Cape Winelands Regional Trends

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Contents

1. Methodology

- This report provides an overview of the tourism trends and patterns in the Cape Winelands. The findings will illustrate key visitor trends obtained from the regional visitor tracking survey.

- *Responses to the regional visitor tracking surveys are used as a proxy to indicate the key trends within the Western Cape and the various regions. It is important to note that absolute figures cannot be determined from these surveys, as the survey responses are a sample of the tourists into the respective tourism offices across the Western Cape, and would thus represent a <u>sample</u> of the visitors. Therefore, where statistically relevant absolute numbers may be given, however, a share is provided to indicate the trend. This is based on international best practice in the use of surveys within the tourism industry for determining key trends.*

- ***Definition:*** *<u>Tourist:</u> refers to any visitor travelling to a place other than that of his/her own environment for more than one night, but less than 12 months and for whom the main purpose of the trip is other than the exercise of an activity remunerated for from within the place visited.*

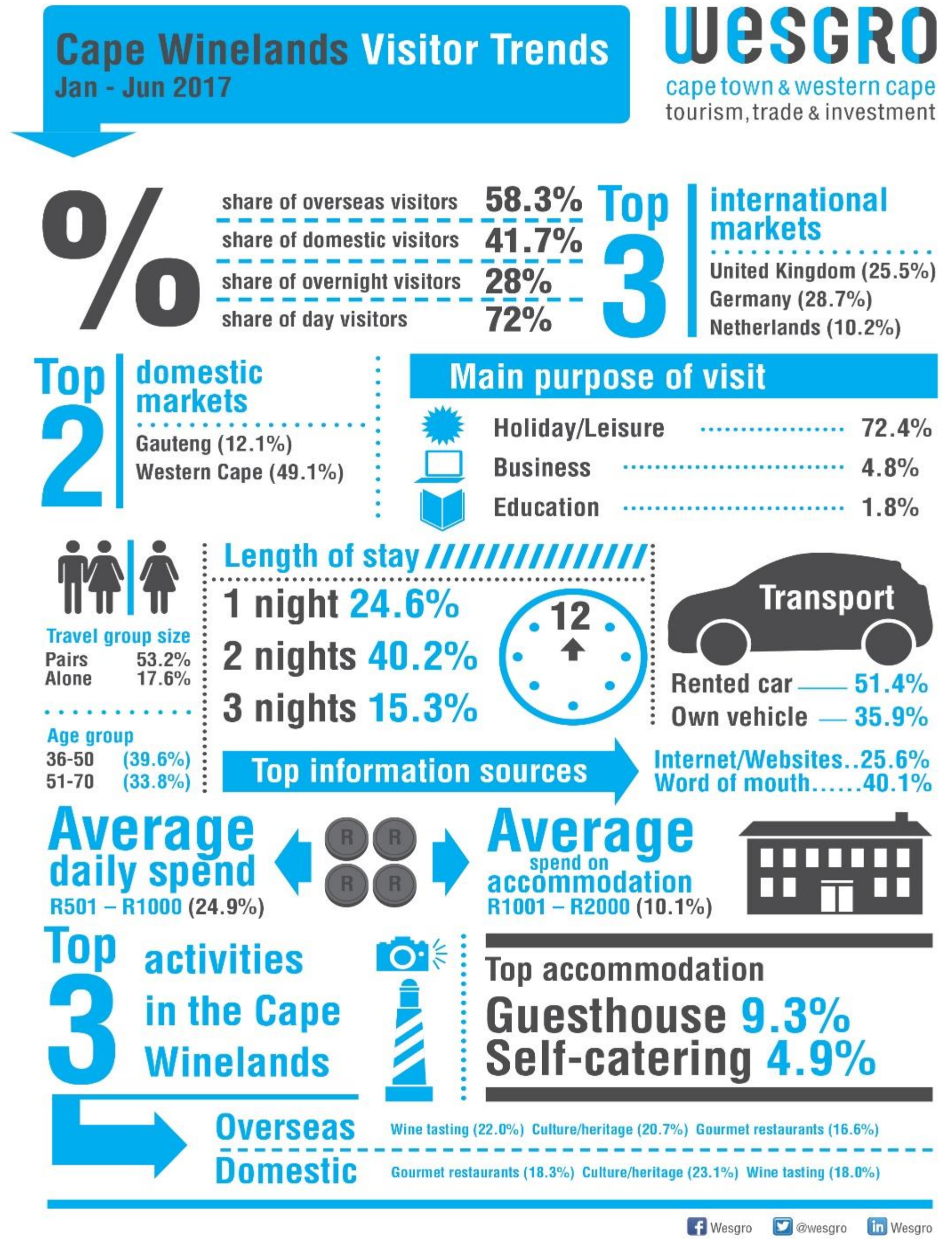
2. Participation and sample size

Between January and June 2017, a total of **3,838** responses to the regional visitor tracking survey were received from the respective Tourism Offices in the Cape Winelands. The participating Tourism Offices were:

- Paarl (1,600);
- Tulbagh (751);
- Wellington (599);
- Stellenbosch (415);
- Worcester (257);
- Robertson (181) and
- Ceres (35).

