

APPENDICES

Appendix A

Tour Operators Interview Survey in Japan

TOUR OPERATORS INTERVIEW SURVEY IN JAPAN

Respondents' Profile and Socio-Demographic Profile of Clientele Interview subjects

Tour Operators:

- Nippon Ryoko Co., Ltd. 3rd largest operator, (A)
- KNT Club Tourism Co., Ltd. Specialized operator, subsidiary of Kinki Nippon Tourist, 2nd largest operator, (B)
- Global Youth Bureau Co., Ltd. Small specialized operator – mature-aged/senior market focused, holding solid repeat customers with high brand loyalty (C)
- JTB Overseas Dept. Overseas travel headquarters of largest operator, (D)
- JTB World Vacations, Inc. Oseania Dept. Largest operator, subsidiary of JTB, (E)
- JTB Discover World, Inc. Specialized operator, subsidiary of JTB, (F)
- Eurasia Travel Co., Ltd. Specialized operator – discovery, exotic seeker focused, holding solid repeat customers with high brand loyalty(G)
- World Air-Sea Service Co., Ltd. Specialized operator – mature-aged/senior market focused, holding solid repeat customers with high brand royalty (H)
- Ground Service Providers/Coordinators (in the destinations)
- Airplus International Co., Ltd. Sole agent of Springbok Atlas Pty Ltd (I)
- Destination Consultants Co., Ltd., Sole agent of Abercrombie & Kent Overseas Ltd. (J)
- Airlines
- South African Airlines (K)
- Government
- Embassy of South Africa (L)

(B) 800 tourists to SA per year. Have been organizing since 17-18 years ago.

More than 80% are over 50. Men: women is 4:6. Rarely young person. Women are willing to visit unexplored destinations more than men. The company organized many travel clubs throughout Japan and assists many non-travel private and community clubs in their effort to organize tours.

(A) Less than 100 per year. Not actively pursued. Previously most customers were replacing sailors for fishing vessels. Major players such as Nippon Ryokou sells about half via retail shops, not by themselves. Retail shops are reluctant to display pamphlets of non-popular destinations. Production of tour brochures very costly in Japan. Many destinations often subsidize brochure costs. SAA or SATOUR should join to share the cost of brochure preparation.)

(K) Mostly senior citizen couples. However, since last May young FIT with discount fare increasing. Kanto region 65%, Osaka region 17-18%.

(C) Specialized in culture tours for all ages. "Travel by Blue Train" and "South Africa and Victoria Falls", offering 6 tours in all per year. 10-20 persons each. Some 50% of planned departures materialize. Tours planned for "Kenya", "Kenya and Tanzania", and "Kenya and Dubai" number double that for South Africa. All senior citizens. Women from 40s up. Those who visited Kenya become repeater to see more of wild animals. They do not visit South Africa. Those visited South Africa do not visit other African countries and do not become repeater.

(I) Ground service operator for Africa. Established in 1999. Sent customers in a three digit number. Doubtful about growth in tourists. Mostly couples in 50s to 70s. Young people are XXobjectiveXX oriented and do not like roving circuit tours. Concern for security makes customers choose group tours.

- (D) Senior citizens market grew. Higer-to-dominant young women market stagnant.
- (J) Handles about 20 requests for FIT. Almost all ends in complaints/troubles despite of advance caution/warning (theft, robbery).
- (E) (About Australia) Tourists to Australia has been declining for some years. The primary reason is the decrease in the number of air seats; too few business customers for airlines. 774,000 in 1996 and 684,000 in 1999. A little up in 2000. FIT 37%.
- (F) Egypt used to be the top destination. Recovery from the shock of Luxor incident has been progressed but not yet reached the former level. Instead, Vietnam has been growing due largely to TV programs and magazine articles. Easy to send FIT to Vietnam as many local guides with Japanese capability are there. Customers to South Africa are 200-300 per year. Use A&K , UTI, etc as ground service operators.
- (G) Specialized operator/retailer (produce/sell own packages through own channels only – mostly by mail/telephone). 50-100 per month to South Africa including FIT.
- (H) Deals with about 20,000 per year. To South Africa 1,000. Only those experienced in overseas travels of more than 5 go to South Africa. No competing destination. Those to Kenya want Safari from the beginning. Some to South Africa wanting more Safari go to Kenya next. Around 60 tours per year are offered including South Africa. Minimum 15, maximum 25 per package. 85% of planned departures materialize. Middle aged women are the majority. Many want to see Jacaranda flower. Our customers spend 50 to 100 thousand yen (US\$420-840) in cash in South Africa for folk arts. Amount spent by credit card is not known. They do not buy diamonds.

RATING OF SOUTH AFRICA AS A TOURIST DESTINATION

- (A) Victoria Falls and Cape of Good Hope are highly popular. Few packages were successful without Victoria Falls. Customers are satisfied with infrastructure and hotels. Natural scenery is satisfactory. Customers to SA do not expect much for game parks. Generally the degree of satisfaction is quite high. This may be due to the fact that prior expectation is generally modest.
- (A) Level of customer satisfaction is high. Security has not been a serious problem as operators feed the customers recommended behavior in CBD of towns in South Africa. Victoria Falls, Cape Town, Jacaranda, and Blue Train are well known.
- (K) Tour conductors say customer satisfaction is high and little complaints. SA can be sold as having the grand nature and Western European facilities.
- (C) Good points of Africa are concentrated in South Africa. No complaints from customers. Satisfaction high.
- (I) Customer satisfaction quite high. No complaints.
- (D) South Africa lacks definite image like Machu Pichu in South America.
- (F) Attractions in South Africa with market appeal in Japan are limited to Cape Town, Kruger, and Victoria Falls.
- (G) Central to customer image is the Cape of Good Hope and the Table Mountain.
- (H) Customer satisfaction is high, no complaints after returning. Probably this is due to modest prior expectation. When the image of European standards becomes common in 5 to 10 years time, complaints may occur. Average price of packages is 600,000 yen (US\$5,000) plus. Do not want to lower the standards by lowering the price. No FITs as they costs too much to handle. Nowhere else can offer natural sceneries changing like kaleidoscope. However, promotion should not be limited to resources within South Africa alone.

MAIN CONSTRAINTS / ISSUES PREVENTING THE EXPANSION OF SOUTH AFRICA AS A TOURIST DESTINATION.

(B) Crime and AIDS are of much concern. So is Malaria. Many decide not to go because of these. There is an image barrier. Perceived as a part of the dark continent. Dangerous, dirty, scary.

(A) Shortage of airline seats is serious. Price too high. Generally 540-550 thousand yen (US\$4,500-4,600) is the upper limit. SA tours costs more than 800 thousand (US\$6,700). To compensate for the high price, high end products such as Blue Train is included, but reservation of which calls for two month in advance. Laws in Japan increasingly demand responsibility for accidents and other damage to customers be borne by the tour operator. Operators in turn has been geared towards less risky destinations. South Africa is now in the summer recess.

(K) SA only tours can not be sold. Essential to include Victoria falls or Chobe. An attempt to sell 3 days in Cape Town failed. Japanese guides are in short supply. Air seats are also in short supply for flights to Victoria Falls.

(C) Security. High price difficult to explain to customers. Cancellation of Blue Train requires 2 months in advance. In Japan cancellation may be 21-33 days before.

(J) Shortage of Japanese guide is problem. Regulations binding work conditions such as allowable place of work and labour permit are too severe. A full bus load of Chinese were invited to INDABA, relative position of Japan has been declining.

(F) Expensive land costs such as hotels, land transport, and meals. Lacks historical or archeological monuments. Difficult to add variations to the products. Expensive domestic air flight.

(G) Not many marketable attractions. Facilities such as hotels and restaurants not enough. Inadequate services in hotels, restaurants and shops. Transportation inadequate. Cumbersome immigration procedures. Security.

SUGGESTED RESOLUTIONS TO CONSTRAINTS AND ISSUES PREVENTING THE EXPANSION OF SOUTH AFRICA AS A TOURIST DESTINATION:

(B) Exposure by mass media is very effective. A TV program with a popular entertainer goes a long way and not expensive. Some prominent newspaper cites only negative articles. Direct flight between Tokyo (Narita) and SA should be very effective. The addition of extra runway next year should be taken advantage of by SAA. A champion for SA promotion is needed. Cuba did an extremely effective media campaign largely due to an Embassy employee.

A situation in which operators compete in price and consequently lower the standards must be avoided. This happened for Iranian tours. Gradual increase is better.

(A) TV is very effective when taken as a feature program. So the article in newspapers.

(C) For security reasons, do not use hotels in poor security areas. Assuming little security problem, the point is to strengthen product variety and hardware. Words of mouth is effective.

(I) Security issue seems to be confused with political one. Actual victims are only those of robbery.

(H) For security reasons, no lodging in Johannesburg. Pretoria only during the Jaracanda season. Waterfront in Cape Town.

ON PROMOTIONAL ACTIVITIES (OF SOUTH AFRICA TOURISM AND SOUTH AFRICA AIRWAYS)

(C) Distributes 70,000 copies of own sales periodicals 6 times a year by direct mail and venues of special events. Also at Kinokuniya, the up scale supermarket. Landmark destination image is important (e.g. Machu Pichu of Peru for So. America).

(I) Promotion by South Africa has been in a same pattern. Lacks understanding of Japanese market. Not aware of Tourism Operator Law. Blue Train cancellation practice seems that they are not interested in group tour market development (existing practise for UK/Western FIT).

(D) In African continent, active government tourism bureaus are Egypt, Morocco and Tunisia. Promotion needs three to five years to be effective. South Africa offers little and lacks clear objectives. Operators wants government bureaus to bear a part of brochure production cost. Tour products must already be in existence and in the market when promotion is done. Agent Fam. Trip is of doubtful value. Must select a right person to invite.

(E) (About Australia) All of the seven states except Tasmania have tourism bureau of its own in Japan in addition to the one of Federal government (ATC-Australian Tourist Commission).

(F) Dubai succeeded in city break type tours (contrary to circuit tours, stay in one place for 3-4 consecutive nights). If such a product is available in South Africa, FIT would go.

(H) Effect of TV is very high.

ON SOUTH AFRICA TOURISM :

(B) Not satisfactory so far. FAM Tour till last year did not include Victoria Falls. This year VF was included.

(C) Good effort.

(I) SATOUR only does promotion to agents. More towards end users desirable. If budget constraint is severe, join with neighboring countries. FAM Tours not effective.

(F) Good effort for agents. But media exposure is minimal.

(G) Thin presence. Never heard of seminars and so forth.

(H) Adequate support is provided. Preferably materials by region or by interest should be available such as for France or Spain.

SUGGESTED PROMOTIONAL EFFORTS OF SOUTH AFRICA TOURISM (SATOUR):

(F) A special tour pamphlet for South Africa will be produced this winter with financial assistance from SATOUR.

(H) Fam. Trips should not be uniform program for all. Each participant should be allowed to follow own itinerary so that he/she can produce new products.

ON SOUTH AFRICAN AIRWAYS:

(K) CX is not interested in Jo'burg route. Only one gateway at Jo'burg is not convenient for tour routing. The previous trial operation from Osaka instead of Narita was a political decision and it failed as our marketing study (SAA Japan) indicated.

(I) Fare reduction difficult due to code share agreement involving two parties/airlines.

(F) SAA should provide a direct service to Tokyo (Narita) when the second runway opens next year. Uses SAA for HKG-JNB since domestic routes would be all charged at normal fares if using CX.

(G) Better transit at airports in Hong Kong, etc. desirable.

(H) Very cooperative.

Rating of South African Airways (SAA) compared with competing destination airlines:

Suggested improvements on South African Airways' weak points:

MAIN COMPETING COUNTRIES FOR SOUTH AFRICA

The most effective competitive activities done or are being done by each competitive country previously identified:

South Africa's Potential for Further Destination Development and Expansion as a Tourist Destination

(C) Large. Would like to nurture as high priced and high margin destination. Do not want to follow the path Australia took, i.e. high margin – severe competition – mass marketing – cheap package – less margin. Cheap package tends to skip good things and let customers misunderstand the destination.

(G) Good growth potential. In addition to Cape of Good Hope and Table Mountain, there are varied attractions such as Blue Train, Wild Animals, and Wine.

Future Expansion of South Africa as a tourist destination

(B) At least on a par with South America. (Three times as large as now.)

ADDITIONAL COMMENTS OR SUGGESTIONS TO DEVELOP AND EXPAND THE POTENTIAL OF SOUTH AFRICA AS A DESTINATION:

Other comments:

(B) The Ministry of Foreign Affairs of Japan should change its way of designating CBD of SA Cities as insecure/danger zone. Tourists die much larger in number in Los Angeles than in Jo'burg.

Appendix B

Operators Interview Survey in East Asian Countries

OPERATORS INTERVIEW SURVEY IN EAST ASIAN COUNTRIES

INTRODUCTION

This appendix contains summaries and analyses of in-depth interviews done with the leading outbound operators specializing in South Africa in four markets – Hong Kong, Singapore, South Korea, and Taiwan – regarding the potential of travel to South Africa from these markets, and also the improvement of the attractiveness of South Africa as a destination in these markets.

	<u>Number of Interviews</u>
Hong Kong	4
Singapore	3
Taipei, Taiwan	3
Seoul, Korea	3

The interviews were conducted in person from 26th June to 06th July, 2001. Respondents were asked to answer a series of questions and they followed a structured interview guide developed by Asia Pacific Projects, Inc.

SURVEY: EXECUTIVE SUMMARY

Based on this research, the priority areas of concern which require immediate resolution, if all the markets covered in this study were to further expand their number of visitors to South Africa are the inconvenience in airline services, destination awareness, and visitor security and safety. If addressed immediately, it may be safe to assume that a significant increase in the number of visitors to South Africa may be realized;

On market analysis, there appears to be a high potential of visitor production to South Africa from Hong Kong, Singapore, South Korea and Taiwan. Considered to be quite affluent markets in the Asian region, these markets could afford a relatively expensive destination package, especially so that these markets are always on the lookout for newer and less visited destinations.

However, it would be a mistake to treat these markets as uniform; each has its own idiosyncrasies and will require its own marketing approach. However, all these markets have one thing in common, which is their particular concern about visitor security and safety where South Africa is concerned. Not only should the image be improved, but actual policing of tourist attraction areas on the part of South Africa may be taken as a specific action to ensure the tourists' protection.

Of the markets analyzed, Hong Kong and Singapore seem the most promising and can be considered as fast-growth volume markets for South Africa. Both countries have existing direct flights to South Africa and the nationals of both countries do not require visas to visit South Africa for tourism purposes.

The interviews in Hong Kong indicate that this market is broken into two distinct segments: Hong Kong nationals and foreign expatriates residing in Hong Kong. Broadly speaking, these markets consist primarily of single young professionals and married couples with children, plus the retirees who are all looking for newer, and more exciting destinations not quite like the more popular destinations that have been visited before. In the absence of a representative office of the South Africa Tourist Board in Hong Kong, the creation of

destination awareness could be intensified by the new Tourism Officer in the South Africa Consulate in Hong Kong. Despite the minimal assistance from the tourist board, the travel agents in Hong Kong already have their individual plans to further promote South Africa, an indication of their seriousness in pushing this destination.

Singapore appears to be the only market which does not seem to have any contact with South African Airways nor the South African Tourist Board. Their closest contacts with South Africa are the South African tour operators they are dealing with and ironically, the national carrier of Singapore, Singapore Airlines which flies direct to South Africa. Coordination with the South African tourist board is required, since interviewees felt that, so far, the efforts of the South African government and tourist trade have been largely ineffectual. This push from the tourist board and additional direct flights from Singapore to South Africa, coupled with an enthusiastic local travel trade in Singapore, will definitely fast-track the further development of this market, especially with

The Taiwanese market has the potential to be a significant market for South Africa, but it may take longer to develop mainly because of the absence of direct flights from Taiwan to South Africa. The fastest way to make this market produce may be to coordinate with air charter operators to initiate charter flights direct from Taipei to South Africa. The Taiwanese are particular about convenience of airline services and thus prefer to travel direct to their final destination. Should this not be possible, maybe offering very attractive promotional rate on tour packages might just compensate for this inconvenience.

Making an impact in South Korea will require identifying and understanding the most likely market segments, and a very focused and targeted approach to specialized travel agents only. The research suggests that a particularly effective way to obtain visitation from South Korea may be to focus on niche markets – for example, students or adventure travellers. Although the logistical support of direct flights from Seoul to South Africa will be ideal, a joint fare using two airlines, one from Seoul to Hong Kong (return) and the other, from Hong Kong to South Africa (return) could be a good alternative to improving traffic from this destination. South Koreans do not seem to be very particular about having to connect to another destination before flying to their final destination.

INTERVIEW FINDINGS

(1) Rating of South Africa as a Tourist Destination

All four markets gave high ratings to South Africa on the following factors: standard of hotel facilities (all of the respondents are using four and five star hotels in all their South Africa programs), hotel hospitality services, hygiene at restaurants, information and interpretation of attractions, and visitor facilities at major attractions.

There are however, factors which were pointed out as either needing improvement, or unsatisfactory or poor on South Africa as a tourist destination.

For **Hong Kong**, the concerns raised by travel agent respondents were: visitor security and safety specifically robbing of tourists, hosting attitudes of immigration and customs staff, and standard of ground transfer services.

As for **Singapore**, the main points of concern are: Convenience of airline services, hosting attitudes of immigration and customs staff; and visitor security and safety, availability of pre-trip information.

Much as Singapore Airlines flies six times a week direct from Singapore to South Africa, these flights are mostly fully booked to even make way for the Singaporean travel agents' bookings. This means that more seats or flights are needed. The hosting attitudes of immigration and customs staff need to be improved, as they are not as friendly as Asian immigration and customs staff.

Visitor security and safety is a big worry, bringing about a negative image of South Africa as an unsafe destination.

There is an awful lack of information about South Africa in Singapore. The travel agents resort to their own research, i.e., surf the internet, read the newspapers quite a bit, just to obtain information about the destination. Also, they also source out their information from their South African tour operators.

As for **Korea**, the few points of concern raised included the lack of Korean-speaking tour guides, visitor security and safety, unhygienic resting places en-route to an attraction, and relatively expensive prices of souvenirs, food and beverage.

Overall, Korean travel agents rate South Africa as excellent compared to its main competing countries on the above factors. First of all, there is no need to obtain a visa to go to South Africa, next the hotels are of high standard and relatively reasonably priced, and lastly, good tour programs are available.

As for **Taiwan**, it should be noted that the Taiwanese is the only market among the four markets covered in this study that require a visa to go to South Africa. Whereas before there were no visas required, this was changed after South Africa chose to declare relations with PROC. Although the visa requirement did not seem to bother majority of the respondents, it bothered one travel agent respondent who mentioned that they will still have to file documents with the South African Embassy, which means time and effort to have this organized.

Although majority of the respondents gave an excellent rating of the convenience of airline services, one other travel agent expressed that since there are no direct flights from Taipei to South Africa, it is rather difficult for his passengers to go to Hong Kong first to connect with South African Airways direct flights to South Africa.

Other areas that need to be improved on by South Africa are ground transfer services, range and quality of souvenir shopping facilities, en-route resting places on way to an attraction, visitor security and safety, and availability of pre-trip information.

(2) South Africa's Potential for Further Destination Development and Expansion as a Tourist Destination

All of the travel agent respondents from Hong Kong and Seoul, Korea gave South Africa a high potential rating for further destination development and expansion in their respective markets.

For Hong Kong, the reasons for this high rating are: a lot of Hong Kong people have not yet been to South Africa, thus the possibility of it being chosen in the future is highly likely; the appeal of South Africa being a very different country from Hong Kong, with its wide open spaces with its animals, nature, fresh air (less pollution), something totally the opposite of the Hong Kong people's environment; and further, South Africa appeals as an all natural destination unlike Hong Kong's very concrete building city.

In Korea, there is an increased interest in a destination that has not been frequently visited yet, and South Africa holds that appeal for Koreans. This interest in South Africa is timely because the Korean economy is getting better, making South Africa affordable to buy.

Singapore and Taiwan markets elicited varied assessments on the potential of South Africa for further expansion as a tourist destination.

Majority of the Singaporean travel agent respondents said that South Africa's potential for further expansion as a tourist destination is high due to the likely choice of Singaporean travelers of South Africa as its next destination to visit. Singaporeans love to travel and have gone to many, many other countries before, so their choice of a newer, unexplored destination will be very appealing to them.

One respondent however indicated only moderate potential for further expansion because prices in South Africa are getting higher and higher, making the destination unattractive or not so affordable.

For Taiwan, one respondent foresees South Africa to only have moderate potential for expansion, mainly because there are no direct flights from Taipei to South Africa. This not only makes it inconvenient for passengers to be traveling to South Africa but also, makes the airfare expensive as the Taipei to Hong Kong and return airfare will still have to be incorporated into the entire package.

Meanwhile, another travel agent said that there is a lot of room for growth for South Africa, in terms of attractions.

(3) Main Constraints / Issues Preventing the Expansion of South Africa as a tourist Destination

All markets expressed issues concerning not only expressed inconvenience of airline services as one of the major complaints they have, but also in-flight service in the airlines need to be improved, particularly that of South African Airways.

For Singapore, despite having 6 direct flights weekly via Singapore Airlines, there is still a need to increase the available number of seats for selling. There is also the stiffer policy on seat confirmation, whereby the travel agent is asked to guarantee payment even for unused seats reserved.

On the convenience of airline services, a major complaint raised by the Taiwanese travel agents is the difficulty of getting confirmation on seats that they have reserved. Having no direct flights from Taipei, the control of seat confirmation is in Hong Kong where SAA flights can be taken bound for South Africa. This also makes the price of airfare quite high since the travel agents will have to add a roundtrip Taipei-Hong Kong- Taipei flight so that their passengers can connect with SAA in Hong Kong.

Similarly, Seoul, Korea does not have any direct flights from Seoul to South Africa, which makes the airfare component of a tour package high since the connecting flights from Seoul to Hong Kong and return will have to be factored in. Further, these connecting flights from Seoul to Hong Kong are almost always fully booked. To top it all, there is also difficulty in obtaining seat confirmation on SAA for the direct flight from Seoul to South Africa.

Hong Kong, on the other hand, commented that in-flight service needs to be improved, and the seeming partiality of South African Airways over a few travel agents had turned off other travel agents to using this airline's services.

A very basic issue in promoting a destination for tourism purposes is the need for a significant amount of destination awareness and information. It is unfortunate that there is a dearth of such information about South Africa, and consequently was raised by the three markets of Singapore, Taiwan and Korea as a major issue that needs immediate resolution if further expansion of South Africa as a tourist destination is desired for their respective markets. This concern in Korea is aggravated by the fact that there are no brochures on South Africa which are in the Korean language, making it doubly difficult for the travel agents to promote the destination.

It is also in this regard that the non-presence of the tourist board or South Africa Tourism or at least a representative office was pointed out by all the markets.

Another major constraint in developing South Africa further as a tourist destination in the East Asian markets is the problem on visitor security and safety. The destination has quite a negative image of it being an unsafe destination, i.e., the blacks rob the tourists, they go to their hotel rooms and steal from the belongings of the tourists, etc.

Singapore, Taiwan and Korea underscored concerns about tour programs being offered by South African tour operators. One is the non-creativity of tour programs, making the travel agents contend with promoting the same old programs for several years already. Another is the relatively high tour costs offered by similar type of destinations, which when combined with high airfares makes tour package costs for South Africa very costly.

Other minor concerns pointed out by the individual markets are the following:

For **Taiwan**, tourist bus services are getting old; and the tedious process of claiming tax refunds at the airport in South Africa.

As for **Hong Kong**, the hotels and the coaches will soon be getting old, and thus will need upgrading. And shopping items seem to focus only on one or two items, an area which requires addressing to, especially if the shopping-orientated Hong Kong people were to be encouraged to visit South Africa.

Lastly for **Seoul, Korea**, on actual tour servicing, there are no Korean speaking tour guides in South Africa and worse, there is even no guide licensing in the whole of South Africa.

(4) Suggested Resolutions to Constraints and Issues preventing the Expansion of South Africa as a Tourist Destination

As to concerns regarding airline services, there were several solutions offered:

1. There should be direct flights offered in Taiwan and Seoul, Korea. As to Singapore, South African Airways should start to fly direct too from Singapore to South Africa.

If Singapore Airlines can fly six times a week from Singapore to South Africa, Singaporean travel agents felt that South Africa's national carrier should be operating the direct flights as well. Likewise, the pricing and confirmation policy should be made more encouraging to travel agents.

