

Wesgro

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1. Overview of Sweden

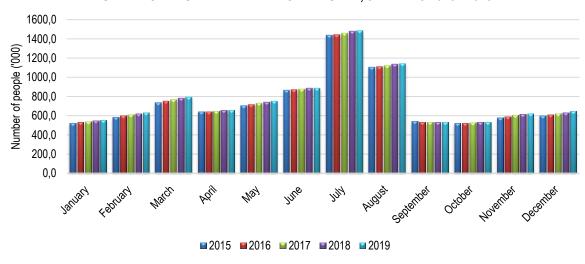
About Sweden	
Where is Sweden?	Sweden is located in Northern Europe and lies west of the Baltic Sea and Gulf of Bothnia. It borders Norway, Denmark and Finland.
Population (millions)	10,2 (2019)
Time Difference	South Africa is an hour ahead of Sweden
Language	Swedish is the official language
Economy	Sweden is one of the richest countries in the world and has one of the lowest Gini coefficients
Formal Greeting	'God mórgon' (Good morning)
General Overview	Sweden's economy is expected to slow down in 2020. Real GDP is expected to be 1,5% in 2021, before growing to 2,0% in 2022 and decreasing to an average of 1,7% per year from 2023 to 2027. Sweden's current population is around 10,2 million and with moderate fertility of 1.8 births per female, the median age is rising slowly. It is predicted that the median age will grow from 40.6 years in 2019 to 40.9 years in 2030. This trend reflects the increasing number of immigrants, who already make up 15% of Sweden's population. In 2019, Sweden's savings ratio amounted to 11,0% of disposable income and consumer expenditure per capita amounted to USD 22 341. Consumer spending is expected to grow at an average annual rate of 1,8% over the 2020 – 2030 period. Health goods and medical services are expected to be the fastest growing categories over the 2020 – 2030 period.

2. Overview of the Swedish Travel Market

Sweden Travel Market		
Capital City	Stockholm	
Disposable income Per capita, US\$ 2019	24,983	
Savings As % of disposable income	11.0%	
Median Age	40.6 years	
Paid Holidays (2019) Public Holidays (2019) Annual Leave (2019)	25.0 13.0 38.0	
Outbound Departures ('000 trips)	1. 2017: 15,298.5 2. 2018: 15,932.1 3. 2019: 16,279.7	
Top 3 Outbound Destinations ('000 trips, 2019)	 Spain: 2,502.7 Norway: 1,664.0 Denmark: 1,626.7 	
Type of Outbound Trips	Leisure: 82.1% Business: 17.9%	

Seasonality Patterns

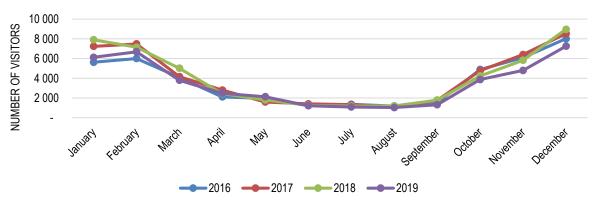




3. The Swedish Traveller to South Africa

Sweden Travel Market		
Number of Arrivals	2016: 44 043 2017: 48 552 2018: 48 740 2019: 41 787	
Purpose of visit to South Africa (2019)	Holiday (59,2%) Business (7,1%)	
Average length of stay in South Africa (Number of nights)	2017: 16,9 2018: 15,9 2019: 19,8	
Age profile (2019)	18 – 24 yrs (14,6%) 25 – 34 yrs (26,6%) 35 – 44 yrs (16,1%) 45 – 54 yrs (16,5%)	
Repeater Rate of Swedish Travellers (2019)	1. First Time: 62,3% 2. 2 -3 times: 16,8%	
Accommodation Usage (2019)	 Friends & Family (165 462) Hotels (164 149) Self Catering (154 428) 	
Total Foreign Direct Spend in South Africa (R in millions)	2017: R 815 2018: R 879 2019: R 872	
Average Spend in South Africa	2017: R 18 900 2018: R 20 000 2019: R 22 200	
Most positive experiences for Swedish visitors in South Africa (2017)	 The scenery The wildlife The hospitality and friendly people 	

SEASONALITY PATTERNS: SWEDISH TRAVELLERS TO SOUTH AFRICA BY MONTH, JAN - DEC 2016 - 2019



3. The Swedish Traveller to South Africa

3.1. Visitor Arrivals to South Africa

SWEDISH TOURIST ARRIVALS TO SOUTH AFRICA, 2015 - 2019



3.2. Purpose of visit to South Africa

Swedish visitors travelling to South Africa are predominantly visiting for the purpose of holiday, visiting friends and relatives, business and for Meetings, Incentives, Conferencing, and Events. 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 19,8 nights.

They are typically between the ages of 18 and 54 years, with 14,6% in the 18-24 years category, 26,6% in the 25-34 years category, 16,1% are in the 35-44 years category, and 16,5% are in the 45-54 years category.

