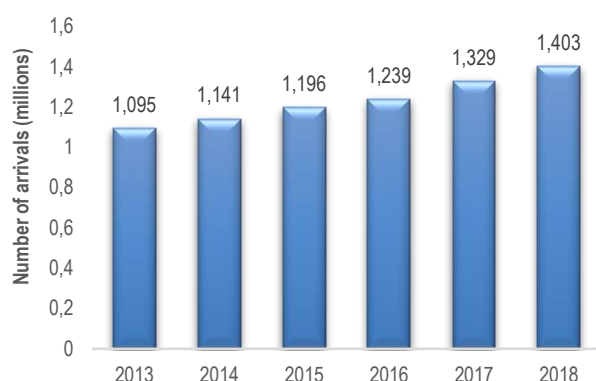


## Western Cape Destination Performance Report: Annual 2018

### 1. Global Tourism Performance

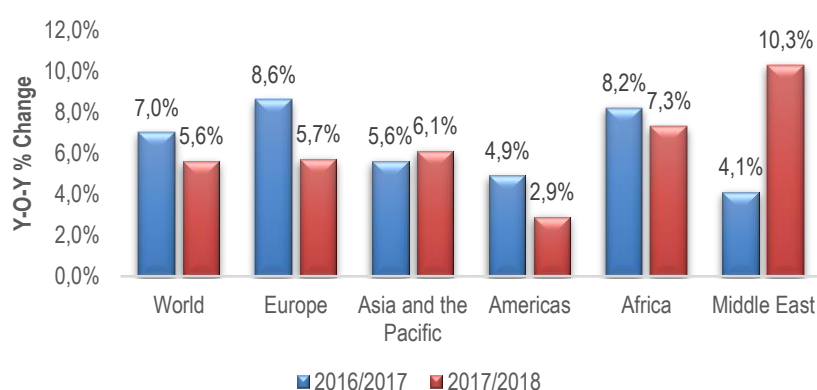
- According to the January 2019 addition of the *United Nations World Tourism Barometer (UNWTO)*, global tourist arrivals grew by 6% in 2018. International tourist arrivals (overnight visitors) worldwide totalled 1.4 billion in 2018.
- The 1.4 billion mark has been reached two years ahead of UNWTO's long term forecast released in 2010. By region, Middle East (+10%) and Africa (+7%) led growth, while arrivals to Asia and the Pacific and Europe both increased by 6%, in line with the world average growth.
- The Americas increased by 3% year-on-year. These results were driven by a favourable economic environment and strong outbound demand from major source markets.

GLOBAL INTERNATIONAL TOURIST ARRIVALS, 2013-2018



Source: United Nations World Tourism Organisation, 2019

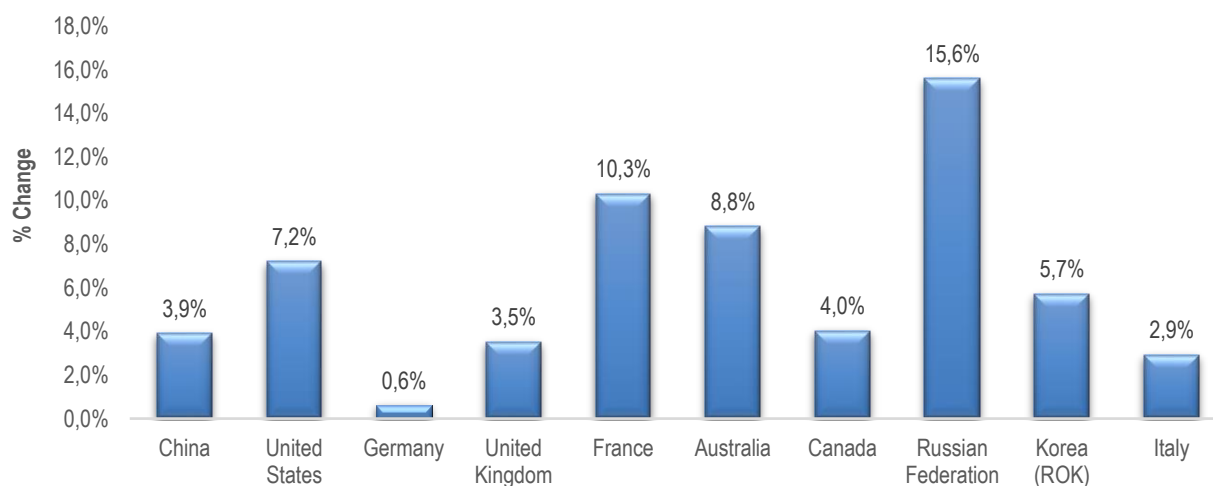
Y-O-Y GROWTH IN INTERNATIONAL ARRIVALS BY REGION, 2016-2018



### 1.1 Global International Tourism Expenditure:

- Among the world's top ten spenders, Russian Federation (+16%), France (+10%) and Australia (+9%) recorded the strongest increase in outbound expenditure in 2018. The United States (+7%) and the Republic of Korea (+6%) also recorded strong growth rates.