The Korean travel agents said that if direct flights will not be possible, it is suggested that South African Airways should initiate joint arrangements with another carrier to come up with more flights on the Seoul to Hong Kong routing, which is always full. And from Hong Kong, they can already access the flight from Hong Kong to South Africa. Further, a joint fare should be established between this carrier and SAA, just to reduce the airfare component of the tour package.

As for the Taiwanese travel agents, they said that although direct flights are ideal for their market, they recommended that if this will not be possible for the moment, then the SAA flights from Hong Kong to South Africa should at least be made daily runs instead of the usual four flights weekly. Also, the control of seats for the Taiwanese market should be centralized in Taipei, and not in Hong Kong.

2. As regards the lack of destination awareness of South Africa in their respective markets, it was unanimous among all the travel agent markets in all four destinations to suggest that there should be a representative office of South Africa Tourism (SATOUR), South Africa's tourist board, set up ideally in each of their respective markets.

One respondent though suggested that if that is not at all possible to establish an office in their respective market, then maybe establish an office in one country which is more proximate so it will be more convenient for them to reach and get information from immediately rather than they still going direct to Johannesburg.

Further, it will be ideal if both SATOUR and SAA will be working together in each market. What also should not be missed out is equipping the tourist office with a good amount of promotions budget. It was emphasized that advertising will one of the more effective ways to reach the market, whether it is done in cooperation with the travel agents or done on its own, and this strategy is being suggested by many travel agents for SATOUR to embark in as soon as an office is established in the various markets.

As for the Korean market, it will be essential that SATOUR considers printing information brochures in the Korean language.

3. Although travel agents for now advise their passengers to take certain precautionary measures when traveling to South Africa so that it will be safer for them, this issue on visitor security and safety, it is felt could be addressed directly through having a tourist police presence in areas where the tourist attractions are and in the hotels, to give the visitors a feeling of protection and security.

Media invitation to South Africa and media advertising will go a long way in improving the image of South Africa as a safe destination to go to for consumers.

4. On the tour programs being offered to the travel agents, it was suggested that the South African tour operators should be meeting en banc to discuss whatever new itineraries could be suggested to the East Asian travel agents. There should be a variety of programs to cater to different special interest markets like golf packages. Further, they should discuss how to make their land arrangements cost lower in order to compete with other destinations.
5. On the other concerns stipulated, South Africa should look into upgrading their hotel and bus/coach services and souvenir items should be constantly changed and given wider variety.
6. Whether it may be through the tourist board or some other government agency, South Africa should look into the institutionalization of the licensing of tour guides in South Africa. This will ensure that the standard of guide servicing is up to international standard and information that the guides' product knowledge is complete and accurate. They should also consider training tourist guides for different markets, meaning Korean and Mandarin speaking guides.

(5) Comments on South Africa Tourism

Tourism promotion in the East Asian countries is mostly done through South African tour operators which have offices in these countries. In the case of two markets, the airlines work hand-in-hand with these South African tour operators.

In certain countries covered in this study, the South African Consulate or Embassy can be called on for assistance in tourism matters. The closest call to the Consulate's attention toward tourism promotion matters is the assignment of a tourism officer in the South African Consulate in Hong Kong. This person was assigned to liaise with travel agents and South African Airways concerning tourism promotion of South Africa.

The tourist board, South Africa Tourism or SATOUR is basically unknown to majority of the travel agents interviewed in all four East Asian countries. Needless to say, they were all clamoring for SATOUR to establish a representative office in each of the respective markets, which should be ably funded. Further, it is suggested that SATOUR and SAA should be having a close cooperation between them to better push the destination in these markets.

All of the travel agents recommended SATOUR's promotional thrust if at all, should primarily be centered on advertising, both print and broadcast media, educational seminars to travel agents, participation in tourism trade shows, familiarization trips, joint promotions with the travel agents and a lot of consumer promotion.

(6) Comments on South African Airways

There were six (6) rating factors which the travel agent respondents were asked to assess South African Airways (SAA) in relation to the development of South Africa as a tourist destination.

Among all the markets covered, SAA operated direct flights to South Africa only from Hong Kong and Bangkok. Taiwanese and Korean visitors will have to connect from their countries to Hong Kong just to access these SAA direct flights. Since there were direct flights from Singapore to South Africa operated by Singapore Airlines six times weekly, Singaporeans did not have to connect through Hong Kong to take SAA flights.

SAA generally scored high among the respondents from these three countries, namely Hong Kong, Korea, and Taiwan on offering attractive tour basing fares. Singapore, however, gave SAA a poor rating on this factor. It could be surmised that since the

Singaporean travel agents do not use SAA that often due to the inconvenience of connecting in Bangkok or Hong Kong for the flights to South Africa, the contact between SAA and Singaporean travel agents need to be improved.

As to convenience of airline services, SAA scored quite high too. SAA is the only airline which runs the international leg to reach South Africa and the domestic services within South Africa.

On actively promoting South Africa as a tourist destination, including working in coordination with South Africa Tourism, SAA scores poorly in general.

Cooperation with local travel trade varies. SAA needs to do a lot of work with the travel agents in Singapore, where they have a consortium of 7 very active travel agents together with Singapore Airlines. Second in line will be Hong Kong, where it was reported that SAA favors a few agents and are not cooperating with other travel agents. The SAA office in Taiwan seems to be well accepted by the travel agents there, while in Seoul, Korea, the response toward SAA is very varied, from maintaining very poor relations to satisfactory.

Seat allocations seem to be a bottleneck problem for SAA. The responses here were very varied. Except for Singapore which never uses SAA, the other markets have something good and negative to say against SAA pertaining to this subject.

There were some complaints regarding the in-flight servicing at SAA which consist low quantity and quality of food, the service is not at par with that of Asian carriers in-flight service especially so that the markets covered are Asians who are used to Asian type of warm and hospitable service, and flight delays and cancellations.

It is apparent that with only four flights weekly from Hong Kong to South Africa, while an undetermined number from Bangkok to South Africa, the combined number of flights that operate weekly for SAA are obviously not enough to meet the requirements for the East Asian market alone. Thus, it seems logical that only a few agents might have to be favored by SAA on a per market basis, because they would not have that many seats to spare anyway.

Based on the inputs of the travel agents, the SAA flights from Asia are full of businessmen and South Africans themselves, thus, leaving minimal number of seats for tourists.

(7) Competitive Situation

Except for Korea, majority of the travel agent respondents from Hong Kong, Singapore, and Taiwan named Australia as the primary competing destination to South Africa, mainly due to the similarities in natural attractions, and the similarity in seasons and weather patterns due to both countries location being in the Southern atmosphere. The tour price though is widely different, with Australia being much cheaper than South Africa. Australia, of course, is more accessible to East Asia versus South Africa. Another difference is that Australia is being projected to be more a place for the young, versus South Africa, which could be considered more attractive to the older generation since this is the market that can really afford to travel to South Africa without hesitation.

A secondary competing destination is Europe as commonly mentioned by travel agents from these same countries is Europe. Although there is much difference in terms of attractions, South Africa and Europe will have similar tour prices, although South Africa will be slightly more expensive than Europe.

South America, Kenya, Tanzania and even Zimbabwe came in as next popular choices as competing with South Africa, especially among the Korean travel agent respondents. South America was chosen because both South Africa and South America are considered to be last destinations normally chosen to be traveled to, after all other more popular destinations have been visited. The tour price is very similar as well. As for Kenya, Zimbabwe and Tanzania, these countries together with South Africa offer great safari tours.

The other destinations which can be considered as competitors to South Africa, selected by the Korean travel agents are Morocco which can be compared to South Africa for its beautiful countryside, and Madagascar, for its big and beautiful islands.

General reactions to South Africa in all markets were very positive. Most of them say that even if Australia could be considered a main competing country to South Africa, the former is still no match to South Africa which can offer so much more. If not only for the much cheaper tour price, very safe image and terrific promotions which are regularly and frequently conducted by the Australian Tourist Commission with the individual states' tourist boards, South Africa can compete very well with Australia.

(8) Socio-Demographic Profile

South Africa could appeal to a wide range of ages and lifestyles and this will vary by country.

Presently, the traffic going to South Africa from the four East Asian countries covered under this study, generally consist of retirees or semi-retired people. They usually have the time to travel and most would be fairly well-traveled. There would also be a market segment composed of upscale travelers in their thirties and forties.

All thirteen travel agent respondents from all four countries indicated their clients' main socio-economic status who are going to South Africa are mostly in the top 10% to 20% of their country's income bracket. Since South Africa is considered to be an expensive tour package, the upmarket scale would tend to be the market which South Africa will attract.

More specifically though, two of the Hong Kong travel agents cater to the middle income to higher income market as well, just like in Taiwan. Only one travel agent in Singapore caters to all ranges of socio-economic status, considering the huge volume of outbound business they cater to.

It should be noted though that in markets like Seoul and Taiwan, they were pinpointing young single professionals and students as part of their customer profile for South Africa.

In general, the type of activity segments that the different customer groups fall into are sightseeing travelers, some are adventure travelers and one respondent mentioned about the meetings, incentive and convention going groups.

(9) Demand Growth and Market Penetration

The market survey does not suggest any cohesive pattern of demand growth and market penetration. Differences in economic conditions and the structure of the travel industry in each country require that each market be considered individually.

Travel agents in Hong Kong, Korea and Singapore were most optimistic about producing visitors for South Africa.

If all the constraints and issues raised in the interviews are resolved, production estimates from the respondents in Hong Kong ranged from 10% to 200% increase in present production levels, or from 200 to 4,000 guests per agency per year. These numbers, if credible, would represent anywhere between 3.3% and 33.33% of their overall business, which was reported as between 3,000 and 12,000 guests in total per year. Further, it should be noted that the Hong Kong market could be divided into two: the expatriates and the Hong Kong people.

Singaporean agents' production range only from 150 to 375 guests in 2000, and their estimated growth for South Africa is anywhere between 10 to 30%. This will be a very minimal share of their total outbound visitor volumes which are from 15,000 passengers to millions.

Despite Singaporean travel agents having somewhat lower volumes of passengers to South Africa and very conservative projections of growth compared to their overall visitor

volumes, it is believed that this is the market is capable to produce bigger volumes than they themselves projected at even the shortest term. With only additional direct flights form Singapore to South Africa and a little push and assistance from the Tourism Board, this market will be pulling away production on their own. They all have their own plans of improving their itineraries to South Africa, and printing their own brochures. Moreover, most of those interviewed are booking their own groups to South Africa instead of going through the South African tour consortium organized by Singapore Airlines and Gateway Africa, a South African tour operator.

Travel agents in Seoul, Korea were the most optimistic about the growth of the destination from their market – all forecast growths are between 100% and 500% over their existing production per year. Although their overall outbound volumes may be low, they are very eager and enthusiastic about producing a lot of outbound traffic to South Africa, especially as their economy is getting better. South Korea interviewees are specialized travel agents focusing only on South Africa and African destinations, thus all their resources are centered on South African promotion.

Taiwanese respondents had large overall outbound visitors volume --- between 40,000 and 60,000 guests annually. However, their estimate on how many guests they could supply to South Africa is very conservative: between 550 and 1,800 guests or a percentage to total business of only 1.37% to 3.0%. If only all the issues and constraints, particularly that of direct flights, are resolved immediately, then it is believed that the Taiwanese travel agents could produce more than what they projected, especially so that that they have huge client bases.

IMPLICATIONS FOR SOUTH AFRICA - CONCLUSIONS AND RECOMMENDATIONS

- There is a growing market in East Asian countries for travel to South Africa. Not only have majority of the travel agent respondents mentioned that this destination has a very high potential for growth in their respective markets, but also, they estimated their increase in existing production for this destination, once all of the constraints which they have specified in the survey; Moreover, majority of the travel agent respondents have huge total outbound business on an annual business, which when tapped aggressively could spell significant increases in traffic to South Africa from this region;
- It should be noted though that these markets are not uniform but are similar; each has its own idiosyncracies and each market should be approached slightly different from the other; In dealing with Korea, it'll be important to have Korean speaking guides and brochures on South Africa translated into the Korean language;
- The priority areas of concern which require immediate resolution, if all the markets covered in this study were to further expand their number of visitors to South Africa are the inconvenience in airline services, destination awareness, and visitor security and safety. If addressed immediately, it may be safe to assume that a significant increase in the number of visitors to South Africa may be realized;
- There is obviously an air seat capacity problem from East Asian markets and the need to look into increasing the number of direct flights servicing the East Asian markets becomes urgent, especially because South Africa is a far away destination. Whether these new or extra flights be serviced by South African Airways or by other destination carriers will not really matter. South Africa Tourism (SATOUR) should initiate talks with other carriers on this issue, especially so that the flights from Hong Kong, Bangkok, Singapore and Malaysia to South Africa are almost always fully booked; Direct flights from these countries are being requested to ensure better rates and more convenience to the visitors;
- We believe that South Africa Tourism or SATOUR will play a significant role in priming the East Asian markets to produce. If there is not enough budget to establish a SATOUR representative office in each country covered in this study, then maybe the

set up of one or two offices may be considered. However, what will be more critical is to ensure the adequate funding for marketing and promotions which this office will utilize to create a lot of awareness about South Africa. Pro-active personnel to man this office will be ideal. Moreover, regular visitations to neighbouring countries within East Asia will be very important to keep the travel agents constantly aware, and thereafter push the destination to their consumers;

- Very promising markets to focus on are Hong Kong and Singapore, which could be seen as fast-growth volume markets for South Africa. Hong Kong, not only for the expatriate community but also for the Hong Kong people. If additional direct flights are to be immediately launched from Singapore to South Africa, Singapore could be a veritable source of visitors, since newer destinations are being pushed all the time in this market. Both Hong Kong people and Singaporeans always travel at least once yearly outside of their countries. The travel push is constant in these countries, i.e., certain travel agents in Hong Kong have their own television programs promoting their various tour program offerings on several destinations. Further, both markets are considered to be very affluent and can afford to travel.
- The Taiwanese market has the potential to be a significant market for South Africa, but it may take longer to develop mainly because of the absence of direct flights from Taiwan to South Africa. The fastest way to make this market produce may be to coordinate with air charter operators to initiate charter flights direct from Taipei to South Africa. The Taiwanese are particular about convenience of airline services and thus prefer to travel direct to their final destination. Should this not be possible, maybe offering very attractive promotional rate on tour packages might just compensate for this inconvenience.
- As for South Korea, even if existing volume of production of Korean visitors to South Africa is still relatively small, the travel agent respondents were the most enthusiastic and optimistic to produce, with minimum projected increases pegged at 100% up to 500% yearly. Furthermore, South Korea's economy has been rebounding from the region-wide economic crisis much ahead of its East Asian counterparts. Therefore, South Koreans are expected to have more discretionary income to spend on travel. Moreover, it is interesting to note that this market experiments with a wider and more varied client base for South Africa, to include students, the meetings and conventions market, as well as adventure travel, all of which are not being tapped yet by the other markets. This thrust can be considered if a marketing plan were to be made to attract the Korean travelers to South Africa. Another interesting point with the South Korean market is the facility of promoting South Africa to a contiguous group of a few specialized travel agents.
- Making an impact in South Korea will require identifying and understanding the most likely market segments, and a very focused and targeted approach to specialized travel agents only. The research suggests that a particularly effective way to obtain visitation from South Korea may be to focus on niche markets – for example, students or adventure travelers. Although the logistical support of direct flights from Seoul to South Africa will be ideal, a joint fare using two airlines, one from Seoul to Hong Kong (return) and the other, from Hong Kong to South Africa (return) could be a good alternative to improving traffic from this destination. South Koreans do not seem to be very particular about having to connect to another destination before flying to their final destination.
- South Africa should position itself not just as “retirees” market, but projected as a destination which could cater to a variety of clientele, including the youth and family

HONGKONG INTERVIEW FINDINGS

RESPONDENTS' PROFILE AND SOCIO-DEMOGRAPHIC PROFILE OF CLIENTELE

The youngest travel agency from the Hong Kong respondents has been in the travel industry for twelve (12) years, while the most established one has been in Hong Kong for fifty-one (51) years now. The latter is a General Sales Agent for several foreign tourism-oriented products and services like luxury cruise liners and travel wholesalers. The existing volume of business these agents have to South Africa are relatively more sizeable compared to the other countries covered in this study.

All of the respondents deal with the upper income bracket markets. 50% of them deals with the expatriate market. The expatriate market is considered a very transit market, owing to the usual 2 year contract of stay in Hong Kong. This market normally consists of single young professionals and some families. This market too has a high propensity to travel just like the Hong Kong people.

Outbound passenger volumes in Year 2000 range from 3,000 to 12,000 people per travel agency.

RATING OF SOUTH AFRICA AS A TOURIST DESTINATION

(10) Ease of obtaining a visa to visit the country

All respondents gave this rating factor an Excellent mark as there is no need for a visa to South Africa for Hong Kong residents, whether they hold dual passports of the Hong Kong Special Administrative Region and of the United Kingdom.

(11) Convenience of airline services

There are two airlines that fly directly from Hong Kong, i.e., South African Airways flies four times a week while Cathay Pacific flies twice weekly. Having a combined total of 6 direct flights a week, the respondents expressed much satisfaction on the convenience of having almost daily flights.

(12) Hosting attitudes of immigration and customs staff

Majority of the interviewees gave a satisfactory rating on the hosting attitudes of South African Immigration and Customs staff. One respondent however commented that they in South Africa are not very friendly. Because of their attitude and culture, they could be very moody. Their attitude at the time they're performing their duties is dependent upon their feelings at the time they face the people arriving at the South African airport. Likewise, they have inconsistent policies. A past experience related by the respondent revealed that sometimes a long form is demanded from them by the Customs Officer and in most other times, they do not require it. Very inconsistent.

(13) Standard of ground transfer services

Except for one respondent who commented that ground transfer services in South Africa needs to be improved, all others rated the standard of ground transfer services as satisfactory.

(14) Standard of hotel facilities

The hotel categories used by Hong Kong travel agents interviewed for their South African tour programs are 4 and 5 star hotels. Their rating on the standard of hotel facilities ranges from satisfactory to excellent.

(15) Standard of hotel hospitality services

Similarly, all the respondents gave a satisfactory and excellent rating on the standard of hotel hospitality services.

(16) Standard of tour programs offered in South Africa

All of the respondents were very satisfied with the standard of tour programs offered to them by South African tour operators. They all speak highly about their South African tour operators, saying that they always change their itineraries so they are not the same all the time. One respondent who has some 10 to 12 tour programs offered to the Hong Kong market, said that they would like to concentrate in offering only one to two itineraries to easily control the groups' departure dates.

(17) Standard of tour guides

Only one interviewee mentioned that tour guides need to be improved. The majority gave tour guides a satisfactory and excellent rating. One travel agent said that 20 years ago, there were no Mandarin speaking guides for South Africa. Due to increased number of Taiwanese tourists some years back, there naturally came more and more Mandarin speaking guides.

(18) Hygiene practices at restaurants

Unanimous rating of satisfactory to very satisfactory. The restaurants they use during the stops are clean.

(19) Range and quality of souvenir shopping facilities

Satisfactory rating from all of the respondents. Also, much of the souvenir products are locally made by the tribes people and they are of good quality.

(20) Information and interpretation of attractions

Majority except for one travel agent gave a satisfactory rating for information and interpretation of attractions. One respondent commented that the signage in South Africa uses dual language, one in English and the other in African or some other tribal language. The signage needs to be improved.

(21) Visitor Facilities at major attractions

Majority of the respondents were satisfied and find visitor facilities as excellent. One travel agent remarked that South Africa, being a huge country, has a lot of domestic travelers, which helps to improve the local infrastructure.

One respondent however commented that visitor facilities at major attractions need to be improved.

(22) En-route resting places on way to an attraction

Majority of the respondents rated this factor as satisfactory and even excellent for some, while one respondent said that resting places have to be improved.

(23) Prices of souvenirs, food, and beverage

Prices of souvenirs, food and beverage are satisfactory to excellent and are considered quite low, considering that the value of the Rand is equivalent to the HK dollar, meaning Rand 1.00 = HK\$ 1.00.

(24) Visitor security and safety

All respondents were concerned about visitor security and safety, thus this rating factor was given a very low rating. Following are the comments of the travel agents interviewed:

“.....In the countryside, visitor safety and security is much better than in towns where they have some bad reports of robbery. If our clients are warned to be careful with their passports and belongings, then the situation is much controlled. This issue needs a lot of improvement, it is educating a lot of South African people., and this education is on a long term....”

“.....Especially in the downtown area near Carlton Hotel, from time to time, the bad news is robbery – The black people had robbed the tourists there or went to their hotel rooms to break the door. But fortunately, this has only happened a few times. So far, there have been no untoward incident that has yet happened our clients. But certainly, safety should be improved. ...”

“.....We remind our clients not to go out at night time or when they are just on their own. They are warned not to give just give money to anyone.....”

(25) Availability of pre-trip information

The responses were widely varied, three travel agents replied that their rating for the availability of pre-trip information is satisfactory to excellent, while one other respondent rated this factor very poor.

One travel agent said that they have very close relations with the tourism officer in the South African Consulate in Hong Kong. Although the officer is not one year yet on the job, he has assisted this travel agent in the promotion of South Africa as a tourist destination. On the other hand, one respondent commented that South African Airways does not have a tourist office in Hong Kong. They only have a Consulate.

South African Tourism used to be very good in Hong Kong but not anymore. There used to be a girl stationed in Tokyo, hired by South African Tourism, who goes to Hong Kong to promote South Africa as a tourist destination. She was very dedicated with her job and would visit the travel agents. But now, not too much tourist board people visit Hong Kong. The South Africa Consulate is not very helpful. They ask you for what you want in terms of brochures but never ask you what is available.

(26) Overall, how does South Africa compare to its main competing countries on the above factors?

South Africa is a big country with a lot to offer. After the non-stop flights from Hong Kong to South Africa had been launched, it made it very convenient for tourists to go to South Africa. It can be said that South Africa is a very good place for tourists. South Africa cannot compare with Australia or Europe because every country has their own attractions. If the clients wish to go shopping, tourists will go to Milan or Paris; if they wish to go for history, then they would opt to go to Egypt or Greece. If people wish to see cities like Johannesburg

and Capetown, they go to South Africa. So, there's really no competition. Except for the issue on security and safety, this is South Africa's own competitor.

MAIN CONSTRAINTS / ISSUES PREVENTING THE EXPANSION OF SOUTH AFRICA AS A TOURIST DESTINATION

75% of the travel agent respondents named visitor security and safety as a main issue that needs to be resolved in order to further develop South Africa as a tourist destination.

On airline services. Inflight service is not so good. During peak season, there are four flights a week operated by South African Airways and might go down to twice a week during the low season. But since Maniland China is coming up to be a highly potential market for South Africa especially for gambling, the Hong Kong agents might not anymore get airline seats for the Hong Kong market, and instead, their allocation might be diverted to the China market.

South African Airways, as reported by one agent, seems to be very partial to a few Hong Kong travel agents, who in turn control the airline seats. Thus, the other agents are not protected, making them shift to Cathay Pacific for seat allocation. Cathay Pacific however, does not turn out to be convenient for the passengers as they only fly twice weekly versus South Africa Airways' 4 direct flights weekly.

Facilities in South Africa are getting older and older like the Palace Hotel in Sun City,. This needs to be regularly upgraded. There is also apprehension that its management might be turned over to the black people, which is foreseen as a problem. In the same manner, coaches are also getting older and older and will need updating. All these have cost implications which in turn will affect the agents' tour prices.

Lastly, shopping is not varied, focused only on one to two items. In effect, shopping might turn out to be a disappointment for the Hong Kong people who love to shop and they shop everywhere.

Another constraint is the negative perception of the black people. The Hong Kong people feel scared when they see a black person, they think they are seeing a robber.

One respondent said that" every country is competing with other countries, problem is money. So there is no lack of information on the countries. It is the motivation of time and money which is critical. And Hong Kong is the highest density of people with passports. Can you get space to travel anymore, that is definitely happening. How about capacity for airlines, hotels, etc. Further, the Chinese market is coming. They will travel in numbers, and I don't thing it is any good for the travel industry. It will create major problems, like language, food, interests, etc. the sheer numbers alone will wear out the carpets in the rooms, hotels and everything else..."

SUGGESTED RESOLUTIONS TO CONSTRAINTS AND ISSUES PREVENTING THE EXPANSION OF SOUTH AFRICA AS A TOURIST DESTINATION:

1. On the issue of visitor safety and security, it is recommended that intensive promotion to tell the Hong Kong people that South Africa is safe for tourists is important. Media invitational, i.e., invitation of Hong Kong media to go to South Africa and check out the situation, will be an effective way to inform the general consumers how safe it is in South Africa.

