



Wine Tourism in the Western Cape

WesGRO
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research

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Executive summary

- The information in this report is based on a survey that was completed by 40 tour operators, representing more than 19 000 itineraries per year in the Western Cape.
- All the operators interviewed currently operate in the tourism industry, thus making the findings in the report a credible representation of market conditions in the niche segment of wine tourism at present.
- The survey consisted of 15 closed and open-ended questions. The tour operators (respondents) completed the survey in their own time through an online platform.
- Noticeable trends include increased interest in alternative wine routes, especially in the Hermanus and Swartland areas, where in previous years Franschhoek and Stellenbosch were most popular.
- The majority of wine enthusiasts are older and typically travel in smaller groups. However, per capita spending per tourist is relatively high compared to other tourist groups making it a very attractive target market.
- The research illustrates that there is significant growth potential in wine tourism for the Western Cape, especially when paired with other activities that have regional appeal.



Background to wine in South Africa

- South Africa is the 8th largest producer of wine globally and ranked 12 in terms of surface area under vines.
- Currently, around 95 775ha of vines producing wine grapes are under cultivation over an area some 800km in length.
- The top 10 South African fine wine producers according to the 2017 South African Wine Index (SAWi) Awards:
 - KWV
 - Kleine Zalze Wines
 - Saronsberg
 - Groot Constantia Estate
 - Sadie Family Wines
 - Cederberg Private Cellar
 - Hamilton Russell Vineyards
 - Bouchard Finlayson
 - De Morgenzon
 - La Motte

WINEGROWING AREAS OF SOUTH AFRICA

WESTERN CAPE

COASTAL REGION Districts:

- SWARTLAND
- STELLENBOSCH
- TYGERBERG
- CAPE POINT
- CONSTANTIA (Ward)
- TULBAGH
- PAARL
- FRANSCHHOEK VALLEY
- DARLING
- WELLINGTON

KLEINKAROO Districts:

- CALITZDOORP
- LANGEBERG-GARCIA

CAPE SOUTH COAST

- OVERBERG
- WALKER BAY
- SWELLENDAAM
- CAPE AGULHAS
- PLETTENBERG BAY
- ELGIN (Ward)

OLIFANTS RIVER Districts:

- LUTZVILLE VALLEY
- CITRUSDAL VALLEY
- CITRUSDAL MOUNTAIN

BREEDERIVER VALLEY Districts:

