

SECTION 7. ACCOMMODATION SURVEY ANALYSIS

7.1 BACKGROUND

During the course of compiling Phase 3: Tourism Attractions, Activities, Facilities and Services we interviewed various accommodation establishments. During these interviews we established the number of rooms at their establishments, the average occupancy rate, etc. This information is now used to project the number of visitors to Buffalo City as well as their origin and purpose of visit.

It should be noted that the provision of formal beds to tourists is being projected. Buffalo City also receives a large share of visitors to friends and family that do not utilise formal beds in hotels, guesthouses, etc but stay with friends and family. These visitors have not been taken into account in this analysis and should be added to project the total number of tourists to the study area.

7.2 TOURISM DEMAND

As indicated in Phase 3 of the Buffalo City Tourism Master Plan our primary research identified 187 establishments providing 2 648 formal beds in the study area.

Table 4.1: Accommodation Establishments in Buffalo City in 2002

	Number of Establishments	No of Rooms/ Units
Backpackers	9	73
Guesthouse & B&B	117	663
Hotels & Game Reserve	22	1 102
Resorts/ Caravan Parks	11	288
Self Catering	28	522
Total/ Average	187	2 648

Source: Grant Thornton Kessel Feinstein

* Estimate

Utilising the average annual occupancy rate for the various establishments surveyed we projected that 549 400 rooms, units or sites were sold in 2002.

Table 4.2: Bed Nights Sold in Buffalo City in 2002

	Average Room/ Unit Occupancy	Room/ Unit Nights Sold pa	Average Double Occupancy	Bed nights Sold pa
Backpackers	60%	16 020	158%	41 271
Guesthouse & B&B	49%	119 607	33%	159 083
Hotels & Game Reserve	64%	256 022	60%	409 635
Resorts/ Caravan Parks	42%	43 964	142%	106 423
Self Catering	60%	113 752	116%	245 506
Total/ Average	57%	549 365	75%	961 918

Source: Grant Thornton Kessel Feinstein

* Estimate

Based on the double occupancy of the various establishments surveyed we projected the number of bed nights sold in the study area in 2002 (see **Table 4.3**). We project that around 962 000 rooms, units or sites nights were sold during 2002.

Taking into account the average length of stay we project that 439 000 tourists utilised formal accommodation in the study in 2002 (see **Table 4.4**).

Table 4.4: Number of Tourists to Buffalo City in 2002

	Average Length of Stay	Number of Tourists pa
Backpackers	4.0	10 388
Guesthouse & B&B	2.2	73 937
Hotels & Game Reserve	1.7	235 887
Resorts/ Caravan Parks	5.2	20 388
Self Catering	2.5	98 496
Total/ Average	2.2	439 095

Source: Grant Thornton Kessel Feinstein

Based on our survey sample we project that 18% of the tourists were foreign and 82% were domestic. This translates to around 80 000 foreign tourists and 359 000 domestic tourists. The foreign and domestic tourism markets are discussed in more detail below.

Table 4.4: Number of Tourists to Buffalo City in 2002

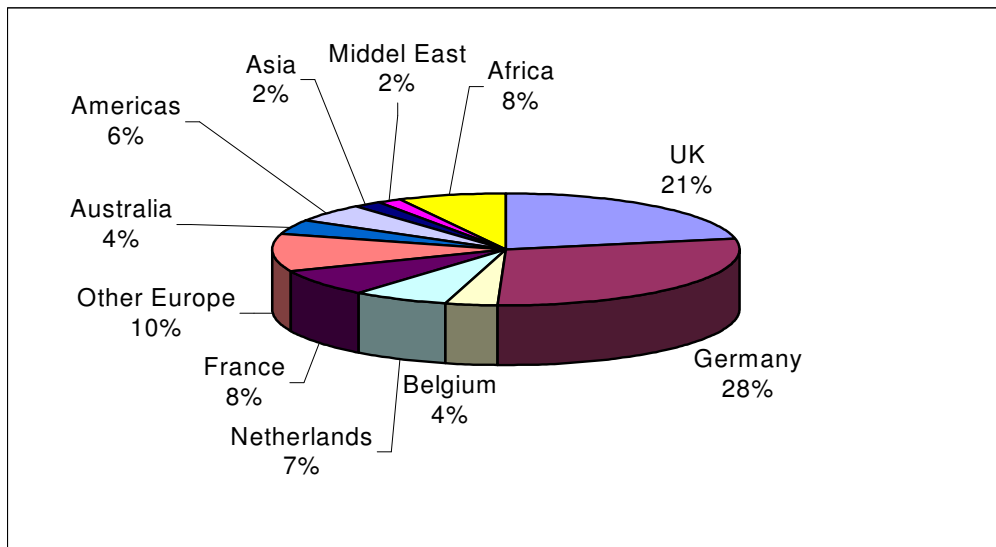
	% Foreign	% Domestic	# Foreign	# Domestic
Backpackers	70%	30%	7 230	3 158
Guesthouse & B&B	20%	80%	14 628	59 309
Hotels & Game Reserve	17%	83%	40 278	195 608
Resorts/ Caravan Parks	3%	97%	577	19 811
Self Catering	18%	82%	17 273	81 222
Total/ Average	18%	82%	79 986	359 109

