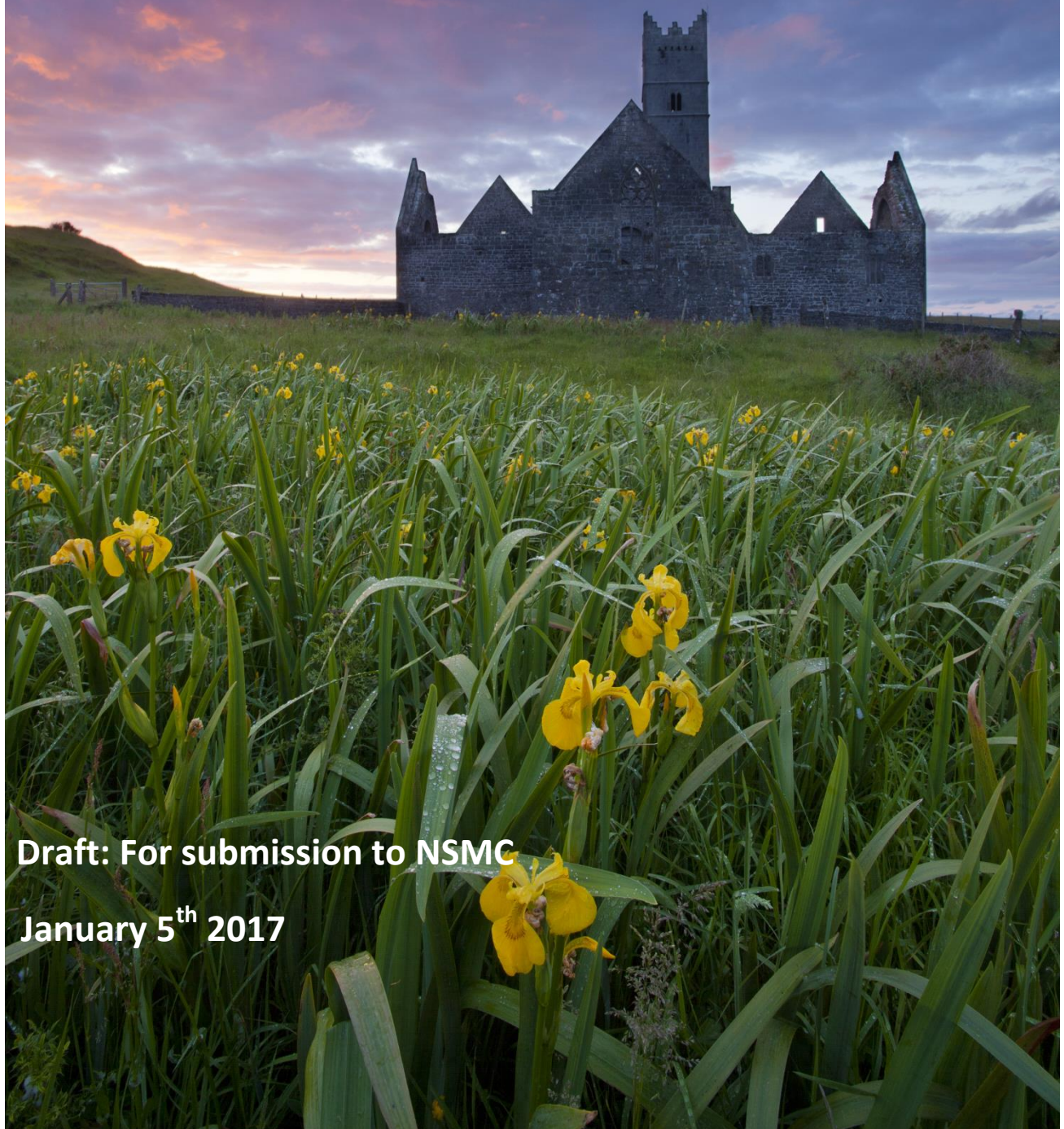


Tourism Ireland Corporate Plan 2017-2019



Draft: For submission to NSMC

January 5th 2017

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- I. Corporate Plan Targets

1. Executive summary

Building on the significant growth in tourism over the past three years, Tourism Ireland's objective is to continue to grow tourism to the island of Ireland helping to sustain 263,000 jobs in communities across the island.

Tourism Ireland has identified ambitious, strategic priorities for the future which will deliver 11.3 million visitors generating €6.4/£4.5 billion in revenue in 2019.

Our strategy is focused on targeting holidaymakers, as our messages and activities can directly influence these visitors to choose a holiday to the island of Ireland. Working with the industry, our ambition is to welcome 5.2 million holidaymakers in 2019 and to grow holiday revenue from €2.9/£2.0 billion in 2016 to €3.4/£2.4 billion in 2019. This would see holidaymakers and holiday revenue increase by +10% and +19% respectively over the period of this plan.

Focused on helping to deliver ambitious targets for the island's tourism sector, this Corporate Plan has six key strategic thrusts at its core;

1. **Invest according to market potential** - maximise holiday revenue by increasing investment in all of our key markets by the end of 2019.
2. **Focus on the best prospect global segments** – target the Culturally Curious consumer segment who have the strongest propensity to travel to the island of Ireland. Where appropriate, we will also target Social Energisers and Great Escapers.
3. **Inspirational brand messaging** - stimulate demand for Ireland and Northern Ireland among our best prospect target segments by delivering a strong island of Ireland brand message.
4. **Optimise media channel investment** - select marketing channels that deliver competitive standout.
5. **Harness Northern Ireland's potential for growth** - maximise the tourism potential of Northern Ireland by leveraging key cities, themes and experiences including Belfast, Derry~Londonderry ,the Causeway Coastal Route, Titanic Belfast, Hillsborough Castle, the Gobbins Cliff Path, the Heaney Homeplace and Game of Thrones. Tourism Ireland will also promote the new Northern Ireland Proposition of Scale from 2018 onwards.
6. **Partner with air and sea carriers, online travel agents, trade and industry** – strategically collaborate with partners to deliver sustained connectivity and sales growth.

Tourism Ireland appreciates that the targets outlined in this Plan are challenging and will work with all stakeholders to ensure their successful delivery; these include our sponsoring Government Departments, Fáilte Ireland, Tourism Northern Ireland, island of Ireland industry and overseas trade.

2. A review of performance against the 2014-16 Corporate Plan

2.1 Key achievements

Exceptional results have been achieved under the Corporate Plan 2014-2016, against a background of reduced resources and geo-political instability.

Together with Fáilte Ireland, Tourism Northern Ireland, industry on the island and overseas trade, we have ensured that the island of Ireland prospered as a holiday destination over the period of the Corporate Plan 2014 – 2016.

