



Western Cape Destination Performance Report:

International Market: 2020



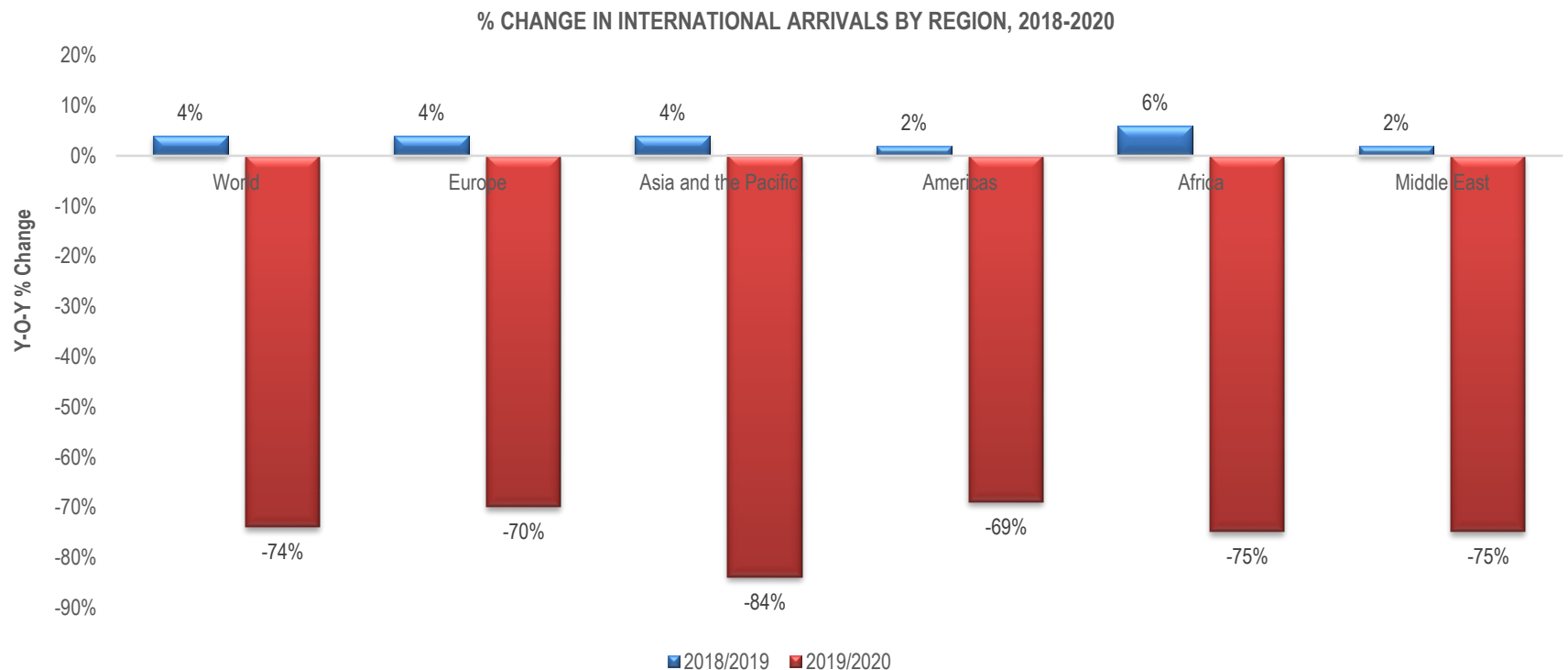
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1. Global Outlook:

- The COVID-19 pandemic has caused a complete collapse in global travel in 2020, which resulted in an estimated loss of USD 1.3 trillion in export revenue. The United Nations World Tourism Organization (UNWTO) reports that the pandemic has placed at least 100 million direct tourism jobs at risk.
- International tourist arrivals (overnight visitors) declined by 74% over the period January - December 2020 when compared to the same period in 2019. This massive decline comes because of the dramatic fall in demand and worldwide travel restrictions.
- Asia and the Pacific, the first region to experience the impact of the pandemic, saw the biggest decline in arrivals (-84%), followed by the Middle East and Africa (both -75%).
- Stricter travel restrictions, safety concerns associated with travel, and the evolving nature of the pandemic were some of the factors that have caused a disruption in tourism in 2020. The gradual rollout of a COVID-19 vaccine is expected to help rebuild consumer confidence and ease travel restrictions.



