



tourism market insights
Portugal

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1. Overview of Portugal

About Portugal

Where is Portugal?	Southwestern Europe, bordering the North Atlantic Ocean, west of Spain.
Population	10, 263,850 (July 2021 est.)
Language	Portuguese (official), Mirandese (official, but locally used)
Economy	<ul style="list-style-type: none">• Many businesses are struggling to survive COVID-19 measures and are closing or laying off staff, predominantly SMEs that don't have access to financial reserves. Unemployment will be 7.2% in 2020, up from 6.5% in 2019.• The annual growth rate in real GDP is expected to reach 1.6% in 2021, before dropping to an average of 1.3% in 2024-2027.• The service sector represents 74.0% of GDP. Tourism accounts for approximately 10% of employment and Portugal has the potential to become a major tourist destination.• The real value of inbound tourism and business travel receipts increased by 4.7% in 2019 and a rise of 2.4% is anticipated in 2020.• The services sector will be particularly hard-hit by measures to contain COVID-19, predominantly wholesale, retail and tourism.
Climate	Maritime temperate; cool and rainy in north, warmer and drier in south.
Religion	Roman Catholic 81%, other Christian 3.3%, other (includes Jewish, Muslim) 0.6%.

2. Overview of the Portugal Travel Market

Portugal Travel Market

Largest Cities Number of people	1. Lisbon: 517,802
	2. Porto: 249,633
	3. Amadora: 178,858
	4. Braga: 121,394
	5. Setubal: 117,110

Disposable income Per capita, US\$ (2020)	15,113
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Savings As % of disposable income: 2019	4.8%
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Median Age: 2020	44.6 years
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Paid Holidays (2019)	22.0 days
Public Holidays (2019)	13.0 days
Annual Leave (2019)	35.0 days

Outbound Departures ('000 trips, 2020)	1. 2017: 6,433.5
	2. 2018: 7,060.3
	3. 2019: 7,559.5
	4. 2020: 2,539.2

Outbound trips by mode of transport ('000 trips, 2020)	1. Air: 1,803.6
	2. Land: 708.4
	3. Rail: 8.0
	4. Water: 19.2

Type of Outbound Trips	Leisure: 78.3%
	Business: 21.7%

Top 10 Outbound Departures by destination		2016	2017	2018	2019	2020	2021
	Spain	1,996.2	2,137.9	2,344.3	2,370.8	766.2	918.5
	France	1,096.5	1,103.0	1,350.8	1,400.2	606.0	952.0
	United Kingdom	504.8	449.4	438.5	604.6	251.9	340.9
	Italy	374.9	380.0	348.7	309.5	168.9	280.9
	Germany	160.0	177.5	195.3	207.0	65.9	94.7
	Brazil	150.0	144.1	145.8	179.0	39.5	59.7
	United States	128.5	138.2	147.0	155.3	24.5	67.1
	Morocco	69.0	87.0	102.6	119.7	20.9	24.6
	Poland	85.2	79.1	84.6	87.3	54.3	49.4
Angola	130.3	77.0	59.7	65.7	16.5	27.2	

3. The Portuguese traveller to South Africa

The Portuguese Travel Market

Number of Arrivals
 2018: 31,754
 2019: 29,737
 2020: 7,233

Purpose of visit to South Africa (2020)
 Holiday (40.0%)
 VFR (26.2%)
 MICE (14.8%)

Average length of stay in South Africa
 (Number of nights)
 2018: 18.0
 2019: 18.7
 2020: 17.3

Age profile (2019)
 18-24 years: 8.0%
 25-34 years: 37.9%
 35-44 years: 25.3%
 45-54 years: 13.4%
 55-64 years: 9.8%
 65+ years: 5.5%

