

Read this edition of the **Western Cape  
Tourism & Investment Trends** card to  
find out how the Cape's flora ...

Grant Thornton  
Kessel Feinstein 



WESGRO



[www.capetourism.org](http://www.capetourism.org)



... and a multitude of other attractions are drawing visitors to this region.

The aim of this handy, easy-to-read card is to provide operators, investors and decision makers with a high-quality, accurate overview of tourism in the Western Cape. The card tracks critical statistics pertaining to international and domestic tourism markets and highlights key developments relating to tourism. Anyone engaged in the tourism industry will find this card an essential guide and indispensable in “tracking” the latest trends in this important sector of the economy.

This card is the result of extensive collaboration between the Western Cape Tourism Board, Wesgro and Grant Thornton Kessel Feinstein working together in the interests of tourism.

### **Front Cover:**

The floral wealth of the Cape coastal belt and the hillsides and mountains of the hinterland, rank amongst the top ten floras worldwide.



## WESTERN CAPE TOURISM AT A GLANCE

### Overseas Tourists

|   |   |
|---|---|
| Number of overseas tourists to the Western Cape (2000)                          | 770 000   |
| Percentage of South Africa's overseas tourists visiting the Western Cape (2000) | 51%   |
| Percentage growth in the total spend by foreign tourists (2000 vs 1999)         | 1%  |
| Estimated number of overseas tourist nights spent in the Western Cape (2000)    | 9,9 million   |
| Largest source market of overseas tourists to the Western Cape                  | United Kingdom and Germany  |
| The six most popular attractions in the Western Cape for overseas tourists      | V&A Waterfront, Table Mountain, Cape Point, Wine Route, Kirstenbosch and the Garden Route |

Source: SA Tourism and Statistics South Africa

### Domestic Tourists

|  |                                     |
|--|-------------------------------------|
| Number of domestic tourist trips to the Western Cape (May 2000 to April 2001)                              | 4,2 million                         |
| Western Cape's percentage share of South Africa's domestic visitor market (May 2000 to April 2001)         | 13%                                 |
| Holiday trip share of total domestic tourist trips undertaken to the Western Cape (May 2000 to April 2001) | 41%                                 |
| Most popular regions visited by domestic tourists to the Western Cape (May 2000 to April 2001)             | Cape Metropole and the Garden Route |

Source: South African Domestic Tourism Survey 2001

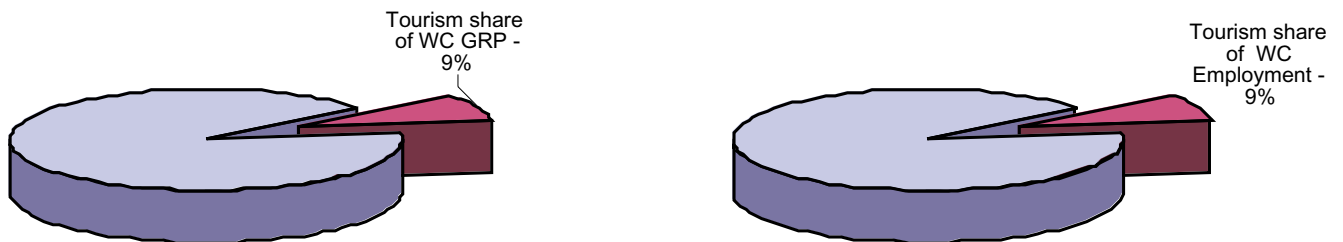
## SIZE OF SOUTH AFRICA'S TOURISM INDUSTRY



Source: World Travel & Tourism Council 2001

The South African Travel and Tourism economy is estimated to account for 6,9% of South Africa's Gross Domestic Product and employ 6,6% of the country's formal workforce.

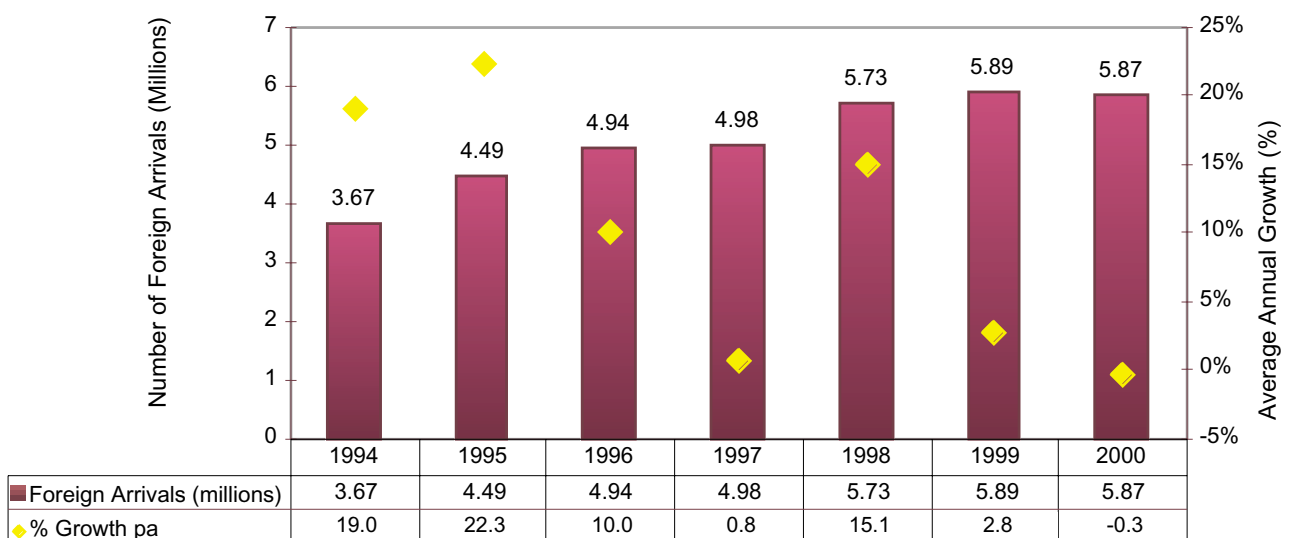
## SIZE OF WESTERN CAPE'S TOURISM INDUSTRY



Source: Wesgro 1999

It is estimated that the tourism industry in the Western Cape accounts for approximately 9% of Gross Regional Product and employs 9% of the province's workforce. Wesgro has identified tourism as one of 13 growth sectors in the Province. In particular eco- and adventure tourism, incentive tourism, health tourism, corporate tourism and conferences have been identified as growth areas within the Western Cape Tourism Sector.

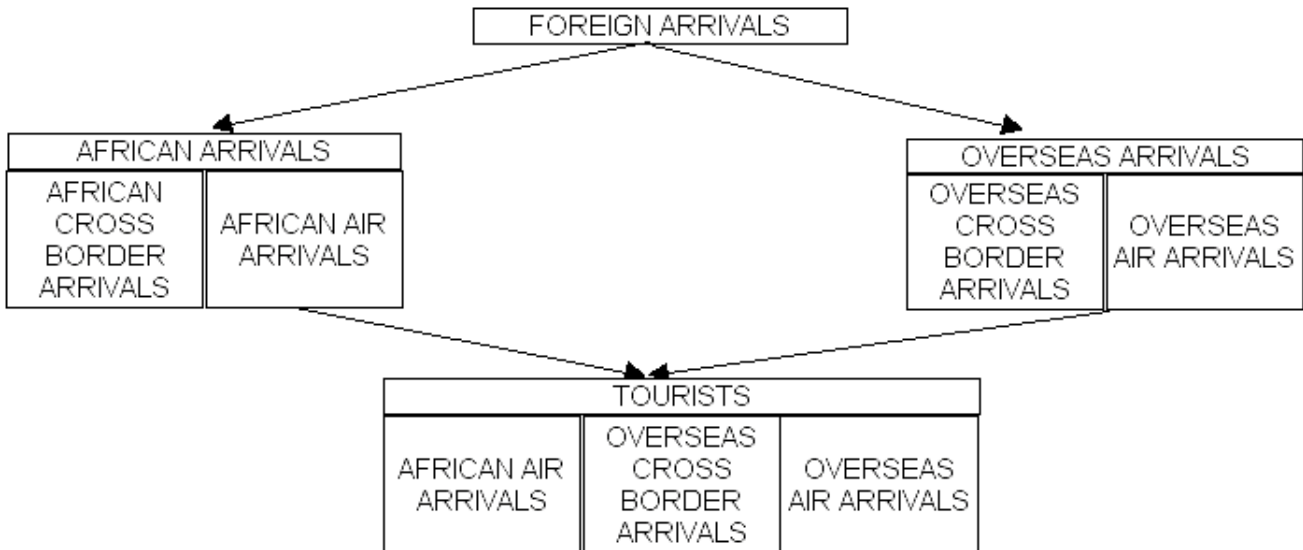
## FOREIGN ARRIVALS - SOUTH AFRICA



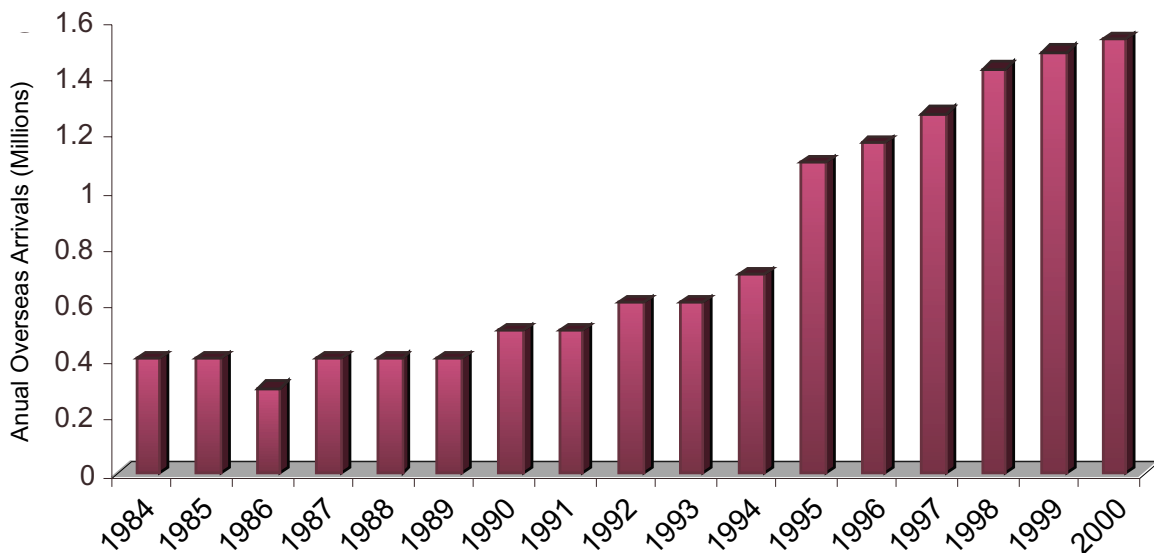
Source: Statistics South Africa

South Africa received 5,87 million foreign visitors in 2000, a slight decline of 0,3% over 1999. This is the first decline in total foreign arrivals since 1986. However, expenditure has increased (see expenditure graph).