Recent successes inspire confidence for the next phase of tourism growth. The past three years have seen a number of notable achievements which include:

- **Record holidaymakers** – forecasted to attract 4.8 million holidaymakers in 2016, a record for the island of Ireland.
- **Strong revenue growth**– expected to generate more than €5.4/£3.8 billion in revenue for the economies in 2016.
- **Updated marketing strategies** – following reviews in eight markets - covering approximately 80% of holidaymakers.
- **Record air connectivity** – driven by quality inbound routes.
- **Agreed global consumer segmentation with sister agencies and industry** – with a real focus on the Culturally Curious.
- **Aligned brand architecture** – experience brands developed and promoted in collaboration with Fáilte Ireland and Tourism Northern Ireland and supported by the industry.
- **Digital leadership** – Tourism Ireland remained in the top 4 performing tourist boards globally across social media platforms.

2.2 Targets delivered

Interim results suggest that 2016 will be another excellent year for tourism on the island of Ireland. Official data from the Central Statistics Office (CSO) and the Northern Ireland Statistics and Research Agency (NISRA) indicates that the overall Corporate Plan targets for 2014 – 2016 will be achieved and, in most cases, exceeded. The growth during the period of the Corporate Plan will surpass that of both World and European arrivals, resulting in the island increasing its international market share.

Island of Ireland Overseas Tourism Targets 2013 – 2016

Island of Ireland	C.P. 2016/13 CAGR Targets	2016/13 CAGR Forecast	C.P. 2016/13 Targets	2016/13 Forecast
Visitors (000's)	+4%	+10%	+12%	+32%
Promotables (000's)	+5%	+11%	+15%	+37%
Revenue (€m)	+7%	+11%	+22%	+37%
Revenue (£m)	+7%	+11%	+22%	+37%
Promotable Revenue (€m)	+7%	+13%	+24%	+46%
Promotable Revenue (£m)	+7%	+13%	+24%	+46%

2.3 Strategy Delivered

In addition to achieving the visitor and revenue targets, Tourism Ireland delivered on all elements of the strategy set out in the Corporate Plan for 2014 – 2016.

Notable highlights include:

- Shifting our focus and resources to increasing tourism revenue from promotable visitors, which resulted in an increase in revenue of 46%.
- Winning a greater share of European promotable revenue, with an increase from 5.7% to 7.1%.
- Implementing a new investment approach that prioritised ‘best-prospect’ revenue-generating markets, which has meant a stronger focus on Mainland Europe and North America.
- Taking a new global approach to consumer segmentation and brand architecture with sister agencies and industry.
- Adopting a new digital approach to our marketing communications and achieving more than 750 million social connections in 2016.
- Aligning our plans more closely with Fáilte Ireland, Tourism Northern Ireland and with the industry on key areas including the development and enhancement of the experience brands - Ireland’s Ancient East, the Wild Atlantic Way, Dublin: A Breath of Fresh Air, the Causeway Coastal Route and Belfast.

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3. Tourism Ireland's goals, mission and vision for 2017 – 2019

Tourism Ireland's role is to be an economic catalyst, continuously supporting the growth and development of one of the island of Ireland's most vital and high-potential sectors, which in turn helps to drive economic growth across both jurisdictions.

Directly and indirectly, the reach and impact of tourism is significant. Tourism is one of the largest indigenous and sustainable industries on the island of Ireland, involving a wide range of stakeholders, and is integrated throughout the whole economy. Over the lifetime of this Corporate Plan, Tourism Ireland will seek to deliver on the following:



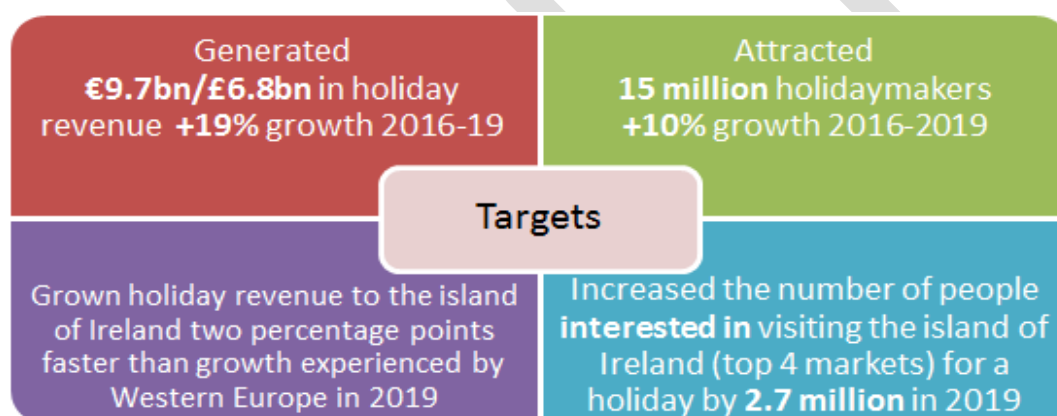
4. Scale of our ambition for 2017 – 2019

Grow holiday revenue by +19% to €3.4/£2.4BN
An extra €550/£385M in holiday revenue
460,000+ additional holidaymakers in 2019

Our strategy is focused on growing holiday revenue and holidaymakers. Working with the industry, our ambition is to welcome 5.2 million holidaymakers in 2019 and to grow holiday revenue from €2.9/£2.0 billion in 2016 to €3.4/£2.4 billion by 2019.

This significant growth will deliver an additional €550/£385 million in holiday revenue and more than 460,000 extra holidaymakers in 2019, when compared to 2016. This means that holiday revenue will grow at a faster rate to the island of Ireland than it will to Western Europe over the same period.

In setting the targets for 2017 – 2019, we have been guided by the *People, Place and Policy, Growing Tourism to 2025* for Ireland and the *Draft Tourism Strategy to 2025* for Northern Ireland. By 2019 tourism to the island of Ireland will have:



In developing the Corporate Plan targets 2017-2019, Tourism Ireland have taken into consideration the investment requested from DTTAS and the DfE, and Oxford Economics' latest visitor forecasts. We are mindful that significant upside and downside risks remain regarding the volatility of currencies, possible terror attacks, the impact of Brexit, accommodation capacity constraints, concerns about competitiveness and the maintenance of connectivity to the island of Ireland. The table below includes the likely forecasted outturn for 2016, and the targets for 2019.

Island of Ireland Overseas Tourism Targets 2017 – 2019

Island of Ireland	2015 Actual	2016 Forecast	2019 Target	2019/16 CAGR	2019/16 % change
Visitors (000's)	9,485	10,504	11,349	+3%	+8%
Holidaymakers (000's)	4,325	4,772	5,236	+3%	+10%
Revenue (€ millions)	4,956	5,443	6,404	+6%	+18%
Revenue (£ millions)	3,469	3,810	4,483	+6%	+18%
Holiday revenue (€ millions)	2,563	2,855	3,407	+6%	+19%
Holiday revenue (£ millions)	1,794	1,998	2,385	+6%	+19%

Note: Exchange Rate = €1=£0.70

Several factors are needed to ensure that these targets are achieved:

- No significant increase in geo-political tensions affecting travel within and to Europe.
- Stable economic conditions in our key source markets and Brexit having no more than a modest negative impact on the global economy.
- The euro does not significantly appreciate beyond the 2016 exchange rates against sterling and the US dollar.
- Oil prices remain at the current level. Any increase may negatively impact on consumer spending and the aviation industry.
- Consumer confidence and employment continues to grow in key markets.
- Air connectivity to the island from key markets increases.

