

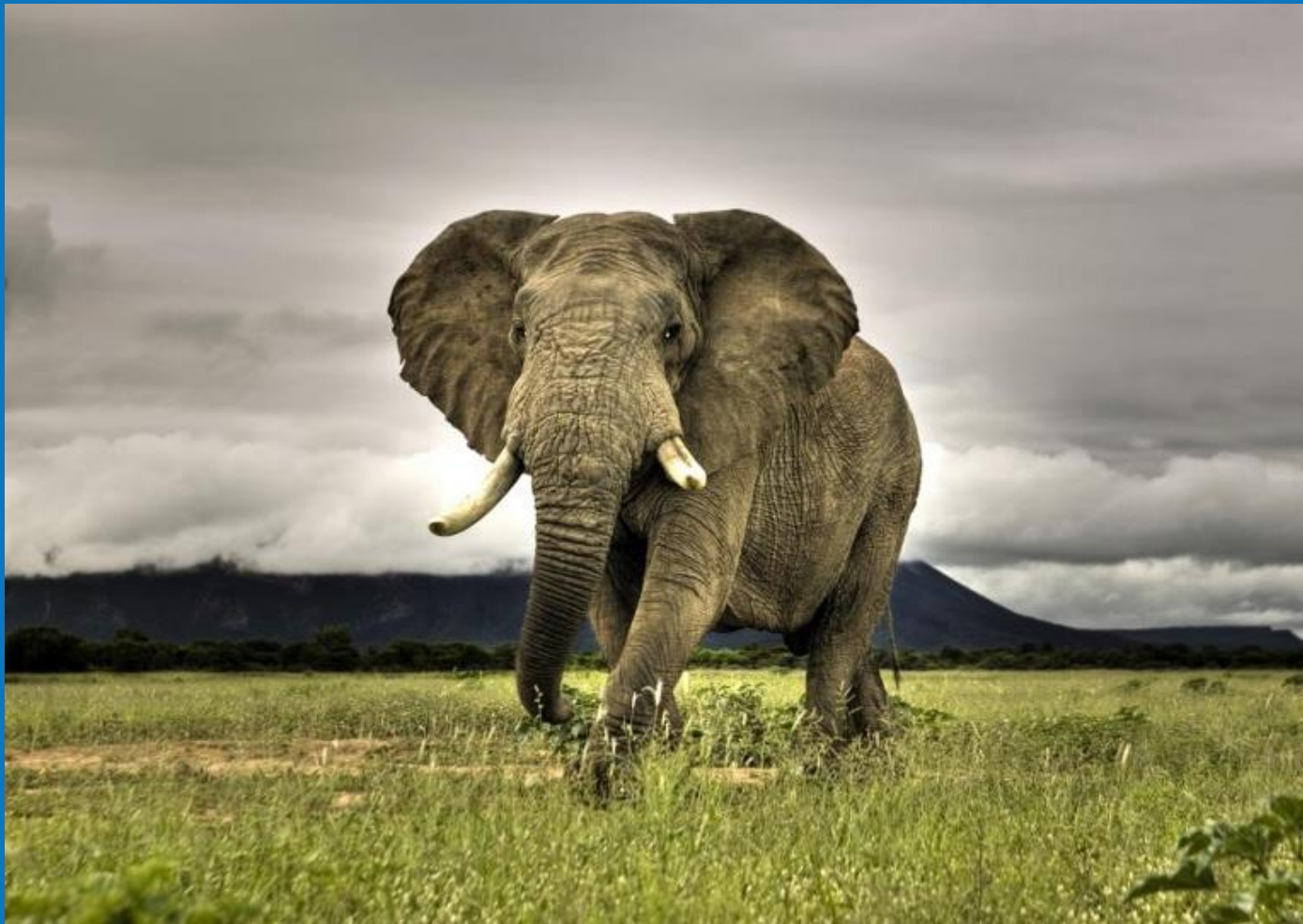
South Africa

Coronavirus

Business Impact & Expectations

Tourism Industry

Feedback Report 2020



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REPORT BACKGROUND

These are unprecedented times. In addition to the terrible human toll, the coronavirus is having a devastating effect on global travel and tourism, and especially so in South Africa.

Visitor International is the International Association of Visitor Information Providers. Our members, worldwide, provide visitors with information during their trip to help guide them to great local experiences.

We undertook this survey in conjunction with our partners in Southern Africa (**Brochure Management South Africa, Go.See.Do. South Africa** and **Morris Visitor Publications South Africa**) to understand the effects of the coronavirus on tourism attractions and experiences

THE SURVEY

The visitor impact survey was undertaken, via an online questionnaire, between April 30 and May 22, 2020.

Two Hundred and Forty-Four leading tourism related businesses and organisations responded to the survey from throughout the sub-continent. Almost all of the businesses who responded were closed. Respondents were invited to participate in the survey via several channels including email invitations, industry newsletter invitations, notifications via WhatsApp and various social media platforms as well as personalised invitations. Respondents were not canvassed or offered any reward for participation. Some figures have been rounded to the nearest whole number.

'IMPRESSION' SURVEY

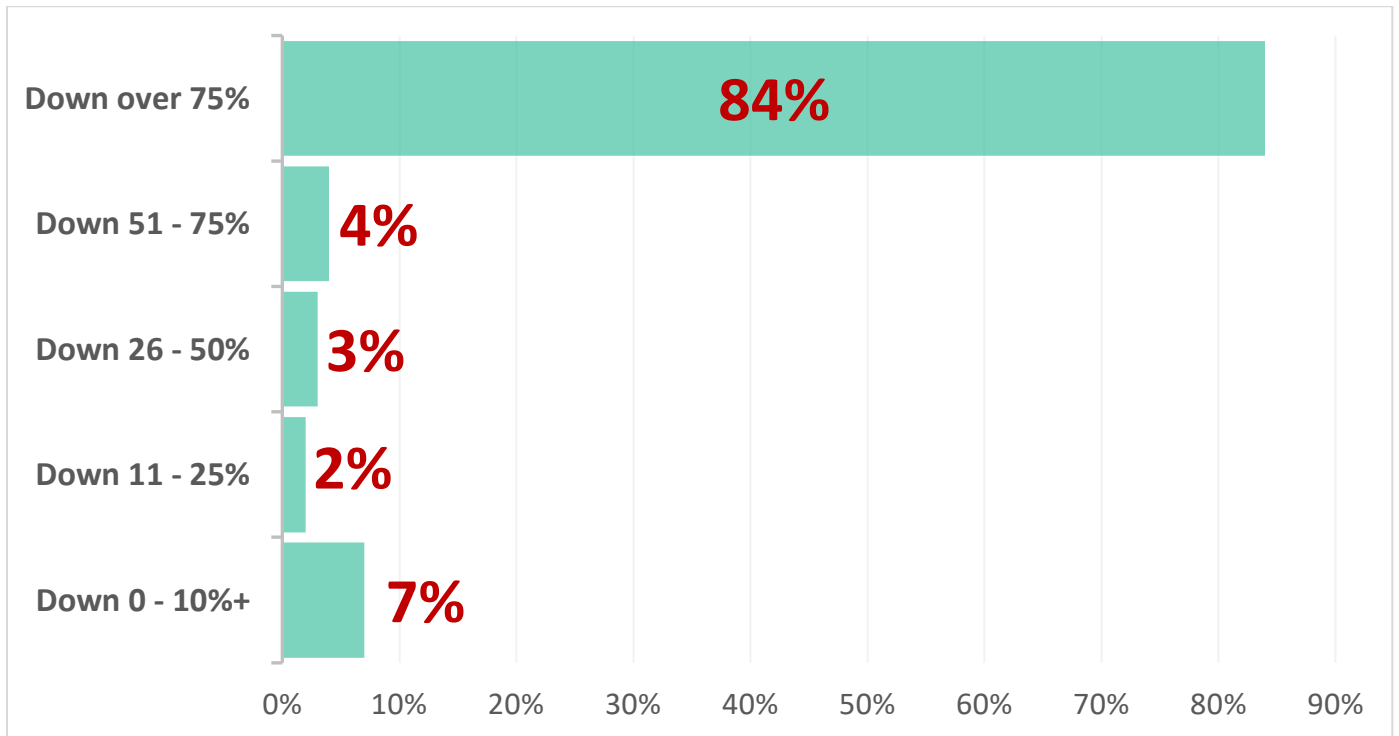
IMPORTANT: *It is important to point out that this was an 'impression' survey. While everyone gave their view, no one can know for sure how this will all play out. However, we do provide some of our thoughts and ideas on pages 13 to 26.*



