

**Spatial Spread of Tourism
and Extending the Season**

A Report for ITIC

TABLE OF CONTENTS

EXECUTIVE SUMMARY	I
CHAPTER 1 OBJECTIVES AND APPROACH.....	1
1.1 INTRODUCTION AND OBJECTIVE.....	1
1.2 TERMS OF REFERENCE	1
1.3 OVERALL APPROACH.....	2
1.4 KEY QUESTIONS.....	3
1.5 METHODOLOGY	5
1.6 REPORT STRUCTURE	7
CHAPTER 2 THE SPATIAL AND SEASONAL PATTERN OF IRISH TOURISM..	8
2.1 INTRODUCTION	8
2.2 REGIONAL PATTERN OF IRISH TOURISM.....	8
2.3 PATTERNS OF IRISH TOURISM BY COUNTY.....	11
2.4 SPATIAL PATTERNS BY DESTINATION	21
2.5 TOURIST PROFILES – BY REGION.....	25
2.6 SEASONAL PATTERN OF TOURISM.....	35
2.7 PERFORMANCE AGAINST OPT TARGETS	40
2.8 KEY POINTS	42
CHAPTER 3 DRIVERS AND PATTERNS.....	44
3.1 INTRODUCTION	44
3.2 SPATIAL DRIVERS	44
3.3 IRISH EXPERIENCE - SPATIAL	55
3.4 INTERNATIONAL EVIDENCE – SPATIAL	61
3.5 SEASONAL PATTERNS	69
CHAPTER 4 CONCLUSIONS AND RECOMMENDATIONS.....	79
4.1 INTRODUCTION	79
4.2 SPATIAL AND SEASONAL PATTERNS OF TOURISM IN IRELAND	80
4.3 KEY DRIVERS OF SEASONAL AND SPATIAL PATTERNS	83
4.4 ARE SPATIAL AND SEASONAL PATTERNS OPTIMAL?	90
4.5 TOWARDS A NEW SPATIAL AND SEASONAL STRATEGY	93

Executive Summary

SPATIAL SPREAD OF TOURISM

1. Key Findings

- The top five tourism counties – Dublin, Cork, Kerry, Clare and Galway – contain nearly two-thirds of all registered hotel and B&B accommodation in Ireland. Within the top five counties a small number of specific tourism centres contain most of the accommodation: Dublin, Cork and Galway cities; Killarney; and Bunratty/Shannon/Ennis.
- Tourism’s “big three” centres – Dublin, Galway and Killarney – alone account for 30% of all accommodation. Outside these largest locations, further groups of “second” and “third” tier centres account for much of the remainder of tourism accommodation. The second tier consists of such centres as Westport, Bundoran, Sligo, Clonakilty and Waterford, the third tier of centres such as Kilkenny, Wexford, Lahinch, Courtown, Clifden, Dingle, Rosslare and others. In all, the top 25 tourist centres account for 60% of Irish tourist rooms and bednights (see map).
- Such key tourism centres are a typical feature of the industry worldwide. In Europe, cities such as London, Glasgow, Edinburgh, Amsterdam, Stockholm, Gothenburg, Budapest and Prague, and areas such as the Spanish “Costas”, Greek Islands and Portuguese Algarve, dominate their national industries even more so than their Irish counterparts.
- Furthermore, the intensity of tourism in Ireland, even in key centres, is still not especially high by international standards.
- Tourism’s concentration is also low by national standards. Compared to most other industries in Ireland, tourism is actually relatively evenly spread. This reflects the fact that many important centres are away from the east coast, and in some cases are in relatively rural contexts, most notably Killarney among the major centres and “second tier” centres such as Westport, Bundoran, Clonakilty and Tralee.

Executive Summary Map

- Dublin plays a major role in Irish tourism. It accounts for about 20% of rooms and 31% of overseas revenue. Its role is strongly boosted by its unique European city-breaks status and by overseas business traffic. Its role in other segments is lower, most notably domestic tourism.
- Tourists are not homogenous, and there are several different types of tourist attracted to Ireland for different reasons. Different tourism types and origin markets display quite distinct spatial patterns, for example. Broadly speaking, non-UK overseas tourists are the most spatially concentrated in the major centres, followed by UK visitors, while domestic tourists are the least likely to frequent the big centres only.
- Efforts under the 1994-99 Operational Programme for Tourism to increase the spatial spread of tourism have not really worked. Big centres have stayed big, and small ones have stayed small. Private investors concentrate on the main centres, and these centres have generally increased their market shares. The top five counties had 65% of all overseas revenue in 1993. This increased to 70% in 1999.
- There are, of course, many successful tourism enterprises outside the main centres, especially in more niche products such as golf, angling, Shannon cruising and very high quality accommodation. Relatively small numbers of tourists can also have a significant impact in small locations. However, such niche products have not had a sizeable impact on overall spatial patterns.

2. Key Conclusions

- All tourism policy must be market-led. The spatial pattern of different types of tourism differ, and policy towards increased spatial spread needs to be built around these differences. A seven-way distinction for future planning is proposed, and distinct strategies must be put in place for each:

* Overseas:	* Domestic:	* Business
⇒ short stay	⇒ short stay	* VFR
⇒ long stay touring (coach and car)	⇒ long stay	
⇒ long-stay based		

- Key tourism “honey pots” are a feature of tourism everywhere. Tourism cannot realistically be evenly spread across the national territory. This would also not be optimal. The kind of infrastructure to support tourism cannot be provided everywhere. Even if possible, “pushing” tourists into locations which are unsuitable and unprepared is not economically or environmentally desirable.
- Tourism centres do not develop either quickly or randomly, and cannot be driven by policy decision alone. Tourists and tourism investors must be enticed in. For example, many of Ireland’s main centres have long tourism traditions, often dating back to the 19th century. Such centres usually develop over time, and involve a virtuous mix of initial natural attractions, accessibility, accommodation, and associated investment in attractions.
- Centres can also overdevelop, become “jaded” and experience fashion changes. They need constant maintenance, upgrading and renewal. The job of developing such centres is never “done”.
- Any policy to spatially spread tourism in Ireland must not be at the expense of existing centres. These are Ireland’s key tourist assets, they are not tourism “problems”. We downgrade them at our peril. It would be foolish to try to play in the international tourism “game” with other than our best team.
- Any congestion problems in key centres do not reflect especially high carrying rates, they mainly reflect lack of infrastructure investment and poor (or no) visitor and traffic management. These problems need on site solutions. They are not a valid rationale for trying to simplistically “move visitors out” to other locations, even assuming the visitors wish to go there. Besides, without proper preparation the new locations will in turn become congested.
- If policy makers wish to promote a quantum shift in tourism numbers towards less developed parts of the country, including the Border, Midland and West (BMW) Region, this will require development or expansion of a limited number of major new tourism destinations in locations which have the requirements to become such centres. Grant-promoted investment in small scattered locations simply will not be able to compete with established destinations.

- Measures to promote niche and rural tourism in small locations are perfectly reasonable and valid, and will benefit such areas. However, a clear distinction must be made between “rural development” objectives which such measures can satisfy, and major tourism “spatial re-balancing” objectives which they cannot satisfy.
- Domestic tourism plays an important role in the spatial pattern of tourism, as the coastal resorts of the South-East and the West, and new short-break and conference destinations in the Midlands show. The domestic market must be a key component of any overall policy towards spatial spread of tourism.

3. Key Recommendations

- Development of a single agreed national tourism policy embracing all programmes funding tourism – National and Regional Operational Programmes, LEADER, INTERREG, Peace and Reconciliation.
- Adoption within this of a three-track approach to the spatial balance of tourism:
 - Track 1: Development of all areas, large and small, to the level of their natural tourism potential, where this is properly assessed and reflects genuine market needs. This includes sustaining rather than reducing the role of existing major centres.
 - Track 2: Designation of a small number of new tourism centres of scale, with particular focus on the BMW region, involving only centres with demonstrated appropriate potential and meeting necessary criteria (see below).
 - Track 3: Policies to maximise the spread of benefits out from tourism centres to their hinterlands via ancillary attractions, day trips, pilot projects etc.
- It is vital that policies for spatial spreading of tourists must also be developed around market-led and defined segments. Government and industry must understand the nature of who it is they are trying to attract to alternative locations. We propose seven

such segments (see Section 2 above). Each of these will require a distinct approach, and each now needs a full strategy to be articulated for it.

- In the case of new tourism centres of scale (Track 2), selection criteria should be:
 - some degree of natural attraction and natural base;
 - an existing strong varied accommodation base;
 - appropriate domestic and international transport access;
 - necessary associated infrastructure;
 - a base of public attractions;
 - an entrepreneurial tourism base;
 - a cohesive partnership between local businesses, local authority and local community;
 - presence in the surrounding areas of attractions suitable for development as day visits.

- Almost by definition, these will be existing lower level centres, not “greenfield” sites.

- Selection of these centres should be on a competitive basis, based on integrated area-based proposals from candidate locations. There should be a move away from product and marketing support to stand-alone enterprises.

- Outside of designated centres, product investment should concentrate on specific activity and niche tourism products.

- Tourism products investment under the 2000-2006 National Development Plan should adopt and support this approach, and implementation procedures and arrangements should be designed to do so in advance of actual spending going ahead. As matters stand, there is a danger of overemphasis on “underdeveloped” tourism areas chosen on misplaced equity grounds but with no real assessment of tourism potential, and with an enterprise-by-enterprise “scattered” approach with no real prospects of scale or spatial impact.

- In relation to tourism marketing, public funding should involve:
 - tourism destinations competing for marketing funds through integrated plans for their areas rather than on an enterprise basis;
 - further exploration of the link between overseas tourism marketing policy and spatial spread of tourism, especially the “single destination” approach;
 - regional tourism authorities, local authorities and other area-based organisations marketing the tourism product in their areas rather than their areas as such;
 - greater focus on initiatives to develop the marketing expertise and capability of tourism enterprises, area-based groups, and consortia.
- Marketing and product development spending should be integrated, with a focus on key tourism centres – existing and new.
- Improved statistical information on existing spatial patterns of tourism is needed to support development and monitoring of any detailed spatial policy.

SEASONAL SPREAD OF TOURISM

1. Key Findings

- Currently, about one-quarter of overseas tourism revenue is earned in the peak July-August period, and three-quarters outside it – 30% shoulder and 43% off-peak.
- The seasonal spread of earnings improved greatly during the 1990s and off-peak (though not shoulder) targets in the 1994-99 OPT were comfortably passed.
- Much of this progress is explained by increased short-break (mostly Dublin), VFR and business travellers. The information available does not presently exist to monitor patterns among “pure tourists”.

2. Key Conclusions

- There is a need to identify separately what is happening among genuine “promotable” tourists.
- Domestic tourists are a major component of the market, but Irish school holiday arrangements place a major limitation on the seasonal flexibility of people with school-going children.
- Promotional campaigns to promote off-season tourists appear to work, and should be maintained.
- There is likely to be a trade-off between seasonal and spatial objectives. Improved seasonality is most easily achieved in larger tourism centres, especially those in major urban areas. Conversely, efforts to increase spatial spread outside urban centres may not be conducive to seasonal spread.
- The central rationale for improved seasonal (and spatial) spread of tourism is improved capacity utilisation. However, these benefits are not limitless and there are instances where leaving spare capacity empty in the off-season may be the optimal business policy.

3. Key Recommendations

- Public funding should be directed towards “promotable” tourists and progress in regard to these should be monitored.
- Efforts to maintain the present seasonal spread should continue, but further ambitions targeted should be avoided as they may become unrealistic.
- The role of key domestic Irish institutional arrangements, including school holidays, should be examined by the tourism sector and other appropriate bodies.
- Development of city-break potential outside Dublin will benefit both seasonal and spatial spread.

Chapter 1 Objectives and Approach

1.1 Introduction and Objective

This is a report on the spatial spread of tourism and extending the season. It has been prepared by Fitzpatrick Associates, Economic Consultants on behalf of the Irish Tourist Industry Confederation (ITIC).

The objective of the study is to put forward a strategy or series of strategies that will produce sustained balanced growth in tourism across the regions. The study has two elements, one that deals with the spatial spread of tourism and how this can be developed, and another that focuses on seasonality issues.

1.2 Terms of Reference

1.2.1 Spatial Spread of Tourism

The key requirements of the spatial element of the study are to provide:

- an analysis of existing reports dealing with the regional distribution of tourism;
- a desk review of all reports dealing with regional development generally, with specific attention given to how tourism is treated in these documents;
- a description of tourism statistics – revenue, regional characteristics and value of tourism to the economy at both national and regional levels.

The study was also asked to:

- examine how access, employment and infrastructure development can influence regional distribution, and identify barriers and constraints;
- examine how marketing and product development can influence regional distribution, and identify barriers and constraints;
- review existing capacity at regional level (approved and unapproved) and the utilisation of this capacity, with a view to establishing the level of demand which is possible within existing capacity;

- analyse the potential for tourism growth by region, with due consideration for some regional characteristics;
- set out criteria for regional planning of tourism, develop a model for integrating tourism into the commercial life of the region and identify examples of best practice at home and overseas;
- provide recommendations to assist the achievement of regional growth;
- provide recommendations on structures at sub-regional level and make recommendations for improving their effectiveness;
- recommend pilot initiatives;
- spread existing targets on a regional basis and establish regional targets.

1.2.2 Extending the Season

The Terms of Reference for the seasonal element of the study are to:

- review existing strategies and evaluate success to date;
- analyse the factors which affect seasonality and list the constraints which continue to prevent the development of shoulder and off-season tourism;
- examine best practices and successful programmes in other competing countries;
- recommend strategies for extending the season;
- recommend pilot initiatives.

1.3 Overall Approach

Our overall approach to the study is to integrate its two parts to the maximum extent possible, treating them as essentially twin aspects of the wider “growth management and sustainability” challenge now facing Irish tourism. In particular, while extending the tourism season is a long-standing issue on which much work has already been done, it gains a potentially fresh dimension when considered in the context of the “spatial spread” issue. From an industry perspective, both topics are aspects of better capacity utilisation.

Other key aspects of our approach are that:

- the spatial spreading issue must be addressed first and foremost from the demand side, and specifically from the perspective of what the tourist wants and what the tourist industry wants. There is otherwise a danger that it will be overly driven by regional development needs, by desire for some form of equitable spread of tourism across regions, and by rural development objectives. All of these, while valid public policy objectives, can lead to a supply-side rather than market-led approach and to discussion of the issues from the “wrong end”;
- tourism issues, and particularly the issues of the spatial and regional spread of tourism, must be considered against the backdrop of wider national goals, objectives and activities. There are two particular dimensions of this: first, that key investment areas which will have major implications for the spatial spread of tourism are in the areas of infrastructure and the environment, ie outside the narrow tourism remit; second, that future proposals or initiatives in the area of spatial spreading of tourism must be clearly linked to the wider national initiatives occurring in this area;
- while focusing mainly on overseas tourism issues, the study must also take account of relevant trends in domestic tourism and in the wider domestic leisure sector. In many instances, commercial sustainability of new regional tourism facilities depends crucially on local demands, while for many accommodation providers extending the season depends crucially on domestic tourists;
- tourism, perhaps more than many other industry, risks policy development being based on anecdote and personal experience. We therefore take a strongly quantitative, analytical approach to try to ensure that any policies proposed regarding spatial and seasonal issues are well based on the underlying factual situation and not on perceptions of what this may be.

1.4 Key Questions

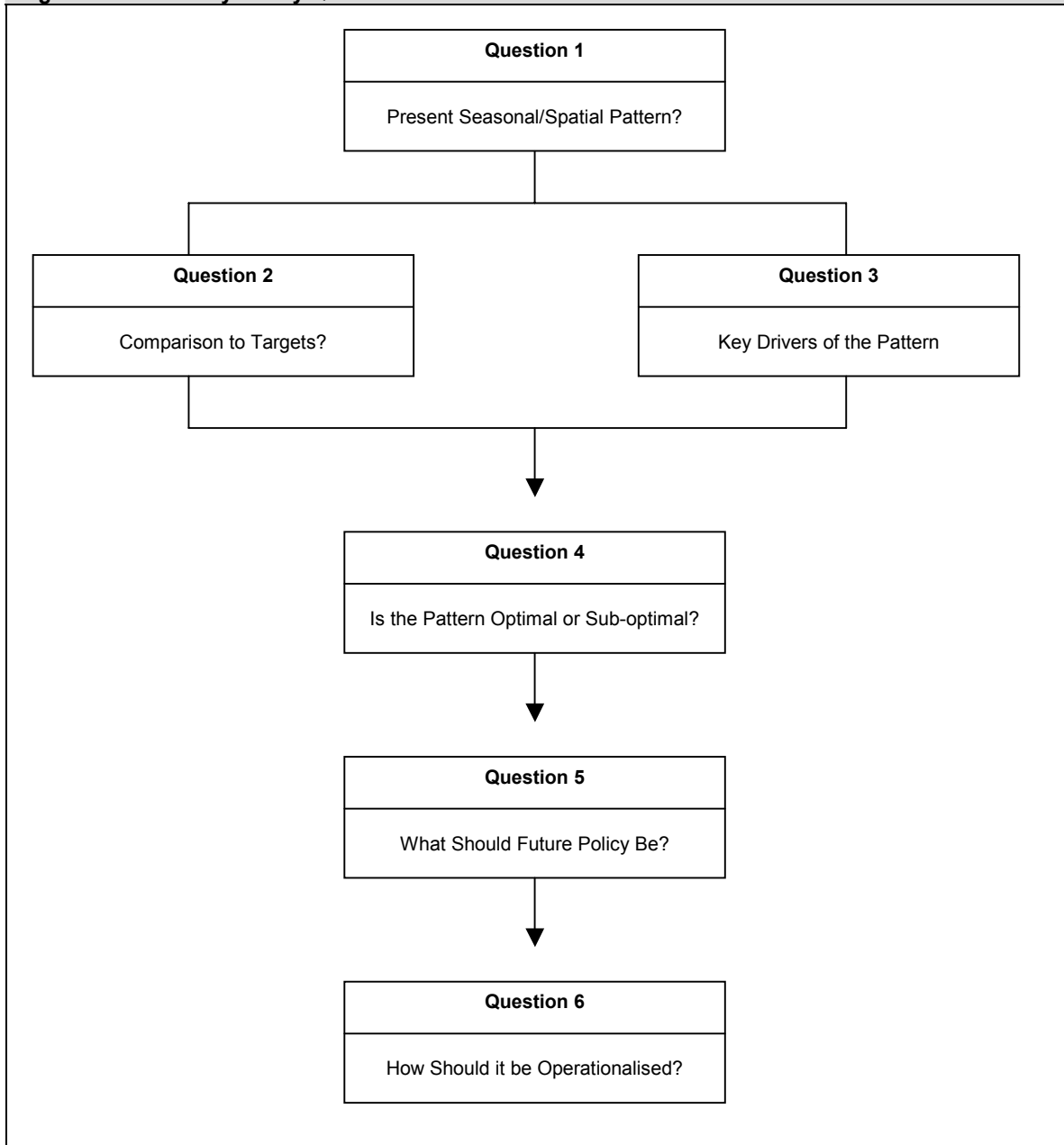
At the broadest level, and treating the spatial and seasonal aspects as a single package, the Terms of Reference require the study to address six key questions:

Question 1: What is the present spatial and seasonal pattern of Irish tourism, and how has this evolved over the past decade?

- Question 2: How has this evolution compared to the targets – explicit or implicit – in the 1994-99 Operational Programme for Tourism (OPT) and other key tourism policy documents?
- Question 3: What are the key drivers behind the spatial and seasonal spread, both the overall position and change patterns? What is the balance between demand and supply-side factors, and what factors are “givens” and what ones are amenable to influence?
- Question 4: How optimal or sub-optimal is the present spatial and seasonal pattern of tourism, and how for example does it compare with that in other countries?
- Question 5: In the light of the above, what should policy be in relation to these areas during the next decade, particularly up to 2006? What exactly do broad policy objectives in this area mean in practice, eg what is “balanced growth in tourism across the regions” and what specific targets, numerical or otherwise, should be set?
- Question 6: What is necessary to achieve these objectives, both in terms of overall strategies and of specific actions and pilot initiatives on the part of Government, industry, regional organisations and tourism sectors?

These key questions are summarised graphically in Figure 1.1.

Figure 1.1: Summary of Key Questions



1.5 Methodology

The methodology for the study consisted of four different modules:

- desk research and analysis;
- consultations;
- fieldwork;

- development of policies and actions.

Module 1 – Desk Research and Analysis – examined the current pattern and recent trends in the spatial and seasonal spread of Irish tourism. This included analysis of relevant data from sources such as the CSO, Bord Fáilte, the Regional Tourism Authorities (RTAs), Aer Rianta and Gulliver, as well as analysis of Fitzpatrick Associates' estimates of capital investment in Irish tourism. It also involved comparisons of Ireland's spatial and seasonal patterns with other countries and an examination of relevant Irish and international literature on spatial and seasonal spread, both in tourism and at the broader economic development level.

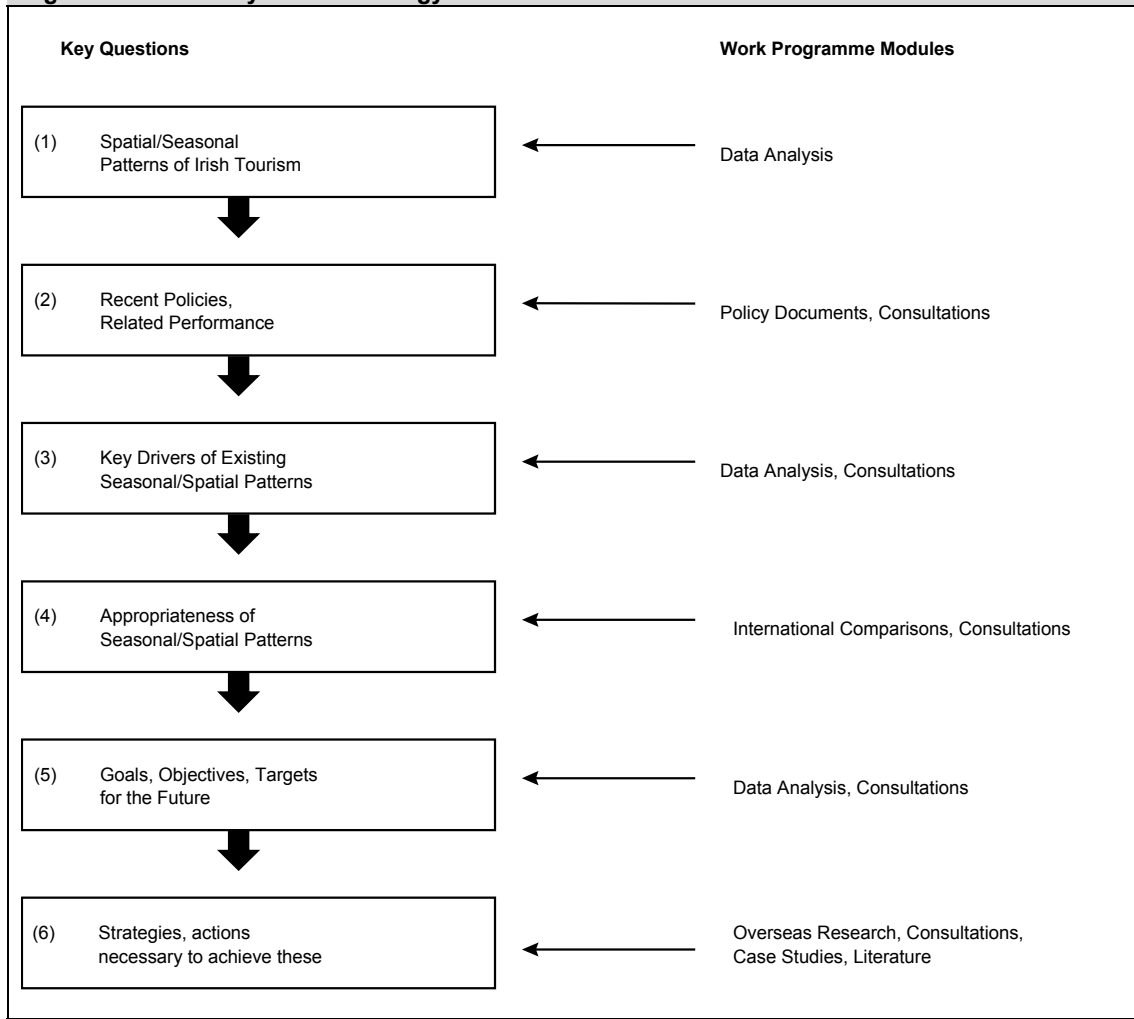
Module 2 – Consultations – involved an extensive round of consultations that included the ITIC Research Committee, selected individual associations affiliated to ITIC, key Government departments and state agencies involved in tourism policy-making, other departments, and relevant regional and local bodies. The consultation process consisted of a combination of face-to-face interviews and use of a postal checklist on spatial and seasonal spread issues.

Module 3 – Fieldwork – consisted of case study analysis at two levels. Firstly, the spatial and seasonal aspects of tourism development in three different Irish counties (Kerry, Wexford and Mayo) were examined. Secondly, international case studies of experience were carried out in the Netherlands, England and Portugal.

Module 4 – Development of Targets, Policies and Actions – has drawn on the output of the other modules to explore the policy options and possible pilot initiatives available to improve spatial and seasonal spread as well as the potential for developing spatial and seasonal targets.

Figure 1.2 below outlines how the methodology for the study set out to answer the six key questions.

Figure 1.2: Summary of Methodology



1.6 Report Structure

This is the first of four chapters. Chapter 2 examines the spatial and seasonal pattern of Irish tourism and compares it to both national targets and international experience. Chapter 3 examines the key spatial and seasonal drivers of these patterns, and again looks at international evidence. Chapter 4 concludes the study by drawing conclusions and making recommendations on policies and actions to promote a better spatial and seasonal spread of tourism in Ireland.

Chapter 2 The Spatial and Seasonal Pattern of Irish Tourism

2.1 Introduction

This chapter describes the spatial and seasonal patterns of tourism in Ireland, and assesses performance of both against targets contained in the 1994-99 OPT. The dispersal of tourism across regions, counties and individual towns/cities is described in Sections 2.2, 2.3 and 2.4 respectively. Section 2.5 looks in greater depth at regional patterns. Seasonal patterns are looked at in Section 2.6, and performance against the targets set in the OPT is described in Section 2.7. Section 2.8 summarises the key points emerging from the chapter.

Statistical information is taken from a variety of sources, including Bord Fáilte's three surveys (Survey of Overseas Travellers (SOT), Domestic Travel Survey and Hotel Performance Survey), the Regional Tourism Authorities, Aer Rianta, the regional airports, Gulliver Ltd. and various Government departments and state agencies. There remain, however, data limitations which curtail our analysis of spatial and seasonal patterns. In particular, the scope and the reliability of available data is poor at low levels of spatial disaggregation.

2.2 Regional Pattern of Irish Tourism

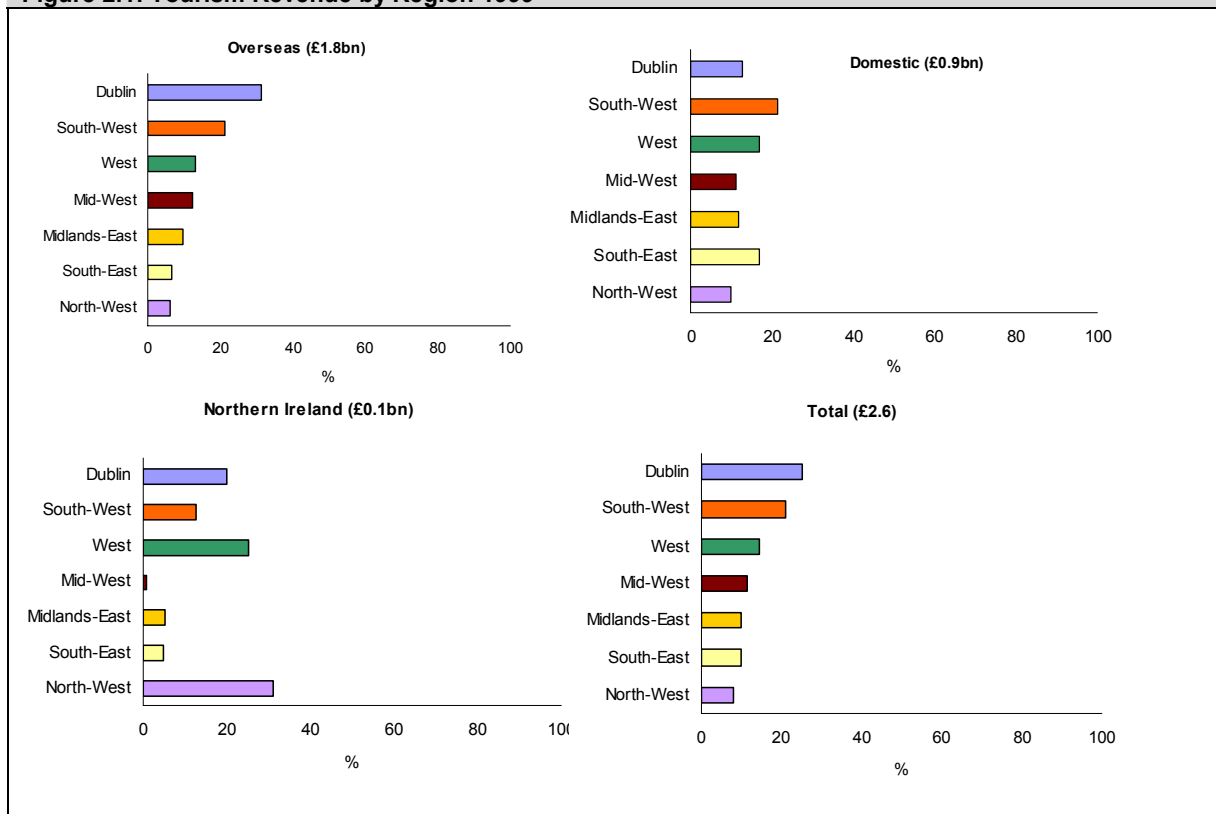
2.2.1 Regional Tourism Revenues

Dublin, followed by the South-West, accounted for the largest share of tourism revenue in 1999 (Figure 2.1). Dublin's pre-eminence derives from its dominant share of overseas tourism revenues – overseas revenues (£1.8 bn in 1999) account for over two-thirds of all tourism revenues generated in Ireland. Other notable features of the regional distribution of tourism revenues are as follows:

- the South-West is the second largest regional recipient of both total and overseas tourism revenues;
- domestic tourism demand is less regionally concentrated than out-of-state;
- in particular, domestic tourism does not have the Dublin concentration that characterises the overseas market;

- the South-West, South-East and West are the largest recipients of domestic tourism revenue, and the South-East was unique in 1999 in that domestic tourism revenues exceeded those from overseas tourists;
- Northern Ireland tourism demand is distinguished by a heavy (and growing) concentration in the Dublin, West and North-West regions. Reflecting the importance of Northern Ireland tourists, overseas revenues account for just under half of total revenues in the North-West.

