

SECTION 2. TOUR OPERATOR SURVEY

2.1 BACKGROUND

During the course of compiling the first 5 phases of the Buffalo City Tourism Master Plan we interviewed various inbound/ domestic and international tour operators.

The interviews were conducted to determine the criteria used for selecting locations and experiences to include in the itineraries of tour groups and FIT's for both domestic and international visitors to destinations within South Africa and under what circumstance they make use of, or would make use of, locations in the Buffalo City area.

The survey results are presented below and differences between the inbound/ domestic and international tour operators are only highlighted when found to be significant.

2.2 SURVEY RESULTS

2.2.1 Survey Sample

The survey sample was structured to include tour operators currently bringing tourists to Buffalo City as well as those that don't in order to analyse the reasons why tour operators are not currently utilising the study area. The tour operators interviewed are shown in **Section 1**.

2.2.2 Market Size

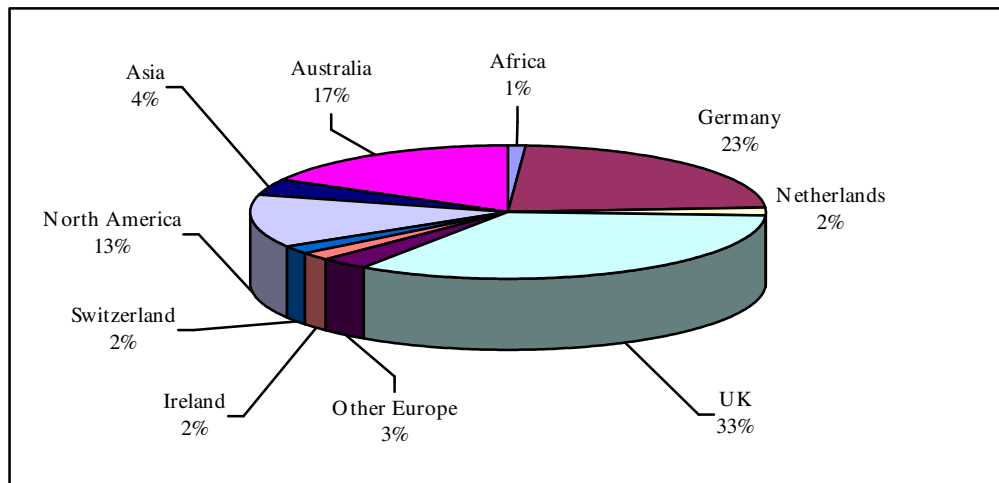
Tour operators were reluctant to provide details on the number of tourists currently taken to the Eastern Cape or Buffalo City. The information that could be obtained indicated that the total number of tourists handled by individual tour operators can vary from 100 tourists per annum to around 10 000 depending on the size of the tour operator.

2.2.3 Source Markets to Buffalo City

An analysis of the source markets to Buffalo City show that around 90% of the tourists handled by inbound/ domestic tour operators are foreign. The international tour operators handle 100% foreign visitors from the country they are based in. The main source countries for the foreign market handled by inbound/ domestic tour operators are the UK (34%), Germany (23%) and North America (13%) see **Graph 2.1**.

The survey sample for inbound/ domestic tour operators did produce a particularly large share of tourists from Australia that constituted 17% of the inbound/ domestic tour operator survey sample. Data from SA Tourism indicate that Australia only constitute 5% of the bed nights sold in the Eastern Cape.

Graph 2.1: Foreign Source Markets for Tour Operators



Source: Grant Thornton Kessel Feinstein

The survey indicated that there is no difference in the demand for personal itineraries compared to packaged tours between the Eastern Cape and Buffalo City. The survey indicated that around 90% of the demand is from foreign independent travellers (“FIT’s”), with little demand for group packages.

The tour operators that handle domestic tourists was dominated by a large tour operator based in the Buffalo City area that skewed the survey results in this category. The tour operators indicated that of their domestic guests around 80% originates from within the Eastern Cape. The rest of their business originates from the Free State (10%), KwaZulu-Natal (5%) and the Western Cape (5%).