Source: Grant Thornton Kessel Feinstein

7.2.1 Foreign Tourism

We estimate that Buffalo City received around 80 000 foreign tourists who used formal accommodation during 2002. Foreign tourists originated mainly from Germany (28%) and the UK (21%) followed by France (4%) and the Netherlands (7%).

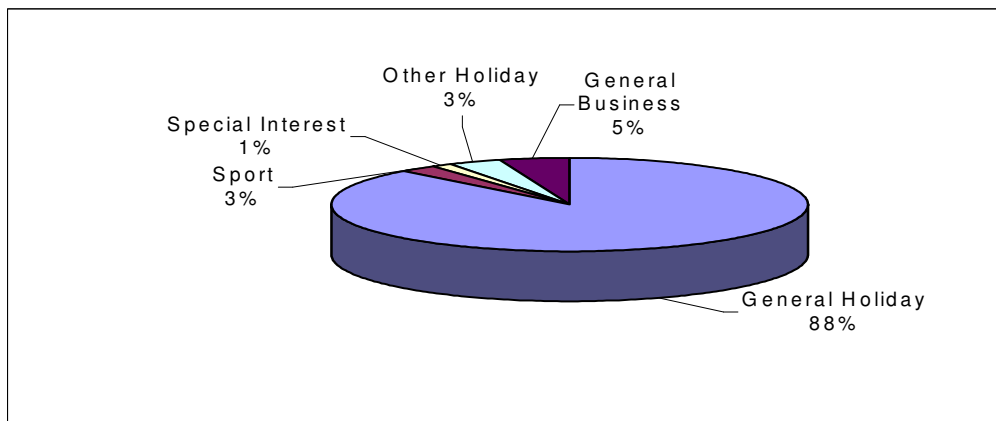
Graph 4.1: Origin of Foreign Tourists to Buffalo City in 2002



Source: Grant Thornton Kessel Feinstein

The main purpose of visit for foreign tourists using formal accommodation was holiday in 2002. Please note that foreign tourists who stayed with friends and family have not been included in this analysis.

Graph 4.1: Purpose of Visit of Foreign Tourists to Buffalo City in 2002



Source: Grant Thornton Kessel Feinstein

A breakdown of purpose of visit per accommodation type (see **Table 4.4.**) shows that foreign tourists visiting for sport are more likely to use resorts/ caravan parks or self-catering accommodation. It is also interesting to note that visitors for general business purposes are also utilising resorts/ caravan park and self-catering accommodation.

Table 4.4: Purpose of Visit of Foreign Tourists to Buffalo City in 2002

	General Holiday	Sport	Special Interest	Other Holiday	General Business	Government	Conference
Backpackers	88%	4%	4%	4%	0%	0%	0%
Guesthouse & B&B	82%	0%	0%	17%	2%	0%	0%
Hotels & Game Reserve	96%	0%	0%	0%	4%	0%	0%
Resorts/ Caravan Parks	70%	10%	7%	0%	11%	2%	1%
Self Catering	75%	10%	5%	0%	10%	0%	0%
Total/ Average	88%	3%	1%	3%	5%	0%	0%

