

Country Profile: Angola 2017

1. Global Tourism Performance of Angola

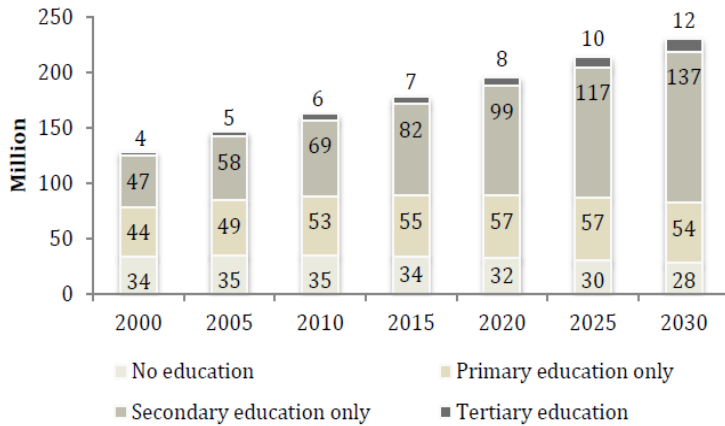
- The Angolan economy is one of the fastest-growing economies in the world
- Africa's 2nd biggest oil producer.
- Angola is luring foreign investors to help diversify the economy away from its dependence on crude oil.
- Dozens of construction cranes can be seen over Luanda as offices, retail and residential developments are built to accommodate a growing middle class.
- The oil sector is a major Angolan sector as it accounts for over 50% of GDP, over 90% of export revenue, and over 80% of government revenue.
- Subsistence agriculture provides the main livelihood for most of the people, but half of the country's food is still imported.
- Main drivers of growth are high international prices for its oil, **a fast growing middle class**, good performance in the agricultural sector, increasing participation of the private sector and increased government spending.
- Wholesale, retail trade, **restaurants and hotels** was ranked 2nd at 14% share of GDP.
- Angola's tourism sector is one of the main drivers of the country's hotel construction industry. The government has committed to improving tourism so that the country will no longer be so dependent on oil extraction.
- According to Angola's National Agency for Private Investment ANIP, about 50% of the hospitality sector's infrastructure needs to be revamped. Of 105 hotels of varying categories, less than half are active, and even so, these are all located along the country's coastal areas.

TAAG AIRLINE BETWEEN LUANDA AND THE WESTERN CAPE DRIVES OUTBOUND TOURISM FROM ANGOLA TO THE WESTERN CAPE & CREATES EASE OF TRAVEL AND CHEAPER FLIGHTS DUE TO DIRECT TRAVEL



1.1 Global Tourism Market Insights on Angola

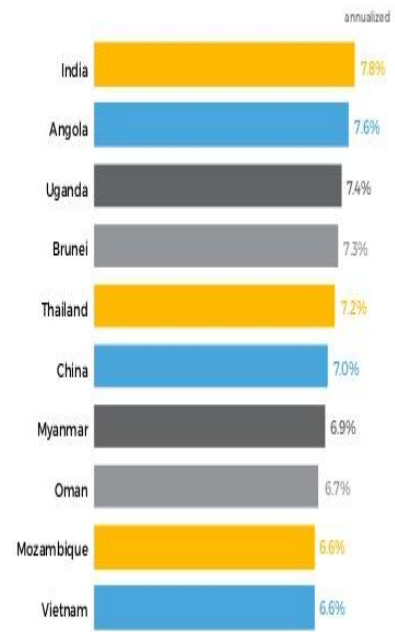
On the African continent secondary and tertiary education has increased from 2010-2015 and forecast to grow from 82 million to 137 million by 2030. Therefore, more consumers will be highly educated and getting good careers and earning more disposable income to travel.



