

STRATEGIC MARKETING GROUP REPORT

ON THE ACTIONS CONSIDERED NECESSARY
FOR THE IMPROVEMENT OF ATTENDANCE LEVELS
AT IRISH RACECOURSES



public available Festival research given including business fixtures story tickets engagement experience work combined stakeholders improvement Detailed access particularly potential Marketing provide National create year opportunities Irish Strategic bookmakers HRI Irish people much social online audience use develop on-course customer programme ensure database Flat HRI stay ring sport population need also attendance high sales sponsorship time public national may available Recommendations ownership exchange Bet engage report Forum Research needs among track Punchestown options trainers Tote days linked work media Goal funding segments development Grow public season Research Consultative make Notes interest Appendix group customer admission coverage marketing existing way younger facilities success key rather meetings website Activity provide customer database one betting across media owners means Summary Fixtures Hunt Create taking point Horses service groups industry wider used home levels years part sales race jockeys future

CONTENTS

Foreword	3	GOAL 3: Grow Interest Levels in the Sport – Summary Recommendations	17
Introduction	4	Commentary and Detailed Notes	19
GOAL 1: Create a Customer-Focused Racing Product – Summary Recommendations	5	3.1 Marketing Communications	19
Summary Recommendations	6	<i>Market Background</i>	19
1.1 Fixtures	6	<i>The Audience</i>	19
1.2 Admissions/Ticketing	6	- <i>Golden Silver: Marketing to 50 years+</i>	20
1.3 Racecourses	6	<i>Advertising Themes</i>	20
Commentary and Detailed Notes	7	<i>Racing Communications</i>	21
1.1 Fixtures	7	- <i>Points of Entry</i>	21
<i>Fixtures & Media Planning</i>	7	- <i>Festival Development</i>	21
<i>Date of the Punchestown Festival</i>	7	- <i>National Hunt Racing</i>	21
<i>End of Flat Season</i>	7	- <i>Flat Racing</i>	21
<i>Two-Tier Fixture List</i>	7	3.2 Public Relations	21
<i>Fixtures Reduction</i>	8	3.3 Key PR Activity Aims	22
1.2 Admissions & Ticketing	9	3.4 Social Media & Web	22
<i>National Racegoer Database</i>	9	3.5 Schools Programme/Colleges and Universities	22
<i>Ticketing</i>	9	3.6 Ownership	23
<i>Access & Privilege Cards & Tickets</i>	10	3.7 Commercial Customers	23
<i>Owners Tickets</i>	10	3.8 Market Understanding	23
<i>Free Admission for Under 18s</i>	10	Appendix A – Stakeholders Meetings	27
1.3 Racecourses	11	Appendix B – Racegoers Consultative Forum Submission to Strategic Marketing Group	39
<i>Racecourse Quality Programme</i>	11	Appendix C – Attendance Statistics	43
<i>Racecourse Improvement Scheme</i>	11	Appendix D – Market Research	49
<i>Standards for Audio-Visual Presentation</i>	11	Appendix E – Betting Research	53
<i>Racecourse Rating Scale</i>	12	Appendix F – Strategic Marketing Group	57
<i>Racecourse Development</i>	12	Appendix G – Consultations & Research	59
<i>Shorter Intervals between Races</i>	12		
<i>Racecourse Awards in HRI Annual Awards</i>	12		
GOAL 2: Restore and Grow the Levels of Attendance by the Betting Customer at the Racecourse – Summary Recommendations	13		
Summary Recommendations	14		
Commentary and Detailed Notes	15		
<i>On-Course Bookmakers</i>	16		
<i>Marketing Research Summary Notes (Betting)</i>	16		



FOREWORD

This report sets out the recommendations of the Strategic Marketing Group to grow attendances at Irish race meetings. It adopts the paying customers' viewpoint and the viewpoint of the wider public who are not yet engaged by racing. We recognise that there is no single initiative or marketing technique that will deliver instant growth and foresee a long period of 'hands on' engagement at all customer levels, combined with a commitment to continuous improvement for racing and racecourses alike.

The challenges are clear: owners, betting people, horse followers, commercial customers, sports fans and the leisure market are in retreat due to the recession. There is recognition, however, that an economic recovery will not resolve matters fully, because fundamental challenges remain – the interest level in horseracing among the public needs to be developed; the betting market has been turned upside-down by new technology and will never be the same again; lack of funding means that our facilities, particularly at some flagship venues, are below the standard needed to attract and retain new fans.

We believe that it can be turned around. The level of engagement, enthusiasm, creativity and willingness to change we have seen in consultations across the industry show how much can be done, much of it immediately. We have a world-class sport and it offers what the country needs: pride, achievement, tradition, enjoyment and ownership of something we are uniquely talented at.

This report contains our core recommendations and includes the full report of the stakeholders meetings representing the views of jockeys, owners, trainers, breeders, racing media, bookmakers, HRI staff and the Racegoers Consultative Forum. In addition, I make the following points:

- Without secure funding the whole future of the industry is in jeopardy. Funds for racecourse development are vital if racecourses are to survive. All racecourses, trainers, breeders, vets, horse feed suppliers and other relevant stakeholders need to engage their TDs and Ministers at a local level and show them on the ground just how important this industry is.
- Greater co-operation between the stakeholder groups to ensure a more unified approach will lead to a more effective industry, with faster decision-making.
- The marketing of racing needs to be dynamic, modern and engaging.
- All groups need to innovate, energise, reduce costs and engage in a much more meaningful way with the owner, racegoer and punter. This report can only point the way.

I would like to thank the members of the Strategic Marketing Group for their time and hard work, given freely and generously.

The Board of HRI is asked to consider the Report and assign its implementation, as appropriate, to the executives.

Jim Nicholson
Chairman
Strategic Marketing Group

INTRODUCTION

The Strategic Marketing Group was established under the following terms of reference: **“to produce a report, for consideration by the Board of HRI, on the actions considered necessary for the improvement of attendance levels at Irish racecourses”**.

Following an interim report by the Strategic Marketing Group to the members of the Board of Horse Racing Ireland, the following goals were agreed:

1. Create a customer-focused racing product.
2. Restore and grow the levels of attendance at race meetings by people whose principal interest in horse racing is defined by betting.
3. Grow the fan base by increasing the level of those interested in racing from 22% to 37% by 2015.

We set out ideas to improve the presentation and promotion of racing, give the betting man or woman a reason to bet at the racecourse and raise the level of interest in Irish racing among the general population.

Total attendances at Irish race meetings in 2010 was 1.2million down from its record high of 1.46 million in 2007.

We are aware of the decline across many other performance indicators due to the recession and we are aware of the need to raise the level of interest in racing among the general population and the radically changed marketplace for the betting customer who now has more and better options off-track.

The challenge is heightened by the lack of capital development and improvement schemes arising from reduced funding and falling revenues.

Racing is highly dependent on the level of discretionary spend in society and on corporate support through sponsorship and hospitality. Both elements are at the bottom of the cycle but they will recover, so racing must position itself for the recovery. It must also work through the recession to retain and encourage the existing fan base while finding ways to communicate with a new audience. A sustained effort of product change and development, marketing communications and direct engagement with each section of the market will be needed.

We examine the issue of racing and racecourse development and make recommendations about fixtures, admissions and ticketing and racecourse development and improvement.

We want the betting customer to stay on-course, but the market tells us that the future is online and in-play or in-running. We propose full engagement between racing and the betting industry, including the online betting world, focused on the need to make racecourses equal to, or better than, the off-course offer.

We have analysed the market for racing and have identified the ‘enthusiasts, occasionals and potentials’ along with strategies to address them through marketing activity.

Stakeholder consultation was conducted to deepen our understanding of all perspectives, to help clarify the key issues and to build consensus on the steps to be taken. The outcome of our research to establish the drivers of interest in, and the points of attraction and resistance to, racing in the general population will feed into the Communications Strategy for racing including Public Relations, Advertising, Direct Marketing, Digital/Social Media and education programmes.

This report presents our recommendations grouped under each of the key goals and includes a consolidated report of the views of the Stakeholder Groups (Appendix A) which helped to shape many of the key recommendations and also add considerable insight across other areas.

Michael O’Rourke
Head of Strategic Marketing Group

GOAL ONE

CREATE A
CUSTOMER-FOCUSED
RACING PRODUCT



SUMMARY RECOMMENDATIONS

CREATE A CUSTOMER-FOCUSED RACING PRODUCT

1. RACING & RACECOURSES

1.1 FIXTURES

1. (a) Co-ordinate fixtures planning with media schedules, particularly terrestrial TV.
- (b) Run the Irish Derby and Champion Stakes as Saturday evening/late afternoon meetings.
2. Fix the date of the Punchestown National Hunt Festival.
3. End the Flat Season at the Leopardstown November Handicap meeting.
4. Create a two-tier fixture list based on *Premier* and *Standard* race-days.
5. Examine the options for further reductions in fixtures from 2012, while allowing for the needs of the industry.

1.2 ADMISSIONS/TICKETING

1. Develop a national racegoers' database combined with a customer relationship management package, linked to the ticketing system within HRI, to assist targeted marketing activity for all racecourses.
2. Develop central ticketing sales for all racecourses through the HRI website.
3. (a) Develop new admission ticket types including privilege and discount access cards for people we want to recognise and reward.
- (b) The ticketing system should allow for credits to be allocated to persons in the sport who give time to promotional and media work for racing.
- (c) Incentivise special interest groups such as third-level college racing club members with access privileges.
4. Increase ticket allocations for owners and syndicates to six and ten respectively.
5. Allow free racecourse access to under 18s at all meetings except designated Festivals.

1.3 RACECOURSES

1. Re-instate a Racecourse Quality Programme.
2. Re-instate a Racecourse Improvement Scheme.
3. Set a standard for the audio-visual presentation of racing at racecourses, covering MC, PA, Large Screens, TVs, Results Boards and Screen Content management.
4. Agree a rating scale for racecourses using on-course Tote turnover, quality reports, track quality and Racegoers Consultative Forum (RCF) feedback forms and use this to inform decisions about the allocation of fixtures and improvement grants.
5. Prioritise the Curragh and Leopardstown for re-development when funds become available.
6. Trial the use of shorter intervals between races, beginning with Dundalk.
7. Include a National Racecourse Award in the HRI Annual Awards event.

COMMENTARY AND DETAILED NOTES

CREATE A CUSTOMER-FOCUSED RACING PRODUCT

1.1 FIXTURES

1.1.1 FIXTURES AND MEDIA PLANNING

To bring racing to a wider audience, we propose that the Irish Derby and the Irish Champion Stakes should be run on Saturday evening and Saturday late afternoon respectively to open up prime time TV coverage and to facilitate the social racegoer who adds so much to the overall attendance and atmosphere. RTE are anxious to build audience numbers for live racing and will work with HRI and the racecourses to create an informative and entertaining programme around the events. Prime-time TV could deliver an audience of up to 400,000 which would be of benefit to sponsors and a perfect opportunity to present racing to a wider audience.

The Strategic Marketing Group and many stakeholders feel that terrestrial TV coverage of racing is in need of investment and modernisation and that racing and RTE need to work together to evaluate new approaches to its presentation. The need for better quality TV coverage was a recurring theme among stakeholders which must be addressed if we are to interest a new audience.

1.1.2 DATE OF THE PUNCESTOWN FESTIVAL

The Puncestown National Hunt Festival should be run on a fixed date each year starting on the last Tuesday in April. At present it is subject to change due to the Irish Grand National at Fairyhouse which is an Easter meeting. The growing success of the Puncestown Festival may be hindered by the effects of the moveable Easter holiday, ranging from 22nd March to 25th April.

In 2011, Puncestown does not start until Tuesday 3rd May because Easter Sunday is 24th April.

If Puncestown is fixed for the last week of April there will be occasions when Fairyhouse will be staged the week before. In these years, it is recommended to reduce the length of the Fairyhouse meeting to two days and potentially to move some of the clashing races earlier in the calendar. It is not until 2036 when Fairyhouse would be scheduled for the same week as this year.

Puncestown should be assisted in developing as 'the Irish Cheltenham' hosting the climax of the year for National Hunt horses and the celebration of championships.

1.1.3 END OF FLAT SEASON

The Flat season should end at the November Handicap meeting in Leopardstown. The inclusion of the all-weather programme at Dundalk has led to an attenuated end to the season with no proper finale or celebration of the Flat Racing Championship. There is no real media interest or sense of occasion appropriate to the sport. The all-weather flat programme would have a separate designation which presents an opportunity for Dundalk to create and promote a new and unique championship.

1.1.4 TWO-TIER FIXTURE LIST

The Strategic Marketing Group recommends the creation of a two-tier fixture list, based on *Premier* and *Standard* race-days to distinguish race meetings for which there is popular demand. Race programmes should be progressively managed to concentrate the high quality races at weekends and other recognised big days in the calendar.

Tote on-course turnover provides an accurate measure of a given raceday's popularity. The moving three-year average Tote betting per meeting will show race days which produce a low gross return to the Tote.

Racecourses will be encouraged to charge low admission prices on *Standard* days and control costs by issuing basic racecards (included in admission) and providing only essential facilities. There would be no significant local marketing spend – HRI would publicise the meetings on its website and other networks. The Tote should consider a stripped-down service based largely on Bet Jets and a small core team. HRI's Fixtures & Finance Committees may examine options for a re-structured prize-money policy appropriate to this new structure.

