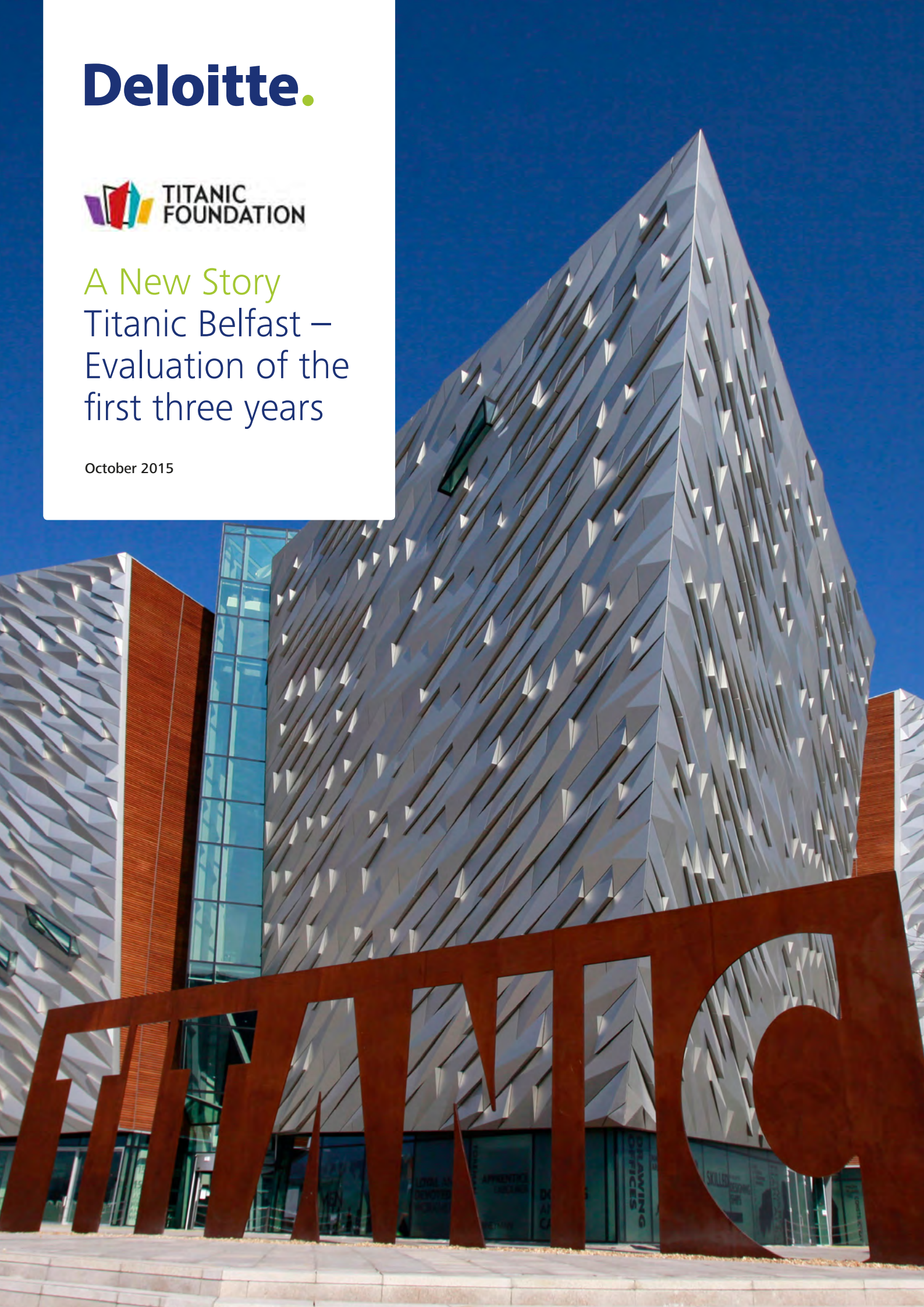


Deloitte.



A New Story Titanic Belfast – Evaluation of the first three years

October 2015



"And from this plan grew the form and the shape of this monumental building that celebrates the iconography of over 400 years of ship building, innovation and creativity in Belfast."

Eric Kuhne, Architect¹

"As first citizen of Belfast, I am proud of Titanic Belfast and what has been achieved in its first three years of operation. Attracting 2.5 million visitors² since opening, this iconic, world class experience has placed Belfast on the international tourism stage, boosting the city's overall visitor numbers and tourism income significantly. Not only recognised as a 5 star visitor attraction, Titanic Belfast is a centre of excellence for learning, has contributed significantly to local employment and continues to play a key role as a catalyst for the wider regeneration of Titanic Quarter as a maritime destination. I congratulate everyone involved in delivering Titanic Belfast to date and look forward to continued success in the years to come."

