphasise the benefits of a staycation** (such as the ease of travel and reduced stress) and be sure to **highlight fun free and paid things to do nearby**.



UK Consumers

GfK's UK Consumer Confidence Index increased two points in December to -22, following on from a six-point increase in November. The Index has risen by twenty-points in the last twelve months and optimism for personal finances for the next 12 months shows a notable improvement on this time last year.

The latest Domestic Sentiment Tracker from VisitBritain found the top barriers to taking overnight UK trips in the next 6 months are the 'rising cost of living' and 'UK weather'. One third of respondents indicated they are more likely to choose a trip in the UK than overseas in the next six months, the top reason being that 'UK holidays are easier to plan', followed by 'UK holidays are cheaper'.

Like NI and ROI consumers, 'Getting away from it all and having a rest' is the top motivation for a UK trip early next year, with 'Countryside or village' and 'City or



According to VisitBritain, UK adults plan to cut their overnight trip spending, primarily on accommodation, activities and eating out, and will look for more free things to do on both overnight and day trips.

Despite financial barriers, a poll by Skyscanner reveals over a quarter of UK travellers have budgeted to spend more on travel in 2024 compared to 2023.

This is corroborated by findings in Deloitte's UK Consumer Tracker (Q3 2023). Deloitte's Tracker revealed that despite consumers remaining cautious with their non-essential expenditure, spending on leisure experiences and travel has been resilient, suggesting that some UK consumers are still prioritising holidays over other discretionary spending.

YouGov – Poll on Experiences & Activities

So, what are UK consumers looking for when travelling? YouGov are reporting a demand for experiential travel and results from their October 2023 poll reveal the top activities and experiences for UK travellers:

Activity/Experience	% of Respondents
Exploring cities	53%
Visiting historical sites	49%
Go shopping	40%
Visit UK national parks	30%
Wildlife viewing	24%
Visit exhibits	20%
Health/Wellness spa	17%
Take a road trip	16%
Dine at high-end restaurants	15%
Watch a sporting event	14%

This research underscores the diverse range of interests that influence travellers' decisions.

European Consumers

Recent major climate events (such as the summer wildfires in Greece) have brought environmental concerns to the fore when planning a trip. The European Travel Commission’s (ETC) latest sentiment research finds that extreme weather events are now Europeans’ third biggest travel-related concern, with the possibility that travel preference will shift towards locations with milder climates.

Half of Europeans will fly to their next intra-European (including UK) travel destination. At the same time, alternative methods of transport are becoming popular for travel in Europe, due to the emissions associated with air travel. The ETC finds that in 2023 the use of train or bus services for travelling rose to the highest recorded level at 17%, up 5% on 2022, serving as a greener alternative to driving (down 7% compared to 2022). Smaller destinations and regions with direct public transport routes are likely to benefit from these preferences.

Strong enthusiasm for travel among Europeans has supported recovery in 2023, despite cost-of-living constraints. Travel demand during the summer season was strong, with August data from ACI Europe reporting passenger traffic at European airports just 3.4% below 2019 levels. Both inbound and outbound visitors in Europe are forecast to maintain growth trends in 2024 (see table below).

Europe Visitor Growth Forecast, % change year-on-year (ETC)

Year	Inbound	Outbound
2022	95.4%	100.8%
2023	16.3%	17.8%
2024	11.6%	12.3%

Price sensitivity will benefit destinations offering value for money, as several low-cost destinations in Europe (Serbia, Türkiye, Montenegro) have experienced a rise in visitors levels compared to 2019.

Sources: European Travel Commission & Euromonitor International

According to sentiment research from the ETC, the top criteria for Europeans choosing a travel destination are pleasant weather, attractive deals and friendly locals.

Top criteria for choosing a travel destination



With summer behind, Sun & Beach trips give way to City Breaks, Culture & Heritage, and Nature & Outdoor trips as the leading choice for European consumers in the colder months.

As economic pressures remain, 22% of Europeans will opt for off-season trips, 13% will travel to more affordable destinations, and 13% will book activities and flights in advance. Notably, concerns about

cost and environmental concerns may have the benefit of tackling seasonality issues, as more consumers opt to travel during the off-peak months to save the high costs associated with the summer and to avoid extreme weather.

In-destination behaviour is changing too. While at a destination, 17% will limit their shopping, and 15% will select less expensive accommodation and more affordable restaurants.

Despite cost-saving behaviours, intra-European travel (including the UK) remains popular, with over 2 in 3 Europeans planning to travel within Europe in the next 6 months (October 2023 – March 2024).



City Breaks, Culture & Heritage and Nature & Outdoor are the top choices for trips this winter.