Top reasons for travel to SA		
Holiday (59,2%)		
VFR (14,3%)		
Business (7,1°	%)	
Average		
length of stay (2019)	19,8 nights	

3.3. Activities in South Africa

Top activities undertaken
1. Shopping
2. Visiting natural attractions
3. Wildlife
4. Beach
5. Culture and heritage

Shopping, visiting natural attractions, the wildlife, visiting the beach, and cultural activities were amongst the top activities undertaken by Swedish tourists while in South Africa. In 2018 their average spend was R22 200 per tourist.

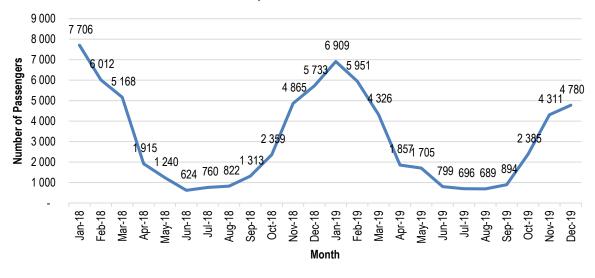
They are more likely to stay with family and friends or book hotels. Many Swedish visitors also make use of self-catering and guesthouse accommodation.

In 2019, 62,3% of Swedish travellers to South Africa were first time visitors to the country and 37,7% were repeat visitors.

4. The Swedish Traveller to the Western Cape

Sweden Travel Market	
Number of Arrivals	2015: 19 090 2016: 27 624 2017: 31 899 2018: 30 604
Total Foreign Direct Spend in the Western Cape (R in millions)	2015: 219 2016: 314 2017: 396
Average Spend in the Western Cape	2015: R 12 400 2016: R 12 800 2017: R 13 900
Average length of stay in the Western Cape (Number of nights)	2015: 11,3 2016: 10,5 2017: 14,2
Total bed nights spent in the Western Cape	2015: 199 000 2016: 262 000 2017: 419 000
Total number of *formal bed nights spent in the Western Cape	2015: 152 000 2016: 194 000 2017: 296 000

SWEDISH PASSENGER MOVEMENT THROUGH CAPE TOWN INTERNATIONAL AIRPORT, JAN 2018 – DEC 2019



Sources: SA Tourism, OAG Traffic Analyser, 2020

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

4. The Swedish Traveller to the Western Cape

4.1. Visitor Arrivals to the Western Cape

Swedish visitor arrivals to the Western Cape increased substantially from 2014 to 2017. Visitor numbers to the Western Cape declined by -4,1% in 2018, despite a 0,4% increase nationally. This indicates that the drought in the Western Cape may have impacted Swedish visitors' decision to travel to the province.

The majority of Swedish air travellers started their journey to Cape Town at Stockholm Arlanda and Goteborg Landvetter Airports.

Period	Tourist Arrivals	Y-O-Y % Change
2014	11 887	-
2015	19 090	60,6%
2016	27 624	44,7%
2017	31 899	15,5%
2018	30 604	-4,1%

4.2. Passenger Traffic through Cape Town International Airport

Inbound Passenger Performance: Sweden – Cape Town				
Country	Passengers 2019	% Change 2018-19	Passengers Jan - Mar 2020	% Change Jan – Mar 2019-20
Sweden	33 972	-8%	11 742	-28%

	Top 5 Cities: Sweden – Cape Town				
Rank	Airport	Passengers 2019	% Change 2018-19	Passengers Jan – Mar 2020	% Change Jan – Mar 2019-20
1	Stockholm Arlanda	24 264	-8%	7 765	-34%
2	Goteborg Landvetter	8 812	-4%	3 675	-13%
3	Umea	138	-48%	89	112%
4	Linkoping	326	3%	82	-38%
5	Lulea	160	84%	36	-53%

Sources: SA Tourism, OAG Traffic Analyser, 2020

4.3. Spend Patterns

In 2017, the Swedish market contributed R396 million to the Western Cape's economy making it the 7th most lucrative European source markets for the province.

On average, Swedish tourists spent R13 900 per trip in the Western Cape in 2017. Total Foreign Direct Spend has increased steadily, since 2015 growing by a significant 26,1% from 2016 to 2017.



TOTAL FOREIGN DIRECT SPEND IN THE WESTERN CAPE, 2015 - 2017

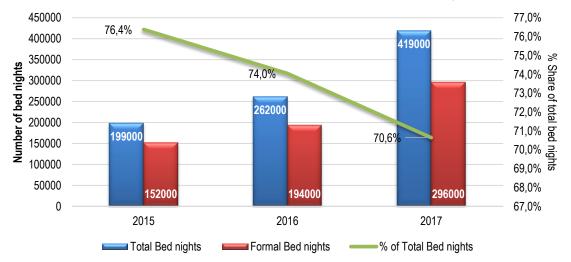


4.4. Bed nights and Average Length of Stay in the Western Cape

In 2017, Swedish travellers spent 419 000 bed nights in the Western Cape, of which 296 000 were spent in the *formal accommodation sector. The number in total bed nights increased by 59,9% and formal bed nights increased by 52,6% when compared to the 2016 figures.







