

FACT SHEETS

REGIONAL TOURISM BUSINESS DEVELOPMENT

SUPPLEMENTARY REPORT BASED ON THE FINDINGS OF THE 2005 EVALUATION OF THE WCDEDT'S TIERED SUPPORT PROGRAMMES IN THE WESTERN CAPE

Compiled by TourDev for the
Western Cape Department of Economic Development and Tourism
24 February 2006, revised 6 March 2006

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Regional Fact Sheets

A Supplementary Report to the "Evaluation Report on the Impact of the Tiered Support Programmes on Tourism Small Business Development in the Western Cape" (2005) compiled by TourDev for the Western Cape Department of Economic Development and Tourism.

Introduction

The aim of this supplementary report is to present the regional dynamics of tourism business development as based on the findings of the *Evaluation Report on the Impact of the Tiered Support Programmes on Tourism Small Business Development in the Western Cape* (2005). These findings provide a baseline for future monitoring of small business growth in the tourism sector.

In the sections below, regional fact sheets are set out that take into account several key factors in regional tourism business development focused on small business development. The fact sheets include all six regions in the Western Cape, however, findings for the Eden district are grouped as Garden Route and Little Karoo due to the differing dynamics between the coastal tourism of the former and the inland attractions of the latter.

The indicators used per region are:

Entrepreneur profile indicators

- Gender
- Age
- Highest level of education
- Historical racial classification

Programme participation indicators

- Tiered business development training
- Fast Track and Tourism Mentorship Programme
- Market access, business support, financial incentives

Tourism SME development indicators

- Black economic empowerment (ownership)
- Business registration
- Levels of business sophistication
- Type of business
- Job creation (full-time, part-time and seasonal)
- Turnover and Profitability



Regional Fact Sheets

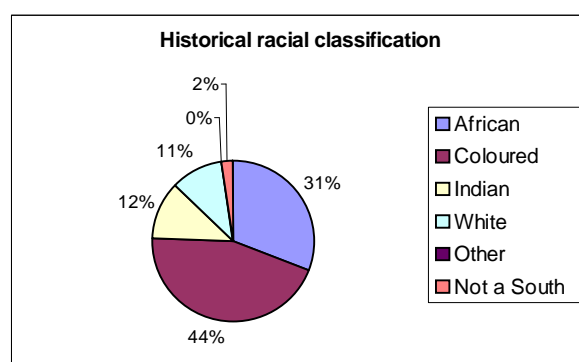
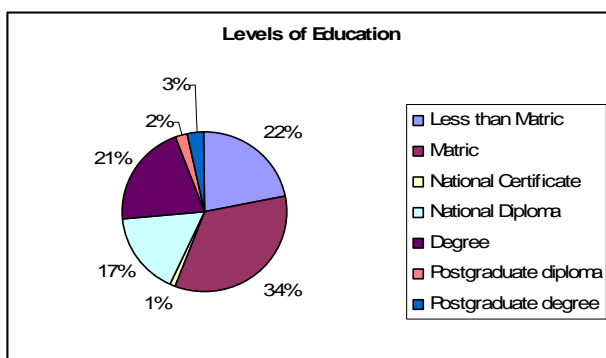
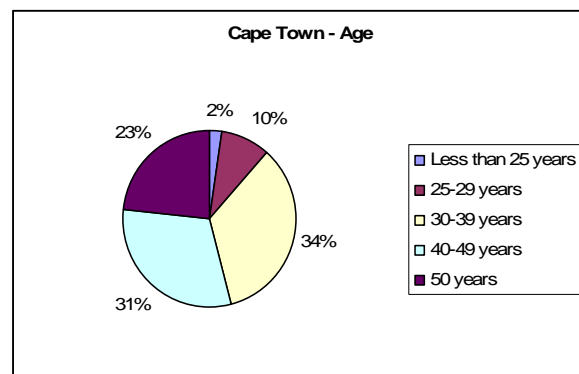
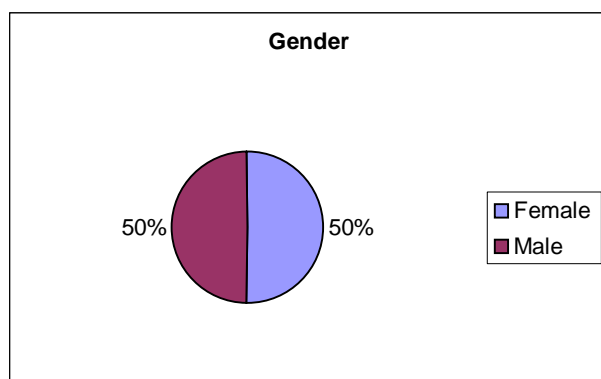
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1. Cape Town and surrounds

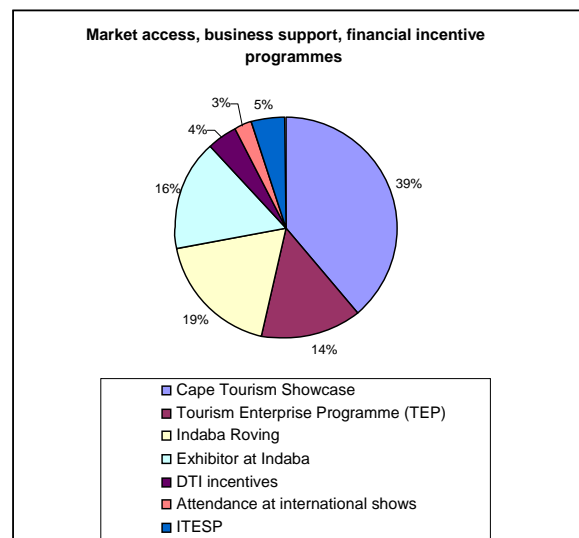
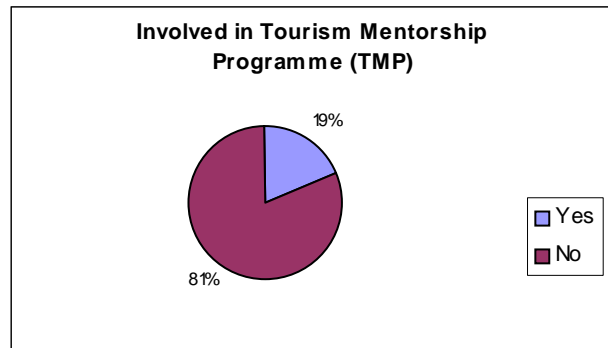
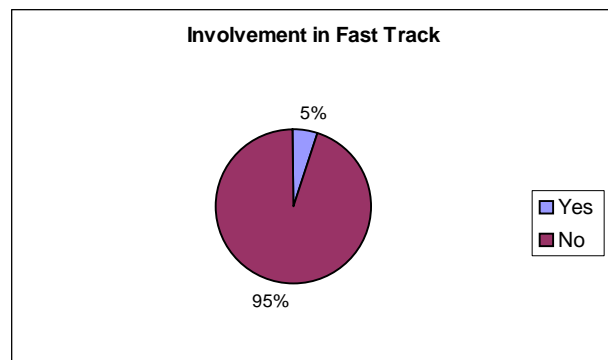
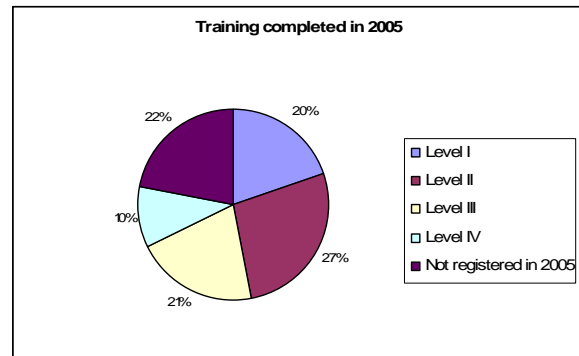
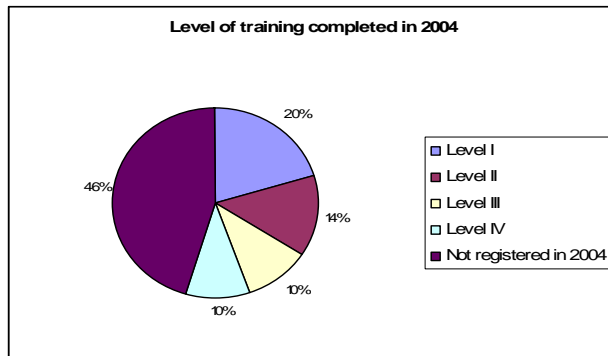
Highlights

- Gender is not a limiting factor when starting a business in the Cape Town area, as the number of female business owners equal that of the male.
- More than half of business owners possess a Matric qualification or higher.
- An overwhelming majority of the businesses are 100% black owned.
- However, permanent staff figures demonstrate that the majority of companies are very small and offer limited full-time employment positions, with only few additional seasonal opportunities.
- 36% of the businesses reported profitability.

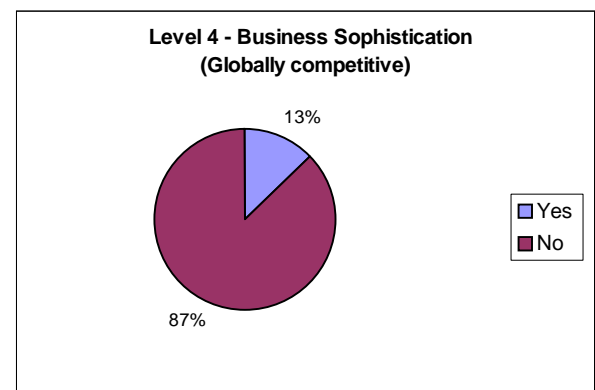
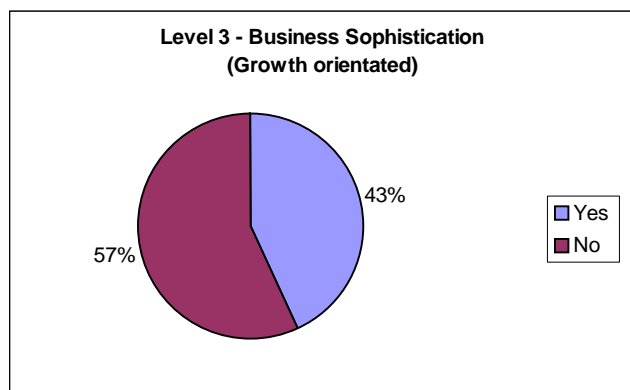
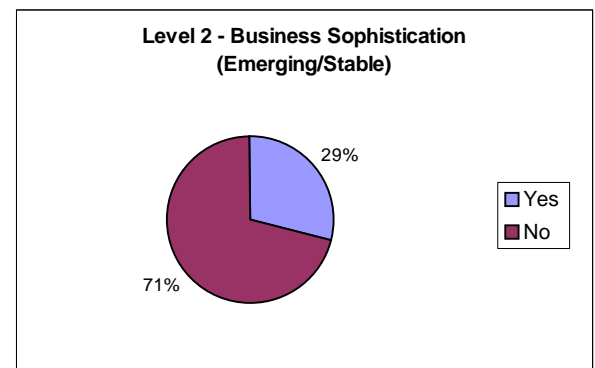
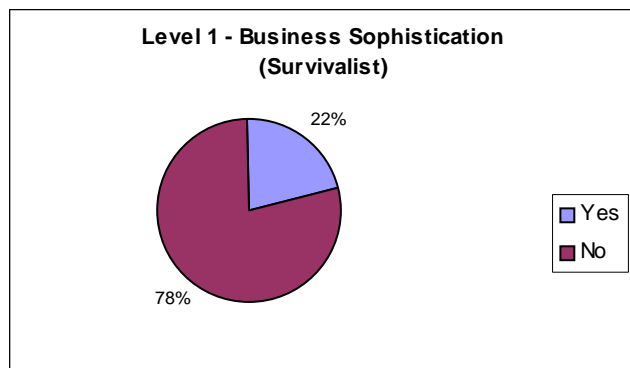
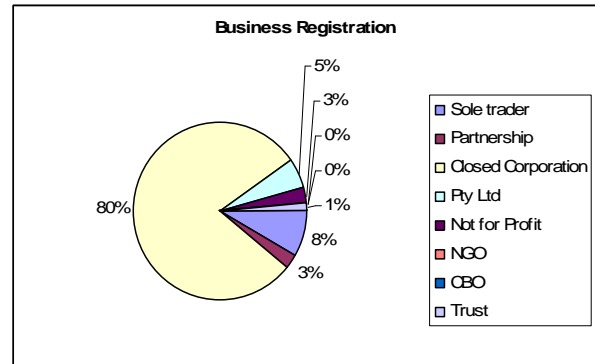
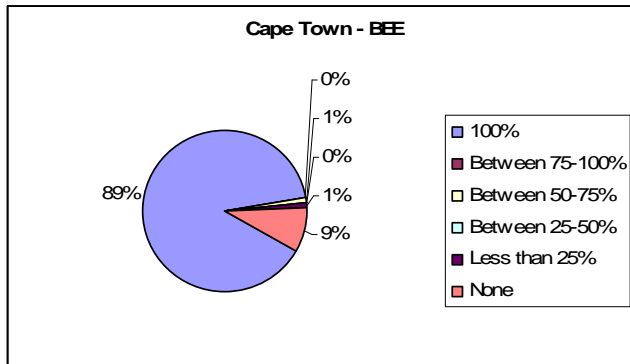
Entrepreneur Profile Indicators

