







South African Tourism Index April to June 2008

Total Foreign arrivals	2,181,501		3.6%
Africa land markets	1,659,791		2.5%
Africa air markets	70,305		12.0%
Americas	103,262		7.7%
Asia & Australasia	80,250		2.8%
Europe	253,733		6.2%

Source: Statssa, South African Tourism analysis.

Note: Portfolios do not add up to total due to 14,160 "Unspecified" details in report body.

	Q2 2007	Q2 2008
Estimated Total Foreign Direct Spend in SA (Including capital expenditure)	R15,7 billion (down 11.8% over 2006)	R18,9 billion (up 20.4% over 2007)
Estimated Total Foreign Direct Spend in SA (Excluding capital expenditure)	R12,5 billion (down 18.8% over 2006)	R16,4 billion (up 31.2% over 2007)
<ul style="list-style-type: none"> • Land markets¹ • Air markets² 	R8,2 billion R4,3 billion	R9,6 billion R6,8 billion
Estimated average spend in SA per foreign tourist (Excluding capital expenditure)	R6,400	R 7,800
<ul style="list-style-type: none"> • Land markets¹ • Air markets² 	R5,400 R9,400	R5,800 R15,000
Average spend in SA per foreign tourist per day (Excluding capital expenditure)	R830	R800
<ul style="list-style-type: none"> • Land markets¹ • Air markets² 	R1 050 R 570	R1,200 R600
Average Length of Stay	7.7 nights	8.2 nights
<ul style="list-style-type: none"> • Land markets¹ • Air markets² 	5.1 nights 16.3 nights	5.4 nights 18.2 nights
Total bednights spent in SA	15,2 million	17,1 million
<ul style="list-style-type: none"> • Land markets¹ • Air markets² 	7,6 million 7,6 million	8,9 million 8,3 million
Average number of provinces visited by all foreign tourists	1.3	1.2
<ul style="list-style-type: none"> • Land markets¹ • Air markets² 	1.1 1.7	1.1 1.7

Source: South African Tourism Departure Surveys, South African Tourism analysis

¹ Land markets are those countries where at least 60% of arrivals from the country arrive by land. The countries are Botswana, Lesotho, Mozambique, Malawi, Namibia, Swaziland, Zambia and Zimbabwe.

² Air markets are those countries where at least 60% of arrivals from the country arrive by air.

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1. Foreword

As the tourism marketing arm of the South African Government, South African Tourism has developed an integrated marketing strategy that focuses on three platforms: leisure, business and event tourism. Part of our business is to monitor and evaluate the performance of the tourism sector. This report prepared by the Strategic Research Unit provides a review of the performance of the tourism sector in the first quarter of 2008.

This report by the Strategic Research Unit is based on the systems and methodologies that were developed and applied from 2001. In 2002, South African Tourism extended the survey of departing foreign tourists at OR Tambo International Airport from only in summer and winter to throughout the year. In 2003, this was extended to Cape Town International Airport. Durban International Airport is currently not part of the tracking departure survey due to the small arrivals as well as the departures from this airport. The data collection was also expanded to include monthly surveys of the largest segment of foreign arrivals, land border arrivals. Annually, the sample sizes of the both the airport surveys and land border post surveys are increased to ensure a more robust sample of tourists to South Africa as part of SA Tourism's efforts to sustainably grow tourism in our country.

This report provides a summary of the travel patterns of tourists (foreign and domestic) in South Africa from the period April to June 2008. It contains a perspective of South African Tourism's four regions and key countries within each region presented in Tables. As part of the new system of reporting, these quarterly reports will only contain high-level spend estimates. These will be revised in the annual report with accurate measures of spend using the full sample of respondents.

This report is based on

- South African Tourism's monthly departure surveys conducted at OR Tambo International Airport and Cape Town International Airport as well as 10 land border posts during April, May and June.
- Monthly foreign tourist arrivals statistics provided by Statistics South Africa. This is for land, sea and air arrivals.

The South African Tourism Quarterly Report is generally published with a lag of one quarter due to the release of official arrivals statistics.