Figure 2.1: Tourism Revenue by Region 1999



In the 1995-99 period, total tourism revenue grew by 39%, from £2.0 bn to £2.8 bn. However, over 1995-99 the South West was the strongest performer in relative terms, and increased market share by 3.2%, from 17.7% in 1995 to 20.9% in 1999. The Mid-West experienced the second strongest rate of growth and was the only other region to grow its market share. Dublin contributed 23% to overall growth, but lost market share. The South-East's performance was the poorest, with revenue growth of 8%.

Comparisons between moving averages, rather than year to year, give a more rounded picture of trends by evening out any annual idiosyncrasies. Comparing 1999 data with a moving average across 1994-96 shows some slight differences, most notably a sharper

fall for the West, a slight gain for Dublin (rather than a slight loss of share) and less strong share growth for the South-West and Mid-West.

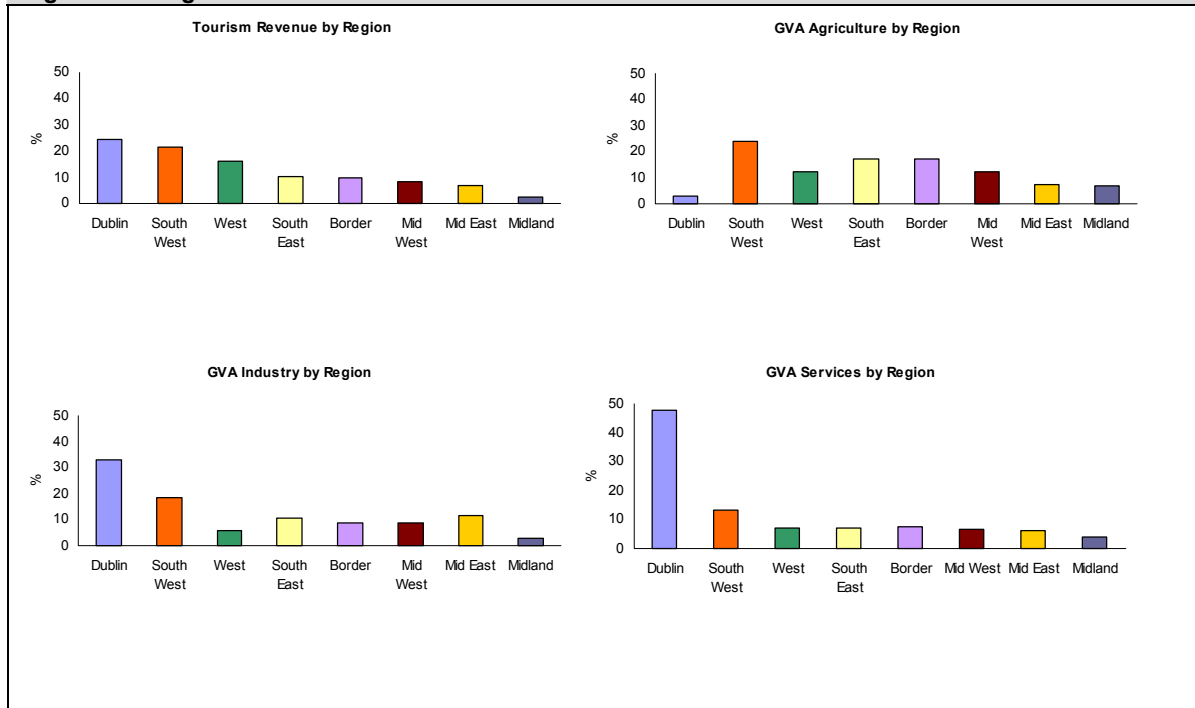
Table 2.1: Regional Distribution of Tourism Revenues 1995-99

	1999		Δ 1995-99		Contribution to National Δ 1995-99	
	IR £ bn	% Share	IR£ bn	%	Market Share	%
Dublin	708	25%	182	35%	-0.8%	23%
South-West	588	21%	230	64%	3.2%	29%
West	409	15%	117	40%	0.1%	15%
Mid-West	321	11%	112	53%	1.1%	14%
Midlands-East	284	10%	71	33%	-0.5%	9%
South-East	277	10%	21	8%	-2.8%	3%
North-West	227	8%	57	33%	-0.3%	7%
TOTAL	2,814	100%	789	39%	0.0%	100%

Source: Bord Fáilte

In the second half of the 1990s, the Western half of the country has performed better than the Eastern half in attracting overseas tourism. By RTA region, the largest increases in overseas tourism revenues over 1995-99 were in the South-West, Mid-West and West. Top domestic market performers between 1995 and 1999 were the South-West and North-West, while revenue from Northern Ireland tourists fell in all regions except the North-West and West. Dublin's performance in all three markets was close to the national average. It is also notable that almost all 1995-99 revenue growth in the South-East region was from domestic tourism.

Figure 2.2: Regional Tourism and Other Sectors



Source: Bord Fáilte/CSO

Overall, tourism revenue is much more evenly spread across the regions than services in general (Figure 2.2). Compared to other sectors, it is slightly more evenly spread than manufacturing and slightly less evenly spread than agriculture.

2.2.2 Spatial Supply of Tourism Investment

A recent study carried out by Fitzpatrick Associates on behalf of Bord Fáilte showed a very strong correlation between volumes of overseas tourism activity and volumes of tourism product investment at both a county and regional level. The Dublin and South-West regions between them accounted for half of Irish investment in tourism (that can be ascribed to individual counties) over the 1994-99 period. Overall, the rank order correlation between revenue and investment was very high (0.976, with 1.0 representing perfect correlation). Of the £1.654 bn invested over 1994-99, £414 mn (or 25%) was invested in what is now the BMW region.

Table 2.2: Regional (NUTS III) Breakdown of Tourism Investment 1994-99 (1999 Prices)

	Total (£mn)	% of Total	1999 Total Tourism Revenues Rank	Investment per Capita (£)	Investment per Hectare (£)
Dublin	512	31%	1	483 (4)	5,547 (1)
South-West	319	19%	2	583 (1)	259 (2)
West	205	12%	3	581 (2)	143 (5)
South-East	179	11%	5	453 (5)	189 (3)
Border	157	10%	4	386 (6)	127 (6)
Mid-West	155	9%	6	489 (3)	188 (4)
Mid-East	75	5%	7	217 (8)	124 (7)
Midland	52	3%	8	252 (7)	78 (8)
TOTAL	1,654	100%		456	235

Note: Figures shown are for national administrative regions, not tourism regions.

Source: Fitzpatrick Associates' Estimate

2.3 Patterns of Irish Tourism by County

2.3.1 Spread of Tourism Across Counties – Revenue Indicators

County-level revenue statistics are only available for the overseas market. They indicate the overwhelming importance of the top tourism counties, with Dublin, Cork, Kerry, Galway and Limerick accounting for 70% of all overseas tourism revenue in 1999 (and the top ten counties accounting for 81%). The dominance of the top counties has been increasing, with the top five accounting for 76% of growth in revenues between 1993 and 1999 – Dublin (35%), Cork (13%), Kerry (10%), Galway (8%) and Limerick (8%) – and 83% of the 1993-99 revenue increase accounted for by just ten counties.

Table 2.3: Overseas Tourism Revenue Performance by County 1999

	Revenue (£mn)	% of total	Cumulative £mn	Cumulative %	Contribution to National Growth, 1993-99
Dublin	577	31%	577	31%	35%
Cork	245	13%	822	45%	15%
Kerry	184	10%	1,006	55%	10%
Galway	169	9%	1,175	64%	8%
Limerick	111	6%	1,286	70%	8%
Clare	63	3%	1,349	73%	2%
Mayo	57	3%	1,406	76%	3%
Wicklow	49	3%	1,455	79%	3%
Sligo	37	2%	1,492	81%	2%
Donegal	35	2%	1,527	83%	1%
Kildare	34	2%	1,561	85%	2%
Wexford	33	2%	1,594	86%	1%
Tipperary	30	2%	1,624	88%	0%
Waterford	30	2%	1,654	90%	1%
Kilkenny	28	2%	1,682	91%	2%
Westmeath	23	1%	1,705	93%	1%
Meath	23	1%	1,728	94%	1%
Cavan	23	1%	1,751	95%	2%
Louth	20	1%	1,771	96%	1%
Roscommon	15	1%	1,786	97%	1%
Offaly	13	1%	1,799	98%	1%
Leitrim	11	1%	1,810	98%	0%
Longford	9	0%	1,819	99%	0%
Laois	9	0%	1,828	99%	0%
Carlow	8	0%	1,836	100%	1%
Monaghan	7	0%	1,843	100%	0%
TOTAL	1,843	100%			100%

Source: Bord Fáilte

With the exception of Dublin and Wexford, which are key gateways for overseas tourists, the key tourism counties are all along the Western seaboard (Map 2.1 those with the largest accommodation stocks are coloured dark and light blue). In contrast, the counties with relatively low accommodation stock are predominantly in the Midlands.

Of the top ten counties, only Donegal was not among the ten fastest growing (on a revenue basis) between 1993 and 1999. While some counties in the Midlands-East region (Kildare (138%), Laois (84%), Carlow (116%), Meath (97%), Laois (84%), Louth (82%) and Westmeath (80%)) also managed to make considerable gains, this was from very low revenue bases. Proximity to Dublin in all cases suggests that growth may be partially driven by overspill from the capital. In absolute terms, the relative importance of the top tourism counties is such that they account for the bulk of growth.

Map 2.1

Table 2.4: Overseas Tourism Revenue Performance by County 1993-99

	1993 £mn	1999 £mn	Change 1993-99 £mn	Rank Ordering Absolute Size 1999	Absolute Growth 1993-99
Dublin	289	577	288	1	1
Cork	122	245	123	2	2
Kerry	99	184	85	3	3
Galway	107	169	62	4	5
Limerick	46	111	65	5	4
Clare	46	63	17	6	9
Mayo	35	57	22	7	6
Wicklow	27	49	22	8	6
Sligo	21	37	16	9	10
Donegal	29	35	6	10	18
Kildare	14	34	20	11	8
Wexford	24	33	9	12	16
Tipperary	26	30	4	13	23
Waterford	21	30	9	14	16
Kilkenny	13	28	15	15	11
Westmeath	13	23	10	16	14
Meath	12	23	11	17	13
Cavan	9	23	14	18	12
Louth	11	20	9	19	16
Roscommon	9	15	6	20	18
Offaly	8	13	5	21	20
Leitrim	8	11	3	22	25
Longford	5	9	4	23	23
Laois	5	9	4	24	23
Carlow	4	8	4	25	23
Monaghan	8	7	-1	26	26
TOTAL	1,012	1,843	831		

Source: Bord Fáilte

The top county concentration is least evident among British tourists (Dublin excepted). For example, while 18% of all overseas tourists visited Cork, this was true of just 13% of British visitors. The percentage for Mainland European, US and “Rest of the World” tourists were 22%, 26% and 29% respectively. Similar anomalies are evident for Kerry, Galway and Clare (Table 2.5). Indeed, for virtually all counties, the percentage of British who visit is less than that for tourists from elsewhere in the world. These trends would suggest that:

- British visitors are less likely to be on “touring” holidays than other overseas visitors;
- the “weaker” tourism counties are more reliant on British visitors than on those from other overseas markets.

Table 2.5: Overseas Tourism Visits by County 1999

	Visits (000)	% of Visitors from Overseas Visiting Each County				
		All Overseas	Great Britain	Mainland Europe	North America	Other Overseas
Dublin	3,149	53%	48%	59%	60%	70%
Cork	1,062	18%	13%	22%	26%	29%
Kerry	1,129	19%	9%	27%	40%	31%
Galway	990	17%	9%	26%	30%	27%
Limerick	450	8%	5%	8%	15%	9%
Clare	597	10%	5%	13%	23%	12%
Mayo	331	6%	4%	8%	9%	6%
Wicklow	302	5%	5%	6%	4%	7%
Sligo	214	4%	3%	4%	5%	5%
Donegal	267	4%	3%	6%	8%	7%
Kildare	163	3%	3%	2%	3%	3%
Wexford	277	5%	4%	6%	4%	5%
Tipperary	183	3%	3%	4%	4%	4%
Waterford	315	5%	4%	5%	10%	7%
Kilkenny	218	4%	2%	5%	6%	5%
Westmeath	140	2%	2%	2%	2%	2%
Meath	109	2%	2%	2%	2%	2%
Cavan	107	2%	2%	1%	2%	1%
Louth	120	2%	2%	2%	2%	2%
Roscommon	61	1%	1%	1%	2%	1%
Offaly	58	1%	1%	1%	1%	0%
Leitrim	51	1%	1%	0%	1%	1%
Longford	37	1%	1%	0%	1%	1%
Laois	48	1%	1%	1%	0%	0%
Carlow	42	1%	1%	1%	0%	1%
Monaghan	43	1%	1%	0%	1%	1%
TOTAL	5,943					

Source: Bord Fáilte

Data on personal callers to tourist information offices (TIOs) presents further evidence of the strength of Ireland's top tourism counties and their contribution to overall tourism growth (Table 2.6). While Dublin and the next six high ranking counties (Galway, Kerry, Cork, Limerick, Waterford, Clare) accounted for nearly 80% of all personal callers to TIOs in 1999, the bottom six counties (Kildare, Monaghan, Longford, Cavan, Laois, Roscommon) accounted for less than 1% of all callers. In addition, while callers to Dublin grew by 15% and callers to the next top six counties grew by 30% since 1994, callers to the bottom six counties fell by 18%.

Table 2.6: Trends in Personal Callers to TIOs (by County) 1994-99

County	Personal Callers 1999		Absolute Increase 1994-99	% Increase 1994-99
Dublin	1,371,467	33.7%	+184,349	+15.5%
Top 6 (excl. Dublin)	1,857,315	45.7%	+424,204	+29.6%
Galway	637,352		+155,010	+32.1%
Kerry	358,927		+74,280	+26.1%
Cork	343,225		+66,076	+23.8%
Limerick	207,230		+63,731	+44.4%
Waterford	166,735		+85,219	+104.5%
Clare	143,846		-20,112	-12.2%
Bottom 6	34,375	0.8%	-7,416	-17.7%
Roscommon	9,150		-1,350	-12.9%
Laois	7,526		-2,920	-28.0%
Cavan	5,096		+701	+15.9%
Longford	4,665		-1,431	-23.5%
Monaghan	4,500		+291	+6.9%
Kildare	3,438		-2,707	-44.1%
STATE	4,066,832	100.0%	731,041	+21.9%

Note: Figures for Laois, Longford and Kildare only available for 1995-99, with 1995 used as a proxy for 1994. Note also that the fall in Clare numbers is partially due to the location of a temporary office in Shannon.

Source: Regional Tourism Authorities

2.3.2 Investment in Tourism Product at County Level

At a county level, Dublin attracted the highest level of product investment between 1994 and 1999, at an estimated £512 mn (Table 2.7). Cork (£178 mn), Kerry (£141 mn) and Galway (£107 mn) ranked next among the top investment counties. The rank order correlation at county level between tourism investment (1994-99) and revenue (1998) is 0.936, with 1.0 representing perfect correlation.

Table 2.7: Tourism Investment by County 1994-99 (1999 Prices)

County	Investment (€mn)	% of National Investment	Tourism Revenues 1999 (1 = Top Revenue County)
Dublin	512	31%	1
Cork	178	11%	2
Kerry	141	9%	3
Galway	107	6%	4
Clare	91	5%	6
Mayo	86	5%	7
Wexford	70	4%	12
Donegal	67	4%	10
Waterford	65	4%	14
Limerick	54	3%	5
Wicklow	35	2%	8
Kildare	29	2%	11
Sligo	29	2%	9
Tipperary	27	2%	13
Kilkenny	22	1%	15
Westmeath	20	1%	16
Cavan	19	1%	18
Louth	19	1%	19
Leitrim	16	1%	22
Offaly	16	1%	21
Carlow	10	1%	25
Meath	10	1%	17
Roscommon	10	1%	20
Monaghan	8	0%	26
Laois	7	0%	24
Longford	6	0%	23
TOTAL	1,654	100%	

Source: Fitzpatrick Associates' Estimate

There is a strong correlation (rank order of 0.941) between the spatial spread of accommodation capacity and tourism revenues, ie the largest stocks of accommodation are found in Dublin, Cork, Kerry and Galway. These four counties alone account for well over half of national room capacity (55%), while including the next four ranked counties – Clare, Donegal, Mayo and Limerick – brings the share to 77%.

Table 2.8: Accommodation Stock by County 1999

County	Total Room Capacity	% in Hotels	Rooms per Capita × 100	Rooms per Sq. Km.	Overseas Tourism Revenues 1 = Top County
Dublin	17,706	62%	1.7	19.2	1
Kerry	11,496	40%	9.1	2.4	3
Cork	10,629	35%	2.5	1.4	2
Galway	8,346	40%	4.4	1.4	4
Clare	5,704	39%	6.1	1.6	6
Donegal	5,299	35%	4.1	1.1	10
Mayo	4,410	30%	4.0	0.7	7
Limerick	3,684	40%	2.2	1.4	5
Waterford	3,209	45%	3.4	1.8	14
Wexford	3,037	35%	2.9	1.3	12
Wicklow	2,391	37%	2.3	1.2	8
Sligo	2,212	27%	4.0	1.2	9
Tipperary	1,758	40%	1.3	0.4	13
Kilkenny	1,316	41%	1.7	0.6	15
Cavan	1,094	43%	2.1	0.6	18
Westmeath	910	45%	1.4	0.5	16
Kildare	867	58%	0.6	0.5	11
Louth	730	49%	0.8	0.9	19
Meath	709	31%	0.6	0.3	17
Offaly	588	41%	1.0	0.3	21
Leitrim	574	26%	2.3	0.3	22
Monaghan	474	54%	0.9	0.3	26
Roscommon	430	31%	0.8	0.2	20
Carlow	411	43%	1.0	0.4	25
Laois	319	51%	0.6	0.2	24
Longford	294	37%	1.0	0.2	23
TOTAL	88,597	43%	2.4	1.3	

Note: Gulliver data included breakdowns of self-catering into units and hostels into beds. For comparability purposes, self-catering units were multiplied by 2.5 and hostel beds divided by 2 to give an appropriate rooms estimate.

Source: Gulliver

Geographical concentration of attractions in the top tourism counties is also evident when the spatial pattern of organised tourism activities is examined. Dublin, Cork, Galway and Kerry in particular have an extensive range of different visitor attractions and activities. The spread of activities across some of the “lesser” tourism counties does, however, reflect recent efforts being made at a product development level to improve tourism potential, particularly through the intervention of the OPT.

Table 2.9: Selected Tourism Activities by County 1998

	Fee-paying Attractions	Angling	Equestrian	Watersports	Cycling	Walking
Carlow	2	5	6	0	2	0
Cavan	5	27	2	0	4	1
Clare	21	45	19	4	7	26
Cork	50	77	53	35	8	7
Donegal	28	72	13	8	5	8
Dublin	37	10	49	11	15	27
Galway	23	112	46	2	8	16
Kerry	30	60	34	16	16	24
Kildare	7	5	35	2	1	2
Kilkenny	11	2	29	0	1	2
Laois	4	2	6	0	2	2
Leitrim	3	24	6	2	1	8
Limerick	20	11	25	0	4	8
Longford	3	8	4	0	0	0
Louth	5	5	5	5	6	1
Mayo	13	125	18	6	5	15
Meath	7	10	29	0	4	1
Monaghan	4	18	4	2	2	0
Offaly	5	13	12	2	2	2
Roscommon	12	25	5	0	3	2
Sligo	6	29	16	5	3	2
Tipperary	20	8	29	0	5	5
Waterford	7	18	14	1	1	5
Westmeath	8	17	9	2	2	1
Wexford	14	12	17	17	3	6
Wicklow	11	10	24	24	3	19

Note: The numbers relate to the number of listings for these activities on the Bord Fáilte website. In the case of visitor attractions, numbers are taken from Bord Fáilte's "Visits to Tourist Attractions" (1997).

Source: Bord Fáilte

2.3.3 County Case Studies

Detailed analysis of the spatial spread of tourism within Kerry, Mayo and Wexford indicates a similar pattern to that evident at national level, ie tourism accommodation capacity and revenues are concentrated in a few key areas. Kerry has the largest stock of tourism accommodation in Ireland outside Dublin, but it is predominantly located in Killarney. Of the 3* or higher grade hotels in the county, 51% were in Killarney, 7% in Dingle, 13% in Kenmare and 20% in Tralee in 1999. Strategically located on the Ring of Kerry, Killarney is Ireland's premier international tourism destination, and so its dominance of the county's tourism sector is not surprising. With a tradition stretching back over a century, and a range of tourism accommodation/services unparalleled outside of Dublin, it is a "must-see" destination for most first-time holidaymakers to Ireland and a "lynch-pin" of the traditional Ireland coach touring route.

While Killarney itself (rather than other towns on the Ring of Kerry) benefits disproportionately from direct tourism revenues, other enterprises in its hinterland – bakers, plumbers, etc – rely on tourism in Killarney for much of their livelihood. Aside from Killarney, other Kerry towns (eg Tralee, Kenmare and Dingle) are also major tourism centres by Irish standards. Tralee has successfully developed a thriving tourism sector

alongside its well-established role as a mainstream commercial hub, trading on a cluster of man-made attractions and its proximity to Killarney, and helped by "visionaries" in the town's local development agencies. Conversely, the coastal resort of Ballybunion has failed to progress (despite the attraction of a world-renowned golf course) because of limited investor confidence, the absence of quality accommodation and relatively low-level co-operation between local tourism interests.

Despite a similar scenic and coastal resource base, Mayo tourism is much less well developed than Kerry's. Thus, six other Irish counties had more overseas tourists than Mayo in 1999. However, visitor numbers and investment have grown relatively rapidly in Mayo, although not as fast as in the top four tourism counties. With both Achill and Westport in the Pilot Relief Scheme for Certain Resort Areas (PRSCRA), accommodation capacity expanded sharply in the last five years and Mayo now has around 4,400 tourism "rooms". Like Kerry, a high proportion of Mayo's accommodation base is in a single key destination, Westport, with another high concentration in Achill.

Wexford's tourism strength derives mainly from the domestic rather than the overseas market – about two out of three visitors are domestic. While both overseas visitor numbers and revenue grew between 1993 and 1998, the county's share of overseas visits declined. Proximity to the UK and the access provided by Rosslare ferryport are potentially valuable, though the county does not have a strong international image and overseas visits to Wexford are typically short-stay. The last five years were characterised by strong investment in second homes along the Wexford coast, mainly by Dubliners, and in self-catering accommodation in Courtown (stimulated by the PRSCRA). In Wexford, better spread of tourism development within the county is becoming an increasingly important issue, with sustainability a serious concern in Courtown – self-catering accommodation there has out-stripped development of basic infrastructural services.

A strategy to better spread tourism within Wexford identified three zones – the well developed East Coast, the largely under-developed South (which is regarded as having strong potential) and the undeveloped West. However, the strategy never really got off the ground and growth continues to be heavily concentrated on the East Coast. In both Mayo and Wexford, the growth of PRSCRA-stimulated accommodation stock (particularly self-catering) in Westport, Achill and Courtown has accentuated concentration trends.

2.4 Spatial Patterns by Destination

The tendency of tourism to concentrate in particular destinations, evident in the three county case studies described above, is further explored in this section. However, at this level of dis-aggregation, accommodation stock is the only type of data widely available. The “Defert” Index, which compares the number of beds available in a particular area with the resident population, is a widely used measure for showing the comparative intensity of tourism activity in different towns or cities.

Figure 2.3: Measuring Concentration in Tourism Centres – The Defert Index

The Defert index is based on the formula:

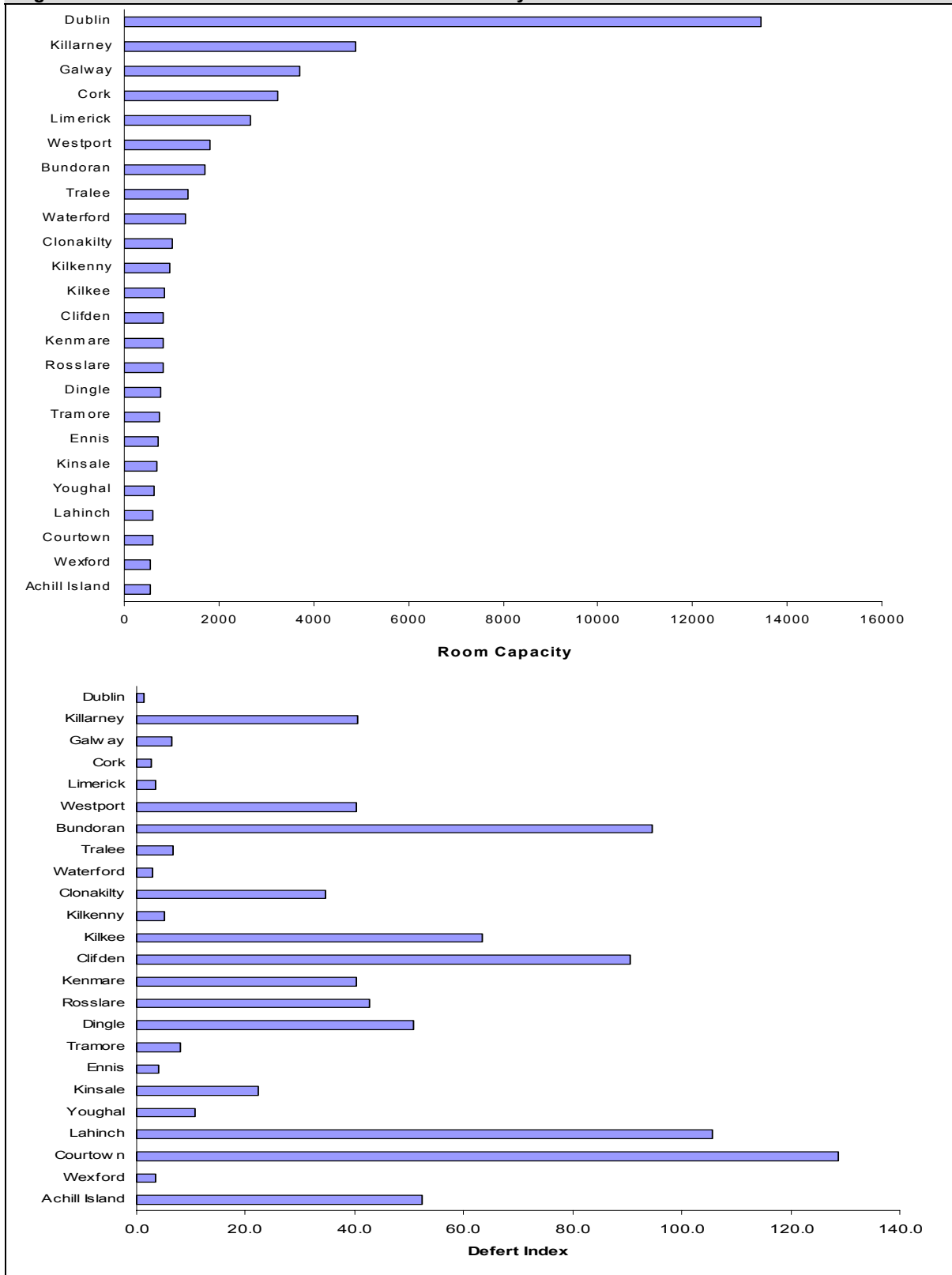
$$T(f) = (N*100)/P$$

where N = the number of accommodation rooms and P = the population. The theoretical limits of the index are zero, where no tourist accommodation exists, and infinity, where there is no resident population. There are six categories:

- Defert 1, where $T(f) < 4$: practically no tourist activity;
- Defert 2, where $T(f) = 4-10$: little tourist activity or tourist activity submerged in other urban functions;
- Defert 3, where $T(f) = 10-40$: communes with an important but not predominant tourist activity;
- Defert 4, where $T(f) = 40-100$: a predominantly tourist resort;
- Defert 5, where $T(f) = 100-500$: large tourist resorts;
- Defert 6, where $T(f) > 500$: hyper-touristic resorts.

Figure 2.4 shows room capacity and Defert rankings for Ireland’s most important tourism towns and cities. While most Irish towns would rank as Defert 1, there are several resorts in the country that are Defert 4-5 (though many of these ratings have been boosted by the availability of tax incentives for self-catering accommodation in certain designated areas).

Figure 2.4: Accommodation Stock and Tourism Intensity



Source: Derived from Bord Fáilte/Gulliver/Accommodation Guides

Arranging Irish towns and cities in order of accommodation capacity indicates that there were 11 Irish locations with more than 1,000 rooms in 1999 (Table 2.10). In the cities the majority of this accommodation stock tended to be in hotels, with a more varied accommodation base in centres more reliant on pure tourism.

Table 2.10: Accommodation Stock in Major Irish Towns, Cities and Tourist Resorts

Town/City/Resort	Room Capacity	% Hotels	Population (1996)	Defert Index
3,500 + rooms				
Dublin [†]	17,706	62	1,058,264	1.7
Killarney	4,873	51	12,011	40.6
Galway [‡]	3,692	49	57,363	6.4
1,000 to 3,500 rooms				
Cork	3,249	51	127,187	2.6
Limerick	2,655	41	79,137	3.4
Westport*	1,823	28	4,520	40.3
Bundoran*	1,699	23	1,796	94.6
Tralee	1,353	37	19,950	6.8
Waterford	1,298	64	44,155	2.9
Clonakilty*	1,024	15	2,950	34.7
Sligo	1,020	38	18,509	5.5
500 to 1,000 rooms				
Kilkenny	972	48	18,696	5.2
Kilkee*	842	16	1,331	63.3
Clifden	833	28	920	90.5
Kenmare	818	48	2,035	40.2
Rosslare	816	34	1,912	42.7
Dingle	782	22	1,536	50.9
Tramore*	750	21	6,536	11.5
Ennis	717	62	17,726	4.0
Kinsale	679	24	3,064	22.2
Youghal*	642	15	5,943	10.8
Courtown*	607	8	472	128.6
Lahinch*	612	19	580	105.5
Wexford	562	57	15,862	3.5
Achill Island*	538	23	1,024	52.5
Other Major Towns				
Lisdoonvarna	488	74	980	50.0
Ballina	469	49	8,762	5.4
Athlone	461	54	15,544	3.0
Bantry	457	25	2,936	15.6
Adare	433	54	1,042	41.6
Donegal	430	40	2,296	18.7
Oughterard	417	34	1,891	22.1
Ballybunion	413	21	1,470	28.1
Dungarvan	407	52	7,175	5.7
Dunmore East	403	12	1,430	28.2
Arklow	387	37	8,557	4.5
Blarney	371	48	1,963	18.9
Castlebar	359	42	8,532	4.2
Shannon	325	49	7,939	4.1
Letterkenny	313	39	11,996	2.6
Newmarket-on-Fergus	311	80	1,542	20.2
Dundalk	309	74	30,195	1.0
Cashel	300	35	2,687	11.2
Mullingar	287	47	12,492	2.3

Note: Gulliver data included breakdowns of self-catering into units and hostels into beds. For comparability purposes, self-catering units were multiplied by 2.5 and hostel beds divided by 2 to give an appropriate rooms estimate.

* Areas designated under the Pilot Relief Scheme for Certain Resort Areas (PRSCRA). The Galway figure includes the PRSCRA designated area of Salthill.