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

5. Swedish Traveller Trends

5.1. Outbound travel trends

In 2019, a total of 16 279 700 Swedish international outbound trips were made with an expenditure value of SEK 134 million, which is expected to increase to SEK 150 million by 2024. Spain, Norway, Denmark, Germany, and United Kingdom were the top five outbound destinations for Swedish travellers in 2019 which accounted for 46,9% of all outbound trips.

Swedish outbound trips to South Africa accounted for 0,3% of all outbound trips in 2019. Other African destinations visited by Swedish travellers in 2019 included Egypt (0,8%), Kenya (0,6%), and Morocco (0,3%)

Swedish travellers have, on average, 38 days annual leave per year. Seasonality patterns indicate that they are most likely to travel during July and August. Of all outbound trips in 2019, 82,1% were for the purpose of leisure.

Outbound travel trips grew by 2,2% in 2019, rising disposable incomes, and record low interest rates are cited as factors encouraging more Swedes to travel abroad. Swedish travellers are seeking out sunny and exotic destinations to escape the dark autumn and winter months at home. Another trend that has emerged is urban destinations, trendy cities offering an abundance of designer shopping culture and nightlife, as well as food experiences have become popular amongst Swedish travellers.

5.2. Media consumption habits

Top Travel Resources for planning a trip
Search Engines
Online Ads
Mobile searches
Online travel videos

The 'Nordic Travel Study 2016' reveals that 81% of Swedish travellers use online tools at some point in their customer journey, 57% of travellers would use a search engine to explore a new destination and 43% of travellers have researched a destination, flight, hotel or vacation as a result of seeing an online ad.

Swedish travellers are inclined to use their mobile devices to answer immediate needs, however due to poor mobile experiences many are forced to switch to another device during the planning stage.

Online travel videos are a popular tool amongst Swedish travellers during the dreaming phase, with 35% of travel video watchers indicating that videos have inspired them to think about a new destination and 42% saying that videos have inspired them to think about planning a vacation. Of the Swedish travellers surveyed, 12% have watched a travel related video and 31% of travel video watchers said videos have influenced where they decided to travel.

Sources: Euromonitor International, Think with Google, 2020

6. Key Findings

- Swedish visitors travelling to South Africa are predominantly visiting for the purpose of holiday, visiting friends and relatives, and for Meetings, Incentives, Conferencing, and Events. They are most impressed with South Africa's scenery, wildlife, and the friendliness of people.
- In 2019, a total of 16 279 700 Swedish international outbound trips were made with an expenditure value of SEK 134 million, which is expected to increase to EUR 150 million by 2024.
- Most Swedish travellers typically travel to other European destinations. The USA was the most popular non-European destination for Swedish travellers over the period 2014 – 2019. Egypt, Kenya, Morocco, and South Africa were the most popular African destination for Swedish travellers and collectively accounted for 2,0% of outbound trips in 2019.
- Swedish travellers have, on average, 38 days annual leave per year. Seasonality patterns indicate that
 they are most likely to travel during July and August. Of all outbound trips in 2019, 82,1% were for the
 purpose of leisure, and 17,9% travelled for business.
- A significant portion of Swedish visitors to South Africa are business travellers (24,0%) and the relatively high rate of repeat travel suggests that there is an opportunity to expand the Bleisure offering.
- Swedish travellers are seeking out sunny and exotic destinations to escape the dark autumn and winter
 months at home. In addition, trendy cities offering an abundance of designer shopping culture and
 nightlife, as well as food experiences have become popular amongst Swedish travellers.
- In 2017, the Swedish market contributed R396 million to the Western Cape's economy making it the 7th most lucrative European source markets for the province.
- Swedish visitor arrivals to South Africa increased by 0,4% in 2018, however a decrease of -4,1% was
 recorded in the Western Cape which suggests that the 2017/18 drought may have impacted Swedish
 visitors' decision to travel to the province. After a sharp decline of -21,8% in Q1 of 2019, Swedish visitor
 arrivals rebounded, increasing by a significant 52,7% in Q3 2019 and 68,3% in Q4 2019 when
 compared to the same period in 2018.
- Swedish travellers are inclined to use their mobile devices to answer immediate needs, and tourism operators are encouraged to provide optimal mobile experiences to keep travellers engaged.
- Online travel videos are a popular tool amongst Swedish travellers during the dreaming phase, which
 inspires them to think about a new destination as well as planning a vacation. Online travel videos have
 an influence on where viewers decide to travel.

7. List of sources

- 1. South African Tourism
- 2. Euromonitor International
- 3. OAG Airline Passenger Traffic Analyser
- 4. Think with Google

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