



Zulu Kingdom. Exceptional



# Emerging market trends and opportunities for tourist guides

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# The world of tourism is changing



# *The world of tourism is changing*

## *What's happening*

- > **Americas:** a new kind of traveller called PANKS (Professional Aunt, No Kids). They spend billions travelling with nieces and nephews. As of 2010, 42% of women in US aged 15 - 44 were childless.
- > **UK:** a new trend of a "Happiness Index" where consumers rank flights based on comfort and suitability (currently only airlines) - helps to move away from a commoditised, price only decision.
- > **Europe:** peer-to-peer travel is increasing as the region continues to struggle with low GDP growth. This can be house-swapping, car sharing, "couch surfing" etc.





# *The world of tourism is changing*

## *What's happening*

- > **Middle East:** low-cost goes upmarket, as more frills are being added to budget services, for example, a business class on a low-cost carrier.
- > **Africa:** the big five with your little one. Growing trend of multi-generational holidays in Africa, where grandparents, parents and children holiday together.
- > **Asia:** fight for cruise control, as Chinese surge into the cruise market - set to become second largest global cruise market after the US, by 2017.
- > **India:** social media shake-up, as Facebook claims that India is its third largest global market after the US and Brazil. Indian online travel agencies, and even the government, are engaging social media to capture potential tourists.



# *How does this impact us in KZN ?*

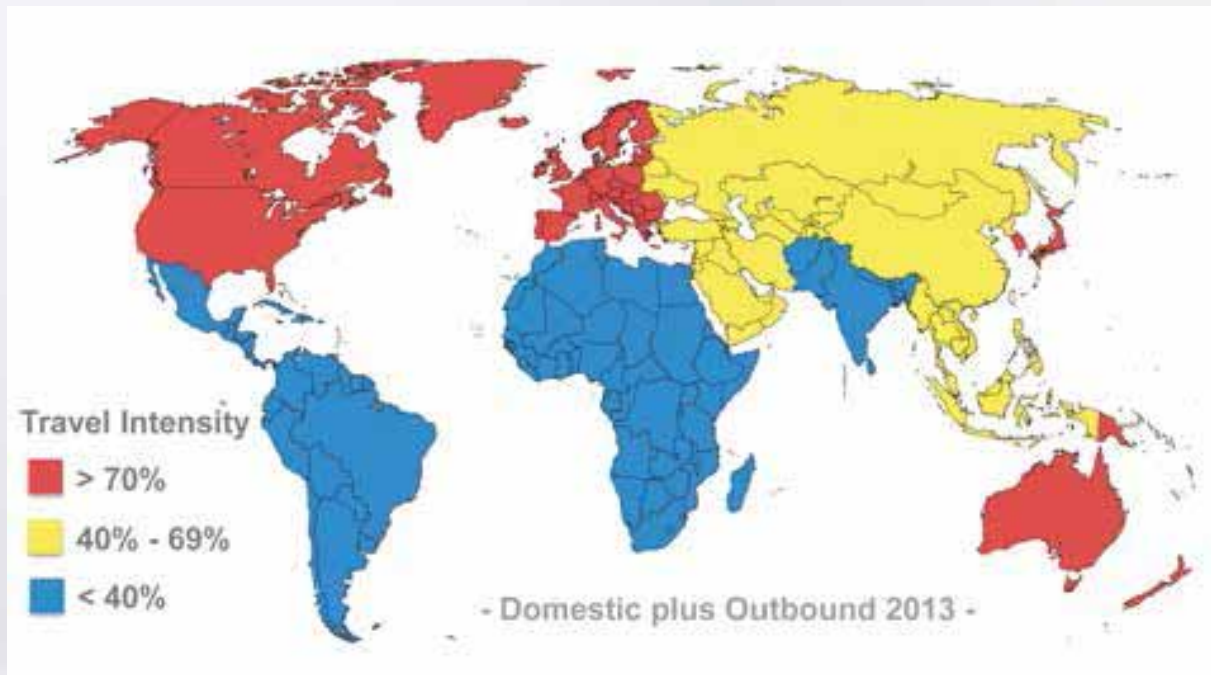
## *Thoughts ...*

- > **Adapt:** grandparents, parents and children in one group; or aunts with nephews - would our tours engage and captivate each member of the group?
- > **Satisfy:** would KZN tour guides be ranked well by consumers on a Happiness Index?
- > **Value:** what are the opportunities for added value?
- > **Online:** global trend for online shopping, if not visible, you're forgotten. Are we (@tech-savvy, #twits) social media aware?



# Travel intensity around the world

## Thoughts ...



“One third of humanity is travelling, but two thirds are not yet travelling”

Source: World Travel Monitor 2013, IPK International





# *Be Ready, Incoming Consumers (BRIC)*

## *The time is now*

- > People power: BRICS account for some 40% of the global population.
- > Chinese visitors have become 4<sup>th</sup> largest group of arrivals in South Africa (according to Euromonitor).
- > First timers: emerging markets expected to grow fast (surge in first time travellers).
- > Visitors to Africa: moving away from traditional Europe and US visitors, increasing from the BRIC countries (Brazil, Russia, India and China).
- > Power of the “pound”: rising incomes and urbanisation is driving growth in domestic, inter-Africa travel.
- > BRIC travellers normally visit in large family groups (remember adapt - the family group of grandparents, parents and children?).