- BREEDERKLOOF
- WORCESTER
- ROBERTSON

WARDS NOT PART OF A REGION

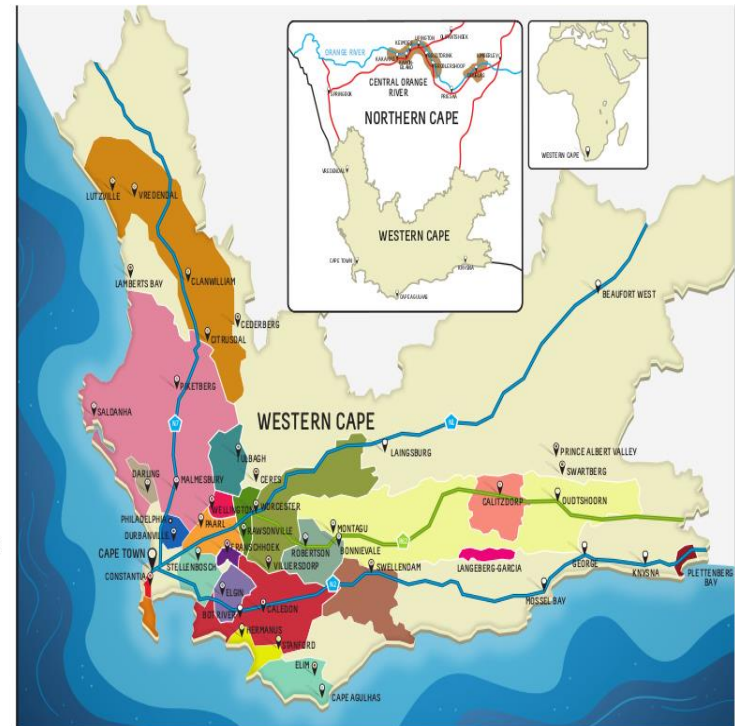
- CERES
- CEDERBERG
- PRINCE ALBERT VALLEY
- SWARTBERG
- LAMBERTS BAY

NORTHERN CAPE

- CENTRAL ORANGE RIVER (Ward)



www.wosa.co.za
www.varietyisinournature.com



Source: Wines of South Africa (WOSA), 2018

Source: South African Wine Index Awards (SAWi), 2017

Importance of wine tourism

- According to the tour operators surveyed, wine tourism increased by 16% between 2016 and 2017.
- This positive growth was also seen between 2015 and 2016, illustrating consecutive years of growth for wine tourism in the Western Cape.
- The majority of the tour operators surveyed book an average of 30-40 wine itineraries per month. One tour operator indicated 50 wine itineraries a month and two tour operators indicated more than 300 itineraries a month.
- 2016 also illustrated a high number of itineraries booked showing the consistent demand for wine tourism.
- 95% of tour operators indicated that wine tourism plays a vital role in the motivation for travel to the Western Cape. This is due in part to the region's growing reputation for producing excellent wines and the increasing number of quality gourmet restaurants.



Key variables that increase demand for wine tourism

- There is a growing awareness and increase in positive perception of South African wines globally due to positive PR as well as the many awards garnered at international wine competitions. Some awards of note include:
 - [Chardonnay du Monde](#), 2017 - Gold medals awarded to Bon Courage Wine Estate and Douglas Green for their Chardonnay's
 - [Decanter World Wine Awards](#), 2017 - Awarded "Best in Show" to Klein Constantia's Vin de Constance and Paul Cluver's Seven Flags Chardonnay.
 - [The Drinks Business International Global Masters](#), 2017 – Gold awarded to Bouchard Finlayson Tête de Cuvée Pinot Noir, Cloof Syrah, and Wildekrans Barrel Select Reserve Shiraz.
- There is growing curiosity and awareness around unique South African varietals like Pinotage as well as heritage wines coming from local initiatives like the ["The Old Vine Project"](#)
- Specialist wine tour operators like [Explore Sideways](#) are enabling exposure to boutique estates through itineraries that are tailor-made to client interests thus enhancing the overall perception of South African wine and increasing word of mouth.
- 6 out of the [top 10 restaurants](#) in South Africa are located in the Cape Winelands, which is in line with reporting that shows that fine dining and gourmet experiences are a draw card for any visitor to the Cape.



