

Industry Barometer Q1 2019 & Easter Summary



A challenging start to 2019 – but an optimistic outlook for the rest of the year

The Q1 Tourism NI Industry Barometer shows that performance during the first quarter of 2019 was generally slow, with the majority of Northern Ireland tourism industry reporting static or reduced business levels compared with the same period of the previous year.

All main markets showed evidence of a slowdown after the recent period of exceptionally strong growth, with hotels and B&Bs in particular reporting a weaker performance.

Despite this sluggish start to the year, businesses remain optimistic overall for 2019, with the majority anticipating similar or increased levels of business for the remainder of the year.

Accommodation

- Hotels report a challenging start to 2019

Following on from an exceptionally busy 2017 & 2018, hotels experienced a more challenging first quarter in 2019, with the majority (64%) reporting a decline in visitor bed-nights compared with the opening period of the previous year. Business declines were attributed to a weaker performance across all the main markets, with around half of hotels reporting downturn across GB, ROI, overseas and domestic business.

NISRA occupancy data for the first quarter 2019 also indicates that NI hotel room occupancy decreased, with a 5% point fall to 58%, and a decline in Belfast of 10 percentage points to 63%.

(Note: this decline in room occupancy has been impacted by the recent growth in hotel stock in Belfast. Overall, 4% more hotel rooms and 7% more bed-spaces were actually sold compared to the same period in 2018).

ACCOMMODATION (% reporting change)

Jan-Mar 2019	↑	↔	↓
Hotels	9%	27%	64%
Guesthouses	-	57%	43%
Self-catering	19%	40%	40%
Hostels	20%	60%	20%

- Guesthouses, B&Bs and Self-catering also experience a quieter opening quarter

Guesthouses and B&Bs have also reported a quiet start to 2019, with over half reporting reduced levels of business compared with the same period last year. A softening in demand is evident across all markets in this traditionally quieter shoulder period. On balance, self-catering had a less difficult start to the year, with business levels being broadly maintained across the main markets.

Attractions & Activity Providers

- A steady start to the year and improved scene for some Activity Providers

Overall, attractions have enjoyed a healthy start to 2019, with three quarters (75%) maintaining visitor numbers compared with the same period last year. Attractions continue to benefit not only from a strong domestic market, but have also retained business levels across the other main markets over this quieter period. In total, the majority of activity providers reported similar (42%) or increased (35%) levels of business.

Business growth in Belfast slows, with a similar picture across the rest of the Northern Ireland

Following on from an exceptionally strong 2018, Belfast tourism businesses experienced a challenging start to the year.

For just over half (52%), the volume of tourism business in Belfast had declined from the same opening quarter of the previous year, with only a quarter reporting continued growth.

ATTRACTIONS & ACTIVITY PROVIDERS (% reporting change)			
Jan-Mar 2019			
Attractions	19%	75%	6%
Activity Providers	35%	42%	23%

REGIONAL PERFORMANCE (% reporting change)			
Jan-Mar 2019			
Belfast	24%	24%	52%
North West	23%	35%	42%
North East	19%	50%	32%
South West	22%	33%	44%
South East	23%	38%	40%

MARKET PERFORMANCE (% reporting change)			
Jan-Mar 2019			
Overall	21%	40%	39%
Northern Ireland	20%	55%	20%
ROI	16%	55%	30%
GB	17%	55%	17%
Overseas	21%	50%	30%

Positive Easter performance for most businesses but not all

The majority of businesses reported a steady or enhanced Easter performance, although a quarter reported a decline compared with Easter 2018. While the majority were satisfied with the level of business generated over the Easter period, there was some disappointment from hotels regarding the volume of business from GB and overseas.

Almost half (46%) of businesses considered repeat visitors to be the main positive factor affecting their business. However, approximately one in five businesses felt that the current state of the domestic economy was affecting their business.

Industry optimistic overall for the remainder of 2019

Despite the slow start to the year, tourism businesses are overall optimistic for 2019, with around one third (35%) expecting growth and over two in five (41%) anticipating similar levels of business to 2018. Hotels (53%) are the most positive of the accommodation providers about prospects for the rest of 2019. 56% of activity providers and 42% of attractions are positive about the rest of the year.

The Tourism Industry Barometer is a survey of NI tourism businesses, including accommodation, activity providers and attractions, designed to provide insight into tourism performance for the year to date and prospects for the remainder of the year. In total 300 online and telephone interviews were conducted across all types of tourism businesses in March/April 2019. A further 200 interviews were also completed to monitor performance over the Easter period.