

DOMESTIC TOURISM GROWTH STRATEGY

2012 – 2020

TABLE OF CONTENTS

FOREWORD BY THE MINISTER	iii
MESSAGE BY DEPUTY MINISTER	iv
OVERVIEW BY THE DIRECTOR GENERAL	v
EXECUTIVE SUMMARY	xi
1. INTRODUCTION	1
2. CONTEXTUAL BACKGROUND	1
3. THE STATE OF DOMESTIC TOURISM IN SOUTH AFRICA.....	1
4. PROBLEM STATEMENT.....	2
5. TRENDS IMPACTING ON TOURISM	2
6. STRATEGIC OVERVIEW	4
6.1 Vision	4
6.2 Mission	4
6.3 Values	4
6.4 Underlining Principles	4
7. DOMESTIC TOURISM GROWTH STRATEGY'S THRUSTS, OBJECTIVES AND TARGETS	4
7.1 Strategic Objectives	4
7.2 Strategic Objectives and Targets	5
7.3 Domestic Tourism Marketing	6
7.3.1 Domestic Market Segmentation.....	6
7.3.2 Domestic Marketing Campaign.....	8
8. DOMESTIC TOURISM IMPLEMENTATION PLAN	9
9. ASSUMPTIONS.....	15
10. KEY SUCCESS FACTORS	15
11. MONITORING, EVALUATION AND REPORTING MECHANISM	15

FOREWORD BY THE MINISTER

The National Tourism Sector Strategy (NTSS), approved by Cabinet and launched in March 2011, firmly placed South African tourism on a new and ambitious growth trajectory for the future. The NTSS set bold commitments for the sector so as to contribute to national objectives and priorities. Progress to date indicates that the tourism sector has significantly enhanced its collaboration, and shows good signs of influencing other, external factors under different sector mandates.

The NTSS provides inter alia for the development of a domestic tourism growth strategy, focusing on domestic tourism's contribution to a sustainable tourism economy. Research has shown that domestic tourism tends to play a major role in the sustainability of most successful tourism destinations. South Africa shows year-on-year growth in tourism's contribution to the gross domestic product (GDP), with the domestic-tourism percentage-share contribution recorded at 54,8% and 58,8% in 2009 and 2010 respectively (Tourism Satellite Account, 2010 Provisional).

South African tourism was not spared the impact of the past few years' global financial crisis, and, despite the continued annual growth, some of our key overseas tourism markets showed a slight overall decline. Globally, markets increased their levels of focus on domestic tourism in response to the global meltdown and changing consumer needs, and, in so doing, cushioned the performance of tourism. Domestic tourism provides immense opportunity for contribution to national priorities such as economic growth, job creation and poverty alleviation.

The National Department of Tourism (NDT) is therefore proud to present its National Domestic Tourism Growth Strategy, which represents the views of, and commitment by, all stakeholders to the consolidation of efforts aimed at stimulating and accelerating growth in domestic tourism. This strategy was compiled with due consideration to the global and domestic contexts as well as in keeping with the priorities of the NTSS. Through the strategy, we expect to build a culture that will result in increased awareness of tourism and its value for the country as well as an increase in the levels of community participation in the tourism sector. The implementation plan of the strategy seeks to direct a consolidated and integrated approach to addressing the challenges of geographic spread and seasonality, which offer opportunities for enhanced levels of domestic tourism.

Therefore, over the next few years, the Department and stakeholders will accelerate programmes and projects that are aimed at benefiting local communities; prioritise campaigns that target both the lower and higher end of the domestic market; create a holiday culture among previously disadvantaged groups; extend visits to friends and relatives into tourism leisure and market domestic leisure to all major local markets. These will be achieved through continued partnerships and consultation as we implement this National Domestic Tourism Growth Strategy.

MARTHINUS VAN SCHALKWYK MP
MINISTER OF TOURISM

MESSAGE BY DEPUTY MINISTER

It gives me a great pleasure to see that the country now has a plan to grow and develop domestic tourism. The Domestic Tourism Strategy does not only focus on issues of addressing geographic spread and reducing seasonality, but it grapples with issues of broadening economic participation, community beneficiation and also deals with creating a better society where all are able to enjoy what the country offers in terms of tourism.

The strategy sets practical measures to generate greater value from travel and tourism in South Africa. It does so by unlocking the previously neglected growth points like school based tourism, targeting various community initiatives like stokvels, religious tourism, sports tourism etc. The Domestic Tourism Growth Strategy goes further to outline practical mechanisms to address the lack of a tourism culture amongst South Africans, particularly the previously disadvantaged communities. This will be achieved through education and awareness across the country as well as promoting affordable and accessible travel and tourism opportunities.

The success of the Domestic Tourism Growth Strategy will also be determined by how it assists to respond to the need for broadening participation and beneficiation, be they economic or otherwise, in the tourism sector. It is encouraging to note that there is sufficient focus on the facilitation of effective partnerships, enhanced product development and using events as a potential growth point.

The Strategy should be seen as part of NTSS implementation and not a separate process, which itself encourages tourism that spread benefits to local communities. As we continue rolling out programmes, more emphasis should be placed on developing women owned and led cooperatives, leveraging on the potential of social groups such the stokvels as a transformative growth point and school based trips which will create the culture of travel and tourism for the future. Efforts aimed at engaging communities must be strengthened as they are crucial to the success of the Strategy.

The continued attention and emphasis given to effective partnerships with stakeholders, as well as other spheres of government and partner departments is certainly the most critical factor for the success of our domestic tourism.

TOKOZILE XASA, MP
DEPUTY MINISTER OF TOURISM

OVERVIEW BY THE DIRECTOR GENERAL

The trend across world amongst top tourism destinations has been a strong and vibrant domestic tourism portfolio. Being a “top 20 destination by 2020”, requires that we strengthen our domestic tourism portfolio which will also go a long way in ensuring that we maximize on the net positive effect of International Tourism on our current account and balance of payments from a revenue perspective. It will also ensure that we cushion our sector against global shocks, be they financial or otherwise.

