

2013

*Nketoana Local Municipality*  
**Responsible Tourism**  
**Sector Plan**  
*Final Report*



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## 1. INTRODUCTION

### 1.1. BACKGROUND AND PURPOSE

The tourism industry, widely recognised for its potential to address the socio-economic challenges present throughout South Africa, has been identified as one of the key focus areas for development and one of the future main drivers of the country's economy according to the New Growth Path of 2010. The Free State Province, inclusive of the Nketoana Local Municipality (LM), had the highest growth of 16.1% in international tourist visits and ranked eighth in terms of destination of domestic tourists' trips in 2010. The tourism industry in the Free State is not equally developed throughout its five district municipalities, although there remains significant potential for the development of the less-developed tourism destinations.

Based on this, the Nketoana LM needs to position itself as a preferred destination for both international and domestic tourists by means of tourism development and promotion. In addition, the Nketoana LM also seeks to stimulate the local tourism industry so as to generate employment and accelerate local economic development. The formulation of a Responsible Tourism Sector Plan for the municipality will serve as the guiding document for this tourism development process.

Responsible tourism is a type of tourism which is strongly advocated by government and tourism planners. Responsible tourism is about creating better places for people to live in, and better places to visit. South Africa's natural environment is one of its greatest tourism resources, and therefore the tourism industry needs to be actively involved in conserving and protecting it. This standard serves to:

- Establish a common understanding of the minimum criteria for responsible tourism (that will be applied in this project).
- Promote responsible tourism in the tourism sector, including accommodation, hospitality, travel distribution system, as well as all organs of state and entities, organised labour and communities involved or interested in the tourism sector in South Africa.
- Establish the minimum criteria for certification of the sustainability of organisations in the tourism sector.

In order to build on this standard, the purpose of this study can be described as follows:

**"To develop a Responsible Tourism Sector Plan for the Nketoana Local Municipality to spread economic benefits widely, increase tourism spend, promote local businesses & tourism facilities, and to improve the profile of Nketoana as a preferred tourist destination."**

The following study objectives have been identified to guide the development of this document:

- To develop a Tourism Plan based on market demand to ensure long-term sustainability according to all the major facets of tourism development.
- To conduct the tourism development potential analysis within a framework of economic and market principals.
- To identify viable development opportunities for tourism based on an understanding of tourism demand and economic market forces.

- To address the challenge to balance the “triple bottom line” imperatives of economic efficiency, human well-being and environmental integrity.
- To identify the Unique Selling Points of Nketoana that will contribute to the development of attractions.
- To identify and incorporate all necessary support products and services necessary in the development of integrated and sustainable tourism systems.
- To develop tourism development concepts and to identify development opportunities that are feasible in a sub-regional context but also functional as part of the larger regional economic and tourism ecosystems.
- To package the Nketoana Tourism Sector Plan as a framework that will facilitate investment and provide for focussed interventions.
- To ensure that the Tourism Sector Plan improve the number of visitors to Nketoana, increase the length of stay and spend, and promote the area as a favourable investment destination.
- To develop a unique tourism brand and Marketing Plan to promote the area to potential domestic and foreign visitors.
- To ensure that tourism development is integrated with the regional economic value-chain and aligns with the outcomes and objectives of the Nketoana IDP as well as the National and Free State Policy Frameworks.

## 1.2. STUDY AREA

The Nketoana Local Municipality is located in the Thabo Mofutsanyane District of the Free State. The Municipality comprise the towns of Reitz, Petrus Steyn and Lindley. Reitz is an agricultural town situated on the R26 between Bethlehem and Frankfort (an important spine linking the eastern Free State with Gauteng). The area’s economy depends mainly on agriculture related to the production of grain, cattle and maize.

The Nketoana Responsible Tourism Sector Plan will be developed in accordance with the Free State Tourism framework. The Plan will be aimed at alleviating poverty, attracting investment, creating new jobs, taking advantage of local tourism opportunities and providing a platform for investment in Nketoana.



The Plan will ensure that tourist activities in Nketoana are responsible in nature. The three pillars to Responsible Tourism are:

- Economic Responsibility
- Social Responsibility
- Environmental Responsibility

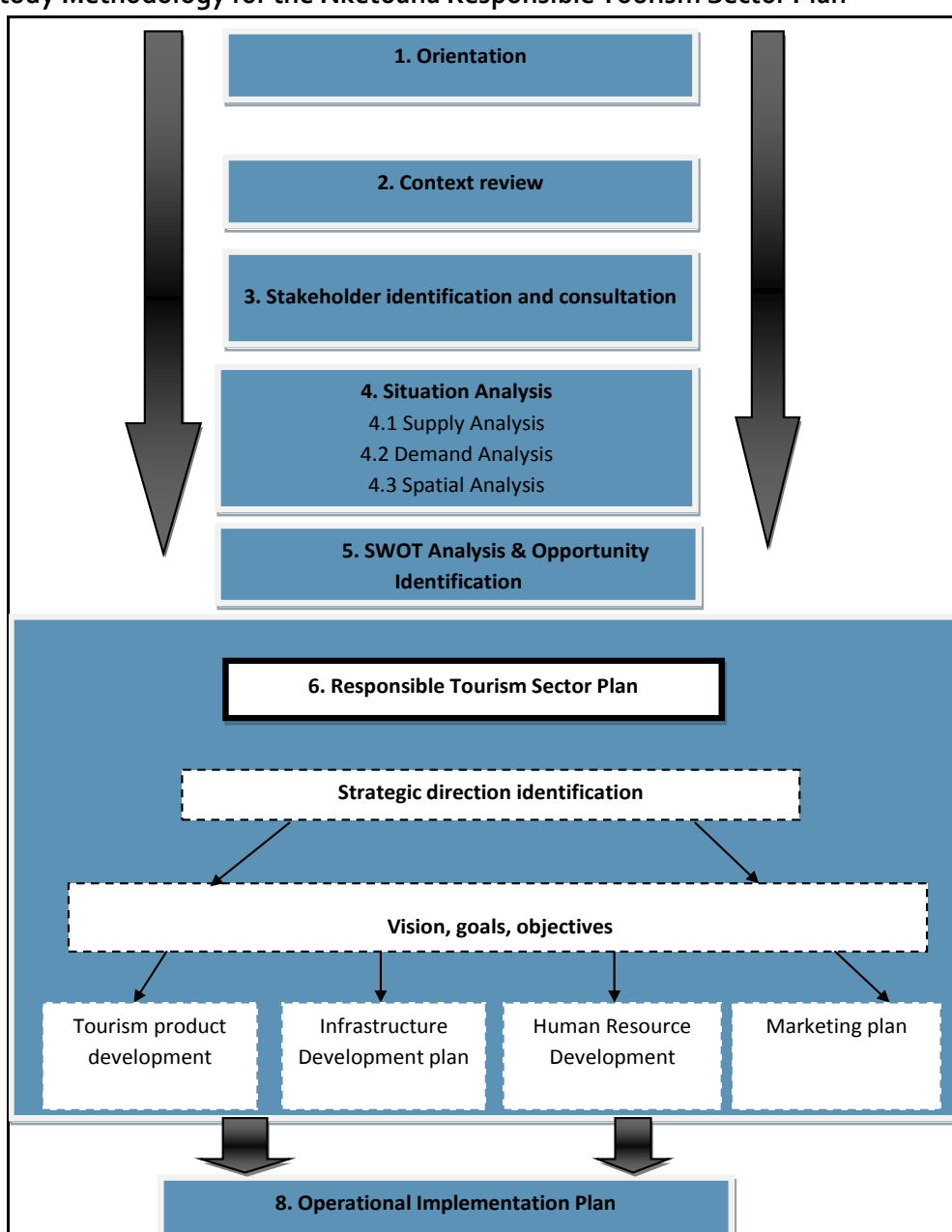
The development of a Responsible Tourism Sector Plan in Nketoana calls for a holistic and multi-dimensional approach and an understanding of important principles underlying tourism development.

From an institutional perspective, tourism development within the Nketoana LM and the Thabo Mofutsanyana DM is mainly the responsibility of the Departments of Local Economic Development and Tourism within these municipalities. In addition, tourism development for the Province is encompassed in the mandate of the Free State Free State Department of Economic Development, Environmental Affairs and Tourism (FSDEDEAT), which also provides the direction for tourism development of the district and local municipal levels. The institutional framework is analysed in further detail in Section 5.5.

### 1.3. METHODOLOGY AND APPROACH

This section of the report presents a graphical illustration of the methodology followed, in line with the Nketoana Responsible Tourism Sector Plan. This section also provides a short description of each of the steps in the methodology.

**Figure 1-1: Study Methodology for the Nketoana Responsible Tourism Sector Plan**



### ***Step 1: Study Orientation***

The purpose of this step is to finalise the brief in terms of the goals and objectives to be achieved with the study and to clarify with the client any issues regarding the project. Some issues discussed during the inception meeting entailed clarification of the client's expectations from the study; interim and final deliverables; existing information base and collection thereof; and detailed Work Plan with milestones, invoice schedule and deliverable timeframes.

### ***Step 2: Context Analysis***

Any economic development within any geographic area in South Africa needs to take due consideration of the context in which that development takes place. The purpose of this step is therefore to set out the broad context in which the Tourism Sector Plan will be developed and implemented in Nketoana. It includes the following:

- **Socio-Economic analysis** that focuses on issues such as employment, household income, educational levels, demographical analysis of the area, also the current HIV/AIDS prevalence rate.
- **Policy and programme review** that examines national, provincial, and local policies and programmes which have a current or potential impact on tourism development in Nketoana.
- **Current tourist profiles** and historic trends assessment.
- **Local planning and institutional assessment** where the local planning and institutional environment are assessed, including local and district tourism plans, LED Strategies, IDPs and SDFs.

### ***Step 3: Stakeholder Identification and Consultation***

Key tourism stakeholders and relevant partners (officials, councillors, businesses and service providers) will be identified within Nketoana and the larger region. These will be identified on the basis of the input that they can have to the Tourism Sector Plan to be developed in this project and through consultation with the Project Steering Committee for this project. These identified stakeholders will be invited to a workshop to gain consultative input on analysing the current tourism situation and its enabling environment, as well as how they want to see tourism developing in the area and thereby determining the desirable strategy and business and implementation plan. This shall also be a platform to further align programmes and policies across the various spheres of government and the private sector.

### ***Step 4: Situation Analysis***

This step looks at the current status of tourism in Nketoana. A situational analysis is a process in which information is acquired through research and other ways of data collection to help understand the current status of a sector within a given area, in this case, the tourism sector in Nketoana. The following elements are analysed to better understand the current situation of tourism in the area:

#### ***4.1 Supply analysis***

A key action in the development of a situational analysis is looking at the current supply of tourism products in Nketoana and during this step a product appraisal will be done on all products within the area. Marketable and unique tourism products and assets may include, among others, arts and crafts; historical and heritage

attractions; traditional artefacts; accommodation establishments; etc. Tourism products will be captured with a description, closest suburb, contact details and other relevant information. Linkages with particular tourism market trends and preferences will be identified to enable the prioritisation of competitive tourism products in Nketoana. The information garnered in this step will be used to inform the SWOT analysis and can potentially be used later as part of the marketing and branding strategy.

Other key sub-groups of tourism supply that will be analysed and discussed are the following:

- Current institutional arrangements for tourism
- Skills and capacity to grow the tourism sector
- The status of tourism relevant infrastructure
- The enabling environment for tourism growth
- Marketing and branding of the tourism products within Nketoana as a destination in itself

The supply analysis will be conducted through primary and secondary research. Tourism Products will be spatially captured with GPS and mapped by Urban-Econ's GIS Unit. This will result in both a database and a series of GIS maps which will be made available to the client.

#### **4.2 Demand analysis**

Demand will be analysed by updating existing tourism profiles through detailed visitors' survey of present and future markets. The examination of the tourism market currently using tourism products within Nketoana will include an examination of the following:

- International tourism market trends
- Domestic Tourism market trends
- Local demand
- Type of visitors (market segmentation)
- Main reasons that tourist travel to Nketoana
- Key factors which influence tourism demand

The surveys will be undertaken through the completion of questionnaires among visitors to Nketoana at main tourism destinations. Tourism destinations will be selected in conjunction with the client and questionnaires completed with the tourists visiting the area. The questionnaire design will address the profile and characteristics of the tourists; the preferences and choices exerted by the tourists and the current and future comparative market profiles of the tourists. Surveys will also be conducted with tourism product owners to determine the current tourist visiting the tourism products, occupancy rates, and customer profiles. The design of the questionnaire and the sample size and composition will be approved by the client before undertaking the actual surveys. Quantitative and qualitative demand information will result.

#### **4.3 Spatial analysis**

A spatial analysis will be conducted on the demand and supply of tourism products within Nketoana to determine the geographic spread of tourism within the area, key tourism concentrations and routes and entry points into the area. This spatial analysis will assist with highlighting potential interventions to geographically spread tourism within the area, and to assess the following key points;

- Location of Nketoana in relation to other municipalities and large destination nodes

- Location of sub-regions within the area
- Key tourism clusters and their location

Careful attention will be paid to matching the spatial analysis with provisions in the current SDF. Where gaps exist, these will be highlighted to ensure integrated spatial and infrastructural planning that supports the socio-economic and tourism vision of Nketoana.

#### ***Step 5: SWOT Analysis and Opportunity Identification***

An in depth analysis will be conducted on the current situation of tourism within Nketoana identified through the previous steps. This analysis will take the form of a SWOT analysis (strengths, weaknesses, opportunities and threats). This step of the project will examine the comparative and competitive advantages of tourism in the area to gain an understanding of what strengths and opportunities there are in Nketoana which can be built upon through the tourism development framework. Furthermore, this process will highlight the threats and weaknesses inherent in the sector in the area, so that the Sector Plan can be inclusive of approaches to counteract these threats and weaknesses to grow tourism. Information from previous steps on current demand and current supply will be evaluated against the SWOT analysis to highlight potential investment opportunities and/or interventions that should make up the Sector Plan to grow tourism in the area.

#### ***Step 6: Responsible Tourism Sector Plan***

During this step of the project, the Responsible Tourism Sector Plan will be developed for the Nketoana Local Municipality. The framework will begin through an identification of the strategic direction for the area's tourism sector, based on the unique selling points that Nketoana has, its competitive advantages, and the target markets that can be attracted through development of these advantages. The plan will be based on an agreed tourism vision and mission and will be divided into the five key categories. The consultants will use the reports from the previous phases to develop the Plan. Some of the evident thrusts of the Plan shall include but not be limited to:

- Diversifying tourism products
- Sustainable tourism development
- Institutional development
- Training, skills development and capacity building
- SMME / BEE development
- Industry Transformation
- Establishing the prescribed standards for tourism facilities
- Informing and awareness of the impact of tourism for local communities
- Long term conservation of tourism assets

A marketing plan will be developed that will assist the municipality to attract the target markets identified previously in the project. This Plan shall aim to promote tourism in Nketoana in order to increase tourism numbers and thereby supporting the aim to be the leading responsible and sustainable tourism development municipality in the Free State Province.

### **Step 7: Operational Implementation Plan**

The final step of the methodology will be the development of a business plan to enable stakeholders to implement the recommendations of the Tourism Sector Plan. Actions of the Plan will be unpacked to include the following aspects:

- Goals – what needs to be achieved (linked to the various thrusts of the Tourism Sector Plan)
- Specific tasks - what will be done and by whom
- Time horizon – when will it be done
- Resource allocation – what specific funds and human capacity are available for specific activities

The operational plan will direct implementation, addressing:

- **Fast track actions:** immediate actions to be taken for effective initiation of the anchor project.
- **Short term actions:** to facilitate the implementation of high priority and strategic support projects for immediate impact on the economy.
- **Medium term actions:** to facilitate the implementation of the second and third round of projects.
- **Long term actions:** actions that need to be taken for the on-going facilitation of economic opportunities as well as the institution of a monitoring and evaluation system to identify and red flag any problems and issues.

This will direct the implementation of guidelines, concepts and priority projects of the Tourism Sector Plan.

## **1.4. REPORT OUTLINE**

The remaining sections of the report are outlined and discussed as follows:

**Section 2: Policy Review:** this section provides an overview and description of the national, provincial, district and local policies and legislation that provide the framework and direction within which the Nketoana Responsible Tourism Sector Plan will be developed.

**Section 3: Socio-Economic Profile:** the situation analysis provides an overview of the Nketoana LM and assesses indicators such as population growth, education, income, and household statistics. In addition, the economic analysis also assesses indicators such as GDP-R, economic growth and performance, the structure of the economy, and employment in the area. The implications and meaning of each indicator is also discussed.

**Section 4: Tourism Market Overview:** this section describes the current situation in the national and provincial tourism markets in terms of the foreign and domestic tourists. Aspects such as the number of tourist arrivals, their destination provinces and their domestic spending are analysed.

**Section 5: Tourism Situation Analysis:** this section provides an analysis of the current situation with respect to tourism in the Nketoana LM. Various factors, such as the supply of and demand for tourism, the spatial analysis of the area, the institutional framework of tourism and marketing of tourism are analysed.

**Section 6: SWOT Analysis:** in this section, the findings of the previous sections are concluded in a SWOT analysis, specifically describing the strengths, weaknesses, opportunities and threats with respect to tourism

in the region. In addition, an opportunity analysis is also provided, highlighting the pipeline projects of the Nketoana LM and tourism stakeholders, as well as proposed new projects to be implemented.

**Section 7: Tourism Vision and Objectives:** this section highlights the key issues relating to challenges in the tourism sector of the Nketoana LM. The tourism vision, goals and objectives are described, forming the basis for tourism development in the area.

**Section 8: Tourism Sector Plan:** the tourism sector plan is discussed in detail in this section, focusing on the five areas of the systems approach, namely: Tourism Product Development, Tourism Support Infrastructure, Institutional Co-Operation, Awareness Creation and Capacity Development, and Marketing and Information Dissemination.

**Section 9: Operational Implementation Plan:** this section provides a detailed implementation plan for the successful and effective implementation of the recommendations, interventions and projects provided.



## 2. POLICY REVIEW

This Section has a dual purpose: firstly to provide an overview of relevant policies and strategies and their views on tourism development; and secondly to provide a strategic framework within which the tourism industry functions. It is, therefore, essential that the Responsible Tourism Sector Plan for the Nketoana LM is developed and to take cognisance of the policies and strategies analysed in this section. The potential impact of these policies and legislation on the development of the Nketoana Responsible Tourism Sector Plan are also provided.

The policy review consists of the policy analysis, which was undertaken on national, provincial, regional and local level. The policies and legislation reviewed are presented in Figure 2-1 below:

**Figure 2-1: Structure of policy analysis**



The policies listed above are discussed in more detail in the following sub-sections, starting with the national policies.

### 2.1. NATIONAL POLICIES

The policy analysis will firstly focus on national policies that will influence the direction and development of the Responsible Tourism Sector Plan. The national policies reviewed provide strategic guidelines and a framework for tourism promotion and development in South Africa. It is imperative to align the Nketoana

Responsible Tourism Plan with the national policies in order to ensure vertical alignment and shared attainment of objectives.

The following policies and strategies, developed by various national government departments, are analysed to determine the way forward in maximising tourism development and promotion that will meet the national objectives of nation building, sustainable economic growth and social equity:

- The New Growth Path (2010)
- The National Development Plan (2011)
- The Tourism White Paper (1996)
- The National Tourism Sector Strategy (2011)
- The Rural Tourism Strategy (2012)
- Marketing Tourism Growth Strategy for South Africa (2010)
- National Responsible Tourism Guidelines for South Africa (2002)

### 2.1.1. The New Growth Path, 2010

The New Growth Path (NGP), developed in 2010, recognises economic growth and employment creation as its main focus areas and advocates bold, imaginative and effective strategies to achieve this goal. Furthermore, emphasis is placed on sustainable growth and a more balanced, developed economy and society over the medium-term, while at the same time supporting sustainable long-term growth. Through the NGP and the other national fundamental policies and strategies, the government aims to create five million new jobs by 2020.

The NGP's approach is to identify areas in which employment creation is feasible on a large scale, and then to revisit policies that promote or constrain specific industries. The following sectors have been prioritised, given their ability to generate employment opportunities whilst encouraging economic growth:

- Infrastructure
- Agricultural value chain
- Mining value chain
- Green economy
- Manufacturing sectors
- Tourism and high-level services

Tourism and high-level services have been targeted to contribute to the creation of 225,000 new tourism employment opportunities by 2015, through the following strategies:

- Strengthening measures to expand tourism infrastructure and services
- Promoting targeted marketing campaigns, manage costs, quality assurance and logistics
- Improving training
- Creating employment and entrepreneurial opportunities for the youth
- Supporting cultural industries and promote rural development

The Nketoana LM should seek to increase the promotion and development of tourism in the area through the strategies listed above, in order to contribute to job creation. Tourism development opportunities in the film, music and cultural industry, as identified by the NGP, could be investigated as possible tourism projects for the municipality.

### 2.1.2. The National Development Plan, 2011

The National Development Plan (NDP) seeks to eliminate poverty and to sharply reduce inequality by 2030. In addition, creating 11 million new jobs by providing a supporting environment for growth and development and while promoting a more labour-absorptive economy, are also prioritised. The Plan also sets out a number of other strategic objectives, namely, the elimination of poverty; the encouragement of economic growth and opportunities; as well as an increase in the living standards of South Africans. Apart from this, a strong focus is placed on a more inclusive, dynamic economy; skills development; increased investment; and an acceleration of the growth of the economy.

Given the strong employment creation focus of the NDP, it is proposed that jobs be created by:

- Realising an environment for sustainable employment and inclusive economic growth
- Promoting employment in labour-absorbing industries
- Raising exports and competitiveness
- Strengthening government's capacity to give leadership to economic development and
- Mobilising all sectors of society around a national vision

With regard to tourism, the NDP recommends that the country should increase value for money for tourists by selling regional packages that meet all pocket sizes. As indicated in the NDP, the following strategies will be implemented to increase the contribution of tourism to the economy:

- Emphasis will be placed on increasing the total number of tourists entering the country, and the average amount of money spent by each tourist
- Ease of doing business, as well as availability of appropriate levels of tourism infrastructure, will play an important role in attracting different types of tourism
- Foreign business tourists arriving by air generate the most significant multipliers. South Africa will be positioned as the business and shopping centre for the region
- South Africa can do more to develop the region as an international tourist destination by emphasising the broader biodiversity, cultural diversity, scenic beauty and range of tourism products, and making it easier for tourists to travel between countries in the region. A Schengen-type visa for the region will be considered.

The Nketoana LM should strive to meet the recommendations set out in the NDP by identifying tourism development opportunities that have value-adding benefits for tourists. The strategies for tourism development outlined in the NDP should also be reflected in the Responsible Tourism Sector Plan of the area.

### 2.1.3. The Tourism White Paper, 1996

The potential of tourism to contribute to economic growth and job creation was recognised and emphasised shortly after South Africa's first democratic elections. In 1996, the Tourism White Paper was developed by the former national Department of Environmental Affairs and Tourism. This document identified a clear economic growth role for tourism.

The guiding principles for tourism, as identified in the White Paper, can be highlighted as follows:

- Tourism will be private-sector driven
- Government will provide the enabling framework for the industry to flourish
- Effective community involvement will form the basis for tourism growth
- Tourism will be underpinned by sustainable environmental practices
- Tourism development is dependent on the establishment of cooperation and close partnerships among key stakeholders
- Tourism development will be used as a development tool for the empowerment of previously neglected communities and should particularly focus on the empowerment of women in such communities
- Tourism development will support the economic, social and environmental goals and policies of government

The Nketoana LM should align with the White paper in terms of adopting the facilitative and developmental role assigned to local government and authorities in the above analysis concerning the development and promotion of tourism. The guiding principles for tourism outlined in the White paper should be clearly reflected in the development of the Responsible Tourism Sector Plan.

### 2.1.4. The National Tourism Sector Strategy, 2011

The National Tourism Sector Strategy (NTSS) was launched in February 2011. It is informed by and builds on the Tourism White Paper of 1996, and sets out an action plan to achieve the tourism objectives identified in the NGP. The NTSS aims to establish South Africa as a global Top 20 tourism destination by 2020.

The strategic objectives of the NTSS are described under the following three themes:

- **Theme 1 - Tourism and the Economy:**
  - Grow the tourism sector's absolute contribution to the economy
  - Provide excellent people development and decent work within the tourism sector
  - Increase domestic tourism's contribution to the tourism economy and
  - Contribute to the regional tourism economy sector.
- **Theme 2 - Visitor Experience and the Brand:**
  - Deliver a world - class visitor experience
  - Entrench a tourism culture among South Africans and
  - Position South Africa as a globally recognised tourism destination brand
- **Theme 3 - Sustainability and Good Governance:**
  - Achieve transformation within the tourism sector
  - Address the issue of geographic, seasonal and rural spread

- Promote responsible tourism practices within the sector and
- Unlock local government tourism economic development potential

The NTSS sets the direction for all tourism activities in South Africa, and introduces practical mechanisms to address the issue of beneficiation. The Strategy also highlights the importance of effective collaboration between the public and private sectors, and the community. Of equal importance towards sustainable growth in tourism is the development and improvement of responsible tourism practices and sustainability, and would require the formation of strategic partnerships to mobilise the necessary resources to attract investment and growing the sector.

As part of the broader tourism region of South Africa, the Nketoana LM should also seek to achieve the objectives listed in the NTSS by incorporating strategies into the Nketoana Responsible Tourism Sector Plan that will facilitate this.

### 2.1.5. The Rural Tourism Strategy, 2012

The Rural Tourism Strategy was developed by the National Department of Tourism as a means of ensuring a developmental approach when it comes to developing and packaging rural tourism products and opportunities. The approach seeks to **prioritise spatial nodes** that have growth potential, in order to stimulate growth in the South African tourism industry.

Three critical problems facing the development of rural tourism have been identified by the Rural Tourism Strategy, namely:

- Tourism in rural areas has been inadequately resourced and funded
- A number of key tourist attractions are located in rural areas and are not receiving the benefits stemming from the tourism industry
- The limited involvement of local communities

In order to address these problems, the Rural Tourism Strategy has identified the following strategic interventions:

- Develop strategic partnerships for rural tourism product development
- Product enhancement in high poverty nodes
- Development of tourism products in areas not defined as high tourist attractions
- Product expansion by developing new iconic products linked to SRI
- Align provincial marketing with national marketing strategies and interventions through SAT marketing initiatives and campaigns
- Establish linkages with trade for marketing purposes
- Develop communication strategy for media relations to reinforce positive messages about the provinces and the country
- Develop packages of rural tourism experiences for target markets through niche market strategies
- To build capacity, manage planning and policy development of the sector
- Promote tourism education in schools in the province
- Strengthen the role of industry in tourism training
- Facilitate the provision of greater air access for the provinces which are struggling

- Develop institutional linkages between tourism and infrastructure provision departments / entities
- Create relations with research institutions and utilize the internal institutional capacity to conduct research per new and old markets.

The Nketoana LM has been classified as a rural municipality with high poverty levels, and would therefore be well-suited for the development of rural tourism products and initiatives. The Rural Tourism Strategy should inform the intentions of Nketoana LM in order to have a positive impact on the availability of funding for rural tourism development projects in the municipality.

### 2.1.6. Marketing Tourism Growth Strategy for South Africa, 2010

The Marketing Tourism Growth Strategy is a plan of SA Tourism that sets out the positioning and strategic direction for marketing of the South African tourism industry. The Strategy also assists in supporting choices around which markets and consumer segments to focus on and specifically how to activate growth through marketing, brand positioning and channel fulfilment in the chosen focus area.

The overall aim of the Strategy is to defend market share while at the same time pursuing an increase in the volume of tourists and the value that these tourists add to the economy. Part of the strategy also seeks to reduce seasonality. The following objectives are highlighted in the Strategy:

- Increase tourist volume
- Improve geographic spread
- Increase tourist spend
- Improve seasonality patterns
- Increase length of stay and
- Promote transformation

Not only does the MTGS for South Africa discuss how the market should be defined and increased, but it also provides insight into future branding and awareness, the different stages of development, specific strategies and key constraints and barriers to look out for. Some of these strategies include:

- Understanding the market
- Choose the attractive segments
- Market the Destination
- Facilitate the removal of obstacles
- Facilitate the product platform
- Monitor and learn from tourist experience

With regard to the tourism industry, this strategy provides a clear definition of the market and the “who, where, what, when, and how” of creating tourism awareness globally and enhancing domestic tourism growth in South Africa. The Responsible Tourism Sector Plan is strongly focused on the promotion and development of tourism in the Nketoana LM, and should therefore be informed by the key markets and segments highlighted in this marketing strategy for tourism.

### 2.1.7. National Responsible Tourism Guidelines for South Africa, 2002

The Responsible Tourism Guidelines for South Africa, developed in 2002, advocates that all tourism development should occur in a responsible manner that is economically, socially and environmentally sustainable. The guidelines further outline that responsible tourism should:

- Generate greater **economic benefit** for local people as well as enhancing the wellbeing of local communities
- **Involve local people**/communities in decisions that affect their lives
- Make positive **contributions to the conservation** of both the natural and cultural heritage of an area
- Provide an **enjoyable experience** for tourists through engagements with local peoples and cultures
- Minimise the negative economic, environment and social impact of tourism developments
- Be **sensitive to the different cultures** of tourists while at the same time fostering mutual respect between tourists and communities

The guidelines outlined in the National Responsible Tourism Guidelines for South Africa documents an inclusive set of interventions and strategies on how to ensure sustainable tourism in an area over the long run. These interventions are vital in tourism planning due to their nature of promoting the natural, economic, social and cultural wellbeing of an area. By implementing these interventions, suitable tourism products can be identified and developed in the Nketoana LM.

## 2.2. PROVINCIAL POLICIES

This sub-section outlines the key focus areas and core principles of relevant provincial strategies. The main focus of the review is to identify the vision, objectives, and mechanisms for tourism development in the province, as well as its implications for the Nketoana LM's Responsible Tourism Sector Plan. Two provincial strategies are analysed as part of the provincial policy overview and includes of the following:

- The Free State Provincial Growth and Development Strategy (2005 – 2014)
- The Free State Tourism Master Plan (2010/11 - 2014/15)

It is imperative that the Responsible Tourism Sector Plan aligns with the provincial strategies, as these strategies provide guidance in terms of tourism development in the province. As the development of the tourism industry and rural development is strongly emphasised at provincial level, the Responsible Tourism Sector Plan should strive to meet the goals and objectives set out in the provincial policies.

### 2.2.1. The Free State Provincial Growth and Development Strategy, 2005

The Free State Provincial Growth and Development Strategy (FSPGDS) represent the primary development policy framework for the Free State Province. The FSPGDS is supported by the following principal goals:

- Stimulating economic development in the Province
- Facilitating job creation
- Guiding development at the local level

With respect to tourism, the FSPGDS emphasises tourism as a key development potential sector. It also recognises the economic role of tourism, including its role for job creation and SMME development. In addition, the FSPGDS highlights the following competitive advantages offered by the Province in terms of tourism:

- Natural scenery
- Historical and cultural heritage
- Decent road infrastructure

The FSPGDS is the overarching guide for economic development in the Province. Therefore, the Responsible Tourism Sector Plan should support the objectives of the FSPGDS and take cognisance of the accompanying interventions. The Responsible Tourism Sector Plan should also seek to identify specific tourism areas and products to be developed in line with the competitive advantages offered by the Province.

### 2.2.2. The Free State Tourism Master Plan, 2010

The Free State Tourism Master Plan, developed in 2010, supports and builds on the FSPGDS. It identifies the major risks to tourism development in the Free State and sets out the Province's tourism development priorities. The mission set out in the Tourism Master Plan is to: "Enhance provincial tourism contribution to the GDP and job opportunities through growth of foreign and domestic tourism, stimulated by implementation of aggressive marketing, investment and tourism development programmes".

The Tourism Master Plan discusses the various development plans underpinning tourism development in the Province, including tourism marketing. In addition, the plan includes a detailed implementation plan, setting out the priority interventions to deal with the risks identified. The following interventions are given priority:

- **Brand and branding strategy:**
  - Develop an overall brand and branding strategy for the Free State
  - Develop brands for the district municipalities
- **Annual events strategy:**
  - Improve the scheduling of events to manage the pressures on accommodation
- **Tourism product development:**
  - Upgrade and maintain the provincial parks and resorts
  - Improve the quality standards and market these parks and resorts
- **International Convention Centre development:**
  - Assess the feasibility of an ICC to leverage the provinces business tourism potential
- **Tourism spatial development:**
  - Develop the tourism potential of spatial priority areas
  - The priority areas include Mangaung and Matjhabeng
- **Regulatory constraints:**
  - Assess the rezoning systems and procedures and capacity to address these
- **Infrastructure development:**
  - Address tourism signage needs in the spatial priority areas
  - Upgrade and maintain the provincial resorts, including road access
- **Institutional development:**
  - Obtain technical assistance to address HR constraints to Public -Private partnerships
  - Conduct tourism awareness training



Given that the tourism development priorities and focus areas for the entire Free State province are identified in this Master Plan, it is essential that the Nketoana Responsible Tourism Sector Strategy aligns its tourism development strategies with the FSTMP.

## 2.3. DISTRICT POLICIES

### 2.3.1. The Thabo Mofutsanyana District Municipality Integrated Development Plan (IDP), 2011

The Thabo Mofutsanyana District Municipality IDP is the main strategic planning instrument that guides and informs all planning, budgeting, investment, development, management and implementation of the regional government. In addition, the IDP provides an assessment of all the relevant economic activities and development opportunities within the main economic sectors. It also identifies economic development nodes/corridors and sectors with a comparative advantage. Region-wide strategic objectives, projects and initiatives are also listed and planned for in this document, including:

- Sustainable Infrastructure
- Local Economic Development, Job creation and Tourism
- Social and Human Development
- Good Governance
- Financial Viability

The IDP concludes that the marketing of tourism in the area should be improved, along with the inclusion of disabled people's awareness and involvement in the tourism industry. The IDP identifies that an inclusive marketing campaign should be undertaken with a specific focus on cultural tourism, after ground-level organisational structures are organised.

The Nketoana LM falls under the jurisdiction of the Thabo Mofutsanyana DM, and is also subject to the planned developments for the region. It is therefore necessary to align the local planned tourism developments with those of the region to ensure consistency when working towards a shared goal. The Nketoana LM should also ensure that organisational structures relevant to tourism are capacitated and organised.

### 2.3.2. The Thabo Mofutsanyana District Municipality Tourism Sector Plan, 2011

The Thabo Mofutsanyana District Municipality Tourism Sector Plan was developed with the purpose of supporting and mobilising local and external investors for the effective development of tourism in the District, as well as to provide a strategic process for increasing the number of tourists visiting the District. Although a specific focus is placed on the inclusion of previously disadvantaged individuals and communities in the development of tourism, participation and involvement of all sections of the community is encouraged.

The Tourism Sector Plan indicates that new opportunities are available in the nature and adventure tourism markets, and is supported by the abundance of cultural and historical amenities in the District. The Tourism

Sector Plan aims to create a renewed focus on developing and renewing tourism products in the region. It also recommends that a marketing campaign be undertaken to inform potential tourists of the available activities and attractions.

The Nketoana LM falls within the jurisdiction of the Thabo Mofutsanyana DM, and is also subject to the planned developments for the region. It is therefore necessary to align the local planned tourism developments and the tourism development strategy of the Nketoana LM with that of the region.

## 2.4. LOCAL POLICIES

### 2.4.1. The Nketoana Local Municipality IDP, 2010

The Nketoana LM IDP is an all-inclusive strategic plan that provides an overview of the development plans envisaged for the local region. It provides strategic direction as well as coordinates and aligns the initiatives of the local municipality with those of the district and provincial initiatives. The IDP earmarks tourism development as having major opportunities for development and influence on the economic well-being of the local residents.

The Responsible Tourism Sector Plan will eventually form part of the IDP of the municipality. As such, proposed initiatives and projects should be aligned to the overall vision and objectives of the Municipality.

### 3. SOCIO-ECONOMIC PROFILE

This Section provides an analysis of the socio-economic characteristics of the Nketoana LM. The purpose of the analysis process is to provide a contextual overview of the socio-economic conditions of residents in the Municipality, as well as to contextualise the economic structure and dynamics of the Nketoana LM.

The following socio-demographic indicators are analysed in this section:

- Population size, growth and composition
- Household number and average household size
- Poverty and inequality
- Tenure status
- Education
- Access to services

In most instances, available figures from the 2011 Census data are applied throughout the analysis of the socio-economic aspects of the Nketoana LM.

#### 3.1. POPULATION SIZE AND GROWTH

The population represents the foundation of any geographical area and provides valuable information in terms of growth and migration patterns. Examining population dynamics is essential in gaining an accurate perspective of those who are likely to be affected by any potential new developments in the area. The population analysis determines service provision requirements and infrastructural needs in the area, and gives an indication of the relative buying power and social dynamics that could have a bearing on tourism development. Table 3-1 sets out the population statistics of the study area and the growth in the period 2001 to 2011.

