



**tourism market insights**  
**ARGENTINA**

**WESGRO**

cape town & western cape  
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# 1. Overview of Argentina

## About Argentina

Where is Argentina?	Argentina is located in Southern South America, bordering the South Atlantic Ocean, between Chile and Uruguay.
Population (millions)	44,8 (2018)
Time Difference	South Africa is five hours ahead of Argentina
Language	Spanish is the official language
Economy	Argentina benefits from rich natural resources, a highly literate population, an export-oriented agricultural sector, and a diversified industrial base.

Argentina's economy is expected to slow down dramatically in 2020 due to the COVID-19 pandemic. However, if the spread of the virus remains contained then real GDP is expected to increase by 4,0% in 2021, before reaching an annual average of 2,3% per year from in 2027.

Argentina's current population is around 44,8 million and with moderate fertility of 2.0 births per female, the median age is rising slowly. It is predicted that the median age will grow from 31.7 years in 2019 to 37.4 years in 2040.

### General Overview

In 2019, Argentina's savings ratio amounted to -0,2% of disposable income and consumer expenditure per capita amounted to USD 6 285.

Consumer spending is expected to grow at an average annual rate of 2,6% over the 2020 – 2030 period. Health goods and medical services is expected to be the fastest growing category over the 2020 – 2030 period, followed by education.

Unemployment was 9,8% in 2019 and it is expected to increase to 11,0% in 2020 as many struggling businesses have resorted to making lay-offs due to the effects of the COVID-19 pandemic.

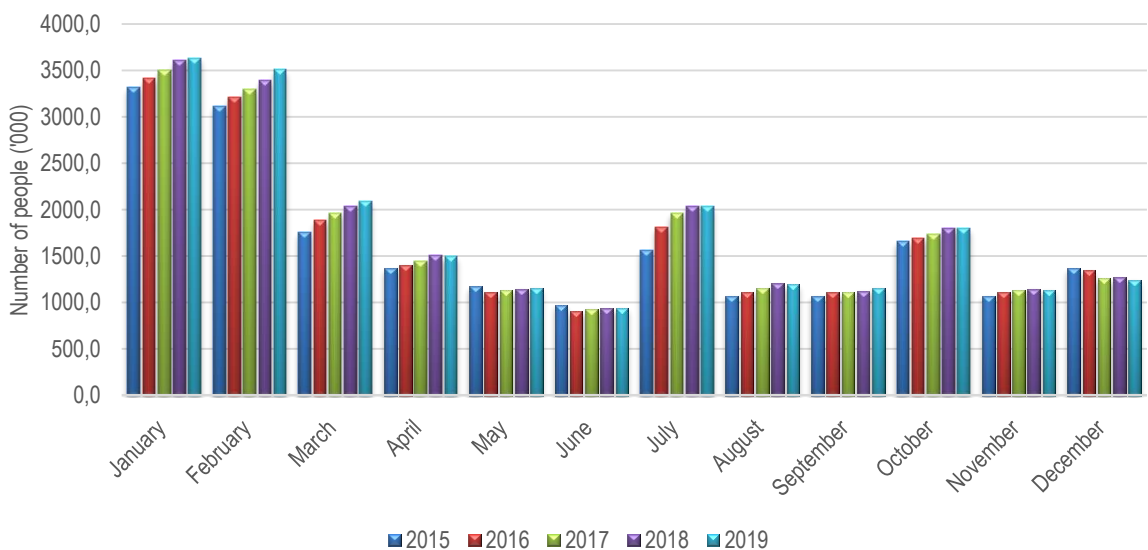
## 2. Overview of the Argentine Travel Market

### Argentina Travel Market

Capital City	Buenos Aires
Disposable income Per capita, US\$ 2019	6,431
Savings As % of disposable income	-0.2%
Median Age	31.3 years
Paid Holidays (2019)	14.0
Public Holidays (2019)	19.0
Annual Leave (2019)	33.0
Outbound Departures ('000 trips)	1. 2017: 15,414.9 2. 2018: 13,817.5 3. 2019: 11,447.2
Top 3 Outbound Destinations ('000 trips, 2019)	1. Brazil: 2,273.3 2. Uruguay: 1,774.7 3. Chile: 1,435.5
Type of Outbound Trips	Leisure: 82,8% Business: 17,2%

