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

2011 Statistics
of Our Tourism Sector

Some Useful Statistics 2011

The Foreign Picture

	World	Africa	South Africa	KZN
Size	940mn[1]	48.8mn[1]	8.1mn[4]	±956 550[4] (±393 017*)
Growth (%)	6.7%[1]	6.4%[1]	15.1%	11%[4]
Direct Spend (Tourism Receipts)	US$919bn[1]	US$31.6 bn[1]	R72.6bn[4] (excluding CAPEX) R76.3bn (including CAPEX)	R7.025bn[4]
Daily Spend	-	-	R1 080[4]	R1 080[4]
Average Stay (nights)	-	-	8.5 nights[4] (most common 6 nights)	Average 6.8 nights[7] (6.297mn bednights in total)[4]

Source: WTO 2011[1], WTTC[2], SAT[4], methodology changed in 2009, only overnight tourists included; TKZN[5], *African air and overseas departures 2010. KZN 9.4% of RSA's total of 66.9mn bednights in 2010[7].

Global Tourism Contribution 2010

	World	Africa	South Africa	KZN
Number Directly Employed	96mn*	7.7mn*	±389 100*	±151 000***
Total Employed	258.6mn*	18mn*	±590 200**	±153 000***
Contribution to GDP %	9%*	±10.2%*	±11.5%*	±8%
Total Direct Contribution to GDP (Foreign + Domestic)	US$1 758bn*	US$73bn*	±R93.6bn	±R24bn***
Total Contribution to GDP (Foreign + Domestic)	US$5 702bn*	US$162bn*	±R194.5 bn+	±R34bn***

Source: WTTC 2011*, SAT**, TKZN*** 2011, **** Stats SA derived from GDPR for KZN Current Prices - domestic and international[+] Stats SA derived from GDPR for KZN Constant Prices, SAT 2010 data not available[+].

The Tourism Top 10 Global Destinations 2010 (million)

1. France	78.9	6. UK	29.3
2. USA	60.9	7. Germany	26.9
3. China	56.0	8. Turkey	25.5
4. Spain	52	9. Malaysia	24.6
5. Italy	45.4	10. Mexico	21.5

(34. South Africa)

Source: WTO 2011

The Tourism Top 10 Global Spenders 2010 (US$ billion)

1. Germany	77.7	6. Canada	29.5
2. United States	75.5	7. Japan	27.9
3. China	54.9	8. Italy	27.1
4. United Kingdom	48.6	9. Russian Federation	26.5
5. France	39.4	10. Australia	22.5

(39. South Africa 4.2)

Source: WTO 2011

The Top 10 Global Generators of Outbound Travellers 2010

1. Germany	84mn	6. China	30.5mn
2. USA	63mn	7. Canada	29.5mn
3. UK	56.5mn	8. France	24.5mn
4. Russia	35mn	9. Italy	20.5mn
5. Hong Kong	31.5mn	10. Netherlands	19.5mn

Source: SAT 2011

The South African Foreign Picture 2010

Numbers of foreign tourists	8.074mn
Spend - pppd	R1 094 (R9 300 per trip)
Average length of stay	8.5 nights
Main overseas source markets	UK, USA, Germany, Netherlands, France

Source: SAT 2011

South Africa's Top 5 Overseas (Long Haul) Tourist Markets 2010

1. UK	453 030
2. USA	282 377
3. Germany	215 800
4. Netherlands	124 088
5. France	115 401

Source: SAT 2011

South Africa's Top 5 Average Spending Markets Per Trip (Excluding Capital Expenditure)

1. China	R19 400
2. Swaziland	R19 200
3. Angola	R18 800
4. India	R12 900
5. Nigeria	R12 800

Source: SAT 2011

Purpose of Visit to South Africa

	All Foreign Tourists (2010)
Holiday	22.1%
VFR	22.7%
Shopping	24.7%
Business Travel	14.2%
Other	5.8%
Medical	4.6%
Business Tourism	4.6%

