CITY OF CAPE TOWN | ISIXEKO SASEKAPA | STAD KAAPSTAD

THIS CITY WORKS FOR YOU

KAMILLA-SA

Sport and Tourism Consultancy

NICHE MARKET STUDY

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List of Abbreviations and Acronyms

ABS:	Australian Bureau of Statistics
ACT:	Australian Capital Territory
ANP:	Acadia National Park
ATLAS:	Association for Tourism and Leisure Education
CTC:	Canadian Tourism Commission
CTRU:	Cape Town Routes Unlimited
DEAT:	Department of Environmental Affairs and Tourism
DTI:	Department of Trade and Industry
Exsa:	Exhibition Association of Southern Africa
GNH:	Gross National Happiness
HI:	Hostelling International
ICOMOS:	International Council on Monuments and Sites
IOC:	International Olympic Commission
MICE:	Meetings, Incentives, Conferences and Exhibitions
NGO:	Non-Governmental Organisation
RGOB:	Royal Government of Bhutan
RTM:	Responsible Tourism Manual
SA:	South Africa
SAHRA:	South African Heritage Resource Agency
SANParks:	South African National Parks
SAT:	South African Tourism
SATSA:	Southern Africa Tourism Services Association
SYTA:	Student and Youth Travel Association of North America
TDF:	Tourism Development Framework
TMNP:	Table Mountain National Park
UNDP:	United Nations Development Fund
UNESCO:	United Nations Educational, Scientific and Cultural Organisation
UN-WTO:	United Nations World Tourism Organisation
WHO:	World Health Organisation
WOSA:	Wines of South Africa
WTTC:	World Travel and Tourism Council
WYSET:	World Youth Student & Educational Travel Confederation

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Executive Summary

This study was commissioned by the City of Cape Town with the aim of reviewing the identified tourism niche sectors in the City's Tourism Development Framework. The study required desktop research for the identification of trends, demands, gaps, definitions and descriptions of the niche sectors including Culture and Heritage, Backpacking and Youth, Nature-based and Adventure, Wine and cuisine and Business Tourism. The scope of the study included the following:

- ❖ Local, national and international market research including trends, growth patterns, values, size, profiles, demands/expectations, projections and so forth to confirm, evaluate, compare and adjust niche market focus.
- ❖ A definition and contextual description of the various niches within the destination using existing information and frameworks.
- ❖ An argument for the selection and prioritisation of niche markets to direct focus.

The methods used included desktop secondary data for the global, national and local levels. In addition to secondary data, primary data was utilised at the local level through the use of key informants. Forty key informants were targeted and 22 responded representing a 55% response rate. The key informants were asked several questions through a structured questionnaire on their opinions on several subjects regarding the identified niche sectors. The findings of the study are presented in brief in this section for each niche sector. The last section of the executive summary presents the recommendations in brief for all the niche sectors going forward. The details are included in the report.

Culture and Heritage

The South African 1996 White Paper on Development and Promotion of Tourism defines cultural tourism to include the cultural aspects of tourism that are of interest to the visitor including traditions of people, their heritage, history and way of life. The definition was later expanded to include not only culture and heritage, but also the physical environment and defined as activities that enable people to experience the different ways of life of other people, thereby gaining first-hand understanding of their customs, traditions, physical environment, the intellectual ideas and those places of architectural, historic, archaeological or other cultural significance which remain from earlier times.

Globally, cultural tourism has been on the rise with destinations such as Australia reporting growth rates of between 3-5% in international cultural and heritage tourism (Tourism Research Australia, 2007). Cultural tourism is expected to grow as more and more people become environmentally conscious and appreciative of destinations' unique heritages. The top cultural and heritage activities globally include visiting museums, art galleries, heritage buildings and historical sites and monuments.

Nationally, cultural and heritage tourism comprises some of the most popular activities besides the usual shopping and nightlife. According to SAT (2007) about 22% of all the nine million international visitors to South Africa participated in some cultural and heritage activities in 2007, representing almost two million international visitors up about 4% from the previous year. The only other more popular activities than cultural and heritage activities were social interaction activities and visiting natural attractions, which according to the definition could also be cultural and heritage. This shows that culture and heritage tourism is an important niche, not only because it is growing globally, but also for the sole reason that South Africa is a country with its own very unique and rich cultural heritage which no other destination on earth can claim.

Locally, the City of Cape Town is endowed with rich cultural and heritage resources, being the mother city and the home of Robben Island. According to the 2007 UWC visitor tracking study, about 31% of visitors to the Western Cape and Cape Town participate in cultural and heritage activities. Visitation data to Robben Island, one of the most prominent cultural and heritage sites in Cape Town and South Africa, shows a growth rate of over 100% between 2004 and 2008. Even though there recently has been some decline in visitation, the reasons are more technical than lack of interest, since there have lately been management and transportation issues with the site.

Key informant findings

Findings from the key informants show that:

- Almost all of the respondents felt that culture and heritage is an important niche sector for the City of Cape Town.
- Growth in the sector has been mostly good to exceptional within the past five years and yield has been increasing.
- The main source market for culture and heritage tourism is Europe, followed by domestic, Asia and North America.
- Culture and heritage tourists travel mostly in couples and in small groups.
- Summer is the best season for culture and heritage tourism, but is also an all-year-round niche.
- Culture and heritage tourism plays an important role in promoting both transformation and geographic spread beyond central Cape Town.

The main challenges listed by the key informants for culture and heritage tourism included:

- Lack of/poor marketing
- Lack of skills
- Lack of government support
- Lack of product offering
- CTT/CTRU duplication dilemma
- Lack of private-public cooperation

Regarding the future of cultural and heritage tourism in Cape Town, almost all of the respondents agreed that it was an important niche sector that should be further developed by commitment of more resources. The respondents were confident about the future of the niche sector stating that it would certainly grow in the next five years. It was concluded that this was an important niche sector for the City of Cape Town, and worth pursuing. However, the strategy for its pursuit should be linked with other closely related niches such as wine and cuisine, backpacking and nature-based. The details of the recommendations are presented in the document.

Nature-based and Adventure Tourism

Nature-based tourism is defined as tourism in which the viewing of nature is the primary objective. It is seen as tourism in its natural settings focusing on elements of the natural environment such as safaris and wildlife, marine etc., and tourism that is developed in-order to conserve the environment such as national and/or nature parks and eco-tourism (Hall and Boyd, 2005). Adventure tourism on the other hand is defined as that type of tourism that involves exploration or travel to exotic unconventional destinations with heavy emphasis on outdoor pursuits and 'adrenalin-rush' activities.

Globally, nature-based and adventure tourism has remained relatively stable even though it still is a very popular niche. For destinations such as Australia, about 68% of all international tourists are nature tourists. While this is a large proportion, there hasn't been growth in participation. The stagnation could well be attributed to the already large proportion of nature tourists, that it has reached saturation. Most nature-based tourists are young (between 20 and 34 years), even though there are significant percentages of the middle-age (35-45 years) and older (55-64 years) participants. Participation doesn't vary much by gender as both male and female equally participate in nature-based tourism. Nature-based tourists don't seem to spend just a little more than the regular tourists with an average spend of $3 250 per trip compared to $2 850 per trip for other tourists (New Zealand Ministry of Tourism, 2006). Nature-based tourists also tend to have long length of stay, an average of 23 nights.

At the national level, nature-based and adventure tourism is of utmost importance as it accounts for the most popular activities that tourists engage in at the destination. About slightly less than half (41%) of all international visitors to South Africa participated in nature-based activities in 2007 including visiting natural attractions and wildlife safaris representing about 3.7million visitors of the 9.1million total international visitors to South Africa in 2007. While there is not enough time series data to establish trends over time, these figures, by themselves show that this is an important niche sector for the country.

Nature-based and adventure tourism is also an important sector at the **local level**. The 2007 UWC visitor tracking study results showed that more than half (51%) of all international visitors to Cape Town and the Western Cape participate in nature-based activities, while 45% of domestic visitors do the same. Visitation data to Cape Town's nature spots show that this is a robust niche sector supported by both internationals and domestics. While there have been up and down visitation trends in the short run, there has been positive growth overall in the long run for most of the nature spots. There was an overall 14.2% growth in visitation to Cape Town's nature parks including: Silvermine, Oudekraal, Newlands, Perdekloof and Tokai between 2006 and 2008. The more popular nature spots have been enjoying modest growth over the period of 2004 to 2007. Table Mountain National Park: Boulders and Cape of Good Hope each experienced a growth in visitation of 1.1% and 6.5% respectively while Table Mountain Cable-way has achieved 8.6% growth in 2007 from 2006. Kirstenbosch Botanical Gardens had 3.5% growth in visitation between 2004 and 2008. Most of the attractions saw a short-term decline in 2008 most probably due to the hard global economic conditions.

Key Informant findings

Results from the key informant survey corroborated those from the desktop research in emphasising the importance of nature-based and adventure tourism to Cape Town. Almost all (94%) of the respondents indicated that it is an important niche sector for Cape Town and appropriate to pursue. The study also showed that:

- There was growth in the number of nature-based and adventure tourism service providers in the past five years signalling increase in demand.
- Europe is the dominant source market for nature-based and adventure tourism in Cape Town.
- Nature-based tourists tend to travel more in couples, alone and in small groups of ten and less.
- The best season for nature-based tourism is summer, but it is also a winter and all-year-round niche sector therefore, an important niche for alleviating seasonality.
- About 20% of the respondents stated that it is a good to excellent niche sector for promoting transformation.
- Nature-based and adventure tourism plays a critical role in promoting geographic spread beyond central Cape Town.
- Nature-based is an all-year-round niche sector.

Listed as the main challenges for the growth, development and promotion of the niche sector were:

- Lack of government commitment to the development and growth of nature-based and adventure tourism.
- Lack of marketing
- Lack of products and natural attributes
- Infrastructure
- Lack of public-private sector cooperation
- Lack of development resources

More than two thirds of the respondents agreed that nature-based and adventure tourism should be further developed and that more resources need to be committed to that effect. About

87% were confident that this nature sector was poised for growth in the next five years, thereby suggesting that it is a worthwhile niche sector to not only retain, but further develop. Its development and pursuit should also be linked with other closely related niches such as culture and heritage, backpacking and youth and wine and cuisine tourism.

Wine and Cuisine Tourism

Wine tourism is defined as the visitation to vineyards, wineries, wine festivals and wine shows for which grape wine tasting and/or experiencing the attributes of a grape wine region are the prime motivating factors for visitors (Hall and Mitchell, 2001). It is also defined as visits to a wine region for recreational purposes (Sparks, 2007).

At the global level, wine tourism is growing strong, especially in the 'New World' wine countries including Argentina, Australia, Canada, Chile, Mexico, New Zealand, South Africa and the USA. Wine tourism is increasingly representing a significant component of the regional and rural tourism products of these countries with the development of wine routes linking wine and tourism. Wine and cuisine tourists are generally classified as:

- Mature (30-50 years old)
- Employed full time with moderate to high income
- Usually regular wine consumers
- Possess some intermediate to advanced knowledge of wine
- Visit wineries or wine regions several times a year

Wine and cuisine tourists stay an average of three to four and half nights according to Australian and Italian data and spend about $92 per person buying wines, and day visitors spend an average of $131 per person. The expenditure figures are very high indicating that wine tourists are a lucrative high return market. Wine and cuisine tourists prefer private or rented vehicles for self drive while bus tours are also very common for group travellers. South Africa is gaining global recognition as a wine producing country, listed among the world's major wine producing countries among countries such as France, Italy, Spain, USA, Australia and others. The South African wine industry contributes about R14 557 million to annual GDP. According to SAWIS (2009) wine exports from South Africa have been growing beyond expectations and wine tourism has been flourishing with about 59 thousand people employed in the wine tourism sector.

Locally, wine tourism is especially important as almost 60% of the country's wine activities have an impact on the region's economy. The wine industry accounts for 9.7% of the province's Gross Regional Product. Of the R14.5 million national GDP contribution, R8.7 million remained in the Western Cape (SAWIS, 1999). Acreage under wine grew by about 8.9% between 2000 and 2007, highlighting the growing importance of the sector to the region. According to the 2006 visitor tracking study, close to 60% of international visitors and about 31% of domestic visitors to the Western Cape visit the Winelands, on either organised tours or private vehicles. According to WINE.co.za (2007) the major domestic source markets include:

- Western Cape 54%
- Gauteng 28%
- Kwa-Zulu Natal 7%
- Eastern Cape 4%
- Mpumalanga 3%
- Free State 2%
- Northern Cape, North West and Limpopo 1% each

Domestic visitors have the highest average spend on wines per visit (R386) followed by US visitors (R317), UK visitors (R257) and German visitors (R229). The average spend on wine directly and negatively correlates with the difficulty in transporting the wine home. International tourists face problems transporting their wines home explaining why domestics have the highest spend per visit on wines. Most domestic visitors (80%) use their own vehicles when travelling to wine farms in the Cape Winelands, most of the overseas visitors use rental cars. 52% of UK visitors, 54% of US visitors and 63% of Germany visitors use rental cars compared to about 16% of domestic visitors. Mini buses and buses are also a common method of transport especially among overseas visitors. The highest spending group of wine tourists in the province are the 46-55 age group spending an average of R450 on wine per visitor (WINE.co.za., 2007), corroborating the global trends.

Key informant findings

Almost all (93%) of the respondents stated that wine tourism is an important niche sector to Cape Town to pursue. However, the niche sector is not rated as highly with regards to its contribution to transformation. Wine and cuisine tourism is seen as an important sector in the contribution to geographic spread beyond central Cape Town. The results from the key informant survey also showed that:

- The major source markets for wine tourism in Cape Town are domestic, Europe, Asia, South America and North America, validating the findings from the secondary research above.
- Tourists tend to travel mostly in couples and small groups of ten and below.
- Summer is the best season for wine and cuisine tourism, but also an all year round niche sector.

The challenges listed as the main obstacles to the growth and development of wine and cuisine tourism in Cape Town included:

- Lack of marketing
- Limited government support
- Skills shortage
- Lack of private-public sector support

On the future of wine and cuisine tourism in Cape Town, the respondents were mostly confident that the niche sector was on a growth trend in the next five years, but were less confident about the commitment of additional resources to the niche sector. It can be concluded form the findings that wine and cuisine tourism is an important niche sector for the City of Cape Town, and should be maintained.

Backpacking and Youth Tourism

Backpacking has historically been used to denote some form of low cost independent international travel. Lately, research has shown that backpackers are a diverse group with key similarities including:

- Preference for low budget accommodation
- Emphasis for meeting other travellers
- Independently organised and flexible schedule
- Longer rather than brief holidays, to mention a few

Globally, backpacking and youth tourism has been on the rise. With an estimated 160 million international tourists accounting for 20% of total global international travel, the youth travel market is becoming more lucrative and impossible to ignore. It is now a US$136 billion a year market, accounting for 18% of global tourism receipts, (UNWTO, 2008). Today's youth are travelling more often, exploring more destinations, staying longer and spending more than any other tourist group. Average spend per trip increased by 40% between 2000 and 2007 to €1 915 (WYSET Confederation, 2007). Australia, New Zealand and Thailand have been the leading global backpacking destinations.

Secondary research at the global level showed that backpackers mostly:

- Spend more and stay longer than other tourists (US$ 3 000 average spend/trip).
- Visit more exotic locations, thus pioneering new destinations and expanding the diversity and depth of the market.
- Stay longer than other types of tourists (53 nights average length of stay).
- Have high repeat visitation rates, about three times that of other tourists.
- Participate in a wider range of activities than other tourists.
- Are more resilient to negative shocks such as terrorism, natural disasters and political upheavals.
- Help reduce seasonality as they are more likely to travel out of the peak season to avoid more expensive flight tickets.
- Are obsessively concerned with money and budgeting.
- Have a preference to travel alone.
- Are highly educated.

Secondary national and local level research findings yielded similar trends. The findings showed that backpackers to South Africa are mostly:

- From Western Europe and well travelled long haul tourists.
- Young men and women between the ages of 21 to 25 years.

- ❖ Stay longer than other types of tourists (42 days average length of stay), but stay relatively shorter in South Africa than they do in other global destinations.
- ❖ Have a budget of R10 000 or less.
- ❖ Tend to want to interact with locals.
- ❖ Prefer Cape Town followed by Kruger Park, Durban, and Port Elizabeth.
- ❖ Participate in: visiting natural sites, museums, townships and historical sites; game viewing; and clubbing.

The data also showed that the majority of backpacking accommodation suppliers are in the Western Cape followed by the Eastern Cape and KwaZulu-Natal.

Key Informant findings

Findings from the key informant study showed that backpacking and youth tourism is seen as an important niche sector for the City of Cape Town worth pursuing. The respondents indicated that there was good to exceptional growth in the niche sector within the previous five years as indicated by the number of service providers and tourist activity. Backpacking and youth tourism is also seen as an important niche for promoting geographic spread beyond central Cape Town. Other key informant findings showed that:

- ❖ Europe is the dominant source market for backpacking and youth tourism, followed by domestic and North America.
- ❖ They travel alone, in twos and small groups of ten and less.
- ❖ They tend to stay long, for periods as long as a week to more than two weeks in Cape Town.
- ❖ They are mostly young, under the age of 34 years.
- ❖ Best season for backpacking and youth tourism is summer, but also a year round niche sector.

A few challenges were listed as obstacles to the growth and development of backpacking and youth tourism including:

- ❖ Lack of government commitment
- ❖ Lack of marketing
- ❖ Lack of public-private sector cooperation
- ❖ Lack of skills
- ❖ Lack of resources, among others.

On the future of backpacking and youth tourism, there was consensus among the key informants that it is poised for growth within the next five years. They also agreed that it is an important niche sector for the City that should be developed by committing more resources (39%) going forward.

Business Tourism

While the global trend in business tourism has shown some resilience during the 2008-2009 economic melt-down, some sectors of this niche have been hit harder than others. According to UNWTO the corporate meetings and incentive travel markets have been the hardest hit. The small corporate meetings have been mostly impacted, as they get replaced by technology such as teleconferencing and electronic data exchange technologies, reducing the need to travel. The implication of this dynamic to Cape Town is that it needs to keep its focus on bidding for the big conferences (international or domestic) as the small meetings are slowly being replaced by technology especially so when they involve some long distance travel.

Nationally, business tourism's opportunity has been duly recognised by SAT. SAT believes that this niche sector has the capability to ensure the spread of tourism benefits across the other sectors. Business tourism in South Africa has been growing at a rate that is twice that for leisure, and generates business for the leisure niche since about 40% of business tourists return to the destination for leisure within a year and about 69.6% return to the destination within five years.

Locally, Cape Town's ICCA rankings have been going up having attained the 35th position in 2008, up from 37 the previous year. Cape Town is the number one business destination for international conferences in South Africa, accounting for 51% (42) of the 82 international conferences held in South Africa in 2008 (ICCA, 2008). The future growth of business tourism for Cape Town is imminent, as the destination's global recognition grows. Performance data from CTICC showed strength in conferences, exhibitions and trade fairs.

Tourist characteristics

Business tourists stay an average of five nights in Cape Town. According to the CTICC's delegate tracking study, international business tourists stay a little longer (six nights) compared to domestics (four nights). Business tourists spend an average of R10 192 per trip in Cape Town most of which (approximately R2 100) is spent on convention fees. Internationals spend more (R12 585) compared to domestics (R7 715). Their most spending categories are accommodation (38.7%) and convention fees (33.9%). They arrive in the destination an average of a day earlier than their scheduled business and depart an average a day after completion of their business. This extra time is scheduled for tourist activities. Most (64%) of the tourists travel alone, while about 23% are accompanied by spouses and 8% by family.

Key informant findings

Findings from the key informant primary survey showed that:

- The domestic market is a growing important market for business tourism for Cape Town.
- Business tourists to the destination mostly travel alone and in couples.
- Business tourism plays an important role in promoting transformation and will continue to do so in the future.

- Fewer people believe that business tourism promotes geographic spread beyond central Cape Town, probably due to the location of the CTICC, the main business tourism venue for the city.
- Compared to the other niche sectors, government support was not seen as a major problem for business tourism.
- Business tourism is poised for more growth in the future, therefore should be maintained as an important niche sector for the city.

Recommendations

This section presents, very briefly the recommendations for the way forward for each niche sector. No details are provided here as these are presented in detail in the document including the reviews of the niches, the rationale for the recommendations and the areas of focus. Only the niche sector and overall recommendation are provided below:

Niche sector	**Recommendation**
Culture and heritage	Retain the niche sector and promote its growth and development
Wine and cuisine	Retain the niche sector and promote its growth and development
Nature-based and adventure	Retain the niche sector
Backpacking and youth	Retain the niche sector; commit more resources to promote and further develop
Business	Retain niche sector

Alternative niche sectors

Part of the study included reviewing alternative niche sectors that the City could consider pursuing. While the details of these alternative niches are presented in the report, the recommended alternative niches include:

- Educational tourism
- Volunteer tourism
- Sport tourism
- Health and wellness
- Cruise tourism

It is clear from the study that all these niche sectors are important to the City of Cape Town's tourism industry and all are well worth pursuing. However, it is also important to note that these niche sectors are not mutually exclusive as they are all in one way or the other intertwined. For example, there is a lot of overlap between niches such as backpacking and youth, culture and heritage and nature-based and adventure, making it virtually impractical to separate them as an action on one impacts the others. It is therefore, important for the City to take a destination approach to the growth and development of these niches rather than an individual niche strategy. While there are some niches that are large and distinct enough to establish an individual strategy such as wine and cuisine and backpacking and youth, it should be noted that other niches are more of ‘activities engaged in’ than stand alone niche sectors. For example, educational and volunteer tourism can easily be absorbed under the backpacking and youth tourism umbrella because they are part of what backpackers do in the destinations they visit, while on the other hand niches such cruise tourism don’t quite fit under any of the niches, therefore can be a stand-alone niche to pursue. It is therefore, the researchers’ recommendation that the City’s next stage in this process be to formulate strategies on the way forward for each of the niche sectors including action plans with, timeframes, prioritisations, role players and resources, bearing in mind that these niche sectors are not mutually exclusive. It is important to point out at this point that the scope of this study included the review of the current niches and possible alternative niches and present recommendations on whether or not these niches should be retained, for the City to use in the formulation of their strategies. It is also strongly recommended that the City endeavours to build relationships with the industry and keep lines of communication open, since lack of government commitment and support came up very often across all niche sectors. The government can play an important facilitative role by fostering public-private sector relationships that enable both parties to openly discuss and tackle challenges facing the sector.

1.0 INTRODUCTION

The South African (SA) government regards tourism as a key catalyst for economic growth in order to attain the country's development goals (Cornelissen, 2005.42). The government has set a clear agenda for tourism through the Tourism Act for SA Tourism (South African Tourism, 2007). Tourism has grown steadily over the past decade in South Africa and is recognised as the fastest growing economic sector in South Africa.

Tourism refers to the movement of people from one geographical area to another for the purpose of engaging in leisure and or business acts, and the economic transactions that accompany this (Cornelissen, 2005:4 & George, 2007:13). It is also defined as a set of activities engaged upon by a tourist. It is also described as multi-sectoral and multifaceted, drawing on and influencing many other sectors of the economy. George (2007:13) states that the multidisciplinary nature of tourism encompasses and overlaps a number of disciplines and subject areas like sociology (social impacts of tourism), anthropology (cultural impacts of tourism and the relationships of tourists and locals), economics (economic impacts of tourism) and others.

The United Nations World Tourism Organisation (UNWTO) makes a distinction between the 'travel and tourism industry', a narrow definition that comprises transport, accommodation, catering, entertainment and related activities, and a more widely defined 'travel and tourism economy' that includes all activities that are linked to the core travel and tourism industry, or provides services or supply inputs to it (Rogerson, 2007b:363). Furthermore, the UNWTO (2004) defines a tourist as a visitor whose visit is for at least 24 hours, and whose purpose of visit is for at least 24 hours, and whose visit may be classified under one of the following three groups:

- leisure and holidays,
- other tourism purpose – including studying or health reasons, and
- business and professional (a trip undertaken with the purpose of attending a conference, exhibition, event, or as part of part of an incentive trip) (UNWTO as cited George, 2007:5).

According to the UNWTO, international tourist arrivals reached 924 million in 2008, up by 6 million and representing a growth of 2 percent compared to 2007. This was then affected by tourism demand slowing in the second half of 2008, caused by the deteriorating international economic situation (UNWTO, 2009). As a result of the influence of an extremely volatile world economy (financial crisis, commodity and oil price rises, sharp exchange rate fluctuations), tourism demand slowed significantly through the year undermining both consumer and business confidence and resulting in the current global economic recession (UNWTO, 2009). For the year as a whole, all regions showed positive growth except Europe, which suffered stagnation in arrivals. The best performances were registered in the Middle East (+11%), Africa (+5%) and the Americas (+4%).

Tourism growth in SA during the past ten years resulted in the development of several types of tourism such as; ecotourism, cultural tourism, adventure tourism, business tourism, sport tourism and event tourism (Strydom, Saayman & Saayman, 2006:87). The City of Cape Town, through its Tourism Development Framework (TDF), has identified business, culture and heritage, nature-based and adventure, wine and food, and backpacking and youth as tourism niches to develop. This study sought to review the current niche sectors for the city of Cape Town to establish their current relevancy to establish whether or not the niche should be retained and suggest possible other niche sectors for the city to pursue. The study was completed in two main phases. The first phase included desktop research, combing through already existing data and information pertaining the current and possible future state of each of these niche sectors across all levels including global, national and local. This phase presented definitions and descriptions; current global, national and local trends, demands and supply of the identified tourism niche markets as well as alternative niche tourism markets. The second phase included primary key informant research to beef up the local level data that is usually scanty or non-existent. Recommendations on the way forward for each niche sector were then drawn from the findings from these two phases.

2.0 GENERAL GLOBAL TOURISM TRENDS

The World Travel and Tourism Council (WTTC, 2009a) in its long-term forecasts, taking this present cyclical downturn into account, points to a mature but steady phase of growth for world travel and tourism between 2009 and 2018. Growth is expected to average 4.4% per annum over the period, supporting 297 million jobs and 10.5% of global GDP by 2018.

Although there will undoubtedly be challenges due to the US slowdown, the weak US Dollar, the stock market's volatility, higher fuel costs and fuel availability concerns, in addition to concerns about climate change, the continued strong expansion in emerging countries (both as tourism destinations and as an increasing source of international visitors) means that the industry's growth prospects remain bright into the medium term (WTTC, 2009a). In terms of regional performance, Africa, Asia Pacific and the Middle East are experiencing higher growth rates than the world average, in terms of total travel and tourism demand, at 5.9%, 5.7% and 5.2% respectively. However, the mature markets (most notably the Americas and Europe) are falling below the world average with growth of 2.1% and 2.3% respectively. These markets while they have large outbound volumes they, have reached are close to maturity, leaving very little or not as room for growth as the less mature markets of Asia and Africa.

Table 1: Top 10 Countries generating the largest travel and tourism demand in 2008

T&T Demand, 2008 (US$ bn)		
1	USA	1,747.5
2	China	592.0
3	Japan	514.3
4	Germany	505.7
5	France	418.8
6	UK	403.7
7	Spain	338.2
8	Italy	302.9
9	Canada	231.4
10	Mexico	157.6

(Source: WTTC, 2009a)

Table 2: Top 10 Countries expected to grow their travel and tourism demand rapidly between 2008 and 2018

T&T Demand, 2008-18 (% annualised real growth)		
1	India	9.4
2	China	8.9
3	Libya	8.1
4	Vietnam	8.1
5	Montenegro	7.4
6	Romania	7.1
7	Macau	7.1
8	Namibia	6.9
9	Croatia	6.9
10	Czech Republic	6.8

(WTTC, 2009a)

2.1 Africa

WTTC (2009b) estimates Africa's travel and tourism economy gross domestic product (GDP) to be 6.3% in North Africa and 5.8% in sub-Saharan Africa, ranking the region well above the world average. However, both sub-regions are expected to record slower than average growth in employment over the coming decade which could undermine the potential growth in demand for Africa, due to job losses and a local and global slump in tourism (South Africa.info, 2009a). Nevertheless, other indicators suggest that the short to longer-term outlook for travel and tourism in Africa remains extremely positive, with current forecasts pointing to a 9.4% contribution of the travel and tourism economy to total GDP over the next ten years. Real GDP growth for the travel and tourism economy is expected to be 3% in 2009 and to average 8.5% per annum over the next 10 years.

The South Africa travel and tourism economy is ranked number:

- 37 in absolute size worldwide,
- 91 in relative contribution to national economies, and
- 102 in long-term (10-year) growth (WTCC, 2009c).

In 2009 South Africa's travel and tourism is expected to generate Zar 210 bn (Us$23 bn) of economic activity (GDP). The industry's direct impact includes Zar 78 bn (Us$8 bn) equivalent to 3.2% of total GDP. However, since travel and tourism touches all sectors of the economy, its real impact is even greater WTTC (2009b). Furthermore, the WTTC (2009b) indicates that South Africa is forecast to see real direct industry GDP growth of 1.4 % and economy GDP of 3.0 %

The WTTC's *blueprint for new tourism,* launched in 2003, outlined a multi-stakeholder vision that "looks beyond short-term considerations… and focuses on benefits not only for the people who travel, but also for people in the communities they visit, and for their respective natural, social and cultural environments." One way in which WTTC exemplifies that vision for new tourism is with the "Tourism for Tomorrow" awards that are aimed at recognising best practice in sustainable tourism within the travel and tourism industry worldwide WTTC (2009a). Since the awards were first launched, there have been a growing number of tourism businesses and organisations, along with enlightened governments and destinations, which are helping travel and tourism to make a meaningful contribution to the well-being of local communities, protecting nature, and safeguarding cultural heritage for future generations.

2.2 The Impacts of the Economic Meltdown on Tourism in South Africa and Internationally

According to Cape Town Routes Unlimited (CTRU, 2009), international arrivals to Western Cape grew by 1.5% from 1.74million in 2006 to 1.76 million in 2007. During the first half of 2008, international arrivals grew at a rate of 5%. However, due to the global economic crisis, the second half of 2008 experienced a 1% decrease. According to CTRU (2009), South Africa received the following tourist arrivals during October - December 2008: with the UK topping the list followed by other European countries and the USA:

- The United Kingdom – 137, 608
- Germany – 74, 344
- USA – 64, 999
- Netherlands – 42, 353
- France – 36, 992

From the above it is evident that travel is still an existing activity, and while the world is experiencing a global economic crisis, certain markets are dominating travel. However, according to Southern Africa Tourism Services Association (SATSA) (2009), South Africa is beginning to feel the effects of the economic crisis. Recommendations were made that even

though the financial crisis has not entered the South African markets as yet, the industry should be proactive and join forces with other tourism companies in order to survive.
SATSA (2009) also reports that there has been slight decrease in tourist arrivals for November and December 2008. However, the main concern is the 45 – 50% decrease in future bookings. This is a worrying factor as this means that South Africa no longer has the comfort of a 6 month booking lead-time. South Africa now, needs to seize opportunities based on a 4 hour turn around period where in the past a 24 hour turn around period would suffice. It is forecasted that during 2009, tourism will decline or even stagnate as the global economic crisis continues.

Though, according to the UNWTO (2009) the Americas and Europe are expected to be negatively affected by the global economic crisis, positive growth is expected in Africa, the Middle East, Asia and the Pacific. Considering that the tourism industry has seen an international trend of moving away from mass product offerings to more personalised experiences**,** more authentic and unique experiences are sought (George, 2007:316). For example, alternative tourism such as bicycle tourism is sought in New Zealand. It is therefore necessary that both private and public sectors recognise how individual and societal objectives can be aligned in order to achieve a representative sustainable tourism industry.

2.3 Sustainable and Responsible Tourism

2.3.1 Sustainable Tourism

"Tourism development shall be based on criteria of sustainability, which means it must be bearable in the long term, economically viable as well as environmentally, ethically and socially equitable for the local communities. Sustainable development is a guided process that envisages global management of resources as to ensure their viability, thus enabling natural and cultural capital to be preserved. As a powerful instrument of development, tourism can and should actively participate in the sustainable development strategy. A requirement of sound management of tourism is that the sustainability of the resources on which it depends must be guaranteed," (World Tourism Organisation Charter, 1995). The essence of this long definition is that sustainable tourism is built on the foundations laid by sustainable development.

2.3.2 Eco-Tourism

The term eco-tourism has been defined in many ways, and is generally used to describe tourism activities conducted in harmony with nature, as opposed to traditional 'mass' tourism. "Low impact nature tourism which contributes to the maintenance of species and habitats either directly through a contribution to conservation and/or directly by providing revenue to the local community sufficient to be of value, and therefore protect, their wildlife heritage area as a source of income" (Goodwin, 2002). Fennell's (1999:43) definition of ecotourism states that it is a sustainable form of natural resource-based tourism that focuses primarily on experiencing and learning about nature, and which is ethically managed to be low-impact, non-consumptive, and locally oriented (control, benefits, and scale). It typically occurs in natural areas, and should contribute to the conservation or preservation of such areas.

Eco-tourism is one of the more generally known forms of tourism. It has been heralded as a true promoter of sustainable development. However, since it was coined in 1983 (Ceballos-Lascuráin, 1993, 1996), the term "eco-tourism" like sustainable development has been the subject of much debate and misuse. The expectation by visitors, governments and communities on eco-tourism operators to financially contribute to social and environmental development has led many operators to drop the use of the term altogether and use softer terms such as nature tourism to define their activities (Blamey, 1997, Roe *et al.,* 1997, Acott *et al.,* 1998, Reid, 2000).

According to Cornelissen (2005) alternative tourism was developed as a result of a type of tourism that was less hurtful to the natural, cultural and social environments upon which it inevitably impacted. Alternative tourism is a broad term encompassing a multitude of activities and tourist forms. It may refer to nature-based, ecological, environmentally friendly, green, ethnic, cultural, indigenous, soft tourism and eco-tourism. Although eco-tourism falls into a broad band of alternative tourism, it still has its own identity (Cornelissen, 2005). George and Rivett-Carnac (2005) note that true eco-tourism is a form of responsible that should involve:

- a learning experience of both the ecology of the area as well as the culture of the host community, and
- all monies derived from these activities must benefit the local people (host communities) as well as to protect the natural environment upon which the activity is based.

Bowden (2003:30) explains that one of the ways to encourage sustainable management of natural environments and wildlife is to help people realise the value of nature. Tourism is one of the main ways in which the value of the environments and wildlife can be seen. As travel becomes easier and cheaper, people increasingly look for remote regions of the world for their travel experience, and environments and wildlife are high on their lists of priority. Many holidays now focus on environments and wildlife, offering experiences ranging from whale watching and coral diving to driving safari's and mountain trekking (Bowden, 2003).

2.3.3 Responsible Tourism

According to George (2007), the long term survival and profitability of the tourism industry is reliant on responsible tourism practices. There is pressure on businesses globally to become more socially and environmentally aware. The tourism industry is a global phenomenon and is not exempt from this pressure. Responsible tourism practices have major sustainable benefits not only to business but to society and the environment in general. It is further suggested that there are four main reasons for the tourism industry to adopt responsible tourism practices. The reasons are noted as international trends, consumer demand, increased business opportunities and improved risk management (George, 2007).

The Responsible Tourism Manual (RTM) according to George (2007) was developed for Department of Environmental Affairs and Tourism (DEAT) with the aim of increasing the socio-economic benefits to local communities by including the necessary stakeholders in the decision making process, promoting sustainable use of scarce resources and improving the tourism offering to the consumer. “Environmentally and socially responsible travel to natural or near natural areas that promotes conservation, has low visitor impact, and provides for beneficially active socio-economic involvement of local people” (South Africa, 1996). This definition attempts to consolidate the tourism industry focussing on the relevant role players encouraging a coherent and consultative process while taking a sustainable long term view of the tourism industry.

Butler (1993) also describes the problems with defining sustainable tourism in the context of sustainable development without concise definition of sustainable development. Butler does however suggest that sustainable tourism can be thought of as “tourism that can maintain its vitality in an area for an indefinite period of time”. However to maintain tourism operations for an indefinite period of time will have consequences on the cultural and natural resources that create the tourism attraction. This definition is limited to an economic sustainability and failed to make key links between the economy and the environment in a similar way to the concepts outlined in Bruntlands’ (1987) principles of sustainability.

From comparison of the definitions of sustainable tourism, sustainable development and eco-tourism, they appear to share very similar principles namely tourism or development that considers social and environmental consequences. The level of consideration or actions in response to social and environmental considerations therefore needs to be measured in order to help quantify how sustainable tourism development is. In terms of measuring tourism performance, economic, social and environmental assessments are known as the “triple bottom line” (Goodwin, 2002).

According to the DEAT (2002), Responsible Tourism can be defined “as providing a better holiday experience for guests and creating good business opportunities for tourism enterprises”. DEAT (2002), further explains that adopting the Responsible Tourism concept enables local communities to reap a better quality of life through increased socio-economic benefits and improved natural resource management (DEAT, 2002). The Tourism White Paper of South Africa (1996) specifies that the concept of Responsible Tourism includes:

- developing, managing and marketing tourism in ways that create competitive advantage,
- encouraging the constant monitoring and assessing of the economic, socio-cultural and environmental tourism impacts,
- allowing local communities to be actively involved in the planning, decision-making and development of tourism, as this will ensure that the locals benefit economically from tourism development,
- maintaining and encouraging natural, economic, social and cultural diversity,
- the sustainable use of resources should be promoted as much as possible, and
- avoiding over-consumption and the wasting of natural resources.

2.3.3.1 Responsible Tourism Trends

Tourism role-players, stakeholders and consumers have in recent years recognised the impacts of tourism development on the economic, socio-cultural and physical and man-made environment because tourism development encompasses using resources that are often non-renewable. This growing concern has influenced companies, stakeholders, role-players and consumers to adopt the concept of Responsible Tourism (DEAT, 2002), and change the way in which they produce and consume tourism products and services. According to the WTTC (2009), the project of Tourism for Tomorrow Awards has served to provide the Council with the opportunity to promote and partner with the industry leaders in sustainable tourism, highlighting the prime examples of best practice. Some examples of the WTTC Awards have been noted as:

Turtle Conservation Project, Sri Lanka

Despite its small scale this project showcases eco-tourism at its purest, designed to rehabilitate an endangered species, as well as providing employment opportunities for those who may once upon a time have unwittingly – or even knowingly – threatened this fragile ecosystem.

Blackstone Valley, USA

An outstanding example of regeneration has turned a once industrially polluted river into a highly valuable tourism asset for the Blackstone Valley, leading the way forward in river tourism.

Grootbos Nature Reserve, South Africa

Rather than confining its activities to within its fences, this high-end luxury eco-lodge engages in conservation efforts beyond its own territory and helps protect the whole of a destination's fragile ecosystem, while offering top-level guest service.

Fair Trade in Tourism South Africa

Recognising tourism as a major job creator, this NGO is committed to providing tourism employment opportunities and products benefiting the local population, and it works diligently to create a network of fair trade businesses.

Various international companies have adopted responsible tourism approaches through the manner in which they operate in relation to the natural and social environment by minimizing the negative impacts affiliated with tourism activities/movement. In the UK, a 2002 study by Tearfund has shown that British consumers are more likely to book a holiday based on availability of information about the country, reduced environmental impact and meeting local people on holiday than on whether or not they had used the company before. This is evident that a shift towards behaving responsibly is slowly evolving.

In South Africa, associations such as Fair Trade in Tourism are working to maximise the market advantage of tourism products working in a fair and responsible manner. According to DEAT (2002), when companies, stakeholders, role-players and consumers behave responsibly, they experience a 'feel good factor' which fosters the creation of positive relationships among communities and local businesses, and all respective parties. This ‘feel good’ factor creates a domino effect, encouraging positive word of mouth advertising from consumers.

3.0 NICHE TOURISM MARKETS

The concept of ‘niche tourism’ emerged in recent years in counter-point to what is commonly referred as ‘mass tourism’ (Robinson & Novelli, 2005). Given the diverse nature of niche tourism, different general definition approaches may be employed such as:

- a product related approach that emphasises the presence of activities, attractions, settlements, food and other amenities. These constitute the key parts of the niche tourism destination mix that is shaped in accordance with specific tourists’ needs and wants, and
- a customer related approach that emphasises tourist requirements and expectations as the focus of the marketing approach. Attention is placed on the relations between demand and supply side as it looks at what specialty activities tourists are seeking in order to have a satisfactory holiday experience.

George (2007:358) contends that in any market ‘niche’, there is a specific segment usually with a well defined product offering that can be tailored to meet the interest of the customer. It is further elaborated that a tourism organisation focuses on meeting the specific needs of just one segment better than any other organisation in the industry (George, 2005). In this context, for managers that are seeking to utilise tourism as a mechanism for economic development, the niche tourism approach appears to offer greater sustainable opportunities (Robinson & Novelli, 2005:1). For tourists, on the other hand, it appears to offer a more meaningful set of experiences in the knowledge that their needs and wants have been met.

3.1 Business Tourism

According to the UNWTO’s (2009) report on International Congress and Convention Association (ICCA), the international meetings market remained very resilient up to the end of 2008, with only a small number of members reporting significantly lower full year results compared to 2007. However, prospects for 2009 are generally negative. Corporate meetings and incentive travel have been most negatively affected, with many companies around the world placing large slices of their travel and meetings programmes on hold, at least temporarily (UNWTO, 2009). It is further noted that small corporate meetings are being particularly badly impacted, as tele-conferencing and electronic data exchange technologies are much more effective than during the previous global downturn. Corporates are now booking later, trading down and closely looking for extreme flexibility with regard to cancellation clauses in contracts.

3.1.1 Description and Definitions

The South African business tourism industry has the potential to contribute sustainably to economic growth. The business tourism industry has significantly expanded in the post-apartheid period, with the establishment of major convention centres of international standards (Govender, 2008). Business tourism is seen as an important niche market, and is one of the fastest growing high yield sectors of the tourism industry. It encompasses a range of business-related tourism as well as business events. Govender (2008) indicates that currently, South Africa captures an estimated 1.3 per cent market share of the global business tourism industry. (Europe and USA still remain the major markets worldwide in respect of the number of meetings, conferences and exhibitions.) In this regard, in order to facilitate the growth of the business tourism as a niche market the South African government in conjunction with SA Tourism (SAT) has initiated the Business Tourism Growth Strategy 2008 – 2010 (SA Tourism, 2007).

Davison (1994) asserts that business tourism is concerned with people travelling for purposes which are related to their work. As such it represents one of the oldest forms of tourism, men having travelled for this purpose of trade since very early times. George (2007) describes business tourism as a trip undertaken with the purpose of attending a conference meeting, exhibition, and event or as part of an incentive. This segment of the tourism industry has also been referred to as Meetings, Incentives, Conferences and Exhibitions (MICE). Business travel and tourism is the most diverse and fragmented theme in tourism, it has been divided into fifteen different categories of travel, including individual general business trips, training courses, product launches, and corporate hospitality and incentive travel (Swarbrooke & Horner, 2007b). According to Law, Opperman and Chon (as cited in Rogerson, 2007b), the most important element of business tourism are acknowledged to be hosting of meeting, conferences or exhibitions (as cited in Rogerson, 2007b). Rogerson (2007b) adds that these are combined with incentive travel into discussions of the category of MICE tourism. MICE serves as a primary purpose for travel the focus is a multifaceted event of a fixed time duration that involves speakers, seminars, workshops, exhibitions, banquets, association meetings and social events.

Meetings

The coming together of a number of people in one place to confer or carry out a particular activity. Deery, Jago, Fredline and Dwyer (2005:108) further define meetings as events without a registration fee.

Incentives

Incentive travel is a global management tool that uses exceptional travel experience to motivate and/ or recognise participants for the increased levels of performance in support of organisational goals.

Conferences

The Free Dictionary (2009) describes a conference as a prearranged meeting for consultation or exchanges of information or discussion (especially one with a formal agenda). Conversely, a convention is described as an assembly, especially a meeting of representatives of some profession, society, or religious political organisation. A convention is further defined as a general and formal meeting of a legislative body social or economic group in order to provide information on a particular situation, and in order to deliberate and, consequently establish consent on policies amongst participants.

A congress is a formal assembly of a union, trade body, or similar organisation; the assembly of a society.

Exhibitions

Exhibitions are an activity designed for a targeted supplier of products, equipment and services to demonstrate their products to a certain market.

3.1.2 Demand Side Trends

According to George (2007), changing trends are indicating that consumer preferences of travellers are rapidly evolving from mass tourism and rigidly packaged tours to a 'new tourism' characterised by flexibly, segmentation and more authentic experience. Current trends support an increase in business and professional travel (George, 2007). SA Tourism (2007) recognises the opportunity of the meetings, incentives, conferences and exhibitions (MICE) sectors as well as events as a growth sector for South African Tourism. It believes that this is a market that has the potential to ensure that tourism benefits are spread across the other sectors of tourism and other industries (SA Tourism, 2007).

3.1.2.1 Travel Patterns and Behaviour of Business Tourists

Length of stay

Conference visitors to France spend on average 4.5 days in that country, exactly one day longer than delegates to conferences in the United Kingdom (UK). Delegates spend on average an extra 0.8 nights at the destination, before or after the business event they are attending, although this figure is higher for those attending association and academic conferences (Business Tourism Partnership, 2009). The Exsa Research Study indicates that exhibitors in SA stay/work on average of 6 days at the exhibition destination (Exsa Research Study, 2007).

Spend

The UK business travellers spend on average three times more than leisure visitors, this is by far the most lucrative, high spend, high yield form of tourism, bringing a whole host of benefits to the UK such as £15 billion annually, of which £4 billion is from inbound visitors, bringing valuable foreign exchange (Business Tourism Partnership, 2009). A similar trend is experienced in SA with business travellers spending on average two to three times more than leisure tourists (Govender, 2008; Bloom & Barrows, 2008:11). Most of the expenditure is on convention and registration fees, an expenditure not incurred by leisure tourists. Furthermore, research indicates that 17% of conference delegates in UK are accompanied by a guest who is not a delegate. Foreign business visitors to Paris are estimated to spend on average £170 per trip on **shopping for clothes and gifts** (Business Tourism Partnership, 2009). Notably, this constitutes the non-delegate guests. In Sydney, similar trends appear such that 42% of delegates attending conferences are accompanied by one or more guests, compared to 17% for the UK. This signifies a further spend by the delegation (Business Tourism Partnership, 2009).

