

Fakulteit Ekonomiese & Bestuurswetenskappe
Faculty of Economic & Management Sciences

WORKBOOK

Tourism Investment Market Analysis: A Workbook

Division Tourism Management



UNIVERSITEIT VAN PRETORIA
UNIVERSITY OF PRETORIA
YUNIBESITHI YA PRETORIA

Denkleiers • Leading Minds • Dikgopolo lša Dihlalefi

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Disclaimer:

This workbook is intended to assist individuals/communities in determining the market readiness of capital investments related to tourism. There is no guarantee of success in attracting investment as a result of utilizing this workbook, nor should any investor rely on the results of analysis conducted utilizing this workbook to make investment decisions. Each investor is advised to conduct their own due diligence and feasibility analysis. While every effort has been made to ensure accuracy of the information contained in this workbook at the time of preparation (originally January 2018), references, contact information, web sites, and market conditions change rapidly, and users are advised to seek out up to date information to aid in accuracy of decision-making.

Acknowledgements:

Various sources were used to compile this workbook. We would like to acknowledge Ontario East Economic Development Commission, amongst others.

INTRODUCTION

This workbook is designed to assist funding applicants in developing the market-analysis section of their application for funding/investment.

What is this workbook about?

This self-guided workbook is a tool to:

- Assist communities/entrepreneurs/municipalities/funding bodies/project developers *etc.* to determine the market feasibility of a new tourism opportunity/project
- Provide an understanding of the types of data and information required to assess the market feasibility of a new tourism opportunity.
- Provide a framework, guidelines and diagnostic tools for a funding applicant to effectively structure the information and data required for a market analysis
- Provide the funding body with an effective tool to evaluate the market feasibility of a new tourism opportunity

Why was it prepared?

In assessing projects submitted by provinces for funding (from both domestic and foreign investors), the Department of Tourism observed the absence of a product-market analysis in some of these projects. In instances where this analysis was conducted, it was at an international and/or national level and not at a local government or destination level where products are in fact located. It is on this basis that the Department of Tourism identified the need for a rigorous market analysis to inform product development, infrastructure development and investment facilitation. This workbook aims to overcome this gap by providing a generic format for conducting a market analysis at national, local and regional levels. The workbook aims to guide users through the process of developing a market analysis for their project, reflecting the long-term viability of the project. The workbook can be used by different tourism stakeholders to inform product development, infrastructure development and investment facilitation addressing both the supply and demand sides while accounting for international, regional, national, provincial, and local trends and dynamics.

Who would use this workbook?

This workbook has been prepared for a variety of stakeholders involved in destination development, but specifically those responsible for market analysis to inform product and infrastructure development and investment facilitation. It is intended for:

- Local community groups with an interest in economic development;
- Individuals who wish to apply for funding/investment for a tourist related project;
- Municipalities and their LED (local economic development) officers interested in attraction of investment into tourism facilities.
- Any other tourism and related stakeholders, from both the investor and project developer perspectives, who wish to use the market analysis framework to inform product and infrastructure development and investment facilitation.

How long will it take to complete the workbook?

The time commitment varies depending on the resources available and the complexity of the intended tourism investment project. It is estimated that a committed individual or community with access to the needed resources could complete this workbook upwards of 60 days. An individual or community that has access to limited resources may need many months for completion.

Quick Preliminary Assessment:

If you are short on time or resources, you can postpone completing certain templates until after a preliminary assessment of the market readiness of your tourism investment project has been done. To do a quick preliminary assessment, follow the steps outlined below:

1. Read through the entire workbook before filling out the templates.
2. Complete templates 1, 2.1-2.8 and 3.
3. If the project appears to be market ready in this first round assessment, complete all remaining templates, review/update the previously completed templates, and draw final conclusions (steps 5+6).

If it is apparent that the project will not be market ready in the preliminary assessment, you may wish to consider the market readiness of alternative tourism opportunities.

How to use this workbook

This workbook is comprised of a series of templates that will assist in determining the market readiness (in terms of the market analysis) of a proposed tourism investment project. The actual templates for your use are contained in the workbook, while the examples in the appendices illustrate the use of these templates with an example tourism investment project – the “Vha Tsonga Cultural Village”. The templates are generalized to meet the needs of as many types of tourism investment projects as possible. When the template questions do not fit or work well for your potential opportunity, please utilize the concepts underlying the questions to adapt the questions to meet the needs of the particular project type.

Briefly, this workbook is structured as follows:

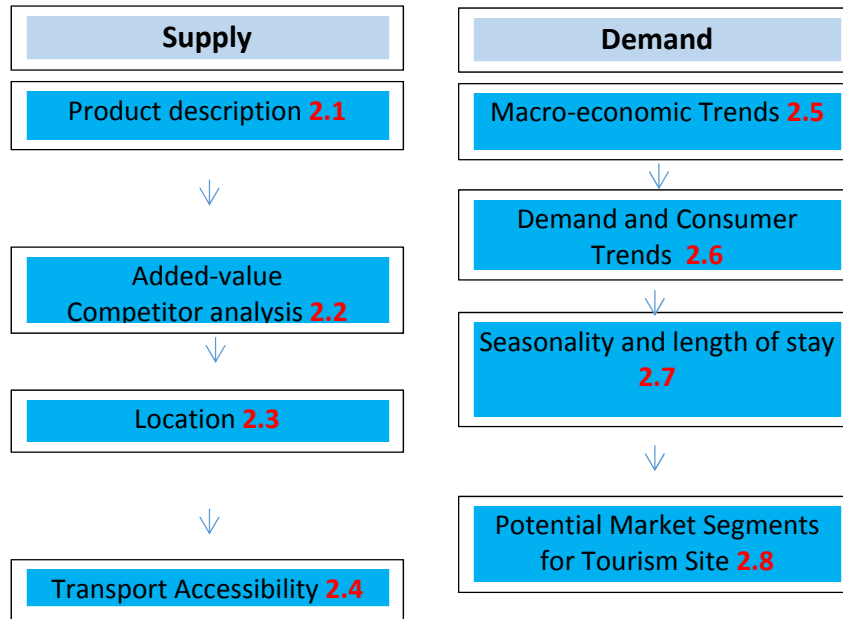
- | | |
|---------|--|
| Step 1: | Will assist you in preparing a clear definition of the tourism investment opportunity. |
| Step 2: | Will assist you in preparing a market analysis that considers the supply and demand sides. |
| Step 3: | Will assist you in preparing a Product Market Match Analysis that that will give you an indication whether your intended project will meet the potential demand for the project. After completing step 3, you will have a preliminary assessment of the market readiness of your project. |
| Step 4: | Will assist you to account for international, regional, national, provincial, and local trends and dynamics by analysing the enabling businesses and supporting environments and templates are provided for this. |
| Step 5: | Will assist you in preparing a Marketing/Promotion/Distribution plan for your proposed project. |
| Step 6: | Provides you with an opportunity to review your completed work, by compiling a SWOT analysis. This analysis will highlight the strengths and weaknesses, opportunities and threats of your project. After the SWOT analysis you will be able to draw market readiness conclusions, and suggest how you might tweak your investment opportunity to improve its viability. |
| Step 7: | Will assist you in formulating a concise Market Analysis section of your Project Proposal, and suggest your next steps after successfully determining you have an investment project that you may wish to take further. |

MARKET ANALYSIS

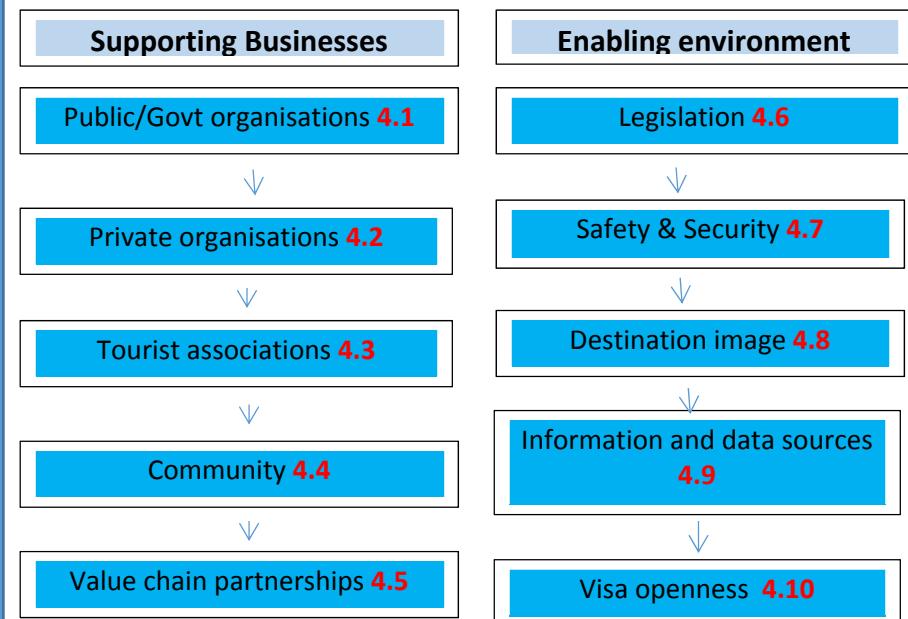
STEP 1

Opportunity identification Diagnostic 1
Natural/Cultural/Core/Supporting/Tourist Serving Facility

STEP 2



STEP 4



STEP 3

Product Market Match Analysis 3

STEP 5

Marketing/Promotion/Distribution 5

STEP 6

SWOT Analysis - Positives/Negatives/Challenges/Opportunities/Threats 6

STEP 7

Formulate concise Market Analysis section of Project Proposal 7

STEP 1: DEFINING THE TOURISM OPPORTUNITY

Step 1 will assist you to prepare a clear definition of the tourism investment opportunity.

Template 1 – Opportunity identification

Next to each question, provide a brief answer. If needed, refer to the Glossary of Terms in Appendix A for definitions to some of the terms used in the questions. Complete the underlying questions to assist you in describing the important characteristics of the tourism opportunity that you have identified.

In articulating what you see as the opportunity and describing it in more detail you are providing a structured foundation on which you can effectively build your project proposal. This foundation will allow you to use your energy and resources in a focused and goal-directed way.

TEMPLATE 1: OPPORTUNITY IDENTIFICATION

1. Which of the following options best describes the tourism opportunity in mind (tick all applicable)?

- | | |
|---|---|
| <input type="checkbox"/> Tourist accommodation
<input type="checkbox"/> Tourist transport services
<input type="checkbox"/> Tourist travel services e.g. travel agency
<input type="checkbox"/> Tourism-serving facility e.g. restaurant
<input type="checkbox"/> Tourism Training
<input type="checkbox"/> Tourism catalyst resource e.g. core attraction (rock paintings, historical site) | <input type="checkbox"/> Community-based tourism
<input type="checkbox"/> Gastronomy tourism e.g. wine route
<input type="checkbox"/> Nature-based tourism
<input type="checkbox"/> Cultural-based tourism
<input type="checkbox"/> Religious tourism
<input type="checkbox"/> Medical tourism
<input type="checkbox"/> Shopping tourism
<input type="checkbox"/> Other (please specify) |
|---|---|

2. Provide a brief description of the project/facility

3. Is this tourism facility:

- For-profit income generating (e.g. accommodation, lodges, conference facilities)
- Other income-generating (e.g. cultural centres, walking trails and facilities that could cover some cost through entrance fees)
- Non-income generating catalytic products (e.g. cycle tour routes, pedestrian walkways, iconic attractions)

3. How was this opportunity identified?

4. Is the project a hard or soft infrastructure? (e.g. hard infrastructure: buildings/facilities; soft infrastructure: skills development)

Hard infrastructure	Soft infrastructure

--	--

5. What other facilities, services and/or amenities for visitors will the attraction provide?

6. Is it a supporting attraction? (an attraction that complements another core attraction e.g. a new attraction in a theme park or a casino in a hotel)

- Yes
 No

7. Is the project built around an established destination or around a new destination development?

- Established destination
 New destination development

8. Where will the project be located?

9. Which target markets *immediately* come to mind when you think about who would be interested in your product/service/resource?

- Use the form below as a guideline to define at least two segments you believe would be most advantageous to the project.
- Use one form for each segment.
- Circle the grouping(s) next to each characteristic for the segment or write your own grouping in the right hand column
- Where you wish to define the segment as per a characteristic not listed below, write it in the open rows at the bottom and add a grouping in the right hand column.
- Choose an appropriate description and abbreviation for each segment.

Table 1.1 POTENTIAL MARKET SEGMENTS FOR TOURISM SITE/PROJECT

Market segment	<i>Abbreviation:</i>		<i>Description:</i>		
Characteristic	Grouping				Own grouping
<i>Origin</i>	South Africa	Other African countries	Europe	USA	
<i>Purpose of travel</i>	Leisure & Relaxation	In Transit (stopping while en route to another destination)	Business & Incentive	VFR	
<i>Length of stay</i>	Day visitor	Overnight	Week		
<i>Average spend</i>	Low	Medium	High		
<i>Price sensitivity</i>	Low	Medium	High		
<i>Size of travel party</i>	Individuals	Couples	Small groups	Tour groups	
<i>Average age group</i>	Teenagers	Adults	Retirees		
<i>Mode of transport</i>	Own	Rented	Taxi	Bus	
<i>Lifestyle interests</i>	Learning	Authentic experience	Conference facilities		
<i>Tourist product expectations</i>	Service	Cleanliness	Cuisine		
<i>Seasonality</i>	Summer	Winter	School holidays		

Tip: If you cannot easily fill in all the boxes, it doesn't mean you don't have an opportunity. Continue with the process, and later come back and review your templates for missing information. Definitions of core attraction, supporting attraction, and tourist serving facility is found in Appendix 1.

STEP 2: MARKET ANALYSIS

Step 2 will assist you to prepare a market analysis for tourism investment purposes.

In answering certain questions on your product and the demand for it, you are providing a structured foundation on which you can effectively match supply and demand. This foundation will allow you to ascertain whether your product is market-ready and if any changes to the product offering or market segmentation are necessary.

SUPPLY

Template 2.1 – Project/product description

Next to each question, provide a brief answer. If needed, refer to the Glossary of Terms in Appendix A for definitions to some of the terms used in the questions. Complete the underlying questions to assist you in describing the product description of the tourism opportunity that you have identified.

TEMPLATE 2.1: PROJECT/PRODUCT DESCRIPTION

Provide the basic details of your product in terms of the following:

a. Name:

b. Address:

c. What it is:

d. Size:

e. Location (provide a map if possible):

f. Facilities (layout of site and infrastructure of the project):

Template 2.2 – Added value and competitor analysis

Next to each question, provide a brief answer. If needed, refer to the Glossary of Terms in Appendix A for definitions to some of the terms used in the questions. Complete the underlying questions to assist you in describing the added value of the tourism opportunity that you have identified as well as giving a brief description of each direct/substitute competitor.

TEMPLATE 2.2: VALUE-ADD AND COMPETITOR ANALYSIS

1. In terms of its “**value add**” (what makes the attraction/facility distinctive?)

a. What is the project/product offering to potential tourists?

b. What is it about the product that makes it distinctive to its competitors – what will make it stand out (e.g. what does it offer more than similar facilities), is it:

i. Unique? Why?

ii. Superior? Why?

iii. More attractive? Why?

c. What would potential tourists generally expect to receive from this type of facility?

d. What are its key success factors (e.g. location, no seasonal fluctuations)?

2. In terms of **competitors**

a. List the products/resources that you see as your competition

Name of Competing Tourism Product	Direct	Substitute	In relation to the competitors, is the facility more, equal or less accessible to potential tourists

b. Describe these potential competitors

Name of Competing Tourism Product:		
Question	Answer	How will you respond in positioning your product to ensure sustainability i.e. what will you do differently/better etc.
Are you competing directly for the same market?		
What is the organizational type or structure?		
What do they offer?		
What's unique about their product?		
What are the advantages to their clients?		
How successful are they?		
What are their strengths?		

What are their weaknesses?		
How does our product compare to theirs?		
How do our prices compare to theirs?		
Who are their clients?		

Template 2.3 – Location analysis

Next to each question, provide a brief answer. If needed, refer to the Glossary of Terms in Appendix A for definitions to some of the terms used in the questions. Complete the underlying questions to assist you in describing the location of the tourism opportunity that you have identified.

TEMPLATE 2.3: LOCATION ANALYSIS

1. Why was this site chosen? (e.g. size and shape of site is sufficient for the intended use; convenient access for the intended target visitors; highway or main thoroughfare visibility; transportation linkages)

2. Who owns the land?

3. Are there any outstanding issues (e.g. barriers to land transfer) related to land ownership?

4. Analyse the site attributes both on- and off-site by describing what would be the ideal, how important the attribute is, what the site currently offers in terms of the attribute

Location attribute	Description of site in terms of specific attribute	Importance of the attribute (1-5 where 1 = low 5 = crucial)	Rating of subject site (1-5 where 1= challenges 5=meets requirement)	Improvements needed if applicable
On-site				
Size and shape of site within the context of your facility				
Topography				
Zoning, legal constraints				
Environmental constraints				
Other important site attributes and amenities				
Off-site				
Access to the site (standard vehicles, 4x4, busses)				
Accessibility to people with disabilities				
Road conditions				
Visibility of site to passing traffic				
Proximity of tourist and other economic generators and tourist serving areas				
Availability of utilities to the site				
Surrounding land uses				
Nuisance factors from other nearby uses				
Safety and security				
Other (e.g. flooding issues)				

Template 2.4 – Transport Accessibility Analysis

Next to each question, provide a brief answer. If needed, refer to the Glossary of Terms in Appendix A for definitions to some of the terms used in the questions. Complete the underlying questions to assist you in analyzing the transport accessibility of the tourism opportunity that you have identified.