**Table 3-1: Population size and growth rate (2001 – 2011)**

STUDY AREA	POPULATION SIZE		GROWTH RATE (2001-2011)
	CENSUS 2001	CENSUS 2011	
South Africa	44 819 738	51 769 798	1.5%
Free State	2 706 772	2 745 535	0.1%
Thabo Mofutsanyana DM	725 936	736 234	0.1%
Nketoana LM	61 952	60 322	-0.3%

*Source: Urban-Econ calculations based on StatsSA Census, 2011*

**The municipality's population has been experiencing negative growth from 2001**

The Nketoana LM housed a population of 60,322 in 2011, and contributed approximately 8.1% of the District's population. The Nketoana LM is one of the three least contributing municipalities to the population of the district. Although the Nketoana LM has been experiencing negative growth in population from 2001, the negative growth over this ten year period is less than half a percent. In addition, the Free State and Thabo

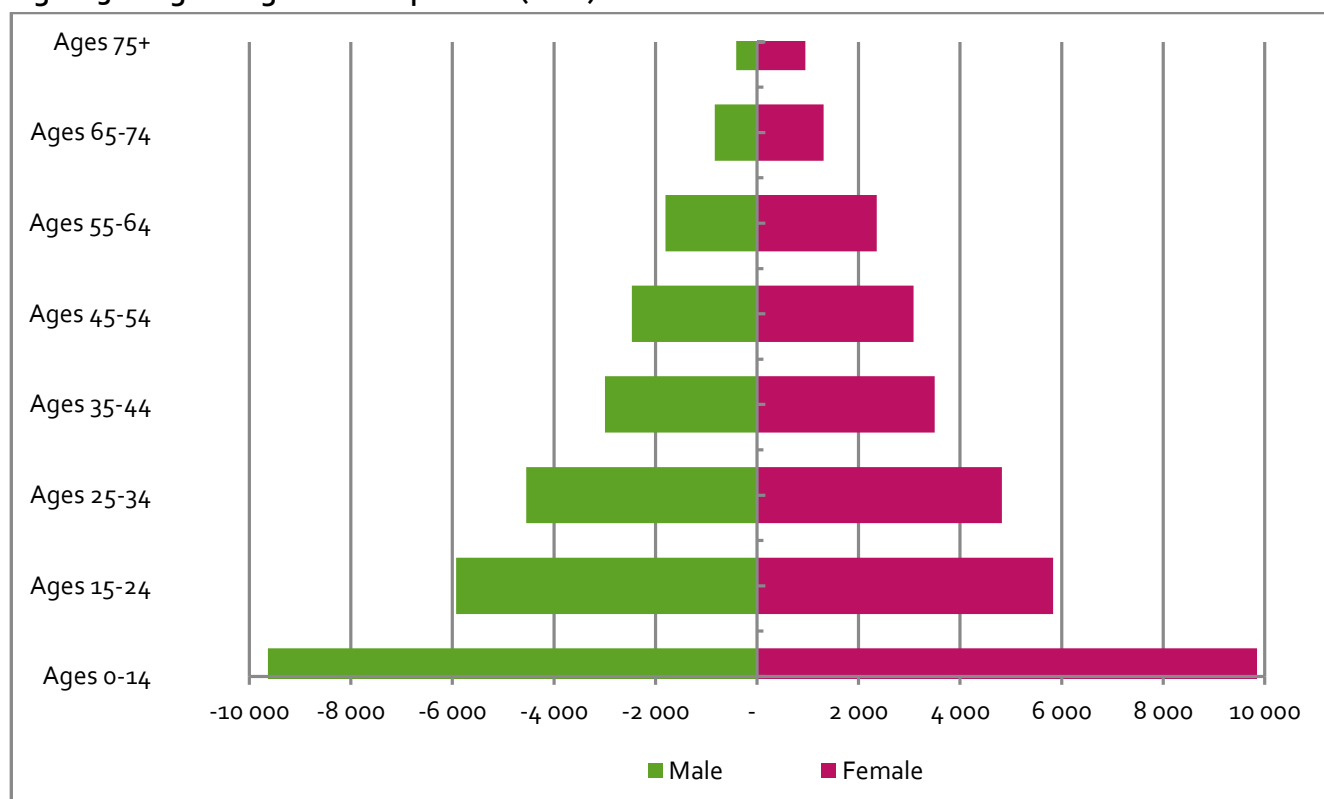
Mofutsanyana DM have also seen slow growth rates of around 0.1%. The reasons for the relatively low growth compared to South Africa could possibly be attributed to the following:

- Emigration to neighbouring urban cities
- Emigration to economic centres such as Gauteng
- Impact of HIV/Aids

### 3.2. AGE AND GENDER

The age and gender profile of an area can have a significant impact on the social and economic analysis of an area. The composition of age and gender has a direct impact on the labour market, through which productivity and regional competitiveness are influenced. The Nketoana LM's age and gender profile is shown in Figure 4-1 below.

**Figure 3-1: Age and gender composition (2011)**



Source: Urban-Econ calculations based on StatsSA Census, 2011

**61.9% of the Nketoana LM's population are of working age**

Figure 3-1 shows that 32.3% of the population is below 15 years of age, with an additional 35% of the population falling in the category 15 – 34 years of age. It can also be observed that the population numbers decrease as the age categories increase, highlighting the potential impacts on the dependency ratio (i.e. the percentage of working age population compared to the population younger than 15 years and older than 65 years of age). For the Nketoana LM, the dependency ratio is low, and almost two thirds of the population are able to participate in the labour force.

### The majority of the population (53%) are female

Where 47% the population in the Nketoana LM are male, 53% are female. This tendency is created where male members of the family migrate to urban areas or cities for better job opportunities and higher incomes.

### 3.3. HOUSEHOLD NUMBER AND SIZE

Household data enables a more complete interpretation of the results of the socio-demographic analysis. The number of households and the rate at which they grow also provide crucial information for the prediction of future demands, and therefore, potential economic growth. High increases in household numbers combined with the increase in disposable income levels result in greater consumption. This in turn stimulate local production and as a result the different economic sectors. In addition, knowledge of the household size of the study area is useful for interpretation of the magnitude of the potential impact that could be created by new tourism projects and initiatives in the area. Table 3-2 shows the household numbers, average size and growth rate for the study areas.

**Table 3-2: Household (HH) number, HH size and growth rate (2001 – 2011)**

STUDY AREA	HH NUMBER		AVERAGE HH SIZE	GROWTH RATE (2001-2011)
	CENSUS 2001	CENSUS 2011		
South Africa	11 778 950	14 449 831	3.6	2.1%
Free State	756 065	823 283	3.3	0.9%
Thabo Mofutsanyana DM	186 395	217 873	3.4	1.6%
Nketoana LM	15 041	17 316	3.5	1.4%

Source: Urban-Econ calculations based on StatsSA Census, 2011

### The number of households in the municipality has experienced limited growth since 2001

In 2011, a total number of 17,316 households were present in the Nketoana LM. The number of households in the Nketoana LM increased by 1.4% since 2001. The average household size (3.5) is on par with that of the country and slightly higher than for the District and Province.

### 3.4. HIV/AIDS PREVALENCE RATE

The HIV/Aids prevalence rate is a social indicator that gives an estimate of the percentage of adults (aged 15-49) living with HIV/AIDS. The adult prevalence rate can be calculated by dividing the estimated number of adults living with HIV/AIDS by the total adult population, using the same annual figures.

The HIV/Aids prevalence rate is an important indicator of the life expectancy and overall health of the population of the Nketoana LM. The population size, HIV/Aids prevalence rate and the number of Aids-related deaths in the study areas are shown in Table 3-3 below.

Table 3-3: HIV/Aids Prevalence Rate and number of AIDS-related deaths (2011)<sup>1</sup>

STUDY AREA	POPULATION SIZE	HIV/AIDS PREVALENCE RATE	AIDS-RELATED DEATHS
South Africa	50 586 757	12.6%	443 965
Free State	2 759 644	14.3%	29 153
Thabo Mofutsanyana DM	702 345	14.1%	7 245
Nketoana LM	63 262	14.7%	672

Source: Urban-Econ calculations based on StatsSA Census, 2011

**A higher HIV/Aids prevalence rate could lead to a decrease in the size and productivity of the labour force of the Nketoana LM**

Almost 15 out of every hundred people in the Nketoana LM are HIV positive. The HIV/Aids prevalence rate in the Nketoana LM is higher than the district, province and country, and could be related to the low levels of education observed in the Municipality. A higher HIV/Aids prevalence rate means that the size of the labour force of an area will decrease, due to an increase in the number of illnesses or deaths. This, in turn, also decreases the already limited number of skilled workers available in the population. Due to absenteeism and illness, labour productivity will also be negatively affected. In addition, should HIV/Aids related illnesses cause workers to refrain from working for extended periods in time, these labourers are likely to suffer loss of income.

**A higher HIV/Aids prevalence rate will lead to a decrease in household spending**

In addition to the loss of income workers are likely to suffer from not being able to work, households will also increase their spending on health related items, such as health services and medicine. This leads to a decrease in consumer expenditure on economic products and services such as food, clothing, and especially entertainment. Household savings could also decrease as a result of the increased expenditure. Given that tourism is regarded by households as a non-essential item, local spending in the tourism industry is likely to decrease.

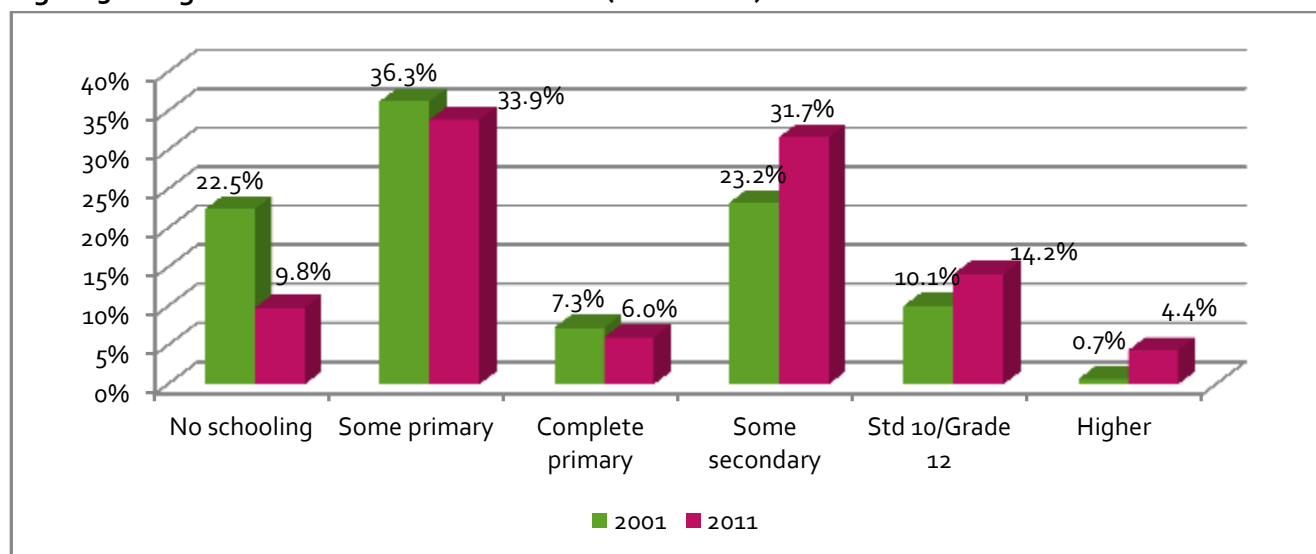
### 3.5. EDUCATION LEVEL

Apart from its direct and indirect economic impacts on the labour market and economic development, education levels play a vital role in social development and residents' quality of life. This flows from the fact that education levels influence the skills profile and therefore the employment potential of a population. Factors such as the potential of workers, productivity and income are directly linked to the level of education obtained by individuals. Based on this link, education and economic development are directly linked through income potential.

<sup>1</sup> The HIV/Aids prevalence rate is based on Census 2001 and forecasted to 2011, due to unavailability of Census 2011 data.

The education levels and skill attributes of the Nketoana LM population also has a direct bearing on the available skill levels of the labour force from which tourism product providers can source employees. In Figure 4-2 below, the highest level of education obtained is provided for the Nketoana LM.

**Figure 3-2: Highest level of education obtained (2001 - 2011)**



Source: Urban-Econ calculations based on StatsSA Census, 2011

### The Nketoana LM's population has a relatively low level of education

According to Census 2011 data, almost 60% of the population in 2001 obtained only some level of primary education, compared to the 43.7% of the Nketoana LM's population that achieved the same level of education in 2011. In addition, a limited number (10.7%) of the population in 2001 had obtained matric or higher. In 2011, however, the percentage of the population who obtained matric increased to a total of 18.5%. Almost 50% of the population only obtained primary school education in 2011. The level of education attained is significantly lower in the Nketoana LM than in the district, province and country. According to the Nketoana LM's IDP, a number of schools are present in the towns of Reitz and Petsana, including primary, secondary and combined schools. Although decreasing, a number of farm schools also continue to operate in the more rural and farming settlements. Given the number of educational facilities in the municipality, the low levels of education are most likely caused by the poor quality of education offered by these under resourced schools. There is no tertiary education institution established in the municipality, indicating a shortage in the tertiary education supplied in response to the local demand.

### Low education levels negatively impact on the employability and income earnings potential of the population of the Nketoana LM

Low levels of education, as highlighted in Figure 3-2, result in the employability of the local population in the area being hindered. Residents of the Nketoana LM have fairly low prospects of being employed in well-earning positions and industries. On the contrary, given their poor levels of education, residents are more likely to find employment in low-earning, informal economy jobs. As only a very limited proportion of the population have obtained higher educational levels, very few are likely to find employment in higher-earning jobs.

Poor education levels are likely to inhibit local residents' ability to become fully active in tertiary activities such as tourism

The percentage of the population that have obtained a matric or grade 12 qualifications is approximately 18.5%, highlighting the potential shortage of adequately skilled employees in the Nketoana LM who would be able to take up employment in the secondary and tertiary sectors (i.e. tourism) of the local economy. The formal economy is fairly partial to adequately skilled employees, and, therefore, low educational levels hinder job seekers' entry into the formal economy. As a result, their ability to obtain more profitable jobs and higher incomes decreases.

### 3.6. EMPLOYMENT

Employment is the principal means by which individuals of working age are able to earn an income, enabling them to provide for their basic needs. As such, employment and unemployment rates are important indicators of socio-economic well-being. The following paragraphs examine the labour market of the Nketoana LM.

The composition of the labour force in the Nketoana LM, Thabo Mofutsanyana DM, the Free State and South Africa is detailed in Table 3-4. It describes the labour force from the official definition perspective, where unemployed people are defined as citizens who:

- did not work during the seven days prior the interview
- want to work and are available to start work within a week of the interview
- have taken active steps to look for work or to start some form of self-employment in the four weeks prior to the interview

Table 3-4: Labour force statistics (2011)

INDICATORS	SOUTH AFRICA	FREE STATE	THABO MOFUTSAN-YANA DM	NKETOANA LM
Working Age Population	32 235 540	1 811 075	437 764	40 471
Non-Economically Active	15 542 002	802 952	214 087	22 563
Labour Force	16 693 538	1 008 123	223 677	17 908
Employed	12 315 712	705 317	141 209	10 687
Unemployed	4 377 826	4 377 826	82 466	7 221
Unemployment Rate	26.2%	30.0%	36.9%	40.3%
Labour Force Participation Rate	51.8%	55.7%	51.1%	44.2%

Source: Urban-Econ calculations based on StatsSA Census, 2011

A large percentage of the local population is not economically active

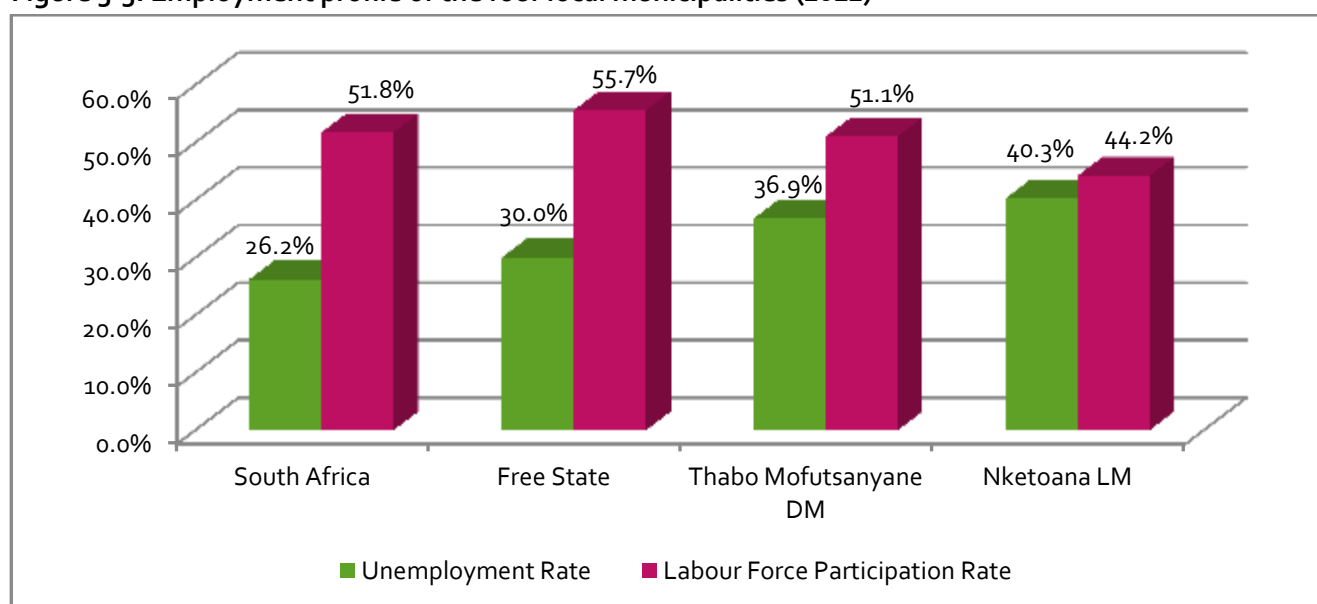
In 2011, approximately 55.3% of the working age population in the Nketoana LM was classified as not being economically active. The majority of this number is represented by discouraged workers, who can be defined as "those individuals that have given up their attempts to obtain employment because of perceived ineffectiveness of this action". Typically, workers would become discouraged if there are insufficient job



opportunities available in an area or a lack of skills owned by workers to meet the demands of the labour market.

The labour force participation rate for the Nketoana LM is substantially lower than in the larger study areas. A comparison of the labour force participation rate and unemployment figures of the study areas are provided in Figure 3-3 below.

**Figure 3-3: Employment profile of the four local municipalities (2011)**



Source: Urban-Econ calculations based on StatsSA Census, 2011

### The Nketoana LM is characterised by a low employment rate

With less than 60% of the local working age population being employed, the unemployment rate in the Nketoana LM is very high. The unemployment rates for the district and other study areas are significantly lower, with the country's unemployment rate being almost half that of the Nketoana LM. This could be attributed to a number of factors, of which a lack of job opportunities or skills being the most prominent reasons. This has substantial impacts on the ability of households to earn a living and to provide in their basic needs. It also increases the dependency on government grants.

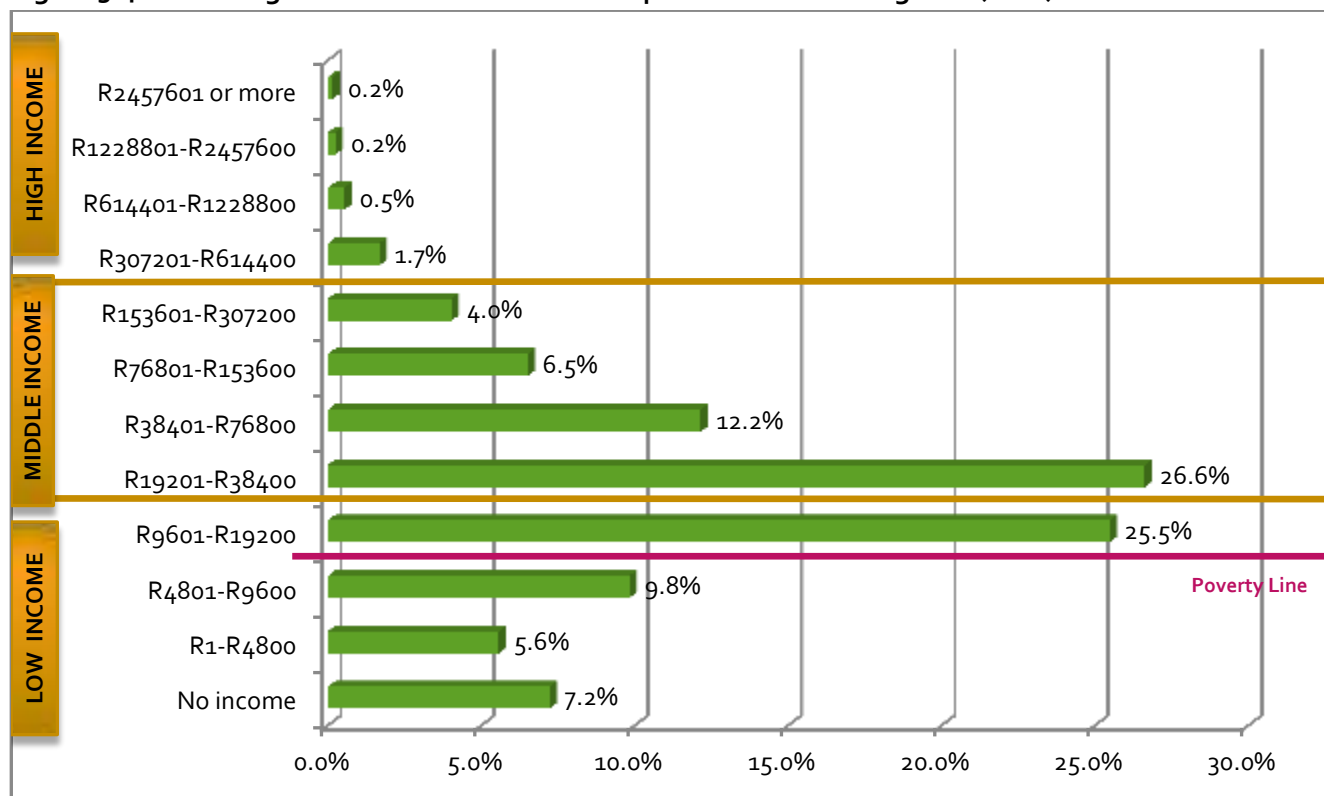
### 3.7. HOUSEHOLD INCOME

Income distribution is one of the most important indicators of social welfare, as household income or earnings are the primary means by which households are able to satisfy their basic needs such as food, clothing, shelter, health, services, etc. Changes in household income have a direct impact on the standard of living and quality of life of the population. More specifically, a positive change in household income can assist individuals, households, communities and countries to improve living standards and



quality of life. The annual household income per category for the Nketoana LM is indicated in Figure 3-4 below.

**Figure 3-4: Percentage of households and their respective income categories (2011)**



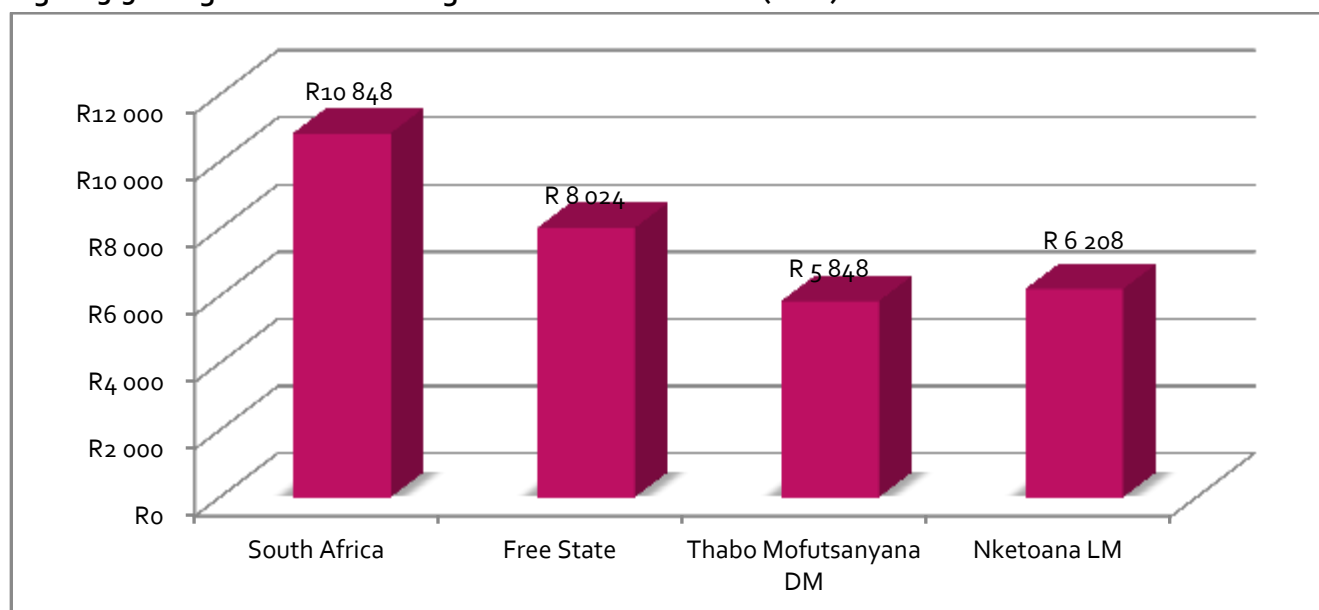
Source: Urban-Econ calculations based on StatsSA Census, 2011

According to the United Nations Millennium Goals Development Indicators (2012), the poverty rate at \$1.25 a day, is the proportion of the population living on less than \$1.25 a day, measured at 2005 international prices, adjusted for purchasing power parity (PPP). The poverty line is indicated on Figure 3-4 above by converting the UN poverty line to South African Rand, amounting to approximately R 800 per household per month, or R 9,600 per household per year.

#### 22.6% of households in the Nketoana LM live in poverty

According to StatsSA data, approximately 48.1% of households in the municipality earn an annual income of R 19,200 or less, indicating the high prevalence of low income households. In terms of welfare, the high occurrence of households in lower income categories indicates a possible dependency on social grants and other forms of government assistance. Despite these low incomes, the percentage of households that earned no income decreased by 18.6% from 2001 - 2011. This means that although poverty is persistent in the Nketoana LM, the quality of living and welfare of the population at the lower end of the scale is increasing.

In addition to the categorisation of household income and the spread of households within these categories outlined above, it is also important to consider the weighted annual average income of households. The weighted annual average income per household within the Nketoana LM is compared to those of the district, province and South Africa to form a greater understanding of the relative welfare. This is shown in Figure 3-5 that follows.

**Figure 3-5: Weighted annual average income of households (2011)**

Source: Urban-Econ calculations based on StatsSA Census, 2011

**The average weighted monthly income per household in the Nketoana LM is R 6,208**

Households within the Nketoana LM earn an average weighted monthly income of R 6,208, which is slightly higher than in the district. These incomes are significantly less compared to households in the Free State and South Africa as a whole. This reflects the relatively small economic bases of the mainly rural local and district municipalities.

### 3.8. ECONOMIC SIZE AND GROWTH

The promotion of tourism essentially contributes to employment creation and increased economic development of an area. It is, therefore, vital that the tourism plan stems from a solid understanding of the local economy so as to determine how effective the proposed interventions are at addressing these targets. This section provides the economic baseline information from which to assess the effectiveness of the tourism plan, as well as highlights the current economic conditions in the Nketoana LM. The economic profile describes significant characteristics of the local economy in terms of various economic indicators, including growth rates and employment.



Gross Domestic Product (GDP) is a central indicator of economic activity in a given area and can be defined as "the value of all goods and services, produced during one year, within the boundaries of a specific region and is generally used to measure the level of economic activity in an area. The GDP contributions of the study areas are shown in Table 3-5.

Table 3-5: GDP values per study area (2011)

STUDY AREA	GDP (CONSTANT PRICES) (R'million)		GDP GROWTH RATE (2001-2010)
	2001	2011	
South Africa	1 192 559	1 692 725	3.6%
Free State	62 962	83 592	2.9%
Thabo Mofutsanyana DM	10 581	13 985	2.8%
Nketoana LM	761	995	2.7%

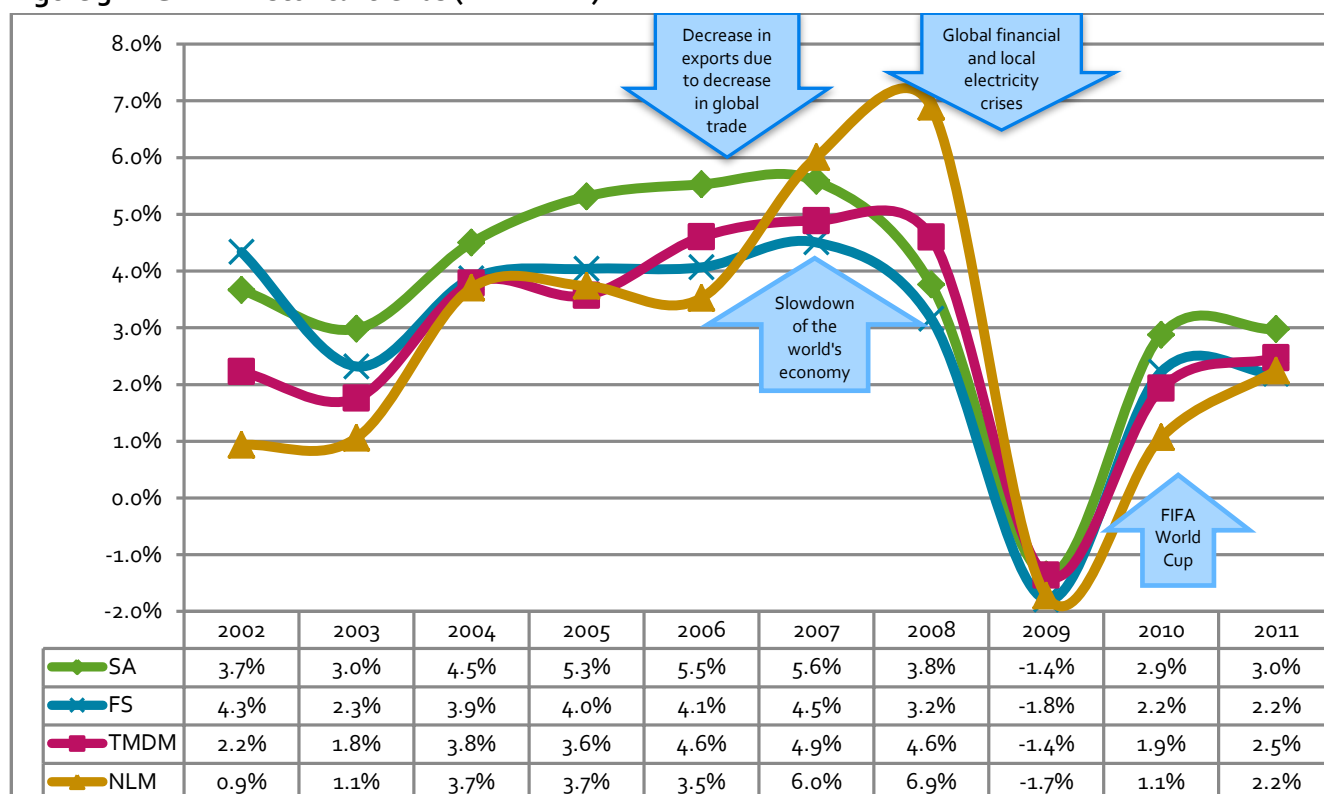
Source: Urban-Econ calculations based on StatsSA Census, 2011

### The Nketoana LM makes a relatively small contribution to the economy of the District

In 2011, the Nketoana LM produced a total of R 996 million in terms of GDP. Of the six local municipalities, the Nketoana LM made the fourth highest contribution to the GDP of the district (7.1%) and 1.2% to the GDP of the Free State. The Nketoana LM has also seen positive GDP growth of 2.7% between 2001 and 2011, which is slightly less than the growth in the district and province. A positive overall growth does not necessarily indicate that all economic sectors have grown, as some sectors could have grown significantly where other economic sectors could have stagnated or declined in terms of growth.

The historical growth rates and trends of the study areas are displayed in Figure 3-6 below.

Figure 3-6: GDP-R historical trends (2001-2011)



Source: Urban-Econ calculations based on StatsSA Census, 2011

From Figure 3-6 it can be observed that growth in the Nketoana LM's economy has reacted to changes in the economies of the Free State and the district municipality. The economy of the Nketoana LM had experienced positive growth from 2001 – 2008, after which the global financial crisis led to a sharp decline in GDP growth. As is evident from the Figure above, the local economy had experienced slower recovery after the crisis than the larger study areas.

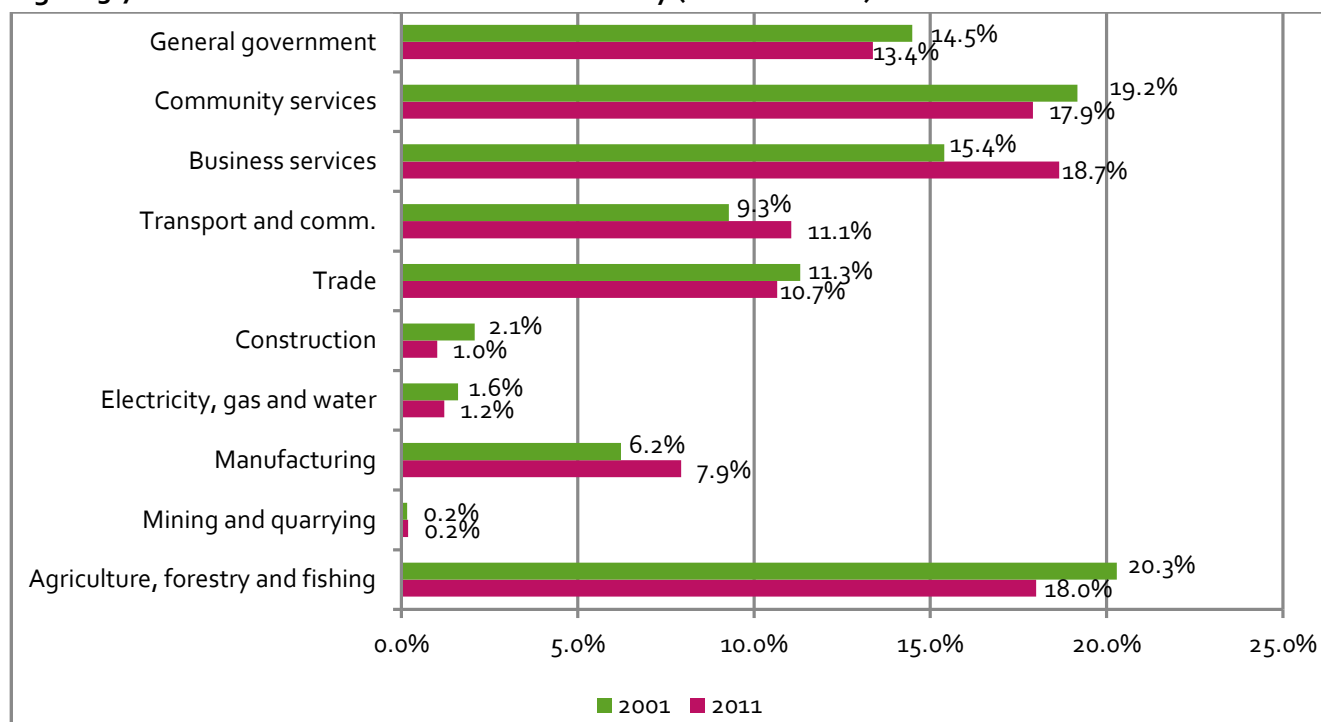
By contributing approximately 7.1% to the total economy of the Thabo Mofutsanyana DM, the Nketoana LM does not make a significant contribution to the economic output of the district. The agricultural sector, which is the largest contributing sector in the Nketoana LM, contributes almost one fifth of the district's agricultural productivity.

### 3.9. STRUCTURE OF THE ECONOMY

The structure of the economy provides valuable insight into a local economy's dependency on specific sectors and its sensitivity to fluctuations of global and regional markets. Knowledge of the structure and the size of each sector are also important for the interpretation of the economic analysis, as it allows the assessment of the extent to which any new tourism developments, projects or initiatives are likely to change the economy, its structure and trends of specific sectors. Figure 3-7 compares the structural composition of the Nketoana LM's economy between 2001 and 2011.



Figure 3-7: Structure of the Nketoana LM's economy (2001 and 2011)



Source: Urban-Econ calculations based on StatsSA Census, 2011

### Agriculture, business services and community services are the drivers of the local economy

The three dominant sectors (agriculture, business services and community services) together contributed 54.6% of the output of the Nketoana LM's economy in 2011. The local economy, although largely driven by the agricultural sector, is fairly diversified and mature, comprising varied activities in the secondary and tertiary sectors.

### The tertiary sector is well developed and essential to economic productivity

Consisting of transport and communications, trade, financial and business services, community services and general government, the tertiary sector in total contributed the majority of GDP in the municipality; in 2011 with 71.7% or R 763 million. The tertiary sector consists to a large extent of value-adding activities which is needed to enhance the competitive advantage of the municipality. Although the tourism industry is not classified as a separate economic sector, its value to the local economy is derived from the tertiary sector, in particular the trade sector. This sector contributed some 10.7% to GDP in 2011.

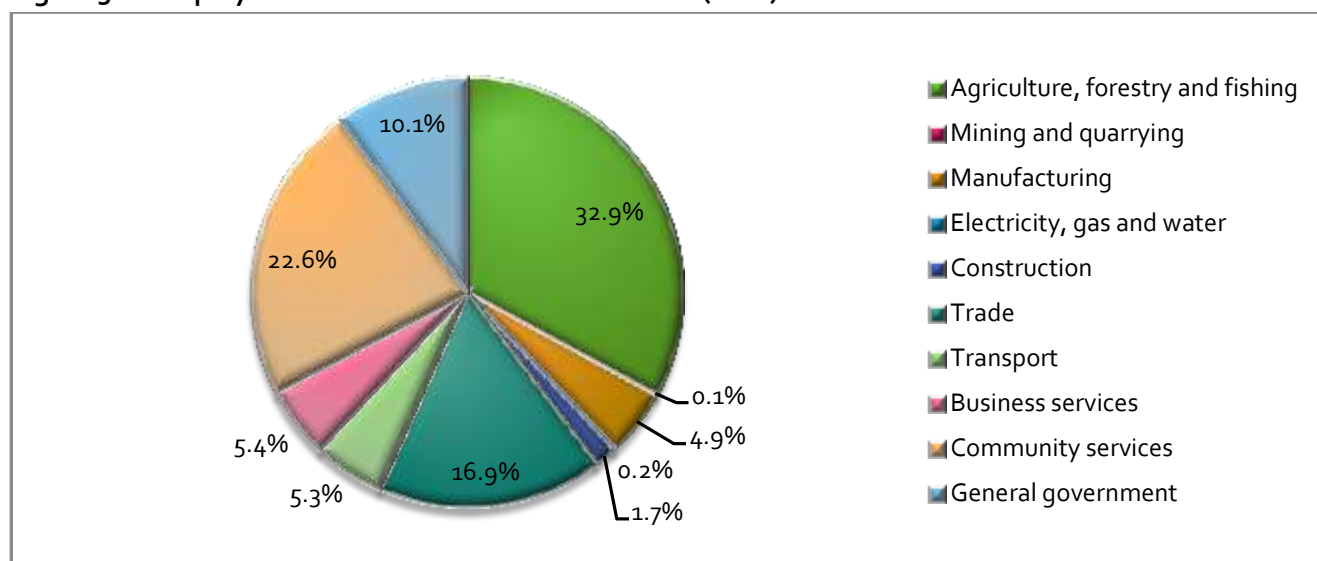
### Activities of the second economy are not represented in official statistics

Although the agricultural sector and its activities make a significant contribution to the economy of the Nketoana LM, the figure is not inclusive of informal and rural activities. This means that the contribution of small-scale subsistence farming, especially in the rural areas, is not represented in the data for the Nketoana LM's economy. By including the contribution of these agricultural activities, the GDP of the agricultural sector is likely to be positively affected. This phenomenon could also be prevalent in other sectors, such as the trade and business services sectors, where informal trade is not included in the formal GDP numbers.