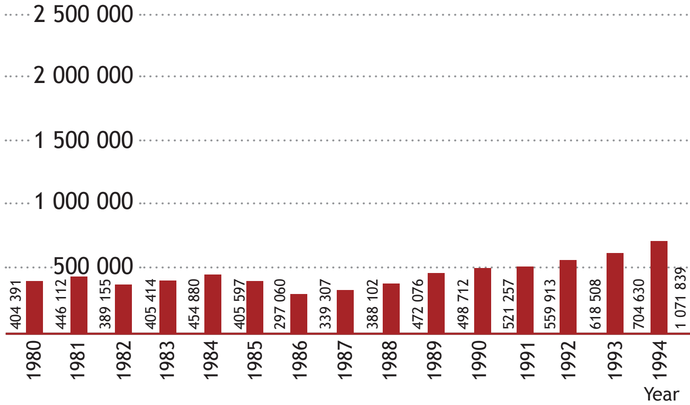
Source: SAT 2011

Foreign Tourist Activities in South Africa 2010

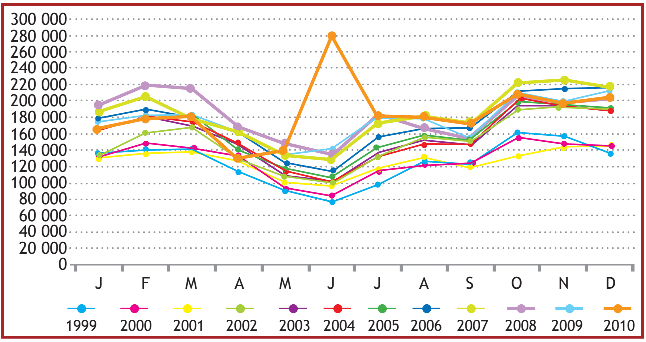
Shopping	97%
Nightlife	81%
Social	38%
Visiting Natural Attractions	21%
Beach	17%
Cultural, Historical, Heritage	18%
Wildlife	15%
Business	16%
Theme Parks	11%
Casino	6%
Medical	5%

Source: SA Tourism 2011

South Africa's Annual Overseas (Long Haul) Visitor Arrivals 1980 - 2010:



Overseas Tourist (Inbound Long Haul) Seasonal Flow Graph



Source: SAT 2011

The South African Domestic Tourism Picture 2010

Numbers of tourists annually	29.7mn trips, 13.4mn travellers
Spend - per trip	±R710; R160 per day
Spend - total market value	R21.1bn direct spend
Average length of stay	4.4 nights
Main source markets	Gauteng, KwaZulu-Natal, Eastern Cape

Source: SAT 2011

Purpose of Visit to South Africa

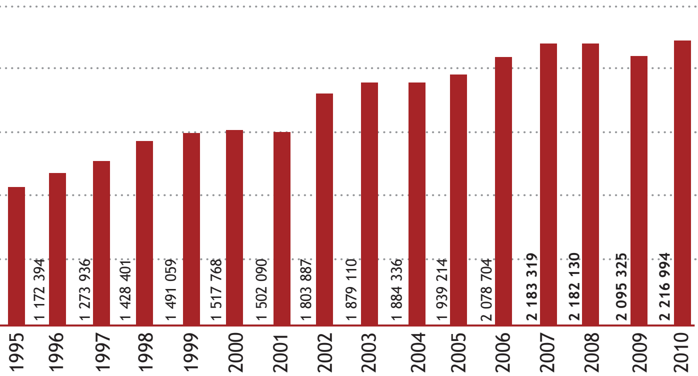
	All Foreign Tourists (2010)
VFR	74%
Holiday	13%
Business	5%
Religious	6%
Medical	1%

Source: SAT 2011

Top 5 South African Domestic Tourism Source Markets 2010

1. Gauteng	9.6mn
2. KwaZulu-Natal	7.1mn
3. Western Cape	3.2mn
4. Eastern Cape	3.0mn
5. Limpopo	2.8mn

Source: SAT 2011



KwaZulu-Natal - The Foreign Tourist Picture 2010

Number of visitors annually	956 550 mn
Average spend per visitor	±R7 215
Total market value	R8.75 bn
Length of stay - average	6.8 nights
Main overseas source markets	UK, USA, France, Germany, Australia

Source: SAT 2011

KwaZulu-Natal's Top Ten Foreign Tourism Source Markets 2010

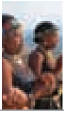
1. Swaziland	213 025	22.3%	6. Mozambique	34 664	3.6%
2. Lesotho	125 549	13.1%	7. Germany	33 084	3.5%
3. Zimbabwe	113 079	11.8%	8. France	32 548	3.4%
4. UK	71 059	7.4%	9. Australia	29 350	3.1%
5. USA	42 365	4.4%	10. Botswana	28 912	3.0%

