



## Shopping Tourism Trends

June 2021

**Wesgro**  
cape town & western cape  
research

An inspiring place to know

# Contents

1. Methodology
2. Participation and Sample Size
3. Overview of Shopping Tourism
4. Shopping Tourism Visitor Trends Analysis
  - 4.1 Shopping Tourism Activities in South Africa
  - 4.2 Shopping Tourism Activities in the Western Cape
  - 4.3 Western Cape Shopping Tourism Visitor Trends
5. Domestic Tourism: Shopping Trends
6. Key Findings
7. List of Sources

Wesgro has taken every effort to ensure that the information in this publication is accurate. We provide said information without representation or guarantee whatsoever, whether expressed or implied. It is the responsibility of users of this publication to satisfy themselves of the accuracy of information contained herein. Wesgro cannot be held responsible for the contents of the publication in any way.

© Wesgro, 2021.

# 1. Methodology

This report provides an overview of the tourism trends and patterns among visitors who engaged in shopping activities throughout the Western Cape. The findings will illustrate key visitor trends obtained from the regional visitor tracking survey. In addition, the report aims to provide tourism market insights from qualitative sources for greater awareness of the Shopping Tourism market.

*Responses to the regional visitor tracking surveys are used as a proxy to indicate the key trends within the Western Cape and the various regions. It is important to note that absolute figures cannot be determined from these surveys, as the survey responses are a sample of the tourists into the respective tourism offices across the Western Cape, and would thus represent a sample of the visitors. Therefore, where statistically relevant absolute numbers may be given, however, a share is provided to indicate the trend. This is based on international best practice in the use of surveys within the tourism industry for determining key trends.*

**Definition:** Tourist: refers to any visitor travelling to a place other than that of his/her own environment for more than one night, but less than 12 months and for whom the main purpose of the trip is other than the exercise of an activity remunerated for from within the place visited.

## 2. Participation and sample size

In 2019, a total of **17,727** responses to the regional visitor tracking survey was received from the respective Tourism Offices in the Western Cape. Around 2% of these respondents listed shopping as an in-destination activity. This report focuses on the **460** respondents who engaged in shopping activities from the following participating regions:

Cape Garden Route	179
Cape Karoo	3
Cape Overberg	54
Cape Town	72
Weskus	101
Winelands	51



### 3. Overview of Shopping Tourism

- The United Nations World Tourism Barometer (UNWTO) defines Shopping Tourism as “a contemporary form of tourism fostered by individuals for whom purchasing goods outside of their usual environment is a determining factor in their decision to travel.” (UNWTO, 2014)
- Total Foreign Direct Spend reached R81,2 billion in South Africa in 2019 and the average amount spent per international tourist was R8300. Shopping has consecutively ranked as the biggest spend category between 2017 and 2019. In 2019, close to a third of spend went to shopping, followed by food and accommodation. Domestic overnight visitors in the country spent a total of R5,6 billion on shopping, around 15% of the total domestic spend. Average domestic spend per tourist reached R1542. (SAT, 2019)
- According to South African Tourism (SAT), the country is a lucrative shopping destination as tourists are impressed with the pricing and variety of merchandise available. When asked what attracted them to the destination, 14,1% of visitors said good pricing was a motivating factor and this figure has been on an upward trend since 2017. Visiting for the purpose of shopping for personal items was considered the third most stated reason for travel to South Africa in 2019 and is followed by shopping for business as the fourth most stated reason.
- Tourists coming to South Africa for the main purpose of shopping are predominantly from African markets. Visiting family and friends (48,3%), shopping for personal items (17,7%) and traders shopping for business (12,2%) were the main reasons why visitors from this region travelled to South Africa.
- There are many retail spaces which a tourist may visit when travelling within a destination and many independent stores, shopping districts, malls and markets around the world have become ‘must-see’ attractions in their own right (UNWTO, 2014).
- One such example is the iconic V&A Waterfront in Cape Town, which attracts roughly 25 million visitors annually (prior to COVID-19). The Waterfront’s 2018 contribution to direct GDP was R9,3 billion and R31,5 billion to total GDP and there were 23 000 people working at the V&A Waterfront itself, while total employment (including indirect jobs) was 66 000. (V&A Waterfront, 2018)
- Such establishments becoming part of the mix of experiences that travellers seek to enjoy, highlights the impact that shopping tourism has on employment and economic growth in the destination.
- Despite the pandemic, shopping tourism has the potential to be a rebound segment for the industry particularly among the SADC countries.

