

# SOUTH AFRICAN TOURISM: BRAND STRENGTH STUDY

## 1. Introduction

Destinations around the world measure the strength of their tourism brand and use the information collected to evaluate their marketing or brand performance, improve the perception of their country and encourage people to visit. South African Tourism aims to build an appealing brand that is recognised, resilient and competitive. To increase tourism arrivals to South Africa, we need in-depth knowledge of the various attributes making up the country's brand, so we can build on these to strengthen the brand.

By 2003, South African Tourism had developed the Brand Tracker Survey to track the perception of South Africa as a destination across key source markets. The survey tracks various performance indicators, including awareness, positivity, consideration, intention to visit, personality and performance attributes, which evaluate the perceived quality of the destination brand. These attributes have been effective in measuring brand growth in key metrics, whether the brand is improving and the effectiveness of marketing campaigns. However, they have not adequately assessed certain measures that directly drive arrivals.

As a result, South African Tourism created a more robust and statistically precise approach, the Brand Strength Index, to measure the correlation between the performance of the brand and arrivals. Considering select factors that affect brand strength gives us insight into not only what makes an exceptional brand but also how to adapt our strategies to grow arrivals.

## 2. What is the Brand Tracker Survey?

The Brand Tracker Survey collects data from travellers from more than 17 long-haul markets.<sup>1</sup> To be surveyed, long-haul travellers must meet certain criteria regarding, for example, age and income. The survey is conducted three times a year: in February, June and November. The resulting insights inform South African Tourism's strategies and marketing efforts to increase arrivals. The following key attributes are monitored:

- **Brand knowledge** – what do consumers know about the country? Their ideas about its performance and personality are known as travel destination associations. Performance associations are tangible or rational associations, such as whether South Africa is a safe and secure destination offering a wide variety of experiences. Personality associations are intangible associations, such as being memorable, well known and friendly.

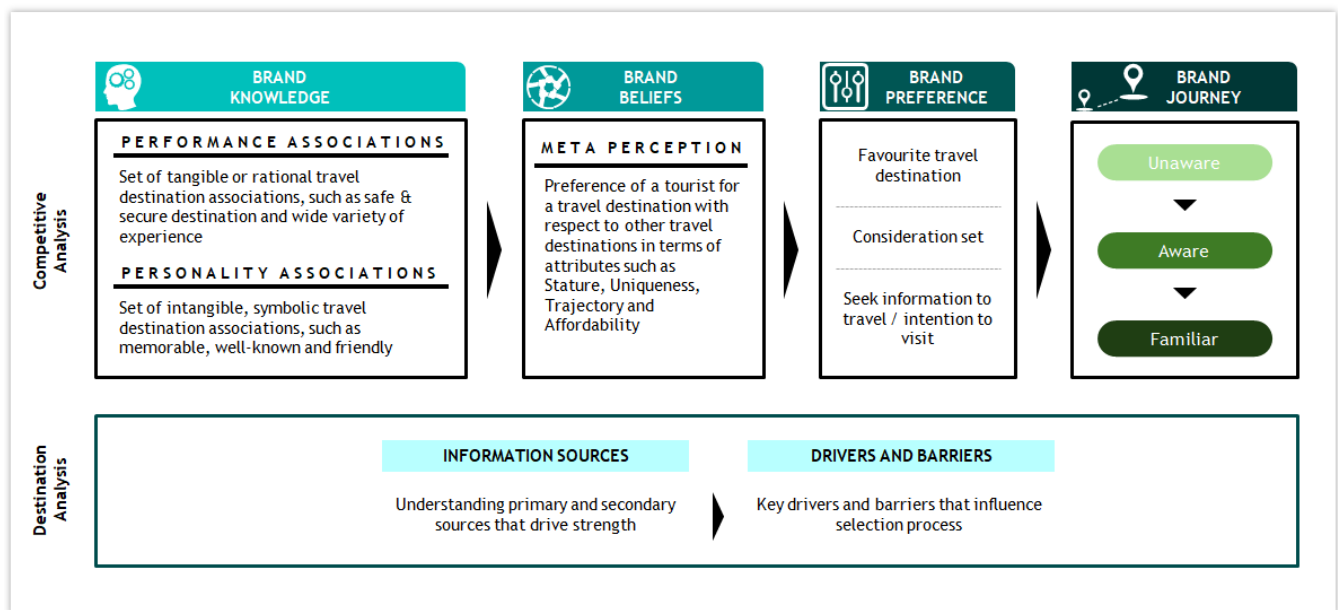
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<sup>1</sup> Australia, Brazil, Canada, China, France, Germany, Ghana, India, Italy, Kenya, the Netherlands, Nigeria, South Korea, Switzerland, Tanzania, Uganda, the United Kingdom and the United States.

