Introduction

Although the Western Cape and Cape Town has over the years been at the forefront of tourism growth in South Africa, the approach to tourism development and planning has been largely ad hoc and uncoordinated. This has resulted in failure to capitalise on resources, duplication of effort, division between the metropolitan area and regional Western Cape and unrealised growth potential. The provincial government of the Western Cape recognises the need to deliver on the strategic approach set out in the White Paper on Tourism in the Western Cape.

The "Assessment of Tourism Potential" provides an overview of the current tourism product, markets and infrastructure in the Western Cape. Our analysis reveals abundance of product areas of definite strength and others with unrealised potential. Although infrastructure provision is relatively good overall, key components required to support the future growth of tourism are lacking.

Destination marketing and related market intelligence systems have been lacking. The Western Cape currently attracts a market profile which is the envy of the rest of the country, yet current market research does not provide in-depth information on which to base effective marketing strategies. Targeted market research that would more accurately determine spending patterns of visitors, and assist in segmenting and prioritising target markets is a requirement. Financial resources for marketing are limited and there are many unresolved issues around branding and positioning, institutional capacity and information provision.

The White Paper on Sustainable Tourism Development in the Western Cape provides the policy foundation to lead tourism development in the Province. The tourism policy was formulated in context of the provincial government's economic growth and development strategy, the principles of which are illustrated alongside. We suggest an expanded version of the vision for tourism in the Province set in the White Paper on Sustainable Tourism Development and Promotion:

The vision

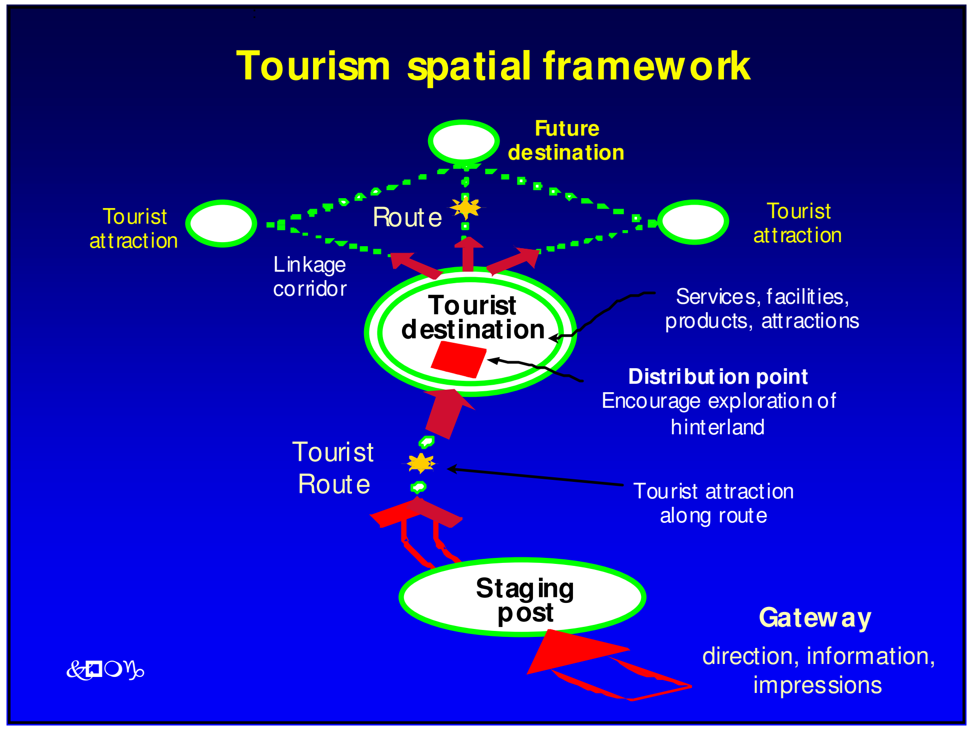
"By the year 2010"

to be recognized as a premier international destination for commerce and tourism based upon achievement of excellence in nature conservation and utilization, preservation of heritage, technological advancement, development of contemporary culture and strength of civic pride."

The Tourism Spatial Framework describes how tourism currently works in space and how it should work in future. It aims to provide a context for intervention and a rationale for the choice of specified tourism development areas and anchor projects. It also demonstrates the importance of using routes to create linkages between areas and products, the need to break patterns of parochial thinking and the requirement to work across frontiers in order to generate critical mass and maximum use of valuable resources. The Tourism Spatial Framework provides the basis for the delivery of a unique combination of tourism opportunities drawing on the network of attractions in Cape Town and the hinterland. Recognition of the requirement for alignment of strategies, partnerships between stakeholders and organisation and linkages between products is key to success.

There is also a need for realism regarding the developmental role of tourism. The physical product provides a strong basis for economic growth and social development yet tourism cannot solve all the socio-economic of every town and community. Expectations can become unrealistic if the platform from which to begin is set too high. Under such circumstances the first step may never happen if stakeholders in public and private sector are overwhelmed by too many priorities, options and opportunities. Disenchantment and withdrawal of support will be the result.

Throughout the process, we have emphasised the need for prioritisation of resources and alignment of strategies prior to focus on delivery and implementation. The Tourism Spatial Framework represents an important starting point.



Methodology

In our situational analysis we focused upon the characteristics and behaviour of existing tourism markets to the Western Cape, identified and located products on a spatial basis using Geographical Information System (GIS) and provided qualitative feedback on the view of stakeholders with regard to tourism development, growth and management in the Province. This document is an interpretation of the past but most importantly it begins to map the way forward for tourism in the Western Cape.

Sound planning practice is based upon the belief that positive spatial patterns such as networks, clusters and other opportunities should be reinforced. Tourism delivers markets to products and therefore is inherently spatial. An important first step is to understand the tourism journey. Key points in this journey include:

- **Gateways and entry points** – access or clearing points usually in the form of airports or border posts (but could also be the entry to a metropolitan area, province, admission points at a park etc).
- **Routes** - tourists travel along routes to reach their destinations. They don't necessarily take the shortest and quickest route, but rather tend to balance the 'effort of getting there' with the quality of the experience and safety.
- **Staging posts** - staging posts are places where tourists stay overnight for the journey ahead.
- **Destinations** - destinations are usually a cluster of attractions and support infrastructure. A destination needs to have compelling product, access and viable support infrastructure.
- **Distribution points** - tourists need to travel to 'something' in a destination. The distribution point within the destination becomes a critical link within the overall experience as it serves as the major source of information, direction and focus.

The tourism journey has different levels – international, national, provincial and local. There is a requirement to map infrastructure, pockets or clusters of activities, markets attracted and their dispersal across the landscape as we have provided in our situation analysis. Infrastructure and identifying links between products to market is a key element in the structuring of tourism space. It is not enough, however to create a series of linked spaces. There must be focus on the creation of density that heightens the "drama" of experience.

Through understanding and utilising the tourism landscape, we can start to treat tourists as consumers rather than guests. By moving tourists along routes, maximum economic benefit can be stimulated and environmental impact minimised. Tourists can be moved where we want them to go through signage, information centres and verbal communication. Conversely, through this approach it is also possible to constrain tourists' visitation to certain areas.

Within our approach there is also an acceptance that tourists consume cities not provinces. Cape Town is the strongest tourism brand in Africa and is a widely recognised icon similar to Sydney in New South Wales, San Francisco in California or Miami in Florida. To successfully profile the Western Cape would take millions of Rand. The challenge is to use the city as an icon, a hook for prompting interest in the Province and consistently provide information about the supporting strengths, experiences and areas.

Tourism planning in the Western Cape has been ad hoc. Minimal emphasis has been placed on the role that the various regions can play in a provincial context, product clustering or use of infrastructure and public resources to maximise available opportunity. The long-term implications are the creation of partnership "islands" and deeper fragmentation. The opportunity is to use product strengths and anchor projects as a base for the creation of a destination, maximise linkages into existing and future infrastructure investments and therefore achieve a tourism landscape that is legible and deliverable. Such an approach is structured, logical and practical and provides the required focus and prioritisation.

Linking product to market

Through extensive analysis of existing market research data we have identified the current target markets of the Western Cape in our market segmentation reports. The market profiles identified through application of Artificial Intelligence technology represent clear definition of the volume that exists, behavioural patterns, lifestyle, motivations and value. Future segmentation and market targeting must be based on comprehensive and targeted market research.

A key objective of this development framework must be to grow market share and lengthen periods of stay through product development, strategic marketing and appropriate positioning. We are all aware that marketing resources are limited and that market intelligence lacks direction, focus and alignment. This does not mean that every town, region and provincial body should do their own thing. Definition of international target markets has recently come from SA Tourism and is shown in the table below.

Primary	Secondary	Tertiary
USA	India	Africa
UK	France	Asia
Germany	Netherlands and Italy	Middle East

SA Tourism will focus its resources on these markets and by implication given the lack of resources, the Western Cape should follow suit. We discuss the opportunities for niche marketing later in this document.

An unfocussed approach to marketing in identified source markets would result in wastage. In this regard, the following international (and domestic) target markets apply:

- free independent tourists
- incentive groups
- tour/travel groups
- conventions/associations
- corporate meetings
- special interest

Each of these markets should be prioritised, motivations and behavioural patterns identified and partnerships built throughout the relevant distribution channels. For example, Cape Town attracted in the region of 8 000 international convention delegates last year according to ICCA. This is a small number in comparison to total visitation and requires further research if the Province is to the maximise value of the new convention centre.

The international market segments shown overleaf relate to free independent travellers, tour/travel groups and special interest. The implication being that we focus on understanding more about the consumption patterns and how to reach these markets in order to maximise the return on marketing spend and assist measurement of effectiveness.

From a product development perspective understanding the requirements of existing and future target markets has a direct correlation with definition of areas of priority and strategic interventions that are required. The areas of priority identified later in this report relate directly to the identified market opportunities for the Western Cape both existing and future. For both the international and domestic markets, understanding the emerging lifestyle segments begins to show some consistent themes in terms of favoured experiences and therefore the implications for product development in the future. For example "The Vibrant and Energetic" and the "East Coast Professionals" are interested in the experiences of urban tourism such as shopping and entertainment, cosmopolitan culture including arts, theatre, as well as themed touring such as wine routes, nature and cultural experiences.

Ensuring the breadth and depth of product along these product lines should be a priority. Assessment of linkages and how these products are consumed as part of the overall experience will inform product packaging from an information provision and wholesaler/retailer saleable product point of view.

International target market profiles

Seg 1: Pleasure Seekers

Travel patterns

CAPE TOWN

- Primary markets: U.K,, Germany, Holland
- Emerging markets: USA, Africa and France
- Stay av. 5 days in CT – 38% up to 8 days
- Cape Town main residence but more likely to stay in other regions
- Hotels primary accommodation, but
- proportion lower than other segments
- Youth hostels feature more prominently
- VFR is also popular
- Some utilisation of B&B accommodation
- Make up 34 % of total int'l visitors = 259 783 visitors

REST OF WESTERN CAPE (SA Tourism stats))

- Existing and opportunity visitations to:
  - Wine Route
  - Garden Route
  - Kirstenbosch
  - Ostrich farms
  - Robben Island
  - W.Cape townships

Insights

- Majority of segment visits Cape Town
- High spending tourists originate from UK (1), Germany (2), Holland/USA (3)
- On average younger than other segments
- Single, under 35, no children
- Backpackers and student travelers
- Young professionals
- Opportunities to link other regional destinations with appeal to this young market – explore, adventure, active, experiential, different etc
- Seek value for money
- Attraction of "cosmopolitan, European city" - build upon complementary facets of region
- More "African experiences" seekers:
- tend to disagree with European element
- Sub-segment profiles will differ

Seg 3: Vibrant and Energetic

Travel patterns

CAPE TOWN

- Primary markets: U.K, US/Canada, Germany
- Emerging markets: Holland, Africa and Belgium
- Broad age groups, in peak earning potential
- Majority spend about 7 days in Cape Town
- (16 days in SA) but 24 % spend up to 14 days
- Cape Town main residence
- Hotels popular
- VFR is important
- Make up 40 % of total int'l visitors = 301 261

REST OF WESTERN CAPE (SA Tourism stats))

- Existing and opportunity visitations to:
  - Wine Route
  - Garden Route
  - Kirstenbosch
  - Ostrich farms
  - Robben Island
  - W. Cape townships

Insights

- Majority of segment visits Cape Town
- High spenders U.K (1), USA (2), Germany (3), Holland (4)
- Wine Route is popular
- Positive interest in culture, arts, crafts, cosmopolitan Cape Town, etc
- Opportunities to link other regional destinations with appeal to market
- Focus special interests e.g golf, food and wine, adventure, touring, events, whales, medicall
- Promotion and packaging of urban, rural, coastal, scenic experiences
- Different age groups will require different messages and areas of emphasis

Seg 2: Established and settled

Travel patterns

CAPE TOWN

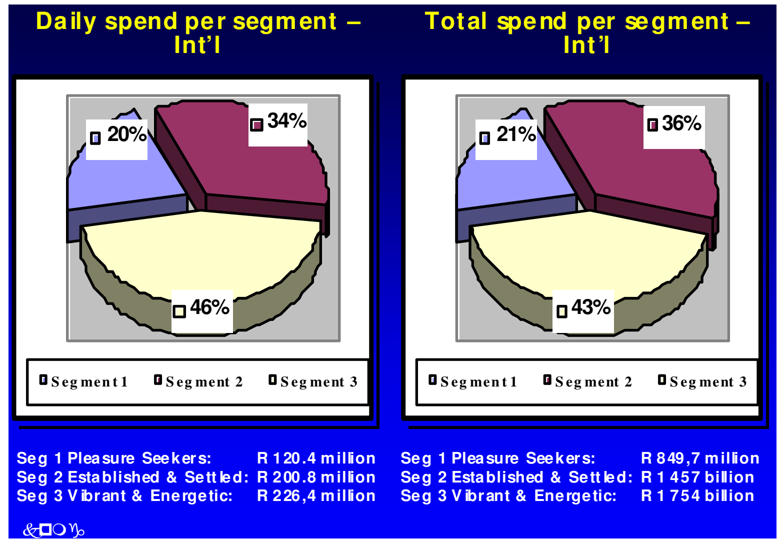
- Primary markets: U.K,, Germany, US/Canada
- Emerging markets: Holland, Africa & Belgium
- Middle aged to older market
- Stay longer than other segments: 38% up to 8 days
- Cape Town main residence but more likely to stay in other regions
- Hotels popular
- About a quarter stay with friends and relatives
- Some utilisation of B&B accommodation
- Make up of total int'l visitors = visitors

