

Brand South Africa

**EMERGING MARKET TRENDS
AND
OPPORTUNITIES FOR TOURIST GUIDES**

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Miller M Matola



www.southafrica.info

Background - Brand South Africa

- ❑ Established 2002 with a mandate to build national reputation and ensure coherent consistent message of the country
- ❑ Brand South Africa has a mandate which spans both international and domestic audiences.
- ❑ Proactive management of the nation brand reputation and contributing to improved global competitiveness.
- ❑ Brand South Africa relies on its stakeholders to accurately and consistently deliver the coherent and consistent messages about SA.
- ❑ A critical stakeholder grouping is the guiding fraternity; who play a significant role in communicating messages about SA.
- ❑ The actions and conduct of tourist guides is an important factor in the building and managing of the **image and reputation** of a country i.e. the **nation brand**





Our Mandate

International
mandate

To build South Africa's Nation Brand reputation in order to improve South Africa's global competitiveness

Domestic
mandate

Build Pride & Patriotism amongst South Africans and contribute to social cohesion and nation brand ambassadorship





Nation

Brand

Investment Potential and attractiveness to outsiders

Potential attractiveness and economical contribution

Level of satisfaction with country's products and services

Competency fair governance, human rights, international contribution

Skills and openness

Commercial and cultural products and sporting prowess



Nation brands and branding...

- ❑ A **nation brand** is everything the Nation stands for; it is the creation of the identity that will encompass what people know about the Nation:
 - Culture and Heritage – where do we come from?
 - Identity – what do we stand for?
 - Vision - where are we going?

- ❑ “The nation brand construct is a *socio-psychological* construct...it concentrates on the perception of the customer (**IMAGE**) and the self perception of place (**IDENTITY**).

- ❑ **Nation Branding** - “the practice of highlighting, encouraging, reinforcing, communicating and aligning a nation’s attributes in order to present the nation in a way that helps it reach **defined strategic goals**” (Simon Anholt)

- ❑ **Branding** is the marketing thereof i.e. logo, slogan, colour scheme, look and feel etc.

What are some of the global trends impacting tourist guiding?

1. Geographic rebalancing of power
2. Africa rising
3. BRICS
4. Demographic trends
5. Post 2015 developmental agenda - Sustainability | Inclusive Growth
6. Emerging markets

Emerging markets and the new normal...