Another suggested solution to this problem is to set up a South African tourist office in Hong Kong. South Africa needs to put more effort in promoting and informing the local people in Hong Kong about South Africa. Right now, the travel agents always have to communicate with the Johannesburg Office of South Africa Tourism. Having a tourism

office in Hong Kong is quite important in improving the perception among Hong Kong residents that South Africa is getting more stable and more safe.

A more specific resolution on this issue is the sending of more policemen to the tourist areas to let the tourists feel safe as there a lot of security people watching and protecting them.

2. On airline services, particularly on South African Airways (SAA) , their sales staff should not close the door on travel agents interested to promote South Africa. SAA should not be have a few preferential agents enjoying good rates, but should open the doors to other travel agents. Although airfare rates given by South African Airways are similar to Cathay Pacific, the former still has the advantage of having domestic flights within South Africa.

Further, SAA should be coming up with more competitive pricing.

And lastly, there should be more improved airline services. SAA should be maintaining the 4 direct flights weekly, if possible should increase the frequency of flights to at least daily.

3. On the issue of shopping, it was recommended that shopping items should be more varied and there should be more interesting shopping arcades and shopping malls. Just bringing the groups and guests to the hotel will be quite boring for them.

ON PROMOTIONAL ACTIVITIES OF SOUTH AFRICA TOURISM AND SOUTH AFRICA AIRWAYS

(1) On South Africa Tourism (SATOUR) :

There were different responses given when interviewees were asked about South Africa Tourism. One reply asked who SATOUR was? The tourist board is virtually unknown. It is recommended that they sit down and consider what they are doing. They know that SATOUR is very active in Europe and Japan but they seem to be forgetting the smaller market segments. Asia may be a smaller market but it is an English-speaking market and as such, should be given a second look.

Another travel agent said that they have heard of SATOUR through the South African Consulate in Hong Kong, which recently assigned a Tourism Officer to handle tourism-related matters for South Africa in the Hong Kong market. In mid June this year, South Africa had a booth at the International Travel Expo in Hong Kong. Three Hong Kong travel agents were invited to join the South African booth, two of whom are supposed to handle the Chinese mainland market while this travel agent respondent was to focus on the Hong Kong market.

One other respondent said he was not aware of SATOUR. For him, the presence of SAA will be enough in Hong Kong on the condition that the latter will be opening their doors to support a larger market base of travel agents.

And the last travel agent is quite familiar with SATOUR because the latter sponsored the travel agent's television program on South Africa, shown in Hong Kong television. As mentioned earlier, travel is constantly being pushed, and there are always television shows produced by the local travel agents. This agent has been running its own television program. Also, a few years ago, SATOUR conducted a shopping mall promotion in Hong Kong and they held lucky draws in Hong Kong. But unfortunately, SATOUR stopped them all.

(2) Suggested promotional efforts of South Africa Tourism (SATOUR)

The responses were:

1. Do more television and print advertising; it should be noted that television advertising is the most powerful medium to use in Hong Kong if you want maximum exposure of your product(s) and service (s);
2. Send a television crew to shoot in South Africa for a television feature in Hong Kong;
3. There should be more educational seminars before travel agents;
4. More consumer promotions in shopping malls with cultural dances;
5. More Public Relations and Publicity and publicity should consider using the local language and South Africa Tourism has to spend on this;
6. More familiarization trips;
7. Should work on dissemination accurate and updated product information

(3) On South African Airways

Please note that only 50% of the travel agent respondents answered this question since they utilize SAA's services, while the other travel agents do not use SAA but rather the competing destination carriers. The comments given by those travel agents who do not use SAA's services include the following:

".....before the issue of apartheid, they were very active. They have gone to sleep recently. And we already gave up on SAA. We do not even know where their office is in Hong Kong, they are absolutely dead, no feedback. We don't even have their timetables! If at all, they just refer to the computer for seat reservations...."

".....SAA protects only very few agents in Hong Kong. They are not open to other travel agents who are eager to promote South Africa....."

As for the other 50% who responded, following are their answers to the rating factors given on SAA:

1. Offering attractive tour basing fares

One travel agent gave SAA an excellent score because they are one of the more preferred agents supported by SAA. The other one rated SAA as very poor, saying that SAA does not even have any special airfares. They apparently have high airfares just like Cathay Pacific which co shares flights with SAA, particularly on the international routing.

2. Providing convenient connections to main points in the country

SAA, being the only airline which provides domestic air services within South Africa compared to the other destination carriers, scored excellent in this rating factor.

3. Actively promoting South Africa as a destination

One respondent gave a poor rating on SAA promotion of South Africa as a tourist destination in Hong Kong. They do not seem to be concerned about the Hong Kong market. SAA do not have sales personnel to go around to the travel agents. The other travel agent respondent rated SAA as excellent, commenting that during the low season, SAA gives promotion rates to travel agents and gives seminars.

4. Cooperation with the local travel trade

SAA was rated poorly by one travel agent on cooperation with the local travel trade. SAA is very conservative in Hong Kong. Cathay Pacific promotes better with the local travel trade. The other respondent commented that SAA needs to improve its relation with the local travel trade in Hong Kong.

5. Working in coordination with South Africa Tourism

One interviewee gave SAA an excellent mark for this, while the other respondent said he did not know whether SAA and SATOUR work hand in hand.

6. Providing and maintaining required seat allocations

One travel agent, being a preferred travel agent of SAA rated the airline as excellent, because SAA almost always give them seats in all the flights of SAA from Hong Kong. They normally produce anywhere from 40 to 80 seats weekly for SAA.

7. Providing in-flight value added services

The respondents' rating for SAA's in-flight services needs to be improved. The attitude to Asian travelers is not so good. And this discrimination is quite serious.

One respondent commented that recently there have been SAA flight delays and cancellations, which posed problems for them since all the hotels have been confirmed for their tour groups. SAA however, assisted them in rebooking their flights and talking with the hotels where there are confirmed bookings.

(4) Suggested improvements on South African Airways' weak points

1. South African Airways (SAA) should be more pro-active with travel agents. They should hold seminars and give out special airfare to encourage the travel agents to book. SAA could also join up with South African tour operators to promote South Africa in Hong Kong.
2. For peak periods when there may be a problem with air seats, one travel agent tries to convince their clients to travel to South Africa before and after the peak period.
3. The meals' quantity and quality should be improved. Maybe SAA could introduce Chinese meals.
4. In-flight servicing should be improved, and the attitude toward Asians should be warmer and more accommodating, so that the Asians will not feel discriminated. Asian culture holds warm and accommodating service as a normal standard with its hospitality industry, thus, they are somehow looking for the same type of servicing from the South Africans.

MAIN COMPETING COUNTRIES FOR SOUTH AFRICA

Majority of the respondents named Australia as a competing destination to South Africa due to several similarities like: both destinations' location is in the Southern Hemisphere, making its weather very similar; and the attractions are similar particularly on animals. The big difference between these 2 destinations is their price, i.e., Australia is much cheaper than South Africa.

Secondary destinations named are South America and Europe. South America, like South Africa has jungles, animals, huge wide spaces and is located in the Southern Hemisphere. It is characterized as having a reverse of the world's general weather cycle, summer and winter are interchanged. Distances of travel to both these places from Hong Kong are also similar.

The most effective competitive activities done or are being done by each competitive country previously identified:

1. On Australia, the Australian Tourist Commission (ATC) has a huge representative office in Central Plaza Hong Kong, consisting of several divisions representing Australia's various coastal towns. Having a good manpower complement and marketing budget, the ATC is very active in the market. They not only promote to the travel agents but also

to the general public through news articles on new destinations, consumer exhibitions, roadshows and food promotions in shopping malls. More importantly, ATC advertises heavily, and disseminates “terrific” brochures.

2. As to South America, they have no tourist board, not even Consulates. They promote through their airlines. There was also an exhibition in which they participated in.
3. As to Europe, sightseeing and shopping are emphasized during their promotions which is conducted by the airlines and their tourist boards and tourism suppliers who go to Hong Kong for educational seminars to travel agents.

HOW BEST SOUTH AFRICA CAN COMPETE WITH THESE COUNTRIES

1. Set up a representative office in Hong Kong;
2. SATOUR should do television advertising, maybe on a general basis first; or if there is no budget to do so, then maybe link or tie up with National Geographic or Discovery Channel which have programs featuring South Africa’s natural attractions and animals. Maybe at the end or beginning of these television programs, a short advertisement could be flashed on screen to say, “If you are interested in South Africa, contact or Email” This probably might prove more cost effective.
3. They should have consumer promotions like food and wine promotion, maybe even song and dance promotion;
4. They should organize regular newsletters to agents in English and Chinese;
5. They should conduct small and frequent promotions, not one-offs. If there is a roadshow, there should be a follow up.
6. Likewise, the tourism suppliers in South Africa should come over to Hong Kong and promote their products and services.

South Africa’s Potential for Further Destination Development and Expansion as a Tourist Destination

All of the travel agents interviewed gave South Africa a high potential for further destination development and expansion as a tourist destination. The reasons for this as enumerated by the travel agent respondents are:

- Because not a lot of Hong Kong people have been to South Africa yet. And South Africa has a lot of attractions – game park, casino, etc. so it can definitely sell as a high grade tourist attraction.
- Another travel agent respondent said that South Africa is absolutely different from what we know in Hong Kong, South Africa had wide open spaces, animals, sky, less pollution versus a small crowded Hong Kong where you live, work, eat and play in high rise buildings. With the lifestyle and environment of the Hong Kong people, it makes South Africa a very attractive destination giving them a totally different experience. The Hong Kong people are very eager to travel overseas, try different food, do everything different. Every night of the year, there is a travel program on Chinese television and even sponsored by the local tour operators. This means the travel push is constant.
- Another respondent similarly commented that South Africa is a new market for the Hong Kong people. Because Hong Kong is a very man-made concrete building city, South Africa offers the exact opposite. The South Africa Consulate does a lot of things to promote South Africa recently like participation in the exhibition or newspaper and media. The tour price is affordable. If at all though, visitor security / safety, should be worked on resolved by South Africa.
- 1. On airline services, particularly on South African Airways, their sales staff should not close the door to travel agents interested to promote South Africa. SAA should not be have a few preferential agents enjoying good rates, but should open the doors to other travel agents. Although airfare rates given by South African Airways are similar to

Cathay Pacific, the former still has the advantage of having domestic flights within South Africa.

- Further, SAA should be coming up with more competitive pricing.
- And lastly, there should be more improved airline services. SAA should be maintaining the 4 direct flights weekly, if possible should increase the frequency of flights to at least daily.
- On the issue of shopping, it was recommended that shopping items should be more varied and should be done in more interesting shopping arcades and shopping malls and maybe make shopping in a big theme park. Just bringing the groups and guests to the hotel will be quite boring for them.
- On the issue of Motivation of time and money and awareness of the destination, it is suggested that if South Africa would not have much budget for promotion, maybe the South African Consulate in Hong Kong could be utilized for the moment. They could produce newsletters or assign a traveling salesman for the Asian market who could go out and interact constantly and regularly with the Hong Kong travel agents.
- Further, the help that the tourist office and airlines, including the South African tour operators are important. Their getting together to work promotions of South Africa is important. The South African suppliers normally showcase their products and services during a travel fair held in Durban sometime in May. They invite buyers from all over the world so business could be discussed.

FUTURE EXPANSION OF SOUTH AFRICA AS A TOURIST DESTINATION

If all the issues and constraints are taken care of and improved, the respondents projected expansion of South Africa as a tourist destination as follows:

- One respondent said 10% more on an average yearly for the next five years;
- The second one remarked that they could generate 100% to 200% of their existing production, on an annual basis for the next five years;
- The third one said that they could do some 30% increase per year;
- And the last travel agents said that they could increase their production by 100% annually.

Additional comments or suggestions to develop and expand the potential of South Africa as a destination in the Hong Kong market:

1. The South African Consulate in Hong Kong should do more to promote South Africa, not just hold exhibitions but to also try to help the travel agents and media, and also the general public to know more about South Africa.
2. One travel agent said that they will be having new South African itineraries to be introduced to the Hong Kong market in the future; also in August, they will be having their television show on Hong Kong television, where they will be featuring different countries.
3. Identification of which part of the African continent is being referred to in promotions. There is the Southern part compared to the middle part or Western part. It is in the southern part, in South Africa, where it is wine country, where the animals can be seen in the wild, where there is Table Mountain.
4. The key to promoting a destination is constant and frequent plugging away. Maybe, South Africa can utilize a person who has lived in South Africa for sometime to be doing the selling of the destinations.
5. The South Africa Consulate in Hong Kong could be utilized even if only to mail out newsletters.
6. Information update of what is happening in South Africa would be a way of creating awareness of the destination, even for simple information on the weather, location, new

hotels coming up, sightseeing, food items, and events to happen in the future. If there are any major events of interest, these should be promoted in advance.

7. South Africa is known for its good wines which are available in Park and Shop in Hong Kong. Maybe SATOUR can stick something on the wines, maybe a distinctive label to say "Come to South Africa, where this wine is manufactured". Or maybe even label the boxes where the wines are kept. This could be a very creative way of marketing South Africa.
8. Taxi advertising may also be recommended as one sees taxis all the time and they go everywhere. More so, the advertisements on the top of the taxis are eye level. Maybe SATOUR can put in clever little wordings or phrase on South Africa, which are to be written in both English and the Chinese language.

CONCLUSION

Hong Kong is considered to be a "mature" market in terms of outbound travel. It is said to have the highest density of passport-owning nationals all over the world. Hong Kong nationals are also known to own dual passports, one British while the other is their Hong Kong passport. The Hong Kong people are always on the go, whether their free time would be a mere weekend, a public holiday or an annual vacation leave. Moreover, Hong Kong is a melting pot of expatriates, who are known to also have high propensity to travel.

The Hong Kong respondents also has the highest number of visitors to South Africa compared to the other markets covered in this study. Of course, it should noted that Hong Kong has direct flights to South Africa, has no visa requirement, have an affluent population with a very adventurous nature and the nationals and expatriates are always on the lookout for new destinations to visit. This market too has rated South Africa with the most number of satisfactory and excellent marks as a tourist destination.

Therefore, it will be worthwhile to be giving high priority over this market if marketing efforts are to be directed. The most important concern should be intensive destination awareness, and countering the negative image of South Africa as an unsafe destination. If this is in place, it is foreseen that this market will hold the highest increased production of visitors to South Africa from all the countries covered.

KOREA INTERVIEW FINDINGS

RESPONDENTS' PROFILE AND SOCIO-DEMOGRAPHIC PROFILE OF CLIENTELE

Inasmuch as South Africa is considered to be a very young tourist destination being offered to the South Korean nationals, it is no wonder that the travel agent respondents interviewed were all specializing only on South Africa and / or in combination with other African destinations. One respondent is the General Sales Agent of a South African tour operator. Another is the "unofficial representative of Kilimanjaro and Tanzania Tourist Board", while the other one is a travel agent which is purely specializing in South Africa. In fact, they have set up their own office in South Africa and they operate exclusively their own tours organized from South Korea.

In South Korea, relatively new destinations like South Africa and/or Africa are handled by specialized travel agencies, and because of that these travel agents are understandably very young companies, with the oldest having been established in 1998 only. It is also understandable to expect that their volume of business is minimal if compared to the other markets covered in this study. Business volume is from 150 to 300 persons only per company. Their main client base for South Africa is the retiree and the student market, all belonging to the top 10 to 20% of their country's income bracket. The type of activities preferred by their markets are mostly on sightseeing tours.

RATING OF SOUTH AFRICA AS A TOURIST DESTINATION

1. Ease of obtaining a visa to visit the country

All the respondents gave this rating factor an excellent mark. Koreans are not required to have visas before visiting South Africa.

2. Convenience of airline services

Despite not having direct flights from Seoul to South Africa, the rating that the travel agent respondents gave on the convenience of airline services is satisfactory to excellent.

3. Hosting attitudes of immigration and customs staff

The majority of the respondents gave a satisfactory rating on the hosting attitudes of immigration and customs staff. However, one other respondent gave a very poor rating for this rating factor. He mentioned that airport service in South Africa is not good.

4. Standard of ground transfer services

Excellent was the rating given by the majority of the travel agent respondents, while one other travel agent rated ground transfer services in South Africa as satisfactory.

5. Standard of hotel facilities

Excellent was the unanimous rating given by all of the travel agent respondents on the standard hotel facilities that they are using in South Africa. Mostly, these agents use four to five star hotels. One agent even commented that the hotels in South Africa are even better than the hotels in Europe.

6. Standard of hotel hospitality services

Following after the rating of hotel facilities, the standard of hotel hospitality services in South Africa was similarly rated with a unanimous excellent by all the travel agent respondents.

7. Standard of tour programs offered in South Africa

The respondents gave a satisfactory to excellent rating for the standard of tour programs offered by South African tour operators.

8. Standard of tour guides

The travel agents rated South African tour guides as satisfactory to excellent. The driver guides who also act as tour guides have a good knowledge of tourist places. If necessary, the travel agents send a Korean-speaking tour leader with their groups, thus translation does not become a problem for them.

9. Hygiene practices at restaurants

The restaurants are rated from satisfactory to excellent by all the travel agent respondents.

10. Range and quality of souvenir shopping facilities

The respondents said that the range and quality of souvenir shopping facilities are rated satisfactory to excellent.

11. Information and interpretation of attractions

Majority except for one travel agent gave a satisfactory rating for information and interpretation of attractions. A lone travel agent gave a fair rating to South Africa's information and interpretation of attractions.

12. Visitor Facilities at major attractions

Majority of the respondents were satisfied with visitor facilities at major attractions.

13. En-route resting places on way to an attraction

Majority of the respondents rated this factor as fair. The resting places, which some said were not clean, were few and far between, especially as the trips took a long time.

14. Prices of souvenirs, food, and beverage

One respondent rated as excellent while two others rated the prices of souvenirs, food and beverage could be reduced a bit.

15. Visitor security and safety

Two of the respondents mentioned that visitor security and safety needs to be improved while one other travel agent gave an excellent rating.

16. Availability of pre-trip information

The answers of the respondents are very varied. One said that there they find it satisfactory, while another rated this fair, while the other said this rating factor needs to be improved.

17. Overall, how does South Africa compare to its main competing countries on the above factors?

South Africa rates highly as a tourist destination, in fact excellent, for one travel agent compared to its main competing countries on the above factors. First of all, there is no need to obtain a visa to go to South Africa, and hotels are of high standard and priced relatively reasonably, while good tour programs are available.

One travel agent said South Africa is evaluated fairly compared to its main competing countries while the other respondent gave South Africa a satisfactory rating.

MAIN CONSTRAINTS / ISSUES PREVENTING THE EXPANSION OF SOUTH AFRICA AS A TOURIST DESTINATION.

The following constraints and issues were enumerated by the travel agent respondents which are preventing the expansion of South Africa as a tourist destination:

1. Lack of information about South Africa;
2. Difficulty in obtaining confirmation on flight connections in Hong Kong and Bangkok; Flights to Hong Kong from Seoul are always fully booked;
3. South African Airways does not give seat allocations ;
4. There are no direct flights from Seoul to South Africa;
5. Visitor security and safety ranks first for one travel agent;
6. There are no brochures on South Africa which are translated into the Korean language;
7. There are no Korean speaking tour guides in South Africa and worse, there is no such thing as guide licensing in South Africa;
8. Misinformation about South Africa, like it is a very poor country;
9. Land arrangements are priced higher than other destinations sold by the agents;

SUGGESTED RESOLUTIONS TO CONSTRAINTS AND ISSUES PREVENTING THE EXPANSION OF SOUTH AFRICA AS A TOURIST DESTINATION:

To counter the concerns on lack of information about South Africa, visitor security and safety and misinformation about South Africa, it will be critical that South Africa should conduct a very active and positive promotion of South Africa as a tourist destination. Also, the establishment of a representative office of South Africa Tourism (SATOUR) in Seoul so that a good promotions program could be in place. It is recommended that there should be a lot of advertising and dissemination of information books on South African among the Koreans. TV and print media invitational to South Africa will result in good exposure and awareness of South Africa. Also, it is suggested that SATOUR should be sponsoring familiarization tours of South Africa on complimentary basis for select clients.

As to the confirmation on flight connections in Hong Kong and Bangkok, seat allocations in SAA, South African Airways (SAA) should consider launching direct flights from Seoul to South Africa. Should this not be possible, SAA should be giving better rates and bigger seat allocation for the Korean market. Further, SAA should cooperate with another carrier in coming up with lower rates and a big seat allocation on Seoul to Hong Kong and return routes. If these are in place, the Koreans can get more seats confirmed, and most importantly, enjoy less expensive airfares. As regards the problem of the full flights from Seoul to Hong Kong, it is suggested that the carriers covering that routing, can change the aircraft they are using to something bigger in order to accommodate a lot more passengers.

On the need for information materials, it is recommended that the Tourist Board print brochures on South Africa in the Korean language. Further, the tourist board can also look into institutionalizing the licensing of tour guides in order to ensure the standard of tour guides in South Africa.

On the relatively higher priced land arrangements, the travel suppliers in South Africa can sit down and consider lowering the prices of land arrangements for the Korean market.

ON PROMOTIONAL ACTIVITIES OF SOUTH AFRICA TOURISM AND SOUTH AFRICA AIRWAYS

ON SOUTH AFRICA TOURISM (SATOUR):

Majority of the travel agent respondents mentioned that they have not experienced any of South Africa Tourism (SATOUR)'s promotional activities in the Korean market in the last six months.

However, one other travel agent commented that he is quite familiar with SATOUR and had in fact, experienced their promotional activities in Korea. The agent said that this year, SATOUR did a roadshow in Pusan and Seoul. SATOUR also advertised in his booklet. Also, SATOUR had a CD promotion and helped organize a familiarization tour together with South African Airways.

SUGGESTED PROMOTIONAL EFFORTS OF SOUTH AFRICA TOURISM (SATOUR)

The responses were:

1. First there is a need to set up a representative office of SATOUR in Seoul, Korea as underscored by the travel agents. It was emphasized that this tourist office should be adequately funded with a good marketing budget.
2. One travel agent suggested maybe to even combine efforts or office space with other African destinations. There is now a Tanzanian Tourist Board representative office which the Korean travel agent has agreed to set up without any funding yet.
3. They recommended that SATOUR should be conducting educational seminars to travel agents for better product knowledge;
4. SATOUR should be sponsoring familiarization visits;
5. And they should be organizing participation to travel trade shows like KOTFA and OTF. During these trade shows, SATOUR should be distributing giveaways;
6. One travel agent suggested that there should be video advertising to be embarked by South Africa for Korean public viewing;
7. SATOUR should be printing brochures and booklets on South Africa in the Korean language;
8. SATOUR should be preparing special projects for certain targets, like upmarket groups

ON SOUTH AFRICAN AIRWAYS (SAA):

RATING OF SOUTH AFRICAN AIRWAYS (SAA) AS A DESTINATION COMPARED WITH COMPETING DESTINATION AIRLINES

1. Offering attractive tour basing fares

The majority of the respondents gave SAA a rating ranging from satisfactory to excellent in terms of offering attractive tour basing fares.

2. Providing convenient connections to main points in the country

The respondents had varied ratings for SAA's provision of convenient connections to main points in the country. One travel agent remarked that SAA should have more seats on their domestic routes, while the two other respondents rated SAA satisfactory to excellent for being able to provide convenient connections to main points in South Africa.

3. Actively promoting South Africa as a tourist destination

This rating factor scored from fair to satisfactory rating from the three respondents. One felt that SAA, Korea Office is undermanned, although the SAA staff try their very best to cope, but still, they do not have enough staff to go around and promote their services.

4. Cooperation with the local travel trade

Following is the range of ratings given by the three travel agent respondents: very poor, needs to be improved, and satisfactory rating. The very poor evaluation follows after the travel agent's remark on the SAA Korea Office being undermanned and as such, the airline is not able to promote much. Also, SAA does not see the possible need to make it easier for the Korean market to connect with their flights in Hong Kong or Bangkok.

5. Working in coordination with South Africa Tourism

This rating factor had extreme responses, from very poor, needs to be improved and one said excellent in terms of SAA's working relationship with South Africa Tourism.

6. Providing and maintaining required seat allocations

The respondents' evaluation ranged from satisfactory to excellent, meaning the agents do not have problems getting their seats from SAA. The only problem they have is obtaining seat confirmations on the Seoul to Hong Kong connection, which is always fully booked.