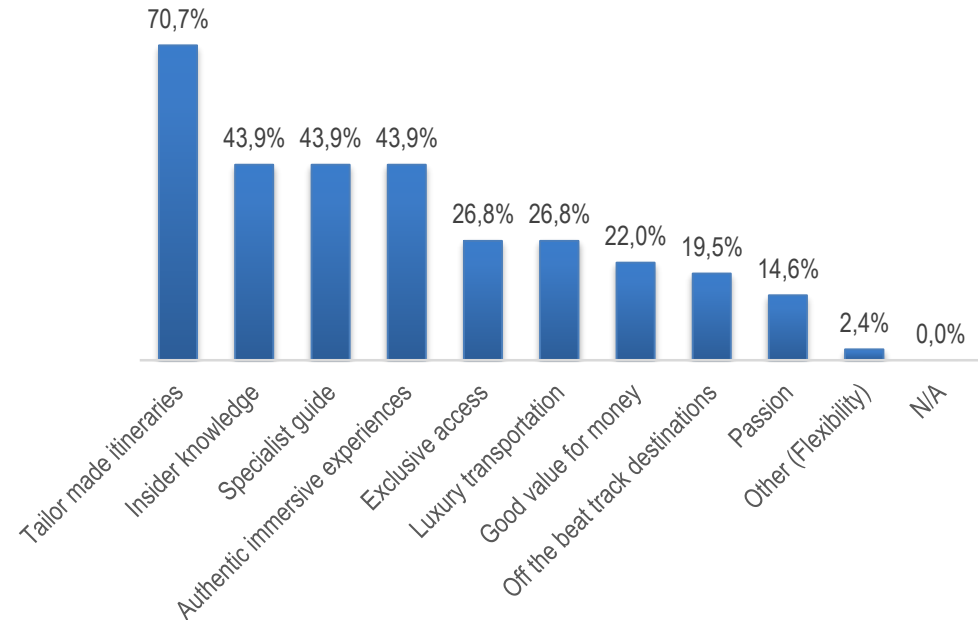
Photo courtesy of the Old Vine Project

Wine and food related requests

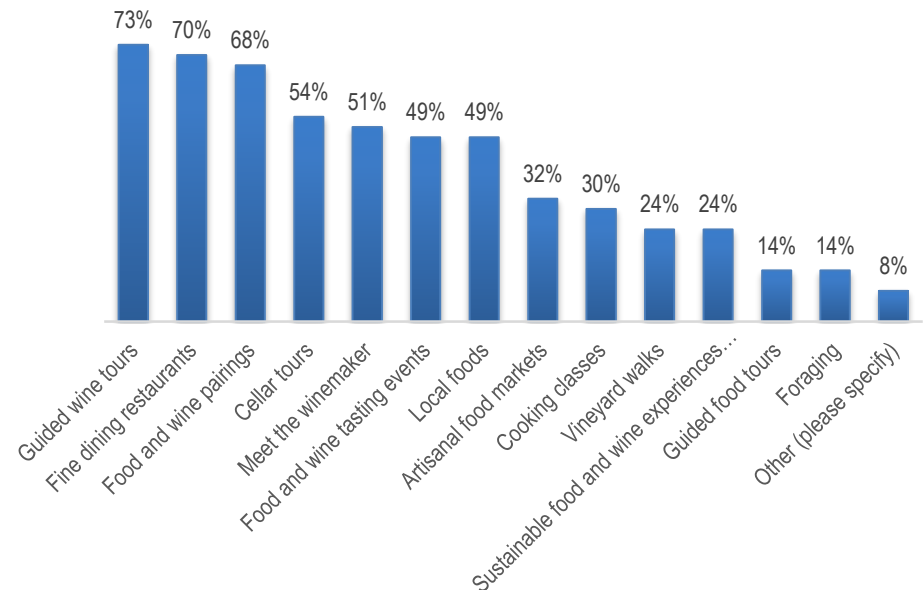
- Globally, people are looking for immersive travel and authentic experiences, which can be seen by the number of requests for tailor-made itineraries when booking.
- This was also confirmed in the 2016 findings on the changing perception on luxury travel. Tour operators indicated that, instead of luxury vehicles and expensive restaurants, luxury is now seen as tailor-made itineraries and unique experiences based on clients specific interests
- Based on the feedback received by tour operators, guided tours and fine dining restaurants remain the most popular activities by tourists.
- The 2016 findings were also in line with the findings from 2017 showing that guided tours are still the most popular activity for guests.

