tourism market insights
FRANCE

WESGRO
cape town & western cape
research
an inspiring place to know

Contents

1. Overview of France

About France	
Where is France?	France is in Western Europe and extends from the Mediterranean Sea to the English Channel and the North Sea. France is bordered by Andorra, Monaco, Belgium, Luxembourg, Germany, Switzerland, Italy and Spain.
Population (millions)	64.9 (2018)
Time Difference	South Africa is an hour ahead of France
Language	French
Economy	France is amongst the top ten largest economies in the world in terms of GDP.
Formal Greeting	Good day: ‘Bonjour’; Good evening: ‘Bonsoir’; Goodbye: ‘Au revoir’
French Etiquette	**Restaurants** The French enjoy Pernod, kir (a popular French cocktail), champagne or vermouth before dinner, wine with dinner, and liqueurs are served after dinner. **Professionalism** French people are direct in meetings and expect business intentions to be stated up front. **Dislikes** Overfamiliarity and rudeness are disliked by the French. **General** French travellers to South Africa are most satisfied with wildlife/game-park experiences and scenic beauty of the destination.

2. Economic Overview of the Italian Travel Market

- France's economy is expected to grow at a steady pace in 2019. Real GDP decreased to 1,7% in 2018 from 2,2% in 2017.

- France's current population is around 65 million and with relatively slow fertility of 1.9 births per female, the median age is rising. It is predicted that the median age will grow from 37.6 years in 2018 to 43,6 years by 2030. Close to a quarter of the population is expected to be over the age of 65 years by 2030.

- In 2018, France's savings ratio amounted to 14,2% of disposable income and consumer expenditure per capita amounted to US$22 546.

- Consumer spending is expected to grow at an average annual rate of 1,2% over the 2019 – 2030 period. Health goods & medical services, and leisure & recreation is expected to be the most dynamic consumer categories over the 2019 – 2030 period.

- Despite high average disposable income, falling unemployment, and a relatively low wealth gap, French consumers remain cautious in their spending. Average household spending has increased by a minor 1% between 2012 and 2017. Consumers are continuously mindful of debt and prefer safer investment options when it comes to saving.

- The Later-Lifers (65 – 79 years) population grew by 17% from 2012 to 2017. French pensioners have among the highest incomes and longest retirements according to an OECD Study in 2017, which make them key drivers for discretionary items like luxury goods and travel.

- Euromonitor International's GCT survey of 2017 found that 75% of French respondents took at least one domestic leisure trip and 50% at least one international leisure trip within one year. Most travellers do not venture beyond other European destinations but visits to the USA increased by 6% in 2018.

- In 2018, South Africa held a 0.3% share of French outbound trips. Other African nations visited by French travellers in 2018 included Morocco (3,2%), Tunisia (1,2%), Senegal (0,9%), Reunion Island (0,8%), Ivory Coast (0,7%), Egypt (0,5%), and Mauritius (0,5%).

- Social media usage has grown exponentially over the last six years. According to the GCT survey of 2017, the number of respondents who visit social media networking site at least once a week increased from 23% in 2011 to 56% in 2017. Facebook was the leading social media site.

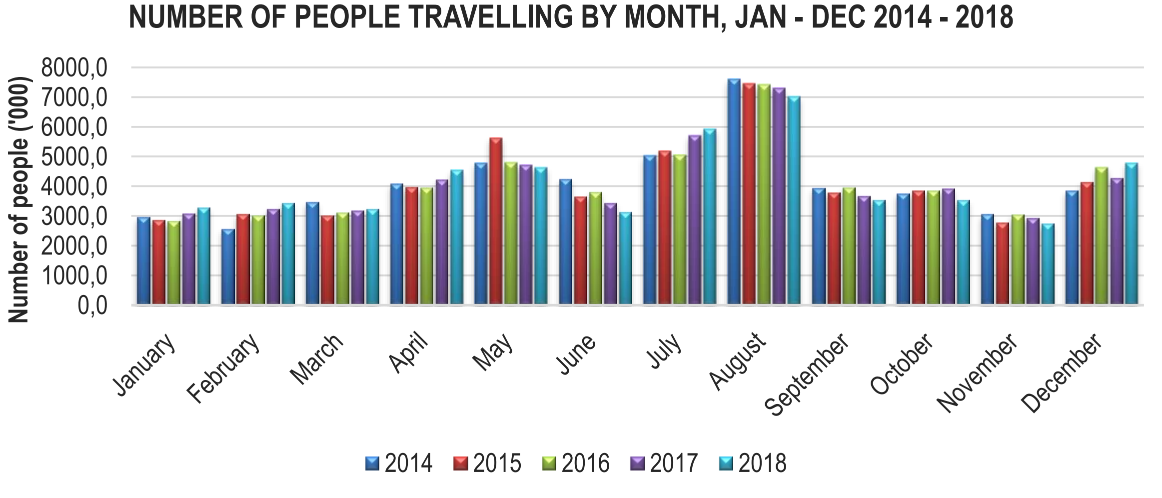
- Growing concerns over food safety has led to an increase in demand for organic food. A 2017 survey by Statista found that 34% of French respondents deemed eating organic food as important.