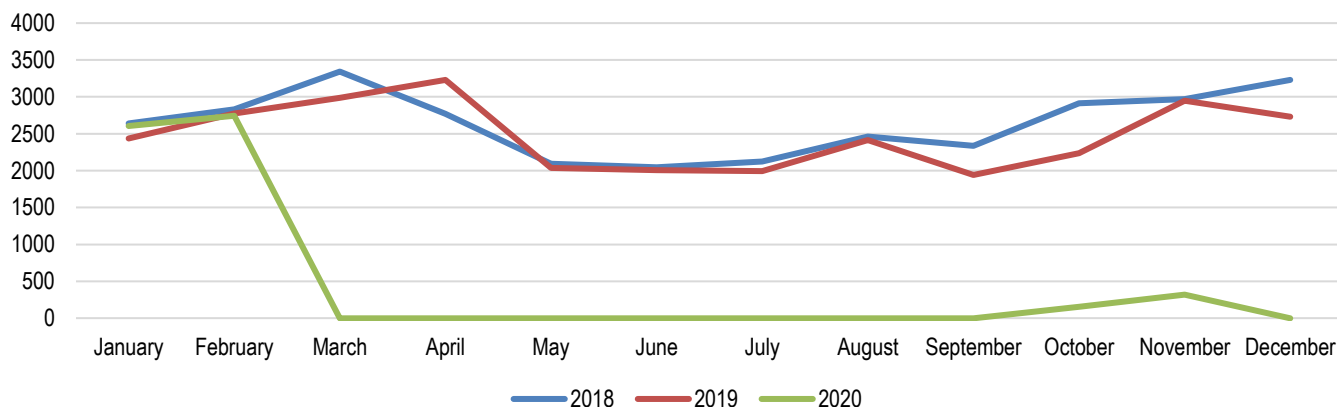
Repeater Rate of the Portuguese Travellers (2019)
 1. First timers: 49.9%
 2. 2-3 times: 22.6%
 3. 4-5 times: 12.2%
 4. 6-9 times: 10.2%
 5. 10 times or more: 5.1%

Accommodation Usage (2019)
 1. Self-catering: 76,983
 2. Friends & family: 76,630
 3. Hotels: 62,622

Total Foreign Direct Spend in South Africa
 (R in millions)
 2018: R385
 2019: R352
 2020: R79

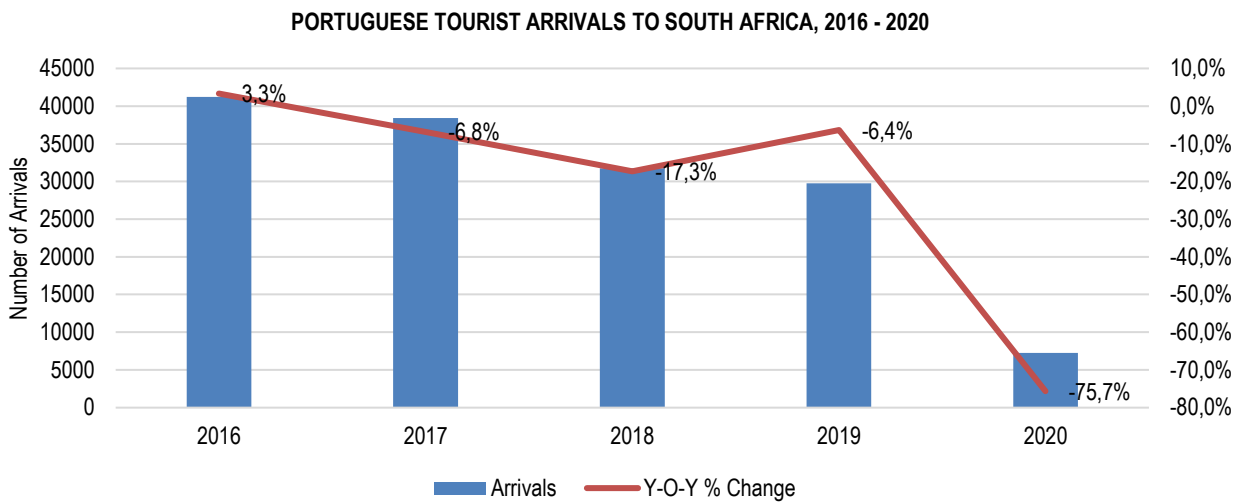
Average Spend in South Africa
 2018: R19,400
 2019: R19,000
 2020: R18,000

SEASONALITY PATTERNS: PORTUGUESE TRAVELERS TO SOUTH AFRICA BY MONTH, JAN - DEC 2018-2020



3. The Portuguese traveller to South Africa

3.1. Portuguese Visitor Arrivals to South Africa



3.2. Purpose of visit to South Africa

Portuguese tourists travelling to South Africa are predominantly visiting for the purpose of holiday (40.0%), around 26,2% travelled to visit family and friends and 14,8% specifically travelled for MICE (Meetings, incentives, conferences and exhibitions). In 2020, the Western Cape accounted for the highest share of Portuguese tourists across all provinces; followed by Gauteng and Mpumalanga. The Portuguese travellers enjoyed an average of 17,3 nights in South Africa.

