





Domestic Tourism Performance Indicators: July to September 2016

Key highlights of South Africa's domestic tourism performance in Q3 2016:

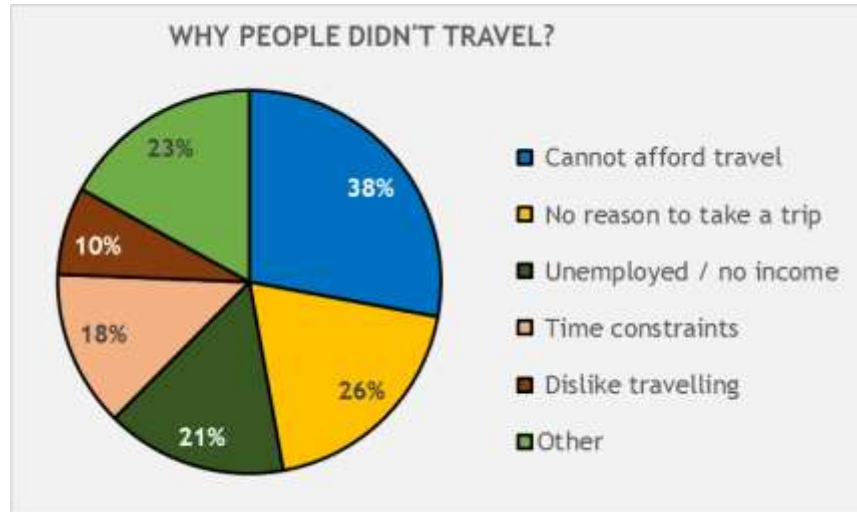
- Total revenue created from the domestic tourism market amounted to R3,5 billion in Q3 2016 which is a decrease relative to 2015
 - Holiday trip contribution to revenue is the only category which increased relative to 2015 and accounts for slightly less than a quarter of total domestic revenue
 - Slightly over half of total domestic revenue continued to come from Visiting friends and relatives (VFR) orientated trips however the contribution thereof decreased substantially relative to 2015
- Fewer trips were taken in Q3 2016 relative to Q3 2015
 - The decrease in total trips was largely driven by a decrease in VFR trips however holiday and business trips also decreased in this period
- Fewer *long weekends* in Q3 2016 vs Q3 2015 affected travel patterns between the quarters as domestic tourists tend to travel during long weekends/public holidays and school holidays
 - Heritage Day (24 September) was on a Saturday in 2016. Thus, there was no long weekend in the month of September.
- The average length of trips taken increased to 4 nights in Q3 2016
- Limpopo continued to receive the most number of trips, followed by Gauteng and Eastern Cape

Key Metrics		Q3 2014	Q3 2015	Q3 2016	% growth ('16 vs '15)
	Total Trips	5.1 million	5.7 million	4.5 million	22%
	Trips by Purpose	VFR: 76% Holiday: 8% Business: 2%	VFR: 76% Holiday: 7% Business: 6%	VFR: 75% Holiday: 8% Business: 6%	24% 6% 24%
	Total Revenue	R4.9 billion	R5.8 billion	R3.5 billion	40%
	Spend by Purpose	VFR: 56%, Holiday: 24% Business: 8%	VFR: 67%, Holiday: 14% Business: 12%	VFR: 52% Holiday: 23% Business: 19%	53% 2% 4%
	Average Spend	R950 / Trip R210 / Day	R1,010 / Trip R290 / Day	R780 / Trip R190 / Day	23% 35%
	Total Bednights	22.5 million	19.7 million	18.2 million	7%
	Average Nights	4.4 nights	3.4 nights	4.1 nights	19%
	Provincial Share of Trips	Lim: 29% GP: 18% KZN: 17%	Lim: 23% KZN: 22% EC: 14% MP: 13%	Lim: 35% GP: 14% EC: 13% KZN: 11%	