2. South Africa: National Tourism Performance:

- Foreign tourist arrivals to South Africa reached 2.8 million in 2020, a decrease of -72.4% when compared to 2019. The sharp decline in tourist arrivals was largely due to the impact of COVID-19 which resulted in international border closures and a subsequent lockdown period in South Africa.
- In spite of the sudden halt in travel, Africa continued to rank as South Africa's largest source market in 2020 with more than 70% of international trips taken from the rest of Africa. Europe ranked as the second largest source market and accounted for 15.9% of all tourists arrivals into the country.
- The main purpose of visit trends revealed two clear segments in 2020, the first segment identified the SADC tourist market which mainly travelled to South Africa to visit friends and family. The second visitor segment included Europeans and Americans who mainly travelled to South Africa for holiday. The business traveller segment were highest amongst tourists from Africa Air markets and Asia.
- By age group, travel behaviour indicates that most of the young visitors (18-24 years) travelled to South Africa to visit friends and relatives, while the 60+ and 51-60 year tourists mainly visited the country for holiday.

International Tourism Indicators: South Africa	2017	2018	2019	2020	19/20 y-o-y % change
Total number of tourist arrivals	10.3 million	10.5 million	10.2 million	2.8 million	-72.4%
Total foreign direct spend (excl capital expenditure) from tourists	R80.7 billion	R82.5 billion	R81.2 billion	22.3 billion	-72.5%
Total number of bed nights spent by tourists	120.6 million	118.1 million	112.3 million	34.9 million	-68.9%
Average spend in South Africa per foreign tourist	R8,400	R8,300	R8,373	R8,415	+0.5%
Average length of stay of tourists visiting South Africa	12.2 nights	11.7 nights	11.4 nights	11.0 nights	-4.1%

3. Provincial Tourism Performance:

Of all nine
provinces, the
Western Cape
ranked:



TOP in the average length of stay: 14.5 nights
SECOND in total bed nights: 6.2 million
SECOND in Total Foreign Direct Spend: R4.5 billion
FOURTH in tourist arrivals: 442 437

PROVINCIAL TOURISM PERFORMANCE, 2020				
Province	International Tourist Arrivals (millions)	Total Foreign Direct Spend (billions)	Bed nights (millions)	Length of stay (nights)
Gauteng	920 874	R6.8	9 412 568	10,5
Western Cape	442 437	R4.5	6 224 650	14,5
Eastern Cape	110 231	R0.9	1 311 242	12,3
Kwazulu Natal	223 127	R1.5	2 034 157	9,4
Mpumalanga	465 508	R3.2	4 426 471	9,8
Limpopo	609 516	R1.2	1 713 332	2,9
North West	144 950	R0.7	980 276	7,0
Northern Cape	47 887	R0.2	230 375	5,0
Free State	310 965	R2.5	3 500 453	11,6

Source: SA Tourism, 2021

4. Western Cape Tourism Performance:

The Western Cape accounted for 15.8% of all international tourist arrivals to South Africa and received 20.2% of South Africa's tourist's spend. In addition, the Western Cape held 17.8% of South Africa's bed nights recorded in 2020.

Western Cape Performance Indicators	2016	2017	2018	2019	2020
Total number of tourist arrivals	1,6 million	1,7 million	1.7 million	2.0 million	0.4 million
% Share of South Africa's arrivals	15.6%	16.8%	16.5%	19.6%	15.8%
Total foreign direct spend (excl capital expenditure)	R18.1 billion	R23.1 billion	R16.3 billion	R18.6 billion	R4.5 billion
% Share of South Africa's spend	23.9%	28.6%	19.8%	22.9%	20.2%
Total number of bed nights spent by tourists	16,7 million	23,3 million	23.3 million	25.7 million	6.2 million
% Share of South Africa's bed nights	18.9%	19.3%	19.7%	22.9%	17.8%
Length of stay	11.1 nights	14.1 nights	13.9 nights	13.4 nights	14.5 nights

Source: SA Tourism, 2021

5. Top 10 Source Markets to the Western Cape:

As seen in the 2020 tourist numbers below, the Western Cape's international market was hit hard by the effects of the global COVID-19 pandemic. Declines were recorded amongst all top markets to the province. However, looking ahead into 2021, the tourism sector has started to recover, though at a slow pace. International travel advice and restrictions has also played a major role in the confidence of tourists to travel abroad.

