



# UNLOCKING THE INDIA MARKET

BY SAT INSIGHTS UNIT



SOUTH AFRICAN TOURISM



Canada

USA

Brazil

Netherlands

UK

Germany

France

Italy

Spain

Russia

China

Japan

India

Nigeria

Kenya

Zambia

Malawi

Mozambique

Zimbabwe

Botswana

Namibia

Eswatini

Lesotho

South Africa

Australia

## India facts

# 55 506

South Africa arrivals from Italy in 2022



## Population: 1.418-billion (2023)

NB: India has overtaken China as the world's most populous country in 2023 according to many sources

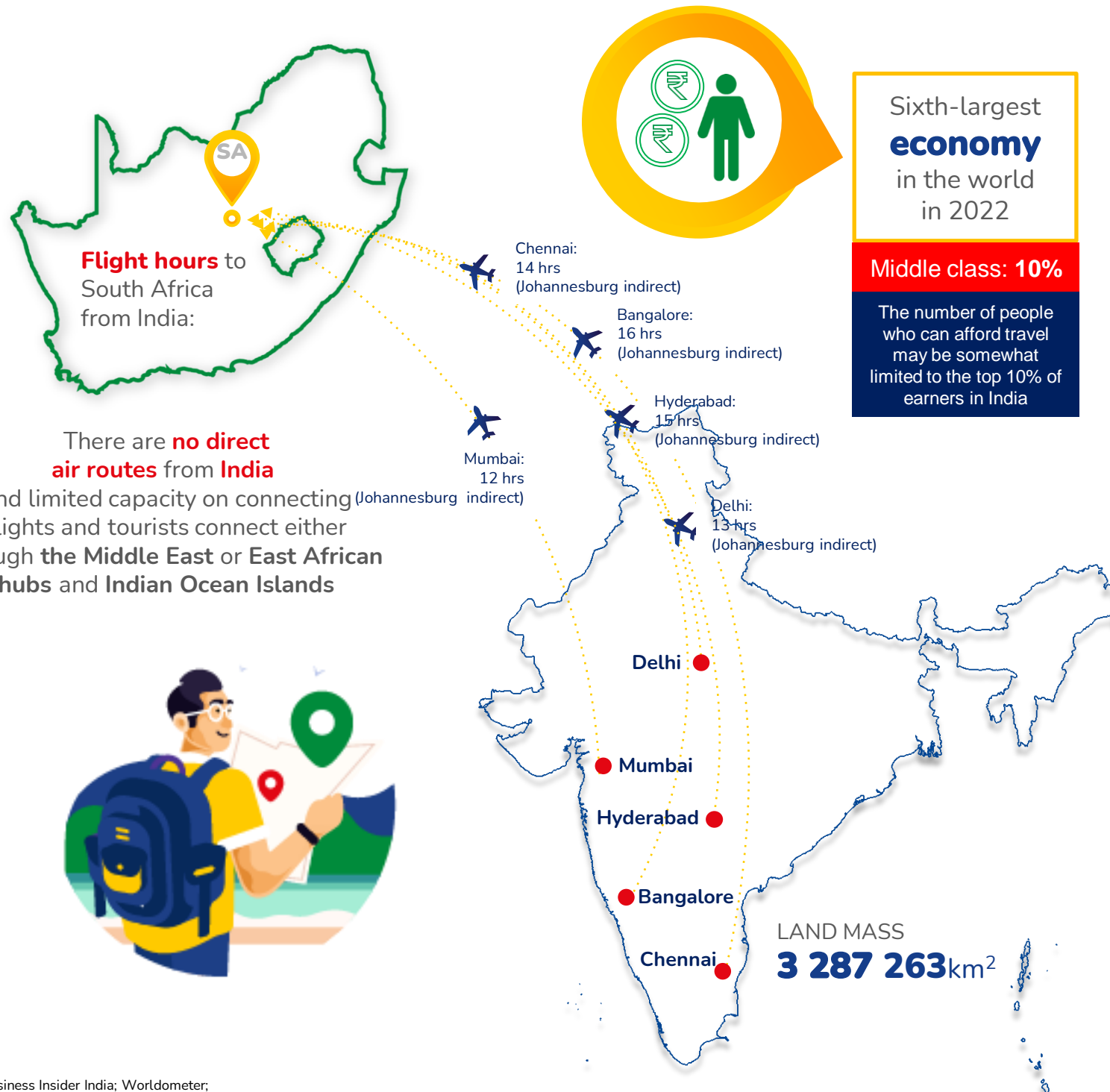
CURRENCY