Foreign visitors to South Africa includes overseas and African arrivals. The majority of African visitors are cross-border travellers including job-seekers, shoppers and traders from neighbouring countries. African cross-border arrivals account for some 70% of all foreign visitors. We suggest that until more is known about the characteristics and spending patterns of African cross-border arrivals it is more meaningful to consider aggregates for overseas arrivals and African air arrivals or alternatively overseas arrivals only when analysing the tourism industry.



### OVERSEAS ARRIVALS - SOUTH AFRICA

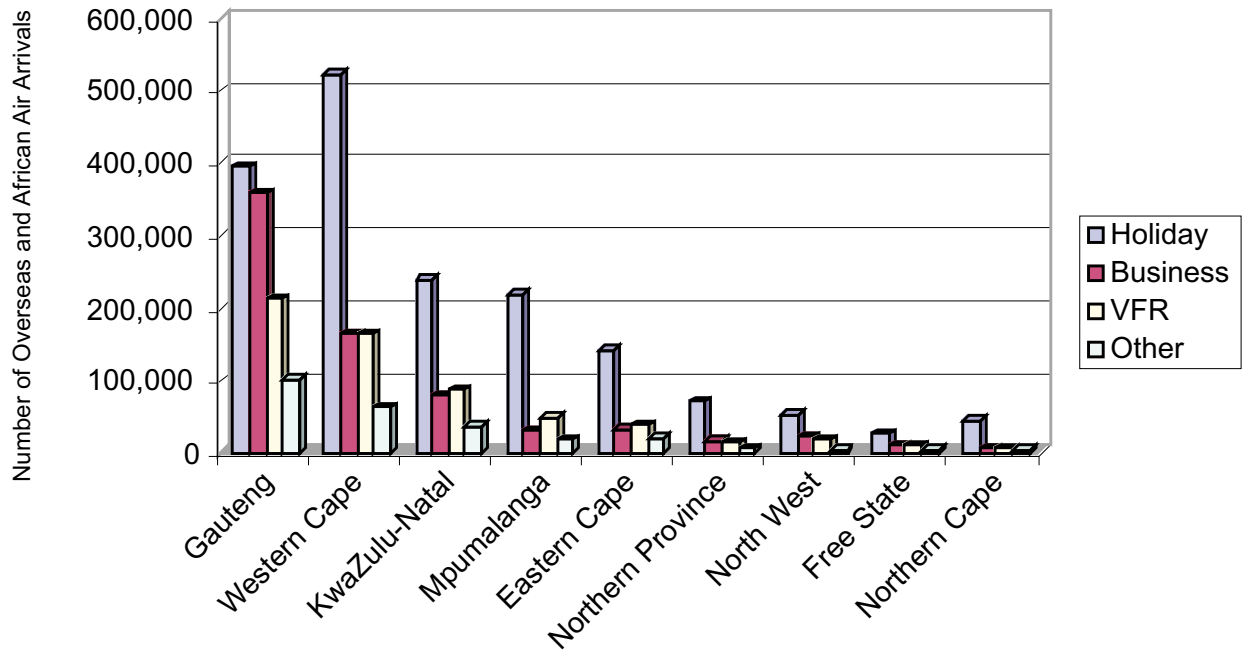


Source: Statistics South Africa

A total of some 1,5 million overseas tourists visited South Africa during 2000, a 2,7% increase over 1999. The average annual growth in overseas arrivals between 1994 and 2000 was just over 8%.

Approximately 281 000 African air arrivals visited South Africa in 2000, 9% more than in 1999, following growth of around 6% in 1999 and 1998. South Africa received approximately 1,81 million overseas visitors and African air arrivals in 2000.

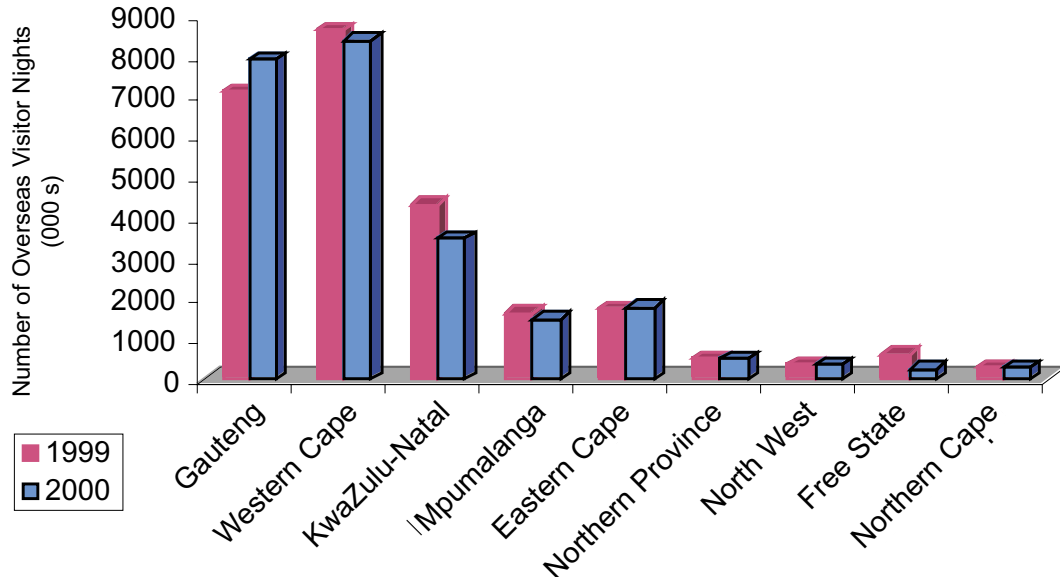
## PROVINCES VISITED BY OVERSEAS AND AFRICAN AIR ARRIVALS IN 2000



Source: SA Tourism

The Western Cape is mainly a holiday destination for foreign air arrivals.

## NUMBER OF OVERSEAS ARRIVAL NIGHTS

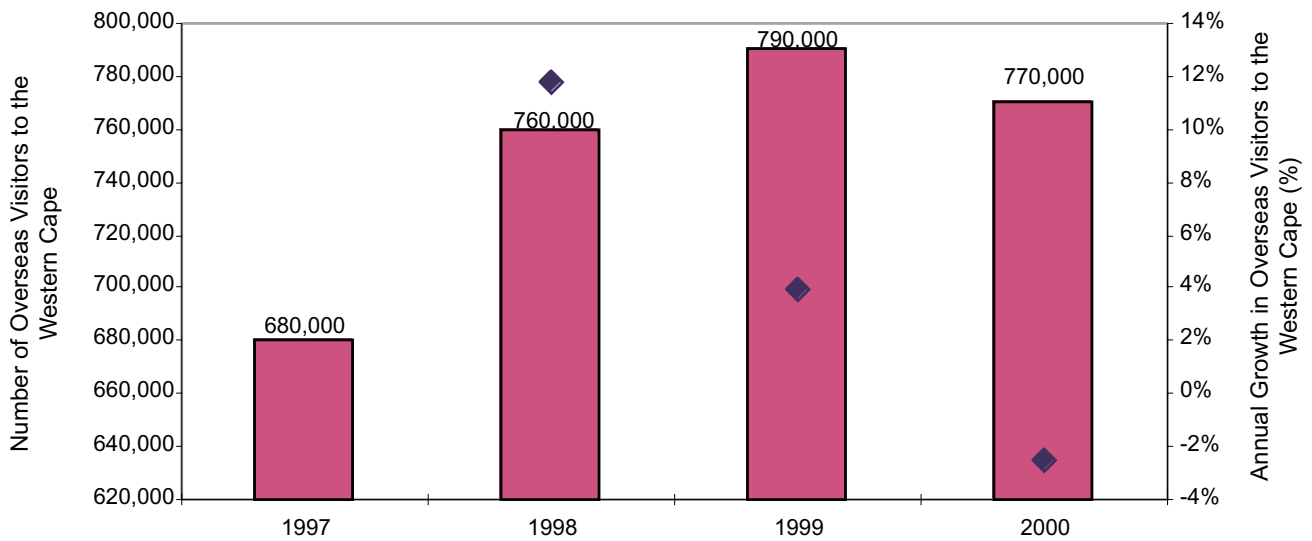


Source: SA Tourism

Although Gauteng attracts more foreign air arrivals than the Western Cape, in 2000 foreign air arrivals stayed an average of 11 days in the Western Cape compared to just under 9 days in Gauteng. Therefore of the nine provinces, the Western Cape has the highest number of visitor nights - approximately 9,9 million visitor nights in 2000.