Upon approval of the NTSS by Cabinet with a clear mandated focus on Domestic tourism, the department has ensured that structural mechanisms are put in place to effectively pursue this mandate. The department established a dedicated Domestic Tourism Branch that will drive the implementation of this Strategy.

Research by South African Tourism indicates that domestic trips have been on the decline. It further indicates that this has been happening against a background of an increase in the number of domestic tourists, thus those who have been travelling are now taking fewer trips. This requires a coherent sector response that presents a clear value proposition for taking more trips, ensuring availability of offerings across all market segments.

In the main, the domestic tourism growth strategy (DTGS) puts an emphasis on product diversification, developing authentic/value for money products, activation of niche markets, use of local events to address seasonality problems, geographic spread, activation of school and sports tourism, leveraging on community led savings clubs/stokvels, community beneficiation and creating a culture of tourism amongst South Africans. One of the critical success factors of the Strategy will be a partnership with industry, which will ensure that there is affordable packages and government intervention to ensure adequate infrastructure to support high-yield products and attractions. Furthermore, the extent to which public and private sectors will work together to maximize the use of existing facilities, be it through management agreements or through participation in the new domestic tourism campaign, “whatever you are looking for, it is here”.

The National Conventions Bureau (NCB) has been established to attract and leverage on amongst others local events as a source of domestic tourism. Research conducted by South African Tourism has demonstrated that business tourism generates more value than all other domestic categories in terms of average spend per trip. During 2011, a domestic business tourist spent about R2 500 on average per trip compared to about R1 500 per holiday trip. This calls for a significant increase in Domestic Business Tourism volume. We believe that this Strategy will position the sector to change the domestic tourism landscape for the better. I look forwards to our continued partnership in successfully implementing the Strategy.

LM MAKHUBELA
DIRECTOR GENERAL: NATIONAL DEPARTMENT OF TOURISM

DEFINITIONS AND TERMINOLOGY

The definitions used to describe a tourist or tourism is often inconsistent which leads to confusion. The differences between the terms that are most often inconsistent are shown in the tables below followed by a comprehensive list of official definitions used in the tourism industry as formulated by Statistics South Africa, based on definitions used by the United Nations World Tourism Organization (UNWTO).

Table 1: Tourist vs Visitor vs Traveller

Tourist	Traveller
A person who travel to and stay in a place outside his/her usual environment for more than twenty-four (24) hours and not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited (UNWTO definition)	Any person on a trip between two or more countries or between two or more localities within his/her country of residence.
Exclude same day visitors and people travelling for work purposes i.e. includes only overnight visitors	Includes all visitors (same day & overnight) and people travelling for work purposes

Source: Statistics South Africa and Grant Thornton

Table 2: Purpose of Visit

Leisure	Business	Medical	Religious
<p>Holiday: A trip which is undertaken where the purpose is any kind of leisure activity. This may, for example, include golf or bird watching, cultural exploration, fun, adventure or relaxation, partaking in Nonprofessional sports activities or as a spectator at a sports event and visits to health spas.</p> <p>Visiting friends and relatives (VFR): A trip which is undertaken to see, socialize with, or to spend time with relatives and/or friends. The person need not have stayed at the relative's house. The purpose of visit includes weddings and funerals or</p>	<p>Trading: A trip undertaken to shop for goods that will be resold i.e. wholesale</p> <p>Business Travel: A trip which is undertaken with the purpose being to conduct commercial or formal transactions or activities that are related to your job e.g. visiting a client, signing deals, negotiating a contract (including import/export), partaking in professional sports activities etc.</p> <p>Business Tourism: A trip which is undertaken with the purpose of attending a conference, meeting, exhibition, event or as part of an incentive (MICE)</p>	<p>Medical Treatment: A trip which is undertaken for medical treatment and includes elective surgery</p>	<p>Religious: A trip which is undertaken for religious meetings or pilgrimages</p>

Leisure	Business	Medical	Religious
other family event. Shopping: A trip which is undertaken to shop for goods that will be used by the tourist him/herself			
Leisure trips includes trips for the purpose of holiday, visiting friends and relatives and shopping	Business trips includes trips for the purpose of trading, business travel and business tourism	Medical trips includes trips for the purpose of medical treatment	Religious trips include trips for the purpose of religious meetings or pilgrimages

Source: SA Tourism

The definitions used below are sourced from STATS SA, "Concepts and Definitions for Statistics South Africa 2007" and SA Tourism, "Tourism definitions used in South Africa May 2008", unless stated otherwise.

Black	With reference to people, black is a generic term which means Africans, Coloureds and Indians (Black Economic Empowerment Act 2004)
Domestic Tourism	The tourism of resident visitors within the economic territory of the country of reference (STATS SA)
Domestic tourist	A resident visitor who visits within the economic territory of the country of reference (STATS SA)
Domestic Visitor	A visitor whose country of residence is the country visited. They may be nationals of this country or foreigners (STATS SA).
Employment	An activity in which a person performs work for pay, profit or family gains. Such a person can be self-employed, an employer, an employee or a working family member (STATS SA)
Infrastructure	Physical structures used for the delivery of services (e.g. power lines, pipes (water and sewage), roads, rail, airports, harbours, telecommunications and assets such as trucks and equipment to unblock sewerage, pay point offices and computers).
Government-owned tourism infrastructure	Attractions, museums, heritage sites, nature reserves, resorts, etc. (state-owned assets either at national, provincial or local government level) that are important for tourism.
Gross Domestic Product	The total value of goods and services produced within the geographic boundaries of a country for a specified period of time (STATS SA)
National Tourism	The combination of inbound tourism and outbound tourism.
Responsible tourism	Tourism that promotes responsibility to the environment through its sustainable use, responsibility to involve local communities in the tourism industry, responsibility for the safety and security of visitors and responsible government employees, employers, unions and local communities. (Tourism White Paper 1996)
Routes	An initiative to bring together a variety of activities and attractions under a unified theme and thus stimulate entrepreneurial opportunity through the development of ancillary products and services. (Grefe, 1994)
Rural areas	Sparsely populated areas in which people farm or depend on natural resources, including villages and small towns that are dispersed throughout these areas. In addition they include large settlements in the former homelands, created by