Source: World Bank EdStats

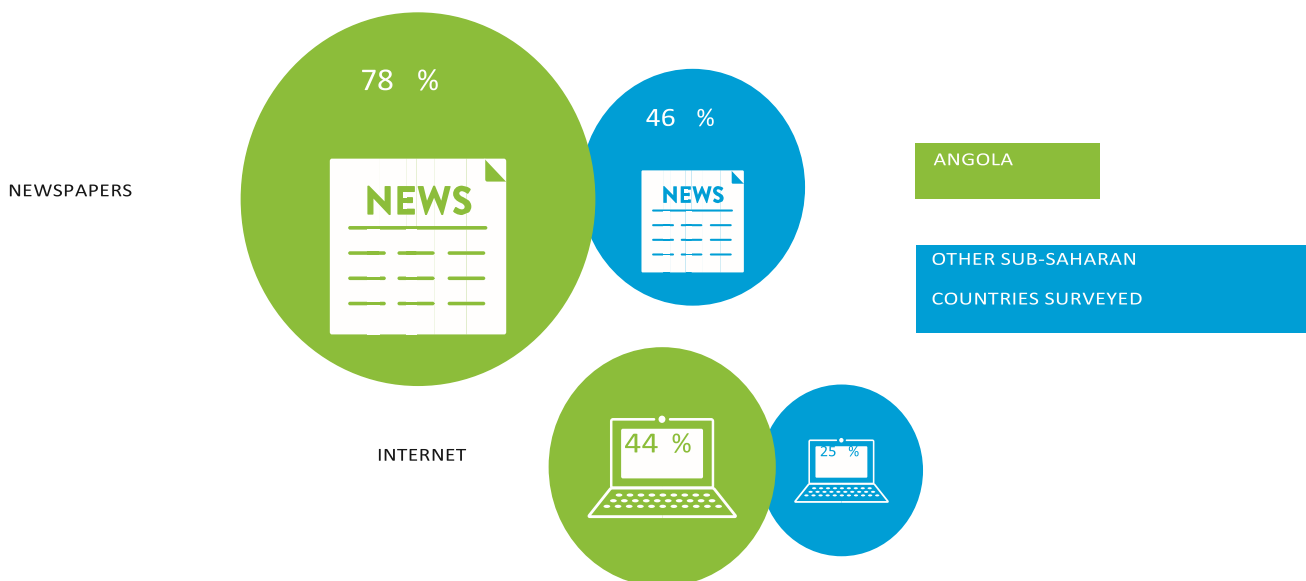
According to the World Travel & Tourism Council 2016, Angola is ranked second for the fastest growing destination for leisure spending.

FASTEST-GROWING DESTINATIONS FOR LEISURE TRAVEL SPENDING (2016 -2026)



According to Nielsen print and online penetration is almost twice that recorded in other Sub-Saharan African countries surveyed driven primarily by trendy aspirants. leading to high prices and high cost of living.

27 SOURCE: World Travel & Tourism Council 2016

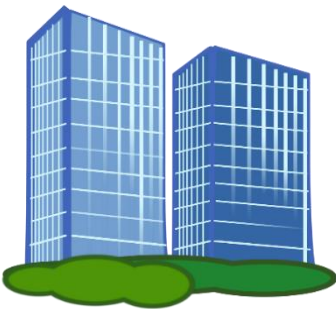


Consumer Insights: Angolan Market

These consumer insights provides the main drivers of the consumer market in Angola. Angolans are encouraged to travel more through advanced technology they are able to easily access information on destinations for holiday purposes and do bookings.

A high youth population travelling to countries for educational purposes such as edu travel to learn English. The growing middle class with more Angolans having the disposable income to travel.