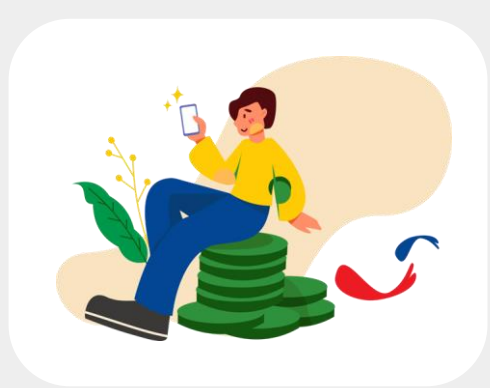


## Indian rupees

Annual average rate 2022

Exchange rate:  
R0.22 to Rs1





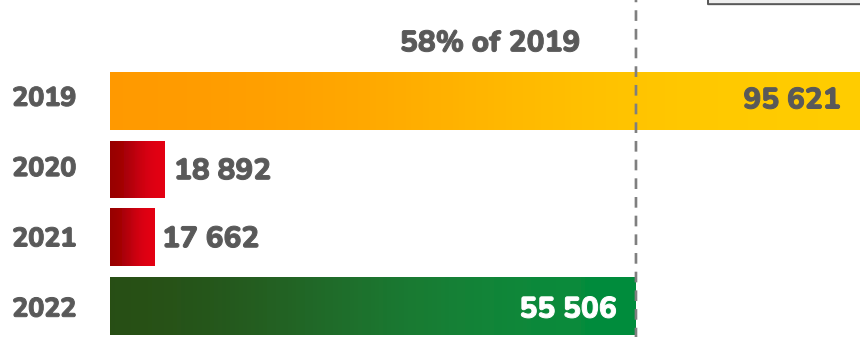
The recovery in travel from India **peaked in July and December 2022** with arrivals in both months being **79% of 2019 levels.**

Overall in 2022, the market recovered to **58%** of the pre-pandemic tourist arrivals levels



2022 The Rand strengthening against the Rupee had an impact on average spend per tourist which contracted slightly as South Africa became relatively more expensive