The total number of foreign air arrival nights are down from 1999 as the share of foreign air arrivals that visited the Western Cape declined from 53% in 1999 to 51% in 2000.

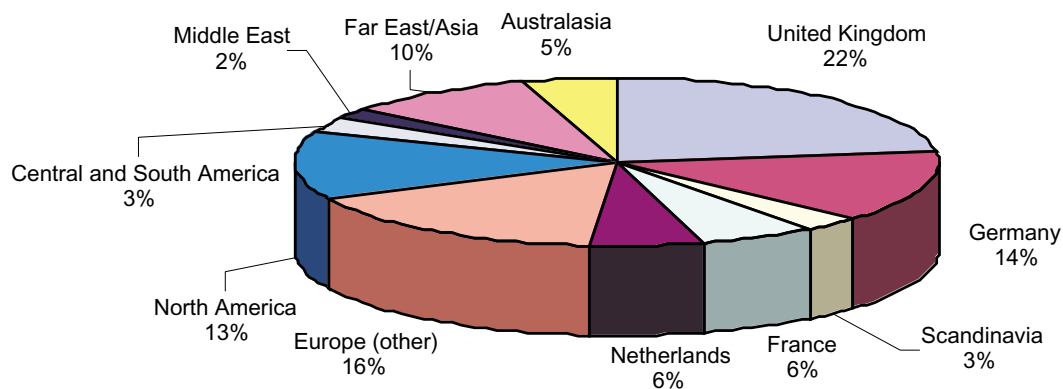
## NUMBER OF OVERSEAS VISITORS TO THE WESTERN CAPE



Source: SA Tourism and Statistics South Africa

The Western Cape attracted approximately 770 000 overseas visitors in 2000, a 3% decline over the number of overseas visitors to the province in 1990. The decline is due to the share of total overseas visitors to the Western Cape in 2000. However, the total expenditure did increase (see expenditure graph).

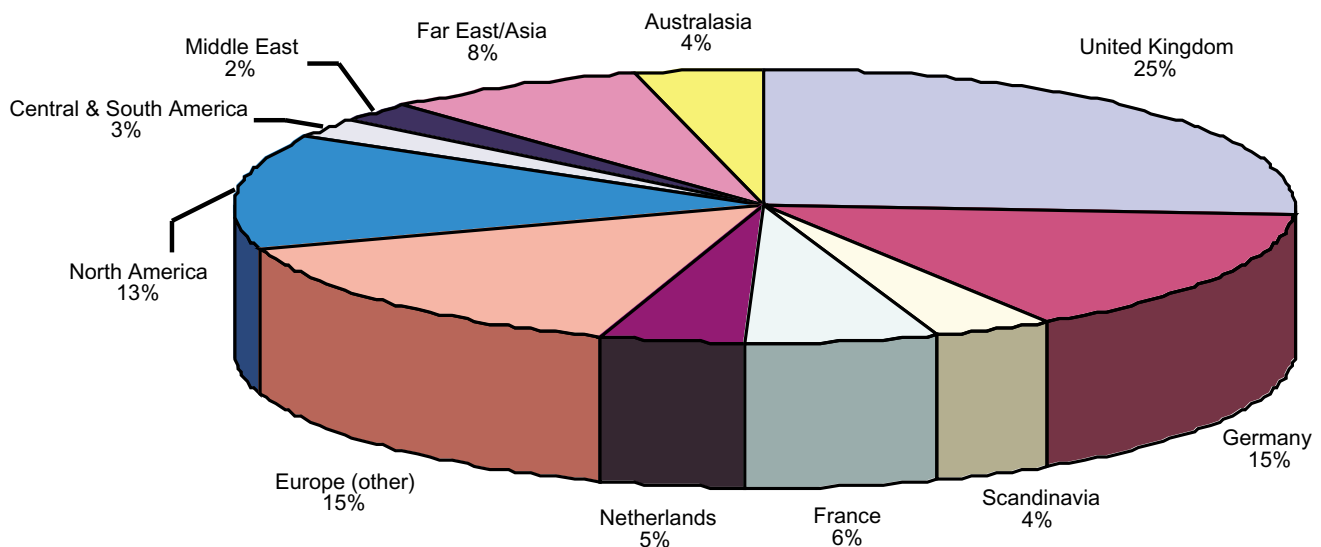
## ORIGIN OF OVERSEAS VISITORS TO SOUTH AFRICA



Source: Statistics South Africa

European tourists make up the lions share of foreign visitors to South Africa accounting for 67% of overseas air arrivals in 2000. The United Kingdom is South Africa's largest source market in respect of overseas tourists (in 2000, 22% of all overseas tourists emanated from the United Kingdom). 14% of all overseas tourists are German and a further 31% are from other European countries. The North American (USA and Canada) market is also significant at 13% of all overseas visitors.

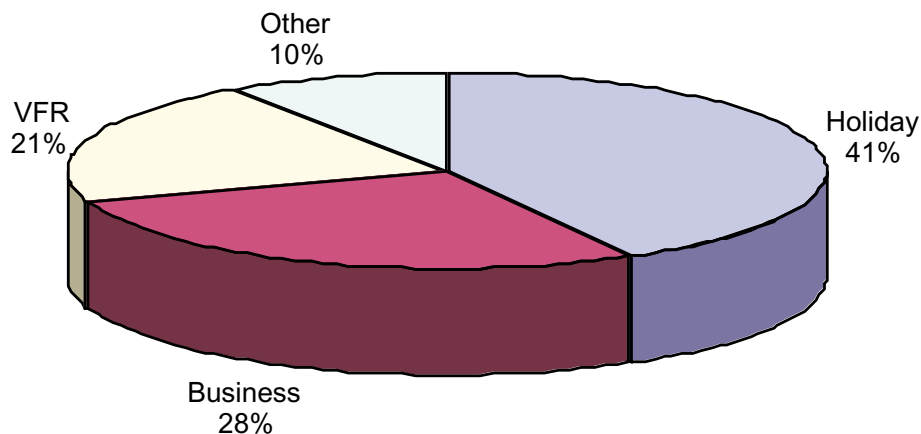
## ORIGIN OF OVERSEAS VISITORS TO THE WESTERN CAPE



Source: SA Tourism

The breakdown of overseas visitors to the Western Cape by source market is very similar to that of South Africa as a whole, with visitors from Europe accounting for 70% of all overseas visitors to the province in 2000.

## OVERSEAS AND AFRICAN AIR ARRIVALS - PURPOSE OF VISIT TO SOUTH AFRICA



Source: SA Tourism

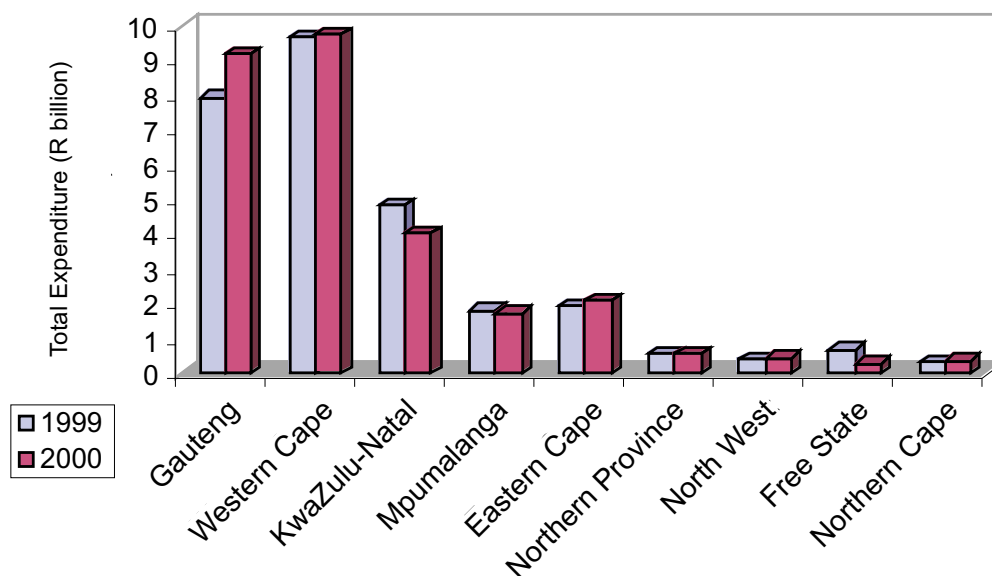
In 2000, approximately 41% of all overseas and African air arrivals to South Africa visited the country for holiday purposes, 28% visited South Africa for business purposes and a further 21% were VFR travellers (visiting friends and relatives). The remaining 10% of foreign air arrivals visited South Africa for other purposes.

## OVERSEAS VISITOR EXPENDITURE

In 2000, the average overseas visitor to South Africa spent R981 per person per day (excluding their airfare). This average daily expenditure has increased by 3% over that recorded in 1999. Therefore, although the average length of stay has continued to decrease (from 16,9 days in 1998 to 16,3 days in 1999 to 15,4 days in 2000) the overall expenditure per trip has in fact increased slightly.



