Enterprise iLembe Tourism Performance Annual Report Jan-Dec 2021

enterprise ilembe
ECONOMIC DEVELOPMENT AGENCY

South Africa
KWAZULU-NATAL
Zulu Kingdom. **Exceptional**

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ECONOMIC DEVELOPMENT AGENCY

Total Economic Impact

R2,9 billion
Direct Tourist Expenditure

R4,6 billion
Total GDP Contribution

R1,1 million
Total Household Income

9 762
Total Jobs Supported

R353 million
Total Taxes

736 678
Visitors from Jan-Dec 2021

65%
visitors in paid accommodation

21%
visitors staying with friends and relatives

14%
day visitors

3 194 444
bednights from Jan-Dec 2021

4,9 nights
Length of Stay

4 people
Group Size

55%
Accommodation occupancy rate

Table of Contents

List of Figures

List of Tables

Abbreviations

COVID-19	Coronavirus Disease
GDP	Gross Domestic Product
GVA	Gross Value Added
KZN	KwaZulu-Natal
MICE	Meetings Incentives Conferences and Events
SA	South Africa
SAT	South African Tourism
TKZN	Tourism KwaZulu-Natal
VFR	Visiting friends and relatives

Section 1: Introduction

Enterprise iLembe is the iLembe District's economic development agency, and its primary role is to promote trade and investment opportunities in tourism, agriculture, manufacturing, and services. The agency is mandated to conduct tourism industry research to form a baseline of market performance and quantify the economic impact of the industry. Urban-Econ Development Economists was appointed by Enterprise iLembe to compile tourism industry research and performance reports for a 3-year period.

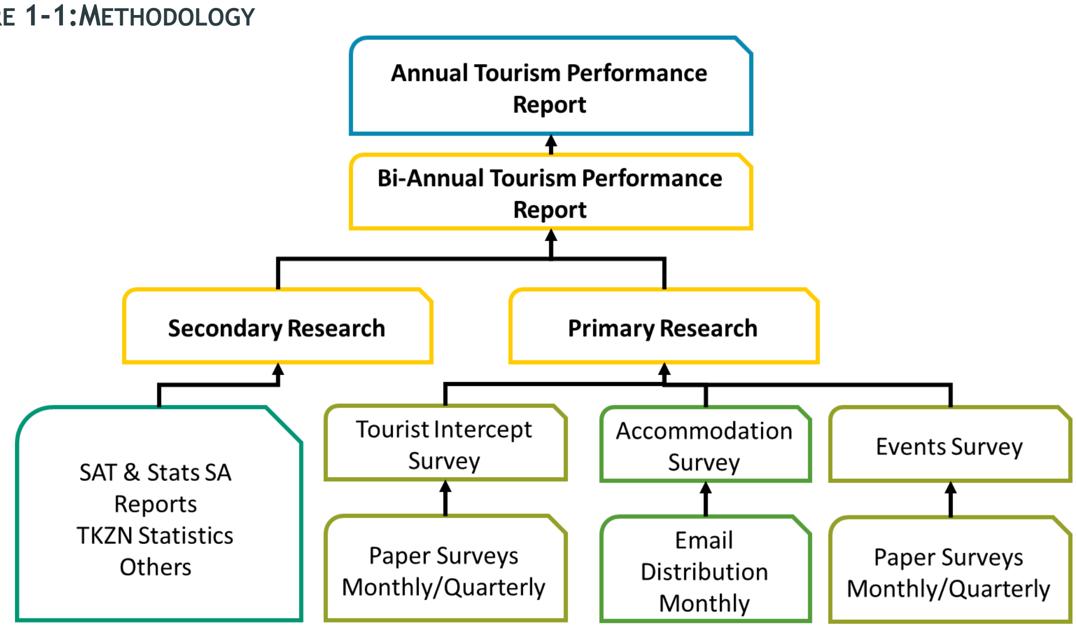
1.1 Purpose

The purpose of this report is to provide the results of research conducted in the iLembe District on the performance of the tourism sector from January to December 2021, which represents the Annual Tourism Performance Report 2021. The report considers the long-lasting effects of the lockdown restrictions and the July 2021 Riots. The primary objective of the study is to assist with planning and decision-making at a district level.

1.2 Methodology

The study was conducted through primary and secondary research methodologies. Primary data was collected via the distribution of various surveys including the accommodation establishment survey, the visitor intercept survey and the events survey. The surveys are analysed on a monthly and quarterly basis. Secondary data obtained from SAT includes domestic and international tourist travel volumes and behavioural indicators. The output of the research is presented in Bi-annual and Annual Tourism Performance Reports.

FIGURE 1-1:METHODOLOGY



1.2.1 Primary research

The purpose of primary research at a local level is to provide deeper insight into the behaviours and preferences of the tourism demand, and the size and performance of the supply side. Further, it provides more real-time data compared to the secondary sources, which are delayed by almost a year. The data captured can be analysed at a localised level, which can inform tourism development and marketing needs more accurately in terms of geography spread, supplier performance and consumer trends.

Visitor intercept survey and events survey

The visitor intercept survey is paper-based survey completed by visitors during peak travel seasons. Whereas the events survey is completed by the event attends at selected events hosted throughout the year in iLembe. The responses are captured in Excel format and sent to the service provider for data cleaning and analysis.

Accommodation survey

The accommodation survey is an electronic survey (Microsoft Forms) distributed to accommodation establishments operating in iLembe District monthly. Responses are exported in Excel format and sent to the service provider. The goal of the survey is to identify trends relating to average occupancy rate, source information on different types of accommodation available, and determine the average length of stay between international and domestic tourists.

Data analysis

The data analysis of the surveys will be conducted using Microsoft © Power BI. The marketing intelligence system of Power BI will give the researcher the ability to:

- Access statistics and pre-set graphs on a dashboard consisting of several selectors which will allow the researcher to select timelines and categorise information to their specific needs.
- The dashboard can be exported as a report or shared as an interactive web-based link to stakeholders/decision-makers.
- The dashboard will also give the researcher access to annual information which can be exported and further reported in a Comprehensive Annual Tourism Performance Report.

1.2.2 Secondary research

The bottom-up approach requires the collection of primary data at the local level, thus allowing more comprehensive data on tourists' travel and consumption behaviour. The downside of primary data collection at a local level is that it is very data- and resource-intensive and it is difficult to compare with other data or regions/provinces. The top-down approach is more commonly used since it is secondary data collected at a national level, which is more cost-effective, uses existing resources and allows for regional/provincial comparison.

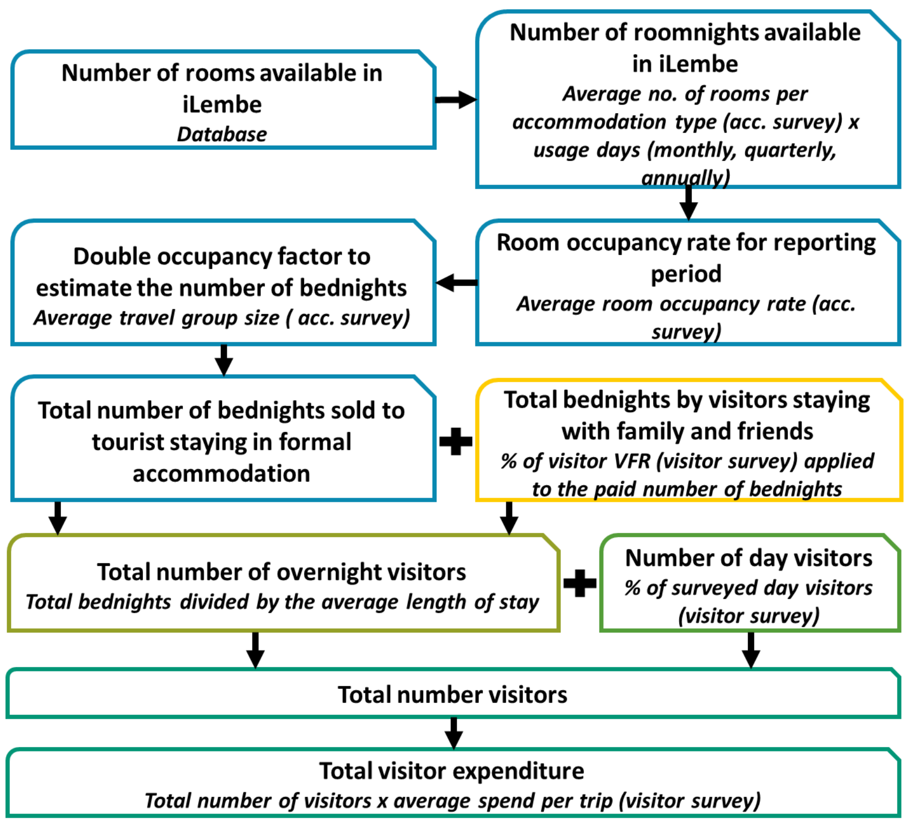
The main source for secondary data on tourism performance in South Africa and its provinces are from SAT and Stats SA as the official channels. Other data sources, international and national, can also be accessed to assist in reporting, including data on global tourism performance, passenger arrivals and departures, and performance reports from tourism products.