REPORT SUMMARY

- This survey was undertaken from the end of April to 22nd May 2020 by Visitor International and its partners in South Africa to understand the impact of the coronavirus on tourism. After filtering, **Two Hundred and Forty-Four** leading tourism enterprises from throughout Southern Africa were qualified respondents.
- Businesses were self-categorised and, in some instances, have been grouped together for statistical purposes. 30% of respondents were either tour providers or tour guides/operators. 21% were activities/adventures, 13% provide accommodation (including having other attractions), 12% were visitor attractions, 7% were DMC/DMO's and 1% provide entertainment. 15% were described as "other" and did not fall into any of the predefined categories.
- The findings indicate that the impact on tourism businesses has been devastating. 69% of respondents have either laid-off or furloughed staff, and a staggering 84% have lost more than 75% of their income. Since the travel restrictions came into place, many operations have lost 100% of their income.
- Most enterprises had expected to see the first signs of recovery within four to nine months. However, this view was related to the domestic market and was given in May when the travel restrictions were just beginning to be extended. The timeline for the opening of many businesses is unfortunately still uncertain, and this adds to the grave concerns within the sector.
- In looking ahead, most businesses expect that it will take a few years for their business to be back to 2019 levels. 43% of organisations expect that it will take more than a year for their **overseas business** to be back to 2019 levels, and 39% think it will take between one to two years for their **domestic business** to return to 2019 levels.
- All tourism businesses see a long and difficult road ahead, and many are very fearful of their future. When they do eventually open, they expect business to be slow, with few overseas visitors and almost no groups or group tour activity. There will be fewer events - an important source of revenue for many attractions.
- Tourism enterprises expect the need for 'social distancing' to impact their capacity and, therefore, their revenue-generating capabilities. In some cases, social distancing may require the closing of key features within a business, reducing their appeal. The businesses see the domestic/South African market as being their best prospect for revenue once travel resumes. However, 80% of enterprises generate the majority of their revenue from overseas visitors, and the nature of some of these means that it is highly unlikely that domestic visitors will replace this lost business.
- Organisations say they will need a range of support provided by the state and its agencies to help them survive and navigate through these unprecedented times. This support includes grant schemes and financial mechanisms to help them stay in business; marketing support to help them to promote themselves; support to help them 'Covid-proof' their businesses; and reductions in taxes, rates, and financial overheads.
- When the time is right, tourism businesses want to see a major domestic **SALES** campaign to drive business toward them. They also want to ensure South Africa 'stays in the mix' and promotes itself in the international marketplace so that when travel resumes, South Africa, as a destination, is 'top of mind'.

Q: HOW MUCH IS YOUR BUSINESS REVENUE CURRENTLY IMPACTED BY THE CORONAVIRUS CRISIS?



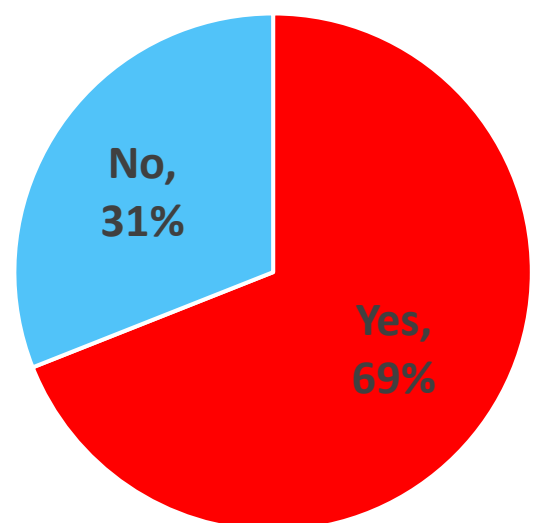
From a year that promised so much - to zero business

84% of businesses indicated that revenue declined by over 75% and, in the case of almost all businesses, revenue dropped to zero once the travel and other restrictions were introduced. In the few cases where businesses indicated close to zero difference compared to 2019, it was because their businesses were not fully up-and-running for 2020 .

69% of businesses indicated that they had either laid off or furloughed staff.

The feedback is not surprising and confirms the depth of the impact the coronavirus has had on all tourism related activity.

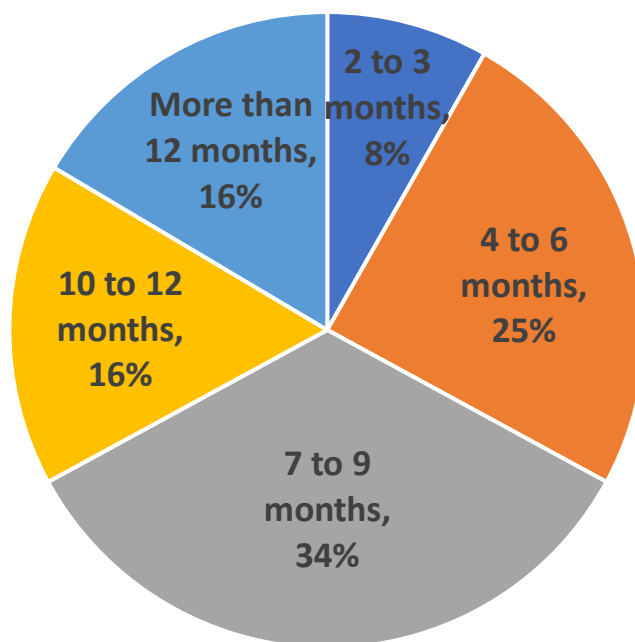
Q: DID YOUR BUSINESS LAY OFF OR FURLOUGH STAFF?



Q: WHEN DO YOU EXPECT THE **FIRST SIGNS** OF BUSINESS RECOVERY (FROM MAY 2020)?

The Expectation

The expectations of most tourism businesses were that the **first signs** of recovery (as determined by them) was quite a distance away. One third of businesses surveyed (33%) think the **first signs** of recovery will be within a two to six-month range. Just over one in three (34%) think the first signs will be seen within seven to nine months, with just over 16% thinking it will be within ten to twelve months. 16% of respondents think it will be more than 12 months before we see the first signs of recovery.



First Signs

The timeline suggests that 25% expect the first signs of recovery to begin around September whilst 34% think it will be just before the end of 2020.

Variances in views

With social distancing likely to be a feature of life for a considerable time, all businesses were almost equally positive about how quickly the **first signs** of a recovery will be seen, from between 4 to 9 months (see top table opposite).

Businesses who mostly derive their income from the overseas visitor market expect to see the first signs of recovery later than those whose revenue is mostly derived from domestic/South Africa (see bottom table opposite).