- Online shopping, particularly via smartphones, are on the rise amongst French consumers. Online sales events are also gaining popularity with 65% of French people now considering Black Friday as the start of the Christmas shopping period according to a study by the Centre for Retail Research.

3. Overview of the French Travel Market

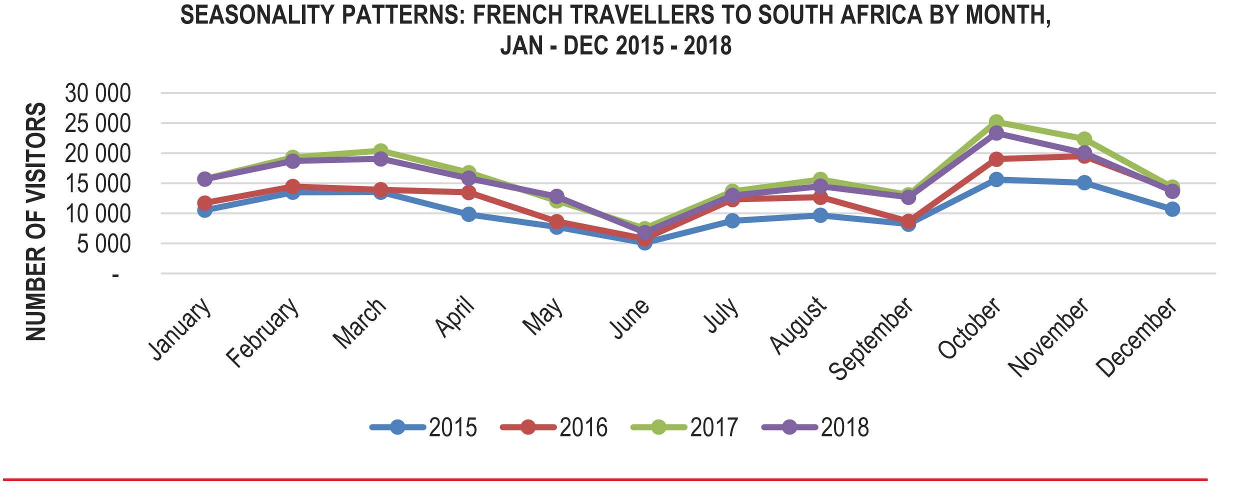
France Travel Market	
Largest Cities % of total population, number of people	1. Paris: 3,4% (2.2 million) 2. Marseille: 1,3% (828 100) 3. Lyon: 0,8% (501 600) 4. Toulouse: 0,7% (449 100) 5. Nice: 0,5% (330 200)
Disposable income Per capita, US$ 2017	24,453
Savings As % of disposable income	14.1%
Median Age	41.6 years
Paid Holidays (2019) Public Holidays (2019) Annual Leave (2019)	33.0 11.0 44.0
Outbound Departures ('000 trips)	1. 2016: 49,479.8 2. 2017: 52,148.8 3. 2018: 53,758.9
Top 3 Outbound Destinations ('000 trips, 2018)	1. Spain: 11,131.6 2. Italy: 7,461.8 3. United Kingdom: 3,330.8
Events impacting outbound travel	More than 400 flights were cancelled across Europe due to the French air traffic control strikes
Type of Outbound Trips	Leisure: 88.7% Business: 11.3%