Source: Derived from Gulliver/Bord Fáilte Accommodation Guides

Map 2.2

As the table above shows, the intensity of tourist activity in towns like Killarney, Courtown, Clifden or Bundoran, for example, differs considerably with towns like Tullamore or Mullingar. Reflecting the stronger tourism orientation of coastal counties, relatively few towns in the Midlands are major accommodation centres – only Kilkenny has more than 500 rooms (Map 2.2).

2.5 Tourist Profiles – by Region

2.5.1 All Visitor Demand

For Ireland overall, the top ranking segments in 1999 in terms of visitor numbers and revenue generation were overseas holidays and overseas business visitors (Northern Ireland is excluded). However, this profile differs across Irish regions, as is shown in Table 2.11.

Table 2.11: Top Tourism Market Segments by Region (% of Visitor Arrivals) 1998

Rank	D	ME	SE	SW	MW	W	NW
1	O Hol (28%)	D VFR (26%)	D Hol (30%)	O Hol (36%)	O Hol (35%)	O Hol (31%)	O Hol (34%)
2	O Bus (23%)	O Hol (23%)	O Hol (29%)	D Hol (27%)	D Hol (27%)	D Hol (27%)	D VFR (23%)

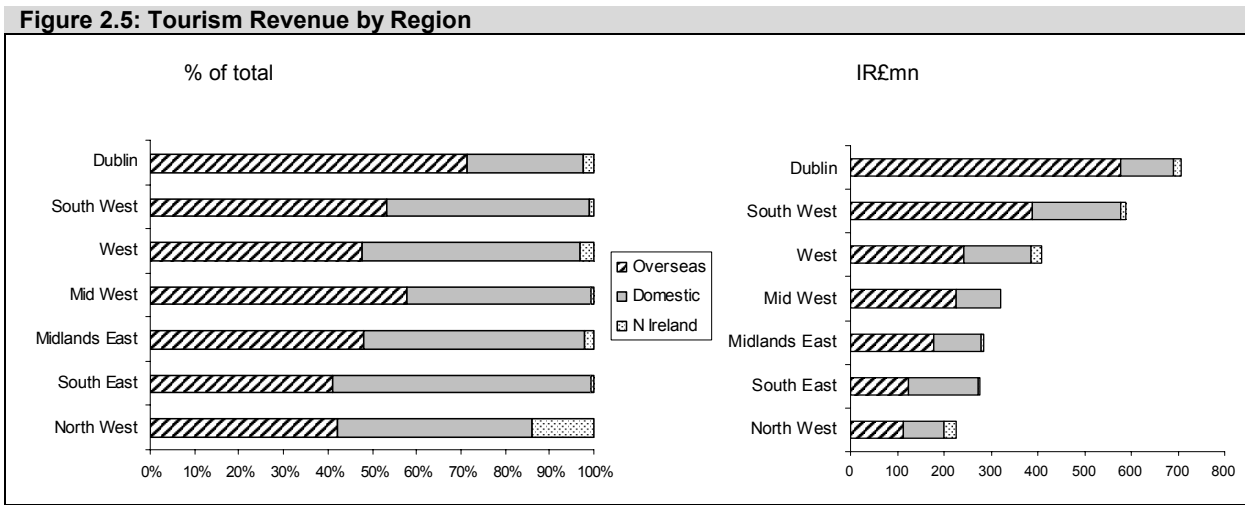
Source: Bord Fáilte

Features emerging from Table 2.11 include:

- Dublin's high dependence on overseas markets, mirroring the trend for Ireland in general;
- identical profiles for the South-West, Mid-West and West regions, with holiday demand dominating;
- the absence of business travel as a high ranking category in all regions except Dublin, although overseas business travel ranks second for Ireland;
- the high ranking of domestic VFR in the weaker regions – the Midlands-East and North-West.

The importance of the overseas market to Dublin, and the relative unimportance of Northern Ireland to any region other than the North-West, is apparent from Figure 2.5. These charts also highlight the correlation between overseas revenues and the overall ranking of tourism regions. It is worth noting at this stage, however, that domestic data is not very robust at a dis-aggregated level. Thus, while the data in Table 2.11 provides an

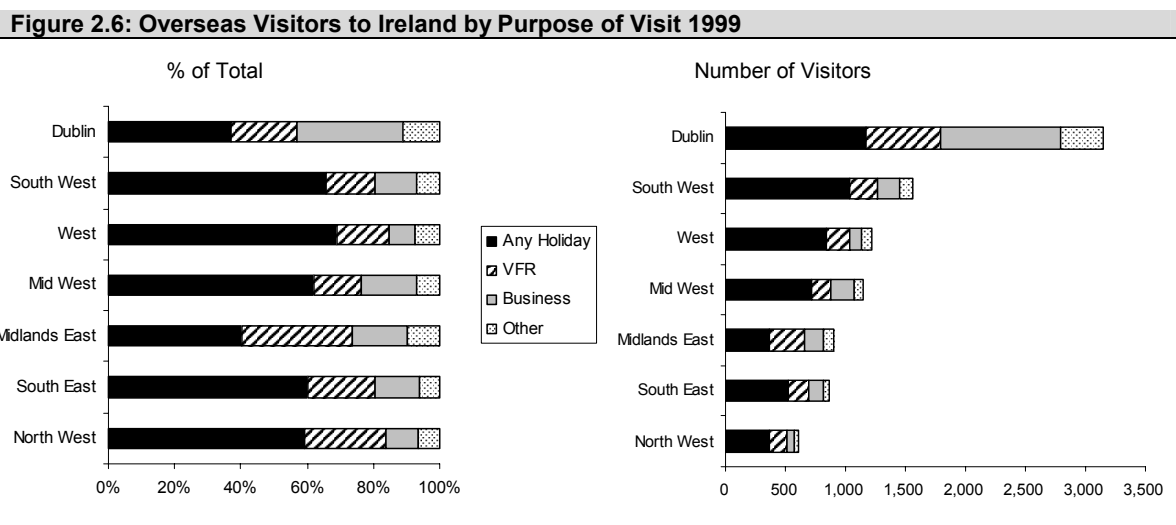
indication of the relative importance of different segments the potential for relatively high margins of error should be recognised.



Source: Derived from Bord Fáilte

2.5.2 Overseas Tourism

Looking at the overseas market only, the greater relative importance of the holiday market outside of Dublin and Midlands-East is apparent in 1999, with the latter having a relatively high share of business tourists and the former a relatively high share of VFRs (Figure 2.6). In absolute terms, however, Dublin still attracts more holiday visitors than any other region. Overseas holiday visitors, however, are relatively more important along the western seaboard and in the South-East than for Ireland overall.

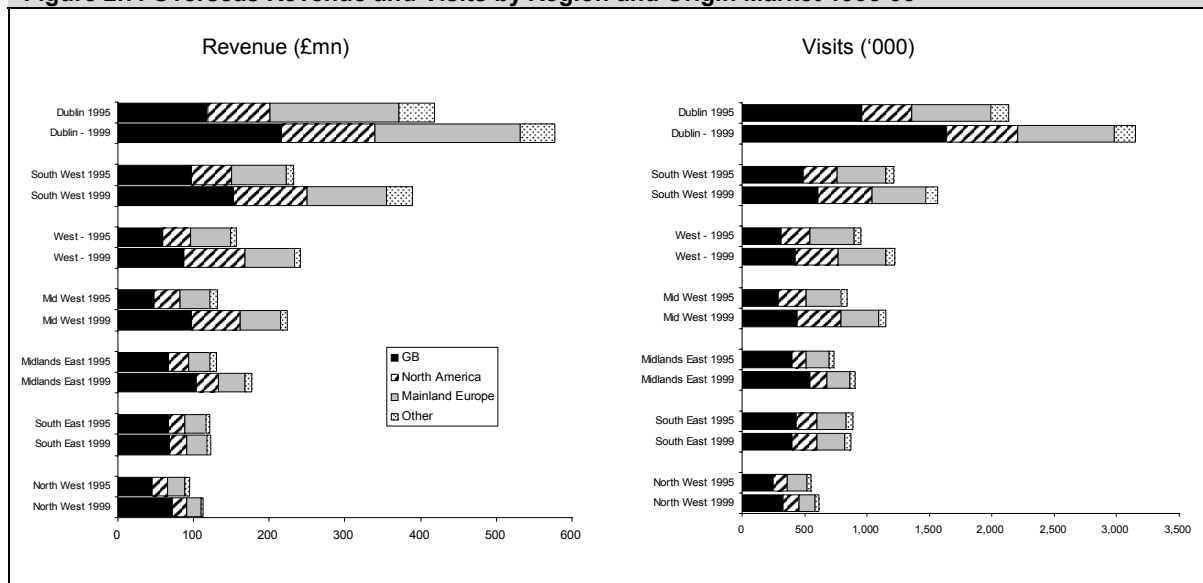


Source: Derived from Bord Fáilte

The market profile of overseas visitors by region in 1999 highlights the much greater

reliance of the weaker tourism regions on British visitors (Figure 2.7). Combined with a similar finding for domestic tourism revenues, a hierarchy of sorts emerges whereby, in relative terms, the weaker regions have the strongest dependence on the domestic market, followed by the British and then other overseas. This hierarchy is likely to be equally evident at the level of individual counties, partially reflecting historical factors but also weaknesses at tourism enterprise level. There is a parallel with enterprise development generally and the historical development of Irish manufacturing, whereby start-up/weaker firms tend to have a stronger dependence on more proximate markets.

Figure 2.7: Overseas Revenue and Visits by Region and Origin Market 1995-99



Source: Derived from Bord F \leftrightarrow ilte

While revenues and visitor numbers from the British market grew relatively rapidly over the 1995-99 period, this did not result in a wider spread of tourism revenues. This is evident from Figure 2.7, which shows the much faster absolute increase in British tourism in Dublin, the South-West and Mid-West, with visitor numbers rising particularly strongly in Dublin. On the other hand, the relative importance of British tourists in the North-West and Midlands-East also increased strongly, although in the latter case this reflects a lack of growth from other overseas markets. If the relative importance of Northern Ireland visitors is also taken into account, tourism in North-West is very heavily reliant on the UK market.

It should also be noted that visitors who arrive by sea are more likely to visit parts of the country other than Dublin. In general, sea arrivals – often car-based or with coach tours – are much more mobile than their air-borne counterparts. Furthermore, a very high proportion of sea arrivals are holidaymakers – nearly half of British visitors arriving by sea in 1998 were holidaymakers compared to one-fifth of British visitors arriving by air.

Reflecting this, sea arrivals tend, on average, to stay longer and spend more than air-based visitors as well as visiting more regions.

Table 2.12: Percentage of Total Visitors by Market That Visit Each Tourism Region 1995-99

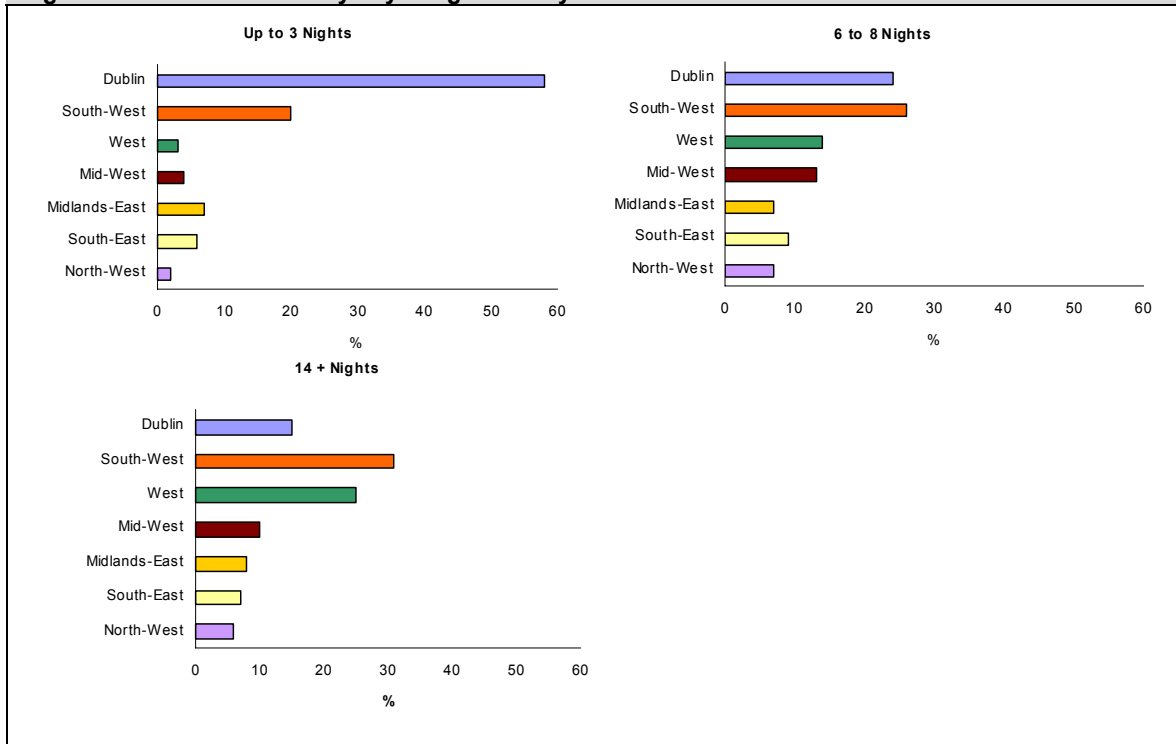
1995	Britain	N. America	C Europe	Other	Total
Dublin	42%	62%	58%	70%	50%
Midlands-East	17%	18%	17%	16%	17%
South-East	19%	25%	21%	26%	21%
South-West	21%	42%	36%	31%	29%
Mid-West	13%	33%	25%	23%	20%
West	14%	37%	32%	26%	23%
North-West	11%	18%	15%	14%	13%
% TOTAL	137%	237%	204%	206%	173%
1999	Britain	N. America	C Europe	Other	Total
Dublin	48%	60%	59%	70%	53%
Midlands-East	16%	14%	14%	17%	15%
South-East	12%	21%	17%	20%	15%
South-West	18%	45%	33%	41%	26%
Mid-West	13%	37%	23%	23%	19%
West	12%	36%	29%	30%	21%
North-West	10%	14%	9%	13%	10%
% TOTAL	129%	227%	184%	214%	160%

Source: Bord Fáilte

Analysis of visitor arrival statistics suggests that, on average, overseas visitors have been visiting fewer regions, ie becoming more spatially concentrated, in the 1995-99 period – regional visitor arrivals as a percentage of total visitor arrivals fell from 173% to 160% over the period¹. This is partially due to shorter average lengths of stay, particularly as a result of the growth of international short breaks into Dublin.

¹ The ratio between regional visitor nights and total visitor nights is a good indicator of the number of regions visited – the higher the % the more regions visited. A weakness of this approach, however, is that demand can be regionally dispersed without requiring individuals to visit more than one to two regions. This situation, however, is likely to be confined to a small number of specialist activities, eg angling.

Figure 2.8: Overseas Holidays by Length of Stay 1998



Source: Derived from Bord Fáilte

Figure 2.8 indicates the concentration of short stay holidays in Dublin, while the data in Table 2.13 indicates the increasing strength of the "Dublin only" market.

Table 2.13: Analysis of Dublin Regional Performance 1995-99

	1995	1999	% Δ 1995-99	% Contribution to Δ
Britain				
Total Visitors	100%	100%	71%	100%
Dublin Only	71%	77%	86%	86%
Dublin Breaks ¹	5%	11%	287%	19%
N. America				
Total Visitors	100%	100%	42%	100%
Dublin Only	29%	33%	64%	44%
Dublin Breaks	5%	5%	62%	7%
C. Europe				
Total Visitors	100%	100%	22%	100%
Dublin Only	48%	58%	47%	102%
Dublin Breaks	1%	3%	209%	12%
Other				
Total Visitors	100%	100%	19%	100%
Dublin Only	9%	11%	39%	19%
Dublin Breaks	4%	4%	50%	9%
TOTAL				
Total Visitors	100%	100%	48%	100%
Dublin Only	54%	62%	70%	80%
Dublin Breaks	4%	7%	207%	16%

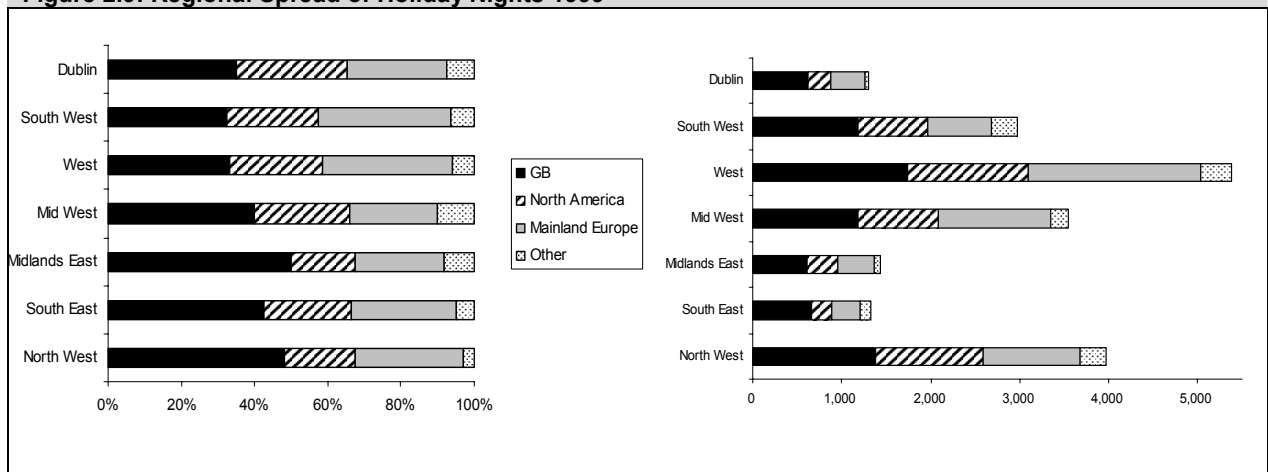
¹ Dublin Breaks is a subset of "Dublin Only" and refers to short-break holidaymakers to the capital, ie those not travelling outside the region and spending less than three days

Source: Bord Fáilte

Visitor numbers to Dublin grew strongly – reflecting short-break driven growth, and the

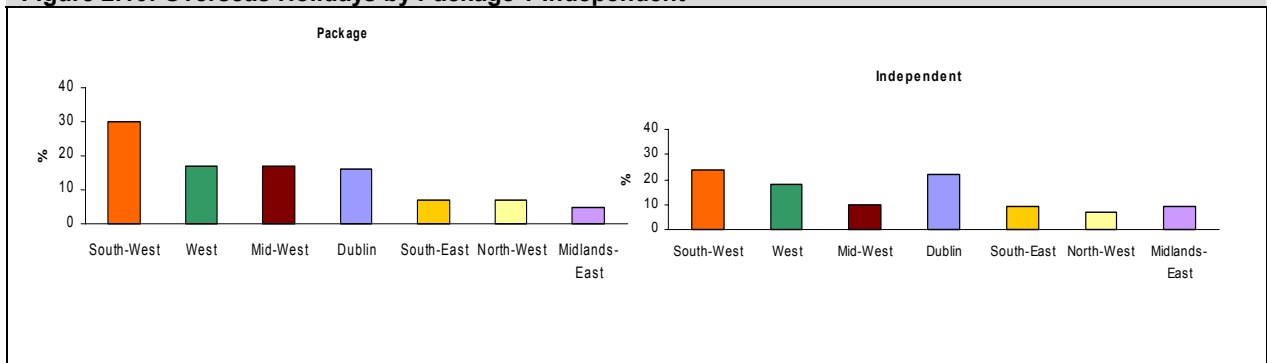
increasing importance of Dublin as a gateway – though average spend per visitor has fallen by 18% over 1995-99, from £237 to £193. This contrasts with trends in the South-West, West and Mid-West, where average visitor spend rose by 22%, 27% and 30% respectively. In the North American market, however, a higher spatial concentration appears to be the result of more intense demand for the South-West and Mid-West regions. Indeed, the South-West had more bednights from holiday visitors in 1999 than Dublin (Figure 2.9) and a much higher share of the "package" tour market (Figure 2.10).

Figure 2.9: Regional Spread of Holiday Nights 1999



Source: Bord Fáilte

Figure 2.10: Overseas Holidays by Package v Independent



Source: Bord Fáilte

A similar analysis of the regional distribution by main purpose of visit indicates that holiday travel only is well dispersed (228%). The remaining segments converge on ratios between 105% and 130% suggesting high spatial concentrations of demand.

Dublin-based hotels consistently have the highest occupancy rates and yields, with the North-West and Midlands-East regions achieving the lowest rates. Between 1995 and 1999, three tourism regions experienced a decline in hotel occupancies, the most serious

being in the West (-5%). The West, along with Dublin and the Mid-West, also experienced high levels of accommodation investment and associated increases in room capacity during the second half of the 1990s.

Table 2.14: Hotel Room Occupancies by Region and Related Statistics 1995-99

	D	ME	SE	SW	MW	W	NW
1999	75%	53%	62%	64%	62%	60%	56%
1998	74%	53%	59%	67%	62%	55%	56%
1997	77%	52%	60%	66%	62%	63%	54%
1996	75%	50%	61%	63%	61%	56%	53%
1995	77%	51%	62%	62%	62%	65%	57%
Percentile Change 1995-99	-2%	+2%	0%	+2%	0%	-5%	-1%
% Change in Total Tourism Revenues 1995-98	19%	42%	27%	29%	40%	4%	18%
% of Total Tourism Revenues 1998	25%	20%	10%	11%	16%	10%	8%
% Change in Approved Hotel Room Capacity 95 –98	34%	13%	13%	5%	27%	20%	0%

Source: Bord Fáilte

The growth in room capacity in Dublin has a noticeable impact on yields. Findings from the Horwath Bastow Charleton Hotel Industry Survey show that Dublin hotels grew their departmental profits per available room by just 4% between 1995 and 1999. The respective change in Consumer Price Inflation was 7.4%.

Table 2.15: Total Departmental Profit per Available Hotel Room 1995-99

	Dublin	Midlands & East	South West	Western Seaboard	Northern Ireland	All Hotels
1995	IR£18,098	IR£9,606	IR£11,253	IR£10,150	IR£12,001	IR£12,931
1996	IR£19,852	IR£13,504	IR£10,304	IR£10,649	IR£17,731	IR£15,189
1997	IR£21,847	IR£14,027	IR£13,193	IR£12,016	IR£14,917	IR£15,505
1998	IR£21,353	IR£14,883	IR£13,287	IR£12,662	IR£15,844	IR£16,090
1999	IR£18,827	IR£17,760	IR£16,377	IR£11,888	IR£18,513	IR£17,127
% Change	4%	85%	46%	17%	54%	32%
% Change CPI	7.4%	7.4%	7.4%	7.4%	7.4%	7.4%

Source: Horwath Bastow Charleton – Hotel Industry Survey – Various Years

2.5.3 Domestic Visitors

The profile of domestic travel varies significantly by purpose of visit, the most evenly distributed in 1999 being the VFR market, followed by business travel, “other” and holiday travel. The largest regional beneficiaries of domestic tourism in 1999 were the South-West (21%), West (17%) and South-East (17%) regions – a ranking which remained unchanged between 1995 and 1999.

Map 2.3

Table 2.16: Regional Distribution of Domestic Tourism Demand (Nights) 1995-99

1995	VFR	Holiday	Business	Other	TOTAL
Dublin	18%	5%	20%	13%	10%
Midlands-East	15%	8%	10%	11%	11%
South-East	11%	21%	8%	11%	17%
South-West	18%	22%	16%	23%	20%
Mid-West	12%	15%	17%	10%	14%
West	16%	15%	14%	24%	16%
North-West	9%	14%	15%	8%	12%
TOTAL	100%	100%	100%	100%	100%
1999	VFR	Holiday	Business	Other	TOTAL
Dublin	19%	6%	29%	11%	13%
Midlands-East	15%	10%	10%	26%	12%
South-East	12%	21%	10%	19%	17%
South-West	17%	25%	18%	10%	21%
Mid-West	10%	11%	11%	13%	11%
West	18%	17%	14%	15%	17%
North-West	11%	10%	8%	6%	10%
TOTAL	100%	100%	100%	100%	100%

Note: While improving, data on domestic travel is relatively poor at high levels of dis-aggregation such as by region and purpose of visit.

Source: Bord Fáilte

Domestic holiday travel is heavily concentrated in the South-East, South-West and West, while Dublin dominates the business travel market. With domestic holiday nights falling overall, Dublin was the only region to record growth. Between 1995 and 1999, total spend on domestic short holiday trips grew by 81%, from £150 mn to £272 mn. In the same period, total spend on domestic long holidays grew by 19%, from £191 mn to £229 mn.

2.5.4 Holidaymaker Nights/Arrivals

Holidaymakers constitute the largest and most readily influenced group of “discretionary” travellers, ie they have greatest freedom in the choice of destination and travel season and are as a result the most subject to influence. Holiday-maker numbers and nights have, however, been growing less rapidly than overall visitor numbers. In fact the number of British holidaymakers fell in 1999 despite a 7% rise in overall British visitor numbers. Over 1995-99, the number of holidaymakers (which includes the rapidly growing short-break sector) increased by 22%, compared to 40% for all visitors (Table 2.17).

Table 2.17: Trend in Holidaymaker Visits 1995-99

	1999	1995	Holidaymakers		All visitors	
			Absolute Change	% Change	Absolute Change	% Change
Great Britain	959	737	222	30%	1,145	50%
Mainland Europe	572	551	21	4%	220	20%
North America	543	405	138	34%	309	48%
Rest of the World	118	99	19	19%	39	19%
TOTAL	2,192	1,792	400	22%	1,713	40%

Source: Bord Fáilte

The regional distribution of overseas holiday nights, broken down by package and non-package, is shown in Table 2.18. The overall pattern is one of market share gains by the strong tourism regions, notably the South-West and the West, at the cost of the less well developed. Dublin's market share, however, fell slightly between 1995 and 1998².

Table 2.18: Regional Distribution of All Overseas Holiday Nights (Package v. Non-package) 1995-98

	Package 1995	Package 1998	Non-package 1995	Non-package 1998	TOTAL 1995	TOTAL 1998
Dublin	16%	16%	23%	22%	18%	19%
Midlands-East	6%	5%	12%	9%	9%	7%
South-East	10%	7%	11%	9%	10%	9%
South-West	29%	30%	20%	24%	24%	27%
Mid-West	16%	17%	10%	10%	12%	12%
West	15%	17%	16%	18%	17%	19%
North-West	8%	7%	8%	7%	10%	7%
TOTAL	100%	100%	100%	100%	100%	100%

Source: Bord Fáilte

The package and non-package holiday markets have distinct spatial patterns of demand, the most obvious differences being degree of dependence on the Dublin and South-West Regions. The non-package market displays a somewhat more even spatial distribution than package, although a concentration of demand in "honey-pot" regions is also apparent. The spatial distribution of overseas holidaymaker activity is subject to a range of influences (as well as organisation), the most important of which include mobility while in Ireland, previous experience of Ireland and length of stay. The regional distribution of tourism is somewhat more even for holidaymakers who are independently mobile, familiar with the country and stay for more than seven days. However, the trade-off tends to be between Dublin and more traditional tourism regions than between developed and undeveloped. It may, however, be the case that the distribution of tourism activity within traditional tourism regions is greater for visitors displaying these characteristics.

Nights spent by domestic holidaymakers are more evenly distributed across the regions than their overseas counterparts. However, it is the stronger tourism regions which experienced growth in market share, against a background of decline across all regions except Dublin over the 1995-98 period (Table 2.19).

² The difference between the regional night findings and those for visitor arrivals reflects the declining length of stay of holiday visitors to Dublin.

Table 2.19: Regional Distribution of Domestic Holiday Nights 1995-98

	1995 (000s)	1998 (000s)	Market Share – 1998	# Δ	% Δ	Market Share Δ
Dublin	672	743	6%	71	11%	2%
Midlands-East	1,184	1,105	10%	-79	-7%	1%
South-East	3,027	2,404	21%	-623	-21%	0%
South-West	3,145	2,876	25%	-269	-9%	3%
Mid-West	2,196	1,291	11%	-905	-41%	-4%
West	2,151	1,896	17%	-255	-12%	2%
North-West	1,940	1,156	10%	-784	-40%	-3%
TOTAL	14,315	11,471	100%	-2,844	-20%	0%

Source: Bord Fáilte

2.6 Seasonal Pattern of Tourism

2.6.1 Seasonal Pattern of Overseas Tourism Demand

About a quarter of overseas visitors to Ireland arrive in the peak months of July and August, with some 37% arriving in the shoulder season (April-June, September) and another 36% arriving in the off-season (October-March). This represents an improvement in the seasonal profile of demand since 1995, with a shift of overseas visitors from the peak to the off-peak months.

Table 2.20: Seasonal Profile of Overseas Visitor Arrivals ('000) 1995-99

	1995	1996	1997	1998	1999	% 1995-99	Contribution to Δ 1995-99
Shoulder	1,566	1,797	1,851	2,065	2,209	41%	38%
Peak	1,269	1,346	1,400	1,541	1,611	27%	20%
Off-peak	1,396	1,539	1,756	1,928	2,119	52%	42%
TOTAL	4,231	4,682	5,007	5,534	5,939	40%	100%
	1995	1996	1997	1998	1999	Percentile Δ 1995-99	
Shoulder	37%	38%	37%	37%	37%	0%	
Peak	30%	29%	28%	28%	27%	-3%	
Off-peak	33%	33%	35%	35%	36%	3%	
TOTAL	100%	100%	100%	100%	100%	0%	

Source: Bord Fáilte

The British market drove overseas visitor arrivals growth between 1995-99, with its dominance particularly pronounced in the shoulder and off-peak seasons. North America was the next most important source of growth in the shoulder, with the European and North American markets accounting for equal shares of growth in the off-peak season.

Table 2.21: Contribution to Changed Seasonal Profile of Overseas Arrivals - Origin Market 1995-99 (Bold Font = > Average Contribution)

	Britain	M. Europe	N. America	Other	TOTAL
Shoulder	69%	10%	18%	3%	100%
Peak	62%	12%	22%	4%	100%
Off-peak	67%	16%	16%	1%	100%
TOTAL	67%	13%	18%	2%	100%

Source: Bord Fáilte

Growth in overseas visitor arrivals across the shoulder and off-peak seasons was relatively evenly spread across the main market segments. The VFR and business markets were the most important overall drivers, and together accounted for close to 70% of additional arrivals in the off-peak and 50% of additional arrivals in the shoulder. The holiday market made a significant contribution to off-peak growth, but close to half of this was accounted for by the Dublin Breaks market. Finally, "other" purposes of visit made the largest single contribution to the peak, accounting for close to half of all growth.

Table 2.22: Contribution to Changed Seasonal Profile of Overseas Arrivals - Purpose of Visit 1995-99 (Bold Font = > Average Contribution)

Season	Holiday	<i>of which Dublin Breaks</i>	VFR	Business	Conf./Incentive	Other	Total
Shoulder	20%	7%	28%	23%	1%	28%	100%
Peak	16%	5%	17%	18%	3%	46%	100%
Off-peak	30%	14%	32%	35%	2%	1%	100%
TOTAL	23%	9%	27%	27%	2%	20%	100%

Source: Bord Fáilte

Thus, while Ireland appears to have performed well in terms of shifting demand off-peak, this has largely been as a result of trends in non-seasonal visitor segments, namely business and VFR. Furthermore, these segments are largely impervious to tourism promotions, ie much of the associated growth in off-peak demand is not as a result of successful tourism initiatives.