Indoor compared to Outdoor

First Signs	Mostly Indoor	Mixed	Mostly Outdoor
2 to 3 months	14%	13%	4%
4 to 6 months	20%	26%	26%
7 to 9 months	41%	30%	34%
10 to 12 months	16%	22%	17%
More than 12 months	9%	9%	20%

The percentage of businesses agreeing with 'first signs' timeline

Comparison by Primary Source of Revenue (Overseas vs Domestic)

First Signs	Overseas	SA
2 to 3 months	22%	4%
4 to 6 months	17%	26%
7 to 9 months	39%	35%
10 to 12 months	7%	19%
More than 12 months	15%	16%

The percentage of businesses agreeing with 'first signs' timeline

Note: This feedback by businesses was provided up until 22 May, before further delayed openings were announced.

Q: WHEN DO YOU EXPECT DOMESTIC/SOUTH AFRICAN BUSINESS TO BE BACK TO 2019 LEVELS?

The Expectation

The majority of leading attractions and experiences think that it will take between seven months and two years for their business from within South Africa to return to 2019 levels.

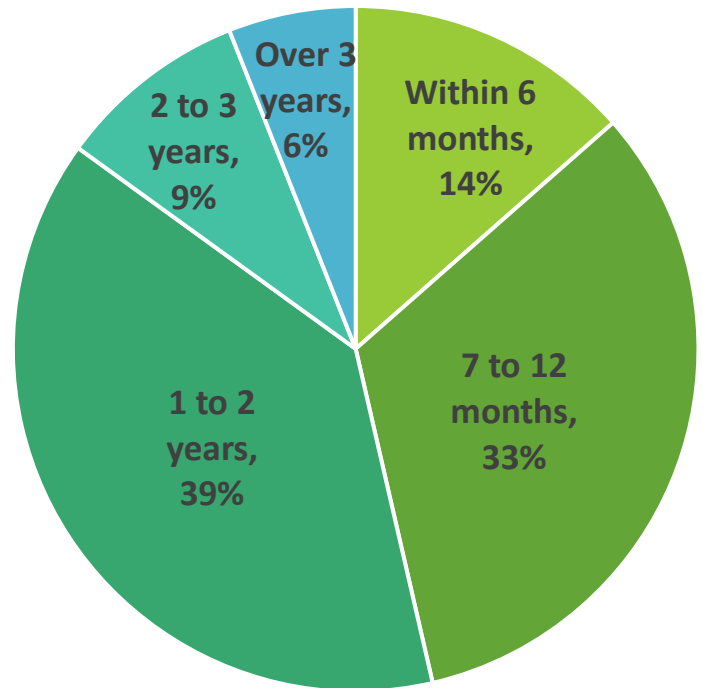
47% of businesses think that it will recover within 12 months (14% think within six months). Nearly half of respondents think it will take between one and three years to return to 2019 levels (see pie chart opposite).

Their belief is that the domestic/South Africa market will be the first to recover once people feel safe to travel.

Variances in views

Attractions that defined themselves as ‘equal indoor and outdoor’ were the most optimistic, with 93% expecting their business to be back to 2019 levels within 7 months to two years (see top chart opposite).

In terms of ‘primary source of revenue’, businesses relying on the domestic market were the most optimistic – over half (54%) think their domestic/South African business will recover to 2019 levels within 12 months. The majority of businesses with overseas based revenues (71%) think it will take between 7 months to two years for overseas business to return to 2019 levels.



Domestic/South Africa

Views of Indoor vs. Outdoor

Back to 2019	Mostly Indoor	Mixed	Mostly Outdoor
Within 6 months	16%	7%	14%
7 to 12 months	30%	33%	29%
1 to 2 years	42%	60%	40%
2 to 3 years	9%	0%	10%
Over 3 years	2%	0%	8%

Comparison by Primary Source of Revenue (Overseas vs Domestic)

Back to 2019	Overseas	SA
Within 6 months	14%	15%
7 to 12 months	29%	39%
1 to 2 years	42%	27%
2 to 3 years	9%	15%
Over 3 years	6%	5%

Note: The figures above all indicate the percentage of businesses indicating the timeline they think it will take for domestic/South Africa business to recover to 2019 levels.

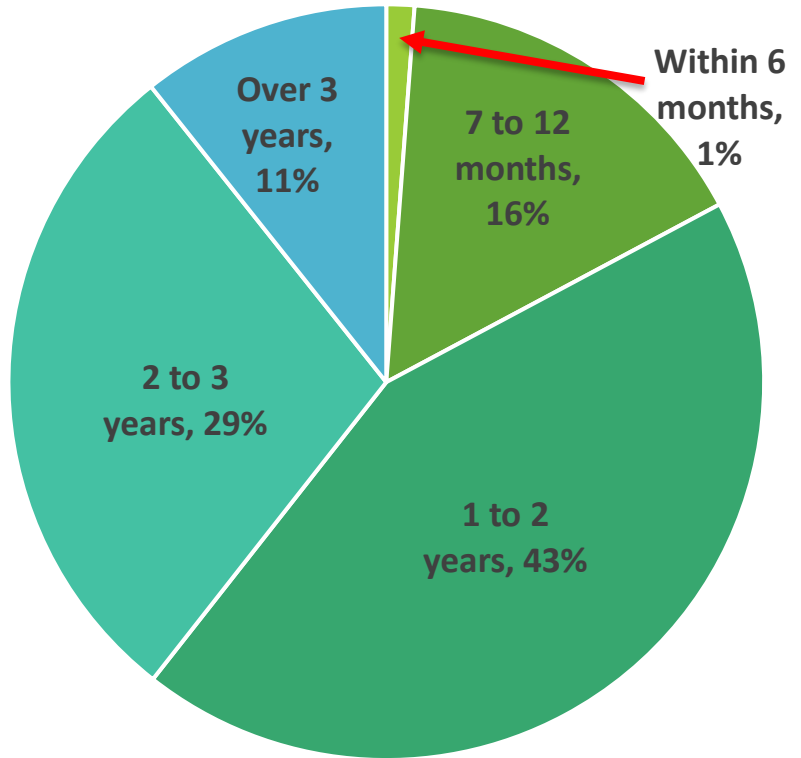
Q: WHEN DO YOU EXPECT OVERSEAS BUSINESS TO BE BACK TO 2019 LEVELS?

The Expectation

The vast majority of leading attractions and experiences think that it is going to take a significant period of time for **their overseas business** to return to 2019 levels (see the pie chart opposite).

A clear majority (72%) think it will take one to three years to recover. Of these, 43% think it will take one to two years to return to 2019 levels and 29% think it will take two to three years.

A further 11% think that it will take over three years for their business to be back to where it was in 2019.



Overseas Business

Variances in views

While there were some variations by type of attraction and regions, the views were quite consistent throughout. Most have opted for the one to three-year timeline to be back to 2019 levels (see tables opposite).

Back to 2019	Mostly Indoor	Mixed	Mostly Outdoor
Within 6 months	0%	5%	0%
7 to 12 months	17%	19%	13%
1 to 2 years	43%	46%	46%
2 to 3 years	30%	21%	31%
Over 3 years	9%	9%	10%

Back to 2019	Overseas	SA
Within 6 months	1%	2%
7 to 12 months	16%	15%
1 to 2 years	44%	49%
2 to 3 years	28%	29%
Over 3 years	12%	5%

Note: The figures above all indicate the percentage of businesses indicating the timeline they think it will take for **overseas business** to recover to 2019 levels.



Q: WHEN DO YOU EXPECT INDIVIDUAL (NON-GROUP) BUSINESS TO BE BACK TO 2019 LEVELS?