Leading risks that could impact on these targets being reached include:

- Brexit has a significant negative effect on demand for travel and tourism to the island of Ireland.
- Loss of competitiveness due to decreasing value for money and unfavourable exchange rate movements.
- Continued brand erosion due to insufficient marketing investment, resulting in declining levels of interest in visiting the island of Ireland.
- Industry capacity constraints, for example in accommodation and attractions.
- A lack of air and sea connectivity growth.
- Negative movement in our source markets, be that economic or geo-political.
- Insufficient resourcing for Tourism Ireland - both financial and staff.

5. Strategic priorities, targets and actions for 2017 - 2019

**The consumer is at the centre of everything we do.
Tourism Ireland will invest in the best-prospect markets and consumers.**

We will focus on stimulating interest in the island of Ireland among holidaymakers by investing our resources in the markets that offer the best potential for growth. Our priority is to target the consumer segments that will maximise holidaymaker revenue and assist regional and seasonal dispersion. We will leverage the brand strengths of the island of Ireland, and align our media channel choice in order to engage with potential holidaymakers in the most effective and efficient way. Northern Ireland offers significant potential, and we will launch the new Northern Ireland Proposition of Scale across key markets which Tourism Ireland will promote to attract additional visitors.

This plan has been developed in consultation with Fáilte Ireland and Tourism Northern Ireland and we will continue to align our strategic priorities with our sister agencies, and also with key industry stakeholders.

Tourism Ireland's highly motivated and skilled team will spend our budgets to achieve our strategic priorities and produce the best possible return on investment.

Areas of strategic focus underpinning the delivery of the targets

Invest according to market potential - maximise holiday revenue by increasing investment in key markets by the end of 2019.

Focus on the best prospect global segments – target the Culturally Curious consumer segment who have the strongest propensity to travel to the island of Ireland. Where appropriate, we will also target Social Energisers and Great Escapers.

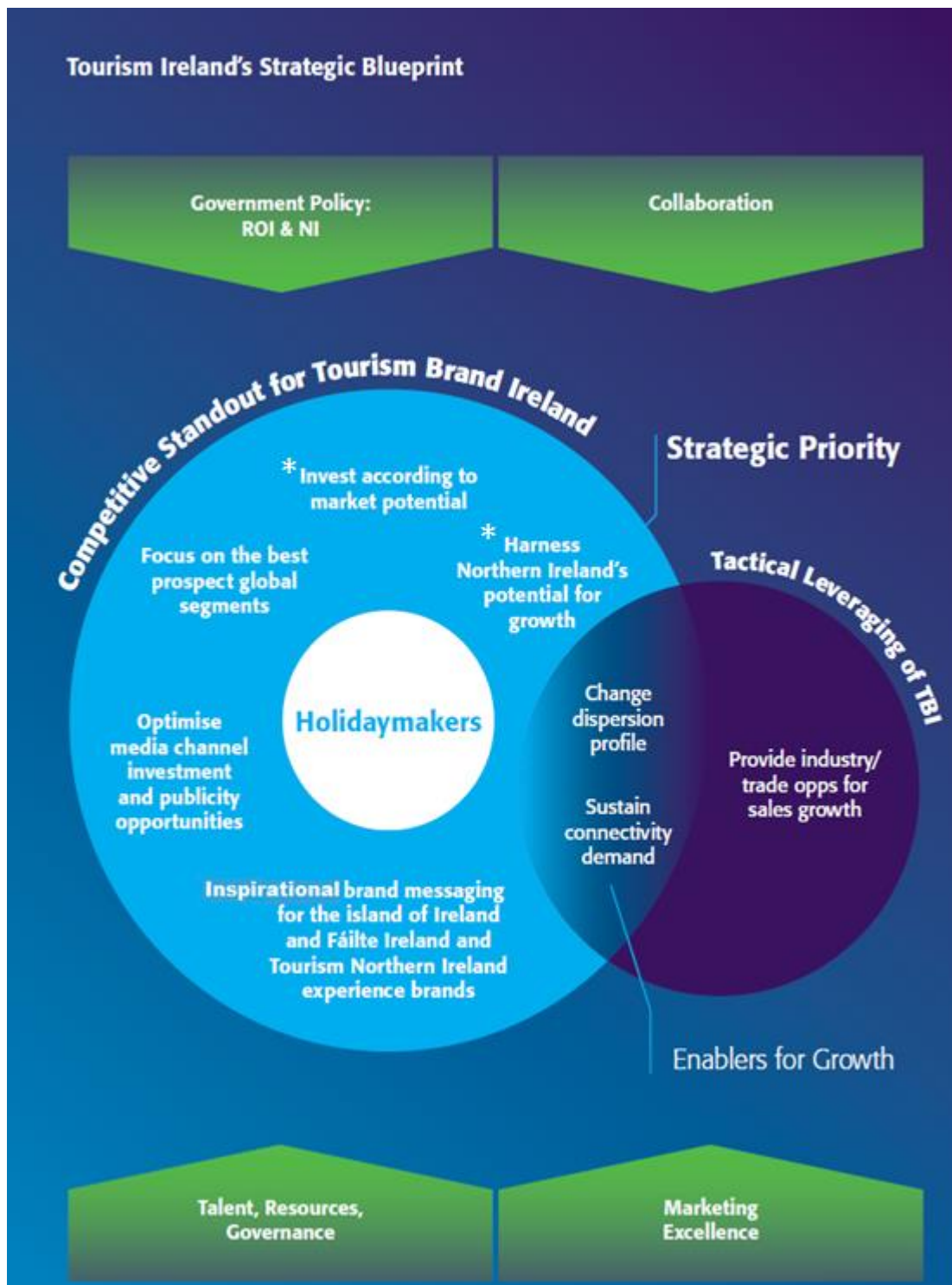
Inspirational brand messaging - stimulate the demand for Ireland and Northern Ireland among our best prospect target segments by delivering a strong island of Ireland brand message.

Optimise media channel investment - select marketing channels that deliver competitive standout.

Harness Northern Ireland's potential for growth - maximise the tourism potential of Northern Ireland by leveraging key cities, themes and experiences including Belfast, Derry~Londonderry, the Causeway Coastal Route, Titanic Belfast, Hillsborough Castle, the Gobbins Cliff Path, the Heaney Homeplace and Game of Thrones. Tourism Ireland will also promote the new Northern Ireland Proposition of Scale from 2018 onwards.

Partner with air and sea carriers, online travel agents, trade and industry – strategically collaborate with partners to deliver sustained connectivity and sales growth.

Tourism Ireland’s ‘Strategic Blueprint’ illustrates the strategy priorities that will be implemented to achieve competitive standout for the island of Ireland and how we will leverage the brand through partnerships with the industry and trade in order to deliver on the ambitious targets.



* The exploitation of tactical opportunities is seen as central to harnessing Northern Ireland’s potential for growth.