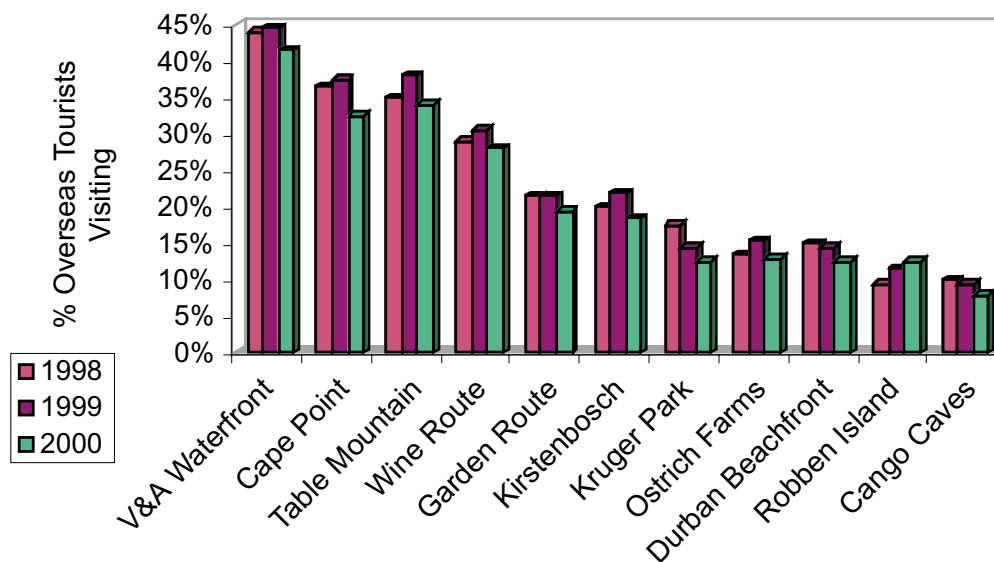
## OVERSEAS AND AFRICAN AIR ARRIVAL EXPENDITURE PER PROVINCE



Source: SA Tourism

In 2000 foreign air arrivals spent in the region of R9,7 billion during their stay in the Western Cape, an increase of 1% over 1999. In the same year foreign air arrival spend in Gauteng was in the region of R9,2 billion and R4 billion in KwaZulu-Natal.

## KEY ATTRACTIONS VISITED BY OVERSEAS AND AFRICAN AIR VISITORS

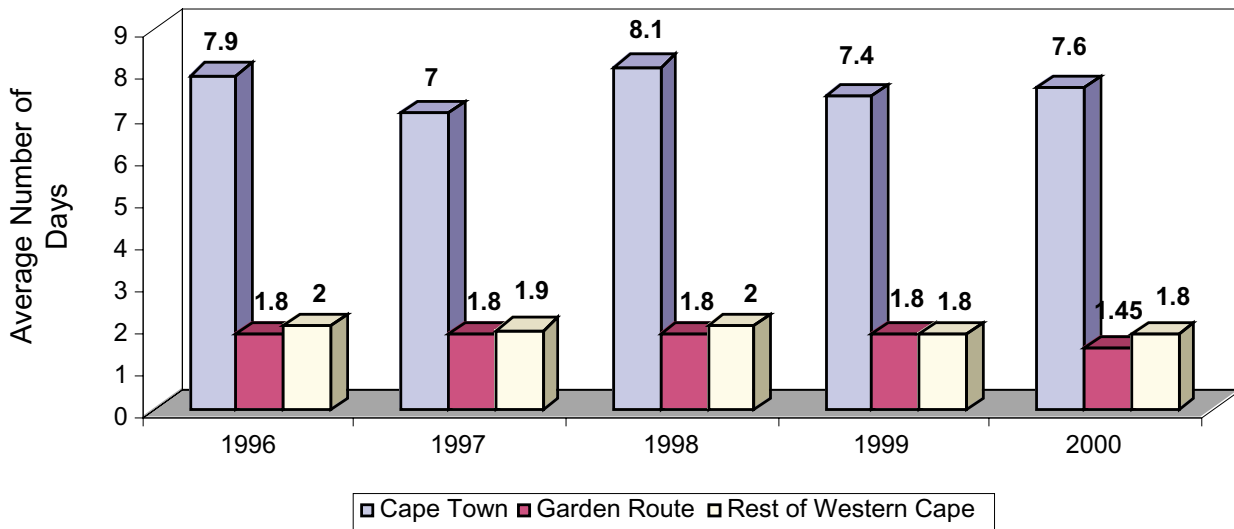


Source: SA Tourism

Nine of the 11 top tourist attractions in South Africa are located in the Western Cape. This highlights the importance of this province in respect of South Africa's overseas tourism industry.

In 2000, approximately 42% of all overseas tourists to South Africa included a trip to the V&A Waterfront during their visit to South Africa. 33% of South Africa's overseas visitors visited Cape Point and 34% also visited Table Mountain. Other important Western Cape attractions include the Wine Route, the Garden Route, Kirstenbosch, Ostrich Farms, Robben Island and the Cango Caves.

## AVERAGE LENGTH OF STAY IN THE WESTERN CAPE

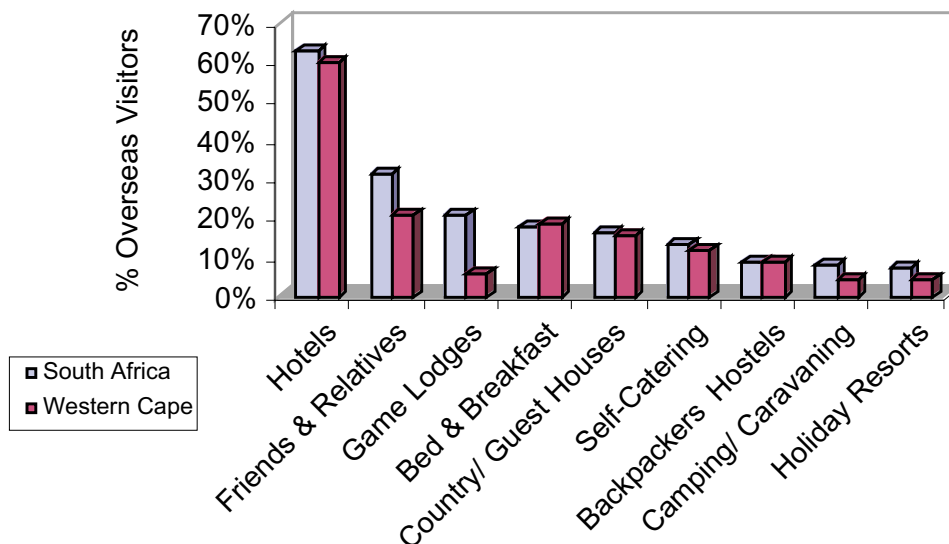


Source: SA Tourism

In 2000, the average overseas visitor stayed in South Africa for just over 15 days which is less than recorded in previous years. There appears to be a trend toward a decreasing average length of stay in South Africa. In general, travellers visiting friends and relatives stay longer than pure holiday tourists.

The average length of stay in the Western Cape has not changed considerably over time. On average, overseas visitors spend 7 to 8 days in Cape Town, 2 days in the Garden Route and 2 days in the rest of the Western Cape. Note that these average stays are not cumulative.

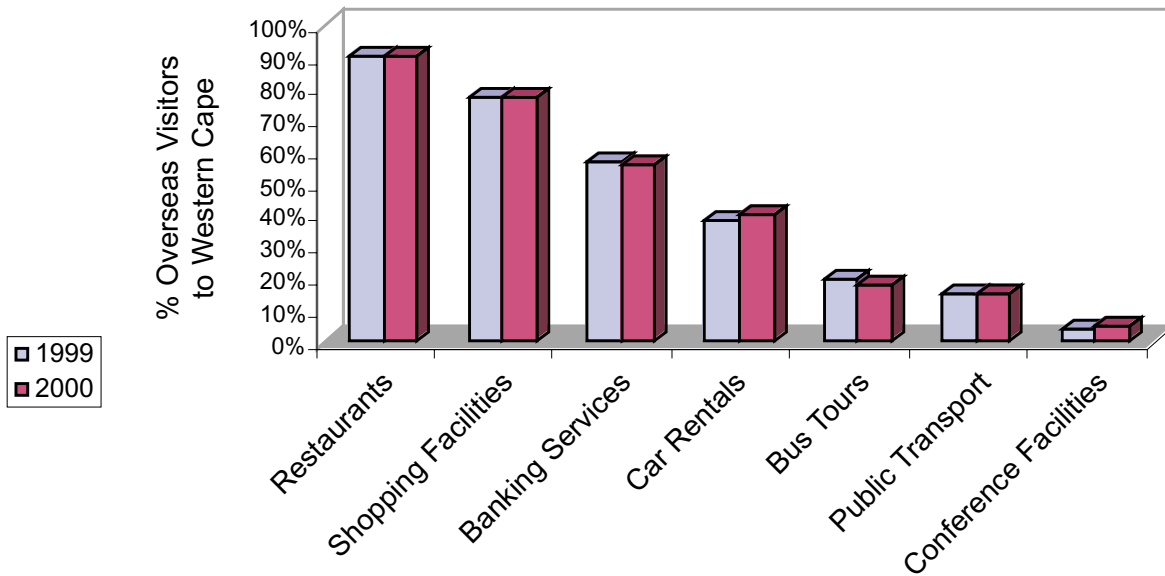
## ACCOMMODATION UTILISED BY OVERSEAS AND AFRICAN AIR VISITORS



Source: SA Tourism

Hotels are the most common form of accommodation utilised by visitors to South Africa and to the Western Cape. 60% of overseas visitors to the Western Cape stay in hotels whilst in the province. Very few overseas visitors make use of game lodge accommodation whilst in the Western Cape, which can be attributed to the low number of game lodges in the province when compared to the rest of South Africa. Bed and breakfasts, guesthouses and homes of friends and relatives are also important forms of accommodation utilised by overseas visitors to the Western Cape. The Western Cape has proportionally less visitors staying with friends and relatives than South Africa as a whole.