Transport preference

According to the Exsa Research Study (2007), in SA exhibitors used the following modes of transport:

- 44% air,
- 54.3% own car,
- 35.5% use hotel transportation, and
- 13.8% stayed in a walking distance.

Current and emerging demand

The growth of the MICE sector was boosted especially by the emergence of a vibrant sector of international conference and exhibition tourism (Rogerson, 2007b). More countries are building conference centres in order to capitalise on this growing tourism sector. In the UK many educational institutions, particularly universities capitalise on this opportunity offering their venues for the hosting of conferences.

Expanding markets have been identified as Australia and Pacific Rim Asia. Furthermore, Australia is noted as one of the most pro-active countries that have emerged in terms of policy development. Asia is distinguished as offering competitive MICE options that are matching the United States of America (USA) and Western Europe (Rogerson, 2007b). The Australian government, as early as the 1990's, encouraged the development of a marketing strategy which was geared towards enhancing international awareness of the country as a premier conference and exhibition destination. The goals were:

- to promote a co-ordinated and cooperative marketing approach of the industry,
- to encourage national associations to attract overseas delegates to meetings and exhibitions in Australia particularly from the Asia-Pacific region, and
- to boost the number of delegates attending conferences in Australia at the local, national and international levels (Rogerson, 2007).

Germany, on the other hand, boasts hosting 20% of foreign conference visitors who wish to combine their visit to the event with a holiday, signifying that half a million international visitors to conferences in Germany also become holidaymakers in that country. In addition, 39% of delegates claim that they would be likely to return to the destination of the conference for a holiday or short break (Business Tourism Partnership, 2009).

In South Africa, business tourism growth is twice the rate of mass leisure tourism (Bloom & Burrows, 2008:11). It is also linked to leisure travel as 40% of business travellers return to a destination within five years. In addition, Bloom and Burrows (2008) assert that business travel is not confined by seasonality and travel occurs year round. According to Rogerson

(2007b:185), the Gauteng province, in particular Johannesburg, has an estimated 51% market share while Cape Town has 15% and 11% for Durban.

It is further indicated that there is a significant geographical divide between the international and domestic market demands with **Cape Town traditionally the prime focus for international meetings, whereas Johannesburg is prominent in domestic conference markets and for exhibitions.** Overall, the domestic market comprises of a mix of corporate training; association meetings; launch events; academic, Non-Governmental Organisation (NGO) and business conferences including an increasing segment of government meetings and training courses (Rogerson, 2007b:185). This finding suggests a need for a domestic and international strategy to business tourism for the destination. The domestic approach can focus on the smaller meetings mentioned above including the exhibitions, while the international approach focuses on the major international conferences and events. The advancement in technology has made long haul travel for meetings irrelevant and cost ineffective if not obsolete.

Volume and value of niche

According to ICCA the USA, Germany, Spain, UK and France remain the top MICE destinations each holding a total of 467, 429, 303, 281 and 255 meetings in 2007 respectively. However the top cities are Vienna, Berlin. Singapore, Paris and Barcelona in that order (Table 3).

Table 3: ICCA top country and city ranking measured by number of meetings organised in 2007

COUNTRY			CITY		
Rank	**Name**	**Number of meetings**	**Rank**	**Name**	**Number of meetings**
1	USA	467	**1**	Vienna	154
2	Germany	429	**2**	Berlin	123
3	Spain	303	**3**	Singapore	120
4	UK	281	**4**	Paris	115
5	France	255	**5**	Barcelona	106
6	Italy	250	**6**	Budapest	90
7	Japan	215	**7**	Lisbon	90
8	Brazil	209	**8**	Beijing	87
9	Austria	204	**9**	Amsterdam	82
10	Canada	197	**10**	Madrid	77
11	Netherlands	195	**11**	Copenhagen	76
12	China	195	**12**	Prague	72
13	Australia	194	**13**	Hong Kong	72
14	Switzerland	175	**14**	Seoul	70
15	Portugal	153	**15**	Stockholm	70
16	Sweden	137	**16**	Bangkok	70
17	Belgium	124	**17**	London	69
18	Finland	122	**18**	Taipei	67
19	Singapore	120	**19**	Kuala Lumpur	66
20	Republic of Korea	120	**20**	Istanbul	66
			21	Brussels	66

(Source: ICCA, 2007)

The Australian Bureau of Statistics (ABS) publishes short-term international arrivals to Australia on a monthly basis. The data indicates that there were 180,900 convention or conference arrivals during the year ended 28 February 2009, a decrease of 6% year-on-year. Similarly, overall business arrivals decreased 4% year-on-year to 816,800, while total arrivals to Australia decreased 2% to 5.6 million (Business Events Australia, 2009).

Foreign business tourism arrivals to SA increased by 30% from 307 000 in 2002 to 398 000 in 2005, and SAT has indicated that they are targeting to increase this to over 700 000. In 2005, an estimated 2,1 million domestic business tourism trips were undertaken. Thus there were a total of 2,5 million business tourists in 2005 (Exsa Research Study, 2007). It is estimated that 6-7% of all foreign tourists visiting South Africa during 2007 were business tourists, amounting to 550 000 business tourists in 2007, compared with 470 000 in 2006 (Govender, 2008). South Africa ranks 34 on the 2008 ICCA ranking of which 42 (54%) of the conferences affording South Africa that rank occurred in Cape Town.

3.1.3 Supply Side Trends

The International Congress and Convention Association (ICCA, 2009) indicate that the USA and Vienna were ranked number one country and city respectively in meetings within MICE. As has been the case since 2004, the USA and Germany are the number one and two countries respectively measured by the number of international meetings organised in 2007. South Africa's conference industry moved up to 31st place in the International Congress and Convention Association's latest top-40-list of leading destinations in the world, released in May 2007. Cape Town currently holds the 36th position in the international cities ranking list of congress destinations, a very good improvement from two positions lower in 2007; however, in terms of the ranking for future projected/scheduled international congresses for the next decade; the City holds the 8th position (Govender, 2008).

New opportunities were offered for the expansion of conference and exhibition tourism in South Africa with the democratic transition of 1994. The rise of international MICE tourism has prompted the establishment of conference centres offering world class facilities for conferences and exhibitions (Rogerson, 2007b). It is further stated that this increased the levels of competition amongst South Africa's major cities to attract the conference and exhibition market.
An observed trend is the growth in country hotels and bush venues as a new focus for the offering of conference facilities (Gelling, as cited in Rogerson, 2007b). The involvement of hotels for conference development was promoted and assisted by generous tax incentives made available for hotel projects by national government (Rogerson, 2007b).

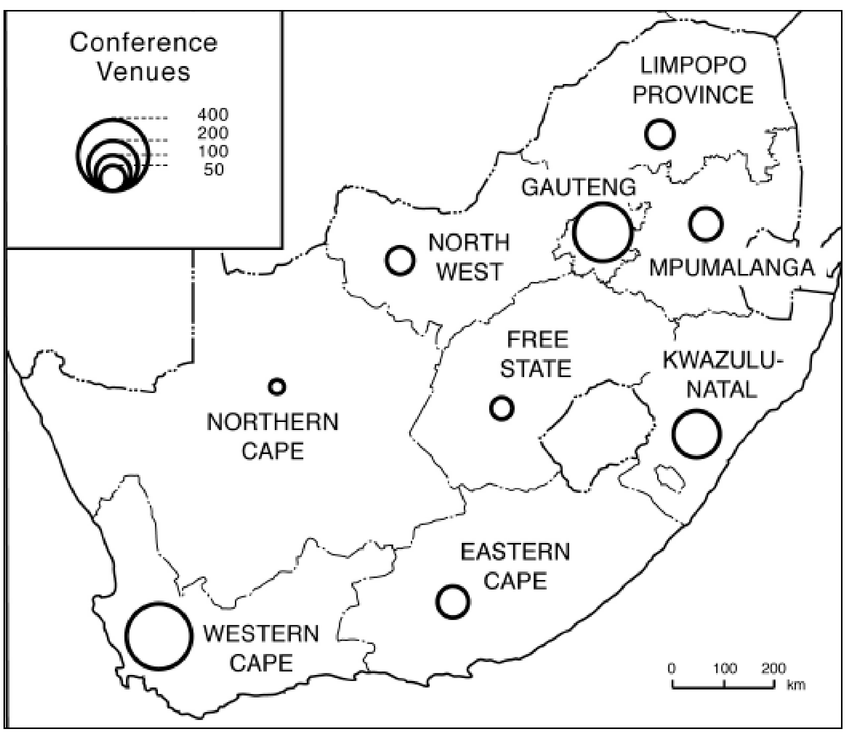


Figure 1: Location of exhibition venues (Source**:** SAACI 1996 and 2004; Gelling 2004*)*

The number of venues in South Africa grew from 1 500 in 1999 to an estimated 1 600 in 2005. There are many new venues developed and/or planned including some large venues with a capacity of 1 000 or more delegates. The figure above indicates the number of venues, hence more venues in the Western Cape than Gauteng, whereas earlier text refers to Gauteng having a larger market share despite the number of venues.

3.1.4 Summary

For destinations, the economic and non-economic impacts of capturing the market of business tourism are potentially considerable including image and profile enhancement, physical upgrading and regeneration of decaying areas and the generation of civic pride among residents, (Rogerson, 2007b). Given the several potential economic and non-economic impacts it is not surprising that many different destinations have been encouraged to seek a slice of this lucrative market by attracting conferences and exhibitions. The markets for conference and exhibitions both on a domestic and international scale are extremely competitive. Significant factors that are put forward for consideration in improving opportunities for business tourism have been identified as capacity of facilities, quality of service, accessibility, cost as well as the image of the potential locations.

3.2 Culture and Heritage Tourism

The growth of cultural tourism as an economic force is undeniable. Tourists looking for unique and authentic experiences are increasingly interested in cultural sites and innovative arts programming, and travel to find these attractions (Creative City Network of Canada, 2009).

3.2.1 Description and Definitions

Culture according to the White Paper on Arts, Culture and Heritage (South Africa, 1996a) by the Department of Arts, Culture, Science and Technology is the dynamic totality of distinctive spiritual, material, intellectual and emotional features which characterise a society or social group. It includes the arts and letters, but also modes of life, the fundamental rights of the human being, value systems, traditions, heritage and beliefs developed over time and subject to change. An earlier definition of cultural tourism described in the White Paper on Development and Promotion of Tourism (South Africa, 1996b:v) by the Department of Environmental Affairs and Tourism (DEAT) includes cultural aspects which are of interest to the visitor and can be marketed as such. These include customs and traditions of people, their heritage, history and way of life. The definition of cultural tourism in the 2006 White Paper on Tourism is expanded to include culture, heritage and the physical environment. It is described as “that activity, which enables people to experience the different ways of life of other people, thereby gaining at first hand an understanding of their customs, traditions, the physical environment, the intellectual ideas and those places of architectural, historic, archaeological or other cultural significance which remain from earlier times”. The UNWTO (1985) defines cultural tourism from two different approaches. The narrow definition includes movement of persons essentially for cultural motivations such as study tours, travel to festivals and other cultural events, visits to sites and monuments, travel to study nature, folklore or art, and pilgrimages.

The wide definition includes all movements of persons for the purpose of satisfying the human need for diversity, tending to raise the cultural level of the individual and giving rise to new knowledge, experience and encounters (Richards, 2008). The Association for Tourism and Leisure Education (ATLAS) also defines cultural tourism from a technical and conceptual approach. The technical definition refers to all movements of persons to specific cultural attractions such as heritage sites, artistic and cultural manifestations, arts and drama outside their normal place of residents (Richards, 2008). The conceptual definition, on the other hand, refers to the movement of persons to cultural attractions away from their normal place of residence, with the intention to gather new information and experiences to satisfy their cultural needs

The International Council on Monuments and Sites (ICOMOS) Article 3 of the Charter of 1976 defines cultural tourism as that form of tourism whose object is, among other aims, the discovery of monuments and site. It exerts on these a very positive effect insofar as it contributes – to satisfy its own ends – to their maintenance and protection. This form of tourism justifies in fact the efforts which maintenance and protection demand of the human community because of the social cultural and economic benefits that they bestow on all the populations concerned (Ivanovic, 2008). Some of the cultural tourism categories have been outlined as:

- heritage tourism,
- arts tourism,
- urban cultural tourism,
- rural cultural tourism,
- indigenous cultural tourism, and
- contemporary (popular) cultural tourism.

ICOMOS through the 8th Draft of International Cultural Tourism Charter on Managing Tourism at places of Heritage Significance (1999) indicated that there is a dynamic interaction between tourism and cultural heritage. It highlights the importance of sustainable tourism practices and the need for the protection and conservation of culture and heritage for future generations. The Charter (ICOMOS, 1999) adopted six principles that aim to address the specific circumstances or the requirements of particular organisations and communities pertaining to culture and heritage:

Principle 1

Since domestic and international tourism is among the foremost vehicles for cultural exchange, conservation should provide responsible and well managed opportunities for members of the host community and visitors to experience and understand that community's heritage and culture first hand.

Principle 2

The relationship between heritage places and tourism is dynamic and may involve conflicting values. It should be managed in a sustainable way for present and future generations.

Principle 3
Conservation and tourism planning for heritage places should ensure that the visitor's experience will be worthwhile, satisfying and enjoyable.

Principle 4
Host communities and indigenous peoples should be involved in planning for conservation and tourism.

Principle 5
Tourism and conservation activities should benefit the host community.

Principle 6
Tourism promotion programmes should protect and enhance natural and cultural heritage characteristics.

The South African Heritage Resource Agency (SAHRA) is the organisation responsible for the protection of places of cultural significance in South Africa. SAHRA adopted its principles on various conservation charters and these principles are applicable to all places of cultural significance which are protected in terms of the National Heritage Resources Act of 1999 (Ivanovic, 2008). The fundamental principles of heritage conservation as noted in the SAHRA Annual Report (2004) are considered as the following:

- heritage is a valuable, finite, non-renewable irreplaceable resource, which must be carefully managed to ensure its survival,
- every generation has a moral responsibility to act as a trustee of a natural and cultural heritage for succeeding generations,
- South Africa has a rich heritage, both natural and man-made, which is unique and worthy of conservation,
- numerous cultures, both past and present, have contributed to that heritage and all have the right to be protected. Conservation of our heritage is in the interests of all South Africans, and
- every person, community and institution has an obligation to ensure that significant elements of the natural and cultural heritage are not damaged or destroyed (Ivanovic, 2008:128), especially with reference to live resources such as wildlife as well as physical and cultural resources.

Creative tourism
Creative tourism concerns learning indigenous skills distinctive of the destination visited and developing individual creativity while on holiday (Ivanovic, 2008). Richards and Reymond (2000) define creative tourism as tourism which offers visitors the opportunity to develop their creative potential through active participation in courses and learning experiences which are characteristic of holiday destinations where they are undertaken. Barcelona in Spain is showing that creative tourism does not need to be tied to indigenous cultures only, but can become an

attraction in its own right. UNESCO (2008) indicates that creative tourism involves more interaction, in which the visitor has an educational, emotional, social, and participative interaction with the place, its living culture, and the people who live there. The tourists feel like a citizen of the destination. For example, low-rider cars are a cultural expression of northern New Mexico, and tango dancing as being particular to Buenos Aires. This third generation requires that managers also evolve, recognising the creativity within their city as a resource, and providing new opportunities to meet the evolving interests of tourists (UNESCO, 2008).

3.2.2 Demand Side Trends

In Australia international cultural and heritage visitors have increased 3% since 2006 (Tourism Research Australia, 2007). The cultural and heritage tourism market in 2007 was predominantly comprised of domestic visitors. In 2007 there were 10.9 million domestic overnight visitors who participated in cultural or heritage activities and 10.4 million domestic day visitors. Since 2006 the number of domestic overnight cultural and heritage visitors has grown by 11% while total domestic overnight visitation remained flat over this same period.

Tourism Research Australia (2007) forecasts international cultural and heritage tourism to continue to grow by 4.8% per year to reach 8.9 million visitors in 2016. While this growth is positive, the large growth comes from Asian markets such as India and China. Given low participation rates by Asian visitors in cultural and heritage activities this may provide a challenge for future growth.

In Italy, Trunfio, Petruzzellis and Nigro, (2006) affirm that coupled with the quality of the basic element of the offer, cultural tourism has tried to foster its competitive positioning through innovative marketing and communication actions (i.e. city cards) linked to new ways to enjoy it. Furthermore, eye-catching events, integrated tickets and additional services create connections in logistics and distribution between major and minor destinations in order to redistribute the flows.

Mearns (2007) states that both township tours and visits to cultural villages are the main form of cultural tourism in South Africa. Cultural villages are being established all over the country. They are quite popular with some international tourists – but not all, since two-thirds of foreign tourists to South Africa are from other parts of Africa and are not normally customers of cultural villages (Grobler, 2008:182). The real demand for these products are from international tourists although there are some domestic tourists who go on townships tours and visit cultural villages. Township tours and visits to cultural villages are predominantly part of all inclusive package tours. Soweto is the most visited township in South Africa; and is regarded as one of SA's top 20 tourist destination. Overall, only 5% of domestic actually consume cultural experiences (Ivanovic, 2008).

Characteristics of a cultural tourist

The main characteristic of each type of cultural tourist, as described by Ivanovic (2008) can be summarised briefly as follows:

The purposeful cultural tourist: cultural tourism is the primary motivation for travel to a destination and the tourist has a deep cultural experience.

The sight-seeing cultural tourist: cultural tourism is the primary motivation for travel to a particular destination, but the tourists' cultural experience is mostly superficial.

The opportune (serendipitous) cultural tourist: a tourist whose travel to a destination is not culturally motivated, but who, after participating in cultural activities, ends up having a deep cultural experience.

The casual cultural tourist: The cultural motivation for travel of this type of tourist is weak and the resulting cultural experience is superficial.

The incidental cultural tourist: This type of travel is not culturally motivated but the tourist still consumes culture, even though the resulting experience is superficial. For example, while at the destination, the tourist will participate in cultural tourism activities having a shallow experience such as theme parks.

Length of stay

Tourism Research Australia (2007) indicates that in Australia, both international (40 nights) and domestic (6 nights) cultural and heritage visitors stay longer than international and domestic non-cultural and heritage visitors (20 nights and 4 nights respectively).

Spend

International cultural tourism visitors to Australia in 2007 had a higher spend on average per visitor most likely due to a longer average length of stay. On average, cultural and heritage visitors from Singapore spent the most per visitor and the most per night. Visitors from the USA and New Zealand also had high spend per night (Tourism Research Australia, 2007). The following table illustrates expenditure per person by cultural and heritage visitors in 2007 in Australia.

Table 4: Expenditure per person by cultural and heritage visitors in 2007

Expenditure items	International Per person	Domestic overnight Per person
Accommodation, food and beverages	1 655	459
Shopping	470	107
Domestic airfares	86	102
Other transport	308	135
Organised tours	194	20
Education	602	3
Entertainment	96	40
Other	194	84
Total per visitor	3 605	950
Total expenditure ($ million)	**9 640**	**10 354**

(Tourism Research Australia, 2007)

Transport

During 2007, Australia saw 24% of international cultural and heritage visitors arrive on a travel package, compared to 19% of non-cultural and heritage visitors. Domestic visitors who participated in more than one cultural and heritage activity were more likely to be travelling as part of a package tour (Tourism Research Australia, 2007).

Consumer needs and demands

Tourism Research Australia (2007) reports that the top two cultural and heritage activities for both international and domestic visitors are visiting museums and art galleries, and visiting heritage buildings, sites or monuments.

Demographics

Based on the 2002 results of the ATLAS research, a clear characteristic profile of cultural tourists is as follows:

- 55% of all cultural tourists are female,
- 40% of all cultural tourists are young – between 24 and 29 years of age,
- more than 50% of all cultural tourists have some form of higher education, and
- 34% of cultural tourists are professional and a further 18% are in managerial positions (Ivanovic, 2008).

In Australia domestic overnight cultural and heritage visitors travel as adult couples (36%) or in family groups (21%) (Tourism Research Australia, 2007).

3.2.3 Supply Side Trends

Countries such as Italy, Portugal, Greece, France, or Spain have natural or scenic wealth and an important historical legacy spread throughout their land, but not only in their major cities (Royo-Vela, 2009). In the case of Spain, towns such as Besalú and Pals in Girona, Morella in

Castellón, Albarracín in Teruel, and Chelva in Valencia are just some examples of this rich heritage. According to Ivanovic (2008), proudly South African cultural and heritage products are noted as:

- cultural villages,
- township tours, and
- African dream routes.

Cultural villages

Cultural villages are one of the main forms of cultural tourism products in South Africa. According to Mosimenge (2004) cultural villages have the potential to serve more educational purposes than merely to be tourist centres. A cultural village is seen as a cultural tourism enterprise and is typically situated on or near an established tourist route in a rural area. Hughes (2003) adds that it usually consists of a homestead to show the living arrangements, an arena for dance, music and other live cultural displays, a restaurant and a craft centre. Many poor communities in South Africa have ventured into the cultural village market, as they realise that people have an interest in cultural histories. Some of these communities have been using their culture, both past and present, as a source of hope and employment (Mearns, 2007). In some cases there are add-on features such as enclosures for games, museum displays, historical videos, or visits to a 'real' homestead nearby. Each cultural village employs a number of people who are knowledgeable about cultural activities and are able to enact them to the visitors (Mosimege, 2007).

Township tours

Township tours are becoming a genuine community-based tourism initiative, since while on township tours, visitors are likely to encounter the reality of actual township life. On a typical township tour, tourists visit one or more places of historical interest – often associated with the anti-apartheid struggle, a church or a welfare facility where they can make donations, a shebeen where they can buy food and/or drinks, and a cultural display (Ivanovic, 2008; Grobler, 2008).

One of the primary township tourism destinations of international visitors to South Africa as well as of local tourists is Soweto, a vast residential area southwest of the centre of Johannesburg. Numerous historical sites in Soweto associated with the anti-apartheid struggle are visited daily by large numbers of tourists. The township still carries the scars of the anti-apartheid struggles that dominated its life in the 1970s and 1980s. Amos Masondo, the Mayor of Johannesburg, claimed in 2006 that 250 000 local and foreign tourists visit the township each year (Grobler, 2008).

The 2004 Pro-Poor Tourism project development promotes township tourism through authentic product development (Ivanovic, 2008). The organisation affirms the potential of township tourism based projects on the following advantages:

- they respond to market demand, particularly from overseas visitors
- they bring visitors to the hosts

- they are focussed on ‘experiencing the authentic’ and relatively little infrastructure investment is required
- they help create access to areas perceived as dangerous, and
- they offer the potential to involve a wide spectrum of the community.

African Dream Routes

This concept started in Europe with the objective of developing cultural tourism routes to fuel social, economic and cultural development of the 2000 partners. The concept of a tourism route is not unique. In South Africa the ‘Open Africa Project’ was to transform unique African cultural and natural resources into competitive tourism products. This resulted in the creation of the ‘Afrikatourism Dream Route’ from Cape to Cairo. The concept is based on two principles; sustainability and community participation (Ivanovic, 2008).

Open Africa Project

- non-profit organisation,
- by 2006, there were 65 Afrika Dream Routes, covering a total distance of 31 567km,
- the concept of developing a route is quite simple and any community can approach the Open Africa Team with a request for route development, and
- one example is the Route of Lost Kingdoms, in Limpopo Province.

In the Western Cape region, local route development initiatives are being propelled. According to Open Africa (2009), the Western Cape Department of Social Services and Poverty Alleviation have identified Bongolethu as one of the poorest communities in the Klein Karoo. The department and the Independent Development Trust have both contributed R500 000 to the project for a period of three years. Engen is one of the private companies that have invested in this community. It is noted that the Bongolethu Post Box Route is a project initiated by the Bongolethu community in order to link the township with Oudtshoorn, which is already a vibrant tourist destination. A further well known route is the Khanyisa Cape Route. Museums are amongst the highest ranked of all destinations for heritage and cultural tourism (Grobler, 2008). Robben Island is one of South Africa’s most popular attractions especially for international tourists. Its fame is largely built on its association with former president Nelson Mandela, who spent 18 of the 27 years that he was imprisoned on the Island (Grobler, 2008). South Africa is home to eight World Heritage Sites designated as such by the United Nations Educational, Scientific and Cultural Organisation (UNESCO), including:

- the fossil hominid sites of Sterkfontein, Swatkrans, Krodraai and Environs,
- the iSimangaliso Wetland Park,
- Robben Island,
- the uKkhahlamba/Drakensburg Park,
- the Mapungubwe cultural landscape,
- the Cape floral region protected areas
- the Vredefort dome, and
- the Richtersveld cultural and botanical landscape.

Case study: New Zealand's Maori

The New Zealand Maori Tourism Council considers that the development and implementation of strategies for sustainable growth should be a prime focus for the update of the New Zealand Tourism Strategy 2010 (NZTS 2010). The New Zealand Tourism, in November 2007, adopted the NZTS 2015 updated strategy for the promotion and development of sustainable tourism in the country and it acts as an update to the 2010 Strategy.

The New Zealand Tourism Strategy 2010 and 2015 recognises and acknowledges that the New Zealand tourism industry could be enhanced by improvement of the Maori tourism sector, through the several recommendations it made relating to Maori tourism. The Council believes that a strong Maori tourism sector is critical to sustainable growth and will yield benefits not only to Maori but also to the tourism industry and the economy as a whole. Maori continues to offer an important point of difference for New Zealand in the international tourism marketplace.

Recommended Strategies:

- improve Maori participation in tourism, and
- encourage Maori investment in tourism.

Key supply strategy:

- enhance engagement between existing relevant support with Maori tourism at all stages and levels of development.

Key actions:

- continue with the collaborative development of a centralised Maori administered tourism operator database in order to provide informed, strategic advice on Maori tourism to government and industry, and
- giving priority to the development of robust business operations of existing and committed operators.

Key demand strategy:

- to ensure that unique elements of Maori culture reflect in New Zealand's brand positioning

Key actions:

- government and industry work with Maori tourism to reinforce the unique positioning of New Zealand in the global marketplace, and
- promoting a diverse range of Maori experiences across the whole nation.

Connecting supply and demand

Key Strategy:

- improve the integration of Maori tourism into industry networks and distribution systems.

Key Actions:

- Maori tourism becomes informed on the various distribution channels,
- the distribution channels become informed on Maori tourism products and experiences, and
- engagement between Maori tourism and the key distribution players for mutual benefits.

Informing supply and demand:

- priority Goal: Maori Participation

Key Strategy:

- improve Maori participation in tourism.

Key Actions:

- maintain and develop a strategically aligned Maori tourism structure based on Maori values and priorities,
- industry Training Organisations to include a focus on the needs of Maori tourism, and
- undertake market research which embraces the full spectrum of Maori tourism.

3.2.4 Summary

It is argued that every cultural and heritage situation is unique with its own set of characteristics, this should be taken into consideration when formulating a definition for cultural and heritage tourism. It is noted that using cultural tourism definitions provided by the UNWTO and ICOMOS would not be a true reflection of the cultural activities that are prevalent in communities residing in the Western Cape. It is suggested that a cultural tourism definition can only be formulated once there is an understanding of the cultural activities on offer and the many cultural activities that are not on offer in the community (Ismail, 2007). The attractiveness of South Africa as a culturally vibrant destination provides the opportunity for various cultural attractions to be further developed into distinctly South Africa cultural heritage products. Cultural tourism in South Africa is closely linked to the nations past (Grobler, 2008). The main target market for cultural tourism products are international tourists primarily Europe and North America.

3.3 Nature-based and Adventure Tourism

The fastest growing element of tourism is 'nature-based' tourism, involving excursions to national parks and wilderness areas, to developing countries where a large portion of the world's biodiversity is concentrated (Christ, Hillel, Matus, & Sweeting, 2003). It may also include an 'adventure tourism' element that may carry physical risks.

3.3.1 Description and Definitions

Nature-based tourism is the tourism in which the viewing of nature is the primary objective. It is a type of tourism activity that contains three specific elements: education, recreation and adventure (Laarman & Durst). An activity based tourism definition is provided by Tourism Research Australia (2007) that nature-based tourism is the type of tourism in which international or domestic visitors participate in at least the following seven nature activities:

- visit national parks and state parks,
- visit wildlife parks, zoos or aquariums,
- visit botanical or other public gardens,
- bushwalking or rainforest walks,
- whale or dolphin watching (in the ocean),
- snorkeling, and
- scuba diving.

Valentine (1990), who conducted a review of research in the field of nature, asserts that the unfortunate reality is the lack of properly documented case studies of nature-based tourism successes or failures which may help design new ventures. Despite rising expectations regarding the value of nature tourism in many fields of expertise, there are great gaps in the information necessary to manage the nature tourism industry. According to Hall and Boyd (2005), nature-based tourism includes tourism in its natural settings (e.g. adventure tourism); tourism that focuses on specific elements of the natural environment (e.g. safari and wildlife tourism, nature tourism, marine tourism); and tourism that is developed in order to conserve or protect natural areas (e.g. ecotourism, national parks). Many large, accessible and 'exciting' animal species have become the focus of nature-based tourism operations that focus on up-close and personal human interaction with wildlife. Such animal species have brought the emergence of further categories of nature-based tourism such as the numerous bottlenose dolphin tourism in Monkey Mia, Australia where the animals visit and interact with the humans at the beach (Tourism Western Australia, 2009), the gorilla tourism in Uganda (Gorilla tours, 2006), whale tourism, baboon tourism, and penguin tourism in Cape Town (Cape Point Route, 2009). Valentine (1992) integrates the recreation element in defining nature-based tourism and claims that it is primarily concerned with the direct enjoyment of some relatively undisturbed phenomenon of nature. The extent to which tourists enjoy nature will also be predicated by the degree to which their travel experiences depend on nature. He further suggests that there are three types of activities: experiences that are dependent on nature, experiences that are enhanced by nature and experiences for which a natural setting is incidental.

Destinations for nature-based tourism vary considerably; however, natural areas such as national parks and conservation reserves constitute the largest components. Commonly pursued nature-based tourism activities include bushwalking, backpacking, wildlife viewing, camping and fishing. More adventurous uses of natural areas include, off-road driving, rock climbing and diving (Priskin, 2001). George and Rivett-Carnac (2005) state that as a result of continual tourism growth within the global tourism industry a number of distinct types of tourism activities or interest areas have developed. It has been noted that one of the most popular reasons for travel in recent years has been the desire for people to observe and appreciate nature. Nature tourism involves observing and appreciating the natural world. Interestingly they point out that even though it may seem like nature tourism and ecotourism are the same, they are in fact not (George & Rivett-Carnac, 2005). According to the New Zealand Ministry of Tourism (2005-2008), nature-based tourism comprises a wide range of outdoor activities undertaken by tourists in the natural environment. This form of tourism ranges from high impact adventure activities such as jet boating, skydiving and mountain climbing to more relaxing activities such as bush walking, wildlife and scenic tours and boat cruises.

Adventure tourism is a type of niche tourism involving exploration or travel to unusual, exotic, remote or unconventional destinations. There is a heavy emphasis on outdoor pursuits, usually encompassing high levels of risk, 'adrenalin rushes', excitement and personal challenge (George, 2007). Weber (2001) suggests that adventure tourism needs not be associated with a specific setting (e.g. nature), but is rather a function of an individual's exposure to experiences that may pose a risk. Such experiences are characterised by the interplay of competence and risk. Walle (1997) argues that it is the quest for insight and knowledge (rather than risk) that underlies adventure tourism. To expand the notion of adventure he argues that one can distinguish between two types: risk taking adventure and that which is pursued to gain knowledge and insight. Gaining insight is a motive for both the traditional adventure recreationist and the insight seeker. Yet, what is likely to vary is the level of risk accepted by the individual. Broadly, adventure tourism means guided commercial tours, where the principal attraction is an outdoor activity that relies on features of the natural terrain, generally requires specialised equipment, and is exciting for the tour clients. The clients may operate the equipment themselves or they may simply be passengers. This is an empirical product-oriented definition rather than a philosophical people-oriented one. Different clients on the same tour may have different skills, demographics, emotions, expectations and experiences, (Buckley, 2007).

Table 5: Examples of adventure recreation activities

Backpacking	Kayaking	Shark cage diving
Bicycling	Mountaineering	Big wave surfing
Diving	River rafting	Snowshoeing
Hang-gliding	Trekking	Dune boarding Rock
Paragliding	Sky Diving	climbing

3.3.2 Demand Side Trends

Tourism Research Australia (2007) reports that the number of international visitors participating in nature activities has remained relatively stable since 2005 in Australia. While there were still around 3.4 million international nature visitors in 2007, they represent less of the total international population (66%) than in 2005 (69%). In the year ending June 2007 there were 3.5 million international nature visitors. This was 68% of all international visitors to Australia. Considering the total number of tourists, 55% participated in either one or two nature activities. The remaining 45% participated in three or more nature activities. The top three nature activities for international visitors were: visiting a National/State Park (68%); visiting wildlife park/zoo/aquarium (58%); and visiting botanical and other public gardens (53%) (Tourism Research Australia, 2007).

Typology of nature tourists

A definitional approach to nature-based tourism can, however, be misleading since it treats all nature-based tourists as a single homogeneous group. There are various typologies that have been proposed which refer to different types of nature-based experiences, activities and tourists. This group is able to express specific information about such pursuits. Laarman and Durst (1987) use levels to distinguish between hard and soft nature tourists. Lindberg (1991) on the other hand suggests that there are as many as four types of nature tourists which represent those who have a general idea about the nature activities in which they engaged:

- hard-core nature tourists who represent scientific researchers or members of tours designed for education, removal of litter, and so on,
- dedicated nature tourists who are people who take trips specifically to protected areas in order to understand local, natural and cultural history,
- mainstream nature tourists who visit such destinations as the Amazon or the Rwandan gorilla park primarily to take an unusual trip; and finally, and
- casual nature tourists, who partake of nature as part of a broader itinerary (Mehmetoglu, 2007).

Cape Town and the Western Cape are most likely to benefit from the former two types of nature tourists including the mainstream and the casual nature tourists. The mainstream, mainly because Cape Town is home to the unique Cape floral regions one of the UNESCO world heritage sites, and mainstream because nature sightseeing is an activity that most tourists participate in anyway.

Travel patterns

Adventure tourism is growing rapidly and in recent years become increasingly specialised and commercialised to meet market demand. Adventure tours are sold as all inclusive packages or one day tours. New Zealand which offers a variety of adventure products designs their products around single day-trips (New Zealand Ministry of Tourism, 2005-2008). The bulk of the adventure market consists of high volume low-difficulty products for unskilled clients. Between these extremes, there is an enormous diversity in the design, duration, places and prices for different adventure tours.

Demographics

Age

Most nature-based tourists that visit Australia, on average, are aged 20 to 29 years and visit Australia on holiday (Tourism Research Australia, 2007). It is further indicated that professional or technical persons, clerical or sales staff and students have the highest propensities to participate in nature-based activities, as do visitors from USA, Germany and Scandinavia. A slight difference appears among international nature-based tourists to New Zealand, with those aged between 25 and 34 years (23%) accounting for the largest share, and similar shares in the following age groups 35-44, 45-54 and 55-64 (17% each) (New Zealand Ministry of Tourism, 2005-2008).

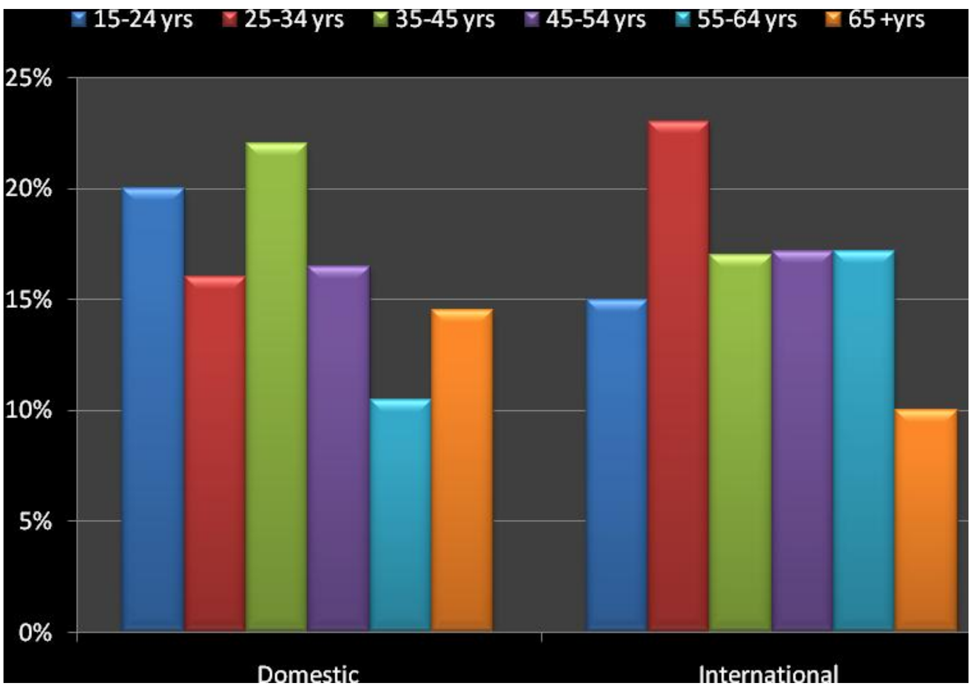


Figure 2: Age profile of nature-based tourists in New Zealand in 2005/2006 (Source: New Zealand Ministry of Tourism, 2005-2008)

Gender

Participation in nature-based tourism by gender is even for international tourists but is more popular for domestic male tourists than female tourists in New Zealand. Over the 2005/06 period, females comprised 51% of international nature-based tourists, compared to 46% of domestic tourists (New Zealand Ministry of Tourism, 2005-2008). It is further reported that female international tourists have a higher propensity to take part in nature-based tourism activities (78% compared to 68% for males). While national parks are extremely popular as nature-based attractions in Australia, with around half of all tourists at least visiting one, bushwalks, scuba diving or snorkelling and visits to aboriginal sites also remain popular (Tourism Research Australia, 2007). In their decision to visit Australia, a small percentage of tourists are particularly influenced by the opportunity to visit rural or outback areas. Some are influenced by the opportunity to participate in outdoor activities. German and Swiss tourists are more likely to be influenced by these factors. Over the 2005/06 period, 39% of tourists taking part in nature-based tourism in New Zealand were international and 61% were domestic. International visitors from Australia (29%), the United Kingdom (15%) and the United States (11%) made up the largest share of all international nature-based tourists (New Zealand Ministry of Tourism, 2005-2008). This reflects the position of these markets as New Zealand's three largest markets. Research shows that international tourists with the highest propensity to participate in nature-based tourism were from Germany (95%), followed by China and the United Kingdom (89% each) and Canada (88%). Below is an illustration of international nature-based tourists to New Zealand:

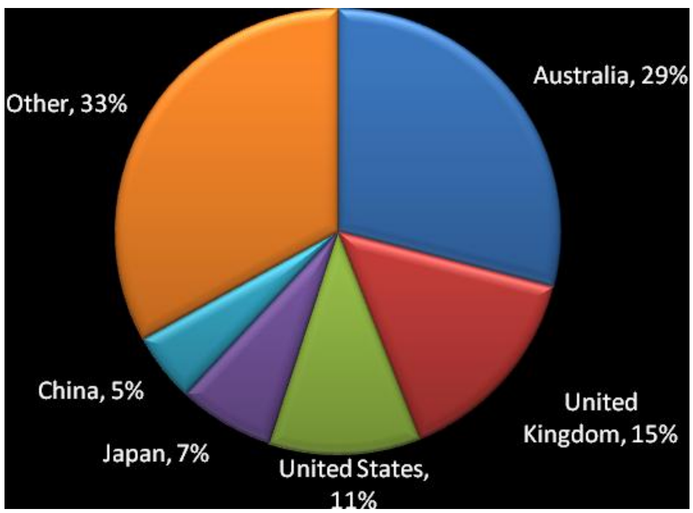


Figure 3: Origin of international nature-based tourists in New Zealand (2005-2006) (New Zealand Ministry of Tourism, 2005-2008)

Accommodation

While nature-based tourists enjoy outdoor activities, they do not always "rough it". According to Tourism Research Australia (2007), overall, nature-based visitors to appear more likely than visitors in general to spend at least one night in a hotel. They are also more likely than the average visitor to use backpacker hotels, youth hotels, rented houses and camping accommodation for at least one night, indicating an important link to backpacking tourism. Similarly, in New Zealand international nature-based tourists predominantly stayed in hotels (26% stayed in a hotel at some point on their trip), private accommodation (20%) and motels (17%) over the 2005/06 period (New Zealand Ministry of Tourism, 2005-2008). Significant numbers also stayed in backpacker accommodation (12%). Overall, nature-based tourists stayed in a wide range of accommodation types broadly reflecting the accommodation choices of all international tourists and the wide appeal of nature-based tourism as an activity. This is further illustrated in Figure 4.

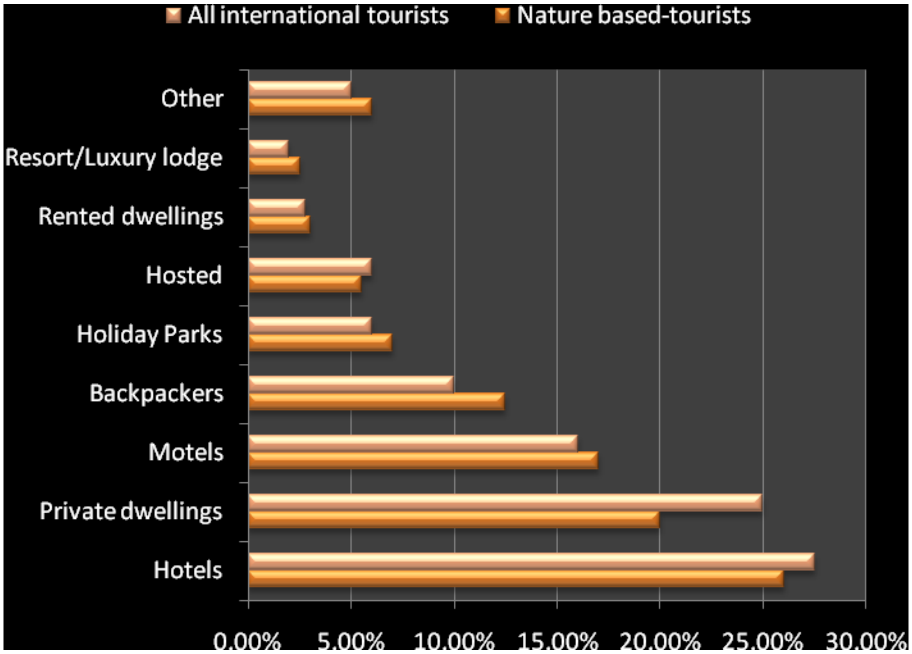


Figure 4: Accommodation used by international nature-based tourist in New Zealand 2006/07

Spend

International nature-based tourists spend more on average per trip ($3,250) than general tourists ($2,850) in New Zealand, partly due to their longer stay. This is evidenced by the research conducted by the New Zealand Ministry of Tourism's research department (2005/06). In terms of average daily expenditure, nature-based tourists' spend ($138 per night) was very similar to that of general tourists ($140 per night). Propensity to take part in nature-based tourism also increased with total expenditure. This, in part, correlates to the length of stay. Tourists spending over $3,000 in New Zealand were more likely to take part in nature-based activities (88%) than those spending less than $3,000. Thirty five per cent of international nature-based tourists spent more than $3,000 on their trip in New Zealand, while the remainder spent less than $3,000. It is reported that nature-based tourists spend more on their trip to Australia than any other visitors, with whale watchers spending more than double the average for all tourists.

Length of stay

International tourists who took part in nature-based tourism activities in New Zealand stayed slightly longer on average (23 nights) than all international tourists (20 nights). One-third of international nature-based tourists (33%) stayed 20 or more nights. Propensity for nature-based tourism clearly increases with length of stay. Those staying for 17 nights or longer had the highest propensity (89%).

Transport preference

Research indicates that nature-based tourists are more likely than average visitors to use private company cars, rental cars, aircraft, long distance coaches, overland coaches, four-wheel-drive tours, and ships, boats or ferries. This may be attributable to the fact that most nature-based activities are undertaken outside city centres and hence require transport other than that publicly provided.

General strategies

The Australian Capital Territory (ACT, 2000) developed the following strategies for the development of their nature-based tourism. They believe access to ACT nature-based tourism and heritage experiences will be significantly enhanced via:

- the development and/or upgrading of walking tracks and trails in key urban reserves such as Black Mountain and the Jerrabombera Wetlands area,
- the development of new visitor viewing facilities (including picnic facilities, site interpretation nodes and short walks),
- the provision of new interpretive signage, for example celebrating ACT's role in the Apollo 11 moon landing at the Honeysuckle Creek campground, and at the Glenloch cork oak plantation,
- the development of packages and partnerships with complementary stakeholders,
- the development of low key guesthouse accommodation and food and refreshment facilities, and
- the development and upgrading of camping and other visitor facilities at several destinations including Molonglo Gorge, Kowen Forest depot, Blue Range.

Australia, especially Canberra, has a developed system of numbered tourist drives. Many of the Territory's bush parks, reserves and forests are accessed from what is known as Tourist Drive 5.

Case study: Down East Maine - A grassroots sustainable tourism plan (Washington Department of Fish and Wildlife, 2003)

The Down East, situated on the north-eastern coast of USA is famous for Acadia National Park (ANP) on Mount Desert Island, the third largest island on the east coast. An increase in tourism in the region of Maine, specifically the Down East, led to the formation of a volunteer citizens group to preserve and protect natural resources while promoting jobs, tourism and the quality of life. The group helped create the 'Destiny 2000' grassroots plan that reflects the planning and research carried out by regional stakeholders. The plan was implemented to reduce pressure on ANP while developing other sustainable tourism opportunities Down East that would encourage economic development while protecting the region's resources. It addresses the strategies needed to implement sustainable tourism in scenic Maine. The key objective of the plan was to provide for the conservation of local natural resources, preservation of cultural heritage, and regional economic development for the present and future communities of Washington and Hancock counties through sustainable development of cultural and nature-based tourism opportunities. Four key goals for sustainable tourism were developed early in the community planning process:

- to maintain a unique and healthy natural environment capable of supporting nature-based tourism,
- to establish and maintain local coordination, ownership and retention of related economic benefits,
- to maintain ecological and cultural sustainability, so that future generations are left with the same quality of resources and opportunities as the present generation, and
- to create/develop a means of education and interpretation for the communities to further the goals of sustainability in the region.