Linking back to spatial spread, this pattern of growth has implications for those regions, counties and towns which are most reliant on holiday travel. Indeed, at a regional level the share of holiday visitor nights between May and September inclusive rose in the South-West and North-West, and only in Dublin was there a major shift of overseas holiday trips into the off-peak months. Reinforcing the role of "non-holiday" visitors, all regions experienced an overall increase in the share of off-peak nights.

2.6.2 Seasonal Pattern of Domestic Demand

The seasonal profile of domestic visits differs from the seasonal profile of overseas visits, with 28% of visits occurring in the peak, 32% in the shoulder and 40% in the off-peak. This profile is broadly similar to 1996, with only a small shift of visits between the shoulder and off-peak seasons.

There has been a notable shift in the seasonal spread of domestic holiday visits, however. In particular, there has been a strong shift towards off-season holidays at the expense of both peak and shoulder season holidays. This reflects the growth of domestic short breaks and the decline in domestic long holidays taken within Ireland. On the other hand, there has been considerable growth in the flow of Irish holidaymakers to overseas tourism destinations at all times of the year.

Table 2.23: Seasonal Profile of Domestic Holiday Visits ('000) 1995-99

	1995	1999	% Δ 1995-99	Contribution to Δ 1995-99
Shoulder	996	986	-1%	-1%
Peak	1,432	1,201	-16%	-105%
Off-peak	485	951	96%	106%
TOTAL	2,914	3,140	8%	100%
	1995	1999	Percentile Δ 1995-99	
Shoulder	34%	32%	-2%	
Peak	49%	38%	-11%	
Off-peak	17%	30%	13%	
TOTAL	100%	100%		

Source: Bord Fáilte

2.6.3 Seasonal Pattern of Tourism Supply

Considerable progress has been made by the hotel sector in recent years in extending the opening periods of Irish hotels and thereby extending the tourist season, particularly through the availability of attractively priced overseas/domestic short breaks. Despite this, many hotels still close their doors for at least part of the year. The trend of seasonal operations is particularly evident in counties with a strong tourism tradition, such as Clare, Cork, Donegal, Galway, Kerry or Mayo (see Table 2.24).

Table 2.24: Trends in Hotel Opening Periods 1999

	Number of Premises	Months with 100% of Premises Open	Months with 80-99% of Premises Open	Months with 60-79% of Premises Open	Months with 50-59% of Premises Open	Months with <50% of Premises Open
Carlow	6	10	2	-	-	-
Cavan	14	12	-	-	-	-
Clare	47	3	4	5	-	-
Cork	97	3	8	1	-	-
Donegal	54	6	2	4	-	-
Dublin	141	8	4	-	-	-
Galway	88	3	6	3	-	-
Kerry	81	2	5	2	2	1
Kildare	21	12	-	-	-	-
Kilkenny	10	11	1	-	-	-
Laois	6	12	-	-	-	-
Leitrim	8	2	7	3	-	-
Limerick	23	11	1	-	-	-
Longford	3	12	-	-	-	-
Louth	11	12	-	-	-	-
Mayo	43	5	6	1	-	-
Meath	12	12	-	-	-	-
Monaghan	10	12	-	-	-	-
Offaly	8	12	-	-	-	-
Roscommon	6	12	-	-	-	-
Sligo	19	7	4	1	-	-
Tipperary	29	9	3	-	-	-
Waterford	27	8	3	1	-	-
Westmeath	13	3	9	-	-	-
Wexford	32	7	4	1	-	-
Wicklow	35	9	3	-	-	-

Source: Gulliver

This seasonal trend is even more pronounced in other forms of accommodation like B&Bs, self-catering or holiday hostels. This is because such accommodation is more dependent on “pure” tourism business and cannot, like hotels, draw substantial demand from the visiting business/conference market or from local trade (eg weddings and other functions, pub and restaurant business).

Table 2.25: Seasonal Hotel Closures in Major Tourism Counties 1999

	Number of Premises	Seasonal Hotel Closures (Selected Months)								
		Jan	Feb	Mar	Apr	May	Oct	Nov	Dec	
Dublin	141	13	1	1	1	-	-	-	-	
Cork	97	21	12	9	4	1	1	5	8	
Galway	88	28	21	18	6	2	9	18	19	
Kerry	81	41	36	29	14	5	7	25	35	
Donegal	54	21	19	14	6	-	-	9	12	
Clare	47	18	18	14	3	1	4	15	16	
Mayo	43	10	7	7	1	-	3	8	8	

Source: Gulliver

Between 1995 and 1999, airlines operating into Ireland through the three Aer Rianta airports have contributed to increasing off-season travel into Ireland (Table 2.26) by:

- raising the absolute levels of capacity available during the winter. This applies to the UK, European and North American markets;

- raising the proportionate level of winter capacity available into Ireland, especially in the European and North American markets.

In absolute terms, some 2.3 mn seats have been added to Dublin Airport's winter services since 1995, compared to approximately 250,000 extra seats at Shannon and 170,000 at Cork. Winter capacity out of both North America and Europe into Shannon has grown strongly. However, in the case of Europe the absolute level (34,000 seats) and increase is quite low. Similarly, capacity out of Europe into Cork has also grown rapidly, but from a low base, at around 85,000 seats.

Table 2.26: Seasonal Trends in Capacity at Aer Rianta Airports 1995-99

		Total Capacity 1995 (000s)	% Winter Capacity	Total Capacity 1999 (000s)	% Winter Capacity	Percentile Δ in Winter Capacity 1995-99
Dublin	UK	6,532	39%	9,767	39%	-
	Europe	3,026	26%	5,217	29%	+3%
	North America	689	25%	1,363	33%	+8%
	Total	10,247	34%	16,347	35%	+1%
Cork	UK	772	35%	1,167	33%	-2%
	Europe	206	11%	432	20%	+9%
	North America	-	-	-	-	-
	Total	979	30%	1,599	30%	-
Shannon	UK	629	41%	778	37%	-4%
	Europe	221	2%	425	8%	+6%
	North America	703	25%	1,223	29%	+4%
	Total	1,554	28%	2,426	28%	-
TOTAL	UK	7,934	38%	11,712	38%	-
	Europe	3,453	23%	6,074	27%	+4%
	North America	1,392	25%	2,586	31%	+6%
	Total	12,779	33%	20,372	34%	+1%

Source: Aer Rianta

The seasonal distribution of visitors by sea is more peaked than that of those who arrive by air – for example, 27% of British arrivals by sea were in July and August in 1998 compared to 20% of British arrivals by air in these months. However, this reflects the higher proportion of sea arrivals that are holidaymakers – in 1998, just 19% of British arrivals by air were holidaymakers compared to 48% of arrivals by sea.

Ireland has ferry access from Britain (and the Isle of Man) and France. British routes are much the most important. They accounted for 96% of summer capacity in 2000 and 97% of winter capacity. The British market is also much less seasonally peaked than the French market. The following comparisons further highlight these distinctions:

- average capacity to Britain in 2000 is around 94,000 CEUs (car equivalent units) per week in winter. In passenger terms, weekly capacity is 320,000 per week in winter;
- this is nearly 34 times the weekly car capacity to France (2,500 CEUs);
- winter car capacity to Britain in 2000 is 89% of the average summer level (105,000 CEUs), while the comparable figure for France is 61% of the summer average (4,140 CEUs).

Between 1995 and 2000 winter capacity rose substantially on British routes, particularly the central corridor (Dublin), but fell on French routes. Similarly, summer capacity rose sharply on British routes and fell on routes to France (Table 2.27).

Table 2.27: Sea Carrier Peak Capacity

	Summer Capacity (CEUs)				Winter Capacity (CEUs)			
	1995	2000	Change, #	Change, %	1995	2000	Change, #	Change, %
TOTAL	79,024	109,210	30,186	38%	66,280	96,130	29,850	45%
France	6,540	4,140	-2,400	-37%	2,280	2,520	240	11%
Great Britain	72,484	105,070	32,586	45%	64,000	93,610	29,610	46%
Low Central Corridor	41,324	61,082	19,758	48%	37,520	58,190	20,670	55%
Low Southern Corridor	31,160	43,988	12,828	41%	26,480	35,420	8,940	34%
	Summer Capacity (Passengers)				Winter Capacity (Passengers)			
	1995	2000	Change, #	Change, %	1995	2000	Change, #	Change, %
TOTAL	327,712	382,548	54,836	17%	266,296	329,480	63,184	24%
France	31,116	15,620	-15,496	-50%	12,000	9,480	-2,520	-21%
Great Britain	296,596	366,928	70,332	24%	254,296	320,000	65,704	26%
Low Central Corridor	168,800	208,728	39,928	24%	148,400	195,400	47,000	32%
Low Southern Corridor	127,796	158,200	30,404	24%	105,896	124,600	18,704	18%

Source: Ferry Operators

In 1995, France accounted for 9% of summer passenger capacity and 5% of winter passenger capacity, compared to shares of 4% and 3% respectively in 2000. The 1995 to 2000 declines for CEUs are less sharp, indicating that the ferries could quickly re-align some of this capacity if demand existed.

2.7 Performance against OPT Targets

2.7.1 Spatial Targets for Tourism

The 1994-99 OPT did not contain any explicit objective on improving the spatial spread of tourism in Ireland, rather it pointed to the already good distribution of (overseas) tourism benefits and the need for a good dispersal of EU tourism funds across the seven sub-

regions so as to minimise capacity problems in individual areas. However, in the intervening years the general trend has been for the stronger tourism regions to grow market share (Table 2.28) and, as was seen in Section 2.2, investment is following demand. While all regions experienced growth over the period, this does not amount to an improvement in the dispersal of benefits.

Table 2.28: Spatial Distribution of Overseas Tourism Revenues 1994-99

	1994	1995	1996	1999	% Contribution to Total Change	% Change
Dublin	30%	33%	30%	31%	33%	71%
Midlands-East	10%	10%	10%	10%	8%	50%
South-East	10%	9%	9%	7%	2%	11%
South-West	18%	18%	20%	21%	27%	97%
Mid-West	10%	10%	11%	12%	15%	92%
West	14%	12%	13%	13%	11%	51%
North-West	8%	7%	6%	6%	3%	25%
TOTAL	100%	100%	100%	100%	0%	63%

Source: Bord Fáilte

2.7.2 Seasonality Targets

The recent seasonal profile of overseas tourism to Ireland compares well with the main seasonality targets in the OPT (Table 2.29). Since 1993 (the base year for all OPT targets), off-season arrivals from October-April have exceeded target arrivals, reaching 43% of all overseas visitors in 1999. There has been less success in shifting visitors from the peak months to the shoulder months (May, June, September), however.

Table 2.29: Seasonal Performance of Overseas Tourism Against Overseas Targets

	1993	1996 (Mid-term)		1999 (Final)	
	(Base %)	Target %	Actual %	Target %	Actual %
Peak (July, August)	30%	28%	29%	25%	27%
Shoulder (May, June, September)	30%	32%	31%	34%	30%
Off-peak (October-April)	40%	40%	40%	41%	43%

Note: April is defined in the OPT as an off-season rather than a shoulder month.

* Figures in bold represent achievement of OPT target. Figures in italics represent failure to achieve OPT target.

Source: OPT/Bord Fáilte

A second OPT target for the seasonal distribution of overseas arrivals is contained in the Marketing Sub-programme. Based on additional visitor arrivals, it targeted an additional 300,000 visitors in the peak, an additional 640,000 visitors in the shoulder season and an additional 590,000 visitors in the off-peak between 1993 and 1999. These targets were exceeded, with a higher than targeted proportion of additional arrivals coming in the off-season (see Table 2.30).

Table 2.30: Performance Against OPT Sub-programme 3 Seasonality Targets

	Target for Additional Visitor Arrivals 1993-99 (000s)	% Breakdown	Actual Achieved (000s)	% Breakdown
Peak	300	20%	573	22%
Shoulder	635	42%	971	37%
Off-peak	585	38%	1,048	40%
TOTAL	1,520	100%	2,591	100%

Source: OPT/Bord Fáilte

2.8 Key Points

While data limitations make it difficult to paint a complete statistical picture, nevertheless various spatial patterns are evident:

- two of the seven RTA regions account for 46% of tourism revenue, with this share rising over time. However, this represents a better spatial spread than most other EU countries;
- county level analysis reveals a higher concentration pattern - the top five counties of Dublin, Cork, Galway, Kerry and Limerick accounted for 70% of overseas tourism revenues in 1999, up from 65% in 1993, ie the gap between the “top” tourism counties and the rest is widening;
- despite the wide spatial spread of much public-funded investment under the OPT, the private sector has not followed suit. Dublin, Cork, Galway and Kerry were also top for tourism investment, accounting for an estimated £940 mn out of a total of £1,650 mn (57%) invested in tourism product between 1994 and 1999;
- increased concentration of tourism revenues and investment within counties is also evident. Even in Dublin, most investment is in the city centre belt between the Liffey and the Grand Canal, or in hotels on key routes out of the city;
- tourism numbers are also concentrated in key towns/resorts – however, by international standards these resorts are not over-developed and only 13 Irish tourism towns/resorts (Achill, Bundoran, Clifden, Courtown, Dingle, Killarney, Kenmare, Kilkee, Lahinch, Rosslare, Westport, Lisdoonvarna and Adare) had Defert indices in excess of 40 (ie were classified as “predominantly tourist resorts”). Furthermore, outside the major cities only five towns had in excess of 1,000 rooms – Clonakilty with 1,024, Tralee with 1,353, Bundoran with 1,699, Westport with 1,823 and Killarney with 4,873;
- activity products and fee-paying attractions are more spread than accommodation, reflecting in particular the impact of ERDF grants. This variation in investment patterns

highlights a distinction between the investment priorities of Government and the private sector. It should be noted, however, that tax incentives were extensively used to fund private accommodation investment;

- overseas holidaymakers were the most important component of tourism demand in five of the seven tourism regions, the exceptions being the Midlands-East and South-East where domestic VFR and domestic holidaymakers respectively were most important;
- while access capacity into Ireland increased through all gateways over the last five years, Dublin remains by far the most important point of entry;
- overseas business demand is not particularly strong outside of Dublin, where it accounted for 23% of visitor arrivals in 1999. The importance of business demand in Dublin, both overseas and domestic, increased between 1994 and 1999;
- domestic tourism is more evenly spread than its international counterpart – in concert with international trends – while distance decay factors are evident in the relative importance of domestic tourism in Midlands-East (mainly VFR and weekend breaks) and South-East. Domestic holiday trips increased in 1999 relative to 1995, but nights were substantially reduced, indicating increased short breaks and fewer long holidays;
- British visitors travel to fewer regions than other international visitors, 77% being Dublin only visitors (mainly business travel and city breaks) in 1999. While other international visitors are more likely to visit other regions, a strong concentration on Dublin and the South-West is still very evident;
- a relatively high and increasing proportion of North Americans visited the South-West, but the proportion of British and other Europeans visiting the region declined. With the exception of a lower proportion returning to Dublin and a slightly higher proportion going to the West and Midlands-East regions, there is no major difference between the spatial spread of repeat and first-time holidaymakers;
- overall, a hierarchy is evident whereby “weaker” tourism counties are frequented most by domestic tourists, followed by British and least by “other overseas”. Similarly, domestic tourists are least likely to take a “touring” holiday, again followed by British and then by other overseas;
- tourism revenues in the off-peak months have improved, but this is driven mainly by “non-holiday” visitors.

Chapter 3 Drivers and Patterns

3.1 Introduction

This chapter analyses the factors that drive location of tourism destinations and the implications for spatial spreading of tourism. It also examines these drivers in conjunction with spatial patterns of tourism development in Ireland, described in Chapter 2. Reference is also made to international experience, and particularly to the three case study countries of England, the Netherlands and Portugal. A similar analysis of drivers and patterns is undertaken regarding the seasonal spread of tourism.

3.2 Spatial Drivers

3.2.1 Factors Driving Location of Tourism Centres

“Location, location and location” are the three key factors determining the success of an hotel, according to Conrad Hilton. This is true of tourism generally and not just the hotel sector. In principle, for most economic activity location is determined by:

- revenue maximisation, particularly proximity to markets;
- cost minimisation, including proximity to key factor inputs (historically raw materials, but in more recent times supplies of suitable labour skills), agglomeration economies (economies arising from the clustering of different enterprises in an area), public sector supports, etc.

The same broad framework can be used to analyse why tourism activity takes root and thrives in some areas and not in others. A key difference between tourism and most areas of economic activity is that customers travel to the source of supply, rather than vice versa, and that the travel factor is often an integral part of the holiday “experience”. This accentuates the importance of location, and the important inter-relationship between investor and consumer confidence in particular locations limits strategies to influence spatial spread - ie it is generally not sufficient to have physical investment at a particular location, tourists also need to be convinced to go there. As a result, tourism development tends to concentrate in particular regions, and within these regions it is generally further concentrated in particular localities. This was shown in Chapter 2 to be the case in Ireland,

and is even more evident internationally (see Section 3.4). Along coastal areas, for example, ribbon development may give rise to a continuously built-up littoral, while development tends to be more nucleated elsewhere. International tourists in particular tend to be funnelled into key tourist centres. Tourism literature identifies two fundamental locational determinants:

1. a destination's resource base;
2. its accessibility.

The main components of these locational determinants are shown in Figure 3.1 and are separately discussed in the following sub-sections.

Figure 3.1: Key Drivers of Tourism Locations

Resource Base	Access
<ul style="list-style-type: none"> • natural – weather, scenery, other natural attractions • man-made – attractions, facilities 	<ul style="list-style-type: none"> • overseas – flights, airports, ferryports • domestic – roads, public transport, touring routes, drive times

3.2.2 Resource Base

A tourism centre's resource base is what attracts tourists to the destination. It may be based around one or more tourist attractions such as climate, topography (eg beaches, scenery), culture/heritage resources, theme parks, etc. These attractors are crucial to the development and expansion of any destination, and tourism centres generally owe their initial development impetus to some aspect of their resource base. Thereafter, the development of an enterprise base to invest in product and promotion is essential.

On the supply side, success reinforces growth once a tourism centre is established, as new facilities are built where previous investment proved viable. This is accompanied by infrastructural development, and more projects are developed to take advantage of existing infrastructure. On the demand side, growth is reinforced as the clustering of particular facilities gives an area a readily identifiable marketing image. Promotion is facilitated by the marketing budgets of the increasing number of investors in the area, while more visitors generate momentum through repeat visits and "word-of-mouth".

In the international tourism market, growth is also reinforced by the activities of tour operators, evident in Ireland by the impetus that UK and US tour companies gave to the

rapid development of Killarney, and more recently Dublin, as international destinations. Often tourism itself, and the “buzz” generated, becomes the main draw for visitors rather than the original attractions – signalling changes that induce some tourists to move onto new centres (see Plog’s “psychographic” typology in Section 3.2.5). Success can also breed complacency regarding a destination’s resource base and may lead to declining popularity – life cycle theories of development are discussed further in Section 3.2.5.

3.2.3 Accessibility

Access, while relatively less important now than it was historically – tourism was first associated with ships and railways, limiting spatial diffusion of tourism beyond ports and rail-heads – is still a key factor determining growth in tourist numbers. A previous ITIC report (ITIC, 1996) identified six key determinants affecting regional distribution of tourists within Ireland, with four related either directly (access transport mode and port of arrival, mobility within Ireland) or indirectly (growth in city tourism, length of stay) to ease of access.

For international tourists, technology is reducing costs and increasing ease of travel on an ongoing basis, with proximity to airports now an important ingredient in developing tourism centres. Dublin’s dominance of access into Ireland – accounting for 80% of air access in 1999 – is an important contributor to recent growth (Table 3.1), with particularly strong growth in the UK ↔ Dublin (43%) and Europe ↔ Dublin routes (29%) between 1995 and 1999.

Sea access is also important, and again Dublin (including Dún Laoghaire) is the dominant port, followed by Rosslare. In 2000, 95% of CEU capacity on ferries was through these east coast ports. It is also notable that capacity on these routes rose, while that through Cork barely changed between 1995 and 2000 (Table 3.2). This is mostly accounted for by continued sharp increases in capacity to Great Britain alongside falling capacity to France. As discussed in Chapter 2, while there is a seasonal variation in ferry capacity it is not very pronounced on UK routes – particularly into the east coast ports. Also, as discussed, tourists arriving by sea have a better spatial spread than those coming by air. The reasons for this include the fact that more of them are holidaymakers, they are generally more mobile (car or coach often being an integral part of their travel mode) and a higher proportion arrive at access points outside the capital.

Table 3.1: Total Passenger Capacity at Aer Rianta Airports 1995-99

	Passenger Capacity 1999 (000s)	# Δ 95-99 (000s)	% Δ 1995-99	% of Additional Market Capacity	% of Total Additional Capacity
Dublin					
UK	9,767	+3,234	50%	86%	43%
Europe	5,217	+2,191	72%	84%	29%
North America	1,363	+675	98%	56%	9%
TOTAL	16,347	+6,100	60%	80%	80%
Cork					
UK	1,167	+395	51%	10%	5%
Europe	432	+226	110%	9%	3%
North America	-	-	n.a.	0%	0%
TOTAL	1,599	+621	63%	8%	8%
Shannon					
UK	778	+149	24%	4%	2%
Europe	425	+204	92%	8%	3%
North America	1,223	+520	74%	44%	7%
TOTAL	2,426	+872	56%	11%	11%
TOTAL					
UK	11,712	+3,778	48%	100%	50%
Europe	6,074	+2,621	76%	100%	35%
North America	2,586	+1,194	86%	100%	16%
TOTAL	20,372	+7,593	59%	100%	100%

Source: Aer Rianta

Table 3.2: Sea Carrier Peak Capacity

	Summer Capacity				Winter Capacity			
	Car Equivalent Units (CEUs)		Change 1995-2000		Car Equivalent Units (CEUs)		Change 1995-2000	
	1995	2000	#	%	1995	2000	#	%
Total Capacity	79,024	109,210	30,186	38%	66,280	96,130	29,850	45%
% Dublin	52%	56%	19,758	48%	57%	61%	20,670	55%
% Rosslare	40%	39%	10,348	32%	40%	35%	6,540	24%
% Cork	7%	5%	80	1%	3%	5%	2,640	133%
% UK	92%	96%	32,586	45%	97%	97%	29,610	46%
% France	8%	4%	-2,400	-37%	3%	3%	240	11%
	Summer Capacity				Winter Capacity			
	Passengers		Change 1995-2000		Passengers		Change 1995-2000	
	1995	2000	#	%	1995	2000	#	%
Total Capacity	327,712	382,548	54,836	17%	266,296	329,480	63,184	24%
% Dublin	52%	55%	39,928	24%	56%	59%	47,000	32%
% Rosslare	41%	39%	14,164	10%	41%	35%	4,984	5%
% Cork	7%	6%	744	3%	3%	6%	11,200	133%
% UK	91%	96%	70,332	24%	95%	97%	65,704	26%
% France	9%	4%	-15,496	-50%	5%	3%	-2,520	-21%

Source: Ferry Operators

Transport networks and internal mobility are also important – motor vehicles allow tourists to be completely autonomous in their movements. While making almost everywhere a potential destination, motor vehicles have accentuated particular aspects of spatial concentration of tourism through the development of "recreational routes" and circuit-based tourism products.

Related to accessibility is the concept of "distance decay" – the volume of tourist traffic generally tends to decrease with distance from the generating area. While regular distance decay curves can be deformed by a variety of factors – eg the quality of road infrastructure – in simplistic terms, concentric zones around a major generating area indicate:

- potential day trip destinations;
- a weekend zone (often corresponding with a second home belt);
- a holiday zone.

The implications for Ireland are increasingly apparent as higher real incomes, more leisure time and associated lifestyle changes underpin strong growth of short-break and second holidays. The existence of "weekend" zones, around Dublin in particular, is apparent in the increased ownership of second homes along the east coast and the relatively high dependence of the South-East and Midlands-East on domestic tourism (see Section 3.3). Tullamore is a pertinent example (discussed during key informant interviews), with the success of recently built hotels in the area deriving almost completely from domestic business. These trends also have implications for seasonality (see Section 3.5). Improved internal road access and better public transport between urban areas can increase the potential for wider seasonal and spatial spread of tourism revenues.

Similarly, distance decay factors are important for air-borne holidays, underlying the success of Dublin as a city-break destination from the UK. For longer holidays there exists a "pleasure periphery", 2-4 hours distance from big urban centres. For Ireland, and Europe in general, the Mediterranean can be seen as such a "periphery" (and the Caribbean for North America), while for Ireland's domestic tourists the west coast could almost be seen in a similar light.

3.2.4 Security Factors

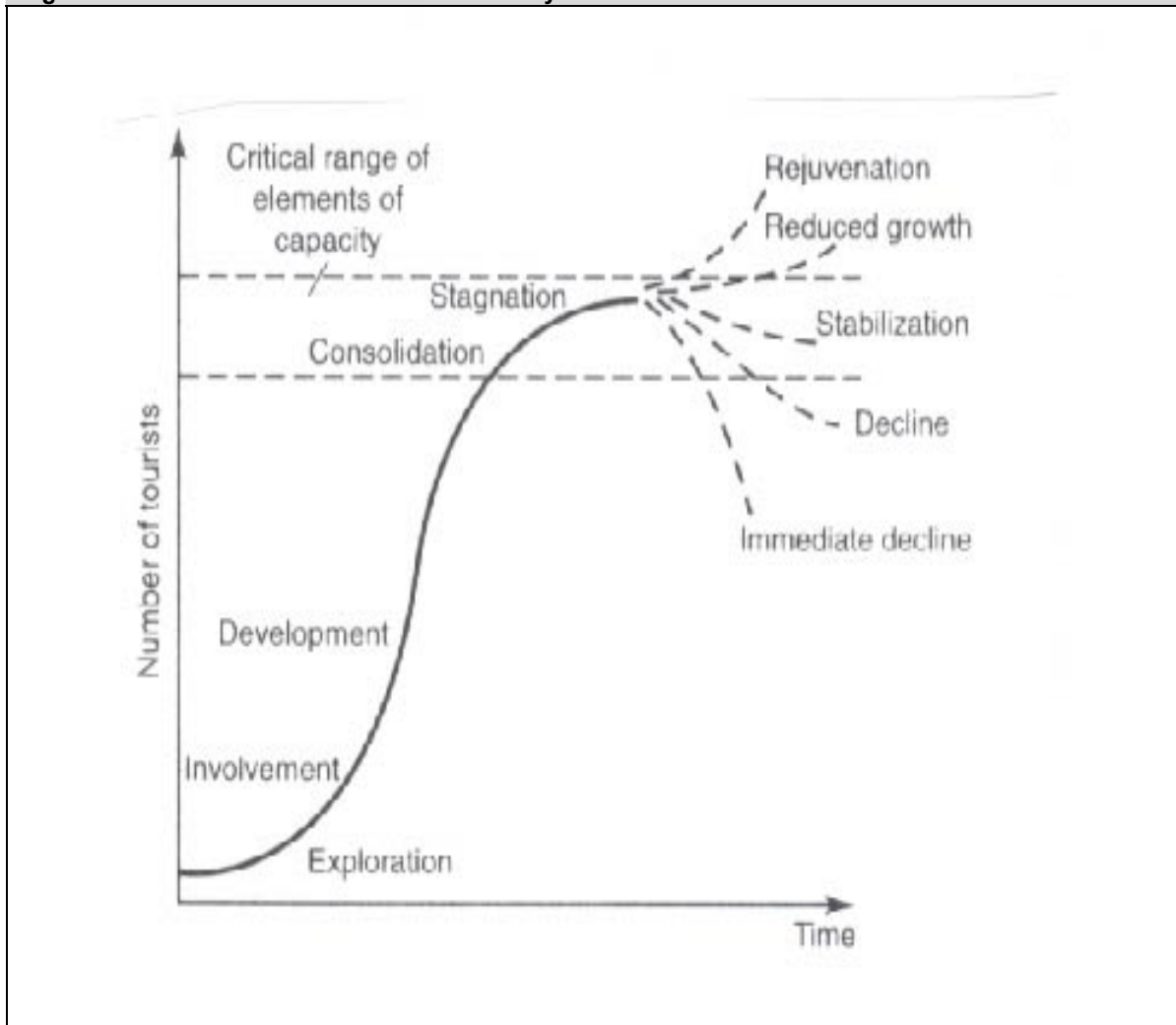
In some circumstances, political and security factors also play a role. At an international level, for example, Mediterranean and Alpine ski resorts offered much more development potential than Eastern Europe in the 1960s. Closer to home, "the Troubles" have obviously stunted growth in Northern Ireland and in the border counties in the Republic – the North-West is consistently one of the worst performing tourism regions, particularly for overseas visitors, although there are some compensations in that Donegal has probably benefited as an "escape" destination for many Northern Irish tourists (see Chapter 2).

A negative “security” image also makes strategies to develop new destinations or to spread visitor numbers relatively impotent – for example, considerable investment by the public authorities in an attractions base in Armagh did virtually nothing for the city’s tourism, as private sector investors failed to follow on with investment in accommodation or other facilities. While the “Peace Process” offers hope for the future, its impact to date has been relatively meagre, and the northern part of the island has a long way to go to make up for the impetus lost over the last three decades.

3.2.5 Models of Destination Development

A variety of analytical models explore the interaction of tourist motivations, the characteristics of tourist travel flows and cycles of resort development. The mostly widely used, with empirical support from a range of studies, is Butler’s model of resort development. As shown in Figure 3.2, Butler draws on a product life-cycle model to produce a hypothetical six-stage sequence entering a critical phase when the destination reaches the consolidation stage. Traditionally, the development of tourist destinations has followed a pattern whereby they are initially “discovered” by individual “pioneer” tourists and gradually become better known, at which stage the original “pioneer types” move on to look for new alternative destinations. Thereafter, the logic of Butler’s model dovetails with the above discussion – once initially established, tourism centres often enter a self-sustaining growth cycle. Expansion of accommodation and other facilities, for example, enables a critical mass of enterprise to develop to promote the destination and attract more tourists.

Figure 3.2: Butler's Tourism Destination Life Cycle Model



Source: Butler (1980)

In principle, established Irish destinations would be located at various stages along this curve. Killarney, for example, is probably the Irish destination that might currently be regarded as close to the top of the curve. Recently, concerns have been expressed about capacity for sustainable growth, with problems such as traffic congestion, pollution on the lakes, disenchantment among some visitors and workforce shortages. Such developments, and their implications for divergence between the emerging reality of a holiday in Killarney and the perceptions most international tourists tend to have about the town (and Ireland), suggest that it may be reaching the "consolidation" stage.

Killarney is not alone among Irish tourism centres (and areas), however, in facing turning points in their development with rejuvenation around one corner and decline around another, depending on the options taken. In Mayo, there is some concern about the direction which tourism in the county is taking, namely that the "quality" of tourists to Mayo

is falling. While the question of what is a "good" tourist is in some sense a value judgement, there are echoes of the debate about "stag parties in Temple Bar" in the sentiments expressed, ie increasing number of short-break holidaymakers in Westport for party-oriented weekends may crowd out the town's traditional tourists. This is in some sense a microcosm of a potential national debate about the overall impact of continued growth in Irish tourism.