South Africa is also facing many challenges with being listed as a high risk country. In spite of the countless barriers, Wesgro's Air Access team confirmed a number of international airlines which has recently resumed services to Cape Town: These include- Singapore Airlines - twice per week, from 01 July 2021 and Emirates - 3 times per week, from 12 August 2021. British Airways intends to return to the City from 01 November 2021 with a planned daily service between Cape Town and London Heathrow (CPT-LHR).

Recovery is set to continue with the incremental addition of flight frequencies and the re-introduction of carrier routes as travel restrictions are relaxed in major source markets. Improvement will further be seen as both domestic and international markets vaccination rates increase together with the return of international carriers to Cape Town.

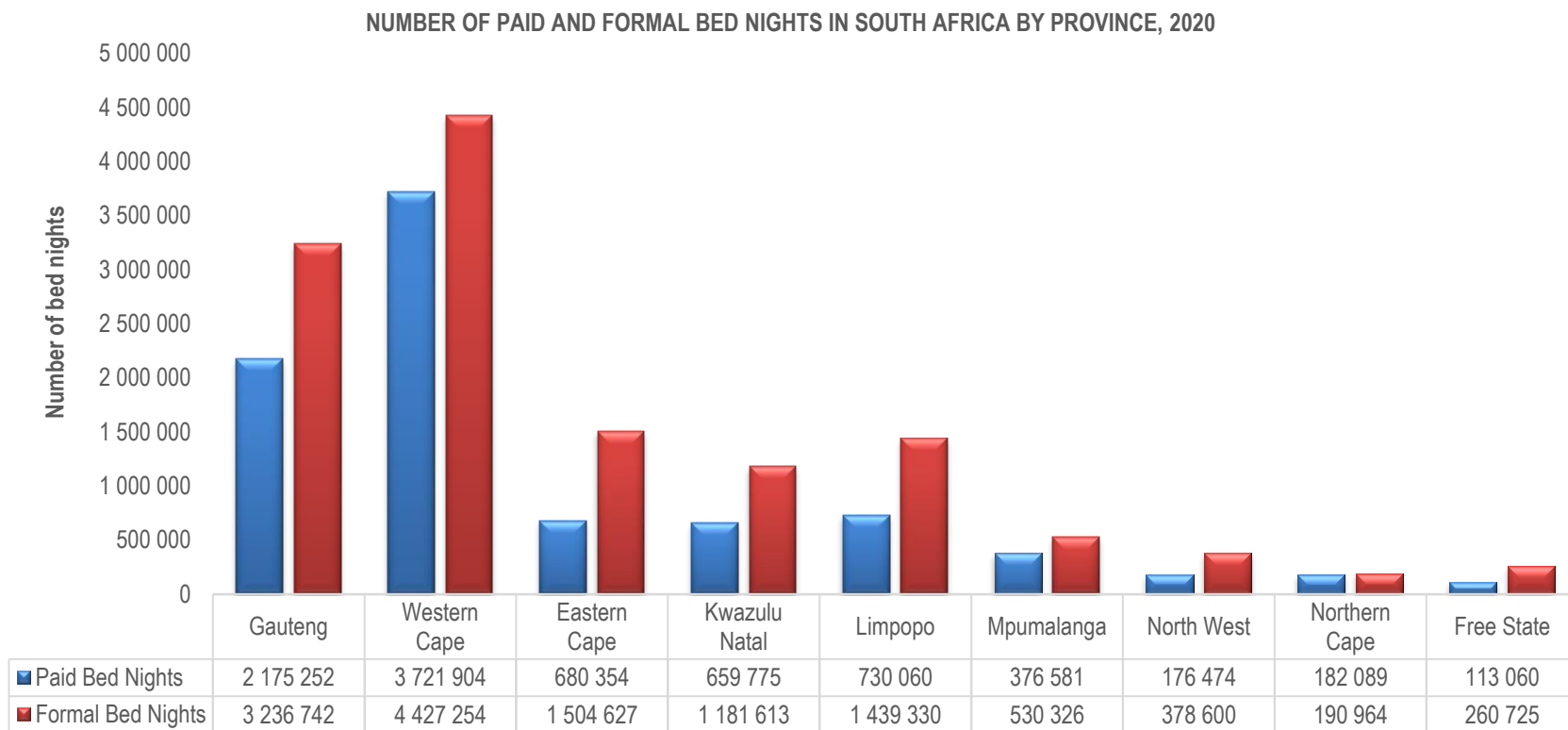
TOP 10 SOURCE MARKETS TO THE WESTERN CAPE, 2017-2020						
Ranking	Markets	2017	2018	2019	2020	19/20 % Change
1	United Kingdom	259 188	173 847	194 900	76 646	-73,5%
2	Germany	210 699	129 630	129 248	64 438	-72,0%
3	United States	192 465	122 579	134 561	37 460	-83,2%
4	Namibia	120 477	90 070	74 734	27 709	-73,4%
5	France	98 978	64 258	62 404	23 429	-74,8%
6	Netherlands	86 527	50 401	51 480	18 440	-78,7%
7	Brazil	42 281	45 446	25 843	12 872	-80,1%
8	Lesotho	23 876	28 987	32 077	12 006	-75,0%
9	Switzerland	42 910	36 493	24 869	10 061	-78,8%
10	Canada	43 584	37 774	24 368	10 074	-79,0%