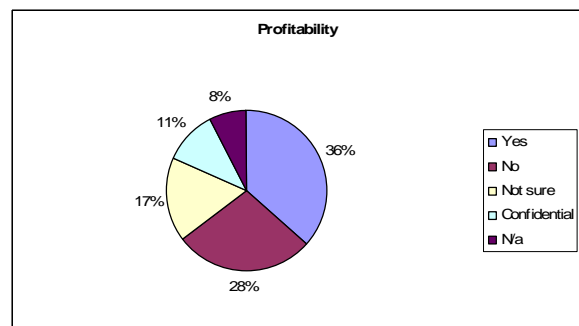
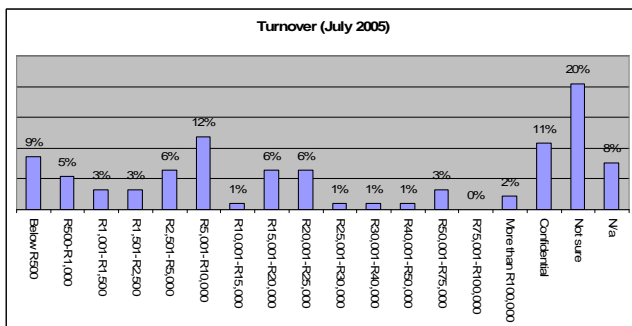
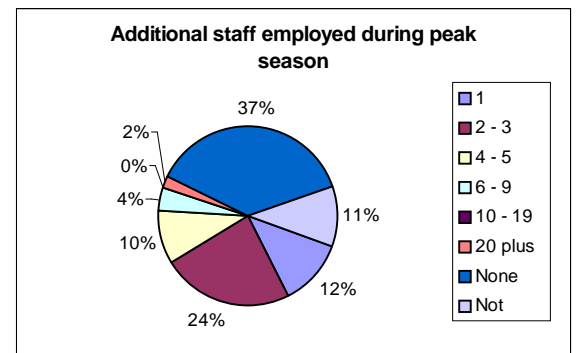
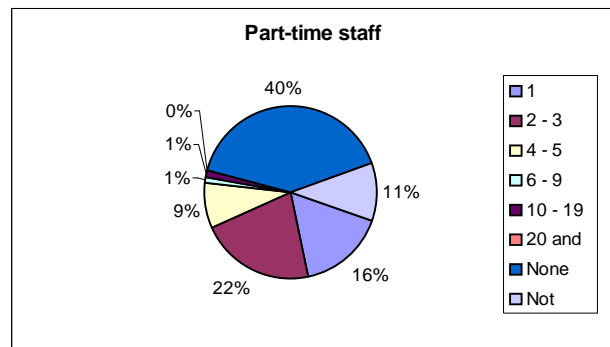
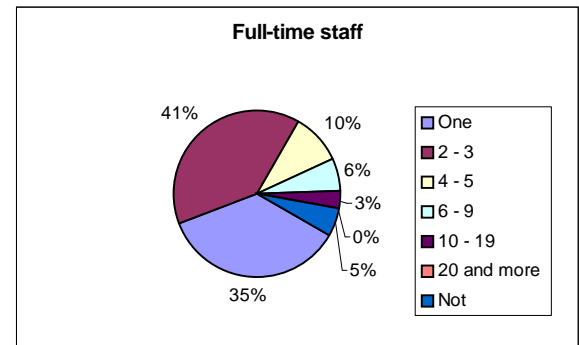
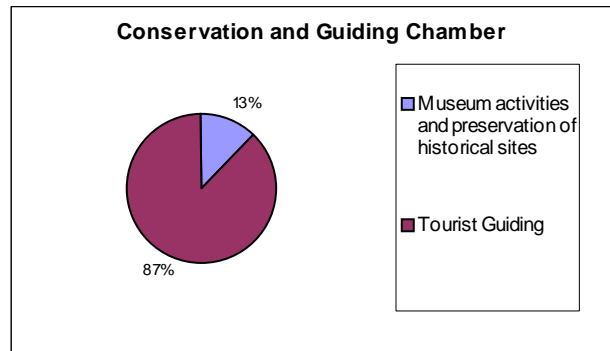
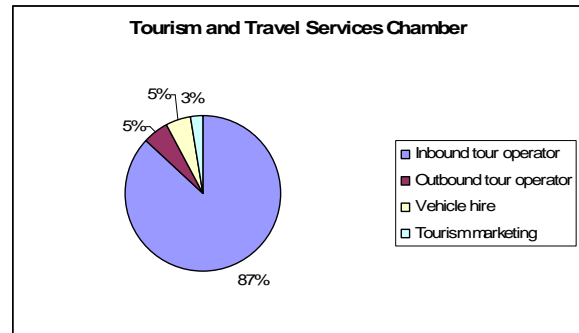
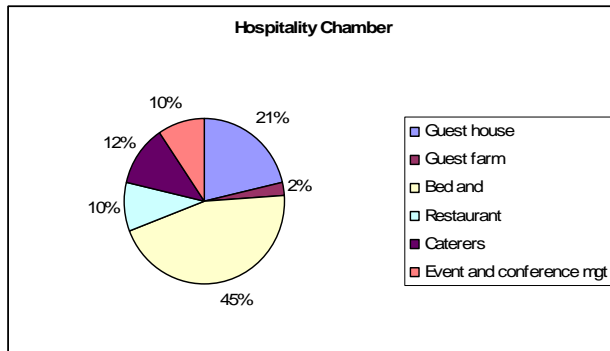


Programme Participation Indicators



Tourism SME Development Indicators



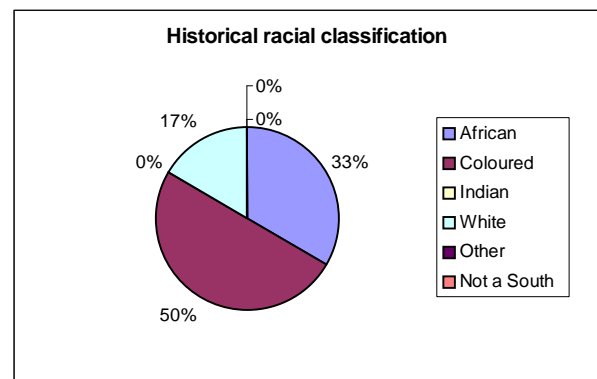
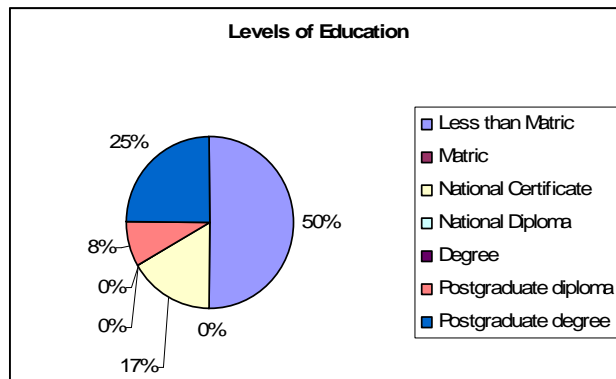
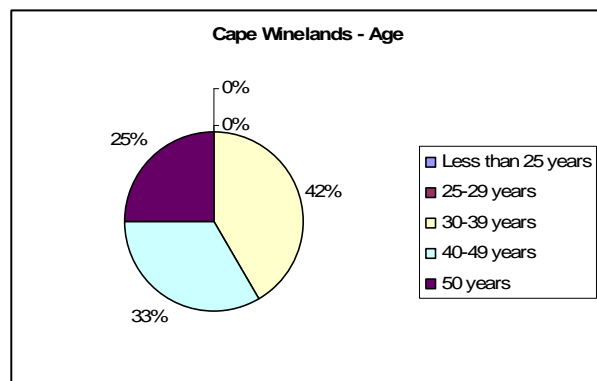
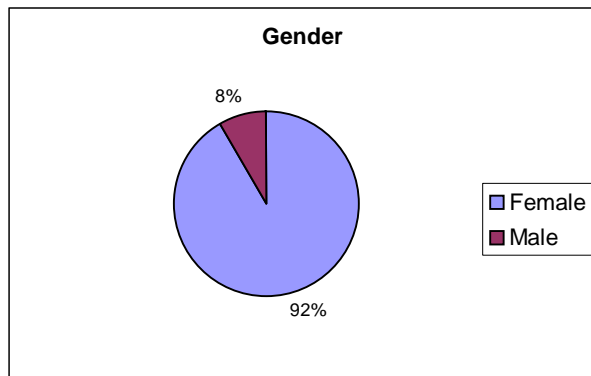


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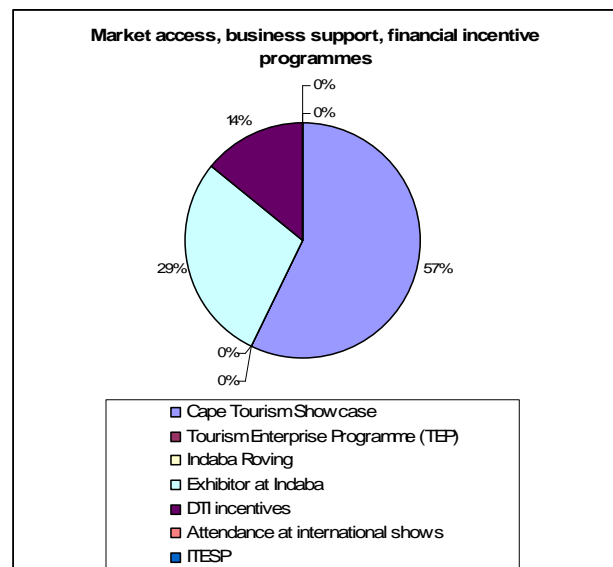
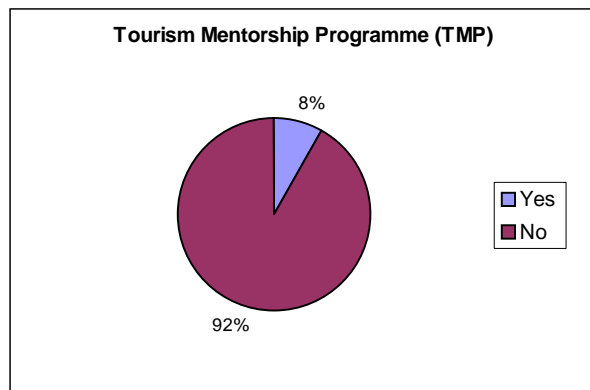
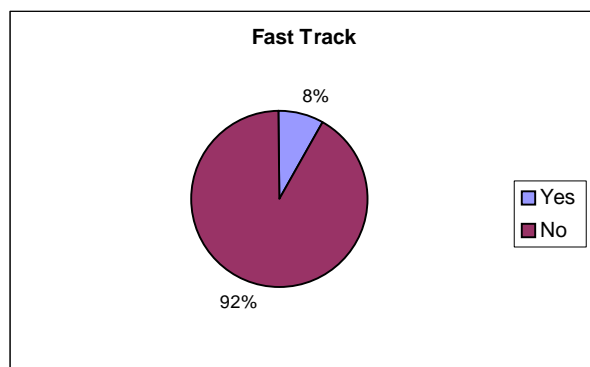
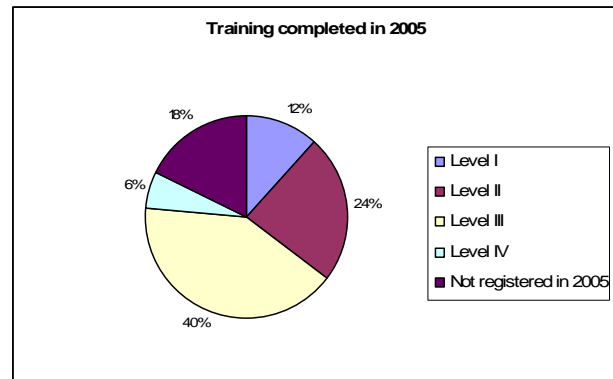
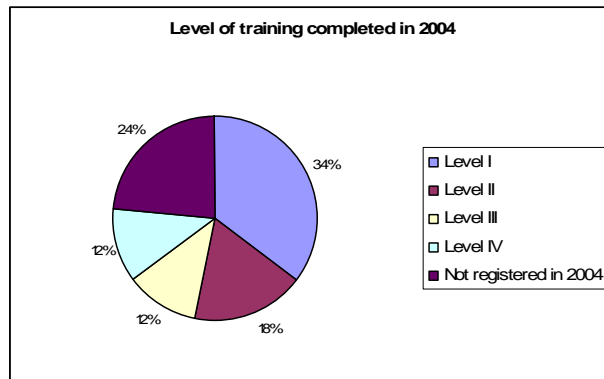
Highlights

- Women within the 30-39 age group are in the majority among entrepreneurs Cape Winelands.
- The hospitality chamber is well represented in the region.
- Most businesses employ 1 to 3 people.
- A third of all businesses are registered as a Pty Ltd.
- 50% of companies reported profitability.