Source: SAT 2011

KwaZulu-Natal's Top Long Haul Source Markets

2010	2009	2008	2007	2006	2005
1. UK	1. UK	1. UK	1. UK	1.UK	1.UK
2. USA	2. USA	2. USA & Canada	2. USA & Canada	2.Germany	2.Germany
3. Germany	3. France	3. France	3. Germany	3.USA & Canada	3.USA & Canada
4. France	4. Germany	4. Germany	4. France	4.France	4.France
5. Australia	5. Netherlands	5. Netherlands	5. Netherlands	5.Netherlands	5.Netherlands
6. Netherlands	6. Australia	6. Australia	6. Australia	6.Australia	6.Australia

Source: SAT 2011


Purpose of Visit to KwaZulu-Natal – Overseas and African Air Departures 2010

Holiday	56.3%
Business	18%
VFR	20.8%
Other	1%

Source: SAT 2011

Purpose of Visit to KwaZulu-Natal – Land Departures 2010

Holiday	56%
Business	38%
Other	6%

Source: SAT 2011

Destinations Visited in KwaZulu-Natal - Overseas and African Air Departures 2010

Durban Metro	79%
Elephant Coast	40%
Zululand	30%
Drakensberg	27%
North Coast	17%
Pietermaritzburg/Midlands	15%
South Coast	10%
Battlefields	7%

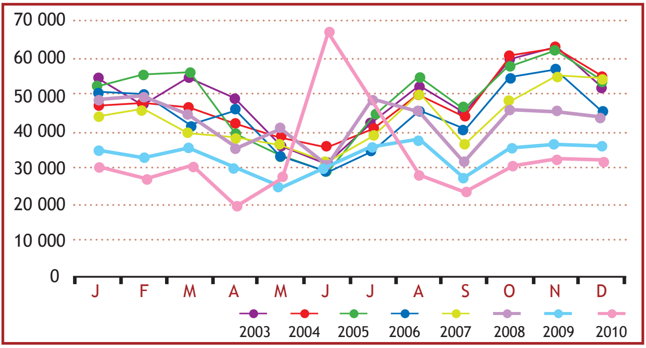
Source: SAT 2011

Some Activities Undertaken in KwaZulu-Natal - African Air Departure and Overseas Visitors 2010

	Air*	Land
Shopping	78%	96%
Nightlife	83%	48%
Visiting natural attractions	40%	6%
Beach	49%	38%
Wildlife	27%	6%
Social	28%	34%
Cultural, historical and heritage	22%	6%
Theme parks	26%	10%
Business	23%	7%
Adventure	4%	1%
Visited a casino	13%	4%
Sporting competed	1%	1%
Trading	0%	4%
Sporting attended	17%	3%
Medical	1%	1%
Hunting	1%	0%
Health	2%	0%

*African Air Departure and Overseas Visitors
Source: SAT 2011

South African Air Arrivals and Overseas (Long Haul) Visitors that Visited KwaZulu-Natal - Seasonal Pattern



Source: SAT 2011

KwaZulu-Natal - The Domestic Tourist Picture 2010

Number of visitors annually	±8.3mn trips*
Average spend per trip	±R710
Spend – total direct value	±R5.6bn
Average length of stay	4.6 nights
Main source markets	KwaZulu-Natal, Gauteng