Source: SA Tourism, 2021

6. Economic Contribution of Bed Nights in the Western Cape:

In 2020, the Western recorded the highest number in paid as well as formal bed nights amongst all provinces. Formal bed nights referred to in this report includes accommodation at hotels, B&Bs, guesthouses, self-catering, game lodges and backpackers.

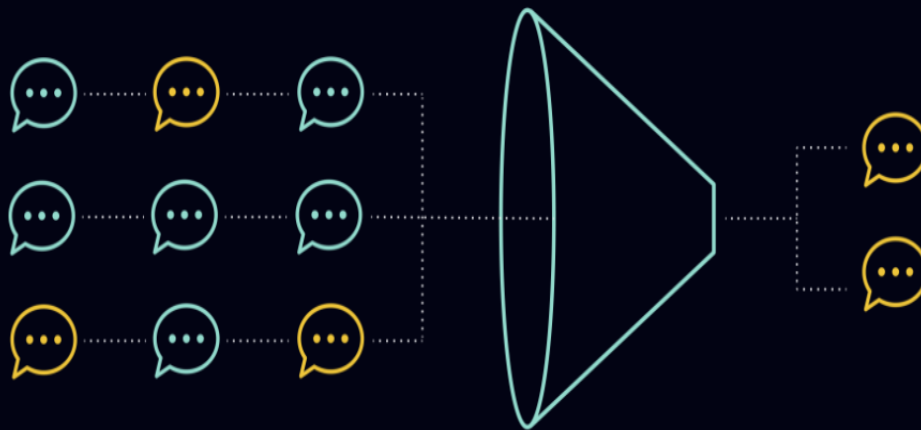
In spite of the challenging economic environment, the Western Cape's accommodation sector benefited from the easing of travel restrictions and the gradual increase in international travel to the province.



7. Tourism Sentiment in the Western Cape: 2020

- In 2021 Wesgro attained the Tourism Sentiment Index (TSI) data package which provides a **Tourism Sentiment Score®** for Cape Town and the Western Cape. The data package also provides specific insight into a **COVID-19 Crisis Index**.
- The sentiment score is a consolidated measure of a destination's ability to generate positive word of mouth about its tourism offering in real time. It focuses solely on online conversations that reference or affect a potential traveller's perceptions.

ESSENTIAL DATA IN REALTIME



TOURISM SENTIMENT SCORE® is a consolidated measure of a destination's ability to generate positive word of mouth about its tourism offering. It focuses solely on online conversations that reference or affect a potential traveller's perceptions of a destination's tourism offering.

