



TOURISM KWAZULU-NATAL

FIVE-YEAR STRATEGIC PLAN for 2020/21 – 2024/25

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GROWING TOURISM FOR THE BENEFIT OF ALL

The closure of thirty five (35) South African Borders, the travel restrictions of people from the United States, United Kingdom, Italy, Spain, Germany, Iran, China, South Korea amongst others and limitation of domestic travel will certainly have a major impact of the tourism industry in South Africa.

With the world scrambling to contain the spread of the coronavirus pandemic, the airline industry is in turmoil as more restrictions were put in place in the United States, Europe and many other destinations. This has affected global tourist movements across the world. The corona virus has affected South Africa's major tourism markets such as the United States, the United Kingdom, Italy, Germany, Spain, China, and France amongst other countries.

A number of airlines have reported that they have curtailed international capacity by up to 75% and domestic capacity by about 20%.

South African Tourism sector is depended heavily on international tourists and travel restrictions imposed by the government and many other countries around the world will have serious impact on tourism. The main change with the coronavirus quagmire is that it is affecting both domestic and international tourism.

As a result of the pandemic, major events in South Africa and particularly, KwaZulu-Natal have been cancelled or postponed indefinitely, hotel bookings are being cancelled, and air travel forward bookings have dropped substantially.

Notwithstanding these challenges, the entity will be strengthening tourism offering in the province as part of the recovery plan. The focus will be local government as it is where tourism happens. Therefore local government is best placed to create a memorable experience for tourists.

As set out in Chapter 7, Section 152 of the Constitution, one of the objectives of Local Government is to promote social and economic development.

Section 153 goes on to describe the developmental duties of municipalities, stating that a municipality must structure- and manage its administration, budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community.

Section 153 further states that a municipality must participate in national and provincial development programmes.

Local Tourism is also singled out in Schedule 4 (B) as one of the competency areas of local government. And also a concurrent responsibility between National and Provincial government (Schedule 4 (a)).

KZN tourism will focus on building a strong and sustainable tourism sector that improves the lives of all our people. To achieve this, the entity will focus on the following critical aspects during this financial year:-

- Starting on the supply side, the entity will enhance the province's destination by working with municipalities to improve infrastructure at various tourism magnets;
- Develop skills and instil a culture of service excellence, and, through the grading system, assure quality of service and facilities. These initiatives are all aimed at enhancing the experience of tourists;
- Encourage a strong relationship with Tourist guides. They are often the first to meet tourists, and the last to see them as they leave our province. They are our day-to-day, on-the-ground brand ambassadors;
- Strengthen the capacity of tourists' guides to deliver a memorable and enjoyable experience through training programs, including sending some of them to other countries for cultural exchanges and language training.

Critically, a collaborative approach will be used to ensure the safety of tourists. This includes the use of cutting edge technology as inspired by the 4th Industrial Revolution. In the future, we will move towards using Wifi operated cameras that identify criminals through face recognition technology and their biometrics before even committing their next crime. This will be piloted at the Durban's Beachfront Promenade.

Lastly, as an executive authority, will ensure that resources are allocated for the promotion of our culture and heritage. The world over, the Zululand area is renowned for its dynamic heritage. Heritage sites include, but are not limited to battlefields in the Isandlwana and Ncome precinct where the brave Zulu warriors of yesterday took on the mighty British Empire and where the Zulu took on the Boers resulting in the Battle of Blood River.

These are, but some of the attractions that are highly-sought after by those who dream about our destination.

Ms Nomusa Dube-Ncube, MPL

MEC for Economic Development Tourism and Environmental Affairs

ACCOUNTING AUTHORITY STATEMENT

I am pleased to present the Tourism KwaZulu-Natal (TKZN; Tourism KZN) Strategic Plan for the 2020-2025 planning period, outlining the mandate, strategic focus and priorities as approved by the Board as the entity's Accounting Authority.

This five-year Strategic Plan, in support of the National Development Plan, reflects Tourism KZN's contribution to strengthening the tourism sector, and unlocking its potential to grow the economy, create jobs, and contribute to reduced inequality and reduced poverty. This is in line with the mission of the National Tourism Sector Strategy 2016-2026 (NTSS) to *"increase the direct contribution of tourism to the economy through partnerships, research-based collaborative planning, and the implementation of agreed priority actions"*.

The Tourism KZN Strategic Plan responds to the following 2019-2024 Medium Term Strategic Framework (MTSF) priorities:

Priority 1: A capable, ethical and developmental State;

Priority 2: Economic transformation and job creation; and

Priority 7: A Better Africa and the World.

Tourism KZN responds to the above priorities through its establishment legislation, the KwaZulu-Natal Tourism Act, of 1996 (as amended, including No.2 of 2002). In terms of the Act, Tourism KZN is responsible directly and indirectly for the development, promotion and marketing of tourism into and within the Province of KwaZulu-Natal.

Informed by this primary mandate, Tourism KZN has revisited and reconceptualised its strategic posture and framework in this Strategic Plan, to ensure it is well-articulated and fit for purpose to guide the organisation over the period to 2025. In fulfilling its primary mandate, Tourism KZN has defined its vision as:

KwaZulu-Natal positioned as Africa's leading tourism destination, nationally and internationally.

Tourism KZN's mission is to develop and market tourism into and within KwaZulu-Natal to increase the number of tourists and the value they add to the economy, by:

- 1) Developing and positioning KwaZulu-Natal as a tourism brand that is recognised locally and globally as a leading, must visit destination;
- 2) Facilitating tourism product development, the enhancement of experience offerings and contributing to tourism sector transformation;
- 3) Implementing an integrated tourism marketing strategy for KwaZulu-Natal; and
- 4) Promoting KwaZulu-Natal as Africa's preferred business events destination.

TKZN's mission is enabled by:

- 1) A well-governed and high-performing organisation;
- 2) Research that supports decisions on tourism marketing and products development;

- 3) Monitoring and reporting on the geographic spread of tourism growth;
- 4) Innovation, and the rollout of digital destination management technologies;
- 5) Enhancing stakeholder participation and collaboration in driving tourism growth collectively.

To this end, the Board will ensure that Tourism KZN puts in place effective annual performance plans, which in turn will inform the performance contracts of management and staff. Tourism KZN is confident that it will enhance its capability and capacity, and will continue with its ongoing efforts to strengthen its governance systems and outcomes-based reporting in the period.

In closing, the Board affirms its commitment to providing strategic guidance that will develop Tourism KZN into a well-resourced entity that is optimally positioned for delivering on its mandate; and realise that this can only be achieved through 100% dedication to the achievement of the strategic intent by the entire Tourism KZN team.

The Board acknowledges the continuous support of the Portfolio Committee and the MEC (EDTEA) in spurring the entity towards realising its intended impact.

While an immense amount of work lies ahead of us in the next five years, we believe that this Strategic Plan reflects the right ideas, plans and resource considerations to ensure achievement of the ambitious plan.

The Tourism KZN Board fully endorses this Strategic Plan for the period 2020/21-2024/25, as the guiding document for the work and focus of the organisation for the five year period.

I thank you.



Mr. Sthembiso Madlala

Chairperson of the Board

STATEMENT BY THE CHIEF EXECUTIVE OFFICER

With the advent of the 6th Administration, post the national and provincial elections in May 2019, and in line with the DPME Revised Framework for Strategic Plans and Annual Performance Plans (2019), Tourism KZN presents its Strategic Plan for 2020/21-2024/25.

A thorough analysis of Tourism KZN's performance in the previous term (2014-2019) was conducted, with an emphasis on identifying lessons learnt and opportunities for doing things better as the platform for developing this Strategic Plan. The analysis highlighted the need for Tourism KZN to focus on strengthening the KwaZulu-Natal tourism brand; facilitating tourism product development and the enhancement of experience offerings; contributing to tourism sector transformation; implementing an integrated tourism marketing strategy for KwaZulu-Natal; and promoting KwaZulu-Natal as Africa's preferred business events destination.

Importantly, in line with MTSF Priority 1 – Capable, Ethical and Developmental State – to build a strong and capable entity that is reputable and recognised as high-performing.

Therefore, informed by the mandate and strategic focus of the Entity, and in support of the intended impact of the Department of Economic Development, Tourism and Environmental Affairs for a *Vibrant and Inclusive Economy*, the IMPACT statement of Tourism KZN for the period 2020-2025 has been defined as follows:

Increased contribution of tourism to inclusive economic growth, sustained employment and spatial equity in KwaZulu-Natal.

The intended impact will be pursued through the following strategic outcomes over the 2020-2025 planning period:

- Outcome 1: KZN recognised locally and globally as a leading, must visit destination;
- Outcome 2: Enhanced visitor experience and quality tourism products;
- Outcome 3: Increased participation of black-owned small enterprises in the tourism sector;
- Outcome 4: Increased volume of tourists and the value they add to the economy;
- Outcome 5: Increased number and value of business events hosted in KZN;
- Outcome 6: A capable, reputable and high-performing organisation.

A number of strategic interventions have been put in place to direct the focus of Tourism KZN to deliver on the outcomes. We view the strategy as ambitious, but with the continuous support of the MEC for Economic Development, Tourism and Environmental Affairs (EDTEA) and the Board in leading Tourism KZN, we believe it is achievable. Your commitment to strong oversight and governance is acknowledged and appreciated. I also thank the staff of Tourism KZN for their hard work and outstanding commitment.

In closing, I affirm my commitment to lead Tourism KZN to the best of my ability, as it strives to implement the priorities and outcomes reflected in this Strategic Plan.

Ms. Phindile Makwakwa

Acting Chief Executive Officer

OFFICIAL SIGN-OFF

It is hereby certified that this 2020/21–2024/25 Strategic Plan:

- 1) Was developed by the management team of Tourism KwaZulu-Natal, under the guidance of the Board of Tourism KwaZulu-Natal;
- 2) Takes into account all the relevant policies, legislation and other mandates for which Tourism KwaZulu-Natal is responsible;
- 3) Accurately reflects the impact and Outcomes which Tourism KwaZulu-Natal will endeavour to achieve over the period 2020/21–2024/25.



Ms. T. Galelekile
 GM: Marketing



Mr. N. Khumalo
 GM: Tourism Development

Ms. S. Mayise
 Acting GM: Convention Bureau




Mr. A. Bidesi
 Acting GM: Tourism Information Services



Mr. L. Sidaki
 INTERIM CHIEF FINANCIAL OFFICER

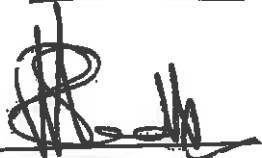
Date



Ms. P. Makwakwa
 ACTING CHIEF EXECUTIVE OFFICER

Date

APPROVED BY:



Mr. S. Madlala
 CHAIRPERSON OF THE BOARD

Date

Ms. N. Dube-Ncube (MEC)
 EXECUTIVE AUTHORITY

Date

ABBREVIATIONS AND ACRONYMS

4IR	4 th Industrial Revolution
CEO	Chief Executive Officer
AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
B&B	Bed and Breakfast
B-BBEE	Broad-Based Black Economic Empowerment
BRICS	Brazil, Russia, India, China and South Africa
CAGR	Compound Annual Growth Rate
CEO	Chief Executive Officer
CIOA	Cruise Indian Ocean Association
CRM	Customer Relationship Management
CTO	Community Tourism Organisation
DIRCO	Department of International Relations and Cooperative Governance
DMO	Destination Management Organisations
DPME	Department of Planning, Monitoring and Evaluation
DTGS	Domestic Tourism Growth Strategy
ECD	Early Childhood Development
EDTEA	Department of Economic Development, Tourism and Environmental Affairs
ESD	Enterprise Supplier Development
Exco	Executive Committee / Executive Council
GDP	Gross Domestic Product
GGP	General Growth Properties
GM	General Manager
ICCA	International Congress and Convention Association
ICT	Information and Communication Technology
IGR	Intergovernmental Relations
IMF	International Monetary Fund
IPAP	Industrial Policy Action Plan
IT	Information Technology
JMA	Joint Marketing Agreement
KZN	KwaZulu-Natal

ABBREVIATIONS AND ACRONYMS

4IR	4 th Industrial Revolution
CEO	Chief Executive Officer
AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
B&B	Bed and Breakfast
B-BBEE	Broad-Based Black Economic Empowerment
BRICS	Brazil, Russia, India, China and South Africa
CAGR	Compound Annual Growth Rate
CEO	Chief Executive Officer
CIOA	Cruise Indian Ocean Association
CRM	Customer Relationship Management
CTO	Community Tourism Organisation
DIRCO	Department of International Relations and Cooperative Governance
DMO	Destination Management Organisations
DPME	Department of Planning, Monitoring and Evaluation
DTGS	Domestic Tourism Growth Strategy
ECD	Early Childhood Development
EDTEA	Department of Economic Development, Tourism and Environmental Affairs
ESD	Enterprise Supplier Development
Exco	Executive Committee / Executive Council
GDP	Gross Domestic Product
GGP	General Growth Properties
GM	General Manager
ICCA	International Congress and Convention Association
ICT	Information and Communication Technology
IGR	Intergovernmental Relations
IMF	International Monetary Fund
IPAP	Industrial Policy Action Plan
IT	Information Technology
JMA	Joint Marketing Agreement
KZN	KwaZulu-Natal

KZNTMP	KwaZulu-Natal Tourism Master Plan
M&E	Monitoring and Evaluation
MICE	Meetings, Incentives, Conferences and Exhibitions
MINMEC	Ministers and Members of Executive Council
MIPTECH	Interprovincial Technical Committee on Tourism
MoA/U	Memorandum of Agreement/Understanding
MROI	Marketing Return on Investment
MTBPS	Medium-Term Budget Policy Statement
MTSF	Medium-Term Strategic Framework
MV	Military Veteran
NDP	National Development Plan
NDT	National Department of Tourism
NGP	New Growth Path
NPS	Net Promoter Score
NSAA	National Spatial Action Area
NTSS	National Tourism Sector Strategy
PFMA	Public Finance Management Act
PGDP	Provincial Growth and Development Plan
PGDS	Provincial Growth and Development Strategy
PR	Public Relations
PwD(s)	People With Disability/ies
REB	Real Economy Bulletin
RFQ	Request for Quotation
ROI	Return on Investment
ROPETT	Rationalisation of Public Entities Task Team
SA	South Africa
SADC	South African Development Community
SALGA	South African Local Government Association
SAT	South African Tourism
SCM	Supply Chain Management
SDG	Sustainable Development Goal
SMART	Specific, Measureable, Achievable, Realistic and Time-bound
SMME	Small, Medium and Micro Enterprise
SOC	State-Owned Company

SOE	State-Owned Enterprise
SONA	State of the Nation Address
SPV	Special Purpose Vehicle
SWOT	Strengths, Weaknesses, Opportunities, Threats
TB	Tuberculosis
TBCSA	Tourism Business Council of South Africa
TDM	Tourism Decision Metrics
TGCSA	Tourism Grading Council of South Africa
TIS	Tourism Information Services
TKZN	Tourism KwaZulu-Natal
TOMSA	Tourism Marketing South Africa
UK	United Kingdom
UN	United Nations
UNWTO	United Nations World Tourism Organisation
US/USA	United States of America
VAT	Value-Added Tax
VFR	Visiting Friends and Relatives
VIP	Very Important Person
WAN	Wide Area Network
WTTC	World Travel and Tourism Council

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INTRODUCTION AND CONTEXT TO THE STRATEGIC PLAN

The KwaZulu-Natal Tourism Authority, trading as Tourism KwaZulu-Natal (TKZN), was established in terms of the KwaZulu-Natal Tourism Act, 1996, as amended by Act No. 2 of 2002. In terms of the aforementioned Act, TKZN is responsible directly and indirectly for the development, promotion and marketing of tourism into and within the Province.

TKZN is a Provincial Public Entity, listed in terms of Schedule 3C of the Public Finance Management Act (No. 1 of 1999) (PFMA). Accordingly, TKZN is accountable to the Provincial Department of Economic Development, Tourism and Environmental Affairs (EDTEA), and operates under the supervision of an Independent Board of Directors, whose non-executive members are appointed by the Executive Authority. The Board strives at all times to comply with and apply the principles contained in the King Code on Corporate Governance in South Africa (2016) (King IV).

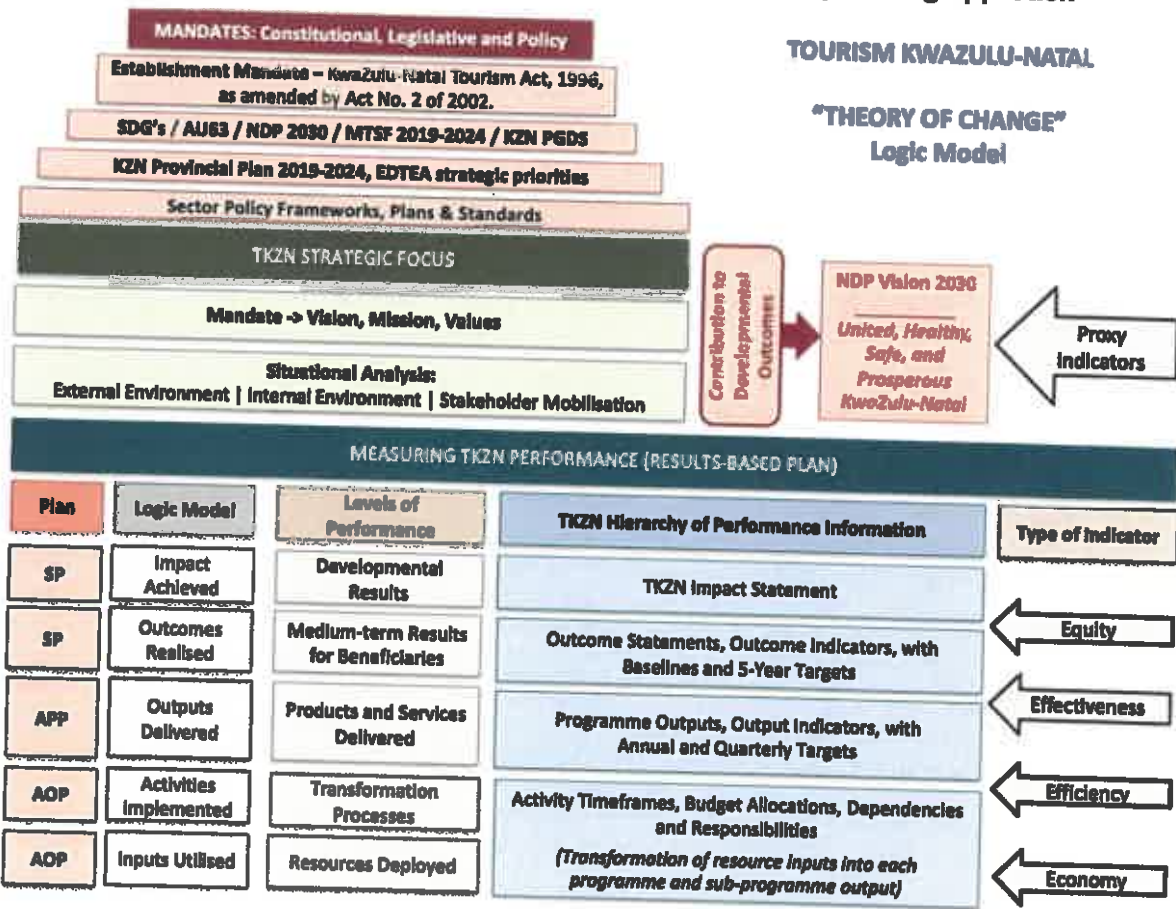
The Board provides leadership and oversees the strategic direction of the Entity, so as to enhance shareholder value and ensure the impact and outcomes of TKZN's mandate are realised. In fulfilling its responsibilities, the Board is supported by the Chief Executive Officer (CEO) and executive team of TKZN, who are tasked with implementing the approved strategic and annual performance plans and policies, which are aligned to the key national and provincial policies and strategies.

The 2020-2025 Planning Cycle:

With the advent of the 6th Administration of a democratic South Africa, post the national and provincial elections in May 2019, the Department of Planning, Monitoring and Evaluation (DPME) has issued the revised Framework for Strategic Plans and Annual Performance Plans (2019). In terms of the Public Finance Management Act (No.1 of 1999) (PFMA) and the Planning Framework, all government departments and their public entities are required to produce and table a 2020-2025 strategic plan and the aligned annual performance (corporate) plan by March 2020.

In this light, the Board of TKZN convened a strategic review and planning process commencing in November 2019. Through the process, there was a need to examine, synthesise and assimilate the various strategic, policy and related documents, consider the changes in the performance environment and policy intent, and to develop a strategic plan that is progressive in nature and practical to implement. In facilitating the process, a "Theory of Change Logic Model" was followed, and informed the approach to the various discussions and to the packaging of the arising strategic data, as follows:

Figure 1: The Theory of Change Logic Model Informing the planning approach



The planning process was necessarily iterative and focused on critically examining the strategic framework, impacts, outcomes and related performance metrics; to ensure that they are specific, measurable, achievable, realistic and time-bound – in accordance with “SMART” principles.

The result of the process is then reflected in the sections below, in the form of the Tourism KwaZulu-Natal Five-Year Strategic Plan for the period 2020/21-2024/25.

PART A: OUR MANDATE

The Tourism KwaZulu-Natal 2020-2025 Strategic Plan, is built from the foundation of a sound appreciation of the mandate of the entity, derived from legislation (static mandates) and policy frameworks (dynamic mandates).

1. CONSTITUTIONAL MANDATE

At the apex of the legislative mandate informing the work of Tourism KwaZulu-Natal is the Constitution of the Republic of South Africa, Act 108 of 1996, as the supreme law of the Republic of South Africa.

Along with the Bill of Rights, the Constitution forms the legal foundation of a democratic South Africa, sets out the rights and duties of its citizens and defines the structure of the government. All laws of the country must be consistent with the Constitution, and it further requires that all spheres of government work together to address poverty, underdevelopment, marginalisation of individuals and communities and other legacies of Apartheid and discrimination.

In this light, all government institutions, entities and municipalities ultimately derive their mandate from the Constitution; and the Constitution underscores the importance of intergovernmental, interdepartmental and international cooperation in the delivery of functions and services to, and on behalf of, the people of South Africa.

More specifically:

- 1) Chapter 3 of the Constitution pertaining to Cooperative Government assigns functions to the three spheres of government;
- 2) Part A of Schedule 4 to the Constitution, lists tourism as a functional area of concurrent national and provincial legislative competence;
- 3) Schedules 4 and 5 of Section 41(1) define the relationship and principles underlying cooperation between the various spheres of government.

2. LEGISLATIVE AND POLICY MANDATES

Whereas the Constitution provides the broad context to the mandate of Tourism KwaZulu-Natal, the specific establishment, legislative and policy mandates of TKZN are outlined in the sections below.

2.1. LEGISLATIVE MANDATES

2.1.1. THE ESTABLISHMENT MANDATE OF TOURISM KWAZULU-NATAL

The KwaZulu-Natal Tourism Authority, trading as Tourism KwaZulu-Natal (TKZN), was established in terms of the KwaZulu-Natal Tourism Act, 1996, as amended by Act No. 2 of 2002. The Organisation is accountable to the KwaZulu-Natal provincial government's Department of

Economic Development, Tourism and Environmental Affairs (EDTEA). In terms of the Act, TKZN is responsible directly and indirectly for the **development, promotion and marketing** of tourism into and within the Province, with the power:

- 1) To investigate and make recommendations to the Cabinet, through the Minister, on any matter relating directly or indirectly to the promotion, development or marketing of tourism for KZN;
- 2) To be solely responsible for marketing and promoting the Province as a whole, to international and domestic tourism markets in competition and cooperation with other provinces in the Republic, and in cooperation with municipalities;
- 3) Within the framework of national and provincial tourism policies to coordinate with, advise and guide municipalities, tourism operators, tourism establishments and organisations or institutions whose activities or aims have an impact on and relate to the promotion, development or marketing of tourism in KwaZulu-Natal;
- 4) For the purposes of implementing provincial tourism policy, promoting, developing and marketing tourism for KwaZulu-Natal, with the prior approval of the Minister:
 - a) To establish and operate one or more companies, or other similar bodies, and to buy and sell shares in such companies, closed corporations or other such similar bodies;
 - b) To enter into joint ventures with other institutions, organisations, bodies or persons;
 - c) To become partners or shareholders in companies, closed corporations or other bodies and to sell all or part of such shares or interests;
 - d) To raise funds through donations and sponsorships;
 - e) To enter into agreements and contracts with any institution, body, organisation or person anywhere in South Africa;
 - f) To enter into international agreements and contracts, with the approval of the Minister, provided that the approval of the Minister may not be unreasonably withheld and must be given within a reasonable time;
 - g) To register, accredit, classify, grade and certify tourism operators and establishments in the Province;
 - h) To implement levies and other charges on tourism operators and establishments in the Province;
 - i) To undertake research for the effective implementation and development of provincial tourism policy;
 - j) To maintain a database of tourism operators and establishments within the Province;
 - k) To formulate and implement processes to increase public access to information about provincial tourism operators, establishments and other tourism resources in the Province.
- 5) To perform any other function or activity as prescribed or directed by the Minister in relation to the implementation, development, marketing and promotion of provincial tourism policy;

In terms of 4.g) above:

- The functions of the Tourism Grading Council have been delegated by the Minister to the South African Tourism Board. According to Chapter 4 of the Tourism Act (No.3 of 2014), a function of the Tourism Grading Council is to implement and manage the national grading council for tourism, as contemplated in Section 28 of the said Act.
- The function of registering tourism businesses and operators has been delegated to the provincial department, EDTEA, by the White Paper on the Development and Promotion of Tourism in KwaZulu-Natal (2008).