3. Executive Summary

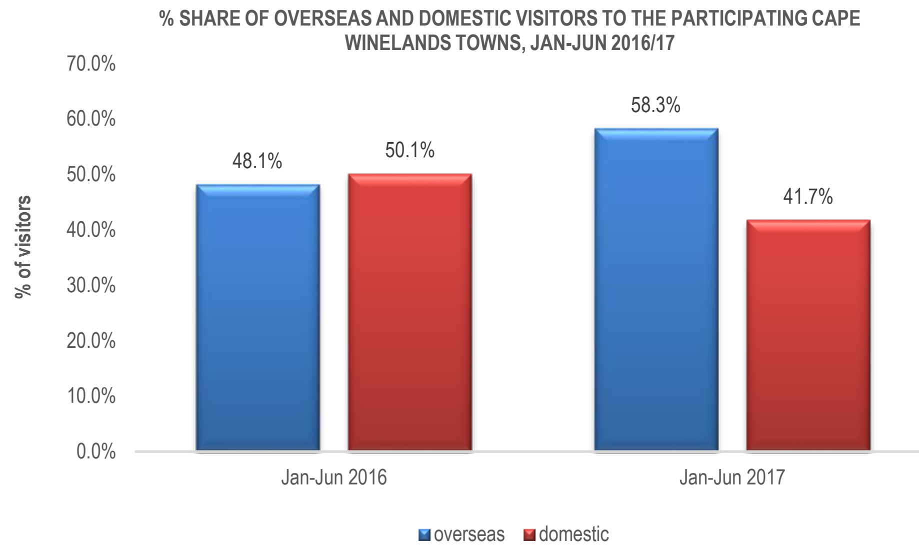
- Wine tourism is one of South Africa's fastest growing industries. One would thus be remiss if one did not include the many wine routes of the Cape, some of which are an easy drive from Cape Town, such as the Constantia, Durbanville, Darling and Walker Bay wine routes.
- Visitor surveys conducted between January and June 2017 reflected a fairly equal distribution of overseas (58.3%) and domestic (41.7%) visitors. Top international markets included Germany (28.7%), United Kingdom (25.5%) and Netherlands (10.2%). Provincially, these three markets rank as the Western Cape's strongest contributors to tourism volume from Europe.
- The Western Cape market ranked as the top domestic province to the region. According to the Statistics South Africa 2016 Domestic Tourism Survey, 99.2% of day travellers and 69.9% of overnight travellers to the Western Cape originated from the province. Despite economic challenges, these trends confirm that the local Western Cape market continues to travel and seek leisure experiences within their own province.
- The most prominent age profile of visitors to the Cape Winelands were between 36-50 (39.6%) and 51-70 (33.8%) years. Over 70% of respondents indicated holiday as their top motivation for travelling to the Cape Winelands. Business travel (4.8%) and education (1.8%) followed as the second and third most popular reasons for travel.
- The largest proportion of visitors travelled in pairs (53.2%) and 17.6% of visitors to the region were solo travellers. Top modes of transport used by visitors to the region included rented cars (51.4%) and own motor vehicles (35.9%).
- 72.0% indicated day visits to the region, while a share of 28.0% were overnight visitors. Of those who stayed overnight, the largest share stayed for two nights (40.2%), 1 night (24.6%) and 15.3% stayed for an average of three nights.
- Guesthouses (9.3%) and self-catering (4.9%) ranked as the top accommodation choices amongst travellers. These visitors spent on average R1001-R2000 (10.1%) per day on accommodation in the Cape Winelands.
- Word of mouth (40.1%) and internet/websites (25.6%) ranked as the top information sources used by visitors to obtain information on the region. On average, visitors indicated a daily expenditure of R501-R1000 (24.9%).
- Wine tasting, culture/heritage and the local gourmet restaurants were equally enjoyed by the overseas and domestic markets.

