



THE SIGNIFICANCE OF STATISTICAL DATA IN THE CONTEXT TOURISM

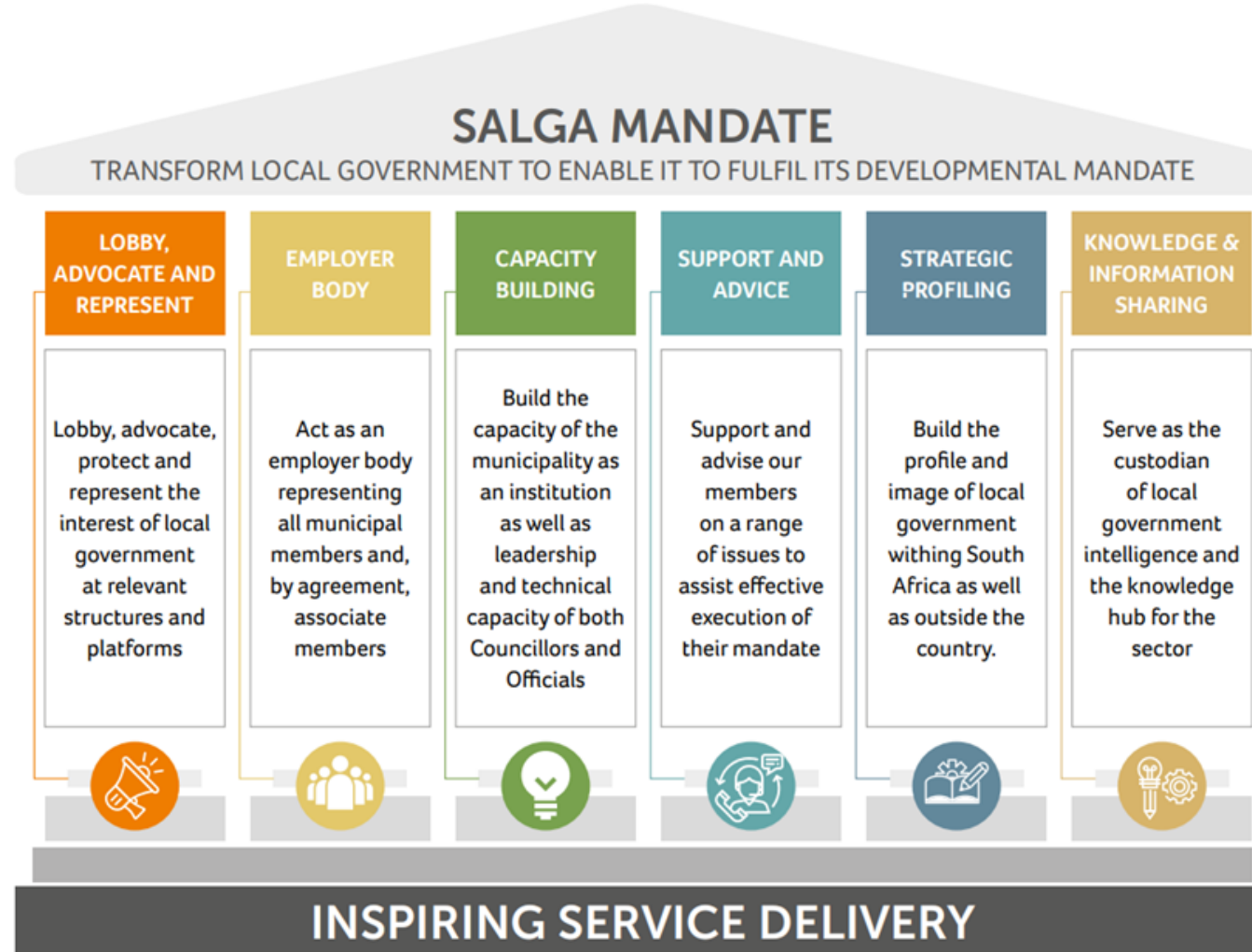
A LOCAL GOVERNMENT PERSPECTIVE

25 July 2023



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SALGA MANDATE



Local Government derives its economic development mandate from:

The Constitution

- Section 152 (1) of the Constitution (b) to ensure provision of services to communities in a sustainable manner and (c) to promote social and economic development;

White Paper on LG

- which defines developmental LG as:
- “...local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives...”

The White Paper on Local Government further elaborates:

“Local Government is NOT directly responsible for creating jobs. Rather, it is responsible for taking active steps to ensure that the overall economic and social conditions of the locality are conducive to the creation of employment opportunities”



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PREAMBLE

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Source: White Paper on Local Government. 1998.