“There’s an increasing focus on unique experiences versus standard wine tastings”

MAIN ASPECTS OF SELECTING A WINE TOUR OPERATOR, 2017



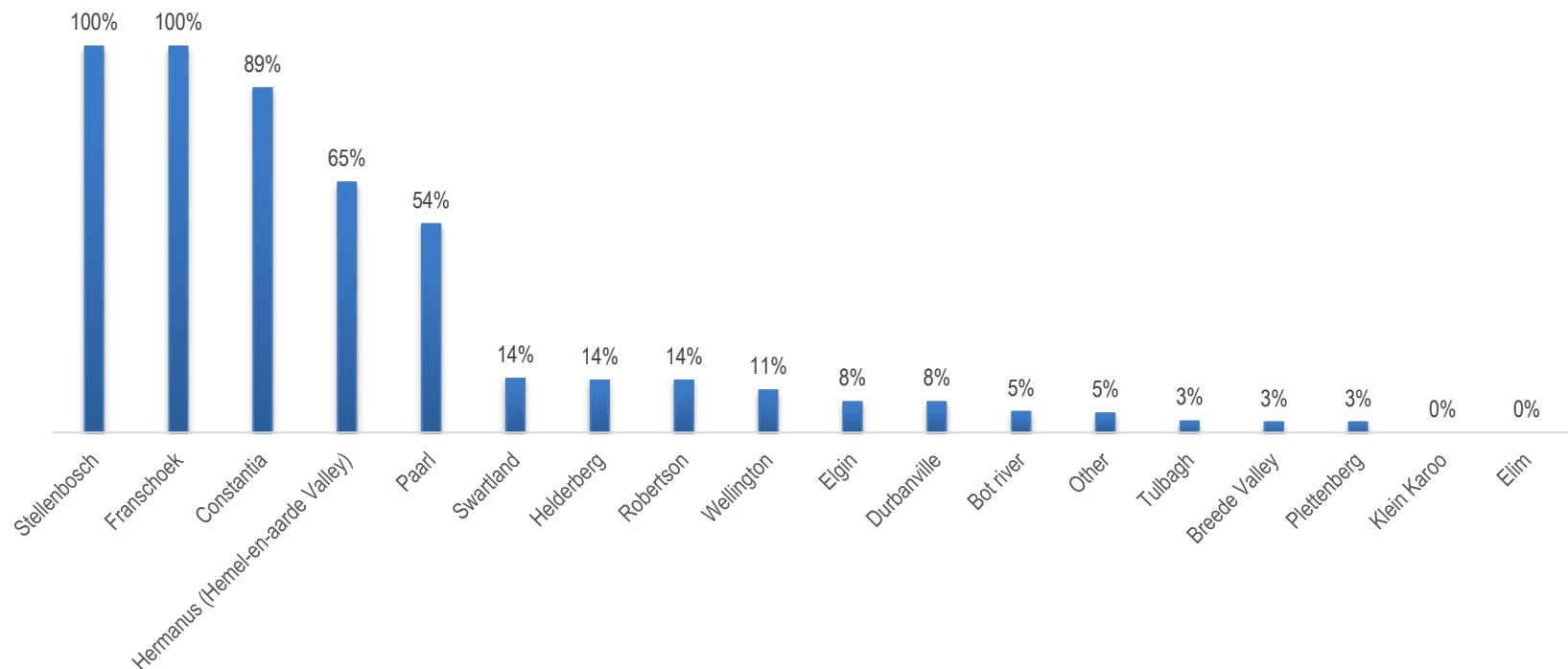
MAIN TYPES OF FOOD AND WINE TOURISM ACTIVITIES, 2017



Wine and food-related requests (contd...)