Urbanisation



Growing Middle Class

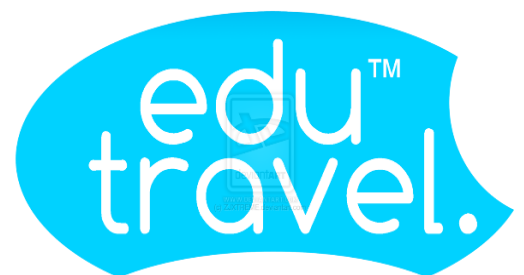


MAIN DRIVERS OF THE
CONSUMER MARKET

Technology

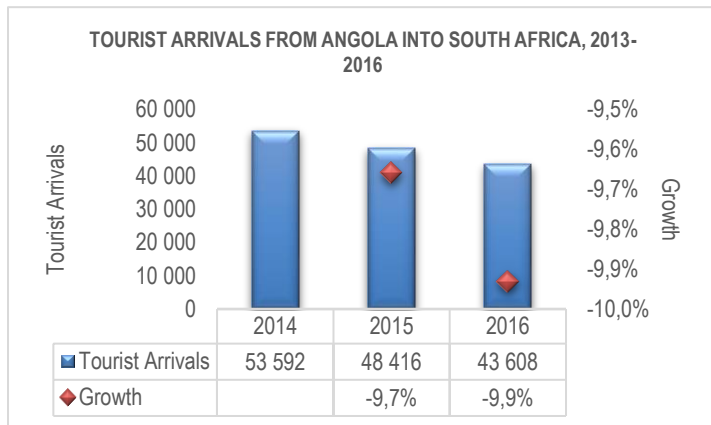


Youth Population

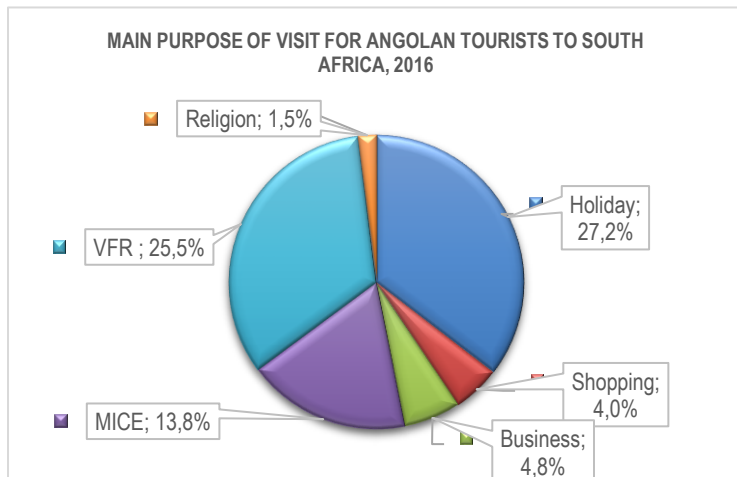


2. National Performance of Angola in South Africa

South Africa received the highest tourist's arrivals from Angola in 2014, however there has been decline in tourist arrivals to the country from 2015-2016.

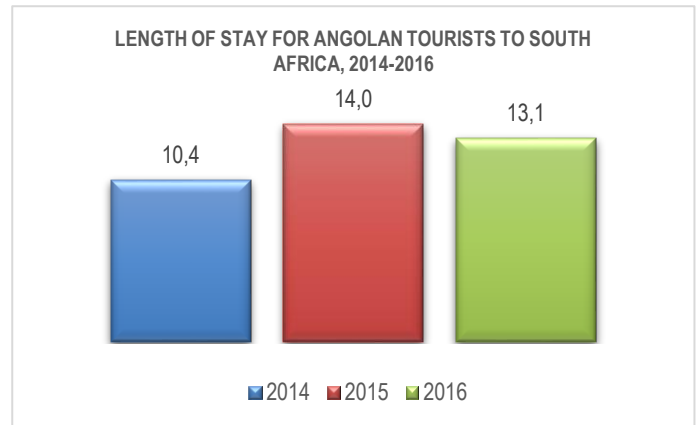


Research has shown that Angolan tourists predominantly travel to the country for holiday and visiting friends and relatives. Another favourable reason why Angolan tourists travel to the country is for MICE travel.

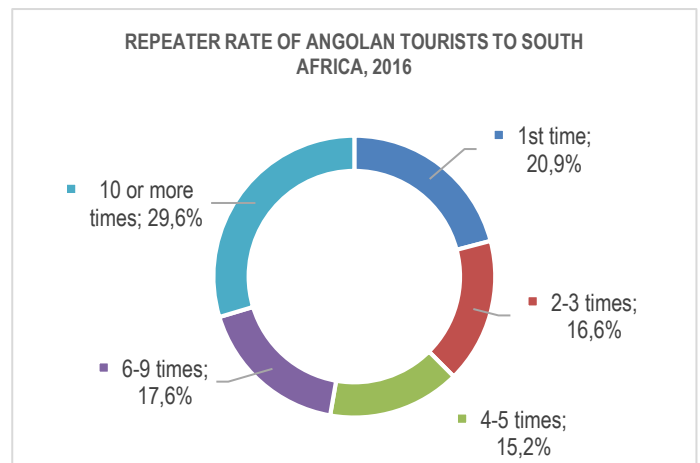


The data shows that South Africa is hotspot for nightlife and local cuisine amongst Angolan tourists. They also enjoy our local shopping experiences and social activities.