7. Providing in-flight value added services

One of the respondents' rating for SAA's in-flight services is satisfactory while the others said that SAA need to improve. One commented that the food SAA serves on board does not taste good. Also, their seat covers at the airplane look very old. Further, in-flight service should be improved. The airline crew are not very service-minded.

There were other comments given by two respondents. One said that the flight delays of SAA should be relayed properly and promptly by the airline to the passengers. The passengers are not given information on what to do, how long to wait, etc. Also, the service at the airport in South Africa is terrible as it is so difficult for passengers to claim their lost luggage.

SUGGESTED IMPROVEMENTS OF SOUTH AFRICAN AIRWAYS' WEAK POINTS:

1. South African Airways (SAA) must consider launching direct flights from Seoul to South Africa. It was mentioned that about 3 years ago, there were direct flights from Osaka to Johannesburg but due to the economic crisis, this service was cancelled.
2. SAA should work in coordination with South Africa Tourism (SATOUR), which should establish an office in Seoul. SAA and SATOUR should work hand-in-hand and have a working relationship similar to Cathay Pacific and the Hong Kong Tourist Board.
3. SAA should have more personnel promoting its services to the travel agents;
4. SAA should be upgrading their aircraft;
5. SAA should entertain block bookings as a future investment, then maybe consider launching charter flights from Seoul to South Africa;
6. Due to the problem of non-availability of seats in the Seoul to Hong Kong sector in order to connect to SAA for the Hong Kong to South Africa leg, it is suggested that SAA

consider talking with Korean Airlines for a joint fare , wherein Korean Airlines will be providing the Seoul to Hong Kong connection.

7. The idea of charter flights, direct from Seoul to South Africa, was also suggested for the future.

MAIN COMPETING COUNTRIES FOR SOUTH AFRICA

One travel agent named South America as a competing destination to South Africa on the basis that both countries are the last destinations which people will choose to travel to, only after all other more popularly known countries had been visited. Likewise, tour price is very similar.

Another travel agent named Kenya and Tanzania as competing destinations to South Africa, as both offer great safari tours. The other agent had named the following countries as competing destinations to South Africa: Kenya for the safaris; Morocco for the beautiful countryside; Madagascar for its big and beautiful islands, and Tanzania, Kilimanjaro for trekking and safari.

The most effective competitive activities done or are being done by each competitive country previously identified:

1. On South America, they have the advantage of having direct flights from Seoul to Lima via Korean Airlines and Varig Airways;
2. As regards Morocco, it is Gulf Air which promotes the destination in Korea;
3. For Madagascar, it is the tour operator who is promoting the place to Koreans;
4. As for Kenya and Tanzania, they conduct seminars to travel agents once a year; Also they sponsor several familiarization tours to media people; It was also expressed that since Kenya and Tanzania have more feel of being the real Africa than South Africa as the latter is very Western.

For South Africa to compete, it has to have attractive pricing. There is a desire to go to South Africa but it is a question on when they would be able to go.

HOW BEST SOUTH AFRICA CAN COMPETE WITH THESE COUNTRIES:

1. SATOUR should be sponsoring more familiarization tours.;
2. South Africa should have more attractive pricing as a tourist destination

South Africa's Potential for Further Destination Development and Expansion as a Tourist Destination:

All of the travel agent respondents said that the potential of South Africa for further development and expansion as a tourist destination is high, mainly due to the increased interest in South Africa. Koreans have been to Hong Kong, Europe and the United States. Since South Africa has never been visited before, it stands a better chance of being chosen as a vacation destination. Especially so now that the Korean economy is getting better, this interest for relatively expensive and unexplored destinations like South Africa could be raised very high.

Another travel agent said that South Africa is almost the same as Africa with the same tour price, except that there are more things to see in South Africa.

FUTURE EXPANSION OF SOUTH AFRICA AS A TOURIST DESTINATION:

If all the issues and constraints are taken care of and improved, the respondents projected expansion of South Africa as a tourist destination as follows:

- One respondent said that he will average a 100% increase yearly on his production for South Africa;
- Another travel agent projected that he could increase production by 500% more, but that this shall start only on the 2nd year, not immediately;
- The third respondent said that his minimum increase in production is a minimum of 100% yearly but this will only start after 2 years.

Additional comments or suggestions to develop and expand the potential of South Africa as a destination in the Hong Kong market:

1. One travel agent reiterated the need for SATOUR and SAA to work together and promote South Africa in Seoul. More importantly, they should both have enough marketing budget in order to pursue an intensified promotion of South Africa.
2. Another agent stressed the need to do something about the visitor safety and security.

CONCLUSION:

South Korea seems to be the most different market of all. Because of the contiguous nature of its travel industry, marketing efforts could be concentrated only on a few travel agents which specialize in South Africa and other African destinations. An initial investment in this market will have to include destination brochures in the Korean language and the training of Korean-speaking tour guides.

Whereas other markets are focused on the retiree market, the travel agent respondents from South Korea seem to be projecting South Africa as a place where the young crowd like students can venture and explore. In fact, all of the travel agent respondents named the student market as their market for South Africa.

Making an impact in South Korea will require identifying and understanding the most likely market segments, and a very focused and targeted approach to specialized travel agents only. The research suggests that a particularly effective way to obtain visitation from South Korea may be to focus on niche markets – for example, students or adventure travelers.

Further, although the logistical support of direct flights from Seoul to South Africa will be ideal, a joint fare using two airlines, one from Seoul to Hong Kong (return) and the other, from Hong Kong to South Africa (return) could be a good alternative to improving traffic from this destination. South Koreans do not seem to be very particular about having to connect to another destination before flying to their final destination.

It is believed that despite its existing relatively minimal volume of business for South Africa and the number of constraints enumerated in developing further South Africa as a tourist destination, this market is the most enthusiastic among all others to respond to whatever new initiatives that South Africa will be doing to improve the attractiveness of their destination in their market.

SINGAPORE INTERVIEW FINDINGS

MARKET SURVEY ON SOUTH AFRICA

RESPONDENTS' PROFILE AND SOCIO-DEMOGRAPHIC PROFILE OF CLIENTELE

The respondents from Singapore belong to a tour consortium that was formed as a result of the joint efforts of Singapore Airlines and a South African tour operator. All three (3) respondents have been in the travel business for a minimum of 20 years to a maximum of 37 years. Two of the respondents not only have a wide domestic network but also maintain overseas offices as far as London and Vancouver. Another respondent specializes in "off-the-beaten" track destinations like Siberia, Iceland, Outer Mongolia, etc., which are not normally visited by a sizeable number of tourists. The types of tour packages sold are quite varied, from very specialized tours like golf and the meetings, incentive travel market, to the regular sightseeing tours which appeal more to the mass traveling market. Two of the respondents cater to the top 10% to 20% of Singapore's income bracket, while another one is open to all levels of society from the lowest income bracket to the highest. Outbound passenger volume in Year 2000 was approximately 15,000 to as high as a million or so passengers. The clients who usually buy South Africa are generally the retired and semi-retired market, but one of the travel agents added that young single professionals have now taken interest to travel to South Africa.

RATING OF SOUTH AFRICA AS A TOURIST DESTINATION

1. Ease of obtaining a visa to visit the country

The unanimous rating of all the respondents is Excellent. There are no visa requirements for Singaporeans traveling to South Africa for tourism purposes.

2. Convenience of airline services

Singapore Airlines flies 6 flights a week direct from Singapore to South Africa. Despite this, all of the travel agents interviewed remarked that the flights are not enough as they are almost always fully booked.

3. Hosting attitudes of immigration and customs staff

One respondent said that the Immigration and Customs staff are not too friendly and not as friendly or accommodating as the Immigration and Customs staff of Asian countries. Hosting attitudes need to be improved.

4. Standard of ground transfer services

Ground transfer services rated from satisfactory to excellent. One respondent mentioned that ground transfer services in South Africa had greatly improved from before.

5. Standard of hotel facilities

All of the respondents use only 4 and 5 star hotels for their South African programs. Their rating for hotel facilities range from satisfactory to excellent.

6. Standard of hotel hospitality services

The response to this rating factor is the same as that of Item 5. One notable comment is that Sun City, particularly Palace Hotel, can be very arrogant. And the staff want tips. To ensure very good service, it is best for clients to tip them well, according to one travel agent. Further, it was mentioned by one of the respondents that there are forthcoming properties to rival existing ones and this they say, is welcome development for them encourage better service from everyone in the hotels in South Africa.

7. Standard of tour programs offered in South Africa

The responses here vary from unsatisfactory to excellent. One respondent who has been selling South Africa for some 20 years in Singapore noted that the tour program offered by South Africa tour operators have not changed for about six years. One interviewee mentioned that South Africa tour operators can do more as everybody is doing the same program. Particularly in Johannesburg and Capetown, tour operators can offer more and be more creative. Only one respondent rated tour programs offered by their South Africa operators as very comprehensive.

8. Standard of tour guides

The majority of interviewees rated the standard of South Africa driver guides as satisfactory to very satisfactory. If the group size is 15 persons and up, a tour leader escorts the group. One respondent said that the standard of driver guides can be improved and can provide better commentaries. It was noted that one interviewee rated the driver guides in Johannesburg as slightly better, providing good commentaries.

9. Hygiene practices at restaurants

Unanimous rating of satisfactory to very satisfactory.

10. Range and quality of souvenir shopping facilities

A respondent said that there is not much range of souvenir shopping facilities, as one sees the same things all the time. Another said South Africa should do more souvenir products consisting local ware and more traditional items. The other respondent finds shopping facilities excellent.

11. Information and interpretation of attractions

Majority rated this satisfactory to excellent. One respondent said that this needs to be improved.

12. Visitor Facilities at major attractions

Majority of the respondents were satisfied and find visitor facilities as excellent. One respondent however commented that there are hardly any facilities and therefore gave an unsatisfactory rating.

13. En-route resting places on way to an attraction

Majority of the respondents rated this factor as satisfactory while one respondent said that resting places are not very convenient and there are not too many stops to choose from.

14. Prices of souvenirs, food, and beverage

Prices of souvenirs, food and beverage are considered very reasonably priced. However, one respondent said the prices are a little bit on the high side.

15. Visitor security and safety

All respondents expressed concern about visitor security and safety. One interviewee gave it the lowest rating as this is a big worry. The other respondents however despite the negative image of South Africa on security and safety, take it upon themselves to just advise, warn and brief their clients on precautionary measures to take when they are in South Africa.

16. Availability of pre-trip information

All of the respondents research pre-trip information by themselves through the internet, their affiliate South African tour operators, or through newspapers. The absence of a tourism office in Singapore makes it difficult for them to get tourism-related information. This rating factor scored poorly.

17. Overall, how does South Africa compare to its main competing countries on the above factors?

The responses were varied. One travel agent rated South Africa excellent due to their very satisfied customers. Another interviewee rated South Africa as satisfactory except only for the negative image of this country as an unsafe destination. One other respondent noted the non-aggressiveness of South Africa versus its identified competing countries, whose tourist boards constantly visit Singapore to update and educate them on their destinations. This respondent underscored the importance of having at least a contact office not necessarily in Singapore, but in other nearby Asian countries that they could easily contact by phone for immediate information.

MAIN CONSTRAINTS / ISSUES PREVENTING THE EXPANSION OF SOUTH AFRICA AS A TOURIST DESTINATION.

All respondents commented on airline services and connections. There are 6 direct flights from Singapore to Johannesburg, as operated by Singapore Airlines. But almost always, these flights are fully booked. There may be other airlines operating flights to South Africa like South Africa Airways, Cathay Pacific or Malaysian Airlines, but that these are not direct flights from Singapore. If they will be using the non-direct flight services of these latter airlines, the tour costs will increase due to the airfare cost of the air connection from Singapore to the city where the flights will be originating.

A related airline problem is a stiffer policy on seat confirmation, allowing minimum lead time for travel agents to confirm their requested seat allocation. Further, they are being made to guarantee by letter their reserved number of seats, which if unused will still have to be paid for. The respondent is disadvantaged by this policy, thus, taking the stance of cooling off a bit in promoting South Africa till the policy reverts to paying only for the seats they used up. Likewise, the pricing policy of the airline needs to be reviewed. Singapore Airlines started with a very attractive promotional fare during the low load factor periods and later withdrawn to be increased when sales already picks up.

There is a dearth of information on South Africa as a tourist destination, and an obvious need to intensively promote the place. Further the negative news about visitor security and safety do not help travel agents further promote the destination, especially so that Singaporeans are very sensitive to bad reports. One respondent explains the risk factor involved in promoting a destination such as South Africa.

Another interviewee mentioned about the non-creativity of tour programs offered by South African tour operators, offering the same programs for so many years. Also, the still relatively depressed economy in Asia poses a constraint, especially so that South Africa is considered to be an expensive destination.

SUGGESTED RESOLUTIONS TO CONSTRAINTS AND ISSUES PREVENTING THE EXPANSION OF SOUTH AFRICA AS A TOURIST DESTINATION:

1. On airline services, it was suggested that there should be more direct flights launched from Singapore to South Africa, whether it be Singapore Airlines or any other airline. One suggested that South African Airways can re-launch direct flights from Singapore.

Further, the pricing and seat confirmation policy should be made more encouraging for travel agents, whereby they pay only for the seats that they used up.

2. To create a lot of awareness of South Africa, there is a need to set up a South Africa tourism office in Singapore. One respondent commented that if they would find it expensive to operate an office in Singapore, it will be alright to set up an office in a nearby Asian destination, which will be more convenient for the travel agents to just call and immediately get information from. This tourism office is expected to fully promote South Africa. If the tourism office will just be active in creating awareness of South Africa, then more and more travel agents will be marketing the destination, and will thus create a sense of assurance among consumers that South Africa is a safe destination to visit.
3. Likewise, the broadcast media, i.e., television should be utilized fully to maximize the exposure of South Africa as a worthwhile tourist destination to visit.
4. As to visitor security and safety, travel agents by themselves could advise their passengers that they will just need to follow what their tour escorts or tour guides tell them in order that they do not subject themselves the high risk of being robbed by the locals.

ON PROMOTIONAL ACTIVITIES OF SOUTH AFRICA TOURISM AND SOUTH AFRICA AIRWAYS

ON SOUTH AFRICA TOURISM :

The majority of the respondents have never heard about South Africa Tourism. If at all, from the government end, they get information on the destination only from the High Commission of South Africa in Singapore. Their main source of information on South Africa as a tourist destination comes from the tour operators from South Africa who are operating the tour programs which they sell to the Singaporean consumers.

One travel agent however, mentioned that last year, South Africa Tourism went to Singapore and said that they will subsidize 50% travel agents' advertisements through advertising in Singapore. So they are waiting and keeping their fingers crossed for the materialization of this promise. Even if subsidy is reduced to only 25%, the agent is looking forward to some form of advertising subsidy from South Africa Tourism.

This same respondent mentioned that about one to two years ago, South Africa Tourism had a promotion in Sentosa Island, for about 2 days on a weekend. They brought their own tribal team dance troupes and set up booths to distribute South Africa tourism brochures, and even brought local handicraft to sell.

SUGGESTED PROMOTIONAL EFFORTS OF SOUTH AFRICA TOURISM (SATOUR):

The responses are:

1. Do television advertising, which might be expensive but is a very effective way of promoting the destination;
2. Participate in major tourism fairs in Singapore and give away something of good value in gift packs;
3. Place print advertisements, even if they may be joint advertisements with Singaporean travel agents on mono-South Africa tour packages;

4. Consumer promotions in shopping malls with cultural dances;
5. Organize food festivals;
6. Organize familiarization trips – It was mentioned that in the past, the respondents had to pay airline fares in the past, but the ground handler from South Africa hosts their land arrangements

ON SOUTH AFRICAN AIRWAYS:

Rating of South African Airways (SAA) compared with competing destination airlines:

1. Offering attractive tour basing fares – South African Airways (SAA) rated poorly here. Only Singapore Airlines flies to South Africa direct at a frequency of six (6) flights a week, although these flights are said to be mostly fully booked. SAA can be accessed through Bangkok, meaning there will be additional airfare to be paid for the Singapore to Bangkok to Singapore route in order to connect with South African Airways. This poses an inconvenience for passengers coming from Singapore, as they still have to transit in Bangkok before connecting to South African Airways for their flight to South Africa.

Further, SAA does not even have any net fares for the agents and is not very cooperative in giving more competitive rates, especially if the travel agent will only use the domestic flights within South Africa and will not use the international leg (Bangkok / South Africa / Bangkok). SAA would prefer that the travel agent use their airline for both the international leg and the domestic leg.

Further, the respondents feel that South Africa Airways does not need the Singapore market as their Bangkok-originating flights are also always full, mainly of South Africans.

2. Providing convenient connections to main points in the country

South Africa Airways, being the only airline which provides domestic air services within South Africa compared to the other destination carriers, scored excellent in this rating factor.

Singapore Airlines does not operate domestic flights within South Africa.

3. Actively promoting South Africa as a destination

The respondents gave a poor rating on SAA's promotion of South Africa as a tourist destination in Singapore. Having no direct flights from Singapore to South Africa, the Singaporean market does not seem to be a priority market for the airline. One of the respondents commented that if Singapore Airlines can operate 6 direct flights weekly from Singapore to South Africa which is almost always fully booked at times even overbooked, they wonder why cannot the national carrier of South Africa operate direct flights from Singapore.

4. Cooperation with the local travel trade

South Africa Airways is rated poorly by the travel agents because they are very inactive in Singapore. Furthermore, they give Singaporean travel agents less competitive fares if they are only booking only the domestic sector and not booking for the international leg as well.

Only Singapore Airlines is the active airline cooperating with the local travel trade. Singapore Airlines invited 7 travel agents on a familiarization trip to South Africa while Gateway Africa, a South African tour operator, hosted these agents for the land arrangement. A tour consortium had been formed thereafter with the objective of producing FIT and group business to South Africa.

For a minimum of 2 passengers, the package tour will run. If there is a minimum of 15 paying passengers, the consortium can provide a tour leader, add more meals at no

extra cost. The consortium only paid for S\$ 800 for advertisement of the consortium package. The consortium package is working and producing business for South Africa, but the members of this consortium additionally produced their individual programs on South Africa which they also sell and promote to their clients.

5. Working in coordination with South Africa Tourism

Similarly, South African Airways was rated poorly regarding any cooperative work with South Africa Tourism.

6. Providing and maintaining required seat allocations

Seat allocations in SAA is insignificant because most of the travel agent respondents are using South African Airways only for the domestic leg, i.e., within South Africa, and not for the international leg.

7. Providing in-flight value added services

The respondents' rating is satisfactory, referring only to the domestic flights within South Africa of SAA

SUGGESTED IMPROVEMENTS ON SOUTH AFRICAN AIRWAYS' WEAK POINTS:

1. One respondent mentioned that South African Airways does not even have net fares ex-Bangkok. It was suggested that SAA should work with another carrier to have a joint fare, with this carrier handling the Singapore-Bangkok-Singapore, while SAA handles the Bangkok to South Africa and return sector. At the moment, the Singaporean travel agents will have to source the Singapore to Bangkok leg and return flight on their own. The joint fare might make SAA give more competitive fares. And with this joint fare, private sector will be more receptive to using SAA.
2. Another recommendation is for South African Airways to re-launch their "once-upon-a-time" direct flights from Singapore to South Africa. To reiterate an earlier remark made by one respondent, if Singapore Airlines can mount 6 direct flights weekly from Singapore to South Africa, why can't South Africa's national carrier do the same?
3. If direct flights are mounted by SAA from Singapore, then seat allocations can now be assigned to the travel agents, solving the concern on non-availability of seats;
4. SAA can start a consortium of some 7 to 8 very active travel agents, similar to what was done by Singapore Airlines;
5. Thereafter, a minimum of 4 to 5 night tour packages on South Africa be worked out for selling to consumers;
6. SAA should start to advertise, particularly when a joint fare had been worked out incorporating the Singapore to Bangkok and return flights with that of the Bangkok to South Africa and return route.
7. SAA should work more closely with South Africa Tourism on the joint promotion of South Africa as a tourist destination in Singapore.

MAIN COMPETING COUNTRIES FOR SOUTH AFRICA

Australia garnered the highest score in terms of similarity of attractions, good scenery, natural attractions. But one respondent said that if one really looks closely, Australia is no match to what South Africa can offer. Both Australia and South Africa also have a lot of

similarities in seasons and weather patterns, both being located in the Southern Hemisphere.

However, the tour prices of the both destinations are very different, with Australia carrying a much cheaper price.

Other destinations considered competing with South Africa are Europe and the Mediterranean countries, like Greece, Turkey and Egypt, the latter of which are normally grouped together with South Africa in one of the respondent's brochures.

The most effective competitive activities done or are being done by each competitive country previously identified:

Australia:

1. The Australian Tourist Commission (ATC) is represented in Singapore and is rated to be a very aggressive and a very active tourist board. Despite the fact that Singaporeans have been to Australia, the ATC wants to continue to push repeat travel to Australia. The ATC started off by sending agents on familiarization trips. They also place print and broadcast media advertisements. ATC participates in trade fairs and does consumer promotions to showcase what is available in Australia and allows consumers to have a feel of their products.
2. Europe – does not need to promote so much as it is an established destination; As it is composed of several countries, it depends on which tourist board would wish to promote. One respondent complimented the Spanish Tourist Board for its aggressiveness of the Singapore representative office of the tourist board. They go and knock on travel agent doors and promotes the destination.

As for another respondent, Europe is promoted through to the good promotional fares that 3. come out for routings from Singapore to London and other key European cities.

3. As to the Mediterranean countries, television advertising is quite heavy, especially during prime time. Likewise, the tour operators from these countries sends emails to Singaporean travel agents and makes an effort to reach out and communicate with them.

SOUTH AFRICA'S POTENTIAL FOR FURTHER DESTINATION DEVELOPMENT AND EXPANSION AS A TOURIST DESTINATION

According to majority of the respondents, South Africa's potential for further expansion in the Singaporean market is high especially if there will be very intensive promotion and if the US\$ will remain stable versus the Asian currencies. Since tour prices are normally quoted in US dollars, if its value appreciates, the purchasing power of the Singaporean dollar will be reduced.

The reason for this high potential for further destination development is because South Africa will be the most likely next choice for a destination by a lot of Singaporeans who have gone to many, many other countries. They love to travel, to enjoy and they would not go to the same more popular places again.

One respondent however indicated that South Africa's potential to further develop and expand as a tourist destination is only medium due to the following reasons: Prices get higher and higher, thus making the destination not attractive. If so, it will not be ideal for a family getaway, especially during summer holiday. When a family goes to South Africa, the total tour cost will be very expensive.

FUTURE EXPANSION OF SOUTH AFRICA AS A TOURIST DESTINATION

If all the issues and constraints are taken care of and improved, the respondents projected some 10% to 100% increased on their Year 2000 production. One respondent pegged a growth of 25% for the first year, although they foresee it will take time to gain momentum and maybe produce a 100% increase on their existing production. They foresee an average of 30% increase on a yearly basis. Another respondent foresees a growth per year from a conservative 10% increase to a maximum of 30% increase yearly. Another respondent pegged their yearly increase from 10% to 20%.

ADDITIONAL COMMENTS OR SUGGESTIONS TO DEVELOP AND EXPAND THE POTENTIAL OF SOUTH AFRICA AS A DESTINATION IN THE SINGAPOREAN MARKET:

1. Do homestay programs to enable Singaporeans to experience South African's way of life. One respondent expressed that nowadays, they do not anymore sell holidays, they sell an experience, and for them, homestay will definitely fulfill this objective for their clients.
2. South Africa should be developed to cater to different markets. Since South Africa already has the retirees market, maybe the place should be projected to reflect changing images to cater to the young people, who are usually "monied" nowadays; or maybe, have ecotourism projects like Cambodia; or probably, turn it into a honeymoon destination, or maybe work out a student exchange program.
3. There should be more competitive rates from tour operators in South Africa.
4. The Tourist Board should be very aggressive.

OTHER COMMENTS:

Feedback received by one respondent is as follows

"... at the end of the day is South Africa is excellent. None of the feedback that come in say that this is a place not worth going to or this is a violent country. When the clients get to South Africa, they see nothing of the negative things that they hear and read about while in Singapore. All the areas you visit, the tourist attractions, the shopping centers, the restaurants that you visit, they are all 100% safe. Nobody will bother you. There are no pickpockets. That's why I can tell you once you are there, you realize it's so much safe. They say the people are so much friendly.