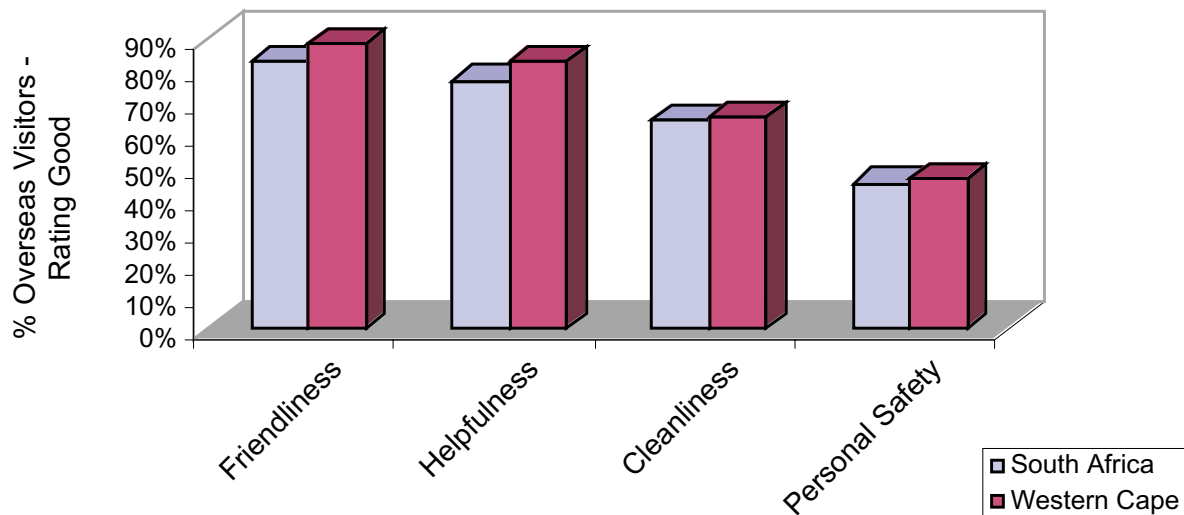
## FACILITIES UTILISED BY OVERSEAS AND AFRICAN AIR VISITORS TO THE WESTERN CAPE



Source: SA Tourism

Approximately 90% of overseas visitors make use of restaurants whilst in the Western Cape, 80% utilise the shopping facilities in the province and close to 40% hire a car during their stay in the Province. In January and August 2000, only 5% of overseas visitors made use of conference facilities whilst in the Province.

## PERCEPTIONS OF OVERSEAS AND AFRICAN AIR VISITORS TO SA AND THE WESTERN CAPE



Source: SA Tourism

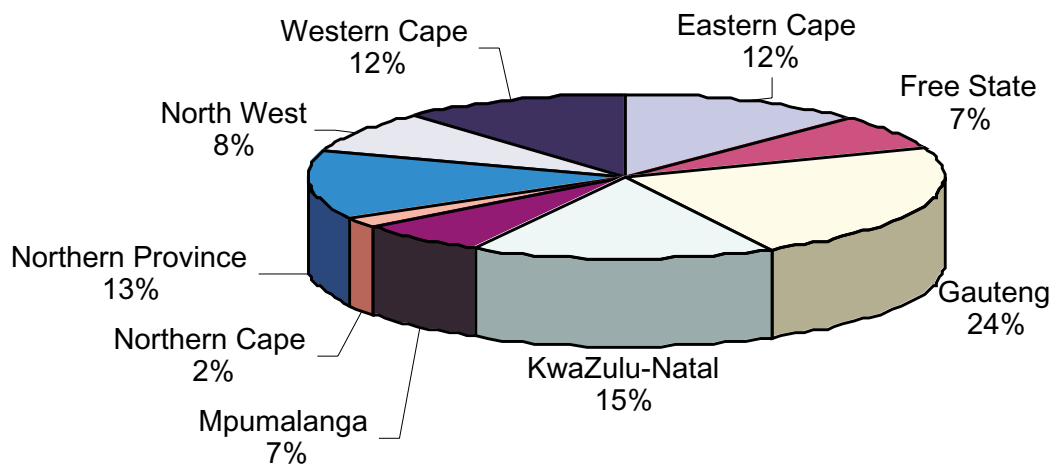
In general, a higher percentage of overseas visitors rated friendliness, helpfulness, cleanliness and personal safety as "good" in the Western Cape when compared to the overall "good" rating for South Africa as a whole.

## SOUTH AFRICA'S DOMESTIC TOURISM INDUSTRY

Following a long lack of national domestic tourism surveys, South African Tourism commissioned the South African Domestic Tourism Survey 2001. The study was the largest of its type ever undertaken in South Africa and included interviews with 9 527 respondents, detailing their day and overnight trips taken during May 2000 to April 2001.

The study found that during May 2000 to April 2001 domestic tourists took 33,5 million overnight trips and 20,9 million day trips. The South African Domestic Tourism Survey conducted in 1996 indicated that domestic tourists took 30,4 million overnight leisure trips in 1996, but due to a variation in research methodology care should be taken when comparing the 2001 and 1996 studies for growth.

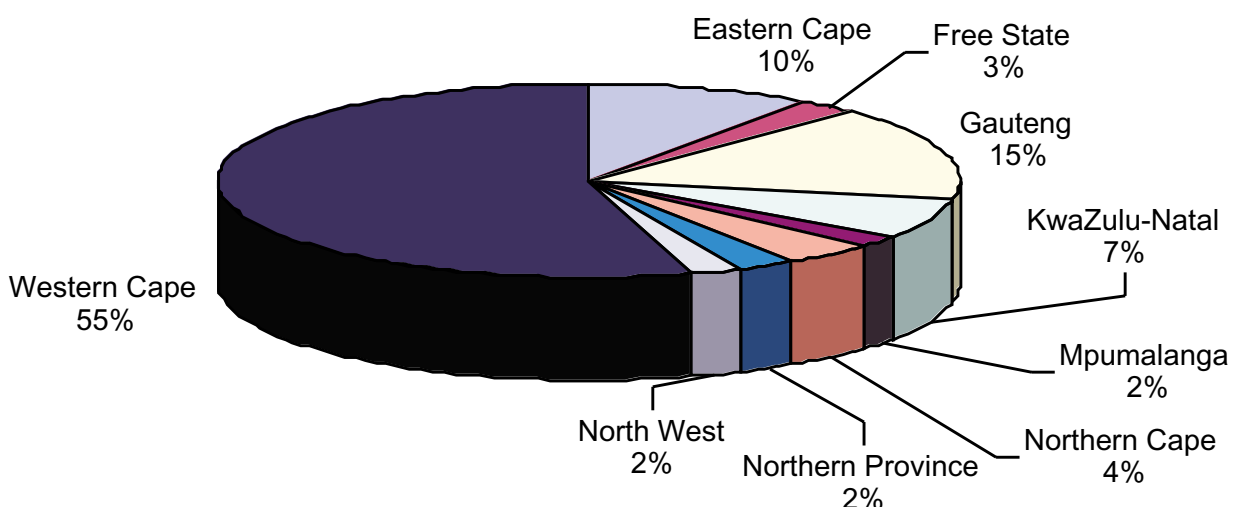
## ORIGIN OF SOUTH AFRICA'S DOMESTIC TOURISTS



Source: South African Domestic Tourism Survey 2001

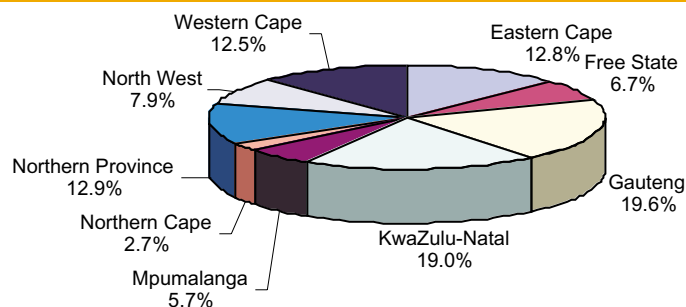
Gauteng was the biggest generator of domestic overnight trips between May 2000 and April 2001. The Western Cape accounted for 12% of all domestic overnight trips.

## ORIGIN OF THE WESTERN CAPE'S DOMESTIC TOURISTS



Domestic tourists in the Western Cape travel mainly within their own province, with 55% of overnight domestic trips to the Western Cape originating from within the province.

## DESTINATIONS FOR SOUTH AFRICA'S DOMESTIC TOURISM OVERNIGHT TRIPS



Source: South African Domestic Tourism Survey 2001

The latest domestic tourism survey shows that Gauteng was the most popular destination for all overnight trips, followed closely by KwaZulu-Natal. Gauteng was the most popular destination due to its high share of overnight VFR trips (64% of all trips to Gauteng) which comprise the majority (59%) of all overnight domestic trips taken during May 2000 to April 2001.

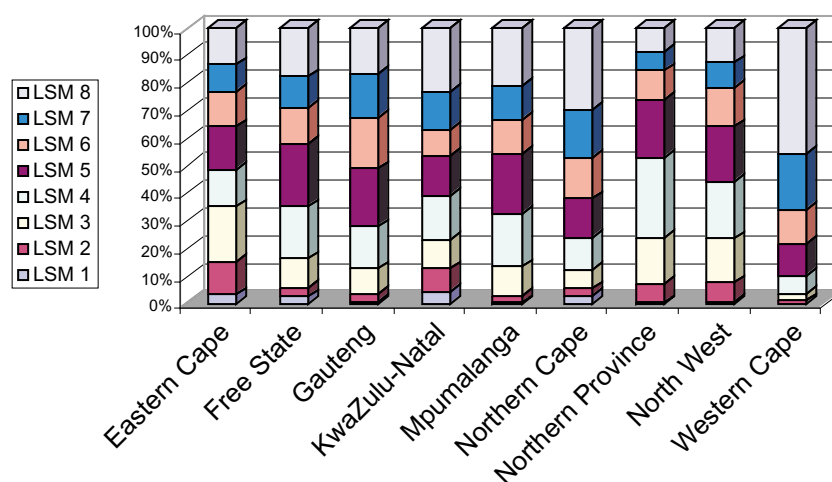
When these results are analysed according to the type of trip a different picture emerges. Based on the total number of overnight trips to each province and the purpose of overnight trip to each province we have calculated the type of trip per province.