The principle that 'there is no such thing as a bad day's racing' should be maintained. Low cost mid-week racing can offer an affordable introduction to racing and can also target niche markets such as the 'Grey Leisure Euro' (ref 3.1.2.1), tourists, clubs and societies. This presents a development opportunity rather than a write-down of the value of a given day. For instance, a €5 raceday where the focus is entirely on the horses and jockeys would provide a point of entry to racing for the curious and a means for regular race fans to enjoy many race days at an affordable rate. HRI and the racecourses should develop and support suitable theming for *Standard* racedays.

1.1.5 FIXTURES REDUCTION

While industry needs are met by a very full fixture list and there is a 'trickle down' economic benefit to wider, particularly rural, communities, along with media rights payments to racecourses, it may not necessarily service public demand for racing. This risks saturation in the market place which affects the image of the sport as a live spectacle. It is recognised that there is a TV and other media audience for these meetings, and betting activity which may drive interest, but a balance must be found to avoid any perception that racing is introverted and supply-led, rather than demand-led. Most of the stakeholders at the consultation meetings held in HRI on 31st November and 1st December 2010 stated that there was 'too much racing' and that fixtures should be reduced.

The Fixtures Committee is invited to examine where reductions might be identified, compatible with racing's needs and the demands of the horse population. The need for fixtures reduction may be moderated if a successful two-tier racing formula is arrived at. The Strategic Marketing Group recommendation is for reductions in the Fixture List as presently constituted.

1.2 ADMISSIONS & TICKETING

1.2.1 NATIONAL RACEGOER DATABASE

The existing HRI racegoer database has been built up by collecting racegoer details on race-card competition forms at racecourses. There are around 50,000 fully validated addresses on the current list. It is hosted by a third party and principally uses postal addresses. These names and addresses are used for national mailings of fixture lists and seasonal promotions, such as Summer Racing or Ladies Day offers. It can also create lists for local racecourse use and give useful information about the type of people racing at each track.

The Strategic Marketing Group recommends setting a target of 100,000 names with email and mobile details where possible to allow for regular communications to racegoers and recruitment to various social media platforms which will engage them in racing stories and promote individual race-days. This figure would represent 10% of the 'available' market for racing promotions (ref 3.1.1) or 14% of the active racing population, a significant sample size, representative of the total population.

The ideal national racegoer database would be a sales tool which could be managed and updated at local and national (HRI) level. It must be updated and refreshed continuously to remain relevant. To achieve this it will need to have full Ticketing and Customer Relationship Management capability.

The practicality and logistics behind a centrally-managed database will be tested by the roll-out of the new Customer Relationship Management (CRM) system now being implemented in HRI racecourses. This system will capture names, address and all contact details of people

buying tickets, entering competitions, registering for newsletters, interacting through social media channels or completing research, whether through websites, telephone or in person at the racecourses. The new database could be managed directly to create bespoke direct marketing campaigns without using third parties.

A centrally-managed National Racegoer Database would give HRI and racecourses the tools to provide specialised mailing lists for each racecourse's catchment area. These targeted lists could then be used for mailshots, publicity post, leaflet drops, emails or text alerts. For example, An Post and other specialised services can take an existing racecourse customer list or database and examine the age, gender, house type and other data to give us a life-style profile of our racegoers. They can then find addresses in the catchment area of each racecourse which match that profile. This would assist the racecourses with highly targeted marketing of racing, reduce campaign costs and give measurability

1.2.2 TICKETING

The new system should be used to sell tickets for all racecourses through the HRI website, which is the portal site for all courses. Visits to the HRI website in 2010 totalled 1.5 million and a new version has been launched in Spring 2011, with significantly upgraded features and content. The majority of racecourses do not sell tickets online as it is not a feasible option for them to implement alone, but one website where the customer can visit to buy any ticket for any race meeting will greatly enhance the experience for the customer, generate extra sales for the racecourse and continue to gather customer data. The preferred model is for print-at-home tickets for barcode scanning at the course.

1.2.3 ACCESS & PRIVILEGE CARDS & TICKETS

The system would also allow admission tickets and/or access cards to be issued to people at agreed permission levels subject to agreement with racecourses, eg. a jockey or trainer who is an ambassador for the sport would receive a username and password for the site, allowing him to print a designated number of tickets for his or her use. This could be applied to other categories such as owners, syndicates, prize-winners and people we want to incentivise. For owners in particular, this would provide flexibility and reduce the need for negotiation with tracks for tickets along with delivery and collection issues.

This system will take time to design and implement and will depend on full evaluation of the new HRI racecourse system in operation, but it should be a target for start-up in 2012 and completion within 2-3 years.

Opportunities for Development:

- Print at home tickets (barcode scanning)
- Improved membership management and options for new membership types, such as regional membership.
- Market research to identify prospects for upgrade, rewards and incentives.

1.2.4 OWNERS TICKETS

As owners are the foundation stone of attendance, the most committed participants and, in this challenging economic climate, the central market segment driving interest in racing among their immediate network, we propose that the ticket allocation should be increased to six and ten for owners and syndicates respectively.

1.2.5 FREE ADMISSION FOR UNDER 18s

Free admission for under 18s has been tested successfully at racecourses such as Naas and it is recommended for all racecourses. Some racecourses admit under 14s free and some confine it to under 16's. Festivals, including festival-type events such as Leopardstown's Summer Concert Series would be exceptions, to avoid revenue dilution. There is low penetration of this age group and it makes sense for racecourses to recruit younger racegoers.

1.3 RACECOURSES

1.3.1 RACECOURSE QUALITY PROGRAMME

There should be a new racecourse quality programme to ensure that customer service standards are maintained and improved. Coupled with analysis of on-course Tote betting turnover, this would provide an objective means of rating racecourses and ensure that resources are allocated where the public will see most benefit. Previous AA Quality programmes measured a wide range of quality issues and contributed to definite improvements in standards.

This Strategic Marketing Review is focused on the customers' needs, primarily the turnstile-paying customer, the 'attendances' which should be our sole focus.

The current measures of racecourse success tend to be attendances and betting, coupled with media and public perception of success. The racecourses themselves prioritise financial return as well as these factors. For the customer, however, success is seen solely in terms of the satisfaction of his/her needs, which will vary for each customer type, although all require a minimum standard of functionality and comfort, which should be seen as mandatory.

We are working to get a clearer and more detailed picture of the market segments - horse follower, betting customer, social customer and others. What is clear, from the current state of knowledge, is that the battle to build attendances rests with our ability to recruit, retain and grow each segment and that the social customer is the biggest segment, with the biggest potential for growth. This segment is also the means to encourage 'sampling' and trial of racing leading to conversion from occasional to regular racegoer.

Recruitment of new social racegoers is difficult and expensive, in terms of the marketing spend required, the need to provide enhanced raceday experiences and the provision of high service levels comparable with competing leisure options.

The racecourse is the place where the promise of the marketing messages to the customer results in delivery or disappointment and we must audit our performance in this respect.

What kind of event is the social racegoer attending? The

social or casual racegoer experiences a day at the races as a leisure experience, rather than a sporting one. This subtle distinction has a major impact on the standard of facilities and service expected.

In a leisure-oriented venue the first stage of evaluation is known as the 'hygiene factors' - the basic elements which make the venue work, through parking, access, shelter, viewing and basic utilities of seating, food & drink availability, toilets and a safe environment with full health and safety compliance. The quality of service delivery thereafter is what distinguishes a leisure-oriented venue.

The AA quality reports carried out in 2007 and 2008 provided an objective measure across hygiene factors and customer service. To ensure that racecourses are competing in the leisure sector the Strategic Marketing Group recommends a renewal of formal quality assessment to be used in conjunction with the feedback received through the Racegoers Consultative Forum.

1.3.2 RACECOURSE IMPROVEMENT SCHEME

We recommend the re-introduction of Racecourse Improvement Scheme grants, when funding allows, prioritised towards facilities, for the paying customers so that all courses can maintain acceptable leisure-industry standards. The leisure market will recover, and it will always demand high standards and service levels. The existing racegoer must also be assured that facilities will be upgraded progressively.

If ownership is to be part of the strategy to energise racing from within, facilities for owners and trainers must be improved across the board.

1.3.3 STANDARDS FOR AUDIO-VISUAL PRESENTATION

Racing need to set a standard for the audio-visual presentation of racing at racecourses, covering MC, PA, Large Screens, TVs, Results Boards and Screen Content management.

All users groups, and the Racegoers Consultative Forum in particular, have asked for improvement and standardisation in the presentation of racing information and pictures at racecourses. It is so essential to the full appreciation and understanding of the day that a written standard should be produced, working with the

racecourses and the professional AV suppliers, to which racecourses would subscribe. We recommend that the forthcoming tendering exercise for AV suppliers to racing should incorporate the development of this standard.

Areas for Development

- The SP feed to the CCTV system should be automated, as the Tote feed currently is.
- High definition cameras should be costed and introduced progressively as soon as possible to ensure that racing enters the HD era with a strong product offering.
- Sound system upgrades must include localised sound control for the parade ring area to deliver parade ring interviews to those who are interested, without overspill or excessive noise.
- Provide for a radio camera to bring the 'press huddle' to racegoers and distribute parade ring interviews to TV and radio stations through syndication.

1.3.4 RACECOURSE RATING SCALE

In addition to the re-introduction of a quality programme, we can also rate racecourses in terms of their betting activity which reflects the degree of engagement which racegoers have with the sport. The on-course Tote turnover figures are a particularly good measure of the participation of the casual and occasional racegoer. A three year rolling average on-course Tote figure for each racecourse provides an accurate rating of a given raceday's ability to attract the social racegoer.

A quality rating and on-course Tote figure for each racecourse combined would give a clear view of the attractiveness or otherwise of a racecourse on a given raceday. These should be considered together with track reports and Racegoer Consultative Forum reports to 'rate' each course.

The point of having a rating scale for racecourses is that, apart from the truism that measurement changes performance, it would also provide a basis for decision – making on the allocation of resources such as fixtures, capital and improvement grants and marketing support.

1.3.5 RACECOURSE DEVELOPMENT

The Curragh and Leopardstown are in need of significant re-development if they are to live up to their Premier

'flagship' status and attract new audiences. While noting that funding is not available in the current climate, the committee recommends that they must be the priority for funding whenever it becomes available. We acknowledge that while some of the facilities are below leisure-market standards at these venues, which host world-class races, their racing surfaces and horse/horsemen facilities are excellent.

1.3.6 SHORTER INTERVALS BETWEEN RACES

We recommended trial of shorter intervals between races, starting with Dundalk, and further examination and trial of a mixed-card short-interval raceday as summarised below:

- Mixed Card Meeting – 8 races.
- Flat/National Hunt alternate races with shorter intervals for turnaround. Two sets of officials. Preferably evening meetings 6.30-9pm, linked to entertainment and new faster paced betting opportunities. Question whether jockeys need to attend Stewards enquiries, without prejudice to the right of appeal. Stewards enquiries to be held after racing. If bookies paid first past the post this process would be greatly assisted. Weigh-in and out in the parade ring. This would require close liaison well in advance with media partners.

We have been challenged to 'make racing more interesting' if we are to interest people in racing. Shorter intervals have been mooted as one means to do this, reducing the period of inactivity, particularly for those not absorbed by the rituals and customs of the sport, although many racing professionals also support this idea. Mixed meetings are also very popular with racegoers and should be considered for development.

1.3.7 RACECOURSE AWARDS IN HRI ANNUAL AWARDS

The HRI Annual Awards recognise the achievements of our horses, horsemen and women and persons who have made an outstanding contribution to the industry. Racecourses should be included as a category to incentivise and reward the producers of the show which racegoers pay to see. This will need careful consideration to ensure a balanced and independent evaluation of racecourse performance. The racecourse rating scale advocated in section 1.3.4 would be a useful starting point.

GOAL TWO

RESTORE AND GROW
THE LEVELS OF
ATTENDANCE BY THE
BETTING CUSTOMER
AT THE RACECOURSE >>



SUMMARY RECOMMENDATIONS

RESTORE AND GROW THE LEVELS OF ATTENDANCE BY THE BETTING CUSTOMER AT THE RACECOURSE

- 2.1 Allow bets at the home meeting in on-course SP shops.
- 2.2 Provide online access to racing data, online and exchange betting at racecourses.
- 2.3 Support the creation of wi-fi enabled sports lounges and/or hot spots.
- 2.4 Engage with online and exchange betting providers as business partners for sponsorship of races and facilities, subject to the introduction of legislation on the taxation of online and telephone betting.
- 2.5 Actively promote racecourses as betting venues.

COMMENTARY AND DETAILED NOTES

RESTORE AND GROW THE LEVELS OF ATTENDANCE BY THE BETTING CUSTOMER AT THE RACECOURSE

(2.1 to 2.5 inclusive)

The combined recommendations in relation to racecourse betting reflect one overall requirement: the elimination of all restrictive practices affecting racecourse betting to facilitate the opening up of the on-course betting offer to match the high street and online markets which are taking business away from racecourses and undermining attendance by racegoers whose principal interest is betting. There should be a broad forum, including HRI, the racecourses and the betting industry to ensure the vitality of the racecourse as a betting venue.

