BELFAST VISITOR & CONVENTION BUREAU

MARKETING & VISITOR SERVICING BUSINESS PLAN

FOR THE THREE YEARS ENDING 31 MARCH 2012

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BUSINESS PLAN
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EXECUTIVE SUMMARY

1. Background to BVCB

Belfast Visitor and Convention Bureau ("BVCB") is a not-for-profit private/public sector partnership between local government, central government and the private sector.

With a private sector membership of c480 members, BVCB is the tourism marketing and visitor servicing organisation for the Belfast City region, with responsibility for:

- attracting tourism visitors, nights and revenue to the Belfast region;
- fulfilling an essential tourism gateway role for the rest of Northern Ireland; and
- providing a visitor servicing function, through the operation of three tourist information centres – the Belfast Welcome Centre, Belfast International Airport TIC and George Best Belfast City Airport TIC.

Recognised as a results-focused and commercial organisation, BVCB's marketing plan focuses on priority markets and those activities which are likely to have the greatest impact and economic return for the region, Northern Ireland as a whole and its funders. This philosophy has always been central to BVCB's strategies, and is reflected in BVCB's, and the region's, impressive performance figures (as summarised in Section 1.1.2).

BVCB has also demonstrated its skills and expertise in marketing the region, achieving significant growth in tourism numbers and delivering value for money and effective marketing, against the backdrop of an ever tightening budget. In 2007/08, every £1 spent by BVCB in marketing the region generated £155 for the local economy.

Tourism is now one of Belfast's major success stories, in terms of the number of tourists to the region, the economic contribution made by tourism, the level of tourism investment in the region, the quality of the visitor experience and the profile that tourism has given to both Belfast and Northern Ireland as a whole on the international stage. Over the last 6 years, visitor numbers to Belfast have more than quadrupled, reaching 6.9million in 2007, and generating £313.3million in revenue to the local economy. Indeed, experience and visitor numbers show that Belfast is the main driver of tourism growth in Northern Ireland.

Belfast has been driving and sustaining tourism performance in Northern Ireland as a whole, with Belfast's tourism growth rates and hotel occupancy levels well above the Northern Ireland average. Indeed, in some instances, Belfast has actually maintained Northern Ireland's tourism numbers, as visitor numbers have dropped across the other regions:

- Between 2000 and 2007, out-of-state overnight visitors to Belfast more than doubled (+144%), in comparison to a 26% increase for Northern Ireland as a whole. With approximately two thirds of all visitors to Northern Ireland visiting Belfast as the only or part of their visit to Northern Ireland, Belfast is clearly a draw and magnet for tourism to Northern Ireland.

- The impressive increase in visitor numbers is reflected in the high hotel occupancy levels achieved in Belfast, which are well above the average for Northern Ireland. In 2007, average hotel occupancy in the Belfast region was 77%, a steady increase from 75% in 2006, 73% in 2005 and 59% in 2000. By comparison, the average hotel room occupancy for Northern Ireland as a whole was 67% in 2007, 64% in 2006, 62% in 2005 and 53% in 2000.

- Belfast accounts for up to 60% of all out-of-state overnight trips to Northern Ireland, and c40% of out-of-state overnight spend, which equates to substantial economic return for the wider area. Given the overall growth in the City breaks and conference sectors of the tourism market, and the direct access routes with Europe and North America, the importance of Belfast to the regional economy and Northern Ireland tourism can only increase further.

However, BVCB is mindful that it must not become complacent, and particularly in the current economic climate. Given current economic and market conditions, it will be more challenging to maintain and grow tourism numbers, competition will intensify, and private sector funding may be less available and more difficult to secure. In times like this, the Belfast region will need to work even harder to protect its share of a tightening tourism market and against fierce competition. BVCB must secure adequate funding to ensure that it can undertake marketing activities to aggressively promote the region in those markets offering the best potential for returns and maintain Belfast's profile as a popular tourism destination.

2. Market Trends

The major issue currently facing most industry sectors, including tourism, is the credit crisis and the downturn facing the global economy. Whilst there is no general consensus of opinion on what the exact impacts of the credit crisis will be, industry sources suggest that the tourism sector will lose some business from overseas visitors and business travellers, and from domestic tourism spending.

According to the World Tourism Organisation, international tourism grew by 5% in the first 6 months of 2008, and the World Travel and Tourism Council estimates that the real GDP growth in the global travel and tourism economy will have slowed down to 3% overall in 2008; from 4.1% in 2007. However, the real GDP growth of the UK and Ireland travel and tourism economies was estimated at only 0.9% and 0.5% respectively. Indications are that tourism will slow down even further in 2009.

Indeed, Tourism Ireland has revised down its forecasts for 2008 to show little to no growth. Tourism Ireland is now estimating that 2008 could either see a slight drop in overall visitor numbers (-1.7%) or at best growth of only 2.4%. Whilst Mainland Europe is still projected to be the main area of growth, the rates of growth are expected to be substantially lower than in previous years. As consumer confidence drops, travel costs increase and the US economy moves into decline, Tourism Ireland is projecting a considerable drop in visitors from North America, and the GB market is expected to see little change.

For 2009, Tourism Ireland is projecting that visitor numbers may increase slightly, but growth will still be modest at 2%-5%: Mainland Europe is projected to increase by 2%-6% and GB by 2%-3%; whilst visitor numbers from North America are hoped to recover by 2%-8%. However, these projections have been set at a volatile time, when the impact of the global economic crisis is still largely uncertain.

However, growth is still projected from Asia and other emerging markets, which will generate increasing volumes of inbound and outbound tourism, whilst the more mature destinations such as Europe are expected to retain their visitor levels in the short term, but will find it more difficult over the long term.

It would therefore be prudent that Northern Ireland should anticipate at least a slowdown in out of state tourism, domestic tourism spending and business tourism.

The conference tourism market faces the same economic pressures as the leisure tourism and business travel markets, as businesses tighten the budgets available for attending conferences.

In addition, competition throughout the world is increasing, with new conference destinations entering the market and major investment in new and expanded facilities. As the international association market becomes ever more competitive, subventions are frequently used to help destinations compete on price. This practice is widely used in Europe, where the availability of a fund and policy for such subsidies is becoming more and more critical.

There are approximately 26 major conference venues in the UK with 15 further destinations in the UK and Ireland planning or considering new centres or extended facilities. The development of these new facilities is putting more and more pressure on Belfast's ability to attract major association conferences.

Belfast's main competitors in the UK and Ireland - Birmingham, Dublin, Edinburgh, Glasgow, Liverpool and Manchester - all have purpose built conference centres, (Dublin's due to open in 2010), more venues and a greater supply of hotel accommodation. The development of the Convention Centre Dublin is expected to impact significantly on the Belfast and UK market. Independent research has concluded that, unless Belfast develops a purpose-built centre that meets market requirements and a conference subvention fund, it is likely to see an erosion of its share of the conference market.

To summarise, tourism is becoming an ***increasingly competitive*** industry, as a wider range of destinations become more easily accessible to consumers, ***consumers' expectations*** in terms of quality and value for money become more demanding, and the ***internet*** opens distribution and research channels to an increasingly global market.

With the current economic crisis, market conditions are expected to be very difficult for the next few years.

Whilst Belfast has been central to the growth in tourism to Northern Ireland, and is the hub for short breaks, conference tourists and gateway marketing, competition for market share is fierce. Belfast has limited resources in comparison with competitors, who have average budgets of over £4million per annum for marketing. As Belfast becomes more established as a tourism destination, and new players join the market (such as cities in Central and Eastern Europe), it will become more and more challenging to sustain growth trends. In the current economic crisis, marketing will become all the more aggressive, and innovative packaging, product development and a sustained marketing effort will be critical if Belfast is to protect its position in the short break and conference markets.

The Northern Ireland tourism sector should be prepared for:

- a general tightening of the market, drop in consumer confidence and spending, and more price driven travel and holiday decisions;

- a possible drop in the number of tourists travelling from the US to the UK;

- a deceleration in the number of European consumers choosing to travel abroad, but an exchange advantage which could be used to encourage those consumers taking out-of-state holidays to choose GB or Northern Ireland as an attractive destination.

Indeed, statistics for the first 6 months of 2008 show that hotel occupancy in Belfast and in Northern Ireland as a whole is lower than for the same period last year; and Tourism Ireland's latest forecasts for 2008 predict that there could even be a drop in visitor numbers to the island in 2008 with the prediction of only very modest growth for 2009.

Great Britain is still the main out-of-state market and, although Northern Ireland as a whole has seen little growth from GB, Belfast has successfully increased the number of visitors from GB by 50% over the last 3 years, In the current economic climate, closer to home markets such as GB may become increasingly important, and BVCB's track record in this market should hold Belfast in good stead.

Whilst mainland Europe and the US have been strong growth markets for Northern Ireland and Belfast, the potential from North America may be dampened over the next couple of years as the credit crisis hits, and the growth levels from Europe are expected to continue but at reduced rates.

As a result, the challenge for Belfast tourism is to:

- concentrate on closer to home markets, as consumers cut back on longer haul travel in favour of shorter breaks;

- promote the exchange rate advantage, by targeting Euro markets;

- prioritise the GB, ROI and domestic markets, and target key mainland European markets;

- target emerging markets, which are showing higher levels of growth and consumer confidence throughout the crisis; and

- maintain the region's share of the international conference market, through appropriate subventions and the development of conference facilities..

3. Vision and Objectives

BVCB's Vision is:

"To establish the Belfast City Region as a world class visitor destination by increasing the contribution that tourism makes to the economy in a way that is customer-focused, delivers a quality solution in a cost-effective way, respects the environment, is acceptable to the local community and offers sustainable growth."

BVCB's Strategic Aims are detailed in Section 4.2.

The City's overall tourism forecasts relate to increases in visitor numbers and visitor revenue. They have been set for the three year period to 2010, and are:

- An increase in the number of overnight visitors by 25% to 1,739,000 by 2010;
- An increase in the total visitors by 14% to 7,869,000 by 2010;
- An increase in the revenue from overnight visitors by 20% to £209m by 2010;
- An increase in the total visitor spend by 14% to £356m by 2010.

The projections were set against a 2007 baseline, and reflect the following average annual increases over 2008, 2009 and 2010:

- Overnight visitors to increase by an average of 7.6% pa;
- Total visitors to increase by an average of 4.5% per annum;
- Revenue from overnight visitors to increase by an average of 4.5% per annum; and
- Total visitor spend to increase by an average of 4.5% per annum.

These projections were set before the current economic downturn and based on a particularly high growth year in 2007. They were set to be challenging, and based upon the City having marketing funds to target mainland Europe as well and GB and ROI.

At the time of writing the Business Plan, actual visitor statistics for 2008 were not yet available. However, on the basis of economic projections, occupancy levels for the current year to date and Tourism Ireland's most recent forecasts for 2008, it would seem likely that actual visitor numbers and revenue will be below projections.

However, until the 2008 actual statistics are released, Belfast City should maintain its original forecast for visitor numbers and revenue levels for 2010. It is probable that, following release of the 2008 statistics, the projections for 2009 will have to be revised. However, given the volatile nature of the current market and economic climate, it would be ill advised to predict the extent of the revision, which will in turn dictate whether the 2010 figures need to be adjusted.

Therefore, given the unique economic environment and market conditions, the projections will be reviewed and revised following release of the 2008 statistics. However, any revisions will be made with the proviso that Belfast projections will continue to be challenging and stretching.

4. Strategy

The focus of BVCB's marketing and visitor servicing strategy has been, and will continue to be:

- the short break/City break markets for day visitors, overnight stays and cruises. The focus will be on maintaining the region's position and growth in Northern Ireland and Great Britain, whilst actively targeting the Republic Of Ireland, mainland Europe and North American direct access markets;

- the conference and business tourism market. BVCB will continue to promote the region for meetings, incentives, conferences and events.

- promoting Belfast's gateway role for visiting other regions in Northern Ireland and Ireland, mixing rural and urban product;

- deliver effective and efficient visitor servicing to optimise the visitor experience through the operation of the BWC / BIA TIC and GBBCA TIC.

Target Markets

Section 5.2 details the markets and products which have been identified as offering the best potential for return on investment for Belfast.

The priority geographic markets will be:

- Northern Ireland
- GB
- ROI
-

with destination led marketing in:

- Mainland Europe (France, Italy, Spain, Netherlands – and Germany for cruises and business)
- North America (leisure, cruises and business)

Branding

Given the competitive nature of the market in which Belfast City Region competes, it is increasingly important to pool resources; co-ordinate activity; integrate plans and have a clear, concise message to communicate. The development of the Belfast Brand Strategy is the vehicle to achieve this. We now have a clear vision and direction for all the City's development and a communications framework within which all Belfast marketing can operate and thus deliver co-ordinated integrated communications. The Brand essence "This is Belfast's moment!" is a rallying call for the City to grasp the opportunity that now exists by developing a "must do now!" attitude to decision making regarding the City's development. The B heart shaped logo is a flexible yet powerful communication device that delivers a "call to action" incorporating the City's core values and attributes eg "B Welcome". All of BVCB marketing and communications plans will be implemented to deliver on the Belfast brand.

Communications

Public Relations and Corporate Communications will play a pivotal role in BVCB's overall marketing strategy and plan and will include strong and specific communications designed to consolidate BVCB's expanding role in delivery of the overall marketing of Belfast as a Gateway City and as a region. This will be achieved through the integration of communications and marketing plans and campaigns focusing on:

- PR activity Belfast and Northern Ireland;
- PR activity outside Northern Ireland;
- Inbound Press Familiarisation Activity.
- Improving competitiveness and industry events;
- Corporate communications;

The Communications strategy is discussed in Section 5.4

Visitor Servicing

Visitor servicing is a critical part of BVCB's operations. It is key to generating maximum economic benefit for the region, and for the wider Northern Ireland tourism industry. By converting enquires or intent into business, encouraging longer stays and higher spend, delivering on the Belfast Welcome and influencing repeat visits, all sectors of the community will benefit.

BVCB's Visitor Servicing Strategy has 4 key projects:

- management of the Belfast Welcome Centre;
- management of the TIC at the Belfast International Airport;
- management of the TIC at the George Best Belfast City Airport.
- Local visitor servicing projects, for example, Cultural Diversity, Visitor Servicing Plan for Belfast etc.

Separate Business Plans are developed for each of the TICs.

Monitoring and Research

Belfast City Council undertakes the Belfast Tourism Monitor through an independent research company. BVCB has lead responsibility for the 'Monitoring and Research' for the RTP including the development of the joint body of research and appropriate performance indicators for the region as a whole. Monitoring and research is ongoing and undertaken by Millward Brown Ulster.

Industry Training and Capability Building

Given the number of agencies and organisations, stakeholders and interested parties involved in tourism, BVCB has a critical role in engaging and communicating with these bodies.

The priorities are:

- To engage operators, the trade and stakeholders by providing effective two way communications;
- To engage and communicate with all stakeholders, partners, funders and influencers to ensure their support and commitment to the strategy;
- To build strong business led partnerships across the region and encourage business leadership and
- To build community involvement, capacity and support for tourism and tourists.

To ensure that skills gaps and labour supply do not become constraining factors on the growth of tourism, there must be a sustained approach to workforce development. A three-pronged approach is required:

- Enhanced skills and product knowledge of the existing workforce;
- Attracting more people to work in the industry; and
- Creating a pipeline of new recruits with world-class skills and attitudes.

In combination, these actions ensure that the industry attracts and retains more people with the right skills for delivering a globally competitive tourism product. Other organisations are developing strategies to deal with these issues and Belfast City Council is undertaking a number of training activities for the local tourism industry.

BVCB will deliver a number of fam trips for the Belfast and Greater Belfast area in order to develop the industry's product knowledge, as well as working with the industry to improve the packages offered through tidinet.

Funding Plan and Budgets

Section 9 details the 3 year financial plans for marketing and visitor servicing. Section 7 details the marketing operation plans and the build up of the marketing budget. Appendix IV contains the tactical action plan in support of the budget. Appendix V deals with detailed profit and loss and cash flow for the next 3 years. The total projected marketing and visitor servicing expenditure and income is outlined below.

Total projected expenditure			
	09/10	**10/11**	**11/12**
Marketing	2,924,086	2,911,949	3,032,983
Visitor Servicing	1,172,448	1,171,448	1,193,697
Totals	**4,096,534**	**4,083,397**	**4,226,680**

Total Projected Income			
	09/10	**10/11**	**11/12**
BCC	2,036,000 (50%)	2,086,150 (51%)	2,137,744 (51%)
Other Local Authorities	126,000 (3%)	130,000 (3%)	134,000 (3%)
NITB	743,492 (18%)	709,264 (17%)	700,700 (16%)
Other RTPs	8,500	8,500	8,500

Private Sector/ Commercial	1,183,606 (29%)	1,150,368(28%)	1,246,791 (29%)
Total	**4,097,605**	**4,084,282**	**4,227,735**

The above table shows the Marketing and Visitor Servicing Plan is a partnership between Belfast City Council, other Local Authorities, NITB and private sector/ commercial activity. The 09/10 projected £4 million budget is roughly generated, 50% BCC, 2% other Local Authorities, 18% NITB and 30% private sector/commercial activity. In 1999 when BVCB was set up by NITB and BCC the £1 million operational budget was generated 56% by BCC, 24% NITB, 15% private sector and 5% other sources. Clearly the private sector and commercial activity have increased significantly to the point where it contributes nearly 1/3 of the operational budget.

Conclusion

This plan will generate 7.5 million visitors to the region spending £341 million in the local economy sustaining 20,000 jobs for 09/10.. This computes to a return on investment of £1:£118. Using the multiplier effect , the return on investment is far in excess of the direct economic benefit outlined above. Give that Belfast generates up to 60% of all out of state overnight trips to Northern Ireland and circa 40% of tourism revenue and up to 45% of all overnight stays in Belfast visit places outside of Belfast City, it can be seen that the return on investment outlined above benefits far wider than Belfast City.

The return on investment is clear for the public and private sector and in terms of leverage, every £1 invested by BCC leverages £1.90 from other sources while every £1 invested by NITB leverages £5.80 from other sources.

1. BACKGROUND TO BVCB

1.1 BVCB's Responsibilities and Activities

1.1.1 Belfast Visitor and Convention Bureau ("BVCB") is the tourism marketing and visitor servicing organisation for the Belfast City region, with responsibility for:

- attracting tourism visitors, bed nights and revenue to the Belfast region;
- fulfilling an essential tourism gateway role for the rest of Northern Ireland; and
- providing a visitor servicing function, through the operation of three tourist information centres – the Belfast Welcome Centre, Belfast International Airport TIC and George Best Belfast City Airport TIC.

1.1.2 BVCB is a results-focused and commercial organisation. Its marketing plan focuses on priority markets and those activities which are likely to have the greatest impact and economic return for the region, Northern Ireland as a whole and its funders. This philosophy remains central to BVCB's strategies, and is reflected in BVCB's, and the region's, impressive performance figures:

- Tourism to Belfast has more than quadrupled over the last 7 years, to reach 6.9 million visitors in 2007 and £313million revenue to the economy, including 1.2 million out of state overnight visitors which is an increase of 18% on the previous year,

- In 2008, Belfast secured 31 cruise ships into Belfast, equating to over 64,000 passengers and crew visiting.

- In 2007, Belfast secured 45 conferences equating to c14,590 delegates and expected to generate £7.2million for the local economy, and hosted 53 conferences with 15,525 delegates and generating £6million for the economy.

- Belfast has been driving and sustaining tourism performance in Northern Ireland as a whole, with Belfast's tourism growth rates and hotel occupancy levels well above the Northern Ireland average. In some instances, Belfast has actually maintained Northern Ireland's tourism numbers, as visitor numbers have dropped across the other regions. In 2007 average annual hotel occupancy in Belfast was 77%, against a Northern Ireland average of 67%.

- BVCB has a well proven track record for driving visitor numbers and spend and this generates excellent returns on investment for its funders. In 2007/08, every £1 spent by BVCB in marketing the region £155 was generated for the local economy.

- BVCB has a very strong private sector support and membership, with 479 private sector members.

- BVCB has won a number of marketing awards, for the excellence and innovative nature of its marketing activities, its contribution to tourism, and the Belfast Welcome Centre (5 years in a row).

- Belfast has been voted as the 3rd most favourite UK City/short break destination in the 2007 Guardian/Observer Travel Awards, the UK City of the Future in the FDI magazine, was noted in Lonely Planet as one of the top ten cities on the rise, and Best Conference Destination in the Business Britain Magazine.

- During 2007/08, the Belfast Welcome Centre handled 407,042 enquiries, the TIC at the Belfast International Airport handled 90,463 enquiries and the George Best Belfast City Airport (which only opened in August 2007) handled 42,950 enquiries, making a total of 540,455 enquiries. All of these TICs fulfil an important gateway role, with approximately 45%-50% of enquiries relating to regions outside Belfast.

1.2 BVCB Organisational Structure

BVCB is a not-for-profit private/public sector partnership between local government, central government and the private sector, governed by a Board with representatives from all of these bodies.

BVCB is also the marketing and visitor servicing delivery agent for the Greater Belfast Strategy Forum, which is a forum through which the local authorities in Belfast Metropolitan Area come together to discuss tourism development for the region.

BVCB is structured across four divisions, reporting to the Chief Executive but working very much in coordination and jointly towards an overall strategy and tactical plan:

- Leisure, Business and Conference Marketing;
- Communications and Research;
- Visitor Servicing; and
- Finance, Administration and IT.

Section 6 details the organisation structure.