Local government is crucial in providing a supportive and facilitative regulatory and policy environment for informal trade

- Informal trade is regulated through by-laws and municipal policies
- Businesses Act (1991) gives power to municipalities

SIGNIFICANCE OF TOURISM IN THE SOUTH AFRICAN ECONOMY

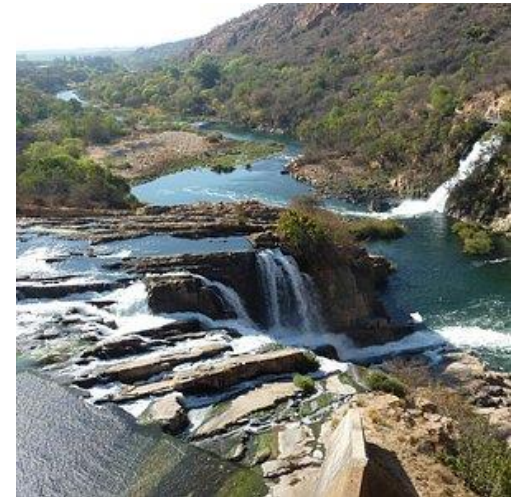
Tourism remains one of the most resilient sectors of the economy;

Despite a subdued economic climate, the tourism sector continues to grow & surpass all expectations;

Tourism contributes 3,7% to South Africa's GDP, more than agriculture, utilities and construction.

Travel and Tourism is an important driver for job creation across the world as globally, 1 in 10 Jobs (334 million jobs) were created in the industry in 2019

According to the World Travel & Tourism Council, Travel and Tourism generated 478,900 direct jobs in 2020 (3.2% of total employment).

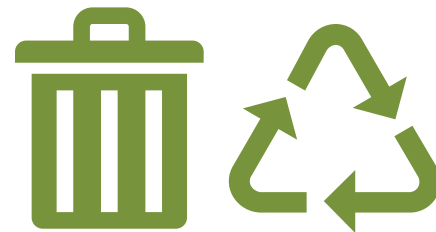


ROLE OF LOCAL GOVERNMENTT IN SUPPORTING TOURISM



Infrastructure Development:

Such as roads, airports, public transportation, and utilities. Well-developed infrastructure ensures smooth travel experiences for tourists and facilitates easy access to attractions, encouraging more visitors to the area.



Destination Marketing and Promotion

Municipalities should engage in destination marketing and promotion to attract tourists and showcase the unique features and attractions of their region. Collaborate with tourism boards, travel agencies, and stakeholders to create effective marketing campaigns and raise awareness of the destination's offerings.



Regulation and Licensing:

Municipalities are responsible for establishing regulations and licensing requirements for tourism-related businesses, such as hotels, restaurants, and tour operators. Other functions are shared with Provincial Government (e.g. Liquor licensing)



VALUE OF STATISTICAL DATA IN TOURISM

A LOCAL GOVERNMENT PERSPECTIVE



IMPORTANCE OF TOURISM STATS

A LOCAL GOVERNMENT PERSPECTIVE

Statistics in tourism are essential for a number of reasons, not least to ensure:

- evidence-based decision-making;
- market analysis
- economic impact assessment
- sustainability monitoring
- policy formulation, and
- overall strategic planning



With accurate and up-to-date statistical data, the tourism industry is on a better footing to thrive, and adapt to changing market dynamics and trends

