

A solution based approach on how tourism SME's can develop the British market in light of "The GB Path to Growth"

Keywords: Tourism SME, GB Path to Growth, British market.

Introduction

Ireland has witnessed a large decline in the number of British holidaymakers visiting over the past five years, resulting in a significant loss of market share from GB. As the total number of British holidaymakers is forecast to increase very slowly, the island of Ireland has to grow business faster than its competitors if it is to recover the level of visitor numbers it had in the past from GB. Ireland is a niche player, but small increases in Ireland's market share could lead to hundreds of thousands more GB visitors. To be successful, the Irish tourism stakeholders need an innovative approach to growing our tourism business (The Tourism Recovery Taskforce, TRT, 2012). This research which is work in progress undertakes a proactive approach to investigating solutions to grow this market in the Tourism SME sector. From the tourism SME part of the equation, the research has undertaken a qualitative analysis of regional key tourism SME's in order to identify if there is a need to generate practical strategies for tourism SME's to cultivate the British market. The interviews are conducted face to face through purposive sampling within the regions in addition to interviews with the key tourism experts within the regions. The information gathered will inform the Irish tourism enterprises on practical applicable solutions that may be utilised to enhance the growth of the British market in light of "The GB Path to Growth" TRT (2012). The strategic solutions on how to enhance the recovery will be mapped upon (The GB Path to Growth TRT, 2012) relevant theory and current industry practice to generate practical and applied strategic solutions. The data gathered will result in an assessment of the applicability and practicality of recommendations to develop relevant solutions for the tourism industry in Ireland. This research has been funded by the Fáilte Ireland Applied Tourism Research Scheme.

Background

The GB Path to Growth (TRT, 2012) highlights how extensive research with British holidaymakers found the following:

- The British holidaymaker primarily views the island of Ireland as a short-break destination that competes mostly against domestic British destinations.
- The island of Ireland was rated poorly by GB holidaymakers on many of their key holiday motivation factors and our strengths, as we see them, do not always inspire holidaymakers.
- The primary barrier to converting potential GB holidaymakers into visitors to the island of Ireland is that there are simply other places they would rather go, and these destinations are seen as better meeting their needs and interests.

The TRT recommended that Ireland needs to catch up with, compete with and beat our competitors in the GB domestic market by making these holidaymakers aware the island of Ireland can and does offer the experiences they want. Furthermore the TRT stressed the need to overcome other barriers, including: the perception of GB holidaymakers that the

island of Ireland is expensive; the lack of iconic experiences that would motivate them to travel to the island of Ireland; their lack of familiarity with Irish geography; and their belief that Ireland is ‘olde worlde’ and unchanging, so there is no urgency about visiting (TRT, 2012).

This TRT research also identified what makes a compelling destination for GB holidaymakers. Among other factors, the best destinations focus on a well-defined group of potential visitors. This allowed the TRT to devise a new consumer segmentation model for the British market as follows and shown in Figure 1:

- Social Energisers (young, fun-loving urban adventurers)
- Culturally Curious (over 45s who want to broaden their minds)
- Great Escapers (younger couples who want to get away from it all)

Figure 1 The primary target segments for holidaymakers from GB

<p>Social Energisers</p>	<p>Social Energisers are young and like to holiday in groups or as couples. A good example would be a group of 28 year olds on a long weekend in Dublin or Belfast. They're friends or colleagues looking for an exciting trip to a new and vibrant destination.</p>	<ul style="list-style-type: none"> ▪ 17% warm to (open to holidaying in) Republic of Ireland (ROI) ▪ 10% warm to Northern Ireland (NI) ▪ 48% under 34 ▪ 38% single adult or adult-only households ▪ 25% CI <hr/> <ul style="list-style-type: none"> ▪ 11% of total GB holiday market ▪ Island of Ireland share of this segment's holidays - 6.4%
<p>Culturally Curious</p>	<p>The Culturally Curious are older and travel as couples or on their own. Typical Culturally Curious travellers would be 55 years old, taking a holiday with their partner. They are out to broaden their minds and expand their experience by exploring new landscapes, history and culture.</p>	<ul style="list-style-type: none"> ▪ 22% warm to ROI ▪ 9% warm to NI ▪ 68% over 45 ▪ 54% couples or retired couples <hr/> <ul style="list-style-type: none"> ▪ 11% of total GB holiday market ▪ Island of Ireland share of this segment's holidays - 3.9%
<p>Great Escapers</p>	<p>Great Escapers tend to be younger and are specifically interested in rural holidays. Great Escapers are on holiday to take time out, get physical with nature and reconnect with their partner.</p>	<ul style="list-style-type: none"> ▪ 15% warm to ROI ▪ 9% warm to NI ▪ 29% couples ▪ 44% B, CI <hr/> <ul style="list-style-type: none"> ▪ 13% of total GB holiday market ▪ Island of Ireland share of this segment's holidays - 2.6%

Source: The Tourism Recovery Taskforce (2012).