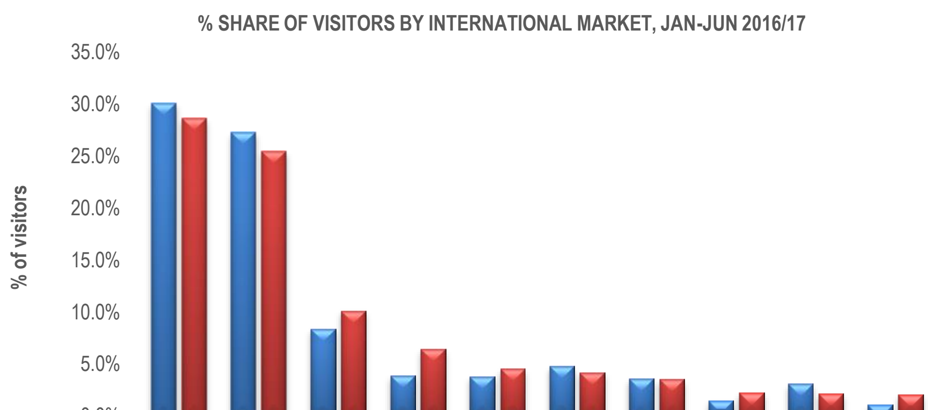


4. Cape Winelands Visitor Trends & Patterns

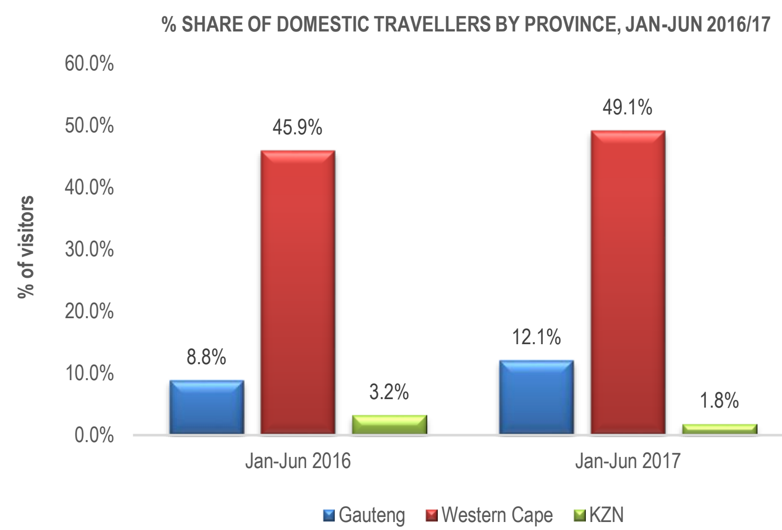
4.1 Origin of Visitors

- Into the first six months of 2017, the Cape Winelands towns recorded a larger share of travellers from the international market. Germany, the United Kingdom and Netherlands ranked as the top markets across the period.
- Tourist arrivals to the Western Cape is driven by Europe, this market has also portrayed a positive shift in seasonality patterns and continue to travel to the province during the winter period.
- The Western Cape emerged as the leading domestic market for the Cape Winelands. The Cape Winelands is a very popular region amongst the local Western Cape market, this is evident in the solid demand for leisure travel.



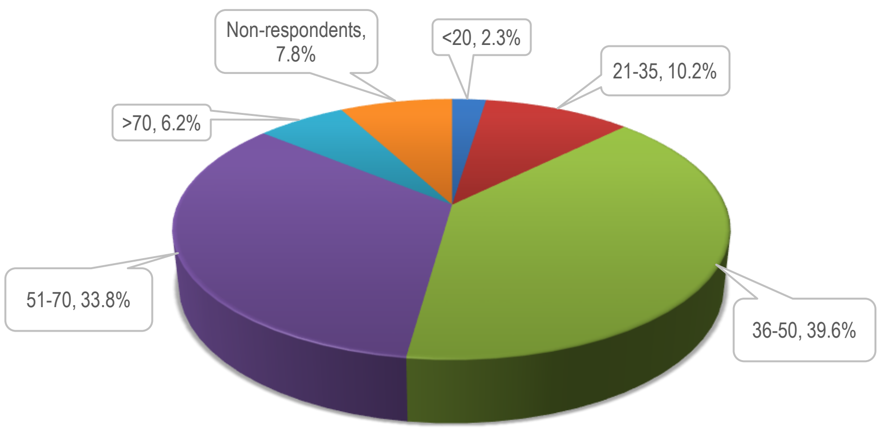


	Germany	UK	Netherlands	France	Switzerland	USA	Belgium	Italy	Australia	Austria
Jan-Jun 2016	30.1%	27.3%	8.4%	3.9%	3.8%	4.8%	3.6%	1.5%	3.1%	1.1%
Jan-Jun 2017	28.7%	25.5%	10.2%	6.5%	4.6%	4.2%	3.5%	2.2%	2.2%	2.1%



4. Cape Winelands Trends and Patterns

4.2 Age Profile of Visitors



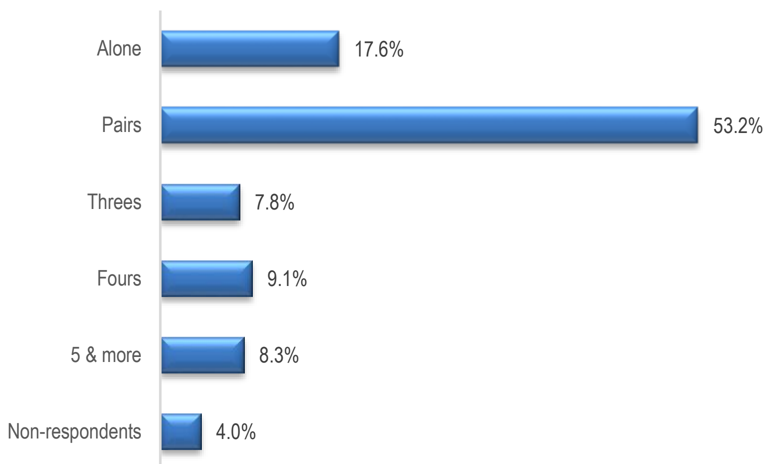
- The age profile of travellers to the Cape Winelands highlights a strong youth market for the region. Approximately 50% of respondents were between the age groups of 21-35 years (10.2%) and 36-50 years (39.6%).

