

# Redirecting an economy, a tourism imperative for 2019



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Trends in tourism tend to speak towards hot destinations or new patterns of exploration, and, while those are always happening, there's an overarching trend that will influence how South Africans experience travel in 2019, and it's governed by shifts in our economy.



Late in 2018 it was announced that there's a recession; shortly after this announcement, the fuel price rose to its highest levels ever. Locals hardly needed to be told there's a recession; they'd been experiencing it all along, but oddly enough, they continued to travel. Of course, having lower budgets to fund trips, they may have been adapting how they travel and that's where tourism professionals need to have their ears to the ground – to pick up those shifts and adapt their businesses accordingly.

### Retaining visitors in a recession

It's a point at which businesses must examine their strategy – while marketing remains essential, even when the economy is strained, value must exist for customers to continue doing business. Undercutting prices without increasing volumes of sales are going to have a negative impact on profits, but there are means of creating or adding value without tapping into profitability.



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Enver Duminy 10 Sep 2018



The loyalty programme goes a long way to maintaining your customer base.

Bear in mind that there are many activities that prompt travel, including business and leisure; businesses may be cutting back on the need for employees to travel to meetings and events, but business travel remains a mainstay of the local tourism industry. Loyalty programmes that provide extra free days onto stays or contribute to air miles can facilitate travel. Those extra stay days could be used to enjoy a welcome day or two of leisure travel after a busy period of work.

For leisure travel, joining international loyalty programmes such as Marriott Rewards, for example, can provide free nights, room upgrades and instant rewards – the more your customers travel, the more they earn and enjoy the benefits. That's one way around the exchange rate. They can join a loyalty programme and benefit right away, increasing their opportunities to enjoy an extended break instead of having to squeeze everything into a short trip.

For the wealthy, luxury travel continues on an upward trend, with visitors enjoying world-class experiences for which they're prepared to pay a premium. Indeed, for the international traveller, the fluctuating exchange rate works in their favour. Local travellers may, for the same reason, be less inclined towards international travel during this time and enjoy local stays where their budgets can give them access to more enjoyment.



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77

## **Putting it all together**

Businesses can benefit from collaboration during this time. They can combine marketing efforts to offer packages that can boost what visitors experience, from day trips to experiences.

This speaks to the immersive "travel like a local" trend that sees visitors wanting to enjoy the whole neighbourhood rather than simply the main attractions. This also spreads the tourism dollar further across communities.

With global companies entering into the travel equation, there's more parity in between establishments, and a greater chance that the traveller will have their preferences and expectations met. The point is, big players have noted that the need has been there to develop in under-developed spaces, and these needs are rapidly being fulfilled. Gone are the perceptions that countries in Africa will never compete with "the West", the reality is that with infrastructural developments, African countries are increasingly capable of holding their own against countries to the north, east and west.

With growth and expansion come much-needed employment opportunities, and, again, with a global chain, it's possible for team members to develop world-class skills and expose them to international employment opportunities.

Besides the benefit to the end user, the traveller, entire local economies are benefiting from these hotel developments. Getting a hotel up and running, or refurbishing an existing hotel has an extensive ripple effect throughout many sectors, from construction to design. Architects and interior designers, graphic designers and tech specialists, marketers and advertisers and the many tiers to the supply chains of bedding, food and beverages all benefit.

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Picture for a moment how many people it takes to staff one hotel. Then multiply that by the numbers of hotel properties coming on board and the numbers become mind-boggling. Thousands of individuals and their families will have the opportunity to enjoy job security.

Ultimately, hospitality companies will not only continue to market themselves as a trend, but this will also contribute to recessional reversal, something we are motivating to see come to life.

#### ABOUT AVUKILE MABOMBO

Avukile Mabombo is the group marketing manager of Protea Hotels by Marriott. • The golf addiction - A course in business travel - 8 Apr 2019

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