1.2.3 Estimate the size of the tourism sector

Tourism is a phenomenon based on the movement of people to places or countries outside their place of residence or work over a short period of time, thus creating an increase in demand for tourism-related products or services. However, measuring the economic impact and behaviour of travelers can be a challenge due to the following:

- Tourism is not an industry by itself; it consists of various industries whose outputs are consumed by residents and travelers alike.
- Defining and tracking the movements and behaviours of travelers are also a challenge since their spending allocation and geographical movements do not correlate or are difficult to determine at a sub-national level.

The methodology used in this study for assessing iLembe's tourism sector is based on a 'bottom-up' approach. The reason for using a bottom-up approach is that it uses both a supply and demand approach to assessing the tourism industry and is based on conducting primary research in the destination on an ongoing basis, throughout the year.



The tourism market assessment model first determines the number of visitor bednights at the paid accommodation. It then weights the number of bednights spent by visitors staying with friends and relatives (VFR). To determine the number of overnight visitors, the total number of bednights (paid and VFR) are divided by the average length of stay. The number of day visitors are weighted as a percentage on top of the overnight visitors. Finally, the total visitor expenditure is estimated based on the average spend per trip by a visitor *(note that the average spend per visitor type will be determined with the revised visitor survey)*.

1.2.4 Economic impact modelling

The economic impact model's primary goal is to measure economic contributions by determining direct, indirect, and induced impacts based on the total tourist expenditure.

Various socio-economic impact model tools can be used to quantify the mutual impact of the PAs, such as the Input-Output (OI), Social Accounting Matrix (SAM), and Computable General Equilibrium (CGE). For this study, the preferred option is the SAM as it determines the impact of activities on both the economy and households. A SAM presents finer details about the circular flow of income, including transactions between different institutions and between production activities. It achieves this by recording the interactions between different sets of agents through the factor and product markets. The data required for the compilation of the SAM can be collected from a variety of information sources (through primary and secondary research). This is permissible in SAM modelling as it incorporates and reconciles the data from different sources and reference years to ensure consistency between a range of social and economic statistics from different sources. As such, a suitably designed and disaggregated SAM could potentially play a unique role in providing a social dimension to economic data which will give users an overall view of the socio-economic situation within an area.The model will determine the direct, indirect, and induced impacts of the economic activities:

- The **direct effects** occur as a result of the expenditures of the relevant decision-maker, i.e., the economic agent that is responsible for the economic phenomena under assessment. Direct impacts are impacts which are caused directly by the activity and generally occur at the same time and place as the activity. These impacts are usually associated with the construction, operation or maintenance of an activity and are generally obvious and quantifiable. Known or planned facility construction and operating expenditures are typical examples.
- The **indirect effects** occur when the suppliers of goods and services to the new businesses or facilities experience larger markets and potential to expand. Indirect impacts increase job creation, GDP, and household income.
  The **induced effects** represent further shifts in spending on food, clothing, shelter and other consumer goods and services due to the change in workers' payrolls of directly and indirectly affected businesses. This leads to further business growth/decline throughout the local economy.

The following table provides the multipliers used for the economic impact modelling.

TABLE 1-1: SAM MULTIPLIERS

Accommodation and related services	Direct	Indirect	Induced	Total
Production (new business sales)	1,00	0,94	0,55	2,49
GDP	0,51	0,70	0,37	1,58
Income	0,14	0,16	0,08	0,38
Employment	0,92	1,55	0,91	3,38
Taxes	0,04	0,05	0,03	0,12

1.3 Limitations

There are various issues to consider when it comes to tourism data, especially in terms of data collection biases and errors. These issues are myriad, including sample size representation (individual or collective), the structure of the questionnaire (including word biases), data collection periods or constraints, and respondent recall biases in terms of demand. Further, from a supply-side perspective, databases are unreliable and outdated, which means that responses could inaccurately represent the contribution and performance of the tourism sector. Thus, assumptions form a crucial part of any research study as they are a basis for validity and credibility.

The following limitation in the study influence the accuracy of the assumptions made in this report:

- Inability to accurately track the performance of the iLembe tourism industry due to lack of readily available tourism statistics at a local level:
    - Small sample sizes
    - Specific months' data not captured
    - Biases in sample representation
- Tourism is not an industry by itself; it consists of various industries whose outputs are consumed by residents and travelers alike.
- Defining and tracking the movements and behaviours of travelers are also a challenge since their spending allocation and geographical movements do not correlate or are difficult to determine at a sub-national level.
- Primary data collection (accommodation and visitor intercept surveys) were not fully completed for every month and left information gaps.
- Previous service providers did not provided adequate data from July 2020 to June 2021 for comparison to the full 2021 year-period.

Section 2: Visitors to iLembe

This section quantifies the number of visitors to the iLembe District over the selected study period and elaborates on the purpose of the visit.

2.1 Number of visitors

Tourists staying in paid accommodations are classified as visitors who spend the night in accommodation in the place visited. Tourists visiting friends and relatives are considered tourists who stay overnight, however, do not require any paid accommodation facilities as they will be visiting relatives in the destination area. Day visitors are visitors who do not spend the night in accommodation in the place visited as they are most likely to travel back to their destination of origin on the same day.

The following table provides the estimated number of visitors that iLembe received for 2021.

TABLE 2-1: NUMBER OF VISITORS

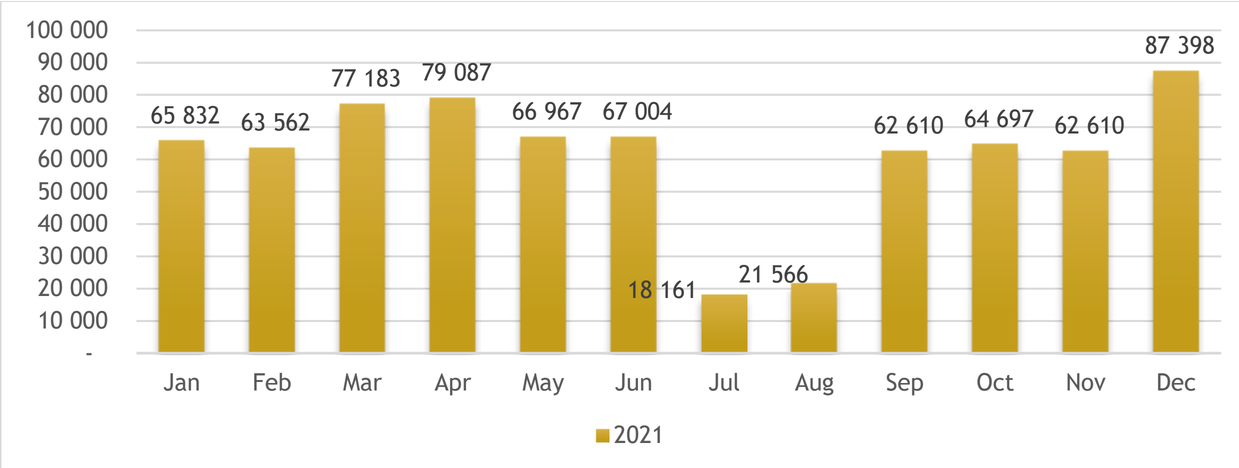
Category	Number of visitors	Percentage
Number of visitors in paid accommodation	493 884	67%
Number of visitors staying with friends and relatives	158 043	21%
Number of day visitors	84 751	12%
Total number of visitors to iLembe	**736 678**	100%
Bednights sold (Paid accommodation)	2 420 034	76%
Unpaid bednights (Staying with friends and relatives)	774 411	24%
Total number of bednights in iLembe	**3 194 444**	100%

SOURCE: URBAN-ECON, 2022

The iLembe District received an estimate of about 493 884 visitors staying in paid accommodations, 158 043 people visiting friends and relatives, and 84 751 day visitors during 2022. The number of bednights sold from January to December 2021 was estimated at 3 194 444). Number of unpaid bednights (people staying with friends and relatives) was estimated at 774 411. Thus, the total number of bednights spent in iLembe during the study period was 3 194 444. According to the surveys, visitors stayed on average 4.9 nights, hence the high number of bednights..

