

MISG South Africa 2021 Industry: Tourism

Problem 1: Value of Domestic Tourists in Travel and Tourism Industry: Mpumalanga Province, South Africa

01-05 February 2021, Wits University, Johannesburg (South Africa)

Industry Representative: Dr Lombuso Precious Shabalala

*University of the Witwatersrand: Department of Geography and Environmental Studies, Johannesburg, 2050
&
University of Mpumalanga , Mpumalanga, Mbombela, Riverside, 1200*

INTRODUCTION

- World Tourism Organization defines tourism more generally, in terms which go "beyond the common perception of tourism as being limited to holiday activity only", as people "traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure and not less than 24 hours, business and other purposes".
- The ongoing success of tourism in South Africa involves the warmth of the people, the attractiveness of the unique attractions, infrastructure, iconic cultural and heritage sites, and the abundance of natural assets.
- As the market for tourism activities expands, most tourism professionals tend to focus on developing tourism resources in ways that enhances the tourists' experience and tend to leave out the partnership with indigenous peoples / local communities.
- Therefore, the involvement of all stakeholders serves to stimulate the efficiency of decision-making processes, improve the quality of the process and also serves to legitimise the process" (Chellan & Bob, 2008:292).

Introduction Cont.....

The tourism industry is made out of eight sectors (Value chain):

1. Accommodation
2. Adventure tourism and Recreation
3. Attractions
4. Events and Conferences
5. Food and Beverage
6. Tourism Services
7. Transportation
8. Travel Trade

Introduction Cont.....

- **Accommodation:** Is one of the largest and fastest growing sectors in the tourism industry. It range from camping(tent), B&B, Hotel (1-5 star – budget to luxury), etc.
- **Recreational experiences or travel adventures:** present tourists with an opportunity to learn about nature and/or culture. Two Categories: Hard adventure - Involves some risk and involves some risk and requires strenuous physical exertion on part of the participant. Soft adventure - Is less risky, less strenuous, and requires little or no participation.
- **Attractions:** Is a place of interest where tourists visit, typically for its inherent or exhibited natural or cultural value, historical significance, natural or built beauty (heritage sites) , offering leisure, adventure, amusement and medical services for aging travelers (medical tourism).
- **Events and conferences:** Contribute economically to communities. Not only do travelers spend money on the event or conference itself, but 'spinoff dollars' are also spent on everything from accommodation to souvenirs. Special Events Conferences, Meetings, Trade Shows and Conventions form part.
- **The food and beverage:** Encompasses all types of establishments that supply food and beverages for consumption such as restaurants, etc.
- **Tourism Services:** Made up of the organizations, associations, government agencies and companies that specialises in serving the needs of the tourism industry. Several areas that make up this sector: Government, Industry Associations, Retail and Research.
- **Transportation:** An industry that provides for the movement, comfort and enjoyment of people.
Categories: Air-transport, Ground-transport, Rail-transport and Water-transport.
- **Travel Trade:** Supports the bookings and sales in the other sectors. People that work in the travel trade make reservations for accommodations, tours, transportation, food and beverage and/or for attractions.
Subcategories: Travel Agencies and Tour Operators.



