THE CONTRIBUTION OF THE DRINKS INDUSTRY TO TOURISM, FESTIVALS AND SPORT

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CONTENTS

EXECUTIVE SUMMARY

The Drinks Industry makes a substantial contribution to domestic and international tourism in Ireland through:

- the extensive and geographically spread network of 7,616 public houses and 931 hotel and other bars in 2010
- an additional 2,017 restaurants with wine licences and 416 with full licences
- financial and other support for festivals and cultural tourism
- support for sports events
- direct provision of major tourism attractions such as the Guinness Storehouse and the Old Jameson Distillery
- the generation of a positive international awareness of Ireland through global brands such as Guinness, Baileys and Jameson

The economic role of tourism is substantial. Along with the rest of the economy, it is currently weak with substantial decline experienced since 2007. However, Government development strategy envisages that both domestic and international tourism will play a major role in the recovery of employment and economic activity over the next few years.

The recovery and ongoing development of tourism will require contributions from a wide range of inputs, supporters and stakeholders. It is essential that everything positive that can be done to support tourism is done. The ongoing role of the Drinks Industry in supporting tourism will be important.

The tax take from tourism in 2009 was €1.3 billion. The foreign tourism contribution was €0.9 billion of this. Drinks related activities are substantial parts of the tourism/leisure experience. Overseas visitors spent 35 % of their total expenditure on food and drinks in 2010.

The public house and other licensed premises are a major element of the Irish tourism product. There is a geographically spread network of 7,616 public houses and 931 hotel and other full on-licensed bar premises as well as an additional 2,017 wine on licensed restaurants and 416 fully licensed restaurants. The lowest number of public houses in a county is 94 pubs in Longford.

Over half of these public houses provide food, of which 88% provide hot meals. 17% of pubs provide entertainment specifically for tourists.

This regional spread of public houses and other licensed premises facilitates the geographic spread of tourism and supports regional development.

The pub is the most widely used facility for meals by overseas tourists. It is an extensively available source of hospitality, personal services, food and information which is provided without any government support. The pub is mentioned by 7% of all visitors and by 10% of German visitors (Germany is the largest mainland European market for Irish overseas tourism) as a positive distinguishing feature of Ireland.

Festival tourism is a substantial activity. Failte Ireland lists almost 800 festivals and events in its database. The drinks and hospitality industry is the main sponsor of festivals. Illustrations of major festival supported by the Drinks Industry are listed below:

- Absolut Art at the Galway Festival Galway
- Absolut Fringe Dublin
- Beamish Cork Folk Festival Cork
- Bulmers Comedy Festival Clonmel
- Bulmers Junction Festival Clonmel
- Carlsberg Spraoi Festival Waterford
- Cooley (part sponsor) Tain Festival Louth
- Coors Bandon Music Festival Cork
- Corona Cork Film Festival Cork
- Guinness Dunmore East Bluegrass Festival
- Guinness Fleadh Cheoil na hEireann Cavan
- Guinness Jazz Festival Cork
- Guinness Sligo Live Festival Sligo

- Heineken Electric Picnic Stradbally Hall Laois
- Heineken as partner in Oxygen Music Festival Kildare
- Jameson Dublin International Film Festival Dublin
- MGD Halloween Event Dublin
- Taste of Dublin, sponsored by many of the wine and beer companies

The Drinks Industry is a substantial sponsor of sports events. Major sports sponsorship includes Guinness as one of the three main official sponsor of the GAA All Ireland Senior Hurling Championship, the Heineken European Rugby Cup, Guinness sponsorship of rugby, the Magners League (up to 2011), Heineken Kinsale Rugby Sevens, Carling Nations Cup, and the horseracing sponsorship of Powers Whiskey Irish Grand National (up to 2010), the Guinness Punchestown Gold Cup, Hennessey Gold Cup and Guinness sponsorship of the Galway and Listowel Races. Apart from the industries directly involved in horse racing, such as bloodstock and betting, the Drinks Industry is the largest sponsor of horse racing.

Guinness Storehouse was the second largest fee-charging tourism attraction in the country after Dublin Zoo in 2010. In the years prior to 2010 it was ranked number one. In 2010, it attracted almost one million visitors, of whom 92% were from overseas. In 2010, the latest year for which comprehensive data are available, it was ranked number two, with 930,000 visitors, after Dublin Zoo and ahead of the National Aquatic Centre (721,900 visitors) in third place and the Cliffs of Moher Experience (720,600 visitors) in fourth place. The Old Jameson Distillery was the 12th ranked attraction with 208,800 visitors in 2010. Locke’s Distillery and The Jameson Experience, Midleton, are also open to visitors and contribute to the regional tourist experience.