The following projects and strategies were developed and serve to guide continuing community efforts:

Strategies and Accomplishments
In order to broaden the shoulder season the region's towns sought to promote cultural attractions in slow months thereby extending money-making opportunities throughout the year. "The Blue Hill Heritage" festival, held in October featured story-telling, boat-building and quilt-making demonstrations.

The "Come See What's Cooking" event was created by the Hancock Planning Commission and was also held in October. A guide was published for visitors and featured a week-long itinerary for patronising local restaurants that use local growers/producers. In early June, the "Warblers and Wildflowers" festival offered interpretive guided tours to observe birds and flora, and interpretive talks were given on warblers and wildflowers. The Northeast has the most diverse variety of warblers in USA.

A third strategy was to promote the use of mass transportation where appropriate, to develop the necessary infrastructure, and to encourage public transportation in order to minimise the environmental impact and congestion.

A fourth strategy was to refine and increase publicity for and marketing of the Down East region as a unique cultural destination. Furthermore, a strategy was devised to implement a system for monitoring the effects of increased tourism on ecological systems. Acadia National Park, in conjunction with the University of Vermont, has set up a system to monitor visitor carrying-capacity for the carriage roads. Cameras are used to count and monitor the number of people using the roads.

3.3.3 Supply Side Trends

Case study - Bhutan (summarised from Gurung & Seeland, 2008)

- the Royal Government of Bhutan (RGOB) took a cautious approach to the development of tourism, ensuring that it protects its environment and culture,
- in its approach to promoting rural development and conservation, the RGOB focussed on ecotourism as a strategy to address these issues,
- protected areas are set aside for conservation but not for tourism. Permission is required if trekkers want to hike through or in the area,
- this makes the region very attractive to tourist as it is unspoilt and undisturbed by tourism,
- the government's development policies are guided by the philosophy of Gross National Happiness (GNH) of the residents,
- the GNH has been widely accepted by the United Nations Development Program (UNDP), the Global Environmental Facility and the World Wide Fund for Wildlife and the Bhutan Trust Fund for Environmental Conservation have shown interest in supporting activities that reconcile rural development with protection of the environment and culture,
- the concept of tourism in Bhutan is believed to have been founded on the principles of sustainable ecotourism that is, encompassing ecologic, economic and social aspects, and
- even though these conservation policies are excluding potential growth and development of rural communities it is creating a niche environment which if guided through would assist to communities living within the protected areas by supplementing local livelihoods and contributing to economic development, conservation of nature and promotion of culture - the GNH goals (Gurung & Seeland, 2008).

The South African National Parks, (SANParks), manages the system of parks which represents the indigenous fauna, flora, landscapes and associated cultural heritage of the country. Of all the national parks, most have overnight tourist facilities, with an unrivalled variety of accommodation in arid, coastal, mountain and bushveld habitats (SANParks, 2009). National parks offer visitors an unparalleled diversity of adventure tourism opportunities including game viewing, bush walks, canoeing and exposure to cultural and historical experiences. Conferences can also be organised in many of the parks.

Table 6: National Parks in South Africa

Groenkloof	**Bontebok**
Kruger	**Agulhas**
Table Mountain	**West Coast**
Marakele	**Karoo**
Golden Gate	**Namaqua**
Camdeboo	**Ai-Ais/Richtersveld**
Mountain Zebra	**Augrabies**
Addo Elephant	**Kgalagadi**
Tsitsikamma, Knysna	**Mapungubwe**
Wilderness	**Tankwa Karoo**
Mokala.	

The key tourism objectives as defined in the SANParks balanced score card are:

- to develop and grow a sustainable nature-based tourism business for SANParks, and
- to become the nature-based tourism destination of choice.

Of the many other strategies the following highlights two that were adopted in order to achieve SANParks marketing and promotion objectives. SANParks (2009) indicated that a combination of trade and consumer exhibitions, road shows and more focused and research-based media plans were implemented and carried out to increase international and domestic visitor numbers. The leveraging of relationships with SAT and embassies in the key markets has greatly improved SANParks access to both existing and new markets. The expansion in the number and size of many of SA's National Parks over the last ten years has been driven by SANParks desire to meet its national mandate of conserving an ecologically sustainable and representative sample of SA's biodiversity and landscapes; including the maintenance of habitat for wildlife, contributing to promoting wildlife management and nature-based tourism as legitimate land uses and the recovery of wildlife populations across large parts of SA.

3.3.4 Summary

There is a general consensus that nature-based tourism is a significant segment of the rapidly growing tourism industry (Mehmetoglu, 2007). In this section, nature-based tourism has been defined as that type of tourism in which the viewing of nature is the primary reason. Despite rising expectations regarding the value of nature tourism in many fields of expertise, there are great gaps in the information necessary to manage the nature tourism sector. It is noted that nature-based tourists enjoy outdoor activities. In this context, George (2007) contends that there is a heavy emphasis on outdoor pursuits with regards to adventure tourism. Adventure tourism is therefore defined as a type of niche tourism involving exploration or travel to unusual, exotic, remote or unconventional destinations, usually encompassing high levels of risk, 'adrenalin rushes', excitement and personal challenge. Given Cape Town and the Western Cape's (and South Africa's) abundant natural resource, adventure tourism is an important tourism niche market. It is worth noting that responsible and sustainable tourism practices underpin nature-based and adventure tourism as previously discussed.

3.4 Wine and Cuisine Tourism

Wine tourism has emerged as a strong and growing area of special-interest tourism in 'New World' wine countries in particular including Argentina, Australia, Canada, Chile, Mexico, New Zealand, South Africa and the United States. Wine tourism represents an increasingly significant component of the regional and rural tourism products of these countries. The development of wine routes throughout Europe, and increasingly in 'New World' wine countries, provides the link between wine and tourism (Bruwer, 2003). South Africa is believed to be one of the most aggressive in the short- to medium-term in getting out its wine tourism message. Cape Town and the Western Cape have taken a pro-active approach, marketing wine and cuisine tourism under their 'Gourmet Delight' theme, one of the six tourism marketing themes of the destination. Since the Cape is the wine capital of the country most of the national wine tourism marketing efforts mostly benefit Cape Town and the Western Cape.

Wine, food and tourism have long been closely related. Bruwer (2003) indicates that wine is a beverage that is associated with relaxation, communing with others, complementary to food consumption, learning about new things, and hospitality. However, it must be noted that wine tourism and the active development and marketing of the wine tourism product is a relatively recent phenomenon. Cape Town and the Western Cape are particularly progressive with regards to wine tourism as about two thirds of international visitors to the province take in wine tours. For the tourism industry, wine and food are an important component of the attractiveness and image of the destination and can be a major motivating factor for tourists (Hall & Mitchell 2001).

3.4.1 Descriptions and Definitions

Wine tourism can be defined as visitation to vineyards, wineries, wine festivals and wine shows for which grape wine tasting and/or experiencing the attributes of a grape wine region are the prime motivating factors for visitors (Hall & Mitchell 2001) while Sparks (2007) defines wine tourism as visits to a wine region for recreational purposes. The Western Australian Wine Tourism Strategy (2000) defines wine tourism as: ''travel for the purpose of experiencing wineries and wine regions and their links to lifestyle. Wine tourism encompasses both service provision and destination marketing," (Bruwer, 2003). George (2007) describes food tourism as a form of niche tourism in which people primarily visit a destination to experience its food and drink (also referred to as 'gastronomic', 'gastronomy' or 'culinary tourism').

Wine and cuisine tourism also known as culinary tourism is a form of tourism in which the opportunity for wine and/or culinary related experiences contribute significantly to the reason for travel to the destination or to itinerary planning while at the destination (Economic Planning Group of Canada, 2007). Fifthtown (2005) states that culinary tourism involves food as a subject and medium, destination and vehicle, for tourism. It is about individuals exploring foods (and wines) new to them as well as using food to explore new cultures and ways of being. Furthermore, it is about groups using food to 'sell' their histories and to construct marketable and publicly attractive identities, and it is about individuals satisfying curiosity. Finally, it is about experiencing food (and wine) in a mode that is out of the ordinary that steps outside of the normal routine to notice differences and the power of food to represent and negotiate that difference."

Culinary tourism goes well beyond the dining experience. It includes a variety of culinary, agri-tourism and agri-food activities, developed expressly for tourists, which showcase food and beverages and provide an opportunity for visitors to discover dishes indigenous to each region while learning about the talent and creativity of artisans (Culinary tourism, 2009). In its broadest sense, culinary tourism is defined as the pursuit of unique and memorable culinary experiences of all kinds, often while travelling. Culinary Tourism includes culinary experiences of all kinds. It's much more than dining guides and restaurant weeks (Culinary tourism, 2009). It encompasses cooking schools, cookbook and kitchen gadget stores, culinary tours and tour leaders, culinary media and guidebooks, caterers, wineries, breweries, distilleries, food growers and manufacturers, culinary attractions and more. Authenticity is also of critical importance to culinary tourists. According to Andre Morgenthal of Wines of South Africa (WOSA), wine tourism is a fast growing and possibly the largest segment of the South African tourism industry, and is worth R6.75 billion (von Ulmenstein, 2009). It is contended that growth has been particularly evident since Cape Town joined the Great Wine Capitals of the World network coupled with the bio-diversity of the winelands, the increasing number of excellent restaurants opening on wine estates, and the marketing focus on wines.

3.4.2 Demand Side Trends

The awareness of the significance of food as a heritage component in tourism has been steadily growing over the past decades. The tourist quest for authentic experiences has been a principal driving force, and practically every tourism destination, may that be a country, a region or a local community, is striving to develop its own distinctiveness that could make it more outstanding and appealing in the eyes of visitors. Peripheral areas may offer particular opportunities in terms of imagery and perceptions of traditional and authentic characteristics of products.

In the year ending December 2004, Tourism Research Australia (2006) pointed out that 30% of domestic overnight visitors who participated in food and wine tourism in Australia were travelling alone, followed by adult couples (24%) and family groups (parents and children, 19%).
Between 2000 and 2006 the number of domestic and international winery visitors increased as did the proportion of total visitors going to Australian wineries (Tourism Research Australia, 2006). During this period, an average annual increase was recorded for international visitors (8%), domestic overnight visitors (6%) and day visitors (5%). Wine tourism has out-performed the average annual growth for all visitor types.

Wine and food tourist typologies

Sparks (2007) points out that as wine tourism is still emerging as a concept or product, there is need for a better understanding of the consumer behaviours and profile of potential tourists that would visit wine regions. Hall and Mitchell (2001) provide a description of the characteristics of a wine tourist as:

- mature (30 – 50 years old),
- employed full time and in moderate to high income bracket,
- from within the state or regional catchment area,
- usually regular consumers of wine,
- possess an intermediate to advanced knowledge of wine, and
- visit wineries or wine regions several times a year.

Wine and food tourism market segment descriptions

Wine lovers

- extremely interested in wines and winemaking,
- wineries maybe sole purpose of visit to destination,
- maybe employed in wine and food industry,
- likely to be mature with high income and high education levels,
- likely to be regular purchaser of wine and food magazines,
- will have visited other wine regions, and
- highly likely to purchase at winery and add name to any mailing list.

Wine interested

- high interest in wine but not sole purpose of visit to destination,
- moderate to high income bracket, tend to be university educated,
- occasional purchaser of wine and food magazines,
- regular purchaser of ‘lifestyle’ magazines,
- ‘word-of-mouth’ and wine columns in newspapers,
- maybe important for arousing interest in region,
- likely to have visited other wine regions,
- familiar with winemaking procedures,
- likely to purchase at winery and add name to any mailing list, and
- potential for repeat purchase of wine through having visited winery.

Curious tourists

- moderately interested in wine but not familiar with winemaking procedures,
- wineries seen as ‘just another attraction’,
- moderate income and education,
- winery tour a by-product of visit to region as,
- visiting was for unrelated purposes,
- may have visited other wine regions,
- curiosity aroused by drinking or seeing winery product or general tourism promotion or pamphlets,

- opportunity for social interaction with friends and/or family, and
- may purchase at winery but will not join mailing list.

At an international level France is the leading wine producing country and has a robust wine tourism sector accounting for 11.4% (10 billion Euros,) of the regional gross domestic product of just one major wine region; Provence-Alpes-Côte d'Azur (PACA). It accounts for 86,000 jobs, or 12% of jobs in the region. In Italy another major wine country, gastronomic tourism shows a high growth rate (Trunfio, Petruzzellis & Nigro, 2006). It is noted that gastronomy has an 8.6 out of 10 index for foreign tourists and almost 36% of the foreign tourist spending is concentrated on food. However, it is often marketed as a complement of traditional tourist packages, helping them to change and in the low season.

Length of stay

Italian domestic visitors who engaged in the activity of eating out and/or dining at restaurants stayed for an average of 4.5 nights on their trip in the year ended March 2003 (Trunfio, Petruzzellis & Nigro, 2006:431). By comparison, the average length of stay for all domestic visitors was 4.0 nights. In the year ending December 2004, 76% of domestic overnight visitors who participated in food and wine tourism in Australia stayed 1 to 3 nights. The average length of stay was 2.9 nights in the year ending December 2004 (Tourism Research Australia, 2006).

Spend

Tourism Research Australia (2006) further reports that of the international visitors who purchased wine at wineries in Australia, the spend per person on average was $92, with approximately $39 million being spent on wine in 2006 while the overnight domestic visitors spent an average of $160 per person and day visitors spent on average $131 per person, with approximately $666 million being spent on wine in 2006. In California, another major global wine producing region, wine tourism spend reached US$ 2billion in 2006 from about 20 million visitors, up 54% from US$1.3 billion just three years before (2002), (Wine Institute, 2009).

Transport preference

Tourism Research Australia (2006) indicates that most of domestic visitors travel by private or company vehicle. The international visitors normally use various air travel into Australia and hired vehicles to different regions. Bus tours are also a preferred mode of transport for group travellers. However, some small numbers of visitors use public transport. It is further reported that most overnight stays were spent at friends or relatives' property and 40% were spent in a hotel, resort, motel or motor inn (Tourism Research Australia, 2006).

Demographics

A number of studies have indicated that wine and food tourists tend to include mainly those in the older age groups (40s and 50s) that have greater knowledge of wines (self-ascribed) and also tend to be more socially open-minded (Carlsen, 2004:7). Other studies and anecdotal evidence (Taylor, 2004 cited in Carlsen, 2004:7) indicate that the wine tourist is younger (30s), although the characteristics and needs of those in this age group are not well understood. In this regard, it should be noted that wine and food tourism age demographics may vary from region to region.

Furthermore, Carlsen (2004) advances that dependence on a single, ageing group of visitors that are complex to identify as wine and food tourists is not a good basis for a sound, long-term marketing strategy. There are fears that younger wine consumers are less inclined to visit wineries when holidaying, so deliberate strategies are needed by wineries to attract this group. In this context, festival events, concerts and weddings in wineries are effective means of generating interest and visitation in wineries and wine regions. To date, the identification of the characteristics, values and needs of wine tourists has not been systemically analysed with most studies being descriptive rather than strategic in approach. Australia on the other hand has taken a leading role in identifying such strategic data (Tourism Research Australia, 2006).

In their research, Tourism Queensland (2003) further indicated that visitors who participated in food and wine tourism in Australia were male (63%). In addition, visitors aged 25-44 years accounted for 43% of all domestic overnight visitors who participated in food and wine tourism, followed by visitors aged 45-64 years (37%), and visitors aged 15-24 years old (14%). They also found out that two most common lifecycle groups of domestic overnight visitors who participated in food and wine tourism were parents with children (37%) and young/midlife singles (22%).

Current and emerging demand

The growing appeal of gastronomy and locally-based cuisine in tourism is partly resulting from processes in society at large, where peoples' interests in food quality, ecological concerns about the impacts of farming upon the natural environment, health aspects, more sophisticated knowledge of food and beverages, and acquired information about different types of cuisine are becoming ever more significant (Haukeland & Jacobsen, 2001). Haukeland and Jacobsen (2001) assert that in numerous European cities, increased attention towards food is reflected in a greater variety of restaurants and cafés offering an assortment of specialised food, grocery stores with abundant food supplies from various geographical origins, and the pervasive interest in regional recipes in cookery books, magazines, television, and other media. Tourism Research Australia (2006) indicates that the top two international markets for wine and food tourism in Australia were the UK (17%) and New Zealand (12%).

Consumer needs and demands

The most popular activities for visitors at the wineries, after wine tasting and purchasing wine, was sampling or purchasing food such as cheeses, jams, sauces or olives. Undertaking a guided tour of a winery was popular among international visitors (29%) coupled with a further visit to a restaurant (Tourism Research Australia, 2006). The majority of international visitors (97%) eat at a restaurant during their trip compared to domestic overnight visitors (75%). Tourism Research Australia (2006) further reports that almost all international visitors ate at a restaurant during their trip (97%). International visitors preferred to eat in cafes (59%) and takeaway restaurants (56%) however they were more inclined to dine in specialty restaurants (52%) compared to domestic visitors (17%).

According to research conducted into aspects of food tourism consumers find appealing, 73% said that a variety of eating options was an important consideration in their destination choice. This automatically biases tourist consumers towards more developed destinations that receive a sufficient volume of visitors to support a diverse food industry. Only 36% of respondents mentioned regional food as being important (Tourism Queensland, 2003). As a large proportion of consumers emphasise a variety of food products as being important in their overall satisfaction with a destination, it is therefore imperative to promote the variety of restaurants and food products available in Cape Town to enhance destination attractiveness.

3.4.3 Supply Side Trends

Wine producing countries of the world are extensive especially with the emergence of New World wine producers. Some of the major wine producing countries have been identified but not restricted to the following:

Table 7: Wine producing countries 2006

Rank	Country
1	France
2	Italy
3	Spain
4	USA
5	Argentina
6	Australia
7	China
8	**South Africa**
9	Chile
10	Germany

In numerous places in contemporary Europe, there are local initiatives to construct territorial identities by means of culinary heritage, such as the Arctic Cuisine of Northern Norway. Linkages between tourism and gastronomy are especially strong and embedded in countries like Spain, Italy and France (Bessière, 2001). It is further noted that in France, the culinary elements have, since the end of the nineteenth century, become an essential affirmation of local national cultural identity. Gastronomic tours of France were offered as early as the first part of the twentieth century, and the well-known Michelin Guide was launched in 1901. In addition, from the 1920s onwards, the Guides Bleus also provided information about the culinary richness and the specialities of different parts of France. Bessière (2001) also states that the canonisation of certain French tourism sites often referred to as “shrines”, may often be gastronomic in nature, and that there are recently labelled 100 *Sites Remarquables du Gout (* Sites of Special Culinary Interests) by the *Conseils Nationals des Arts Culinaires*.

Further evidence of food being a principal tourism attraction is the various rural tourism products offering culinary experiences: Fresh farm products sold by farmers, farmstead inns (*fermesauberges*), family inns (labelled by *Gites de France*), stay on the farm (*fermes de séjours*), snacks at the farm (*goûters à la ferme*), all of which local food is a crucial component (Bessière, 1998). In addition, local culinary heritage events and traditional restaurants contribute to the importance of rural food as a weighty aspect of the French tourism product.

Case study: Canadian Government Policies and Wine Tourism

The Canadian Tourism Commission (CTC), for example, has identified that tourism and cuisine have a major role to play in the affirmation of Canadian identity and cultural development. The CTC has targeted culinary tourism as an emerging and important component of the cultural tourism market (CTC, 2001). Some of the culinary tourism activities listed as being available by the CTC in Canada include aboriginal feasts, agritourism activities, cooking schools, restaurant dining, farm vacations and farmer's markets, 'Cabane "a sucre' (sugar bush), cheese factories, and touring food, wine and beer routes (Plummer *et al*., 2005). Selected success stories in culinary tourism in Canada as presented by Macdonald and Deneaut, (2005) include:

Associations

- tastes of Nova Scotia, and
- tastes of Niagara.

Gastronomical routes

- la Route des Saveurs in Charlevoix, Quebec,
- the Gourmet Trail of First Island Tours, British Columbia, and
- the Niagara Wine Route.

Culinary and wine festivals and events

- the 'SAQ Culinary Arts' of the Montreal Highlights Festival, Quebec,
- the Okanagan Wine Festival, British Columbia,
- the Arctic Food Celebration, Nunavut, and
- the Niagara Grape & Wine Festival, Ontario.

Culinary destinations and historical attractions (interpreting culinary tourism)

- flavours and food preparation techniques of other eras,
- the Acadian Historical Village in Caraquet, New Brunswick,
- the Fortress Louisbourg National Historic Site, Nova Scotia, and
- le Village Québécois d' antan "a Drummondville, Quebec.

CTC product clubs related to culinary tourism

- the Country Roads Agri-Tourism Product Club, Manitoba, and
- the Cuisine, Wine & Culture Product Club, Ontario

Australia has three wine producing states, Victoria, South Australia and New South Wales together with their respective state wine tourism bodies Victoria Wineries Tourism Council, South Australian Wineries Tourism Council and Tourism New South Wales Food and Tourism Plan have collaborated to formulate a united approach to the development and promotion of Wine Tourism. They recognise that the marketing opportunities of wine promotion as having great potential with benefits for increasing tourism (Hall & Mitchell, 2001). The Australian Federal Government supports wine tourism through the Rural Tourism Development Program and the Regional Tourism Development Program (Hall & Mitchell, 2001). Furthermore, the Australia Capital Territory have contributed funds to the development of wine tourism strategies and/or projects that seek to further develop the wine industry through wine tourism. The development of the National Wine Tourism Strategy is a 30 year development plan, "Strategy 2025", which identifies wine tourism as a priority aimed at improving the profitability for Australian winemakers (Hall & Mitchell, 2001). Tourism Queensland produces a *Feast on Q*, a Food & Wine Media Newsletter that is distributed monthly to domestic and international media (Tourism Queensland, 2003). This newsletter generates direct editorial as well as general interest and wider understanding of the quality and range of produce, food and wine experiences Queensland has to offer. Tourism Queensland also generates wide media coverage for the food & wine experiences of the state by supporting media requests and travel to regions and events.

In South Africa, the wine industry is one of the 'oldest' outside of Europe with the first vineyards planted in the 1650s and wine being produced since then. According to Bruwer (2003) this industry provides a good example of wine and tourism products that are both spatially fixed in a radius of between 100 and 200 km from the Cape Town City as the centre point. It is further noted that the South African wine industry is more regionally concentrated in the geographic sense than in most other wine countries, with 95% of the country's 105,000 ha of wine grape vineyards concentrated in the Western Cape.

Table 8: South African Wine Routes

Stellenbosch	**Elgin/WalkerBay**	**Durbanville**
Paarl	**Klein Karoo**	**Constantia**
Franschhoek	**Olifants River**	**Orange River**
Worcester	**Swartland**	**Kuils River**
Helderberg	**Wellington**	**Bottelary**
Robertson		

(Source: Bruwer, 2003)

Su Birch, CEO of Wines of South Africa (WOSA) indicates that Spier is the wine estate that attracts the largest number of visitors of the 588 wine estates in the country (von Ulmenstein, 2009). It has 62 000 hotel guests and 40 000 conference delegates visiting every year, in addition to the day visitors for their offerings that include theatrical and musical productions, as well as eco-experiences that include interacting with cheetahs and eagles. The important point to note here is that there is growing overlap between these niches including culture and heritage and nature-based, as wine destinations add value to their product by diversifying, offering cultural and heritage as well as nature-based experiences at their destinations.

The 2009 South African Wine Tourism Conference (2009) that will take place at the Vineyard Hotel and Spa in Newlands, Cape Town from 21-22 July 2009 aims at providing delegates with access to information on the latest trends and best practices in the $15 billion global wine tourism industry and the opportunity to network with key decision makers. A wide range of exciting international and local specialists and panel members will be on hand to share their wealth of experience and knowledge. The “Taste of Cape Town” is the culinary event of the year where the best food and drink in the country is exhibited (Taste of Cape Town, 2009). Taste of Cape Town sponsored by British Airways offers an amazing array of entertainment features to ensure that the Taste of Cape Town visitors participate in every aspect of this ultimate gourmet eating and drinking experience. Furthermore, South Africa’s leading wine makers host a selection of wines from more than 80 leading wine estates in South Africa. These leading wine experts and connoisseurs host the Taste of Cape Town Wine Route, which features a daily programme of wine tasting, tutorials and advice on wine and food pairing.

Another event “The Good Food and Wine Show” is a gourmet event that takes place every year in Durban, Cape Town and Johannesburg. The event brings together well-known international celebrity chefs and wine and beverage companies. The events offer attendees demonstrations, tasting, workshops and talks revolving around food and wine while interacting with producers, estates and chefs (Gourmet SA Festival, 2009). A recent article by Swart (2009) indicated that five South African restaurants were among the top one hundred in the world by S Pellegrino. All five restaurants were noted to be located in the Western Cape. Two of them, Le Quartier Francais, in Franschoek, and La Colombe, in Constantia made it onto the top 40 list achieving 36th and 38th respectively. Also making the top 100 were Jardines - 79th and Abergine - 96th, both located in Cape Town, Rust and Vrede in Stellenbosch. The executive chef of LA Quartier, Margot Jansen expressed her hope that this award would draw attention to the country as a culinary, as well as a tourist destination. She added that the world is beginning to see what great dining they can experience in South Africa. The top three positions on the list went to El Bulli -1st, From Catalina in Spain, The Fat Duck – 2nd, from Berkshire in England and Noma – 3rd from Copenhagen in Denmark (Swart, 2009). It is also evident in the case study below how Cape Town Routes Unlimited is geared to promote wine tourism and increase focus on community involvement.

Case study: The Socio-economic impact Assessment of the 2007 Wacky Wine Weekend as reported by the Centre for Tourism Research in Africa (2007)

A scrutiny of the following study commissioned by Cape Town Routes Unlimited provided some insight into the Wacky Wine Weekend held in the Robertson Wine Valley from 1 to 3 June 2007. The Robertson Wine Valley includes Robertson, Montague, Ashton and McGregor. The festival takes place at more than 30 wineries, along Route 62 connecting the different towns. The objectives of the event were:

- to promote wine tourism,
- to create awareness of the area (exposure to provide an opportunity to experience/ attend a 'lifestyle', and
- to increase the focus on community involvement (by hosting a community corner with local food, music and arts and craft.

The event activities included wine tasting, cheese and olive tasting, boat cruises, tractor trips, golfing, live music, children's activities and food, etc. It is noted that:

- 74% of the attendees were from the Western Cape, while 7.6% were foreign visitors and 2.4% of the attendees were from the rest of South Africa,
- the total direct attendees impact (direct spending and accommodation cost was estimated to be just over R16.6 million,
- 85.9% of the attendees were mainly White, Coloureds – 12.1% and Africans -1.9%,
- 52.4% were male while 47.1% were female and the average age of the event visitor was 44 years of age,
- 76.2% of the attendees indicated that the event was the prime reason for the visit, and
- mode of transport to arrive at the event by all were noted as private vehicle - 93.2%, rental vehicle – 3.9% and 2.4% indicated that they walked to the event.

It was concluded that the event was a success after it achieved the above stated objectives (Centre for Tourism Research in Africa, 2007).

3.4.4 Summary

Wine and food tourism is now a significant component of contemporary lifestyles. It is closely linked with place identity and destination promotion. The development of wine routes forms an integral part of the wine tourism industry. Wine routes are therefore the roadways to the core attractions in wine tourism - the wines and the winery, in addition to the culture and heritage of wine regions as well as related agricultural products such as olives and cheese. The South African wine industry has an active wine tourism market and well developed facilities and infrastructure. Despite the fact that the first South African wine route was already established in 1971, at present the associative networks are either non-existent or not strongly developed. It is recommended that further research into this and the relationship marketing aspect within the wine tourism industry should be conducted. The South African wine route estates are heavily involved in the offering of organised winery tours and the opportunity of meeting the winemaker as one of the 'actors' in this 'play' is very common (Bruwer, 2003). Charging a tasting fee at the cellar-door is also quite common in the South African wine tourism industry. In this context, it is important to have a co-ordinated approach through the key stakeholders to ensure the further development and growth of the wine and wine tourism sectors.

3.5 Backpacking

With an estimated 160 million international tourists accounting for 20% of total global international travel, the youth travel market is becoming more lucrative and impossible to ignore. This is now a US$136 billion a year market accounting for 18% of global tourism receipts, (UNWTO, 2008). Today's youth are travelling more often, exploring more destinations, staying longer and spending more than any other tourist group. Average spend per trip increased by 40% between 2000 and 2007 to €1 915 (WYSET Confederation, 2007). Backpacking is one tourism niche sector that is lucrative and competitive for destinations due to a number of reasons. It includes a diverse range of travellers, is mostly constituted by the youth who, even though they travel low cost are also relatively less price sensitive. Backpackers stay longer, therefore, spend more and they get to visit exotic and less visited places in the destination, thereby promoting geographic spread of tourism benefits. However, the diverse nature of this group requires that proper research be conducted to properly understand the particular needs, demands and travel patterns before investing heavily in its pursuit.

Australia and New Zealand have been the leading destinations with the UK and Germany being the leading origin markets. Both Australia and New Zealand have been enjoying a positive growth trend in backpacking tourism. South Africa, however, has not gone unnoticed in this regard having been ranked one of the top 20 destinations (number 16) by Lonely Planet's 2006 Travellers Pulse Survey and ranked 10th favourite destination by UK travellers. South Africa has entered the highly competitive international backpacking market which has now been acknowledged by government as an important niche market for the South African tourism economy. Cape Town is ranked the first of the top 20 backpacker 'hot spots' by international backpackers to South Africa (Department of Trade & Industry, 2007). Sustained growth of this niche sector, however, requires commitment and targeted strategies based on adequate knowledge and understanding of the markets and consumers from sound research.

3.5.1 Descriptions and Definitions

Backpacking has historically been used to denote a form of low-cost, independent international travel. The factors that traditionally have been used to differentiate backpacking from other forms of tourism included: use of public transport as a means of travel, preference of youth hostels to traditional hotels, length of the trip vs. conventional vacations, use of a backpack, an interest in meeting the locals as well as sight-seeing. Backpacking is a term that has also been mistakenly used to group all budget conscious and adventurous travellers. Research has shown that this is a very diverse group of travellers whose characteristics often overlap with other groups, but have key similarities including:

- a preference for budget accommodation,
- an emphasis on meeting other travellers,
- an independently organized and flexible travel schedule (i.e. no plan)
- longer, rather than brief holidays,
- travel more widely, and
- an emphasis on informal and participatory activities.

Tourism Australia defines a backpacker as a traveller who spends one or more nights in backpacker/hostel accommodation while travelling in Australia. According to the South African Department of Trade and Industry (2007) a backpacker is visitor who stays at least one night in backpacker hostel/accommodation during their travel. Visitors do not necessarily need spend all their nights in backpacker accommodation, but may also stay in other types of accommodation.
Several other researchers have also tried to define and classify backpacker tourists. O' Reilly (2006) defined backpackers as international long-term budget travellers who were historically only youth, but have now broadened into the wider spectrum of travellers. Rogerson (2007) defined backpackers as having a preference for travelling alone, educated, middle-class, single, and obsessively concerned with budgeting.

Richards and Wilson (2003) classified backpackers as flashpackers and denture ventures or grey gapers. Flashpackers are the technologically savvy Generation Y travellers who take to the road seeking adventure, new friends, have high disposable income and demand a more upmarket travel experience. Denture ventures or grey gapers on the other hand are older backpackers usually more than 50, have high disposable income and also demand a more upmarket travel experience.

Youth tourism involves the travel of young people 30 years of age and under travelling outside the family unit, not for business, and not to primarily visit friends or relatives. Their travel usually includes at least one overnight stay (The Student and Youth Travel Association of North America (SYTA), 2003). The main features of youth tourism are: the low organisation and flexible travel arrangements, a high level of cross cultural interaction and the availability of free time. Youth tourists are also prepared to put up with a lesser degree of comfort than older travellers and normally travel alone or in a group made up of other travellers. There are several other subsectors of tourism that are closely related to backpacking and youth tourism, some of which include:

3.5.1.1 Volunteer Tourism

According to Wearing (2001) volunteerism can be defined as a form of tourism that makes use of holiday-makers to fund and work on conservation projects around the world. It aims to provide sustainable alternative travel that assists in community development, scientific research or ecological restoration. Volunteer tourists seek a tourist experience that is mutually beneficial, that contributes not only to their individual development, but also positively and directly to the social, natural and economic context in which they are involved.

3.5.1.2 Education, Student and Language Tourism

Edu-tourism refers to any program in which participants travel to a location as a group with the primary purpose of engaging in a learning experience directly related to the location. It is comprised of several sub-types including ecotourism, heritage tourism, rural/farm tourism, and student exchanges between educational institutions (Bodger, 1998). Student tourism refers to the movement of young people in higher education. This movement is a good source of income for many countries. Student tourism also refers to travel by schoolchildren, often related to learning about the history and culture of their own country (Richards, 2005). Language tourism on the other hand is comprised of programmes of study or cultural exchange for people interested in visiting other countries and in meeting local residents, with the aim of increasing their knowledge of culture and language (UNWTO, 2002). Japan is the most important source market for language schools, followed by Spain and Germany. The United Kingdom is still a major destination for language travel and new destinations are constantly developing, notably Australia.

3.5.2 Backpacking at the Global Level

Globally backpacking has been drawing the attention of many destinations. This has mainly been due to the fact that young people are travelling more often, exploring more destinations as they become more experience hungry, spending more during their travel and are resilient to global problems (Richards, 2007). Some destinations are more popular than others. Some of the most popular backpacker destinations include Thailand, New Zealand and Australia. However, many governments around the world have recognised the importance of backpacker tourism. Australia is well known globally as a backpacker destination due to the high preference the country has given to this niche sector. Australia has, for years now, dedicated resources to the development and marketing of the backpacking sector for several reasons including the fact that backpackers:

- spend more and stay longer than other tourists,
- visit more exotic locations, thus pioneering new destinations and expanding the diversity and depth of the market,
- have high repeat visitation rates, about three times that of other tourists,
- tend to participate in a wider range of activities than other tourists,
- are more resilient to negative shocks such as terrorism, natural disasters and political upheavals, and
- help reduce seasonality as they are more likely to travel out of the peak season to avoid more expensive flight tickets.

Research has shown that backpacking encourages pro-poor tourism because backpackers spend their money locally and not on luxury imported goods; they pioneer remote destinations helping locals to participate in mainstream tourism and they are resilient. Backpacker lodges employ local unskilled workers and they are on the cutting edge of global consciousness regarding poverty, inequality, climate change and sustainability, thereby playing a critical role championing responsible tourism.

3.5.2.1 Global Demand Side Trends

Youth and backpacking tourism has been on the rise. The youth travel industry with 106million international arrivals now accounts for over 20% of global international arrivals. This market is worth US$136 billion a year which is 18% of global international receipts (UNWTO, 2007). The growing visitor numbers and backpacker accommodation are true indicators of growing demand from this market. Frequency of travel within this group increased from 6.2 trips in five years to 7.3 trips in five years between 2002 and 2007, while 50% of youth accommodation suppliers globally increased their capacity in 2006 to accommodate the growing demand (UNWTO, 2007). Globally, youth and backpacking tourism is well represented across all the regions of the world. Europe with 54.5% represents the single majority of this market (Richards, 2007). Figure 5 below shows the representation of this market by region. Africa represents only about 0.8% of this market globally, which is rather expected due to harder economic conditions in Africa in comparison to other world regions.

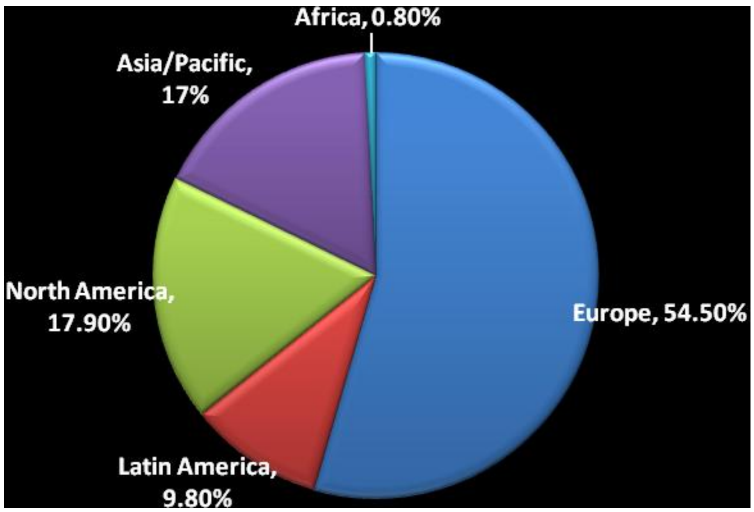


Figure 5: Distribution of international youth & backpacking tourism (Source: Richards, 2007)

Who is the backpacker?

The concept of backpacking has been defined and classified in several different ways by different researchers and groups. The wide range and diversity of backpackers has been a source of continuous discussion. Some researchers have classified backpackers based on their travel behaviour, some have classified them based on their underlying motive to travel, while others have classified them based on age and life stage. However, most seem to converge at some typical common features identifying backpackers as travellers who:

- are obsessively concerned with money and budgeting,
- prefer travelling alone,
- are educated,
- are from the middle-class, and
- are single.

Backpackers have a preference for budget accommodation, place an emphasis on meeting other people during their travels, have an independently organised and flexible travel schedule, prefer long rather than brief holidays and place an emphasis on informal and participatory holiday activities.

Loker-Murphy (1996) identified four sub-categories of backpackers with respect to their travel motivations. These are:

- escapers/relaxers,
- social/excitement seekers,
- self developers, and
- achievers.

Seven other categories of youth tourists have also been identified according to their motives and experiences, including:

- moratorium travellers, those taking the opportunity to travel before entering a career or a family life and have sufficient resources to travel comfortably,
- ascetic travellers who abstain from comforts and pleasure, have unplanned journeys and spend very little money,
- adventurers who test their limits but have sufficient finances and have planned their trip extensively. they are often looking for new ‘unconquered’ destinations,
- goal-directed travellers who need a reason for their travel such as education,
- party travellers who see the trip as a party and an opportunity to meet new people,
- alternative travellers looking for new experiences and avoiding mainstream tourism, and
- peter pan travellers who are older and in search of their second youth by abandoning normal life and joining young people on their travels.

Other backpacker segments based on age and life stage have been identified including:

- the traditional youth backpacker (15-25 years) who sees backpacking as a social and cultural experience,
- the transition backpacker (26-29 years), and
- the contemporary backpacker (30 years or older).

As the backpacker grows older their desire and willingness to pay for privacy with regard to accommodation also increases. Other groups of backpackers that have been identified are the ‘backpacker plus’ and the ‘flashpacker.’ The ‘backpacker plus’ are older travellers who have already worked for several years, but not tied down by family responsibilities or senior work positions. The ‘flashpackers’, have high disposable income and demand more upmarket travel experiences. The ‘grey gapper’ or the ‘denture venturer’ are the older than 50 travellers.

Rogerson (2007) defines backpacking as a mindset and a way of experiencing the world not limited to one particular group. He states that backpacking is enjoyed by a variety of travellers including those who are long-term world travellers on a restricted budget; those working their way around the world; the traditionally youthful backpacker; the over 40’s with families wanting to travel in the backpacking style; those seeking confirmation of identity and those relaxing before a significant career change. Either way, one chooses to define backpacking, it is clear that there are many ways travellers can be identified as backpackers and that there is no ‘one size fit all' definition of a backpacker. In this study a simpler definition will be adopted defining backpackers as those travellers that have spent at least one night of their trip in backpacker accommodation. Given that there is a big overlap in the kinds of activities that backpackers and traditional tourists participate in while Cape Town it is important to make that slight distinction to ensure that the backpackers are accurately identified among others.

Demographics of backpackers

Age

Even though the preceding section has identified different types of backpackers at different life stages, a survey conducted by the International Student Travel Confederation (2007) with backpackers from Canada, the Czech Republic, Hong Kong, Mexico, Slovenia, South Africa, Sweden and the UK, found that the majority of backpackers are students aged below 26 years. The World Tourism Organisation (WTO, 2006) states that backpackers are between the ages of 15 and 25 years, usually from Western countries. They are more likely to be students, with formal education completed at high school and university levels. In less developed countries, younger people are more likely to join the workforce in order to survive and don't have the means to travel (refer to Figure 1, for African representation). The Lonely Planet's 2006 Pulse Survey showed that the majority of these travellers are young between the ages of 18 and 34 years, and about 10% between the ages of 35-44 years (Figure 6). This finding seems to corroborate the importance of the age factor in backpacking tourism. However, it doesn't invalidate other categories as the same study also showed that about 7% were between the ages of 45 and 54 years.

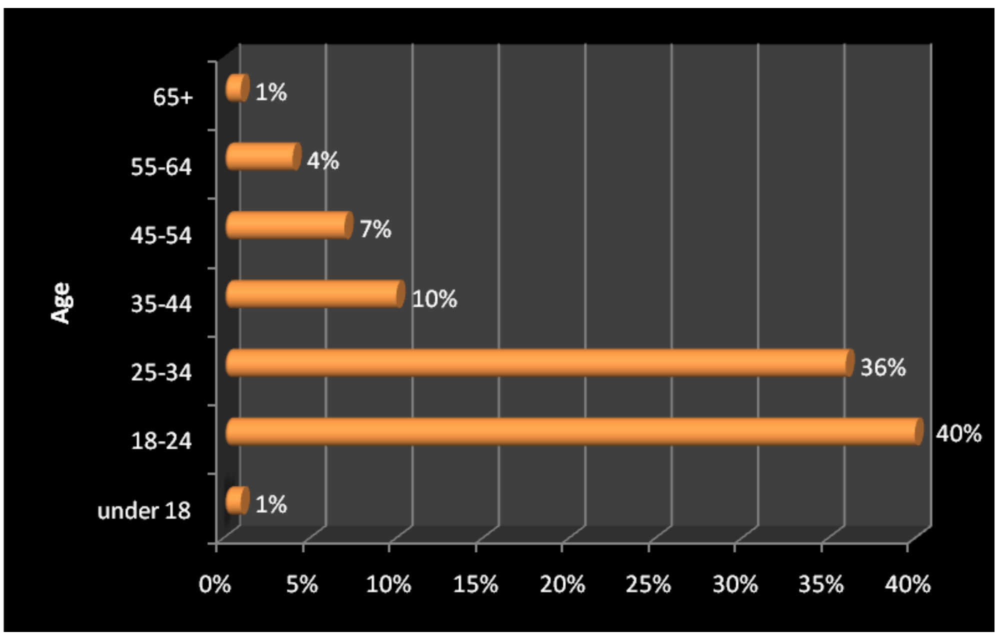


Figure 6: Traveller age (Source: Lonely Planet, 2006)

Education and income

The same study by the International Student Travel Confederation (2007) showed that backpackers have high education levels, but with lower incomes (51% earn less than US $5,000 per annum). The students are prepared to save and/or work during their travels to increase their spending power, (Richards, & Wilson, 2003). About 60% of these travellers have bachelor's degree and 20% with postgraduate degree (Figure 7).

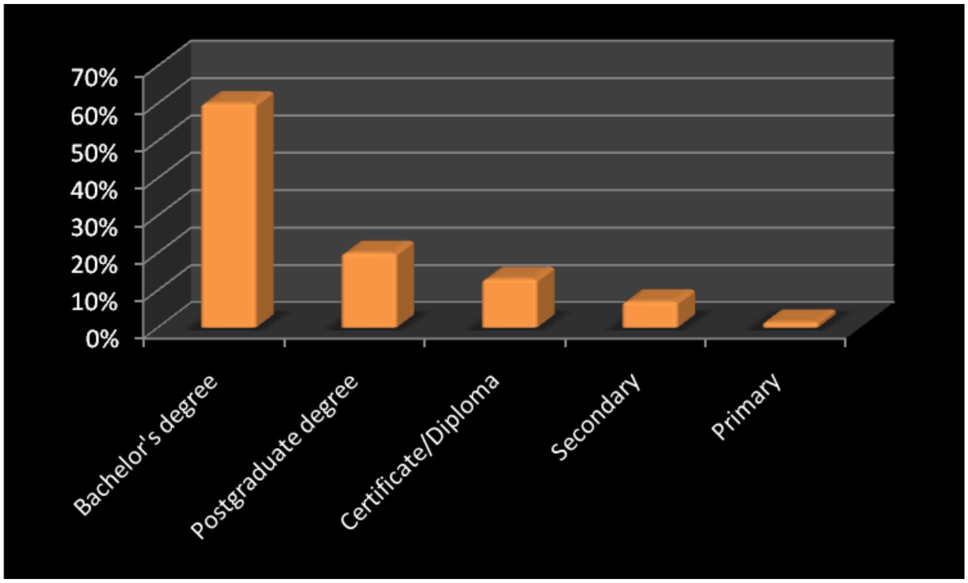


Figure 7: Backpacker educational qualifications (Source: Richards, 2007)

income ranges from as little as less than US$ 1 000 to over US$20 000 per annum (WYSE Confederation, 2007). The single largest group was that below US$ 1 000 (Figure 8). The fact that backpackers are highly educated, but low income suggests that they are still at the early stages of the professional lives and/or that they are taking a break between their academic and professional life, therefore, don't have stable income as yet. Many backpackers are at a crossroads in their life. They either have recently graduated, just married or divorced or are in between jobs. The aim of their travels is normally to go beyond normal life while they have the chance. They spend most of their time travelling with other backpackers in impromptu groups formed along the journey (Rogerson, 2007).