### Seasonality Patterns

NUMBER OF PEOPLE TRAVELLING BY MONTH, JAN - DEC 2015 - 2019

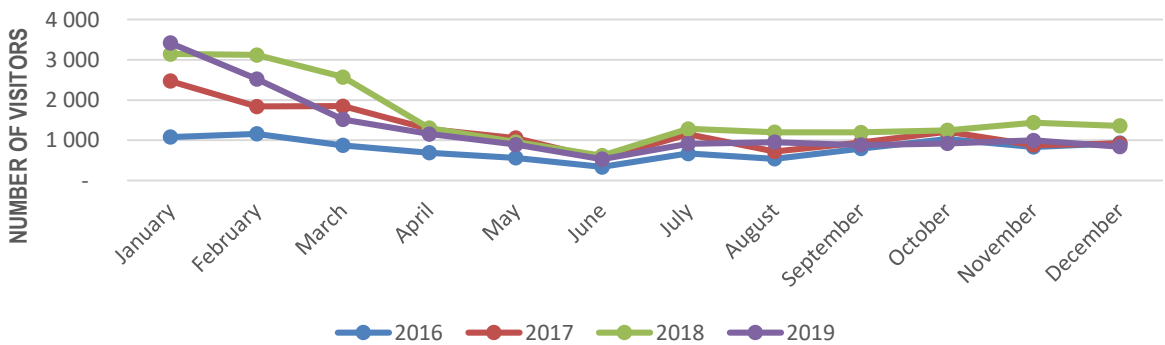


### 3. The Argentine Traveller to South Africa

#### Argentina Travel Market

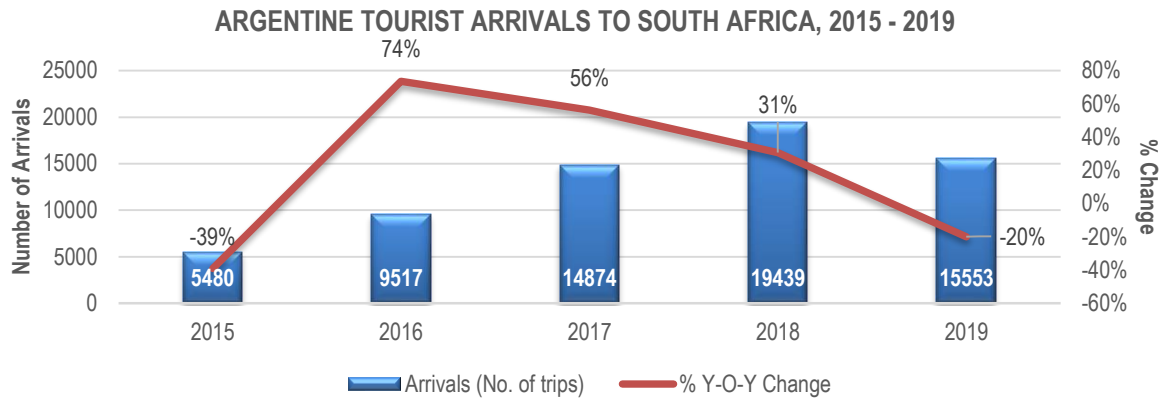
Number of Arrivals	2016: 9 517 2017: 14 874 2018: 19 439 2019: 15 553
Purpose of visit to South Africa (2019)	Holiday (75,4%) Business (9,4%)
Average length of stay in South Africa (Number of nights)	2017: 15,4 2018: 13,6 2019: 14,1
Age profile (2019)	18 – 24 yrs (15,1%) 25 – 34 yrs (52,6%) 35 – 44 yrs (22,8%)
Repeater Rate of Argentine Travellers (2019)	1. First Time: 83,7% 2. 2 -3 times: 14,2%
Accommodation Usage (2019)	1. Hotels (62 223) 2. Backpackers (30104) 3. Friends & Family (30 828)
Total Foreign Direct Spend in South Africa (R in millions)	2017: R 203 2018: R 260 2019: R 176
Average Spend in South Africa	2017: R 14 700 2018: R 14 200 2019: R 13 500
Most positive experiences for Argentine visitors in South Africa (2017)	1. Scenery 2. Wildlife 3. Hospitality

SEASONALITY PATTERNS: ARGENTINE TRAVELLERS TO SOUTH AFRICA BY MONTH, JAN - DEC 2016 - 2019



## 3. The Argentine Traveller to South Africa

### 3.1. Visitor Arrivals to South Africa



### 3.2. Purpose of visit to South Africa

Argentine visitors travelling to South Africa are predominantly visiting for the purpose of holiday, business and visiting friends and relatives. They are most impressed with South Africa's beautiful scenery, wildlife and the hospitality and friendliness of people. They typically visit the Western Cape, Gauteng, and Mpumalanga province and their length of stay in the country is on average 14,1 nights.