South Africa arrivals from India in 2019  
**95 621**



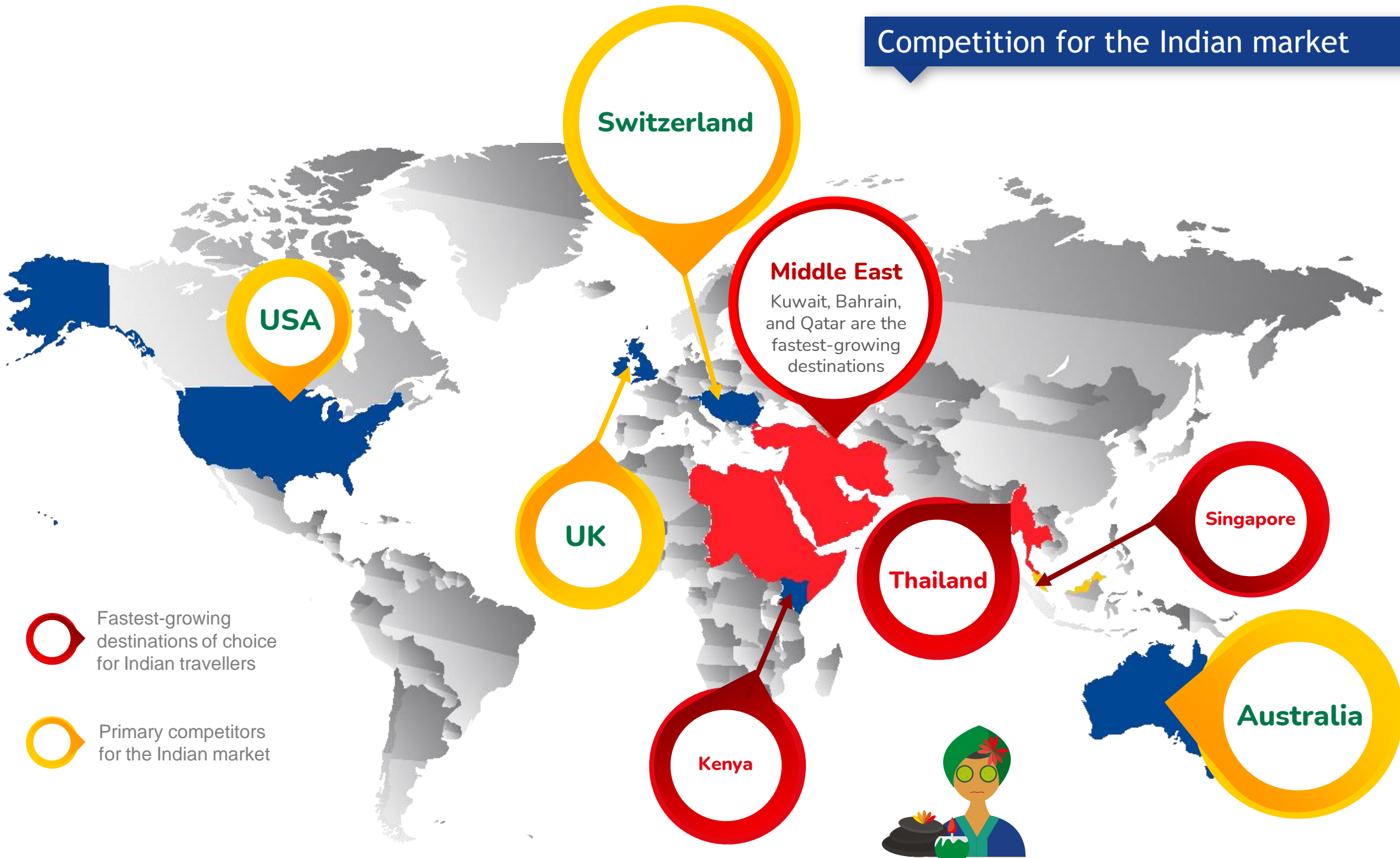
**2019 South Africa's market share**

**14.4 million** INDIA'S LONG-HAUL MARKET SIZE

**0.4%** South Africa's share of India's long-haul outbound



# Competition for the Indian market



The brand performance in India needs to improve with relatively low brand awareness of tourism offerings when compared to competitors.

South Africa's competitive advantage in the mind of the Indian market seems to be that it is relatively well known and offers **wildlife experiences**

# Indian consumer profile

## Indian travellers



Tend to make travel decisions and book one to two months in advance

Source travel information primarily from **personal experience and business associates**

Are **less inclined to plan and book trips themselves** and tend to rely on agents to assist

Significantly prefer **independent travel** over packaged options

Scenery, wildlife safari, culture, and heritage, friendly people, and diversity of experiences are the most valued experiences among Indian holiday travellers

**Significantly fewer tourists are staying in backpacker accommodation** than in 2019



As holiday and MICE tourists, stay for about **two weeks** while VFR visitors stay for about a **month**

Predominantly **travel alone, or with spouse/partner** or business associates

Between **25 and 60 years old** (with recent growth in the **51- to 60-year-old group**)

Are staying for **slightly shorter periods** than before, but spending slightly more (average spend around **R21 000**)

Mostly stay with **friends and family**, followed by **hotels and self-catering**