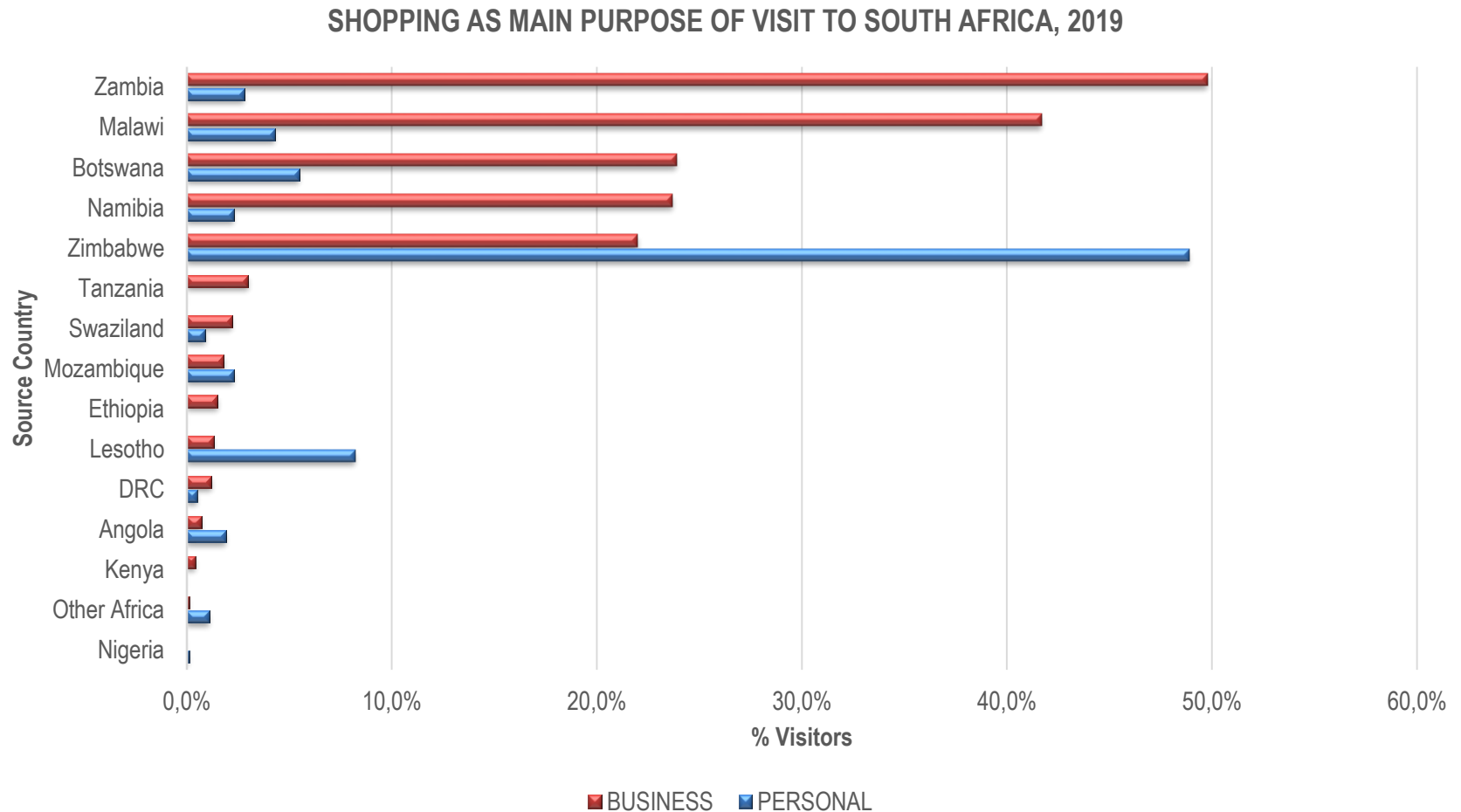




**Shopping Tourism Visitor Trends Analysis**

## 4.1 Shopping Tourism Activities in South Africa

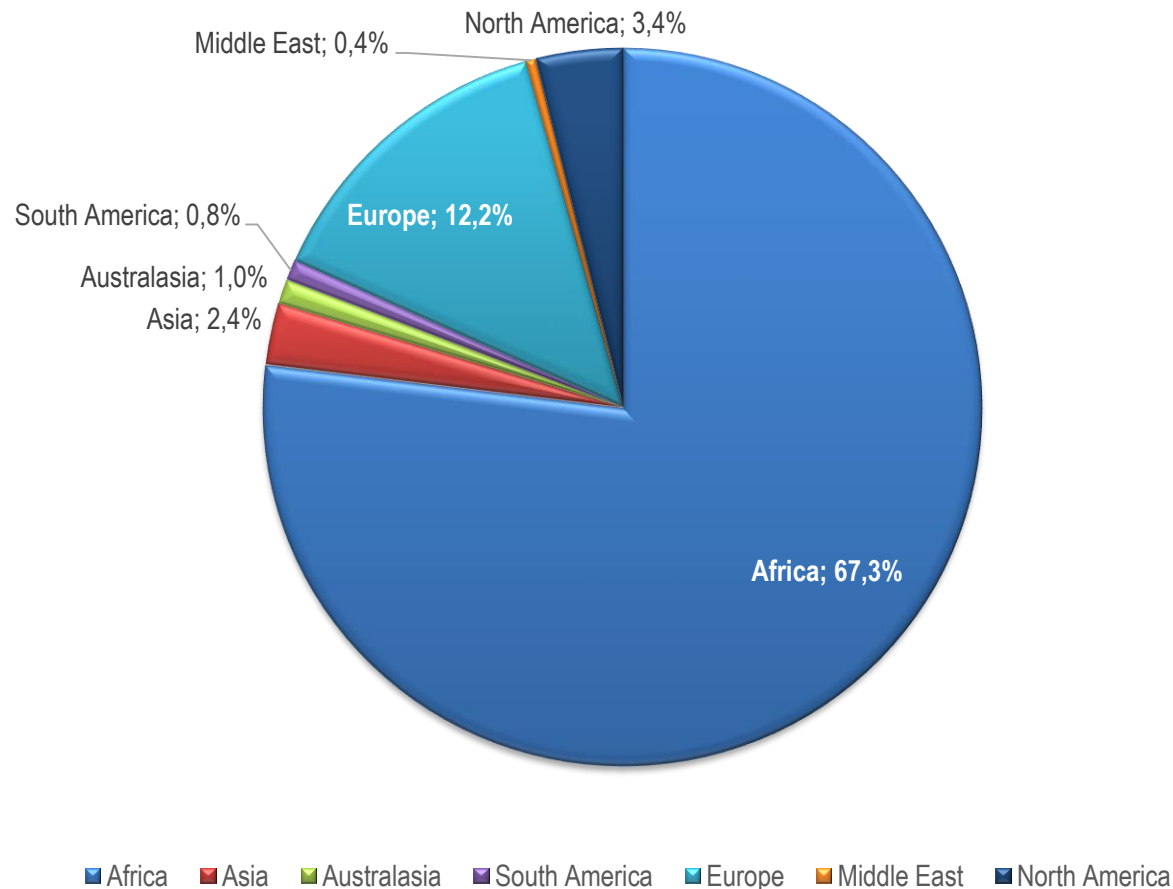
- Visitors coming to South Africa for the main purpose of shopping are predominantly from African markets. Zambia (49,8%), Malawi (41,7%) and Botswana (23,9%) were the top 3 markets shopping for business in South Africa and Zimbabwe (48,9%), Lesotho (8,2%) and Botswana (5,5%) were the top markets who did their personal shopping in the country in 2019.



## 4.1 Shopping Tourism Activities in South Africa

- Visitors engaging in shopping activities in South Africa are predominantly from African markets. Europe and North America ranked as the second and third most lucrative source regions in this category.

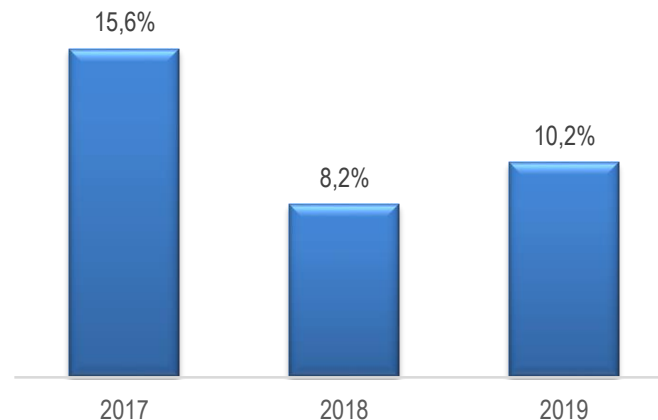
SHOPPING ACTIVITIES IN SOUTH AFRICA BY SOURCE REGION, 2019