## 3.10. SECTORAL EMPLOYMENT

In the following figure, Figure 3-8, employment is expressed in terms of the contribution of the economic sectors of the Nketoana LM towards employment creation in the area.

Figure 3-8: Employment structure of the Nketoana LM (2011)



*Source: Urban-Econ calculations based on StatsSA Census, 2011*

**The agriculture sector drives employment in the Nketoana LM, and the trade and community services sectors also significant employment creators**

In 2011, the agriculture sector contributed to almost a third of the formal employment opportunities in the Nketoana LM. In addition to the employment created by this sector, it is also one of the main contributors of the local economy. Combined, the trade and community services sectors created 39.5% of all formal employment opportunities in the Nketoana LM in 2011. The tourism industry, forms part of and is largely supported by the trade sector. This indicates the presence of relevant skills that could be applied in the tourism industry. The promotion and development of the tourism industry could also make valuable contributions to the creation of employment in the area.



## 4. TOURISM MARKET OVERVIEW

This Section is aimed at providing a market overview of the tourism industry of both the country and the Free State Province. These two tourism profiles are discussed separately in terms of the composition and dynamics of both the foreign and domestic tourism markets. Data and information used in this Section was mainly obtained from SA Tourism and Statistics South Africa (StatsSA), 2011.

According to SA Tourism's 2011 Annual Tourism Report, international tourist arrivals increased by 4.4% globally in 2011 to reach a total of 980 million arrivals. The growth was largely driven by established markets, experiencing a growth in arrivals of 5.0%, compared to the 3.8% growth of emerging markets. France remained the top international destination with a striking 79 million visitors in 2011, a growth of 2.8% from 2010. USA, Spain, China and Italy also retained their positions as the top five destinations. Although it can be observed that the financial crisis of 2008 had a tremendous impact on the growth of the tourism industry worldwide and the income generated locally, the FIFA World Cup of 2010 provided a well-needed boost to the industry.



Source: The Guardian, 2009

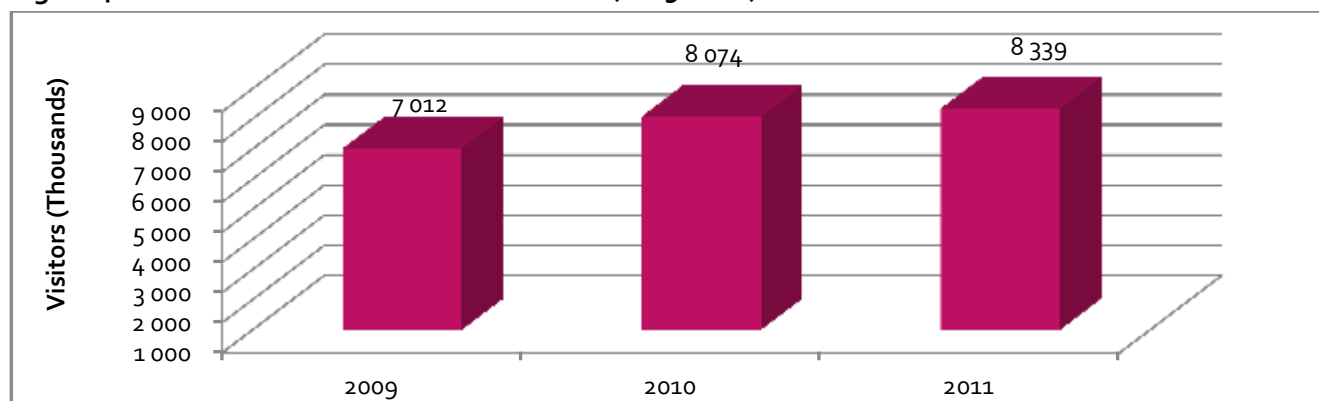
### 4.1. SOUTH AFRICAN TOURISM PROFILE

This sub-section discusses the tourism industry in the South African context, describing trends for both international and domestic tourists.

#### 4.1.1. Foreign Tourism Market

Between 2010 and 2011, foreign tourist arrivals to South Africa grew by 3.3%, amounting to a total of 8,339,354 million tourists in 2011. Despite South Africa recording slower tourism growth rates than the global average, the country improved its ranking among global tourism destinations, improving from 34<sup>th</sup> position in 201 to 33<sup>rd</sup> position in 2011. In 2010, tourism to South Africa was boosted by the 2010 FIFA World Cup, which saw 309,554 tourists arriving specifically for the event. This allowed South Africa a unique platform from which to promote the country as a tourism destination. The foreign tourist arrivals to South Africa during the period 2009 to 2011 are shown in Figure 4-1 below.

Figure 4-1: Total tourist arrivals to South Africa (2009-2011)



Source: SA Tourism, 2012



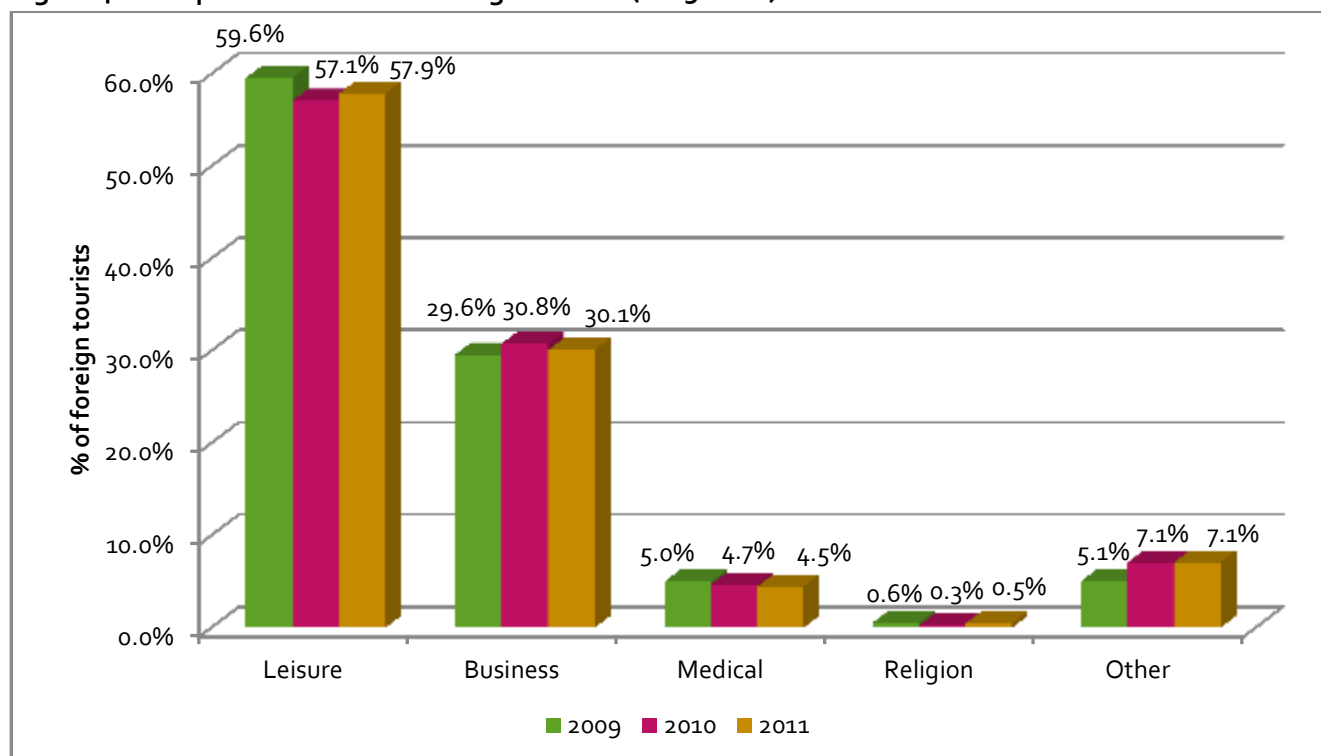
The top 20 tourism source markets were also indicated, supplying the majority of the tourists to South Africa. The majority of the international visitors are from African and Southern African (SADC) countries, particularly those neighbouring South Africa. Zimbabwe supplied the majority of all foreign tourists to South Africa with a total of 1,553,008 visitors in 2011. Other African countries that also made significant contributions to the number of tourist arrivals in South Africa are Lesotho and Swaziland. The largest non-African source markets in 2011 comprised of the UK, followed by the USA and Germany.



Source: Limpopo Department of Roads and Transport, 2012

In Figure 4-2 below, the purpose of visit for all foreign tourists are indicated for 2009, 2010 and 2011. The main purpose of visiting South Africa was leisure, capturing almost two thirds of the market, followed by business purposes. In the period between 2009 and 2011, the average number of tourists visiting South Africa for leisure purposes has declined, whereas the average number of tourists visiting South Africa for business purposes has slightly increased.

Figure 4-2: Purpose of visit for all foreign tourists (2009-2011)

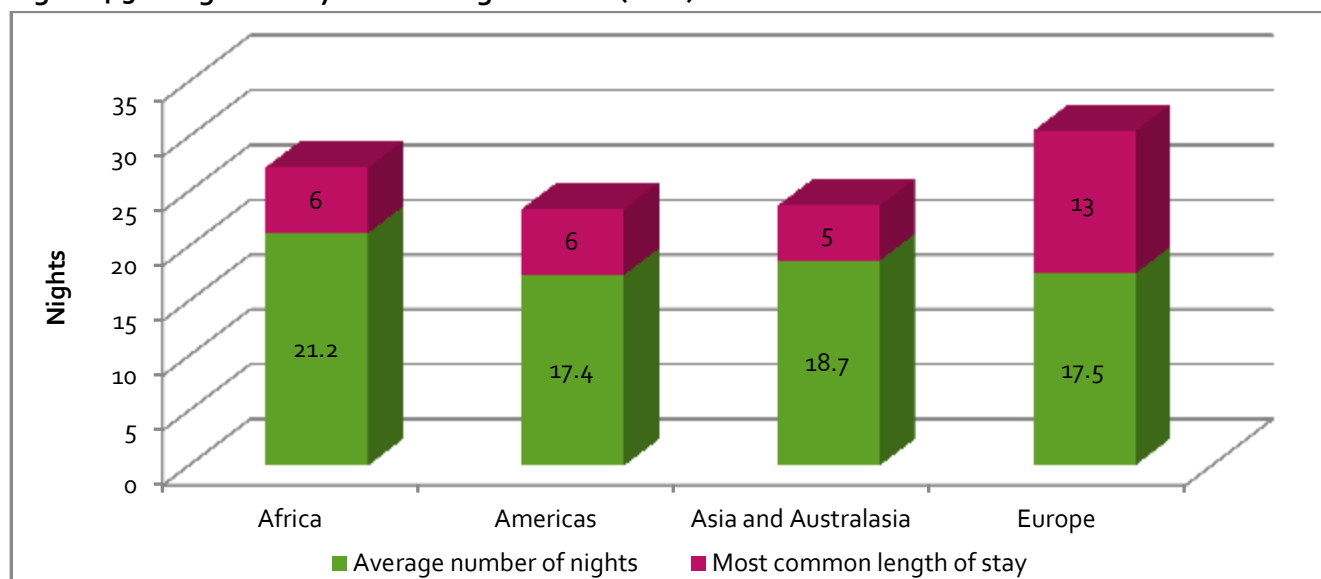


Source: SA Tourism, 2012

The length of stay and most common length of stay for all foreign tourists are displayed in Figure 4-3. The length of stay has a direct impact on the expenditure by tourists in a region, and thus the potential revenue that could be generated. The average length of stay of foreign tourists was 8.3 nights, with the most common length of stay being two nights. African visitors spent the most nights on average in South Africa (21.2

nights), followed by Asia and Australasia. Europe far outweighed other source markets in terms of most common length of stay with 13 nights.

**Figure 4-3: Length of stay for all foreign tourists (2011)**



Source: SA Tourism, 2012

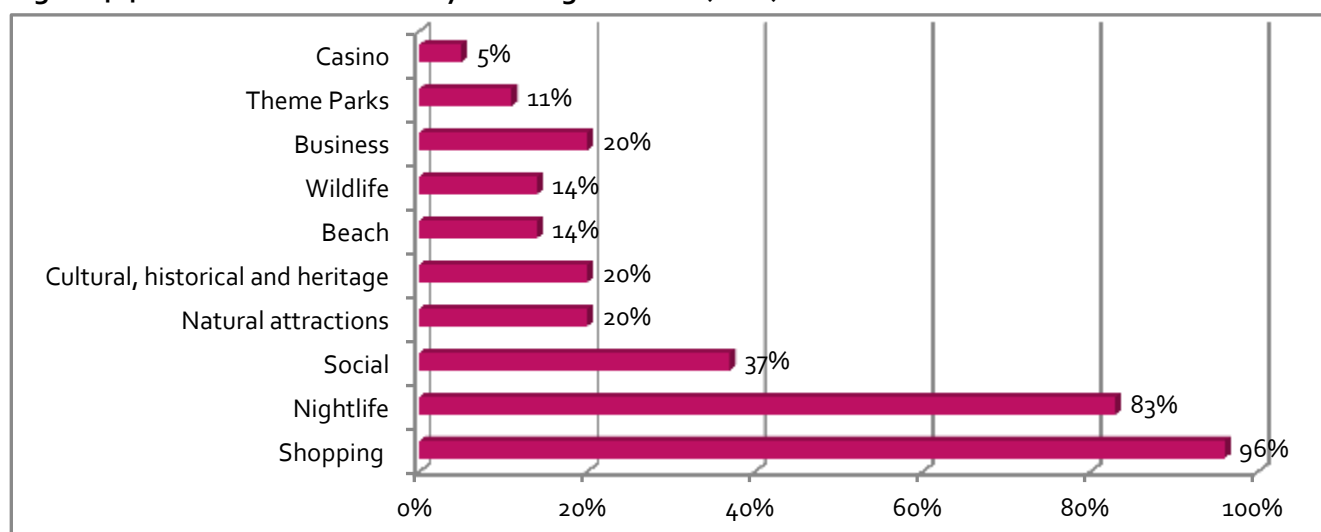
The amount of money spent by tourists is a good indicator of where they will be staying and what activities they will be interested in. It also provides a good indication of the impact tourism activities could have on the economy. The total foreign direct spend (TFDS) in South Africa by foreign tourists amounted to R 74 billion in 2011. The fact that it has decreased from 2010 underlines the impact the FIFA World Cup had on the tourism industry. It should however be noted that, although the TFDS decreased from 2010 to 2011, it still exceeded the TFDS by tourists in 2009.

The activities undertaken by foreign visitors to South Africa are indicated in Figure 4-4 below. It is important to take cognisance of the types of activities that foreign tourists undertake when visiting South Africa, as it gives a clear indication of the potential demand for specific attraction and activity types. The majority of visitors enjoyed activities such as shopping and experiencing the nightlife. The significant amount of tourists participating in shopping and nightlife activities are most likely related to the fact that the greatest proportion of foreign visitors to South Africa is from the SADC countries.



Source: SA Tourism, 2013

Other popular activities for leisure tourists include cultural, historical and heritage activities; and natural attractions. These are key assets of the country. The relative popularity of business activities can also be linked to business tourism as a key purpose of visit to the country.

**Figure 4-4: Activities undertaken by all foreign tourists (2011)**

Source: SA Tourism, 2012

The next sub-section provides a more detailed overview of the current domestic tourism situation within South Africa.

#### 4.1.2. Domestic Tourism Market

Domestic tourism is a significant contributor to the tourism industry that often receives less attention than international tourism. It, however, contributed only 21.5% to total tourism revenue in the same year. Table 4-1 summarises the key statistics for domestic tourism in South Africa for the period 2009 to 2011.

**Table 4-1: Key Domestic Tourism Statistics (2009-2011)**

INDICATOR	2009	2010	2011	PERCENTAGE CHANGE (2009-2011)
SA adults that travelled	14.6 million	13.5 million	13.9 million	-5% ↓
Number of trips	30.3 million	29.7 million	26.4 million	-15% ↓
Total annual spend	R 22.4 billion	R 21.1 billion	R 20.3 billion	-10% ↓
Average length of stay	4.2 nights	4.4 nights	4.4 nights	5% ↑
Top destination	KwaZulu-Natal	KwaZulu-Natal	KwaZulu-Natal	-
Most provinces visited by activity	Holiday	Holiday	Holiday	-

Source: SA Tourism, 2012

The total number of South Africans who undertook domestic trips decreased from 14.6 million people in 2009 to 13.9 million in 2011. This indicates a reduction of -5%, which could be a reflection of the impact the economic crisis is having on the ability of local residents to travel. The average number of domestic trips taken in 2011 was 1.9 per person, which resulted in a total of 26.4 million domestic trips, compared to the 29.7 million in 2010. Notwithstanding these decreases, domestic tourism continues to be a significant contributor to the total revenue brought in by the tourism industry. The top purpose for domestic trips undertaken remains to visit friends and relatives (73%) followed by holiday (15%). The average length of stay increased to

4.4 days per trip. KwaZulu-Natal continues to be the most visited province, followed by Gauteng and Limpopo. The total annual domestic bednights amounted to 115.2 million in 2011.

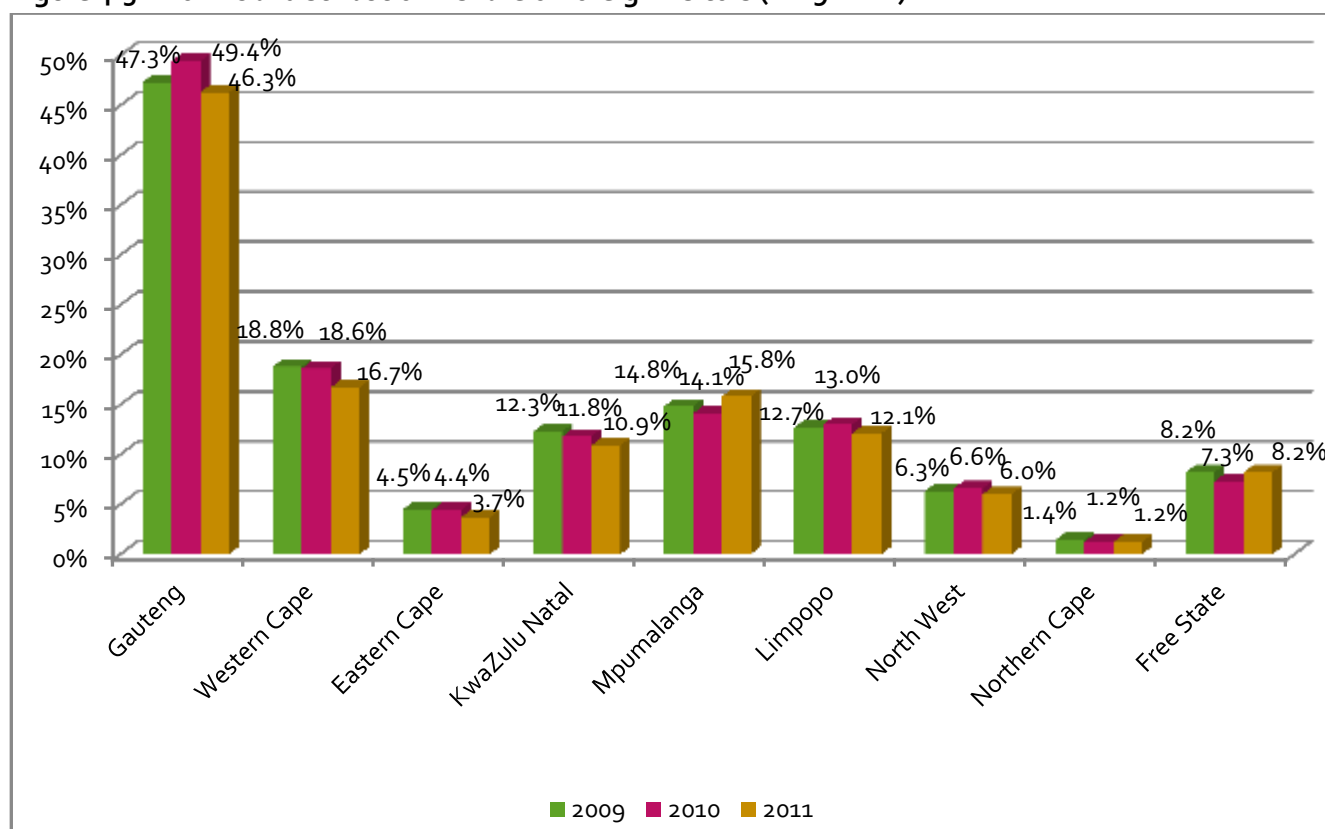
## 4.2. FREE STATE TOURISM PROFILE

It is essential to assess the tourism markets of the Free State province, given that the Nketoana LM is located in this province and thus attracts the same tourist market. This sub-section provides further insight into the current tourism market of the Province. According to The Free State Business (2013), the Province is centrally located with a solid network of infrastructure to accommodate large tourism numbers. New tourism routes are planned in the eastern parts of the Free State, announced by the province's Department of Economic Development, Tourism and Environmental Affairs. This is likely to increase the already growing number of tourists to the province, especially the eastern regions.

### 4.2.1. Foreign Tourism Market

In 2011, the Free State attracted a total of 684,686 foreign visitors, accounting for a share of 8.2% of all foreign visitors to South Africa. This is indicated in Figure 4-5 below. This places the Province sixth out of the nine provinces. Over the past three years, the province had not been able to change this position, with its percentage share remaining fairly constant. The province is, therefore, not a very strong player in the South African Foreign tourism market.

Figure 4-5: Provincial distribution – share of foreign visitors (2009-2011)

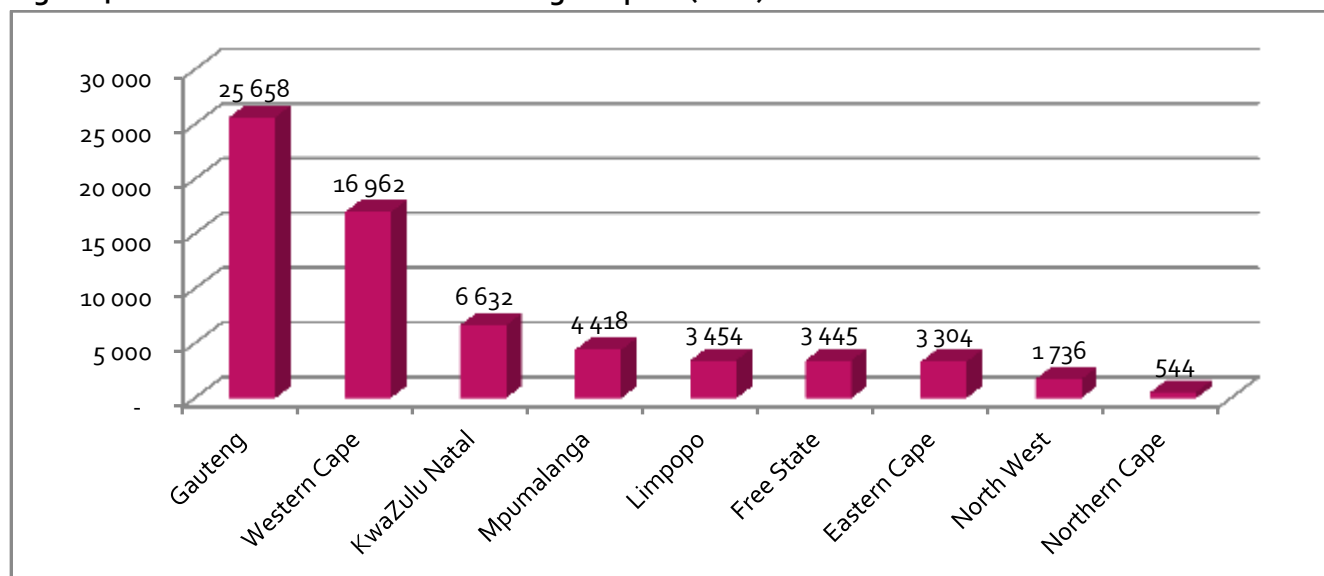


Source: SA Tourism, 2012

The total number of nights spent by foreign visitors per province is indicated in Figure 4-6. The highest number of nights spent by foreign visitors in 2011 was in Gauteng with almost 26,000 nights, followed by the

Western Cape with 16,962 nights. In comparison, foreign visitors spent only 3,445 nights in the Free State in 2011. Infrastructure and accessibility also play an important role in the number of provinces visited by tourists, such as the larger international airports established in Gauteng and the Western Cape. Although the Free State also houses an international airport in Bloemfontein, it is significantly smaller compared to the other international airports in the country.

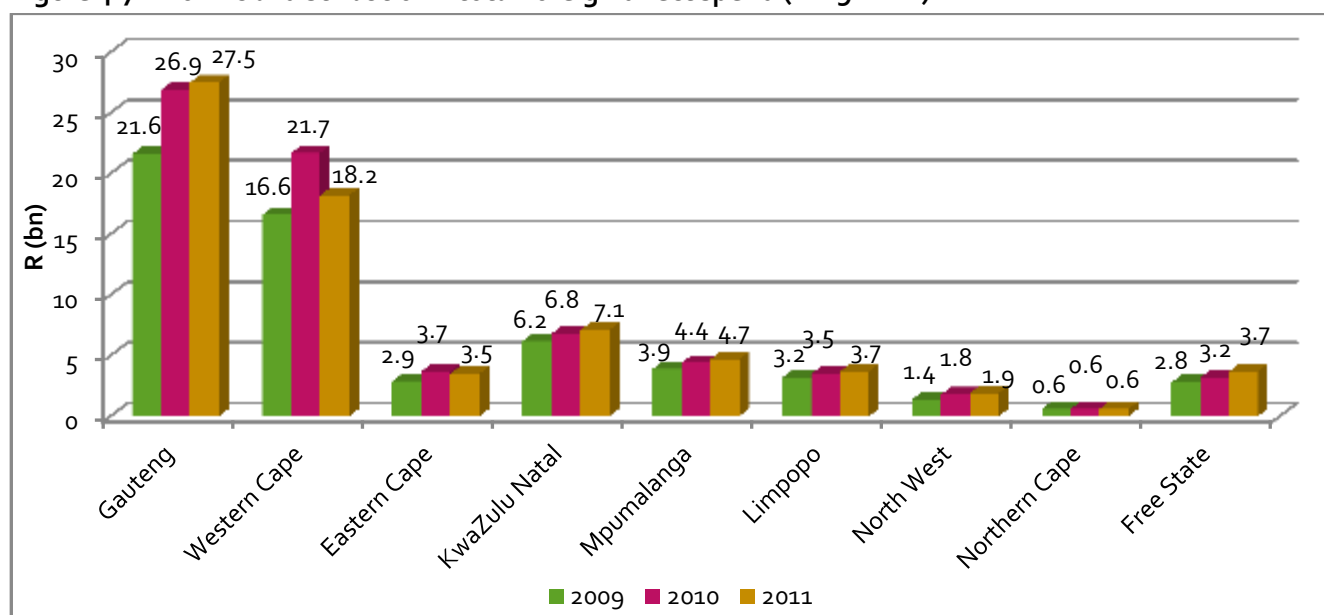
**Figure 4-6: Provincial distribution – total nights spent (2011)**



Source: SA Tourism, 2012

Figure 4-7 provides the total foreign direct spend (FDS) per province for the period 2009 to 2011. The largest portion of the FDS was spent in Gauteng, amounting to R 27.5 billion in 2011. FDS in the Free State added up to a mere R 3.7 billion in 2011, placing the Province jointly in fifth place in this regard. Nonetheless, FDS in the Province increased by 32% since 2009, indicative of growth in the tourism industry of the Free State.

**Figure 4-7: Provincial distribution – total foreign direct spend (2009-2011)**



Source: SA Tourism, 2012

### 4.2.2. Domestic Tourism Market

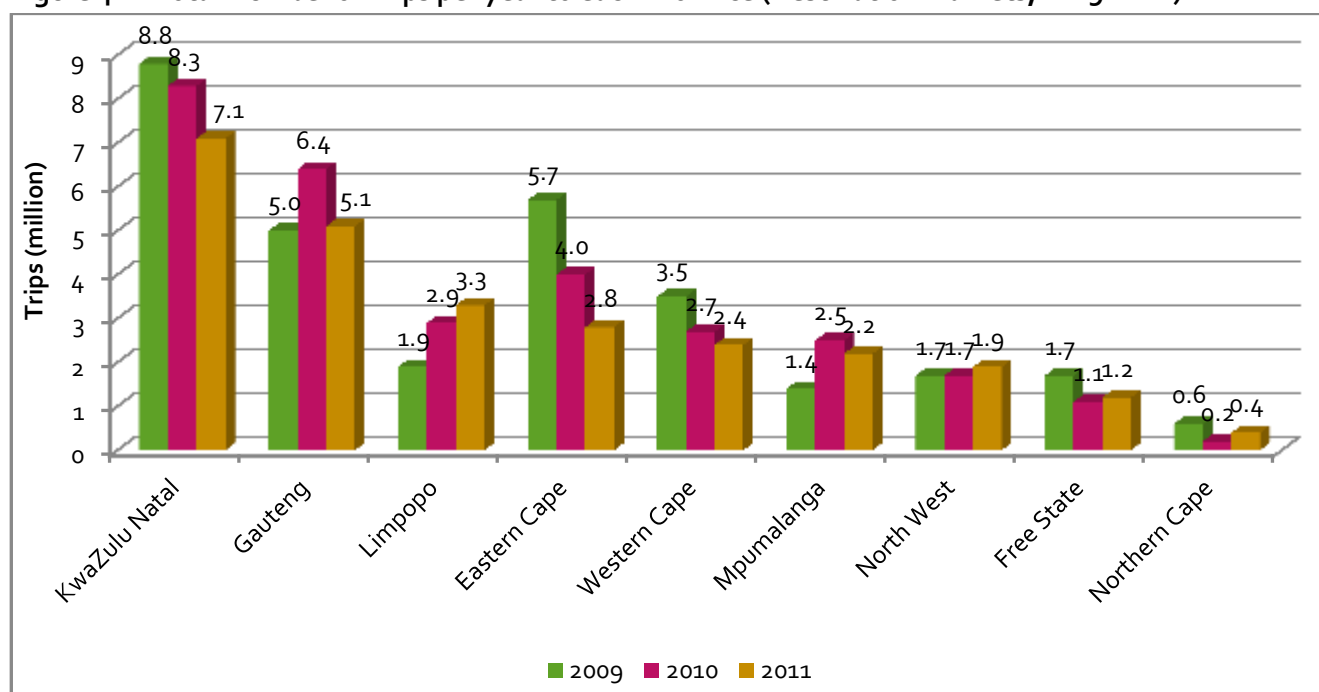
The Free State is known for its magnificent open farmlands and majestic Maluti mountain range, attracting a large number of visitors, especially during the winter and summer seasons.

The total number of trips to each province per year by domestic tourists is indicated in Figure 4-8 below. These figures highlights that the majority of domestic annual trips were made to KwaZulu-Natal for the three consecutive years of 2009 to 2011. Although the number of domestic trips to each province is declining overall, the contrary is evident in Limpopo, where the number of domestic trips to that province has almost doubled in 2011. For the Free State, the number of domestic trips amounted to 1.2 million trips, almost six times less than received by Gauteng. Despite a slight increase in the number of domestic trips between 2010 and 2011, trips in 2011 are still 500,000 less than in 2009. This has a very direct impact on the potential tourism revenues for the Province.



Source: SA Tourism, 2013

**Figure 4-8: Total Number of Trips per year to each Province (Destination Markets, 2009-2011)**



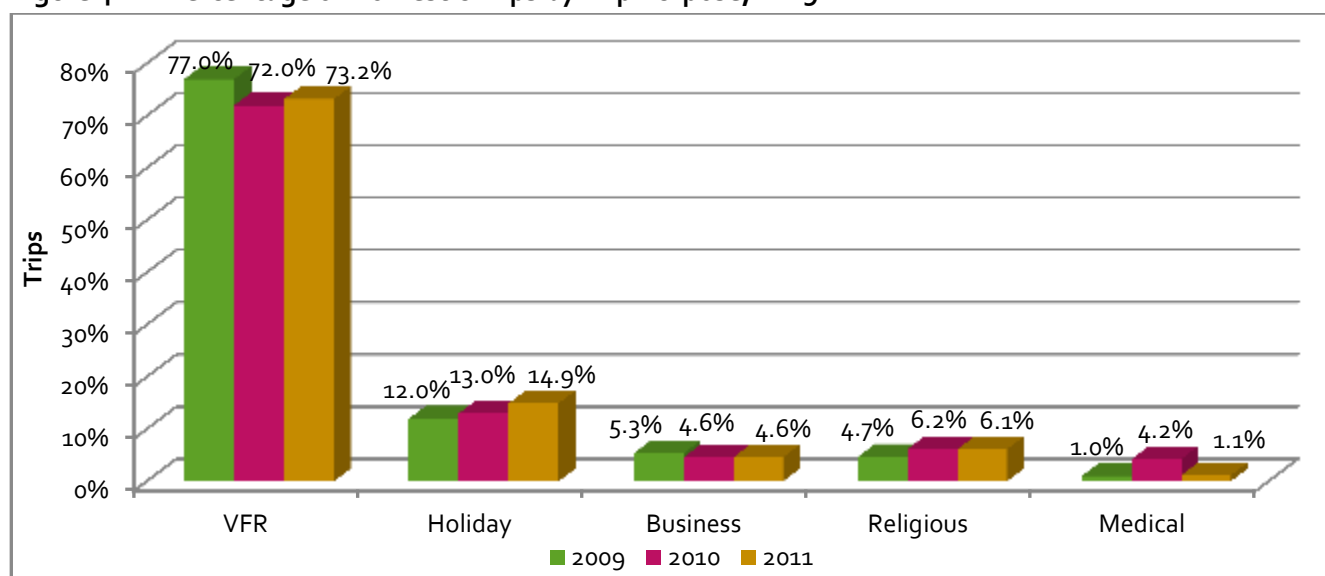
Source: SA Tourism, 2012

Following from Figure 4-8 above, the share of trips to each province is provided in Figure 4-9 below. The number of trips to each destination province is indicated as a percentage of the total number of domestic trips undertaken in South Africa as a whole. In 2011, KwaZulu-Natal, Gauteng and Limpopo dominated the market for domestic tourism trips, capturing 59% of the total domestic trips. The Free State received approximately 4% of the total domestic trips in the same year, making it the second least visited province by domestic tourists.

**Figure 4-9: Share of Trips per year to each Province (Destination Markets, 2009-2011)**

Source: SA Tourism, 2012

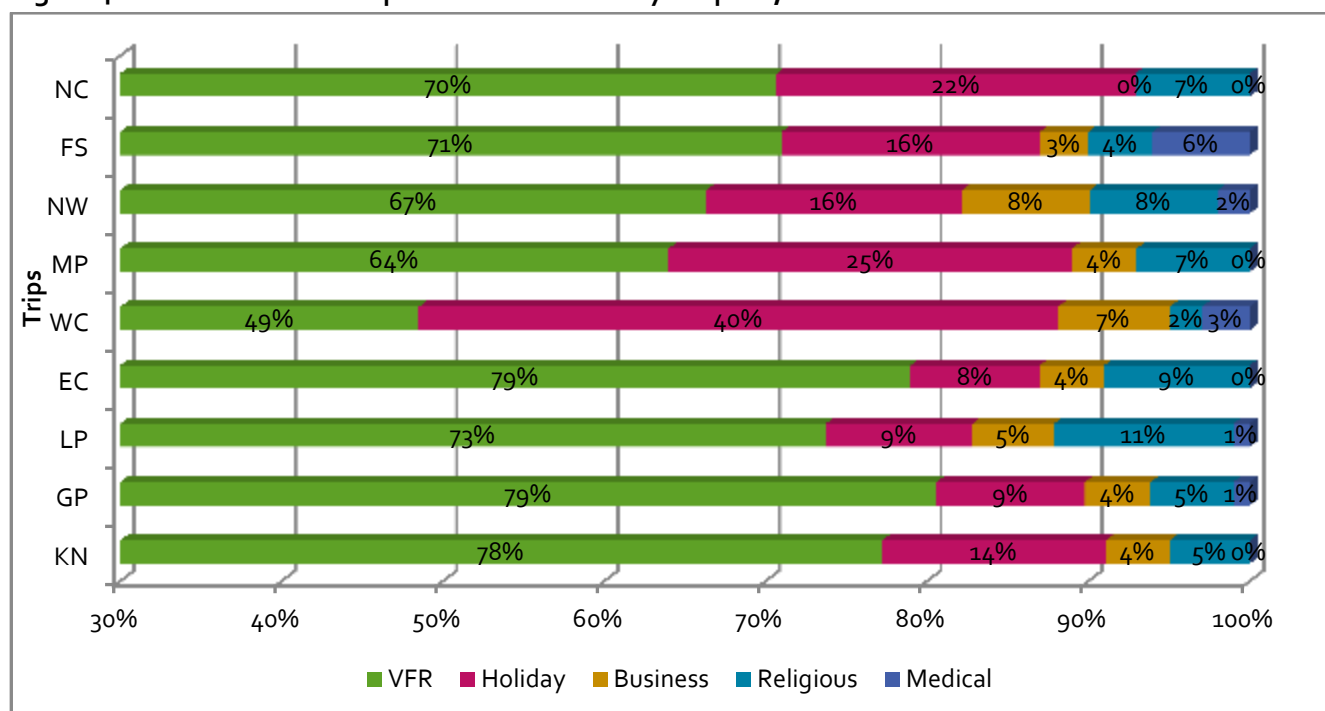
In order to understand the potential demand for products and activities in the Nketoana LM, it is essential to determine what types of activities interest domestic tourists. The purpose of total domestic trips undertaken for the period 2009 to 2011 is provided in Figure 4-10 below.