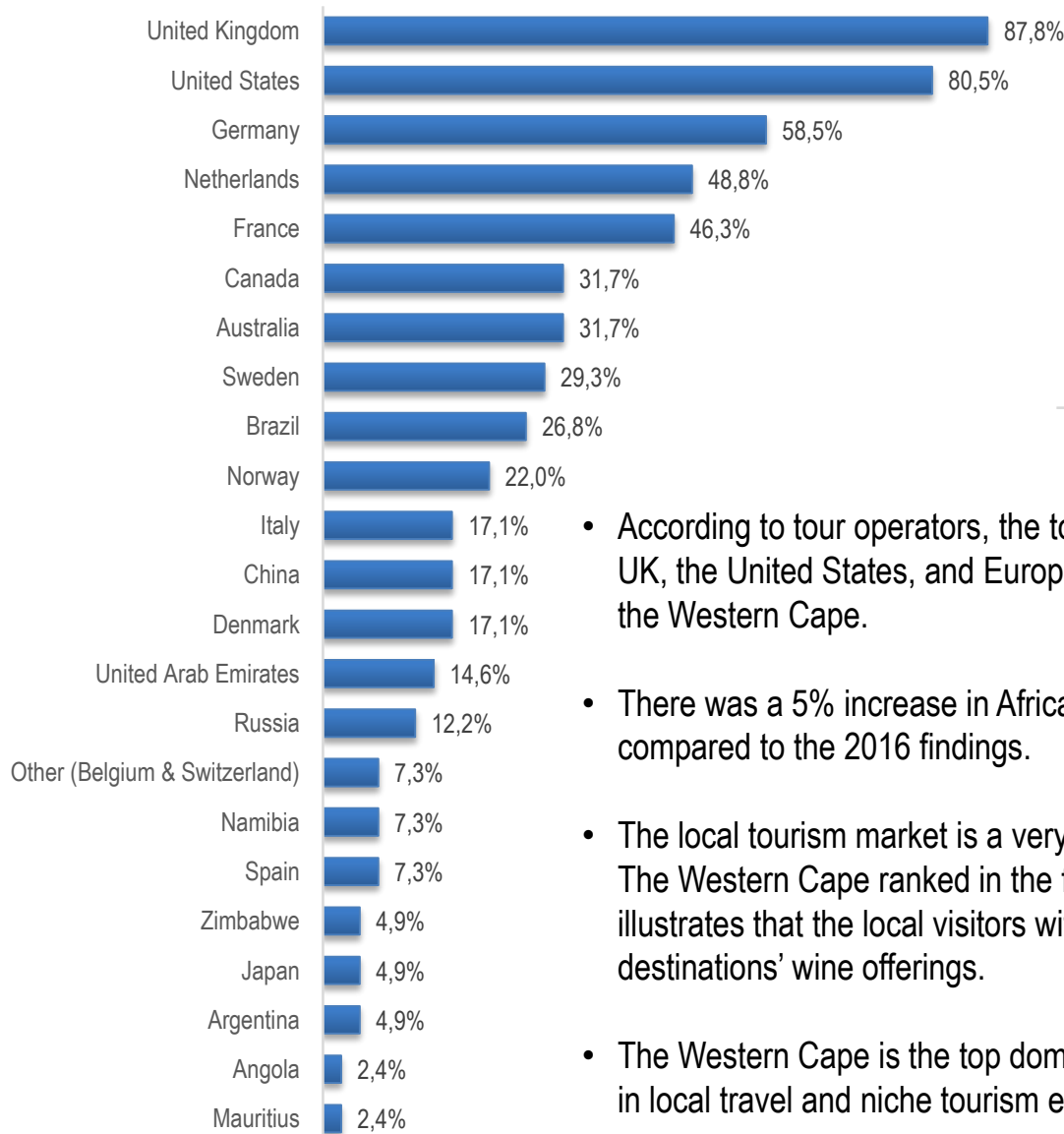
- In both 2016 and 2017, Stellenbosch, Franschhoek, and Constantia ranked as the most popular wine routes requested by visitors to the Western Cape.
- There was a 43% increase in requests for the Hermanus (Hemel-en-Aarde Valley) wine routes between 2016 and 2017, surpassing Paarl as the 4th most popular wine route.
- This increase in interest in Hermanus/Hemel-en-Aarde could be due to the use of savvy marketing strategies to get more exposure for the region. In particular, there have been recent efforts in this cool climate wine region to become known for Pinot noir and Chardonnay through varietal-specific events and the division of the Valley into climate and terroir-based wards.