REST OF WESTERN CAPE (SA Tourism stats))

- Existing and opportunity visitations to:
  - Wine Route
  - Garden Route
  - Kirstenbosch
  - Ostrich farms
  - Robben Island
  - W.Cape townships

Insights

- Majority of segment visits Cape Town
- High spending tourists originate from
- UK (1), Germany (2), Holland / USA (3)
- Over 50 % aged 50+ - "empty nesters"
- Married without children a majority
- Small segment of "baby boomers"
- Opportunities to link other regional destinations with appeal to market
- Promote WC lifestyle experiences
- Most neutral segment in relation to different perceptions of Cape Town
- Opportunity exists to educate about & influence consumption patterns
- Most segment likely to agree with CT as "European City" – combine this perception with diversity of region
- Value conscious segment



Domestic target market profiles

Seg 1: Highveld Hard Workers "Adventurists"

Destination

CAPE TOWN / CAPE PENINSULA
(60 % of segment / 34 % of total)

Table Mountain	58 %
Cape Point	43 %
Kirstenbosch	24 %
Waterfront	23 %
Ratanga Junction	11 %
Beaches	10 %

Product lines

- Nature
  - scenic
  - activities
- Shopping and entertainment
- Trade & investment
- Culture – contemporary

WEST COAST
(15 % of segment / 82 % of total)

Flowers / nature	17 %
Wine route	12 %
Beaches	8 %

- Nature
  - scenic
  - activities
- Flowers
- Food and Wine
- Beaches

GARDEN ROUTE
(13 % of segment / 50 % of total)

Choo-Choo	16 %
Beaches	14 %
Other	1 %

- Nature
  - scenic
  - activities
- Food and wine
- Soft adventure
- Beaches

Insights

- Majority visits Cape Town
- Small percentage visits West Coast, but make up majority of all visitors
- Small percentage visit Garden Route but make up half of all visitors
- Beaches not a strong attraction
- Nature and culture are equity
- Promote regional facets (country, cultural, coastal, touring)
- Encourage repeat visitations and opportunities to explore
- Packaging experiences / lifestyles
- Majority arrive in Summer, but also most likely to visit in Autumn
- Take longest holidays (14 days) and have highest spend

Seg 1: Highveld Hard Workers "Adventurists"

Destination	Product lines
WINELANDS (5 % of segment / 77 % of total) • Wine estates 31 % • Historical sites 13 % • Mountains 7 %	• Food and wine • Nature – scenic • Cultural heritage
BREEDE RIVER (1 % of segment / 78 % of total) •Wine route 14 %	• Food and wine • Nature - scenic
OVERBERG (2 % of segment / 76 % of total) • Wine route 8 % • Whale watching 4 % • Cape Agulhas 2 % • Beaches 2 %	• Food and wine • Nature - scenic - activities
CENTRAL/ KLEIN KAROO (2 % of segment / 67 % of total) • Kango Caves 17 % • Ostrich farm 14 % • Crocodile farm 9 % • Wine route 6 %	• Cultural heritage • Nature - scenic - adventure

Insights

- Low % visit Winelands, but make up majority
- Low % visit Breede River but make up majority
- Low % visit Overberg, but make up majority
- Low % visit Karoo, but make up majority
- Nature and culture are equity
- Promote regional facets (country, cultural, coastal, touring, activities)
- Need for touring itineraries
- Low Winter and Spring visitation
- Issues arising with safety, service and helpfulness
- Perceptions that people are friendly
- Half of segment aged 35 – 65 years
- Primarily from Gauteng

Seg 2: East Coast Professionals - "Yuppies"

Destination	Product lines
CAPE TOWN / CAPE PENINSULA (85 % of segment / 30 % of total) • Table Mountain 64 % • Cape Point 43 % • Kirstenbosch 19 % • Waterfront 17 % • Ratanga Junction 5 % • Beaches 5 %	• Nature - scenic - activities • Shopping and entertainment • Trade & investment • Culture contemporary
WEST COAST (0.2% of segment / 0.8 % of total) • Flowers / nature 5 % • Wine route 2 % • Beaches 2 %	• Nature - scenic - activities • Flowers • Food and Wine • Beaches
GARDEN ROUTE (11 % of segment /25 % of total) • Choo-Choo 9 % • Beaches 7 % • Other 1%	• Nature - scenic - activities • Food and wine • Soft adventure • Beaches

Insights

- Majority visits Cape Town
- High segment visitation to CT
- Lowest total visitor numbers to CT
- West Coast has very low visitation, but is appealing in summer
- Make up one quarter of all visitors to Garden Rout, but low segment visitation
- Attracted to urban-based tourism
- Overall regional visitation low
- Beaches not a strong attraction
- Encourage repeat visitations and opportunities to explore
- Average length of stay is 10 days
- Most likely segment to stay for less than a week or a long weekend
- Highest % of business visitors(19%)
- Professionals predominant

Seg 2: East Coast Professionals - "Yuppies"

Destination	Product lines
WINELANDS (1 % of segment / 8 % of total) • Wine estates 20 % • Historical sites 7 % • Mountains and other 4 %	• Food and wine • Nature – scenic • Cultural heritage
BREEDE RIVER (0.2 % of segment / 11 % of total) •Wine route and other 10 %	• Food and wine • Nature - scenic
OVERBERG (0.2% of segment / 5% of total) • Wine route 8 % • Whale watching 4 % • Cape Agulhas 2 % • Beaches 2%	• Food and wine • Nature - scenic - activities
CENTRAL/KLEIN KAROO (1.4 % of segment / 33 % of total) • Kango Caves 14 % • Ostrich farm 11 % • Crocodile farm 7 % • Wine route 4 %	• Cultural heritage • Nature - scenic - adventure

Insights

- Lowest visitation to Winelands
- Low visitation to Breede River
- Total lowest visitation to Overberg
- Make up one third of Karoo visitors
- Nature and culture are equity
- Promote regional facets (country, cultural, coastal, touring, activities)
- Need for touring itineraries
- Low autumn, winter, spring visitation
- Issues arising with safety and service
- Half of segment aged 35 – 65 years
- Predominantly from Eastern Cape and KZN
- Gauteng an emerging market
- High summer visitation, and potential autumn

Seg 3: Family needs - "content"

Destination	Product lines
CAPE TOWN / CAPE PENINSULA (82 % of segment /35 % of total) • Table Mountain 62 • Cape Point 44 • Kirstenbosch 15 • Waterfront 17 • Ratanga Junction 5 % • Beaches 5 %	• Nature - scenic - activities • Shopping and entertainment • Trade & investment • Culture -contemporary
WEST COAST (4% of segment /17 % of total) • Flowers / nature 5 % • Wine route 3 % • Beaches 2 %	• Nature - scenic - activities • Flowers • Food and Wine • Beaches
GARDEN ROUTE (9 % of segment / 25 % of total) • Choo-Choo 6 % • Beaches 4 % • Other 0.5%	• Nature - scenic - activities • Food and wine • Soft adventure • Beaches

Insights

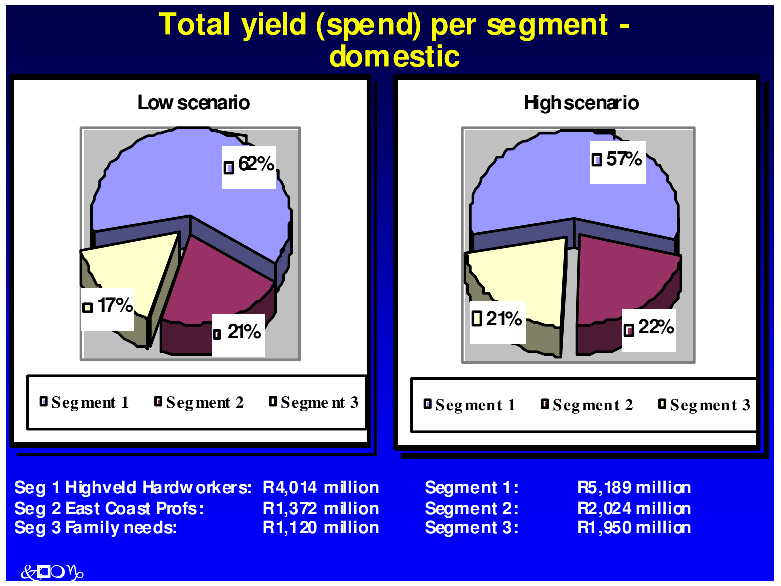
- Majority visits Cape Town
- Interest in West Coast but low visitation
- Make up one quarter of all visitors to Garden Route, but low segment visitation
- Main purpose of travel VFR impacts on visitor dispersals
- Friends and relatives influences travel
- Opportunity to encourage consumptio of broader experiences
- Encourage repeat visitations and opportunities to explore
- Average length of stay is 10 days
- Slightly older group than others
- Retired, pensioners,housewives, students, and blue collar workers
- Highest percentage of females

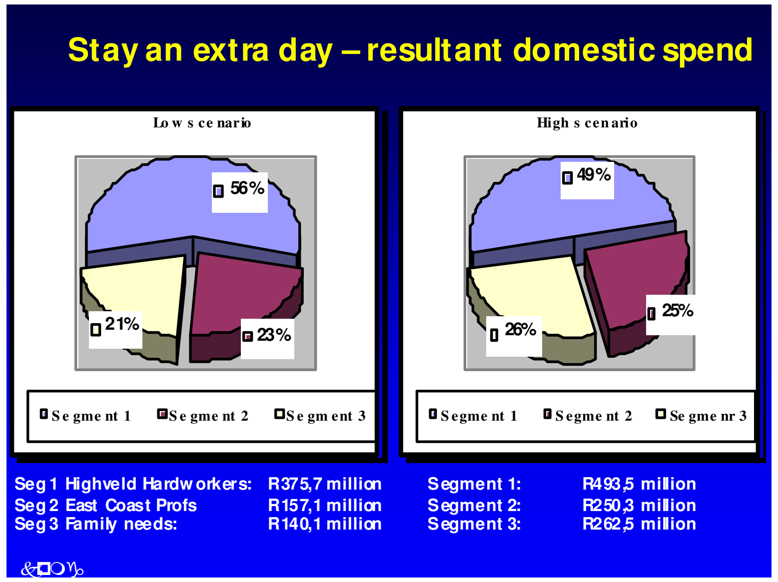
Seg 3: Family needs "content"

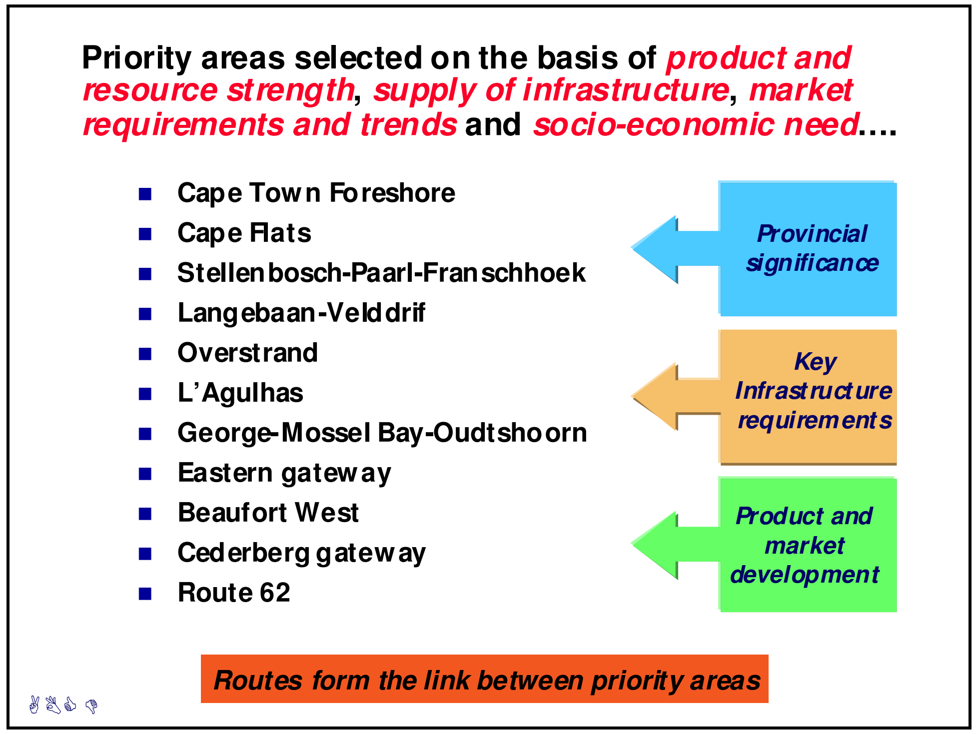
Destination	Product lines
WINELANDS (2 % of segment / 15 % of total) • Wine estates 20 % • Historical sites 7 % • Mountains and othe 4 %	• Food and wine • Nature – scenic • Cultural heritage
BREEDE RIVER (0.2 % of segment / 11 % of total) •Wine route and other 10 %	• Food and wine • Nature - scenic
OVERBERG (0.8 % of segment / 19 % of total) • Wine route 8 % • Whale watching 4 % • Cape Agulhas 2 % • Beaches 2%	• Food and wine • Nature - scenic - activities
CENTRAL/ KLEIN KAROO (2 % of segment / 33 % of total) • Kango Caves 14 % • Ostrich farm 11 % • Crocodile farm 7 % • Wine route 4 %	• Cultural heritage • Nature - scenic - adventure

Insights

- Very low visitation to Winelands
- Lowest visitation to Breede River
- Very low visitation to Overberg, but make up almost one-quarter of total
- Make up one third of Karoo visitors)
- Need to encourage touring
- High summer visitation
- More likely segment to travel outside summer months
- Concerned with safety
- Visitation from different lifestage cycles
- Average length of stay 10 days
- Lowest monthly incomes of all groups
- Predominantly from Gauteng and 20% from KZN
- Important to target friends and relatives


Total yield (spend) per segment - domestic
Low scenario
62%
17%
21%
Segment 1 Segment 2 Segment 3
High scenario
57%
21%
22%
Segment 1 Segment 2 Segment 3
Seg 1 Highveld Hardworkers: R4,014 million
Seg 2 East Coast Profs: R1,372 million
Seg 3 Family needs: R1,120 million
Segment 1: R5,189 million
Segment 2: R2,024 million
Segment 3: R1,950 million


Stay an extra day – resultant domestic spend
Low scenario
56%
21%
23%
Segment 1 Segment 2 Segment 3
High scenario
49%
26%
25%
Segment 1 Segment 2 Segment 3
Seg 1 Highveld Hardworkers: R375,7 million
Seg 2 East Coast Profs R157,1 million
Seg 3 Family needs: R140,1 million
Segment 1: R493,5 million
Segment 2: R250,3 million
Segment 3: R262,5 million


Priority areas selected on the basis of product and resource strength, supply of infrastructure, market requirements and trends and socio-economic need….
Cape Town Foreshore
Cape Flats
Stellenbosch-Paarl-Franschhoek
Langebaan-Velddrif
Overstrand
L'Agulhas
George-Mossel Bay-Oudtshoorn
Eastern gateway
Beaufort West
Cederberg gateway
Route 62
Provincial significance
Key Infrastructure requirements
Product and market development
Routes form the link between priority areas

Application

Understanding the tourism landscape means knowing where strength of product is located, existing and future market requirements and enhancing linkages or redirecting elements which have no direct benefit. Poor legibility and connectivity has resulted in dispersed investment in product and infrastructure across the Province, albeit with considerable individual value. The overall product offering falls short – no sense of place, time and position is imprinted in the visitor's mind and minimal relation to the requirements of current and future target markets.