The biggest fear of a lot of travel agents is always think that Africa is a lot of black people. I think Africa, when you touch down, you still see animals / elephants running around. You'll be surprised how developed they are. Because they've been closed to the outside world for so many years and when they opened again for the tourists, you know, the infrastructure that they have got for the country, the highways, if they've not been closed for 20 years, I think they're far more advanced than Singapore because they're a very rich country. I think they're one of the richest.

Just look at the values of their currency – the rand. In the earlier times, maybe 20 to 25 years ago, Rand 1 = S\$ 1.00 or even more but now Rand 1 = S\$ 0.25. or for S\$ 1.00 = Rand 3.3. Good bargain but unfortunately, the cost, because of inflation, every year, they put on a minimum of 10% to 15%. So you see that it is saving for us, but actually, it's more we're paying more and more Rand every year. So this is the problem, So Africa in a way, can be quite expensive especially transportation, the food are very cheap. Compared to Asia, the hotel rates are more expensive. All these new developments, 6 star hotels are coming up with a theme park. They're becoming less attractive. Maybe 8 years ago, yes, when you see Sun City, you'll be astounded, but now, there are more Sun Cities coming up. . . . "

Another travel agent commented as follows:

“ . . . What they (clients) like is wildlife, the big five, this is something different. Versus seeing the leopard, lion, rhino in Singapore, seeing them in an open jeep in South Africa is different. The feeling is different and a lot of people want to go to experience this feeling. But one thing people are worried in going to South Africa, it is the safety. Recently, I just read last Sunday that it is not safe to travel to Johannesburg, so this scares the passengers away. So sometimes, the passengers ask them if they can guarantee their safety. We, as travel agents, cannot guarantee them, We then went there ourselves. It might appear scary with all the black people in the streets. You just have to lock your doors, you don't go out or your car, you'll be fine!

I think South Africa is coming up in Singapore. We can foresee it will, as long as the economy picks up. Because a lot of Singaporeans have been to Australia, New Zealand, so most probably, they would not want to go back. It's very encouraging for South Africa. . . . ”

CONCLUSION:

Singapore is one market, if tapped immediately, may take a short time to produce good production for South Africa. The reasons are: it is one of the more affluent markets in Asia; Singaporeans are fairly well traveled; Singaporeans have a high propensity to continue embarking on overseas trips, at least once yearly; and Singaporeans are always on the lookout for new destinations to explore.

Moreover, the Singaporean travel agents who are presently promoting South Africa are quite optimistic about the potential of increasing their production for the destination.

If South Africa were to fast track its tourism promotion efforts in Singapore, the most critical thing that has to be addressed will be the increase in frequency of direct flights operated by Singapore Airlines and most certainly welcome will be the re-launch by South African Airways of direct flights from Singapore.

It is felt that even with just these additional flights, Singaporean travel agents will manage to work toward promoting the destination on its own. Although it will be ideal to have South Africa Tourism set up a representative office in Singapore, should that not be possible, at least more promotional brochures, a website and an open e-mail line will go a long way in assisting travel agents to promote South Africa.

TAIWAN INTERVIEW FINDINGS

MARKET SURVEY ON SOUTH AFRICA

RESPONDENTS' PROFILE AND SOCIO-DEMOGRAPHIC PROFILE OF CLIENTELE

The travel agents interviewed in Taiwan belong to a "pact" or tour consortium that was formed as a result of the efforts of a South African tour operator based in Taiwan. This tour consortium uses South African Airways (SAA) as its airline for the international sector, i.e., Hong Kong to South Africa return. Two (2) travel agencies have been in the travel business for about 40 years already while the other one had been in existence in Taiwan for the last 10 years. Outbound business volume range from 40,000 to 60,000 passengers yearly. The number of employees range from 230 to 700 employees. The lowest income bracket being catered to by these agents is middle range and their client base consist a wide range of market segments. During summer (July, August), married couple with children or families travel. The rest of the year is a combination of students, young single professionals and retirees. Generally, the retiree market or semi-retired market, with some young single professionals are their market for South Africa.

RATING OF SOUTH AFRICA AS A TOURIST DESTINATION:

1. Ease of obtaining a visa to visit the country

Before, there was no need to obtain a visa to visit South Africa for the Taiwanese people. But when the diplomatic relations between South Africa and Taiwan soured, visas were required before the Taiwanese can visit South Africa. However, these visas are free and can be obtained easily from the South African Embassy in Taiwan.

Two of the travel agent respondents gave an Excellent mark for the ease of obtaining a visit to South Africa for their passengers. Only one of the travel agents cited that it used to be so easy in the past as there was really no requirement for a visa to South Africa, but now, even if the visa is free, you still have to get forms filled out and time to have the visa processed.

2. Convenience of airline services

South African Airways used to fly direct from Taiwan to South Africa, but nowadays, the Taiwanese will have to still go to Hong Kong or Singapore to make the connections to go to South Africa. One travel agent said that it is not that convenient for their passengers to still transit in Hong Kong before they can get a flight to South Africa. The waiting time and inconvenience posed on the passengers for this transit procedure definitely needs to be improved on the side of the airlines.

Due to good relations with South African Airways, two (2) of the other respondents gave them an excellent rating for the convenience of their airline services.

3. Hosting attitudes of immigration and customs staff

There were varied answers, i.e., one said that the hosting attitude of immigration and customs staff needs to be improved, while another one gave a satisfactory rating and the last one evaluated this rating factor as excellent.

4. Standard of ground transfer services

Two travel agent respondents commented that ground transfer services in South Africa, particularly the buses, need to be improved, while the other travel agent's assessment of the services is excellent.

5. Standard of hotel facilities

The hotel categories used by Taiwanese travel agents interviewed are 4 and 5 star hotels. Their ratings of hotel facilities are all satisfactory.

6. Standard of hotel hospitality services

Two respondents said that hotel hospitality services scored a satisfactory rating for them, while the other travel agent said this needed to be improved.

7. Standard of tour programs offered in South Africa

Again, two of the respondents were very satisfied with the standard of tour programs offered to them by South African tour operators. Further, they complimented their South African tour operator for their flexibility.

However, one other travel agent assessed the tour programs as fair and need to be improved. Further, due to the safety factor consideration in South Africa, the Taiwanese travel agents could only be limited to one or two tour programs for easier control and monitoring of visitors.

8. Standard of tour guides

All of the respondents send a tour leader with their groups, thus tour guides are not a problem for them.

9. Hygiene practices at restaurants

The restaurants are satisfactorily rated by all the travel agent respondents.

10. Range and quality of souvenir shopping facilities

Two of the respondents said that the range and quality of souvenir shopping facilities are not so good, including the items that are being sold. Thus, this factor needs to be improved. There was one travel agent however that rated range and quality of souvenir shopping facilities as good.

11. Information and interpretation of attractions

Majority except for one travel agent gave a satisfactory rating for information and interpretation of attractions. A lone travel agent gave a fair rating to South Africa's information and interpretation of attractions.

12. Visitor Facilities at major attractions

Majority of the respondents were satisfied with visitor facilities although one other mentioned that visitor facilities need to be improved further.

13. En-route resting places on way to an attraction

Majority of the respondents rated this factor as something that needs to be improved, while one other assessed the resting places as clean, giving it a satisfactory rating.

14. Prices of souvenirs, food, and beverage

One respondent rated as very poor the prices of souvenirs. Also, food prices need to be improved while beverage prices scored excellent. Another travel agent rated the prices of all three items as needing improvement.

15. Visitor security and safety

Two of the respondents rated this fair while another rated visitor security and safety very poorly.

16. Availability of pre-trip information

Two of the respondents said that there should be more information given regarding South Africa. One other travel agent gave a very poor rating on the availability of pre-trip information on South Africa. They have to rely on very few magazines.

Also, since there is no assistance of promotion from the tourist board, the travel agent does advertising in the newspapers for all its tour package offerings. They also arrange familiarization trips for their own staff. South African Airways contribute together with the South Africa tour operator. However, there is still was a minimal payment of US\$ 800 per person.

17. Overall, how does South Africa compare to its main competing countries on the above factors?

South Africa still has a lot to improve on so it can compete well with other destinations. One other respondent however gave it a very poor rating in terms of competing with other countries for tourism movement.

MAIN CONSTRAINTS / ISSUES PREVENTING THE EXPANSION OF SOUTH AFRICA AS A TOURIST DESTINATION:

One travel agent said that the price of airfare and tour costs are high, considered a major deterrent in selling South Africa to a lot more travelers. Security in hotels is a second concern. Bus services need improvement. And last concern is that Taipei has no direct control of airline seats from South African Airways.

It was relayed that some 8 to 9 years back, South African Airways (SAA) had direct flights from Taipei to South Africa, but because of the political situation in South Africa, the diplomatic relations between Taiwan and South Africa did not prosper, affecting tourism movement from Taiwan to South Africa.

Presently, the Taipei office of SAA has no control over the seats that will be originating from Hong Kong. So, it will be difficult to promote, because when you have the groups, then you do not get the seats, but when you have the seats, you do not have the groups. And this will pose problems for the travel agents in selling the seats of SAA from Taiwan. Further, there are no promotional materials on South Africa, nor any representative office in Taipei.

Another travel agent enumerated the following deterrents namely: destination awareness (South Africa's image is only for safaris, nothing more to do); expensive air ticket ; the unsafe image of South Africa ; no variety in tour programs offered by the South African tour operator (it has been the same itineraries offered for the last 10 years, no change whatsoever) ; no regular publicity on the destination; tedious and complicated procedure in obtaining the refund tax in South Africa airport, for services and products bought while in South Africa; stiff hotel deposits.

The third respondent listed the following issues and constraints: no direct flights from Taipei to South Africa; the difficulty in getting a seat confirmation on SAA's flights originating in Hong Kong; no presence of South Africa Tourism in Taipei; and the obvious lack of promotions budget for South Africa in Taiwan.

SUGGESTED RESOLUTIONS TO CONSTRAINTS AND ISSUES PREVENTING THE EXPANSION OF SOUTH AFRICA AS A TOURIST DESTINATION:

1. Airfare prices will go down significantly if there will be direct flights from Taiwan to South Africa. If not, to make the airline services more convenient, there should be daily flights from Hong Kong to South Africa. Control of the seats should be done directly from Taipei.
2. Also, there should be a tourist board representative office in Taipei for South Africa. South African Airways and South Africa Tourism should be working hand in hand to promote South Africa, and ideally conduct cooperative projects with the local travel trade. The tourist board should be E-mailing or sending information to each travel agent to make tour packages incorporating special events and festivals due in South Africa.
3. It is recommended that South Africa should be printing brochures and books to give information about the country.
4. There should also be advertising and publicity in the newspapers and magazines.
5. For visitor safety and security, as the Taiwan travel agents know exactly about the situation in South Africa, they choose the safe places for their passengers, so that there will be no untoward incidents that will happen. So if the places and the hotels are known not be safe, they do not bring groups there.
6. The stiff policy of hotel deposits one month prior guest arrival should be reviewed. In Taiwan, the trend is that passengers normally book for their trips anywhere from 10 days to 2 weeks in advance only. Thus, the one month deposit will be stiff to come across even on the basis of only advance payment on the part of the travel agent, especially so that the travel agent uses expensive 4 and 5 star hotels.
7. There should be new itineraries and variety of tours offered. One travel agent suggested that South Africa should be expanding to be combined with other African destinations like Zimbabwe or Namibia or Tanzania. Or maybe do golf tour packages. And maybe use smaller and more elegant hotels. But unfortunately, there is no information that they could get.
8. As regards the refund tax at the airport before departure back to Taiwan, it is recommended that the processing time be shortened and made much simpler.

ON PROMOTIONAL ACTIVITIES OF SOUTH AFRICA TOURISM AND SOUTH AFRICA AIRWAYS

ON SOUTH AFRICA TOURISM (SATOUR) :

Majority of the travel agent respondents mentioned that they have never heard of South Africa Tourism (SATOUR). And they have all underscored the need to have this office in Taiwan as stipulated earlier.

They recommended that SATOUR should be having more direct contact with the travel agents rather than just the South African tour operator. There should be more familiarization trips, advertising and all other projects usually undertaken by a tourist board.

Another travel agent believes that SATOUR should be printing and disseminating brochures on South Africa and advertising in the newspapers. No matter how expensive, advertising is a most effective medium to use in Taiwan. There should also be more joint promotions efforts with Taiwan tour operators, particularly on advertisements and sales presentations. Other suggested projects to embark on will be educational seminars for travel agents.

The last respondent recommended that there should be a lot of media promotion so that there will be increased publicity for South Africa, thus creating a lot of awareness among the general traveling public.

SUGGESTED PROMOTIONAL EFFORTS OF SOUTH AFRICA TOURISM (SATOUR)

The responses were:

1. There should be a representative office of SATOUR in Taiwan.
2. Do more advertising and publicity; in Taiwan, advertising may be expensive, but it definitely is one effective way to create awareness about a destination.
3. Do media promotions through media invitations;
4. There should be more educational seminars before travel agents;
5. More familiarization trips;
6. Should work on the dissemination of accurate and updated product information

ON SOUTH AFRICAN AIRWAYS (SAA):

RATING OF SOUTH AFRICAN AIRWAYS (SAA) COMPARED WITH COMPETING DESTINATION AIRLINES

Please note there is a "pact" or a consortium of about 3 Taiwanese travel agents organized by SAA and Crown Travel of South Africa. All of the 3 agents are given special rates on airfare in order to push traffic from Taipei to South Africa. There are no known carriers that operate scheduled direct flights from Taiwan to South Africa. Even SAA flights will have to be accessed from Hong Kong and Bangkok. Cathay Pacific flies direct to South Africa through Hong Kong, Singapore Airlines from Singapore.

1. Offering attractive tour basing fares

The majority of the respondents gave an excellent score to SAA in terms of offering attractive tour basing fares. They said that SAA gives more reasonable rates compared to other destination carriers. However, SAA has a problem on seat availability.

2. Providing convenient connections to main points in the country

South African Airways, being the only airline which provides domestic air services within South Africa compared to the other destination carriers, scored excellent in this rating factor.

3. Actively promoting South Africa as a tourist destination

The majority of the travel agents gave an excellent rating to SAA as to its active promotion of South Africa as a tourist destination. Earlier, it was mentioned that there is a pact of 4 Taiwanese travel agents, SAA and Crown Travel of South Africa, all of whom are actively promoting South Africa as a tourist destination.

Anyhow, one other agent gave SAA the poorest rating for this factor.

4. Cooperation with the local travel trade

South African Airways was rated from satisfactory to excellent by all the travel agent interviewees in terms of SAA's cooperation with them. One of the travel agents is quite close to the SAA Country Manager, and this personal relationship has helped in the promotion of *South Africa in Taiwan*.

5. Working in coordination with South Africa Tourism

This rating factor garnered different responses. One of the respondents said that she never checked the relationship of SAA with that of the tourist board. But it was obvious that she was not that bothered about their non-cooperation. In fact, some of them rated SAA with high marks for its cooperation with SATOUR.

6. Providing and maintaining required seat allocations

The majority of the respondents gave a rating to SAA's provision and maintenance of required seat allocations with a fair mark. However, one agent rated SAA as excellent, citing the close relations that they have with SAA. This agent normally produces a minimum of 16 seats to a maximum of 32 seats to SAA weekly.

7. Providing in-flight value added services

The respondents' rating for SAA's in-flight services ranged from very poor to fair. There is nothing that could be at par with Asian carrier's in-flight servicing. Meals need to be improved, particularly for the domestic flights, as they only serve coke for the groups. Further, the groups are usually given the back row seats, making them feel that they are least welcome or are the least priority clients of the aircraft.

SUGGESTED IMPROVEMENTS ON SOUTH AFRICAN AIRWAYS' WEAK POINTS

1. South African Airways (SAA) should work more in coordination with South Africa Tourism, especially in terms of tourism promotion so that it will be more active;
2. SAA should re-launch their direct flights from Taiwan to South Africa. If there are direct flights, this will improve the potential of South Africa as a preferred tourist destination among the Taiwanese. The Taiwanese are particular about direct flights due to the convenience it offers including the less costly fares resulting from the direct connections;
3. If direct flights are not possible, then maybe the control of seats should be given to Taiwan instead of still requesting from Hong Kong, Singapore, and Bangkok;
4. SAA should provide hot food on board, and should consider serving Chinese meals;
5. In-flight servicing should be improved, and the attitude toward Asians should be warmer and more accommodating, so that they will not feel discriminated. Asians are used to Asian destination carrier in-flight servicing which is known to be very warm and accommodating;
6. SAA can also consider giving better treatment to groups.

MAIN COMPETING COUNTRIES FOR SOUTH AFRICA

One travel agent named Australia as a competing destination to South Africa, the difference is Australia's price and projection as a destination seems to be more geared to the young, versus South Africa which attracts people belonging to the older generation who can afford to travel to an expensive destination.

Another travel agent said that Europe could be a competing destination to South Africa, although Europe offers history rather than nature offered by South Africa.

The third response is Zimbabwe and Kenya, both African destinations. They obviously have similarities with South Africa being places where animals can also be found.

The most effective competitive activities done or are being done by each competitive country previously identified:

1. On Australia, the Australian Tourist Commission (ATC) has, not only the entire country represented, but also individual states like New South Wales, Queensland. Since they have higher budgets for promotion, the ATC is very active in destination promotion. Their promotion is more geared toward providing an image of the country that appeals to the very young.
2. As to Europe, they project the various destinations as safe places to visit.

HOW BEST SOUTH AFRICA CAN COMPETE WITH THESE COUNTRIES

1. SATOUR should set up a representative office in Taipei;
2. For South Africa to compete with the other competing countries, it has to have attractive pricing. There is a desire for Taiwanese to go to South Africa but it is just a question on when they would be able to go;
3. South Africa should be reflected as a safe destination to visit;
4. South Africa should present its destination having a rich culture. Then, if at all it is compared with Australia, South Africa stands a bigger chance of being chosen if culture is the one being considered.

SOUTH AFRICA'S POTENTIAL FOR FURTHER DESTINATION DEVELOPMENT AND EXPANSION AS A TOURIST DESTINATION

One travel agent respondent said the potential of South Africa for further development and expansion as a tourist destination is only medium, mainly because there are no direct flights from Taiwan to South Africa. And since flights are not direct, the airfare will be expensive since the Taiwanese agents will still have to include the air connections to either Hong Kong or Singapore where direct flights can be taken. So, this might pose difficulties in making South Africa as a first choice for travellers.

Another travel agent gave South Africa a high potential rating. Even if the economic situation is not that good, there is a lot of room for growth for this destination. 7 to 8 years ago, clients know if you want to see animals, you have to go to South Africa. But we have to explain them that there is so many more things to do or see in South Africa aside from the animals, like the beautiful views, the sea, the mountains, the good food, gambling, etc.

Another travel agent did not give a rating for further destination development for South Africa. He just mentioned that the tour price will be a very important factor in the travellers choice of the destination, especially so that Taiwan's economy is not that stable yet. But right now, price is high and if price is high, the travelers are also few.

MAIN CONSTRAINTS / ISSUES PREVENTING THE EXPANSION OF SOUTH AFRICA AS A TOURIST DESTINATION.

One travel agent said that the price of airfare and tour costs are high, hampering travel agents to better sell the destination to a lot more travelers. Security in hotels is a second concern. Bus services need improvement. And last concern is that Taipei has no direct control of airline seats. It was relayed that some 8 to 9 years back, South African Airways (SAA) had direct flights from Taipei to South Africa, but because of the political situation in South Africa, the diplomatic relations between Taiwan and South Africa did not prosper, affecting tourism movement from Taiwan to South Africa. The Taipei office of SAA has no control over the seats that will be originating from Hong Kong. So, it will be difficult to promote, because when the travel agents have the groups, then they do not get the seats,

but when SAA has the seats, the travel agents do not have the groups. And this will pose problems for the travel agents in selling the seats of SAA from Taiwan. Further, there are no promotional materials on South Africa, nor any tourism office in Taipei.

Another travel agent had the following issues which deters further destination development namely: destination awareness (South Africa's image is only for safaris, nothing more to do); high cost of air ticket ; the unsafe image of South Africa ; no variety in tour programs offered by the South African tour operator (it has been the same itineraries offered for the last 10 years, no change whatsoever) ; no regular publicity on the destination; tedious and complicated processing in obtaining the refund tax for services and products bought while in South Africa; and stiff hotel deposits.

The third respondent enumerated the following issues and constraints which are no direct flights from Taipei to South Africa; the difficulty in getting a seat confirmation on SAA's flights originating in Hong Kong; no presence of South Africa Tourism in Taipei; and the obvious lack of promotions budget for South Africa in Taiwan.

FUTURE EXPANSION OF SOUTH AFRICA AS A TOURIST DESTINATION

If all the issues and constraints are taken care of and improved, the respondents projected expansion of South Africa as a tourist destination as follows:

- Two travel agents pegged 30% increase over their present volumes for the first year.
- For the second year, 30% and 10% increase were respectively given by the 2 travel agents.
- The third year and fourth years see some 50% increase for the first agent and 10% increase for the second agent
- For the fifth year, the first agent predicts another 40% increase in traffic and 10% increase for the second agents.

ADDITIONAL COMMENTS OR SUGGESTIONS TO DEVELOP AND EXPAND THE POTENTIAL OF SOUTH AFRICA AS A DESTINATION IN THE HONG KONG MARKET:

1. New itineraries should be introduced in the future, like maybe combine South Africa with other African countries like Kenya, Namibia and Tanzania;
2. More local activities should be incorporated into the existing itineraries like maybe witnessing the making of local handicraft;
3. Re-launch the direct flights of South African Airways from Taipei to South Africa, as direct flights are critical in the choice of a destination by the Taiwanese; The connecting flights are at the present moment, especially in Johannesburg, are totally inconvenient for the passengers going back to Taiwan;
4. The travel agents should always be provided with information on the yearly festivals happening in South Africa;
5. There should be product updates on South Africa, so that travel agents are aware of new places to offer within South Africa to offer to the market;
6. There should be more choices of itineraries, other suggestions are flower itinerary, whale itinerary, etc.
7. South Africa can likewise be combined with South America. Ticket price will be cheaper going to Brazil, Argentina passing through South America rather than the United States.

CONCLUSION:

The Taiwanese market has the potential to be a significant market for South Africa, but it may take longer to develop mainly because of several major constraints.

An external factor is the still unstable Taiwan economy. A stable Taiwan economy will mean more disposable income for travel, and since South Africa is an expensive destination, it is directly affected in terms of buyers if the economy is bad.

Some other constraints which could be more controllable, is the absence of direct flights from Taiwan to South Africa. Moreover, the airfare rates are rather stiff, due to additional connections to be made from Taipei to Hong Kong and return. The fastest way to make this market produce may be to coordinate with air charter operators to initiate charter flights direct from Taipei to South Africa. The Taiwanese are particular about convenience of airline services and thus prefer to travel direct to their final destination. Should this not be possible, maybe offering very attractive promotional rate on tour packages might just compensate for this inconvenience. This means a concerted effort among all the tourism suppliers in South Africa like hotels and tour operators as well as the airlines to reduce prices.

Equally important will be to counteract the negative image of South Africa as an unsafe destination, with the tourists being robbed of their money. Media invitation might just turn its image around. Or maybe even intensified destination awareness campaigns will highlight on the beautiful aspects of South Africa.

Appendix C

Survey of Ground Operators in South Africa

SOUTH AFRICA GROUND OPERATOR SURVEY

INTRODUCTION

We conducted interviews with local inbound tour operators who deal with the East Asian market in order to gain an understanding of their East Asian client's travel patterns, their specific needs and requirements, and also to understand the potential constraints when selling and delivering South Africa as a destination to these markets.

A full list of tour operators that were contacted is included as **Attachment 1** to this report. This includes both large and small tour operators. In total, 36 tour operators were contacted. Of the tour operators contacted, 19 deal with the East Asian market. Interviews were conducted with 13 of these tour operators. The remaining 6 tour operators were contacted on a regular basis but did not respond to our requests for an interview.

This write-up includes all tour operators interviewed up to and including Wednesday, 18 July 2001. The tour operators interviewed are:

- Cape Courtesy
- Coral Tours
- Crown Travel
- ERM
- Location Dynamics
- Platinum Tours
- Southern Circle Tours and Safaris
- Sunny Tours and Travel
- Thompson Tours
- Titch Tours
- Travel Channel International
- Wilson Collins Travel
- Abercrombie and Kent

The results from our interviews are presented as per our questionnaire. Transcripts of the interviews are available on request.

COMPANY HISTORY

This section provides some background to the various companies. The results can be divided between the big four i.e. Wilson Collins Travel, Thompson Tours, ERM and Crown Travel and the rest which are much smaller companies.