TEMPLATE 2.4: TRANSPORT ACCESSIBILITY ANALYSIS

1. Complete the following table in terms of the access to and from the site:

Transportation Type	Name	Average Daily Traffic Volumes (e.g. Data from SANRAL or traffic counts)	Distance from the site (nearest point)
National Highways			
Regional highways			
Gravel Roads			
International/ Regional Airports (name closest)			
Railway Stations			
Inter-city Bus Stations			
Marine/Port facilities			
Other			

Tool for data collection

For further information required in terms of Accessibility “Primary Research” can be conducted amongst stakeholders in the area. Please refer to the structured questionnaire in Appendix B on Transportation.

DEMAND

Template 2.5 – Macro-economic and Tourism Trends-Global; Country

Next to each question, provide a brief answer. If needed, refer to the Glossary of Terms in Appendix A for definitions to some of the terms used in the questions. Complete the underlying questions to assist you in describing the macro economic trends currently evident that could possibly influence your project. Complete these trends on a global, South African and provincial level.

TEMPLATE 2.5: MACRO-ECONOMIC AND TOURISM TRENDS-GLOBAL; COUNTRY

Global Picture

1. Is the global economy growing/static/declining (Global GDP growth)?

2. What global events .g. terrorism, bird flu, etc. have occurred that may affect tourism (positive or negative)?

3. Has tourism been growing/remaining static or declining over the last number of years?

The South African Picture

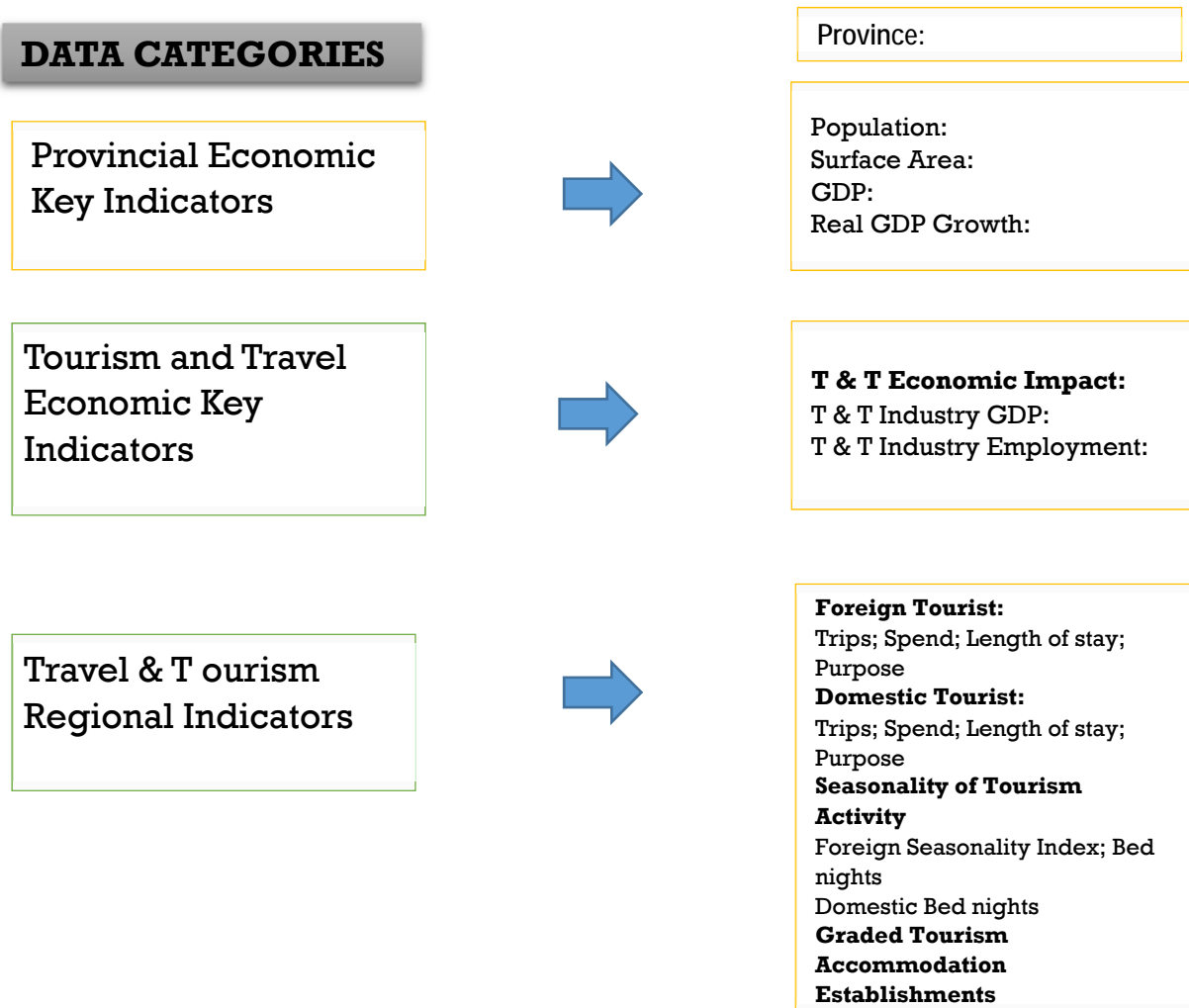
1. Is the South African economy growing/static/declining (RSA GDP growth)?

2. What South African events e.g. tourist crime, xenophobia, etc. have occurred that may affect tourism (positive or negative)?

3. Has tourism been growing/remaining static or declining over the last number of years?

The Provincial Picture

Refer to the diagram below and use it as a guideline for understanding the economic and tourism environment in the Province where the Project is located.



Template 2.6 – Regional and Local Economic and Tourism Trends

Next to each question, provide a brief answer. If needed, refer to the Glossary of Terms in Appendix A for definitions to some of the terms used in the questions. Complete the underlying questions to assist you in describing the demand and consumer trends currently evident that could possibly influence your project. Complete these trends for the specific area in which your project is to be located.

TEMPLATE 2.6: REGIONAL AND LOCAL ECONOMIC AND TOURISM TRENDS

1. Describe tourism in the area in which the project is to be located, and indicate whether it has been increasing, decreasing or holding its own over the last several years?

2. Is this an established tourist area or would tourists need to be attracted to the area?

3. Has there been an overall change or shift in what tourists want in general e.g. there has been a move towards socially conscious travelling, new generations, emerging markets etc?

4. Will these changes have a positive/negative/no effect on your project and how will you make adjustments if necessary?

Template 2.7 – Seasonality and length of stay

Next to each question, provide a brief answer. If needed, refer to the Glossary of Terms in Appendix A for definitions to some of the terms used in the questions. Complete the underlying questions to assist you in describing the seasonality of your project.

TEMPLATE 2.7: SEASONALITY AND LENGTH OF STAY

1. Is your tourism product opportunity seasonal (will attendance vary throughout the year), indicate general provincial/area seasonality?

2. What would the average length of stay for your potential market segments be, considering the provincial and area trends?

Template 2.8 – Potential market segments for tourism site/project

Return to your completed forms from Table 1.1 in question 9 template 1. In order to make an informed decision on your target markets you need to refer to the research you have done in the previous sections and verify the validity of your initial understanding of your market segments. Where necessary, amend, replace or add to your completed forms. Do this exercise by using the conclusions you have come to through your research:

- Your research on global, regional and local tourism trends as reflected in templates 2.5, 2.6 and 2.7.
- Who you think your potential market segments are. In this regard you can refer to table 2.1 which provides a theoretical guideline of general characteristics relating to various types of tourists. This is by no means an exhaustive list or a “stereotypical” categorisation, it is merely a guideline to assist you in looking for characteristics that may describe your potential market segments.
- You may want to do some “Primary Research” which can be conducted amongst stakeholders in the area. Please refer to the structured questionnaire which could be used as a guideline in Appendix B, the section on the Profile of Tourists.

You can then write up a summary of your insights into the market, identifying those that you believe are potential market segments for your project. Having identified potential segments you should describe each in a fair amount of detail. The categories provided in table 1.1 are merely examples of how a segment may be demarcated. Your research should enable you to formulate additional characteristics and groupings of your potential customers.

Provide a summarised description of each market segment, highlighting the important characteristics and whether the demand will be strong, medium or low.

TEMPLATE 2.8: POTENTIAL MARKET SEGMENTS FOR TOURISM SITE/PROJECT

Market segment	<i>Abbreviation:</i>		<i>Description:</i>		
Characteristic	Grouping				Own grouping
<i>Origin</i>	South Africa	Other African countries	Europe	USA	
<i>Purpose of travel</i>	Leisure & Relaxation	In Transit (stopping while en route to another destination)	Business & Incentive	VFR	
<i>Length of stay</i>	Day visitor	Overnight	Week		
<i>Average spend</i>	Low	Medium	High		
<i>Price sensitivity</i>	Low	Medium	High		
<i>Size of travel party</i>	Individuals	Couples	Small groups	Tour groups	
<i>Average age group</i>	Teenagers	Adults	Retirees		
<i>Mode of transport</i>	Own	Rented	Taxi	Bus	
<i>Lifestyle interests</i>	Learning	Authentic experience	Conference facilities		
<i>Tourist product expectations</i>	Service	Cleanliness	Cuisine		
<i>Seasonality</i>	Summer	Winter	School holidays		

Table 2.1: General guidelines on characteristics of types of tourists

Nature tourism Outdoors, beautiful scenery and wildlife	Cultural tourism (including ethnic tourism) History and folklore of destinations	Adventure tourism A challenge to achieve a predetermined activity	Recreation tourism Participating in activities	Sport tourism Serious sporting activities	Religious tourism Spiritual significance	Health tourism (medical and wellness tourism) Improved physical condition	Business Tourists Tourist traveling with relation to business.
<p>Nature tourists tend to be middle aged, have relatively high incomes, are well educated (usually college educated), stay for long periods and are interested in learning about the environment. They are well-travelled and enquiring; want to escape into nature and experience it; want to be active outdoors; and are usually middle and upper class people</p>	<p>Sophisticated; Well-educated; morally responsible; politically correct; some want direct interaction with indigenous cultures, while others would rather experience the culture from a distance; they want to learn something about other cultures; they like to move at their own pace and to have a variety of choices. They may also attend festivals and ceremonies in order to gain a better understanding of the people, their beliefs, and their practices.</p>	<p>Adventure tourists look for some unusual or bizarre experience. They seek adventurous activities that may be dangerous or risky, such as rock climbing, river rafting, skydiving, shark cave diving and bungee jumping. They like to feel challenged, and anticipate a reward. They seek novelty, stimulation and excitement. They have a need for escape and exploration and discovery. They want to step out of their comfort zone. Significant physical or mental effort.</p>	<p>For these people, travel is about fun and excitement, about rest and relaxation, and about whatever they want it to be about. These tourists want to rejuvenate and revitalize with comfort while enjoying a break from the mundane routine of life. Leisure travel is often characterized by staying in nice hotels or resorts, relaxing on beaches or in a room, or going on guided tours and experiencing local tourist attractions.</p>	<p>Desire to learn (self-actualization); Do-it-yourself; Hedonism; Quality of life; Sport, health and fitness orientation rather than work; Escapism; Risk taking; Physical (refresh body/mind, health, pleasure); Interpersonal (meet new people, VFR, new & different experiences/risk, need to escape) Status & prestige (personal development, ego)</p>	<p>The main aim of travellers is to visit pilgrimage sites to enhance their knowledge and find pleasure, love and dedication for themselves. The appetite for 'getting away from it all' or 'getting in touch with one's true self' is strong and is growing. These will become places of escapism, relaxation, meditation and well-being.</p>	<p>Medical tourism involves people who travel to a different place to receive treatment for a disease, ailment or condition, and who are seeking lower cost of care, higher quality of care, better access to care or different care than what they could receive at home. Wellness tourism involves people who proactively pursue activities that maintain or enhance their personal health and wellbeing, and who are seeking unique, authentic or location-based experiences/therapies not available at home. Medical tourism also incorporates aspects of recreation tourism where the patient goes to a relaxing getaway to recover from the procedure. Present clients are well informed, more quality conscious, independent, and harder to please.</p>	<p>Business travellers usually have a defined itinerary and, within reason, are not likely to haggle over small differences in price. They tend to choose convenience, comfort and reliability over economy. They tend to be very demanding in terms of time. Business tourists travel to destinations generally not regarded as tourist destinations, often to cities. Environmental conditions such as climate and temperature do not have a significant impact on the travel patterns of business tourists. Economic factors such as exchange rate fluctuations and economic recessions have a limited effect on business travel. Business tourists are less seasonal than holiday tourists.</p>

STEP 3: PRODUCT MARKET MATCH ANALYSIS
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Step 3 will assist you in preparing a Product Market Match Analysis that that will give you an indication whether your intended project will meet the potential demand for the project. After completing step 3, you will have a preliminary assessment of the market readiness of your project.

TEMPLATE 3: PRODUCT MARKET MATCH ANALYSIS

1. Rate the demand of each market segment (based on the needs of the market segment as identified in template 2.8) against the product, using specific descriptors such as the product description, its uniqueness (value-add), its location, transport accessibility and price/value for money using the rating codes depicted below:

Descriptors of supply side

For example:

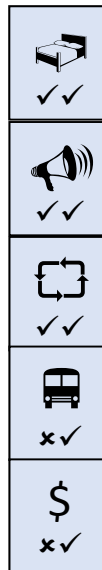
	Transport Accessibility
	Location
	Product description
	Value-add/competitor analysis
	Price/value for money

2. List the market segments. Use the market segments as you formulated in Template 2.8. Below is an example of market segment descriptions and abbreviations.

Market segments for your project

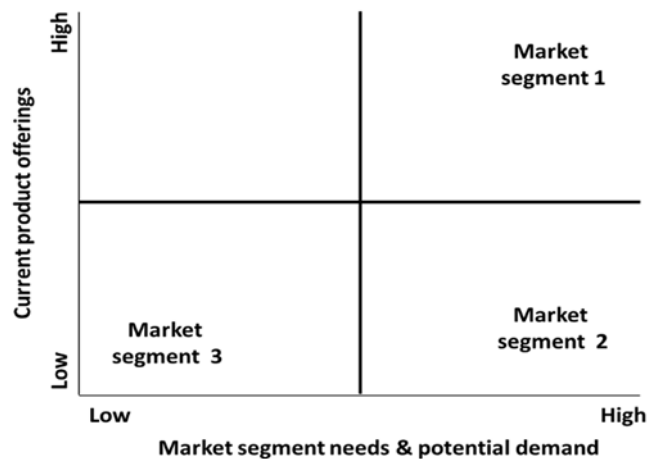
Abbreviation	Description
IST	International Sophisticated Travellers
DST	Domestic Seasoned Travellers
DVFR	Domestic VFR
ILTT	International Land Transit Travellers

- Evaluate the needs of each market segment against each product descriptor and assess whether the product offers is what the market segment wants by rating the supply (S) and the demand (D) using a tick or a cross.



Outcome of Rating	S	D
Supply meets demand	✓	✓
Supply inadequate for demand	x	✓
Limited supply and limited demand	x	x
Supply good but untapped demand	✓	x

- Count the number of ticks in the supply column and add the number of ticks in the demand column. Plot the rating as a relationship between the needs of the market segments and product descriptor. Positioning each market segment in terms of how the current descriptor of the product offering meets the needs of the market segment.
- Each market segment can then be separately plotted on the quadrant based on the number of ticks.



6. Interpret the position of each market segment by looking at the findings in depth. The position of the market segment could be as a result of inadequate supply, where the product offering has many gaps and it has to be improved to meet the needs of the market. Alternatively, the product offering may be adequate but the market is unaware of it. From the demand side the results have to be interpreted against the possibility that there is limited demand for the product or that there is an untapped demand because of the unawareness of what the project has to offer. For example in the quadrant the position of Market Segment 1 shows that the product meets the needs of the target market. For Market Segment 3 the product does not meet the needs of the target market and is not worth pursuing. For Market Segment 2 there is an adequate demand for the product but the product itself has many gaps that need to be overcome.

STEP 4: SUPPORTING BUSINESSES AND ENABLING ENVIRONMENTS ANALYSIS

Step 4 Will assist you to account for international, regional, national, provincial, and local trends and dynamics by analysing the enabling businesses and supporting environments. In answering certain questions on your supporting businesses and enabling environments, you are providing a structured foundation on which you can effectively compile your investment application.

SUPPORTING BUSINESSES

Template 4.1 – Public organisations

Next to each question, provide a brief answer. If needed, refer to the Glossary of Terms in Appendix A for definitions to some of the terms used in the questions. Complete the underlying questions to assist you in identifying the public organisations that could offer support to your project.

TEMPLATE 4.1: PUBLIC ORGANISATIONS

In terms of your potential supply and demand, what supporting role do you expect them to play in your project?

Which public institutions could be involved?	Describe what you would expect from them
Department of Tourism	
SA Tourism	
Local Municipality/Authorities Utilities	
Local Municipality/Authorities	
Department of Environmental Affairs	
StatsSA	
Other:	

Template 4.2 – Private organisations

Private organisations refer to organisations in the private sector that you may need to utilise for effective market analysis and target marketing. Next to each question, provide a brief answer. If needed, refer to the Glossary of Terms in Appendix A for definitions to some of the terms used in the questions.