Guinness Storehouse is the largest international visitor attraction in Ireland and generates 180 million global media impressions annually.

Global brands such as Guinness (consumed in 150 countries), Baileys (consumed in 130 countries), and Jameson (consumed in 120 countries) contribute greatly to the awareness of Ireland as a location associated with hospitality and relaxation and supplement the publicly and privately funded marketing effort.

Summary of Drinks Industry contribution:

- Geographically spread network of 9,082 public houses and bars providing facilities to tourists
- Public houses are the main source of meals for tourists
- 7% of overseas tourists and 10% of Germans identify the pub as a tourism advantage, which ranks the same as “unspoilt environment”
- 17% of public houses provide entertainment specifically for tourists
- The Drinks Industry is a major sponsor of festivals
- There are almost 800 festivals each year
- 40% of adults have attended a festival in 2009 which results in a festival attendance of 1.3 million people
- About one fifth of festival attendees are from overseas
- 72% of festival attendees spend at least one night away from home at the festival
- The Drinks Industry is a large sponsor of horse racing providing 18% (the largest of any commercial sector) of commercial prize money in 2010 and a significant sponsor of GAA, soccer and rugby
- Guinness Storehouse had 930,000 visitors in 2010, 92% of whom were from overseas
- Guinness Storehouse is the second most popular fee charging visitor attraction and the most popular for overseas visitors
- Guinness Storehouse generates 180 million global media impressions annually
- Old Jameson Distillery is the 12th highest fee charging tourist attraction with 208,800 visitors, of whom 92% were from overseas

INTRODUCTION AND ROLE OF DRINKS INDUSTRY

The purpose of this paper is to identify the contribution made by the Drinks Industry to Irish tourism and particularly the contribution to festival and sports tourism. It updates previous reports on the same topic in 2005 and 2009 published by the Drinks Industry Group of Ireland (DIGI). It is considered appropriate to identify the significant role played by the Drinks Industry in tourism generally and specifically the role played by the sector in festival and sports tourism in the current economic situation as it is hoped that tourism will be a major contributor to economic recovery. The current Programme for Government, *Government for National Recovery 2011-2016,* identifies tourism as a priority, highlighting "event tourism" and "niche tourism". The programme notes the need to attract "international visitors focusing on food, sports, culture, ecotourism, activity breaks, water-based recreation and festivals".

Many different factors determine the performance of the economically important tourism industry. These include cost competitiveness, other competitiveness factors such as management, quality of service, product, international economic conditions, promotion and marketing, access and competing locations.

The Drinks Industry, along with other sectors, contributes to the national and international tourism performance in several ways. The extensive network of over 8,500 public houses and hotel and other bars, particularly in rural areas, provides physical facilities and services for tourists and contributes to the tourism experience in a positive and significant way. This is particularly so in light of the poor quality of public facilities in many areas and the often bad Irish weather conditions. In addition to the public houses and hotel and other bars there are 416 other full on-licensed restaurants and 2,017 restaurants with wine licences.

Drinks-related tourism facilities such as the Guinness Storehouse and the Old Jameson Distillery attract large numbers of tourists and are significant features of the Irish tourism product.

The Drinks Industry supports a wide range of tourism generating festivals and arts activities. Drinks Industry sponsorship also supports a range of national and international sports events, which generate both domestic and overseas tourism.

Leading Irish drinks brands such as Guinness, Jameson, Baileys and Magners contribute to a positive awareness of Ireland in foreign markets and support the tourism marketing effort and direct marketing spend.

While there are many other determinants of the tourism performance, the Drinks Industry makes a valuable contribution which is identified below.

This report identifies the contribution that the Drinks Industry makes to tourism generally and to festival and sports related tourism. This is not to say that the relevant events would cease to operate in the absence of the Drinks Industry support. Other sponsorship and support might replace some of the Drinks Industry support. Many events would continue even if there was no sponsorship especially sports events. However, it is reasonable to expect that the scale and economic impact of many festivals and other events would be lessened in the absence of Drinks Industry support and that necessary financial support could be diverted from other desirable programmes.

