



INCLUSIVE SOCIETY INSTITUTE

Op-ed

SA must pull up its socks or tourism rebound may be short-lived

By Daryl Swanepoel

South Africa's airports and border posts are buzzing again as tourists start making their way back following the easing of pandemic restrictions. Tourism Minister Lindiwe Sisulu declared at the launch of tourism month – celebrated each September – that the sector is poised for a “tremendous bounce-back”.

Backing up the Minister's enthusiasm is impressive data, which shows a respectable 147% increase in arrivals in the first six months of the year, driven by strong growth from the key markets of Europe and the Americas. Although not on the same level as before the pandemic, the return of international visitors has brought hope to the tourism and hospitality industries, which were extremely hard-hit during the pandemic and lockdowns.

On the domestic front, enthusiasm for travel has also perked up. Domestic trips more than doubled in the first half of the year, as the sector experienced a surge in ‘revenge travel’ – a phrase describing people wanting to travel to make up for time and lost experiences. Between January and June, South Africans undertook 15.20-million domestic trips in what is seen as a major win for the tourism sector. Domestic trips are now higher than before the pandemic.

Although the latest data point to optimistic prospects for the sector, tourist choices and trends can be fickle, and many factors come into play when potential travellers consider which destinations and regions to support.

Personal safety and security are of high importance to would-be visitors' choice of destination and incidents of crime directed at tourists are threatening some of South Africa's top tourism destinations. For example, the picturesque Mpumalanga, home to the outstanding Blyde River Canyon and the world-renowned Kruger National Park, is marred by the high rate of reported crime in the area. News of hijackings, attempted hijackings, robberies, attacks and break-ins at tourism establishments do little to sell the region.

Poorly maintained roads, dysfunctional municipalities and ever-present load-shedding also detract from the appeal. Tourists simply no longer wish to visit decaying towns where streets are riddled with potholes and litter is strewn across the landscape.

For tourism to flourish, the sector needs government to pull up its socks. Crime must be brought under control; infrastructure maintained; and municipalities must get their act together to improve South Africa's brand. Brand reputation is not something that can be advanced by the private sector alone.

When the Inclusive Society Institute convened a tourism sector dialogue in June as part of a broader research project on a new economic blueprint for the country, it was apparent that the tourism sector does not feel fully appreciated. There is a view that government does not properly recognise the importance of tourism, which according to Statistics South Africa has a bigger direct contribution to

GDP than either agriculture, utilities (electricity, gas and water) or construction. Tourism's direct contribution to the economy in pre-pandemic 2019 was 3.70% of GDP, or over R200-billion.

Having a national Tourism Ministry is not enough and the success of the industry relies on collaboration – among various government departments, and between these departments and the private sector.

One area where a lack of cooperation is keenly felt is in the crafting of tourism strategies. Marketing strategies are often developed with a political focus, rather than with a commercial slant and are thus less impactful than they could be. Focusing too much on BRICS countries (Brazil, Russia, India and China) is perceived to be politically opportunistic, but it does not deliver commensurate commercial dividends.

Another concern is that government's tourism growth agenda is focused too much on volume, and not enough on value. South Africa must position itself as a destination that attracts "valuable" visitors who spend money throughout the value chain.

To accelerate tourism growth will require the government and private sector to sing from the same hymn sheet. Through representative bodies, the private sector must communicate a clear message to government about how tourism can contribute to economic growth and job creation, particularly for the youth.

More practical suggestions for growing the tourism sector centre on immigration and visa policies. An expanded visa waiver regime is needed to make travel to South Africa easier for high-value tourists, and South Africa should consider recognising visas from other countries.

It may also be time to relook the many bilateral agreements that South Africa has in place for tourism and establish whether there are possibilities to improve on what has been provided for in those agreements.

Seat capacity in the domestic airline industry, particularly following the failure of Comair – the operator of British Airways and kulula.com – will need to be increased. The liquidation of Comair left South Africa with 40% less seat capacity, which together with fuel price hikes, has contributed to skyrocketing prices for air travel.

Price differentiation strategies must be more broadly employed to encourage South Africans and other Southern African Development Community residents to explore the country. Local tourism will be further encouraged by the fact that financial constraints and troubling global conflicts mean that more South Africans will tend to take in the sites and experiences offered in their own country.

The World Travel and Tourism Council believes that South African travel and tourism growth will outpace the national economy for the next ten years. Its forecast shows that travel and tourism is projected to grow at an average rate of 7.60% a year and create more than 800 000 jobs.

To capitalise on these rich tourism opportunities, it is imperative that South Africa pulls together disparate constituencies to improve the country's offerings for both local and domestic travellers.

Daryl Swanepoel is the Chief Executive Officer of the Inclusive Society Institute, an autonomous and independent research institute. This article captures the essence of the tourism sector's contribution towards the development of the institutes blueprint for the rejuvenation of the South African economy.