

Western Cape Tourism Performance & Recovery: Q1 2022

EXECUTIVE SUMMARY

This report highlights key performance indicators for the Western Cape's tourism industry from January to March 2022 and aims to measure tourism recovery, by comparing it to tourism figures over the same period in 2019. The information provides insight into the number of international and domestic tourist arrivals, hotel occupancy, and visitors to attractions in the Western Cape.

This year started off on a strong note for tourism globally as international tourist arrivals grew by 182% in Q1 2022 as compared to the same period in 2021, although still at -61% when compared to 2019. Nationally, foreign tourist arrivals to South Africa passed the one million mark in Q1 of 2022, up from 386 937 over the same period in 2021 and 39% of what it was pre-pandemic (2.7 million). All regions recorded robust growth when compared to 2021 but remained at less than half of pre-pandemic levels.

Tourist arrivals to Cape Town via Air indicates strong recovery particularly from European markets as the UK regained its position as the top international source market. Tourist arrivals from the UK grew from just over 1000 in Q1 last year to more than 30 000 in Q1 2022 and recovered to just over half of what it was over the same period in 2019. Traditional source markets like Germany, USA, Netherlands, and France followed as the other top five source markets. Germany (28 414 tourist arrivals) and USA (12 173 tourist arrivals) have both also recovered to more than half of its Q1 2019 figures. The Netherlands with 10 998 tourist arrivals, recovered to two thirds and France (4 620 tourist arrivals) had a recovery rate of 29% on Q1 2019. From the African continent, Zimbabwe (4 443 tourist arrivals) led as the top market and it was also the only country that has recovered to pre-pandemic levels (161% recovery rate).

Domestic terminal passenger arrivals through Cape Town International Airport grew by 72% year-on-year and recovered to the same percentage over Q1 2019. International + Regional terminal passenger arrivals grew by 474% in the first quarter of 2022 and recovered to just under half of pre-pandemic levels. Hotel Occupancy in the Western Cape has rebounded well reaching 78% of its 2019 figure and visits to participating attractions recorded a recovery rate of 50%.

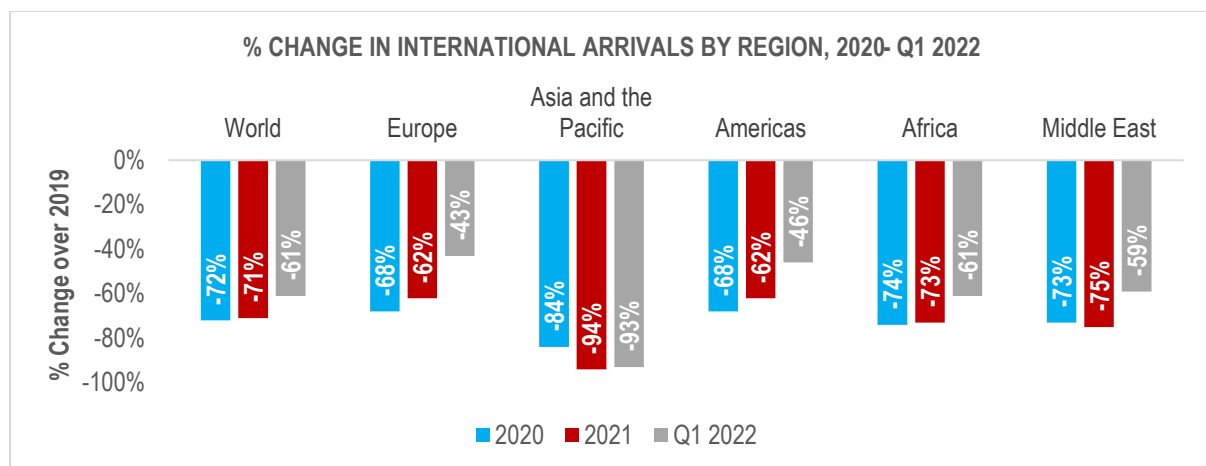
With phenomenal growth in tourism during the first quarter of this year, recovery can be expected to continue throughout the rest of the year. However, uncertainty around the Russia-Ukraine conflict, tough economic conditions and lingering travel restrictions remain a concern.