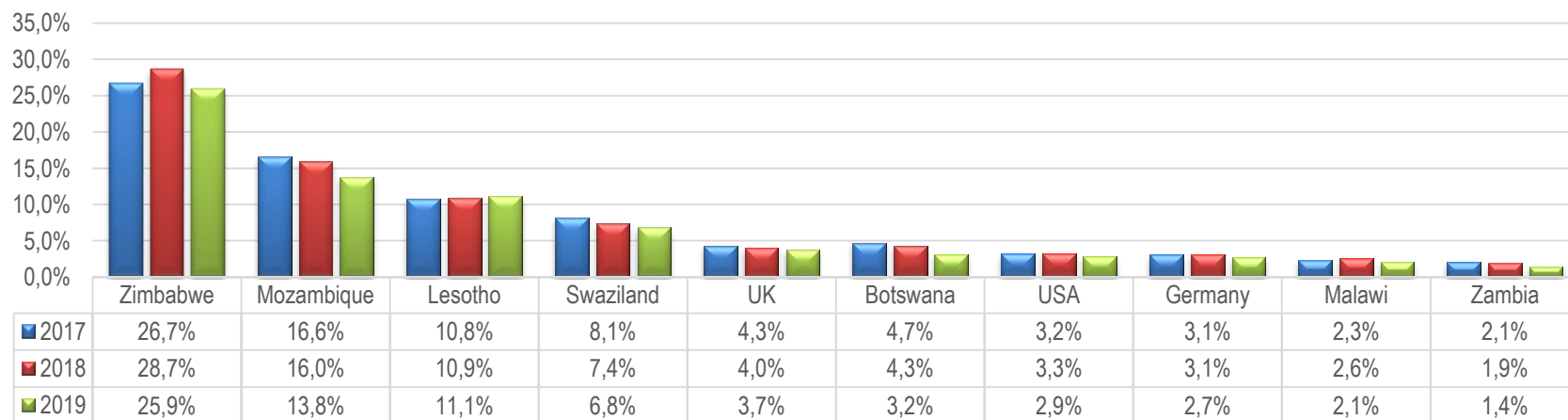
## 4.1 Shopping Tourism Activities in South Africa

- As previously mentioned, African countries dominate the list when it comes to experiencing shopping activities in South Africa with 7 out of the top 10 markets originating from the continent.
- Leading source markets, UK, USA, and Germany, visit primarily for the purpose of holiday/leisure but holds substantial interest in shopping activities in South Africa. Even though it is not their main purpose of visit they spend a lot of time and money on shopping while visiting the country.
- On the domestic front, 2019 saw a slight increase in domestic visitors engaging in shopping activities throughout South Africa. Shopping was the second most popular activity in which domestic visitors engaged after social activities.
- In 2019, shopping made up close to a third of international tourist spend reaching R22 billion. Domestic spend in this category reached R5,6 billion, making shopping the third biggest contributor in monetary terms.
- In addition, close to a quarter of domestic trips were done for the purpose of shopping in 2019.

**DOMESTIC TOURISTS WHO ENGAGED IN SHOPPING ACTIVITIES IN SOUTH AFRICA, 2017 - 2019**



**TOP COUNTRIES TO EMBARK ON SHOPPING ACTIVITIES IN SOUTH AFRICA, 2017 - 2019**

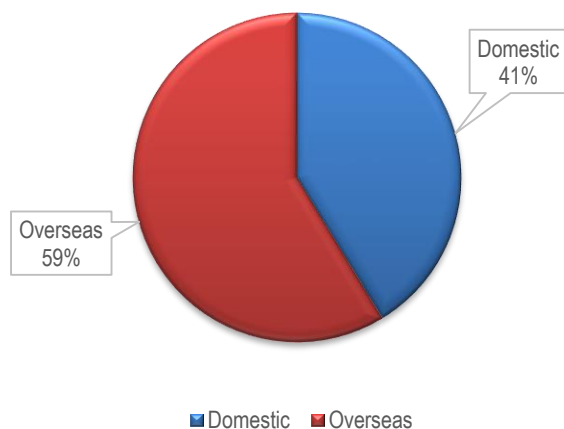




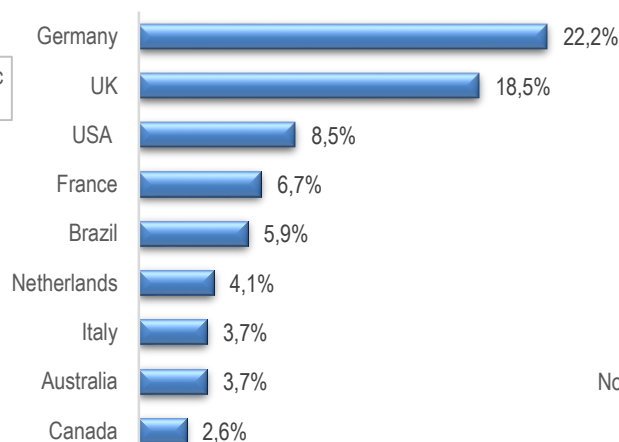
## 4.2 Shopping Tourism Activities in the Western Cape

- The strength of international visitors engaging in shopping activities is evident in the Western Cape, with 59% of survey respondents who engaged in shopping activities originating from the overseas market and 41% coming from domestic markets.
- Europe dominates in shopping activity in the Western Cape with 5 out of the top 10 international markets who enjoyed shopping activities in the Western Cape originating from the continent.
- The Western Cape's top North American market, the United States, was among the top 3 markets who enjoyed shopping activities in the province.
- From the domestic market, the Western Cape (61,1%), Gauteng (14,7%) and Eastern Cape (6,3%) ranked as the top three provinces who embarked on shopping activities in the province.
- The high number of Western Cape locals engaging in shopping activities within their province indicates that local tourism also remains a very important market for the tourism sector, particularly due to the many economic challenges the market is facing.