Background of the study

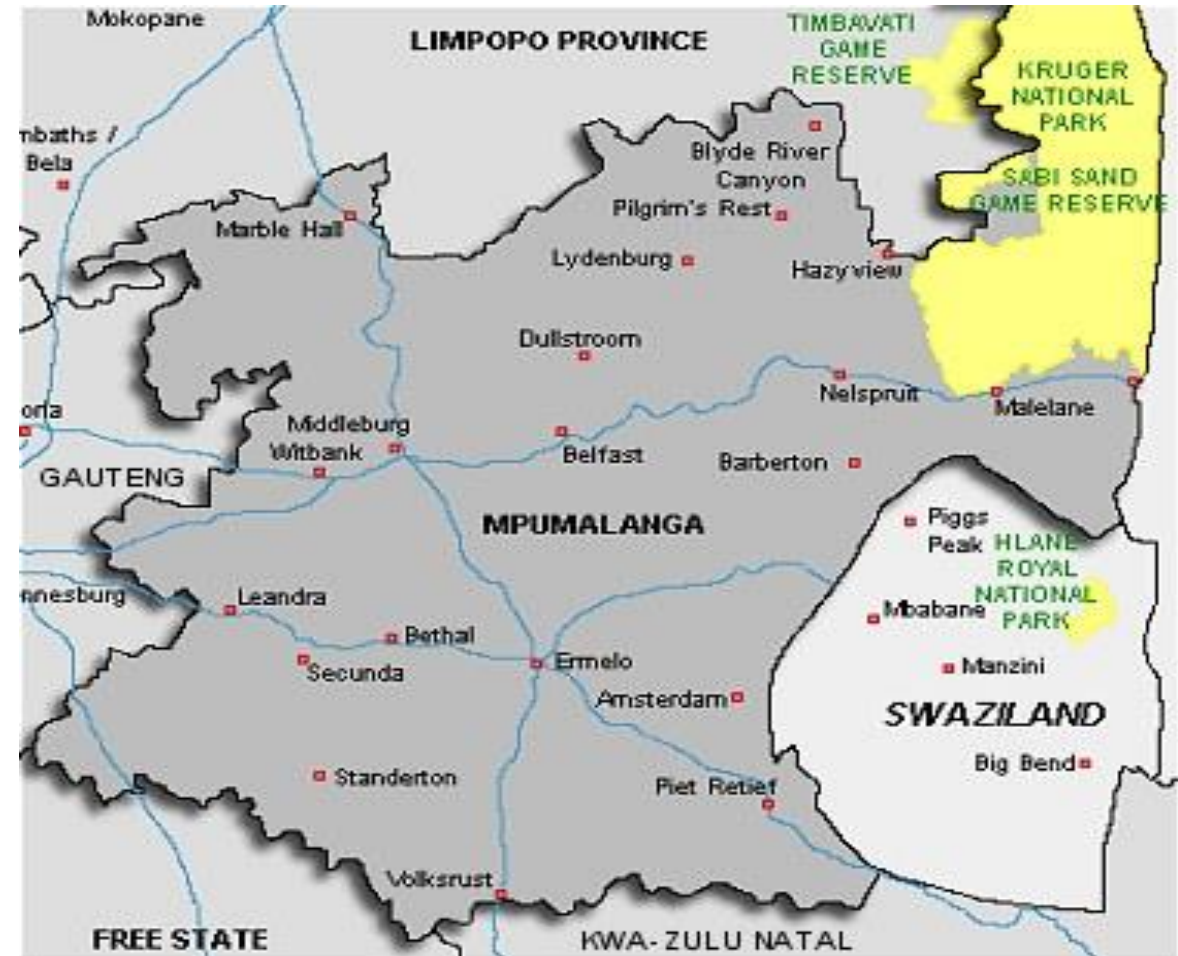
- The global pandemic known as COVID-19 which was first reported as a cluster of pneumonia cases in Wuhan City, Hubei Province of China has no doubt impacted negatively the entire travel and tourism sector's value chain, and in fact shut it down.
- Since the world was forced to close international travel, in order to revive the travel and tourism industry while protecting its citizens from COVID-19, the South African Ministry of tourism opened intra-provincial tourism, followed by inter-tourism, with strict restrictions to adhere to by both tourists and the establishments/service providers.
- Active domestic tourism becomes key towards the efforts to save the collapsing industry. With no doubt, the value of domestic tourism is evident.

Study Area

Study Area information

- The study area is Mpumalanga Province in the city of Mbombela, previously known as Nelspruit (Figure 1).
- During the apartheid days, the Province was known as the Eastern Transvaal.
- The province lies in the eastern side of South Africa, known as the place of the rising sun, and its name, Mpumalanga, means east.
- It consists of 6.5% of South Africa's land area, bordering two countries (Swaziland and Mozambique), divided into two regions, the Highveld area were mainly Ndebele speakers reside and the Lowveld area were mainly Siswati speakers are found.
- It is also a gateway to the Limpopo Province to the north, Gauteng Province to the west, Free State Province to the Southwest and KwaZulu-Natal to the South (Figure 3).
- The province house South Africa's 10th World Heritage site, Barberton Makhonjwa Mountains, declared in July 2018 and the well-known Kruger National Park.
- Mpumalanga is divided into three district municipalities, which are further sub-divided into 17 local municipalities. It is very rich with Flora and Fauna.
- Tourism, farming and mining are amongst some of the big industries that are doing very well in the province, also contributing to Gross Domestic Production and Gross National Product of the country.
- The population: 140,121

Study Area Map



Study Area- Attractions

**Potholes, Three Rondavels &
Makhonjwa mountains World Heritage Sites**



Study Problem

- The problem to be investigated is how customised packages of tourism products/services can be utilised to mitigate the challenge of catering for the domestic market, since this market carries value.
- Presently, tourism products/services are packaged in a manner that excludes the local market (mainly poor and working class) and favor the international market (those who can afford, mostly with a stronger currency - international tourists).
- The outbreak occurred at the time when most countries, in particular developing economies, rely on the travel and tourism sector to create much needed jobs and earn income. Due to COVID-19, jobs were lost, salaries cut, and more responsibility fell on the shoulders of those who continued to receive a full income.

