Western Cape Regional Trends

WESGRO
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research

January – June 2019

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1. Methodology

- This report provides an overview of the tourism trends and patterns in the Western Cape. The findings will illustrate key visitor trends obtained from the regional visitor tracking survey.

- *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 <u>sample</u> 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:*** *<u>Tourist:</u> 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.*

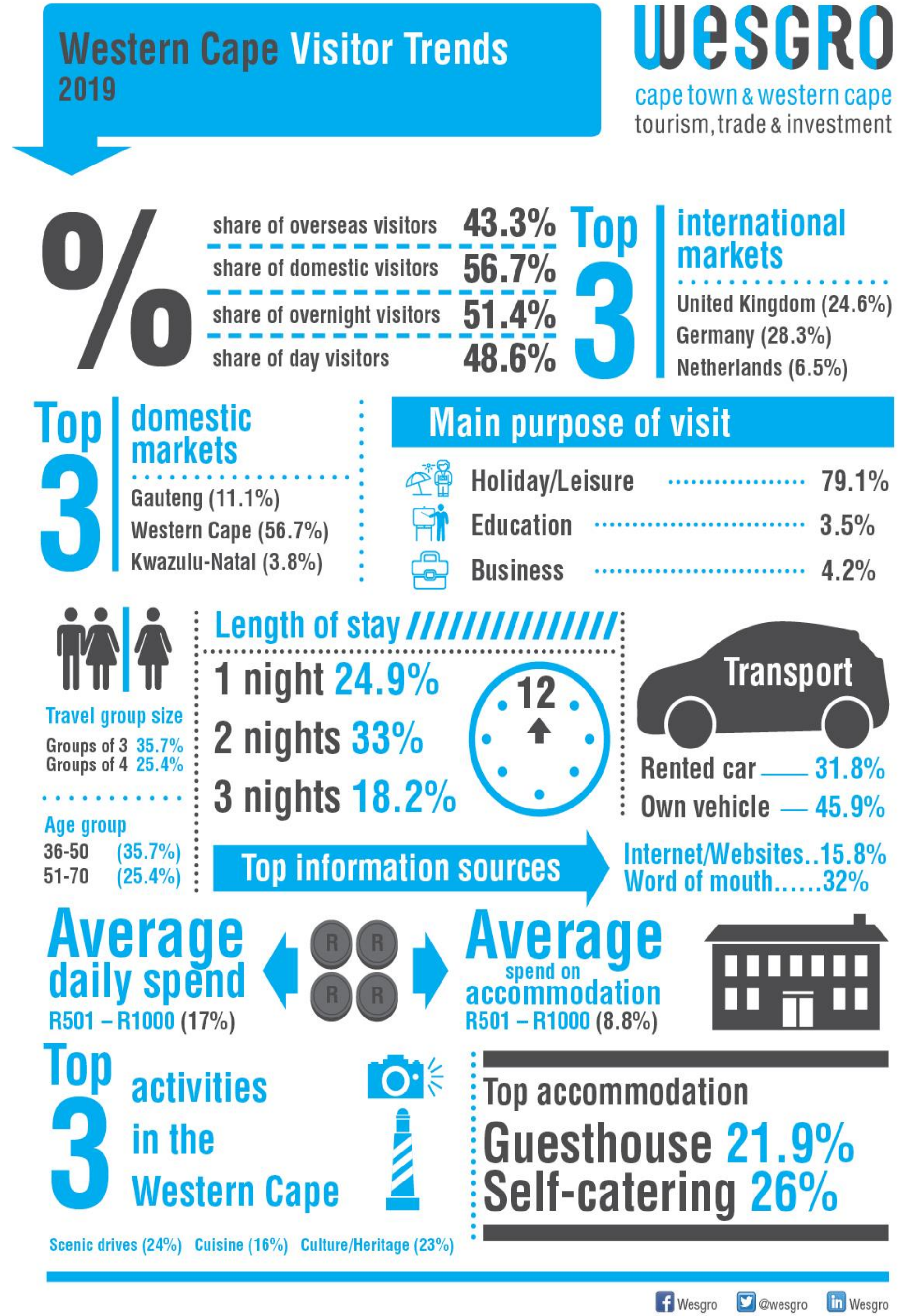
2. Participation and sample size

From January to June 2019, a total of **9,223** responses to the regional visitor tracking survey were received from the respective Tourism Offices in the Western Cape. The participating regions were:

Cape Garden Route	2306
Cape Karoo	471
Cape Overberg	873
Cape Town	367
Weskus	3254
Winelands	1952