	apartheid removals, which depend for their survival on migratory labour and remittances. (Rural Development Framework, 2009)
Same-Day Visitor	A visitor who visits a place for less than one night (STATS SA).
Social Tourism	The “Bureau International du Tourisme Social (BITS)” defines it as “all of the relationships and phenomena resulting from participation in tourism, and in particular from the participation of social strata with modest incomes. This participation is made possible, or facilitated, by measures of a well-defined social nature. To carry out these activities, BITS works on the basis of the principles defined and adopted in the Montreal Declaration of September 1996”
Tourist	A visitor who stay at least one night in the place visited(STATS SA)
Tourist Guide	Any person who for reward, whether monetary or otherwise, accompanies any person/s who travels within or visits any place within the Republic and who furnishes such person with information or comments with regard to any matter.
Tourism	The activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited (STATS SA)
Tourism Gross Domestic Product	The gross domestic product generated in the economy by the tourism industries and other industries in response to tourism internal consumption (STATS SA).
Tourism Industry	All establishments whose principal productive activity is a tourism characteristic activity, i.e. the sum of all tourism characteristic activities(STATS SA), e.g. accommodation establishments, tour operators, travel agencies. In respect of GDP contribution, the tourism industry accounts for the DIRECT impact.
Tourism Economy	Comprised of the tourism sector (indirect) and the tourism industry (direct).
Tourism Satellite Account (TSA)	A statistical instrument used to calculate the size of the tourism sector’s contribution to the economy of a country
Tourism Sector	Consists of a set of institutional units whose principal economic activity is tourism characteristic activity, (STATS SA) e.g. transports, retail, laundry, security, etc. It is the sum of the value added generated by all industries in response to tourism consumption. In respect of GDP contribution, the tourism sector accounts for the INDIRECT impact.
Tourist Accommodation	Any facility that regularly (or occasionally) provides ‘paid’ or ‘unpaid’ overnight accommodation for tourists. (STATS SA)
Trip	A journey undertaken by one or more members of the household for at least one night away from home, where a person did not receive any remuneration (did not make any profit) at that destination. It is important to note that a trip must be complete. That means a trip is only applicable when a person returns to his/her place of residence (STATS SA). (see also leisure trip, holiday trip, visiting friends and relatives trip, shopping trip, business trip, trading trip, business travel, business tourism, medical treatment trip and religious trip)
Usual Environment	To be outside the ‘usual environment’ the person should travel more than 40 kilometers from his/her place of residence (one way) AND the place should NOT be visited more than once a week. This includes place of work and place of study. Leisure and recreational trips are included irrespective of frequency.

ABBREVIATIONS AND ACRONYMS

A

AASA Airlines Association of Southern Africa

B

BBBEE Broad-Based Black Economic Empowerment
BEE Black Economic Empowerment

C

COASA Coach Operators Association of South Africa

D

DTGS Domestic Tourism Growth Strategy

E

EXSA Exhibition and Event Association of Southern Africa

F

FEDHASA Federated Hospitality Association of Southern Africa

G

GDP Gross Domestic Product

N

NCB National Conventions Bureau
NDT National Department of Tourism
NTSS National Tourism Sector Strategy

P

PCO Professional Conference Organiser
PPP Public-Private Partnership

R

RASA Restaurant Association of South Africa

S

SAACI	South African Association for the Conference Industry
SALGA	South African Local Government Association
SANParks	South African National Parks
SAPS	South African Police Service
SAT	South African Tourism
SATSA	Southern Africa Tourism Services Association
SITE	Society of Incentive and Travel Executives
SMEs	Small and Medium Enterprises
SMMEs	Small, Medium and Micro-Enterprises

T

TBCSA	Tourism Business Council of South Africa
TEP	Tourism Enterprise Partnership
TGCSA	Tourism Grading Council of South Africa

V

VFR	Visiting Friends and Relatives
-----	--------------------------------

EXECUTIVE SUMMARY

South Africa's national Domestic Tourism Growth Strategy provides for the enhanced focus on domestic tourism by the sector. A Steering Committee was put in place to oversee the development of the strategy, representing all stakeholders and in some cases consultation and written inputs were sourced. The overall strategy development process took eight months.

The development of the domestic portfolio is as important as that of the international portfolio for the growth of tourism in South African. Domestic tourism is an essential contributor to the growth of the tourism economy and provides a foundation for sustainable tourism growth and development, more especially in times of global uncertainties. The majority of adult South Africans have not had an opportunity to undertake holiday trip within the country, for various reasons. This resulted in the current lack of a travel culture amongst most South Africans (particularly amongst black Africans), with the percentage of adult South Africans that travel still at 44% of the total adult population.

The total number of adult South Africans who took a trip in 2011 has grown and a larger percentage is travelling with the specific purpose of going on holiday. According to the 2011 Domestic Tourism Report (SAT), more people have travel but the total number of trips declined. There has been a decline in average holiday spend at R1600 in 2011 compared to R1650 in 2010. However, the general average spend increased from R710 in 2010 to R780 in 2011. Thus, generally, people who are travelling are spending more per trip than they spent in the previous year. However, total annual spend has shrunk because the total number of domestic trips taken in 2011 declined compared to 2010.

