

Hard work ahead to address opportunities in tourism

By Enver Duminy

16 Feb 2017

Tourism took a deserved mention in the State President's State of the Nation Address, with the sector viewed as a key area for driving job creation. The steady growth of the sector, while promising, does not necessarily imply that this will continue. Careful strategic plans must be put in place by all tourism operations in order to grow the market. Opportunities exist, but they must be cultivated and nurtured.



Enver Duminy

SMMEs, job creation, and partnerships

One area showing growth is the creation of SMMEs, since tourism provides gaps for entrepreneurs to develop products that reach visitors and potential visitors in fresh, exciting ways. The large hotel groups and airlines also dominate as employers.

Tourism is a sound investment for the public and private sectors; it generated over 32,000 new jobs in 2015 for a total exceeding 711,000. One in 22 employed people in SA work in tourism, or 4 percent of the workforce. Comparatively, mining only employed 462,000 at the end of 2015. When faced with a country-wide unemployment rate of 27.1 million, tourism's contribution is relatively small, but essential.

In terms of the SA economy, for every R100 produced, R3.10 (or 3.1 percent) was as a result of tourism in 2015. In the same period, agriculture contributed R2.40 for every R100. Tourists spent R249,7 billion in 2015.

In isolation, the tourism figures can be misleading. For example, with eight hotel developments either recently completed or currently underway in Cape Town, these represent multi-billion rand investments as well as a welcome provider of employment for those working in construction and elsewhere in supply chains.

As neighbourhood businesses in the townships, tour companies don't operate alone. They engage as partners with other local businesses such as food stalls, individuals who produce arts and crafts and performers, so the tourist's rand is distributed wider. Sabu Siyaka's Ubizo Tours and Events, based in Langa, works in concert with eight other businesses to add value for his visitors. The Maboneng Township Arts Experience is based around local artists in their own homes.

Food and wines

Restaurants and wines are also hot-wired into the tourism machine. Cape Town was voted Best Food City in the World, as well as Number One City for Restaurants and Bars, both in 2016. The city's wines are world-renowned, and estates such as Groot Constantia have developed their wine tasting experiences to include activities that appeal to tourists.

All visitors eat, and, with the exchange rate still favourable for international visitors, they can enjoy excellent restaurant meals with top wines at affordable rates.

Travel like a local

The Travel Like a Local global travel trend has seen tourism become spread over more places, so no longer are visitors concentrated to the attractions, they want to get intimate with the many neighbourhoods of the cities they visit, and experience all that's going on as locals would. This means that visitors to Cape Town could find themselves in Durbanville or the Helderberg Region, or even enjoying a gatsby in Athlone followed by an ice cream in Blouberg.

Yes, there are many opportunities for growth in tourism and for employment, as long as businesses continue to reinvent themselves in order to remain relevant, and the country's creative people, young and old, come up with ways of attracting visitors all year round. Last but not least, we must make sure that we maintain excellent levels of service so that visitors have great experiences in our city and not only share their stories with others, but also keep returning.

ABOUT ENVER DUMINY

Enver Duminy is the CEO at Cape Town Tourism

- #SAelections24: Insights on tourismdynamics from a CEO's lens 17 May 2024
- #BizTrends2023: Bridging the skills shortage gap is key to the travel and tourismindustry's post-pandemic recovery 9 Jan 2023
- Load shedding and its effect on SA's tourismindustry 12 Dec 2019
- Cape Town selected for prestigious study on global destinations 12 Mar 2019
- #BizTrends2019: The role of data in sustainable tourism- 14 Jan 2019

View my profile and articles...

For more, visit: https://www.bizcommunity.com