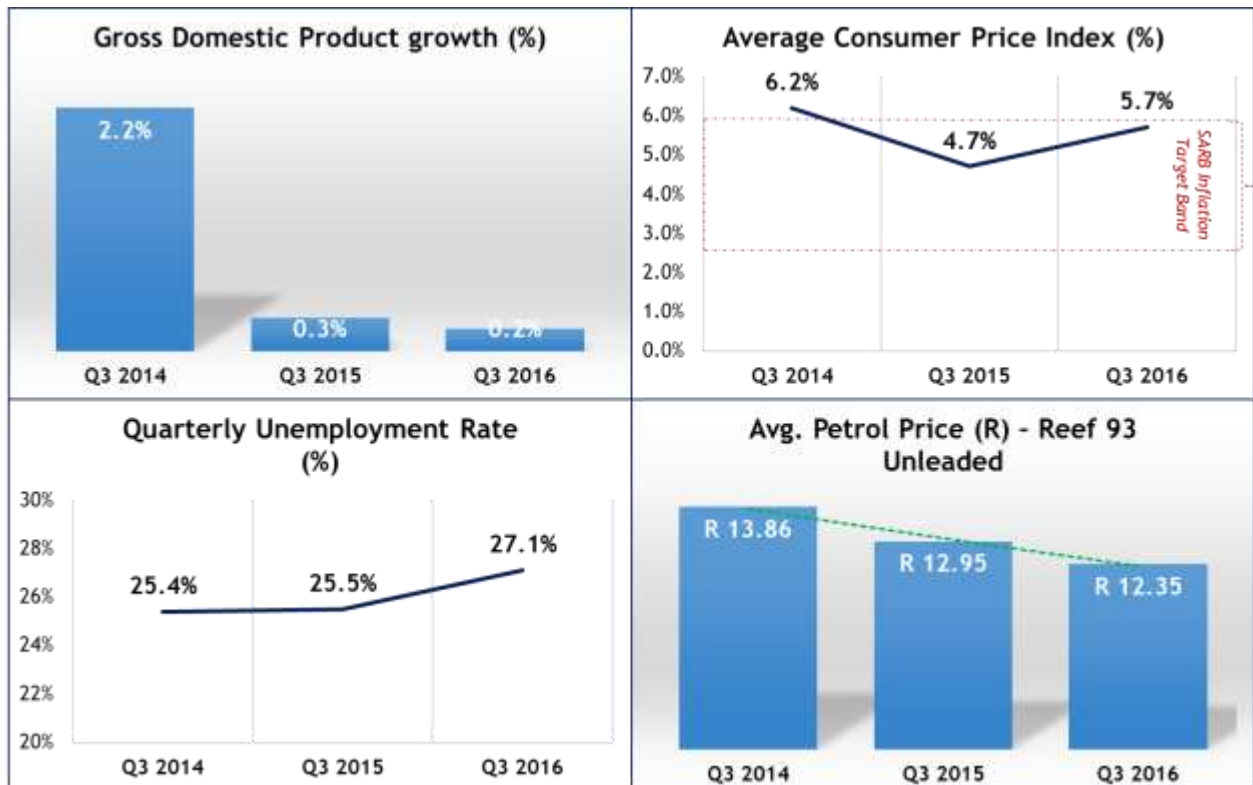
Note: Purpose and Provinces with sample sizes of less than twenty (20) have been excluded

Source: South African Tourism Domestic Tourism Survey 2016

As in previous quarters throughout the year, affordability remained the main deterrent to taking a trip. About one quarter of the respondents said they didn't have a valid reason to travel whilst a fifth cited a lack of income as their key barrier.



With respect to the economic state of the country during this period, Gross Domestic Product (GDP) growth further declined from last year's slow growth. In Q3 2016, GDP growth was only 0.2% - down from 0.3% in the same period in 2015. Amongst other factors, the country wide drought as well as a fairly weak exchange rate had negative effects on growth prospects in the quarter. In the same period, unemployment rose to a high of 27.1% whilst consumer price inflation (CPI) remained fairly close to the top of the desired band, at 5.7%. Lack of business and consumer confidence further destabilised economic growth potential as this impacts negatively on consumer spending and business expansion.



Source: Statistics South Africa, AA of South Africa, South African Reserve Bank (SARB), FNB/BER Consumer Confidence Index (CCI)