3. Executive Summary

- The Western Cape is now well established as a tourist destination. The province attracted around 43.3% from the overseas market and 56.7% represented the domestic market.
- Germany (28.3%), the United Kingdom (24.6%) and Netherlands (6.5%) ranked as the top three international source markets across the regions of the Western Cape. These markets have proven to be the Western Cape's mainstay markets even throughout the winter months.
- Despite economic challenges, the Western Cape local market have remained resilient and continued to travel within their province. From Jan to Jun 2019, the Western Cape (56.7%) ranked as the leading domestic market, driven by leisure as their top motivation for travel.
- Visitor trends indicated in this study confirmed the solid demand for holiday/leisure travel in the Western Cape (79.1%), despite the winter months included in this review.
- Visitors who were recorded across the respective regions were primarily between the age groups of 36-50 and 51-70 years, 21-35 years followed as the third largest share of respondents.
- Travelling in groups of three (35.7%) ranked as the most prominent travel group, followed by 25.4% who travelled in groups of four.
- From Jan to Jun 2019, 51.4% of respondents indicated overnight stays in the province, while a share of 48.6% were day visitors. When taking a closer look at the trend in length in stay, visitors stayed on average one, two and three nights.
- Guesthouses, self-catering, B&Bs and hotels ranked as the top accommodation choices amongst travellers.
- According to the STR Global Hotel Performance, Cape Town (R1,169.76) and the Western Cape (R1,052.17) as a whole achieved the highest revenue amongst all provinces and top cities in the first half of 2019.
- The Western Cape Attractions received 4 229 835 visitors over the period January to June 2019. Visitor numbers show an overall decline of 3.6% over the same period in 2018. However, visitor numbers are on the rise with a 17.5% increase in June 2019 when compared to June 2018.



4. Western Cape Visitor Trends & Patterns

4.1 Origin of Visitors

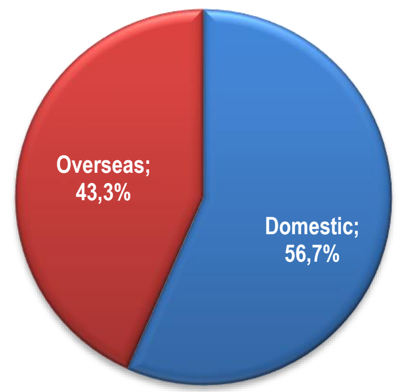
- The regional spread of visitors across the Western Cape reflected a share of 43.3% from the overseas and 56.7% from the domestic market.

- The Western Cape is now well established as a tourist destination. According to the South African Tourism national statistics, the Western Cape attracted around R1.7 million international tourists in 2018 and generated R16.3 billion in foreign spend. Regional trends in this report further indicated that travel has spread across the regions of the Western Cape.

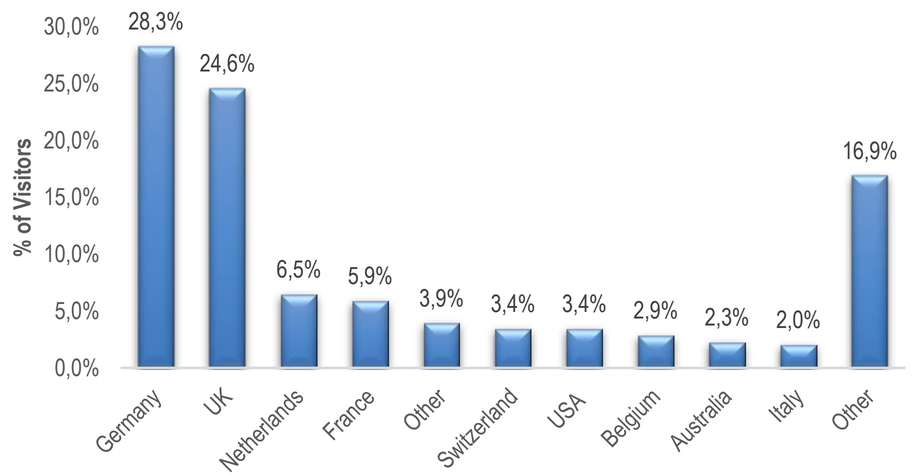
- Visitor trends in Jan – Jun 2019 reflected a steady flow from the top international markets; Germany (28.3%), the United Kingdom (24.6%) and Netherlands (6.5%). These markets have proven to be the Western Cape's mainstay markets even throughout the winter months.

- Despite economic challenges, the Western Cape local market have remained resilient and continued to travel within their province. In the first half of 2019, the Western Cape (56.7%) ranked as the leading domestic market, driven by leisure as their top motivation for travel.