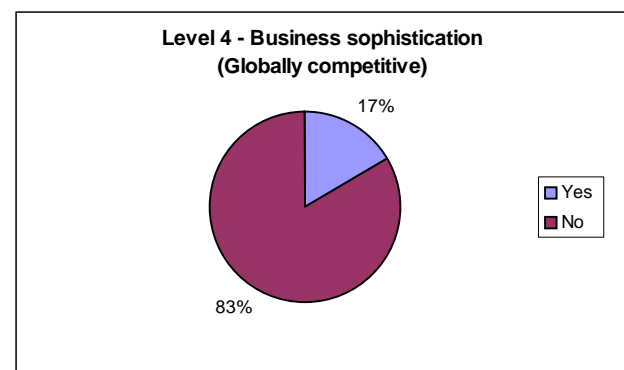
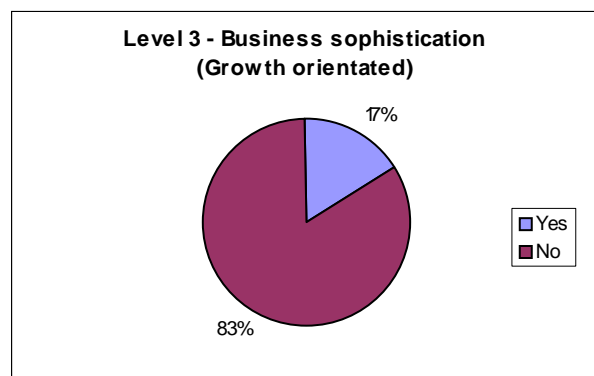
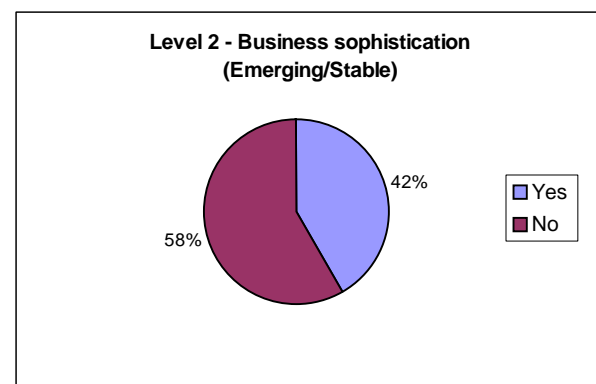
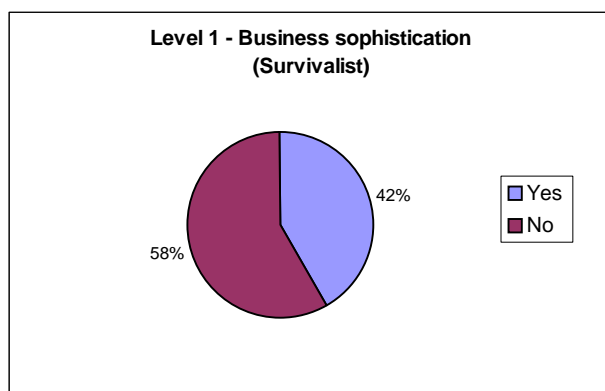
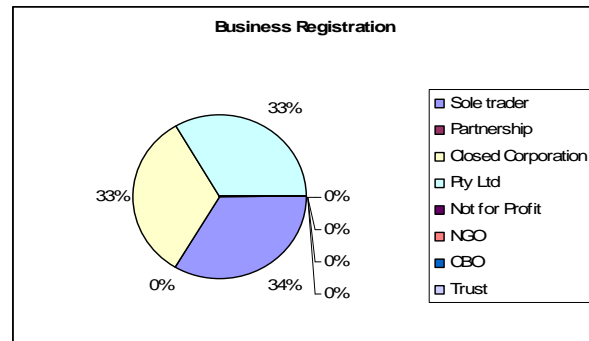
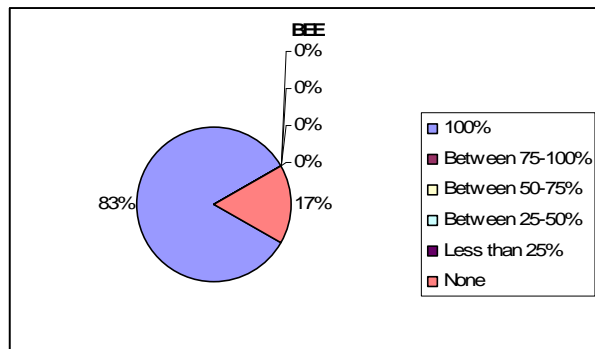
Entrepreneur Profile Indicators

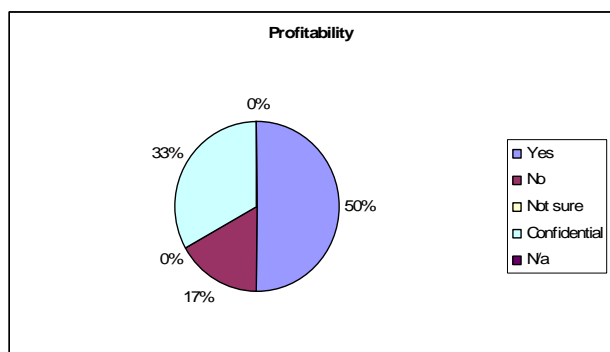
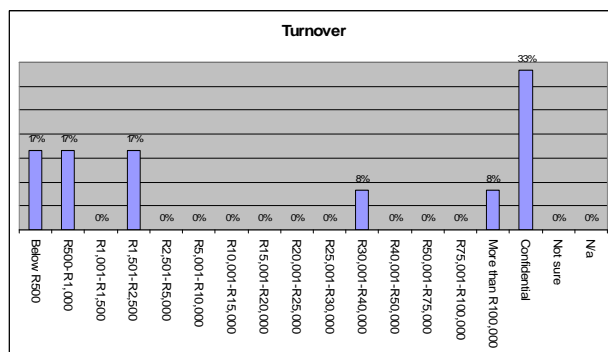
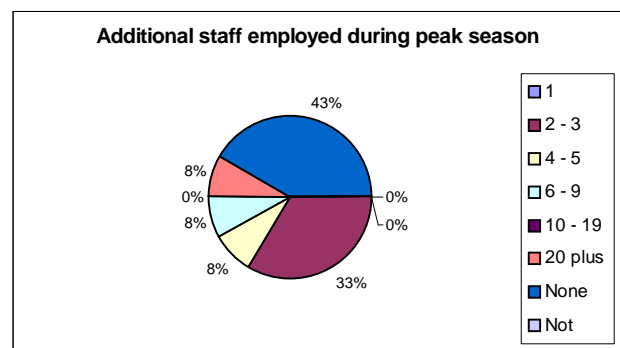
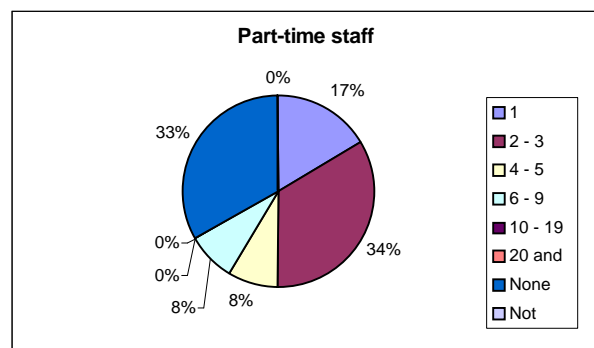
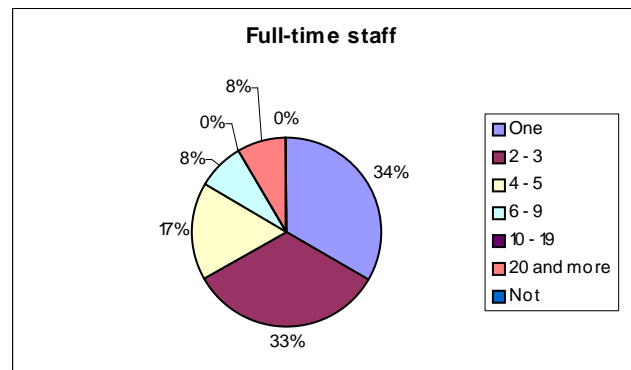
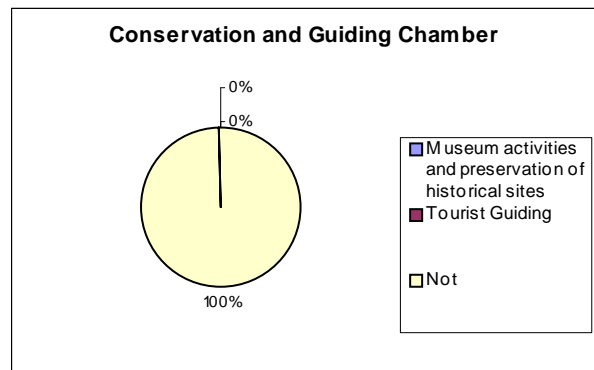
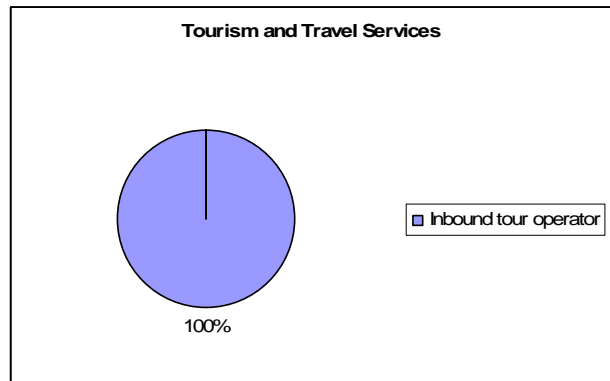
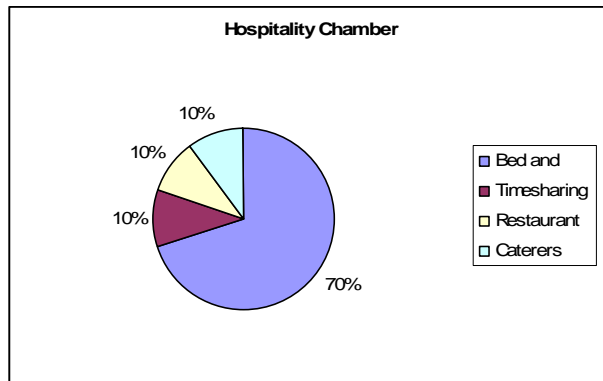


Programme Participation Indicators



Tourism SME Development Indicators



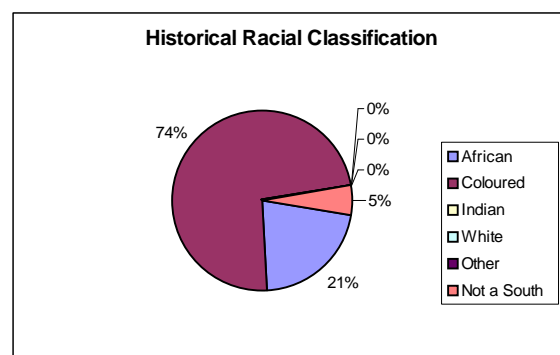
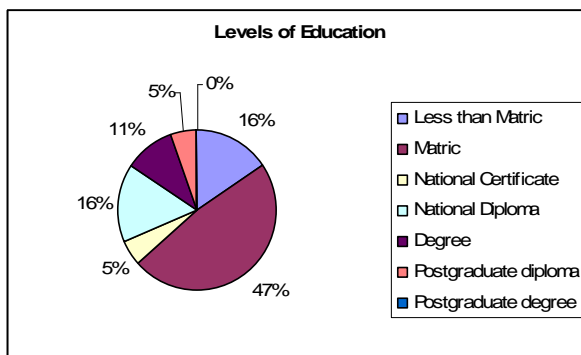
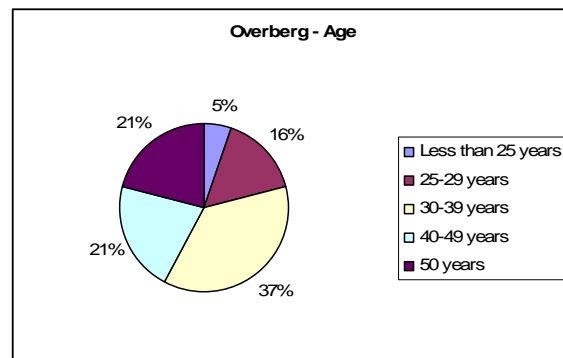
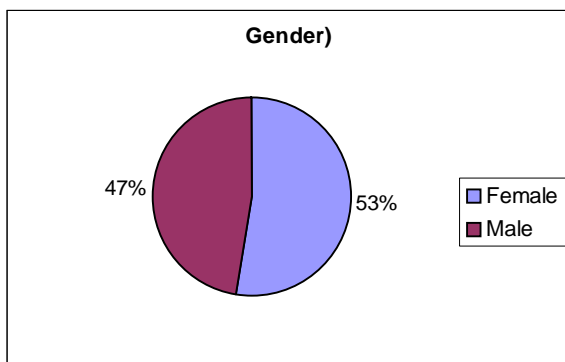


3. Overberg

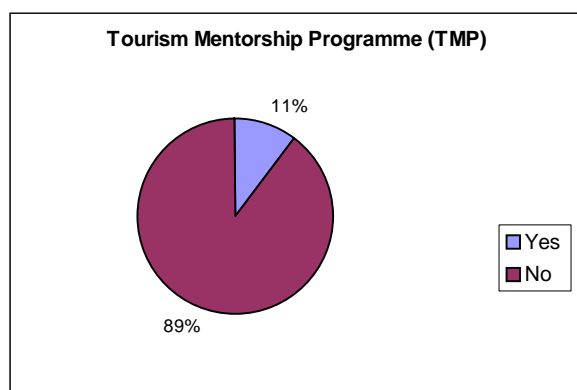
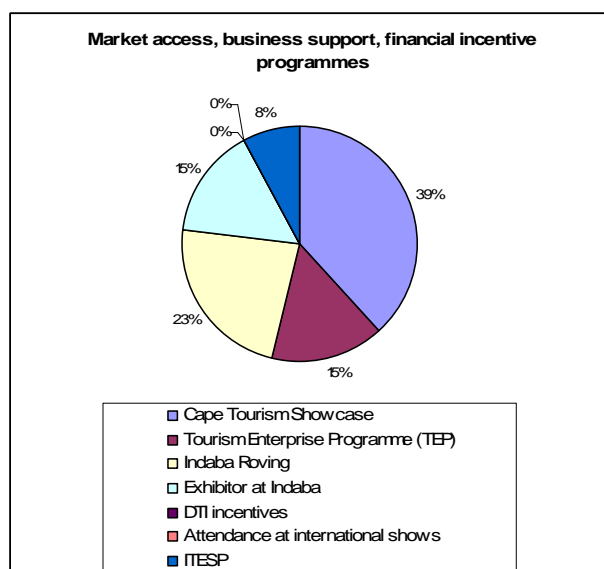
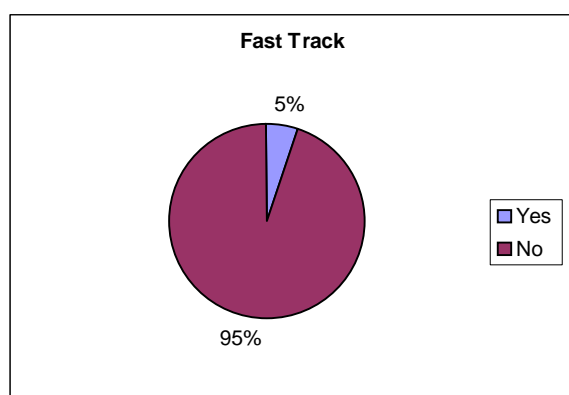
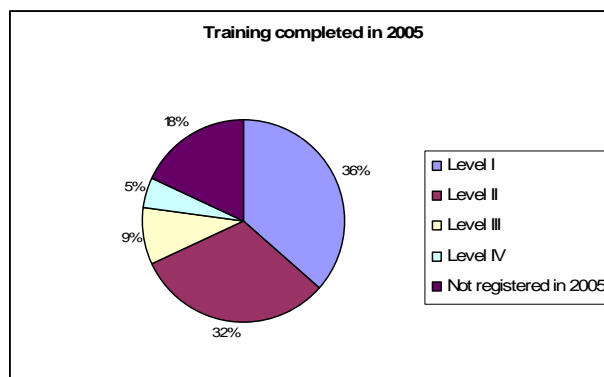
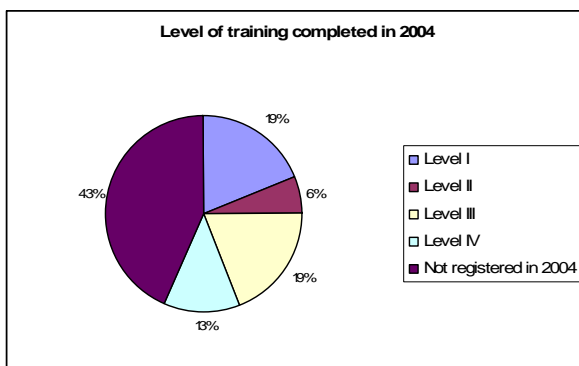
Highlights

- The majority of business owners are necessity entrepreneurs. This is reflected by the overall low level of business sophistication in the region.
- Most businesses are closed corporations.
- Over half of the businesses consist of between 1 and 3 full time employees.
- Little additional employment at a temporary or casual level during peak season.
- 42% of the businesses were profitable.