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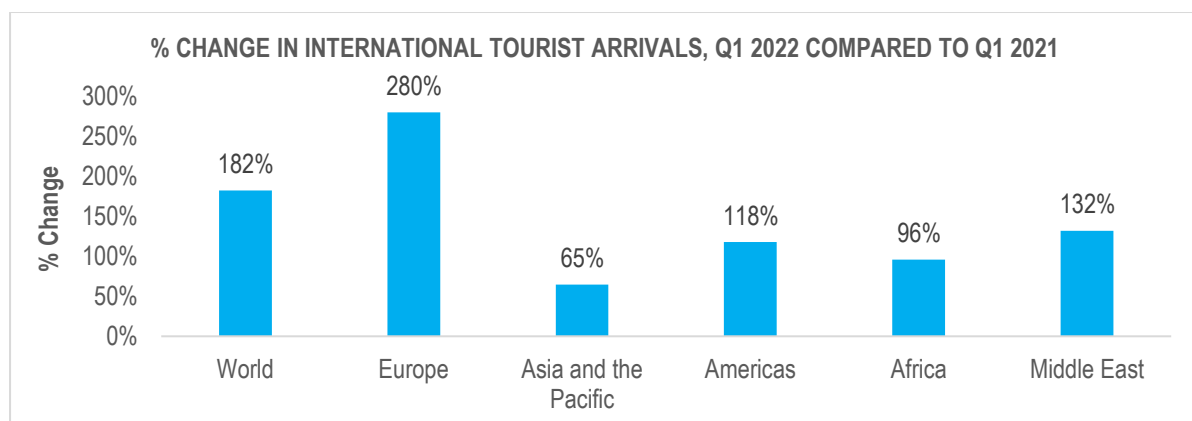
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1. Global Tourism Performance

- According to the United Nations World Tourism Barometer, international tourist arrivals (overnight visitors) grew by 182% year-on-year in Q1 2022 but still remained below pre-pandemic levels with a decline of -61% when compared to Q1 2019.
- Europe (+280%) and the Americas (+117%) recorded the strongest year-on-year growth but arrivals were still around half of what it was pre-pandemic (-43% and -46% respectively).
- The Middle East (+132%) and Africa (+96%) also experienced year-on-year growth but declined by -59% and -61% respectively, when compared to Q1 2019 levels.
- Asia and the Pacific recorded growth of +64% on its Q1 2021 figure but remained at -93% when compared to the same period in 2019.
- Based on robust growth at the start of 2022 and in 2021, international tourism is expected to continue its gradual recovery but high uncertainty from the Russia-Ukraine conflict, along with economic challenges and lingering travel restrictions, could disrupt this upward trend. (UNWTO)



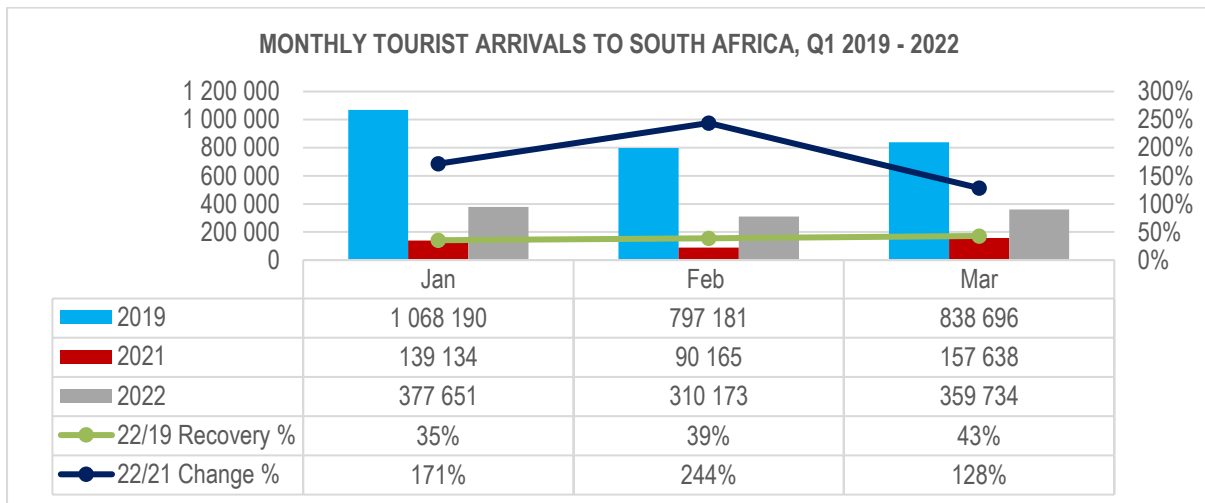
Source: United Nations World Tourism Organisation, 2022