1.3 BVCB Funding

1.3.1 In 2008/09, BVCB's total funding is expected to total £4.7 million for marketing and visitor servicing drawn from:

Local Government

- Belfast City Council (47.6% of total funding)
- Other Local Authorities (2.6% of total funding)
- Lisburn City Council (0.8% of total funding)
- Carrickfergus Borough Council (0.6% of total funding)
- Newtownabbey Borough Council (0.4% of total funding)
- Antrim Borough Council (0.8% of total funding)

Central Government

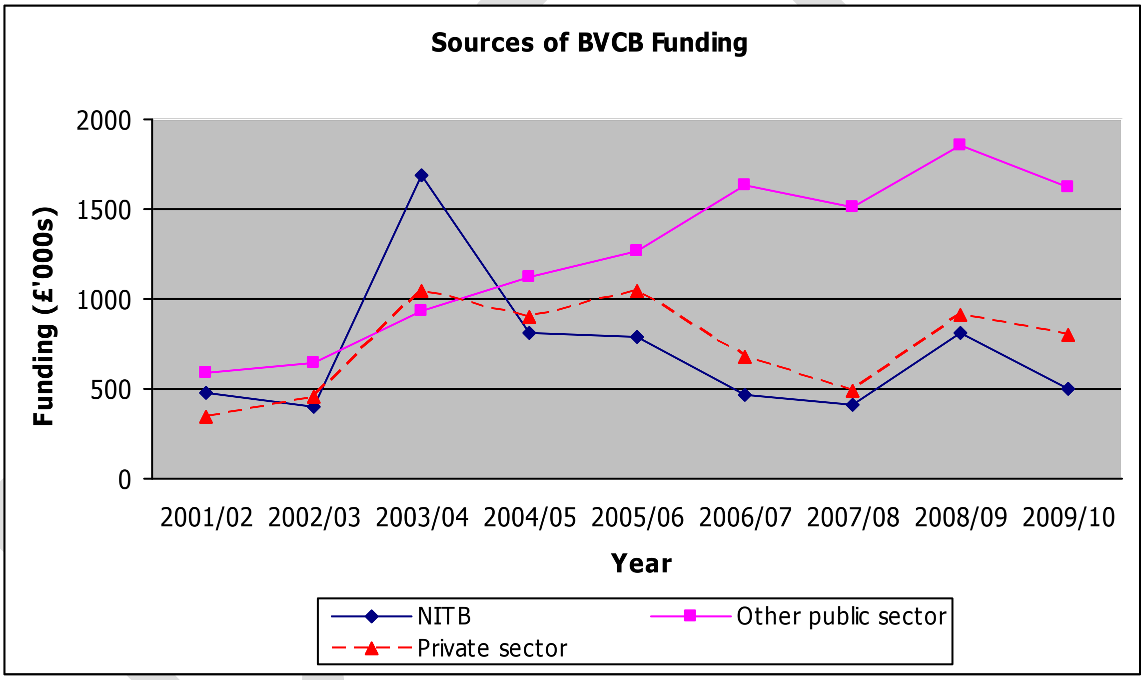
- NITB (22.2% of total funding, through a Service Level Agreement in respect of BVCB's gateway role).

Private Sector and commercial activity

- Private sector members fees, sponsorship, participation in marketing activities and joint marketing campaigns, and sales (28% of funding)

1.3.2 Given the extent of its activities, BVCB operates on a tight budget and is still low in comparison with other competing cities such as Glasgow, Manchester, Leeds Birmingham and Venice, who have budgets ranging from £4million to £7million for marketing alone.

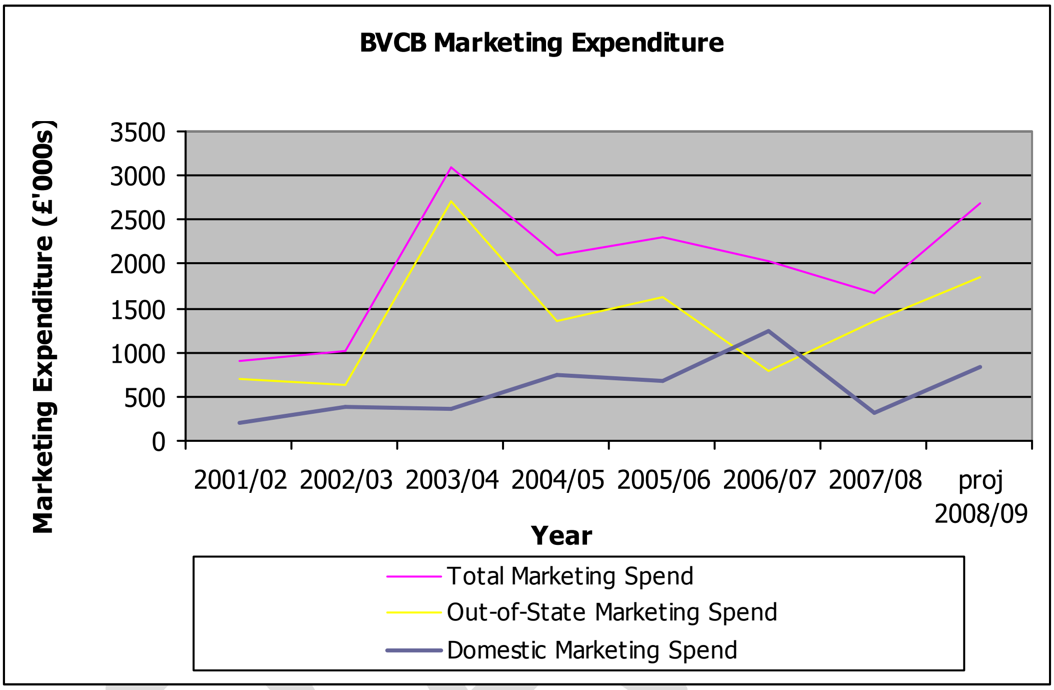
The following graph illustrates the sources and levels of funding for BVCB over the last 7 years:



The main funder is Belfast City Council, which contributed nearly 50% of the 08/09 projected budget. The funding from NITB in 2008/09 is a Service Level Agreement, in principle for 3 years, with BVCB to undertake a range of gateway activities and the NITB funding represents 22.2% of the 08/09 budget.

BVCB's private sector support and funding has always been strong, and in 08/09 the private sector and commercial activity will contribute 28% of the budget which represents 68% growth on last year. However, BVCB is mindful that, in the current economic climate, private sector contributions will come under more and more pressure over immediate years.

The following graph illustrates how the city's out-of-state marketing budget has fluctuated over the last four years:



In 2003/04, the budget peaked as additional monies were secured from NITB to undertake out-of-state joint marketing campaigns targeting direct access markets; the budget then dropped back by almost £1.5million in the following year, and continued to decline to the point where, in 2006/07, out-of-state marketing expenditure dropped below the domestic marketing budget. The out-of-state budget recovered slightly in 2007/08, but, as a consequence, the domestic marketing budget dropped by over almost £1million, back to 2002/03 levels. 2008/09 will see a more healthy increase in both the out-of-state and the domestic marketing budgets and this is the level that is required on a consistent basis to secure Belfast City regions share of visitor numbers and spend, thanks to further investment by BCC and an SLA with NITB. This increased investment has resulted in a corresponding increase in private sector contributions to the City marketing.

1.4 Key Conclusions

Tourism is now one of Belfast's major success stories, in terms of the number of tourists to the region, the economic contribution made by tourism, the level of tourism investment in the region, the quality of the visitor experience and the profile that tourism has given to both Belfast and Northern Ireland as a whole on the international stage. Indeed, experience and visitor numbers show that Belfast, as the primary City, is the main driver of tourism growth in Northern Ireland.

BVCB has also demonstrated its skills and expertise in marketing the region, securing tourism growth, and delivering value for money and effective marketing, against the backdrop of an ever tightening and fluctuating budget.

However, BVCB is mindful that it must not become complacent, and particularly in the current economic climate. Given current economic and market conditions, it will be more challenging to maintain or grow tourism numbers, competition will intensify, and private sector funding may be less available and more difficult to secure. In times like this, the Belfast region will need to work even harder to protect its share of a tightening tourism market and against fierce competition. BVCB must secure adequate and robust funding to ensure that it can undertake marketing activities to aggressively promote the region on a consistent basis in those markets offering the best potential for returns to maintain Belfast's profile as a popular tourism destination.

This Business Plan details BVCB's overall strategy and target markets for the next three years.

2.0 MARKET OVERVIEW

This section of the report summarises key developments and trends in BVCB's market environment, taking into consideration tourism trends in terms of:

Section 2.1	Global Tourism
Section 2.2	Tourism in the Island of Ireland
Section 2.3	Northern Ireland Tourism
Section 2.4	Tourism in the Belfast City Region

In addition, the section also highlights relevant policies and strategies by other bodies and agencies, which are relevant to BVCB's plans:

Section 2.5	Other relevant Strategies and Policies

2.1 Global Tourism Trends

2.1.1 Macro-Economic Trends

Tourism is the world's fourth most valuable export and, for many countries, the number one export industry. Over the last quarter of a century, the worldwide tourism market has seen incredible growth. Whilst Europe is still the world's leading tourist destination, accounting for approximately half of all tourist arrivals across the globe and half of global tourism revenue, its share is falling as a result of newly emerging destinations, continued growth in access routes and lower cost travel.

However, the major issue currently facing most industry sectors, including tourism, is the credit crisis and the downturn facing the global economy:

- The current credit crisis has been described as the most dangerous financial crisis hitting global economies since the 1930s, with the International Monetary Fund stating that many global economies are close to or moving into recession.

- World growth is projected to slow from 5% in 2007 to 3¾% in 2008 and to just over 2% in 2009, with the downturn led by the advanced economies. Latest predictions (November 2008) from the International Monetary Fund project that world output will grow by only 2.2% in 2009 – 0.75 percentage points lower than the prediction made a month previously (in October 2008). The prospects for global growth have deteriorated over the past month, as financial sector de-leveraging has continued and producer and consumer confidence have fallen.

- In advanced economies, output is forecast to contract on a full-year basis in 2009, the first such fall in the post-war period. In emerging economies, growth is projected to slow down appreciably, but still reach 5% in 2009. However, these forecasts are based on current policies. Global action to support financial markets and provide further fiscal stimulus and monetary easing could limit the decline in world growth.

- As shown below, the US, UK and Euro area face negative growth in 2009. Emerging and developing economies, such as Asia, are expected to see a deceleration in their growth patterns, but are still projected to achieve growth rates well above the overall global averages.

Projected Annual Economic Growth			
	2007	**2008**	**2009**
Advanced Economies	**2.6%**	**1.4%**	**-0.3%**
US	2%	1.4%	-0.7%
Euro Area	2.6%	1.7%	-0.5%
Germany	2.5%	1.8%	-0.8%
France	2.2%	0.8%	-0.5%
Italy	1.5%	-0.2%	-0.6%
Spain	3.7%	1.4%	-0.7%
UK	3.0%	0.8%	-1.3%
Canada	2.7%	0.6%	0.3%
Japan	2.1%	0.5%	-0.2%
Emerging and Developing Economies	**8.0%**	**6.6%**	**5.1%**
Central and Eastern Europe	5.7%	4.2%	2.5%
China	11.9%	9.7%	8.5%
India	9.3%	7.8%	6.3%
ASEAN-5	6.3%	5.4%	4.2%
Africa	6.1%	5.2%	4.7%
Middle East	6.0%	6.1%	5.3%
Commonwealth of Independent State	8.6%	6.9%	3.2%
World Output	**5.0%**	**3.7%**	**2.2%**

- As a result of the economic climate, consumer spending power and confidence is falling. According to the Annual Discretionary Income Study, after household bills and tax, the typical family has less that 20% of its gross income remaining, compared with 28% in 2003, and monthly discretionary income for a typical household is 15% lower than in 2003/04. As a result, consumers have less to spend on discretionary items such as holidays and leisure travel.

- We are in a relatively unique economic climate. Policy actions are being implemented to address the financial stress and to support demand, but it will take time to reap their full benefits. These initiatives include programs to purchase distressed assets, use of public funds to recapitalise banks and provide comprehensive guarantees, and a coordinated reduction in policy rates by major central banks.

  The International Monetary Fund states that the economic outlook is still 'exceptionally' uncertain. Financial conditions continue to present serious downside risks and, in the current setting, upside risks are limited. Nonetheless, it is possible that the financial sector policy measures, once fully specified and implemented, could foster a more rapid-than-expected improvement in financial conditions. In the meantime, the relatively strong balance sheets of nonfinancial corporations might help forestall a major cutback of investment. Under such conditions, confidence could also recover rapidly and spending by households and firms quickly reaccelerate.

2.1.2 Implications for Tourism

- Whilst there is no general consensus of opinion on what the exact impacts of the credit crisis will be, industry sources suggest that the tourism sector will lose some business from overseas visitors and business travellers, and from domestic tourism spending.

  According to the World Tourism Organisation, international tourism grew by 5% in the first 6 months of 2008, and the World Travel and Tourism Council estimates that the real GDP growth in the global travel and tourism economy will have slowed down to 3% overall in 2008; from 4.1% on 2007. However, the real GDP growth of the UK and Ireland travel and tourism economies was estimated at only 0.9% and 0.5% respectively. Indications are that tourism will slow down even further in 2009. Indeed, VisitBritain has warned that the volume of inbound tourism into Great Britain in 2008 could actually drop below 2007 levels, and Tourism Ireland has revised down its forecasts for 2008 to show little to no growth.

- As businesses have to tighten their belts, the business and conference tourism sector is also expected to feel the pinch. The World Travel and Tourism Council predicts that the credit crisis will lead to a slowdown in business travel from traditional markets. However, on the other hand, emerging markets such as China and India are seeing growth, investing in Western economies and increasing their business travel.

- According to economic predictions, the US economy, Euro Zone and UK are expected to see the pressures of the credit crisis through into 2009, with negligible or negative economic growth. Coupled with the falling US dollar, the number of US visitors travelling to the UK will be squeezed. However, as the value of the Euro rises against the pound, the UK and Ireland may become more attractive holiday destinations.

- It would therefore be prudent that Northern Ireland should anticipate at least a slowdown in out of state tourism, domestic tourism spending and business tourism.

2.1.3 Conferences Tourism

The conferences tourism market faces the same economic pressures as the leisure tourism and business travel markets, as businesses tighten the budgets available for attending conferences. The more mature destinations such as Europe are expected to retain their visitor levels in the short term, but will find it more difficult over the long term.

In addition, competition throughout the world is increasing, with new conference destinations entering the market and major investment in new and expanded facilities. For example, there are 120 conference centres to be developed in China alone by 2020. In the face of increased competition, destinations will have to ensure that they satisfy market requirements, in terms of high quality facilities of appropriate capaCity, services and appeal.

As the international association market becomes ever more competitive, subventions are frequently used to help destinations compete on price. This practice is widely used in

Europe, where the availability of a fund and policy for such subsidies is becoming more and more critical.

Finally, there is an increasing trend for organisations to be more environmentally conscious, which may result in continued moves towards short haul travel, with a number of cities promoting 'green' policies in respect of their business tourism and events programmes; a trend which is expected to become more and more important.

2.1.4 Finally, the overall tourism industry faces ongoing challenges and opportunities from:

- A more competitive global market place;
- Environmental pressures and rising fuel costs, increasing the price of travel and discouraging long haul travel;
- Global terrorism, discouraging some global travel;
- More sophisticated consumers, demanding more customised holidays, innovative packaging, niche marketing and high levels of visitor servicing;
- Growing demand for short breaks, and particularly City breaks.
- Growing influence of IT and on-line media – According to the Danish Centre for Regional and Tourism Research, on-line travel sales increased by 24% between 2006 and 2007 alone, and accounted for almost 20% of the European travel market. Growth is expected to continue at 15%-20% per annum over 2007 and 2009. The UK accounted for 30% of the European on-line travel market, and direct sellers accounted for two thirds of sales, with the balancing third made through third party sellers;

2.2 Tourism in the Island of Ireland

2.2.1 Ireland's tourism market has been enjoying strong growth for the last 4-5 years. Indeed, between 2004 and 2007, the average annual growth in visitor numbers to Ireland was 5.4% in comparison with 4.5% for Europe as a whole. 2007 was the first year since 2004 that the growth in world tourism receipts outpaced the island of Ireland.

The following tables show the main sources of visitors, revenue and bed nights to Ireland:

Visitor Numbers ('000s) to the island of Ireland				
	2005	**2006**	**2007**	**% increase 2005/07**
Great Britain	**4,810**	**4,970**	**4,920**	**+2.2%**
Mainland Europe	**1,991**	**2,350**	**2706**	**+36%**
Germany	417	432	464	+11%
France	320	370	407	+27%
Italy	196	253	271	+38%
Spain	178	219	267	+50%
Netherlands	169	167	169	-
Nordics	166	190	259	+56%
Others	545	719	869	+59%
North America	**993**	**1,065**	**1098**	**+11%**
USA	890	965	995	+12%
Canada	103	100	103	-
Other Areas	**320**	**340**	**346**	**+8%**
Australia/New Zealand	154	153	167	+8%
Others	166	187	179	+8%
Total	**8,114**	**8,725**	**9070**	**+12%**

Visitor Revenue (£millions)				
	2005	**2006**	**2007**	**% increase 2005/07**
Great Britain	**1,129**	**1,188**	**1,162**	**+2.9%**
Mainland Europe	**895**	**989**	**1,018**	**+14%**
Germany	170	175	166	-2%
France	127	146	145	+14%
Italy	87	107	120	+38%
Netherlands	59	54	54	-8%
Others	452	507	533	+18%
North America	**536**	**592**	**597**	**+11%**
USA	482	538	536	+11%
Canada	54	54	61	+13%
Other Areas	**173**	**197**	**239**	**+28%**
Total	**2,733**	**2,966**	**3,016**	**+10%**

Overseas Bed nights ('000s)				
	2005	**2006**	**2007**	**% increase 2005/07**
Great Britain	**23,227**	**23,901**	**23,185**	**-**
Mainland Europe	**22,254**	**26,687**	**27,143**	**+22%**
North America	**9,694**	**10,143**	**10,553**	**+9%**
Other Areas	**4,290**	**4,395**	**5,095**	**+19%**
Total	**59,465**	**65,126**	**65,976**	**+11%**

Average length of stay	**7.3**	**7.5**	**7.3**	

(Tourism Ireland)

As shown:

- Mainland Europe has been the main area of growth, and accounts for 30% of visitors, 41% of bed nights and 34% of revenue. The main growth markets within Europe have been Italy, France, Spain and the Nordics;

- Whilst still the largest source of revenue and visitor numbers, GB is a mature market, showing little growth in visitor numbers or revenue. As a result, GB's share of Ireland's tourism market is falling, from 59% of visitor numbers in 2005 to 54% in 2007;

- North America has continued to grow steadily, accounting for 2% of visitor numbers, 20% of revenue and 16% of bed nights in 2007. However, in light of the current economic climate, Tourism Ireland is expecting to see a considerable pull back in this business.

- The top three destinations for overseas visitors to Ireland are Dublin, South West and Northern Ireland. However, Northern Ireland still only accounts for 20% of all overseas visitors to the island of Ireland.

2.2.2 In light of economic market conditions, Tourism Ireland has revised its forecasts for 2008 down. Tourism Ireland is now estimating that 2008 could either see a slight drop in overall visitor numbers (-1.7%) or at best growth of only 2.4%.

The following are Tourism Ireland's forecasts for 2008:

Tourism Ireland's Latest Forecast Growth in Visitor Numbers for 2008		
	Low Forecast	**High Forecast**
GB	-1.0%	+1.0%
Mainland Europe	+2.0%	+7.0%
North America	-15.0%	-5.0%
Other Areas	+2.0%	+10.0%
Visitors to Ireland	**-1.7%**	**+2.4%**

Whilst Mainland Europe is still projected to be the main area of growth, the rates of growth are substantially lower than in previous years. As consumer confidence drops, travel costs increase and the US economy moves into decline, Tourism Ireland is projecting a considerable drop in visitors from North America, and the GB market is expected to see little change.

For 2009, Tourism Ireland is projecting that visitor numbers may increase slightly, but growth will still be modest at 2%-5%: Mainland Europe is projected to increase by 2%-6% and GB by 2%-3%; whilst visitor numbers from North America are hoped to recover by 2%-8%. However, these projections have been set at a volatile time, when the impact of the global economic crisis is still largely uncertain.

2.3 Northern Ireland Tourism Market

2.3.1 Following little to no growth over 2005 and 2006, the number of out-of-state overnight visitors to Northern Ireland increased by almost 7% in 2007, reaching 2.1million out-of-state overnight visitors, generating £376 million in revenue and just over 10 million bed nights.

Out of State Overnight Visitor Trends to Northern Ireland

	Trips		Nights		Revenue	
	'000s	% increase	'000s	% increase	£mn	% increase
2007	2,110	+6.6%	10,490	+9.1%	376	+1.3%
2006	1,979	+0.3%	9,618	+0.6%	371	+3.9%
2005	1,972	-1%	9,561	+12.4%	357	+14.1%
2004	1,985	+4.7%	8,504	-5%	313	+10.2%
2003	1,896	+8.9%	8,947	+4.6%	284	+3.6%
2002	1,741	+3.9%	8,555	-1.6%	274	-2.8%
2001	1,676	+0.2%	8,692	-	282	+6.4%
2000	1,672		8,693		265	

Source: Visitor Performance 2007, NITB

Encouragingly, the NITB Tourism Barometer to September 2008 reports continuing growth within the industry, with over half of participating hotels reporting an increase in overseas bed nights. However, optimism is still lower than last year, as the industry is concerned about the future impact of the credit crisis. Indeed, over the first six months January – June, average hotel room occupancy in Northern Ireland as a whole was lower than the previous year; at 62% in 2008 in comparison with 66% in 2007.

2.3.2 The main reason for the dip in visitor numbers in 2005 was a decrease in the number of tourists from Great Britain, whilst the number of visitors from Mainland Europe and North America continued to show strong growth and maintained overall increases in bed nights and revenue. This trend continued in 2006, when the number of overnight visitors from GB fell by 2%, and only stabilised in 2007. By comparison, visitors from Mainland Europe increased by 19% in 2006 and a further 27% in 2007.