A new brand structure is adopted in which the tourism assets are grouped under an overarching master brand for the island of Ireland. Under this brand, the assests are grouping by experience, rather than by geography or holiday type. Through extensive GB

consumer research, the TRT identified four experience types that are highly motivating for potential holidaymakers:

- Vibe of the City,
- Living Historical Stories,
- Awakening the Senses and Getting
- Active in Nature

The experience types have been outlined according to the target segment as shown in Figure 2.

Figure 2 Experience propositions by target segment and experience type

Target segment	Experience type	Proposition
Social Energisers	Vibe of the City	For people who are seeking fun and excitement, immerse yourself in Dublin, Belfast and our other great cities' energetic vibe for the whole weekend. You can really be at the heart of things, day and night. Get involved in the extraordinary day-time experiences and adventures inside the city and close by. And later, enjoy the unique atmosphere of our night-time experiences.
Culturally Curious	Living Historical Stories Awakening the Senses	For people who like to broaden their minds, immerse yourself in the fascinating discoveries you can make about Ireland's rich and diverse history and culture. Be exposed to our different way of seeing the world, and find out how we bring it all to life. These inspiring and interesting experiences are all within easy reach of each other.
Great Escapers	Living Historical Stories Getting Active in Nature	For explorers, escape your day-to-day routine and immerse yourself in Ireland's beautiful scenery and nature, to escape your day to day routines. Reconnect and bond with your loved ones and enjoy our outstanding natural phenomena and unrivalled historical sights, it couldn't be easier or more accessible than in Ireland.

Source: The Tourism Recovery Taskforce (2012).

The resulting product development strategy for the GB market therefore will now have a much sharper focus on specific and compelling experiences that match the needs, interests and motivations of the three target segments. This according to the (TRT, 2012) will be the creation and promotion of 'hero' or iconic experiences that can only be had on the island of Ireland. Furthermore the TRT have stated they will also develop a wide range of compelling supporting experiences, which will match the core motivations of our three target segments and be clustered together to make it easy for holidaymakers to access them (TRT 2012).

Crucially the (TRT, 2012) recommends that as part of this experience development strategy, the tourism industry adopts the new market segmentation and reflects it through product bundling and communications programmes. A new trade channel strategy will enable the tourism trade to make the best use of the four key channels to market in GB: direct, online travel agencies, tour operators and tourism agencies.

Furthermore the TRT aim to address the perception in GB that the island of Ireland is expensive. The tourism agencies and the trade need to bundle specific experiences by target segment to show the value on offer, communicate the improved value to be had on the ground, address the cost of midrange food and drink, and develop ways to measure and track value for money (TRT 2012).

In terms of marketing communications the TRT promise a new communications strategy will be developed with specific propositions for each segment. Communications must be tailored to each target market segment and include specific information of interest to that segment. The TRT focus will be on getting ‘new news’ to GB holidaymakers and delivering a jolt to action, converting them from considering the island of Ireland as a destination to booking a trip. The TRT will devise specific messages for each segment and communicate those to our target audiences through their preferred media.

This research will focus on how the SME’s within the tourism sector have managed to take on board these new consumer segments. It will identify if the tourism stakeholders have managed to modify the product offering to the four experience types. Finally the research will identify, develop and theme grass root suggested strategies which may help grow the GB market and adopt the new market segmentation and reflects it through product bundling and communications programmes.

Methodology

The primary aim of this research is to conduct a regional qualitative stakeholder analysis to identify and generate practical strategies for tourism SME’s to develop the British market in light of “The GB Path to Growth” The Tourism Recovery Taskforce (2012) According to the (TRT, 2012) it is crucial that the tourism trade:

- Fully adopts and integrates the new market segmentation and reflects it through experience bundling and communication programmes.
- Tourism businesses need to develop packages for each segment and specific experiences that will convert each segment to travel.
- Value is key to this market and the tourism industry must develop and implement value initiatives, specifically around mid-range dining.
- The industry also needs to maximise co-operative and partner activities to effectively communicate the most motivating experiences by segment to drive conversion.
- It is important that tourism businesses build stronger networks outside of the traditional tourism industry (in entertainment and heritage, for example) to develop and communicate highly appealing experiences for each segment (TRT, 2012).