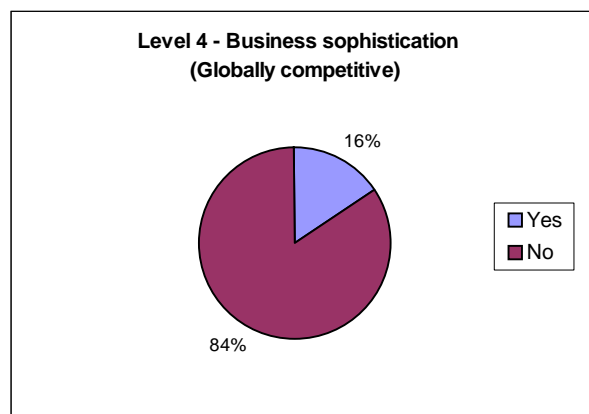
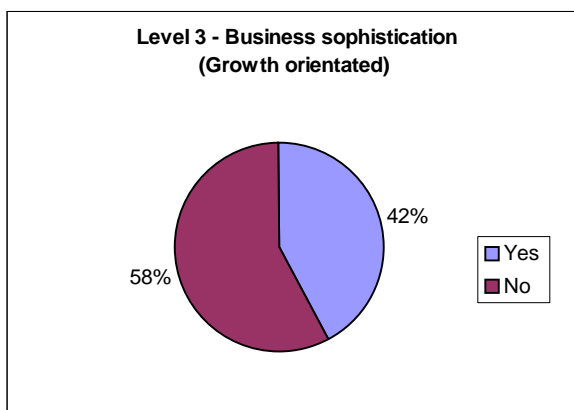
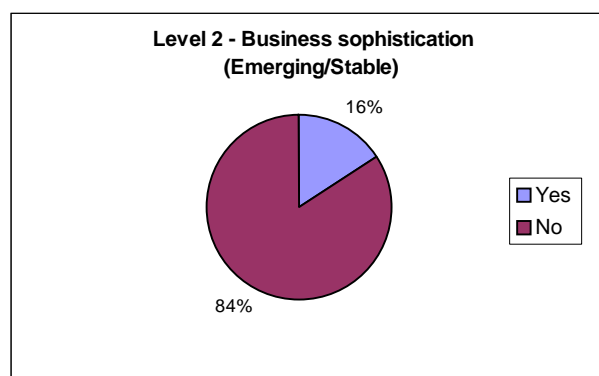
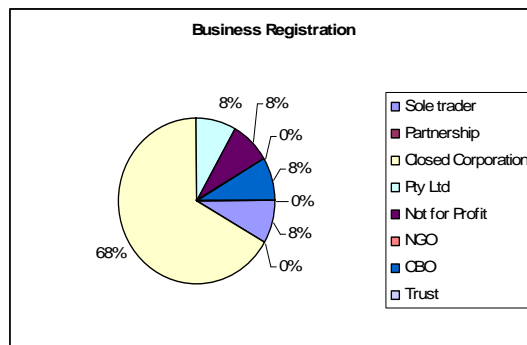
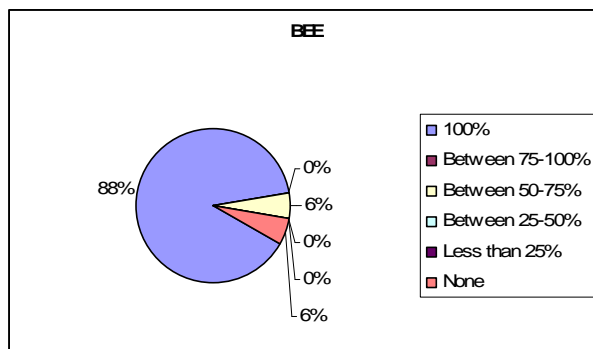
Entrepreneur Profile Indicators

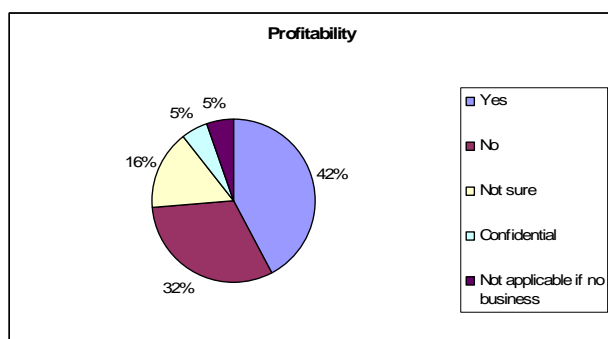
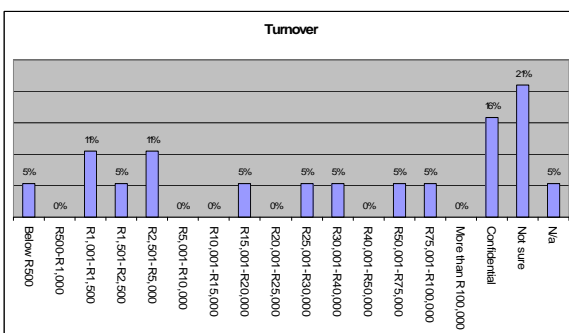
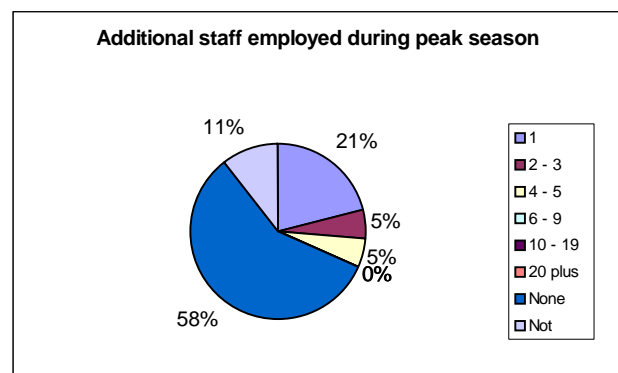
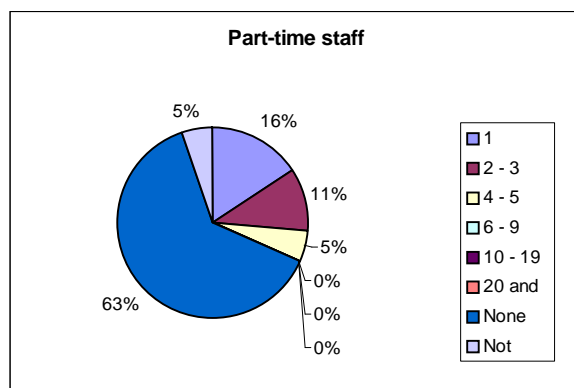
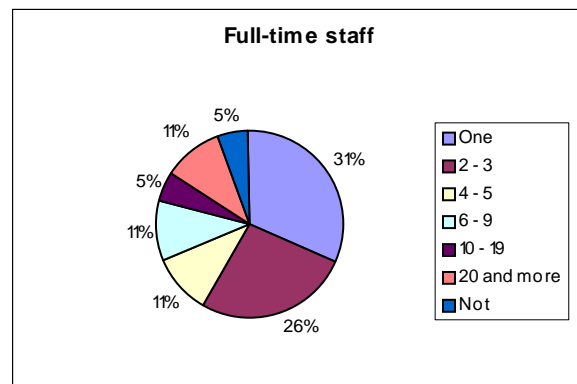
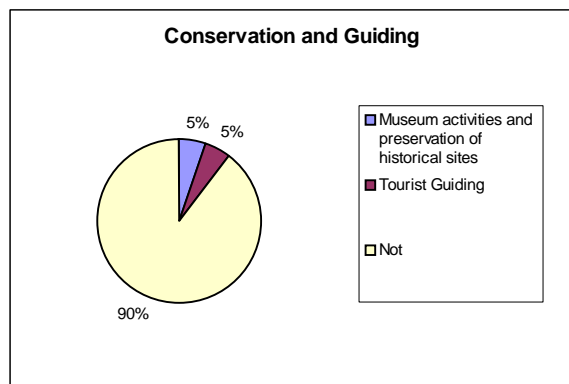
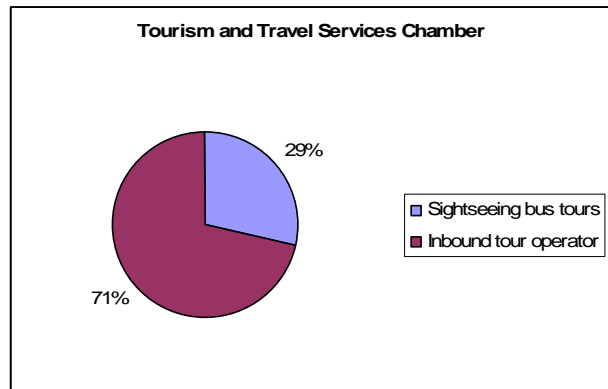
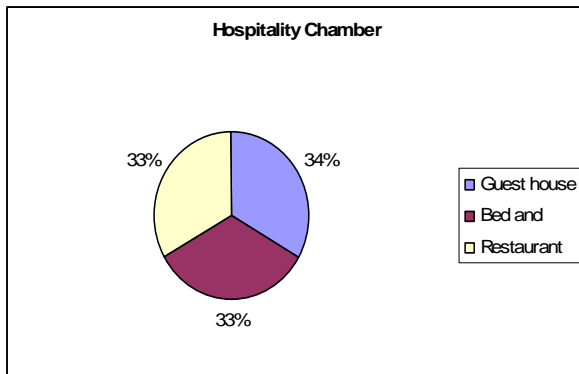


Programme Participation Indicators



Tourism SME Development Indicators



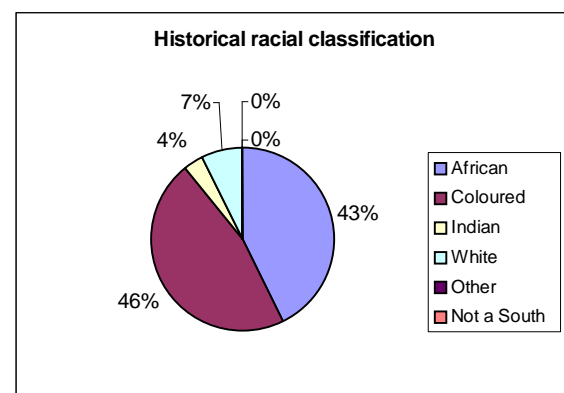
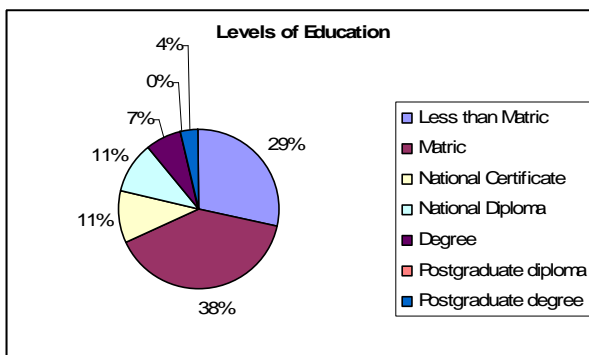
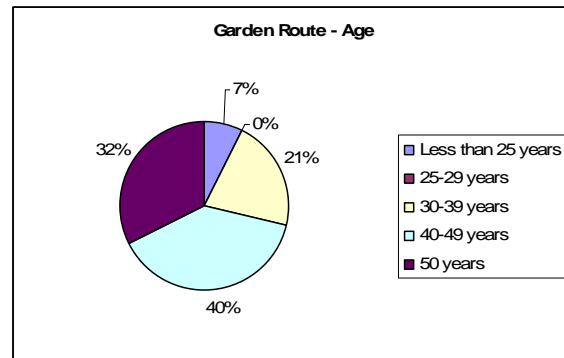
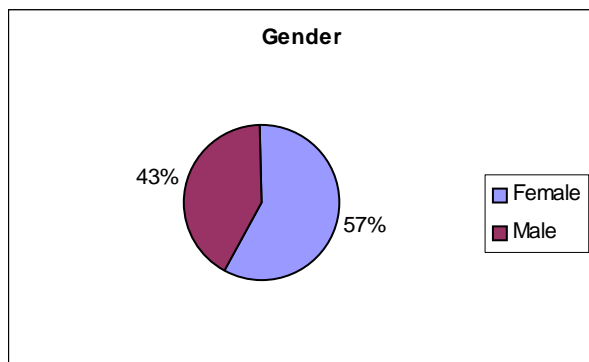