TEMPLATE 4.2: PRIVATE ORGANISATIONS

Which private organisations do you expect to be involved in your project?	Describe what you would expect from them
Financial (Banks)	
Marketing/Promotion/Advertising	
IT Company	
Other:	

Template 4.3 – Tourist associations

Next to each question, provide a brief answer. If needed, refer to the Glossary of Terms in Appendix A for definitions to some of the terms used in the questions. Complete the underlying questions to assist you in identifying the tourist associations that could offer support to your project.

TEMPLATE 4.3: TOURIST ASSOCIATIONS

Which tourist associations could be involved?	Describe what you would expect from them
Local tourist association	
Regional Tourist Associations	
Chamber of Commerce/Business Associations	
Visitor Information Centres	
Other:	

Template 4.4 – Community support

Next to each question, provide a brief answer. If needed, refer to the Glossary of Terms in Appendix A for definitions to some of the terms used in the questions. This template will assist you to prepare an assessment of community support for the project, and an action plan to overcome obstacles and constraints.

Community support and engagement is vital to successfully attract tourism investment for several reasons:

- Potential investors will shy away from any investment opportunity that is not well received by the community;
- Key stakeholder groups who do not support the idea can stop the tourism opportunity in its tracks;
- For buy-in – and more importantly lock-in or commitment – to the potential development of a tourism product to happen, the community must be engaged right from the start;
- The contribution of time, knowledge, and resources from community volunteers, stakeholders, and champions can be a significant key to the success of a project.

TEMPLATE 4.4: COMMUNITY SUPPORT

1. Who would you regard as the most important community groups in terms of your project?

2. What would each of these groups expect from you?

3. What would you expect from each of these groups?

4. Do you envisage any challenges from any of the identified groups?

5. How do you propose to build and maintain a good relationship with each of these groups?

6. Do you envisage any challenges with your nearest neighbours?

Template 4.5 – Value chain partnerships

Next to each question, provide a brief answer. If needed, refer to the Glossary of Terms in Appendix A for definitions to some of the terms used in the questions. Complete the underlying questions to assist you in identifying the organisations that form part of your value chain and what you expect from each other.

TEMPLATE 4.5: VALUE CHAIN PARTNERSHIPS

1. Identify the organisations that form part of your value-chain?

2. What do you expect from each?

3. What would each expect from you?

4. Have you established any offset agreements with suppliers (e.g. passenger transporting to an existing attraction)?

5. Can you foresee any possible offset agreements for your project?

6. What agreements do you intend to establish with distribution channels (e.g. travel agencies, tour operators) for your product?

ENABLING ENVIRONMENT**Template 4.6 – Legislation**

Next to each question, provide a brief answer. If needed, refer to the Glossary of Terms in Appendix 1 for definitions to some of the terms used in the questions. Complete the underlying questions to assist you in identifying any legal issues that need to be addressed.

TEMPLATE 4.6: LEGISLATION

From a market perspective indicate any legal issues that need to be addressed e.g. food outlet requires health and safety certification. Other examples are insurance for consumer protection, environmental assessment, heritage impact assessments, passenger transport licensing etc.

Template 4.7 – Safety and Security

Next to each question, provide a brief answer. If needed, refer to the Glossary of Terms in Appendix A for definitions to some of the terms used in the questions. Complete the underlying questions to assist you in describing the safety and security situation in the area in which your project is to be located.

TEMPLATE 4.7: SAFETY AND SECURITY

1. Provide an overview of the safety and security situation in your area by:

- a) Summarising general crime statistics in the area

- b) Tourist crime statistics

- c) Policing overview

- d) Private Security Overview

2. What safety and security issues can potentially affect your supply and demand?

3. Indicate your safety and security plan to combat potential incidences.

4. Indicate how assurances on safety and security will be communicated to target markets if necessary and how you would combat negative perceptions relating to safety and security

Template 4.8 – Destination image

Next to each question, provide a brief answer. If needed, refer to the Glossary of Terms in Appendix A for definitions to some of the terms used in the questions. Complete the underlying questions to assist you in describing the destination image of South Africa and the province in which your project is to be located.

TEMPLATE 4.8: DESTINATION IMAGE

1. What do you think makes South Africa most attractive as a tourist destination (overall image)?

2. What do you think makes your Province most attractive as a tourist destination (overall image)?

3. How will you harness these images for your project?

Template 4.9 – Information and data sources

Next to each question, provide a brief answer. If needed, refer to the Glossary of Terms in Appendix A for definitions to some of the terms used in the questions. Complete the underlying questions to assist you in identifying the information and data sources that you would need for forecasting and strategic planning.

TEMPLATE 4.9: INFORMATION AND DATA SOURCES

1. Identify the data sources that you could typically use for:

a. Global market and consumer trends

b. National statistics on visitor arrivals etc.

c. Regional statistics

d. Tourist trends specific to your area

2. Do you believe these would be sufficient for purposes of forecasting and strategic planning?

3. How are you going to assess your target markets in terms of the

a. Potential size of the segment which could support your business?

b. Characteristics of the market for promotional purposes?

4. Have you budgeted for any primary research that may be necessary to assess your potential markets?

Template 4.10 –Visa openness

Next to each question, provide a brief answer. If needed, refer to the Glossary of Terms in Appendix A for definitions to some of the terms used in the questions. Complete the underlying questions to assist you in describing the visa openness of South Africa.

TEMPLATE 4.10: VISA OPENNESS

1. How easy is it to get a visa for South Africa for your identified international target market segments?

2. Access the following links to assess how South Africa compares to other countries in Africa and internationally:

https://www.visaopenness.org/fileadmin/uploads/afdb/Documents/VisaOReport2017_web_12mai17.pdf

<https://www.icao.int/Meetings/TRIP-Symposium-2016/Documents/Glaesser.pdf>

<http://www.e-unwto.org/doi/pdf/10.18111/9789284417384>

STEP 5: MARKETING/PROMOTION/DISTRIBUTION PLAN
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Template 5: Marketing/promotion/distribution plan

Step 5 will assist you in preparing a Marketing/Promotion/Distribution plan for your proposed project. Complete the table for each of your identified market segments.

TEMPLATE 5: MARKETING/PROMOTION/DISTRIBUTION PLAN

Plan/Market Segments	Market segment 1	Market segment 2	Market segment 3	Market segment 4	Market segment 5	Market segment 6
Market share						
Marketing Objectives						
Key Messages						
Channels						
Time Frame						
Budget						
Implementation						
Monitoring						

STEP 6: SWOT ANALYSIS

Template 6: SWOT Analysis

Step 6 Provides you with an opportunity to review your completed work, by compiling a SWOT analysis. This analysis will highlight the strengths and weaknesses, opportunities and threats of your project. After the SWOT analysis you will be able to draw market readiness conclusions, and suggest how you might tweak your investment opportunity to improve its viability.

Review templates 1-5 and critically discuss the strengths, weaknesses, opportunities and threats that you can identify. Remember, strengths and weaknesses lie within the project, and opportunities and threats in the macro environment over which the project has limited control.

TEMPLATE 6: SWOT ANALYSIS

<u>STRENGTHS</u>	<u>WEAKNESSES</u>
<u>OPPORTUNITIES</u>	<u>THREATS</u>

STEP 7: FORMULATE MARKET ANALYSIS SECTION OF PROJECT PROPOSAL**Template 7: Summary for market analysis section of project proposal**

In assessing your application, a funding body will not peruse all the research you have done in the previous sections but will expect a concise summary highlighting your findings and the conclusions you have drawn. Step 7 is the final step in formulating this part of the Project Proposal since it will be very valuable in providing a capsule summary to potential investors or project funders.

Funders want to be assured that your project has the highest chance of success based on comprehensive research. Although success can never be guaranteed the market analysis you have done should provide assurances that you have taken as many factors as possible into account, both positive and negative and that you have strategies in place to harness the opportunities and also to mitigate any negative circumstances you have identified.

TEMPLATE 7: SUMMARY FOR MARKET ANALYSIS SECTION OF PROJECT PROPOSAL

Typically, your project proposal for funding of your project will consist of the financial and non-financial information. In this Workbook we have dealt with the non-financial information, more particularly the market analysis which focusses on whether there is a market for your product and whether your product would actually meet those market needs. At this point you need to draw up a document which incorporates the most salient points and conclusions drawn from your research to provide a concise and strong case to an investor. Avoid providing too much information, your conclusions are important, backed up by the most important data. No investor wants to wade through pages and pages of data.

- 1. THE PROJECT CONCEPT**
- 2. THE TOURISM INDUSTRY**
- 3. TARGET MARKETS**
- 4. MATCHING DEMAND AND SUPPLY**
- 5. THE MARKETING PLAN**

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StatsSA. 2016. Domestic Tourism Survey 2016: January to December 2016. Online available from: www.statssa.gov.za. Accessed: 2017-12-05.

Appendix A: Glossary of Terms

General:

Community-based tourism: Tourism that takes environmental, social and cultural sustainability into account. It is managed and owned by the community, for the community with the purpose of enabling visitors to increase their awareness and learn about the community and local ways of life.

Core attractions: Core attractions act as a primary motivator for tourists to travel to your area “from away” (e.g. Thousand Islands). A core attraction could also be part of a regional complex of resources, or part of complex of like attractions in other destinations. A good core attraction can generate other tourism opportunities.

Destination image: The sum of beliefs and impressions people hold about place.

Distribution channel: Groups of entities between tourism providers and the travellers which act as an intermediary within the purchasing process. Channels are broken into direct and indirect forms, with a direct channel allowing the consumer to buy the service from the supplier and an indirect channel allowing the consumer to buy the good from a wholesaler or retailer.

DMO: A Destination Marketing/Management Organization – a generic term for any agency with a mandate to promote and develop tourism in a geographic area.

Offset agreement: An offset agreement is a type of side deal. This is an agreement between two or more parties that provides additional benefits and is ancillary to another negotiated contract.

Owners Equity: Total assets minus total liabilities for an individual or company.

Nuisance factor: A factor causing inconvenience or annoyance.

ROI: Return on investment (ROI) measures how effectively the capital in a business will generate a return on the investor’s equity. The higher the ROI, the more attractive an investment opportunity becomes.

Socially conscious: A sense of responsibility or concern for the problems and injustices of society.

Supporting attractions: Supporting attractions act as secondary motivators for tourists to travel to your area “from away” (e.g. Boldt Castle in the Thousands Islands).

Target market area: The geographical area that an operator is targeting (i.e. Toronto, Province of Quebec, USA, China).

Topography: The study of the shape and features of the surface of the Earth and other observable astronomical objects, including planets, moons and asteroids.

Tourism catalyst resource: A resource that precipitates further development within the tourism industry.

Tourism economic generators: A tourism resource that generates visitor traffic.

Tourism market segments: The segmentation of the tourism industry, globally, into a number of distinct markets that assist operators in developing targeted products (i.e. aboriginal tourism, culinary tourism, spa tourism).

Tourist-serving facility: Tourist serving facilities do not typically act as motivators for tourists to travel to your area “from away”, but provide services and facilities to make the visits by non-residents more comfortable or pleasant. Tourist serving facilities (i.e. hotels, restaurants) typically serve the local population and business traffic as well as tourists.

Tourism resources: A tourism resource can be natural (i.e. beaches, lakes, mountains, caves), or built/managed (i.e. antique shops, shipwrecks, Conservation area, motels).

Value chain: A set of activities that a firm performs in order to deliver a valuable product or service for the market.

Visitor information centre: a physical location that provides tourist information to the visitors who tour the place or area.

VFR: Visiting friends and relatives.

Zoning: Dividing land in a municipality into zones in which certain land uses are permitted or prohibited

Appendix B: Questionnaire for primary data collection

TRANSPORTATION

1. Please indicate your answer under each type of transport.

Yes = 1 No = 2 Unsure = 3 Not applicable = 4	Air	Own vehicle	Car Rental	Rail	Minibus Taxis	Intercity Buses	Tour Coaches	Comments
Will more of this type of transport increase tourists to your area?								
Do visitors experience problems with this type of transport TO your area?								
Do visitors experience problems with this type of transport WITHIN your area?								
Is there enough information available on this type of transport TO your area?		4						
Is there enough information available on this type of transport WITHIN your area?		4						
Is there enough promotion of this type of transport?								
Does the cost of this type of transport deter tourists from visiting your area?								
Is it easy to make bookings for this type of transport?		4						

2. Do you believe that airport access to your area is adequate?

Yes	No	Unsure	Comments

3. Please rate the road network in your area on a scale from 1 to 4:

1 = Very bad 2 = Quite bad 3 = Quite good 4 = Very good	National Roads	Tar Roads	Gravel Roads	If you answered 1 or 2 please specify where and what the problems are
General road maintenance				
Accessibility to tourist attractions				

GENERAL: PROFILE OF TOURISTS

1. Please tick the months in terms of the seasonality of the area.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
High												
Medium												
Low												

2. Please indicate the origin of tourists that generally visit your area.

	Many (More than 60%)	Some (30 – 60%)	Few (Less than 30%)	None	Unsure
Eastern Cape					
Free State					
Gauteng					
Kwa-Zulu Natal					
Limpopo					
Mpumalanga					
North West province					
Northern Cape					
Western Cape					
Neighbouring and other African countries, which.....					
Overseas countries, which.....					

3. Please indicate the characteristics of tourists that visit your area.

	Many (More than 60%)	Some (30 – 60%)	Few (Less than 30%)	None	Unsure
Black					
Coloured					
Indian					
White					
18-24 years					
25-45 years					
Over 45					
Travel as friends					
Single					
Married no children					
Married with children					
High spenders					
Average spenders					
Low spenders					

4. Please indicate the trip motivations for tourists that visit your area.

	Many (More than 60%)	Some (30 – 60%)	Few (Less than 30%)	None	Unsure
Adventure and sport activities					
Seek social interaction					
Independent exploring					
Escape & relaxation					
Visiting friends & relatives					
Seek cultural and heritage experiences					
Seek educational experiences					
Impromptu (spontaneous) travelling					
Status seeking					
Fine dining					
Going to familiar places					
Well-planned trips					
Attending events					

Appendix C: Case Study – Vha Tsonga Cultural Village

VHA TSONGA CULTURAL VILLAGE

STEP 1: DEFINING THE TOURISM OPPORTUNITY

Template 1 – Opportunity identification

1. Which of the following options best describes the tourism opportunity in mind (tick all applicable)?

- | | |
|---|---|
| <input type="checkbox"/> Tourist accommodation | <input type="checkbox"/> Community-based tourism |
| <input type="checkbox"/> Tourist transport services | <input type="checkbox"/> Gastronomy tourism e.g. wine route |
| <input type="checkbox"/> Tourist travel services e.g. travel agency | <input type="checkbox"/> Nature-based tourism |
| <input type="checkbox"/> Tourism-serving facility e.g. restaurant | <input checked="" type="checkbox"/> Cultural-based tourism |
| <input type="checkbox"/> Tourism Training | <input type="checkbox"/> Religious tourism |
| <input type="checkbox"/> Tourism catalyst resource e.g. core attraction (rock paintings, historical site) | <input type="checkbox"/> Medical tourism |
| | <input type="checkbox"/> Shopping tourism |
| | <input type="checkbox"/> Other (please specify) |

2. Provide a brief description of the project/facility:

The tourism resource is a cultural village which encompasses a **craft centre, accommodation**, built in **traditional rondavels**, a **conference centre** and **museum**. The spaces allows for artistic performance, rituals and indigenous knowledge systems. Its aim is to depict the culture of the Vha Tsonga (N’wamitwa) people who reside in the area. The museum will preserve and conserve heritage objects of the local people, whilst educating present and future generations on the history and heritage of the Vatsonga people.

3. Is this tourism facility:

- For-profit income generating (e.g. accommodation, lodges, conference facilities)
- Other income-generating (e.g. cultural centres, walking trails and facilities that could cover some cost through entrance fees)
- Non-income generating catalytic products (e.g. cycle tour routes, pedestrian walkways, iconic attractions)

3. How was this opportunity identified?

The Vha Tshonga cultural village was conceptualised in 2002 by three unemployed youth in the local area. The concept was to develop a fully-fledged Tsonga Kraal with a reception area, a swimming pool and a “koro” entertainment area for storytelling, singing and dancing.

4. Does the project include hard or soft infrastructure or both? (e.g. hard infrastructure: buildings/facilities; soft infrastructure: skills development)

Hard infrastructure	Soft infrastructure
Accommodation Facilities (10 chalets)	Indigenous knowledge transfer
Craft Centre	Artistic performances
Restaurant	
Reception and Conference centre	
Guard Hut	
Museum	

5. What facilities, services and/or amenities for visitors will the attraction provide?

Accommodation facility. Conference facility. Museum. Opportunity to hear and experience local culture through artistic performances and rituals. Ability to purchase craft made by locals. A Museum depicting ancestral artefacts and lifestyle of the Vha Tsonga people.

6. Is it a supporting attraction? (an attraction that complements another core attraction e.g. a new attraction in a theme park or a casino in a hotel)

No, although if linked to the Ribolla Open Africa Route it could support the rich cultural and heritage diversity and history of the region.

7. Is the project built around an established destination or around a new destination development?

The project is close to Makhado and en route to Mapungubwe, both established destinations.

Established destination

New destination

Makhado is situated in a highly fertile agriculture area. The town has become one of Limpopo's premier business and tourist destinations and is a springboard from where to visit a number of cultural attractions including the Songozwi sacred burial site of the vhaVenda, as well as a secluded cave from where chief Makhado conducted his campaign against the Voortrekkers. The well-known town of Makhado is situated at the foot of the Soutpansberg mountain range in Limpopo and was developed from the Voortrekker settlement in the area.