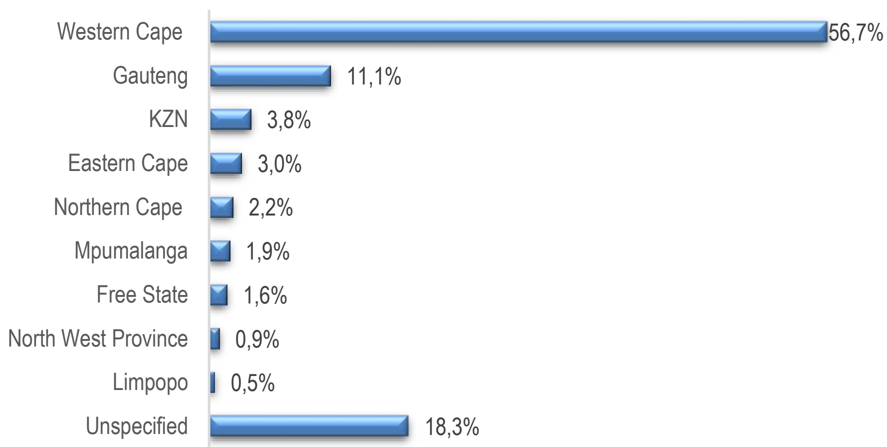
% SHARE OF OVERSEAS AND DOMESTIC VISITORS TO THE WESTERN CAPE, JAN - JUN 2019



TOP INTERNATIONAL SOURCE MARKETS TO THE WESTERN CAPE, JAN - JUN 2019

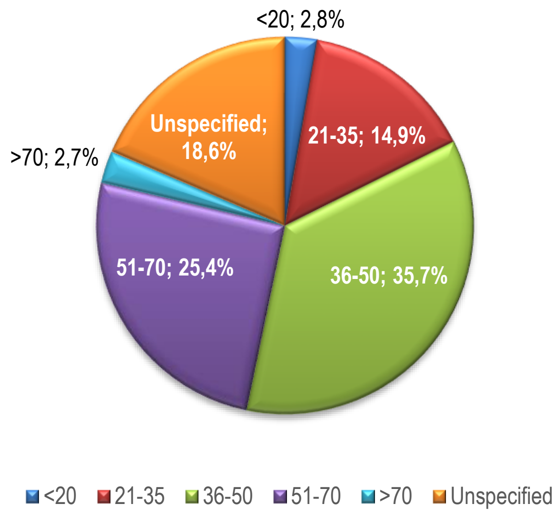


% SHARE OF DOMESTIC SOURCE MARKETS TO THE WESTERN CAPE, JAN - JUN 2019



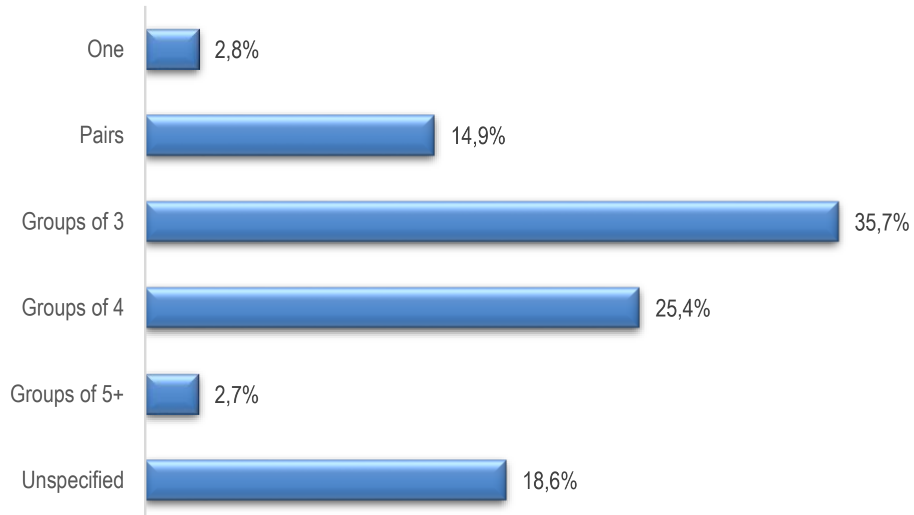
4. Western Cape Trends and Patterns

4.2 Age Profile of Visitors

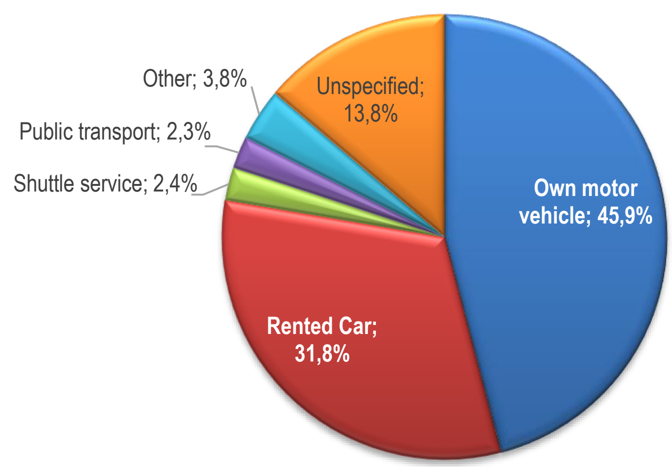


- The age groups 36-50 and 51-70 years emerged as the most common amongst visitors to the Western Cape. 21-35 years followed as the third largest share of respondents.
- Travelling in groups of 3 (35.7%) ranked as the most prominent travel group, followed by 25.4% who travelled in groups of 4.
- Own motor vehicles (45.9%) ranked as the top transport choice amongst visitors, followed by rented cars (31.8%) and shuttle service (2.4%).

4.3 Travel Group Size



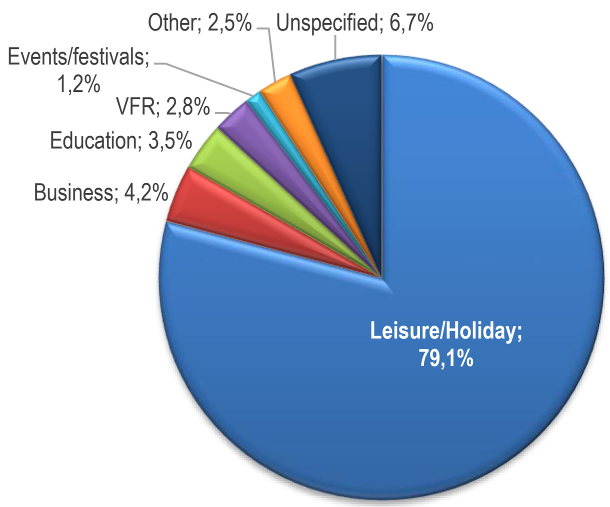
4.4 Mode of Transport



Other: Includes Tour bus, Mini bus taxi, Long distance bus, Motorbike, Metered taxi, Train