Source: Grant Thornton Kessel Feinstein

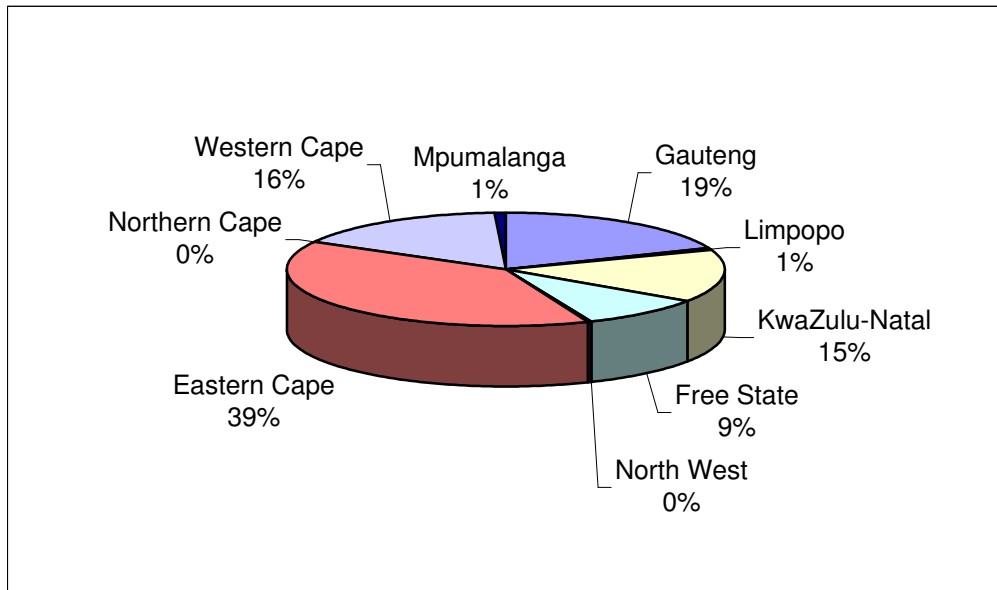
More qualitative information gained during our primary research is that:

- Foreign tourists utilising backpacker and guesthouse and B&B accommodation tend to be between the ages of 18 and 30 and travel independently;
- Foreign tourists who utilise hotel accommodation tend to be older than 45 and be part of an organised tour;
- Most of the foreign tourist to the study area are second time visitors to South Africa;
- Wildlife and nature based attractions are the main interest of foreign tourists;
- Foreign tourists to the study area tend to be couples without children, either young professionals or retired people.

7.2.2 Domestic Tourism

We estimate that Buffalo City received 359 000 domestic tourists who utilised formal accommodation during 2002. These domestic tourists originate mainly from within the Eastern Cape, followed by Gauteng, the Western Cape and KwaZulu-Natal. These four source markets comprised 89% of the domestic tourist who utilised formal accommodation during 2002.

Graph 4.3: Origin of Domestic Tourists to Buffalo City in 2002



Source: Grant Thornton Kessel Feinstein

The breakdown of origin of domestic tourists to Buffalo City who utilised formal accommodation indicate that visitors from the Free State were more likely to utilise resorts/ caravan parks and self-catering accommodation.

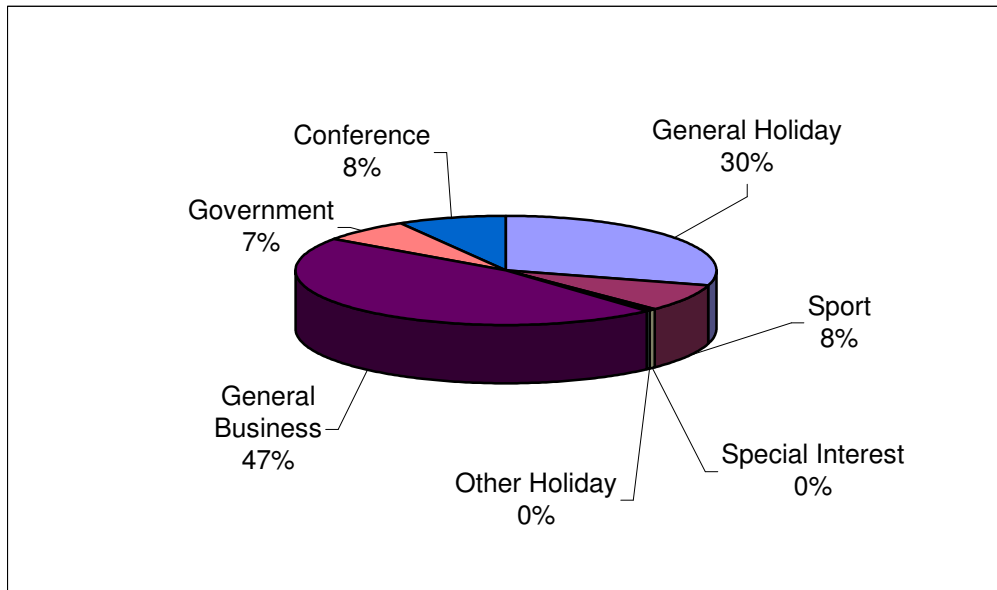
Table 4.4: Origin of Domestic Tourists to Buffalo City in 2002

