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INYUVESI YAKWAZULU-NATALI

Re-examining perspectives on the recovery of South Africa's domestic tourism in a COVID- environment

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UKZN INSPIRING GREATNESS

Introduction and context

- Domestic tourism's role in the tourism sector's recovery post the devastating impacts of the COVID-19 pandemic is underscored
- Need to examine internal and external aspects, tourist and destination domains as well as demand and supply-side factors
- Multi-conceptual/ theoretical framework adopted
  – Sustainable tourism development approach
  – Ecosystem-based operational model

Methodology

- Desktop study/ literature review
  - Domestic tourism and the COVID-19 pandemic context and trends
  - Domestic tourism responses to the pandemic
  - Challenges for reigniting domestic tourism
  - Innovative responses that are emerging
  - Recommendations that are evident
- Quantitative surveys
  - Online (limited response) and face-to-face surveys in purposively selected cities/ towns (Cape Town, Durban, Johannesburg, Kimberly and St Lucia)
  - Tourism service provider surveys: 406 subjected to analysis
  - General public/ travel behaviour surveys: 1 034 subjected to analysis

Research objectives

- Determine best practice mechanisms applied in other countries to reignite domestic tourism.
- Identify key factors identified by stakeholders (including the general public as the domestic tourism market and tourism service providers) that are required to reignite domestic tourism in South Africa as part of the sector's recovery plan during and post COVID-19.
- Determine challenges and opportunities for leveraging domestic tourism as part of the sector's recovery plan during and post COVID-19, especially in relation to current and future travel behaviour as well as the readiness of tourism service providers.
- To identify practical, innovative interventions (identified by stakeholders and evident from best practices) required to reignite domestic tourism as part of the sector's recovery plan during and post COVID-19.
- Develop a national framework to guide how domestic tourism in South Africa can be reignited as part of the sector's recovery plan during and post COVID-19.
- As part of the national framework, to develop a monitoring and evaluation indicator toolkit that can be used by the Department of Tourism to assess the implementation of the proposed framework/ model, which can also be used to revise the framework/ model as needed.

Key research findings: Tourism service provider survey

Profile and change in income

- Diverse and multiple activities involved in
- Change in business/ organisation’s overall annual (for a year) average income prior to the COVID-19 pandemic and at the time of the interview (currently) (n=406)

	Frequency	Percent
Not applicable	56	13.8
No change/ remained in the same category	100	24.6
Increased	29	7.1
Decreased	221	54.4

Status of the business/ organisational activities at specific times (n=406, in %)

	Prior to the March 2020 Level 5 lockdown	At January 2021	Currently	When the COVID-19 virus is contained/ under control
No response	-	3.9	2.7	7.1
Not applicable (was not operational at that time)	11.8	4.7	1.7	2.0
Fully operational (continue with most business activities)	80.0	3.4	45.6	72.9
Operating with 60% - 80% of normal business activities	2.5	10.8	32.0	12.3
Operating with about half (50%) of normal business activities	.2	31.0	10.8	3.0
Operating less than half (50%) of normal business activities	.5	38.9	5.9	1.0
Closed (cancelled or indefinitely postponed work)	4.9	7.1	1.2	1.7

Extent to which domestic tourism generally in South Africa was impacted in relation to the aspects below as a result of the COVID-19 pandemic (n=406, in %)

	Increased	Decreased	Remained the same/ no change	Not applicable/ don't know
Sales/ demand for domestic tourism goods and services	28.1	66.7	3.2	2.0
Cash flow availability to domestic tourism service providers	2.5	78.1	9.9	9.6
Ability of domestic tourism service providers to access financial support such as loans and grants	28.1	36.2	12.8	22.9
Supply of goods and services to domestic tourism service providers/ businesses interrupted	12.8	51.2	19.7	16.3
Number of domestic travellers in South Africa	14.8	72.4	6.4	6.4
Number of customers/ clients during off/ low season	11.6	75.4	7.4	5.7
Number of customers/ clients during high season	7.4	79.8	5.7	7.1

Opportunities to encourage and support the recovery of domestic tourism in South Africa (n=406) (Multiple responses)

	Frequency	Percent
None/ no response	15	3.7
Established tourism products	271	66.7
Diverse tourism products, attractions and destinations across the country	261	64.3
Good quality tourism products, attractions and destinations across the country	286	70.4
Domestic tourism packages/ deals/ incentives	220	54.2
Skilled and diverse workforce	216	53.2
Good transport infrastructure	121	29.8
Portions of the population with disposable income (not financially negatively impacted by the pandemic) with a demand for leisure and recreational activities	120	29.6

Top 10 types/ kinds of support/ interventions that would be useful to the business and the domestic tourism sector more generally to recover from the COVID-19 pandemic impacts in South Africa (n=406) (Multiple responses)