There is an emerging consensus that the future of betting is online and in-running and new developments will accelerate and copper-fasten this trend. Web TV is the next wave which will put online gaming and betting at the heart of the home and the new generation of smart phones will dominate the market in a year's time. iPads and Tablets are also evolving rapidly, delivering a portable high-quality live viewing experience with full interactivity, including betting.

The current debate and anxiety about use of laptops and customer access to online options at racecourses is being overtaken by the pace of change in communications technology. The imminent dominance of iPhones, Androids and other smart phones will actually restore the punter's ability to enjoy live racing and live betting with all options available. The social side of betting is still important and this may act in racing's favour, but we need to enable this behaviour rather than struggle to turn back the tide.

The betting ring itself is not accessible online, which, despite major administrative challenges, might be explored further as an option to secure and develop the business.

Betting customers will bet where they get the best choice, value and information and unless racecourses provide that, the on-course market will remain second choice at best. To have the full betting experience we must eliminate: all restrictive practices affecting racecourse betting; allow bets at the home meeting in on-course SP shops; provide online access to racing data, online and exchange betting; provide access to, and support the creation of, wi-fi enabled sports lounges; engage with online and exchange betting providers as business partners for sponsorship of races and facilities and actively promote racecourses as betting venues. It must represent a better longer term option for ring bookmakers that stay-at-home betting customers are enticed back to the track and any further haemorrhage halted. Put simply, betting customers who come to the track may bet with the ring bookmakers, those who stay away can not. The question remains as to the impact this will have on the ring. There must be a combined effort to make the ring benefit from increased business.

The on-course business must also operate under a strong code of conduct, as any loss of confidence will translate rapidly into lost business in a market with so many alternative options.

Once a satisfactory taxation regime is established for online and telephone betting such operators should be viewed as business partners for sponsorship and other commercial ventures.

We are conscious that this is the most challenging recommendation from the Strategic Marketing Group as it affects the on-course bookmakers directly in their day-to-day business. The market, however, is making its own decisions. This is a technical and policy area which reaches beyond the scope of this group and needs further analysis and dialogue with the bookmakers. To deal adequately with the issue HRI should engage the on-course, off-course, internet and off-shore operators in a broad forum to reach an accommodation which will preserve the vitality of on-course betting in the greater interest of racing.

Betting is not just moving off-course, but off the High Street as well. Some shop customers are betting on smart phones on the premises, and/or playing the exchanges. The demise of Celtic Bookmakers shows how vulnerable traditional betting operations are to the combined effects of the downturn and competitors with online capacity.

The extract below is from the Racegoers Consultative Forum submission to the Strategic Marketing Group and reflects a viewpoint we have heard from all sectors:

"The guiding principle in relation to the betting facilities and opportunities available to the person who elects to go racing (rather than stay at home or in an off-course betting shop) must be to provide a real advantage for those betting on-course. In the short term this may not be possible but a new taxation regime that creates an incentive for betting on-course rather than elsewhere may help in this regard in due course.

However, what is absolutely essential is that every effort is made to eliminate any disadvantages that exist at present for the on-course punter relative to punters who stay away and that are in the gift of racing's stakeholders to resolve. The headline and most significant disadvantage at present is the prohibition against the on-course betting shop taking bets on the races at the track concerned. This must be changed as a matter of urgency.

It is simply no longer acceptable that the punter who goes to the races cannot for example: on arrival at the track, take an early price in the on-course betting shop or avail of any other promotions that the bookmaking chain might be making available in its betting offices. The on-course betting shop must be permitted to function exactly as any other betting office.

The origin of this restriction was a compromise to enable the opening of on-course betting shops which was opposed at the time by the on-course bookmakers who perceived them as a threat to their business. The threat to the on-course bookmakers today comes from the more attractive betting platforms that are readily available to punters who stay away. On-course bookmakers need to realise that those who come through the gates are potential customers. The punter who stays away can never be their customer. The restriction which may have had some validity at a point in time must be removed immediately”.

(Full Report at Appendix B)

The extract below sets out the views of the on-course bookmakers.

“We, as on-course bookmakers, will be happy to endorse any suggestions which your Committee makes, provided ALL layers, whether recreational or professional pay the same levy and are treated equally.

We believe that the setup of wi-fi areas is simply to facilitate layers who do not want to pay a pitch fee or levy. The betting ring is wi-fi enabled and capable of including all layers provided they have an on-course permit.

With regards to the on-course betting shop taking singles, again we have no objections provided they are filled on seniority. We have paid levy and a pitch fee on a daily basis for the privilege of laying singles on the home meeting and are ourselves restricted from competing directly with the Betting Shop”.

(On-course bookmakers suggestions for improvement of attendances at racecourses are at Appendix A).

MARKET RESEARCH SUMMARY NOTES (BETTING)*

Horse racing is by far the sport most frequently bet on in Ireland with 33% of the population having had a bet. Horse racing is however, distorted by the ‘once a year’ market at 16% of the total, presumably the Aintree Grand National. The next biggest sport is soccer at 11%. 5% of people claim to back horses online, with golf, soccer and rugby attracting most of the online and exchange interest, reflecting the ‘in-running’/‘in play’ market which is an emerging and rapidly evolving part of the betting market.

The Lottery and online poker are the principal other gambling interests of horse racing betters.

Mobile betting apps are forecast to grow rapidly and they will accelerate the trend towards online betting.

Horse racing betting enthusiasts overall state that they are spending c25% less on all betting/gambling compared to last year.

Actual on-course turnover for 2010 declined by 10%. **

TOTAL BETTING	Down 10.0% from €181.8m to €163.6
• Tote Betting	Down 4.0% from €47.8m to €45.9m
• On-Course Bookmakers	Down 11.9% from €121.9m to €107.4m
• On-Course SP Shops	Down 14.9% from €12.1m to €10.3m

(Betting research extracts are at Appendix E).

* Horse Racing Ireland National Survey 2010 - Racegoers & Betting Enthusiasts - B&A

** Horse Racing Ireland Year End Statistics



**GOAL
THREE**

GROW INTEREST
IN THE SPORT >>

SUMMARY RECOMMENDATIONS

GROW INTEREST LEVELS IN THE SPORT

3.1 MARKETING COMMUNICATIONS

Create a Marketing Communications Plan addressing each of the market segments identified in the 'interest-level' model (3.1.2 Figure 3). The plan should exclusively address the agreed objectives of this report. Addressing the level of interest in racing among the general population is the over-riding marketing task in future years.

3.2 PUBLIC RELATIONS

Public Relations plans and activities should be centred on Engagement, Education and Entertainment, based primarily on the attractions of horse racing as a sport.

3.3 KEY PR ACTIVITY AIMS

Support the development of mainstream terrestrial TV coverage through special interest/colour piece productions which will tell racing's story to the wider public and work with other media to improve and extend general coverage.

3.4 SOCIAL MEDIA AND WEB

Establish a community of Social Media communicators to get the people in racing to share the story of racing by creating a digital media 'academy' for racecourses and the wider racing industry.

3.5 SCHOOLS PROGRAMME/COLLEGES AND UNIVERSITIES

Develop and expand the racing for schools initiative across the country throughout the year and expand into third level institutions.

3.6 OWNERSHIP

Use racehorse ownership as a way to grow interest and participation in racing among clubs, pubs and third level colleges.

3.7 COMMERCIAL CUSTOMERS

HRI should actively campaign to address decision makers in companies to sell the benefits of commercial race sponsorship.

3.8 MARKET UNDERSTANDING

Research and understand the market.

COMMENTARY AND DETAILED NOTES

GROW INTEREST LEVELS IN THE SPORT

3.1 MARKETING COMMUNICATIONS

3.1.1 MARKET BACKGROUND

Interest levels in racing are very intense, particularly where linked to betting. The sport is unique in Britain and Ireland in having two dedicated TV channels; extensive terrestrial coverage; a daily and weekly newspaper and some of the most sophisticated websites in the world of sport.

Just over one-in-five adults is interested in Horse Racing and there is encouraging evidence to show that there is a receptiveness to racing among younger urban people which can be converted to action and engagement.

The breakdown of the adult population who say they enjoy or *would consider* racing is as follows:

- * Racing in the last 12 months: 370,000
- Racing 'ever' 12 months ago: 345,000
- Potentials: 360,000

Actual attendances at race meetings in Ireland were 1.2 million in 2010, down from a high of 1.46 million in 2007.

Research shows the frequency of attendance and the areas where interest is highest and lowest (see *Figures 1 & 2 below*):

- Dedicated/regular racegoers (ie. horse followers & punters) race 7 times a year.
- Average racegoers race 4 times a year.
- Socialisers, which is the highest overall sector of the market, race 2.5 times a year.

The regulars are older, rural males and the occasionals, who are also older, will tend to be working class and rural. Interestingly, and encouragingly, the potential market we have identified is younger, urban, ABC1 (middle class) with a good gender balance. Their motivation is to socialise with friends and through sampling racing this way, they are potential converts to the sporting experience. This points to tailored marketing messages for each of these groups.

We have segmented the market in terms of interest-level in racing (Figure 3). The marketing task can be summarised as finding the value proposition for each of these broad segments and communicating it to them. One-third of the Irish population are the immediate realistic targets for marketing activity. It is clear that niche marketing and direct targeting of the different segments of the market will be needed.

3.1.2 THE AUDIENCE

The outstanding challenge for marketing for the years 2011 to 2015 is to grow interest levels in the sport of horse racing. We have committed to increasing the level of interest from 22% to 35% of the population within that time. This is in a very competitive atmosphere when rugby, soccer, gaelic football and hurling have a world-class sporting infrastructure in the heart of Dublin and strong local, regional and national affinities.

Overall, while it was possible during the boom years to recruit new racegoers from 'the outside-in', in recessionary times it is logical to defend and encourage the existing customer and to work with them to create interest in the

FIGURE 1

INTEREST & ATTENDANCE ABOVE AVERAGE

	Interest	Attendance
Male	28%	16%
Farmer	42%	25%
Leinster	26%	19%

Base: Interest = 22% Attendance = 12%

FIGURE 2

INTEREST & ATTENDANCE BELOW AVERAGE

	Interest	Attendance
Female	16%	7%
Working Class	19%	9%
Dublin	17%	8%

Base: Interest = 22% Attendance = 12%

* Horse Racing Ireland National Survey 2010 - Racegoers & Betting Enthusiasts - B&A

sport in the wider population. This is the starting point, but we must also recruit new and wider markets which remain essential to future growth.

3.1.2.1 Golden Silver – Marketing to 50 years+

The 50 years+ profile at many race meetings is an advantage to the sport and its commercial sponsors. The 50+ market represents 1.2m people bringing with them a 'Boomer' generation ability to enjoy life. They are as likely as younger groups to change, adopt new pursuits and switch loyalties. An estimated 67% of 50+ citizens are free of the worst effects of recession. For racecourses this represents a core of high disposable income customers who must be retained and encouraged. They are more likely to produce regular racegoers than younger segments who, while still a vital target, will tend to focus on a limited number of high-profile meetings for socialising.

3.1.3 ADVERTISING THEMES

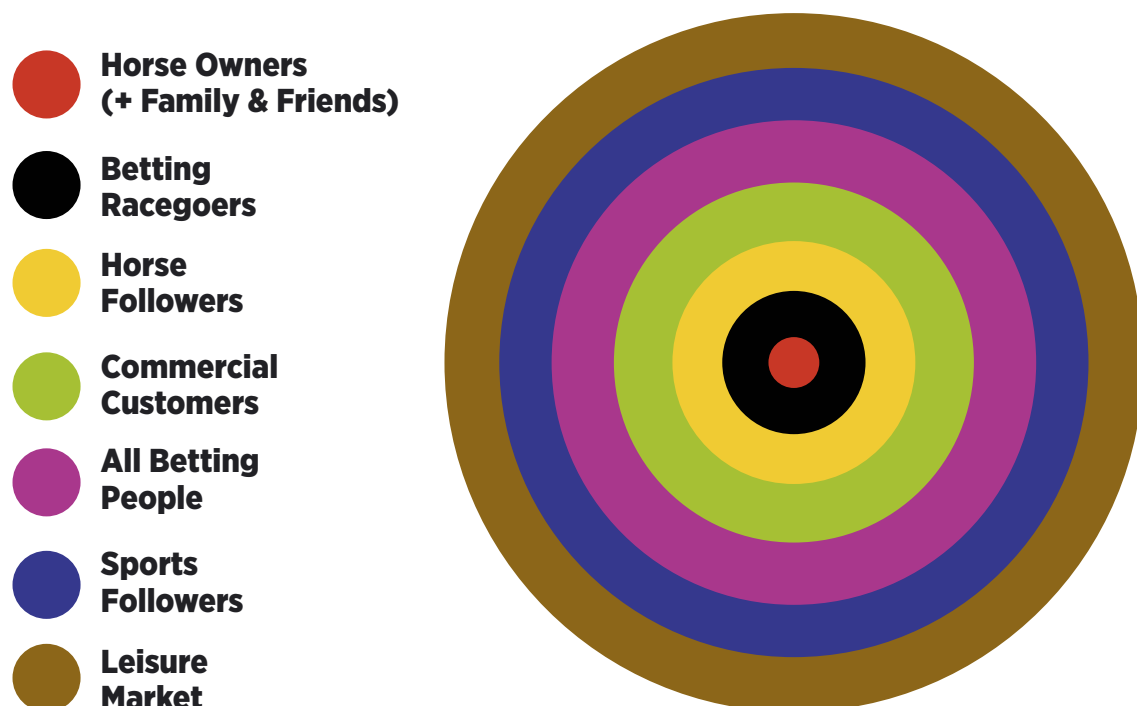
The changed circumstances following the recession have also changed attitudes and expectations. Irish people are increasingly keen to reconnect with things they consider authentic. They value the countryside and its traditions more than before. The land and landscape, the language and everything traditional and proven are the new points of reference. This is sometimes interpreted as a search for a renewed sense of Irishness. This trend in society is reflected in the growth of gaelscoileanna (Irish language schools), farmers markets, 'grow your own' movements and a return to volunteering. The ideas of community and the celebration of the local, embodied in the gaelic words Meitheal and Dinseanachas, will evoke positive reactions.