	Gauteng	Limpopo	KwaZulu-Natal	Free State	North West	Eastern Cape	Northern Cape	Western Cape	Mpumalanga
Backpackers	23%	0%	10%	1%	0%	46%	0%	20%	0%
Guesthouse & B&B	13%	0%	18%	1%	0%	42%	0%	25%	0%
Hotels & Game Reserve	18%	1%	12%	5%	1%	47%	0%	15%	1%
Resorts/ Caravan Parks	23%	0%	17%	25%	0%	22%	0%	13%	0%
Self Catering	24%	0%	18%	23%	0%	22%	0%	13%	0%
Total/ Average	19%	1%	15%	9%	0%	39%	0%	16%	1%

Source: Grant Thornton Kessel Feinstein

The purpose of visit of these domestic tourists who utilised formal accommodation is shown in **Graph 4.4**. Please note that domestic tourists that stayed with friends and family have not been included in this analysis.

Graph 4.4: Purpose of Visit of Domestic Tourists



Source: Grant Thornton Kessel Feinstein

Most of the domestic tourists who utilised formal accommodation were business visitors, followed by general holiday visitors.

A breakdown of purpose of visit of domestic tourists who utilised formal accommodation in Buffalo City during 2002 indicates that resort/ caravan parks, self-catering and backpacker establishments receive proportionally more sport visitors than other types of establishments.

Table 4.4: Purpose of Visit of Domestic Tourists to Buffalo City in 2002

	General Holiday	Sport	Special Interest	Other Holiday	General Business	Government	Conference
Backpackers	31%	39%	0%	18%	12%	0%	0%
Guesthouse & B&B	38%	2%	2%	0%	46%	2%	10%
Hotels & Game Reserve	14%	1%	0%	1%	66%	11%	7%
Resorts/ Caravan Parks	53%	24%	0%	0%	9%	3%	11%
Self Catering	54%	24%	0%	0%	9%	2%	11%
Total/ Average	30%	8%	0%	0%	46%	7%	8%

Source: Grant Thornton Kessel Feinstein

7.3 CONCLUSION

Our analysis of the bed nights sold to tourists to Buffalo City can be utilised to project the total number of tourists to Buffalo City if visitors to VFR are included. We do recognise that some visitors to friends and family utilise formal accommodation but believe that the majority of these visitors stay with the friends and family visited and are thus not included in an analysis of formal bed nights sold.

Based on statistics from SA Tourism we know that 24% of overseas and African air arrivals to the Eastern Cape are visitors to friends and family. If we assume that the purpose of visit for foreign visitors to the Eastern Cape is similar to that of foreign visitors to Buffalo City, then our projection of 80 000 foreign tourists should be taken as 76% of the total foreign tourist market.

Taking into account the number of foreign VFR visitors we estimate that Buffalo City received around 105 000 overnight foreign tourists in 2002.

On a similar basis we know that 51% of the domestic tourists to the Sunshine Coast are VFR visitors. If we assume that the purpose of visit for domestic visitors to the Sunshine Coast is similar to that of domestic visitors to Buffalo City then we project that Buffalo City received around 734 000 domestic visitors during 2002.

In order to benchmark these projections, we utilised the last available national data for visitors to Buffalo City. Our projection for foreign visitors to Buffalo City is equivalent to 22% of the foreign visitors to the Eastern Cape in 2002. The stated share of foreign visitors to the Eastern Cape that visited Buffalo City in 1999 is 19%.

Our projection for domestic visitors to Buffalo City is equivalent to 17% of the domestic visitors to the Eastern Cape in 2000/01. The stated share of domestic visitors to the Eastern Cape that visited Buffalo City in 1996 is 15%.

Allowing for growth in market share we believe that our projected number of tourists to Buffalo City are reasonable.