Our calculation shows that the Western Cape is the second most popular destination for overnight holiday and business trips.

| Destinations        | Holiday %    | VFR %        | Business %   | Health %     | Religious %  | Total Share % |
|---------------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Eastern Cape        | 14.3         | 14.0         | 6.1          | 4.0          | 8.8          | 12.8          |
| Free State          | 4.5          | 7.7          | 8.3          | 11.4         | 4.8          | 6.7           |
| Gauteng             | 12.5         | 21.9         | 28.4         | 22.0         | 19.0         | 19.6          |
| KwaZulu-Natal       | 23.6         | 18.2         | 15.0         | 26.5         | 14.7         | 19.0          |
| Mpumalanga          | 6.5          | 5.1          | 6.6          | 2.4          | 7.3          | 5.7           |
| Northern Cape       | 2.8          | 2.6          | 5.8          | 3.9          | 1.9          | 2.7           |
| Northern Province   | 9.2          | 11.1         | 6.8          | 11.0         | 28.7         | 12.9          |
| North West          | 3.8          | 9.2          | 6.2          | 8.3          | 9.9          | 7.9           |
| <b>Western Cape</b> | <b>22.8</b>  | <b>10.1</b>  | <b>16.8</b>  | <b>10.6</b>  | <b>4.9</b>   | <b>12.5</b>   |
| <b>Total</b>        | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b>  |

Source: South African Domestic Tourism Survey 2001 and Grant Thornton Kessel Feinstein Calculation

## DOMESTIC VISITORS BY LSM SUPERGROUP

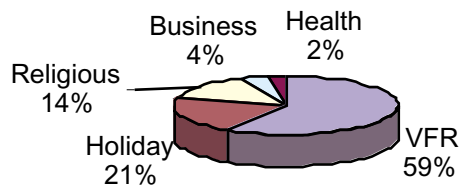


Source: South African Domestic Tourism Survey 2001

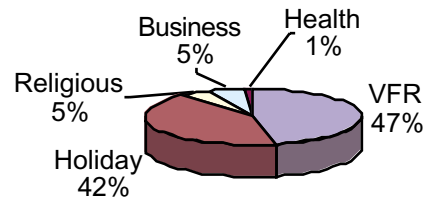
The domestic tourists that visit the Western Cape are higher income tourists as 66% of the domestic tourists to the Western Cape fall within the LSM 7 and LSM 8 groups.

## DOMESTIC TOURISTS - PURPOSE OF VISIT

South Africa



Western Cape



Source: South African Domestic Tourism Survey 2001

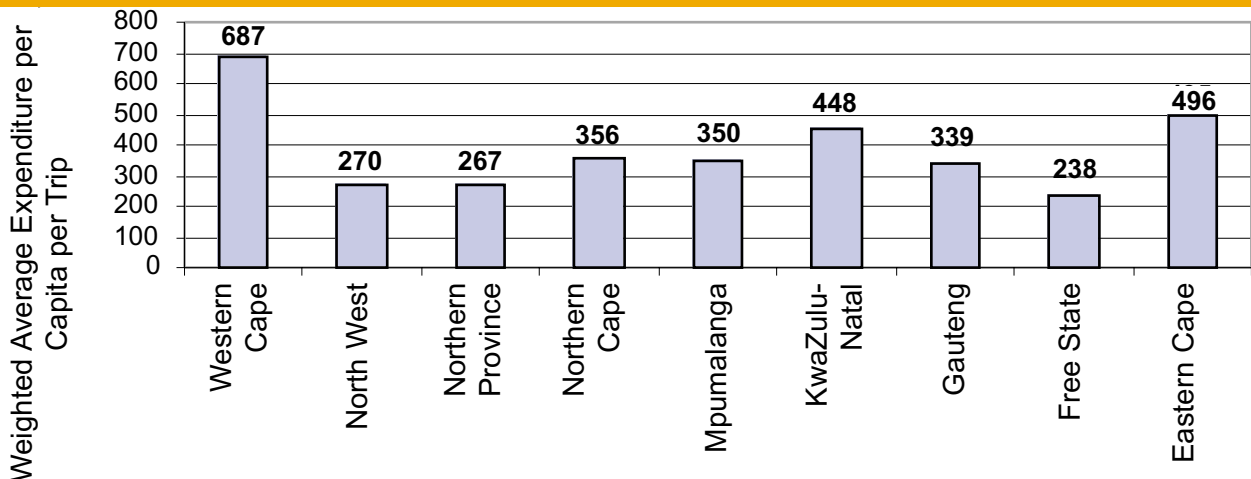
The purpose for the majority of the domestic overnight trips in South Africa are to visit friends and family (VFR) followed by holiday trips.

In the Western Cape overnight VFR trips were more closely followed by overnight holiday trips than in the rest of the country. When comparing the purpose of overnights trips per region it emerge that the West Coast, Breede River, Central Karoo, Garden Route, Klein Karoo and Overberg are predominantly holiday destinations.

| Region                | Holiday %   | VFR %       | Business % | Health %   | Religious % | All Western Cape Trips % |
|-----------------------|-------------|-------------|------------|------------|-------------|--------------------------|
| West Coast            | 53.6        | 40.2        | 0.6        | 3.5        | 2.1         | 6.6                      |
| Winelands             | 22.4        | 51.5        | 5          | 5.7        | 15.4        | 5.9                      |
| Breede River          | 51.7        | 38.4        | 2.7        | 0          | 7.2         | 7.6                      |
| Central Karoo         | 49.5        | 39.8        | 5.1        | 0          | 5.6         | 2.2                      |
| Garden Route          | 66          | 27          | 2.7        | 0.8        | 3.5         | 16.4                     |
| Klein Karoo           | 48          | 40.3        | 4.1        | 0.8        | 6.9         | 2.5                      |
| Cape Metropole        | 27.9        | 56.4        | 7.7        | 3.3        | 4.6         | 44.3                     |
| Swartland & Sandveld  | 14.4        | 65.6        | 8          | 0          | 11.9        | 1.5                      |
| Olifants River Valley | 39          | 51.4        | 6.3        | 0          | 3.3         | 5.1                      |
| Overberg              | 57.7        | 34.6        | 1          | 0.5        | 6.3         | 8.1                      |
| <b>Total</b>          | <b>41.1</b> | <b>46.2</b> | <b>5.1</b> | <b>2.2</b> | <b>5.4</b>  | <b>100</b>               |

Source: South African Domestic Tourism Survey 2001

## WEIGHTED AVERAGE EXPENDITURE PER CAPITA PER TRIP

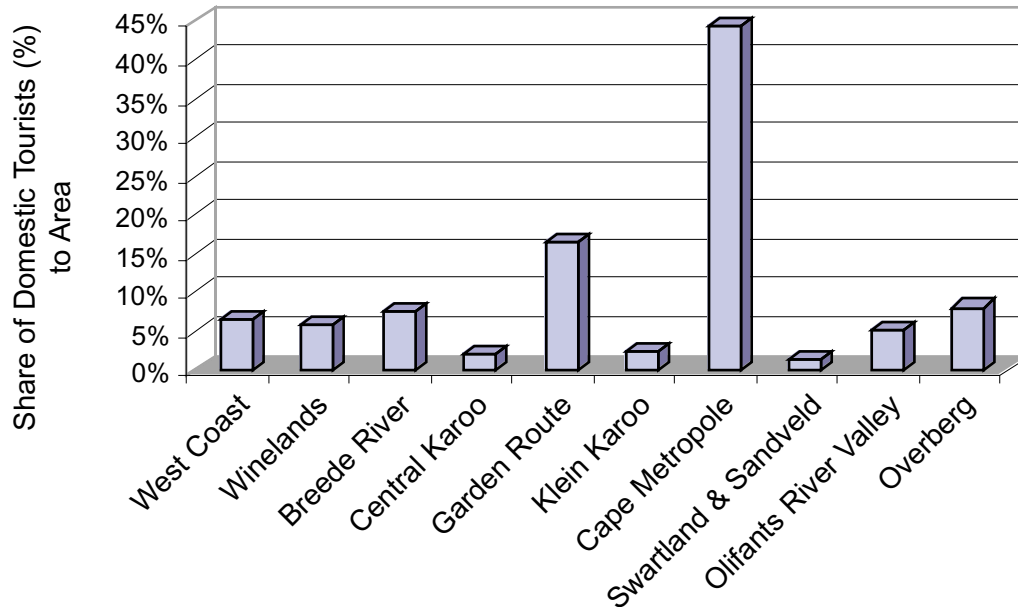


Source: South African Domestic Tourism Survey 2001 and Grant Thornton Kessel Feinstein Calculation

The average expenditure per capita for all types of overnight trips in South Africa as a whole is R437 of which R182 (42%) was spent on transport, R97 (22%) on accommodation, R105 (24%) on food, R34 (8%) on entertainment and R20 (5%) on gifts.

The Western Cape has the highest average expenditure per domestic tourist of all the provinces, which correlates with the large share of domestic tourists to the Western Cape in the LSM 7 and LSM 8 groups.