Arder Carson, Lord Mayor of Belfast

"There has been sustained growth in tourism spend in Northern Ireland over the last 4-5 years, with tourism worth £750 million to the local economy in 2014. Titanic Belfast has played a major part in this success with over 2.5 million visitors² to its galleries since opening.

I would like to see tourism grow to become a £1 billion industry by 2020 and award winning offerings such as Titanic Belfast ensure that the Northern Ireland visitor experience has recognition on the international stage."

Andrew McCormick, Permanent Secretary of Department for Enterprise, Trade and Investment

"I can distinctly recall a meeting of what was then the Board of NITB in 2002 during which the concept of the signature projects for tourism was conceived, and setting out the ambition to deliver a world class visitor attraction that would be in place to celebrate the centenary of the Titanic in 2012.

NITB played a key role in the development of the concept and ultimately in supporting the delivery of what is a truly world class facility which has created a step change in the development of tourism in Northern Ireland and has become a catalyst for wider economic growth in Belfast and beyond.

Today Titanic Belfast is one of the top attractions on the island, welcoming visitors from every part of the globe, and with a high percentage citing it as the main reason to visit Northern Ireland. We should all be extremely proud of the achievements of the past three years and of the professionalism, creativity and energy of the staff who run the attraction on a daily basis. I have every confidence that Titanic Belfast will remain at the heart of our tourism industry for decades to come."

John McGrillen, Chief Executive Tourism NI

1. Titanic Belfast. (2014). Titanic Belfast design explained. [Online Video]. 13 Mar 2014.
Available from: <https://www.youtube.com/watch?v=Xw1TF0L9plw#t=25>

2. The 3 year evaluation is based on the period 1st April 2012 – 31st March 2015 at which stage Titanic Belfast had received 1.9 admissions to the galleries, 150,000 conference delegates and 100,000 visitors to special events. At the point of publishing this report (October 2015), Titanic Belfast has confirmed that at the end of September 2015, they have welcomed 2.5 million visitors.

A Bold Development

Deloitte was commissioned by Titanic Foundation Limited to undertake a three year evaluation of Titanic Belfast up until 31 March 2015. This is the executive summary of a report based upon extensive consultation and data analysis. Deloitte would like to thank Titanic Belfast Limited and Tourism NI in particular and indeed all stakeholders who contributed to the study.

Titanic Belfast opened to the public on the 31 March 2012 at a cost of £76 million. The building is owned by Titanic Foundation Limited and commercially operated by Titanic Belfast Limited. It was supported by public and private funding including central government via Tourism NI, Belfast City Council, Belfast Harbour Commission and Titanic Quarter Limited.

Titanic Belfast is the focal point of a wider initiative – the Titanic Signature Project – developing and linking the wider Titanic and maritime assets to create a maritime destination. Such assets include SS Nomadic and Hamilton Dock (opened 2013), Titanic and Olympic Slipways (completed March 2012), former Harland and Wolff Head Quarter Building and Drawing Offices, Thompson Dock and Pump House (opened 2008) and HMS Caroline (due to open 2016).

Preparing for launch

Titanic Belfast was delivered on time and on budget. Key reasons for this included: an immovable deadline; high-level cross-party political support; the approach to risk; private, public and charitable partnership; project champions; and while not intentional at the outset, one company designed, built and operate the building – this has ensured long term interest in the quality of the building and also helped ease of communication during the process.

Community engagement and outreach during a twelve month pre-opening programme was fundamental to building local support and anticipation for the launch of Titanic Belfast.

The NITB's high profile 2012 'Our Time, Our Place' campaign and Tourism Ireland's significant commitment of resources helped raise the awareness and excitement of Titanic Belfast nationally and internationally.