A related concern is the impact increased tourism numbers may have on the county's strong environmental resources and the extent to which these should be exploited by tourism. In our third case study county, Wexford, better spread of tourism development within the county is becoming an increasingly important issue, with sustainability a serious concern in Courtown – self-catering accommodation there has out-stripped development of basic infrastructural services. As discussed above, there is a strategy, unsuccessful to date, to better spread tourism within the county by identifying three zones – the well developed East Coast, the largely under-developed South, which is regarded as having strong potential, and the undeveloped West.

As a destination reaches its capacity limits, entry to the consolidation stage is signalled as growth in visitor numbers slows down. Stagnation may quickly become evident if continued growth occurs through increased marketing, and despite a destination being seen by some as no longer fashionable. An equally important danger sign is emerging problems with the product itself and the destination's ability to cope with the level of tourists. At this stage, depending on strategies pursued, the destination may be rejuvenated if its attractions are altered to appeal to new markets or go into sharp decline if core weaknesses are not quickly addressed. This pattern is evident internationally – for example, over the last 15 years some Spanish "sun" resorts (eg Benidorm) declined precipitously, while others (eg Marbella) "rejuvenated" themselves. In Ireland, there are examples of traditional holiday destinations which have gone into decline (eg Ballybunion) and others which have found a new lease of life (eg Bundoran).

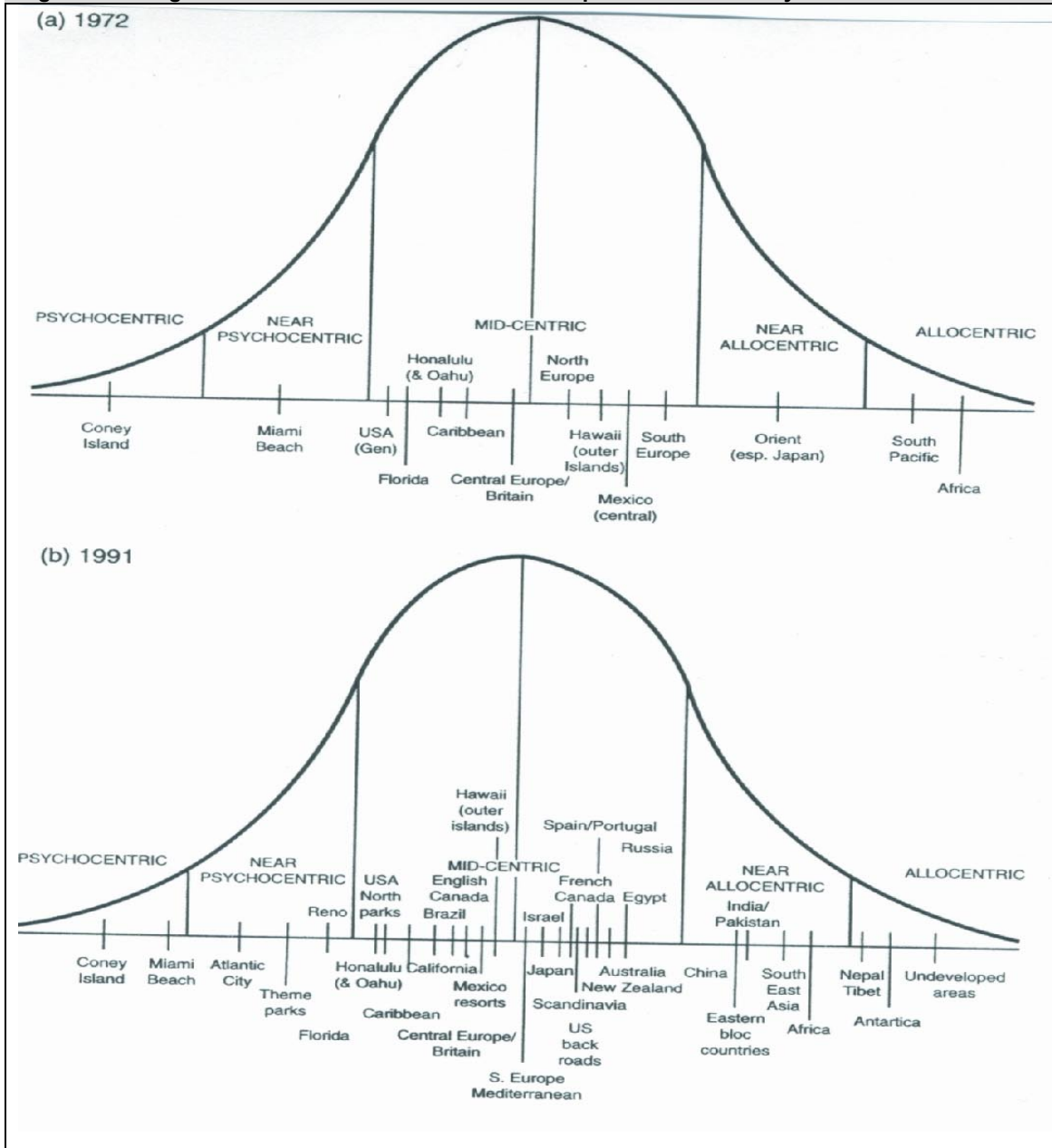
A complementary evolutionary theory, developed by Thourot (1973), suggests three successive phases of resort development, from discovery by rich tourists through to the loss of original value and the arrival of "middle-class" and mass tourists. More usually, however, the personalities rather than the "class" of different types of traveller is emphasised, with Plog's (1973, 1991) "psychographic" typology being the most widely accepted:

- at one extreme are tourists who prefer the familiar in travel destinations (psychocentrics);
- at the other are the very adventurous who prefer novel and different destinations (allocentrics).

Plog envisages travellers “normally” (in a statistical sense, so that most tourists fall in the middle of the distribution) distributed along a continuum between these two extremes.

An interesting aspect of this typology arises from Plog's positioning of selected destinations (based on US holiday patterns) and how these changed between 1972 and 1991 (Figure 3.3). Comparison shows “the sure but steady movement of most destinations toward more psychocentric characteristics and the audiences they attract” with Plog concluding that “this process need not happen, but without concerted effort executing a preconceived plan, it will”. The continued growth of tourism in Ireland, for example, has taken place against a background of negative growth in yield per tourist. This is one of a number of factors that might suggest that Ireland is moving towards becoming a more psychocentric destination, despite the efforts of Bord Fáilte to move “image” upmarket and attract “higher yield” tourists.

Figure 3.3: Plog's Tourism Destination Model – Development of US Holiday Destinations



Source: Plog (1973, 1991)

The Butler and Plog models, and the discussion of key drivers, are relevant to the ongoing development of Irish tourism for a number of other reasons:

1. within the tourism sector itself, current concerns about spatial spread arise from a view that some of Ireland's key resorts and destination areas are approaching a point where further inflows of tourists may "kill the geese which lay the golden eggs". The Butler model provides a useful background framework to view the current development stage of Ireland's premier destination areas;

2. linked to the above, “Defert” indices discussed in Chapter 2 provide a yardstick for gauging the development stage of key resorts. Such indices must, however, be used with care, eg a relatively low Defert index for Killarney may provide some comfort against suggestions that the town is approaching capacity limits, but this needs to be set within the context of what type of tourists Killarney is trying to attract and what image it wishes to project;
3. Plog provides a complementary framework for plotting the development of Irish tourism in general and that of key resorts in particular. Ireland has generally tried to project a market image towards the RHS (allocentric) of the distribution shown in Figure 3.3 (ie away from “mass market” images). This is evident in Ireland’s promotional message, conveying “distinctiveness” as encapsulated in Tourism Brand Ireland’s slogan “Live a Different Life”. Within Ireland, individual resort areas will see themselves positioned around this central image – eg Dublin’s city-break image may be to the left (relatively greater mass appeal) and Dingle’s to the right of Ireland’s central image (relatively more individualistic);
4. the identification of resource base, access and security factors as key drivers is important if Irish tourism strategy is to encompass the accelerated development of existing or new destinations. Supply-led resort development using man-made facilities (to supplement natural attractions) and strong promotion now feature – particularly at the mass tourism end of the market – as well as the traditional and more slowly-paced pioneer-tourist approach. Such developments often “piggy-back” on nearby established resort areas – Tralee is the only Irish example, being close to Killarney and involving strong investment (by Irish standards) in man-made attractions. Generally, where destinations are developed in the absence of natural attractions, capital investment requirements are very high and frequently include self-contained all-weather facilities such as Centre Parcs and Disneyland.

Finally, it is worth noting that analytical tools involve inevitable simplification of what is a complex industry. They provide a guide to policy conclusions rather than definitive answers. In particular, the growth and increasing complexity of international tourism over the last 20-30 years has resulted in a more diversified demand for, and sophisticated supply of, tourism product. For example, there is the rapid growth of city-break tourism alongside “post-modernist” tourism, which emphasises small-scale and geographically dispersed individualistic or flexible holidays. The latter type of holiday is a vehicle for improving spatial spread, albeit in a manner that may not impact substantially on the overall macro-picture – being small-scale by definition. Nevertheless, the communities

where such tourism is growing are generally small and the relative impact on their local economies may be quite significant.

Based holidays, however, continue to constitute the bulk of holiday “types”. The Irish have a preference for based holidays, whether domestic or overseas. Conversely, few international visitors on longer holidays take a standard based holiday – many tour by car, coach or on an activity holiday, or “hub and spoke” as part of a based holiday. Such developments have important impacts for the spatial spreading of tourism revenues, and by extension for the traditional notion that tourism leads to a more equitable distribution of regional incomes (see Sections 3.3 and 3.4).

3.3 Irish Experience - Spatial

3.3.1 Tourism Patterns

Data analysis in Chapter 2 highlighted the concentration of Irish tourism, particularly overseas tourism, into a number of key destinations. Review of the literature on spatial spread of tourism and discussions with key informants lead to similar conclusions. A UK tour operator consulted for the study suggested that Ireland was like “an elaborate picture frame – lovely around the edges but with nothing in the middle”. This is a very harsh categorisation. Non-coastal counties have much to offer, particularly activity-related, water-based and cultural/heritage resources. Yet the comment indicates the high “attraction” standard required to compete in international tourism markets and the image problems that many parts of Ireland must overcome if they are to be more internationally renowned. The facts bear out this difficulty – the 11 inland counties accounted for just 11% of Ireland’s overseas tourism revenues in 1999.

In addition, comments from those involved in tourism in “weaker” counties indicate that the enthusiasm for tourism as a panacea for development may have waned in recent years. Based on a survey of local authority Directors of Community and Enterprise, only inland counties counted tourism as a medium priority in fostering economic development, while most coastal counties rated it as high. Issues highlighted included:

- an absence of private sector interest in tourism investment and marketing;
- the dispersed and small-scale nature of much of their product base;
- the absence of a tourism tradition;
- poor tourism image;

- the difficulties of competing against the scenic/coastal advantages of other Irish destinations.

In essence, these observations bear out the importance of a strong resource base to “kick-start” tourism development in new areas.

The survey of discussions with key informants also indicated that a more micro-approach is required than simply categorising spatial spread as the diversion of tourists from the “top” regions/counties to “weaker” counterparts. In the latter scenario, Dublin and the South-West stand out as the two regions to disperse tourists from. Apart from the difficulties of diverting tourists away from Ireland’s premier tourism “magnets”, there are also spatial considerations within these regions to be considered. In Dublin, for example, many tourists never venture beyond a few square miles at the heart of the city. The South-West Tourism Plan, meanwhile, identifies uneven geographic distribution of visitors within the region as a major problem (spatial dispersion within Kerry, Mayo and Wexford also emerged as an issue in each of our three county case studies – see Section 2.3.3). The same plan, however, also identifies the following key threats:

- growing congestion in key towns;
- pollution problems in particular key resorts;
- sustainability of peak season growth in tourism numbers;
- workforce shortages in the tourism sector.

Similarly, local government officials in more developed tourism counties commonly mentioned problems such as visitor and traffic management, litter, and pollution, in each of the three case study counties there was a desire to better spread tourism within the counties.

Finally, while premier, and to a lesser extent traditional Irish tourist destinations, have grown strongly in recent years much has been done to develop tourism elsewhere in Ireland. A study on geographical aspects of Irish tourism in the 1970s (Plettner, 1979) is interesting in that tourism was seen as mainly as a “west coast” product for international tourists, principally the South-West, Clare and Galway, and to a lesser extent Dublin and the Boyne Valley. Donegal, Mayo and Wexford were principally seen as destinations for domestic tourists, while the rest of the country (apart from occasional angling and Shannon cruising) was largely regarded as very under-developed for tourism. While the

basic dividing lines remain between premier, other key tourism destinations and the rest of the country, all three "categories" have progressed and all three have capacity to progress further, as discussed in the remainder of this chapter.

3.3.2 Types of Tourist

Different types of holidaymaker seek different holiday experiences, and this affects destination choice at national, regional and individual destination level. For international tourists, Ireland conjures up a number of different but related images and different holidaymaker types seeking a variety of holiday experiences. To simplify our analysis of spatial spread we arrived at seven categorisations. These are shown in Figure 3.4.

Figure 3.4: Categories of Tourist Visiting Irish Destinations

Overseas Short Stay	Almost predominantly visit Dublin only, although among others Galway, Cork, Limerick, Waterford, Wexford and Killarney all aspire to attracting such tourists. "Event" tourists would also be included in this category.
Overseas Touring	A high proportion of North Americans (particularly for coach tours), but also British and relatively fewer Continental Europeans (particularly car borne visitors). Traditional coach tour routes mostly involve a "southern circuit". Dublin, Kerry (mainly Killarney, and more recently, Tralee) and Galway (Galway city, and to a lesser extent Clifden) are the key destinations, with towns in counties Wexford, Waterford, Cork, Limerick and Clare also benefiting. A smaller number of these tours involve the northern half of the country, mainly Mayo (Westport), Sligo (Sligo town) and Donegal (Bundoran and Donegal town). Altering the spatial spread of these tourists is not easy and tour operators are generally unwilling to risk straying too far from tried and tested traditional destinations. Car-based tours often follow similar routes to coaches but are more likely to "stray" away from well worn traditional routes and destinations.
Overseas Based	Mostly British or Continental Europeans, they are more likely to take their holidays away from traditional tour-circuit locations, often seeking quieter locations or "hub and spoke" holidays. Many activity holidays could be included in this category. Even though some, such as cycle tours, may involve multiple destinations, the nature of the tourists and the choice of overnight destination tends to have relatively little in common with coach-tour tourists.
Domestic Short Stay	A variety of destinations close to Dublin are benefiting from this category but also established resorts such as Westport, Killarney etc. The promotional boost arising from substantial investment in accommodation in PRSCRA resorts is also further increasing the flow of domestic tourists throughout the year, mainly weekend breaks.
Domestic Based	While the destinations chosen by domestic tourists coincide with those which attract international tourists, Irish holidaymakers also favour resorts which are relatively less popular with their international counterparts, particularly seaside destinations such as Courtown, Tramore, Clonakilty, Lahinch, Westport and Bundoran. The switch to off-peak short breaks from long-holidays favours established centres rather than small seasonally-based resorts.
Business Tourist	Usually short stay duration – mainly conference visitors, domestic and international, as well as "incentive groups", with Dublin the main destination for international visitors and traditional resorts (and activity holiday venues) favoured by domestic visitors. A small range of high quality establishments outside the main centres cater to both domestic and international business tourists.
VFR Tourist	Length of stay for tourists visiting friends and relatives varies widely from short to very long. They tend to be well spread throughout Ireland, in that their destinations are largely determined by population spread rather than by normal tourism criteria.

3.3.3 Spatial Categorisation of Irish Tourism

In examining spatial aspects of Irish tourism, one approach is to categorise different areas in terms of the current importance of tourism and their development potential. Bord Fáilte's 1994-99 Development Plan (Bord Fáilte, 1993) and a 1998 strategy document from the Department of Tourism, Sport and Recreation suggested different categorisations. Fitzpatrick Associates recently built on this analysis and suggested a reference framework based on three types of area, with different suggestions for Government investment support in each:

1. established tourism areas – the key aim for Government in these areas is to avoid pump-priming product investment, but possibly aid promotion support of off-season events. Investment priority should, rather, be given to infrastructural spending – water, sewage and transport networks – where required. Any tourism-related funding would be aimed at relieving visitor congestion, eg environmental/visitor flow management projects;
2. developing tourism areas – these areas represent the best option for absorbing further tourism growth in a sustainable way. The aim would be to further enhance the tourism potential of these areas – to attract growth from the main “honey-pots” and to better utilise existing tourism resources;
3. undeveloped tourism areas – product development funds for such areas would be small and concentrated on enhancing any substantial under-utilised tourism resource – the Shannon, the Grand Canal and the Boyne Valley are cited as possibilities – and the range of smaller rural and activity-based holiday attractions which can always attract overseas tourists, but in relatively small numbers and often in niche markets.

The additional research conducted in the context of this report suggests that while it is important to establish activities and attractions within a “destination area”, for most holiday types it is generally best to focus on a key centre for accommodation development and for marketing. Furthermore, taking domestic tourism into consideration we suggest some adjustment in the above typology:

Category 1 – Premier International Tourism Destinations – namely Dublin, Killarney and Galway, with each of these destinations having in excess of 3,500 rooms. While grouped together in one category here, each are different in many ways but also share similar problems. Important aspects for a spatial spread strategy would be how to ensure sustainable growth of these centres, how to better spread tourists and associated benefits into their catchment areas, and the extent to which it is either feasible or desirable to divert

tourists from these destinations. As identified above, investment should concentrate on infrastructural spending, visitor management and promotion of off-season marketing and events.

Category 2 – Large Established Tourism Destinations – the “established” category identified above is very diverse, including a range of different centres of varying degrees of importance and size around Ireland, and with different “demand” profiles. We are suggesting a further breakdown into Categories 2 (this one) and 3 (see below). In particular, incentives would be directed at developing clusters of “attractors”. Areas chosen would need to be sufficiently well established to attract both investor capital and overseas tourists.

Potential new “honey-pots” need some characteristics of an international tourism destination – strong accommodation, an attractions base, a desirable natural setting, well established relationships between local suppliers and overseas distribution networks and reasonable accessibility. The extent to which they are already attracting, or capable of attracting, international tourists is a good proxy of their level of “development”. Accommodation stock is the only available proxy, and we suggest Category 2 destinations would have 1,000 to 3,500 rooms (as per Table 2.10 in Chapter 2). One or more of these centres provide the best option for developing new “premier destinations”, with others undergoing a more modest expansion programme. As shown in Figure 3.5 below, destinations in this category would be key locations for international based and circuit tour holidays, but apart from some potential in Cork and Limerick they are generally not well placed to attract international short-breaks.

Category 3 – Medium Established Tourism Destinations – using accommodation stock as a proxy, these destinations would be in the 500 to 1,000 room bracket (Table 2.10). They would generally be not well established internationally, although many may currently have a strong appeal for domestic tourists. The key “development” aim for Category 3 destinations would be to move up to Category 2 status, but we would not preclude major development at Category 3 destinations (or Category 4, see below) if a proposed development strategy will attract sufficient private sector investment.

Category 4 – Small Tourism and Developing Destinations – emphasis would be mainly on niche products and small-scale development. There is also, of course, the possibility of a “big bang” approach to developing a key tourism destination within the BMW region. Such a step would need greater levels of commitment and investment resources than

would be the case in a developing tourism area. The destination itself and its “development strategy” would need to be sufficiently well conceived to attract substantial private sector investment – fast-track development of Athlone, capitalising on its key location on the Shannon (and in the centre of Ireland), for example.

Category 5 – Undeveloped Tourism Centres or Areas – again, emphasis would be mainly on niche products and small-scale development using funding from community and rural development funds. For many such areas the quantum of additional tourism needed to make a significant impact on the local economy may often be relatively small.

We advocate that, in the context of better spatial spread of tourism, most attention be devoted to Category 2 above. However, this does not necessarily imply that tourism development in other “categories” be substantially downgraded, and some additional points in relation to the overall categorisation procedure are worth noting:

- categorisation does not indicate a complete move away from development of “areas”. While focus on key “centres” implies enhanced development of towns/cities, the title “destination” (rather than “centre”) is deliberate and leaves scope for the development of key areas. The key deciding issue is international marketability – examples would include established destination brands such as Shannon cruising (or other such resource-based products) and the Dingle Peninsula;
- accommodation capacity in key towns (based on Table 2.10) is used as a proxy for the above categorisation but is not intended as definitive. Dingle, as noted in the above bullet point, is a key example. The town has around 800 rooms (ie Category 3) but Dingle Peninsula has the “qualities of a Category 2 destination (incorporation of the town’s catchment would also leave the area with over 1,000 rooms). Another example is Kilkenny, with just under a 1,000 rooms but sharing the characteristics of Category 2 destinations;
- categorisation also incorporates enhanced development of the catchment areas to cater for “hub and spoke” tourists “based” in key centres;
- within categories there remains room for further differentiation, particularly between destinations whose accommodation base largely caters for holidaymakers and towns/cities where much of the accommodation base caters for non-holiday clientele. Similarly, there is some room for differentiation within the based and long

holiday segments to allow for tourism which is strongly product-focused eg by an activity or other special interest;

- at all times the long-term implications of tourism development, particularly sustainability issues, need to be considered. In some cases the nature of centres and their catchments is such that they are less suitable for expansion, eg the Aran Islands.

Figure 3.5 below integrates our categorisation of tourism destinations with the different types of tourists we identified in Section 3.3.2.

Figure 3.5: Linking Destinations and Tourists

Tourist	Destinations				
	Premier	Large Established	Medium Established	Small	Undeveloped
Overseas Short Stay	✓✓✓				
Overseas Circuit	✓✓✓	✓✓			
Overseas Based Holidays	✓	✓✓	✓	✓	
Domestic Short Stay	✓✓	✓	✓		
Domestic long Stay	✓	✓✓		✓	
Business	✓✓✓	✓	✓		
VFR	✓	✓	✓	✓	✓

Given the importance of “touring” for international visitors, development of “routes” is also important, particularly for the further development of Category 2 destinations in the BMW region. Consideration of touring routes also raises the issue of congestion at key tourism sites, an issue which we regard as more one of visitor management than spatial spread. Any development programme aimed at providing a better spatial spread would have a combined focus on the three destination and six tourist typologies discussed above.

3.4 International Evidence – Spatial

3.4.1 Overview

At the international level, our case studies and available data indicate similarities between Ireland’s geographical spread of tourism revenues and that of our EU partners. This message, and the typical trend that international tourism is more widely dispersed than domestic, is evident from localisation curves (Pearce, 1995). These curves, while somewhat dated, show that tourism at a regional level is relatively well spread in Ireland compared to a selection of other European countries. Indeed, it is generally the case that

most countries tend to have one or two relatively strong city-break destinations and a number of other traditional resort destinations. In some countries, particularly in Northern Europe, domestic tourists provide the bulk of visitors to traditional resort areas.

The traditional centre-periphery model of tourism, postulating that tourism had a positive regional development role by spreading income from wealthy urban cores to poor peripheral resort areas, is no longer universally valid. Rather different forms of tourism have distinctive regional impacts. The increased popularity of "post-modernist" tourism products can generally be expected to benefit genuinely peripheral, and generally poorer, areas, but these products are by definition small-scale. Similarly, and ironically, tourism is used as a key element in restructuring cities affected by de-industrialisation, in much the same vein as it is utilised for regenerating rural areas affected by declining agricultural incomes and depopulation. The increased popularity of city-break tourism also militates against "income spread" impacts and favours some capitals to the extent that they dominate inbound tourism to their countries. Key examples are:

- London, Europe's most popular city-break destination, accounted for 35% of the UK's international tourism revenues, while the richer southern UK regions, accounted for a further 36% and have benefited disproportionately in recent times from incoming tourism (Williams and Shaw, 1995);
- Scotland, where Glasgow and Edinburgh continue to increase their share of international tourism revenues despite the Scottish Tourist Board explicitly targeting a reduction in their relative importance;
- Hungary and the Czech Republic, where tourism is massively concentrated in Budapest and Prague respectively;
- Austria – while tourism contributed to reducing regional disparities in the take-off phase of tourism development, more recently richer regions such as Vienna and Lower Austria have experienced the more rapid growth (Zimmermann, 1995).

Nor does ongoing growth of mass tourism necessarily favour poorer peripheral regions. While it provided the initial development impetus, the Algarve, the Rivas and Spain's Mediterranean coastal areas are now among the richer parts of their respective countries. In Spain, for example, the marketing slogan for many years was "everything under the sun" with promotional policy trying to direct visitors towards cultural, heritage and activity products, ie mostly away from the coast. Within Ireland, tourism has already done much to improve the relative wealth of Kerry – while Killarney may possess much the strongest

accommodation base, other resorts within the county also do well compared to the rest of Ireland. Revenues in Killarney also spread to other parts of Kerry through a variety of supply channels.

All three case study countries had varying attitudes towards the spatial spreading of tourism revenues and visitors. In England, policy emphasis on spatially spreading visitors arises primarily as a by-product of the overall goal of sustainable tourism development, amid concerns about the congestive impact of peak season tourism numbers in key destinations in the high season. Portugal has a specific strategy for addressing the spatial spread of tourism revenues, although this is integrated with policies aimed at improving seasonal spread and reducing dependence on mass tourism. Key officials spoken to in the Netherlands, on the other hand, regarded the objective of spreading tourism outside key centres as counter-productive along the lines that any "spread" of benefits would be outweighed by problems associated with increased tourism numbers.

3.4.2 The Netherlands

Amsterdam dominates international perceptions of what the Netherlands offers the tourist. While the city attracts the bulk of overseas visitors, only one in three tourists in the Netherlands are foreign, as the Dutch are very apt to take long and short holiday breaks in their own country. Domestic holiday destinations are spatially well spread and tourism is a genuinely nationwide industry. While the Netherlands' resource base is narrow, it is nevertheless larger than most outside observers normally suppose, though the relative attractiveness to international tourists is questionable. For example, heathlands, sandlands and woodlands are among 23 distinct landscape areas recognised by the *Atlas van Nederlandse Landschappen* and are dotted with caravan and camping parks, cycle and walking routes and other "soft tourism" attractions. These space and landscape resources are in short supply in the densely populated western provinces.

Policies unconnected with tourism, such as the enclosure of the Zuider Zee and the flooding of abandoned peatlands and mining pits have created much prized leisure resources. Public planners, watersports interests and tourism entrepreneurs have further developed these. Public planners have a key role in all major leisure development. In recognising over-development problems associated with both land-based and water-based tourism, dispersal strategies are often proposed, frequently by creating exclusion zones and no-go areas for certain sports and activities. Thus, despite the wilderness image in certain parts of the Veluwe, walkers and cyclists may find themselves constrained by fenced paths designed to protect the wilderness.

The coastal areas in the west also attract a lot of Dutch tourists on day trips, short-breaks and long stays, while the Centre Parc chain of holiday villages and a variety of theme park developments all attract large numbers. While the Dutch have been exploring neglected parts of their own country, foreign tourism is heavily concentrated in Amsterdam and the western provinces. "Commodification" of regional heritage – cheese-making, clogs, windmills, bulbfields, traditional dress in farming and fishing villages – supplement the Amsterdam-based product for foreign tourists, often through linked trips for package-tour visitors.

At Government level, the development of tourism is seen as inextricably linked with environment policies and with leisure and recreation policies in general. Indeed, the tourism assets for most foreign visitors are regarded as very distinct from many of those designed to appeal to the Dutch. There is a concern that policies aimed at diverting tourists away from Amsterdam and the western provinces may result not so much in dispersing the benefits of tourism to new parts of the country, but rather in spreading the problems which are now being experienced for the first time in major Irish resort areas. A key Irish informant also expressed this sentiment – he was concerned that pressure to grow the sector was unrealistic and that Ireland "should not sacrifice its natural heritage for short-term monetary gain".

While there is a preference at Government level for not aggressively developing or promoting tourism, there can often be conflicts with regional and local interests. For example, with planning powers largely resting at local level there is scope for divergence from national guidelines. Also, unimpressed with the central Government's approach to aggressive marketing of their tourism resources, several of the more peripheral provinces promoted themselves under the slogan of the "Other Holland".

3.4.3 England

Governance structures in England and the UK are traditionally highly centralised. There are moves underway, however, towards much greater regionalisation through the introduction of regional development agencies (RDAs) as well as devolved legislative assemblies in Northern Ireland, Scotland and Wales.

Overseas tourism revenues in England are slightly higher than domestic revenues, but over 80% of holiday trips are taken by UK residents. Overseas tourism grew relatively rapidly during the 1990s. Domestic tourism, however, is in fluctuating decline, with long-

stay holidays and coastal resort revenues losing out to trips abroad by UK residents. London is the primary tourist destination, accounting for 22% of nights and 35% of revenue in 1998. However, while the capital accounts for only 10% of domestic tourism revenue its corresponding share of overseas revenue is 60%. More so than Dublin, a high proportion of visitors come with the sole purpose of visiting only London rather than England per se.

Tourism has traditionally been a "Cinderella" industry in England, with little government intervention. The English Tourism Council (ETC) is somewhat behind Ireland in addressing the decline of English tourism outside key destinations and only recently were task forces established to look at resort regeneration, promotion of sustainable tourism and improved transport/access arrangements. Actions at spreading visitor numbers have largely consisted of local initiatives and mainly for "environment-related" reasons. A flurry of initiatives, for example, were undertaken in the early 1990s as part of the sustainable tourism "Maintaining the Balance" project, eg the development of alternative attractions nearby to divert tourists from Lake Windermere. There is also a very limited programme of grant aid to seaside resorts and for strategic regional projects.

Ease of internal access is important. With the emergence of the short-break market, therefore, the relative distance to northern tourist regions further limits their attractiveness since most of the population lives in the southern or midland areas.

3.4.4 Portugal

Tourism policy priorities in Portugal have remained relatively consistent over time, namely to increase yield and promote Portugal as a high quality sun product particularly relative to its dominant neighbour, Spain, and to improve the seasonal and spatial spread of tourism benefits. Strategies to attain these objectives are often inter-linked, as the Portuguese see these goals as inter-dependent and, where possible, try to take an integrated approach to tourism development. ICEP is the body charged with the international promotion of Portuguese trade and tourism, while the Institute for Tourism Support (in conjunction with regional tourism bodies) is responsible for the allocation of tourism financial supports under guidelines from the Directorate General for Tourism. Financial supports take many forms, but are predominantly repayable loans or the provision of venture capital. Non-repayable grants are relatively unusual in the tourism sector, the main exception being buildings that have national heritage value and are converted for private-sector tourism purposes. For investment purposes, the term "tourism" is used broadly and the Institute

becomes involved in the co-financing of a variety of private and public-sector investments, including sewage works and road infrastructure.

Tourism growth in Portugal has slowed considerably since its rapid expansion in the 1980s, with overseas visitor numbers falling slightly in the early 1990s – a fact widely attributed to industry over-pricing. In recent years, however, annual rates of growth have exceeded OECD averages and domestic tourism also performed strongly. Tourism in Portugal is heavily concentrated in the littoral regions of the mainland and the independent island of Madeira. The Algarve is the single most popular region, followed by Lisbon. By contrast, the north and the centre of the country (once famed for its spa resorts) and the Alentejo region (north of the Algarve) fare relatively poorly in tourism terms. This allocation of tourism benefits is broadly consistent with general economic patterns, although the strong economic performance of the Algarve relative to the interior regions would most probably not have occurred without the tourism sector.

