Chapter 1
Introduction

The term 'backpacking' typifies a unique type of tourism which operates outside of conventional mass tourism channels. As such, the last three decades have witnessed the global emergence and growth of dedicated product suppliers and specialist agencies which serve the non-conventional needs of backpacker tourists. Internationally and locally, however, there has been limited research conducted on the ways in which backpacker tourism contributes to development in the developing world. As a result many developing world governments have retained their perceptions of backpackers as low-budget tourists who bring little direct benefit to host destinations (Scheyvens, 2002; Visser and Barker, 2004; Rogerson, 2006a). There has been extensive research, however, both internationally (Riley, 1988; Wilson, 1997; Hampton, 1998; Spreitzhofer, 1998,2002; Scheyvens, 2002; Richards and Wilson, 2003) and locally (Visser *et at*, 2003; Visser and Barker, 2004; Visser, 2004,2005), which challenges these misconceptions around backpacking and has revealed backpacker tourism as possessing numerous opportunities and development potential for developing world tourism destinations, both as a means of local economic development and as a 'spearhead' for the growth of tourism economies.

A review of the international experience and research demonstrates that the backpacking sector of the tourism industry holds much potential for local economic development and 'pro-poor' growth in the developing world. Furthermore, research by Visser *et al* (2003), Visser and Barker (2004) and Visser (2004,2005) strongly argues for government support and development of the backpacking industry in South Africa as a means towards realising the goals of empowerment and redistribution as set out within South African government policy commitments. The experience of Australia and New Zealand demonstrate the importance of government intervention in harnessing the growth of the backpacker market within tourism led development strategies. Yet, experience demonstrates that before governments can utilise the potential of backpacker tourism as a tool for economic development and poverty alleviation, the undertaking of extensive baseline research is paramount. Such research needs to examine not only the state of national and local backpacker industries (Hampton, 1998) but also establish a better understanding of the needs and wants of the target market (Loker-Murphy and Pearce, 1995).

Within South Africa there has been limited research of the type undertaken in Australia and New Zealand as the forerunner to effective government intervention in the development and promotion of backpacking. On a regional and local level this shortage of baseline data is especially hard felt, with the exception of the Miller and Pasche (2003) study on the socio-economic impacts of backpacking in the Western Cape. It is therefore the objective of this research to add to the limited body of regional baseline data on the state of backpacking in South Africa. Gauteng has been chosen as the research region due to the province being the major point of arrival and departure for most international tourists, serving the distinctive role of a starting and/or concluding point for most backpacker travellers both nationally and within the greater southern African region (ECI Africa, 2006). By examining the experiences and attitudes of both the actual backpacker travellers and the backpacker service and product suppliers in Gauteng, and through establishing the level to which the Gauteng Tourism Authority is aware and supportive of the non-conventional needs and practices of the backpacker sector, this research aims to contribute to filling a regional data-gap through establishing a profile of the key dynamics and shaping issues confronting the contemporary backpacking industry in Gauteng. The research aims to situate Gauteng within the wider context of the South African backpacking economy with a view towards policy intervention and government support in the development and promotion of the industry.

1.1) Methodology:

The research methodology consists of a series of interviews with three different sources: international and domestic backpacker consumers; backpacker accommodation providers and backpacker travel, tour and activity enterprises;

and an interview with key members of the Gauteng Tourism Authority. Both the consumer and product surveys draw upon quantitative and qualitative material. The quantitative material provides evidence on current trends within the Gauteng's backpacking industry, whilst the qualitative material allows respondents to voice their experiences and attitudes revealing the key shaping issues within the province's contemporary backpacking industry.

The Backpacker Consumer Survey

A total of 100 international and 7 domestic backpacker consumer interviews were conducted with respondents staying at backpacker hostels in Gauteng from November 2005 to January 2006. This ratio of 100:7 is representative of the small number of domestic tourists utilising backpacker type accommodation in the province during this period. These interviews were conducted on a face-to-face basis, and following the experience of Mohsin and Ryan (2003), the interviews took place in the late afternoon once the backpackers had returned from their activities and were not hurried, allowing them to take the time to go through the questionnaire. In the interests of a more accurate survey, in terms of determining actual and not proposed behavioural, travel and spend patterns, only backpackers who were at, or very near the end of their travels in South Africa were interviewed. The international backpacker consumer questionnaire [Appendix A] focuses on three sections of interest: firstly a demographic, employment and motivational profile; the second section establishes the travel and activity, spending, and planning patterns of travellers across the whole of South Africa in order to situate Gauteng within the national backpacking phenomenon; and, lastly the effects of crime and safety along with any other consumer concerns or complaints are examined. The domestic backpacker consumer questionnaire [Appendix B] is based on the international backpacker questionnaire with the exclusion of non-relevant questions. Investigations solely relevant to the domestic backpacker market include:

Establishing seasonality trends, and the geographical distribution of any preference for backpacker type accommodation; and, Probing into any discrimination experienced by domestic travellers upon booking into and staying at backpacker hostels on the part of hostel owners or staff.

The Backpacker Enterprise Survey

Using web-based and printed industry sources, such as The Best of Backpacking Southern Africa, the Coast to Coast guide, the South African and Gauteng Tourism websites as well as local and international online accommodation booking service websites, the geographical spread of Gauteng’s backpacker product providing enterprises was established. From this database, a non-random sample of 30 enterprises was interviewed between March and October 2006, representing approximately 50% of the province’s backpacking industry. The sample is made up of 22 backpacker accommodation providers, four of which are backpacker hostels which have recently closed; 4 backpacker travel, tour and activity companies; 3 travel and tour companies which cater not only for backpackers but for a wider tourist market; and 1 adventure company. The backpacking enterprise structured questionnaire [Appendix C] aims first, to establish a profile of the enterprises and the entrepreneurs, and includes motivational reasons for entry into the backpacker economy. Second, employment and job creation are investigated with attention to awareness of, and compliance with, the Tourism BEE Charter (DEAT, 2004). Business performance and investment, as well as future prospects are discussed in the third section. Last, the extent and effectiveness of linkages with associations and other travel related enterprises are probed, as too are the respondents’ attitudes towards government support or lack thereof.

The Gauteng Tourism Authority Interview

Finally, the strategic interview conducted with representatives of the Gauteng Tourism Authority focused on the issues of official recognition and support of the province’s backpacking economy. The interview was, in part, structured by the responses to the backpacker consumer and enterprise surveys.

1.2) **The Nature of Backpacking**

Through the international body of research, backpacking has been shown to have wide-ranging economic, social, cultural and environmental impacts. These impacts correlate closely to the nature of the backpacking phenomenon and the personal characteristics that define a person as a backpacker (Hampton, 1998; Scheyvens, 2002). The phenomenon of backpacking emerged in the 1960s and 1970s, however, modern backpacking is considered a 'child' of the 1980s (Slaughter, 2004), as signalled by the emergence of dedicated product suppliers and specialist agencies in popular backpacking destinations during this decade (Scheyvens, 2002; Mohsin and Ryan, 2003). The 1980s also witnessed an improved image of backpacking from the once common perceptions associating backpackers with drug usage and anarchy (Richards and Wilson, 2004a,2004b). Indeed the 'evolution' of backpacking can be traced from its roots in the Grand Tours of 17th and 18th century Europe (Loker-Murphy and Pearce, 1995; Ateljevic and Doorne, 2004); through the phenomena of tramping, the youth hostel movement, and the notion of non-institutionalised tourism (Loker-Murphy and Pearce, 1995); and, through later concepts such as 'drifter' and youth tourism (Richards and Wilson, 2004a; O'Reilly, 2006).

The study of backpacking began in the early 1970s with the differentiation between institutionalised and non-institutionalised tourists (Cohen, 1982). Taking place outside the conventional channels of mass tourism, contemporary backpacking is considered a form of non-institutionalised tourism (Loker-Murphy and Pearce, 1995) and can be differentiated from other, institutionalised forms of tourism by factors of both form and type. Form refers to "the visible institutional arrangements and practices by which tourists organize their travels [such as] length of trip, flexibility of the itinerary, visited destinations and attractions, means of transportation and accommodation, contact with locals, and so forth… [whereas type refers to] …the less tangible psychological attributes, such as tourists' attitudes toward fundamental values of their own society, their motivations for travel, and the meanings they assign to their experiences" (Uriely *et* al, 2002:521). Non-institutionalised tourists tend to travel for extended periods, have neither rigid travel plans, nor a set notion regarding their return (Cohen, 1982; Riley 1988; Uriely *et al*, 2002). Such tourists can further be characterized by their budget limitations, as evident in their use of low cost accommodation, public transport and low-priced restaurants (Riley 1988; Loker-Murphy and Pearce 1995; Uriely *et al*, 2002). Uriely *et al* (2002) also allude to non-institutionalised tourists possessing the following characteristics: anti-establishment or ambivalent views toward their own culture; their quest for adventure, authenticity, and profound experiences; and, their self-perception as travellers rather than tourists. It is for these reasons that backpackers' travel, behavioural and spending patterns are shown to take place outside of the conventional channels of mass tourism. Backpackers are therefore seen as having "more opportunities than their institutionalised counterparts to initiate direct encounters with the local population, since they are not confined to institutions operated for the exclusive use of tourists" (Uriely *et al*, 2002:522-523) – a characteristic key to the development potential of backpacking. Furthermore, like non-institutionalised tourists, backpackers generally refer to themselves by a myriad of travel related names but never as 'tourists' (Spreitzhofer, 1998; Richards and Wilson, 2003).

As a non-conventional form of tourism, contemporary backpacking shares certain similarities with non-institutionalised tourism. Nevertheless, it must be noted that firstly, the social interactions with locals and the sharing of local lifestyles which, in the case of the earlier non-institutional tourist appears to be by-products of travel habits, are amongst the key motivations of the contemporary backpacker (Riley, 1988; Loker-Murphy and Pearce, 1995; Scheyvens, 2002); secondly, the tight budget characteristics of the modern backpacker are said to be self-imposed as a means to extend the duration of travel (Scheyvens, 2002); and, lastly, with the emergence and growth of specialist market and product channels since the 1980s, backpacking has ironically become an institution in its own right (Rogerson, 2006a).

As a sub-sector of international tourism which operates outside of conventional tourism channels, the backpacker tourism industry has developed specialist market channels to cater for the non-conventional needs of the backpacker tourist; these include communication networks, provision of cheap accommodation and the parallel structures of transport, restaurants, activities and other support services (Hampton, 1998). Ironically these channels have emerged within a market which traditionally avoided the institutionalised nature of the travel industry (Richards and King, 2003; O'Reilly, 2006). The now institutionalised industry of backpacking possesses the following key elements:

Guide books, such the Lonely Planet are testament to the growing trend that the more information available on a backpacker destination, the more popular it becomes (Spreitzhofer, 1998).

In Australia, Backpackers World provides several one-stop-shop branches, where backpackers' needs are catered for through its travel agency, employment agency which also assists with visa and work permits and orientation programmes, accommodation finding service, and notice boards offering a wide range of supplementary information such as vehicle sales and job opportunities (Richards and King, 2003).

Specialist enterprises, such as the Oz Experience and Backpackers World in Australia engage in the packaging of backpacker products (Richards and King, 2003); Greyhound and McCafferty's in Australia (Richards and King, 2003) and MacBackpackers in Scotland (Speed and Harrison, 2004) offer jump-on, jump-off bus services or inclusive tours.

In the backpacker accommodation sector, there has been extensive corporate growth and the development of collaborative marketing consortia among hostels (Rogerson, 2006a). There has also been a growing interest in the backpacking industry on behalf of other accommodation providers, as witnessed by the recent establishment of a backpacker brand of hostels in New Zealand by the French hotel group Accor Hotels (Richards and Wilson, 2004c).

Internet websites form another important link in the institutionalisation of backpacking. Major websites consulted by backpackers in Australia include Lonely Planet, the Youth Hostels

Association, STA travel, the Oz Experience, Greyhound and TNT Magazine (Rogerson, 2006a).

Each year the Federation of International Youth Travel Organisations and the International Student Tourism Confederation convene the World Youth Student Tourism Conference [WYSTC] (Rogerson, 2006a). The holding of such international specialist trade shows for both suppliers and consumers of backpacking products and services provides a vital component in the marketing and networking of backpacking destinations and products. In addition to these international trade events, regional consumer shows such as the Backpacker and Adventure Travel Expos held in Australia provide further opportunities for tourism product suppliers to showcase their products and services directly to consumers.

Other key features of the international backpacking economy include:

The leading source markets for individual backpackers are the United Kingdom, Germany and the Northern European countries - representing two-thirds of the total markets in Australia (Robins, 2004) and South East Asia (Spreitzhofer, 2002; Ian and Musa, 2005). There is, however, a striking lack of any significant flow of Southern European Backpacker travellers (Spreitzhofer, 2002). Israel represents another significant source market with South America and India as major target destinations (Uriely *et al*, 2002). The source markets of Japan and Korea are emerging as a distinctive and potentially important Asian source for backpackers (Rogerson, 2006a).

The decision to travel for most backpackers is given as the desire to encounter different people and places, and have diverse, individualised experiences, yet, a small but growing portion of backpackers travel to contribute something to the places they visit through social and volunteer work programmes (Richards and Wilson, 2003). In terms of funding of travels, most backpackers tend to have low annual incomes and, therefore, they are prepared to save and/or work during their travels in order to increase their spending power (Richards and Wilson, 2003,2004d; Slaughter, 2004; Newlands, 2004).

Working holidays are a significant means of funding backpackers' travels both in Australia (Slaughter, 2004; Peel and Steen, 2007) and New Zealand (Newlands, 2004). Recent research also shows that up to 80% of backpacker travellers' total trip costs in North America and Europe, are earned whilst travelling (Richards and King, 2003).

The core sources for planning backpacking trips are the internet and friends and family, followed by the use of guide books [predominantly by the slightly older and more experienced backpackers] and, information sourced from travel agencies [mostly by the less experienced backpackers] (Rogerson, 2006a). Another key source of travel information is that provided in backpacker accommodation establishments and by other fellow travellers.

The global phenomenon of backpacking has shown considerable growth over the last 15 to 20 years, and based on its current trajectory, demonstrates substantial potential for economic development in the developing world (Rogerson, 2006a). There is, indeed, a strong case for the development of strategic state interventions aimed at growing the backpacker sector of the tourism economy which function on an integrated and cooperative basis with private sector enterprise.

1.3) **Defining the Backpacker**

Contemporary definitions of the modern backpacker hinge on what Uriely *et al* (2002) refer to as form - being the visible institutional arrangements and practices by which tourists organize their travels. In 1990 an Australian study put forward the following definition of a backpacker: *viz.*, a backpacker shows a preference for budget accommodation; emphasises meeting and socialising with fellow travellers; operates under an independently organised and flexible travel schedule; stays longer rather than having a very brief holiday; and, places an emphasis on informal and participatory holiday activities (Pearce, 1990). Based on further studies conducted in Australia, Loker-Murphy and Pearce (1995:840) define modern backpackers as possessing the following characteristics:

> They prefer to stay in budget accommodation, they spend more time travelling around Australia than the average visitor, and they enjoy interacting with people, both locals and other travellers. They are also more likely to independently organize their travels. They want to meet Australians and learn about their lifestyle, and to participate in a wide range of activities [generally focused around nature, culture and adventure], many of which help them to understand and experience the 'real' Australia.

Indeed, the top three motivations for backpacker travel as found in the recent Independent Youth and Student Travel survey conducted across eight countries by Richards and Wilson (2003), are to explore other cultures; experience excitement; and, to increase knowledge.

Hampton (1998) describes backpackers as independent tourists who prefer budget accommodation surviving on under US$15 a day; use local transport; carry their belongings on their backs; bargain for goods and services (demanding cheap accommodation, transport, food, and other supportive services); avoid crowds; and, discover new places. Studies conducted in Australia, New Zealand and South East Asia by Scheyvens (2002) refer to backpackers as young, budget tourists on extended vacations or working holidays, and refers to the backpacker 'style' of tourism as flexible and budget-conscious. Backpackers tend to actively seek out marginal or out of the way places, thus travelling more widely than other tourists (Scheyvens, 2002) in their [often idealised] curious and adventurous search for 'authentic' experiences (Cohen, 1982; O'Reilly, 2006) - a phenomenon explained by the following relationship:

> The less travelled route and more difficult way of getting there has a high degree of mystique and status conferral (Riley, 1988:321).

Riley (1988) has identified the typical features of a backpacker as holding a preference for travelling alone, educated, middle-class, single, zealously concerned with budgeting travel money and often at a junction in life. Many perceptions of backpackers view these tourists as 'gap year' travellers or recent graduates travelling as a means to expand their worldly knowledge prior to beginning a career (Mohsin and Ryan, 2003).

The term 'backpacker' has been extensively used by both tourism researchers and market analysts to typify a particular niche segment of tourism (Slaughter, 2004). It is around the above discussed characteristics of form which the backpacker niche segment of tourism finds cohesion as a single global phenomenon. Yet, whilst it can confidently be said that backpackers are defined as such by certain commonalities, there is also much evidence of extensive heterogeneity within this market segment (Walsh, 2006). Recent research has challenged many of the traditional conceptions of what a modern backpacker is. Although many backpackers are in fact at a junction in life, as put forward by Riley (1988), Mohsin and Ryan (2003) challenge the perception of all backpackers being 'gap year' travellers or recent graduates travelling as a means to expand their worldly knowledge prior to beginning a career. The Mohsin and Ryan (2003) study of backpacking in the Northern Territory of Australia divided backpackers into those who had either left a previous career to travel; just completed their studies; or were on normal holiday leave. The highlighting of an unrecognised group of relatively older and somewhat socially unbound backpackers identified as the 'backpacker plus' by Cochrane (2005) at the 2005 ATLAS Backpacker Meeting in Bangkok illustrates the non-homogeneity of backpackers. Challenging the notion that all backpackers are travelling on tight budgets, is the identification of yet another group of backpackers referred to as 'flashpackers' – backpackers having a far greater spending capacity and thus able to pay for a more upmarket travel experience – by Pursall (2005) at the ATLAS meeting in Bangkok. Further criticising the earlier conceptions of what constitutes a backpacker, Tourism New Zealand (2005a) points out the much overlooked demographic category of the 50 plus independent traveller or 'denture-venturer'.

It is aspects of type - as set out by Uriely *et al* (2002) in reference to the attitudes, motivations for travel, and meanings assigned to experiences, and also as demonstrated above to refer to demographic characteristics and financial standing - that differ widely among backpackers. According to a study conducted in Israel by Uriely *et al* (2002) some backpackers view their travels as a period of recreation, while others sought new experiences as a means of self-exploration and attaining worldly knowledge. The study also supported the idea that individuals' motivations for travel might change over time. By illuminating the heterogeneous nature of backpacking in terms of motivations and the meanings associated with it, Uriely *et al* (2002) challenge the notion of backpacking as a distinct type of tourism. The authors do, however, concede that backpacking may still be differentiated from institutionalised tourism in terms of its form-related attributes, and that the self-identification of backpackers relies mostly on compliance with these form-related behaviours rather than with type-related aspects. Indeed it is possible to separate the backpacking segment into different sub-sectors according to type, as illustrated bellow:

Tourism New South Wales (2005) has recently recognised five different segments of backpacking:

1) The Working Holiday Maker (WHM) which is a backpacker who is granted a visa for work in Australia for an initial period of 12 months.
2) The Free Independent Traveller (FIT) which includes individuals, couples and groups of friends from a wide range of ages, with a variety of social motivations for travel.
3) The Domestic Backpacker which is a substantial segment and is expected to grow further with a wider awareness of budget travel in the country.
4) The 'Asian' sector which refers to travellers mainly from Japan and Korea, and is considered to show great potential for growth.
5) Student Travellers which refers to students or young people who have travelled to Australia for the purpose of studying.

Based upon the broad range of needs of the different niche market types of backpackers in Australia, Tourism Research Australia (2005) suggests the following seven categories of backpackers:

1) Fun in the sunners

2) Conventional Japanese
3) Balanced good timers
4) Tribal travellers
5) Aspiring explorers
6) Discerning discoverers
7) Real explorers

In recognition of postmodernist approaches to classification and the resistance by some researchers such as Uriely *et al* (2002) and later O'Reilly (2006) to the homogenising of backpackers, the 2002 International Visitor Survey (IVS) of Australia included a self-definition question. Apart from providing an opportunity to unpack backpackers into different sub-segments within the wider market of backpacking, the inclusion of the self-definition question demonstrated the wide variety of tourist type who used backpacker/hostel accommodation (Suckling, 2005).

The use of such specific niche type categorisation within the broader backpacking market may prove useful for market niche research and product development. None the less, having such a wide variety of 'tourist' types within the backpacker segment is not practical for the purposes of statistical analysis and policy development (Rogerson, 2006a). It is still possible however, to identify a few broad form-related characteristics of backpackers such as their use of backpacker/hostel accommodation, length and extent of stay, and modes of travel (Uriely *et al*, 2002; Ipalawatte, 2004). Amongst these relatively common, form related binding characteristics there is one constant - the use of backpacker/hostel accommodation. With this in mind, Tourism Research Australia defines a backpacker as any tourist over the age of 15 who stays at least one night in backpacker/hostel accommodation during their travels (Mohsin and Ryan, 2003). This broad definition was found to be practical for the purposes of International Visitor Surveys and National Visitor Surveys in Australia, which have provided the base for a number of studies on backpacking in Australia (Haigh, 1995; Thoms, 2002; Heaney, 2003; Ipalawatte, 2004; Robins, 2004; Suckling, 2005; Tourism Research Australia, 2005; Peel and Steen, 2007), as it encompasses the widely heterogeneous nature of backpackers (Rogerson, 2006a). It is for these pragmatic reasons that this 'one night' definition of backpackers is used for the purpose of this research in South Africa.

Following this introductory Chapter, the organisation of this research on the backpacking sector of Gauteng unfolds through 5 Chapters. In Chapter 2, the international experience of the perceptions and, indeed, misconceptions surrounding the global backpacking phenomenon is examined. In addition, the development potential of backpacking is discussed. The two case studies of Australia and New Zealand provide advocacy for policy interventions towards growing the backpacker sector. Chapter 3 deals specifically with the backpacking sector of South Africa. In this Chapter, a brief discussion of the performance of the country's overall tourism sector, as well as an overview of government-led tourism development strategies, set the background for a detailed examination of the existing research on the backpacking industry of South Africa. Chapter 4 turns attention to Gauteng and presents the results of the Gauteng backpacker consumer survey, and Chapter 5 provides the results of the Gauteng backpacking enterprise survey. Finally, Chapter 6 puts forward a discussion of the results of both the backpacker consumer and enterprise surveys. Included in this discussion is the identification of a number of obstacles to the growth of the Gauteng backpacking industry, as well as a discussion of the provincial tourism authority's stance on the development of the province's backpacking sector. Strategic recommendations for the growth of the backpacking sector of Gauteng serve as a conclusion to this study.

Chapter 2
The International Experience

Over the last 40 years tourism development has become an ever increasing component of developing world countries' economic growth strategies. However, many of these governments retain a narrow view of the global tourism phenomenon and the benefits and/or detrimental impacts the promotion of certain types of tourism hold. The backpacking segment of international tourism is a case in point. Research into the development potential of the backpacking sector has revealed backpacker tourism as possessing numerous opportunities and development potential for developing world tourism destinations (Riley, 1988; Wilson, 1997; Hampton, 1998; Spreitzhofer, 1998; Scheyvens, 2002). Yet many perceptions and misconceptions prevail regarding the modern backpacker as an unsavoury character bringing negligible economic benefit to visited destinations (Wilson, 1997; Hampton, 1998; Scheyvens, 2002; Spreitzhofer, 2003; Rogerson, 2006a). Through a review of the international literature, the following pages detail the stigma around the undesirability of backpacker tourism, counter such arguments with credible research findings, and illustrate that with official support, the backpacker sector holds considerable development potential.

2.1) Perceptions and Misconceptions of Backpackers within Tourism Development

Since the 1960s, international tourism has been promoted as a major component of economic development and 'modernization' strategies for many developing world countries and has been seen as a 'passport to development' (Hampton, 2005). Operating under the assumption that more money can be earned by attracting high yield tourists who demand luxury goods and services, and thus generate the economic benefits of employment opportunities, business development and foreign exchange earnings, many developing world governments actively encourage the growth of this high yield, mass international tourism market as a major basis for economic development (Harrison, 1992; Scheyvens, 2002). They do so despite the well-documented fact that the pursuit of this type of tourism development often results in foreign control due to the dictates of market competition and technological efficiency, and therefore produces high levels of economic leakage, limited local economic benefit and uneven resource distribution, and general negative social, cultural and environmental outcomes (Butler, 1980; Britton, 1982a,1982b; Dearden, 1991; Harrison, 1992; Cater, 1995; Ioannides, 1999; Sharpley and Telfer, 2002; Southgate and Sharpley, 2002; Telfer, 2002). Indeed, Scheyvens (2002:144) acknowledges the disadvantages of pursuing high yield, mass international tourism development, stating that this type of tourism development leads to a host country "becoming dependent on imported products, foreign investment, and expatriate skills, resulting in the repatriation of the resultant profits [and that] financial benefits received from luxury tourism developments in the Third World very rarely 'trickle down' to be of any significance to people at grassroots level".

In their eagerness to capture these high spending tourists, most developing world governments either have failed to recognise or actively prohibited a number of niche segments within the wider international and even the domestic tourism market. In particular, neglect often surrounds that of budget tourism and the backpacking sector which hold far greater potential for local economic development than their much favoured mainstream counterpart. The key argument behind many developing nation governments' reluctance to encourage budget/backpacker tourism is the perception that backpackers' budget-conscious spending behaviour translates to very little revenue generated (Wilson, 1997; Hampton, 1998; Scheyvens, 2002; Visser and Barker, 2004). To some extent this reluctance is also, in part, due to backpacking's association with the 'hippy' and 'drifter' tourism typical of the 1960s and 1970s (Loker-Murphy and Pearce, 1995; Hampton, 1998: Scheyvens, 2002). Indeed, the stereotypical image of the backpacker as an unkempt, immoral, drug-taking individual has been awarded much credence throughout both the developed and developing worlds (Scheyvens, 2002; Peel and Steen, 2007).

Within the developing world, it can be said that the backpacker sector "is at best tacitly ignored, or at worst actively discouraged in official tourism planning" (Hampton, 1998:640). Many countries, such as India and Malaysia*****, saw the presence of backpackers as running counter to the cultures of the host populations (Wilson, 1997). The island of Guam actively discourages independent travel (Rogerson, 2006a), as do the Maldives (Scheyvens, 2002). The Himalayan kingdom of Bhutan perceives backpackers as a threat to 'gross national happiness' (Scheyvens, 2002), and prior to the fall of communism in Europe, Albanian officials, standing by the perception of backpackers as hippies and subversives, would not allow tourists with beards to enter the country (Rogerson, 2006a). Since the Asian economic crisis towards the close of the millennium, and the resultant decline in tourist arrivals, the Vietnamese government reconsidered their tourism development strategy [which had previously discouraged backpacking], and recognised the need to diversify in new tourism markets including that of low-budget tourism (Spreitzhofer, 2003). Instead of supporting the already established private businesses in the backpacker market, the Vietnamese government officially entered the backpacker market through the opening of its own state-owned establishments in all the backpacker hotspots (Lloyd, 2003). As a result, many of the existing 'traveller cafés' were forced to close due to increasingly rigid regulations and competition from subsidised, state-run operators (Lloyd, 2003).

Within Africa, the Botswana government has followed the same hostile trend towards backpackers, with the formulation of policy aimed at shifting the mix of tourists away from independent travellers and backpackers towards high yield mass tourists in order to better generate direct and indirect benefits from tourism activities, but without specifically considering whether it

---

***** These negative attitudes towards backpacking and budget tourism are changing, particularly in Malaysia where government is presently (2007) undertaking research for the development of a national backpacking strategy.

is realistic for impoverished rural communities to cater for higher end tourists (Scheyvens, 2002). In Goa, Wilson (1997) cites the Director of Tourism as stating that "Luxury tourism was the way forward. Hippies and backpackers do not bring in enough money". Yet the people of Goa hold a different view of tourism development, as further documented by Wilson (1997); who noted that locals threw rotten fish and cow dung at mass tourist busses. This well-documented incident was instigated by small-scale local entrepreneurs who felt that charter-package tourism was undermining the existing tourism industry by providing for all of the needs of tourists in a single outlet. Due to the fact that the backpacker market's needs are easily served, Goans have welcomed backpacker tourists, resulting in an emergent industry characterised by "…wide local ownership of resources and the broad distribution of benefits throughout the local community" (Wilson, 1997:63).

2.2) The Development Potential of Backpacking

The economic, social, cultural and environmental impacts of backpacker tourism correlate closely to the very nature of backpacking itself and to the characteristics that define a person as a backpacker (Hampton, 1998; Scheyvens, 2002). Hampton (1998) describes backpackers' impact on host economies as a function of the spatial and temporal scale of backpacker engagement with a tourism region, their interest in making contact with locals and their more flexible travel schedules. It is these distinct spatial, temporal and traveller specific characteristics of backpacking which lend the phenomenon considerable implications for both local economic development and national tourism development.

Challenging the argument of many developing nation governments' that backpackers' budget-conscious spending behaviour translates to very little revenue generated, a number of investigations, particularly those of Riley (1988), Wilson (1997), Hampton (1998), Spreitzhofer (1998) and Scheyvens (2002) demonstrate the development potential of backpacker tourism. Research by Spreitzhofer (1998) and by Peel and Steen (2007) reveals that backpackers account for a significant percentage of international visitors to Australia, and that these tourists travel more extensively - especially outside the capital cities - and have greater overall trip expenditures than other tourist types, thus representing an important component of both Australia's national tourism industry and local economic growth. In fact, backpackers' budget-conscious behaviour is self imposed in order to extend the duration of their travels (Scheyvens, 2002). The Independent Youth and Student Travel survey, conducted by Richards and Wilson (2003), similarly found that the average length of stay for backpackers travelling within the eight surveyed countries is 68 days – considerably longer than that of the conventional mainstream tourist. Therefore, backpackers' average daily spend may be significantly less than that of conventional tourists, however, as they stay for longer their total trip expenditure is actually higher than that of the average international tourist. Recent research conducted on the Australian backpacking industry confirms the finding that international backpackers, as a result of the longer duration of their stay, spend more money than any other category of tourist (TNT Magazine and Student Uni Travel, 2003). Over the 2000/2001 period, backpackers in Australia were shown to stay for, on average, 6 to 12 months and spend an average of Aus$7,380 as opposed to the Aus$2,123 average spend for all international tourists. A wider study conducted across eight countries also reveals backpackers as spending significantly more than other tourists types with an average backpacker spend of US$1,200 in each destination country (Richards and Wilson, 2003). Furthermore, backpackers spread their spending over a wider geographical area than conventional mass tourists, therefore bringing benefits to remote and often marginalised regions, which would otherwise remain untouched by tourism (Loker-Murphy and Pearce, 1995; Scheyvens, 2002; Peel and Steen, 2007). Due to this tendency of backpackers to seek 'out of the way' destinations, Spreitzhofer (1998) argues that their influence on societies in the developing world is often more lasting and shaping than organized, spatially selective package tourism.

Through their budget-consciousness, flexible travel schedules, and motivations to meet locals and experience 'real' local life, backpackers' contacts with local economies differ significantly from those of conventional tourists. These contacts include the use of local bus services, refuelling stops during treks through isolated regions, buying of provisions, consuming locally produced fruit and vegetables or cooked meals, visits to local bars and the purchasing of locally made products (Scheyvens 2002). They are also shown to participate in local activities, as seen in Zimbabwe where backpackers learn crafts such as drum-making and how to fish (Scheyvens, 2002). Through such interactions with local people and local economies, backpackers contribute significantly to local economic development (Wilson, 1997; Hampton, 1998).

"Backpackers are not concerned about amenities, and transport geared for the tastes of the mass tourist" (Riley, 1988:323) and thus the infrastructural demands of catering for backpackers are far less capital-intensive than that of mass tourism, and fall within the scope of small scale enterprise development (Riley, 1988; Hampton, 1998). This point is illustrated by 'beach shacks' selling food and drink to backpackers in Goa (Wilson, 1997); backpacker bungalows in eastern Indonesia which are built of local bamboo and concrete blocks manufactured in the village and furnished with locally produced furniture (Hampton, 1998); families renting out rooms in their homes to backpackers in Bali (Scheyvens, 2002); or homestays in South African townships and rural villages along the Wild Coast (Visser and Barker, 2004). The lack of importance of infrastructure and amenities translates into low entry and running costs in providing for backpackers' needs, and therefore, as witnessed in Goa by Wilson (1997:63), catering for budget tourism has the potential to result in an industry characterized by "… wide local ownership of resources and the broad distribution of benefits throughout the local community".

Such incidents demonstrate that through catering for the backpacking market, it is not necessary for entrepreneurs to invest large amounts of capital to generate income (Hampton, 1998); local communities do not necessarily need a broad range of skills or formal qualifications in order to participate successfully in the tourism industry, since they can utilise existing skills and activities or develop skills on the job (Scheyvens, 2002);

and, the spread of economic benefits within communities may be greater when catering to budget tourists, as more community members participate via a range of existing economic linkages that focus on the local economy (Visser, 2004,2005). Likewise, it has been found that women, often excluded from formal economic activities, are more likely to operate informal tourism enterprises by selling handicrafts, operating food stalls, or working as beach vendors (Wilson, 1997). Due to the small-scale nature and local ownership and networking patterns evident in the backpacker sector, there are generally far lower levels of economic leakage as compared to other forms of tourism enterprise (Visser and Barker, 2004; Visser, 2004,2005). Overall, supporting small scale development reduces foreign exchange leakage, increases and strengthens linkages to local production, and extends local participation and control (Hampton, 1998). There are also significant non-economic benefits which have come as a result of aiming 'low'; there is evidence from Indonesia and Thailand that the development of backpacker enclaves has transformed some run-down, crime-ridden parts of cities in the developing world; and, that building upon the skills of local populations, self-reliance is promoted, and the confidence of community members in dealing with outsiders is developed - all signs of empowerment (Scheyvens, 2002).

The nature of backpacking has been shown to operate outside the parameters of conventional, institutionalised mass tourism and thus may be considered a form of 'alternative tourism'. Alternative tourism development is considered more appropriate for developing world countries than traditional mass tourism as it offers more opportunities for employment, less economic leakages and overall less negative impacts (Hampton, 1998). Visser (2004,2005) describes the backpacking industry as a key component of the alternative tourism sector, and possessing considerable local economic development potential, as both share the following characteristics:

> Small-scale dispersal and low density developments often located in or organised by villages or communities, fostering more meaningful relationships between locals and tourists with fewer social and cultural disruptions than experienced in enclave tourism developments.

Ownership patterns favour local, often family owned small-scale tourism businesses, thus increasing local multiplier and spread effects.

Community participation is encouraged in the planning, implementation and operation of such tourism developments.

Sensitivity to both local cultures and the environment, therefore being sustainable.

Nevertheless, it is noted that as backpacking becomes more mainstream it loses much of its credibility as a form of alternative tourism (O'Reilly, 2006).

Within the wider context of alternative tourism, backpacking possesses a number of characteristics which lend the phenomenon considerable weight towards its incorporation in a 'pro-poor' tourism growth strategy. Unlike the economic and/or environmentally driven nature of most tourism developments (Ashley *et al*, 2001; Rogerson, 2006b), 'pro-poor' tourism initiatives place poverty at the heart of the tourism development agenda (Ashley *et al*, 2000). The key feature of a 'pro-poor' approach to tourism is that the primary concern of any such development is the effect it will have on the livelihoods of the poor (Ashley *et al*, 2000; Ashley *et al*, 2001; Binns and Nel, 2002). 'Pro-poor' tourism initiatives are based on the following advantages of the tourism sector as an avenue for 'pro-poor' growth (Ashley *et al*, 2000; Ashley and Mitchell, 2005):

The consumer comes to the product, which creates opportunities for selling goods and services and for creating linkages with other sectors;

Tourism depends on natural and cultural capital, often assets which the poor do possess;

There is a wide scope for participation in tourism resulting in the diversification of the local economy, especially within the informal sector; and,

The tourism sector is more labour-intensive than agriculture, with a larger number of women being employed.

Backpackers travel to remote and often marginalised areas, do not place importance on Western amenities, purchase local services and products, and actively seek out informal contact with locals and local lifestyle experiences. As a result, the very nature of backpacking is 'pro-poor' as it allows for easier entry and lower running costs, wider local participation, and increased local ownership in the tourism industry. Indeed, the executive officer of South African Tourism has acknowledged that a pro-poor approach to tourism fits government's requirements for a strategy of economic growth and poverty reduction (Rogerson, 2006b).

Hampton (1998) does, however, warn of the possibility that backpacking tourism may just be the 1st exploratory stage of the resort cycle S-curve followed by the inevitable rush towards conventional mass tourism resulting in a reduction of local benefit and loss of local control (Butler, 1980,2000). Yet, given the emerging economic argument that supporting small scale development reduces foreign exchange leakage, increases and strengthens linkages to local production, and increases local participation and control, a developing world government with the political will to constrain the larger tourism players can utilise backpacker tourism as a 'spearhead' for a more sustainable long-term growth strategy which balances local economic development needs against powerful interests wishing to build large international resorts, increasing local participation in real development (Hampton, 1998).

2.3) Policy Interventions towards Growing the Backpacker Sector

The above section has revealed backpacker tourism as possessing numerous opportunities and development potential for developing world tourism destinations, both as a means of local economic development and as a 'spearhead' for the growth of tourism economies. Over the past decade backpacking has emerged out of the policy shadows and from the margins of tourism and travel into the global tourism spotlight (Richards and Wilson, 2004a). Indeed, the contemporary global phenomenon of backpacking is increasingly viewed as a significant and important facet of the global tourism economy (Richards and Wilson, 2004b) and in the case of Australia, also of domestic tourism. The following case studies of Australia and New Zealand demonstrate the importance of government intervention in harnessing the growth of the backpacker market within tourism led development strategies.

Australia

Australia was the first country in the world to recognise backpackers as a distinct segment of tourism in official visitor surveys, and between 1993 and 1997 the Australian Department of Tourism allocated Aus$ 3 million to the development of the backpacker market (Slaughter, 2004). Australian government policy on backpacker development reflects the academic findings which show backpackers to be high-yield tourists whose patterns of influence cover a wide geographical area (Peel and Steen, 2007). In 1995 the Australian government put forward a National Backpacker Tourism Strategy and has since continued to promote and support the industry (Slaughter, 2004), which has proved to be a successful endeavour. More recently, within the 2003 Tourism White Paper, Tourism Australia identified backpacking as one of 12 niche markets deemed as 'high priority' for development, with the view that the backpackers of today will return in the future as a high yield target market (Tourism Australia, 2005a).

Table 2.1 illustrates the success of this government support which contributed to a doubling of the number of international backpacker arrivals in Australia. Between 1999 and 2003 the number of international backpacker arrivals grew at an average rate of 3.5% per annum, over twice the growth rate for international arrivals as a whole (Ipalawatte, 2004). When taken in reference to all international arrivals in Australia, international backpackers make up 10% thereof (Rogerson, 2006a). Looking at the domestic backpacker market, Australia has witnessed an almost equal number of travellers with the official figure for 2004 being 439,000 domestic backpackers (Tourism Australia, 2005b). There is, however, a substantial difference in the average length of stay between these two markets, with international backpackers accounting for 33 million bed nights and the domestic counterpart 2.4 million (Tourism Australia, 2005b). From these figures it can be calculated that the average number of nights spent in backpacker accommodation for international backpackers in Australia is 68 nights, whilst that of the domestic market is only 5 nights.

Table 2.1: Number of International Backpacker Arrivals in Australia

Year	Number of Arrivals
1990	221 490
1992	208 264
1994	247 056
1996	266 686
1998	313 900
2000	479 000
2002	447 100
2004	482 000

Source: Tourism Research Australia (2005)

The results of the Australian government's support of the backpacker sector over the last 15 years are undeniable, but, what are the policy attitudes and support strategies which have produced this success? The following points outline the Australian strategy for the development of the backpacking market:

1) The first is that of investigating the state of backpacking in Australia. Since 1995 there have been three national investigations into the state of backpacking in Australia, the first in 1999 (Thoms, 2002), the second in 2002 (Heaney, 2003), and, the most recent in 2003 (Ipalawatte, 2004). These national research surveys were supplemented with a number of backpacker market research reports (Haigh, 1995; Buchanan and Rossetto, 1997; Bolin, 2002). The core focus of the national surveys was directed at country of residence and length of stay, expenditure profiles, purpose of visit, transport used, accommodation, seasonality, size of travel party, information sources used, activities undertaken, places and attractions visited, economic contribution, demographics, relationship status, working holidays, and personal identification.