Global Consumers

International tourism continued its recovery in 2023 despite economic and geopolitical challenges. An estimated 700 million tourists travelled internationally from January-July 2023, about 43% more than the same period of 2022, though 16% fewer than 2019 (UNWTO).

While the trend of sustainable travel is evident globally, 'Cost vs Conscience' has become a key issue for consumers, as sustainable travel options can often be more expensive. According to Skyscanner, 64% of travellers globally believe sustainable travel is important, yet 18% of are reluctant to pay for more sustainable options. Perceived lack of information is another hurdle – 75% of global consumers surveyed by Booking.com seek authentic experiences that are representative of the local culture, but 40% don't know where to find tours and activities that ensure they give back to the local community.

Looking ahead, the UNTWO expects international tourism to continue to recover through December 2023 driven by remaining pent-up demand and increased air connectivity, though at a more moderate pace following the summer peak travel season. The OECD Consumer confidence index (CCI) rose steadily in the first half of 2023 to reach a peak of 98.6 in July and has since dropped to 98.1 in October, aligning with the sentiment for travel heading into the winter months.

Global Consumer Sentiment



Globally, 81% plan to travel the same, if not more, in 2024 compared to 2023, while 76% are planning to spend the same or more in 2024 versus 2023.

Sustainable Travel Trends

The trend of 'responsible travel' is on the rise, as consumers are making conscious choices while on a trip have a positive impact on the local area. According to Booking.com's global survey, two thirds are more determined to make sustainable choices now than when they travelled a year ago (2022).



69% of consumers want the money they spend when travelling to go back to the local community.

These actions include buying local, with 69% of consumers stating they want the money they spend when travelling to go back to the local community. While consumers are attracted to brands that promote sustainability, 39% don't trust that the sustainable travel options labelled are truly more sustainable.

As travellers are concerned about cost, 49% surveyed stated they want discounts and economic incentives for choosing eco-friendly options and would be encouraged to travel more sustainably with such rewards.



Consumers want reassurance that they are making truly sustainable purchases. This highlights the importance for businesses of presenting their sustainability credentials and information clearly, providing credible assurance for consumers in the booking experience.

UK, European and Global Consumers - Takeouts for the NI Industry

UK Consumers



Take note of the diverse range of interests that influence travellers' decisions. NI, as a more compact destination, offers travellers the ability to experience a wide range of activities in one trip. Emphasise how easy is it to move around NI and how this gives visitors the opportunity to experience the best of what our cities, natural landscapes, historical sites, accommodation and restaurants have to offer.

To appeal to those UK consumers considering trips within the UK, highlight the ease of planning a trip to NI, and point out lesser-known locations and attractions – emphasising the good value for money offered to drive interest.

European Consumers



European consumers rate friendly locals highly when deciding on where to travel, so make sure to emphasise the 'Giant Welcome' and warm hospitality that we are famous for. Ensure that customer experience is a priority, investing in staff training and development, creating a positive environment for staff and guests.

NI's pleasant climate will be attractive to consumers that wish to avoid some of the extreme weather conditions that Europe has experienced recently, so bring attention to the benefits of our mild weather.

Global Consumers



Help visitors get the best experience of NI while benefiting the local economy and environment; signpost cultural experiences and local business offerings, and where to find them. Include information on sustainable travel and activities on websites and visitor information material. Clearly display sustainability credentials for guests to see and provide information to assure authenticity.

Showcase NI's sustainable credentials, with small cities enabling tourists to explore locations on foot. Highlight the availability of public transport as an alternative to driving, providing access to travel timetables and local maps.

Final Takeaways

To take full advantage of consumer confidence, the industry should carefully monitor and anticipate changes in consumer preferences and adjust its offerings accordingly. Key takeouts that apply across markets include:

- **Cost-of-living** – consumers across most markets are mindful of how they spend their money and therefore highlighting the strong value for money offering that NI can deliver is essential.
- **Relax and unwind** – consumers primary motivation for travel is to relax and unwind but with varying preferences for type of break it is important to ensure that your messaging appeals to your target market segments.
- **Authentic Experiences** – Tourists have a diverse range of interests so emphasise the wide range of free and paid authentic activities that NI can offer visitors in one trip and be ready to deliver our ‘Giant Welcome’.

For the latest news, events and webinars, as well as industry insights, opportunities and campaigns, please visit [TourismNI.com](https://www.tourismni.com). You can also find us on X (Twitter), LinkedIn and YouTube.



Tourism 360° is produced by Tourism NI's Insights & Intelligence Service

We welcome all feedback – [contact us here](#)