Seasonality Patterns



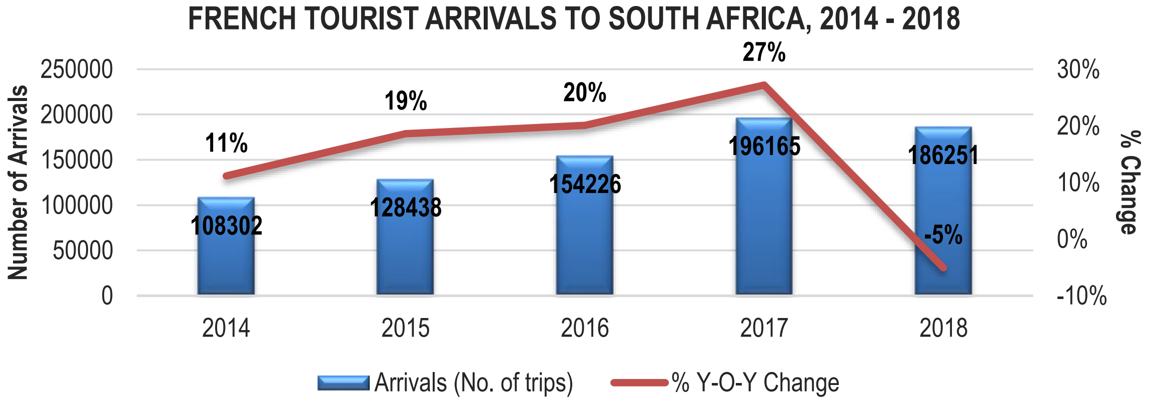
4. The French traveller to South Africa

France Travel Market	
Number of Arrivals	2015: 128 438 2016: 154 226 2017: 196 165 2018: 186 251
Purpose of visit to South Africa (2017)	Leisure (75,5%) Business (18,9%)
Average length of stay in South Africa (Number of nights)	2016: 12,1 2017: 16,5 2018: 18,9
Age profile (2018)	18 – 24 yrs (16,0%) 25 – 34 yrs (32,9%) 35 – 44 yrs (14,8%) 45 – 54 yrs (15,0%)
Repeater Rate of French Travellers (2018)	1. First Time: 71,4% 2. 2 -3 times: 16,9%
Accommodation Usage (2018)	1. Hotels (522 201) 2. Friends & Family (374 007) 3. Game Lodge (299 161)
Total Foreign Direct Spend in South Africa (R in millions)	2016: R 1 837 2017: R 2 765 2018: R 2 714
Average Spend in South Africa	2016: R 14 900 2017: R 18 900 2018: R 18 900
Most positive experiences for French visitors in South Africa (2017)	1. The scenery 2. The wildlife 3. The hospitality and friendly people



4. The French traveller to South Africa

5.1. Visitor Arrivals to South Africa



5.2. Purpose of visit to South Africa

French visitors travelling to South Africa are predominantly visiting for the purpose of holiday, business, and MICE. They are most impressed with South Africa's scenery, wildlife, and the friendliness of people. They typically visit the Western Cape, Gauteng, and Mpumalanga province and their length of stay in the country is on average 18.9 nights.

They are typically between the ages of 18 and 54 years, with 16,0% in the 18 – 24 years category, 32,9% in the 25 – 34 years category, 14,8% are in the 35 – 44 years category, and 15,0% are in the 45 – 54 years category. In 2018, 71,4% of French travellers to South Africa were first time visitors to the country and 32,0% were repeat visitors.

Top reasons for travel to SA
Holiday (68,5%)
Business (7,9%)
MICE (6,5%)

Average length of stay (2018) → **18,9 nights**

5.3. Activities in South Africa

Top activities undertaken
1. Adventure
2. Wildlife
3. Visiting natural attractions
4. Culture & Heritage
5. Beach

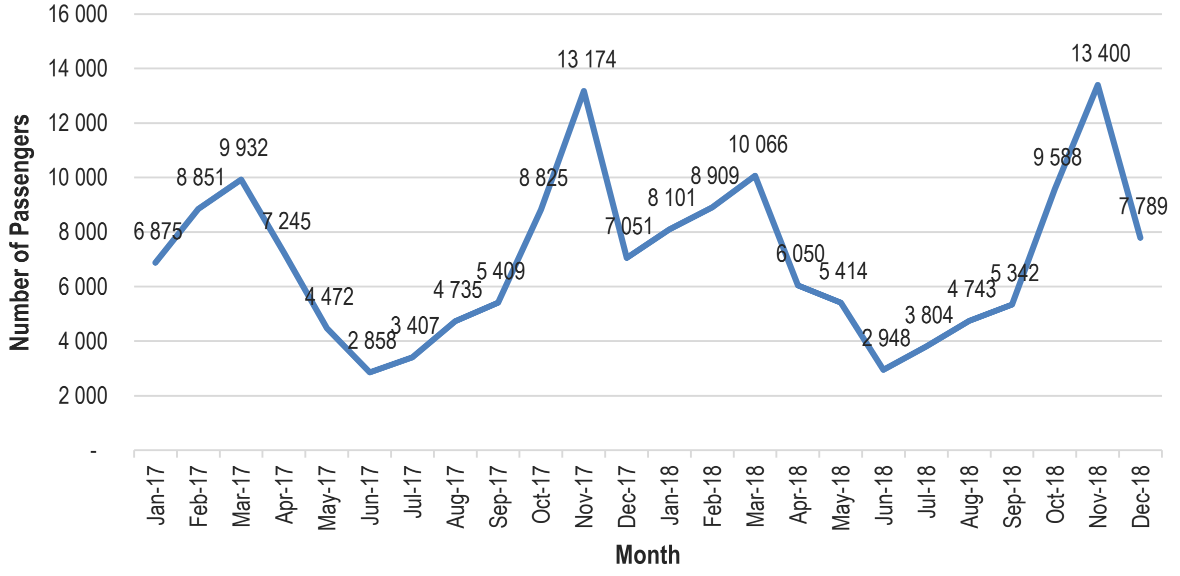
Adventure, wildlife, visiting natural attractions, culture & heritage, and beach were amongst the top activities undertaken by French tourists while in South Africa. In 2018 their average spend was R18 900 per tourist.

They are more likely to book hotels or stay with family and friends. Many French guests also make use of game lodge accommodation.