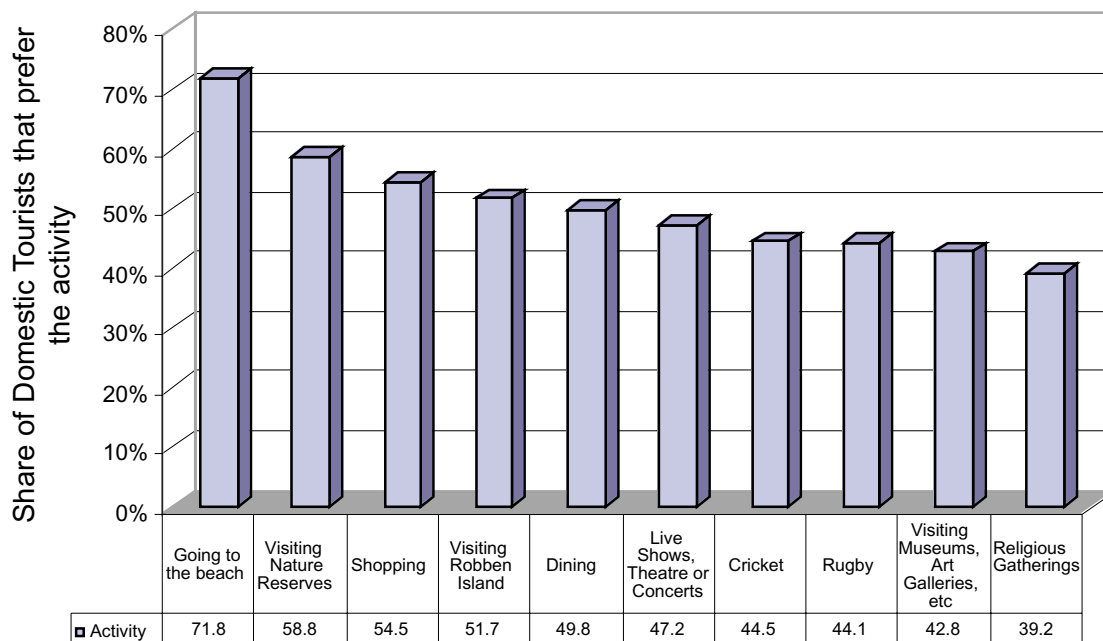
### AREAS VISITED BY DOMESTIC VISITORS TO THE WESTERN CAPE



Source: South African Domestic Tourism Survey 2001

The Cape Metropole is by far the most popular destination for domestic tourists to the Western Cape, followed by the Garden Route.

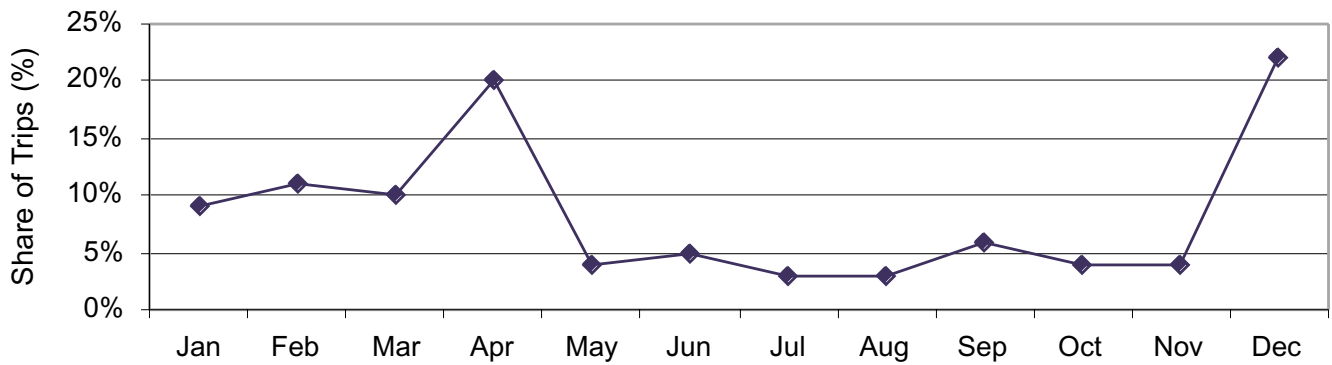
### ACTIVITY PREFERENCES OF DOMESTIC TOURISTS TO THE WESTERN CAPE



Source: South African Domestic Tourism Survey 2001

Going to the beach was the most preferred activity of domestic tourists to the Western Cape, followed by visiting a nature reserve and shopping.

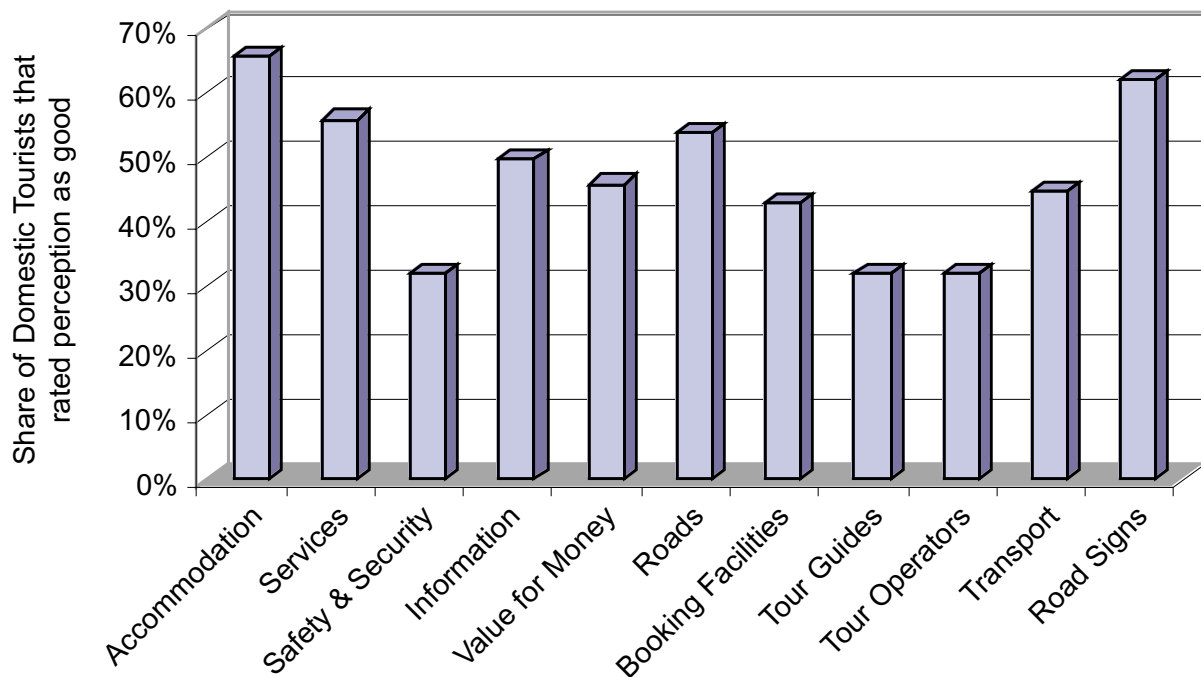
## SEASONALITY OF DOMESTIC TOURISM DEMAND FOR THE WESTERN CAPE



Source: South African Domestic Tourism Survey 2001

April and December are the most popular months for domestic trips to the Western Cape. This seasonality correlates with the overall seasonality of all domestic trips to all destinations.

## PERCEPTIONS OF DOMESTIC TOURISTS TO THE WESTERN CAPE



Source: South African Domestic Tourism Survey 2001

66% of respondents rated the Western Cape's accommodation as good. Roads and road signs, as well as services and information received high ratings.



## ONE DAY EXCURSIONS BY DOMESTIC TOURISTS

The South African Domestic Tourism Survey found that during May 2000 to April 2001, domestic tourists took 20,9 million day trips.

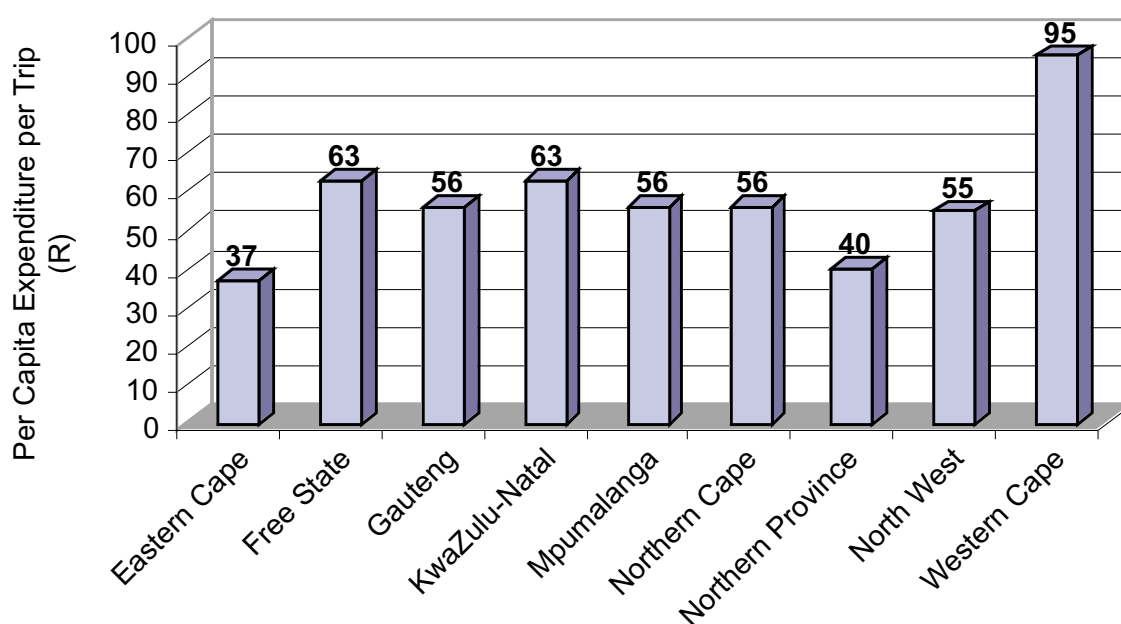
The domestic day trippers originated from the Eastern Cape (22%), Gauteng (20%), Northern Province (14%) and the Western Cape (13%). The Cape Metropole was a popular destination with day trippers, receiving 9% of all one day trips.