Key Markets to Northern Ireland

2007 Out-of-State Overnight Visitors (000's)				
	(000's)	**% of Total**	**% change 2006-2007**	**% change 2005-2006**
Great Britain	**1,285**	**61%**	**-**	**-2%**
Republic of Ireland	**322**	**15%**	**+16%**	**+2%**
Mainland Europe	**268**	**13%**	**+27%**	**+19%**
Germany	59		+48%	-5%
France	35		-3%	+62%
Netherlands	22		+16%	+12%
Spain	37		+23%	+88%
Italy	22		-8%	+71%
Nordics	20		-5%	+31%
Others	73		+78%	-18%
North America	**163**	**8%**	**+12%**	**-**
USA	118		+3%	+10%
Canada	45		+50%	-25%
Other Overseas	**72**	**3%**	**+7%**	**-6%**
Total	**2,110**	**100%**	**+6%**	**+0.3%**

2007 Out-of-State Overnight Nights (000's)				
	(000's)	**% of Total**	**% change 2006-2007**	**% change 2005-2006**
Great Britain	**5422**	**52%**	**-3%**	**-3%**
Republic of Ireland	**840**	**8%**	**+1%**	**+8%**
Mainland Europe	**2,703**	**26%**	**+62%**	**+3%**
Germany	284		+42%	..
France	312		+51%	..
Netherlands	106		+26%	..
Spain	271		-	..
Italy	152		+27%	..
Nordics	73		-51%	..
Others	1505		+134%	..
North America	**950**	**9%**	**+2%**	**+9%**
USA	667		+4%	..
Canada	283		-3%	..
Other Overseas	**571**	**5%**	**-4%**	**+11%**
Total	**10,486**	**100%**	**+9%**	**+1%**

2007 Out-of-State Overnight Spend (£mn)				
	(£mn)	**% of Total**	**% change 2006-2007**	**% change 2005-2006**
Great Britain	**219**	**58%**	**-**	**-4%**
Republic of Ireland	**43**	**11%**	**+34%**	**+7%**
Mainland Europe	**63**	**17%**	**+17%**	**+35%**
Germany	6		-	..
France	9		+12%	..
Netherlands	5		-	..
Spain	10		+11%	..
Italy	5		+25%	..
Nordics	3		-50%	..
Others	25		+56%	..
North America	**37**	**10%**	**+23%**	**+15%**
USA				..
Canada				..
Other Overseas	**15**	**4%**	**+15%**	**+30%**
Total	**377**	**100%**	**+1%**	**+4%**

Source: Visitor Performance 2007, NITB; Tourism Ireland

As shown:

- Great Britain is still by far the largest out-of-state market, accounting for just under two thirds of out-of-state visitors and approximately half of out-of-state revenue to Northern Ireland. However, visitor numbers from GB have not been growing *(as discussed later, this has not been the case in the Belfast region)*.

- Mainland Europe is becoming increasingly important to Northern Ireland tourism, accounting for a growing share of visitors (13% of trips and 26% of revenue in 2007). Germany and Spain saw the highest rates of growth, and Germany, Spain and France are the main Mainland European market in terms of number of visitors.

- North America, and particularly the USA, is also performing strongly. Whilst North America accounted for only 8% of overseas overnights to Northern Ireland in 2007, the number of visitors increased by 12% and revenue from North America saw a 23% increase.

- The growth in the European and North American markets is a clear result of the direct access routes, coupled with packaged marketing campaigns

- Over the last 7 years, there has been a drop in the average duration of stay, with the average length of stay falling from 5.2 nights in 2000 to 4.96 nights in 2007, reflecting the increasing demand for short, City and business breaks.

  However, recently, this trend has reversed slightly: with the average length of stay rising in 2005 to 4.8 nights, again in 2006 to 4.9 nights and up to 4.96 nights in 2007. Whilst the overall global trend is still towards shorter holidays, the slight increase in

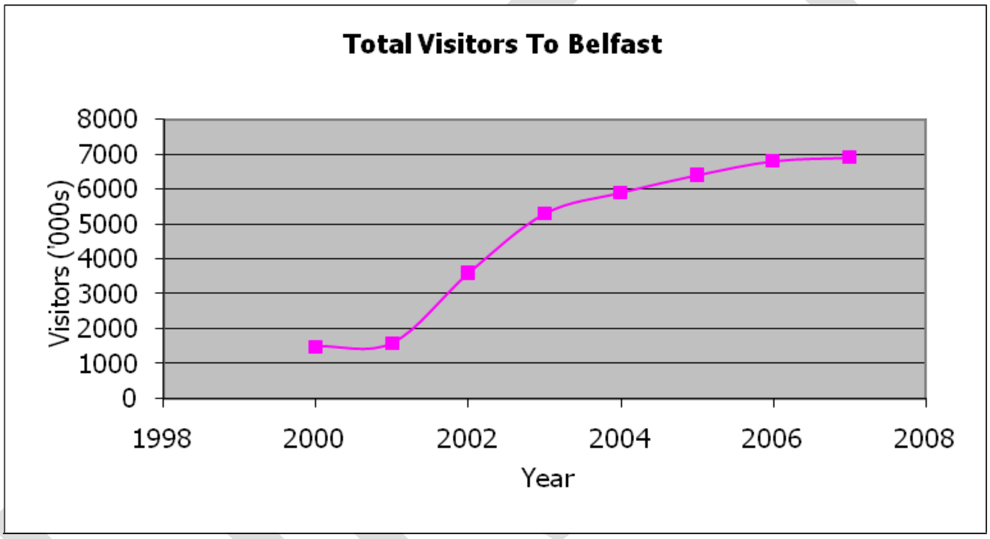
Northern Ireland tourism may be attributable to growth in visitors from more distant markets, such as North America and mainland Europe.

Whilst tourism in Northern Ireland has been performing strongly, Northern Ireland still accounts for only a fifth (20%) of all visitors to the island of Ireland. With tightening market conditions and increased competition for both domestic and out-of-state tourism, Northern Ireland must become all the more focused and aggressive in its marketing.

2.4 Tourism Trends in Belfast

2.4.1 Visitor Numbers

Over the last 6 years, visitor numbers to Belfast have more than quadrupled, reaching 6.9million in 2007, generating £313.3million in revenue for the local economy:



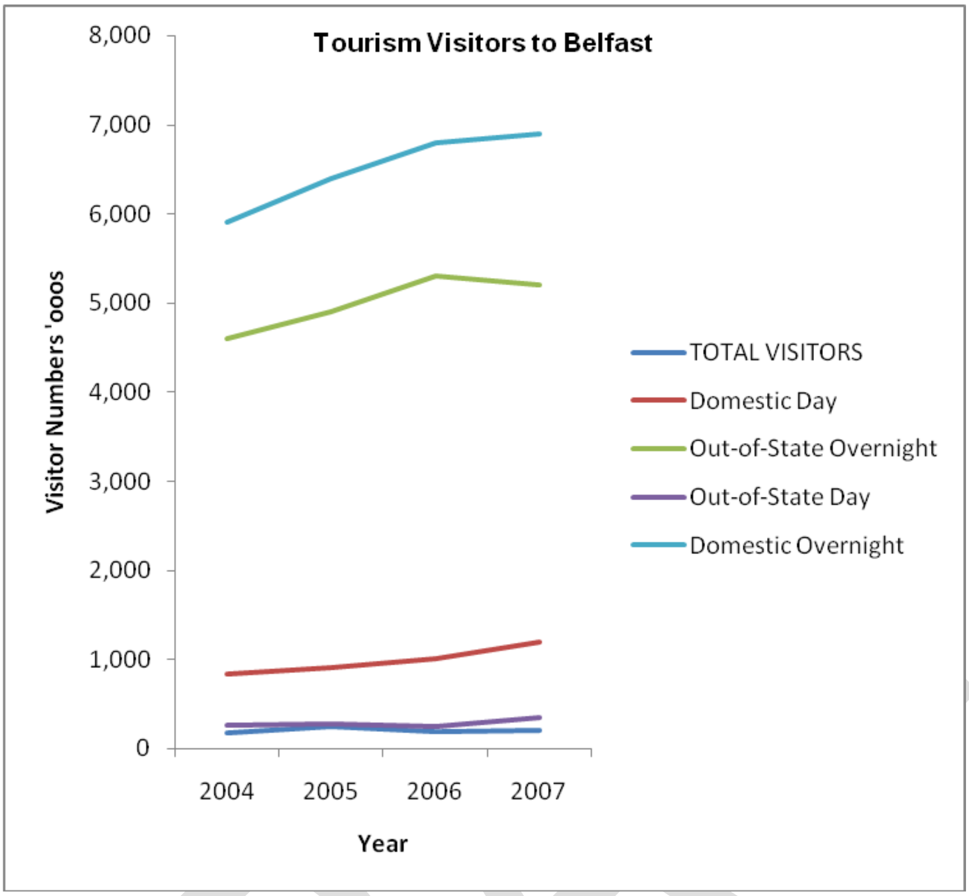
Of these visitors, 1.55 million were from out-of-state markets – a 24% increase on the previous year – and, of these out-of-state visitors, 1.2 million spent at least one night in the region (a 18% increase on the previous year).

In line with global tourism trends, the main area of growth has been in City breaks and short breaks. With lower cost air travel and more direct access routes, there has been a considerable increase in demand for short breaks and City breaks; which are very influential in attracting first time visitors, and then acting as a gateway for these visitors to other regions.

Visitors to Belfast

	2004	2005	2006	2007	% change 2004-07
OVERNIGHT TRIPS					
Domestic	***173,000***	***246,588***	***185,053***	***196,000***	***+13%***
Out-of-State					
GB	624,000	672,496	812,490	937,000	+50%
ROI	121,000	120,825	92,756	119,000	-2%
Europe	30,000	34,530	41,192	53,000	+77%
N. America	41,000	39,338	42,952	58,000	+41%
Other	24,000	49,223	25,557	33,000	+37%
	840,000	***916,412***	***1,014,947***	***1,200,000***	***+43%***
Total Overnight Trips	**1,013,000**	**1,163,000**	**1,200,000**	**1,396,000**	**+38%**
DAY TRIPS					
Domestic	**4,600,000**	**4,900,000**	**5,300,000**	**5,200,000**	**+13%**
Out-of-State	**259,000**	**277,000**	**243,000**	**355,000**	**+37%**
Total Day Trips	**4,859,000**	**5,177,000**	**5,543,000**	**5,555,000**	**+14%**
TOTAL TRIPS (ROUNDED)	**5,900,000**	**6,400,000**	**6,800,000**	**6,900,000**	**+17%**

Source: Belfast Tourism Monitor, Belfast City Council



2.4.2 As Belfast is such a large component of the Northern Ireland tourism product and its tourism performance, it is not surprising that the origin of visitors to the City reflects that of the national breakdown:

- The GB market accounts for the majority (68%) of overnight out-of-state visitors. Unlike the rest of Northern Ireland, Belfast has been successful in maintaining strong levels of growth from GB, with overnight visitors increasing by 50% over the 3 years 2004-2007. GB also accounts for the largest share (almost 60%) of out-of-state day trips.

- The ROI market accounts for a further 9% of out-of-state overnights, having increased by 8% on the previous year. However, due to a drop in ROI visitors in 2006, the number of overnight visitors from ROI is still below the 2004 level.

- The next largest markets are North America and Mainland Europe, which have both shown strong growth of 41% and 77% respectively over the last 4 years. However, with the current economic climate, it is anticipated that 2008 will see a slow down, if not decline, in visitors from North America.

- The domestic market accounted for 5.4million visitors to Belfast, of which 196,000 stayed overnight. Belfast has recognised the value of the domestic market and, in conjunction with organisations around the City, has developed advertising campaigns to attract this market.

2.4.3 Appendix I contains research statistics on the profile of the visitors to Belfast. Some of the key findings are:

- 40% of out-of-state visitors are on business, 13% visiting friends and relatives and 30% are on holiday. As a City destination it is not surprising that the largest proportion of visitors are business travellers, and that this continues to be a lucrative sector for the City. However, the increase in 'pure' holiday visitors to the City is a very encouraging trend and a clear result of the successful marketing of the City to the leisure sector; in 2007, 'pure holiday' visitors accounted for 30% of all out-of-state overnights, in comparison with 12% in 2000.

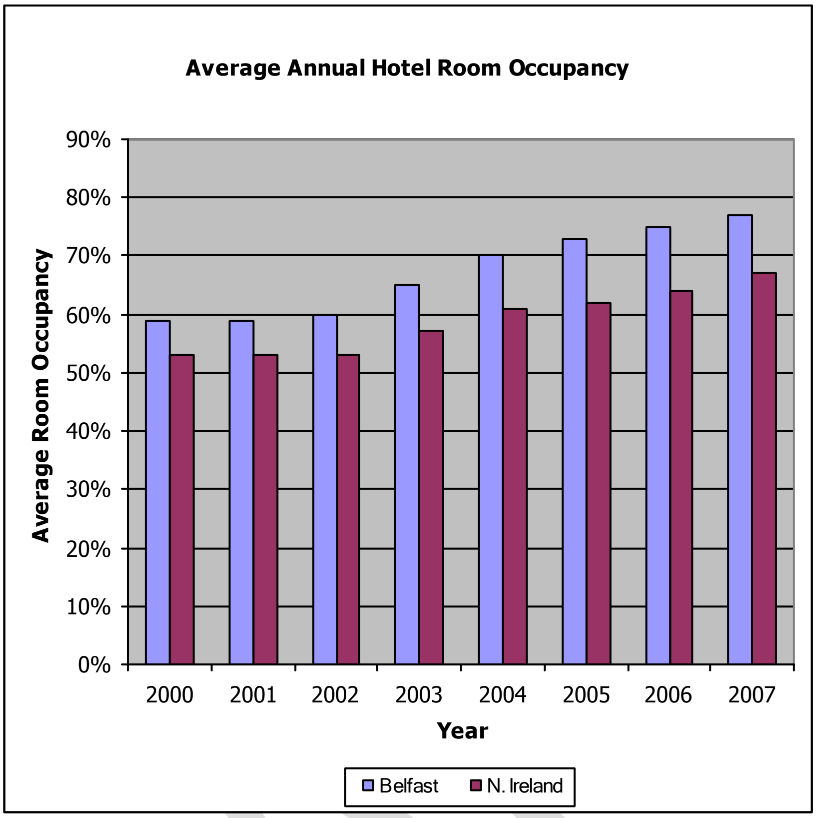
- The reliance on the VFR market is lessening, as Belfast establishes itself as a City-break and short break destination: in 2007, 13% of out-of-state overnight visitors were from the VFR sector, in comparison with 18% in 2005, 27% in 2004 and 33% in 2003.

2.4.4 Belfast as a Tourism Driver

Belfast has been driving Northern Ireland's tourism growth, not only as a destination in its own right but also as the physical and psychological gateway to Northern Ireland. Given its scale and excellent performance, the Belfast City Region is the economic driver for tourism in Northern Ireland. Belfast is a magnet and hub for City break and business/conference tourists and a major gateway for spreading the benefits of tourism throughout the province.

- Between 2000 and 2007, out-of-state overnight visitors to Belfast more than doubled (+144%), in comparison with only a 26% increase for Northern Ireland as a whole. With approximately two thirds of all visitors to Northern Ireland visiting Belfast as the only or part of their visit to Northern Ireland, Belfast is clearly a draw and magnet for tourism to Northern Ireland.

- The impressive increase in visitor numbers is reflected in the high hotel occupancy levels achieved in Belfast, which are well above the average for Northern Ireland. In 2007, average hotel occupancy in the Belfast region was 77%, a steady increase from 75% in 2006, 73% in 2005 and 59% in 2000. By comparison, the average hotel room occupancy for Northern Ireland as a whole was only 67% in 2007, 64% in 2006, 62% in 2005 and 53% in 2000.



- Belfast accounts for c50% of all out-of-state overnight trips to Northern Ireland, and c40% of out-of-state overnight spend, which equates to substantial economic return for the wider area. Given the overall growth in the City breaks and conference sectors of the tourism market, and the direct access routes with Europe and North America, the importance of Belfast to the regional economy and Northern Ireland tourism can only increase further.

- In 2007, Belfast had 31 hotels and accounted for 40% of the total hotel bedroom stock in Northern Ireland, but 45% of all rooms sold.

- Belfast hotels attract the highest proportion of visitors from outside Northern Ireland, with visitor content in Belfast reaching 80% in 2007 - again, well above the national average of 61%.

- 50%-65% of visitors to Northern Ireland visit Belfast as their first and / or only destination.

2.4.5 Key to the success of any tourism destination is ease of access. The development of low cost direct air access routes into Belfast has created the springboard for Belfast and Northern Ireland to increase its out-of-state visitor numbers. With more than 40 direct flights to Mainland Europe each week, 18 to Great Britain and three Trans-Atlantic connections, Belfast now has access to a much greater market in Europe and North America, as well as GB. However, BVCB is mindful that the economic downturn is already taking its toll on air travel and on some of the direct access routes, as carriers reassess the performance of individual routes and discontinue some connections.

2.4.6 Belfast – Conference Market

Traditionally, conference and business tourism has been a key market for BVCB and for Belfast. However, this sector is also becoming increasingly competitive, as new facilities are developed and market expectations rise.

There are approximately 26 major conference venues in the UK, with 15 further destinations in the UK and Ireland planning or considering new centres or extended facilities. The development of these new facilities is putting more and more pressure on Belfast's ability to attract major association conferences.

In order to better understand the market dynamics, BVCB commissioned The Right Solution Ltd to conduct research into competing convention bureaux in the UK, Ireland and mainland Europe, and into future trends impacting the convention bureau market. The key findings of the study, which was completed in July 2008, were:

- There is increasing competition, between cities throughout the UK and Europe. The standard of facilities available for major association conferences is increasing, with a number of new conference centres planned across the UK and Ireland.

- Whilst there are three possible venues in Belfast, they do not meet the market demands, in terms of layout, configuration and availability of space for plenary sessions, catering, breakout and exhibition space.

- Belfast's main competitors in the UK and Ireland - Birmingham, Dublin, Edinburgh, Glasgow, Liverpool and Manchester - all have purpose built conference centres (Dublin's due to open in 2010), more venues and a greater supply of hotel accommodation. The development of the Convention Centre Dublin is expected to impact significantly on the Belfast and UK market.

- Belfast is currently at the 11^{th} position of UK destinations used by national associations, whilst those destinations with purpose built centres all enjoy higher positions.

- The Right Solution Ltd concluded that, unless a purpose built centre and adequate hotel supply is developed, Belfast is likely to see continuing erosion of its market share.

- The average marketing budget for business tourism (not including staff and overheads) amongst the benchmark bureaux is £153,452.

- Whilst Belfast's budget compares favourably with the average for the bureaux researched, its staffing complement is half of the average for the other bureaux.

- In spite of its lower staffing levels and the lack of appropriate conference facilities, the target number of conferences and bids for Belfast is similar to those for cities with purpose-built conference centres, substantial subvention budgets and more central transport routes.

- In a separate report on the implications of subvention funding for Belfast and Northern Ireland, The Right Solution Ltd showed that nearly all of the top cities in the UK have significant conference subvention budgets, and that Belfast requires a subvention fund to compete nationally and internationally.

2.5 Other Strategies and Plans

2.5.1 In developing its strategy and Business Plan, BVCB reviews other strategies and plans of relevance to the tourism sector in Belfast, to ensure that BVCB's plans are synergistic with these other policies.

The following documents were reviewed in the preparation of this Plan:

- Belfast City Council's tourism and economic development strategies;
- Belfast City Council's Development Department Plan 2008-2009;
- The Belfast Metropolitan Area Plan;
- NITB's Corporate Plan;
- Tourism Ireland's Corporate Plan;
- NI Affairs Committee response and DETI's Economic Vision and Regional Development Plan;
- RTP Council strategies and plans.

Appendix II summarises the relevant aspects of these documents.

2.5.2 Key points include:

Tourism development has a central role in Belfast City Council's economic development strategy, which includes ambitious plans to increase the volume of tourists and overnight visitors to Belfast.

The Council has a clear commitment to tourism within the region, which is reflected in the significant investments made in tourism, and the Council's focused Tourism Strategy which is designed to promote the very lucrative cultural tourism and evening economy sectors.

Marketing and visitor servicing are critical to the tourism development plans, with the Council's Tourism Strategy stating that *"…more marketing is required to build awareness of the cultural programming in the City". . Therefore, a*s the marketing and visitor servicing body for the Belfast City Region, BVCB has a central role to play in the delivery of the Belfast City Council's tourism development plans, and the Council's Tourism Development Unit works in close partnership with BVCB in planning and programming activities.

As an important contributor to the economy, tourism is also an integral consideration within the Belfast Metropolitan Area Plan, and indeed DETI's Economic Vision and the Regional Development Strategy for Northern Ireland as a whole, and the Department for Social Development's Action Plan for Belfast City Centre.

The Belfast Metropolitan Area Plan aims *"… to strengthen the role of Belfast as the regional economic driver and to develop a strong City to rival other European cities"*, but also acknowledges a need to *"... improve the international image of the City and improve its attractiveness to visitors."* Additionally, DETI sees "*Tourism as an industry of growing importance to the Northern Ireland economy and one which promises much for the future"* and states that *"City tourism is a growing segment of tourism built around short City breaks, business visits and conference trade".* Finally, the DSD Action Plan for the regeneration of Belfast City Centre includes initiatives to increase the number of visitors to the City.

BVCB's plan is to develop a co-ordinated and strategic approach to capturing these opportunities, consolidating the City region's primacy as the magnet for tourism in Northern Ireland, encouraging dispersal of benefit throughout the Province, and building Belfast's international image and appeal.

The BVCB strategy is closely aligned to NITB's strategy and draft Corporate Plan 2008-2011: they share the same overall objectives; BVCB fulfils a gateway role under a Service Level Agreement with NITB; and BVCB supports and complements NITB's Visitor Servicing Strategy, which states that "*BVCB's Visitor Servicing strategy is a valuable document that must be supported in its implementation*".

NITB is leading a project to develop a tourism brand strategy for Northern Ireland. In particular the development of a brand strategy for Northern Ireland will complement the current Tourism Ireland brand of "An Island of Unique Character and Characters" by providing a range of unique experiences that will increase the volume of visitors to Northern Ireland. It will also ensure that investment in Great Britain and overseas marketing is reflected in Northern Ireland's share of all island visitors. As part of its gateway role, BVCB will reflect the Northern Ireland brand and brand values in its communications and media.

BVCB also has a central role in the implementation of Belfast's new brand and brand strategy. (see over leaf)

Tourism Ireland's priorities for 2009 are:

- Great Britain
- North America
- Mainland Europe: focus on France, Germany, Netherlands, Italy and Spain
- New and Developing Markets: campaign in Australia, India and China, in addition to publiCity in Middle East and South Africa.

BVCB is also prioritising GB, ROI, Mainland Europe and North America.

With regard to Northern Ireland, Tourism Ireland will:

- integrate and strengthen the Northern Ireland into all messages;
- develop specific Northern Ireland tactical campaigns targeting North America;
- up-weight marketing activities in mainland European cities where there is direct access to Northern Ireland;
- use high profile events and Signature Projects to attract positive publiCity for Northern Ireland in mainland Europe;
- undertake cooperative marketing for strategically important access routes, in particular those providing Northern Ireland and regional access.