TOP WINE ROUTES IN THE WESTERN CAPE, 2017

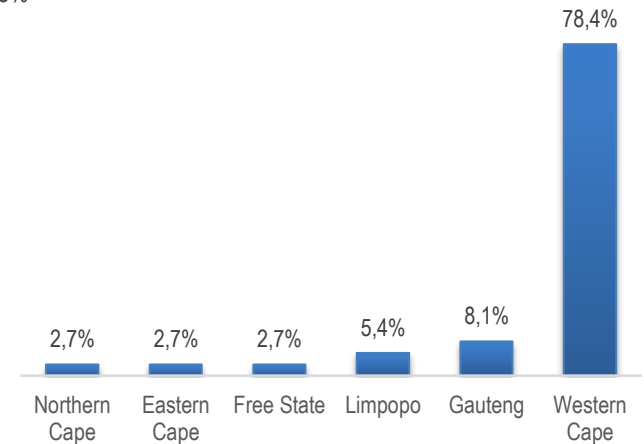


Origin of visitors

TOP FOREIGN MARKETS INTERESTED IN WINE ACTIVITIES, 2017



TOP DOMESTIC MARKETS INTERESTED IN WINE ACTIVITIES, 2017



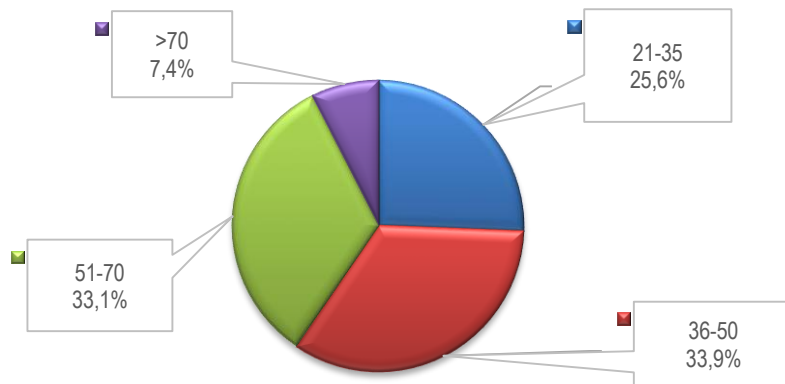
- According to tour operators, the top foreign markets interested in wine activities are the UK, the United States, and Europe, which is in alignment with overall tourist arrivals to the Western Cape.
- There was a 5% increase in African countries interested in wine activities in 2017 when compared to the 2016 findings.
- The local tourism market is a very important component of the overall tourism industry. The Western Cape ranked in the first position as the top domestic market, which illustrates that the local visitors within the Western Cape are interested in their own destinations' wine offerings.
- The Western Cape is the top domestic market in the country and shows positive growth in local travel and niche tourism experiences.

Visitor profile

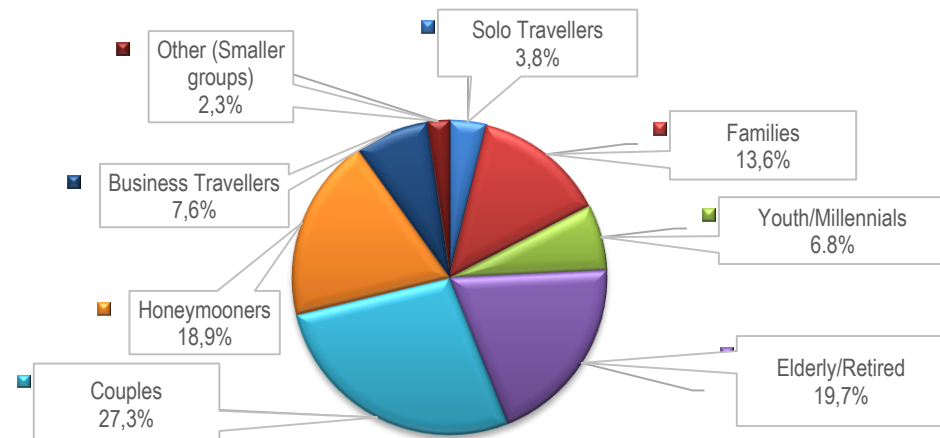
- 60% of visitors to the winelands are between 21 and 50 years old, which indicates a correlation with honeymooners, families, and couples.
- According to tour operators, the predominant wine tourism traveller type is couples, which is in line with the group size (pairs) of many tourists visiting the local tourism offices in the Western Cape. The same findings were confirmed in the 2016 report.
- The age groups and types of travellers are interlinked and illustrate the target market of tourists seeking wine tourism experiences in the Western Cape. This was consistent with the 2016 data.