% GROWTH AMONGST THE WORLD'S TOP SPENDERS, 2018 YTD



Source: United Nations World Tourism Organisation, 2018

## 2. South Africa: National Tourism Performance

### 2.1 International Trends

- Foreign tourist arrivals reached 10.5 million in 2018 and accounted for 37% of total tourism trips to South Africa. The foreign market to South Africa increased by 1.8% when compared to 2017, driven by positive growth across all regions.
- More than 74% of tourism trips to South Africa were taken from Africa. Zimbabwe, Lesotho and Mozambique remained the top three African markets to South Africa, which together accounted for 68% of all Africa arrivals in 2018.
- The leading purpose of visiting South Africa was to visit friends and relatives. Other reasons for travelling to South Africa was for holiday and shopping. The holiday tourists were mainly attracted by South Africa's safari and wildlife experience.
- 18% of the international market that visited South Africa were first time visitors, while 82% were repeat visitors. Around 57.3% of tourists are younger than 34 years old.

International Tourism Indicators	2016	2017	2018	17/18 y-o-y % change
Total number of tourist arrivals	10.0 million	10.3 million	10.5 million	1.8%
Total foreign direct spend (excl capital expenditure) from tourists	R75.5 billion	R80.7 billion	R82.5 billion	2.2%
Total number of bed nights spent by tourists	88.8 million	120.6 million	118.1 million	-2.0%
Average spend in South Africa per foreign tourist	R8,100	R8,400	R8,300	-1.2%
Average length of stay of tourists visiting South Africa	9.2 nights	12.2 nights	11.7 nights	-4.5%

Source: SA Tourism, 2019

### 2.2 Domestic Trends

- Despite unfavourable economic conditions, the domestic tourism market is still by far the biggest contributor to tourism volume in South Africa, reaching a total of 17.7 million trips in 2018 and growing by 2.9% year-on-year.
- Visiting friends and relatives (VFR) ranked as the top reason for domestic travel to South Africa and accounted for 11.5 million of total domestic trips. Gauteng, Limpopo and Mpumalanga ranked as the top source provinces in 2018, with Limpopo leading as the most preferred province to visit amongst domestic travellers.
- The duration of domestic trips were on average 3.9 nights in 2018, resulting in a total of 69.3 million bed nights. The total revenue generated by the domestic market reached R26.4 billion in 2018, growing by 19.5% year-on-year. Domestic tourists average spend also increased to R1,497, compared to the R1,280 spent in 2017.

Domestic Tourism Indicators	2016	2017	2018	17/18 y-o-y % change
Total Domestic Trips	24.3 million	17.2 million	17.7 million	2.9%
Total Direct Domestic Spend	R26.5 billion	R22.1 billion	R26.4 billion	19.5%
Average Spend per Domestic Trip	R1,090	R1,280	R1,497	17.0%
Average Nights per Domestic Trip	4.3 nights	4.1 nights	3.9 nights	-4.9%
Total Annual Domestic Bednights	103.4 million	70.1 million	69.3 million	-1.1%

Source: SA Tourism, 2019

### 3 Provincial Tourism Performance

Of all nine provinces, the Western Cape ranked:

- **TOP** in the average length of stay: 12.9 nights
- **2<sup>nd</sup> Highest** in Total Foreign Direct Spend: R16.3 billion
- **2<sup>nd</sup> Highest** in total bed nights: 23.3 million
- **3<sup>rd</sup> Highest** in tourist arrivals: 1.7 million

PROVINCIAL TOURISM PERFORMANCE, 2018				
Province	International Tourist Arrivals (millions)	Total Foreign Direct Spend (billions)	Bed nights (millions)	Length of stay (nights)
Gauteng	3.8	R28.2	40.3	10.5
Western Cape	1.7	R16.3	23.3	12.9
Limpopo	2.2	R5.5	7.9	4.0
Mpumalanga	1.6	R10.7	15.4	10.0
Free State	1.3	R9.0	12.8	10.8
KwaZulu-Natal	0.8	R5.7	8.1	9.5
North West	0.7	R3.1	4.5	6.9
Eastern Cape	0.4	R3.5	5.0	9.9
Northern Cape	0.1	R0.8	0.2	7.1

Source: SA Tourism, 2019

### 4 Western Cape Tourism Performance

The Western Cape accounted for 16.2% of all international tourist arrivals to South Africa and received 19.8% of South Africa's tourist's spend. In addition, the Western Cape held 19.7% of South Africa's bed nights recorded during the period.