2) Marketing and promotion forms the next step in order to expose backpacking in Australia to the global consumer market. This is done through a range of consumer and trade activities, public relations and information programmes, and the coordination of industry participation at international trade events (Tourism Australia, 2005c). Key to such a strategy is the integration of the various backpacker product operators into the national marketing strategy. The Aussie Experiences Kit facilitates this integration through the provision of market development tools in the form of marketing, planning and research support to niche market operators (Tourism Australia, 2005c). Other vital marketing approaches include: the Visiting Journalists Programme which invites up to 1,000 travel and lifestyle journalists to visit Australia annually; the International Media Relations Programme which offers the international consumer researched information on tourism experiences (Tourism Australia, 2005d); and, the Marketing Mix Builder which provides the Australian tourism industry with information on international marketing opportunities targeting consumers, wholesales and travel agents (Tourism Australia, 2005c).
3) The Australian Tourism Export Council (ATEC), on request from the backpacking industry, established the Backpacker Tourism Advisory Panel (BTAP). The panel acts in an advisory capacity and also as the lobbying voice of the Australian backpacking industry to government (ATEC, 2005). Panel members include representatives from accommodation, transport, tour operators and retailers/wholesalers. Based on consumer research and together with Tourism Australia, BTAP is currently developing a new consumer focused marketing strategy for targeting backpackers to visit Australia (ATEC, 2005). This innovative strategy makes use of a data base, a portal website, an e-newsletter, marketing campaigns and video news releases (ATEC, 2005).
4) All the latest news and information on backpacker trade shows and market research is made available by Tourism Australia through their website (see www.tourisn.australia.com/wnews).

5) Tourism Australia regularly launches marketing campaigns aimed specifically at known important source market countries such as the UK, France, Germany, Switzerland, Ireland and the USA (Tourism Australia, 2005c).
6) Lastly and highly significant, is the Working Holiday Makers (WHM) scheme. This scheme allows foreign visitors between the ages of 18 and 30 to undertake casual work for up to 12 months (Peel and Steen, 2007). Currently the scheme grants WHM visas to citizens from 11 countries however, Australia is currently negotiating with several other countries (Cyprus, France, Greece, Hong Kong, Israel, Italy, Malaysia, Singapore, Spain and the USA) to include them in this scheme (Tourism Research Australia, 2005). In 2003/2004 a total of 93 760 Working Holiday Maker visas were granted, with the UK and Ireland being the largest recipients taking 52% of these visas (Tourism Research Australia, 2005). Since 2005 it has been possible to apply for a second WHM visa, extending the working arrangement to two years (Tourism Australia, 2005e). A highly successful dedicated website in support of the WHM scheme - now being translated into French, German and Italian (Tourism Australia, 2005f) – was established by Tourism Australia and offers the would-be working holiday maker all the information, advise and tips needed to apply for a WHM visa and to plan a working backpacker itinerary (see www.work.australia.com).

New Zealand

As in Australia, the backpacker market is firmly established in New Zealand (Newlands, 2004) accounting for 13% of the country's annual tourism earnings (Tourism New Zealand, 2002). In 2001 New Zealand attracted 212 000 international backpackers, a 7% increase on the previous year (Tourism New Zealand, 2002). When compared to the average international tourist, not only is the average length of stay for backpackers in New Zealand 21 days longer, but the average spend of this market segment is 8% higher (Tourism New Zealand, 2002). The confidence in the growth of the New Zealand's backpacking industry is demonstrated by both the upgrading and expansion of hostel facilities in New Zealand, and the announcement from the French hotel chain Accor that its Rocca global backpacker brand is opening three new hostels in the country (Newlands, 2004). According to Tourism New Zealand (2002), the country has experienced a knock-on effect from the growth of the Australian backpacker industry, with the trend being for New Zealand to be a stop over point rather than a primary destination (Tourism New Zealand, 2005a).

Government support of the backpacker industry in New Zealand has been through two major avenues, outlined below:

> The first is through the extensive marketing activities of Tourism New Zealand and the Backpacking Tourism Marketing Network (TMN). One element of this marketing campaign is the use of web based marketing, which is open to use by tourists to share their backpacking experiences through web logs, online diaries and video streams (Tourism New Zealand, 2005b). Founded in 1999 by members of the tourism industry with a keen interest in backpacking, the Backpacking TMN represents and markets the backpacking products and attractions of New Zealand at various international trade events (Tourism New Zealand, 2002).
>
> The second avenue, and perhaps most influential in the growth of New Zealand’s backpacking market, is the Working Holiday Scheme, which has grown from 1,000 visa granted in 1995 to 36,000 visas in 2005 (Newlands, 2005). The Working Holiday Scheme applies to the following cooperative countries (Tourism New Zealand, 2005a): Argentina; Canada; Denmark; France; Germany; Hong Kong; Ireland; Netherlands; Sweden; and the UK. The structure and conditions of this Working Holiday Visa are similar to that of the Working Holiday Maker visa available for Australia. Recipients may only work for one individual employer for a maximum of 3 months before seeking other employment. In 2005, owing to the success of the Working Holiday Scheme, Tourism New Zealand expanded the scheme and made it easier for potential visa recipients to live and work in New Zealand (Tourism New Zealand, 2005a). Since 2005 it has been possible for Working Holiday visa applicants from certain countries to apply online; apart from the

Working Holiday Scheme, other schemes allow for the issue of holiday visas to citizens of Belgium, Chile, Czech Republic, Italy, Norway, Singapore, Taiwan, Thailand and Uruguay; and, through the Council on International Educational Exchange it is also possible for US citizens who are either students or recent graduates to work in New Zealand between April and October.

Since the 1960s the development of international tourism has become an ever increasing component of developing world countries' economic growth strategies (Hampton, 2005). Nevertheless, the type of tourism development favoured by most of these countries is that of high-yield mass tourism. The backpacking sector has therefore either been ignored or in other cases actively discouraged within government policy. Indeed, the common perception of backpackers as unsavoury characters bringing negligible economic benefit to visited destinations prevails throughout much of the developing world. Through a review of the international literature, such arguments are opposed with credible research findings that reveal the backpacking sector as possessing substantial potential for real economic development. It has been shown through a review of the international experience that, in their search for authentic local lifestyle and environmental experiences, backpackers travel for longer periods and across wider geographical ranges than conventional international mass tourists, as well as having higher total expenditures. Backpackers therefore have a unique set of product and service needs, the fulfilment of which provides a number of opportunities for small-scale business development, community participation and local ownership (Hampton, 1998; Visser, 2004,2005).

It has been argued that with official government support, as demonstrated by the experience of Australia and New Zealand, the backpacker sector holds one of many keys to development. If South Africa is to pursue the development of the backpacking sector, there are a number of valuable lessons to be learnt from these two case studies. The Australian experience demonstrates the value of:

Official government recognition of the backpacking segment of tourism as distinct market niche;

Extensive, high quality and regular empirical and market research investigating and monitoring the state of backpacking in the host country;

Dedicated and innovative marketing and promotion of the segment;

The establishment of a strong representative industry body and lastly; and,

The Working Holiday Maker visa to secure the growth of the backpacker segment.

The experience of New Zealand reinforces the significance of a government supported marketing strategy which is based on quality and regular market research and integrated into both the private backpacker product sector as well as the backpacker tourist networks. The New Zealand case study further highlights the effectiveness of Working Holidays as an additional means of attracting backpackers to a destination.

Indeed, the case studies of Australia and New Zealand offer a view of what can be considered 'best practice' if South Africa is to further develop the backpacking sector. Within South Africa, however, there has been limited research of the type undertaken in Australia and New Zealand as the forerunner to effective government intervention in the development and promotion of backpacking. The following Chapter details this research as well as situates the backpacking sector of South Africa within the broader tourism economy and development contexts.

Chapter 3

The Backpacking Sector of South Africa

Since democratisation in 1994, South Africa has experienced a 'tourism boom'. Between 1994 and 1998 the country witnessed an 11.8% average annual growth rate in international arrivals (SA Tourism, 2005). Indeed, since 1994, annual foreign arrivals have doubled. The Department of Environmental Affairs and Tourism [DEAT] claims that the tourism economy is a key contributor to national employment, GDP and foreign exchange earnings, and that between 1998 and 2002 the tourism sector was the only sector to have experienced consistently positive growth in both employment and GDP contribution (DEAT, 2003). Since the lifting of sanctions, South Africa has become a popular and ever growing tourism destination. Accordingly, the South African government has devised a number of strategies and initiatives aimed at the development of the tourism industry as a means toward poverty alleviation and redistributive growth. The promotion of tourism by government has, however, had mixed results and has been selective with regards to the type of tourism development pursued - the ignoring of the backpacker sector is a case in point. This Chapter firstly provides a brief review of the current performance levels of South Africa's tourism industry; secondly, the backpacking sector is situated within the arena of government tourism policy development; and lastly, the existing research on South Africa's backpacking industry is reviewed.

3.1) Overall Performance of the Tourism Sector

Table 3.1 provides basic data regarding the performance of South Africa's tourism economy for 2003 - 2005. In 2005 South Africa recorded its highest number of foreign tourist arrivals, exceeding the global average growth of 6.1%, with a 10.3% annual increase. Of these 7,368,742 tourist arrivals, 48.2% were first timer visitors to South Africa (SA Tourism 2005). Considering the difficult times that the global travel and tourism industry has experienced over the last few years – mostly attributed to the threat of international terror - South Africa has shown a strong average growth rate of 6.2% from 2001 to 2005 (SA Tourism 2005). Total Foreign Direct Spend [excluding capital expenditure - capex] increased by 24% from R43.2 billion in 2004 to R53.4 billion in 2005, marking a vast improvement in view of the 11% decline in Total Foreign Direct Spend experienced between 2003 and 2004. However, the overall 24% increase is a factor more of increased volume than value (SA Tourism 2005). The recent increase in tourist arrivals and Total Foreign Direct Spend has made a significant contribution to both South Africa's GDP and employment in the tourism sector, with the number of jobs in the tourism economy [direct and indirect] increasing by 3.5% from 1,024,520 in 2004 to 1,059,880 in 2005. The average spend per tourist, however, declined by 16% between from 2003 to 2004, which can mostly be attributed to a strengthening of the Rand exchange rate over this period. Nevertheless, with a fairly stable Rand over 2004 and 2005 the average spend saw an increase of 4% (SA Tourism 2005).

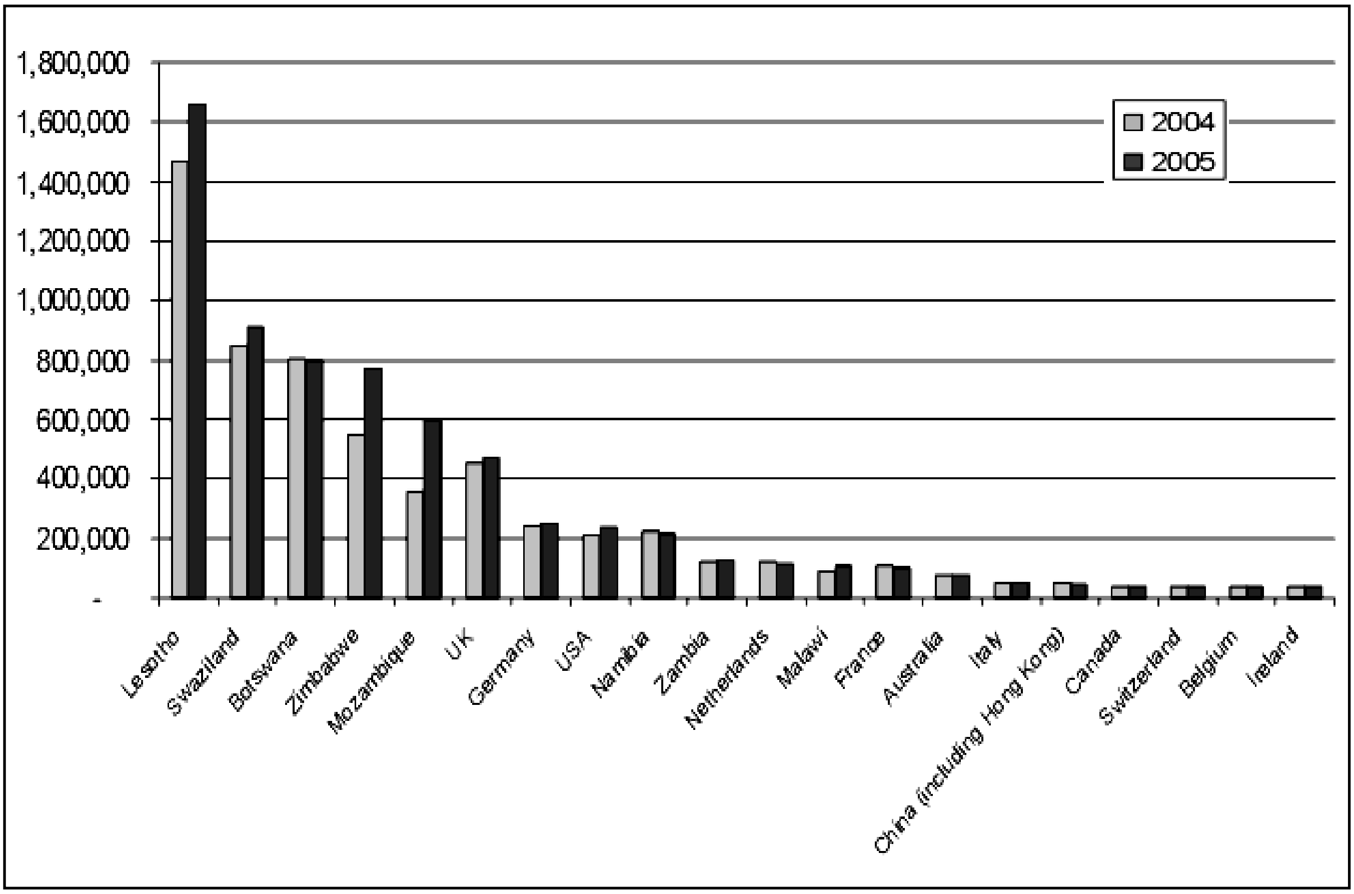
Table 3.1: International Tourism Data for South Africa

	2003	2004	2005
Total International Arrivals	6 504 890	6 677 839	7 368 742
Direct Foreign Spend (excl Capex)	R48.5 Billion	R43.2 Billion	R53.4 Billion
Average Spend in SA per tourist (excl prepaid costs and Capex)	R9 410	R7 920	R8 225
Average Length of Stay	10 Nights	9 Nights	8 Nights
Bednights Spent in Backpacker Accommodation (represents % of total bednights)	3 321 407 (5.5%)	3 007 731 (5.2%)	3 194 332 (5.3%)
Average No. of Provinces Visited for all tourists	1.49	1.45	1.41
Average No. of Provinces Visited by those on holiday purposes	1.96	2.03	1.94
Jobs in Tourism (direct and indirect)	NA	1 024 520	1 059 880

Data source: South African Tourism Annual Report (2005)

With reference to the main contributing source countries for foreign arrivals in South Africa, Figure 3.1 shows the top 20 source countries for international arrivals in South Africa for 2004 and 2005. The top five and the 8th and 9th ranked source markets are other southern African countries, with the top two performers being Lesotho and Swaziland. As evident in Figure 3.1, 2005 marks a significant increase in the number of foreign arrivals from Lesotho, Zimbabwe and Mozambique The United Kingdom, Germany and the USA respectively, are the highest ranked non-African source markets, with the United Kingdom out-performing Germany and the USA by almost double the volume of foreign arrivals. Other significant non-African source countries include the Netherlands, France and Australia.

Figure 3.1: Top 20 Source Countries for International Arrivals in South Africa



Source: SA Tourism Annual Report (2005)

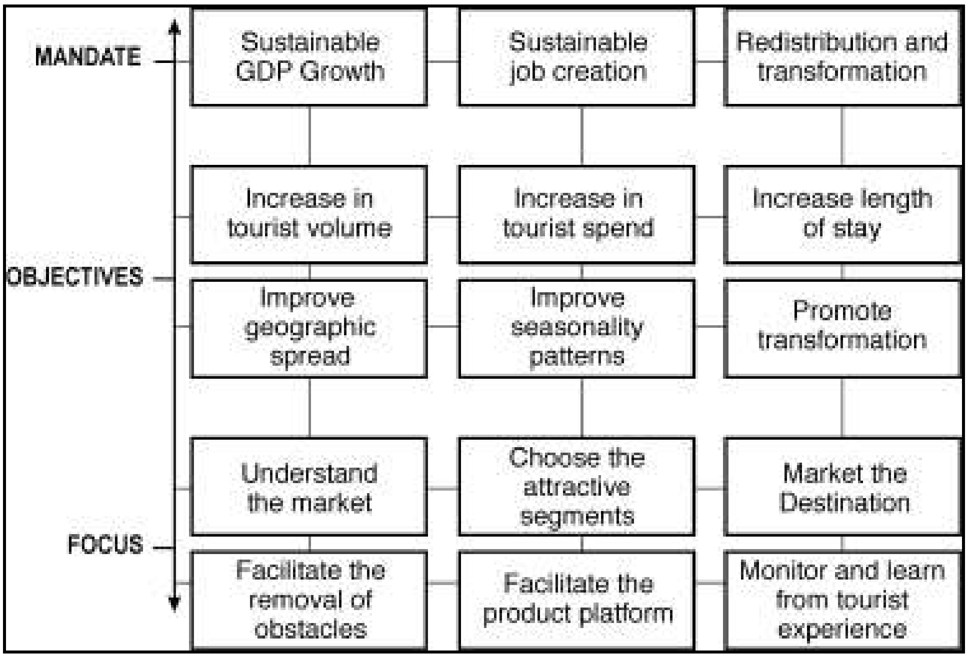
Even though tourist volumes and spend are on the rise, the average length of stay of international tourists in South Africa has seen a worrying, steady decrease at a rate of one night lost per year since 2003 [Table 3.1]. Looking at the backpacker sector, the percentage of total foreign bednights spent in backpacker accommodation has been stable over the last 3 years, ranging between 5.2% and 5.5%, and therefore following the same growth trajectory as total international arrivals (SA Tourism, 2005).

The main motivation for international visits to South Africa is for holiday and leisure purposes, representing some 53% of total foreign arrivals, and this group shows a markedly higher average in the number of South African provinces visited - 1.98 as compared to 1.45 for the overall average numbers of provinces visited by all international visitors (SA Tourism, 2005). Over the last three years, and in terms of numbers of visitors, Gauteng has been the most visited province seeing 50.3% of foreign tourists, the Western Cape comes in second with 22.7%, KwaZulu Natal follows with 20.2% of visitors, Mpumalanga is placed fourth with 15.5%, followed by the Free State, the North West, Eastern Cape, Limpopo and the Northern Cape respectively (SA Tourism, 2005). Visits to South Africa’s natural attractions, cultural and heritage sites, followed by beach visits and wildlife experiences were the highest reported activities partaken by foreign tourists (SA Tourism, 2005).

3.2) <u>Backpacking within Government Tourism Development Strategy</u>

Tourism has been shown to impact on a vast range of economical sectors (Visser, 2004,2005), and the South African government has included tourism development in its overall economic and social development strategy. Under the Accelerated and Shared Growth Initiative of South Africa [ASGISA], tourism has been identified as an immediate priority sector, for which a clear agenda has been established through the Tourism Act Mandate as shown in Figure 3.2 (ECI Africa, 2006). Through the Tourism Act Mandate, government is required to act in a focused way to achieve the goals of sustainable GDP growth, sustainable job creation, and redistribution and transformation (ECI Africa, 2006). Despite much optimism in the potential of tourism to bring about poverty alleviation and redistributive growth, the South African tourism industry did not feature in the GEAR macro economic strategy for South Africa’s economic development until later revision when Tourism in GEAR was published in 1998. This policy document, building upon the White Paper's policy principles, establishes a framework for the implementation of tourism development policies within the macro economic context of GEAR (Rogerson and Visser, 2004).

Figure 3.2: The Tourism Act Mandate



Source: ECI Africa (2006)

Amongst South African government initiatives aimed at supporting and promoting economic development, the 1996 White Paper on the Development and Promotion of Tourism established the foundations for a shift towards tourism taking on a major developmental role (South Africa, 1996). The White Paper provides a policy framework for the development of tourism with a view to local economic development listing the objectives of job creation, black economic empowerment and small, medium and micro-enterprise [SMME] development. Within the realisation of South Africa's full comparative potential of as an eco- and cultural tourism destination, the White Paper aims to "enable community-based and other disadvantaged tourism enterprises to profit meaningfully from international and domestic markets" (Visser, 2004:284). Initiatives within this strategy of tourism led development include the Spatial Development Initiative Programme and the provision of a national development framework for tourism. On the local level, initiatives have focused on interventions aimed at development within poor black communities (Visser, 2004).

Efforts by SA Tourism to boost the economic impact of the tourism sector include: *inter alia*, expanding foreign tourist arrivals; increasing the total expenditure of tourists in South Africa; optimising the length of their stay; improving regional distribution through the country and throughout the year; and, improving activity and spending patterns in order to enable transformation and promote black economic empowerment (Visser and Barker, 2004). More particularly, the overriding aims of SA Tourism’s promotional drives are first to achieve volume growth in markets where the potential to increase arrivals is high. Second, is to ensure revenue growth in markets where the potential for growth in yields is high. Third, is to defend the market share in markets that are important to the portfolio, but where growth potential is limited. Fourth, is to focus on growth in markets and market segments where there is the potential for increased volumes in off-peak periods in order to manage down-seasonal fluctuations [the regional and domestic markets feature strongly]. Finally, is the goal of the facilitation of packaging the product offering within the industry in order to advance transformation and redistribution in the country (Visser and Barker, 2004). Accordingly, SA Tourism has been active in the promotion and marketing of South Africa overseas, and is currently focusing on retaining a market-share in those regions that have emerged since the early 1990s as South Africa’s main overseas tourist-generation regions, principally Britain, Germany and the Netherlands, as well as expanding its activities in Japan and the USA (Visser and Barker, 2004). In the pursuit of further capitalising on these markets SA Tourism has developed a range of tourism products to suit the travel needs and interests of tourists in these regions, resulting in the development not only of regionally-specific marketing drives, but also of tourism products that reflect the particular interests of these regions in the tourism geography of South Africa (Visser and Barker, 2004).

In accordance with the wider national goals of empowerment and transformation, the Department of Environmental Affairs and Tourism [DEAT] has released a Tourism BEE Charter and Scorecard (DEAT, 2004). The Charter serves to make the tourism sector more accessible, more relevant and more beneficial to all South Africans and is relevant to the tourism sectors of accommodation, hospitality and related services, and travel distribution services (DEAT, 2004). The Charter aims to advance the objectives of the Broad-based Black Economic Empowerment Act no. 53 of 2003, and is weighted heavily in favour of the human factors of strategic representation, employment equity, skills development and enterprise development (DEAT, 2004). As a Broad-based BEE initiative, the Tourism BEE Charter falls within the framework of:

Increasing the number of black people that manage, own and control enterprises and productive assets;

Facilitating ownership and management of enterprises and productive assets by communities, workers, co-operatives and other collective enterprises;

Human resources and skills development;

Achieving equitable representation in all occupational categories and levels in the workforce;

Pursuing preferential procurement activities; and,

Investing in enterprises that are owned or managed by black people (DEAT, 2004).

The weighting of human resources and skills factors evident in the early stage targets and indicators of the Tourism BEE Charter is a strategic move to increase the skills capacity of the sector in order to ensure that a skilled, trained and efficient workforce will be developed to further facilitate the transformation of the industry (DEAT, 2004). Accordingly, the BEE indicators of the Charter include ownership, management, employment equity, skills development, preferential procurement, enterprise development, and corporate social investment. Tourism-industry-specific indicators include the recruitment of employees with no prior working experience, and the status of the tourism enterprise as a Tourism Marketing South Africa [TOMSA] levy collector (DEAT, 2004). TOMSA is the name of a trust account set up by the Tourism Business Council of South Africa [TBCSA] in 1999, to raise funds for the generic marketing of South Africa internationally, whereby registered members have agreed to pay either 1% of income or an agreed set amount per customer. Benefits of TOMSA membership include industry representation on SA Tourism's Marketing Committee, and private sector participation in the planning, strategy and implementation of South Africa's international marketing activities (see www.tourismlevy.co.za/tomsa).

The South African government has recognised the wide scope of impacts which the tourism sector encompasses across a vast range of economic sectors, thus providing considerable growth and empowerment potential. The inclusion and weighting of the tourism sector within government development commitments, and the implementation of a number of initiatives and incentives focussed on boosting the tourism sector at all levels are testament to the fact. Yet, like most governments pursuing the development of tourism as a means of social-economic enrichment, the South African government has focussed primarily on conventional international tourism, overlooking a number of niche segments within the greater tourism market, particularly that of the backpacking industry. This oversight by government tourism development strategies has been a major point of criticism by tourism researchers such as Visser *et al* (2003), Visser and Barker (2004) and Visser (2004,2005). Only since 2003, has the backpacking industry been recognised as a distinct niche segment of tourism by SA Tourism, as evident in the last three Annual Tourism Reports. Yet, the data available on backpacking within these reports is limited to a comparison of accommodation usage [measured in bednights] across all source market countries. Also of note within SA Tourism's annual reports, is the failure to put forward any meaningful data concerning the domestic segment of the backpacking sector – this despite the domestic tourism market having been identified over ten years ago as a significant growth sector within the 1996 White Paper on the Development and Promotion of Tourism (South Africa, 1996).

SA Tourism may indeed have acknowledged the existence of the backpacker sector, but as of yet, official recognition of the sector at all levels of government and support in the development thereof remain forthcoming. The backpacking sector - amongst other tourism niche markets – has, however, caught the attention of the Department of Trade and Industry [dti] which, through the Fund for Research into Industrial Development, Growth and Equity [FRIDGE], in 2005 commissioned ECI Africa to undertake a national backpacker sector study. The results of this survey align the strategic objectives that challenge the development of South Africa's backpacking industry to those that affect the tourism industry as a whole - as set out in the Tourism Act Mandate [Figure 3.2]. Consequently, a number of policy support recommendations have been put forward by ECI Africa (2006) toward the growth of the sector in contributing to the realisation of the wider goals of economic and social enrichment as set out in government tourism development rhetoric. The adoption of these recommendations and any subsequent implementation of support initiatives remain to be seen.

3.3) Existing Research on Backpacking in South Africa

To date there has been limited research into South Africa's backpacking industry. Indeed, only two national investigations Visser *et* al (2003) and ECI Africa (2006) have been conducted. Both national studies indicate a need for further detailed empirical research on a local and regional level within South Africa. Research by Miller and Pasche (2003) investigates the socio-economic impact of international backpackers on the Western Cape, and prior to this research paper, marks the only regional-scale backpacker study within South Africa.

The first national backpacking survey was conducted in 2002 by Visser *et al* (2003), the findings of which have been drawn upon in subsequent articles by Visser (2004, 2005), and Visser and Barker (2004). The survey drew upon data from three sources: personal interviews with various tourism experts supplemented by interviews with backpacker hostels and basic visitor book information, and a number of intercept interviews with backpacker tourists (Visser et al, 2003). The intercept interviews were carried out in November and December of 2002 at co-operative backpacker hostels along the coastline of South Africa and in Gauteng and Mpumalanga. The survey covered basic questions concerning the type of tourists visiting backpacker hostels in South Africa, focussing on personal attributes, travel patterns, activity preferences and the like, and the spatio-temporal development and, form and function of backpacker hostels in South Africa.

The second, and most recent, national study of backpacking in South Africa was commissioned by The Department of Trade and Industry [dti] through the Fund for Research into Industrial Development, Growth and Equity [FRIDGE]. This report on South Africa's backpacker tourism sector was prepared and released by ECI Africa in late 2006 and focuses on policy support of the backpacking sector in view of six identified strategic objectives for enhancing the development and future competitiveness of the industry. The report is based upon the detailed research findings of two supporting reports (ECI Africa, 2006). The first presents a survey of the international research and experience, providing comparative benchmarks (Rogerson, 2006a), and the second presents the empirical findings of research conducted between November 2005 and June 2006 on both the consumer and supply sides of the South African backpacking industry (Rogerson, 2006c).

The Emergence and Growth of the Backpacking Sector in South Africa

The backpacker segment of South Africa's tourism economy is a recent development. Visser (2004,2005) sums up the emergence of South Africa's backpacking industry:

> The nature of previous tourism developments in South Africa was dominated by the expansion of guest houses and B&B's during the 1980's and 1990's.
>
> Since 1994 there has been a massive influx of international tourists into South Africa, backpackers making up a portion of these foreign visitors.
>
> Due to South Africa's relatively late entry into the international tourism market, the niche of low-cost and budget tourism was under serviced.

Backpacker development began in the late 1990's through private sector enterprise aimed at servicing this gap.

The current state of the backpacking industry of South Africa is ripe with private enterprise in the form of specialist agencies and product suppliers, such as:

The 'Coast to Coast' and 'Alternative Route - Best of Backpacking Southern Africa' publications promote a wealth of information on backpacker hostels, transport and tour providers and a range of activities;

A number of overland tour companies operate not only in South Africa but throughout Southern and Eastern Africa;

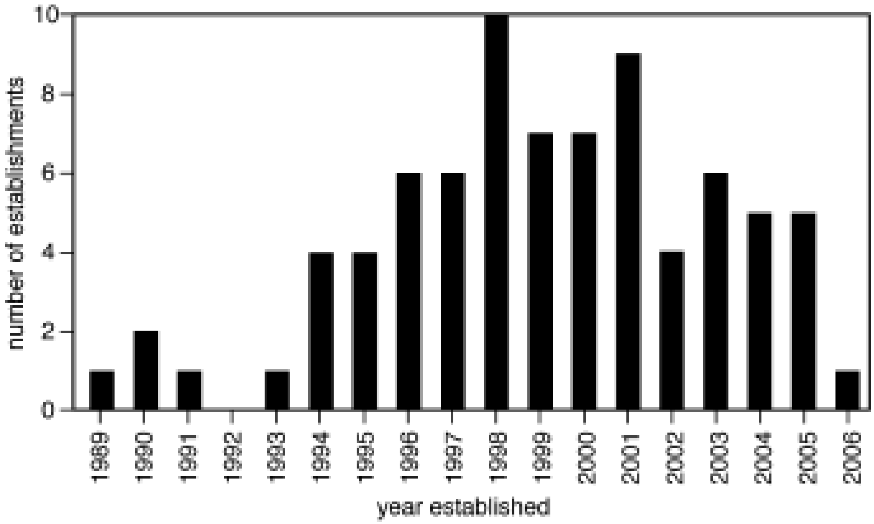
The 'Baz Bus' facilitates the transport of backpackers along dedicated routes through most of South Africa's tourism hotspots; and,

The establishment of Backpacking South Africa [BSA], a private association aimed at facilitating networking within and the development of the industry, of which many backpacker hostels are members.

Based upon the international experience, the presence of such supportive infrastructure and networking is typical of any popular backpacking destination. For the purposes of the 2006 national backpacking study conducted by ECI Africa (2006), the total backpacking industry of South Africa was identified as encompassing three segments: the backpacker accommodation segment [representing some 79% of backpacker related business]; the backpacker transport and tour segment [roughly 11%]; and, the backpacker-targeting adventure tourism companies [approximately 10%].

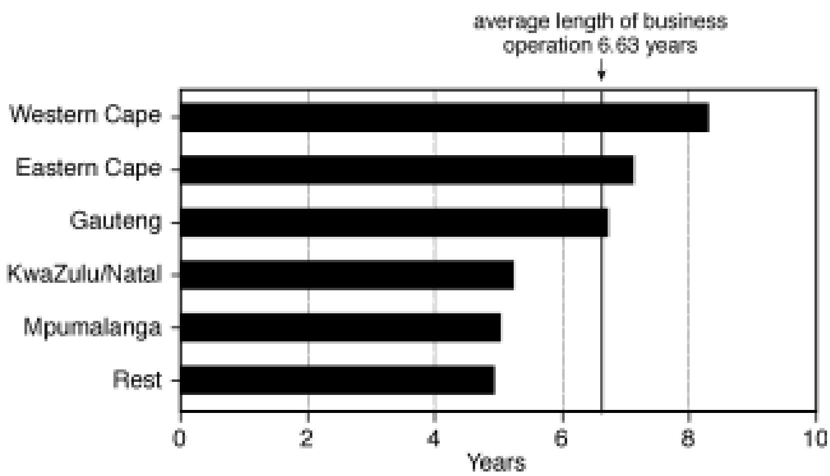
Figure 3.3 shows the number of backpacker accommodation enterprises established between 1998 and 2006. The period from 1994 to 2001 shows accelerated growth in the number of backpacker hostels across South Africa, matching the period of rapid growth within the tourism sector as a whole. As with the backpacker accommodation segment, both the backpacker transport and tour, and the adventure companies were established by opportunistic entrepreneurs who identified a gap in the tourism market (Rogerson, 2006c). Over the period from 2002 to 2005, the growth rate of this segment has remained fairly consistent. The number of new backpacker establishments for 2006 is however inconclusive as the data in Figure 3.3 does not represent a full year.

Figure 3.3: Growth of the National Backpacker Accommodation Segment



Source: Rogerson (2006c)

Figure 3.4: Average Length of Business Operation by Province



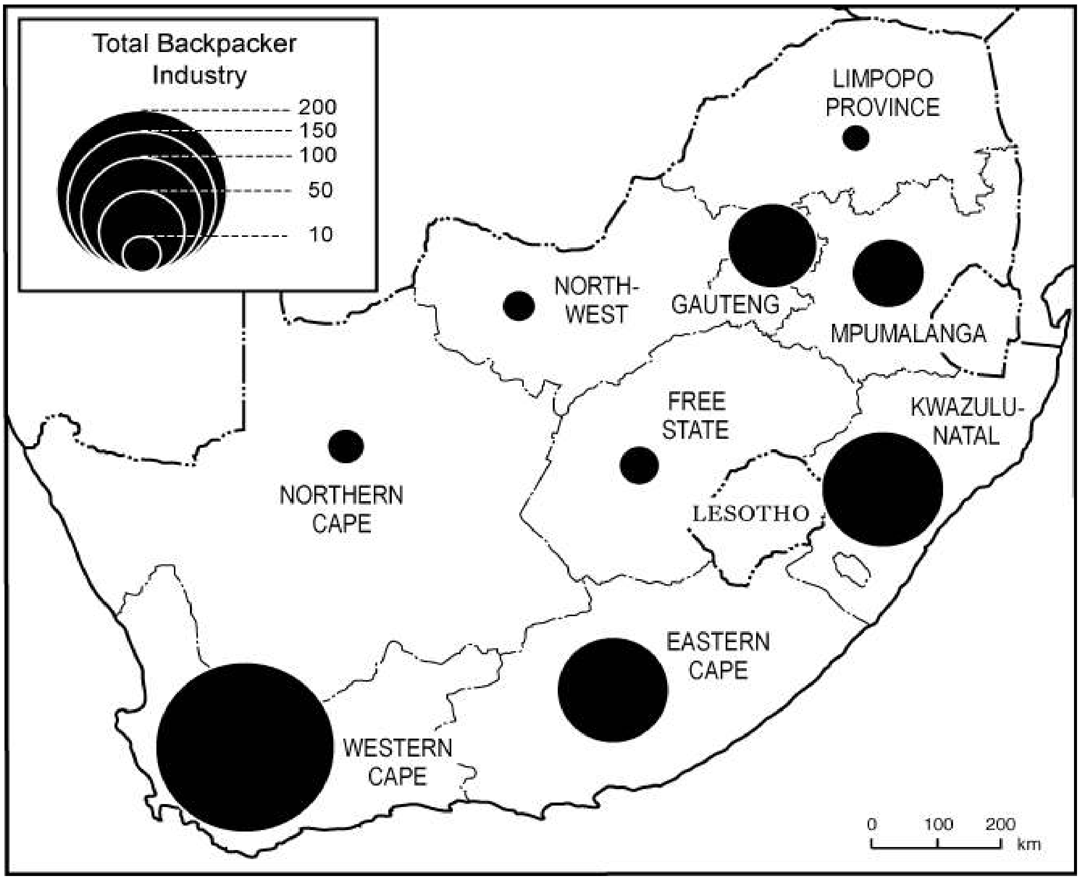
Source: Rogerson (2006c)

Figure 3.4 illustrates the documented geographical trend of emergence for backpacker accommodation establishments (Visser *et* al, 2003; Rogerson, 2006c).

The Western Cape shows on average the longest running backpacker accommodation segment, followed by the Eastern Cape, Gauteng, KwaZulu-Natal and Mpumalanga respectively. A close correlation is evident between the average lengths of operation for these enterprises for each of South Africa's provinces and both the concentration of such backpacker establishments and the volume of backpacker traffic through each province. Overall, across the three categories of number of visitors, business profits and total employment, the backpacker sector as a whole shows positive growth over the last five years (Rogerson, 2006c).

The Geographical Distribution of the Backpacker Sector

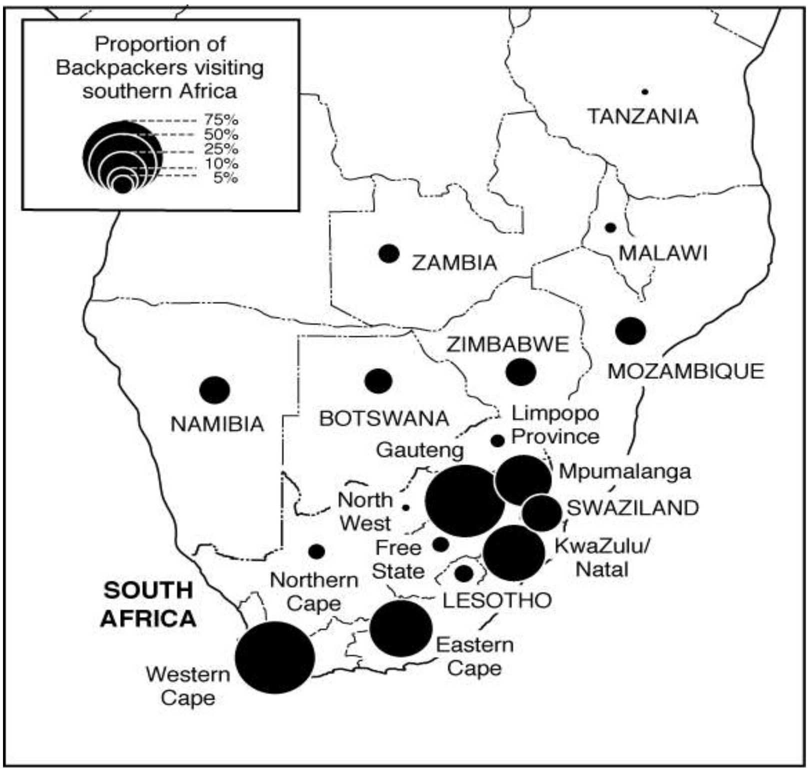
Figure 3.5: The Geographical Distribution of the Total Backpacker Industry



Source: ECI Africa (2006)

The geographical distribution of the total backpacker sector across South Africa [Figure 3.5] reflects an overall domination of the industry by the Western Cape. KwaZulu-Natal, the Eastern Cape, Gauteng and Mpumalanga follow respectively. This pattern of domination by these five provinces, with Western Cape the lead province, is found throughout all segments of the South Africa's backpacking sector.