The Expectation

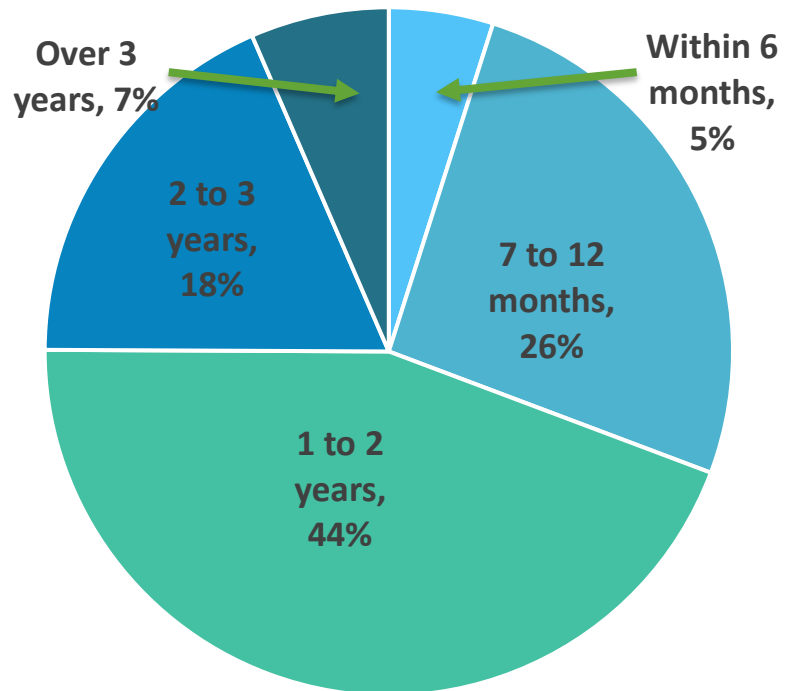
The majority of leading tourism businesses think that it is going to take one to two years for their business from the combined South Africa and overseas markets to return to 2019 levels (see the pie chart opposite).

26% think their business will return to 2019 levels within twelve months, while 62% think it will take one to three years to recover. Of the 62%, 44% think it will take one to two years to return to 2019 levels, and 18% think it will take two to three years. 7% think that it will take over three years for their business to be back to where it was in 2019.

Variances in views

While there were some variations by type of attraction and by revenue regions, most have opted for the one to three-year timeline for their individual business to be back to 2019 levels (see tables opposite).

Interestingly, whilst there is a slight variation in the level of recovery expected within the one to two year period, (38% overseas revenue vs. 41% domestic revenue), 34% of both these types of businesses think it will take two to three years or the market to be back to 2019 levels.



Individual (non-group) Business

Views of Indoor vs. Outdoor

Back to 2019	Mostly Indoor	Mixed	Mostly Outdoor
Within 6 months	0%	2%	1%
7 to 12 months	0%	24%	13%
1 to 2 years	52%	56%	36%
2 to 3 years	48%	5%	38%
Over 3 years	0%	12%	12%

Note: The figures above all indicate the percentage of businesses indicating the timeline they think it will take for individual business (combined South Africa and overseas) to recover to 2019 levels.

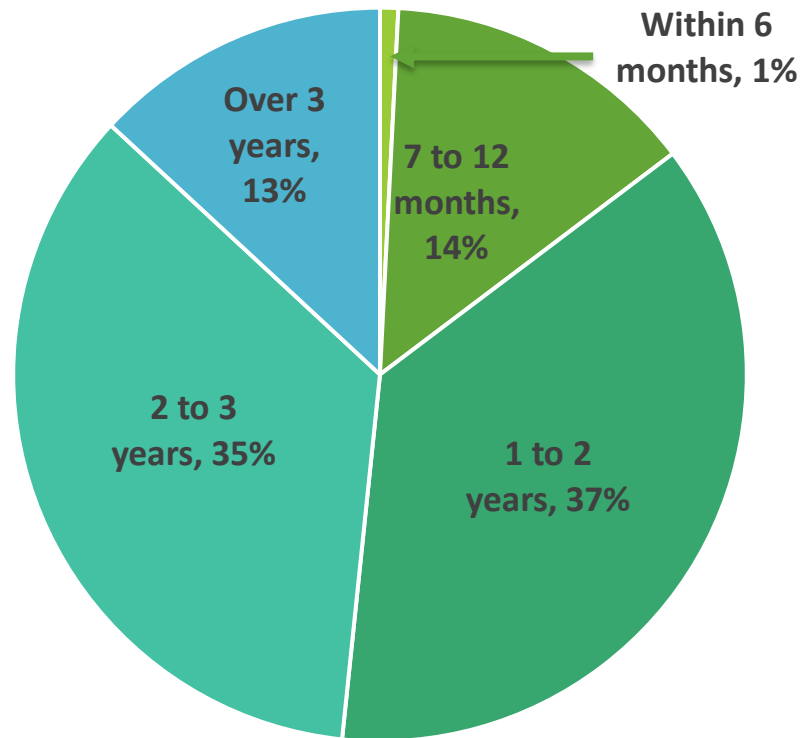
Comparison by Primary Source of Revenue (Overseas vs Domestic)

Back to 2019	Overseas	SA
Within 6 months	0%	5%
7 to 12 months	12%	15%
1 to 2 years	38%	41%
2 to 3 years	34%	34%
Over 3 years	15%	5%

Q: WHEN DO YOU EXPECT GROUP BUSINESS TO BE BACK TO 2019 LEVELS?

The Expectation

With social distancing likely to be with us for some time, group business was always going to be the top concern for most businesses, and this is reflected in their views. 37% think that it will take one to two years for their group business (South Africa and overseas combined) to be back to 2019 levels, with 35% indicating two to three years, and 13% indicating more than three years.



Variances in views

The feedback was reasonably consistent by attraction type and by revenue source (see charts opposite).

Around a third of all businesses expect a recovery in group business from between 7 to 12 months. 100% of mostly indoor businesses expect group business to recover in between one and three years, whilst 11% of mostly indoor and 18% of mostly outdoor think group business will only recover in over three years.

Both those whose primary source of business is from overseas and domestic were equally pessimistic about recovery timelines. 70% of those whose revenue is mainly from overseas and 68% of those whose revenue is mainly domestic think it will take one to three years for their group business to return to 2019 levels.

Group Business

Views of Indoor vs. Outdoor

Back to 2019	Mostly indoor	Mixed	Mostly Outdoor
Within 6 months	16%	7%	14%
7 to 12 months	30%	33%	29%
1 to 2 years	42%	60%	40%
2 to 3 years	9%	0%	10%
Over 3 years	2%	0%	8%

Comparison by Primary Source of Revenue (Overseas vs Domestic)

Back to 2019	Overseas	SA
Within 6 months	3%	13%
7 to 12 months	25%	33%
1 to 2 years	45%	45%
2 to 3 years	19%	8%
Over 3 years	8%	3%

Note: The figures above all indicate the percentage of businesses indicating the timeline they think it will take for their group business to recover to 2019 levels.

Q: WHERE DO YOU EXPECT TO CONCENTRATE YOUR MARKETING SPEND FOR 2020/2021?

Below is a summary of the feedback. There were no great surprises, particularly given the trade feedback reflected in the preceding pages. The overall general expectation (based on the comments) is that marketing spend will be extremely tight because of financial constraints. Therefore, there is recognition that hard choices will need to be made. **The word 'expect' within the question that was asked is important.** There is still great uncertainty as to how what's left of 2020 will shape for each business, and this will impact their decisions and their ability to market at all (see their suggestions re support on page 11).