The canvas upon which change can be effected is the urban, environmental and social fabric. The link between market and product through infrastructure needs to be identified, defined and delivered. Even world-renowned natural and social features require investment and creative development to become magnetic attractions. Linking sites by theme, promotion, product differentiation, transportation etc. has informed the success of many destinations. The linking of areas of scenic beauty, protected natural environments and cultural features (e.g. Cederberg Wilderness Area, Genadendal, Elim, De Hoop Nature Reserve, and many more) in the hinterland to the attractions offered in the metropolitan area offers a diversity of experiences and product development opportunities.

The development of anchor attractions linking into tourism circuits (a string of area clusters) is another opportunity (e.g. Spier, Fancourt, Arabella Country Estate, etc.). Critical mass of linked attractions and facilities including quality international standard accommodation, food and beverage outlets, entertainment, transportation networks, etc and support services are lacking in large parts of the Western Cape at the present time. When the current supply of tourism products and facilities in the Western Cape are mapped (see situation analysis), a number of areas of undeniable strength emerge. These are as follows:

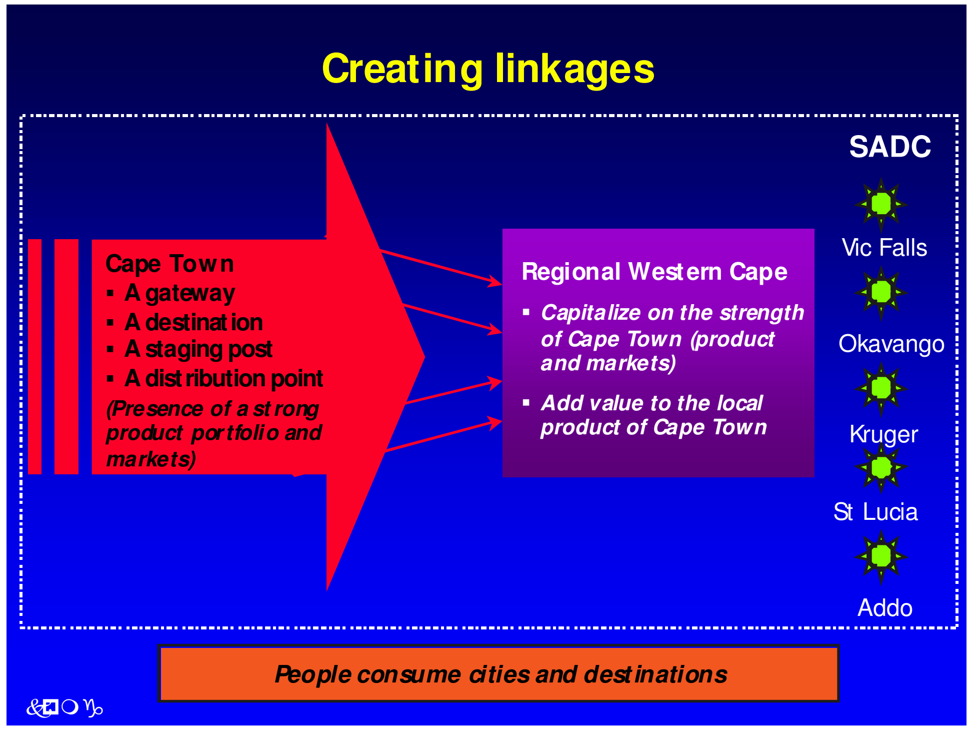
- Cape Metropolitan Area;
- Stellenbosch-Paarl-Franschhoek;
- Overstrand;
- Mossel Bay-George-Oudtshoorn; and
- Wilderness-Knysna-Plettenberg Bay.

These areas are relatively developed however potential exists for further growth given inherent product strength. The Province must concentrate resources around its competitive and marketable destinations and products. There has to be recognition that not every village and town can be a tourist destination, or every road a tourist route.

The previously mentioned areas offer current tourism product and activity. There are other areas in the Western Cape that offer potential based on the opportunity for maximization of resources through density, product clustering and linkage. We believe they can play an important role in maximising the future value of tourism to the Province:

- Beaufort West;
- Van Rhynsdorp-Cederberg;
- Cape Agulhas; and
- Langebaan-Velddrif.

Through focus on the identified destinations, we can begin to direct future tourism flows – thus spreading benefits across the Province, thereby opening up opportunities for product development, job creation and investment opportunities. The argument is similar to building an army. Strength of numbers gained along the way provides a secured terrain on which to move forward. Moving the frontline forward is a strategy that serves to build on critical mass and scales of economy.



Tourism in the Western Cape

We have emphasised throughout our work that the Western Cape has excellent potential as a destination for international and domestic tourism. Despite this potential, tourism growth has been elusive and private sector, government and communities continue to await the benefits. An aggressive and focused approach has become a requirement and it is likely that public sector will have to take the lead in this regard.

Tourists visit provinces but consume cities. Legible and accessible province attractions are often add-ons. It is essential to be clear from the outset that Cape Town is the draw-card to the Western Cape and the most popular destination for international tourists to South Africa. The city undoubtedly has potential and is now focussed on attaining world-class status and competing against the likes of Melbourne, Barcelona and Edinburgh. It is quite simply the most important tourism destination in Southern Africa. Cape Town's role is as follows:

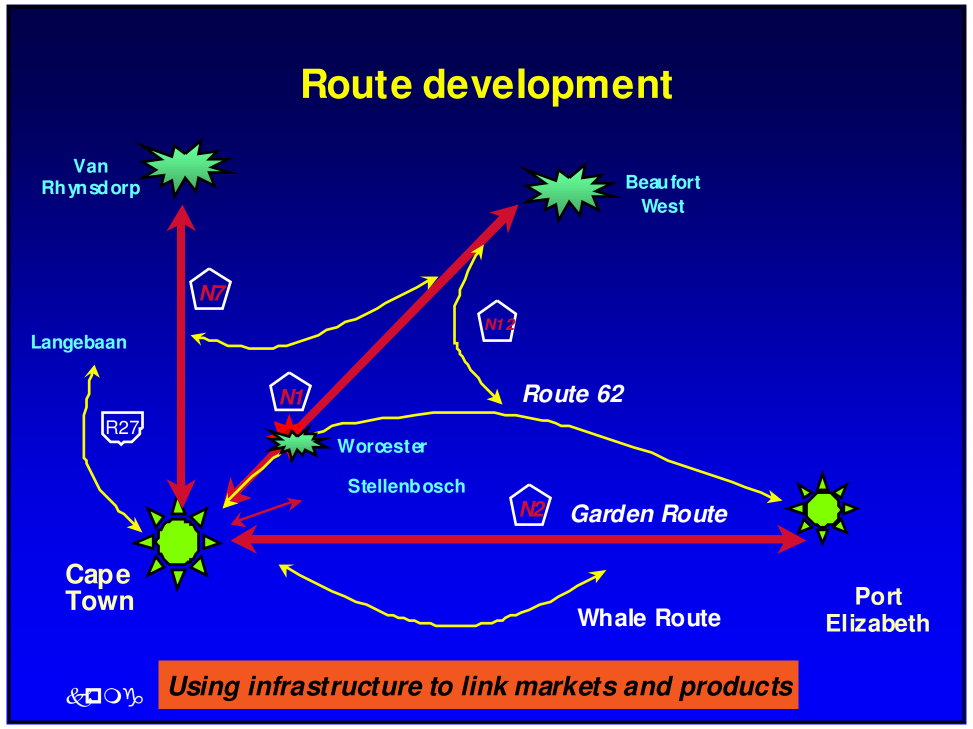
- A gateway to the Western Cape and therefore products in the remainder of the Province, for both leisure and business travellers (domestic and international);
- A destination in its own right;
- A staging post for visitors to regional Western Cape; and
- A distribution point dispersing and influencing flows into the hinterland.

Tourism flows in the Western Cape typically radiate out from the Cape Metropolitan Area into the Winelands, follow the linear patterns of the N2 to the Garden Route and the N7 into the West Coast. A large proportion of domestic travellers simply pass through the Overberg, Central Karoo and West Coast on their journey southwards from source markets in the northern and eastern parts of South Africa. International visitors tend to base themselves in Cape Town and tour outward on an excursion basis into the Province. These prevailing patterns of movement have left large parts of the Western Cape with a sparse and scattered distribution of tourism products and facilities. The perception that the tourist experience is not worth the effort required to access these areas has relegated the hinterland regions to a position of "outback".

Existing linkages between areas of product strength are minimal and private sector investment tends to reflect existing spatial patterns. The hinterland has not been able to build a "critical mass" of elements to attract tourists. The "midlands" between the main transport arteries and established destinations have been relatively ignored. The vast majority of private sector tourism plant in these areas is small, independent and lacks resources. It cannot be expected to unlock value - many such businesses are struggling to survive. The challenge for government is to identify where private sector investments have been made and partner accordingly and/or make strategic interventions in the form of infrastructure or facilitation to ensure that private sector investment does occur in the future. The established patterns and perceptions belie the fact that the hinterland areas are endowed with magnificent mountain and coastal landscapes, prolific marine and bird life and a rich cultural heritage. This inherent potential requires "unlocking", if the Province as a whole is to maximise its potential and add value to Cape Town as it seeks to obtain world-class status.

We believe that the hinterland regions should look beyond their own boundaries and link products across previously discussed frontiers in order build collective strength and a sustainable product. Such co-operation would enable these areas to capitalise on the growing trend of tourists travelling into hinterland areas seeking more diverse and unique experiences.

Channelling tourists throughout the Province are important objectives of the spatial framework. Tourism growth in the Western Cape should be organised and delivered in ways to meet objectives of dispersal of tourism growth and socio-economic development. To this end, destination areas, products and markets need to be linked. The most obvious way of creating linkages is a series of routes. The delineation of routes must be based on tourism planning assumptions, namely that certain physical factors are important for tourism product development (such as historical/cultural interest or scenic beauty) and that the greater abundance and quality of these factors, the greater the potential. The creation of a series of experiences rather than a definitive theme is key in this regard.



Route development

The identification and marketing of routes is common practice in tourism destinations worldwide, and based on the idea that a group of products providing diversity of experience is more attractive than the individual components. Routes guide travellers along carefully constructed experiences creating a sense of "journeying" rather than merely travelling. Tourists don't necessarily take the shortest and quickest route, but rather tend to balance the "effort of getting there" with the quality of the experience and safety. We believe that proper planning and promotion of routes can influence (and change) tourist travel patterns.

Routes also have an important developmental role. By encouraging tourist flows "off the beaten track", routes can assist in breaking polarized patterns of supply. Our starting point has to be the "one night principle". Getting tourists to stay longer in the Western Cape and allocate their available time more evenly between the Cape Metro area and the hinterland is a long-term objective. In the short term we need to move tourists into the hinterland along routes capable of accommodating tourists and retaining their attention and expenditure for at least one night.

We highlighted the growth in the number of thematic routes in the Western Cape in the situation analysis. In most cases there is little or no effort to create synergy, with boundaries overlapping in several cases. Marketing collateral is produced at great cost but has minimal chance of reaching the market due to lack of access to distribution channels. The growth of themed routes has been a reaction of small product owners in a diversity of tourism related sectors to a perceived requirement for marketing support and product linkages.