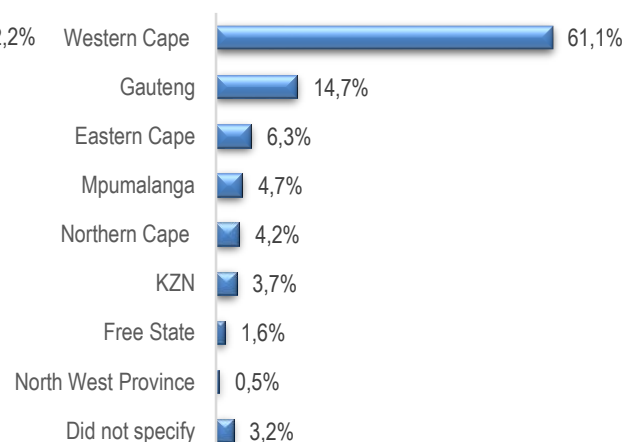
ORIGIN OF VISITORS TO THE WESTERN CAPE WHO ENGAGED IN SHOPPING, 2019



TOP INTERNATIONAL SOURCE MARKETS TO THE WESTERN CAPE FOR SHOPPING, 2019



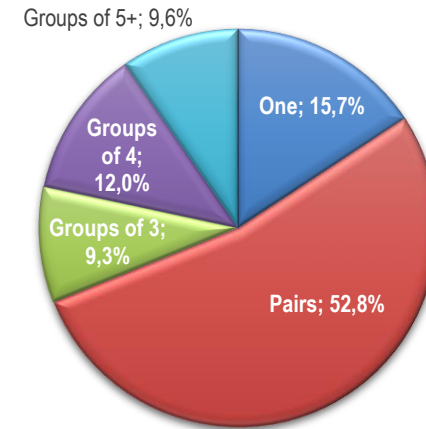
% SHARE OF DOMESTIC SOURCE MARKETS TO THE WESTERN CAPE FOR SHOPPING, 2019



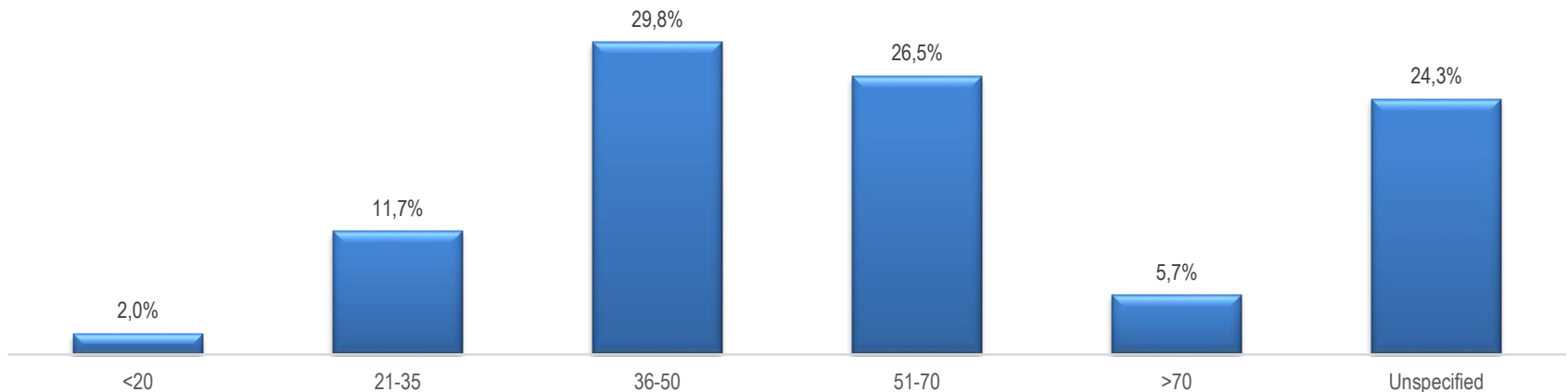
### 4.3 Western Cape Shopping Tourism Visitor Trends

- The majority of respondents who engaged in shopping activities indicated to have travelled in pairs (52,8%) or alone (15,7%).
- This is not surprising given the fact that 77,4% of respondents who engaged in shopping activities cited their main purpose of travel to be for holiday/leisure.
- The vast majority of respondents who engaged in shopping activities indicated to be between the ages of 36 – 50 years (29,8%), and 51 – 70 years (26,5%).
- Domestic tourist expenditure on shopping in the Western Cape reached R3,2 billion for those who took day trips and R1,5 billion in the overnight trips category. (Stats SA, 2019, p.94)