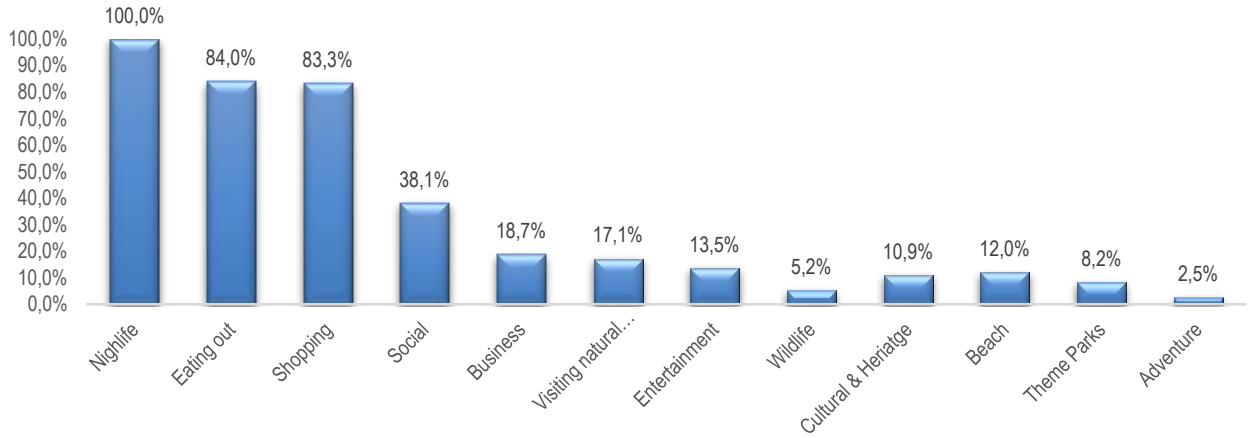
Angolan tourists have one of the longest length of stays amongst African markets to South Africa. They stay in the country over a week. There was also decline in length of stay amongst Angolan tourists.



The repeater rate of Angolan tourists shows positive travel to country as these visitors constantly return to the country for holiday for much as 10 or more time predominantly.



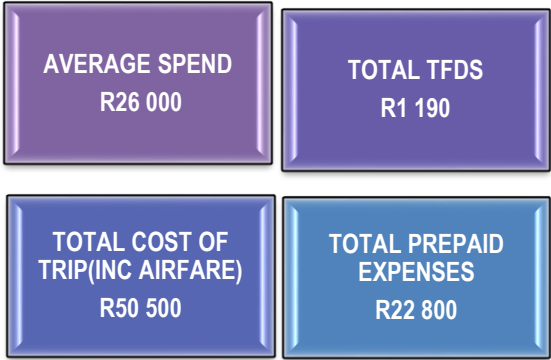
TOP ACTIVITIES BY ANGOLAN TOURISTS TO SOUTH AFRICA, 2016



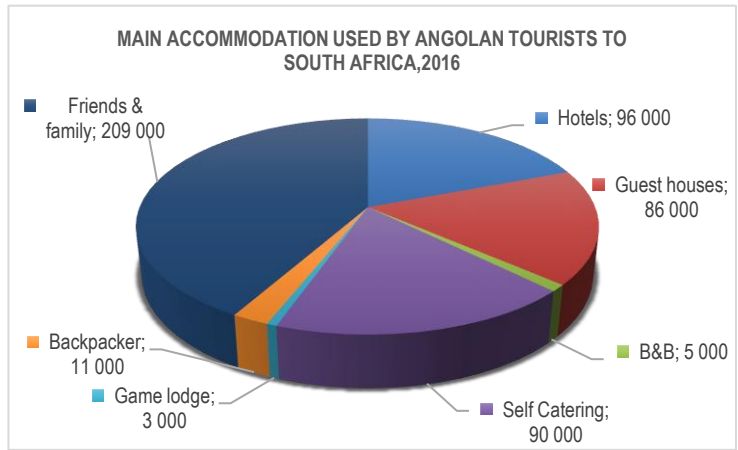
The spend data for Angolan tourists visiting South Africa illustrate high average spend, the second highest average spend in Africa behind the Democratic Republic of Congo.