BVCB will work closely with Tourism Ireland on specific campaigns for Belfast and in fulfilling its gateway role. BVCB's Marketing Plan provides Tourism Ireland with unique selling propositions in the key markets of City breaks and conference, and supports Tourism Ireland's key targets, including specific campaigns to target mainland Europe and the use of digital marketing tools.

In light of the current economic climate, Tourism Ireland has revised its targets for 2008 and 2009 downwards, projecting that 2008 could either see a slight drop in overall visitor numbers (-1.7%) or at best growth of only 2.4%.

The following are Tourism Ireland's forecasts for 2008:

Tourism Ireland's Latest Forecast Growth in Visitor Numbers for 2008		
	Low Forecast	**High Forecast**
GB	-1.0%	+1.0%
Mainland Europe	+2.0%	+7.0%
North America	-15.0%	-5.0%
Other Areas	+2.0%	+10.0%
Visitors to Ireland	**-1.7%**	**+2.4%**

For 2009, Tourism Ireland is projecting that visitor numbers may increase slightly, but growth will still be modest at 2%-5%: Mainland Europe is projected to increase by 2%-6% and GB by 2%-3%; whilst visitor numbers from North America are hoped to recover by 2%-8%. However, these projections have been set at a volatile time, when the impact of the global economic crisis is still largely uncertain.

BVCB's targets take cognisance of the trends projected by Tourism Ireland.

2.5.3 Brand

Following a year of extensive research and consultation involving 3000 key stakeholders from the business community, tourism and hospitality, culture and arts, youth groups, visitors, potential visitors, investors and potential investors from NI, RoI, GB, Europe and the USA the Belfast Brand strategy was launched. The Belfast Brand strategy sets out a clear vision of what type of City Belfast wants to be and identified and prioritised the City's core values and attributes which BVCB must focus on. In this way the Brand is not only a marketing and communication framework within which all the City's marketing must operate to ensure co-ordinated, integrated, concise and clear marketing but it is also a decision making tool to assist the decision making process in regard to all future developments, strategies and policy relating to the development of our City.

The essence of the Belfast brand is simple:

"This is Belfast's moment"

This reflects Belfast's coming of age, the turning of a new page and the new shared enthusiasm which is palpable to all those who experience the City. There is an urgency to our City's development that is summed up by an attitude of not just "can do" but "must do now". If we are to realise the full potential of the opportunities that now exist, we must act now.

The brand proposition is:

"A unique history and a future full of promise have come together to create a City that is bursting with energy and optimism".

The brand experience is as follows:

For citizens

The time is right for us to build a thriving, vibrant City. Bringing together our strong sense of identity, our resilience and enterprise and our renowned warmth and wit, we are seizing this opportunity with both hands. Proud of our heritage, we embrace the future to build an even better Belfast, providing a warm welcome to visitors, an exciting environment for business and a great place to live.

For visitors

Here, in its outstanding natural surroundings, is a dynamic City with a big personality. Proud of its heritage Belfast is alive with possibilities and open to change – vibrant, energetic and exciting. The people of Belfast provide a welcome which is not just warm, but genuine and generous, inviting anyone and everyone to join in. Belfast provides a vivid and memorable experience with new things to discover every time you visit.

For investors

Belfast is a vibrant City full of opportunity .A spirit of optimism and a real sense of purpose fills the air, inspiring enterprise, creativity and change. The people of Belfast – witty ,lively welcoming and determined – are proud of the City's past, positive about its future, and ready and able to seize the opportunities on offer. Now is the time, and Belfast is the place , where anything is possible.

The brand attributes below reflect the qualities we want to associate with Belfast.

Welcoming, Sociable, Witty, Genuine - These reflect the warmth of the Belfast welcome and the openness of its social fabric that allows those from the outside to quickly enter into the spirit of things and experience genuine friendship and a little bit of Belfast's unique wit.

Optimistic, Determined, Dynamic, Vibrant - The City has a buzz. New things are happening, there is a determination to keep what is good and change the things that could be better. A vibrant mix of old and new is visual proof of a dynamic City reinventing itself.

Enterprising, Inspiring, Energetic, Bold – A City built on enterprise with a history rich in cultural and commercial inspiration translates into a modern society with new skills and energy , boldly making its way in the today's world.

The Brand Identity

The Brand identity is the visual interpretation of our brand. It projects Belfast's energy and optimism and acts as the heart of the City reflecting its warm and welcoming nature. The capital "B" is a bold statement, putting Belfast firmly on the map. When used in conjunction with a tagline it becomes a call to action, as in, Be "part of it" and very much embodies the brand essence – This is Belfast's moment.

Our new brand is distinctive, credible, sustainable and will guide the City's marketing for the next 5 – 10 years and reinforce Belfast's position as:

- a confident and contemporary European City
- a quality leisure and business tourism destination
- a competitive place for companies to locate and grow their business
- a great place to live
  - a place that attracts and retains talent
  - a magnet for world leading research and innovation

This Marketing and Visitor Servicing Plan will focus on the City's core values and attributes and thus provide clear and concise messages for all City marketing generating civic pride and encouraging wider participation in City marketing activities. This plan delivered within the brand framework will unite the public, private, and voluntary sectors in Belfast providing new opportunities for co-operation and joint cost effective marketing initiatives.

2.6 Key Conclusions

2.6.1 To summarise, tourism is becoming an ***increasingly competitive*** industry, as a wider range of destinations become more easily accessible to consumers, ***consumers' expectations*** in terms of quality and value for money become more demanding, and the ***internet*** opens distribution and research channels to an increasingly global market.

With the current economic crisis, market conditions are expected to be very difficult for the next few years.

Whilst Belfast has been central to the growth in tourism to Northern Ireland, and is the hub for City breaks, conference tourists and gateway marketing, competition amongst cities for market share is fierce. Belfast has limited resources in comparison with competitors, who have average budgets of over £4million per annum for marketing. As Belfast becomes more established as a tourism destination, and new players join the market (such as cities in

Central and Eastern Europe), it will become more and more challenging to sustain growth trends. In the current economic crisis, marketing will become all the more aggressive, and innovative packaging, product development and a sustained marketing effort will be critical if Belfast is to protect its position in the short break and conference markets.

2.6.2 The Northern Ireland tourism sector should be prepared for:

- a general tightening of the market, drop in consumer confidence and spending, and more price driven travel and holiday decisions;
- more sophisticated consumers , demanding more customised holidays , innovative packages, niche marketing and higher levels of visitor servicing.
- a possible drop in the number of tourists travelling from the US to the UK;
- a deceleration in the number of European consumers choosing to travel abroad, but an exchange advantage which could be used to encourage those consumers taking out-of-state holidays to choose GB or Northern Ireland as an attractive destination.

Indeed, statistics for the first 6 months of 2008 show that hotel occupancy in Belfast and in Northern Ireland as a whole is lower than for the same period last year; and Tourism Ireland's latest forecasts for 2008 predict that there could even be a drop in visitor numbers to the island in 2008 with the prediction of only very modest growth for 2009.

Great Britain is still the main out-of-state market and, although Northern Ireland as a whole has seen little growth from GB, Belfast has successfully increased the number of visitors from GB by 50% over the last 3 years, In the current economic climate, closer to home markets such as GB may become increasingly important, and BVCB's track record in this market should hold Belfast in good stead.

Whilst mainland Europe and the US have been strong growth markets for Northern Ireland and Belfast, the potential from North America may be dampened over the next couple of years as the credit crisis hits, and the growth levels from Europe are expected to continue but at reduced rates.

2.6.3 As a result, the challenge for Belfast tourism is to:

- concentrate on closer to home markets, as consumers cut back on longer haul travel in favour of shorter breaks;
- promote the exchange rate advantage, by targeting Euro markets;
- prioritise the GB, ROI, and domestic markets, and target key mainland European markets;
- ensure the product provides an ever discerning visitor with the experience they are seeking

- target emerging markets, which are showing higher levels of growth and consumer confidence throughout the crisis; and

- maintain the region's share of the international conference market, through appropriate subventions and facilities.

  - Maintain Belfast's profile and success as an emerging cruise destination.

  - Focus on the City's core values and attributes as identified by the Belfast Brand Strategy and then provide clear and co-ordinated messages for all City marketing.

3.0 SWOT ANALYSIS

The following table notes the competitive strengths and weaknesses of both the Belfast City Region and BVCB, in addition to the key opportunities and threats facing tourism within the region.

<table>
<tr><th>Strengths</th><th>Weaknesses</th></tr>
<tr><td>

Tourism Product

- Compact City close to rural tourism product
- New brand with clear brand values
- Continued developments throughout the region and the City:
  - Titanic Quarter
  - Queens Quarter
  - Cathedral Quarter
  - Victoria Square
  - Gaeltacht Quarter
  - Retail
- Three gateway TICs.
- Good range of products (although requires more development) – evening / night time economy; retail product; culture and heritage; festivals and events.
- Redevelopments – City Hall, Ulster Museum
- Events – eg Tall Ships

Access

- Proximity to the Republic of Ireland market through improved road links.
- Excellent direct access options, with low cost airlines and international flights.
- Rural hinterland accessible.
- Bus and rail linkages.

Image and Reputation

- Belfast City Brand Strategy
- Belfast Region's share of the Northern Ireland tourism market;
- Strong base of accommodation stock and visitors, out-of-state and domestic, day and overnight;
- Growing reputation as a conference destination.
- Growing reputation as a cruise destination.

BVCB and Marketing Structure

- Proven track record for results-driven marketing, and commercial and viable business plans;
- Well-established team with considerable experience in marketing, tourism, sales and

</td><td>

Resources

- Limited finance and resources in comparison with other competing destinations.
- Still some duplication of marketing efforts and budgets across the region.

Market Profile and Reputation

- Still room to grow the Belfast region's image and brand awareness.

Marketing Structure

- Still need to further coordinate marketing, visitor servicing and research across the region.

Product Development

- Need to continue to build the region's <u>distinctive</u> product offering.
- Need to continue to develop new products, and create linkages between products across the region.
- Need to strengthen the region's extended and visitor servicing, through licensing laws, availability of taxis, and removal or conversion of graffiti, flags and slogans into positive messages.
- Need to further develop a 'must see' international standard attraction – the Belfast Story; Titanic; Crumlin Road Gaol.
- Need to develop the conference product and conference subvention funding, to protect the region's share of the conference market.
- Need to develop the incentive product, business tourism research information, and conference/exhibition space.

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communications; ▪ Close fit with local and national government strategies, and established relationships with statutory agencies, local authorities and the private sector; ▪ Support and commitment of the local tourism private sector, with c480 members; ▪ Delivers extremely attractive levels of £1:£168 return on investment for all funders; ▪ Customer-focused marketing activity (segmented and targeted); ▪ Network of 3 TICs.	
Opportunities	**Threats**
Market Demand ▪ Growing tourism to Belfast, with impressive growth across all visitor categories. ▪ Growing demand for City breaks and urban tourism. ▪ Growing demand for conference and business tourism (although this may be tempered by economic conditions). ▪ Domestic market continues to perform strong for the region. ▪ Favourable euro ***Access and Product Base*** ▪ The development of the Titanic Signature Project; ▪ Direct access airlines, opening opportunities to put-of-state. ▪ Developments underway, and planned, for new packaged products, such as The Ulster Scots culture, Celtic culture, Industrial Heritage, Cave Hill and Divis Mountain as visitor attractions.	***Market Demand*** ▪ The current global economic downturn, depressing consumer confidence and tourism numbers, across all markets but particularly long haul destinations. ▪ The current economic downturn making consumers more price sensitive, and reducing average spend levels. ▪ Political uncertainty in Northern Ireland, ▪ Threat of global terrorism, reducing international travel. ▪ Negative image in certain markets with certain demographic profiles. ***Competition*** ▪ Competition from new emerging destinations and from established destinations with much larger budgets. ▪ Increasing competition in the conferences market. ***Resources*** ▪ BVCB's limited budget relative to competing destinations. ▪ Fragmentation of regional marketing budgets and activities.

Collectively, the Belfast City Region has an extremely strong product. In addition to the City of Belfast, the region comprises a number of urban centres and rural areas and a wide diversity of physical tourism products. While Belfast dominates in the City break and urban tourism market, City-breakers often look for activity or rural experiences which complement their urban exploration. Likewise, visitors to rural areas often want to dip in to City life for a short time during their stay. The Belfast City region has an integrated, well-rounded tourism product, which gives visitors variety, encourages them to stay longer and spend more, and leaves them wanting to return.

The co-ordinated approach to tourism in the Belfast City region provided by the RTP offers real mutuality of benefit for all partners. Through the RTP, the Belfast City region has a strategic approach to marketing and developing its diverse combination of urban and rural tourism products, in inland and coastal settings, in a way which is innovative, distinctive, easily accessible, and flexible.

Given its location, and concentration of international and domestic entry points, the Belfast City Region is the primary gateway to Northern Ireland and the engine for tourism growth. Indeed, in the international market place, the City of Belfast is one of Northern Ireland's principal attractions.

However, competitor City regions also offer a range of City and country-based products, of world-class quality. To compete, the Belfast City region's product needs to compare favourably on an international stage. So far Belfast's performance in terms of visitor numbers has been exceptional, but continued development is essential if the region is to maintain and grow its market share; this will require an ambitious plan for product development, visitor servicing, marketing and capaCity building – and no time more so than in the current challenging economic climate.

4.0 VISION, STRATEGIC AIMS AND OBJECTIVES

4.1 Vision

BVCB's Vision is:

"To establish the Belfast City Region as a world class visitor destination by increasing the contribution that tourism makes to the economy in a way that is customer-focused, delivers a quality solution in a cost-effective way, respects the environment, is acceptable to the local community and offers sustainable growth."

4.2 Strategic Aims

To support the Vision, BVCB's strategic aims are:

To ensure that all BVCB plans and activities communicate the ***City's core values and attributes*** as detailed in the Belfast City Brand Strategy.
To ***improve the perception of the Belfast City Region*** in all the key markets ensuring co-ordination and consistent communication with all sectors. To manage the communication and development of the Belfast City region's image.
To position the Belfast City Region in all ***key sectoral markets*** as a very exciting, vibrant, contemporary, undiscovered, must see destination that offers a genuine authentic experience and is value for money, ensuring that the marketing message conveys a strong, distinctive and competitive tourism offering.
To develop further ***effective partnerships*** to ensure a wider ownership of the region's brand and marketing strategy and thereby deliver co-ordinated and integrated marketing activity for the City ensuring consistent communication of the Belfast City Region brand and a customer focused approach to the marketplace.
To enable Belfast to compete with other markets and ensure that the potential realised to date can be exploited by accessing appropriate levels of funding.
To focus on the ***return on investment philosophy*** and target markets, sectors and segments that will be most effective and will generate business - developing and implementing marketing campaigns that target growing markets and not only raise awareness and interest in the region, but also convert the interest into bookings and return visits
To enhance the visitor experience by delivering a seamless flow of welcome, information and orientation through the region through visitor servicing and the services of the Belfast Welcome Centre and other TICs. To ensure maximum benefit for tourism for the City, by converting interest into business, encouraging longer stays and more spend, and by directing tourism business to the wider region and N. Ireland.
To ensure that the marketing of the Belfast City Region and visitor servicing is at the leading edge of destination marketing techniques by embracing **new technologies**.
To focus on ***monitoring and evaluation*** of all activities to ensure delivery of robust statistics for the purpose of setting challenging targets and measuring performance.

4.2 Belfast City Region Projections

4.2.1 Belfast City's overall projections relate to increases in visitor numbers and visitor revenue. They have been set for the three year period to 2010, and are:

- An increase in the number of overnight visitors by 25% to 1,739,000 by 2010;
- An increase in the total visitors by 14% to 7,869,000 by 2010;
- An increase in the revenue from overnight visitors by 20% to £209m by 2010;
- An increase in total visitor spend by 14% to £356m by 2010.

The projections were set against a 2007 baseline, and reflect the following average annual increases over 2008, 2009 and 2010:

- Overnight visitors to increase by an average of 7.6% per annum;
- Total visitors to increase by an average of 4.5% per annum;
- Revenue from overnight visitors to increase by an average of 4.5% per annum; and
- Total visitor spend to increase by an average of 4.5% per annum.

Projected Visitor Numbers					
	2007 actual - baseline	**Target 2008**	**Target 2009**	**Target 2010**	**% Increase 2007-2010**
OVERNIGHT TRIPS					
Domestic	***196,000***	***206,000***	***216,000***	***227,000***	***+15%***
Out-of-State					
GB	936,000	1,010,000	1,092,000	1,184,000	+26%
ROI	118,000	124,000	129,000	133,000	+13%
Europe	53,000	60,000	68,000	74,000	+40%
N. America	58,000	65,000	73,000	81,000	+40%
Other	35,000	37,000	38,000	40,000	+14%
	1,200,000	**1,296,000**	**1,400,000**	**1,512,000**	**+26%**
Total Overnight Trips	**1,396,000**	**1,502,000**	**1,616,000**	**1,739,000**	**+25%**
DAY TRIPS					
Domestic	**5,200,000**	5,356,000	5,517,000	5,682,000	+9%
Out-of-State	**355,000**	384,000	415,000	448,000	+26%
Total Day Trips	**5,555,000**	**5,740,000**	**5,932,000**	**6,130,000**	**+10%**
TOTAL TRIPS (ROUNDED)	**6,900,000**	**7,242,000**	**7,548,000**	**7,869,000**	**+14%**

Target Visitor Spend					
	2007	**2008**	**2009**	**2010**	**Increase 2007-2010**
Day Visitors	£139 m	£142 m	£144 m	£147 m	+6%
Overnight Visitors	£174 m	£185 m	£197 m	£209 m	+20%
Total	**£313 m**	**£327 m**	**£341 m**	**£356 m**	**+14%**

These projections were set prior to the current economic downturn and the benchmark established was a particularly high growth year, 2007. They were set to be challenging and based upon having the marketing funds to target mainland Europe as well and GB and ROI.

4.2.2 At the time of writing the Business Plan, actual visitor statistics for 2008 were not yet available. However, on the basis of economic projections, occupancy levels for the current year to date and Tourism Ireland's most recent forecasts for 2008, it would seem likely that actual visitor numbers and revenue will be below projections.

Indeed, Tourism Ireland has forecast that in 2008 the island of Ireland could either see a slight drop in out-of-state visitor numbers (-1.7%) or at best growth of only 2.4% - considerably lower than the target of 5%-7% growth initially proposed in Tourism Ireland's Corporate Plan. Similarly, Tourism Ireland has projected that out-of-state revenue to Northern Ireland may fall by 1% or at best increase by 4% in 2008 – in comparison with the 7.5% pa increase proposed in the Corporate Plan.

For 2009, Tourism Ireland has projected a slight recovery, with out-of-state visitors increasing by 2%-5%, and out-of-state revenue to Northern Ireland increasing by 1%-8%.

4.2.3 However, until the 2008 actual statistics are released, this plan is maintaining the original projected visitor numbers and revenue levels for 2010:

- Overnight visitors to reach 1,739,000 by 2010;
- Total visitors to reach 7,869,000 by 2010;
- Overnight visitor revenue to reach £209m by 2010;
- Total visitor spend to reach £356m by 2010.

It is probable that, following release of the 2008 statistics, the projections for Northern Ireland for 2009 will have to be revised. However, given the volatile nature of the current market and economic climate, it would be ill advised to predict the extent of the revision, which will in turn dictate whether the 2010 projections need to be adjusted.

Therefore, given the unique economic environment and market conditions, the projections will be reviewed and revised following release of the 2008 statistics. However, any revisions will be made with the proviso that Belfast's projections will continue to be challenging and stretching.

4.2.4 BVCB Departmental Targets

In addition to these overall projections, BVCB has also set the following departmental targets for 2009:

	2009
Leisure Tourism To attract cruise ships to Belfast To implement above the line campaigns	41 cruise ships, 60,000 passengers & crew *43,000 additional PHV from carrier campaigns 61% prompted recall 30% motivation to visit
Business Tourism To maintain the volume and value of conferences secured by BVCB	45 wins 10,000 delegates this year
Communications To implement the communications plans to deliver PR in main NI, ROI and GB markets	300 press welcomed £2.5m ad equivalent 80 m WOTS
Visitor Servicing Maintain current levels of enquiries at the three TIC's (Separate Visitor Servicing Business Plans)	540,000 enquiries

* (to be revised following evaluation of 2008 activity and is based on securing out of state marketing budget).
n addition to these overall Departmental Targets, each of the Departments also has a series of tactical targets; these are detailed in Section 8.

5.0 STRATEGY

5.1 Introduction

The focus of BVCB's integrated marketing, communications and visitor servicing strategy has been, and will continue to be:

- the short break/City break markets for day visitors, overnight stays and cruises. The focus will be on maintaining the region's position and growth in Northern Ireland whilst actively targeting the Republic Of Ireland Great Britain, mainland Europe and North American direct access markets;

- the conference and business tourism market. BVCB will continue to promote the region for meetings, incentives, conferences and events, with a focus on the Association Conference Market.

- promoting Belfast's gateway role for visiting other regions in Northern Ireland and Ireland, mixing rural and urban product;

- Delivering effective and efficient visitor servicing to optimise the visitor experience through the operation of the BWC / BIA TIC and GBBCA TIC.

5.2 Priority Markets and Products

The BVCB Business Plan sets out a clear plan for marketing the City region and providing all partners and funders with valued marketing services. BVCB has a track record in effectively aligning its marketing activities with market/customer need. This section of the Business Plan sets out the key market segments which offer the strongest prospects for growing visitor numbers, and a range of approaches to capturing a greater share of each segment.

The key areas of market growth and opportunity for Belfast will be in:

- City breaks and day trips;
- conferences/business tourism;
- cruise ships.