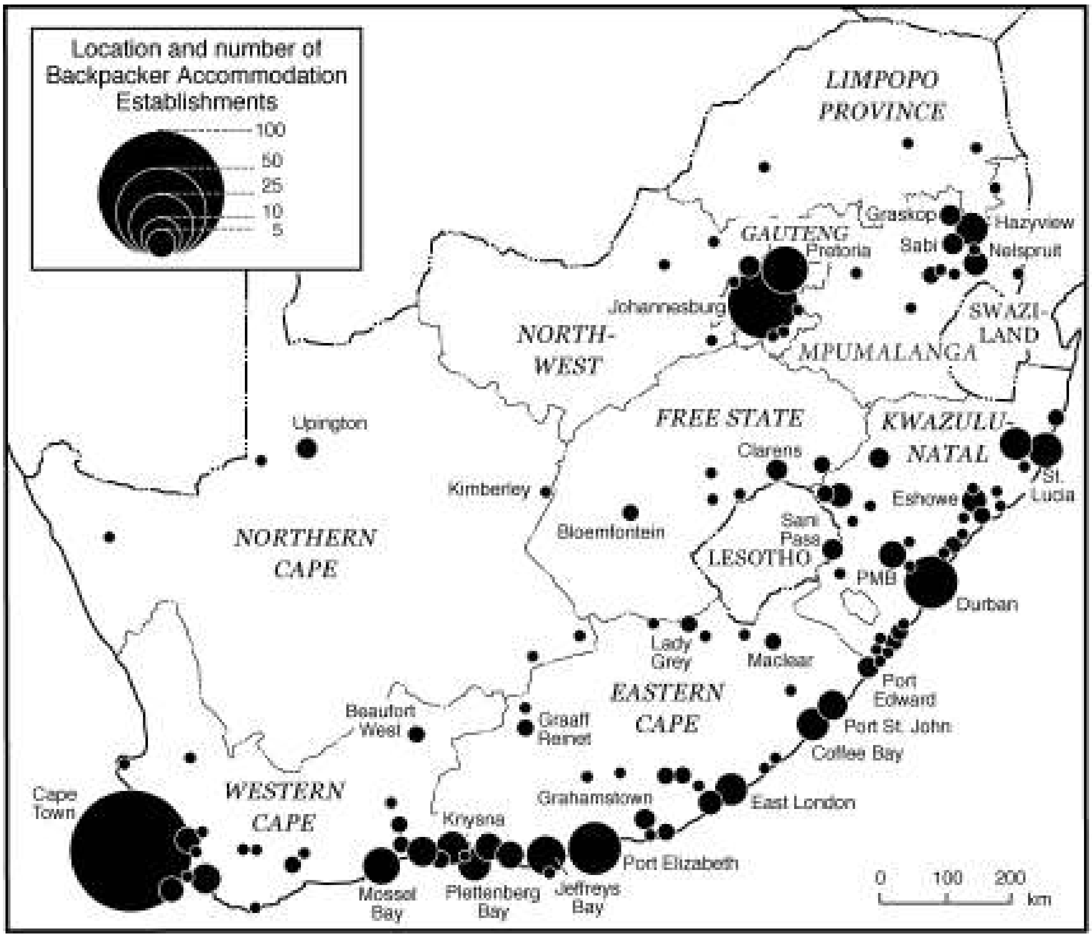
Figure 3.6: Backpacker Travel Patterns Across South Africa's Provinces and Neighbouring Countries



Source: ECI Africa (2006)

A similar pattern is witnessed for backpacker travel within South Africa [Figure 3.6]. An average of 3.84 provinces are visited by backpackers in South Africa (ECI Africa, 2006), a figure substantially higher than the 1.41 average number of provinces visited by all tourists (SA Tourism, 2005). As shown in Figure 3.6 the most visited provinces by international backpackers are Gauteng, the Western Cape, the Eastern Cape, KwaZulu-Natal and Mpumalanga. The remaining four provinces of the Free State, Northern Cape, North West and Limpopo are seldom visited – less than 5% of international backpackers currently visit any of these four provinces (ECI Africa, 2006). Indeed, international backpackers are more likely to frequent surrounding African countries than these four South African provinces (ECI Africa, 2006). The geographical spread of backpacker enterprises across South Africa reflects this overall trend. One exception to this relationship, however, is the markedly lower number of backpacker enterprises in Gauteng compared to the province's high flow of backpacker traffic. This can be attributed to the majority of backpackers' short stays in the province, as Gauteng serves mostly as an entry and exit or starting and concluding point for most backpacker travel in South Africa, with Johannesburg representing the exit point for three quarters of international backpackers surveyed in the 2006 ECI Africa study. Accordingly there are also far fewer backpacker activity enterprises within the province.

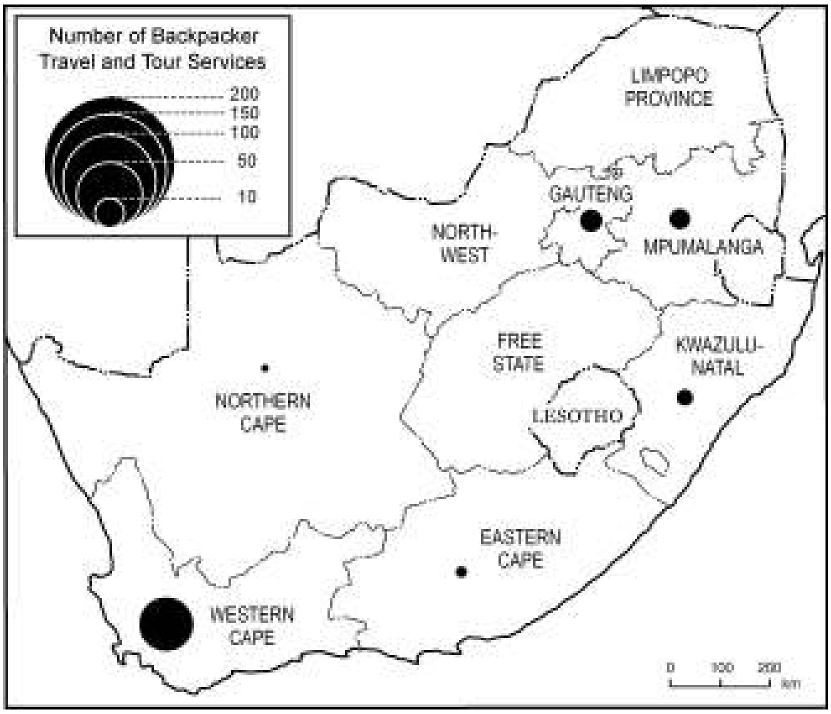
Figure 3.7: The Geographical Spread of Backpacker Accommodation Establishments



Source: Rogerson (2006c)

A total of 425 suppliers of backpacker accommodation across South Africa have been identified (ECI Africa, 2006) through a range of data sources. The size of this segment is approximately double that of the numbers of backpacker hostels recorded in South African Tourism data (Rogerson, 2006c) - illustrating a severe undercounting of this core element of the backpacking industry and the under-valuing of the backpacker sector as a whole on the part of South African Tourism. Figure 3.7 shows the geographical distribution of the accommodation segment of the backpacking sector by locality. The domination by the Western Cape of this segment is evident with approximately 30% of the country's backpacker accommodation suppliers. The Eastern Cape makes up nearly 25% of the segment, KwaZulu-Natal 15%, Gauteng roughly 11%, Mpumalanga 9%, and the Northern Cape, North West, Limpopo and Free State collectively accounting for the remaining 10%.

Figure 3.8: Provincial Distribution of Backpacker Travel and Tour Enterprises



Source: Rogerson (2006c)

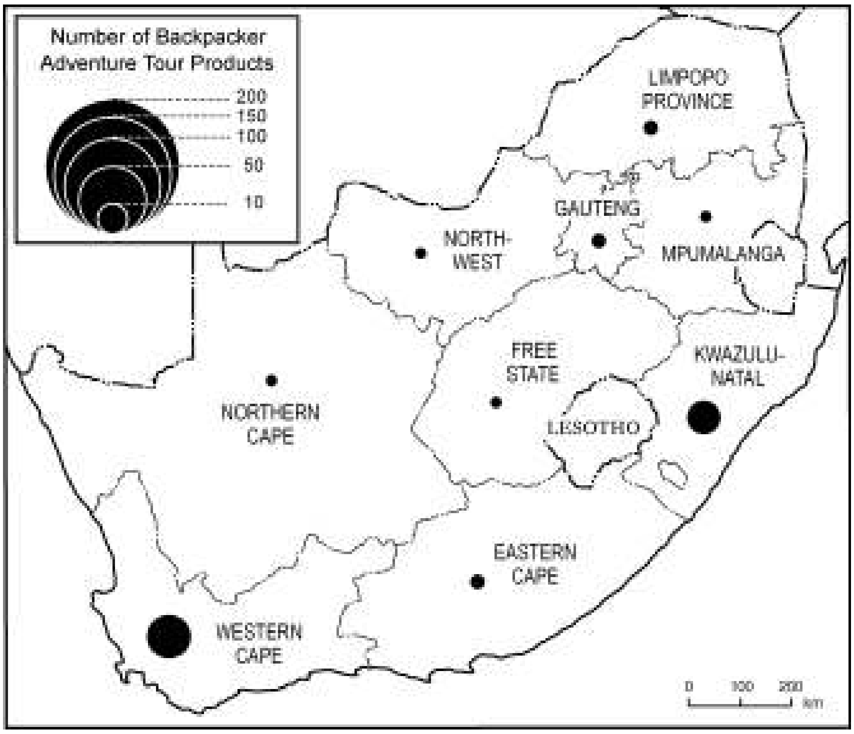
Overall, patterns similar to the geographical distribution of the backpacker accommodation segment are evident for both the backpacker transport and tour [Figure 3.8], and the adventure tourism segments [Figure 3.9], with a domination of the industry by the five provinces of the Western Cape, Eastern Cape, KwaZulu-Natal, Mpumalanga and Gauteng. Approximately 60 backpacker transport and tour enterprises were identified in the recent national study

(ECI Africa, 2006) - the provincial distribution of which is illustrated in Figure 3.8. The greatest number of these enterprises are concentrated in the Western Cape, outside of which, it is evident that the only significant clusters of transportation and tour suppliers are those operating in and from Johannesburg, dealing mainly with shuttle services, township tours and overland Africa travel, and the specialist group of tour operators, mainly based in Nelspruit, dealing with Kruger Park tours (Rogerson, 2006c).

There is a close relationship between the distribution of growth within the backpacker accommodation segment and the availability of transport and tours to the backpacker tourist. Research has shown that the transport type and routes used by backpackers exert a heavy influence on the spatial distribution of backpacker establishments (Visser, 2004,2005). Within the tourism industry as a whole, there is a general trend for the distribution of tourist accommodation to reflect the overall distribution of South African tourism products. An under-representation within the backpacking sector of the important tourism region of Mpumalanga alludes to the fact that the geographies of backpacker establishments are structured by factors other than the tourism resource base. Of significance is the activity of the 'Baz Bus' - the largest and most significant supplier of transportation and tour services since being established in 1995 (Rogerson, 2006c) – which offers hop-on, hop-off services throughout five main routes across South Africa (Visser, 2004,2005). Indeed, without the existence of a dedicated transport provider for backpackers the growth and rapid spread between 1995 and 2005 of the backpacker accommodation segment across much of South Africa would not have occurred (Rogerson, 2006c). Furthermore, the 'Baz Bus' also plays a critical role in the marketing of South Africa as an international backpacking destination (Rogerson, 2006c).

There are approximately 55 adventure product enterprises which target the backpacker market (Rogerson, 2006c). The activities provided by these adventure tourism operators are extremely diverse, ranging from extreme sports to hiking and horse-riding. Upon observation of the provincial distribution of these backpacker adventure products Gauteng, the Eastern Cape and Mpumalanga are under-represented if compared to the flow of backpacker tourists through these provinces [Figure 3.9]. It is, however, evident that the backpacker market represents only a small proportion of the targeted market for the majority of these adventure tourism product suppliers, rather, the international tourist market as a whole and various domestic markets - including corporate team building – are targeted (Rogerson, 2006c).

Figure 3.9: Provincial Distribution of Backpacker Adventure Products



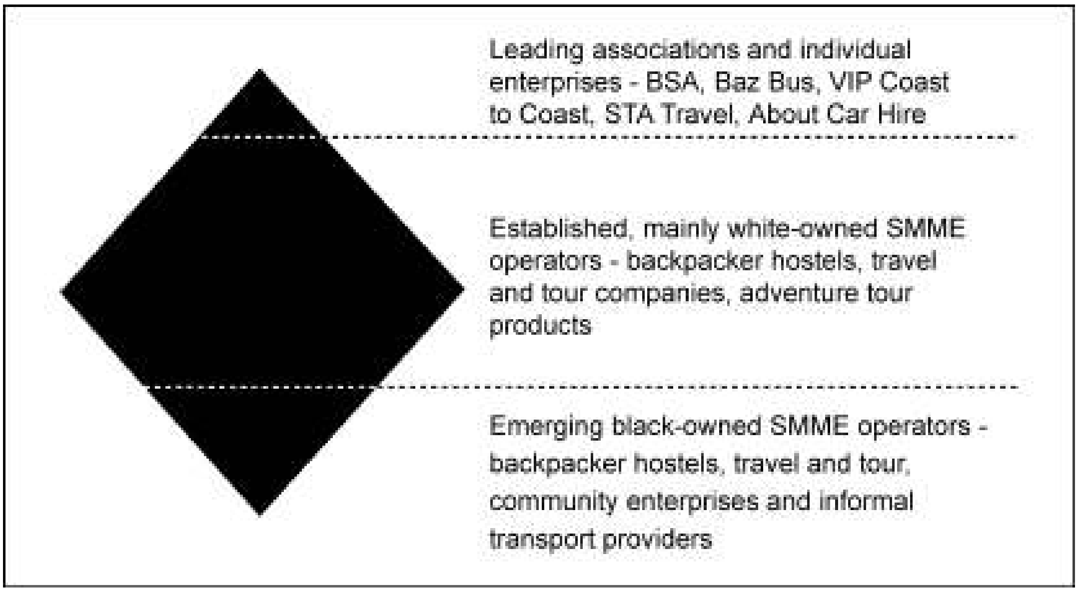
Source: Rogerson (2006c)

The Structure of South Africa's Backpacking Industry

Figure 3.10 represents the organisational structure of South Africa's backpacking sector. It has been found that the backpacking industry of South Africa is dominated at the ownership and managerial levels by white entrepreneurs, who since the 1990s, have identified and capitalised on the business opportunities for the supply of budget accommodation, transport, tours and activities (Visser, 2004,2005; ECI Africa, 2006).

There are, however, a small number of black entrepreneurs within the sub-segments of accommodation, activity and tours, and transportation – Lebo's is an example of a pioneer backpacker accommodation provider in Soweto (ECI Africa, 2006). Also of significant empowerment impact are a number of government support funded community-owned backpacker establishments - such as Masakala Guest House at Matatiele – as well as a number of community equity partnerships - such as the award-winning Bulungula Lodge in the Eastern Cape. In the two years since Bulungula opened, it has been a driving force behind establishing pro-poor linkages with the surrounding community and has assisted in launching a number of 100% community-owned and run enterprises offering supportive products in the form of activities, services and environmental protection projects (ECI Africa, 2006). Of the 125 sampled backpacker establishments in the ECI Africa backpacker sector study (2006), four enterprises are individually owned by black people, there is one community-owned backpacker establishment, and three enterprises with community-equity share arrangements.

Figure 3.10: The Organisational Structure of South Africa's Backpacker Sector



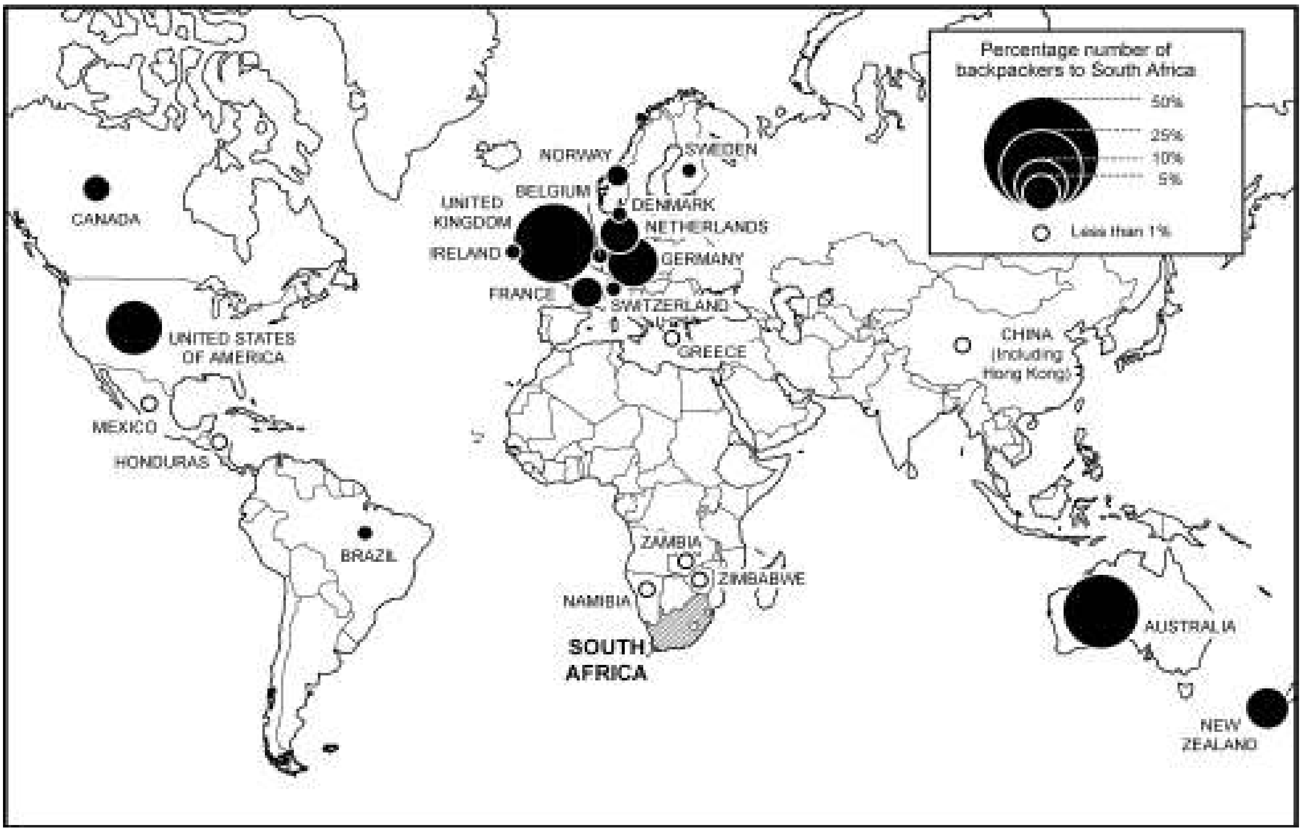
Source: ECI Africa (2006)

Seasonality

Like Australia, the volume of international backpackers in South Africa peaks over the warmer summer months and falls off during the June-September period (ECI Africa, 2006). However, the high volume of domestic backpackers in Australia - although also following a similar seasonal variance – counteracts the trough in the country's backpacking seasonality (Rogerson, 2006a), a feature noticeably absent from the South African backpacking sector. Although many South African backpacking enterprises were found to offer special rates and 'combos' to the domestic market over quite periods (Rogerson, 2006c), these efforts have limited large-scale impact due to the small numbers of domestic backpackers in South Africa.

Source Countries

Figure 3.11: Source Countries of Backpackers Visiting South Africa



Source: Rogerson (2006c)

Within the most recent study of Backpacking in South Africa a total of 22 different countries are identified as source countries for backpacking in South Africa, yet as evident in Figure 3.11, the major source countries for backpacking in South Africa are the United Kingdom, Australia, USA, Germany, New Zealand and the Netherlands, collectively accounting for 80% of South Africa's foreign backpackers. Of note is the fact that other African countries account for an almost negligible percentage of backpackers across South Africa arrivals, whereas South Africa's neighbouring countries account for the majority of overall foreign arrivals.

Key Backpacker Consumer Characteristics and Trends

In terms of the backpacker tourists themselves, the Visser *et al* (2003) survey looked at the personal attributes of backpackers, including their origins and reasons for visit, their travel and expenditure patterns and activity preferences. The more recent ECI Africa study (2006) reviewed the demographic characteristics of backpackers, their visit planning and motivations, the key features of their visit, their travel patterns in South Africa, and their assessments of the backpacking experience in South Africa.

Based upon a 33 night average length of stay found for backpackers in South Africa (Rogerson, 2006c), and that 5.2% of the total 57.58 million international bednights account for nights spent in backpacker accommodation (SA Tourism, 2005), it has been calculated that approximately 90,000 international backpackers visited South Africa in 2004 (ECI Africa, 2006). The potential for growth of the South African backpacking market is most evident when compared to the total of 482,000 international backpacker arrivals in Australia for the same year (Rogerson, 2006a). In terms of the domestic backpacker sector of South Africa, estimates of this portion are reported to be between 15 and 20 percent of the total number of backpackers travelling in South Africa (ECI Africa, 2006). Once again, the Australian case study demonstrates further potential within the domestic backpacker market, whereby in 2004, 439,000 domestic backpackers were recorded (Tourism Australia, 2005b) - this number almost matches that of foreign backpackers for the country.

The average length of stay for international backpackers visiting South Africa is currently 42 nights for all backpackers including those in the country on volunteer placements and 33 nights excluding volunteer placements (ECI Africa, 2006). When compared to other competing backpacker destinations such as Australia or New Zealand [average 3-6 months up to a year], South East Asia [2 months], South America [2-3 months] or the United Kingdom [9 months] the time allocated by backpackers to travelling in South Africa is significantly shorter (Rogerson, 2006c). This relatively limited length of stay is due mainly to a lack of awareness and exposure of international backpackers to information about South Africa's tourism products (ECI Africa, 2006).

Table 3.2: Average Daily Spend by Category per Backpacker

Spending Item	Amount (Rands)
Accommodation	72
Restaurant	50
Self-catering	20
Take-away	20
Bar/Tavern	50
Night-clubbing	75
General tourist activities	25
Souvenirs	30
Total	**342**

Source: Visser (2004)

The average daily spend for international backpackers in South Africa was found to be R342 per day by Visser *et al* (2003) [see Table 3.2 for daily expenditure breakdown] and R388 per day by Rogerson (2006c). The average daily spend per backpacker tourist in South Africa is relatively close to that of Australia [R382], yet due to the longer duration of stay for backpackers in Australia, the total trip expenditure for backpackers visiting the country is approximately double that of travellers in South Africa. The average total trip expenditure [see Table 3.3 for total expenditure breakdown] in South Africa of international backpackers was found to be R10,294 per trip [excluding long-stay volunteers] or R13,395 [including long-stay volunteers], whereas the average backpacker trip expenditure in Australian over 2004 was approximately R26,000 (ECI Africa, 2006).

Table 3.3: Average Expenditures per Backpacker in South Africa

Accommodation	R 2 686
Activities	R 2 490
Food	R 1 880
Local Transport	R 1 754
Souvenirs/Shopping	R 1 379
Beverages	R 1 359
Volunteer Work *	R 17 591
Other**	R 11 373

*Includes accommodation, meals, transport and certain activities during period of placement

**Includes medical costs

Source: Rogerson (2006c)

The research conducted by ECI Africa (2006) shows that 82.9% of international backpackers were first time visitors to South Africa and only 17.1% had previously visited the country. The main motivations for visiting South Africa relate to those of holiday [39%], adventure [28.2%], touring [19.9%], visiting friends and relatives [7.8%] and business purposes [7.5%]. The most commonly stated reasons for visiting South Africa were to learn more about the country, to experience its culture, to meet local people or to experience South Africa's natural diversity, wildlife and game parks. It was found that for 56% of international backpackers, South Africa was their sole destination - for the remaining 44% of travellers South Africa was just one part of a wider international travel itinerary. It is also evident that South Africa plays the role of a gateway for the rest of sub-Saharan Africa, with 39% of the sampled international backpackers using South Africa as a base from which to visit other African countries [mostly Swaziland, Mozambique, Botswana and Namibia], returning to South Africa prior to leaving the continent. In terms of backpackers working in South Africa 13% had undertaken some form of work in the country – the largest share was found to undertake volunteer work, others were paid tour guides on overland tours, some worked as sports instructors, and a small number of backpackers indicated that they had worked for short periods as casuals at backpacker hostels. A highly significant finding was that 73% of the sample of interviewees for the ECI Africa (2006) study would have been interested in applying for a working holiday visa in South Africa.

It was found that the vast majority of international backpackers were unable to visit many parts of South Africa they would have liked to – 73% cited lack of time and only 15% cited a lack of funds as the constraining factor (Rogerson, 2006c). Of particular note is the fact that several interviewees stated that they only became aware of all the localities and attractions they would like to visit and activities they would be interested in partaking in, after their arrival in the country (Rogerson, 2006c). Another secondary issue of concern regarding travelling constraints was limitations of the existing backpacker transport network – particularly that of the 'Baz Bus' (Rogerson, 2006c).

Regarding the domestic backpacker market, it was found that the motivations for domestic backpacking were often business rather than holiday and leisure related and several domestic backpackers were found to be travelling in search of employment, subsequently the major focal points of domestic backpacking are the country's three major cities – Johannesburg, Durban and Cape Town (Rogerson, 2006c). It was, however, found that when travelling for leisure purposes, domestic backpackers do encounter some discrimination by backpacker hostels (Rogerson, 2006c). The majority of international backpackers encountered 'few' domestic backpackers whilst staying in backpacker hostels in South Africa - such interactions were however rated as highly positive experiences (Rogerson, 2006c).

In general, South Africa is regarded by most international backpackers as a relatively cheap and affordable backpacker destination and is cited as possessing the backpacker-attractive resources of abundant natural attractions - especially the wildlife and game parks; a wealth and diversity of activities; and a diverse cultural heritage - with issues of the country's political history as well as traditional African culture attracting many backpackers (Rogerson, 2006c). Despite complaints about 'Baz Bus' being inflexible, and about overall poor public transport, South Africa was rated by most backpackers as a country that was 'easy to travel' (Rogerson, 2006c). The well-organised nature of backpacking networks in South Africa, quality of services, cleanliness and facilities at the country's backpacker hostels were rated highly, and compared to many other developing world backpacking destinations the standards of infrastructure in South Africa were rated as a strong advantage (Rogerson, 2006c). Relative to other international backpacking destinations, the overall attractiveness of South Africa as a backpacker destination is rated highly, however issues of tourist safety and crime, the lack of work opportunities, and inadequate awareness among backpackers of all the country has to offer, significantly inhibit the growth of the industry.

Strengths and Weaknesses of the Backpacker Sector in South Africa

The results of the Visser *et al* (2003) survey confirm many of the findings contained within the international literature [as reviewed in Chapter 2] regarding the developmental impacts of backpacker tourism. Visser and Barker (2004) and Visser (2004,2005) identify the following six positive characteristics of backpacker tourism in terms of local economic development potential in South Africa:

1) Unlike the large foreign exchange requirements and subsequent high levels of economic leakage associated with the construction and operation of large scale tourism projects, the small scale nature of backpacker tourism has virtually no foreign exchange requirements, therefore import leakages are minimal. Furthermore, due to the basic nature of support products required in establishing and maintaining a backpacker hostel, it is likely that locally produced goods will be bought through local retailers.
2) The spatial range of backpacker tourists is far greater than that of conventional mass tourists and incorporates areas outside of the latter's domain. The existence of backpacker hostels in remote areas

generates some investment where there would have been none. Also the development of a tourist route in otherwise unknown tourism territory opens up further opportunities for investment.

3) Due to the relatively low entry costs in generating an income in backpacking tourism, communities with few resources can become involved.
4) Small scale operations provide more opportunity for income opportunities to surrounding communities than enclave type developments through higher economic multiplier effects.
5) Within deep rural areas backpacker hostels provide a means through which the local community can engage with the formal economy. Even though it does not provide employment for the whole community.
6) The revenue system of remote localities benefits from payment collected from hostels for both basic services and taxation. Backpacker hostels add to the tourist base of remote destinations in which other forms of tourist accommodation would not be viable.

More recently, the 2006 ECI Africa national backpacker sector study revealed that the majority of backpacker enterprise owners and managerial staff do have an acute awareness of the linkage potential and pro-poor impacts of the backpacking industry - the greatest potential for empowerment linkages exist in the provision of transport, tour services [especially cultural or township tours], maintenance and laundry services (Rogerson, 2006c). There are a number of cases, in the Western Cape and Eastern Cape, where backpacker enterprises assist and involve surrounding local communities in encouraging local entrepreneurs to set up laundry or bakeries, in training local people in tourism, in sourcing of consumables from local suppliers and, in the use of various black owned trade contractors as well as transport operators (Rogerson, 2006c).

Despite the backpacker tourism segment showing many positive aspects with regards to local economic development, research by Visser and Barker (2004) and Visser (2004,2005) has also revealed a number of shortcomings within the

South African backpacking industry which restrict the development and empowerment impacts of the sector:

1) There exist uneven racial divisions of labour and ownership within the local backpacking industry. Research shows that currently those benefiting are mainly white owned medium, small and micro enterprises [SMMEs].
2) There is a lack of information and support synergies between backpacking enterprises and tourism service providers which support their operational needs.
3) Apart from labour, no basic operational requirements are sourced from local communities.
4) South African backpacker hostels do not demonstrate the structural and amenities based diversity required to lower entry costs further, such as the use of existing materials, design and processes. Local backpacker hostels could be considered too 'westernised'.
5) The human capital in terms of education, literacy and skills, which is pivotal in the implementation of local economic development initiatives is sorely lacking in most remote, poor communities. The extent of government entrepreneur support and training facilities in these non-metropolitan areas where many backpacker hostels are located is meagre.
6) The seasonal nature of all tourism including backpacking in South Africa lays down two challenges. First, poor communities do not have access to credit lines and therefore cannot carry the costs of seasonal variations in tourist flows; and second, the lack of interest in the domestic market by hostel owners.
7) The level of local economic linkages is hampered by the lack of local black entrepreneurs with access to capital. Thus it mainly white owned businesses and existing franchises and chains that benefit, not the poorer sectors of the host communities. Similar findings apply to the adventure providers so often frequented by backpackers.
8) The challenge of attaining larger backpacker tourist flows needs to be addressed. South African tourism planners should look to the

examples of Australia and New Zealand, and the untapped domestic market.

The recent research by ECI Africa (2006) for the dti concurs with the above mentioned shortcomings within the South African backpacking sector, and identifies the following barriers to the growth and development of a competitive and empowering backpacking industry in South Africa:

The South African backpacking sector lacks official recognition by all levels of government as a viable sector of South Africa's tourism industry.

Under the banner of budget tourism, backpacking in South Africa is misunderstood and suffers from poor image.

The South African backpacking experience is inadequately marketed in order to compete with other international backpacking destinations.

The limited nature of working holiday visa programmes available in South Africa, and inadequate awareness of volunteer placement programmes and existing local programmes for educational exchange and study abroad opportunities are negatively affecting the backpacking industry.

The backpacking sector is constrained by the weakness of the domestic backpacking market.

The South African backpacking industry lacks a strong and effective industry association.

Amongst private backpacker enterprises there are weaknesses in the range of existing products and in the maintenance of quality standards.

There are a limited number of black entrepreneurs within the backpacking industry.

The lack of local and provincial product development initiatives constrains the backpacking industry.

There is an absence of appropriate regulatory frameworks governing the industry.

The backpacking industry suffers from limited regional incentives available for tourism.

The backpacking industry is impacted negatively by the lack of appropriate public transport and the chronic issues of tourist safety.

There is inadequate research and limited accurate statistics regarding South Africa's backpacking industry.

In light of the above shortcomings and barriers within the backpacking sector of South Africa, ECI Africa (2006) has put forward six strategic objectives to be spearheaded by the dti, and later encompassing a range of government departments, with a recommended deadline of 2014:

1) Growing the volume of backpackers visiting South Africa;
2) Extending their length of stay;
3) Increasing tourist spend;
4) Improving the geographical spread of backpacker travel;
5) Addressing existing seasonality trends; and,
6) Expanding BEE and transformation within the industry.

Proposed interventions (ECI Africa, 2006) in achieving the above goals learn from the Australian experience [as set out in Chapter 2.3] and are focussed on understanding the market; marketing destinations; identification of attractive segments; the development of a product platform; the removal of obstacles; and the monitoring of and learning from the tourist experience.

As evident by the lack of any mention of the backpacker sector within official government tourism development documentation, and the limited data available on backpacking within the most recent South African Tourism Annual Report, the backpacking sector of South Africa, as in many other developing nations, until recently has been ignored by government tourism developers and planners. Nevertheless, the dti and FRIDGE's interest in the backpacking sector of South Africa, as marked by the 2006 ECI Africa national backpacking sector study, is, indeed, local confirmation of the current international trend whereby the backpacking sector is becoming increasingly important within global tourism and travel policy (Richards and Wilson, 2004a). The research conducted by ECI Africa (2006) and, prior to any government interest in the sector, by Visser *et al* (2003) forms the foundations for further research on the backpacking sector, both on a national and local level.

Research by Visser *et* al (2003), Visser and Barker (2004) and Visser (2004,2005) has revealed the backpacker sector of South Africa to possess considerable development potential, both as form of alternative tourism with strong linkages to pro-poor growth, and as a viable means of local economic development. Both the Visser *et al* (2003) and the ECI Africa (2006) national surveys uncovered a number of shortcomings within the backpacking sector of South Africa which hamper this potential. Indeed, ECI Africa (2006) has put forward a number of national level strategic objectives aimed at reducing the retarding effects that the current structure of South Africa's backpacking industry has on achieving the national goal of socio-economic empowerment. The existing research on South Africa's backpacking sector has revealed, through an examination of both backpacker consumer behaviour and the controlling factors of the backpacking product industry, that there are distinctive backpacking regions within the country - each possessing a set of distinguishing characteristics and roles which situate them the within the wider national backpacking sector. This finding dictates the scale of further research into the backpacking sector of South Africa. It is in the servicing of this local and regional data gap that this study provides a detailed account of the distinctive role of Gauteng in South Africa's backpacking economy. The following two Chapters turn the focus from the national to the provincial scale of analysis. These two Chapters present the results of the backpacker consumer and backpacker enterprise surveys which were undertaken in Gauteng.

Chapter 4

Results of the Gauteng Backpacker Consumer Survey

This Chapter deals with the results of the backpacker consumer survey. The aims of the consumer survey are first, to establish a demographic, employment and motivational profile of the backpackers travelling in Gauteng; second, to reveal the travel and activity, spending, and planning patterns of travellers throughout the whole of South Africa, yet with particular attention paid to Gauteng, in order to situate Gauteng within the national backpacking economy; and, last, to examine the effects that crime and safety, and any other consumer concerns, have on the Gauteng backpacking experience. Through quantitative and qualitative examination of these focal points, the current trends and key shaping issues from the demand-side of the backpacking sector in Gauteng are revealed.

The consumer interviews were conducted on a face-to-face basis, and based on the experience of Mohsin and Ryan (2003), the interviews took place in the late afternoon once the backpackers had returned from their activities and were not hurried, thus allowing them to take the time to go through the questionnaire. In the interests of a more accurate survey - in terms of determining actual and not proposed behavioural, travel and spend patterns - only backpackers who were at, or very near the end of their travels in South Africa were interviewed. In total, 107 consumer interviews were conducted with respondents staying at backpacker hostels in Gauteng. A total of 100 interviews make up the international segment of the consumer sample, with only 7 representing the domestic market. It must, however, be mentioned that the above ratio of international to domestic backpackers in Gauteng is in fact representative of the small number of domestic tourists utilising backpacker type accommodation in the province, and not the result of any bias within the survey. Rather, as found within the recent national backpacking survey, the small size of the domestic backpacker segment is an important signal of the underdevelopment of this segment (Rogerson, 2006c). Furthermore, due to the limited size of the domestic backpacker sample it is recommended that the findings of this portion of the survey be regarded as indicative of potential trends rather than of definitive conclusions. Investigations solely relevant to the domestic backpacker market include: establishing any seasonality and geographical preference for backpacker type accommodation; and, probing into any discrimination experienced by domestic travellers upon booking into and staying at backpacker hostels on the part of hostel owners or staff.

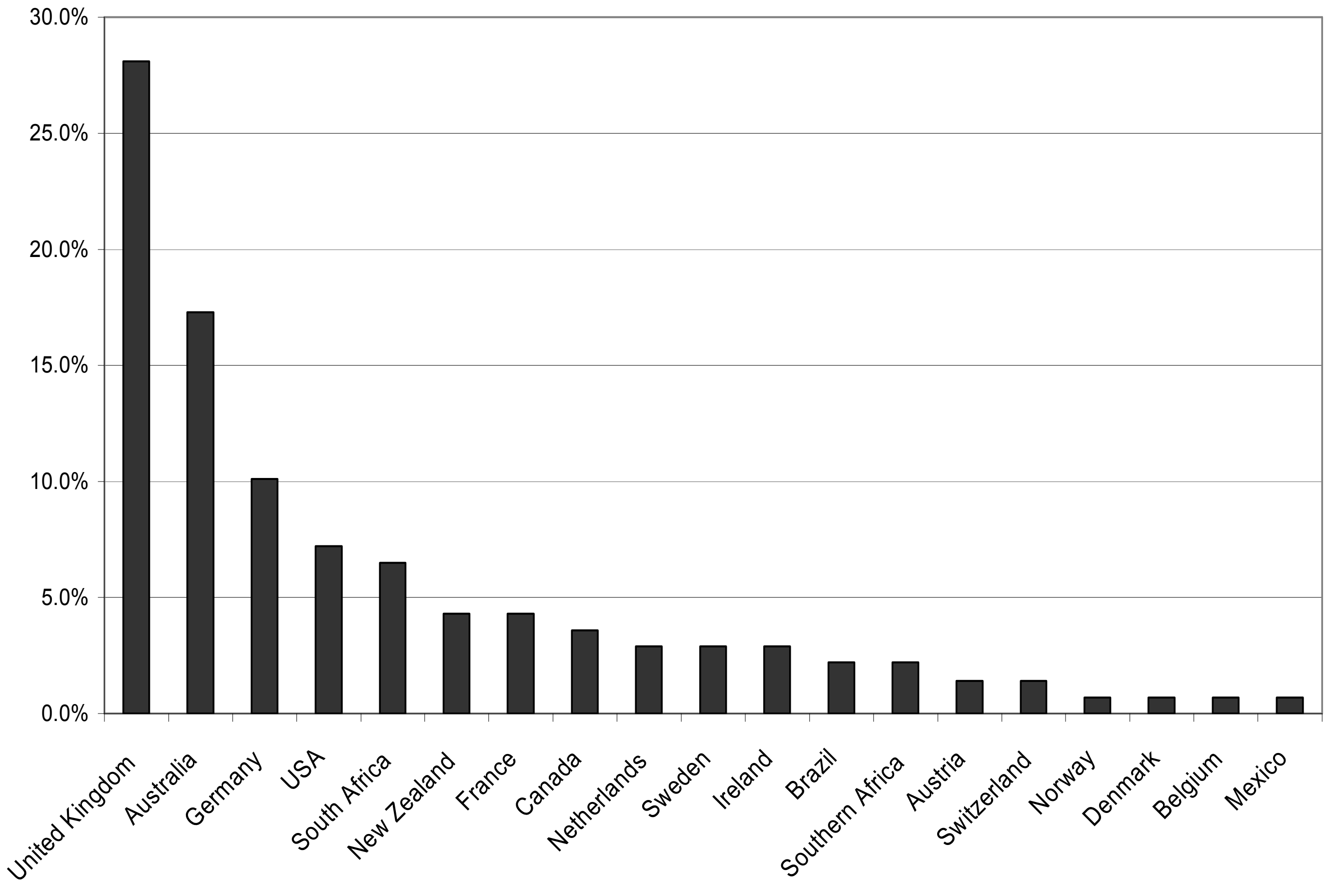
4.1) A Profile of Foreign Backpackers Visiting Gauteng

Source Countries

The main source countries for foreign backpackers in Gauteng are the United Kingdom, Australia, Germany, the USA, and New Zealand respectively [Figure 4.1]. Collectively, these source markets account for two-thirds of Gauteng's foreign backpacker travellers. These findings do not deviate significantly from the national trends with the major source countries for backpacking in South Africa being the United Kingdom, Australia, the USA, Germany, New Zealand and the Netherlands, collectively accounting for 80% of South Africa's foreign backpackers (Rogerson, 2006c).

Of particular interest however are the domestic and SADC regional source markets. As evident in Figure 4.1, the domestic market accounted for only 6.5% of the sample. As compared to the Australian and New Zealand case studies, the under performance of the South African domestic backpacking market is most evident. Another striking finding is the small number of travellers staying in backpacker accommodation from other southern African countries; the SADC region [excluding South Africa] accounts for only 2.2% of visitors to the province. This low share of SADC visitors is surprising in view of the facts that 73% of all total foreign arrivals in South Africa for 2005 were from other African countries (SA Tourism, 2005), with travellers from the SADC region dominating these arrivals [see Figure 1.1], and that Gauteng is a major focal point of business throughout the SADC region. Moreover, due to the unfavourable currency exchange rates when converting from other African currencies to South African Rands, one would expect higher volumes of travellers from these source countries staying in budget/backpacker accommodation in the province. The under-performance of these two markets are points worthy of further attention within the development of the backpacking sector of Gauteng and nationally.