TKZN is further established in terms of the Public Finance Management Act, 1999, as amended (PFMA), through which it is listed as a Schedule 3C Provincial Public Entity. As such, all prescripts and regulations arising from the PFMA are applicable to its governance and operations.

2.1.2. LEGISLATION REGULATING THE WORK OF TOURISM KWAZULU-NATAL

In delivering on its core legislative mandate, TKZN further derives its mandate and performs its functions in terms of a number of legislative prescripts, including the following:

<p>Legislation and regulations pertaining to the governance environment and institutional arrangements</p>	<ul style="list-style-type: none"> ▪ Basic Conditions of Employment Act (No.75 of 1997) ▪ Broad-Based Black Economic Empowerment Act (No.53 of 2003) ▪ Competitions Act (No. 89 of 1998) ▪ Employment Equity Act (No. 55 of 1998) ▪ Intergovernmental Relations Framework Act (No. 13 of 2005) ▪ Labour Relations Act (No. 66 of 1995) ▪ National Treasury Regulations and Accounting Standards (as published) ▪ Municipal by-laws ▪ Occupational Health and Safety Act, 1993 ▪ Preferential Procurement Policy Framework Act (No. 5 of 2000) ▪ Provincial Tourism Policy, Approved in March 2008 ▪ Public Finance Management Act (No.1 of 1999) ▪ Prevention and Combating of Corrupt Activities Act (No. 12 of 2004) ▪ Promotion of Access to Information Act (No. 2 of 2000) ▪ Promotion of Administrative Justice Act (No. 3 of 2000) ▪ Promotion of Equality and Prevention of Unfair Discrimination Act (No. 4 of 2000) ▪ Protected Disclosures Act (No. 26 of 2000) ▪ Skills Development Act (No. 97 of 1998) ▪ White Paper on the Development and Promotion of Tourism in KwaZulu-Natal (2008)
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The abovementioned legislation and acts are not exhaustive, and it is recognised that TKZN must comply with all national and provincial legislation and regulations, and all municipal by-laws, applicable to its functions or the areas in which it operates.

A particularly noteworthy chapter of the *White Paper on the Development and Promotion of Tourism in KwaZulu-Natal (2008)*, is the delineation of roles and responsibilities between national and provincial government, national and provincial destination management organisations (DMO's), local government and other role-players in the tourism value-chain. For clarity of mandates, the functions of the KwaZulu-Natal provincial government department (EDTEA) and the provincial DMO (Tourism KZN) are reflected in the table below::

Provincial Department (EDTEA)	Provincial DMO (TKZN)
<p>The provincial department should work closely with the Province's DMO and municipalities to:</p> <ol style="list-style-type: none"> 1) Implement national principles, objectives and policy guidelines as is appropriate to local conditions; 2) Deliver on legislative and statutory obligations; 3) Develop provincial tourism policies and support municipalities in developing local tourism policies; 4) Public sector coordination to ensure an "integrated tourism development" approach; 5) Coordinate and support municipalities to integrate "Tourism" into their integrated development plans, and to deliver on their public sector mandate in regard to tourism; 6) Develop a master plan for tourism in KZN that sets out the key strategic objectives and the plan to achieve these objectives; 7) Facilitate the development of market-driven products and services, in response to the DMO's market intelligence; 8) Investment facilitation through existing provincial and local agencies; 9) Spatial development coordination; 10) Quality assurance; 11) Registration of tourism businesses; 12) Registration of tourist guides; 13) Champion, monitor, evaluate and report on transformation and, in particular, on B-BBEE; and finally to 14) Play a prominent role in tourism development activities, such as: <ol style="list-style-type: none"> a) the involvement of local communities; 	<ol style="list-style-type: none"> 1) Develop the tourism brand for the Province; 2) Develop a Domestic Plan strategy; 3) Develop and agree the international marketing strategy and programmes with South African Tourism; 4) Market and promote the Province in competition with other provinces; 5) Align provincial marketing strategy and programmes to South African Tourism's programmes; 6) Execute provincial initiatives in markets - Province develops independently where National presence is non-existent; 7) Support district and local DMO's to: <ol style="list-style-type: none"> a) Develop marketing strategies; b) Identify market-driven experience offerings; c) Linking previously disadvantaged product and services providers to tourism markets; and d) With implementation support in pursuit with destination marketing - develop experience. 8) Coordinate marketing initiatives with private sector partners and other relevant stakeholders; 9) Undertake Destination Development planning – to inform the development of the Province's experience offerings based on market intelligence; 10) Create a Tourism Knowledge Management System based on ongoing research; 11) Monitor and report on tourism growth in the Province.

Provincial Department (EDTEA)	Provincial DMO (TKZN)
b) environmental management; c) safety and security of visitors.	

2.2. POLICY MANDATES

Where the above legislation and regulations regulate how Tourism KwaZulu-Natal must operate in giving effect to its mandate, various international, national and provincial policy and strategy frameworks give effect to how the mandate should be implemented, and have direct bearing on the priorities and focus areas of Tourism KwaZulu-Natal for the 2020-2025 period.

Longer-Range Developmental Priorities	
The National Development Plan, Vision 2030	<p>The NDP envisions an economy that provides full employment by 2030 and serves the needs of all South Africans from different racial, social and economic backgrounds. 2030 targets include:</p> <ul style="list-style-type: none"> ▪ Elimination of poverty (income less than US 2\$ per day) ▪ Reduction in Inequality (Move the GINI coefficient from 0.69 to 0.60) ▪ Reducing unemployment from 24.9% in 2012, to 14% by 2020, and 6% by 2030. <p><u>TKZN contributes most directly to Chapter 3 - Economy and Jobs:</u></p> <ul style="list-style-type: none"> ▪ Tourism is identified as a highly labour intensive industry which stimulates the development of small businesses, which generates FDI and significant export earnings. ▪ Emphasis is placed on: <ul style="list-style-type: none"> ○ Increasing the number of tourists entering South Africa and the amount spent; ○ The availability of tourism infrastructure; ○ Positioning South Africa as a regional shopping and business centre; and ○ Ease of access by air and travel facilitation through favourable visa regimes. <p>These themes are addressed as part of the Pillars and Actions of the National Tourism Sector Strategy (NTSS)</p>
UN Sustainable Development Goals, 2015 (SDG's)	<p>Adopted by the United Nations in 2015, the 17 SDG's set a common sustainable development agenda for pursuit by all signatory nations, including South Africa. The following SDG's are particularly relevant to TKZN:</p> <ul style="list-style-type: none"> ▪ Goal 5: Achieve gender equality and empower all women and girls; ▪ Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all; ▪ Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.

Longer-Range Developmental Priorities	
African Union Agenda 2063	<p>Aligned to the UN SDG's, the African Union Agenda 2063 reflects seven aspirations, of which the following are most relevant to TKZN:</p> <ol style="list-style-type: none"> 1) A prosperous Africa, based on inclusive growth and sustainable development; 2) An Africa where development is people-driven, unleashing the potential of its women and youth; 3) Africa as a strong, united and influential global player and partner.
National Spatial Development Framework, 2050	<p>Under the theme: "Moving South Africa forward towards the desired Spatial Future", the national Spatial Development Framework sets out an action plan to bring about radical spatial transformation at scale, and manage and mitigate national risks (current and emerging).</p> <ul style="list-style-type: none"> ▪ It proposes a set of five National Spatial Action Areas (NSAA's), which require urgent, focused and integrated national spatial infrastructure investment and spending; and concerted and sustained intergovernmental collaboration, including the alignment of plans, budgets and departmental plans in and between the spheres of government. <p>TKZN plays an important role in ensuring spatial equity through tourism, by improving the geographical spread of tourism and localising tourism support in collaboration with district and local DMOs.</p>

National Priorities for the Next Five Years	
Medium-Term Strategic Framework 2019-2024 (MTSF)	<p>MTSF 2019-2024 aims to address the challenges of unemployment, inequality and poverty through three pillars:</p> <p>Pillar 1: Achieving a more capable State;</p> <p>Pillar 2: Driving a strong and inclusive economy;</p> <p>Pillar 3: Building and strengthening the capabilities of South Africans.</p> <p>MTSF 2019–2024 translates the ruling party's electoral mandate into government's priorities over a five-year period. The three pillars set out above underpin the seven priorities of the strategic framework.</p> <p>The seven priorities, which will be achieved through the joint efforts of government, the private sector and civil society, are as follows:</p> <p>Priority 1: A capable, ethical and developmental State;</p> <p>Priority 2: Economic transformation and job creation;</p> <p>Priority 3: Education, skills and health;</p> <p>Priority 4: Consolidating the social wage through reliable and quality basic services;</p> <p>Priority 5: Spatial Integration, human settlements and local government;</p> <p>Priority 6: Social cohesion and safe communities;</p> <p>Priority 7: A better Africa and World.</p>

National Priorities for the Next Five Years	
	<p>TKZN primarily contributes to:</p> <p>Priority 1 – A capable, ethical and developmental State: 2024 Impact: Public value and trust, and active citizenry and partnerships in society.</p> <p>Priority 2 – Economic transformation and job creation: 2024 Impact: Unemployment reduced to 20%-24% with 2 million new jobs, especially for youth; economic growth of 2%-3% and growth in levels of investment to 23% of GDP.</p> <p>Priority 7 – A better Africa and World: 2024 Impact: A better South Africa.</p> <p>Specific focus areas for TKZN arising from the MTSF are discussed in Section 3 below.</p>

Provincial Policy Framework	
<p>The KZN Provincial Growth and Development Plan, 2035 (PGDP)</p>	<p>The KZN Provincial Growth and Development Strategy (PGDS) envisions: <i>“By 2035 KwaZulu-Natal will be a prosperous Province with a healthy, secure and skilled population, living in dignity and harmony, acting as a gateway to Africa and the World”</i></p> <p>The main purpose of the PGDP is to translate the PGDS into an implementation plan, which will provide a sound platform for departmental, sectoral and stakeholder annual performance planning, and therefore guide resource allocation.</p> <p>The PGDP clearly indicates:</p> <ol style="list-style-type: none"> 1) The desired 2035 outcomes in 7 goals and 31 objectives; 2) A set of indicators that will be applied to measure the progress being made to achieve the desired outcomes; 3) The targets and the KZN growth path for 2020, 2025, 2030 and 2035 in respect of each of the indicators; 4) The strategic interventions required to achieve the set targets; 5) The catalytic projects in support of the PGDP goals; 6) The institutional framework for the implementation of the PGDP; 7) The monitoring, evaluation, reporting and review framework of the plan. <p>The PGDP is a strategic management tool to ensure that, as a Province, there is a concerted and measured effort to achieve the 2035 Vision. The PGDP is a plan for the Province of KZN and not just for government:</p> <p style="text-align: center;">“One Province, One Plan, One Future”</p> <p>TKZN focus areas arising from the PGDP are discussed in Section 3 below.</p>
<p>KZN Tourism Master Plan (KZNTMP)</p>	<p>The development of the KwaZulu-Natal Tourism Master Plan derives its mandate from the White Paper on the Development and Promotion of</p>

	<p>Tourism in KwaZulu-Natal of 2008, which stipulates that one of roles of the Provincial Government is to develop a master plan for tourism.</p> <p>The KZNTMP is a comprehensive, strategic guide providing future direction for the development, growth, management and monitoring of tourism in the Province.</p> <p>The plan sets out the key strategic objectives and how to achieve these objectives for the Province, ensuring alignment with the National Tourism Sector Strategy (NTSS) and the Provincial Growth and Development Plan.</p> <p>TKZN focus areas arising from the KZNTMP are discussed in Section 3 below.</p>
<p>EDTEA Strategic Plan 2020-2025</p>	<p>Tourism KZN contributes to the strategic framework of EDTEA:</p> <p>EDTEA Vision:</p> <ul style="list-style-type: none"> ▪ A radically transformed, growing, inclusive, innovative and sustainable economy, optimising employment in KwaZulu-Natal <p>EDTEA Mission: To provide creative and innovative leadership towards:</p> <ul style="list-style-type: none"> ▪ Facilitating integrated economic planning and growth; ▪ Being a catalyst for economic transformation, job creation and sustainable development; ▪ Implementing strategies that drive economic growth and promote sound environmental management and climate resilience; ▪ Creating a conducive environment for trade, investment and tourism; and ▪ Developing, monitoring and enforcing a sound business, environmental and consumer protection regulatory framework. <p>Tourism KZN further contributes to the KZN Vibrant Economy Index (VIC) which is measured in terms of a basket of six (6) socio-economic indicators.</p>

3. INSTITUTIONAL POLICIES AND STRATEGIES OVER THE FIVE-YEAR PLANNING PERIOD

“We will make good on our ambition to more than double international tourist arrivals to 21 million by 2030”

President Cyril Ramaphosa (State of the Nation Address, June 2019)

The President further emphasised that this would require a renewal of the country’s brand; a world class visa regime; a focus on China, India and air arrivals from the rest of our continent; and ensuring the safety of all tourists.

Tourism is recognised for its immense potential and its significant contribution to the economy. The 1996 White Paper on the Development and Promotion of Tourism confirmed South Africa’s approach to tourism as one which is “government-led, private sector driven and community-based”, and grounded in cooperation and close partnerships between all stakeholders. Government’s recognition of the critical importance of tourism in the economy is further evident in the sector’s inclusion as one of the priority areas in the initial Industrial Policy Action Plan (IPAP), the New Growth Path (NGP, 2010) and the National Development Plan (NDP, 2012). The sector is expected

to make the requisite contribution to job creation, transformation and the continued growth of the economy.

Introduced in Section 2 above, the NDP is the national framework for the development of the South African economy. It recognises tourism as a highly labour-intensive industry, which stimulates the development of small businesses and which generates foreign direct investment and significant export earnings. Emphasis is placed on increasing the number of tourists entering South Africa and the amount spent; the availability of tourism infrastructure; positioning South Africa as a regional shopping and business centre; and ease of access by air and travel facilitation through favourable visa regimes.

These NDP themes are further addressed as part of the Pillars and Actions of the National Tourism Sector Strategy (NTSS) and the Domestic Tourism Growth Strategy (DTGS).

3.1. THE NATIONAL TOURISM SECTOR STRATEGY (2016–2026)

The vision of the National Tourism Sector Strategy 2016–2026 (NTSS) is for a *“rapidly and inclusively growing tourism economy that leverages South Africa’s competitive edge in nature, culture and heritage, underpinned by Ubuntu and supported by innovation and service excellence”*.

The NTSS Mission is to *“increase the direct contribution of tourism to the economy through partnerships, research-based collaborative planning, and the implementation of agreed priority actions”*. Critical measures in this regard are:

- 1) Growth in the number of overseas tourist arrivals, increase in their direct spend, length of stay and geographic spread;
- 2) Growth in the number of regional (Africa land and air) tourist arrivals, increase in their direct spend and geographic spread; and
- 3) Growth in the number of domestic tourist trips (including day trips), length of stay, direct spend and geographic spread.

The NTSS outlines five (5) key pillars for the strategy to 2026, namely:

- 1) **Pillar One: Effective Marketing** - a coherent approach to promote South Africa to become top of mind destination and improved conversion rate;
- 2) **Pillar Two: Facilitate Ease of Access** - seamless travel facilitation and access to participate in tourism;
- 3) **Pillar Three: The Visitor Experience** - provide quality visitor experiences for tourists (both domestic and international) to achieve customer satisfaction and inspire repeat visitation;
- 4) **Pillar Four: Destination Management** - to provide for sustainable development and management of the tourism sector;
- 5) **Pillar Five: Broad-Based Benefits** - promote the empowerment of previously marginalised enterprises and rural communities to ensure inclusive growth of the sector.

3.2. THE MEDIUM-TERM STRATEGIC FRAMEWORK (2019-2024)

Informed by the electoral mandate, the 2019-2024 MTSF identifies the priorities to be undertaken during 2019-2024 to put the country on a positive trajectory towards the achievement of the 2030 Vision. It sets targets for implementation of the priorities and interventions for the five year period, and states the priorities, outcomes and indicators to be monitored at national level.

The table below provides detail on TKZN's contribution to the 2019-2024 MTSF through an aligned response and strategic focus.

Relevant MTSF Priority / Impact	Relevant MTSF Outcomes and Interventions	Tourism KZN Strategic Response / Focus
<p>Priority 1: A capable, ethical and developmental State</p> <p><u>2024 Impact:</u> Public value and trust, and active citizenry and partnerships in society</p>	<p>Outcome 1: Improved governance and accountability</p> <ul style="list-style-type: none"> Strengthen the governance system of state-owned entities <p>Outcome 2: Functional, efficient and integrated government</p> <ul style="list-style-type: none"> Enhance productivity and functionality of public sector institutions in supporting people-centred service delivery Improve financial management capability in the public sector Measures taken to reduce wasteful and fruitless expenditures; and irregular expenditure in the public sector <p>Outcome 3: Professional, meritocratic and ethical public administration</p> <ul style="list-style-type: none"> Programme for building a professional public administration <p>Outcome 5: Mainstreaming of gender, youth and disability, empowerment and development institutionalised</p> <ul style="list-style-type: none"> Implementation of Gender, Youth and Disability responsive planning, budgeting, interventions, policies and legislations 	<ul style="list-style-type: none"> Sound governance Improved capabilities, capacity and performance Enhanced reputation of TKZN Effective management of stakeholders Demand-driven research outputs
<p>Priority 2: Economic transformation and job creation</p> <p><u>2024 Impact:</u> Unemployment reduced to 20%-24% with 2 million new</p>	<p>Outcome 3: Industrialisation, localisation and exports</p> <ul style="list-style-type: none"> Support localisation and industrialisation through government procurement 	<ul style="list-style-type: none"> Support the growth and development of SMMEs in the tourism sector Rural and township tourism product development

Relevant MTSF Priority / Impact	Relevant MTSF Outcomes and Interventions	Tourism KZN Strategic Response / Focus
<p>jobs, especially for youth; economic growth of 2%-3% and growth in levels of investment to 23% of GDP</p>	<p>Outcome 5: Reduce concentration and monopolies and expanded small business sector</p> <ul style="list-style-type: none"> ▪ Facilitate the Increase in number of functional small businesses with a focus on township economies and rural development <p>Outcome 10: Increased economic participation, ownership, access to resources, opportunities and wage equality for women, youth and persons with disabilities</p> <ul style="list-style-type: none"> ▪ Expand government spend on women, youth and persons with disabilities through preferential procurement 	<ul style="list-style-type: none"> ▪ Support the development of local tourism marketing strategies ▪ Increase the geographic spread of tourism In KZN ▪ Increase the contribution of tourism to the GDP of the province
<p>Priority 7: A Better Africa and the World</p> <p><u>2024 Impact:</u> A better South Africa</p>	<p>Outcome 3: Growth In tourism sector resulting in economic growth:</p> <ul style="list-style-type: none"> ▪ Develop and implement a destination brand strategy to promote SA as a preferred tourism destination. ▪ Promote South Africa as a preferred tourism destination. ▪ MTSF Indicator and 2024 Target: <ul style="list-style-type: none"> ○ Brand Strategy Index: 44.7 by 2024 ○ Percentage increase in the value of international tourist spend: 4% annually ○ Percentage increase in International tourist arrivals: 6% annually 	<ul style="list-style-type: none"> ▪ Strengthening the KwaZulu-Natal brand and positioning it as a 'must visit' destination, locally and globally ▪ Improve the quality of tourism products in KZN ▪ Enhance the visitor experience ▪ Implement an integrated tourism marketing strategy to grow the domestic and international market, in terms of arrivals and spend ▪ Increased Meetings, Incentives, Conferences and Events (MICE) arrivals and spend

3.3. SOUTH AFRICAN TOURISM STRATEGIC PLAN 2020-2025

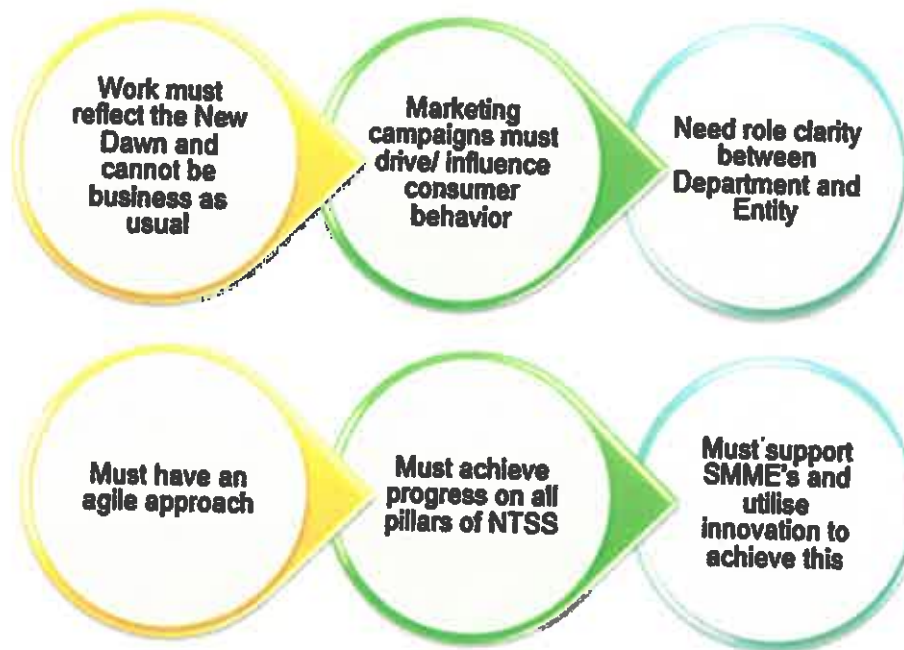
The South African Tourism Strategic Plan for 2020-2025 is formulated under the guise of tourism being an apex priority with the potential to grow the economy, create jobs, and contribute to a better living environment by reducing poverty. Inclusive growth is imperative to drive transformation.

The challenge is to grow current tourism levels to reach the goal of 21 million arrivals by 2030.

Tourism Decision Metrics (TDM), the forecasting tool developed by Oxford Economics and used by SAT, estimates that South Africa will receive 16.5 million arrivals in that year, or 0.74% of global market share. A new approach must be employed to achieve the 4.5 million extra required by the goal.

In this regard, the Minister has defined the following key focus areas for South African Tourism:

Figure 2: The key focus areas for South African Tourism



A review of the way the organisation operates through SAT hubs to market South Africa may be necessary, and the organisation must improve its relationship with DIRCO, exploring how missions could be leveraged for marketing purposes. SAT could also work to integrate products with others in the SADC region.