**Figure 4-10: Percentage of Domestic Trips by Trip Purpose, 2009-2011**

Source: SA Tourism, 2012

It is evident that the majority of domestic trips undertaken in the three years under review were for the purposes of visiting friends and relatives (VFR), with almost three quarters of all trips in 2011 being undertaken for that purpose. Holidays and religious reasons accounted for 14.9% and 6.1%, respectively, of all domestic trips in 2011. The least amount of domestic trips was undertaken for business or medical purposes. Figure 4-11 below provides a breakdown of the purpose of domestic trips in 2011 by province.



**Figure 4-11: Breakdown of Trips to each Province by Purpose, 2011**

Source: SA Tourism, 2012

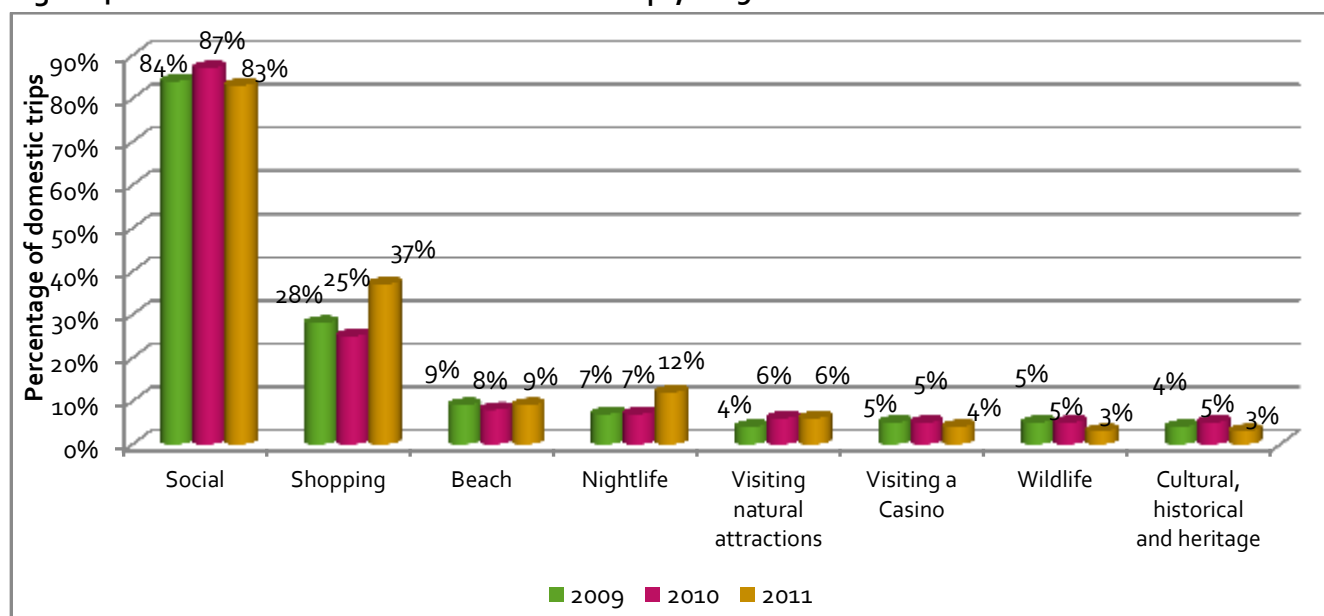
For all nine provinces, the predominant purpose for undertaking a domestic trip in 2011 was to visit friends and relatives, followed by holiday trips. VFR trips to the Free State accounted for approximately 71% of all domestic trips to the province, while holiday trips accounted for 16% of the domestic trips. A substantial proportion of domestic trips to the Province were undertaken for medical purposes (6%), with the Free State being the top ranked Province for these purposes. This could possibly be attributed to the fairly rural nature of the Free State and surrounding provinces such as the Northern Cape, with limited specialised medical facilities. The presence of good quality medical services in Bloemfontein, therefore, makes the Province an important destination for such purposes.

While taking domestic trips, tourists often undertake a number of activities as part of their trip, which could include both paid and unpaid activities. The main activities undertaken by tourists on domestic trips are provided in Figure 4-12 below. The figure clearly illustrates that the most common activity experienced by domestic tourists are social-related activities. These types of activities were undertaken by approximately 83% of tourists taking domestic trips in 2011, followed by shopping, which accounted for 37% of domestic trips; and nightlife, which was experienced by 12% of domestic trips. These activities can be closely linked to visiting friends and relatives as the main purpose of the visit.



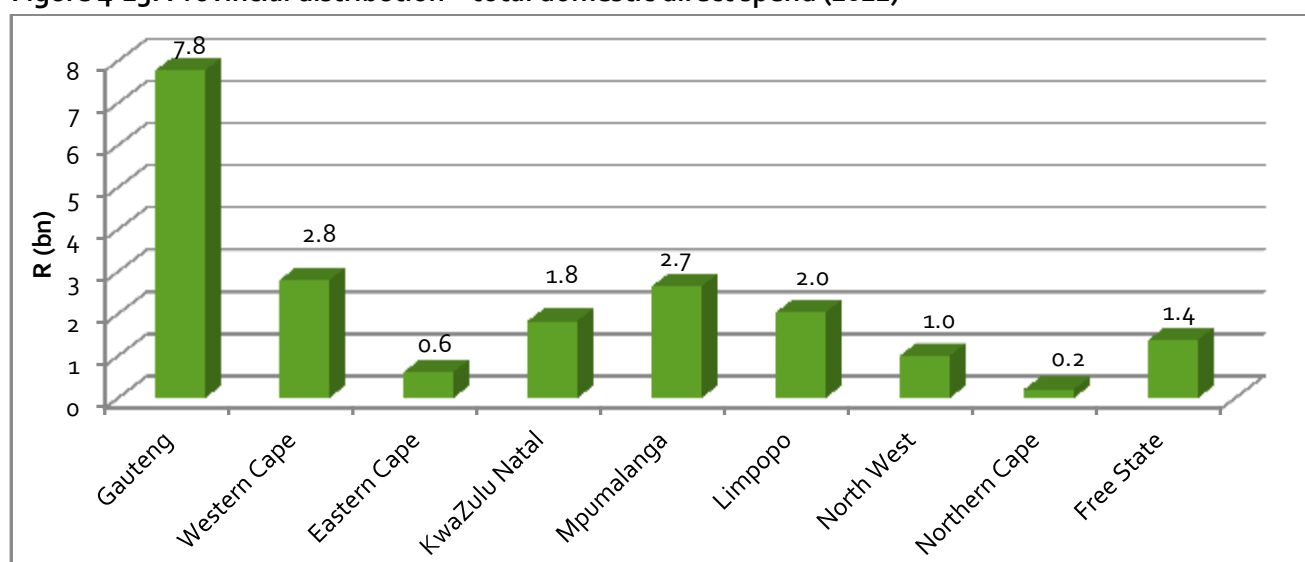
Source: The Sydney Morning Herald, 2012



**Figure 4-12: Activities Undertaken on Domestic Trips, 2009-2011**

Source: SA Tourism, 2012

Figure 4-13 provides an estimation of the domestic direct spend in each province. As no data is available in this respect, the total domestic direct spend per province was calculated by dividing the total domestic spend in South Africa with the proportion of visitors to each province. This provides the estimated total revenue earned within each province.

**Figure 4-13: Provincial distribution – total domestic direct spend (2011)**

Source: SA Tourism, 2012

The total domestic direct spend decreased from R 22.4 billion in 2009 to R 21.1 billion in 2010, and decreased further to R 20.3 billion in 2011. Of the nine provinces, the portion of the total domestic direct spend in 2011 was the highest in Gauteng (R 7.8 billion), followed by the Western Cape (R 2.8 billion) and Mpumalanga (R 2.7 billion). The Free State province received a total domestic direct spend to the value of R 1.4 billion in 2011.

**From the above analysis, the following can be summarised for the Free State Province:**

- The Province is not a preferred destination for the majority of international or domestic tourists, securing a mere 8.2% of foreign visitors and 4% of domestic visitors in 2011
- Foreign visitors spent a total of 3,445 nights in the province in 2011, a share of 13.4% of all nights spent in South Africa
- Of the R 74 billion direct foreign spend in South Africa in 2011, R 3.47 billion was spent in the Free State, while a small share (R 1.4 billion) of the R 20.3 billion spent by domestic tourists in South Africa was spent in the Free State in 2011 and
- The Province captured the largest share of the medical tourism market in 2011

## 5. TOURISM SITUATIONAL ANALYSIS

This Section describes the current status of tourism in the Nketoana LM. The situational analysis provides a summary of tourism information gathered through both desktop research and physical data collection, with the aim of describing the current position of the tourism sector in the Nketoana LM. The following elements form the basis of the situational analysis:

- Supply Analysis
- Demand Analysis
- Spatial Analysis and
- Institutional Analysis.

Each of these elements is discussed in greater detail in the sub-sections that follow.

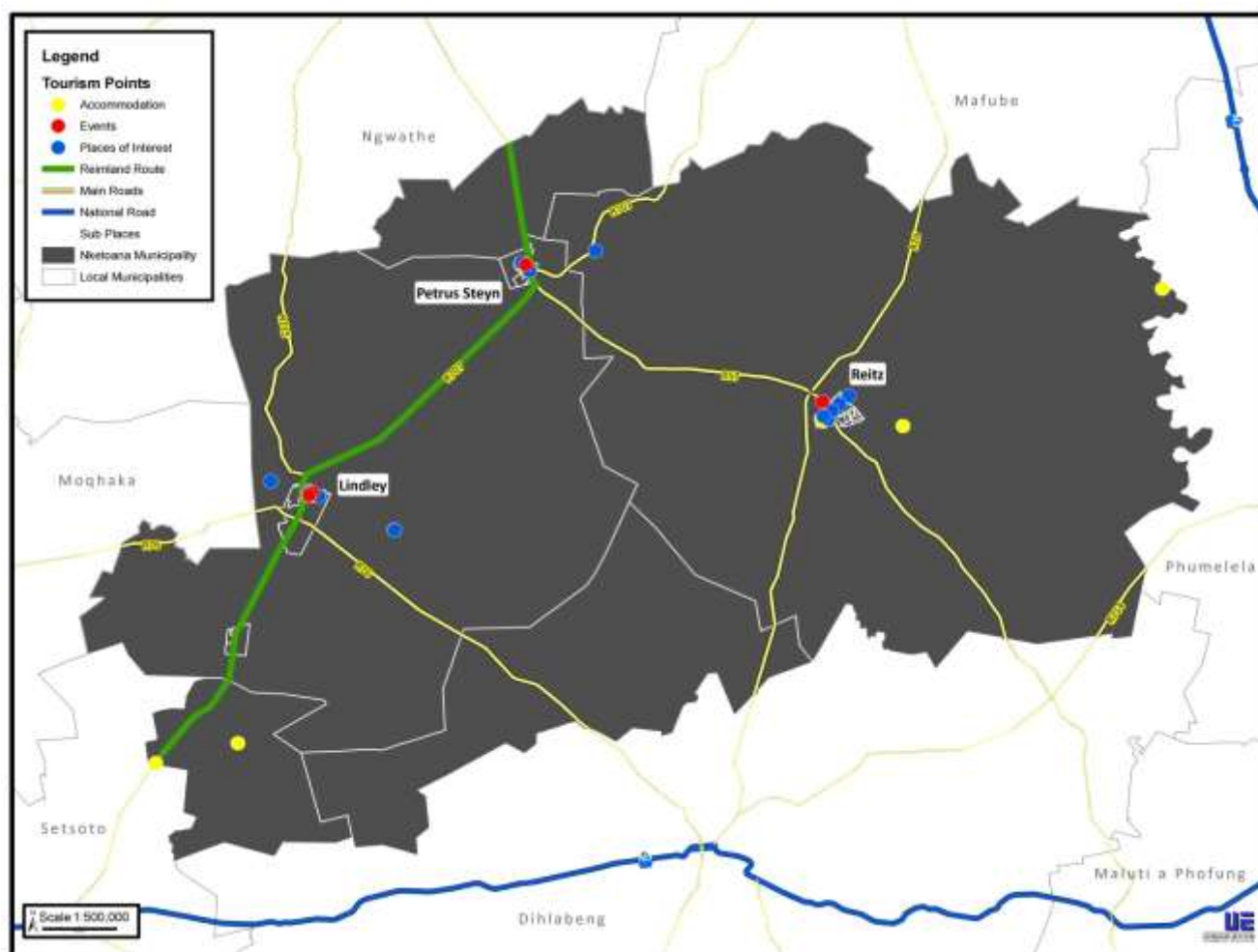
### 5.1. SUPPLY ANALYSIS

This sub-section aims to provide an overview of the various tourism offerings currently established in the Nketoana LM. A survey was conducted where questionnaires were given to the current tourism product owners, whereby information on the tourism products was obtained. These tourism products include accommodation facilities, tourist attractions and activities, tours, etc. In addition, the tourism product owners were provided with visitor questionnaires to be completed by tourists visiting the establishments, in order to compare the current tourism products with visitors' expectations of the area. Finally, information was also obtained from a number of identified key stakeholders through another questionnaire and telephonic interviews. Thus, both a bottom-up and top-down approach was followed in order to comprehend the local tourism industry.

Due to the fact that tourism is essentially demand driven, the supply of tourism products of a certain quality in the Nketoana LM will need to be met by the demand for such products by visitors to the area. This will ensure growth and development of the tourism industry in the Nketoana LM, as well as open new opportunities to maximise the tourism potential of the area. This sub-section essentially focuses on the supply of tourism products with regard to accommodation and attractions.

The Nketoana LM's tourism activities and attractions are indicated in Figure 5-1 below. It shows that these activities and attraction are mainly concentrated in the developed town areas and economic hubs of the municipality, with very few places of interest outside of these areas. A full list of tourism attractions, activities and places of interest is provided in **Annexure A**.

Figure 5-1: Map of attractions and places of interest in the Nketoana LM



Source: Urban-Econ, 2013

### 5.1.1. Accommodation Supply

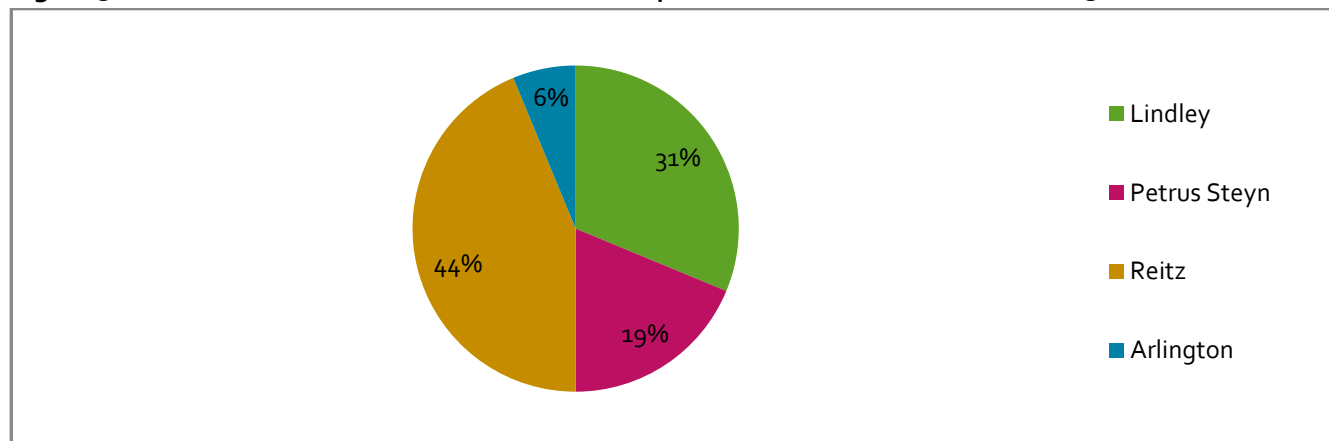
The supply of tourism accommodation products in the Nketoana LM covers a range of different establishment categories, including the following:

- Backpackers and Hostels
- Bed and Breakfasts
- Guest Houses
- Country Houses
- Hotels
- Lodges
- Self-catering Accommodation, such as chalets and cottages and
- Caravan and Camping Facilities

This list of tourism establishments in the Nketoana LM is derived from desktop (secondary) research, which includes online sources and data gathering, as well as primary research, obtained through site visits to the different towns in the Nketoana LM.

Three major towns, Reitz, Lindley and Petrus Steyn, as well as one minor town, Arlington, constitute the economic areas of the Nketoana LM. In Figure 5-2 below, the breakdown of the geographic distribution of all accommodation establishments in the Nketoana LM is given.

**Figure 5-2: Breakdown of accommodation facilities per town in the Nketoana LM (2013)**

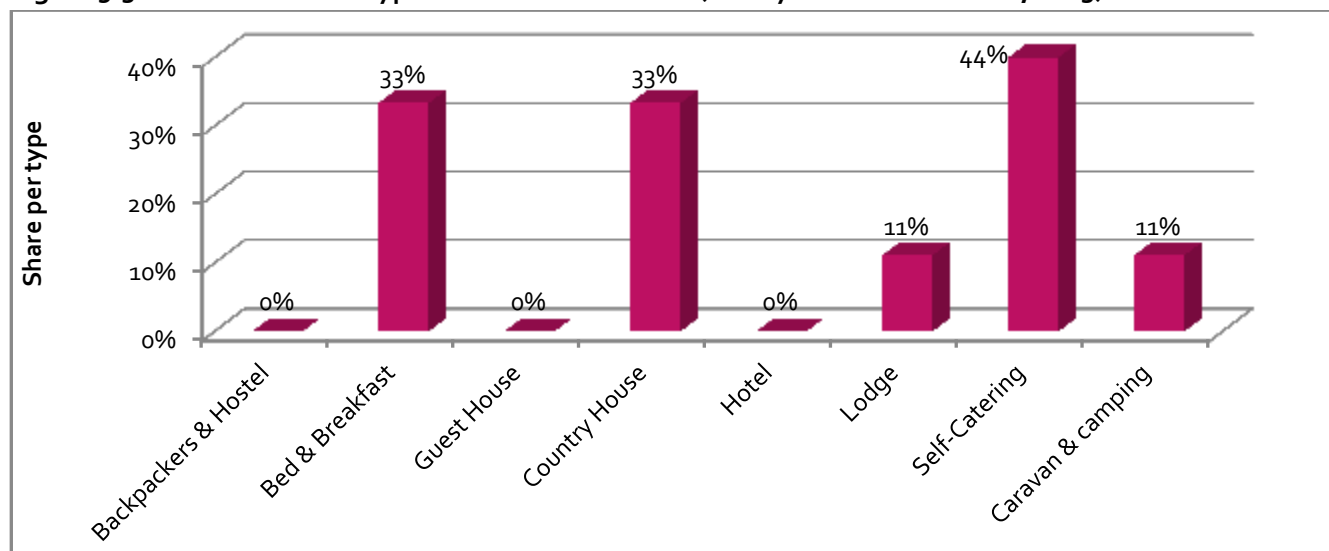


Source: Urban-Econ, 2013

The percentage of the accommodation facilities by each town includes all accommodation facilities identified by a desktop study, not only the surveyed sample. As can be observed, Reitz has the largest percentage of accommodation types on offer, while Lindley accounts for almost a third of the accommodation establishments in the area. Petrus Steyn and Arlington account for the smallest share of accommodation establishments, with 19% and 6%, respectively.

A total number of 16 accommodation establishments are distributed throughout the Nketoana LM, as is graphically illustrated in Figure 5-3 below. The number of survey sample accommodation establishments per type might not correspond to the total number of accommodation establishments in the Nketoana LM, due to these establishments offering more than one accommodation option for visitors. For instance, some lodges may accommodate both a bed and breakfast option and a self-catering option simultaneously.

**Figure 5-3: Accommodation types in the Nketoana LM (surveyed establishments, 2013)**



Source: Urban-Econ, 2013

The majority of accommodation available is in the form of bed and breakfast and self-catering, offered by 44% of the surveyed accommodation facilities. In addition, accommodation establishments such as bed and breakfasts and country houses, accounts for 33% each of the establishments surveyed, while lodges and caravanning and camping facilities each comprise 11% of the accommodation offered. From the Figure it is also evident that there are no backpacker's facilities, guest houses or hotels in the area.

### 5.1.2. Tourist Attractions

The second part of the supply analysis constitutes the various tourism attractions available in the Nketoana LM. Although the municipality is smaller than some of the other local municipalities in the Thabo Mofutsanyana DM, a fair number of tourist attractions exist. The tourist attractions can be categorised as follows:

- Cultural and Historic;
- Activities;
- Routes;
- Events; and
- Tours.

Each of these categories are discussed in more detail in the following paragraphs, along with the specific attractions present in the Nketoana LM.

#### 5.1.2.1. Cultural and Historic Attractions

Tourist attractions in the Nketoana LM comprise mainly cultural, historic and natural attractions. Primarily, the area is known for its history surrounding certain events that took place during the Anglo-Boer War, and a large number of visitors are interested in these historical sites and events. Dating back more than a century ago, the Yeomanry Hills is a famous battleground where a significant number of British soldiers were killed in battle with the Boers. The graves and memorial site for these soldiers can be visited in the Lindley cemetery.

Some visitors are also fascinated by the beautiful churches in each of these major towns, which houses significant history since their early 19th century construction. The old buildings, such as the Lindley Town Hall and Royal Lodge in Reitz, compliment the tranquil surroundings and historical atmosphere. In addition to the historical sites, a number of local artists have also made their mark in the area and sell their art and crafts locally. A list of all the cultural and historic attractions with short descriptions is provided in Table 5-1 below.

**Table 5-1: Cultural and Historic attractions in the Nketoana LM**

TOWN	ATTRACTION	DESCRIPTION
LINDLEY	Toeka Museum and Antique Shop	Shop selling antique goods and displaying antique memorabilia.
	Yeomanry Koppies Area- Anglo Boer War Battle Field (Anglo Boer War Graves)	Yeomanry Battlefield and war graves: Historical battlefield where the Boer killed a large number of the British Yeomanry regiment during the Anglo Boer war. The graves of some of the soldiers can also be visited in the graveyard.

TOWN	ATTRACTION	DESCRIPTION
	Pheelang Crafts	Local association consisting of a number of women who make crafts and sell them.
	Historic Buildings	Historical sandstone buildings, dating back as far as 1876, include the following: <ul style="list-style-type: none"> <li>• Town Hall</li> <li>• Post Office</li> <li>• Dutch Reformed Church</li> <li>• Methodist Church</li> </ul>
	Miniature Church	The miniature sandstone church, erected in 1928, was built as a replica of the Dutch Reformed Church that was burnt down during the Anglo Boer War to honour the Boers that died during the war.
PETRUS STEYN	Historical Crossroads Mission Church	Located approximately 11km from town on the R707 to Frankfort, this unusual church is known as the Crossroads (Die Kruispad). The church used to be a private home before the Anglo Boer war and afterwards was used as a mission church.
	Dutch Reformed Church building	Located in Reitz street, the church building was built after the establishment of the town in 1912.
	Afrikaans Language Monument	Erected to commemorate the establishment of the Afrikaans Language, is located in Dirkie Uys Square.
	Wagon Wheel Monument	Erected to commemorate the Great Trek of 1838. Located in Dirkie Uys Square.
	Ox Wagon Tracks	Dating back to the Centenary Celebration of the Great Trek of 1838, the ox wagon tracks have been preserved in a concrete slab on the Dirkie Uys Square.
REITZ	Bezuidenhoutsdrift Hospital	Situated on the farm Smithsrus, the hospital was used as a field hospital for the Boers during the Anglo Boer War.
	Graspan Battlefield	The site where a battle ensued between the British soldiers and the Boer troops, who came to rescue the Reverend Kestell and a convoy of Boer women fleeing from the British in more than 100 wagons.
	Dutch Reformed Church	Constructed in 1937, it has been declared as a National monument.

TOWN	ATTRACTION	DESCRIPTION
	Town Monument	<p>A monument that has been erected on the grounds of the Dutch Reformed Church, in order to commemorate the following:</p> <ul style="list-style-type: none"> <li>• In honour of the Boers who died during the Anglo Boer War</li> <li>• The Rebellion of 1914</li> <li>• The establishment of the Republic of South Africa in 1961 and</li> <li>• The Afrikaans Language</li> </ul>
	President Steyn and Mounted Attendant Monument	Monument dedicated to the old President's attendant, a man of Griqua decent, who prevented him from being captured by the British.
	War graves	Several graves of Boer and British soldiers who died during the Anglo Boer War can be visited in the town cemetery and surrounding areas of the town.
	Merwede Art Gallery	A number of local artists exhibit and sell their work at this art gallery in town.



#### 5.1.2.2. Other Attractions and Activities

Visitors can undertake a number of activities while visiting the Nketoana LM. Current activities established in the area range from visiting picnic spots, bird-watching and horse rides, to visiting art galleries, etc.

The major towns also offer sport and recreational activities, such as golf courses, mountain biking routes, as well as facilities for netball, "jukskei", squash, etc. Animal enthusiasts are also likely to enjoy the game farms and Wolf Sanctuary.



Although the majority of these activities are nature-based, there remains a variety of activities to be enjoyed. These activities are listed in Table 5-2 below.

**Table 5-2: Tourist activities in the Nketoana LM**

TOWN	ATTRACTION	DESCRIPTION
LINDLEY	Lindley Roller Mills	Local mill where corn are milled using a 1950 single cylinder diesel-engine powered mill. Maize is also packaged and sold.
	Piekniekdraai Dam Resort	Popular water sport and angling venue, facilities for camping as well.
	4x4 Routes	The Lindley Wildekat Slote is a site where 4x4 enthusiasts can come and test their vehicles' manoeuvrability and strength
	Sports Activities	The town offers facilities for netball, rugby, swimming, etc.
	Outdoor Activities	Outdoor activities include the pistol-, pigeon and bird watching clubs, picnic spots, horse-riding, hiking, etc.
	Le Ghoya Ruins	The remains of prehistoric stone huts are present in a few locations in the area. These ruins date back as far as the fourteenth century.
	Fossils and San Rock Art	Some rock paintings and fossilised tree trunks can be viewed at the Grootkrantz Game Farm.
PETRUS STEYN	Petros's Horsecart Rides	Horse rides for tourists
	Lan Nonnie Miniature Horse Stud	Miniature horses
	Petrus Steyn Golf Course	Open every day for visitors
	Bird Taxidermy Collection	One of the largest collections of Bird Taxidermy of indigenous birds are owned by a local farmer in the area
REITZ	Reitz Golf Course	Very well supported club, good club house facilities, well maintained course with trees coming into play. Open every day.
	Hiking And Mountain Biking	Hiking trails have been established next to the rivers in the area, and in the conservation areas. A number of mountain biking routes have also been established in the surrounding areas.
	Horse Riding	Several private farms offer horse riding for tourists.
	Bass Feather Country Lodge	Resort offering a number of land- and water based activities, including fishing, hiking, swimming, picnic's, etc.
	Timber Wolf Inn	Wolf sanctuary and viewing on private owned farm outside Reitz
	Flea Market	A flea market is held every last Saturday of each month



### 5.1.2.3. Routes

The Nketoana LM forms part of two tourism routes, the Riemland Route and the Grasslands Meander. These routes can be described as follows:

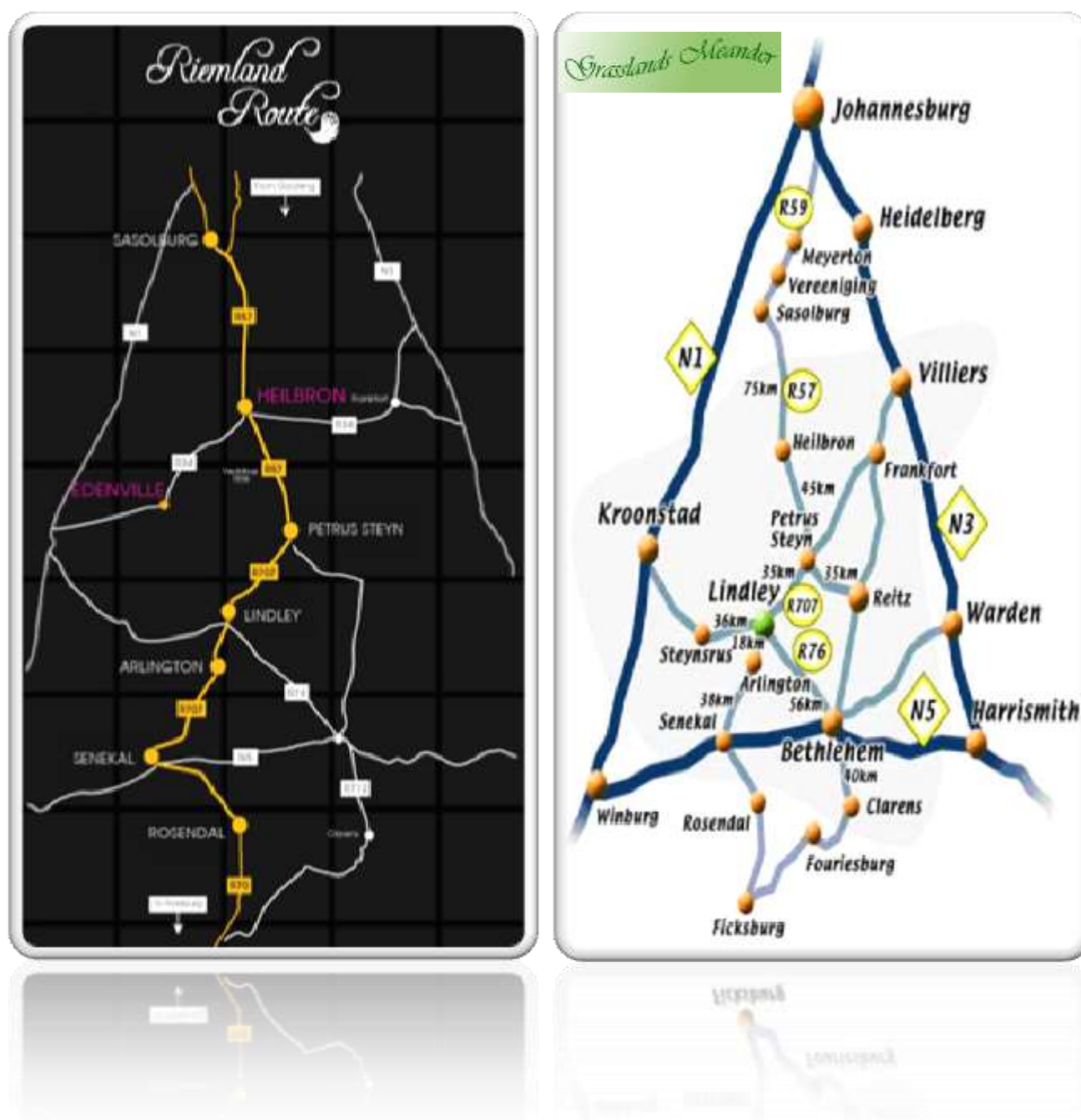
- Riemland Route - The route leads travellers through the northern savannah's to the undulating hills of the Eastern Free State, and finally to Ficksburg and the Maloti Drakensberg Route. This route has been established with the aim of creating an entry point to the province through Sasolburg, with emphasis being placed on the countryside and natural surroundings to be enjoyed by visitors.

The following towns are included in the Riemland Route:

- Sasolburg;
  - Heilbron;
  - Petrus Steyn;
  - Lindley;
  - Arlington;
  - Senekal; and
  - Rosendal.
- Grasslands Meander - The Grasslands Meander stretches from Heidelberg in Gauteng to Van Reenen on the KZN border and includes 29 Towns, of which Lindley, Petrus Steyn and Reitz also forms part. This route has been established to attract more tourists to the northern Free State area, by introducing them to the history of centuries gone by, the memories of the Anglo-Boer war, the hospitality of the people, and to breathe in the fresh air and enjoy the natural surroundings. In addition, the meander seeks to provide tourist information on accommodation establishments and places of interest to visit.

A graphical illustration and road map of each of these routes are provided in Figure 5-4 below.

Figure 5-4: Map of Riemland Route and Grasslands Meander



#### 5.1.2.4. Events

Events, such as festivals, are an effective way of attracting tourists to an area. Visitors are provided with a reason to visit an area they would not visit normally, and to get to know the tourism offering of the area. This creates opportunities for repeat visits. Large events have historically attracted a significant amount of visitors to the area. Each of the major towns of Lindley, Petrus Steyn and Reitz have hosted events in the past couple of years, which is described in Table 5-3 below.

Table 5-3: Events in the Nketoana LM

TOWN	ATTRACTION	DESCRIPTION
LINDLEY	Riemland Bundu Festival	The town hosts a typical country fair, with an exciting 4x4 challenge, annually in March.
	Danie Craven Rugby Day	The Danie Craven Rugby Day is an annual event hosted by the Lindley Rugby Club, to commemorate the famous rugby player and father of South African Rugby. Danie Craven was born in the area and Lindley is also where he started playing rugby.
PETRUS STEYN	Sunflower Festival	Annual festival held around August by members of the local community, including accommodation establishments and farmers.
REITZ	Bieliemielie Festival	Well-supported and renowned festival featuring exhibitors, entertainment, food, adventure activities, family activities, animal shows, arts and crafts, beer garden, etc. occurring annually around mid-February.



#### 5.1.2.5. Tours

There are currently a few tours available in the area. Given that tourism in the area mainly revolves around the natural attractions and history, a local historian is offering history tours in the Nketoana LM. Agricultural tours are also available and offer visitors the opportunity to learn about and participate in a number of agricultural activities.

Table 5-4 indicates the tours offered by product owners in the Nketoana LM.



Table 5-4: Tours in the Nketoana LM

TOWN	ATTRACTION	DESCRIPTION
LINDLEY	History Tours	Kota Botha, a local historian, offers tours where visitors can learn all about Lindley and its history, including history surrounding the Anglo Boer War.
	Bush Junkies Safaris	Tailor-made wildlife and adventure safaris anywhere in South Africa and the southern African region. Offers game viewing and/or birding safaris in any of southern Africa's game reserves and private reserves.
REITZ	Agricultural Tours	A number of agricultural tours are offered, and is based on learning the farming techniques of apples and potatoes, roses, exotic birds, vegetables, tulip bulbs, cattle, dairy and lion breeding.



### 5.1.3. Conclusion

There is some accommodation establishments located in the three main towns in the Nketoana LM, offering various types of accommodation. The majority of the establishments are located in Reitz, also home to the largest population and most established economic node in the area.

Tourist attractions are also mainly clustered around the economic areas. Two main types of attractions have been identified, namely cultural and historic attractions, as well as natural attractions. Along with the two tourism routes, a few events and agricultural tours, tourist attractions need to be developed in order to ensure tourism growth within the Nketoana LM.

## 5.2. DEMAND ANALYSIS

This section outlines the demand for tourism products in the Nketoana LM. The information presented in this section was obtained through the distribution of questionnaires to tourists visiting the tourism establishments and attractions within the area. A total number of 13 visitor questionnaires were completed, which constitutes the basis of this analysis.

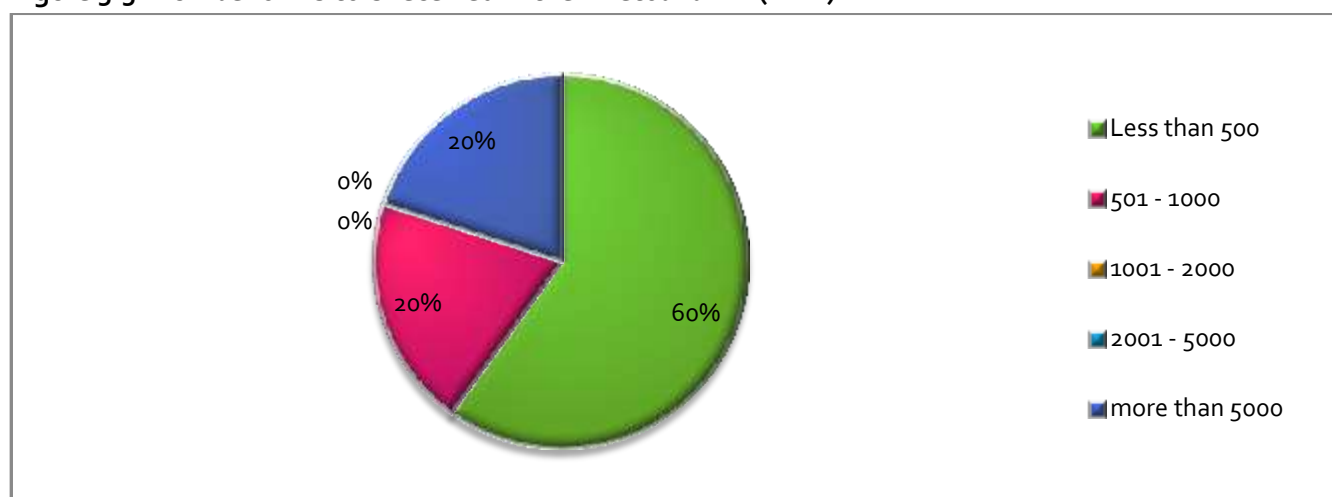
The visitor questionnaires were designed to gather, *inter alia*, the following information:

- Primary destination of the trip
- Type of trip undertaken
- Purpose for visiting the area
- How the destination was reached
- How much time will be spent in the area
- Type of accommodation used
- Average visitor spending within the area
- Demand for and interest in activities
- Most visited places of interest
- Demographic information, such as sex, age, income, etc.

### 5.2.1. Tourist Demand

The following paragraphs detail the information obtained from product owner surveys and visitor questionnaires. A short analysis of the findings is also provided.