2.2.4 Demand Trends

Tour operators, both inbound/ domestic and international, have experienced an increase in demand for South African destinations in the last three years. Tour operators carrying tourists to Buffalo City have seen an increase in demand for the study area that ranges from 5% to around 15% growth per annum. The growth was experienced mainly in the two largest foreign generating markets for the study area, namely the UK and Germany.

2.2.5 Itineraries

In **Table 2.1** we detail the examples of tours being offered that include **Buffalo City** as a destination. In **Section 2.3** we have reviewed international travel brochures and indicate examples of tours being offered with destinations within the **Eastern Cape**.

Only one of the international tour operators surveyed offered tours with Buffalo City as a destination.

As for inbound/ domestic tour operators that include Buffalo City as a destination, the typical tour itinerary for tours lasting longer than a week includes arrival at Johannesburg International Airport, a visit to Kruger National Park, travel through KwaZulu-Natal to Durban, travel from Durban via the Wild Coast to Port Elizabeth, travel via the Garden Route to Cape Town and then leave for home either directly from Cape Town or via Johannesburg. The tour can also be done in reverse.

The tours that include Buffalo City as a destination, which last a week or less, are targeted at adventure activities in the Wild Coast region with Buffalo City being the start and end point, as well as, tours targeted at cultural/ heritage tourists that visit the area to learn more about Nelson Mandela and other political leaders.

Table 2.1: Overnight Tours that include Buffalo City

Name	Blue Crane Tour (Ikapa Tours)	Adventurous South Africa (Welcome Tours)	Surfari Cape Town to Durban (Amatola Tours)	African Wild Coast Safari (Amatola Tours)	Madiba & The Magical Garden Route (Welcome Tours)
Destination/ Attractions	Cape Town Cape Agulhas Oudtshoorn Knysna Port Elizabeth Wild Coast via East London Durban Drakensberg Hluhluwe Kruger National Park Dullstroom Johannesburg	Johannesburg Kruger National Park Hluhluwe Umhloti Stutterheim Kariega Game Reserve Knysna Oudtshoorn Cape Town	Cape Town Mossel Bay Plettenberg Bay Jeffreys Bay Port Elizabeth East London Wild Coast Port Edward Durban Johannesburg	East London Kei Mouth Nongqawuse's Pool Qolora Gates Jacaranda Wreck Kobonqaba River Mouth Dwesa Nature Reserve Bashee River Mouth Hole in the Wall Coffee Bay Qunu Bawa Falls East London	Durban Umtata Kariega Game Reserve via East London Port Elizabeth Knysna Oudtshoorn Cape Town
Length	19 nights	17 nights	15 nights	4 nights	5 nights
Cost per Person Sharing	R27 000	Not Available	R5 925	R5 105	Not Available

Table2.1: Overnight Tours that include Buffalo City (Continued)

Name	Wild Coast 4x4 Adventure (Amatola Tours)	Land of “Lord of the Rings” (Amatola Tours)	Madiba’s Coast (Welcome Tours)	Nelson Mandela National Museum (Jarandi Tours)	Liberation Tour (Amatola Tours)
Destination/ Attractions	East London Idutywa Mazeppa Bay Jacaranda Wreck Qolora Mouth Kei River Nongqawuse’s Pool	East London Alice Hogsback	Durban Umtata Kariega Game Reserve via East London Port Elizabeth	King Williams Town Amathole Museum Bisho Umtata Nelson Mandela National Museum Qunu Mvezo East London Port Elizabeth	Kenton-on-Sea Grahamstown Fort Hare University ANC Archives De Beers Art Gallery Bisho Graves of Bisho Massacre & Steve Biko
Length	3 nights	2 nights	2 nights	2 nights	2 nights
Cost per Person Sharing	Not Available	R5 095	Not Available	US \$590 R4 720	R6 058

The tour operators also offer the following day tours to attractions in Buffalo City (see **Table 2.2**).