Horses and horse racing can be at the heart of that trend. The racecourse should be portrayed at the centre of its

FIGURE 3

TARGET MARKET

(segmented by interest level, highest at the centre)



community and racing should be presented as a repository of traditional skills and knowledge of the land and horses, which leads to our success on the international racing stage.

We must not, however, lose sight of the fact that people invest their time and money in sport and leisure to be entertained. We will make it clear that a day at the races is fun and provides an outlet for a population in need of enjoyment and release, experienced as a community. The national capacity for shared enjoyment in the company of like-minded people is undiminished, but “good clean fun” is in, whereas “craic” is out.

Irish racing can genuinely be portrayed as a “world centre of excellence”, a source of national pride and something which can help to repair the national reputation. The wider message of racing to our ultimate stakeholder, the Irish people, is that it is part of what we are and something we are innately gifted at.

3.1.4 RACING COMMUNICATIONS

3.1.4.1 Points of Entry

The ‘points of entry’ are those meetings most likely to attract first-time or occasional racegoers, principally the main festivals, dominated by Galway week. They will continue to attract new racegoers and the challenge is to capture names and contact details on the ground at these meetings, engage them in the racing experience and follow up with racing information and promotions, ideally through web and social media content.

3.1.4.2 Festival Development

There will be opportunities to develop new festivals and festival-type events and we should not consider the existing festivals to have exhausted the possibilities. Leopardstown’s new Summer Series, for instance, presents the emergence of a new festival-type event. Dublin must be a priority market for development, with eight racecourses within some part of its catchment area - Leopardstown, Curragh, Punchestown, Naas, Fairyhouse, Navan, Bellewstown and Laytown with Dundalk and Kilbeggan on the periphery and other major festivals across the country also reliant on Dubliners to travel to their meetings.

3.1.4.3 National Hunt Racing

National Hunt racing has strong claims on the interest and affections of racing fans and we need to get through to potential young, urban fans. The alternative pull of

GAA, Rugby, Soccer and internet gaming gives us a tougher battle than before to have our story heard by this audience. The opportunity here is that an established story-line exists for people to connect with to establish and build an interest. That story is the road to Cheltenham and it must be embraced openly and in a structured way. Cheltenham can give a focus to much of the year’s action but also provides a pointer to the ‘double-header’ climax of the Irish National Hunt Season at Fairyhouse and Punchestown. The Irish Grand National meeting at Fairyhouse is an iconic Irish brand that has huge potential amongst our target audience while Punchestown has grown to become the outstanding success story of the National Hunt Season. The Irish achievements at Cheltenham in recent years have heightened public interest and participation in these meetings as well as attracting British racegoers to Ireland to enjoy racing of a comparable standard.

3.1.4.4 Flat Racing

If the key to developing interest in a sport is to get people to understand what the participants are trying to achieve, we acknowledge that the ‘story’ of flat racing has been notably difficult to convey given the short racing careers of its top horses. It does, however, have many points of interest which can be communicated to capture new audiences – the international racing success story on the flat is a source of national pride; its trainers and jockeys are widely recognised and respected; the status of Ireland’s top flat races is very high and above all, there is our leadership in breeding – not just a matter of pride but the engine for a significant part of the rural economy. We must tell these stories to a wider public, particularly a younger audience. Racing’s story is as much about the farm as the parade ring and bookies ring.

If taking a new racegoer by the hand, one would ideally start at the beginning of a two year old career in order to convey the whole picture as time goes on. Starting over five furlongs in March and increasing in distance as they grow stronger in time, we distinguish the sprinters from the potential milers. There is a clear path through the season starting with the maidens at the beginning of the year (a series of interviews with trainers focusing on their early two year olds would be helpful to give newcomers an insight). We should make the path clear with a view to engaging people in following horses through to the Classics as three year olds.

3.2 PUBLIC RELATIONS

Public relations activity should include a racing education and communications programme, dedicated to reaching a wider audience with compelling stories of racing and its connection to our traditions. HRI should work to bring racing and the public closer together through a number of initiatives, developed in quarterly Marketing Seminars with the combined racecourses.

The key 'players', trainers and jockeys in particular, should be asked to preview major races in the media and be available for pre and post-race interview and analysis. We would see this evolving from the current informal goodwill to agreed and planned activity, part of the unwritten 'contract' between the sport, its players and its followers. Weigh-in and out in the parade ring would facilitate this.

We are aware that other sports have changed the rules of engagement. For instance, Golf thrives through regular, planned and contracted media appearances by the stars at all stages of tournaments. Soccer and rugby stars have contractual obligations to do media work. They see the importance of this work, irrespective of the level of achievement in competition because the key to growing interest levels (one of our key goals) is to draw viewers and readers into an understanding of what the players are trying to achieve, how they feel about their performance, what it means to them and most of all, what they think will happen next.

3.3 KEY PR ACTIVITY AIMS

- Create, with partners, a mainstream TV programme (or series) to bring a broader audience into the story of racing.
- Make a comprehensive guide to racing on DVD, suitable for use section by section on HRI's website.
- Make the 'Press Huddle' in the Parade Ring accessible to the public.
- Racing Radio/Raceday Radio should be explored and evaluated.
- Raceday seminars on racing should be designed and implemented together with the racecourses.
- '10 to follow' competitions with media partners including online, will be explored, linked to race-going promotions. A 'Follow the Jockey' proposal is being evaluated.
- Work with TV & radio stations to improve presentation of racing and facilitate racing previews, ideally pre-weekend racing.
- Create preview podcasts for weekend racing on the HRI website.
- Synchronise racing promotions and communications with the National Tourism Strategy.

3.4 SOCIAL MEDIA AND WEB

Social Media should be integrated into all marketing campaigns as the most effective way to start conversations and communicate stories about racing.

HRI and many racecourses have produced high quality websites and Facebook pages, with c.90,000 followers on the combined racecourse pages. These have rapidly built communities of people interested in racing, particularly in the hard to reach younger market. The core social media tools: blogs, facebook, twitter, linkedin and youtube have rapidly passed from novelties to full-blown business communications and sales tools.

HRI's website has been significantly upgraded and redesigned and already acts as a portal site for Irish racing. It attracted over 1.5 million visits in 2010 with an average monthly 'unique user' level of 32,000.

Social Media in the marketing mix should be used to maintain open communications with stakeholders and customers. A core team should be set up in HRI trained to high competence in all social media platforms and the art of content creation.

HRI should be a facilitator in social media use for all interested parties in racing, including racecourses. The racing ambassador concept could be expanded to facilitate all who want to promote or celebrate the sport. This approach will start up conversations across all age levels and create a network of voluntary contributors. This is a low-budget project which, apart from minimal formal training input, can use existing resources and readily available web-based platforms and applications.

3.5 SCHOOLS PROGRAMME/COLLEGES AND UNIVERSITIES

The Schools Racing Education initiative, which was launched in September 2010, ran across a series of six dates. The purpose of the initiative was to educate primary school children across the country on the industry and give them a unique 'behind the scenes' experience, from meeting with jockeys, trainers, horses and the popular

racing simulator, provided by RACE. They then received free admission tickets for two people to go racing at the next race meeting closest to them. Overall attendance at the events was approximately 1,200 children and the schools and public reaction was very positive.

We understand that the programme will increase to nine dates in 2011 and further expansion is planned in subsequent years.

In addition to these education days, there are plans for trainer and jockey visits to schools and school tours to trainers' yards in a 'racing in the community' drive.

HRI should liaise with the main colleges to encourage racing clubs, social clubs and student union outings/fundraisers to racecourses. They will create links with racecourses for student days and explore opportunities for promotional horse ownership through lease arrangements, linked to the ITM domestic ownership development plans outlined below.

3.6 OWNERSHIP

Racehorse Ownership has significant potential as a promotional tool and discussions are taking place with the Irish Vintners Association & Licensed Vintners Association to develop a Pub syndicate programme. Work with student groups also shows the potential for building interest and revitalising third level racing clubs through promotional ownership schemes. Domestic ownership marketing is now part of ITM's responsibility and they should develop this programme throughout the year. The ITBA is closely engaged in similar ideas and opportunities for joint efforts should be explored.

3.7 COMMERCIAL CUSTOMERS

Companies who sponsor races and entertain guests at race meetings are a vital source of revenue for the racecourses and the prize fund. Sponsors & Corporate Hospitality move with the economic cycle and racing must position itself for the upturn. One thing is certain: new sponsors, post-recession, will bring a professional sales and marketing analysis to bear on the investment. Merely 'sticking the company sign on the event' as a gesture of support is a thing of the past. The new sponsorship approach seeks to own the event and participate in shaping it.

There is an opportunity for racing in the convergence of

interests between corporate bodies and their customers. They seek relationship building with customers and want sponsorship opportunities where authenticity and interest meet. This is precisely where racing will position itself in future. HRI should lead the communication of racing's 'fit' with corporate needs through research and active campaigns directed at decision makers in companies.

The integrity of the sport must be maintained to give confidence to the corporate sector.

3.8 MARKET UNDERSTANDING

The research extracts at Appendix D & E are from the December 2010 B&A Report which, among other findings, identify the best potential market segments. New research into consumers' attitudes to, and propensity to engage with, racing has been commissioned and will be used to develop the creative message for use in future Advertising and PR campaigns. Interest levels in the sport will be tracked against the levels established in the 2010 research. The Consultation and Research List at Appendix G shows the bodies and research papers which have been consulted in the preparation of this report.









APPENDIX

A

STAKEHOLDERS' MEETINGS



SUMMARY & OVERVIEW

STAKEHOLDERS MEETINGS

The Strategic Marketing Group has conducted a series of stakeholder meetings to ensure that many viewpoints were considered in developing our recommendations. All parties participated with enthusiasm and creativity and the core comments are recorded in the appendix for consideration in conjunction with, and in addition to, the main report.

All groups at the meetings agreed that the three goals set out in the Interim Report of the SMG were the correct ones: - 1. Develop racing and racecourses from a paying customer perspective, 2. Restore the Betting Racegoer market and 3. Grow the Fan Base (by growing interest in the sport). No new goals were added although many different interpretations of where the emphasis should lie emerged.

For example, when we say that, to grow the fan base, we must develop interest in racing among the general public, it is clear that we must also make the sport more interesting if we are to benefit from increased marketing effort in this area. There was a clear understanding that marketing spend is wasted to a large degree if the racecourse experience fails to deliver the advertised promises. 'Fix it before you promote it' sums this up well.

There was also agreement with the target markets identified, expressed in our new strategy of segmenting the racecourse attendance market by interest levels – owners, racing bettors, racing enthusiasts, commercial investors, gamblers, sports followers and the leisure market.

Real concerns were expressed about the future of the betting ring, the need for improved facilities and the number of racing fixtures compared to the level of customer demand.

The promotion of racing needs attention, finding new ways to build interest and engagement on a sector-by-sector basis. Market Research into the betting market has been completed and research into consumer motivation has been initiated which will be the basis for a three year Marketing Communications Plan. The Stakeholders meetings produced many tactical promotional ideas for immediate impact.

The Marketing task is relatively clear but The 'Product Development Task' is a bigger and more demanding piece of work.

The comments and proposals made have been sorted by the goal they refer to and further divided into Proposals and Observations.

What really stands out is the very low level of proposals to restore the betting customer. Given that there was agreement in our discussions that this was a major problem and that we can't write off the loss of a major market segment, it confirms that this is a difficult topic which will require the engagement of HRI and all sectors of the betting industry.

ATTENDEES

STAKEHOLDERS MEETINGS

STRATEGIC MARKETING REVIEW GROUP

Jim Nicholson, Chairman (Board Member)

Roddy Ryan

Keira Kennedy

Michael O'Rourke

Michael O'Hagan

Tamso Doyle

Barbara White

FACILITATOR

Brian Gleeson

HORSE RACING IRELAND

Brian Kavanagh (CEO)

TUESDAY 30TH NOVEMBER 2010

JOCKEYS

Barry Geraghty

Davy Russell

Ruby Walsh

Gary Carroll

Shane Foley

Johnny Murtagh

Ken Whelan

Patrick Mullins

David Casey

Ross O'Sullivan

Andrew Coonan

TRAINERS

Jim Kavanagh

Noel Meade

Tracey Collins

Jessica Harrington

Eddie Harty

Michael Halford

Michael Grassick

Paul Magnier

Arthur Moore

James Nash

Eoin Griffin

BREEDERS

Des Leadon

Rory Mathews

Shane O'Dwyer

OWNERS

Aiden Burns

JJ Bailey

Oran Crean

WEDNESDAY 1ST DECEMBER 2010

RACECOURSES

Paul Hensey

Evan Arkwright

Trisha Byrne

Ciaran Conroy

Jane Davis

Tom Ryan

MEDIA

Kevin Blake

Niall Cronin

Vincent Finnegan

Robert Hall

Tony O'Hehir

Leo Powell

Jonathan Mullin

GOAL ONE - STAKEHOLDERS VIEWPOINTS

CREATE A CUSTOMER-FOCUSED RACING PRODUCT

JOCKEYS VIEWPOINT

PROPOSALS

- There should be more races with shorter intervals possibly 15/20 minutes between races, eventing, pony races between races to make the day more interesting/fast moving.
- Too many fixtures/reduce fixtures.
- Admission prices – too expensive, no value for money. Free entry to 'ordinary' fixtures.
- Parade ring should be a hive of activity - stallion parades and similar events. Create a buzz at the parade ring. Jockeys should be able to weigh-in/out in the parade ring.