GROUP SIZE OF VISITORS TO THE WESTERN CAPE WHO ENGAGED IN SHOPPING, 2019



AGE CATEGORY OF VISITORS TO THE WESTERN CAPE WHO ENGAGED IN SHOPPING ACTIVITIES, 2018



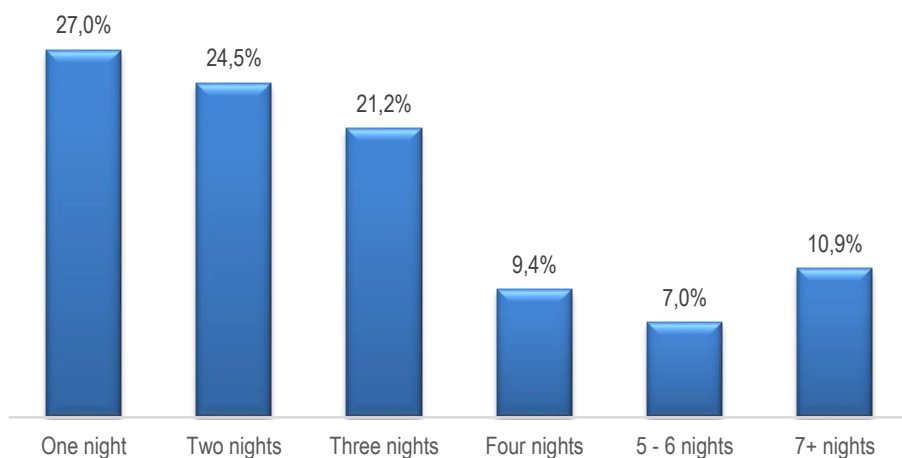
## 4.3 Western Cape Shopping Tourism Visitor Trends

- Overall visitors to the Western Cape indicated to be majority overnight visitors (53,4%), and 71,7% of respondents who engaged in shopping activities indicated to be overnight visitors as well. This suggests that visitors who engaged in shopping activities were more likely to stay overnight.
- Those in the shopping category who stayed overnight spent an average of one night (27%), two nights (24,5%), or three nights (21,2%) in the destination.
- This trend underlines the Western Cape's desirability for weekend getaways and the popularity of day excursions for locals.
- Guesthouse, Self Catering and Hotel were amongst the top accommodation choices for respondents who engaged in shopping activities in the Western Cape.