GATHERS DATA FROM

500k+

online, peer-to-peer
communication platforms

CURRENTLY TRACKS

19,500+

global destinations

AGGREGATES DATA FROM

1m+

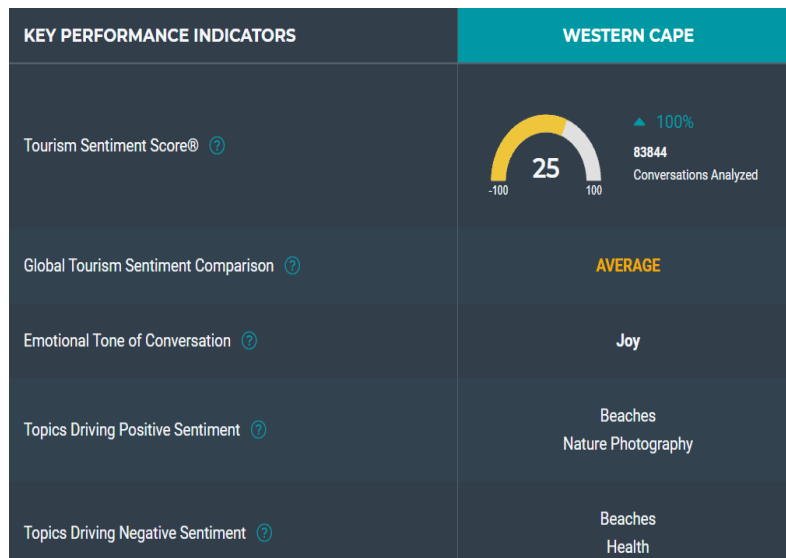
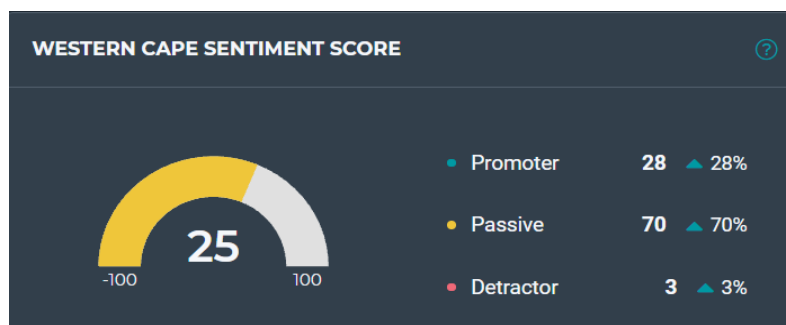
peer-to-peer, online
conversations

RELIES ON

**unprompted
and unbiased**

7. Tourism Sentiment in the Western Cape: 2020

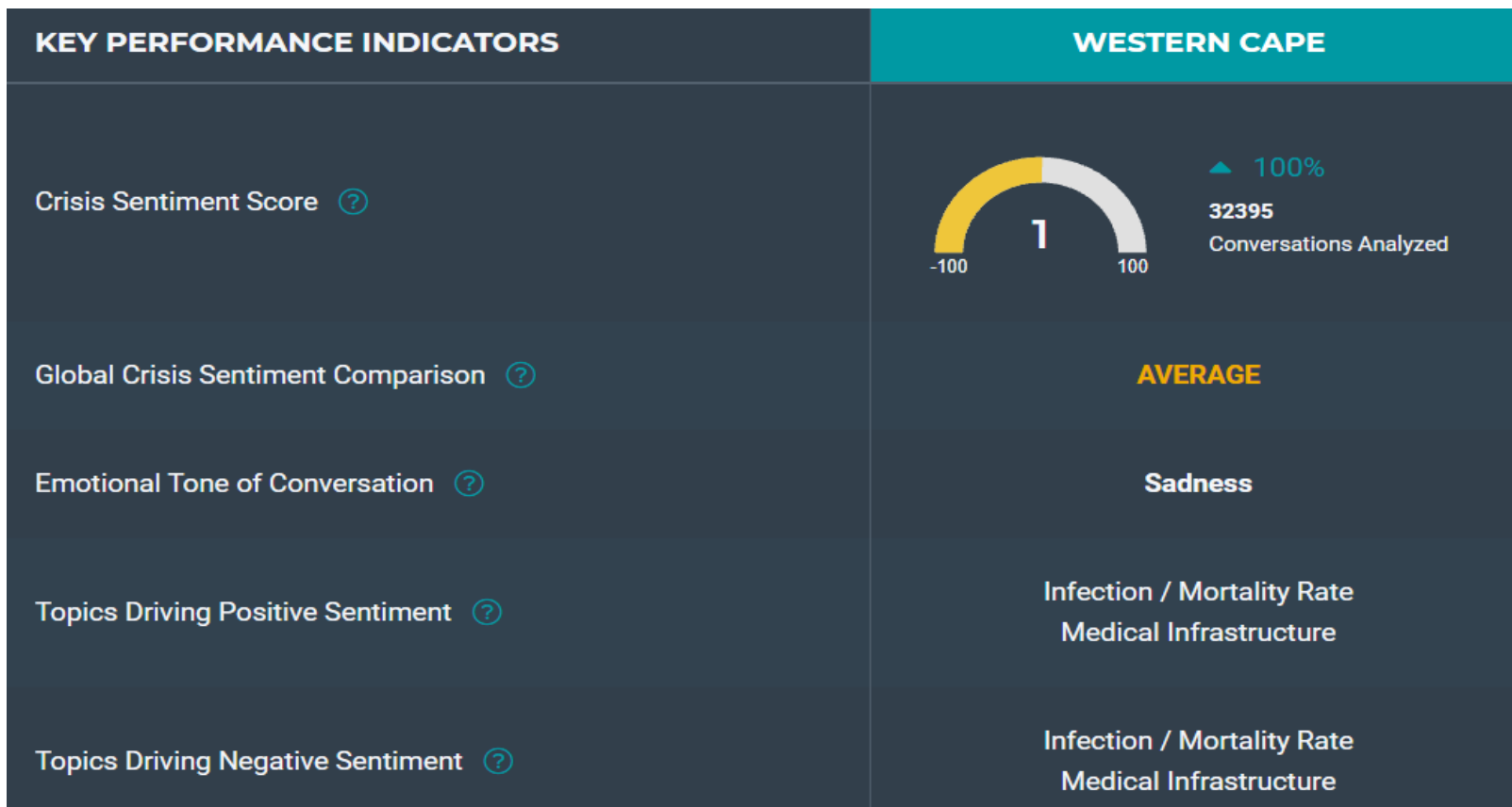
- The Western Cape's Tourism Sentiment score indicated below is for the January to December 2020 period and is considered average at 25, compared to the rest of the world. 28% of online conversations were actively recommending or speaking positively about the province and 3% were discouraging or speaking negatively. The remaining (70%) spoke about the Western Cape from an indifferent or passive point of view.
- The Tourism Sentiment in the Western Cape was driven by positive conversations around beaches and nature photography. Beaches also emerged amongst the topics driving negative sentiments, followed by topics around health.
- The top three sentiment categories that emerged for the Western Cape were outdoor activities, destination services and relaxation/wellness. As depicted in the figure below, conversations around all sentiment categories were positive, and destination services ranked the highest at 34.



