

FOR IMMEDIATE RELEASE
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KZN North Coast tourism industry has demonstrated resilience and promises a strong rebound through recovery

The appeal of the iLembe North Coast continues to attract travellers to the region and the CEO of Enterprise iLembe Mr. Linda Mncube is pleased to present the Tourism Performance Report for the period from January to June 2023.

The period under review shows that the numbers are gradually increasing despite the challenges faced by the industry over the past few years, including the COVID-19 pandemic, July 2021 unrest, April 2022 floods, road closures and more recently the ongoing pressures of load shedding, this certainly shows great resilience of the tourism sector. 2023 has shown remarkable growth in GDP contributions surpassing that of 2019, indicating that the tourism sector in iLembe has started to recover and is showing actual growth post-pandemic. The estimated total contribution to the GDP was R3.4 billion from January to June 2023. This means that over R2.3 billion in indirect and induced GDP impacts was added to the economy as a result of the direct expenditure of visitors. In addition to GDP, over R816 million was contributed to household income and R263 million to taxes.

According to the study, the North Coast has shown a 5% increase in visitors' numbers (362 906) from 2022. The portion of international visitors to iLembe has also increased representing 23% of visitors to the region. The key international markets were the United States of America (7%), the United Kingdom (4%), France, Netherlands and Germany (3% each). This is a good indication that the international tourism sector is starting to show recovery.

Whilst the first part of the year had a large portion of guests coming from abroad, which is a popular travel period for international travelers to South Africa, this changed from April onwards to a more domestic base, with May and June experiencing larger portions of intra-provincial travel, the assumption that Africa's Travel Indaba, the Ballito Pro and other conferences hosted during this period could have impacted these spikes. These visitors spend was calculated at R2.2 billion, which was 37% more than what was generated in 2022 (R1.6 billion) from January to June. Further, the spending habits of visitors have also increased from the previous year which can be attributed to the higher cost of goods and services.

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Overall, the trends seem to point towards a more lucrative market in terms of spending and travel behavior. However, there is still a need to increase visitor numbers to pre-pandemic levels by increasing the number of first-time visits and travel group size.

There are approximately 3.38 job opportunities created for every R1million of direct expenditure, thus, an estimated 7 255 job opportunities and 1 973 actual jobs were supported by tourism for the period January to June 2023. The growth of domestic tourism leads to the creation of jobs in the hospitality sector, transportation, retail, and other related industries. This can help reduce unemployment rates and stimulate economic development. This form of tourism can also provide stability for the tourism sector, especially during times of international uncertainty or external factors affecting international travel. It ensures a more reliable flow of visitors and revenue for businesses.

Amongst other things, iLembe's tourism sector is starting to show recovery in terms of increased bed nights by visitors staying in paid accommodation. The total number of bed nights spent in iLembe during the study period was 967 749, with an overall 21% increase in bed nights from 2022. Domestic tourism continues to provide a much-needed boost to help sustain many tourism destinations and businesses, and will continue to be a key driver of recovery in the short to medium term.

Mncube said that Enterprise iLembe remains fully committed to continue to work with various marketing and promotion agencies at national, regional and local level to ensure that the sector continues to grow.

Issued by Enterprise iLembe

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