5. The French traveller to the Western Cape

France Travel Market	
Number of Arrivals	2015: 76 736 2016: 92 439 2017: 98 798 2018: 102 007
Total Foreign Direct Spend in the Western Cape (R in millions)	2015: 636 2016: 811 2017: 1 298
Average Spend in the Western Cape	2015: R 9 900 2016: R 11 100 2017: R 14 100
Average length of stay in the Western Cape (Number of nights)	2015: 11,7 2016: 10,4 2017: 13,8
Total bed nights spent in the Western Cape	2015: 751 000 2016: 783 000 2017: 1 310 000
Total number of *formal bed nights spent in the Western Cape	2015: 488 000 2016: 554 000 2017: 840 000

FRENCH PASSENGER MOVEMENT THROUGH CAPE TOWN INTERNATIONAL AIRPORT, JAN 2017 – DEC 2018



Sources: SA Tourism, OAG Traffic Analyser, 2019

*Formal bed nights = Hotels, B&B's, Guesthouses, Self-catering units, Game Lodges and Backpackers

5. The French traveller to the Western Cape

5.1. Visitor Arrivals to the Western Cape

The Western Cape saw a significant increase in French visitors in 2016. Visitor numbers have since seen a more conservative increase year-on-year. This may be as a result of the drought in the Western Cape and tighter spending budgets amongst the French over the 2017/2018 period.

The top airlines operating between France and Cape Town are France Air, British Airways, KLM, Lufthansa, and Emirates.

Period	Tourist Arrivals	Y-O-Y % Change
2014	74 591	-
2015	76 736	2,9%
2016	92 439	20,5%
2017	98 978	7,1%
2018	102 007	3,1%

5.2. Passenger Traffic through Cape Town International Airport

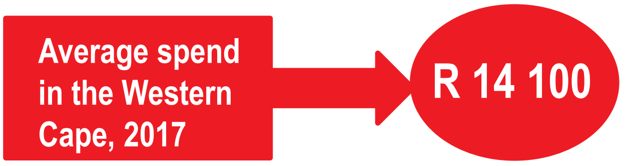
Inbound Passenger Performance: France – Cape Town				
Country	Passengers 2018	% Change 2017-18	Passengers Jan - Sep 2019	% Change Jan - Sep 2018-19
France	86 154	4%	54 806	-1%

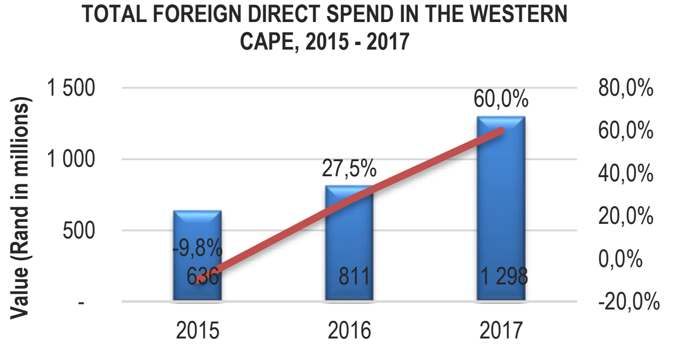
Top 5 Cities: France – Cape Town					
Rank	Airport	Passengers 2018	% Change 2017-18	Passengers Jan - Sep 2019	% Change Jan - Sep 2018-19
1	Paris Charles de Gaulle	54 566	8%	36 114	3%
2	Marseille Provence	5 554	-12%	4 376	11%
3	Lyon St-Exupery	8 699	1%	3 691	-30%
4	Toulouse	5 950	18%	3 469	-13%
5	Nice	5 355	0%	3 415	1%

5.3. Spend Patterns

In 2017, the French market contributed close to R1,3 billion to the Western Cape's economy making it the 4th most lucrative source market for the province after UK, Germany, and USA.

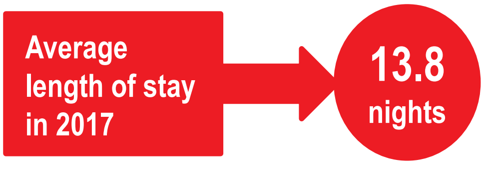
On average, French tourists spent R14 100 per trip in the Western Cape in 2017. Total Foreign Direct Spend saw a decrease in 2015 but has since increased steadily, growing by a significant 60% from 2016 to 2017.