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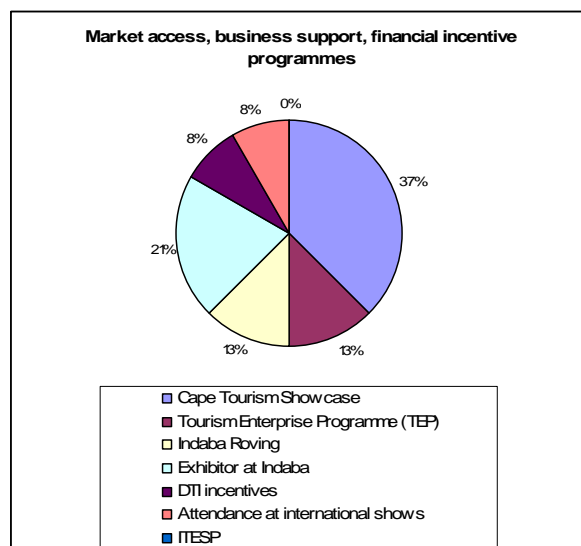
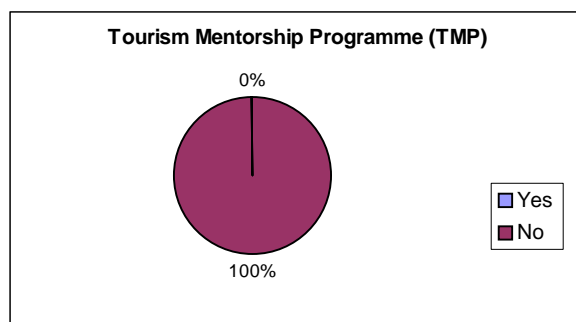
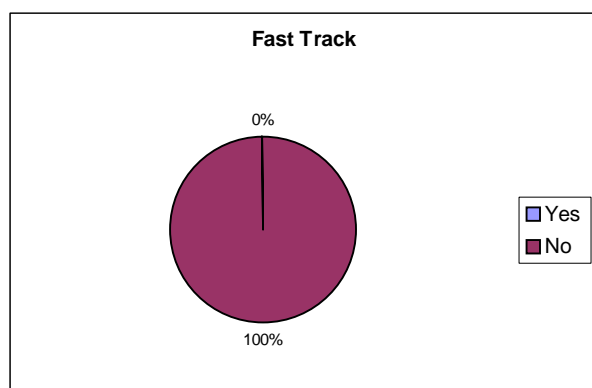
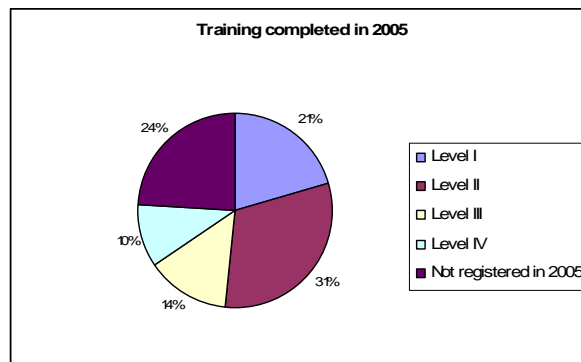
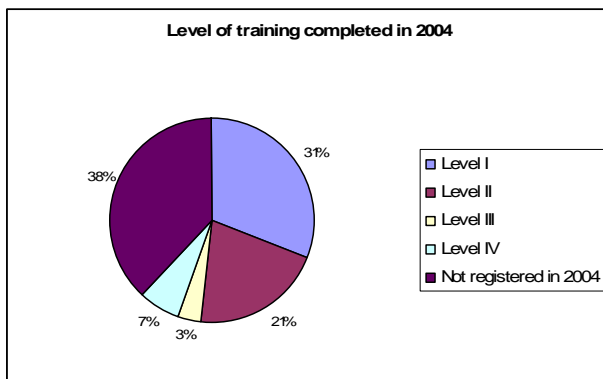
Highlights

- Majority of business are black-owned.
- Most business owners are Coloured and approaching middle age.
- Majority possess a Matric qualification or less.
- High percentages of business only have one full-time employee.
- 32% of the businesses are profitable.

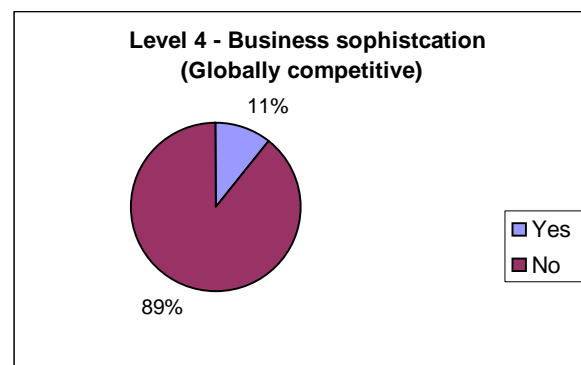
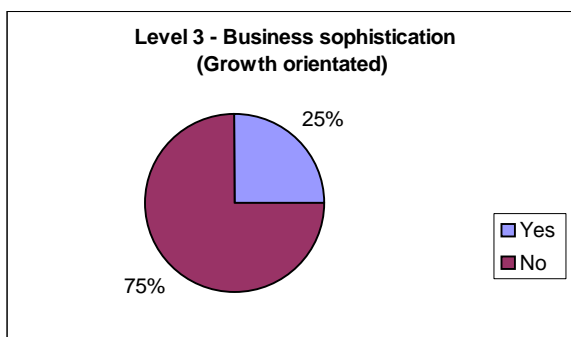
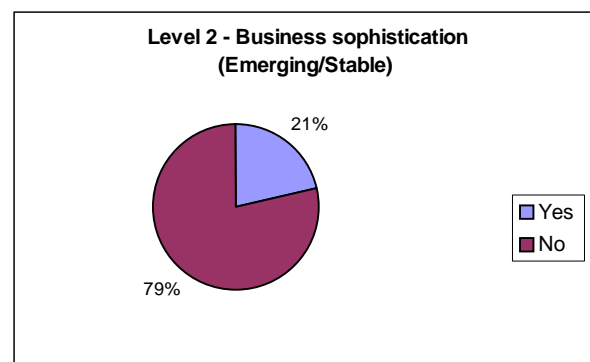
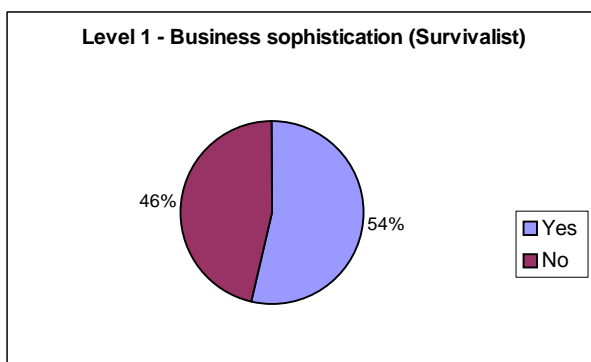
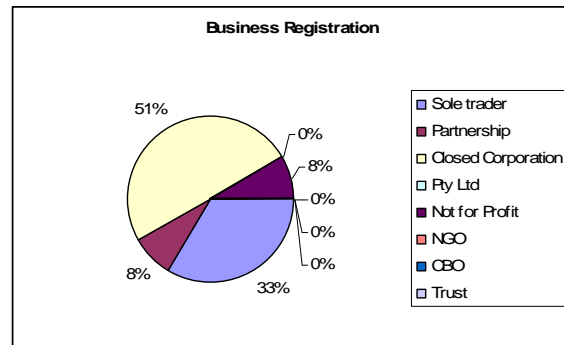
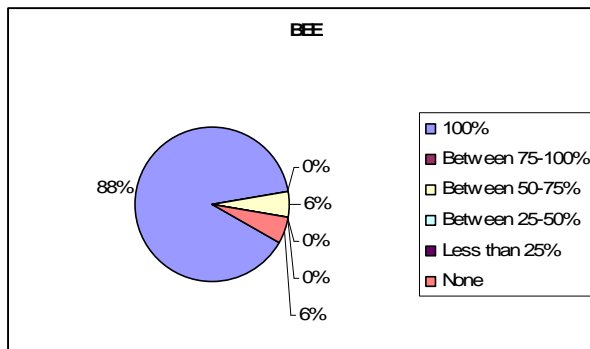
Entrepreneur Profile Indicators

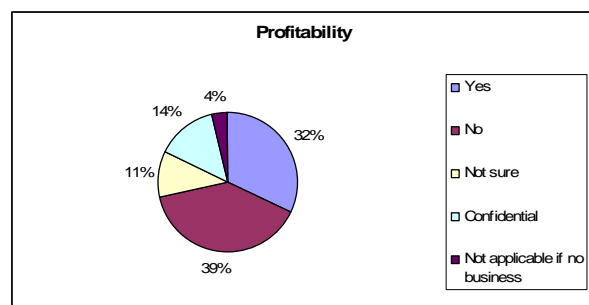
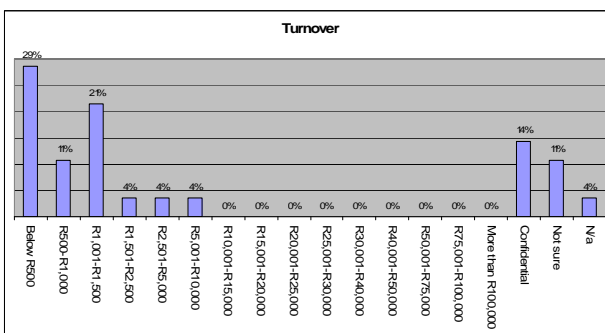
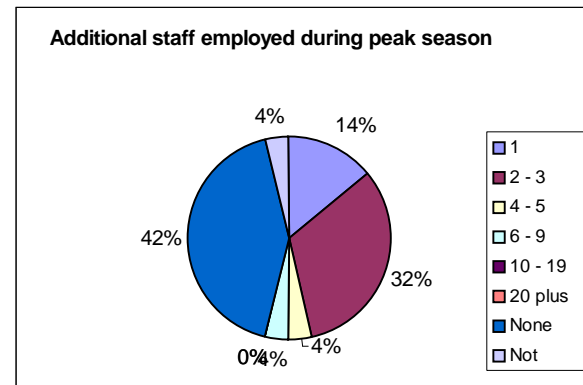
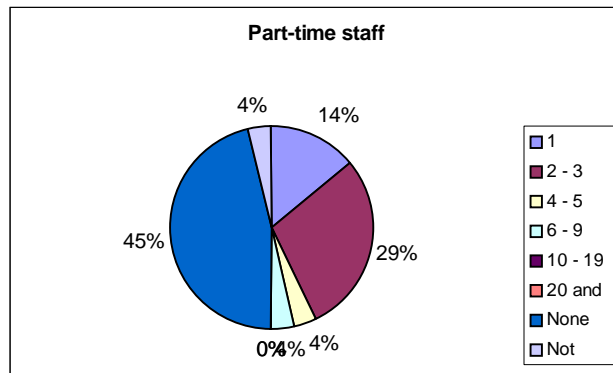
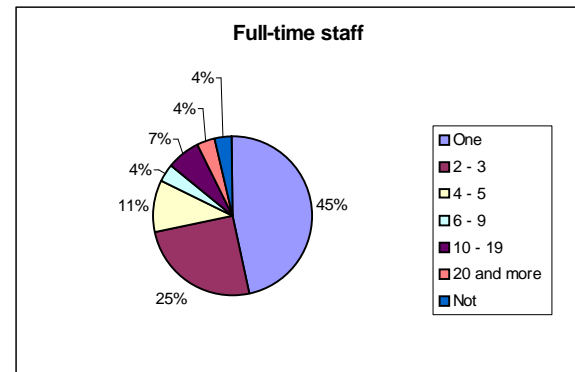
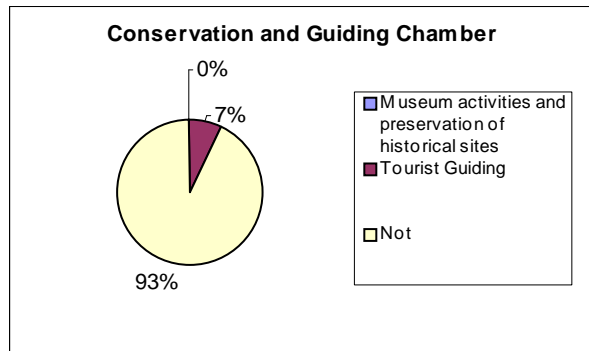
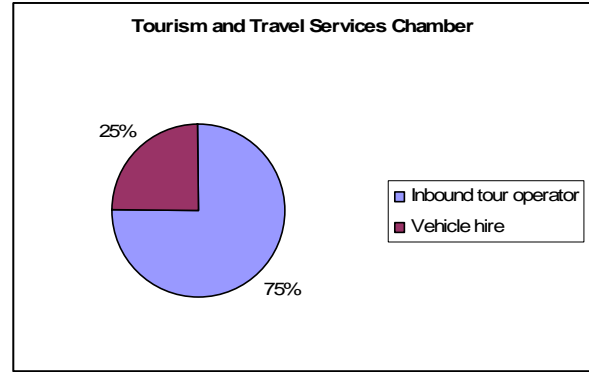
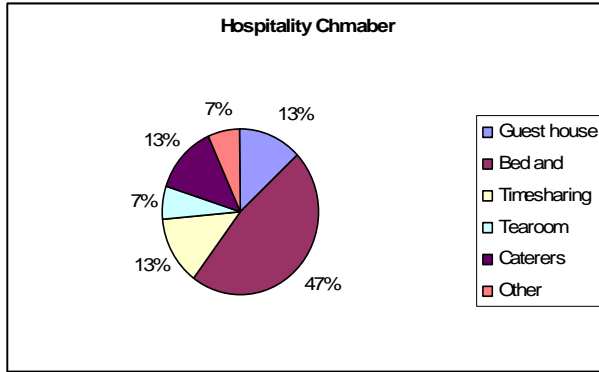