8. Where will the project be located?

The Vha Tsonga Cultural Village is situated south of the Lemana Training College near Elim in the Makhado Local Municipality of the Vhembe District of Limpopo Province.

9. Who do you *immediately* think would be interested in your product/service/resource (tick all applicable)?

Table 1.1: First Thoughts on Potential Market Segments for the Project

Market Segment	Business / Events/ Conferences	Leisure & Relaxation	Learning & enrichment	In Transit (stopping while en route to another destination)	VFR (here visiting friends & relatives)	Other
International			X	X		
Domestic			X	X	X	
Teenagers						
Families			X	X	X	
Seniors			X	X	X	
Single/two person professional households				X	X	
Corporate/ Business	X					

Government	X					
Students/ School groups			X			
Special groups (i.e. sports teams)	X					
Other						

Tip: If you cannot easily fill in all the boxes, it doesn't mean you don't have an opportunity. Continue with the process, and later come back and review your templates for missing information. Definitions of core attraction, supporting attraction, and tourist serving facility is found in Appendix 1.

STEP 2: MARKET ANALYSIS: SUPPLY AND DEMAND

SUPPLY

TEMPLATE 2.1 – PROJECT/PRODUCT DESCRIPTION

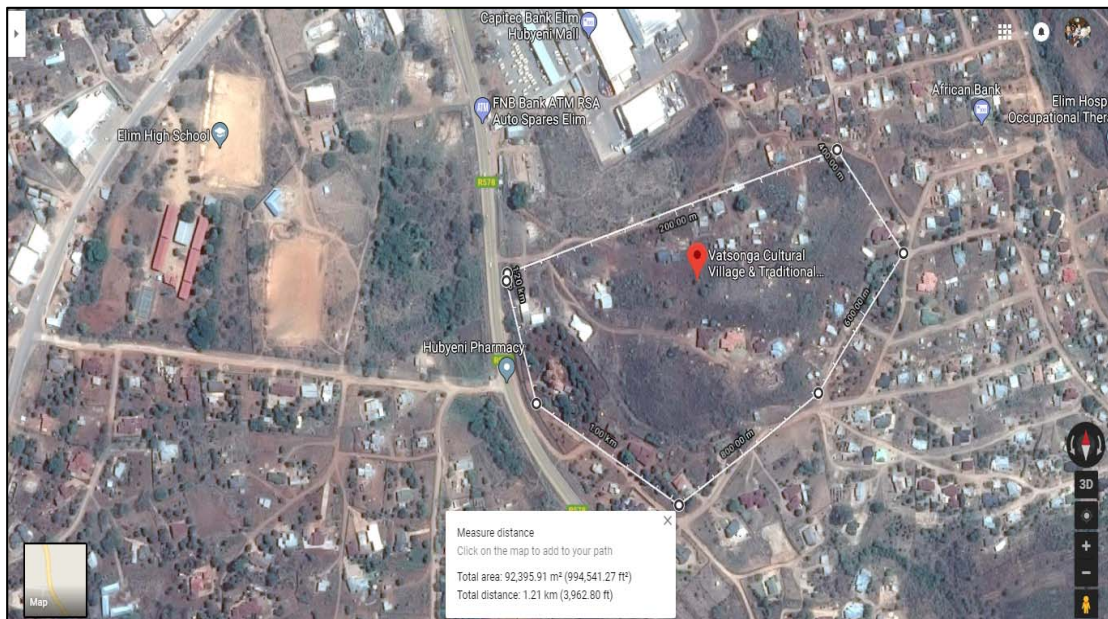
Provide the basic details of your product in terms of the following:

- a. Name: Vha Tsonga Cultural Village
- b. Address: 1682 Elim Village
- c. What it is:

The Vha Tsonga Cultural Village and traditional accommodation is situated in Makhado Local Municipality of the Vhembe district of Limpopo Province. Its aim is to depict the culture of the Vha Tsonga (N'wamitwa) people who reside in the area. The museum will preserve and conserve heritage objects of the local people, whilst educating present and future generations on the history and heritage of the Vatsonga people. The facilities are equipped with traditional rondavels in which visitors can reside. The aim is for job creation in which residents can produce and sell crafts at the local craft centre. An area will be created in which tourists can view artistic performances and rituals.

- d. Size: 92 209 72 m²

e. Location (provide a map if possible):



f. Facilities (layout of site and infrastructure of the project):

- 10 Chalets built in a traditional rondavel style
- Conference Centre
- Craft Centre
- Performance/entertainment space
- Restaurant
- Museum

TEMPLATE 2.2 – ADDED VALUE AND COMPETITOR ANALYSIS

1. In terms of its “value add” (what makes the attraction/facility distinctive?)

a. What is the project/product offering to potential tourists?

The area depicts the rich culture of the Vha Tsonga people. It gives tourists the ability to observe and immerse themselves into the local culture by observing artistic performance rituals while staying in traditional accommodation facilities. The benefit of the project is that employment is created. Culture and heritage is preserved and passed on. It has the ability to be a catalyst for tourism in the area.

b. What is it about the product that makes it distinctive to its competitors – what will make it stand out (e.g. what does it offer more than similar facilities), is it:

i. Unique? Why?

The attraction has the ability to provide tourist with an authentic cultural experience of the Vha Tsonga people, depicting, how the culture and the people formed and become the Vha Tsonga people from migration to settling in this area. Unlike other cultural villages tourists will be able to stay in traditional accommodation. The tourist is no longer an observer but a participant in the cultural experience. The museum will also allow tourists to view historical items of the Vha Tsonga people.

c. What would potential tourists generally expect to receive from this type of facility?

From an experience point of view, the minimum requirement is for the facilities to be built in a traditional manner, truly depicting how the Vha Tsonga people lived. From a facilities point of view, minimum standards would be cleanliness, authentic type service from descendants of the Vha Tsonga people.

d. What are its key success factors (e.g. location, no seasonal fluctuations)?

A truly authentic experience, and knowledge transfer from the local community to visitors. No similar attraction in the vicinity. Close to a strategic route between South Africa and neighbouring countries.

2. In terms of **competitors**

a. List the products/resources that you see as your competition

The closest similar attractions/projects are quite far away (see table) and cannot be viewed as direct competition unless the primary purpose of the trip for a tourist is to view an authentic cultural experience and the tourists is flexible in terms of where they wish to undertake this activity. It would be important to research the offering of these cultural villages/experiences (listed in Table....) in order to present a comparable or better product. These villages also cater for “in transit” travellers on their way to the Kruger National Park. Products or projects that may compete for a tourist’s attention are also scarce in the region so a strength for this village is that it would be unique to the district.

Table 2.1: Other cultural villages in Limpopo

Other cultural villages	Distance from Vha Tsonga
Nyani Cultural village	270 Km
Shangana Cultural village	340 Km
Bakone Malapa Northen Sotho open-air museum	127 Km

TEMPLATE 2.3 – LOCATION ANALYSIS

1. Why was this site chosen? (e.g. size and shape of site is sufficient for the intended use; convenient access for the intended target visitors; highway or main thoroughfare visibility; transportation linkages)

The Vha Tsonga people reside within this area, it is essential for the cultural village to exist within the same area in which the culture is being depicted.

2. Who owns the land?

Originally owned by the Village Tourism Trust – a section 21 company whose board members have practical experience in the tourism industry (Members of STRISA). The project was handed over to the Municipality of Makhado.

3. Are there any outstanding issues (e.g. barriers to land transfer) related to land ownership?

None of which we are aware

4. Analyse the site attributes both on- and off-site by describing what would be the ideal, how important the attribute is, what the site currently offers in terms of the attribute

Table 2.2: Site Attributes

Location attribute	Description of site in terms of specific attribute	Importance of the attribute (1-5 where 1 = low importance and 5 = crucially important)	Rating of subject site (1-5 where 1 = has challenges and 5 = meets the requirement)	Improvements needed if applicable
On-site				
Size and shape of site within the context of your facility	92 209 72 m ² . Spacious and open. Building to be widely spread	3	4	None
Topography	Gentle slope	4	4	Flatten out in entrances where cars a required to drive.
Zoning, legal constraints	Zone for tourism.	5	5	Cannot determine as no info available
Environmental constraints		4	3	Cannot determine as no info (EIA) available
Other important site attributes and amenities	Area with 10 chalets, supporting amenities, including restaurant and kitchen, museum and reception. Full reticulation to the resort	5	2	Current situation Chalets x 2 Guard hut (partial) No utilities on sites no running water or electricity. Build remaining chalets, have a water supply, provide security, paving and parking and fire equipment.
Off-site				
Access to the site (standard vehicles, 4x4, busses)	Good	5	3	Dirt road once a person arrives on sight. Narrow entrance is not ideal for busses. Widen entrance, flatten path to entrance.
Universal accessibility	Fair	4	2	Widen entrance, flatten path to entrance
Road conditions	Good	5	4	Fair
Visibility of site to passing traffic	It is on a regional road.	2	5	Does not need to be visible. Must have necessary signage
Proximity of tourist and other economic generators and tourist serving areas	Within 50 km for day visitors or a part of tourism package	3	4	Close to other tourism generating activities such as nature reserve and accommodation. Partner with activities in the area.

Availability of utilities to the site	Close to petrol station and emergency services. Close to major town	5	4	
Surrounding land uses and nuisance factors from other nearby uses	There should be no loud noises such as traffic/music.	4	4	No visible nuisances
Safety and security	Safe for tourist, ability to put mind at ease.	5	2	Not viewed as a very safe area. Community engage to patrol and place emphasis on safety.
Other (e.g. flooding issues)				

TEMPLATE 2.4 – TRANSPORT ACCESSIBILITY ANALYSIS

1. Complete the following table in terms of the access to and from the site:

Table 2.3: Site Accessibility

Transportation Type	Name	Average Daily Traffic Volumes (e.g. Data from SANRAL or traffic counts)	Distance from the site (nearest point)
National Highways	N1	Busy highway with through traffic to Zimbabwe	
Regional Highways	R578		Some 30 km east of Makhado
Gravel Roads			5 – 6 km in fair condition but may be difficult during and immediately after rains
International/ Regional Airports (name closest)	Polokwane Airport (regional airport).		96 km from Makhado
Railway Stations	Makhado		
Inter-city Bus Stations	Intercity and Cross-Border Busses stop in Makhado		

Tool for data collection

For further information required in terms of Accessibility “Primary Research” can be conducted amongst stakeholders in the area. Please refer to the structured questionnaire in Appendix B, the section on Transportation.

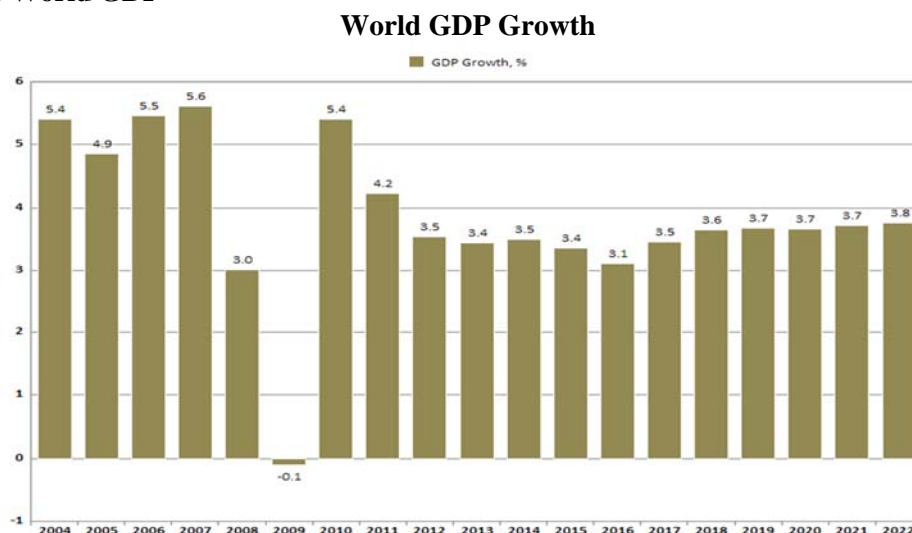
DEMAND

TEMPLATE 2.5 – MACRO-ECONOMIC AND TOURISM TRENDS: GLOBAL; COUNTRY**The Global Picture**

1. Is the global economy growing/static/declining (GDP growth)?

According to the World Economic Outlook of the IMF economic activity **global growth** for 2016 was projected to pick up pace in 2017 and 2018 after a fairly static 2016, with growth in GDP at around 3%, especially in emerging markets and developing economies. Advanced economies were projected to grow by 1.9 percent in 2017 and 2.0 percent in 2018.

Figure 2.1: World GDP



Source: www.knoema.com

The fairly positive outlook for global economic growth over the next few years promises a conducive environment for international tourism.

South Africa's established tourism source markets include the UK, Germany, the Netherlands, the USA and France and emerging markets include China, India and Brazil. All of these markets are forecast to show positive economic growth over the next few years providing a conducive environment for outbound tourism.

2. What global events .g. terrorism, bird flu, etc. have occurred that may affect tourism (positive or negative)?

On the negative side certain trends have emerged that may impact outbound tourism. These include where tourism will have to deal with an ever more complicated and confusing political reality which create e.g. fears of a nuclear war between North Korea and the USA could potentially stymie the desire to travel in countries such as the USA. Globally, safety and security have become major issues with tourists increasingly seeking "safe" destinations. For inbound travel to South Africa images of

street demonstrations and politically motivated riots will have a negative impact. Visas become more complicated, in South Africa we saw the negative impact in 2015 on inbound tourism. The looming water crisis in Cape Town may deter inbound tourists.

On the positive side, tourism has shown to be consistently resilient and is currently experiencing one of its highest growth trends worldwide. South Africa has shown higher growth as a tourist destination in comparison to Africa and the rest of the world. The relative decline in airfares is also an important driver for tourism growth, especially on long haul destinations such as South Africa.

3. Has tourism been growing/remaining static or declining over the last number of years?

International tourist arrivals grew by 3.9% to reach a total of 1,235 million in 2016, according to the UNWTO World Tourism Barometer (2017). Some 46 million more tourists (overnight visitors) travelled internationally last year compared to 2015. Available data for **Africa** points to an 8% rebound in international arrivals in 2016 after two troubled years, adding 4 million arrivals to reach 58 million. Sub-Saharan Africa (+11%) led growth, with South Africa showing a growth rate of 12,8%, the highest in the region. This high growth must be seen against the context of 2015 which saw a plunge in international arrivals as a result of severe visa restrictions, which have since been adjusted for greater accessibility.

The South African Picture

1. Is the South African economy growing/static/declining (RSA GDP growth)?

According to Treasury, the South African economy, which grew by an estimated 0.5 per cent in 2016, is expected to grow by 1.3 per cent in 2017 and 2 per cent in 2018 as economic conditions strengthen.

2. What South African events e.g. tourist crime, xenophobia, etc. have occurred that may affect tourism (positive or negative)?

Tourist crime has reached headlines a number of times over the last year which negatively impacts the destination image of South Africa. The water crisis in Cape Town has also reached international headlines with the potential for a negative impact on incoming tourists.

A positive development is the increased air access to South Africa, particularly to Cape and Durban which has seen an increase in the number of international flights as well as frequency of flights. From a local and regional perspective, new routes opened to smaller destination in provinces like North West, Limpopo and the Northern Cape (Western Cape Department of Economic Development and Tourism, 2016). New codeshare agreements between local low-cost carriers and international carriers are also underway between key cities in South Africa.

2. Has tourism been growing/remaining static or declining over the last number of years?

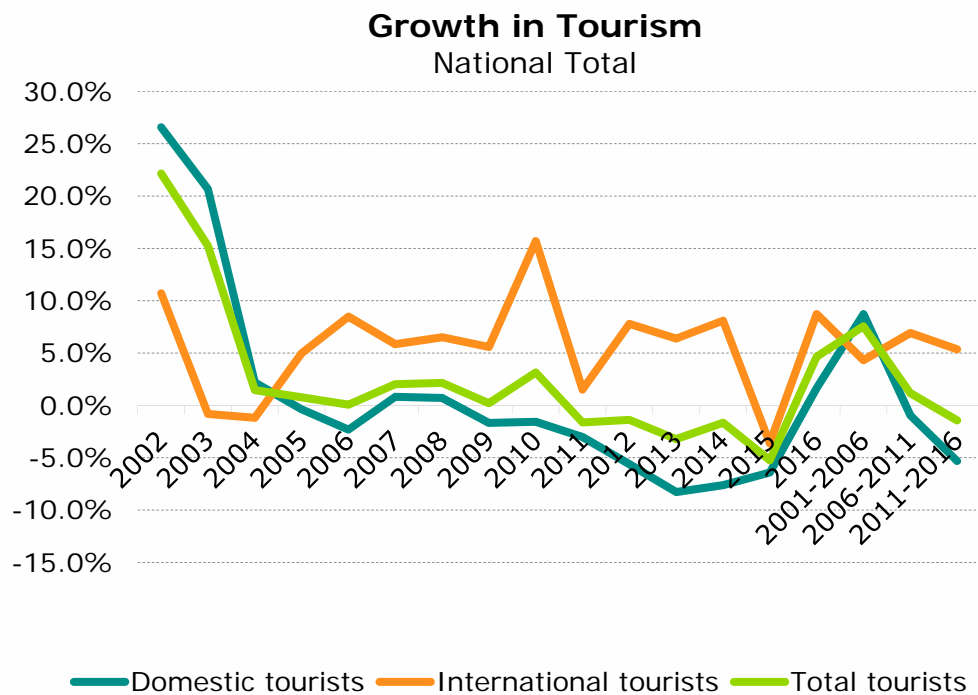
Africa has been one of the world's fastest growing tourism regions. International tourist arrivals into Africa increased by an estimated 8% in 2016. South Africa saw a growth of almost 13% in international arrivals in 2016. According to the Department of Tourism more than 10 million international tourists visited South Africa in 2016, 13 percent more than in 2015, well over the global average growth rate for the period. According to StatsSA domestic tourism shows a pattern of decline in domestic tourism over the past two years, with the total number of day trips decreasing from 44,3 million in 2015 to 39,4 million in 2016. Figures 2.2 and 2.3 provide a graphic illustration of national tourism trends (IHS Markit Regional eXplorer version 1181). After a disastrous 2015 tourism, nationally, has grown quite quickly in 2016, both international

and domestic. Total tourism spend (both international and domestic) has also increased steadily in South Africa.