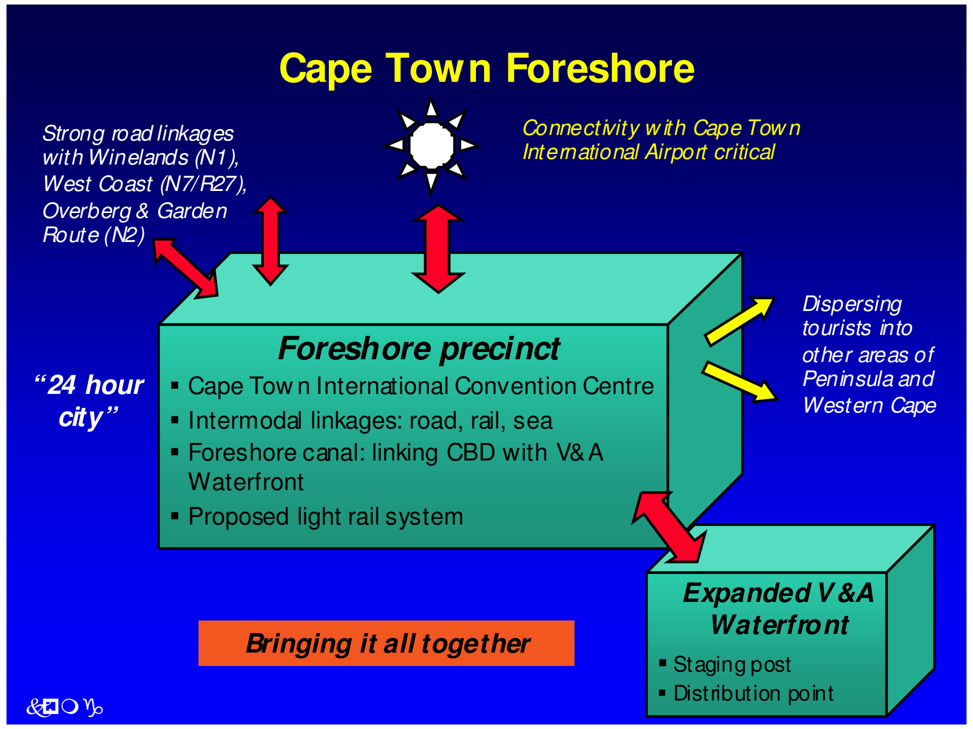
We have interpreted the existing patterns of supply, availability of infrastructure and spatial distribution of poverty in the Province to identify a range of routes. The identified routes are of two types. Primary transport corridors channel large volumes of traffic and offer rapid access from point A to point B. They are not designed for maximisation of economic impact. The primary corridors, the N1, N2, and N7 are suited for road freight transport and also for tourist traffic wishing to move from one point to another along the shortest or most convenient route. These routes however provide access to secondary distributor routes. The second type of route, tourist distributors, fulfil a three-fold function:

- enable construction of a critical mass of tourist product;
- introduce tourists to a broader experience of the Western Cape; and
- create economic opportunities in areas of population.

The main purpose of distributor routes is the opening up of the hinterland areas and distribution of tourists into such areas. The increased flow of people will create opportunities to involve communities in offering products and services suited to the character of the route. Products such as rural accommodation, craft outlets, walking tours of villages and field guiding have relatively low barriers to entry and often involve existing but under-utilized multiple skills. Such products will lend local flavour, expose tourists to the soul of the hinterland regions, and contribute to local economic development. Product development, packaging and realisation of regional linkages will enhance opportunities for success. Identifiable opportunities and initiatives do exist, and should be built upon.

Regional Western Cape's strengths lie in ecotourism, adventure, cultural and sport and events products. Demand for many hinterland products is yet to be realised, and they tend to fall outside or lie in-between the traditional tourism routes. The distributor routes pass through the heartland of the Western Cape. These areas should be incorporated into the Western Cape's product portfolio and into the province's tourism "spatial fabric". The challenge is to use the location of products using easily identifiable destination points to direct and focus tourist flows into undiscovered areas. Establishing loops linking into the main routes, and using easily identifiable distribution points like Cape Town, Worcester, Langebaan, Beaufort West, and Knysna to direct flows will be critical to achieving the objective of distributing tourist flows through rural areas of the Province. Rather than limiting the scope of the routes to a single product or theme, routes should integrate different products and expose visitors to a diverse experience of the Western Cape.

The routes can serve as an integrating mechanism in the Province. Without this strong "spine" of product, the province would find it difficult to prosper as isolated, individual areas. For example, Route 62 has succeeded in overcoming parochial issues by linking products across tourism regions to provide an overall visitor experience that brings together many of the strengths of the hinterland. The challenge is to build upon success achieved and to create linkages between priority areas. This approach links strength of product to strength of product in order to build up a regular, sustainable and satisfied tourism demand.



Tourism development area – Foreshore, Cape Town

Significance

Cape Town is key to the growth of tourism in the Western Cape. Confidence in the tourism potential of the city is high and is being translated into large-scale investment in infrastructure and plant. We have identified the area surrounding the International Convention Centre site on the foreshore as a priority tourism development area. The area is likely to become the main hub of tourist activity in the Province, and has an important role as distribution point. Strong linkages between the Foreshore and the cultural and natural experiences of the Townships, Winelands and other areas of the Western Cape will be crucial.

Assessment of infrastructure

The N1, N2, N7, R27, and mainline trains converge and are adjacent to the Foreshore. Intersections where traffic flows from the N1 and N2 spill into the city are hot spots of congestion, specifically at peak times but increasingly throughout the day. Resolving road congestion on access roads to the Foreshore must be a priority.

Stakeholders have raised the question of a high-speed rail link between the CBD and the airport. Current financial realities do not support such a project in the short term. Focus should be on the upgrading of commuter rail transport, which will serve both tourists and local residents. The cruise market has also been put forward as having significant potential for Cape Town. The number of cruise liners stopping off in Cape Town during the 2001/2002 season is indicative of this potential. The magnitude of the market, and constraints and realities related to Cape Town as a cruise stopover require further investigation.

Product and market development

The Foreshore lay dormant for a long period and until recently was characterised by parking lots, a network of roads and the "unfinished" highways. The turnaround which started with the construction of two hotels on the derelict power station site is picking up pace. The International Convention Centre is the focal point and has become a catalyst for real estate development in the area including a new 500-bedroom Arrabella Sheraton Hotel. Numerous roleplayers have a stake in the future – City of Cape Town, Portnet, Convenco, V&A Waterfront, Cape Town Partnership and property owners. Delivery of key structural components is already visible – the canal linking the V&A to the CBD, a world-class visitors centre, enhanced security and cleanliness. Other projects such as the redevelopment of Cape Town Station and proposed light rail system will add value.

Key recommendations include:

- creation of a canal front retail and entertainment walkway similar to Clarke and Boat Quay in Singapore and the Rocks and Darling Harbour in Sydney;
- inclusion of an inter-modal connection area including rail, road and sea with key linkages to airport, Waterfront and Robben Island, Winelands;
- maximisation of linkages between the ICC and existing hotels such as the Cullinan and Holiday Inn;
- packaging of further hotel investment opportunities in order to maximise international exposure; and
- exploration of opportunity for the development of cruise terminal.

The Foreshore has an important role as a distribution point to experiences exposing international and domestic tourists to the history and cultural diversity of the population. The precinct should serve as "springboard" for walking tours of the city, District Six and Malay quarter and guided tours focussed on the cultural experiences offered by Langa, Khayelitsha, Gugulethu and others.

The area has the potential to become a vibrant and bustling tourism and retail precinct comparable to the best in the world. Adopting a proactive approach and ensuring integrated and co-ordinated development is key to the realisation of this vision. Integration and co-ordination in this case means linking spatial elements but also bringing all stakeholders together to work in partnership. An Integrated Development Framework at a precinct level is a requirement, locating current developments, indicating future desirable components, demonstrating circulation and flows, illustrating linkages and packaging investment opportunities. A further critical action is ensuring that the precinct is connected visually and physically, by means of transport, to the CBD. This will be fundamental to halting further decay and the eventual demise of the central shopping area.

Tourism development area – Cape Flats

Significance

Although not the primary characteristic attracting foreign visitors to South Africa, interest in experiencing the diversity of South African cultures, and especially African culture, has increased in recent years. Township tourism has an important role in showcasing contemporary urban African culture to visitors. Township residents, operators and tourism authorities caution against "sidelining" township tourism, and believe that visits to the Cape Flats should be an integral part of any tour of the Cape Metropole. Nevertheless, township tourism is an emerging product with particular operational and support requirements, and as such, we believe that specific strategic interventions are required to support the growth of this type of tourism. We have therefore designated the Cape Flats as a tourism development area

Assessment of product and infrastructure

A range of stakeholders are involved in the development and marketing of township tourism, including tour operators, tourist guides, township B&B, shebeen and restaurant owners, NGOs, community based organisations and tourism organisations. Some of the issues constraining the growth of township tourism, as identified by stakeholders, are:

- Lack of awareness of economic and social significance of tourism amongst communities;
- Unlicensed vehicles and illegal guides;
- Lack of defined routes and route signage;
- Inappropriate location of tourism facilities;
- Lack of safety and security, including lack of visible policing;
- Lack of partnerships between "external" tour operators and community members;
- Lack of representative community tourism forums in some areas;
- Ignorance regarding operating standards and regulations on part of operators; and
- Lack of protection of historically significant sites.

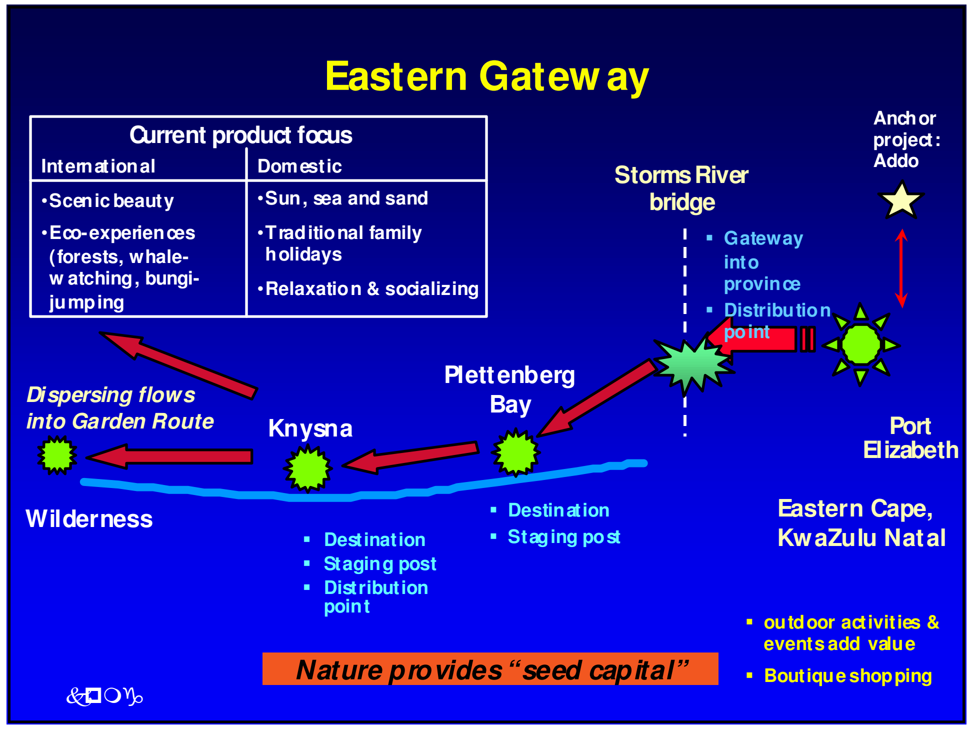
These issues are challenges to be overcome. None of these are insurmountable. Stakeholders have already demonstrated willingness to get involved and make a difference. This energy needs to be harnessed.

Product and market development

The community tourism forums are the most appropriate channels to work with to begin to find solutions. Strategic interventions must be the result of dialogue between authorities and the forums. Most importantly, the members of the forums must take ownership and responsibility for supporting actions and projects, with assistance and guidance from the Chief Directorate and other authorities. Key recommendations regarding strategic interventions include:

- Establishment of community tourism forums where required;
- Regular information and capacity-building sessions for township operators;
- Identification and mapping of tourism routes (in association with community tourism forums and tour operators);
- Formalising routes with appropriate directional and tourism signage, and reinforcing through brochures and marketing material;
- Participating in "township heritage" project of South African Heritage Resources Agency and City of Cape Town – identification and conservation of significant sites;
- Visible policing through community police forums and neighbourhood watches; and
- Facilitating communication between the police and township tourism operators through by including representatives of the SAPS on community tourism forums.

We believe there is a need for a "think-tank" in the form of the Chief Directorate, relevant local government departments and agencies, community tourism forums and tour operators to examine how the recommendations contained in this report can be expanded upon in a strategic framework, how implementation will be undertaken and successes monitored and communicated.



Tourism development area - Eastern Gateway

Significance

We have identified a tourism development area stretching from Storms River Bridge on the eastern border of the Western Cape to Wilderness, some 120 kilometres to the west. This is the "heart of the Garden Route" with lush vegetation and forest, ravines, waterfalls and abundance of animals and birds. The area is the main entry point into the Western Cape from the eastern provinces, KwaZulu Natal and the Eastern Cape.

Assessment of Infrastructure

The Garden Route is a popular destination area and staging post for domestic and international tourists. The N2 connects cities and settlement along the coastline of South Africa from Cape Town to Durban. The quality of the road throughout the Western Cape is generally good. The quality of the Tsitsikamma Toll Road, awesome topography and vegetation and Storms River Bridge information centre combine to create a "sense of arrival" into the province. An excellent base to build upon exists. The information centre has an important role as a distribution point for the adjoining provinces. The N2 is the main transport artery for road freight transport. Large trucks and seasonally high traffic volumes periodically cause severe congestion between Plettenberg Bay and Wilderness. Action groups are lobbying for the creation of a bypass road. The desirability of a bypass requires thorough review, especially as regards the impact on coastal communities as a result of a decrease in transient tourism.

The Knysna Lagoon and Wilderness Lakes system is a popular recreational area for water sports. The development of Knysna Quays has established facilities for recreational boating alongside a tourism precinct containing accommodation, food and beverage outlets and specialist retail. The Outeniqua Choo Tjoe vintage train runs along the scenic coastal landscape between George and Knysna. Opportunity exists to link Cape Town and George by train as an alternative to coach or motorcar transport. The infrastructure is in place but passenger services run irregularly. Much has been made about the quality of the golf course at Sparrebosch Clifftop Estate, however the development of the resort appears to have become secondary to residential sales. Future development as per the masterplan should be encouraged.

Key recommendations include:

- consolidation of tourism signage using information centres and information laybys as key interventions;
- optimising the role of Stormsriver/Bloukrans information centre to encourage "transfrontier" tourism flows between the Western and Eastern Cape; and
- exploration of opportunity for the optimal use of rail infrastructure for passenger transport and maximisation of linkages to Cape Town.