Table 2.2: Day Tours to Attractions in Buffalo City

Name	Duration	Description
Aquarium & Zoo Trail	3 hours	Tourists are picked up from their hotel and visit the oldest Aquarium in the country as well as the Queen's Park Zoo and Botanical Gardens.
Bird Watching	3 hours	Tourists spend an afternoon walking through the Gonubie Nature Reserve which boast over 160 bird species with an experienced bird watcher.
City Tour	1-1.5 hours	Tourists are picked up from their hotel and taken on a general orientation tour of the City.
Cultural Tour	3 hours	Tourists are picked up from their hotel and visit Gately House, Ann Bryant Art Gallery and the East London Museum.
East Coast Experience	3 hours	Tourists are taken to the Cintsa area to walk on the beaches and enjoy seafood cuisine.
Factory Trail	3 hours	Tourists visit the Mercedes Benz Factory.
Gaol Trail	20 minutes	Tourists visit the Lock Street Gaol and learn of its cultural history.
Harbour Trip & Tug Boat Ride	3 hours	The tour includes brief history of the only river port in the Southern Hemisphere as well as a tug boat ride, ending in a drink at one of the restaurants at Latimer's Landing.
Horse Riding along Igoda Beach	2 hours	Tourists are taken on a horseback ride along Igoda Beach.
Sunrise Safari	6 hours	Leaves East London Hotel before dawn to ensure superb game viewing at sunrise. View game, followed by traditional bush breakfast.
Sunset Safari	6 hours	Tourists are taken from their hotel to a game reserve to enjoy a sunset game drive and a traditional South African "braai" with sundowners under the African stars.
Townships Tour	3 hours	Tourists are taken on an orientation tour of Mdantsane, which is the second largest black township in South Africa, second only to

		Soweto, in Gauteng.
Wild Coast Flip	2 hours	Tourists are taken in a small aircraft on a scenic flight up the Wild Coast.
Xhosa Kaleidoscope	3 hours	Tourist are taken through Mdantsane Township in a luxury bus and then proceed to traditional lapa venue within the Queen's Park Zoo and Botanical Gardens to enjoy a traditional South African Tea. Guests are entertained by Xhosa dancers and introduced to the Xhosa Culture
Cultural Tour	6 hours	Tourists visit a typical Xhosa village and discuss traditions and enjoy typical Xhosa food and drink.
Leaders and Laureates	8 hours	Tourists take a trip into the Eastern Cape's history, visiting the University of Fort Hare and Lovedale College where many political leaders such as Nelson Mandela were educated.
Madiba's Magic	8 hours	Tourists visit Qunu, where Nelson Mandela spent his childhood.
Settler and Wildlife Route	8 hours	This tour encompasses the history and culture of the study area with forts and battlefields dating from the times when the Xhosa clashed with British and German settlers

Based on a review of itineraries from tour operators that operate in the Buffalo City area, the experiences being sold in the study area are:

- Adventure;
- History;
- Culture/ heritage;
- Bird watching; and
- Game and wildlife.

When comparing the experiences offered with the available tourism assets (see **Phase 3**) we note that not all the available experiences are utilised. For example, we could not obtain any evidence that golf tours are promoted in the study area although it is offered as an activity when requested. Only one tour takes advantage of the beaches of Buffalo City namely "Surfari Cape Town to Durban"

from Amatola Tours, which offers surfers the opportunity to surf the best beaches/ waves in South Africa.

Our survey also found that some of the longer tours do not overnight in Buffalo City, although the city is visited during the tour. The tour operators opted to overnight at game reserves such as Kariega which they believe are better suited to the needs of their clients i.e. more upmarket accommodation with the added benefit of a game experience.

2.2.6 Pricing

The pricing depends on the time of year of the tour as well as the accommodation utilised with tour operators willing to downscale the accommodation used in order to reduce the price.

The price of the tour can range from R395 a day to R3 000 a day per person sharing. The price usually includes dinner, bed and breakfast.

2.2.7 Main Competitors to Buffalo City

The main competitors to Buffalo City as a destination are named as Cape Town, Durban and Port Elizabeth. We conducted a more detail competitive destination analysis in **Section 5** of this report but below we highlight the main points raised by tour operators.

Tour operators felt that Cape Town was the best-known destination in South Africa and was included in most tours offered due to demand from their clients.