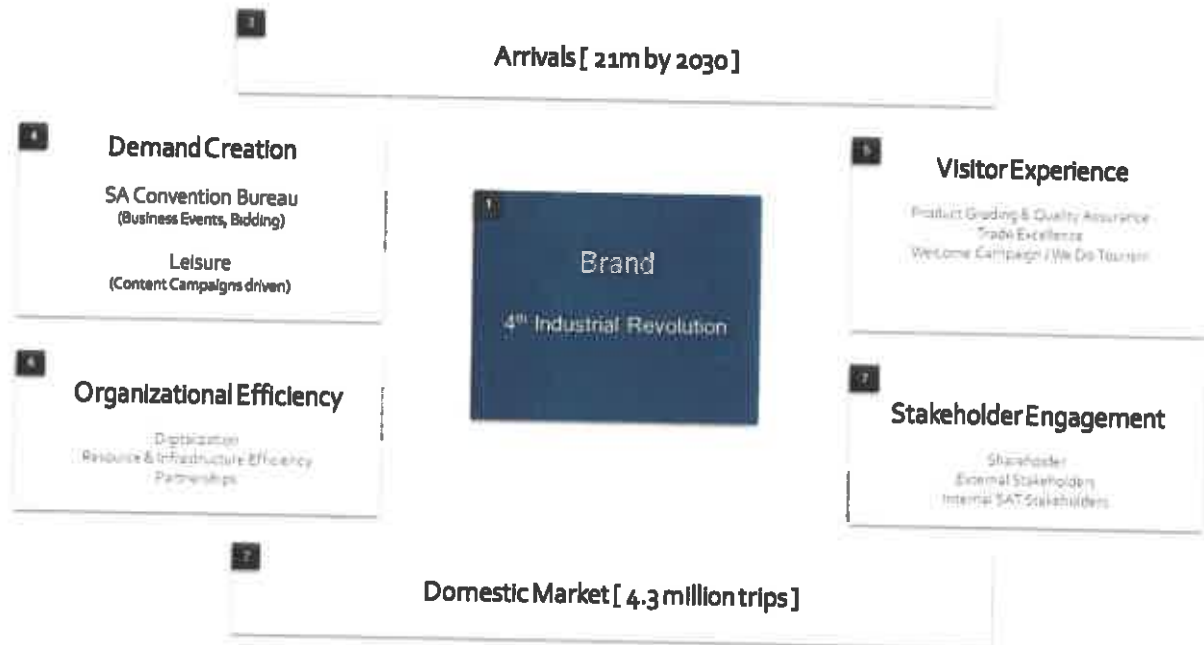
Additional focus areas are defined as:

- 1) Develop a digital strategy to better enable operationalisation of mandate;
- 2) Strong focus on capability building of smaller businesses;
- 3) Quality and grading are important;
- 4) Outsource supply chain and contract management;
- 5) Metrics should be tracked monthly by teams, and quarterly by management;
- 6) Workforce inefficiency impacts cost and does not support the strategic operationalisation required;
- 7) Grow 10.4 million arrivals to 21 million by 2030. Plan to sustain the projected 16 million. What is the approach to attract the extra 5 million? A five-year 2024 target must be established, perhaps at 15/16 million;
- 8) Is there MROI plugged into the marketing model? Marketing effectiveness must be measured; and

- 9) Build domestic tourism by raising awareness, changing perceptions and developing additional market-focused products.

The following MTSF-aligned Strategic Focus Areas form the basis of the Outcomes of the SAT 2020-2025 Strategic Plan. By implication, TKZN needs to respond and align.

Figure 3: SAT – MTSF-alignment for 2020/21-2024/25



South African Tourism must lead the way in doing justice to the South African brand by making it all inclusive, pride inspiring, and forward thinking. TKZN needs to indigenise the South African Tourism approach to the KZN context and respond accordingly in planning for the next five-years.

3.4. KWAZULU-NATAL PROVINCIAL GROWTH AND DEVELOPMENT PLAN, 2035

Tourism is identified by the PGDS as a key sector for job creation, due to its labour-absorption capabilities. In summary, TKZN finds alignment, either directly or indirectly, to the PGDP through the following PGDP goals, strategic objectives and interventions:

PGDP Goal	PGDP Strategic Objective	PGDP Strategic Objective Indicator	TKZN-Aligned Focus 2020-2025
Goal 1: Inclusive economic growth	SO 1.2. Enhance sectoral development through trade investment and business retention.	1.2.4. Growth in employment in key manufacturing and service sectors. 1.2.6. Number of tourists (domestic and international). 1.2.7. Value spend in the Tourism sector.	<ul style="list-style-type: none"> Enterprise Development Programme – Increase access to tourism markets for SMMEs. Develop, diversify and market the Tourism sector to increase domestic and foreign visitors in the Province.

PGDP Goal	PGDP Strategic Objective	PGDP Strategic Objective Indicator	TKZN-Aligned Focus 2020-2025
			<ul style="list-style-type: none"> ▪ Support the review of the KZN Tourism Master Plan (<i>strengthened positioning of the destination</i>).
<p>Goal 3: Human and community development</p>	<p>SO 3.3: Safeguard and enhance sustainable livelihoods and food security.</p>	<p>Support to all indicators relating to sustainable livelihoods and food security.</p>	<ul style="list-style-type: none"> ▪ Local tourism product development in collaboration with CTOs. ▪ Emerging District Delivery Model to be supported
<p>Goal 4: Strategic Infrastructure</p>	<p>4.1. Development of seaports and airports.</p>	<p>4.2.1 Volume of passengers through KZN seaports and airports. 4.2.2 Number of scheduled domestic connections. 4.2.3 Number of scheduled international connections.</p>	<p>TKZN focus on air access/ route development through multi-stakeholder approach, marketing directly to cruise liners and transforming business tourists to leisure tourists.</p>
<p>Goal 6: Governance and policy</p>	<p>SO 6.1. Strengthen policy, strategy coordination and IGR. SO 6.2. Build government capacity. SO 6.3. Eradicate fraud and corruption. SO 6.4. Promote participative, facilitative and accountable government.</p>	<p>Support to all indicators, towards achieving and maintaining a clean audit outcome.</p>	<ul style="list-style-type: none"> ▪ Strengthen the alignment between KZN Tourism strategy and the NTSS. ▪ Urgent filling of critical vacancies. ▪ Streamlined and optimal utilisation of skills, especially if merger with Film Commission takes place. ▪ Tightening of internal controls through systems automation. ▪ As Chair of Provincial Tourism Forum, strengthen integration with local government and CTOs.
<p>Goal 7: Spatial equity</p>	<p>SO 7.2. Ensure integrated land-use management across the Province, ensuring equitable access to goods and services, attracting</p>	<p>Support to all indicators relating to spatial equity</p>	<ul style="list-style-type: none"> ▪ Improving the geographic spread of tourism. ▪ Enterprise development. ▪ Rural and township tourism product development.

PGDP Goal	PGDP Strategic Objective	PGDP Strategic Objective Indicator	TKZN-Aligned Focus 2020-2025
	social and financial investment		<ul style="list-style-type: none"> ▪ District development model and strengthened support to CTOs.

3.5. KWAZULU-NATAL TOURISM MASTER PLAN (KZNTMP)

The KZNTMP envisions that:

By 2030, KwaZulu-Natal will be globally renowned as Africa's top beach destination with a unique blend of wildlife, scenic and heritage experiences for all visitors.

The KwaZulu-Natal Tourism Master Plan sets out the mission towards the achievement of vision as follows:

- Geographically spreading the benefits of tourism throughout the Province;
- Growing the visitor numbers and visitor yields;
- Focused (prioritised) tourism development growing from the core of beach and Durban;
- Superlative customer experiences – quality, authenticity and service excellence;
- Public and private sector collaboration;
- Demand-led development, meeting market potential and needs; and
- Responsible tourism ensuring sustainability and benefits for all.

In order to achieve the vision and mission, the following strategic objectives have been set:

- 1) Increase tourism GDP levels and employment;
- 2) Foreign tourist arrivals growth;
- 3) Domestic tourist arrivals growth;
- 4) Improved geographic spread of tourism;
- 5) Ensure Durban is THE place to holiday;
- 6) Improved overall visitor service and satisfaction;
- 7) Achieve significant transformation of the sector;
- 8) Grow the events and meetings incentives and exhibitions sector ("MICE"); and
- 9) Improve other niche tourism experiences for which the Province has potential and develop these markets.

At the time of developing this Strategic Plan, the TKZNMP was under review, which necessarily includes a review of progress against set targets and the setting of new targets based on the prevailing macro and market context, and aligned with the provincial targets set by National.

3.6. TARGETS BY PROVINCE, TO 2025 AND 2030

The following provincial targets have been set by SA Tourism.

3.6.1. INTERNATIONAL TOURIST ARRIVALS

The table below reflects the targets by province for international tourist arrivals. Of the 15.5 million international arrivals target for South Africa in 2025, KwaZulu-Natal has been allocated a target of 1 million International arrivals. This increases to 1.4 million of the 21.2 million International arrivals in 2030.

	2016 Actual	2017 Actual	2018 Actual	2025 Target	2030 Target
National	10.0Mn	10.2Mn	10.5Mn	15.5Mn	21.2Mn
Gauteng	4.3Mn	4.1Mn	3.8Mn	5.2Mn	7.2Mn
Western Cape	1.5Mn	1.7Mn	1.7Mn	2.1Mn	2.8Mn
Limpopo	1.5Mn	1.9Mn	2.2Mn	2.3Mn	3.1Mn
Mpumalanga	1.4Mn	1.6Mn	1.6Mn	1.9Mn	2.6Mn
Free State	1.2Mn	1.2Mn	1.3Mn	1.5Mn	2.0Mn
North West	0.9Mn	0.8Mn	0.7Mn	1.0Mn	1.3Mn
KwaZulu-Natal	0.7Mn	0.8Mn	0.8Mn	1.0Mn	1.4Mn
Eastern Cape	0.3Mn	0.4Mn	0.4Mn	0.5Mn	0.6Mn
Northern Cape	0.1Mn	0.1Mn	0.1Mn	0.2Mn	0.2Mn

3.6.2. DOMESTIC TRIPS

The table below reflects the targets by province for domestic trips. Of the 3.8 million domestic trips target for South Africa in 2025, KwaZulu-Natal has been allocated a target of 642 000. This increases to 733 000 of the 4.3 million domestic trips in 2030.

	2016 Actual	2017 Actual	2018 Actual	2025 Target	2030 Target
National	2.6Mn	2.9Mn	2.6Mn	3.8Mn	4.3Mn
Western Cape	980K	538K	344k	275K	314K
KwaZulu-Natal	256K	129K	308K	642K	733K

Eastern Cape	283K	33K	162k	431K	492K
Mpumalanga	65K	231K	236k	410K	468K
Gauteng	617K	1 404K	999K	625K	713K
Limpopo	517K	410K	224K	946K	1 080K
Northern Cape	10K	22k	45k	72K	82K
Free State	28K	28K	68k	139k	20K
North West	54K	108K	135k	262k	299K

Note: *The provincial targets are indicative based on a time-series analysis of actual performance in the past five years. The focus should be on incremental domestic holiday trips, as the base might change as SA Tourism and Statistics SA align their surveys. It was agreed that the assumptions will be aligned at a provincial level to confirm the targets.*

3.7. OTHER KEY INFORMING POLICY/STRATEGY IMPERATIVES

3.7.1. CHANGES TO SOUTH AFRICA'S VISA REGULATIONS AND REQUIREMENTS FOR TRAVELLING MINORS

Revised regulations, including changes to travel documentation requirements for minor travellers, were gazetted on 1 December 2018. These regulations, which have less onerous requirements, bring South Africa in line with best practice in many countries with respect to foreign minors travelling into and out of the country.

In September 2018, after President Cyril Ramaphosa announced the stimulus package, the then Minister of Home Affairs announced that negotiations were being finalised to conclude visa waiver agreements for 19 countries.

3.7.2. TGCSA GRADING CRITERIA

To advance and maintain a recognisable, credible and globally benchmarked system of quality assurance for accommodation and venues in South Africa, the TGCSA has introduced new and revised grading standards, which were approved by the Minister of Tourism on 2 November 2018. The grading criteria have been gazetted and have been implemented from 1 April 2019.

The new grading criteria include two new categories: "apartment hotels" and "small hotels", which will cover the luxury segment (boutique hotels).

The grading levels have also been enhanced. They now include a new five-star premium grading level, which is a recognition reserved for the pinnacle of luxury products in South Africa, far exceeding premium expectations with respect to quality standards and service excellence.

The TGCSA has also introduced a new dimension to grading, which allows properties to capitalise on niche market differentiation. This new addition, termed "accolades", includes insignia and

criteria for niche markets, such as those that are child-friendly, pet-friendly, wedding venues, spa and wellness facilities, as well as those that cater for 4x4's.

4. RELEVANT COURT RULINGS

At the time of developing this Strategic Plan for 2020/21-2024/25, there are no specific court rulings that have a significant, ongoing impact on Tourism KwaZulu-Natal's operations or business obligations.

PART B: OUR STRATEGIC FOCUS

In delivering on its legislative mandate, which is to **develop, promote and market** tourism into and within the Province, and considering the various institutional policy mandates informing TKZN's contribution to developmental outcomes, the organisation has articulated its strategic focus for the 2020-2025 planning period as follows:

5. VISION

KwaZulu-Natal positioned as Africa's leading tourism destination, nationally and internationally.

6. MISSION

Developing and marketing tourism into and within KwaZulu-Natal to increase the number of tourists and the value they add to the economy, by:

- **Developing and positioning KwaZulu-Natal as a tourism brand that is recognised locally and globally as a leading, must visit destination;**
- **Facilitating tourism product development, the enhancement of experience offerings and contributing to tourism sector transformation;**
- **Implementing an integrated tourism marketing strategy for KwaZulu-Natal; and**
- **Promoting KwaZulu-Natal as Africa's preferred business events destination.**

TKZN's mission is enabled by:

- **A well-governed and high-performing organisation;**
- **Research that supports decisions on tourism marketing and products development;**
- **Monitoring and reporting on the geographic spread of tourism growth;**
- **Innovation, and the rollout of digital destination management technologies;**
- **Enhancing stakeholder participation and collaboration in driving tourism growth collectively.**

7. VALUES

In working towards the achievement of its vision and mission, Tourism KwaZulu-Natal subscribes to the following internal values, which are in line with the *Batho-Pele* principles:

Value	Description - What it means in practice
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Ubuntu	<ul style="list-style-type: none"> ▪ Our 'oneness' is our ultimate value and the guiding principle for the way we carry out our work – in partnership, with respect, compassion, humanity and humility; ▪ While we function as one, we value diversity and strive to reach out, uplift and build the communities that we serve. We do this in a humble, motivating, warm and kind spirit.
Innovative and visionary leadership	<ul style="list-style-type: none"> ▪ We listen to and understand needs, and create new approaches to what we do, with a focus on cutting-edge, best in class and “outside the box” approaches and solutions; ▪ We seek results that are transformative and exponential in driving positive change.
Service excellence	<ul style="list-style-type: none"> ▪ We are efficient and professional, and diligently strive for superior delivery of customer service, both internally and externally; ▪ Through service excellence, more people will value dealing with us and we will gain recognition as the leading authority on tourism in the province.
Ethical conduct	<ul style="list-style-type: none"> ▪ We are serious about building public trust in the organisation by being transparent, responsible and accountable for our words, actions and results; ▪ We strive to do the right things for the right reasons to achieve our intended impact. We are therefore committed to behaving and acting consistently, keeping promises and sticking to the agreed code of ethics.
Team Focus	<ul style="list-style-type: none"> ▪ We assist and support each other by sharing knowledge, insights and information towards the common purpose of making KwaZulu-Natal the top tourism destination in Africa. ▪ Team spirit is what makes Tourism KZN a great place to work!

8. SITUATIONAL ANALYSIS

Tourism KwaZulu-Natal executes its mandate, and seeks to achieve its vision and mission, in a complex environment, impacted by global, national and provincial events, which directly affect the pursuit of its desired impact and in delivering on its mandate.

8.1. EXTERNAL ENVIRONMENT ANALYSIS

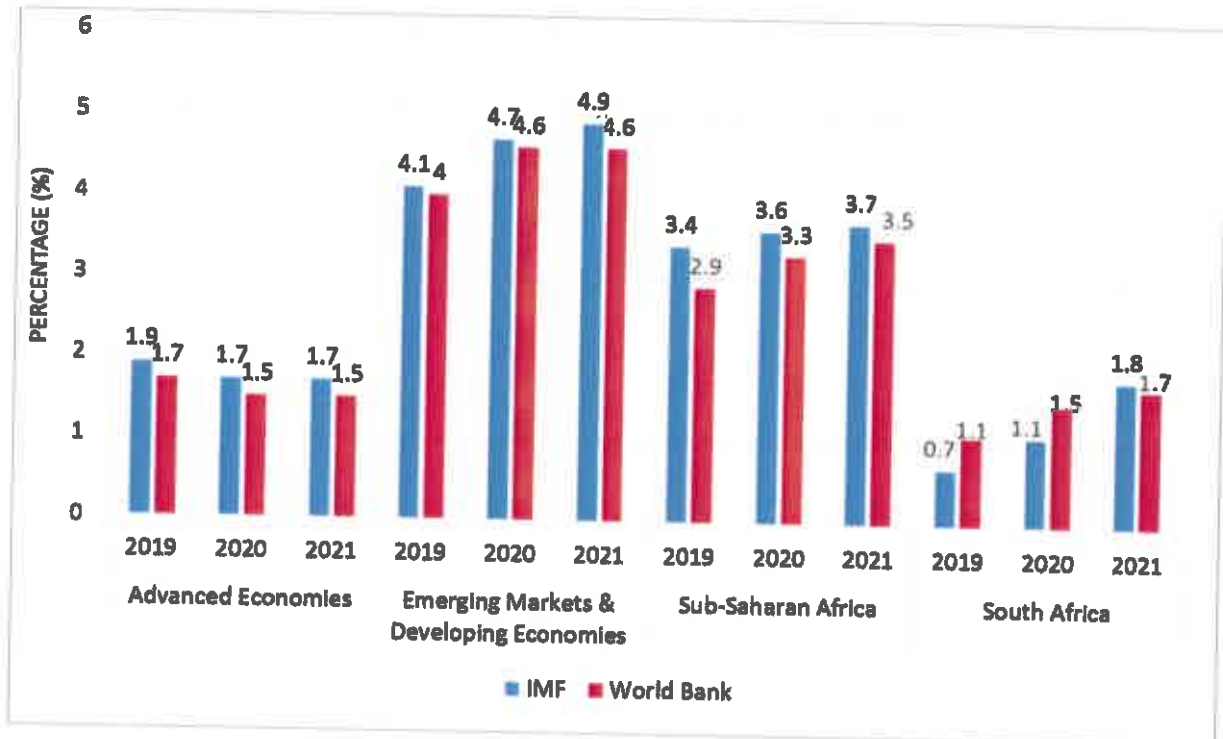
8.1.1. MACRO-ECONOMIC ENVIRONMENT

World economic growth is slowing. The IMF predicts 3% global growth for 2019, the lowest since the 2008 financial crisis. Multiplying global risks have contributed to slowing growth in both developed and developing economies. Brexit, tariffs and trade wars have contributed to an increasingly negative economic outlook, along with a generalised increase in political tension and uncertainty, as well as a growing unease at the unprecedented levels of central bank interventions in key economies.

The IMF noted that first quarter GDP in China was stronger than forecast, but indicators for the second quarter of 2019 suggest an overall weakening of activity. A slowdown in China means a slowdown in the world, as that nation's demand has been key to global growth over the past few decades. Elsewhere in emerging Asia, as well as in Latin America, economic activity has been well below expectation. The Eurozone, a key South African trading partner, is also slowing¹.

South Africa's forecast growth for 2019 was 1.5% at the time of the February 2019 Budget Speech. By the October Medium-Term Budget Policy Statement (MTBPS), it had been revised down to 0.5%, reflecting weaker exports and total Inbound Investment.

Figure 4: GDP growth forecasts 2019-2021



As South Africa's GDP growth trend has continued to decline, debt levels have continued to rise. Exacerbating the less favourable global conditions, local contributing factors to the slowdown have included policy uncertainty, electricity supply instability, lower investment levels, insufficient SOC investment, and poor educational outcomes².

¹ IMF World Economic Outlook Update, 23 July 2019

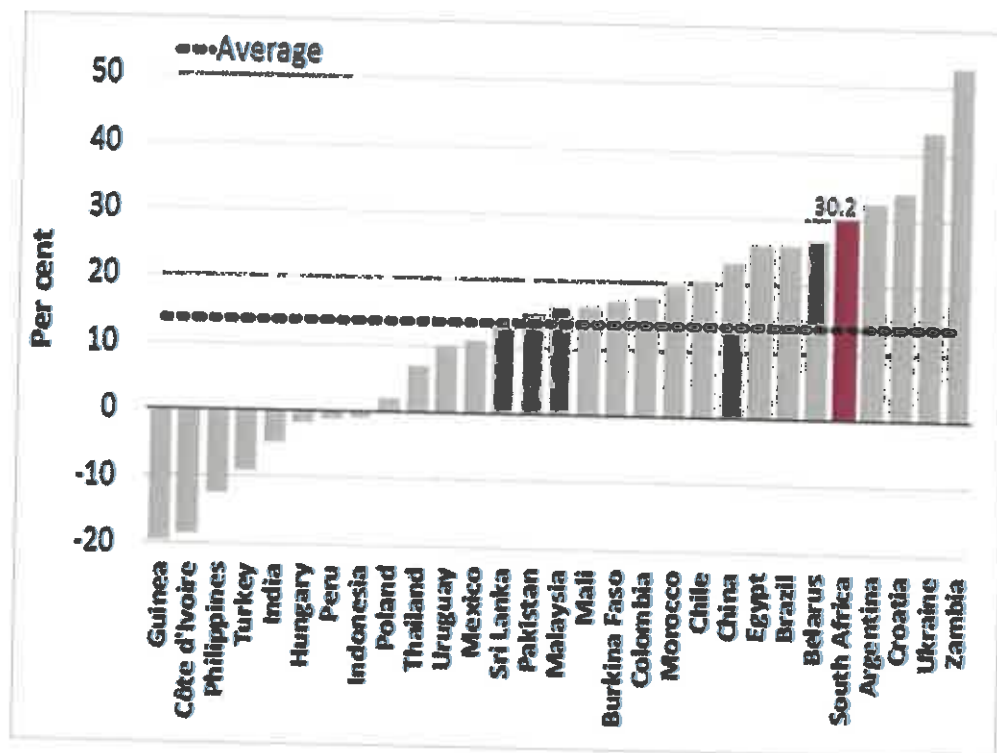
² 2019 MTBPS

Figure 5: South African real GDP growth



South Africa's relative global competitiveness has declined, due to slower implementation of reforms than peer countries. The government has run large budget deficits since the global financial crisis in 2008/09, amounting to an increasingly unmanageable mountain of accumulated debt. Increased government borrowing has unfortunately failed to equate to effective government spending. South Africa has experienced one of the highest increases in debt to GDP ratio amongst peer nations over the last ten years.

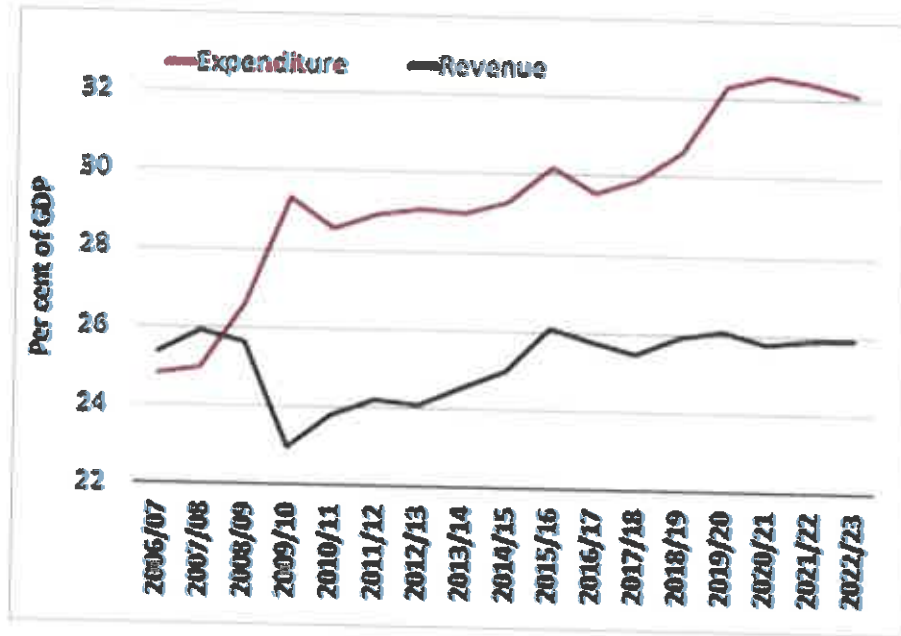
Figure 6: Ten year change in debt to GDP ratio



Of course, a contracting economy means contracting income for government. The current account deficit is expected to run at 3.5% of GDP over the next three years, reflecting low import growth

due to weaker domestic demand, low export demand, and generalised slowdown of growth across the globe.

Figure 7: Main budget revenue and spending



The estimated total revenues shortfall for 2019/20 is R52.5 billion. This reflects a poor employment outlook, with lower wages and job losses resulting in reduced personal income tax collection. The difficult trading environment means less profit for businesses, which lowers corporate tax. Weak household consumption means the State takes in less revenue through VAT.

Government allocates funds to its central policy objectives – reducing poverty and inequality – through the budget. Over the next three years, spending will total R6.3 trillion, with 48 percent of this amount going towards social grants, education and health.