4. Western Cape Trends and Patterns

4.5 Main purpose of visit

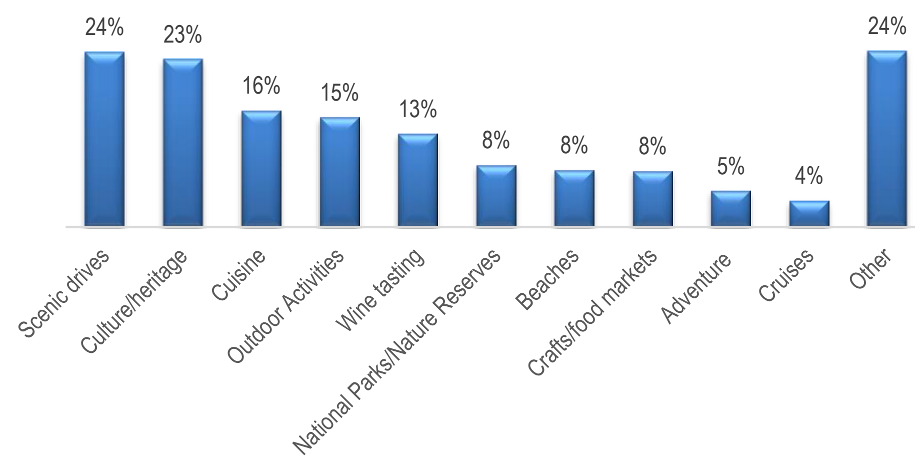


**Other: Includes travel for Seasonal/migrant work, Sport, Honeymoon/Weddings, Religion, and Medical/health (spa, surgery, wellness).*

- Holiday/leisure (79.1%) led as the top reason for travel to the province, followed by business travel (4.2%), Education (3.5%), and Visiting Friends/Relatives (2.8%).
- While the share of business travellers tracked during this study accounted for only 4.2%, national trends released by South African Tourism confirms the equally growing demand for business amongst overseas and domestic markets to the Western Cape.

4.6 Top activities undertaken in the Western Cape

- Scenic drives (24.0%), culture/heritage (23.0%) and outdoor activities (16.0%) ranked as the top three activities enjoyed by visitors to the Western Cape.
- The Western Cape government together with Wesgro have been mandated to develop key strategies for identifying niche markets. Plans are well advanced for establishing the Cape as the Cycling capital of Africa. Culture/heritage have recently also emerged as a priority niche tourism market for the province, with the launch of the Cradle of Human Culture Route with three anchor sites in the Western Cape.
- Additional plans also include growing Madiba Legacy Tourism, by establishing a Madiba Legacy Route and promoting the region as a Global Food and Wine destination. These niche tourism areas holds strong potential for growth and sustainable tourism for the Western Cape.

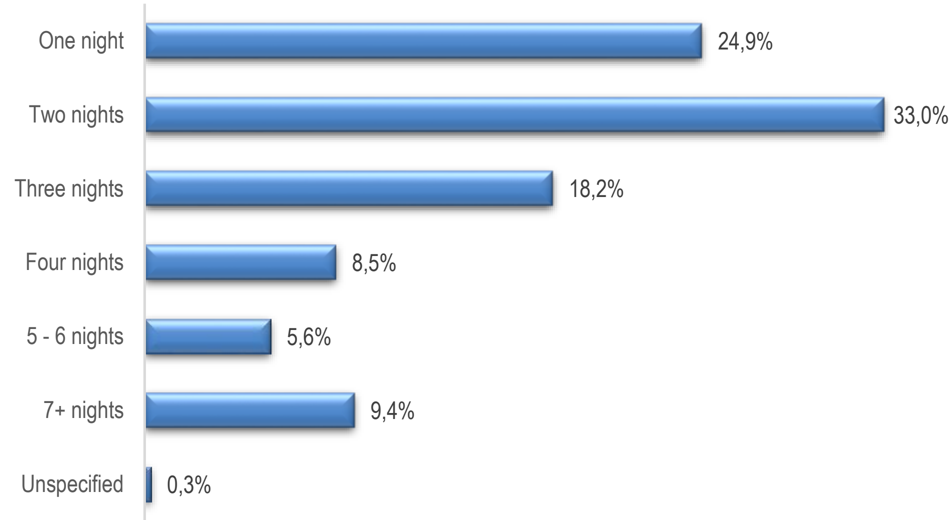


**Other: Includes Shopping, Business, Whale watching, Golf, Birding, Events, Game Reserves, Shark cage diving, Fishing, Health & wellness, Karoo Lamb (Cape Karoo Farms), Expos/exhibitions, Flowers, Cycling, Sporting events-participator/spectator, Ostriches, Nighlife/clubbing, Astro Tourism, Gambling.*