The Western Cape held the following share of South African tourists during 2018:

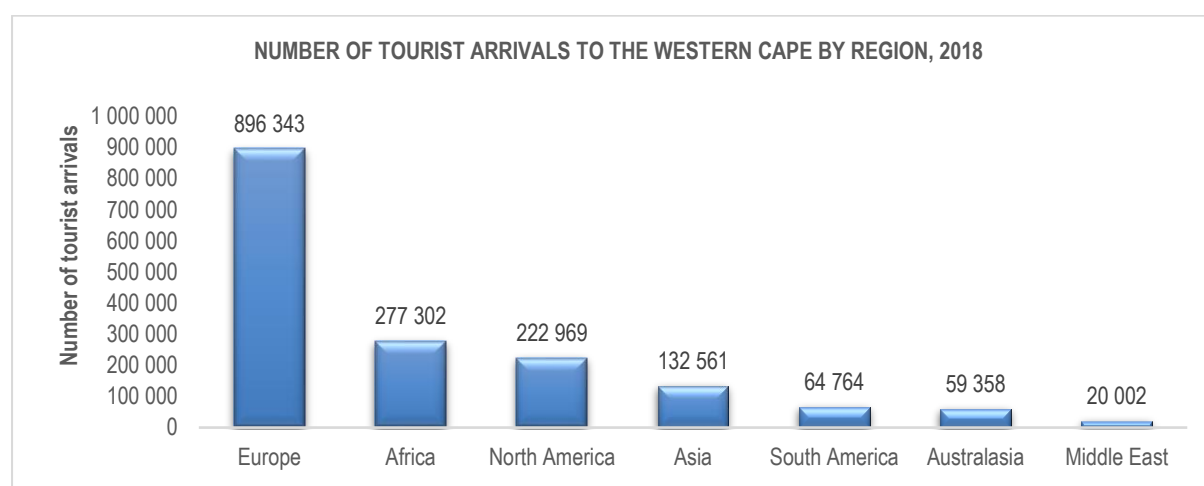
- Western Cape's share of **Africa** tourists visiting South Africa 3.6%
- Western Cape's share of **Middle East** tourists visiting South Africa 40.1%
- Western Cape's share of **South America** tourists visiting South Africa 55.6%
- Western Cape's share of **North America** tourists visiting South Africa 50.1%
- Western Cape's share of **Asia** tourists visiting South Africa 42.6%
- Western Cape's share of **Australasia** tourists visiting South Africa 45.2%
- Western Cape's share of **European** tourists visiting South Africa 55.4%

Western Cape Performance Indicators	2015	2016	2017	2018	17/18 % Change
International					
Total number of tourist arrivals	1,3 million	1,6 million	1,7 million	1.7 million	0.2%
% Share of South Africa's arrivals	14.9%	15.6%	16.8%	16.2%	-
Total foreign direct spend (excl capital expenditure)	R14.9 billion	R18.1 billion	R23.1 billion	R16.3 billion	-29.4%
% Share of South Africa's spend	21.8%	23.9%	28.6%	19.8%	-
Total number of bed nights spent by tourists	15,6 million	16,7 million	23,3 million	23.3 million	
% Share of South Africa's bed nights	19.2%	18.9%	19.3%	19.7%	
Length of stay	12.2 nights	11.1 nights	14.1 nights	12.9 nights	-8.5%
Domestic					
Total domestic trips	1,829,000	2,139,000	1,587,000	1,288,000	-18.8%
Total direct domestic spend	R2.0 billion	R2.5 billion	R1.6 billion	Data not available as yet	-
Total annual domestic bed nights	8,316,000	10,393,000	533,000		
Length of stay	4.8 nights	4.9 nights	3.4 nights		