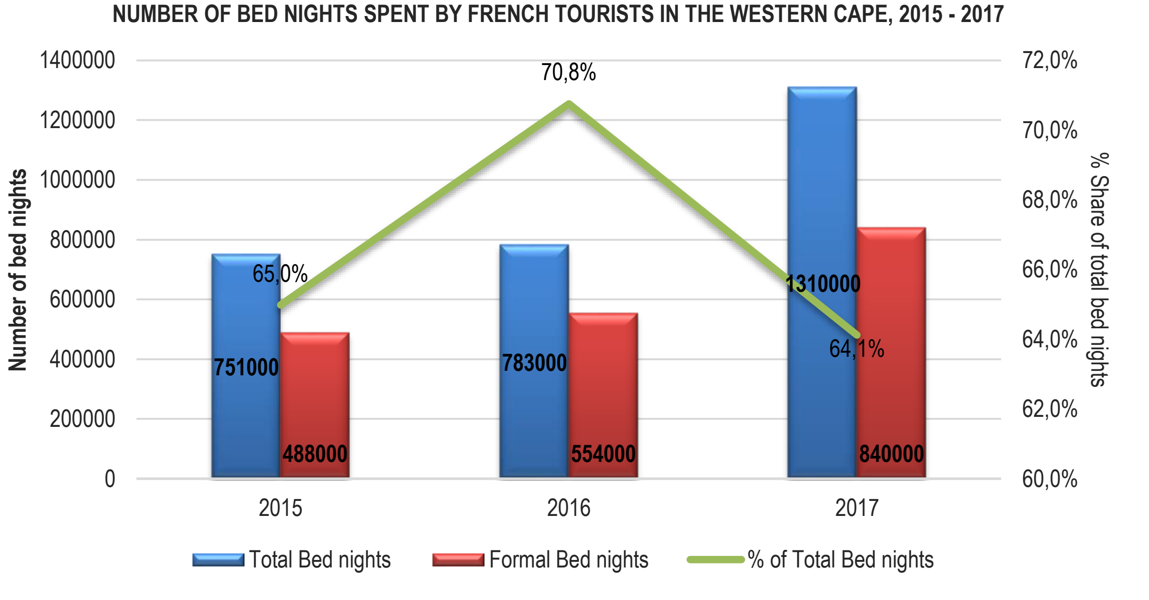




5.4. Bed nights and Average Length of Stay in the Western Cape

In 2017, French travellers spent 1 310 000 bed nights in the Western Cape, of which 840 000 were spent in the *formal accommodation sector. The number in total bed nights increased by 67,3% and formal bed nights increased by 51,6% when compared to the 2016 figures.





**Formal Bednights refers to Hotels, B&Bs, Guesthouses, Self-catering units, Game Lodges and Backpackers.*

6. French Traveller Trends

6.1. Consumer profile

To better understand the market it is important to identify who the target audience is, what they are searching for and where they find information. A Market Insights Study on ‘French Multi-Generational Travel Trends’ published by Expedia Media Solutions gives insight into French travel behaviour across multiple age categories. These age categories are divided into Gen Z (18 – 23 years), Millenials (24 – 35 years), Gen X (36 – 55 years), and Boomers (56+ years).

According to survey results all generations prefer international travel by plane, and relaxing and sightseeing are their top reasons for travel. Romantic Getaways are also popular amongst Millennials.

For French travellers, budget is a primary factor, particularly for Gen Z and Millenials. Hotels are the most preferred accommodation type for all generations and makes up the majority portion of their budget along with flights. Millennials, Gen X, and Boomers spend more on hotels than flights while Gen X’s spend on hotels and flights are equal.

All generations are destination indecisive with majority deciding between 2 or more destination during the dreaming phase.

6.2. Destination considerations

Value and exploration are key factors for French Travellers. ‘Bucket list’ or ‘Once in a lifetime’ experiences rank high amongst Millennials and Gen Z, and family-orientated holidays are particularly important amongst Gen X travellers.

Top travel considerations
Value for money
Outdoor activities
‘Bucket list’ experiences
Family friendliness
New & Unique experiences

Activities, cultural experiences and lowest price are key travel considerations for French travellers. Boomers are particularly interested in deals and/or special offers, and Gen Z are highly influenced by the availability of ‘once in a lifetime’ experiences and memorable photo opportunities.

Reviews from sites like TripAdvisor, informative content from destinations, and travel deals can influence traveller decisions for the French. In addition, Gen Z and Millennials are inclined to also talk to people who have visited the destination before making a decision.

Appealing imagery, deals and informative content, are most influential in advertising amongst all generations, although a high number of Baby Boomers (27%) indicated that they are not particularly influenced by advertisements.

Sources: Euromonitor International, Expedia Media Solutions, 2019

6. French Traveller Trends

6.4. Outbound travel trends

In 2018, a total of 55 052 800 French international outbound trips were made with an expenditure value of EUR 47 million, which is expected to increase to EUR 54 million by 2024. Spain, Italy, UK, Portugal, and Germany were the top five outbound destinations for French travellers in 2018 which accounted for 49% of all outbound trips. French outbound trips to South Africa accounted for 0,3% of all outbound trips in 2018.

French travellers have, on average, 44 days annual leave per year. Seasonality patterns indicate that they are most likely to travel during July, August, and December. Of all outbound trips in 2018, 88,7% were for the purpose of leisure.

France's population is ageing rapidly and the Later-Lifers (65 – 79 years) population grew by 17% from 2012 to 2017. French pensioners have among the highest incomes and longest retirements according to an OECD Study in 2017, which make them key drivers for discretionary items like luxury goods and travel.

Single people represented the fastest growth in outbound travel, increasing by 30% in 2017. French travellers do not seem to be deterred by safety issues as a GCT survey revealed, only 14% of respondents cited 'safe destination' as a concern.

6.5. Media consumption habits

Top Travel Resources for planning a trip
Search Engines
Online Travel Agency
Word of Mouth
Comparison Travel Website
Airline Sites/Apps

The 'French Multi-Generational Travel Trends' survey reveals that Online Travel Agencies and Search Engines are the most widely used planning resources for all generations of French travellers except Gen Z.