The biggest inhibiting factor to domestic tourism is the perception that travel is not affordable, a perception that has been growing amongst consumers over the past three years. However, the second biggest category has been reported as "no reason to take a trip".

A situational review (in the executive summary) revealed the current challenges and/ or gaps in growing domestic tourism as follows:

- Sho't Left Campaign is too narrow and focused only on one specific segment, the Young and Upcoming.
- Traditionally, there has been limited resources dedicated to domestic tourism.
- Focus has mainly been on marketing and other constraints such as limited infrastructure capacity and access and conversion channels have not received equal attention.
- Quality of tourism research needs to be improved .There is a need for harmonization of indicators, domestic tourism statistics and communication of research among stakeholders. Furthermore, there is very little research focused on domestic tourism.
- Underutilization of some existing products, both public and privately owned.
- Limited implementation capacity at local government level.
- Investments are not always linked to demand.
- Lack of integrated packaging and differentiated marketing.
- Partnerships and cooperation levels for domestic tourism can be improved.
- Inadequate attention on affordability, particularly around packaging.
- Focus has been on packaging through formal travel intermediaries with limited information and

conversion opportunities for independent travel planning and arrangements e.g. other channels like retail chains, internet, call centre, etc. for information and bookings.

- Lack of a savings culture towards holiday travel.
- Need for a more aggressive drive for domestic travel in terms of more aggressive offers and less conventional conversion mechanisms.
- Limited leverage on the Visiting Friend and Relatives (VFR) category.
- Limited volume of Domestic Business Tourism.
- Limited tourism culture amongst South Africans.
- Limited knowledge about availability of affordable accommodation options (e.g. Persons travelling for social purposes such as funeral and wedding often end up staying with friends and/or relatives).
- No collective sector strategy for growth and development of domestic tourism strategy.

The NTSS has set out what needs to be achieved over the remaining 8 years. The most critical of these goals and targets is to Increase domestic tourism's contribution as a percentage of the overall tourism contribution to GDP from 54.8%¹ in 2009 to 60% by 2020. This has largely informed the domestic tourism vision.

The sector Vision for Domestic Tourism is to '*grow domestic tourism for a sustainable tourism economy*' with the main objectives being to:

- Increase domestic tourism expenditure (revenue);
- Increase domestic tourism volume;
- Enhance measures and efforts aimed at addressing seasonality and equitable geographical spread; and
- Enhance the level of the culture of tourism/travel among South Africans.

Selected actions have been identified under each objective as follows:

- **Increase domestic tourism expenditure (revenue)**
 - Innovation of operations, attractions and offerings
 - Maximize the use of existing and introduce new products
 - Increase in business travel volume
 - Entrenching a culture of travel
- **Increase domestic tourism volume**
 - Differentiated packaging of affordable tourism products
 - Review and enhance conversion mechanisms

¹ The tourism domestic contribution to the tourism economy estimates for 2009 was revised from 52% to 54.8% in line with the Tourism Satellite Account (TSA) estimates for 2009 released in 2010 by Statistics South Africa

- **Enhance measures and efforts aimed at addressing seasonality and equitable geographical spread**
 - Audit of products across the country to ascertain availability for all the priority segments
 - Maximize use (all year round) of existing tourism assets/ facilities
 - Differentiated marketing

- **Culture of Tourism**
 - Develop and implement tourism awareness-education programme/campaigns
 - Enhance training of tourism product owners, employees and neighbouring communities

The strategy is underpinned by the following values:

- Responsible tourism;
- Respect for culture and heritage;
- Service excellence;
- Sector transformation;
- Transparency; and
- Integrity.

1. INTRODUCTION

Government declared tourism as one of the six pillars for economic growth over the next 8 years in line with the New Growth Path. The National Department of Tourism committed to creating 225 000 jobs and increasing tourism economic contribution to GDP by R499 billion by the year 2020, amongst other imperatives.

This commitment is provided for in the National Tourism Sector Strategy (NTSS), approved by Cabinet in March 2011, which called for the development of a Domestic Tourism Growth Strategy for South Africa.

This was in recognition that Domestic Tourism is an essential contributor to the growth of the tourism economy. This document outlines strategic actions to sustainably grow and development of domestic tourism.

2. CONTEXTUAL BACKGROUND

As highlighted in the situational review, there have been a number of good domestic tourism initiatives over the years, both from the public and the private sector. However, there was no single vision and a coordinated approach to implementation. The following are but just a few examples of such initiatives:

- Loyalty incentive schemes particularly within the hospitality sector have increased in terms of uptake and have also made a contribution in terms of converting business tourists into future holiday tourists.
- New developments such as online booking systems and emergence of easily accessible transaction points like retail outlets have started contributing towards better conversion.
- Government products in particular the national and provincial parks, as well as some local government resorts and theme parks, have significantly contributed to stimulating and providing for domestic tourists.

Awareness raising through the implementation of the Sho't left campaign. These and other initiatives, have certainly kept the domestic tourism economy going but an incoherent and uncoordinated approach and the absence of a clear vision and direction is a challenge for sustainability.

3. THE STATE OF DOMESTIC TOURISM IN SOUTH AFRICA.

According to the Domestic Tourism 2011 Performance Report released by South African Tourism (SAT), the percentage of the adult population that has taken a domestic trip grew to 44% in 2011. However the number of trips has declined from 29,7 million in 2010 to 26,3 million in 2011. VFR

remains the main purpose of taking a domestic trip since 2007. The share of VFR spending has also increased from 51,4% in 2010 to 53,2% in 2011.

While Gauteng and KZN continue to have the highest percentages of domestic travellers and are the biggest recipients of domestic tourists in 2011, Kwa-Zulu Natal and Western Cape drew the largest share of holiday trips at 25% and 24%, respectively.