- Popular travel groups to the region included 53.2% travelling in pairs while 17.6% were solo travellers. Visitors who travelled alone can include those who primarily travelled for business. However, international wine tourism trends conducted by New Zealand indicated that wine tourists are predominantly independent travellers.

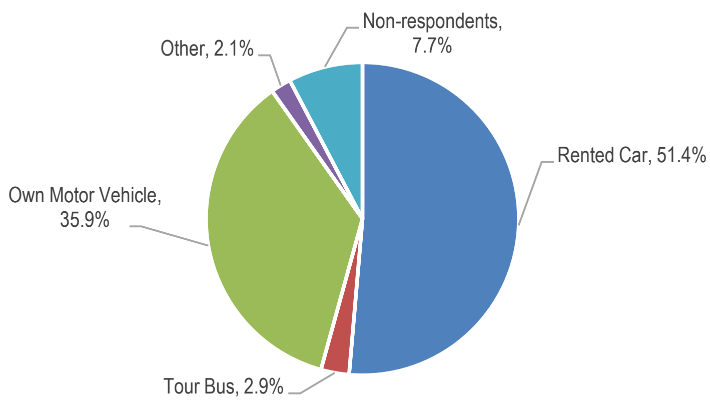
- Around 17.4% of respondents travelled in groups of four and more than five. This is particularly popular amongst those who choose to explore the region and wine farms in tour groups.

- Due to the larger share of international respondents during the period, it is unsurprising that rented car ranked as the top mode of transport (51.4%). Own motor vehicles were largely indicated by the domestic market. Tour buses ranked as the third largest share of respondents, a popular form of travelling to and discovering the region.

4.3 Travel Group Size

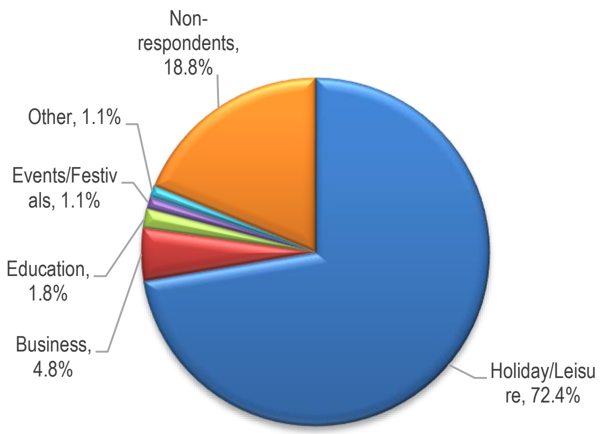


4.4 Mode of Transport



4. Cape Winelands Trends and Patterns

4.5 Main Purpose of Visit



- In addition to the exquisite wine tasting experiences the region has to offer, culture/heritage, gourmet restaurants, outdoor activities and scenic drives ranked amongst the top activities enjoyed by travellers.

- Crafts/food markets evolved into a popular activity enjoyed in the Cape Winelands. The increasing popularity can largely be attributed to the development of the "*Arts & Crafts Route"* project.

- In addition, Paarl is offering a prominent "*Spice Route*". The route offers local and international tourists a group of hand-picked artisanal producers. This gathering of diverse artisans is offering a collection of flavours and a celebration of Cape cultures. Every artisan invited to be part of the Spice Route Destination community is handpicked and different.

- The above mentioned initiatives indicate that the Cape Winelands had much success in combining different experiences and offering a unique tourism product. Another example is the recent launch of the "*African Food, Wine & Art*" experience. This pairing experience is aimed at enticing travellers' taste buds, but will also expose tourists to the cultural diversity and heritage of Stellenbosch.