In addition to Search Engines, Gen Z are inclined to discussions with family and friends in addition to using comparison travel websites and airline sites as trip planning resources.

Despite this, OTAs are the most widely used resource when booking a trip across generations. Younger generations are much more influenced by social media than older generations.

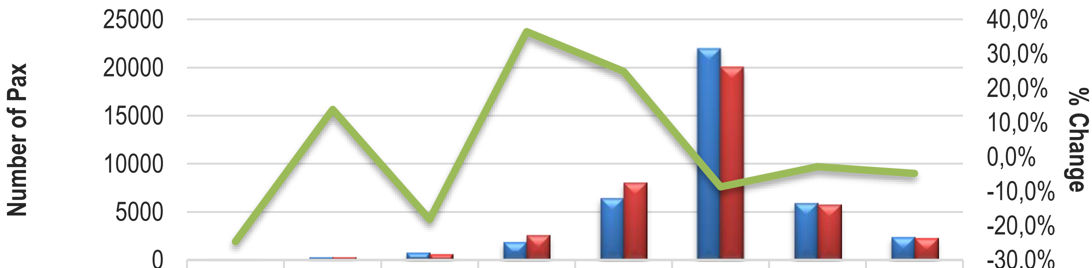
Gen Z and Millennials are heavily influenced by Facebook. Instagram and Snapchat also influence Gen Z. All generations use smartphones in trip but desktop/laptop dominates the path from inspiration to booking for all generations except Gen Z, who use smartphones for inspiration. Booking travel via desktop/laptop ranks highest for all generations.

Sources: Euromonitor International, Expedia Media Solutions, 2019

7. French Traveller Booking Trends

This section provides an overview of traveller booking trends obtained from ForwardKeys, an established data, IT and business intelligence company. ForwardKeys offers a new approach to traveller operational business intelligence, leveraging global flight reservation information and other data to monitor and qualify traveller flows, map global demand, and forecast trends. ForwardKeys receives fresh data daily from different BI providers, ranging from capacity data, to flight searches, and booked air plane tickets. It is therefore important to note that the sample of bookers represent travellers who have conducted bookings at the respective BI providers aligned with ForwardKeys, and does not represent the complete travel market.

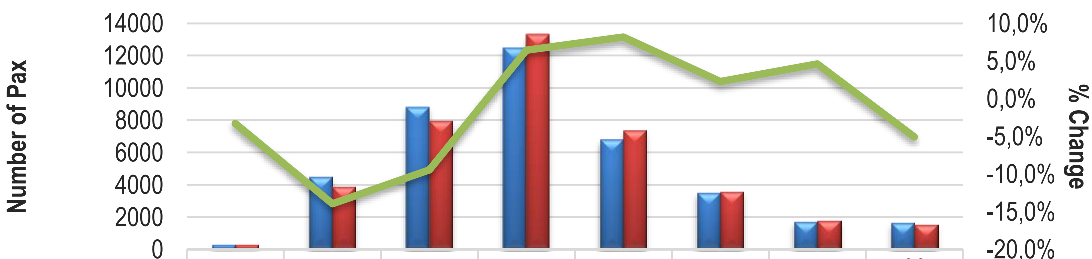
TOTAL DURATION OF TRIP: TOTAL NIGHTS, 2017/2018



	1 night	2 nights	3 nights	4 to 5 nights	6 to 8 nights	9 to 13 nights	14 to 21 nights	22 nights or more
2017	73	282	775	1890	6432	21984	5895	2387
2018	55	321	634	2578	8034	20068	5728	2272
% Change	-24,7%	13,8%	-18,2%	36,4%	24,9%	-8,7%	-2,8%	-4,8%

The total duration of trip indicates that French visitors spent a shorter time travelling and a longer time in the destination in 2018. The year-on-year change was most significant in the 4 to 5 nights and 6 to 8 nights categories. The length of stay in destination saw significant increases in the 4 to 5 nights (+6,4%) and 6 to 8 nights (+8,2%) and 9 to 13 nights (+2,3%) and 14 to 21 nights (+4,6%) categories, indicating that though tourists did not take longer holidays they did spend a longer time in Cape Town in 2018.

