

# Business Plan 2013\_2014

Country - Domestic

Date: July 2012



*Inspiring new ways*

# Executive summary: Domestic 2013/14

## 1. Landscape analysis

- The National Tourism Sector Strategy has identified domestic travel as the bedrock of the tourism industry and has set clear targets to build a culture of travel and to grow the market.
- The number of domestic tourists grew in 2011, however the average number of trips per person declined. About 44% of the South African adult population travelled translating to approximately 13.9 million adults compared to 13.4million in the previous year. On average there were 1.9 domestic trips per person taken in 2011, a decrease from the 2.2 trips taken on average in 2010. overall, the number of trips decreased by 11% from 29.7m in 2010 to 26.4m in 2011.
- VFR was the main purpose of taking a trip during the 2007-2011 period. Holiday trips remained constant at 4 million trips.
- In 2011, the share of VFR spending increased, while the share of holiday spend declined.
- Economic constraints remain the biggest barrier to domestic travel with 32% mentioning that they cannot afford to travel. Another reason cited was that they see no reason to travel.
- In 2011/12 a new segmentation study was conducted to identify the most attractive segments to activate in order to grow domestic tourism. Based on the five identified segments, the industry and provinces are working together on a national domestic campaign.

## 2. Big things to be done

1. **Consumer Attitude (Brand):** Create a desire for domestic leisure travel amongst all South Africans by highlighting the life enriching benefits of travel in their own country
2. **Consumer Behavior (Stakeholders):** Trigger the desire to travel NOW by facilitating easy access to travel information, affordable packages and relevant leisure experiences
3. **Partnerships:** Encourage both travel and non-travel partners to help drive the domestic tourism growth agenda, by clearly illustrating the positive impact their participation can have on their businesses.

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## 3. Campaign idea and project name

- See your world as the world see its. Travel like a tourist in your own country and be be the envy of the world
- **Whatever you're looking for. It's here! Vaya Mzansi**

## 4. Measures

	2007	2008	2009	2010	2011T	2012T	2013T	2014T	2015T
Travelling population	12 700 000	13 900 000	14 600 000	13 400 000	13 920 000	14 440 000	14 500 000	15 500 000	16 000 000
Population penetration	43.5%	46.5%	47.6%	42.8%	44.5%	46.1%	46.3%	49.5%	51.1%
Total trips (millions)	35.9	32.9	30.3	29.1	31.3	33.5	35.6	37.8	40
Total holiday trips (millions)	5.8	5.2	3.6	4	4.4	4.8	5.2	5.6	6
Revenue generated through holiday trips	R 7.19	R 9.93	R 4.79	R 6.60	R 7.39	R 8.08	R 10.35	R 11.87	R 13.44

## 5. Finance

Marketing budget : R56 000 000.00

# Country budget summary - Domestic 2013/14

ACTIVITY	CONSUMER AND TRADE PROJECT			TOTAL	
	Distribution in %	Value Distribution ZAR		Distribution in %	Value Distribution ZAR
	of Total Project			of Total Project	
Media	72%	40 320 000		72%	40 320 000
Production	7%	3 920 000		7%	3 920 000
Activation	8%	4 480 000		8%	4 480 000
CRM	6%	3 360 000		6%	3 360 000
PR	-	-		-	-
Hosting	7%	3 920 000		7%	3 920 000
Capabilities	-			-	
Total of Budget	100%	R56 000 000		100%	R56 000 000

# Cash-flow - Domestic 2013/14

PROJECT		Quarter 1: Apr-May-Jun F'2013	Quarter 2: Jul-Aug-Sep F'2013	Quarter 3: Oct-Nov-Dec F'2013	Quarter 4: Jan-Feb-Mar F'2014	Total
% distribution		60%	15%	10%	10%	100%
Projects Value distribution		33 600 000	8 400 000	5 600 000	8 400 000	56 000 000
Overheads + Capex	%					
	Value					
TOTAL CASHFLOW DISTRIBUTION	%	60%	15%	10%	10%	100%
	Value	33 600 000	8 400 000	5 600 000	8 400 000	56 000 000