Source: SA Tourism, 2019

## 4.1 Tourist Arrivals

- Europe maintained its position as the Western Cape's top region with respect to tourism volume, reaching a total of 896,343 tourists in 2018. Five out of the top ten source markets to the Western Cape originated from Europe. The United Kingdom and Germany consecutively ranked as the top source markets across the last three years.
- Africa ranked as the second largest contributor to tourism volume in the Western Cape. Namibia led as the top source market from the African region, recording over 100,000 tourists in 2018.
- The United States led travel from North America and accounted for 83.6% of tourists from the region. The largest (67.9%) proportion of South American tourists originated from Brazil.
- In 2018, China (incl. Hong Kong) ranked as the Western Cape's seventh largest source market and recorded the highest (57.6%) year-on-year growth in tourist arrivals. The Western Cape welcomed a share of 60% of South Africa's Chinese travellers, ranking as the second most popular province amongst the Chinese, following Gauteng.
- According to the latest 2018 national data released by *Econometrix | Ecobulletin*, it is apparent that visa regulations have been particularly adverse in attracting tourists from the world's most populated countries; China and India. However, it is also these two countries which have been identified by the Tourism Ministry as huge growth areas for the tourism sector.



Source: SA Tourism, 2019

## 4.2 Top 10 Source Markets

According to South African Tourism latest annual 2018 data, all source markets to the Western Cape increased in 2018, with the exception of the United Kingdom (-3.4%), Namibia (-12.2%), Netherlands (-8.6%) and Australia (-1.7%).

TOP 10 SOURCE MARKETS TO THE WESTERN CAPE, 2016-2018					
Ranking	Markets	2016	2017	2018	17/18 % Change
1	United Kingdom	270 167	259 188	250,429	-3.4%
2	Germany	204 015	210 699	213,054	1.1%
3	United States	189 867	192 465	192,629	0.1%
4	Namibia	114 723	120 477	105 817	-12.2%
5	France	92 439	98 978	102 007	3.1%
6	Netherlands	96 797	86,527	79 045	-8.6%
7	China (Incl Hong Kong)	60 096	36 710	57 868	57.6%
8	Australia	47 891	54 791	53 843	-1.7%
9	Brazil	22 135	42 281	45 446	7.5%
10	Italy	37 433	34 045	38 662	13.6%

Source: SA Tourism, 2019

#### 4.3 International Traveller Trends: Tourist Arrivals to the Western Cape

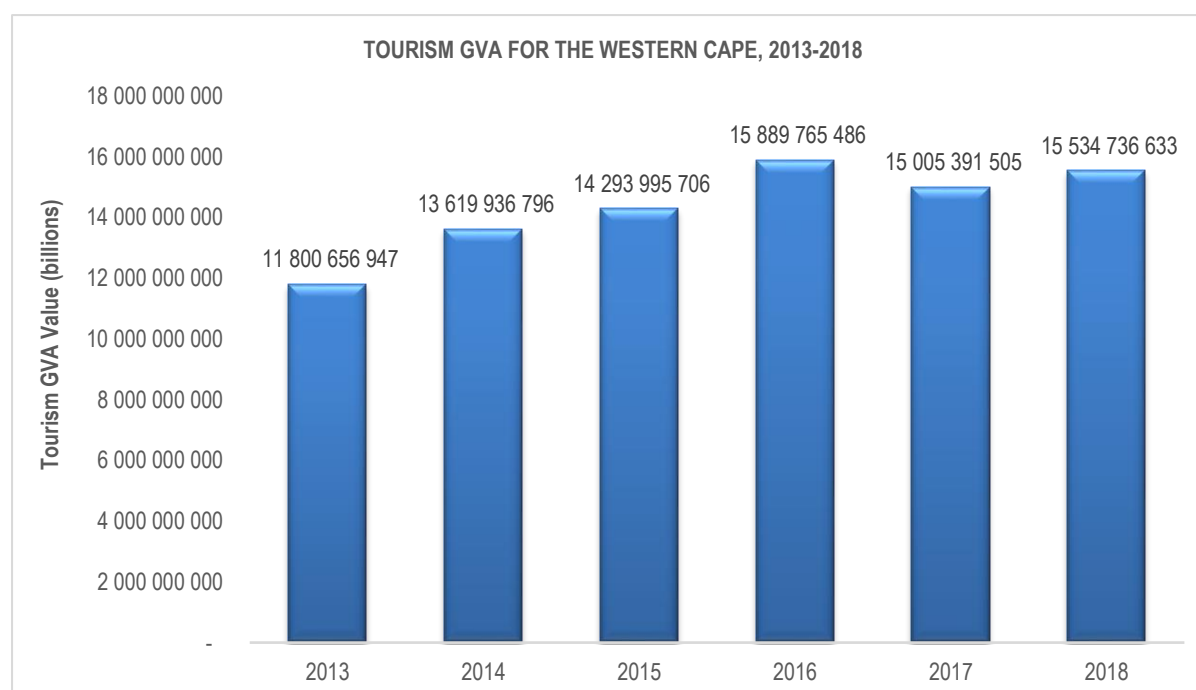
International Traveller Trends of Tourists to Western Cape: 2018	% of Tourists
Top 3 Reasons for Visiting	Holiday 60.7% VFR 16.6% MICE 6.9%
Repeat Travel	First time 57.7% 2-3 times 15.9% 10 times or more 13.4%
Top Age Groups	25-34 years 33.4% 35-44 years 15.9% 18-24 years 15.7%
Travel Party	Alone 43.9% Spouse/partner 34.3% Family/children over 18 8.6%
Top Cities Visited	Cape Town 95.7% Stellenbosch 43.6% Simon's Town 29.0% Hout Bay 21.1% Hermanus 19.0% Knysna 19.0% Plettenberg Bay 15.2% Mossel Bay 11.8% George 11.7% Somerset West 10.5%