The 2021 period started off well with high numbers of visitors, however, experienced a major decline in visitors during July and August due to the July 2021 Riots, but showed an upward trend from September to December 2021, with a total of 736 678 visitors.

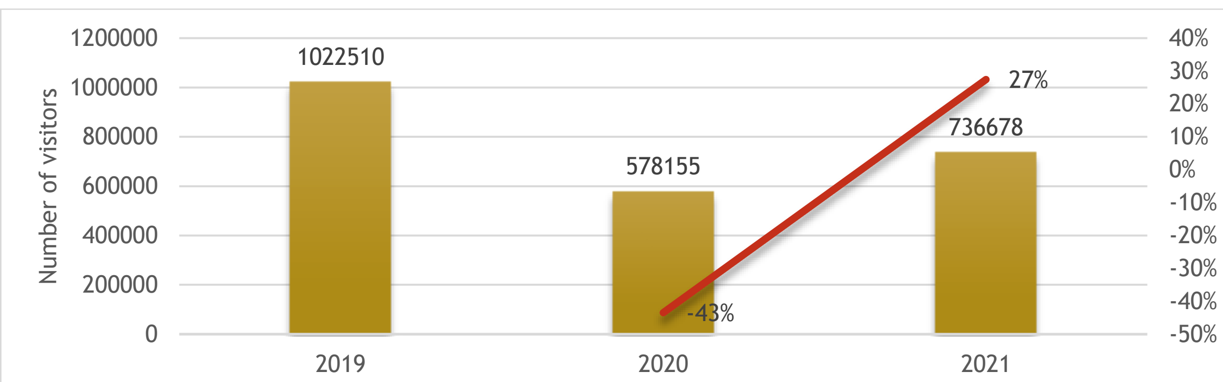
FIGURE 2-1: NUMBER OF VISITORS FROM 2021



SOURCE: URBAN-ECON, 2022[1]

The following table shows the estimated visitor number for iLembe from 2019 to 2021. The 2021 period shows post-Covid recovery. The average growth rate per year from 2019 to 2021 is estimated at -8%, where 2019 to 2020 had a rapped decline (-43%) due to Covid and other negative events but 2021 had a high growth rate (27%).

FIGURE 2-2: NUMBER OF VISITORS FOR 2019 TO 2021



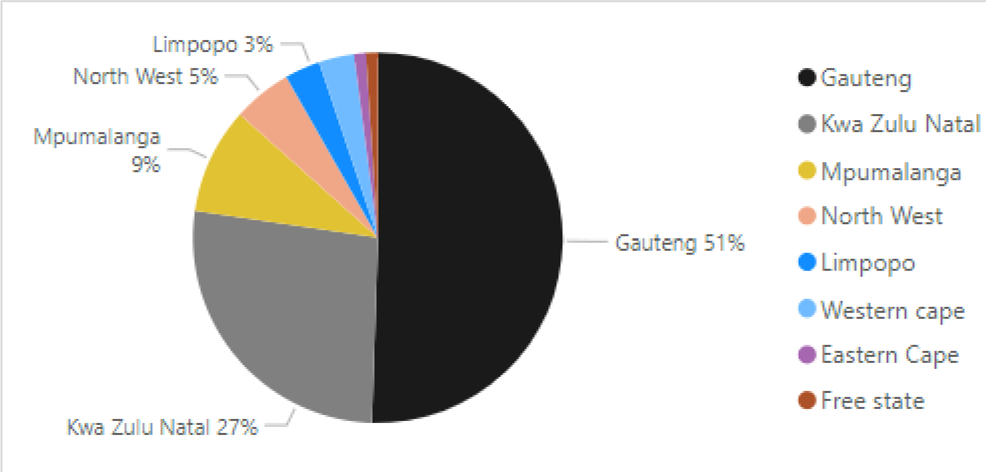
SOURCE: URBAN-ECON, 2022

2.2 Traveler profile

The majority of visitors to iLembe for 2021 were South African residents, where 51% came from Gauteng and the rest from mainly KZN (27%), Mpumalanga (9%), North West (5%) and Limpopo (3%).

[1] Sivandi iLembe Tourism Research July 2020 – June 2021 Report; TKZN Accommodation Performance August 2021 Report; iLembe Accommodation Survey and Visitor Survey

FIGURE 2-3: ORIGIN OF RESPONDENT

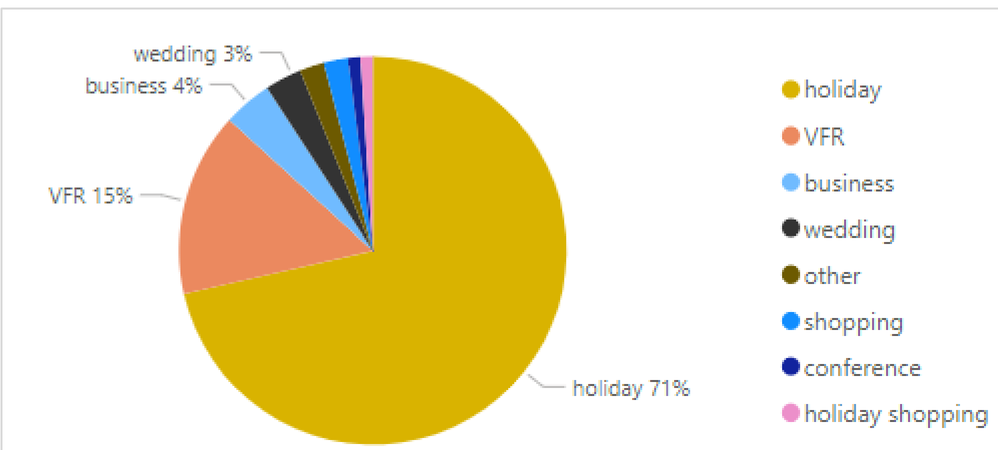


SOURCE: ENTERPRISE ILEMBE VISITOR INTERCEPT SURVEY, 2021

2.3 Travel behaviour

According to the visitor intercept survey for 2021, the main purpose of visit was for holiday (71%) followed by VFR (15%), business (4%), and weddings/functions (3%).

FIGURE 2-4: PURPOSE OF VISIT

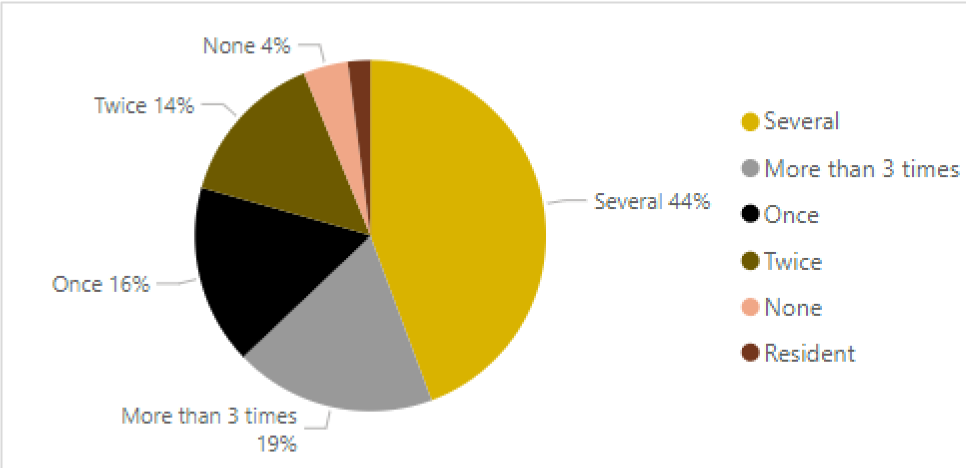


SOURCE: ENTERPRISE ILEMBE VISITOR INTERCEPT SURVEY, 2021

The travel group size for the study period saw most people traveling in groups of 4. Corresponding with the main purpose of visit, it is evident that many families possibly visited iLembe during 2021 as part of their post lockdown break.