Source: SAT 2011

KwaZulu-Natal – Top 5 Domestic Source Markets 2010

1. KwaZulu-Natal
2. Gauteng
3. Limpopo/Mpumalanga
4. Free State
5. Eastern Cape

Source: TKZN 2011

KwaZulu-Natal – Top Source Markets for Holiday Makers 2010

1. KwaZulu-Natal
2. Gauteng
3. Limpopo/Mpumalanga
4. Free State
5. Eastern Cape

Source: TKZN 2011

Purpose of Visit to KwaZulu-Natal - Domestic Visitors 2010

VFR	52.1%
Holiday/Leisure	35.8%
Business	8%
Other	4.1%

Source: TKZN 2011

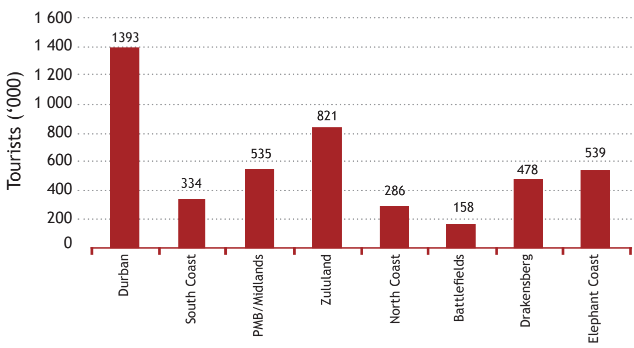


Activities Undertaken in KwaZulu-Natal - Domestic Visitors 2010

Activity	%
Go to the beach	57.8
Go to a live show, theatre or concert	17.3
Watch a live sports event	24.1
Visit a museum, art gallery or historical building	22.6
Visit a nature or wildlife or game reserve	25.8
Take part in a sports event	18.5
Take part in any water sport	12.3
Visit an arts or craft outlet	11.7
Visit an African township or cultural village on a tour	19.3
Food and wine fair	8.8
Go hiking or mountain climbing	10.6
Bird watching	8
Art and crafts festival	6.3
Attend a conference, workshop or training session	5.5
Visit a health spa	5.6
See bushman paintings	6.6
Fly-fishing	5.2
Horse riding	4.4
Go backpack/hostel travelling	5.7
Mountain biking or other cycling	7.2
Tour of the battlefields	2.9

Source: TKZN 2011

Destinations Visited in KwaZulu-Natal – Domestic Tourists 2010

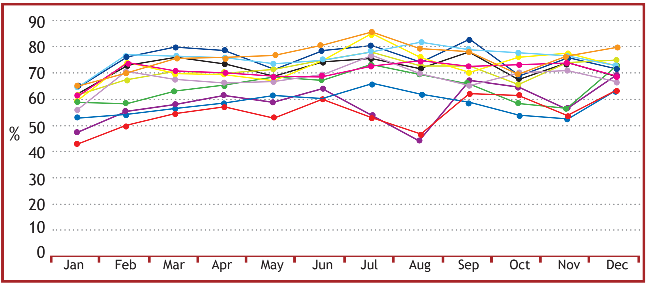


Average Trips in 2010

Durban	2.4
Pietermaritzburg/Midlands	2
South Coast	2.5
North Coast	1.4
Zululand	2.3
Drakensberg	2.4
Elephant Coast	1.8
Battlefields	1.5

Source: TKZN 2011

Hotel Room Occupancy % Graph KwaZulu-Natal and Durban 2004-2010



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Greater Durban 2010	47.4	55.2	58	61.5	59.1	64.2	53.9	44.1	67	64.7	56.5	69.5
KZN 2010	43.2	50.1	54.9	57.4	53	60.3	53.1	46.8	62.5	61.9	53.6	63.5
Greater Durban 2009	59.2	58.8	63.2	65.6	68.9	68	73.9	70.2	66.2	58.8	56.4	72.9
KZN 2009	53.4	54.4	56.7	58.4	61.5	60.3	66	62.2	59	53.9	52.4	63.8
Greater Durban 2008	59.6	74.5	69.7	69.7	66.9	74.9	85.2	76	70.2	76.4	77.6	71.7
KZN 2008	56.1	70.8	67.9	66.4	66.9	69.7	76.7	69.8	65.1	70.4	71.3	66.8
Greater Durban 2007	65.2	77.3	76.5	76.1	73.8	74.8	78.6	81.9	79.1	78.1	76.9	72.9
KZN 2007	61.4	73.9	71.1	70.6	69.3	68.7	72.9	75.1	72.9	73.6	73.9	68.7
Greater Durban 2006	65.5	69.8	75.7	76	76.8	80.9	85.8	79.7	78.4	69.4	76.9	80.3
KZN 2006	62.1	67.4	71.2	70.1	71.7	75	78.2	72.8	72.6	65.8	74.2	75
Greater Durban 2005	64.8	76.5	80.1	78.7	71.6	78.8	80.6	74.2	83	68.7	76.2	72
KZN 2005	62.3	73.2	76.4	73.7	69	74.4	75.9	71.7	78.4	67.4	73.7	69.1