AGE/ OPERATION TIME

Three of the companies interviewed have been in operation for more than 20 years i.e. Wilson Collins Travel since 1974, Thompson Tours since 1978 and ERM since 1979. The average age of the remaining companies is 7 years and all of them have offered inbound services since inception.

BRANCHES & REPRESENTATION

7 Of the companies have only one branch in either Johannesburg or Cape Town, but they do have loose associations with other tour operators, which provide them with representation in other cities. In South Africa, the tour operators are mostly represented in Cape Town, Johannesburg and Durban. Outside South Africa they have representation in Victoria Falls and Windhoek, with four operators having specific representation in Japan, South Korea, Taiwan and Hong Kong. All of the offices outside South Africa, provide inbound services to South Africa.

EMPLOYEES

Except for the big four, most companies interviewed had less than 5 employees in their inbound division. On average, all the companies interviewed had 12 employees per company, but excluding the big four the average is 5.

Only the big four tour operators had any staff from East Asia, but the number of East Asian employees is low. The ratio was around 1 East Asian employee to 10 other employees.

TRANSPORT OWNERSHIP

5 Of the tour operators own their own coaches or mini buses. Thompson Tours owns 28 vehicles, while the other four companies own less than 3 vehicles each.

The rest of the tour operators subcontract their transport needs as and when necessary. They tend to use the same companies with which they have built a relationship and Hylton Ross and Megacoach were mentioned as the companies mostly used.

ACCOMMODATION OWNERSHIP

None of the tour operators interviewed owned any stake in accommodation establishments.

The type of accommodation mostly utilised are 3- to 5-star hotels. Upmarket guesthouses are sometimes utilised for small groups visiting for holiday purposes.

AGREEMENTS WITH ACCOMMODATION ESTABLISHMENTS

Some the tour operators have fixed contracts with specific hotel groups such as Protea Hotels and Sun International, but none of them are bound to use specific hotels.

Mostly the extent of tour operator's agreements with accommodation establishments is that they will be charged STO rates.

GUIDES

Only four of the tour operators employ full time guides and only two of these tour operators have a guide that speaks Japanese. In total the tour operators interviewed employed only two Japanese speaking guides on a full-time basis i.e. the two operators have one full-time guide each.

All tour operators use contracted guides when required, but they do say that there is lack of guides that can speak East Asian languages. The guides that can speak the required languages are often not of a high standard and charge very high rates (around R1 000 a day) for their services.

They feel that they do have access to guides that can speak East Asian languages, but that due to the demand for this limited number of guides, they sometimes need to make alternative arrangements such as to bring a tour leader (who can speak English) from East Asia.

SELLING AND DISTRIBUTION CHANNELS

The tour operators said that it is best to have an agent in East Asia to market their services. They found it difficult to find these agents as a relationship of trust needs to be built first. They firstly needed to be introduced to these agents by somebody that the agent trusts. The South African tour operators cannot just go over to East Asia, introduce themselves and start doing business.

Once they have been introduced they needed to build a relationship of trust with the agent and this could take some time. They found that once that relationship has been established, they work well with the relevant agent in East Asia.

The tour operators said that their distribution and sales techniques differ for various countries within the East Asian region. In Taiwan, China and Thailand retailers are used to distribute the product. In Japan it is a combination of retailers and wholesalers, while in Hong Kong there are basically just 1 big retailer and 1 big wholesaler.

A problem mentioned was the distribution chain in the East Asian market and the resulting mark up on products. For example, the tour operator offers the product to their office in East Asia. The East Asian office adds a mark up to the product and sells it to a wholesaler. The wholesaler adds a mark up and sells it to a travel agent. The travel agent adds a mark up and uses reps to sell to the customer. This leads to price distortions.

AIR TRANSPORT ARRANGEMENTS

None of the tour operators get involved with arranging air transport to South Africa. Once the tourists are in South Africa they will arrange domestic air transport between, for example, Johannesburg and Cape Town.

None of the tour operators have any fixed agreements with any international or domestic airlines and they use various airlines as and when required.

PLANNED EXPANSIONS

Only two tour operators mentioned that they are not planning any expansions to their business in the near future. The expansion of the other tour operators range from looking for an agent in East Asia to appointing of new consultants and full time East Asian guides.

THE TOURISM MARKET

SIZE OF CURRENT BUSINESS

In total the tour operators interviewed handle around 88,600 tourists from around the world. The four big tour operators each handle around 19,000 inbound tourists per annum from around the world, while the smaller tour operators each handle around 1,800 per annum.

The tour operators complained that the demand for South Africa was flat. They felt that growth in their business was low overall i.e. around 5% at most.

COUNTRIES OF ORIGIN

The main countries of origin for the tour operators interviewed are Europe (in particular Germany, Italy, Belgium and France), the USA and Japan.

On average, the East Asian market comprises 55% of the current business of the tour operators interviewed. The East Asian's share of overall business is high as we targeted tour operators that deal specifically with this market.

The tour operators said that their breakdown of overall business has not changed in the past 3 years.

SIZE OF THE EAST ASIAN MARKET

In total, the tour operators interviewed handle around 32,600 tourists from East Asia per annum, however, the big four accounts for 31 000 of these tourists.

The big four each handle around 7,750 East Asian tourists per annum, with the smaller tour operators each handling 225 per annum.

According to the tour operators, the growth in tourists from the East Asian market has declined due to the Asian crisis. The market then recovered along with the economies in the East Asian region, but recently the market has been flat due to the crises in Zimbabwe.

Tour operators say that the East Asian market is very sensitive regarding perceptions that a country is not safe and the political turmoil in Zimbabwe has scared away many tourists.

The tour operators reported no growth or small growth of around 2%, but some smaller tour operators that specialise in niche tours, such as golf and flowers, have seen stronger growth of around 10%.

SEASONALITY OF THE EAST ASIAN MARKET

Based on the interviews it would seem that the East Asian market has no distinctive seasonality.

Months such as January and February are popular amongst Chinese travellers due to the Chinese New Year. March is a busy month for all East Asian markets. April is busy overall, but in particular for visitors from Thailand. May is generally busy, while the months of July and August are popular amongst Korean and Chinese travellers. October and November are busy months due to blooming of the Jacaranda trees in Pretoria, which are popular amongst Japanese tourists. December is generally a busy month with visitors from Indonesia.

TRIP BREAKDOWN/PATTERNS

Tour operators provide a variety of tours with various prices. Based on our interviews a typical tour for the East Asian market would be:

- Arrive Johannesburg and fly to Cape Town;
- Stay in Cape Town for 2 to 3 days and visit the main tourist attractions such as Cape Point, the V&A waterfront, etc with some including a tour of the wine farms;

- Fly back to Johannesburg and maybe spend one night in Pretoria;
- Include a game viewing experience at either Sun City/Pilanesberg or one of the private game reserves in Mpumalanga;
- Depart from Johannesburg.

During the course of their trip the visitors will utilise mainly SAA for domestic air transport and they prefer to stay in upmarket hotels. However, they do not have much time to travel so the average length of a trip is around 7 days.

TYPE OF PACKAGE

The big four tour operators provide mostly pre-packaged tours and it comprises the majority of their business i.e. 90% or more. The smaller tour operators provide mostly personalised itineraries and it comprise the majority of their business i.e. 90% or more.

The smaller tour operators do have pre-packaged tours available, but it is usually short tours that can be grouped together to form a 7 day personalised itinerary.

GROUP SIZE

The average size of a group from East Asia is the same for both large and small tour operators. On average, the tour operators interviewed handle East Asian tour groups of around 15 to 25 people.

However, the big four tour operators would not handle smaller groups, whereas the smaller tour operators will accommodate groups of 4 to 6 people.

The type of tourist that visits South Africa are mainly older couples that have the disposable income to travel.

CRITERIA

The main criteria employed when compiling a package for the East Asian market is price and quality. The East Asian market has very little time to travel so they want to see and experience the best tourist attractions in the time they do have.

Service should also be at a high standard for accommodation as well as restaurants. This criteria is more or less the same for all East Asian countries.

COSTS

The costs vary from product to product and from operator to operator. On average, the price is around R1 000 a day excluding the international airfare and depending on the itinerary.

The tour operators did indicate that the cost of long haul flights to South Africa and the number of intermediaries between them and the client are distorting the price of their products.

MARKET PERCEPTIONS

The perception of South Africa in the East Asian market is limited due to the limited awareness of South Africa. The East Asian tourists know certain landmarks such as Table

Mountain and they know that South Africa has a crime problem, but beyond that there is not much awareness of what South Africa offers.

Once in South Africa, they are almost always surprised at the range of experiences and activities in the country, the level of sophistication (infrastructure, telecommunications, etc) and the scenic beauty.

LEVELS OF SATISFACTION

The tour operators feel that in general the East Asian market is satisfied when they leave South Africa. Highlights are Table Mountain and the game parks. The Japanese market also enjoys visits to the Rooibos tea plantation. Disappointments are a lack of nightlife and Japanese guides.

An issue mentioned is the fact that Japanese tourists do not complain during the tour but will complain after they have arrived back in Japan. The tour operators feel that certain issues could be resolved while in South Africa, but that the market does not complain in South Africa as they can claim compensation for non-delivery in Japan.

ISSUES TO ADDRESS

Issues that need to be addressed in order to satisfy the specific needs of the East Asian tourist are firstly an improvement in service in hotels, restaurants, etc. Common courtesy needs to be adopted by every employee and the willingness to serve should be made apparent.

There is also a lack of Asian restaurants, as this market likes to eat either Asian cuisine or seafood. One of the tour operators mentioned that this need does not stem from an unwillingness to try new food experiences, but rather from the healthy lifestyle of the East Asian market. They find it difficult to eat red meat on a nightly basis while in South Africa.

As mentioned above, more tour guides that can speak East Asian languages are also needed.

The perception and reality of crime needs to be addressed, as the East Asian market is very security conscious. This market should be made aware that it is safe to travel to South Africa and they need to feel safe while travelling within South Africa.

Specific issues that could be addressed include the fact that Japanese couples sleep on twin rather than double beds. Tour operators have found an unwillingness amongst hotels to provide twin beds rather than double beds as they do not see the need to cater to this market. Similarly, Japanese tourists drink still mineral water rather than sparkling.

MAJOR COMPETITIVE DESTINATIONS

The main competitive destinations in the East Asian market are Australia, Europe and the USA. Australia is a competitor as they cater specifically for the East Asian market and are closer, while Europe and the USA attract this market due to their variety of products on offer and the marketing that is done. One tour operator mentioned that these destinations have less to offer than South Africa, but they offer it so well.

SOUTH AFRICAN TOURISM

The tour operators felt that South African Tourism could do more marketing in the East Asian market to raise awareness of South Africa. They also felt that the marketing could be focussed on the wholesalers and retailers in the East Asian market as they were the ones who were selling the products.

They felt that in future the wholesalers and retailers could be brought to South African to educate them about what we can offer, rather than bringing out journalists.

Marketing could also be directed at specific market segments. For example, the East Asian market enjoys golf and flower tours. Marketing in golf and flower magazines may provide higher return on marketing spend.

South African Tourism could also assist with introductions between South African tour operators and East Asian agents.

The tour operators also wanted to see more support to the trade in terms of assistance with trips to East Asia to obtain new contacts.

SOUTH AFRICAN AIRWAYS

The tour operators felt that there was a lack of flights from East Asia. South African Airways has reduced their flights from the region and the tour operators found it difficult to obtain seats on existing flights.

They also felt that SAA could get more involved in marketing in the region and that their service could be improved. In particular, early and block check-ins could be improved.

REQUIREMENTS FOR DEVELOPMENT

The tour operators felt that other issues that could be addressed include marketing to counter the negative perceptions regarding South Africa. The country's strengths should be emphasised, while incorrect perceptions about crime and safety should be addressed.

The reality and perceptions of safety should be addressed by increasing visible policing in tourism areas and by reacting quickly to negative publicity by providing positive and reassuring marketing.

South Africans should also be educated on how to provide service and how to deal with tourists. This education should be directed at all South Africans, from hotel and restaurant staff to taxi drivers and petrol station attendants to the general public. South Africa should be made a friendly and safe place to visit.

The tour operators also felt that new itineraries could be developed, and in particular the game parks of KwaZulu-Natal could be included.

New market segments could also be developed with the East Asian market already showing interest in golf, flowers, conferences and even weddings. Targeted marketing could be directed at these market segments to educate them about what South Africa can offer.

ROOM FOR EXPANSION

All tour operators felt that there was room for expansion of the East Asian market. Projections on the increase in their existing business ranged from 10% to 100% and 200%. The tour operators felt that at the moment South Africa is only attracting a small share of the East Asian market and that the potential market is unlimited.

CONCLUSION

Our interviews with both large and small tour operators show that overall demand for South Africa as a tourism destination is currently low, with growth in business being around 5% at most.

Currently South Africa is only attracting a small share of the East Asian market. Growth in demand from East Asia has declined mainly due to the Asian crisis and more recently as a result of the political situation in Zimbabwe. Compared to Australia, Europe and the USA, South Africa is very low down on East Asian tourist's list of places to see. This is mainly as a result of price, long traveling times and a general lack of awareness of South Africa as a tourism destination.

Despite the above, the feeling exists that should South Africa address fundamental issues such as crime and the related negative perceptions about South Africa, service, entertainment, and the availability of East Asian tour guides, the potential for expansion in the East Asian market will be vast.

SURVEY OF SA GROUND SERVICE OPERATORS – LIST OF OPERATORS

ALL TOUR OPERATORS CONTACTED

TOUR OPERATOR	LOCATION
Thompsons Tours	Johannesburg
Abercrombie and Kent	Johannesburg
Crown Travel	Johannesburg
ERM	Johannesburg
Wilson Collins	Johannesburg
Coral Tours and Safaris	Johannesburg
Welcome Tours	Johannesburg
Dragonfly Group	Johannesburg
Drifters Adventure Tours	Johannesburg
Hello Africa Tours	Johannesburg
Xplore Africa Tours	Johannesburg
Elwierda Tours	Johannesburg
Grassroute Tours	Cape Town
Tours Unlimited	Cape Town
Sable Executive Services	Cape Town
Hylton Ross Tours and Holidays	Cape Town
Legend Tours	Cape Town
Fairest Cape Tours (Pty) Ltd	Cape Town
Cape Courtesy Tours	Cape Town
Bundes Tours	Cape Town
Landscape Tours	Cape Town
Go Tourism Promotions	Cape Town
Spingbok Atlas	Cape Town
Distinctive Destinations	Cape Town
Titch Tours	Cape Town
Platinum Tours	Cape Town
Southern Circle Tours and Safaris	Cape Town
Location Dynamics	Cape Town
Travel Channel International	Cape Town
Southern Tip Tours	Cape Town
Africa Splendour	Cape Town
Cape Rainbow Tours	Cape Town
African Mosaic Tours	Cape Town
African Pride Tours	Cape Town
Ikapa Tours and Travel	Cape Town
Sunny Tours and Travel	Cape Town

TOUR OPERATORS DEALING WITH THE EAST ASIAN MARKET

TOUR OPERATOR	LOCATION
Cape Courtesy	Cape Town
Coral Tours and Safaris	Johannesburg
Crown Travel	Johannesburg
ERM	Johannesburg
Location Dynamics	Cape Town
Platinum Tours	Cape Town
Southern Circle Tours and Safaris	Cape Town
Go Tourism Promotions	Cape Town
Sunny Tours and Travel	Cape Town
Thompson Tours	Johannesburg
Titch Tours	Cape Town
Travel Channel International	Cape Town
Wilson Collins Travel	Johannesburg
African Pride Tours	Cape Town
Abercrombie and Kent	Johannesburg
Sable Executive Services	Cape Town
Bundes Tours	Cape Town
Landscape Tours	Cape Town
Springbok Atlas	Cape Town

TOUR OPERATORS INTERVIEWED

TOUR OPERATOR	LOCATION
Cape Courtesy	Cape Town
Coral Tours	Johannesburg
Crown Travel	Johannesburg
ERM	Johannesburg
Location Dynamics	Cape Town
Platinum Tours	Cape Town
Southern Circle Tours and Safaris	Cape Town
Sunny Tours and Travel	Cape Town
Thompson Tours	Johannesburg
Titch Tours	Cape Town
Travel Channel International	Cape Town
Wilson Collins Travel	Johannesburg
Abercrombie and Kent	Johannesburg

Appendix D

East Asian Tourist Departure Survey Questionnaire

**SOUTH AFRICAN TOURISM / DEPARTMENT OF
ENVIRONMENTAL AFFAIRS & TOURISM
AND
JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)**

WE APPRECIATE YOUR COOPERATION.

PLEASE ANSWER THE **QUESTIONS** AND
HELP **THE AUTHORITIES** MAKE SOUTH AFRICA
A BETTER TOURIST DESTINATION.

South African Tourism/Department of Environmental Affairs and JICA are conducting this questionnaire survey in order to collect data to facilitate formulation of a tourism promotion and development plan for South Africa.

No part of the information collected from this questionnaire will be used for purposes other than stated above.

Thank you for your cooperation.

July, 2001

**South African Tourism /
Department of Environmental Affairs and Tourism
Japan International Cooperation Agency**

Contact: JICA Study Team for Tourism Promotion and

**Development Plan in the Republic of South
Africa, c/o Department of Environmental
Affairs & Tourism, Pretoria**

Tel:12-310-3873 (Takakuwa)

EAST ASIAN TOURIST DEPARTURE SURVEY

Department of Environmental
Affairs and Tourism

(JICA)

Questionnaire about South African Tourism

Q-0 What is Your Nationality? ()

Q-1 Are You On A Packaged Tour? (1) Yes (2) No

Q-2 You Are Travelling With
(1) Alone (2) Spouse (3) Family (4) Friends (5) Others

Q-3 How Many Times Have You Travelled Overseas?
(1) First time (2) 2 ~ 4 times (3) 5 ~ 9 times (4) 10 times or more

Q-4 Have Visited South Africa
(1) First time (2) 2 times (3) 3 times or more

Q-5 Purpose of Visit
(1) Holiday (2) Business/Conference/Official (3) Visit Friend/Relative
(4) Others ()

1) Total Days on this trip (Days)

In South Africa

- 2) How many nights in Jo'burg/Pretoria (1) Zero (2) One (3) Two (4) 3 more
3) How many nights in Cape Town (1) One (2) Two (3) Three (4) 4 more
4) How many nights in Kruger N.P. (1) Zero (2) One (3) Two (4) 3 more
5) How many nights in Others (where:)
(1) Zero (2) One (3) Two (4) 3 more

In Neighboring Countries

- 6) How many nights in Victoria Falls (1) Zero (2) One (3) Two (4) 3 more
7) How many nights in Great Zimbabwe (1) Zero (2) One (3) Two (4) 3 more
8) How many nights in Chobe N.P. (1) Zero (2) One (3) Two (4) 3 more

Q-7 Why Have You Chosen South Africa?

- (1) Scenic/natural wonders in South Africa (such as Cape's Table Mountain)
- (2) African wildlife/flora & fauna in South Africa (such as Kruger N.P.)
- (3) Cultural/historical sites in South Africa (such as Robben Island)
- (4) Special Interest in South Africa (such as Blue Train ride)
- (5) Tourist attractions in neighboring countries (such as Victoria Falls, Chobe N.P., Great Zimbabwe)
- (6) Value for money
- (7) Business
- (8) Visit Friends/Relatives
- (9) Medical care
- (10) Others ()

Q-8 Useful Information Source

- (1) Tour Brochure/Travel Agency (2) Guidebook (3) Newspaper/Magazine
- (4) Recommended by Friends (5) Web/Internet
- (6) Others ()

Q-9 More Information Needed About

- (1) Tourist Site (2) Hotel (3) Restaurant (4) Map
- (5) Transport (6) Souvenir (7) City Activity
- (8) Others ()

Q-10 How Good is Your Accommodation in Cape Town/Pretoria/Jo'burg(Sandton)?

- | | | | |
|-------------|------|------|------|
| 1) Room | Good | Fair | Poor |
| 2) Meal | Good | Fair | Poor |
| 3) Facility | Good | Fair | Poor |
| 4) Service | Good | Fair | Poor |

Q-11 How Good is Your Tour in?

In South Africa

- | | | | |
|-------------------------|------|------|------|
| 1) South Africa Overall | Good | Fair | Poor |
| 2) Cape Town/Wine Route | Good | Fair | Poor |
| 3) Kruger N.P. Good | Fair | Poor | |
| 4) Blue Train | Good | Fair | Poor |
| 5) Others | | | |
| () Good | Fair | Poor | |
| () Good | Fair | Poor | |
| () Good | Fair | Poor | |

6) Have Tried Such Activities as:

- (1) Wildlife Reserve, (2) Museum Visit, (3) Culture Village, (4) Conference,
 (5) Others ()

In Neighboring Countries

7) Victoria Falls	Good	Fair	Poor
8) Chobe N.P.	Good	Fair	Poor
9) Great Zimbabwe	Good	Fair	Poor
10) Others (where:)	
	Good	Fair	Poor
	Good	Fair	Poor

Q-12 What Souvenir Did You Buy?

1) Souvenirs

- (1) Gems/Jewelry
 (2) African Handicrafts (wood carving, basketware, beadwork, etc.)
 (3) Clothes/Woven Goods (traditional rug, mat, tapestry, etc.)
 (4) Wine/Foodstuff (dried fruits, chocolate, etc.)
 (5) Others ()

2) Quality of Product	Good	Fair	Poor
3) Price	Bargain	Reasonable	Expensive
4) Shop Attendant	Good	Fair	Poor

Q-13 Have You Tried Restaurant Outside of Your Hotel?

	(1) Yes	(2) No	
1) Food / Menu Served	Good	Fair	Poor
2) Price	Bargain	Reasonable	Expensive
3) Hygiene	Good	Fair	Poor
4) Waiter / Waitress	Good	Fair	Poor

Have You Tried Services Listed below

5) Banks/money exchange	Good	Fair	Poor
6) Car Rental	Good	Fair	Poor
7) Taxi	Good	Fair	Poor
8) Others ()	Good	Fair	Poor

Q-14a Approximately how much money did you spend (or was spent on your behalf) on your visit to South Africa that was pre-paid in your country? (for yourself only)

Items Pre-paid in your country		CURRENCY	AMOUNT
TOTAL AMOUNT	
Break down, if possible	Airline ticket
	Other holiday expenses (tours, accommodation, etc.)

Q-14b Approximately how much money did you spend (or was spent on your behalf) on your visit to South Africa that was paid in South Africa? (for yourself only)

	CURRENCY	AMOUNT
SPENT IN SOUTH AFRICA APPROXIMATE TOTAL

Q-14c Can you break down the amount you spent in South Africa on the following? (for yourself only)

Items paid in South Africa	CURRENCY	AMOUNT
• Accommodation
• Local transport
• Food & Drink
• Recreation/Culture & Sporting activities
• Shopping/Souvenirs/Gifts/Curios
• Other

Q-15 Security (Please fill in the table below.)

Q-15a Were you, personally, a victim of crime during your visit?

Q-15b IF YES: Please describe the crime

Q-15c IF YES: Where did the crime take place (please write in the city/town)

Q-15d IF YES: Did you report it to the police?

Q15a	Q15b	Q15c	Q15d	
			yes	no
• YES				
• NO				

Q-15 How Do You Rate South Africa in terms of:

1) Natural/Scenic Wonders	Good	Fair	Poor
2) African wildlife	Good	Fair	Poor
3) Cultural/historical site	Good	Fair	Poor
4) Urban Amenity	Good	Fair	Poor
5) Security	Good	Fair	Poor
6) Sanitary Conditions	Good	Fair	Poor
7) Tourist Attractions	Good	Fair	Poor
8) Tourist Transport	Good	Fair	Poor
9) Tourist Information	Good	Fair	Poor
10) Tourist Guide	Good	Fair	Poor
11) Customs & Immigration	Good	Fair	Poor
12) Hospitality	Good	Fair	Poor

Q-17 Are You Returning to South Africa again?