5.1 Invest according to market potential

Strategic Objective	Maximise holiday revenue by targeting the markets that deliver the greatest return on investment.
Targets	Increase total holiday revenue to the island of Ireland by +19% in 2019 v 2016 amounting to €3.4/£2.4 billion in 2019.
Strategic Actions	Maximise holiday revenue by increasing investment in our key markets.

Resources will be allocated to maximise holidaymaker revenue by aligning budgets to those markets which have the best potential to generate the highest return on investment. In addition, our marketing budget will concentrate on those markets that have the largest numbers of consumers with the highest propensity to travel to the island of Ireland, aiding our diversification strategy.

To deliver this strategic objective we will:

- Implement an **investment portfolio** which will maximise holiday revenue and achieve a greater dispersion of holidaymakers both regionally and seasonally.
- Up-weight the investment in **Mainland Europe** and **North America** based on a thorough assessment of their potential return on investment.
- Maintain flexibility in the **Great Britain** market to accommodate the changing environment in light of Brexit. Tourism Ireland will continue to harness potential from Great Britain, particularly given its **importance to Northern Ireland**.
- Exploit opportunities that arise from the findings of the **New and Developing Markets** review.

5.2 Focus on the best prospect global segments

Strategic Objective	Target consumers with the greatest propensity to travel to the island of Ireland.
Targets	Increase the number of holidaymakers visiting the island of Ireland by +10% in 2019 v 2016, leading to 5.2 million holidaymakers in 2019.
Strategic Actions	Target the Culturally Curious consumer segment who has the strongest propensity to travel to the island of Ireland and Northern Ireland. Where appropriate and resources permit we will also target Social Energisers and Great Escapers.

Tourism Ireland will up-weight its focus on the Culturally Curious given that the island of Ireland holiday experience most closely matches the holiday needs of this well-defined target segment and the size of this segment in key markets. Social Energisers and Great Escapers in some core markets also offer significant potential to increase revenue as they also provide a good fit with what the island of Ireland has to offer.

To deliver this priority we will:

- Focus on the **Culturally Curious** as these holidaymakers have a strong propensity to travel throughout the island and have the highest intent to choose the island of Ireland.
- Implement an additional focus on **Social Energisers** in core markets, namely North America, Great Britain, France and Spain where good potential exists.
- Invest in **Great Escapers** in Great Britain, Germany and France to maximise regional and seasonal growth.
- Exploit niche and sub segments including the diaspora and Game of Thrones. Target the golf segment, subject to funding being provided via Tourism Northern Ireland and Fáilte Ireland.

5.3 Inspirational brand messaging

Strategic Objective	Stimulate the demand for the island of Ireland among our best prospect target segments by delivering a strong island of Ireland brand message.
Targets	Increase the number of people 'interested in' visiting the island of Ireland (top 4 markets) for a holiday by 2.7 million in 2019.
Strategic Actions	Amplify Tourism Brand Ireland to improve competitive standout and grow consumer interest in visiting the island of Ireland.

Our ambition is to create greater competitive standout for the island of Ireland and to inspire our target audiences. Tourism Ireland will focus its communications on brand building so as to generate interest among our best prospect consumer segments. Our priority over the next three years is to grow the number of people interested in holidaying on the island and deepen the levels of interest and impetus to travel amongst those who already want to come at some point in the future.

Our consumer communications will lead with an island of Ireland brand message. We will support this with a new sequential messaging approach. That is one which targets individual consumers with an island of Ireland communication first, and then follows this with other advertising that is designed to deepen their interest in a holiday here and encourage them to progress through to booking with more specific messages.

The Ireland Experience Brands – the Wild Atlantic Way, Ireland's Ancient East, Dublin: A Breath of Fresh Air and Northern Ireland's forthcoming Proposition of Scale, the Causeway Coastal Route and Belfast are designed to help create motivation to visit specific experiences on the island of Ireland. They will feature as integral elements of our campaign activity as (i) constituent elements of our island of Ireland communications (ii) in dedicated advertising within the sequential messaging communications flow and (iii) in dedicated campaign activity in near-to-home markets where this is relevant for the consumer, most particularly in Great Britain.

We will further engage with consumer interests and passions that offer Ireland standout messaging opportunities such as in screen tourism (Game of Thrones, Star Wars) and with major events (The Open, St. Patrick's Day, Women's Rugby World Cup).

To deliver this priority we will:

- Increase our **focus on brand building and competitive differentiation**, reducing our emphasis on tactical activity, while ensuring that we continue to provide wide ranging platforms for the industry and trade to reach our best prospects.
- Amplify the **island of Ireland positioning as a destination full of authentic immersive experiences** using the experience brands to appeal to the interests and passion points of the **Culturally Curious, Social Energisers and Great Escapers**.
- Dynamically deliver campaigns in a **relevant and fun way that will resonate with our target markets and build on their affinity** for the island of Ireland.

- Continue to ensure that the **industry and trade marketing messages** are **aligned with the island of Ireland brand values** and that they ensure 'standout' for the island of Ireland against competing destinations.
- **Strategically review Tourism Brand Ireland in 2017** to ensure our message is maximally effective with consumers and design a new advertising campaign in 2018 to incorporate the learnings from this.

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5.4 Optimise media channel investment

Strategic Objective	Align our channel selection and investment strategy to deliver competitive standout.
Targets	Achieve the following spontaneous awareness of the island of Ireland communications amongst overseas consumers in 2019; GB 7% US 9% France 15% Germany 7%
Strategic Actions	Restore our share of voice through optimal channel choice and further integration of our communications across existing and emerging media.

Tourism Ireland's consumer strategy is focused on stimulating interest in the island of Ireland and enticing holidaymakers to visit. There will be an increased emphasis on destination advertising so as to strengthen our share of voice, achieve 'cut-through' and improve our competitive positioning.

To deliver this priority we will:

- Deploy a full suite of **integrated, interactive and engaging communications** to achieve maximum reach and impact in our target markets.
- **Up-weight and extend brand-led campaigns** through a combination of TV and digital advertising to generate interest in holidaying on the island, while reducing our investment in more traditional print and consumer promotions.
- **Exploit our global leadership in digital marketing** and implement more **personalised messaging** throughout the consumer journey.
- **Increase digital publicity** and **up-weight PR activities in all markets.**
- Underpin our increased **publicity programme by building on key Northern Ireland themes** such as the legacy of Northern Ireland Year of Food and Drink and the ongoing Game of Thrones campaign.
- Exploit existing **digital channels to allow for greater brand building** opportunities.
- Increase the investment in **influencer marketing, publisher networks** and **partner with complementary brands** over the lifetime of the plan.
- Increase the **use of pan-market campaigns**, including those for Star Wars and Games of Thrones, which work across market boundaries to ensure cut-through and unity of voice in the marketplace.
- Increase the focus on island of Ireland **brand messages in co-operative activity** with industry and trade partners.

5.5 Harness Northern Ireland's potential for growth

Strategic Objective	Maximise the tourism potential of Northern Ireland.
Targets	Increase total holiday revenue arising in Northern Ireland to £183 million in 2019 - an increase of +23% over 2016.
Strategic Actions	Design and deploy bespoke marketing communications to maximise the consumer impact of the Northern Ireland Proposition of Scale.