The Domestic / South African Market will be the priority. 81% of businesses expect to include domestic marketing activities within their budgets. If budgets permit, 68% will increase their domestic marketing spend when compared to 2019 or hold it to that year's levels. Of this 75%, 45% expect to spend more than in 2019 and 23% the same as in 2019. Just 13% say they will spend less and 19% won't spend within the South Africa market. The vast majority see offering extra value as important and say they will run special offers online (88%) and/or in print format (52%) to stimulate business.



'In-Destination Marketing' will be the next priority. 83% of attractions expect to apply some budget to in-destination marketing, primarily targeting both domestic and overseas visitors during their trips around South Africa. In this way, they expect to communicate with visitors when they are within their regions looking for options on what to see and do. If budgets permit, 60% of attractions expect to either increase their marketing spend in this area compared to 2019 or hold it to that year's levels. Of this 60%, 14% expect to spend more than in 2019, and 43% will spend the same as in 2019. 32% say they will spend less than in 2019 and 9% won't spend at all.



International Marketing paused, for now, by many businesses. The companies surveyed are following through on their feedback. They believe they are unlikely to see significant numbers of overseas visitors for 2020 and it's going to take time to see a bounce-back to 2019 levels, particularly for group business. 31% of businesses will apply less budget to international marketing than in 2019, and 8% will not be spending on international marketing for now. 31% expect to hold spend at last year's levels to keep some profile, and 29% plan to spend more than in 2019.

Q: DO YOU HAVE ANY IDEAS OR SUGGESTIONS AS TO WHAT THE **TOURISM PROMOTIONAL AGENCIES** MIGHT DO TO HELP YOU IMPROVE YOUR BUSINESS?

Below is a summary of the answers provided to this question



Marketing support for the industry. Most respondents highlight that their marketing budgets will be significantly reduced because of financial constraints. Furthermore, if they cannot open for business soon and attract significant numbers ahead of the summer and beyond, they won't have any budgets. They are recommending that marketing subsidies be made available against their advertising and promotional activities to enable them to continue with essential marketing to win business for themselves (for now, that's primarily domestic and in-destination marketing).



Lobby Government on behalf of Tourism. It is clear from the survey that many in the industry are now fearful of the future. Many will need support to survive, and they want the tourism agencies to both support them and lobby aggressively on their behalf. Suggestions included:

- Prioritise the Tourism sector due to its contribution to employment and GDP.
- Grant schemes and financial support to help them stay in business (including bringing the banks on-board), regardless of the entity size, location or shareholding.
- Reduce rates for a longer period of time, holding 2021 rates at 2020 levels.
- Look at ways to ensure that South Africa, as a destination, is competitive. All businesses are interconnected. The notion of Ubuntu has never been more relevant.
- Remove restrictions on visas. Make travel to South Africa easy, open the borders (Covid-19 health protocols not withstanding) and allow e-visas.
- Offer more and longer term UIF/salary/wage support to keep our people employed.
- Use a rational fact-based matrix based on specific business risk profiles to determine permissible commercial activity.



Support for 'Covid-19 Proof'/'risk-adjusted' protocols. All businesses know that, because of the coronavirus, they need to factor in visitor safety and 'social distancing' into their businesses. Many are likely to incur capital and operational costs in making changes, and it may mean they will have to reduce capacity and lose the associated revenue. They are suggesting that grant aid support is needed to enable them to make some of these changes. Social distancing is going to present significant challenges for most attractions, e.g. shark-diving, zip-lining, water-based cruises, sightseeing tours, cableways etc. In some cases, features within attractions may need to be closed to comply with social distancing, until people feel safe.

Q: DO YOU HAVE ANY IDEAS OR SUGGESTIONS AS TO WHAT THE **TOURISM PROMOTIONAL AGENCIES** MIGHT DO TO HELP YOU IMPROVE YOUR BUSINESS?



Place a Major Focus on Local/Domestic/South African Market. Not surprisingly, this was a suggestion made by most respondents. Leading attractions see this as the best opportunity for business recovery in the near future. Once travel resumes, they want to see a major domestic campaign undertaken, factoring in any conditions or restrictions that might exist, e.g. social distancing, protocols, etc. They want this focus to be on all three fronts - community, regional, and pan-South Africa travel.

In the same way that the industry doesn't expect to see visitors travelling to South Africa in meaningful numbers anytime soon, they don't expect to see South African residents travelling abroad either. With pent-up interest in getting out and exploring, therefore, they feel this presents an ideal opportunity for **domestic travel marketing**.

They want to see online (especially **social media**) and print media channels used to help bring about the recovery. They also want to see trade co-operative marketing initiatives to include special offers specifically for the domestic market.



Stay (heavily) Present Internationally. Revenue from overseas visitors is vitally important to all attractions. For 80% of those surveyed, it is their most important source of income, and they believe overseas individual and group travel will not recover to 2019 levels for quite a while. The nature of many of these businesses means that, while they will try, it's unlikely they will be able to replace that lost overseas revenue from within the domestic market. They believe it's important to **keep South Africa's profile high** with international campaigns, especially when travel isn't possible. The South African welcome is only on hold - and we should let the world know this. Keep South Africa front of mind.



People. We are a people industry yet we are diverse on so many levels. Culturally, historically, ethnically, politically, geographically etc. But we are united by a common thread in travel and tourism. Here we must speak with one voice - and be seen as a united industry.



South Africa offers a unique and diverse visitor experience. Several attractions highlighted the need to focus on the strengths we have now, relative to the difficult environment the world currently operates within. We should be promoting ourselves accordingly. We are a safe, uncrowded destination, with open spaces, unique fauna and flora, diverse culture, beautiful landscapes and waterscapes, plenty of fresh air...and plenty to go, see, do and enjoy.



Think strategically about the future of travel and South Africa's positioning. Some respondents pointed out that South Africa needs to keep on top of changing trends as a result of Covid-19. They feel we should factor these into the shaping of our products and experiences, and our marketing. **'Visitor Experience Development Plans'** need to reflect the likely future of travel. Bring them and **show them** – don't just tell them.

When will travel resume and what will change?

OBSERVATIONS AND INSIGHTS

The months ahead will be a challenge. The need now is to focus on business survival, and re-building.

Q: When will travel resume and what will change?

Observations and ideas

As this survey confirms, there are lots of views as to when domestic and international travel might resume, and how long it's likely to take for business to return to 2019 levels. Here are some observations, thoughts, and ideas, gleaned from the survey - but also informed by the collective experience and research by the partners involved in this survey.

01

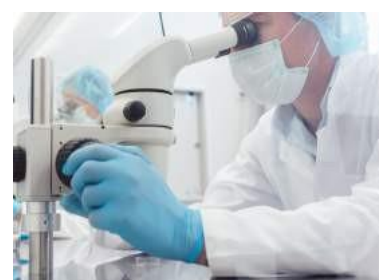
The prediction: In our survey, **two hundred and forty-four leading** tourism enterprises gave their views on when they expect business to return **to 2019 levels**. There were variations on timings, but most agree it's going to be a while. In truth, no one knows the timing. Governments don't know how this will all play out, and sentiment surveys are not helpful at the moment (of course people will say they want to travel and expect to travel). The prediction is easy: People will only travel in significant numbers when they can, and when they believe it is safe to do so. That's it. This will be when some solutions are found (vaccines and treatments) to eliminate or control the spread of the coronavirus and its impact on health. The safer and less anxious people feel, the more they will travel, and they will be eager to do so.

What's certain is that this will pass. The race by scientists around the world to find solutions is turbocharged. As one commentator pointed out, 'There has never been more human ingenuity devoted to a single scientific problem than the one we're facing right now.'