Top 3 reasons for travel to SA

Holiday (40.0%)

VFR (26.2%)

MICE (14.8%)

Portuguese travellers to South Africa are mainly between the ages of 25 and 44 years; with the 25 – 34 years category accounting for the largest (37.9%) share. Just close to half (49.9%) of the Portuguese market were first time visitors.

Average length of stay (2019)

17.3 nights

3.3. Activities in South Africa

Top activities undertaken in SA

Business

Wildlife

Theme Parks

Adventure

Nightlife

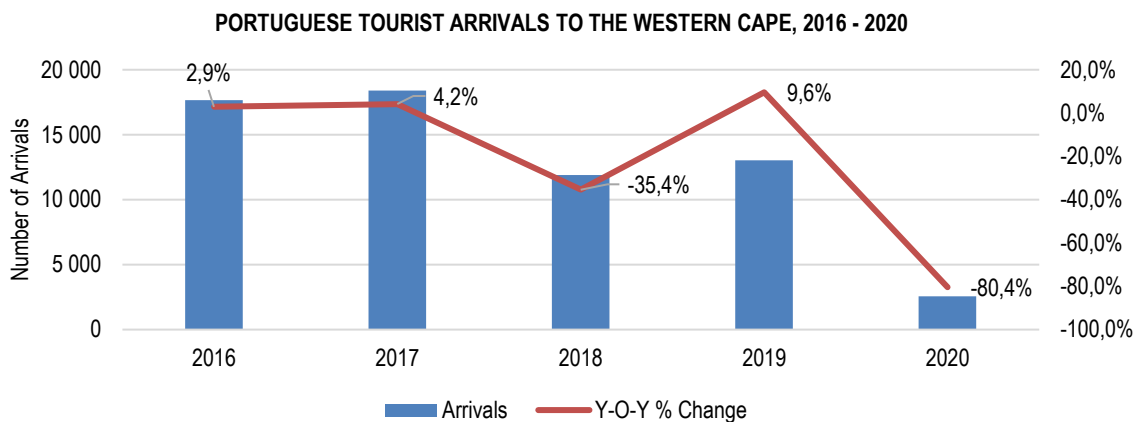
Business, wildlife, theme parks, adventure and nightlife ranked as the top 5 activities undertaken during their stay in South Africa. In 2020, the Portuguese market injected around R79 million a major decline of R273 million as compared to the amount of R352 million recorded in 2019. Their average spend was around R18,000.

Self-catering and hotels ranked as their top accommodation choices and staying with friends & family accounted for the second largest share of travellers.

4. The Portuguese traveller to the Western Cape

The Portuguese Travel Market

Over the years under review, the Western Cape saw the strongest volume in Portuguese tourists in 2017 with (18 398) visitors, however 2018 saw a decrease of -35,4% to reach 11 887 arrivals. The Western Cape has consistently recorded the largest share of Portuguese tourists and is followed by the Gauteng province.