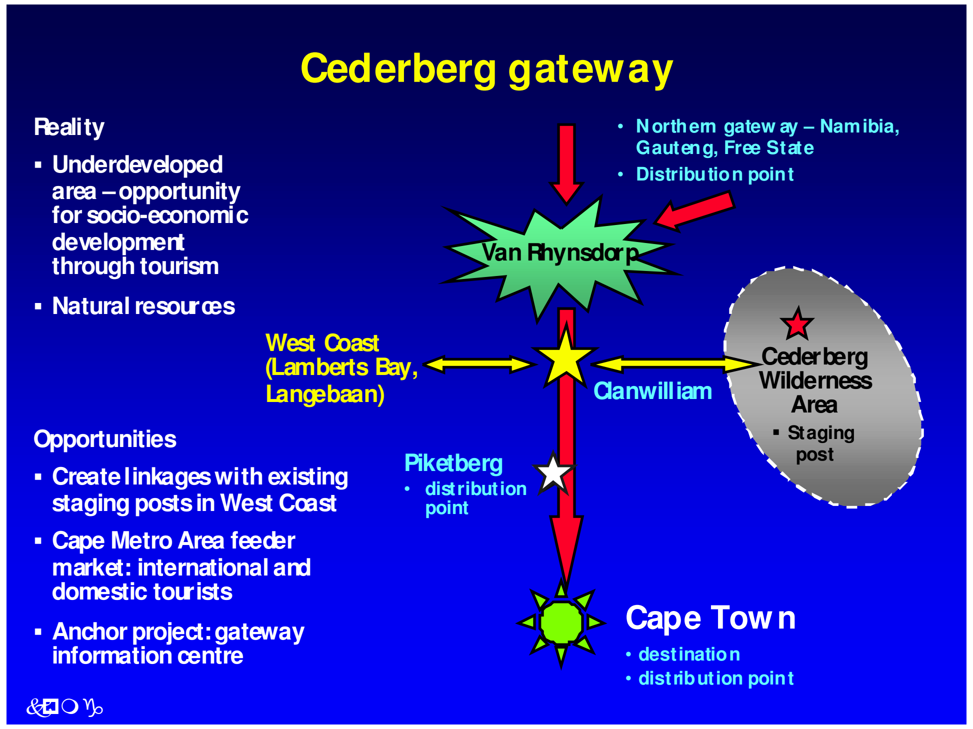
Creative and efficient use of existing infrastructure is essential to identified product packaging, and provides justification for continued maintenance and upgrading.

Product and market development

The Addo Elephant reserve has been promoted as the largest Big 5 reserve in a non-malaria area. A considerable amount of work has been done on this project and it appears to be moving forward. If this is the case then maximisation of linkages between the reserve and the Eastern Gateway is essential. It will be possible to position both Knysna and Plettenberg Bay as upmarket resort locations offering the opportunity to combine a beach experience with the Big 5. Port Elizabeth is likely to emerge as a more "mass" market destination. Such positioning should impact directly on product development.

The environment of the area is an ideal setting for soft and extreme adventure activities. Many already exist; what is lacking is a co-ordinated approach to the development and marketing of these products. Role-players need to capitalise on unique resources such as the Khoisan archaeological sites at Robberg and Tsitsikamma, South Africa's only marine diving trail at Tsitsikamma National Park and "Map of Africa" scenic view at Wilderness, to position the area as a premier adventure tourism destination.

Knysna is already an established "events" destination with events such as the Knysna Oyster Festival and Knysna Forest Marathon attracting participants and spectators from the CMA, the Western Cape and South Africa. The international participation in these events is growing, providing opportunity to "capture" this market for sightseeing and adventure experiences in the broader region.



Tourism development area – Cederberg Getaway

Significance

The West Coast is the third most popular region for domestic tourists (after the Cape Peninsula and the Garden Route). The area is particularly popular during school holidays (Easter and December) and the spring flower period (August to September). The natural and heritage resources - rock art, mountain landscapes, unique vegetation, mission settlements, unpolluted air - of the northern part of the West Coast are largely undiscovered. We have designated a tourism development area comprising Van Rhynsdorp, Vredendal, Clanwilliam and the Cederberg Wilderness area in the interior and Strandfontein and Lamberts Bay on the coast.

Assessment of infrastructure

Van Rhynsdorp is the first sizeable community encountered by travellers travelling from the north along the N7. Traffic flows from the N14 (Upington) and R27 (Calvinia), merge into the N7 to be channelled southwards through Van Rhynsdorp toward Cape Town. Drive time along the N7 from the metropolitan area is approximately 2 hours to Clanwilliam, 3 hours to Van Rhynsdorp and Lamberts Bay and 4 hours to Strandfontein. Although travel distance to Clanwilliam and Lamberts Bay fall within the tolerance levels of weekend and short break domestic traveller, the inferior quality of sections of the N7 (e.g. Piekenierskloof to Clanwilliam) is a hassle factor.

Van Rhynsdorp is a commercial centre for the surrounding farming community, and can play an important role in informing and directing flows off the N7. It lies at the intersection between the R 27 from Calvinia and the N7 and is therefore a strategic location for intercepting and directing traffic flows from the north. Cape Town is the primary source market; information provision in the south is equally important. These facilities should ideally be located at places with an existing throughput of travellers, such as service stations or tourist attractions, and become a component in a cluster of traveller's facilities such as take-away outlets, restaurant, or convenience shop.

Key recommendations include:

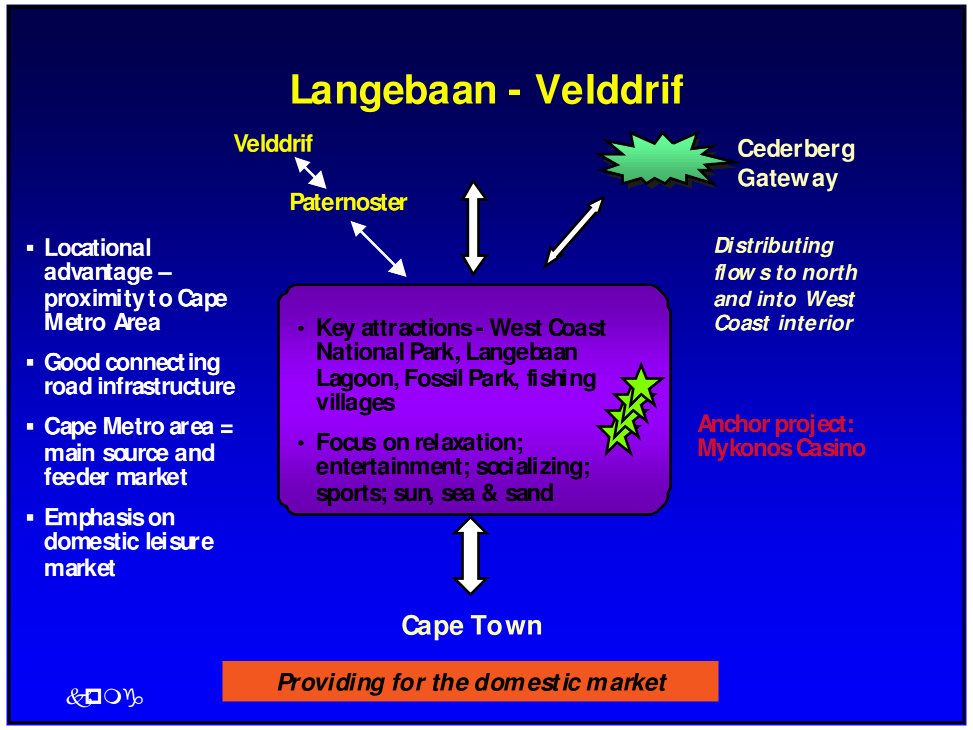
- upgrading of 50 kilometre section of N7 between Piekenierskloof Pass and Clanwilliam;
- agreement regarding location and "level" of provincial information facility in vicinity of Van Rhynsdorp; and
- creation of southern information point for Citrusdal, Clanwilliam, Lamberts Bay and Cederberg Wilderness Area in vicinity of Piketberg.

Constructive engagement between provincial and district agencies responsible for the maintenance of roads and tourism signage approvals, and the tourism organisations representing private sector is required to communicate requirements and constraints on either side and to develop solutions which suit all.

Product and market development

Clanwilliam and Lamberts Bay are already stopover point for international visitors, and staging posts and weekend destinations for the domestic market. Lamberts Bay is known for coastal attractions such as Bird Island, Muisbosskerm and Bosduifklip (open-air restaurants). The Clanwilliam Dam, surrounding historical features such as Leipoldt's grave and Wupperthal over the Pakhuis Pass, and scenic vistas of spring flowers appeal to tourists interested in relaxation and exploration. The popularity of the flowers provides opportunities for agricultural tourism and we would suggest that a location is designated for a flower and rock art interpretation and information centre which could become an area focal point. It could also form a distribution point into the resource based tourism assets of the area.

The scenic beauty, unusual vegetation and rock art of the Cederberg Wilderness Area at present attract mainly the domestic market resident in the Cape Metropole and other parts of the Western Cape. Nature and heritage serves as the basis for rest, relaxation and exploration. The core products also provide opportunities for niche experiences aimed at markets seeking to explore and learn about Fynbos, geological formations and the cultural heritage of the San. The Van Rhynsdorp environment and West Coast with its mission stations, wetland areas, prime fishing areas and fisher's villages can be linked together to provide a "touring" experience for independent domestic tourists and short-break visitors from the Cape Metropole.



Tourism development area – Langebaan – Velddrif

Significance

We have defined a tourism development area focused on Langebaan and surrounding coastal towns. The area's strategic advantage lies in its proximity to Cape Town, the quality of connecting road infrastructure, diversity of tourism experiences and domestic market awareness.

Assessment of infrastructure

The N7 is the main north - south transport corridor in the Province. The road cuts into the interior of the West Coast and Northern Cape. Coastal feeder roads lead off the N7 to coastal communities. The R27 runs parallel to the N7, hugging the coastline. Both roads are in relatively good condition, and are key elements in the accessibility of Langebaan and surrounding areas. Drive time between Cape Town and Langebaan is approximately one hour.

Regular coach liner transport is available to and from Cape Town and Saldanha Bay via Langebaan. Coaches depart daily from Cape Town and Saldanha Bay with an additional trip on Fridays and Saturdays.

Club Mykonos provides a small boat harbour with 136 walk-on mooring facilities. Additional mooring facilities are available in the access point to the area, either from other west coast towns or from Cape Town.

Rail infrastructure exists, but is used mainly for freight transport. A passenger service runs once a week. Although journey time by road is comfortable, rail transport can provide an alternative, especially for the growing emerging market in the Cape Metropole. Opportunities to optimise use of rail infrastructure are already demonstrated during the spring flower period when tour groups travel through the West Coast by train.

Product and market development

The West Coast is generally identified with Langebaan, the West Coast National Park and spring flowers. Although the area currently caters mainly for domestic leisure tourists, as well as business tourists, the resource base provides opportunity for attracting the emerging domestic market and niche international markets.

Langebaan is generally the first stop for visitors travelling through the West Coast, and has an important role as "springboard" and distribution point into the coastal and interior parts of the West Coast. The identified area is home to each of the West Coast's main tourism products – adventure, ecotourism and culture. The main attractions at present are the Langebaan Lagoon, the West Coast National Park and Club Mykonos offering activities and experiences such as cruising, socialising and relaxation, water sport, entertainment and nature experiences. Archaeological and palaeontological features such as "Eve's Footprint" at Langebaan Lagoon and the West Coast Fossil Park offer potential to package products aimed at niche international markets. The architecture and lifestyles of fishing villages in the area combined with distinctive regional cuisine also provide scope for further product diversification.

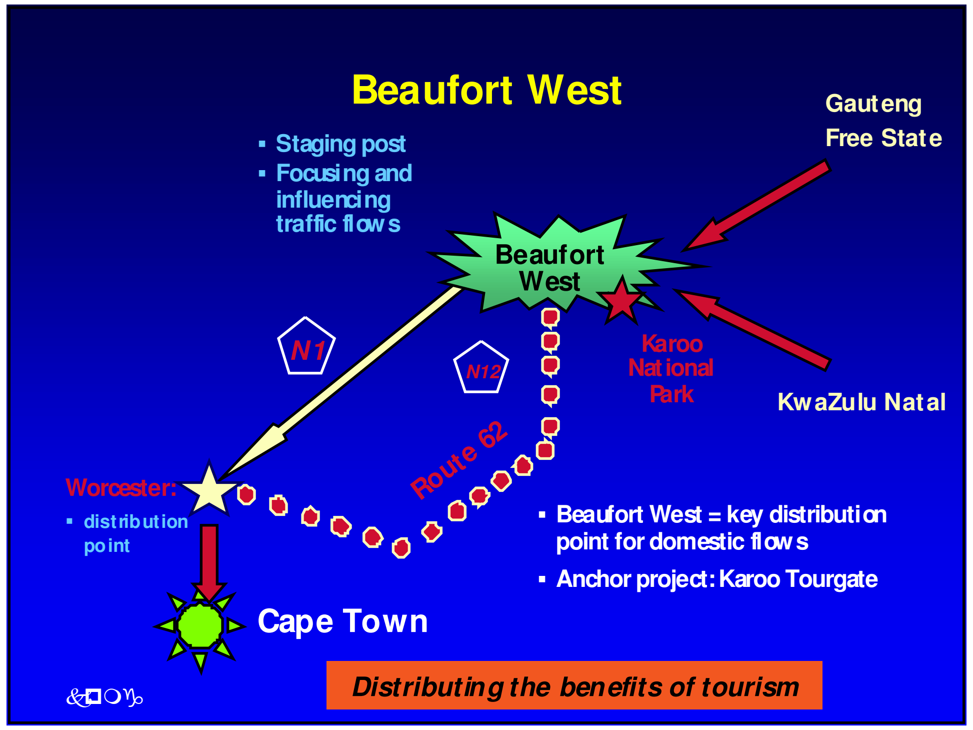
Langebaan has a crucial role in directing and focussing travellers to other points within the TDA, such as Paternoster and the Fossil Park. Its role in the West Coast at large is also important – introducing visitors to the region and aiding in their "dispersal" to routes and other areas in the West Coast.

We recommend an approach that focuses on product combination and using transport infrastructure to enhance access for all visitors. This should include the following:

- proper and regular maintenance of roads providing access to anchor attractions and destinations;
- investigation into optimising the use of rail infrastructure for passenger transport;
- establishment of a regional information point showcasing products and facilities of the TDA, but also providing information about West Coast in general;
- revisiting private sector investment opportunities on SANP and SADF properties; and

- convening a West Coast product cluster to explore opportunities to package products.

Tourism growth in the area should focus on improving market and physical accessibility of key products, creating linkages, and increasing the ecotourism, adventure and cultural markets.