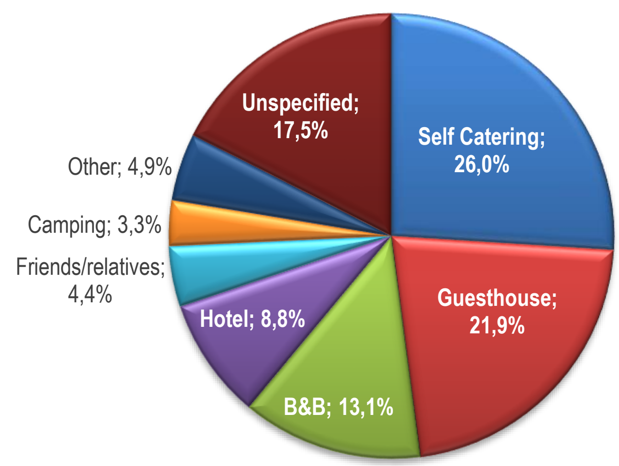
4. Western Cape Trends and Patterns

4.7 Overnight vs. Day Visitors

4.8 Average length of stay



4.9 Accommodation Usage

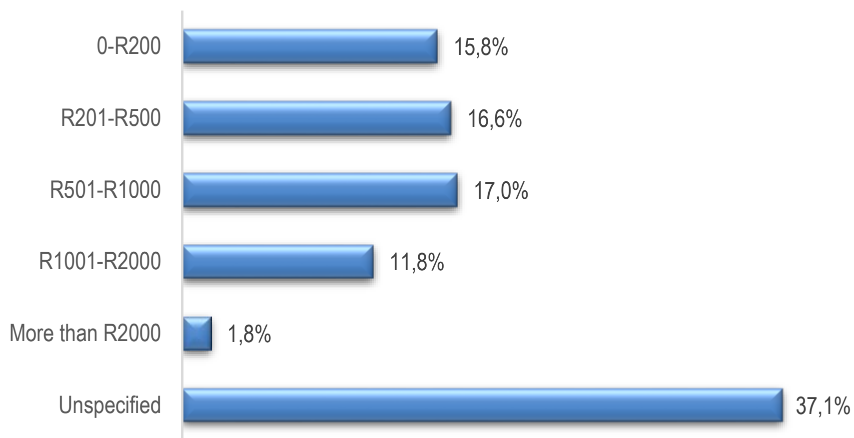


**Other: Includes backpackers, rented house/apartment/Air BnB, timeshare, second home/holiday house and golf estate.*

- Between January and June 2019, 51.4% of respondents indicated overnight stays in the province, while a share of 48.6% were day visitors. When taking a closer look at the trend in length in stay, visitors stayed on average one, two and three nights.
- This trend underlines the Western Cape's popularity in weekend getaways, as well as extended leisure holidays for up to a week and more (9.4%).
- Self-catering, Guesthouses, B&Bs and hotels ranked as the top accommodation choices amongst travellers. Of the respondents who indicated overnight stays, a share of 17.5% did not indicate their type of accommodation in the survey.

4. Western Cape Trends and Patterns

4.10 Average daily spend

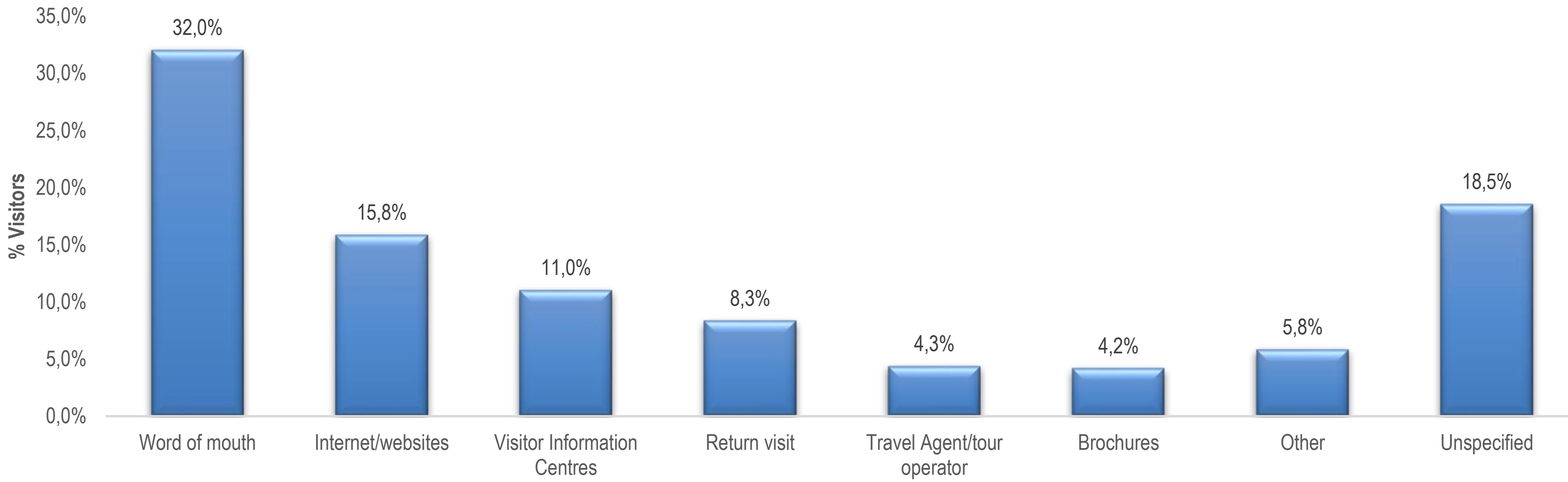


- On average, visitors spent between R501-R1000 (17.0%) per day in the Western Cape. R201-R500 (16.6%) followed as the second most common expenditure range, and 15.8% spent less than R200 per day. 37.1% of respondents did not indicate their average daily spend in the Western Cape.