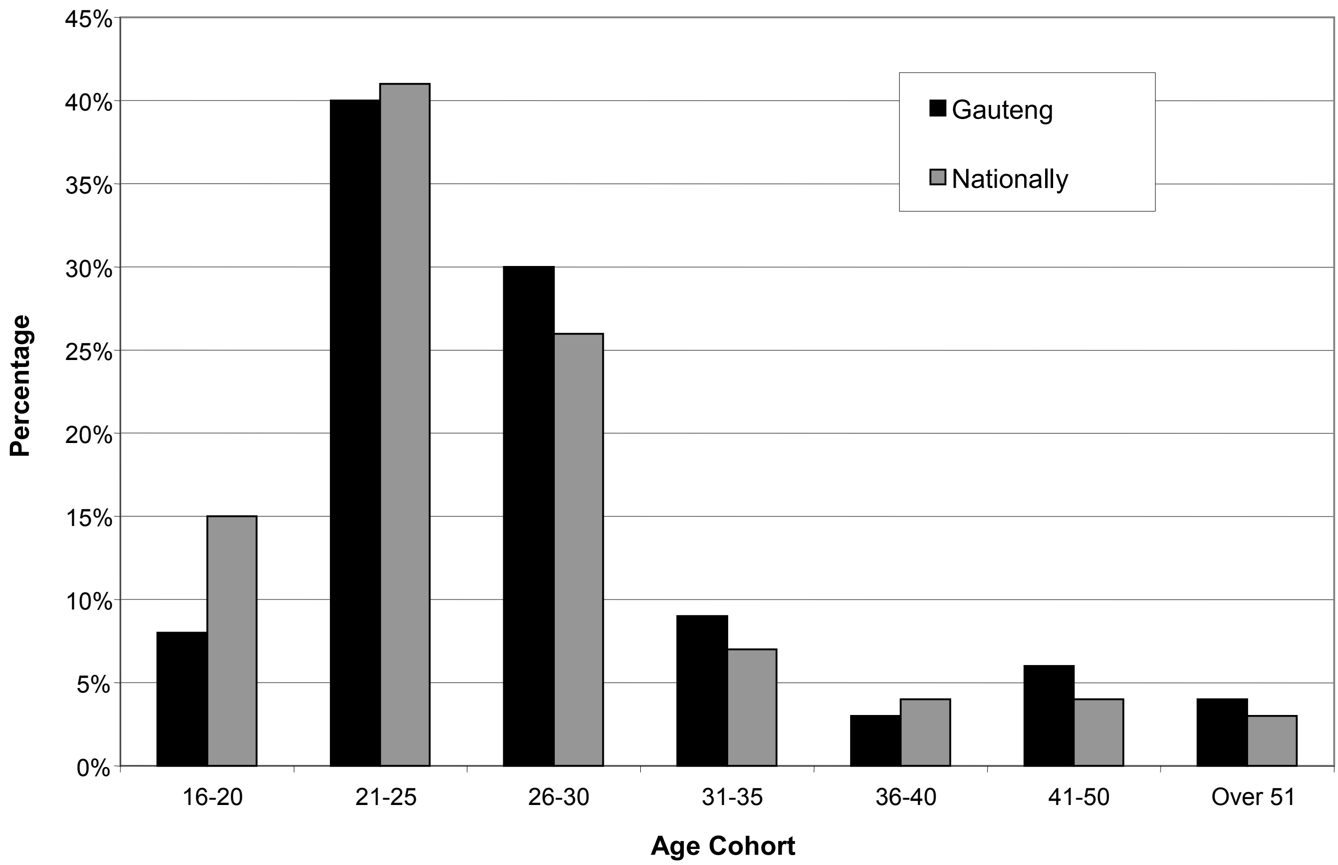
Figure 4.1: Source Countries of Backpackers in Gauteng



Age, Education and Employment Profile

The average age of backpackers in Gauteng is 28 years of age. This finding matches that of the national figure found in the ECI Africa study (2006). Indeed, the age distribution pattern of backpackers in Gauteng is almost indistinguishable from the national trend [Figure 4.2]: 67% of backpackers in Gauteng are between the ages of 21 and 30; 18% are between 31 and 50; and 4% fall within the classification of 'denture-venturer' being over the age of 50 years. The only significant variance within this trend is the demographic group of backpackers under the age of 21 – there are approximately double the numbers of backpackers within this age group to be found nationally than in Gauteng. This trend may be due, in part, to an increase in international perceptions of crime in the province [the effects of crime and the perceptions thereof within Gauteng are detailed later in this Chapter], since the age group in question are indeed minors and travel under parental consent. Regarding the gender split among backpackers travelling in Gauteng an almost equal spread was found [45% male and 55% female]. These figures are similar to the national finding whereby 52% of backpackers in South Africa are male and 48% female (Rogerson, 2006c).

Figure 4.2: Age Distribution of Backpackers in Gauteng and Nationally



Source of national data: Rogerson (2006c)

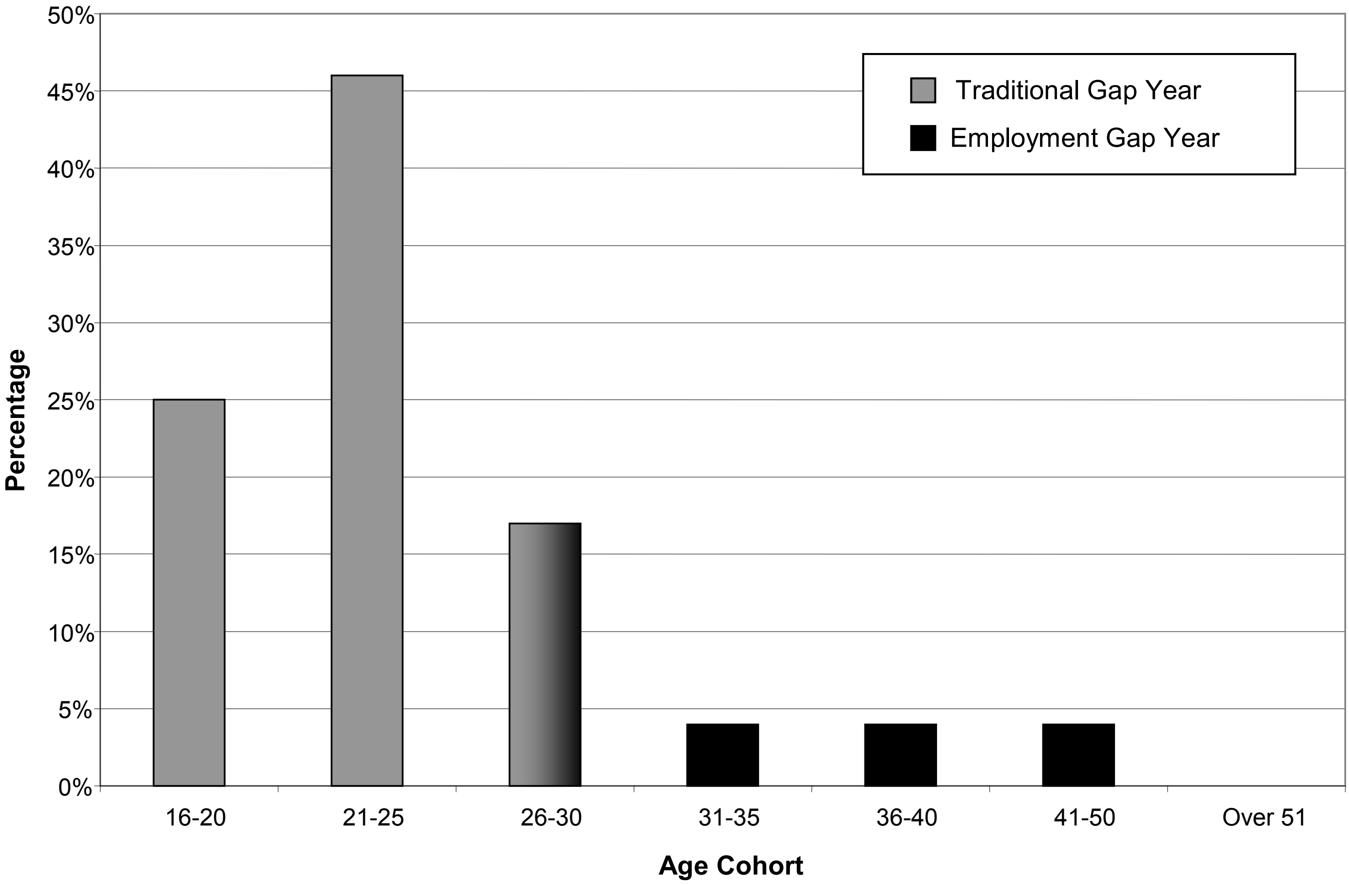
In terms of education and employment, once again there is little variance from the national trends. The vast majority [82%] of interviewees have attained some form of post-matriculation qualification, with over one-third of respondents having post-graduate degrees [Table 4.1]. It was found that 49% of backpackers in Gauteng are full time employed and travelling on normal holiday leave – further evidence countering the common perception of backpackers as travellers at a junction in life – indeed, many of those interviewed are working professionals. The fields of employment range from self employed entrepreneurs, medicine, sales, media, public service, pilots, business, law, teaching and even the military, with work experience within given fields ranging from 1 to 26 years. Therefore, no specific employment profile emerges as fitting the backpacker market.

Table 4.1: Highest Level of Education

Secondary School	17%
Tertiary University study	34%
Post-graduate degree	36%
Diploma	8%
Trade Qualification	4%

It was found that 24% of those interviewed were travelling on a gap year, as is shown on Figure 4.3. The average age of gap year travellers - this of course refers to a gap year in the traditional sense as the year taken after completion of studies and prior to full time employment - is younger than that of all backpackers being 22 years old. Of these self professed gap year travellers, a number of respondents [approximately 15%]- some within the age bracket of 26 to 30 and all of those over 31 - did refer to a year of travelling between resigning from one position and seeking new employment as a gap year. It was also found that the average age of respondents visiting South Africa as volunteers [23 years old] was somewhat younger than the average age across the entire sample.

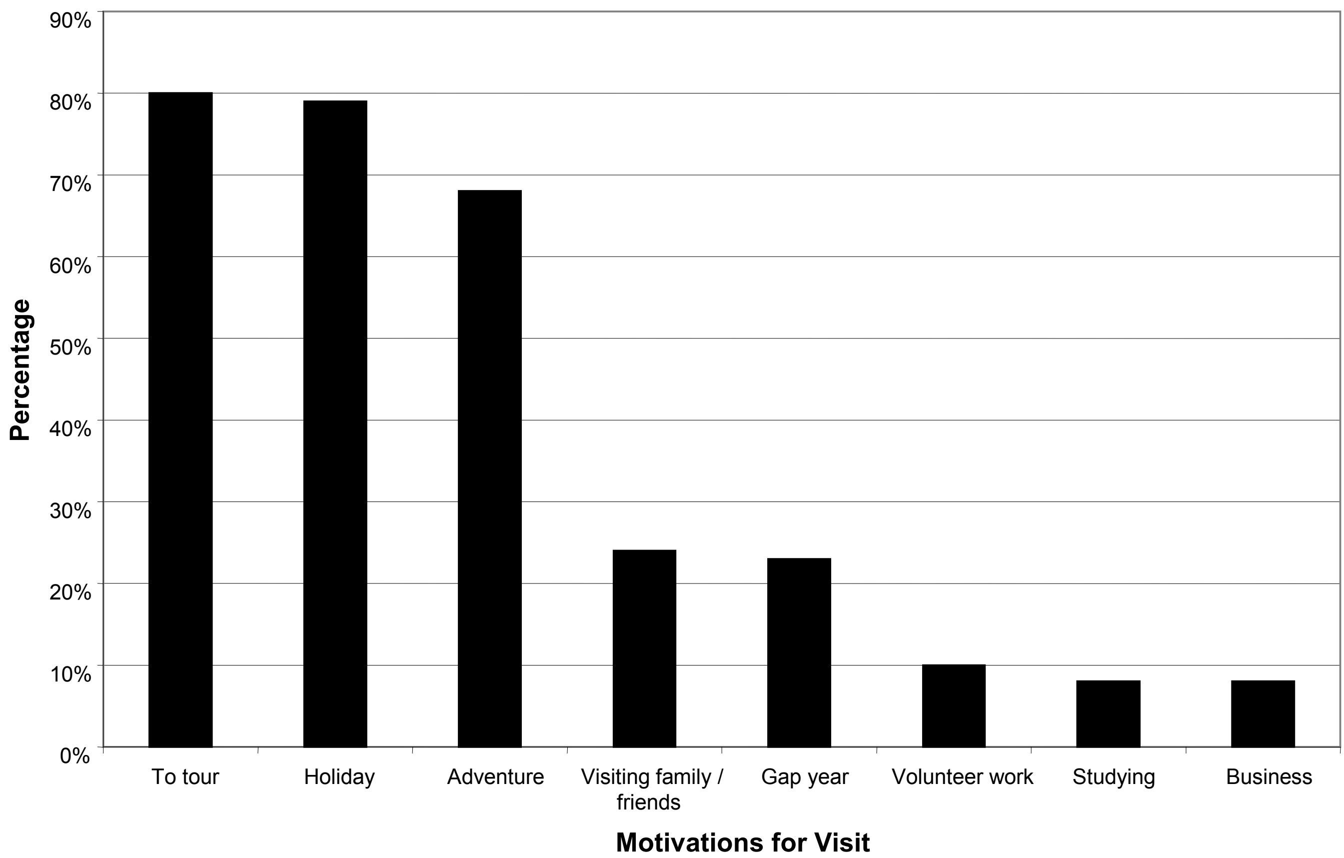
Figure 4.3: Age Distribution of Gap Year Travellers



Motivations for Travel in Gauteng

Among the international backpackers, the main motivations for visiting South Africa as a whole are touring, holiday and adventure. The second most cited group of reasons are visiting friends and relatives, and gap year travel. Volunteer work is the next most stated motivation, followed by studying and business. Figure 4.4 illustrates these trends. In terms of reasons for visiting Gauteng specifically, the province forms the main point of arrival and departure for most international backpackers – 61% and 81% respectively, and for 58% of the sample, Gauteng forms the point of both entry and exit. Of the remaining portion of backpackers, Cape Town forms the point of entry for 33% [mostly via immediate connecting flights from O.R. Tambo Airport] and the exit point for 13% of the sample. It was also found that 6% of international backpackers either enter or exit South Africa via neighbouring countries, with South Africa being either the starting or concluding point of wider travels throughout the African continent. Indeed, the presence of the country's major international airport [O.R. Tambo International] in Gauteng plays a major part in the province's role as the starting and/or concluding point of much of South Africa's backpacker travel, and indeed backpacker travel throughout southern Africa. Attractions in Gauteng which do play a small role in motivating backpackers to visit the province are the Apartheid Museum and Soweto tours – indeed the political history of South Africa is a major draw card in attracting backpackers as well as other international tourists (Rogerson, 2006c). Nevertheless, these tourism products are to be considered more as activities for backpackers already spending time in the province rather than reasons for their visit.

Figure 4.4: Motivations for Visiting South Africa



Note: Above percentages add up to 300 as this is a combination of primary secondary and tertiary motivations

A key feature of Gauteng within the national backpacking phenomenon is the province's role as a beginning and/or end point for a number of overland tours. These tours operate both within South Africa and southern Africa – the common routes run in a circular pattern either from Johannesburg and Pretoria to Cape Town, up the west coast into Namibia, through Botswana and Zimbabwe and/or Zambia, sometimes into Mozambique, then back onto South Africa through the Kruger Park until returning to Gauteng, or from Gauteng north into Botswana, Zimbabwe, Zambia, Mozambique and returning via the Kruger Park. It was found that 17% of interviewees were in the province for only a few days after being dropped off by overlanding companies and awaiting flights out of South Africa.

4.2) Key Features of International Backpacker Travel in Gauteng

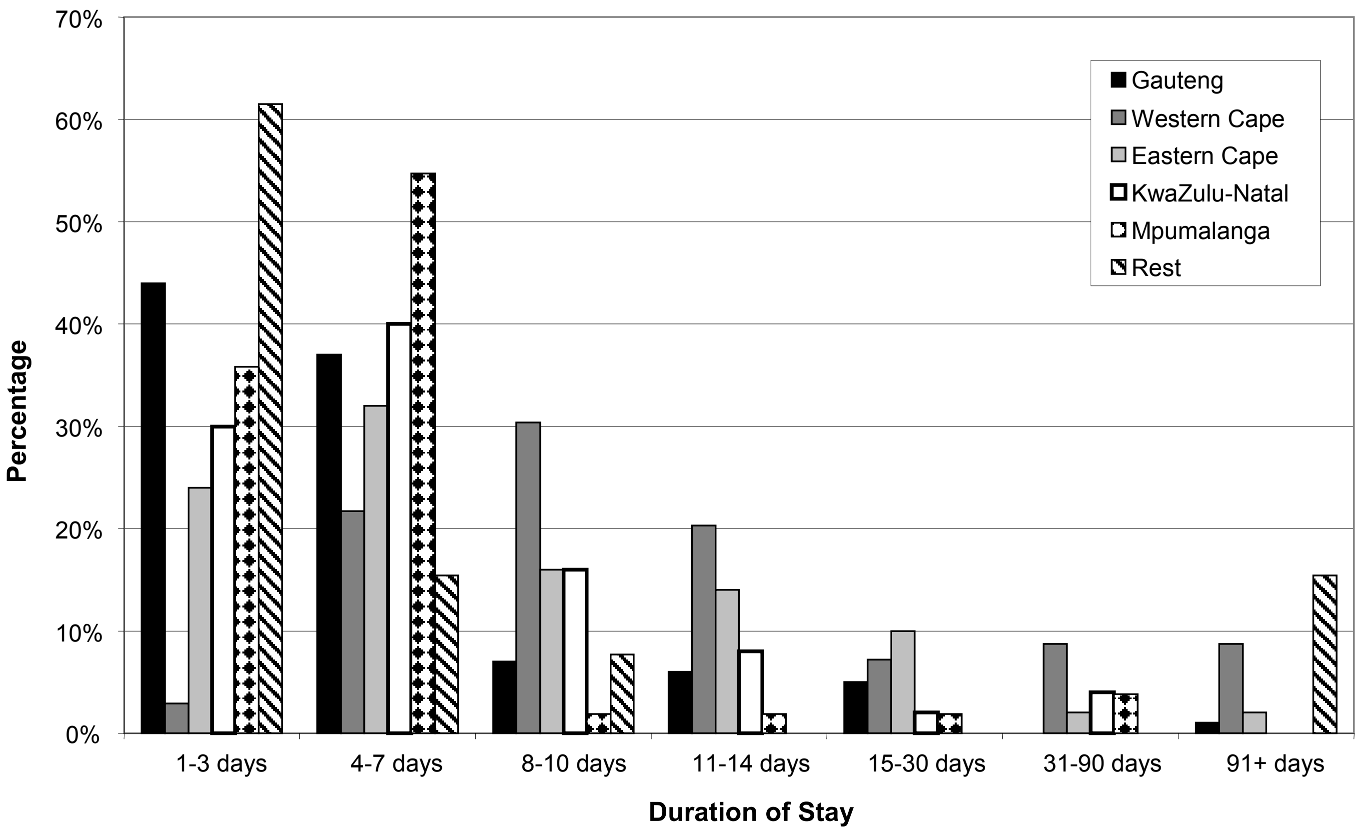
Planning of Backpacker Travel

As shown above, Gauteng forms the major point of entry into South Africa. Of those international backpackers who enter the country through O.R. Tambo International Airport, 42.6% do not arrive with planned travel itineraries nor do they have any accommodation booked for their first night in the country. Many of these respondents complained that there is no information available at the airport on backpacking and, when not touted by backpacker hostel shuttle staff, have resorted to flagging down backpacker-airport shuttle vehicles to find a place to stay for their first night in the country. Furthermore, for the vast majority of these backpackers the planning of their travels in South Africa is conducted at backpacker hostels in Gauteng upon arrival and with the assistance of guide books, the internet, and the recommendations of hostel staff and other travellers. The information on the South African backpacking experience available in Gauteng therefore plays an important role for many backpackers in the planning of travels throughout South Africa and in some cases southern Africa.

Length of Stay

The average length of stay for international backpackers in South Africa has been divided up according to province in Figure 4.5. The majority of backpackers [81%] stay in Gauteng for up to a week in total, with an average length of stay of 4.1 days. It was found that for 58% of the sample, Gauteng was both the point of entry to and exit from South Africa, and that for this portion of the sample, their stay in Gauteng was divided into two smaller visits of between 1 and 3 days each. The four provinces of the Free State, Northern Cape, North West and Limpopo show a similar short-stay pattern to that of Gauteng. Backpackers staying in these provinces stay for an average of only 2.4 days, with 61.5% of backpackers staying for less than 4 days [Figure 4.5]. A small number of the sample did, however, stay in the four mentioned provinces for 3 months or more, albeit this was due to volunteer placement and not for reasons of leisure tourist attraction and other typical backpacker touring motivations. The Northern Cape does, however, attract a small number of backpackers as an adventure destination for para-sailing and river rafting.

Figure 4.5: Durations of Stay by Province



For the Gauteng sample, the most popular backpacker destinations are the Western Cape, which averages 10.5 days per backpacker, followed by the Eastern

Cape with 7.6 days, KwaZulu-Natal averaging 5.6 days, and Mpumalanga with 4.8 backpacker days. As in the cases of the Free State, Northern Cape, North West and Limpopo, a small number of international backpackers are found to stay for extended periods in the more popular provinces.

With reference to the instances of extended stays in South Africa, it was found that such instances were for reasons other than typical backpacker travel. The main motivation is that of volunteer placement. Indeed, volunteers account for 12% of the international backpacker sample. It was found that 21% of the total sample stayed in South Africa for extended periods - mostly ranging between 3 and 6 months - for reasons of special purpose. Of these 21 international backpackers, 57.2% stated volunteer placements as the reason for extended stays in the country, 23.8% were in the country for academic study purposes, and a few instances are noted of backpackers attending English schools in Cape Town as well as a small number of backpackers working at backpacker hostels. It was observed that 70% of the total international sample would be interested in a Working Holiday Visa in South Africa. Of note is the limited number of extended stays in Gauteng as compared to the other provinces. This is due to the finding that there were no volunteer placements within the province and in fact the only instances of extended stays in Gauteng were for the purpose of academic study. It was also found that the small percentage of travellers in Gauteng [less than 5%] who were in Gauteng on business spent an average of 20 days in the province. Nevertheless, these tourists only spent a few nights in backpacker hostels towards the end of their time in Gauteng, choosing rather to stay in hotels and guest houses during the time in which they conducted business – preferring the higher standards and wider range of services available at these more 'upper-class' accommodation providers.

Activities in Gauteng

The most popular activities for backpackers in Gauteng [Table 4.2] are visiting Museums [mainly the Apartheid Museum] and taking Soweto tours - indeed, visits to Soweto and the Apartheid Museum are often offered within the same tour. The next most popular activity is night clubbing, however it was the opinion of approximately one-third of the relevant respondents, that the standards of night clubs in Johannesburg and Pretoria were below that of international levels – a criticism not reserved exclusively for Gauteng. Shopping was found to be the next most popular activity with only 11% of backpackers venturing out on shopping expeditions. Although a number of backpackers did eat out at restaurants near to the backpacker hostels they were staying at, they did not consider this an activity as there is no distinctive 'Gauteng food experience'. A very small percentage of backpackers were also found to have visited small game parks and the cheetah and wild dog breeding facility within the province.

Table 4.2: Popular Activities in Gauteng

Activity	Percentage of International Backpackers
Museums	54%
Township tours	52%
Night Clubbing	15%
Shopping	11%

As compared to the rest of South Africa, Gauteng rates as one of the least exciting provinces a backpacker can visit. Apart from 'experiencing' South African township life, and visiting exhibits of the country's political history, backpackers in Gauteng are far more limited in the scope of activities in which they can partake as compared to the coastal provinces of the Western Cape, Eastern Cape and KwaZulu-Natal. In addition, a smaller number of backpackers were recorded as visiting night clubs in Gauteng than across South Africa as a whole. This was found to be mainly due to the restricted movements of backpackers in the province and to the threat of crime.

As shown in Table 4.3, backpackers in these coastal provinces take part in a wide range of activities such as the adventure sports of surfing, abseiling, SCUBA diving, sea kayaking, bungee jumping, shark viewing and mountain biking, the more relaxed activities of game viewing, whale watching, hiking, horse riding, the wine tours of the Cape and visits to cultural villages, and of course the same urban activities as found in Gauteng, namely museums, township tours, night clubbing and shopping. The main attraction in Mpumalanga is the Kruger Park - indeed, the majority of time spent in the province by backpackers is spent touring this game reserve. Another popular activity within Mpumalanga is visits to cultural villages near the reserve, usually as part of the purchased Kruger Park tour package.

Table 4.3: Popular Backpacker Activities in South Africa

Activity	Proportion Participated	Hotspots
Visiting Natural Sites	59.4	All of South Africa but especially Cape Town, Drakensberg, Coastline, St Lucia, Wild Coast
Game Viewing/Safaris	50.7	Kruger Park, St Lucia, Addo
Museums	49.3	Johannesburg, Cape Town
Historical Sights	46.1	Cape Town
Night Clubbing	44.3	Cape Town, Durban Johannesburg, Garden Route
Township Tour	43.4	Johannesburg, Cape Town
Hiking	42.5	Drakensberg, St Lucia, Swaziland, Cape Town, Wild Coast, Garden Route, West Coast
Cultural Village	32.0	Wild Coast, KwaZulu-Natal, Near Kruger Park, Swaziland
Wine Tours	29.7	Cape Winelands
Mountain Biking	15.5	Cape Town, Oudtshoorn
Surfing	15.1	Wild Coast, KZN South Coast, Cape Town, Durban
Horse Riding	12.3	Lesotho, Cape Town, Wild Coast, Garden Route
Rafting/Kayaking	10.5	Garden Route, Wild Coast, KZN South Coast
Shark Viewing	10.1	Hermanus, Cape Town
Bungee Jumping	8.7	Storms Rivier
Whale watching	7.3	Hermanus, St Lucia

Source: Rogerson (2006c)

Spending Patterns

From the international experience and due to the very nature of backpacking, the amount of money spent by backpackers in a given location depends heavily on both the amount of time spent and the number of available activities in that location. Indeed, as outlined in Chapter 1, the budget conscious behaviour of backpackers – most evident in their choice of cheap accommodation and basic services – is self-imposed so as to extend their length of stay in order to see and experience more of their chosen destination and to take part in more activities. Recent research conducted on backpacking in South Africa demonstrates the accommodation component of backpackers total average spend in the country to represent only approximately 20% of the total (Rogerson, 2006c). This budget consciousness is in no way a sign of limited total expenditure, as international experience shows that backpackers' total expenditure is often significantly higher than that of other tourist types.

In total it was found that the average total expenditure for backpackers across the their whole trip in South Africa [excluding volunteer placement fees] came to R10,030 per trip – this figure closely resembles that of the R10,294 found in the ECI Africa national study (2006). At an average of R10,030 spent per backpacker in South Africa, with approximately 90,000 backpackers passing through South Africa each year (ECI Africa, 2006), the backpacker sector accounts for over R900 million of direct foreign spend per year. The average total expenditure for backpackers in Gauteng has been calculated to equal R1,360 per backpacker tourist. Table 4.4 provides both a breakdown of these totals in terms of accommodation, activities, transport, food, beverage and souvenirs and shopping, and a percentage comparison of budget allocation to each of the fore-mentioned expenditures. As evident in Table 4.4, a significantly higher proportion of funds are allocated by backpackers to accommodation, transport and food, and a lower proportion on activities and souvenirs and shopping when in Gauteng as compared to the national averages of fund allocation.

Table 4.4: Breakdown and Budget Allocation of Total Expenditures

	Nationally		Gauteng	
	Average Total Spend	Percentage of Total spend	Average Total Spend	Percentage of Total spend
Accommodation	R2 004	19.90%	R 350	25.70%
Activities	R2 569	25.60%	R 200	14.70%
Transport	R1 670	16.60%	R 320	23.50%
Food	R1 655	16.50%	R 320	23.50%
Beverage	R 861	8.70%	R 130	9.60%
Souvenirs and shopping	R1 271	12.70%	R 40	3.00%
Total	R10 030		R1 360	

Excludes volunteer placement fees

From the above total of R1,360 spent per backpacker in Gauteng, it has been found that the average daily spend of backpackers in the province is R332 per backpacker. This average daily spend is significantly lower than that of the average daily spend across South Africa as a whole. For the sample of international backpackers interviewed in Gauteng, an average daily spend [including volunteer placement fees as these placements include accommodation, food, transport and some activities] of R411 was found for their entire travels in South Africa, closely matching that found in recent studies (Rogerson, 2006c). It can be calculated from the average total trip expenditure figure of R13,395 [including volunteer placement fees] and the average length of stay of 33 days, that the average daily spend per backpacker across South Africa is R406. Utilising these figures of average daily spend, Table 4.5 illustrates the average total spend per backpacker by province.

Table 4.5: Average Length of Stay and Total Spend by Province

	Average Length of Stay (days)	Total Spend (Rands)
Gauteng	4.1	R1 360*
Western Cape	10.5	R4 315**
Eastern Cape	7.6	R3 123**
KwaZulu-Natal	5.6	R2 301**
Mpumalanga	4.8	R1 972**
Rest	2.4	R 986**

* Calculated using R332 Gauteng average daily spend
** Calculated using R411 national average daily spend

The coastal provinces of the Western Cape, Eastern Cape and KwaZulu-Natal, and the province of Mpumalanga demonstrate considerably higher overall backpacker spending. The higher level of spending in these provinces as compared to Gauteng can be attributed to a number of factors: first, is the longer duration of stay within these provinces [Table 4.5]; second is the lower level of backpacker activity and fewer numbers of tourist attractions in Gauteng; third, is the fact that for many backpackers, Gauteng is the end point of their travels in South Africa and therefore these backpackers spending capacities are reduced as they are near the end of their allocated spending budget; and last, are the effects of crime and the perceptions thereof on backpackers in Gauteng [discussed further in this Chapter].

Modes of Transport Used

Within Gauteng the most common forms of transport used by backpackers are hostel-operated airport and bus station shuttles, metered taxis and rental vehicles. As shown in Chapter 5, many backpacker hostels in Gauteng offer airport and bus station shuttles services. It was found that 56% of backpackers made use of these transfer services in Gauteng due to factors of convenience and cost [the average cost of such a transfer is R80 per head, with some hostels offering free transfers]. In total, 46% of respondents used metered taxis in the province, albeit many did complain about the high cost of utilising such transport. The main uses of this type of transport were for visiting museums, nightclubs and restaurants, with only a small number of backpackers using metered taxis to get to and from the airport or bus station due to the high cost of such journeys. It was found that 21% of backpackers used rental vehicles in Gauteng and throughout the country. It was also found that those renting vehicles were travelling in small groups of up to four backpackers, thus splitting the cost of the rental vehicle, which otherwise would have been unaffordable. Only a small number [less than 5%] of backpackers used mini bus taxis in Gauteng – a striking finding when compared to the 40% of backpackers using these taxis throughout the country as a whole. Concerns of crime and road safety were the most cited reasons for not using this mode of public transport in Gauteng.

With respect to the types of transport used by backpackers, not only in Gauteng but throughout the country, poor local public transport and the threat of crime associated with using mini bus taxis, and the cost of metered taxis, intercity bus services and domestic flights were stated as factors restricting the travel of backpackers. As a result many backpackers felt that backpacker travel in South Africa is somewhat geographically restricted and channelled through the 'Baz Bus' and overland companies.

4.3) Crime, Safety and Other Backpacker Concerns in Gauteng,

Concerns over safety and crime have been shown to have a negative impact on the backpacking sector of South Africa as a whole (Rogerson, 2006c; ECI Africa, 2006). Within Gauteng, however, the effects of crime and tourist safety concerns are found to be especially debilitating. The very nature of the global backpacking phenomenon shows backpackers to be eager to meet locals and experience local lifestyles, and confident within their movements in and around urban, rural and marginal environments. Concerns of crime and safety in Gauteng have, however, significantly affected the levels of backpacker tourist comfort and confidence in 'experiencing' Gauteng. In turn, backpacker travel, spending and activity, and social interaction within the province are severely limited.

Of the sample of 100 international backpackers, 49% felt that crime in South Africa is a major disadvantage to the country's backpacking industry; 82% stated they had a higher level of safety awareness in South Africa as compared to previous travels in other backpacking destinations – particularly in South Africa's major cities, with Johannesburg being the worst followed by Durban, Cape Town and Port Elizabeth; and 60% felt somewhat afraid and therefore were more cautious of locals. These feelings were cited as being especially strong when travelling in Gauteng. It was found that for 67 of the 76 backpackers who have previous backpacking experience outside of South Africa, their actions in Gauteng differed from how they normally experience a backpacking destination due to safety and crime concerns. Table 4.6 lists the common responses as to how backpacker actions differ under these circumstances

Table 4.6: Backpacker Actions Due to Crime in Gauteng

"Can't walk around, especially alone"
"Don't go out at night"
"Avoid city centres"
"Don't carry any valuables, even cameras"
"Don't carry credit cards of large amounts of money"
"Restricted movement"
"Can't explore the city like in many other countries"
"Locked up at backpackers"
"Channelled like a package tour"
"Restricted interaction with locals"
"Travel through arranged channels"
"Feel the tension, see the fences"
"Can't truly be an independent traveller"
"Can't use public transport"

Indeed, as illustrated by the above responses, the level to which backpackers move around Gauteng, experience life in the province and interact with locals is restricted. Backpackers, in general, do not feel safe in Gauteng: they are warned through backpacking guide books, backpacker product supplier websites and staff, and by other locals they meet that it is not safe to freely wander and explore cities in Gauteng, to use public transport nor to trust strangers on the street. Backpackers therefore spend more time 'locked up' in hostels, especially at night, their only way of experiencing the province is through organised tours and paying exorbitant fees for metered taxi trips to places which they have been told are relatively safe. Such means of experiencing a destination are counter to the very principles of backpacking, and are more akin to the channelled experiences such as those offered in mass package tours.

In terms of actually experiencing crime in South Africa, it was found that 15% of the international backpackers interviewed had experienced crime in the country. Crimes experienced included petty theft [often at hostels], muggings, pick pocketing, ATM scams and car break-ins. In addition, there was one case of attempted rape, which was thwarted by a group of locals who witnessed the incident. The highest number of such instances occurred in Cape Town, there were limited occurrences in Durban and PE, and only two instances were reported in Gauteng, both occurring in Johannesburg. Such a low number of reported crimes against backpackers in Gauteng is somewhat surprising considering that the threat of crime against backpackers is more acute in the province than throughout the rest of South Africa. However, it is due to this very awareness and, in some cases, fear of crime in Gauteng, that the vast majority of backpackers restrict their movements and behaviour so as to avoid becoming a victim. Indeed, a number of interviewees felt that backpacker hostels in Gauteng should at least have self-catering facilities if not a simple restaurant, so that guests would not have to either chance becoming a victim of crime by walking to nearby restaurants or pay large sums of money for metered taxis.

4.4) The Domestic Backpacker in Gauteng

As found within the international backpacker sample, the domestic backpacker in Gauteng tends to be highly educated. Indeed it was found that all the domestic backpackers interviewed possess tertiary qualifications. The average age of the domestic market is slightly older [30 years old] than that of the international backpacker sample, with the majority of interviewees in their early thirties. There was, however, a lack of 'older' [over 36 years of age] domestic backpackers within the sample, yet not due to any bias in sampling.

As with the national finding (Rogerson, 2006c); business was the dominating motivational factor for domestic travellers staying in backpacker accommodation in Gauteng, indeed, a number of interviewees were staff of overlanding and tour companies staying with their tour group. Apart from these few who were using company vehicles, the rest of the sample generally had their own private vehicles. Only a small number of respondents were travelling in Gauteng for holiday and leisure purposes. The main reasons given by domestic backpackers for choosing backpacker accommodation were the low rates and the non-formal sociable environment where they could meet new people from different places and backgrounds.

It was found that South African backpackers had no preference as to which time of year they utilise backpacker accommodation, nor did they exhibit any geographic preference for the use of such facilities. However, it was evident that South Africa's major cities, especially Johannesburg, were favoured by domestic backpackers travelling on business purposes, yet this preference is a matter more of economics than choice, and does not illustrate any personal preference. Whilst travelling through the popular backpacker 'hotspots' in South Africa, such as Cape Town, the Garden Route and KwaZulu-Natal, domestic backpackers tend to take part in the same activities as their international counterparts. Nevertheless, in Gauteng, the domestic backpacker does not take township tours nor visit museums - instead, socialising with international backpackers, nightclubbing and shopping are the activities of choice for the domestic backpacker in Gauteng.

Due to the limited sample size, the average length of stay for domestic backpackers in Gauteng cannot be accurately calculated. Nevertheless, it is evident that the domestic market tends to spend a longer amount of time in the province than the international backpacker market, especially when travelling for non-backpacking related business purposes. It is observed that those travelling on backpacker related business [such as tour guides] demonstrate a significantly shorter duration of stay. The spending patterns of domestic backpackers in Gauteng were also found to be highly inconsistent. This is because those travelling on backpacker related business tend not to pay for accommodation, whereas the small number of holiday and leisure purpose domestic backpackers often spend much of their time in the province staying with family and friends. One individual had been backpacking throughout South Africa for over three years and at the time of the interview was working as a chef at the backpacker hostel he was staying at. Another male backpacker who runs his own online business from his laptop had also been travelling around South Africa for an extended period, having stayed at backpackers in Gauteng on many occasions during this time.

With regards to any difficulties experienced by domestic backpackers upon booking or checking into backpacker hostels in South Africa, some clear discrimination against over half the sample was cited. Common examples include lost bookings, or claims that the hostel is full when it was plain to see that it was not, and one man travelling on business was even told to "f…ck off, we don't serve locals". Yet such discrimination is more prominent in the coastal provinces of South Africa than in Gauteng. This tendency could possibly be due the more business oriented nature of domestic backpacker travel in the province.

From the demand side survey of the backpacking sector of Gauteng, a number of key findings are evident. In terms of the demographic profile of backpackers visiting Gauteng, no significant variance was found between these travellers and the profile of backpackers travelling throughout the country. It was found that the main motivations for visiting the province are the use of Gauteng as a point of entry and/or exit from South Africa, and as a gateway to and from southern Africa. It was found that the tourist activities of township and museum tours were not highly significant factors in attracting backpackers to the province. Nevertheless, Soweto and museum tours are the key activities which backpackers take part in whilst in Gauteng. These tourism products are therefore to be considered more as activities for backpackers already spending time in the province rather than reasons for their visit. The average length of stay for backpackers in Gauteng was found to be considerably less that that of the coastal provinces of the Western Cape, Eastern Cape and KwaZulu-Natal. A similar trend was identified for the average provincial expenditures of backpackers in South Africa. These two findings correlate with four other findings of the backpacker consumer survey:

- Backpackers in Gauteng are often at the conclusion of their South African and/or southern African travels and are therefore limited by end-of-trip budget constraints;
- There are comparatively fewer backpacker activities in Gauteng as compared to the more popular coastal provinces;
- Backpackers in Gauteng are less likely to use public transport due to safety concerns, and therefore limit their use of the more expensive metered taxi services available;
- The effects of crime and the perception thereof have been shown to greatly hamper the movements and spending potential of backpackers in Gauteng.

With reference to the domestic backpacker in Gauteng, the small size of the sample means that no decisive conclusions could be drawn, albeit a number of trends have been identified. Business is a significant motivation for much domestic backpacker travel within the province. The length of stay for these business motivated domestic backpackers was found to be significantly longer than that of international backpackers. It was also found that the levels of discrimination experienced by domestic backpackers travelling in South Africa are lower in Gauteng than in the more popular coastal province – this may be due to the predominantly business oriented nature of domestic backpacking witnessed in Gauteng.

The above statements and points provide a brief summary of the findings of the backpacker consumer survey of Gauteng. In Chapter 5, the focus turns to the supply-side of the backpacking economy and to a presentation of the findings of the backpacker enterprise survey of Gauteng.

Chapter 5

Results of the Gauteng Backpacker Enterprise Survey

In this Chapter the results of the Gauteng backpacker enterprise survey component of this research are presented. The aims of the backpacking enterprise survey are first, to establish a profile of the enterprises and the entrepreneurs; second, to investigate employment and job creation within the sector, paying special attention to any awareness of and compliance with the Tourism BEE Charter (DEAT, 2004); third, to establish business performance and investment trends, as well as future prospects; and last, to examine the extent and effectiveness of linkages with associations and other travel related enterprises, as well as the respondents' attitudes towards government support or lack thereof.