OBSERVATIONS

- Facilities at Irish racecourses must be improved, ref facilities at racecourses in the UK.
- No comfort at racecourses – not enough seating, improve catering.
- People prefer to watch racing on TV in the comfort of their own homes unless incentivised to go racing.

TRAINERS VIEWPOINT

PROPOSALS

- Free in for under 18's, free/cheaper racecards at turnstiles.
- Parade ring should be a 'theatre', create an atmosphere around the parade ring, allow jockeys to weigh-in/out in the parade ring.
- Improve facilities for jockeys/trainers/owners.
- Look after people in the industry, eg Owners. 'Owners should be allowed in stable yards'. Create saddling enclosures. Owners should always receive a memento after horse wins a race and a DVD of the race.
- Interval between races too long, makes the day too long. Make 'winner alright' announcement quicker.
- Have higher quality racing on at weekends and all other lower class racing on as 'industry days' and free of charge.

OBSERVATIONS

- Poor racecourse facilities - car parks, catering, lack of seating areas, etc. compared to UK tracks.
- Create a 'feel good factor' at race meetings. People must feel welcome at racetracks. People need to understand the sport.
- 48 hour declarations – would work for good horses, doesn't work for lower class horses. Non-runner issues with 48 hour declarations.

BREEDERS AND OWNERS VIEWPOINT

PROPOSALS

- A day at the races can be very long. Create shorter intervals between races. More activities, such as Taste of Ireland would attract more people. Give people value for their money.

OBSERVATIONS

- Improve racecourse facilities generally.

RACECOURSES VIEWPOINT

PROPOSALS

- What business are we in – entertainment or sport? A decision needs to be made.
- Quality Reports should be re-introduced.
- Racecourse Improvement Scheme should be re-introduced.
- Owners need to be looked after better. More tickets/AIR cards should be available to owners especially syndicates.
- Racecourses need access to owner's database. Weatherbys UK provide owner's details to racecourses in the UK - HRI need to look into doing something similar subject to Data Protection issues.

OBSERVATIONS

- There are too many fixtures. We need to create atmosphere and build up to races.
- Poor racecourse facilities. Bad experiences at race meetings mean that people won't come back.
- Racecourses must meet people's expectations. Racecourses must also deliver on the promises made in Advertising.
- Racecourses offer RTE interviews at racedays, etc. but RTE don't always take this up .
- Some racecourses don't give winning owners a trophy or recognition.

MEDIA VIEWPOINT

PROPOSALS

- Punters are informed more about what's going on at racetracks in the UK. Have a few key people doing MC at tracks.
- Brand the product and create an image. Will the PA be an attraction or a nuisance?
- Create a racing radio station so that people can tune in at home and at the track.
- Sports fanatics need to be catered for at racetracks - every racecourse should have a designated area where people can watch soccer, rugby, GAA, etc.

-
- Racecourses that have one big race/festival do really well eg Galway, Listowel. Every racecourse needs a big race, a unique race that stands out.
 - Irish Oaks should be on Saturday - prime time TV. Need to step outside the comfort zone. Sunday racing during the summer clashes with GAA matches, so have big race meetings on Saturdays.

OBSERVATIONS

- Improve racecourse facilities and increase comfort.
- People don't go racing for the facilities, they go for the quality of racing eg facilities at Thurles are very poor, but they get the crowd. Racecourses need to work together. Create atmosphere around the parade ring.

GOAL TWO - STAKEHOLDERS VIEWPOINTS

RESTORE AND GROW THE LEVELS OF ATTENDANCE BY THE BETTING CUSTOMER AT THE RACECOURSE

TRAINERS VIEWPOINT

PROPOSALS

- Betting exchanges are destroying Irish racing. Either break them or work with them. Create an incentive for people to bet on-course, introduce computer terminals at tracks.

OBSERVATIONS

- Promote integrity to improve and protect the perception of racing.

RACECOURSES VIEWPOINT

OBSERVATIONS

- Betting customers have better facilities elsewhere - betting shops, at home.
- On-course betting is a dying business and shouldn't be preserved as everything can be done online. No incentive to bet on-course. Racecourses need to move with the times.

MEDIA VIEWPOINT

PROPOSALS

- Introduce an Irish Racing Scratch Card.
- Give people access to on-course bookmakers online. People are using iphones, etc. to bet online at the racecourse.

OBSERVATIONS

- People betting and watching racing from home. See more from home. Betting shops on every street corner with better facilities - comfortable, some offer tea/coffee and sandwiches free of charge. People need an incentive to go racing and to bet on-course.

GOAL THREE - STAKEHOLDERS VIEWPOINTS

GROW INTEREST LEVELS IN THE SPORT

JOCKEYS VIEWPOINT

PROPOSALS

- More advertising on prime time television.
- Attract younger generation - kids entertainment, racing games, tour of racecourses before racing, etc.
- More education days for kids.
- Target pony clubs, schools, colleges, etc.
- 'Day in the life of a jockey'.
- Family packages.
- Jockeys should get more involved with press and photocalls to promote the sport - press conferences before racing. Difficult to get jockeys to do interviews/presentations after races.
- Jockeys should be able to get more tickets to race meetings to encourage friends and families to go racing.

TRAINERS VIEWPOINT

PROPOSALS

- Attract younger people to the sport - target schools/colleges, student packages.
- Create an atmosphere for young people with music, kid's entertainment, eg Trainer should bring kids into the parade ring to meet the jockey, watch the race with trainer; eg bands at Leopardstown's evening meetings during the summer increased attendances and created a good atmosphere.
- Look after existing owners, what they get and don't get.
- Leasing arrangements - get pubs around the country involved.
- Bring 'new blood' to racing.
- Improve facilities at racecourses for owner.
- Jockeys and trainers need to promote the sport, need to be present for presentations, parade ring interviews, etc. Perhaps interviews should be heard at the racecourse over PA system and seen on big screens.
- More open days at yards - make people part of the sport, let them see what goes on behind the scenes.

OBSERVATIONS

- Trainers and jockeys are too set in their ways - need to be more flexible.
- Improve coverage of racing on RTE.
- Improve the championships and their presentations.
- People prefer to watch racing at home.

BREEDERS AND OWNERS VIEWPOINT

PROPOSALS

- We need a 'wow factor' at racecourses. Give people ownership of the product, eg target rugby/GAA clubs regarding leasing of horses.
- Racegoers Consultative Forum should ask people who go racing what they want, let the people decide what they want, eg transport to and from racetracks.

OBSERVATIONS

- Attract young people and catch their attention.
- People don't understand racing and racing terminology. People can't connect with racing like they can with other sports, eg their local GAA clubs.
- People in the industry don't support/promote the sport. Owners need better treatment in racing, breeders are also ignored in the industry. Encourage breeders to go racing.

RACECOURSES VIEWPOINT

PROPOSALS

- Racecourse Managers need more access to trainers and jockeys on race days. More press conferences before racing.
- Focus on the internal customer - look after people in the industry.
- RTE coverage should be reviewed. Move racing to prime time TV.

OBSERVATIONS

- People stay at home to watch racing - they see more at home.
- Special offers/discounts don't attract people to the sport currently. Admission prices - good value for money compared to the price of rugby tickets or cinema tickets. The issue is value, people need value for their money.
- Naas discounts and bundles haven't made a difference to attendances.
- Free admission - not a good perception.
- People don't understand racing.
- Racing presenters and sports editors should be assisted with racing information and interviews.

MEDIA VIEWPOINT

PROPOSALS

- People should be rewarded for going racing - Loyalty Scheme.
- Target younger people and educate them.
- People have no contact with horses therefore don't go racing. People don't understand racing. More yard visits - let people connect with the horses/trainers, etc.
- Sports editors don't understand racing - they are afraid of racing and need to be educated in order to get racing mentioned more on radio stations. People need to be fed the right information.
- Promote ordinary fixtures more and big race days less.
- Owners need more recognition. Owners should be able to get tickets easily/more AIR cards for syndicates.
- Too much of an effort to get information on owners in Ireland. Press packs and owner information readily available in the UK.
- Past champions need status. Jockeys need to promote the sport more, perhaps bring trophies to schools - get kids involved. Industry people should support the industry.

OBSERVATIONS

- TV coverage - rugby/football players are media friendly, racing personalities are not.

GOAL ONE - HRI STAFF VIEWPOINTS

CREATE A CUSTOMER-FOCUSED RACING PRODUCT

PROPOSALS

- Should be able to buy bundled tickets for the races, which can be used at any racecourse.
- 2 separate fixture lists, market big meetings/'industry' days.
- Need to focus on 2 separate products – 1. Premier Days & 2. Ordinary Days.
- Standardisation at all racecourses – food/toilets/coffee shop run in an efficient manner.
- There should be information hub points.
- Loyalty Card.
- Card Competition – have a prize related to racing.
- Availability of English runners and riders
- The paying public should not subsidise free racecards for some racegoers. Racecards should be free or built into the cost of the entrance fee. No free cards for people gaining free admission, a token charge of €1 should be charged.
- We need to look at the length of the race-day experience. There should not be any unnecessary delays during the day. 40/45 minute gaps are ridiculous and people's thoughts start heading towards going home and not what's happening next.

OBSERVATIONS

- A lot of race meetings here are overlapping, unlike the UK where they are more separated by time of meetings and location.
- Reducing fixtures = loss of revenue from SIS.
- Racecourses don't have to have big money, Naas have made small changes and looks well, ie. they can do little things.
- Can't get seats or information.
- Fairyhouse/Punchestown/Leopardstown – Soup & Roll was €4.50, now €3.00 – shows improvement.

GOAL TWO - HRI STAFF VIEWPOINTS

RESTORE AND GROW THE LEVELS OF ATTENDANCE BY THE BETTING CUSTOMER AT THE RACECOURSE

PROPOSALS

- If traditional ring is failing – then do something about it.
- Wi-fi hotspots
- Have the Tote minimum bet reduced to attract the people now retired with reduced income and looking for something to pass the time.
- Some sort of punter-friendliness by bookmakers has to be promoted. To explain to people the “rules” to which bookies operate (each way terms, betting without favorites, etc.) the HRI “App” should include these terms so as the public are somehow prepared and not going in to a possible embarrassing situation. Alternatively, an additional “App” could be developed?

OBSERVATIONS

- If you go to the local betting shop you can see everything.
- Integrity is essential. Insist on high standards.
- “I cannot understand why racecourses are not proactive re betting ring, ie. The Curragh should move the betting ring/not blocking the way into the reserved enclosures”.

GOAL THREE - HRI STAFF VIEWPOINTS

GROW INTEREST LEVELS IN THE SPORT

PROPOSALS

- Increase interest through media, especially with star horses against each other. Need to get good horses to stay and race here.
- Get UK horses here.
- Target over 65's (or grey dollar).
- A weekly podcast – put a podcast out every Friday evening.
- Highlight and celebrate the top level Irish jockeys and trainers.
- A jockey equivalent of Fantasy Football.
- Try to attract pensioners to weekday meetings, make it comfortable for them and they will come for the social aspect, if nothing else.

OBSERVATIONS

- Need to start by keeping our existing customers – very important.
- RTE coverage needs to change.
- Meeting with RCF had bookmaker present who asked “Most racegoers are 35+, why are we not targeting them?”
- Our celebrities – the jockeys –, need to be more interactive, sign autographs etc.
- Industry must support the sport.

ACKNOWLEDGEMENTS:

Ciaran Conroy & Nessa Joyce for specific assistance with the Racecourse Marketing Review and Database & Ticketing Systems respectively.

ON-COURSE BOOKMAKERS VIEWPOINTS

STAKEHOLDERS MEETING WITH STRATEGIC MARKETING GROUP

INBA:

BRIAN GRAHAM (CHAIRMAN)

CIARAN SKELLY

FRANCIS HYLAND

The suggestions for improving on-course attendances are:

1. Have more mixed meeting – attendance records show that these are more popular than simply all National Hunt and all Flat cards.
2. Standardise all admission charges.
3. Target bonus prizes for those that attend a given number of meetings.
4. Look at value for money packages ie. Down Royal punters pack.
5. Tote & Bookmakers bet FPP.
6. Delay live non-commercial pictures.
7. Marketing drive to attract OAP's.
8. Ensure that there is a tax advantage for those betting at the track.
9. Stewards Enquiries made public.
10. Weigh-in in the Parade Ring.
11. A fine for connections of the winner of a sponsored race if the trainer and owner are both not present.
12. Multiple "No Frills Days" enhancements – ie buy 5 entrances for €50.