There are clear differences between the regional distributions of domestic and foreign demand. Foreign nights are much more regionally concentrated than domestic, with the Algarve and Lisbon combined accounting for 73% of demand. The respective figure for the domestic market, while high, is considerably less at 51%. This difference is even more pronounced when the island of Madeira is taken into account, with shares of 90% and 57% for the foreign and domestic markets respectively. The spatial distribution of tourism demand also varies between overseas markets. The UK, Ireland, Netherlands and German markets, for example, are heavily concentrated in the Algarve and Madeira, while the French, Italian and Spanish frequent Lisbon and the surrounding coast.

Tourism is seen as a partial solution to the depopulation of the interior and western regions. However, it is widely accepted that tourism provides a small part of a wider solution and that policies are only likely to be effective in the medium- to long-term. Tourism-specific initiatives aimed at developing poorer regions include:

1. higher rates of assistance for private sector investment in activity products and certain types of accommodation for areas located more than 20 km from the public maritime reserve line;
2. financing of networks/touring routes of regional attractors that reflect the cultural soul of the region in question, eg gastronomy or wine production, and subsequent below-the-line promotion of same with ICEP;

3. co-financing of public-sector investments that are not “tourism” in the strictest sense, but have potential tourism benefits, including road and environmental services infrastructure;
4. related to the foregoing, the next round of the CSF will see a move towards “integrated programmes” for investment, requiring the co-operation of public and private-sector operators, a minimum investment per proposal of 3 bn Escudos and a minimum of 50% of funding from the private sector.

Principles underlying the approach to tackling a spatial concentration of tourism benefits are as follows:

- replicating the experience of the Algarve elsewhere is anathema to even the most economically deprived regions, and the region itself has for many years tried (unsuccessfully) to develop economic alternatives to the sector;
- Portugal does not support further expansion of its accommodation base, concentrating supports on improving existing stock and developing rural accommodation, predominantly in the homes of Portuguese;
- sustainability – environmental and cultural – takes precedence over economic development. Large tracts of the Algarve coastline, for example, are areas of special conservation with associated development limits. Similarly, in the very deprived Alentejo region, there are very restrictive planning regulations, with the construction of large-scale accommodation developments being widely regarded as undesirable and not in keeping with the cultural soul of the region;
- the balance between accommodation, attractors, tourism promotion/demand and wider infrastructure is regarded as the key to visitor satisfaction and is thus one which is given careful consideration in the evaluation of projects;
- touring routes themed to capture the “cultural soul” of an area are the most effective means of developing tourism demand – clusters lend themselves to short-stay visits and limited yield. There are notable exceptions to this principle, including the hinterlands of the Algarve where clusters of attractors feed off day-trippers from the coastal resorts;
- the growth of tourism demand is a gradual process. Public sector investments are thus regarded as ones only likely to yield a return in the medium- to long-term (if ever), and the effectiveness of initiatives can only be evaluated after a 10-15 year period.

There are no specific marketing initiatives aimed at improving the spatial spread of demand. Internationally, for example, the most developed tourism regions are the only regions promoted. The rationale behind this is that generically “Portugal” is not a sufficiently strong brand name to compete effectively with Spain’s “Costa del Sol” and other competitor locations. Therefore, for competitiveness and capacity utilisation reasons, promotional focus is on the Algarve, Lisbon, Madeira and Oporto. However, developing tourism areas are supported in below-the-line promotions. No real distinction is made between the domestic and overseas markets in terms of potential for the development of non-traditional tourism areas, although the travel behaviours of the Portuguese and Spanish suggest them to be the most obvious targets.

3.4.5 Other Countries

A major New Zealand study in the late 1980s established three scenarios for the future growth of tourism – a base scenario centred on recent trends, a dispersal scenario to dissipate growth and a concentration scenario, which saw growth focused along the distinct tourism circuit used by most international visitors (McDermott-Miller Group, 1988). Subsequent New Zealand policy, however, stressed market forces rather than Government intervention, resulting in further spatial concentration of visitors.

The Languedoc-Rousillon region of France, adjacent to the more popular Provence, was the object of a planned programme of tourism development during the 1970s and 1980s that lifted it from an area of regional importance to national, and to a lesser extent international, significance. The plan involved the development and promotion of new, mainly coastal resorts. Subsequent studies showed that regional demand remained proportionately greater in the older resorts, with foreign visitors much more prominent in the newer resorts and in under-developed areas.

From the point of view of development and promotion, an analysis of these resorts suggested that while most holiday visitors stay within a certain “activity region”, it is “the resort and not the cluster of activities that largely circumscribes the behaviour pattern of holidaymakers, holds their loyalty in subsequent years, attracts day visitors and second home owners ... and is publicised and conceptualised by the visitor” (Ashworth and de Haan, 1987). This coincides with the views of a key informant to this report, who stressed that while developing clusters of attractions was an appropriate strategy, for marketing and promotional purposes it was much better to highlight a resort rather than an area.

Developing branded routes is a common instrument for dispersing tourists in many European countries (and indeed across Europe, as evidenced by the successful Camino de Santiago), most notably in Germany – the Fairytale Road, the Castle Road and the Romantic Road – while in Italy gastronomic, historical and literary routes have been tried with varying degrees of success. Similarly, the Meusebanks project in the Netherlands was a water-based tourism route aimed at dispersing light tourism. Ireland, in contrast, while it has recognised recreational routes (particularly the southern circuit to Dublin and back incorporating Cork, Kerry and Galway), often developed in conjunction with tour operators, has no strongly branded routes that disperse tourists across the country³.

3.5 Seasonal Patterns

3.5.1 Factors Underpinning Seasonal Spread of Tourism

Seasonality creates a variety of problems for the tourism sector. In the peak season these problems include congestion, environmental damage, saturation of transport infrastructure, increased risk of road accidents, higher prices and a negative impact on the quality of the tourism product. At other times of the year a key concern is under-utilisation of capacity. The following sections look at the factors that drive seasonal spread of demand, the Irish experience and findings from our international case studies.

The existence of seasonal peaks in demand for, and provision of, tourism services is well known. While timing peaks can be daily or weekly, seasonality refers to those that occur at different times of the year. A majority of tourists (in the Northern hemisphere) take their main holiday during the months of July and August, the so-called peak months of the tourism season. This is driven by a number of factors, the two most of important of which are:

1. the weather – most holidays are more pleasant in warm weather while others, most notably traditional seaside-based holidays, are dependent on good weather;
2. vacation periods, particularly school holidays but also for a number of professions, are during July and August.

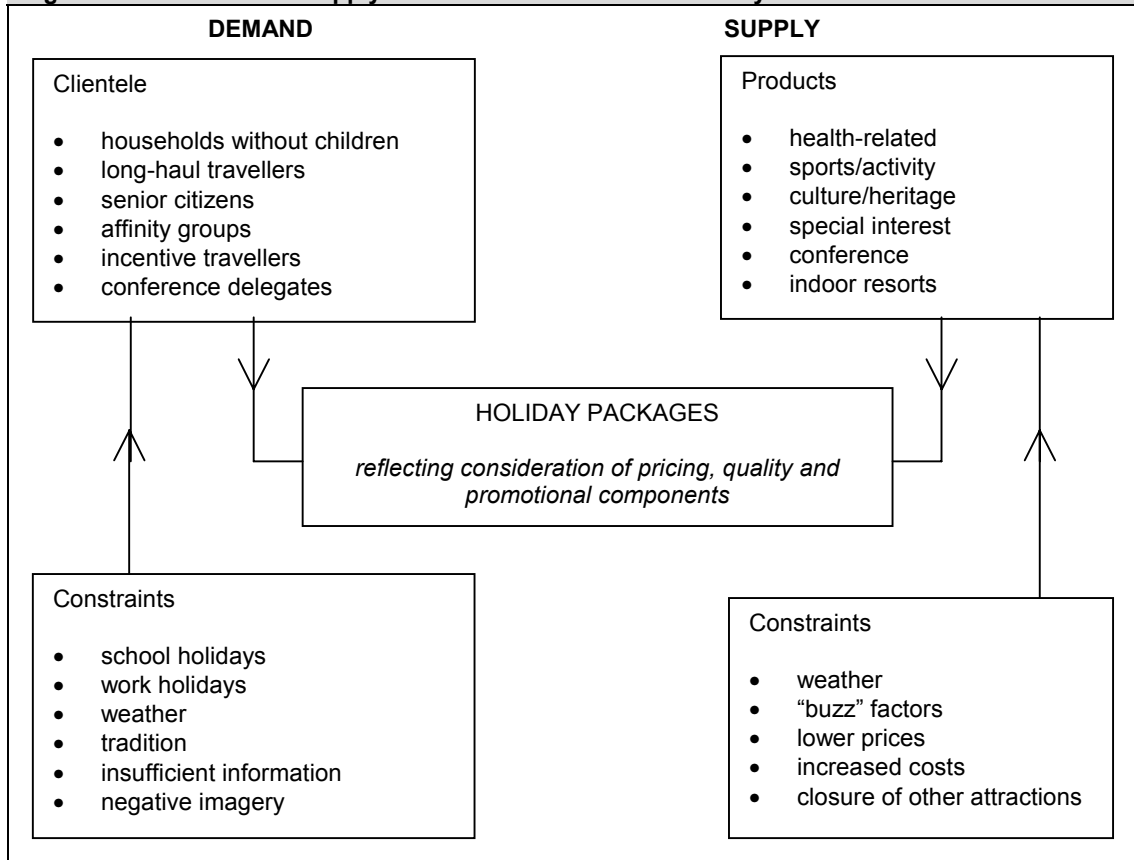
³ The Ring of Kerry for example is well branded but specific to a particular resort area, while a cross-country route such as the North-West Passage is not well known or frequented. Some areas also have local non-branded routes based on gastronomy or local crafts.

Another factor, linked to the above, is the "buzz" in many resort areas and the associated value which many tourists place on being surrounded by other holidaymakers. Linked to this, certain attractions and facilities in key resort areas may close during off-peak periods, reinforcing the unattractiveness of holidays outside July, August and parts of the shoulder period. It is also worth noting that the summer months have traditionally been regarded as key months for holiday-taking, although with increasing incomes and more leisure time this is now less of an influencing factor.

The seasonal peaking of holiday-taking both in Ireland and elsewhere in Europe, while still a concern, is much less of a problem now than it was 20 years ago. As some of the drivers impacting on demand have ameliorated, so too have some supply-side factors. There has been a considerable increase in the supply of products catering for, and marketing expenditure devoted to, off-season tourists. Out-of-season holidays, particularly short-breaks, have developed around clusters of different types of holiday products – all-weather facilities, events, cultural and heritage-based products, sports activities and other health-related tourism products, special interest activities and conference facilities. In some cases, the out-of-season weekend popularity of some resorts has enabled partial re-creation of the "buzz" factor. Helped by events and strong promotion, many resorts are as busy on March, May, June and October bank holiday weekends as they are during the peak season.

In the early 1990s the EU supported two studies (and an international conference) on strategies for tackling seasonality and the problems it creates for tourism and the wider economy. As indicated in Figure 3.6, one suggested approach was to address constraints imposed by factors like holiday times and weather, identify products and market niches least affected by these constraints and develop appropriate holiday packages.

Figure 3.6: Demand and Supply Elements of Tourism Seasonality



Source: EU Commission

The Netherlands' Ministry of Economic Affairs (Ministerie van Economische Zaken, 1993) suggested a complementary approach for identifying suitable clientele, dividing prospective tourists into four segments based on whether or not a particular market segment "can" holiday in the off-season and whether they "want" to holiday then. With increasing incomes and changed work practices, the main restriction on the "can" segment in the 2000s is likely to be school holidays. Whether people "want" to go on holiday outside the peak season depends on factors such as:

- the type of holiday product (or natural resource) being available, weather being a dominant consideration;
- holiday facilities being available at an attractive and affordable price;
- potential holidaymakers being made aware of opportunities;
- the potential to meet other people on holiday at the same time.

Based on this, the Dutch study estimated the "can and want" segment to consist mainly of "empty nesters" (older age groups whose children have grown up), single people and

young childless couples, and to number around 115 million people in the EU by 2000. The “can but don’t want” segment was seen as primarily consisting of:

- young people who want to meet other young people and to go to places at times when they can be sure of meeting their peers;
- families with pre-school or grown-up children who want to meet other families because a key holiday objective is social contact.

By increasingly offering products that offer these benefits outside the peak season (re-creating some “buzz”), the commercial sector has been making inroads to this segment through festivals, events, themed breaks, activity holidays and provision of all-weather holiday product. These same products also attract the “can and want” segments.

3.5.2 Seasonal Patterns and Drivers in Irish Tourism

The seasonal spread of Irish tourism improved steadily in recent decades, including the 1995-2000 period. During 1999, just over one in four overseas tourists started their Irish holiday in July or August, compared to one in three at the start of the decade and 30% in 1995. The increased share has been in off-peak arrivals, with the shoulder season share remaining steady. During 1999, 43% started their holiday during the seven off-peak months, compared to 40% in 1995. This exceeded the target set for off-season arrivals in the 1994-99 OPT. Business travel, VFR and international short breaks (into Dublin) have been instrumental in this improvement. Excluding short breaks, however, the contribution of the “holiday” market to better seasonal spread, while positive, is relatively limited given that it is the largest tourism segment.

The seasonal spread of holiday-taking by the Irish, to domestic and overseas destinations, has also improved, but it is still more sharply peaked than that for overseas visitors. In 1995, 65% of domestic holiday trips were during the May-August period, but by 1999 this proportion had fallen to 48%. Alongside this, the proportion taking domestic holiday trips in the four months January-April increased from 15% in 1995 to 25% in 1999.

Counties with a strong tourism tradition (eg Kerry, Galway, Clare, Cork, Donegal, and Mayo) have a high proportion of accommodation premises that close for part of the year, particularly December through to May. This is even truer of attractions and non-hotel accommodation. County case studies revealed that despite relatively high levels of capacity, hotels in well established destinations such as Killarney, Westport and Bundoran tended to do reasonably well in the off-season, mainly through strong weekend (domestic)

holiday business and business tourism. Thus, seasonal closures appear to be in the smaller resorts. In most Midland counties, all hotels stay open for all of the year, reflecting the much greater significance of business traffic, hotels' role as a social hub and a substantially reduced dependence on tourism. However, as noted above, hotels within a convenient driving distance of Dublin increasingly benefit from weekend breaks.

Airlines operating into Ireland through Aer Rianta airports have contributed to better seasonal spread by raising the proportionate level of winter capacity into Ireland from North America and from Europe, although this has been from a low base and absolute levels of increase are quite low. Absolute levels of capacity have risen from the UK market – up by nearly 4 mn between 1995 and 1999 – but proportionately share has remained steady.

Outbound holiday-taking by Irish residents is also highly seasonal, but not as skewed as domestic tourism. It also became progressively less peaked during the 1990s, with 58% of expenditure abroad by Irish residents outside the July-September period in 1993, compared to 64% in 1999. Looking at tourism trips, a similarly sharp decline is evident. This increasing popularity of overseas trips in the off-peak and shoulder periods – expenditure outside the July-September quarter more than doubled between 1993 and 1999 – reinforces the evidence that increasing numbers of Irish residents are now able to take holiday breaks outside the peak months.

Table 3.3: Expenditure and Tourist Trips Abroad by Irish Residents (Outside July-September)

	1993	1994	1995	1996	1997	1998	1999
Expenditure (£ mn)	485	646	778	857	911	1,058	1,235
Expenditure (%)	58.0	60.2	61.4	62.5	62.1	63.2	63.8
Trips (000s)		1,084	1,262	1,048	1,415	1,714	1,992
Trips (%)		56.4	58.8	53.0	58.2	61.0	63.6

Source: CSO

3.5.3 International Experience – The Netherlands

In recent years, the Dutch have taken a non-interventionist approach to tourism and seasonality. This is based to some extent on an overall change of philosophy about the efficacy of interventionist policies, and partially on the premise that there is little further scope for Government strategies to alter seasonal patterns. The latter point reflects the Netherlands' very pro-active approach towards seasonal spreading of tourism in the late 1980s and early 1990s.

Motivated by a desire to improve capacity utilisation and reduce their balance of payments deficit by substituting domestic for foreign holidays, the Dutch introduced a range of initiatives between 1975 and 1991 to improve seasonal spread. Domestic rather than foreign tourists were the key target group. Among the initiatives were the following:

- school summer holidays (six weeks for primary and seven weeks for secondary) were staggered over nine weeks and across three different zones within the Netherlands. Reflecting the need for medium-term planning, scheduling takes place over a six year time horizon – each region will twice start as first, twice as last and twice in the middle. Co-operation takes place with neighbouring German states;
- information and promotional campaigns indicating the advantages of off-season holidays – the slogan "not everybody at the same time" was used in conjunction with media advertising, posters, brochures and leaflets. The campaign was focused on families with children, and highlights the advantages of off-season vacations in terms of price, reduced congestion and tranquility;
- changes in work holiday durations and practices;
- reducing congestion through improvements to various forms of public transport to major leisure areas.

Policy towards foreign tourism originally included subsidies to international conferences to come in the off-season, and a focus on city-break holidays and special events and themes. These were aimed at improving seasonal spreading, but within the context of increasing visitor revenues.

3.5.4 International Experience – England

Like the Netherlands, the UK authorities now do very little to address seasonal spread of tourism despite introducing a number of initiatives in the 1980s. While a more sustainable tourism industry is an English Tourism Council objective, there is no explicit reference to better seasonal spread. A number of initiatives were taken in the 1980s, mainly involving provision on information to the commercial sector, reflecting the UK's generally non-interventionist economic philosophy at that time. This campaign included:

- the publication of booklets detailing case studies of successful off-season product development and marketing;
- the provision, along similar lines, of case studies through the ETB's *Insights* publication;

- a “dial-an-idea” service which gave the commercial sector access to a specialist in off-season products and marketing techniques;
- a quarterly publication, *Operation Off-peak*;
- monthly awards for the best products developed.

Many of the ideas promulgated through the ETB’s awareness campaigns – related to events, special interest activities, etc – were quite innovative at the time, but are largely well tried and tested at this stage. In general, the target market for the products and packages being developed was the short break domestic UK market rather than overseas visitors.

The idea of staggering school holidays and a four-term school year were investigated but never came to fruition.

3.5.5 International Experience – Portugal

In Portugal, policies to combat seasonality are linked with those addressing spatial concentration of economic activity and the country’s over-dependence on low-cost mass tourism. Tourism in Portugal is characterised by a very high seasonal peaking of demand, with the domestic market displaying an even more peaked distribution of demand than the overseas market. The very peaked nature of domestic holiday travel – around 60% of trips in August – is attributable to institutional factors, such as the timing of school and work holidays, climatic factors and tradition.

The seasonal profile of overseas visitor arrivals did not improve significantly between 1991 and 1998, although against a background of growth in visitor numbers the retention of the existing seasonal profile of demand constitutes a good performance. In 1998, close to 28% of all overseas visitors arrived in the peak season months of July and August. This proportion was identical in 1991, although considerable improvements have been registered since the early 1980s. The seasonal profile of demand varies considerably by region, with the island of Madeira having by far the most even seasonal profile of demand and the Algarve and island of Acores the most peaked – reflecting a high holiday component in total hotel bednights. Similarly, different overseas markets have slightly different profiles of demand. Finland and the UK, for example, have relatively even distribution of demand while Ireland, by contrast, has a highly peaked demand.

Portugal has long had a policy of extending its tourism season and increasing capacity utilisation in key tourism resorts. This policy fits relatively neatly with policies designed to increase yield (more specifically in-country spend), extend the spatial distribution of tourism activities within established tourism areas and maximise utilisation of existing capital. The policy responses to the seasonality challenge fall into two broad categories – product and promotion/marketing.

The development of activity products, most notably golf courses, has been the main investment response to seasonality in Portuguese tourism. The Institute for Tourism Funding provides supports in the form of repayable and interest-free loans for the development of certain types of activity product, including golf. Golf is now the main off-peak product in the Algarve, accounting for the mainstay of holidaymakers in the off-peak months. The next round of tourism supports will see the focus shift to high-quality sports facilities (the climate in southern Portugal is ideally suited to the recuperation needs of top-class athletes) and conference centres. While there is a clear policy of diversification away from pure "sun, sea and sand", Portugal realises that for a vast majority of its visitors, today and in the future, the climate will be the main attraction. It therefore continues to feature heavily in the promotion of special-interest holidays.

Regarding marketing, and reflecting the highly competitive market in which Portugal operates, the mainstay of the international promotional budget is dedicated to the promotion of the peak season in the established tourism resorts. There are, however, dedicated product promotions on a regional basis, and mature markets are prioritised for off-peak and shoulder season promotions.

The internal and Spanish markets are the main target of off-peak campaigns. This campaign has two objectives. The first is to encourage more frequent short breaks by Portuguese residents, and the second is to encourage Spanish people to treat Portugal as part of their extended domestic market when planning short breaks. This campaign comprises a number of elements, including TV campaigns before major public holiday periods, freephone numbers for tourism enquiries, special off-peak discounts offered in conjunction with hotels and other tourism facilities, and road shows. It is co-ordinated by ICEP and supported by the Regional Tourism Boards. It has only been introduced this year and it is too early to evaluate effectiveness. However, preliminary feedback is very favourable.

Finally, the Directorate General for Tourism, in conjunction with the Regional Tourism Boards, has organised a series of Millennium events in each of the tourism promotional regions. Funding for these events was based on the submission of a proposed programme of events by each tourism region, but in practice the largest allocations went to the most important tourism regions. While entitled “Millennium”, these programmes may receive future funding if they are considered to have been successful in countering seasonality. Few of these events are significant enough in their own right to attract international visitors (the appearance of Pavarotti in the Algarve being a possible exception). Rather, they support the domestic campaign for off-peak tourism and counter the impression that there is nothing to do in the traditional tourism areas outside of the peak season. Again, it is too early to evaluate effectiveness, but preliminary findings for the Algarve suggest success.

3.5.6 Key Findings

There are a number of points emerging from the preceding discussion which are worth highlighting in the context of developing a strategy to increase holiday-taking in the off-season:

1. much of the increase in off-peak tourism revenue in Ireland during the 1990s was driven by growth in “non-promotable” market segments, ie VFR and business travel as opposed to holidaymakers and conference/incentive travel;
2. market segmentation is a key consideration – at one extreme many tourists both cannot and do not want to take off-season holidays, while at the other end of the spectrum there are segments who can and want to holiday in the off-peak. Increasing volumes of outbound holiday trips from Ireland in the off-peak and shoulder season reinforce the fact that the size of the off-peak market is growing, although the competition provided by ski and sun holidays means many such travellers may not want a domestic holiday;
3. key “can and want” segments include: households without children; senior citizens; affinity and special interest groups; incentive travellers; conference delegates; international city-breaks; and domestic weekend breaks;
4. “near” markets are the most easily persuaded to take off-peak holidays, and this has underpinned the main strategic thrust of each of the three case study countries, although Portugal has also targeted special interest markets overseas, notably golf and sports training;
5. initiatives to better facilitate and spread domestic holiday-taking have also been a feature, with staggered school holidays introduced in the Netherlands and a number of other European countries;

6. strong promotion to key target groups is a feature of all policies to improve off-season holiday-taking, while in the UK this extended to the provision of information to providers on how to best package and promote off-season products;

The implications for Irish strategy to improve off-peak holiday-taking are explored in the following chapter.

Chapter 3 Drivers and Patterns

3.1 Introduction

This chapter analyses the factors that drive location of tourism destinations and the implications for spatial spreading of tourism. It also examines these drivers in conjunction with spatial patterns of tourism development in Ireland, described in Chapter 2. Reference is also made to international experience, and particularly to the three case study countries of England, the Netherlands and Portugal. A similar analysis of drivers and patterns is undertaken regarding the seasonal spread of tourism.

3.2 Spatial Drivers

3.2.1 Factors Driving Location of Tourism Centres

“Location, location and location” are the three key factors determining the success of an hotel, according to Conrad Hilton. This is true of tourism generally and not just the hotel sector. In principle, for most economic activity location is determined by:

- revenue maximisation, particularly proximity to markets;
- cost minimisation, including proximity to key factor inputs (historically raw materials, but in more recent times supplies of suitable labour skills), agglomeration economies (economies arising from the clustering of different enterprises in an area), public sector supports, etc.

The same broad framework can be used to analyse why tourism activity takes root and thrives in some areas and not in others. A key difference between tourism and most areas of economic activity is that customers travel to the source of supply, rather than vice versa, and that the travel factor is often an integral part of the holiday “experience”. This accentuates the importance of location, and the important inter-relationship between investor and consumer confidence in particular locations limits strategies to influence spatial spread - ie it is generally not sufficient to have physical investment at a particular location, tourists also need to be convinced to go there. As a result, tourism development tends to concentrate in particular regions, and within these regions it is generally further concentrated in particular localities. This was shown in Chapter 2 to be the case in Ireland,

and is even more evident internationally (see Section 3.4). Along coastal areas, for example, ribbon development may give rise to a continuously built-up littoral, while development tends to be more nucleated elsewhere. International tourists in particular tend to be funnelled into key tourist centres. Tourism literature identifies two fundamental locational determinants:

1. a destination's resource base;
2. its accessibility.

The main components of these locational determinants are shown in Figure 3.1 and are separately discussed in the following sub-sections.

Figure 3.1: Key Drivers of Tourism Locations

Resource Base	Access
<ul style="list-style-type: none"> • natural – weather, scenery, other natural attractions • man-made – attractions, facilities 	<ul style="list-style-type: none"> • overseas – flights, airports, ferryports • domestic – roads, public transport, touring routes, drive times

3.2.2 Resource Base

A tourism centre's resource base is what attracts tourists to the destination. It may be based around one or more tourist attractions such as climate, topography (eg beaches, scenery), culture/heritage resources, theme parks, etc. These attractors are crucial to the development and expansion of any destination, and tourism centres generally owe their initial development impetus to some aspect of their resource base. Thereafter, the development of an enterprise base to invest in product and promotion is essential.

On the supply side, success reinforces growth once a tourism centre is established, as new facilities are built where previous investment proved viable. This is accompanied by infrastructural development, and more projects are developed to take advantage of existing infrastructure. On the demand side, growth is reinforced as the clustering of particular facilities gives an area a readily identifiable marketing image. Promotion is facilitated by the marketing budgets of the increasing number of investors in the area, while more visitors generate momentum through repeat visits and "word-of-mouth".

In the international tourism market, growth is also reinforced by the activities of tour operators, evident in Ireland by the impetus that UK and US tour companies gave to the

rapid development of Killarney, and more recently Dublin, as international destinations. Often tourism itself, and the “buzz” generated, becomes the main draw for visitors rather than the original attractions – signalling changes that induce some tourists to move onto new centres (see Plog’s “psychographic” typology in Section 3.2.5). Success can also breed complacency regarding a destination’s resource base and may lead to declining popularity – life cycle theories of development are discussed further in Section 3.2.5.

3.2.3 Accessibility

Access, while relatively less important now than it was historically – tourism was first associated with ships and railways, limiting spatial diffusion of tourism beyond ports and rail-heads – is still a key factor determining growth in tourist numbers. A previous ITIC report (ITIC, 1996) identified six key determinants affecting regional distribution of tourists within Ireland, with four related either directly (access transport mode and port of arrival, mobility within Ireland) or indirectly (growth in city tourism, length of stay) to ease of access.

For international tourists, technology is reducing costs and increasing ease of travel on an ongoing basis, with proximity to airports now an important ingredient in developing tourism centres. Dublin’s dominance of access into Ireland – accounting for 80% of air access in 1999 – is an important contributor to recent growth (Table 3.1), with particularly strong growth in the UK ↔ Dublin (43%) and Europe ↔ Dublin routes (29%) between 1995 and 1999.

Sea access is also important, and again Dublin (including Dún Laoghaire) is the dominant port, followed by Rosslare. In 2000, 95% of CEU capacity on ferries was through these east coast ports. It is also notable that capacity on these routes rose, while that through Cork barely changed between 1995 and 2000 (Table 3.2). This is mostly accounted for by continued sharp increases in capacity to Great Britain alongside falling capacity to France. As discussed in Chapter 2, while there is a seasonal variation in ferry capacity it is not very pronounced on UK routes – particularly into the east coast ports. Also, as discussed, tourists arriving by sea have a better spatial spread than those coming by air. The reasons for this include the fact that more of them are holidaymakers, they are generally more mobile (car or coach often being an integral part of their travel mode) and a higher proportion arrive at access points outside the capital.

Table 3.1: Total Passenger Capacity at Aer Rianta Airports 1995-99

	Passenger Capacity 1999 (000s)	# Δ 95-99 (000s)	% Δ 1995-99	% of Additional Market Capacity	% of Total Additional Capacity
Dublin					
UK	9,767	+3,234	50%	86%	43%
Europe	5,217	+2,191	72%	84%	29%
North America	1,363	+675	98%	56%	9%
TOTAL	16,347	+6,100	60%	80%	80%
Cork					
UK	1,167	+395	51%	10%	5%
Europe	432	+226	110%	9%	3%
North America	-	-	n.a.	0%	0%
TOTAL	1,599	+621	63%	8%	8%
Shannon					
UK	778	+149	24%	4%	2%
Europe	425	+204	92%	8%	3%
North America	1,223	+520	74%	44%	7%
TOTAL	2,426	+872	56%	11%	11%
TOTAL					
UK	11,712	+3,778	48%	100%	50%
Europe	6,074	+2,621	76%	100%	35%
North America	2,586	+1,194	86%	100%	16%
TOTAL	20,372	+7,593	59%	100%	100%

Source: Aer Rianta

Table 3.2: Sea Carrier Peak Capacity

	Summer Capacity				Winter Capacity			
	Car Equivalent Units (CEUs)		Change 1995-2000		Car Equivalent Units (CEUs)		Change 1995-2000	
	1995	2000	#	%	1995	2000	#	%
Total Capacity	79,024	109,210	30,186	38%	66,280	96,130	29,850	45%
% Dublin	52%	56%	19,758	48%	57%	61%	20,670	55%
% Rosslare	40%	39%	10,348	32%	40%	35%	6,540	24%
% Cork	7%	5%	80	1%	3%	5%	2,640	133%
% UK	92%	96%	32,586	45%	97%	97%	29,610	46%
% France	8%	4%	-2,400	-37%	3%	3%	240	11%
	Summer Capacity				Winter Capacity			
	Passengers		Change 1995-2000		Passengers		Change 1995-2000	
	1995	2000	#	%	1995	2000	#	%
Total Capacity	327,712	382,548	54,836	17%	266,296	329,480	63,184	24%
% Dublin	52%	55%	39,928	24%	56%	59%	47,000	32%
% Rosslare	41%	39%	14,164	10%	41%	35%	4,984	5%
% Cork	7%	6%	744	3%	3%	6%	11,200	133%
% UK	91%	96%	70,332	24%	95%	97%	65,704	26%
% France	9%	4%	-15,496	-50%	5%	3%	-2,520	-21%

Source: Ferry Operators

Transport networks and internal mobility are also important – motor vehicles allow tourists to be completely autonomous in their movements. While making almost everywhere a potential destination, motor vehicles have accentuated particular aspects of spatial concentration of tourism through the development of "recreational routes" and circuit-based tourism products.