The most common activities for holiday travellers were shopping, social activities, visiting natural attractions and beaches as well as nightlife. The percentage of people taking a domestic trip in urban areas has grown to 44.9% in 2011 compared to 42,6% in 2010 but there was a slight decrease in the number of trips and the average number of trips. The share of VFR declined by 1.9% for urban travellers while the share of holiday travel increased by 2.4% in 2011 compared to 2010.

The total average spend per trip went up from R710 in 2010 to R780 in 2011. Average length of stay was 4.4 days in 2011. Nearly half of the urban domestic tourists used minibuses as the mode of transportation. Social activities were the most common activities undertaken by these urban domestic travellers, followed by shopping.

The awareness of the Sho't Left campaign has decreased slightly in 2011. Television is by far the most important medium through which South Africans learned about the Sho't Left campaign. While affordability remained the biggest constraint for traveling, there are still a great number of people who do not see a reason to travel.

4. PROBLEM STATEMENT

- a. Most people have not had an opportunity to travel in South Africa. Research undertaken by South African Tourism (SAT) in 2011, has indicated a number of reasons which range from, "cannot afford to travel (32%), no reason to take a trip (20%), time constraints (17%), no income/unemployment (11%), and dislike travelling (10%)"².
- b. There is lack of a travel culture amongst South Africans, especially amongst the previously disadvantaged communities as a result of limited marketing and information provision to all segments of SA's population. Furthermore, there is limited product development and diversification, cognisant of geographical spread and seasonality.

The level of domestic tourism contribution to GDP (with 54.8% contribution in 2009) is not at a desired level, despite its percentage share of 79% contribution to the overall tourist volume as per the 2010 Tourism Satellite Account.

5. TRENDS IMPACTING ON TOURISM

² *South African Domestic Tourism Survey report, release May, 2011*

Tourism is subject to a range of global influences and events that can impact on its sustainability. While these external factors occur outside the sector's direct control, they can present strengths, weaknesses, opportunities and threats for growth and development as well as stimulate strategic responses to counter possible threats. Below is a brief outline of some of the country and global level issues or trends that in some way have an impact on the performance of tourism.

Table 1 Trend Analysis of Spheres of influence on tourism

TRENDS	OVERVIEW
Competition Trends	<ul style="list-style-type: none"> • Product diversification, enhanced marketing, affordability, access and service excellence. • Tourism becoming a regional/ national rather than a global phenomenon.
Economic Trends	<ul style="list-style-type: none"> • Fluctuating state of economies will affect travel demand (high fuel and electricity costs: Reserve Bank, Q1 2011³). • Favourable interest rates, debt reduction focus and increase in disposable income. • Increasing adoption of tourism as a leisure activity. • Increasing demand for benefits from tourism resources by host communities.
Political/Legal Trends	<ul style="list-style-type: none"> • Political stability affects travel choices and decisions. • Legislative environment in a destination, such as the Consumer Protection Act does impose obligations on destinations and products, and raise expectations from tourists.
Tourism Markets and Emerging Industry Trends	<ul style="list-style-type: none"> • Niche markets and special interest tourism (e.g. avitourism, culture, heritage, etc.). • Increased and frequent shorter holidays and increased use of new technology (booking channels and marketing, e.g. social media). • Low cost travel will influence travel demand. • The oversupply of undifferentiated travel products in a destination will impact on competitiveness.
Technology Trends	<ul style="list-style-type: none"> • Rapid development and use of technology (e.g. tapping into social media). • Innovations in transportation will impact on speed, comfort and safety (e.g. Gautrain).
Natural Environment Trends	<ul style="list-style-type: none"> • Mass tourism declining due to awareness on the impact that tourism has on the environment. • Increased involvement of NGOs and CBOs in tourism and environmental issues. • Potential impact of natural disasters on travel behaviour. • Emerging approaches and perspectives of efficiency measures (e.g.

³ South African Reserve Bank Quarterly Bulletin on the state of the economy, focusing on selected indicators The specific bulletin was for first quarter of the year 2011.

TRENDS	OVERVIEW
	green energy, responsible tourism and climate change).
Social and Cultural Trends	<ul style="list-style-type: none"> • Risks of diseases and other pandemics. • Ageing, affluent and middle class will influence travel demand. • Perceptions and concerns for safety and security will influence travel decisions.

6. STRATEGIC OVERVIEW

6.1 Vision

Growing domestic tourism for a sustainable tourism economy

6.2 Mission

Promote domestic tourism growth based on a culture of travel; innovation; stakeholder participation; offering authentic, affordable experiences and packages which meet the needs of all existing and potential local travellers.

6.3 Values

The Strategy will be premised on the respect for culture and heritage; responsible tourism; service excellence; embrace sector transformation; accountability; transparency and integrity.

6.4 Underlining Principles

The successful implementation of the Domestic Tourism Growth Strategy is underpinned by the following principles:

- A partnership between government, private sector and communities;
- Responsible tourism approach based on sustainable environmental management, social sensitivity and economic viability; and
- Sound market research and performance measurement.

7. DOMESTIC TOURISM GROWTH STRATEGY'S THRUSTS, OBJECTIVES AND TARGETS

7.1 Strategic Objectives

- a) To increase domestic tourism revenue (expenditure);
- b) To Increase domestic tourism volume;
- c) To improve measures and efforts aimed at addressing seasonality and equitable geographical spread; and
- d) To enhance the level of the culture of travel and tourism among South Africans.