- **Brand beliefs** – what does a consumer believe or perceive about the country? How does an individual rate a travel destination against others in terms of attributes such as stature, uniqueness, trajectory<sup>2</sup> and affordability?
- **Brand preference** – what does a consumer look for in a travel destination? This includes the measurement of favourite travel destinations, the considerations for travel and the intention to visit the destination.
- **Brand journey** – how does a consumer engage with the country? This is the journey from awareness to familiarity and, hopefully, visitation.
- **Information sources** – where does a consumer find information about the country? These are the primary and secondary sources that build brand strength.
- **Key drivers and barriers** – what makes consumers decide to go through with a visit or deters them from visiting the country? These are the elements that influence the selection process.

These key attributes inform the Brand Strength Index.

**Figure 1: South African Tourism monitors its performance on a wide array of brand attributes**



<sup>2</sup> Some international destinations are growing in popularity as leisure destinations while others are not. The survey asks respondents to rate destinations according to their belief that they are growing in popularity for leisure travel on a scale of 1 to 7, where 1 means “declining reputation” and 7 means “improving reputation”.

### 3. Why the Brand Strength Index?

The Brand Strength Index is a statistical model that measures how the performance of the brand correlates with arrivals. It identifies a broad set of variables that make up the brand, and gives South African Tourism an overall score to compare South Africa to competitors. It also identifies the elements that we can leverage to increase our score, based on an equation. As a result, we can create marketing materials targeting specific attributes with the confidence that they will result in more arrivals.

*Figure 2: Brand strength with arrivals as a key outcome*

$$\text{Arrivals} = (0.48 \times \text{Affordability}) + (0.3 \times \text{Stature}) + (0.12 \times \text{Awareness}) + (0.22 \times \text{GDP}) + (0.36)$$

*Impact of Brand Measures for Calculation of Brand Strength Index*      *Impact of Macroeconomic Environment*      *Intercept*

The Brand Strength Index equation is centred on arrivals as the key outcome and considers the following brand attributes:

- **Functional attributes**, as reflected in the affordability metric, which links to the destination's performance.
- **Emotional attributes**, as reflected in the stature metric, which links to the destination's personality.
- **Brand reach**, as reflected in the awareness metric.

An improvement in these metrics will strengthen South Africa's brand, with a positive impact on tourist arrivals.

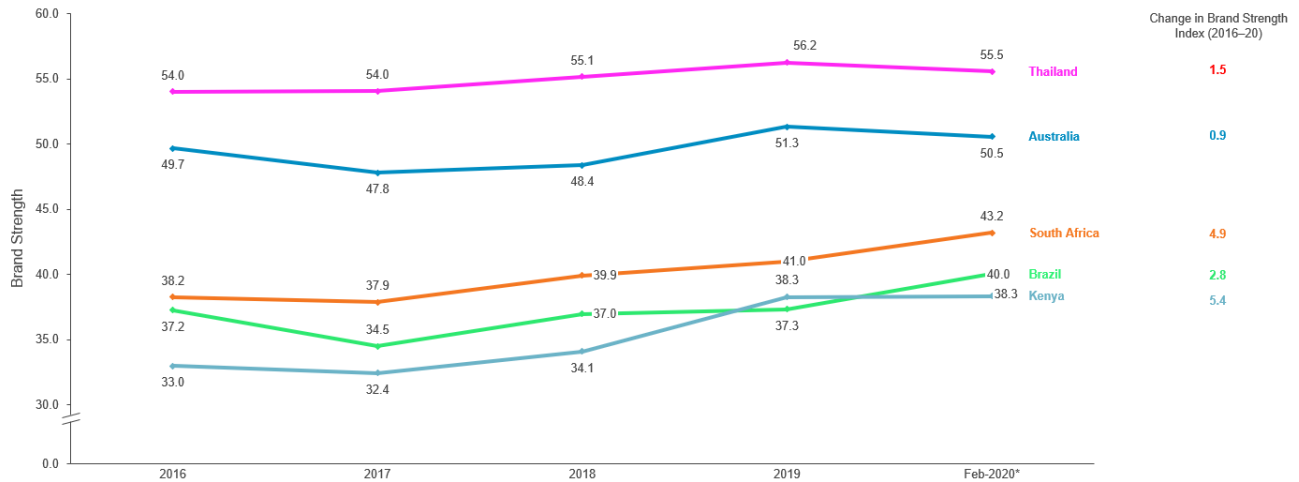
The equation also considers:

- **Macroeconomy/gross domestic product** – the macroeconomic environment will always have a direct impact on tourism performance.
- **Intercept point** – in every statistical model there is an intercept point where one cannot explain the increase in arrivals.

Key events often have an impact on brand strength. For example, South Africa's brand strength has improved over the past decade since the 2010 FIFA World Cup. As of 2018, our brand strength lags behind more popular destinations such as Thailand, the United States, France and Australia. We are slightly ahead of Brazil and Kenya.

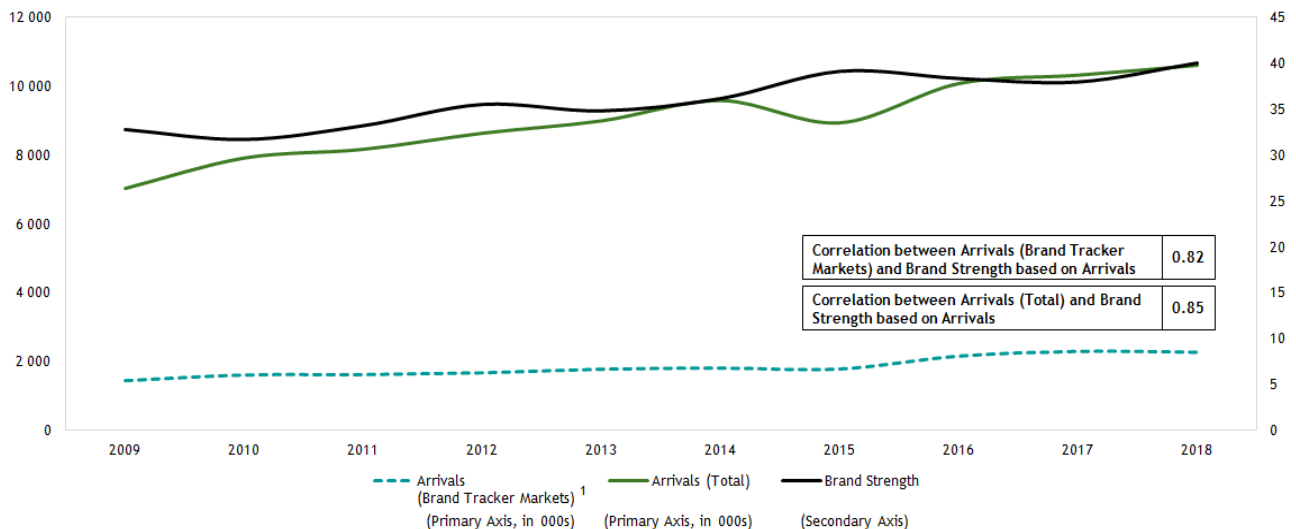
**Figure 2: Brand strength by key destinations, 2016-2020**

The Brand Strength Index scores for South Africa and Brazil witnessed an increase due to better Affordability perceptions across markets



Modelling data from Brand Tracker Surveys and arrivals figures shows that there is a strong correlation between brand strength and arrivals: if brand strength improves, South Africa is likely to experience an increase in visitors. The correlation between arrivals from Brand Tracker markets (i.e. the markets surveyed) and brand strength (based on arrivals) is 0.82. Similarly, the correlation between total arrivals (from all markets) and brand strength (based on arrivals) is 0.85. These are both high correlation scores, indicating that the Brand Strength Index is a viable tool to help South Africa improve its arrivals figures in the future.