They are typically between the ages of 18 and 44 years, with 15,1% in the 18 – 24 years category, 52,6% in the 25 – 34 years category, 22,8% are in the 35 – 44 years category. In addition, 4,1% are in the 45 – 54 years category and 4,5% are in the 55 – 64 years category.

#### Top reasons for travel to SA

Holiday (75,4%)

Business (9,4%)

VFR (4,5%)

Average length of stay (2019)

14,1 nights

### 3.3. Activities in South Africa

#### Top activities undertaken

1. Shopping

2. Wildlife

3. Visiting natural attractions

4. Culture & heritage

5. Beach

Shopping, wildlife, visiting natural attractions, culture and heritage, and visiting the beach were amongst the top activities undertaken by Argentine tourists while in South Africa. In 2019 their average spend was R13 500 per tourist.

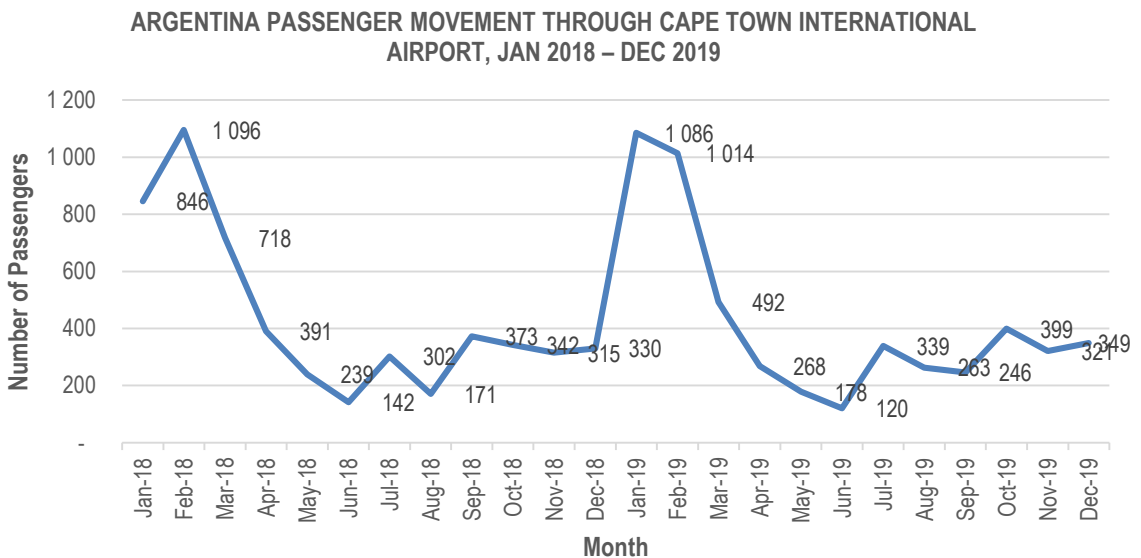
They are more likely to stay in hotels, backpackers or with family and friends. Many Argentine visitors also make use of Airbnb.

In 2019, 83,7% of Argentine travellers to South Africa were first time visitors to the country and 16,3% were repeat visitors.

## 4. The Argentine Traveller to the Western Cape

### Argentina Travel Market

Number of Arrivals	2016: 5 672 2017: 9 025 2018: 11 947 2019: 5 083
Total Foreign Direct Spend in the Western Cape (R in millions)	2015: 24 2016: 52 2017: 93
Average Spend in the Western Cape	2015: R 12 700 2016: R 9 900 2017: R 11 000
Average length of stay in the Western Cape (Number of nights)	2015: 8,0 2016: 8,8 2017: 12,2
Total bed nights spent in the Western Cape	2015: 15 000 2016: 46 000 2017: 106 000
Total number of *formal bed nights spent in the Western Cape	2015: 11 000 2016: 37 000 2017: 67 000



Sources: SA Tourism, OAG Traffic Analyser, 2020

\*Formal bed nights = Hotels, B&B's, Guesthouses, Self-catering units, Game Lodges and Backpackers

## 4. The Argentine Traveller to the Western Cape

### 4.1. Visitor Arrivals to the Western Cape

Argentine visitor arrivals to the Western Cape increased substantially over the last five years, growing by 60,7% from 2015 to 2019. Visitor numbers to the Western Cape declined by -57,5% in 2019. The sharp decline can be attributed to Argentina's monetary crisis which saw the country's currency plummet in the midst of elections for the Presidency in that year.