Figure 2.2: Total Tourism Spend: South Africa



Figure 2.3: Tourism Growth: South Africa



TEMPLATE 2.6 – REGIONAL AND LOCAL ECONOMIC AND TOURISM TRENDS

The Provincial Picture: Limpopo

Limpopo Province makes up 7% of the national GDP. In 2015 GDP growth in the Limpopo Province was 1.9%. Tourism contributes 4-5% to the Province's GDP.

DATA CATEGORIES

Provincial Economic
Key Indicators



Province: Limpopo

Population: 5.3 million
Surface Area: 123.910 km
GDP: 7% of National GDP
GDP Growth 1.9% (2015)

Tourism and Travel
Economic Key
Indicators



T & T Economic Impact:
T & T Industry GDP: 4 – 5%
contribution to provincial
GDP
T & T Industry Employment:
Not available

Regional tourism indicators: Limpopo

Table 2.4: Domestic Overnight Trips to Provinces

Table 7b: Province of destination by most recent overnight trips, January–December, 2015 and 2016

Destination	Overnight trips			
	Number ('000)	Per cent	Number ('000)	Per cent
	2015		2016	
Western Cape	2 832	10,3	2 475	9,7
Eastern Cape	4 077	14,8	3 124	12,2
Northern Cape	694	2,5	633	2,5
Free State	1 280	4,6	1 216	4,8
KwaZulu-Natal	3 948	14,3	3 317	13,0
North West	1 972	7,2	1 920	7,5
Gauteng	3 120	11,3	3 416	13,4
Mpumalanga	2 626	9,5	2 675	10,5
Limpopo	4 297	15,6	4 342	17,0
Unspecified	2 706	9,8	2 424	9,5
Total	27 551	100,0	25 543	100,0

Due to rounding, numbers do not necessarily add up to totals.

Source: StatsSA, 2016.

Table 2.5 Characteristics of foreign tourists to the Limpopo Province.

								
	Arrivals	Spend (Millions)	Mean	Length of stay	Bednights	% Visited other provinces	Top 3 Markets	Top 3 Markets - Air Only
Gauteng	1 056 896	R 6 557	R7 100	11.8	11 014 600	48.8%	Mozambique Zimbabwe Lesotho	USA UK India
Limpopo	457 624	R2 271	R5 600	4.2	1 685 700	6.9%	Zimbabwe Botswana USA	USA UK France
Mpumalanga	394 490	R1 131	R3 300	9.1	3 180 400	15.1%	Mozambique Zimbabwe USA	USA Germany UK
Western Cape	368 018	R4 243	R13 600	14.6	4 759 900	50.5%	USA UK Germany	USA UK Germany
Free State	313 101	R 828	R3 200	12.9	3 569 800	1.7%	Lesotho Mozambique Swaziland	USA UK Germany
North West	214 119	R 322	R1 800	6.5	1 221 200	3.8%	Botswana Lesotho Zimbabwe	India UK USA
Kwazulu Natal	200 889	R1 320	R7 600	11.0	1 954 500	11.2%	Swaziland Lesotho USA	USA UK Germany
Eastern Cape	83 283	R 725	R10 200	15.1	1 111 000	11.1%	Germany USA UK	Germany USA UK
Northern Cape	32 588	R 177	R6 300	12.6	363 100	1.3%	Namibia Lesotho USA	USA UK Germany

Source: SAT, Annual Report 2015

From tables 2.4 and 2.5 it is apparent that Limpopo is the most visited province for domestic tourists with the main reason being VFR, followed by cultural occasions and religious events. While Limpopo was the second most visited province for foreign tourists, the main purpose of most of these tourists, originating mainly from Zimbabwe and Botswana, was cross-border shopping. The USA forms the largest number of international tourists to the Province and their primary purpose is to experience nature and culture.

Vha Tsonga Cultural Village is situated in the district of Vhembe where tourism growth (while still positive) appears to have declined in all the districts in Limpopo between 2010 and 2016 (10.9% to 7.5%) for both domestic and international tourists, although tourism spend as a percentage of GDP has increased from 4.8% to 7.7%.

Table 2.6 Tourism to each district in the Limpopo Province (IHS Global Data, 2017)							
Tourism			Mopani	Vhembe	Capricorn	Waterberg	Sekhukhune
Number of Trips by Purpose of trip							
	2010						
		Leisure / Holiday	179 006	66 947	106 712	227 570	50 640
		Business	73 442	50 368	115 687	75 066	36 891
		Visits to friends and relatives	685 045	641 107	816 456	471 561	554 214
		Other (Medical, Religious, etc)	44 669	46 840	335 568	25 337	43 326
		Total	982 163	805 262	1 374 424	799 534	685 070
	2016						
		Leisure / Holiday	267 855	105 870	160 350	341 330	87 807
		Business	98 602	83 867	230 597	97 047	65 181
		Visits to friends and relatives	1 134 973	1 126 188	1 464 086	829 039	915 513
		Other (Medical, Religious, etc)	68 253	69 845	571 649	43 024	63 570
		Total	1 569 683	1 385 771	2 426 682	1 310 439	1 132 071
Number of Trips by Origin of tourist							
	2010						
		Domestic tourists	781 110	657 409	1 232 980	586 609	617 813
		International tourists	201 053	147 853	141 444	212 925	67 258
		Total tourists	982 163	805 262	1 374 424	799 534	685 070
	2016						
		Domestic tourists	1 268 301	1 064 123	2 211 848	987 571	1 014 299
		International tourists	301 382	321 648	214 834	322 868	117 772
		Total tourists	1 569 683	1 385 771	2 426 682	1 310 439	1 132 071
Bed nights by Origin of Tourist							
	2010						
		Domestic tourists	3 316 080	2 790 928	5 234 415	2 490 369	2 622 829
		International tourists	781 119	686 873	553 854	773 193	297 320
		Total tourists	4 097 198	3 477 801	5 788 269	3 263 562	2 920 148
	2016						
		Domestic tourists	3 050 673	2 559 561	5 320 196	2 375 441	2 439 718
		International tourists	1 140 987	1 263 938	813 895	1 215 320	452 753
		Total tourists	4 191 661	3 823 499	6 134 091	3 590 761	2 892 470
Total Tourism Spend (R 1000, Current prices)							
	2010		3 406 066	1 646 523	2 948 107	3 440 247	1 406 963
	2016		7 425 800	4 248 263	6 721 378	7 677 297	2 974 483
Growth in Tourism (using bednights) by origin							
	2010						
		Domestic tourists	-1.5%	8.1%	4.6%	7.4%	8.9%
		International tourists	12.8%	23.8%	19.5%	14.8%	19.6%
		Total tourists	1.0%	10.9%	5.9%	9.1%	9.9%
	2016						
		Domestic tourists	4.9%	4.9%	5.5%	4.8%	4.9%
		International tourists	12.4%	13.2%	13.4%	12.7%	13.1%
		Total tourists	6.8%	7.5%	6.5%	7.3%	6.1%
Total Tourism spend as % of GDP (Current prices)							
	2010		7.5%	4.8%	5.5%	7.9%	5.6%
	2016		11.0%	7.7%	7.5%	12.1%	8.0%
Average Tourism spend per resident capita (Rand, Current prices)							
	2010		3 076	1 272	2 343	5 063	1 310
	2016		6 503	3 107	5 020	10 434	2 557

Vhembe District in which Makhado and the Vha Tsonga Cultural Village is located reflects a similar pattern of tourism to that of the Province and is shown graphically in figures 2.4 and 2.5 which is based on the statistics provided in Table 2.6.

Figure 2.4: Percentage Share of Trips by Origin of Tourists: Vhembe District

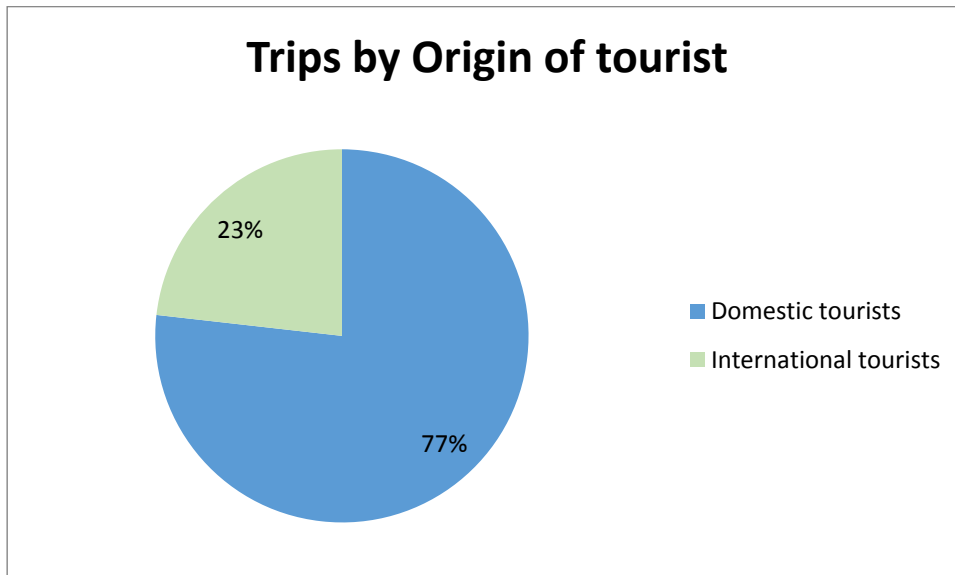
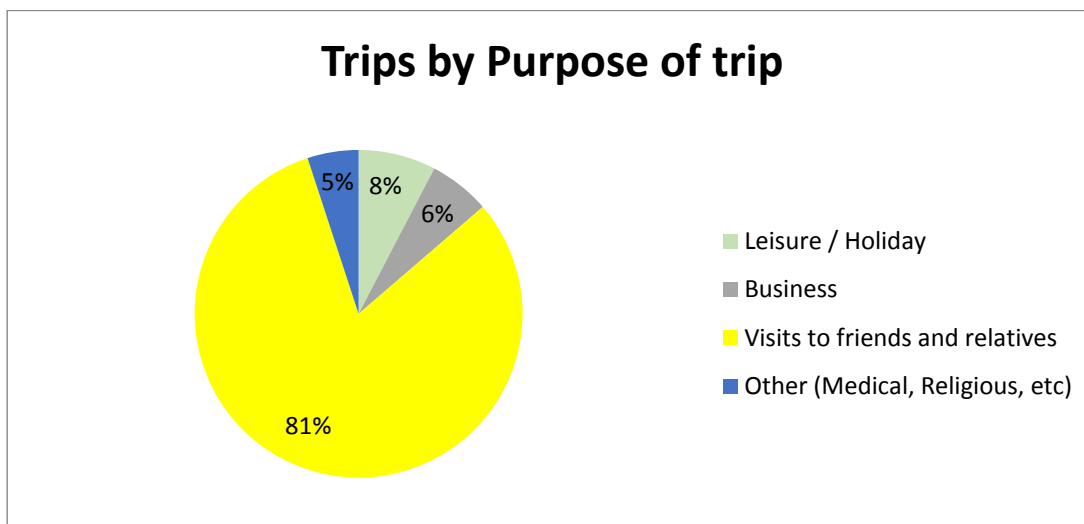


Figure 2.5: Trips by purpose of travel: Vhembe District



The main reason for visitation to the Vhembe District is VFR with small percentages of tourists visiting for leisure, business and other reasons.

Makhado Local Municipality

The closest major town to Vha Tsonga is Makhado which relate more directly to the potential market segments that can be identified for the project.

1. Has tourist traffic to the area in which the facility is located been increasing, decreasing or holding its own over the last several years?

According to IHS Global Insight (2017):

- The tourist sector play a relative large role in the local economy compared to the national average - tourist trips to Makhado LM is 1% of national tourist trips in 2016 compared to a 0.7% contribution of local population to national population - tourism spending is 7% of local GDP compared to 6% nationally
- The larger portion of tourists that travel to Makhado is however the lower-spending local tourists that visit family and friends (79% compared to 64% nationally), and only 9% travel for leisure/holiday purposes (compared to 17% nationally)
- International tourists contribute only 17% to total trips compared to 23% nationally
- While the total number of tourist bednights to Makhado LM declined slightly from 1.13m to 1.11 between 2010 and 2016 the composition between local and international bednights shifted with international bednights increasing from 178 000 to 277 000, resulting in an increase in tourism spending in the area
- Total tourist spending in Makhado LM could be in the region of R1.2bn in 2016 (including domestic and international tourists)

Figure 2.6: Tourism Growth: Makhado

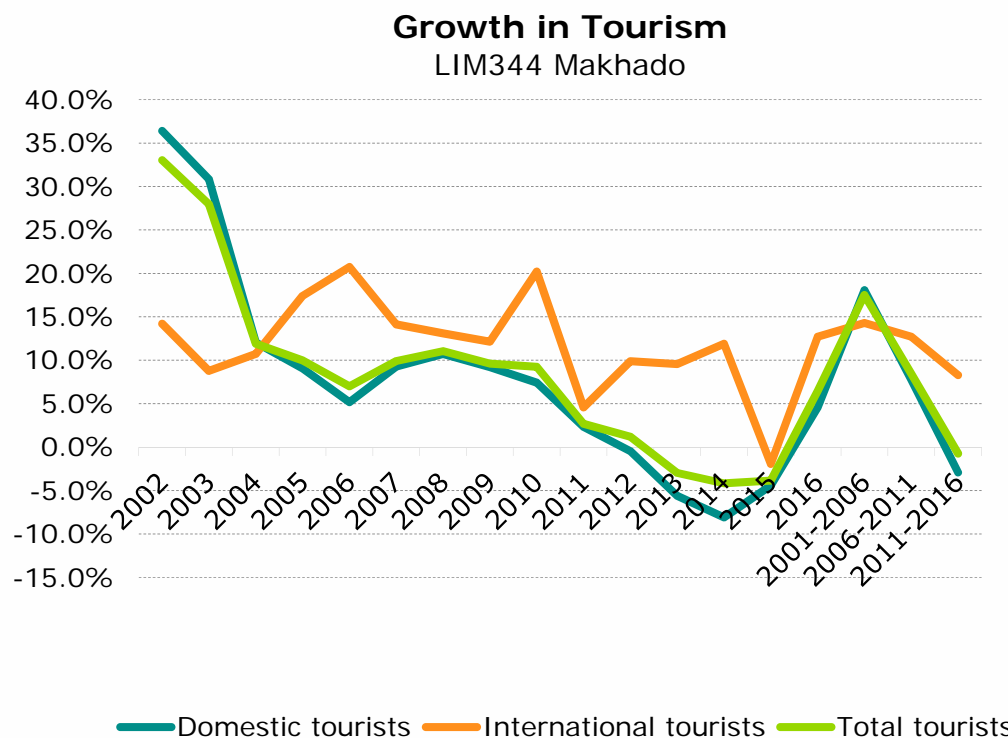
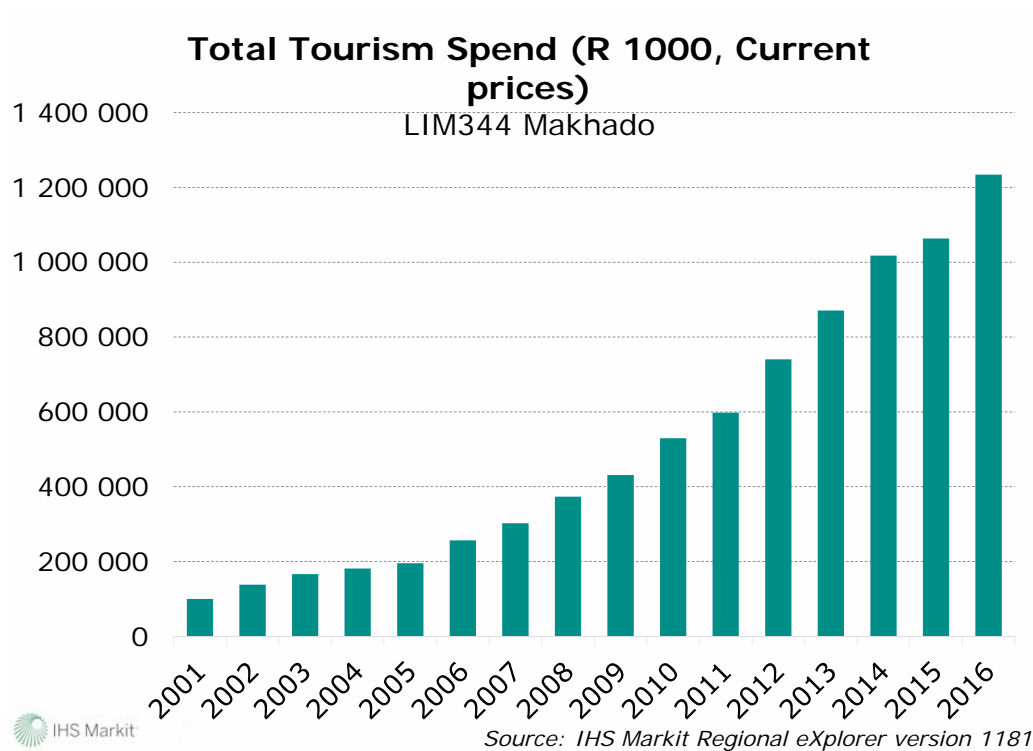


Figure 2.7: Total Tourism Spend: Makhado



While tourism growth still occurred, figure 2.6 shows a steady decline in this growth to the Makhado region over the last two decades. Domestic tourism showed a negative growth from 2012 to 2015 while international tourists declined up until 2015. The year 2016 saw a rejuvenation in growth with an upward trend in both domestic and international tourists. Similar to the national picture, tourism spend (figure 2.7) has shown increases over the last two decades.