We will focus on achieving holidaymaker and revenue growth for Northern Ireland by exploiting the new Proposition of Scale to promote the key motivating experiences to drive growth from 2018.

To deliver this priority we will:

- Promote the Causeway Coastal Route while developing new overseas communications for the new **Northern Ireland Proposition of Scale** in 2017 and launch the campaign across all markets in 2018.
- Focus on the **best prospect markets**, namely **GB, US, Canada, France, Germany, Bene** and **Australia** to deliver increased holiday revenue to Northern Ireland. This includes actively promoting key areas of consumer passions and experiences such as screen tourism, golf and genealogy.
- Work with Tourism Northern Ireland to **increase Northern Ireland industry participation** in overseas marketing by **inputting into the Tourism Northern Ireland Industry Development Programme** and through the provision of overseas marketing opportunities and digital platforms. These programmes, which will be delivered by Tourism Northern Ireland, will up skill the industry in digital and overseas sales in order to convert active-planning holidaymakers to book a holiday to Northern Ireland.
- Exploit opportunities to promote **Belfast** as a city destination. These opportunities will be focused on those places with direct air and sea access to the city.
- Push positive **publicity for NI plc** working with key partners including Screen NI, Invest NI and other groups that are active in overseas markets to build awareness, address any negative perceptions and to stimulate the attractiveness of Northern Ireland as a holiday destination.
- Proactively encourage **new air access route development** and continue to carry out tactical and **shoulder/off-season promotions** with the overseas travel trade to attract more visitors to Northern Ireland throughout the year.
- Build on the **success of legacy events** including Northern Ireland Year of Food and Drink and themes such as Game of Thrones, and **exploit opportunities arising from The Open** golf championship in 2019.
- Assist Tourism Northern Ireland in **identifying Northern Ireland events** which could be developed and exploited in overseas markets.

5.6 Partner with carriers, online travel agents, trade and industry

Strategic Objective	Work in partnership with air and sea carriers, online travel agents, trade and industry to deliver sustained connectivity and sales growth.
Targets	Generate €22.5/£15.8 million in third party investment in joint activity with Tourism Ireland by the end of 2019, to include co-op, brand partnerships and paid participation in Tourism Ireland activities.
Strategic Actions	Partner with carriers, online travel agents, trade and industry to collaboratively deliver greater regional and seasonal dispersion.

Tourism Ireland has forged strong relationships with industry and trade partners and we will continue to work collaboratively to motivate consumers to book a holiday here. We will actively work with access partners to identify and exploit opportunities presented by new routes and promote existing strategically important routes.

Where budget allows we will focus on extending the season and driving regional growth. We will continue to deepen our engagement with Fáilte Ireland and Tourism Northern Ireland and high value partners to deliver on joint strategic objectives. Over the next three years, Tourism Ireland will focus on providing industry platforms that are cost-effective, relevant and enticing, and will deliver new digital opportunities for industry and trade partners to help close the sale.

To deliver this priority we will:

- Engage with access partners to case-make for the establishment and promotion of **strategically important routes** in order to increase holidaymaker revenue and to deliver direct access to all parts of the island.
- Maintain a **Strategic Carrier Co-operative Fund** to exploit the marketing opportunities presented by new route(s) opportunities. Co-operative funds will be biased towards routes which improve regional and seasonal dispersion of holidaymakers in particular.
- Identify and work with relevant carriers, airports and agencies to **develop new inbound routes into Northern Ireland**.
- Actively encourage carriers, online travel agents, trade and industry partners to **devise offers** that motivate consumers to book a holiday.
- Provide industry platforms that are **cost-effective, relevant and attractive**.
- **Increase Northern Ireland industry** participation in overseas marketing by **inputting into Tourism Northern Ireland's Industry Development Programme** through the provision of overseas marketing opportunities and digital platforms.
- **Invest in co-operative promotional programmes** with trade partners to extend the season, prioritising those partners with capacity to drive regional dispersion and growth.
- Leverage digital excellence to deliver **new digital opportunities** for partners to close the sale.
- Greater incorporation of trade and industry offerings into **key content** in order to create comprehensive and compelling reasons to visit.
- Continue to build upon current **collaboration** structure between all agencies, ensuring integration between Fáilte Ireland's and Tourism Northern Ireland's corporate plans and strategies.

6. Aligning the organisation to the strategy

Strategic Objective	Aligning our resources for maximum effectiveness.
Targets	<ul style="list-style-type: none"> • Facilitate effective and efficient deployment of resources as per Section 8 of the Corporate Plan in 2017, 2018 and 2019. • Achieve full internal audit compliance by avoiding any 'Priority 1' risk grading in 2017-2019.
Strategic Actions	Delivering the growth ambitions of this Corporate Plan requires that our stakeholder relationships thrive, our people fulfil their potential, business support is excellent and that governance arrangements are of the highest standards.

Build Our Relationships:

The success of overseas tourism is dependent on the positive interactions of a wide group of parties who all have a strong desire to see economic activity in tourism thrive. Tourism Ireland will engage with government, Fáilte Ireland and Tourism Northern Ireland, industry, trade and other interested parties to maximise return to the tourism economy.

Specifically, we will:

- Publicise the benefits of overseas tourism to the economy.
- Provide leadership to engage tourism stakeholders in overseas activity.
- Place the holidaymaker at the centre of all interaction with Fáilte Ireland, Tourism Northern Ireland, industry and trade and other interested parties. Work in collaboration with Fáilte Ireland and Tourism Northern Ireland to develop their understanding of the dynamics and consumer behaviours in core markets and develop the product knowledge of in-market teams.

People:

Our success depends on the commitment and capability of our people. We will invest in our people and ensure the environment is one that lives the values of the organisation.

Specifically we will:

- Undertake a review, and implement the findings, to ensure that the right skills and resources are in the right places to meet the ambitions of the Corporate Plan 2017-2019.
- Continue the Talent Management programme that was launched in 2014.
- Restore our overall headcount to 160 FTE, subject to budget.
- Maximise staff engagement.

Support Services:

Accurate and timely communications are essential to support the business objectives. The platforms that support accurate reporting and effective communications will continue to be enhanced.

Specifically we will:

- Provide financial and management information that meets the highest standard of governance control while enabling a value-added business support service.
- Provide an information technology infrastructure that keeps pace with the needs of the business in a

cost-effective manner.

Governance:

Cognisant that the investment in Tourism Ireland is from public funds, we will ensure that the highest standards of public office are applied, and that the maximum return to the exchequer is always sought. Specifically we will:

- Ensure that governance structures relating to the Board, oversight meetings and North South Ministerial Council operate effectively.
- Ensure that external validation, such as internal and external audits, meet requirements and is benchmarked as top quartile.

Specific programmes will be outlined in the relevant business plans and will be implemented in 2017, 2018 and 2019 in order to deliver the strategic actions above.