In the meantime, the survey feedback suggests that tourism businesses need to plan on the basis that this will be a marathon, not a sprint. Travel will resume, but it will be gradual, and some markets and some segments will return ahead of others.

02

A changing landscape: This pandemic will have a profound impact on us all. You can expect that it is also going to change travel and tourism for years to come – travel preferences, travel patterns, and individual behaviours. In this report, we interpret your feedback and also provide some of our thoughts and advice.

**Brochure Management****Guiding Visitors
to your business
during
challenging
times****See page 26**

When will travel resume and what will change?

... continued

03

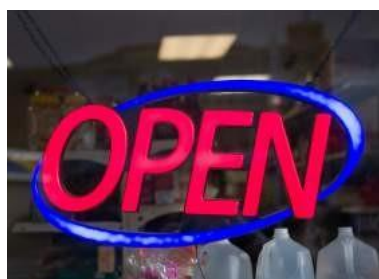
Gradual return: There will be pent-up demand, but the return to travel will be gradual. Restrictions will be eased and monitored, and then further relaxed as the coronavirus is controlled. People will be anxious and cautious at first and will generally follow safety advice. Most will do the things they believe to be the safest – initially getting out and about within their communities and re-connecting with family and friends in person where possible – wherever they are in South Africa. People are then far more likely to enjoy day visits or take short breaks **within** South Africa – taking in places that are familiar to them or that feel safe to them. As this will apply to all countries, and for other reasons, international travel will take longer to recover. It's why domestic/South Africa and 'in-destination' marketing will be the key to recovery, including local and regional marketing. The shaping of products, experiences, and offers to stimulate business will be important.



04

The Domestic Market – best prospect market for 2020/2021:

Most survey respondents correctly expect the domestic/ South Africa market to be the first to recover. In normal times, over 19 million 'trips' were taken in South Africa by South African residents. In addition, South Africa residents typically spend 1,000's on nights overseas each year. However, most won't be travelling abroad in 2020 - staying home for obvious reasons. This all presents a great opportunity, once it is safe to travel. The survey indicates that businesses hope to apply most of their now limited marketing spend, if they are in a position to do so, within the South African market.



05

'In-Destination' marketing will be essential to attractions: In-destination marketing is domestic marketing **PLUS** promoting business to **both** domestic consumers and to the few overseas visitors **already** in South Africa. These are typically people 'on the move' during trips and/or are considering what to do and where to visit. They are often nearby, which means if attractions reach them with their message, the conversion rate to visits and business can be much higher than usual. In our survey, 'in-destination marketing' is an area many indicated they will continue to focus on.



Your tourism partner
for the past 25 years

See page 26

Note: Brochure Management South Africa, a member of Visitor International, specialise in reaching domestic and overseas visitors during their trips around South Africa, including through brochure displays, visitor guides and maps, and online digital platforms. See pages 24 and 26.

When will travel resume and what will change?

... continued

06

International Travel - will be slowest to return: All respondents in our survey were, understandably, most pessimistic about the timelines for the return of overseas business to 2019 levels. It is going to take time. The coronavirus pandemic means many international travellers are likely to stay closer to home until they are sure it is safe to venture abroad.



Different countries will emerge from the peak of the coronavirus crisis at different times, and this only adds to the uncertainty as to when flights will resume between different countries (and what conditions apply when they get to South Africa). In addition, the abrupt halt to travel and trade will have profound economic consequences for airlines (fewer routes), businesses, and consumers. Discretionary spend will be tighter, and this too will impact global travel and spending.



Our advice to tourism businesses is to keep your profile up and keep communications open with overseas trade clients - who will also have been impacted. There will be some international travel, and a vaccine would change everything - perhaps more quickly than expected.



07

Individual travellers will be the first to 'get out there': All survey respondents expect individual (non-group) travel to recover more quickly than group travel. When travel resumes, individual visitors will lead the way - so partners, friends, families and solo travellers. These will be South African residents at first, but when International travel resumes, individual travellers will also be to the fore, and ahead of group travel.



08

Group travel and large events - slower to bounce back: The attractions feeding back as part of this survey believe that due to social distancing and the fear of possible exposure to the coronavirus, group travel may be the very last to return to 2019 levels. You can extend this thinking to 'crowds' too. Fewer travellers will want to participate in large groups or crowds, and this is going to impact all aspects of travel, tourism, and events.



When will travel resume and what will change?

... continued

09

Business Travel will return, but in smaller numbers for now: Travel to meetings and events will still be important to businesses, but often less essential. The restrictions on travel, and the requirement to work from home, will have ‘tuned’ more individuals and businesses into online meetings and networking. It is still a segment that is likely to be one of the first to return to travel, albeit in smaller numbers. The budgets of many companies will be more constrained as the economic impact of the pandemic is felt. This will affect the MICE sector (meetings, incentive travel, conferences/conventions, and exhibitions).



10

Generation X and Y – your biggest customers! In the place we are now, ‘Generation X’ and ‘Generation Y’ are likely to be the biggest customer segments for most businesses, as they will be the first to travel, and more frequently. Generation X are those born between 1960 and 1979 and are now aged between 41 and 60. Generation Y, or Millennials, were born between 1980 and 1994 and are now aged between 26 and 40. Both segments will travel as couples, friends, families, and solo travellers. They are worth targeting - first within South Africa as travellers.

Say hello to your 2020 and 2021 customers –
from all over South Africa

 <p>BABY BOOMERS Born: 1940 to 1959 Age: 61 to 80</p> <p>Likely to be Cautious Travellers</p>	  <p>GENERATION X Born: 1960 to 1979 Age: 41 to 60</p> <p>GENERATION Y Born: 1980 to 1994 Age: 26 to 40 <i>The Millennials</i></p> <p>★★★★★ Key segments and will be the first to travel - when it is safe to do so.</p>	 <p>GENERATION Z Born: 1995 to 2010 Age: 10 to 25</p> <p>Some travel, while children influence within families</p>
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Have Car – Will Travel

As individual (non-group) travellers are likely to be a mainstay of visits, for now at least, expect most to arrive by car. **We are specialists** in influencing day trippers and leisure travellers on the move.

When will travel resume and what will change?

... continued

11

Seniors - more cautious travellers: Seniors are a significant customer segment for most of the travel and tourism sector. Given that seniors are a much more vulnerable category for contracting the coronavirus, it is inevitable that they will be more cautious in where they visit and what they do.



In addition, Generation X and Y are likely to be more mindful and more protective of them. Therefore, some visits which would typically have involved larger groups and extended families – and which would have included senior parents and grandparents – will be impacted.



Think about the various safety protocols and how these can best cater to seniors and help allay their fears.



12

More people will travel to attractions by car: People are going to feel safest in their cars, and more South African residents are going to be likely to use their cars for day trips and leisure breaks. This means more South Africans will be able to visit you, wherever you are located, if they wish to.

When international travel resumes, the first to arrive in South Africa are likely to be individual travellers. Their mode of transport will be dependent on the nature of their break, e.g. city break, safari or touring around. If touring around, own-car or car rental are the more likely transport options now.

Brochure Management
Your tourism partner for the past 25 years
[See page 26](#)



When will travel resume and what will change?

THOUGHTS AND IDEAS



This will be a marathon, not a sprint. The need is to work to position your business to be in the best possible place for when travel begins to normalise.

Our thoughts and ideas - based on all we know...

13

This pandemic will end, but prepare for a marathon, and structure accordingly: Until the coronavirus is eradicated or more fully controlled, it is possible that there could be occasional outbreaks that require the re-introduction of temporary restriction orders. Consider how you structure your business both for now and to be able to come through these more restrictive trading periods should they occur again.