2. Is this an established tourist area or would tourists need to be attracted to the area?

Makhado is an established tourist area but tourists would need to be deliberately attracted to the site, since it is outside Makhado and not directly on the main highway.

3. Has there been an overall change or shift in what tourists want in general e.g. there has been a move towards socially conscious travelling, new generations, emerging markets etc?

There is a growing demand for authentic, off the beaten track cultural experiences, and Vha Tsonga could meet this demand. Evelien Klokman, Owner & Travel Designer of Kukummi Safaris, says: “We get a lot of Dutch and German tourists as they are interested in cultural experiences and getting off the beaten track. Limpopo is also a great destination for repeat guests. Once they have seen Table Mountain, Panorama Route and Kruger they would like to experience more of ‘Africa’ and Limpopo offers an unpolished, genuine experience.”

4. Will these changes have a positive/negative/no effect on your project and how will you make adjustments if necessary?

Positive

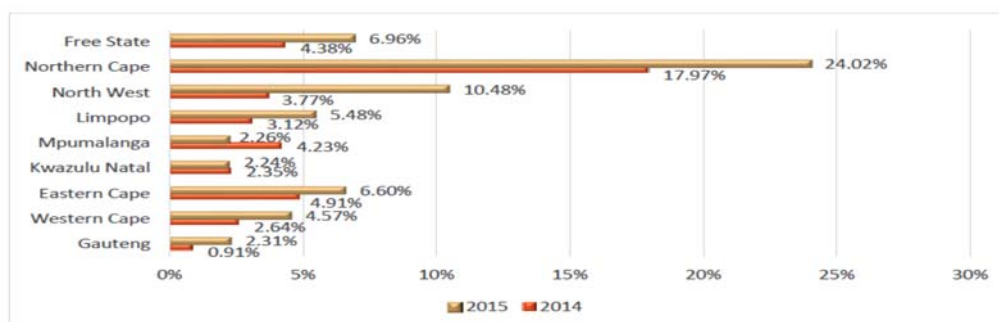
TEMPLATE 2.7 – SEASONALITY AND LENGTH OF STAY

1. Is your tourism product opportunity seasonal (will attendance vary throughout the year)?

Figure 2.8: Provincial Seasonality

Even though the seasonality for South Africa and its tourist markets are low, the same cannot be said for provincial seasonality. Figure indicates that the provinces with low seasonality are Gauteng (2.31%), Mpumalanga (2.26%) and KwaZulu-Natal (2.24%). The provinces with the highest seasonality are the Free State (6.96%), North West (10.48%) and Northern Cape (24.02%). Moreover, the figures also specify that the seasonality index of most provinces were much higher in 2015 than in 2014. Thus, indicating the adverse impact of shifts in international tourist needs and access to destinations in the short-term.

Figure 28: Seasonality index of international tourists per province: 2014/15



Limpopo Province experiences less seasonal shifts in tourism than the Free State, Northern Cape and North West. International travellers are less seasonal than domestic tourists who generally travel over school holidays, long weekends and weekends. This points to a fairly seasonal nature for visitation to the project.

2. What would the average length of stay for your potential market segments be, considering the provincial and area trends?

SA Tourism Annual Report for 2016 indicates that Limpopo Province exhibits the highest percentage of day trips than any of the other provinces (Table 2.7). Limpopo is also the Province where visitors who do stay over, do so for an average of 3.3 days, lowest of all the provinces (Table 2.8).

Table 2.7: Incidence of Day Trips by Province

Monthly Travel Incidence for Day Trips by Province of Residence				
	2013	2014	2015	2016
Eastern Cape	38%	40%	36%	6%
Free State	14%	16%	14%	10%
Gauteng	51%	47%	47%	31%
KwaZulu Natal	39%	40%	45%	27%
Limpopo	43%	45%	40%	40%
Mpumalanga	25%	23%	24%	16%
North West	59%	56%	44%	21%
Northern Cape	14%	9%	9%	6%
Western Cape	25%	20%	14%	11%

Table 2.8: Average Length of Stay by Province

Average Length of Stay at Destination Province				
	2013	2014	2015	2016
Eastern Cape	5.7	4.1	5.3	4.3
Free State	4.2	4.7	3.8	4.4
Gauteng	3.9	4.4	2.7	4.8
KwaZulu Natal	4.1	4.2	4.8	4.5
Limpopo	3.8	3.2	3.9	3.3
Mpumalanga	4.3	3.1	3.7	4.4
Northern Cape	5.3	3.7	5.2	3.7
North West	5.1	3.5	3.1	3.4
Western Cape	5.0	7.5	4.8	4.9
TOTAL	4.4	4.0	4.2	4.2

Source: StatsSA, 2016

Based on the trends in the Province it is expected that the initial markets identified in table 1.1, will mainly be day visitors or stay overnight under certain circumstances.

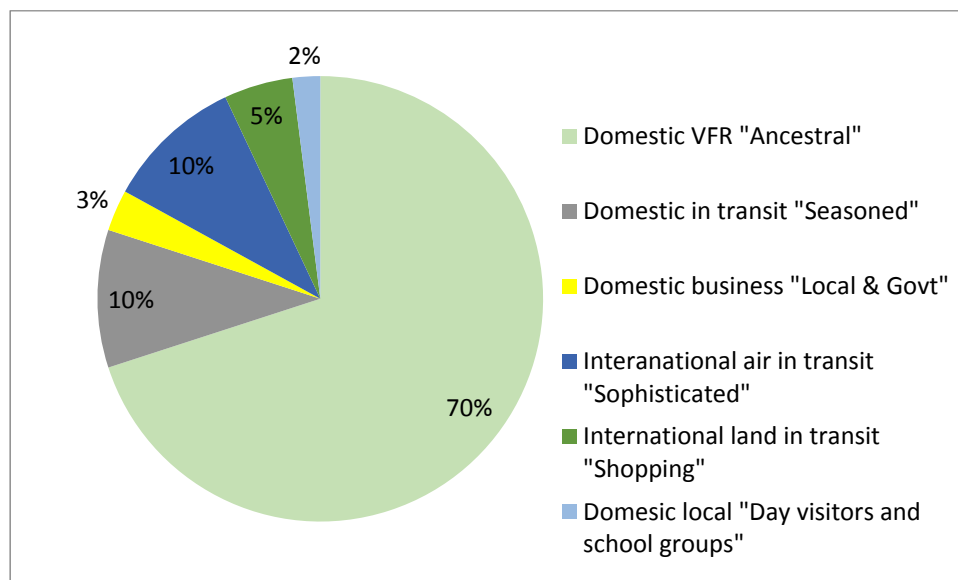
Template 2.8 – Potential market segments for tourism site/project

In order to make an informed decision on your target markets you need to refer back to the research done in the previous sections (listed below) and draw conclusions from this information.

- Table 1.1
- Your research on global, regional and local tourism trends as reflected in templates 2.5, 2.6 and 2.7.
- Your understanding of the various market segments. In this regard you can refer to table 2.1 in the Workbook which provides a theoretical guideline of general characteristics relating to various types of tourists and purpose of travel. This is by no means an exhaustive list or a “stereotypical” categorisation, it is merely a guideline to assist you in looking for characteristics that may describe your potential market segments.

In the case of Vha Tsonga figure 2.9 shows an approximate breakdown of the market segment if the demand reflects the current size of the various market segments to the region. This may however present a deceptive picture. If the numbers of visitors were to reflect the tourists currently visiting the region, six potential market segments could potentially be identified for Vha Tsonga Cultural Village. However, while the potential size of a market segment may be large, their level of demand for the product may be low. For example, figure 2.5 shows that domestic tourists who visit the area for VFR purposes make up the majority of current visitors (81%) while only 19% visit for other reasons such as leisure, business and other reasons (e.g. medical). Figure 2.4 tells us that 77% of visitors are domestic and 23% international. If the international visitors are further broken down (as per table 2.5) it becomes evident that two distinct groups emerge i.e. those entering by air and those entering overland and that each has a different profile which may or may not exhibit a demand for the product. Thus each market segment should be described in terms of their level of demand rather than the size.

Figure 2.9: Potential market segments for product/project if current visitor numbers to the area were used.



The six potential market segments and their potential demand can be described as follows:

1. International (Air) Sophisticated Travellers

This market can be regarded as sophisticated travellers arriving into South Africa by air and originating mainly from the USA and Europe (UK and France). They are generally fairly high spending, visiting throughout the year, with some peaks in the summer months. They desire authentic experiences of local culture where they can have a high level of interaction with the local environment. They are socially responsible and environmentally conscious with a desire to learn and enrich their knowledge of other cultures and settings. They generally travel in their own vehicles or may form part of a tour group. They would probably be on their way to nature reserves such as Mapungubwe, Kruger National Park and neighbouring African countries such as Zimbabwe. They would probably be day visitors or, if the product is well structured and authentic, spend a night in the Village. They generally have high expectations of service and cleanliness. They would also be prepared to spend some money on local crafts. If the product matches their expectations the demand would be quite high. Thus, this market should be nurtured.

2. International (Land) In Transit Travellers

The international land in transit market are those travellers that cross the border mainly from Zimbabwe to South Africa for shopping purposes. This market is focussed on buying supplies and spending their money on necessities and unless the product could offer something out of the ordinary this market may not be worth pursuing. At best, it would form a small percentage of day visitors who are seeking some leisure activity that reflect an authentic African experience combined with excellent food.

3. Domestic Seasoned In Transit Travellers

The domestic seasoned traveller will exhibit many of the same characteristics as the international air market. Seasoned travellers are often of an older generation which is not seasonally bound. Younger travellers in this segment would be bound by school holidays. They are generally price conscious but would be prepared to pay for a good experience. These travellers would typically also stop en route to another destination and be travelling in their own vehicles. They would probably be day visitors or, if

the product is well structured and authentic, spend a night in the Village. They would also have high expectations of service, the quality of food and cleanliness.

4. Domestic VFR Ancestral (Back to my roots) Travellers

This market travels regularly to the Province to visit friends and relatives and, if their ancestry is Vha Tsonga, they would want to introduce their children to their ancestral routes and have them experience an authentic representation of the culture and how it was practiced before. They are weekend, long weekend and holiday period travellers and many travel to the area in busses or taxis which may inhibit their accessibility to the Village so transport arrangements from a local point should perhaps form part of a package. This market is very price conscious and low spending. The market would have to be nurtured through awareness creation and comprehensive promotion.

5. Domestic Business and Govt Conference Groups

The envisaged Conference Centre would be a viable product for local business people and local government agencies requiring Conference facilities for small groups. This is probably the only market that would stay for longer than one night. This market would require all the facilities and infra-structure for successful small meetings and conferences as well as accommodation facilities and dining. A potential problem would be Internet coverage and accessibility. Targeted and very specific promotion would have to be done for this market.

6. Domestic Local and Educational Day Visitors

In a sense educational tours for local school groups are a captive market and package deals would have to be formulated and strongly promoted to local schools. The product must be authentic and able to fulfil the learning goals of the schools. These groups would be bound to visit within the school terms and would typically be day visitors. Other locals could be targeted to visit the Cultural Village as an attraction for a day visit since the distance is not prohibitive for residents of Makhado.

A further breakdown of the characteristics of each market is presented in table 2.9.

Table 2.9: Characteristics of potential market segments

International

Market Segment	Leisure & Relaxation	In Transit (stopping while en route to another destination)
Overall level of demand	Fairly high	Low
Length of stay	Day and overnight	Day and overnight
Seasonality	Year round	Year round
Average spend	R17,000 per trip (quite high)	R5600 per trip (medium/low)
Price sensitivity	Low	Medium/High
Countries of origin	USA, UK, France	Zimbabwe Botswana
Size of travel party	Couples Small groups Tour group	Couples Small groups Individuals
Average age group	Adult wide range	Adult
Mode of transport	Own vehicle Tour bus	Own vehicle Taxis

Characteristics	Sophisticated, well-educated, morally responsible, politically correct, understanding	In-transit travellers, May have some extra time to spend Probably more spontaneous in decision to visit
Lifestyle interests	Interaction with different cultures, Desire to learn about different cultures, move at own pace	Focussed on shopping for products not available in home country
Tourist product expectations	Authentic cultural experience, good service levels, friendly staff, well managed, clean facilities	Authentic experience, good food, fairly quick visit

Domestic

Market Segment	Business & Incentive	In Transit (stopping while en route to another destination)	VFR	Other Education
Overall level of demand	Medium to low	Low	Low to medium	Medium
Length of stay	Few days	Day	Day	Day
Seasonality	Outside of school holidays	School holidays	Weekends, school holidays	School terms
Average spend	Quite high	Quite high	Low spend	Package deals
Price sensitivity	Low	High	High	High
Province of origin	Makhado Local Business and Govt	Gauteng Limpopo Mpumulanga	Gauteng Limpopo Mpumulanga	Local Schools
Size of travel party	Group	Individuals Couples Families	Families	Groups (Approx 30)
Average age group	Adult	Couples Families	Families	Young Learners
Mode of transport	Own vehicle	Own vehicle	Own vehicle Taxis Busses	Tour bus

Lifestyle interests	Business	Seasoned travellers, learn for enrichment,	Learning about ancestors to pass on to children	Learning experience Cultural exposure
Tourist product expectations	Good service Conference facilities Clean	Authentic experience, Good service, clean, friendliness, value for money	Authentic experience Value for money	Authentic Good knowledge






In summary it can be concluded that the most viable markets (those with the highest demand for the product are, in order of importance:

1. International (Air) Sophisticated Travellers
2. Domestic Seasoned In Transit Travellers
3. Domestic Local and Educational Day Visitors
4. Domestic Business and Govt Conference Groups
5. Domestic VFR Ancestral (Back to my roots) Travellers
6. International (Land) In Transit Travellers

STEP 3: PRODUCT MARKET MATCH ANALYSIS

SUPPLY SIDE

1. Product descriptors































	Transport Accessibility
	Location
	Product description
	Value-add/competitor analysis
	Price/value for money

DEMAND SIDE

2. Market segments

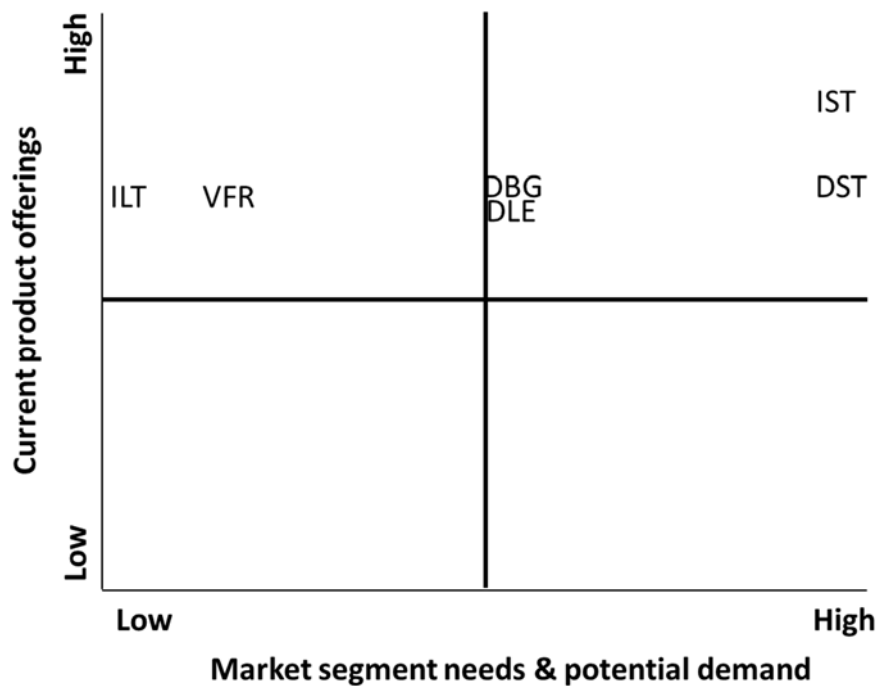
Abbreviation	Description
IST	International (Air) Sophisticated Travellers
DST	Domestic Seasoned In Transit Travellers
VFR	Domestic VFR Ancestral (Back to my roots) Travellers
ILT	International (Land) In Transit Travellers
DBG	Domestic Business and Govt Conference Groups
DLE	Domestic Local and Educational Day Visitors

3. Evaluate whether each market segment would have a demand for each product descriptor/the product is adequate

IST	DST	VFR	ILT	DBG	DLE
 ✓✓	 ✓✓	 ✓x	 ✓x	 ✓x	 ✓✓
 ✓✓	 ✓✓	 ✓✓	 ✓x	 ✓✓	 ✓✓
 ✓✓	 ✓✓	 ✓x	 ✓x	 ✓✓	 ✓✓
 x✓	 x✓	 xx	 xx	 xx	 xx
 ✓✓	 x✓	 xx	 xx	 x✓	 xx

Rating	S	D
Supply meets demand	✓	✓
Supply inadequate for demand	x	✓
Limited supply and limited demand	x	x
Supply good but no/untapped demand	✓	x

4. Add the number of ticks in the product supply side and the number of ticks in the market demand side and plot in the quadrants.