For analytical reasons Gauteng is divided into four distinct regions – Johannesburg, Pretoria, the areas surrounding O.R. Tambo International Airport, and Soweto. Within the backpacking product provision sector of Gauteng, three separate segments have been identified – the backpacker accommodation segment, the backpacker-specific travel and tour segment, and the supplementary general tourism activity sector with linkages to the backpacker sector of Gauteng. The second section of this Chapter deals with the backpacker accommodation segment of Gauteng, the core backpacker sector of the province. The third section presents the results of the backpacker-specific travel and tour enterprise survey, and the last section provides a brief overview of the supplementary tourism enterprises with linkages to the backpacker sector of Gauteng as well as an account of the nature of these linkages.

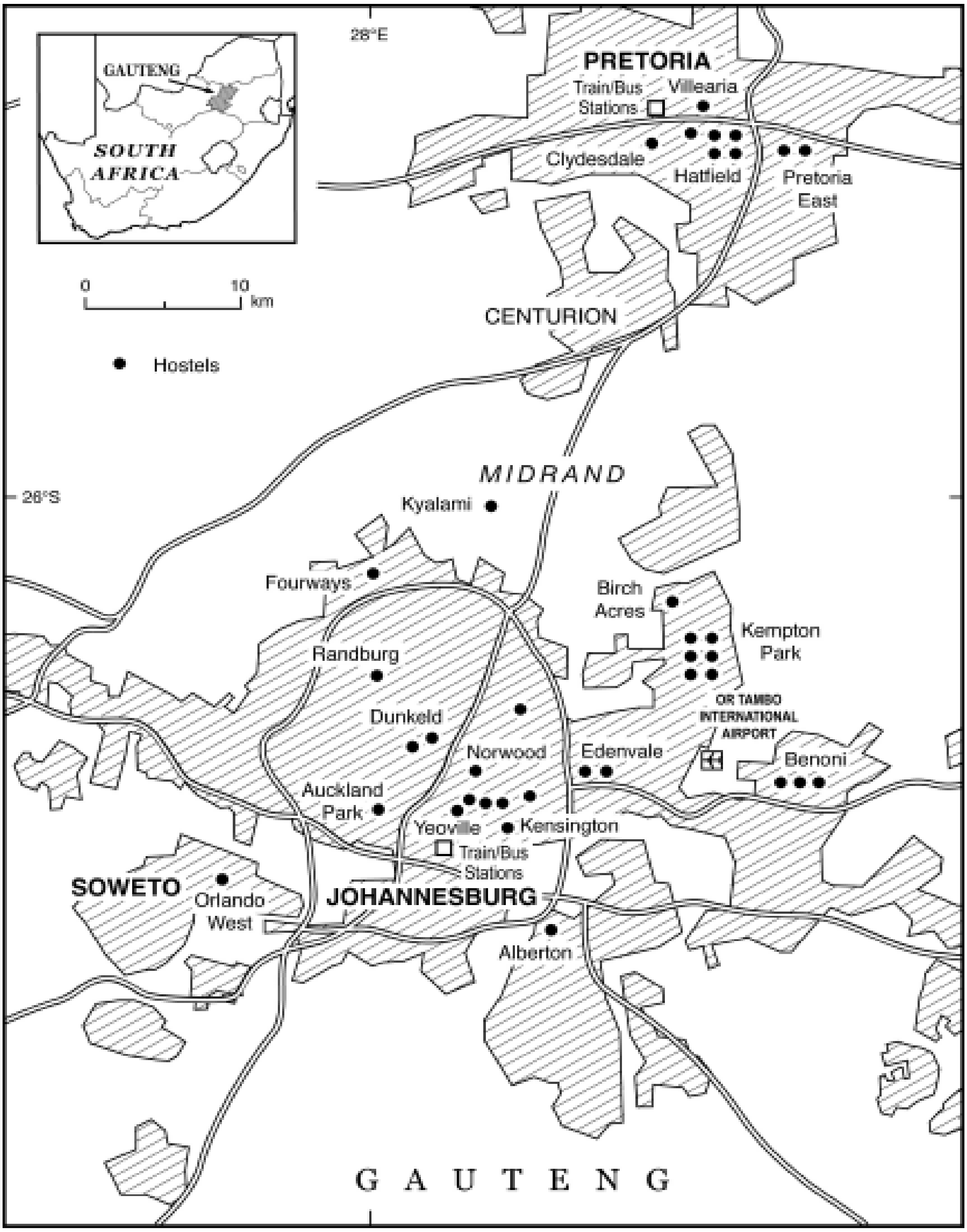
5.1) The Enterprise Sample

Through an analysis of industry sources a total of 47 backpacker-specific product providers have been found to exist throughout Gauteng. Of this total, 79% [37] of these enterprises represent the backpacker accommodation segment. The remainder of the sector is comprised of backpacker travel and tour enterprises. A sample of approximately 50% [18 establishments] was non-randomly selected to represent the geographical distribution of the backpacker accommodation segment of Gauteng. During the initial 'head-count' of backpacker enterprises in the province, it became evident that a substantial number of backpacker accommodation providers have closed their operations over the last few years. A further four interviews were conducted with former backpacker hostel owners as to their reasons for withdrawing from the industry.

A total of 10 backpacker-specific travel and tour companies are situated in Gauteng. The operations of many of these companies are not restricted only to within the province, indeed, many of these enterprises function throughout southern Africa. The sample size for this segment varies from 40% to 60% because only 4 of the 10 backpacker-specific travel and tour enterprises were interviewed; however these 4 interviews are supplemented by the responses of 2 backpacker hostel owners which form part of the backpacker accommodation enterprise survey – this is due to these respondents being unable to separate the operation of their in-house travel and tour companies from that of their backpacker hostels. Backpacker travel and touring is not simply restricted to the use of backpacker-specific travel and tour operators. There are, indeed, a number of general tourism tour operators - mostly small Black-owned businesses operating within the province - from which many backpacker accommodation providers outsource the popular activities of Soweto and museum tours, as well as a limited number of guest transfers. These operators are not heavily reliant on the backpacking sector and therefore are not to be considered a core component of the backpacker service industry. As only a limited number of these enterprises were found to have linkages to the backpacker sector, only three such enterprises were included in the surveyed sample. Moreover, as found by Rogerson (2006c), the adventure activity sector of South Africa draws only a small percentage of business from the backpacking industry. An indication of the fact that Gauteng is not an adventure activity destination for backpackers in South Africa, is that only one adventure sport operator was identified to operate within the province, and this enterprise was included in the sample.

5.2) **The Backpacker Accommodation Segment of Gauteng**

Figure 5.1: The Geographical Distribution of the Backpacker Accommodation Segment of Gauteng



Using a number of industry sources, such as backpacker guide books, online backpacker information and booking websites, as well as the Gauteng and South African Tourism websites, it was established that in November 2006 there were 37 backpacker accommodation enterprises in Gauteng: 13 of these are to be found in Johannesburg; 14 near O.R. Tambo International Airport and in the surrounding areas; 9 in Pretoria; and 1 in Soweto. As shown in Figure 5.1, over one-third of backpacker accommodation providers are clustered in the areas surrounding the airport; within Johannesburg, a further agglomeration is witnessed on the eastern side of the city, closest to the airport; and in Pretoria, there is a definite clustering of backpacker hostels in and around the popular night clubbing and education district of Hatfield.

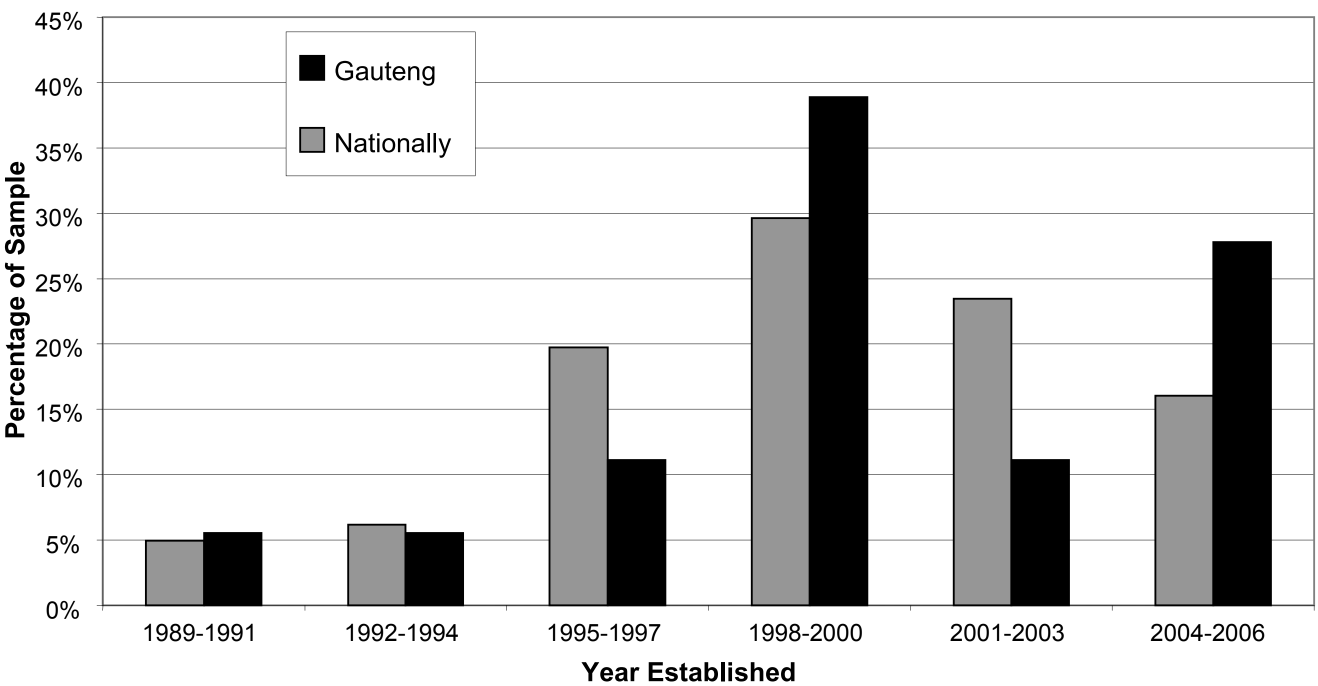
Through the interviews with backpacker hostel owners it is evident that there exist more than the identified 37 backpacker accommodation enterprises in Gauteng. However, these additional establishments have remained unaccounted for as they have no presence within the active backpacking marketing and association channels, and are often known to operate without business rights. Indeed, some respondents have referred to these enterprises as 'fly-by-nights' which subsist on the touting of international backpackers from the airport. Furthermore, these 'fly-by-night' enterprises are viewed within the backpacker accommodation segment as a hindrance to the backpacking sector as they do not adhere to government health and safety regulations nor do they participate in any attempts to improve and further develop the industry. It is unclear as to how many of such 'illegal' enterprises are in existence as they operate within the informal sector of the backpacker accommodation segment in Gauteng.

5.2.1) A Profile of the Enterprises and Entrepreneurs

Emergence and Growth of the Backpacker Accommodation Segment

Figure 5.2 illustrates the growth of the backpacker accommodation segment both in Gauteng and nationally. The growth of the backpacker accommodation segment in Gauteng has followed a similar overall trajectory to that experienced nationally. Nevertheless, Gauteng does show a somewhat late period of rapid growth as compared to the national experience – even though both Gauteng and South Africa as a whole witness a period of rapid growth following the 1994 democratic elections, Gauteng sees a major spike in the number of backpacker accommodation enterprises starting up from 1998 to 2000. This lag in growth can be attributed to entrepreneurs in the province capitalising on the influx of backpacker tourists entering South Africa through the province's international airport, which only became apparent in the years following 1994. During the period 2000-2004 the backpacker accommodation segment of Gauteng witnessed a considerable decrease in the number of backpacker hostels opening. A similar trend is witnessed nationally, yet not to the same degree. One possible explanation may be an over-saturation of the market at this stage. The period 2004-2006 witnesses a second spike in the number of backpacker hostels starting up in the province. Over the last five years backpacker hostel owners have recorded a positive and optimistic growth in occupancies and profits, triggering another growth spurt in the segment. The announcement in 2006 of South Africa as the 2010 FIFA World Cup host country may also be responsible for the increased number of new backpacker hostels which have been established during 2006 in Gauteng.

Figure 5.2: Growth of the Backpacker Accommodation Segment



Source of national segment growth data: Rogerson (2006c)

The Size of the Backpacker Accommodation Segment

In terms of entry level and running costs, cash flow, occupancies and employment, backpacker accommodation enterprises can be classified as SMMEs in tourism. By its very nature the backpacking sector represents and services a form of budget tourism, and therefore enterprises within the sector [especially within the accommodation segment] do not deal in large amounts of money. Furthermore, due to the simple needs of the market, start up and running costs as well as the required manpower are relatively low. In terms of guest capacity, it was found that the average maximum capacity of backpacker hostels in Gauteng is 33.3 beds.

Figure 5.3: Guest Capacities of Backpacker Hostels in Gauteng by Region

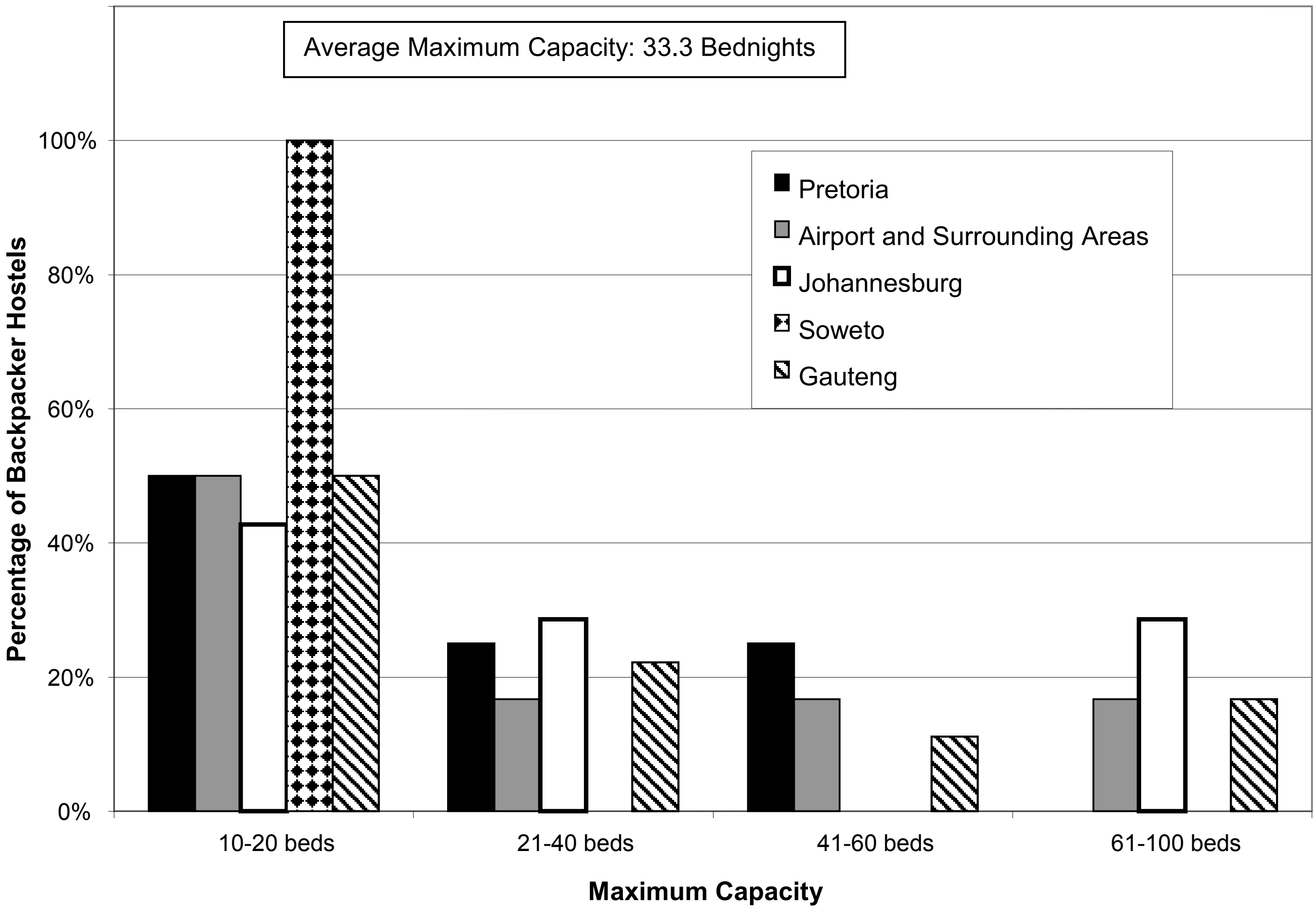


Figure 5.3 shows the maximum guest capacities of backpacker hostels by region in Gauteng. In Soweto there is only one small backpacker hostel

sleeping under 20 guests. As for Pretoria, the areas surrounding the airport and Johannesburg, between 40 and 50 percent of backpacker hostels in each of these regions are small in size, accommodating between 10 and 20 guests each. One-third of backpacker hostels in Gauteng could be considered medium sized hostels, with guest capacities ranging between 21 and 60 beds. It is only in Johannesburg and especially in the suburb of Kensington near the airport that large backpacker hostels, catering for between 61 and 100 backpackers per night, can be found.

Regionally, Johannesburg shows the highest average guest capacity with 39.4 bednights available per enterprise. The region surrounding the airport shows an average of 33.5 bednights, and Pretoria demonstrates an average of 28 bednights. A 'new-comer' to the backpacking market, Soweto – with only one backpacker hostel - sleeps an average of 11 guests per night. Working on these averages it can be calculated that there are at least 252 backpacker bednights available in Pretoria, 469 bednights in the areas surrounding the airport, 512 available backpacker bednights in Johannesburg, and 11 bednights available in Soweto - making the total number of backpacker bednights available in Gauteng over 1,240. In total, it was further found that the average annual occupancy level across the province is 55.8%. Utilising these figures and an average length of stay of 4.1 days per backpacker in Gauteng [Chapter 4.2], it can be calculated that currently, at least 62,000 international tourists stay at backpacker hostels in Gauteng each year.

Guest Profile

Table 5.1 illustrates the percentage of international and domestic backpackers frequenting backpacker hostels in Gauteng. Overall it was found that 82% of visitors staying in backpacker accommodation across Gauteng are foreign tourists. The figure of 18% domestic backpackers corresponds with the national estimate of between 15 and 20 percent as found in the recent national backpacking survey (Rogerson, 2006c). Regionally, however, there is a degree of variation in the international:domestic ratio of visitors – Pretoria and Soweto show a significantly higher percentage of domestic backpackers than found in Johannesburg and the areas surrounding the provinces international airport. Indeed, proximity to the airport is the major determining factor in Johannesburg and the airport's surrounding areas showing a greater domination of international backpackers.

Table 5.1: International and Domestic Percentages of Backpacker Hostel Guests

	International Backpackers	Domestic Backpackers
Pretoria	60%	40%
Airport and Surrounding Areas	88%	12%
Johannesburg	90%	10%
Soweto	70%	30%
Gauteng	**82%**	**18%**

It must, however, be noted that there is a discrepancy between the figure of 6.5% found for domestic backpackers in Gauteng within the consumer survey, and the above figure of 18% domestic backpackers as ascertained from interviews with the owners of backpacker hostels across the province. The cause of this inconsistency lies in the seasonality experienced by the backpacking industry [as discussed later in this Chapter]. It was found that many backpacker hostels in the province target the domestic market during months when international backpacker numbers are down. The targeting of the domestic market was found to apply mainly to school groups and universities. Since schools groups usually travel only during the teaching terms and university students tend to choose to travel to the coast rather than stay in Gauteng over the academic holidays, it is not surprising that fewer domestic backpackers were encountered in the consumer survey considering that the majority of the consumer intercept interviews were conducted during the November to February period.

Concerning the lengths of stay for all backpackers in Gauteng, Table 5.2 illustrates the average lengths of stays as experienced by backpacker hostels, both regionally and across Gauteng as a whole. It was found that the average length of stay for travellers at each backpacker hostel sampled across the whole province is 2.8 bednights. This figure corresponds with the consumer survey finding that the 4.1 day average length of stay in the province is usually split between two different backpacker hostels for those international backpackers beginning and ending their South African travels in Gauteng.

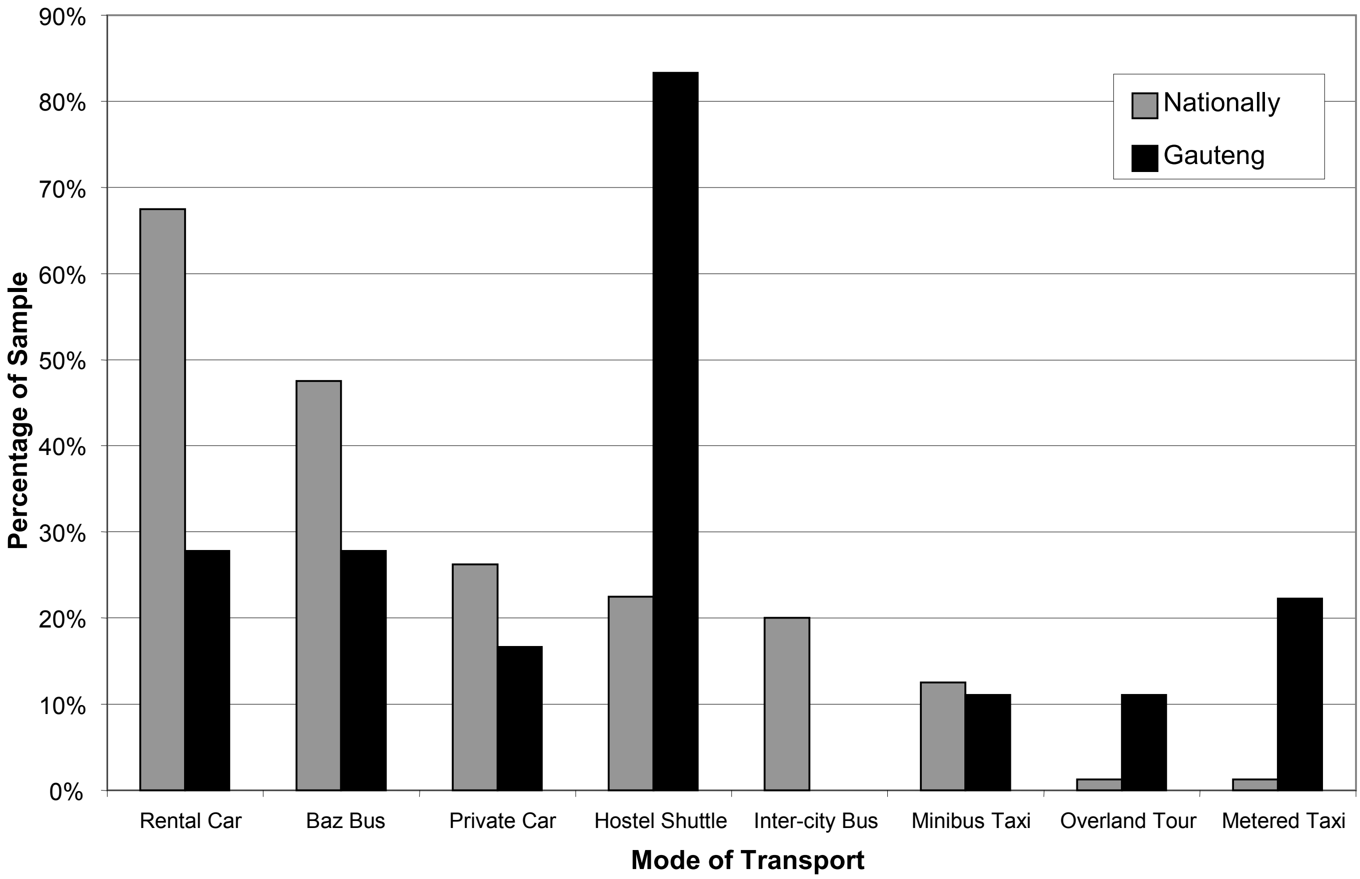
Table 5.2: Average Lengths of Stay in Backpacker Hostels in Gauteng and Regionally

	Average Length of Stay (bednights)
Pretoria	2.6
Airport and Surrounding Areas	2.2
Johannesburg	3.8
Soweto	1.5
Gauteng	**2.8**

Regionally, backpacker hostels in Johannesburg show a higher average length of stay of 3.8 nights, and the one backpacker hostel in Soweto experiences an average length of stay of 1.5 nights. Having only one backpacker accommodation provider, and considering the recent development of 'township sleepovers' within the tourism industry, it can be inferred that backpacker stays in Soweto should be considered more of an activity than primary form of backpacker accommodation - hence the shorter lengths of stay experienced in the township. With reference to the significantly longer average length of stay witnessed for the backpacker accommodation segment of Johannesburg, the city itself is more well-known among international tourists than other parts of Gauteng. Other contributing factors to Johannesburg's longer length of backpacker stay include the tourist district of Newtown, the Apartheid Museum, as well as the city's proximity to Soweto. It was shown that over half of the international backpacker consumer sample has been on Soweto tours.

Investigation into the modes of transport by which backpackers arrive at backpacker hostels in Gauteng yielded further confirmation of the role of the province as the major entry and departure point for backpackers travelling in South Africa. Figure 5.4 shows the modes of transport used by backpackers in getting to backpacker hostels both nationally and in Gauteng as provided by the backpacker hostel owners. The most significant difference is evident in use of airport-hostel and/or train and bus station-hostel shuttle services, which the vast majority of backpacker hostels offer at a highly competitive rate - only 22% of backpacker hostel owners rated this service as a major means of guest arrival nationally, whereas this service was highly rated by 83% of hostel owners in Gauteng. Similarly, the significantly higher incidence of overland tour vehicles being rated as a major source of guest arrival reinforces the secondary role of Gauteng as the key starting and/or concluding point for overland tours through the country and throughout southern Africa. The higher rating of metered taxis by hostel owners in Gauteng as compared to the national trend illustrates the limited means of intra-city transport that backpackers are willing to use, mostly due to safety considerations [Chapter 4.3]. At the other end of the scale, the use of rental vehicles and the 'Baz Bus' are given considerably lower ratings by hostel owners in Gauteng than nationally. The fact that Gauteng is the major starting and ending point for international backpackers in South Africa confirms this trend.

Figure 5.4: Significant Modes of Transport Accounting for Guest Arrivals



Source of national data: Rogerson (2006c)

Note: percentages add up to over 100% as most respondents rated more than one mode of transport as significant in guest arrivals

Registration as a Backpacker Accommodation Provider

It was found that only 56% of the enterprises interviewed are registered with local and provincial authorities as backpacker accommodation providers. Three enterprises are registered as guest houses because at the time of registration, the backpacker accommodation category was not recognised. One of these enterprises has, however, now re-registered with Tshwane Tourism Association [TTA] as a backpacker hostel since recent recognition of the backpacker accommodation segment by TTA. Another backpacker accommodation enterprise operates from an agricultural holding and therefore does not require business rights and is thus not registered.

Apart from the past difficulty in registering a backpacker hostel due to a lack of recognition, the main problems encountered by backpacker hostel owners in registration include both the amount of red tape involved and the costs endured. Indeed, many respondents complained about the complexity and time involved in obtaining business rights, as well as attaining liquor licenses. Many backpacker owners are actively involved in the running of their businesses and cannot spare the time or the money, especially during the 'weaning' period of their enterprises. One entrepreneur who is currently in the process of business registration resorted to hiring a consultant to handle the matter of registration due to the amount of red tape and lack of available time. Considering the above factors, it is not surprising to record that 22% of the sample is currently not registered at all.

Ownership Structure

It was found that 50% of the sampled backpacker accommodation enterprises are owned by individual entrepreneurs, 33% by families, and the remaining 17% are owned by groups of non-related individuals; the average size of these groups is 2-3 people. Half of the family owned enterprises are owned by married couples, a third by mother and son teams, and one enterprise is owned and operated by a family of four. Across all ownership structures the gender spread was found to favour men, with 62.5% of owners being male. Of the enterprises owned by one individual, the gender trend is more uneven, with only 12.5% of such backpacker hostels being owned by women.

In terms of the nationality of backpacker hostel owners, it was found that 72% of the sampled enterprises are owned by South African born individuals, families or groups; 22% are exclusively owned by foreigners [mostly British born, with the exceptions of one Irish male and a group of White Zambian men]; and one enterprise is owned by a foreign woman and her South African born son.

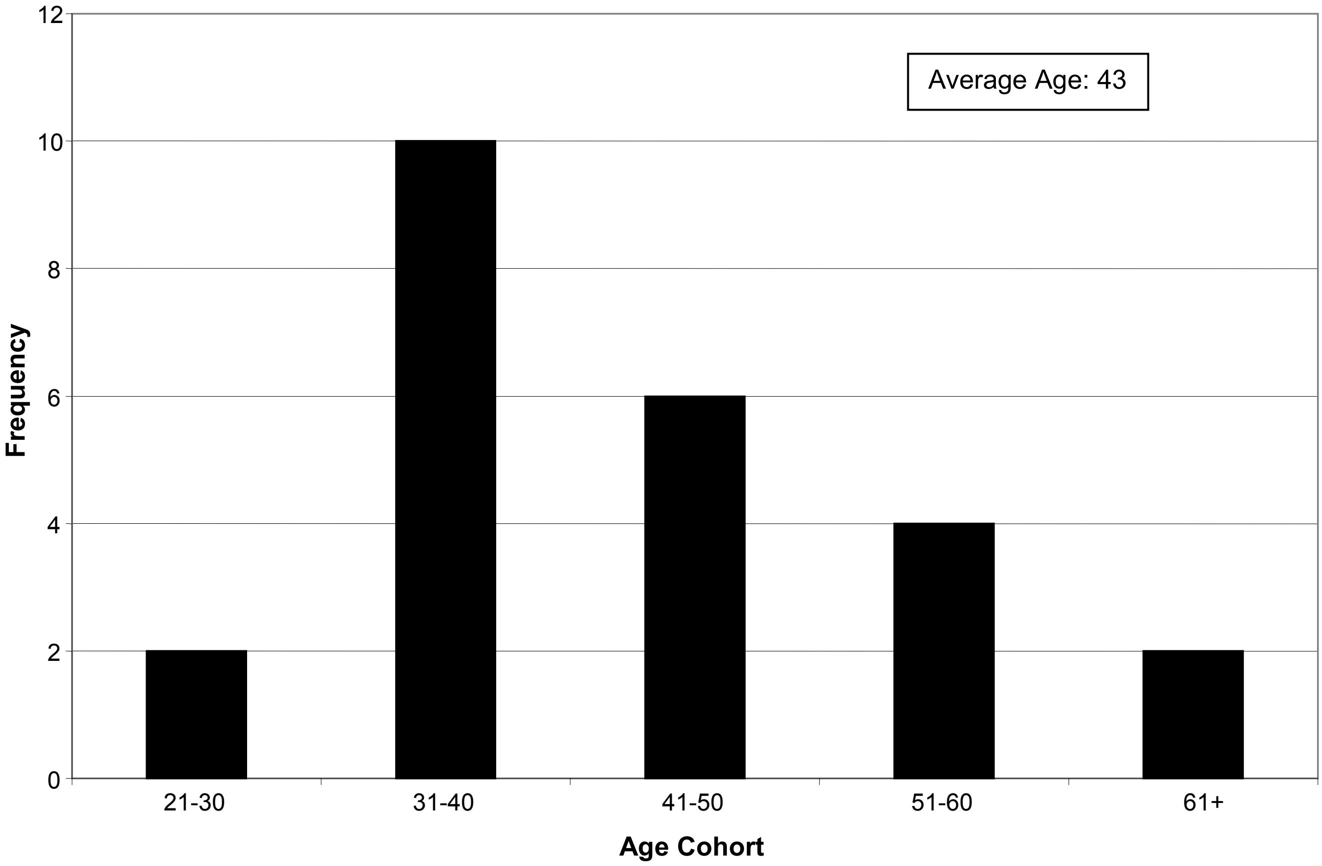
It was found that for 78% of the sampled enterprises at least one owner is actively involved in the everyday running of the business. In 50% of the enterprises interviewed, all the owners are actively involved in the day-to-day running of the businesses. For 22% of the sample it was found that only one family member - the woman in all cases - runs the business, and in one case, two of the three Zambian owners are actively involved in the day-to-day running of the enterprise, whilst the third runs another backpacker belonging to the same group in Durban. It was found that 22% of owners are not actively involved in the day-to-day running of their enterprises.

For many of the owners interviewed, participation in the backpacking sector is not simply limited to the ownership and operation of the individual enterprises in question. Indeed, half of the enterprises in the backpacker accommodation sample form only one part of a wider involvement in the backpacking and tourism industries of South Africa. It was found that one-third of owners and partnerships own and operate other backpacker related businesses - four entrepreneurs own and operate backpacker tour companies; one owns another backpacker in Gauteng; one owns an Africa-wide backpacking booking centre; and, one owns another backpacker hostel in Durban and a backpacker travel centre. It was found that the linked tour companies, booking service and travel centre are run from the backpacker hostel premises. Further, it was disclosed that two of the sampled enterprise owners also own and operate other tourism businesses - one owns a guest house and the other a light airplane charter.

Age and Motivational Profile

Figure 5.5 illustrates the age distribution of backpacker owners. The average age of backpacker hostel owners in Gauteng is 43 years. Very few owners under the age of 31 were found; over 40% of owners are aged between 31 and 40 years; a quarter of owners are between 41 and 50 years old; and, the remaining quarter was found to be over the age of 50 years.

Figure 5.5: Age Distribution of Backpacker Accommodation Owners



As found by Visser *et al* (2003) and in the more recent national backpacking survey (Rogerson, 2006c), the majority of backpacker hostel owners in Gauteng could be considered opportunistic entrepreneurs. Many backpacker owners claim to have taken advantage of a gap in the market or wanted to generate income from an already owned property. For those owners who are actively involved in the day-to-day running of their backpacker hostels, a choice in lifestyle and passion for people are important motivations for entering the backpacker accommodation segment. It was also found that 17% of backpacker hostel owners have previous experience in the tourism and hospitality industries, and that for three of the sampled eighteen backpacker accommodation enterprises, the low entry and running costs associated with the sector were stated as lending the industry a significant attraction. In the case of the only backpacker accommodation available in Soweto – Lebo's Backpackers – a further example of opportunistic entrepreneurship is found. As a former seller of African crafts in Soweto, Lebo noticed the increasing number of backpackers taking tours through Soweto, eating, drinking and buying crafts. He also took note of the fact that many of these backpackers said they would like to spend a night in the township. Another noteworthy case exists of a woman who recently funded the establishment of a backpacker hostel in Yeoville for the purpose of creating employment in the area and developing skills in the tourism industry.

In terms of previous occupations prior to entering the backpacking sector, the only significant finding is that three of the sampled enterprises are owned and operated by individuals with previous work experience in the tourism and hospitality industries. Apart from this finding, no other trends were evident with previous employment ranging from police service and sales to book keeping and IT. Nevertheless, not all of those interviewed left previous employment to enter the backpacker tourism sector. One-third of the accommodation enterprises' owners currently are involved in other forms of work ranging from plastics and advertising to diamonds. Indeed, one entrepreneur was noted as stating, "one cannot make a living from owning a backpacker hostel in Gauteng".

5.2.2) Employment, Job Creation and the Tourism BEE Charter

Employment Figures

The average number of employees per backpacker hostel in Gauteng was found to be 5.9 staff members, including part-time employment. This figure differs slightly to that found for the province in the recent national survey

(Rogerson, 2006c). This discrepancy can be attributed to the small number of backpacker hostels sampled from Gauteng for the national survey. It was found that the average number of full-time employees per backpacker hostel in Gauteng is 5.3 employees, and that 61% of the backpacker accommodation sample regularly takes on an average of 1.7 part-time employees. Significantly, only one respondent reported a seasonal variation in employment, the remainder reported inconsistent patterns of part-time employment. It was found that only three of the sample of eighteen backpacker hostels do not employ any full-time staff - of these, two enterprises subsist solely on part-time employment, and one is completely family owned and operated. From these average figures for full-time and part-time employment it can be calculated that the backpacker accommodation segment accounts for at least 196 full-time jobs and 38 part-time positions in Gauteng. It must, however, be noted that a small percentage of the overall employment figures is made up of backpacker travel and tour segment employees as two of the sampled enterprises could not separate the operation of their in-house tour facilities from that of the accommodation segment in question.

Table 5.3: Average Number of Employees per Backpacker Hostel

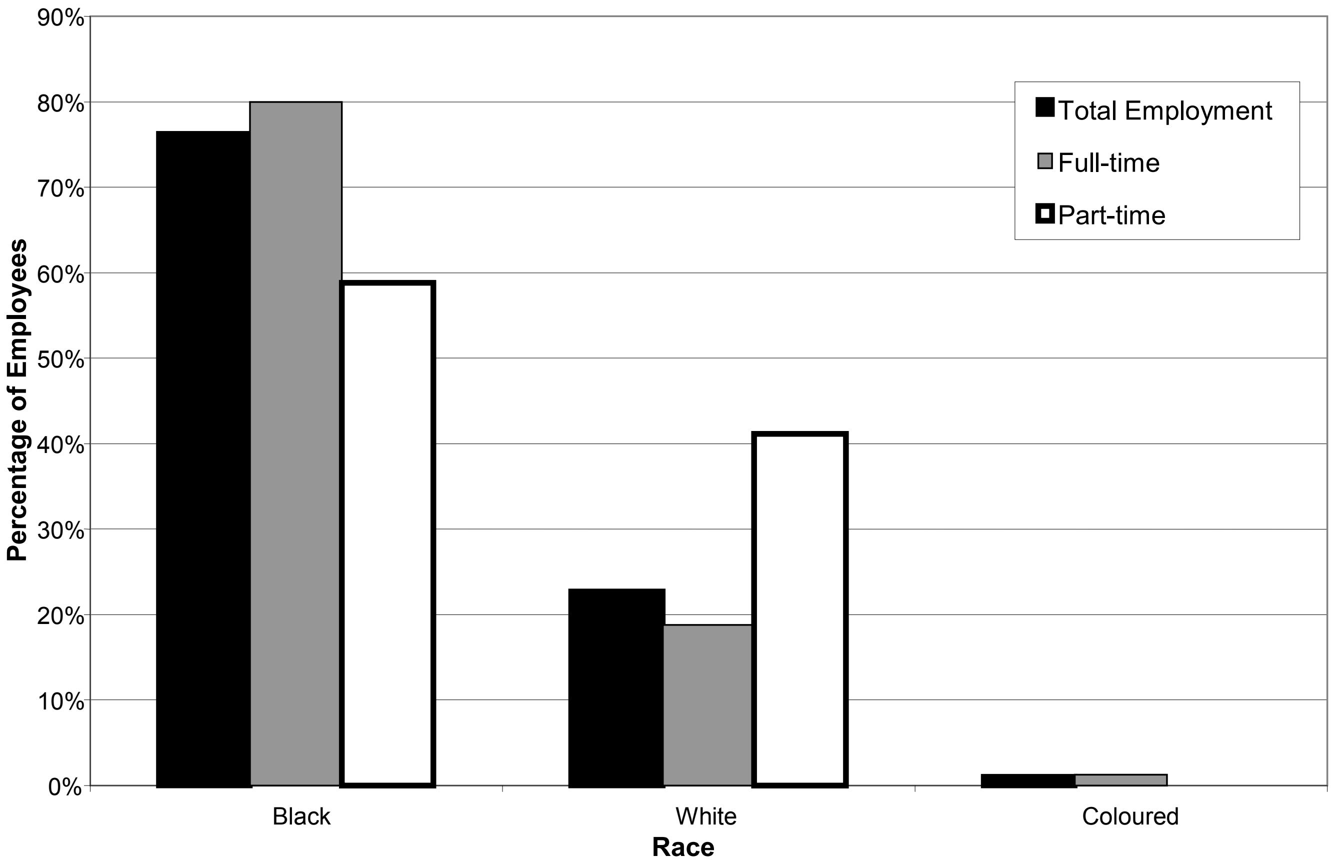
	Full-Time Employees	Part-Time Employees	Total Employment
Pretoria	7.3	2.5	8.5
Airport and Surrounding Areas	3.6	1.0	4.0
Johannesburg	5.5	1.5	5.0
Soweto	0.0	3.0	3.0
Gauteng	**5.3**	**1.7**	**5.9**

Regionally, there is a degree of variation in the average total employment per backpacker hostel [Table 5.3]. Overall, Pretoria has the highest average total employment with an average of 8.5 persons employed per backpacker. Even though backpacker hostels in Pretoria demonstrate a relatively lower average guest capacity, the average annual occupancy level for backpacker hostels in the region is substantially higher than that found in Johannesburg and the areas surrounding the airport [Table 5.4], which may account for the higher average total employment found for backpacker hostels in the Pretoria region.