Consequently this report identifies the range of supports for, and contributions to, tourism flowing from the Drinks Industry. Ideally, the report would identify the quantitative link between the various Drinks Industry contributions and supports and levels of domestic and international tourism activity. However, there is insufficient data to quantify the tourism volume directly related to the Drinks Industry. Even in the absence of this direct quantitative link, it is clear from the empirical data presented in this report that the Drinks Industry is associated with a substantial contribution to tourism activity.

In summary, the Drinks Industry contributes to tourism through:

- the extensive and geographically spread network of public houses and other full on licensed premises providing services and facilities
- support for festivals tourism
- support for sports events
- direct provision of major tourism attractions, such as the Guinness Storehouse, Old Jameson Distillery and other visitor centres
- Generating international awareness of Ireland through major global brands which have a particular association with Ireland, such as Baileys, Guinness, Jameson and Magners which complement the international tourism marketing spend.

THE ECONOMIC ROLE OF TOURISM

This section identifies the economic importance of tourism to the Irish economy, the recent weak performance of the sector and the need to achieve greatly improved performance.

The tourism industry is very important to the Irish economy. Due to the international and domestic economic recession of the past few years, the scale of tourism has declined. International tourism will have to grow in importance in the coming years as future economic development will have a larger reliance on export performance than in the past few years. Domestic tourism will also be important as a source of domestic demand and employment and as a means of reducing foreign holidays by Irish people.

Tourism is one of the most important international indigenous sectors. In 2009, Irish owned manufacturing generated €8.2 billion in export revenues, of which €5.4 billion was from the food and drink sector and €2.8 billion from all other manufacturing sectors. Enterprise Ireland assisted Irish owned international services companies (excluding tourism) generated €3.3 billion in export revenues. This is compared to €3.9 billion (including receipts of Irish carriers) in tourism receipts from foreign visitors.

Unfortunately, since 2007 foreign tourism activity in Ireland declined due to the international recession. Foreign exchange earnings from tourism were €4.9 billion in 2007 compared to €3.9 billion in 2009.

In 2011 the domestic tourism sector faces a difficult situation following significant decline in recent years. The combination of high domestic costs, high unemployment and lower disposable income creates a very weak business environment for domestic tourism.

While tourism faces substantial economic difficulties it is expected to play a substantial part in the regeneration of the economy over the next few years. It is essential that everything positive than can be done to support tourism, should be done. The ongoing role of the Drinks Industry in supporting tourism is therefore important. The 2011 Programme for Government identifies tourism as one of the sectors with growth potential and the recent Jobs Initiative reduced the lower rate of VAT to encourage the hospitality sector.

The main economic benefits of tourism are noted below:

- In 2009 (the latest figures available) foreign tourism expenditure (including international fares) was €3.9 billion. Domestic tourism generated €1.4 billion, giving a tourism total of €5.3 billion

- The total tax take from tourism in 2009 was €1.3 billion. The foreign tourism contribution was €0.9 billion of the total tax take.

- In 2009, the foreign exchange receipts of tourism were 2.6 % of total exports of goods and services. In addition tourism activity has lower import content than most other exports.

- Failte Ireland estimates that tourism represented 3.8% of GNP in 2009.

- Failte Ireland estimates that the broader tourism sector provided 190,000 jobs in 2009 which is a substantial decline since 2007.

- Tourism has a strong regional development and distribution impact compared to many other sectors of economic activity although this regional impact has declined in the past few years as tourism has become more concentrated in the large urban centres.

The number of overseas visitors to Ireland in 2010 was 6.037 million. This was a very large decline from the 2007 peak level of 8.0 million. An energetic and substantial effort is required from all stakeholders to recover to the 2007 level. However, the first quarter of 2011 has brought the first signs of a tourism recovery. Foreign trips to Ireland increased by 8.6% in the first three months of 2011, compared with the same period in 2010. There are reasonable expectations that this recovery will continue in the second quarter of 2011.

The geographic spread of overseas visitors is:

- Great Britain: 2.7 million
- Other Europe: 2.0 million, of which the two largest national markets are Germany and France

- North America: 0.9 million
- Rest of the world: 0.318 million

The 2010 performance was negative in all market segments apart from the rest of the world. The British market declined by 17.1%, North America declined by 5.3% and mainland Europe declined by 14.8%

Up to date CSO information on the domestic market for tourism is not available due to revisions in the CSO data collection system. However, the domestic tourism sector is a very important component of the total tourism activity. In 2009, there were 8.3 million domestic trips of which 4.0 million were holiday trips. The 2010 Failte Ireland Hotel Review identifies that 65% of hotel guest nights were derived from the domestic market in 2010, 5% from Northern Ireland and 30% from the overseas market. Festivals tourism is an important component of the domestic tourism market.