	Yes	Maybe	No
For Those Who Answered "No", can you tell us why / any other comments?			
()
()

Q-17 Your Profile Please

1) Gender	(1) Male	(2) Female					
2) Age	(1) 15 ~ 19 below	(2) 20 ~ 29	(3) 30 ~ 39	(4) 40 ~ 49	(5) 50 ~ 59	(5) 60 over	
3) Country of Residence	()						
Which part of Japan	(1) Kanto	(2) Kansai	(3) Chubu	(4) Kyushu	(5) Tohoku	(6) Hokkaido	(7) Chugoku/Shikoku
4) Occupation	(1) Professional / Administrative						
	(2) Office / Sales Clerk						

- (2) Office / Sales Clerk
- (3) Worker / Farmer
- (4) Self-Employed
- (5) Official / Diplomat
- (6) Housewife
- (7) Retired
- (8) Others ()

Thank you for your time and cooperation

Survey Site: (1) Jo'burg Airport
(2) Cape Town Airport

Date: Month () Day ()

Sample No. ()

Interviewer ()

Analysis / Programming Guide

Objectives	Straight	Cross Aggregate	Aggregate
Demographic Data		17-1, 17-2, 17-3, 17-4	
Development Guideline	Natural/Social/Tourist Development	7, 15	17-1 x 15 17-2 x 7 17-2 x 15 1 x (7, 15) 2 x 15 8 x 15
	Service Industry Management	10, 11, 12, 13	17-1 x (10, 11, 12, 13) 17-2 x (10, 11, 12, 13) 17-4 x (10, 11, 12, 13) 2 x (10, 11, 12, 13) 5 x (10, 11, 12, 13)
Management Guideline	Market Segmentation	17-4, 6-1, 6-2, 6-3, 6-4, 6-5, 3, 4	17-1 x 4 17-2 x 4 17-4 x 3 17-4 x 4
	Promotion	1, 2, 5, 7, 8, 9, 9-1, 9-2, 9-3, 9-4, 9-5, 9-6, 9-7, 9-8 16	17-1 x (1, 2, 5, 7) 17-2 x (1, 2, 5, 7) 8 x (15-1, 15-2, 15-3, 15-4, 15-5, 15-6, 15-7, 15-8, 15-9, 15-9, 15-10, 15-11)

Analysis / Interpretation Guide for Cross Aggregate

Social / Tourist Development

17-1 x 15	Evaluation of Natural, Social, Tourist Condition by Gender
17-2 x 15	ditto by Age Group
1 x 15	ditto by Package / non-Package
2 x 15	ditto by Traveling Companion

5 x 15 ditto by Purpose of Visit

(5) Service Industry Management

17-1 x (10, 11, 12, 13) Evaluation of Accommodation, Tour, Shopping, Restaurant
by Gender
17-2 x (10, 11, 12, 13) ditto by Age Group
17-4 x (10, 11, 12, 13) ditto by Occupation
2 x (10, 11, 12, 13) ditto by Traveling Companion
5 x (10, 11, 12, 13) ditto by Purpose of Visit

(6) Market Segmentation

17-1 x 4 Evaluation by First / Repeat Visitor by Gender
17-1 x 7 Attractions by Gender
17-2 x 7 ditto by Age Group
17-4 x 7 ditto by Occupation
2 x 10 Accommodation Evaluation by Traveling Companion

(7) Promotion

17-1 x (1, 2, 5) Package / non-Package, Traveling Companion, Purpose of Visit
by Gender
17-2 x (1, 2, 5, 8, 9) Package / non-Package, Traveling Companion, Purpose of Visit,
Useful Info Source, More Info Needed by Age Group
8 x (15-1, 15-2, 15-3, 15-4 15-5, 15-6, 15-7, 15-8
15-9, 15-10, 15-11) Natural / Social / Tourist Condition by Useful Info

Appendix E

The Experience of Dubai

IMPLICATIONS OF DUBAI'S EXPERIENCE

IDENTIFICATION OF KEY SUCCESS FACTORS FOR THE SUCCESS OF DUBAI AS A TOURIST DESTINATION

The case study trip, interviews and tours identified a number of individual factors to which Dubai's success as a tourist destination could be ascribed.

Although each factor is listed and described separately below, it is pertinent to single out one factor that embraces all individual factors and that succinctly and clearly spells out why this destination has achieved success:

"COMMITMENT TO THE TOTAL VISITOR EXPERIENCE":

- **Commitment of all relevant players, not only the Department of Tourism and Commercial Marketing ("DTCM"), but also the Departments of Civil Aviation, Immigration, Police, etc to enhancing the visitor experience – each player has its own individual objectives to pursue, BUT all commit and strive to an overall objective, i.e. to provide an excellent visitor experience.**
- **Each relevant player understands what comprises an excellent visitor experience and understands how it fits into the total picture and what it, as an individual player, has to provide.**
- **Continuous guidance and training is provided in the form of customer care benchmarking and programmes.**

SUCCESS FACTORS:

- All industry players are not only committed and involved, but are extremely enthusiastic.
- The development, promotion and even most of the operation of the tourism industry are in the hands of one player, the DTCM. No private sector associations exist or are allowed. The DTCM has absolute control over all decisions. Actions and plans are therefore more easily implemented than in countries with a more complex tourism structure.
- Interestingly though, although the DTCM has total control over all decisions, its decisions are not questioned (not by the public or private sector). All players seem to have complete trust in the ability of the DTCM to develop the sector and promote the destination.
- Marketing of Dubai as a Tourist Destination:
 - Dubai enjoys extensive marketing, not only by the DTCM but also by Emirates (through its airline and tour operations) and by the Department of Civil Aviation.
 - The DTCM's marketing is customised according to the source market. Staff in representative offices are selected based on their knowledge and contacts in the source markets, are provided extensive support (both financially and other), but are then trusted to promote the destination as best fits the source market.
- Dubai tour guides:
 - Are all trained by the same entity - DTCM.
 - Are well trained with extensive knowledge of the country (in general and as a tourist destination).
 - Are enthusiastic and positive, not only about tourism in Dubai, but also about the country as a whole.

- Dubai hospitality staff:
 - Are all foreigners and specifically brought into the country to provide a service.
 - Seem very enthusiastic and willing to provide service.
 - Are already trained when they enter Dubai, so there is no on-the-job training and tourists are never the “guinea pigs” of training – the general level of service is therefore very high.
- The logistics of local trips/tours are extremely good and personalised. Tourists are collected at their individual hotels in good grade vehicles and transported to meeting points to join the larger luxury tour busses. Collections and drop offs are on time. Tour operator sales agents call on tourists at their hotels to sell tours and provide vouchers.
- Dubai is a totally safe destination - the general environment is extremely safe, not only the tourist environment. Visitors always feel safe and never feel targeted, no matter if they are alone or the time of day or night. This positive safety image is an integral component of the destination’s positioning statement, is strongly used in all marketing materials and activities and has been identified by the DTCM as one of its core marketing messages.
- Taxi transport is excellent. Taxis are easily available, easily identifiable, reasonably priced, have good and friendly drivers and vehicles are of a high standard and in excellent condition.
- Dubai tours/trips/experiences are well packaged and timed and several experiences can be packaged into a relatively short time.
- The Dubai shopping experience is excellent with a wide range and quality of shopping areas offering a wide range and quality of products.
- Although the facilities and operation of the Dubai Airport is superlative, it still strives to improve further.
- The DTCM and the government places high importance on customer satisfaction. To ensure a constant high level of customer satisfaction it has developed two measures:
 - A Complaint Hotline to which a tourist can telephone or e-mail a complaint – all complaints have to be acted upon within 48 hours; and
 - Two Customer Satisfaction Surveys per annum that measures customer satisfaction – all issues raised in these surveys are acted upon and it ensures that problems are not repeated.

IDENTIFICATION OF FACTORS THAT MAY NEGATIVELY AFFECT DUBAI AS A TOURIST DESTINATION

The case study trip, interviews and tours also identified several factors that either currently or may in the future affect Dubai negatively as a tourist destination:

- Dubai does not have a unique ambience or an ambience connecting it to its location, i.e. it has no ambience that relates to an Arabian country.
- The destination provides very little in terms of local culture:
 - No to very limited interaction is had with locals (Arabians). Locals are fairly curt and disinterested in tourists.
 - Disappointing that the souks (markets) have no Arabian ambience.
 - Disappointing that Dubai has no authentic arts and crafts.
 - Some products currently provided, i.e. belly dancing, conflicts with the local culture/beliefs – not authentic to Dubai or the entire Gulf Region.
- Dubai is a short stay destination, the tours are well packaged and timed, but the experience can be had in 3 days - after that a non-beach tourist will get bored.

- Very little coordination and communication takes place in the tourism industry and within government:
 - Although tourism officials are friendly and helpful, it is clear that most officials only know as much as their level in the organization and their duties allow/require. On several occasions officials indicated that they learn about new developments in tourism (including new developments, new markets, new offices, etc) through the press.
 - Officials could not clearly explain/articulate the tourism strategy of the country. It became clear that the Dubai tourism industry has grown to its current extent not by design, but by good fortune and accommodating market conditions.
- The viability and timing of new tourism developments are not researched, but based on the vision and acceptance of the head of the DTCM, the Crown Prince.

IDENTIFICATION OF KEY SUCCESS FACTORS FOR THE RECENT SUCCESS OF DUBAI AS A TOURIST DESTINATION IN THE EAST ASIAN MARKETS - SPECIFICALLY JAPAN

Although all of the general success factors identified in Section 1.1 also apply to the East Asian market, several factors need to be highlighted that apply specifically to the East Asian market:

- The recent surge in tourist numbers from Japan to Dubai can primarily be ascribed to the distribution channel in Japan finally taking an active and strong interest in selling Dubai and are now developing permanent relationships with the trade in Dubai. This interest is due to:
 - **Dubai having established a reputation as an extremely safe destination:**

This established reputation allows the outbound operators in Japan to offer and promote packages to Dubai not only to the more adventurous markets looking for a new destination, but also to the more conservative market for which safety is of extreme importance, i.e. Japanese young office ladies/incentives/FIT and even overseas school excursions. As the potential market is much wider, the incentive for packaging and promoting the destination is far higher and Dubai is therefore attracting the attention of the outbound trade.
 - **The commitment to provide a superlative visitor experience:**

This relates to the overall excellent and easy visitor experience that is provided and the commitment of the total Dubai government and tourist industry to customise the visitor experience to the source market. This “striving for excellence” have been noted by the Japanese outbound trade as well as the Japanese public, is respected and awarded by an increase in tourist numbers. The Japanese tour operators as well as the tourists are confident that all will be done at the destination to customise the experience to the source market and deliver an excellent experience.

Although the volumes from Japan are still low, some customisation is already taking place, for instance on arrival after stamping of the passports, the immigration officers hands back the passports with “Yo-u-koso,” meaning “Welcome” in Japanese. On departure, the officer in charge returns the passport with “Sayonara,” (Goodbye/See You Again). This is a small but very important token.
 - **The importance given to customer satisfaction:**

Specifically the policy of responding to complaints within 48 hours and of satisfaction surveys being taken seriously and acted upon. This provides outbound operators with confidence that their problems and complaints will not be

ignored but will be acted upon and will not be repeated. Given that Japanese tourists do not complain on the spot but to their tour guides and to the outbound operator when they return to Japan, and that tour operators in Japan can lose significant profits in compensation to tourists for problems, this commitment from Dubai to address problems and ensure that they are not repeated as well as the measures of a complaints hotline that allows for the possibility of rectifying the problem whilst the tourist is still in the country, again encourages outbound operators to package and promote the destination.

- The Japanese tourist prefers short trips filled with a large number of experiences. Dubai can easily fulfil this as no extensive travel is required within the destination, and several short tours/trips are available that allows the tourist to get a good overall experience of the destination within 3-4 days.
- The flight time to Dubai from Japan is not too extensive in Japanese terms, i.e. 13 -14 hours including transfer connection in Hong Kong.

IMPLICATIONS OF DUBAI'S EXPERIENCE – TRANSCRIPTION OF INTERVIEWS & TOURS

TRANSCRIPTION OF INTERVIEWS

- INTERVIEWEE:** *Ajay Rajguru,*
Executive, Media Relations
Dubai Department of Tourism & Commerce Marketing (DTCM)
- Dubai has promoted to the Far East since 1989. The DTCM believes that promotion in the Far East has been aggressive, however, the response has been slow. Volumes from these markets are very low. Volumes have picked up in the last three years, but are still not at the levels that the DTCM is aiming for.
 - Opened office in Tokyo in 1990
 - Participate in all major tourism exhibitions in the East Asian markets
 - Regularly have road shows all over Asia
 - Significant ad campaigns in many Asian countries
 - Dubai is committed to the Asian market and will increase marketing in this market. *(The DTCM would not indicate the marketing budget for this market).*
 - Generally overall visitor numbers to Dubai is increasing – around 3,5 million hotel guests in 2000. Want to grow it to 15 million by 2010.
 - The Dubai ruling family and government is committed to tourism and is now taking a personal interest in tourism. For the 1st time ever, a royal family member, Crown Prince Mohammed, attended a tourism fair, EIBTM in Geneva in May this year. He spoke at a press conference there and said that the Dubai government is committed to tourism and developing tourism and providing an excellent visitor experience. He also made several announcements:
 - TUI will be building several hotels in Dubai, specifically beach properties
 - DTCM is opening its 15th tourist office - in Switzerland
 - Will develop Heritage Tourism in Dubai and is opening a Heritage Resort in Hatta – mountain area.
 - General positioning of Dubai as a tourism destination:
 - 5S's – sun, sea, sand, shopping and safety.
 - This general positioning is not changing but the DTCM is now adding niche markets to it, i.e.:
 - Golf
 - Water sports
 - Birds
 - Heritage tourism
 - Desert Safaris
 - Cruising – the new cruise terminal has just been opened, it is the only cruise terminal in the Middle East – planning to develop Dubai as a major cruise destination and also as a cruise entry and exit point.
 - Believe that Dubai has always niched but is now providing for more niche markets. And is now marketing more specifically at these niches.
 - What is primary target market:
 - Upmarket tourists that would use 3-5 star hotel accommodation.
 - Not interested in the budget market or the charter markets that is generally attracted by Spain.

- Safety is extremely important for its destination image. Dubai has been voted by the German “Global Magazine” as the safest destination in the world in several surveys. The DTCM works hard at keeping and promoting this image.
- Marketing Activities:
 - The DTCM changes its marketing activities to suit each source market. DTCM head office relies heavily on representative offices to carry out the correct marketing in each source market. The DTCM – head office trust the judgement of the representative offices, as they are closer and more in touch with the source markets. The DTCM - head office primarily provides an overall strategy and vision and provides all support material required.
- Geographical markets:
 - The DTCM does not prioritise geographical markets. All markets are important. *Would not provide indication of total marketing expenditure and expenditure by source market – so could not verify this statement.*
- The DTCM's relationship with the trade and distribution channel differs in each source market. Can be very specific permanent arrangements to only arrangements for a specific event/marketing activity.
- Tourism legislation:
 - The registration of hotels is legislated and compulsory in Dubai.
 - Tour operators are not legislated, but compulsory licensing of operators will happen shortly.
 - Car rental not legislated, not expected to change.
 - The Department of Tourism has a Licensing and Classification Department – this department license and classify hotels and collects information on a weekly basis.
 - Tour guiding is licensed and only the Department carries out tour guide training.

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

INTERVIEWEE: *Hamad Mohammed bin Mejren,
Manager, Missions
DTCM*

- Viewed two introductory Videos on Dubai and tourism to Dubai as well as presentation on Dubai tourism. One video just released, the other more than 3 years old. Asked for input on footage. According to DTCM the main aim of the videos are to show that:
 - Dubai is a “melting pot” of old and new.
 - Dubai offers a range of experiences, i.e. city, desert and mountain
- Assessment of videos:
 - Typical marketing videos with images of Dubai as a tourist destination and as a country.
 - Images are good, gives the impression of a vibrant city.
 - However, no core theme(s), just a wide range of images of what Dubai has to offer tourists.
 - Some attempt at an introduction of an Arabian theme in the newest video, but music is western/modern so detracts from the theme.
 - Some statements made in the videos that are not factual:
 - “Friendly interaction with locals”, i.e. Arabians. In truth, we found that a general tourist has no to limited interaction with locals and locals are not friendly.
 - “A melting pot of old and new” – in truth very little “old” exist.
- Reason for Dubai's success:
 - Crown Prince Mohammed is the force behind tourism development – ruling family commitment and interest in tourism.

- Best information is from hotel statistics. Hotels have to provide information on occupancies and guests on a weekly basis, compulsory as part of hotel legislation. If do not provide information, hotel is fined. Only persistent on this for graded establishments, not so worried about non-graded hotels.
- Use hotel statistics to estimate number of “real tourists” – i.e. those tourists using hotel accommodation.
- In next Dubai visitor survey will attempt to get more specific information on visitors from neighbouring countries’ profiles – as believe this is a growing and important market for Dubai.
- All DTCM employees and the industry have total confidence in the government’s development plans for tourism.
- Tourism is important to government:
 - Customer satisfaction is particularly important. The DTCM carries out 2 customer satisfaction surveys per year. It also has a customer complaints department – it is policy to respond to complaints within 48 hours. All information from surveys are taken very seriously and acted upon. Government frowns upon repetitive complaints.
 - Government takes the total visitor experience seriously - it wants to ensure that each tourist’s visit is as good and easy as possible. Therefore in Dubai support departments like Immigration and the Police forms an integral part of tourism planning and in fact they themselves come up with programmes to make the tourist experience easier and better.
 - If the Dubai government makes an announcement about a new office, changes in requirements, etc this takes place very fast – no long time delays in implementation of processes.
 - It is not a difficult or long process to obtain permission to invest in tourism. A potential investment idea or request goes directly to the top, Sheik Mohammed.
- Government does not carry out feasibility assessments of new developments; the private sector prospective developers do this. No formal integrated tourism development planning has been carried out in Dubai. If Sheik Mohammed thinks a development is good for Dubai, it will be supported and it will go ahead.

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

INTERVIEWEE:

*Kasim Kanakri,
Manager, Strategy & Planning
Department of Civil Aviation*

- This department’s job is to manage the airport, expand facilities at the airport and market and strategize to attract more traffic to the airport, which means more tourists to Dubai.
- To date have done mostly media advertising (awareness promotion of the airport as well as the destination) to increase traffic – now decided should change focus to targeted marketing, i.e. building relationships with tour operators, airlines, other governments, etc.
- Japan and SA is on the target country list for this new relationship building strategy.
- Before concentrated on expanding facilities of airport, now need to look also at other issues such as pricing of airport facilities. Believe that pricing too high and looking at specific areas to decrease. For example losing cargo traffic to Sharjah Airport (neighbouring Emirate) as Dubai Airport is more expensive.
- Have an open skies policy for Dubai, but many other countries do not have such a policy and therefore Dubai Department of Civil Aviation still takes part in bilateral negotiations on routes and slots to get more airline traffic into Dubai. For instance just finalized bilateral negotiations with India now have many more flights between India and Dubai. Doing the same with USA, as flights between USA and Dubai are lacking. Will do this with many other markets.

- East Asia still lacking in routes and flights, very willing to do road show to East Asia to determine best way to develop these markets.
- Another new target market looking at, to increase air traffic into Dubai is Executive Air market, i.e. executive jets. Believe this is a big potential market. Looking at pricing factors to attract this market.
- Civil Aviation does a lot to improve the visitor experience in Dubai; in addition to the airport role it is also developing an accommodation service (building own hotels/apartments at airport) and also developing a tour operator arm, particularly for the target market of Executive travel.
- Big problem for Dubai Airport is that larger planes mean that aircraft does not need a stop over; this is already hurting the transit business for Dubai airport. This means Dubai must be developed and promoted as a destination and not just a stop over.
- Emirates have many new planes on order and need to find routes to put them on, so airline marketing is a very important activity of the Department of Civil Aviation.
- The charter market is already being attracted, but only from Northern Europe. Expecting this market to increase significantly in the future.
- Dept of Civil Aviation carries out significant tourism marketing, not only for the airport but also on Dubai as a destination:
 - For instance this department sponsors programmes on CNN featuring Dubai.
 - The Department has its own marketing and media relations departments. Do not have to check marketing activities with DTCM, but knows the general vision of TTCM and keeps within that vision.
 - Although no formal coordination takes place, the Dept of Civil Aviation and DTCM have a good and close relationship. The two departments carry out many joint initiatives such as road shows, etc
 - The Dept. of Civil Aviation is an important player in respect of major events held in Dubai:
 - It has its own event – the Annual Dubai Air Show (this is a very popular event attracting large numbers of tourists).
 - It promotes Dubai as an events destination.
 - It is very involved in the planning for events, providing special airport arrangements, good landing price deals for events, etc.
- Later this year the Dept. of Civil Aviation will organize a conference for airlines, tour operators, travel agents, etc (operators already handling and those wanting to handle Dubai) – will be called the AVIATION FORUM. At this forum will discuss a clear strategy on how aviation can attract more tourists to Dubai. Hope to have this forum every year.
- Very important to the Dept. of Civil Aviation to ensure a good and easy visitor experience:
 - Would like to be the Number 1 airport in the world. For this reason the Dept. started a Transformation Programme 18 months ago. This programme is doing well, but not totally there yet.
 - The industry has instituted a customer care programme that is led by the Dept. of Civil Aviation – “Dubai Cares”:
 - Immigration, Customs and Police is part of this programme.
 - All personnel in these departments get tourist care training and some are even taken to other countries in the world that are excellent for benchmarking lessons, i.e. to look at moments of truth in the tourist experience – Singapore is normally visited.
 - Currently developing a customer care training course with David Freemantle for staff in tourism establishments in Dubai.

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

INTERVIEWEE: *William Horsley,
General Manager
Al Naboodah Travel & Tourism*

- William Horsley set up the first inbound tour operator into Dubai in 1979 and has been working in tourism in the Middle East for over 25 years.
- The East Asian market is not a big source market for Dubai. Dubai is not really getting the level of interest hoped for. Miki Travel is the only Japanese outbound operator (ground service provider/coordinator to service Japanese wholesale operators – Miki Travel themselves do not produce tour packages, but act as provider of ground services in the destination), providing East Asian tourists for Al Naboodah. Miki Travel is a very ambitious operator in selling Dubai.
- No formal private sector associations or forums in the Dubai tourism industry. No formal or set communication between government and private sector. However, have industry meetings several times a year where Government and private sector discuss ideas and issues for industry. Also government is always open to discuss their activities with private sector at any time.
- Horsley believes that:
 - Not enough beach hotels – only five, need more
 - Tourist Board does not understand tourism distribution channel
 - Hotels are arrogant; mostly focus business through three consolidators, i.e. White Sands, Gullivers and Destinations of the World. Easier this way and business is guaranteed. Do not work all and more niche channels. This is expected to change if competition becomes stronger.
 - Smaller tour operators not given good deals, difficult to compete
 - Not enough cultural products available in Dubai - no authentic arts and crafts
 - Package what is not Dubai, i.e. belly dancing – not authentic to Gulf Area
 - Total absence of charters – not allowing mid-market to develop, will not be able to fill all hotel rooms in the future without charters – government officially professes an open skies policy but in reality keeps market closed to charters.
- 70% of ground tour/trip operator market share is held by Arabian Adventures, which is owned by government through Emirates. Government-owned hotels only provide Arabian Adventures brochures so it is more or less a captive market.
- All guides must be trained through DTCM – excellent training provided.
- Although government’s official role in tourism is to market and develop the destination and therefore it should provide similar support to all operators, because of quasi-government owned operations, allegiance is stronger to own structures. This leads to monopolies and makes it difficult for the “real” private sector to enter the market and compete.
- Relationship marketing is extremely important for growing markets to Dubai. The government or quasi-government businesses can use government’s contacts to grow their business, but the “real” private sector must develop their own contacts.

ASSESSMENT OF TOURS

Tour Type/Name: *City Tour*
Length: *4 hours*
Stops: *6*
Attractions: *Burj Al Arab Hotel (architectural interest)
 New glass façade city buildings (architectural interest)
 Largest mosque in Dubai
 Drive through Beach area - Jumeira
 Palaces and Houses of Sheikh and family
 Dubai museum*

*Ride in an Abbra – small wooden boats crossing the creek
Spice and Gold souk (markets)*

Comments:

- Logistics and organization excellent. Picked up in small vehicle at hotel, taken to a meeting point with a luxury tour bus to join rest of tour group.
- Grade of vehicles top class.
- Staff friendly, helpful and well dressed.
- Some attractions disappointing (did not enter Burj Al Arab hotel but only stopped far away on the beach to photograph the external façade; palaces non-descript – cannot photograph; mosques not unique).
- Some experiences interesting – Abbra ride, Souks, Museum (a range of interesting and well presented exhibits).
- Good timing at each stop – do not get bored.
- Guide exceptionally well trained. Several German tourists on bus, spoke English and German. Extremely knowledgeable, not only on tourism aspects but general country aspects.
- Although some attractions are not extremely interesting, the tour is well packaged and timed and enjoyable.
- Well priced.