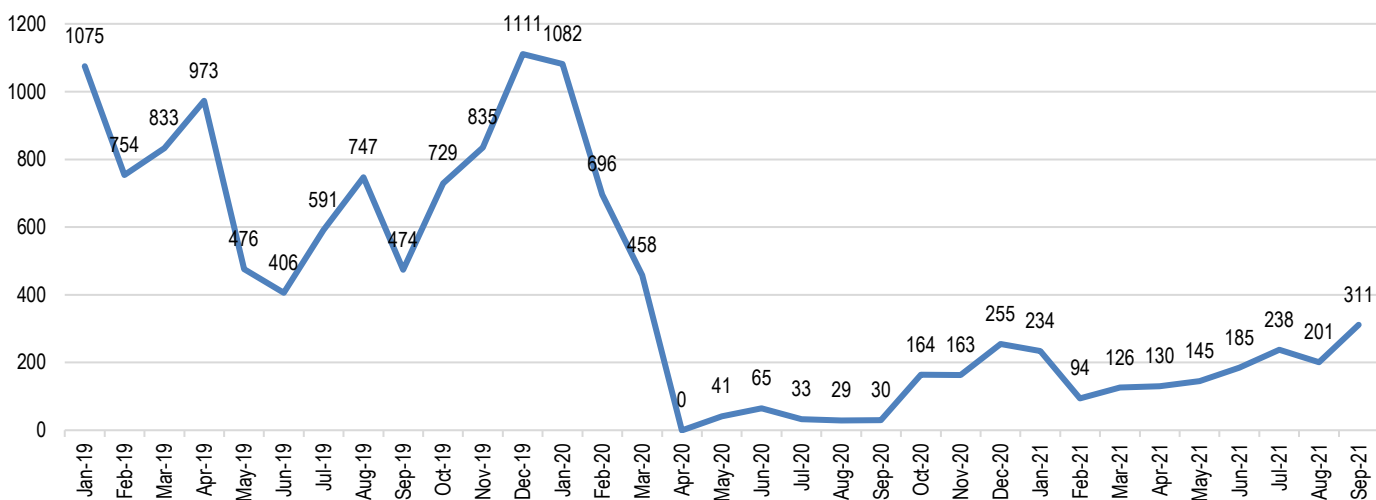


PORTUGUESE PASSENGER MOVEMENT THROUGH CAPE TOWN INTERNATIONAL AIRPORT

According to the latest OAG Traffic Analyzer data, passenger movement from Portugal through the Cape Town International Airport started to plummet in April 2020. The decline followed after the nationwide lockdown commenced on 26 March 2020, resulting in no travelers for the period April – July 2020. Only 41 travelers were recorded in April and a mere 3 in May.

In spite of the severe decline in air-travel between the two countries recovery in passenger movement picked up in the remainder of 2020. When observing movement over the first seven months of 2021, February and March recorded the largest number in Russian passengers since the start of lockdown, with each month recording over 1 000 passengers.

PORTUGUESE PASSENGER MOVEMENT THROUGH CAPE TOWN INTERNATIONAL AIRPORT, JAN 2019 - SEPT 2020



Sources: SA Tourism, OAG Traffic Analyser, 2021

*Formal bed nights: Includes hotels, B&B's, guesthouses, self-catering units, game lodges and backpackers.

5. Key Findings

- COVID-19 has had a significant impact on tourist activity in Portugal, due to the tight restrictions on people's mobility, which started to constitute a threat to the competitiveness of the industry, as in most tourist destinations.
- Portuguese tourists travelling to South Africa are predominantly visiting for the purpose of holiday (40,0%), around 26,2% travelled to visit family and friends and 14,8% specifically travelled for MICE (Meetings, incentives, conferences and exhibitions).
- The Portuguese travellers enjoyed an average of 17.3 nights in South Africa. They are mainly between the ages of 25 and 44 years; with the 25 – 34 years category accounting for the largest (37.9%) share. Nearly half (49,9%) of the Portuguese market were first time visitors to the country and 50,1% were repeat visitors. Business, wildlife, theme parks, adventure and nightlife ranked as the top 5 activities undertaken during their stay in South Africa.
- The Western Cape consecutively held the largest share of South Africa's Portuguese travellers between 2017 and 2020. In 2020, a total foreign direct spend of R79 million was injected into the Western Cape's economy and translated into an average spend of R18,000.
- The highest share of Portuguese tourists through the Cape Town International Airport in 2020 up until September 2020 were recorded in November & December 2020 and September 2021; indicating a strong preference for travel across the summer months. The solid growth can largely be attributed to the success of marketing efforts as well as a growing interest in the Western Cape as a leisure and business destination.

6. List of sources

1. South African Tourism
2. Euromonitor International
3. OAG Airline Passenger Traffic Analyser
4. Central Intelligence Agency
5. World Population Review: <https://worldpopulationreview.com/countries/cities/portugal/>

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