14

If you must cut your cloth, cut it to measure: The number one aim of every business is to survive, minimise any revenue loss, and position their business to be in the best possible place for when travel begins to normalise. Every business will therefore consider cutbacks, as they should. This may include reducing staffing levels, operational costs, and promotional costs. However, if you are cutting back, take care that you don't cut too deeply. Try to avoid cuts that negatively impact the visitor experience, loses you business that was there to be won, or that means you cannot quickly respond to an upturn in business.



15

Don't go dark. Stay bright and market your business: There is a saying that *"When times are good, you should market. When times are bad, you MUST market"*. It's good advice. Keep your promotional profile as high as you can afford to but save by avoiding purely speculative marketing. Cutting back on marketing is usually a false economy. There may be fewer visitors about, but you are likely to want to get a greater share of these visitors to visit or buy from you. For now, prioritise domestic and in-destination marketing, but don't go dark overseas either - stay in contact with your trade customers.



16

Look for the opportunities: In some Eastern languages, the word "crisis" is composed of two characters, one representing danger and the other, opportunity. There may be few opportunities in the short term but think about it. For instance, 'open space' and 'fresh air' infers the opportunity for greater social distancing. If you are lucky enough be able to offer the great outdoors as a feature of your attraction, highlight it and look at how you can bring the outdoor dimension into play more – both in practice and within your promotions.



Our thoughts and ideas - based on all we know...

... continued

17

Anticipate likely shifts in your business mix: Think about how to re-position parts of your offering to address possible shifts in your business mix. If you think any one segment of your business is going to be particularly affected in the immediate future, think of how to grow the other segments. For instance, it is highly likely that group business will be down for a while, so what can you do to boost individual business?

Perhaps you could offer enhanced self-guided tours (with walk-around sheets) or guided or part-guided tours with smaller numbers on each tour.

18

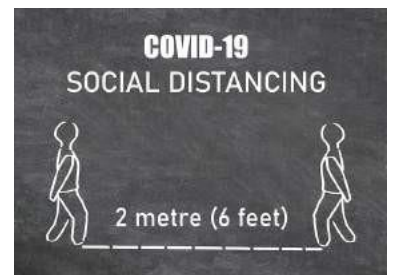
Embrace social distancing: Social distancing will be with us for a considerable time, whether it imposed or not. It will be hard-wired into the minds of people – until they feel safe again. How can you ‘social distance proof’ your business in queuing, at pinch points, tours, shops, restaurants, and services? Unfortunately, for many businesses, it’s likely to mean reducing capacity or else managing your throughput better. See online ticketing on page 20.

19

Review hygiene protocols and policies: Visitors will now place increased importance on hygiene, wanting to feel secure when visiting you. In the same way as you might publish a privacy policy, visibly display your hygiene protocols (covering training, procedures, cleaning, sanitising etc.). It’s also vital that your protocols can be easily viewed online by consumers in advance of them visiting you.

20

Communicate any changes: Most businesses will be implementing some changes to reflect the place they are in right now, and to address the heightened concerns people have about the coronavirus. If you are making changes, communicate them so that visitors can know in advance. This will reassure them and help you win business. If they only find out when they visit you, then your changes didn't play any role in influencing them to visit.



Our thoughts and ideas - based on all we know...

... continued

21

The coronavirus dictates that online booking options will become more even important: With social distancing in play, online ticketing will be a critical tool to control visitor flows, to avoid overcrowding, to help track and contact trace, to stimulate bookings, and to simplify refunds. More and more businesses are likely to switch to 'online booking only' policies and are likely to incentivise online bookings. This also informs these businesses as to who will arrive and when, so they are able to staff and prepare accordingly.

22

Look at other ways to generate revenue online (and on-site): In addition to standard online tickets, look at other ways to generate revenue online. If you have charitable status, encourage online donations. Consider creative ticketing, seasonal tickets, rolling 12-month memberships, a 'friends of' programme, gift vouchers, and physical merchandise that either you fulfil or use a fulfilment house to do so. In these challenging times, every extra rand helps.

23

Have a refunds policy: Many people will have been caught out on refunds during all the coronavirus-connected travel cancellations. Think about your refunds policy, as more will want to know about it if booking tickets or purchasing online. You should note too that many payment processing companies are now retaining their transaction fees and commissions when 'facilitating' refunds

24

The best marketing advice - fish where the fish are: A lot of marketing spend is wasted, often by businesses engaging in speculative marketing. Now is not the time to speculate.

Good anglers know to 'fish where the fish are' and for the next year the local and domestic market will be the best 'fishing grounds'. The only issue is most businesses will be focusing on fishing in the same place - so smarter marketing will be important.

Things to do near you!

Go.See.Do.
SOUTH AFRICA

**A new
companion tool
for smart
travellers**

We direct visitors to places to **GO**, things to **SEE** and activities to **DO** all around South Africa.

Check out:
www.GoSeeDo.co.za

See page 26



Our thoughts and ideas - based on all we know...

... continued

25

Special offers to stimulate business: Based on our survey, 88% of businesses plan to run special offers online, and 52% plan to do so in print. Special offers can be a great idea if actively promoted but shouldn't be 'always on' (the exception might be to encourage people to book online).

If someone turns up and automatically receives an offer rate they didn't know about - then you have given away revenue unnecessarily. Instead, use offers tactically to raise your profile or stimulate business (but remember, social distancing rules still apply, so you need to be aware of possible booking surges).

Offers should always be 'earned' – that may be as simple as by presenting your brochure, tearing out and presenting a coupon, or by booking online or using a promo-code. You should avoid deep discounts unless it's through a closed or controlled promotional channel and highly likely to deliver business to you that you would otherwise not get - so it's incremental. You will need as many full-paying customers as possible to sustain you, and if people don't want to visit you, silly pricing won't make them.



26

Digital Marketing, an important part of your mix: Digital Marketing will be important to have as part of your marketing mix. However, it's only as good as the quality of your reach (getting the right sales message precisely to those most likely to visit and buy from you and that's not easy via digital).

Many businesses get blinded by 'vanity metrics' always presented to impress. Big traffic numbers, page impressions, and 'likes' - often the result of scattergun marketing - can sound great and may make a business feel good, but they are of no value if they are not delivering visitors through the gate - particularly during a time of crisis. However, if you have or can build an active social media following who are actually interested in visiting or buying from you, and are in a position to do so, that's a useful channel.



27

Beware 'Digital Only': If you are going to depend on digital search, remember it tells people what they already know and are searching for. It's not powerful as a demand stimulant. If that's your main plan, you are going to miss out on a lot of business.

Go.See.Do.
SOUTH AFRICA

A companion tool for
smart travellers

See page 26

Our advice - based on all we know...

... continued

28

Visitor Brochures are powerful in winning business: Research confirms that visitor brochures, professionally distributed to where visitors frequent, are the number one influencer of visitors during their trips around South Africa – that's ALL visitors, so domestic, local, and overseas.

Points to think about:

1. **Wide Reach:** Visitor brochures are distributed to wherever visitors frequent. They reach local, regional, domestic visitors, and any international visitors already here in South Africa - typically during their trip or when they are planning it.
2. **Influential:** Visitor brochures influence the travel plans of 73% of visitors who pick a brochure (their 'visit and buy' actions).
3. **Business stimulants:** Brochures don't only present visitors with what they know, they show them what's possible to visit, experience, and enjoy. They surprise them.
4. **Higher conversion rates:** Visitor brochures are often selected from display racks. The very act of selection reflects the person's interest in visiting or buying from attractions. In addition, most visitors (local, domestic, and international) are nearby and are 'during trip'. They are considering what to do next, so are well-positioned to visit attractions and experiences.
5. **Selected by individual travellers:** Visitor brochures are mainly of interest to individual travellers. Unlike groups, individual travellers are not on set itineraries and therefore free to visit any attraction.
6. **Most travel by car:** More than three in four people (78%) who pick up a brochure during their leisure trip, travel by car. That's couples, friends, families and solo travellers. They can, therefore, more easily decide to visit any attraction or experience they wish to.