Tourism development area – Northern Gateway (Beaufort West)

Significance

Beaufort West is strategically located as a "mid-way" point on the journey from Gauteng, the Free State and KwaZulu Natal. The town functions as a stopover destination, providing accommodation and roadside facilities, such as garages, take-aways and restrooms for travellers. We have selected the area based on the town's importance as an entry point into the Western Cape. Beaufort West is also a gateway to the Eastern Cape, the Northern Cape and the Free State. On an average day, 15 000 cars and 1 000 trucks pass through Beaufort West. Strategic intervention should be aimed at optimising the opportunities linked to the throughflow of high volumes of traffic.

Assessment of infrastructure

Beaufort West lies at the juncture of the N1 connecting Cape Town to Gauteng and the N12 from Oudtshoorn and to KwaZulu Natal. The stretch from Colesberg to Touwsriver is infamous for high incidence of road accidents, and Beaufort West therefore has an essential role in road safety. Most travellers stop at most an hour to refresh and refuel and then continue on to the north or south along the main transport artery (N1). Beaufort West is ideally placed to direct tourist flows off the N1 along the N12 or R353 towards the R62. A critical element is the provision of comprehensive information and directions through a visible tourist information centre and/or information layby.

Tourists often have greater flexibility in terms of journey time and, unlike freight transport, do not need to travel along the shortest and quickest route from point A to point B. Channelling tourist traffic off the N1 through the scenic interior of the Western Cape has a two-fold objective. Separating at least part of the volume of tourist flow from road haulage traffic will assist in improving road safety conditions. Secondly, diverting tourist flows will also channel the flow of tourist expenditures into the hinterland.

The proposed Karoo Tourgate project is an important initiative. Its multiple functions as a stopover point, information centre, resting, eating and sleeping place, for travellers passing through are obvious. The centre needs to be much more than an "up-market" roadside garage. We believe that such a facility can showcase the natural and cultural resources of the area, thereby informing and dispersing tourists into Beaufort West itself and farms and attractions around the town. The result is retaining tourist spend and extending the duration of stay. The approach must be one of innovation and "thinking big"; the outcome is an "edu-tainment" complex drawing on the palaeontological heritage, rural lifestyles and "great plains" of the Karoo. Directional signage leading to the centre and directing flows from the centre to attraction points is of significant importance. The project must be conceptualised, planned and packaged accordingly.

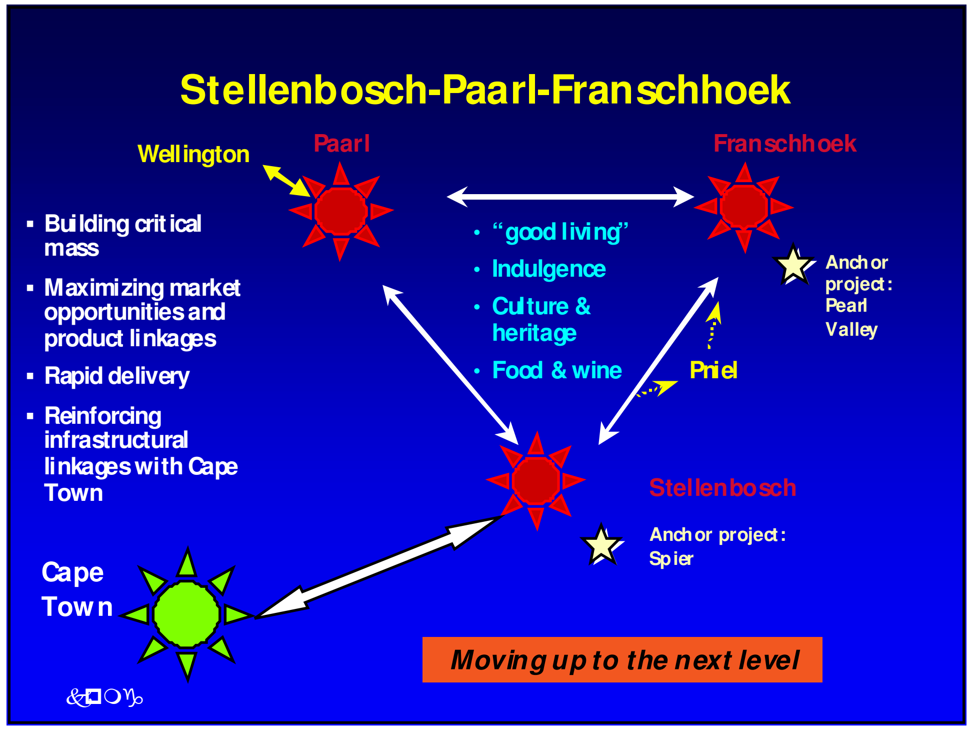
Product and market development

The Karoo National Park and farmland provide for ecotourism, adventure and agri-tourism experiences such as hiking, stargazing, bird watching, succulent vegetation tours and farmstays. The evolution of animals and plants is captured in fossils 200-500 million years old. The palaeontological and archaeological heritage, farmsteads on contemporary livestock farms, graves, Victorian settlements and the birthplaces of important figures in South African history, deliver a rich cultural experience.

Key recommendations to activate the Northern Gateway include the following:

- prioritisation of the creation of the Karoo Tourgate with an emphasis on commercial and edu-tainment opportunities; and
- maximization of linkages between the Tourgate and Karoo National Park.

The travel time by road between Gauteng and Cape Town is significant at 1420 kilometres or 12 hours. Given time constraints, only a small percentage of international tourists undertake this journey by road. The domestic market is therefore the focus of product development in and around the Northern Gateway, either travellers passing through along the N1 or the short break market in the urban centres of Cape Town and Port Elizabeth.



Tourism development area - Winelands Triangle

Significance

We have grouped together the local tourism areas of Stellenbosch, Paarl and Franschhoek to define a tourism area featuring spectacular mountain landscapes with valleys planted with orchards and vineyards, and some of the oldest settlements in South Africa. The towns form a triangular area in the Cape Winelands, with Stellenbosch being the most popular destination area at present.

Assessment of infrastructure

The Winelands Triangle is strategically located close to the main feeder market in the Cape Metropole. Drive time from Cape Town to any one of the towns is under one hour. The western distribution point into Route 62, Worcester, lies under half an hours drive to the north of Paarl. The N1 and N2 are provincial transport arteries; the quality of these roads is good. The R310 and R304 connect Stellenbosch to the national road network - (N2 and N1 respectively). Franschhoek is accessed via the R310 through Stellenbosch or the R45 from the N1. The connecting roads carry commuter and tourist flows on a daily basis, as well as farm vehicles during the grape harvest. Roads within the towns are generally good.

The considerable ongoing investment made in the Spier Village provides numerous opportunities for marketing and product development. The potential of the Spier Vintage Train running between Cape Town and Franschhoek and Cape Town and Spier Estate is not optimised, partially due to the inferior quality of the terminal in Cape Town. An intermodal connection area adjacent ICC will resolve this issue and unlock additional opportunities as mentioned previously. Vintage trains provide a unique tourism experience and have an excellent fit with the image of the Winelands. The option to run tourist trains between Cape Town, Stellenbosch, Paarl and Franschhoek, on a seasonal basis initially, and with regular scheduling in the future should be considered.

Key recommendations include:

- consolidation of tourism signage onto strategically placed information boards and information centres to protect the aesthetic appeal of the historical town centres;
- upgrading and regular maintenance of roads linking anchor towns to major roads (N1 and N2), with due regard to potential impact on cultural landscapes; and
- investigation into awarding of concessions to use existing rail infrastructure for vintage and tourist train operations.

Product and market development

Stellenbosch has an established profile amongst domestic and international tourists, and is an important destination and staging post in the Western Cape. The French ambience of Franschhoek complements the Cape Dutch heritage of Stellenbosch and Paarl. Franschhoek is a popular weekend destination, with distinctive branding based on its French heritage and celebration of events such as Bastille Day. Paarl is home to several prestigious wine estates, KWV headquarters and various monuments; the town has however not yet achieved the popularity of Stellenbosch and Franschhoek.

Market research shows that tourists interested in food, wine and heritage, the anchor products, are also likely to enjoy complementary products such as golf and sport, cultural events, and health and fitness (especially restorative experiences such as spas). Nature and culture have provided a generous base. The area has already attracted major private investment. Spier Estate, with the world brand name of Ritz Carlton, is the anchor project. The momentum required to move the area up to the next level has been initiated and the development of resorts at Pearl Valley and on municipal land in Franschhoek should be encouraged. The function of the public sector is to provide a supportive facilitating environment, and to ensure that critical infrastructural linkages serving investment are in place.

The area appeals to both domestic and international markets. A balance between upmarket, luxury properties and those providing for South African families wishing to experience the Winelands lifestyle is desirable. Future strength lies in capitalising on the investment of private sector, and opportunities created by continual product development efforts in surrounding town such as Pniel, Worcester and Wellington. Smaller towns, currently bypassed or serving as stopover points alone, will in time benefit from the spill-over effect of continued growth in anchor towns of Paarl, Franschhoek and Stellenbosch.

Tourism development area - Overstrand

Significance

The coastline stretching from Rooi Els to Pearly Beach is dotted with coastal towns catering primarily for the domestic leisure market. Although Hermanus has established the most prominent image as a whale-watching destination, all towns along the coast benefit from this unique resource and the region-wide marketing of the Whale Route. The area is subject to seasonality and development is clustered around a small number of towns.

Assessment of infrastructure

Overstrand is accessed from the west via the N2 over the Sir Lowry's and Houwhoek Passes. This road carries high volumes of tourism and road transport flows during peak periods. The road quality is however good. An increasing number of visitors travelling to Hermanus and surrounding vicinity use the scenic coastal road from Gordon's Bay, or veer off towards the coast at Botriver. The recent upgrading of this road has enhanced accessibility and given a further boost to the tourism trade in Hermanus.

The Overstrand is also linked to the N2 via connecting roads leading from Swellendam, Stormsvlei, outside of Riviersonderend (R326) and Caledon (R320). The R328 between Stanford and Hermanus is severely degraded and several sections require urgent attention to facilitate flows beyond the hub of Hermanus.

Product and market development

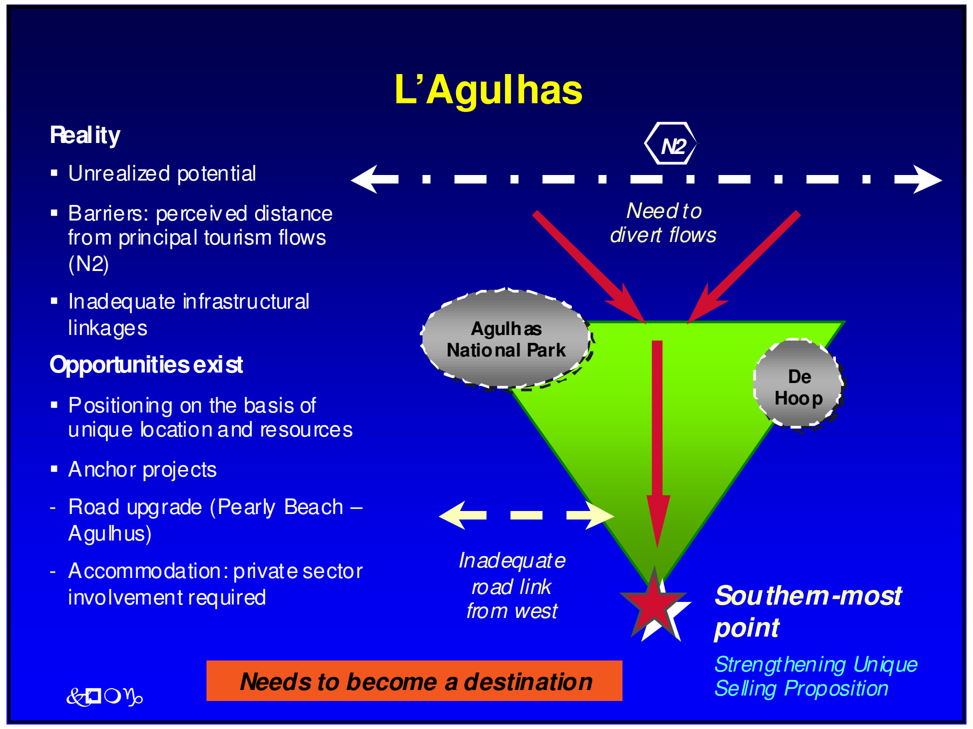
Hermanus provides a concentration of tourism facilities and activities and attracts large numbers of people during weekends and peak seasons. The importance of Hermanus as a "springboard" into the Overstrand cannot be underestimated. The town must aim to be centre of excellence and "hub" of tourism growth in this part of the Province. Hermanus has already achieved an international profile; this will be strengthened by luxury golf estate development at Arrabella Estate and the associated brand name of Sheraton. The linkages between Arrabella and the convention centre hotel in Cape Town will introduce large groups of international tourists and convention delegates into the area.

Overstrand Municipality has embarked upon an ambitious redevelopment programme intended to create the desired centre of excellence. The program includes refurbishment of parts of the existing town centre, and the addition of nine holes of golf to the Hermanus Golf Course. The focus of the plan is the unlocking of value for residential and subsequent community upliftment. There are also opportunities for a major interpretive centre related to marine life. Such a facility is lacking within the town at the present time. This could be linked with other attractions in the area and form an essential part of a visit to the town.

The historical role of the coast as a destination for the domestic leisure market resulted in the growth of small resort towns along the coast. Second-homes feature strongly, with a large proportion of visitors returning to the same town year on year to enjoy good swimming beaches and abundant supply of adventure activities. Hermanus and Gansbaai are core areas of development; development is however increasingly moving eastwards to L'Agulhas/Struisbaai. Establishing strong linkages between relatively new areas of coastal development with developed areas are essential to re-enforcing overall strength.

Each town along the coast offers a diversity of adventure based activities e.g. mountain-biking, shark-cage diving, fishing, diving, etc. Adventure tourism does not suffer from the seasonality characteristic of whale watching. We believe that the future growth of the area lies in diversification of the product through focus on the adventure tourism market.

Domestic market development has focussed on the "traditional" holiday market, with limited provision of facilities for the "new" market. Given accessibility and proximity to the Metropole, Overstrand is well placed to begin to draw on this market. Several community-based initiatives aspire to bring marginalized communities into the tourism economy of the area (e.g. Hawston, Arniston). These projects require the support of the government.