In the context of weak growth, however, revenue shortfalls and rising spending pressures are threatening government's ability to maintain existing levels of service provision and Infrastructure Investment.

- MTBPS, 2019 -

Forecasts for the next few years are less than optimistic, both locally and globally. For South Africa, serious economic reforms are urgently needed to boost GDP growth. Top of National Treasury's list of reforms that can be implemented immediately is supporting tourism by reducing the cost of travelling to South Africa, and cutting red tape for small businesses in the tourism sector³.

The slow growth of the economy is resulting in low levels of government collected revenue, and means that government is unable to meet the increasing demands for spending in priority areas.

³ 2019 Medium-Term Budget Policy Statement (MTBPS)

KwaZulu-Natal Socio-Economic Context:

At around 94,361 km² in area, KwaZulu-Natal is the third smallest province by land area, but the second most populous after Gauteng, with around 11.3 million people. It is the second largest contributor to South Africa's GDP, at 16.2% in 2018.

It is located in the southeast of the country with a long Indian Ocean shoreline, and shares borders with three other provinces (Eastern Cape, Mpumalanga and Free State), as well as the countries of Eswatini, Lesotho and Mozambique. The Port of Durban is sub-Saharan Africa's largest shipping terminal, and the fourth-largest container terminal in the Southern Hemisphere. Richards Bay is the largest coal export terminal in the world.

The Province's economy performs in most economic spheres, including manufacturing, tourism, agriculture, mining, trade, construction and finance. Due to its strategic location along the east coast, it has a notable competitive advantage driving tourism in the Province. It has nine "blue flag" beaches, it is home to the Drakensburg Mountains, the iSmangaliso World Heritage Site, numerous private and public "Big Five" game reserves, the battlefields, and the Oribi Gorge.

Despite this diverse economic base, distribution of benefit from economic activity is far from equitably distributed. The Province is an example of the lasting effects of spatial displacement due to Apartheid geography. KwaZulu-Natal has a relatively high share of former "homeland" areas within its borders. In 2015, 37% of the population lived in these regions, as compared to 27% for the country as a whole. Only 24% of working age people in these regions were employed, compared to 46% in the rest of KwaZulu-Natal. Matric certificates were held by 31% of the Province's working-age population aged over 20, but only by 24% in the former "homeland" regions⁴.

Poverty is consistently higher among South Africans living in rural areas than for those in urban areas, with the gap between rural and urban poverty rates averaging around 40 percentage points⁵. This is the reason that the provinces with the highest headcount of adult poverty are Limpopo (67.5%), Eastern Cape (67.3%), and KwaZulu-Natal (60.7%).

While overall lower than the national average, unemployment continues to rise in the Province, having ballooned from 21.8% in 2018 to 26.1% in 2019, an increase of 4.3%. Reducing work opportunities has led to the Province experiencing a net out-migration of 76 551 people in 2019⁶.

Collectively, KwaZulu-Natal has a very young population, with children and young people making up approximately two-thirds of the total population. This creates tremendous potential for the future, but also creates some key challenges in the present. The dependency ratio is highly skewed towards children, at approximately 50%, as compared to older people at around 9%. The predominance of young people has the potential to boost the Province's future economic output, but only if those young people are being developed through a quality education system, from early childhood development (ECD), through basic education, to technical and vocational education and training, as well as university education⁷.

⁴ The REB Provincial Review 2016, KwaZulu-Natal

⁵ Overcoming Poverty and Inequality in South Africa, An Assessment of Drivers, Constraints and Opportunities; SA Dept of Planning, Monitoring and Evaluation, Statistics SA, World Bank, March 2018

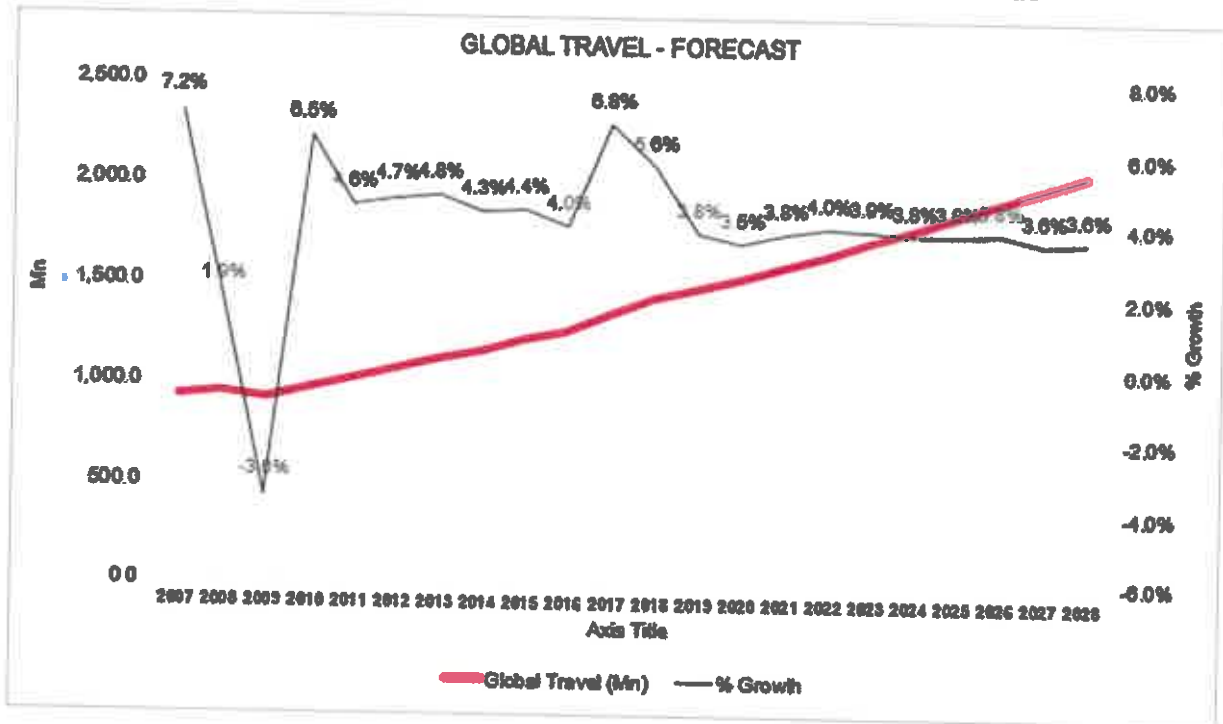
⁶ Statistics SA (2019). Mid-year Population Estimates. Accessed 08 October 2019.

⁷ Ibid.

8.1.2. GLOBAL TOURISM ENVIRONMENT

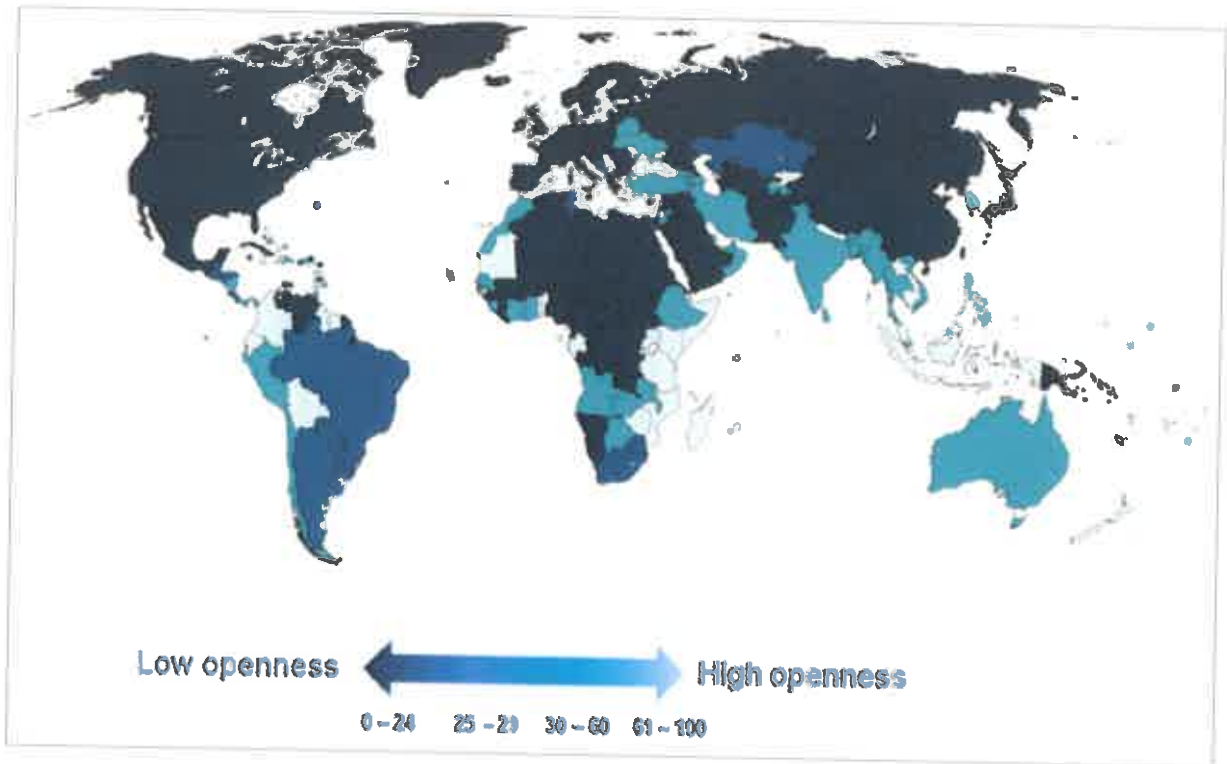
Whilst forecasts for the global economy are revised lower, global tourism is quietly recording historic highs. Total international tourist arrivals grew 6% to reach 1.4 billion in 2018 – a full two years ahead of World Tourism Organisation (UNWTO) projections.

Figure 8: Global travel is forecast to grow between 3-4% in the next decade



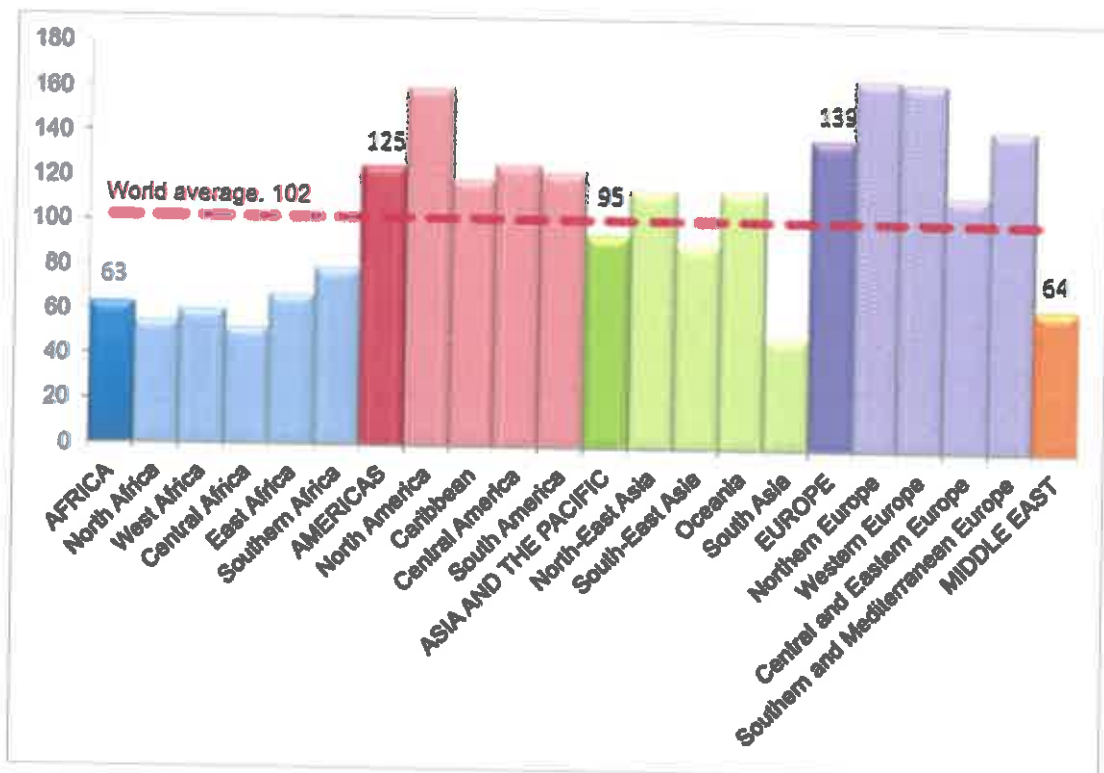
Regions all over the world have seen unprecedented growth in international tourist arrivals: 10% in the Middle East, 7% in Africa, 6% in Asia, the Pacific and Europe, and 3% in the Americas. Tourism is responsible for 7% of global exports, and around 30% of services exports. Globally, one in ten jobs is in tourism.

Figure 9: Tourism visa openness by country, 2018



In ten years, almost a quarter (24%) of the global population moved from requiring traditional visas to more relaxed travel policies. Countries in North America and Northern and Western Europe remain some of the more difficult places for outside visitors to access, yet as the graph below shows, citizens of those regions have the easiest time travelling globally.

Figure 10: Mobility score by region, 2018



The Mobility Score ranges between 0 and 215. The higher the score, the easier it is for citizens of that region to travel in respect to visa requirements⁸.

Some noteworthy current global trends include:

- 1) Worldwide travellers are expected to take more frequent, mini-holidays, or shorter stays more often;
- 2) Tourists increasingly prioritise wellness when travelling, and are much more conscious about sustainability;
- 3) Travellers worldwide desire personalisation of experiences and require them to be “sharable” or “Insta-worthy”;
- 4) An expanding global middle class from emerging markets – mainly Asian – is expected to drive tourism going forward;
- 5) Millennials and Generation Z travellers will form the bulk of the numbers, but older, wealthier travellers will still drive value;
- 6) A large percentage of trips taken involve the visitation of family or friends. The growing diaspora, combined with improved global access, will continue to drive demand for “visiting friend or relative” travel (VFR).

8.1.3. SOUTH AFRICAN TOURISM ENVIRONMENT

In the past three years, total tourism trips in South Africa grew by 2.3%, while spend by tourists grew by 3.3%.

Figure 11: South African tourism - Trips and spend (2016–2018)

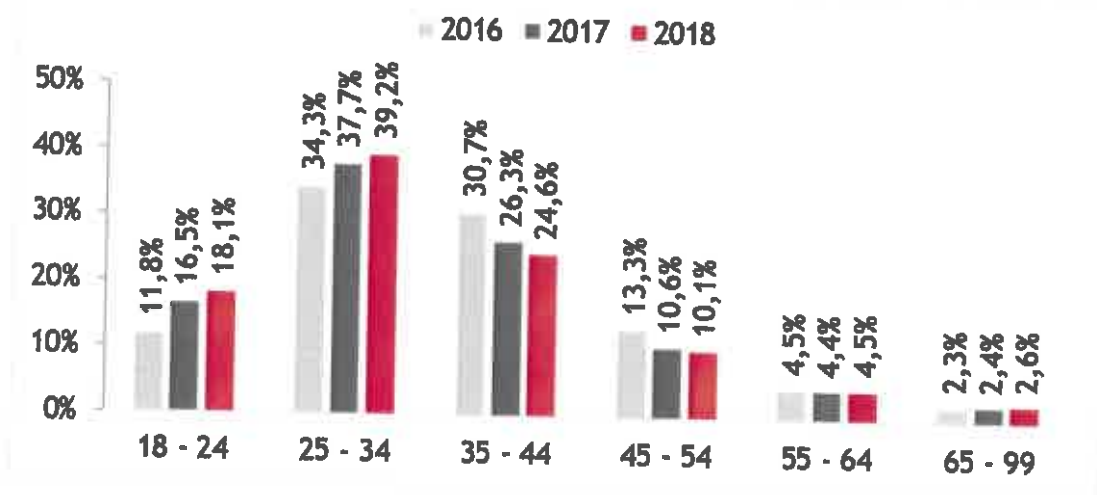
		2016	2017	2018	CAGR 2016-2018
Domestic Tourism	Trips	24.3mn	17.2mn	25.4mn	2.2%
	Direct spend	R26.5bn	R22.1bn	R26.4bn	-0.2%
International Tourism	Arrivals	10.0mn	10.3mn	10.5mn	2.1%
	Direct spend	R75.5bn	R80.7bn	R82.5bn	4.5%
Total Tourism	Trips	34.3mn	27.5mn	35.9mn	2.3%
	Direct spend	R102bn	R102.8bn	R108.9bn	3.3%

International Tourism:

Between 2016 and 2018 the number of younger tourists increased significantly, whilst there was a drop-off of visitors aged 35 to 54. Numbers of tourists aged 55 and over remained flat.

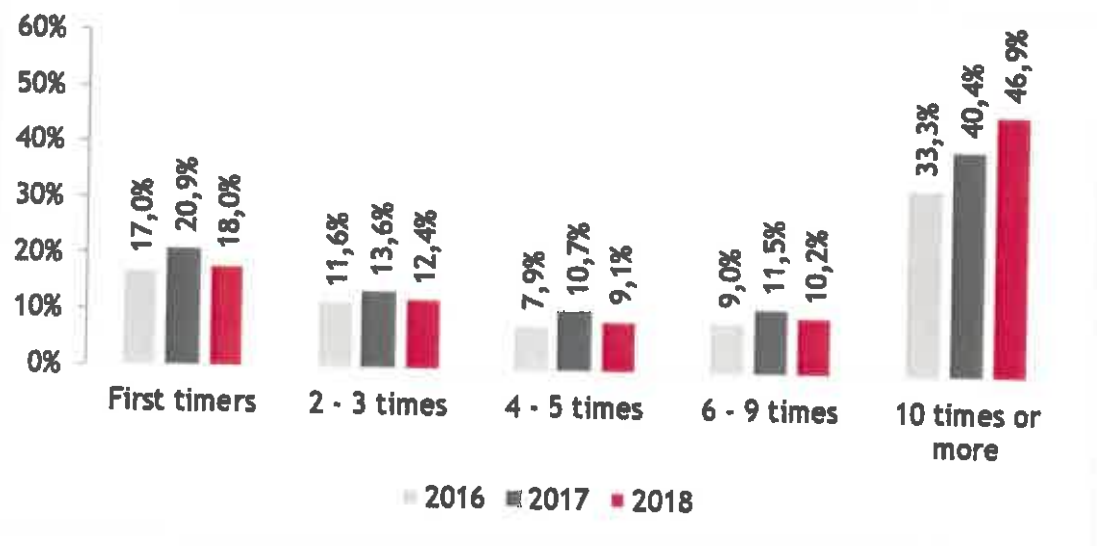
⁸ Ibid.

Figure 12: Age breakdown of tourists to South Africa



The majority of tourists to South Africa are repeat visitors, with less than 20% of total tourists visiting the country for the first time.

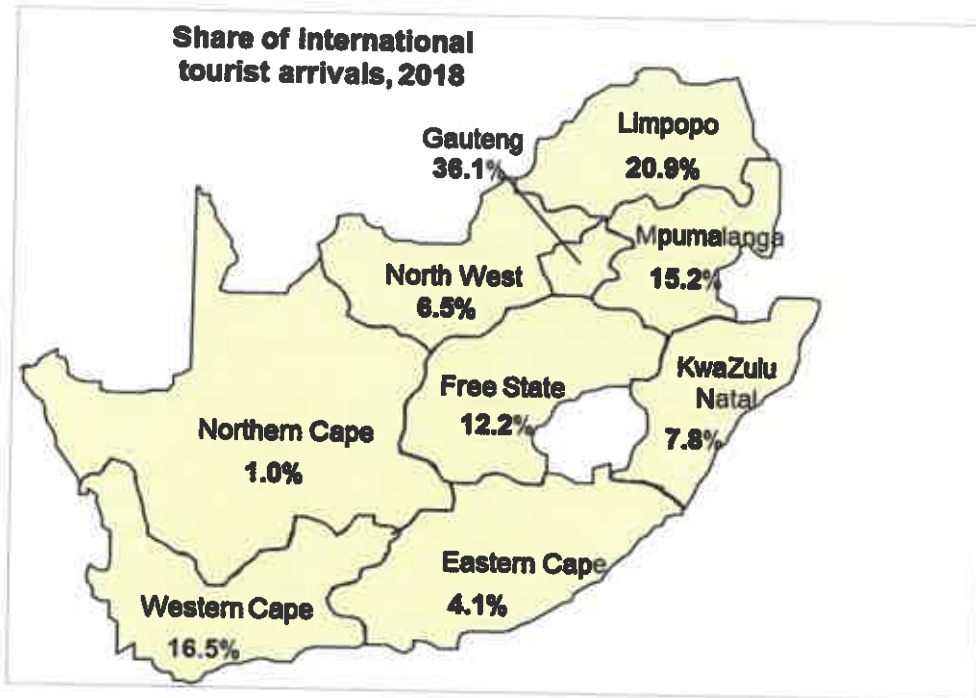
Figure 13: Repeat rate of international tourists



The average length of stay for an International visitor in 2018 was twelve nights, up from nine in 2016. Fifty to seventy percent of visitors stay in unpaid accommodation (VFR, visiting friends and relatives), after which hotels and self-catering establishments are the most popular.

Around 20% of tourists visit more than one province. Gauteng is the most visited province, followed by Limpopo, Mpumalanga, and Western Cape.

Figure 14: Provincial share of international tourist arrivals, 2018



The three major barriers preventing international visitors from choosing South Africa are concerns for their safety and security, the expense of getting to the country (cost once here is not so much of a concern), and the appeal of other destinations:

1) Safety and security concerns:

According to South African Tourism's brand tracker surveys, concerns over personal safety is one of the biggest contributors (18%) to the negative perception of South Africa as a tourist destination. The surveys also reveal that 16% of international tourists who sought information on South Africa are not likely to visit, due to concerns for personal safety. Numerous media reports of crime against tourists have fuelled these concerns. The reports have led to some European governments, including the UK, advising their citizens about the risks of travelling to the country.

2) Appeal of other destinations:

This is a significant reason why international tourists do not visit South Africa. In 2018, 19% of tourists who were positive about South Africa did not think of planning a trip any time in the future. Of those international tourists who sought information on South Africa, 21% did not consider visiting in the near future. The global market for tourism is bigger than ever before, but so is the competition.

3) Cost of getting to South Africa:

International tourists have reported that the cost of getting to South Africa is a barrier for them. Close on a fifth of tourists who are positive about South Africa as a tourism destination do not consider visiting the country, because of this factor. Approximately 18% of international tourists who have sought information on South Africa are not likely to visit, due to the cost of getting here.

Relating to both the cost and appeal of South Africa as a destination of choice for international tourists, from a traveller's point of view, visas are seen as a regulatory requirement that imposes a cost on them. And that cost is not purely financial. There's the cost of time in compliance, filling in forms, standing in queues, searching for documentation.

If the experienced "cost" of obtaining a visa crosses a certain threshold, many travellers will choose an alternate destination that facilitates an easier entry. According to research conducted by WTTC (World Travel and Tourism Council), visa waivers can result in a growth in tourist arrivals of between 5.4% and 24.8% in G20 economies.

Challenges related to the processing and issuing of visas for the key source markets of China, India, Nigeria, Ghana, Ethiopia and New Zealand have negatively affected tourist arrivals from these countries, and South Africa faces intense competition from destinations that offer easier visa processes or visa waivers.

As a case in point, South African Tourism noted a greater than fifty percent increase in tourist arrivals from Angola and Russia following the visa waivers applied to these markets, while tourist arrivals from New Zealand have continued to decline (-24% in 2017) since South Africa introduced visa requirements in 2016.

In addition, the requirement for unabridged birth certificates has negatively impacted travel by families, and by school groups from the USA and UK in particular.

Other factors negatively affecting tourism numbers included the international coverage of the prolonged drought in Cape Town. The negative media hype around "Day Zero" resulted in lowered business confidence and reduced travel over the traditional international tourism high season. South Africa's competitors USA, Turkey and Kenya benefitted from this, as most consumers either changed destinations or postponed their trips to 2019 or 2020.

Media reports on inappropriate wildlife interactions and canned hunting have negatively impacted the country's conservation credentials. A lack of understanding around the policy of land expropriation without compensation has resulted in misleading comments by global leaders, and facilitated negative coverage on several social media platforms, as well as the mainstream media in the USA and Australia. All of this has affected the image of South Africa as a destination negatively.