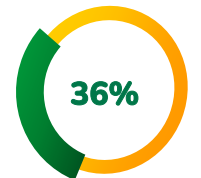
Are currently spending slightly more on **accommodation**, but less on shopping, food, leisure and transport

## Self bookings

### Accommodation



### Flights



Indian tourists are interested in a variety of tourist attractions. Preferred attractions:



Cape Point

Sandton City

V&A Waterfront



Table Mountain Aerial Cableway

Camps Bay

## Activities of choice



Eating out



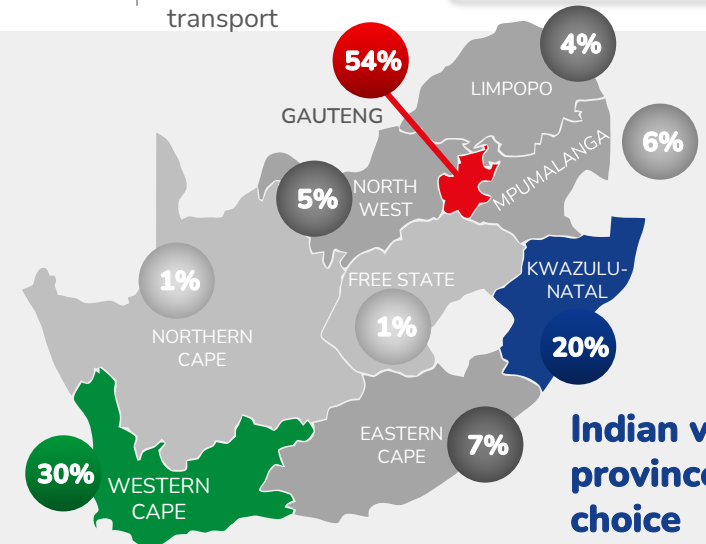
Shopping



Socialising



Business



Indian visitors' provinces of choice

# Indian Holiday profile



Tend to make travel decisions and book one month in advance of departure however during the pandemic this was longer due to deferred travel



Source travel information primarily online (aggregators and OTA's) however they also rely on retail travel agents, contacts in SA, and their previous experience



Holiday tourists are **mostly plan and book trips themselves** for air travel and accommodation



Significantly prefer independent travel over packaged options



Scenery, wildlife safari, culture, and heritage, friendly people, and diversity of experiences are the most valued experiences among Indian holiday travelers



Nights spend with **Backpacker's, Bed n Breakfast, and Self catering** all grew to more than double the 2021 nights



Holiday tourists, stay for about **two weeks** in 2022, this is slightly more than the average pre-pandemic length of stay (12 nights)



Predominantly **travel with spouse/partner alone**. This is in line with pre-pandemic levels



Most holiday tourists are **25 and 40 years** old however growth is led by 18-24 and 41-50 years olds



Holiday tourists stay roughly 2 weeks. Spend however has **increased over 50% per tourist** from pre-pandemic levels of R13 300 per person to R21 100 in 2023



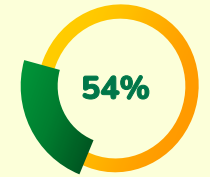
Most holiday tourists stay in **hotels** however the pandemic has seen an increase in nights **staying with friends and family**