**Figure 5-5: Number of visitors received in the Nketoana LM (2012)**



Source: Urban-Econ, 2013

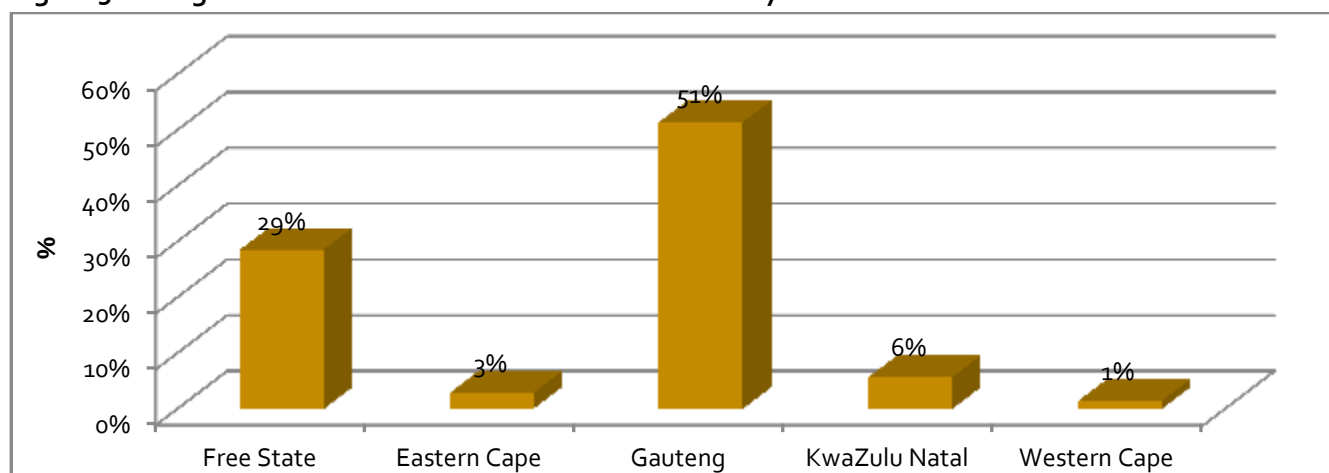
Figure 5-5 above provides an indication of the number of visitors that stayed in accommodation establishments in the Nketoana LM during 2012. It should be noted that these figures do not represent all visitors to the municipality, but is a sample of those product owners that participated in the survey. As indicated by the owners of the accommodation establishments surveyed, more than 60% of the accommodation establishments received less than 500 visitors during 2012. Approximately 20% of the owners indicated that they received between 501 and 1000 visitors during the same year, with an additional

20% of the owners indicating that they received more than 5000 visitors in 2012. From the surveys completed, it can be derived that a total of approximately 7,500 tourists visited the Nketoana LM in 2012. This is, however, likely to be an under-estimation, given the limited extent of the survey responses. None of the visitors surveyed indicated that they were foreign tourists.

In addition, it was indicated in the Thabo Mofutsanyana DM's Tourism Plan that, according to a sample count taken of visitors to the area, approximately only 3% of all visitors to the District travelled to the Nketoana LM. This Tourism Plan also indicated that the Nketoana LM is the smallest municipality in terms of tourists and tourist facilities.

Figure 5-6 indicates the share of domestic tourists to the Nketoana LM in terms of their province of origin. The majority of visitors are from the Gauteng province (51%) followed by the Free State (29%). The lowest percentages of visitors are from the coastal provinces of KwaZulu Natal, Eastern Cape and Western Cape.

**Figure 5-6: Origin of domestic visitors to the Nketoana LM by Province**

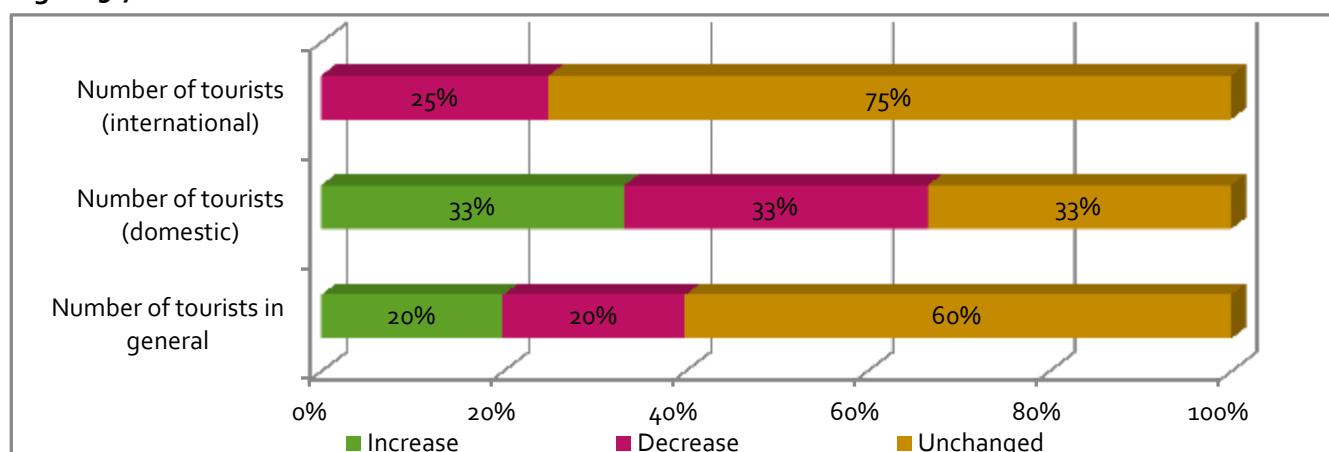


*Source: Urban-Econ, 2013*

In terms of international visitors, the product owners have indicated that the majority of visitors originate from Africa, followed by Australasia & Asia and then Europe. Specifically, the international tourists are generally from the following countries:

- Ethiopia
- Australia
- The Netherlands
- The UK
- America and
- Canada

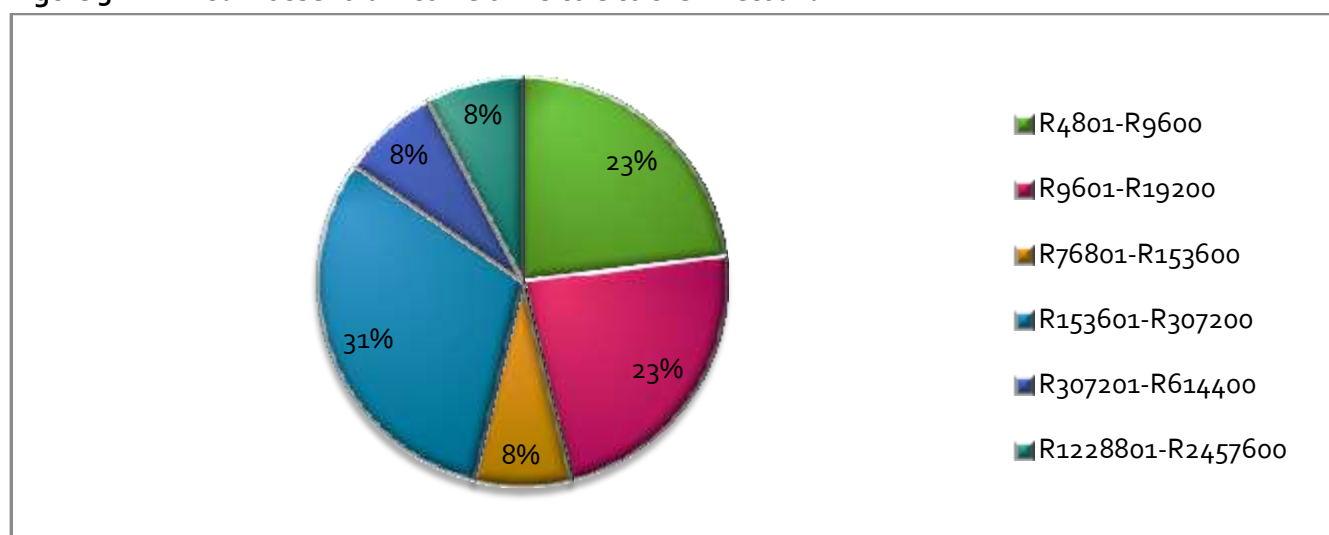
In addition, surveyed accommodation product owners provided their experience of visitor trends over 2012 for the Nketoana LM. These views are illustrated in Figure 5-7 below.

**Figure 5-7: Tourist trends for visitors to the Nketoana LM**

Source: Urban-Econ, 2013

In terms of international tourists, 75% of the product owners noticed that visitor numbers remained unchanged, where a quarter of product owners indicated a decrease in international visitors. An increase was noted among the number of domestic visitors by a third of product owners; however, product owners seem to be equally divided between the trends of domestic visitors. In general, although an equal 20% of product owners indicated that tourist numbers have both increased and decreased, the majority (60%) of product owners believe that tourist numbers to the area have remained unchanged.

In order to determine which tourism products should be developed or expanded, it is important to take cognisance of the annual household income of tourists visiting the area. Should the tourists that visit the area not fall in higher income categories, it would mean that they would not be able to afford more expensive activities or accommodation. In addition, tourists from the lower income categories are also more likely to lodge with friends or family, thereby limiting the opportunities for accommodation development in the area.

**Figure 5-8: Annual household income of visitors to the Nketoana LM**

Source: Urban-Econ, 2013

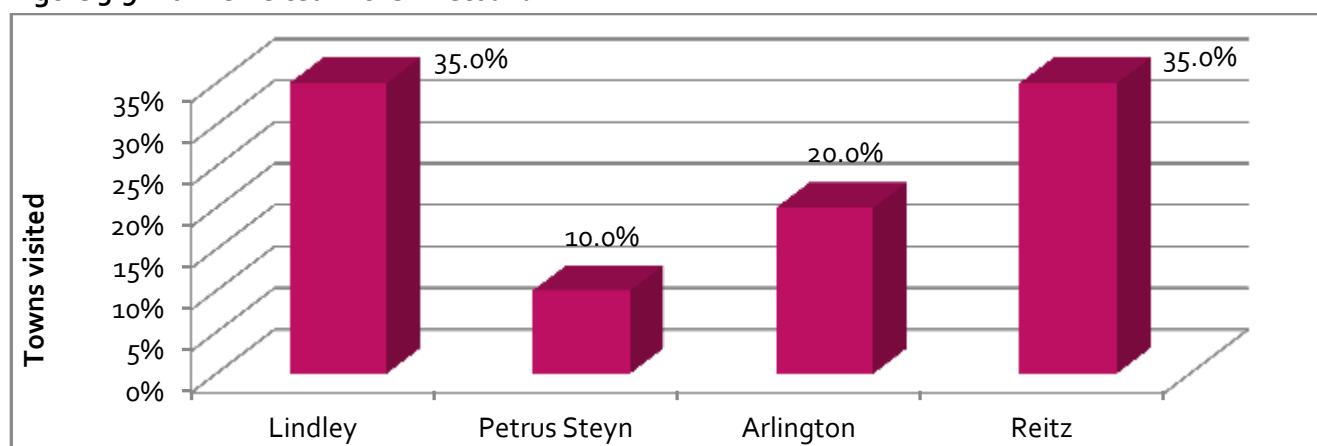
In Figure 5-8 above, the annual household income of tourists to the Nketoana LM is shown. Approximately 31% of visitors to the area earn an annual income of between R 153,601 and R 307,200. All visitors to the area who completed the questionnaires earned an income of at least R 4,801 per annum. An additional 8% of



visitors to the area earned an annual household income of R 1,228,801 and higher. This phenomenon indicates that tourists who visit the area are earning above-average incomes, and are therefore more likely to spend some of their income on tourist attractions and activities.

In terms of the destination of the trip undertaken by tourists, the questionnaire allowed visitors to indicate whether any one of the four towns within the Nketoana LM was the primary destination of the trip. All of the visitors indicated that the Nketoana LM is their primary destination of that specific trip undertaken. However, Figure 5-9 indicates the specific towns visited on this trip, within the Nketoana LM.

**Figure 5-9: Towns visited in the Nketoana LM**

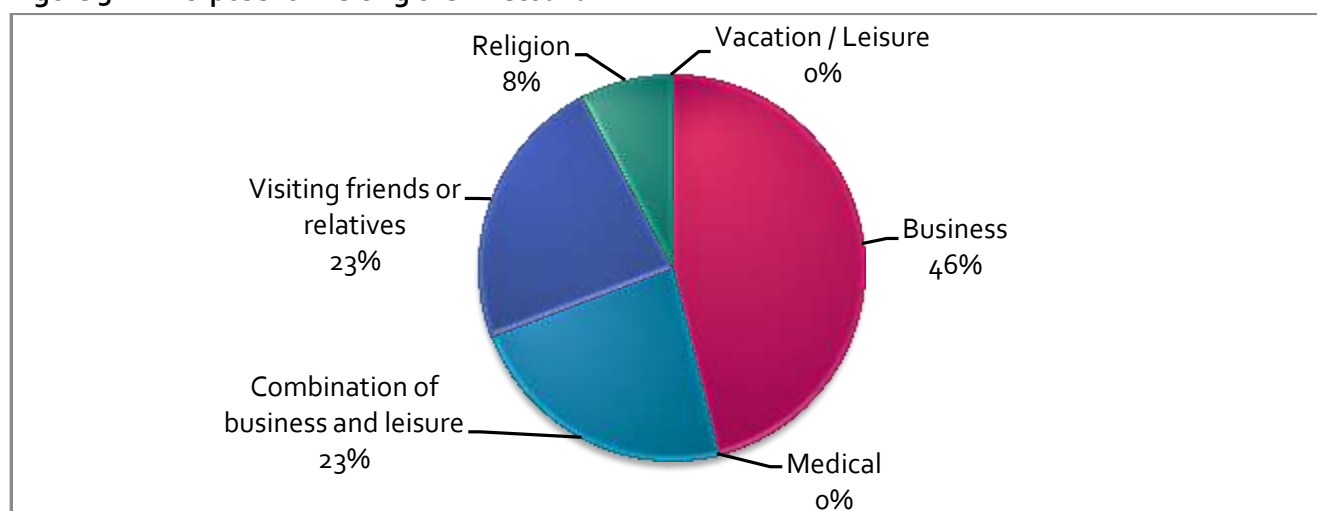


Source: Urban-Econ, 2013

Of the total tourist visits, 35% visited the towns of Reitz and Lindley each, making these towns the most popular destinations. Petrus Steyn was the least visited of all the towns.

The purpose of visit for tourists to the Nketoana LM is illustrated by Figure 5-10 below. Almost half of visitors surveyed visited for business purposes (46%), followed by visiting friends or relatives and a combination of business and leisure, with 23% each. None of the tourists surveyed visited the area for vacation / leisure or medical purposes. This illustrates that the Nketoana LM is not yet realised as a leisure destination.

**Figure 5-10: Purpose for visiting the Nketoana LM**

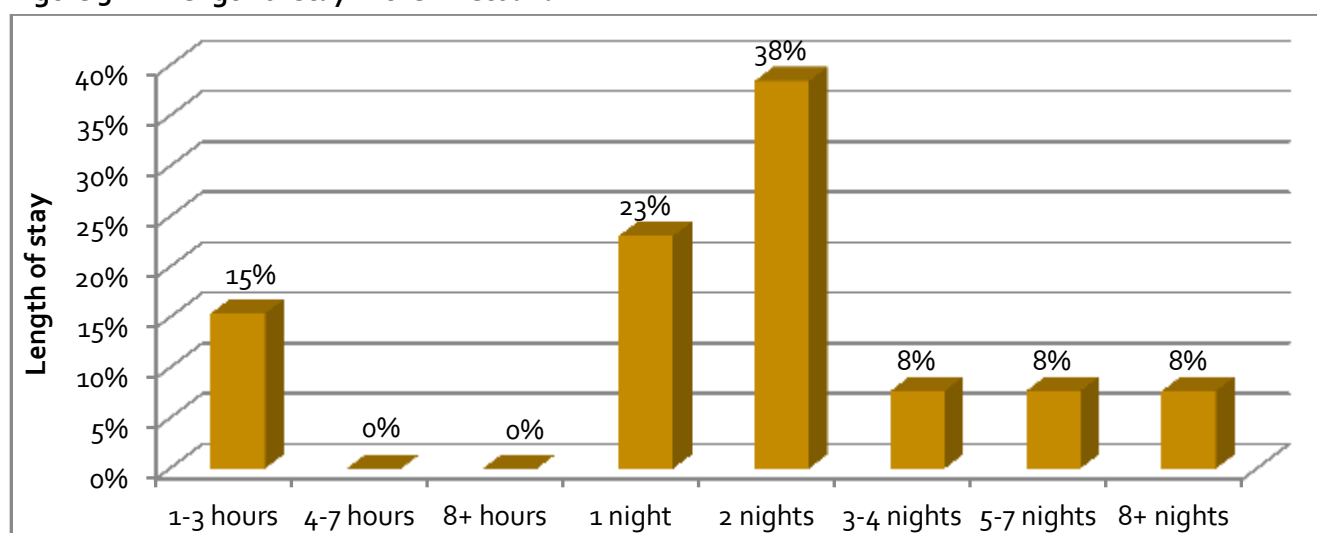


Source: Urban-Econ, 2013

The majority of visitors (70%) reached the area by means of their own car and there were a few who made use of a hired car. The least preferred method of travel was by tour bus, which was indicated to be the mode of transport for the smallest percentage of visitors.

In response to the amount of time spent in the Nketoana LM, the majority of visitors indicated that they would spend 2 nights in the area. The average length of stay is shown in Figure 5-11 below.

**Figure 5-11: Length of stay in the Nketoana LM**

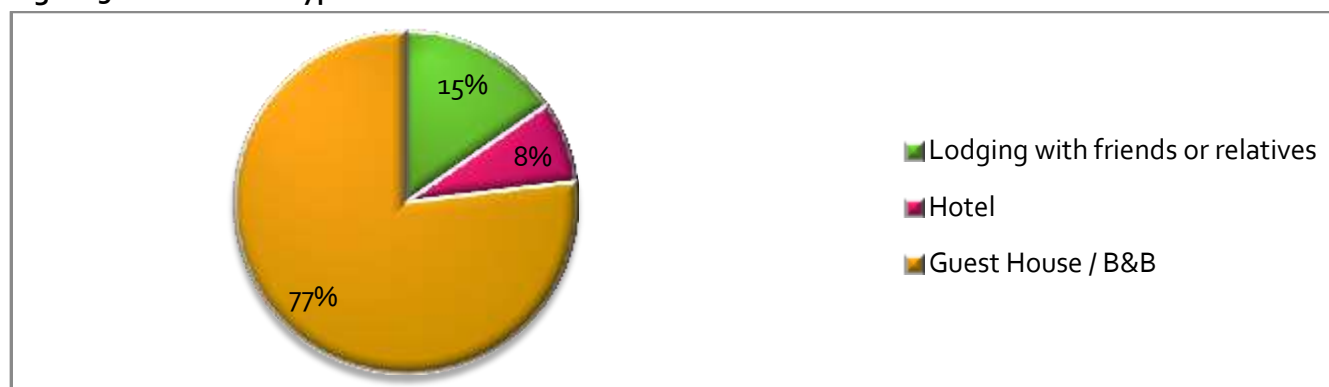


Source: Urban-Econ, 2013

Almost a quarter of visitors indicated that they would stay one night, with 15% indicating their stay would comprise only 1-3 hours (15%). From the above, it is clear that the shorter stays are more prominent. This corresponds with the main purpose of stay being business.

In staying overnight in the Nketoana LM, visitors were asked what type of accommodation they were making use of. Over three quarters of visitors indicated that they would be staying over in a Guest House or B&B, where 15% of visitors indicated that they would be lodging with friends or relatives. Only 8% of visitors to the Nketoana LM chose to stay in a hotel. This indicates that there is a strong demand for paid accommodation, comprising approximately 85% of preferred accommodation by visitors to the area. The preferred accommodation types for visitors to the area are illustrated in Figure 5-12.

**Figure 5-12: Preferred type of accommodation**

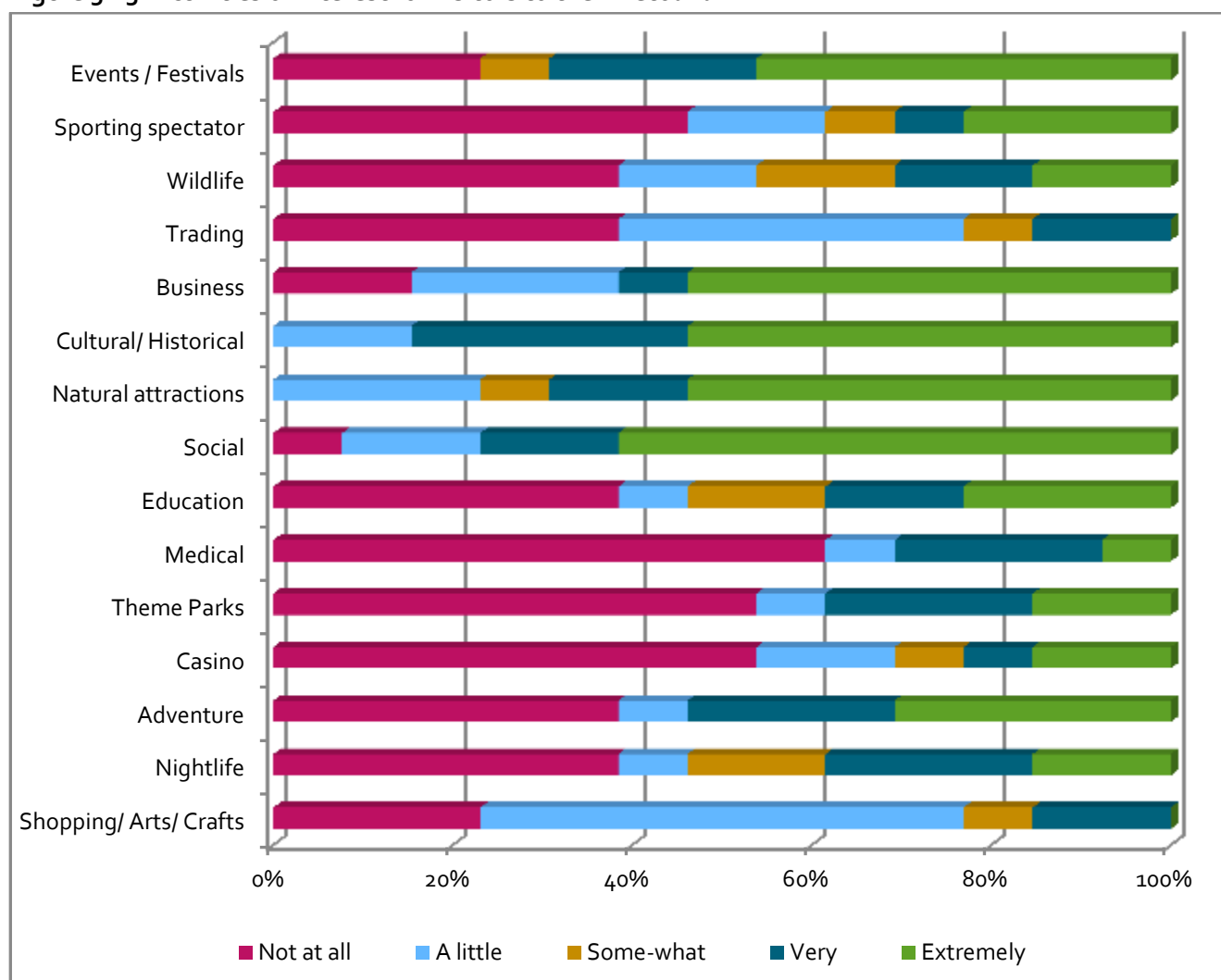


Source: Urban-Econ, 2013

The activities that visitors to the Nketoana LM are interested in are illustrated by Figure 5-13 below. Visitors were asked to allocate a number to each activity that they might be interested in, ranging from one to five. A rating of one would indicate that the visitor has no interest in the relevant activity, where a rating of five would mean that the visitor is extremely interested in the corresponding activity.

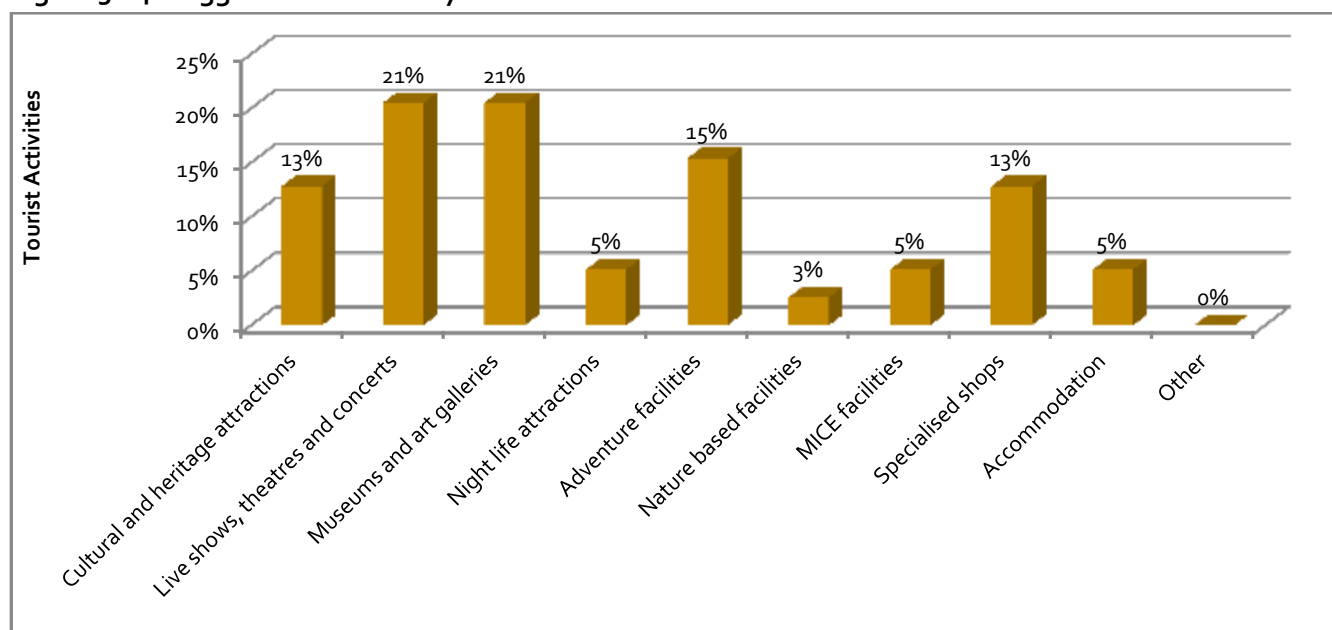
From Figure 5-13 it is evident that visitors to the municipality are more interested in the following activities: events / festivals; business activities; cultural, historic and heritage activities; and natural attractions. Activities that visitors are less interested in include medical activities or facilities, casinos, adventure activities, wildlife, education or training activities and sports events.

**Figure 5-13: Activities of interest for visitors to the Nketoana LM**



Source: Urban-Econ, 2013

Figure 5-14 indicates activities and attractions that tourists to the area would like to see more of. The majority of tourists have suggested that the number of live shows, theatres and concerts, as well as museums and art galleries be increased to meet the demand. An additional 15% of visitors suggested an increase in adventure activities and facilities. Attractions and activities such as night life activities; Meetings, Incentives, Conference and Exhibition (MICE) facilities; and nature-based facilities have also been suggested, although to a lesser extent.

**Figure 5-14: Suggested activities by visitors to the Nketoana LM**

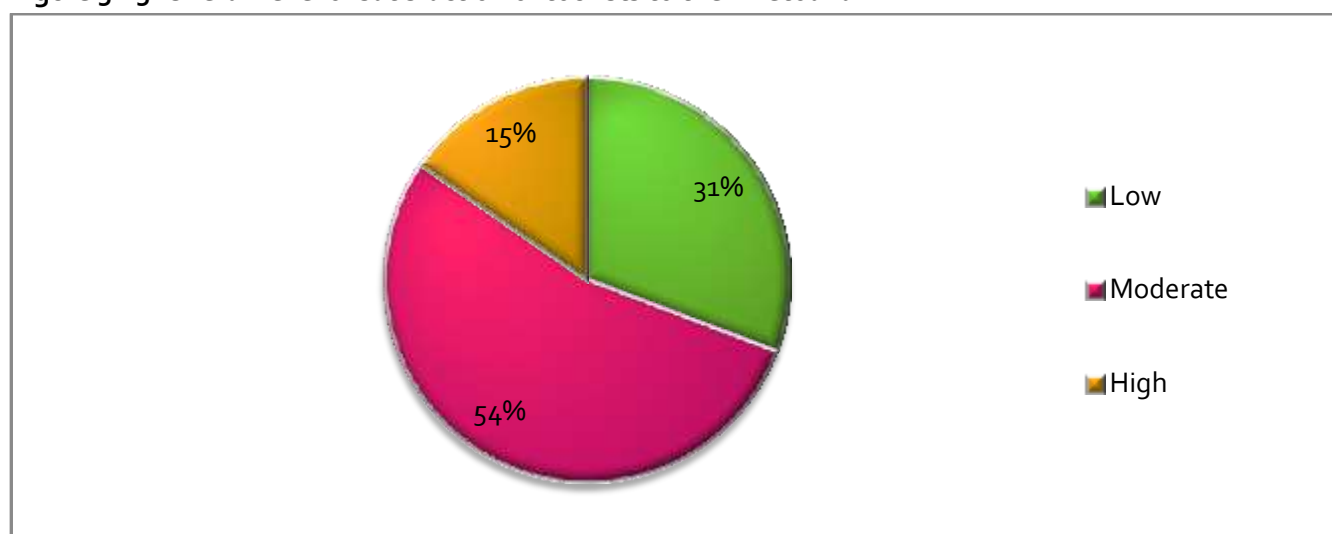
Source: Urban-Econ, 2013

Finally, visitors who completed the questionnaires were asked to rate their experience within the Nketoana LM according to a scale of one to ten. A score of one represents an overall dissatisfactory experience, while a score of ten would represent a most satisfactory experience in the Nketoana LM.

In order to simplify the analysis, the scoring allocated to tourists' experience was grouped as follows:

- 1 – 3: Low level of satisfaction
- 4 – 7: Moderate satisfaction
- 8 – 10: High level of satisfaction

The results of the scoring are indicated in Figure 5-15 below.

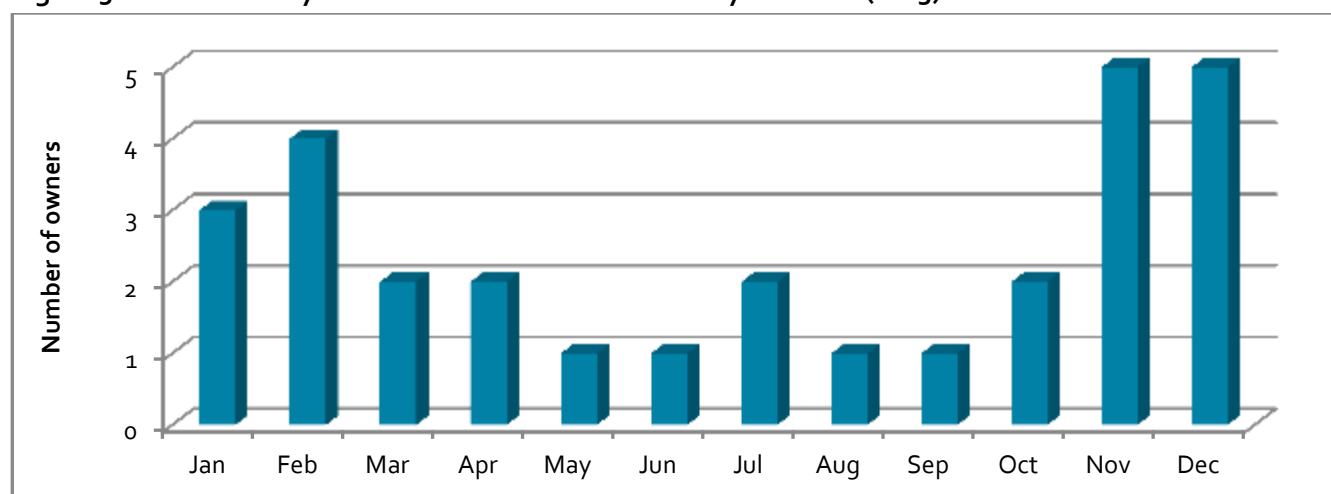
**Figure 5-15: Overall level of satisfaction of tourists to the Nketoana LM**

Source: Urban-Econ, 2013

More than half of visitors to the Nketoana LM expressed their moderate satisfaction with regard to their experience of tourism in the area. Although almost a third of visitors were dissatisfied with their experience, approximately 15% of visitors indicated that they were highly satisfied with their experience in the Nketoana LM. Surveyed visitors, who indicated that their experience in the Nketoana LM could have been better, cited the lack of shopping activities, lack of proper signage, deteriorating road infrastructure and a general unfriendliness towards visitors as key negative aspects.

Visitation to the Nketoana LM is fairly seasonal, as illustrated by Figure 5-16 below. Most product owners surveyed indicated that visitors tend to visit the area during the summer months of November until February and least likely to visit during the colder winter months.

**Figure 5-16: Seasonality of visitors to the Nketoana LM by Province (2013)**



*Source: Urban-Econ, 2013*

This seasonality analysis is important as it informs the strategies and plans that will be developed to attract more tourists to the Nketoana LM during periods of low visitation, in order to ensure a constant flow of visitors to the municipality throughout the year. These strategies and plans will be more focused towards addressing the seasonality of current visitors.

### 5.2.2. Conclusion

The two most visited towns in the Nketoana LM are Reitz and Lindley. Mainly business tourists visited the area, and they stayed an average of two nights. Tourists to the area have also indicated that they prefer to stay in a Bed and Breakfast as opposed to any other accommodation. More than half of visitors to the area have specified that they are only moderately satisfied with their experience in the Nketoana LM, and would like to see improvements in the types of activities and facilities offered to tourists. There is a large gap between the types of activities that tourists are interested in and what is offered in the area. These gaps and opportunities will be addressed in the opportunity and SWOT analysis sections of the report.

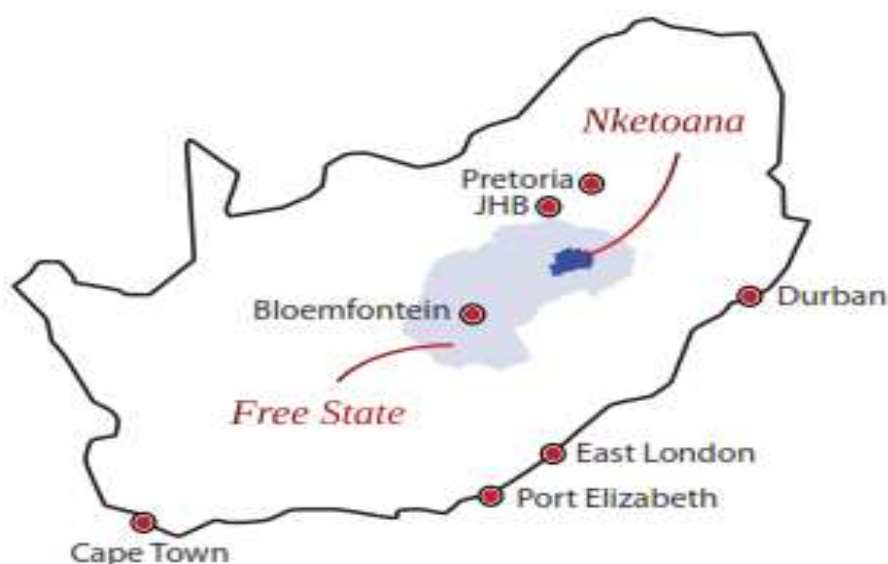
### 5.3. SPATIAL ANALYSIS

The development of infrastructure and basic services plays an important role in economic and social development, and is thus crucial in the development of tourism as well. In this subsection, an analysis of the locality of the Nketoana LM, its infrastructure as well as support services are provided. The spread of tourism products throughout the area is also analysed.

#### 5.3.1. Map and locality

The Nketoana LM is located in the Free State province, which, in turn, is located in central South Africa. The Free State province is bordered by North West to the north, Gauteng to the north-east, Mpumalanga and KwaZulu Natal to the east, the Eastern Cape to the south and the Northern Cape to the west. A large part of the southern border of the Free State neighbours Lesotho.

Figure 5-17: Map indicating the location of the Nketoana LM



Source: Free State Tourism Authority

The Free State province has jurisdiction over five district municipalities (DMs), namely Xhariep, Thabo Mofutsanyana, Fezile Dhab, Lejweleputswa and Motheo. The Thabo Mofutsanyana DM, encompassing towns in the eastern Free State, oversees the following six local municipalities:

- Dihlabeng LM
- Maluti A Phofung LM
- Mantsopa LM
- Nketoana LM
- Phumelela LM and
- Setsoto LM.

The Nketoana LM stretches from the centre of the DM through to the northern border. There are three major towns located in the local municipality, namely Reitz, Lindley and Petrus Steyn. A smaller town, Arlington, is located near Lindley, toward the southern part of the Nketoana LM.

### 5.3.2. Infrastructure

This sub-section aims to specifically discuss the tourism supporting and enabling environment in terms of infrastructure. More specifically, insight is provided into the types and quality of transport infrastructure, telecommunications, basic services and signage.