- Developing nations

- Rapid growth and industrialisation

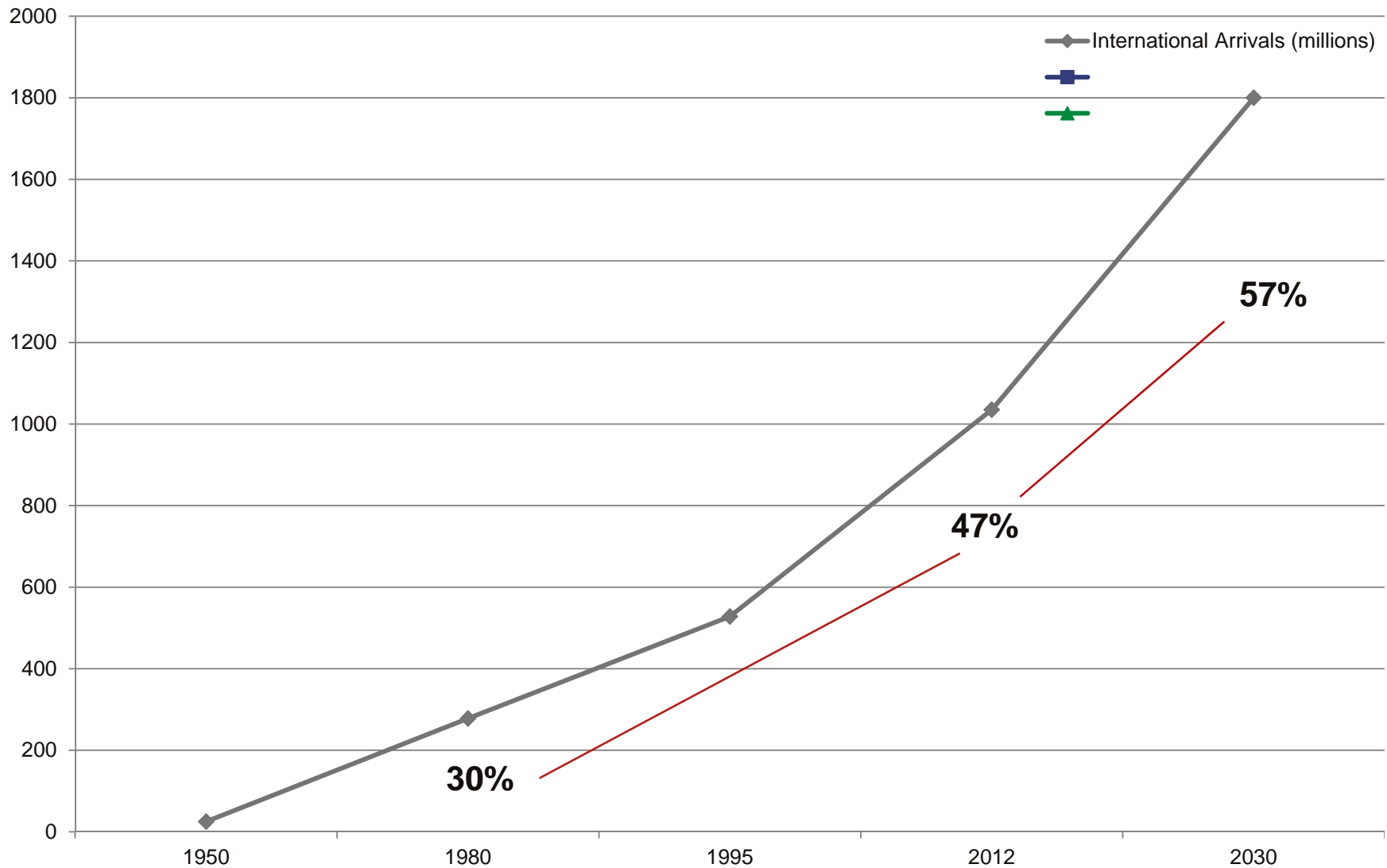
- Largest emerging markets:
 - ❖ BRICS - Brazil | Russia | China | SA
 - ❖ MINT +- Mexico | Indonesia | Nigeria | Turkey | Philippines | Poland | South Korea
 - ❖ ASEAN-China Free Trade Area (region)

- AFRICAN - 26 country FTA

Global Tourism is a key driver of growth and development...

- ❑ 9% of GDP (direct/indirect & induced)
- ❑ 1 in 11 jobs
- ❑ \$1.3trillion in exports
- ❑ 6% of the worlds exports

Global Tourism Growth - the journey...3.3% growth pa.