DOMESTIC TOURISM

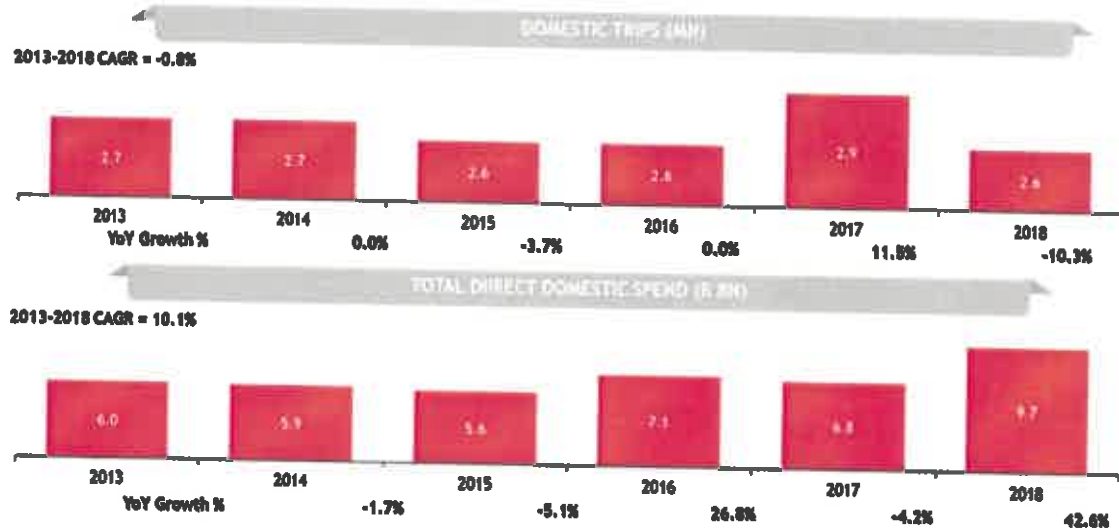


In 2018, Limpopo (17%), Gauteng (17%), KwaZulu-Natal (15%) and Mpumalanga (15%) were the most popular provinces with domestic tourists, as large numbers of people travel to these provinces to visit friends and relatives. VFR trips, as they are known, dominate domestic trips taken by South Africans.

Domestic South African tourists spend most of their budget, around 70%, on shopping and accommodation, and a mere 10% on activities.

As shown below, the number of holiday trips declined during the period of 2013 to 2018. Receipts generated from domestic holiday trips over the same period, however, increased by 42.6% to a record high of R9.7 billion.

Figure 15: Domestic trips – Number and spend, 2013-2018

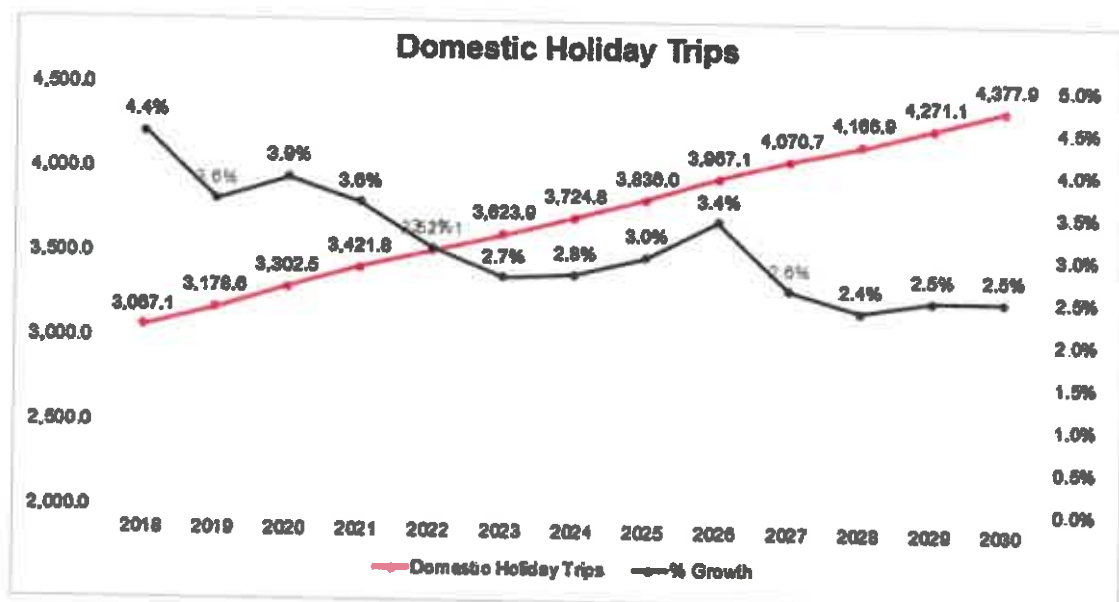


There are two main challenges hindering domestic tourism growth:

- 1) Affordability – “Not being able to afford it” is the major reason given for not taking a domestic trip. Increases in the price of petrol further exacerbate this problem;
- 2) Relevant experiences - South African travel trade and tourism product owners do not see the value of the African and domestic tourist, and therefore do not offer packages or experiences that meet that market’s needs.

Despite this, Tourism Decision Metrics (TDM), the forecasting tool developed by Oxford Economics and used by SAT, forecasts 4.3 million domestic holiday trips by 2030.

Figure 16: Domestic trips – Projected growth to 2030



8.1.4. KWAZULU-NATAL PROVINCIAL TOURISM ENVIRONMENT

The table below provides a summary of tourism performance in KwaZulu-Natal over the period 2014-2018.

Note: The selected measures are aimed at providing an understanding of tourism performance at a provincial level, and are aligned with the indicators used by the United Nations World Tourism Organisation (UNWTO) and the World Travel and Tourism Council (WTTC), as well as other organisations, such as the Travel and Tourism Research Association.

The measures are also in line with what is measured by the South African National Tourism Sector Strategy and the KZN Tourism Master Plan. Data is sourced from a variety of organisations in order to provide a detailed picture of the state of the tourism economy in KwaZulu-Natal.

Figure 17: KZN Tourism performance over the period 2014-2018

MACRO GOALS AND TARGETS - KWAZULU-NATAL						
Measure	2014	2015	2016	2017*	2018*	T
Domestic trips (m)	5,2	4,98	4,1	4,26	4,43	↑
Foreign tourists	768 228	743 615	753 617	783 962	815 112	↑
Domestic spend per person per trip	R979	R1 108	R1 086	R1 052	R1 105	↑
Foreign spend per person per trip	R8 350	R6 638	R5 877	R6 171	R6 480	↑
Direct contribution to GGP (bn)	R17,6	R10,2	R10,0	R10,2	R10,5	↑
Total contribution to GGP (bn)	R35,1	R20,4	R19,8	R21,0	R23,0	↑
Direct employment	105 322	87 670	90 300	93 009	95 799	↑
Geographic spread (foreign)	1,3	1,3	1,2	1,2	1,2	▬
KZN hotel occupancy	62,7%	65,0%	66,1%	66,2%	66,6%	↑
Air passenger movements	4,0%	5,9%	8,9%	6,1%	6,3%	↑
Road traffic arrivals	5,0%	6,4%	0,8%	1,2%	1,3%	↑

* = Estimated; T = trend; N/D = data not yet available

The performance trends include:

- 1) The overall domestic trips trend reflects a significant decline from the high of 5.2 million trips in 2014. However, there has been a year-on-year increase since 2016:
 - a) KwaZulu-Natal receives domestic tourists from all provinces, with the main sources of domestic tourists being Gauteng and KwaZulu-Natal, followed by Mpumalanga and Limpopo;
 - b) By comparison, Limpopo only has two main sources of domestic tourists – Gauteng and Limpopo, with minimal domestic trips from Mpumalanga and the Western Cape;
 - c) Visitors travel to Limpopo for visiting friends and relatives (VFR) reasons, with Gauteng as the source market. Travel to KwaZulu-Natal for holiday purposes has been consistent. In 2018, Limpopo only had 300 000 holidaying trips, compared to 700 000 to and in KwaZulu-Natal.

- 2) Notwithstanding the dip in the number of foreign visitors to the Province in 2015 and 2016, the overall trend is upwards, with 6% more International visitors in 2018 as compared to 2014.
- 3) Domestic spend per trip has remained relatively flat at ±R1 100 per person since 2015, and foreign spend per person per trip has reduced from R8 350 per person in 2014 to just under R6 500 per person per trip in 2018.
- 4) Contribution to GGP has trended downwards over the period. Direct employment within the tourism sector was 9% lower in 2018 as compared to 2014.
- 5) KZN hotel occupancy appears to be trending upwards, very slightly.
- 6) While air passenger movements have grown from 4% in 2014 to 6.3% in 2018, road traffic arrivals have decreased from 5% in 2014 to 1.3% in 2018. A significant trend.

KwaZulu-Natal International Tourism Market Analysis:

The table below presents the KwaZulu-Natal international visitor trends over the past five years, reflecting that eSwatini remains the biggest foreign tourism market, followed by the UK, that has seen an 11% growth over the period. Germany, the USA, Netherlands and France have all recorded significant growth in tourist numbers over the period, while the number of Indian visitors has reduced by 50% in the last five years. This is significant, in light of the country's focus on increasing the number of visitors from BRICS countries, particularly India and China. China does not even feature as a significant international tourist to KZN.

The numbers reveal that, generally, there has been a reduction in the number of tourists from African countries visiting KwaZulu-Natal.

Figure 18: Number of tourists from African countries visiting KwaZulu-Natal

Country	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	Percentage Difference
eSwatini	297 591	279 894	293 511	292 038	297 163	-0,10%
UK	45 638	52 219	48 341	54 644	50 464	11%
Lesotho	48 822	31 534	44 543	48 922	44 796	-8,25%
Germany	39 267	44 755	48 835	50 636	48 385	23%
USA	35 667	43 914	45 095	45 602	44 181	24%
Zimbabwe	45 619	49 305	38 618	40 799	36 879	-19%
Netherlands	20 349	20 503	25 550	30 647	24 407	20%
France	24 196	20 504	22 159	36 683	33 210	37%
India	20 639	17 259	19 340	15 080	10 209	-50,10%
Australia	18 017	14 885	15 364	15 113	16 594	-8%
Mozambique	11 547	27 182	11 598	6 696	8 041	-30%

KwaZulu-Natal Tourism Product Development and Investment Promotion:

Tourism product development is mainly driven by the private sector, with some efforts by national, provincial and local governments, though these have been largely unsuccessful. There are a number of rural and township areas within the Province that have the potential to be turned into tourism destinations, but many of these are not being developed. Such areas present opportunities to develop new and different tourism products to address the changing requirements of the market – hence the need to also recognise rural and township tourism as an element or part of the niche-product development.

Poor quality, poor management and the lack of maintenance of cultural and heritage attractions often detract from visitors' experience, and damage the image of the KZN destination. There is a need to develop products and experiences that would improve and expand the current offerings, utilise new high-potential tourism areas, and meet domestic and foreign market needs.

In general, funding for preparation of tourism projects falls short in both the public and private sector and, in most cases, funding institutions do not have funding available to prepare projects up to investment stage. Project preparation support includes financial support to create the capacity and guidance to prepare projects for investment by public and private sector, or a combination thereof. Preparation activities start with the confirmation or development of an enabling environment; pre-feasibility and preparation of bankable feasibility studies that inform the project investment structure, modelling, designs and related activities to prepare an investment business plan. This should result in complete project information, which will be presented to the participating DFIs and other potential debt and equity investors. Many black communities and individuals with an interest in developing tourism products in the Province, providing either accommodation or tourism attractions, are hindered by a lack of funding for project preparatory support.

The commercial banks regard the tourism sector as risky and unattractive, due to the relatively small scale of business loans in this sector. The tourism sector also has no access to venture capital with an appetite for risk that could be utilised to fund projects that are unattractive to banks. Incentives that have been put in place to encourage tourism investment are difficult to access, and have very complex application procedures. Certain required procedures, such as environmental impact assessments and rezoning, are often cumbersome and filled with red tape, which further limits tourism investments.

Though tourism investment opportunities are being promoted by the provincial investment promotion agency, tourism investment promotion at a provincial level is insufficient to drive the tourism development agenda. Government intervention to fund project preparation support should be provided to disadvantaged communities and individuals, in order to unlock potential investments and funding opportunities. The drive for tourism investment promotions should be increased in order to attract both foreign and domestic investments for high-potential tourism projects.

KwaZulu-Natal Tourism Sector Transformation:

Transformation is a critical success factor, without which the growth and development of the industry is not guaranteed. However, the rate of transformation in the tourism sector has been very slow, with few black entrants in the market, and large and small businesses are still largely dominated by white people. Significant effort is required not only to transform existing businesses in the tourism sector, but also to grow the sector as a whole to allow for more mainstream black-owned tourism businesses of all sizes to be established.

Constraints in transforming the tourism sector are attributed to multiple factors, including, but not limited to:

- 1) Challenging economic circumstances are leading to high levels of competition and challenges in maximising efficiencies in different subsectors;
- 2) Limited access to funding and financing adversely affecting the operations of tourism enterprises;
- 3) Lack of best practice business management skills are limiting the potential of tourism enterprises to function effectively; and
- 4) Lack of access to tourism markets results in the collapse of tourism enterprises.

New entrants (black tourism enterprises) in the market lack best practice business management skills, which in turn affects the longevity of their businesses. New business owners are sometimes unaware of the opportunities that are present in their environment. The cost and difficulty of accessing and engaging International travel buyers serves as a major barrier to unlocking the growth potential of small tourism product owners and inbound operators. Interventions are required to reduce the cost burden for small tourism enterprises to participate in selected international trade platforms, thereby improving their access to buyers in new and growth markets to unlock demand growth and allow market penetration.

However, opportunities do exist. Large tourism enterprises are willing to provide enterprise and skills mentorship programmes, alongside financial assistance and programme facilitation from government. There is also an opportunity for collaborative supplier development programmes to be implemented, thus promoting a sharing economy within multiple business networks and destinations. A variety of market access platforms, both domestic and international, present opportunities for small tourism enterprises to engage with travel buyers.

Therefore, the tourism sector needs to transform through collaborative efforts from both private and public interventions. The successful transformation of the sector in the next few years requires intensive monitoring efforts, awareness programmes, facilitation of black-owned enterprises to reach maturity and the promotion of black empowerment in the existing private sector.

8.1.5. LOOKING FORWARD: TOURISM DEMAND FORECAST AND EMERGING STRATEGIC FOCUS

The forward looking context was provided by the President of South Africa, Mr Cyril Ramaphosa during his SONA in June 2019, in which he spelled out an ambition to more than double international tourist arrivals to 21 million by 2030.

South African Tourism uses Tourism Decision Metrics (TDM) developed by Oxford Economics as its forecasting tool. The model derives Global Tourism Demand (arrivals) by analysing economic drivers for 190 countries. It estimates that South Africa will receive 16.5 million international tourist arrivals by 2030, a global market share of 0.74%.

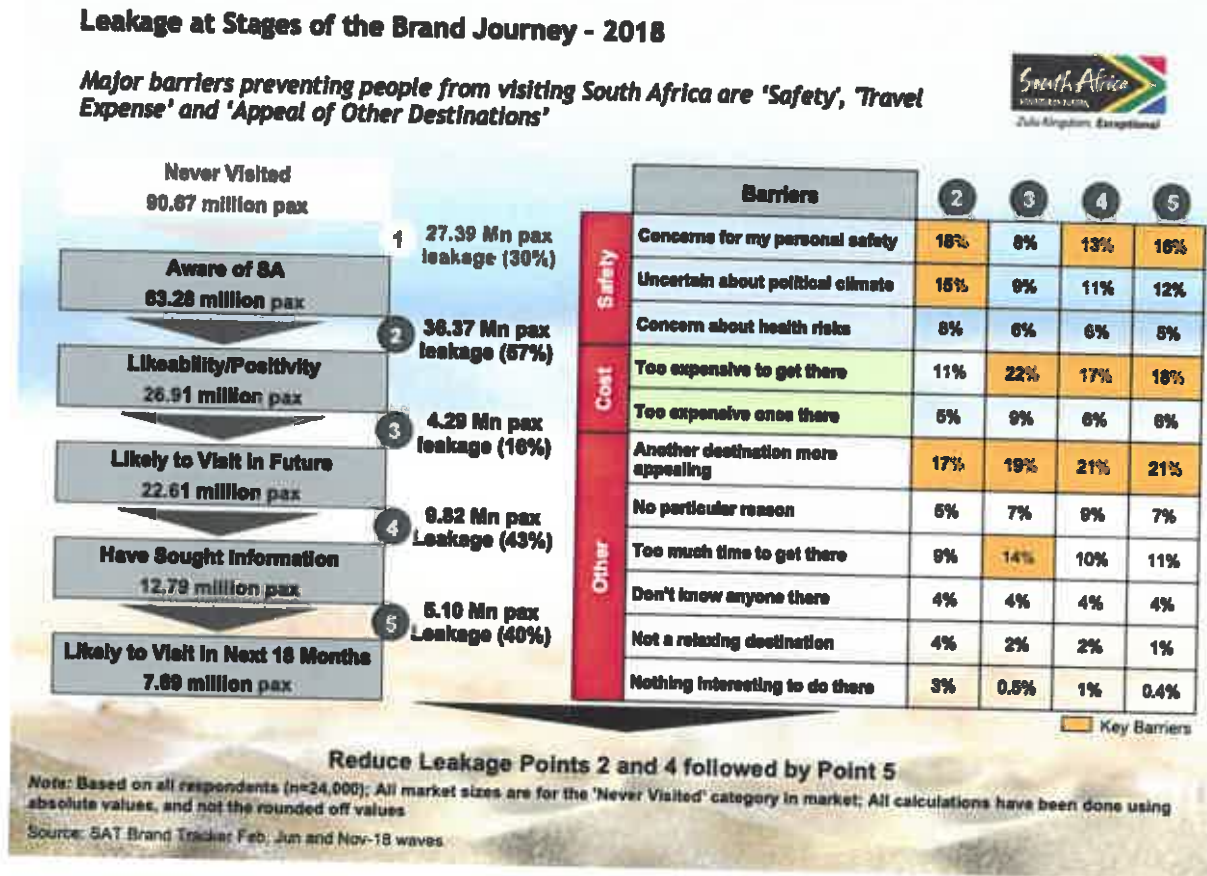
The demand forecast assumptions are as follows:

Global Tourism Demand Forecast	South Africa Forecast - Assumptions	Domestic Forecast - Assumptions
<ul style="list-style-type: none"> ▪ Global unemployment will be reduced year-on-year in the forecast period. 	<ul style="list-style-type: none"> ▪ Consumer Price Index score to worsen from 211.8 to 344. 	<ul style="list-style-type: none"> ▪ Consumer spending to increase between 4–5%.

Global Tourism Demand Forecast	South Africa Forecast - Assumptions	Domestic Forecast - Assumptions
<ul style="list-style-type: none"> ▪ Consumer spending, which is the biggest driver of global tourism demand, is expected to grow by at least 4% in the next ten years. ▪ Global GDP to grow slightly slower by between 2–3% in the forecast period. ▪ The two economic drivers both have positive correlation to growth of global tourism demand. 	<ul style="list-style-type: none"> ▪ Unstable inflation will make South Africa at least three times more expensive than an average destination. ▪ Rand against the US \$ to depreciate from R13.2 to R17. ▪ The revenue generated per tourist is most likely to be higher than usual. ▪ However, the exchange rate index will move from 88.9 to 89. ▪ Although still cheap, South Africa will be moving towards an expensive destination trajectory compared to other destinations. ▪ Aggregate competitive index score for South Africa will remain at 101.8 through the forecast period. ▪ South Africa brand appeal will remain average. ▪ Performing worse on regulatory framework indicators and human, cultural and natural resources. 	<ul style="list-style-type: none"> ▪ GDP to increase between 2–3 %. ▪ Affordability to continue to be the main barrier to travel. ▪ Outbound travel also to be a strong competitor to the defend segment and is projected to grow by CAGR2018-2030 at 2.5%.

In light of the major barriers preventing people from visiting South Africa – safety, travel and appeal of other destinations – the tourism sector needs to understand and address the leakages at the various stages of the brand journey.

Figure 19: Leakage at stages of the brand Journey (2018)



The aim should be to reduce leakages points 2 and 4, followed by point 5. Key lessons learnt from the assessment of the tourism performance environment by South African Tourism would need to inform planning, with a view to narrowing the gap between target, forecast and, ultimately, what is achieved.

Consumer	Trade	Media Channels	Content
<ul style="list-style-type: none"> Increasingly competitive environment. There are numerous attractive offers for consumers to consider. 	<ul style="list-style-type: none"> Behaviour continues to shift to independent bookings. Much more information is available to the traveller, so they are less dependent on tour operators, yet continue to use them when their own information about a destination is limited. 	<ul style="list-style-type: none"> Much of the radical change in consumer search and booking behaviour is fuelled by social media. SAT (by implication TKZN as well) does not have an adequate understanding of the medium, but recognises the potential of the platform. 	<p>Relevant emotion-driven content must unlock the consumer buying process, and address the major barriers affecting leakage through the consumer journey.</p>

Consumer	Trade	Media Channels	Content
Increased access to information means travellers are becoming more demanding and discerning about which experiences suit their specific demands.	More repeat consumers (predominately the younger market) are going direct to online travel agents, or directly to product providers to secure better rates.	There is a need to understand the role of brand-related advertising, as some countries have used PR very effectively.	First-time tourists to South Africa gravitate towards wildlife/safari and the Western Cape. There is a need to leverage these two drivers into other provinces and hidden gems.
Consumers want to be part of tailoring their own trips, and are looking for variety of unique and memorable experiences.	There is a shift away from hotels and packages to B&B's, and specifically Airbnb. This is aligned with travellers' independent booking habits.	SAT requires a comprehensive response to digital technologies, and both the disruption and opportunities they offer.	Repeat tourists have potential to unlock other elements of the South African Tourism mandate, like promoting inclusive tourism across provinces, and highlighting "hidden gems".

8.1.6. OPPORTUNITIES AND THREATS ARISING FROM THE PERFORMANCE ENVIRONMENT ANALYSIS

In developing the 2020-2025 Strategic Plan, a PESTEL Analysis was used to assess the opportunities and threats that Tourism KZN would need to either leverage or mitigate in planning towards 2025.

Figure 20: "PESTEL" Analysis: Emerging opportunities and threats which inform planning

Factor	Opportunities	Threats
Political / Governance	<ul style="list-style-type: none"> Increased alignment with National Government policy directives and national tourism strategies. Increased collaboration with SAT to support the marketing of KZN as a destination. Increased collaborations and strengthened partnerships with all tourism role-players - trade, private sector, local government, particularly CTOs. 	<ul style="list-style-type: none"> Lack of alignment of planning frameworks at national, provincial and local levels increases potential for lack of integration and alignment of implementation. Duplication of efforts between Department and TKZN. Policy uncertainty.
Economic	<ul style="list-style-type: none"> Position KZN as competitive destination to attract higher visitor numbers and spend (locally and internationally). 	<ul style="list-style-type: none"> Continued shrinking economy resulting in less disposable income for domestic tourists. Increased economic pressure on SMME and trade partners (sustainability, maintenance and

Factor	Opportunities	Threats
	<ul style="list-style-type: none"> ▪ Streamline resources, i.e. budgets for a more focused approach and effective resource allocation. 	<ul style="list-style-type: none"> ▪ refurbishment of existing products, etc.) ▪ Diluted value for money perception in leisure tourism. ▪ Increased competition from African markets. ▪ Lack of tourism financial and personnel investment at local government level ▪ Lack of awareness of our diverse offerings, and limited product offerings (e.g. beach resorts)
Social	<ul style="list-style-type: none"> ▪ Contribute to the transformation of the tourism sector through increased new entrants in sector – strengthened access to markets focus. ▪ Increased geographic spread of tourism experiences. ▪ Rural and township tourism product development. ▪ Vibrant hub city - Durban - South Africa's most visited domestic tourism city, strong sport events offering. 	<ul style="list-style-type: none"> ▪ Increased unemployment rates, especially amongst the youth (job losses). ▪ Continued increase in crime and grime. ▪ Social mobility and economic growth are often halted by poor and inadequate infrastructure (product development) - Inadequate bankable tourism proposals ▪ Xenophobic-related violence ▪ Low levels of funding for SMMEs ▪ Venue and hotel capacity in areas outside of Durban - to increase geographic spread).
Technological	<ul style="list-style-type: none"> ▪ Increased utilisation of available technological developments – mobile app and omni-channel marketing opportunities. ▪ Embrace management of big data – business analytics platform to strengthen intelligence base. ▪ Effective use of digital platforms and enhanced digital and social media presence. ▪ Innovate around digital platforms and better utilisation of platforms to measure impact. 	<ul style="list-style-type: none"> ▪ Financial constraints – investments in staying with the 4IR wave is substantial. ▪ Increased technologically-enabled disruptions, e.g. Airbnb. ▪ Increased cybercrime.
Environmental	<ul style="list-style-type: none"> ▪ Improved management of environmental impact of tourism through sustainable tourism development. 	<ul style="list-style-type: none"> ▪ Water consumption issues, land degradation, pollution and negative impacts on the natural environment . ▪ Land claims/disputes.