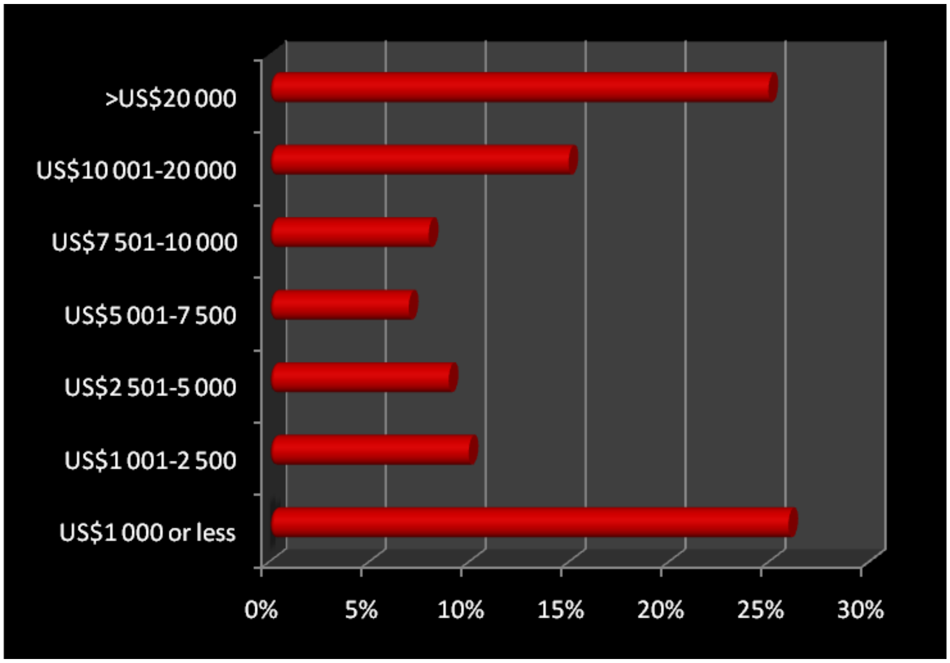


Figure 8: Backpacker & Youth tourists' income ranges (Source: WYSET Confederation, 2007)

Length of stay

On average backpackers stay in a destination considerably longer than the regular tourists. Even though they are budget travellers, their overall spend often matches or even exceeds those of regular tourists, mostly due to their longer length of stay. The average length of stay was about 53 days in 2007 down from 63 days in 2002 (Richards, 2007). However this is still far much higher than the two weeks for traditional tourists. Backpacker length of stay varies across countries as programs differ by country. For example Australia tends to enjoy longer than usual length of stay (73 nights) probably due to its holiday work visa program. The WYSE Confederation 2007 study showed that while African youth and backpackers represent only a small proportion of the global market they do stay the longest when they do visit (refer to Table 9).

Table 9: Trip length by region of origin

Origin Region	Average length of Stay (days)
Africa	68
Asia/Pacific	55
North America	56
Latin America	47
Europe	53
All	53

(Source: WYSET, 2007)

Spend

WYSE Travel Confederation and the United Nations World Tourism Organisation (UNWTO) in their Youth Travel Matters report (2008) state that the young independent traveller in 2007 would have an average spend on their main trip of US$ 3 000. North Americans tend to spend the most (US$ 3 300) per trip followed by Latin Americans (US$ 2 300). Europeans spend about US$2400 per trip, but generate the most overall spend as they tend to travel most often (an average of six longer than 7-day trips in five years) compared to those from other world regions. For work experience travellers, the average length of a trip is seven months and the average total budget is almost US$ 4 800 (including travel and expenditure at the destination). Of this 40% is earned while working in the destination. Over 60% of work experience travellers decide to work abroad based on information from friends (WYSE Travel Confederation, 2008).

Mode of transport

Overall, the main mode of transport used by backpackers to reach their destination is air. Once in the destination, however, younger backpackers tend to make use of more rail and coach networks, while the older segment is more likely to use tour busses. The most commonly used mode of long distance transport within the destination between major cities is bus (62.6%), followed by car (45%), rail (42.5%) and Air (32.5%) (Richards, 2007). Those under 26 are more likely to travel by train, rail, coach or tour bus, use their own car or hitchhike while those over 26 are more likely to make use of air travel. European backpackers from travelling within Europe, use less of less air transportation as there are various other modes of transport for travelling in within the region. Other transport modes used by backpackers within the destination are walking, tram, metro or local busses, motorcycles and bicycles.

Purpose of visit and travel motivators

Holiday is the most commonly listed main purpose of visit with close to 80% of travellers travelling for holiday purposes (Lonely Planet, 2006). Visiting friends and family is also important with about 40% of travellers sighting it as the main purpose of travel. Friends and relatives play an important role as they provide backpackers with accommodation at the destination. Other important main purposes of travel include: taking career break (33%), to relax (32%) and others (refer to Figure 9).

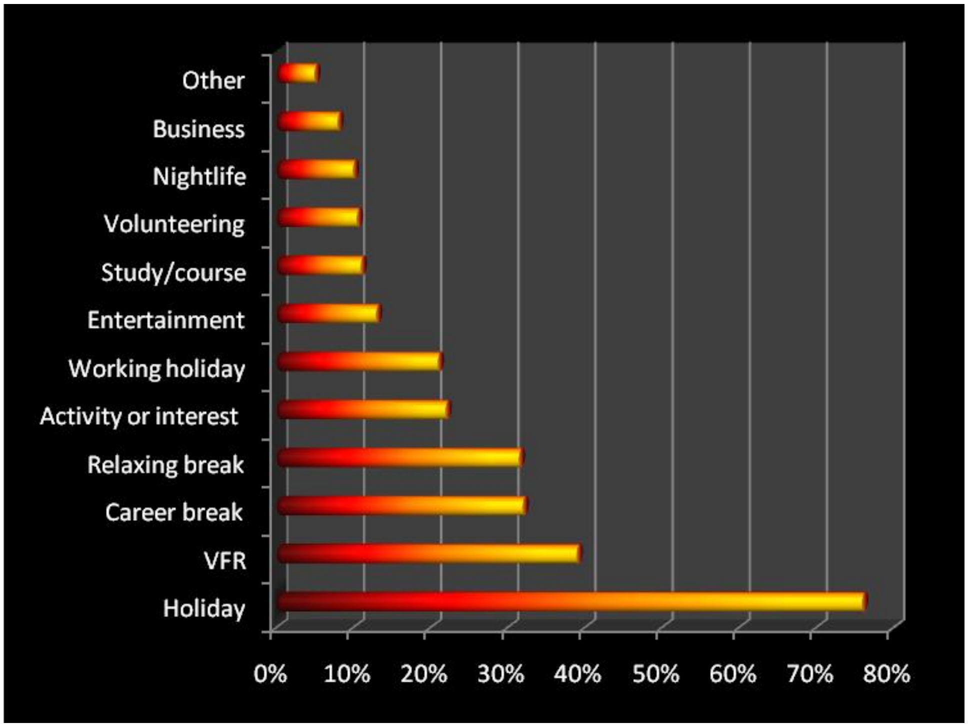


Figure 9: Main purpose of visit (Source: Lonely Planet, 2006)

The underlying travel motivations, however, reveal a completely different scenario. While most travellers' main purpose of visit is holiday, the most common underlying motivation is to explore other cultures, (Lonely Planet, 2006). Understanding the underlying motivating factors for travel is of critical importance when trying as it touches the core of why one decides to visit in the first place. Those destinations that touch this core beat the competition as tourists settle for those destinations they feel will address their underlying desire to travel and fully satisfy their core needs. Interestingly, while VFR comes second with regards to main purpose of travel, it doesn't appear on the 'underlying motivating factors to travel' list. Increasing one's knowledge (84%) comes second followed by experiencing everyday life in another country and others (refer to Figure 10). This discrepancy in purpose and motivation to travel should signal to destination marketers the critical need to fully understand exactly why people travel and choose certain destinations, without which they continue losing them to those who understand.

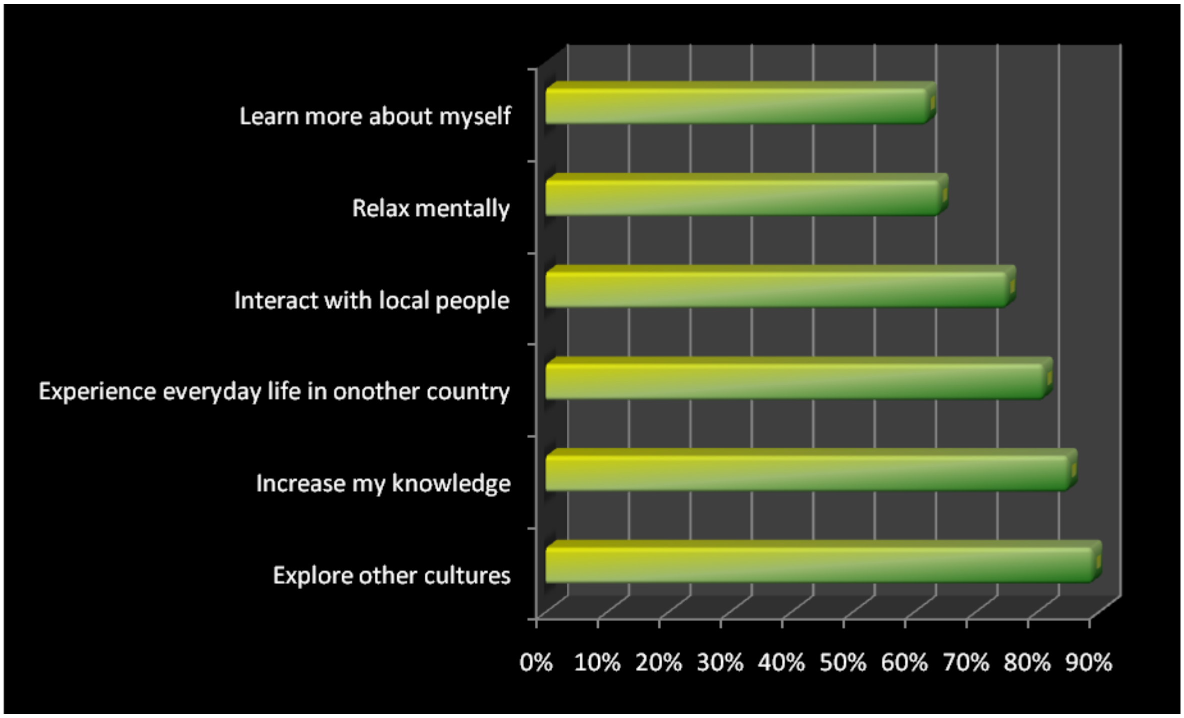


Figure 10: Backpacker Travel Motives (Source: Jones, 2008 (WYSET Confederation)

Accommodation use

Global demand for and the choice of accommodation by backpackers is closely related to their motivation for travel. For example, those staying in backpacker hostels are more likely looking for excitement, adventure and a social holiday while those making use of hotels are more likely to be looking for rest, relaxation and a calm atmosphere (Richards, & Wilson, 2003). The most common form of accommodation used is hotels, followed by hostels and family and friends (Staywyse, 2007). Establishments which are used less frequently by backpackers include guesthouses, bed and breakfasts, self catering establishments, camp sites and campervans (Figure 11). The traditional backpackers seek the lower end types of accommodation while the emerging trend's more upmarket backpackers seek higher end types of accommodation including the guesthouses and B&Bs. The lower rates of use of the higher end accommodation types might be an indication that the trend is still in its infancy.

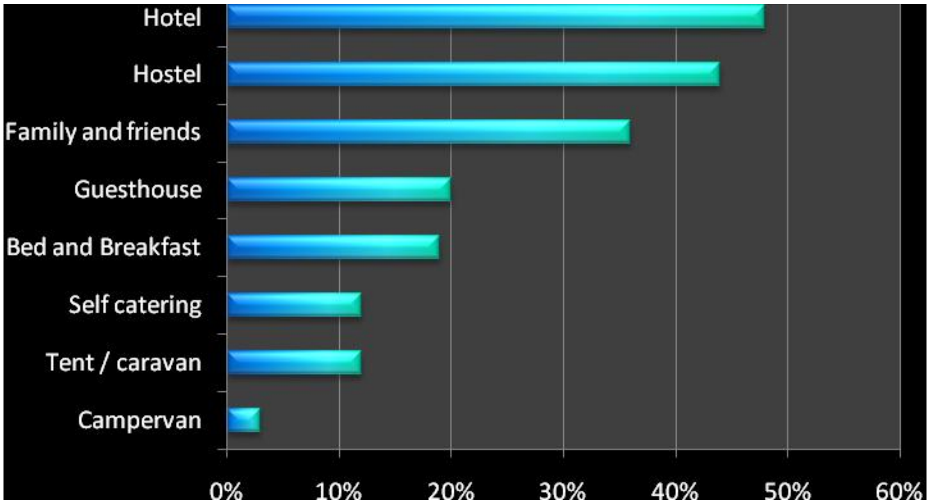


Figure 11: Accommodation use (Source: Staywyse, 2007)

Global demand for backpacker hostel accommodation varies by region. The choice of accommodation depends on the destination and the availability of different forms of accommodation. Figure 8 below illustrates backpacker hostel use by world region. The Australia/Oceania region has the highest demand for hostel accommodation followed by South East Asia and Southern and Central Africa. The high demand in Australasia could be partly due to the popularity of Australia as a backpacker destination.

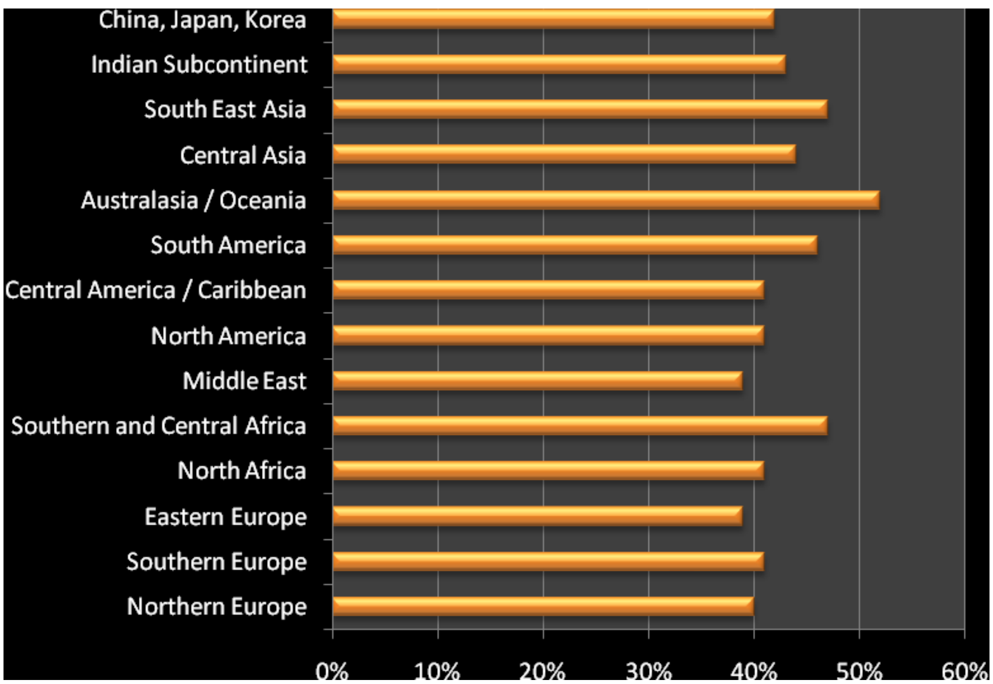


Figure 12: Backpacker hostel use by world region (Source: Staywyse, 2007)

Hostels tend to be chosen by backpackers largely based on their location and price. Brand reputation and online book ability are seen as the least important factors when selecting a hostel (Staywyse, 2005).

Table 10: Global backpacker accommodation choice factors

Factor	% rating very important
Location	52
Cost	45
No curfew / rules	25
Independent quality rating	23
Ability to book online	20
Brand reputation	12

(Source: Staywyse, 2007)

Recent backpacker accommodation developments

There has been a dramatic increase in the quality and professionalism in youth travel accommodation due to new markets and peer-to-peer reviews conducted online. Most youth travel accommodation providers are investing in increasing their capacity and improving facilities. The industry turnover is expected to rise (WYSE Travel Confederation, 2008). Backpackers with a greater disposable income are having a significant impact on the accommodation sector. Youth hostels are revamping their facilities in order to meet the needs of this more up-market backpacker segment. Up-market hostels now have free WiFi, rainfall showers and rooftop bars, to mention some. Technology is also becoming increasingly important as youth tourists now generally travel with Laptops, iPods and MP3 players (WYSE Travel Confederation, 2008). Higher quality establishments seem to have higher profitability as they can charge higher rates. It has been established that there is a direct relationship between hostel rating and profitability. Establishment profitability increases with high hostel ratings. Figure 13 below illustrates this relationship between hostel rating and profitability. This trend also illustrates that there is an increasing demand for more upmarket accommodation facilities from backpackers.

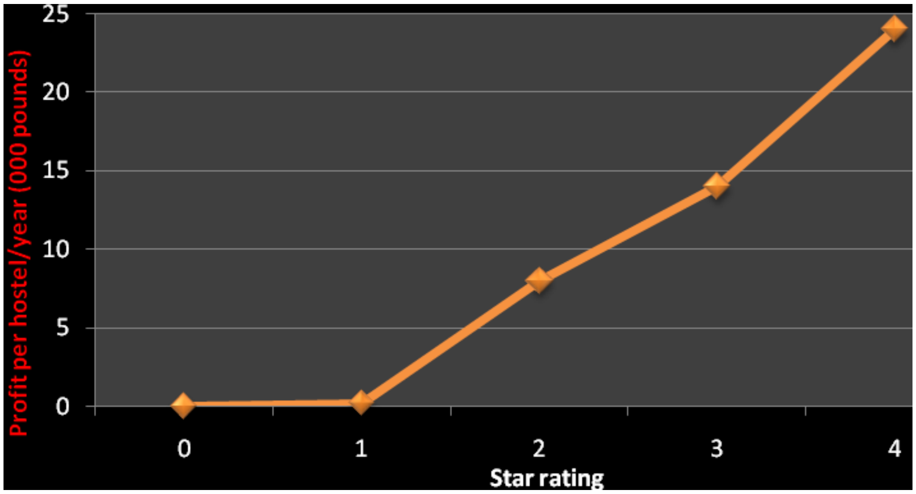


Figure 13: Relationship between hostel rating and profitability (Source: Staywyse, 2007)

Hostel users sources of information

The above rating-profitability relationship of backpacker hostels could partly be related to the main sources of information of the users. With the current growth of internet use especially among the youth, it has become quite easy and common practise for travellers to check out ratings of service providers and suppliers from previous users and those with experience before making commitments. Research has shown that when looking for a hostel to stay in, backpackers mostly use the web among a number of other information sources (refer to Figure 14). Other important information sources include guidebooks and word-of-mouth.

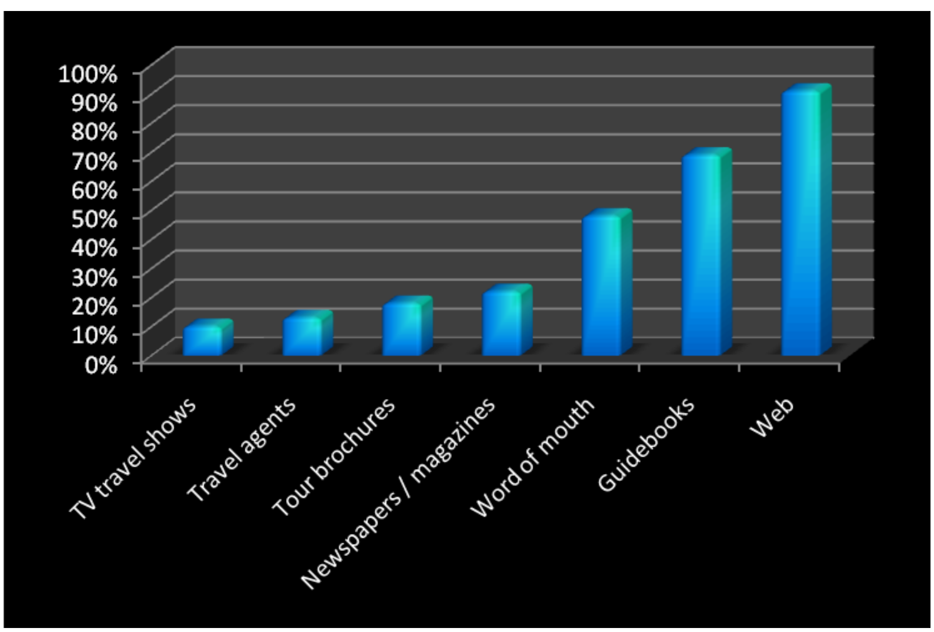


Figure 14: Hostel users' information sources (Source: Staywyse, 2007)

3.5.2.2 Global Supply Side Trends

There is an abundant supply of backpacking products and services at the global level ranging from different competing destinations, to travel insurance companies, travel agents and transport suppliers, accommodation providers, youth and backpacker supplies retailers and many others. While there is an abundance of a variety of backpacker services suppliers globally, the most distinguishing are accommodation and the destinations themselves. With regards to accommodation suppliers there are numerous of such across the globe most of which belong to and are represented by different organisations. One of the largest backpacker accommodation organisations is Hostelling International (HI) to which a lot of hostel operators belong including 90 Youth Hostel Associations in over 80 countries, operating over 4,000 hostels (HI, 2009). Others include Hostelworld, representing hostels in over 170 countries around the world and the most recent Stay Wyse non-profit global youth accommodation organisation. The international backpacking industry has experienced rapid growth in recent times, mainly the accommodation and travel and tour products and services (Rogerson, 2007). In economically unstable times such as these backpacker numbers remain resilient and are less affected then other market segments.

Regarding backpacker destinations, there is growing competition with increasing recognition of the importance of youth and backpacking tourism. While the traditional backpacker destinations such as Australia and New Zealand remain popular, there are other emerging competing destinations including Thailand and India, to mention some. The young and new backpackers usually start with well developed and tested destinations such as Australia and Europe while more experienced backpackers are more adventurous and try out new destinations. In 2007 destinations that did well with experienced travellers included Vietnam, Morocco, South Africa and Argentina (Richards, 2007). Overall, the most popular destinations are Australia, New Zealand and Thailand, but popularity varies with origin country of visitor (Lonely Planet, 2006). In the Lonely Planet 2006 Pulse survey South Africa ranked 16th most popular destination overall, but ranked higher (10th) with UK Travellers (Table 11). The popularity of the top three destinations is partly due to the emphasis and effort these destinations have put into the development and promotion of backpacking, more it has to do with availability of offerings. Given the diverse nature of the backpacker market the important fact for destinations, therefore, is to know and understand their particular market and go for it. There are some destinations that are popular in all markets including Australia, Thailand, New Zealand and Italy and others that are popular only in one market such as South Africa (in UK) and Japan (in Australia). It is interesting that Australians prefer their destination the most while UK travellers don't have their own country as one of their top ten favourite destinations to visit. South Africa is the only African country to appear on the top ten favourite destinations list of any of these major generating countries, but South Africa has more work to do with regards to the development and promotion of this niche sector to reach the levels of competing globally.

Table 11: Top 10 favourite country to visit by country of origin

Rank	Australia	UK	USA
1	Australia	Australia	Italy
2	Italy	Thailand	Australia
3	Thailand	New Zealand	France
4	France	USA	UK
5	New Zealand	Italy	Thailand
6	Canada	India	Spain
7	UK	Spain	USA
8	USA	France	New Zealand
9	Spain	Canada	Mexico
10	Japan	South Africa	India

(Source: Lonely Planet, 2006)

Given the wide range of the global backpacking suppliers, these can be better understood by looking at a case study of a successful backpacker destination. Since Australia has been the champion of backpacking tourism this section will be covered by looking at trends in Australia as the major global backpacking tourism product and experience supplier. Australia's leadership in this niche didn't come naturally. While it is undisputedly a great destination, Australia has invested a lot in the development and promotion of backpacking as a niche sector, earning it this global recognition. Their efforts have rightfully paid off.

The case for Australia as a backpacking destination

Tourism Research Australia (2008) defines a backpacker as 'a visitor who stayed at least one night in a backpacker/hostel accommodation during travel to Australia' or 'a traveller aged 15 years or above who spend one or more nights in backpacker/hostel accommodation during travel in Australia'. The five different segments of backpackers which they have identified include:

- the working holiday maker who is an individual backpacker (mostly from the uk), that is granted a 12 month work visa,
- the free independent traveller, covering a wider range of ages and couples, including people who are backpacking for social reasons,
- the domestic backpacker, a substantial market that is expected to grow because of low costs,
- the asian sector which includes travellers from japan and korea, a segment with major growth potential, and
- students or young people travelling to study.

These segments can be further divided into those seeking fun in the sun, conventional Japanese travellers, balanced good timers, tribal travellers, aspiring explorers, discerning discoverers and real explorers. The working holiday maker program will be a challenge for South Africa given the high un-employment rate. Such a program would cause antagonism with the local population and earn tourism a negative connotation in the country as all tourists will be seen as coming to take locals' jobs.

Demand side trends

Demand for the Australian backpacking product has been on the rise recently in line with the increasing global trend in youth travel. Backpacking is the best performing tourism niche sector of Australia. Demand trends of the Australian backpacking sector are discussed in this section starting with visitor volumes, followed by accommodation demand, spend and other visitor patterns.

Recent visitor trends-visitor numbers

International backpacker arrivals have been increasing since 2000 by an average annual rate of 3% to reach 566 000 visitors in 2007 (Tourism Research Australia, 2008). This is higher than the overall growth rate of international visitors to the country. However, there was a slight year-on-year decrease (-1.2%) in international backpacker visitors in 2008 (Figure 15). Domestic backpacker arrivals have been less predictable as there have been large year on year fluctuations. However, the average length of stay has decreased since 2000. Overall, Australia received 5. 2 million international visitors in 2008 of which 11% were backpackers.

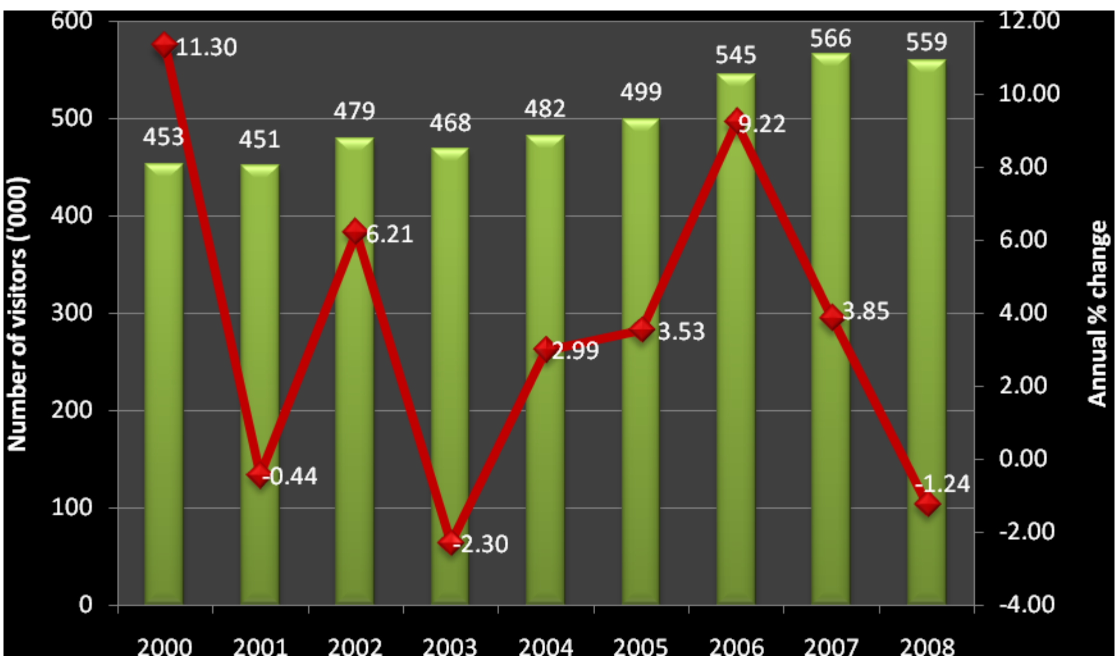


Figure 15: 2004-2008 Backpacker international visitors to Australia (Source: Tourism Australia, 2008)

International nights spent in Australia have also increased at a rate of 2% since 2000. Backpackers accounted for 40.8 million out of a total 167.8 million visitor nights in 2008. The top most contributing source markets were the UK, Germany, USA, Korea and others (refer to

Table 12 below). There are several important points for Cape Town that emerge from the Australian source markets data:

- first, it is clear that Australian main international backpacker source markets coincide with the major overall international source markets for Cape Town namely the UK, Germany and the USA, signalling the overlap between a number of niche sectors,
- from the rankings it can be seen that those source markets that contribute the highest visitation numbers don't necessarily also contribute the highest bed-nights and spend. While the UK consistently ranks first, the same can't be said for the others. For example Korea ranks sixth in numbers, but fourth in nights and fifth in total spend, implying that Korean are fewer in numbers, but stay longer and spend more. The USA ranks fourth in visitor numbers, but sixth in nights meaning they visit in larger numbers, stay shorter, but still spend more as they maintained the same (4^{th}) rank on spend. Also, New Zealand ranks fifth in visitor numbers, but 10^{th} on both bed-nights and spend implying that they have high volume, but bring less value per visitor as they stay shorter (an average 25 nights compared to an overall average of 72 nights), therefore spend less, and
- it can be concluded that some markets bring more value per visitor than others, and it is up to the destination to decide which markets to pursue. Higher value visitors are usually better as they bring the same if not better financial benefits to the destination, but with less negative (especially environmental) impacts.

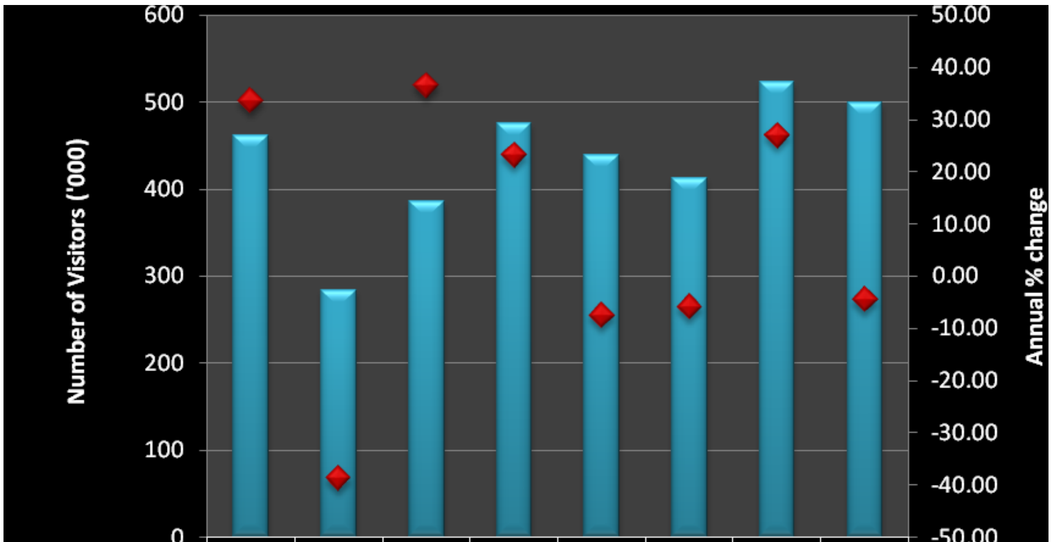
Table 12: 2008 Top ten backpacker source markets for Australia

Origin Country	Visitors		Total nights in Australia		Total spend in Australia	
	Number '000	Rank	Nights '000	Rank	Spend (Au$ million)	Rank
UK	114	1	7 129	1	581	1
Germany	53	2	4 147	3	292	3
Other Europe	52	3	4 471	2	379	2
USA	47	4	2 379	6	234	4
New Zealand	37	5	940	10	85	10
Korea	29	6	3 635	4	225	5
Scandinavia	29	6	1 910	9	167	6
Japan	28	8	2 647	5	157	7
France	27	9	2 319	7	149	9
Canada	26	10	1 969	8	152	8

(Source: Tourism Australia, 2008)

Backpackers from Korea and New Zealand have had the strongest growth since 2000, both increasing at an average annual rate of 11%. Overall, there has been robust growth in backpacker numbers from Asia as can be seen that two of the top ten source markets (Korea & Japan) are Asian countries.

There, has been growth in domestic backpacker visitors, but not as consistently as the growth in international backpackers. Figure 16 below shows the inconsistent growth pattern of domestic backpacker tourism in Australia. Growth has been recorded more in the domestic backpacker visitors in the 40-49 age groups since 2000. However, domestic backpackers spending patterns are just the same as those for non-backpacker visitors, as illustrated in Table 13 below (Tourism Australia, 2008).



	2000	2001	2002	2003	2004	2005	2006	2007
Visitors ('000)	462	283	386	475	439	413	524	500
Annual %change	33.53	-38.7	36.40	23.06	-7.58	-5.92	26.88	-4.58

Figure 16: 2004-2007 Backpacker domestic visitors in Australia (Source: Tourism Australia, 2008)

Backpacking accommodation demand

Apart from the visitor numbers themselves, there is no other better indication of demand for backpacking services than demand trends for backpacking and youth accommodation. While there has been a growing trend in use of upmarket accommodation due to changing demographics of backpackers, backpacking accommodation use still remains an accurate indicator for demand as there is great overlap between different kinds of tourists when it comes to other accommodation types. Backpacker accommodation demand has been increasing in Australia as shown by rising numbers of guest nights, rising occupancy rates and receipts and rising employment within the backpacking accommodation sector. Guest nights increased by 22% from 7.15 million in 2002 to 8.73 million in 2008, while the number of people employed and receipts from backpacking accommodation each increased by 16% and 66% respectively during the same period (Tourism Australia, 2003 & 2007). These trends are illustrated in Table 13 below.

Table 13: Backpacking accommodation demand indicators-Australia

Item/Year	2000	2003	2005	2006	2007	2006/2007 %change
Guest nights (million)	7.15	8.26	8.31	8.54	8.73	2.2
% Bed Occupancy	49	46.4	47.8	49.7	51.2	3.0
Receipts from accommodation (Aus $million)	130.9	175.9	192.3	203.4	218.4	7.4
Number of people employed	2 972	3 506	3 337	3 271	3 449	5.4

(Source: Tourism Research Australia, 2008)

How much do they spend?

The following Table 14 illustrates 2007 expenditure patterns by backpacker visitors in Australia. As can be seen international backpackers spend more per category than other tourists. However, the same can't be said for domestic backpackers. Domestic backpacker spending is the same as that of the traditional tourists. International backpackers spend almost twice as much on accommodation as the other tourists, about five times as much on domestic airfare, about five times as much on organised tours and three times as much on entertainment. Backpackers travel more out into the regions than regular tourists explaining the higher airfare and other transport costs in comparison to traditional tourists. However, the total spend of backpackers ends up less than that of traditional tourists because of the higher total volume of traditional tourists in comparison to that of backpackers. It can therefore, be concluded that international backpackers are higher value tourists than traditional tourists as they bring more to the destination per arrival.

Table 14: 2007 Expenditures by backpacker visitors in Australia by category of spending

Expenditure Item	International (Aus$)		Domestic (Aus$)	
	Backpacker	**Other**	**Backpacker**	**Other**
Accommodation, food and beverages	2 592	1 147	389	295
Shopping	458	403	68	62
Domestic airfares	208	43	119	71
Other transport	525	201	117	93
Organised tours	469	88	-	-
Education	680	463	-	-
Entertainment	149	56	35	15
Other	289	159	104	51
Total per visitor	5 371	2 259	831	588
Total expenditure (Aus $ million)	**3 039**	**11 852**	**415**	**43 130**

(Source: Tourism Research Australia, 2008)

Age profile

The age profile has been changing over the past few years. Previously the domestic backpacker market was largely comprised of visitors between the ages of 20 and 29. However, there recently has been a growth in older aged backpackers between the ages of 40 and 49. This older age group now represents 12% (62 000 visitors) of all backpacker visitors. There also has been a shift towards older groups with international backpackers, implying that there will be a shift in the demands on the niche sector with these changing demographics. However the majority (79%) of international backpackers still fall within the ages of 20 and 49 years.

What do they do?

International backpackers participate in more activities than non-backpackers. This is expected due to the much higher average length of stay compared to other international visitors. International backpacker visitors are more likely to engage in active outdoor/sports activities and arts/heritage activities than non-backpacker visitors. Domestic backpackers participate more in social (88%) and outdoor/nature (52%) activities than any other activity type. Eating out at restaurants, general sight-seeing and going to pubs, clubs and discos were the most popular activities among domestic backpacker visitors (Table 15).

Table 15: The top ten activities enjoyed by backpackers in Australia

Rank	**International backpackers**		**Domestic backpackers**	
	Activity	%	Activity	%
1	Go shopping for pleasure	84	Eat out/restaurants	59
2	Go to the beach (swimming, surfing, diving)	81	Walk or drive around/general sightseeing	48
3	Pubs, clubs, discos etc	76	Pubs, clubs, discos etc.	43
4	Visit national parks/state parks	69	Go shopping for pleasure	33
5	Go to markets	68	Go to the beach (swimming, surfing, diving)	32
6	Visit botanical/public	63	Visit friends and relatives	25
7	Visit wildlife parks/zoos/aquarium	61	Visit national parks or state parks	21
8	Visit museums or art galleries	53	Bushwalking or rainforest walks	20
9	Visit history/heritage buildings/sites/monuments	52	Other activities	16
10	Go on guided tours	52	Picnics or BBQ	14

(Source: Tourism Research Australia, 2004)

Where do they go?

Three quarters of international backpackers disperse into regional areas of Australia. In 2007 international backpackers spent 34% of their total nights in regional Australia. They were also more likely to stay in regional backpacker accommodation with 41% of all backpacker accommodation nights spent in regional areas. The most popular backpacker regions/territories are New South Wales, Queensland, Victoria, Northern Territory and Western Australia in that order. However, outside of capital cities, coastal areas such as Tropical North Queensland and

Hervey Bay/Maryborough (Queensland) are the most popular regions for international backpacker visitors (Tourism Research Australia, 2008).

Where do they stay?

Domestic backpackers were more likely to spend all of their nights in backpacker accommodation (76%), compared 23% for international backpackers. However, domestic backpackers also stayed in other accommodation types, including friend's or relative's property, caravan parks or camping grounds. International backpackers also chose to stay in rented houses, apartments, units or flats (28%) and homes of friends and relatives (12%).

Why do they travel?

Backpacker visitors are more likely to travel for the purpose of holiday than non-backpacker visitors. In 2007, 93% of international backpacker visitors travelled for holiday compared to 54% of other international visitors. Backpackers travelling for the purpose of employment and business have experienced strong growth since 2001, increasing by 20% and 12% respectively. Domestic backpacker visitors also travel mostly for holiday purposes (75% in 2007).

Supply side trends

Australia has been in the backpacking business for a while and it leads in terms of recognition as a global backpacker destination. Therefore, it has a well developed backpacking tourism system with a variety of destinations, activities, and accommodation and other services. Since backpacking accommodation is the most distinguishing feature of backpackers from other tourists, it is the supply sector that will be looked at mainly in this section. With other services, there are overlaps between backpacking and traditional visitors' demand that isolating backpacking effect on the supply trends gets complicated. Australia experienced growth in backpacking accommodation supply between 2000 and 2003. Bed-space increased by 20% between 2000 and 2003. However, backpacking accommodation supply has been decreasing from 2005 to 2007, but occupancy rates and number of employees increased during the same time. Table 16 below shows backpacking supply trends between the period of 2000 to 2007, including number of establishments, number of people employed in the backpacking accommodation establishments and available bed spaces.

Table 16: 2000-2007 Australia backpacking accommodation supply & demand

Item/Year	**2000**	**2003**	**2005**	**2006**	**2007**
Number of establishments*	466	494	456	429	424
Number of persons employed*	2 972	3 506	3 337	3 271	3 449
Bed spaces*	40 659	48 588	48 000	47 000	47 000
Guest nights (million)	7.15	8.26	8.31	8.54	8.73
Bed occupancy (%)	49	46.4	47.8	49.7	51.2

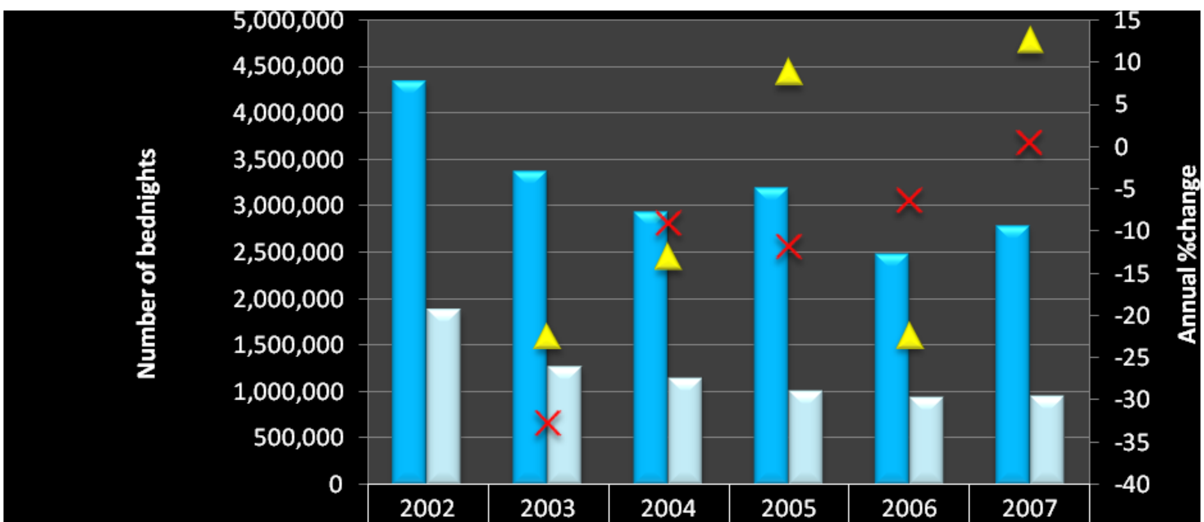
*Data based on establishments with 25 or more bed spaces

The decrease in supply between 2005 and 2007 might have been due to the global economic conditions as it wasn't due to declining demand since bed occupancy and guest nights increased during the same period.

3.5.3 National Level: Backpacking in South Africa

3.5.3.1 Demand Side Trends

Nationally, backpacking accommodation demand indicators have been showing a downward trend, contrary to global trends. This finding, however, doesn't automatically imply decreasing backpacking activity, but could be signalling a shift in type of accommodation now in demand by backpackers with changing demographics. Figure 17 below shows backpacking and camping sites bed-nights trends over the past six years from SAT accommodation data. It can be concluded that demand for camping and caravan accommodation has been consistently declining during that period with a very insignificant gain (0.5%) in 2007 from 2006. Backpacker hostels trends have been more unpredictable from year to year. However, 2007 year-on-year growth showed robust growth, but only time can tell whether or not the momentum will be sustained.



	2002	2003	2004	2005	2006	2007
Backpacking hostels bednights	4,349,753	3,376,972	2,936,447	3,194,332	2,482,727	2,794,567
Camping & caravan parks bednights	1,882,729	1,266,365	1,151,548	1,015,201	950,244	954,955
Backpacking Hostel annual %change		-22.36	-13.04	8.78	-22.28	12.56
Camping & caravan annual %change		-32.74	-9.07	-11.84	-6.40	0.50

Figure 17: 2002-2007 Backpacker hostel and Camping accommodation use in South Africa (Source: SAT 2002-2008)

Research indicates that the nature of the international backpacking market in the country has changed from the formerly typical 18-22 year old to older and more financially independent travellers who demand en-suite rooms instead of dormitory accommodation. There have also been more visits by school and sport groups who make use of backpacker services and facilities (Rogerson, 2007). This new trend could be the reason why demand for typical backpacker accommodation has been declining. Most backpackers looking for accommodation in South African backpacker hostels are from Western Europe and are well travelled, long haul travellers (Barker & Visser, 2004). Of these tourists, most are from Germany, United Kingdom and the Netherlands. Most tourists visiting South Africa are generally young men and women between the ages of 21 and 25. The majority of these are employed full time and are visiting the country for a period of 2 weeks to a month. A large proportion of these travellers travel alone and for those who travel in groups, the main reason is to share costs. The general budget of backpackers to South Africa is a total of R10 000 or less, excluding travel costs and any types of insurance.

Source markets

According to the 2007 study commissioned by the Department of Trade and Industry (DTI, 2007) more than half of international backpackers in the country come from Western Europe, followed by Australasia (30%), North America (14%) and Central and South America (5%). The study also found that Southern Europe, Asia or the Middle East were insignificant markets for South Africa as there were no visitors at all from those regions. Israel was also found not to be a significant source market for South Africa even though it is a well-established market for the backpacking industries of Asia and South America. Figure 18 illustrates the major source countries for international backpackers to South Africa. From figure 13 the main significant source markets for backpacking for South Africa include the UK, Australia, USA, Germany, Netherlands and to a lesser extent New Zealand and Canada.

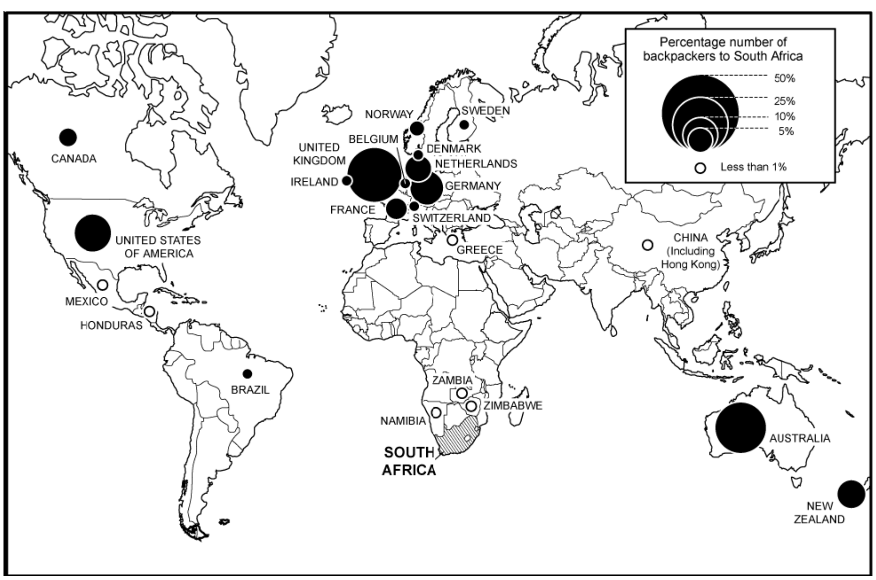


Figure 18: Main source markets for international backpackers to South Africa (Source: DTI 2007)

The majority (83%) of the international backpackers are first time visitors to South Africa. There, however, is a significant repeater rate of about 17%. Important to note is the fact that these travellers' decide to travel to the country an average of about four months before they depart.