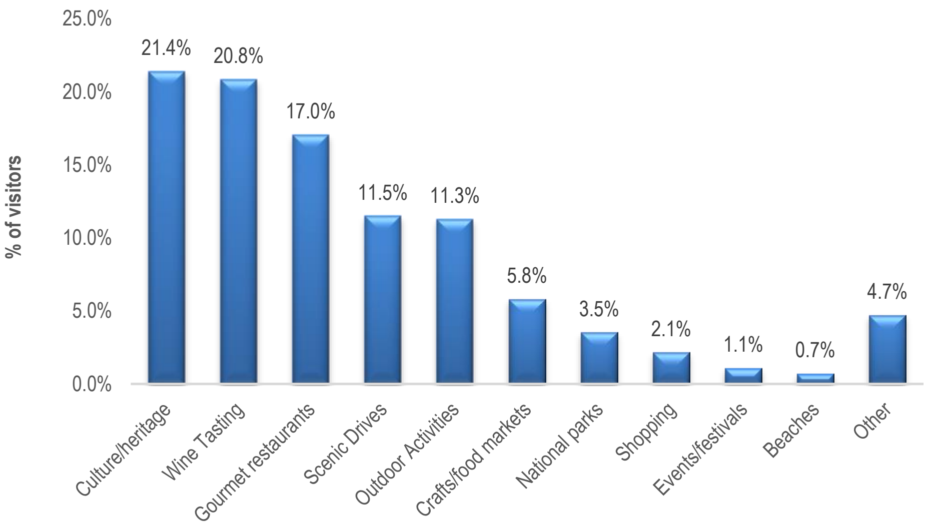
- Holiday/leisure continued to rank as the leading driver for travel to the Cape Winelands.

- Business ranked as the second largest share of respondents. The close proximity between Cape Town and the Cape Winelands provides ease of business and travelling time between the regions.

- Education and events/festivals followed as additional reasons for travelling to the region. Despite the marginal share of travellers for events/festivals, the Cape Winelands holds a strong share of visitors who specifically travels to the region for events. Top wine events includes the annual Wacky Wine Festival in Robertson, Stellenbosch Wine Festival, the Nuy Valley Feast in Worcester amongst many others.

- Year in and year out, Cape Town and its surrounds play host to a kaleidoscope of annual events. While many have become institutions on the Cape's calendar, others are just starting out and finding their roots.

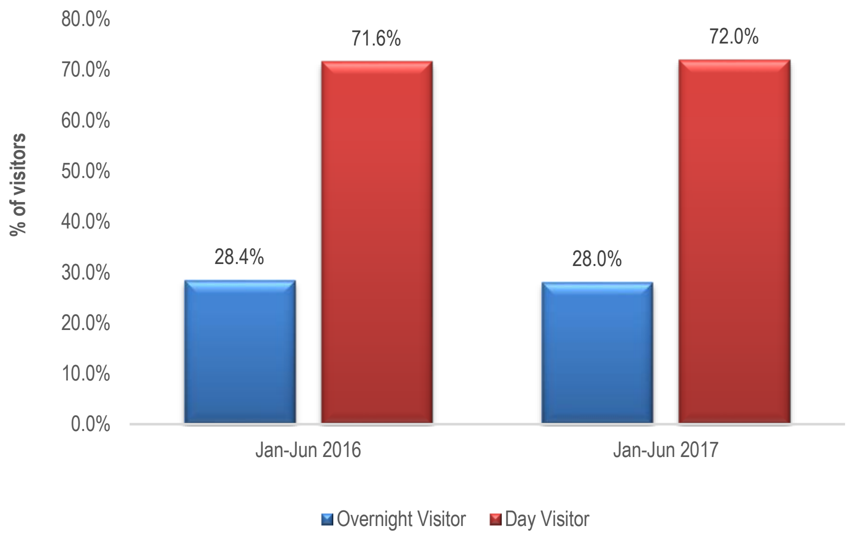
4.6 Top Activities Undertaken in the Cape Winelands



Other: Adventure, flowers, shark cage diving, golf, expos/exhibitions, astro tourism, cycling, meetings/incentives, birding, health/wellness, ostrich farms, cruises, fishing, gambling and snow.