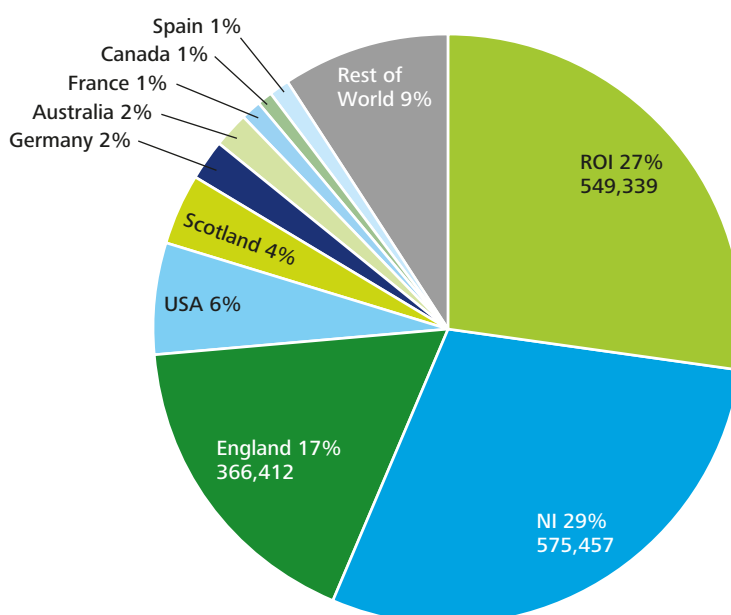
Making headlines – over 2 million visitors from across the world

In the first three years there were approximately 1.9 million admissions to the galleries; 150,000 conference delegates and 100,000 visitors to special exhibitions (Game of Thrones, Lego etc).

Unsurprisingly Year 1 saw the most visitors, with over 800,000 people. Notably, Year 3, with nearly 700,000 enjoying the galleries, exhibitions and conferences, was larger than Year 2 (640,000).

While Northern Ireland visitors have been the largest single group (29 per cent), a significant majority, 71 per cent, have been visitors from outside of Northern Ireland. The Top 3 non-Northern Ireland markets for Titanic Belfast have been Republic of Ireland (27 per cent of all admissions), England (17 per cent) and USA (6 per cent).

Figure 1. Three Year Cumulative Total of International Reach



Source: Admissions by country 2012-2015 (Titanic Belfast Ltd)



The Titanic and Olympic slipways were also developed as public realm and event space. Over the last three years over 100,000 spectators have been hosted on the Titanic Slipways. Events such as the Giro d'Italia and the Carl Frampton world boxing title fight have attracted significant media attention. In each case, with the building as a backdrop, the striking image of Titanic Belfast is broadcast around the world.

A world class visitor attraction helping give Belfast 'international standout'

The success and quality of Titanic Belfast and its contribution to Belfast and Northern Ireland as a Tourism Destination is evident in the global visitor base it has attracted; the excellent feedback from visitors and tour operators; and in the number of prestigious international and national awards it has received. In terms of an example of an award, in 2015 Titanic Belfast won the 'Best Visitor Attraction in Europe' (European Group Travel Awards) beating the Eiffel Tower and London Eye.

Making waves – economic, social and physical impact

Titanic Belfast has proved to be an economic driver, providing jobs and prosperity. Titanic Belfast has generated £105 million in additional tourism spend for the Northern Ireland economy, sustaining around 893 jobs each year in the wider economy.

Survey evidence has found that over 500,000 Out of State visitors cite Titanic Belfast as their main reason for visiting Belfast and Northern Ireland.

With high penetration levels within Northern Ireland and increasingly the Republic of Ireland, the future priority will be to increase Out of State Visitors from mainland Europe, GB, North America, Asia, Australia and provide reasons for repeat visits for domestic and Republic of Ireland visitors.

Over the first 3 years Titanic Belfast has attracted a number of successful conferences and dinners. High profile conferences that have used Titanic Belfast include the Northern Ireland Investment Conference, hosted by the UK Prime Minister, David Cameron.

Table 1. Net economic impact (April 2012-March 2015)

| Out of state visitors | Visitor numbers | Average nights | Average spend | % Main reason | Total spend |
|---|-----------------|----------------|---------------|---------------|--------------|
| Staying overnight in Belfast | 680,081 | 2.9 | £63.84 | 42% | £52,881,140 |
| Staying overnight elsewhere in NI | 20,003 | 3.63 | £49.98 | 42% | £1,524,219 |
| Staying both in Belfast and NI | 285,747 | 2.9 | £63.84 | 42% | £22,218,864 |
| | | 3.63 | £49.98 | 42% | £21,773,781 |
| On a day trip | 442,909 | | £33.00 | 42% | £6,138,719 |
| Total (NI economic impact based on out of state spend only) | | | | | £104,536,722 |

Source: Titanic Belfast Limited; Millward Brown Survey data; NISRA Tourism Statistics; Tourism NI

The Belfast economy has enjoyed a significant boost in the same period. It is estimated that around £80 million of the out of state visitors spend would have been in Belfast (i.e. out of state visitors staying overnight in Belfast and on a day trip to Belfast). In addition Belfast has benefited by approximately £14 million from visitors from the rest of Northern Ireland coming to Titanic Belfast and spending money in Belfast. Therefore Belfast has enjoyed a net boost of approximately £94 million.