The Angolan tourists prefer to stay with friends and family as their main choice of accommodation, due to the fact that many Angolan tourists are very family orientated which has influence on their choice of accommodation and VFR is one of their main purposes of visit further validates their main choice of accommodation, followed by hotels and self catering accommodation.

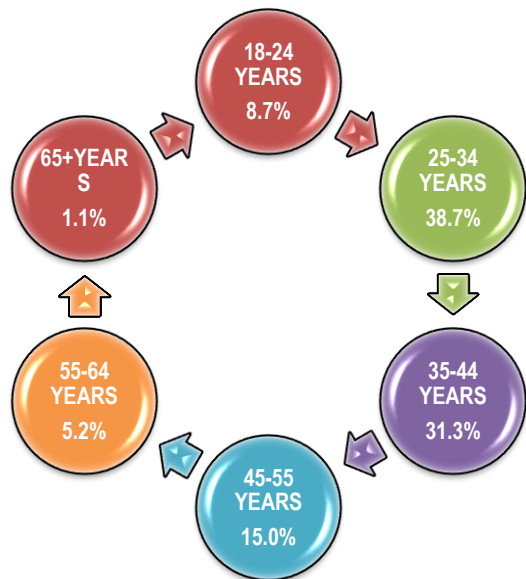
SPEND DATA OF ANGOLAN VISITOR TO SOUTH AFRICA



MAIN ACCOMMODATION USED BY ANGOLAN TOURISTS TO SOUTH AFRICA, 2016



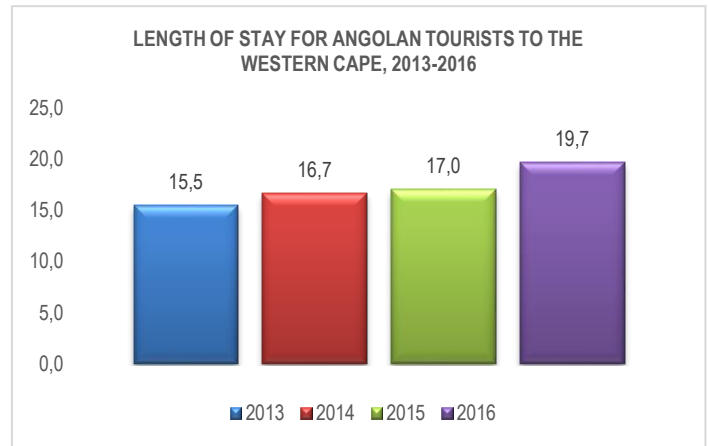
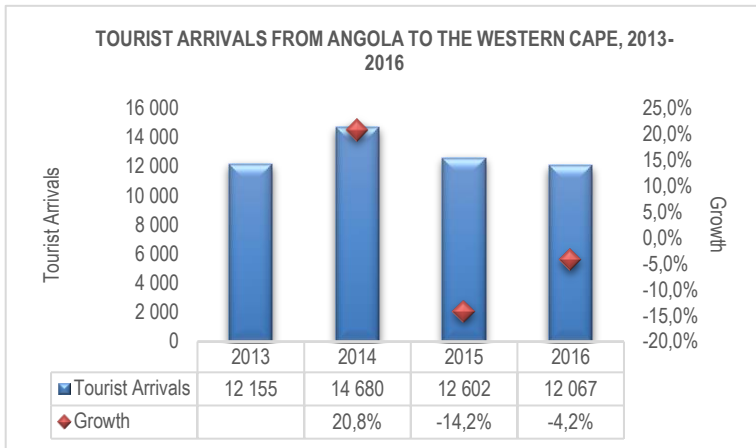
The majority of Angolan tourists to South Africa are your young to middle aged group with high education and more disposable incomes, which also explains the high average spend by Angolan tourists.