Factor	Opportunities	Threats
	<ul style="list-style-type: none"> ▪ Pristine African wildlife haven – two World Heritage sites. ▪ Relatively pleasant climate. 	<ul style="list-style-type: none"> ▪ Climate change affects KZN weather negatively.
Legislative	New visa regime – promote South Africa, particularly KZN, as a visa-friendly destination.	

8.2. INTERNAL ENVIRONMENT ANALYSIS

As reflected above, TKZN has various stakeholder interests to deal with, including national, provincial and local government, the tourism trade, the private sector, host communities, international and domestic tourists, the media, TKZN suppliers and internal staff.

In this regard, TKZN's Strategic Plan for the past term recognised all of its stakeholders' expectations, with the aim of setting TKZN up to deliver with regard to those expectations, along with the revised B-BBEE sector code that seeks to accelerate the de-racialization of the South African economy and to fast-track the re-entry of previously marginalised communities into the mainstream economy. Furthermore, B-BBEE endeavours to transform the South African economy to enable the meaningful participation of black people, women, youth and rural communities in the mainstream economy in a manner that has a positive impact on employment, income redistribution, structural readjustment and economic growth.

TKZN's 2014-2020 Strategic Plan focused on an intensified training and skills development programme, market access initiatives, as well as a focus on quality business planning and packaging, and attention has been given to quality standards and assurance issues.

Corporate governance has been pivotal to the Organisation's operation, complemented by the creation of an environment conducive to employee development and motivation.

8.2.1. ANALYSIS OF PAST PERFORMANCE

At the apex of TKZN's Strategic Plan was the commitment to deliver on the following Strategic Outcome-Oriented Goal:

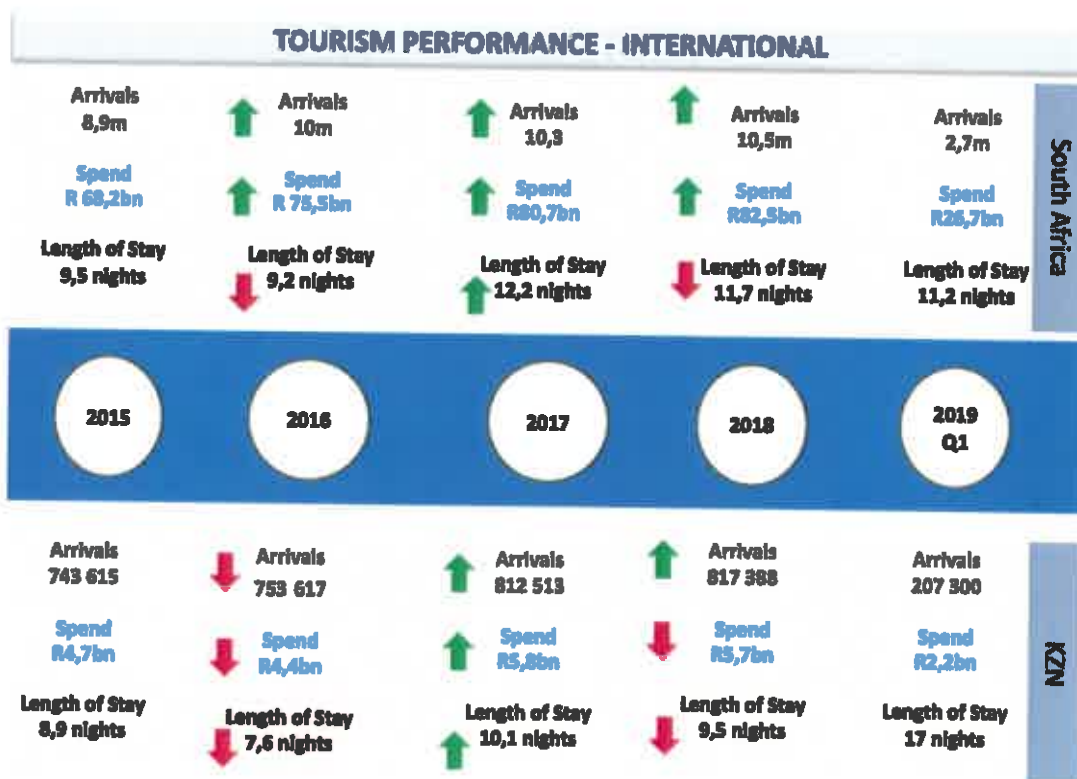
Strategic Outcome-Oriented Goal	
Goal	Preferred tourism destination in the country.
Goal statement	Deepen and develop the positioning of KwaZulu-Natal as a preferred tourism destination for domestic and global tourism.
Goal Indicator	Increased number of tourists visiting KwaZulu-Natal.
Strategic objectives	<ul style="list-style-type: none"> ▪ Provide guidance, support and direction in terms of tourism policies, legislation and marketing strategies. ▪ Implementation of KwaZulu-Natal Tourism Master Plan.

In terms of the Goal Indicator for increased number of tourists visiting KZN, the KZN Tourism Master Plan has set the following targets for 2020 (compared to 2015):

- Total foreign visitors: 1 405 676 (1 129 609 in 2015)
- Total domestic trips: 9 164 806 (8 950 000 in 2015)

The figures below illustrate performance (and trends against South Africa performance) over the period 2015 to Q1 2019 (latest data):

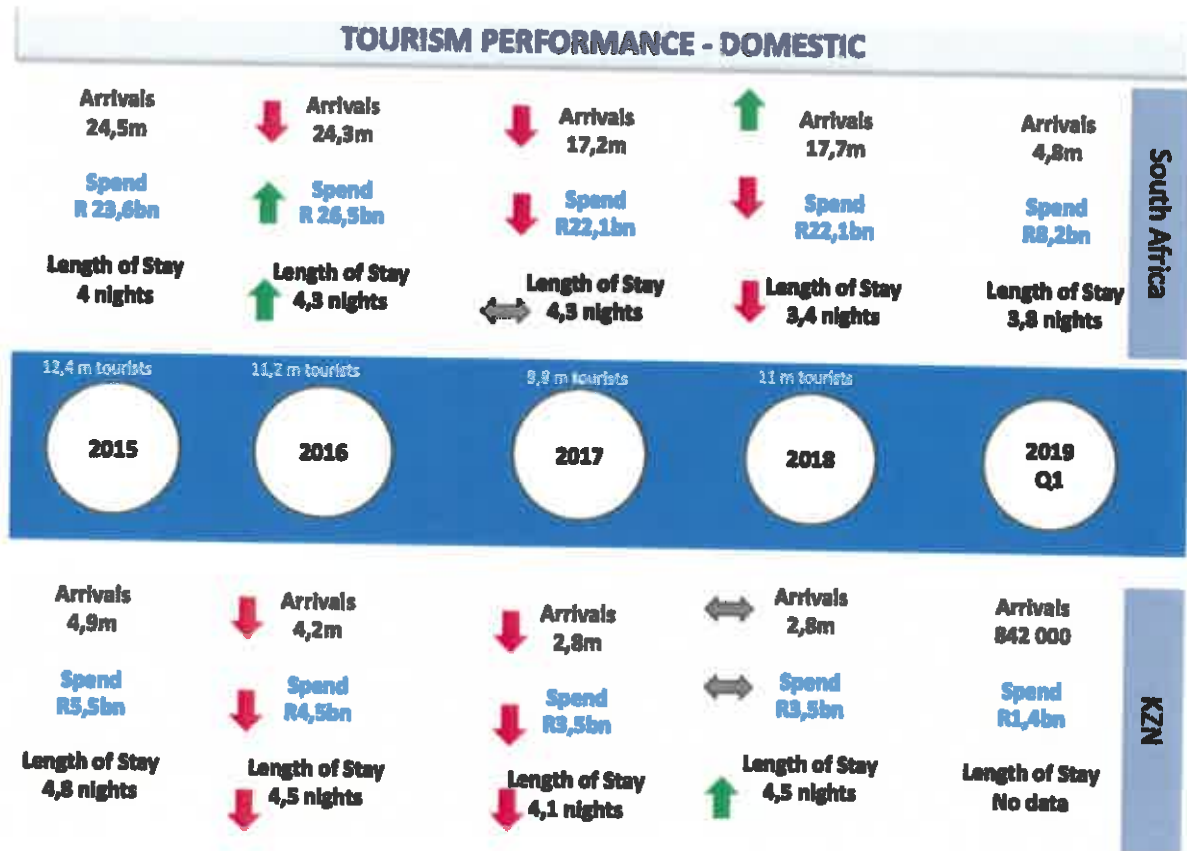
Figure 21: International tourism performance – South Africa and KZN, 2015 to Q1 2019



While the trend is upwards, the 817 388 foreign tourists visiting KwaZulu-Natal in 2018 is substantially below the 1.4 million target to be achieved by 2020. TKZN is, however, strongly cognoscenti of the fact that, as a provincial marketing and promotions agency, it has varying degrees of influence and control over many of these indicators, with its control and influence decreasing as the levels increase.

Thus TKZN has the most control over influencing the tourism sector and related indicators at a very local level, somewhat less at a provincial level, and almost none at a global level. Nevertheless, increasing tourist numbers, their spend and length of stay must be the focus of the organisation – the reason for its existence. It is only through increasing tourist numbers and their spend that GGP may grow and sector transformation may be effected meaningfully.

Figure 22: Domestic tourism performance – South Africa and KZN, 2015 to Q1 2019




Against the KZN Tourism Master Plan target of 9.1 million domestic trips in 2020, the reduction in domestic trips from 4.9 million in 2015 to 2.8 million in 2018 is a significant challenge. While the prevailing economic situation has influenced this reduction, with South Africans having less disposable income for travel, KwaZulu-Natal is hard pressed to regain its position as a preferred South African destination, in the wake of numerous political and social concerns. The sense is that KwaZulu-Natal as a brand needs a rethink and refreshing. This must be based on research and not on sentiment.

It is within this context that the TKZN five-year strategic review of performance, analysed using a SWOT analysis for each business unit/function, is reflected below:

OFFICE OF THE CEO	
Key strategic deliverables	Strategic leadership.
Key activities	<ul style="list-style-type: none"> ▪ Co-chair of the Route Development Committee, ensuring greater air access to the destination. ▪ Secretariat of Cruise Indian Ocean Association (CIOA) aimed at driving greater promotion of cruise tourism along the Indian ocean. ▪ Champion of the East 3 Route programme, a partnership between South Africa (KZN and Mpumalanga), eSwatini, Mozambique and the Seychelles – aimed at promoting synergies in tourism and investment promotion.

OFFICE OF THE CEO	
	<ul style="list-style-type: none"> ▪ Chair of the Tourism Transformation Committee, focused on promoting transformation in the tourism sector through tourism product development.
Strengths	<ul style="list-style-type: none"> ▪ Strong governance structure in place. ▪ Strong intergovernmental relations. ▪ Enhanced trade relations.
Weaknesses	<ul style="list-style-type: none"> ▪ Exco unfilled critical vacancies. ▪ Board vacancies – non compliant to tourism legislation, seven Board members instead of the minimum of nine. ▪ Current Board term ends November 2019 (3) and November 2020 (4). ▪ Implementation of roles and responsibilities as per the Provincial Tourism White Paper. ▪ Debt owed to TKZN by EDTEA and its cash flow impact in the implementation of the APP. ▪ Uncertainty over the ROPETT processes leading to inconsistencies to internal and external stakeholders.
Opportunities	Revised mandate (possible merger with KZN Film Commission) an opportunity for effective structure and efficient systems.
Threats	Delays in implementing ROPETT, which may lead to greater staff turnover.

TOURISM INFORMATION SERVICES	
Key strategic deliverables	Conduct major research on international tourists to understand and further develop the experiential marketing approach to ensure it is, and remains, relevant and accurate to market needs, and monitor the marketing strategy implementation.
Key activities	<p>Market segmentation studies were conducted, including:</p> <ul style="list-style-type: none"> ▪ Adventure tourism study in 2014. ▪ The Annual International Market Segmentation Study. ▪ Potential of small towns in 2017/18. ▪ Hunting Tourism Study was done in 2017/18. ▪ Avitourism Study in 2015. ▪ The African Segmentation Report in 2019. <ul style="list-style-type: none"> ▪ Destination marketing collateral was distributed annually to over 48 countries globally. ▪ TKZN managed four tourism information offices around the country. ▪ TKZN website revamp project. ▪ Created the official KZN mobile app (KZN Travel Guide).

TOURISM INFORMATION SERVICES					
	<ul style="list-style-type: none"> Created Tourism Touch – large touch screen with tourism assets for travels. 				
Impact of Activities 	New Website Users				
	Oct 2014 – Sept 2015	Oct 2015 – Sept 2016	Oct 2016 – Sept 2017	Oct 2017 – Sept 2018	Oct 2018 – Sept 2019
	278 967	243 251	238 965	295 379	342 566
Strengths	<ul style="list-style-type: none"> Large amounts of data on current events. Technology refresh programme. 				
Weaknesses	<ul style="list-style-type: none"> Poor WAN connectivity in the building, compromising operations. Not confident of tourism data accuracy from SAT. Lack of a common understanding by stakeholders on how the research is done and what methodology is used. No internal content writer for the website and digital platforms. 				
Opportunities	<ul style="list-style-type: none"> Fourth Industrial Revolution – infuse applicable technology. Collate data collection at CTO and municipal level. One national Domestic Tourism Study. Implement marketing research studies. Support Information offices with more digital products. 				
Threats	<ul style="list-style-type: none"> Cyber security. Budget cuts that force scope change. 				

TOURISM DEVELOPMENT	
Key strategic deliverables and activities	Tourism advisory services and transformation: <ul style="list-style-type: none"> 220 emerging and small businesses received training in various tourism skills. Market access opportunity and business linkages were given to black-owned businesses, and have collectively created about 2 810 direct jobs, excluding seasonal employment opportunities. Ran business advisory services and awareness workshops, impacting on more than 3 200 potential tourism business start-ups, with the aim to encourage new entrants in the tourism sector and raise awareness. 40% of businesses in TKZN's incubation programme are youth-owned, and 45% women-owned.
	Product development: <ul style="list-style-type: none"> Ran feasibility studies. Worked with various partners in driving investment promotion of developed tourism products.

TOURISM DEVELOPMENT	
	<ul style="list-style-type: none"> ▪ Developed routes in various parts of the country informed by research insights.
Strengths	Potential for tourism development exists (rural and township, culture and nature-based)
Weaknesses	<ul style="list-style-type: none"> ▪ GM position vacant for the five years under review, impacting operations. ▪ Poor funding for emerging businesses. ▪ Inadequate bankable tourism proposals ▪ Unclear roles for tourism development ▪ Lack of tourism financial and personnel investment at local government level.
Opportunities	<ul style="list-style-type: none"> ▪ There is political will to support tourism growth. ▪ Funding opportunities (both national and provincial level). ▪ Investment platforms (foreign and domestic).
Threats	<ul style="list-style-type: none"> ▪ Land claims/disputes. ▪ Social instability (attacks on foreign nationals). ▪ Poverty and crime.

TOURISM MARKETING	
Key strategic deliverables and activities	<p>Develop and implement a campaign to stimulate a culture of travel amongst previously disadvantaged South Africans, including promoting awareness and understanding (run a domestic campaign to encourage travel):</p> <ul style="list-style-type: none"> ▪ Holiday Swap. ▪ Re-charge Campaign. ▪ Do KZN Campaign. <p>Finalise and activate marketing by experience – including international, regional and domestic, and cover targets, tools, distribution channels, packaging and routes:</p> <ul style="list-style-type: none"> ▪ FAM trips ▪ Activations, including virtual reality, bunny chow event. ▪ KZN travel app. <p>Tourism brand custodian: Creating a strong, integrated brand:</p> <ul style="list-style-type: none"> ▪ KZN travel app. ▪ WHATZFOB brand attribute articulation <p>Generic promotion:</p> <ul style="list-style-type: none"> ▪ Lead domestic marketing of the Province: Holiday Swap; Recharge Campaign; Do KZN Campaign.

TOURISM MARKETING	
	<ul style="list-style-type: none"> ▪ Create JMAs and MoUs with strategic partners: JMAs implemented with tour operators in source markets and MoUs signed with public sector partners. ▪ Drive internal marketing and policy advocacy: KZN Travel and Adventure Show. <p>International marketing:</p> <ul style="list-style-type: none"> ▪ Grow International arrivals: SAT road shows, trade shows. ▪ Implement tactical volume drivers: GSAs. ▪ JMAs and MoUs: Hosting's, mega FAMs, online campaigns
Strengths	<ul style="list-style-type: none"> ▪ Variety of offerings. ▪ Accessibility - distance between places, infrastructure. ▪ Weather. ▪ Warmth of the people. ▪ Cultural diversity. ▪ World heritage sites (two in the Province).
Weaknesses	<ul style="list-style-type: none"> ▪ Awareness of our diverse offerings. ▪ Inadequate trade relations. ▪ Limited product offering (e.g. beach resorts). ▪ Private sector participation.
Opportunities	<ul style="list-style-type: none"> ▪ Improved awareness of our diverse offerings. ▪ Build and strengthen trade relations. ▪ Adventure, rural and township tourism. ▪ Cruise tourism. ▪ Disrupting the value chain to create value for customers. ▪ Effective use of digital platforms.
Threats	<ul style="list-style-type: none"> ▪ Zulu Kingdom (limitations in terms of people-focus). ▪ Economy (decline). ▪ Crime and grime. ▪ Media coverage of destination. ▪ Expat support in regions we target. ▪ Climate changes. ▪ Visa issues.

DURBAN KZN CONVENTION BUREAU		
	Financial year	Bid proposals submitted
		N° of events and value

DURBAN KZN CONVENTION BUREAU						
Key strategic deliverables and activities	2014/15	49	18 events hosted with an economic value in the region of R300 million.			
	2015/16	48	31 events hosted with an economic value in the region of R365 million.			
	2016/17	35	19 events (Incl. International AIDS Conference) hosted with economic value in the region of R1 billion.			
	2017/18	19	31 events hosted with an economic value of R1 billion.			
	2018/19	25	32 events hosted with an economic value of R1 billion.			
ICCA rankings	Measure	2014	2015	2016	2017	2018
	Durban World ranking	125	191	160	228	225
	Meetings for Durban	18	13	15	11	12
	No. of delegates	11 578	8 653	25 307	6 860	3 935
	Delegate days for Durban	4.06	3.92	3.93	3.91	4.58
	Est. economic impact	R300m	R217m	R634m	R172m	R115m
Strengths	<ul style="list-style-type: none"> ▪ One of only three provincial CB's, which actively bid for business events and increase economic growth in the local economy. ▪ Support from local and provincial government. ▪ Reputational factors, such as previous awards and accolades, e.g. Africa's Leading Meeting and Conference Destination award by World Travel Awards in 2014. ▪ National (NCB) Bid Fund. ▪ KZN Provincial Bid Fund. 					
Weaknesses	<ul style="list-style-type: none"> ▪ Capacity of human resources. ▪ Venue and hotel capacity in areas outside of Durban (i.e. in line with the objectives to increase geographic spread). ▪ Execution of transformation activities. ▪ Rotational nature of association meetings, and other demands of associations. 					

DURBAN KZN CONVENTION BUREAU	
Opportunities	<ul style="list-style-type: none"> ▪ Value for money business events destination. ▪ Rotation of association events can be favourable. ▪ African market, especially for governmental events. ▪ Partnerships within Africa. ▪ Fairly "young" and "undiscovered" destination for business events. ▪ Converting business travellers to leisure tourists.
Threats	<ul style="list-style-type: none"> ▪ South Africa may win a bid, but preference for other destinations. ▪ Other African destinations , e.g. Kigali, Rwanda. ▪ Venue capacities, e.g. some conferences may decrease delegates compared to previous editions, based on capacity of Durban/KZN's venues and hotels. ▪ Public transport networks for larger conferences. ▪ Safety and security (crime and grime) In Durban and other KZN destinations.

PUBLIC RELATIONS AND COMMUNICATION						
Key strategic deliverables	Build destination Image	2014	2015	2016	2017	2018
	Generated media/ PR value	R80m	R133m	R135.9m	R139m	R124.1m
Strengths	<ul style="list-style-type: none"> ▪ Vibrant hub city - Durban - South Africa's most visited domestic tourism city, strong sport events offering. ▪ Pristine African wildlife haven – two World Heritage sites. ▪ Relatively pleasant climate. ▪ Information offices and systems are the industry standard. ▪ Indaba is a strength – needs more KZN products to exhibit. ▪ Authentic African destination. 					
Weaknesses	<ul style="list-style-type: none"> ▪ Red tape with approval processes. ▪ Provinces are working in silos. ▪ Resource shortages do not allow for long-term resource planning. ▪ General feeling of lack of identity, negatively impacts performance. 					
Opportunities	<ul style="list-style-type: none"> ▪ KZN has one of the best wildlife experiences in Africa. ▪ More good stories from tourism trade. ▪ Enhanced digital and social media presence. 					
Threats	<ul style="list-style-type: none"> ▪ Crime and grime still prevalent. 					

PUBLIC RELATIONS AND COMMUNICATION

- If Durban does not work, becomes problem for KZN.

8.2.2. ANALYSIS OF THE GOVERNANCE ENVIRONMENT, ORGANISATIONAL CAPACITY AND CAPABILITY

The table below reflects the key trends relating to the governance, control and organisational capacity and capabilities environment:

Measure	2014/15	2015/16	2016/17	2017/18	2018/19
Audit opinion on financial related matters	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified
Clean audit : YES/NO	No	Yes	No	No	No
Material misstatements identified?	Material misstatement identified and adjusted	No material misstatements identified	Material misstatement identified and adjusted	Material misstatement identified and adjusted	Material misstatement identified and adjusted
Reason for non-clean audit	Misstatement on commitments	Not applicable.	Irregular expenditure not disclosed	Comparative figures on leases did not agree and misstatement on commitments	Misstatements on commitments and misclassification of project liability
SCM Issues	Not applicable.	Not applicable.	<ul style="list-style-type: none"> ▪ Non-tax compliance ▪ Incorrect points calculation formula 	<ul style="list-style-type: none"> ▪ Cover quoting ▪ Bid rigging ▪ Modification of contract after award ▪ Local content ▪ Non-tax compliance ▪ Quotes received after closing date ▪ B-BBEE points calculation ▪ Incorrect price formula 	<ul style="list-style-type: none"> ▪ Non-tax compliance ▪ Deviation requirements not met ▪ Local content not specified in RFQ ▪ Competitive bidding not followed ▪ Inadequate contract management ▪ B-BBEE certificates not certified or original
No. of approved posts	69	71	71	70	70
No. of vacant posts	6	8	11	14	17

8.2.3. PLANNING PRIORITIES ARISING FROM THE SITUATIONAL ANALYSIS

The above analysis of the external and internal environment, including lessons learnt from past performance have informed the planning priorities and key Initiatives of Tourism KZN's 2020-2025 strategic plan:

1) KZN Tourism brand:

- a) Brand review and realignment with Brand SA and SA Tourism – create a desirable, recognisable brand, in partnership with the private sector;
- b) Commission a brand tracker study to measure the strength of the KZN tourism brand and its various attributes;
- c) Integrated brand campaigns with SA Tourism and KZN public entities – shift sentiment in terms of crime and grime and telling the positive KZN stories;
- d) Implement the tourism brand ambassador programme.

2) Tourism marketing:

- a) Establish partnerships with the private sector to promote the KZN destination brand and its offerings – tourism sector and non-tourism trade partnerships;
- b) Multiple channel promotion approach to ensure constant presence in the market: Traditional media, digital platforms, tourism information offices and brand activations – significantly improve TKZN digital presence;
- c) Develop market insights through own research, by leveraging the MoU with SA Tourism and establishing partnerships with other research institutions;
- d) Implement a customer relations management system – better track the Return on Investment (ROI) of marketing activities to improve decision making;
- e) Activation of events aligned with the provincial leisure events strategy, for which EDTEA is the custodian:
 - Align with the SA Tourism “We Do Tourism” campaign through the lead leisure marketing campaign of the Province: “Do KZN Campaign”;
 - Packaging of experiences in rural areas and townships – work with CTOs and local DMOs, to enhance the geographic spread of tourism in the Province.