Titanic Belfast employs 159 people directly and 139 contractors (catering, security etc.). Notably nearly two-thirds of these employees are from Belfast and they come from across North, South, East and West Belfast.

Over the three years 586 schools from across the UK and Ireland have visited with 70,775 visitors. In addition 5,660 school workshops have been delivered. Titanic Belfast Partner schools have described the quality of engagement as “absolutely brilliant”.

As well as constructing an iconic, award winning, environmentally sustainable building, the project also developed the Titanic and Olympic Slipways, provided substantial public realm improvements in the spaces adjacent to the building and road improvements.

In relation to physical regeneration it is reasonable to assume that Titanic Belfast has contributed to the unlocking of over £50 million public and private investment in heritage assets including HMS Caroline, SS Nomadic and the Harland & Wolff Head Quarters and Drawing Office.

Titanic Belfast has met and exceeded targets

Titanic Belfast has met or exceeded seven out of eight of its funders’ objectives. The evaluation found overall that Titanic Belfast:

- is a new story of ambition and innovation;
- is setting a new standard for other attractions in Belfast and Northern Ireland – a five star visitor attraction winning national and international awards;
- is positively contributing to the evolving international image of Belfast;
- is an economic driver, providing jobs and prosperity; and
- is applying a commercial approach, demonstrating tourism as a viable sector for private investment.

There is one objective which has been assessed as being partially achieved with more to do. This highlights a need for further development of linkages within Titanic Quarter, between Titanic Quarter and the wider city, and between Titanic Belfast and other visitor attractions within NI.



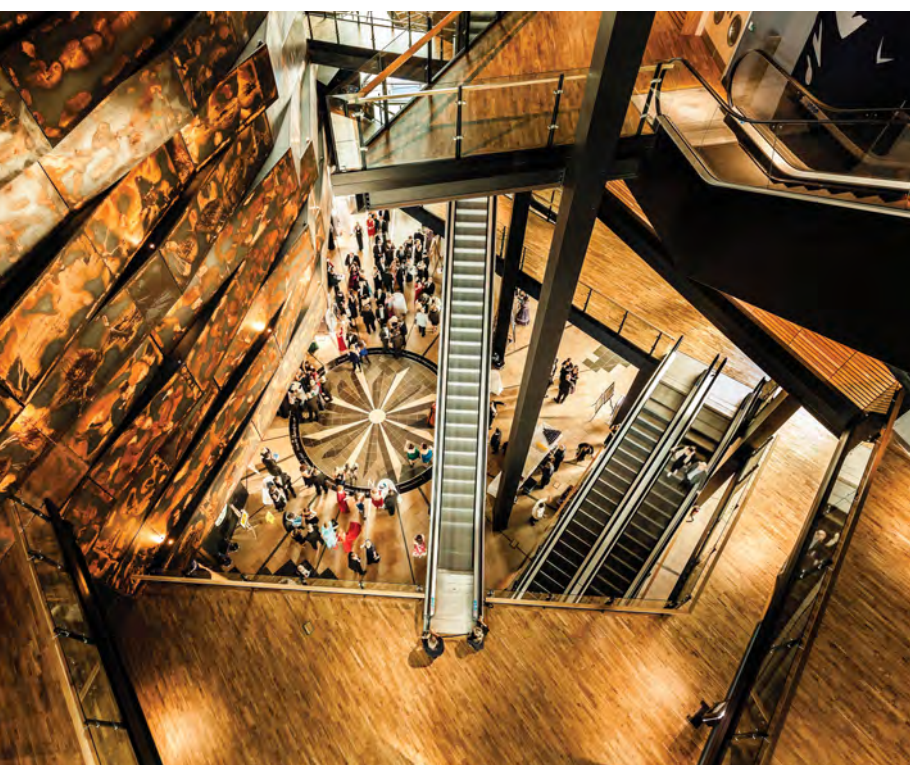


Looking forward – the journey isn't over

Titanic Foundation Limited and the project partners should celebrate the success of the first three years and tell the new story of Titanic Belfast to relevant stakeholders. Lessons can be learned. This was a bold and ambitious project that could and should inspire more bold and ambitious projects.

While the project is right to celebrate the success of the first three years, there is no room for complacency. While the context has changed, the questions raised at the outset regarding sustainability and visitor numbers remain healthy questions to consider.