**Figure 3: Brand strength vs. arrivals**



It is also important to note that a high correlation between brand strength and arrivals is a good indication that arrivals trends will follow brand strength trends, with a lag of about a year, as shown in Figure 5. The correlation score between total arrivals and brand strength (based on arrivals) is 0.9.

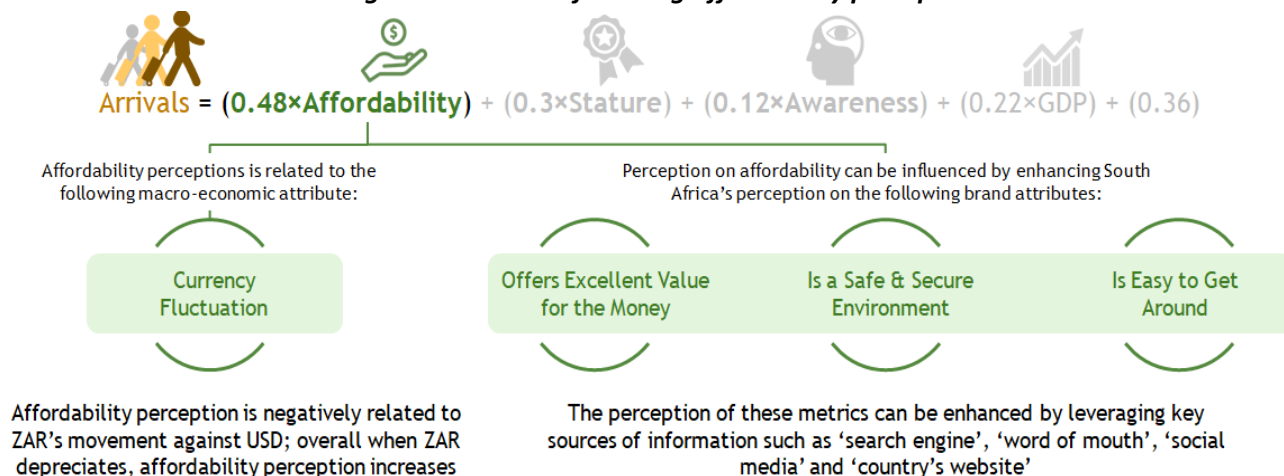
### 3.1 Understanding the Brand Strength metrics

#### **Affordability**

Affordability often determines whether a destination is given preference over others. For South Africa to attract more travellers, it must be viewed as offering excellent value for money. Closely linked to this is the perception that it must be easy to get around and safe. Currency fluctuation has a significant influence on the affordability perception, especially against major currencies. There is a negative correlation between the South African rand's depreciation and affordability: when the rand depreciates, the perception around affordability increases and South Africa is more attractive to travellers.

The perception of affordability can be influenced by making use of portals and channels that consumers predominantly use to find information about South Africa as a travel destination, such as search engines, word of mouth, social media and the country's website (southafrica.net).