| South African Tourism Regions | Number of Trips   | Share of Total |
|-------------------------------|-------------------|----------------|
| Central Gauteng               | 2,305,489         | 11%            |
| Wild Coast-Transkei-Ciskei    | 2,050,496         | 10%            |
| Cape Metropole                | 1,901,684         | 9%             |
| Capricorn                     | 1,017,248         | 5%             |
| Soutpansberg                  | 955,853           | 5%             |
| Eastern Gauteng               | 873,915           | 4%             |
| Friendly N6                   | 805,495           | 4%             |
| Valley of the Elephants       | 798,396           | 4%             |
| Northern Gauteng              | 743,758           | 4%             |
| Eastern Free State            | 546,024           | 3%             |
| Other                         | 8,907,586         | 43%            |
| <b>Total</b>                  | <b>20,905,944</b> | <b>100%</b>    |

Source: South African Domestic Tourism Survey 2001

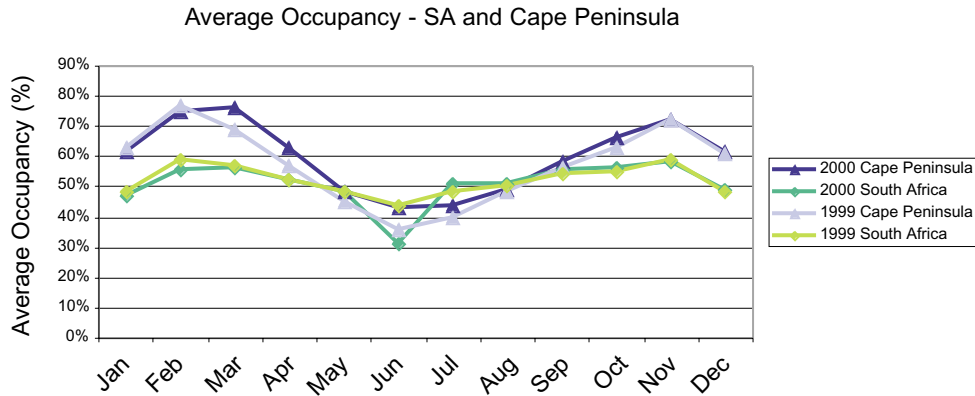
As can be expected, day trippers to the Western Cape originated mainly from within the province (92%), with 5% of day trippers originating from Gauteng.

The Western Cape also received mainly day trippers in the higher LSM groups, with 61% being in LSM 7 and LSM 8. This profile is confirmed with day trippers to the Western Cape having the highest per capita expenditure for all provinces.



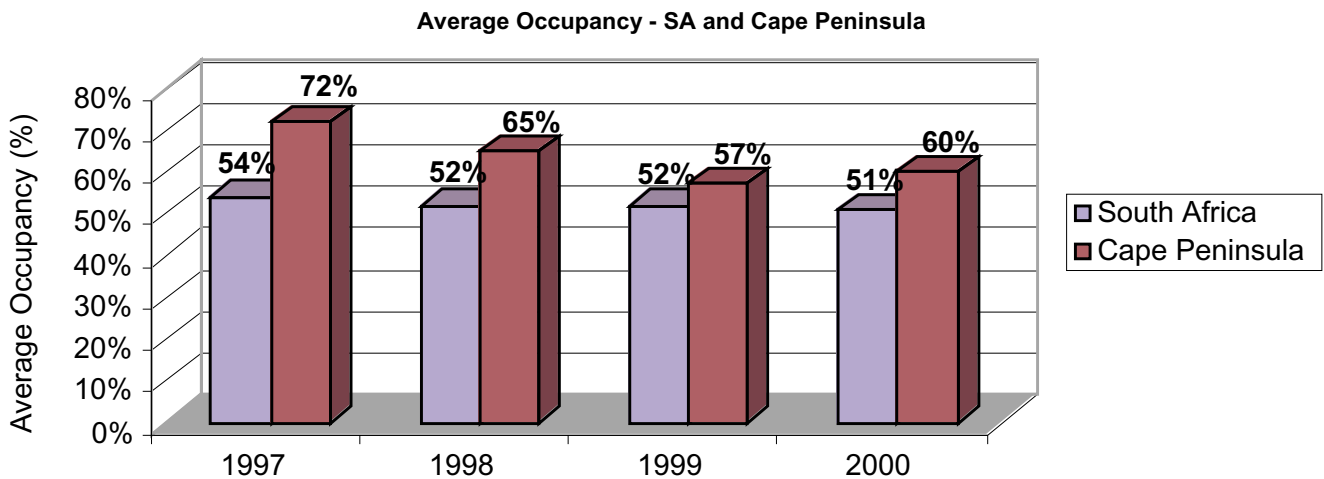
Source: South African Domestic Tourism Survey 2001

## HOTEL OCCUPANCY



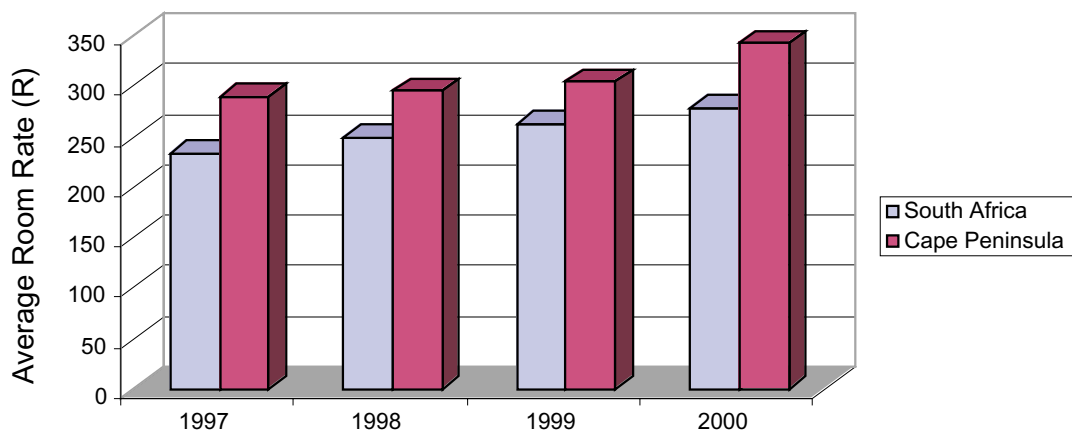
Source: Statistics South Africa

According to Statistics South Africa, demand for hotel accommodation in the Cape Peninsula (for all hotel grades) has a higher seasonal fluctuation than for South African hotels as a whole. In the Cape Peninsula, hotel occupancies peak in February and March with high season extending from October to April. On average, June is the month with the lowest hotel room demand. In the Cape Peninsula, monthly hotel room occupancies declined in 1999 over 1998, but increased again in 2000.



Source: Statistics South Africa

## AVERAGE ROOM RATE



Source: Statistics South Africa

The Cape Peninsula hotels achieve a higher average room rate than the average South African hotel.

## **10 PROJECTS UNDER CONSTRUCTION**

- Convention Centre (completion mid-2003)
- V&A Canal Link
- Cape Town International Airport extension (10 year project)
- Tourism Centre in Clock Tower at V&A Waterfront
- Robben Island Gateway at Clock Tower
- Athlone Soccer Stadium upgrade
- Arabella Sheraton Hotel (at the Convention Centre)
- Crossroads Tourism Centre
- Lookout Hill, Khayelitsha
- Thesen Island, Knysna

*Source: Wesgro*

## **10 INVESTMENT OPPORTUNITIES**

- Silverstroom Strand Residential & Tourism Precinct
- Seapoint Pavilion mixed redevelopment
- Big Bay mixed development
- Barrydale Wildlife Reserve
- Langebaan Lodge
- Saldanha Bay Marina
- Elands Bay Harbour & Waterfront
- Cape Agulhas Hotel/Resort
- Monwabisi Resort, Khayelitsha
- Goose Valley Golf Estate, Plettenberg Bay

***For details about these projects contact Wesgro, Cape Town (021) 418 - 6464***

## **WESGRO'S IDENTIFIED TOURISM MARKET SEGMENTS IN THE WESTERN CAPE**

- Business
- Meetings, Incentives, Conferences & Events
- Family Holidays
- Backpackers
- Visiting Friends & Family
- Health Tourism (incl. Medical treatments, Spa's, etc.)
- Historical routes/events
- Cultural Events (Metro Cape Town and platteland)
- Trade Fairs
- Academic Conferences
- Sightseeing (Core attractions & Specialised)
- Sport (incl. National Sport Disciplines and Adventure Sport)
- Eco-tourism
- Pensioner Retreat

*Source: Wesgro*

You are always welcome to **contact us ...**

### **Cape Metropolitan Tourism**

9th Floor Tarquin House  
Cnr Loop & Shortmarket Streets  
Cape Town  
PO Box 16548  
Vlaeberg 8018  
Tel: +27 21 487 2718  
Fax: +27 21 487 2977  
cmt@gocapetown.co.za  
www.gocapetown.co.za

### **Chief Directorate Business Promotion and Tourism**

PO Box 979  
Cape Town  
8000  
Tel: +27 21 483 4165  
Fax: +27 21 483 3018

### **Grant Thornton Kessel Feinstein Tourism Hospitality and Leisure Consulting**

4th Floor, Forbes House  
14 Long Street  
Cape Town  
PO Box 1550  
Cape Town 8000  
Tel: +27 21 418 3162  
Fax: +27 21 425 1276  
mail@gt-capetown.co.za  
www.gt.co.za

### **Wesgro**

22nd Floor  
2 Long Street  
Cape Town 8001  
PO Box 1678  
Cape Town 8000  
Tel: +27 21 418 6464  
Fax: +27 21 418 2323  
info@wesgro.org  
www.wesgro.org

### **Western Cape Tourism Board**

Tijger Park III  
Bloemhof Street  
Tyger Valley 7536  
PO Box 3878  
Tyger Valley 7536  
Tel: +27 21 914 4613  
Fax: +27 21 914 4610  
info@capetourism.org  
www.capetourism.org



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www.capetourism.org

**Grant Thornton  
Kessel Feinstein** 

**Tourism, Hospitality &  
Leisure Specialists**  
South African member of  
Grant Thornton International