Demographics

Age

There are no significant gender differences in backpackers to South Africa as the 2007 DTI study showed that visitors are about equally divided 52% male and 48% female. This finding is consistent with findings in other destinations. Backpackers to South Africa are mostly between the ages of 21 and 30 (70%), followed by below 20 (15%), over 35 (11%) and over 50 (4%). The average age of international backpackers to South Africa is 28 (DTI, 2007). Figure 19 below shows the age distribution of international backpackers to South Africa.

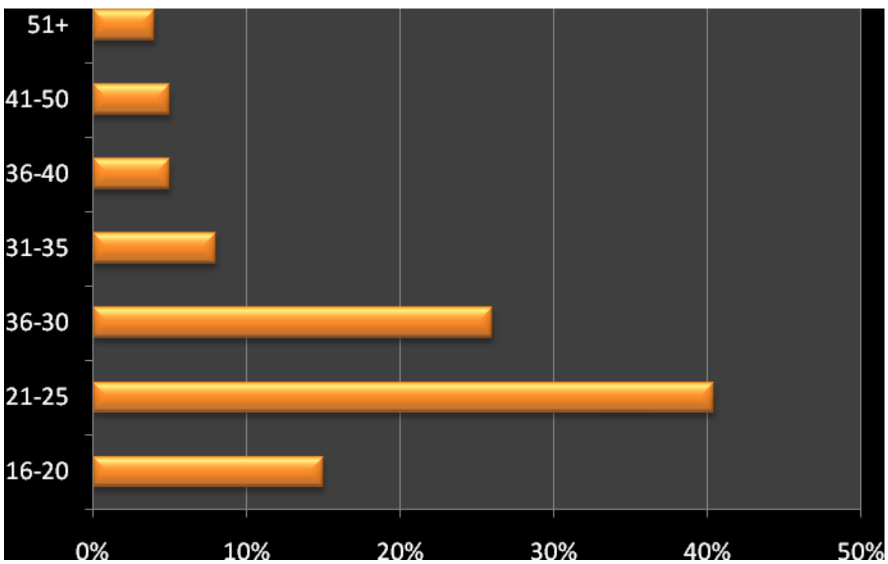


Figure 19: The age distribution of international backpackers (Source: EciAfrica, 2007)

Education

The typical international backpacker to South Africa is well educated and often already working as an early career professional. Consistent with backpackers in other global destinations, the majority (about 70%) have tertiary or post graduate university qualifications. Some of the common areas of profession include law, IT, computers and engineering. Some (17%) of these professional are 'gapers' taking a gap year in between studies or professions (DTI, 2007).

Average length of stay

International backpackers to South Africa stay for a period of 22-31 days, with the average length of stay being 42 days (DTI, 2007). About 73% of backpackers visit for a period of one month or less (Table 17). A critical finding is that backpackers spend much less time in South Africa than they do in other destinations such as Australia, Southeast Asia or the United

Kingdom. Commonly, the stay in those countries would be 2-4 times longer than the stay in South Africa (EciAfrica Consulting, 2007). A critical factor influencing this trend might be to do with availability/or lack of work opportunities. Australia has work visa programmes allowing backpackers to work during their long trips for income that they spend in the destination during their visit. In South Africa, working opportunities relate mainly to volunteer work with no formal pay.

Table 17: International backpacker length of stay in South Africa

Length of stay	Percent
3-7 days	8.7
8-14 days	19
15-21 days	21
22-31 days	24.6
32-90 days	15.9
91-180 days	7.2
181-365 days	3.1
More than 1 year	0.5

(Source: EciAfrica, 2007)

Backpackers don't spend all their trip nights at backpacker establishments. Only about 45% of international backpackers spent all the nights in backpacker accommodation, the rest also use other forms of accommodation. Most volunteers use accommodation organised by the organisations that they work with. However, 68% spend three of every four nights at backpacker establishments and the remainder of the time is spent mainly with friends and family and/or in organised tours accommodation. The several backpacker accommodation attributes considered as important by international backpackers when making accommodation choices are illustrated in Table 18 below. Cleanliness and friendly staff top the list of important attributes. However, almost all of the attributes are generally considered important except for a few including swimming pool, restaurant, satellite television and medical bay. This finding is important as it highlights that backpacker tourists might be an easier group to please than regular tourists as they look for and require the most basic features from the destination.

Table 18: Accommodation attributes considered as essential by international backpackers

Service / facility	Proportion rating it as essential
Clean bathrooms	91.5
Clean beds	90.1
Friendly staff	88.7
Self-catering	78.2
Internet	76.8
Travel information	76.1
Lockers	63.5
Laundry	61.4
Bar	56.3
Shuttle transport	55.3
Pay phones	54.6
Swimming pool	24.6
Restaurant	16.0
Satellite television	13.3
Medical bay	10.6

(EciAfrica Consulting, 2007)

Spend

Table 19 below shows that accommodation is the highest item of expenditure for both backpackers and non-backpacker international visitors to South Africa. For backpackers accommodation is followed by activities and food in that order while local transport costs come second for other visitors. An important fact to note is that backpackers to South Africa don't consistently spend more across all categories as is the case with Australia. Recall that spending categories for Australia discussed earlier showed international backpackers consistently spending more than traditional tourists. In South Africa backpackers spend more than traditional tourists on activities and food, but not on accommodation. Since the spend is for the whole trip, this finding might be due to the shorter length of stay of backpackers in South Africa compared to that for Australia, therefore length of stay gains fail to off-set the loss from use of lower cost backpacking accommodation.

Lower transport costs for backpackers might be an indication of less travel to different backpacker destinations within South Africa, implying that backpackers probably visit one major destination and stay within that area, due to either lack of a variety of backpacker offerings across the country or lack of knowledge about such offerings. Australia has a lot of well known backpacker destinations in the different regions of the country that visitors spent a lot of money on domestic flights and other transport modes connecting between all those destinations. The case for South Africa might be inadequate or lack of advertising and showcasing of all the different backpacker offerings across the different regions/provinces of the country.

Table 19: 2007 Average spend per trip in South Africa by international backpackers & other visitors by category of spending

Item	Backpackers***	Other tourists****
Accommodation	R2 686	R4 580
Activities/leisure	R2 490	R1 860
Food	R1 880	R1 680
Local transport	R1 754	R1 900
Souvenirs / shopping	R1 379	R1 800
Beverages	R1 359	-
Volunteer work*	R17 591	-
Other **	R11 373	-

*Includes accommodation, meals, transport and certain activities during period of placement
Includes medical costs; *(Source EciAfrica, 2007); ****(Source: SAT, 2007)

Purpose of visit

Holiday (39%) is the main purpose of visit for most of the international backpackers visiting South Africa, followed by search for adventure (28%), touring (19.9%), and visiting friends and family (7.8%). A small percentage of backpackers' main purpose of visit is business (7.5%) (DTI, 2007). The listed motivating factors for visiting South Africa include:

- to experience the culture,
- to meet local people, and
- to experience South Africa's natural diversity, wildlife and game parks. It is important to note that in the 2007 DTI study 82% if the international backpackers indicated that South Africa's natural diversity had played an important to very important role influencing them to select the destination.

Backpackers visit South Africa expecting authenticity with regards to cultural experience. They expect to enjoy a cultural experience that is real and not staged. Other things they come expecting include:

- meeting locals outside of the tourism environment,
- being able to see traditional and contemporary South African life,
- get to experience both the urban and rural areas,
- be able to could wander around and meet people,
- get to experience the way of life of the locals first-hand, not through a window, and
- interact with locals from all socio-economic sectors and cultures.

Other strong motivations for travel to South Africa are that backpackers see it as a gateway to Africa as they travel on an expanded itinerary and for humanitarian work. For many travellers, a visit to South Africa is part of a wider global itinerary. The most significant destinations visited in Africa apart from South Africa on these global itineraries include Swaziland, Mozambique, Botswana and Namibia.

Information sources

When sourcing information for their trip to South Africa, the core channels used include Lonely Planet, word of mouth recommendation, the Internet, Coast to Coast, previous visits, information from friends and relatives, tour operators, brochures, volunteer programmes, travel agents and the Best of Backpacking Southern Africa. The main information sources used when looking for information on the country are the websites of South African Tourism and the Lonely Planet. The Internet also plays a key role in pre-trip planning and in communication once at a destination has been selected. The two most important websites used by international backpackers are those of Lonely Planet and of South African Tourism. Other websites used regularly include Greyhound, Alternative Route, About Cape Town and various travel blogs. It is important to note that in terms of information sources, blogs are often more useful to backpackers than official websites such as Hostelworld, STA travel and the Baz Bus. With bookings, although backpackers make use of travel agents for some parts of their trip, the most common channels used to make bookings and arrangements include the Internet, which accounts for one third of all flight bookings made.

Mode of transport

When travelling to various destinations once arrived, a variety of transport services are used. However the most commonly used are rental car, Bazbus, private car and hostel shuttle in that order. The following figure illustrates transportation usage by international backpackers.

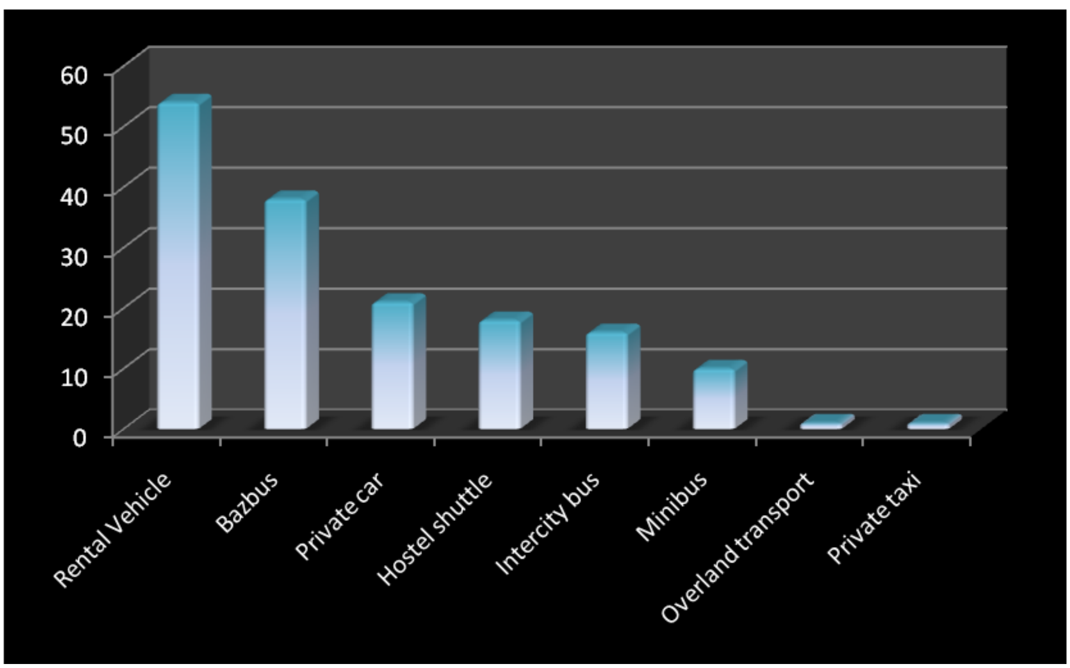


Figure 20: Transportation use by international backpackers in South Africa (Source: EciAfrica, 2007)

Where international backpackers go & what they do in South Africa

The Western Cape is the most popular backpacker destination in South Africa, with almost all (93%) of international backpackers visiting the province. Kwa-Zulu Natal, Gauteng and the Eastern Cape come second, third and fourth respectively (Barker & Visser, 2004). The following table illustrates provinces visited by backpacker and other tourists in South Africa. It should be noted, however, that the Western Cape is still the most popular destination even with the other non-backpacker international tourists (Table 20).

Table 20: Provinces visited by backpacker tourists to South Africa

Province	Average overseas tourists (%)	Average backpacker tourists (%)
Eastern Cape	23	56
Free State	5	10
Gauteng	45	64
Kwa-Zulu Natal	26	71
Limpopo	6	0
Mpumalanga	12	43
North-West	6	0
Northern Cape	6	9
Western Cape	65	93

(Source: Barker & Visser, 2004)

From Table 21 below it is clear that backpackers take part in a wide range of activities. This finding is consistent with what happens in other regions of the world. It has been documented that backpackers engage in a lot more activities within the destination than do regular tourists do. It can be seen that Cape Town is quite a popular destination with a lot of backpackers participating in a variety of activities offered in Cape Town. Visiting natural sites tops the list, followed by game viewing, visiting museums, historical sites, townships and many others (refer to Table 21).

Table 21: Popular activities of backpackers in South Africa (in %)

Activity	Proportion Participated	Hotspots
Visiting natural sites	59.4	All of South Africa but especially Cape Town, Drakensberg, Coastlines, St Lucia and the Wild Coast
Game viewing / safaris	50.7	Kruger Park, St Lucia, Addo
Museums	49.3	Johannesburg, Cape Town
Historical sites	46.1	Cape Town
Night clubbing	44.3	Cape Town, Durban, Johannesburg, Garden Route
Township tour	43.4	Johannesburg, Cape Town
Hiking	42.5	Drakensberg, St. Lucia, Swaziland, Cape Town, Wild Coast, Garden Route, West Coast
Cultural village	32.0	Wild Coast, KwaZulu Natal, near Kruger Park, Swaziland
Wine tours	29.7	Cape Winelands
Mountain biking	15.5	Cape Town, Oudtshoorn
Surfing	15.1	Wild Coast, KZN South Coast, Cape Town, Durban
Horse riding	12.3	Lesotho, Cape Town, Wild Coast, Garden Route
Rafting / kayaking	10.5	Garden Route, Wild Coast, KZN South Coast
Shark viewing	10.1	Hermanus, Cape Town
Bungee jumping	8.7	Storms River
Whale watching	7.3	Hermanus, St. Lucia

(Source: EciAfrica Consulting, 2007)

International backpacker experience in South Africa

Generally, international backpackers make positive assessments of South Africa. Of particular importance is the fact that about 93% of international backpackers interviewed in the 2007 study by EciAfrica indicated that they would recommend South Africa as a destination to other backpackers, family and friends. <u>The most commonly cited highlights of the South Africa visit included Cape Town</u>, Kruger Park, adventure activities, social interactions with South Africans, shopping, entertainment, township tours and the country's natural diversity. <u>The two most outstanding disadvantages identified of South Africa as a destination are crime on and the poor public transportation system.</u>

3.5.3.2 Backpacking in South Africa: Supply Side Trends

The largest number of backpacking accommodation establishments is found in the Western Cape, followed by the Eastern Cape, Kwa-Zulu Natal, Gauteng and Mpumalanga. By contrast, there is only limited provision of accommodation in the Free State, the Northern Cape, the North West and Limpopo. There are significant clusters of backpacker accommodation establishments along the Garden Route, the Wild Coast and the Kwa-Zulu Natal coast, and also in inland areas such as Hogsback and Nelspruit. In terms of local development, backpacking plans a large role in the economies of Coffee Bay, Jeffrey's Bay, Mossel Bay and Oudtshoorn (DTI, 2007).

The following figure illustrates the geographical distribution of suppliers of backpacker accommodation in South Africa by province.

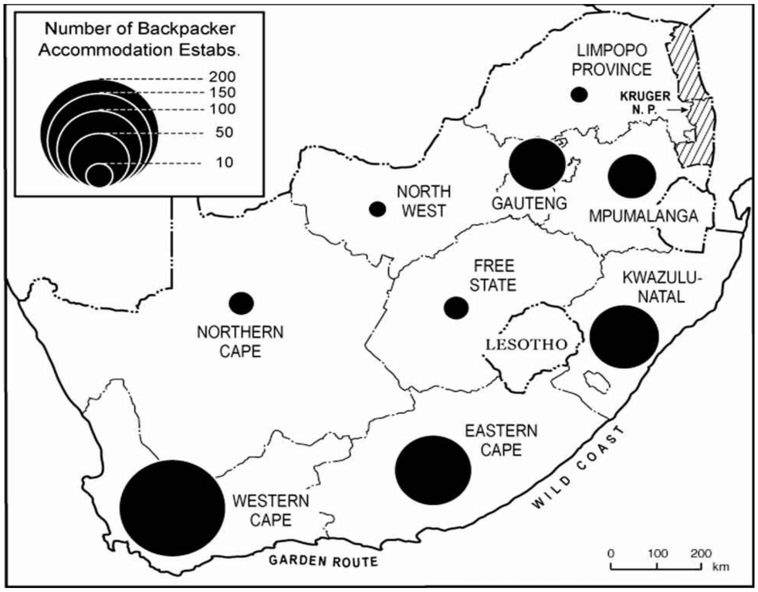


Figure 21: The geographical distribution of suppliers of backpacker accommodation in S.A (Rogerson, 2007)

The figure above shows that most backpacker accommodation facilities are located in the Western Cape, followed by the Eastern Cape, Kwazulu-Natal, Gauteng and Mpumalanga. Very little backpacking accommodation can be found in the Northern Cape, the Free State and the North West. The following Figure 22 illustrates the geographical distribution of suppliers of backpacker accommodation in South Africa by locality

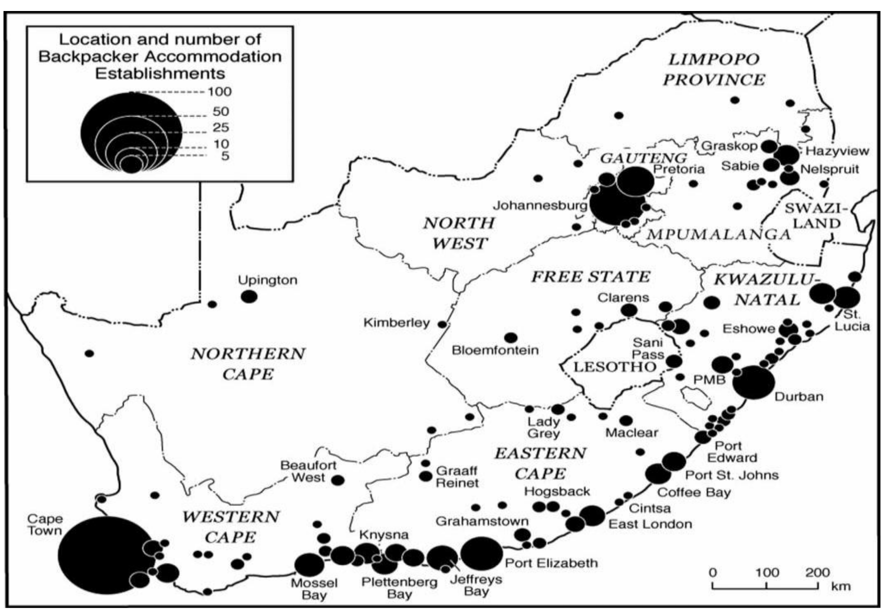


Figure 22: Geographical distribution of suppliers of backpacker accommodation in S.A, by locality (Source: Rogerson, 2007)

Recently there has been increasing competition amongst backpacker establishments in South Africa, particularly in the Western Cape and the Eastern Cape. This suggests that unless backpacker numbers increase and international backpackers stay longer, the number of backpacker suppliers in the areas may be reaching saturation point (Rogerson, 2007). In the South African backpacker study conducted by (EciAfrica, 2007) it was noted that the backpacking accommodation sector is dynamic as there is constant emergence of new enterprises and demise of the old ones. This trend is in line with the previously discussed global trends of continual upgrading and modernising of backpacking accommodation in response to the changing demographics of this niche market. The study also found that the segment is significantly greater than assumed, at least double the number that is recorded with South Africa Tourism. The backpacking accommodation sector is predominantly male with some entrepreneurs originally from the United Kingdom, Namibia, Poland, Germany, Ireland, Mauritius, the Netherlands, Zambia and Austria. Most backpacking establishments are SMME's and are owned either by individuals, families or by partnerships.

3.5.4 Backpacking at the Local Level: Cape Town & Western Cape

It has been discussed in the preceding section that the Western Cape is the most popular backpacking tourism destination in South Africa, particularly Cape Town. The Western Cape and more specifically, Cape Town, is the focal point of attraction for international backpackers. On average, 75% of backpackers stay at least one night in the region (DTI, 2007). Other popular places include the Kruger Park, Durban, Port Elizabeth, Jeffrey's Bay, Paarl and Stellenbosch, Knysna, Coffee Bay, Plettenberg Bay and Wilderness. The most frequently visited provinces are the Western Cape, Eastern Cape, and Kwa-Zulu Natal. Gauteng plays a special role as its airport in Johannesburg is a major point of entry for backpackers. A significant point to note is that a good majority (60%) of international backpackers are not able to visit all the places in South Africa that they would have liked to because of lack of awareness of the attractions and facilities and shortage of time. This signals lack of marketing by service providers and destinations.

3.5.4.1 Cape Town Backpacking Demand Trends

Demand indicator data at the local level in terms of backpacker occupancy rates, employment, receipts and growth figures is limited as service providers are either sceptical or unwilling to provide their business data. The researchers are still in the process of soliciting these data and will be analysed as it is received. However, this section will be covered more fully with the primary data as this research process includes primary data collection at the local level.

Backpacker accommodation demand and employment

Since Cape Town is the hot point of tourism in the Western Cape, the available provincial demand data gives an indication of backpacking demand in the City. The Western Cape enjoys the highest occupancy rates in backpacking accommodation with annual average occupancy rates of about 66% (DTI, 2007). Figure 23 below shows that the Western Cape is, by a substantial margin, the leading backpacker destination as the average annual occupancy rates are quite high in comparison to other provinces.

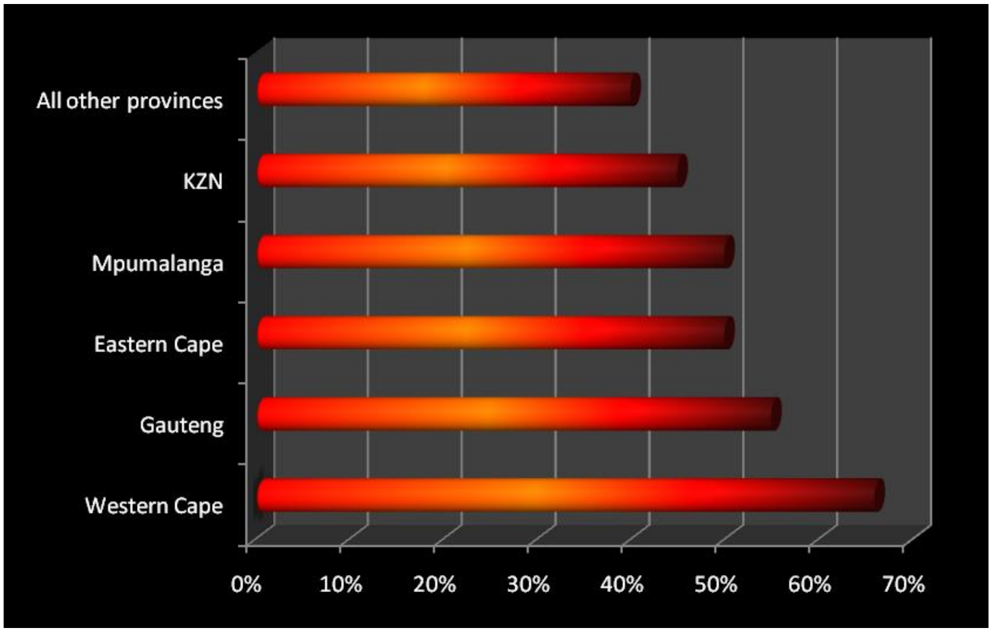


Figure 23: Backpacking accommodation average occupancy rates by province (Source: DTI, 2007)

Jobs data also show a similar trend with the Western Cape leading in terms of number of employees per establishment, implying that there is greater demand for backpacking services in the Western Cape compared to all the other provinces. Employers hire more help to cope with increasing demand. However, since the data is cross-sectional it doesn't show the trend over time. Figure 24 shows employment by backpacking accommodation enterprises in the provinces.

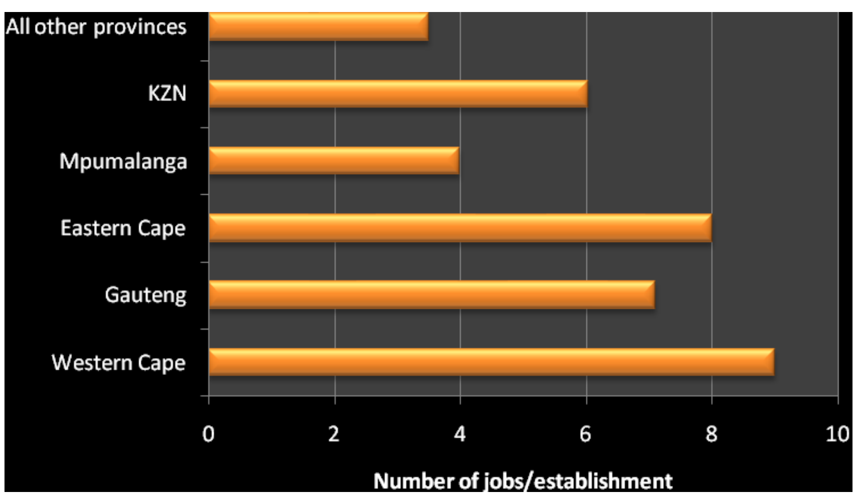
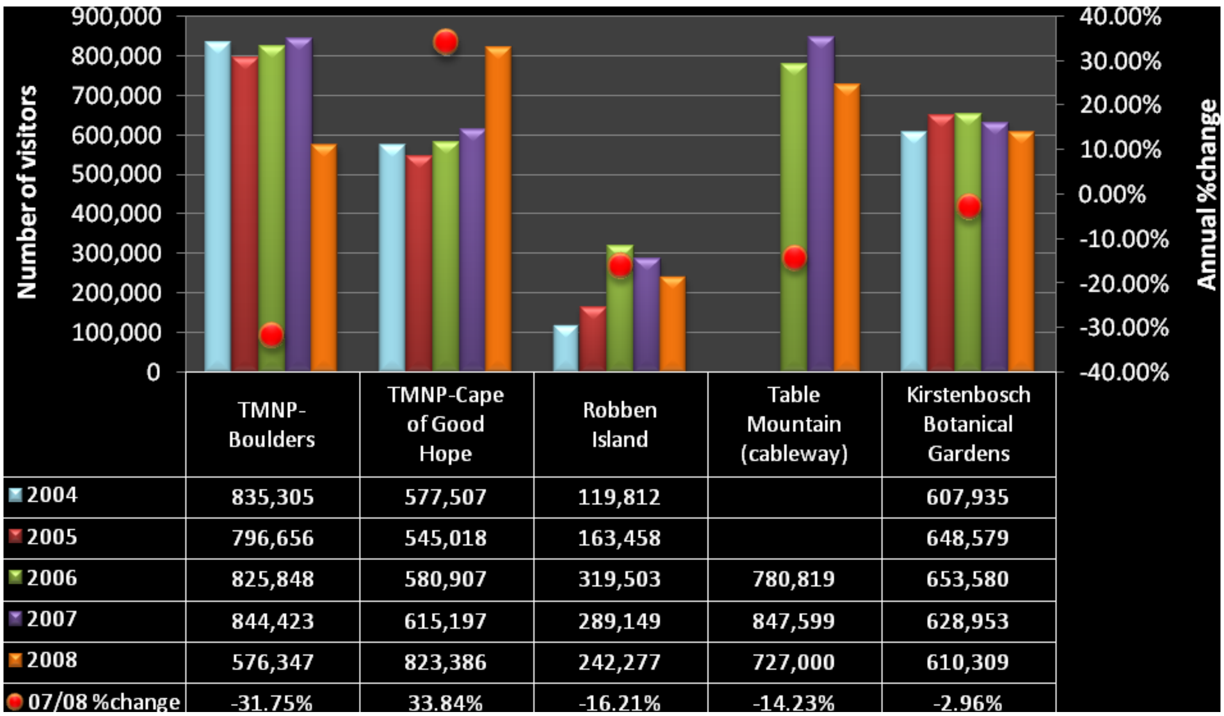


Figure 24: Number of employees/establishment by province (Source, DTI, 2007)

Attractions visitation

Some of the most popular backpacker activities in Cape Town include visiting attractions such as exploring Table Mountain through both hiking and cable car, visiting the Green Market Square, Cape Point, Robben Island, the Castle, wine and township touring. While attraction visitation numbers are not the best indicator of backpacking activity due to overlaps as all kinds of tourists also visit these areas, they give an indication of the general trend of demand of tourist products. Figure 25 below shows visitation trends to major attractions in Cape Town, which are most popular by backpackers. Visitation trends to the attractions show a decreasing trend as well except for Table Mountain National Park-Cape of Good Hope. The decreasing 2008 year-on-year trends could be compounded by the global economic crisis.



	TMNP-Boulders	TMNP-Cape of Good Hope	Robben Island	Table Mountain (cableway)	Kirstenbosch Botanical Gardens
2004	835,305	577,507	119,812		607,935
2005	796,656	545,018	163,458		648,579
2006	825,848	580,907	319,503	780,819	653,580
2007	844,423	615,197	289,149	847,599	628,953
2008	576,347	823,386	242,277	727,000	610,309
07/08 %change	-31.75%	33.84%	-16.21%	-14.23%	-2.96%

Figure 25: 2004-2008 Visitation numbers to Cape Town's most popular attractions (Source: Attractions)

Travel patterns

Activities participated in by backpackers in Cape Town don't particularly differ from those participated in by backpackers elsewhere. Backpackers are generally outgoing and adventurous and the pattern can be seen in Cape Town as well. The most popular backpacker programmes include exploring Table Mountain, whether hiking or using the cable car; visits to Green Market Square, Cape Point, Robben Island and the Castle; a wine tour and a township tour. In more rural locations such as Coffee Bay and the Wild Coast, activities are limited to hiking, drinking in the local pub and participation in hostel organised activities such as abseiling (Barker & Visser, 2004).

What is distinguishing with Cape Town is the average length of stay compared to that of other regions. Cape Town average length of stay of backpackers was estimated to be six-seven nights, compared to two nights in other places within the Western Cape, two nights across the Eastern Cape, KwaZulu-Natal, Gauteng and Mpumalanga and, between one and two nights elsewhere (DTI, 2007).

3.5.4.2 Local Supply Side Trends

Accommodation

It is evident that the Western Cape, particularly Cape Town has the greatest supply of backpacker accommodation. As discussed earlier (in the national section) and illustrated in Figures 21 and 22, the Western Cape and Cape Town have about 200 and 100 backpacker accommodation respectively (DTI, 2007). Figure 26 below shows the spatial distribution of accommodation suppliers in Cape Town including backpacking accommodation. It is evident that backpacker accommodation is highly concentrated around the City.

Figure 26: Spatial distribution of accommodation establishments in Cape Town (Source, Van Der Merwe Ferreira and Van Niekerk, 2007)

In terms of bed supply, the bed number data sets between CTRU and CoCT differ between having 14 and 20 Hostels, and the bed data from CoCT indicates 455 beds. In searching the following publications, www.alternativeroute.net and www.coastingafrica.com, 34 backpacker accommodation establishments are listed. Clearly, there is a need to confirm actual supply. The Backpackers "Overview" map (Figure 27) shows the overall backpacking accommodation density for the metropole, while the Backpacker "Hotspots" map (Figure 28) expands on the highest accommodation density to illustrate distribution of backpackers (Accommodation) in the City.

Figure 27: Overview of Backpacker Accommodation Supply in Cape Town (Source: CoCT and CTRU GIS data)

Figure 28: Backpacker Hotspots in Cape Town (Source: CoCT and CTRU GIS data)

Tour operators and transport

The 2007 audit of backpacking suppliers of transportation and tour services commissioned by the DTI identified nearly 60 enterprises in this category nationally, of which more than half are in the Western Cape. The biggest backpacker transport and tour operator is Bazbus and it maintains its headquarters in Cape Town since Cape Town is the national epicenter of this niche sector. Outside of the Western Cape it is evident that the only significant transport suppliers are small clusters of transport, travel service or tour suppliers operating in Johannesburg. Other transport operators are the based in Nelspruit dealing with Kruger Park tours. Figure 29 below clearly shows the dominance of the Western Cape with regards to backpacking transport suppliers.

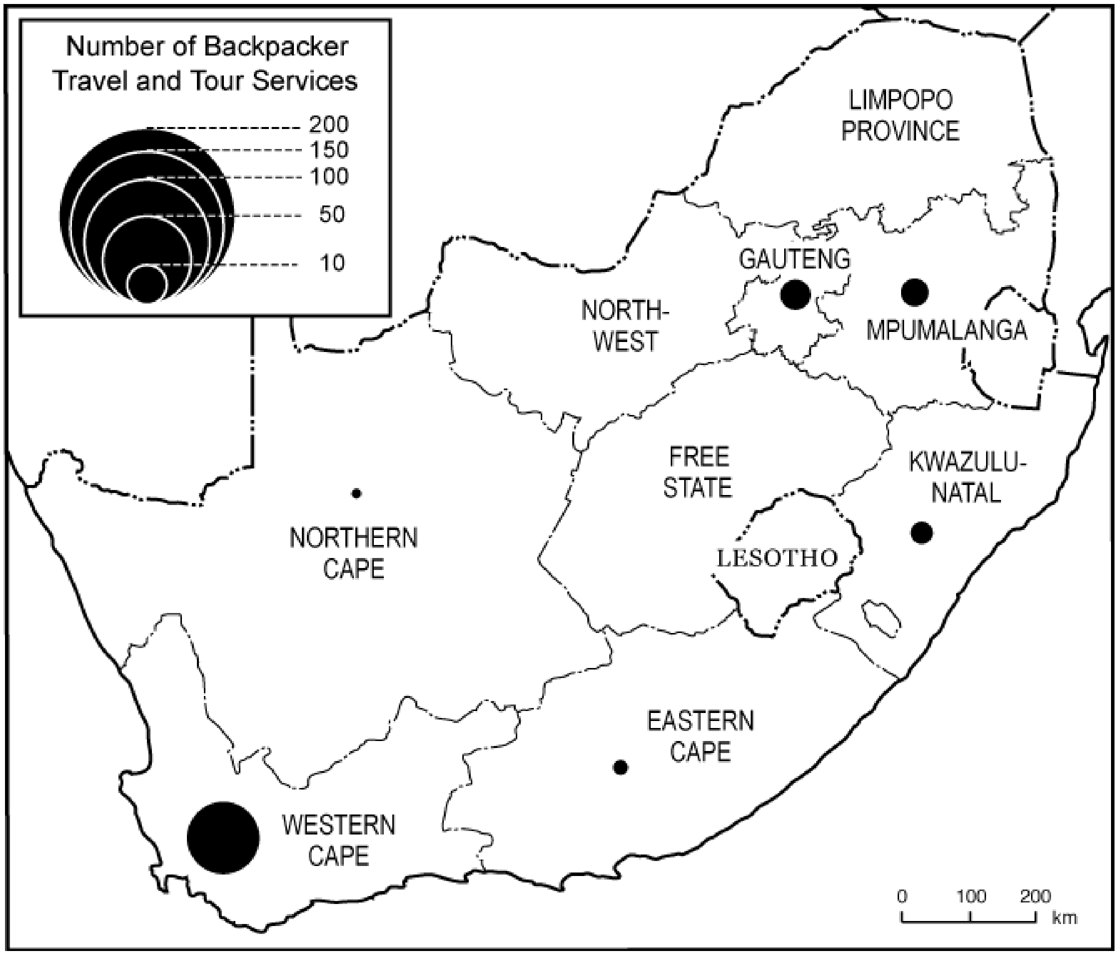


Figure 29: The Location of Suppliers of Backpacker Travel and Tour Services (Source: DTI, 2007)

Attractions

The Western Cape and Cape Town in particular has a lot to offer to the backpacker tourists. There are plenty of world class attractions and offerings including the hot spots such as Table Mountain, Robben Island, Kirstenbosch Botanical Gardens; historical and cultural tours such as township tours; museums; winelands; parks and scenic natural attractions such as Cape Point and many others. It can be concluded from the desktop data and information that there might be other issues in Cape Town with regards to backpacking tourism, but lack of 'what to do and visit,' is certainly not one of them. The niche market map below (Figure 30) is of the metropole showing points of operation for the various niches (operations can include establishments and activities, which would need detailed site visits to clarify). This map gives a sense of zoning and where most nature and adventure activities take place. The rest of the maps by individual niche are provided in the Appendices, (Appendix III).

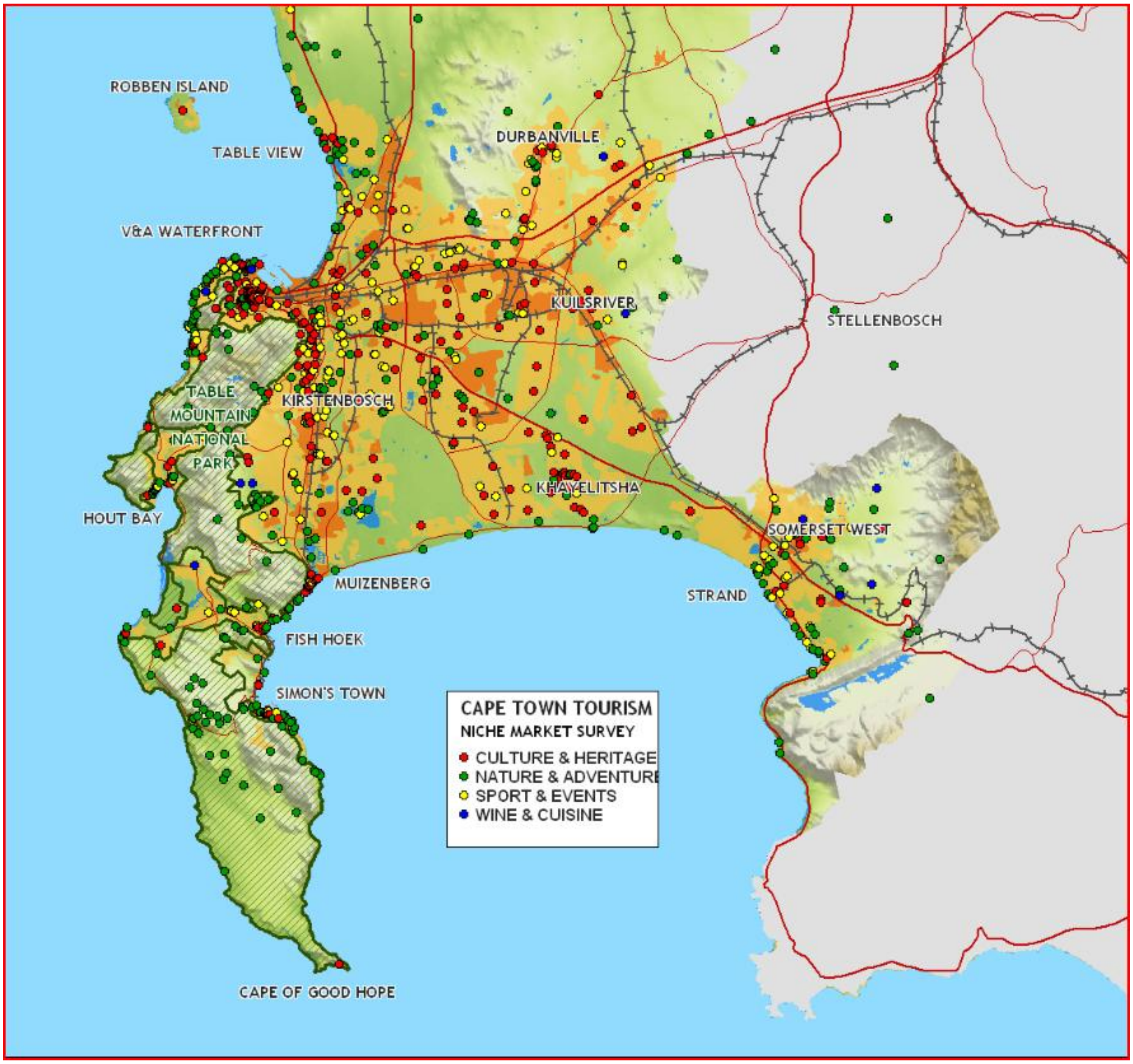


Figure 30: Cape Town Tourism Niche Categories (Source: CoCT and CTRU GIS data, 2006)

3.5.4.3 The Impacts of Backpacker Tourism

Positive impacts

Little emphasis has been placed on the impacts of backpacking on local economies, development, local communities and the physical environment. As backpacking to an area increases, local economies may move from agriculture and fishing as the demand for labour increases, property values rise and infrastructure improves. In many cases, former backpackers settle down in a destination and establish their own businesses (Brenner & Fricke, 2007).

Backpacking tourism can contribute significantly to local economic development as backpackers generally purchase locally produced goods and services and prefer to interact with local people.

Compared to other forms of tourism, backpacking results in far fewer economic leakages and can support local development in the following ways:

- money spent is spread across a wide geographical area, including remote and isolated regions which are not frequented by mass tourists and they participate in a wide range of activities that cut across other niches,
- money is spent on locally produced goods and services,
- only basic infrastructure is required,
- there is pride and consideration for local cultures and communities, and
- demand is less likely to be diminished by threats of political instability or international problems (Barker & Visser, 2004).

When considering investment into the backpacking industry, entry costs for locals are low and minimal capital is required, which enables greater participation. Once backpacker establishments are functioning and well established, they provide a certain ambience to the area in which they are located and the presence of international tourists stimulates other economic activities such as the development of Internet cafes, clothing outlets and the organisation of excursions (Barker, & Visser, 2004).

Negative impacts

While backpacking has a lot of benefits, it also can have negative impacts especially when not properly planned and managed. Backpacking like other forms of tourism can lead to increased demand for local services, resources and infrastructure, thereby burden the tax payer. Growing backpacker enclaves may push out local residents as costs for essential services and real estate rise. It is therefore, important to strike a balance when destination planning to ensure that tourism development doesn't compromise and conflict with citizens needs and domestic development and social goals and objectives. Backpacking can lead to the degradation and destruction of the physical environment by overuse of scarce resources such as water (Howard, 2007).

3.5.4.4 Challenges

Infrastructure

With the growth of the backpacking segment, there needs to be commitment to develop infrastructure catering specifically to this segment parallel to the infrastructure that caters for traditional tourists. This infrastructure should comprise of inexpensive transportation systems, with low priced hotels and youth hostels surrounded by shops, nightclubs and coffee houses.

Shortcomings for local development

Apart from the opportunities that have been created for black employees, the expansion of backpacker tourism has been primarily around white owned businesses, tour operators and members of the tourism industry. There is also a lack of backpacker services and facilities in township, clusters are continually being established along popular tourist routes. There seems to be a lack of training provided by local authorities or provincial and national government providing people with the basic skills needed to enter the industry. Seasonality is also a challenge as there are two distinct visitor seasons in the country implying that income doesn't flow throughout the year. In order to overcome these issues and to ensure further local development there needs to be concerted efforts to improve government and industry working relations to improve tourist flow to local backpacking destinations (Barker, & Visser, 2004).

Lack of government support

Suppliers of backpacker products in South Africa face the challenge of lack of support from national, provincial and local governments. These challenges include lack of regulations from local government such as zoning, lack of marketing and financing support. In addition backpacking entrepreneurs face problems securing insurance coverage since backpacking is not officially recognized, (Rogerson, 2007).

No strong domestic backpacker market

Most establishments depend mainly on international backpackers not domestics. The Western Cape enjoys the highest occupancy rates from international backpackers. Backpacker accommodation suppliers prefer these international visitors because domestics are said to: cause too much trouble, bad mouth the country, steal and abuse cheap accommodation. Domestics don't make use of any support services and they want to rent accommodation by the hour (Rogerson, 2007).

Lack of marketing

Backpacking entrepreneurs in South Africa face challenges of lack of international and domestic marketing of the destination as a competitive destination and lack of responsiveness to backpacking issues at the provincial and municipal levels. There is inadequate or lack of linkages and networking among enterprises in the industry (EciAfrica Consulting, 2007).

3.5.4.5 Demand-Supply Gaps

While it is undisputable that Cape Town has a rich endowment of tourism resources, both natural and otherwise, there are some notable demand-supply gaps that need some discussion and attention. While these are not critical, it is important that they be highlighted for possible intervention as they represent items, attributes, products and services for which supply doesn't meet the demand. Some attributes such public transport and skills cut across all the niche sectors, signalling that these should be high priority intervention areas. The lists below present these demand-supply gaps that have been identified by niche sector.

Culture & heritage	Wine and cuisine	Nature-based & adventure	Backpacking & youth	Business
-Good public transportation -Information -Skills -Employee & locals' knowledge on activities and destinations	-Public transportation -Food outlet at Cape pPoint -Value for money -Skills	-Public transportation -Nature code of Ethics in public areas -Cash car rental -Information	-Public transportation -Larger BP hostels -Rural townships -Cash car rental -Activities in outer places such as Muizenberg -Skills -Information	-Service -Skills -Knowledge about local activities -Advanced technology -Competitive packages

4.0 ALTERNATIVE NICHE TOURISM MARKETS

Hughes and Macbeth (2005) indicate that in order to stimulate visitation and to increase the appeal of a destination or region it is important to create something new and unusual that is unique to the area. This involves the creation of and promotion of niche market attractions. Four alternative niche tourism markets have been identified as potential areas of growth and development. The four alternative niche tourism markets include event tourism, sport tourism, cruise tourism and health and wellness tourism.

4.1 Event Tourism

George (2005) indicates that there are many types of events (sometimes referred to as special events) that vary in size and impact which are usually defined according to their scale and size. It is further noted that events are classified according to their purpose, for example, public, sporting, cultural, and/or business/corporate events. This indicates the multifaceted and overlapping nature of events and its impacts. South African Tourism and Department of Environmental Affairs and Tourism (2002) indicated that it is generally agreed that events act as a catalyst for tourism and economic growth, but there is less agreement regarding what constitutes an event. It is, therefore, important to view events within the context of tourism. Event tourism is concerned with the roles that festivals and special events can play in destination development and the maximisation of an event's attractiveness to tourists.