Programme Participation Indicators



Tourism SME Development Indicators



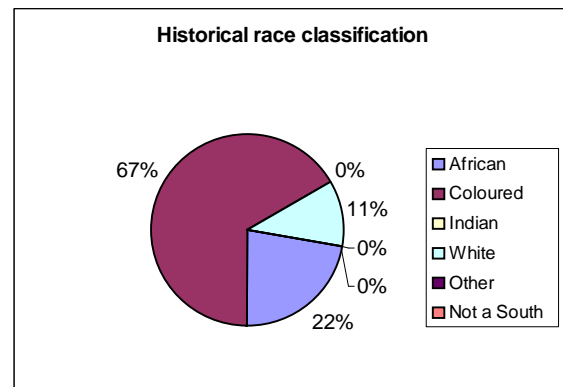
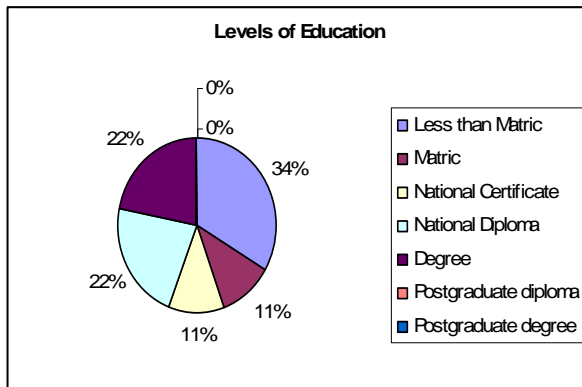
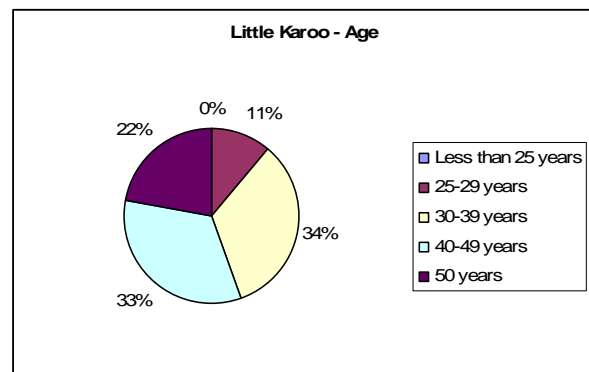
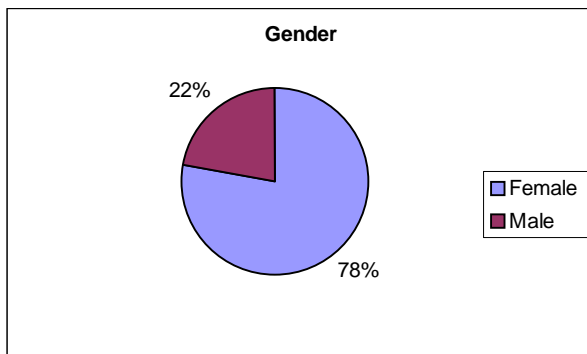


5. Little Karoo (Eden)

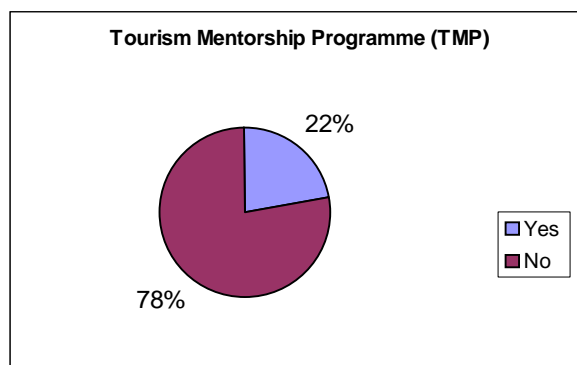
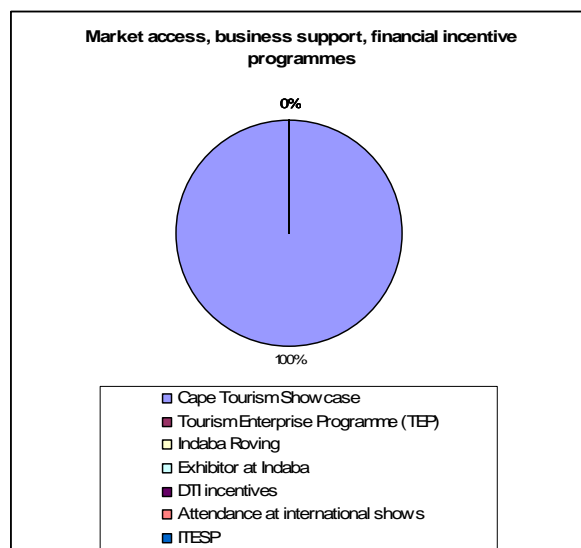
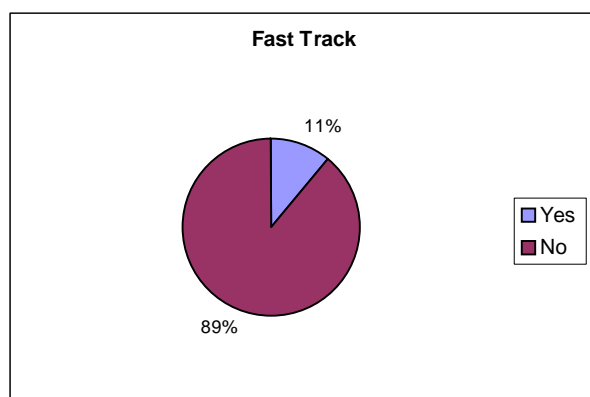
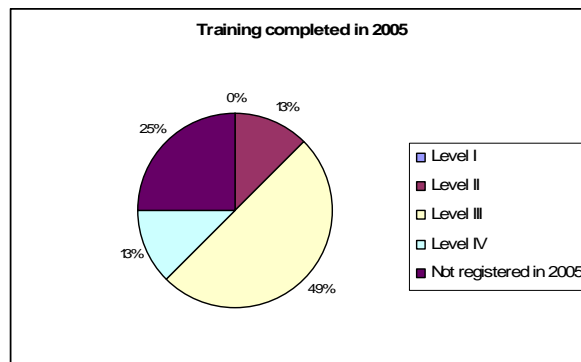
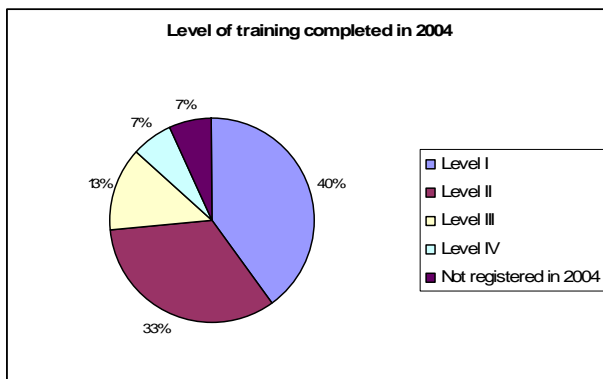
Highlights

- Majority of entrepreneurs are women.
- Education level are high, with national diploma and degree well represented.
- Closed corporations make up majority of registered businesses.
- A third of all businesses employ 2-3 additional staff during peak season.
- 33% reported a profit.

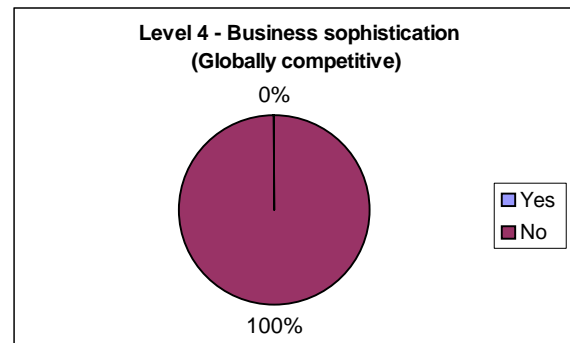
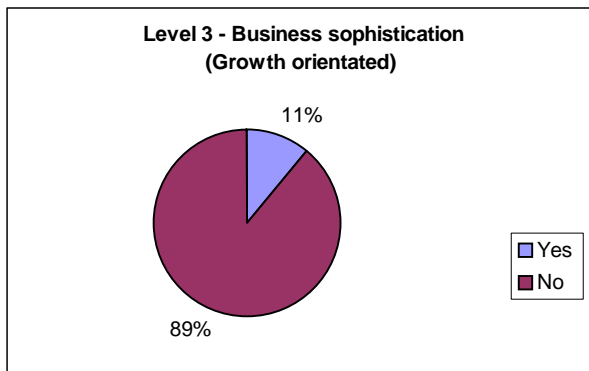
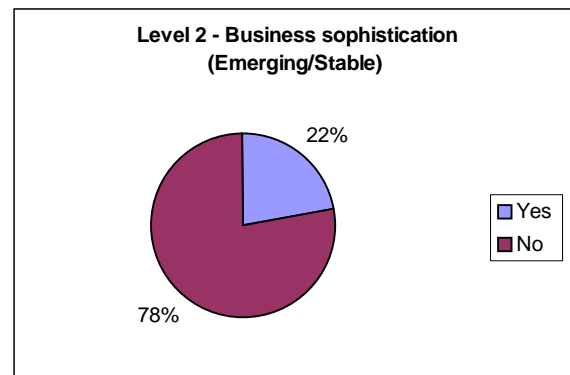
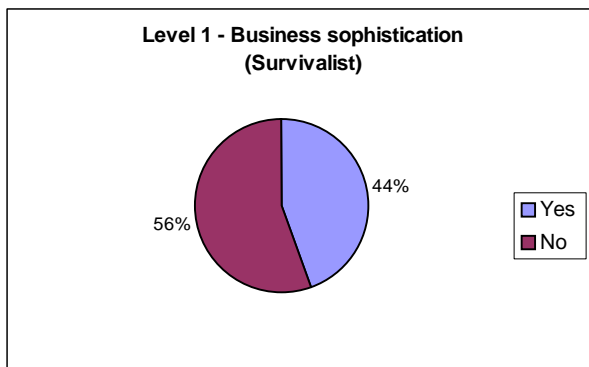
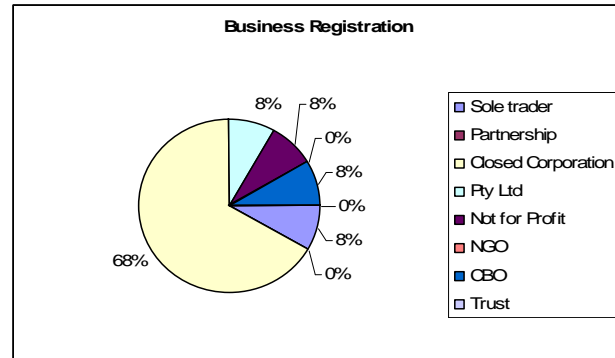
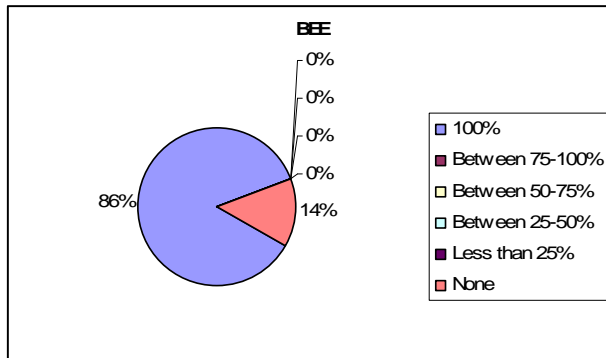
Entrepreneur Profile Indicators