# *What do they want?*

## *Personalisation*

- > I want the tour in my language, even if I can speak English.
- > I want food I know (especially Chinese and Indian visitors) and even the opportunity to cook my own food, or where I can find my home food.
- > I want an authentic experience, not a staged or fake environment.
- > I want to engage fully - to do, not see.
- > I want to disconnect, in order to reconnect (with real life).
- > I want custom-made holidays, tailored to my individual needs.





# What are we (TKZN) doing about it?

## Segmentation

	2002-2004    2005-2007    2008-2010 <b>2011-2014</b>			
	<b>Africa &amp; Middle East</b>	<b>UK &amp; Americas</b>	<b>Asia &amp; Australia</b>	<b>Europe</b>
<b>Core Markets</b>	Angola Botswana Kenya Nigeria South Africa *	USA*	Australia * India	FRANCE * GERMANY NETHERLANDS UK *
<b>Investment Markets</b>	DRC Mozambique	Brazil Canada	China (incl. Hong Kong) Japan	Belgium Italy Sweden
<b>Tactical Markets</b>	Lesotho Swaziland		New Zealand	Ireland
<b>Watch-List Markets</b>	Malawi Namibia Zambia Zimbabwe	Argentina	Republic of Korea	Austria Denmark Portugal Spain Switzerland
<b>Strategic Importance</b>	Bahrain, Oman Qatar, Saudi Arabia			
<b>Strategic Air Links/Hubs</b>	Egypt, Ethiopia, Ghana, Mauritius, Tanzania, Senegal, UAE		Malaysia Singapore	

# What are we (TKZN) doing about it?

## Packaging

EXPERIENCES  
EXPERIENCES



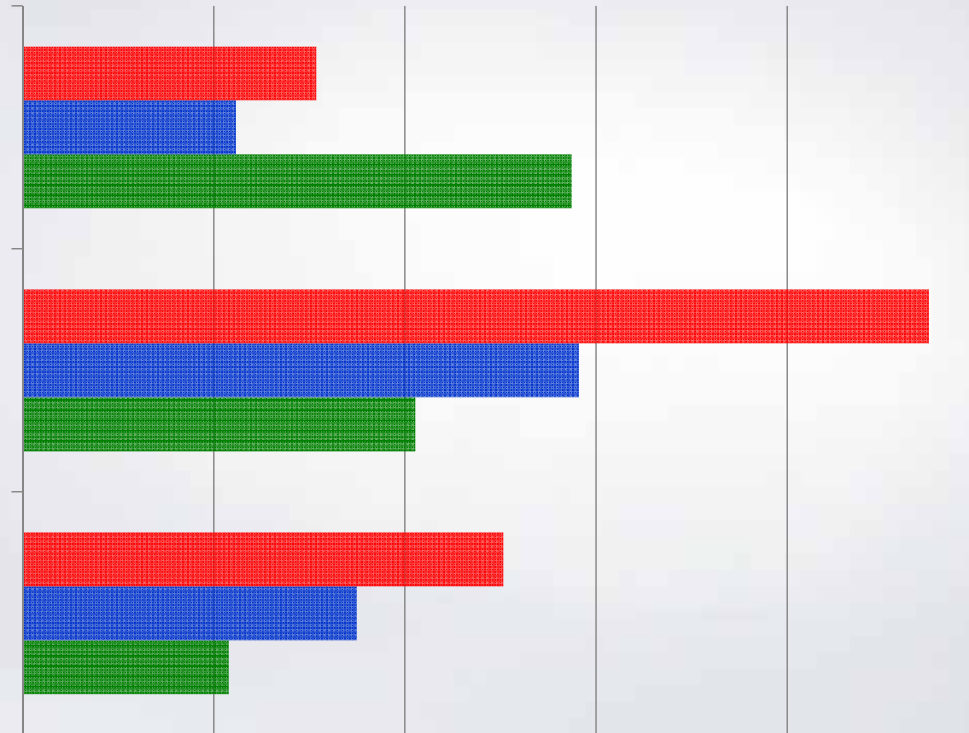
# What does this mean for all of us?

## Growth!

After world cup 2010, saw drop. Almost 40% growth from 2011 to 2012



Brazil



■ 2012  
■ 2011  
■ 2010

Consistent, solid growth. Over 62% growth from 2011 to 2012



India

Strong emergence, with 43% growth 2011 to 2012



China





# *What does this mean for all of us?*

## *Opportunities*

- KNOW YOUR CUSTOMER...the new tourist. It's not "one size fits all".
- Research critical.
- Language training.
- Packaging personalised tours, with a focus on authentic experiences.
- Private sector investment into tourism products that respond to new market needs - e.g. beach resort developments. Example is Tsogo Sun planned expansion of Suncoast in Durban. Geographic spread critical, therefore there is a greater need for development in other parts of the province as well.
- Partnership, Partnership, Partnership!

*What does this mean for all of us?*

*Let's create happy memories for our tourists!*





# Happy International Tourist Guide Day!







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*Thank You*