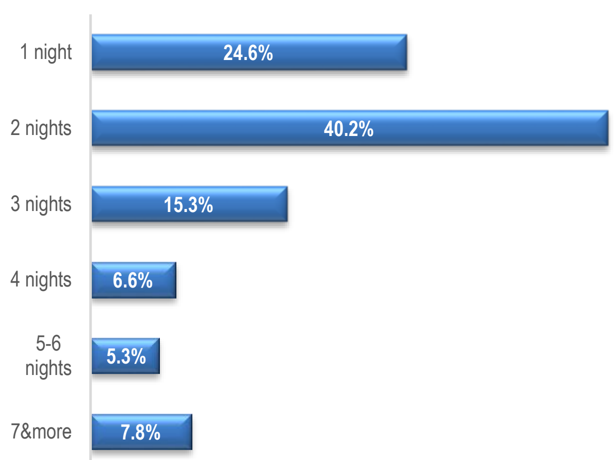
4. Cape Winelands Trends and Patterns

4.7 Overnight vs. Day Visitors

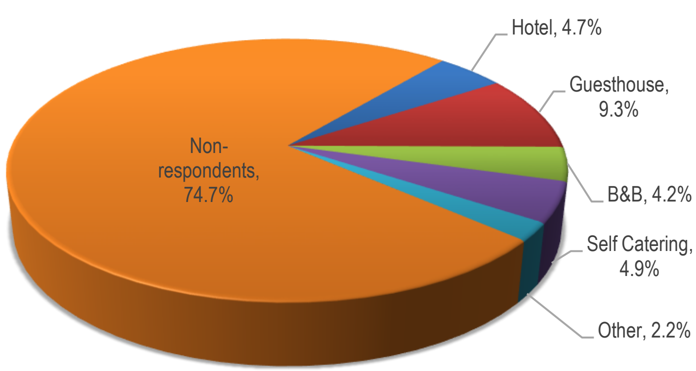


- Findings obtained from our visitor tracking study between January and June 2017 indicated a larger proportion of day travellers to the Cape Winelands. A huge contributing factor to this trend is the popularity in self-drives resulting in travellers moving between towns or regions.
- Another popular trend that leads to day trips is packaged tours. Tour operators often offer 1-day or half-day wine tours, while some operators choose to combine wine with city or cultural tours.
- Recent Hospitality trends released by *Price Waterhouse Cooper* (Outlook: 2015-2019) indicated that the guest house and guest farm market was the best performing sector in 2014. This growth is expected to continue with total room revenue for guest house and guest farms projected to be the fastest growing category with a 9.9% compound annual increase over the next five years.
- The national trend and demand can correspondingly be seen on a regional level in the Western Cape. Travellers to the Cape Winelands preferred accommodation type was guesthouses (9.3%), followed by self-catering (4.9%) establishments.
- Visitors to the region predominantly stayed on average one (24.6%), two (40.2%) and three nights (15.3%). A collective share of 13.1% stayed between 5-6 nights and up to a week and more in the region. With new tourism developments and initiatives implemented across the region, travellers are staying longer which translates into an even greater economic contribution to the region.

4.8 Average Length of Stay



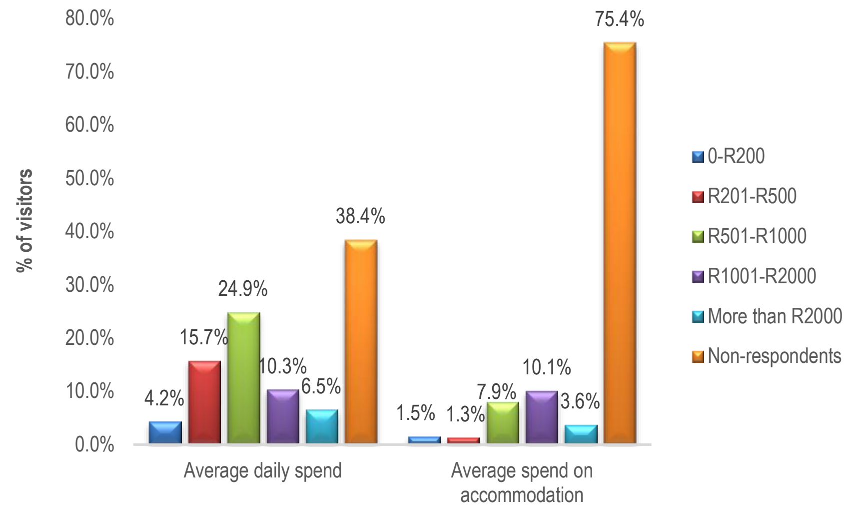
4.9 Accommodation Usage



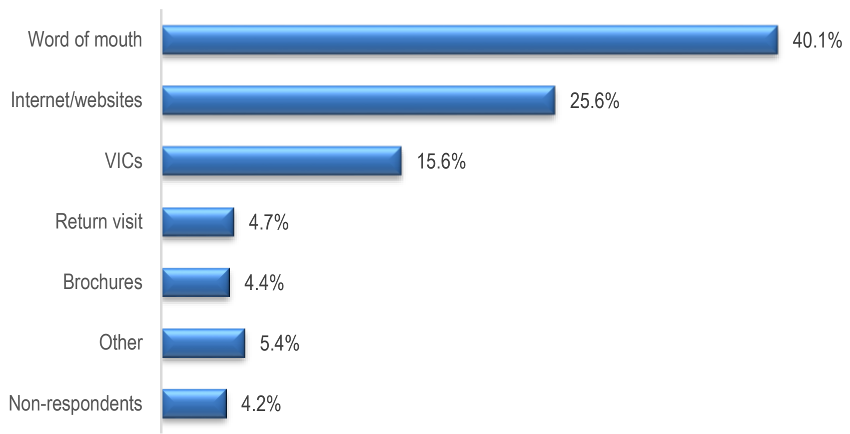
4. Cape Winelands Trends and Patterns

- An average of R1001-R2000 (10.1%) emerged as the most common spending bracket for accommodation.
- The daily expenditure patterns amongst travellers ranged between R501-R1000 (24.9%) and R201-R500 (15.7%) per day. The high levels of expenditure can largely be attributed to the popularity of the local gourmet restaurants as well as the wine/cellar tours. These two activities ranked amongst the top three activities undertaken in the region.
- Stellenbosch alone holds the proud status as the Wine and Food Capital of South Africa. There are more than 80 restaurants offering the most basic dishes to over-the-top and 5-star dining experiences, set both in the town and on many of the wine farms.
- Stellenbosch restaurants were also awarded *Top 10 status in the Eat Out DStv Food Network Restaurant Awards* in 2016. The high demand for cuisine and wine experiences in the region directly impacts and significantly contributes to the local economy.