The tour operators felt that Durban was the link between the game reserves of Mpumalanga or KwaZulu-Natal and the Garden Route and they used the city as either a one night stop-over or flew tourists directly to or from Port Elizabeth.

The tour operators felt that Port Elizabeth was not necessarily a better destination than Buffalo City but that the city benefited from its geographical location close to the Garden Route.

2.2.8 Seasonality

The main season for international tourists to the area was identified as November to May.

The tour operators that organised tours for domestic tourists felt that there was no particular seasonality for domestic tourists as the tourists handled were more likely to be either retired people or young couples without children which did not bound them to school holiday periods. The seasonality for domestic tourists was thus spread throughout the year.

2.2.9 Problems in Selling Buffalo City

The tour operators that did not operate in the Buffalo City area did not know much about the area. When asked why they did not utilise the area as a destination they replied that there was no demand from their Clients.

However, when asked whether they would be willing to sell the destination to their Clients they said that they did not know enough about the area in order to do so. This lack of awareness was found amongst both inbound/ domestic and international tour operators.

Tour operators that do utilise Buffalo City as a destination state the lack of time for international tourists as a limiting factor for selling the study area as a destination. International tourists that utilise organised tours usually have limited time and concentrate on the main South African attractions that are marketed namely, Cape Town, the Garden Route and the wildlife experiences in either Mpumalanga or KwaZulu-Natal.

The perception of Buffalo City as a rundown and dirty destination was also highlighted by tour operators as a problem in selling the city as a destination. Various suggestions were made by tour operators in order to address this perception, including the upgrade of the city centre through an urban renewal programme, the building of new and more upmarket tourism facilities and the improved marketing of the city.

2.2.10 Promotional Activities

The tour operators surveyed have links with international operators in the main source countries of international tourists to South Africa i.e. the UK and Germany.

Tour operators also promote their tours through trade shows such as Indaba where promotional brochures are distributed and all of the tour operators surveyed have an Internet website detailing their tours and itineraries.

2.2.11 Market Segments

Tour operators were asked to segment their current tourism market and few were able to provide more than general comments. However, based on the information received from the various tour operators the international market segments can be broadly classified as indicated below:

	Organised Tours	FIT's
Country of Origin	Germany, UK & USA	Germany, UK
Age	50+	20 – 40
Family Structure	Pensioners	Young Couples
Income	High Income	Middle to High Income
Reasons for Visit	Culture/ Heritage Wildlife	Adventure Wildlife
Travel Patterns	Well travelled internationally but first visit to South Africa	Well travelled internationally and on second or third visit to South Africa
Seasonality	November to May	November to May

2.2.12 Potential Future Markets for Buffalo City

The tour operators surveyed felt that foreign markets such as the African American market could be targeted through cultural/ heritage tours. FIT's from the UK and Germany could also be targeted to a greater extent through adventure tours. British and German tourists could also be targeted with golf tours.

In terms of the domestic market, the tour operators felt that sports tourism could be further developed in Buffalo City. Both school and pensioner events could be targeted for the city. Adventure activities and tours could be marketed to young executives who wanted to explore new destinations.

2.3 REVIEW OF INTERNATIONAL BROCHURES

In order to determine the extent that Buffalo City and/ or the Eastern Cape are included on itineraries and in brochures that are available for consumers internationally we obtained international travel brochures and reviewed the websites of leading international tour operators. The travel brochures that were reviewed are:

- Kuoni – Worldwide – UK based;
- Kuoni – South Africa – UK based;
- British Airways Holidays – Worldwide – UK based;
- South African Airways – Holidays – UK based;
- South African Airways – Holidays – Germany based;
- Travel 2 – Tailor Making Holidays to Southern Africa – UK based;
- Bridge – South Africa and her Neighbours – UK based.

The websites that were reviewed are:

- Airtours International – Germany based;
- Dertour – Germany based;
- Explorer Fernreisen GmbH – Germany based;
- On Safari – USA based;
- Bench International – Australian based;

The itineraries offered included the main destinations in South Africa namely Cape Town and surrounds, Mpumalanga and KwaZulu-Natal. Example of the itineraries that offered destinations within the Eastern Cape are summarised below. The currency conversion were done at UK Pound 1 = SA Rand 12 and US Dollar 1 = SA Rand 8.