Problem Cont.....

- The contribution of the tourism sector to Gross Domestic Production (GDP) and Gross National Production (GNP) is remarkable .
- Since the world was forced to close international travel, in order to revive the travel and tourism industry intra-tourism, followed by inter-tourism, were opened with strict restrictions to adhere to by both tourists and the establishments/service providers.
- Active domestic tourism became the key towards the efforts to save saving the collapsing industry. With no doubt, the value of domestic tourism is evident .
- In efforts to boost the economic development while protecting its citizens from COVID-19, the South African Ministry of Tourism opened intra-provincial tourism, followed by inter-tourism.
- The concern in Mpumalanga province is that there was no much usage of accommodation and tourist attractions during intra-tourism.

Evidence of Importance

- This is evidence to the fact that local people are not taking part in tourism activities as expected.
- The finding also implies that Mpumalanga tourism is mostly supported and dependent on travellers or tourists coming from outside of the Province and international tourists.
- It has been established that in order to attract domestic tourists, in particular from the local areas, there is a need to comprehend the culture, accommodation, food and entertainment in the travel areas, and then package it in an affordable manner that will encourage the locals to start travelling and make use of the available products/services presented by the 8 sectors supporting or making up the travel and tourism industry.
- The presented evidence suggests that socio-economic factors have an influence on the decision making of the local people as the majority fall below the Poverty line and the province is dominated by rural areas.
- Affordable customised packages aimed at providing value for money for domestic market/tourists have the potential to revive the industry and significantly boost the country's economy.

Research question & Objective

- How can the travel and tourism industry successfully implement affordable customised packages without running at a loss?
- Taking into account the socio-economic challenges faced by some of the local people, the innovative methods of the 2030 Sustainable Development Goals (SDGs) are needed in order to see a change.
- Which method/s can be utilised in order to encourage local people to tour their own Province?
- Development of a practical mathematical model that can be adopted in order to try to address the presented situation. The model must show how to attract the local communities who are poor and working class to the venues (game reserves, heritage sites, panorama route and many more) and tourism facilities (hotels, campsites, B&B).
- This model could be applicable to other provinces or countries that share the same characteristics as Mpumalanga Province.

Conclusion

- In support of the 2020 Tourism Month (September) Theme “Tourism and Rural Development”, the findings can be presented to the relevant authorities for consideration.
- The findings will have the potential to contribute to the body of knowledge in a form of a research paper and also present possible suggestions to address the real life problem that local tourism is facing.

Keywords:

COVID-19, domestic tourists, local people, mathematical model, Mpumalanga Province, socio-economic, travel and tourism industry, Sustainable Development Goals.

Supporting Material

1. Creative tourism and local development <https://www.scribd.com/document/401324175/Creative-Tourism-and-Local-Development-pdf>
2. Domestic tourist spending and economic development: The case of the North West Province <https://www.tandfonline.com/doi/abs/10.1080/03768350120083888>
3. Information and Empowerment: The Keys to Achieving Sustainable Tourism https://www.researchgate.net/publication/236144370_Information_and_Empowerment_The_Keys_to_Achieving_Sustainable_Tourism
4. Restructuring the geography of domestic tourism in South Africa <http://dx.doi.org/10.1515/bog-2015-0029>
5. Sectors in tourism slide share <https://www.slideshare.net/enairrasaint/sectors-in-tourism>
6. Shopping satisfaction for domestic tourists [https://doi.org/10.1016/S0969-6989\(00\)00005-9](https://doi.org/10.1016/S0969-6989(00)00005-9)
7. Understanding the relationships between tourists' emotional experiences, perceived overall image, satisfaction, and intention to recommend. <http://jtr.sagepub.com/content/early/2015/12/23/0047287515620567>

Acknowledgements

- Mpumalanga Tourism and Parks Agency (MTPA)
- Mpumalanga Department of Economic Development and Tourism
- University of Mpumalanga
- University of the Witwatersrand (MISG & CoE- MaSS)



Thank You



Contact Details:

Email Address: Precious.Shabalala@ump.ac.za

Office Tel: +27 13 001 0047