Despite the current difficulties of the tourism sector, its economic role will have to increase in the future if Ireland is to deal with its economic and employment problems.

EXPENDITURE BY TOURISTS

This section identifies the significant role of food and drink in tourism expenditure.

The Drinks Industry contributes to the tourism performance but it also benefits from the expenditure of tourists. Drink spending is an important element of total tourism expenditure. Overseas tourists spend over a third of their expenditure on food and drink. A breakdown between food and drink is not available. Expenditure on food and drink ranges from 39% for British and North American tourists to 33% for mainland European tourists. Expenditure on food and drinks is the largest component of expenditure within Ireland for all four geographic categories of tourists.

The overseas tourism spending pattern is shown in Table 1.

Table 1: Overseas tourist spending pattern 2010*

% of total spending	Total	Britain	Mainland Europe	North America	Rest of World
Bed and board	25	20	28	20	25
Other food and drink	35	39	33	39	34
Sightseeing/entertainment	7	6	7	6	7
Internal transport	11	10	11	10	10
Shopping	16	15	17	15	19
Misc	6	11	4	5	5

**Source: Failte Ireland*

THE ROLE OF PUBLIC HOUSES, HOTELS AND OTHER ON- LICENSED PREMISES

This section identifies the role played by public houses, hotel and other bars in supporting tourism in terms of range of services, facilities and wide geographic spread.

Public houses, hotel bars and other on-licensed premises provide an extensive network of facilities and services needed by tourists. This is particularly so in isolated rural areas where there is a substantial presence of public house. These facilities and services include the provision of washroom facilities, shelter from adverse weather, food, entertainment, traditional music, a pleasant ambience and information.

Based on DIGI research conducted in 2008, 52% of licensed premises provide food. Of those which provide food 95% provide soup and 88% provide hot meals. 43% of licensed premises offer some form of regular or occasional live entertainment. 22% of licensed premises and 17% of public houses provide entertainment specifically for tourists such as Irish music or ballad sessions. 31% of licensed premises generate 15% or more of their customers from domestic and foreign tourists.

According to the 2008 Failte Ireland Visitor Attitudes survey (This information is not published in the more recent survey) 60% of overseas visitors used pubs for meals in 2008. This was, by far, the most popular facility used by overseas tourists for meals. Next in line were budget restaurants at 36%, hotels at 33% and high quality restaurants 28%. 71% of American visitors and 62% of European visitors used pubs for meals compared with 49% of British visitors.

In 2010, according to Failte Ireland data, 80% of overseas visitors who availed of pub/ bar food were satisfied. This rating compared to 80% for hotel food, 90% in high quality restaurants and 72% in budget restaurants. Satisfaction with food customer service was 86% in pubs compared with 76% in budget restaurants, 91% in high quality restaurants and 83% in hotels. Satisfaction with food prices was 61% in pubs/bars, 56% in budget restaurants, 60% in high quality restaurants and 62% hotels. Satisfaction with the price of alcoholic drink was only 43%.

Public houses are numerous and widely dispersed. Even in counties with small populations and low population densities, there are substantial numbers of public houses each with a range of facilities and services. Each pub provides washroom and shelter facilities. Over half of pubs serve food and almost all of these food pubs serve hot food. In 2010, according to Revenue Commissioner licence data, there were 7,616 public houses, 931 hotel and other public bars, 416 restaurants with full licences and 2,017 restaurants with wine licences.

There is a much higher incidence of public houses than any other type of tourism related facility. Because of the uncertain Irish weather the shelter role of the pub is important. In addition, the local pub is a source of local information and advice.

The pub is a significant component of the tourism infrastructure and service and is widely available throughout the country. The “other full licences” data refer to hotels and other bars such as racetracks and railway restaurant cars. The data show that there is a substantial number of public houses and other bars in every county. For example there are 457 pubs in Kerry, 382 in Donegal, 118 in Leitrim and 387 in Mayo. The lowest number in a county is 94 in Longford and 103 in Carlow (Table 2). It should be noted that the tourism enhancing role of the public house network is provided without any government financial support.