Related to accessibility is the concept of "distance decay" – the volume of tourist traffic generally tends to decrease with distance from the generating area. While regular distance decay curves can be deformed by a variety of factors – eg the quality of road infrastructure – in simplistic terms, concentric zones around a major generating area indicate:

- potential day trip destinations;
- a weekend zone (often corresponding with a second home belt);
- a holiday zone.

The implications for Ireland are increasingly apparent as higher real incomes, more leisure time and associated lifestyle changes underpin strong growth of short-break and second holidays. The existence of "weekend" zones, around Dublin in particular, is apparent in the increased ownership of second homes along the east coast and the relatively high dependence of the South-East and Midlands-East on domestic tourism (see Section 3.3). Tullamore is a pertinent example (discussed during key informant interviews), with the success of recently built hotels in the area deriving almost completely from domestic business. These trends also have implications for seasonality (see Section 3.5). Improved internal road access and better public transport between urban areas can increase the potential for wider seasonal and spatial spread of tourism revenues.

Similarly, distance decay factors are important for air-borne holidays, underlying the success of Dublin as a city-break destination from the UK. For longer holidays there exists a "pleasure periphery", 2-4 hours distance from big urban centres. For Ireland, and Europe in general, the Mediterranean can be seen as such a "periphery" (and the Caribbean for North America), while for Ireland's domestic tourists the west coast could almost be seen in a similar light.

3.2.4 Security Factors

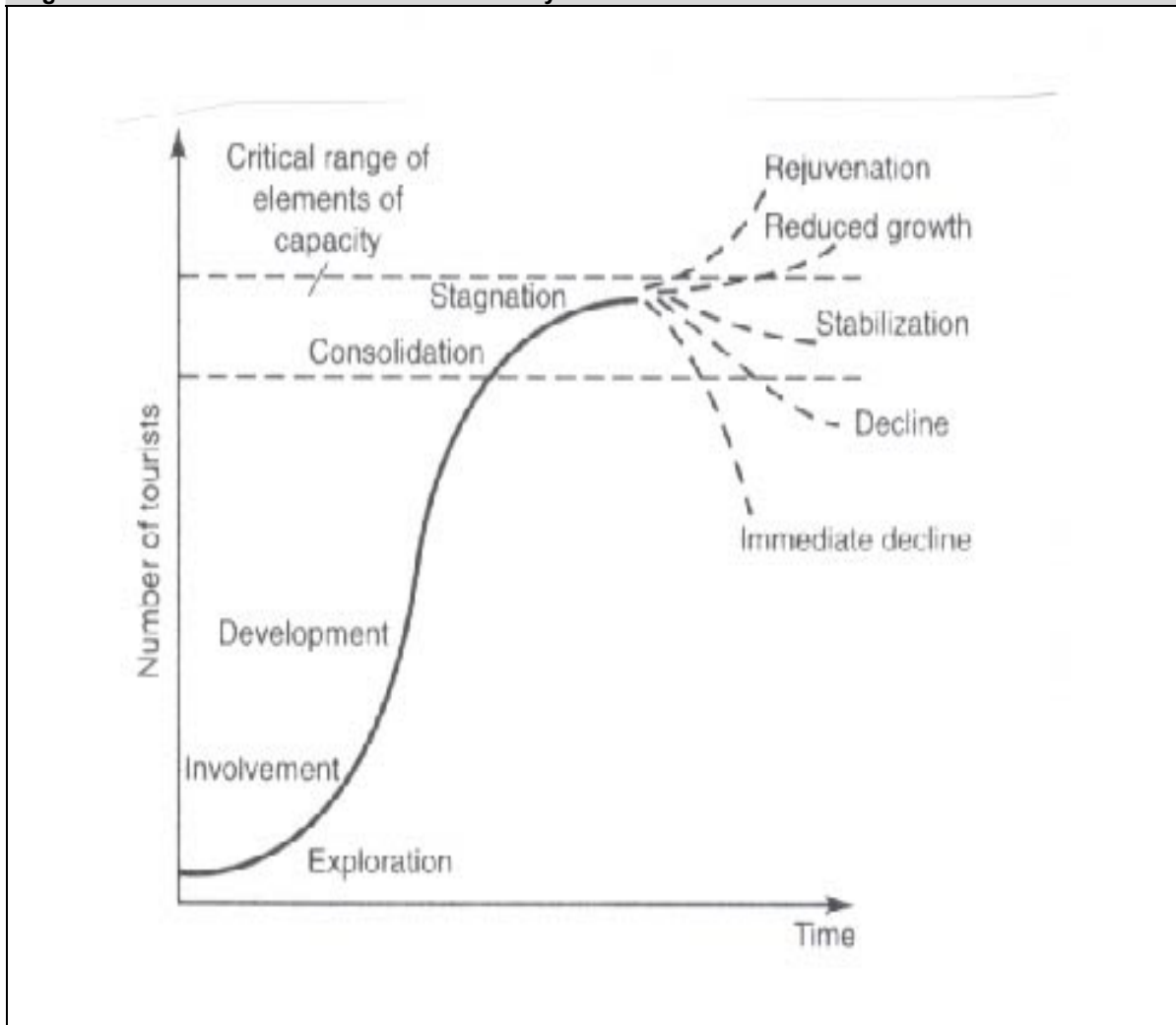
In some circumstances, political and security factors also play a role. At an international level, for example, Mediterranean and Alpine ski resorts offered much more development potential than Eastern Europe in the 1960s. Closer to home, "the Troubles" have obviously stunted growth in Northern Ireland and in the border counties in the Republic – the North-West is consistently one of the worst performing tourism regions, particularly for overseas visitors, although there are some compensations in that Donegal has probably benefited as an "escape" destination for many Northern Irish tourists (see Chapter 2).

A negative “security” image also makes strategies to develop new destinations or to spread visitor numbers relatively impotent – for example, considerable investment by the public authorities in an attractions base in Armagh did virtually nothing for the city’s tourism, as private sector investors failed to follow on with investment in accommodation or other facilities. While the “Peace Process” offers hope for the future, its impact to date has been relatively meagre, and the northern part of the island has a long way to go to make up for the impetus lost over the last three decades.

3.2.5 Models of Destination Development

A variety of analytical models explore the interaction of tourist motivations, the characteristics of tourist travel flows and cycles of resort development. The mostly widely used, with empirical support from a range of studies, is Butler’s model of resort development. As shown in Figure 3.2, Butler draws on a product life-cycle model to produce a hypothetical six-stage sequence entering a critical phase when the destination reaches the consolidation stage. Traditionally, the development of tourist destinations has followed a pattern whereby they are initially “discovered” by individual “pioneer” tourists and gradually become better known, at which stage the original “pioneer types” move on to look for new alternative destinations. Thereafter, the logic of Butler’s model dovetails with the above discussion – once initially established, tourism centres often enter a self-sustaining growth cycle. Expansion of accommodation and other facilities, for example, enables a critical mass of enterprise to develop to promote the destination and attract more tourists.

Figure 3.2: Butler's Tourism Destination Life Cycle Model



Source: Butler (1980)

In principle, established Irish destinations would be located at various stages along this curve. Killarney, for example, is probably the Irish destination that might currently be regarded as close to the top of the curve. Recently, concerns have been expressed about capacity for sustainable growth, with problems such as traffic congestion, pollution on the lakes, disenchantment among some visitors and workforce shortages. Such developments, and their implications for divergence between the emerging reality of a holiday in Killarney and the perceptions most international tourists tend to have about the town (and Ireland), suggest that it may be reaching the "consolidation" stage.

Killarney is not alone among Irish tourism centres (and areas), however, in facing turning points in their development with rejuvenation around one corner and decline around another, depending on the options taken. In Mayo, there is some concern about the direction which tourism in the county is taking, namely that the "quality" of tourists to Mayo

is falling. While the question of what is a "good" tourist is in some sense a value judgement, there are echoes of the debate about "stag parties in Temple Bar" in the sentiments expressed, ie increasing number of short-break holidaymakers in Westport for party-oriented weekends may crowd out the town's traditional tourists. This is in some sense a microcosm of a potential national debate about the overall impact of continued growth in Irish tourism.

A related concern is the impact increased tourism numbers may have on the county's strong environmental resources and the extent to which these should be exploited by tourism. In our third case study county, Wexford, better spread of tourism development within the county is becoming an increasingly important issue, with sustainability a serious concern in Courtown – self-catering accommodation there has out-stripped development of basic infrastructural services. As discussed above, there is a strategy, unsuccessful to date, to better spread tourism within the county by identifying three zones – the well developed East Coast, the largely under-developed South, which is regarded as having strong potential, and the undeveloped West.

As a destination reaches its capacity limits, entry to the consolidation stage is signalled as growth in visitor numbers slows down. Stagnation may quickly become evident if continued growth occurs through increased marketing, and despite a destination being seen by some as no longer fashionable. An equally important danger sign is emerging problems with the product itself and the destination's ability to cope with the level of tourists. At this stage, depending on strategies pursued, the destination may be rejuvenated if its attractions are altered to appeal to new markets or go into sharp decline if core weaknesses are not quickly addressed. This pattern is evident internationally – for example, over the last 15 years some Spanish "sun" resorts (eg Benidorm) declined precipitously, while others (eg Marbella) "rejuvenated" themselves. In Ireland, there are examples of traditional holiday destinations which have gone into decline (eg Ballybunion) and others which have found a new lease of life (eg Bundoran).

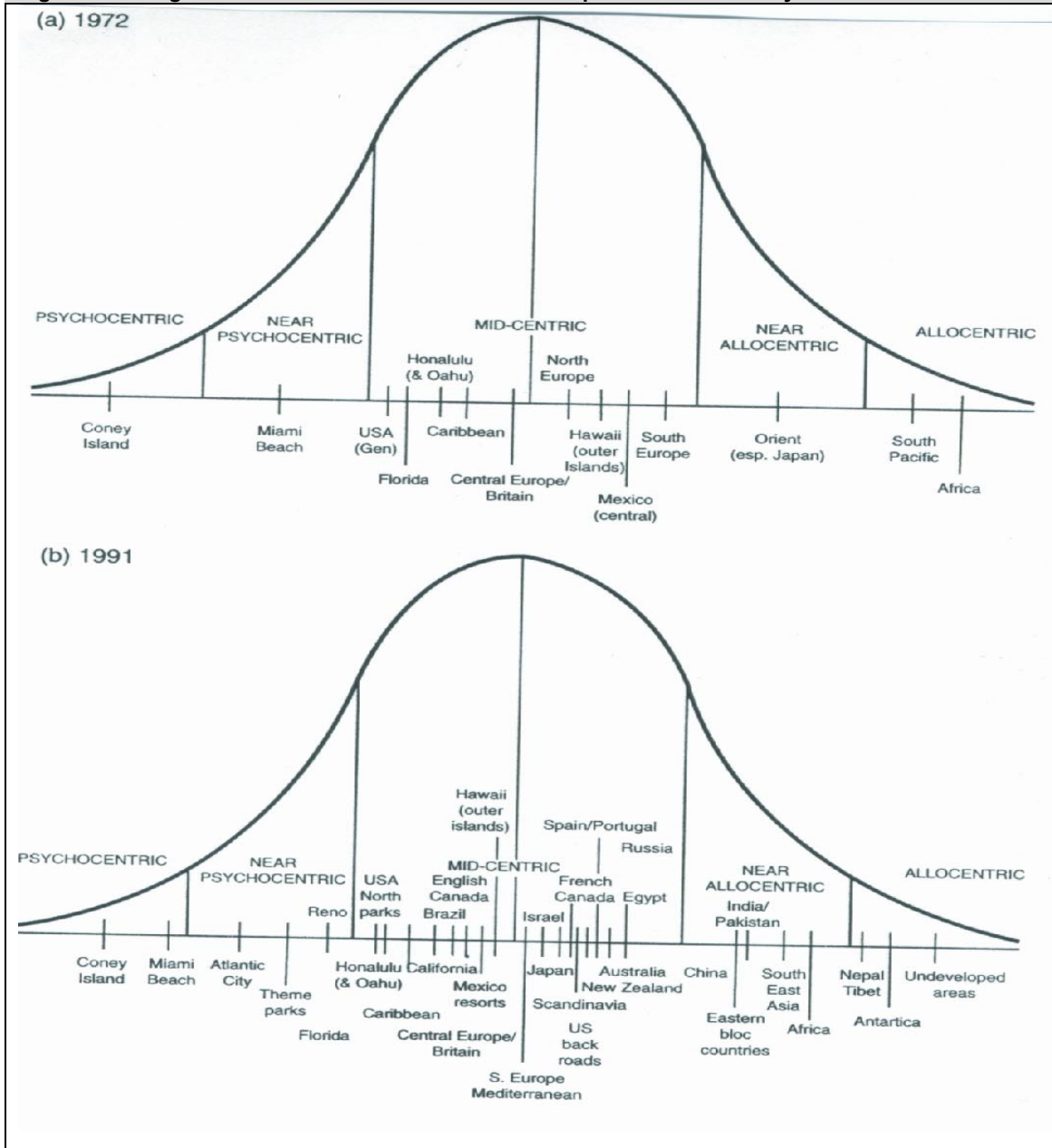
A complementary evolutionary theory, developed by Thourot (1973), suggests three successive phases of resort development, from discovery by rich tourists through to the loss of original value and the arrival of "middle-class" and mass tourists. More usually, however, the personalities rather than the "class" of different types of traveller is emphasised, with Plog's (1973, 1991) "psychographic" typology being the most widely accepted:

- at one extreme are tourists who prefer the familiar in travel destinations (psychocentrics);
- at the other are the very adventurous who prefer novel and different destinations (allocentrics).

Plog envisages travellers “normally” (in a statistical sense, so that most tourists fall in the middle of the distribution) distributed along a continuum between these two extremes.

An interesting aspect of this typology arises from Plog's positioning of selected destinations (based on US holiday patterns) and how these changed between 1972 and 1991 (Figure 3.3). Comparison shows “the sure but steady movement of most destinations toward more psychocentric characteristics and the audiences they attract” with Plog concluding that “this process need not happen, but without concerted effort executing a preconceived plan, it will”. The continued growth of tourism in Ireland, for example, has taken place against a background of negative growth in yield per tourist. This is one of a number of factors that might suggest that Ireland is moving towards becoming a more psychocentric destination, despite the efforts of Bord Fáilte to move “image” upmarket and attract “higher yield” tourists.

Figure 3.3: Plog's Tourism Destination Model – Development of US Holiday Destinations



Source: Plog (1973, 1991)

The Butler and Plog models, and the discussion of key drivers, are relevant to the ongoing development of Irish tourism for a number of other reasons:

1. within the tourism sector itself, current concerns about spatial spread arise from a view that some of Ireland's key resorts and destination areas are approaching a point where further inflows of tourists may "kill the geese which lay the golden eggs". The Butler model provides a useful background framework to view the current development stage of Ireland's premier destination areas;

2. linked to the above, “Defert” indices discussed in Chapter 2 provide a yardstick for gauging the development stage of key resorts. Such indices must, however, be used with care, eg a relatively low Defert index for Killarney may provide some comfort against suggestions that the town is approaching capacity limits, but this needs to be set within the context of what type of tourists Killarney is trying to attract and what image it wishes to project;
3. Plog provides a complementary framework for plotting the development of Irish tourism in general and that of key resorts in particular. Ireland has generally tried to project a market image towards the RHS (allocentric) of the distribution shown in Figure 3.3 (ie away from “mass market” images). This is evident in Ireland’s promotional message, conveying “distinctiveness” as encapsulated in Tourism Brand Ireland’s slogan “Live a Different Life”. Within Ireland, individual resort areas will see themselves positioned around this central image – eg Dublin’s city-break image may be to the left (relatively greater mass appeal) and Dingle’s to the right of Ireland’s central image (relatively more individualistic);
4. the identification of resource base, access and security factors as key drivers is important if Irish tourism strategy is to encompass the accelerated development of existing or new destinations. Supply-led resort development using man-made facilities (to supplement natural attractions) and strong promotion now feature – particularly at the mass tourism end of the market – as well as the traditional and more slowly-paced pioneer-tourist approach. Such developments often “piggy-back” on nearby established resort areas – Tralee is the only Irish example, being close to Killarney and involving strong investment (by Irish standards) in man-made attractions. Generally, where destinations are developed in the absence of natural attractions, capital investment requirements are very high and frequently include self-contained all-weather facilities such as Centre Parcs and Disneyland.

Finally, it is worth noting that analytical tools involve inevitable simplification of what is a complex industry. They provide a guide to policy conclusions rather than definitive answers. In particular, the growth and increasing complexity of international tourism over the last 20-30 years has resulted in a more diversified demand for, and sophisticated supply of, tourism product. For example, there is the rapid growth of city-break tourism alongside “post-modernist” tourism, which emphasises small-scale and geographically dispersed individualistic or flexible holidays. The latter type of holiday is a vehicle for improving spatial spread, albeit in a manner that may not impact substantially on the overall macro-picture – being small-scale by definition. Nevertheless, the communities

where such tourism is growing are generally small and the relative impact on their local economies may be quite significant.

Based holidays, however, continue to constitute the bulk of holiday “types”. The Irish have a preference for based holidays, whether domestic or overseas. Conversely, few international visitors on longer holidays take a standard based holiday – many tour by car, coach or on an activity holiday, or “hub and spoke” as part of a based holiday. Such developments have important impacts for the spatial spreading of tourism revenues, and by extension for the traditional notion that tourism leads to a more equitable distribution of regional incomes (see Sections 3.3 and 3.4).

3.3 Irish Experience - Spatial

3.3.1 Tourism Patterns

Data analysis in Chapter 2 highlighted the concentration of Irish tourism, particularly overseas tourism, into a number of key destinations. Review of the literature on spatial spread of tourism and discussions with key informants lead to similar conclusions. A UK tour operator consulted for the study suggested that Ireland was like “an elaborate picture frame – lovely around the edges but with nothing in the middle”. This is a very harsh categorisation. Non-coastal counties have much to offer, particularly activity-related, water-based and cultural/heritage resources. Yet the comment indicates the high “attraction” standard required to compete in international tourism markets and the image problems that many parts of Ireland must overcome if they are to be more internationally renowned. The facts bear out this difficulty – the 11 inland counties accounted for just 11% of Ireland’s overseas tourism revenues in 1999.

In addition, comments from those involved in tourism in “weaker” counties indicate that the enthusiasm for tourism as a panacea for development may have waned in recent years. Based on a survey of local authority Directors of Community and Enterprise, only inland counties counted tourism as a medium priority in fostering economic development, while most coastal counties rated it as high. Issues highlighted included:

- an absence of private sector interest in tourism investment and marketing;
- the dispersed and small-scale nature of much of their product base;
- the absence of a tourism tradition;
- poor tourism image;

- the difficulties of competing against the scenic/coastal advantages of other Irish destinations.

In essence, these observations bear out the importance of a strong resource base to “kick-start” tourism development in new areas.

The survey of discussions with key informants also indicated that a more micro-approach is required than simply categorising spatial spread as the diversion of tourists from the “top” regions/counties to “weaker” counterparts. In the latter scenario, Dublin and the South-West stand out as the two regions to disperse tourists from. Apart from the difficulties of diverting tourists away from Ireland’s premier tourism “magnets”, there are also spatial considerations within these regions to be considered. In Dublin, for example, many tourists never venture beyond a few square miles at the heart of the city. The South-West Tourism Plan, meanwhile, identifies uneven geographic distribution of visitors within the region as a major problem (spatial dispersion within Kerry, Mayo and Wexford also emerged as an issue in each of our three county case studies – see Section 2.3.3). The same plan, however, also identifies the following key threats:

- growing congestion in key towns;
- pollution problems in particular key resorts;
- sustainability of peak season growth in tourism numbers;
- workforce shortages in the tourism sector.

Similarly, local government officials in more developed tourism counties commonly mentioned problems such as visitor and traffic management, litter, and pollution, in each of the three case study counties there was a desire to better spread tourism within the counties.

Finally, while premier, and to a lesser extent traditional Irish tourist destinations, have grown strongly in recent years much has been done to develop tourism elsewhere in Ireland. A study on geographical aspects of Irish tourism in the 1970s (Plettner, 1979) is interesting in that tourism was seen as mainly as a “west coast” product for international tourists, principally the South-West, Clare and Galway, and to a lesser extent Dublin and the Boyne Valley. Donegal, Mayo and Wexford were principally seen as destinations for domestic tourists, while the rest of the country (apart from occasional angling and Shannon cruising) was largely regarded as very under-developed for tourism. While the

basic dividing lines remain between premier, other key tourism destinations and the rest of the country, all three "categories" have progressed and all three have capacity to progress further, as discussed in the remainder of this chapter.

3.3.2 Types of Tourist

Different types of holidaymaker seek different holiday experiences, and this affects destination choice at national, regional and individual destination level. For international tourists, Ireland conjures up a number of different but related images and different holidaymaker types seeking a variety of holiday experiences. To simplify our analysis of spatial spread we arrived at seven categorisations. These are shown in Figure 3.4.

Figure 3.4: Categories of Tourist Visiting Irish Destinations

Overseas Short Stay	Almost predominantly visit Dublin only, although among others Galway, Cork, Limerick, Waterford, Wexford and Killarney all aspire to attracting such tourists. "Event" tourists would also be included in this category.
Overseas Touring	A high proportion of North Americans (particularly for coach tours), but also British and relatively fewer Continental Europeans (particularly car borne visitors). Traditional coach tour routes mostly involve a "southern circuit". Dublin, Kerry (mainly Killarney, and more recently, Tralee) and Galway (Galway city, and to a lesser extent Clifden) are the key destinations, with towns in counties Wexford, Waterford, Cork, Limerick and Clare also benefiting. A smaller number of these tours involve the northern half of the country, mainly Mayo (Westport), Sligo (Sligo town) and Donegal (Bundoran and Donegal town). Altering the spatial spread of these tourists is not easy and tour operators are generally unwilling to risk straying too far from tried and tested traditional destinations. Car-based tours often follow similar routes to coaches but are more likely to "stray" away from well worn traditional routes and destinations.
Overseas Based	Mostly British or Continental Europeans, they are more likely to take their holidays away from traditional tour-circuit locations, often seeking quieter locations or "hub and spoke" holidays. Many activity holidays could be included in this category. Even though some, such as cycle tours, may involve multiple destinations, the nature of the tourists and the choice of overnight destination tends to have relatively little in common with coach-tour tourists.
Domestic Short Stay	A variety of destinations close to Dublin are benefiting from this category but also established resorts such as Westport, Killarney etc. The promotional boost arising from substantial investment in accommodation in PRSCRA resorts is also further increasing the flow of domestic tourists throughout the year, mainly weekend breaks.
Domestic Based	While the destinations chosen by domestic tourists coincide with those which attract international tourists, Irish holidaymakers also favour resorts which are relatively less popular with their international counterparts, particularly seaside destinations such as Courtown, Tramore, Clonakilty, Lahinch, Westport and Bundoran. The switch to off-peak short breaks from long-holidays favours established centres rather than small seasonally-based resorts.
Business Tourist	Usually short stay duration – mainly conference visitors, domestic and international, as well as "incentive groups", with Dublin the main destination for international visitors and traditional resorts (and activity holiday venues) favoured by domestic visitors. A small range of high quality establishments outside the main centres cater to both domestic and international business tourists.
VFR Tourist	Length of stay for tourists visiting friends and relatives varies widely from short to very long. They tend to be well spread throughout Ireland, in that their destinations are largely determined by population spread rather than by normal tourism criteria.

3.3.3 Spatial Categorisation of Irish Tourism

In examining spatial aspects of Irish tourism, one approach is to categorise different areas in terms of the current importance of tourism and their development potential. Bord Fáilte's 1994-99 Development Plan (Bord Fáilte, 1993) and a 1998 strategy document from the Department of Tourism, Sport and Recreation suggested different categorisations. Fitzpatrick Associates recently built on this analysis and suggested a reference framework based on three types of area, with different suggestions for Government investment support in each:

1. established tourism areas – the key aim for Government in these areas is to avoid pump-priming product investment, but possibly aid promotion support of off-season events. Investment priority should, rather, be given to infrastructural spending – water, sewage and transport networks – where required. Any tourism-related funding would be aimed at relieving visitor congestion, eg environmental/visitor flow management projects;
2. developing tourism areas – these areas represent the best option for absorbing further tourism growth in a sustainable way. The aim would be to further enhance the tourism potential of these areas – to attract growth from the main “honey-pots” and to better utilise existing tourism resources;
3. undeveloped tourism areas – product development funds for such areas would be small and concentrated on enhancing any substantial under-utilised tourism resource – the Shannon, the Grand Canal and the Boyne Valley are cited as possibilities – and the range of smaller rural and activity-based holiday attractions which can always attract overseas tourists, but in relatively small numbers and often in niche markets.

The additional research conducted in the context of this report suggests that while it is important to establish activities and attractions within a “destination area”, for most holiday types it is generally best to focus on a key centre for accommodation development and for marketing. Furthermore, taking domestic tourism into consideration we suggest some adjustment in the above typology:

Category 1 – Premier International Tourism Destinations – namely Dublin, Killarney and Galway, with each of these destinations having in excess of 3,500 rooms. While grouped together in one category here, each are different in many ways but also share similar problems. Important aspects for a spatial spread strategy would be how to ensure sustainable growth of these centres, how to better spread tourists and associated benefits into their catchment areas, and the extent to which it is either feasible or desirable to divert

tourists from these destinations. As identified above, investment should concentrate on infrastructural spending, visitor management and promotion of off-season marketing and events.

Category 2 – Large Established Tourism Destinations – the “established” category identified above is very diverse, including a range of different centres of varying degrees of importance and size around Ireland, and with different “demand” profiles. We are suggesting a further breakdown into Categories 2 (this one) and 3 (see below). In particular, incentives would be directed at developing clusters of “attractors”. Areas chosen would need to be sufficiently well established to attract both investor capital and overseas tourists.

Potential new “honey-pots” need some characteristics of an international tourism destination – strong accommodation, an attractions base, a desirable natural setting, well established relationships between local suppliers and overseas distribution networks and reasonable accessibility. The extent to which they are already attracting, or capable of attracting, international tourists is a good proxy of their level of “development”. Accommodation stock is the only available proxy, and we suggest Category 2 destinations would have 1,000 to 3,500 rooms (as per Table 2.10 in Chapter 2). One or more of these centres provide the best option for developing new “premier destinations”, with others undergoing a more modest expansion programme. As shown in Figure 3.5 below, destinations in this category would be key locations for international based and circuit tour holidays, but apart from some potential in Cork and Limerick they are generally not well placed to attract international short-breaks.

Category 3 – Medium Established Tourism Destinations – using accommodation stock as a proxy, these destinations would be in the 500 to 1,000 room bracket (Table 2.10). They would generally be not well established internationally, although many may currently have a strong appeal for domestic tourists. The key “development” aim for Category 3 destinations would be to move up to Category 2 status, but we would not preclude major development at Category 3 destinations (or Category 4, see below) if a proposed development strategy will attract sufficient private sector investment.

Category 4 – Small Tourism and Developing Destinations – emphasis would be mainly on niche products and small-scale development. There is also, of course, the possibility of a “big bang” approach to developing a key tourism destination within the BMW region. Such a step would need greater levels of commitment and investment resources than

would be the case in a developing tourism area. The destination itself and its “development strategy” would need to be sufficiently well conceived to attract substantial private sector investment – fast-track development of Athlone, capitalising on its key location on the Shannon (and in the centre of Ireland), for example.

Category 5 – Undeveloped Tourism Centres or Areas – again, emphasis would be mainly on niche products and small-scale development using funding from community and rural development funds. For many such areas the quantum of additional tourism needed to make a significant impact on the local economy may often be relatively small.

We advocate that, in the context of better spatial spread of tourism, most attention be devoted to Category 2 above. However, this does not necessarily imply that tourism development in other “categories” be substantially downgraded, and some additional points in relation to the overall categorisation procedure are worth noting:

- categorisation does not indicate a complete move away from development of “areas”. While focus on key “centres” implies enhanced development of towns/cities, the title “destination” (rather than “centre”) is deliberate and leaves scope for the development of key areas. The key deciding issue is international marketability – examples would include established destination brands such as Shannon cruising (or other such resource-based products) and the Dingle Peninsula;
- accommodation capacity in key towns (based on Table 2.10) is used as a proxy for the above categorisation but is not intended as definitive. Dingle, as noted in the above bullet point, is a key example. The town has around 800 rooms (ie Category 3) but Dingle Peninsula has the “qualities of a Category 2 destination (incorporation of the town’s catchment would also leave the area with over 1,000 rooms). Another example is Kilkenny, with just under a 1,000 rooms but sharing the characteristics of Category 2 destinations;
- categorisation also incorporates enhanced development of the catchment areas to cater for “hub and spoke” tourists “based” in key centres;
- within categories there remains room for further differentiation, particularly between destinations whose accommodation base largely caters for holidaymakers and towns/cities where much of the accommodation base caters for non-holiday clientele. Similarly, there is some room for differentiation within the based and long

holiday segments to allow for tourism which is strongly product-focused eg by an activity or other special interest;

- at all times the long-term implications of tourism development, particularly sustainability issues, need to be considered. In some cases the nature of centres and their catchments is such that they are less suitable for expansion, eg the Aran Islands.

Figure 3.5 below integrates our categorisation of tourism destinations with the different types of tourists we identified in Section 3.3.2.

Figure 3.5: Linking Destinations and Tourists

Tourist	Destinations				
	Premier	Large Established	Medium Established	Small	Undeveloped
Overseas Short Stay	✓✓✓				
Overseas Circuit	✓✓✓	✓✓			
Overseas Based Holidays	✓	✓✓	✓	✓	
Domestic Short Stay	✓✓	✓	✓		
Domestic long Stay	✓	✓✓		✓	
Business	✓✓✓	✓	✓		
VFR	✓	✓	✓	✓	✓

Given the importance of “touring” for international visitors, development of “routes” is also important, particularly for the further development of Category 2 destinations in the BMW region. Consideration of touring routes also raises the issue of congestion at key tourism sites, an issue which we regard as more one of visitor management than spatial spread. Any development programme aimed at providing a better spatial spread would have a combined focus on the three destination and six tourist typologies discussed above.

3.4 International Evidence – Spatial

3.4.1 Overview

At the international level, our case studies and available data indicate similarities between Ireland’s geographical spread of tourism revenues and that of our EU partners. This message, and the typical trend that international tourism is more widely dispersed than domestic, is evident from localisation curves (Pearce, 1995). These curves, while somewhat dated, show that tourism at a regional level is relatively well spread in Ireland compared to a selection of other European countries. Indeed, it is generally the case that

most countries tend to have one or two relatively strong city-break destinations and a number of other traditional resort destinations. In some countries, particularly in Northern Europe, domestic tourists provide the bulk of visitors to traditional resort areas.