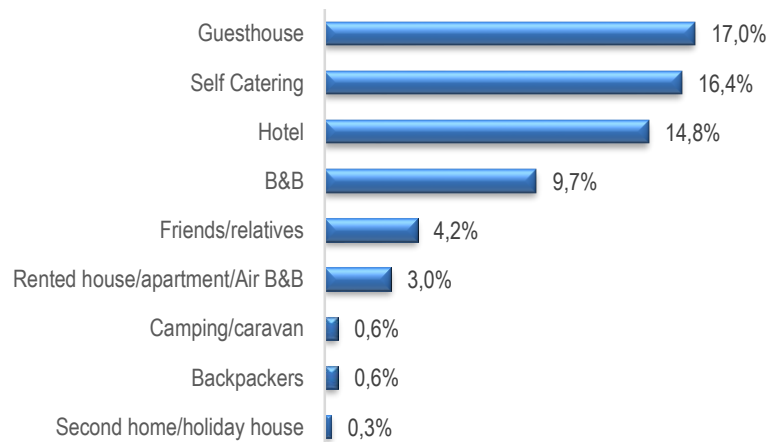
OVERNIGHT & DAY VISITORS TO THE WESTERN CAPE FOR SHOPPING, 2019



AVERAGE LENGTH OF STAY OF OVERNIGHT VISITORS TO THE WESTERN CAPE FOR SHOPPING, 2019



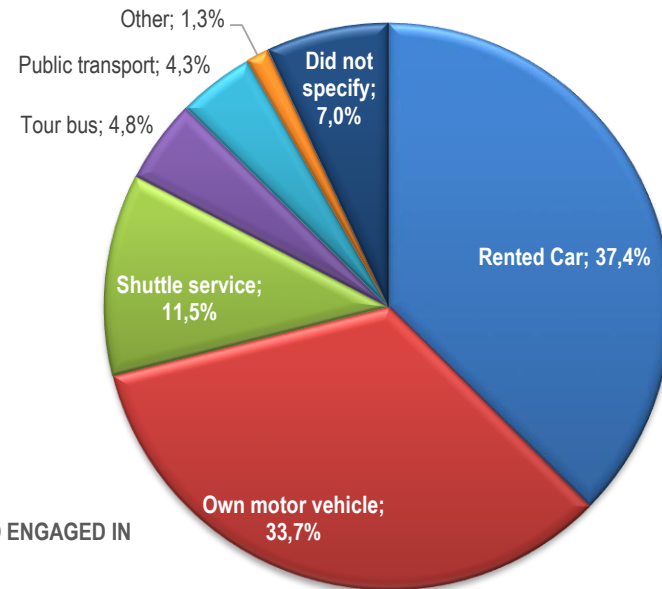
TYPE OF ACCOMMODATION USED BY VISITORS TO THE WESTERN CAPE FOR SHOPPING, 2019



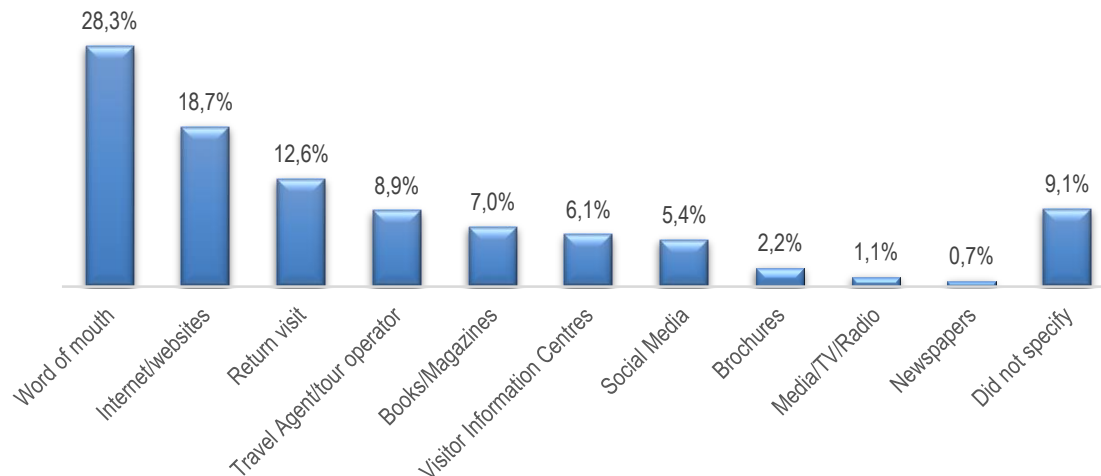
## 4.3 Western Cape Shopping Tourism Visitor Trends

- The vast majority of respondents who engaged in shopping activities indicated to have travelled by rented car (37,4%) or via their own motor vehicles (33,7%).
- The high number of overseas visitors engaging in shopping activities is a major contributor to these figures.
- Locals who travel within their province are also more likely to travel with their own vehicles.

MODE OF TRANSPORT USED BY VISITORS TO THE WESTERN CAPE FOR SHOPPING, 2019



SOURCE OF INFORMATION USED BY VISITORS TO THE WESTERN CAPE WHO ENGAGED IN SHOPPING ACTIVITIES, 2019



- According to respondents, word of mouth (28,3%) and the internet (18,7%) holds the greatest return on investment as effective marketing tools.
- From these trends an evident shift can be seen from marketing collateral to online platforms.





**Domestic Tourism: Shopping Trends**

## 5. Domestic Tourism Shopping Trends

- According to the latest Domestic Tourism Survey by Statistics South Africa, total expenditure on domestic trips incurred in 2019 was approximately R204 billion. This constitutes day trip spending of about R125,2 billion, while spending on overnight trips amounted to about R78,9 billion. The biggest amount of money spent during day trips was on shopping (R66,2 billion), followed by domestic transport (R31,6 billion) and food and beverages (R21,0 billion).
- Overnight expenditure was mostly driven by high spend on domestic transport (R25,2 billion), followed by shopping (R19,6 billion), food and beverages (R14,9 billion) and accommodation (R13,9 billion). On overnight trips, the largest amount of money in the shopping category was spent in December (R2,6 billion), January (R2,1 billion) and April (R2 billion), whereas the least amount of money spent on shopping occurred in February (R1,1 billion).
- Around 83 million day trips and 69 million overnight trips were undertaken in 2019. Gauteng (24,6%), Limpopo (16,5%) and Western Cape (14,2%) were the most popular destinations for day travellers, whereas most tourists who undertook overnight trips visited Limpopo (18,6%), KwaZulu-Natal (15,3%), Gauteng (14,3%) and Eastern Cape (12,8%).
- Approximately 32,5 million trips were undertaken for the main purpose of visiting friends and relatives (VFR). For most of these visits, travellers did not make use of paid accommodation. Most of the day and overnight trips were undertaken mainly for shopping, VFR and leisure.
- Shopping was the main reason people travelled to provinces such as Northern Cape, Eastern Cape, Limpopo and KwaZulu-Natal. However, travellers primarily visited Gauteng, Free State, and Mpumalanga provinces to visit friends and relatives. Leisure was the most stated reason for travel to the Western Cape, and a large percentage also cited VFR as their main reason for travel to the province.
- Domestic tourists are less likely to take overnight trips for the main purpose of shopping. However, shopping and visiting friends and relatives were the main reasons cited by day travellers, approximately 20,4 million and 13,1 million, respectively.
- Domestic day trips undertaken for shopping purposes contributed roughly R44,2 billion of the total expenditure incurred in 2019. Those who travelled to visit friends and relatives spent most of their money on shopping (R10,8 billion), domestic transport (R10,1 billion) and food and beverages (R5,3 billion).
- Booking patterns of those who travelled for the main purpose of shopping indicates that they are more likely to book independently, by phone or internet, and less than 1 month in advance of travel date.
- Taking day trips for shopping was highest in LSM groups 1 – 4 (54,3%) 5 – 7 (40,5%) and 8 – 10 (19,4%). LSM groups 5 – 7 spent the most on shopping (R28,2 billion on day trips and R9,7 billion on overnight trips) followed by LSM 8 – 10 (R11,8 billion on day trips and R4,2 billion on overnight trips).