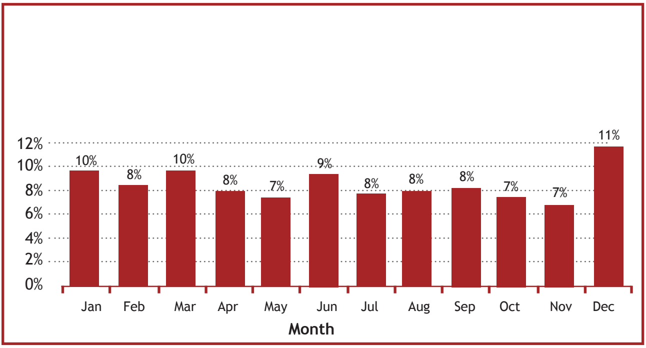
Source: FEDHASA (KZN), STR Global June, 2011

KwaZulu-Natal Supply Statistics 2011

Hotels	213
Guest Houses	338
Lodges	164
Bed and Breakfasts	697
Caravan and Camp Sites	94
Self-Catering	705
Youth Hostels/Backpackers	40
Conference Venues	240
Tourist Guides	1 606
Tour Operators	405

Source: TKZN October 2011

Seasonal Flow KwaZulu-Natal Domestic Tourism Trip 2010



Source: SAT 2011

Relative Market Potential
Input - Key Consumer Segment Profiles

0 1 2 3 4

	Key Consumer Segments	Natural Beauty	Viewing Wildlife	Exploring the Culture	Visiting Moun-tains	Visiting Big Cities	History of Apart-heid	Relaxing on the Beach	Hiking	Adven-ture Sport	Shop-ping	Business
1	German Wanderlusters	4	4	3	3	3	2	3	2	1	2	1
2	German NSSA	4	4	4	4	3	3	2	2	1	2	1
3	French Wanderlusters	4	4	4	3	2	4	3	3	3	2	1
4	French NSSA	4	4	4	3	3	2	3	2	1	2	1
5	UK Wanderlusters	4	4	3	4	3	2	3	4	2	2	1
6	UK NSSA	4	4	4	3	2	2	3	3	1	2	1
7	US Wanderlusters	4	4	4	3	3	3	3	3	3	2	1
8	US NSSA	4	4	4	3	3	3	2	4	2	2	1
9	Chinese Wanderlusters	4	3	2	2	3	1	3	1	2	2	1
10	Chinese Upcoming Wanderlusters	4	4	3	3	3	1	4	2	1	2	1
11	Japanese Wanderlusters	4	4	4	3	0	4	0	1	0	2	1
12	Japanese NSSA	4	3	2	1	2	2	2	1	1	2	1
13	Kenya All	4	3	3	3	3	2	4	4	2	1	2
14	Nigeria All	4	2	4	3	3	0	3	2	1	0	3
15	SADC well-to-do Leisures	4	3	3	2	3	1	4	2	1	3	3
16	SADC Shopping Brigade	4	2	2	2	4	1	2	2	1	4	3
17	SADC Young and Upcoming	2	1	4	1	4	1	2	2	1	3	3
18	Domestic Young and Upcoming	2	1	4	1	4	4	3	1	1	3	1
19	Domestic Striving Families	3	3	3	2	3	4	2	1	1	3	1
20	Domestic well-off Homely Couples	4	4	3	4	2	3	4	4	2	1	1

Source: SAT 2006

The Domestic Segmentation Frame

- The frame analysis initially resulted in 18 segments, the hypothesis being that similar segments would be collapsed together.
- Segments were collapsed on the basis of their having similar characteristics (i.e travel behaviour, age, LSM, household income, etc).
- A test was run to ensure the segments were statistically and significantly different from each other.

YOUNG, 30 AND OLDER		MIDDLE, 31-50		OLD, OVER 50	
LIVING WITH PARENTS	NOT LIVING WITH PARENTS	HIGH INCOME > 10 000		BLACK	WHITE
Never took a holiday trip	Segment A Young and upcoming	Segment D Well-off homely couples	Segment F Basic Needs older families	Segment F Basic Needs older families	Segment D Well-off homely Couples
Intra-provincial travel	Segment A Young and upcoming	Segment D Well-off homely couples	Segment E Home-based low income couples	Segment F Basic Needs older families	Segment D Well-off homely Couples
Inter-provincial travel	Segment A Young and upcoming / Segment B Independent young couples and families	Segment B Independent young couples and families	Segment E Striving families	Segment F Basic Needs older families	Segment G Golden active couples

SAT maintains that the cap has been reached for Segment A. A new SAT domestic segmentation and strategy is in progress, ending in October 2011.