The following markets and products have been identified as offering the best potential for return on investment for Belfast:

Geographic Market	Key Products	Key Themes	Target Customer Group	Marketing Channels	Tools
Domestic NI	Day Trips	Shopping, Eating out, Events, Entertainment, Day/Evening economy Sunday, Culture	All ages 18 – 45 yrs Families, couples and small groups	Above & below the line TV, press, radio, outdoor, digital, exhibitions	Tactical Price / product
Domestic NI	City Breaks	Shopping, Eating out, Events, Entertainment Luxury Day/Evening economy Sunday Culture	All ages 18 – 45 yrs, 35+ couples, small groups and families ABC1 Culture seekers	Above & below the line TV, press, radio, outdoor, digital, exhibitions	Tactical Price / product Luxury
ROI	Day Trips	Shopping, Events, Visitor Attractions Day/Evening economy Sunday	All Ages Families, couples & small groups	Above & below the line Radio, outdoor, press, digital, exhibitions	Tactical Price led Product
ROI	City Breaks	Entertainment, shopping, Culture, Luxury Day/Evening economy Sunday	18 – 35 yrs 35+ couples and small groups culture seekers	About & below the line TV, radio, outdoor, press, digital, exhibitions	Tactical price led Luxury City lifestyle
GB	City Breaks	Culture, entertainment, events, Luxury	25 – 45 yrs mature professionals & early retirees singles, small groups & couples culture seekers	Above & below the line TV, radio, outdoor, press, digital, exhibitions	Destination led tactical City lifestyle Luxury Product
GB	Day Trips	Shopping, Events, Visitor Attractions	All Ages Families, couples & small groups	Above & below the line Radio, outdoor, press, digital	Tactical price led Product
Europe (France, Italy, Spain, Netherlands)	City Breaks	Sightseers and Culture Seekers Luxury	25 – 45 yrs mature professionals & early retirees singles, small groups & couples culture seekers	Above & below the line TV, radio, outdoor, press, digital, exhibitions	Destination led tactical City lifestyle Luxury
North America	1 – 2 week holiday	Sightseers and Culture Seekers Luxury	Baby boomers Mature professionals & early retirees Singles, small groups & couples Culture seekers	Travel Agents Digital Press	Destination image Culture/ lifestyle Luxury
North America & Germany	Cruise Market	Sightseers and Culture Seekers	Mature professionals & early retirees Cruise operators	Cruise operators Digital, sales calls, exhibitions	Destination image Culture/ lifestyle
GB Europe & North America	MICE market	Quality, access, location, welcome	National & International Association conferences Corporate Conferences	Sales calls, digital, exhibitions, bids	Destination Product

Appendix III contains a brief profile of the priority geographic markets:

- Northern Ireland
- Republic Of Ireland;
- Great Britain;
- France;
- Italy;
- Spain;
- Germany;
- Netherlands; and
- North America

5.3 Branding

All of BVCB activity will be driven by the essence of the Belfast brand that is "This is Belfast's Moment!" communicating the urgency that is required if we are to capitalize upon the opportunity and can be summed up by the BVCB attitude of not just "can do" but "must do now". The essence translates to "Now is the time to visit not next year or 5 years time but now" (eg "B here now"). All the BVCB marketing, communications and visitor servicing activity will be based around the Brand proposition that Belfast is a City with "a unique history and future full of which creates a City that is bursting with energy and optimism". The core values and qualities that our marketing and visitor servicing will focus on are 'welcoming, sociable, witty, genuine, optimistic, determined, dynamic, vibrant, enterprising, inspiring, energetic and bold. The City brand will be BVCB's call to action for all City marketing.

5.4 Communications

Communications will play a pivotal role in BVCB's overall marketing strategy. The communications strategy is based upon:

- **PR Activity Belfast and Northern Ireland**

  Strong specific corporate communications designed to build profile and awareness of Belfast as a short break, shopping and entertainment destination for day and overnight trips focusing on evening economy and Sundays. Through news creation, generation of news-worthy stories and consistent and effective use of the new Belfast brand, we will promote tourism activities, products and events, and address sponsor communication requirements and obligations, as well as providing general and specific PR support for the overall marketing and advertising campaigns for the region.

  Media events and briefings incorporating key stakeholders will be organised as part of an on-going media relations campaign.

- **PR Activity outside Northern Ireland**

This is to increase profile, reputation and image in main GB and ROI markets, to provide creative and integrated communications which maximise awareness of Belfast, its activities and products, among business and leisure sectors and to add value to above-the-line marketing campaigns, exhibitions and other marketing promotions, supporting the marketing activity. Out-of-state media briefings will be organised in ROI and GB. Further additional PR support will be provided for European and North American marketing activity on a limited basis, through targeted media activity and press releases in tandem with and to support specific marketing activity.

- **Press Familiarisation Activity Inbound**

  This is to support the generation and servicing of individual and group media familiarisation visits to Belfast and NI from key target markets: ROI, GB, Europe, North America and the rest of the world.

- **Improving Competitiveness & Industry Events**

  BVCB has a critical and pivotal role in being a driver and facilitator of integrated and strategic marketing and communication plans, which emanate a variety of agencies, organisations, stakeholders and partners. BVCB's communication strategy is one of ensuring cohesion and focus through its leadership and relationship building activities which include: Communications, PR and relationship management with funders, sponsors, members and strategic partners through the promotion, organisation and attendance of business and marketing events, member networking events, awards and sector briefings.

  Key events and activities to be organised during the year include members AGM, sectoral briefings and networking events, together with local and international media events and sponsor and partner promotional events. Competing for, and winning, awards locally and nationally will be an important activity to demonstrate measures of our success and to build reputation and maintain and engender funder and stakeholder support.

- **Corporate Communications**

  Corporate communications involves lobbying relevant business figures, decision makers and politicians, as well as on-going extensive media relations and events to build political and financial support and awareness of BVCB and its marketing and visitor servicing role. Central to this strategy is the maintenance of excellent corporate relations with local and central government, key tourism bodies, the industry, key decision makers and BVCB members through briefings, events and personal contact with key representatives and groups, so as to keep them fully informed of BVCB's aims, objectives and activities. The public relations strategy includes strong specific corporate communications designed to build profile and awareness of BVCB, its activities and services. Key to success will be the generation of good news and profile stories in local media on a sustained and continuous basis through press releases and picture opportunities.

5.5 Visitor Servicing

5.5.1 Visitor servicing is a critical part of BVCB's Strategy. It is key to generating maximum economic benefit for the region, and for the wider Northern Ireland tourism industry. By converting enquires or intent into business, encouraging longer stays and higher spend, delivering on the Belfast Welcome and influencing repeat visits, all sectors of the community will benefit.

BVCB's Visitor Servicing Strategy has 4 key projects:

- management of the Belfast Welcome Centre;
- management of the TIC at the Belfast International Airport;
- management of the TIC at the George Best Belfast City Airport.
- Local visitor servicing projects, for example, The Cultural Diversity and Visitor Servicing Plan for Belfast and project managing the opening of the Crumlin Road Gaol etc.

BVCB has been managing the Belfast Welcome Centre for the last eight years, the TIC at the Belfast International Airport (opened July 2005, following a one year pilot) for the last four years, and the TIC at the George Best Belfast City Airport since mid August 2007.

5.5.2 BVCB manages and operates the Belfast Welcome Centre ("BWC"), Tourist Information for Belfast and Northern Ireland on behalf of Belfast City Council and the Northern Ireland Tourist Board.

BWC opened in April 2001. In 2008, it handled a total of 407,042 enquiries. The Centre has proven to be highly effective in fulfilling both a regional and gateway role. Using the multiplier effect used by the group of Scottish Tic's (AILLST: Argyle, the Isles, Loch Lomond, Stirling and the Trossachs), which calculated that as a result of a visit to a TIC a visitor will spend an extra £65.00 each, then the minimum extra spend that the Belfast Welcome Centre generated for Belfast and Northern Ireland in 2007/8 was £21.33 million.

Both BVCB and NITB have identified the need for improved tourist information at the main points of entry into Northern Ireland, through the Belfast City Visitor Servicing Strategy 2003 (BVCB) and the Visitor Servicing Strategy for Northern Ireland 2004 (NITB).

5.5.3 By providing a multi- functional visitor servicing facility for visitors arriving into airports, the airport TICs establish a positive first impression of Belfast and Northern Ireland as a tourism destination, thus fulfilling one of NITB's key strategic objectives - "Looking after visitors every step of the way." It is at this point, on arriving into the City/ Northern Ireland, that visitors can be encouraged to travel more widely, see and do more, spend more during their stay and thus get more out of their visitor experience.

In addition to the Belfast Welcome Centre, BVCB currently manages the Belfast and Northern Ireland Tourist Information Centre at Belfast International Airport and at the George Best Belfast City Airport.

5.5.4 The gateway TIC at Belfast International Airport was refurbished and opened to the public on the 1st of July 2005. The Centre operates as part of NITB's network of 31 Tourist Information Centres, and opens daily on a year round basis, with extended summer opening hours.

BVCB and NITB work in partnership to deliver this project. The other key partners are: Belfast City Council; Armagh and Down RTP, East Borders Tourism Initiative, and Antrim Borough Council, all of whom provided financial support for the first financial year of operation. Translink are also a key sponsor and Belfast International Airport supported the project by agreeing a rent reduction. Advertising support is provided by Lisburn City Council.

This TIC handled 90,463 enquiries in 2007/8, in comparison with 76,814 in 2006/7.

5.5.5 The Tourist Information Centre at the George Best Belfast City Airport ("GBBCA") opened mid August 2007, and acts as a gateway Tourist Information Centre similar to the TIC at the Belfast International Airport. In 2007/8, it handled 42,950 enquiries (over a 7 ½ month period)

The GBBCA Centre is initially operating as a 'stand alone' TIC. Some discussions at the outset indicated the possibility that, within 2- 4 years of operation, BVCB could work with the George Best Belfast City Airport Management team to establish a service level agreement for BVCB to take over and manage some of the complementary services currently operated by GBBCA, such as Airport Information. This approach would enhance visitor service, and provide for greater efficiencies and longevity. Whilst the running costs of the 'shared' facility would be higher, due to having to extend the opening hours and the need to employ more staff, the additional costs would be borne by GBBCA as part of a service level agreement.

This GBBCA TIC project is being delivered by three main promoters/partners – BVCB, NITB and Belfast City Council – with George Best Belfast City Airport agreeing to work in a supportive role and offering space for the facility at a no rent or rates basis. The other key partners in the project are the Armagh and Down RTP, Greater Belfast RTP and Translink and Lisburn City Council.

5.6 Monitoring and Research

Belfast City Council delivers the Belfast Tourism Monitor through independent research. BVCB has lead responsibility for the 'Monitoring and Research' action point in the RTP strategy, including the development of the joint body of research and appropriate performance indicators for the region as a whole. Monitoring and research is ongoing and undertaken by Millward Brown Ulster.

5.7 Industry Training and Capability Building

To ensure that skills gaps and labour supply do not become constraining factors on the growth of tourism, there must be a sustained approach to workforce development. A three-pronged approach is required.

- Enhanced skills and product knowledge of the existing workforce;
- Attracting more people to work in the industry; and
- Creating a pipeline of new recruits with world-class skills and attitudes.

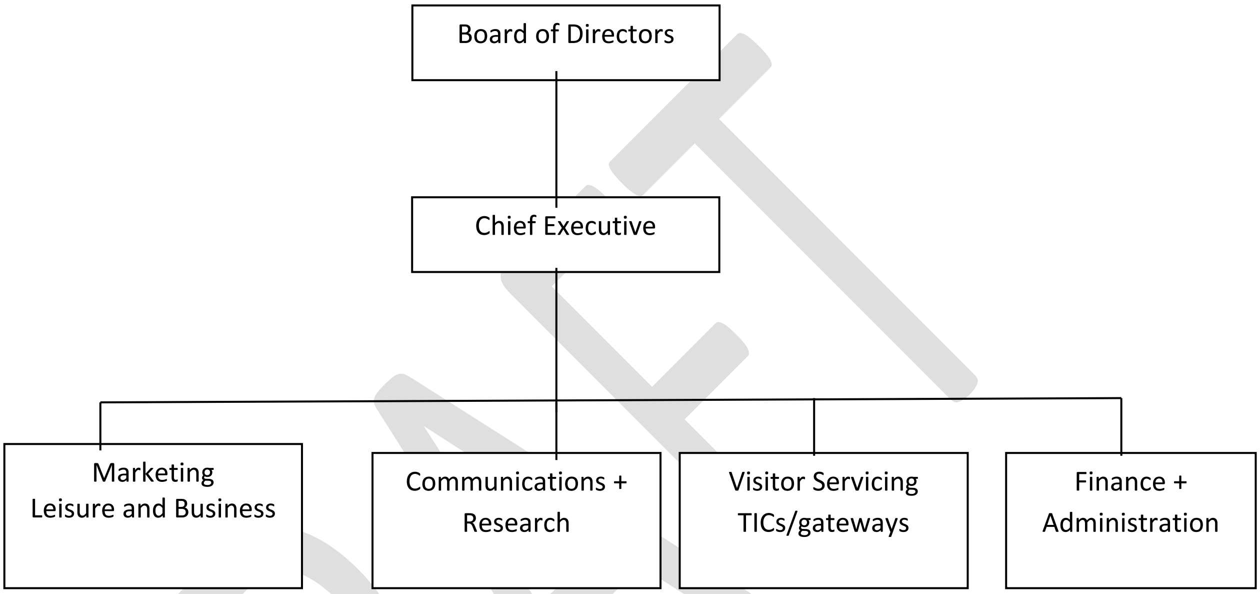
In combination, these actions ensure that the industry attracts and retains more people with the right skills for delivering a globally competitive tourism product. Other agencies are developing strategies to deal with these issues such as BCC and NITB.

BVCB will deliver a number of fam trips for the Belfast and Greater Belfast area in order to develop the industry's product knowledge, as well as working with the industry to improve the packages offered through tidinet. The costs of these are included in the Visitor Servicing Budget.

6.0 ORGANISATION STRUCTURE

6.1 Organisation Structure

The BVCB organisational structure ensures a strong customer focus.



The Board of the BVCB is structured as follows:

a) Eight Belfast City Councillors
b) Two NITB Officers (as observers)
c) Private sector representatives, including the chairman and chair elect.

The Chairman is in post for two years and in the final year of office a Chair Elect is appointed to shadow the Chairman and then be Chairman for the next two years. In this way BVCB ensures continuity at board level.

Ten other private sector board representatives are elected by the private sector members at the AGM; on representative from each of the following sectors / categories:

- Bed and Breakfast/Guest Houses/Self-catering/Hostels
- Small/Medium sized hotels (up to 100 rooms)
- Large sized hotels (over 100 rooms)
- Air access
- Sea access
- Restaurants/Pubs/Clubs
- Visitor Attractions/Arts/Culture/Sport/Leisure/Associate/Corporate
- Major Conference/Exhibitions/Entertainment Venues/Conference Support Services
- Tour Operators/Ground Handlers/ Guides/PCOs/Event Organisers/DMCs
- Transport (train/bus/car hire/taxi)
- Retail

The Board of the BVCB meets bi-monthly to set strategic direction, receive bi-monthly reports updating the Board members of progress against agreed targets/objectives, set out in the annual business plan and to address policy issues and agree corporate policy.

6.2 Private Sector Members

BVCB has 479 private sector members mainly drawn from across the tourism sector in Greater Belfast:

MEMBERSHIP CATEGORY	**MEMBERS**
HOTELS	45
HOSTELS	6
GUESTHOUSES/ B&Bs	45
SELF-CATERING	32
ASSOCIATE	18
PROFESSIONAL CONFERENCE / EVENT ORGANISERS	12
CONFERENCE VENUES	17
CONFERENCE SUPPORT SERVICES	16
ARTS / ENTERTAINMENT	34
TRANSPORT CARRIERS / PROVIDERS	10
CAR / COACH / TAXI HIRE	10
TOUR OPERATORS / GROUND HANDLERS	35
VISITOR ATTRACTIONS	35
SPORT / LEISURE	11
RESTAURANTS	59
BARS / NIGHTCLUBS	44
RETAIL	40
CORPORATE PARTNERS	7
MEDIA	3
TOTAL NUMBER OF MEMBERS	**479**

BVCB has been very successful in securing a high level of membership and private sector involvement. In 2008/09 the private sector is expected to have contributed 28% of BVCB funding.

The BVCB membership represents all the major stakeholders in the Belfast tourism industry and, in the case of conference and cruise ship players, beyond Belfast. The latent market for membership has been the strong retail sector and BVCB has now secured buy in from key retail players including BCCM and the Belfast Chamber of Trade and Commerce in integrating their promotional budgets for domestic and RoI marketing. BVCB will continue to grow membership through new and existing product and will hope to secure new access route partners as they become active in the market place.

7.0 TACTICAL ACTION PLAN AND MARKETING BUDGET

7.1 Marketing Budget

BVCB is responsible for the development and implementation of the Belfast City Region ("RTP") marketing and visitor servicing plan. The total Marketing and Operational budget for 2009/10 is outlined below.

(NB. This budget does not include the Belfast Welcome Centre or BIA/GBBCA TIC's, which have separate budgets and business plans)

Expenditure:

Activity	**2009/10 £**
Leisure Tourism	1,663,950
Business Tourism	212,500
Communications	133,000
Overheads Salaries (80% Mkting/20% Admin) and overheads	914,636
TOTAL Expenditure	**£2,924,086**

Income:

Funding Source	**2009/10 £**
Belfast City Council	1,510,000
Other Local Authorities	117,000
NITB Marketing Funding	502,500
Private Sector	795,000
TOTAL – Funding	**£2,924,500**

The following sub-sections detail the tactical activities behind the 2009/10 marketing budget, with full tactical plans in Appendix IV.

7.2 Leisure Tourism

The leisure tourism marketing budget in 2009/10 is £1,663,950. The key activities to be undertaken are summarised as follows:

	£
Domestic marketing campaign	312,000
Collateral Production	405,000
Luxury Belfast	55,000
Website	50,000
Exhibitions and Sales Visits	35,450
On-Line campaigns	20,000
Cruise marketing	53,500
Travel Trade Familiarisation Visits	10,500
Advertising	18,000
Out of state campaigns	670,000
Research	15,000
Literature distribution	7,000
Membership Activity	7,500
Visitor Servicing Project	5,000
Total	**1,663,950**

- **Domestic Marketing Campaign:** In 2007 the domestic market accounted for 5.4 million visitors to Belfast and £126 million in tourism revenue. Of these visitors, 196,000 were overnight stays spent in Belfast by Northern Ireland residents from regions outside Belfast.

  The domestic marketing campaign is focused on a fully integrated year round above the line marketing campaign, targeting day trips and overnight stays. The main products being promoted include shopping, evening economy, Sundays, culture, entertainment, events and visitor attractions.

- **Collateral Production:** BVCB produces a range of high quality printed material for marketing, product packaging and visitor servicing. The budget includes £20,000 for photography and the remainder will be allocated as follows:

  - "What About" (£240,000) - Greater Belfast guide to visitor attractions, accommodation, events, etc bringing together products in a package format, giving value incentive offers.
  - "Belfast Map" (£35,000) - Brings together products in a packaged format for the greater Belfast area.
  - "Visitor Guide" (£30,000) - Raises the profile of the City region and markets the area and products.
  - "Greater Belfast Voucher Booklet" (£30,000) - Brings together products in a packaged format and raises the competitiveness of the local product.

- "Restaurant Guide" (£25,000)

- Stand Design and production (£10,000)

- "Foreign Language Guides" (£15,000)

- **Luxury Belfast:** Luxury tourism is a key market within the tourism portfolio. A marketing plan for Luxury Belfast, with a budget of £55,000, has been developed. Activities include; advertising, direct marketing, exhibitions, website and brochures.

- **Website:** A budget of £50,000 has been allocated to site hosting and website development, to enable the website to continue to be expanded and developed to reflect the wider region, as well as exploiting further e-commerce and digital marketing opportunities, and keeping apace with new technologies. This also covers the hosting and development of the cruise and luxury micro sites.

- **Exhibitions and Sales Visits:** A budget of £35,450 has been allocated for exhibition's and sales calls provide key platforms to market the destination and products, directly to both consumers and to travel trade. BVCB is very focused on the exhibitions it attends, with BVCB attending in partnership with private sector members where ever possible. The budget for attending exhibitions and undertaking sales calls is based upon a range of activity as detailed in the Appendix IV.

- **On-line Campaigns and Digital Marketing** (budget allocated £20,000): For the last three years, BVCB has implemented very successful on-line campaigns, working in partnership with accommodation and carrier members to develop and promote packaged campaigns. Tourism Ireland recommends that digital marketing should become an increasingly important element of marketing budgets, as leisure visitors have increasingly using the web for purchase decisions. This budget focuses on activity with third party websites and includes opportunities through Tourism Ireland.

- **Cruise Marketing and Servicing:** This allocated budget of £53,500 is for targeting cruise ships and organisers to encourage cruises to Belfast and for cruise ship servicing to optimise the return and revenue from cruises when they do visit.

- **Research:** This allocated budget of £15,000 relates to the fee for extending the Millward Brown Ulster research to include the Greater Belfast region, in addition to the core Belfast City, as well as additional research on the Business Tourism Market.

- **Travel Trade Familiarisation Visits:** This allocated budget of £10,500 is to host fam trips targeting the travel trade and trade operators, to encourage greater coverage of the Belfast product and an update of their programmes – FIT, GAYP, Coach Travel Operators and on-line operators.

- **Advertising:** This allocated budget of £18,000 is for general generic advertising which will be used to support the Belfast brand and City campaigns.

- **Literature Distribution:** A budget of £7,000 has been allocated for distributing literature to Tourism Ireland offices, shows, exhibitions and other stakeholders/agencies.

- **Membership Activity:** A budget of £7,500 has been allocated for the production of membership material and marketing liaison with BVCB's 450+ members.

- **Visitor Servicing Project:** This allocated budget of £5,000 is the RTP contribution towards the visitor servicing at the George Best Belfast City Airport TIC.

- **Out-of-State Campaigns:** (Allocated budget £670,000) Coupled with profile building and publiCity activities, BVCB has found that packaged carrier campaigns are an essential tool in converting interest into bookings and visits.

  Therefore, to achieve the growth targets set, BVCB will be concentrating on the two most significant markets for the City, these being GB and the ROI. A budget of £670,000 has been set, to undertake targeted out of state campaigns in conjunction with carriers/key partners in the following markets:

  - **GB**: GB remains the main market for Belfast and the greater Belfast area, making up approximately 70% of all out-of-state visitors. In line with the importance of this market a budget of £500,000 has been allocated for above the line joint carrier campaigns. These campaigns will be jointly with carriers and partners such as; Tourism Ireland, Stena, FlyBe, bmi and others. Carrier campaigns of this type have proven to be extremely successful in the past, with a clear return on investment, and strong working partnerships have been developed with a number of direct access carriers. The result has been a substantial uplift in visitors and bed nights for the region and the campaign targets are a key departmental target.