Name	Good Hope Train Journey (Kuoni)	Panorama Bus Tour (Travel 2)	Grand Tour of South Africa (BA Holidays)	African Drumbeat (Kuoni)	Panorama – Self Drive (Kuoni)	South African Panorama (Kuoni)
Destinations	Johannesburg Mpumalanga Kruger National Park Swaziland Northern Zululand Southern Zululand Durban Ladysmith & Drakensberg Bloemfontein & Kimberly Port Elizabeth Oudtshoorn Knysna & Garden Route Winelands Cape Town	Johannesburg Mpumalanga Kruger National Park Swaziland Zululand Durban Port Elizabeth Garden Route Oudtshoorn Cape Town	Cape Town Oudtshoorn Knysna Plettenberg Bay Port Elizabeth Durban Zululand Swaziland Malelane Mpumalanga Johannesburg	Cape Town Oudtshoorn Knysna Plettenberg Bay Port Elizabeth Durban Zululand Swaziland Kruger National Park Hazeview Sandton	Johannesburg Sandton Mpumalanga Kruger National Park Swaziland Hluhluwe Port Elizabeth Knysna George Stellenbosch Cape Town	Johannesburg Pretoria Mpumalanaga Kruger National Park Swaziland KZN Midlands Durban Port Elizabeth Knysna Garden Route Hermanus Cape Town
Length	15 nights	15 nights	14 nights	14 nights	14 nights	12 nights
Cost per Person Sharing	UK Pounds 1 893 SA Rand 22 716	UK Pounds 1 003 SA Rand 12 036	UK Pounds 1 898 SA Rand 22 776	UK Pounds 1 858 SA Rand 22 296	UK Pounds 1 372 SA Rand 16 464	UK Pound 2 037 SA Rand 24 444

Name	Essential South Africa – Self Drive Holiday (Travel 2)	The Cape & Garden Route Fly-Drive (BA Holidays)	A World in One Country (SAA Holidays)	Cape Explorer & Shamwari Extension (Kuoni)	Cape Experience & Shamwari Extension (Kuoni)	Garden Route – Self Drive (Kuoni)
Destinations	Cape Town Winelands Oudtshoorn Knysna Port Elizabeth Kruger National Park Johannesburg	Cape Town Winelands Garden Route Port Elizabeth	Johannesburg Mpumalanga Kruger National Park Swaziland Zululand Durban Port Elizabeth Knysna Oudtshoorn Cape Town	Cape Town Montagu Oudtshoorn Knysna Hermanus Cape Town Shamwari	Cape Town Oudtshoorn Knysna Plettenberg Bay Port Elizabeth Shamwari	Cape Town Winelands Hermanus Knysna or Plettenberg Bay Port Elizabeth
Length	12 nights	11 nights	10 nights	9 nights	8 nights	7 nights
Cost per Person Sharing	UK Pounds 410 SA Rand 4 920	UK Pounds 1 245 SA Rand 14 940	UK Pounds 1 572 SA Rand 18 864	UK Pounds 1 856 SA Rand 22 272	UK Pounds 1 558 SA Rand 18 696	UK Pounds 1 225 SA Rand 14 700

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Name	Garden Route Splendours (SAA Holidays)	Southern Africa Multi-Centres (Kuoni)	Shamwari Game Reserve (Kuoni)	Addo Elephant National Park (Kuoni)	Port Elizabeth (Kuoni)	Garden Route Tour (Travel 2)
Destinations	Johannesburg Port Elizabeth Knysna Oudtshoorn Cape Town	Johannesburg Port Elizabeth	Shamwari Game Reserve	Addo Elephant National Park	Port Elizabeth – HIGC Kings Beach	Port Elizabeth Knysna Oudtshoorn Hermanus Cape Town
Length	7 nights	5 nights	5 nights	5 nights	5 nights	4 nights
Cost per Person Sharing	UK Pounds 1 253 SA Rand 15 036	UK Pounds 940 SA Rand 11 280	UK Pounds 1 710 SA Rand 20 520	UK Pounds 1 613 SA Rand 19 356	UK Pounds 875 SA Rand 10 500	UK pounds 344 SA Rand 4 128