Source: SAT 2006

Through the segmentation of markets a number of global segments are emerging across countries of people positive and keen to visit South Africa.

Wanderlusters

- Upscale
- Wanderlusters (USA)
- UK Wanderlusters (UK)
- Young Wanderlusters (De)
- French Wanderlusters (Fr)
- Ex-Pat Wanderlusters (Ni, Ke)
- Segments 4 and 5 (China)
- Segments 5 and 6 (Japan)

NSSAs

Adventurous, explorative (Grown-up Wanderlusters)

NSSA Explorers

- US Adventure/Culture NSSAs
- UK NSSAs (UK)
- German NSSAs (De)
- French NSSAs (Fr)
- Ex-Pat NSSA
- Explorers (Ni, Ke)
- Segment 9 (Japan)

Relaxation and luxury with some discovery

Pampered NSSAs

- US Relaxer NSSAs
- High End Inquisitives (It)
- High End Package (Ne)
- Luxury Elderly Break (Ne)
- High Spend Package (A)
- Hyper Wealthy (Without Kids) (Ni)
- Ex-Pat Pampered NSSAs (Ni, Ke)

Family Travellers

‘Cacooned/low Adventure’

- Family Explorers (USA)
- Attractive Segment (In)
- Hyper Wealthy (With kids) (Ni)
- Ex-Pat Low Adventure Family Travellers (Ni, Ke)

Explorers/Adventurous

- Family African Discoverers (De)
- French Family Explorers
- Ex-Pat Family Explorers (Ni, Ke)

Positive Convertibles

- CPAs (USA)
- UK Positive Convertibles (UK)
- Segment 8 (Japan)

Senior Explorers

- Organised African Explorers (De)
- Segment 10 (Fr)
- Upper End Tour (It)
- Segment 12 (Japan)

Purpose Travellers

- Independent Business People (Ng)
- Traders/Importers (Ng)
- Mid-Income Self-Employed (Ke)
- High-Income Self-Employed (Ke)
- High-Income Business Owners (Ke)
- Segment 8 Sponsored Travellers (China)

The core segments which SAT will be focusing on are the NSSAs (Next Stop South Africa) and the Wanderlusters. The major differentiator between these two segments is age. The Wanderluster is a more ‘youthful’ segment, whereas the NSSAs are more ‘mature’. However, they both know and are positive about South Africa and have a desire to travel here. They travel abroad regularly, however, they have several destination choices. The challenge is to switch them from other destinations to South Africa.

Centre of gravity descriptions: "The person and situation for which the brand is always the best choice is defined in terms of their attitudes and values, NOT just demographics".

Centre of Gravity

YOUNG SOUTH AFRICA SEEKERS

- 26 - 40 yrs old.
- Predominantly male (61%).
- Make decisions by themselves.
- Almost all work fulltime.
- Have +/- 2 weeks for holiday.
- Holiday Spend: $2 000.
- Use Internet for info and travel agents for fullfillment.
- Don't like tours. They want largely independent adventure.
- They are active explorers
- Concerns: getting around, safety and perceived expense.

SOUTH AFRICA SEEKERS

- Well-travelled. Worldly.
- Independent.
- Travellers not tourists.
- Travel is a state of mind for them. They are global citizens for whom travel is an essential part of their everyday lives.
- They travel to expand their knowledge and to evolve (It keeps them interesting).
- They want to engage the destination, not see it at arm's length.
- They seek out interesting and high quality experiences.
- They like to make their own decisions and maintain a sense of control over their own destiny.

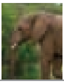
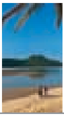
MATURE SOUTH AFRICA SEEKERS

- 41- 60 yrs old.
- Most married, make decisions together.
- 40% retired. 20% semi-retired.
- Travel for between 2 and 5 weeks.
- High Holiday Spend: between $2 000 and $5 000.
- Use travel agents for information and fullfillment (have a relationship).
- May use tours if they are flexible.
- Interested in a large variety of activities that allow them to explore.
- Demanding travellers who are constantly looking for the next amazing thing.