Over 63% of visitors have visited iLembe more than three times whereas, 16% indicated this as their first visit, which is a large portion of new markets being attracted to the destination.

FIGURE 2-5: REPEAT VISITOR



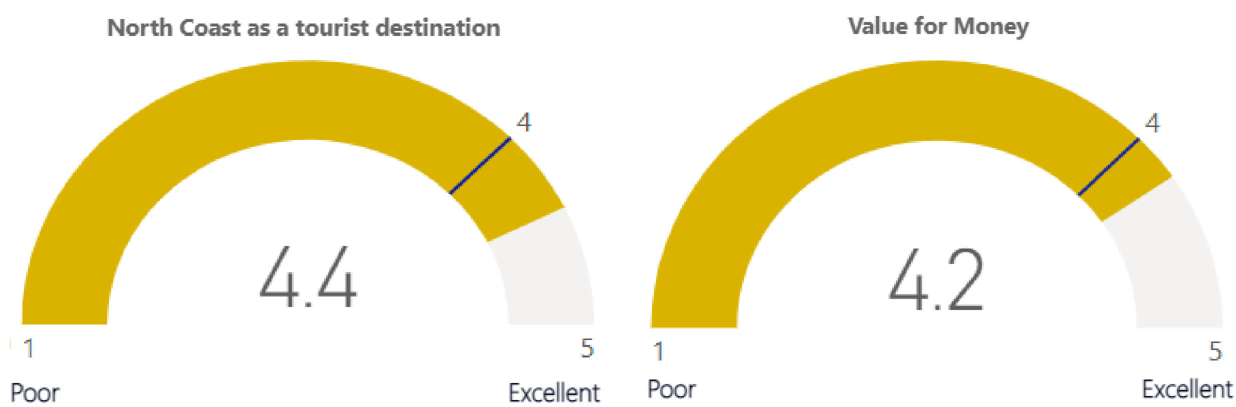
SOURCE: ENTERPRISE ILEMBE VISITOR INTERCEPT SURVEY, 2021

According to the survey, those who stay in accommodation spending R5 117 on average whereas those staying with friends and relatives spend R1 857 per trip. Day visitors spent on average R833.

2.4 Destination Perception

According to the visitor survey, visitors rated the North Coast as a premium tourist destination with an average score of 4.4 out of 5. Further, the destination is also seen as a value for money offering with an average score of 4.2 out of 5.

FIGURE 2-6: VISITOR SATISFACTION



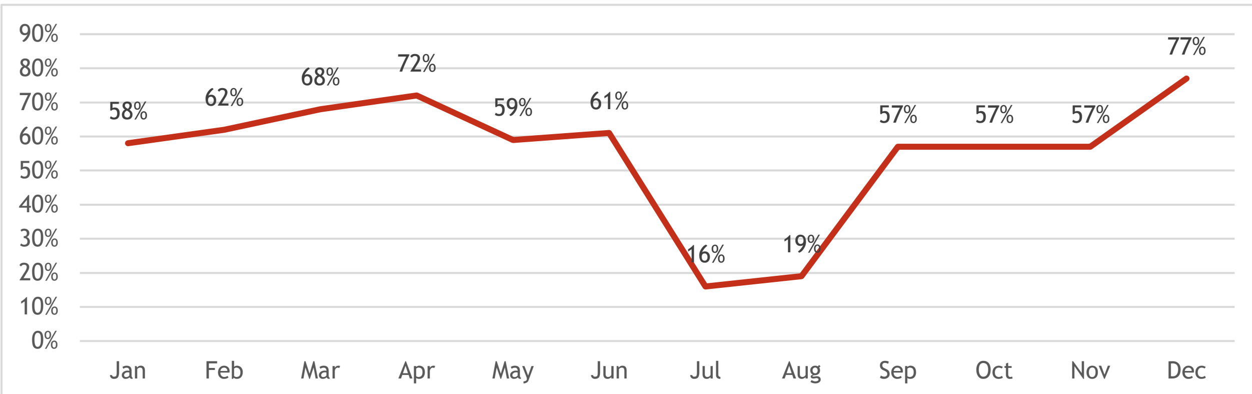
SOURCE: ENTERPRISE ILEMBE VISITOR INTERCEPT SURVEY, 2021

An outstanding 99% of visitor will recommend the North Coast to friends, family and colleagues as a holiday destination. The few that indicated otherwise, stated that the beaches can be overcrowded and full of litter, crime is also a concern and potholes.

2.5 Average Occupancy Rates

The accommodation survey recorded an average occupancy rate of 55% for 2021, where the national average occupancy was only 25%. The highest average occupancy rates were in April (72%) and December (77%). The July and August period saw a massive decline in occupancy rate according to the TKZN Accommodation Performance August 2021 report[2]. This is due to the July Riots.

Figure 2-7: Average occupancy rate for 2021



Source: Enterprise iLembe Accommodation Survey (Adjusted), 2021[3]

[2] TKZN Accommodation Performance August 2021 report was use to determine occupancy rates for Jul and Aug.

[3] Note the period from September to November was reported at quarterly average rates and not monthly.

Section 3: Impact of Tourism

The economic impact assessment model utilizes multipliers that are used to determine direct, indirect, and induced impacts. The goal is to quantify economic contributions from tourism-related industries and activities. The economic activities undertaken in the iLembe District are important contributors to GDP, employment, income generation and taxes in the landscape and country.

3.1 Visitor spending

The table below displays the estimated tourist expenditure for iLembe for 2021. The estimated tourist expenditure was calculated by multiplying the average spend per visitor by the number of visitors. Total visitor expenditure amounted to R2.9 billion.

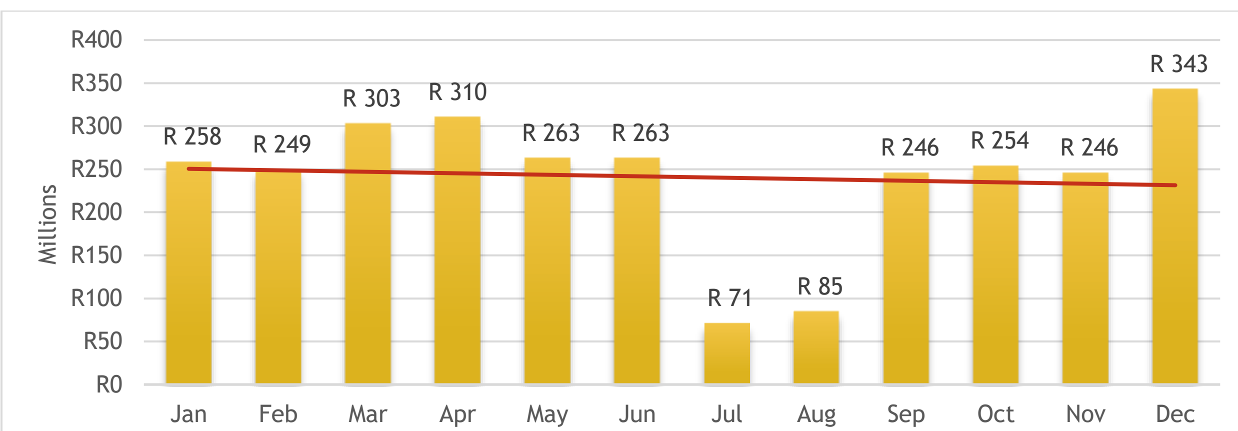
TABLE 3-1: VISITOR EXPENDITURE

Visitor Expenditure	Average Spend	Number	Total Expenditure
Visitors in paid accommodation	R5 117,42	493 884	R2 527 413 955
Visitors staying with Friends and Family	R1 857,00	158 043	R293 485 851
Day visitors	R833,33	84 751	R70 625 833
Total		**736 678**	**R2 891 525 639**

SOURCE: URBAN-ECON, 2022

The figure below shows the direct tourist expenditure per month for 2021.

FIGURE 3-1: DIRECT TOURIST EXPENDITURE PER MONTH FOR 2021



SOURCE: URBAN-ECON, 2022

3.2 Economic Impact

The table below displays the results from the economic impact assessment modelling. Using the total expenditure on tourism the model calculated the direct, indirect, induced and total impact of production, Gross Domestic Product (GDP), household income, employment and taxes.