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7. Market Area and Divisional Highlights

Funding will be deployed in our main market areas, and through the Central Marketing division, to achieve competitive standout for Tourism Brand Ireland and deliver on our highly ambitious targets.

Mainland Europe

Budget	€9.0/£6.3m (2016) to €12.9/£9.0m (2019)* +€3.9/£2.7m investment
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* Note key assumptions in section 8

Key Strategic Actions

- Increase marketing spend in Mainland Europe behind **awareness building activities** over the life of the plan.
- **Prioritise the Culturally Curious** in all Mainland European markets. In France and Spain we will also target **Social Energisers** for shoulder and off season business, while in Germany and France we will target **Great Escapers**.
- Achieve the **growth ambition in Spain and Italy** outlined in the strategic review 2015 by increasing the investment in these markets allowing for more brand marketing.
- Launch an expanded and integrated **TV brand campaign** in Germany and France, using the new IOI broadcast edit, combined with WAW/NI edits to raise interest levels in the island of Ireland.
- Invest in **integrated digital consumer brand campaigns** to raise interest levels using the new overarching island of Ireland brand communication message. Continue to promote the experience brands to our core segments in our messaging.
- **Use powerful screen tourism assets**, such as Star Wars and Game of Thrones to promote experiences along the Wild Atlantic Way and in Northern Ireland.
- Up-weight investment in **publicity and digital PR**, which will allow strong partnerships with travel, media and non-travel sectors.
- Work with Tourism Northern Ireland to **increase industry engagement** in order to increase the level of Northern Ireland visibility and offers available to our best prospects. This in turn will encourage visitors to stay for longer in Northern Ireland.
- Launch the new **Northern Ireland Proposition of Scale** across all marketing programmes and markets.
- Leverage the increases in direct **air access** to further promote Northern Ireland including Belgium and the Netherlands.
- Capitalise on **good news stories for Northern Ireland** whenever they arise by publicising them widely through our digital media and publicity channels. This includes Northern Ireland food offering.
- **Work co-operatively with air and sea carriers to fully exploit the opportunities** presented by current and future capacity growth.
- **Work with carriers, trade partners and sister agencies to deliver regional and seasonal growth** with increased focus on travel in Q1 and Q4.
- Build the profile of the island of Ireland through **specific golf campaigns** in key markets such as Sweden and Germany, and build interest in The Open 2019 in Northern Ireland.
- Build on the positive momentum behind the island of Ireland as a destination in **Germany** and conduct a **strategic review in 2017**.

North America

Budget

€8.3/£5.8m (2016) to €10.6/£7.4m (2019)* +€2.3/£1.6m investment

* Note key assumptions in section 8

Key Strategic Actions

- Prioritise targeting the **Culturally Curious in North America**, while an expanded focus on attracting **Social Energisers in the US**.
- Increase investment in island of Ireland brand advertising to include **national TV and digital advertising**. Extend the length of the digital campaigns during key Spring and Autumn booking periods by 2019, and increase use of video, custom content and re-targeting working with premium media brands to expand reach.
- Expand campaign reach to **more gateway cities** to target more of our core consumer segments and fully exploit increased access capacity.
- Develop new **strategic partnerships** with non-travel consumer / media brands to expand interest in holidaying on the island of Ireland.
- Promote the experience brands - **Ireland's Ancient East, the Wild Atlantic Way, Dublin: a Breath of Fresh Air, the Northern Ireland proposition of scale (from 2018), the Causeway Coastal Route and Belfast** in our marketing campaigns to strengthen the intent to travel from US and Canada
- Develop a new campaign to exploit high US consumer satisfaction levels and **harness word-of-mouth** opportunities.
- Launch the new **Northern Ireland Proposition of Scale** across all marketing programmes and platforms.
- Adopt a proactive approach in our **publicity programme** to generate 'buzz' about Northern Ireland.
- Increase spend in our **brand campaign using digital media** in Canada to target the Culturally Curious.
- Leverage the increases in direct **air access** to deliver growth and restore **co-operative marketing** with carriers by 2019, with a focus on season extension and route success.
- Build on the '**Home of Champions**' **golf campaign** by leveraging TV broadcast and digital opportunities to promote links golf and the 2019 Open Championship at Royal Portrush.
- **Reduce** investment in paid **tactical advertising and print media advertising in the US** in order to fund more impactful TV and digital activity.
- **Increase focus on group travel business development** to increase visitation in the shoulder season and achieve regional growth.
- Exploit strong **ancestral heritage and family history connections** (Scots Irish / Ulster Scots) in the US and Canada.

Great Britain

Budget

€8.2/£5.8m (2016) to €8.8/£6.2m (2019)* +€600k/£400 investment

* Note key assumptions in section 8

Key Strategic Actions

- **Maintain flexibility** to accommodate the changing environment due to the implications of Brexit on travel, noting value perceptions of sterling versus other currencies.
- Focus reduced funds in **2017** on key segments via **online and PR activity** and leverage partnerships to ensure reach. In **2018** we will see a **return to brand awareness** activity, while in **2019** we will further increase brand building campaigns throughout the year. We will maintain an active trade, and co-operative marketing programs.
- Target the Culturally Curious and Great Escapers with 70% of resources with 30% focused on **Social Energisers**.
- Promote the **key themes** including the Northern Ireland proposition of scale (from 2018), Ireland's Ancient East, the Wild Atlantic Way, Dublin: a Breath of Fresh Air, the Causeway Coastal Route and Belfast.
- Continue strong **PR program** with partnerships and personality liaison using in-market events and third party endorsement to promote the island of Ireland.
- Use **digital marketing** to fully exploit the regional growth potential of Great Escapers using targeted messages.
- Implement **specific Northern Ireland activity**, particularly in the area of publicity. Launch **Northern Ireland Proposition of Scale** across all relevant communications and build on the success of legacy initiatives including Northern Ireland Year of Food and Drink, Game of Thrones and Belfast city breaks.
- Exploit opportunities arising from **The Open Championship** in Northern Ireland in 2019.
- Focus co-operative spend on **air and sea carriers** to achieve optimal conversion and brand awareness where appropriate also achieving regional and seasonal growth.

Australia and Developing Markets

Budget

€2.3/£1.6m (2016) to €3.2/£2.2m (2019)* +€900k/£600m investment

* Note key assumptions in section 8

Key Strategic Actions

- **Targeting the Culturally Curious and Social Energisers** in Australia at two key points in their travel decision process; the 'dream phase' (going beyond awareness to inspire) both directly and through our key trade partners, with a secondary focus at the 'itinerary planning' phase at a tactical level, highlighting access, value and convenience.
- In Australia, position **the island of Ireland as an essential part of a European trip**, promoting the unique and distinct holiday experiences at the **accessible edge of Europe**.
- Invest in **integrated brand awareness** campaign in Australia using multi-media channel mix including newspaper, lifestyle magazines, outdoor, radio & digital advertising integrated with publicity and partners programmes in Q1 & Q4 (key planning and consideration stages in consideration and purchase of a holiday).
- Engage **consumer passion points** such as sport, and capitalise on opportunities arising from **The Open golf event in Northern Ireland in 2019**.
- Implement the findings of the **Developing Markets Review** from 2017.
- Increase focus on the **Great Escaper** segment in the United Arab Emirates. Invest more in brand awareness in China through brand partnership.
- Optimise **brand advertising** in China using video and utilising news and lifestyle media.
- Increase **co-operative investment with partners** and exploit marketing opportunities presented by direct and increased access.
- Pro-actively seek out and exploit opportunities to increase positive **publicity about Northern Ireland** as a holiday destination through film, literary, music and other similar opportunities.

