



tourism

Department:
Tourism
REPUBLIC OF SOUTH AFRICA

Keynote Address at the Tourism Research Webinar, 17 March 2021 held virtually for the National Department of Tourism

Greetings to the Staff Members at the National Department of Tourism
To the various universities that contributed to the COVID19 studies
To tourism stakeholders and everyone that has been able to register for the Webinar

The outbreak of the COVID19 pandemic, completely changed our world, as all countries in the world declared lockdowns. For the tourism industry, which is a traveling intensive industry, lockdowns meant that the tourism industry was also shut down. The experience of the tourism industry is best captured by Charles Dickens in a "A Tale of Two Nations", whose opening sentence are as follows:

"It was the best of times, it was the worst of time...It was the season of Light, it was the season of Darkness, it was the spring of hope, it was the winter of despair, we had everything before us, we had nothing before us".

Just a year before, the tourism industry was grappling with overtourism, a scenario where destinations and countries had experienced too many tourists. The advent of the COVID-19 pandemic, meant that tourism expenditure had decreased by nearly 98% and there were literally no tourists, plunging countries into financial ruin as tourism is a major contributor in jobs and GDP in many countries. According to the United Nations (2020) tourism revenue loss translated into nearly \$320 billion in exports-over three times what was lost during the whole of the 2009 global economic crisis. It was the worst of times, as everyone sought to predict the tragedy of COVID-19, as we all longed for the old normal and not this 'new normal'. As noted by the World Tourism Association (2020) tourism would be hardest-hit industry in this pandemic scenario with negative impacts on both demand and supply of tourism products. Because tourism consumption is a service that is experienced, and unlike goods, a halt to services trade meant that lost revenue and income could not be recouped later, making the impact on the tourism industry more harder. Seeking to understand the impact of COVID-19 on the tourism industry is imperative considering the character of our sector, dominated by small-businesses that may not have the budes for detailed research. I must commend the National Department of Tourism and the Tourism Business Council of South Africa (TBCSA) for their study titled " Tourism Industry Survey of South Africa: COVID-19. Impact, Mitigation and the Future". A few highlights of the study, include the following:

- Firms reported revenue declines of up to 50%
- 69% undertook temporary closure
- Cash-flow was the first priority, seeking financial support for recovery

Africa has started to see the first signs of recovery, and the tourism industry will be the first industry to recover, because it is robust and resilient. "Growth is forecast to return to the region (SADC) in 2021-in some cases, quiet significantly, yet still not enough to offset the damage done in 2020-but that is still a long was off" Luke (2020: 1). The tourism industry will recover because of the following reasons:

- The habit of holidays: Holiday consumption is part and parcel of normal society and the habit of holidays has been institutionalised. The extended periods of lockdown had robbed millions of humans of a holiday opportunity. There are psychological benefits associated with tourism consumption, and travelers are looking for body and soul restoration.

- Bucket-list South Africa: Our country remains a bucket-list destination, a must-visit. This means we must invest more budget to South African Tourism (SAT) to ensure that recovery messaging and marketing outlays can attract more tourists to our country.
- Vaccination: South Africa has begun vaccinating the public and this is good for tourism, as tourists would shun destination that are not vaccinating their populations.
- COVID19 financial support: South Africa had the Unemployment Insurance Fund –Temporary Employee Relief Scheme (UIF-TERS) that provided financial support to tourism establishment, possibly averting their closure.
- Tourism Recovery Plan: A well-researched recovery plan embraced by the industry and the introduction of national Norms and Standards for safe tourism operation based on globally recognized biosecurity protocols will restore confidence in the tourism value chain in South Africa. The recovery plan acknowledges that tourism recovery will experience a number of phases.
- Tourism Relief Fund: Small, medium and micro enterprises (SMMEs) benefitted from the once off grant to mitigate the negative impacts of the COVID-19 pandemic.
- Untapped Domestic Tourism Industry: The recovery of the People's Republic of China (PRC) as a destination was supported by a gigantic domestic tourism industry. South Africa has a robust domestic tourism market, but we are yet to exploit it. Let's engage the stokvel economy so that some of the savings made can be for tourism consumptions from an excursion to a 3 day Shot' left say at a property.
- Working from Home: The new normal of working from home has reduced time spent on traveling to and from work, and this means that those employed can achieve costs savings that could be used for tourism consumption. The increase in leisure time should translate into increased tourism consumption, if we continue with positive messaging and marketing outlays.

Trends that are associated with the post-COVID-19 tourism industry, includes the following, as noted by Eikstein (2021):

- Looking for the Sun: Destinations that have warm weathers, due to greater sun exposure are highly sought after by tourists.
- Open Spaces: Tourists are looking for wide open spaces, and Africa has plenty of them, and can be regarded as the largest open-air museum, especially when fauna and flora is consumed.
- Remote working supporting destinations: Destinations that seek to attract more tourists must embrace the new world of work, of remote working. Our Mother City, Cape Town has already been voted one of the "Best Cities for Remote Working" for 2021. Cities and tourism value chain members must make it convenient for remote working. The length of stay of digital nomads can be increased from 3 weeks to between 1 to 3 months of stay, which would revolutionize our tourism experience as a country.

In as much as we experienced the worst of times, we must never despair as the Season of Darkness will not be forever. The spring of hope is upon us, and we must prepare to recapture tourism growth to create the jobs and economic growth that we so dearly need. Since this is a research webinar, the research undertaken by both the University of Johannesburg and University of Pretoria would inform all tourism stakeholders on how to prepare for the new normal, where we co-exist with COVID-19. As almost all countries had jumped on the tourism bandwagon, they would need information and impartial research to inform them about how tourism was affected by the pandemic. Research is important in providing the information needed by the tourism value chain for strategic decision-making and inform policy makers and the state apparatus on how to plan the recovery of the tourism industry. The world of work has also changed to become more remote, a confluence with the Fourth Industrial Revolution (4IR), where technology would reduce work pressure, actually increasing leisure time, which would be a plus for tourism consumption. Research can the reliable information that would ensure that members of the tourism value chains ease from despair and gaze upon from the vista that this is once again the season of light and the best of times will be upon us.

I thank you!

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