The primary research tool employed to achieve this will be strategic qualitative interviews with key tourism regional SME’s in order to obtain practical strategies for the SME’s to enhance the growth of the market.

There is an opportunity in exploiting a qualitative research approach to generate strategic solutions which may be undertaken to enhance the growth of the British tourist market to Ireland. It is vital to incorporate those key tourism SME stakeholders, desk research will compliment the qualitative interviews conducted with the SME's across multiple sectors, with a focus on their ideas on how to enhance the growth of the British tourist market to Ireland. The research and indepth qualitative interviews will aim to generate an understanding of the key stakeholders views and suggested solution to grow the market in light of "The GB Path to Growth" The Tourism Recovery Taskforce (2012). The data gathered will result in an assessment of the applicability for various SME tourism enterprises, including practical strategic solutions to enhance the growth of the British market.

The project is currently underway and will be completed in November 2013. Initial activities and testing of research tools are complete. The desk review and online identification and assessment of data relevant to the project is ongoing with the simultaneous to the coding and theming of the data. The development of qualitative research interview questions was framed with the local, regional and national authorities, and industry stakeholders. The surveying of regional key stakeholders in Ireland was initiated in spring and will be followed by the interviews with tourism SME's. Between each stage of the interviews, these will be transcribed and categorised according to themes. This will then lead to the analysis of the data collected followed by report development. Delivery and dissemination will occur in the fall through to November. The results and practical strategies for tourism SME's to develop the British market will be developed and form major recommendations from the report.

Impact of the project

It is expected that valuable tourism enterprise development solutions will result from this applied research project that will be useful for SME tourism enterprises, local and regional authorities, as well as for Fáilte Ireland. This will specifically identify multiple stakeholders in both Ireland and Britain and analyse their ideas on how to enhance the growth of the British tourist market to Ireland. The potential impact of this research will be to help overcome the current crisis of continued decline. The significance of this to the Irish tourism industry is immense as Britain accounts for nearly 50% of all overseas visitors to Ireland (Fáilte Ireland, 2011). Tourism enterprise development solutions will result from the suggested strategies and ideas from the regional analysis of tourism, SME's, through the qualitative interviews. This project is taking a proactive approach to the concerning issue of the continuous decline of the British tourist market to Ireland. While the decline has been identified and British tourist perceptions of the country obtained in mainly quantitative studies and more recently "The GB Path to Growth" TRT (2012). It is necessary to tailor practical and applicable solutions for the tourism SME sector. This will not duplicate the research to date, but in fact take the necessary steps to complement these studies which focus on macro multiple stakeholder strategies. This study will help bridge the possible divide between these studies and the application of practical solutions through the tourism SME's qualitative analysis of how tourism enterprises in Ireland could enhance

the growth of the British market in light of “The GB Path to Growth” The Tourism Recovery Taskforce (2012).

Acknowledging the extensive attempts of Tourism Agencies and recent programmes (TRT, 2012) through marketing campaigns and regard given to the wider macro issues, it is considered necessary to take a qualitative approach and involve the key tourism SME in finding solutions. These strategic solutions generated from respondents on how to enhance the recovery of the market will be mapped upon relevant theory and current industry practice to generate practical and applied strategic solutions.

Regional Authorities and tourism enterprises will gain valuable insight and guidance with regard to the multiple SME’s opinions and importantly, address lessons learned through the decline and what to avoid while trying to recover the market. It will also allow for multi-sector intercollaboration regarding best practice solutions for the SME’s rather than a fragmented approach. The project will further develop and strengthen the relationship and research culture between tourism academics and the relevant public and private tourism sectors.

Conclusion

This study on how tourism SME’s can develop the British market in light of “The GB Path to Growth” is a proactive approach undertaken to recover the decline in the number of British holidaymakers visiting Ireland. The qualitative analysis of regional key tourism SME’s is to identify practical strategies for tourism SME’s to cultivate the British market. The information gathered will inform the Irish tourism enterprises on practical applicable solutions that may be utilised to enhance the growth of the British market in light of “The GB Path to Growth” TRT (2012). The strategic solutions on how to enhance the recovery will be mapped upon (The GB Path to Growth TRT, 2012) relevant theory and current industry practice to generate practical and applied strategic solutions. The results and practical strategies for tourism SME’s to develop the British market will be developed and form major recommendations from the report on completion of the study.

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Data Sources:

Existing on and offline tourism market resources (e.g. Fáilte Ireland tourism facts and Overseas visitors to Ireland reports)

Qualitative data collection from key tourism experts

Qualitative data collection from Irish SME tourism providers

Sales Toolkit: The Great Britain (GB) Market 2011

The Tourism Recovery Taskforce (2012) GP Path to Growth