Central Marketing

Budget

€6.5/£4.5m (2016) to €8.4/£5.9m (2019)* +€1.9/£1.4m investment*

* Note key assumptions in section 8

Key Strategic Actions

- Review **Tourism Brand Ireland** in 2017 to ensure our message is maximally effective with consumers.
- Produce a **new advertising campaign** in 2018 to target overseas consumers.
- Launch the **Northern Ireland Proposition of Scale**. Production will begin in 2017 for launch in 2018.
- Increase **pan-market campaigns** such as Game of Thrones, Star Wars, and digital word-of-mouth campaigns. We will also undertake 'Always On' campaigns to maximise positive breaking news and cultural and sporting opportunities that feature the island.
- Increase our focus on **digital publicity** campaigns.
- Invest in '**Influencer Marketing**', which means working with celebrities and bloggers and partnering with complementary brands to help promote the island of Ireland overseas.
- Implement a **screen tourism** strategy to build on the success of working with Star Wars and Games of Thrones.
- Use new technology to drive **marketing effectiveness**, including using consumer data to show more relevant advertisements to more targeted audiences.
- Work with the industry to leverage Tourism Ireland's significant **digital footprint** by investing in new Digital Industry Opportunities to 'retarget' consumers that have engaged with us online with the industry's offerings.
- Maintain a **Strategic Air Access Fund** to maximise new route potential.

8. Budget allocation 2017 – 2019

The table below is for illustrative purposes only and has been prepared on the basis of the assumptions noted below.

Corporate Plan Core Budget 2017-19 (Euro)

	2016 Budget	2017 Forecast	2018 Forecast	2019 Forecast
	€'000	€'000	€'000	€'000
Total Operating Costs	21,859	22,761	23,400	24,100
Pay – Base Line	<i>13,050</i>	<i>13,711</i>	<i>14,000</i>	<i>14,300</i>
Operating	<i>8,809</i>	<i>9,050</i>	<i>9,400</i>	<i>9,800</i>
Net TI Marketing Expenditure	34,377	33,913	38,900	43,900
TI Net Core Expenditure	56,236	56,674	62,300	68,000

	€'000	€'000	€'000	€'000
Northern Ireland Executive Investment (Base)		16,700	16,367	16,367
Additional Investment Required		(333)	1,808	3,633
Total Northern Ireland Executive Investment	16,700	16,367	18,175	20,000
Irish Government Investment (Base)		39,536	40,307	40,307
Additional Investment Required		771	3,818	7,693
Total Irish Government Investment	39,536	40,307	44,125	48,000
Grand Total Investment Required	56,236	56,674	62,300	68,000

Fundamental Assumptions:

It has been agreed with both Sponsor Departments that the Corporate Plan 2017-2019 is based on the following key assumptions. It is further noted that for the periods April 2018 to March 2020, the budgets available will be the subject to the normal Annual Business Plan approval process.

- Investment for 2017 is based on actual allocations advised by DTTAS and guidance issued by DfE
- Investment for 2018 & 2019 assumes the full restoration of investment commences in 2018 and continues in 2019.
- It's assumed that Investment ratio (North/South) are maintained at historical level (2016) for the period of the Plan.
- Investment requested in this Corporate Plan is required to deliver on the *People, Place and Policy, Growing Tourism to 2025 (Ireland)* commitment to restore overseas marketing funds. Similarly the revenue targets contained in the *Draft Tourism Strategy to 2025* will not be achieved without the requested investment.
- A failure to obtain the requested investment in 2018 and 2019 will have the following implications on the Corporate Plan presented:
 - A permanent loss of up to 300,000 visitors to the island of Ireland by 2019
 - A loss of up to €300/£210 million revenue to the island of Ireland by 2019

- Failure to create up to 4,500 jobs in the tourism Industry on the island of Ireland in 2019
- Up to 1 million fewer people 'interested' in visiting the island of Ireland in 2019; consequently improving the likelihood that these holidaymakers will holiday in competitor destinations.

Planning Assumptions

- The exchange rate for all years stays at the official 2016 rate of €1.00=£0.70 this is to enable comparability
- For operational planning, current spot rates (\$ 1.25: £ 1) have been used and impact reflected in scale of marketing plans.

Note: If current spot rates (€1:£.84p) were used the euro value of the sterling contribution would reduce by €2.71m in 2017.

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9. Monitoring and evaluating the plan

Tourism Ireland is committed to monitoring the implementation of the Corporate Plan and the measurement of its impact. This plan describes the outcomes we intend to deliver to the end of 2019 in terms of macro measures in relation to the number of holidaymakers, holiday revenue, visitor and revenue growth. In addition, in the table below we have set KPI targets to ensure we are delivering on our strategic objectives.

Strategic Objective	KPI Target 2017 - 2019
Maximise holiday revenue by targeting the markets that deliver the greatest return on investment	Increase total holiday revenue to the island of Ireland by +19% in 2019 v 2016 amounting to €3.4/£2.4 billion in 2019
Target consumers who have the greatest propensity to travel to the island of Ireland	Increase the number of holidaymakers visiting the island of Ireland by +10% in 2019 v 2016 leading to 5.2 million holidaymakers in 2019
Stimulate the demand for the island of Ireland among our best prospect target segments by delivering a strong island of Ireland brand message	Increase the number of people 'interested in' visiting Ireland and Northern Ireland (top 4 markets) for a holiday by 2.7 million in 2019.
Align our channel selection and investment strategy to deliver competitive standout	Achieve the following spontaneous awareness of the island of Ireland communications amongst overseas consumers in 2019: GB 7%, US 9%, France 15% and Germany 7%.
Maximise the tourism potential of Northern Ireland	Increase total holiday revenue arising in Northern Ireland by +23% in 2019 v 2016 to £183 million
Work in partnership with carriers, online travel agents, trade and industry to deliver sustained connectivity and sales growth	Generate €22.5/£15.8 million in third party investment in joint activity with Tourism Ireland by the end of 2019, to include co-op, brand partnerships and paid participation in Tourism Ireland activities
Aligning our resources for maximum effectiveness	A) Deploy total funding, as indicated in Section 8 of the Corporate Plan in 2017, 2018 and 2019 B) Achieve full internal audit compliance by avoiding any 'Priority 1' risk grading in 2017-2019

We have a well-developed activity assessment system in place to monitor our campaigns and initiatives and we will be monitoring our KPI's on a quarterly basis. The measurement of the impact and success of this Corporate Plan will be reported in the Tourism Ireland Annual Report, in addition to being reflected in our rolling strategic plans.