- The share included in this study only represents a participative sample of travellers who entered through the tourism offices. However, national trends indicate that tourism is a very important sector for the Western Cape with huge growth and economic potential. In 2018, foreign tourist arrivals to the Western Cape translated into a total foreign spend of R16.3 billion, while the domestic market added an additional R1.9 billion to the economy.

- Word of mouth (32.0%) and internet/websites (15.8%) ranked as the top sources for obtaining information on the province. 8.3% of respondents were return visitors, a trend which indicates success in the Western Cape's marketing efforts.

4.11 Top Information Sources



**Other: Includes TV/Radio, books/magazines, newspapers and social media.*

5. Trends and patterns by region

OVERVIEW OF REGIONAL VISITOR TRENDS AND PATTERNS BY REGION, JAN – JUN 2019						
TOURISM INDICATOR	**Cape Town**	**Cape Garden Route & Klein Karoo**	**Cape Winelands**	**Weskus**	**Cape Karoo**	**Cape Overberg**
% Share overseas	32.3%	57.3%	45.3%	27.8%	8.7%	57.8%
% Share domestic	67.7%	42.7%	54.7%	72.2%	91.3%	42.2%
% Share of overnight visitors	97.8%	74.8%	19.4%	43.9%	31.8%	79.7%
% Share of day visitors	2.2%	25.2%	80.6%	56.1%	68.2%	20.2%
Top international markets	Germany (14.4%) UK (10.0%) France (10.0%)	Germany (32.2%) UK (21.6%) France (6.6%)	Germany (32.4%) UK (30.4%) Netherlands (6.9%)	Germany (23.1%) UK (22.4%) Netherlands (8.5%)	UK (26.8%) USA (12.2%) France (9.8%)	UK (35.6%) Germany (30.7%) Spain (4.4%)
Top domestic markets	Western Cape (38.5%) Gauteng (23.1%) Limpopo (7.7%)	Western Cape (29.9%) Gauteng (9.0%) Eastern Cape (6.1%)	Western Cape (43.4%) Gauteng (5.2%) KZN (1.5%)	Western Cape (74.1%) Gauteng (12.2%) KZN (3.9%)	Western Cape (43.0%) Gauteng (25.8%) KZN (7.9%)	Western Cape (73.6%) Gauteng (9.0%) KZN (9.0%)
Main purpose of visit	Holiday/Leisure (92.1%) Business (3.5%)	Holiday/Leisure (81.9%) Business (4.8%)	Holiday/Leisure (72.8%) Education (4.0%)	Holiday/Leisure (79.7%) Education (4.5%)	Holiday/Leisure (76.2%) Business (11.7%)	Holiday/Leisure (79.6%) VFR (7.1%)
Age profile of visitors	-	36 – 50 (29.0%)	36 – 50 (45.3%)	36 – 50 (41.1%)	51 – 70 (32.1%)	36 – 50 (28.8%)
Most common travel group size	- -	Groups of 3 (29.0%) Groups of 4 (17.0%)	Groups of 3 (45.3%) Groups of 4 (37.5%)	Groups of 3 (41.1%) Groups of 4 (26.5%)	Groups of 4 (32.1%) Groups of 3 (31.4%)	Groups of 3 (28.8%) Groups of 4 (23.5%)
Most common length of stay	7+ nights (40.4%) 5 – 6 nights (17.3%)	2 nights (40.7%) 1 night (25.5%)	2 nights (50.0%) 3 nights (18.5%)	2 nights (29.0%) 3 nights (27.7%)	2 nights (44.0%) 1 night (30.7%)	1 night (55.6%) 2 nights (21.6%)
Most common mode of transport	Public transport (31.1%) Tour bus (24.0%) Shuttle service (15.3%)	Rented Car (38.1%) Own vehicle (30.4%)	Own vehicle (55.1%) Rented Car (40.8%)	Own vehicle (52.4%) Rented Car (22.9%)	Own vehicle (79.4%) Rented Car (10.8%)	Rented Car (47.3%) Own vehicle (40.8%)
Top information sources	Word of mouth (36.0%) Internet (15.0%)	Internet (26.2%) Travel Agent (11.1%)	Word of mouth (72.7%) Internet (12.6%)	VIC's (24.9%) Word of mouth (17.1%)	Word of mouth (44.8%) Internet (15.9%)	Word of mouth (53.6%) Return visit (15.5%)
Average daily spend	-	R501 – R1000 (22.7%)	R0 – R200 (27.9%)	R201 – R500 (21.9%)	R0 – R200 (38.6%)	R501 – R1000 (36.8%)
Type of accommodation	-	Self Catering (27.6%) Guesthouse (26.1%)	Guesthouse (29.4%) Self Catering (19.8%)	Self Catering (35.1%) Guesthouse (26.2%)	Guesthouse (22.7%) Hotel (16.0%)	Self Catering (18.8%) Hotel (9.0%)
Top three activities undertaken	Outdoor Activities (40.3%) Scenic drives (28.3%) National Parks (26.7%)	Scenic drives (22.0%) Culture/Heritage (21.6%) Beaches (12.8%)	Culture/Heritage (29.8%) Wine tasting (25.9%) Outdoor Activities (17.5%)	Scenic drives (25.9%) Culture/Heritage (17.9%) Cuisine (17.9%)	Culture/Heritage (59.0%) Crafts/food markets (25.9%) Karoo Lamb (19.3%)	Scenic drives (44.6%) Cuisine (39.3%) Outdoor Activities (36.1%)