  - **ROI:** ROI is the second largest market for out-of-state visitors to the area and has the potential for significant growth. A budget therefore of £170,000 will be invested in ROI above the line image building and tactical price – led marketing to continue to build and add value to this important neighbouring market.

7.3 Business Tourism

The total 2009/10 budget for Business Tourism is £212,500, to target the MICE sector, with a focus on National and International Associations and Corporate Conferences. Activities include:

	£
Exhibitions & sales	70,500
Advertisements	17,000
Ambassador Programme	15,000
IT Initiatives	3,000
Membership	10,000
Bid and Promotional Materials	68,000
Direct Mail	9,000
Site Inspections	7,000
Secondary Marketing	4,000
Booking Commission fees	4,000
Fam Visits	5,000
Total	**212,500**

- **Exhibitions:** A budget of £70,500 has been allocated for attending exhibitions and undertaking sales calls to raise awareness of the region's business tourism product and generate leads resulting in site visits, fam trips, proposals and new business won. A detailed list of the shows and sales calls can be found within the Appendix IV.

- **Advertisements:** This allocated budget of £17,000 is for advertising to raise profile in the UK, Europe and USA, including support of Ireland/Belfast features in conjunction with Tourism Ireland.

- **Conference Ambassador Programme:** The budget of £15,000 is for supporting and developing the Conference Ambassador Programme, including activity to attract new ambassadors.

- **IT:** This allocated budget of £3,000 has been allocated to continue to enhance the Bureau's business tourism website, as well as exploiting further e-commerce and e-marketing opportunities.

- **Membership:** This allocated budget of £10,000 is for membership of industry associations to gain access to mailing lists, a presence on their websites, directories, networking events and access to research information.

- **Conference bid and promotional material:** This allocated budget of £68,000 is for developing conference bid and promotional material for sales pitches and conference bids, including the design and production of a new Conference Guide for use at exhibitions, sales calls etc.

- **Direct Mail:** This allocated budget of £9,000 is for undertaking direct mail campaigns to target corporate buyers and ambassadors with marketing materials, including the Conference Guide and invitations to exhibitions.

- **Site Inspections:** This allocated budget of £7,000 is for facilitating and hosting site inspections for conference and corporate agents.

- **Secondary Marketing:** This allocated budget of £4,000 is for secondary marketing activities to boost delegate attendance at confirmed conferences and inform them of the tourism product available.

- **Fam visits:** This allocated budget of £5,000 is for hosting fam visits for the MICE market.

- **Booking Commission:** This allocated budget of £4,000 is for booking commission fees for conferences.

7.4 Communications

Public Relations and Corporate Communications play a key role in BVCB's overall marketing strategy. The total Communications budget for 2009/10 is £133,000 to implement the PR and corporate communication strategies. The Communications activities and budget may be summarised as:

Communications and Branding Budget 2008/09	
	£
Corporate Communications	15,000
Improving Competitiveness, Industry events	22,000
PR activity Belfast & NI	43,000
PR activity outside NI	31,000
Inbound Press Familiarisation activity	22,000
Total	**£133,000**

Section 5.4 details the activities to be undertaken under each of these budget headings.

7.5 Visitor Servicing

Section 9 details the projected income and expenditure plans for visitor servicing, under the main project areas:

- Belfast Welcome Centre;
- Belfast International Airport TIC; and
- George Best City Airport TIC.

8.0 TARGETS AND MEASURES

8.1 BVCB sets a range of targets and objectives against which it measures the success of individual activities and the overall impact of its plans. These targets range from overall objectives relating to the volume and value of tourism to the region, to specific targets for individual marketing campaigns.

One of the main monitoring tools is the 'Tourism Monitor', which is a research survey and report commissioned by Belfast City Council and managed by Millward Brown Ulster**.** From this report, BVCB can monitor:

- Estimates of the volume and value of tourism to Belfast (per key market segment);
- Motivations to visit;
- Visitor profiles;
- Visitor satisfaction;
- Increased awareness and positive perceptions of Belfast through PR monitoring and campaign evaluation; and
- Monitoring of each market sector initiative.

In light of the extended Greater Belfast RTP region, additional research is conducted by Millward Brown Ulster which evaluates visitor numbers and spend in the Greater Belfast area, which provides usefully supplementary information on top of the Tourism Monitor and provides benchmarking figures from which to evaluate the RTP Marketing Plan.

In addition to the Tourism Monitor, BVCB also directly monitors:

- Visitor numbers, enquiries and sales through the Belfast Welcome Centre;
- Customer satisfaction through the BWC;
- The profile of visitors to the BWC, by country of origin;
- Numbers and value of BVCB assisted conferences and cruise ship visits;
- The volume and quality of relevant tourism press coverage in N. Ireland, Republic or Ireland, Great Britain, Europe, America, Canada, Other World;
- Changing perceptions of partners and stakeholders; and
- The effectiveness of City break campaigns via the omnibus survey, focus group sessions and facilitation of enquiries and bookings from campaign partners.

Finally, BVCB also reviews performance data presented in other research reports conducted by NITB and Tourism Ireland, on visitor levels to the region, occupancy levels, visitor profiles, visitor perceptions and market segments.

8.2 Section 4 details Belfast City's overall projections and BVCB departmental targets. However, in addition to these, BVCB has also set a number of tactical targets for 2009:

Leisure Tourism

- To implement above the line marketing campaigns in NI, GB and Europe
- To host 8 Trade fam trips to the City

- To attend 8 leisure exhibitions
- To attend the Miami Sea Fair to promote the cruise product
- To develop the website and attract 7m hits and 70,000 unique visitors per month
- Deliver 6-8 editions of the WhatAbout Guide generating £50,000 - £55,000 in advertising

Business Tourism

-
- To enlist 20 new Ambassadors
- To develop a list of 100 target conference leads to Belfast
- To enlist 125 leads from exhibitions/sales calls
- To submit 80 conference bids
- To organise 1 fam trips with 10 buyers
- To facilitate 20 site inspections
- To attend 4 exhibitions

Communications

- To organise and facilitate out-of-state press fam visits (100 trips; 300 press)
- To secure PR coverage in 300 articles, receiving 99% positive rating
- To facilitate 8 media briefings, (4 out of state, and 4 in NI)
- To deliver 8 corporate events (including AGM, 2 sectoral briefings, 2 members networking events)
- To apply for a minimum of 3 new awards for BVCB
- To produce and distribute 12 issues of the Corporate (product) e-zine throughout the year
- To product and distribute 12 issues of the Consumer (promotions) e-zine throughout the year
- To issue a minimum of 24 (Corporate and Product) press releases throughout the year and to extend coverage to main out-of-state markets.

9.0 FUNDING PLAN AND FINANCIAL PROJECTIONS

9.1 Introduction

Section 1.3 summarises BVCB's funding to date, in terms of both the level and the sources of funding. Since it was established, BVCB has consistently delivered against its plans resulting in direct benefit to the local economy and tourism industry. Over the nine year period 1999-2007, a cumulative total of 39.4million visitors (day and overnight) have visited Belfast, spending a total of £2bn in the local economy. Over this period, funds administered by NITB have contributed a total of c£5.5million to the marketing of Belfast by BVCB. This has leveraged an additional £14million from BCC and other local authorities and the private sector, thus giving central government a leverage ratio of 1:2.5 and a return on investment of *£1:£364*.

In 1999 when BVCB was set up by NITB and BCC the total operating budget was circa £1million. This was funded 56% by BCC, 24% by NITB, 15% by private sector and 5% other funds. In 2009/10 the projected operating budget is circa £4million potentially funded 50% by BCC, 2% other Local Authorities, 18% by NITB and 29% by the private sector and commercial activity. Clearly the commerciality and private sector contributions toward BVCB operations has increased significantly to the point where almost 1/3 of the 09/10 operating budget is from the private sector / commerciality. (see the tables below).

Projected total expenditure and income 2009-2012

Total projected expenditure			
	09/10	**10/11**	**11/12**
Marketing	2,924,086	2,911,949	3,032,983
Visitor Servicing	1,172,448	1,171,448	1,193,697
Totals	**4,096,534**	**4,083,397**	**4,226,680**

Total Projected Income			
	09/10	**10/11**	**11/12**
BCC	2,036,000 (50%)	2,086,150 (51%)	2,137,744 (51%)
Other Local Authorities	126,000 (3%)	130,000 (3%)	134,000 (3%)
NITB	743,492 (18%)	709,264 (17%)	700,700 (16%)
Other RTPs	8,500	8,500	8,500
Private Sector/ Commercial	1,183,606 (29%)	1,150,368(28%)	1,246,791 (29%)
Total	**4,097,605**	**4,084,282**	**4,227,735**

Marketing Income %			
	09/10	**10/11**	**11/12**
BCC	52%	53%	52%
Other Local Authorities	4%	4%	4%
NITB	17%	17%	16%
Private Sector/Commercial	27%	26%	27%
Total	**2,924,500**	**2,912,500**	**3,033,500**

Visitor Servicing Income %			
	09/10	**10/11**	**11/12**
BCC	45%	46%	47%
Other Local Authorities	1%	1%	1%
NITB	20%	17%	16%
Other RTPs	0.7%	0.7%	0.7%
Private Sector/Commercial	33%	35%	35%
Total	**1,173,105**	**1,171,782**	**1,194,235**

The above tables clearly show that this co-ordinated and integrated marketing and visitor servicing plan is a partnership between BCC and other Local Authorities, NITB and the private sector / commercial activity. The funding is roughly split 50% BCC, 2% other Local Authorities, 28% private sector and commercial activity and 20% NITB.

In the current economic climate, and in the face of increasing competition between tourism destinations, it is essential that there is a clear, robust and consistent marketing and visitor servicing budget for the promotion of the Belfast region.

The impact of Belfast not realising the projected visitor numbers is enormous; for the Belfast City Region and for Northern Ireland as a whole. The benefits generated for the economy so far, and those projected in this plan, are crucial to the transformation of Northern Ireland.

9.2 Budgetary Control

BVCB has thorough, efficient and tightly controlled financial management systems. Indeed, following an extensive and independent audit by the Internal Audit Section of Belfast City Council, BVCB gained a Substantial Assurance grade through its system of internal control. This recognition places BVCB's financial control systems at the upper standards in terms of efficiency and effectiveness.

9.3 BVCB Projected Income and Expenditure

Appendix VI details BVCB's projected profit and loss statement (excluding the TICs and Visitor Servicing, which have separate budgets and Business Plans) for the next three years ending 31 March 2012.

For information, the visitor servicing income and expenditure projections are summarised in Section 9.4

9.3.1 BVCB Projected Marketing Income 2009/10 – 2011/2012

Total income for 2009/10 is projected at £2,924,500 from the following sources of funding:

Marketing, Convention Bureau,and Communications Projected Income			
Funding Source	**2009/10 £**	**2010/11 £**	**2011/12 £**
Belfast City Council			
Belfast City Council – core funding	1,130,000	1,164,000	1,199,000
Belfast City Council – F&D	10,000	10,000	10,000
Belfast City Council – event marketing	170,000	170,000	170,000
Belfast City Council – Whatabout	100,000	100,000	100,000
Belfast City Council – Domestic markets	100,000	100,000	100,000
Total	**1,510,000**	**1,544,000**	**1,579,000**
Other Local Authorities			
Lisburn CC	35,000	36,000	37,000
Newtownabbey BC	20,000	21,000	22,000
Carrickfergus BC	27,000	28,000	29,000
Antrim BC	35,000	36,000	37,000
Total	**117,000**	**121,000**	**125,000**
NITB (SLA funding)	502,500	502,500	502,500
Total	**502,500**	**502,500**	**502,500**
Private Sector /Commercial activity			
Retail sector	60,000	64,000	64,000
Private sector membership	150,000	154,000	157,000
Sponsorship revenue	100,000	100,000	100,000
Advertising – What About	55,000	58,000	59,000
Advertising – Conference Guide	65,000		65,000
Advertising - Other	37,500	37,500	37,500
Conference Booking Fees	23,000	27,000	30,000
Advertising – Business Tourism	5,000	5,000	5,000
Leisure Exhibition Participation	8,500	8,500	8,500
Business Exhibition Participation	21,000	21,000	21,000
Out-of-state Campaigns	250,000	250,000	260,000
Luxury Belfast	15,000	15,000	15,000
Sundry Income	5,000	5,000	5,000
Total	**795,000**	**745,000**	**827,000**
TOTAL – Funding	**£2,924,500**	**£2,912,500**	**£3,033,500**

9.3.2 BVCB Projected Expenditure 2009/10 – 2011/2012

BVCB's projected expenditure for 2009/10 totals £2,924,086, based upon the following budgets:

Marketing, Convention Bureau , Communications and BVCB Overheads – Expenditure			
	2009-10	**2010-11**	**2011-12**
	£	**£**	**£**
Activity			
Leisure Tourism	1,663,950	1,673,950	1,704,950
Business Tourism	212,500	157,500	212,500
Communications	133,000	133,000	133,000
	2,009,450	**1,964,450**	**2,050,450**
Overheads			
Salaries (80% Mkting/20% Admin) and overheads	914,636	947,499	982,533
TOTAL Expenditure	**£2,924,086**	**£2,911,949**	**£3,032,983**

9.3 Visitor Servicing Income and Expenditure

The Visitor Servicing income and expenditure projections for the three TICs are:

Belfast Welcome Centre Projected Income and Expenditure			
	09/10 £	10/11 £	11/10 £
Income			
Private Sector			
Accommodation Booking Fees	20,000	21,000	22,000
Other commission	25,000	26,000	27,000
Advertising space	27,000	27,500	28,000
Internet café	4,000	4,500	5,000
Ticket Sales	530,000	546,000	563,000
Services Charged Out	9,000	11,000	13,000
Sales of merchandise	529,866	549,971	561,642
Sundry Income	5,000	5,000	5,000
	1,149,866	**1,190,971**	**1,224,642**
Funders			
Belfast City Council	476,507	490,650	505,244
NITB	147,900	127,400	124,900
	624,407	**618,050**	**630,144**
Capital Grants Released	**448**		
Total income	**1,774,721**	**1,809,021**	**1,854,786**
Expenditure			
Cost of Sales	805,943	832,743	855,395
Payroll	438,657	428,577	439,063
Running Costs	522,753	540,053	553,253
Depreciation	6,881	7,321	6,574
Total expenditure	**1,774,234**	**1,808,694**	**1,854,285**
(Deficit) / Surplus	487	327	501

Belfast International Airport TIC Projected Income and Expenditure			
	09/10 **£**	**10/11** **£**	**11/12** **£**
Income			
Private Sector			
Accommodation Booking Fees	2,200	2,300	2,400
Ticket Sales	130,000	140,000	150,000
Services Charged Out	20,500	21,500	22,500
Sales of merchandise	12,500	13,500	14,500
Translink	6,500	6,500	7,000
	171,700	**183,800**	**196,400**
Public Sector Funders			
BVCB Support	13,000	13,000	13,000
Belfast City Council	18,500	19,500	20,500
NITB	45,600	47,000	48,500
	77,100	**79,500**	**82,000**
Total income	**248,800**	**263,300**	**278,400**
Expenditure			
Cost of Sales	130,150	140,190	150,230
Payroll	80,657	83,374	86,568
Running Costs	37,658	38,908	40,158
Depreciation	225	889	1,500
Total expenditure	**248,690**	**263,361**	**278,456**
(Deficit)/Surplus	110	(61)	(56)

George Best Belfast City Airport			
	09/10 £	**10/11 £**	**11/12 £**
Income			
Private Sector and Services			
Advertising Space	4,000	4,500	5,000
Accommodation Booking fee	1,000	1,200	1,400
Merchandise Sales	500	550	600
Ticket Sales	24,000	26,000	28,000
Translink	5,000	5,000	5,000
	34,500	**37,250**	**40,000**
Funders			
RTPs	8,500	8,500	8,500
BVCB	5,000	5,000	5,000
NITB TDS Support	24,092	8,264	-
NITB	23,400	24,100	24,800
BCC	31,000	32,000	33,000
	91,992	**77,864**	**71,300**
Total income	**126,492**	**115,114**	**111,300**
Expenditure			
Cost of Sales	22,815	24,720	26,626
Payroll	72,218	74,971	76,249
Running Costs	6,600	7,120	7,640
Depreciation	24,799	8,235	692

Total expenditure	126,432	115,046	111,207
(Deficit) / Surplus	(60)	68	(93)

9.4 Conclusions

- This plan will deliver 7.5 million visitors to the region generating £341 million into the local economy sustaining 20,000 jobs for 09/10.

- Since its inception, BVCB's overheads as a percentage of income have fallen steadily. Indeed, for 2009/10, administration overheads are projected to account for only 10% of income.

- The BVCB marketing budget (excl the Welcome Centre and visitor servicing) for 2009/10 is projected at £2.9 million. Based upon the target visitor numbers and tourism revenue, this budget will generate a return of £1:£118 in direct tourism revenue for the Belfast City Region.

- **Using the multiplier effect, the return in investment would be far in access of the direct economic benefit outlined above and benefits for wider than the region.** For example the busier a hotel is, the more staff is required, the more food and beverages required, the more taxis used, the more shops used; the more the regional economy benefits.

- The return on investment for the public and private sector funders, in terms of economic benefit and leverage of other funds is clear. In 2009/10, it is projected that every £1 invested by Belfast City Council will leverage £1.90 from other sources, whilst every £1 invested by NITB will leverage £5.808 from other sources.

- The private sector is extremely supportive of BVCB and together with commercial activity will contribute £1.1 million or 29% of the total income projected for 2009/10.

- Belfast's opportunity is now, "This is Belfast's moment!". When visitors come, they enjoy their visit and will tell others. There is latent potential and demand, which can be secured through promotion and marketing.

- In the current economic climate it is essential that Belfast maintains its market share in our key markets. This can only be achieved with a consistent and robust marketing and visitor servicing budget to maintain Belfast's profile in these markets.

- One barrier that is still holding back the City region is profile and image. By reinforcing a positive image in key geographical markets, and focusing on relevant segments, BVCB can achieve significant visitor numbers. The destination and image marketing of the Belfast City Region is essential for all sectors such as retail, tourism, regeneration, transport and inward investment. It is a costly but necessary exercise, but all sectors especially residents benefit. This marketing plan is not just a tourism marketing plan; it is a destination marketing plan that benefits inward investment, development and regeneration, and civic pride.

- Air access routes have opened up markets. If the benefits of these routes are to be realised, the destination must be aggressively sold where we have direct access ie RoI, GB and Europe. The number one criteria in the visitor decision making process is image of the destination, the number two criteria is ease of access. Air access is one problem sorted. Image is the other issue and the Belfast Brand Strategy and this plan go a long way in dealing with it.
- Belfast generates c60% of all out-of-state overnight trips to Northern Ireland and c40% of tourism revenue from out-of-state overnights. It is the magnet, the gateway and the driver of Northern Ireland tourism and therefore for the sake of the Northern Ireland economy, the City region must have a competitive marketing budget.

- All national, regional and local policies and strategies state as part of their vision that Belfast becomes a major European capital City. This plan is an essential step to achieving these goals.

Appendix I : Belfast Visitor Profiles

Why do People Visit Belfast?

2007 Out-of-State Overnight Visitors	
	2007
Holiday	30%
Business	40%
VFR	13%
Other	17%
TOTAL	**100%**

Belfast Tourism Monitor - based on accommodation used

Origin of Overnight Visitors?

	Origin of Overnight Visitors – 2007
Northern Ireland	14%
GB	67%
ROI	9%
North America	4%
Europe	4%
Other	2%
	100%

How do Out-of-State Visitors Spend Their Money?

	2007 % of Out-of-State Visitor Spend
Eating Out	25%
Entertainment	11%
Shopping	23%
Accommodation	32%
Transport	9%
	100%

Day Trip Visitors to Belfast

	Number of Day Visitors	Spend
2007	5.55m	£139.3m
2006	5.54	£172.8m
2005	5.2m	£147m
2004	4.9m	£128m
2003	4.3m	£153m
2002	3m	£105m

Appendix II: Relevant Strategies

Belfast City Council: Tourism Strategy - Cultural Tourism, Developing Belfast's Opportunity

Cultural Tourism is widely regarded as one of the fastest growing and most sustainable aspects of the tourism industry, and Belfast has a great deal to entice the increasing number of discerning tourists who choose their destination based on culture and heritage:

- the City's recent political history continues to attract inquisitive travellers from across the globe;
- more and more visitors are being drawn by Belfast's rich literary, musical and artistic traditions; and
- the City's wealth of industrial and architectural heritage is also proving increasingly popular with tourists.

The cultural tourist is looking for things which are specifically indigenous and mark the destination out from others. They tend to spend more than regular tourists and account for 37% of all world travel.

Recognising these trends, cultural tourism is central to Belfast City Council's Tourism Development Strategy. Belfast City Council put its first Cultural Tourism Strategy in place in 2002, and after four successful years, embarked on a new framework for tourism to take the City through to 2010.

Under this new framework and strategy, the Council developed a number of themed cultural. The themes, which are supported by coordinated information and marketing, include:

- trails celebrating the City's <u>musical icons</u>, such as Van Morrison;
- <u>environmental tourism</u>, promoting the wilder aspects of the City and its surroundings;
- <u>genealogy</u>, which taps into the extensive overseas interest in tracing family histories;
- Belfast's <u>literary heritage</u>;
- the fast-expanding <u>luxury market</u>;
- <u>'hard hat' tours</u> of working industrial sites, traditionally not visited by tourists;

The framework also builds on the 'Four Quarters' theme - Queen's Quarter, Cathedral Quarter, Titanic Quarter and Gaeltacht Quarter - and is designed to help the various stakeholders in each quarter co-ordinate events and marketing activities.

- <u>Queen's Quarter</u>, centred round the world-renowned Queen's University to the south of the City centre, is the most developed of the four quarters and has set the benchmark in terms of attractive signage, availability of information, and a coherent approach to highlighting its appeal as a cultural tourism destination.

- The quickly evolving <u>Cathedral Quarter</u> is an area of investment which has become home to the City's cultural fraternity. In addition to developing branding, improving signage and coordinating marketing activities, the Council's Tourism Development Unit has also been examining the possibility of showcasing the talents local artisans.

- The Titanic Quarter is a massive brownfield site which formerly housed the Harland & Wolff shipyard, where HMS Titanic was built. The Titanic Signature Project will include a landmark visitor centre celebrating the world-famous liner and our industrial heritage.