Your tourism partner
for the past 25 years

See page 26

Our advice - based on all we know...

... continued

29 Watch out for dodgy promotional 'opportunities':

Unfortunately, there are likely to be promoters trying to capitalise on the vulnerability of businesses at this time by presenting opportunities to promote to visitors through both print publications and online channels. They are likely to be quoting low participation rates and claiming large audiences for your message. Here is our advice. If you don't know the promotional company who has just 'emerged' with a 'great offer', be extra cautious. If the offer sounds too good to be true, that's because it probably is!



30 Finally, stay well, lead, and be focused: This research confirms what we all know. The coronavirus is having a devastating impact on tourism, almost beyond anything that we could have imagined. It's easy to become overwhelmed by its scale and impact. The most important thing for all business leaders right now is to stay calm and to focus on business survival during the months ahead, staying agile to respond to pressures, threats, and opportunities. You can be certain:

- As soon as the time is right, there will be major global effort to reboot travel and tourism. It's so important. It contributes over trillions of dollars to global GDP and supports one in ten jobs. It is also the primary industry in many parts of the world.
- The South African Government, and the entire state sector, will eventually be supporting tourism businesses in as far as possible - it is a major driver of the economy.
- South Africa 's tourism agencies will be focused on supporting tourism's recovery. Expect major campaigns to stimulate demand... when the time is right to implement them for the best impact.
- This pandemic is impacting ALL tourism businesses. Consider reaching out to each other to share experiences and solutions.
- For travel and tourism to fully recover, the coronavirus needs be defeated or downgraded to being no more than a nuisance. Efforts to do so are being turbocharged. Never before have so many experts in so many countries focused simultaneously on a single issue and with such urgency. Already trials of vaccines on humans are underway, and hundreds of other potential treatments are at various stages of development. There is a confidence this virus will be beaten, it's just now a matter of timing.

This research was undertaken by Visitor International together with Brochure Management South Africa - our member in South Africa. It was also supported by Go.See.Do. South Africa and Morris Visitor Publications South Africa. All our partners in this initiative are supporting South African Tourism businesses through this crisis. See page 26.

Visitor International – South Africa Support Partners

Our partners in South Africa can help you during the challenging months ahead



Brochure Management South Africa are in-destination marketing specialists. Our business is to guide more visitors to yours - and now more than ever.

For over 25 years, businesses throughout South Africa have worked with Brochure Management South Africa to communicate with **BOTH** domestic and overseas visitors during their South African trips. We've built a reputation for connecting visitors with experiences, delivering tangible business for our clients. Once travel resumes, we will continue to deliver business to our clients through brochure distribution, maps, guides, our digital channels and platforms, and new initiatives

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Go.See.Do.
SOUTH AFRICA



Go.See.Do. South Africa is a companion tool for smart travellers, and points visitors to generic information about our beautiful country as well as information from our national clients.

We have regular weekly features from bloggers and influencers on a variety of topics including **Friday Reads** and **Reading Matters**, **Travel Tuesdays**, **Sport and Events Diaries** as well other blog posts and features.

Our landing page also directs you to regional pages should you be looking specifically at places to **GO**, things to **SEE** and activities to **DO** in the Gauteng Region or Cape Town/Winelands Regions of South Africa.

Phone: +27 (0)11 6461400 | E: info@GoSeeDo.co.za | W: GoSeeDo.co.za

MVP

Morris Visitor Publications



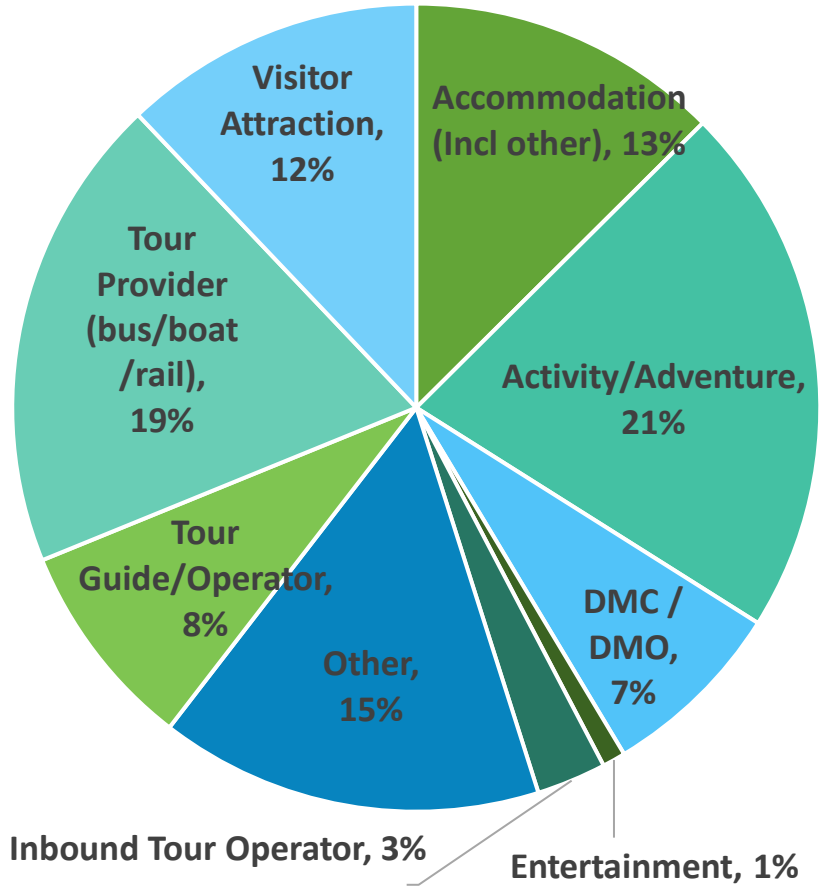
Morris Communications is a leader in media with high-quality brands that provide community news, information, advertising, entertainment and related content through diverse digital channels and distribution outlets. We keep our eyes on the future as we honour our 200-year commitment to providing the public with truthful, fair and accurate information.

We are an aggressive, agile, innovative market-driven multimedia company, leading our markets by building strong communities. Our vision is to be the pre-eminent source of news, information, advertising, entertainment and related services in the markets we serve.

W: morris.com

Which category BEST describes your business

Businesses were self-categorised and, in some instances, have been grouped together for statistical purposes. 30% of respondents were either tour providers or tour guides/operators. 21% were activities/adventures, 13% provide accommodation (including having other attractions), 12% were visitor attractions, 7% were DMC/DMO's and 1% provide entertainment. 15% were described as "other" and did not fall into any of the predefined categories.



In your own words:

Highlight the safety protocols that have been put in place, accentuate the benefits of outdoor activities where social distancing is easier to maintain.

Lobby government to restart travel and open the economy NOW.

Come up with good protocols to have in place for travellers pre- or post-vaccine.

Lost for words & ideas - just completely devastated



Any form of marketing of South Africa will be of benefit to the partner DMCs and so will have positive spin off.

The greatest challenge we are faced with is financially surviving the next 12+ months!

More economic stimulus

Open up the borders and airlines. E-Visas on arrival

Closer collaboration with all players and feeders in the supply chain.