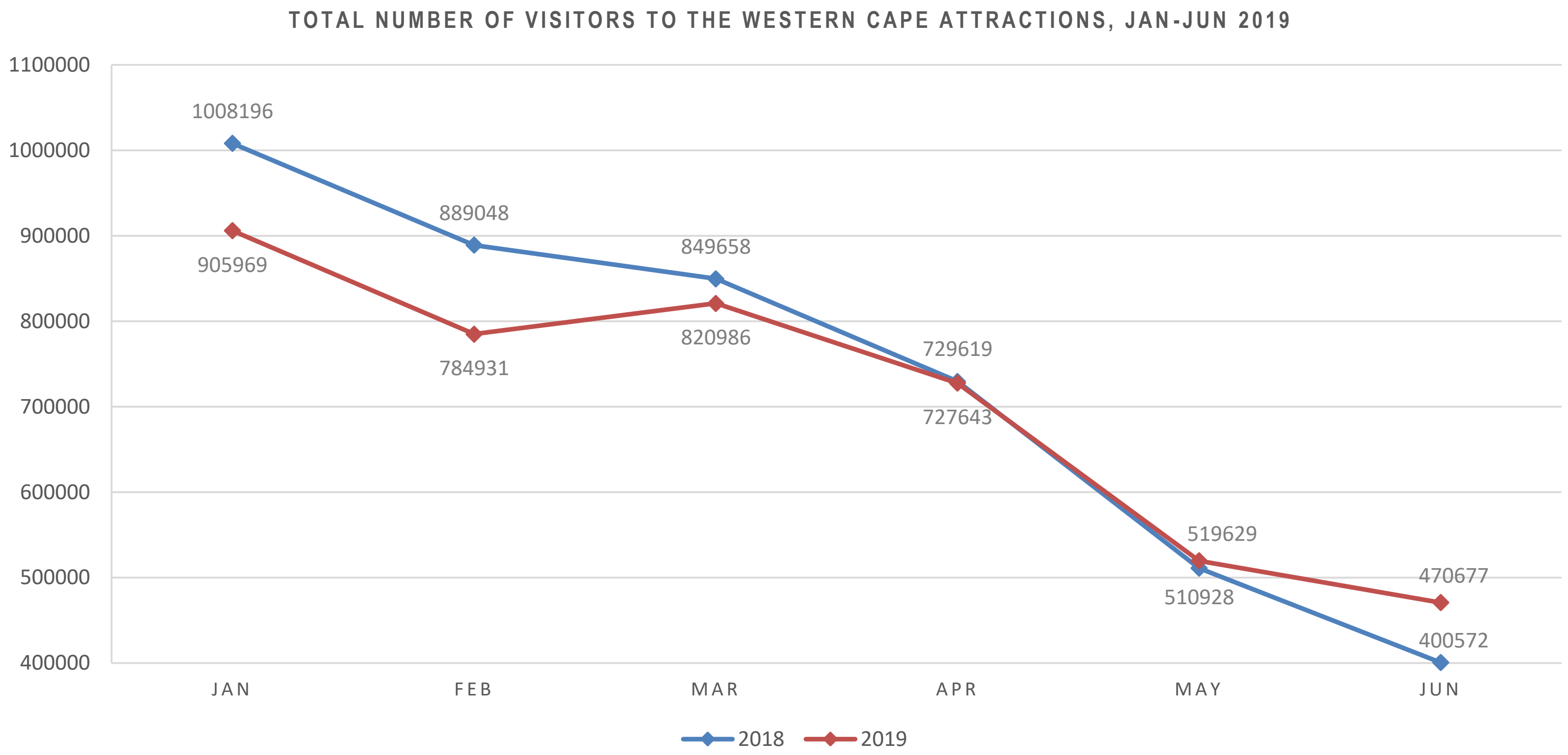
Notes: Blank cells indicate that the sample was not big enough for a valid statistical interpretation.