## 6. Key Findings

- In South Africa, Total Foreign Direct Spend reached R81,2 billion in 2019. Shopping was the biggest spend category, followed by food and accommodation. Domestic overnight visitors in the country spent a total of R5,6 billion on shopping. The country is a lucrative shopping destination as tourists are impressed with the pricing and variety of merchandise available. Visiting for the purpose of shopping for personal items was considered the third most stated reason for travel to South Africa in 2019.
- Tourists coming to South Africa for the main purpose of shopping are predominantly from African markets. Zambia, Malawi and Botswana were the top 3 markets shopping for business in South Africa and Zimbabwe, Lesotho and Botswana were the top markets who did their personal shopping in the country in 2019. Leading source markets, UK, USA, and Germany, also holds substantial interest in shopping activities in South Africa even though their main purpose of travel is holiday/leisure..
- Overseas travellers make up the majority of visitors travelling to the Western Cape for shopping activities, with 59% of survey respondents who selected shopping as a main activity originating from the overseas market and 41% coming from domestic markets. With around three fifths of domestic travellers coming from the Western Cape, there is a trend that many locals are travelling to different regions within the province and engaging in shopping activities.
- Close to a third of respondents who engaged in shopping activities were aged between 35 and 50 years and a further 26,5% were aged 51 – 70 years. The proportion of respondents aged 51 – 70 years who shop while travelling (26,5%) is slightly higher than the share of this age category visiting the province in general (22,4%).
- Overall visitors to the Western Cape indicated to be majority overnight visitors, and those who shop while travelling were even more likely to stay overnight. Those who stayed overnight spent an average of one night (27%), two nights (24,5%), or three nights (21,2%) in the destination.
- Domestic tourists are less likely to take overnight trips for the main purpose of shopping. However, shopping and visiting friends and relatives were the main reasons cited by day travellers. Domestic day trips undertaken for shopping purposes contributed roughly R44,2 billion of the total expenditure incurred in 2019. Those who travelled to visit friends and relatives spent most of their money on shopping, domestic transport and food and beverages. Domestic tourist expenditure on shopping in the Western Cape reached R3,2 billion for those who took day trips and R1,5 billion in the overnight trips category.
- Booking patterns of those who travelled for the main purpose of shopping indicates that they are more likely to book independently, by phone or internet, and less than 1 month in advance of travel date.
- Taking day trips for shopping was highest in LSM groups 1 – 4 , however LSM groups 5 – 7 spent the most on shopping (R28,2 billion on day trips and R9,7 billion on overnight trips) followed by LSM 8 – 10 (R11,8 billion on day trips and R4,2 billion on overnight trips).
- Many independent stores, shopping districts, malls and markets around the world have become 'must-see' attractions in their own right. One such example is the iconic V&A Waterfront in Cape Town, which attracts roughly 25 million visitors annually (prior to COVID-19). The Waterfront's 2018 contribution to direct GDP was R9,3 billion and R31,5 billion to total GDP and there were 23 000 people working at the V&A Waterfront itself, while total employment (including indirect jobs) was 66 000. Such establishments becoming part of the mix of experiences that travellers seek to enjoy, highlights the impact that shopping tourism has on employment and economic growth in the destination.

## 7. List of Sources

- South African Tourism
- Wesgro Primary Research
- UNWTO
- Stats SA
- V&A Waterfront

*For more information on this publication and other Wesgro publications please contact [research@wesgro.co.za](mailto:research@wesgro.co.za). For more publications like this visit the Wesgro publications portal on our website at [www.wesgro.co.za/research\\_articles](http://www.wesgro.co.za/research_articles)*





**WesGRO**  
cape town & western cape  
research

An inspiring place to know