3) Tourism development and the visitor experience:

- a) Develop bankable proposals for product development;
- b) Form strategic partnership with DFIs and other government funding agencies;
- c) Strengthen working relationships with investment promotion agencies;
- d) Support the implementation of the provincial priority product development projects, including the two catalytic projects;
- e) Improve working relationship with Ingonyama Trust, traditional and local authorities in relation to special planning and land use management;

- f) Implement service excellence incentive programmes and awards, leveraging off SA Tourism;
- g) Establish and maintain an integrated programme with Trade;
- h) Support implementation of marketing plans by increasing the number of graded establishments that meet market needs;
- i) Conduct the annual Net Promoter Score (NPS) study.

4) Business Events:

- a) Tap into the opportunity of having the Provincial Bid Fund to increase the flow of business events in the Province;
- b) Increase the number of transformation activities, and work on upskilling youth and women-owned business to cater for a wider range of business events and their specific demands;
- c) Increase the number of strategic partnerships, such as those with other African countries to share knowledge and experience, and business;
- d) Tap into strategic market segments and specific events in order to increase the ROI of events, as well as contributing to the Provincial Growth and Development Plan;
- e) Promote tourism experiences (pre and post tour packages for delegates and accompany persons programme) in VTSD that can be marketed to delegates by local SMMEs, contributing to domestic tourism.

5) Tourism transformation:

- a) Implementation of the Incubation Programme for small black, women and youth-owned enterprises in partnership with enterprise development organisations;
- b) Provision of tourism advisory services and awareness workshops – preparing enterprises to effectively participate in the market access platforms, including exhibitions;
- c) Targeted focus on developing skills in rural communities, in support of product development interventions (collaborative approach with CTOs);
- d) Increased focus on providing access to markets post-incubation programmes through SMME monitoring and tracking for effectiveness (SMME growth and survival rates);
- e) TKZN Procurement spend on B-BBEE (Black, women, youth, PwDs, MVs).

6) TKZN Internal business processes, people and stakeholder management:

- a) Achieve and maintain a clean audit outcome;
- b) Effective stakeholder/partnerships management;
- c) Structure and capacitate the organisation as defined by the strategic framework;
- d) Business processes reengineering and steady roll-out of automated systems to enable the core business functions;

- e) Upgrade tourism information offices to be aligned to global best practice;
- f) Cut down on event impact assessments and move towards market research (demand side) and tourism research (supply side);
- g) Revise the ICT, cyber and digital marketing strategies to support the implementation of the new TKZN five-year strategic plan. Upgrade the ICT infrastructure.

PART C: MEASURING OUR PERFORMANCE

9. INSTITUTIONAL PERFORMANCE INFORMATION

9.1. MEASURING THE IMPACT

Informed by the mandate and strategic focus of TKZN discussed above, the IMPACT statement of Tourism KZN for the period 2020-2025 is as follows:

Impact Statement	Increased contribution of tourism to inclusive economic growth, sustained employment and spatial equity in KwaZulu-Natal.
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9.2. MEASURING OUTCOMES

Outcome	Outcome Indicator	Baseline	Five-Year Target (March 2025)
Strategic Focus Area of Mission: Developing and positioning KwaZulu-Natal as a tourism brand in competition and cooperation with other South African provinces and African countries			
Outcome 1: KZN recognised locally and globally as a leading, must visit destination	1.1. Brand strength Index	New indicator (National: 44.7)	44.7* <i>(Refer note below table)</i>
Strategic Focus Area of Mission: Facilitating tourism product development, the enhancement of experience offerings and contributing to tourism sector transformation			
Outcome 2: Enhanced visitor experience and quality tourism products	2.1. Net Promoter Score	New indicator	> 50%** <i>(Refer note below table)</i>
Outcome 3: Increased participation of black-owned small enterprises in the tourism sector in KZN	3.1. Average percentage increase in the growth rate of black-owned small enterprises accessing TKZN enterprise development support	New Indicator	10% average percentage growth rate***
Strategic Focus Area of Mission: Implementing an integrated tourism marketing strategy for KwaZulu-Natal			
Outcome 4:	4.1. Number of domestic trips	2015-2019:	2020-2024:

Outcome	Outcome Indicator	Baseline	Five-Year Target (March 2025)
Increased volume of tourists and the value they add to the economy		2015: 4.9m 2016: 4.2m 2017: 2.8m 2018: 2.9m 2019: 3.1m Total: 17.1m	2020: 3.6m 2021: 4m 2022: 4.3 m 2023: 4.7m 2024: 5m Total: 21.6m
	4.2. Rand value of spend by domestic visitors	2015-2019: 2015: R5.5bn 2016: R4.5bn 2017: R3.5bn 2018: R5bn 2019: 5.3bn Total: 23.8bn	2020-2024: 2020: R5.1bn 2021: R5.2bn 2022: R5.3bn 2023: R5.4bn 2024: R5.5bn Total: R26.5bn
	4.3. Number of international tourists: 1. Intercontinent 2. African 3. Total	2015-2019: 1. Intercontinent: 326 955 2. African: 490432.8 3. Total: 817 388	2020-2024: 1. Intercontinent: 400 000 2. African: 600 000 3. Total: 1 million
	4.4. Rand value of spend by international tourists	2015-2019: 2015: R4.7bn 2016: R4.4bn 2017: R5.8bn 2018: R5.7bn 2019: R5.8bn Total: R26.4bn	2020- 2024: 2020: R5.9bn 2021: R6.0bn 2022: R6.1bn 2023: R6.3bn 2024: R6.4bn Total: R30.7bn
	4.5. Percentage of visitors that visit 2 or more destinations in KZN per trip: 1. Domestic visitors 2. International visitors	New indicator	Domestic visitors: 20% International visitors: 30%
Strategic Focus Area of Mission: Promoting KwaZulu-Natal as Africa's preferred business events destination			
Outcome 5:	5.1. Number of business events hosted	2015/16:31 2016/17: 19	2020/21: 38 2021/22: 38

Outcome	Outcome Indicator	Baseline	Five-Year Target (March 2025)
Increased number and value of business events hosted in KZN		2017/18: 31 2018/19:32 2019/20: 12 Total : 145	2022/23: 38 2023/24: 38 2024/25: 38 Total: 190
	5.2. Rand value of business events hosted (international and domestic)	2015/15: R365m 2016/17: R1bn 2017/18: R1bn 2018/19: R1bn 2019/20: R218.24m Total: R3.58bn	2020/21: R1.2bn 2021/22: R1.2bn 2022/23: R1.2bn 2023/24: R1.2bn 2024/25: R1.2bn Total: R6bn
Enabler of TKZN Mission:			
<ul style="list-style-type: none"> ➤ A well-governed and high-performing organisation; ➤ Research that supports decisions on tourism marketing and product development; ➤ Monitoring and reporting on the geographic spread of tourism growth; ➤ Innovation, and the rollout of digital destination management technologies; ➤ Enhancing stakeholder participation and collaboration in driving tourism growth collectively. 			
Outcome 6: A capable, reputable and high-performing organisation	6.1. External audit outcome	Unqualified audit outcome	Clean audit outcome maintained achieved and maintained
	6.2. TKZN reputation index	New indicator	Improvement from 2020/21 baseline****
	6.3. Number of demand-driven tourism research studies conducted <i>(Internally and by external research partners)</i>	2015/16: 15 2016/17: 9 2017/18: 21 2018/19: 17 2019/20: 12 Total: 74	2020/21: 12 2021/22: 14 2022/23: 16 2023/24: 18 2024/25: 20 Total: 80

* Target tentatively set in line with the national target (SA Tourism). The five-year target will be reviewed after establishing the baseline and will be published as an Annexure in the APP 2021/22.

** Good to excellent target tentatively set. The five-year target will be reviewed after establishing the baseline and will be published as an Annexure in the APP 2021/22.

*** Use Compounded Annual Growth Rate as the measuring instrument.

**** This is a new indicator that will be developed in 2020/21. Five-year target to be calculated after establishing the baseline. The target will be published as an Annexure in the APP 2021/22

9.3. EXPLANATION OF PLANNED PERFORMANCE OVER THE FIVE YEAR PLANNING PERIOD

9.3.1. OUTCOME 1: KWAZULU-NATAL RECOGNISED LOCALLY AND GLOBALLY AS A LEADING, MUST VISIT DESTINATION

The Outcome aligns with the following national, provincial and sector priorities:

National	Tourism Sector	Provincial
<p>MTSF 2019-2024: Priority 7 - A better Africa and World:</p> <p><u>2024 Impact:</u> A better South Africa.</p> <p><u>Outcome:</u> Growth in tourism sector resulting in economic growth:</p> <ul style="list-style-type: none"> Develop and implement a destination brand strategy to promote SA as a preferred tourism destination. <p><u>MTSF Indicator and 2024 Target:</u></p> <ul style="list-style-type: none"> Brand Strategy Index: 44.7 by 2024. 	<p>NTSS: Pillar One - Effective marketing:</p> <ul style="list-style-type: none"> A coherent approach to promote South Africa to become top of mind destination and improved conversion rate. <p>SA Tourism:</p> <ul style="list-style-type: none"> Brand Strength Index – 44.7 by 2025. 	<p>PGDP Goal 1 - Inclusive economic growth:</p> <ul style="list-style-type: none"> Intervention: Develop, diversify and market the tourism sector to increase domestic and foreign visitors in the Province. <p>KZN Tourism Master Plan:</p> <ul style="list-style-type: none"> None.
<p>Rationale for the selection of Outcome Indicators:</p>		
<p>Outcome 1.1. Brand strength Index</p> <p><i>(TKZN interprets the brand strength index to be equivalent to brand equity)</i></p>	<p>In implementing a destination brand strategy to promote KZN as a preferred tourism destination, the brand strength index takes into consideration the functional and emotional attributes of the brand, as well as brand reach, and predicts arrivals by assessing the impact of brand metrics across the conversion funnel.</p> <p>As an all-encompassing measure of Brand performance, Tourism KZN seeks an improvement in the Brand Strength Index.</p> <p>The five-year target has tentatively been set to be in line with the national target set by SA Tourism. The target will be reviewed after establishing the baseline and will be published as an Annexure in the APP 2021/22.</p>	
<p>Considerations in relation to women, youth and people with disabilities</p>	<p>Not applicable</p>	

Planned performance over the five-year planning period will be through the following strategic interventions that will translate into APP outputs:

- 1) KwaZulu-Natal brand review and revitalisation, in collaboration with all relevant stakeholders, co-driven with the private sector and aligned with SA Tourism and Brand SA:

- a) The outcome needs to be an appealing value proposition, which TKZN and strategic partners can market and promote to key target markets.
- 2) Multiple channel promotion – traditional media, digital platforms, tourism information offices and brand activations. This includes:
 - a) KZN travel app continued rollout – digital platform;
 - b) Tourism brand ambassadors programme implemented;
 - c) Integrated brand campaigns with SA Tourism and KZN public entities – shift sentiment in terms of crime and grime and telling the positive KZN stories.
- 3) Stakeholder engagements and communication of brand strength (equity) and customer experiences survey outcomes and success stories, leading to robust and meaningful discussions with trade.
- 4) Commission a brand tracker study to measure the strength of the KZN tourism brand and its various attributes.
- 5) Support EDTEA with lobbying the safety and security sector using appropriate IGR platforms, for visible policing, etc.
- 6) Explore the development and implementation of a TKZN booking system.

The enablers of the Outcome include:

- 1) Financial resources to implement the multiple channel promotional approach as it has a direct link to all the brand strength (equity) measures.
- 2) Implementation of a CRM system that enables TKZN to track the impact of various brand management activities.
- 3) Resources to commission the brand tracker study.
- 4) Better utilisation of own and strategic partner resources.

9.3.2. OUTCOME 2: ENHANCED VISITOR EXPERIENCE AND QUALITY TOURISM PRODUCTS

The Outcome aligns with the following national, provincial and sector priorities:

National	Tourism Sector	Provincial
<p>MTSF 2019-2024: Priority 7 - A better Africa and World:</p> <p>2024 Impact: A better South Africa</p> <ul style="list-style-type: none"> ▪ Growth in tourism sector resulting in economic growth. 	<p>NTSS: Pillar Four - Destination management:</p> <p>To provide for sustainable development and management of the tourism sector.</p>	<p>PGDP Goal 3 - Human and community development:</p> <p>Intervention: Rural tourism initiatives are encouraged with a range of activities to stimulate Tourism on a localised level.</p>

National	Tourism Sector	Provincial
<ul style="list-style-type: none"> ▪ Promote South Africa as a preferred tourism destination. <p>MTSF Indicator and 2024 Target:</p> <ul style="list-style-type: none"> ▪ Percentage increase in the value of international tourist spend (4% annually) ▪ Percentage increase in International tourist arrivals (6% annually) 	<p>SA Tourism:</p> <ul style="list-style-type: none"> ▪ Net Promoter Score, 94% by 2025. 	<p>PGDP Goal 4 - Strategic Infrastructure:</p> <p>Intervention: Development of seaports and airports - TKZN focus on air access/route development through multi-stakeholder approach, marketing directly to cruise liners and transforming business tourists to leisure tourists.</p> <p>EDTEA strategic priorities:</p> <p>Facilitate the development of priority product development projects, including 2 x catalytic projects.</p> <p>KZN Tourism Master Plan:</p> <ul style="list-style-type: none"> ▪ Improved geographic spread of tourism. ▪ Niche tourism development. ▪ Improved overall visitor service and satisfaction
<p>Rationale for the selection of Outcome Indicators:</p>		
<p>2.1. Net Promoter Score (NPS)</p>	<p>Measures a consumers willingness to recommend KZN to others. It is used to determine customer satisfaction and is also a proxy for brand loyalty.</p> <p>A high net promoter score indicates a high propensity for tourists who visited KZN to recommend the Province to friends and family. This contributes to improving brand recognition.</p> <p>NPS scores vary across different industries, but a positive NPS (i.e., one that is higher than zero) is generally deemed good, a NPS of +50 is generally deemed excellent, and anything over +70 is exceptional.</p> <p><i>A good to excellent five-year target has been tentatively set, but will be reviewed after establishing the baseline. The revised target will be published as an Annexure in the APP 2021/22.</i></p>	
<p>Considerations in relation to women, youth and people with disabilities</p>	<p>Not applicable</p>	

Planned performance over the five-year planning period will be through the following strategic interventions that will translate into the outputs of the annual performance plans over the period:

- 1) Develop bankable proposals for product development.
- 2) Form strategic partnership with DFIs and other government funding agencies.
- 3) Strengthen working relationship with investment promotions agencies.
- 4) Support the implementation of the provincial priority product development projects, including the two catalytic tourism product developments - Sun Coast upgrade and Blythdale Beach Resort.
- 5) Improve working relationships with the Ingonyama Trust, traditional and local authorities in relation to spatial planning and land use management.
- 6) Development of rural and township product development strategy and plan.
- 7) Focused interventions to improve the visitor experience, including:
 - a) Implement service excellence incentive programmes and awards, leveraging off SA Tourism;
 - b) Establish and maintain an integrated programme with Trade;
 - c) Support implementation of marketing plans by increasing the number of graded establishments that meet market needs;
- 8) Conduct the annual Net Promoter Score (NPS) study.

The enablers of the Outcome include:

- 1) Financial resources to prepare the product developments through feasibility and the requirements to package bankable proposals:
 - a) Funders need well-developed investment opportunities, the preparation work therefore has to be done thoroughly.
- 2) Human resources – project managers that are needed, to reach out to various areas and communities in need of enterprise and product development support in the Province.

9.3.3. OUTCOME 3: INCREASED PARTICIPATION OF BLACK-OWNED SMALL ENTERPRISES IN THE TOURISM SECTOR IN KWAZULU-NATAL

The Outcome aligns with the following national, provincial and sector priorities:

National	Tourism Sector	Provincial
<p>MTSF 2019-2024: Priority 2 - Economic transformation and job creation:</p> <p><u>2024 Impact:</u> Unemployment reduced to 20%-24% with 2 million new jobs, especially for youth; economic growth of 2%-</p>	<p>NTSS: Pillar Five – Broad-based benefits:</p> <ul style="list-style-type: none"> ▪ Promote the empowerment of previously marginalised enterprises and rural communities to ensure inclusive growth of the sector. 	<p>PGDP Goal 1 - Inclusive economic growth: Growth in employment in key manufacturing and service sectors.</p> <ul style="list-style-type: none"> ▪ Intervention: Increase access to tourism markets for SMMEs.

National	Tourism Sector	Provincial
<p>3% and growth in levels of investment to 23% of GDP.</p> <ul style="list-style-type: none"> ▪ Facilitate the increase in number of functional small businesses with a focus on township economies and rural development. ▪ Increased economic participation, ownership, access to resources, opportunities and wage equality for women, youth and persons with disabilities. 	<p>SA Tourism:</p> <ul style="list-style-type: none"> ▪ Number of SMMEs supported: From 207 to 220 by 2025. 	<p>PGDP Goal 3 - Human and community development:</p> <ul style="list-style-type: none"> ▪ Intervention: Local tourism product development in collaboration with CTOs. <p>PGDP Goal 7 – Spatial equity:</p> <p>Interventions:</p> <ul style="list-style-type: none"> ▪ Enterprise development. ▪ Rural and township tourism product development. <p>EDTEA strategic priorities:</p> <ul style="list-style-type: none"> ▪ Tourism Graduate Development Programme. <p>KZN Tourism Master Plan:</p> <ul style="list-style-type: none"> ▪ Achieve significant transformation of the Sector.
Rationale for the selection of Outcome Indicators:		
<p>4.1. Average percentage increase in the growth rate of black-owned small enterprises accessing TKZN enterprise development support</p>	<p>TKZN contribution to transformation through enterprise development support and facilitating access to tourism markets for black-owned enterprises.</p> <p><i>(Use Compounded Annual Growth Rate (CAGR) as the measuring instrument)</i></p>	
<p>Considerations in relation to women, youth and people with disabilities</p>	<p>TKZN enterprise development programme to support tourism enterprises with access to markets. Designated groups:</p> <ul style="list-style-type: none"> ▪ Target for Women: 30% ▪ Target for Youth: 35% ▪ Target for PwDs: 5% <p>Achievement of preferential procurement and "set-aside" targets for procurement spend by TKZN.</p>	

Planned performance over the five-year planning period will be through the following strategic interventions that will translate into the outputs of the annual performance plans over the period:

- 1) Implementation of the Incubation Programme for small black, women and youth-owned enterprises in partnership with enterprise development organisations.
- 2) Support EDTEA with the Tourism Graduate Development Programme.
- 3) Provision of tourism advisory services and awareness workshops – preparing enterprises to effectively participate in the market access platforms, including exhibitions.

- 4) Targeted focus on developing skills in rural communities, in support of product development interventions (collaborative approach with CTOs and in support of the District Delivery Model).
- 5) Increased focus on providing access to markets post-incubation programmes through SMME monitoring and tracking for effectiveness (SMME growth and survival rates).
- 6) TKZN Procurement spend on B-BBEE (Black, women, youth, PwDs and MVs).

The enablers of the Outcome include:

- 1) Budget for contracting with enterprise development organisations.
- 2) Development and implementation of a SMME Tracking System.

9.3.4. OUTCOME 4: INCREASED VOLUME OF TOURISTS AND THE VALUE THEY ADD TO THE ECONOMY

The Outcome aligns with the following national, provincial and sector priorities:

National	Tourism Sector	Provincial
<p>MTSF 2019-2024: Priority 7 - A better Africa and World:</p> <p><u>2024 Impact:</u> A better South Africa</p> <ul style="list-style-type: none"> ▪ Growth in tourism sector resulting in economic growth ▪ Develop and implement a destination brand strategy to promote SA as a preferred tourism destination. <p><u>MTSF Indicator and 2024 Target:</u></p> <ul style="list-style-type: none"> ▪ Percentage increase in the value of international tourist spend (4% annually) ▪ Percentage increase in international tourist arrivals (6% annually) 	<p>NTSS: Pillar One - Effective marketing:</p> <ul style="list-style-type: none"> ▪ A coherent approach to promote South Africa to become top of mind destination and improved conversion rate. <p>Pillar Two: Facilitate ease of access:</p> <ul style="list-style-type: none"> ▪ Seamless travel facilitation and access to participate in tourism. <p>SA Tourism:</p> <ul style="list-style-type: none"> ▪ Increase international tourist arrivals with 6% annually by 2024. (14.8 million) ▪ Increase the value of international tourist arrival with 4% each year. (R128.6 billion) ▪ Seasonality of international tourist arrivals: 1.29% ▪ Total number of domestic holiday trips: 8.3m 	<p>PGDP Goal 1 - Inclusive economic growth:</p> <ul style="list-style-type: none"> ▪ Number of tourists (domestic and international). ▪ Value spend in the tourism sector. <p>Interventions:</p> <ul style="list-style-type: none"> ▪ Develop, diversify and market the tourism sector to increase domestic and foreign visitors in the Province. ▪ Support the review of the KZN Tourism Master Plan. <p>PGDP Goal 7 – Spatial equity</p> <p>Interventions:</p> <ul style="list-style-type: none"> ▪ Improving the geographic spread of tourism. <p>KZN Tourism Master Plan:</p> <ul style="list-style-type: none"> ▪ Foreign tourist arrivals growth. ▪ Domestic tourism arrivals growth. ▪ Improved geographic spread of tourism

National	Tourism Sector	Provincial
	<ul style="list-style-type: none"> ▪ Rand value of holiday domestic direct spend: R19.5bn ▪ Geographic spread of international tourist arrivals: From 20% to 25% ▪ Geographic spread of domestic tourist arrivals: From 8.4% to 15% 	
Rationale for the selection of Outcome Indicators:		
4.1. Number of domestic trips between the 2020-2024 calendar years	Tourism KZN measuring domestic trips	
4.2. Rand value of spend by domestic visitors between the 2020-2024 calendar years	Tourism KZN measuring domestic trips	
4.3. Number of international tourists between the 2020-2024 calendar years: 1. Intercontinent 2. African 3. Total	Target of 1 million is KZN's contribution to the 15.5 million national target (as set by SA Tourism). The split between Intercontinent and African is 40% Intercontinent and 60 African.	
4.4. Rand value of spend by international tourists between the 2020-2024 calendar years	The target of R30.7 billion is KZN's contribution to the R128.6 billion national target (as set by SA Tourism).	
4.5. Average number of destinations (regions in KZN) visited per trip	A measure of the geographic spread of tourism in the Province. The aim is for a tourist to visit more than one destination during each trip.	
Considerations in relation to women, youth and people with disabilities	Not applicable.	

Planned performance over the five-year planning period will be through the following strategic interventions that will translate into the outputs of the annual performance plans over the period:

- 1) Establish partnerships with the private sector to promote the KZN destination brand and its offerings – tourism sector and non-tourism trade partnerships:
 - a) Includes the development of a Special Purpose Vehicle (SPV) in partnership with the private sector for co-funding of various marketing and brand activation activities;
 - b) Joint marketing activities' implemented with tour operators in source markets and MoUs signed with public sector partners.

- 2) Multiple channel promotion approach to ensure constant presence in the market: Traditional media, digital platforms, tourism information offices and brand activations – significantly improve TKZN digital presence.
- 3) Effective utilisation of research-based market insights – own research and by leveraging the MoU with SA Tourism and partnerships with other research institutions.
- 4) Implement a customer relations management system – better track the Return on Investment (ROI) of marketing activities to improve decision making.
- 5) Activation of events aligned with the provincial leisure events strategy, for which EDTEA is the custodian:
 - a) Align with the SA Tourism “We Do Tourism” campaign through the lead leisure marketing campaign of the Province: “Do KZN Campaign”;
 - b) Packaging of experiences in rural areas and townships – work with CTOs and local DMOs, to enhance the geographic spread of tourism in the Province.
- 6) Activation of niche market plans, e.g. golf and religious tourism, and package thematic KZN experiences.
- 7) Route development – Improving accessibility, Africa air access, cruises, etc.

The enablers of the Outcome include:

- 1) Inter-governmental teams (IGR) to address issues of concern to international travellers, particularly around crime and grime.
- 2) Robust PR – curation of messages and products.
- 3) Insights into the international/Africa split, in order to enable targeted Africa marketing campaigns.
- 4) Ongoing and relevant demand-based research to inform the design of marketing programmes.
- 5) Availability of the tourism products to create the experiences.
- 6) Management of relations with trade.
- 7) In absence of SAT data, to establish a tracking measure to source regional data on towns and cities visited.
- 8) Visitor book project to generate insights.