MAIN AGE GROUPS REQUESTING WINE RELATED ACTIVITIES, 2017



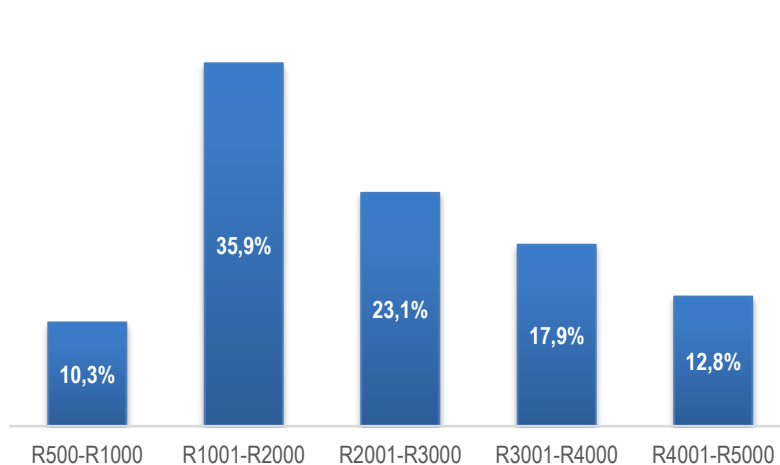
MAIN TYPES OF TRAVELLERS, 2017



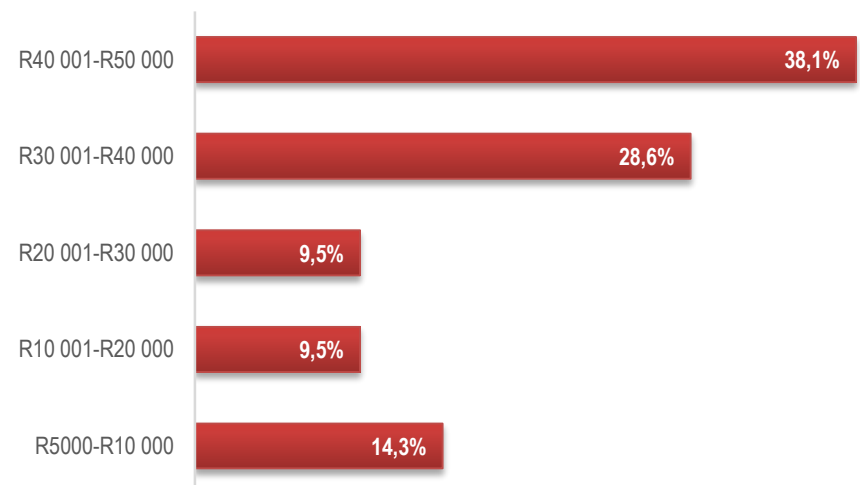
Spending patterns

- The findings from 2017 reveal that the average tourist spends up to R40,001-R50,000 per visit to the Western Cape, which includes flights, accommodation, and transport.
- Based on the feedback, over 50% of tourists spend between R1000-R3000 per wine tour and 90% of wine tourists spend more, on average than other tourist categories.
- These findings indicate the economic importance of bringing wine tourists to the Western Cape as they have the potential to increase total travel expenditure across the Cape.