Visitor data shows approximately one in thirty people visiting the island of Ireland visited Titanic Belfast. Doubling this would more than compensate for any reduction in local visitors. The good news is there remains an international fascination in the Titanic story and some visitor markets are potentially huge and growing.



Building on success – only half way there

Titanic Belfast is only three years old. It is part of a wider Titanic Signature Project and Titanic Quarter development which are around ten years old. Examples of successful regeneration projects elsewhere, for example Bilbao, suggest sustained integrated investment plans over a 20 year period are required.

There is a need for Titanic Foundation Limited and relevant partners to develop an agreed vision and strategy, setting the priorities for action over the next ten years. This should be done in the context of:

- preservation of the maritime heritage – e.g. Drawing Office Hotel, HMS Caroline;
- integrating the experience – physical links, operational relationships, consistency of quality, signposting, community activity;
- wider tourism ambitions – Titanic Belfast and surrounding attractions are central to achieving the tourism ambitions for the city and region. The relationship runs two ways. A stronger tourism sector (e.g. with a greater quantum and quality of attractions and accommodation) which attracts more people to, and keeps them longer in, Northern Ireland, would support additional visitors for Titanic Belfast; and
- wider city and region developments – what is the Titanic Quarter's role and what is its relationship with the city and region? What are the opportunities for complementary, mutually beneficial development?

"Since our inception in 2007, Titanic Foundation has championed this project from concept through to delivery. Success could not have been achieved without the bold vision embraced by our funders and donors as well as the team who worked tirelessly on the project to ensure it opened for the 2012 Titanic Centenary. Specifically, Titanic Foundation recognises and would like to thank the operator, their management team and the 300 staff who work in the building for creating a truly remarkable, memorable experience all day, every day. Looking forward, the Titanic Foundation Trustees are keen to build on the enormous achievements outlined in Deloitte's report and will continue to promote, preserve and develop Belfast's maritime and industrial heritage, adding to the Titanic Foundation portfolio."

Nicky Dunn, Chair of Titanic Foundation Limited

"Titanic Quarter is not only one of the largest waterfront regeneration sites in Europe it is uniquely the birthplace of RMS Titanic. By investing in Titanic Belfast, we have physically positioned Titanic Quarter and Belfast globally as home of Titanic, changing international perceptions and building brand awareness of this exceptional place by showcasing our past achievements, current talent and our future ambition. This iconic 6 storey building, 9 gallery interpretative experience and high-end banqueting and conference suite has significantly contributed to the Belfast's tourism infrastructure. It has created new employment for local people and from a visitor perspective, Titanic Belfast has raised the bar across the city to new levels. Titanic Quarter invested in Titanic Belfast because we knew the world would respond, and they have. Through public and private sectors working together, we have put Belfast on the international stage and delivered an economic return of £105 million in just 3 years. This is what Titanic Quarter is about. We are committed to building on this success and will continue to play our part in optimising a vibrant future for Belfast."

Pat Doherty, Chairman, Titanic Quarter Limited

"Titanic Belfast has been a 'game changer' for Northern Ireland and not just with the obvious tourism it brings but the jobs and subsequent supply chain benefits have a far reaching impact. Support of the economy is a key objective of ours and to be involved with this project from the outset, makes us very proud. Congratulations to all who have been involved in the project and long may it continue."

Roy Adair, Chief Executive, Belfast Harbour Commissioners

"Titanic Belfast has enjoyed undoubted success over the last three and a half years, which can be measured by not only the 2.5 million visitors² that have passed through the attraction but also evidenced by the five star customer service standards achieved by management and staff. In addition, 80% of all its visitors come from outside Northern Ireland and this has created a huge financial benefit to the wider local economy.

A key enabling factor in Titanic Belfast's success has been the unique level of support which it enjoys from key stakeholders, including Titanic Foundation, government representatives and public agencies, both before and since its opening. This collaboration has helped to position Titanic Belfast and the city on national and international platforms so as to create a uniquely attractive proposition for Belfast and Northern Ireland as one of the leading European leisure destinations.

Titanic Belfast looks forward to welcoming many more visitors in the coming years both domestic and international."

Conal Harvey, Deputy Chairman, Titanic Belfast

2. The 3 year evaluation is based on the period 1st April 2012 – 31st March 2015 at which stage Titanic Belfast had received 1.9 admissions to the galleries, 150,000 conference delegates and 100,000 visitors to special events. At the point of publishing this report (October 2015), Titanic Belfast has confirmed that at the end of September 2015, they have welcomed 2.5 million visitors.



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