

Business Travel in Ireland...

The earliest evidence of human presence in Ireland is dated at 10,500 BC. The Island of Ireland comprises of 32 counties, 26 belong to the Republic of Ireland and 6 are under British rule, currently there is no hard border and people trade freely but this is one of the major stumbling blocks with Brexit – some people's homes are in both the countries (because of how the land was divided) i.e. they sleep in the Republic and shower in the UK!!!

Gaelic is our native language but regrettably few people speak Irish on a daily basis, English is our main language, which makes us the only English speaking country in the EU using the Euro.

Dublin is our capital with a population of 1.5 million. Ireland has a population of 4.5 million. Traffic continues to grow at Dublin Airport. A record 31.5 million passengers passed through last year, a 6% per cent rise year on year. While the continued growth at Dublin Airport is fantastic news for the Irish economy, Dublin is increasingly being used as a hub for Transatlantic services from Europe as it has immigration pre clearance for the USA.

There is a diverse business mix in Ireland, while it is the home to the European headquarters of Google, Facebook, LinkedIn etc, the majority of SME's who provide 70% of the employment have between 10 and 100 employees. Many with no travel requirement beyond the UK.

TMC Challenges in Ireland

Ireland is a very difficult environment for air travel as its two major airlines Aer Lingus (Except USA where we can use the GDS) and Ryanair only use their own websites for reservations. Increasingly all the remaining airlines who operate out of Ireland are promoting their own websites or insisting on TMC's using their new NDC sites. Aer Lingus and Ryanair between them account for 70% of the Air Traffic in and out of Ireland. Most businesses are forced to use either of these airlines as there are no realistic alternatives as we are an island country.

Aer Lingus and Ryanair obtain 100% of their reservations via their own websites, all the other airlines operating out of Ireland obtain a minimum of 54% of their reservations on their own websites.

Only the larger multinational companies are prepared to use online booking tools e.g. Concur. This continuing trend is making reservations and reporting very difficult in Ireland.

The Irish travel market is a very mature market in making direct reservations on the internet; they have been doing so for more than 17 years. The SME's don't want to pay any fees for making internet reservations.

The TMC's who deal with these enterprises where there is no online booking tool, find themselves having to make reservations on the airlines own websites which is extremely time consuming and costly. Alternatively the small to medium enterprises make their reservations themselves directly with Aer Lingus and Ryanair and the TMC's are left booking only the more involved itineraries. This has the added effect that management information tools do not reflect the true travel spend of the enterprise.

One of the challenges in Ireland is the early adaptation of the internet for all travel including Air, hotels and car hire reservations for both company and personal travel. The two main GDS i.e. Travelport and Amadeus are finding it increasingly difficult to retain segment counts even in the growing economy.

We are totally dependent on fees for our income. Excluding Ryanair and Aer Lingus (who don't offer incentives) the other airlines only provide small overrides for growth year on year.

The market is price driven and all margins are extremely tight.

Current effects of Brexit in Ireland

The uncertainty of Brexit has led many companies to exit the UK and move their businesses to Ireland in search of a more certain future. Pharmaceutical, IT, Insurance and Financial Services companies in the main have set up bases in Ireland. At present most of these bases have only skeleton staff and the companies are only in the process of changing from shell companies to being fully operational, this will take 1 to 5 years to complete.

The size, make up and continuance of these companies will depend solely on the terms and conditions under which the UK exits the EU.

The high rate of taxes for those on higher incomes is creating a disincentive for highly skilled employees to transfer to Ireland.

GlobalStar Bids

As most SME's get their travel provider by recommendation in Ireland from another SME it is important, we provide a very personal level of service, i.e. being totally aware of what are the traveller requirements, while working within the restrictive travel policy. As our population is now quite diverse our staff have to be aware of people's ethnic origins and customs. A traveller with an international company doing business in Ireland does not understand the Irish concept "it will be all right on the day!" It is not unusual to obtain a small SME account because of how well the staff manages the family holiday on our retail counter.

Rail travel in Ireland is not a viable transport option within the Island of Ireland for the business traveller so they drive.

The majority of Global Bids should be aware that the activity levels in Ireland are generally very small with few transactions. The Global bids always suggest implementing an online booking tool, but the transaction levels don't warrant the set up and maintenance costs. We have participated in a number of global bids but the Irish travel requirement was generally at the lower end of the spend scale and as a result the Irish portion of the Travel remained with the lead TMC. Tully's Travel offers what's called TML Travel Management Lite a version of a TMC where the reservation/reports etc are tailor-made to the small SME's requirements and budget rather than the full suite offered by the larger TMC's. This helped us obtain new business, regain lost accounts and maintain existing ones.

In the last 4 years we have seen a growth in incoming MICE. The market is mainly from America, with a small percentage from mainland Europe.

We have cooperated with our GlobalStar colleagues in Spain, Kenya, Romania, Sri Lanka and Russia sometimes for outbound, sometimes inbound travel for ad hoc travel requests. We found working with these Partners is a very successful endeavour and see this platform as an additional way to build more trust and confidence within the GlobalStar family.

Tully's Travel has been in business since 1948 and has seen many changes in the travel industry and weathered many storms. In some ways the fragmentation that is now occurring is reminiscent of times past when one rang each airline to book seats on their aircraft and added up all the fares to get a total cost, though now it's via the internet instead of the looking up two timetable books called the ABC/OAG!

While there are interesting times ahead with Brexit/NDC's etc. we are positive we can survive and look forward to sustained and continued growth.

Many thanks to Louise Doyle, Corporate Development Manager at GlobalStar Ireland - Tully's Travel for her kind contribution.

GlobalStar
Travel Management

Did you know...?

- There are 10 times more people who claim Irish heritage than live in the country
- There are NO snakes in Ireland (St Patrick banished them all in 417AD). There is only one land reptile species native to Ireland, the viviparous or common lizard.
- Ireland is world famous for Brewing and Distilling including Guinness, Smithwicks (Kilkenny) and whiskey – Jameson, Tullamore, Baileys.
- Hurling is one of our national sports and is the fastest field team game in the world - <https://www.youtube.com/watch?v=YfhQTBIdeHY> (the stripy guys are my team!!)
- We have our own slang words derived from Gaelic our native language **Crack** - is not a drug "What's the Crack?" means any News? "Having the Crack" means having a fun time. **Grand** doesn't mean big, it means "that's fine with me" A **Gaff** is a house, a free gaff means "the Parents are away and there's a party at our house tonight" **Yoke** has nothing to do with eggs, it means "a thing" **Chuck** - is not to throw out but "another day will come".