AVERAGE SPEND PER PERSON EXCL FLIGHTS, ACCOMMODATION
& LOCAL TRANSPORT, 2017



OVERALL HOLIDAY SPEND INCL FLIGHTS, ACCOMMODATION AND
TRANSPORT, 2017



Wine tourism & sustainability

According to UNWTO, Sustainable tourism is defined as: 'the travel industry's commitment to causing no harm to a country's local environment and heritage, while still improving the local economy'. This is growing in importance for tourists globally.

- Tour operators indicated that over 85% of customers feel that sustainability is very important when making bookings.
- Organic (37.2%) and social equality (34.9%) ranked as the top two types of sustainable wine experiences that were of interest to visitors travelling to the Western Cape.
- It is important for the wine estates of the Western Cape to incorporate these two sustainable aspects into their business to draw more visitors to their estate.

INTEREST IN SUSTAINABLE WINE EXPERIENCES, 2017

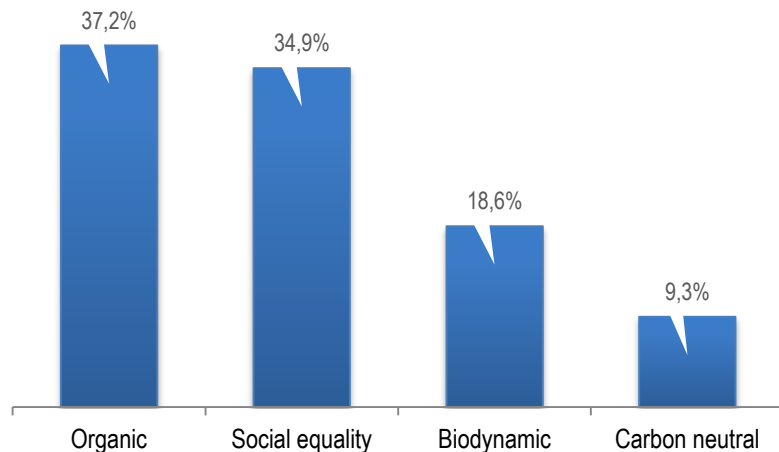


Photo courtesy of Babylonstoren



Wine Festivals

- The majority of tour operators indicated that food and wine festivals held in the off-peak season are an important factor and would have a positive impact on wine tourism in the Western Cape.
- Food and wine festivals in the off peak-season help increase the numbers of visitors to the winelands and have the ability to sustain the growth of the tourism industry.
- Food and wine festivals offer an opportunity for locals to visit lesser-known wine regions around the Western Cape and improve domestic travel.
- Festivals have the potential to increase the growth of the domestic tourism market.



Photo courtesy of Robertson Wine on the River

Conclusions

- Wine tourism in the Western Cape has grown and continues to grow, as evidenced by the number of wine tourism activities being booked when tourists visit the Western Cape in 2016 and 2017.
- Tour operators stated that 99% of full itineraries include a trip to the winelands, indicating the enormous interest in wine tourism activities when visiting the Western Cape.
- Wine and food tourism festivals in the off-peak season also have the ability to overcome seasonality challenges facing the tourism industry.
- The spending patterns of wine tourists indicates higher than average expenditure while visiting the Western Cape. This illustrates the importance of wine tourism as a means of enhancing the economic growth of tourism in the Cape.
- There is significant demand for tailor-made tours whereby tourists can immerse themselves in authentic experiences rather than scheduled or packaged tours.
- The majority of tour operators suggest that wine tourists spend more money than the average tourist, making this a key target demographic to bolster the economy.
- Sustainability continues to play a growing role in wine tourism as wine tourists are becoming increasingly aware of sustainable practices like improved social equality, carbon neutrality and sustainable farming practices like organic and biodynamic farming and winemaking.
- Wine tourism is a very important source of revenue and job creation in the Western Cape and plays a key role in economic stability and growth.



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