Table 2: Geographic spread of public houses and other on licensed premises 2010

County	Pubs	Hotel and Other full bar on licences
CARLOW	103	9
CAVAN	213	10
CLARE	318	28
CORK	1031	84
DONEGAL	382	64
DUBLIN	748	236
GALWAY	521	87
KERRY	457	56
KILDARE	188	28
KILKENNY	212	15
LAOIS	132	12
LEITRIM	118	12
LIMERICK	398	29

LONGFORD	94	4
LOUTH	190	18
MAYO	387	52
MEATH	218	18
MONAGHAN	108	9
OFFALY	134	7
ROSCOMMON	225	8
SLIGO	161	19
TIPPERARY	443	28
WATERFORD	233	21
WESTMEATH	179	19
WEXFORD	265	33
WICKLOW	158	25

**Source: Revenue Commissioners*

The hotel and other on-licensed premises are also relatively plentiful and geographically spread. There are 931 non-pub full on-licensed premises including hotels but excluding restaurants according to the 2010 data. There are an additional 416 restaurant full licences and 2,017 restaurants with wine licences. Of the hotel and other full licences (excluding restaurants) the lowest number is in Longford which has four, followed by seven in Offaly.

The wide geographic spread of pubs and other on-licensed facilities helps to support a wide geographic spread of tourism which is economically important for the less developed areas of the economy.

Dublin had the highest level of tourism activity in 2009 with 5.5 million tourists but there is a wide regional spread. The lowest tourism level is North-West with 1.4 million tourists. Outside of Dublin the highest level is the South-West with 3.3 million tourists.

The tourism industry is also a substantial source of regional revenues with the North-West generating €318.6 million and the East and Midlands generating €407.0 million in 2009. The South-West generated €1,002.0 million

The regional spread of both domestic and international tourists and expenditure is shown below in Table 3 for 2009 (the latest data available).

Table 3: Tourism (overseas and domestic) activity by region 2009*

Region	Number of Tourists (thousands)	Revenue (€M)
Dublin	5476	1512.3
East and Midlands	1812	407.0
South-East	1797	411.5
South-West	3336	1002.0
Shannon	1730	390.6
West	2589	672.6
North-West	1411	318.6

**Source: Failte Ireland*

The top 10 advantages that positively distinguished Ireland from other locations in the perceptions of overseas tourists in 2010 are shown below with the per cent of tourist mentions also shown.

- People: 41%
- Scenery: 24%
- Culture/history: 18%
- English speaking: 11%
- Drinks/ pubs: 7%
- Unspoilt environment: 7%
- Access: 6%
- Interesting towns/villages: 5%

- Small country and easy to see everything: 3%
- Nature/ecology: 3%

The pub, as an advantage is mentioned by 7% of tourists. This increases to 8% for visitors from mainland Europe and 10% for German visitors. Germany is the largest national mainland European market for overseas tourism in Ireland.

The most popular factors are deeply imbedded or natural features of the tourism product. In a sense they are not specifically policy or enterprise determined features. While 7% (or 10% in the case of German visitors) who mention pubs is a relatively small share compared to "culture/history" and "scenery" it is relatively high when compared to other discretionary tourism advantages. "Unspoilt environment" also got a 7% response. "Access" got a 6% response as did "restful and relaxing". **Public houses were the fifth ranked positive feature of the Irish tourism experience. Public houses did not feature in the disadvantages.** In addition, as noted above the Irish people are the main advantage of Irish tourism. The public house is an excellent meeting point and opportunity for engagement with Irish people for tourists. Overall, the public house is a distinguishing feature of holidaying in Ireland.

The 7% rating for pubs/drinks in 2010 compares with 4% in 2006, 9% in 2007, 5% in 2008 and 7% in 2009.

FESTIVALS TOURISM AND THE DRINKS INDUSTRY

This section identifies the role of commercial and specifically Drinks Industry sponsorship in supporting festivals and illustrates the wide range of festivals and events which receive Drinks Industry support.

The exact number of festivals operating in Ireland is uncertain but the available data indicate that it is a very large number. The Failte Ireland festivals database contains almost 800 different festivals and festival type events. Failte Ireland financially supported 228 festivals in 2010.

The total contribution of the Drinks Industry and other commercial sponsorship is greater than the direct financial support. It includes additional non monetary assistance including staff, advertising and promotion, facilities and expertise.