TABLE 3-2: ECONOMIC IMPACT ASSESSMENT FOR 2021

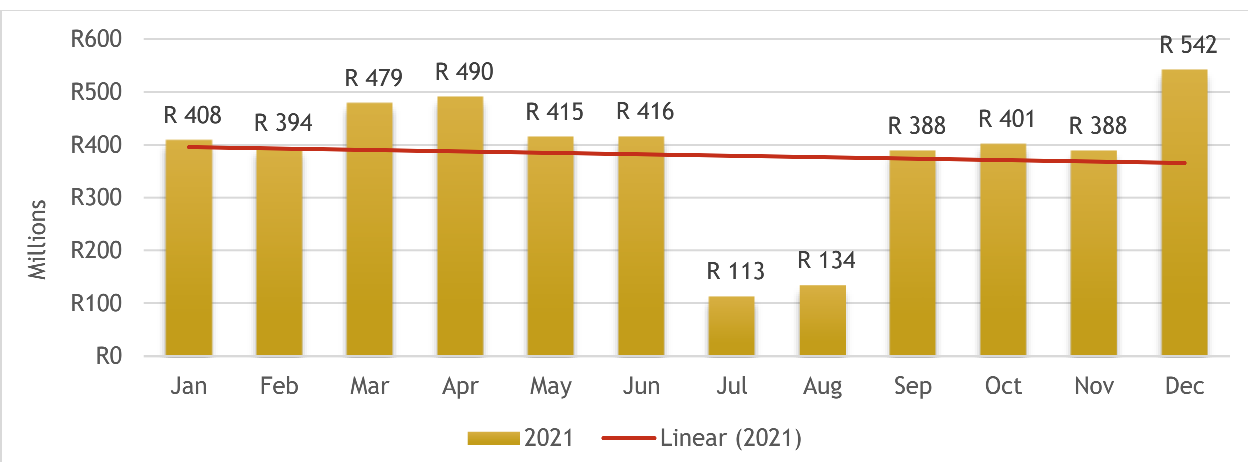
Economic Impact	Direct	Indirect	Induced	Total
Visitor Expenditure	R2 891 525 639	R2 725 738 260	R1 583 102 141	**R7 200 366 040**
GDP	R1 472 107 831	R2 030 493 560	R1 066 009 119	**R4 568 610 509**
Income	R407 620 125	R448 586 203	R242 203 491	**R1 098 409 820**
Taxes	R123 686 581	R149 691 732	R79 896 889	**R353 275 203**

SOURCE: URBAN-ECON, 2022

The estimated total visitor expenditure contribution to the GDP is R4.6 billion for 2021. This means that over R3.1 billion in indirect and induced GDP impacts was added to the economy as a result of the direct expenditure of visitors. Further, contributed a total of R1.1 billion to household income and R353 million to taxes.

The figure below shows the trend for GDP contributions per month from 2021. The trend shows a steep upward trend for the first half of the year, however, shows a sharp dip during the Riots during July and August 2021.

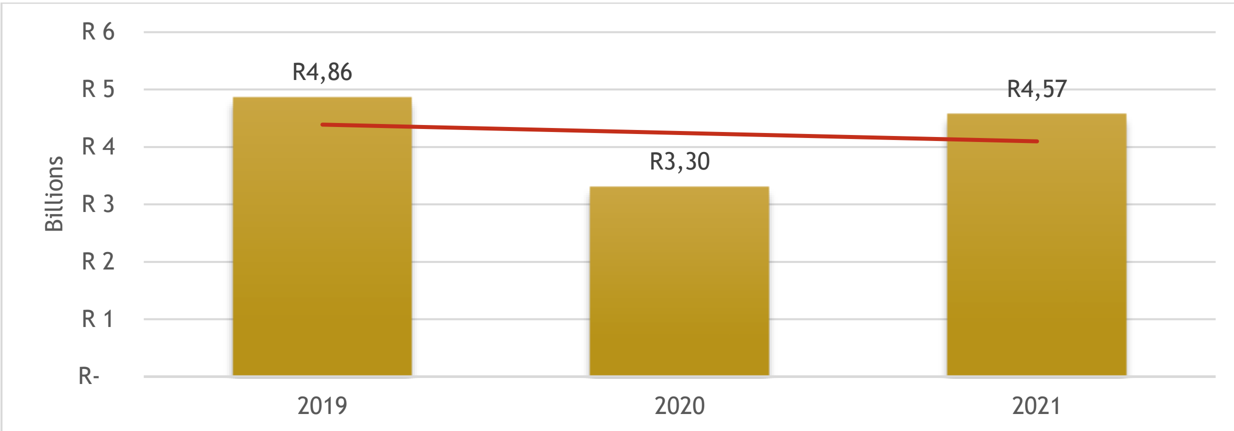
FIGURE 3-2: GDP CONTRIBUTIONS PER MONTH FOR 2021



SOURCE: URBAN-ECON, 2022

The GDP contribution for 2021 is approaching pre-Covid levels. This is due to increase visitor to the region post lockdown.

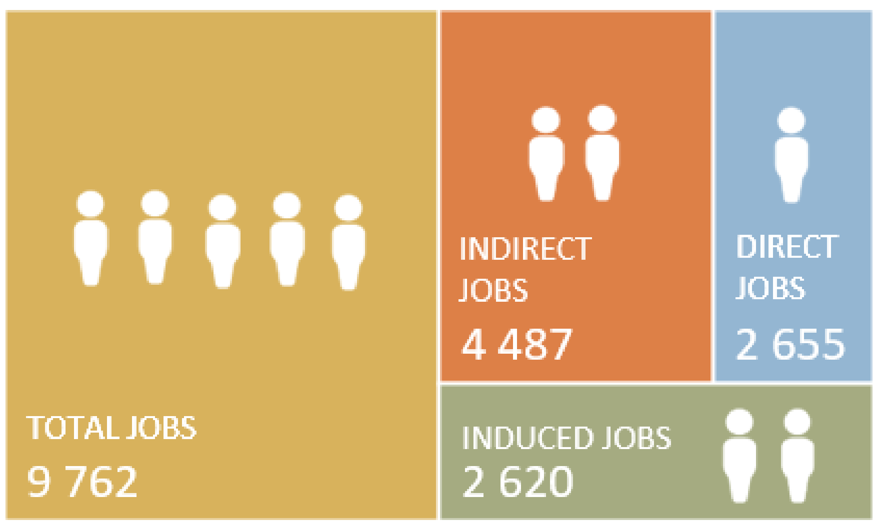
FIGURE 3-3: TOTAL GDP CONTRIBUTION FROM 2019-2021



SOURCE: URBAN-ECON, 2022

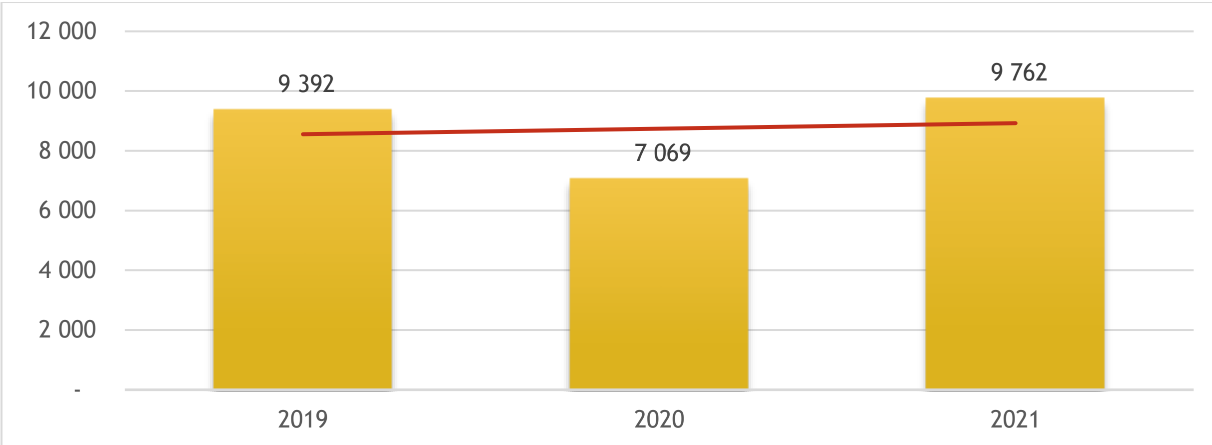
3.3 Job Creation

The direct jobs opportunities supported by the visitor spend is 2 655 from 2021. The total job opportunities supported by the tourism sector in iLembe was estimated at 9 762. Thus, 3.38 job opportunities were created for every R1'million of direct expenditure.