The majority of Argentine air travellers started their journey to Cape Town at Buenos Aires Ministro Pistarini, Buenos Aires Aeroparque J.N and Cordoba Airports.

Period	Tourist Arrivals	Y-O-Y % Change
2015	1 998	-
2016	5 672	183,9%
2017	9 025	59,1%
2018	11 947	32,4%
2019	5 083	-57,5%

### 4.2. Passenger Traffic through Cape Town International Airport

Inbound Passenger Performance: Argentina – Cape Town				
Country	Passengers 2019	% Change 2018-19	Passengers Jan – Feb 2020	% Change Jan – Feb 2019-20
Argentina	5 080	-4%	1 914	-9%

Top 5 Cities: Argentina – Cape Town					
Rank	Airport	Passengers 2019	% Change 2018-19	Passengers Jan – Feb 2020	% Change Jan – Feb 2019-20
1	Buenos Aires Ministro Pistarini	3 932	137%	1 909	61%
2	Buenos Aires Aeroparque J.N	863	-74%	-	-100%
3	Cordoba	134	-22%	-	-100%

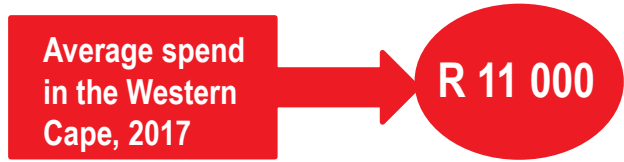
Sources: SA Tourism, OAG Traffic Analyser, 2020



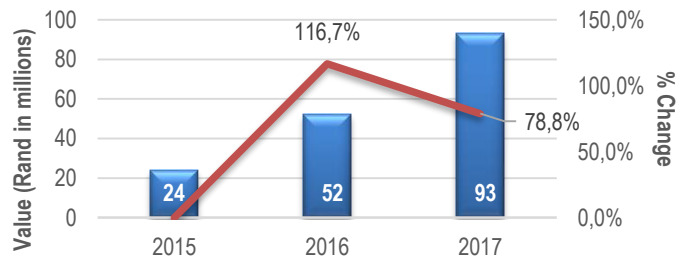
### 4.3. Spend Patterns

In 2017, the Argentine market contributed R93 million to the Western Cape's economy making it the 2<sup>nd</sup> most lucrative South American source market after Brazil.

On average, Argentine tourists spent R11 000 per trip in the Western Cape in 2017.



TOTAL FOREIGN DIRECT SPEND IN THE WESTERN CAPE, 2015 - 2017

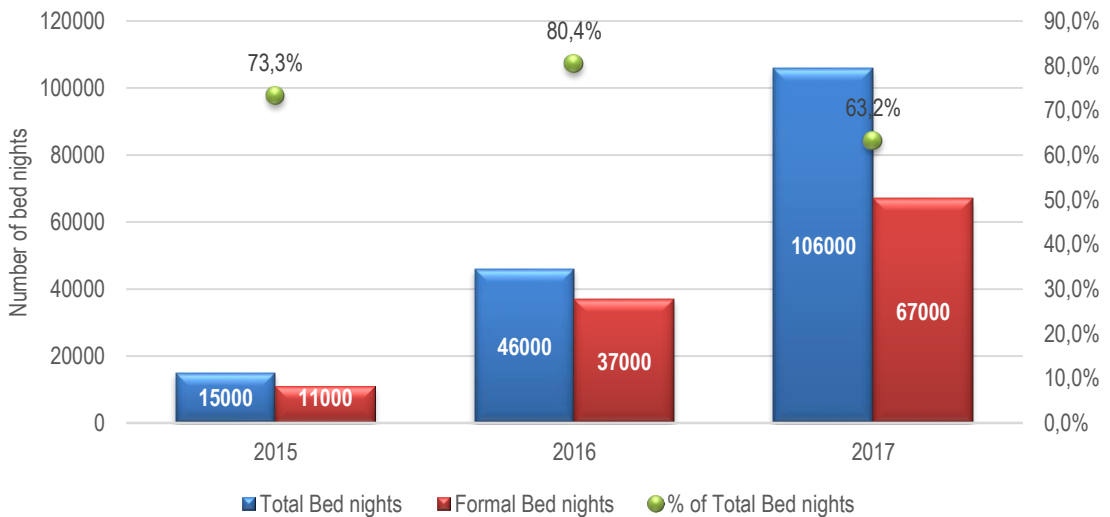


### 4.4. Bed nights and Average Length of Stay in the Western Cape

In 2017, Argentine travellers spent 106 000 bed nights in the Western Cape, of which 67 000 were spent in the \*formal accommodation sector. The number in formal bed nights represents just over to 60% of total bed nights.