4.1.1 Description and Definitions

Some common categories of events noted are mega-events, hallmark events and major events.

Mega-events

Mega-events are referred to as events so large that they affect whole economies and reverberate in global media. Events within this category include Olympic Games, FIFA World Cup tournaments and Commonwealth Games, largely representing activities that produce high levels of tourism, significant media coverage and economic benefits, and bring a distinctive level of prestige to the host. Mega-events are also referred to as hallmark events (Westerbeek *et al.*, 2005).

Major Events

According to Bowdin (2003) major events refer to those events that, by their scale and media interest, are capable of attracting significant visitor numbers, media coverage and economic benefits. The Argus Pick ‘n Pay Cycle Tour can be considered a major event.

Hallmark Events

McDonnell, Allen and O'Toole (1999) describe hallmark events as events that become so identified with the spirit or ethos of a town, city or region that they become synonymous with the name of the place, and gain widespread recognition and awareness. The Durban July, Cape Argus, or the Comrades Marathon in KwaZulu/Natal could be identified as hallmark events.

Kotze (2006) stated that by the end of the 20th century, event tourism had emerged as one of the fastest-growing components of the leisure market. Although event tourism includes art festivals and cultural activities as well as sport events, the latter have played a key role in the growth of the event industry. It is evident that growth and prominence of event tourism can be considered as a potential niche market, however it is also noted that events cut across a range of niche markets (e.g. business tourism, culinary tourism, sport tourism etc.). Generally, the MICE market is included in business tourism and other events cut across the sport, arts and entertainment sectors. Events are an important motivator of tourism, and figure prominently in the development and marketing plans of most destinations. Event tourism recently became established within the tourism industry and its subsequent growth has been noted as spectacular (Getz, 2008). Strydom, Saayman, and Saayman (2006) note that event tourism is not a new phenomenon. What has changed in recent times is the frequency, themes and location of events as well as the fact that the events are now presented as significant tourist activities. The aim is to attract a maximum number of visitors/tourists and the expenditure associated with it. Goals of event tourism include:

- increased community pride and spirit,
- strengthening of values and traditions,
- marketing benefits, such as positive image creation,
- increased community involvement,
- intercultural interaction,
- extend the tourism season, and
- economic benefits/impacts (Strydom *et al.*, 2006).

Festivals normally create a demand for tourism services not only at a specific place but also at a specific time. They are also somewhat unique in that they are often produced without explicit tourism related goals, yet can still be promoted as attractions and used as image-makers by destination marketing organisations. Within an event-tourism context, local governments and destination marketing organisations have to look at their entire portfolio of festivals and make decisions about developing and promoting this mixed sector (Andersson & Getz, 2009).

Event management is devoted to the design, production and management of planned events, it encompasses festivals and other celebrations, entertainment, recreation, political and state, scientific, sport and arts events, those in the area of business and corporate affairs (including meetings, conventions, fairs, and exhibitions), and those in the private domain (including rites of passage such as weddings and parties, and social events for affinity groups) (Getz, 2008). The following list by Getz (2008) includes a typology of the main categories of planned events based primarily on their form:

Cultural Celebrations

- festivals,
- carnivals,
- commemorations, and
- religious events.

Political and State

- summits,
- royal occasions,
- political events, and
- VIP visits.

Arts and Entertainment

- concerts, and
- award ceremonies.

Business and Trade

- meetings, conventions,
- consumer and trade shows,
- fairs, and markets.

Educational and Scientific

- conferences,
- seminars, and
- clinics.

Sport Competitions

- amateur/professional, and
- spectator/participant.

Recreational

- sport or games for fun

Private Events

- weddings,
- parties, and
- socials

4.1.2 Trends

It is evident that growth and prominence of event tourism be considered as a potential niche market (Kotze, 2006). Italy uses eye catching events, integrated tickets and additional services and creates synergies in logistics and distribution with minor destinations in order to create and redistribute the flows (Trunfio *et al.,* 2006). Bidding for events is becoming increasingly competitive. More and more countries, regions and destinations are bidding to host events. The City of Cape Town (2007) contends that the hosting of events, especially major events, offers Cape Town the opportunity to maximise direct and significant benefits that support a broad range of the city's strategic objectives and priorities. It was against this background that the City embarked on a policy development program. However, in order for Cape Town to become competitive, both globally and nationally, as a world class events destination, it was vital to be mindful of event policies and strategies being carried out in other South African regions and draw upon international best practice from cities around the world who have achieved notable success in promoting cities using the events platform. The process has seen a comparison study of various international city events policies; a review of the Draft City of Cape Town Events Policy; the development of the City of Cape Town By-Law; and the development of the City of Cape Town Events Policy. The Bye-Law serves to provide for the management and regulation of events within the area of jurisdiction of the City of Cape Town and to provide for its enforcement (City of Cape Town, 2008a). Similarly, the City of Cape Town (2008b) points out that its Events Policy provides a framework and direction for the various role-players, in terms of current and future events, processes and the City's events calendar. It is noted that this approach is mindful of the need to balance the economic development needs with those of the community such as health, mobility, safety, amenity and environmental management. In addition, through the policy, the City of Cape Town aims to support the co-ordination and collaboration between all role-players; to promote partnerships; and to facilitate an appreciation of the requirements, expectations and responsibilities of all concerned. In this way, mutually beneficial outcomes may be achieved for Cape Town and its residents, businesses and visitors, and thereby contribute to Cape Town's growth and development (City of Cape Town, 2008b).

Case Study: The Socio-economic impact Assessment of the Cape Town International Jazz Festival 2007

An analysis of the following study commissioned by Cape Town Routes Unlimited provided some insight into the eighth annual Cape Town International Jazz Festival (CTIJF) held in Cape Town from 30 to 31 March in 2007.

- a free concert for residents of the city of Cape Town was performed on the 29 March,
- 30 356 people attended the event,

- total direct spend accounted (direct spending and accommodation costs) is estimated to be about R85.6 million, with R62 million being attributed by those visitors who came to Cape Town specifically for the CTIJF,
- 33 % of the 39% of overnight guests were foreigners while 6% were domestic tourists from outside the Western Cape,
- the concert attracted a diverse audience, Africans – 45%, Whites – 38% and Coloureds – 17%. More than half of the attendees were male – 53%,
- the average age of attendees was 28 years old,
- it was noted that the event was perceived as a tourist attraction, and as having, social, cultural and economic impacts on Cape Town. Attendees also participated in a range of pre- and post-events activities, most notably shopping and entertainment,
- the main modes of transport were noted as; private vehicle – 46%, mini-bus taxi – 17%, walked – 15%, rental vehicle - 13%, and
- 20.5% noted that they booked their tickets as part of a travel package.

4.1.3 Summary

Events act as a motivator for tourism. People attend events to satisfy their need for leisure, relaxation, socialisation and an escape from their normal lives. Events and festivals are important contributors to the wellbeing and way of life of communities. Events tourism crosses over and impacts a number of sectors within the tourism and hospitality sectors. Hosting events helps offset and supplements the seasonal lows within the tourism industry. The event sector is especially important for the City of Cape Town, especially in the light of the new, mult-purpose Green Point Stadium development and precinct as well planned extension of the CTICC.

4.2 Sport Tourism

Sport in recent years has transcended the boundary from being considered as an active leisure pass-time to be recognised as having considerable social and economic influence in contemporary society (Davies, 2005). Hinch and Higham (2004) describe sport tourism as a result of a confluence of the two sociological activities of sport and tourism, asserting that sport is an important activity within tourism, and travel is fundamentally associated with many types of sport. Zauhar (2003) confirms that sport has been a great motivator for travel and tourism throughout history, which has grown into a mass tourism activity since its formative years. Swart (2005) indicates that sport can be depicted as an attraction category within the broader tourism industry along with other attraction categories which include cultural, environmental and social.

According to Neirotti (2003) sport tourism like the tourism concept lacks common definition as a result of many tourism bodies and organisations like the World Tourism Organisation (WTO) and the World Travel and Tourism Council (WTTC) labouring to find a common supply and demand side definition. Hudson (2003:xvii) defines sport tourism as ‘travel away from home to play sport, watch sport or to visit a sports attraction, and includes both competitive and non-competitive activities’. Hinch and Higham (2004) appropriately confirm that the tourism and sport industries are catering to travellers seeking sport experiences. Getz (2003) provides an explanation of sport event tourism from a supply side (the destination) and demand (consumer) perspective. Sport event tourism from the destination perspective is described as the development and marketing of sports events to obtain community benefits while the demand side definition as a consumer who travels for the purpose of participating in, or viewing a sport event. It is evident that sport events has fuelled the development of this tourism niche.

Sport and tourism have become significant economic activities both in the developed and developing world (Swart & Bob, 2007). Turco, Riley and Swart (2002) confirm that sport tourism events are globally significant in terms of their ability to generate popular appeal and that this strategy is used by communities to attract investment, however as indicated below events is only one element of sport tourism. Getz (2003) notes that events form an important element of sport tourism especially with regards to economic impact and tourist numbers. Deery and Jago (2006) confirm that sport tourism makes an important contribution to local and national economies.

Interest in hosting sport events has increased worldwide and has sparked a desire by communities to host these events (Turco *et al.*, 2002). It must be noted that tourists are one of several target markets that are attracted to events by event sponsors in an attempt to forge a link between the tourist and the companies and organisations who pay to participate in events for their own marketing purposes (Getz, 2003). Sport tourism has become a popular niche market internationally recognised. It is able to reach and impact various parts of the world because of its global nature (Swart & Bob, 2007; Getz, 2003; Neirotti, 2003; Turco *et al*., 2002). Tourism and sport managers have begun to realise the significance of the potential of sport tourism and are aggressively pursuing this as a niche market (Neirotti, 2003). Kurtzman and Zauhar (1997) categorised sport tourism activities into five unique areas, namely, resorts, cruises, attractions, tours and events.

- *Resorts:* Sport resorts incorporate those resorts whose primary focus is sports where tourists learn, play and practice their chosen sport,
- *Cruises:* Cruise liners can offer speciality cruises which focus on a specific type of sport or where sporting celebrities are invited to join the passengers,
- *Attractions:* Sporting attractions include Sport Halls of Fame, sport museums, sport venues and the like,
- *Tours:* Sport tours involve viewing or playing sport. It could also, for example, include a package of FIFA World Cup Games with accommodation, transportation, food and other types of entertainment, and
- *Events:* Events are the most common type of sport tourism activity. These include a range of sporting events from small scale to hallmark and mega-events.

Furthermore, active sport tourism, event sport tourism and nostalgia sport tourism are three overlapping categories of sport tourism as suggested by Gibson (2002). It is noted that nostalgia sport tourism cuts across tours and attraction categories as presented by Kurtzman and Zauhar (1997).

Two distinct features of sport tourism have emerged as travel to participate in sport and travel to observe sport (Turco *et al*., 2002). In this context, sport tourists are those people who visit a destination for the primary purpose of participating in or viewing sport. Travel to a destination may not only primarily be for sport, tourists may be attracted by the destinations attractions and therefore fit the sporting activities into their plans to visit the destination (Turco *et al*., (2002). Sport therefore becomes a supplemental or secondary attraction that can further satisfy visitors' needs, extend their length of stay and stimulate economic activity (Turco *et al*., 2002:1).

The First World Conference on Sport and Tourism held jointly by The United Nations World Tourism Organisation and The International Organising Committee (IOC) in Barcelona in 2001, revealed a number of future trends. A generally accepted outcome of the conference indicated that sport and tourism were gaining popularity and growing in demand worldwide. Destinations are able to develop by reaping economic, socio-cultural and other spin offs from hosting sport tourism events (UNWTO & IOC, 2001). In addition, the importance of sport tourism as a target market was further emphasised by media statements by the World Tourism Organisation (WTO) and the International Olympic Committee (IOC), which in 2004, announced their commitment to reinforce their partnerships on collaboration in the sport and tourism sector. It was stated that tourism and sport are interrelated and complementary recognising that both are powerful forces for development. It stimulates investment in infrastructure projects such as airports, roads, stadiums, sporting complexes and restaurants, which can be enjoyed by both the local population and tourists alike (Tassiopoulos & Haydam, 2008).

In South Africa, the hosting of the 2010 FIFA World Cup™ has highlighted the potential role that sport mega-events can play in promoting economic and developmental agendas. It is encouraging to note that with the focus on the 2010 FIFA World Cup™, there has been resurgence in developing sport tourism as a niche market at the national level. According to Swart and Bob (2007) hosting the FIFA World Cup™ has several benefits. These include: the opportunity for a country and host cities to engage in high profile promotion of their products on a global scale; the development of international standard sporting facilities and related infrastructure upgrades; successful hosting provides a head start for bidding of other major events after the World Cup; lessons learned by governments, sporting bodies and business will play a major role in the further development of the sport tourism sector; and finally, there is the opportunity to expand traditional sport tourism markets for rugby and cricket to include new markets in football playing nations (Swart & Bob, 2007). In order to leverage for sport tourism and mega events, a cross sectoral policy development is required. This is one of the key challenges facing the development of a sport tourism strategy in South Africa (Swart & Bob, 2007).

South Africa has world-class venues, supporting infrastructure, top international events, and a people who are passionate about sport. Combined, these make the country a huge draw card for sports fans (South Africa info, 2009). More than 10% of foreign tourists come to South Africa to watch or participate in sport events, with spectators accounting for 60% to 80% of these arrivals. There are a number of world-class sporting events on the South Africa's calendar every year. According to South Africa info (2009b) the country has proved that it can successfully organise and host major sporting events. These have included the 1995 Rugby World Cup, 1996 African Cup of Nations, the 2003 Cricket World Cup, the Women's World Cup of Golf 2005-2008, the inaugural World Twenty20 Cricket Championships in 2007, and the only street race in the A1GP World Cup of Motorsport, held in Durban in 2006, 2007 and 2008. Cape Town also has a long history of hosting major sport events such as the Old Mutual Two Oceans Marathon, the Cape Argus Pick 'n Pay Cycle Tour as well as Tri-Nations and Super 14 rugby matches, international cricket and football matches in addition to a host of various South African championships.

4.2.1 Demand Side Trends

Sport tourism is considered a multi-billion dollar global business and the fastest growing sector of the US$4.5 trillion global travel and tourism industry (Sportbusiness, 2004). Destinations are increasingly relying on the visiting golfer, football, rugby or cricket supporter, for example, with sport tourism in some destinations possibly accounting for as much as 25% of all tourism receipts. It is highlighted that Africa is said to be the continent of the future, both as a sport and tourism destination, offering opportunities for infrastructure and communication developments (UNWTO & IOC, 2001). There, however, is a shortage of statistics and information with regards to sport tourism in general. Data is important in assessing and quantifying supply and demand of sport tourism. In developing sport tourism as a niche product, the 1996 White Paper on the Development and Promotion of tourism in South Africa indicated that more emphasise should be placed on products (for example sport tourism) that offer a good potential for development. The development of sport tourism should be encouraged and furthermore encourage the provision of facilities, training, marketing and promotion to give emphasis to the development of this segment of the industry (South Africa, 1996).

Sport tourism policy or strategy

South Africa currently does not have a coordinated national sport tourism strategy aimed at proactively growing sports events in the country (SAT, 2005). It must be noted that Australia in an effort to maximise on the tourism benefits of hosting events developed a Draft Sport Tourism Strategy off the back of Australia hosting the Sydney 2000 Games (however, this was not taken further when the two ministries of sport and tourism were split after the Games). The key elements of the strategy included industry co-ordination, education and training, government regulation, infrastructure, research and data collection and the evaluation of economic benefits and implementation of the strategy (Swart & Bob, 2008).

Sport events have become an increasingly important component of global tourism economies (Cornelissen, 2005). Sport tourism is recognised as one of the fastest growing tourism niche markets. Sport tourists are passionate, high-spending, enjoy new sporting experiences and often stimulate other tourism sectors (Sportbusiness, 2004). Their direct benefit to a destination is cash - their indirect benefit can be years of follow-on tourists.

Included in the MICE segment of sport tourism are sports organisation meetings, sports conferences, sports trade shows, sports equipment exhibitions, sports product shows, etc. Each of the MICE activities, which have an attraction to draw visitors to a host city are usually considered to be “shoulder” or “low” tourism season activity. Meeting planners also offer sporting activities for “Retention” purposes which are of interest to sports oriented attendees. From a sport tourism perspective, incentive travel is also on the rise. The increase is due to the popularity of sports and the increased number of high visibility events suggesting that “sport packages” designed for employee incentives are highly acceptable (Kurtzman, 2005). It is also worth noting that business tourism was used as a post-Games strategy for the 2000 Sydney Olympic Games (Australian Tourist Commission, 2001).

4.2.2 Supply Side Trends

Bidding to host sport events has become a competitive business with many cities, regions and countries vying to attract major games. Countries around the world, through focused tourism growth strategies are increasingly trying to attract sporting events to their respective cities in an effort to increase travel to the country by incorporating sport tourism into the destinations marketing mix. Sports has benefited most of the big markets including the United States, Japan and Germany. South Africa, in an effort to increase tourism to the country has strategically focused on bidding and hosting sport events and mega-events (Cornelissen, 2005; Kotze, 2006). Hosting sporting events and mega-events contributes benefits to the country’s economy as a result of tourism. It drives economic development, improves social wellbeing and alleviates poverty by creating jobs. The research-to-date suggests that South Africa does not rank highly as a golf destination amongst its traditional tourism source markets of UK, Germany, and France and, the country does not currently attract a large number of dedicated golf tourists (Western Cape, 2004).

Golf tourism

Sheard and Veldtman (2003) note that the South African golf tourism industry is an important sub-sector of the sports tourism industry. Tassiopoulos and Haydam (2008) assert that golf tourism seems to have come about spontaneously as there seems to have been no concerted planning effort to develop and market the country as an international golf tourism destination, however the efforts of the South African Golf Summit which takes place annually at Fancourt are acknowledged. Destinations are increasingly relying on the visiting golfer or supporter. In some destinations golf possibly accounts for as much as 25% of all tourism receipts (Sportbusiness, 2004). Golf 20/20 (2002) describes golf tourism as a primary motivating factor for travel, or, as an enjoyable activity whist travelling. Alternatively, golf tourism is defined by Tourism Victoria (2003) as an activity, or overnight trip, where the golfer is travelling more than an hour outside their place of residence and/or regular golf course or club and displays at least one of the following characteristics: golf is a primary motivator for travel; golf is a major determining factor in choosing the destinations and/or golf will become the primary leisure activity on the trip.

Typology of a golf tourist

Golf 20/20 (2005) provides a typology of golf tourists categorising them as follows:

- *an avid fan* is a person who expresses a high degree of interest in golf, whereas a golf fan is a person who expresses at least some degree of interest in golf, whether he or she is a participant or not,
- *a non-fan* is a person who indicates they do not have any interest in golf, and
- *a non-participating fan* is a person who expresses at least some degree of interest in golf but is not a participant. Non-participating fans represent an important, but latent, golf tourism market. This sub-category includes golf television viewers who in turn can be further classified into occasional, core or avid golf viewers.

4.2.3 Summary

One form of special interest tourism which has received particular attention is travel related to sport or sport tourism. Many cities and towns are actively looking to attract tourists, both international and domestic to their particular city. They use sport events to attract people to these urban centres. It is evident that sport tourism in South Africa has immense potential. With the focus on the 2010 FIFA World Cup™, it is hoped that this event can provide impetus to a range of related initiatives that will maximise South Africa’s sport tourism potential beyond mega-events. However, a national sport tourism strategy is required and successful implementation is underscored by an integrated and coordinated approach by various sport and tourism industry players (Swart & Bob, 2007). According to Tassiopoulos and Haydam (2008) golf tourism research in South Africa is still in its relative infancy. Furthermore, limited research has been conducted to determine the expectations of the South African golf tourists. Most information available concerning golf tourists has been derived from international studies conducted outside South Africa. The golf tourist is thus an important, but neglected, niche of the sport tourism market of South Africa which needs to be researched and promoted. Unlike European golf destinations South Africa has an advantage as it is considered to be an all year round sport destination and is therefore less likely to suffer from the seasonal effects that may affect other destinations (Tassiopoulos & Haydam, 2008). Tassiopoulos and Haydam (2008) recommend that in order to improve the ability to promote the regions to attract investment and encourage employment, there is a need to develop greater linkages between sport and tourism policies and strategies. Furthermore they conclude that golf tourism is a specialist interest tourism sector that has the potential to contribute and serve as a strong base for the development of a healthy sport tourism economy in South Africa. A strong relationship exists between golf tourism and the decision to purchase golf tourism offerings. It is crucial that the tourism authorities clearly understand the needs and expectations of the golf tourist if they are to implement successful niche marketing.

4.3 Cruise Tourism

Cruising has become a popular growing niche over the years within tourism. A holiday on a cruise ship is generally portrayed as a special experience. Because of all the inclusions usually offered by cruise companies, such as meals, activities, entertainment and varied destinations, a cruise is promoted as the best example of a 'one-stop holiday shop'. Even in its largest growth area the USA, it remains a popular niche market (Douglas, Douglas & Derret, 2001). The year 2006 was good for cruise tourism; it experienced record volumes of passengers together with the launch of new vessels to meet this growth in demand (Scantlebury, 2007). Cruise tourism is defined as, travel which involves a voyage on a ship undertaken wholly for reasons of leisure and recreation (George, 2005). Cruise tourism provides the opportunity to promote local linkages between government and the industry. It further encourages opportunities for suppliers of tourism and other goods and services prioritised for support. A profile of cruise tourist is given as:

- over 45 years old,
- most often female,
- well educated,
- spends considerable time planning and preparing for the trip,
- anticipates romance and elegance from the experience,
- prefers escorted tours, and
- places a strong emphasis on safety and the organisation that the cruise cocoon offers (Douglas, Douglas & Derret, 2001).

4.3.1 Demand Side Trends

Cruise Line International (2006) presently notes that cruise ship deployments are global more than ever. As the Caribbean market is saturated, cruise lines are now opting to relocate some of their ships to the fast growing European-cruising segment. This trend is soon to be seen in the Asian market, with mass market ships starting to relocate to China. Veronneau & Roy, (2009) note that Carnival was amongst the first cruise companies to market itself as a popular vacation experience for the average American family with their aggressive ‘‘Fun Ships’’ campaign. Through the years, numerous efforts such as the formation of the Cruise Line International Association (CLIA), aggressive marketing campaigns, and the strengthening of travel agent relationships with cruise lines have contributed to change the public perception of cruising from being a boring or elite type of vacation for the newly-wed or the nearly dead, to something affordable and rewarding that everyone can enjoy (Veronneau & Roy, 2009). Interest in cruising is growing. In addition, interest is becoming further specialised as more and more cruises cater for very specific tastes. Theme cruises are increasingly attempting to cater for these diverse needs within the cruise industry. Some of the special interests have been identified as; music, art appreciation, photography, dancing, bridge, cookery, etc.

4.3.2 Supply Side Trends

Key cruise destination areas are identified as the Caribbean, Europe and Alaska. The three major cruise lines are Carnival Corporation, Royal Caribbean Cruises and Star Cruises Group (Dowling, 2008:604). South Africa offers European cruise shipping lines with the opportunity to base their vessels and capitalise on markets in the Southern hemisphere during the summer season.

Starlight cruises is the operator that handles bookings in South Africa for its cruise season. The Rhapsody and the Melody were two European cruise liners based in Durban during the summer cruise season. From November 2009, the Luxury Liner, MSC Sinfonia, will operate cruises from Durban to destinations in the Indian Ocean and Mozambique Channel. It will be the largest and most luxurious ship to have ever operated from a South African port. According to Travel.Iafrica.com (2009) Allan Foggit, Starlight Director, “the market appears to be calling out for a world class liner in the region, which is definitely the biggest single development in the local cruise industry in South Africa since we first pioneered leisure cruising off this coast.”

A draft report compiled by The City of Cape Town (Investigation of the Cruise Liner Industry) indicates that passenger numbers show growth with 2008 having 15.2 million passengers (Anon, 2009). The report further indicates that passenger numbers are forecast to grow to over 20 million by 2015, which is quite significant and demonstrates the potential for developing this niche sector. Further growth implications forecast in the report are as follows:

- projection scenarios anticipate ports and destinations will rise to meet this opportunity,
- create demand for a number of present homeport and port-of-call facilities to expand over the mid-to long-term, encourage expansion into new markets,
- seasonal capacity placement challenges, and
- as a trend, expansion of supply and the subsequent need to cruise lines to expand their overall regional coverage is a favourable trend for Cape Town.

During the 2008/2009 Southern Africa Cruise season, Anon. (2009) reports that:

- an estimated 83 cruises are planned for the 2008/2009 season, the market capacity is 31,657 passengers,
- an estimated 16 different vessels will be in the region,
- vessels target a variety of different segments but predominantly directed toward a European cruise audience,
- average cruise duration is a lengthy 18 days,
- the cruise season is generally from October to April, while most cruises are offered during December and January,
- itineraries contribute 102 vessels calls to South African ports, with an estimated 45 of these arriving in Cape Town (44%),
- of the leading four cruise industry conglomerates, Royal Caribbean is absent from the list of lines offering cruises in the region, and
- primary regional homeports identified include Cape Town, Durban, Mombasa, and Mahe.

A recent article (Anon, 2009) indicated new cruise option that will be available for visitors to the 2010 FIFA World Cup to be held in South Africa. This innovative product will be available for tourists to and from South Africa to watch the games. Two cruise liners will be based in South Africa during the tournament. The MS Noordam will be operating from Durban while the The MS Westdam will operate from Cape Town. Packages will include airport transfers, accommodation, leisure tours, daily excursions, and tickets to the matches. Two to four day packages will be available and ships will cruise to and from Port Elizabeth. While onboard the guests will have all the luxuries of a cruise from galas, meals and entertainment. Guests will also be able to watch games onboard. Cruiselines can accommodate about 1500 passengers and spending also take place in port cities.

Safety and security as a supply side challenge

After the events of 11th September 2001, the USA Coast Guard identified cruise ships as ''high interest vessels'' which basically means that they are potential targets (Veronneau & Roy, 2009). It is noted that these new constraints are also similar to the air transport industry, which has seen one of the largest impacts of the post 9/11 reform. Hence, one of the biggest challenges right now for cruise supply chain is Homeland Security in the USA, as well as health requirements in other countries. Most managers and employees also recognise the fragility of cruise ships (Veronneau & Roy, 2009). It is also recognised by many managers that the companies still standing today after the 9/11 events were quite creative and showed resilience by quickly changing and adapting itineraries to let people drive to their local ports instead of risking flights.

4.3.3 Summary

Cruising has become one of the rapidly growing sectors within tourism. It is seen as a glamorous product that is viewed as a symbol of western culture. It is further regarded as the ultimate form of escape from one's day to day existence. Cruising operates within a global operation and attracts the attention of various regulatory bodies and has to comply with a lot of global, regional and even sub-regional regulations affecting the operation. Good connections with local authorities as well as a well-garnished roster of service providers and suppliers are essential for smooth and efficient operations. It is evidenced that theme cruises are emerging as a trend.

4.4 Health and Wellness Tourism

There is a growing connectedness between wellness, lifestyle and leisure (Smith, n.d.). Health and wellness tourism is a rapidly growing sector of today's tourism industry. A health resort/spa is defined as a place where people engage in activities intended to improve or maintain their health (Failteireland, 2009). It is noted that the concept of a health resort describes both a place and a product in that a place provides rest and recreation facilities for overnight guests, whereas a product consists of goods and services aimed at the maintenance or improvement of a guest's physical or mental health. In European health resorts, water treatments are frequently administered usually under the supervision of a specifically trained spa doctor as part of a spa programme. Failteireland (2009) contends that the true meaning of the word spa is mineral waters known for the curative powers. It is clarified that a client with various medical conditions would travel to experience therapies that will help to make them well or to improve their health, whereas, a person who seeks a wellness travel experience is generally healthy and seeks therapies to maintain his or her well being. This is what differentiates health tourism from wellness tourism (Failteireland, 2009). Global Advisory Services (n.d.) note that destinations are beginning to recognise the demand for health and wellness tourism, as more and more consumers are travelling for the purpose of improving their general health and wellness. They add that growth in this market can be attributed to a number of global consumer trends, including the following:

- aging populations in key demographic sectors such as the US Baby Boomers,
- a growing interest in wellness services and the desire for illness prevention,
- a developing interest in alternative and complementary forms of medicine, and
- a renewed emphasis on learning to establish individual balance and the integration of mind, body, and spirit.

One of the most significant manifestations of expansion in health and wellness tourism has been the staggering growth of the spa sector, specifically destination spas within resort hotels. By 2001 revenues at U.S.-based spas reached $10 billion according to the International Spa Association (Global Advisory Services, n.d.). A broad range of destination services can be included in the definition of health and wellness tourism (Global Advisory Services, n.d.). It involves offering tourists the means to improve their health and their lives through physical, emotional, and spiritual experiences at the host destination and within the host culture. Typologies of health and wellness tourism include (Smith, n.d.):

- spa tourism (e.g. medical, resort, day spa),
- holistic tourism (e.g. retreat, yoga centre),
- medical tourism (e.g. spa visit, surgery),
- spiritual tourism (e.g. pilgrimage, meditation, retreat), and
- occupational wellness tourism (e.g. life coaching, stress management).

People's desire to improve their health has been a major motivation in the historical development of tourism for more than two millennia. The World Health Organisation (WHO), cited by Douglas (2001) describes health as a state of complete mental, physical and social wellbeing not merely the absence of disease or illness. There are many reasons why people participate in health tourism. Essentially people seek to improve their lives. A spa, according to Douglas (2001) is defined as a mineral spring or a place or resort where such a spring is found. There are two types of health tourism facilities, spa resort or destination spa and resort spa or amenity spa. The first has a single purpose which is the spa experience while the latter is part of the recreational activities offered at hotels for guests (Douglas, 2001).

4.4.1 Demand Side Trends

Profile of European Spa Clients according to Douglas (2001)

- Germans are Europe's most enthusiastic spa users, generally most Europeans use spas. Cape Town would be attractive to these European spa users due to its value for money and also for the sole reason that Cape Town is Europeans' especially British and Germanys favourite holiday destination,

- there are women and men users, and
- over 50-60 years age group.

Profile of US Spa Clients according to Douglas (2001)

- 85 percent are female users,
- two thirds use spas for relaxation,
- men less likely to visit a spa even though there are products designed for men, and
- education, age, marital status and income are fairly similar amongst spa users.

Today's fast paced lifestyle has prompted people to use their free time to pursue activities that positively contribute to their health and wellbeing. The leisure side of spa and health resort business has the greatest potential. Douglas (2001) indicates that growth will come from the destination and resort spas where the emphasis is on relaxation, fitness, stress reduction and beauty. European countries such as France and Austria subsidise their citizens to use spas. The 34 to 54 year old age market makes up around half of the spa market but the 20 to 30 year age group is on the increase (Failteireland, 2009*;* Douglas, 2001). Cruise ships can further enhance the products and services they offer linked to the health and wellness as the spa experience will become more popular as a way of escaping the stresses and demands of twenty first century living.

4.4.2 Supply Side Trends

According to the World Travel Market (2009) discerning clients have an ever-increasing choice of resorts around the world, with the Far East and Mediterranean rapidly becoming centres of excellence. Spa Finder figures reveal there is now more 15,699 spas in the US alone.

Case study: Medical tourism in South Africa (Why go South Africa, 2009)

Patients, particularly those looking for elective surgery, are coming to South Africa to take advantage of much cheaper rates offered for complex surgical procedures. This 'Surgery *and Safari'* phenomenon has been ongoing now for quite some time where standards of private medical facilities and personnel are extremely high. It is not only for the reason that South Africa offers affordable rates for surgery, dentistry and general medical care that tourists should consider the destination, but also the fact that one can spend a week or two in recuperation in any one of the outstanding spas or resort hotels scattered around the Cape. When one is feeling little better a wildlife safari in one of South Africa's equally luxurious game lodges or private wildlife establishments rounds of a very rewarding holiday. There are a handful of medical tourism safaris operating on the open market at the moment, and no doubt this phenomenon is likely to grow. South Africa is facing stiff competition in this market from other countries also offering the service, namely India, Malaysia, Thailand, Brazil and Costa Rica. However, the South African advantage definitely lies in its high standards of skill and facilities, and magnificent recuperation facilities in a nation already famous for its sophisticated tour and hospitality industry (Why go South Africa, 2009).

4.4.3 Summary

Collecting reliable data on participation, expenditure and development in this sector is difficult and unreliable (Douglas, 2001). It could be argued that conventional tourism is a form of health tourism as the person makes destination choices that will satisfy health and wellness needs. A person returning from a conventional holiday may feel relaxed and recharged. For instance, no recognition is given to health as a primary reason for travel in Australia (World Travel Market, 2009).

5.0 Local Level Niche Market Trends: Findings from the Key Informant Survey

This study sought tourism key informant input on the performance of the different current tourism niche sectors in Cape Town. Key informants are an important source of information and data as they have deep knowledge on the subjects under study. Their opinions are valued as they are considered to be based on sound knowledge emanating from extensive experience. Key informants completed a questionnaire with different sets of questions aimed at establishing the current performance and trends of each niche sector and their likely future performance. This section therefore, presents the findings from the key informants for each niche sector including: culture and heritage, wine and cuisine, nature-based and adventure, backpacking and youth and business tourism. This section presents the findings from the key informants. General information is presented first followed by niche sector specific findings. A target of 40 key informants was set, but at the time of writing this report there was a total of 22 valid responses representing 55% of the targeted number. Of the 22 respondents six were from the South Atlantic Coast of the Cape Town Tourism regions, seven were form Central Atlantic Coast, two from North-East Atlantic Coast and seven were not specified. The respondents were from different segments of the tourism industry including: lodging, tour operators, car rental, national parks and others. Europe was cited as the major source of business by the respondents followed by domestic and North America in that order. Figure 31 below shows the main source markets of business mentioned by the respondents.

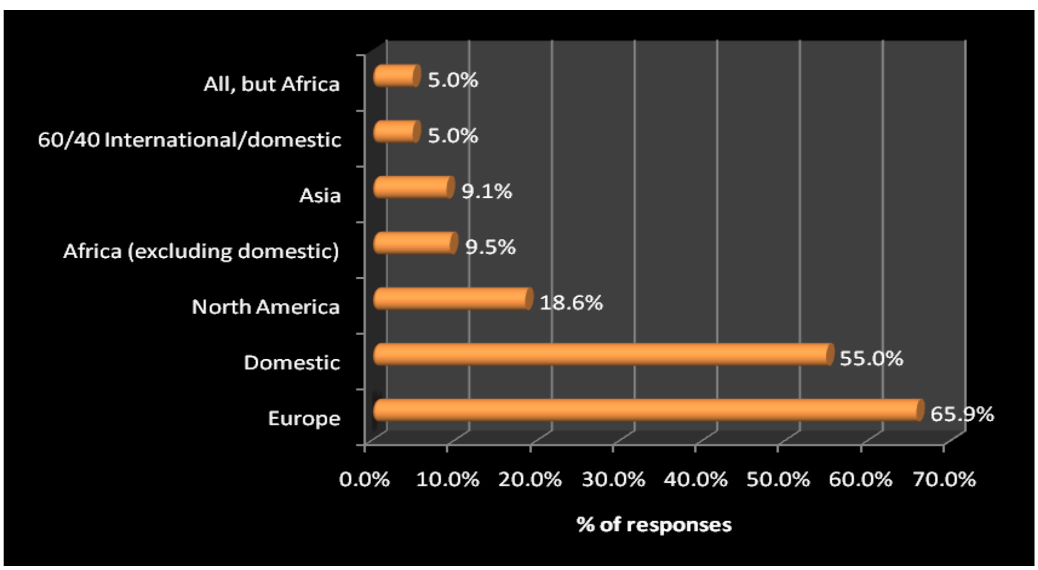


Figure 31: Main source markets of business as stated by the key informants

The respondents indicated that they received their business from both males and females and that most (66.7%) of their customers under the age of 49. The majority (73.7%) of the respondents' customers are of medium to high socio-economic status. However, 21% indicated that they have a low socio-economic status clientele and 5.3% indicated that their clients are from a wide status range from low to high socio-economic status (Figure 32).

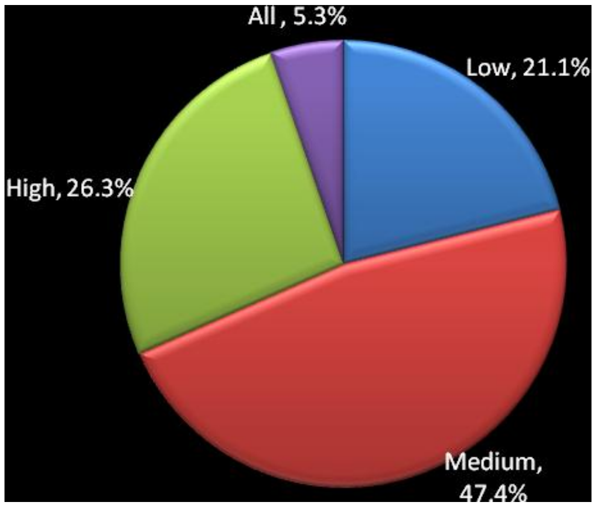


Figure 32: Socio-economic status of the respondents' customers

Asked about the general trend of their businesses in the past five years, more than half (57.1%) of the respondents indicated that their business had been increasing, 14.3% indicated that their business was not showing any particular systematic trend and 9.5% indicated that business was decreasing (Figure 33). Of particular interest is the increasing trend of business as reported by the key informants.

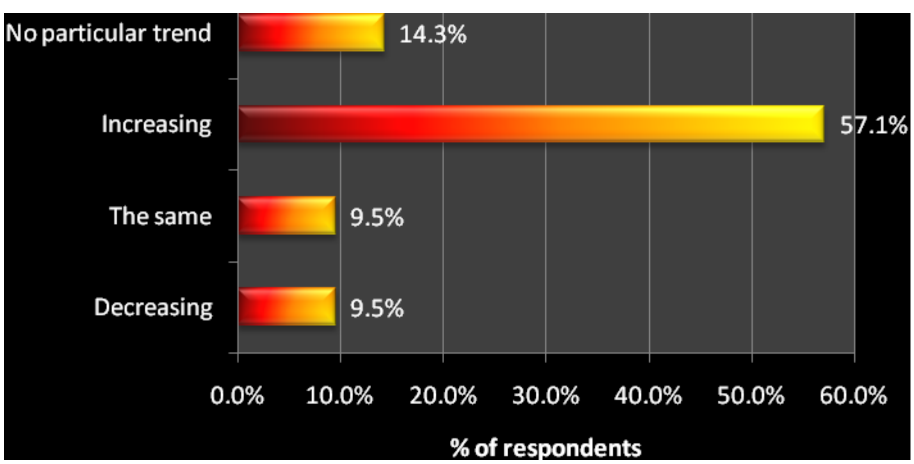


Figure 33: General trend of business in the past 5 years as reported by key informants

5.1 Culture and Heritage Tourism

Findings seem to suggest that the culture and heritage tourism niche sector is regarded as important for Cape Town by the key informants. Almost all (90.9%) of the respondents indicated that <u>culture and heritage tourism was an important sector for Cape Town to pursue.</u> Some of the reasons stated for this were:

- Cape Town has rich heritage,
- culture and heritage attract more tourists,
- Cape Town has lots of best kept secrets,
- it offers potential for tourism growth, and
- Cape Town has good international standard offerings and facilities.

5.1.1. Niche Sector Trends

About 39% of the respondents indicated that growth in the number of culture and heritage service providers in the past five years was good to exceptional. Some indicated that growth was minimal (27.8%) and substantial (11.1%). Important to note is the fact that there was growth in this niche sector over the past five years according to key informants. Growth in yield showed a slightly different trend. According to key informants yield from culture and heritage tourism in the past five years has been increasing (42.1%); the same (21.1%) and declining (5.3%). Also, it is important to note that the majority (63.2%) stated that yield either remained the same or increased.

Source markets, travel party size, age and socio-economic status

The main source markets for culture and heritage tourism as stated by the key informants are European, followed by domestic, Asia and North America (Figure 34).

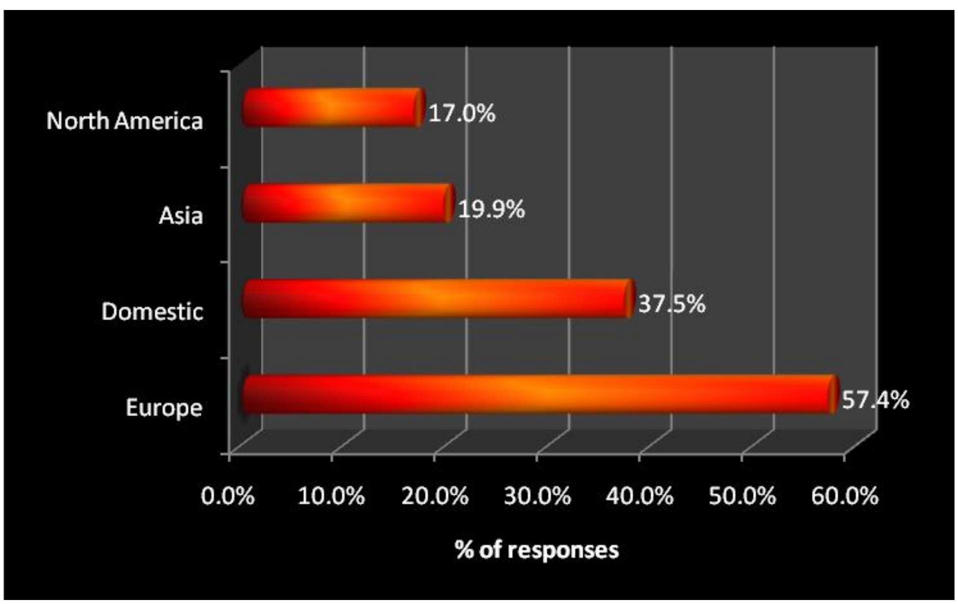


Figure 34: Source markets for culture & heritage tourists to Cape Town
(*Totals may be greater than 100% due to multiple responses)

This finding is consistent with the already known fact of the main sources or tourists to Cape Town. The main source markets for tourists to Cape Town have been European countries, especially the UK, Germany and the Netherlands. Culture and heritage tourists tend to travel mostly in couples, and small groups. About 56% of the respondents indicated that culture and heritage tourists travel in twos, 22% indicated that they travel in small groups of ten and below and 11% alone. According to 68.8% of the respondents, culture and heritage tourists are mostly under the age of 49. Culture and heritage tourists tend to be of medium to high socio-economic status as indicated by the majority (68.2%) of respondents.

Best season for culture and heritage tourism

Summer (37.5%) was indicated as the best season for culture and heritage tourism in Cape Town. However, 31.3% of respondents indicated that culture and heritage tourism is an all-year -round niche, while 12.5% indicated that it is suitable for summer and spring seasons (Figure 35).

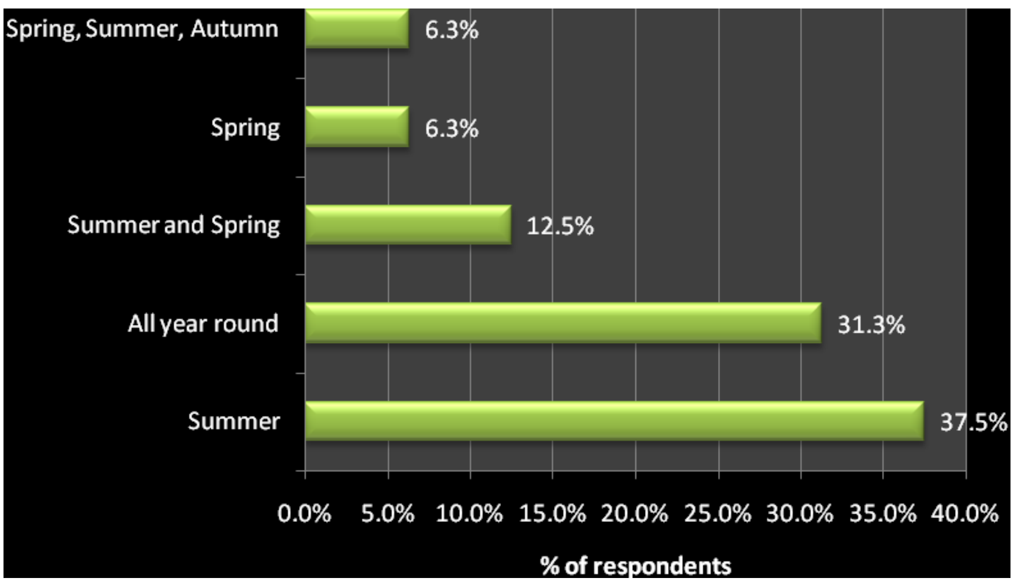


Figure 35: Best season for culture & heritage tourism in Cape Town

Of particular importance is the ‘all-year round’ finding illustrating that this niche sector can play an important role in addressing the challenges of seasonality of tourism flow in Cape Town.

Importance of niche sector in promoting transformation and geographical spread

Respondents were asked to rate the contribution of culture and heritage tourism in promoting transformation and regional spread. About 35% rated culture and heritage tourism as excellent in promoting transformation in Cape Town over the past five years and 17.7% rated it as below average and poor. The respondents were also asked to rate the role that culture and heritage tourism is likely to play in promoting transformation in the next three to five years. About 30%

gave it an excellent rating, 23.5% a good rating and 41.2% an average rating. Figure 36 below illustrates these ratings.