IMPORTANCE OF TOURISM STATS

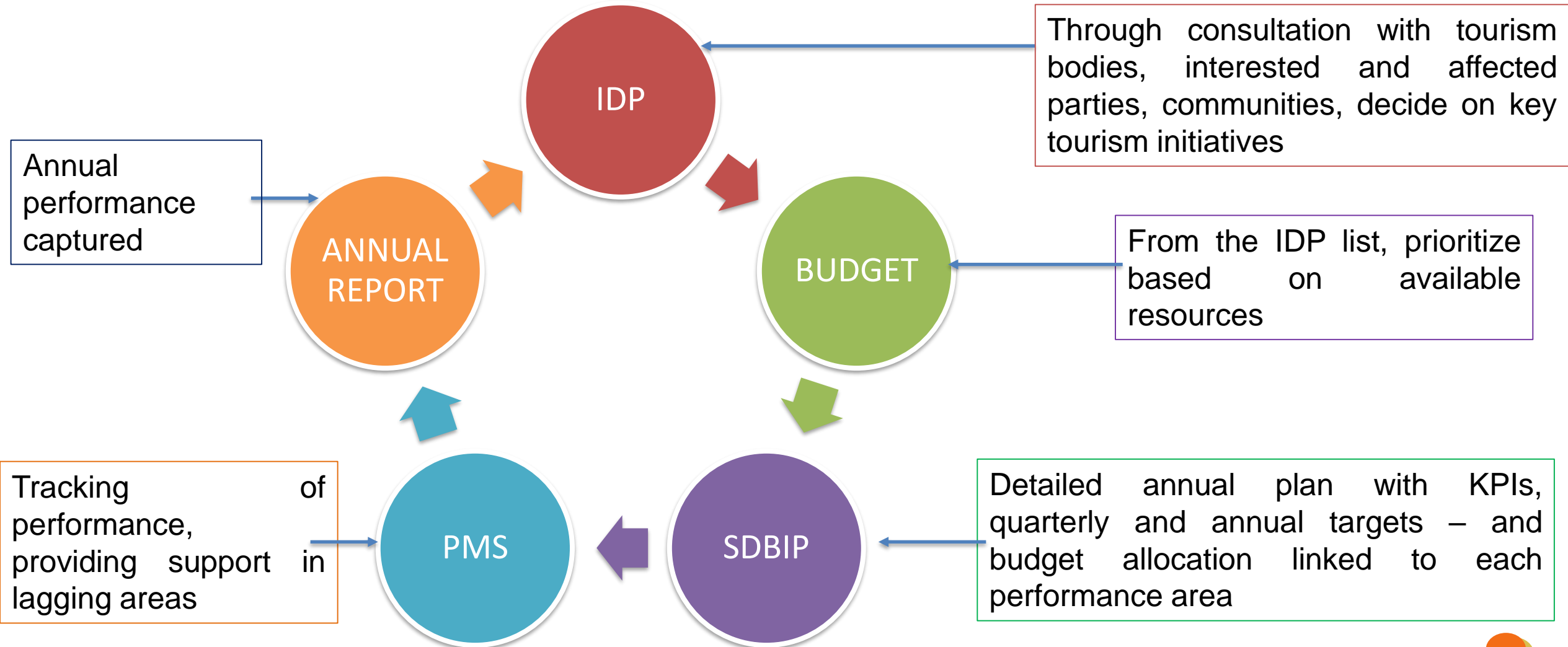
A LOCAL GOVERNMENT PERSPECTIVE

At a municipal level, however, it is often difficult to get hold of accurate and disaggregated data, mainly due to the fact that:

- It is not being collected;
- Where it is available, it comes at a cost
- Local business chambers not prepared to share with municipalities owing to, in part, strained relations
- It is not disaggregated enough

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CREDIBLE STATS KEY FOR IDP PLANNING & PRIORITIZATION



VALUE OF STATISTICAL DATA IN JUSTIFYING INVESTMENTS AND SPONSORSHIPS

PRACTICAL EXAMPLES



IMPORTANCE OF STATS

CASE IN POINT: MSUNDUZI SOCCER SPONSORSHIP

The Msunduzi LM recently approved a R27 sponsorship of Royal AM, for the team to use the local stadium as its base

The deal has received some backlash from various quarters, in light of the municipality's ailing financial health

Such sponsorships should be accompanied by meticulous statistical and financial modelling to show the impact it'll have on the local economy, tourism, etc



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Outrage over Msunduzi Municipality's sponsorship deal for Royal AM



Written by

Sibusiso Mboti



SIGNIFICANCE OF CREDIBLE STATS IN SUPPORT OF TOURISM

CASE IN POINT: DBN JULY

One of the biggest events on the South African calendar, the Dbn July injects millions into the eThekweni and KZN economy at large in:

- Tourism & Hospitality
- Local Business revenue
- Job creation (event staffing, security, hospitality, etc)
- Transportation and services
- Social & cultural impact
- Income for local government



SIGNIFICANCE OF CREDIBLE STATS IN SUPPORT OF TOURISM

On an annual basis the Kouga Local Municipality hosts the World Surfing Championship Tour. The local economy benefits immensely from the event:

The event significantly boosts the local economy by attracting a large number of tourists and visitors. Tourists spend money on accommodation, dining, shopping, transportation, and various other services, benefiting local businesses and generating revenue for the town.

Through the use of stats, the municipality is able to justify its involvement in the event

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J-Bay Surf Festival gears up for action-packed schedule



SIGNIFICANCE OF CREDIBLE STATS IN SUPPORT OF TOURISM

As a sub-conclusion, a municipality should consider sponsoring an event if it aligns with the municipality's strategic objectives & serves the best interests of the community. Other cases where sponsorships could be justified:

- If the event is expected to have a positive impact on the local economy by attracting visitors, generating revenue for local businesses, and creating job opportunities
- Events that showcase the municipality as a tourist destination and attract visitors can contribute to the growth of the tourism industry, benefiting local businesses and supporting the community
- Events that focus on community development, skill-building workshops, or capacity-building initiatives can empower residents and enhance their quality of life.

LAST BUT NOT LEAST

Measures LG can take to improve Tourism Stats



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MEASURES LG CAN TAKE TO IMPROVE TOURISM STATS

Collaborate with Stakeholders:

Engage with various stakeholders in the tourism industry, such as hotels, tour operators, attractions, and local businesses. Collaborative efforts can help gather data from multiple sources and ensure comprehensive coverage

Periodic Surveys and Questionnaires

Design and administer surveys and questionnaires to tourists and visitors. Gather information on their travel patterns, preferences, spending habits, and overall satisfaction with their experiences.

Engage with Tourism Providers

Work closely with tourism service providers to encourage them to share relevant data voluntarily. Assure them that the data will be used responsibly and to the benefit of the industry.

LAST BUT NOT LEAST

MEASURES LG CAN TAKE TO IMPROVE TOURISM STATS

Collaborate with Research Institutions:

Partner with universities or research institutions to conduct in-depth studies and gather data on specific aspects of tourism, such as the economic impact or environmental sustainability.

Analyze Social Media Data:

Monitor and analyze social media platforms to gain insights into tourists' sentiments, experiences, and preferences. Social media data can provide real-time feedback on tourism activities and trends.



Thank You

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