The positioning of each market reveals the following:

1. International (Air) Sophisticated Travellers

This market appears to be the strongest market for Vha Tsonga Cultural Village. Demand is high and the product meets the needs of this market. From the supply side the only aspect that needs attendance is the transport accessibility where the gravel road may not be suitable for tour busses or

sedan cars with the rainy season possibly making the Village inaccessible. Parking at the Village also needs to be appropriate.

2. Domestic Seasoned In Transit Travellers

This market also has the potential of a high demand. Similar to the above transport accessibility may be a problem and this market may be slightly more price sensitive than the international sophisticated traveller.

3. Domestic Business and Govt Conference Groups

The envisaged Conference Centre would be a viable product for local business people and local government agencies requiring Conference facilities for small groups and the product could meet this need. However, certain aspects inhibit this market such as the size of the facility (it may be too small), the price needs to be right for this market, the lack of internet access, transport accessibility and the fact that there are quite a few competitors in the Mkhado region who would adequately meet the needs of this market. The uniqueness of the product for a specific type of “bosberaad” is a plus.

4. Domestic Local and Educational Day Visitors

In a sense educational tours for local school groups are a captive market and package deals would have to be formulated and strongly promoted to local schools as they are price sensitive. The educational nature of the product is attractive but accessibility could present a problem.

5. Domestic VFR Ancestral (Back to my roots) Travellers

This market travels regularly to the Province to visit friends and relatives and, if their ancestry is Vha Tsonga, they would want to introduce their children to their ancestral routes. However, the demand is still limited in terms of what the product offers. They are weekend, long weekend and holiday period travellers and many travel to the area in busses or taxis which may inhibit their accessibility to the Village. This market is very price conscious and low spending and may not be worth pursuing as a priority.

6. International (Land) In Transit Travellers

The international land in transit market are those travellers that cross the border mainly from Zimbabwe to South Africa for shopping purposes. This market is focussed on buying supplies and spending their money on necessities. Transport accessibility is a problem and this market will probably not have any cultural or heritage roots to the Village. This is not a viable market.

STEP 4: SUPPORTING BUSINESSES AND ENABLING ENVIRONMENT

SUPPORTING BUSINESSES

Template 4.1 Public Organisations

Which public institutions could be involved?	Describe what you would expect from them
Local Economic Development Agency Limpopo Economic Development, Environment and Tourism Department	Support with <ul style="list-style-type: none"> • Tourism facilities • Location signage • Possible Grading • Familiarisation trips • Access to marketing platform
Department of Tourism	Management support and training
SA Tourism	Marketing support and online presence
StatsSA	Consistent flow of data on tourism in area for strategic planning

Template 4.2: Private Organisations

Private organisations refer to organisations in the private sector that you may need to utilise for effective market analysis and target marketing.

Which private organisations do you expect to be involved in your project?	Describe what you would expect from them
None immediately	

Template 4.3: Tourist Associations

Which tourist associations could be involved?	Describe what you would expect from them
Limpopo Tourism Agency	Presence on http://www.golimpopo.com/Vhembe Promotional support Networking opportunities Inclusion on travel shows/exhibitions
Makhado Tourism Information Centre	Promotional support
SATSA	Networking, information, industry updates

Template 4.4: Community Support

1. Who would you regard as the most important community groups in terms of your project?

Village Tourism Trust
Community of Vuwani

2. Do you envisage any challenges from any of the identified groups?

Village Tourism Trust could potentially have ownership issues
Community of Vuwani could potentially derail plans due to disputes over municipal boundaries

Template 4.5: Value Chain Partnerships

1. Identify the organisations that form part of your value-chain?

Suppliers such as laundry services, security, maintenance company, cleaning services, guest amenities suppliers.

Intermediaries tour operators – agreements for tour groups
Travel agencies – distribution of product, bookings

2. Have you established any offset agreements with suppliers (e.g. passenger transporting to an existing attraction)?

No

3. Can you foresee any possible offset agreements for your project?

No

4. What agreements do you intend to establish with distribution channels (e.g. travel agencies, tour operators) for your product?

Agency and commission agreements

ENABLING ENVIRONMENT

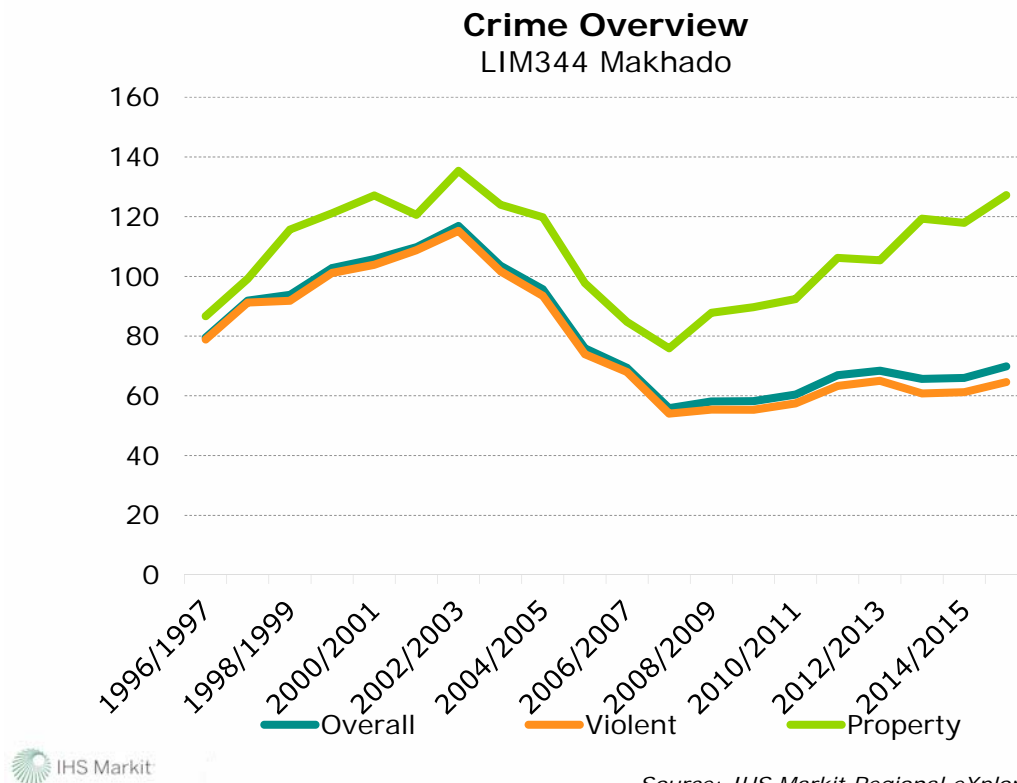
Template 4.6: Legislation

From a market perspective indicate any legal issues that need to be addressed e.g. food outlet requires health and safety certification. Other examples are insurance for consumer protection, environmental assessment, heritage impact assessments, passenger transport licensing etc.

Adherence to Health and Safety regulations for Restaurant
Insurance for Consumer Protection

Template 4.7: Safety and Security

1. Provide an overview of the safety and security situation in your area by:



Overall, crime in the Makhado area has increased since 2010 which is a concern. A security company will be appointed to manage the security issues at the cultural village. The Cultural Village will work with the local Municipality and District to keep abreast of the crime situation, particularly as it pertains to tourists.

2. Indicate how assurances on safety and security will be communicated to target markets if necessary and how you would combat negative perceptions relating to safety and security

Promotional material will include assurances of safety and security. Misperceptions will be specifically addressed. Tourists will receive leaflets with guidelines and tips on safety relating to their belongings and possible risk areas. The premises will be secured through the security presence.

Template 4.8: Destination Image

1. What do you think makes South Africa most attractive as a tourist destination (overall image)?

Wildlife and cultural diversity

2. What do you think makes your Province most attractive as a tourist destination (overall image)?

Wildlife, scenic beauty and cultural diversity. A very “African” destination.

3. How will you harness these images for your project?

By providing an authentic “African” experience. Also by providing a “stop-over” or package deals for nature reserves such as “Kruger National Park, Mapungubwe and Nzhelele Nature Reserve in the Makhado district.

Template 4.9: Information and Data Sources

1. Identify the data sources that you could typically use for:

- a. Global market and consumer trends

SA Tourism, Department of Tourism, UNWTO, WTTC

- b. National statistics on visitor arrivals etc.

StatsSA, SA Tourism

- c. Regional statistics

StatsSA, SA Tourism, Limpopo Economic Development, Environment and Tourism Department

2. Do you believe these would be sufficient for purposes of forecasting and strategic planning?

Yes

3. How are you going to assess your target markets in terms of the

- a. Potential size of the segment which could support your business?

See Template 2.8 and Tables... on market segmentation.

- b. Characteristics of the market for promotional purposes?

See Table..... and discussion.

4. Have you budgeted for any primary research that may be necessary to assess your potential markets?

If necessary funding will be sought or budgeted for.

Template 4.10: Visa Openness

1. How easy is it to get a visa for South Africa for your identified international target market segments?

South Africa is generally found in the middle ranks of accessibility in comparison to all countries. Accessibility could be improved for tourists from certain countries such as Nigeria which has a very unwieldy process. Current target markets such as the USA, UK, France and Germany have a reasonable accessibility. Problems for tourists with children may still create challenges in terms of documentation required.

2. Access the following links to assess how South Africa compares to other countries in Africa and internationally:

https://www.visaopenness.org/fileadmin/uploads/afdb/Documents/VisaOReport2017_web_12mai17.pdf

<https://www.icao.int/Meetings/TRIP-Symposium-2016/Documents/Glaesser.pdf>

<http://www.e-unwto.org/doi/pdf/10.18111/9789284417384>

STEP 5: MARKETING/PROMOTION/DISTRIBUTION PLAN

Plan/Market Segments	Domestic VFR "Ancestral"	Domestic in transit "Seasoned"	International air in transit "Sophisticated"	International land in transit "Shopping"	Domestic business "Local & Govt"	Domestic local "Day visitors and school groups"
Market share	70% (largest)	10%	10%	5%	3% (Niche)	2% (Niche)
Marketing Objectives	Stimulate through awareness campaign	Link attraction to cultural routes such as Ribolla Open Africa Route	Link attraction to cultural routes such as Ribolla Open Africa Route			Stimulate through awareness campaign
Key Messages	Create awareness on ancestral links and cultural richness	Create awareness on ancestral links and cultural richness	Create awareness on ancestral links and cultural richness			Educating present and future generations on the history and heritage of the Vatsonga people.
Channels	Leaflets for Distribution on busses, taxis and eg Filling Stations VIC	Limpopo Tourism and Parks Board Shongolo Express VIC	SA Tourism Web link Search engines Travel Agencies Tour operators VIC		Businesses Local Govt. Chamber of Commerce Business Associations	Schools Colleges

Time Frame						
Budget						
Implementation						
Monitoring						

STEP 6: SWOT ANALYSIS

Template 6: Swot Analysis

<p style="text-align: center;"><u>STRENGTHS</u></p> <p>Good location, close to Makhado and en route to KNP, Mapungubwe En route to Zimbabwe No direct competitors Close to tourism generating activities in Makhado and Nature Reserve Close to regional highway</p>	<p style="text-align: center;"><u>WEAKNESSES</u></p> <p>Universal accessibility not yet considered Current plan for activities does not include sufficient direct interactivity for tourists with local culture. Very large low spending potential markets Very small high spending potential markets</p>
<p style="text-align: center;"><u>OPPORTUNITIES</u></p> <p>Positive global, regional and local economic outlook conducive to tourism growth, both domestic and international Tourist shift to “authentic” experiences Greater regional air access Large untapped domestic VFR market</p>	<p style="text-align: center;"><u>THREATS</u></p> <p>Safety and security in the region/crime is too high Flooding issues in rainy season Drought in Cape Town may deter inbound tourists to SA Visa accessibility problematic for some African countries Domestic tourism still quite flat.</p>

STEP 7: FORMULATE MARKET ANALYSIS SECTION OF PROJECT PROPOSAL

SUMMARY FOR MARKET ANALYSIS SECTION OF PROJECT PROPOSAL

1 SUMMARY FOR MARKET ANALYSIS SECTION OF PROJECT PROPOSAL

1. THE PROJECT CONCEPT

The concept of the Vha Tsonga Cultural Village and traditional accommodation is to depict the culture of the Vha Tsonga (N’wamitwa) people who reside in the area and provide an authentic African experience for visitors. It will consist of a museum which will preserve and conserve heritage objects of the local people, whilst educating present and future generations on the history and heritage

of the Vatsonga people. The museum will house a craft centre where traditional items can be purchased. An area will be created in which tourists can view artistic performances and rituals. Facilities in the form of traditional rondavels built in true African style will provide accommodation for visitors to stay over. The restaurant will reflect true African-style dining. The aim of the project is for job creation within the Village and which involves residents of the community as they can produce and sell crafts at the local craft centre.

The Vha Tsonga Cultural Village is situated south of the Lemana Training College near Elim in the Makhado Local Municipality of the Vhembe District of Limpopo Province.

Makhado is situated in a highly fertile agriculture area. The town has become one of Limpopo's premier business and tourist destinations and is a springboard from where to visit a number of cultural attractions including the Songozwi sacred burial site of the vhaVenda, as well as a secluded cave from where chief Makhado conducted his campaign against the Voortrekkers. The well-known town of Makhado is situated at the foot of the Soutpansberg mountain range in Limpopo and was developed from the Voortrekker settlement in the area.

2. THE TOURISM INDUSTRY

The positive outlook for global economic growth over the next few years promises a conducive environment for international tourism and especially inbound tourism to South Africa which has, since 2015 exhibited a strong rejuvenation in its tourism growth (12.8%). Its international source markets include the UK, Germany, the Netherlands, the USA and France, which are also the markets that visit Limpopo Province where Vha Tsonga is situated. All of these markets are forecast to show positive economic growth over the next few years providing a conducive environment for tourism to South Africa.

Vhembe District in which Makhado and the Vha Tsonga Cultural Village is located reflects a similar pattern of tourism to that of the Limpopo Province with the main purpose of travel being visits to family and friends as shown in figure 7.1. which reflects domestic tourism. International tourists to the district make up 23% and domestic tourists 77% as shown in figure 7.2.