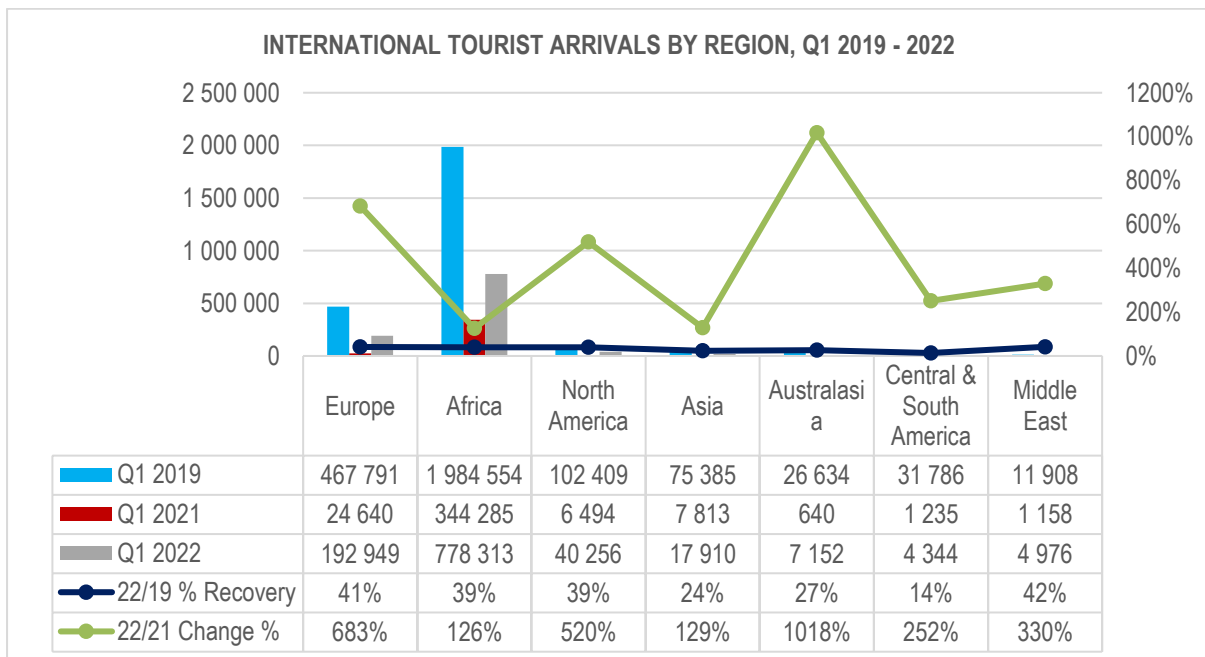
Source: United Nations World Tourism Organisation, 2022

2. South Africa: National Tourism Performance

- Foreign tourist arrivals reached 1 047 558 in the first quarter of 2022, an increase of 170.7% when compared to the same period in 2021 and 39% of what it was in 2019. Tourist arrivals from overseas markets have increased steadily since the latter part of 2021 and January was the best performing month for the year thus far.
- The biggest year-on-year growth in international arrivals to South Africa came from the Australasian market (+1018%), followed by Europe (+683%) and North America (520%).
- Travel from African markets (778 313) was the biggest source of tourist arrivals to South Africa in Q1 of 2022, representing a 74% share of total foreign arrivals to the country.