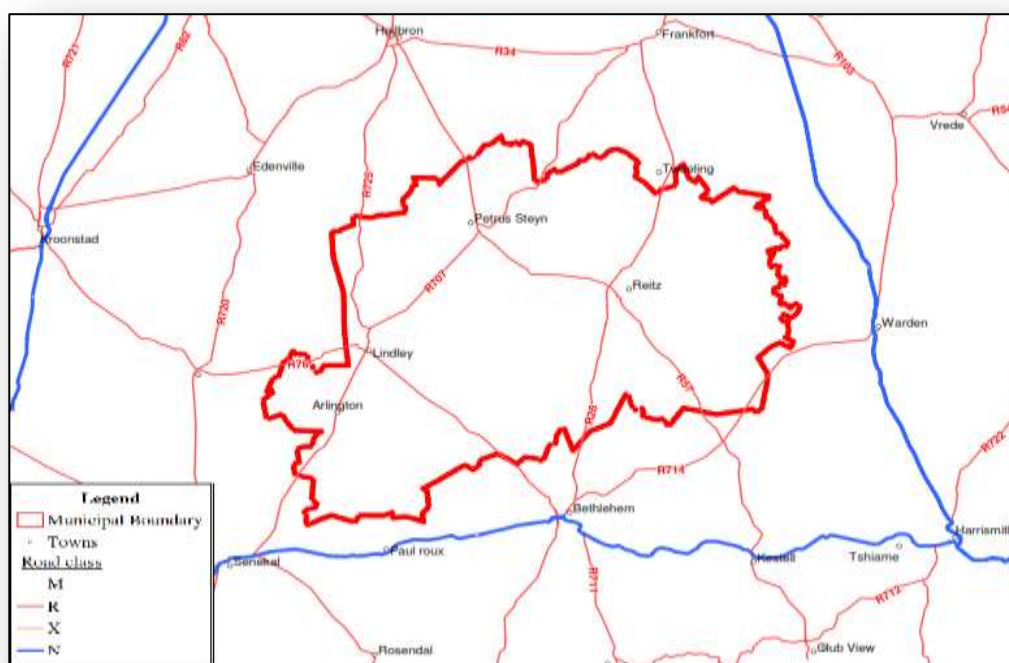
#### 5.3.2.1. Transport Infrastructure

Transport infrastructure relates to the different types of established transport methods that visitors can make use of when visiting an area. These methods may include road-, air- rail- and water transportation. The Nketoana LM, being located in the Free State, does not have direct access to coastal areas, and, therefore, is eliminated from being in possession of water-based transportation. However, in analysing the road infrastructure, there are four main roads that connect the towns in the Nketoana LM with neighbouring towns in the district, and include the following:

- R57
- R707
- R76 and
- R26.

A graphical illustration of the major roads is provided in Figure 5-18 below. Relatively easy access to any of these provincial roads can be obtained from the major national roads.

Figure 5-18: Nketoana LM location map



Source: Nketoana LM SDF, 2012

Lindley and Reitz does not have a direct road linking them, instead, travellers are forced to drive through Petrus Steyn, or Bethlehem for a longer detour, when travelling from one to the other. In addition to these

roads, the Nketoana LM is located nearby two national roads; however no national roads transverse the local municipality. To the east is the N3, which connects Gauteng to the Durban metropolitan area. The N5 lies to the south of the Nketoana LM, and links the urban cities of Harrismith with Bloemfontein.

According to the Nketoana LM's Spatial Development Framework (SDF) of 2010/2011, a number of corridors have been identified for potential development. These include:

- **Reitz – Petsana:** A primary tourism corridor has been identified on the Frankfort – Bethlehem road and will focus on the development of tourism based commercial activities. It will extend along the main business road in Reitz.
- **Petrus Steyn – Mamafubedu:** The development corridors are focused along the main entrance road to the Petrus Steyn CBD and the linkage road between Petrus Steyn and Mamafubedu.
- **Arlington – Leratswana:** A future development corridor could be established and developed between Arlington and Leratswana in order to promote integration, especially economic integration.
- **Lindley – Ntha:** A Tourism Corridor has been identified along the Petrus Steyn – Arlington road, with a tourism node at the Lindley entrance.

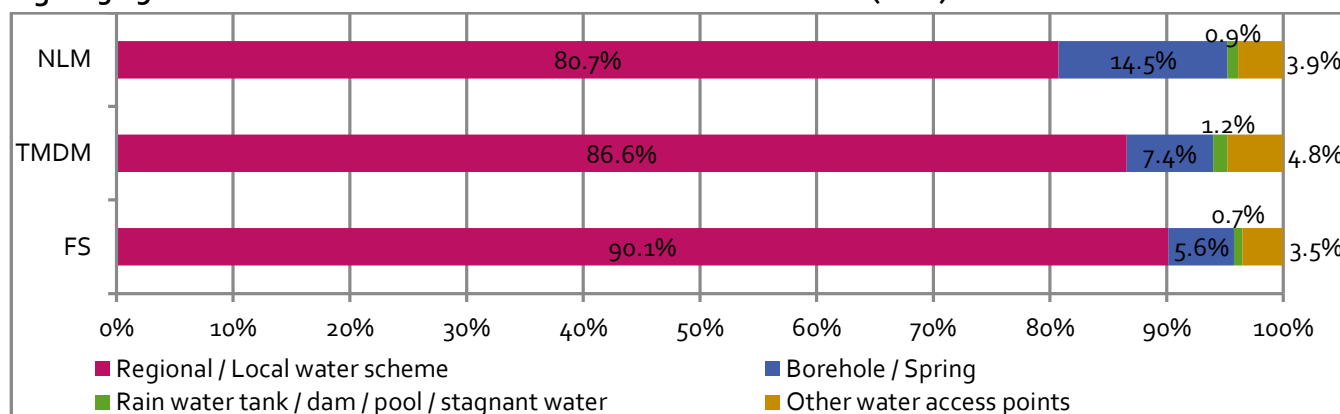
The Nketoana LM encompasses two railway lines, the first being in a south-westerly direction between Steynsrus and Bethlehem via Arlington, and the second railway line following a north-south direction, linking Frankfort, Reitz and Bethlehem. A number of railway stations are established along these routes, however, these railways are being used for freight only.

Although there is a low flying landing strip located in Reitz, it is not used for commercial flights. This landing strip is mainly utilised for micro lights and other small aircraft. The nearest airports to the Nketoana LM would, therefore, be OR Tambo International Airport in Kempton Park (224km), or Bloemfontein Airport, located approximately 300km from Reitz.

### 5.3.2.2. Basic Infrastructure

Encompassing essential services, basic infrastructure refers to the most elementary of services that needs to be established in an area in order to promote growth, and is provided by the municipality. The basic service delivery elements include water, electricity and sanitation, and is analysed in this sub-section.

Figure 5-19: Household access to water services in the Nketoana LM (2011)



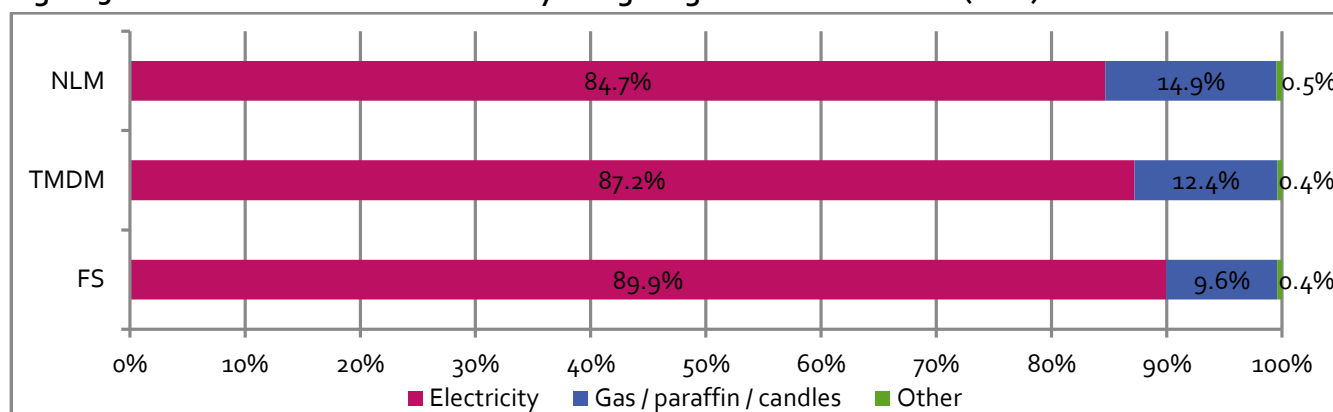
Source: Urban-Econ calculations based on StatsSA Census, 2011



Figure 5-19 provides information on households' access to water services in the Nketoana LM, based on census 2011 figures. A large percentage of households in the Nketoana LM (80%) have access to water in the form of a regional or local water scheme, which is slightly less compared to the number of households in the province who have access to the same water services. However, the Nketoana LM has the largest number of households who has access to water in the form of a Borehole or spring with 14.5%. It has been noted by a number of stakeholders in the Nketoana LM that Lindley has been experiencing water shortages throughout the months of March, April and May, diminishing economic activity and tourism in the town itself.

A slightly higher percentage of households in the Free State and district have access to electricity than in the Nketoana LM. The provision of electricity for lighting to households in Nketoana is indicated in Figure 5-20. The provision for electricity is vital to tourism development, as it provides some of the basic services required to operate a tourism establishment.

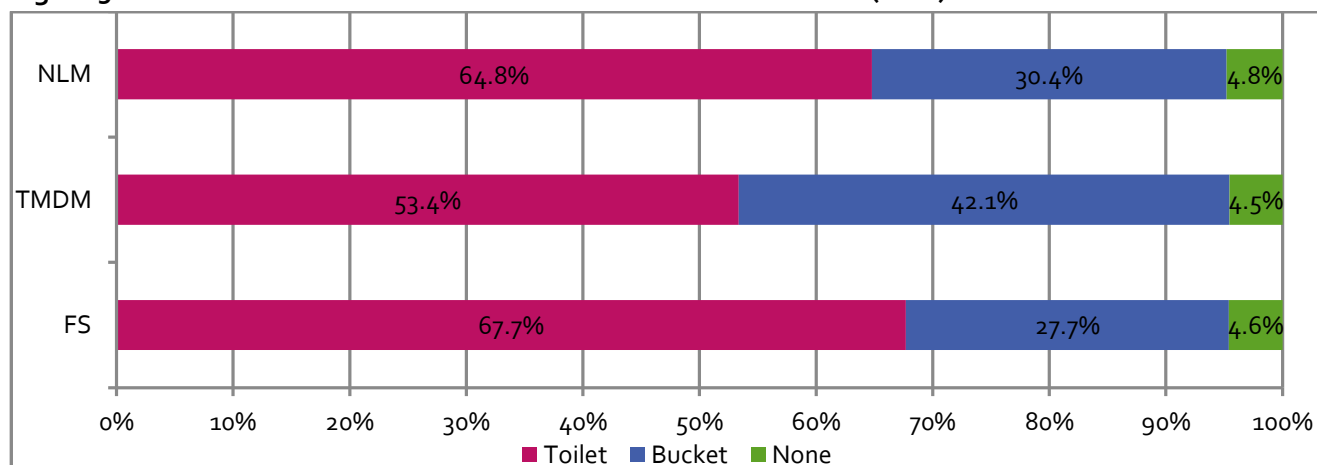
**Figure 5-20: Household access to electricity for lighting in the Nketoana LM (2011)**



Source: Urban-Econ calculations based on StatsSA Census, 2011

Households' access to toilet facilities for the Free State, Thabo Mofutsanyana DM and the Nketoana LM is provided in Figure 5-21. Almost 65% of households in the Nketoana LM have access to a flush toilet, almost 10% more than households in the Thabo Mofutsanyana DM (53.4%). Approximately two thirds of households in the Free State have access to flush toilet facilities, with less than a third having to rely on using buckets for sanitation.

**Figure 5-21: Household access to toilet facilities in the Nketoana LM (2011)**



Source: Urban-Econ calculations based on StatsSA Census, 2011

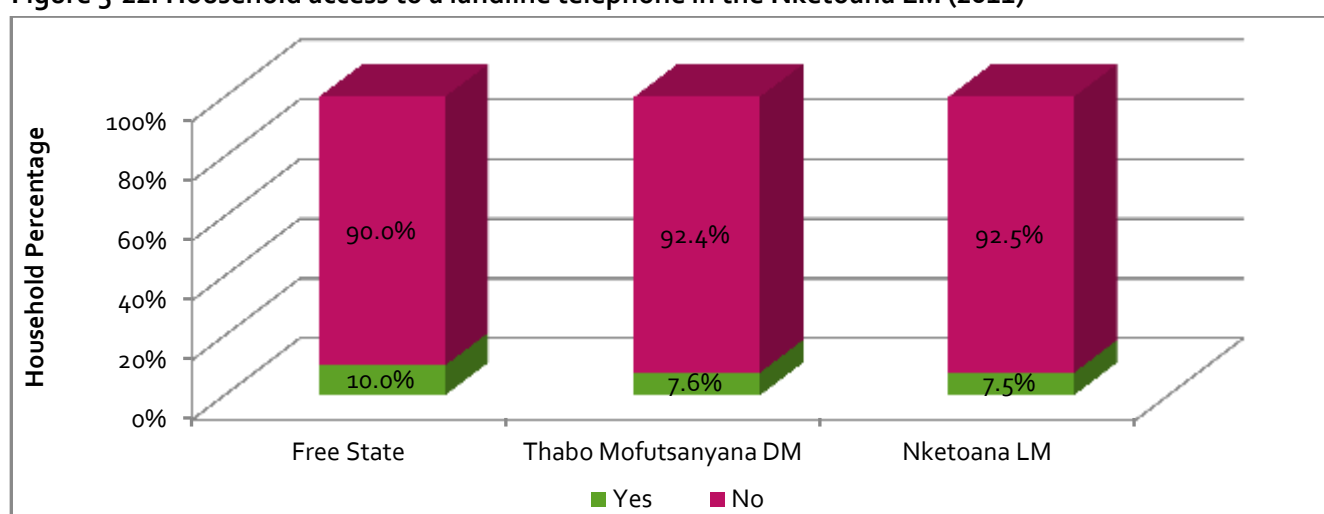
Overall, for all three study areas, less than 5% of households do not have access to any form of sanitary facilities.

### 5.3.2.3. Telecommunications

Telecommunications infrastructure is another vital contributor to tourism development in an area, given that it allows visitors to communicate with accommodation establishments and product owners. Therefore, it provides an opportunity for tourists to plan and optimise their trips by being able to undertake the necessary arrangements beforehand. Telecommunications also provide an opportunity for product owners in the area to make use of various forms of marketing in order to attract more visitors, such as websites, emails, etc.

Figure 5-22, indicates household access to a landline telephone in the Nketoana LM.

Figure 5-22: Household access to a landline telephone in the Nketoana LM (2011)



Source: Urban-Econ calculations based on StatsSA Census, 2011

Across all three study areas, a minimum of 90% of households does not have any access to a landline telephone. This indicates that, although landline telephone usage seems to be very low, it is unclear as to whether cell phone usage might be the preferred method of telecommunication for households and businesses in the Nketoana LM. Based on interviews undertaken telephonically with a number of stakeholders, the cell phone reception in the area is in need of some upgrading and improvement.

### 5.3.2.4. Signage

One of the most important tools for marketing a tourist establishment or attraction is proper, updated signage. Suitable signage should be used to indicate to visitors exactly where they can find the different tourist attractions and establishments in the area. In general, signage in the Nketoana LM is not very good, with most places not clearly indicated. Signage is more lacking with regard to tourist attractions and activities than accommodation establishments.



Source: Pasella, 2010

Although there is some tourism related signage present in the towns throughout the municipality, the condition of many of these signs is rather poor. Some of the signs do not comply with national and provincial standards; by means that brown tourism signage is not used to indicate tourism information.

### 5.3.3. Support Services

#### 5.3.3.1. Tourism Information Office

Currently, there is no operational tourism office within the Nketoana LM. Prior to 2004, when the amalgamation took place, there was a tourism information office situated in Reitz. From this office, tourists visiting the area could obtain necessary information about activities and facilities in the area, as well as collect brochures for various establishments situated throughout the municipality. Tourists visiting the area have expressed their need for a functioning tourist information centre in a large number of the surveys distributed. This office is in the process of being re-established, along with a tourism forum and local chamber of commerce.

#### 5.3.3.2. Other Support Services

Ample business support services are present in the three major towns, such as shops, petrol stations, pharmacies, restaurants, etc. Each of these towns has a police station, medical services (district hospital in Reitz) and other emergency services. Although safety and security still fluctuates in the area, there is a community police forum in place where residents are assisting in combatting crime. Tourists have, however, indicated that there is a lack of shopping facilities and other activities in which to participate in while visiting the area.

### 5.3.4. Conclusion

Given the location of the Nketoana LM, tourists mainly travel to the area on short trips, mostly directed at business activities. Road infrastructure and the lack of signage is a major concern for many tourists and visitors. In addition, there are some issues with basic support services, such as the water shortages in Lindley and the poor cell phone reception throughout the area. The lack of a tourism information office is hampering tourism growth in the area as well.

## 5.4. MARKETING ANALYSIS

In order to create tourism awareness and for the Nketoana LM to ensure an increase in their visitor numbers to the area, a marketing strategy and advertising through various media is essential to promote the current tourism offerings in the area. This marketing analysis considers the current methods utilised to market the area, as well as the markets that are targeted. As with the supply and demand analysis, this marketing assessment is based on the results of the tourism surveys that were distributed among product owners and visitors. Firstly, an assessment of the marketing of the Nketoana LM is provided.



### 5.4.1. Local Municipal Marketing

Given the crucial role of marketing in the development of tourism, it is important to consider the marketing mechanisms utilised by the Nketoana LM to promote tourism. Marketing mechanisms are the tools and techniques that can be used in order to meet a marketing goal. Although there are a number of marketing mechanisms available for promoting tourism, an integrated approach of two or more is the most effective strategy. The following marketing mechanisms are recommended for marketing an area's tourism industry:

- Branding (i.e. clothing with branding; branding of brochures, signage, websites etc.)
- Web-based marketing (Local Tourism Website)
- Media based marketing (i.e. local newspapers, local radio, etc.)
- Promotional materials (Local tourism brochures)
- Marketing at trade shows, events and expos (i.e. Hostex, World Holiday and Travel Fair, Indaba Travel Trade Show, etc.)
- Tourism information services (i.e. tourism information centres/offices, information boards, signage etc.).

Currently, the marketing mechanisms implemented by the Nketoana LM are limited. In addition to the lack of a local municipal website for the Nketoana LM, no website could also be found for the Thabo Mofutsanyane DM. The towns of Reitz and Lindley each have websites dedicated to the marketing of the individual towns, and provide information on the local economic activities. However, these websites are not linked to each other in any way, and provides only a limited database of tourism activities and accommodation information.

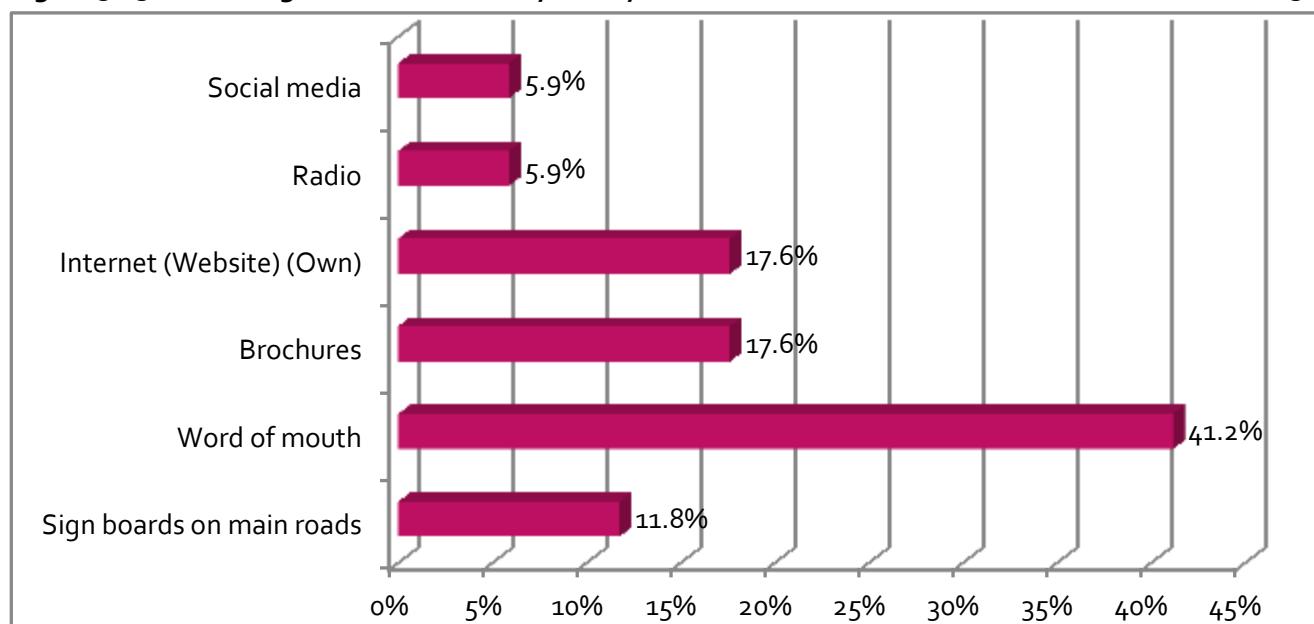
There is a website for the Riemland Route, specifically dedicated to marketing the area along the route. Information and tourism contact details are provided, although it also does not contain any information regarding a local tourism information office or information on the Nketoana LM.

A tourism information office has been established in Lindley, although it is not currently operational or capacitated. This information office also does not currently provide any promotional or marketing materials.

It is also established that there is no marketing or branding strategy currently in existence in the Nketoana LM, although promotional materials can be obtained electronically on request. Physical brochures, maps and other promotional materials, such as information boards, could not be found. Although some of these elements are receiving attention by the Nketoana LM at present, there is currently no coordinated approach towards marketing and promotion of the region as a tourism destination.

### 5.4.2. Product Owners' Marketing Methods

Marketing of a region can also take place individually through tourism product owners. The surveyed tourism establishments indicated that a variety of different media tools are used to market and promote their businesses. These ranged from simple word of mouth to the use of the internet and social media. Figure 5-23 highlights the different methods used by the surveyed accommodation establishments in the Nketoana LM.

**Figure 5-23: Marketing methods utilised by surveyed tourism establishments in the Nketoana LM (2013)**

Source: Urban-Econ, 2013

Almost half of the accommodation establishments surveyed indicated that their main marketing method is based on the principle of “by word of mouth”, indicating that they trust their satisfied customers to spread the word about their establishment in the hope that potential visitors will remember the establishment and make use of it should they ever visit the area. In addition, approximately 18% of the surveyed accommodation establishments indicated that they make use of the internet, by means of their own websites, as well as tourism brochures to market their businesses. Very few of the surveyed accommodation establishments make use of sign boards on the main roads, or use social media and radio as a means of promoting their businesses.

### 5.4.3. Conclusion

There is an apparent lack of coordinated marketing and limited utilisation of marketing mechanisms for the Nketoana LM itself, although some of the towns have developed and established websites. It is evident that the majority of the product owner respondents prefer to make use of the lower-cost methods of advertising, such as word of mouth, while avoiding the higher cost advertising tools such as radio, the internet and social media. It should also be noted as part of this analysis that none of the surveyed accommodation establishments utilised tourism search engines, trade shows or advertisements in magazines or at information centres as part of their marketing strategies. This is indicative of the need for the establishment of a tourism information centre, as well as a tourism brand and marketing strategy for the Nketoana LM to assist product owners in effectively marketing their product offerings under the tourism brand for the area in order to attract more tourists.

## 5.5. INSTITUTIONAL ANALYSIS

Municipal capacity plays an important role in enhancing the living standards of a municipal area. Citizens need to be able to have access to basic services, which is also a prerequisite of a liveable city. In addition, municipal capacity is essential for stimulating economic growth and development through providing these services and creating an enabling environment and support for development. By reviewing the municipal

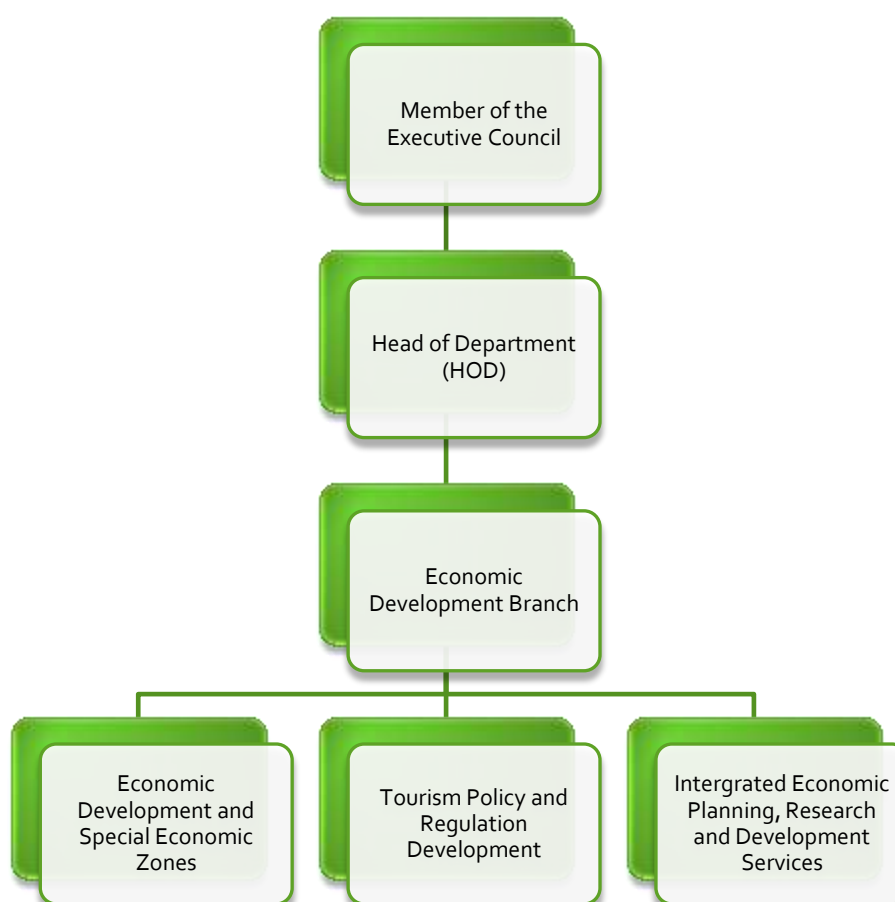
structure in terms of its organogram and institutional structure, its capacity to deliver essential services and reducing poverty through economic development can be determined. Given that tourism development forms part of economic development, it is important for this study to determine the position of tourism within the local, district and provincial context.

In this sub-section, the organograms and institutional structures of the Nketoana LM, the Thabo Mofutsanyana DM and the Free State are discussed, along with tourism development agencies and organisations driven by the private sector. Attention is given to the role and position of tourism within these structures.

### 5.5.1. Provincial Level

On a provincial level, tourism development is the responsibility of the Economic Development Branch of the Provincial Government, where one of its subdivisions is tourism policy and regulation development. The institutional structure for the province's Department of Economic Development, Tourism and Environmental Affairs is provided in Figure 5-24 below.

**Figure 5-24: Tourism development within the Free State Department of Economic Development, Tourism and Environmental Affairs' structure**



*Source: Free State Province: Department of Economic Development, Tourism and Environmental Affairs, 2012*

The Free State Department of Economic Development, Tourism and Environmental Affairs (FSDEDTEA) have a three-tier level of management, where the executive authority of the Department is vested in the responsible Member of the Executive Committee, MEC. The responsible Head of Department serves as the accounting officer. In addition to tourism policy and regulation development, the other two functional areas of the Department are Economic Development and Environmental Affairs. This Department is also responsible for the Free State Development Corporation (FSDC), the Free State Gambling and Liquor Authority and the Free State Tourism Authority (FSTA).

With regard to this study, the mandates of the FSDEDTEA, the FSDC and the FSTA are provided. This serves to ensure that potential projects arising from the opportunity analysis, as well as recommendations with regard to tourism development, align with these mandates for effective and efficient management thereof.

#### **5.5.1.1. FSDEDTEA**

The mandate for the FSDEDTEA is set out as follows:

"To improve the socio-economic livelihoods of Free State communities through economic and environmental development programmes, as well as to provide sound economic and environmental management systems that ensure economic development and poverty eradication in the Free State".

To achieve this, three important outcomes are pursued, which are:

- Decent employment through inclusive economic growth and a competitive and responsive economic infrastructure network
- Protecting and enhancing our environmental assets and natural resources and
- An efficient, effective and developmental orientated public service and an empowered, fair and inclusive citizenship

#### **5.5.1.2. Free State Development Corporation (FSDC)**

This specialist economic development agency was formed to offer citizens residing in the Free State, as well as potential investors, a wide selection of services. These include, but are not limited to:

- SMME support – both financial (through loans) and non-financial support
- Property development and management services
- Providing investors with a comprehensive service in setting up business
- Providing export ready Free State companies with assistance in identifying new markets and export opportunities for their products.

#### **5.5.1.3. Free State Tourism Authority**

The purpose of the Free State Tourism Authority is to ensure the following:

- Efficient and effective marketing of tourism within the Province
- Promotion of tourism within the Province
- Development and management of sustainable tourism within the Province
- Promote participation of Small to Medium Size Enterprises (SMMES) in the tourism industry of the Province
- Registration of hotels, restaurants, other accommodation establishments, conference centres and tourist amenities

- Licensing and registration of hotels and other accommodation establishments, restaurants, tour operators, tour guides and designated tourist amenities

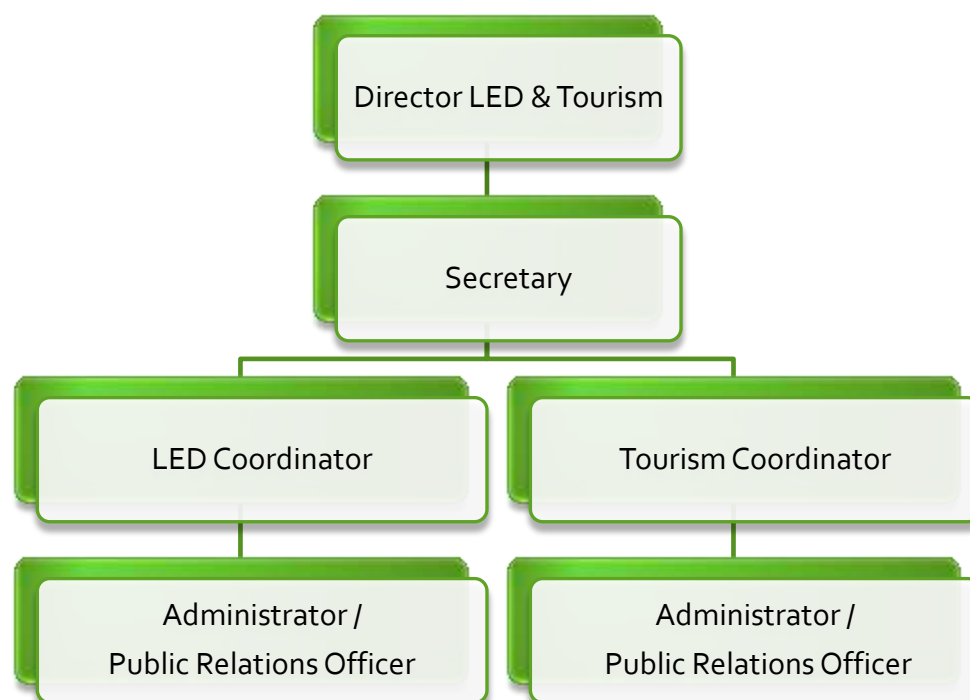
### 5.5.2. District Level

Tourism development in the Thabo Mofutsanyana DM is the responsibility of the Director of the LED and Tourism functions, incorporated into the District Department of Economic Development and Tourism. These two functions are both supported by an Administrator or Public Relations Officer, as well as a departmental secretary. There are no public tourism organisations, associations or institutions managed by the district government. The organisational structure of tourism development within the Thabo Mofutsanyana DM is provided in Figure 5-25.

#### 5.5.2.1. Thabo Mofutsanyana DM DEDT

The mandate of the Thabo Mofutsanyana DM DEDT is to further and support the economic development and tourism initiatives on a District level, in line with the mandate of the FSDEDEAT. The institutional structure of the Thabo Mofutsanyana DM in relation to tourism is indicated in Figure 5-25 below.

Figure 5-25: Tourism development within the Thabo Mofutsanyana DM's structure



Source: Thabo Mofutsanyana DM, 2013

### 5.5.3. Local Level

Tourism at the local level is primarily the responsibility of the DEDT of the Nketoana LM. The LED and Tourism Assistant manager directly reports to the Chief Operations Officer (COO). Currently, there are also no established local tourism organisations, associations or institutions managed by the Nketoana LM DEDT. Tourism development within the local municipality is illustrated in the organisational structure of the Nketoana LM, displayed in Figure 5-26 below.



Figure 5-26: Tourism development within the Nketoana LM's structure



Source: Nketoana LM, 2012

#### 5.5.3.1. Nketoana LM DEDT

The purpose of the Nketoana LM's DEDT is to identify, develop, and promote sustainable economic development and tourism initiatives on a local level, in line with the mandate of the DEDT of both the District and the Province.

#### 5.5.4. Private Sector

Tourism development in the private sector mainly consists of accommodation establishments and attractions, concentrated in the three major towns. Although there are no private sector organisations, a few individuals have taken up the task of promoting tourism in the area through initiatives such as the Riemland Route and Grasslands Meander.

#### 5.5.5. Conclusion

The various tourism role-players listed above play an important role in the development of the Nketoana LM's tourism industry through the following:

- Identification, development and promotion of tourism products and programmes;
- Provision of strategic planning, financial and non-financial support;
- Strengthening of capacity in the tourism industry;
- Development of tourism related SMME's and the value chain;
- Creation of employment in the tourism industry; and
- Vertical integration across all spheres of government for inclusive, shared tourism objective achievement.

A number of gaps in the institutional framework of all three study areas have been noted, especially in the relationship with the private sector, which is extremely underdeveloped at this stage. The issue of capacity in tourism-related departments and organisations should be determined and strengthened where possible.

## 6. SWOT ANALYSIS

The main purpose of this section is to identify the internal and external drivers of the tourism industry within the Nketoana Local Municipality, by providing an analysis of the factors that encourage or prevent tourism development. The aim of this analysis is to assist in the identification of the municipality's strengths and opportunities, while also highlighting its main threats and weaknesses. In addition, this analysis is also aimed at identifying the main gaps in the local tourism industry of the Nketoana LM.

Firstly, the section focuses on describing the internal and external environments of the SWOT analysis in terms of its strengths, weaknesses, opportunities and threats. The second part of this section identifies and provides the current tourism and tourism support products as identified by stakeholders, as well as potential new products to be investigated.

### 6.1. SWOT

In this sub-section, the key internal and external factors affecting tourism development in the Nketoana LM's tourism industry is analysed. The SWOT analysis, building on the context review of the previous sections, forms the foundation of the opportunity analysis and provides the direction for proposed new projects.

#### 6.1.1. Internal Environment

The internal environment of the SWOT analysis entails the factors that are in the control of the Nketoana LM, specifically the strengths and weaknesses inherent to the municipality. These factors are provided in Table 6-1 below.

**Table 6-1: SWOT Analysis - Internal Environment**

	STRENGTHS	WEAKNESSES
<b>NATURE, ENVIRONMENT AND CLIMATE</b>	<ul style="list-style-type: none"> <li>• Beautiful scenery, particularly in southern parts of Nketoana LM</li> <li>• Four distinct seasons, pleasantly warm in summer and colder winters</li> <li>• Terrain and natural resources suitable for some adventure activities</li> <li>• Presence of cultural and heritage resources</li> <li>• Rich flora and fauna throughout the area, especially game and bird species</li> </ul>	<ul style="list-style-type: none"> <li>• No nature reserve to act as an anchor attraction, e.g. Golden Gate</li> </ul>
<b>PRODUCT DEVELOPMENT</b>	<ul style="list-style-type: none"> <li>• Annual festivals, activities and events established in the area</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of key attractions and diversified tourism products</li> <li>• Dilapidated state of caravan parks and resorts</li> <li>• Poor protection and preservation of heritage assets and historical</li> </ul>

	STRENGTHS	WEAKNESSES
		knowledge <ul style="list-style-type: none"> <li>• Very few tourism establishments in the area are graded</li> <li>• Local tourism extremely seasonal</li> </ul>
SOCIO-ECONOMIC CONDITIONS	<ul style="list-style-type: none"> <li>• Well-developed agricultural sector</li> <li>• Well established tertiary sector to provide ancillary services</li> <li>• Sufficient labour supply</li> </ul>	<ul style="list-style-type: none"> <li>• High unemployment rate</li> </ul>
INSTITUTIONAL	<ul style="list-style-type: none"> <li>• Provincial Tourism Master Plan in place</li> <li>• Provincial tourism organisation established</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of regional and local tourism plans, organisations, bureaus or forums</li> <li>• Lack of communication, information sharing and solid relationship between LM and private sector</li> <li>• Information about the local tourism industry is limited</li> <li>• General problem of implementation – capacity issue of local government (vacant tourism officer position, poor maintenance of government owned parks)</li> </ul>
TOURISM MARKET	<ul style="list-style-type: none"> <li>• Well-established business tourism market</li> </ul>	<ul style="list-style-type: none"> <li>• Underdeveloped leisure tourist market</li> </ul>
TOURISM MARKETING AND SUPPORT	<ul style="list-style-type: none"> <li>• Some private initiative for route development as marketing tool</li> </ul>	<ul style="list-style-type: none"> <li>• Limited market access and poor product marketing</li> <li>• Limited supply of retail and entertainment facilities</li> </ul>
LOCATION AND ACCESSIBILITY	<ul style="list-style-type: none"> <li>• Located in close proximity to N3 and N5 highways</li> </ul>	<ul style="list-style-type: none"> <li>• Inadequate supply of public and private transport services</li> <li>• Poor conditions of secondary roads and dilapidated state of tarred roads</li> <li>• Inadequate signage relating to tourism products and attractions</li> <li>• Located relatively far from domestic or international airports</li> <li>• Not on the preferred route between Gauteng &amp; KZN</li> </ul>

Source: Urban-Econ, 2013

### 6.1.2. External Environment

In contrast to the internal environment, the external environment of the SWOT analysis encompass external factors, such as the macroeconomic environment, socio-cultural changes, changes in the tourism market or external competitive position. Potential opportunities for development are also identified. In Table 6-2 below, the factors relating to the external environment are provided.