Since there is only one backpacker hostel in Soweto, no conclusive results could be inferred with respect to employment trends for that region. Backpacker hostels in the areas surrounding the airport show a significantly lower average total employment. This situation may be due to a combination of the region's shorter average lengths of stay [Table 5.2], lower occupancy levels [Table 5.4] and smaller guest capacities, which create less demand on labour.

Race and Gender

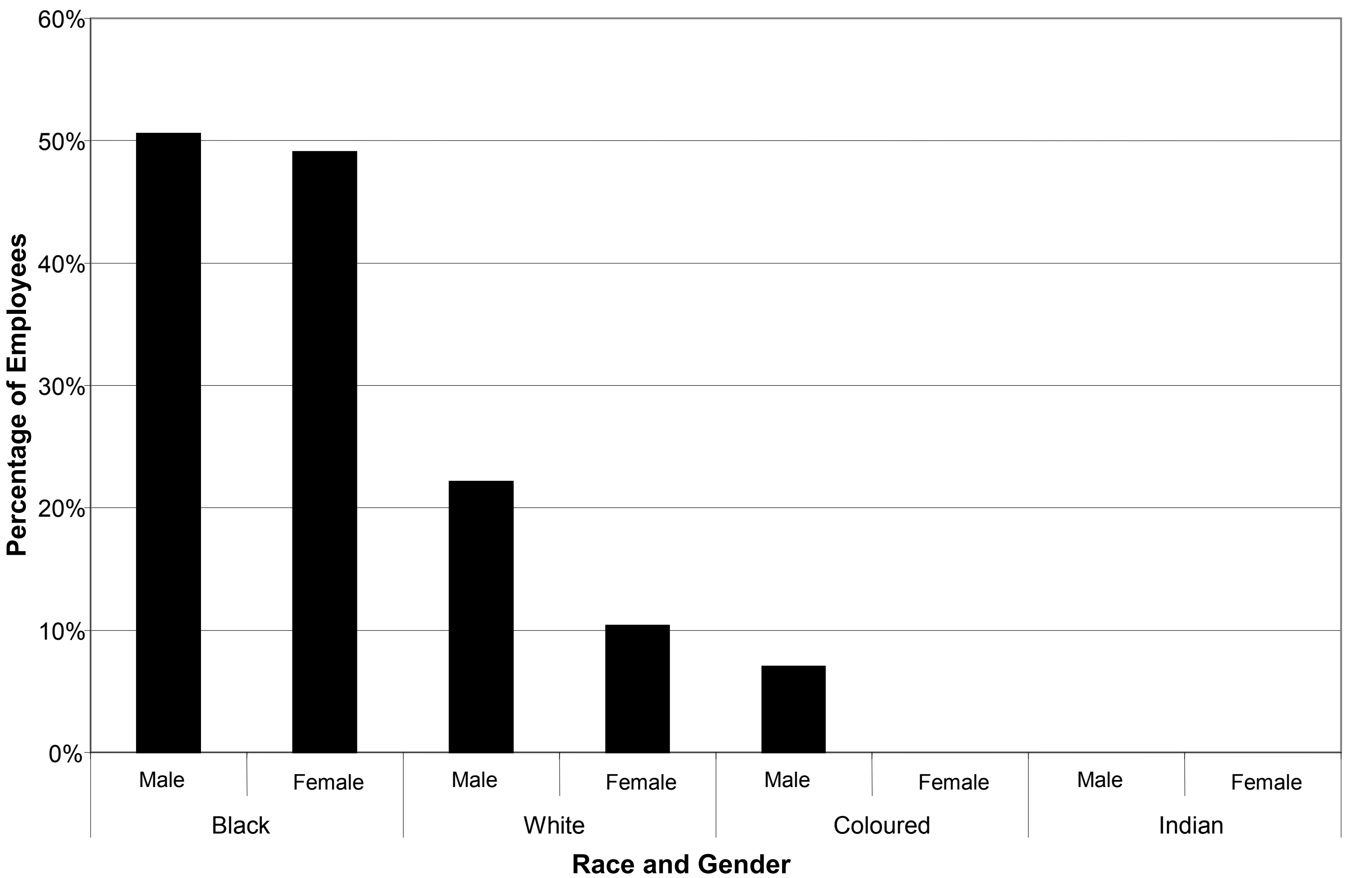
Figure 5.6: Racial Composition of Total Accommodation Segment Employment



As evident in Figure 5.6, the vast majority [76%] of employees in the backpacker accommodation segment of Gauteng are Black, 23% of employees are White and only 1% is Coloured. This finding matches that of the national trend whereby 78% all employees in the backpacker accommodation segment of South Africa were found to be Black or Coloured (Rogerson, 2006c). More particularly, it was found that of full-time employees there is slightly greater domination of Black staff [80%], and at a part-time level, a substantially higher show of White staff is evident.

Upon observation of the gender composition of full-time employment within the backpacker accommodation segment of Gauteng [Figure 5.7], it is evident that there is an almost equal gender split within the Black component of employment. Only one male Coloured staff member was recorded making the gender split within this ethnic group inconclusive. Within the White portion of total full-time employment there is a considerable domination by White men – indeed, over two-thirds of White employees are male. With respect to the gender composition of part-time staff it was found that Black males and White females are favoured, however this trend cannot be considered a definite conclusion due to high levels of variation over time experienced within this component of employment, as reported by backpacker hostel owners.

Figure 5.7: Percentage Breakdown of Full-Time Employees by Race and Gender of Backpacker Accommodation Segment



Staff Responsibilities, Recruitment and Training

Since 78% of the sampled enterprises show active involvement by either all or one of the owners in the day-to-day business operations, the overall opportunities for staff to take on positions of high responsibility are somewhat limited. Indeed the majority of positions available within the segment require relatively unskilled and menial labour. Nevertheless, there are a number of positions that require some skills and in some cases formal qualifications. These include middle-management positions, travel centre staff, tour guides, chefs and bartenders.

It was found that two-thirds of the sampled enterprises employ staff who either have formal qualifications in the tourism and hospitality industries or are currently completing such qualifications. Of these enterprises, four were found to employ formally trained staff, and two enterprises employ staff members who are currently completing their training. Across the total sample, it was observed that 13.4% of the total workforce within the backpacker accommodation segment of Gauteng is either formally trained or in the process of training in tourism and hospitality. The positions filled by such individuals include managerial posts, chefs and bartenders, travel consultants and tour guides. Of equal importance is the high level of in-house training as reported by backpacker hostel owners. Many respondents did comment on having problems with the skill levels of some of their untrained staff. These problems were found to concern mainly issues of illiteracy, the use of equipment [especially computers] and people-skills. In most cases, these barriers were overcome through in-house training. It was disclosed that several members of staff have attained positions of responsibility without the need for any formal tourism qualifications.

A similar situation can be reported for the staff recruitment trends within the backpacker accommodation segment of Gauteng as nationally. In both cases, the two most common channels of recruitment are either through word of mouth [representing 44% in Gauteng and 50% nationally (Rogerson, 2006c)] or through existing staff members [33% in Gauteng and 31% nationally (Rogerson, 2006c)].

Backpacker hostel owners in Gauteng do, however, rely more heavily on tourism and hospitality training facilities, and less so on the local press for recruitment purposes than was found nationally.

Awareness and Effects of the Tourism BEE Charter

Over 60% of the backpacker accommodation enterprises sampled are aware of the Tourism Black Economic Empowerment Charter (DEAT, 2004). Five of these respondents stated that their businesses were too small to be affected by the Charter. The remaining six of the eleven enterprises appear to follow loosely the guidelines of the policy. In most cases, any actions or employment trends which would score points on the Tourism BEE Score Card were not claimed by the hostel owners to be a direct result of the Charter, but rather just the way they 'have always run' their businesses. These actions and employment trends include the hiring of mostly Black staff, and the training of Black staff members into management positions. There is also one noteworthy case of a backpacker hostel owner in Pretoria who has assisted in the training and financing of a maintenance company and a garden service which are owned and operated by former members of staff. In terms of ownership structures, only two enterprises are owned by Black entrepreneurs – one male and one female.

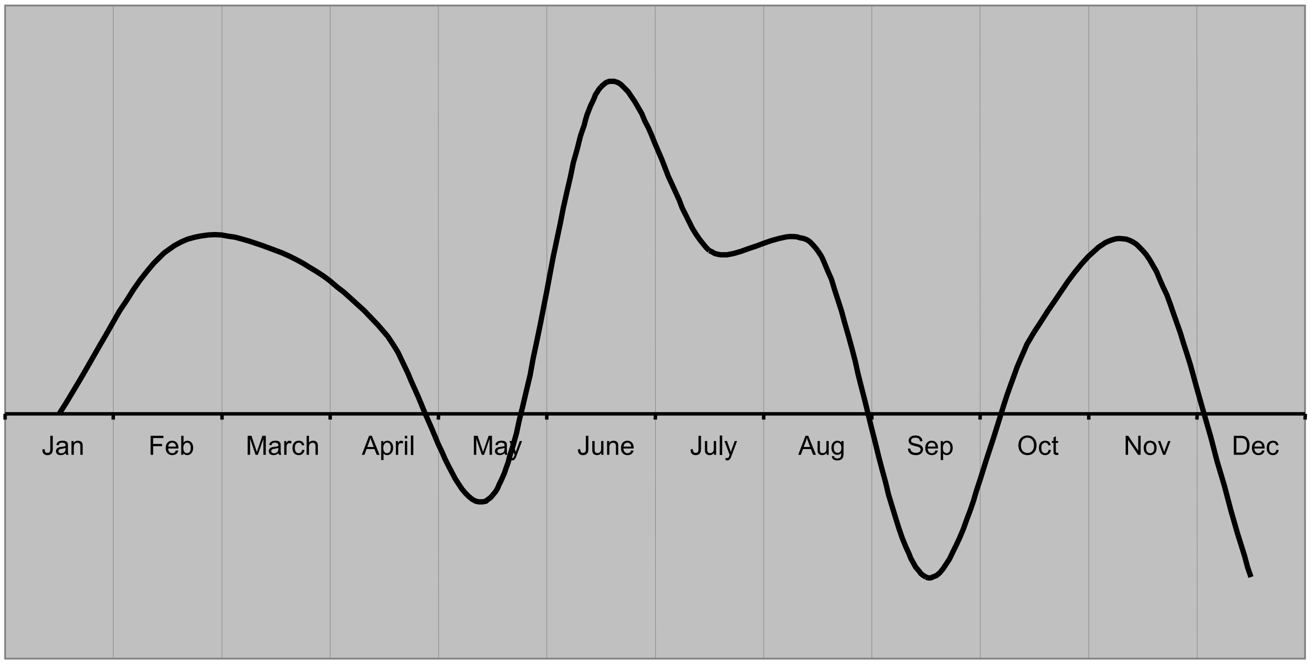
The outsourcing of services and products from Black-owned businesses forms another important component of the Tourism BEE Charter (DEAT, 2004), and it was found that eleven of the eighteen backpacker accommodation enterprises interviewed have linkages with Black-owned businesses. Of these enterprises, nine use Black-owned and operated tour services [mostly Soweto and museum tours]; two have linkages with Black-owned transport suppliers; one backpacker owner employs a Black-owned consulting company to run his business when he is away, as well as hiring the very same maintenance and gardening companies he helped establish; and, another backpacker hostel owner purchases fruit and vegetables from a Black informal street vender, as well as referring all his clients to the portable public phone operated by the same street vender. Due to the small size and low profit margins associated with backpacker accommodation enterprises, basic service needs such as laundry and, in all but one case, maintenance and gardening, are handled in-house, therefore limiting the extent to which these enterprises can outsource such services.

5.2.3) Business Performance, Investment and Future Prospects

Seasonality

In general, it was stated by most backpacker hostel owners in Gauteng that there is very little seasonal variance in occupancies and that any seasonality that does appear tends to vary from year to year. However, a number of trends were identifiable upon questioning the respondents as to which months were the quietest and which were the busiest [Figure 5.8]:

Figure 5.8: Seasonality Experienced by the Backpacker Accommodation Segment



Overall, the summer months of October to April witness high levels of occupancies. This finding corresponds with that of the recent national backpacking survey and, indeed, tourism as a whole in South Africa (ECI Africa, 2006).

December, however, experiences a sharp decrease in occupancies. This is because Gauteng plays the major role of the starting and/or end point for much of backpacker travel in the country, with both international and domestic backpackers spending the popular holiday period over Christmas and New Years in the coastal provinces.

May and September are generally found to be quiet, yet, the winter months of June, July and August have witnessed a recent increase in occupancies. This trend can be accredited to the international backpacker market realising that one can still tour South Africa during the country's relatively mild winters. The targeting of the domestic backpacking market, mainly school groups and universities, also has been partly responsible for the high levels of occupancies seen over the winter months.

Annual Occupancy Levels

The average annual occupancy level for the backpacker accommodation segment of Gauteng was found to be 55.8% - matching that found for the province in the recent national survey (Rogerson, 2006c). It must, however, be noted that the occupancy percentages obtained from respondents are 'best estimates', and five of the eighteen establishments sampled would not even hazard a guess due to the high level of variation experienced in occupancies throughout the year. Regionally, there exists some variance in average occupancies as illustrated in Table 5.4. Pretoria and Soweto show significantly higher average annual occupancies than Johannesburg and the Airport region. This can be attributed two factors: first, backpacker hostels in both Pretoria and Soweto show considerably smaller average guest capacities when compared to the other two regions; and second, both these regions demonstrate a higher proportion of domestic backpackers, thus having a levelling effect on any seasonality experienced with the international backpacker market.

Table 5.4: Average Annual Occupancies

	Average Annual Occupancy
Pretoria	73.3%
Airport and Surrounding Areas	42.5%
Johannesburg	46.8%
Soweto	65.0%
Gauteng	**55.8%**

Marketing

The most utilised marketing medium used by the backpacker accommodation segment of Gauteng is the internet – all of the enterprises interviewed were found to have an internet presence. Of the total sample, 83% of enterprises have their own websites and 72% feature in online backpacking information and booking websites. Backpacking publications and guide books form the next most utilised advertising medium with 84% of the sample featuring in such publications. These publications include [in the order of most cited] Coast to Coast, The Alternative Route Best of Backpacking Southern Africa, Lonely Planet, Rough Guide, Lets Go, Footprint, as well as a number of overseas travel magazines and guides. Most backpacker hostels which use publications as an advertising means tend to feature in two or more such publications. It was found that only 64% of the sampled establishments distribute flyers – mostly at other backpacker hostels throughout the country but also at schools and universities, and even churches - and one-third of respondents viewed their membership of various tourism related associations as a significant form of marketing. These marketing trends are found to closely correspond to those of the national situation (Rogerson, 2006c).

In terms of the effectiveness of the various marketing tools used by the backpacker accommodation providers in the province, it was found that word of mouth is the most effective means of putting 'bums in beds' followed closely by the internet and backpacker travel publications. The distribution of flyers, mostly throughout other backpacker hostels in the province, was stated as the most effective means of marketing by only one enterprise – Lebo's

Backpackers in Soweto. None of the respondents rated memberships of tourism associations as a highly effective means of marketing.

One-third of the sampled enterprises were found to engage in marketing which targets the domestic market. This kind of marketing is, however, limited to university students, academic or sporting groups, school groups, and churches. Upon questioning those backpacker enterprise owners who do not engage in any domestic market advertising as to their reasons, the responses were mixed. Three respondents claimed that they were planning on expanding into the domestic backpacker market in the near future; one hostel owner stated that he would like to, but advertising in South African travel publications is 'too expensive'; four respondents claimed that they do accept domestic backpackers but are reluctant to advertise to this market as they prefer to take domestic bookings on a face-to-face basis, so as to filter out the 'Riff-Raff' [as stated by one backpacker hostel owner in Pretoria]; two stated that they have had previous experience of domestic backpackers leaving without paying; and, one respondent was noted as stating that international and domestic backpackers do not mix very well, mostly due to the negative attitudes many domestic backpackers hold towards their own country, which tend to be loudly aired after a 'few drinks'.

Business Performance Trends

In general, business performance within the segment has been positive over the last five years, with growth witnessed in all three categories of occupancies, profits and employment. This trend of overall growth can be attributed to businesses becoming more established, with aggressive marketing campaigns, word of mouth referrals and return visitors playing a major role. In addition, increasing the number of linkages with travel and tour operators or starting in-house tours has allowed many backpacker hostel owners to broaden their product base, thus offering guests more activities and increasing the enterprises' overall attractiveness, competitiveness and income. It must, however, be recognised that due to the budget 'nature of the game' the profit margins within the backpacking sector are low. Indeed, many enterprises have only recently recovered initial investments and are beginning to show a profit, whilst some are still reinvesting all earnings back into the business to keep it afloat. It has been observed that it is 'very difficult' to make a living in Gauteng from owning only one small backpacker hostel. Indeed, the finding that half of the enterprises interviewed represent only one of two or three backpacker and tourism related business owned and operated by the owners, and that one-third of owners are concurrently involved in some other form of work, underscore the low profit levels of the backpacking sector. One factor said to contribute to the positive growth of the industry in Gauteng is the growing popularity of backpacking throughout southern Africa, to which Gauteng and indeed the whole of South Africa is a gateway. The growth in popularity of township tourism over the last five years has seen an improved performance of the one backpacker hostel in Soweto – Lebo's Backpackers.

Over the 2005-2006 period, business performance within the backpacker accommodation segment of Gauteng has slowed, with many enterprises reaching a performance plateau. None the less, the segment still shows an overall positive business performance trajectory. Factors responsible for this slowing in growth include the strengthening of the Rand, and an increase in the cost of both utilities and fuel. These factors are also responsible for limited occurrences of decreased profits and employment. Negative business performance in all three areas of occupancies, profits and employment was recorded over the last five years for only one enterprise, which is situated in the suburb of Kensington. The poor business performance was accredited to the cost of backpacking in South Africa as compared to other developing world backpacking destinations, and a loss of 'gateway traffic' due to the recently available direct flights from the United Kingdom to Namibia.

Other business trends which have been commented on by backpacker hostel owners include: a dramatic increase in the number of volunteer travellers entering South Africa; an increase in the occupancies of backpacker accommodation enterprises in Pretoria, which is claimed by hostel owners to be a direct result of backpackers fear of crime in Johannesburg [the average regional occupancies shown in Table 5.4 reflect this trend]; and, a shift in the market to a somewhat wealthier type of backpacker, who prefers spending the extra money on single rooms rather than dormitory style backpacker accommodation.

Investment and Start Up Problems

In all eighteen sampled accommodation establishments, the source of initial capital in the start up of enterprises was the owners' own private funds. There were, however, three cases where bank loans were combined with own funds. No examples exist of backpacker hostels in Gauteng starting up with the assistance of a government grant. Overall, access to finance was the most frequently stated problem encountered at the start up of these backpacker accommodation enterprises. It was stated by a number of entrepreneurs that the banks 'do not take the backpacker industry seriously' and are reluctant to loan out money for this purpose, unless the individual possesses enough financial security. Nevertheless, considering the relatively low entry costs into the backpacking sector, it is often only those that do not require bank loans that stand a chance of being granted such financing. A similar situation was found to apply to the granting of government financial support, whereby those for whom the establishment of their businesses depends on such grant monies, stand the least chance of receiving this financial support.

Another major problem encountered at business start up is that of becoming established within the industry in terms of both establishing a market presence, and becoming accepted into the backpacker 'family' which interviewees described as 'extremely competitive' and 'cliquey'. In addition, Lebo, of Lebo's Backpackers in Soweto, stated that apart from access to finance, another start up problem encountered which was found to apply specifically to the township context, was the breaking of the barrier around perceptions of crime against tourist if they were to visit townships outside the safety of tour groups.

Since 2005, thirteen of the sampled eighteen accommodation suppliers have re-invested money into their business. For 31% of these enterprises the source of this capital was the owners' own funds; bank loans account for 15% of further capital investment; 46% of these investments are made up of retained earnings; and, only two cases of awarded government grants were recorded. The majority of this recent capital reinvestment has been for the upgrading of existing or building of new facilities, and marketing, with a limited occurrence of enterprises broadening their product base.

Future Prospects

According to interview respondents, future prospects for the backpacking accommodation segment in Gauteng are very positive. In terms of future capital investment, two-thirds of the sample are planning further investments in their enterprises; over half of the sampled enterprises will be expanding their visitor capacity in the near future; one entrepreneur is aiming to open new branches in different provinces of South Africa; another backpacker owner will be building a SCUBA diving training facility at his backpacker hostel which will be linked with a backpacker hostel and SCUBA diving company in Mozambique; and, one respondent aims to aggressively target the domestic backpacking market, especially school groups. Furthermore, the prospect of the 2010 FIFA World Cup has excited many backpacker owners, as they have already reported soccer fans booking accommodation for 2010, as well a number of sport tourists coming to South Africa to conduct 'reconnaissance' prior to booking for the World Cup.

Backpacker Hostel Closures

From a number of sources, such as backpacker hostel owners, outdated issues of backpacker travel publications and the internet, it became apparent that several backpacker accommodation providers in Gauteng have closed down over the last few years. Of these enterprises, a group of four enterprises which had recently opted out of the backpacking industry were interviewed as to the reasons for closure of their establishments. The results concerning these closures are provided below.

1) The first of these backpacker establishments opened in 2003 and closed in 2004. The main reason for closure was given as not being close enough to the airport, and therefore the running costs of operating a shuttle service were too expensive. Other reasons given include the amount of red tape and the high costs involved in conforming to health and safety, public liability and commercial tourist transport regulations.
2) The second such enterprise opened at the beginning of 2006 but closed only ten months later. This former backpacker hostel has become a guest house as it was stated that 'there is not enough money in backpacking'.
3) The third enterprise followed a similar development path and also became a guest house due to the low profit margins and the long investment recovery time associated with the backpacker accommodation segment.
4) The fourth establishment, having been open for ten years, has been converted into a student residence in Hatfield, Pretoria. The owner claims that he has 'had enough of dealing with backpackers who make unreasonable demands and take liberties', especially considering that the cost of offering a quality service has risen yet the charged rates cannot be increased in order to remain competitive.

5.2.4) <u>Linkages, Associations and Government Support</u>

<u>Cooperation with Other Backpacker Hostels</u>

It was found that across the whole of Gauteng 89% of the establishments surveyed cooperate on an informal level with other backpacker hostels in the province. Regionally it was found that all of those interviewed in the Johannesburg and Pretoria regions cooperate with other backpacker enterprises, provincially and/or nationally, albeit only two-thirds of the accommodation establishments in the airport region are part of such cooperative relationships. This lack of cooperation is a potential sign of higher levels of competition within the airport region, brought on by a proximity to the major point of backpacker arrivals and departures. It was stated by Lebo of Lebo's Backpackers in Soweto that without these informal linkages to other, more established backpacker hostels he would get very little business.

As regards the nature of informal cooperation between backpacker accommodation providers, 78% of the sample cooperated with other hostels in the form of marketing [mostly through the distribution and display of flyers], 56% take bookings for other backpacker hostels, and 50% were reported as sharing information on current trends in the market and on guests who have a reputation for not paying or causing problems.

Other Linkages

It was found that sixteen of the eighteen sampled backpacker accommodation establishments have linkages with other tourism related enterprises. Of the two remaining enterprises which do not have any such linkages, one offers in-house tours to popular attractions throughout the province and the other, Lebo's Backpackers, also offers Soweto tours. Overall, linkages to tour operators are the most common form of linkage with 89% of the sample outsourcing a number of tours throughout the province and for South Africa as a whole. Of these enterprises 82% have linkages with a number of overland tour companies, 55% are linked to local tour operators which provide tours to Soweto, various museums and Gold Reef City, and 36% have linkages with Kruger Park safari companies. Of the total sample it was found that 67% of enterprises are 'Baz Bus' pick-up and drop-off points and/or booking agents. Eight or 44% of the establishments surveyed have linkages with other transport providers, these being mostly made up of metered taxi companies and a few local private taxi operators. Furthermore, two accommodation providers act as booking agents for inter-city bus services. It was found that only 22% of the sample has linkages with travel agents, mainly STA Travel and Flight Centre.

Overall, it was claimed by all backpacker hostel owners that these linkages with other tourism related enterprises are extremely helpful in the sense that more can be offered to guests thus increasing the overall attractiveness of their establishments.

Tourism Associations

Only half of the backpacker accommodation enterprises sampled are members of any form of tourism association. Seven are registered with only one tourism association. Of these, four are registered with Backpacking South Africa [BSA]; two with the Gauteng Tourism Authority [GTA]; and, one with the Federated Hospitality Association of South Africa [FEDHASA]. Only two enterprises are members of two or more tourism associations. One of these is a member of BSA, Tshwane Tourism Association [TTA], the Tourism Business Council of South Africa [TBCSA] and Tourism Marketing South Africa [TOMSA]. The other is registered with BSA, FEDHASA and South African Tourism [SA Tourism]. Upon investigation into the reasons as to why half of the sampled enterprises are not members of any tourism associations, Table 5.5 shows the responses that were recorded:

Table 5.5: Reasons for Non-Membership of Tourism Associations

"There is no need to. We're already networked into the backpacking and tour industry, Why pay fees for what we've already got"
"They can't do anything for my business that I can't do myself"
"There's no point, it doesn't put bums in beds"
"Johannesburg Tourism or Gauteng Tourism haven't shown any interest in backpacking in Soweto, only in more upmarket tourism"

Two of the backpacker accommodation sample were previously members of BSA, but recently had withdrawn. When questioned as to their reasons, both respondents stated that no improvement in business performance was perceived. One backpacker hostel owner claimed that the association was not getting any results in the promotion of the backpacking industry of South Africa. The other interviewee mentioned that there was too much 'back-biting' within the association. As far as the benefits of membership to tourism associations are concerned, the responses were mixed as shown in Table 5.6.

Table 5.6: Benefits and Shortcomings of Tourism Association Membership

Benefits		Shortcomings	
Association		Association	
BSA	Networking throughout backpacker sector Gives enterprises a voice Allows for greater influence in tourism industry International publicity for the sector as a whole "Watchdog" of the sector	**BSA**	Does not put "bums in beds" Cliquey Alleged favouritism and corruption Not getting results in boosting the sector Nothing ever comes of "sitting around and bitching"
GTA	Being graded attracts higher spending backpackers	**GTA**	Does not bring in more business
TTA	Allows for greater influence in tourism industry	**TTA**	Does not bring in more business
SA Tourism	Good information on the tourism industry, policy changes, etc	**SA Tourism**	Does not bring in more business
FEDHASA	Good information on the tourism industry, policy changes, etc Training Discounted rates on credit card facilities		
TBCSA	allows the BP industry to influence other spheres of tourism in South Africa		
TOMSA	Provides some marketing		

Government Support and Recommendations

Only two backpacker accommodation providers reported receiving any form of government support. In both cases the respondents were recipients of marketing grants from the Tourism Enterprise Programme [TEP], which is a public-private partnership between the Department of Environmental Affairs and Tourism and the Business Trust aimed at facilitating the growth and expansion of SMMEs in tourism. One-third of the sampled backpacker accommodation enterprises have applied for government support: Lebo of Lebo's Backpackers in Soweto said his application was turned down because he had no financial security; two were currently awaiting the results of their applications; two enterprises were turned down as they were not showing enough profit to qualify; and, one backpacker hostel owner retracted his application as he felt he would lose some control of his business. Also worth mentioning, is a reported case of one backpacker hostel owner who was allegedly 'conned out' of grant application fees by a false government representative. Of the remaining enterprises, one was unaware of government support for small tourism enterprises; five claimed not to need any financial support; one entrepreneur had never heard of any backpacker enterprise successfully receiving a government grant; and, another expressed some interest in applying for government support in the future.

As a conclusion to the backpacker accommodation segment questionnaire, respondents were asked to comment on any government regulations or legislations which they felt impacted negatively on the backpacking sector, and if they had any recommendations as to how local, provincial and national government could assist in the growth and expansions of the sector. Table 5.7 summarises these comments and recommendations.

Table 5.7: Comments and Recommendations on Government Support of the Backpacker Accommodation Segment

Comments and Recommendations		
National Level	Provincial Level	Local Level
Recognise the backpacking sector	Need clear registration processes for backpacking enterprises	Tourist police are needed in Auckland Park and Melville
Provide effective marketing	Do away with the need for business rights to operate such small low profit establishments	City tour busses should operate throughout Johannesburg, especially between New Town and the Museums
Introduce a Working Holiday Visa like in Australia and the United Kingdom	Establish a backpacker information centres at the airport and train stations	Edenvale has potential to become entertainment district, develop it
Do something about the crime levels, not just claim that it is only the perception of crime that murders, rapes and robs people	There really is too much red tape involved in getting business licenses and vehicle permits	There are a lot of illegal fly-by-night backpacker hostels in Pretoria. All must be registered, pay TOMSA levies and be graded to keep up standards
Provide clean, affordable and safe public transport	Involve the minibus taxi companies in transporting backpackers - put 'backpacker friendly' stickers on cooperative taxis.	It is very difficult to get permission to erect signage in Soweto

A compulsory backpacking-specific grading system is needed to keep fly by nights out and standards up	Get the Gautrain finished and working properly, backpackers need affordable transport between the airport, bus and train stations, and small business centres.	Promote Soweto as a backpacking destination
Support Black owned backpacker hostels not only if they are already established and showing a profit, but provide start up support	Encourage school and sporting tourism through Department of Education – backpacker hostels suit these needs perfectly	The stretch of walkway between the train station in Johannesburg and the taxi rank is known as 'suicide mile' – deploy tourist police along this route
Small owner-run tourism businesses don't have the time to deal with red tape and government inefficiency	Make it easier to get around independently - especially from the Airport. Need budget transport in better shape than minibus taxis	There are no tourist busses running on the Crocodile Ramble route, which is slowly dying at the moment – if you can get backpackers and other tourists there they will support the local artisans
Implement Tourist Police	Difficult to feature in Indaba if you are not Black	Open the museums on Mondays – a lot of backpackers leave South Africa disappointed
Intercity transport is too expensive for backpackers	Regulate the freelance taxi industry, they overcharge and get lost too often	
SA tourism must stop only pushing the top brand package tours, and market budget tourism overseas	Gauteng Tourism Authority only promotes those who pay. As a government organisation they should be looking out for the welfare of the Gauteng's tourism industry without charging the enterprises	
The hospitality industry is seriously lacking a properly trained workforce		
Labour laws need revising, it is very difficult to fire staff members that are having a negative effect on business		
Promote backpacking domestically		
Combine the vehicle road permit for commercial tourist transport with the public driving permit, it makes no sense that one should need both, nor the expense of attaining both permits.		
Reduce the cost of commercial tourist transport permits for the sector		

Overall, the most important findings that emerged from the interviews with backpacker hostel owners regarding the effectiveness of tourism associations, and any comments and recommendations on government support relate to:

- Official recognition of the sector;
- Government support in the form of effective international and domestic marketing;
- The introduction of a Working Holiday Visa scheme;
- The lack of backpacking information available at the airport;
- An overall lack of confidence in BSA, GTA and SA Tourism, and a disappointment in these associations inability to provide effective marketing of the sector;
- The complexity and cost involved in adhering to tourism industry regulations;
- The establishing of backpacker-specific regulations in order to encourage adherence to standards;
- The cost and safety concerns associated with public transport;
- The level of crime and the negative effect the perception of crime is having on the tourism industry as a whole; and,
- The opening of museums on Mondays.

5.3) The Backpacker Travel, Tour and Activity Segment of Gauteng

In addition to the accommodation segment of Gauteng's backpacking sector, the survey of enterprises includes a sample of backpacker-specific travel and tour operators. A total of ten backpacker travel and tour enterprises were identified through industry sources such as backpacker guide books, online backpacker information and booking websites, as well as the Gauteng and South African Tourism websites. Of these, four enterprises were interviewed, representing a 40% sample. Two further interviews with backpacker accommodation establishment owners, who were interviewed in the accommodation segment of the survey, supplement this sample as these respondents were unable to separate the operation of their in-house travel and tour services from that of their backpacker hostels. The geographical distribution of backpacker travel, tour and activity enterprises within Gauteng was found to be of no significant consequence as these enterprises tend to have pick-up and drop-off arrangements with backpacker hostels throughout the province and in most cases throughout South and southern Africa.

5.3.1) A Profile of the Enterprises and Entrepreneurs

The Enterprises

As found in the backpacker accommodation segment, the emergence of the backpacker travel and tour segment in Gauteng coincides with the period following South Africa's first democratic election. Two of the four enterprises surveyed have been in operation since 1994. One of the aforementioned in-house tour operators has been operating in the backpacker accommodation segment since 1994, only expanding into backpacker travel and tour shortly after the turn of the millennium. Another enterprise opened in 2003, and the remaining two [including the second of the two in-house tour operators which cannot be separated from the accommodation segment] have been in operation since 2004. The available national data on the emergence and growth of the backpacker travel and tour segment shows a consistent growth of the segment from the early 1990s to 2004, since when there has been no new enterprises established (Rogerson, 2006c). The Gauteng backpacker travel and tour industry shows a similar growth trajectory.

Five of the ten backpacker travel and tour enterprises in Gauteng offer overland tours; four provide travel and tours only within the province; and, one enterprise offers both provincial and Kruger Park tours. The overland tour enterprises operate throughout southern Africa, including visits to the popular tourist sites of Victoria Falls, the Okavango, Etosha Pan and the Kruger Park. These package tours include accommodation [often camping] and basic meals. The enterprises restricted to travel within the province offer day trips to Soweto, various museums and historical sites, and a number of small game parks and endangered wildlife breeding projects. In terms of the size of these tour operators, it was found that the total number of tour vehicles per sampled enterprise ranges from 4 to 10 vehicles with an average of 6.5 vehicles. The capacity of these tour vehicles was found to include both large overland trucks accommodating over 20 backpackers and smaller vans seating up to eight passengers. With regard to official registration as a travel and tour company, all of those interviewed are registered with the appropriate authorities, and unlike the backpacker accommodation segment of Gauteng, no instances of difficulties in registration were recorded. Nevertheless, one enterprise owner did note that it was 'time consuming' and somewhat costly to attain a commercial tourist transport permit.

Tourist Profile

In general, it was claimed by enterprise owners that only a negligible percentage of consumers are domestic tourists, and that between 75 and 80 percent of the total clientele is made up of international backpackers. The overriding reason for the lack of domestic clientele is that the majority of domestic tourists prefer to take self drive holidays without itinerary restrictions. There is, however, one exception to these trends in the case of one overland enterprise which operates a main route from Amsterdam to Cape Town. Through the company's numerous linkages with European travel agencies and dual base of operations, a more conventional type of tourist from Europe is attracted, so too are a number of South African backpackers wishing to take an overland tour as a means of getting to Europe.

Ownership Structure, Age and Motivational Profile

Overall, a similar profile of the ownership structures, age and motivations was found across both the backpacker accommodation and backpacker travel and tour segments of Gauteng, as well as across South Africa as a whole (Rogerson, 2006c). Of the surveyed Gauteng based travel and tour operators [as well as the two in-house tour-accommodation enterprises sampled in the backpacker accommodation segment], three enterprises are owned and operated by husband

and wife teams, two are owned by individuals, and another is owned and operated by two non-related business partners. It was found that all of the owners of backpacker travel and tour enterprises are actively involved in the daily operations of their companies, and that all own and operate other backpacker or tourism related businesses; two have backpacker hostels in Pretoria, another two run hostels in Johannesburg, and the remaining two enterprises are owned and operated by the same husband and wife partnership who also have a guest lodge near the Kruger Park.

In terms of gender of ownership, a higher percentage of male owners can be witnessed for the backpacker travel and tour industry of Gauteng [70%] than within the backpacker accommodation segment of the province [62.5%]. Overall, whereas 12.5% of backpacker hostels in Gauteng are owned solely by women, none of the sampled travel and tour enterprises have exclusive female ownership. All but one of owners are South African born, the one exception being a Dutch male who is in partnership with a South African man. Unlike the limited occurrence of Black ownership witnessed within the backpacker accommodation segment of Gauteng, none of the interviewed backpacker-specific travel and tour enterprises surveyed are Black owned.

The average age of backpacker travel and tour enterprise owners was found to be 35.7 years, with entrepreneurs ranging from 33 to 46 years of age. There is a distinctive lack of backpacker travel and tour enterprise owners over the age of 50 as evident in the backpacker accommodation segment of Gauteng. In terms of the motivations for entering the backpacker travel and tour segment all of the owners would be considered opportunistic entrepreneurs; however, a love of the outdoors and travel were imperative as essential requisites.

5.3.2) Employment, Job Creation and the Tourism BEE Charter

Employment Figures

Across the backpacker travel and tour segment of Gauteng it was found that each enterprise employs an average of 11 full-time staff members. Extrapolating this figure across all ten identified service providers in the province gives a figure of at least 110 full-time positions within the segment. The number of part-time employees however, was said to vary too much for respondents to give an accurate figure. Three-quarters of the sample reported a seasonal variation in employment whereby additional staff, usually freelance tour guides, is required during the summer months between September and March.

Figure 5.9: Percentage Breakdown of Full-Time Employees of the Backpacker Travel and Tour Segment by Race and Gender

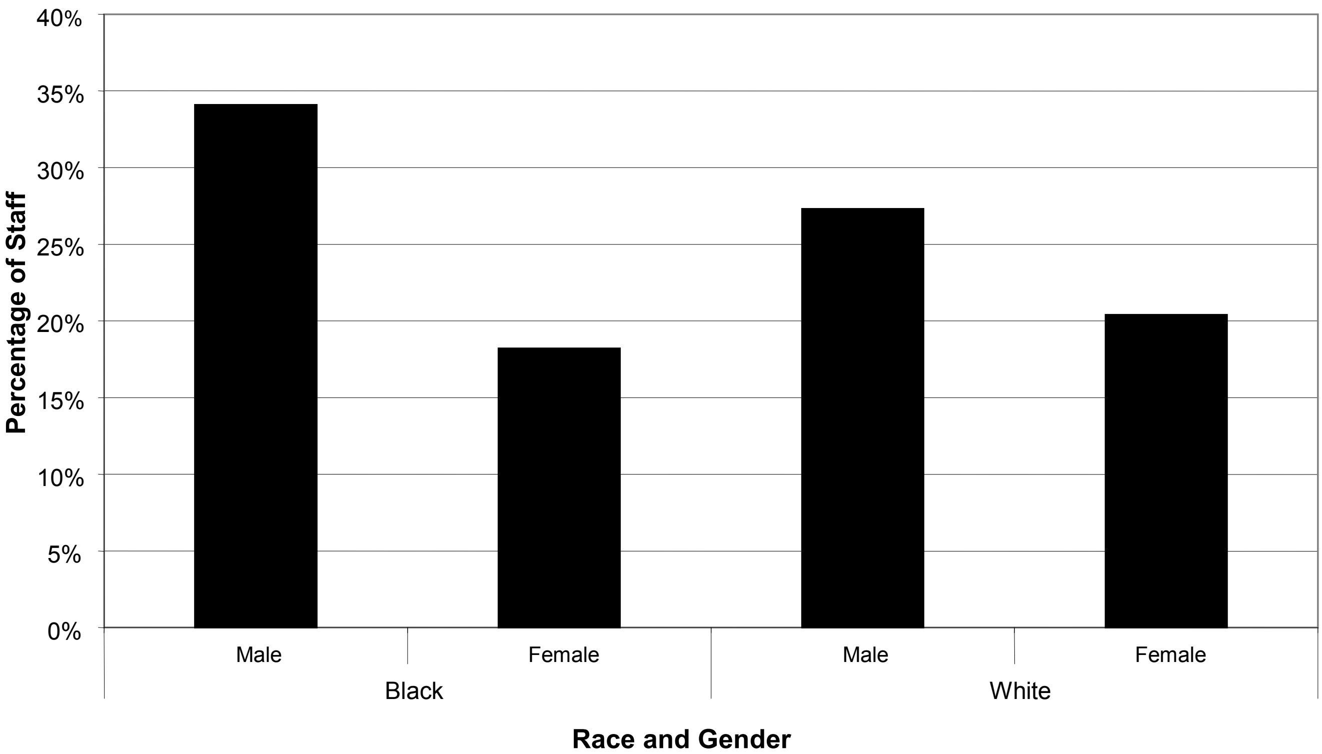


Figure 5.9 shows the breakdown of full-time employment according to race and gender within the backpacker travel and tour segment of Gauteng. A more

even racial split [52% Black : 48% White] is recorded for the backpacker travel and tour segment of Gauteng than for that of the accommodation segment [76% Black : 23% White]. The main contributing factor to this more even racial employment trend is the availability of qualified tour guides. Unlike the backpacker accommodation segment there is domination of male employment [representing 61.4% of total full-time employment] across all racial divisions within the travel and tour segment. This trend too can be attributed to the availability of qualified tour guides.