Source: Stats SA, 2022

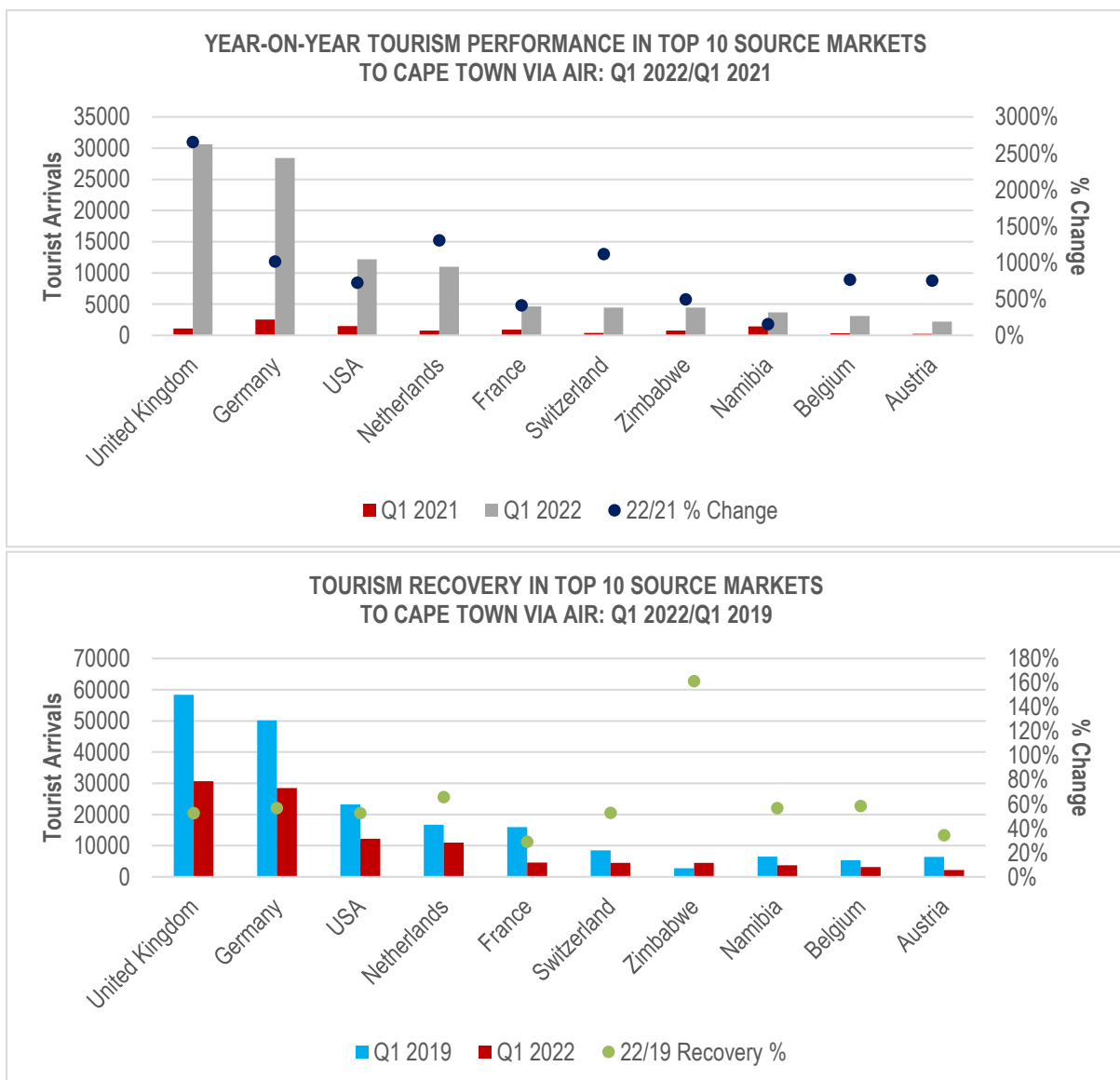


Source: Stats SA, 2022

3. Western Cape Tourism Performance

3.1 Tourist Arrivals by Top Source Market

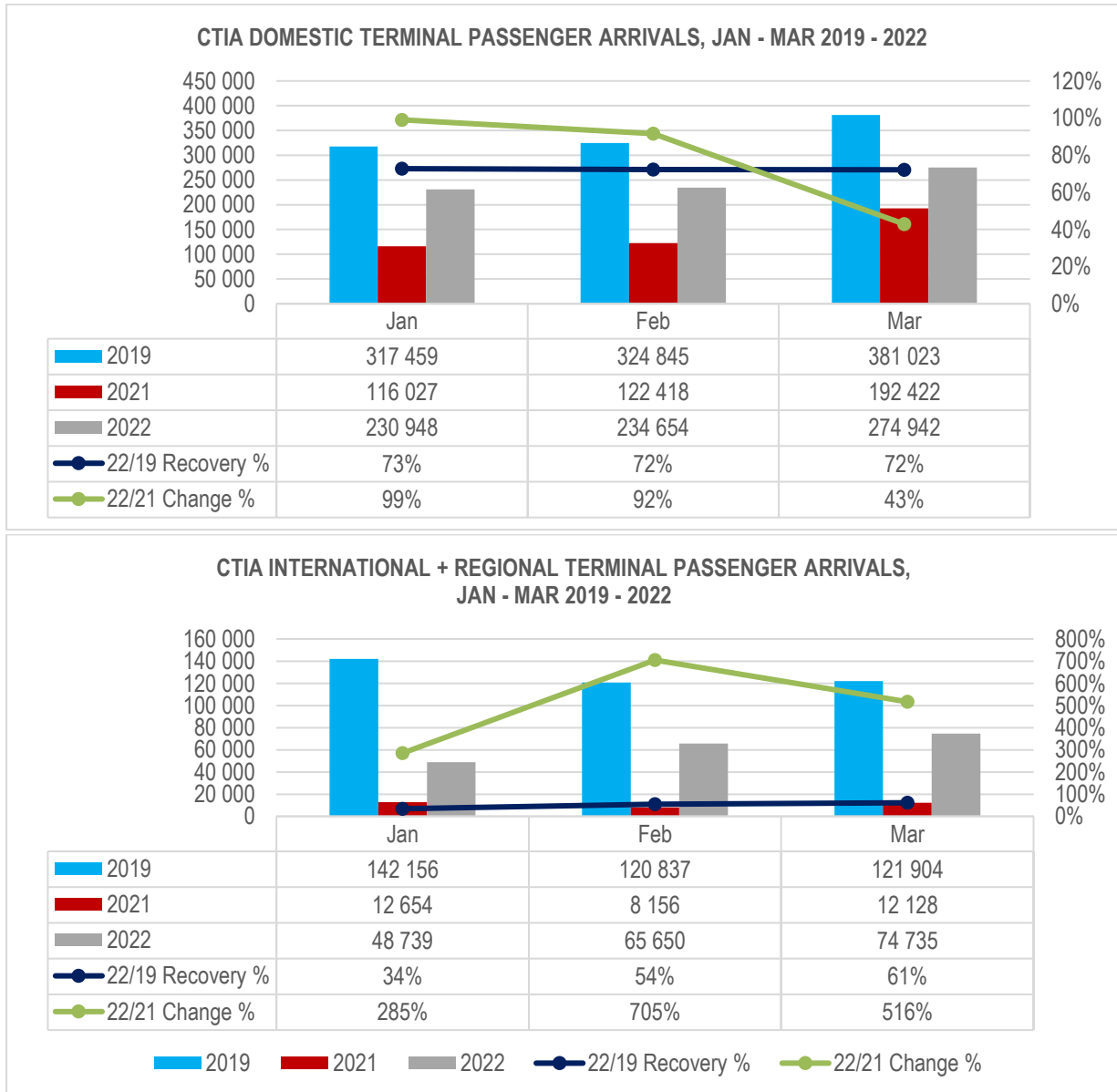
- According to the latest data from StatsSA, the top source market to Cape Town via Air was the UK, followed by Germany, USA, Netherlands, and France.
- Tourist arrivals from the UK grew from 1 111 in Q1 last year to 30 622 in Q1 2022 and recovered to just over half of what it was over the same period in 2019.
- Germany (28 414 tourist arrivals) and USA (12 173 tourist arrivals) have both also recovered to more than half of its Q1 2019 figures. The Netherlands with 10 998 tourist arrivals, recovered to two thirds and France (4 620 tourist arrivals) had a recovery rate of 29% on Q1 2019.
- Zimbabwe (4 443 tourist arrivals) led as the top source market from the African continent, followed by Namibia with 3 689 tourist arrivals. Among the top ten list, Zimbabwe was the only country that reached and exceeded pre-pandemic levels (161% recovery rate).