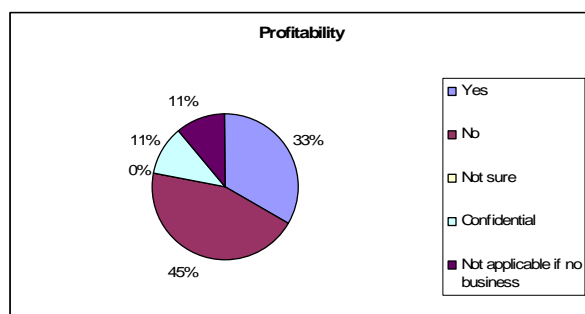
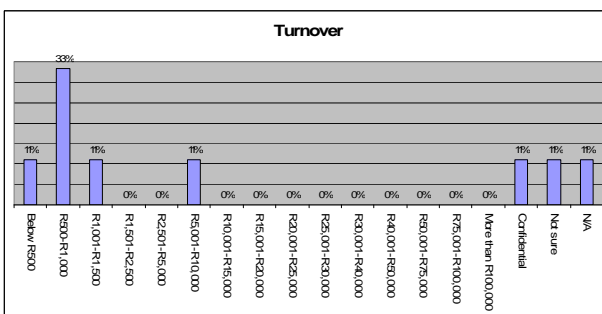
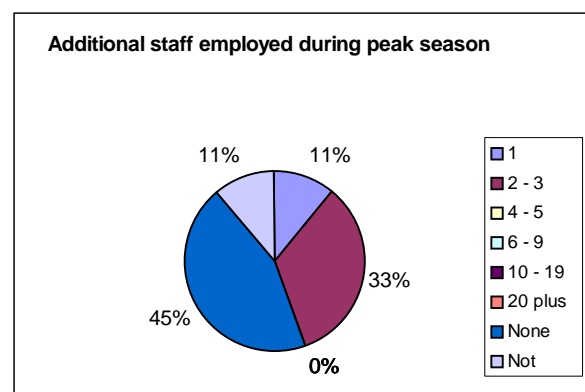
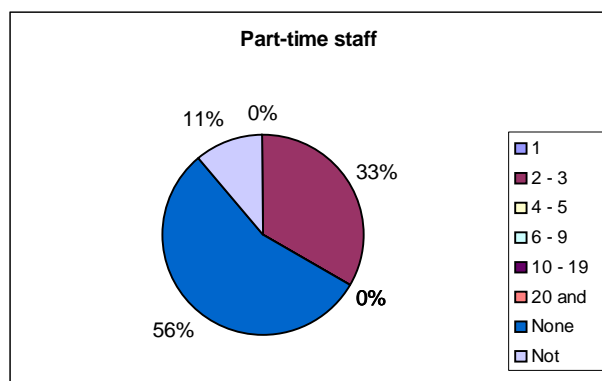
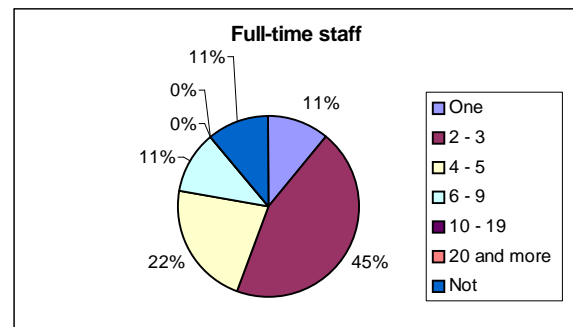
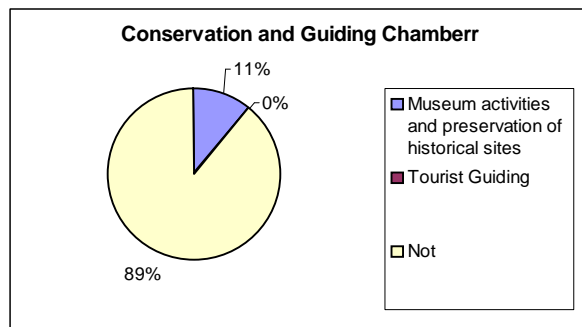
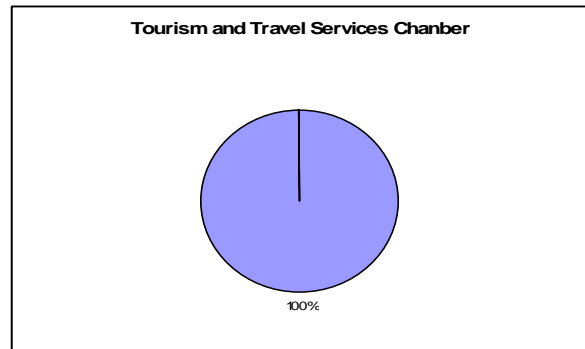
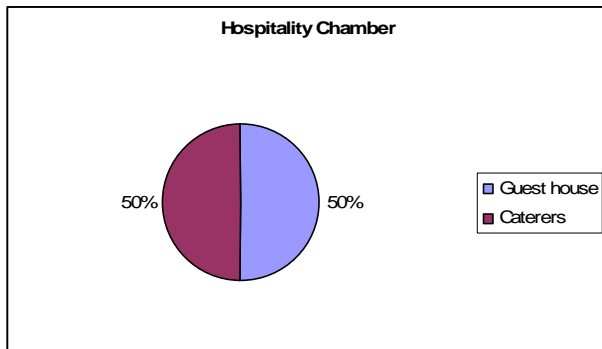


Programme Participation Indicators



Tourism SME Development Indicators



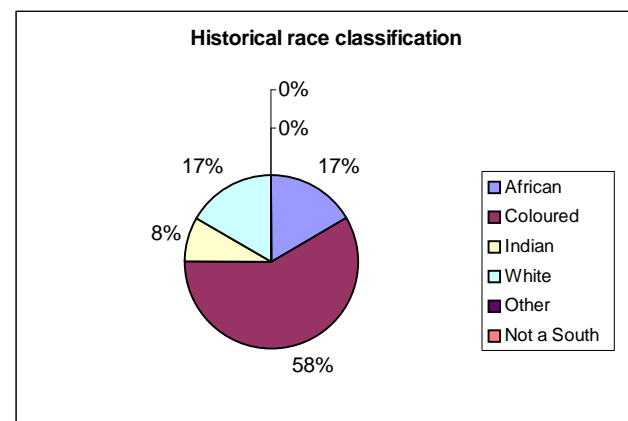
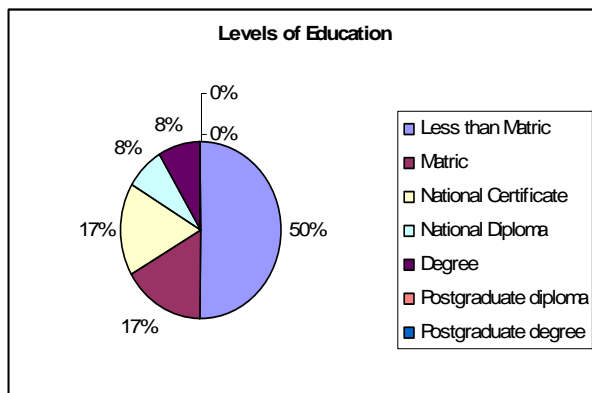
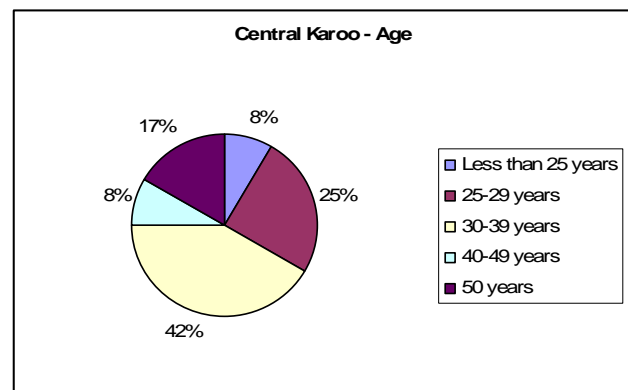
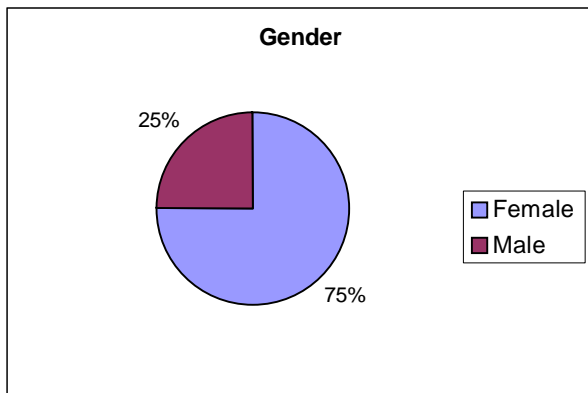


6. Central Karoo

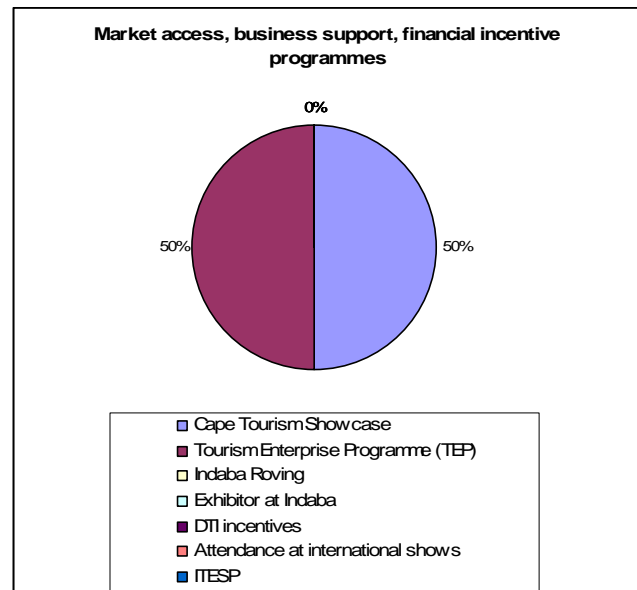
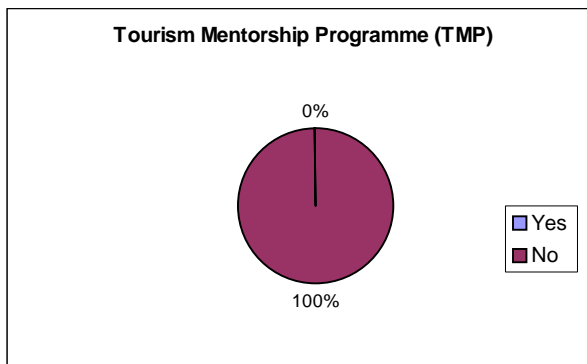
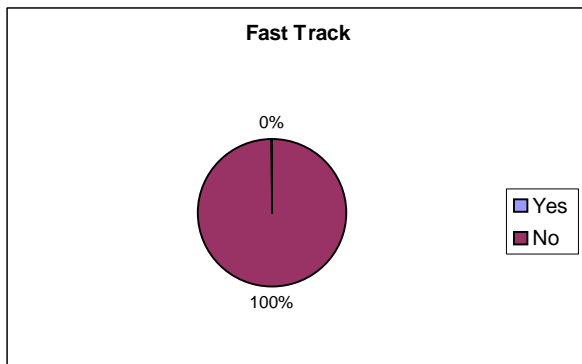
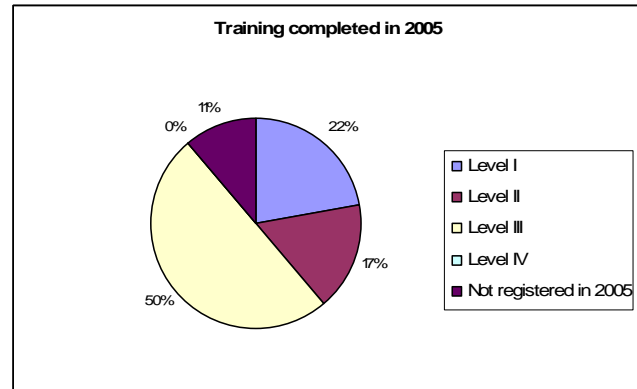
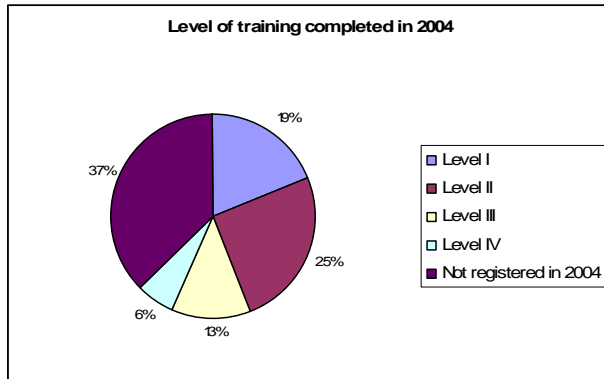
Highlights

- Majority of businesses are 100% black-owned,
- Education levels are low, with half of business owners possessing a qualification lower than matric.
- Mostly are survivalist / start up businesses.
- Most registered businesses are closed corporations
- 58% of the businesses were profitable.

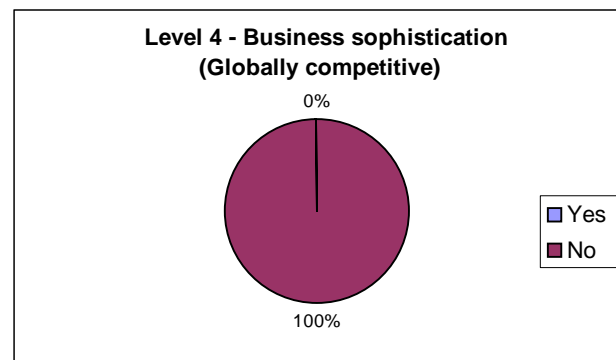
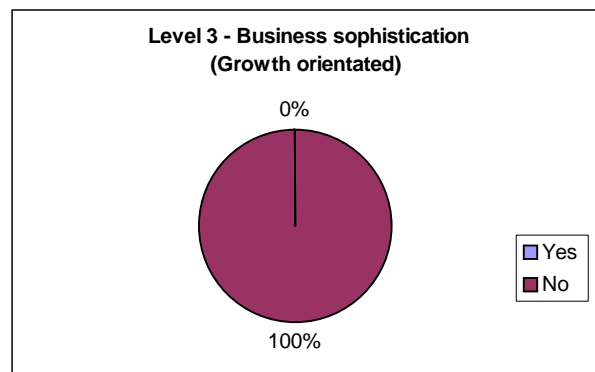
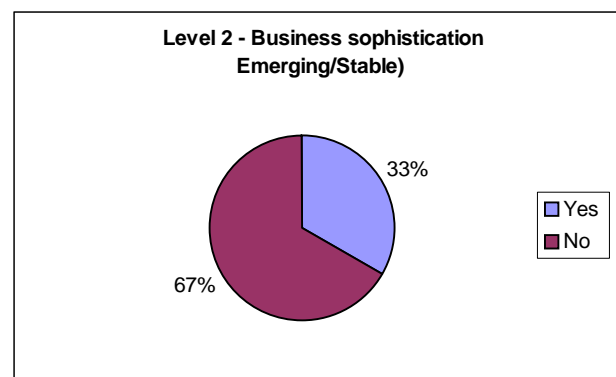
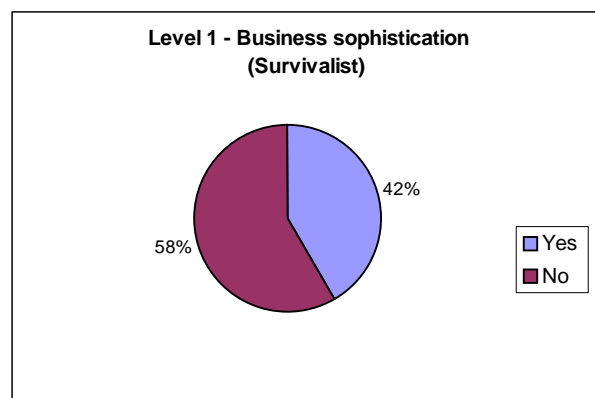
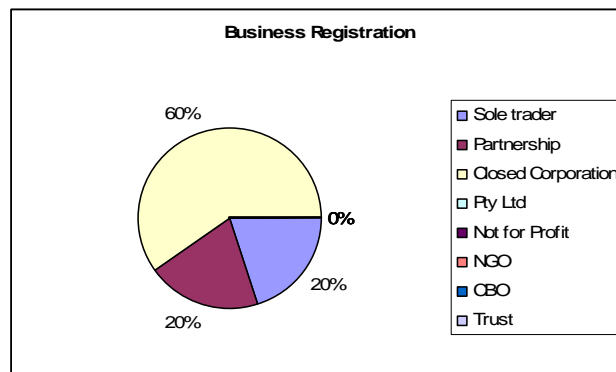
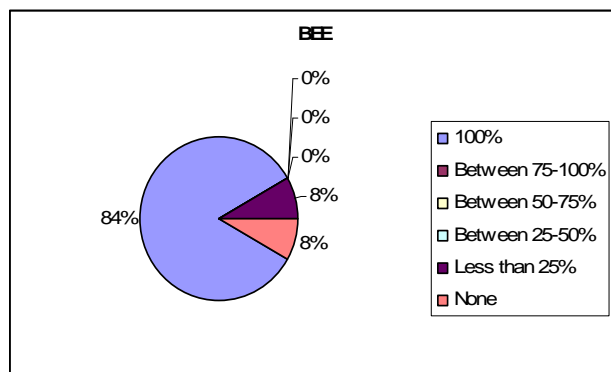
Entrepreneur Profile Indicators