6. Performance of Western Cape Attractions

TOTAL NUMBER OF VISITORS BY PARTICIPATING REGIONAL ATTRACTION, JAN – JUN 2019			
ATTRACTIONS	Jan – Jun 2018	Jan – Jun 2019	17/18 % Change
Cape Town			
Kirstenbosch Botanical Gardens	446,079	460,857	3.3%
Robben Island	139,677	151,354	8.4%
Table Mountain National Park	1,631,114	1,556,527	-4.6%
Table Mountain National Park: Boulders	433,195	402,847	-7.0%
Table Mountain National Park: Cape of Good Hope	537,191	532,578	-0.9%
Table Mountain Aerial Cableway	577,693	565,050	-2.2%
Cape Overberg			
Cape Agulhas Lighthouse	15,777	15,614	-1.0%
Agulhas National Park	18,345	17,957	-2.1%
Bontebok National Park	9,473	9,822	3.7%
De Hoop Nature Reserve	12,349	7,382	-40.2%
De Mond Nature Reserve	3,972	4,012	1.0%
Harold Porter National Botanical Gardens	28,367	20,162	-28.9%
Kogelberg Nature Reserve	5,216	2,920	-44.0%
Stony Point	40,772	32,352	-20.7%
Garden Route & Klein Karoo			
Cango Caves	115,631	107,045	-7.4%
Wilderness National Park	52,834	56,096	6.2%
Tsitsikamma National Park	171,192	150,575	-12.0%
Weskus			
West Coast National Park	123,431	112,239	-9.1%
!Khwattu	7,939	8,360	5.3%
Old Jail	2,099	1,996	-4.9%
Cape Karoo			
Karoo National Park	15,675	14,090	-10.1%

6. Performance of Western Cape Attractions

- The Western Cape Attractions received 4 229 835 visitors over the period January to June 2019.
- Visitor numbers show an overall decline of 3.6% over the same period in 2018. However, visitor numbers are on the rise with a 17.5% increase in June 2019 when compared to June 2018.
- Over the Jan – Jun 2019 period, January, February, and March, saw the highest recorded visitor numbers, which coincides with Cape Town's high season period.



Source: SANParks 2019

7. Benchmarking the Western Cape's Hotel Sector

- STR Global Hotel Performance in Jan – Jun 2019 reflected an upward trend in occupancy levels when compared to the same period in 2018, particularly in the Cape Town 5 Stars category with a 7.1% increase year on year. This indicates that the effects of the water crisis in 2018 is easing and visitors are once again making their way to the province.

- On a provincial and city level, Cape Town (R1,169.76) and the Western Cape (R1,052.17) as a whole achieved the highest revenue amongst all provinces and top cities in Jan – Jun 2019.

- A positive year-on-year growth was recorded in the average daily rate achieved amongst all regions in the Western Cape.

AVERAGE REVPAR BY PROVINCE, JAN – JUN 2019		AVERAGE REVPAR BY CITY, JAN – JUN 2019	
South Africa	R760,01	Port Elizabeth	R546,57
Northern Cape	R438,30	Durban	R575,85
Eastern Cape	R573,14	**Cape Town**	**R1 169,76**
Limpopo	R453,68	East Rand	R610,92
Free State	R522,32	Pretoria & Surrounds	R499,05
KwaZulu Natal	R660,49	Sandton	R769,67
Mpumalanga	R543,63	Johannesburg	R523,64
Western Cape	**R1 052,17**		
Gauteng	R643,81		
North West	R875,40		

Year to Date: January – June 2019 vs January – June 2018									
Region/City	Occ %		ADR		RevPAR		Percent Change from YTD 2018		
	2019	2018	2019	2018	2019	2018	Occ	ADR	RevPAR
Western Cape	63,1	62,9	1 666,34	1 638,83	1 052,17	1 031,12	0,4	1,7	2,0
Cape Town	64,2	62,7	1 822,79	1 802,01	1 169,76	1 129,29	2,4	1,2	3,6
Cape Town 5 Stars	68,2	63,7	3 291,08	3 263,06	2 245,92	2 078,89	7,1	0,9	8,0
Cape Town 4 Stars	63,3	62,0	1 421,85	1 411,80	900,67	875,09	2,2	0,7	2,9
Cape Town 3 Stars	62,9	65,8	1 043,84	1 031,17	656,31	678,38	-4,4	1,2	-3,3
Northern Cape Town	66,4	69,9	1 016,72	1 006,22	674,74	703,63	-5,1	1,0	-4,1
Winelands	58,0	60,5	1 664,93	1 592,03	965,81	963,22	-4,1	4,6	0,3
Garden Route	54,7	57,1	1 338,94	1 329,52	731,78	759,18	-4,3	0,7	-3,6

Notes: STR Global Hotel data provides a high-level overview of occupancy (OCC), average daily rate (ADR) and revenue per available room (RevPAR) for key geographical areas within SA.

Source: STR Global, 2019

8. Acknowledgements

Acknowledgements and many thanks go to the following for supplying the data which made this publication possible and whose continued and unwavering support will sustain the forthcoming issues.

The participating local tourism offices in the following regions:

Cape Garden Route & Klein Karoo
Cape Karoo
Cape Overberg
Cape Town
Weskus
Cape Winelands

The participating attractions in Cape Town and the Western Cape:

Kirstenbosch National Botanical Gardens
Robben Island
Table Mountain National Park: Boulders
Table Mountain National Park: Cape of Good Hope
Table Mountain Aerial Cableway
Cape Agulhas Lighthouse
Harold Porter National Botanical Gardens
Kogelberg Nature Reserve
Stony Point
Cango Caves
West Coast Fossil Park
!Khwattu
Old Jail

The following South African National Parks in the Western Cape:

Agulhas National Park
Bontebok National Park
Karoo National Park
Table Mountain National Park
Tsitsikamma National Park
West Coast National Park
Wilderness National Park