Staff Responsibilities, Recruitment and Training

The majority of staff members within the backpacker travel and tour segment of Gauteng are tour guides. It was reported by all those interviewed that all tour guides within the segment have formal qualifications and are registered with FGASA [Field Guides Association of Southern Africa]. Indeed, many of these qualified guides have been trained through the backpacker travel and tour enterprise that they currently work for. Apart from these positions, all other posts of responsibility are filled by in-house trained staff members. Of some concern is a claim by half of the sample that there is a 'shortage' of qualified field guides in South Africa, resulting in these enterprises having to go through the time and cost of training and qualifying many of their guides, only to lose them to 'upmarket' tour operators.

Unlike the backpacker accommodation segment of Gauteng, the main avenue of staff recruitment within the backpacker travel and tour segment is the press. Four of the six sampled travel and tour enterprises advertise available positions through this media. The remaining two enterprises recruit staff through word of mouth, mainly with contacts within the wider travel and tour industry. Concerning the source of recruited staff, it was found that those travel and tour enterprises which operate only within the province recruit all employees locally. By contrast, the overland tour companies were found to recruit a significant number of employees from other southern African countries, and in the case of the enterprise which operates between Amsterdam and Cape Town, further into Africa and Europe. This trend is especially evident in the employment of part-time freelance tour guides, as it makes practical sense to have an availability of part-time staff throughout any given overland route.

Awareness and Effects of the Tourism BEE Charter

All but one of the backpacker travel and tour enterprise owners are aware of the Tourism BEE Charter. Nevertheless, as with the finding in the backpacker accommodation segment of Gauteng, any actions or employment trends which would score points on the Tourism BEE Score Card were not claimed by the enterprise owners to be a direct result of the Charter, but rather reflects the way they 'have always run' their businesses. For one backpacker travel and tour enterprise, all of the staff are Black, two enterprises have trained Black individuals into positions of middle management, and the majority of these enterprises are, in some way, involved in the training and qualifying of recognised field guides, thus all contributing to empowerment. Only one travel and tour operator was found to outsource any product or service from Black-owned businesses, namely the case of one overland tour operator which has linkages with Black-owned Soweto tour enterprises.

5.3.3) Business Performance, Investment and Future Prospects

Since most backpacker travel and tour enterprises based in Gauteng operate across a much wider region including the whole of southern Africa and, in one case through much of Africa and parts of Europe and the Middle East, any seasonality experienced is governed by factors outside of the province. Therefore, it was found that the seasonality experienced by these enterprises matches that for most tourism firms, whereby the summer months from October to March are the busiest with the winter period from April to September witnessing a trough in business activity and performance.

With regard to marketing, all the sampled enterprises have websites and all, with one exception, advertise in the Coast to Coast guide to backpacking in southern Africa. All the surveyed backpacker travel and tour enterprises have marketing linkages with backpacker accommodation providers across the country, with many of these hostels serving as commission-based booking agents for these tour operators. It was found that these linkages, followed by word of mouth, form the most useful marketing tool within the segment. Furthermore, none of those interviewed considered membership with tourism associations a form of marketing. As already discussed, the domestic market accounts for a very small percentage of business within the backpacker travel and tour segment. Upon questioning whether or not enterprise owners undertake any marketing directed at the domestic market: three stated that it is 'too expensive' to advertise in South African travel magazines; two claimed that they were considering it; and, one respondent said that they had previously tried to, but with no result as domestic tourists prefer to either take self-drive holidays or purchase more upmarket package tours.

Overall business performance within the segment has been positive, with considerable growth witnessed in both the number of tours undertaken and employment. One enterprise, until recently, had its base of operations in Zimbabwe, but with the unfavourable political situation in that country moved to South Africa in 2003. With a more favourable business climate in South Africa this enterprise has seen improved business performance, and has also witnessed an increase in backpackers coming to South Africa to undertake 'reconnaissance' prior to booking for 2010 FIFA World Cup. Four enterprises have recently invested further capital into their enterprises – three having purchased more tour vehicles and one a second overland tour company in 2006. For one respondent, bank loans account for the source of this capital in the purchase of the above mentioned overland tour enterprise as well for obtaining more vehicles. For the remaining two enterprises, own funds and retained earnings were utilised respectively.

In terms of business profits, there has been a decline witnessed due to higher operational costs, mostly attributed to the rise in fuel prices and a steep increase in Kruger Park fees. Indeed, the recent increases in the number of tours untaken and employment have been noted by respondents as a direct result of these increased operational costs whereby an increase in volume assists in better absorbing the higher cost of doing business. Two enterprise owners were unable to respond regarding business performance trends as these enterprises have only been in operation for less than two years and are still in the process of becoming established businesses. Future prospects for the whole segment are optimistic, with two of the six interviewed backpacker travel and tour companies planning to further expand and grow their enterprises, and one enterprise aiming to broaden its product base.

5.3.4) Linkages, Associations and Government Support

It was found that four of the six surveyed backpacker travel and tour enterprises have formal linkages with travel agencies, mostly overseas. As discussed above regarding marketing, all of those interviewed have linkages with backpacker accommodation establishments throughout South Africa and in many cases in the region of southern Africa. These linkages are informal in nature and, apart from covering marketing and bookings, include the arrangement of pick-up and drop-off points as well as stop over points for the long haul overland tour operators. Other common linkages include informal cooperation between travel and tour enterprises, as well as formal linkages with tour operators in Kenya, in the case of one overland tour enterprise, and linkages with adventure sport and tourist activity providers at most destinations along travelled tour routes.

Only one of the four backpacker travel and tour enterprises which provided information concerning memberships with tourism associations is currently not registered with any such association. The reason stated by this entrepreneur for non-membership is that, "it is just too much hassle with no results in business performance". All qualified tour guides employed by the total sample are, however, registered with FGASA. The most common association, of which 3 enterprises are members, is BSA; two of those surveyed are registered with the Southern African Tourism Service Association [SATSA] and DEAT; one enterprise is a member of SA Tourism; and, another is registered with Safari and Tourism Insurance Brokers [SATIB]. In terms of the effectiveness of tourism association memberships, all of the relevant enterprises claim that such memberships may not impact on business performance, but they do, however, illustrate a level of professionalism and legitimacy.

It was found that only two of the six backpacker travel and tour enterprises surveyed have received any form of government support. In the case of one enterprise, it was awarded a portion of the initial start-up investment as one of the partners is a foreign citizen investing foreign currency in South Africa's tourism economy. The second occurrence of government support is an enterprise which was awarded a TEP grant. Two enterprises have applied but have little confidence in being awarded government financial support, and both feel that the only members of society benefiting from government tourism grants are the consultants who handle the red tape and bureaucracy involved in such endeavours. The remaining two travel and tour operators have neither received nor intend to apply for government financial support.

Table 5.8: Comments and Recommendations on Government Support of the Backpacker Travel and Tour Segment

Comments and Recommendations		
National Level	Provincial Level	Local Level
Make it easier to get commercial tourist transport permits	Employ people who know something about tourism in GTA	Open the museums on Mondays
The employment act needs revising	Municipal by laws around land use and rezoning applications are a nightmare to work through	
Finish the football stadiums		
Make registration compulsory so as to get rid of fly by nights who ruin the reputation of the industry		
There is a national shortage of trained tour guides, we have to go through cost of training them only to lose them when qualified to higher market opportunities		
Market the budget tour industry overseas		
South Africa needs working holiday visa schemes		

As in the backpacker accommodation segment survey of Gauteng, respondents from the travel and tour segment were asked to comment on any government regulations or legislations which they felt impacted negatively on the backpacking sector, and if they had any recommendations as to how local, provincial and national government could assist in the growth and expansions of the sector. Table 5.8 summarises these comments and recommendations.

Similar findings are evident for the backpacker-specific travel and tour segment as for the accommodation segment regarding the effectiveness of tourism associations, and any comments and recommendations on government support:

- Official recognition of the sector;
- Government support in the form of effective international and domestic marketing;
- The introduction of a Working Holiday Visa scheme;
- The complexity and cost involved in adhering to tourism industry regulations;
- The opening of museums on Mondays.
- An overall lack of confidence in GTA, and a disappointment in the inability of tourism associations' to provide effective marketing.

5.4) Other Tourism Product Enterprises Linked to the Backpacker Sector of Gauteng

This final section of the Chapter provides a brief discussion of the findings of the four interviews conducted with other tourism product enterprises which have linkages to the backpacker sector of Gauteng. Indeed, backpacker travel and touring is not simply restricted to the use of backpacker-specific travel and tour operators. As shown earlier, over 60% of the backpacker accommodation segment have linkages with several, mostly local Black-owned travel and tour operators which provide tours to Soweto, various museums and other popular tourist sites in and around Gauteng, as well as limited guest transfers. Overall, there are approximately 30 such enterprises operating in Gauteng. Nevertheless, through information gathered from the backpacker accommodation survey, it was shown that only a limited number of these enterprises have ties to the backpacking sector. It must be stressed that these enterprises are not heavily reliant on the backpacking sector, and therefore are not to be considered a core component of the backpacker service industry, but rather a supplementary service with its own separate controlling factors and issues. Indeed, as found by Rogerson (2006c), the adventure activity sector of South Africa draws only a small percentage of business from the backpacking industry. Only one adventure sport operator was identified to operate within the province - further emphasising the finding [section 2 of Chapter 4] that Gauteng is not an adventure activity destination for backpackers in South Africa. This section is limited to an examination of the relationship between these enterprises and the backpacking sector of Gauteng.

Three travel and tour enterprises and one adventure activity enterprise account for the sample of tourism related businesses with linkages to the backpacker sector of Gauteng. Table 5.9 offers a brief profile of these enterprises and entrepreneurs.

Table 5.9: Profile of Supplementary Service Enterprises

Name of Enterprise	Year Est.	Product/s Offered	No. of Vehicles	Base of Operations	Ownership	Age
Ebrahim Tours and Travel	2003	Tours and transfers across South Africa	2	Discovery Park	Coloured male	34
Phutanant Tours	1994	Soweto, Johannesburg and Pretoria tours, SunCity, Cradle of Mankind, and Mpumalanga tours	1	Soweto	Black male	56
Sizwene Tours and Transfers	1999	Airport shuttles, township tours, Cultural villages in Mpumalanga.	6	Kempton Park	Black male	46
Bungee Cat	2000	Portable bungee catapult	N/A	Johannesburg, Cape Town & Port Elizabeth	White male Indian male	27 32

All of the owners of the above tourism and adventure enterprises are South African born males, who, with the exception of 'Bungee Cat's' Indian partner, are actively in involved in the daily operation of these businesses. The emergence and growth of the Gauteng-based, small, PDI-owned tourist travel and tour sector matches that of the backpacker industry and indeed tourism development as whole throughout South Africa. Township tours in particular, have witnessed a considerable growth in popularity since the emergence of this niche sector in tourism during the years following the 1994 liberation.

As mentioned above, over 60% of the backpacker accommodation segment of Gauteng have linkages with the small, PDI-owned tourist travel and tour sector. These linkages are mostly commission based whereby the relevant backpacker accommodation enterprises act as booking agents for these travel and tour operators. These relationships are, however, informal in nature - as is the case throughout all levels of cooperation and linkages within the backpacking sector. Backpackers account for only a small percentage of the consumers serviced by these enterprises, as is evident in Table 5.10. Overall, it was found that the backpacker market represents only 12% of the total market served. Of the remaining consumers, the vast majority are conventional mass tourists, with a small percentage of domestic tourists. For one enterprise, however, it was found that much of the business' income is generated through servicing the tour and guiding needs of international film crews.

Table 5.10: Consumer Profile of Supplementary Tourism Enterprises

Name of Enterprise	International Tourists	Domestic Tourists	Backpackers
Ebrahim Tours and Travel	100%	0%	20%
Phutanant Tours	95%	5%	15%
Sizwene Tours and Transfers	99%	1%	1%
Bungee Cat	30%	70%	very few

A significantly different guest profile is witnessed for the adventure activity enterprise, 'Bungee Cat'. For this particular enterprise, the backpacker market represents a very small percentage of consumers, whereas the domestic market accounts for 70% of customers. The high number of domestic consumers served by this enterprise is a direct result of marketing which targets corporate team building exercises; a trend found throughout the adventure activity sector of South Africa (Rogerson, 2006c).

The main findings of the backpacker enterprise survey of Gauteng relate to the role of the province as a point of entry and exit for backpacker travel within South Africa, and as a gateway for such travel throughout southern Africa. It was found that across the backpacker accommodation segment of Gauteng a high number of guest arrivals are accounted for by hostel shuttles and overland tour companies. This finding further reiterates the role of Gauteng as the gateway to the rest of South Africa and southern Africa.

With regards to the demographic and motivational profiles of the entrepreneurs throughout both the accommodation and travel and tour segments, it was found that ownership of these enterprises is by mainly White opportunistic entrepreneurs, with a passion for people, travel and the outdoors. The emergence of Gauteng's backpacking industry coincides with that of the national backpacking sector. The employment figures within the backpacking sector of Gauteng match closely those of the national sector. With regards to the Tourism BEE Charter, it was found that most of the backpacking enterprises in the province are aware of the Charter, yet any manner in which these businesses score points on the Tourism BEE Score Card are claimed by respondents not to be the direct result of the Charter itself but rather the way they 'have always run' their businesses. On the whole, there is some positive evidence within the sector of Black Economic Empowerment with regards to employment and training; however, as found nationally, the ownership structure of the sector within Gauteng is strongly weighted towards White entrepreneurs.

Within the backpacking sector, strong levels of cooperation, business linkages and networking are witnessed; despite many enterprises not being members of BSA. Indeed, overall, little confidence was shown in the abilities of BSA to provide effective marketing and to streamline the growth of the sector. A similar lack of confidence was also revealed for GTA, Johannesburg

Tourism and SA Tourism. Only a small percentage of backpacker enterprises in Gauteng have received government support.

Some of the major obstacles to the growth of the sector as experienced by enterprise owners across both the accommodation and travel and tour segments include:

- A regulatory framework which does not take into account the specific needs and problems encountered within the budget-tourism industry;
- A lack of official government recognition and support;
- The debilitating effects of crime and the perception thereof on the tourism industry as a whole;
- The lack of safe and suitable public transport in Gauteng; and,
- The need for financial security in order to apply for a government tourism grant, thus excluding those whose enterprises depend on attaining such financial aid.

Backpacker travel and activity is not limited to the strict use of backpacker specific channels. A number of general tourism operators with linkages to the backpacking sector of Gauteng have been identified. These enterprises were found not to rely heavily on the backpacker market, and the nature of the linkages between these enterprises and the backpacking sector was found to be mostly informal, although commission based.

The final Chapter provides a detailed reflection on the role of Gauteng within the wider national backpacking sector of South Africa. The results of both the backpacker enterprise and consumer surveys are drawn upon in identifying the current performance trends and the key shaping issues of the province’s backpacking sector. This discussion is complemented by the official response of the Gauteng Tourism Authority [GTA] regarding the Authority’s stance on the growth and development of the backpacking sector as well as a number of key issues and concerns identified through the enterprise and consumer surveys.

Chapter 6

Conclusion and Recommendations

The international experience shows that backpacking tourism has substantial potential for promoting local economic development. Backpackers are revealed to have higher total expenditures, and travel for longer periods, across wider geographical ranges than conventional international mass tourists. In their search for budget travel, and authentic local lifestyle and environmental experiences, backpackers possess a unique set of product and service needs, the fulfilment of which provides a number of opportunities for small-scale business development, community participation and local ownership (Hampton, 1998; Visser, 2004,2005). Since the 1990s, backpacking has been increasingly viewed as a significant and important component of the global tourism economy, and has become the focus of many developed and developing world government tourism strategies (Richards and Wilson, 2004a,2004b). With official government support, as demonstrated by the experience of Australia and New Zealand, the development and socio-economic empowerment potential of the backpacking sector, can be maximised (Peel and Steen, 2007).

The case studies of Australia and New Zealand show what can be considered 'best practice' if South Africa is to further develop the backpacking sector. Within South Africa, however, there has been limited research of the type undertaken in Australia and New Zealand as the forerunner to effective government intervention in the development and promotion of backpacking. Until recently, the backpacking sector failed to appear within official South African government tourism development documentation. The 2006 ECI Africa national backpacking sector study, commissioned by FRIDGE, marks a shift in South African tourism development strategy, from the pursuit of high-yield conventional mass tourism to the development of niche markets within the wider tourism industry. The research conducted by ECI Africa (2006) and, prior to any government interest in the sector, by Visser *et al* (2003) forms the foundations for further research on the backpacking sector, both on a national and local level. Research by Visser *et* al (2003), Visser and Barker (2004) and

Visser (2004,2005) revealed the backpacker sector of South Africa to possess considerable development potential, both as a form of alternative tourism with strong linkages to pro-poor growth, and as a viable means of local economic development. Nevertheless, both the Visser *et al* (2003) and the ECI Africa (2006) national backpacking surveys have uncovered a number of shortcomings within the backpacking sector of South Africa which hamper this potential. Indeed, ECI Africa (2006) has put forward a number of national level strategic objectives aimed at reducing the hindering effects that the current structure of South Africa's backpacking industry has on achieving the national goal of socio-economic empowerment. Through an examination of backpacker consumer behaviour trends and the controlling factors within the backpacking product industry, the existing research on South Africa's backpacking sector (Visser *et* al, 2003; Visser and Barker, 2004; Visser, 2004,2005; ECI Africa, 2006) revealed that there are a number of distinctive backpacking regions within the country; Gauteng representing one such region. This finding points to the need for further regional and local research into the backpacking sector of South Africa.

In this concluding Chapter, a critical discussion is undertaken of the research findings conducted on the backpacking sector of Gauteng. The results of both the consumer and enterprise surveys are drawn upon in determining the role that Gauteng plays in the wider South African backpacking sector. In addition, the findings from these surveys provide a basis for uncovering the key issues shaping the province's backpacking industry. Based upon these findings, a number of strategic recommendations are put forward with the overall goal of growing the province's backpacker sector. The strategic recommendations are supplemented with the response of the Gauteng Tourism Authority to a series of questions posed concerning the development of the sector and to a number of specific issues which have emerged out of the consumer and enterprise interviews.

6.1) <u>The Role of Gauteng in the South African Backpacking Sector</u>

The results of this research on the role of Gauteng in South Africa's backpacking economy confirm a number national research findings (Visser *et* al, 2003; Visser and Barker, 2004; Visser, 2004,2005; ECI Africa, 2006), such as the demographic profile of international and domestic backpackers travelling throughout the country, key backpacker behavioural trends, the form and function of backpacker enterprises, as well as the shortcomings of the backpacking sector. In adding to the limited existing research on backpacking in South Africa, this study presents the first detailed examination of backpacking in Gauteng from both a consumer and enterprise standpoint. In doing so, a number of key findings relating the role of Gauteng in the wider backpacking sector, the current trends and key shaping factors within the province's backpacking sector, as well as the identification of a number of obstacles to the development of the local sector, are revealed.

It is evident from the results of both the backpacker consumer and enterprise surveys that Gauteng plays a key role in the backpacking sector of South Africa and southern Africa. As the province in which South Africa's major international airport is situated, Gauteng forms the starting and/or concluding point for most backpacker travel in the country. Furthermore, with South Africa taking on the role as a gateway for backpacker travel throughout southern Africa, Gauteng also plays an important part as a travel node for this wider pattern of backpacker travel. The role of Gauteng as the main travel node for backpacking in both South Africa and southern Africa is reflected in: the organisational role played by the province in the planning of backpacker travels throughout South Africa; the distribution of the backpacking accommodation segment; the late emergence of the provincial sector; the structure of the backpacker accommodation segment; a high density of overland tour companies; the seasonality patterns; the regional variations in the international:domestic backpacker proportions; and, the motivational and behavioural patterns of backpackers in the province.

Gauteng as an Organisational Base for Backpacking in South Africa

It was found that 42.6% of international backpackers, who enter South Africa through Gauteng, do not arrive with planned travel itineraries, and many of these backpackers do not have any accommodation booked for their first night in the country. For the vast majority of these backpackers, the planning of their travels in South Africa is conducted upon arrival at backpacker hostels in Gauteng. This planning is undertaken with the assistance of guide books, the internet, and the recommendations of hostel staff and other travellers. The information on the South African backpacking experience available in Gauteng therefore plays an important role for many backpackers in the planning of travels throughout South Africa and, in some cases, southern Africa.

The Geographical Distribution of the Accommodation Segment

Upon observation of the geographical distribution of the backpacker accommodation segment of Gauteng there is clear agglomeration of backpacker hostels around O.R. Tambo airport. One-third of the accommodation segment is situated in the areas surrounding the airport, and within Johannesburg, a further clustering is witnessed on the eastern side of the city, closest to the airport. Within both Pretoria and Johannesburg, further grouping of backpacker accommodation enterprises is evident in the areas surrounding the main train/bus stations.

Late Emergence

The somewhat late initial growth spurt of the accommodation segment in Gauteng as compared to the initial national growth trend provides further evidence of the role of Gauteng as a major backpacker travel node. This late growth is attributed to the influx of backpackers into South Africa through Gauteng only becoming evident once South Africa started showing signs of becoming a popular backpacking destination.

Structure of the Backpacker Accommodation Segment

The vast majority of backpacker accommodation enterprises offer airport and train/bus station pick up services to backpackers. Furthermore, since a significant percentage of international backpackers enter South Africa without planned travel itineraries, many backpacker hostels have travel centre facilities and serve as commission-based booking agents for backpacker accommodation, travel and touring throughout the country; so as to better capitalise on the high flow, yet, low yield of backpacker traffic experienced in the province. The recent broadening of product bases within the accommodation segment is a further effort on the part of hostel owners, to counter the symptoms of low backpacker spend and limited durations of stay, which are indicative of throughway backpacker traffic.

Gauteng-based Overland Tour Enterprises

A key feature of Gauteng within the national backpacking economy is the province's role as a beginning and/or end point for a number of overland tours. This role is confirmed by the large percentage of South African and southern African overland tour companies based in Gauteng and the relatively high rating of overland tour vehicles as a significant means of guest arrival at backpacker hostels throughout the province. It was further found, that a considerable percentage of consumer interviewees were in the province for only a few days after being 'dropped-off' by overlanding companies and awaiting flights out of South Africa.

Seasonality

The peak season for backpacking in South Africa is over the summer months. Gauteng also experiences a peak in international backpacker traffic during this period. During the month of December, however, the province witnesses a sharp fall in occupancies. This is indicative of the role of Gauteng as the start and/or end point of backpacker travel in the country as during this popular holiday month, the vast majority of backpackers [international and domestic] prefer to spend their time in the more tourist-attractive coastal provinces of South Africa, having either begun and/or ended their travels in Gauteng.

Regional Variations in International:Domestic Backpacker Proportions

Backpacker hostels in the areas surrounding the airport and in Johannesburg witness a higher percentage of international backpackers as compared to the areas further away from the airport.

Backpacker Motivational and Behavioural Patterns

The motivations for backpacker visits to Gauteng and the behavioural patterns of backpackers in the province, such as activities, spending, transport used and length of stay, are indicative of the province's role as a starting and/or ending point for backpacker travel in South Africa.

1) Motivations for Visiting Gauteng

   The main reason given by international backpackers for being in Gauteng was that of the province being their point of entry and/or exit from South Africa. Although a high percentage of the interviewed international backpackers took part in the popular activities of Soweto tours and/or museums visits, these activities were considered as significant motivational factors by only a few interviewees; whereas backpacker visits to the popular coastal provinces of South Africa were found to be activity and experience motivated.

2) Activities in Gauteng

   The popular activities of Soweto and museum tours have been shown to carry little weight as motivational factors for international backpacker visits to Gauteng. These activities can be considered more as 'things to do' whilst already in province. The lesser partaken activities of shopping, going to restaurants, bars and clubs also fit this profile. The activities in Gauteng which backpackers take part in are more limited in scope as compared to those available in the popular coastal provinces. These activities are also short in duration; perfect for tourists with limited time in province, such as those who have either just arrived in South

Africa, and are awaiting transport to more popular backpacking regions, or awaiting flights out of the country.

3) Backpacker Spending Patterns

The average daily spend of backpackers in Gauteng was found to be significantly lower than that across South Africa as a whole. Beginning-of-trip budget constraints, so as to conserve funds for backpacking regions offering more activities and experiences, and end-of-trip budget limitations are two factors accounting for the lower daily expenditure witnessed in Gauteng. This trend is further reflected in the budget allocation patterns of backpackers in Gauteng as compared to the national trends. Backpackers in Gauteng allocate a significantly higher proportion of these funds to the basic necessities of accommodation, transport and food, and a lower proportion to activities and souvenirs and shopping, as compared to the national averages of fund allocation.

4) Modes of Transport Used

The most significant difference between the national and Gauteng-based trends of transport used, as stated by the backpacker accommodation segment, is the higher use of airport-hostel and/or train and bus station-hostel shuttle services in Gauteng. The significantly higher incidence of overland tour vehicles being rated as a major source of guest arrival reinforces the secondary role of Gauteng as the key starting and/or concluding point for overland tours within the country and throughout southern Africa. The use of rental vehicles and the 'Baz Bus' are given considerably lower ratings by hostel owners in Gauteng than nationally, thus illustrating the role of Gauteng as the major starting and ending point for international backpacker travel in South Africa, as these modes of transport are more typical of intra-journey travel.

5) Length of Stay

With the exception of a number of isolated extended stays due to reasons of special purpose, such as volunteer placements and academic study, the average length of stay for international backpackers in Gauteng is substantially shorter than that witnessed for the popular coastal provinces. Backpacker stays in Gauteng are usually for only 2 nights either at the beginning or the end of backpackers' travels in South Africa, and in many cases for both entry and exit stages.

6.2) Obstacles to Growth

As the influx of international backpackers into Gauteng continues to rise, as indicated by the current growth trajectory and the trends observed by entrepreneurs within the sector, the accommodation segment will have to expand to meet the increasing demand for backpacker accommodation. This foreseen growth, however, will remain limited in scope and reach, as well as in the impact it will have on the livelihoods of those outside of the core backpacking sector, unless a number of key issues are addressed. Overall, the backpacking sector of Gauteng is faced with six key challenges which need to be addressed if the sector is to broaden its ability to harness the full potential of backpacker tourism:

The Narrow Role of Gauteng

For the majority of international backpackers, Gauteng is not a main feature for backpacker travel in South Africa, but rather a stop-over point during their entry and/or exit from South Africa, and in some cases southern Africa. The resultant short durations of backpacker stays in Gauteng place time constraints on the number and type of activities which backpackers can partake in. As such, international backpackers in the province spend less money. If the backpacking sector of Gauteng is to further capitalise on the high volume of backpacker traffic entering and exiting South Africa through the province, the sector needs to broaden its role to encompass features and activities which serve to attract international backpackers.

Limited Movement of Backpackers

Apart from the short lengths of stay witnessed for international backpackers in Gauteng, other factors, such as the threat of crime and cost of transport, severely limit the movement, and therefore the spending capacities, of international backpackers in the province. Indeed, many consumer interviewees have claimed that backpacker travel in South Africa is somewhat channelled through specialist agencies due to these safety and cost concerns. These consumer feelings are especially hard-felt in Gauteng due to the high cost of metered taxis, safety concerns associated with the use of minibus taxis, and the province possessing the reputation of a crime haven. If backpackers were to be 'freed' from the resultant restrictive industry channels, the narrow nature of Gauteng's role in the wider backpacking sector could be broadened into that of a province 'not to be missed' by international backpackers. In turn, the benefits of backpacker tourism would be felt outside of backpacking sector, as international backpackers would be able to independently take part in a wider scope of activities and interact with other sectors of Gauteng.

Unsuitable Regulatory Framework

Due to the budget nature of the backpacking industry, the profit margins are far more limited than those of other, more conventional tourism industries, and the return-of-investment period for establishing enterprises within the sector is lengthy. Further reducing the overall profit margins of backpacker accommodation enterprises in Gauteng are the added costs of purchasing and running vehicles for airport and train/bus station to hostel shuttles. For most backpacker accommodation enterprises in the province, the operation of such a service, at the lowest possible cost to guests, is crucial to the survival of these businesses, and in some cases, these shuttle services run at a loss. Another characteristic of the backpacking sector is the low level of importance placed on amenities; backpacker hostels are budget forms of accommodation, providing only basic comfort needs. Nevertheless, despite the financial constraints and basic levels of service characteristic of the backpacking sector, the same operational standards are expected as throughout the wider tourism sector, and the criteria and costs of abiding by these regulations remains the same, regardless of the type of tourism enterprise. For many of the sampled backpacker accommodation enterprises, the cost of adhering to these regulations is simply too high. Furthermore, considering the high percentage of backpacker enterprise owners who are actively involved in the daily operations of their businesses, the amount of red tape and time involved in conforming to such regulations proves to be too time consuming. Registration as a backpacker hostel has, in the past, proved difficult due to there being no such category within tourism enterprise registration procedures. This issue, however, has been resolved with the inclusion of a backpacker accommodation category within the procedures for registering tourism businesses throughout Gauteng. It was thus found that within the sampled backpacker accommodation enterprises, a significant number of businesses are either not registered as backpacker establishments or are simply not registered at all, and many do not follow tourism regulatory practices. Over and above these non-conforming enterprises, there are a number of 'fly-by-night' backpacker hostels throughout the province, which according to the owners of registered enterprises are a liability to the sector as they are often sub-standard and give the backpacking sector of Gauteng a bad reputation. Without official backpacker enterprise registration and the following of certain basic standards it is difficult for both industry representative bodies and the relevant government authorities to monitor the sector; to ensure proper standards are maintained; or to draw together the various stake-holders in a common development vision.

Lack of Cohesion within the Sector

Although there are high levels of networking and linkages within both the provincial and national backpacking sectors, there is a definite lack of an industry representative body which stands for the entire backpacking sector of Gauteng. Only a limited number of enterprises are members of BSA, and even fewer are members of GTA. The Gauteng division of BSA can be considered weak due to the low levels of stake-holder participation and its inability to develop the sector and have a positive effect on business performance levels. Overall, there is a general lack of confidence on behalf of backpacking enterprise owners in BSA and GTA. It can, however, be said that some level of cohesion has been attained through informal cooperation and linkages within the sector, as well as through dedicated marketing channels. Nevertheless, this fusion does not amount to a unified industry front, which in collaboration with provincial tourism and development authorities can 'bring to life' a shared vision for the development of Gauteng's backpacking sector. Furthermore, due to the informal nature of cooperation and linkages within the sector, it is claimed that the industry has become somewhat 'cliquey'. Considering that a substantial portion of international backpackers rely on the information supplied by backpacker hostels in Gauteng in planning their travels and activities in South Africa, it is a concern that this information is biased, resulting in the further channelling of backpacker travel both provincially and nationally. A unified backpacking industry, sharing a common development plan, in which standards and regulations are adhered to, would provide backpackers with a wider and more objective choice of travel destinations and activities. Until a greater degree of cohesion within the backpacking sector of Gauteng is achieved, which is aided by government involvement and support, any efforts by individual entrepreneurs to bring about reform and growth within the sector will remain haphazard.

Lack of Government Involvement and Support

One of the most cited recommendations put forward by backpacker enterprise owners in Gauteng is that of official government recognition and support of the sector. The type of government support which enterprise owners feel would be most helpful pertains to marketing and a more 'backpacker-friendly' regulatory environment. If the Gauteng government were to officially recognise the sector as a significant contributor to the South African tourism economy, and take an active role in the development and support of the Gauteng backpacking sector, a number of positive outcomes could be achieved:

1. The aligning of national tourism development strategies with the development of a Gauteng backpacking sector development vision;
2. Improved communications between government tourism authorities and private backpacking sector enterprises, allowing for the pooling of knowledge and resources, as well as the establishment of monitoring and feedback mechanisms, to create a more holistic Gauteng backpacking experience;
3. The development of streamlined and 'backpacker-friendly' regulatory procedures;
4. Enhanced access to funds, allowing for a greater number of previously disadvantaged members of society to enter the sector;
5. The unification of the Gauteng backpacking sector, allowing for the development and implementation of common development goals;
6. An increase in the level of confidence in Gauteng's various tourism authorities on behalf of backpacker enterprise owners;
7. The development of marketing strategies which encompass a broader product base and reach a wider target, thus increasing the overall flow and yield of backpackers throughout the province, as well as reaching under-developed and previously untapped target markets; and,
8. An improved integration of tourism sector training and empowerment programmes with private sector tourism enterprises.

The Absence of Backpacking Information Available at the Airport

Close to half of the sampled foreign backpackers who arrived at O.R. Tambo international airport, did so without planned travel itineraries. Many of these travellers did not even have accommodation booked for their first night in South Africa. Currently, however, no information on backpacking is available at the airport. These travellers have no alternative but rely on the information provided to them at backpacker hostels in Gauteng in planning their travels in the country; information which is often biased due to the informal and cliquey nature of the networking within the backpacking sector of South Africa.

6.3) The Gauteng Tourism Authority's Stance on Backpacking

In the interview conducted with the Gauteng Tourism Authority, the need was acknowledged for expanding the accommodation base by encouraging the development of a wide variety of options, including that of the backpacking sector (GTA, 2007). The Authority is, indeed, aware of the rapid growth experienced in the global backpacking industry, and the fact that, compared with average tourists, backpackers stay longer, spend more, seek alternative destinations and enjoy a wider mix of travel experiences (GTA, 2007). In line with this, GTA stated that it would focus, between 2007 and 2010, on encouraging the development of backpacking products and services, as well as addressing such issues as inadequate backpacking facilities, the grading of facilities to meet international standards, and on encouraging the existing ones to comply with set standards (GTA, 2007). The Gauteng Tourism Authority develops products to meet the needs of tourists, and intends to take into consideration the needs of backpackers (GTA, 2007). As to how the Authority wishes to achieve these goals, no information is available. Moreover, with respect to a number of specific issues which have arisen from the backpacker consumer and enterprise surveys, the GTA recommended that these issues be taken up with the "relevant government departments" (GTA, 2007). These issues concern:

Gaining the confidence of all stake-holders within the sector;

Clear registration processes;

A 'backpacker-friendly' regulatory framework;

Tourist safety;

The opening of museums on Mondays;

The establishment of a backpacking information centre at O.R. Tambo international airport; and,

The facilitation of government tourism grants.

Nevertheless, the above issues do, in fact, fall within the duties of GTA as set out in the Gauteng Tourism Act of 1998 [see www.gauteng.net]. The Gauteng Tourism Act of 1998 requires that the Gauteng Tourism Authority perform the following duties:

1. Promote, foster and develop tourism;
2. Encourage the sustainable development, provision and improvement of tourist amenities and, establish guidelines for tourism development;
3. Investigate and make recommendations to the MEC on any matter relating to promotion, development or marketing of tourism in the province;
4. Initiate and implement activities and actions nationally and internationally intended to attract tourists to the province;
5. Develop strategic and business partnerships and other co-operative activity with tourist organisations in other countries, and with the private and independent sectors;
6. Coordinate, advise, support and interact with organisations or institutions aimed at promoting and developing tourism;
7. Become members of and solicit membership with organisations for tourism development and marketing; and,
8. The Authority may, with the approval of the MEC, provide finance for any project which, in the opinion of the Authority, will improve and develop tourism in the Province.

Overall, the response which GTA has given regarding the future of the backpacking sector of Gauteng appears to be a generic retort, which to some extent shirks having to respond adequately to the key issues concerning the level of involvement and support required of the Authority in the development of the sector. Indeed, the lack of confidence in GTA shown by the private backpacking sector of Gauteng seems well-founded.

6.4) Strategic Recommendations

Through research into the current trends and key shaping issues within the backpacking sector of Gauteng a number obstacles to the growth and socio-economic impacts of the sector have been identified; namely, the narrow role of Gauteng within the wider backpacking sector, the limited movement of backpackers within the province, an unfavourable regulatory framework, a lack of cohesion within the sector, the lack of government recognition and support, and the absence of backpacking information available at the airport. It must, however, be kept in mind that the development of the Gauteng backpacking sector does fall within the wider, national objectives of growing the volume of backpackers visiting South Africa; extending their length of stay; increasing tourist spend; improving the geographical spread of backpacker travel; addressing existing seasonality trends; and, expanding BEE and transformation within the industry, as put forward by ECI Africa (2006). Nevertheless, in order to achieve growth of the backpacking sector of Gauteng and a greater impact on livelihoods within the province, a more focussed, Gauteng-specific set of objectives is required, which engage the above mentioned obstacles to further developing the Gauteng backpacking sector. In order to overcome these challenges, nine strategic recommendations are put forward. These recommendations follow the Australian example of drawing together the various role players under a common development vision, which through the identification of attractive segments, markets the destination from a comprehensive product platform to a wide variety of target markets.

1) The Gauteng Tourism Authority Taking on a Leadership Role

In order to overcome the challenges facing the backpacking sector of Gauteng, strong leadership is critical. As the local government body charged with stimulating, coordinating and facilitating the sustainable tourism development and marketing of Gauteng (see www.gauteng.net), the Gauteng Tourism Authority should engage with the backpacking sector of Gauteng in a public-private partnership, aimed at the development and implementation of a common development vision.

2) Consolidation of the Sector

The first step in creating a public-private partnership between the backpacking sector of Gauteng and the GTA is that of obtaining full stake-holder participation and cohesion. In this regard, it is imperative that the individual backpacking enterprises elect an industry representative body to engage with the GTA in the formulation of a development vision. This, however, would be the most difficult and crucial challenge in establishing such a partnership, due to the weakness of the Gauteng division of BSA, and the overall lack of confidence in both BSA and GTA evident within the sector. In order to achieve such consolidation within the sector, the GTA needs to demonstrate to private backpacking enterprises of Gauteng a high level of enthusiasm in developing and aiding the local backpacking economy. In this respect, official recognition of the sector, the development of a backpacker-specific regulatory framework, as well as the commitment of funding are crucial in winning the 'hearts and minds' of backpacking enterprise owners.

3) The Construction of a Development Vision

The development goals of growing the backpacking sector of Gauteng need to address the key challenges facing the industry. Gauteng has been shown to play the chief role of the major entry and exit point for international backpackers visiting South Africa. As such, the objectives of a vision for the development of Gauteng backpacking are first, to increase the yield of the high volume of backpacker traffic through the province, and second, to expand on the narrow role of Gauteng within the wider backpacking economy. In this respect, a public-private backpacking partnership should focus on the development of a product platform, which through the identification of attractive segments, acts to pull together a number of economic and social sectors within the province, thus expanding the role of Gauteng to more than merely a stop-over point. The incorporation of entertainment districts, such as Hatfield in Pretoria and Melville in Johannesburg, as well as the arts and culture sector, such as the theatre, local artisans and galleries, into the existing, yet limited, backpacker activity base of Gauteng would serve to broaden the role of Gauteng within the national backpacking industry. Furthermore, the incorporation of affordable forms of intra-provincial transport would facilitate increased backpacker movement within Gauteng, boosting overall backpacker yield. Broadening the backpacking product base of Gauteng and reducing the cost of travel within the province would have the knock-on effects of increasing both the length of stay and the movements of backpackers within Gauteng, therefore, substantially boosting backpacker spending.

4) Development of a Backpacker-specific Regulatory Framework

Due to the budget nature and the high levels of owner involvement in the running of backpacker enterprises in Gauteng, the current tourism industry regulatory framework is too costly, time consuming, and unsympathetic to the specific needs and constraints placed on backpacker enterprises. In this respect, the formulation of a 'registration and regulation pack' which provides a transparent registration process based on the services offered by backpacker enterprises would simplify and streamline the registration process, making it easier for enterprise owners to adhere to standards, and encourage more businesses to register with the relevant authorities. Due to the low levels of cash flow and low profit margins characteristic of the backpacking sector, the cost of adhering to many tourism standards and regulations should be reduced, further encouraging backpacker registration and the maintenance of standards. Under the 2001 Gauteng Tourism Act (see www.gauteng.net) the GTA is to provide for the registration of all tourism related businesses in the province, therefore, it would be the responsibility of GTA to take an active role in the formulation, development and distribution of such backpacker 'registration and regulation packs'. Indeed, if the process of backpacker enterprise registration and standard adherence were faster, simpler and cheaper, enterprise owners would show higher levels of confidence in GTA, and be more inclined to unite, in partnership with the Authority, under a common development vision.