Tourism development area – Cape Agulhas

Significance

The Western Cape is characterized by uniqueness - the Fynbos Kingdom, Table Mountain, and the oldest urban settlements in South Africa. Perhaps the most unique feature is the southern - most tip of Africa. Yet, what should be icon in the Province and South Africa hardly features on tourists' itineraries. We have identified this area as a priority for tourism development.

Assessment of infrastructure

The Suidpunt area is accessible from the N2 via Hermanus on the Botriver-Hermanus-Stanford route. From the east, the Suidpunt is accessed along the Stormsvlei and Swellendam roads. Both have roles to play in tourism distribution into the southern - most point. The tarred routes giving access to Hermanus and Bredasdorp from the N2 are generally of good surface quality. Roads leading from these large centres to coastal villages are narrow single lane roads with narrow shoulders. Such roads are adequate for current volumes of traffic, but many require attention with increased flows of people into the region.

To the west of Pearly Beach and Gansbaai, the traveller encounters gravel roads of varying quality. These roads are the "missing links" in tourism flows from the Cape Metropole to Cape Agulhas, and act as a barrier to the development of tourism in the region and a deterrent to the average tourist. Priority should be given to the upgrading of gravel roads linking into the more isolated but important product areas such as Elim, Wolvengat, and De Hoop. The tourism potential of the southern-most tip will only be maximised if critical mass is achieved. Road infrastructure is an important element in the achievement of this objective.

The movement of tourists travelling through the Overberg en route to the Garden Route has been linear. There is a need to divert flows off the N2 to the southern - most point of Africa. The need to double-back on the Bredasdorp to Cape Agulhas road after visiting the area is a barrier to tour operators and a significant hassle factor to independent travellers. This is coupled with a perception of the southern - most point as uninteresting and offering limited facilities.

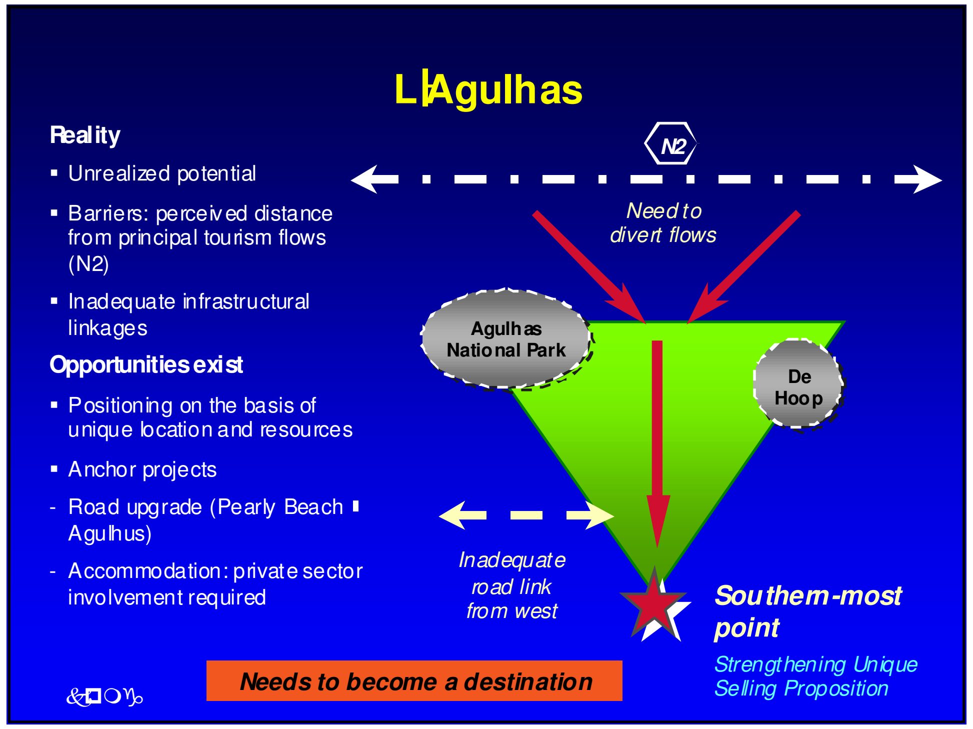
Product and market development

The key fixed attractions along the coast is the southern-most tip at Cape Agulhas, De Hoop Nature and Marine Reserve, beaches at Struisbaai and Arniston fishing village. The coastal strip is also well endowed with coastal nature reserves, both public and private. These are areas where birds, animals and plants take precedence, few human beings are encountered, and where the visitor can revel in the serenity of nature.

Key recommendations include:

- convening all stakeholders, including SANP, Western Cape Nature Conservation, local authority, property owners, provincial government, etc. to chart a way forward regarding upgrading linking roads, including joint funding;
- developing an Integrated Development Framework for Agulhas, Struisbaai, Arniston and De Hoop to maximise product strength, create critical mass through linkages and conserve the unique cultural and natural environment;
- upgrading and proper maintenance of the pathway leading from the lighthouse to the southern-most tip, and improving directional and interpretive signage as a short-term action; and
- packaging of a combined offering of investments in Agulhas, Struisbaai, Arniston and De Hoop area in order to achieve realistic scales of capital requirement.

Future positioning of Cape Agulhas as a destination requires a number of actions. Improvement of infrastructure is a public sector intervention; the provision of accommodation is the responsibility of private sector. Several developments have been proposed in this area; none seem to be taking off. Investors are unwilling to take the first step, often naming lack of infrastructure as a key constraint. We believe that road upgrades alone will not necessarily "unlock" this area. A pro-active, strategic and integrated approach to product, infrastructure and facility development is required.



Tourism development area - Mossel Bay-George-Oudtshoorn

Significance

George, Oudtshoorn and Mossel Bay have already achieved prominence as individual destination areas. Mossel Bay is primarily an industrial town with Mossgas as its dominant feature. The Dias Museum in the town is however also a stopover point for international and domestic tourists. George has attracted investment in golf courses and residential estates, and Fancourt is a "must do" on golf tours of the Western Cape. Oudtshoorn is known for the Cango Caves, the Ostrich industry and Klein Karoo National Arts Festival. We have defined a tourism development area which brings together a range of product content. The three anchor points are George, Mossel Bay and Oudtshoorn.

Assessment of infrastructure

Road access to the area from the west and east is along the N2. This road was upgraded during the last decade, and is of good quality. From the north, the area is accessed along the Meiringspoort Road (N2) through the Swartberg. Following extensive upgrading and reconstruction after devastating floods, this road is now a "model" tourist route with laybys and an attractive information centre and rest area. The scenic Outeniqua Pass between Oudtshoorn and George has also been upgraded. However, the stretches of road leading from the towns to the upgraded section are of inferior quality and require attention.

George Airport has a significant role as an entry point for tourists flying in from Cape Town and Johannesburg. Concerns regarding the capacity of the airport to accommodate volumes of golfers, media and spectators expected to congregate when the Presidents Cup is hosted at Fancourt in 2003 exist. Investigations into the expansion of the airports capacity are underway. We are informed that George Airport has weather problems and is not suitable for large volumes. A decision in this regard must be made as it impacts on the role of Port Elizabeth as a gateway and exit point. The passenger rail service between Cape Town and George runs once a week. As in the case of the Eastern Gateway, the under-utilized rail transport infrastructure presents opportunity for creating innovative packages around golf, ecotourism and adventure tourism.

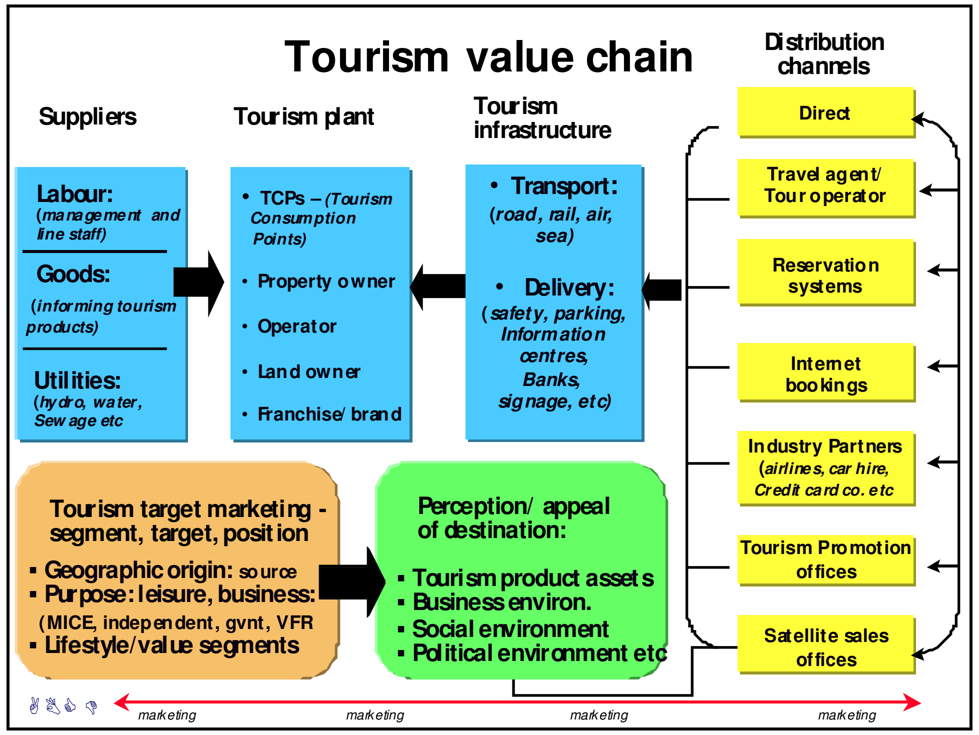
Product and Market Development

Significant investment has transformed the golf estate at Fancourt into a world-class facility. This investment has served as a catalyst for other projects capitalizing on this niche product and market. There is a need to maximize the sunk investment and opportunities provided by the Presidents Cup in 2003 through packages, promotions and additional investment. Opportunities for further resort investment should be encouraged and packaged (e.g. Oubaai). There is insufficient accommodation of an international standard in the area able to accommodate groups, conferences, meetings and incentives and make many of the opportunities identified viable. The investments that are being made in golf and related facilities will have minimal impact on tourism unless further investment is made in resort accommodation. Fancourt has made much of the initial investment in golf infrastructure.

Key recommendations include:

- development of a golf village including retail, food and beverage and local arts and crafts in George;
- identification of potential sites and packaging of resort investment opportunities;
- exploration of the opportunity to develop a Big 5 Game Reserve in the area; and
- investigation of opportunities to link to Cape Town via rail on a regular basis.

Oudtshoorn originally gained prominence around ostrich farms and the Cango Caves, and attracts both international and domestic tourists. The Klein Karoo Arts Festival is a resounding success, demonstrating the use of events to market relatively unknown resources, in this case, culture. Oudtshoorn is an important distribution point into the hinterland to the north, connecting to the R62 via the N12 through areas of open space and unpolluted air. George and its associated golf product is perhaps the strongest of the three distribution points in the area. Market research indicates that golfers are also interested in other sport events, adventure activities and regional cuisine and wine. Opportunities exist to realise growth and diversification, of both products and market, through linkages with culture and adventure activities throughout the area.



Broad infrastructure development

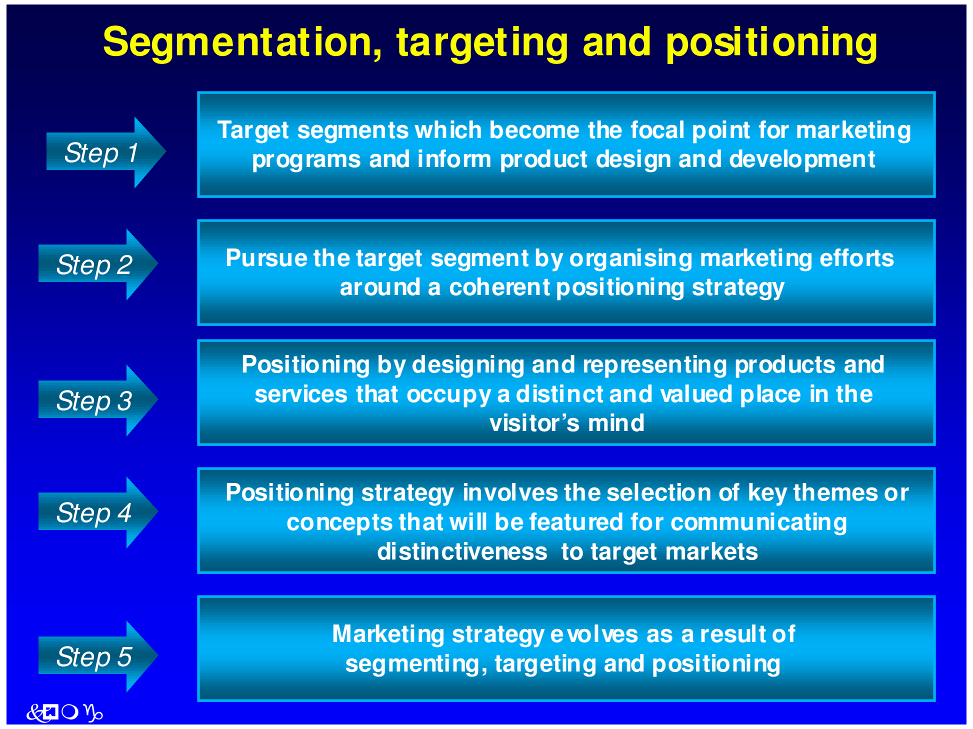
From a product perspective the Western Cape is an internationally competitive destination. The Province is an environmental theme park that offers a diversity of natural experience. It also has a depth of cultural attractions and a fashionable and trendy vibe. Visitor numbers are not however increasing at the level anticipated. This strategy provides much of the direction to future public sector intervention in tourism infrastructure and it aligns strategies that have existed in isolation and assists future partnerships. From a public sector perspective this is a valuable exercise and demonstrates a commitment to a coherent planning process. A more structured approach will assist in growing tourism to the Western Cape and the development of new products throughout the Province.