NUMBER OF BED NIGHTS SPENT BY ARGENTINIAN TOURISTS IN THE WESTERN CAPE, 2015 - 2017



\*Formal Bednights refers to Hotels, B&Bs, Guesthouses, Self-catering units, Game Lodges and Backpackers.

## 5. Argentine Traveller Trends

### 5.1. Outbound travel trends

In 2019, a total of 11 447 200 Argentine international outbound trips were made with an expenditure value of ARS 628 billion, which is expected to increase to ARS 970 billion by 2024. Brazil, Uruguay, Chile, USA and Paraguay were the top five outbound destinations for Argentine travellers in 2019 which accounted for 62,3% of all outbound trips.

Argentine travellers have, on average, 33 days annual leave per year. Seasonality patterns indicate that they are most likely to travel during January and February. Leisure trips made up the majority of outbound trips in 2019, with 82,8% of trips taken for the purpose of leisure.

### 5.2. Needs of the Argentine traveller

Argentine travellers prefer to travel with families, however a significant number of leisure outbound trips were made by single travellers. A 2018 Latin America Travel Trends study by Expedia Media Solutions reveals that budget is a primary factor for Argentine travellers when researching or booking their trip.

Relaxation is the top consideration for taking a trip amongst Argentinians. The study further reveals that Argentine travellers are destination indecisive when first thinking about taking a trip and are open to destination inspiration. Activities, experiences and special offers are amongst the top travel considerations amongst Latin American travellers.

#### Top travel considerations

Relaxing

Sightseeing

Activities

Deals/special offers

Once in a lifetime experiences

### 5.3. Media Consumption Habits

#### Top Travel Resources for planning a trip

Online Travel Agencies

Airline/Hotel sites

Appealing deals/imagery

Informative content

Mobile Smartphones

Argentine travellers use mostly Online Travel Agencies and Airline Sites during the trip planning phase. According to the Latin America Travel Trends study, 88% of respondents indicated that they look for deals before making a decision, 82% said informative content from destinations can influence their decisions, and 71% said ads can be influential in their decision making process.

Mobile smartphone usage is most favoured during the trip or when looking for inspiration on where to travel. Argentine travellers are influenced by ads which feature appealing deals, imagery and informative content.

## 6. Key Findings

- Argentine visitors travelling to South Africa are predominantly visiting for the purpose of holiday, business and visiting friends and relatives. They are most impressed with South Africa's beautiful scenery, wildlife and the hospitality and friendliness of people.
- In 2019, a total of 11 447 200 Argentine international outbound trips were made with an expenditure value of ARS 628 billion, which is expected to increase to ARS 970 billion by 2024.
- Argentine travellers have, on average, 33 days annual leave per year. Seasonality patterns indicate that they are most likely to travel during January and February. Leisure trips made up the majority of outbound trips in 2019, with 82,8% of trips taken for the purpose of leisure.
- Three quarters of Argentine visitors to South Africa are leisure travellers, majority of them visiting for the first time which suggests that South Africa is a new and appealing destination to this market.
- Relaxation is the top consideration for taking a trip amongst Argentine travellers and they are destination indecisive and open to receiving help and inspiration.
- In 2017, the Argentine market contributed R93 million to the Western Cape's economy making it the 2<sup>nd</sup> most lucrative South American source market after Brazil.
- Despite a decline in Argentinian visitor arrivals to the Western Cape in 2019, visitor arrivals from the region has grown significantly from 1 998 arrivals in 2015 to 11 947 arrivals in 2018. The sharp decline in 2019 can be attributed to Argentina's monetary crisis which saw the country's currency plummet to record levels in the midst of elections for the Presidency in that year.
- Argentine travellers use mostly Online Travel Agencies and Airline Sites during the trip planning phase.
- Mobile smartphone usage is most favoured during the trip or when looking for inspiration on where to travel. Argentine travellers are influenced by ads which feature appealing deals, imagery and informative content.

## 7. List of sources

1. South African Tourism
2. Euromonitor International
3. OAG Airline Passenger Traffic Analyser
4. CIA Factbook
5. Expedia Media Solutions

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