**Table 6-2: SWOT Analysis - External Environment**

	OPPORTUNITIES	THREATS
<b>NATURE, ENVIRONMENT AND CLIMATE</b>	<ul style="list-style-type: none"> <li>Bird watching, vulture hides etc.</li> <li>Varying seasons provide opportunity for wide range of tourism products</li> <li>Use of the historical landmarks for small scale history tours</li> </ul>	<ul style="list-style-type: none"> <li>Poaching and harming of endangered animal species and birds</li> <li>Climate change</li> </ul>
<b>SOCIO-ECONOMIC CONDITIONS</b>	<ul style="list-style-type: none"> <li>Community tourism projects and projects that promote social entrepreneurship, i.e. rural tourism</li> <li>Opportunities for agri-tourism linked to well-established agriculture sector, i.e. guided tours to farms and weekday picnic spots</li> </ul>	<ul style="list-style-type: none"> <li>High unemployment rate – limits the potential of the tertiary sector growth</li> <li>Safety and security of tourists – given that any negative experience can cause lasting damage to the tourism sector</li> </ul>
<b>LOCATION AND ACCESSIBILITY</b>	<ul style="list-style-type: none"> <li>Location between Gauteng and KZN allows for route development and linkage opportunities</li> </ul>	
<b>TOURISM PRODUCT DEVELOPMENT</b>	<ul style="list-style-type: none"> <li>Further development of business tourism, i.e. MICE tourism</li> <li>Opportunities for “modern” tourism and unusual experiences</li> <li>Linkages and/or route development between historical attractions and points of interest</li> </ul>	<ul style="list-style-type: none"> <li>Many assets / resources are located on private land, with owners not inclined to develop the assets into attractions</li> <li>Strong competition from nearby tourist hubs, i.e. Clarens, Golden Gate, etc.</li> <li>Lack of funding to develop and sustain tourism products</li> </ul>
<b>INSTITUTIONAL</b>	<ul style="list-style-type: none"> <li>Establishment of a Local Tourism Forum</li> </ul>	
<b>TOURISM MARKET</b>	<ul style="list-style-type: none"> <li>Providing experiences for the domestic market</li> </ul>	<ul style="list-style-type: none"> <li>Poor economic conditions</li> <li>Fluctuations in exchange rate</li> </ul>

*Source: Urban-Econ, 2013*

### 6.2. OPPORTUNITY ANALYSIS

In this sub-section, an opportunity and market gap analysis is undertaken. Based on the SWOT analysis and the tourism situational analysis, this gap analysis is provided to identify opportunities that can be explored or developed into projects or programmes as part of the development of tourism in the area. In addition, a list of

pipeline projects in various stages of completion, as well as proposed new projects is provided. Each of these projects is accompanied by a potential location and a short description of what the project entails.

### 6.2.1. Gap Analysis

A tourist destination can be assessed based on a matrix of six "A's" of tourism, indicating the various factors that are intrinsic to a destination and subsequently attract tourists to a given destination. These factors are illustrated in Table 6-3 below:

**Table 6-3: List of the six A's of a tourist destination**

FACTOR	DESCRIPTION
Assets /Attractions	This is a fundamental element in determining whether a location will become a tourism destination or not. As part of this factor the natural, cultural, man-made, human, intangible aspects of the attraction are considered. Assets are defined as the natural elements of a destination that are unique, while an attraction is an asset that has been developed to a point that it attracts interest and visits from locals and travellers.
Amenities	Amenities refer to facilities such as restaurants/bars, information services, public toilets, signage, retail shopping, telecommunications, emergency services etc.
Activities	Activities include events, tours, trails, organised adventure, etc.
Accommodation	Accommodation refers to the supply, diversity and quality (star grading) of facilities within the area.
Access	This factor refers to how easy or difficult it is to travel to the location. Apart from being near in terms of distance, there must be a good transport network to reach the destination. The accessibility has a direct relationship to how popular the destination is. Types of access include: airstrips, frequency of flights, road infrastructure, quality of road networks, public transport, rail access, etc.
Ancillary Services	This refers to the additional, supplementary services provided. This includes car hire, laundry services, petrol stations, tourism marketing services, foreign exchange etc.

In order to establish the appeal of the Nketoana LM, as well as to determine possible opportunities to be explored, the above six "A" Analysis approach was applied to assess the area. A score of between zero and three was allocated to each of the above six "A's" for the Nketoana LM, where a score of three indicates that a particular factor is above average in terms of its attractiveness to tourists. Conversely, a score of zero represents a factor that is poor or not present. Table 6-4 illustrates the results obtained from this analysis, as well as the rationale for the score given for each of the six "A's".

Table 6-4: Nketoana LM six "A's" matrix

FACTOR	0	1	2	3	RATIONALE
Assets /Attractions			●		The natural scenery in the Nketoana LM comprises of mainly open farmland and grasslands, with a few small rivers and streams throughout the area. The environment is used mainly for agricultural activities and, although some natural scenery exist, it is limited however well-preserved. The climatic conditions in the municipality, particularly the significantly low temperatures in winter provide tourists with a somewhat unique experience that they can experience in few places in South Africa. The assets range from the historical buildings, battlefield sites and monuments. Few of the natural attractions, however, are developed or marketed, and are located on private land which is inaccessible to tourists currently.
Amenities			●		The amenities established in the towns are sufficient, as there are a number of restaurants, shops, banks, emergency services and other facilities available to tourists. The number of entertainment facilities (theatres, nightlife) is lacking, while some tourists also indicated that there is a lack of decent shopping facilities in the area. Recreational facilities are not well developed, but it should be noted that this is not the main attraction of the area.
Activities		●			There is not a wide range of adventure activities and facilities available for tourists; however, a few activities exist, such as history tours, 4x4 trails, etc. The majority of these activities are organised by individual product owners. There are also established festivals and events in the area, such as the Bieliemielie festival and annual sports events.
Accommodation				●	There are a number of accommodation establishments in the area, ranging from guest houses, country houses and self-catering accommodation. Although the current supply of accommodation is sufficient to meet the current demand, very few of the establishment are graded. The cost of the accommodation facilities are also on par with neighbouring towns' accommodation establishments.
Access		●			The regional roads traversing the Nketoana LM is in poor condition and can potentially discourage tourists from visiting the area. Tourism signage is of varying quality, and often missing or completely lacking. There is also no commercial airport, railway or public transport options available for tourists.
Ancillary Services		●			The Nketoana LM has an adequate supply of certain ancillary services such as petrol stations, medical facilities, etc. However, a tourism information centre service is not available to tourists, as well as the lack of proper marketing and branding of the area as a destination.

As is evident from the “A” Analysis above, the Nketoana LM is relatively well-developed in terms of its Assets, Amenities and Accommodation factors. However, the municipality is lacking in terms of the development of its Activities, Access and Ancillary Services factors. These lacking factors represent the gaps evident in the development of the Nketoana LM’s tourism industry. By addressing these gaps, the local tourism industry will be enabled to meet both its current and anticipated demand.

### 6.2.2. Opportunities Identified

Based on both the SWOT and gap analysis, a number of opportunities have been identified for the Nketoana LM. These opportunities are areas that can be explored, as they are most likely to contribute towards tourism development in the area.

A number of projects have been identified that could assist in addressing the gaps and exploiting identified opportunities for tourism development. These projects comprise of both pipeline projects and proposed new projects, and are discussed in the sections to follow.

#### 6.2.2.1. Pipeline Projects

The pipeline projects have been identified by the Nketoana LM, containing a number of tourism projects in various stages of development in the Nketoana LM. The majority of these projects are at idea level and, subsequently, subject to changes with regard to their concepts. The pipeline projects are listed in Table 6-5 below.

**Table 6-5: Pipeline Projects identified by the Nketoana LM**

NAME	LOCATION	DESCRIPTION
Sports week in July (Rugby)	Reitz / Lindley	Sports week for school kids that focuses on rugby in the winter rugby season
Mayoral Golf Day (May and September)	Reitz	Annual golf day hosted by the Mayor of Reitz
“Wors” enthusiast exhibition	Reitz	Expo and mini-festival for individuals who experiment with recipes to create the best “wors”
Rural Tourism routes in Petsana	Petsana, Reitz	Development of rural tourism routes in the rural area of Petsana, Reitz
Water upgrades from Reitz to Petrus Steyn	Reitz and Petrus Steyn	Upgrading of the water network located between Reitz and Petrus Steyn to provide to the water shortages in Lindley
Infrastructural roads upgrade	Lindley, Mamafubedu	Upgrading of the road network linking Lindley with its neighbouring towns
Tourism Information Centre	Reitz	Establishment of a Tourist Information Centre in town to provide information to visitors
Hosting of Provincial Indigenous Games	Reitz	Hosting the annual Provincial Indigenous Games in September, which features participants who will compete in activities including kgati (skipping), dibeke, morabaraba, ncuva, morula, juskei, intonga (stick fighting), diketo and khokho
Piekniedraai Resort Upgrading	Lindley	Dilapidated resort to be upgraded to a Caravan Park by 2014

NAME	LOCATION	DESCRIPTION
Upgrading of the Mamafubedu sports facility	Mamafubedu, Petrus Steyn	Upgrading of facility to offer a wide variety of sports including soccer, rugby, tennis, netball, volley ball, basketball, cricket, athletics and swimming
Profiling of Dr Craven (brochures, demonstrations)	Lindley	Complete documented archives and information collection featuring the life of Dr Craven who was born in Lindley. In addition, a route is planned for the famous rugby player and coach, where his house and some places of interest could be visited by tourists. This could be combined with the annual Rugby Day planned for September, which is Tourism Month, to focus on women's rugby specifically, aiming to be the first event where women's rugby is featured
Nketoana Tourism Facebook Page	n/a	Development of a Tourism Page on Facebook showcasing the NLM's current product offerings and assisting with marketing the area
Culture Day / Event	Lindley or Reitz	This project entails the development of a Culture Day or Day of Re-enactment, based on the demand for historical events from descendants of British soldiers who participated in the Anglo-Boer War battles around Lindley, especially members of the Yeomanry squad. This day will entail a re-enactment of the battle events, in partnership with historians in Bloemfontein. The proposed day would be annually around the 30 <sup>th</sup> of June, as this day represents the day on which the battle ended, and contributes to its historical value. In addition to the re-enactments, vendors and stalls could be invited to display and sell their goods and food to visitors. Furthermore, some other individual sites could also be promoted during this event, such as the Le Ghoya Ruins and the Lindley Town Bell, which contributes to the historical value of this event
Sungazer lizard preservation	Private farm areas, Nketoana	This project is focused on the preservation and promotion of the Sungazer Lizard. This animal natively inhabits certain areas of the eastern Free State, especially areas in the Nketoana LM. By promoting and preserving this animal, a unique tourist attraction could be created. This project will need to be developed in partnership with the University of Johannesburg and the owners of the private farms where these animals live
Dirt road route	Dirt roads in the LM	Aimed at adventure tourists, this project entails the development of a dirt road route that links Gauteng to Clarens, a major tourist attraction. This route will only make use of dirt roads from Sasolburg to Clarens, passing through the Nketoana LM. Although this is a tourism route, it will offer a unique experience to bikers and 4x4 enthusiasts



NAME	LOCATION	DESCRIPTION
Combined tours	Entire LM, not decided	Attraction and incorporation of tour guides from large tourism areas, such as Gauteng, to pay a visit to the area, whereby they can decide to organise tours in the area for their tourist base

#### 6.2.2.2. Proposed New Projects

Following from the SWOT analysis, a number of additional tourism projects have been identified that have the potential to be implemented in the Nketoana LM. These projects are listed in Table 6-6 below, and include opportunities to be explored in a range of categories, such as adventure, historical and accommodation facilities.

**Table 6-6: Proposed New Projects for the Nketoana LM**

NAME	LOCATION	DESCRIPTION
Geo-caching	Throughout the entire Nketoana LM	Tourists make use of a GPS to track "geo-caches" in the area to explore by on their own time.
Heritage Trail	Throughout the entire Nketoana LM	Development of a heritage trail to take visitors on a journey through the area to see historical landmarks, guided by a tour operator.
Low-cost resort	Lindley / Reitz	Development of a low cost resort in the Nketoana LM for visitors to experience a range of activities and facilities at the resort on a budget.
Battlefield Event / Weekend	Lindley / Reitz	Development of a battlefield event that showcases the battles outdoors as it happened more than a century ago. Historical artefacts, clothing and shows, as well as battlefield re-enactments will be featured.
Adventure Centre	Lindley / Reitz	These adventure centres should provide a wide variety of adventure activities and should also serve as visitor information centres.
Township Tourism	Petsana, Ntha, Mamafubedu,	Development and organisation of tours to townships within the area, where tourists can experience the cultures and traditions of the inhabitants of these townships.
Lindley Eco-tourism Centre	Lindley	The proposed Lindley Eco-Tourism Centre entails the development of three tourism facilities/ components on one site, including a museum/exhibition centre, a visitor centre and an art and crafts centre.

NAME	LOCATION	DESCRIPTION
Nketoana Youth Camps	Lindley or Reitz	Education of youths and scholars combined with the development of several adventure activities and team building activities, such as: <ul style="list-style-type: none"> <li>• Trekking and hiking</li> <li>• Rock Climbing</li> <li>• Water sports activities (where possible)</li> <li>• Clay pigeon shooting</li> <li>• Mountain biking, etc.</li> </ul>
Business Centre	Reitz	The project entails the development of a Business Centre in the economic area of Reitz, in support of the predominantly business tourism market that visits the Nketoana LM.

The development steps and requirements of these projects are discussed further in the Product Development and Implementation Plan of this document.

### 6.3. CONCLUSION

The SWOT analysis provides a thorough assessment of the Nketoana LM's current destination offerings in terms of the various factors that motivate tourists to travel to the area. This assessment concludes that the area has developed competitive advantages around its natural beauty and tranquillity, rich historic roots and farm-style hospitality. In addition, the gap analysis identified key gaps for the current markets visiting the Nketoana LM, inclusive of a lack of conferencing facilities, limited formal activities and limited access to the area due to dilapidated inroad infrastructure.

The next section of this report pays specific attention to the development of the Nketoana LM's tourism sector and the implementation thereof.

## 7. TOURISM VISION AND OBJECTIVES

The purpose of this section is to address the gaps and opportunities identified in the preceding sections by developing strategic interventions for the Nketoana LM with respect to the development of a responsible tourism industry. These strategic interventions include the development of a vision, goals, objectives, strategic pillars and interventions or projects.

In order to identify and outline the vision and objectives for the development of the Nketoana LM's tourism sector, it is important to firstly identify the priority issues relating to Nketoana LM's tourism potential, as it has a significant influence on the goals and objectives of the tourism industry. Specific goals and objectives are also provided which will measure the ultimate attainment of the vision of the Nketoana LM's tourism industry.

### 7.1. PRIORITY ISSUES

As highlighted by interviews and during workshops held with stakeholders, a number of issues and challenges have surfaced that may have a significant impact on the nature and direction of tourism sector development in the Nketoana LM. An analysis of the Nketoana LM's tourism sector indicated that the area has a specific potential to expand its nature-based and heritage related tourism activities to attract leisure tourists, adventure seekers, and nature lovers. In addition, it is also evident from this analysis that there is significant potential to expand and strengthen the Municipality's business tourism sector by developing activities and facilities for business tourists. Based on this analysis, the following priority aspects are identified for the Nketoana LM's tourism sector:

- Positioning of the Nketoana Local Municipality as a nature-based and cultural and heritage destination;
- Ensuring the tourism sector contribution is aimed at conserving the local biodiversity and preserving the local, cultural, and heritage resources;
- Ensuring a greater differentiation of tourism products to increase tourism base;
- Ensuring greater involvement of previously disadvantaged individuals (PDI's) in the tourism sector; and
- Establishment of efficient communication networks between private and public sectors.

### 7.2. VISION

The vision is the point of departure in formulating the tourism developmental concept for the Nketoana LM, as it describes the desirable future and direction for development of the area from a tourism perspective. The main concepts inspiring the vision for tourism development in the Nketoana LM were gathered by distributing concepts and ideas among stakeholders during a workshop. The participants were asked to indicate the main ideas that best describe the Nketoana LM and the way they want tourism in the area to be perceived. As a result, the following concepts or ideas were, identified as the most popular:

- History
- Country hospitality
- Agro-tourism / farm atmosphere
- Adventure

- Natural Beauty.

To incorporate the concepts above into the vision, a few main principles have to be considered. These principles underline the core of a robust vision, and are provided below:

- Short and easy to communicate
- Be broad enough to last for an extended period of time
- Motivation tool
- Involves idealistic phrasing
- Capitalises on the comparative advantages of the area.

In addition to these principles, the vision for tourism development should also be embedded in the vision of the Nketoana Local Municipality as provided in the Municipality's 2013 IDP. The alignment of these two visions ensures that the recommended interventions, as proposed in this tourism plan, can find expression in the Nketoana LM's IDP. Accordingly, the vision of the Nketoana LM, as identified in the 2013 IDP, is provided below:

**"A municipality that will care for its residents and provide a safe and crime-free environment conducive for sustainable development."**

The tourism vision for the Nketoana LM should therefore place sustainable development at its forefront, together with diversified growth and the provision of economic opportunities that will benefit all tiers of society in the area. Flowing from the Nketoana LM's overall vision, the vision for tourism is formulated as follows:

**"To become the preferred tourist destination for visitors to experience the rich history and country hospitality of the eastern Free State."**

### 7.3. FUNDAMENTAL PRINCIPLES

The development for tourism in the Nketoana LM is based on two fundamental principles of responsible and sustainable tourism, which are discussed below in greater detail. These principles should inform all decision-making surrounding tourism development in the Nketoana LM.

#### 7.3.1. Responsible Tourism

According to the Department of Environmental Affairs and Tourism (DEAT, 2003), responsible tourism can be defined as follows:

"Responsible tourism is a tourism management strategy embracing planning, management, product development and marketing to bring positive economic, social, cultural and environmental impacts"  
(DEAT, 2003).

In terms of managing responsible tourism, the key principles of sustainable tourism can be directly linked to responsible tourism, thereby indicating that the same aspects of planning, management, product development and marketing apply to both concepts. Accordingly, the inherent challenge for responsible tourism development is to determine the ideal balance between the three inter-related economic, social and environmental objectives, while simultaneously maintaining this balance of non-favouring of one objective

over the others. In short, responsible tourism assigns equal weight to the three tiers of sustainable development: economic, social and environmental.

### 7.3.2. Sustainable Tourism

Sustainable tourism development can be described as the development of the tourism sector that limits or inhibits further damages to the natural environment, cultural and heritage resources, and stimulates the growth of the local economy and community. By developing and operating tourism in a more responsible manner, the Nketoana LM will progressively attain a sustainable level of tourism in the area.

In order to reach sustainable and responsible tourism development within the Nketoana LM, the following four aspects relating to sustainability will need to be taken into consideration:

- Social
- Economic
- Environmental
- Institutional

The first three aspects listed above address the key principles of sustainability, while the final aspect addresses key institutional policy and capacity issues within the Nketoana LM.

## 7.4. GOALS AND OBJECTIVES

The principal goal of the development of Nketoana LM's tourism is to grow and strengthen the local tourism sector. In addition, the purpose is aimed at creating new employment opportunities and stimulating the development of the local economy, as well as seeking to improve and promote efficiency, increase investment, and enhance the quality of life for all community members by setting specific objectives. Based on the vision statement developed for the Nketoana LM, a number of goals and objectives have been identified.

Goals and objectives are used to determine whether the vision for the area has been achieved. The following goals were identified for the Nketoana Responsible Tourism Sector Plan:

1. Market the Nketoana LM as a preferred tourist destination
2. Understand and continuously monitor the local tourism industry through accurate and current tourist information/data
3. Incorporate sustainable and responsible tourism principles throughout tourism sector development
4. Create an all-year-round destination for tourists in order to limit the impacts of seasonality
5. Support and expand the current tourism product base through product development and diversification
6. Increase tourism related linkages between towns within the local municipality and other regions neighbouring the municipality
7. Eliminate obstacles limiting the growth of the local tourism industry
8. Provide the necessary enabling environment for the development of the tourism sector together with the private sector
9. Monitor and learn from the tourist experience so as to better meet the needs of visiting tourists

In order to determine the success of each of the goals set out above, as well as to ultimately attain the vision developed for the Nketoana LM, these objectives are specifically aligned to the development of a responsible and sustainable economy and its three underlining tiers, and are listed and described as such in the following sections.

#### 7.4.1. Economic Sustainability

To reach economic sustainable development the following objectives have been identified:

- **Tourism activity nodes:** Provision of high quality tourism attractions and services that satisfy the needs of domestic and foreign visitors and make them come back for more.
- **Socio-economic benefits:** To develop tourism products that is accessible to the local communities and at the same time enhances the local community's quality of life.
- **Investment opportunities:** To create an attractive tourism environment capable of creating investment opportunities and luring foreign direct investment.
- **Employment:** To create sustainable employment opportunities in the tourism industry and develop its local skills base.
- **Sustainable growth:** To develop sustainable tourism products in the area to achieve above average growth of the tourism sector and grow its contribution to the economy.
- **Comparative advantages:** To position the Nketoana LM as a preferred tourism destination that builds on local comparative advantages and that can compete with its nearby counterparts.
- **Invest in infrastructure:** To develop and upgrade physical infrastructure throughout the area to support the development of the tourism sector.

#### 7.4.2. Social Sustainability

The following objectives have been identified to attain social sustainable development within the Nketoana LM:

- **Support from stakeholders:** To ensure that the public and private sectors involved work cohesively and have a mutual understanding of the vision and development path.
- **Institutional framework:** Reorganise and strengthen the institutional arrangements within the Nketoana LM.
- **Human resources:** To ensure a sufficient supply of skills development and building on the local community's capacity.
- **Create awareness** amongst the local community about the benefits relating to environmental and economic aspects of tourism development.
- **Strengthen community involvement:** Transformation and empowerment of previously disadvantaged individuals (PDIs) and create an enabling environment for SMMEs.
- **Poverty alleviation:** Improve the local community's living conditions and standard of living through means of sustainable tourism development.

#### 7.4.3. Environmental Sustainability

Sustainable development with reference to the environment is focused on the utilisation of environmental resources to meet human needs, while conserving the environment for future generations. The following two objectives are recognised to ensure environmental sustainability within the Nketoana LM:

- **Natural environment and conservation areas:** Develop sustainable and responsible tourism products that contribute to the conservation of the area's biodiversity.
- **Preservation of local, cultural, and heritage resources:** To develop the tourism industry throughout the area by exploring local natural, cultural, and heritage resources.

## 7.5. CONCLUSION

This section focuses on the development of a vision, goals and objectives to give direction to tourism development in the Nketoana LM. This was based on the three underlying principles of responsible and sustainable tourism, namely economic, environmental and social sustainability. It is imperative that these principles be incorporated and aligned with any new developments in the tourism industry of the Nketoana LM.

The following section details the plan for tourism development, along with the necessary interventions required under each pillar of the plan.

## 8. TOURISM SECTOR PLAN

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The purpose of the Responsible Tourism Sector Plan of the Nketoana LM is to provide strategic interventions and recommendations to be implemented in order to develop the tourism sector. This plan is based on the current situation and vision for tourism, as identified in the preceding sections. In addition, this plan describes the strategic interventions towards developing tourism in the Nketoana LM, by using a systems approach where tourism development is concerned. Not only does this approach offer advantages by offering a more inclusive and complete method of developing tourism in the area, but it is also aimed at addressing components that are integral to the efficient functioning of the tourism industry as a whole.

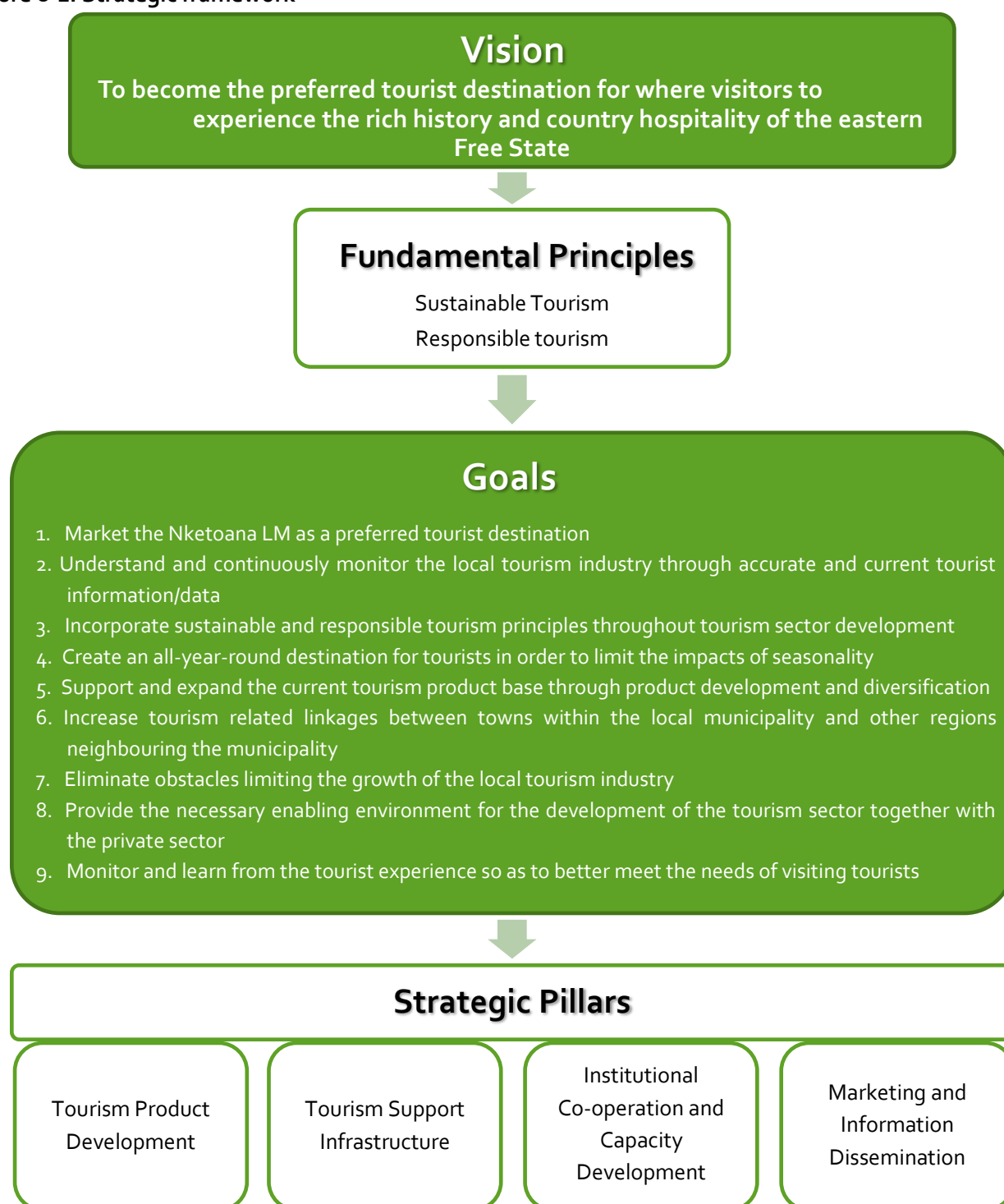
Therefore, supplemental to focusing on product development on its own, the systems approach also addresses four other important aspects that are essential to the effective performance of the Nketoana LM's tourism industry. The four components or strategic pillars of tourism development include:

- Tourism Product Development
- Tourism Infrastructure Support
- Institutional Co-operation and Capacity Development
- Marketing and Information Dissemination

These four pillars are developed from the vision, fundamental principles, and goals, as illustrated in Figure 8-1 below. Each of these aspects is discussed in the following sub-sections.



Figure 8-1: Strategic framework



## 8.1. TOURISM PRODUCT DEVELOPMENT

### 8.1.1. Purpose and Rationale

This strategic pillar is aimed at developing and increasing the number of tourism products in the Nketoana LM, while simultaneously seeking to ensure that the economic benefits generated through the development

of these new tourism products accrue to the local community. In addition, the intention of the Tourism Product Development strategic pillar is to ensure that tourism product development further builds upon the area's comparative advantages.

As identified in preceding sections, there is a distinct need to develop tourist attractions specifically aimed at attracting leisure visitors, as well as to expand and improve the current opportunities for the business tourist market. A number of projects have been identified for development in the Nketoana LM. These projects are discussed further in the following sub-sections.

Also, as part of this strategic pillar, a number of interventions are provided, aimed at developing and marketing the key tourism projects and products. The aim of developing tourism products and attractions is, therefore, to make the area a destination and not just a stop-over point en route to another location. This destination is built on the current tourist market as well as potential future tourist markets.

Although product development is not the function of the Nketoana LM, the municipality is responsible for creating an environment favourable to private sector tourism investment through the identification of opportunities and gaps in the local tourism market.

The overall purpose of this strategic pillar is to grow and diversify the tourism products within the municipality, focusing on both existing and proposed products. Furthermore, this pillar is aimed at increasing the economic benefits derived from the development of these projects in order to stimulate local employment and businesses.

## 8.1.2. Interventions and Projects

### 8.1.2.1. *Intervention / Project 1: Develop a database of tourism related businesses*

The availability of a database of tourism related businesses is vital to understanding and monitoring tourism development in the area. It is also important to obtain an indication of the number and type of tourism related businesses that operate in the area, in order to identify gaps and opportunities for potential small business expansion. By keeping track of the number and type of tourism related businesses, the Nketoana LM can establish the tourism multiplier for the local industry, thereby making it possible to determine the full impact of tourism related interventions on the greater economy.

The aim of this intervention is focused on establishing a database of businesses within the municipality that support the tourism industry, identify their locations, output and employment levels. This database can also form the basis for the development of a tourism website, brochures and other marketing materials. This database should also be incorporated further into the Nketoana LM's preferential procurement policies when sourcing tourism related products.

### 8.1.2.2. *Intervention / Project 2: Impact assessment for tourism projects*

Tourist officials in the Nketoana LM should understand and comprehend the full impact of tourism interventions on employment creation and GDP within a local context. By understanding the impact of

tourism, tourism officials are able to establish how successful certain types of interventions are and what the overall impact of these interventions are on the greater economy. It also allows the Nketoana LM to establish the extent to which they are meeting their job creation targets.

The aim of this intervention is therefore to:

- Identify key tourism related projects that have been implemented in the last 10 years
- Establish the economic impact of these projects, thereby establishing baseline data
- Conduct economic impact assessments of projects implemented as part of the Nketoana Responsible Tourism Sector Plan.

#### ***8.1.2.3. Intervention / Project 3: Undertake feasibility studies for the proposed projects***

For each of the proposed new projects, as well as the current pipeline projects identified in the preceding chapters, a feasibility study needs to be conducted. This intervention is aimed at undertaking feasibility studies for each of these projects, which will assist in determining the suitability, viability and potential operational success of the projects. A feasibility study is also aimed at identifying any “make or break” issues that would prevent the projects from being successful in the tourism market. In other words, a feasibility study determines whether the concept of a project makes sense.

The feasibility study should entail, inter alia, the following main components of investigation:

- Market issues
- Organisational/technical issues
- Financial issues

These main components should be specific and detailed for each project, and aligned with the tourism vision and objectives for the area. Any issues should be highlighted for further investigation, while the impact of the project on the local tourism industry should be determined. The feasibility could also be undertaken in such a way that the projects could be scored to indicate the most feasible and highest impact projects, which will assist in the effective implementation of the projects.

#### ***8.1.2.4. Intervention / Project 4: Develop proposed new tourism projects for the area***

By developing and implementing new products in an area, the tourism offering can be diversified and the economic and social benefits for the area could be increased. This intervention seeks to develop and promote products aimed at both the current and potential new tourist base, in order to strengthen the Nketoana LM's current market share of visitors, as well as acquire and attract new visitors.

The projects listed for development are those most likely to create economic spin-offs in the area, and to establish a wider range of tourism products in the area. In addition, these products have been selected to address issues of seasonality and lack of variety, while building on the unique selling points of the area.

The following projects are prioritised for development:

- Geo-caching
- Heritage Trail

- Low-cost Resort
- Battlefield event/weekend
- Adventure centre
- Township tourism
- Lindley Eco-Tourism centre
- Nketoana Youth Camps and
- Business Centre

For each of the proposed new projects a fact sheet is provided, containing relevant information about the project. This information includes the name, type, description, status and proposed location for each project. The nine proposed projects are summarised in Table 8-1 to Table 8-9.

**Table 8-1: Geo-Caching Fact Sheet**

<b>NAME:</b> Geo-caching	<b>PROJECT TYPE:</b> Adventure / Historical and Cultural
	<b>DESCRIPTION:</b> Participants make use of a GPS / other navigational techniques to seek "geo-caches" at points of interest. The proposed project will identify heritage sites and points of interest in the area and be allocated GPS coordinates, whereby visitors are encouraged to track these "geo-caches" on their own time and pace. The goal is to develop an adventure activity combined with cultural and heritage resources in order to promote the area's competitive advantage in terms of historical tourism.
<b>PROPOSED LOCATION:</b> The project is envisaged to be spread throughout the entire Nketoana area, incorporating all towns and places of interest.	<b>CURRENT STATUS:</b> Conceptualisation

Table 8-2: Heritage Trail Fact Sheet

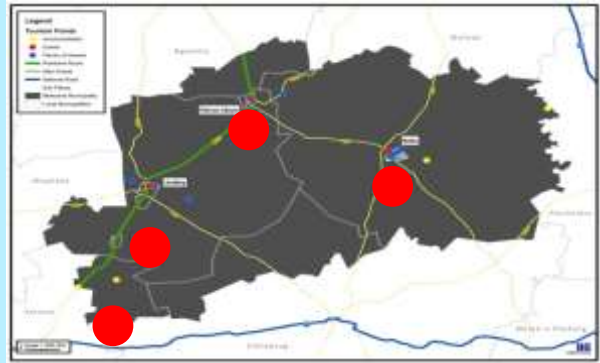
<b>NAME:</b> Heritage Trail	<b>PROJECT TYPE:</b> Adventure / Historical and Cultural
	<b>DESCRIPTION:</b> This project entails the development of a heritage trail to take visitors on a journey through the area. Visitors can expect to see historical landmarks and places of interest while guided by a tour operator, as well as do sight-seeing by a horse-drawn cart in any of the three major towns. The goal of this project is to develop a historical trail to promote the heritage richness and tranquillity of the area.
<b>PROPOSED LOCATION:</b> The project is envisaged to be spread throughout the entire Nketoana area, incorporating all towns and historical places of interest.	<b>CURRENT STATUS:</b> Conceptualisation

Table 8-3: Low-Cost Resort Fact Sheet

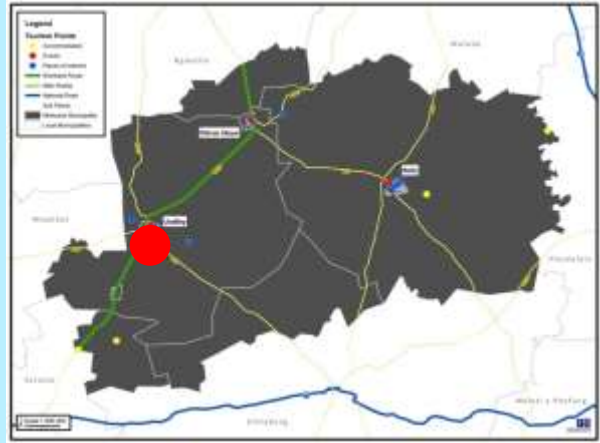
<b>NAME:</b> Low-Cost Resort	<b>PROJECT TYPE:</b> Adventure / Accommodation
	<b>DESCRIPTION:</b> This project involves the development of a low-cost resort in the vicinity of Lindley. The establishment of this tourist attraction is in line with the National Department of Tourism's plans to develop "Butlins-style" low cost resorts throughout the country. Visitors can experience a range of activities and facilities at the resort on a budget. This project is ideal for families and leisure tourists from lower income categories who would still like to travel. The goal is to attract domestic visitors to the area, to grow the local tourist base.
<b>PROPOSED LOCATION:</b> The project is envisaged to be located in the vicinity of Lindley based on the natural waterways and established adventure facilities.	<b>CURRENT STATUS:</b> Conceptualisation

Table 8-4: Battlefield Event/Weekend Fact Sheet

<b>NAME:</b> Battlefield Event/ Weekend	<b>PROJECT TYPE:</b> Adventure / Historical and Cultural
	<b>DESCRIPTION:</b> This project entails the development and establishment of an annual battlefield event that showcases the battles outdoors as it happened more than a century ago, specifically aimed at history enthusiasts and descendants of family members who participated in these battles. Visitors are introduced to historical artefacts, clothing and shows, where the battlefield re-enactments will offer a unique experience for history enthusiasts. The goal of this project is to develop a historical event where visitors can experience the battlefields first-hand in order to promote the historical events of the area.
<b>PROPOSED LOCATION:</b> This project is proposed to be located in either Lindley or Reitz, or even both, as historical events took place throughout the entire area.	<b>CURRENT STATUS:</b> Conceptualisation

Table 8-5: Adventure Centre Fact Sheet


<b>NAME:</b> Adventure Centre	<b>PROJECT TYPE:</b> Adventure
	<b>DESCRIPTION:</b> This project is focused on the establishment of an Adventure Centre in Lindley or Reitz, which should include the development and provision of a wide variety of adventure activities. This Adventure Centre could also serve as a Visitor Information Centre, where tourists can obtain all the necessary information about the tourism activities and places of interest in the area. Some activities may include clay-pigeon shooting, paintball, dirt-bike/ 4x4 quads, etc.
<b>PROPOSED LOCATION:</b> This project is proposed to be located in either Lindley or Reitz, depending on the types of activities to be established.	<b>CURRENT STATUS:</b> Conceptualisation

Table 8-6: Township Tourism Fact Sheet

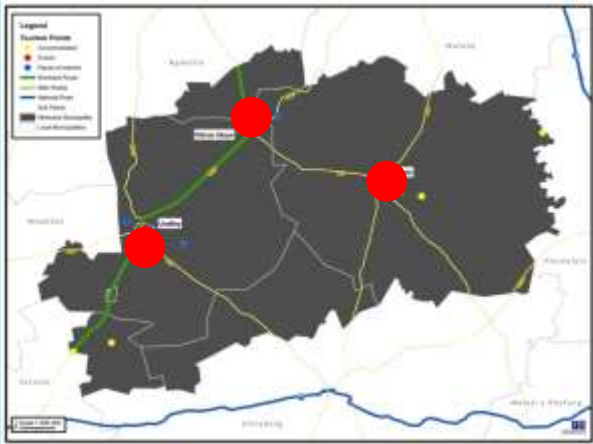
<u>NAME:</u> Township Tourism	<u>PROJECT TYPE:</u> Historical and Cultural / Activities
	<u>DESCRIPTION:</u> <p>The proposed project entails the organisation of township tours within the area, where tourists can experience the cultures and traditions of the inhabitants of these townships. The tours will be packaged to include different types of activities for different markets. The township tour packages can include both day tours or longer excursions with overnight accommodation. These tours should include the following:</p> <ul style="list-style-type: none"> <li>• Historical and cultural sites</li> <li>• Places of significant interest</li> <li>• True African cuisine and drinks at shebeens</li> <li>• Walks/bicycle rides through the townships</li> </ul> <p>The purpose of the proposed project is to strengthen the community involvement and transformation in the tourism sector and simultaneously provide tourists with a unique cultural experience.</p>
<u>PROPOSED LOCATION:</u> This project is proposed to be located in all or any of the three townships in Nketoana, namely Ntha, Mamafubedu and Petsana, depending on the clustering of these areas.	<u>CURRENT STATUS:</u> Conceptualisation