OFF-COURSE BOOKMAKERS VIEWPOINTS

STAKEHOLDERS MEETING WITH STRATEGIC MARKETING GROUP

IBA:**SHARON BYRNE (CHAIRPERSON)****JOE LEWINS****BARNEY O'HARE**

The suggestions for improving on-course attendances are:

1. TV broadcast should be live to betting shops and delayed to home.
2. Exchanges should be banned at racecourses.
3. Restore a tax advantage to on-course betting.
4. Increase marketing spend.
5. Hold more mixed meetings.
6. Bumpers are among the most popular races for viewing and betting – why not have more?
7. Run Dundalk every Wednesday and Friday throughout the winter – bookmakers would contribute.
8. Ensure minimum 5 minutes interval between events to facilitate betting shops.
9. Develop more 'punters packages' such as the Down Royal one.
10. Open up Ballyhack at Fairyhouse for free or low cost admission to the Easter Festival.
11. Give free tickets to children and young people.
12. HRI & SIS should produce 'next meeting' previews to develop interest.



APPENDIX

B

RACEGOERS
CONSULTATIVE
FORUM SUBMISSION
TO STRATEGIC
MARKETING GROUP

RACEGOERS CONSULTATIVE FORUM SUBMISSION TO STRATEGIC MARKETING GROUP

1) ADMISSION PRICE

Common approach to admission depending on the standard of the card. Children should be free up to 18 years plus free entry with student's cards. There should be a set cost associated with the various races, i.e. Grade 1, Grade 2 and Grade 3, etc. There should be standard family admission prices. Racegoers must feel that they are getting value for money.

2) RACE DAY INFORMATION AND COMMUNICATIONS

The objective should be to ensure that the range of information and how it is communicated before and during racing contributes to:

- i. Enticing new or casual racegoers to return.
- ii. Makes it relatively more attractive for those with a knowledge and interest in racing to come to the track against the competing attractions of the betting office or the couch at home.

There are a number of categories where improvements can be made and minimum standards set.

MC/ANNOUNCER

At present at all meetings there is a course announcer who provides basic race day information on non-runners, results, Tote dividends, etc. along with other information about race day events (eg. children's activities) where such are taking place. The format/style of these announcements is of long standing and is quite formal. There is a need to consider if this role needs to change somewhat and become less formal, particularly where there is no separate MC, and that it is more responsive to events as they occur (e.g. changing ground conditions).

At present an MC is used at some meetings, usually the more major ones. The use of an MC should be standard. The critical issue is that the MC should be able to match the type of service provided by ATR to those who stay at home. This means that the knowledge level of the person who is acting as MC must be sufficient to conduct informative interviews with owners/trainers/jockeys before and during racing. Where this does not prove possible an alternative is to have an arrangement whereby the audio content of ATR (or RTE) coverage is broadcast over a localised radio system.

VISUAL INFORMATION

Signage:

The standard of signage needs to be improved so that casual racegoers can find their way around.

Racecards:

A standard type layout for all racecards is important as it would prevent people who may not be frequent racegoers getting confused between many different layout types. The idea of the racecard is to provide as much information as possible to the racegoer. Where possible, a timetable of events should be displayed close to the front to inform racegoers of what is taking place and when. This timetable should not only have details of the race times but also of the extra activities which may be going on (eg. children's activities, interviews with jockeys & trainers, tours of the facilities, etc.). This will allow people to make the most of their time at the races and not miss out on something that may be of interest to them. The racecard should be included in the admission price and given out at the turn styles similar to dog racing. This would have the benefit from a race course point of view of selling a lot more racecards which would lead to more people being interested in advertising in the cards. From a racegoers point of view the racecard is a very important part of the racing experience which should be included in the admission price.

Availability on race days of literature to explain betting/racing terms:

The objective should be to assist those who wish to understand racing and learn more about it. Material in booklet/leaflet form is needed to supplement basic information that might be provided in racecards.

Noticeboards:

Each racecourse should have a minimum of one noticeboard in a prominent position that on all days shows (with updates): state of going, non-runners, jockey changes. Outcomes of stewards' inquiries, photo finish pictures should be posted on this board. The overnight declarations for the next day meeting(s) should also be posted here.

At major meetings and premier tracks there should in addition be a board (ideally electronic) to display betting changes. This could incorporate the basic information on non-runners, going, and jockeys.

TV monitors throughout the course facilities:

It should be standard practice to use the close circuit TV system and/or Tote monitors that are on all tracks to provide non-runner, jockey change and going information at the start of racing and to regularly repeat this throughout the afternoon with updates as appropriate.

Coverage of racing from other courses:

Throughout the various facilities (Tote halls, members room, owners and trainers, restaurant) TV screens should be set to ensure that in each location ATR and RUK/Turf TV/SIS are available so that all UK and Irish (away) meetings can be viewed.

Tote screens should display Tote pools from all away Irish meetings.

The objective is to ensure that followers of racing generally are not lured to adopt a stay at home position because going racing has the disadvantage of struggling to see what is happening elsewhere.

Other:

Race day seminars to cover various topics: introduction to racing, how to bet, etc.

A very large TV available at all Group 1/2 flat meetings and Grade 1/2 National Hunt meetings in front of the grandstand. At meetings where there is impaired viewing, eg. Bellewstown, Roscommon, etc. where there is a section of track that is not visible from stand a large TV should be available in order for the paying public to have good view of the horses at all times.

3) CAR PARKING

Signage at the races for members, jockeys and trainers, etc. Car parking with no extra/additional cost at all meetings. There must be an adequate number of parking attendants to direct cars entering and leaving the racecourse. Signage for the racecourse must be clear and concise throughout. Internal signage needs to be clear and more frequent as sometimes various areas are not adequately signposted.

4) ON-COURSE BETTING FACILITIES

The guiding principle in relation to the betting facilities and opportunities available to the person who elects to go racing (rather than stay at home or in an off-course betting shop) must be to provide a real advantage for those betting on-course. In the short term this may not be possible but a new taxation regime that creates an incentive for betting on-course rather than elsewhere may help in this regard in due course.

However, what is absolutely essential is that every effort is made to eliminate any disadvantages that exist at present for the on-course punter relative to punters who stay away and that are in the gift of racing's stakeholders to resolve. The headline and most significant disadvantage at present is the prohibition against the on-course betting shop taking bets on the races at the track concerned. This must be changed as a matter of urgency.

It is simply no longer acceptable that the punter who goes to the races cannot for example; on arrival at the track take an early price

in the on-course betting shop or avail of any other promotions that the bookmaking chain might be making available in its betting offices. The on-course betting shop must be permitted to function exactly as any other betting office.

The origin of this restriction was a compromise to enable the opening of on-course betting shops which was opposed at the time by the on-course bookmakers who perceived them as a threat to their business. The threat to the on-course bookmakers today comes from the more attractive betting platforms that are readily available to punters who stay away. On-course bookmakers need to realise that those who come through the gates are potential customers. The punter who stays away can never be their customer. The restriction which may have had some validity at a point in time must be removed immediately.

Similar questions must be asked of the Tote. At present the Tote customer who stays away can access more information about Tote pools at all other meetings (Ireland or UK) as this information is not consistently displayed at all tracks. Tote incentives such as the price promise should not advantage those who stay at home and use internet and telephone over those who bet on-course with the Tote.

All racetracks should provide an extensive range of betting opportunities for racegoers. This should include a well developed Tote provision with a range of products to interest a broad spectrum of customers.

6) SPORTS LOUNGE/ENTERTAINMENT

Sports lounge to have sports showing on the various TV stations. This sports lounge should have Betfair available/facility for Grade 1 tracks. By providing entertainment you are encouraging more people who otherwise may not attend race meetings to attend and you are enhancing the racing experience for regular racegoers. By providing entertainment the race-day can be transformed into a different event and generally bands/family days, etc. provide a nice atmosphere to the event.

7) FOOD/VENDING MACHINES

This is an important area of the racing experience as the vast majority of people would dine at the racecourse throughout the day. People require decent food for a decent price. The standard of food in the main restaurants must be of a high quality and be fairly price. However good quality snacks ie. sweets and chips etc must also be available and be more fairly priced. Have vending machines for soft drinks/coffee/tea/soup/sandwiches at all Grade 1 track.

Standard price on food and sweets/drinks at all meetings to be agreed with HRI in order to sell the food package via marketing by HRI in newspapers, Facebook and twitter etc.

9) ANNUAL MEETING FOR MEMBERS/ PATRONS

All tracks to have an annual meeting of patrons which would be advertised at the previous meeting and in the Irish Field. Customer feedback to be asked on each racecard.

10) FACILITIES

CHILDREN'S FACILITIES

Children's facilities need to be of a high standard at all racecourses as for many people racing is a family day out. The introduction of family days and the activities such as face painting, pony rides and racing information for children are definitely the way forward. More of these specially aimed family days must be introduced and should be heavily marketed to increase attendance. Facilities for babies, such as changing areas and bottle-warming areas must be provided.

TOILETS FACILITIES

Hot water and fast dryers to be available at all tracks with extra portable cabin toilets at all festivals.

ENTERTAINMENT

By providing entertainment you are encouraging more people who otherwise may not attend race meetings to attend and you are enhancing the racing experience for regular racegoers. By providing entertainment the race-day can be transformed into a different event and generally bands, etc. provide a nice atmosphere to the event.

DISABLED FACILITIES

Adequate facilities must be in place for those attending who have a disability. Parking is an issue, and better-signed disabled parking spaces are necessary to ensure that easy access to the racecourse is not a problem. Specific areas for wheelchairs which allow an unobstructed view of the racetrack for the racegoer must be provided. These areas should be well supervised to ensure that they are not misused. Ease of access to toilets and food areas is also extremely important.



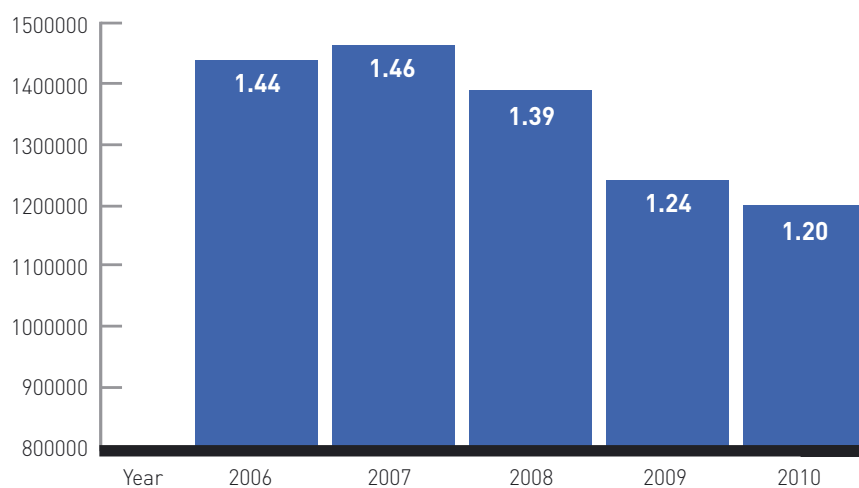
APPENDIX

C

ATTENDANCE
STATISTICS

ATTENDANCE STATISTICS

TOTAL ATTENDANCE 2006 - 2010



TOP SEVEN FESTIVALS BY ATTENDANCE 2009 - 2010

Festival	No. of Days	2009	2010	Variance	% +/-
Galway	7	158,341	166,067	7,726	5%
Punchestown	5	94,896	93,467	-1,429	-2%
Listowel	7	90,253	95,447	5,194	6%
Leopardstown (Christmas)	3	51,010	30,172	-20,838	-41%
Curragh (Derby Meeting)	3	37,459	38,457	998	3%
Fairyhouse (Easter)	3	28,263	24,159	-4,104	-15%
Limerick (Christmas)	3	22,000	14,350	-7,650	-35%
TOTAL	31	482,222	462,119	-20,103	-4%

Leopardstown and Limerick Festivals ran over four days in 2009.