Source: SA Tourism, 2019

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#### 5 Tourism contribution to GVA in the Western Cape

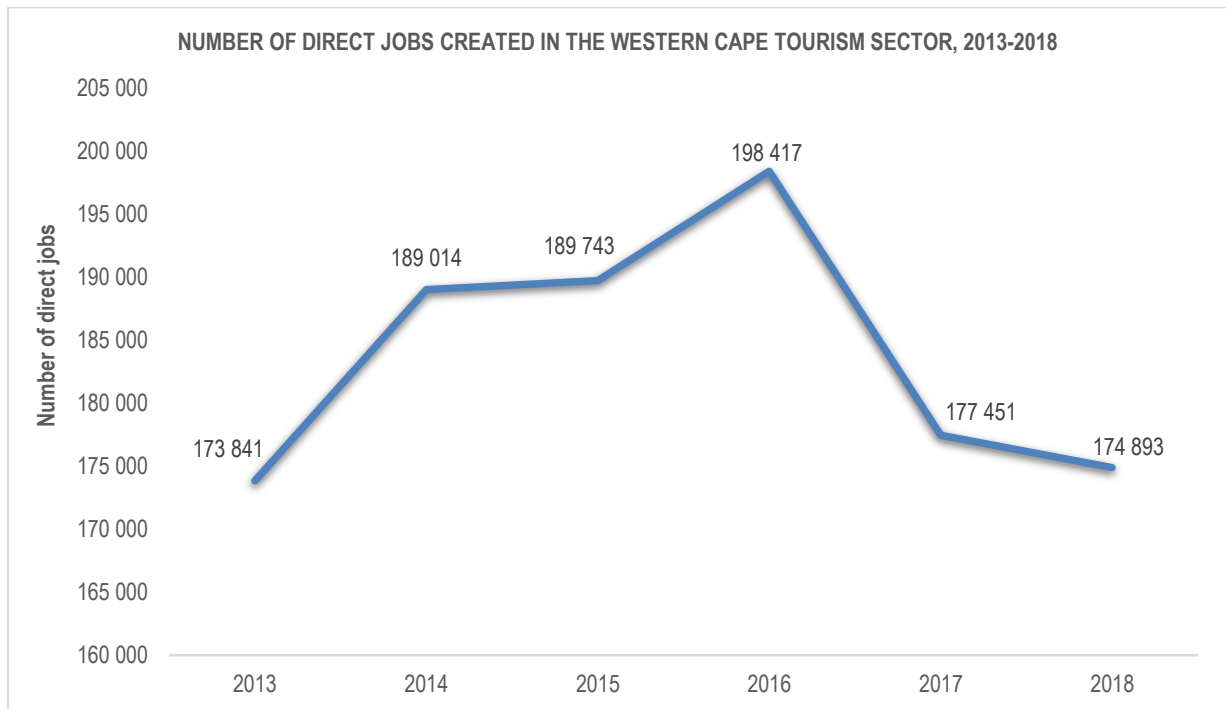
**R15.5 BILLION** was reached in Western Cape Tourism GVA, increasing by **R3.65 BILLION** between 2013 and 2018 and rising by 3.5% in 2018.



Source: DEDAT, 2019

## 6 Employment in the Western Cape Tourism Sector

Total employment increased by **1,052 jobs from 2013 to 2018**, impacted by drought and weak national economy between 2017 and 2018.



Source: DEDAT, 2019