As shown below the Drinks Industry is a major supporter of many of these events particularly the larger international events. There is limited recent comprehensive research on the individual industrial sectoral contributions to the festival activity. However, earlier research already reported in the 2009 DIGI report on the Drinks Industry contribution to tourism indicates a very strong role for the Drinks Industry.

A 2003 report from the Association of Irish Festival Events concluded that commercial sponsorship accounted for 39% of funding. Of particular interest to the Drinks Industry is the fact that the top two sources of commercial funding were:

- publicans, restaurants, hotels and other hospitality: 27% of all festival sponsorship
- breweries and distillers: 21% of all festival sponsorship

By contrast banks and building societies provided only 6% of commercial sponsorship.

In addition to the substantial role played by the main drinks manufacturers, local publicans also provide sponsorship for a range of local events.

Failte Ireland research estimated that in 2005, 22% of festival visitors were from overseas. Sponsorship by the commercial sector is a very important source of funding. Based on 2005 Failte Ireland research 36% of funding is from commercial sponsorship, 31% from box office receipts, 22% from grants and 11% from other sources.

An updated (2009) analysis is available from Failte Ireland. This research indicates that:

- 40% of adults claimed to attend festivals in Ireland
- Music festivals are the most popular with 65% of attendees saying they attend some form of music festival
- 83% say they attend festivals other than music, 34% attend art festivals which is the highest response after music, followed by theatre festivals at 8%, family or childrens festivals at 8%, film festivals at 5% and comedy at 4%.
- 28% of attendees do not spend any nights away at the festivals, 21% spend one night away, 26% spend two nights away and 23% spend three or more nights away. The average number of nights away is between one and two.
- Spending nights away is more likely for music festival attendees
- An attendance rate of 40% of adults represents approximately 1.3million people in 2009

Additional research from Failte Ireland's Survey of Overseas Travellers indicates that in 2009 376,000 overseas visitors attended festivals. This is 5.7% of all overseas visitors (based on Failte Ireland estimate of total visitors). On the assumption of the same share in 2010 the 2010 overseas attendance was about 344,000 persons. Of course, attendance at festivals does not imply that the festival was the determinant of their choice of Ireland. However, festivals do enhance the tourism product and tourist experience. The great majority of festival attendees are domestic, which contributes greatly to the domestic tourism market.

The main challenge identified by festival organisers in the Failte Ireland report was lack of funds, and in particular, the task of maintaining sponsorship.

In 2008, Deloitte examined the role of business in funding arts and culture. This included heritage, visual arts, performing arts and other activities including festivals. The analysis did not directly identify the role of the Drinks Industry in financial support but it classified business into five categories: consumer, retail and hospitality (which included the Drinks Industry); technology, media and communications; financial service; energy, utilities, construction and property; and other.

According to this research, festivals/events attracted 55% of the total business support. 76% of the arts/culture organisations had received business support. The most frequent support came from the consumer, retail and hospitality sector which supported 58% of organisations followed by technology, media and communications which supported 41% of organisations, and financial services which assisted 38%. The total exceeds 100% because there were multiple responses.

Amarach carried out an earlier (2006) survey on the same theme. It found that the number of arts projects reporting support from various business sectors were alcoholic drinks 21%, non alcoholic drinks 5% and hotels and restaurants 21%. This compared with 27% for banks and financial services and 25% for media and publishing.

The available evidence indicates that the Drinks Industry is the main business sponsor of festivals**.**

An illustrative sample of Drinks Industry sponsored festivals is shown below:

Illustrations of Festivals Sponsored by the Drinks Industry

- Absolut Art at the Galway Festival Galway
- Absolut Fringe Dublin
- Beamish Cork Folk Festival Cork
- Bulmers Comedy Festival Clonmel
- Bulmers Junction Festival Clonmel
- Carlsberg Spraoi Festival Waterford
- Cooley (part sponsor) Tain Festival Louth
- Coors Bandon Music Festival Cork
- Corona Cork Film Festival Cork
- Guinness Dunmore East Bluegrass Festival
- Guinness Fleadh Cheoil na hEireann Cavan
- Guinness Jazz Festival Cork

- Guinness Sligo Live Festival Sligo
- Heineken Electric Picnic Stradbally Hall Laois
- Heineken as partner in Oxygen Music Festival, Kildare
- Jameson Dublin International Film Festival Dublin
- MGD Halloween Event Dublin
- Taste of Dublin, sponsored by many of the wine and beer companies

As well as being the principal sponsor for many events, the Drinks Industry also contributes to events as minor sponsors.