- The Gaeltacht Quarter will focus on a celebration of the City's cultural and linguistic diversity and rich musical heritage.

The promotion of cultural tourism in the Four Quarters runs in tandem with the Council's Tourism Development Unit's work in regenerating Belfast City Centre and making it more conducive to the needs of discerning and experienced travellers. Of particular importance is the expansion of the evening economy, an initiative launched in Spring 2006.

With studies in other cities demonstrating that the evening economy can generate from 5 -15% of a City's gross domestic product, a thriving evening economy is a crucial aspect of developing Belfast as a short break destination. Belfast City Council has played a key role in extending weekday opening, whilst bars and restaurants have been encouraged to provide evening menus, and an Evening Economy Officer has been appointed, who has been working with BVCB to expand and promote evening economy initiatives.

Marketing is central to the Council's Tourism Strategy, which states that "*…more marketing is required to build awareness of the cultural programming in the City….. and specific cultural tourism focused promotional campaigns should be considered for the future"* . As the marketing and visitor servicing body for the Belfast City Region, BVCB has a central role to play in the delivery of the Belfast City Council's tourism development plans, and the Council's Tourism Development Unit works in close partnership with BVCB in planning and programming activities.

Belfast City Council: Belfast Capital City III 2008-2011 and Development Department's Plan 2008-2009

Belfast Capital City III 2008-2011 is a three year development strategy, to guide the Council's developments until the implementation of the Review of Public Administration. The Development Department's Plan feeds into and supports the strategy. Tourism is a central aspect of the Development Strategy, with BVCB's Marketing and Visitor Servicing Plan complementing and supporting the strategic aims.

Of particular relevance to BVCB, the overall aims of the strategy and plan include:

- To promote and enhance Belfast's position as the capital City and engine of regional growth.

- To promote and enhance Belfast's unique proposition and experience, including the launch of the new brand.

- To protect and promote the City's built heritage, including the development of an 'access to heritage' strategy

- To implement the Cultural Strategy, and support the cultural tourism offering including facilitation of workshops and promotion of the cultural tourism product.

- To develop the 'Sunday in Belfast' product and expand the City centre product through the further development of the 'evening economy'.

- To develop an innovative range of niche tourism products.

- To consider conference subventions.

- To develop an integrated tourism plan for Belfast in partnership with key agencies and stakeholders.

NITB - Draft Corporate Plan 2008-2011; NITB Visitor Servicing Strategy

NITB's Corporate Plan 2008-2011 is due to be finalised and released in January 2009. The key themes in the draft strategy are:

- ***Developing the Product, in terms of:***

  - building a successful NI brand
  - developing the Signature projects
  - investment in accommodation, golf resorts, conferencing/exhibition (new Dublin Convention Centre in 2010)
  - product development across 4 key areas: **cities** (public realm and urban spaces; new events and festivals; interpretation and development of the existing built environment; insight into the history and life of communities; development of food and drink offering); **culture and heritage** (develop culture and animation programmes that bring stories to life; ensure opening times in line with visitor needs; product packages and suitable car tourism routes); **business tourism** (ambassador programmes; leadership programmes; conference and meeting guides; product and customer service); **sports tourism and waterways** (develop range and quality of trails; access to equipment; suitable transport and facilities in accommodation)

  Priority will be given to product development linked to the Signature Projects.

- **Priority Markets:**

  - The domestic market will still be the main market for day and overnight.
  - The priority out-of-state potential will be from GB and ROI, as the 'bread and butter' markets offering the greatest potential for volume numbers.
  - Europe and North America, taking advantage of the direct air access routes.

- **Belfast as a Gateway:**

  - Marketing, product development, visitor servicing, information and promotion to encourage regional spread.
  - NITB will support implementation of an integrated Tourism Development Strategy for Belfast as a Gateway
  - Increase discretionary conferences to Belfast

- **RTPs:**

Regional Support will be commissioned through the RTPs, to:

- cluster the industry;
- supply packages and product offers for campaigns;
- provide improved visitor information for the website;
- develop e-capability;
- exploit new technologies;
- host media and trade fams.

The targets set in the draft plan are:

- to increase out-of-state visitors by 25% to 2.5mn in 2011;
- to increase out-of-state revenue by 40% to £520mn in 2011.

However, NITB acknowledges that these are 'ambitious' targets and they may be revised down in light of the economic downturn

The development of Titanic Signature Project is a very important element of NITB's Strategic Framework, with the Titanic Signature Project as a landmark tourism, leisure and cultural facility. After it is fully operational in 2012, it is anticipated that the Titanic Project will attract 400,000 visitors per annum and generate £23.4million direct to the local economy (a gross benefit of £46million).

The strategy is closely aligned to the NITB Corporate Plan insofar as:

- BVCB fulfils a gateway function for NTIB through a Service Level Agreement.

- BVCB and NITB share the same overall objectives, namely to increase tourism revenue and numbers, to the benefit of the Northern Ireland economy.

- As an agent or mechanism for delivering and implementing marketing communications services and visitor servicing, BVCB is a perfect strategic fit for NITB in its stated role of catalyst, co-ordinator and facilitator.

- The BVCB Marketing and Visitor Servicing Plan supports the NITB Visitor Servicing Strategy. Indeed, the NITB Visitor Servicing Strategy acknowledges that "*BVCB's Visitor Servicing strategy is a valuable document that must be supported in its implementation*".

- BVCB has significant experience in tourism marketing and visitor servicing. Its success in developing the tourism market in Belfast is well recognised. BVCB has always worked closely with NITB and Tourism Ireland, in supporting and developing specific campaigns and promoting Northern Ireland.

Tourism Ireland: Draft Corporate Plan 2008-2010

Tourism Ireland ("TIL") is the out-of-state marketing body for Ireland, responsible for strategic all-Ireland destination marketing in markets outside the island of Ireland, generating out-of-state leads and managing the overseas office network.

A key objective of TIL is to support the efforts of the Northern Ireland industry to achieve its potential, by gaining incremental growth for Northern Ireland above and beyond the level achieved for the island of Ireland as a whole.

In Tourism Ireland's Draft Corporate Plan for 2008-2010, the key challenges to be addressed in the future marketing of the island of Ireland are:

- Greater use of the internet for researching and booking holidays;
- Environmental, security and cost issues may place growing pressures on long haul travel;
- Competition continues to increase, as consumers have more choice in holiday destinations; and
- Consumer expectations continue to rise, in terms of the variety and quality of their holiday experiences.

TIL is placing a particular emphasis on targeting mainland Europe, as a high growth and lucrative area, and is calling for tourism providers and agencies to support its focused campaigns. TIL also advises that greater emphasis should be place on digital marketing media as a means of promoting destinations and reaching the consumer. Indeed, Tourism Ireland intends to increase its spend on digital marketing and internet development from 14% in 2007, to approximately 25% of its marketing budget by 2010.

When developing its draft Corporate Plan for 2008-2010, Tourism Ireland targeted to increase tourism revenue over the 3 years to 2010 by an average of 7.5% per annum, and visitor numbers by an average of 5.0% per annum. Both of these targets were set higher than the overall European targets for tourism growth, and are recognised to be ambitious targets at a time when the consumer is looking for an increase in value.

In particular, Tourism Ireland is targeting the following increases in promotable visitors from the main market areas:

- Mainland Europe to achieve a 20% increase in visitors and 28% increase in revenue;
- North America to achieve a 26% increase in visitors and +30% increase in revenue;
- GB to increase visitors and revenue by 9% and 15% respectively; and
- New and developing markets to achieve a 31% increase in visitor numbers and 39% in revenue

To secure the overall increase in visitor numbers, Tourism Ireland projected that Northern Ireland would achieve an average annual growth rate in revenue of 7.5% and visitors of c5%. To secure this increase, Tourism Ireland estimated that Northern Ireland will have to grow faster than the island of Ireland in Great Britain and Mainland Europe, and at a similar rate in North America. The projected increase in overseas visitors and revenue to Northern Ireland between 2007 and 2010 was set at:

Targeted Increase in Visitors and Revenue from Overseas Visitors to Northern Ireland 2007-2010		
	Overseas Visitors % Increase	**Revenue % Increase**
Great Britain	+10.7% - 12.3%	+17.0% - 19.3%
Mainland Europe	+19.1% - 27.2%	+26.8% - 35.4%
North America	+19.3% - 26.0%	+27.0 - 33.3%
New and Developing Markets	+22.8% - 25.2%	+38.5% - 42.6%
TOTAL	**+13.0 - 15.9%**	**+20.4 - 24.2%**

Tourism Ireland Draft Corporate Plan 2008-2010

However, in light of the current economic climate and developments, Tourism Ireland has revised` its targets downwards for 2008 and 2009. Tourism Ireland is now estimating that 2008 could either see slight a drop in overall visitor numbers (-1.7%) or at best growth of only 2.4%.

The following are Tourism Ireland's forecasts for 2008:

Tourism Ireland's Latest Forecast Growth in Visitor Numbers for 2008		
	Low Forecast	***High Forecast***
GB	***-1.0%***	***+1.0%***
Mainland Europe	***+2.0%***	***+7.0%***
North America	***-15.0%***	***-5.0%***
Other Areas	***+2.0%***	***+10.0%***
Visitors to Ireland	***-1.7%***	***+2.4%***

For 2009, Tourism Ireland is projecting that visitor number may increase slightly, but growth will still be modest at 2%-5%.

In its Draft Corporate Plan, Tourism Ireland states that "*The most important consideration for Northern Ireland tourism industry in the short term is how to leverage premium growth from the undoubted potential that exists……It must be recognised, however, that global tourism is ever more competitive. Future success will be driven by a comprehensive understanding of consumer needs and the necessary investment to deliver on those needs.*"

BVCB's Marketing Plan provides Tourism Ireland with Northern Ireland's unique selling proposition in the key markets of City breaks and conference. It provides a strategic fit with the marketing objectives of TIL insofar as:

- It is intended to increase visitor numbers to the Belfast City Region and, as a gateway, to Ireland;
- It is focused on the core target markets identified by TIL, including specific campaigns to target mainland Europe;
- It includes digital marketing;

- It has Visitor Servicing as a core strategy; and
- Its City break and conference products are focused selling propositions in direct access markets.

Belfast Metropolitan Area Plan and Belfast Metropolitan Transport Plan

There is widespread recognition that City regions are the engines of national economies and, within the City region, the City itself is the prime force for economic growth. This is acknowledged with the development of the Belfast Metropolitan Area Plan ("BMAP") and Belfast Metropolitan Transport Plan, designed to co-ordinate infrastructural planning to maximise the economic generative potential of the City region.

The BMAP highlights a series of key development priorities which will directly support economic growth in the Greater Belfast City area. These include:

- To have more people using the City centre as their home as well as their work place;
- To develop the City centre with particular emphasis on the retail offering;
- To develop brown field sites for housing and commercial development; and
- To develop transport routes across the City and to those areas within the City's boundaries.

As an important contributor to the economy, tourism is an integral consideration within each of these priorities. The BMAP recognises that Belfast *"… is both an important tourist gateway for the region and the cultural and arts capital of Northern Ireland"* and its aim is to *"… strengthen the role of Belfast as the regional economic driver and to develop a strong City to rival other European cities"*. One of the key issues however is the need to *"… improve the international image of the City and improve its attractiveness to visitors."*

The purpose of the Greater Belfast Regional Tourism Partnership and BVCB is to develop a co-ordinated and strategic approach to capturing this opportunity, consolidating the City region's primacy as the magnet for tourism in Northern Ireland, encouraging dispersal of benefit throughout the Province and building Belfast's international image and appeal.

DETI Economic Vision; Regional Development Strategy for Northern Ireland 2025

Tourism is central and fundamental to the Economic Vision produced by DETI – "*Tourism as an industry is of growing importance to the Northern Ireland economy and one which promises much for the future"*; *" City tourism is a growing segment of tourism built around short City breaks, business visits and conference trade"; " through the Air Route Development Fund, DETI will work to build on the success achieved to date in stimulating the development of new air routes";* and *"DETI will work alongside NITB to deliver on key signature projects and pursue winning themes across Northern Ireland"*.

DETI's Corporate Plan also includes targets to ensure that the huge potential of tourism is realised in a sustainable way.

The Greater Belfast area will be central to achieving this tourism potential. Indeed, one of the aims of the Regional Development Strategy – *Shaping Our Future* – is "…..securing a strong and vibrant capital City….vital to the economic and social wellbeing of Northern Ireland".

As one of the four agencies within DETI, NITB is responsible for the development, promotion and marketing of Northern Ireland as a tourist destination, and BVCB and the Greater Belfast RTP are integral to the structure for delivering NITB's corporate and strategic plans.

Department for Social Development: Departmental Action Plan for Promoting the Regeneration of Belfast City Centre

The Department for Social Development is responsible for developing government's urban regeneration policies and strategies, and the delivery of relevant programmes in the main cities and larger towns across Northern Ireland.

The adoption by government of the Victoria Square Development Scheme represents an important step on the road to transforming Belfast City Centre as the regional centre in Northern Ireland for retail, leisure and business.

The Belfast City Centre Regeneration Policy Framework sets out the Department's regeneration priorities aimed at expanding the City Centre and the mix of high quality retail developments, recreational and leisure facilities, as well as new City Centre accommodation offering regeneration on a scale never undertaken before in the City Centre.

The overall aims of the Action Plan include:

- promoting the retail heart of the City Centre with the objective of increasing the numbers of shoppers (visitors) and extending the "shopping day" beyond current trading hours;
- improving the attractiveness of the City Centre as a location in which to shop, enjoy leisure and to conduct business;
- taking steps to alleviate, and if possible prevent, disruption to trade in the City Centre resulting from construction works related to the Victoria Square Development Scheme; and
- diversifying and expanding the retail and leisure product/sector base in order to arrest the decline in the retail and leisure offer in the City Centre due to out-of-town development.

In its Corporate Plan, the DSD's Belfast City Centre Regeneration Directorate is committed to working in partnership with BCC, BCVB, BCCM and Investment Belfast to promote Belfast as an attractive, vibrant City.

As such, the Directorate is a strategically important partner for BVCB, with shared objectives relating to the development of the product and attractions in the City.

Department for Social Development: Victoria Square Scheme – Community and Business Opportunity Plan

The DSD Community and Opportunity Plan sets out how the Victoria Square Scheme will contribute to Government's New TSN objectives for Northern Ireland, and to the development of local business and the tourism economy.

BVCB is noted as a key implementation partner in the Scheme, working with DSD and the other partners to realise the economic and social regeneration benefits of the project, and specifically with regard to tourism development.

The tourism development opportunities arising from Victoria Square are expected to enhance Belfast's attractiveness as a leading European regional destination for tourists and visitors. This will be achieved by implementing a specific Belfast tourism promotional campaign, aimed at local national and international market.

BVCB has been tasked with implementing the promotional campaign during 2007/08 and 2008/09.

Northern Ireland Affairs Committee – Government's Response to the Northern Ireland Affairs' Committee's Third Report of Session 2006-07 on 'Tourism in Northern Ireland and its Economic Impact and Benefits

In March 2007, the Northern Ireland Affairs Committee published its Third Report of Session 2006-07 on 'Tourism in Northern Ireland and its Economic Impact and Benefits', with recommendations and conclusions for developing tourism policy and tourism potential in Northern Ireland.

The report concludes that the Northern Ireland tourism industry has tremendous potential for growth and value to the economy. However, it also notes that the tourism market is becoming increasingly competitive and that Northern Ireland needs to 'maximise its marketing weight and develop its tourism infrastructure to its best ability if it is to exploit this potential'.

The Northern Ireland Affairs Committee made a number of conclusions and recommendations, regarding increased funding, support and more focused management and direction for the Northern Ireland tourism industry. In particular, the Committee made a specific note of Belfast's 'special case' as a gateway and holiday destination in its own right, and paid tribute to Belfast's success in the conferencing sector.

The following are some of the key recommendations made by the Committee and their relevance to BVCB:

- Even after the reorganisation of local government, the Regional Tourism Partnerhips should be retained as the vehicles for the delivery of sub-regional strategies. However, the RTPs should be properly funded, with realistic budgets to enable them to identify and pursue regional priorities.

- Tourism Ireland and BVCB should work to increase Northern Ireland's share of the GB market. The Belfast region, through the marketing undertaken by BVCB, has successfully grown its number of visitors from GB, whilst Northern Ireland as a whole has seen little to no growth. Therefore, Belfast and BVCB are key to rebuilding Northern Ireland's share of the GB market.

- To achieve an holistic approach to development, the tourism industry needs a strategic partnership between the public and private sectors and, through funding and support, Government should give the private sector a clear signal that it sees tourism as an important and growing element of the Northern Ireland economy. Investment in the tourism industry should be treated as a longer term investment than most other areas of economic activity. BVCB had over 400 private sector members, with growing private sector funding.

- Northern Ireland is enjoying growing success as a conference venue, and particularly through Belfast's success in hosting high profile conferences. However, the market for international conferences is extremely competitive and the Northern Ireland Affairs Committee urges NITB to 'work closely with BVCB to identify the support necessary to ensure that Belfast continues to be competitive as a location for conferences'.

Appendix III: Priority Markets

Leisure Tourism

Domestic Market: BVCB's marketing plan is not only focused on outward facing marketing activity, but also addresses the need for marketing the Belfast City region to local residents.

The domestic market continues to be a very important and growing market for Belfast. In 2007, the domestic market accounted for 5.4 million visitors to Belfast, of which 196,000 stayed overnight and 5.2million were day-trippers, with the total number of domestic visitors to Belfast increasing by 623,000 over the last three years.

However, there is always potential to continue to develop the day and overnight domestic visitor market, by encouraging more Northern Ireland residents to visit the region, in preference to other UK and European City break destinations. In 2006, 2.7million trips were taken in the UK by Northern Ireland residents, including City breaks to key destinations such as Glasgow (160,000 trips) and Edinburgh (75,000 trips).

BVCB's marketing strategy and action plan includes a year round above and below the line domestic marketing media campaign, targeting day trips and overnight stays from the following key markets:

- Day/evening trips – all ages, shopping, eating out, events, day and evening economy, Sunday;;
- Overnight stays – all ages, shopping, nightlife, events, day and evening economy, Sunday; luxury; and
- Overnight stays – 35+, shopping, arts and entertainment, events.

The main products to be promoted to the domestic market will continue to be: shopping; evening entertainment and nightlife, day and evening economy, Sunday in Belfast, Luxury Belfast, events and visitor attractions.

- <u>Shopping</u>

  Belfast has been ranked as the Number 1 shopping destination in Northern Ireland by Verdict Management Horizons and CACI Consulting. Furthermore, the Gerald Eve Prime Retail Study Has ranked Belfast 19th in the UK, whilst Management Horizons has moved Belfast from a 'Mr Average' classification to a 'Glam' rating.

  With major new developments such as the Victoria Square and Ikea, and both demand and capaCity identified for at least a further two major schemes, retail development provides one of the best opportunities to position Belfast as a major European regional capital and draw for City break visitors from both domestic and out-of-state markets.

  However, Belfast cannot be complacent, as other major GB regional retail capitals such as Glasgow, Manchester and Birmingham, continue to grow and invest heavily in marketing.

  The challenge for BVCB will be to maintain and grow the level of visitors throughout the year, promoting the new developments at Victoria Square and Ikea, and promoting the complementary shopping products available throughout the region.

- <u>Nightlife and Entertainment</u>

  The nightlife and entertainment product has also grown considerably over recent years, and particularly in the City centre where there is an ongoing round of new restaurants, bars and clubs –

to compete with the nightlife offer in Dublin and other major cities, and extend the City centre usage outside the traditional 9-6 hours. By targeting the 18-45 yrs market, BVCB intends to counter the competition from other cities such as Dublin, Glasgow, Liverpool and Amsterdam.

- Events

  The Belfast City Region has a highly reputed and expanding year long events calendar, with at least one major event held each month. These include major events and festivals attracting both domestic and out-of-state visitors to the region, such as the Belfast Festival at Queens, Cathedral Quarter Arts Festival, Titanic Made In Belfast Festival, Belfast Maritime Festival, Belfast Halloween Festival and CS Lewis Festival.

Great Britain: Great Britain is Northern Ireland's largest out-of-state market, accounting for 1,285,000 overnights trips in 2007, second only to the domestic market. It is the largest out-of-state market, and accounts for 61% of out-of-state overnights. In terms of tourism revenue, it is the largest market, accounting for £219million revenue from overnight stays.

The number of GB visitors to N. Ireland fell in 2005 and 2006, and showed no change in 2007. Nevertheless, England and Scotland are still prime markets for Northern Ireland in terms of the volume of business and growth potential, and Tourism Ireland has projected that N. Ireland should seek to rebuild its GB market by 12% over the 3 years 2007-2010.

Belfast on the other hand has successfully grown its GB market. Great Britain is Belfast's largest out-of-state overnight market, accounting for 78% of out-of-state overnight visitors to Belfast. Given its proximity, Great Britain should provide a high potential for return on investment, and Belfast has demonstrated that it certainly has considerably growth potential, as the number of overnight visitors from Great Britain to Belfast increased by 50% over the last three years.

Belfast's profile in the GB market has risen considerably over recent years, both in terms of awareness and perceptions, with Belfast recognised as a 'sophisticated and lively' City. Tourism Ireland has identified that Northern Ireland's best prospects for growth are in the short break market, special interest, business tourism and events-related breaks, and in the Scottish and North of England markets.

Following a slump in 2001, outbound holidays from GB have grown strongly year on year until 2006 when it was relatively static. Ireland is one of the most popular outbound destinations. According to Tourism Ireland, City breaks are the most popular type of short break holiday taken by GB holiday-makers, and the 3rd most popular type of holiday for breaks of 4 nights or more, and 93% of GB visitors to N. Ireland confirm that they would recommend N. Ireland as a holiday destination.

Against this background, N. Ireland needs to invest in targeting GB. Belfast has proven to be very successful in targeting this market; contrary to the trends in N. Ireland as whole, the number of GB visitors to Belfast has grown steadily year on year since the late 1990's. Between 2005 and 2006, the number of overnight trips from GB visitors to Belfast increased by 21%, to reach 812,490 overnights and accounting for 80% of out-of-state overnight stays in Belfast.

Belfast will have a central role to play if N. Ireland is to achieve the growth targets set by Tourism Ireland for the GB market.