**Accommodation and Shopping** are the top spend categories. In 2022, **Food** was the leading category in growth

## Self bookings

### Accommodation



### Flights



## Indian tourists are interested in a variety of tourist attractions. Preferred attractions:



Cape Point



Camps Bay



V&A Waterfront



Table Mountain Aerial Cableway



Cape Town City Central

## Activities of choice



Eating out



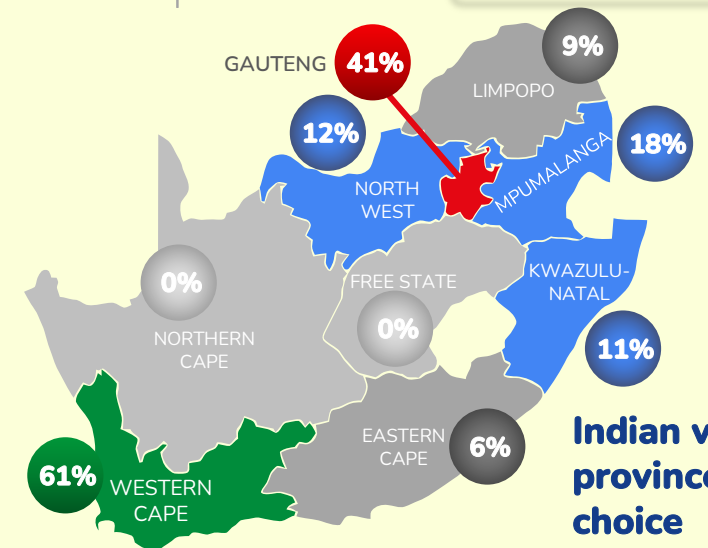
Shopping



Natural attractions



Wildlife viewing



## Indian visitors' provinces of choice

# Indian MICE profile

## Indian MICE travellers



Tend to make travel decisions and book within the **month** of travel



Source travel information primarily from **business associates, retail agents, and personal experience**



Are less inclined to **plan and book trips themselves** and tend to rely on their **company** to plan and book their travel



More than half either book **fully inclusive packages** or partial **packages** (flights and accommodation)



**Business activities** are the main activity however MICE delegates also engage in **Shopping, Eating Out** at similar rates

**Self-catering units and Hotels** are the top paid-accommodation in terms of bednights



The MICE delegates stay 16 nights on average with Self-catering units having the longest stay



Predominantly **travel alone, or with Colleagues / Business Associates**



Half of MICE delegates are between the age of 35 – 50 years



Are staying for **slightly shorter periods** than during 2020 and 2021. The length of stay has returned to pre-pandemic levels



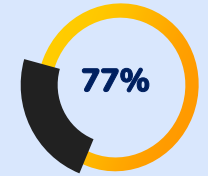
**Shopping and Food** are the top spend categories while delegates spend the least on **transport** while in South Africa. They spend the most on average on **Accommodation** followed by **Shopping**.



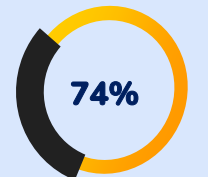
**Gauteng and Western Cape** are the most visited provinces with **Sandton City** the most visited attraction

## Company bookings

### Accommodation



### Flights



## Indian MICE delegates are interested in a variety of tourist attractions. Preferred attractions:



Sandton City



V&A Waterfront



Camps Bay



Table Mountain Aerial Cableway



Cape Point

## Activities of choice



Business



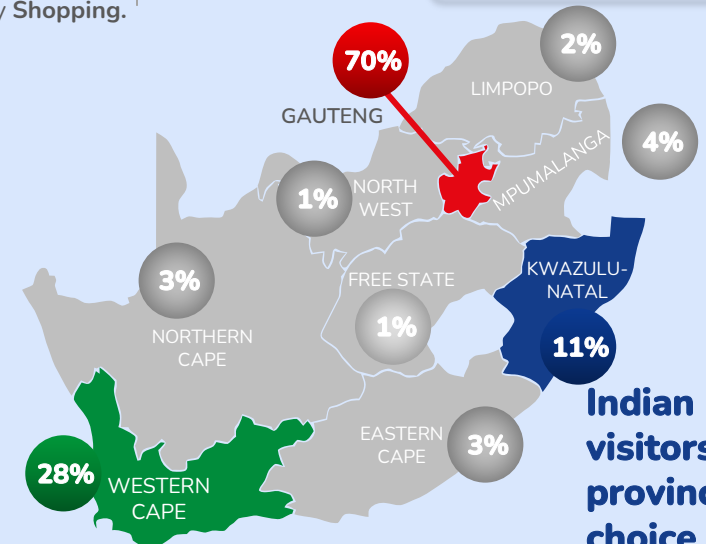
Shopping



Eating out



Wildlife viewing



**Indian MICE visitors' provinces of choice**



# Indian consumer profiles



## 1. Seasoned status seeker

Seasoned status seekers are experienced travellers who look to derive the most out of new destinations. They prefer having a full itinerary comprising a wide range of activities that allow them to explore new places while still enjoying some family time away from their usual busy lives.