ATTENDANCE BY RACECOURSE 2009 - 2010

Racecourse	Number of Fixtures		Total Attendance		Average Attendance		Variance	Variance +/-
	2009	2010	2009	2010	2009	2010		
Ballinrobe	9	9	18,526	22,675	2,058	2,519	4,149	22%
Bellewstown	5	5	14,182	15,374	2,836	3,075	1,192	8%
Clonmel	12	12	12,766	13,465	1,064	1,122	699	5%
Cork	19	19	40,979	38,082	2,157	2,004	-2,897	-7%
Curragh	19	19	104,759	110,980	5,514	5,841	6,221	6%
Downpatrick	10	9	20,467	21,711	2,047	2,412	1,244	6%
Down Royal	12	12	44,618	43,542	3,718	3,629	-1,076	-2%
Dundalk	29	26	48,395	38,406	1,669	1,477	-9,989	-21%
Fairyhouse	22	18	61,287	47,607	2,786	2,645	-13,680	-22%
Galway	12	12	169,812	177,574	14,151	14,798	7,762	5%
Gowran Park	17	15	32,678	26,663	1,922	1,778	-6,015	-18%
Killarney	10	11	27,985	29,188	2,799	2,653	1,203	4%
Kilbeggan	7	8	30,911	35,800	4,416	4,475	4,889	16%
Laytown	1	1	5,666	3,050	5,666	3,050	-2,616	-46%
Leopardstown	23	22	140,723	121,373	6,118	5,517	-19,350	-14%
Limerick	20	18	57,077	59,251	2,854	3,292	2,174	4%
Listowel	10	10	94,892	96,690	9,489	9,669	1,798	2%
Naas	14	15	26,430	23,810	1,888	1,587	-2,620	-10%
Navan	17	15	37,636	32,136	2,214	2,142	-5,500	-15%
Punchestown	18	17	115,211	111,276	6,401	6,546	-3,935	-3%
Roscommon	8	9	24,465	27,728	3,058	3,081	3,263	13%
Sligo	7	9	15,902	18,744	2,272	2,083	2,842	18%
Thurles	11	10	12,205	9,998	1,110	1,000	-2,207	-18%
Tipperary	12	12	19,712	18,892	1,643	1,574	-820	-4%
Tramore	11	11	38,030	33,810	3,457	3,074	-4,220	-11%
Wexford	10	10	21,857	19,829	2,186	1,983	-2,028	-9%
TOTAL	345	334	1,237,171	1,197,654	3,586	3,586	-39,517	-3%

ATTENDANCE ANALYSIS BY MEETING TYPE 2009 - 2010

Meeting Type	2009			2010		
	Number of Meetings	Total Attendance	Average Attendance	Number of Meetings	Total Attendance	Average Attendance
Flat	109	306,993	2,816	111	310,377	2,796
NH	167	549,799	3,292	176	540,344	3,070
Both	69	380,379	5,513	47	346,933	7,382
TOTAL	345	1,237,171	3,586	334	1,197,654	3,586

ATTENDANCE ANALYSIS BY DAY OF WEEK 2009 - 2010

Day of Week	2009			2010		
	Number of Meetings	Total Attendance	Average Attendance	Number of Meetings	Total Attendance	Average Attendance
Sunday	81	306,355	3,782	80	275,693	3,446
Monday	36	126,792	3,522	32	110,277	3,446
Tuesday	29	103,470	3,568	26	102,827	3,955
Wednesday	39	122,897	3,151	43	143,403	3,335
Thursday	52	195,788	3,765	49	193,620	3,951
Friday	55	188,210	3,422	54	201,821	3,737
Saturday	53	193,659	3,654	50	170,013	3,400
TOTAL	345	1,237,171	3,586	334	1,197,654	3,586

ATTENDANCE BY AFTERNOON & EVENING MEETINGS 2009 - 2010

Meeting	2009			2010		
	Number of Meetings	Total Attendance	Average Attendance	Number of Meetings	Total Attendance	Average Attendance
Afternoon	220	888,218	4,037	214	835,999	3,907
Evening	125	348,953	2,792	120	361,655	3,014
TOTAL	345	1,237,171	3,586	334	1,197,654	3,586

ATTENDANCE ANALYSIS BY NO. OF RACES ON RACECARD 2009 - 2010

No. of Races	2009			2010		
	Number of Meetings	Total Attendance	Average Attendance	Number of Meetings	Total Attendance	Average Attendance
6	14	34,307	2,451	9	17,181	1,909
7	272	840,288	3,089	258	783,960	3,039
8	59	362,576	6,145	67	396,513	5,918
TOTAL	345	1,237,171	3,586	334	1,197,654	3,586

HIGHEST DAILY ATTENDANCE FIGURES BY RACECOURSE 2009 - 2010

Racecourse	Date	Attendance	Variance	%+/-
Ballinrobe	09-Aug-10	3,277		
	20-Jul-09	2,741	536	20%
Bellewstown	03-Jul-10	3,755		
	03-Jul-09	5,031	-1,276	-25%
Clonmel	06-May-10	1,600		
	12-Jun-09	1,693	-93	-5%
Cork	04-Apr-10	4,238		
	12-Apr-09	4,500	-262	-6%
Curragh	27-Jun-10	24,194		
	28-Jun-09	23,271	923	4%
Downpatrick	08-Aug-10	3,500		
	31-Aug-09	2,418	1,082	45%
Down Royal	03-May-10	4,613		
	20-Jun-09	4,828	-215	-4%
Dundalk	15-Aug-10	3,297		
	12-Jul-09	3,934	-637	-16%
Fairyhouse	05-Apr-10	13,127		
	13-Apr-09	15,076	-1,949	-13%
Galway	29-Jul-10	48,718		
	30-Jul-09	46,415	2,303	5%
Gowran Park	21-Jan-10	5,003		
	22-Jan-09	6,500	-1,497	-23%
Killarney	15-Jul-10	4,981		
	16-Jul-09	4,894	87	2%
Kilbeggan	07-Aug-10	5,800		
	08-Aug-09	6,194	-394	-6%
Laytown	07-Sep-10	3,050		
	01-Sep-09	5,666	-2,616	-46%
Leopardstown	29-Dec-10	12,014		
	27-Dec-09	14,605	-2,591	-18%
Limerick	28-Dec-10	5,128		
	26-Dec-09	7,600	-2,472	-33%
Listowel	15-Sep-10	26,994		
	16-Sep-09	26,969	25	0.09%
Naas	07-Mar-10	2,613		
	22-Feb-09	3,897	-1,284	-33%
Navan	21-Nov-10	3,658		
	22-Nov-09	3,108	550	18%
Punchestown	23-Apr-10	28,664		
	01-May-09	28,592	72	0.25%
Roscommon	03-Aug-10	3,785		
	08-Jul-09	4,080	-295	-7%
Sligo	02-May-10	3,018		
	06-Aug-09	3,210	-192	-6%
Thurles	17-Jan-10	1,442		
	26-Feb-09	1,615	-173	-11%
Tipperary	03-Mar-10	2,693		
	19-Jul-09	3,479	-786	-23%
Tramore	14-Aug-10	5,125		
	15-Aug-09	5,750	-625	-11%
Wexford	02-Jul-10	3,393		
	17-Mar-09	3,527	-134	-4%





APPENDIX



MARKET
RESEARCH



MARKET RESEARCH

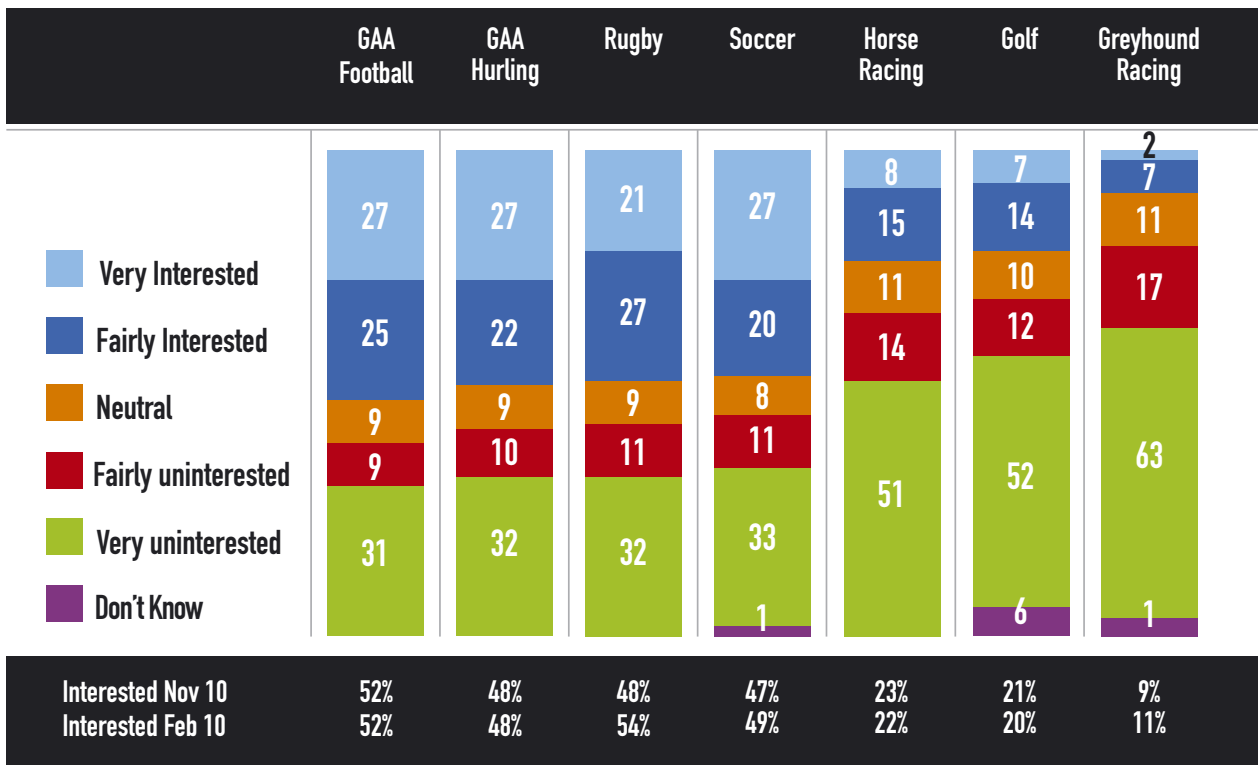
The attached slides from the most recent B&A research update gives us a clear picture of the structure of our market. In addition to going behind the data to identify levels of affinity for, and rejection of racing, one of our key aims was to identify where the potential new recruits for racing are and what their principal motivators are.

In summary, the results show:

- As in the previous survey (Feb '10), just over 1 in 5 adults are interested in horse racing, with interest strongest among those aged 50+.
- 13% of Irish adults attended a race meeting in past 12 months.
- 13% of all those neutral or uninterested in sport are interested in attending a horse racing event. This equates to 10% of all adults (360k) and we refer to this group as 'HR Potential Recruits'.
- Key attraction of a race meeting for horse racing potentials is clearly socialising.
- When segmented on a behavioural basis, the key target groups are:
 - Horse Racing Regulars: interested in horse racing and attended meeting past 12 months (370,000).
 - Horse Racing Occasionals: interested in horse racing, attended meeting 'ever'/not past 12 months (344,000).
 - Horse Racing Potentials: neutral/not interested in horse racing, interested in attending meeting in future (360,000).
- In total, 31% of Irish adults represent the target for marketing activity.
- Horse racing regulars are older males with a strong rural bias. Horse racing occasionals are also biased toward older males and high among C2DEs (Working Class). In contrast, potentials are more likely to be female, younger and ABC1 (Middle Class).

SPORTING INTERESTS

Base: All Adults N = 976



QUESTION 1: I will read out the names of a number of sports and for each one, please tell me how interested or uninterested you are in it?

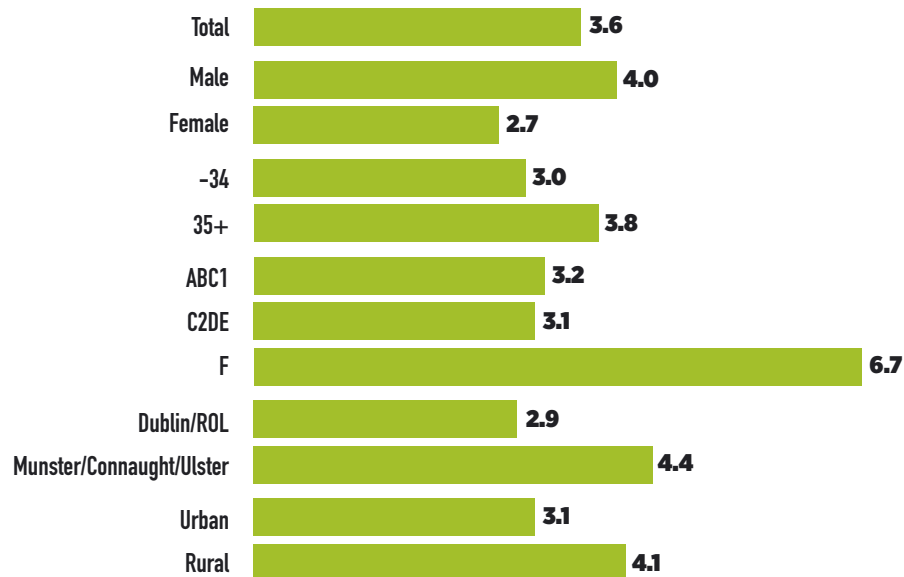
LIVE HORSE RACING BEHAVIOURAL SEGMENTATION

Base: All Adults N = 976

SEGMENT	DEFINITION	%	POPULATION
HORSE RACING REGULARS	- Interested in horse racing - Attended meeting past 12 months	11	370,000
HORSE RACING OCCASIONALS	- Interested in horse racing - Attended meeting 'ever'/not past 12 months	10	344,000
HORSE RACING POTENTIAL RECRUITS	- Neutral/not interested in horse racing - Interested in attending meeting in future	10	360,000

NUMBER OF MEETINGS ATTENDED IN PAST 12 MONTHS

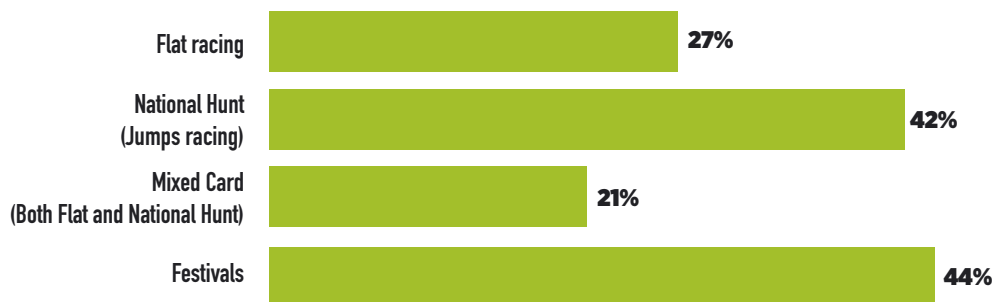
Base: Attended Horse Race Meetings in Past 12 Months - 128