5) **Active Marketing**

The key factor in successfully achieving a broadening of both the product platform and the target market of the Gauteng backpacking sector, is that of marketing the province to a variety of target markets according to the specific needs of those target markets. Such marketing of the Gauteng backpacking sector and other tourist attractions and activities needs to take place on an international, regional and national level.

- **Internationally –** The current efforts of GTA in marketing the province international do not include the backpacking and budget tourism sector. The effective international marketing of Gauteng's backpacking enterprises along with the full range of attractions and activities offered within the province, would serve to break the perception of the province as merely a stop-over point for backpackers visiting South Africa and southern Africa.
- **Regionally –** Other sub-Saharan African countries accounted for 73% of the total foreign arrivals in South Africa for 2005, with the majority of these travellers hailing from the SADC region (SA Tourism, 2005). Considering that Gauteng is a major focal point of business throughout the SADC region, and the unfavourable currency exchange rates when converting from other African currencies to South African Rands, other African countries, specifically those of the SADC region, represent a vast untapped market. A regional marketing campaign which reveals the benefits of utilising budget accommodation in Gauteng would serve to reach this untapped market, which has the potential to drastically increase the demand for budget accommodation throughout the year.
- **Nationally –** The role of GTA in marketing Gauteng as a domestic budget tourism destination needs to focus at two levels. A broad, public marketing campaign which could be facilitated through SA Tourism's domestic campaign, Sho't Left, which has already shown interest in incorporating the national backpacking sector into its marketing of affordable domestic holidays (Botes, 2006), and the focussed marketing of both the backpacker accommodation segment as

well as the wider activity product base of Gauteng to a range of domestic niche markets. These niche market campaigns include the marketing of backpacker accommodation to budget constrained domestic business tourists, and the marketing of both the budget accommodation segment and activity product base of Gauteng to university students, schools, sports teams, church and other interest groups.

6) Financial Support and a Focussing of Transformation Efforts

A key issue which has become evident with regards to applying for government financial support is the need for financial security along with showing 'high enough' profits to successfully apply for such grants. Apart from the redundancy of this structure, whereby entrepreneurs who possess such security and show high enough profits, do not need government aid due to the low operating costs associated with the sector, these prerequisites unfortunately eliminate those entrepreneurs for whom, either the establishment or survival of their backpacker enterprises depends on receiving such support. If the overarching goal of redistribution is a key driver of such government financial support, then the qualifying criteria are in need of revision. With reference to the Tourism BEE Charter, the small size of backpacker enterprises and high levels of owner involvement in the daily operations within the sector limit the number of opportunities for staff to move through the ranks into high responsibility positions. Therefore, for the national goal of redistributive growth to be more effective within the backpacking sector, higher levels of Black ownership of backpacking enterprises are needed. In order to achieve this goal, attention must turn back to the financial support of PDIs wishing to enter the sector.

7) Tourist Police

The debilitating effects of crime and the threat thereof on the backpacking sector of Gauteng are evident in the limited movement of international backpackers within the province. The structure of Gauteng's backpacking sector has, indeed, been shaped by crime and the perception of crime in the province, resulting in backpackers' movements becoming restricted to the use of industry channels. In order to achieve the main goal of broadening the role of Gauteng within the wider backpacking sector, the movement of backpackers within the province needs to become more independent, an objective which relies on backpackers feeling safe when moving around Gauteng independently. A possible solution to this problem, which would not only benefit backpacker tourists, but all tourists in Gauteng, is the cooperation of GTA with the South African Police Service [SAPS] in the establishment of a Tourist Police Force. The role of such a policing body would be to act as a deterrent to crime against tourists, as well as providing useful and trustworthy information to tourists in need of assistance. Tourist police have been successfully implemented in countries such as Thailand (Tourism Authority of Thailand, 2006), Brazil (IOL, 2006), Greece (Greek National Tourism Organisation, 2007), Nepal (Nepal Tourism Board, 2006), Israel (Tel Aviv Guide, 2006), Egypt (Nile Travel, 2006), and in 2005, St Petersburg Authorities announced their intentions to establish a tourist police force in the tourist popular Russian city by mid-2006 (Mosnews, 2005). Rather than scaring tourists away through the implied official recognition of crime against tourists, the international experience of establishing tourist police forces has been successful in easing tourists' worries of becoming victims of crime whilst on holiday in foreign countries.

8) Cooperation with the Public Transport Industry

Another factor responsible for the limited movement of international backpackers in Gauteng, is their restricted use of transport within the province. Most international backpackers in Gauteng will not use minibus taxis due to a number of safety concerns associated with this form of public transport. Moreover, it is the overwhelming opinion of the international and domestic backpacker market that metered taxi services are too expensive. Until an effective Gautrain-supportive bus network is implemented in Gauteng, backpackers are limited to the use of expensive metered taxis. In this regard, cooperation between a public-private partnership of the backpacking sector and GTA with a number of minibus taxi operators would provide backpackers in the province with a safe and affordable means of travel within Gauteng. In exchange for the addition of a new market to the minibus taxi sector of Gauteng, taxi drivers of the relevant operators would take on the responsibility of ensuring the safe passage of backpackers using their service. Perhaps 'Gauteng Backpacking' stickers could be applied to the vehicles of cooperative minibus taxi operators, making it easy for backpackers to identify taxis which are 'backpacker-friendly'.

9) <u>The Provision of Backpacking Information at the Airport</u>

Due to the high number of international backpackers arriving in South Africa through Gauteng without planned travel itineraries, the province plays the important role of a backpacking information hub. With this in mind, the placement of a backpacking information centre at O.R. Tambo International Airport is of critical importance.

The above recommendations highlight the need to create a synergy between a number of role players from various sectors of Gauteng. Under the combined leadership of an elected industry representative body and GTA, the backpacking sector of Gauteng can achieve the goals of:

- Taking further advantage of the high volume of international backpacker traffic through the province, by broadening the role of Gauteng within the national backpacking sector to include a wider range of attractions and activities;
- Increasing the volume of budget tourists visiting Gauteng through effective niche marketing on international, regional and domestic levels;
- Removing the restrictions to the movement of backpackers within Gauteng through the formation of effective partnerships with SAPS and the minibus taxi operators of Gauteng;
- Increasing the impact of backpacker tourism on the livelihoods of those outside the immediate backpacking sector, through allowing the

independent movement of backpacker travellers throughout the province; and,

Creating a favourable regulatory and business climate allowing the growth and prosperity of Gauteng's budget tourism sector.

In final analysis, this study has determined that Gauteng possesses the key advantage of being the main gateway of international backpacker travel in South Africa, and in many cases southern Africa. A further advantage that Gauteng possesses is that of being the focal point of much business conducted both nationally and within the SADC region. None the less, due to a lack of solidarity within the sector, an unfavourable registration and regulatory environment, and a lack of official government recognition and support, the formation of a holistic product platform aimed at further capitalising on the existing budget traveller market as well as expanding into the untapped domestic and regional budget travel markets, has not been achieved. In overcoming these obstacles to the further growth of the backpacking sector of Gauteng, and in facilitating the removal of barriers impeding the wide reaching socio-economic impacts, which the backpacking phenomenon has been shown to possess, a number of recommendations have been put forward. These recommendations focus on the development of synergetic partnerships between the Gauteng Tourism Authority, the private backpacking sector, other tourism and entertainment sectors, the public transport sector and the SAPS. The implementation of these recommendations, in conjunction with regular empirical research and monitoring of the sector, are essential in the development of a more holistic Gauteng budget tourism economy, and are paramount to achieving the wider goals of socio-economic empowerment within the tourism industry.

References

Ashley, C. and Mitchell, J., 2005: *Can Tourism Accelerate Pro-poor Growth in Africa?*, Overseas Development Institute, London.

Ashley, C., Boyd, C. and Goodwin, H., 2000: *Pro-Poor Tourism: Putting Poverty at the Heart of the Tourism Agenda*, Natural Resource Perspectives No. 51, Department for International Development, London.

Ashley, C., Roe, D. and Goodwin, H., 2001: *Pro-Poor Tourism Strategies: Making Tourism Work for the Poor,* Overseas Development Institute, International Institute for Environment and Development, and Centre for Responsible Tourism, The Russel Press, Nottingham.

ATEC, 2005: Backpacker Tourism Advisory Panel, available at www.atec.net.au

Ateljevic, I. and Doorne, S., 2004: Theoretical encounters: a review of backpacker literature, in G. Richards and J. Wilson (eds), *The Global Nomad: Backpacker Travel in Theory and Practice*, Channel View, Clevedon, 60-76.

Binns, T. and Nel, E., 2002: Tourism as a local development strategy in South Africa, *The Geographical Journal*, **168**(3), 235-247.

Britton, S.G., 1982a: The political economy of tourism in the Third World, *Annals of Tourism Research*, **9**,331-358.

Britton, S.G., 1982b: International tourism and multinational corporation in the Pacific, in M. Taylor and N. Thrift (eds), *The Geography of Multinationals*, Croom Helm, London, 232-274.

Bolin, R., 2002: *The Road Goes Ever On and On*, Tourism Research Report, Bureau of Tourism Research, Canberra.

Botes, N., 2006: Sho't Left: incorporating the backpacking sector, presented at the annual BSA meeting, Lesotho, July.

Buchanan, I. and Rossetto, A., 1997: *With My Swag Upon My Shoulder: A Comprehensive Study of International Backpackers to Australia*, Occasional Paper No.24, Bureau of Tourism Research, Canberra.

Butler, R.W., 1980: The concept of a tourist area cycle of evolution, *Canadian Geographer*, **24**,5-12.

Butler, R.W., 2000: The resort cycle: two decades on, in B. Faulkner, G. Moscardo and E. Laws (eds), *Tourism in the Twenty-First Century*, Continuum, London, 284-299.

Cater, E., 1995: Consuming spaces: global tourism, in J. Allen and C. Hamnett (eds), *A Shrinking World?: Global Unevenness and Inequality*, The Open University Press and Oxford University Press, Oxford, 183-216.

Cochrane, E., 2005: The backpacker plus: overlooked and underrated, Paper presented at the ATLAS Backpacker Meeting, Bangkok, September.

Cohen, E., 1982: Marginal paradises: bungalow tourism on the Islands of Southern Thailand. *Annals of Tourism Research*, **9**, 189–228.

Dearden, P., 1991: Tourism and sustainable development in Northern Thailand, *Geographical Review*, **81**, 400-413.

Department of Environmental Affairs and Tourism (DEAT), 2003: *Tourism 10 year Review*, Department of Environmental Affairs and Tourism, Pretoria.

Department of Environmental Affairs and Tourism (DEAT), 2004: *The Tourism BEE Charter and Scorecard*, available at www.environment.gov/documents

ECI Africa, 2006: *Backpacker Tourism Sector Study*, Unpublished report prepared for FRIDGE.

Greek National Tourism Organisation, 2007: *Wonderful Greece* - official website of the Greek National Tourism Organisation, available at www.gnto.gr

GTA, 2007: Correspondence with the Gauteng Tourism Authority, facilitated by Bulelwa Payi, Public relations and corporate communications officer, December-March 2007.

Haigh, R., 1995: *Backpackers in Australia*, Occasional Paper No.20, Bureau of Tourism Research, Canberra.

Hampton, M.P., 1998: Backpacker tourism and economic development, *Annals of Tourism Research*, **25**(3), 639-660.

Hampton, M.P., 2005: Heritage, local communities and economic development, *Annals of Tourism Research*, **32**(3), 735-759.

Harrison, D., 1992: *Tourism and the Less Developed Countries*, John Wiley, Chichester.

Heaney, L., 2003: *BTR Niche Report Number 2: Backpackers in Australia, 2002*, Bureau of Tourism Research, Canberra.

Ioannides, D., 1999: Tour operators: the gatekeepers of tourism, in D. Ioannides and K.G. Debbage (eds), *The Economic Geography of the Tourism Industry: A Supply-Side Analysis*, Routledge, London.

Ipalawatte, C., 2004: *Backpackers in Australia 2003, Niche Market Report No.4*, Tourism Research Australia, Canberra.

IOL, 2006: Independent Online: As Brazil readies for Carnival, so do thieves, Febuary 25, available at www.iol.co.za

Lloyd, K., 2003: Contesting control in transitional Vietnam: the development and regulation of traveller cafes in Hanoi and Ho Chi Minh City, *Tourism Geographies*, **5**, 350-366.

Loker-Murphy, L. and Pearce, P.L., 1995: Young Budget Travellers: Backpacking in Australia, *Annals of Tourism Research,* **22**(4), 819-843.

Miller, R. and Pasche, S., 2003: *An investigation into the Socio-economic Impact of International Backpackers on the Western Cape*, Unpublished report prepared for Backpacker Tourism South Africa.

Mohsin, A. and Ryan, C., 2003: Backpackers in the Northern Territory of Australia – motives, behaviours and satisfactions, *International Journal of Tourism Research*, **5**(2), 113-131.

Mosnews, 2005: St. Petersburg Announces Plans to Create Tourist Police, October 10, available at www.mosnews.com

Nepal Tourism Board, 2006: *Unleash yourself* - official website of Nepal Tourism Board, available at www.welcomenepal.com

Newlands, K., 2004: Setting out on the road less travelled: a study of backpacker travel in New Zealand, in G. Richards and J. Wilson (eds), *The Global Nomad: Backpacker Travel in Theory and Practice*, Channel View, Clevedon, 217-236.

Newlands, K., 2005: Working holiday policy – expanding opportunities for, or exploitation of backpackers, Paper presented at the ATLAS Backpacker Meeting, Bangkok, September.

Nile Travel, 2006: *Nile Travel: General Information on Egypt*, available at www.niletravel.co.za

O'Reilly, C.C., 2006: From drifter to gap year tourist – mainstreaming backpacker travel, *Annals of Tourism Research*, **33**(4), 998-1017.

Pearce, P., 1990: *The Backpacker Phenomenon: Preliminary Answers to Basic Questions*, James Cook University of North Queensland, Townsville.

Peel, V. and Steen, A., 2007: Victims, hooligans and cash-cows: media representations of the international backpacker in Australia, *Tourism Management* **28**, in press.

Pursall, R., 2005: From backpacker to flashpacker, Paper presented at the ATLAS Backpacker Meeting, Bangkok, September.

Richards, G. and King, B., 2003: *Youth Travel and Backpacking: Travel and Tourism Analyst*, Mintel International Group, London.

Richards, G. and Wilson, J., 2003: *New Horizons in Independent Youth and Student Travel: A Unique Study on Youth and Student Travel*, A summary version of the full report prepared for the International Student Travel Confederation (ISTC) and the Association for Tourism and Leisure Education (ATLAS), published by the International Student Travel Confederation, September 2003.

Richards, G. and Wilson, J. (eds), 2004a: *The Global Nomad: Backpacker Travel in Theory and Practice*, Channel View, Clevedon.

Richards, G. and Wilson, J., 2004b: Drifting towards the global nomad, in G. Richards and J. Wilson (eds), *The Global Nomad: Backpacker Travel in Theory and Practice*, Channel View, Clevedon, 3-13.

Richards, G. and Wilson, J., 2004c: Widening perspectives in backpacker research, in G. Richards and J. Wilson (eds), *The Global Nomad: Backpacker Travel in Theory and Practice*, Channel View, Clevedon, 253-279.

Richards, G. and Wilson, J., 2004d: The global nomad: motivations and behaviour of independent travellers worldwide, in G. Richards and J. Wilson (eds), *The Global Nomad: Backpacker Travel in Theory and Practice*, Channel View, Clevedon, 14-39.

Riley, P.J., 1988: Road culture of international long-term budget travellers, *Annals of Tourism Research*, **15**, 313–328.

Robins, P., 2004: Defining backpackers, collecting data, and producing meaningful statistics, Paper presented at the Backpacker conference of Tourism Australia, 10 November.

Rogerson, C.M., 2006a: *Backpacking Sector Study: International Perspectives*, Unpublished revised report prepared for FRIDGE.

Rogerson, C.M., 2006b: Pro-Poor local economic development in South Africa: the role of pro-poor tourism, *Local Environment*, **11**, 37-60.

Rogerson, C.M., 2006c: *Backpacker Tourism Sector Study: Results of Survey Research*, Unpublished revised report prepared for FRIDGE.

Scheyvens, R., 2002: Backpacker tourism and Third World Development, *Annals of Tourism Research*, **29**(1), 144-164.

Sharpley R. and Telfer D.J., 2002: Introduction, in: R. Sharpley and D.J. Telfer (eds), *Tourism and Development: Concepts and Issues*, Channel View, Clevedon, 1-10.

Slaughter, L., 2004: Profiling the international backpacker market in Australia, in G. Richards and J. Wilson (eds), *The Global Nomad: Backpacker Travel in Theory and Practice*, Channel View, Clevedon, 168-195.

South Africa, 1996: *White Paper on the Development and Promotion of Tourism in South Africa*, available at www.southafrica.net

South Africa, 2005: South Africans: take a Sho't Left!, available at www.southafrica.info/public_services/citizens/shotleft

South African Tourism, 2005: *Annual Tourism Report*, available at www.southafrica.net

Southgate C. and Sharpley R., 2002: Tourism, Development and the Environment, in: R. Sharpley and D.J. Telfer (eds), *Tourism and Development: Concepts and Issues*, Channel View, Clevedon, 231-264.

Speed, C. and Harrison, T., 2004: Backpacking in Scotland: formal public sector responses to an informal phenomenon, in G. Richards and J. Wilson (eds), *The Global Nomad: Backpacker Travel in Theory and Practice*, Channel View, Clevedon, 149-167.

Spreitzhofer, G., 1998: Backpacking tourism in South-East Asia, *Annals of Tourism Research*, **25**, 979–983.

Spreitzhofer, G., 2002: The roaring nineties: low-budget backpacking in South-east Asia as an appropriate alternative to Third World mass tourism?, *Asien Afrika Lateinamerika*, **30**, 115-129.

Spreitzhofer, G., 2003: Low-budget Backpacking in Southeast Asia: the golden goal of local development?, *Pacific News*, **20**.

Suckling, K., 2005: Telling a meaningful and realistic story about the backpacker experience in Australia: the role of research and statistics, Paper presented at the Adventure and Backpacking Industry Conference, 9 November.

Tel Aviv Guide, 2006: *Tel Aviv Guide – Tourist Police*, available at www.telavivguide.net

Telfer D.J., 2002: The evolution of tourism and development theory, in: R. Sharpley and D.J. Telfer (eds), *Tourism and Development: Concepts and Issues*, Channel View, Clevedon, 35-80

Thoms, C., 2002: *BTR Niche Report Number 1: Backpackers in Australia, 1999*, Bureau of Tourism Research, Canberra.

TNT Magazine and Student Uni Travel, 2003: *Backpackers Uncovered*, Available at www.atc.australia.com

Tourism Australia, 2005a: *Tourism White Paper: Niche markets*, available at www.tourism.australia.com/about us

Tourism Australia, 2005b: *Backpacker Tourism*, available at www.tourism.australia.com/markets

Tourism Australia, 2005c: *Backpacker Tourism: Marketing Activities*, available at www.tourism.australia.com/markets

Tourism Australia, 2005d: *Visiting Journalists Program and International Media*, available at www.tourism.australia.com/markets

Tourism Australia, 2005e: *Backpacker Working Holiday Extension*, available at www.tourism.australia.com/markets

Tourism Australia, 2005f: United Kingdom – consumer marketing activities, available at www.australia.com/markets

Tourism Authority of Thailand, 2006: *TourismThailand.Org* - The Official Website for Tourism in Thailand, available at www.tourismthailand.org

Tourism New South Wales, 2005: *Tourism Business Information: Understanding the Backpacker Market*, Tourism New South Wales, Sydney.

Tourism New Zealand, 2002: *No backpack required*, available at www.tourisminfo.govt.nz/tourism

Tourism New Zealand, 2005a: *Through the gap*, available at www.tourisminfo.govt.nz/tourism

Tourism New Zealand, 2005b: *Technology in tourism*, available at www.tourisminfo.govt.nz/tourism

Tourism Research Australia, 2005: *Backpackers in Australia: Snapshots*, Tourism Research Australia, Canberra.

Uriely, N., Yonay, Y. and Simchai, D., 2002: Backpacking experiences: a type and form analysis, *Annals of Tourism Research*, **29**(2), 520-538.

Visser G., 2004: The developmental impacts of backpacker tourism in South Africa, *GeoJournal*, **60**, 283-299.

Visser, G., 2005: The local development impacts of backpacker tourism: evidence from the South African experience, in E. Nel and C.M. Rogerson (eds), *Local Economic Development in the Developing World: The Experience of Southern Africa*, Transaction Press, London, 267-295.

Visser, G. and Barker, C., 2004: Backpacker tourism in South Africa: its role in an uneven tourism space economy, *Acta Acadmica*, **36**, 97-143.

Visser, G., Barker, C. and Mellett, R., 2003: *Trekking South Africa: A Survey of Backpacker Tourism*, University of the Free State, Bloemfontein.

Walsh, N., 2006: *Backpacker Becoming: A Journey of Cultural Construction*, Department of Tourism, University of Otago.

Wilson D., 1997: Paradoxes of tourism in Goa, *Annals of Tourism Research*, **24**, 52–75.

Appendix A

International Backpacker Consumer Questionnaire

GOOD DAY, MY NAME IS JONATHAN MOGRABI. I AM CONDUCTING RESEARCH FOR THE COMPLETION OF A MASTERS DEGREE IN SOCIAL GEOGRAPHY WITH WITS UNIVERSITY. THE AIM OF THE RESEARCH IS TO IDENTIFY THE ROLE THAT GAUTENG PLAYS IN THE BACKPACKING SECTOR OF SOUTH AFRICA. PERMISSION HAS BEEN OBTAINED FROM THE OWNER OF THIS ESTABLISHMENT TO INTERVIEW GUESTS. PARTICIPATION IN THIS SURVEY IS COMPLETELY VOLUNTARY. ALL INFORMATION SUPPLIED WILL BE KEPT CONFIDENTIAL AND THE RESULTS WILL BE PRESENTED IN AGGREGATE. IDEALLY I AM SEEKING TRAVELLERS WHO ARE NEAR THE END OF THEIR TRAVELS IN SOUTH AFRICA, SO AS TO ATTAIN ACTUAL BACKPACKER BEHAVIOUR CHARACTERISTICS. THE INTERVIEW, IF YOU FIT THE ABOVE CRITERION AND ARE WILLING TO PARTICIPATE, WILL TAKE APPROXIMATELY 15 MINUTES. THE AREAS OF INTEREST ARE FIRSTLY, A DEMOGRAPHIC AND MOTIVATIONAL PROFILE, SECONDLY, TRAVEL AND ACTIVITY, SPENDING AND PLANNING PATTERNS ACROSS THE WHOLE OF SOUTH AFRICA ARE QUESTIONED, AND LASTLY, THE EFFECTS OF CRIME AND SAFETY, ALONG WITH ANY OTHER CONCERNS OR COMPLAINTS YOU MAY HAVE ARE QUESTIONED. SHOULD YOU CHOOSE TO PARTICIPATE YOU MAY DECLINE TO ANSWER QUESTIONS AND MAY WITHDRAW FROM THE RESEARCH AT ANY TIME.

Demographics and Motivational Profile

1. Nationality__________________________
2. Age_____________ Gender_____________
3. Highest level of education_________________
4. Employment status________________________
5. Years of work experience in current field of work___________________
6. Are you on a gap year____________________
7. Rank the three main motivations for visiting South Africa

Business	
Visiting friends or family	
Holiday	
Adventure	
To tour	
Gap year	
Volunteer work	
Academic Study	

8. What is the reason for your visit to Gauteng____________________________________

____

____

____

Travel and Activity, Spending and Planning Patterns

9. Arrival in and departure from South Africa

Date of Arrival	Johannesburg	Cape Town	Other
Date of Departure	Johannesburg	Cape Town	Other

10. How many days have you been in South Africa____________________
11. Did you arrive in South Africa with a planned travel itinerary____________________
12. How did you plan your travels in South Africa ________________________________
13. Which of the following activities have you, or are you planning; to participate in, and where

Activity	**Participated in**	**Planning to**	**Where**
Hiking			
Surfing			
Abseiling			
Skydiving			
Bungee jumping			
Kloofing			
Jet Skiing			
Mountain biking			
Shark viewing			
SCUBA diving			
Wind surfing			
Museums			
Night clubs			
Game viewing			
Township tour			
Cultural village			
Historical sights			
Natural sights			
Wine tours			
Adventure Challenges			
Fishing			
Sea kayaking			
Mountaineering			
Rafting			
Horse riding			
Whale watching			
Canopy tours			
Other (specify)			

14. Which provinces have you visited, why and for how long

Province	Reason for visit	Length of stay
Gauteng		
Western Cape		
Eastern Cape		
KwaZulu Natal		
Mpumalanga		
North West		
Limpopo		
Northern Cape		
Free State		

15. Have you visited other African countries during this trip

Country	Length of Stay	Before / During / After visiting South Africa

16. Expenditure:

Total expenditure thus far	
Spending item	**Cost in Rands**
Accommodation	
Activities	
Transport	
Food	
Beverages	
Souvenirs and shopping	
Other (specify)	
Total Expenditure in Gauteng	
Spending item	**Cost in Rands**
Accommodation	
Activities	
Transport	
Food	
Beverages	
Souvenirs and shopping	
Other (specify)	

17. Modes of transport used in Gauteng

Mode of travel	Used	Plan on Using
Train		
Bus		
Baz Bus		
Rental		
Metered taxi		
Minibus taxi		
Hostel shuttle		
Other (specify)		

Crime and Safety and Other Concerns

18. Are your actions as a tourist different from those when you visit other countries __________

How____

____

____

____

____

19. Do you have a higher level of safety awareness in South Africa

____

20. Are you afraid/cautious with locals _________________________________

21. Have you experienced any sort of crime in South Africa

____

What happened

____

____

22. Do you have any further comments on your experience in South Africa and in Gauteng

____

____

____

____

THANK YOU FOR YOUR PARTICIPATION IN THIS SURVEY
I HOPE YOU ENJOYED YOUR VISIT TO SOUTH AFRICA

Appendix B

Domestic Backpacker Consumer Questionnaire

GOOD DAY, MY NAME IS JONATHAN MOGRABI. I AM CONDUCTING RESEARCH FOR THE COMPLETION OF A MASTERS DEGREE IN SOCIAL GEOGRAPHY WITH WITS UNIVERSITY. THE AIM OF THE RESEARCH IS TO IDENTIFY THE ROLE THAT GAUTENG PLAYS IN THE BACKPACKING SECTOR OF SOUTH AFRICA. PERMISSION HAS BEEN OBTAINED FROM THE OWNER OF THIS ESTABLISHMENT TO INTERVIEW GUESTS. PARTICIPATION IN THIS SURVEY IS COMPLETELY VOLUNTARY. ALL INFORMATION SUPPLIED WILL BE KEPT CONFIDENTIAL AND THE RESULTS WILL BE PRESENTED IN AGGREGATE. IDEALLY I AM SEEKING TRAVELLERS WHO ARE NEAR THE END OF THEIR TRAVELS IN SOUTH AFRICA, SO AS TO ATTAIN ACTUAL BACKPACKER BEHAVIOUR CHARACTERISTICS. THE INTERVIEW, IF YOU FIT THE ABOVE CRITERION AND ARE WILLING TO PARTICIPATE, WILL TAKE APPROXIMATELY 15 MINUTES. THE AREAS OF INTEREST ARE FIRSTLY, A DEMOGRAPHIC AND MOTIVATIONAL PROFILE, SECONDLY, TRAVEL AND ACTIVITY, SPENDING AND PLANNING PATTERNS ACROSS THE WHOLE OF SOUTH AFRICA ARE QUESTIONED, AND LASTLY, THE EFFECTS OF CRIME AND SAFETY, ALONG WITH ANY OTHER CONCERNS OR COMPLAINTS YOU MAY HAVE ARE QUESTIONED. SHOULD YOU CHOOSE TO PARTICIPATE YOU MAY DECLINE TO ANSWER QUESTIONS AND MAY WITHDRAW FROM THE RESEARCH AT ANY TIME.

Demographics and Motivational Profile

1. Age_____________ Gender_____________
2. Highest level of education_________________
3. Employment status________________________
4. Working experience in current field of work___________________
5. Are you on a gap year____________________
6. What is the reason for your visit to Gauteng_______________________

Travel and Activity, Spending and Planning Patterns

7. How many days have you been backpacking in the country ________________________
8. Which of the following activities have you, or are you planning; to participate in, and where

Activity	Participated in	Planning to	Where
Hiking			
Surfing			
Abseiling			
Skydiving			
Bungee jumping			
Kloofing			
Jet Skiing			
Mountain biking			
Shark viewing			
SCUBA diving			
Wind surfing			

Museums			
Night clubs			
Game viewing			
Township tour			
Cultural village			
Historical sights			
Natural sights			
Wine tours			
Adventure Challenges			
Fishing			
Sea kayaking			
Mountaineering			
Rafting			
Horse riding			
Whale watching			
Canopy tours			
Other (specify)			

9) Which provinces have you visited, why and for how long

Province	**Reason for visit**	**Length of stay**
Gauteng		
Western Cape		
Eastern Cape		
KwaZulu Natal		
Mpumalanga		
North West		
Limpopo		
Northern Cape		
Free State		

10) Expenditure:

Total expenditure thus far	
Spending item	**Cost in Rands**
Accommodation	
Activities	
Transport	
Food	
Beverages	
Souvenirs and shopping	
Other	
Total Expenditure in Gauteng	
Spending item	**Cost in Rands**
Accommodation	
Activities	
Transport	
Food	
Beverages	
Souvenirs and shopping	
Other	

11) Modes of transport used in Gauteng

Mode of travel	Used	Plan on Using
Train		
Bus		
Baz Bus		
Rental		
Metered taxi		
Minibus taxi		
Hostel shuttle		
Private vehicle		
Other (specify)		

Domestic Backpacker-Specific Issues

12. Are there any areas in South Africa where you prefer to use backpacker accommodation over other forms of accommodation ___________________________

If yes, where and why ____

____

____

____

13. Is there a particular time of year when you prefer to travel as a backpacker in South Africa

____

14. Have you ever experienced any problems booking backpacker accommodation or checking in at backpacker hostels in South Africa

____

____

THANK YOU FOR YOUR PARTICIPATION IN THIS SURVEY

Appendix C

Backpacker Enterprise Questionnaire

GOOD DAY, MY NAME IS JONATHAN MOGRABI. I AM CONDUCTING RESEARCH FOR THE COMPLETION OF A MASTERS DEGREE IN SOCIAL GEOGRAPHY WITH WITS UNIVERSITY. THE AIM OF THE RESEARCH IS TO IDENTIFY THE ROLE THAT GAUTENG PLAYS IN THE BACKPACKING SECTOR OF SOUTH AFRICA. I AM INTERVIEWING BACKPACKER PRODUCTS AND CONSUMERS IN GAUTENG. THE QUESTIONNAIRE WILL TAKE APPROXIMATELY 20 MINUTES OF YOUR TIME TO ANSWER. PARTICIPATION IN THIS SURVEY IS COMPLETELY VOLUNTARY. ALL INFORMATION SUPPLIED WILL BE KEPT CONFIDENTIAL AND THE RESULTS WILL BE PRESENTED IN AGGREGATE. YOUR ENTERPRISE HAS BEEN SELECTED AS PART OF A 50% INDUSTRY SAMPLE WHICH REFLECTS THE GEOGRAPHICAL DISTRIBUTION OF GAUTENG'S BACKPACKING SECTOR. THE AREAS OF INTEREST IN THIS SURVEY INCLUDE A PROFILE OF THE ENTERPRISES AND ENTREPRENEURS, INCLUDING MOTIVATIONAL REASONS FOR ENTRY INTO THE BACKPACKING SECTOR; EMPLOYMENT AND JOB CREATION ARE EXXPLORED, WITH PARTICULAR ATTENTION PAID TO AWARENESS AND COMPLIANCE THE TOURISM BEE CHARTER; BUSINESS PERFORMANCE AND INVESTMENT, AS WELL AS FUTURE BUSINESS PROSPECTS ARE EXAMINED; THE EXTENT AND EFFECTIVENESS OF LINKAGES WITH ASSOCIATIONS AND OTHER TOURISM ENTERPRISES ARE EXAMINED; AND YOUR ATTITUTES TOWARDS GOVERNMNET SUPPORT OR LACK THEREOF ARE ALSO PROBED. SHOULD YOU CHOOSE TO PARTICIPATE YOU MAY DECLINE TO ANSWER QUESTIONS AND MAY WITHDRAW FROM THE RESEARCH AT ANY TIME. YOUR CHOICE NOT TO PARTICIPATE WILL HAVE NO ADVERSE CONSEQUENCES.

FURTHERMORE, THE ENTERPRISE SURVEY IS SUPPLEMENTED WITH A CONSUMER SURVEY. IF YOU ARE WILLING, I WOULD APPRETIATE YOUR PERMISSION TO CONDUCT INTERVIEWS WITH GUESTS AT YOUR ESTABLISHMENT. ONCE AGAIN, THE QUESTIONNAIRE WILL TAKE APPROXIMATELY 20 - 30 MINUTES OF THEIR TIME TO ANSWER. PARTICIPATION IN THIS SURVEY IS COMPLETELY VOLUNTARY. ALL INFORMATION SUPPLIED WILL BE KEPT CONFIDENTIAL AND THE RESULTS WILL BE PRESENTED IN AGGREGATE. THE AREAS OF INTEREST WITHIN THE CONSUMER SURVEY ARE FIRSTLY, A DEMOGRAPHIC AND MOTIVATIONAL PROFILE, SECONDLY, TRAVEL AND ACTIVITY, SPENDING AND PLANNING PATTERNS ACROSS THE WHOLE OF SOUTH AFRICA ARE QUESTIONED, AND LASTLY, THE EFFECTS OF CRIME AND SAFETY, ALONG WITH ANY OTHER CONCERNS OR COMPLAINTS YOU MAY HAVE ARE QUESTIONED. CONSUMER RESPONDENTS ALSO RESERVE THE RIGHT TO MAY DECLINE TO ANSWER QUESTIONS AND MAY WITHDRAW FROM THE RESEARCH AT ANY TIME. IF YOU CHOOSE NOT TO HAVE YOUR GUESTS INTERVIEWED, THIS DECISION WILL IN NO WAY HAVE ANY ADVERSE CONSEQUENCES.

Basic Information – The Entrepreneur and Enterprise

Name of Enterprise: ____

Product/s offered: ____

Number of vehicles: ____

Location: ____

1. Is this enterprise owned by an individual/ family/group?

2. Profile of owner/s:

Age: _____________ Gender: _______________

Was the owner/s South African born? – If no where: ___________________________

3. Is the owner actively involved in the day to day running of the business? ________

4. Is this the only backpacker establishment or backpacker related business (eg. travel) that the owner/s own and operate? - If No, what other businesses: ________________

____

5. When was the enterprise established? ________________

6. Why was this business established/taken over? ______________________________

____

____

7. What was the owner's occupation/income source prior to involvement in this business?

____

8. At business start-up/take over, what was the source of capital for the business?

- Own funds/bank/retained earnings

9. What were the major problems experienced at the outset? ____________________

____

____

____

10. Profile of Visitors:

International/ Domestic ratio (percentage): _________________________

Percentage of clientele made up of backpackers (Travel and Tour):

____

Average length of stay of your visitors (nights): _________________________

How do the majority of your visitors travel to your establishment?

- Intercity bus
- Hostel airport shuttle
- Rental car
- Private car
- Baz bus
- City bus
- Mini bus taxi
- Tour operators
- Private taxi

11. Is this business registered as a backpacker establishment with local and provincial authorities? ____________________________

12. Did you have any problems with the local and provincial authority in registering or establishing this backpacker business? - If Yes, what were these problems?

____

____

- How were these problems resolved? _______________________________________

____

____

Employment and Job Creation

13. What are the numbers of People currently Employed

	Black		White		Coloured		Indian	
Full Time								
Part Time								
	male	female	male	female	male	female	male	female

14. Are there any Seasonal variations in employment? ___________________________

15. Do any of your staff have any formal training in tourism and hospitality? ________

- If Yes, what are their jobs? ____

____

16. How do you normally recruit your staff? Word of Mouth/Local Press/existing staff members/etc ____

17. Are any of your staff recruited from outside the local area? ___________________

- If Yes, what type of job and why recruit non-locally? _________________________

____

18. Do you have any problems with the skills of the local staff that you recruit? _____

- If Yes, please explain ____

____

- How do you deal with these skills problems? ______________________________

____

19. Do you ever use international backpackers for casual work at the establishment?

____

20. Are you aware of the Tourism BEE Charter? _______________________________

21. In terms of your backpacker establishment, does the Tourism BEE Charter affect the way you operate your business? – If yes, how so? ________________________

____

____

____

22. Are there any opportunities for sourcing any part or product of your business from local black owned small businesses? ____

- Consumables __________
- Laundry ______________
- Tours ________________
- Other ________________

Business Performance and Investment

23. What is your maximum capacity in terms of visitors? ________________________

24. What is your annual occupancy level? (Percentage) __________________________

25. Are there any seasonal variations in occupancy? _____________________________

- If Yes, what is the trend? ____
____
- And what do you do to try to improve occupancies in the quieter months? ______
____
____

26. Over the last 5 years what been the main trends for your business in terms of:

- Occupancy Rates: Increase/remained the same/decrease

Why…____
____

- Overall business profits: Increase/remained the same/decrease

Why…____
____

- Total Employment: Increase/same/decrease

Why…____
____

27. Over the last 12 months what have been the main trends for your business:

- Occupancy Rates: Increase/remained the same/decrease

Why…____
____

- Overall business profits: Increase/remained the same/decrease

Why…____
____

- Total Employment: Increase/same/decrease

Why…____
____

28. What performance do you expect from your business in the next 12 months in terms of?

- Occupancy Rates: Increase/remained the same/decrease
- Overall business profits: Increase/remained the same/decrease
- Total Employment: Increase/same/decrease

29. Please comment on future prospects of your business: _______________________
____
____
____

30. What are currently the major obstacles in order of importance that you see to the improved performance of your business?

MAJOR OBSTACLE: ____

____

____

OTHER PROBLEMS: ____

____

____

____

____

- How are you dealing with these problems? ____________

____

____

____

____

____

31. In last 12 months have you introduced any new capital into your business? _______

- If Yes, what was the source of that capital - Own funds/bank/retained earnings
- And, what was that investment capital used for? ______________________

____

32. Any plans for future capital investment in business? ____________________

____

33. How do you market your business? (Specify)

Internet	
Flyers	
Publications	
Association/s	

34. What is the most useful tool for marketing your business? ________________

____

35. In the last 12 months have you changed in any way your marketing of your business?

____

____

36. Do you do any marketing specifically for SA visitors? __________________

- If No, why not? ____

____

Associations, Linkages and Support

37. Are you a member of any backpacking association or other tourism association?

- If Yes, which: ____

____

- If No, why not: ____

____

38. Has membership of that association been of benefit to your business?

- If Yes, how: ____

____

- If Not, explain: ____

____

39. Apart from the association/s, do you cooperate in any way with other backpacker establishments?

- Marketing __________
- Information _________
- Bookings ___________

40. Does your enterprise have any linkages with: (specify)

- Travel agencies ____
- Tour operators ____
- Baz Bus ____
- Other Transport suppliers ____

41. Are these linkages helpful to your business? ______________________________

42. Have you ever received any support from any government organisation in the START-UP or for the EXPANSION of your business? – If Yes, give details: ____

____

____

______

43. Have you ever applied to any government programme for support? _____________

- If No, why not? ____

____

44. Are there any particular government guidelines or legislations that constrain the growth of your business?

- National Level ____

  ____

- Provincial ____

  ____

- Local ____

  ____

45. Finally, what would be your recommendations as the most important contributions that LOCAL, PROVINCIAL and NATIONAL government could make to support your business?

- Local ______________________________

  ____

  ____

- Provincial ______________________________

  ____

  ____

- National Level ______________________________

  ____

  ____

THANK YOU FOR YOUR COOPERATION IN THIS SURVEY