**Example:** A 44-year-old, high-level professional, married with two children. Travels internationally twice or three times a year with close or extended family. Makes travel decisions with a partner and uses holiday time as an enriching experience. Likes to experience different cultures and heritage and welcomes a bit of adventure.

**Priorities:** A range of activities, including shopping and visiting natural attractions

Appreciates South Africa's natural beauty, beaches and culture



## 2. Social explorer

Travelling allows social explorers to be free and unrestricted while exploring new places and engaging in exciting activities. If single, they relish meeting new people and visiting pubs and clubs and participating in adventure sports. If married, would be looking for more romantic destinations.

**Example:** A young, hard-working graduate professional in their 20s and early 30s. Travels internationally once or twice a year. They would be attracted to places like Cape Town (as recommended by friends) for its nightlife, as well as natural beauty, wildlife, and beaches.

Keen to get out of India during the hot months (May and June) Travel plans have to fit around budgets and limited leave availability.

**Priorities:** Experiencing fun, freedom and a relaxing time

Appreciates South Africa's natural beauty, diverse culture and lifestyles



## 3. Young family adventurers

Travel is a way for young families to bond while exploring new cultures and places. It also offers them a chance to spend time away from their busy and stressful daily lives, relaxing and rejuvenating.

**Example:** Young married in their early 30s, with a young child or two. A hard-working IT professional who is up to date on world news and works irregular hours due to having a client base in the United States. Travel offers a way to reconnect with family, explore new horizons and experience different cultures and traditions. Holidays are also a time to relax and recharge.

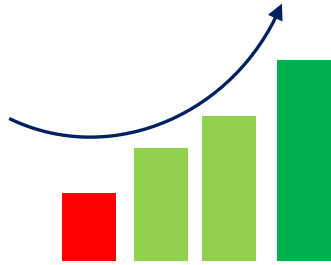
Friends have recommended Cape Town for shopping and tourist attractions like Table Mountain and the Two Oceans Aquarium.

An experienced traveller, holidays need to work around budgets and limits to time off. Happy to leave India in the hot summer months of May and June.

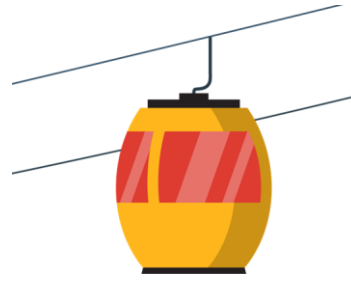
**Priorities:** A beautiful place with opportunities to relax and be close to nature, enjoy adventure activities, heritage and culture, as well as wildlife, theme parks and shopping

Family safety and security are important concerns

## Key insights



Arrivals from India are driving tourism from **Asia, with greater recovery**. India's growth as a tourism market for South Africa in 2022 was well ahead of the regional growth rate



The misperception in the Indian market that South Africa does not offer a **variety of experiences** should be addressed



**Getting to South Africa:** the countries are a long distance from each other and travel links can be complicated



South Africa's relatively **low scores** on the **Performance Association chart** suggest that the Indian market is unaware of what the country offers



South Africa offers **cooler weather** during India's **hot months, which appeals to travellers**



**A large Indian community exists in South Africa,** which is a drawcard (especially for Indian visitors hoping to enjoy Indian cuisine)

## Opportunities that would speak to the Indian market

**South Africa's cultural diversity** speaks to this market, also because **Indian culture is part of this diversity**. Focus not on only what makes us different, but also on what connects us.

Focus on history and sports connections and links between **South African and Indian history**.



Many Indian travellers do not see South Africa as a destination offering a **wide range of experiences** or **opportunities to experience natural attractions** and relax.

However, the Indian travellers on exiting South Africa report high satisfactions levels and express a desire to return on repeat visits.