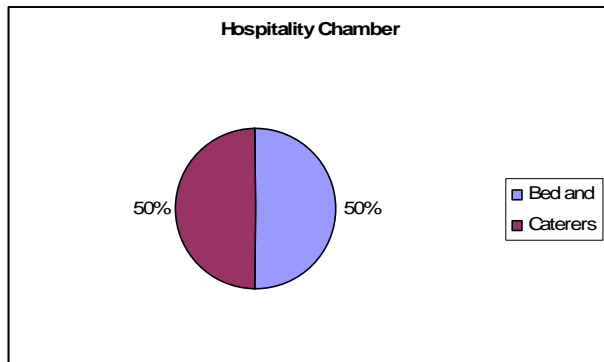


Programme Participation Indicators

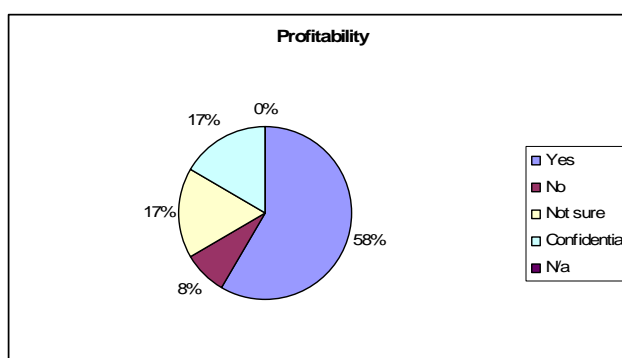
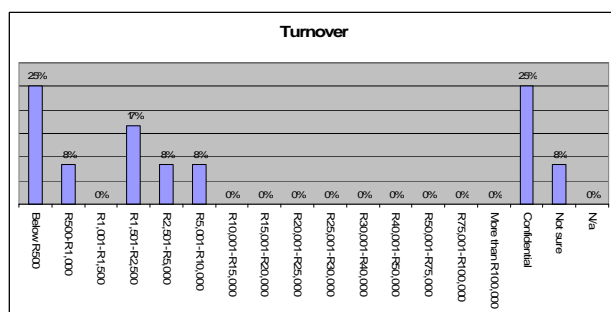
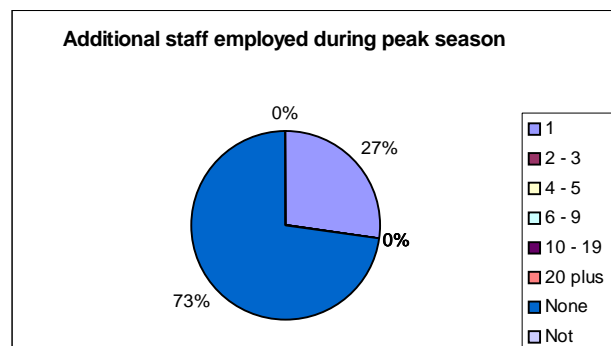
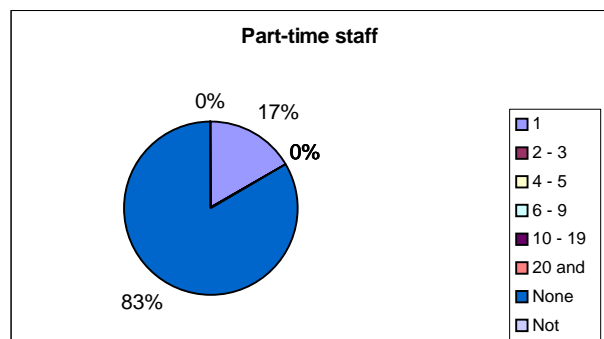
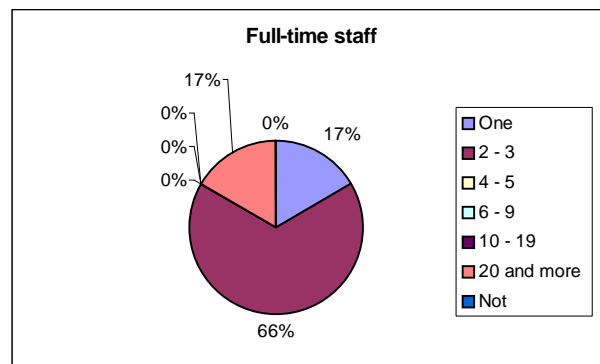
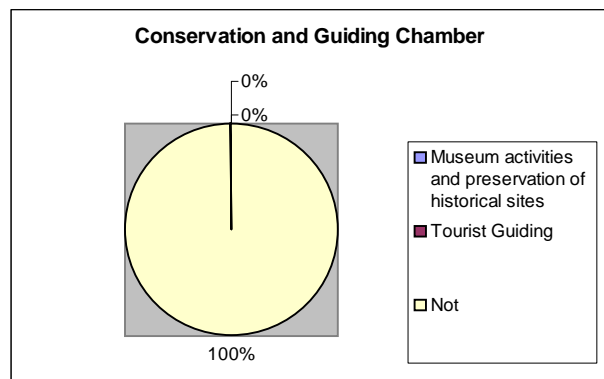


Tourism SME Development Indicators





No businesses in
Tourism and Travel Services Chamber

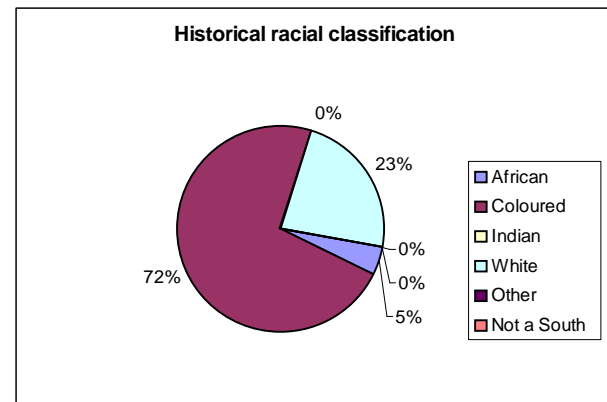
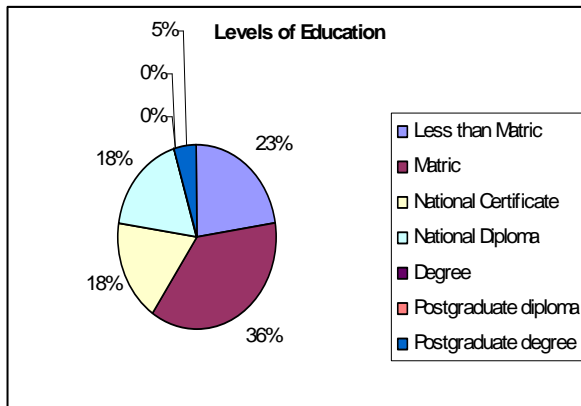
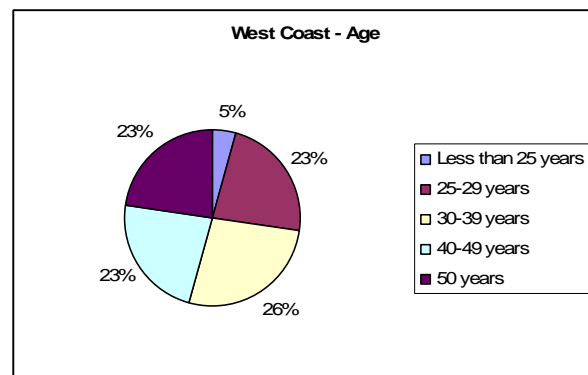
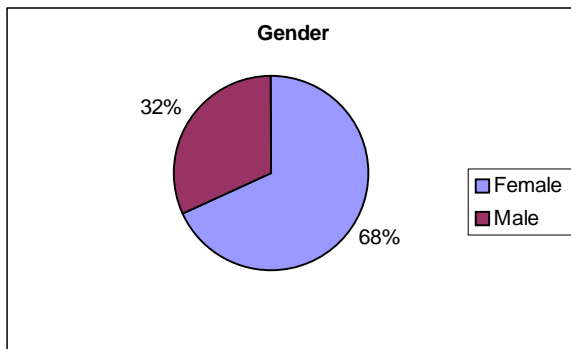


7. West Coast

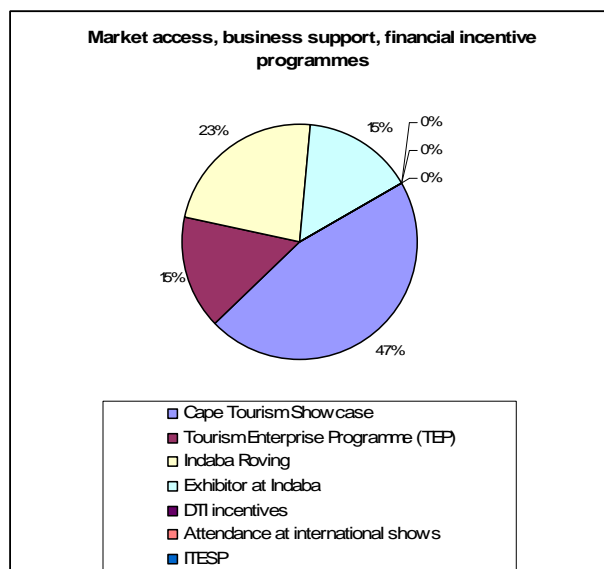
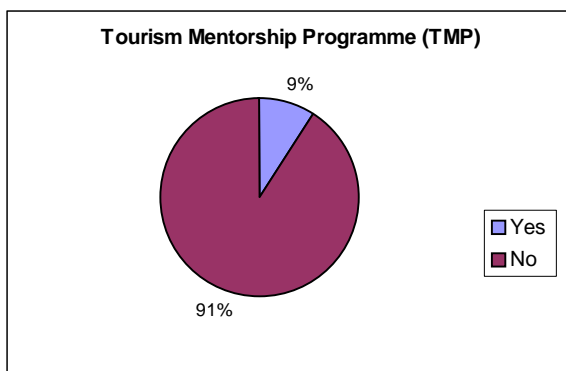
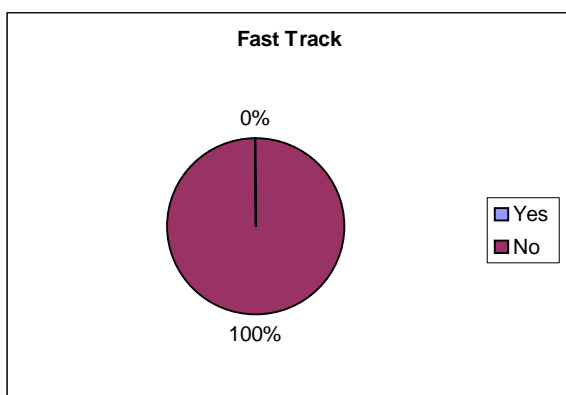
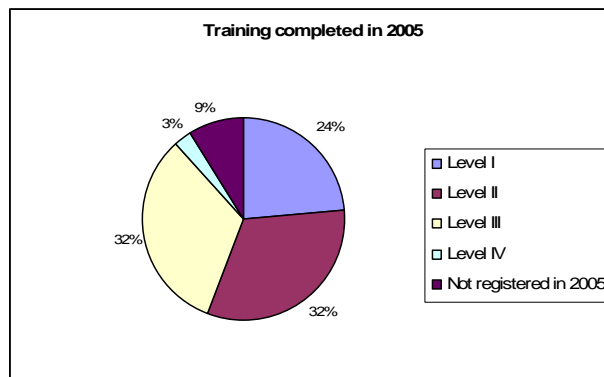
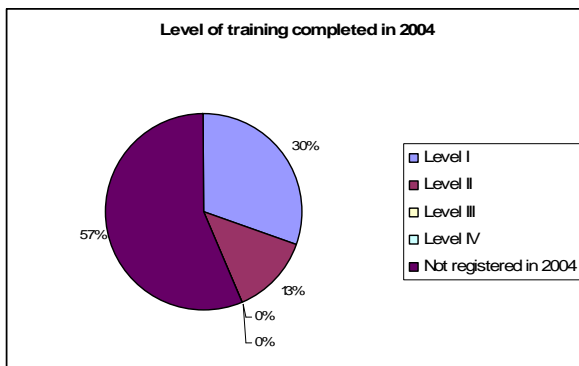
Highlights

- Two-thirds of the entrepreneurs are women.
- High concentration of growth-orientated SMEs.
- Business are well represented across chambers.
- Low levels of income reported for July 2005.
- 27% of the businesses were profitable.

Entrepreneur Profile Indicators



Programme Participation Indicators



Tourism SME Development Indicators