The employment projections from 2019 to 2021 are indicated below. The 2021 estimated employment opportunities surpassed the numbers of 2019, however, the figures are higher due to the large expenditure for this year, which are influenced by increased costs and market changes during the post-pandemic era. Hence, recovery of the sector is on track as visitor number return to pre-pandemic figures and average expenditure increasing per visitor trip.

FIGURE 3-4: TOTAL EMPLOYMENT OPPORTUNITIES FROM 2019-2021



Section 4: KZN Tourism Performance

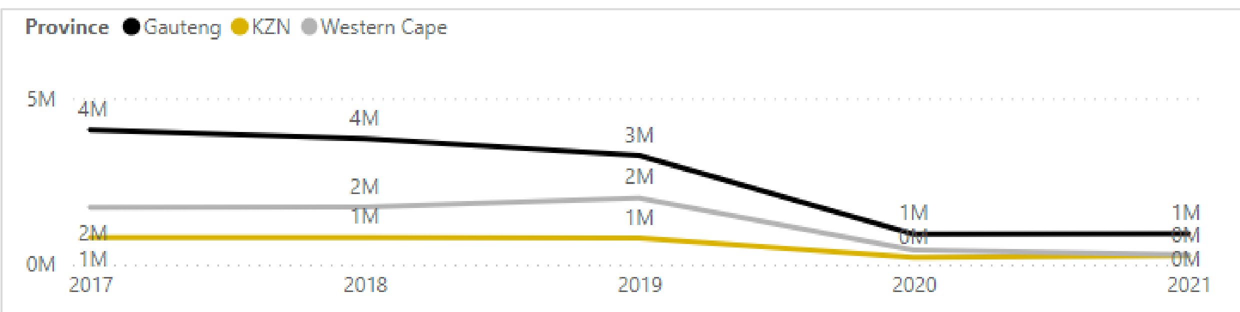
4.1 International Tourism Performance

Tourism plays an important role in the growth and development of any economy. The domestic hospitality industries often rely on international tourism to operate efficiently which enables establishments such as hotels, lodges, game and nature reserves, restaurants, and others to capitalize on international travelers desire for an African experience.

4.1.1 Tourist arrivals

In 2021, there were 2 255 699 million international tourist arrivals in South Africa, displaying a 20% decline in growth from the previous year. However, the year 2020 was the worst decline of about 73% from the year 2019. The assumption is that the lockdown period completely decimated the tourism industry along with related industries. The year 2021 has been described as the starting point of the recovery period which aims to stabilize economies after the global pandemic which severely affected many if not most countries.

FIGURE 4-1: INTERNATIONAL TOURIST ARRIVALS TO SOUTH AFRICA



SOURCE: SOUTH AFRICAN TOURISM INTERNATIONAL TOURIST ARRIVALS SURVEY, 2021

The KwaZulu-Natal Province represents 11.9% of the total international tourist arrivals and other provinces are represented as follows, Gauteng (41.4%), Mpumalanga (23.2%) and the Western Cape (13.3%)[4].

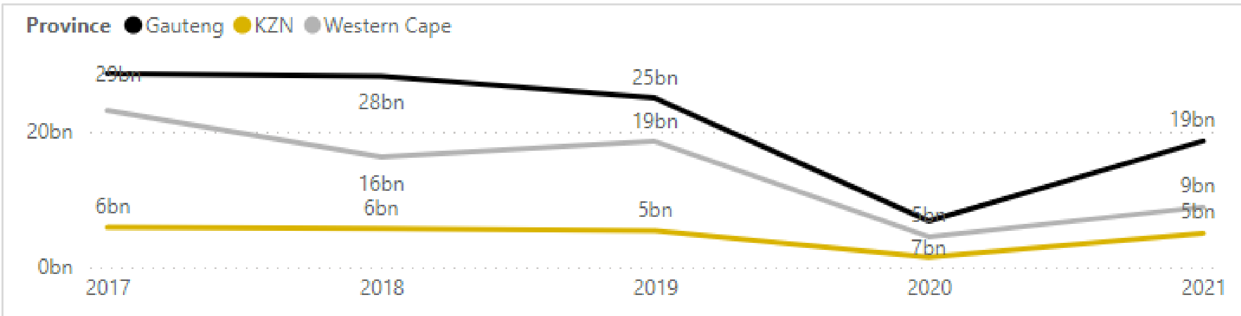
4.1.2 Spend

International spend refers to the money tourists spend during their stay in a particular country. Tourists often spend money on accommodation, transport services, local merchandise, entertainment, and other forms of souvenirs to take back to their country of origin. The money spent by tourists in a country they are visiting boosts the economy and creates opportunities for economic growth and development.

[4] South African Tourism, International Tourist Arrivals Survey 2021

The figure below shows that the international tourist spend for 2021 was approximately R20 billion, sighting a slight reduction compared to the previous spend in 2020 of R22 billion. In 2019, the total spend was over R80 billion, indicating the severity of the effects of the global pandemic on tourism-related industries.[5]

FIGURE 4-2: INTERNATIONAL TOURIST SPEND



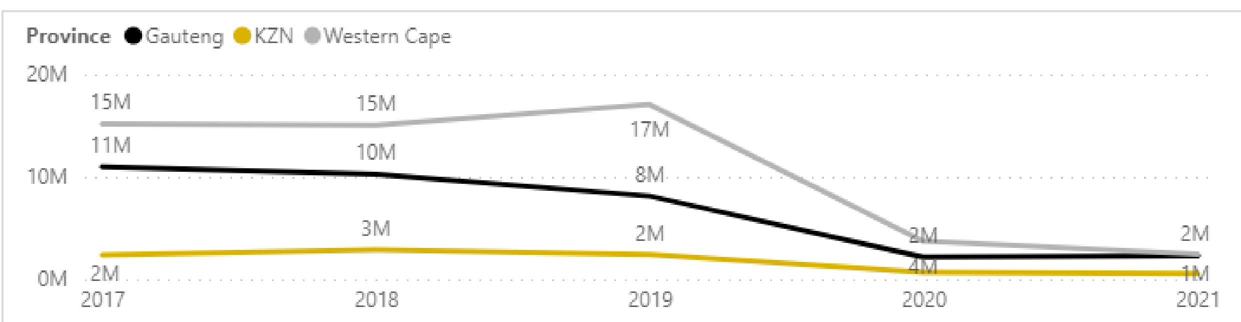
SOURCE: SOUTH AFRICAN TOURISM INTERNATIONAL TOURIST ARRIVALS SURVEY, 2021

The KZN international tourist spend for 2021 was R1.2 billion, a decline of about R200 million from the previous year in 2020. The Gauteng and Western Cape Provinces accounted for R4.7 billion and R2.2 billion respectively.

4.1.3 Paid bednights

This section seeks to quantify the number of tourists who stayed in paid accommodation establishments, tourists who were day visitors, and tourists staying with friends and relatives.

FIGURE 4-3: SUM OF PAID BEDNIGHTS



SOURCE: SOUTH AFRICAN TOURISM INTERNATIONAL TOURIST ARRIVALS SURVEY, 2021

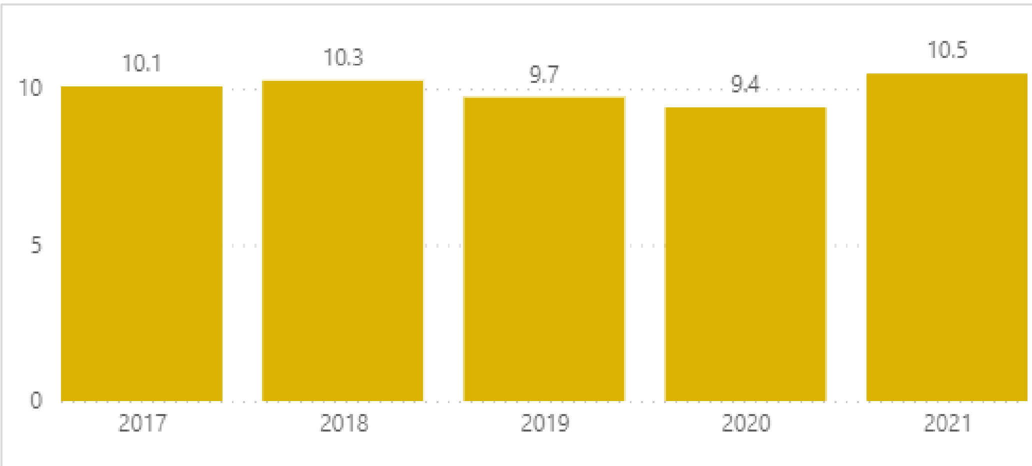
In 2021, the KZN Province had approximately 540 000 paid bednights, a decline of over 100 000 in contrast to the previous year. Gauteng represented 2.3 million paid bednights in 2021 and

[5] South African Tourism, International Tourist Arrivals Survey 2021

the Western Cape represented 2.4 million paid bednights. The figures display significant potential for increased tourism activity in these provinces.