In addition to festival sponsorship the Drinks Industry supports tourism through sponsorship of quality enhancing programmes such as the *Santa Rita Restaurants Award*. Heineken supports the arts through the *Heineken Violin Project* and Wyndham Estate wines supports *the Music in Great Houses* events.

SPORTS EVENTS TOURISM AND THE DRINKS INDUSTRY

This section identifies the role of the Drinks Industry in supporting a wide range of sporting events including national and international events and local and regional events.

As is the case internationally, the Drinks Industry is a major sponsor of sports events. Large international events, such as the rugby internationals, bring in overseas tourism as well as generating domestic tourism. The main economic impact of sports is through domestic tourism. Of course, even if there was no sponsorship most if not all of these sporting events would continue but not with the same level of public interest. The additional finance needed to replace the sponsorship could be diverted from other desirable programmes.

Major sports sponsorships include:

- The Guinness involvement (as one of three sponsors) with the All Ireland Senior Hurling Championship
- Heineken European Rugby Cup
- Guinness Series, International Rugby
- Magners League in rugby up to 2011
- Horse racing sponsorship of Powers Whiskey Irish Grand National (sponsored up to 2010), Powers Gold Cup, Hennessy Gold Cup, the Guinness Punchestown Gold Cup and Guinness sponsorship of the Galway and Listowel Races
- Carling sponsorship of the Nations Cup
- Bulmers support of the Waterford Tall Ships race

Beamish stout sponsors the Munster Senior League (soccer), Heineken sponsors the Kinsale Rugby Sevens and the Royal Cork Yacht Club Sailing week, and Lucozade sponsors the Munster Football Association cup competitions. Carlsberg sponsors the Salthill Devon national five a side soccer festival. There is also a range of smaller supports including individual pub sponsorship of local teams and events.

The role of the Drinks Industry in horse racing sponsorship is substantial although the absolute amount has declined due to the economic recession.

In 2010, total commercial race sponsorship was €3.0 million which was a decline on previous years due to the severe recession. Of this, the Drinks Industry provided €545,500 or 18.0%, which was the highest sectoral share followed by bookmakers and betting exchanges with 15.4%. Hotels provided another 2.4% of the sponsorship. However, when bloodstock/stud farms and bookmakers sponsorship is excluded, the Drinks Industry accounted for 24%% of the “non racing industry” sources of sponsorship. The Drinks Industry share of horse racing sponsorship has increased in recent years due to the substantial decline in other sources of sponsorship.

In 2010 the Drinks Industry share of race sponsorship was 18.0%, which is up from 11.2% in 2009 and 9.7% in 2008. The scale of the racing industry and its economic impact can be appreciated by the attendance of 1.2 million persons who attended race meetings in 2010.

TOURISM ATTRACTIONS AND THE DRINKS INDUSTRY

This section identifies the substantial role played by the visitor attractions established by the Drinks Industry.

Guinness Storehouse was the second largest fee charging tourism attraction in 2010, after Dublin Zoo when it attracted 930,000 visitors, the large majority of whom were from overseas. It was ranked number two, slightly behind Dublin Zoo which had 963,053 visitors and was substantially ahead of the third ranked attraction which was the National Aquatic Centre which had 721,871 visitors. The Old Jameson Distillery attracted 208,767 visitors in 2010 and was ranked twelfth in the top 20 attractions. The great majority of these visitors were also from overseas.

Guinness Storehouse is the largest international visitor attraction as the Dublin Zoo attendees include a very high proportion of domestic visitors.

In each of the years 2005 to 2009 the Guinness Storehouse was ranked number one of the fee charging visitor attractions. In 2008 and 2009 its visitor numbers exceeded one million. In 2008, its visitor numbers peaked at 1.039million.

Between 2005 and 2010 the number of visitors to the Guinness Storehouse grew from 780,851 to 930,000. The increase over the same period for the Old Jameson Distillery was from 204,000 to 208,767 and numbers peaked in 2008 at 250,000.

The Drinks Industry visitor attractions are particularly important in overseas tourism. In 2010 92% of the Old Jameson Distillery visitors were from overseas. In Midleton the figure was 90% and for the Guinness Storehouse the figure was 92%.

The 2010 attendances are listed below. The top 20 are identified. Locke's Distillery and the Jameson Experience at Old Midleton distillery are also open to visitors. Midleton attracts almost 100,000 visitors.