Table 8-7: Lindley Eco-Tourism Fact Sheet

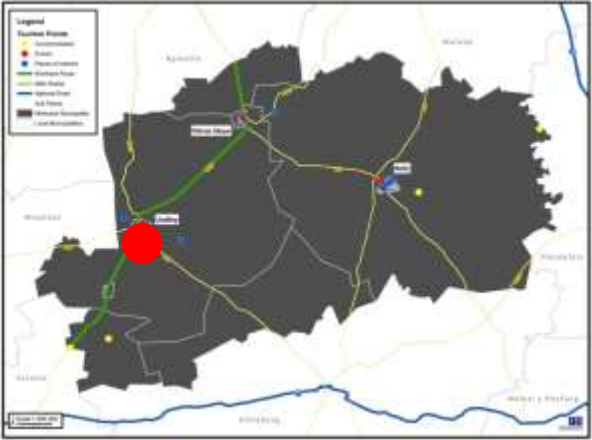
<u>NAME:</u> Lindley Eco-tourism	<u>PROJECT TYPE:</u> Environment / Activities
	<u>DESCRIPTION:</u> This project entails the development of three tourism facilities/ components on one site. The first element is the development of a <b>museum/exhibition centre</b> , which will educate the visitors on eco-tourism and biodiversity within the Lindley area. The second facility will comprise of a <b>visitor centre</b> , which will serve as the hub of the proposed tourism product. The visitor centre is proposed to include tourism information and booking facilities, and should employ local tour guides to accompany tourists on eco-tours throughout the area. The third component is the development of an <b>art and crafts centre</b> , where local communities are able to manufacture arts and crafts and where the process is shown and explained to tourists and items can be sold to tourists. Finally, the proposed Eco-Tourism Centre could be equipped with a take-away or restaurant facility and a dedicated picnic area, where tourists can relax in a serene environment, have a braai or picnic, and where kids can play.
<u>PROPOSED LOCATION:</u> This project is proposed to be located in Lindley, based on the natural environment and waterways in existence.	<u>CURRENT STATUS:</u> Conceptualisation



Table 8-8: Nketoana Youth Camps Fact Sheet

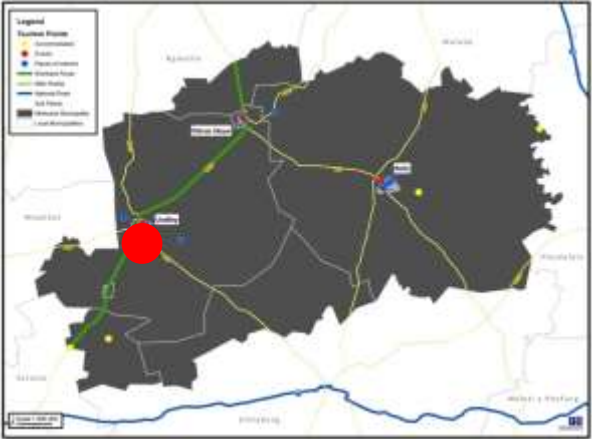
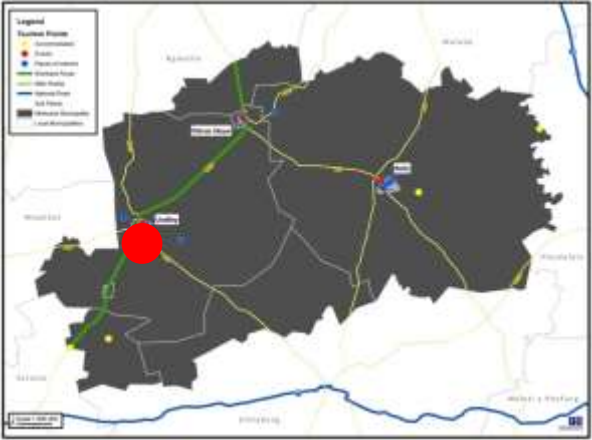
<b>NAME:</b> Nketoana Youth Camps	<b>PROJECT TYPE:</b> Historical and Cultural / Activities
	<b>DESCRIPTION:</b> <p>The purpose of this project is to educate students, while at the same time creating a fun-filled adventure experience. The proposed project entails the development of outdoor educational camps. The development should consist of camp sites and /or hostels, dining and activities halls, ablution facilities and rest places. The project should also include the development of several adventure activities and team building activities, such as:</p> <ul style="list-style-type: none"> <li>• Trekking and hiking</li> <li>• Rock Climbing</li> <li>• Water sports activities (where possible)</li> <li>• Clay pigeon shooting</li> <li>• Mountain biking, etc.</li> </ul> <p>The proposed facility should focus on providing outdoor educational programmes. These programmes can be developed with specific themes in mind, such as fauna and flora programmes, sports programmes, etc. The youth camps could also include programmes such as wood working skills development and cooking and knitting classes. The products that are made from these classes can then be donated to the local communities.</p>
<b>PROPOSED LOCATION:</b> This project is proposed to be located in Lindley or Reitz, as these towns are the largest in the area, thereby offering more activities.	<b>CURRENT STATUS:</b> Conceptualisation

Table 8-9: Business Centre Fact Sheet

<b>NAME:</b> Business Centre	<b>PROJECT TYPE:</b> Conferencing, Accommodation
	<b>DESCRIPTION:</b> The project entails the development of a Business Centre in the economic area of Reitz, in support of the predominantly business tourism market that visits the area. The Centre should include conferencing facilities, accommodation, exhibition facilities as well as catering or restaurant facilities.
<b>PROPOSED LOCATION:</b> This project is proposed to be located in Lindley or Reitz, as these towns are the largest in the area thereby offering more activities.	<b>CURRENT STATUS:</b> Conceptualisation

The implementation steps for these projects are detailed in Section 9 as part of the Implementation Plan. In addition, a complete list of all activities, accommodation establishments, places of interest as well as tourism routes are provided in Annexure A.

## 8.2. TOURISM SUPPORT INFRASTRUCTURE

### 8.2.1. Purpose and Rationale

In order for the local tourism industry of the Nketoana LM to be developed to its full potential, certain support infrastructure is required. This infrastructure includes the provision of hard infrastructure, such as basic services (water and electricity), telecommunications, signage, a tourism information office, etc. It is also imperative that adequate directional and marketing signage of decent quality is provided, as it contributes to the visitor experience and perception of the area as a tourist destination. Presently, the infrastructure within the Nketoana LM is of a poor quality and is impeding tourists' access to the area.

The inclusive purpose of this strategic pillar is to provide infrastructure which will allow for increased access to tourist attractions, while also creating a favourable environment for augmented tourism investment.

As part of the tourism support infrastructure strategic pillar, four key focus areas have been identified to assist with creating the supporting environment required to facilitate tourism development:

- Road infrastructure
- Signage
- Visitor / Tourist Information Centre (VIC)

## 8.2.2. Interventions and Projects

### 8.2.2.1. Intervention / Project 1: Upgrading key tourist access roads (R26, R725, R707)

The Nketoana LM's road network influences visitors' accessibility into and within the area. Therefore, it has a direct impact on visitors' ability to access or reach a given tourism product. The provision of good quality roads will also allow tourists to travel to their desired destinations safely and contribute towards providing tourists with a positive experience while visiting the area.

Although some of the tar roads are dilapidated and some of the gravel roads need upgrading, the roads in the Nketoana LM are not unnavigable. The upgrading and maintenance of the roads, however, will enable quicker and more comfortable travel for visitors. The infrastructure required would include tarring and maintenance of the main access roads, as well as the grading of gravel and minor access roads within the area.

The Nketoana IDP and spatial plans, as well as the local and regional SDF's, should prioritise the upgrading of the road infrastructure. The following key tourist access roads should be prioritised for upgrading and maintenance over the short term:

- R26 between Frankfort and Reitz
- R725 between Heilbron and Lindley
- R707 between Petrus Steyn and Frankfort

### 8.2.2.2. Intervention / Project 2: Development and implementation of a Tourism Signage Strategy

Given that there is a strong need for the establishment of road signage in the area, it is essential that the Nketoana LM develop and implement a Tourism Signage Strategy. This strategy should aim to ensure that visitors to the area are made aware of its many attractions and are guided easily and effectively between various attractions.

The proposed tourism signage strategy should focus on providing a long term action plan designed to guide the implementation of signs, while taking into account the potential impact of signage and the tourism needs. The strategy should also detail the nature and specific locations of the signage, as well as comply and align with national and provincial signage policy and standards. The location and message of the signs should be carefully considered so as not to create any negative associations with regard to visitor experiences in the area.

### 8.2.2.3. Intervention / Project 3: Water network upgrading

The provision of basic services plays a key role in the development of tourism, as visitors and tourism product owners all rely on basic services in conducting their daily business. Although it has been established that the general level of basic services are satisfactory, some water shortages have been noted, especially in Lindley and its surrounding areas.

The upgrading of the water network should be undertaken as a matter of urgency, as underlined in the implementation plan (Section 9). The network upgrading should plan for the development of the tourism

industry as well. An analysis should also be undertaken in assessing the current and projected level of basic services needed for tourism development in the area.

#### **8.2.2.4. Intervention / Project 4: Establishment of a Visitor Information Centre (VIC)**

It has been identified that there is no VIC available to tourists in the area. A VIC or tourism information office is a vital part of tourism development, as it represents and acts as a key source of information for tourists travelling within an area, as well as tourists who are considering travelling to an area and are in need of some information regarding available tourism products in the area. It is, therefore, essential that tourism information offices are well maintained, contain the necessary information, and are adequately staffed by trained individuals. In addition, VIC's are also a good marketing tool for promoting the local tourism offering.

For the Nketoana LM, the upgrading of the existing tourism information offices in Lindley and the development of a new tourism information office in Reitz will support the development of tourism within the local area. Therefore, it is strongly recommended that these information offices be funded by the Nketoana LM and supported by local product owners within the LM.

### **8.3. INSTITUTIONAL CO-OPERATION AND CAPACITY DEVELOPMENT**

#### **8.3.1. Purpose and Rationale**

This pillar focuses on creating the capacity within the Nketoana LM to implement tourism interventions and to develop the relationship between the public and private sector. This will assist with achieving the objectives of sustainable and responsible tourism as well as the vision for the local tourism industry. Essentially, the aim is to ensure the appropriate leadership and institutional capability to create the enabling environment needed for sustainable tourism growth is provided for.

Given the lack of strategic interaction between the tourism stakeholders, cooperation is needed in order to avoid missing opportunities and hindering the growth of the local tourism industry. Cooperative decision making and the development and joint implementation of strategic plans will contribute towards to the continuous growth of the sector and the sharing of benefits derived from this growth.

This strategic pillar will also enable the Nketoana LM to capacitate individuals so that they can assist in the successful running of the local tourism industry. Largely, the intention of this strategic pillar is aimed at ensuring that all individuals within the local tourism industry possess the required capacity to perform their respective functions efficiently and effectively.

The overall purpose of this strategic pillar is to create community awareness, determine responsibilities and promote targeted and effective institutions, thus providing individuals involved in the tourism industry with the capacity to perform their tasks more efficiently and effectively.

Institutional co-operation comprises of the following key aspects:

- Creating awareness of the impacts, benefits and responsibilities associated with growing the local tourism industry

- Facilitating, empowering and encouraging transformation in the Nketoana LM's tourism industry
- Create strong links with all stakeholders in the local tourism industry

These aspects will act as a guide to the various interventions and projects proposed as part of the Institutional Co-operation pillar.

### 8.3.2. Interventions and Projects

#### 8.3.2.1. *Intervention / Project 1: Development and capacitation of LTO and Tourism Forum*

By developing and capacitating a Local Tourism Organisation (LTO) and Tourism Forum, the Nketoana LM will derive benefits in the local tourism industry, given that these organisations act as a platform through which important issues that impacts on the tourism industry can be addressed. An increase in communication between all stakeholders from the private and public sector will also allow for greater credibility, accountability and transparency in the tourism development process. Both the LTO and the Tourism Forum should play an important role in the marketing and strengthening of the Nketoana LM as a destination.

The goal of this intervention is aimed at improving the capacity of the LTO and Tourism Forum in order to implement proposed and suggested tourism activities and recommendations through the regular allocation of funding. However, members of the LTO and Tourism Forum will also have the responsibility of approving the budget on which the funding allocations will be based. In addition, an on-going needs assessment will need to be undertaken by the Nketoana LM to determine the specific requirements and needs of the LTO and Tourism Forum.

Finally, the successes of both these organisations will be reliant on municipal representation at each of the scheduled meetings. This allows tourism product owners and members of the private sector to raise specific issues that need to be addressed to the attention of municipal officials for rectification.

#### 8.3.2.2. *Intervention / Project 2: Incorporating tourism in the municipal planning process*

In the respective municipal planning and policy documents, tourism has been stressed as a key economic sector and, therefore, the development of the tourism sector is an important municipal priority. However, it is imperative that all the objectives, projects and actions of the Nketoana Responsible Tourism Sector Plan are included in the IDP and budgetary process. By placing the development of the tourism sector on top of the municipality's economic development agenda, the municipality will assist in providing the required enabling environment required for the growth of the local tourism industry.

The following main actions are required to ensure that the development of the local tourism industry is regarded as a key priority area:

- Alignment of tourism with other planning processes in the area, such as conservation plans, health care plans, town clean-up plans, etc.
- Allocate funding to support tourism development in the area.

### ***8.3.2.3. Intervention / Project 3: Strengthen the relationship of the municipality with all other tourism stakeholders***

Institutional collaboration and co-operation is vital to the development of any industry, especially tourism as a second economy. As indicated by stakeholders, some gaps exist with regard to effective and efficient collaboration between the private and public sector, as well as with other tourism role players in the industry. By establishing a sound relationship between all role players in the local tourism industry, individuals can work together to attain a shared vision and successful growth in the tourism sector.

In order to establish a successful and beneficial relationship between the various role-players and stakeholders, it is necessary to agree on a shared vision for the tourism industry, as well as work towards obtaining the same objectives. This will ensure buy-in from all stakeholders. In addition, all role-players should support and attend the LTO and Tourism Forum meetings and planning sessions in order to have the platform and opportunity to raise any issues, should there be any.

### ***8.3.2.4. Intervention / Project 4: Mentorship programme for emerging product owners***

By providing in-house training through an established mentorship programme, entrepreneurs in the tourism industry can be developed effectively. This mentoring and development of new entrepreneurs is regarded as a key opportunity to gain experience and skills through experimental training. The Nketoana LM should establish a communication platform between emerging and established product owners and entrepreneurs in the tourism industry, which will assist with the development of a mentoring programme.

As part of this intervention, regular meetings should occur between the emerging tourism product owners and mentors, where the two parties can exchange ideas, lessons learnt and advice. The platform should also allow for the dissemination of information between the parties in order to determine the weaknesses and issues, which will then be discussed and solved in the meetings.

The following key activities should form part of this intervention:

- Developing a list of mentoring needs
- Identifying and encouraging emerging and established product owners to participate
- Develop a programme of mentorship including talks, site visits, study tours etc.

### ***8.3.2.5. Intervention/Project 5: Training and customer service programme for tourism employees***

Visitors' experience of an area is greatly determined by the nature and quality of service that they receive from product owners and staff members. Therefore, it is vital that tourism employees acquire the necessary skills and expertise to ensure that the tourist's experience is made memorable and positive. The presence of such skills amongst employees also has a direct impact on the level of professionalism within the industry.

Although the majority of tourism training is conducted "in-house" by individual product owners, a distinct need has been identified to equip employees with certain skills such as hospitality, food management, first aid etc. In many cases, the costs associated with providing these skills and skills training to employees are considered to be an unnecessary expense by tourism product owners. This intervention, therefore, seeks to facilitate partnership between individual tourism product owners and training institutions to provide co-

funding and other support needed in order to equip employees with the necessary tourism related skills. This could be achieved by arranging workshops and training in the area that could be attended by the employees in the industry.

### **8.3.2.6. Intervention/Project 6: Community tourism awareness programme**

This intervention, focusing on the local communities in the Nketoana LM, seeks to create awareness programmes in the area in order to educate local community members about basic tourist needs and encourage their involvement in tourism projects.

The aim of this intervention is to create and encourage a friendly, welcoming environment for tourists who travel to the area, as well as to create an understanding among the local community about the tourism industry. This understanding includes the impacts they have on the tourism industry as a whole as well as the role they play in a tourist visit. The following components should form part of this awareness programme:

- The importance of being friendly and welcoming to visiting tourists
- Knowledge of local tourist activities and attractions
- Key role-players in the local industry
- How the tourism industry fits into the broader economy
- Environmental management principles including town beautification and cleanliness

Main actions that are required to successfully implement this awareness programme within communities in the Nketoana LM include:

- Hold workshops that raise awareness on the impacts of tourism, including community awareness workshops
- Awareness programme targeting frontline staff in the service industry (e.g. petrol attendants, shop attendants, cleaners, etc.)
- Embark on a marketing campaign to promote each individual's role in tourism in the area

## **8.4. MARKETING AND INFORMATION DISSEMINATION**

### **8.4.1. Purpose and Rationale**

The marketing of an area for tourism is the process through which an area is promoted and advertised as a tourism destination, making potential visitors aware of the region and its current tourism offerings. This is essential in attracting greater visitor numbers to the Nketoana LM. Although the area has been marketed in the past, this was not fully successful, as there is no strong tourism brand, and visitors are generally not aware of what the area offers for tourists. The Nketoana LM has also received very little exposure in terms of national and provincial tourism marketing.

However, there is a degree of tourism marketing undertaken by the municipality and private tourism product owners. Current marketing takes the form of internet marketing (through the website of the Riemland Route, Lindley town and Reitz town), sign boards, brochures and some magazines. Information is generally not well communicated and often outdated. There is a clear gap in the current marketing approach undertaken by the Nketoana LM and local tourism product owners, based on the marketing assessment provided in preceding



sections, in that the tourism products and attributes of the Nketoana LM are not marketed in a coordinated manner by either the municipality or product owners.

In addition to the marketing of the area, it is also important for tourism product owners and the Nketoana LM, as well as tourism stakeholders in the area to collect data and information on a regular basis in order to monitor tourism trends and make adjustments to the development strategy for tourism accordingly. This information and data can be used as part of the marketing strategy and can assist local decision-making towards the further expansion of the local tourism offering.

The purpose of this strategic pillar is to ensure that existing marketing is targeted and unified, as well as to undertake periodical market research to ensure that planning decisions are undertaken based on accurate, reliable and current market information.

### 8.4.2. Interventions and Projects

#### 8.4.2.1. Intervention / Project 1: Creation of a product database

An up to date tourism product database should be created as part of this strategic pillar, as the development of such a database is key to the development of the local tourism industry. This information will form the basis of marketing efforts and tourism planning. The data will also be useful in providing information at the VICs. It is equally important to maintain and continuously populate this database. This can be achieved as part of tourism data collection tool where tourism product owners are required to submit details of their product offering, the activities they conduct and tourist visiting information on a regular basis.

By being able to access this information, the municipality will be able to identify the location and type of products available in the municipality. Individual product owners will also be able to utilise the database and thereby be able to recommend activities in other areas of the municipality to tourists.

The main components which are needed in order to maintain the product database are:

- Periodically collect information from product owners in order to update the database
- Provide tourism product owners with access to the database

#### 8.4.2.2. Intervention / Project 2: Undertake regular tourism data collection

It is recommended that the Nketoana LM, in partnership with the local tourism stakeholders and product owners, undertake a process of data collection. For this process, a statistical collection tool can be used, which will require product owners and stakeholders to submit information about tourists visiting their establishments on a regular basis. The information that can be included is inclusive of, but not limited to, the following:

- Average occupancy rates
- Percentage of domestic and international tourists
- Tourist source markets
- Average length of stay
- Average spend, etc.



In addition, this intervention seeks to allocate funding to facilitate the implementation of this survey on a monthly basis as well as to develop a system to capture and store the information in a database. For this process, however, it is critical to ensure transparency and allowing individual product owners to access the aggregated results of the surveys. Furthermore, the surveys should be updated occasionally to ensure that they represent relevant information required by the Nketoana LM for its planning activities. This tool can easily be incorporated with the tourism website of the area, both for completion of the survey and to view the results. Buy-in from local product owners would be key in collecting such information.

#### **8.4.2.3. Intervention / Project 3: Develop an events calendar**

Another successful marketing tool is the development and establishment of an events calendar, displaying and promoting all activities and events that are happening throughout the year. In addition, such a calendar indicates to tourists who are currently in the municipality how to find an event to attend or it can assist tourists to plan their visit so that it coincides with a certain event. This information should be incorporated into both printed and media marketing channels.

The following main actions are required in order to develop an events calendar:

- Conduct an audit of all events in the municipality
- Develop the calendar and place it in tourism brochures, maps, websites and local newspapers
- Update calendar with dates and venues for events

#### **8.4.2.4. Intervention / Project 4: Development of destination marketing materials**

Tourists travelling to an area would want to obtain information about the destination, including its key activities, attractions and accommodation facilities prior to making travel decisions. This is a vital component of the marketing plan of an area. This intervention is aimed at developing and distributing printed marketing and promotional materials for the Nketoana LM, which focused on identifying key attractions, activities and products and providing appropriate contact details and other useful information on the area and the relevant support services tourists may be in need of. A printed tourist map should accompany this printed materials, which will allow visitors to obtain a spatial perspective on what tourism options are available to them, as well as travelling distances and times between destinations.

It is crucial that the printed materials be developed with the cooperation and input of the private sector. The development of these brochures should incorporate and strive to attain the vision and objectives set for the local tourism industry. Once developed, these brochures should be distributed to individual tourism product owners and tourists visiting the VIC. This intervention should also seek to hand out these brochures through established brochure networks (i.e. Brochure Management) to ensure that tourists in other neighbouring areas are also made aware of the current tourist offerings of the Nketoana LM.

Key activities in the implementation of this intervention include:

- Collection of information about the area from product owners or established database to populate brochures
- Printing of brochure or marketing materials with tourist map
- Disseminating brochures to tourists (through VIC and brochure management networks) and individual product owners

- Updating brochures as required to ensure that information remains current

#### **8.4.2.5. Intervention / Project 5: Developing and maintaining the Nketoana Tourism website and social media**

Regarded as one of the most frequently utilised and effective marketing tools, the internet offers higher rates of return than most other forms of marketing. A well designed website offers international exposure and can be highly effective at reaching a wide range of audiences. In addition, the use of social media is a cost-effective and highly visible means of promoting tourism.

The two major towns in the Nketoana LM, Reitz and Lindley, each has a website for the town itself, advertising and promoting accommodation, activities and services to visitors. These websites, along with the Riemland Route website, focuses on extensively marketing the Nketoana LM as a destination. From these websites, tourists can access all information about the Nketoana LM, however, a direct link to the municipality's website is lacking and vice versa. In addition, some of the information, specifically contact details, are outdated and needs to be updated. This intervention, therefore, seeks to update the various websites in order to provide general information on the Nketoana destination, as well as to create a platform where all accommodation, activity and attractions are listed with complete contact details and a map indicating their locations. Product owners should also be encouraged to link-up with these websites and to regularly provide information to ensure the relevance of the websites.

Tourism officials in the Nketoana LM should also seek to develop a Facebook page for the area, which could also disseminate all necessary information for tourists. The Facebook page should also contain links to the websites of the towns for additional information. This Facebook page should be maintained and updated regularly.

The various components of this intervention are outlined below:

- Allocate budget and appoint service providers to develop, maintain and update the Nketoana LM tourism website
- Develop linkages between the Nketoana LM's tourism website and other tourism websites (Riemland Route, Bieliemielie Festival, product owners, etc.)
- Update information of websites periodically to display current details
- Develop a social networking component (Facebook, Twitter)

#### **8.4.2.6. Intervention / Project 6: Conduct a marketing drive that targets key tourist segments**

Currently, very little marketing initiatives are being undertaken to attract specific target markets to the Nketoana area. Therefore, a focused effort is needed to ensure that the Nketoana destination re-establishes brand awareness amongst tourist markets and tour operators. This intervention, focusing on the development of a marketing drive, should in turn focus on the promotion of the municipality's key selling points, where after it should expand to include all current tourist product offerings. This marketing drive should be aligned with the tourism marketing plan for the area as well. The following list provides a number of techniques that could be used to increase brand awareness of the area:

- Inviting and hosting journalists of travel/lifestyle magazines to the Nketoana LM
- Inviting the media to cover events e.g. SABC, Supersport

- Promote upcoming sporting events at similar races or events i.e. Bieliemielie Festival
- Partnering with local societies and associations around publicity, marshalling and support
- Partnering with Backpacker South Africa to provide advice on attracting cost conscious tourists to events
- Advertise the Riemland Route and Grasslands Meander routes
- Attend indabas and trade shows with representatives from both the public and private sector

Through the increased promotion of events, other key tourist attractions and activities within the area can be promoted. The following key activities should form part of the execution of this intervention:

- Establishing a relationship between the Nketoana LM and representatives from other neighbouring destinations to investigate success factors to attracting niche tourist markets (e.g. Golden Gate)
- Developing relationships with industry associations
- Advertising products to niche markets through specialised tours, routes and events
- Investigating the holding of new events

## 8.5. CONCLUSION

The Tourism Sector Plan section outlines and describes a number of key interventions and projects as part of the Nketoana Responsible Tourism Sector Plan. The key interventions and projects form part of the four strategic pillars of the systems approach, namely:

- Tourism Product Development
- Tourism Infrastructure Support
- Institutional Co-operation and Capacity Development
- Marketing and Information Dissemination

Section 9 provides the various implementation guidelines for the interventions and projects outlined in this section.

## 9. OPERATIONAL IMPLEMENTATION PLAN

The implementation plan provided in this Section is developed in line with the systems approach as described in the preceding sections. Specifically, the implementation plan considers each component of the tourism system based on the focus areas identified. The implementation focus areas are both specific to particular strategic pillars, as well as general, such as improvements to the environment, infrastructure, security etc.

The implementation and management of this Responsible Tourism Sector Plan is the responsibility of a number of key stakeholders, which includes the Nketoana LM, particularly the tourism office; the LTO and Tourism Forum; as well as other implementation partners such as the TMDM, FSTA and DEDEAT. The tourism plan should also be incorporated into the policies and planning documents of the District and region for successful integration.

### 9.1. IMPLEMENTATION FRAMEWORK

As part of the implementation framework it is important to consider the potential impact of an intervention or project, especially on the natural environment. In addition to an intervention's environmental impact there are a number of other principles that need to be considered when an interventions/project is implemented. Some of these are highlighted below:

- **Feasibility**

Feasibility studies should be undertaken for a specific intervention as required. These feasibility studies should include an economic, financial, technical and environmental feasibility component, assessing the impact the proposed tourism intervention will have on the entire tourism environment. The environmental feasibility assessment will have a direct bearing on the overall sustainability of the intervention.

- **Legal Compliance**

As part of the implementation process it will also be necessary to ensure that the required permitting process is undertaken prior to the implementation of the intervention. This is particularly important with regard to interventions that comprise a construction component.

- **Community Involvement**

Involving and engaging with the community that will be affected by the tourism intervention is essential to ensure their buy-in and to establish formal working relationships.

- **Sustainability**

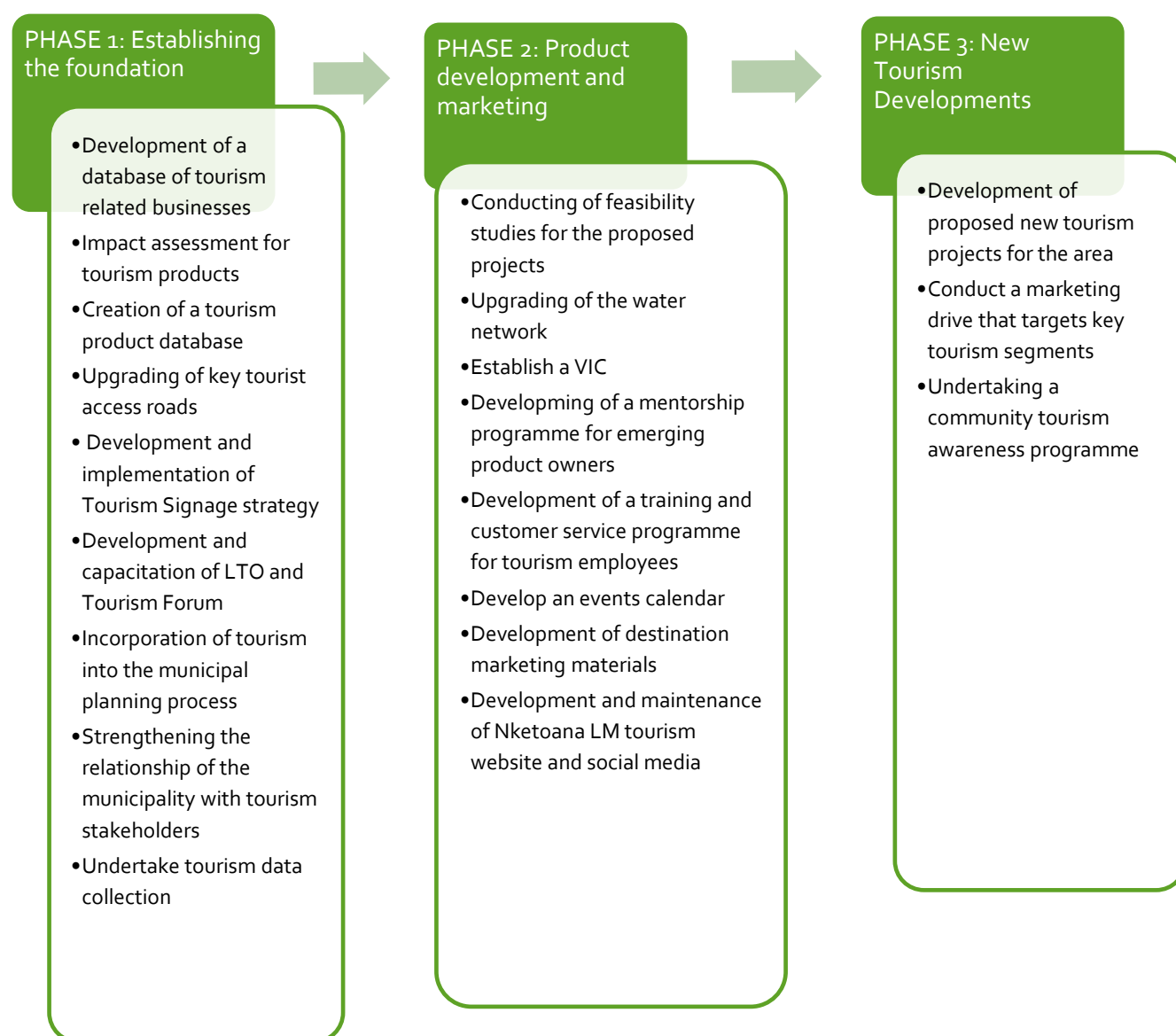
All tourism interventions and projects need to be properly operated in order to ensure that the use of the natural environment is properly managed and degradation is controlled. Failure to adequately manage, monitor and control the intervention/project can affect the long term viability of the intervention and potentially lead to legal action.

## 9.2. IMPLEMENTATION PROGRAMME

In order to successfully implement the recommendations made in the preceding sections of the report, an implementation plan with key actions and implementation timeframes are suggested in this sub-section. The proposed actions aim to facilitate the implementation of proposed new projects; the advancement of projects along the project pipeline as identified by stakeholders; and the creation of a supporting environment conducive to the development of tourism infrastructure in the area.

This sub-section outlines the various interventions/projects as per their expected time frames and proposed phasing. In order to ensure that the implementation process is undertaken effectively, it is critical to consider the prioritisation of the interventions. This aims to ensure that quick win and foundational interventions/projects occur first, as illustrated in Figure 9-1.

**Figure 9-1: Proposed intervention phasing**



Following from Figure 9-1 above, there are a number of interventions identified which can be considered quick wins. These projects and interventions should be implemented by the Nketoana LM as a matter of urgency. These quick-win interventions are primarily based on the provision of tourism support services (roads, telecommunications etc.) and the development and marketing of the area to tourists. Typically, these interventions form the foundation of the enabling environment for tourism development, and should ideally be in place before any of the other interventions are attempted.

The interventions identified in the second phase are those that can be undertaken over the short to medium term, but these interventions build on the foundation created by the implementation of the interventions of Phase 1. The second-phase interventions are focused on developing tourism products for visitors and marketing the area as a destination. As the Nketoana LM is currently lacking a brand and brand recognition among tourists, the development of a tourist brand alongside on-going marketing will be vital to promote the area and increase demand for attractions. However, a good quality and adequate supply of tourism products should already be established in the area to attract tourists, creating thus the need for further product development. As existing products are developed and new products introduced (based on visitor information obtained in Phase 1) the volume of visitors to the area will increase, which will then lead to the further development of the tourism industry and benefits for the community.

The interventions identified in Phase 3 are typically those that require a significant amount of market information before implementation or those that require significant financial commitments. The nature of these interventions, therefore, requires that they be implemented over a longer period than other interventions, possibly over the long term.

Table 9-1 provides a five-year implementation cycle for the interventions and recommendations provided throughout the report. Specific actions are listed according to category, along with the level of priority and expected timeframes.

Table 9-1: Five-Year Implementation Cycle

CATEGORY	ACTION	PRIORITY	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
TOURISM PRODUCT DEVELOPMENT	Develop a database with all tourism related businesses	Immediate, on-going					
	Undertake and determine an impacts assessment for potential new tourism projects	Short term					
	Undertake feasibility studies for the proposed projects	Short to medium term					
	Determine and secure funding for the development of the proposed projects	Medium term, on-going					
	Development of proposed new tourism projects for the area	Long term, on-going					
TOURISM SUPPORT INFRASTRUCTURE	Upgrade road infrastructure on key tourism access roads and entry points	Immediate					
	Develop and implement a Tourism Signage Strategy for the area	Short term					
	Upgrade the water service provision in the area to ensure sufficient supply for increased tourism development	Medium term					
	Establish a VIC in Reitz or Lindley and a smaller tourism office in each town	Medium term					
INSTITUTIONAL CO-OPERATION AND CAPACITY DEVELOPMENT	Ensure that all vacant positions in the tourism offices are filled	Immediate					
	Establishment and capacitation of a Local Tourism Organisation	Short term					
	Establishment and capacitation of a Tourism Forum and involve the community and private sector in this forum	Short term					
	Capacitate the VIC's with fully trained tourism employees	Short term					
	Engage with stakeholders in the industry and develop a strong co-operative relationship	Short term, on-going					

CATEGORY	ACTION	PRIORITY	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	Develop and support a mentorship programme for emerging tourism product owners	Medium term, on-going					
	Provide a training and customer service programme for tourism employees	Medium term, on-going					
	Develop and manage a local community tourism awareness programme	Long term, on-going					
	Provide on-going support for tourism businesses and SMME's in the industry	Long term, on-going					
MARKETING AND INFORMATION DISSEMINATION	Creation of a tourism product database	Immediate					
	Undertake regular tourism data collection	Immediate, on-going					
	Develop a brand and marketing strategy for the area	Short term					
	Develop an events calendar	Medium term					
	Develop marketing materials for the area, such as brochures, etc.	Medium term					
	Develop and maintain a website and various social media for the area	Medium term, on-going					
	Conduct a marketing drive to kick-start the promotion of the area	Long term					



## ANNEXURES

## ANNEXURE A: LIST OF TOURIST ATTRACTIONS, ACTIVITIES AND PLACES OF INTEREST

NUMBER	NAME	CATEGORY
1	Aunt Milly's Country Guest House	Accommodation
2	Bassfeather Country Lodge	Accommodation
3	Bikirus Self-Catering	Accommodation
4	Gecko & Lavender	Accommodation
5	Grootkrantz Game Farm	Accommodation
6	Hadeda House Guest House	Accommodation
7	KweKwe Lodge	Accommodation
8	Murphy B&B	Accommodation
9	Nonidas B&B	Accommodation
10	Opie Hoek Guesthouse	Accommodation
11	Piekniekdraai Holiday Resort	Accommodation
12	Poelanie's Guest House	Accommodation
13	Reitz Caravan Park	Accommodation
14	Reitz Hotel / Royal Lodge	Accommodation
15	Wilge Inn Chalet	Accommodation
16	Wisp-Will Cottages	Accommodation
17	Afrikaans Language Monument	Places of Interest
18	Anglo Boer War Graves	Places of Interest
19	Anglo Boer War graves and monument	Places of Interest
20	Crossroads Missionary Church	Places of Interest
21	Dutch Reformed Church Lindley	Places of Interest
22	Dutch Reformed Church Petrus Steyn	Places of Interest
23	Dutch Reformed Church Reitz	Places of Interest
24	Husky Romi Wolf Sanctuary	Places of Interest
25	Lindley Roller Mills	Places of Interest
26	Merwede Art Gallery	Places of Interest
27	Miniature Church Replica	Places of Interest
28	Ox Wagon Tracks	Places of Interest
29	Petrus Steyn Golf Course	Places of Interest
30	Reitz Golf Course	Places of Interest
31	San Rock Art	Places of Interest
32	Toeka Museum and Antique Shop	Places of Interest
33	Wagon Wheel Monument	Places of Interest
34	Yeomanry Hills Battlefield	Places of Interest
35	Bieliemieli Festival	Events
36	Danie Craven Rugby Day	Events
37	Riemland Bundu Festival	Events
38	Sunflower Festival	Events

39	Riemland Route	Route
40	Grasslands Meander	Route