4.1.4 Length of stay

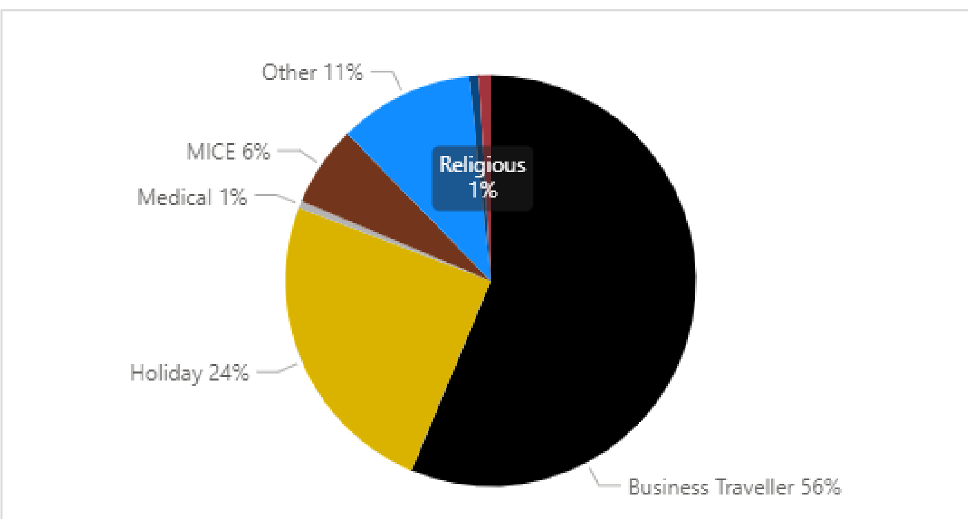
Length of stay describes the trend in the duration of the tourist's visit to the country in contrast to previous years. The figure below shows that tourists in KZN stay an average of about 10.5 days.



SOURCE: SOUTH AFRICAN TOURISM INTERNATIONAL TOURIST ARRIVALS SURVEY, 2021

4.1.5 Purpose of visit

This section seeks to solicit reasons why tourists travel to the KZN Province with the aim of establishing the nature of the tourism activity which is popular in the province.



SOURCE: SOUTH AFRICAN TOURISM INTERNATIONAL TOURIST ARRIVALS SURVEY, 2021

Over 50% of the international tourist arrivals to SA indicated they travel to the country for business related purposes. 24% of the tourists stated their main purpose of travel was holiday and leisure. The rest of the travelers to the iLembe District indicated that their main purpose of the visit was medical reasons (1%), attending MICE(6%), religious and other reasons.

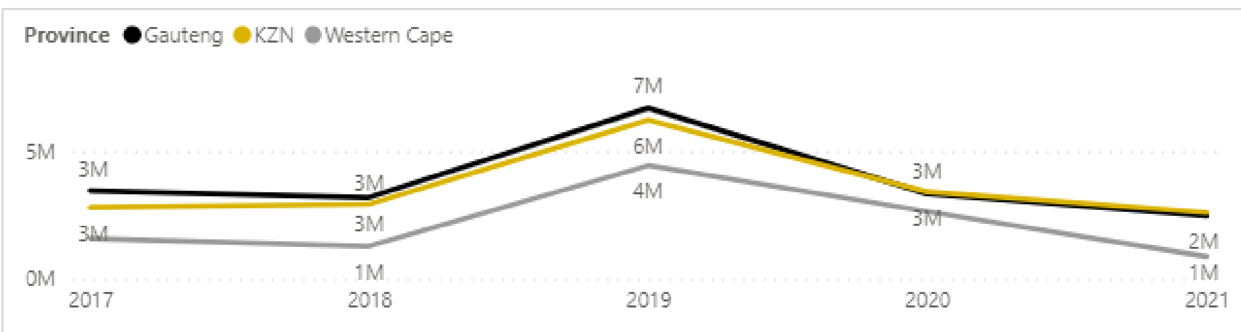
4.2 Domestic Tourism Performance

Domestic tourism is an important aspect of economic development. Not only does it offer locals an opportunity to discover new areas within their country, but it also enables locals to learn new things about their country including food, music, and cultural practices. Domestic tourism is popular among South Africans due to affordability and ease of access, these are aspects tourism establishments should strive to capitalize on.

4.2.1 Domestic Trips

In 2021, there were 16 million domestic trips, a decline of approximately 4 million trips compared to 2020[6]. The significant decline could potentially be attributed to COVID-19 travel restrictions, civil riots and unrest and general financial and economic constraints.

FIGURE 4-4: DOMESTIC TRIPS



SOURCE: SOUTH AFRICAN TOURISM DOMESTIC TOURISM SURVEY, 2021

The KZN Province accounted for 2.6 million domestic trips. The Gauteng and Western Cape Provinces accounted for 2.4 million and 800 000 domestic trips. This indicates a fair amount of inter-provincial travel between KZN and Gauteng [7]

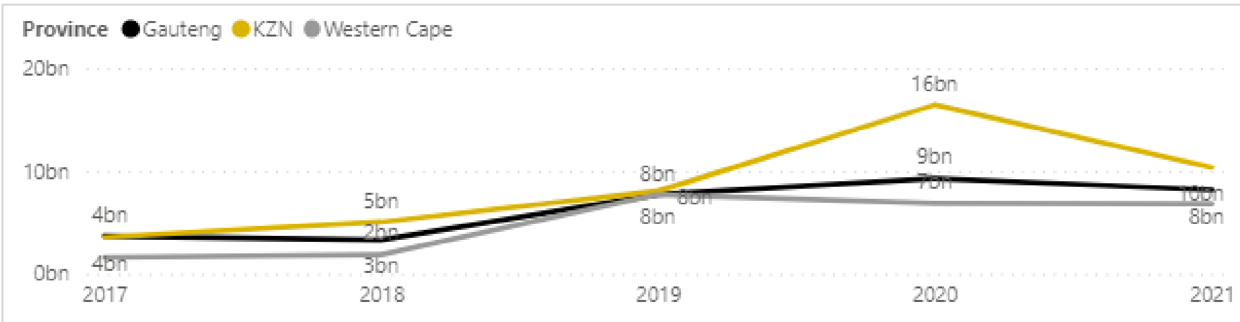
[6] South African Tourism, Domestic Tourism Survey 2021

[7] South African Tourism, Domestic Tourism Survey 2021

4.2.2 Tourist Spend

In 2021, domestic tourist spend amounted to R45 billion, a decline of about R8 billion in contrast to the tourist spend of the previous year of R53 billion.[8]

FIGURE 4-5:DOMESTIC TOURIST SPEND



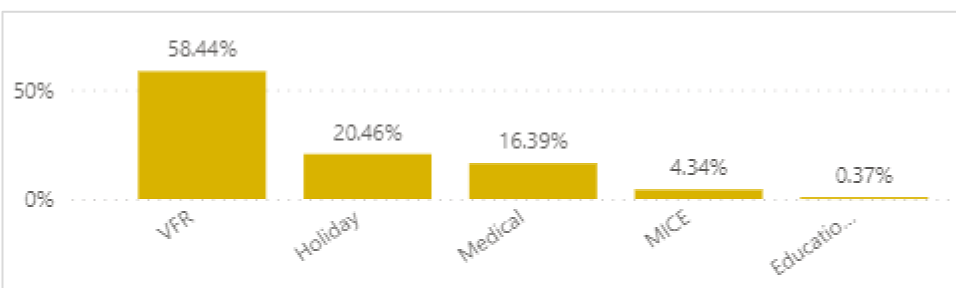
SOURCE: SOUTH AFRICAN TOURISM DOMESTIC TOURISM SURVEY, 2021

The domestic tourist spend for KZN in 2021 was R10 billion and R16 billion for the previous year, sighting a decline of approximately R6 billion[9]. The Gauteng and Western Cape Provinces accounted for R8.2 billion and R6.8 billion in domestic tourism spend for 2021.