4.10 Average Daily Expenditure



4.11 Top Information Sources



Other: TV/Radio, books/magazines, travel/agent/tour operator, newspaper and social media.

- Word of mouth (40.1%) and internet/websites (25.6%) ranked as the top sources for obtaining information on the Cape Winelands.
- In the most recent move to further open tourism to all, the Cape Winelands District Municipality, in collaboration with Local Tourism Associations (LTA's) launched brand new tourism apps for the region's 13 idyllic towns.
- The apps are aimed at working alongside existing tourism initiatives and hopes to put all small tourism businesses and communities on the map.
- It not only gives travellers a real-time insight into what a specific town has to offer in terms of accommodation, cafes, activities, attractions and events but also offers even the smallest of tourism contributors a chance to be seen.
- According to James Vos, the DA's Minister of Tourism; "the new initiative serves as a beacon showing how technology can be utilised to create sustainable and inclusive development within smaller communities, and to include all members of a community".

5. Cape Winelands Towns

OVERVIEW OF REGIONAL TOWNS VISITOR TRENDS AND PATTERNS, JAN-JUN 2017				
TOURISM INDICATOR	**Tulbagh**	**Stellenbosch**	**Paarl**	**Wellington**
% Share overseas	54.1%	96.4%	57.3%	33.4%
% Share domestic	45.9%	3.6%	42.8%	66.6%
% Share of overnight visitors	64.3%	37.3%	6.3%	15.4%
% Share of day visitors	35.7%	62.7%	93.7%	84.6%
Top international markets	Netherlands (23.4%) Germany (20.7%) United Kingdom (18.5%)	Germany (20.8%) United Kingdom (19.0%) Netherlands (13.0%)	Germany (39.0%) United Kingdom (30.7%) France (5.7%)	United Kingdom (40.5%) Germany (24.0%)
Top domestic markets	Western Cape (63.2%) Gauteng (26.1%)	-	Western Cape (31.4%) Gauteng (6.0%)	Western Cape (82.0%) Gauteng (13.8%)
Main purpose of visit	Holiday/leisure (94.4%)	Holiday/leisure (95.9%)	Holiday/leisure (63.4%) Business (7.2%)	Holiday/leisure (59.6%) Business (7.8%)
Age profile of visitors	51-70 years (36.0%)	36-50 years (37.8%)	36-50 years (52.8%)	36-50 (49.7%)
Most common travel group size	Pairs (52.5%) Fours (14.0%)	5 & more (33.5%) Pairs (31.1%)	Pairs (61.4%) Alone (20.5%)	Pairs (49.2%) Alone (40.7%)
Most common length of stay	2 nights (42.4%) 1 night (23.2%)	2 nights (58.7%) 1 night (17.4%)	2 nights (38.6%) 1 night (19.8%)	2 nights (31.5%) 1 night (28.3%)
Most common mode of transport	Rented car (51.3%) Own motor vehicle (46.2%)	Rented car (69.9%) Tour bus (19.5%)	Rented car (58.1%) Own motor vehicle (40.6%)	Own motor vehicle (60.1%) Rented car (34.7%)
Top information sources	Internet/websites (33.6%) Word of mouth (27.7%) Return visits (16.7%)		Word of mouth (54.6%) Internet/websites (28.8%)	Word of mouth (62.3%) Internet/websites (26.9%)
Average daily spend	R201-R500 (53.0%)	R501-R1000 (21.7%)	R501-R1000 (31.3%)	R501-R1000 (14.5%)
Type of accommodation	Guesthouse (17.4%) Self-catering (17.3%) Hotel (13.2%)	VICs (75.4%) Travel agent/tour operator (13.3%)	-	-
Average daily spend on accommodation	R501-R1000 (30.9%)	R1001-R2000 (20.0%)	-	-
Top three activities undertaken in the Cape Winelands	Culture/heritage (24.2%) Scenic drives (19.5%) Gourmet restaurants (17.8%)	culture/heritage (39.9%) Wine tasting (32.7%) Shopping (10.3%)	Gourmet restaurants (23.5%) Wine tasting (23.4%) Outdoor activities (22.4%)	Wine tasting (27.4%) culture/heritage (18.6%) Gourmet restaurants (18.6%)

Notes: Blank cells indicate that the sample was not big enough for a valid statistical interpretation.