BVCB intends to adopt above and below the line campaigns in GB and the main products to be promoted to this market will be City breaks and day trips, promoting shopping, entertainment, nightlife, ay/evening economy, Luxury, Sundays, tours and culture.

Republic of Ireland: In 2007, N. Ireland welcomed 322,000 overnight visitors from the Republic of Ireland, a 16% increase on the previous year. The Republic of Ireland is N. Ireland's third largest tourism market, after the domestic and GB markets, accounting for 15% of total out-of-state overnights.

With more than 5 million ROI residents holidaying outside the Republic of Ireland each year, it is a sizeable potential market on N. Ireland's doorstep. Research conducted by NITB has shown that short breaks from the Republic of Ireland to Northern Ireland offer huge potential for growth.

The Republic of Ireland is the second largest out-of-state tourism market for BVCB as well. The appeal of the Belfast City Region to this market has been boosted by improved access, PR and the shopping product.

ROI will be targeted for City breaks and day trip, promoting shopping, events, visitor attractions, day/evening economy, Sundays, entertainment, culture and Luxury.

The marketing approach will concentrate on price led above the line image led tactical campaigns, shopping day trips and week-end breaks.

Mainland Europe: Mainland Europe is an increasingly important source of visitors for the island of Ireland. In 2007, 2.7m visitors from Mainland Europe came to the island of Ireland, an increase of +15% on the previous year, and representing almost a third of all tourist arrivals. Mainland Europe has been the biggest driver of growth in overseas visitors to the island of Ireland.

In N. Ireland, the performance from the Mainland European market has been equally impressive, with visitors increasing by 27% in 2007, to reach 266,000 visitors and accounting for 13% of all out-of-state overnights.

Whilst there has been strong growth across all markets, the most notable increases in N. Ireland over the last two years have been from Germany, Spain, Italy, France and the Nordics. Germany is still the largest market, followed by Spain and France.

BVCB's focus in Mainland Europe will be on above and below the line, concentrating on the following direct access markets:

Germany: Germany is Ireland and N. Ireland's largest market in Mainland Europe, in terms of number of visitors. Following on from extremely strong growth in 2005 and 2006, a record 464,000 German visitors came to the island of Ireland in 2007 (a 7% increase on the previous year). These visitors accounted for £166million in tourism revenue to the island of Ireland, making Germany the island's largest tourism-generating market from Mainland Europe.

This performance is particularly impressive in light of the fact that the total number of outbound trips made from Germany in 2006 actually dropped by 3%.

Following a tremendous jump in 2005, when German tourists to N. Ireland almost doubled (83% increase), the number of German visitors to N. Ireland dipped slightly (-5%) in 2006 and then jumped again in 2007 (48% increase) – but at 59,000 visitors is still well above 2004 levels and generated £6million in revenue.

Germany has one of the largest outbound travel markets in the world, although with the cancellation of Air Berlin flights access has been reduced and this market may suffer. New access, however, for Munich has been developed.

BVCB will focus on promoting City breaks and raising awareness through fam visits and supporting operator initiatives, in addition to cruise sales calls.

Spain: Spain is now the fourth largest market in Mainland Europe for tourism to the island of Ireland, and was one of the star performers in 2007, accounting for 267,000 visitors (an increase of +50% on the previous year). This has been a steadily growing market for Ireland. .

N. Ireland has been enjoying similar growth from the Spanish market. Indeed, in 2006 and 2007, overnight visitors from Spain increased by 88% and 23% respectively – reaching 37,000 visitors in 2007.

Spain is now N. Ireland's second largest Mainland Europe market, following Germany, but it is the highest earning market, accounting for £10million revenue in 2007.

With over 1.6million people living in Central Barcelona and another 3.1million people in the Metropolitan area, Barcelona is one of the largest cities in Europe. There is a strong upward trend in outbound holiday travel from Spain, with trips almost doubling since 1997, and at accelerating rates over more recent years. 87% of all trips made abroad by Spanish holiday markers are to European destinations, with a growing trend in favour of holidays of less than 1 week. City breaks are the most popular type of holiday, whether short or long stay, and 75% of holidaymakers from Spain to Ireland are aged 16-34 years – a key demographic for Belfast.

Barcelona generates 25% of all holiday trips from Spain and, with the direct access route to Barcelona, N. Ireland and Belfast have shown the effectiveness of targeted marketing in attracting more and more visitors. Tourism Ireland reports that over 80% of Spanish visitors to N. Ireland confirmed that they would recommend it as a holiday destination and, with Ireland still a relatively new destination for Spanish holiday makers, there is huge potential for continued growth from the Spanish market.

BVCB will focus on promoting City and cultural breaks, nightlife and language schools, liaising with colleges and universities to promote language schools, and with carriers to promote price-led breaks.
France: France is the second largest Mainland Europe market for visitors to the island of Ireland. In 2007, the number of visitor from France increased by +10% to reach 407,000 visitors.

France is also N. Ireland's third largest Mainland European market, accounting for 35,000 visitors in 2007. It is a high earning market, generating £9million in tourism revenue – placing it ahead of Germany in terms of revenue generated.

According to Tourism Ireland, holiday trips from France have grown steadily over the last 15 years. In 2007, the French took 29.7million trips abroad, and City breaks were particularly popular with the French short stay market. With direct access, N. Ireland and Belfast is now an attractive short break destination for French holidaymakers, providing the platform for accelerating growth.

Italy: A record 271,000 Italian visitors came to the island of Ireland in 2007, accounting for 10% of all visitors from mainland Europe - the highest number ever recorded, and an increase of 38% over the last two years. Revenue from this market also increased by 38%, to reach £120m.

In 2006, Italy accounted for 22,000 visitors to N. Ireland and £5million revenue. As such, Italy was the fourth largest mainland European market for N. Ireland.

Netherlands: The Netherlands accounted for 169,000 visitors to the island of Ireland in 2007, generating £54m in revenue. However, visitor numbers have shown little change over the last two years.

In N. Ireland, the number of visitors from the Netherlands increased in 2006 and 2007, to reach 22,000 visitors (an increase of 12% and 16%). However, it is still one of the smaller European markets, resulting in lower levels of growth than the other markets.

With direct access, this is still a market which should be targeted, to raise awareness of N. Ireland as a holiday destination. The focus will be on marketing City/short breaks, and targeting the business tourism sector.

North America : North America is potentially a very lucrative tourism market, with North American visitors tending to stay longer and spend more per head than other nationalities. Tourism Ireland estimates that a North American tourist will spend an average of £525, in comparison with an overall national average of £328. Indeed, in 2007, the North American market accounted for 12% (1,098,000) of all out-of-state tourism visits to Ireland, but 20% of tourism revenue (£597mn).

It is also a growing market, with North American visitors to Ireland increasing by 11% between 2005 and 2007.

North America accounted for 58,000 overnight trips to the Belfast in 2007. It is a lucrative and large market, with a strong interest in Ireland. Belfast has direct access flights from Canada and from New York in the US, providing a very strong platform for targeting this market.

BVCB will work closely with Tourism Ireland, to ensure that the region is featured as well as targeting the business sector in the USA.

USA
The USA is the second largest market for tourism to the island of Ireland. In 2007, US visitor numbers reached 993,000, and revenue reached £536million. In N. Ireland, the number of visitors from the USA increased by 3% in 2007, to reach 118,000 visitors.

These growth figures are particularly impressive as they have occurred at a time when US visitors to many other European destinations have been declining.

Europe is still the most popular overseas destination for US travellers, however, the current economic situation could curb outbound long haul travel.

Canada
Europe is the destination of choice for about half of all the overseas trips taken by Canadians. The prime appeals for travel to Europe are culture, history and gastronomy.

However, the number of Canadian visitors to Ireland has been static at 103,000 in 2007 - stable for the last three years. These visitors generated £61million in tourism revenue.

Canadian visitors to N. Ireland totalled 45,000 – and are predominantly visiting family.

On the other hand, Canada is projected to be a high growth tourism market globally.

Cruise Market

In 2007, 31 cruise ships visited Belfast, equating to 64,000 passengers and crew, with particularly strong links with German and US cruise line companies.
Considering that no cruise ships came to Belfast in 1998, this is a market in which Belfast has been very successful in establishing a reputation and profile.

BVCB intends to continue to target this market in partnership with Port of Belfast and Cruise Ireland.

Meetings, Incentives, Conferences and Events ("MICE") Market

Belfast has developed a strong conference/business tourism product. However, the market and product base is becoming more and more competitive.

In 2007, Belfast secured 45 conferences equating to c14,590 delegates and expected to generate £7.2million for the local economy. BVCB will continue to target the National and International Association Market in partnership with conference members.

Appendix IV: Belfast City Region Tourism Operational Plan

Leisure Tourism

Market	Marketing Activity	Market Segments	Date of Activity	Key Objectives Targets	Estimated Costs	Monitoring Evaluation
Domestic Marketing Campaign						
NI	Above the line tactical advertising campaigns price led promotions.	25-40 yrs Independents, couples, small groups, young families	All year focus on: Events and Festival Retail, Entertainment, Evening Economy and Sundays	Increase domestic visitor numbers by 8% Increase domestic visitor spend by 8% Increase footfall by 5% Increase take up for events 8%	£312,000	Number day trips, overnights Value of spend Take up at events Number of enquiries BWC Number of bookings BWC £30,000 Ad income Private £10,000 BCC F&D £2,000 F&D Income
Collateral Production						
All	Belfast Visitor Guide	All	Nov 09	40,000 print members profile visitor servicing create destination awareness	£30,000	40,000 distributed £6,000 income
NI	Belfast City Guide (WhatAbout)	All	6-8 editions per yr	400,000 print visitor servicing members profile	£240,000	400,000 distributed £50,000 - £55,000 ad income £100k BCC income
All	Belfast Restaurant Guide	All	Autumn 09 / Spring 10	10,000 print members profile marketing food sector	£25,000	10,000 distributed £6,000 ad income
All out-of-state	Greater Belfast Voucher Booklet	All Cruise Conference	Autumn/Winter 09	40,000 print members profile visitor servicing	£30,000	40,000 distributed £2,000 ad income
Europe	Foreign Language Guides	S, G, I, F	Ongoing	10,000 print create destination awareness	£15,000	10,000 distributed £1,500 income
All	Stand Design	All	Spring 09 and ongoing		£10,000	
All	Literature Distribution	All	Ongoing		£7,000	
All	Map	All	Winter 09 / Spring 10	200,000+ map reprint	£35,000	300,000+ maps £2,500 Ad income £17,500 Translink
All	Photography	All	Ongoing	New photography for use within marketing activities	£20,000	

Leisure Tourism

Market	Marketing Activity	Market Segments	Date of Activity	Key Objectives Targets	Estimated Costs	Monitoring Evaluation
Luxury Belfast						
NI, ROI, GB, USA, Canada & Europe	Luxury Belfast Initiative: • Luxury Brochure • Luxury flyer • Luxury website • Square Meal Venue & Events Show • ILTM Cannes • Direct Marketing • Display Stand	35+ yrs mid – high disposable income Leisure & incentive	Ongoing	Deliver Luxury Belfast Marketing Initiative. 15 members attend 2 exhibitions print 20,000 brochures develop website present to 10 Tour Ops/Incentive undertake 2 direct marketing campaigns 2 targeted ezines host 1 press fams, host 1 trade fams	£55,000	20,000 distributed £15k ad income 100,000 web hits secure £20k PR coverage Present to 10 Tour Operators 2 direct marketing campaigns to 2,000 2 targeted ezines
Website						
All	Site hosting	All	Ongoing		£15,500	
All	Site Development / interaction	All	Ongoing	Design and develop new website and micro sites	£34,500	7 m hits and 70,000 unique visitors per month
Exhibition & Sales Visits						
All	World Travel Market	All	Nov 09	Destination/Product awareness Recruit 6 partners Secure 20 leads	£10,000	6 partners, £5k income 20 leads
US	Millwakee	All	Aug 09	Destination/product awareness	£2,000	Number of attendees Literature distributed
NI	Holiday World Belfast	All	Jan 10	Promote members and City breaks	£1,500	3 partners, £1,500 income Number of attendees Literature distributed
ROI	Holiday World Dublin	All	Jan 10	Promote members and City breaks	£2,000	1 partner, £500 income number of attendees literature distributed
GB	Best of Britain Travel Trade Forum London	All	March 10	Destination / product awareness recruit 2 partners Secure 15 trade leads	£4,500	£1,500 income 3 partners 15 trade leads

Membership Activity						
	Membership	Members	Ongoing	Produce members material and liaise with c480 members.	£7,500	480 members
Visitor Servicing Projects						
All	Visitor Servicing	All	Ongoing	RTP Visitor Servicing at GBBCA TIC	£5,000	Enquiry numbers

Leisure Tourism

Market	Marketing Activity	Market Segments	Date of Activity	Key Objectives Targets	Estimated Costs	Monitoring Evaluation
Exhibition & Sales Visits continued						
Eastern Europe	ITB Berlin	All	March 10	Destination / product awareness Secure 5 trade leads	£2,000	secure 5 trade leads literature distributed number of attendees
All	NITB Workshops	All	Spring 09	Destination / product awareness 15 trade leads	£850	15 trade leads
NDM	Trade Workshop	Luxury	Oct 09	Destination / product awareness 10 trade leads	Covered in luxury	10 trade leads
USA	USA Luxury workshop	Luxury	Oct 09	Destination / product awareness 10 trade leads	Covered in luxury	10 trade leads
Canada	TI Road Shows	All	March 10	Destination / product awareness 15 trade leads	£6,000	15 trade leads
Spain	SITC	All	May 09	Destination / product awareness 5 trade leads	£2,000	5 trade leads literature distribution number of attendees
Netherlands	Amsterdam Press/Trade	All	Nov 09	Destination / product awareness 5 trade leads	£600	5 trade leads
France	Top Resa	All	Sept 09	Destination / product awareness 10 trade leads	£2,000	10 trade leads
Italy	BIT Milan	All	Feb 10	Destination / product awareness 5 trade leads	£2,000	5 trade leads literature distribution number of attendees
On-Line Campaigns						
GB/Europe/ USA	On-line campaigns	All	Ongoing	Promote City break product with carriers and on-line companies	£20,000	Number of eshots / hits

Leisure Tourism

Market	Marketing Activity	Market Segments	Date of Activity	Key Objectives Targets	Estimated Costs	Monitoring Evaluation
Cruise Marketing						
USA	Seatrade exhibition Miami	Cruise	March 09	Raise profile of Belfast & NI as cruise destination.	£1,500	Number to stand 41 cruise ships secured
All	Membership	Cruise	Ongoing	Membership of Cruise Ireland	£1,500	41 cruise ships secured
All	Collateral	Cruise	Ongoing	Marketing materials to market Belfast & NI as a cruise destination	£3,500	
All	Fam trips	Cruise	Ongoing	Secure 1 cruise fam trip	£2,000	1 fam trip secured
All	Cruise Servicing	Cruise	March 08 – Oct 08	Service cruise ships to ensure good visitor experience and product offering	£40,000	41 cruise ships secured
Travel Trade Fam Visits						
All	Fam visits	All	Ongoing	Raise profile of destination / product	£10,500	8 fam trips to the City 50 travel trade reps
Advertising						
All	Advertising	All	Ongoing	Raise profile of destination	£18,000	5 advertisements placed inclusion in TI Canada and USA partnership advertising
Research						
All	Research	All	Ongoing	Research to provide benchmarks and stats for RTP region & Business Tourism	£15,000	Research completed
Out of State Campaigns						
GB	Out of state campaigns, Carrier campaigns	All	Ongoing	Raise profile of destination / product	£500,000	43,000 additional PHV Number of responses % awareness £250,000 Income
ROI	Advertising Campaigns, Shopping Centre promotions and PR activity.	All	Spring, Summer, Autumn, Winter	Raise profile of destination / product and stimulate demand.	£170,000	5% increase in ROI visitors Number of responses % awareness £30,000 Income £140,000 NITB support

Business Tourism

Market	Marketing Activity	Market Segments	Date of Activity	Key Objectives Targets	Estimated Costs	Monitoring Evaluation
Exhibitions & Sales						
ROI, UK, Europe & USA	Sales Calls & Sales activity	MICE	Ongoing	To generate new business and conferences to Belfast 1 x International – 5 buyers 1 x Dublin – 5 buyers 2 x UK – 5 buyers	£12,500	4 sales missions 15 buyers Number of business secured
UK	Confex	MICE	Feb 10	To generate 40 leads resulting in 7 proposals and 2 site visits	£22,000	40 leads, 7 proposals, £10,000 income
UK	Event UK	Assoc & Corp	September 09	To generate 20 leads resulting in 3 proposals and 1 site visits	£20,000	20 leads, 3 proposals, 1 site visits, £5,000 income
Europe	EIBTM	MICE	December 09	To generate 20 leads resulting in 3 proposals	£5,000	20 leads, 3 proposals, £3,000 income
Europe	IMEX	MICE	May 09	To generate 10 leads resulting in 1 proposals	£6,000	10 leads, 1 proposal, £2,000 income
Europe	Netherlands	MICE	Oct 09	To generate 10 leads resulting in 1 proposal	£5,000	10 leads, 1 proposal
Advertisements						
UK, EU, USA	Advertising	MICE	Ongoing	To raise profile of Belfast and to support Ireland features in conjunction with TI.	£17,000	Number of ads taken Number of enquires £5,000 Ad income
Ambassador Programme						
All	Belfast & NI Ambassador Programme	MICE, Association & Corporate	Ongoing	To maintain and develop profile of Belfast as conference. Meeting, incentive destination with NI Ambassadors. To recruit 20 new ambassadors and communicate effectively via presentations, ezine, etc	£15,000	Develop qualified targeted list of 100 Enlist 20 new ambassadors Produce and distribute 2 e-newsletters Deliver 3 presentations to 60 key influencers. Deliver 1 major loyalty event
IT Initiatives						
All	Website and Database development	MICE	Ongoing	Ongoing development of micro-site and business tourism databases	£3,000	Hits on website Customers /buyers on database

Business Tourism

Market	Marketing Activity	Market Segments	Date of Activity	Key Objectives Targets	Estimated Costs	Monitoring Evaluation
Membership						
All	Membership of BACD, ICCA, European Cities, etc	MICE	Ongoing	To increase visibility of Belfast as a destination through associations. To gain access to mailing lists.	£10,000	Develop qualified list of 100 PR generated, staff training opportunities
Bid and Promotional Material						
All	Bid materials Promotional materials Stand	MICE	Ongoing	Submit 80 conference bids, winning 45 conferences Produce 2 e-newsletters	£13,000	Submit 80 conference bids winning 45 conferences Belfast Times 2 a year.
All	Conference Guide	MICE	Autumn/Winter 09	Produce and distribute Belfast & NI Conference Guide	£55,000	Guide produced 10,000 copies
Site Inspections						
All	Site Inspections	MICE	Ongoing	20 site inspections	£7,000	20 inspections
Secondary Marketing						
All	Secondary marketing	Conferences	Ongoing	To boost delegate attendance at confirmed conferences.	£4,000	Support 4 conferences
Booking Commission Fees						
All	Booking Fees	Conferences	Ongoing	Generate Revenue through accommodation booking service	£4,000	£23k income
Fam Visits						
All	Fam visits	All	Ongoing	To promote Belfast to potential buyers	£5,000	Organise 1 fam with 10 buyers
Direct Mail						
All	Direct mail	MICE	Ongoing	To promote Belfast via mailing of the Belfast & NI Conference Guide	£9,000	5,000 distributed

Communications

Market	Marketing Activity	Market Segments	Date of Activity	Key Objectives Targets	Estimated Costs	Monitoring Evaluation
Corporate Communications						
NI	Production of a range of specific corporate communications designed to build awareness of BVCB, its activities and services	Local and central government, key tourism bodies and decision makers, BVCB members	Ongoing	To keep stakeholders fully informed of BVCB aims, objectives and activities. Issuing 12 corporate and product press releases	£15,000	12 releases contributing to £2.5m ad equivalent £80m WOTS secure PR coverage in 200 articles, receiving 99% positive rating (including CCS)
NI	Production of monthly electronic corporate e-zines with product and member updates	Members, press and affiliated organisations	Monthly	To promote BVCB and member activity and raise tourism product awareness Monthly product ezines 12 per year	Covered as per above	distribute 12 product ezines to 800 contacts updates and achieve 85% readership
Belfast Region	Organisation of media briefings and sponsor update occasions	Media and sponsors	Ongoing	Facilitate 2 media events and 2 sponsor events per annum	Covered as per above	4 events
Press Familiarisation Activity Inbound						
All	Press fam visits	ROI, GB, Europe, N America, Rest of World	Ongoing	Raise the profile of Belfast and its role as a gateway City to NI. Organise and facilitate out-of-state press visits	£22,000	100 trips, 300 press releases contributing to £2.5m ad equivalent £80m WOTS
PR activity Belfast and NI						
NI	To produce specific communications and press activity designed to build profile and awareness of Belfast.	All ages, shopping, arts and entertainment, events, Sundays and evening economy	Ongoing	To position Belfast as a short break, shopping and entertainment destination for day and overnight trips	£43,000	3%-5% increase in domestic overnight and day trips
NI	Production and distribution of consumer ezine	25-45 yrs individual & groups	Monthly	Price led promotions, shopping, entertainment, nightlife, cultural events, visitor attractions in the City and beyond	Covered as per above	Distribute 12 product ezines to 1,200 organisations and achieve 85% readership (estimate 70k+ people)

Communications

Market	Marketing Activity	Market Segments	Date of Activity	Key Objectives Targets	Estimated Costs	Monitoring Evaluation
PR activity outside NI						
ROI, GB & selected out-of-state	To produce creative and integrated communications which maximise awareness of Belfast, its activities and products.	All	Ongoing	To increase profile, reputation and image in main GB and ROI markets	£31,000 (+ additional budget in ROI marketing)	Contributing to £2.5m ad equivalent £80m WOTS 4%-8% increase in visitor numbers
ROI, GB and selected out-of-state	Media and press briefings	Selected media	Ongoing	Facilitate 4 out-of-state media briefings Issue 12 corporate and product press release out-of-state	Covered as per above	4 out-of-state media briefings 12 releases
Improving Competitiveness						
All	Membership, key stakeholder communications Securing and meeting sponsor requirements	All key stakeholders	Ongoing	Effective communications with members and key stakeholders	£22,000	Apply for 3 new awards Organise 8 corporate events including AGM Secure £95k sponsorship