

Self Catering



Introduction to Rural Tourism

Tourism is very important to the Irish Economy. In 2004 it was worth €4Bn and the aim is to increase this figure to €6Bn by 2012. Fáilte Ireland, from their market intelligence, tell us that there are two important elements which we must take account of, if we are to be successful over the next number of years. They are 'different product offerings' and 'better access'.

Regional airports with increased flights will help to overcome the 'better access' issue while Rural tourism has the opportunity to contribute enormously to the 'different product offerings' required. Back to nature, health related holidays, cultural, heritage, environmental experiences, walking and traditional leisure pursuits are important elements of the 'different product offerings'.

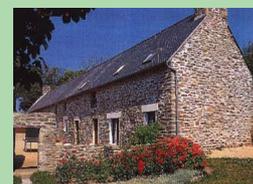
Self catering cottages, chalets, lodges or apartments in a good location can provide additional income on the farm. Old dwellings can be renovated or out-offices or barns not in use, can be converted to self-catering accommodation. Visitors are becoming more discerning and self-catering accommodation must provide all the amenities found in a modern home.

Self-catering is a seasonal enterprise usually from May to September. Many providers have found ways of extending the season by offering weekend breaks, e.g. November, Christmas and mid-week breaks while other self catering providers offer products such as produce from the farm, breakfast and/or dinner in the farm home all which helps to boost income potential of self catering.

Marketing Your Self Catering

There is considerable demand for good self catering accommodation in pleasant surroundings. It is difficult and expensive to market as an individual product, so it is important to be approved and achieve the highest available star rating. Approval and inspection is granted by the local Regional Tourism Authority (RTAs) which automatically creates linkage for marketing to Fáilte Ireland.

Putting together a simple low cost brochure is a good exercise in focusing ones mind on what exactly you are selling, but a brochure is not enough in itself. A good website is the way forward but the right linkages are essential so that the customer can quickly find you on the world wide web. Most providers of self catering offer complimentary extras to guests such as a 'starter-pack' on arrival of tea/coffee, milk, a few pats of butter and some bread or scones and even a bottle of wine to guests who stay regularly. If families are staying in a rural self catering they will like to be made aware of local farmers markets to be able to purchase local foods.



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This is one of a series of fact sheets on income generating activities.

All fact sheets are available in the Advisory Section of the Teagasc Website
www.teagasc.ie

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Teagasc Fact Sheets present a brief overview of a topic. Further detailed advice should always be sought from relevant sources.

In order to access the markets and feature in publications it is essential to be approved. Approval is given by the Regional Tourism Organisations and Shannon Development (SFADCo) who produce a listing of all approved properties each year. The Regional Tourism Organisations are located at six centres around the country:

Dublin Tourism, Dublin Tourism Centre, Suffolk Street, Dublin 2; (01) 605 7799
 South East Tourism, 41 The Quay, Waterford; (051) 875788
 South West, Cork/Kerry Tourism, Grand Parade, Cork; (021) 425 5100
 Ireland West Tourism, Aras Failte, Eyre Square, Galway; (091) 537700
 North West Tourism, Aras Redclam, Temple Street, Sligo; (091) 916 1201
 Midlands East Tourism, Dublin Road, Mullingar, Co. Westmeath (044) 48 761
 Shannon Development, Clare Business Centre, Francis St., Ennis, Co. Clare. (065) 68 20166

Financial Returns, Costs and Margins

Returns, costs and margins for a three bedroom unit

Income from one self catering unit		€
High Season (May – Sept)	20 weeks @ €750 / week	15,000
Low season (Oct – May)	10 weeks @ €350 / week	3,500
Xmas/New Year/Easter:	6 weeks @ €500 / week	3,000
Mid-week breaks	6 @ €200	1,200
Extended Week-ends	6 @ €200	1,200
Total Income		23,900
Running costs 25%		5975
Repayments based on €100,000 at 4.1% over 10 years		4,140
Total running Costs		10,115
Margin		13,785

The above margin does not allow for own labour input. The revenue shown would be for a good quality unit in a good location, furnished to a high standard and well marketed. When contemplating an investment as outlined above consideration should be given to the possibility of developing two or more not necessarily attached. Trends are indicating greater demand for cottages, lodges or units at a distance from each other rather than a complex.

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