

## WTM Africa 2018 sets positive tone for tourism sector

By Danny Bryer

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World Travel Market Africa 2018, as well as ILTM (International Luxury Travel Market and IBTM (Incentives, Business, Travel and Meetings) focusing on luxury travel and business travel respectively, is part of Africa Travel Week, the biggest tourism trade event on the continent. In the face of a turbulent economy, it's wise to question the value of hosting such events.



Image via World Travel Market Africa

## Tourism - a broad perspective

Tourism minister, Derek Hanekom commented recently that the country is intent on speeding up visa processes to attract major conferences in an effort to boost foreign arrivals by 40% by 2021 – this goal would see five million additional travellers travelling in South Africa.

Tourism contributes more than R400bn to South Africa, around 8% of the gross domestic product (GDP), and is viewed as the potential antidote to an unemployment rate that was at 27% in March 2018. The economy has seen some uncertain times in recent months, however, with political upheaval and several business narratives affecting the exchange rate negatively.

In a similarly bullish prediction, the World Travel and Tourism Council has stated that tourism will contribute around R424.5bn to the overall South African economy in 2018, before rising by 3.5% a year to R598.6bn or 10.1% of the GDP in 2028. The total contribution of travel and tourism to employment in the country was 1.5 million jobs in 2016 or 9.8% of total employment. The forecast was that it would rise to 6.7% in 2017 – that would be 1.6 million jobs or 10.2% of total employment.

By 2027 international tourist arrivals to South Africa are forecast to total 19 million, with an expectation of generating an expenditure of R271.3bn for the country. Travel and tourism were expected to have attracted capital investment of R68.9bn in 2016 – this was expected to increase by 0.6% in 2017 and by 4% per year over the next ten years to R102.5bn in 2027. Leisure travel spending (inbound and domestic) generated 66.2% of direct travel and tourism of the GDP in 2016 – this is R183.9bn compared with 33.8% for business travel spending (R94.1bn).

Business travel spending was expected to grow by 1.6% in 2017 to R95.6bn and then increase by 2.6% per year to R123.6bn in 2027. Domestic travel spending generated 53.9% of direct travel and tourism of the GDP in 2016 compared with 46.1% for foreign visitor spending. Verified figures for 2017 confirms that this increase is not yet available.

## The growing need to remain eco-sustainable

The reality for us as tourism businesses is perhaps not as positive. While large-scale conferences, trade shows and events are welcome, these are more central to our sustainability than ever before. The drought has caused an impact on visitor levels, so any assurance of growth must be aligned with a narrative based on contributing to sustainable tourism across the board.

Cape Town remains a popular host city, and that's encouraging, especially since the venue hosting WTM Africa has recognised the need to continue in its evergreen ethos of being 'green' at shows and 2018 will focus keenly on water saving within its direct environment and also encourage attendees to ensure they are responsible with their water use. The CTICC has expressed that water policies are in place and that there will be sufficient water available for all events over the period; they'll be encouraging all delegates to 'Save Like a Local' and ensure they use only their daily quota when visiting the Mother City.

The value of 7,500 attendees at WTM Africa alone is substantial, given that visitors made use of restaurants, visitor attractions, heading to retail centres such as the V&A Waterfront, spreading the tourism rand wider. The knock-on effect of this trade show is that business partnerships will be formed and nourished, and South Africa will further be able to showcase its capabilities and opportunities for business and trade development, as well as seeking opportunities to extend current operations further afield across the continent.

## Heading into low season

With trade show taking place during April, a month that enjoys school holidays and long weekends, both of which aid in promoting domestic tourism further, locals will be able to also enjoy exploring their home city, which boosts tourism for related businesses.

Business-savvy tourism operators will be executing campaigns that provide cost savings and value adds to visitors, such as encouraging them to sign up for loyalty programmes (of particular benefit to frequent business travellers). These, among other measures, will allow locals to continue to enjoy travelling throughout the year.

It's easy to forget that travellers aren't just leisure travellers in flip-flops and sun hats, they can be movers and shakers holding the future of our economy in their hands and minds; innovators who, ultimately, will be behind sustainability in tourism.

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