		WESTERN CAPE		
CATEGORIES	VOLUME COMPARISON	Volume	Emotion	Sentiment
Outdoor Activities	<div><div></div></div>	30% ▲ 30%	Joy	25 Average
Destination Services	<div><div></div></div>	16% ▲ 16%	Joy	34 High
Relaxation + Wellness	<div><div></div></div>	13% ▲ 13%	Joy	33 Average
Food + Culinary	<div><div></div></div>	12% ▲ 12%	Joy	27 Average
Access + Transportation	<div><div></div></div>	11% ▲ 11%	Joy	10 Average
Amenities + Entertainment	<div><div></div></div>	8% ▲ 8%	Joy	25 Average
Culture + History	<div><div></div></div>	6% ▲ 6%	Joy	19 Average
Safety	<div><div></div></div>	4% ▲ 4%	Joy	11 Average

8. Tourism Sentiment Index: COVID-19 Crisis Index 2020

- At a glance, the below summary provides an indication of the state of the Western Cape as it relates to the COVID-19 crisis in the year 2020.
- Over 32,000 online conversations were analysed for the Western Cape and the global crisis sentiment comparison was considered average at 1. Of all online conversations, 12% actively promoted the Western Cape, 10% of conversations were negative and 77% held a passive tone.
- The overall emotional tone of conversations for the Western Cape was sadness. Both the positive and negative sentiments were specifically centered around conversations on infection, mortality rate and medical infrastructure.



8. Tourism Sentiment Index: COVID-19 Crisis Index 2020

- By understanding what drives the conversations around COVID-19, tourism marketers in the Western Cape can learn which perceptions is top of mind amongst their audiences.
- The figure depicted below indicates the strengths of the Western Cape and where it faced challenges as a tourism destination in 2020.
- The highest volume of conversations were centered around Health Services in the Western Cape (61%). Travel was the second most common online conversation and revealed a positive emotion (Joy) amongst audiences. Businesses held the third largest volume in conversations and recorded a joyful tone.

		WESTERN CAPE		
CATEGORIES	VOLUME COMPARISON	Volume	Emotion	Sentiment
▲ Health Services		61% ▲ 61%	Sadness	-3 Average
▲ Travel		11% ▲ 11%	Joy	12 Average
▲ Businesses		9% ▲ 9%	Joy	6 Average
▲ Society		8% ▲ 8%	Sadness	5 Average
▲ Government / Politics		8% ▲ 8%	Sadness	-4 Average
▲ Finance / Economics		4% ▲ 4%	Sadness	8 Average