	Frequency	Percent
Financial support (such as grants, loans, bridging support, etc.) to tourism businesses/ service providers	342	84.2
Population to be vaccinated	260	64.0
Reopening/ resumption of travel	237	58.4
Deferral of tourism service provider payments (mortgage, taxes, rent, loans, Unemployment Insurance Fund employee contributions, etc.)	234	57.6
Better marketing of tourism products/ inform residents of options to promote domestic tourism	225	55.4
Developing a national marketing and communication strategy to promote domestic tourism	224	55.2
Improved safety and security measures	218	53.7
Compliance with health safety protocols	216	53.2
Attractions, entertainment, leisure and recreational facilities to be fully operational and open	193	47.5
Advice/ training on business recovery and strategy for tourism businesses negatively impacted upon by the pandemic	191	47.0

Key research findings: Public/ Travel Behavior Survey

Profile of respondents

- Population group: Black African followed by Indian/ Asian (25.8%), Coloured (19.1%) and White (18.3%)
- Mostly between the ages of 21 and 40 years
- Majority were females (53.9%) and 43.9% were males
- Majority had some level of post-schooling qualifications
- Mostly employed from a variety of income groups
- Mostly from Gauteng, KwaZulu-Natal and the Western Cape as a result of the purposive selection of cities for the face-to-face interviews
- The COVID-19 pandemic personally affected the financial status of close to a third of the respondents
- Most respondents travelled domestically travelled prior to the pandemic and are have resumed travel (mainly for business purposes and visiting friends and relatives while prior to pandemic the main reason was holiday/ vacation)

If personally had a domestic (in South Africa) trip affected by the COVID-19 pandemic (n=1034) (Multiple responses)

	Frequency	Percent
Not applicable/ no trips	265	25.6
Yes, trip cancelled	290	28.0
Yes, trip postponed	256	24.8
No, planned trip continued uninterrupted	297	28.7

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P values of chi-square test results examining associations between selected respondent profile variables and group size, group composition, number of nights per trip and amount willing to pay per trip, among the 90.7% willing to travel domestically

	Group size	Number of nights	Amount
Population group	.004	.000	.003
Age	.000	.000	.000
Gender	.117	.680	.508
Marital status	.000	.000	.000
Educational level attained	.000	.000	.000
Employment status	.000	.000	.000
Monthly income	.000	.000	.000
Provincial location of residence	.550	.000	.016
Household size	.000	.000	.439

P values of chi-square test results examining associations between selected respondent profile variables and selected domestic tourism activities attracted to

	Coastal and marine tourism	Outdoors/ nature-based tourism	Business tourism	Social	Events tourism
Population group	.003	.000	.058	.001	.321
Age	.000	.000	.000	.002	.000
Gender	.616	.142	.316	.428	.005
Marital status	.001	.000	.051	.204	.003
Educational level attained	.000	.000	.000	.000	.002
Employment status	.000	.000	.000	.000	.002
Monthly income	.000	.000	.000	.164	.002
Provincial location of residence	.000	.000	.042	.000	.483
Household size	.000	.485	.198	.000	.487

Provinces most likely travel to for domestic tourism purposes (n=1034) (Multiple responses)

	Frequency	Percent
Not applicable/ no response	30	2.9
Eastern Cape	309	29.9
Free State	209	20.2
Gauteng	410	39.7
KwaZulu-Natal	530	51.3
Limpopo	131	12.7
Mpumalanga	235	22.7
Northern Cape	159	15.4
North West	132	12.8
Western Cape	510	49.3