Source: StatsSA, 2022

3.2 Airport Arrivals

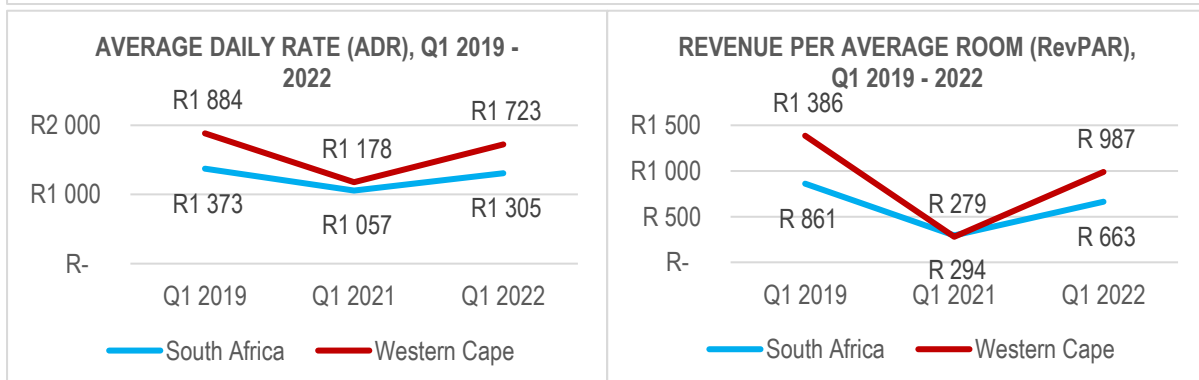
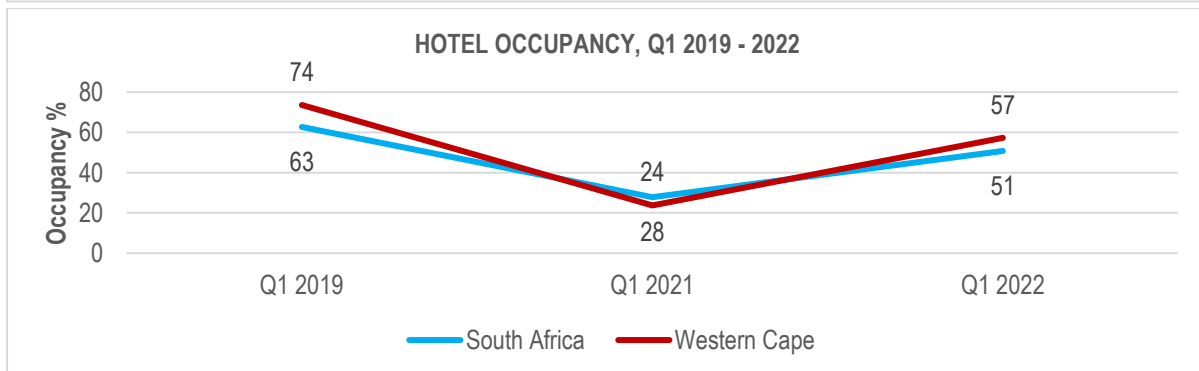
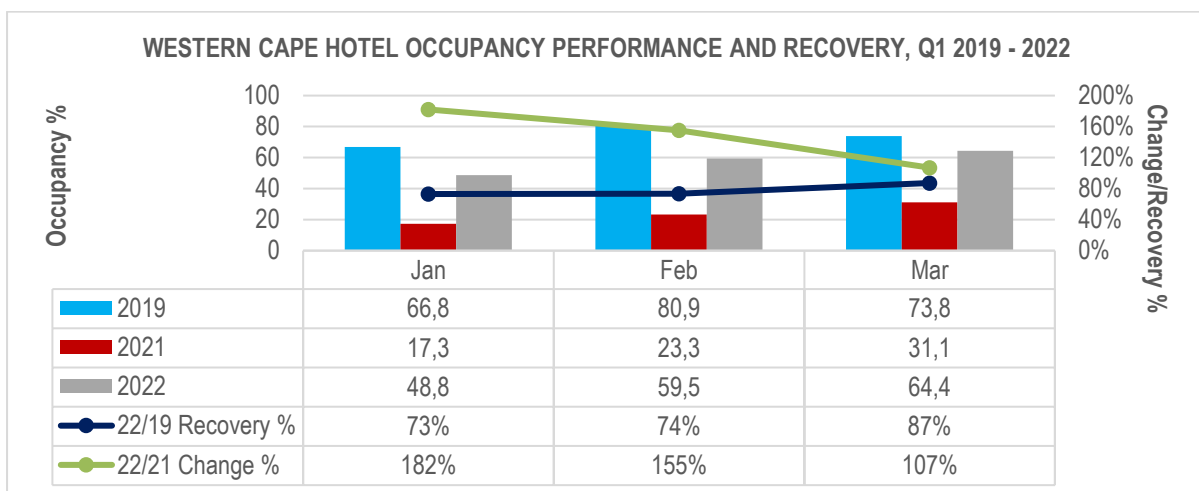
- Domestic terminal passenger arrivals through Cape Town International Airport grew by 72% in the first quarter of 2022 compared to the same period in 2021. Passenger arrivals in January 2022 nearly doubled from last year and showed the strongest recovery at 73% on its 2019 figure.
- International and Regional terminal passenger arrivals grew by 474% in the first quarter of 2022, reaching a total of 189 124 passengers compared to 32 938 over the same period in 2021. This massive increase can be attributed to the easing of COVID related travel restrictions globally.