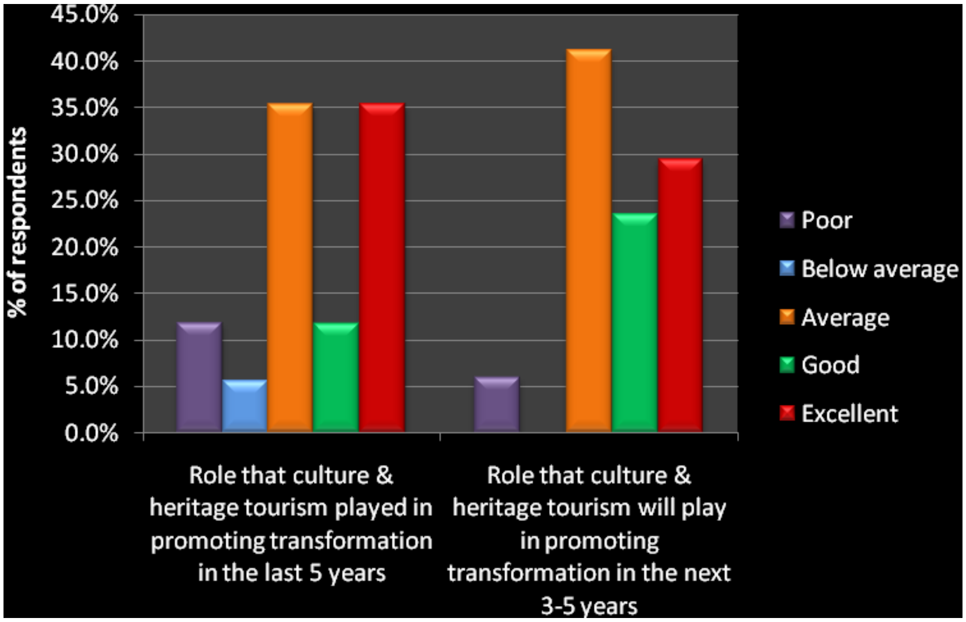


Figure 36: Role of culture and heritage tourism in promoting transformation in Cape Town

A significant proportion (38.9%) of the respondents tended to agree that culture and heritage tourism plays an important role in promoting geographic spread of tourists in Cape Town beyond central Cape Town, rating its role as good to excellent. About 22% of the respondents rated it excellent; 16.7% good, 27.8% average, 22.2% below average and 11.1% poor. Geographic spread is an important fact to consider as it ensures the spread of benefits from tourism growth without which host social irritation is fostered. Communities and individuals need to see, experience and enjoy the benefits from tourism to support and own it.

Challenges for the growth, development and promotion of the culture and heritage niche tourism sector in Cape Town

The majority (52.9%) of the respondents stated that government commitment to the development and promotion of culture and heritage tourism in the past five years has been average. The rest (47%) indicated that it has been minimal (29.4%) or lacking (17.6%). This finding is rather disturbing as the highest rating given to government commitment was average, implying that government needs to up its commitment and support to the development and promotion of this niche sector as it is currently not up to industry expectations. It follows that the government has to be actively involved with the activities of the sector, playing a facilitative role and promoting and fostering public-private sector engagement. Marketing, or lack thereof, (45.5%) was cited as the main challenge for the growth and development of culture and heritage tourism in Cape Town. Other challenges mentioned include: lack of skills, lack of government commitment, lack of private-public sector co-operation and others (refer to Figure 37).

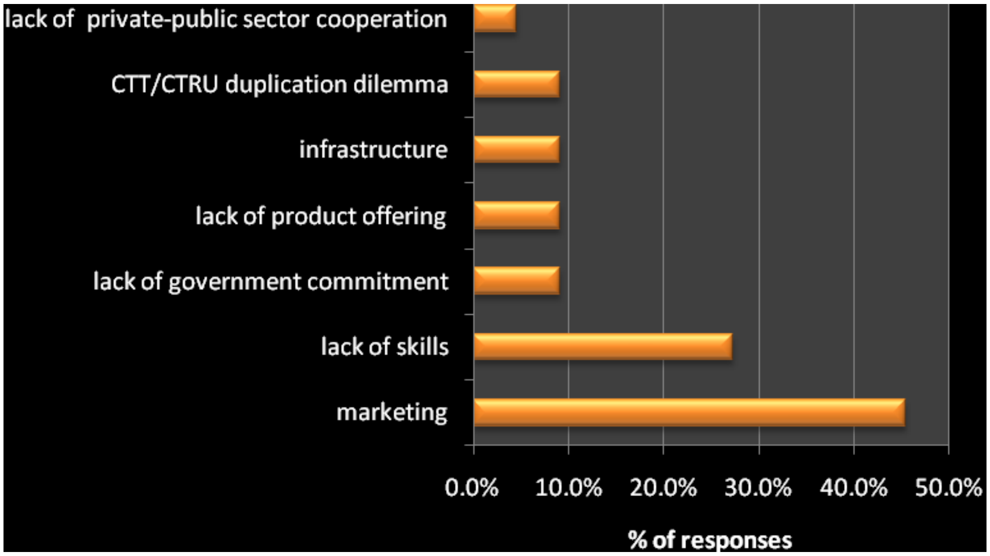


Figure 37: Main challenges for the growth & development of culture & heritage tourism in Cape Town

Another challenge mentioned was that the majority, if not all, hotels only refer tourists to big tour guide companies, such as Hilton tours, when approached by tourists about township tours. It is suggested that hotels work more extensively with township tours that are owned by guides who operate from and stay in townships and afford small locally owned township tours more exposure by hotels. The main negative impacts listed as possible consequences of further developing culture and heritage tourism in Cape Town include:

- social irritation and antagonism of host communities,
- economic inequality,
- environmental degradation,
- increase in crime, and
- over commitment of public resources.

The future of culture and heritage tourism in Cape Town

Asked about the most suitable Cape Town region to further develop and promote culture and heritage tourism, 46.2% of the respondents chose the South Atlantic Coast and the North-East Atlantic Coast (30.8%). About 15.4% indicated that all the Cape Town regions are suitable for culture and heritage tourism. The respondents unanimously (76.5%) agreed that culture and heritage tourism should be further developed and that more resources should be committed to the niche sector going forward. About 6% stated that the status quo should be maintained and not commit any more resources to the niche sector. However, 11.8% also stated that more planning is needed to direct the industry going forward. Almost all (82.4%) of the respondents were confident about the future of culture and heritage tourism in Cape Town as they indicated that the niche sector would grow in the next five years. About 18% indicated that it would remain same. It is important to note that none of the key informants indicated that culture and heritage tourism would decline. It is evident from these key-informant findings that culture and heritage tourism is viewed as an important niche tourism sector for the City of Cape Town. It can be concluded from these findings that this sector is seen as appropriate and worth pursuing.

5.1.2 Additional local secondary data

The graph below shows visitation trends at one of the major culture and heritage sites of not only Cape Town, but South Africa, Robben Island. While there has been a decline in visitation over the past 2-3 years most likely due to management and technical issues than lack of interest, the general trend since 2004 has been increasing. Growth in visitation numbers was 102% from 2004 to 2008.

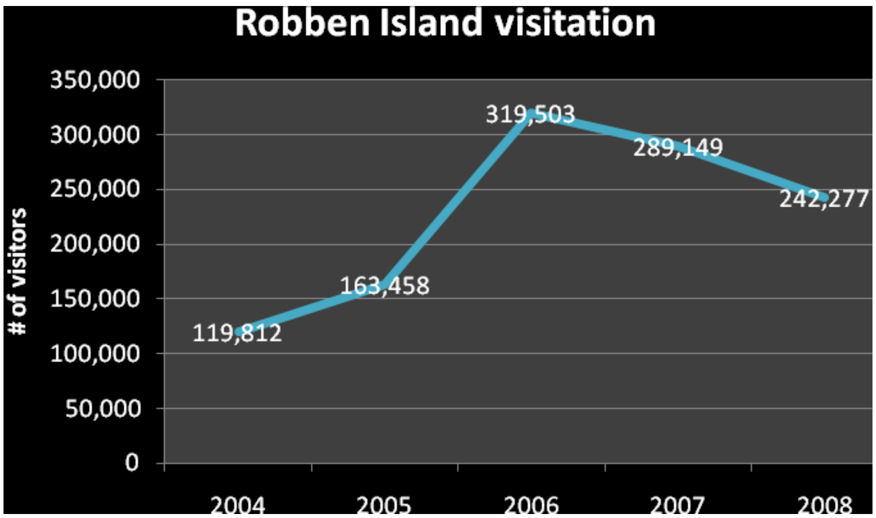


Figure 38: Visitation to Robben Island

5.2 Wine and Cuisine Tourism

Wine and cuisine tourism is seen as an important niche sector for Cape Town with almost all (93.3%) of the respondents indicating that the niche sector was appropriate for the City to pursue. Several reasons were given for this some of which include:

- wine and cuisine are a prime attraction to Cape Town,
- wine and cuisine offer potential for tourism growth,
- wine and cuisine tourism is essential for Cape Town, and
- we are the biggest wine making area in South Africa.

5.2.1 Niche Sector Trends

The majority (81.3%) of the respondents indicated that there had been growth in the number of wine and cuisine tourism service providers in the past five years as 56.3% said growth was good, 12.5% substantial and 12.5% said growth was exceptional. Respondents also agreed that there was growth in the number of wine and cuisine visitors in Cape Town within the past five years. About 71% indicated that growth was substantial to exceptional. The same was also true for yield. About 47% of the respondents indicated that yield from wine and cuisine tourism had been on an increasing trend in the past five years. A smaller percentage (11.8%) indicated that there was no change in yield while 5.9% stated that yield had been declining.

Source markets, travel party size, age and socio-economic status

The main source markets for wine and cuisine tourism for Cape Town as stated by the key informants are domestic, followed by Europe, Asia, South America and North America (Figure 39).

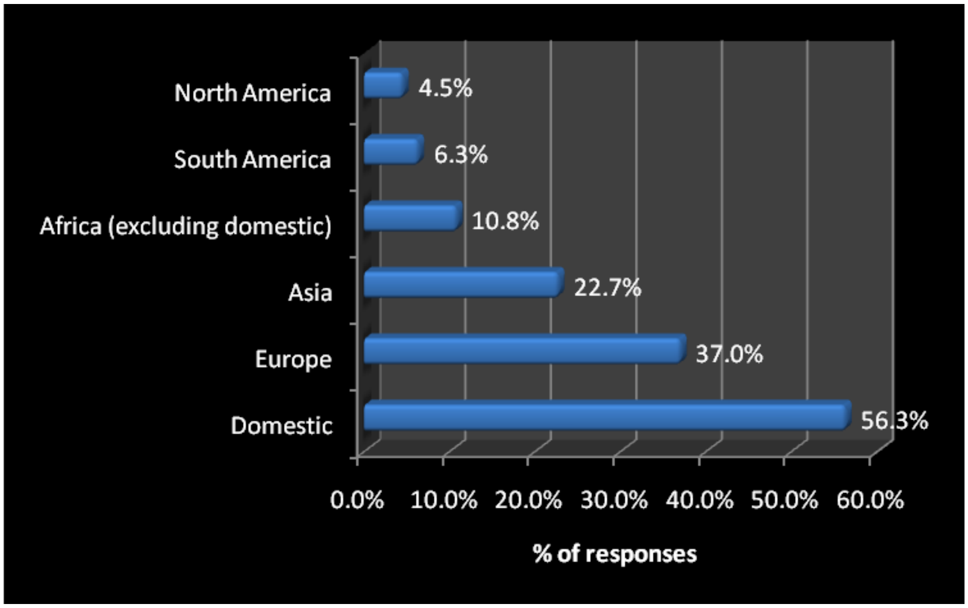


Figure 39: Source markets for wine and cuisine tourists to Cape Town as stated by key informants
(*Totals may be greater than 100% due to multiple responses)

This finding contrasts that for culture and heritage tourism whose leading source was Europe. It seems domestics are a very important source of wine and cuisine tourism in Cape Town. It is interesting that Asia and South America are listed before North America as sources of wine and cuisine tourists to Cape Town. As with culture and heritage tourists wine ad cuisine tourists also tend to travel mostly in couples, and small groups. About 43.8% of the respondents indicated that wine and cuisine tourists mostly travel in twos, 25% indicated that they travel in small groups of ten and below and 12.5% alone. According to 78.6% of the respondents, wine and cuisine tourists are mostly under the age of 49 and tend to be of high socio-economic status as indicated by the majority (50%) of respondents. Summer (50%) was indicated as the best season for culture and heritage tourism in Cape Town. However, the same percentage (50%) indicated that wine and cuisine tourism was an all year round niche sector.

Importance of niche sector in promoting transformation and geographical spread

Respondents were asked to rate the contribution of wine and cuisine tourism in promoting transformation and regional spread. About 14% gave wine and cuisine tourism an excellent rating with regards to promoting transformation in Cape Town over the past five years. About 36% gave it a below average to poor rating. Unlike culture and heritage tourism which received high ratings with regards to promoting transformation, wine and cuisine tourism is not rated as highly, with about 71% rating it as average to poor. The respondents were also asked to rate the role that wine and cuisine tourism is likely to play in promoting transformation in the next three to five years. The pattern didn't vary much with earlier ratings with about 21% giving it an excellent rating, 7% a good rating and 57% an average rating and 14.% a poor rating (refer to Figure 40). The reason for these poor transformation rating could be mainly due to the belief that wine tourism benefits those who own vineyards and wineries, who happen to be of high socio-economic status.

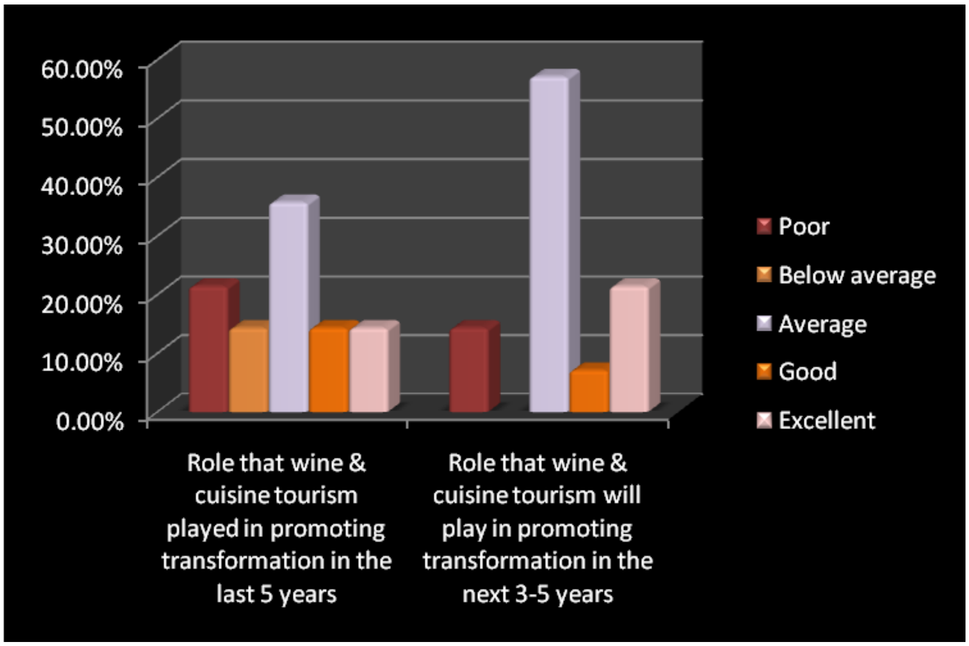


Figure 40: Role of wine and cuisine tourism in promoting transformation in Cape Town

Wine and cuisine tourism regional spread ratings tend to be different from the transformation ratings. A significant proportion (43.8%) of the respondents agreed that wine and cuisine tourism plays an important role in promoting geographic spread of tourists in Cape Town beyond central Cape Town, rating its role as good to excellent. About 37.5% of the respondents rated it good, 12.5% average and 6% below average. There were no poor ratings in for geographic spread.

Challenges for the growth, development and promotion of the wine and cuisine niche tourism sector in Cape Town

The majority (50%) of the respondents stated that government commitment to the development and promotion of wine and cuisine tourism in the past five years has mostly been minimal. As was the case with culture and heritage tourism, marketing, or lack thereof, (42.9%) was cited as the main challenge for the growth and development of wine and cuisine tourism in Cape Town. Lack of government commitment was stated as the second largest challenge to the growth and development of this niche sector. Other challenges mentioned included, lack of skills, lack of private-public sector co-operation and others. Lack of reliable public transportation was also mentioned as a major shortcoming for the sector.

Economic inequality (38.5%) and increase in crime (30.8%) were cited as two of the main negative impacts that may rise as a consequence of further developing wine and cuisine tourism in Cape Town. Some more of the listed possible negative impacts include:

- environmental degradation,
- social irritation and antagonism of host communities, and
- over commitment of public resources.

The future of wine and cuisine tourism in Cape Town

Asked about the most suitable Cape Town region to further develop and promote wine and cuisine tourism, 50% of the respondents mentioned the North-East Atlantic Coast region, 40% mentioned the South Atlantic Coast. The respondents were less confident about committing more resources to the development of this niche sector than they were with culture and heritage tourism. About 43% indicated that more resources should be committed to the niche sector going forward, 35.7% indicated that the niche sector should be left as is without commitment of additional resources. However, 21.4% stated that there needs to be additional planning to direct the industry. More than two thirds (64.3%) of the respondents were confident about the future of wine and cuisine tourism in Cape Town as they indicated that the niche sector would grow in the next five years. About 29% were little less optimistic about the future growth of the industry indicating that it would remain same over the next five years. However, it is also important to note that none of the key informants predicted a decline in wine and cuisine tourism in the next five years. It can also be concluded from these findings that wine and cuisine tourism is regarded as essential for Cape Town's tourism industry, therefore a worthwhile niche sector for the City to pursue.

5.2.2 Additional Local Secondary Data

According to SAWIS (1999) the wine industry contributes R14 557 million to the South African annual GDP. With its roots firmly embedded in the Western Cape, an estimated 60 per cent of the wine industry's activities have an important impact on the region's economy. In 1999 that amounted to about 9.7% the Western Cape's total Gross Geographical Product (GGP). Of the R14, 557 million GDP contribution of wine to South Africa, about R8, 700 million remained in the Western Cape. South African wine exports over the past five years have grown beyond all expectations, while wine-related tourism has also flourished (SAWIS, 2009). According to SAWIS (1999) the wine industry provided employment opportunities, directly and indirectly, for a total of 208 298 people in various sectors ranging from primary agriculture, to cellars, manufacturing, wholesale and retail, as well as tourism. Of these, 159 952 people were involved with the different facets relating to the industry and 48, 346 were related to tourism. This shows that the wine industry, wine tourism included is an important sector for the City of Cape Town. Wine acreage has been on the rise this decade and signifying increasing demand and supply of wine products. While wine acreage is not a direct indicator of wine tourism trends, it certainly implies increasing opportunities for wine tourism growth with growth of the industry. The figure below illustrates wine acreage trends from 2000 to 2007. The growth of the wine industry is evident from the data presented and along with the growth comes the opportunities for growth in wine tourism.

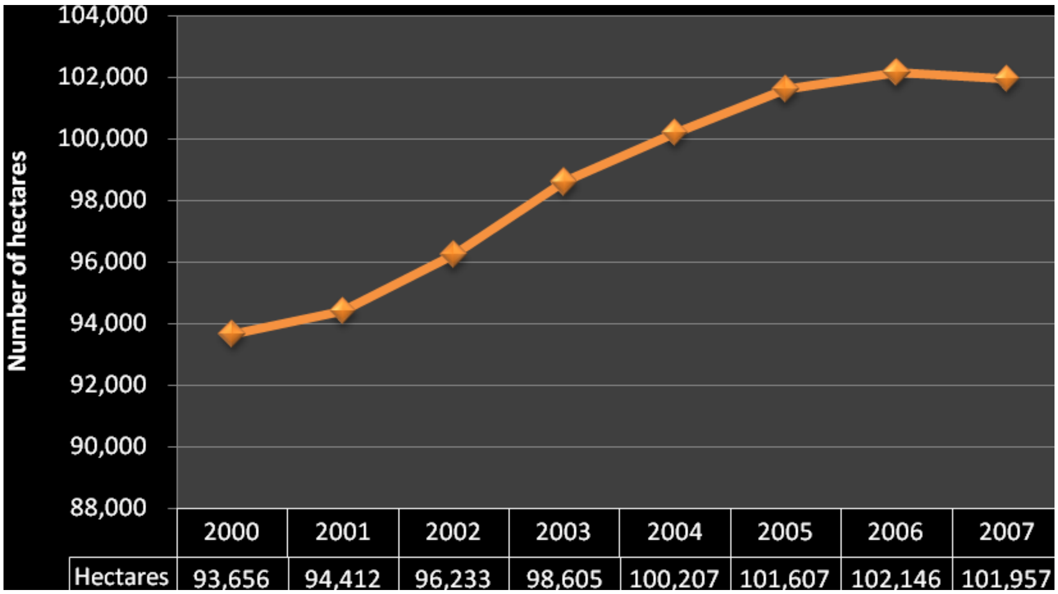


Figure 41: Wine acreage in the Western Cape

5.3 Nature-based and Adventure Tourism

Findings seem to suggest that nature-based and adventure tourism is regarded as important for Cape Town by the key informants. Almost all (94.4%) of the respondents indicated that nature-based and adventure tourism was an important and appropriate sector for Cape Town to pursue in the first place. Only 5.6% stated that it was an inappropriate niche sector for Cape Town to pursue. The main reasons offered in support of this niche sector included:

- it offers potential for tourism growth,
- nature is Cape Town's main attraction, and
- it offers pride and joy for all.

5.3.1. Niche Sector Trends

The findings suggest that there was impressive growth in nature-based and adventure tourism during the past five years. About 60% of the respondents indicated that growth in the number of nature-based and adventure tourism service providers in the past five years was good to exceptional. Some indicated that growth was substantial (23.5%) and minimal (11.8%). Important to note is the fact that about 82% of the respondents indicated that there was growth in this niche sector over the past five years. About 77% of the respondents indicated that there was growth in the number of nature-based and adventure tourists in the past five years. This signifies increase in demand for nature-based and adventure tourism, explaining why there had been a growth service providers in this niche sector. According to key informants yield from nature-based and adventure tourism has also been increasing, with over two thirds (62%) of the respondents indicating that yield from this niche sector has been on the rise. Service providers, visitor numbers and yield are good indicators for demand and performance, and these, according to the key informants have been showing robust growth of this nature-based and adventure tourism niche sector. Other trends noted have been an increase in visitor volumes over last six months possibly due to financial crises that is leading people to look for local affordability. There also has been noted increases in numbers of independent self-drive travellers between the ages of 20-45 and an increase in visitor numbers for boat based nature and adventure activities such as boat based whale watching, shark cage diving and other tourist activities within harbours. Nature-based and adventure tourism is said to have high potential for growth.

Source markets, travel party size, age and socio-economic status

Europe seems to be the dominant source market for nature-based and adventure tourism as stated by the key informants followed by Asia and North America (Figure 40).

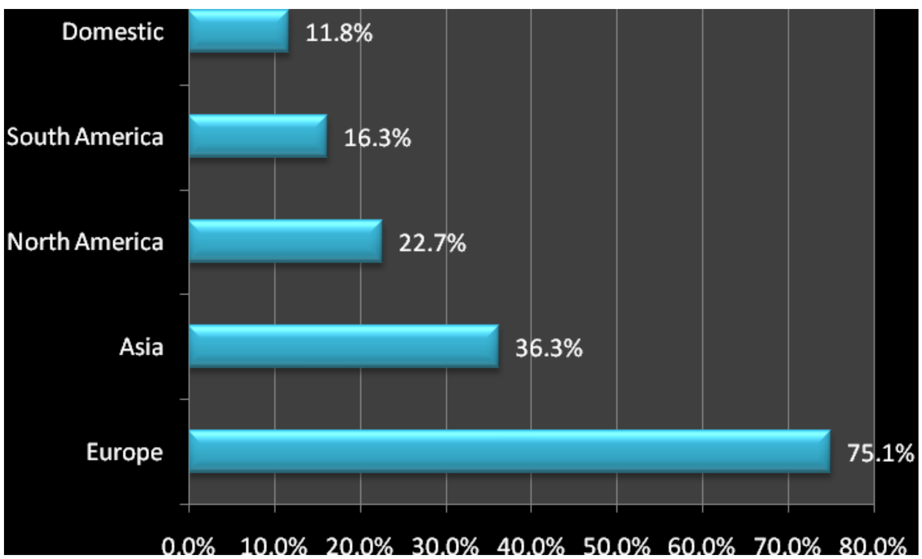


Figure 42: Source markets for nature-based and adventure tourists to Cape Town
(*Totals will be greater than 100% due to multiple responses)

This finding is consistent with the already known fact of the main sources or tourists to Cape Town. The major international source market for Cape Town has been Europe. Nature-based and adventure tourists tend to travel in couples (35.3%), alone (29.4%) and in small groups of ten and less (17.6%). According to most (56.3%) of the key informants nature-based and adventure tourists are mostly weekend visitors, 18.8% stated that they have an average length of stay of between six to fourteen nights. Unlike the previously discussed niche sectors whose participants were said to be older, nature-based and adventure tourists are mostly under the age of 34 according to 87% of the respondents. They are of medium (58.8%) to high (23.5%) socio-economic status.

Best season for nature-based and adventure tourism

As expected summer (46.7%) was selected as the best season for nature-based and adventure tourism in Cape Town. However, 20% of respondents indicated that nature-based and adventure tourism is an all-year-round niche, while 20% stated that it is suitable for both summer and spring. About 13% said that the best seasons for nature and adventure tourism are summer, winter and spring (Figure 41). The mentioning of winter as best season is really not surprising given that Europe is cited as the main source market for this niche sector. Our winter is not considered as that severe given that the western countries endure sub-zero temperature winters.

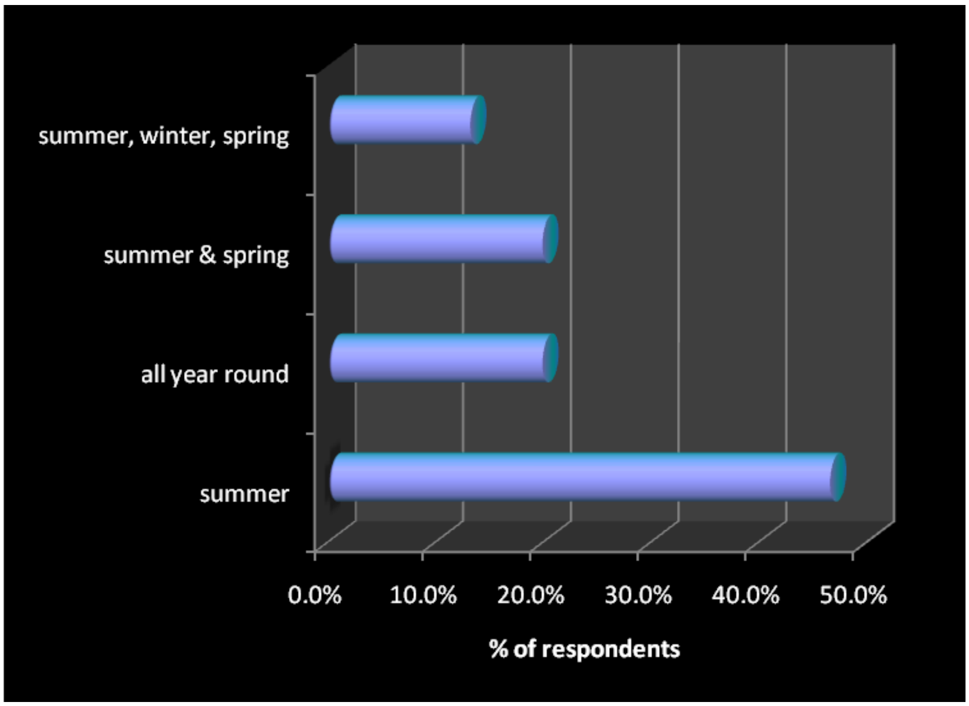


Figure 43: Best season for nature-based and adventure tourism in Cape Town

Of particular importance is the mention of winter and 'all-year round' finding implying that nature and adventure tourism can also play an important role in addressing the challenges of seasonality of tourism flow in Cape Town.

Importance of niche sector in promoting transformation and geographical spread

On rating the contribution of nature-based and adventure tourism to transformation in the past five years, 40% of the respondents gave it an average rating, 26.7% below average, and 13.3% poor. About 20% rated it as good to excellent. However, more respondents were optimistic about nature and adventure tourism's contribution to transformation in the future (3-5 years), with 40% indicating that nature and adventure tourism will make good to excellent contribution to transformation. Figure 42 below illustrates the key informant rating of nature-based and adventure tourism's contribution to transformation.

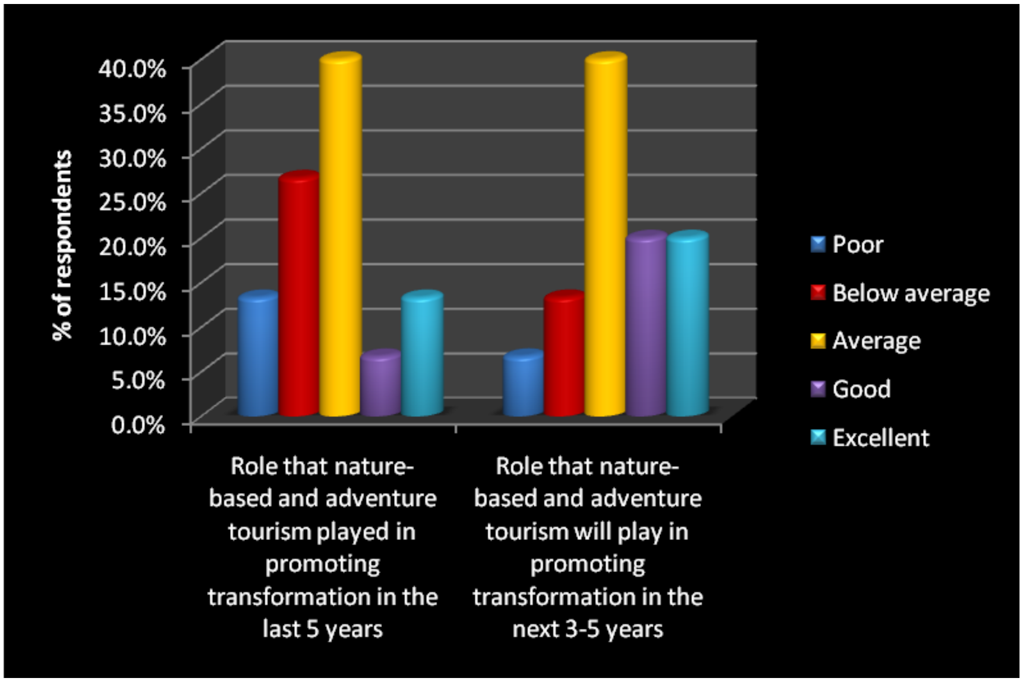


Figure 44: Role of culture and heritage tourism in promoting transformation in Cape Town

The majority (81.3%) of the respondents agreed that nature-based and adventure tourism is important for geographic spread of tourists in Cape Town beyond central Cape Town. This would be an expected finding given that nature-based and adventure activities are offered out of central city Cape Town. There was no poor rating on geographic spread for nature and adventure tourism.

Challenges for the growth, development and promotion of the nature-based and adventure tourism sector in Cape Town

The majority (53.4%) of the respondents stated that government commitment to the development and promotion of nature-based and adventure tourism in the past five years has been lacking or minimal. Only 13% indicated that government support was good. Government support is said to be not up to standard for almost all niche sectors so far, a finding that it rather disturbing. Government needs to make a conscious pro-active decision to open lines of communication with the private sector forming private-public sector forums to work together to implement actions that ensure that growth of the niche sector. Public and private sectors, tend to work in silos with little or no communication and cooperation. The lack of government committed cited could be emanating more from misunderstandings than actual lack of commitment, and these misunderstandings can be ridden of through deliberate and consistent public-private sector networking. Marketing or lack thereof was again, cited as the main challenge for the growth and development of nature-based and adventure tourism in Cape Town followed by lack of government commitment. There is no visible promotion of mainstream attractions such as Kirstenbosch Botanical Gardens and others at entry points such as the airport. It has been raised that there is need for partnership marketing and probably even a conference to showcase nature and adventure products. Several other challenges were also mentioned (refer to Figure 43).

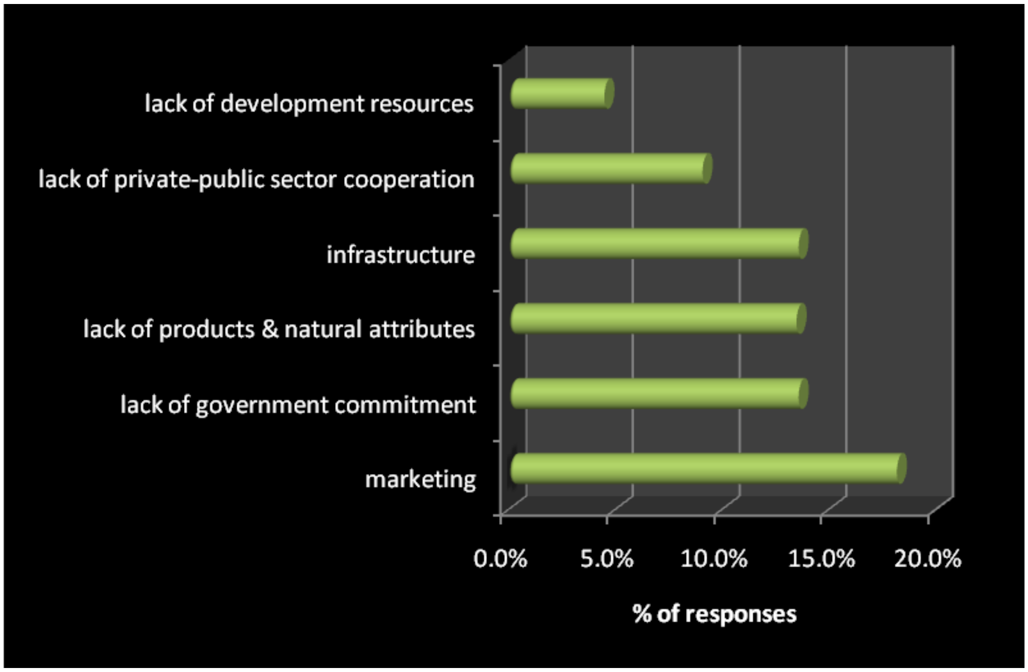


Figure 45: Main challenges for the growth & development of nature-based and adventure tourism in Cape Town

Another challenge mentioned with regards to nature-based and adventure tourism is lack of reliable transport, thereby denying access to many Capetonians who rely on public transportation. Transportation is needed to cableway that also links with other city attractions. While the existing bus is good more are needed that are more affordable. The main negative impact listed as possible consequences of further developing nature-based and adventure tourism in Cape Town is environmental degradation (42.9%), followed by increase in crime (28.6%) and economic inequality (14.3%). Other negative impacts mentioned included social irritation and antagonism of host communities and over commitment of public resources, each with 7.1%.

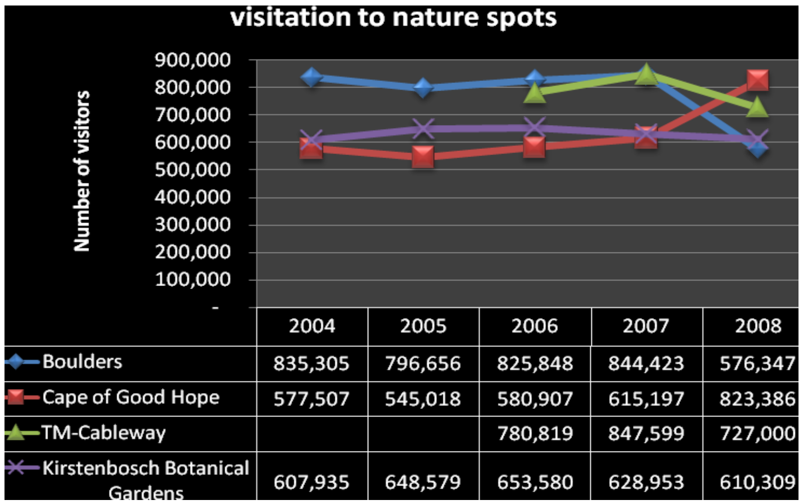
The future of nature-based and adventure tourism in Cape Town

Asked about the most suitable Cape Town region to further develop and promote nature-based and adventure tourism, (45.5%) of the respondents chose the South Atlantic Coast and the North-East Atlantic Coast (27.3%). About 18% indicated that all the Cape Town regions are suitable for nature-based and adventure tourism. Most (66.7%) of the respondents agreed that nature-based and adventure tourism should be further developed and that more resources should be committed going forward. About 13% stated that the sector should be left as is without further commitment of resources and 13% indicated that there needs to be increased planning to direct the industry. About 7% stated that nature-based and adventure tourism should be abandoned and have resources refocused to other pursuits. The respondents unanimously

(86.6%) agreed that Cape Town's nature-based and adventure tourism is poised for growth in the next five years, revealing some confidence about this niche sector in Cape Town.

5.3.2 Additional Local Secondary Data

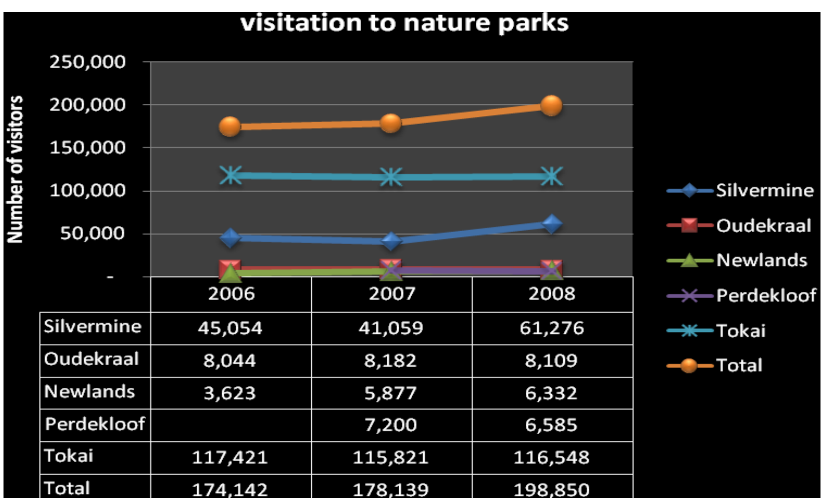
Visitation data to Cape Town's nature spots shows some mixed trends. There has been growth at some and constant at others. Generally there has been steady growth from 2004 up to 2007 for Cableway and Boulders before a decline in 2008. The decline could have been an early response to tightening economic conditions. Growth has been consistent at the Cape of Good Hope.



	2004	2005	2006	2007	2008
Boulders	835,305	796,656	825,848	844,423	576,347
Cape of Good Hope	577,507	545,018	580,907	615,197	823,386
TM-Cableway			780,819	847,599	727,000
Kirstenbosch Botanical Gardens	607,935	648,579	653,580	628,953	610,309

Figure 46: Visitation to major nature spots in Cape Town

The graph below shows visitation statistics to the other nature parks in Cape Town. Growth has been consistent, but gradual at most points. Overall, there was growth in visitation over the three covered years.



	2006	2007	2008
Silvermine	45,054	41,059	61,276
Oudekraal	8,044	8,182	8,109
Newlands	3,623	5,877	6,332
Perdekloof		7,200	6,585
Tokai	117,421	115,821	116,548
Total	174,142	178,139	198,850

.

Figure 47: Visitation to nature parks in Cape Town

Nature-based and adventure tourism is of particular importance for Cape Town residents. A study conducted in 2000 at the Cape Peninsular National Park (CPNP) showed that 61% of the users are from Cape Town Metro. There also is a significant proportion of international users (27%), and domestics from outside of Cape Town metro (11%). About 15% of the park users are form the Western Cape out of Cape Town. Frequency of park use by locals, statistics showed that 12% visit the park daily, 26% weekly and 27% monthly. These findings illustrate the importance of nature-based and adventure tourism to Cape Town. Not only does it bring new money from international and domestic visitors, but it forms a critical part of Capetonians' daily life.

5.4 Backpacking and Youth Tourism

Backpacking and youth tourism are seen as important niche sectors for the City of Cape Town according to the findings. Over two thirds of the respondents (63.4%) indicated that backpacking was an important sector for the City to pursue, while 46% agreed that youth tourism was important for the city. Backpacking and youth tourism are of much higher value in the western countries as their youth have more disposable income. Given the high global growth rate in backpacking and youth tourism one would have expected the findings to be better for Cape Town. The reasons offered in support of backpacking and youth tourism included:

- it is the fastest growing niche sector,
- global economic crunch calls for it,
- Cape Town is ideal for this as it has the infrastructure,
- backpacking and youth tourism is a huge high volume market,
- it offers potential for tourism growth, and
- today's youth are tomorrow's adults.

5.4.1. Niche Sector Trends

The findings suggest that there was growth in backpacking and youth tourism during the past five years. About 45% of the respondents indicated that growth in the number of backpacking service providers in the past five years was good to exceptional. About 23% indicated that growth in youth service providers was good to exceptional. About 76% and 64% of the respondents indicated that there was growth in the number of backpacking and youth tourists to Cape Town respectively in the past five years signifying increased demand for backpacking and youth tourism products and services. According to key informants yield from backpacking and youth tourism has been increasing in the past five years. Service providers, visitor numbers and yield are good indicators for demand and performance, and these, according to the key informants have been showing growth of this niche sector. Figure 48 below illustrates the findings on the growth in the number of backpacking and youth providers in the past five years.

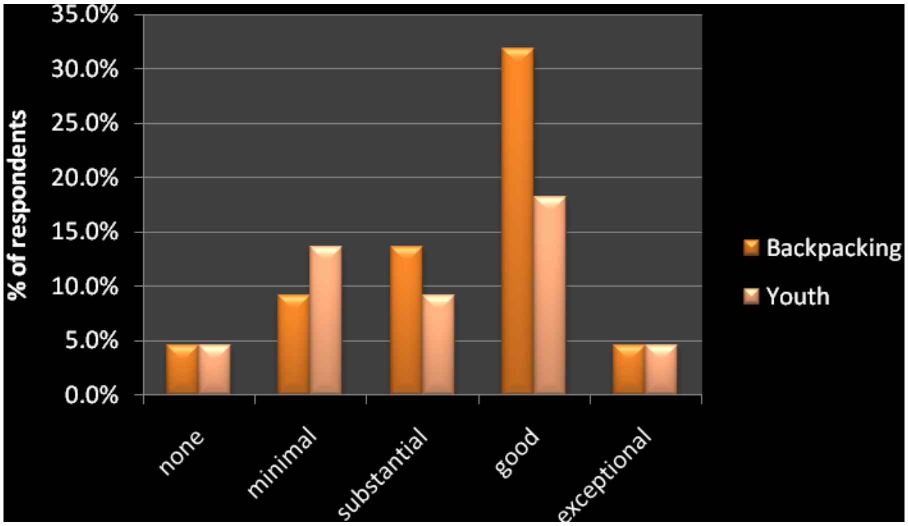


Figure 48: Growth in the number of backpacking & youth tourism service providers in the past five years

Other trends noted have been an increase in backpacking tourists travelling in families. Parents, therefore, are looking for accommodation that meets children's needs with facilities to entertain the young visitors. However, there is still a noted increase in the traditional young backpacker within the 22 to 35 year age group. The changing demographics of the backpacking market noted here is consistent with global trends where there is increasing diversity in this group now including older tourists and even families. This changing trend is leading to changes in type of accommodation and services offered as these groups demand more upmarket and comfortable accommodation.

Source markets, travel party size, age and socio-economic status

Europe seems to be the dominant source market again for backpacking and youth tourism as stated by the key informants followed by domestic and North America (Figure 49).

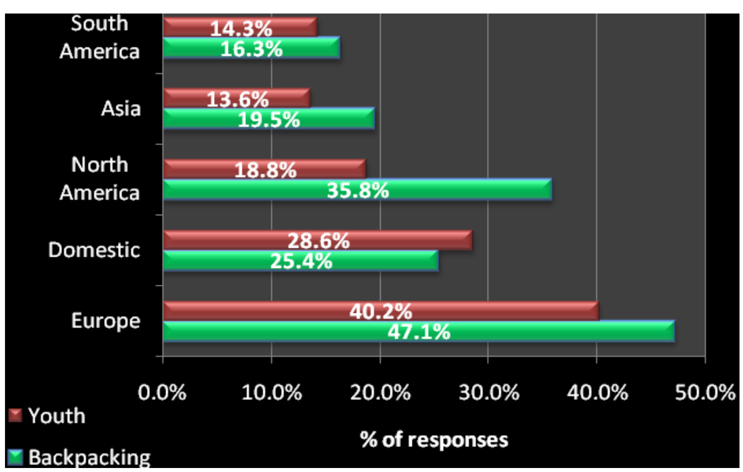


Figure 49: Source markets for backpacking and youth tourists to Cape Town
(*Totals will be greater than 100% due to multiple responses)

Backpacking tourists tend to travel alone (43.8%) and in couples (25%). However, youth tourists tend to travel more in small groups of less than 10 and couples. They also travel in large groups of more than 10 people. Backpacking tourists tend to have long length of stay ranging from weekend visits to more than two weeks. About 37% of the respondents indicated that backpacking tourists stay for a period of one week to more than two weeks. However, youth tourists are mostly weekend visitors (66.7%) and day visitors (16.7%). Almost all (87%) of backpacking and youth tourists are said to be under the age of 34. However, this trend is changing globally with more older adults now engaging in backpacking. Unlike the previously discussed niche sectors, backpacking and youth tourists are mostly of low-to medium socio-economic status. About 94% of the respondents stated that backpacking tourists are of low-medium economic status.

Best season for backpacking and youth tourism

As would be expected summer was selected as the best season for backpacking (41.2%) and youth (38.5%) tourism in Cape Town. However, a significant proportion stated that backpacking (35.3%) and youth (30.8%) tourism are all year round niche sectors which could be attributed to youth travelling during their summer breaks as well as to youth travelling to Cape Town to learn English at language schools.

Importance of niche sector in promoting transformation and geographical spread

A variety of responses from poor to excellent were stated on rating the contribution of backpacking and youth tourism to transformation in the past five years. These ratings are presented in Figure 50 below.