Name	Garden Route Self Drive (Travel 2)	Garden Route Wonderland (SAA Holidays)	The Magical Garden Route (BA Holidays)	Shamwari Game Reserve (SAA Holidays)	Blue Train – Cape Town to Port Elizabeth (SAA Holidays)	Safari Combination (Travel 2)
Destinations	Cape Town Oudtshoorn Knysna Port Elizabeth	Cape Town Oudtshoorn Knysna Cape Town	Port Elizabeth Knysna Oudtshoorn Cape Town	Shamwari Game Reserve	Cape Town Port Elizabeth	Port Elizabeth Shamwari Game Reserve
Length	4 nights	3 nights	3 nights	2 nights	2 nights	3 nights
Cost per Person Sharing	UK Pounds 163 SA Rand 1 956	UK Pounds 251 SA Rand 3 012	UK Pounds 549 SA Rand 6 588	UK Pounds 483 SA Rand 5 796	UK Pounds 561 SA Rand 6 732	UK Pounds 448 SA Rand 5 376

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Name	Eastern Cape National Parks (Dertours)	Garden Route & Karoo (Dertours)	Garden Route (Dertours)	Cape Coastal Explorer (On Safari)	Magical Garden Route (On Safari)	The Garden Route (Bench International)
Destinations	Port Elizabeth Addo Elephant National Park Mountain Zebra National Park Karoo National Park Wilderness National Park Isitsikamma National Park	Port Elizabeth Shamwari Game Reserve Graaf Reinet Karoo National Park Matjesfontein Paarl/ Franschoek Cape Town	Cape Town Oudtshoorn Knysna Tsitsikamma National Park Port Elizabeth	Cape Town Franschoek Gansbaai Knysna Plettenberg Bay Kwandwe Game Reserve Port Elizabeth	Oudtshoorn Knysna Port Elizabeth	Cape Town Oudtshoorn Knysna Port Elizabeth
Length	5 nights	6 nights	3 nights	14 nights	4 days	3 nights
Cost per Person Sharing	Euro 163	Euro 649	Euro 389	US Dollar 3 375	US Dollar 825	Aus Dollar 940

Name	South Africa by Coach (Bench International)	Grand Tour of South Africa (Bench International)
Destinations	Mpumalnaga Kruger National Park Swaziland Zululand Durban Drakensberg Wild Coast Addo National Park Oudtshoorn Cape Town	Johannesburg Kruger National Park Swaziland Hluhluwe Durban Wild Coast Zuurberg Knysna Oudtshoorn Cape Town
Length	15 nights	14 nights
Cost per Person Sharing	Aus Dollar 2 840	Not Available

The itineraries offered are similar to those indicated in **Section 2.2** with the difference being that Buffalo City and the Wild Coast are excluded through flights between Durban and Port Elizabeth.

Only one of the itineraries included Buffalo City as a destination, but this seems to be the exception. Port Elizabeth and Shamwari dominate as the destinations visited in the Eastern Cape.

2.4 CONCLUSION

Based on our survey of inbound/ domestic and international tour operators and the review of international travel brochures the following conclusions can be reached:

- Buffalo City is not included as a destination in the majority of travel brochures available;
- The tours that currently include Buffalo City as a destination focus on:
 - Adventure;
 - History;
 - Culture/ heritage; and
 - Bird watching.

- The tours that currently include Buffalo City as a destination do not take full advantage of its tourism asset base;
- The majority of international tourists to Buffalo City that utilise tour operators are FIT's that:
 - Originate from either the UK or Germany;
 - Are between the ages of 20 and 40;
 - Are young couples with no children;
 - Are middle to high income earners;
 - Visit the study area for adventure and wildlife experiences;
 - Are on their second or third trip to South Africa; and
 - Visit the area during November to May.
- The potential market segments that could be targeted are:
 - African Americans with cultural/ heritage experiences;
 - FIT's from the UK and Germany with adventure experiences;
 - UK and German tourists with golf tours;
 - Domestic tourists with sport tourism;
 - Domestic young executives with adventure experiences.