Figure 7.1: Percentage Share of Trips by Origin of Tourists: Vhembe District

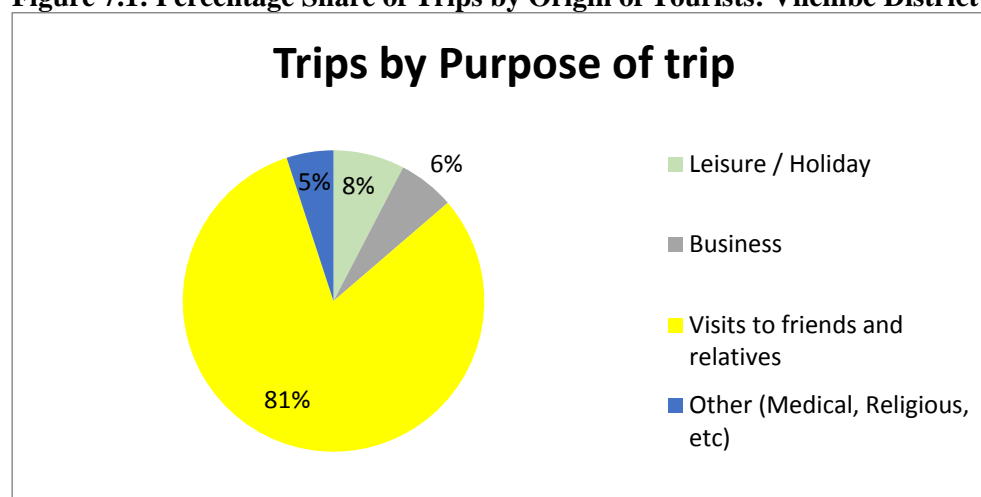
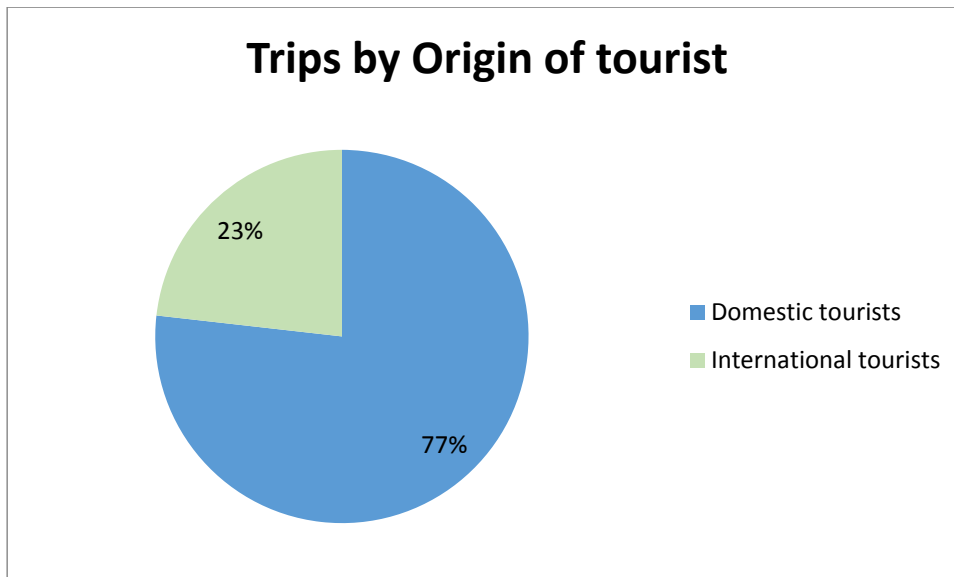
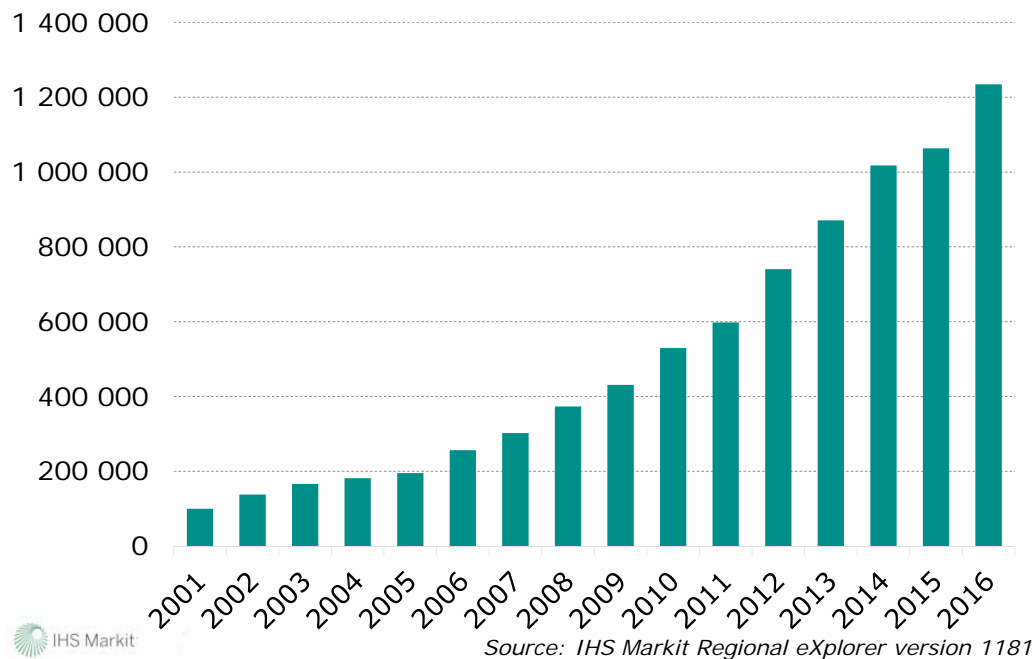


Figure 7.2: Trips by purpose of travel: Vhembe District



The tourist sector play a relative large role in the local economy of Makhado compared to the national average - tourist trips to Makhado LM is 1% of national tourist trips in 2016 compared to a 0.7% contribution of local population to national population - tourism spending is 7% of local GDP compared to 6% nationally. The larger portion of tourists that travel to Makhado is however the lower-spending local tourists that visit family and friends (79% compared to 64% nationally), and only 9% travel for leisure/holiday purposes (compared to 17% nationally). International tourists contribute only 17% to total trips compared to 23% nationally. While the total number of tourist bednights to Makhado LM declined slightly from 1.13m to 1.11 between 2010 and 2016 the composition between local and international bednights shifted with international bednights increasing from 178 000 to 277 000, resulting in an increase in tourism spending in the area as reflected in in figure 7.1. Total tourist spending in Makhado LM was expected to be in the region of R1.2bn in 2016 (including domestic and international tourists). Domestic tourism should improve as the South African economy is expected to grow.

Figure 7.3: Total Tourism Spend (R 1000, Current Prices): Makhado

Globally, and in South Africa, tourists have started to move away from commoditised and standardised products wanting more authentic experiences and greater interaction with local and heritage environments. Tourists are becoming more aware of sites of historical significance and products and services that can offer the type of experience where tourists can actively interact with local traditions and culture are well positioned to exploit this trend.

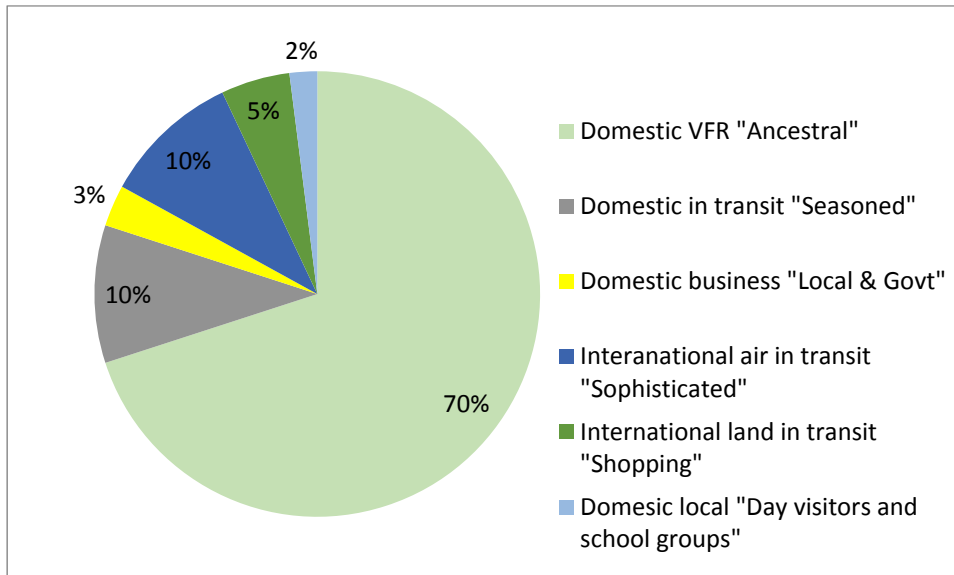
3. TARGET MARKETS

In reflecting on the potential demand for the Vha Tsonga Cultural Village against the main reasons for travel and tourism to Limpopo and the Makhado area, it is apparent that the VFR market is dominant (81%). This would be made up of domestic tourists coming from other provinces such as Gauteng, where they work, and are returning to their original “home” for a visit. Eight percent of tourists to the region are for holiday purposes and this would include both international and domestic tourists. The remainder of the tourists to the region (11%) travel for business, medical, religious and other reasons. As far as international/foreign tourists are concerned two main markets can be distinguished: those arriving via land and those arriving by air. Foreign land markets originate mainly from Zimbabwe and Botswana and have as their main purpose of travel shopping and business. Air markets travel for leisure purposes with the main market being the USA.

If the target market segments for Vha Tsonga Cultural Village were to reflect the tourists currently visiting the region, six potential market segments could be identified as shown in figure 7.4. **This may however present a deceptive picture.** While the potential size of a market, such as the VFR market, may be large, their level of demand for the product may be very low. For example domestic tourists who visit the area for VFR purposes make up the majority of current visitors to the area and international air travellers are in the minority with perhaps approximately 10% visiting the area. The VFR market potential may be large but the level of demand for the product may be quite low and would require a strong awareness and promotional drive to stimulate the demand, while the

international air market is small but the demand may be high. Each market segment needs to be analysed further.

Figure 7.4: Potential market segments for product/project if current visitor numbers to the area were used.



The six market segments and their current level of demand can be described as follows:

1. International (Air) Sophisticated Travellers

This market can be regarded as sophisticated travellers arriving into South Africa by air and originating mainly from the USA and Europe (UK and France). They are generally fairly high spending, visiting throughout the year, with some peaks in the summer months. They desire authentic experiences of local culture where they can have a high level of interaction with the local environment. They are socially responsible and environmentally conscious with a desire to learn and enrich their knowledge of other cultures and settings. They generally travel in their own vehicles or may form part of a tour group. They would probably be on their way to nature reserves such as Mapungubwe, Kruger National Park and neighbouring African countries such as Zimbabwe. They would probably be day visitors or, if the product is well structured and authentic, spend a night in the Village. They generally have high expectations of service and cleanliness. They would also be prepared to spend some money on local crafts. If the product matches their expectations the demand would be quite high. Thus, this market should be nurtured.

2. Domestic Seasoned In Transit Travellers

The domestic seasoned traveller will exhibit many of the same characteristics as the international air market. Seasoned travellers are often of an older generation which is not seasonally bound. Younger travellers in this segment would be bound by school holidays. They are generally price conscious but would be prepared to pay for a good experience. These travellers would typically also stop en route to another destination and be travelling in their own vehicles. They would probably be day visitors or, if the product is well structured and authentic, spend a night in the Village. They would also have high expectations of service, the quality of food and cleanliness.

3. Domestic Business and Govt Small Conference Groups

The envisaged Conference Centre would be a viable product for local business people and local government agencies requiring Conference facilities for small groups. This is probably the only market that would stay for longer than one night. This market would require all the facilities and infra-structure for successful small meetings and conferences as well as accommodation facilities and dining. A potential problem would be Internet coverage and accessibility. Targeted and very specific promotion would have to be done for this market.

4. Domestic Local and Educational Day Visitors

In a sense educational tours for local school groups are a captive market and package deals would have to be formulated and strongly promoted to local schools as this is a highly sensitive market to price. The product must be authentic and able to fulfil the learning goals of the schools. These groups would be bound to visit within the school terms and would typically be day visitors. Other locals could be targeted to visit the Cultural Village as an attraction for a day visit since the distance is not prohibitive for residents of Makhado.

5. Domestic VFR Ancestral (Back to my roots) Travellers

This market travels regularly to the Province to visit friends and relatives and, if their ancestry is Vha Tsonga, they would want to introduce their children to their ancestral routes and have them experience an authentic representation of the culture and how it was practiced before. They are weekend, long weekend and holiday period travellers and many travel to the area in busses or taxis which may inhibit their accessibility to the Village. For this market to be viable transport arrangements from a local departure point should perhaps form part of a package. This market is very price conscious and low spending. The market would have to be nurtured through awareness creation and comprehensive promotion.

6. International (Land) In Transit Travellers

The international land in transit market are those travellers that cross the border mainly from Zimbabwe to South Africa for shopping purposes. This market is focussed on buying supplies and spending their money on necessities and unless the product could offer something out of the ordinary this market may not be worth pursuing. At best, it would form a small percentage of day visitors who are seeking some leisure activity that reflect an authentic African experience or an exceptional experience such as excellent authentic food.

4. MATCHING DEMAND AND SUPPLY

An analysis was done to determine if the product would meet the needs of each market segment in terms of what the product is, its uniqueness, its location, its transport accessibility, price/value for money and facilities. Figure 7.5 shows the product attributes and where there may be inadequate supply or demand on each. Figure 7.6 positions each market accordingly.

Figure 7.5: How the product “descriptors” meet the demand of each market segment































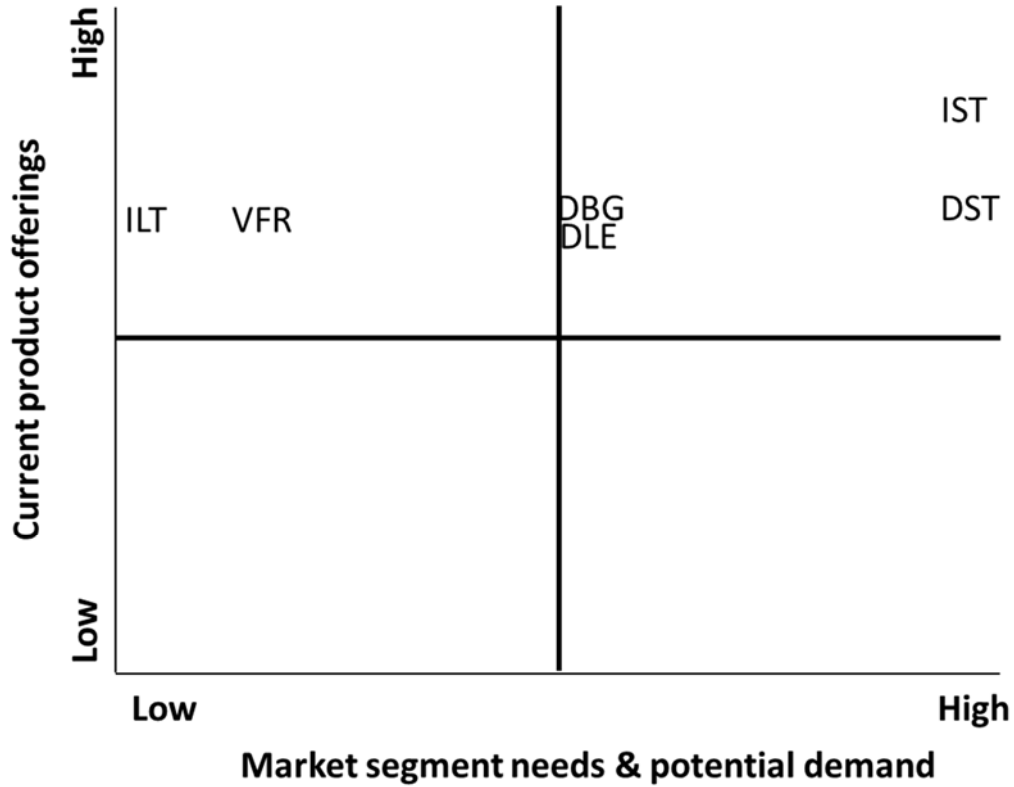
IST	DST	VFR	ILT	DBG	DLE
 ✓✓	 ✓✓	 ✓x	 ✓x	 ✓x	 ✓✓
 ✓✓	 ✓✓	 ✓✓	 ✓x	 ✓✓	 ✓✓
 ✓✓	 ✓✓	 ✓x	 ✓x	 ✓✓	 ✓✓
 x✓	 x✓	 xx	 xx	 xx	 xx
 ✓✓	 x✓	 xx	 xx	 x✓	 xx

Figure 7.6: Positioning of target markets in terms of demand and supply



The results show that the most viable markets (those with the highest demand and where the product is adequate) are (in order of importance):

1. International (Air) Sophisticated Travellers

This market appears to be the strongest market for Vha Tsonga Cultural Village. Demand is high and the product meets the needs of this market. From the supply side the only aspect that needs attendance is the transport accessibility where the gravel road may not be suitable for tour busses or sedan cars with the rainy season possibly making the Village inaccessible. Parking at the Village also needs to be appropriate.

2. Domestic Seasoned In Transit Travellers

This market also has the potential of a high demand. Similar to the above transport accessibility may be a problem and this market may be slightly more price sensitive than the international sophisticated traveller.

3. Domestic Business and Govt Conference Groups

The envisaged Conference Centre would be a viable product for local business people and local government agencies requiring Conference facilities for small groups and the product could meet this need. However, certain aspects inhibit this market such as the size of the facility (it may be too small), the price needs to be right for this market, the lack of internet access, transport accessibility and the fact that there are quite a few competitors in the Mkahdo region who would adequately meet the needs of this market. The uniqueness of the product for a specific type of "bosberaad" is a plus.

4. Domestic Local and Educational Day Visitors

In a sense educational tours for local school groups are a captive market and package deals would have to be formulated and strongly promoted to local schools as they are price sensitive. The educational nature of the product is attractive but accessibility could present a problem.

The two strongest markets are the International (Air) Sophisticated Travellers and the Domestic Seasoned In Transit Travellers on which immediate resources should be spent to develop properly. The domestic market is probably slightly more price sensitive than the international market. There are two markets that at this stage reflect no or little demand i.e. the Domestic VFR Ancestral (Back to my roots) Travellers and the International (Land) In Transit Travellers. The Domestic VFR market can be stimulated but would require quite a heavy investment to create awareness.

5. MARKETING PLAN

Plan/Market Segments	International air in transit "Sophisticated"	Domestic in transit "Seasoned"	Domestic business "Local & Govt"	Domesic local "Day visitors and school groups"	Domestic VFR "Ancestral"	International land in transit "Shopping"
Marketing Objectives	Link attraction to cultural routes such as Ribolla Open Africa Route	Link attraction to cultural routes such as Ribolla Open Africa Route	Position product as conference venue for small groups	Stimulate through awareness campaign	Stimulate through awareness campaign	
Key Messages	Focus attention on authentic nature of product and interactive activities. Assurances of safety and	Create awareness of authentic nature of product, cultural richness and heritage	Ideal venue for intense bosberade and small meetings.	Educating present and future generations on the history and heritage of the	Create awareness on ancestral links and cultural richness	

	security needs to be addressed in the plan			Vatsonga people.		
Channels	Travel Trade Shows as part of SA exhibition SA Tourism Web link Search engines Travel Agencies Tour operators VIC	Limpopo Tourism and Parks Board Shongolo Express VIC	Businesses Local Govt. Chamber of Commerce Business Associations	Schools Colleges	Leaflets for Distribution on busses, taxis and eg Filling Stations VIC	
Time Frame						
Budget						
Implementation						
Monitoring						

This table merely provides a broad outline of the issues to be addressed in the marketing plan but needs to be completed in conjunction with the financial feasibility section of the proposal.