Table 5: Top 20 fee-charging attractions (persons) 2010

Attraction	Number of visitors (thousands)
Dublin Zoo	963.1
Guinness Storehouse	930.0
National Aquatic Centre	721.9
Cliffs of Moher Visitor Experience	720.6
Book of Kells	469.7
Fota Wildlife Park	377.0
Blarney Castle	308.0
St Patricks Cathedral	300.2
Kilmainham Gaol	278.1
Bunratty Castle and Folk Park	263.3
Bru na Boinne	209.3
Old Jameson Distillery	208.8
Rock of Cashel	204.3
Powerscourt House and Gardens	201.5
Kilkenny Castle	192.8
Christ Church Cathedral	153.8
Aquadome	148.4
Dublinia	133.0
Clonmacnoise	133.0
Dublin Castle	129.7

**Source: Failte Ireland*

INTERNATIONAL PROFILE

This section identifies the contribution that Ireland's international drinks brands makes to the international tourism perception of Ireland.

Substantial public and private sector marketing funds are devoted to promoting Ireland as a tourism destination. Factors which raise the profile of the country in a favourable way in the minds of potential tourists are desirable and contribute to tourism performance.

High profile international sporting or cultural achievements by Irish people contribute to the positive profile of Ireland. High profile high quality international Irish brands also contribute to the positive profile of Ireland.

The Drinks Industry contributes global brands, such as the three most internationally recognised Guinness, Baileys and Jameson. In addition, drinks products are associated with leisure, relaxation and the hospitality industry, which adds to the tourism promotion effect. These are all recognised as high quality premium products. They are directly associated with Ireland and generate a positive impression of the country from a tourism perspective.

The geographic reach of these drinks brands is global. Jameson is consumed in 120 countries. Baileys is consumed in 130 countries and is the worlds leading liqueur. Guinness is consumed in 150 countries.

The presence of Irish pubs in many foreign cities also contributes to the awareness of Ireland as a location associated with hospitality and relaxation.

The recognition impact of Irish drinks brands including Guinness, Baileys, Jameson and Magners is an important support to the direct tourism marketing effort**.**

Guinness Storehouse generates approximately 180 million media impressions each year which promote Dublin and Ireland as a tourist destination.

CONCLUSION

Tourism is an important sector in terms of economic impact and exchequer contribution. The main impact comes from the overseas visitors but the domestic component is also important. The Drinks Industry makes a substantial contribution to the tourism performance over a wide range of channels.

7,616 public houses and 931 hotel and other full bar on-licences provide physical facilities and a range of services required by tourists.

The public house network provides wash room facilities and shelter, in even the very remote parts of the country. This supports the regional spread of tourism. Over half of licensed premises provide food, of these almost 90% provide hot meals. 43% provide live entertainment. 22% of licensed premises and 17% of pubs provide entertainment specifically for tourists.

After the fundamental attractions of *people, scenery and culture/history,* public houses are identified as an attraction by 7% of tourists, 8 % of mainland European visitors and 10% of German visitors (which is the largest national mainland European market for Irish tourism).

The main sources of festival sponsorship are the drinks and hospitality industries which provided almost half of all sponsorship compared with banks and building societies which provided 6%. Festivals supported by the Drinks Industry include the Guinness Cork Jazz Festival, the Heineken Electric Picnic, the Jameson Dublin International Film Festival and the Bulmers Comedy Festival, Clonmel.

In 2010, the Drinks Industry provided almost one-quarter of all horse racing sponsorship sourced from outside the racing/bloodstock industry. This is the largest source of outside sponsorship.

In 2010, the Guinness Storehouse was the second most popular fee charging tourism attraction in Ireland with 930,000 visitors, after Dublin Zoo in 2010. The Old Jameson Distillery attracted 208,800 visitors in 2010. Guinness Storehouse is the largest international visitor attraction in Ireland and generates 180 million global media impressions annually.

Brands such as Guinness, Jameson and Baileys which are consumed in over 100 countries generate positive awareness of Ireland as a place of quality relaxation and leisure among potential tourists.

Overall, the Drinks Industry support for Irish tourism is substantial and wide ranging. Despite its present difficulties, the tourism industry will have to be one of the main sources of economic development and employment growth over the coming years if Ireland is to deal with its economic difficulties and high unemployment.

To achieve this necessary growth the tourism industry will need widespread support, including the continuation of the substantial support provided by the Drinks Industry.

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