7.2 Strategic Objectives and Targets

Objectives	NTSS Baseline	Current baseline	Targets	
	2009	2010	2015	2020
1. To increase domestic tourism revenue <ul style="list-style-type: none"> • Domestic Tourism GDP as a percentage of Tourism's overall contribution to GDP • Share of Business tourism contribution to overall tourism revenue 	- 54.8% (TSA, Provisional, 2009) - - - 17% (2009, SAT)	- 58.8% - - 14%	- 55% ⁴ - - - 15%	- 60% - - - 17%
2. Increase domestic tourism volume <ul style="list-style-type: none"> • Holiday travellers • Adult travellers • Total number of trips 	- 3.6 million(2009, SAT) - 14.6 million(2009, SAT) - 30.3 (2009, SAT)	- 3.9 million - 13.9 million - 29.7 million	- 6 million - 16 million - 40 million	- 9 million - 18 million - 54 million
3. To improve measures and efforts aimed at addressing seasonality and equitable geographical spread <ul style="list-style-type: none"> - Bed nights 	- 128.4 million (2009, SAT)	- 130.8 million (2009)	- 20% ⁵ bed nights (increase over	- 34% bed nights (increase over 2009)

⁴ The targets for Domestic Tourism GDP as a percentage of Tourism's overall contribution to GDP for 2015 and 2020 will be reviewed after the release of the 2011 TSA figures in consultation with the overall sector in light of the current contribution.

⁵ The main assumptions made regarding the bed nights increase are increase in length of stay, number of trips and volume of tourists in line with the NTSS targets

Objectives	NTSS Baseline	Current baseline	Targets	
	2009	2010	2015	2020
<ul style="list-style-type: none"> - Share of bed nights in Less visited provinces - Increase in the domestic share of Bed nights during low season months 	<ul style="list-style-type: none"> - Share of bed nights (2009) at 3.8% (NW + NC) - bed nights 19 % in MP, LP & FS (used 2009 SAT report) - 5.3% 		2009) <ul style="list-style-type: none"> - 5% (increase over 2009) - 20% (increase over 2009) - 7.7% 	<ul style="list-style-type: none"> - 10% (increase over 2009) - 35% (increase over 2009) - 10%
4. To enhance the level of the culture of tourism/travel among South Africans	No baseline ⁶		To be determined based on the baseline	

7.3 Domestic Tourism Marketing

7.3.1 Domestic Market Segmentation

Research conducted by South Africa Tourism during 2011, yield that 8.2 million adult South Africans can afford to travel from a financial point of view. These were grouped into 14 distinct segments based on similarities in travel behaviour and preferences; however, five segments where chosen as the

⁶ Baseline for the culture of tourism amongst South Africans to be determined.

most attractive for activation through the new marketing campaign, “whatever you are looking for, its here”. Below are the details of the segmentation⁷ and how the interest of these domestic markets will be met to ‘grow domestic tourism volume’:

<p>SEGMENT ONE Spontaneous Budget Explorers</p>	<ul style="list-style-type: none"> • Aged 18-24, all races. Have about R5,000 disposable income a month • Travel is a way to discover new people, places and adventures. Consumers in this segment travel to get away from the monotony of daily life; to add to their life experiences and fond memories • 79 % of Spontaneous Budget Explorers prefer a weekend holiday filled with activities compared to a quiet weekend getaway <p><u>Message:</u> Have fun in new/different surroundings, whether with existing friends or meeting new friends along the way</p>
<p>SEGMENT TWO New Horizon Families</p>	<ul style="list-style-type: none"> • Aged 35 and older, black, coloured and Indian. Have R5,000 to R10,000 disposable income a month • Travel is a way to educate their children, and to provide them with the opportunity to broaden their perspectives. It is also seen as quality time for the family to spend together, and a reward for hard work • 46% of New Horizon Families say that special offers on flights would make them travel more, while 45% felt that special offers on hotels would encourage them to travel <p><u>Message:</u> Spend quality family time and broaden the family’s horizons, while being rewarded for hard work</p>
<p>SEGMENT THREE High-Life Enthusiasts</p>	<ul style="list-style-type: none"> • Aged 25-45, black, coloured and Indian. Have R10,000 or more disposable income a month • Travel is a way to boost one’s social status, and to experience the finer things in life in new and different settings • 78% of High-Life Enthusiasts prefer a weekend holiday filled with activities compared to a quiet weekend getaway <p><u>Message:</u> Domestic travel is the quickest and easiest way to enjoy invaluable and enviable world-class experiences</p>
<p>SEGMENT FOUR Seasoned Leisure Seekers</p>	<ul style="list-style-type: none"> • Aged 25-45, white. Have R5,000 or more disposable income a month • Travel is a way of life and something of a necessity. Having grown up going on regular holidays, this group of consumers understands the value of travel experiences and memories over commodities • Travel to escape, relax and spend quality time with loved-ones <p><u>Message:</u> South Africa has so many different places and ways to escape, relax and spend quality time with loved ones</p>
<p>SEGMENT FIVE Well-to-Do Mzansi Families</p>	<ul style="list-style-type: none"> • 25-45, black. Have R10,000 or more disposable income a month • Travel is all about escaping the city, and being able to spend time with friends and family in new and different locations. To a certain extent, travel is also about exposing the children to alternative ways of life and activities • 53% of Well-to-Do Mzansi Families said that special offers on flights as well as special offers on hotels would encourage them to travel within South Africa <p><u>Message:</u> Break away from daily pressures, whether relaxing with family or having good times with friends</p>

⁷ South African Tourism Domestic Tourism Marketing Strategy, 2012 - 2020

7.3.2 Domestic Marketing Campaign

Against the background of Sho't Left's success of growing the number of adult South Africans who travel, the focus of the domestic marketing campaign will be extended to include additional target groups indicated above. The new domestic campaign leverages South Africa's desirability globally as a leisure destination, and encourages South African to enjoy all the benefits and experiences of this world class destination on their doorstep. Where South Africans said they have no reason to travel, there is now a reason given for them to travel which is that being a tourist in South Africa enriches, excites, stimulates, gives you time to reconnect with family and friends. It's an emotional benefit and an investment in self.