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

Tour Type/Name: *Dhow Cruise Dinner*
Length: *3 hours - evening*
Stops: *1*
Attractions: *Dinner on a Dhow (a wooden trade sail ship of olden days)*
 while cruising up and down the Creek, providing a night view of the City and its buildings.

Comments:

- Logistics and organization excellent. Picked up in small bus at hotel, taken directly to Dhow. On return trip had own vehicle, which took us directly back to our hotel, no stops.
- As we were only 2 people, shared a table with other people not known to us – not ideal.
- First drink is provided free, thereafter have to pay extra for drinks.
- Boat in a beautiful condition and with an interesting ambience. However, providing some orientation/interpretation/video, etc. of the background of the dhow immediately after boarding or during the cocktail hour could enhance the value of the experience.
- Food mediocre – buffet style cosmopolitan dishes that were generally overcooked - although a broad selection. Some local dishes, although no indication as to what they were. Here again a lack of interpretation. Some attention to interpretation would enhance the culinary pleasure.
- Eating seemed extremely rushed, as if want to get everyone to eat so can clear up (particularly toward the end of cruise nearer to the quay).
- Although interesting experience, either should be shorter time or improved ambience to broaden eating time (again lack of orientation/interpretation). Tour would be enhanced with some taped guiding on sights, particularly after dinner when most of the passengers are on the upper deck enjoying the evening/night views of the creek/glitzy architectures. This would also erase the boredom felt by most passengers after dinner.
- Not value for money. Would be a better value-for-money tour if the above improvements were incorporated.

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

Tour Type/Name: *Dune Dinner*
Length: *5 hours – late afternoon to evening*
Stops: *3*
Attractions: *Travel Outside of Dubai for approximately 50 mins.
Stop at Camel Race Track – meeting point
See Palaces of Sheik
Dune bashing with 4x4 Vehicles
Short Stop at Camel farm
Dinner with several activities:
Camel riding
Belly Dancing show
Stick Dancing show
Arabian coffee drinking*

Comments:

- Logistics and organization excellent. Picked up at hotel in 4X4-vehicle. Same vehicle for entire trip. 6 people per 4X4. Excellent driver/guide. Luxury 4X4. Top class vehicle maintenance. Drop-off by same vehicle directly at hotel.
- 150 people on this tour. Vehicles drive in convoy. Divided into 2 groups. Excellent organization. Only short stop to get group of vehicles together, no delays.
- 4X4 Dune bashing fun and exciting. Drivers well trained. Several short stops.
- Rest of evening well organized. Interesting, well laid out camp in the middle of the desert with all required facilities. Local ambience. Drivers turn into barman, waiters, cooks, etc.
- Evening just long enough before return to hotel.
- Several local dishes of food.
- Open bar of drinks.
- Good Value for money – same price as Dhow Dinner.
- Again, driver/guide's knowledge broad and extensive.

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

Tour Type/Name: *Cultural Tour*
Length: *4 hours – morning*
Stops: *5*
Attractions: *Original beach house of Sheik
Museum of life styles in olden times. Examples of houses
lived in by the poor, the middle income earners and the rich
in olden times.
Palace by the Creek of grandfather of current ruler – now a
museum.*

Cultural museum in Sharjah

*Restoration/expansion of the old buildings in Dubai are
ongoing, so further value-added expected in the near future*

Comments:

- Logistics and organization excellent. Picked up at hotel in small vehicle and taken to meet larger bus tour at 1st stop on tour.
- Again German speaking tourists on tour. Guide speaks English and German.
- Given the lack of culture available in Dubai, tour is well packaged and timed, and moderately interesting.
- Well priced.
- Again guide knowledge is broad and extensive.

Appendix F

Tour Patterns by East Asian Tourists

TOUR PATTERNS BY EAST ASIAN TOURISTS

The following are the examples of typical tour itineraries supported by East Asia market.

TYPICAL TOUR ITINERARY BY JAPANESE TOURIST

- Day 1 Tokyo-Johannesburg (Overnight at Sandton or Pretoria)
- Day 2 Johannesburg-Victoria Falls, Sight seeing of Victoria Falls (Overnight at Victoria Falls)
- Day 3 Full day Excursion to Chobe for game drive (Overnight at Victoria Falls)
- Day 4 Victoria Falls-Cape Town via Johannesburg V & A Waterfront, Signal Hill (Overnight at Cape Town)
- Day 5 Full day sightseeing of Cape Peninsular including Table Mountain, Cape of Good hope, Boulders Beach, Seal Island (Overnight at Cape Town)
- Day 6 Half day Excursion to Kirstenbosch Botanical Garden
After lunch Cape Town-Tokyo via Johannesburg

TYPICAL TOUR ITINERARY BY JAPANESE TOURIST

- Day 1 Tokyo-Johannesburg-Pretoria (Overnight at Pretoria)
- Day 2 Pretoria-Cape Town by blue train via Kimberly (Overnight on the train)
- Day 3 Afternoon sightseeing of Table Mountain (Overnight at Cape Town)
- Day 4 Full day sightseeing of Cape Peninsular including Cape of Good hope, Boulders Beach, Seal Island (Overnight at Cape Town)
- Day 5 Cape-Town-Skukuza via Johannesburg Game drive (Overnight at private lodge near Kruger)
- Day 6 Game drive (Overnight at private lodge near Kruger)
- Day 7 Skukuza-Johannesburg (Overnight at Sandton)
- Day 8 After sightseeing of Gold Reef City, Johannesburg-Tokyo

TYPICAL TOUR ITINERARY BY KOREAN TOURIST

- Day 1 Seoul- Nairobi
- Day 2–Day 5 Stay at Kenya enjoying game drive Masai Mara,Amboseli, Ngorongoro national Park
- Day 6 Nairobi-Johannesburg (Overnight at Sandton)
- Day 7 Johannesburg-Victoria Falls, Sunset Cruise (Overnight at Victoria Falls)
- Day 8 Sight seeing of Victoria Falls, Victoria Falls-Cape Town via Johannesburg (Overnight at Cape Town)
- Day 9 Full day sight seeing of Cape Penninsular including Cape of Good hope, Boulders Beach, Seal Island and Kirstenbosch Botanical Garden (Overnight at Cape Town)

Day10 Cape Town –Johannesburg-Sun City, En route sightseeing of Pretoria (Overnight at Sun City)

Day11 After lunch, Sun City-Johannesburg-Seoul

TYPICAL TOUR ITINERARY BY TAIWANESE TOURIST

Day 1 Taipei-Johannesburg. Sightseeing of Gold Reef City & Pretoria (Overnight at Sandton)

Day 2 Johannesburg-Cape Town Sightseeing: Table Mountain, V&A Waterfront and Stellenbosch (Overnight at Cape Town)

Day 3 Sightseeing of Hout Bay,Seal Island, Cape of Good Hope, Kirstenbosch Botanical Garden (Overnight at Victoria Falls)

Day 4 Cape Town-Oudtshoorn En route Mossel Bay, Oudtshoorn Ostrich Farm (Overnight at Oudtshoorn)

Day 5 Sightseeing of Cango Caves, George-Johannesburg (Overnight at Sandton)

Day 6 Sightseeing of Pretoria and Lesedi Cultural Village to Sun City (Overnight at Sun City)

Day 7 Half-day game drive at Pilanesburg (Overnight at Sun City)

Day 8 After lunch, Sun City-Johannesburg-Taipei

TYPICAL TOUR ITINERARY BY HONG KONG TOURIST

Day 1 Hong Kong-Johannesburg-Sun City

En route sightseeing at Pretoria (Overnight at Sun City)

Day 2 Half-day game drive at Pilanesburg (Overnight at Sun City)

Day 3 Sun City-Gold Reef City (Overnight at Sandton)

Day 4 Johannesburg-Cape Town West coast Ostrich Ranch Show, Sightseeing of Table Mountain (Overnight at Cape Town)

Day 5 Sightseeing of Cape Peninsular including Hout Bay, Seal Island,World of birds, Boulders Beach, Cape of Good hope (Overnight at Cape Town)

Day 6 Cape Town-Hong Kong via Johannesburg

TYPICAL TOUR ITINERARY BY SINGAPORE TOURIST:

Day 1 Singapore-Johannesburg-Sun City

En route sightseeing at Pretoria (Overnight at Sun City)

Day 2 Full-day free at leisure (Overnight at Sun City)

Day 3 2 times game drive at Pilanesburg (Overnight at Sun City)

Day 4 Early in the morning game drive, Sun City-Gold Reef City (Overnight at Pretoria)

Day 5 Johannesburg-Cape Town, V&A waterfront (Overnight at Cape Town)

Day 6 Full-day sightseeing of Table Mountain, West coast Ostrich Ranch, Stellenbosch, Signal Hill (Overnight at Cape Town)

Day 7 Full day sight seeing of Cape Peninsular including Cape of Good hope, Boulders Beach, Kirstenbosch Botanical Garden (Overnight at Cape Town)

Day 8 Cape Town-Singapore via Johannesburg

Appendix G

Website Improvement

TERMS OF REFERENCE

FOR

WEBSITE IMPROVEMENT SERVICE

1. BACKGROUND

Based on a bilateral governmental agreement between the Republic of South Africa and Japan, the Japan International Cooperation Agency (JICA), the agency responsible for implementing Japanese official technical cooperation programs, is currently conducting a study on tourism promotion and development plan for the Republic of South Africa. The Study has been entrusted to the JICA Study Team.

The scope of the Study includes improving the website of SA Tourism for the promotion in the East Asian market, based on its English version that is being consolidated as a common platform, from previously fragmented ones that had existed at different sites. The JICA Study Team intends to subcontract this task (the Service) to the Company. Scope of the Service is outlined below.

2. OBJECTIVES OF THE SERVICE

- 1) To develop Japanese and Mandarin versions of SA Tourism's website based on its English version
- 2) To prepare files containing all the contents in HTML format that can be readily uploaded to the website of SA Tourism

3. SCOPE OF WORK

The Company is responsible for developing Japanese and Mandarin versions of SA Tourism's website in the following way:

- 1) Translate the English version of the website currently being consolidated (www.goafrica.co.za/satourism/), into languages of Japanese and Mandarin
- 2) Use translators very experienced in translation work in Japanese and/or Mandarin who are also very familiar with South Africa's tourism
- 3) Carry out proof reading before finalizing the output for HTML format
- 4) Subject to discussion with SA Tourism and the JICA Study Team during the Service, add some new contents for the Japanese version that will be attractive to the Japanese market

4. SCHEDULE

The Company shall conduct all the work in accordance with the following schedule:

Items	Weeks			
	1	2	3	4
1. Work Planning	x			
2. Coordination with SA Tourism	x			
3. Translation work	x	x		
4. Proof reading			x	x
5. Preparation of the files in HTML format				x
Target dates	2/14	2/21	2/28	3/7

In the course of the Service, the Company shall be obligated to report to the JICA Study Team upon request by the Team.

5. REPORTING & OUTPUTS

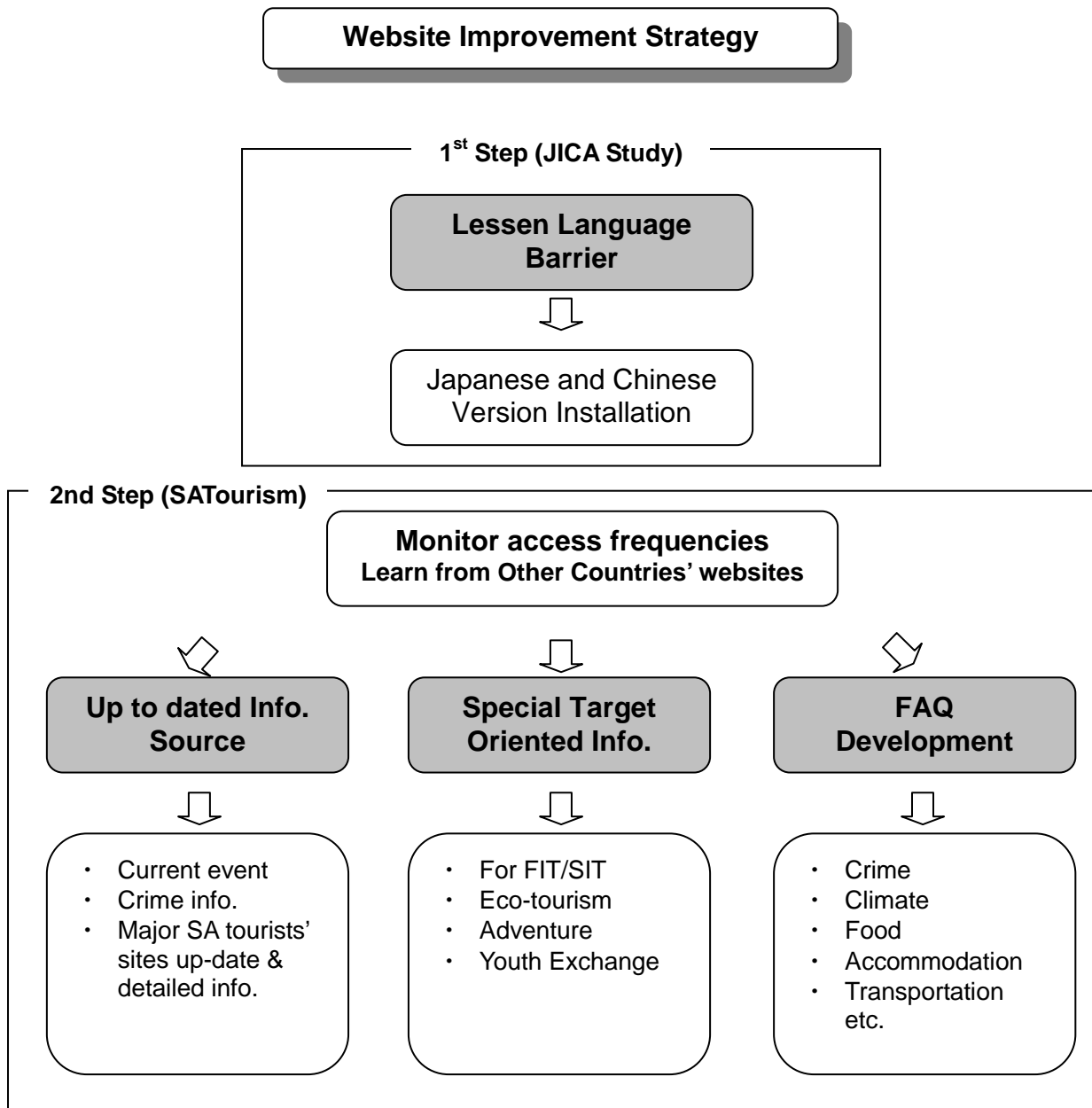
The draft of the website contents shall be submitted to the JICA Study Team. The Company shall finalize the contents following the instructions made by the JICA Study Team.

The following final outputs shall be submitted to the JICA Study Team:

- 1) Three sets of files containing all the contents produced in HTML format that can be readily uploaded to the website of SA Tourism
- 2) Three sets of hardcopies of all the contents produced

SA TOURISM WEBSITE IMPROVEMENT STRATEGY

As shown in the Figure XX, SATourism website needs to be improved by the step-by-step approach to become an effective promotion tool for the East Asian market. The first step is to provide basic information for potential tourists in the market with their own languages, which may be able to tackle the language barrier of current website. The second step are to strengthen the functions of websites based on the monitoring of access frequencies by the users and other countries website investigation. It may be suggested that in the further improvements, up-to dated and detailed information for EA tourists, information for special target such as FIT and SIT, and FAQ development, which can be facilitated based on the questions by the websites visitors. The JICA Study assisted SATourism to facilitate the first step in providing both Japanese and Chinese (Mandarin) version of the current websites content.



Appendix H

Production of Promotion Video for East Asian Market

PRODUCTION OF PROMOTION VIDEO FOR EAST ASIAN MARKET

BACKGROUND

As part of the East Asian market promotion planning conducted in this study, a promotion video introducing major tourist attractions in South Africa to the East Asian market was produced in cooperation with South African Tourism as well as DEAT. In order to produce a video that will meet the “tastes” of the source market, a Japanese production company was selected among several capable Japanese firms through a competitive process.

PURPOSE

To produce a video that can be readily used for the promotion of South Africa’s tourism in East Asian countries, including the versions in English, Japanese and Mandarin languages (approximately 30 minutes in duration)

Potential usage of this video includes:

- To present it at a tourism promotion seminar organized by SA Tourism and/or South African embassies in Japan and other East Asian countries
- To use it for tourism promotion targeting travel agencies and tour operators in Japan and other East Asian countries
- To introduce South Africa’s major tourist attractions to a variety of media in Japan and other East Asian countries

MAIN POINTS CONSIDERED IN DEVELOPING CONTENTS

- Meet the tastes of East Asian tourists and include tourism products and attractions that are part of the typical package tours currently offered in East Asian countries
- Emphasising on diversity of tourism resources of South Africa (nature and scenic beauty, wildlife, wine and food, adventure, shopping, well established tourist facilities and infrastructure, tourist attractions in neighboring countries)

VIDEO TAPES

- Each version of the video produced is available in PAL and NTSC.

Appendix I

The Structure of Japanese Outbound Travel Industry

JAPANESE OUTBOUND TRAVEL INDUSTRY – ITS DISTRIBUTION/PROCUREMENT STRUCTURES

The majority of Japanese overseas holiday tourists still tend to buy into one of the standard package tours offered by major Japanese wholesale tour operators, although more and more FIT tourists who had experienced overseas trips opt for arranging their own itineraries either using so-called “ticket-only agencies” or going directly to airlines/hotels serving in the destinations.

Generally speaking, first-time overseas visitors, seniors (60/more) and honeymooners continue to favor fully-packaged tours, while repeat overseas visitors (such as SW2 – single women in late 20s to 30s and some seniors) tend to opt for semi-packaged tours or “skeleton packages” which normally cover only air flight to/from destinations and minimum basic hotel accommodations.

In terms of wholesaling and retailing, Japanese overseas travel industry consists of two type of travel agents; General Travel Agents (GTA) who wholesales as well as retail their own tour packages through their own retail branches and Travel Sub-Agents (TSA) who only act as a retail outlet for packages provided by General Travel Agents.

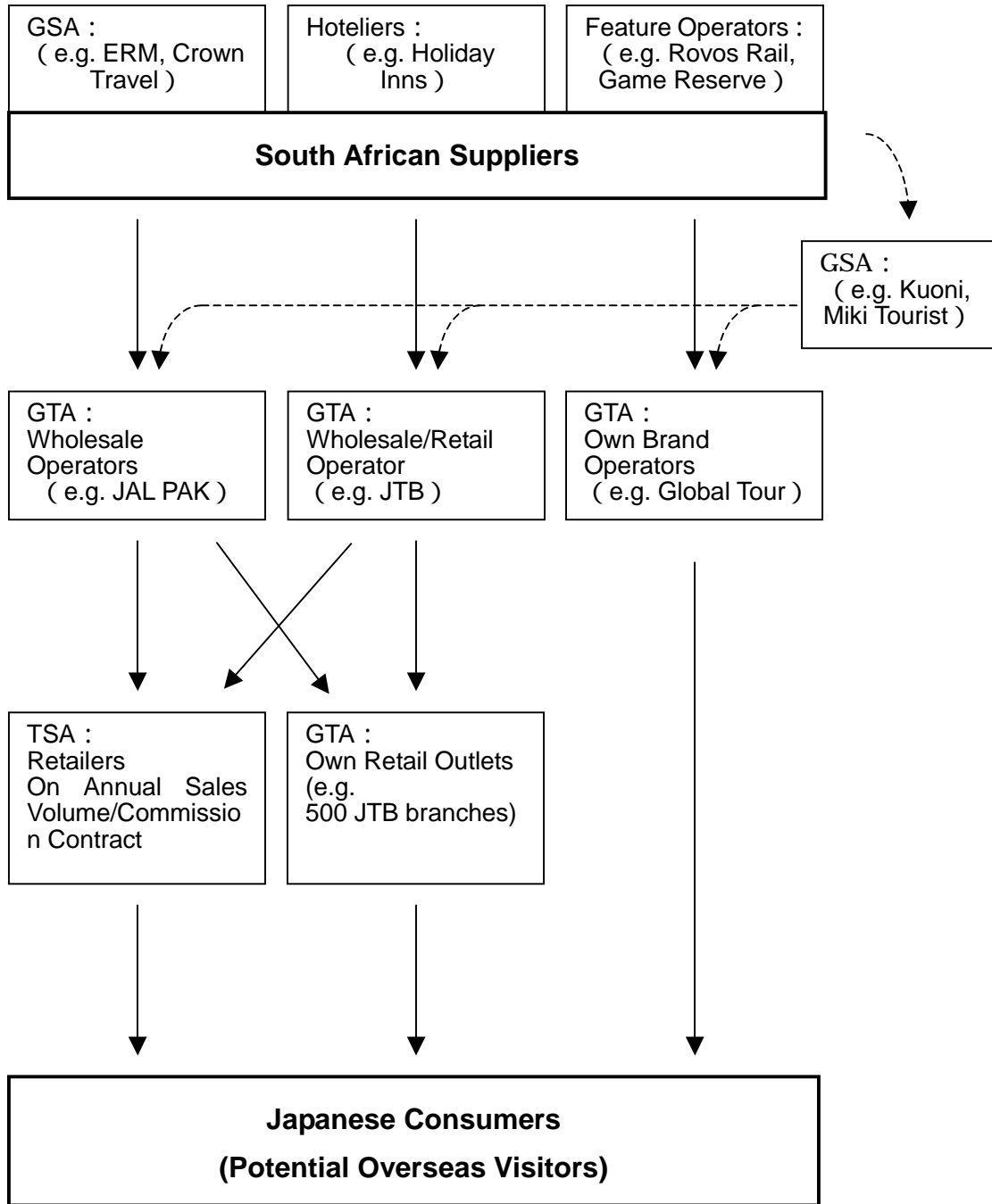
There are three main types of General Travel Agents:

- Those who produce and market their own brand packages only. They do not have their own retail outlets and rely on other GTAs or TSAs for sale of their packages on commission basis. Airline-affiliated brands such as “I’I” packages by JALPAK are these examples (wholesale operators).
- Those who wholesale their own brands, and retail their own and other brands. An example is JTB who produce their own packages which are sold along with other brands through their own retail outlets. Established big name operators fall under this type, such as Kinki Nippon Tourist, Nippon Travel Agency, etc. (wholesale/retail operators)
- Those who produce their own brand and retail only through their own shops (limited number; one to three) and direct mail/national newspaper ads. Small to medium-scale operators often specializing in certain market segments (seniors, cultural discoveries, etc.) or focus destinations (off-the-beaten, discovery/adventure, etc.) fall under this type such as Global Tours, World Travel Service, Eurasia Tours, etc. (own brand operators).

Aside from GTAs and TSAs, there are intermediary service providers called Ground Service Agents (GSA) who service GTA:

- Who provide/consolidate ground tour service arrangements in the destination to order for Japanese tour operators. Some of them are Japanese companies (e.g., Miki Tourist) with branches in major Japanese tourist destinations (e.g., Europe, US, Australia) and others are foreign-owned (e.g., Kuoni, Thos. Cook, Abercrombie & Kent) with its representative offices in Japan.
- Big name operators like JTB, however, act as its own GSA for their tour packages as well as many other ad-hoc group tours on requests through their own overseas branches (UK, France, US, Australia, etc.) who not only acts as Japanese tourist servicing control posts but also as procurement posts for basic tour components such as hotels, coaches, domestic transits, etc.

The diagram below summarizes the relationships between South African suppliers and the Japanese travel industry.



Rough market shares by each of the three GTA categories in the Japanese package holiday tourists are estimated at around:

	All Destinations	South Africa
Wholesale Operators	10%	5%
Wholesale/retail Operators	75%	55%
Own Brand Operators	15%	40%

South Africa is a relatively small destination in terms of market size in Japan with 18-million departures in 2001. Therefore, SA tour packages currently on offer in Japan in the form of wholesale operators' tour catalogs or through national newspaper ads are all fully-packaged ones, including hotels, most of meals and visits to major sights/game reserves with a Japanese escort from departure Japan till return.

No "skeleton packages" (with only air flights, basic hotels and no escort) are on offer in the market for SA departures, while these types of packages now hold a substantial share in the major popular destinations for masses of Japanese tourists such as Europe, US and Australia, along with "themed" and "purpose-oriented" packages such as city breaks, honeymooners, anniversaries, home/farm stays, language schooling or fly/drive, etc.