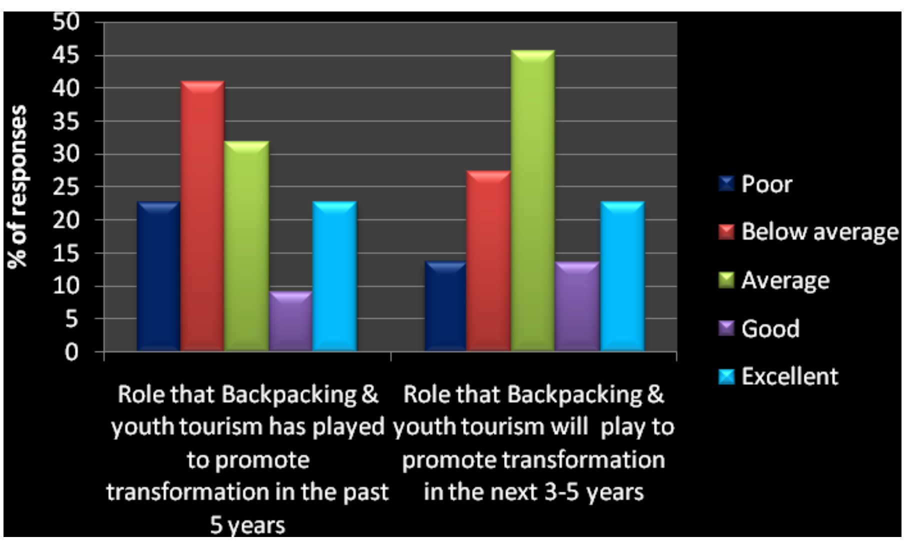


Figure 50: Role of backpacking and youth tourism in promoting transformation in Cape Town

Backpacking tourism tends to play an important role promoting geographic spread of tourists beyond central Cape Town. About 60% rated backpacking as good to excellent in terms of its role in promoting spread. About 39% said the same about youth tourism, while 15.4% gave youth tourism a 'poor' on promoting geographic spread compared to 5.9% for backpacking.

Challenges for the growth, development and promotion of the backpacking and youth tourism sector in Cape Town

Lack of government commitment came up again as a major constraint in the development and promotion of backpacking and youth tourism in Cape Town. About 77% of the respondents stated that government commitment to the development and promotion of backpacking tourism in the past five years has been lacking or minimal, while 69.3% said the same about youth tourism. About 18% said government commitment for backpacking was average and only 5.9% said it was good. More (30.8%) stated that government commitment was average to good for youth tourism. The challenges cited for the growth and development of backpacking and youth tourism didn't vary much from those mentioned for the other niche sectors. Poor or lack of marketing came up tops again as the major challenge, followed by lack of government commitment, lack of public-private sector cooperation and others (Figure 51).

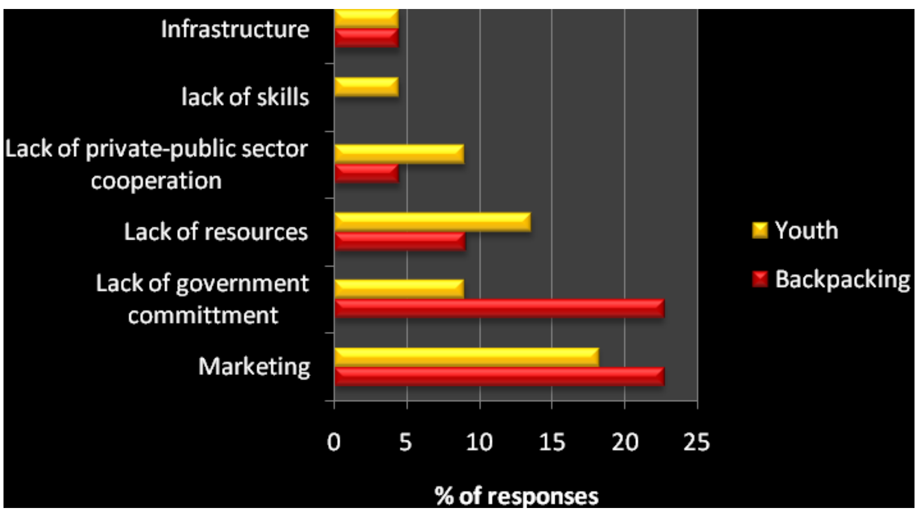


Figure 51: Main challenges for the growth & development of backpacking & youth tourism in Cape Town

Several other challenges were mentioned with regards to backpacking and youth tourism including:

- lack of reliable and affordable public transportation,
- no opportunities for cash car rentals,
- need for larger backpacking hostels,
- shortage of activities in the very outer areas such as Muizenberg,
- lack of knowledge of the industry, and
- lack of information.

While some of these are best addressed by the private sector, the government can play a facilitative role. Another important challenge for backpacking and youth tourism with regards to transport is the inability of the young international tourists to rent vehicles to travel around in the destination. Larger car rentals have a minimum age requirement of 23 years old and also require that one holds a major credit card. Most of the European young travellers either are younger than the required age of 23, don't have a major credit card or both, therefore, they fail to rent cars when they arrive. In addition to the poor public transport infrastructure, transportation becomes a major hurdle for the young backpackers. The main negative impacts listed as possible consequences of further developing backpacking and youth tourism included social irritation and antagonism of host communities, increase in crime and growth in economic inequality.

The future of backpacking and youth tourism in Cape Town

Asked about the most suitable Cape Town region for backpacking and youth tourism, about 25% mentioned the South Atlantic Coast. Fewer (13%) mentioned the North-East Atlantic Coast and Central Atlantic Coast (9.5%). About 5% indicated that all the Cape Town regions are suitable for backpacking and youth tourism. Half of the respondents agreed that Cape Town's backpacking tourism is poised for growth in the next five years, stating that there will be modest to substantial growth in this sector. About 45% said the same about youth tourism. The respondents agree that backpacking and youth tourism is an important niche sector that should be further developed and have more resources committed going forward (39%) and increase planning to direct the industry (16%). About 11% stated that the sector should be left as is without further commitment of resources.

5.4.2 Additional Local Secondary Data

Some Cape owned backpacking occupancy rates show a general increasing trend from 2006 to 2007 and then a declining trend in 2008 and 2009. The graph below is a case study which showcases some backpacking occupancy trends for a backpacker hostel in Cape Town. The negative trend for 2008 and 2009 is reflective of the current economic conditions that have slowed long haul travel. However it is particularly important to note that the occupancy rates reveal some resiliency given that the rates almost always stay above 50% even for the hard year of 2009 and through the low season months. These data are a sign of the resiliency of the backpacking niche sector even through tough economic and seasonal circumstances.

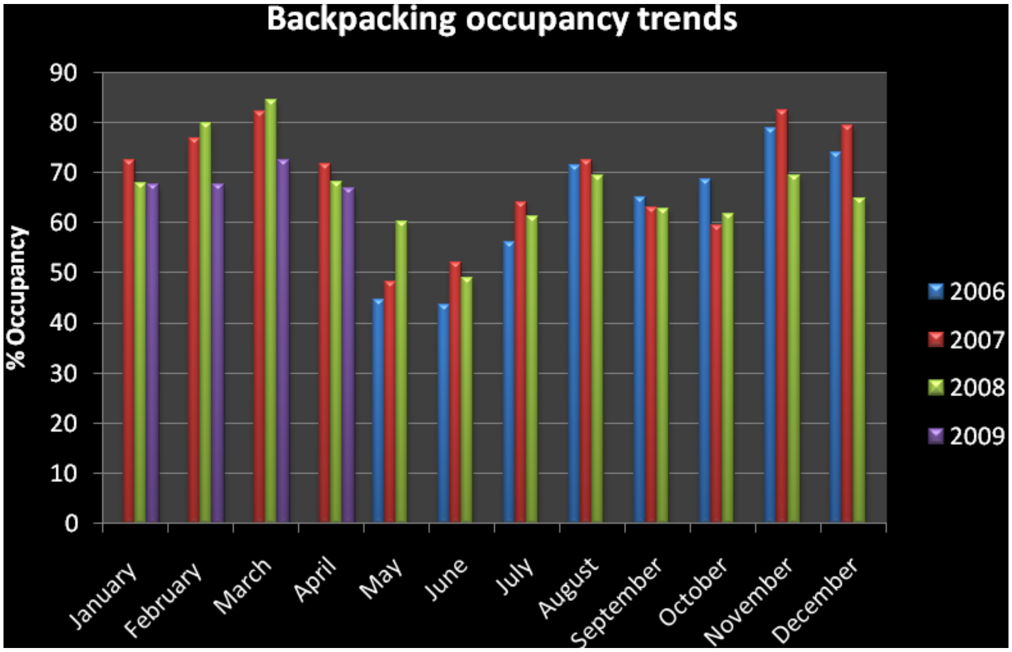


Figure 52: Backpacking occupancy rates for Cape Town: A case study

A case study reviewed also revealed a general increasing trend in backpacking room rates in Cape Town. The graph below shows backpacking rack room rates trends. Increasing room rates are a sign of growth in demand for accommodation. The graph shows annual averages and for the years from 2006 to 2008 and the average for 2009 up to April. There has been a consistent increase in room rates over the four years under review.

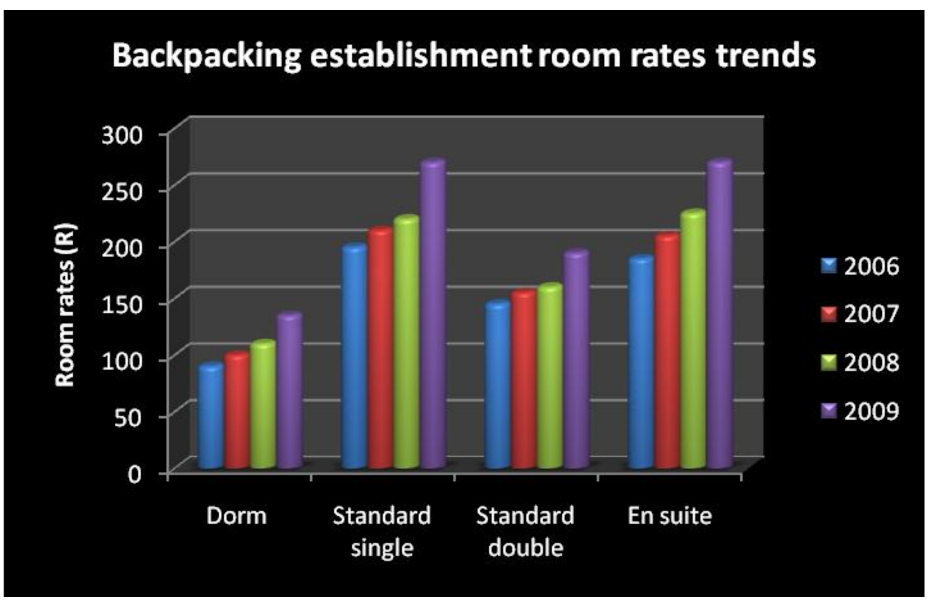


Figure 53: Backpacking room rates: A case study

5.5 Business Tourism

The case for the business niche sector was different in this study having very few responses. There were not enough key informant experts in this area to offer opinions on most of the more detailed questions. There were only 12 key informants who respondent to most of the questions, but not all of them. Only those topics that were respondent to by all of these business key informants will be discussed here as any less would be insignificant. Almost all (90%) of the business tourism key informants agreed that business tourism was an important niche sector for the City of Cape Town.

Source markets, travel party size, age and socio-economic status

Europe doesn't seem to be dominant anymore for the business niche sector. Domestics lead as the main source of business tourists to Cape Town according to the key informants. All the others (Europe, North America and Asia) are said to be equally important sources of business tourists. This finding corroborates with the result that business tourists to Cape Town are mostly day visitors (50%) and weekend visitors (30%). Domestic visitors come for business from other towns and cities within the country, just for a day and fly back out at the end of the business day. Business tourists tend to travel alone, in couples and small groups; are of high to very high socio-economic status and are mostly between the ages of 35 to 49.

Importance of niche sector in promoting transformation and geographical spread

About a quarter of the respondents (22%) stated that business tourism has been playing an important role promoting transformation in Cape Town in the past five years and just about the same (20%) believe that it will certainly play an important role in the future (3-5 years). However, fewer believe that it plays a significant role in promoting geographic spread beyond central Cape Town. This is probably because of the location of CTICC the main business tourism venue for the city.

Challenges for the growth, development and promotion of the business tourism sector in Cape Town

Business tourism is the only one niche sector for which lack of government commitment was not cited as a major problem. Only 11% of the respondents stated that government commitment has been lacking in the past five years while the majority (66%) indicated that government commitment was average to good. Also, marketing or lack thereof, even though it was listed as a problem, it was not said to be a major problem for this niche sector as it was for the other niches, with only 9% of the respondents mentioning it. Other challenges mentioned included lack of skills, and poor service delivery.

The future of business tourism in Cape Town

Half of the respondents agreed that Cape Town's business tourism is poised for growth in the next five years, stating that there will be modest (20%) to substantial (30%) growth in this sector.

While the respondents unanimously agreed that business tourism was an important niche sector to pursue for Cape Town, they were less agreeable on the idea of the commitment of additional resources to further develop and promote the niche sector. About 30% stated that more resources should be committed going forward, while 10% indicated that the status quo should be maintained, with additional planning to direct the industry, however. About 10% stated resources should be refocused to other pursuits.

5.5.1 Additional Local Secondary Data

Trend data (2003/04 – 2007/08) from the CTICC on the actual number of delegate and visitors indicates that exhibitions attract the most number of visitors (1,583,396) followed by special events (448,324) and trade fairs (241,838) as per Table 22. In terms of conferences, there was a substantial increase in international conference in 2006/2007 in relation to previous years, with the global economic downturn having an impact in 2007/08 visitors. However, a reverse trend is noted with more national conference substituting for international conference in 2007/08 which also illustrates the importance of attracting national conferences to Cape Town.

Table 22: Actual number of delegates and visitors (CTICC, 2009)

Actual Number of Delegates and Visitors						
Event Type	**2003/04**	**2004/05**	**2005/06**	**2006/07**	**2007/08**	**TOTAL VISITORS**
International Conference	15,262	18,398	19,675	45,576	33,134	**132,045**
National Conference	12,035	11,193	12,204	9,863	16,696	**61,991**
Exhibition	268,612	335,442	388,149	277,659	313,534	**1,583,396**
Trade Fair	42,178	22,059	59,583	66,730	51,288	**241,838**
Banquet	30,732	27,372	22,808	21,727	29,654	**132,293**
Other Event	30,121	32,950	43,944	42,427	42,875	**192,317**
Special Event	117,150	138,030	43,961	87,366	61,817	**448,324**
Total	**516,090**	**585,444**	**590,324**	**551,348**	**548,998**	**2,792,204**

5.6 Other Alternative Niche Sectors

The respondents were also asked to select from a list of other niche sectors, those that they saw suitable for the city of Cape Town to pursue. Figure 54 below illustrates the key informants' choices of alternative niche sectors to pursue. Educational tourism was selected overwhelmingly, followed by volunteer tourism and sport tourism in that order.

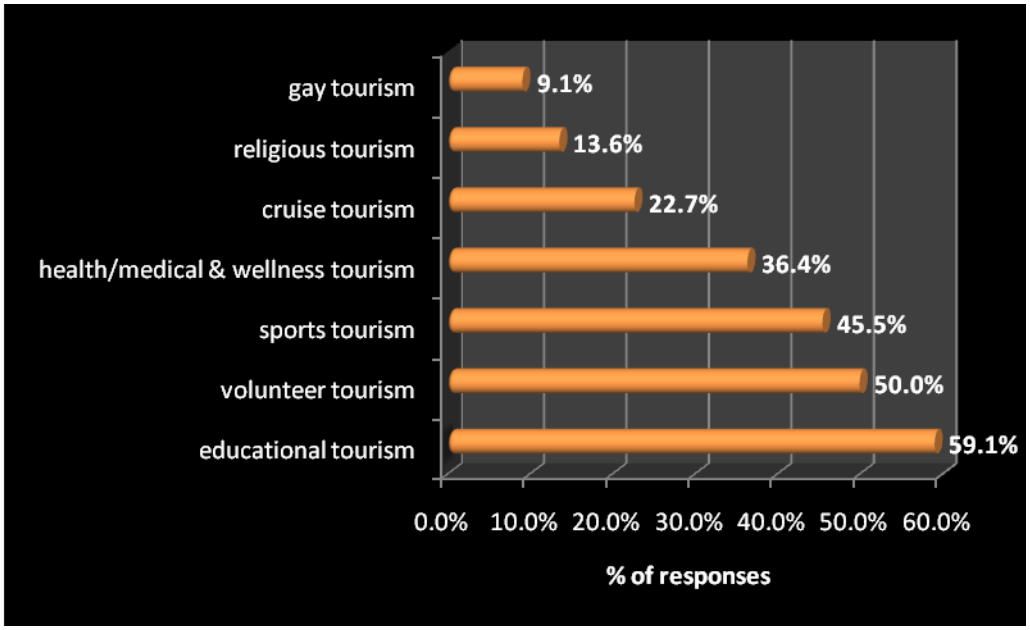


Figure 54: Alternative possible niches to pursue for the City of Cape Town
(*Totals will add up to more than 100% due to multiple responses)

6.0 Recommendations

This section recommends different niche sectors for Cape Town based on the review of the available data and analysis done so far (Table 23). It is important to highlight at this point that access to actual data records at the local was a challenge as most service providers were either unwilling or unable to provide the required data. Any critical additional data that is received later can be added and considered in this process.

Table 23: Niche sector recommendations

Niche Sector	Review	Recommendation	Basis/Rational	Focus
Culture & Heritage	-Increasing global trend and awareness. -Growing trend nationally, especially township tourism (interest in local people not just about township tourism) - General interest in people cultures and regions (further actions -Noted growth locally in providers, participation and visitation from primary and secondary data.	-Retain the niche sector. -Promote growth and development of niche. -Provide marketing collateral, information and interpretation. -Prepare integrated frameworks policies and action plans. -Assist with coordination with other niches such as wine and cuisine and nature-based and adventure.	-Culture and heritage is a growing niche sector globally. -Cape Town has globally renowned cultural icons such as Robben Island and unique, authentic South African culture embedded in its rich history and cultural diversity. -The niche sector doesn't require much more resource commitment as it has `existing offerings that require up-grading, land use management and awareness . -The major participants in this niche are Europeans who are already a major source market for Cape Town. -Critical for inclusivity, and participation by historically marginalised groups as well as geographic spread into the less ventured areas such as townships, rural areas, country towns and outer areas. -It is poised for growth, from the primary research	-On what is already there and authenticity. -Provide more information within the destination to increase participation as the targets for this niche are already the main tourists for Cape Town who would be in the destination anyway, through street guides, and tour operators.
Wine and cuisine	-Increasing global trend -Increasing trend within South Africa and particularly the Western Cape. -Local wine industry is growing at the local level as indicated by the secondary and primary data	-Retain niche sector -Promote growth and development of the niche sector -Assist in organisational integration and coordination to promote performance -Provide research and information -Contribute to the development of integrated strategies and action plans -Assist with marketing	-The Western Cape is the nation's wine capital. -Positions the destination in line with other global wine producing destinations. -Wine tourism is growing globally and locally -Promotes domestic tourism as primary research revealed that it particularly popular with domestics. -Promotes spread beyond central Cape Town	-What is already there, capitalise on the wine producing offerings and culture history of the region. -Focus on both domestic and overseas as they both have potential for growth. -Provision of adequate information and marketing within the destination to increase participation among those already in the destination. (tour guides, visitors, operators and industry).

		-Assist with integrated and synergy with other niches especially culture and heritage and nature-based and adventure.	-Is a high value niche sector -it is a growing niche sector Is under priced and not competitive enough with other wine and cuisine international markets	

Nature-based & Adventure	-Increasing global environmental awareness & consciousness is leading to increase in appreciation and participation globally. -Local data has shown that there has been growth (though modest) in participation in nature-based and adventure tourism at the local level. -There also has been growth in service providers and value of the niche.	-Retain niche sector -Assist in the coordination and integration with other niche markets where there is potential synergy.	-Nature-based and adventure tourism is a popular niche sector by both domestics and international visitors alike. -Promotes transformation and geographic spread and seasonality. -Capitalises on the natural germs of the destination without much more additional investment -Interlinked and supportive, especially of backpacker and youth tourism niche	-On both domestic and international visitors, especially locals. -Promote the 'tourist at home' concept since data and research have shown that the majority of users of parks and other nature-based resources are locals. -Provide adequate within destination information as most of the international participants would already be in the destination
Backpacking & Youth	-Fastest growing niche sector globally. -National and local data has revealed some growth in demand for backpacking and youth tourism products.	-Retain niche sector -Commit more resources to promote and further develop niche sector. -Offer government support to industry -Link with more information and marketing	-Fastest growing niche tourism sector. -Resilient to economic conditions, therefore most suitable for hard economic times. -Cape Town is the most popular backpacking & youth destination in the country.	-On mostly overseas especially Europe -This is more of a 'purpose of visit' than just an activity, therefore it needs more resources and an external rather than internal focus.
Business	-Growing trend globally -South Africa getting Global recognition as a business destination. -Cape Town is the number one business destination for international events, the one pulling up the nations' ICCA rankings	-Retain the niche sector -Coordinate with other niches where applicable.	-Business tourism is a value niche sector. -Cape Town is the nation's leader in terms of hosting international events such as conferences. -There is already well established infrastructure for this niche -It is an all year round niche sector and growing.	-Both domestic, regional and overseas -Cape Town is a dream-come-true destination for African business events. –Promote-public sector cooperation

Alternative niche sectors

Based on global trends and outcomes from the secondary and primary research the following list of alternative niche sectors are also recommended for the City of Cape Town:

- educational tourism,
- volunteer tourism,
- sport tourism,
- health and wellness tourism, and
- cruise tourism.

It is interesting to note that while educational and volunteer tourism have been identified as alternative niches cognisance should be taken of the fact that are closely associated with backpacking and youth tourism and should therefore be considered as a composite niche. It is further evident that the 2010 FIFA World Cup and other major international sport events such as the Indian Premier League and the Lions Tour, amongst others have stimulated an interest in sport tourism as a niche. These niche markets are also important in relation to flattening seasonality. It is also interesting to note that there is a strong link between volunteer tourism and sport tourism events which could be capitalised upon. Moreover, both health and wellness tourism and cruise tourism are interlinked with sport tourism (health and wellness tourism is related more to the recreational aspects of sport tourism while speciality cruises has been categorised as a type of sport tourism). It is therefore contended that these alternative niche sectors enhance and support the niche sector already identified as important to the growth of tourism in Cape Town.

7.0 Study Limitations

The major limitation to this study was willingness to participate by local service providers. There was very limited access to the vital local secondary data that was required to run some trend analysis. Another limitation was the time constraint. The team was operating under serious pressure due to the limited time available. The time pressure was compounded by the slow responses from participants that resulted in the need for several follow ups.

Conclusion

Macbeth and Hughes (2005) conclude through their study of increasing niche markets in a low profile tourism region in Western Australia, that it is important to consider business planning, promotion and marketing to ensure success in the promotion and development of niche markets at a tourist destinations or region. It was noted that success may be further hampered by resource limitations, inconsistent design and management, involvement and participation of stakeholder bodies, inadequate tourism planning and development expertise and a lack of integrated marketing and access to information. Neglect in these areas of development and management may result in poor performance of these niche markets within these regions. Bloom and Burrows (2008) recommend that the arrivals and departure information from Cape Town International Airport and other entry points to the Western Cape are an important starting point. The type of data collated should indicate the purpose of visit with a clear distinction between different market segments. Regrettably data on tourism in Africa is currently inadequate (Nepad, 2004).

The WTTC in its analysis of data on aspects of travel and tourism in 47 different African countries indicates that there is limitation on data source confidence and forecast a margin of error across the 47 different countries. The information is classified into high, moderate and low such that 37 countries scored in the low category reflecting poor quality or absent data; nine were categorised as medium. In this context South Africa was categorised as high having collected tourism data with some degree of reliability (Rogerson, 2007). The “new” consumer, is seeking new experiences, often related to culture and heritage or social and environmental experiences which are more suitable to their individual needs, forces the tourist industry to develop customised product and experience offerings. The complexity of the demand, caused by high bargaining power and the number of opportunities and segments to serve, corresponds to a more specialised offer based on synergies among primary resources, infrastructures, firms, residents and tourists. The increasing demand for new destinations exerts a constant pressure on development in order to satisfy the growth of this complex and pervasive industry (Trunfio *et al*., 2006). Furthermore, active local community and government support is required to develop destinations’ images that can be adapted to changing tastes (Trunfio *et al.*, 2006).

It can be concluded from the study that Australia stands out in providing the most current and extensive general tourism statistics in order to extract relevant information regarding various niche trends. Accurate data and information about specific niche markets was not readily available for analysis. While some information was available from other countries, the data and information was lacking in substance and concrete statistics to draw conclusions about emerging tourism trends.

Results from the primary research showed that all these niche sectors are seen as critical to for the Cape Town tourism industry and should be retained. The findings have also highlighted the major challenges faced by these niche sectors of which the main ones include lack of or perceived lack of government support and lack of marketing. While the heavy load of the tourism industry lies with the private sector, government needs to be the center force that pulls all players together and in the same direction in-order to achieve a seamless, coordinated and focused industry working towards the same goal. The reason why some global destinations such as Australia keep gaining the global market share is because they have worked hard at reducing fragmentation of the industry through channeled and coordinated activities including planning, development, marketing, monitoring and evaluation. These activities require government dedication and involvement all the way, otherwise the private sector sends individual, but highly fragmented and more often than not conflicting messages to the market.

It can also be concluded that most niche sectors that the City has listed are suitable for the City of Cape Town, but also very intertwined and linked. Backpackers engage in cultural and heritage activities as well as nature-based and adventure while adventure tourists also participate in wine and cuisine activities as well as culture and heritage and vice versa. What this all implies is that these can't be dealt with in isolation. Strategies need to be crafted and actions designed and put in place for implementation that take these inter-relationships into account. The niches need different strategies to pursue them as well as different areas of focus. The study found out that while some niche sectors require an external focus to bring tourists in for that particular purpose, such as backpacking and business with aggressive marketing and exposure especially internationally, others require an internal focus only requiring more information to direct tourists who are already in the destination towards certain activities i.e. visiting parks and nature reserves and forging win-win linkages with the activities and offerings of other niches. Most require institutional/organisational support and integration, including the preparation of direction setting mechanisms, visions, frameworks, policies, toolkits, monitoring, stakeholder participation processes. Cape Town is endowed with a wide range of natural resources that can support several authentic and unique tourism products and experiences.

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Appendix I: List of members willing to serve on the industry liaison group

1	Frans Venter HoeriKwaggo Tours & Safaris Diplomatique Exclusive Guiding & Elweirda School Owner/ Manager frans@hoerikwaggo.co.za 0219130867 0828255629	8	Quinton Vaughan SANPARKS quintinv@sansparks.org 0217018692 0837653156
2	Carla Saltycrax Owner carla@saltycrax.com 0836696959	9	Lente Keyser Cape Town Tourism lente@capetown.travel 0214876800 0842035510
3	JC Smit 3 Hill Street B&B Registered tour guide jcsmit@telkomsa.net 0283130703 0827318585	10	Alex Jochheim Drive Africa Director drive@driveafrica.co.za 0214471144 0834481230
4	Roger Airey See Cape Town Tours airey@new.co.za 0217885222 0834532093	11	Bryan Chitty Chelsea Morning Tours CEO RSAChelsea@iburst.co.za 0214223108 0834596916
5	Alex Bleach SASTS Managing Director alex@sasts.org.za 0214243866 0833022239	12	Luba Mbontsi eKasie backpackers ekasie@telkomsa.net 0213617481 0763933586
6	Lisa Mason Ashanti Lodge Owner lisa@ashanti.co.za 0214238721 0824600113	13	Joe Olivier Project Manager, CoCT Sports, Recreation and Amenities (Resorts) joe.olivier@capetown.gov.za
7	Rema van Niekerk Fedahasa rema@fedhasa.co.za 0215529870		

Appendix II: Key Informant Questionnaire

Niche Market Study Questionnaire (General)

Section 1: General information

1. In which Cape Town Tourism region do you belong?
   ( ) Cape Town Central
   ( ) Cape Town North
   ( ) Cape Town East
   ( ) Cape Town South

2. Under which of the following does your business belong?
   ( ) Accommodation/Lodging
   ( ) Tour operator
   ( ) Restaurants
   ( ) Attraction
   ( ) Tourist information (private)
   ( ) Tourism organization/authority/office (public)
   ( ) Other (specify)____________________________________

3. Are your clients mostly?
   ( ) Domestic
   ( ) African (excluding domestic)
   ( ) European
   ( ) Asian
   ( ) North American
   ( ) South American
   ( ) Other (specify)_____________________________________

4. How would you classify your typical customer/ client?

Gender	**Age**	**Socio-economic status**
( )Female	( )Young: under 34	( )Low
( )Male	( )Middle age: 35-49	( )Medium
( )Both	( )Older: 50-64	( )High
	( )Retired: 65+	

5. How can you describe the general trend of your business in the past 5 years?
   ( ) Declining
   ( ) The same

( ) Increasing
( ) No particular systematic trend
( ) Other (specify)____________________________________

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Section 2: Evaluation of the current listed niche tourism sectors

The city of Cape Town 2002 Tourism Development Framework listed a number of niche markets including: Culture & heritage, Nature-based & Adventure tourism, Wine and cuisine, Backpacking & Youth and Business tourism among others. This section seeks your input to evaluate the performance of these respective niche sectors and provide views/opinions on possible future direction. Your opinions and views are sought on each of these listed niche sectors in the Table below. Select your response for each question and record it under each niche sector. You can either enter the letter that represents your choice or the response in full if it fits in the space provided.

Question	Culture & heritage	Wine and cuisine	Nature-based & Adventure	Backpacking	Youth	Business tourism
1.In your opinion was this niche sector appropriate for the city to pursue in the first place ? (Yes or No)						
2. Briefly state your reason for the above response						
3. What can you say about the growth in the number of **providers** of each of the niche sectors in the past five years: (a) none (b)minimal (c) substantial (d)good (e)exceptional (f)Don't know						
4. What can you say about the growth in the **number of visitors** for each of the niche sectors in the past five years? (a) none (b)minimal (c) substantial (d)good (e)exceptional (f)Don't know						
5. In your opinion **yield** from each of these niche sectors in the past 5 years has been: (a) declining (b)the same (c) increasing (d)no particular trend (e)Don't know						
6.The main source market/s for this niche sector is/are: (multiple responses possible) (a) Domestic (b) Africa (excluding domestic) (c)Europe (d) North America (e)South America (f) Asia & Australasia (g) Don't know						
7.According to your experience tourists for this niche sector mostly travel: (a)alone (b)in couples (c)small groups: less than 10 (d) large groups 10+ (e) D/know						
8. According to your experience tourists for this niche sector mostly: (a) are day visitors (b) are weekend visitors (b) have short length of stay: less than 5 nights (c) have medium length of stay: 6-14 nights (d) have long length of stay: more than 2 weeks						
9. In your opinion tourists for this niche sector are mostly: (a) young: 34 and under (b)middle age: 35-49 (c)older:50-65 (d)Retired:65+ (e)D/know						

10. According to your experience these tourists' socio-economic status is mostly: (a) low (b) medium (c)high (d) very high (e) Don't know						

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Question	Culture & heritage	Wine and cuisine	Nature-based & Adventure	Backpacking	Youth	Business tourism
11. According to your experience name two things/attributes that are demanded or required by customers under each niche sector that the destination is currently not offering or able to offer?						
12. What do you consider to have been the main challenge/s for the growth & development of each niche sector in Cape Town?: (multiple responses possible) (a) marketing (b) lack of development resources (c) lack of skills (d) lack of government commitment (e) lack of private-public sector cooperation (f) Infrastructure (g) destination lacks natural attributes and resources suited for the niche sector (h) Other: please specify						
13. In your view, government commitment to the development & promotion of this niche sector in the past five years has been: (a)lacking (b) minimal (c)average (d)good (e)excellent (f)Other: please specify						
14. What is the best season for each niche sector in Cape Town? Write the months.						
15. On a scale of 1 to 5: 1 being 'Poor' and 5 being 'excellent,' can you rate the role that each niche sector has played in the past five years towards promoting transformation.						
16. On a scale of 1 to 5: 1 being 'Poor' and 5 being 'excellent,' can you rate the contribution each niche sector is likely to make in the next 3-5 years towards promoting transformation.						
17. On a scale of 1 to 5: 1 being 'Poor' and 5 being 'excellent,' can you rate the role that each niche sector has played in the past five years promoting tourist regional spread beyond Central Cape Town.						
18. What is your opinion on what should be done for each niche sector going forward? (a) commit more resources for further development & promotion (b) maintain as is without commitment of additional resources (c) abandon and refocus resources to other pursuits (d) other: please specify						

19. In your opinion what is/are the most likely negative impacts associated with further development, growth and promotion of each niche sector. (a) environmental degradation (b) over commitment of public resources (c) increase in crime (d) other: please specify						
20. In your view, in the next 3-5years this niche sector in Cape Town is likely to: (a) Grow substantially (b) grow modestly (c) remain the same (d) decline (e)D/know						
21. Which of the Cape Town tourism regions is most suited for the growth and development of each niche sector? (a) Cape Town Central (b) Cape Town North (c) Cape Town East (d)Cape Town South						

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22. Should the city decide to pursue new niche sectors, which one/s would you suggest? (multiple responses possible)

( ) health/medical & wellness tourism
( ) cruise tourism
( ) religious tourism
( ) gay tourism
( ) volunteer tourism
( ) other: please specify____

Section 3: Additional information

In this section we request for additional information that you may be able to provide us in the form of secondary data that will assist us to conduct more analyses and make more informed recommendations.

23. Are you willing and able to provide us with additional information in form of secondary data from your records? ( ) Yes ( ) No

24. If yes which of the following will you be able to provide?

( ) Lodging statistics (average occupancy and room rates)
( ) Event ticket sales figures
( ) Recreational facility entry ticket sales
( ) Recreational facility visitation figures
( ) Tour bookings figures
( ) Tour sales figures
( ) Restaurant sales figures
( ) Other: please specify

25. Part of this study's objectives is to form an industry working committee or liaison group comprised of industry experts to occasionally assess and review the progress of these niche tourism sectors for the city of Cape Town. Will you be interested in serving on this working committee/industry liaison group?

( ) Yes ( ) No

While the results of this study will be analysed and published anonymously, we would want to get your details in case there is need for follow up to clarify some information. Would you please provide us your details in the spaces below? If you answered 'Yes' to question 25 above, your details are required in this section.

Name:_____________________________

Company:______________________________

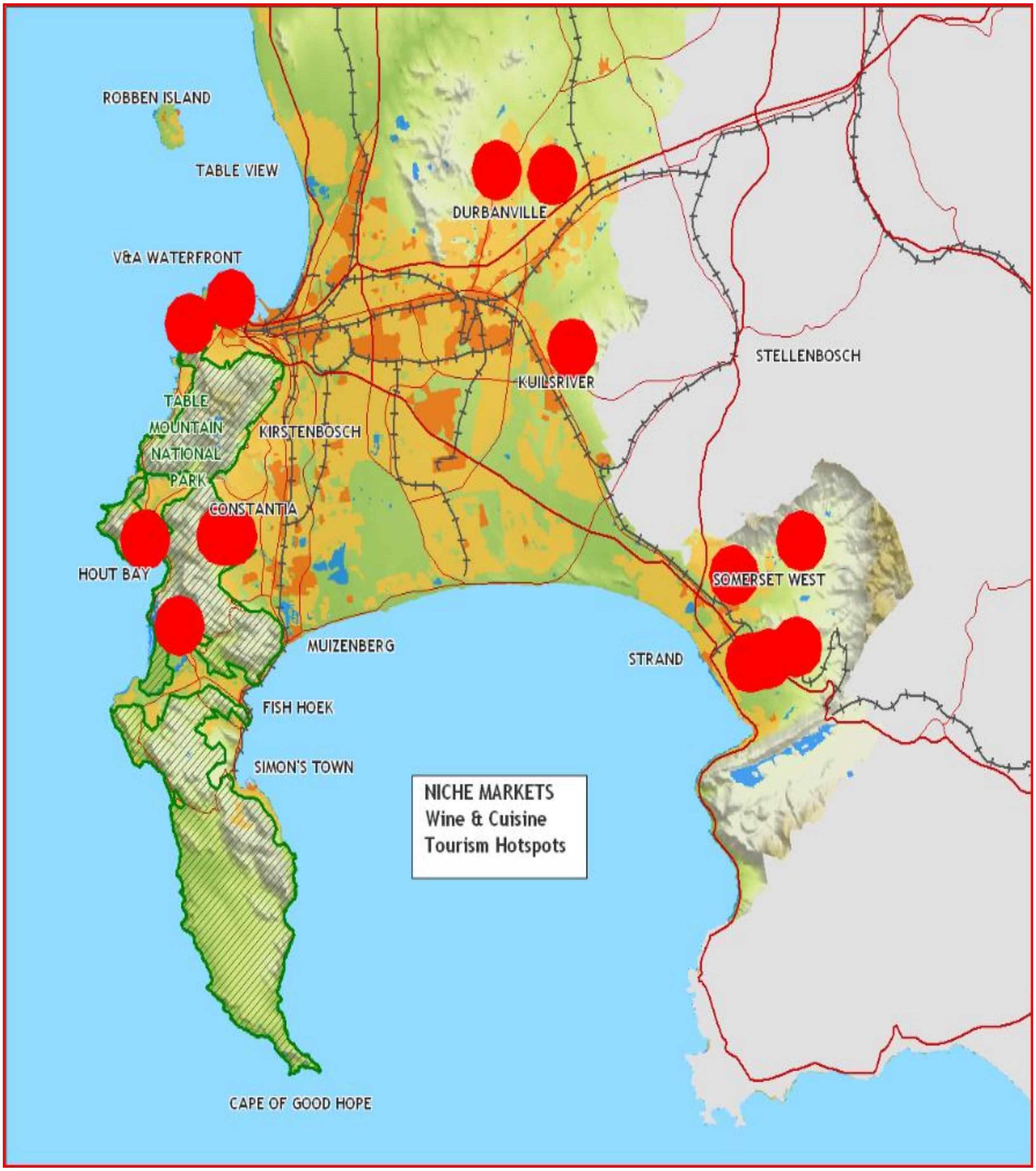
Title:__________________________________

Email:_________________________________

Phone:_______________________________ Mobile:______________________________

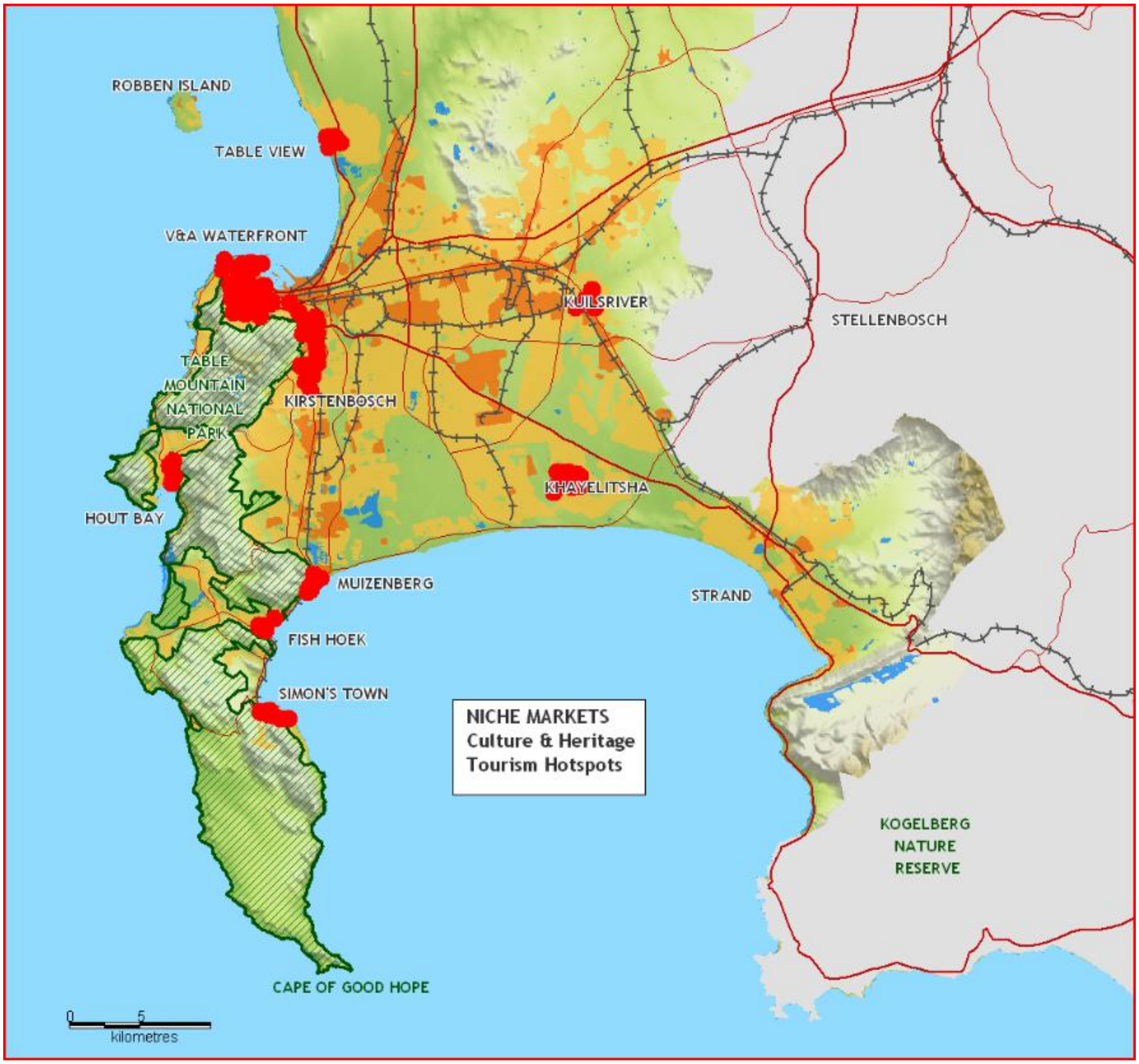
Thank you very much for completing the questionnaire. Your participating in this study is appreciated.

Appendix IIIA: Cape Town's wine and cuisine tourism hotspots map

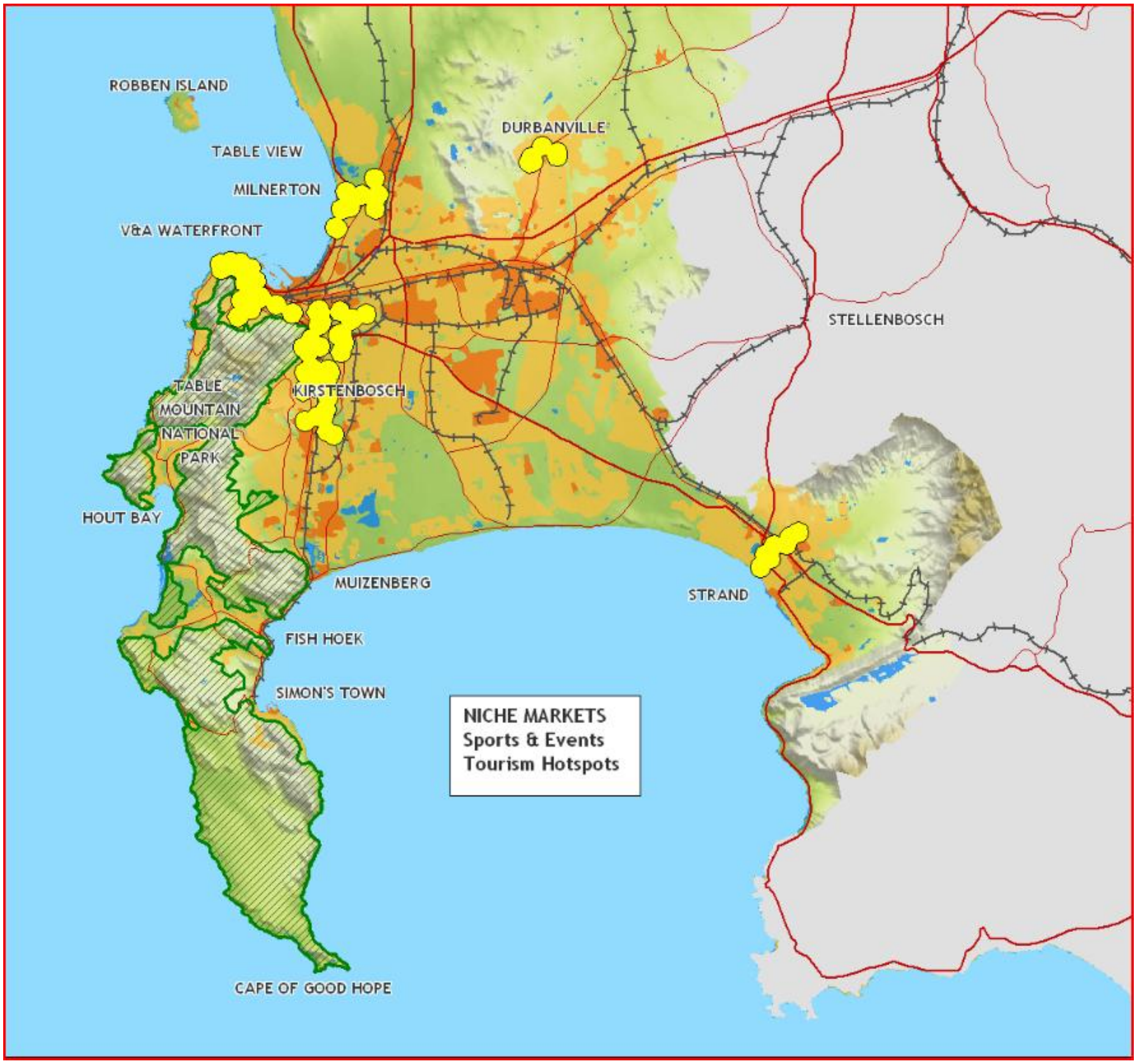


Appendix IIIB: Cape Town's nature and adventure tourism hot spots map

Appendix IIIC: Cape Town's culture and heritage tourism hot spots map



Appendix IIID: Cape Town's sports and events tourism hot spots map



Appendix IIIE: Cape Town's tourism hot spots map