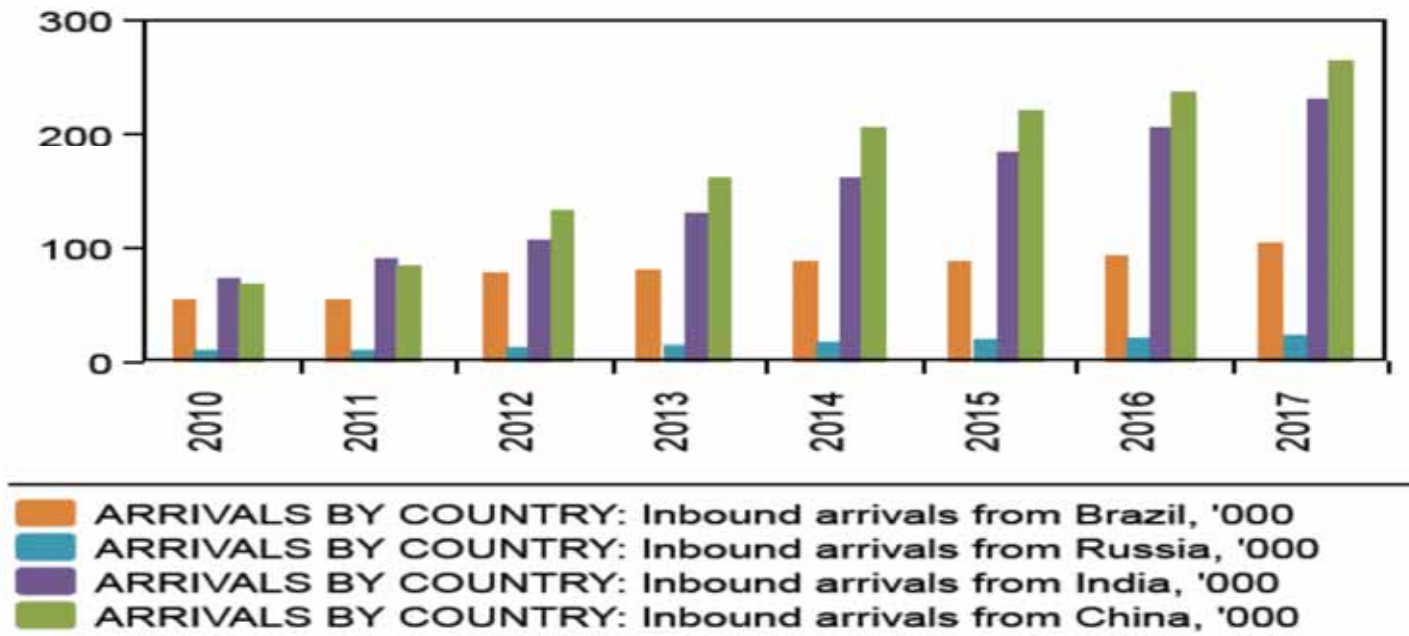
Emerging Markets will comprise a huge part of that growth...

- ❑ Emerging markets increase – double that of developed economies
- ❑ Highest growth rates in tourism spend
- ❑ Travel growth driven off greater stability
- ❑ Growing middle class
- ❑ Improved standards of living
- ❑ Demographic shifts
- ❑ Hence arrivals will exceed developed economies by 2015

The BRIC Countries Remain Key Drivers of Tourism Growth...

The Power Of The BRICs

South Africa - BRIC Arrivals, 2010-2017



2013-2017 = BMI forecast. Source: South Africa
Tourism, BMI

Developments in tourism which augur well for the profession

- ❑ Business Monitor International maintains a positive outlook on SA's tourism industry.
- ❑ Value of South Africa's hotels and restaurants industry will increase by a strong 86% in US dollar terms over the 2013-2017 period, to reach US\$16.34bn.
- ❑ For 2014, there will be 9.5% growth in arrivals from all regions, with tourism receipts set to rise by 10.4%.
- ❑ International tourism receipts stood at ZAR76.4bn in 2012, up 7.6% y-o-y and underlining the bullish state of inbound tourism demand at the present time.
- ❑ Projecting 41.5% growth in total international tourism receipts, to reach US\$18.29bn by 2017
- ❑ A strong pickup in growth of foreign tourism is expected over the coming years, largely owing to solid economic growth in Sub-Saharan Africa (SSA).
- ❑ Continued weakness in Europe. Domestic tourism is likely to be bolstered by relatively strong economic growth anticipated for South Africa.

The Case of China...

- ❑ World's 2nd largest economy
- ❑ Critical developments key as source market
- ❑ Deregulation and reforms
- ❑ Private sector driven growth
- ❑ Foreign participation in industries
- ❑ Reduce reliance on government lead investment as growth driver to consumer-centred economy.
- ❑ Going global strategy - trade - business - leisure travel.

The Case of China...

- Comprehensive strategic partnership -SA: China
- SA - China's No 1 trade partner
- Accounts for 30% of total trade
- Absorbs 30% of SA exports
- SA's 4th largest tourism source market
- Arrivals to SA in excess of 30%



Opportunities abound...

- Mediating experiences
- Conscientious/fair trade tourism
- Product development
- Sustainability
- Medical
- Languages
- Specialiation - languages/subject matter



Thank You



South Africa at a glance

Fact sheet for brand ambassadors
2012