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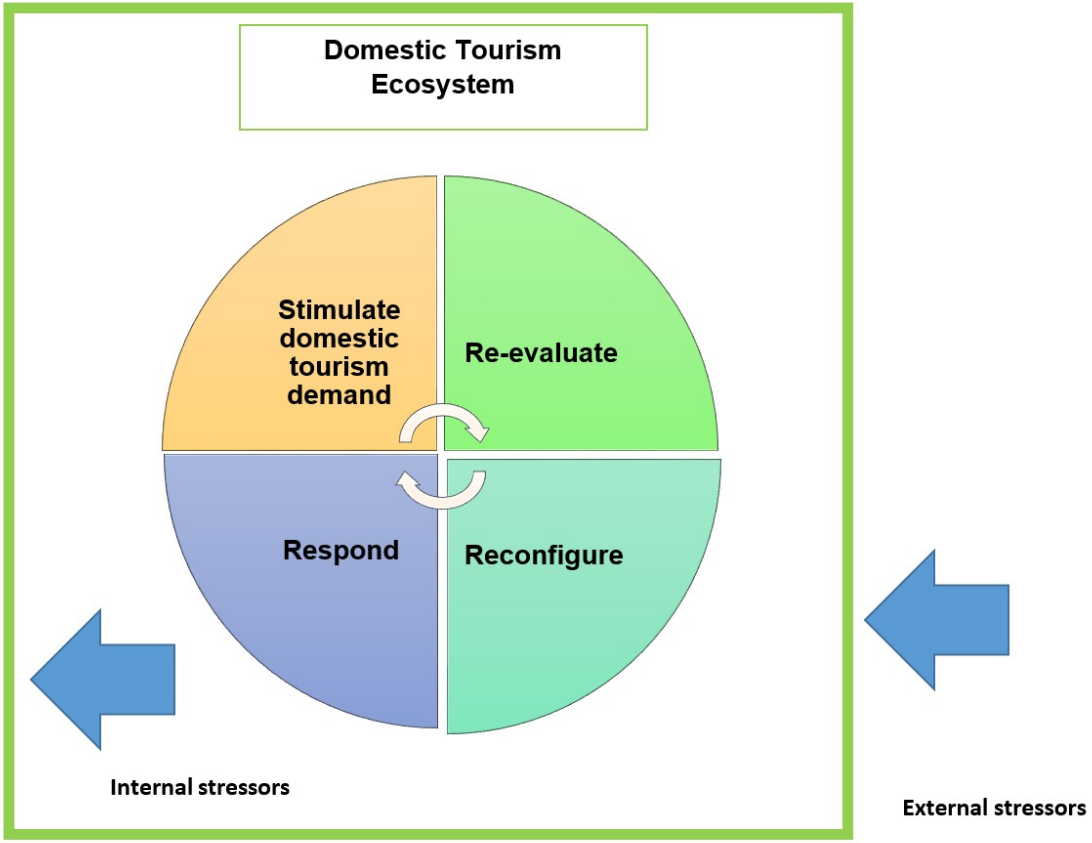
Main influential factors influencing travel

- Main factors that influence travel behaviour/ decisions
  - Cost/ finance/ affordability
  - Safety
  - Health

Key elements of recovery framework

Main considerations in developing the framework

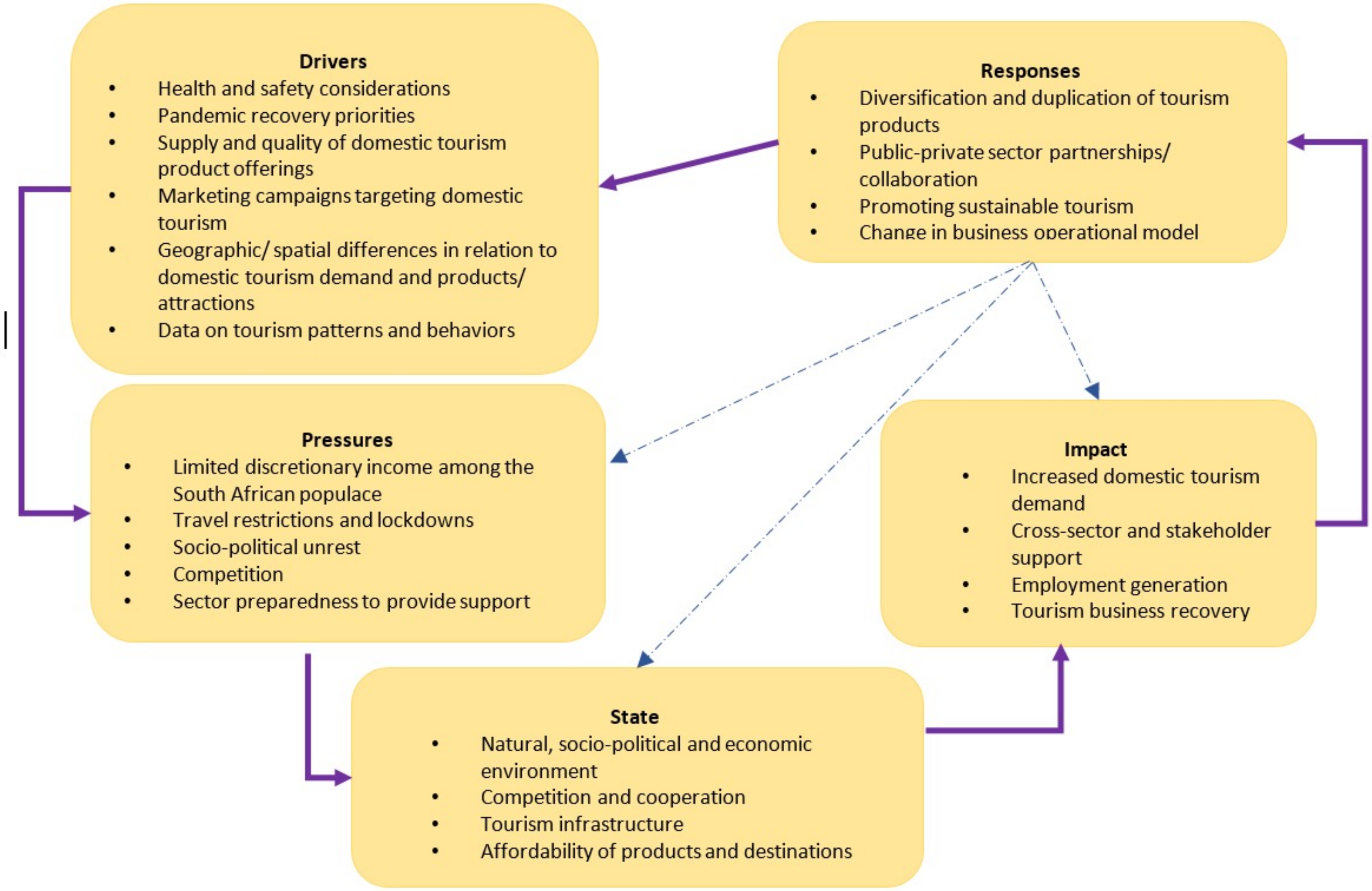
- Embracing a sustainable ecosystem-based operational model
- Alignment with South Africa's Tourism Recovery Strategy



