

Ireland's Experience Economy

MORE
THAN
MEETS
THE
EYE



21st November 2023

Experience Economy: Survey

“The survey has brought to light the competitive challenges faced by businesses within this sector. The input costs due to the increases in energy, inflation cost of labour with the impending national minimum wage increases, on top of recent VAT increases along with many other input factors will make it very difficult for these businesses in the coming months. A worrying insight from the survey is that digitalisation is a priority for only 14% of businesses.”

The experience economy plays a vital role in Ireland's economic landscape. It not only bolsters tourism but also significantly contributes to regional development, business investment, and talent attraction. Furthermore, it enriches the individual experiences of residents and visitors alike”.



Sharon Higgins, Executive Director,
Membership and Sectors in Ibec



Experience Economy: Survey Results

25% of businesses said they are **less confident** about their business than they were 6 months ago and almost 1 in 4 expect conditions to be poor in the 6 months ahead. The survey also shows turnover expectations reflect business confidence with **25% expecting turnover to decline**.

About the Experience Economy

The Experience Economy is a diverse and substantial part of Irish life playing an important role in Ireland's international reputation as a place to live, work and visit. It includes hospitality, retail, travel, food, drink, tourism, entertainment, the arts, events, and activities that span many sectors and the entire country. Employing over 300,000 people, or 20% of the private sector workforce, it is worth €4 billion to the Irish economy.



Total sample of 328 interviews



Experience Economy: Survey Results

- While over 70% of businesses have the same or are more confident about their business than they were 6 months ago a significant number 1 in 4 are less confident.
- Top three risks identified as Energy (98%), Inflation and Impact of Competitiveness (90%) and Cost of Labour (77%).
- Three quarters of businesses agreed sustainability is a priority for their business. However just 17% have plans to implement related initiatives in the next 1-2 years.
- Digitalisation is a priority for just 14% and less than half of this cohort intend to introduce related projects in the coming 1-2 years.
- One third of respondents plan to invest in training in the next 12 months to encourage staff development and aid retention.



Total sample of 328 interviews



Experience Economy: Ibec recommends

- The Minister of Enterprise, Trade and Employment should have the strategic oversight and responsibility for driving the delivery of overall strategy for the entire experience economy.
- Government needs to better coordinate labour market regulation and cost factors and limit any further cost competitiveness measures which could threaten business viability and employment.
- While we welcomed the €250 million SME support package announced in Budget 2024, the details regarding the utilisation of the package have not yet become clear. Furthermore, considering the extent of these changes coupled with ongoing external factors such as rising operating costs and inflationary pressures, there is a growing concern that the €250 million package will not adequately support all businesses struggling to grapple with these changes.
- While the National Training Fund (NTF) could not be unlocked in Budget 2024, we welcome the intention set out to find ways, including possible legislative changes to unlock the fund. Ireland cannot afford to be complacent when it comes to education, skills, innovation and productivity.



About Ibec

Ibec is Ireland's largest lobby group and business representative. We campaign for real changes to the policies that matter most to business. Policy is shaped by our diverse membership, who are home grown, multinational, big and small.

With 39 trade associations covering a range of industry sectors, 6 offices around Ireland as well as an office in Brussels. With over 300 employees, Ibec communicates the Irish business voice to key stakeholders at home and abroad. Ibec also provides a wide range of professional services and management training to members on all aspects of human resource management, occupational health and safety, employee relations and employment law.

Ibec Trade Associations: Representing your industry

Representing your industry Ibec understands that every business is different. There are the general issues which face all businesses operating in Ireland and then there are the issues specific to individual sectors or categories of the economy.

To reflect the distinct interests of all our members, there are 39 business associations within the Ibec group. Ibec's trade associations identify and champion issues of importance to their respective members and provide great knowledge sharing, networking, and training for all these industries.



Ireland's Experience Economy

MORE
THAN
MEETS
THE
EYE



Follow the campaign: [Ibec Experience Economy](#)