KZN Provincial Information

Area	94 361km^2 (7.7% of South Africa)
Coastline	600kms
Climate	Sub-tropical. Summer 17 - 28°C, Winter 11 – 25°C, Durban average rainfall 1 009mm
Highest Elevation	3 451m
Population	10.8mn (21.24% of South Africa) mid-2011 (growth rate 1.1%)
Population Density	113 people per square kilometre 2010
Capital	Pietermaritzburg
Languages	Mainly Zulu and English
Holidays	1 January, 21 March, 24 March, 27 April, 28 April, 1 May, 2 May, 16 June, 9 August, 24 September, 16 December, 25 December, 26 December
Time Zone	GMT +2
Currency	The Rand made up of 100 cents
GDP 2010	R426 billion or 16 percent of South Africa's GDP
Electricity	220 Volts
Harbours	Durban, Richards Bay
Airports	King Shaka International Airport, Oribi, Richards Bay, Margate, Ulundi
Literacy Rate	82% (2010)
Employment rate ('09)	Between 65.6% - 74.8% (using strict and expanded definitions)

Source: TKZN, IHS


KwaZulu-Natal's World Heritage Sites

Name	iSimangaliso Wetland Park World Heritage Site
Location	North eastern coast of KwaZulu-Natal, South Africa
Date of Inscription	December 1999
Criteria	Ecological processes, natural beauty, biodiversity
Size	332 000ha, 220kms of coastline
Highest Elevation	Mt Tabor 130m on the Eastern Shores coast, Nyathikazi 159m on the northern coast, oKhombe 474m, Lebombo Mountains
Brief description	Three major lake systems, 8 interlinking ecosystems, 250km of coastline, coral reefs, salt and fresh water marshes, coastal grasslands, forested dunes, both tarred and gravel roads
Climate	Sub-tropical. Summer 17-28ºC, Winter 11 – 25ºC, average rainfall 690mm inland, 1200-1300mm on the coast
Facilities	3 000 beds in St Lucia area. In park - 8 campsite areas, 6 self-catering areas, 3 areas with catered lodges, boat launch sites, picnic sites, animal viewing hides and platforms
Activities	Game viewing, night drives, game walks, game viewing horse rides, fishing, turtle viewing, whale watching, bird watching
Visitor Numbers	±62 000 pa
Animal Species/Numbers	Total species: 97 terrestrial mammals, 32 marine mammals Big 5: elephant, over 100 rhino, white and black, buffalo, lion, leopard Other notable mammals: giraffe, zebra, wildebeest, wild dog Notable amphibians: leatherback turtles, loggerhead turtles, plus whales, dolphins, 250 fish species Insect species include: 196 butterfly, 52 dragonfly, 139 dung-beetle and 41 land snail species
Bird Species/Numbers	526 bird species, including fish eagle, pelican, heron, stork, flamingo, guinea fowl, snake eagle, kingfisher, sunbird
Other	2 173 plant species

Source: TKZN

KwaZulu-Natal's World Heritage Sites

Name	**uKhahlamba Drakensberg Park World Heritage Site**
Location	Forms western KwaZulu-Natal border between SA and Lesotho, major watershed
Date of Inscription	November 2000
Criteria	Cultural (3) and natural (4) criteria
Size	242 813ha
Highest Elevation	3 451m
Brief description	High basalt mountain range overlying sandstone bands over shale, foothills, incised valleys, grassland and protea and bottlebrush forests
Climate	Summer 22°C, winter 5°C, average rainfall 900mm, frequently snow in winter
Facilities	700 beds inside the park, 2 000 closely adjacent, 9 campsites, ±150 caves, picnic sites, view sites, vultures' 'restaurant'
Activities	Walking, hiking, climbing, ice climbing, bird watching, fly fishing, paragliding, mountain biking, hand gliding, horse riding, horse trekking, river swimming, rock art viewing, picnicking
Visitor Numbers	Annual total 2009 – ±110 000
Animal Species/ Numbers	Mammals: 48 species including eland, water buck, oribi, mountain reed buck, ±1800 rhebok, jackals, leopard Insects include 46 species of millipedes and centipedes, 44 dragonfly species (about a third of South Africa's total) and 74 butterfly species, 124 frog species, 23 lizard and 25 snake species
Bird Species/Numbers	Total: 296 species, including Lammergeyer, Cape vulture, black eagles
Other	2 153 plant species

Source: TKZN 2011



Tourism Regions of KZN

Zulu Kingdom. ***Exceptional***

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