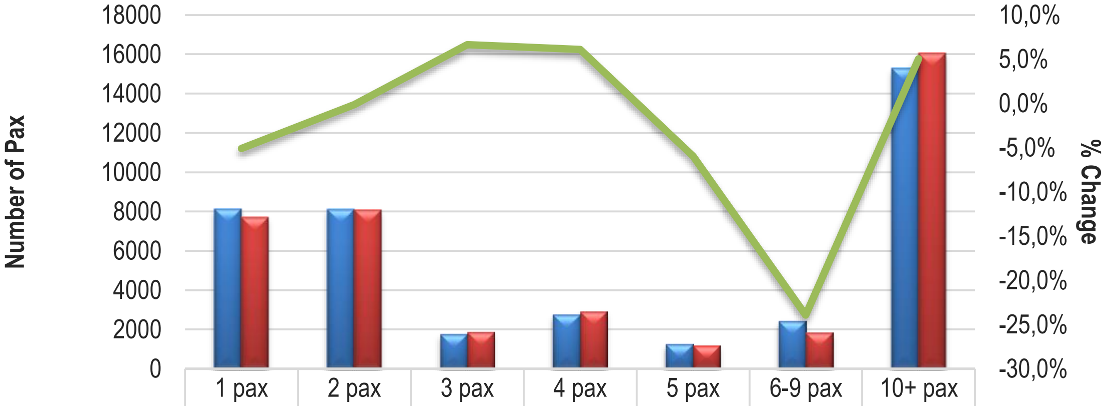
LENGTH OF STAY IN DESTINATION, 2017/2018



	1 night	2 nights	3 nights	4 to 5 nights	6 to 8 nights	9 to 13 nights	14 to 21 nights	22 nights or more
2017	275	4497	8806	12501	6808	3504	1694	1633
2018	266	3871	7976	13307	7364	3584	1772	1550
% Change	-3,3%	-13,9%	-9,4%	6,4%	8,2%	2,3%	4,6%	-5,1%

7. French Traveller Booking Trends

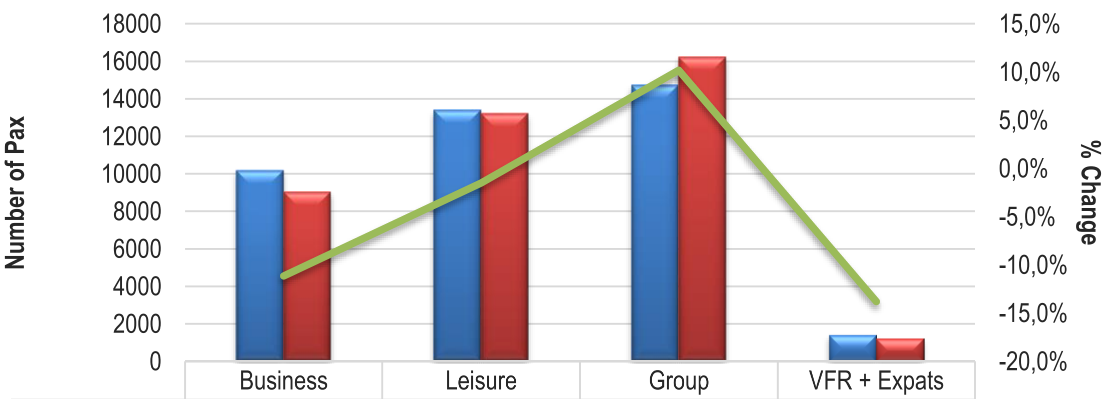
NUMBER OF PAX PER BOOKING, 2017/2018



	1 pax	2 pax	3 pax	4 pax	5 pax	6-9 pax	10+ pax
2017	8120	8112	1764	2756	1260	2425	15281
2018	7705	8100	1881	2924	1185	1845	16050
% Change	-5,1%	-0,1%	6,6%	6,1%	-6,0%	-23,9%	5,0%

The number of passengers per booking indicates that French travellers are inclined to travel in smaller groups, though most still travel in pairs. The year-on-year change was most significant in the 3 pax (+6,6%) and 4 pax (+6,1%) categories. Business Travel declined by 11,2% in 2018 and Group Travel grew by a significant 10,2% from 2017 to 2018.

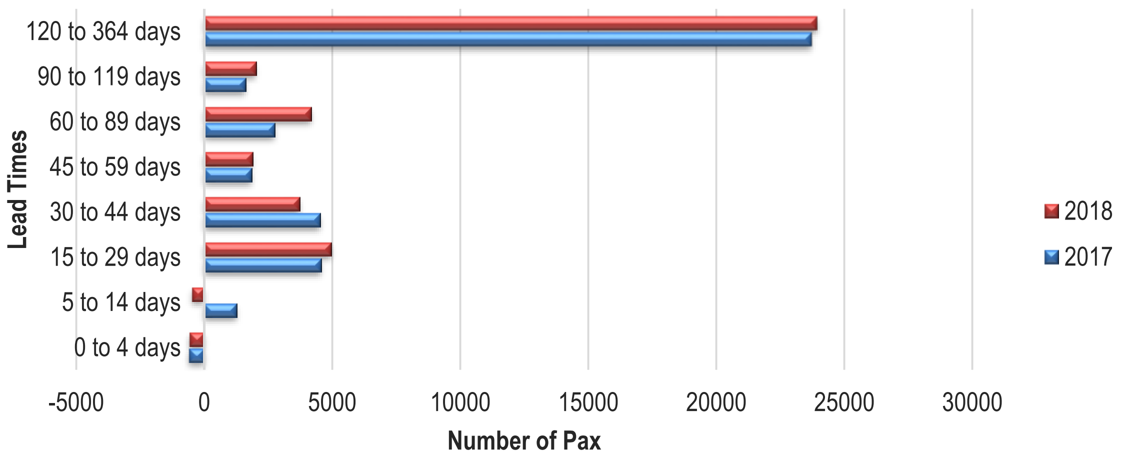
PROFILE OF FRENCH TRAVELLERS, 2017/2018



	Business	Leisure	Group	VFR + Expats
2017	10177	13400	14743	1398
2018	9041	13198	16246	1205
% Change	-11,2%	-1,5%	10,2%	-13,8%