9.3.5. OUTCOME 5: INCREASED NUMBER AND VALUE OF BUSINESS EVENTS HOSTED IN KZN

The Outcome aligns with the following national, provincial and sector priorities:

National	Tourism Sector	Provincial
<p>MTSF 2019-2024: Priority 7 - A better Africa and World:</p> <p><u>2024 Impact:</u> A better South Africa</p> <ul style="list-style-type: none"> ▪ Growth in tourism sector resulting in economic growth. ▪ Develop and implement a destination brand strategy to promote SA as a preferred tourism destination. <p><u>MTSF Indicator and 2024 Target:</u></p> <ul style="list-style-type: none"> ▪ Percentage increase in the value of international tourist spend (4% annually) ▪ Percentage increase in international tourist arrivals (6% annually) 	<p>NTSS:</p> <p>Pillar One: Effective marketing - a coherent approach to promote South Africa to become top of mind destination and improved conversion rate.</p> <p>Pillar Two: Facilitate ease of access - seamless travel facilitation and access to participate in tourism.</p>	<p>PGDP Goal 1 - Inclusive economic growth:</p> <ul style="list-style-type: none"> ▪ Intervention: Develop, diversify and market the tourism sector to increase domestic and foreign visitors in the Province.
	<p>SA Tourism:</p> <ul style="list-style-type: none"> ▪ Total number of international business events hosted: From 207 to 270 	<p>KZN Tourism Master Plan:</p> <ul style="list-style-type: none"> ▪ Grow the events and meetings incentives and exhibitions sector ("MICE").
<p>Rationale for the selection of Outcome Indicators:</p>		
5.1. Number of international business events hosted	<p>By implementing its marketing campaigns and bid support activities, Tourism KZN, in partnership with public and private sector role-players, attracts business events (MICE) to the Province – both international and domestic.</p> <p>The result is increased tourist arrivals and economic benefit for the KZN economy through the Rand value spent on the business events hosted.</p>	
5.2. Number of domestic business events hosted		
5.3. Rand value of business events hosted (international and domestic)		
<p>Considerations in relation to women, youth and people with disabilities</p>	<p>Not applicable.</p>	

Planned performance over the five-year planning period will be through the following strategic interventions that will translate into the outputs of the annual performance plans over the period:

- 1) Tap into the opportunity of having the Provincial Bid Fund to increase the flow of business events in the Province (pending review).
- 2) Increase the number of transformation activities, and work on upskilling youth and women-owned business to cater for a wider range of business events and their specific demands.
- 3) Increase the number of strategic partnerships, such as those with other African countries to share knowledge and experience, and business.
- 4) Tap into strategic market segments and specific events in order to increase the ROI of events.

- 5) Create bidding opportunities for VTSD with the assistance of the City Convention Bureau.

The enablers of the Outcome include:

- 1) Relationship management – other government departments, trade and the private sector, associations, etc.
- 2) Attract conference delegates and accompanying persons to secured business events to be hosted in KZN.
- 3) Promote tourism experiences (pre and post-tour packages for delegates and accompany persons programme) in VTSD that can be marketed to delegates by local SMMEs, contributing to domestic tourism.

9.3.6. OUTCOME 6: A CAPABLE, REPUTABLE AND HIGH-PERFORMING ORGANISATION

The Outcome aligns with the following national, provincial and sector priorities:

National	Tourism Sector	Provincial
<p>Priority 1 - A capable, ethical and developmental State: <u>2024 Impact:</u> Public value and trust, and active citizenry and partnerships in society</p> <ul style="list-style-type: none"> ▪ Improved governance and accountability. ▪ Functional, efficient and integrated government. ▪ Professional, meritocratic and ethical public administration. ▪ Mainstreaming of gender, youth and disability, empowerment and development Institutionalized. 	<p>SA Tourism: Achieve good corporate and cooperative governance:</p> <ul style="list-style-type: none"> ▪ External audit outcome: unqualified maintained ▪ SAT Reputation Index 	<p>PGDP Goal 6 – Governance and policy:</p> <ul style="list-style-type: none"> ▪ Strengthen policy, strategy coordination and IGR. ▪ Build government capacity. ▪ Eradicate fraud and corruption. ▪ Promote participative, facilitative and accountable government.
<p>Rationale for the selection of Outcome Indicators:</p>		
<p>6.1. External audit outcome.</p>	<p>Achieving and maintaining a clean audit outcome is a government priority, indicative of sound financial and administrative management, and enhanced governance and compliance.</p>	
<p>6.2. TKZN reputation index.</p>	<p>A measure of the results of TKZN's efforts in engaging with key stakeholders to address matters that stimulate tourism growth.</p> <p>The aim is for TKZN to be recognized as a high-performing organisation, that effectively leads the tourism industry in the Province.</p> <p><i>This is a new indicator that will be developed in 2020/21. Five-year target to be calculated after establishing the baseline. The target will be published as an Annexure in the APP 2021/22.</i></p>	

National	Tourism Sector	Provincial
<p>6.3. Number of demand-driven tourism research studies conducted. <i>(Internally and by external research partners)</i></p>	<p>Research conducted Internally and by research partners to inform marketing and product development strategies. <i>This will include rural and township based research, BRICS and air arrivals from Africa, local government marketing and product development support.</i></p>	
<p>Considerations in relation to women, youth and people with disabilities</p>	<p>Achievement of employment equity targets for the organisation.</p>	

Planned performance over the five-year planning period will be through the following strategic interventions that will translate into the outputs of the annual performance plans over the period:

- 1) Achieve and maintain a clean audit outcome by implementing the audit resolution plan.
- 2) Stakeholder/partnerships engagement and management to support the delivery of TKZN mandate.
- 3) Strengthen organisational performance through effective management of people, systems and processes.
- 4) Business processes reengineering and steady roll-out of automated systems to enable the core business functions.
- 5) Upgrade tourism information offices to be aligned to global best practice.
- 6) Cut down on event impact assessments and move towards market research (demand side) and tourism research (supply side).
- 7) Revise the ICT, cyber and digital marketing strategies to support the implementation of the new TKZN five-year strategic plan.

The enablers of the Outcome include

- 1) Structure and capacitate the organisation as defined by the mandate and strategic framework.
- 2) Sound and up to date policies and procedures.
- 3) Sound labour relations and employee wellness.
- 4) Improve performance management system, and implementation thereof, to drive performance culture.
- 5) Effective internal communication system developed and implemented.
- 6) Upgrade the ICT Infrastructure.

10. KEY RISKS

The table below reflects the key strategic risks aligned to this Strategic Plan for 2020-2025, including risk mitigation measures.

Outcome	Key Risk	Risk Mitigation
Outcome 1: KZN recognised locally and globally as a leading, must visit destination	<ul style="list-style-type: none"> Diluted brand message due to negative sentiments on crime and grime. Lack of financial resources to effectively deliver on this outcome. 	<ul style="list-style-type: none"> Curation of messaging with SAT in order to influence positive stories about the Province. Proactive media round tables to discuss tourism big wins.
	<ul style="list-style-type: none"> Lack of financial resources to effectively deliver on the outcome. 	<ul style="list-style-type: none"> Strategic partnership with key players (private sector). Effective PR to supplement marketing efforts. Utilisation of cost effective platforms to drive conversion (digital footprint)
Outcome 2: Enhanced visitor experience and quality tourism products	<ul style="list-style-type: none"> Lack of cooperation from stakeholders (product owners, land owners and/or communities). 	<ul style="list-style-type: none"> Improve working relationship with Ingonyama Trust, traditional and local authorities in relation to spatial planning and land use management
	<ul style="list-style-type: none"> Financial constraints impeding on realisation of products. 	<ul style="list-style-type: none"> Form strategic partnership with DFIs and other government funding agencies. Strengthen working relationship with investment promotions agencies.
Outcome 3: Increased participation of black-owned small enterprises in the tourism sector in KZN	<ul style="list-style-type: none"> Non-compliance with programme requirements. 	<ul style="list-style-type: none"> Enter into binding contracts with small enterprises prior to participation into the programme.
	<ul style="list-style-type: none"> Financial constraints. 	<ul style="list-style-type: none"> Form strategic partnership with enterprise development organisations.
Outcome 4: Increased volume of tourists and the value they add to the economy	<ul style="list-style-type: none"> Diluted brand message due to negative sentiments on crime and grime. Lack of financial resources to effectively deliver on this outcome. 	<ul style="list-style-type: none"> Curation of messaging with SAT in order to influence positive stories about the Province. Proactive media round tables to discuss tourism big wins.
	<ul style="list-style-type: none"> Lack of financial resources to effectively deliver on the outcome. 	<ul style="list-style-type: none"> Strategic partnership with key players (private sector).

Outcome	Key Risk	Risk Mitigation
		<ul style="list-style-type: none"> Effective PR to supplement marketing efforts. Utilisation of cost effective platforms to drive conversion (digital footprint) .
Outcome 5: Increased number and value of business events hosted in KZN	<ul style="list-style-type: none"> Criteria used by the National Convention Bureau to access of bidding fund. 	<ul style="list-style-type: none"> Develop the bid fund for the KZN Convention Bureau.
		<ul style="list-style-type: none"> Involvement of relevant stakeholders in the Province for hosting of business events in the Province.
Outcome 6: A capable, reputable and high-performing organisation	<ul style="list-style-type: none"> Lack of human resources Limited budget to achieve strategic objectives. 	<ul style="list-style-type: none"> TKZN to fill the research manager and the researcher vacant positions. Budget decrease influences scope change.
	<ul style="list-style-type: none"> Limited budget to achieve strategic objectives. Insufficient production of marketing collateral. 	<ul style="list-style-type: none"> Adjust the distribution plan to meet available budget. Ensure availability of budget to attend and showcase KZN at relevant consumer and trade shows, promoting KZN through collateral distribution. The marketing unit will produce marketing collateral as per the distribution plan.
	<ul style="list-style-type: none"> Lack of relevant and verifiable performance information/evidence. 	<ul style="list-style-type: none"> Constant monitoring of planned annual performance targets,
	<ul style="list-style-type: none"> Lack of consistent representation/ participation from stakeholders. Lack of stakeholder engagement framework Lack of MoU management. 	<ul style="list-style-type: none"> Continuous engagements with authority structures. Ensure regular update and communication of the signed MoUs. Regular update of the procedure manual for partnerships and MoUs.

The detailed Tourism KZN risk register is reviewed monthly by Exco and quarterly at each meeting of the Audit and Risk Committee and the Board of Directors.

11. PUBLIC ENTITIES

Tourism KwaZulu-Natal does not have any Public Entities.

PART D: TECHNICAL INDICATOR DESCRIPTIONS

12. OUTCOME 1: KZN RECOGNISED LOCALLY AND GLOBALLY AS A LEADING, MUST VISIT DESTINATION

Outcome Indicator 1.1	Brand Strength Index
Definition	<p>The brand strength index takes into consideration the functional and emotional attributes of the brand as well as brand reach, and predicts arrivals by assessing the impact of brand metrics across the conversion funnel.</p> <p>As an all-encompassing measure of Brand performance, Tourism KZN seeks an improvement in the Brand Strength Index.</p>
Source of data	Tourism KZN Brand Tracker surveys.
Method of calculation / Assessment	<p>The brand strength equation takes into consideration the following elements of a brand:</p> <ul style="list-style-type: none"> ▪ Functional attributes, as reflected in the 'Affordability' metric, which is affiliated to the destination's performance. ▪ Emotional attributes, as reflected in the 'Stature' metric, which is affiliated to the destination's personality. ▪ Brand reach, as reflected in the 'Awareness' metric. <p>Brand Strength Index is calculated on normalised data for various attributes, and is represented on a 0-100 scale.</p>
Assumptions	Sample size representative of population, in order to draw conclusions.
Disaggregation of beneficiaries (where applicable)	Not applicable.
Spatial transformation (where applicable)	Across entire KZN.
Reporting cycle	Annual progress against the five-year target.
Desired performance	<p>An improvement in the index is desired, that is an index of 100% is absolute Brand Strength, while 0% is no Brand Strength.</p> <p><i>Target of 47.9 tentatively set in line with the national target (SA Tourism). The five-year target will be reviewed after establishing the baseline and will be published as an Annexure in the APP 2021/22</i></p>
Indicator Responsibility	GM: Marketing

13. OUTCOME 2: ENHANCED VISITOR EXPERIENCE AND QUALITY TOURISM PRODUCTS

Outcome Indicator 1.1	Net Promoter Score
Definition	<p>Measures a consumers willingness to recommend KZN to others. It is used to determine customer satisfaction and is also a proxy for brand loyalty.</p> <p>A high net promoter score indicates a high propensity for tourists who visited KZN to recommend the Province to friends and family. This contributes to improving brand recognition.</p> <p>NPS scores vary across different industries, but a positive NPS (i.e., one that is higher than zero) is generally deemed good, a NPS of +50 is generally deemed excellent, and anything over +70 is exceptional.</p>
Source of data	Tourism KZN Brand Tracker surveys.
Method of calculation / Assessment	The percentage of the positive (yes) responses to the question “Would you recommend friends, relatives or colleagues to visit KZN.”
Assumptions	Sample size representative of population, in order to draw conclusions.
Disaggregation of beneficiaries (where applicable)	Not applicable.
Spatial transformation (where applicable)	Across entire KZN.
Reporting cycle	Annual progress against the five-year target.
Desired performance	<p>A high net promoter score indicates a high propensity for tourists who visited South Africa to recommend it to friends and family.</p> <p><i>A 50% five-year target has been set tentatively but will be reviewed after establishing the baseline. The revised target will be published as an Annexure in the APP 2021/22.</i></p>
Indicator Responsibility	GM: Tourism Development

14. OUTCOME 3: INCREASED PARTICIPATION OF BLACK-OWNED SMALL ENTERPRISES IN THE TOURISM SECTOR IN KZN

Outcome Indicator 3.1	<p>Average percentage increase in the growth rate of black-owned small enterprises accessing TKZN enterprise development support</p> <p><i>(Use Compounded Annual Growth Rate (CAGR) as measuring instrument)</i></p>
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Definition	A measure of business growth over a period of time, which measures the success of the business. It is Indicative of the effectiveness of the enterprise development support provided by TKZN.
Source of data	Annual Financial Statements from the Small Enterprises participating in TKZN enterprise development programme
Method of calculation / Assessment	Difference between annual expenditure and annual Income, expressed as an average percentage.
Assumptions	The benefits derived from participating in the enterprise development programmes contributes to the growth of supported business enterprises.
Disaggregation of beneficiaries (where applicable)	Preference will be given to supporting tourism enterprises that are owned by black people, women, youth and PwDs, in line with the Tourism B-BBEE charter.
Spatial transformation (where applicable)	Increased support for rural and township based tourism enterprises.
Reporting cycle	Annual progress against the five-year target.
Desired performance	=> 10% average CAGR over the five-year period.
Indicator Responsibility	GM: Tourism Development

15. OUTCOME 4: INCREASED VOLUME OF TOURISTS AND THE VALUE THEY ADD TO THE KZN ECONOMY

Outcome Indicator 4.1	Number of domestic trips (between the 2020-2024 calendar years)
Definition	<p>All those trips taken within the borders of South Africa by an adult resident in South Africa for the main purpose of a holiday.</p> <p>Domestic tourist – A resident visitor who visits within the economic territory of the country of reference.</p> <p>Trip – A trip refers to the travel by a person from the time of departure from his/her usual residence until he/she returns: A round trip. Trips taken by visitors are tourism trips.</p>
Source of data	<ul style="list-style-type: none"> ▪ South African Tourism Domestic Tourism Survey. ▪ Statistics SA. ▪ Omnibus studies.

Method of calculation / Assessment	Utilisation of results reflected in the above sources of data.
Assumptions	Figures assume South African Tourism (SAT), UNWTO and WTTC projections are reasonable.
Disaggregation of beneficiaries (where applicable)	Not applicable.
Spatial transformation (where applicable)	To improve the geographic spread of tourism within KZN, to areas beyond Durban, including rural and township areas.
Reporting cycle	Annual progress against the five-year target.
Desired performance	=> 21.6m (cumulative total 2020-2024 calendar years).
Indicator Responsibility	Report produced by GM: Marketing

Outcome Indicator 5.2	Rand value of spend by domestic visitors
Definition	The money spent on tourism related activities by an adult resident for holiday trips taken within the borders of South Africa.
Source of data	South African Tourism Domestic Tourism Survey.
Method of calculation / Assessment	Utilisation of results reflected in the South African Tourism Domestic Tourism Survey.
Assumptions	Figures assume South African Tourism projections are reasonable.
Disaggregation of beneficiaries (where applicable)	South African Tourism Domestic Tourism Survey.
Spatial transformation (where applicable)	Aim to ensure a more equitable economic benefit from tourism across all regions, beyond Durban, including rural and township areas.
Reporting cycle	Annual progress against the five-year target.
Desired performance	=> R26.5b (cumulative total 2020-2024 calendar years).
Indicator Responsibility	Report produced by GM: Marketing

Outcome Indicator 5.3.	Number of International tourist arrivals between the 2020-2024 calendar years: 1. Intercontinent 2. African 3. Total
Definition	An international visitor who stays at least one night in collective or private accommodation in the country visited. Visitor – A visitor is a traveller taking a trip to a main destination outside his/her usual environment, for less than a year, for any main reason other than to be employed by a resident entity in the country or place visited. Tourist – A visitor who stays at least one night in the place visited.
Source of data	SA Tourism International Survey.
Method of calculation / Assessment	Utilisation of results reflected in the SA Tourism International Survey.
Assumptions	Figures assume South African Tourism projections are reasonable.
Disaggregation of beneficiaries (where applicable)	Not applicable.
Spatial transformation (where applicable)	Aim to Improve the geographic spread of tourism within KZN, to areas beyond Durban, including rural and township areas.
Reporting cycle	Annual progress against the five-year target.
Desired performance	=> Intercontinental: 400 000 (cumulative total 2020-2024 calendar years). => African: 600 000 (cumulative total 2020-2024 calendar years). => Total : 1 million (cumulative total 2020-2024 calendar years).
Indicator Responsibility	Report produced by GM: Marketing

Outcome Indicator 5.4.	Rand value of spend by International tourists
Definition	The amount spent directly in South Africa by all foreign tourists, excluding amounts spent on capital goods for the duration of their stay in South Africa.
Source of data	South African Tourism Departure Survey .
Method of calculation / Assessment	Utilisation of results reflected in the SA Tourism Departure Survey.

Assumptions	SA Tourism's departure survey is weighted using data published by Statistics SA. Incorrect data will directly affect the data SA Tourism releases.
Disaggregation of beneficiaries (where applicable)	Not applicable.
Spatial transformation (where applicable)	Aim to ensure a more equitable economic benefit from tourism across all regions, beyond Durban, including rural and township areas.
Reporting cycle	Annual progress against the five-year target,
Desired performance	=> R30.7b (cumulative total 2020-2024 calendar years),
Indicator Responsibility	Report produced by GM: Marketing

Outcome Indicator 5.5.	Percentage of visitors that visit 2 or more destinations in KZN per trip: 1. Domestic visitors 2. International visitors
Definition	Measures whether tourists have visited more than one destination in KZN, i.e. primarily beyond Durban.
Source of data	Results of annual Omnibus Survey.
Method of calculation / Assessment	Utilisation of results reflected in the Omnibus Survey results.
Assumptions	Sample is representative of the population, from which conclusions may be drawn.
Disaggregation of beneficiaries (where applicable)	Not applicable.
Spatial transformation (where applicable)	Aim to improve the geographic spread of tourism within KZN, to areas beyond Durban, including rural and township areas.
Reporting cycle	Annual progress against the five-year target.
Desired performance	Percentage of visitors that visit 2 or more destinations in KZN per trip: 1. at least 20% of domestic visitors 2. at least 30% of international visitors
Indicator Responsibility	Report produced by GM: Marketing

16. OUTCOME 5: INCREASED NUMBER AND VALUE OF BUSINESS EVENTS HOSTED IN KZN

Outcome Indicator 5.1	Number of international business events hosted
Definition	Number of international Meetings, Incentives, Conferences and Events (MICE) hosted in the Province over the five-year period.
Source of data	<ul style="list-style-type: none"> ▪ International Congress and Convention Association (ICCA). ▪ Union of International Associations (UIA). ▪ TKZN desktop research reports (MICE that may not be recorded by ICCA and UIA).
Method of calculation / Assessment	Sum total of MICE based on ICCA, UIA and internal TKZN research reports.
Assumptions	Incentives are not specifically recorded as such.
Disaggregation of beneficiaries (where applicable)	Not applicable.
Spatial transformation (where applicable)	Aim to improve the geographic spread of business events within KZN, to areas beyond Durban.
Reporting cycle	Annual progress against the five-year target.
Desired performance	Increase the number of business events hosted and its economic impact in the Province.
Indicator Responsibility	GM: Convention Bureau

Outcome Indicator 5.2.	Number of domestic business events hosted
Definition	Number of domestic Meetings, Incentives, Conferences and Events (MICE) hosted in the Province over the five-year period.
Source of data	Internal (TKZN) records.
Method of calculation / Assessment	Simple count.

Assumptions	Some events may appear in ICCA and not appear in the UIA listing, but still take place in KZN.
Disaggregation of beneficiaries (where applicable)	Not applicable.
Spatial transformation (where applicable)	Aim to improve the geographic spread of business events within KZN, to areas beyond Durban.
Reporting cycle	Annual progress against the five-year target.
Desired performance	Increase the number of business events hosted and its economic impact in the Province.
Indicator Responsibility	GM: Convention Bureau

Outcome Indicator 9.1	Rand value of business events hosted (International and domestic)
Definition	Rand value of international and domestic Meetings, Incentives, Conferences and Events (MICE) hosted in the Province over the five-year period.
Source of data	<ul style="list-style-type: none"> ▪ International Congress and Convention Association (ICCA). ▪ Union of International Associations (UIA). ▪ TKZN desktop research reports (MICE that may not be recorded by ICCA and UIA).
Method of calculation / Assessment	Sum total of MICE based on ICCA, UIA and internal TKZN research reports.
Assumptions	Incentives are not specifically recorded as such.
Disaggregation of beneficiaries (where applicable)	Not applicable.
Spatial transformation (where applicable)	Aim to ensure a more equitable economic benefit from business events across all regions, beyond Durban.
Reporting cycle	Annual progress against the five-year target.
Desired performance	Increase the number of business events hosted and its economic impact in the Province.
Indicator Responsibility	GM: Convention Bureau

17. OUTCOME 6: A CAPABLE, REPUTABLE AND HIGH-PERFORMING ORGANISATION

Outcome Indicator 6.1	External audit outcome
Definition	Sound governance and compliance across the organisation, evidenced by a clean external audit outcome (AGSA) on previous year's financial performance information.
Source of data	External Audit Report from the AGSA.
Method of calculation / Assessment	Verification – Information contained in the External Audit Report from the AGSA on the audit of previous year's financial statements, compliance with performance information and non-compliance with legislation.
Assumptions	None.
Disaggregation of beneficiaries (where applicable)	Not applicable.
Spatial transformation (where applicable)	Not applicable.
Reporting cycle	Annual progress against the five-year target.
Desired performance	To achieve a clean audit outcome from the AGSA in year one of the strategic plan and to maintain a clean audit outcome over the period.
Indicator Responsibility	Chief Financial Officer

Outcome Indicator 6.2	TKZN reputation index
Definition	A measure of the results of TKZN's efforts in engaging with key stakeholders to address matters that stimulate tourism growth. The aim is for TKZN to be recognized as a high-performing organisation, that effectively leads the tourism industry in the Province.
Source of data	Brand Tracker Survey.
Method of calculation / Assessment	10% improvement on previous survey results.
Assumptions	Not applicable.

Disaggregation of beneficiaries (where applicable)	Not applicable.
Spatial transformation (where applicable)	Not applicable.
Reporting cycle	Every two years.
Desired performance	Improvement on 2020/21 baseline. <i>This is a new indicator that will be developed in 2020/21. Five-year target to be calculated after establishing the baseline. The target will be published as an Annexure in the APP 2021/22.</i>
Indicator Responsibility	Chief Executive Officer

Outcome Indicator 6.3	Number of demand-driven tourism research studies conducted
Definition	Research studies conducted by internal and external research partners to inform the strategic direction of the TKZN
Source of data	SA Tourism, StatisticsSA, Forward Keys, STR Global, UNWTO, ACSA, service providers, academis, WTTC
Method of calculation / Assessment	Simple count – number of reports for the period
Assumptions	Not applicable
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Reporting cycle	Annual progress against the five-year target
Desired performance	Achieve target in line with 5-year research plan
Indicator Responsibility	GM:TIS/ Research Manager



ANNEXURE TO THE STRATEGIC PLAN

ANNEXURE A: DISTRICT DELIVERY MODEL

Not applicable to Tourism KwaZulu-Natal.