The following pillars will underpin the new domestic campaign rollout to activate the five new market segments outlined above for growing domestic tourism:

- Brand marketing campaign by SAT and provinces to inspire South Africans to travel around the positioning of, "Whatever you looking for, its here" which will run on traditional media and digital platforms;
- The ultimate South African user-generated road map to drive word of mouth and recommendations for travel and day trips;
-
- Industry participation in promotion of affordable, exciting packages that will trigger travel;
- Event promotion and packaging for example sports, music, lifestyle, cultural events across the country; and
- Direct consumer engagement through activations, information provision and public relations.

8. DOMESTIC TOURISM IMPLEMENTATION PLAN

This Implementation Matrix/ Action Plan has a five year life span and actions will be updated on an annual basis.

OBJECTIVE 1: TO INCREASE DOMESTIC TOURISM REVENUE					
FOCUS AREAS	OUTCOMES	ACTIONS/ACTIVITIES	SUB ACTIONS	ROLE PLAYERS	TIME FRAME
Innovation of attractions, operations and offerings	Increased effective use of tourism facilities	Ensure adequate supply of products and services per market segment	Conduct research to assist the tourism industry's understanding of the needs of the domestic tourists	SAT, NDT and Industry	2012/13- 2012/14
			Conduct an audit of the tourism products and services database to ascertain adequate supply for each of the prioritised segments	NDT, SAT and Provincial Marketing Agencies and private sector	2012/13
		Infrastructure Investment	Develop prudent funding models for emerging investment opportunities with relevant partners (e.g. IDC)	NDT, Provincial Departments, Private sector, Provincial Marketing Agencies and other government departments	2013/14
			Identify and analyse policy barriers to growth in all spheres of government e.g. municipal by-laws and other policies		
			Facilitate the development and implementation of maintenance plans for infrastructure administered by government entities.	NDT and provincial departments	2013/14 - 2020
			Utilize the existing tourism incentives fund including the Expanded Public Works Programme to enhance domestic tourism.	NDT	2012/13- 2020
Maximize utilization of existing products and introduce new products	Full use of tourism facilities and introduce new products where there is potential	Develop and implement programme for existing and new tourism products targeting domestic tourists	Partner with relevant Department to promote same day trips at museums, cultural and other related offering.	NDT, Department of Arts and Culture, Museums and the Arts Community	2012/13 - 2020
			Partner with the film industry and Department of Arts and Culture to provide facilities and activities that support local tourism.	National (NDT, Department of Sports, Arts and Culture), provincial and local government, private sector and Sporting Federations	2012/13 - 2020
			Engage with sports associations to introduce and promote pre- and post-event tourism	NDT, SAT and Provincial Marketing Agencies and	2012/2013 - 2020

OBJECTIVE 1: TO INCREASE DOMESTIC TOURISM REVENUE					
FOCUS AREAS	OUTCOMES	ACTIONS/ACTIVITIES	SUB ACTIONS	ROLE PLAYERS	TIME FRAME
			activities	sports associations	
Increase in business travel	Increase in business tourism	Implement the National Convention Bureau Strategic Plan	Establish a database of key national business events Develop pre- and post-tours business tourism programme framework	NDT, SAT, Provinces and City Conventions Bureaux, private sector (SAACI) and other sectors	2012/13- 2020
Entrenching a Culture of Travel	Increase the culture of travel for tourism purposes	Establish quotas, encourage concessions and incentives	Create platforms for market access for discounted rates from tourism products targeted at domestic tourists linked to the marketing campaign	SAT, NDT, Provinces, Product Owners and Tour Operators	2012/2013 - 2020
			Develop and implement a programme for special interest groups incentives (e.g. bikers, stokvels, vintage car clubs ,etc.) to host their /events in selected tourism destinations and facilities	NDT,SAT, provinces, municipalities and private sector	2012/13 - 2020
		Improve performance of Tourist Information Centres	Implementation of the National Visitor Information Centres Framework (e.g. working hours)	NDT, SAT, provinces and local government	2012/13 - 2020
		Improve dissemination and awareness of tourism information	Implement information dissemination programme to wider network e.g. petrol stations, touch screens, mobile applications, community radio stations etc.	NDT, SAT and Marketing Agencies	2012/13 - 2020

OBJECTIVE 2: INCREASE DOMESTIC TOURISM VOLUME					
FOCUS AREAS	OUTCOMES	ACTIONS/ACTIVITIES	SUB-ACTIONS	ROLE PLAYERS	TIME FRAME
Differentiated packaging of affordable tourism products	Increased number of domestic tourism trips	Investigation into the development and packaging of affordable domestic products for local consumers	Conduct research on best practices regarding pricing strategies that will make the domestic market more attractive while ensuring that operators get a good commercial return aimed at capacitating SMMEs.	NDT, SAT and Industry	2013/14
			Introduce a Domestic Travel Card (similar to SANParks' Wild Card) towards incentivizing travellers through discounted packages	NDT, SAT, Provinces and Product Owners)	2012/13
Review and enhance conversion mechanisms	Improve conversion mechanism	Investigate appropriate channels for conversion for the different market categories	Review of existing conversion mechanisms and establishment of suitable mechanisms where necessary	NDT, SAT, Provinces and Industry	2013/14

OBJECTIVE 3: TO ENHANCE MEASURES AND EFFORTS ADDRESSING SEASONALITY AND EQUITABLE GEOGRAPHICAL SPREAD					
FOCUS AREAS	OUTCOMES	ACTIONS/ACTIVITIES	SUB ACTIONS	ROLE PLAYERS	TIME FRAME
Maximize use (all year round) of existing tourism assets/facilities	Optimal use of existing facilities	Audit of products	Conduct an audit of all existing government owned resorts/parks/ nature reserves in less visited Provinces and Regions that may not be optimally used/ under-utilised.	NDT, provinces and local government	2012/13
			Develop and implement a Public Private Partnership Framework for tourism focusing on management of facilities	NDT, Treasury, Private Sector	2013/14-2020
		Create special activities for less visited areas and low season	Develop and package linked experiences across the country (interlinked cross provincial packaging) in partnership with industry e.g. National Parks Footprint, Cultural Events Route, Liberation Route, etc.	NDT, SAT, relevant government departments, provinces and municipalities and private sector	2013/14- 2020