6. Trends and Patterns by Origin of Visitors

OVERVIEW OF TRENDS AND PATTERNS BY TOP INTERNATIONAL SOURCE MARKET, JAN-JUN 2017		
TOURISM INDICATOR	**Overseas**	**Domestic**
% Share overnight visitors	34.5%	19.0%
% Share day visitors	65.5%	81.0%
Age profile of visitors	51-70 (40.7%)	36-50 (46.8%)
Main purpose of visit	Holiday/leisure (91.6%)	Holiday/leisure (45.6%)
Most common travel group size	Pairs (60.8%)	Pairs (42.6%)
	5 & more (11.4%)	Alone (36.0%)
Most common length of stay per town	2 nights (41.2%)	2 nights (37.5%)
Mode of transport	Rented car (84.5%)	Own motor vehicle (82.8%)
Top information sources	Internet/websites (36.2%)	Word of mouth (63.7%)
	Word of mouth (23.2%)	Internet/websites (10.8%)
Type of accommodation	Guesthouse (11.9%)	Self-catering (6.2%)
Average spend on accommodation	R1001-R2000 (13.5%)	R501-R1000 (7.3%)
Average daily spend	R501-R1000 (29.6%)	R201-R500 (22.6%)
Top three activities undertaken in the Cape Winelands	Wine tasting (22.0%)	Culture/heritage (23.1%)
	Culture/heritage (20.7%)	Gourmet restaurants (18.3%)
	Gourmet restaurants (16.6%)	Wine tasting (18.0%)

Notes: Blank cells indicate that the sample was not big enough for a valid statistical interpretation.

7. Trends and Patterns by Top International Market

OVERVIEW OF TRENDS AND PATTERNS BY TOP INTERNATIONAL SOURCE MARKET, JAN-JUN 2017		
TOURISM INDICATOR	United Kingdom	Germany
% Share overnight visitors	26.5%	27.8%
% Share day visitors	73.5%	72.2%
Age profile of visitors	51-70 (53.9%)	36-50 (41.2%)
Main purpose of visit	Holiday/leisure (88.9%)	Holiday/leisure (91.9%)
Most common travel group size	Pairs (66.3%)	Pairs (65.8%)
	Fours (10.9%)	Fours (10.6%)
Most common length of stay per town	2 nights (45.7%)	2 nights (44.4%)
Mode of transport	Rented car (87.0%)	Rented car (88.5%)
Top information sources	Internet/websites (38.1%)	Internet/websites (36.9%)
	Word of mouth (27.9%)	Word of mouth (29.7%)
Type of accommodation	Guesthouse (10.4%)	Guesthouse (10.8%)
Average spend on accommodation	R1001-R2000 (9.6%)	R1001-R2000 (11.4%)
Average daily spend	R501-R1000 (32.1%)	R501-R1000 (31.5%)
Top three activities undertaken in the Cape Winelands	Wine tasting (23.5%)	Wine tasting (24.8%)
	Gourmet restaurants (20.4%)	Culture/heritage (18.5%)
	Culture/heritage (18.9%)	Gourmet restaurants (18.2%)

Notes: Blank cells indicate that the sample was not big enough for a valid statistical interpretation.

8. Trends and Patterns by Top Domestic Market

OVERVIEW OF TRENDS AND PATTERNS BY TOP DOMESTIC SOURCE MARKET, JAN-JUN 2017		
TOURISM INDICATOR	**Western Cape**	**Gauteng**
% Share overnight visitors	18.8%	36.3%
% Share day visitors	81.2%	63.7%
Age profile of visitors	36-50 (48.7%)	36-50 (39.9%)
Main purpose of visit	Holiday/leisure (50.8%)	Holiday/leisure (77.2%)
	Business (9.5%)	
Most common travel group size	Pairs (41.3%)	Pairs (44.6%)
	Alone (38.3%)	Threes (13.5%)
Most common length of stay per town	2 nights (42.6%)	-
	1 night (24.3%)	
Most common mode of transport	Own motor vehicle (90.7%)	Own motor vehicle (83.4%)
Top information sources	Word of mouth (67.9%)	Word of mouth (52.8%)
	Internet/websites (12.8%)	Internet/websites (21.2%)
Most common type of accommodation	Self-catering (8.3%)	Guesthouse (14.0%)
	Guesthouse (4.6%)	
Average daily spend	R201-R500 (27.7%)	R201-R500 (35.2%)
Average spend on accommodation	R501-R1000 (8.0%)	R501-R1000 (15.5%)
Top three activities undertaken in the Cape Winelands	Culture/heritage (22.7%)	Culture/heritage (26.2%)
	Wine tasting (18.4%)	Gourmet restaurants (20.0%)
	Scenic drives (17.5%)	Scenic drives (18.1%)

Notes: Blank cells indicate that the sample was not big enough for a valid statistical interpretation.

9. Acknowledgements

Acknowledgements and many thanks go to the Cape Winelands District Municipality, as well as the following tourism offices for supplying the data which made this publication possible, and whose continued and unwavering support will sustain the forthcoming issues.

The participating local tourism offices in the Cape Winelands:

- *Tulbagh Tourism*
- *Ceres Tourism*
- *Stellenbosch Tourism*
- *Worcester Tourism*
- *Paarl Tourism*
- *Wellington Tourism*
- *Robertson Tourism*

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