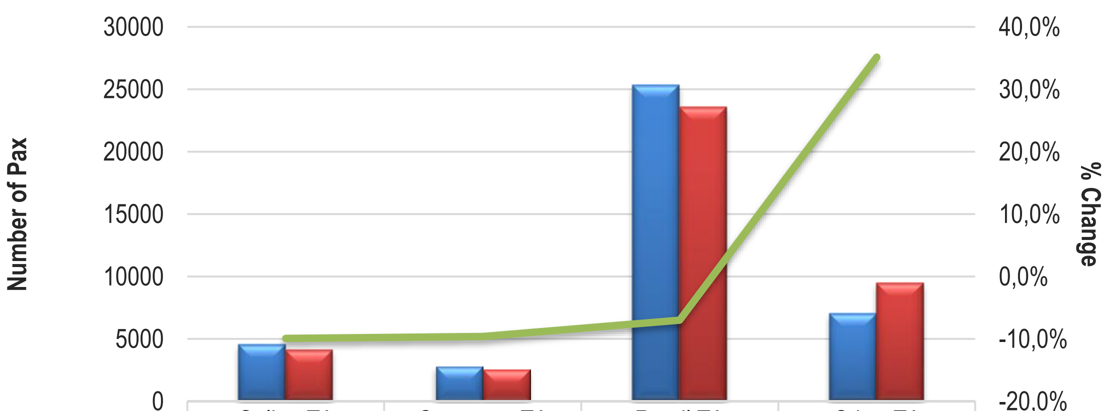
7. French Traveller Booking Trends

LEAD TIMES: NUMBER OF DAYS BETWEEN BOOKING AND FLIGHT DAY, 2017/2018



Booking trends indicate that French tourists are more likely to book their flights more than 4 months before the actual flight day. Despite a 7,0% decrease from 2017 to 2018, Retail Travel Agency remains the top distribution channel used by French travellers when making bookings.

DISTRIBUTION CHANNELS USED BY FRENCH TRAVELLERS, 2017/2018



	Online TA	Corporate TA	Retail TA	Other TA
2017	4563	2792	25348	7015
2018	4111	2524	23573	9482
% Change	-9,9%	-9,6%	-7,0%	35,2%

8. Key Findings

- French visitors travelling to South Africa are predominantly visiting for the purpose of holiday, business, and MICE. They are most impressed with South Africa's scenery, wildlife, and the friendliness of people.

- Euromonitor International's GCT survey of 2017 found that 75% of French respondents took at least one domestic leisure trip and 50% at least one international leisure trip within one year. Most travellers do not venture beyond other European destinations but visits to the USA increased by 6% in 2018.

- In 2018, South Africa held a 0.3% share of French outbound trips. Other African nations visited by French travellers in 2018 included Morocco (3,2%), Tunisia (1,2%), Senegal (0,9%), Reunion Island (0,8%), Ivory Coast (0,7%), Egypt (0,5%), and Mauritius (0,5%).

- In 2017, the French market contributed close to R1,3 billion to the Western Cape's economy making it the 4th most lucrative source market for the province after UK, Germany, and USA.

- For French travellers, budget is a primary factor, particularly for Gen Z and Millenials. Hotels are the most preferred accommodation type for all generations and makes up the majority portion of their budget along with flights. Millennials, Gen X, and Boomers spend more on hotels than flights while Gen X's spend on hotels and flights are equal.

- French travellers have, on average, 44 days annual leave per year. Seasonality patterns indicate that they are most likely to travel during July, August, and December. Of all outbound trips in 2018, 88,7% were for the purpose of leisure.

- France's population is ageing rapidly and the Later-Lifers (65 – 79 years) population grew by 17% from 2012 to 2017. French pensioners have among the highest incomes and longest retirements according to an OECD Study in 2017, which make them key drivers for discretionary items like luxury goods and travel.

- Single people represented the fastest growth in outbound travel, increasing by 30% in 2017. French travellers do not seem to be deterred by safety issues as a GCT survey revealed, only 14% of respondents cited 'safe destination' as a concern.

- The total duration of trip indicates that French visitors spent a shorter time travelling and a longer time in the destination in 2018. The length of stay in destination saw significant increases in the 4 to 21 nights categories, indicating that although tourists did not take longer holidays they did spend a longer time in Cape Town in 2018.

9. List of sources

1. South African Tourism
2. Euromonitor International
3. OAG Airline Passenger Traffic Analyser
4. ForwardKeys
5. Expedia Media Solutions, French Multi-Generational Travel Trends

WESGRO

cape town & western cape

research