MARKET RESEARCH

TYPES OF HORSE RACING MEETINGS ATTENDED IN PAST 12 MONTHS

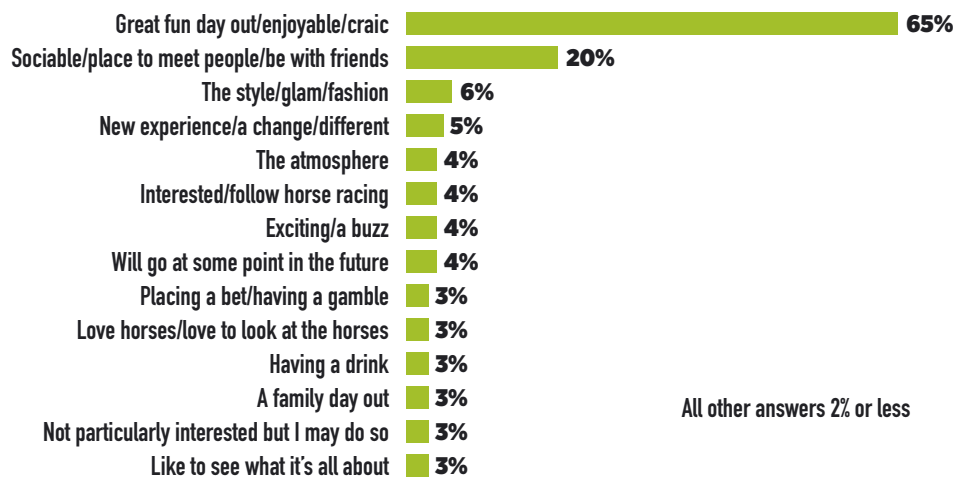
Base: Attended Horse Race Meetings in Past 12 Months - 128



QUESTION 4 :
Which of the following types of Horse Racing meeting have you attended in the past twelve months?

REASONS FOR BEING INTERESTED IN ATTENDING A LIVE HORSE RACING EVENT IN THE FUTURE

Base: Neutral/Uninterested in Horse Racing, Interested in Attending N = 101 (HR Potentials)



QUESTION 5b :
For what specific reasons would you be interested in attending a live horse racing event in the future?

REASONS FOR NOT BEING INTERESTED IN ATTENDING A LIVE HORSE RACING EVENT IN THE FUTURE

Base: Neutral/Uninterested in Horse Racing, Neutral/Not Interested in Attending N = 621 (HR Rejectors)



QUESTION 5c :
For what specific reasons would you not be interested in attending a live horse racing event in the future?



APPENDIX



BETTING
RESEARCH
STATISTICS

BETTING RESEARCH STATISTICS

FREQUENCY OF PLACING A BET ON SPORTS

Base: All Adults 18+ N = 930

					EVER	
	Monthly	2-3 months	Annually	Less often	%	POP ('000)
RUGBY	11	2	2		8	275
SOCCER	4	2	2	2	11	380
GAA	1	4	2		8	279
HORSE RACING	7	4	16	5	33	1,091
GOLF	1	1	1	1	6	188
GREYHOUND RACING	2	1	2	3	9	299

QUESTION 6a :
How often nowadays do you place a bet on each of the following sports?

METHOD OF PLACING A BET ON SPORTS

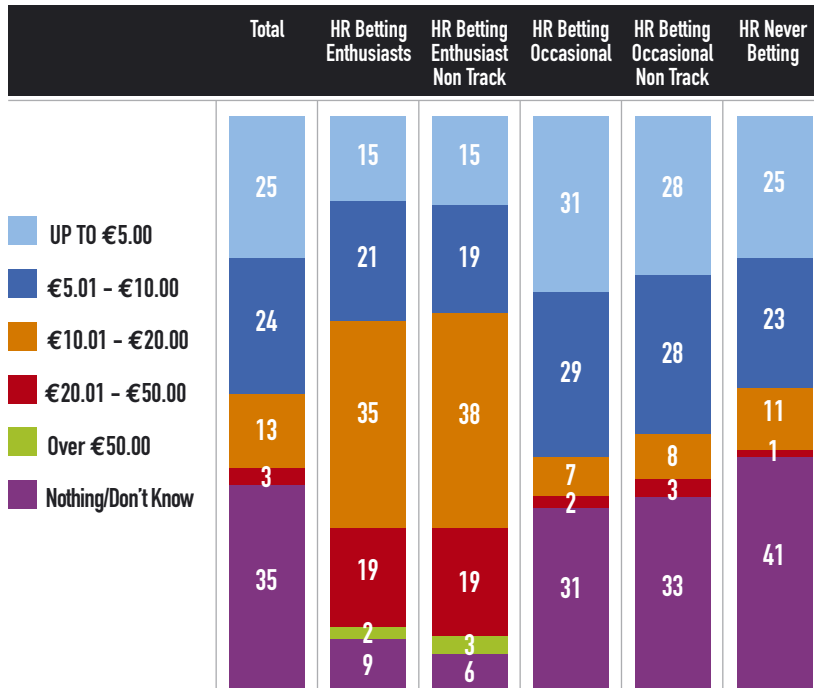
Base: All Adults 18+ Placed bet on Sports

	HORSE RACING	SOCCER	GREYHOUND RACING	GAA	RUGBY	GOLF
Base:	302	104	81	72	68	45
	%	%	%	%	%	%
At bookies shop	75	81	55	83	79	69
With bookie by phone	1	2	-	2	1	-
With bookie online	4	8	1	1	8	16
Online betting exchange	1	9	4	5	7	9
At live event	29	-	46	2	5	4
With mobile phone app	1	2	-	-	-	4

QUESTION 6b :
Which of these methods do you usually use to place a bet on (SPORT)?

BETTING, GAMBLING EXPENDITURE IN AVERAGE WEEK

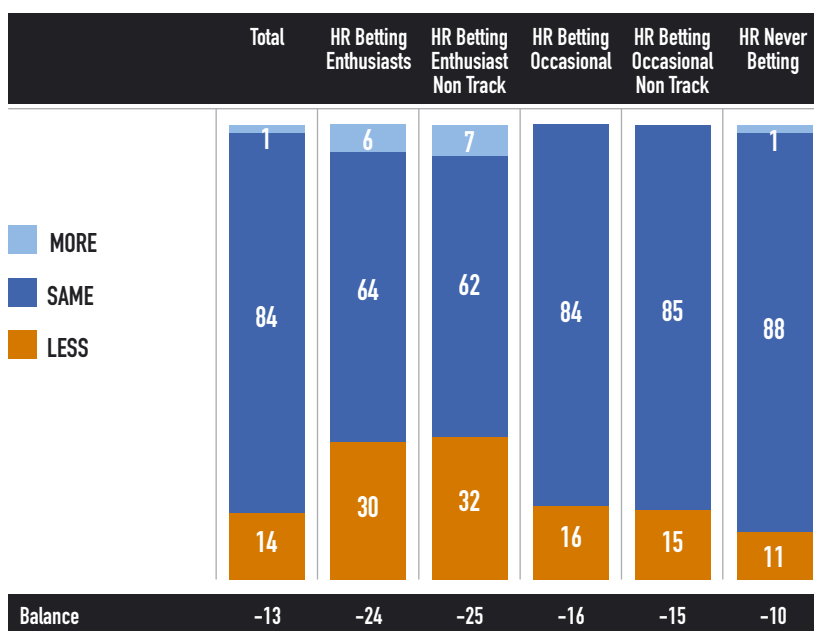
Base: All Adults 18+ do any betting/gambling/gaming N = 829



Q.7a And on average, in a typical week, how much would you spend on betting or gambling activities?

BETTING, GAMBLING EXPENDITURE VS LAST YEAR

Base: All Adults 18+ do any betting/gambling/gaming N = 829



Q.7b And on average are you spending more, less, or the same on betting or gambling activities this year than you did last year?





APPENDIX



STRATEGIC
MARKETING
GROUP

STRATEGIC MARKETING GROUP

MEMBERS OF THE STRATEGIC MARKETING GROUP ON ATTENDANCES AT IRISH RACECOURSES APPOINTED BY THE BOARD OF HORSE RACING IRELAND

JAMES NICHOLSON

James Nicholson, Chairman of Down Royal Racecourse for the past 18 years and owner of James Nicholson Wine Merchants, has been on the Board of HRI since 2007 as the representative of racing in Northern Ireland. He is Chairman of Tote Ireland and a member of the Audit Committee and has now been appointed by the Board of HRI to chair the Strategic Marketing Group on Attendances at Irish Racecourses.

RODDY RYAN

Roddy Ryan is a director of a number of companies including Glen Dimplex and Grafton Group plc. He was formerly Managing Partner of Arthur Andersen. He is Deputy Senior Steward of the Turf Club and a member of the Board of HRI. He has interests in a number of horses, both in training and at stud.

JOHN FANNING

John Fanning has worked for forty years in advertising and market research mainly in McConnells Advertising where he was Managing Director and later Chairman. He retired in 2007 to study for a PhD in the English Dept at UCD which he completed earlier this year. He currently lectures in branding and marketing communications at the Smurfit Business School.

MARTIN HANEVY

Martin Hanevy has been a member of the Racegoers Consultative Forum since 2009. A regular racegoer, he attends meetings throughout Ireland most weeks and some meetings in the UK each year. While primarily interested in racing he also takes a keen interest in the general welfare of the racing and bloodstock industry and its contribution to the economy.

He is Assistant Secretary General at the Department of Education and Skills, currently with responsibility for the general policy, governance and recurrent funding of primary and post-primary schools.

DECLAN O'NEILL

Declan O'Neill was a career banker who prior to his retirement in 2003 was an Executive Director and Head of Financial Markets for Ulster Bank Group. He is currently a Non Executive Director of Ava Capital Markets Ltd and Integrated Markets Ltd

MICHAEL O'HAGAN

Michael O'Hagan was appointed to the position of CEO of Irish Thoroughbred Marketing (ITM) in 2001. The role of ITM,

a subsidiary of HRI which is funded by HRI and the breeding industry, is to promote Ireland as the Premier country in which to own, breed, race and buy quality thoroughbreds. Michael attends race meetings, thoroughbred sales, government trade missions and seminars worldwide. He is involved in many ancillary organisations within the thoroughbred sector.

KEIRA KENNEDY

Keira Kennedy joined Leinster Rugby in 2005 as Marketing Manager and became the Commercial and Marketing Manager in 2006. Keira oversees all aspects of Leinster's commercial strategy from sponsorship to marketing of matches, merchandise and corporate hospitality. Since 2005 Leinster's season ticket holders have grown from 2,700 to over 12,600 and sponsorship revenues have increased by 30%.

Keira is a marketing professional and prior to her role in Leinster worked in Boots Healthcare on the Nurofen and No7 brand.



APPENDIX



CONSULTATIONS
& RESEARCH



CONSULTATIONS & RESEARCH

1. Racegoers Consultative Forum Report 2003-2006
2. Racing to 2020 – Racing Victoria Limited 2008
3. The Future of British Horse Racing – Racing Enterprises Ltd – February 2009
4. Racing Post Betting Shop Display Research – March 2009
5. irishracing.com – Constant Contact Survey Results – May 2009
6. Racecourse Managers Consultation Meetings – views on the attendance issue – August 2009
7. Racegoer Attendance and Interest Levels Quantitative Research – B&A April 2010
8. Go to the Races Research – April/May 2010 - Racing for Change
9. Racing Post Racecourse Communications Research – July 2010
10. Consumer Confidence Survey – B&A July 2010
11. The Racecourse Marketing Group (AIR) Feedback to Strategic Marketing Group – August 2010
12. Cawley Nea – Horse Racing Situation Analysis – October 2010
13. Loyalty and Generation Y – Meteor Mobile/An Post – October 2010
14. Smurfit Graduate Business School Marketing Students – October 2010
15. Stakeholders Meetings - November 2010 to March 2011
16. (a) Sporting and iGaming Conference, London 10th November 2010
(b) Online Gambling in the UK – Comscore November 2010
17. Analysis of Tote On-Course Betting Turnover 2007-2009 – November 2010
18. Leopardstown Christmas Festival Customer Journey Reports – December 2010
19. Racegoers and Betting Enthusiasts Quantitative Research – B&A December 2010
20. Qualitative Market Research – B&A January/March 2011

attract SMG Strategic Parade Need public something customer
go Market Irish issues bet involved agreement TV poor day
clubs Goal industry needs home atmosphere
interest UK Owners Fan Board press
need Create Set tracks involved
product incentive let Set level online
peoples
way radio also basis low hour Give
problem coverage fixtures RTE HRI betting
jockey horses always look marketing Breeders
free paying new Target charge attendance cards customer
Attract Kids boring Need owners
press media facility target Grow
better tickets Naas make get base
Market Raise information trainers Money GAA Value
day watch continued Money GAA involved
big compared attendance grow understand access
Going editors Betting Jockey days
Poor information ring atmosphere value
sport clear December product business
Quality watch well customer improve promoted
attendances



Strategic Marketing Group

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