Source: Airports Company South Africa, 2022

3.3 Hotel Occupancy

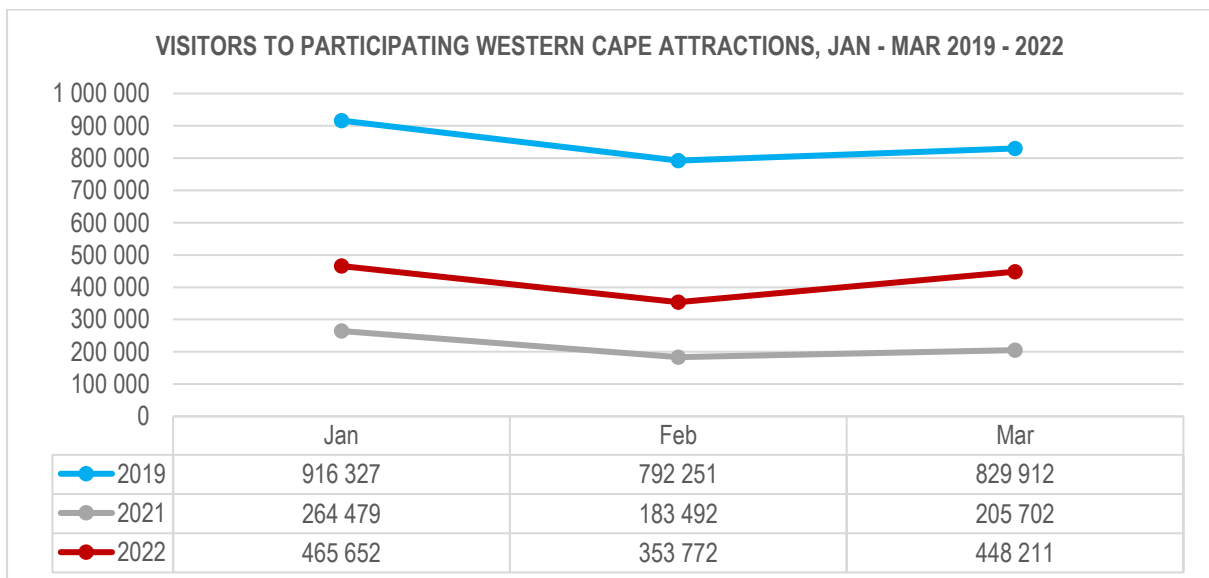
- As at March 2022, the year to date occupancy percentage in the Western Cape reached 57%, which is more than double its figure over the same period last year (24%) and represents a 79% recovery rate compared to 2019.
- Revenue per average room (RevPAR) also doubled year on year, going from R279 in 2021 to R987 this year, and a recovery of 73% on Q1 2019.
- The Average Daily Rate (ADR) for the province, at R1 723 was slightly higher than the national average (R1 305) and recovered to 92% of what it was in 2019 (R1 878).
- Overall, occupancy has rebounded well after a dismal performance in 2021 and shows strong recovery when compared to 2019.



Source: STR Global, 2022

3.4 Western Cape Attractions

- The participating Western Cape attractions received 1 267 635 visitors over the period January to March 2022, nearly double compared to the same period last year and half of what it was in Q1 2019.
- March saw the highest recorded number of visitors (443 201 visitors) to the province, doubling from 204 490 visitors in the same month last year and recovering to 54% of its figure (824 742 visitors) in March 2019.
- Participating attractions include the following: Kirstenbosch Botanical Gardens; Robben Island; Table Mountain National Park; Boulders; Cape of Good Hope; Table Mountain Aerial Cableway; Cape Agulhas Lighthouse; Agulhas National Park; Bontebok National Park; De Hoop Nature Reserve; De Mond Nature Reserve; Harold Porter National Botanical Gardens; Kogelberg Nature Reserve; Stony Point; Shipwreck Museum; Cango Caves; Wilderness National Park; Tsitsikamma National Park; Knysna National Park; West Coast National Park; !Khwattu; Old Jail; Karoo National Park; Avalon Springs (Day Visitors); Protea Tractor Trip; Birds Paradise; and Viljoensdrift River Cruise.



Source: SANParks, LTO's, and Attractions, 2022

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