4.2.3 Purpose of visit to KZN Province

The main purpose of visit identifies the main reason for travel to the destination. The KZN Province is renowned domestically for being the ideal coastal holiday destination, however, tourists travel to KZN for several other reasons.

FIGURE 4-6: PURPOSE OF VISIT TO KZN PROVINCE



SOURCE: SOUTH AFRICAN TOURISM DOMESTIC TOURISM SURVEY, 2021

The majority of the travelers to KZN indicated that their main purpose to visit the destination is to either visit friends and relatives or for holiday and leisure. Coastal characteristics such as

[8] South African Tourism, Domestic Tourism Survey 2021

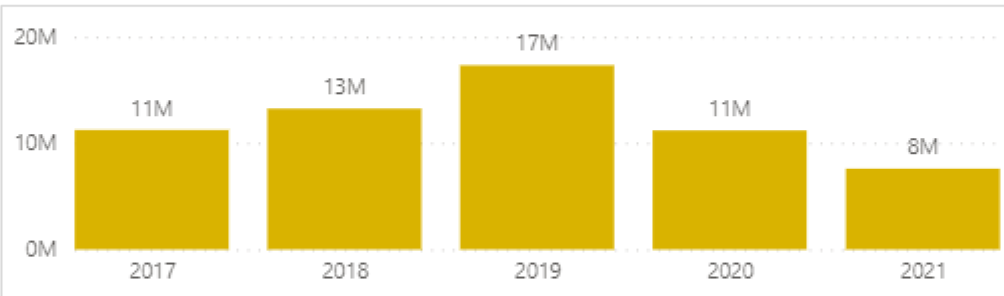
[9] South African Tourism, Domestic Tourism Survey 2021

the presence of multiple beaches and other amenities give KZN an advantage over other provinces that do not have access to a beach. Other reasons for visiting the province include medical-related reasons, attendance of MICE and education/training-related reasons.

4.2.4 Bednights in KZN

Paid bednights indicate the number of accommodation establishments that were occupied during the study period.

Figure 4-7: Bednights



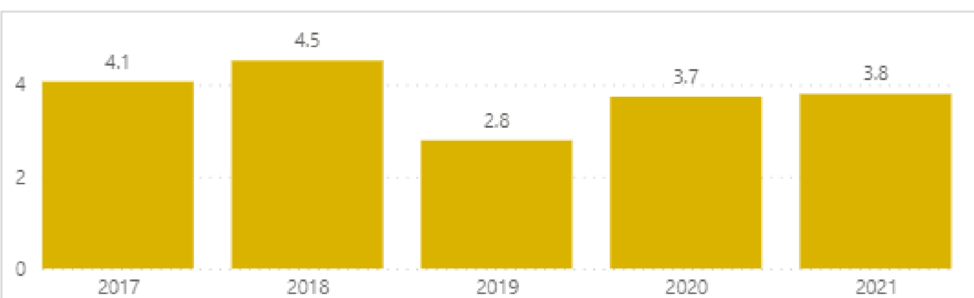
Source: South African Tourism Domestic Tourism Survey, 2021

In 2021 there were 8 million bednights in the KZN Province, a slight decrease of approximately 3 million bednights in contrast to the previous year.

4.2.5 Length of Stay

The figure below displays the duration of stay for domestic tourists visiting the KZN Province.

Figure 4-8: Length of stay



Source: South African Tourism Domestic Tourism Survey, 2021

In 2021, domestic tourists stayed an average of 3.8 days, this figure is considerably low compared to previous years prior to the global pandemic, namely 2017 and 2018[10]. This figure is also significantly lower compared to international tourists' average length of stay. Trends

[10] South African Tourism, Domestic Tourism Survey 2021

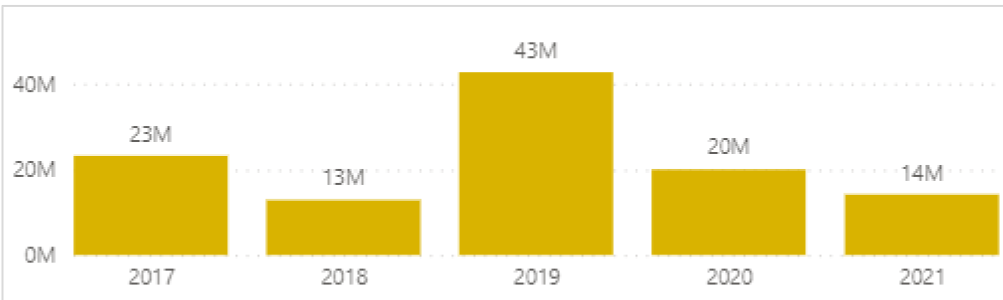
indicate international tourists stay longer than domestic tourists, with international tourists staying longer than a week meanwhile domestic tourists stay less than a week on average.

4.2.6 Day trips in KZN

Tourists are often categorized as tourists who stay in paid accommodations, tourists who visit friends and relatives, and tourists who took day trips to the destination.

The figure below displays the number of tourists who did not require any accommodation during their travel to the KZN Province.

FIGURE 4-9: DAY TRIPS



SOURCE: SOUTH AFRICAN TOURISM DOMESTIC TOURISM SURVEY, 2021

There were 14 million day trips to the KZN Province in 2021. In 2020, there were 20 million day trips, a decrease of more than 50% in contrast to the 2019 figure of 43 million day trips[11]. These figures indicate the severe effects of lockdown restrictions and the global pandemic. The tourism industries were undoubtedly the most economically affected industry, and this can be seen in the negative growth of the tourism sector which is displayed by the significant decline in day trips displaying reduced inter-provincial tourism.

[11] South African Tourism, Domestic Tourism Survey 2021

Section 5: Conclusion

The iLembe District showed tremendous recovery during the first half of 2021, which was post the intense lockdown of 2020. However, this significant growth was stunned by the July Riots that had an adverse effect on visitation to the region. Nonetheless, the economic impact of tourism has shown recovery compared to 2020 but increased efforts from government and stakeholders are required to combat the post effects of the pandemic and further civil unrest.

Glossary of terms

CATEGORY	CONCEPT	DEFINITION
Tourism	**Day visitors**	Visitors who do not spend the night in accommodation in the place visited.
	Overnight visitor	Visitors who spend the night in accommodation in the place visited.
	Visitors spending	Spending patterns of visitors on the following:
		- Accommodation (e.g. lodges, campsites, self-catering, timeshare, etc.) – paid accommodation at formal establishments in the destination, *excl. visiting friends or family of staff*
		- Restaurants and related services – paid food and beverage in the destination, *excl. food and beverage not purchased in the area.*
		- ·Public transport – paid transport to and from the destination and within destination, e.g. tour buses, minibuses, aeroplane, shuttles, car rentals, *excl. personal vehicle use.*
		- Recreational and cultural activities – paid recreational and cultural activities in the destination, incl. safaris/tour guiding, adventure activities, cultural dances, etc.
		- Retail – purchase of tourism-related merchandising, crafts, local products.
		- Others – purchase of non-tourism related items, e.g. petrol, toll fees, banking services, etc.
Impact	**Multiplier Effect**	Refers to the increase in final income arising from any new injection of spending.
	Production	Economic rationale of firms supplying goods and services in the economy.
	Gross Domestic Product (GDP) or Gross Geographic Product (GGP)	A monetary measure of the market value of all the final goods and services produced within a country in a specific period. Also known as the Value-Added (sum of wages, profit and tax)
	Income	The income generated in terms of salaries and wages earned by those employed directly and the suppliers of goods and services.
	Taxes	Taxes refer to the revenue generated for government based on the production and sale of goods and services in the economy.
	Direct	On-site impact in terms of production, GDP, Income, Jobs and Taxes.
	Indirect	Supplier or value-chain impact in terms of production, GDP, Income, Jobs and Taxes.
	Induced	Consumer/household impact in terms of production, GDP, Income, Jobs and Taxes.
	Total	Accumulative impact of direct, indirect and induced.