10 Conclusion

Tourism Ireland has identified huge opportunities for future growth and our vision is shared by the tourism industry, its partners and both governments.

We are confident that our strategy will earn the island of Ireland €3.4/£2.4m in holiday revenue by bringing in 5.2 million holidaymakers in 2019. Our dynamic strategies are designed to not only increase visitors and holidaymakers but to generate jobs and improve regional development. Investment is vital to the success of this ambitious and progressive three-year plan.

The rise in consumer spending, generated by the strategies, will boost business for a whole array of enterprises - stretching beyond tourism. Our priority is to use our funds in a way that brings maximum value for taxpayers and maximum return for the exchequer. Continued investment by the two Governments will benefit both jurisdictions through increased GNP/GDP, increased government revenue and an improved Balance of Payments.

We expect to grow holiday revenue to the island of Ireland faster than Western Europe over the course of the plan. Constant monitoring and evaluation of this plan is a vital part of its implementation and Tourism Ireland has a robust system in place to continually monitor the impact of all planned strategies.

We wholeheartedly believe that sufficient resources and support will allow us to successfully meet all challenges.

Tourism Ireland has an impressive record as an award-winning world leader in tourism marketing. As a small, but highly capable organisation, we have shown that we can navigate global economic and political challenges to grow tourism across the island.

Our achievements confirm our expertise and creativity and they illustrate that we will successfully use additional funding to significantly expand holiday and revenue figures.

Corporate Plan Targets 2017 - 2019

NOTE EXCHANGE RATE: €1 = £0.70

Island of Ireland Overseas Tourism Targets 2017 – 2019

Island of Ireland	2016 Forecast	2019 Target	2019/16 CAGR	2019/16 % change
Visitors (000's)	10,504	11,349	+3%	+8%
Holidaymakers (000's)	4,772	5,236	+3%	+10%
Revenue (€ millions)	5,443	6,404	+6%	+18%
Revenue (£ millions)	3,810	4,483	+6%	+18%
Holiday revenue (€ millions)	2,855	3,407	+6%	+19%
Holiday revenue (£ millions)	1,998	2,385	+6%	+19%

Ireland Targets 2017 – 2019

Ireland	2016 Forecast	2019 Target	2019/16 CAGR	2019/16 % change
Visitors (000's)	8,965	9,722	+3%	+8%
Holidaymakers (000's)	4,452	4,913	+3%	+10%
Revenue (€ millions)	4,689	5,515	+6%	+18%
Holiday revenue (€ millions)	2,642	3,146	+6%	+19%

Northern Ireland Targets 2017 – 2019

Northern Ireland	2016 Forecast	2019 Target	2019/16 CAGR	2019/16 % change
Visitors (000's)	2,083	2,244	+3%	+8%
Holidaymakers (000's)	640	720	+4%	+13%
Revenue (£ millions)	527	623	+6%	+18%
Holiday revenue (£ millions)	149	183	+7%	+23%

Visitor Targets 2017 – 2019

Visitors	2016 Forecast	% 17/16	% 18/17	% 19/18	CAGR 19/16	2019/16 % change
Ireland	8,965	+1%	+4%	+3%	+3%	+8%
Northern Ireland	2,083	+3%	+2%	+2%	+3%	+8%
Island of Ireland	10,504	+1%	+4%	+3%	+3%	+8%
Great Britain	4,990	-3%	+3%	+2%	+1%	+3%
North America	1,571	+6%	+5%	+4%	+5%	+16%
Mainland Europe	3,334	+4%	+4%	+3%	+3%	+11%
Other Areas	609	+5%	+6%	+6%	+6%	+18%

Holidaymaker Targets 2017 – 2019

Holidaymakers	2016 Forecast	% 17/16	% 18/17	% 19/18	CAGR 19/16	2019/16 % change
Ireland	4,452	+2%	+5%	+4%	+3%	+10%
Northern Ireland	640	+5%	+4%	+3%	+4%	+13%
Island of Ireland	4,772	+2%	+4%	+3%	+3%	+10%
Great Britain	1,726	-4%	+3%	+3%	+1%	+2%
North America	1,029	+6%	+6%	+4%	+5%	+16%
Mainland Europe	1,761	+4%	+4%	+3%	+4%	+12%
Other Areas	256	+6%	+7%	+7%	+7%	+22%

Revenue Targets 2017 – 2019

Revenue €m	2016 Forecast	% 17/16	% 18/17	% 19/18	CAGR 19/16	2019/16 % change
Ireland	4,689	+4%	+7%	+5%	+6%	+18%
Northern Ireland	753	+6%	+6%	+5%	+6%	+18%
Island of Ireland	5,443	+5%	+7%	+5%	+6%	+18%
Great Britain	1,545	-4%	+6%	+5%	+2%	+7%
North America	1,442	+9%	+7%	+6%	+7%	+23%
Mainland Europe	1,825	+7%	+6%	+5%	+6%	+19%
Other Areas	631	+9%	+8%	+8%	+8%	+27%

Revenue Targets 2017 – 2019

Revenue £m	2016 Forecast	% 17/16	% 18/17	% 19/18	CAGR 19/16	2019/16 % change
Ireland	3,282	+4%	+7%	+5%	+6%	+18%
Northern Ireland	527	+6%	+6%	+5%	+6%	+18%
Island of Ireland	3,810	+5%	+7%	+5%	+6%	+18%
Great Britain	1,082	-4%	+6%	+5%	+2%	+7%
North America	1,009	+9%	+7%	+6%	+7%	+23%
Mainland Europe	1,277	+7%	+6%	+5%	+6%	+19%
Other Areas	442	+9%	+8%	+8%	+8%	+27%

Holiday Revenue Targets 2017 – 2019

Holiday Revenue €m	2016 Forecast	% 17/16	% 18/17	% 19/18	CAGR 19/16	2019/16 % change
Ireland	2,642	+5%	+7%	+5%	+6%	+19%
Northern Ireland	213	+7%	+8%	+7%	+7%	+23%
Island of Ireland	2,855	+6%	+7%	+5%	+6%	+19%
Great Britain	616	-5%	+7%	+6%	+2%	+7%
North America	1,001	+8%	+8%	+5%	+7%	+22%
Mainland Europe	1,009	+9%	+7%	+5%	+7%	+22%
Other Areas	229	+10%	+9%	+8%	+9%	+29%

Holiday Revenue Targets 2017 – 2019

Holiday Revenue £m	2016 Forecast	% 17/16	% 18/17	% 19/18	CAGR 19/16	2019/16 % change
Ireland	1,849	+5%	+7%	+5%	+6%	+19%
Northern Ireland	149	+7%	+8%	+7%	+7%	+23%
Island of Ireland	1,998	+6%	+7%	+5%	+6%	+19%
Great Britain	431	-5%	+7%	+6%	+2%	+7%
North America	701	+8%	+8%	+5%	+7%	+22%
Mainland Europe	706	+9%	+7%	+5%	+7%	+22%
Other Areas	160	+10%	+9%	+8%	+9%	+29%

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