The traditional centre-periphery model of tourism, postulating that tourism had a positive regional development role by spreading income from wealthy urban cores to poor peripheral resort areas, is no longer universally valid. Rather different forms of tourism have distinctive regional impacts. The increased popularity of "post-modernist" tourism products can generally be expected to benefit genuinely peripheral, and generally poorer, areas, but these products are by definition small-scale. Similarly, and ironically, tourism is used as a key element in restructuring cities affected by de-industrialisation, in much the same vein as it is utilised for regenerating rural areas affected by declining agricultural incomes and depopulation. The increased popularity of city-break tourism also militates against "income spread" impacts and favours some capitals to the extent that they dominate inbound tourism to their countries. Key examples are:

- London, Europe's most popular city-break destination, accounted for 35% of the UK's international tourism revenues, while the richer southern UK regions, accounted for a further 36% and have benefited disproportionately in recent times from incoming tourism (Williams and Shaw, 1995);
- Scotland, where Glasgow and Edinburgh continue to increase their share of international tourism revenues despite the Scottish Tourist Board explicitly targeting a reduction in their relative importance;
- Hungary and the Czech Republic, where tourism is massively concentrated in Budapest and Prague respectively;
- Austria – while tourism contributed to reducing regional disparities in the take-off phase of tourism development, more recently richer regions such as Vienna and Lower Austria have experienced the more rapid growth (Zimmermann, 1995).

Nor does ongoing growth of mass tourism necessarily favour poorer peripheral regions. While it provided the initial development impetus, the Algarve, the Rivas and Spain's Mediterranean coastal areas are now among the richer parts of their respective countries. In Spain, for example, the marketing slogan for many years was "everything under the sun" with promotional policy trying to direct visitors towards cultural, heritage and activity products, ie mostly away from the coast. Within Ireland, tourism has already done much to improve the relative wealth of Kerry – while Killarney may possess much the strongest

accommodation base, other resorts within the county also do well compared to the rest of Ireland. Revenues in Killarney also spread to other parts of Kerry through a variety of supply channels.

All three case study countries had varying attitudes towards the spatial spreading of tourism revenues and visitors. In England, policy emphasis on spatially spreading visitors arises primarily as a by-product of the overall goal of sustainable tourism development, amid concerns about the congestive impact of peak season tourism numbers in key destinations in the high season. Portugal has a specific strategy for addressing the spatial spread of tourism revenues, although this is integrated with policies aimed at improving seasonal spread and reducing dependence on mass tourism. Key officials spoken to in the Netherlands, on the other hand, regarded the objective of spreading tourism outside key centres as counter-productive along the lines that any "spread" of benefits would be outweighed by problems associated with increased tourism numbers.

3.4.2 The Netherlands

Amsterdam dominates international perceptions of what the Netherlands offers the tourist. While the city attracts the bulk of overseas visitors, only one in three tourists in the Netherlands are foreign, as the Dutch are very apt to take long and short holiday breaks in their own country. Domestic holiday destinations are spatially well spread and tourism is a genuinely nationwide industry. While the Netherlands' resource base is narrow, it is nevertheless larger than most outside observers normally suppose, though the relative attractiveness to international tourists is questionable. For example, heathlands, sandlands and woodlands are among 23 distinct landscape areas recognised by the *Atlas van Nederlandse Landschappen* and are dotted with caravan and camping parks, cycle and walking routes and other "soft tourism" attractions. These space and landscape resources are in short supply in the densely populated western provinces.

Policies unconnected with tourism, such as the enclosure of the Zuider Zee and the flooding of abandoned peatlands and mining pits have created much prized leisure resources. Public planners, watersports interests and tourism entrepreneurs have further developed these. Public planners have a key role in all major leisure development. In recognising over-development problems associated with both land-based and water-based tourism, dispersal strategies are often proposed, frequently by creating exclusion zones and no-go areas for certain sports and activities. Thus, despite the wilderness image in certain parts of the Veluwe, walkers and cyclists may find themselves constrained by fenced paths designed to protect the wilderness.

The coastal areas in the west also attract a lot of Dutch tourists on day trips, short-breaks and long stays, while the Centre Parc chain of holiday villages and a variety of theme park developments all attract large numbers. While the Dutch have been exploring neglected parts of their own country, foreign tourism is heavily concentrated in Amsterdam and the western provinces. "Commodification" of regional heritage – cheese-making, clogs, windmills, bulbfields, traditional dress in farming and fishing villages – supplement the Amsterdam-based product for foreign tourists, often through linked trips for package-tour visitors.

At Government level, the development of tourism is seen as inextricably linked with environment policies and with leisure and recreation policies in general. Indeed, the tourism assets for most foreign visitors are regarded as very distinct from many of those designed to appeal to the Dutch. There is a concern that policies aimed at diverting tourists away from Amsterdam and the western provinces may result not so much in dispersing the benefits of tourism to new parts of the country, but rather in spreading the problems which are now being experienced for the first time in major Irish resort areas. A key Irish informant also expressed this sentiment – he was concerned that pressure to grow the sector was unrealistic and that Ireland "should not sacrifice its natural heritage for short-term monetary gain".

While there is a preference at Government level for not aggressively developing or promoting tourism, there can often be conflicts with regional and local interests. For example, with planning powers largely resting at local level there is scope for divergence from national guidelines. Also, unimpressed with the central Government's approach to aggressive marketing of their tourism resources, several of the more peripheral provinces promoted themselves under the slogan of the "Other Holland".

3.4.3 England

Governance structures in England and the UK are traditionally highly centralised. There are moves underway, however, towards much greater regionalisation through the introduction of regional development agencies (RDAs) as well as devolved legislative assemblies in Northern Ireland, Scotland and Wales.

Overseas tourism revenues in England are slightly higher than domestic revenues, but over 80% of holiday trips are taken by UK residents. Overseas tourism grew relatively rapidly during the 1990s. Domestic tourism, however, is in fluctuating decline, with long-

stay holidays and coastal resort revenues losing out to trips abroad by UK residents. London is the primary tourist destination, accounting for 22% of nights and 35% of revenue in 1998. However, while the capital accounts for only 10% of domestic tourism revenue its corresponding share of overseas revenue is 60%. More so than Dublin, a high proportion of visitors come with the sole purpose of visiting only London rather than England per se.

Tourism has traditionally been a "Cinderella" industry in England, with little government intervention. The English Tourism Council (ETC) is somewhat behind Ireland in addressing the decline of English tourism outside key destinations and only recently were task forces established to look at resort regeneration, promotion of sustainable tourism and improved transport/access arrangements. Actions at spreading visitor numbers have largely consisted of local initiatives and mainly for "environment-related" reasons. A flurry of initiatives, for example, were undertaken in the early 1990s as part of the sustainable tourism "Maintaining the Balance" project, eg the development of alternative attractions nearby to divert tourists from Lake Windermere. There is also a very limited programme of grant aid to seaside resorts and for strategic regional projects.

Ease of internal access is important. With the emergence of the short-break market, therefore, the relative distance to northern tourist regions further limits their attractiveness since most of the population lives in the southern or midland areas.

3.4.4 Portugal

Tourism policy priorities in Portugal have remained relatively consistent over time, namely to increase yield and promote Portugal as a high quality sun product particularly relative to its dominant neighbour, Spain, and to improve the seasonal and spatial spread of tourism benefits. Strategies to attain these objectives are often inter-linked, as the Portuguese see these goals as inter-dependent and, where possible, try to take an integrated approach to tourism development. ICEP is the body charged with the international promotion of Portuguese trade and tourism, while the Institute for Tourism Support (in conjunction with regional tourism bodies) is responsible for the allocation of tourism financial supports under guidelines from the Directorate General for Tourism. Financial supports take many forms, but are predominantly repayable loans or the provision of venture capital. Non-repayable grants are relatively unusual in the tourism sector, the main exception being buildings that have national heritage value and are converted for private-sector tourism purposes. For investment purposes, the term "tourism" is used broadly and the Institute

becomes involved in the co-financing of a variety of private and public-sector investments, including sewage works and road infrastructure.

Tourism growth in Portugal has slowed considerably since its rapid expansion in the 1980s, with overseas visitor numbers falling slightly in the early 1990s – a fact widely attributed to industry over-pricing. In recent years, however, annual rates of growth have exceeded OECD averages and domestic tourism also performed strongly. Tourism in Portugal is heavily concentrated in the littoral regions of the mainland and the independent island of Madeira. The Algarve is the single most popular region, followed by Lisbon. By contrast, the north and the centre of the country (once famed for its spa resorts) and the Alentejo region (north of the Algarve) fare relatively poorly in tourism terms. This allocation of tourism benefits is broadly consistent with general economic patterns, although the strong economic performance of the Algarve relative to the interior regions would most probably not have occurred without the tourism sector.

There are clear differences between the regional distributions of domestic and foreign demand. Foreign nights are much more regionally concentrated than domestic, with the Algarve and Lisbon combined accounting for 73% of demand. The respective figure for the domestic market, while high, is considerably less at 51%. This difference is even more pronounced when the island of Madeira is taken into account, with shares of 90% and 57% for the foreign and domestic markets respectively. The spatial distribution of tourism demand also varies between overseas markets. The UK, Ireland, Netherlands and German markets, for example, are heavily concentrated in the Algarve and Madeira, while the French, Italian and Spanish frequent Lisbon and the surrounding coast.

Tourism is seen as a partial solution to the depopulation of the interior and western regions. However, it is widely accepted that tourism provides a small part of a wider solution and that policies are only likely to be effective in the medium- to long-term. Tourism-specific initiatives aimed at developing poorer regions include:

1. higher rates of assistance for private sector investment in activity products and certain types of accommodation for areas located more than 20 km from the public maritime reserve line;
2. financing of networks/touring routes of regional attractors that reflect the cultural soul of the region in question, eg gastronomy or wine production, and subsequent below-the-line promotion of same with ICEP;

3. co-financing of public-sector investments that are not “tourism” in the strictest sense, but have potential tourism benefits, including road and environmental services infrastructure;
4. related to the foregoing, the next round of the CSF will see a move towards “integrated programmes” for investment, requiring the co-operation of public and private-sector operators, a minimum investment per proposal of 3 bn Escudos and a minimum of 50% of funding from the private sector.

Principles underlying the approach to tackling a spatial concentration of tourism benefits are as follows:

- replicating the experience of the Algarve elsewhere is anathema to even the most economically deprived regions, and the region itself has for many years tried (unsuccessfully) to develop economic alternatives to the sector;
- Portugal does not support further expansion of its accommodation base, concentrating supports on improving existing stock and developing rural accommodation, predominantly in the homes of Portuguese;
- sustainability – environmental and cultural – takes precedence over economic development. Large tracts of the Algarve coastline, for example, are areas of special conservation with associated development limits. Similarly, in the very deprived Alentejo region, there are very restrictive planning regulations, with the construction of large-scale accommodation developments being widely regarded as undesirable and not in keeping with the cultural soul of the region;
- the balance between accommodation, attractors, tourism promotion/demand and wider infrastructure is regarded as the key to visitor satisfaction and is thus one which is given careful consideration in the evaluation of projects;
- touring routes themed to capture the “cultural soul” of an area are the most effective means of developing tourism demand – clusters lend themselves to short-stay visits and limited yield. There are notable exceptions to this principle, including the hinterlands of the Algarve where clusters of attractors feed off day-trippers from the coastal resorts;
- the growth of tourism demand is a gradual process. Public sector investments are thus regarded as ones only likely to yield a return in the medium- to long-term (if ever), and the effectiveness of initiatives can only be evaluated after a 10-15 year period.

There are no specific marketing initiatives aimed at improving the spatial spread of demand. Internationally, for example, the most developed tourism regions are the only regions promoted. The rationale behind this is that generically “Portugal” is not a sufficiently strong brand name to compete effectively with Spain’s “Costa del Sol” and other competitor locations. Therefore, for competitiveness and capacity utilisation reasons, promotional focus is on the Algarve, Lisbon, Madeira and Oporto. However, developing tourism areas are supported in below-the-line promotions. No real distinction is made between the domestic and overseas markets in terms of potential for the development of non-traditional tourism areas, although the travel behaviours of the Portuguese and Spanish suggest them to be the most obvious targets.

3.4.5 Other Countries

A major New Zealand study in the late 1980s established three scenarios for the future growth of tourism – a base scenario centred on recent trends, a dispersal scenario to dissipate growth and a concentration scenario, which saw growth focused along the distinct tourism circuit used by most international visitors (McDermott-Miller Group, 1988). Subsequent New Zealand policy, however, stressed market forces rather than Government intervention, resulting in further spatial concentration of visitors.

The Languedoc-Rousillon region of France, adjacent to the more popular Provence, was the object of a planned programme of tourism development during the 1970s and 1980s that lifted it from an area of regional importance to national, and to a lesser extent international, significance. The plan involved the development and promotion of new, mainly coastal resorts. Subsequent studies showed that regional demand remained proportionately greater in the older resorts, with foreign visitors much more prominent in the newer resorts and in under-developed areas.

From the point of view of development and promotion, an analysis of these resorts suggested that while most holiday visitors stay within a certain “activity region”, it is “the resort and not the cluster of activities that largely circumscribes the behaviour pattern of holidaymakers, holds their loyalty in subsequent years, attracts day visitors and second home owners ... and is publicised and conceptualised by the visitor” (Ashworth and de Haan, 1987). This coincides with the views of a key informant to this report, who stressed that while developing clusters of attractions was an appropriate strategy, for marketing and promotional purposes it was much better to highlight a resort rather than an area.

Developing branded routes is a common instrument for dispersing tourists in many European countries (and indeed across Europe, as evidenced by the successful Camino de Santiago), most notably in Germany – the Fairytale Road, the Castle Road and the Romantic Road – while in Italy gastronomic, historical and literary routes have been tried with varying degrees of success. Similarly, the Meusebanks project in the Netherlands was a water-based tourism route aimed at dispersing light tourism. Ireland, in contrast, while it has recognised recreational routes (particularly the southern circuit to Dublin and back incorporating Cork, Kerry and Galway), often developed in conjunction with tour operators, has no strongly branded routes that disperse tourists across the country³.

3.5 Seasonal Patterns

3.5.1 Factors Underpinning Seasonal Spread of Tourism

Seasonality creates a variety of problems for the tourism sector. In the peak season these problems include congestion, environmental damage, saturation of transport infrastructure, increased risk of road accidents, higher prices and a negative impact on the quality of the tourism product. At other times of the year a key concern is under-utilisation of capacity. The following sections look at the factors that drive seasonal spread of demand, the Irish experience and findings from our international case studies.

The existence of seasonal peaks in demand for, and provision of, tourism services is well known. While timing peaks can be daily or weekly, seasonality refers to those that occur at different times of the year. A majority of tourists (in the Northern hemisphere) take their main holiday during the months of July and August, the so-called peak months of the tourism season. This is driven by a number of factors, the two most of important of which are:

1. the weather – most holidays are more pleasant in warm weather while others, most notably traditional seaside-based holidays, are dependent on good weather;
2. vacation periods, particularly school holidays but also for a number of professions, are during July and August.

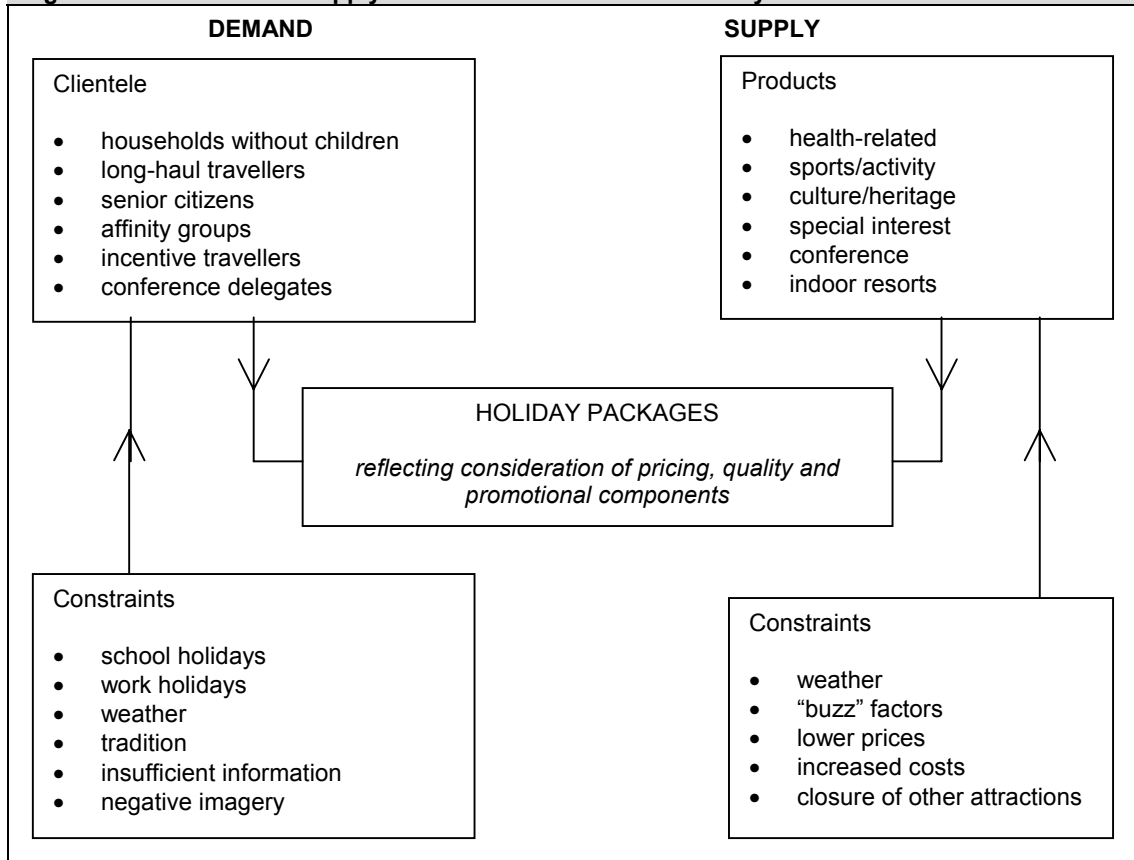
³ The Ring of Kerry for example is well branded but specific to a particular resort area, while a cross-country route such as the North-West Passage is not well known or frequented. Some areas also have local non-branded routes based on gastronomy or local crafts.

Another factor, linked to the above, is the "buzz" in many resort areas and the associated value which many tourists place on being surrounded by other holidaymakers. Linked to this, certain attractions and facilities in key resort areas may close during off-peak periods, reinforcing the unattractiveness of holidays outside July, August and parts of the shoulder period. It is also worth noting that the summer months have traditionally been regarded as key months for holiday-taking, although with increasing incomes and more leisure time this is now less of an influencing factor.

The seasonal peaking of holiday-taking both in Ireland and elsewhere in Europe, while still a concern, is much less of a problem now than it was 20 years ago. As some of the drivers impacting on demand have ameliorated, so too have some supply-side factors. There has been a considerable increase in the supply of products catering for, and marketing expenditure devoted to, off-season tourists. Out-of-season holidays, particularly short-breaks, have developed around clusters of different types of holiday products – all-weather facilities, events, cultural and heritage-based products, sports activities and other health-related tourism products, special interest activities and conference facilities. In some cases, the out-of-season weekend popularity of some resorts has enabled partial re-creation of the "buzz" factor. Helped by events and strong promotion, many resorts are as busy on March, May, June and October bank holiday weekends as they are during the peak season.

In the early 1990s the EU supported two studies (and an international conference) on strategies for tackling seasonality and the problems it creates for tourism and the wider economy. As indicated in Figure 3.6, one suggested approach was to address constraints imposed by factors like holiday times and weather, identify products and market niches least affected by these constraints and develop appropriate holiday packages.

Figure 3.6: Demand and Supply Elements of Tourism Seasonality



Source: EU Commission

The Netherlands' Ministry of Economic Affairs (Ministerie van Economische Zaken, 1993) suggested a complementary approach for identifying suitable clientele, dividing prospective tourists into four segments based on whether or not a particular market segment "can" holiday in the off-season and whether they "want" to holiday then. With increasing incomes and changed work practices, the main restriction on the "can" segment in the 2000s is likely to be school holidays. Whether people "want" to go on holiday outside the peak season depends on factors such as:

- the type of holiday product (or natural resource) being available, weather being a dominant consideration;
- holiday facilities being available at an attractive and affordable price;
- potential holidaymakers being made aware of opportunities;
- the potential to meet other people on holiday at the same time.

Based on this, the Dutch study estimated the "can and want" segment to consist mainly of "empty nesters" (older age groups whose children have grown up), single people and

young childless couples, and to number around 115 million people in the EU by 2000. The “can but don’t want” segment was seen as primarily consisting of:

- young people who want to meet other young people and to go to places at times when they can be sure of meeting their peers;
- families with pre-school or grown-up children who want to meet other families because a key holiday objective is social contact.

By increasingly offering products that offer these benefits outside the peak season (re-creating some “buzz”), the commercial sector has been making inroads to this segment through festivals, events, themed breaks, activity holidays and provision of all-weather holiday product. These same products also attract the “can and want” segments.

3.5.2 Seasonal Patterns and Drivers in Irish Tourism

The seasonal spread of Irish tourism improved steadily in recent decades, including the 1995-2000 period. During 1999, just over one in four overseas tourists started their Irish holiday in July or August, compared to one in three at the start of the decade and 30% in 1995. The increased share has been in off-peak arrivals, with the shoulder season share remaining steady. During 1999, 43% started their holiday during the seven off-peak months, compared to 40% in 1995. This exceeded the target set for off-season arrivals in the 1994-99 OPT. Business travel, VFR and international short breaks (into Dublin) have been instrumental in this improvement. Excluding short breaks, however, the contribution of the “holiday” market to better seasonal spread, while positive, is relatively limited given that it is the largest tourism segment.

The seasonal spread of holiday-taking by the Irish, to domestic and overseas destinations, has also improved, but it is still more sharply peaked than that for overseas visitors. In 1995, 65% of domestic holiday trips were during the May-August period, but by 1999 this proportion had fallen to 48%. Alongside this, the proportion taking domestic holiday trips in the four months January-April increased from 15% in 1995 to 25% in 1999.

Counties with a strong tourism tradition (eg Kerry, Galway, Clare, Cork, Donegal, and Mayo) have a high proportion of accommodation premises that close for part of the year, particularly December through to May. This is even truer of attractions and non-hotel accommodation. County case studies revealed that despite relatively high levels of capacity, hotels in well established destinations such as Killarney, Westport and Bundoran tended to do reasonably well in the off-season, mainly through strong weekend (domestic)

holiday business and business tourism. Thus, seasonal closures appear to be in the smaller resorts. In most Midland counties, all hotels stay open for all of the year, reflecting the much greater significance of business traffic, hotels' role as a social hub and a substantially reduced dependence on tourism. However, as noted above, hotels within a convenient driving distance of Dublin increasingly benefit from weekend breaks.

Airlines operating into Ireland through Aer Rianta airports have contributed to better seasonal spread by raising the proportionate level of winter capacity into Ireland from North America and from Europe, although this has been from a low base and absolute levels of increase are quite low. Absolute levels of capacity have risen from the UK market – up by nearly 4 mn between 1995 and 1999 – but proportionately share has remained steady.

Outbound holiday-taking by Irish residents is also highly seasonal, but not as skewed as domestic tourism. It also became progressively less peaked during the 1990s, with 58% of expenditure abroad by Irish residents outside the July-September period in 1993, compared to 64% in 1999. Looking at tourism trips, a similarly sharp decline is evident. This increasing popularity of overseas trips in the off-peak and shoulder periods – expenditure outside the July-September quarter more than doubled between 1993 and 1999 – reinforces the evidence that increasing numbers of Irish residents are now able to take holiday breaks outside the peak months.

Table 3.3: Expenditure and Tourist Trips Abroad by Irish Residents (Outside July-September)

	1993	1994	1995	1996	1997	1998	1999
Expenditure (£ mn)	485	646	778	857	911	1,058	1,235
Expenditure (%)	58.0	60.2	61.4	62.5	62.1	63.2	63.8
Trips (000s)		1,084	1,262	1,048	1,415	1,714	1,992
Trips (%)		56.4	58.8	53.0	58.2	61.0	63.6

Source: CSO

3.5.3 International Experience – The Netherlands

In recent years, the Dutch have taken a non-interventionist approach to tourism and seasonality. This is based to some extent on an overall change of philosophy about the efficacy of interventionist policies, and partially on the premise that there is little further scope for Government strategies to alter seasonal patterns. The latter point reflects the Netherlands' very pro-active approach towards seasonal spreading of tourism in the late 1980s and early 1990s.

Motivated by a desire to improve capacity utilisation and reduce their balance of payments deficit by substituting domestic for foreign holidays, the Dutch introduced a range of initiatives between 1975 and 1991 to improve seasonal spread. Domestic rather than foreign tourists were the key target group. Among the initiatives were the following:

- school summer holidays (six weeks for primary and seven weeks for secondary) were staggered over nine weeks and across three different zones within the Netherlands. Reflecting the need for medium-term planning, scheduling takes place over a six year time horizon – each region will twice start as first, twice as last and twice in the middle. Co-operation takes place with neighbouring German states;
- information and promotional campaigns indicating the advantages of off-season holidays – the slogan "not everybody at the same time" was used in conjunction with media advertising, posters, brochures and leaflets. The campaign was focused on families with children, and highlights the advantages of off-season vacations in terms of price, reduced congestion and tranquility;
- changes in work holiday durations and practices;
- reducing congestion through improvements to various forms of public transport to major leisure areas.

Policy towards foreign tourism originally included subsidies to international conferences to come in the off-season, and a focus on city-break holidays and special events and themes. These were aimed at improving seasonal spreading, but within the context of increasing visitor revenues.

3.5.4 International Experience – England

Like the Netherlands, the UK authorities now do very little to address seasonal spread of tourism despite introducing a number of initiatives in the 1980s. While a more sustainable tourism industry is an English Tourism Council objective, there is no explicit reference to better seasonal spread. A number of initiatives were taken in the 1980s, mainly involving provision on information to the commercial sector, reflecting the UK's generally non-interventionist economic philosophy at that time. This campaign included:

- the publication of booklets detailing case studies of successful off-season product development and marketing;
- the provision, along similar lines, of case studies through the ETB's *Insights* publication;

- a “dial-an-idea” service which gave the commercial sector access to a specialist in off-season products and marketing techniques;
- a quarterly publication, *Operation Off-peak*;
- monthly awards for the best products developed.

Many of the ideas promulgated through the ETB’s awareness campaigns – related to events, special interest activities, etc – were quite innovative at the time, but are largely well tried and tested at this stage. In general, the target market for the products and packages being developed was the short break domestic UK market rather than overseas visitors.

The idea of staggering school holidays and a four-term school year were investigated but never came to fruition.

3.5.5 International Experience – Portugal

In Portugal, policies to combat seasonality are linked with those addressing spatial concentration of economic activity and the country’s over-dependence on low-cost mass tourism. Tourism in Portugal is characterised by a very high seasonal peaking of demand, with the domestic market displaying an even more peaked distribution of demand than the overseas market. The very peaked nature of domestic holiday travel – around 60% of trips in August – is attributable to institutional factors, such as the timing of school and work holidays, climatic factors and tradition.

The seasonal profile of overseas visitor arrivals did not improve significantly between 1991 and 1998, although against a background of growth in visitor numbers the retention of the existing seasonal profile of demand constitutes a good performance. In 1998, close to 28% of all overseas visitors arrived in the peak season months of July and August. This proportion was identical in 1991, although considerable improvements have been registered since the early 1980s. The seasonal profile of demand varies considerably by region, with the island of Madeira having by far the most even seasonal profile of demand and the Algarve and island of Acores the most peaked – reflecting a high holiday component in total hotel bednights. Similarly, different overseas markets have slightly different profiles of demand. Finland and the UK, for example, have relatively even distribution of demand while Ireland, by contrast, has a highly peaked demand.

Portugal has long had a policy of extending its tourism season and increasing capacity utilisation in key tourism resorts. This policy fits relatively neatly with policies designed to increase yield (more specifically in-country spend), extend the spatial distribution of tourism activities within established tourism areas and maximise utilisation of existing capital. The policy responses to the seasonality challenge fall into two broad categories – product and promotion/marketing.

The development of activity products, most notably golf courses, has been the main investment response to seasonality in Portuguese tourism. The Institute for Tourism Funding provides supports in the form of repayable and interest-free loans for the development of certain types of activity product, including golf. Golf is now the main off-peak product in the Algarve, accounting for the mainstay of holidaymakers in the off-peak months. The next round of tourism supports will see the focus shift to high-quality sports facilities (the climate in southern Portugal is ideally suited to the recuperation needs of top-class athletes) and conference centres. While there is a clear policy of diversification away from pure "sun, sea and sand", Portugal realises that for a vast majority of its visitors, today and in the future, the climate will be the main attraction. It therefore continues to feature heavily in the promotion of special-interest holidays.

Regarding marketing, and reflecting the highly competitive market in which Portugal operates, the mainstay of the international promotional budget is dedicated to the promotion of the peak season in the established tourism resorts. There are, however, dedicated product promotions on a regional basis, and mature markets are prioritised for off-peak and shoulder season promotions.

The internal and Spanish markets are the main target of off-peak campaigns. This campaign has two objectives. The first is to encourage more frequent short breaks by Portuguese residents, and the second is to encourage Spanish people to treat Portugal as part of their extended domestic market when planning short breaks. This campaign comprises a number of elements, including TV campaigns before major public holiday periods, freephone numbers for tourism enquiries, special off-peak discounts offered in conjunction with hotels and other tourism facilities, and road shows. It is co-ordinated by ICEP and supported by the Regional Tourism Boards. It has only been introduced this year and it is too early to evaluate effectiveness. However, preliminary feedback is very favourable.

Finally, the Directorate General for Tourism, in conjunction with the Regional Tourism Boards, has organised a series of Millennium events in each of the tourism promotional regions. Funding for these events was based on the submission of a proposed programme of events by each tourism region, but in practice the largest allocations went to the most important tourism regions. While entitled “Millennium”, these programmes may receive future funding if they are considered to have been successful in countering seasonality. Few of these events are significant enough in their own right to attract international visitors (the appearance of Pavarotti in the Algarve being a possible exception). Rather, they support the domestic campaign for off-peak tourism and counter the impression that there is nothing to do in the traditional tourism areas outside of the peak season. Again, it is too early to evaluate effectiveness, but preliminary findings for the Algarve suggest success.

3.5.6 Key Findings

There are a number of points emerging from the preceding discussion which are worth highlighting in the context of developing a strategy to increase holiday-taking in the off-season:

1. much of the increase in off-peak tourism revenue in Ireland during the 1990s was driven by growth in “non-promotable” market segments, ie VFR and business travel as opposed to holidaymakers and conference/incentive travel;
2. market segmentation is a key consideration – at one extreme many tourists both cannot and do not want to take off-season holidays, while at the other end of the spectrum there are segments who can and want to holiday in the off-peak. Increasing volumes of outbound holiday trips from Ireland in the off-peak and shoulder season reinforce the fact that the size of the off-peak market is growing, although the competition provided by ski and sun holidays means many such travellers may not want a domestic holiday;
3. key “can and want” segments include: households without children; senior citizens; affinity and special interest groups; incentive travellers; conference delegates; international city-breaks; and domestic weekend breaks;
4. “near” markets are the most easily persuaded to take off-peak holidays, and this has underpinned the main strategic thrust of each of the three case study countries, although Portugal has also targeted special interest markets overseas, notably golf and sports training;
5. initiatives to better facilitate and spread domestic holiday-taking have also been a feature, with staggered school holidays introduced in the Netherlands and a number of other European countries;

6. strong promotion to key target groups is a feature of all policies to improve off-season holiday-taking, while in the UK this extended to the provision of information to providers on how to best package and promote off-season products;

The implications for Irish strategy to improve off-peak holiday-taking are explored in the following chapter.