With regard to accelerated growth, a more fundamental problem is the role of private sector in tourism growth in the Western Cape. As a starting point, we believe that there is a need for a wider variety and better quality international standard accommodation in Cape Town and throughout the areas prioritised in this report. This may seem a strange recommendation when visitor numbers are not increasing at any significant rate and existing provincial room occupancies are in the low 60 per cent range. There is however a need for greater international marketing exposure and participation in the globalisation of tourism and hospitality. For example, San Francisco offers in excess of 30 000 rooms, Vancouver almost 20 000 rooms and Melbourne in the region of 18 000. Cape Town offers less than 9 000 rooms.

The fact that none of the major international first tier hotel chains are represented in the Western Cape is a negative from a demand generator and potential user perspective. The recent arrival of Radisson on the V&A Waterfront, Arabella Sheraton at Hermanus and the future Cape Town ICC hotel and Ritz Carlton at Spier is a major step in the right direction. More such projects are required if the Province is to realise its potential, smooth seasonality and maximise marketing exposure.

Growth of the accommodation stock is fundamental to improved air access as shown in the slide opposite. International operators provide credibility to tour operators and airlines and can play a major role in opening a destination. The financing of investments in tourism in South Africa is however not easy. Dominance of the local hotel companies, exposure of local financial institutions to the sector and relatively high interest rates combine to form a considerable barrier to investment in hospitality and tourism. The Province must take the lead in engaging domestic financial institutions, international investors and the major international hotel companies in order to understand their problems and the means of overcoming identified obstacles. Identification of potential sites under public ownership and appropriate product packaging is an important first step in making the sites attractive to investors.

The packaging of projects has been ad hoc and unstructured and Government at all levels has spent considerable time and resources presenting a large number of small projects (less than R40 million) to private sector. A change of focus toward larger projects would enable a more targeted approach to marketing the project. The process involved in finding an investor for a small project is the same as a large project but the rewards are much greater. The number of investors that can afford a US$5 million investment is significant – US$150 million is more targeted and focused. For this reason we believe that the encouragement of large project development in areas like Cape Town, Garden Route and Agulhas as well as the possible development of a Big Five Game Reserve provide the base for a private sector investment strategy. This approach relates directly into the New Partnership for African Development (NEPAD) and the Comprehensive Development Framework outlined by the World Bank.



Making marketing work

The Western Cape does not have the resources to undertake significant marketing in international markets. This does not however imply that there are not opportunities worthy of exploration both in terms of specific market and partnership opportunities.

Niche markets are made up of groups of people with the same unique characteristics, which dictate that products and services are provided in a particular way to be able to meet special needs. Niche marketing entails being focused on matching the special interest needs of a particular segment of the population with specific product strengths and providing information and promotional material in a way which is specifically tailored to their requirements. The strength of niche marketing as a strategy is the potential yield from a smaller proportion of the population whose needs are being addressed in way which is relevant to them. Segments with special interests are prepared to pay a premium for products which provide the quality of experience which they are seeking. For example, the backpacker market will require information on low budget hostel style accommodation, hop on hop off style transport, bars attracting international travellers and activities and tours which are basic in transport and accommodation but high quality in terms of the actual experiences, i.e. safe bungi jumping, authentic cultural village etc.

Niche markets identified as a result of the research include:

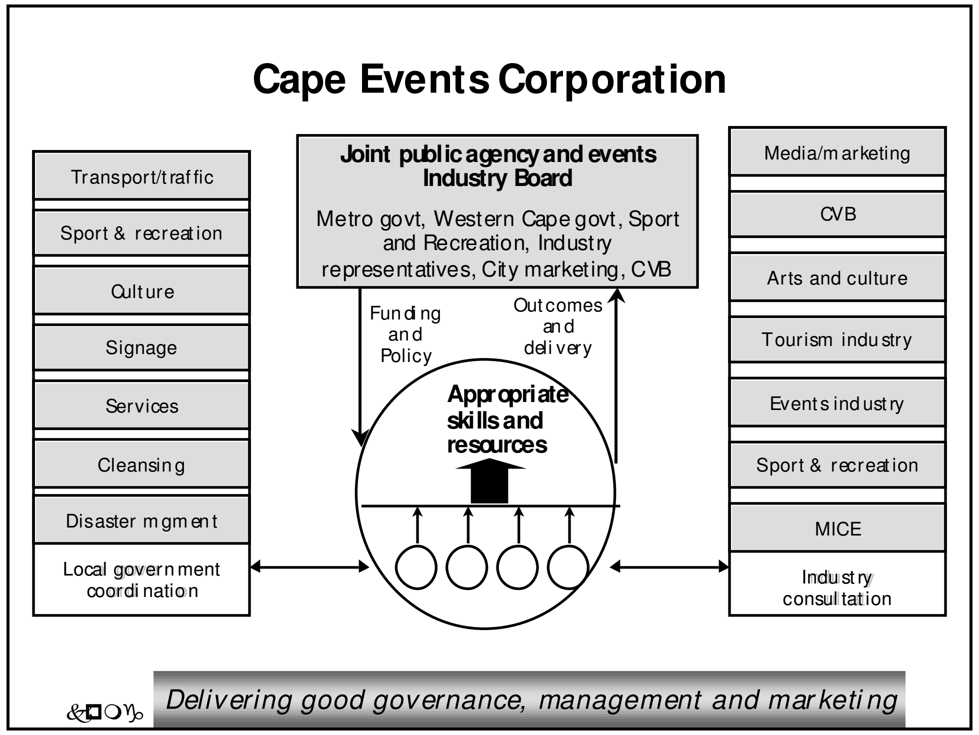
- gay
- incentive groups
- backpacking
- medical
- flowers
- cruising and yachting
- sports
- whale watching
- agri-tourism

Each of the above attracts or could attract numbers of tourists to the Province. Definition of the size and requirements of these niche opportunities is a subject of debate and more work needs to be done to define the role that each niche can play in the growth of tourism in the Western Cape.

Tactical marketing refers to time and market responsive activities, which attempt to change tourism behaviour in a more immediate fashion. Marketing activity that combats a particular angle being promoted by a competitor, attempting to fill empty flights by offering special package deals, encouraging sports lovers to book tickets in advance to receive an early bird discount, having a special offer on winter weekends away for a limited period, are all examples of tactical marketing initiatives. Tactical marketing approaches are important in keeping ahead of competitors, capitalising on spare capacity, encouraging early bookings so that minimum targets are met and raising awareness that a destination is dynamic, affordable and accessible. Smart marketing is all about thinking creatively, about how a negative aspect or perception of a destination can be turned into a positive, about how barriers to travel can be removed.

For example, Melbourne was well known for its cold and wet winters and therefore occupancy in the city during the winter months was very low. A co-operative marketing campaign with hoteliers and other industry players focused on increasing occupancy during this time and making the most of the product that was on offer at this time of year. A strategic approach resulted in the 'Melbourne Great Indoors' campaign being established. The campaign focused on the product strengths of Melbourne's indoor experiences, such as restaurants, bars, art galleries, theatre and others. The hoteliers on board agreed to a special package where a booking for three nights in Melbourne would mean that the purchaser was entitled to $100 worth of services in the hotel for free. Massages, drinks, room service were examples of how the credit could be used. An airline partner also came on board to offer a competitive airfare to encourage people to purchase the package at this time of year and the result was that occupancy rates have been substantially higher since the campaign has run. Another example is in Miami Florida where perceptions about crime in the late 1980s were very strong. An aggressive marketing strategy and strategies aimed at ensuring tourist safety on the ground, resulted in Miami being repositioned as the cultural and entertainment capital of Latin America.

Targeted marketing, niche marketing, tactical marketing and smart marketing should all be developed within a strategic marketing framework which guides marketing focus and is based on a set of core product strengths and core positioning. Individual action plans relating to niche or tactical marketing activities must be based on a set of objectives for each of the identified markets, but must support and be evaluated in relation to the broad strategic framework. Otherwise the returns will not be worth the dilution in available marketing funds.



Taking the first steps

Throughout this document we have attempted to identify catalysts for implementation and delivery. Focus has been placed on infrastructure provision at all levels and a definitive approach to marketing. We believe that in the short term the use of events to stimulate market positioning and infrastructure provision could play an important part in implementation. Encouraging events in Cape Town and the Western Cape is potentially one of the most powerful means of enhancing the identity and positioning of the Province, whilst simultaneously creating business opportunities and employment, developing human skills and generating social cohesion and civic pride. In an age of globalisation where every place begins to look and feel the same, events can differentiate destinations.

Every year there are hundreds of festivals, sports events, carnivals, fairs, shows, and exhibitions held across the globe. It is only recently that public and private sector across the globe have started to recognise the benefits of events and the impact of a co-ordinated approach to event planning, development, management and marketing. Events play a significant role in the context of destination planning, enhancing and linking tourism and commerce. Some of these roles include: events as *tourist attractions, image-makers, economic impact generators, overcoming seasonality, contributing to the development of local communities and businesses* etc. The strategic development of major events in Cape Town must embrace a wide range of issues – it must take account of the role that events can play as an investment and economic stimulus as well as an aid to environmental conservation and social development.

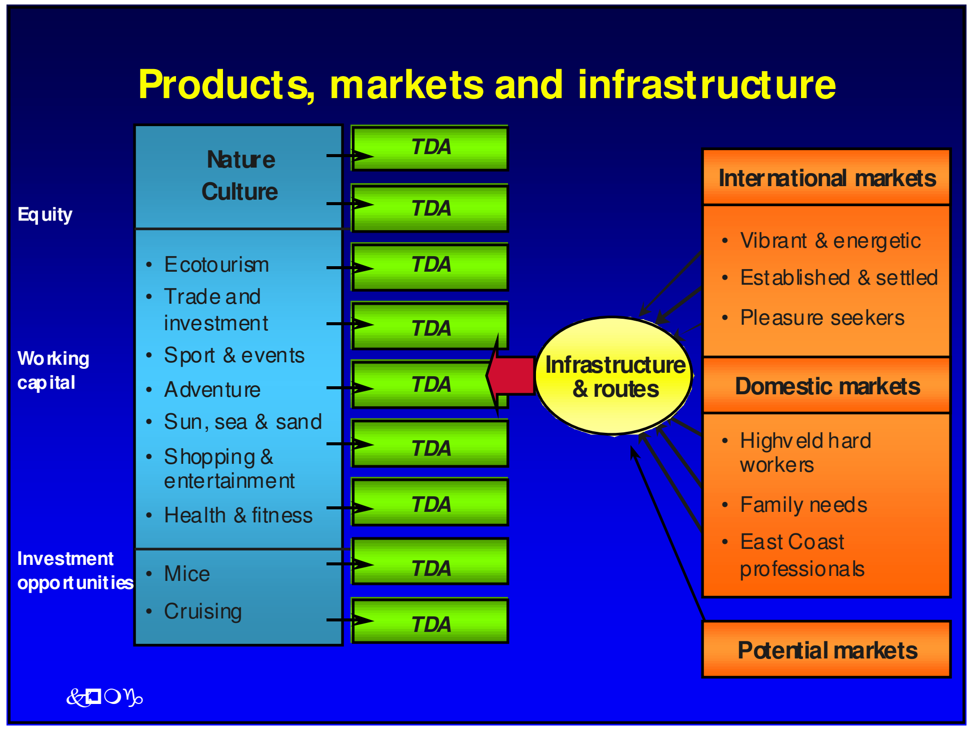
The main findings of an analysis of the Cape Town events portfolio is presented below:

- Forty per cent of events are staged over a three month period from February to April, leading to congestion and overlap in the calendar during this time.
- March is the peak month, with 19 per cent of events staged during this month.
- A five-month period from May to September accounts for only 33 per cent of events.
- Autumn accounts for the majority of events. Spring is the season with the lowest number of events.
- Timing gaps were identified within the calendar in the following periods:

June	July	August
September	October	November
December	January	

- The months of *July, September, October* and *December* were identified as the months in which significant opportunity exists for growth within the calendar.
- Thematically, the calendar of events is focussed on sports based events, followed by community-based events. Cultural events (including arts) make up a relatively small percentage of event themes.

Provincial events such as Klein Karoo National Arts Festival, Knysna Oyster Festival and Whale Festival are relatively successful but represent a small percentage of total and are not linked to the Metro. Cape Metro has taken the lead in ascertaining difficulties and putting forward solutions. There is a need for intervention to ensure a more balanced spread of events throughout the year, the development of specific events to support destination positioning and diversification in the type of event offered. Coordination of the events calendar is also lacking at the present time and impacts directly on seasonality of demand.



Conclusion

We have identified tourism development areas on the basis of existing product, future potential, infrastructure and our understanding of current markets and future market trends. Human and financial resources are not limitless. There is a requirement to prioritise and focus actions and resources. We believe that the prioritisation of the TDAs will maximise existing seed capital and will achieve maximum long-term benefit for the Province.

What is a TDA and how will it benefit. We believe that a TDA should be:

- an area of focus and priority for all levels of government when determining infrastructure investment decisions;
- a priority area for the packaging and release of private sector investment opportunities; and
- a focus of marketing activity from a product and spatial perspective.

Should funds or incentive packages become available for tourism development (e.g. Poverty Relief, Tourism Enterprise Programme, Offset, etc.) the finance available should be focused on the TDAs. Areas outside the TDAs will continue to receive tourism, package their own products and eventually benefit from the approach taken.

The metropolitan area will continue to dominate both in terms of supply of product and facilities and market share. Large-scale investment is bound to reinforce this strength, but it will also create opportunities for growing other areas. Realising the potential of these areas will require appropriate and targeted investment in infrastructure, product and market development. The key to achieving "quick-wins" and long-term success is to begin immediately and work together with an "open book" mentality.

The strategic delineation of tourism routes should be exploited to bridge the division between the Cape Metro Area and the hinterland areas, thereby assisting the marketing of the Western Cape as a whole. There is a general requirement for all the regions to work together to position the Western Cape as a world-class tourism destination. If the Western Cape is to succeed as a destination then there is no place for parochialism or individual agendas. Working together toward a common goal is an important first step.

We have focussed on redefining and refocusing the tourism experience within the Western Cape whilst building on existing strengths. The approach is market driven and has maximisation of existing strength as a guiding principle. Through this approach, we believe that tourism will be sustainable and can generate the economic and social benefits desired by all. This document provides the basis for the development of a Tourism Infrastructure Investment Framework, which will provide the Chief Directorate with the tools to engage both provincial and local government on issues like infrastructure and community development. There is a coherent plan in place and rationale for focus is clear.