**Figure 4: Factors influencing affordability perception.**

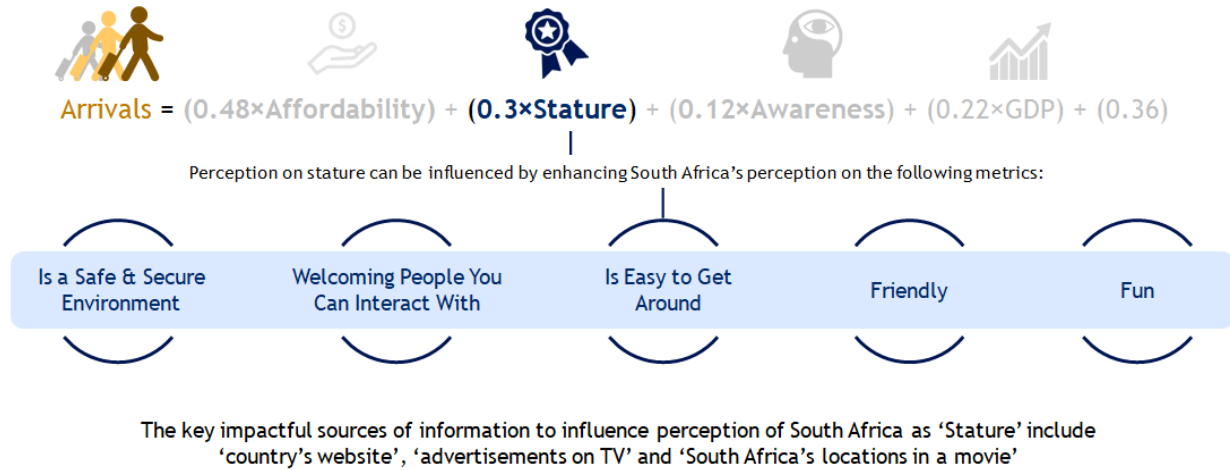


#### **Stature**

Stature is closely linked to affordability when travellers consider a destination. The Brand Tracker Survey asks respondents to rate international destinations according to whether they think they are one of the best or worst for leisure travel. The elements that influence stature are improved perceptions around being a safe and secure environment, having welcoming people, being easy to get around, and being friendly and fun.

Stature can be enhanced by boosting the visibility of South Africa through TV advertisements and the southafrica.net website, and featuring more of the country's locations in movies.

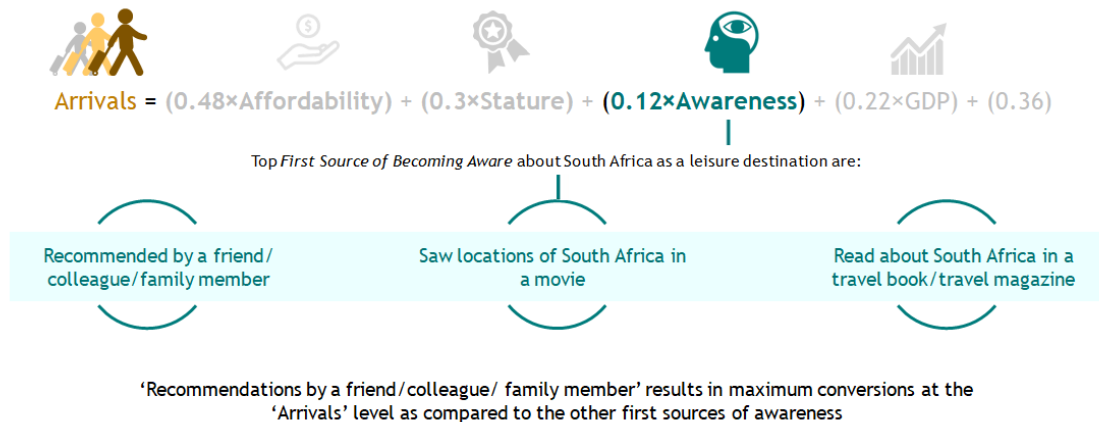
**Figure 5: Factors influencing stature perception**



### Awareness

Awareness of South Africa is important when considering the country as a leisure destination. Recommendations from friends, family members and colleagues to visit South Africa are the largest influencer of awareness, followed by seeing South African locations in movies, and reading about the country in travel books, magazines or other platforms, such as social media.

**Figure 6: Factors influencing awareness perception**



### 3.2 Information sources

Creating the ideal conditions to attract visitors requires continuous engagement, investment and content. We need to ensure that our brand has the right mix of positive messages to encourage travellers to choose South Africa.

The Brand Strength Index has identified that, overall, the southafrica.net website, TV advertisements, and social media are the most effective channels we can use to improve South Africa’s awareness score and perceptions that the country is affordable and one of the world’s best destinations for leisure travel.

Figure 7: Information sources to influence key brand factors