OBJECTIVE 3: TO ENHANCE MEASURES AND EFFORTS ADDRESSING SEASONALITY AND EQUITABLE GEOGRAPHICAL SPREAD

FOCUS AREAS	OUTCOMES	ACTIONS/ACTIVITIES	SUB ACTIONS	ROLE PLAYERS	TIME FRAME
			Provide support for one mega event hosting per province during low season and in less visited provinces (music festivals, sports, cultural events, religious gathering, etc.).	NDT, SAT Provinces and Provincial Marketing Agencies/Authorities, private sector and communities	2013/14-2020
			Development of pre and post event specific offerings/ options to increase the length of stay within the less visited areas (including integrated packaging)	NDT and SAT, relevant government department Provinces and Provincial Marketing Agencies/Authorities, private sector and communities	2013/14- 2020
Differentiated Marketing	Enhanced levels of domestic tourism marketing	Implement the Domestic Tourism Marketing Strategy	Set up provincial marketing offices in other provinces to create inter-provincial partnerships and cross selling across provinces.	Provincial Marketing Agencies	2013/14 -2016/17

OBJECTIVE 4: TO ENHANCE THE LEVEL OF THE CULTURE OF TOURISM/TRAVEL AMONG SOUTH AFRICANS

FOCUS AREAS	OUTCOMES	ACTIONS /ACTIVITIES	SUB ACTIONS	ROLE PLAYERS	TIME FRAME
Develop and implement tourism awareness-education programmes	Increase understanding of tourism and appreciation of the value of tourism	Promote values and attitudes that are part of the culture of tourism.	<ul style="list-style-type: none"> Develop and implement a National Tourism Awareness campaign 	NDT, provincial tourism departments, SAT, Provincial Marketing Agencies, private sector and civil society	2012/13- 2020
			Promote and support inter-provincial school based sporting trips in partnership with the Departments of Sport and Recreation, and Basic Education	NDT, Departments of Sports and Recreation, and Basic Education	2012/13 - 2020
			Develop and implement of a Programme aimed at revitalizing culture and traditions linked to existing cultural village (BACK TO OUR ROOTS CAMPAIGN ⁸)	NDT, Provinces and Department of Arts and Culture, Traditional Leadership and Communities	2013/14-2 020
			Implementation of the Strategy to Professionalize Tourist Guiding	NDT, provinces, Municipalities and the Guides Federation	2012/13 - 2020
			Promote a culture of Voluntourism ⁹ linked to Corporate Social Responsibility	NDT, Organised Business, CBOs and NGOs and Industry	2013/14 - 2020

⁸ *Back to our roots campaign will target urban residents with a view to give them a taste of rural cultural experiences, in partnership with cultural villages and traditional authorities*

⁹ *Voluntourism refers to a phenomenon whereby people visit identified areas for social responsibility purposes but make use of tourism facilities within such specific areas.*

OBJECTIVE 4: TO ENHANCE THE LEVEL OF THE CULTURE OF TOURISM/TRAVEL AMONG SOUTH AFRICANS

FOCUS AREAS	OUTCOMES	ACTIONS /ACTIVITIES	SUB ACTIONS	ROLE PLAYERS	TIME FRAME
Enhance training of tourism products owners, employees and neighbouring communities		Promote values and attitudes that are part of the culture of tourism	Coordinate the following training programmes/campaigns for public sector, private sector and public facilities: <ul style="list-style-type: none"> ○ Fundi (a training programme aimed at equipping local travel consultants and the general public service with the knowledge and the skill to better sell all of South Africa’s nine provinces to local South Africans and help promote the culture of travel within South Africa). ○ Know Your Country/City Campaign (to create awareness across the value chain). 	SAT, NDT, provinces, CBOs and Industry	2013/14 - 2020
			Develop and implement most “Responsible Tourism Town” Competition – with special emphasis on Universal accessibility.	NDT, Department of Environmental Affairs, Provinces and Local Government	2013/14 - 2020

9. ASSUMPTIONS

- Steady national economic growth with improvement of income distribution. Positive euro debt solution to avert possible second global recession.
- Political environment will remain stable.
- Public and private investments in infrastructure development maintained.
- Intermodal and affordable transport systems will be enhanced in line with the infrastructure investment focus.
- Efficient and sustainable partnerships with all relevant role players (public and private sectors organizations and civil society)
- Availability of human and financial resources.
- Tourism prioritisation and profile enhanced in all spheres of government.

10. KEY SUCCESS FACTORS

The successful implementation of the Domestic Tourism Strategy will depend on the following key success factors:

- Strong partnerships and collaborative initiatives with all stakeholders including media, industry stakeholders and communities.
- Effective packaging to ensure competitive pricing, access to information, ease of purchase, quality travel experiences in line with target market needs.
- Affordable, safe and convenient access and transport modes to tourism destinations and products.
- Domestic tourism campaigns rollout.
- Research should be considered and focused on areas where there is high potential for domestic tourism growth.
- Recognise the role of platforms such as travel agents, banks, websites, mobile phones, etc.
- More collaboration for collection and sharing of information for statistical purposes.
- Ensure that there is a monitoring, evaluation and reporting mechanism in place.

11. MONITORING, EVALUATION AND REPORTING MECHANISM

The successful implementation of the Domestic Tourism Growth Strategy will be possible through proper monitoring and evaluation. This will be done through the NTSS Delivery Forum as the Domestic Tourism Growth Strategy is one of the actions to be delivered in the NTSS.