SWOT analysis of domestic tourism in South Africa

STRENGTHS	WEAKNESSES
• Diverse and well-established tourism products and services • Sufficient tourism infrastructure (including accommodation facilities, restaurants, retail establishments, etc.) • Local demand for tourism products with high levels of awareness of specific tourism products • Discretionary income potential among specific groups (and pent up demand in this group) • Youthful population and households that exhibit higher levels of willingness to travel • Well-established and active tourism organisations/ departments in the private and public sectors that function from local (municipal) to national levels • Some (although limited) funding and support available to assist tourism service providers	• Existing domestic tourism market is relatively small compared to the size of the South African population due to high levels of poverty and low disposal incomes • Ailing infrastructure (including transport, energy and water provision) that undermines tourism experiences and the ability to effectively market destinations • Tourism facilities (such as accommodation, restaurants and transport) at destinations are geared to cater for international tourism and are over-priced for general local consumption • Tourism products and experiences regarded as expensive for local consumption (linked to pricing for an international market) • Poor and ineffective marketing of domestic tourism products • Limited domestic use of tourism products and services
OPPORTUNITIES	**THREATS**
• Domestic mobility (including to visit friends and family) is widespread • High levels of willingness to travel • Length of stay is relatively high • Potential to convert day visitors and 'staycationers' to overnight visitors with the right domestic travel packages • General economic recovery underway, thus potential for increasing spend on travel and leisure • Market segmentation discernible that can inform targeted marketing • Potential to diversify tourism products and offerings for the domestic market	• Competing with international tourism markets • Domestic tourism alone (without international tourism) is unlikely to sustain many tourism service providers • Safety and security considerations (worsened by the recent social unrest) • Financial barriers/ limitations to travel • Changes in consumption patterns in MICE (for example, virtual meetings and conferencing) • Limited capacity for job creation and economic growth affects both the demand for and supply of tourism products and services

DPSIR model for domestic tourism



Stimulating domestic tourism demand

- Increasing and sustaining domestic tourism volumes (number of persons willing and able to travel
  - Develop affordable tourism packages/ incentives
  - More opportunities for domestic travel experiences
  - Enabling environment for more persons to travel
- Increase spending on domestic tourism products and services
  - Increase use of existing tourism products/ attractions
  - New tourism products and/ or diversify existing product portfolios and attractions
  - Respond to domestic tourism demand
- Improved and targeted domestic tourism marketing
  - Re-energise and rethink current efforts to promote domestic tourism
  - New and innovative marketing campaigns
  - Translating awareness to consumption

Domestic tourism monitoring and evaluation framework

- Championing: Department of Tourism
- Monitoring and evaluation communication strategy

Target groups	Timeframe/s	Reason/s for communication

- Institutionalisation
- Develop capabilities
- Embedding (interface with other systems that store domestic tourism data)
- Actioning

Aspect	Key indicators
Domestic tourism trends	Number and profiles of domestic tourists (including socio-demographic aspects such as population group, age, gender, educational, income, employment status, place of residence as well as group size and composition)
Domestic tourism products and services	Number of existing domestic tourism products, disaggregated at local and provincial levels as well as categorised by type of tourism product and services

Thank You! Siyabonga!

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