3. Provincial Tourism Performance of Angola in the Western Cape.

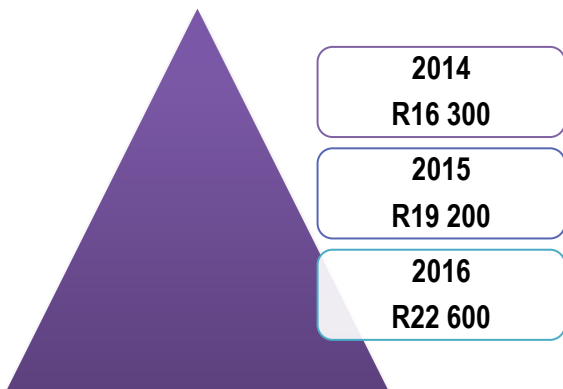
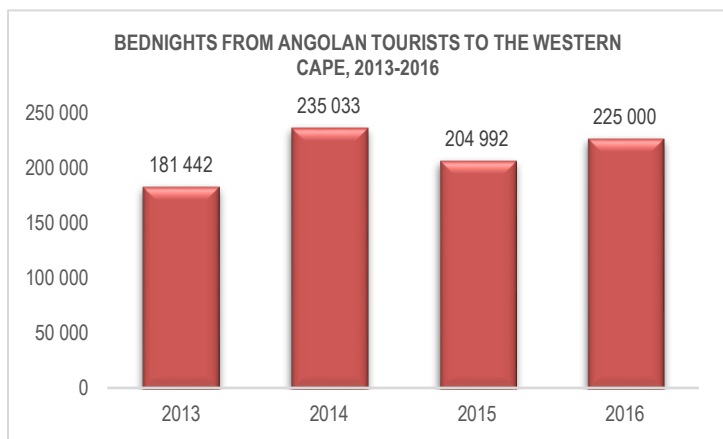
The Western Cape received a decline in Angola tourists to the province for past two years 2015 and 2016. The Western Cape last recorded growth from Angola in 2014.

However, the Angolan tourists stayed between two- three weeks in the province the highest ever length of stay recorded since 2013.



The Western Cape received a positive number of bednights from the Angolan market in 2016, the second highest bednights recorded for the province from Angola since 2014.

In 2016, the total foreign direct spend from the Angolan market for the province increased compared to the previous year's figures even though the arrivals declined.



The average spend of Angolan tourists has shown positive growth since 2014. It increased by R 3400 in 2016 with total of R22 600 when compared to 2015. This positive average spend in the province from Angolan tourists contributes positively to the economy of the Western Cape.

Recommendations

- Angola offers great promise and opportunity for launching new products. Its high GDP per capita and its young urban population are critical factors for growth. Higher growth leads to more appetite to travel amongst Angolans, therefore we should target this market.
- Every home has a color TV making it the most popular medium in Angola. Radio follows closely behind TV. Majority of Angolans use a mobile phone, making it a platform as widespread as the TV and the radio. However, it is typically used for basic services like text messaging, limiting its use as an advertising medium. Therefore destination marketing on TVs could be popular medium to reach the Angola audience. To reach media-savvy Angolans, utilize a media mix strategy that includes TV, radio and print. Most importantly, build brand loyalty and familiarity to gain and retain Angolan customers.
- Research shows that eight of ten heads of households have completed secondary school and/or beyond, leading to high print media penetration in Angola. Both print and online penetration among Angolans are high therefore online platforms such as social media beneficial marketing tool to use to get destination brand awareness amongst Angolans.
- According to Nielsen, joint families are more common in Angola than in other Sub-Saharan African countries surveyed and spending time with family is the most dominant attitude. Therefore, marketing themes centred on family will resonate strongly with Angolan consumers. Angolan respondents also believe that a woman's opinion is very important in household matters. Advertisements that portray women as decision makers may also strike a chord with Angolans.

List of sources

- United Nations World Tourism Organisation, 2017
- World Travel Trends Report,2016/2017
- World Travel & Tourism Council,2016
- South African Tourism, 2017
- Nielsen's Consumer Media View 2017
- Angola Tourism, 2015