To access this report on-line please visit the research section on the South Africa Tourism website at www.southafrica.net/research or for more information e-mail: research@southafrica.net.

Disclaimer

The Strategic Research Unit makes every effort to publish reports that are error-free. However, with the large number of complex records that are analysed, we cannot guarantee that all reports are totally free of error. All errors that are detected are immediately corrected and the latest version of the report is always available on www.southafrica.net/research.

The data in this report is based on statistics collected by the Department of Home Affairs at ports of entry to South Africa. It is processed and released by StatsSA and SA Tourism uses these statistics in good faith. The survey results are weighted to the total arrivals into South Africa by air and road as SA Tourism is not able to extract the number of tourist arrivals by air and road from the data released by StatsSA.

2. Overview of the quarter

In the quarter ending June 2008, there were almost 2,2 million foreign arrivals, which is the highest number of arrivals ever recorded for the second quarter. This is an increase of 3.6% (75,542) compared to the same period in 2007. This is a slower rate of growth for the second quarter compared to 2007 as Easter fell in March in 2008.

Driving the growth in foreign arrivals was a 12.0% (7,544) growth from Africa air markets, 7.7% (7,348) from the Americas, 6.2% (14,873) from Europe, 2.8% (2,175) from Asia & Australasia and 2.5% (39,871) from Africa land markets.

Against this, foreign tourism expenditure increased by an estimated 31.2% (R3 billion) in Q2 2008 to reach R18,7 billion. The rand on average has weakened by 10% (\$7.1 - \$7.8) and 27% (€9.5 - €12.1) in this time period compared to the US \$ and Euro which has helped tourists to spend more a day than what they would usually, Also the increase in food prices has had a significant contribution to the overall tourist expenditure in the country. The other possible explanation is increase in spent is that tourist engaged in more activities in this quarter compared to the previous quarter.

Africa air markets: Arrivals from all markets in the region grew during this period; however, the highest percentage growth came from DRC (21.6%), Mauritius (15.9%), Tanzania (12.0%) and Angola (10.8%) where arrivals are growing off small bases. Tourism expenditure by tourists from these markets grew by an estimated 54% to reach R0,9 billion) in Q2 2008.

Africa land: The positive growth in foreign arrivals came from Zimbabwe (22.6%), Zambia (11.2%), Mozambique (9.8%) and Swaziland (0.8%). There was a decline in arrivals from Botswana (-9.7%), Lesotho (-4.4%), Namibia (-0.6%) and Malawi (-0.4%), which contributed to the slower growth in this region. Tourism expenditure from this region accounted for an estimated R9,6 billion, an increase of 17.0% from R8,2 billion in Q2 2007.

Americas: The 7.7% growth was driven off increases from Canada, 16.4% and USA, 5.1%. Tourism expenditure grew by an estimated 65.3% to reach R1,6 billion in Q2 2008.

Asia & Australasia: Arrivals from this region grew by 2.8% driven by growth from India (14.2%) and Australia (6.1%). Arrivals from China and Japan declined by 13.8% and 8.1% respectively. The decline in China arrivals was due to the Sichuan earthquake that hit China in May killing close to 70,000 people and shortened May Day holiday. The Sichuan catastrophe in May in China affected China greatly and to overcome this disaster Chinese government has to save budget for earthquake relief and to regulate the business travel: no new application; those who have been approved but no visa yet, no visa application; those who have the visas, only the following 6 type are allowed to make the trip: 1.Labor, 2.To sign contract, 3.Country security issue, 4. Attend important conference, 5.Other emergency matters, 6.Other issues specially approved by State Council. It was also reported that to meet the requirements of anti-earthquake measures and providing rescue, the government has already issued a notice ordering all outbound trips to be cancelled that are organised by any party and governmental departments, ministries and commissions of the state, and foreign affairs offices at all levels as of May 20. Public expenditures of the central and government organs are to be cut by 5 percent from the budget to be used for disaster relief. This means that the number and scale of business travel groups from government departments will drop sharply this year. Also in this time, May Day holidays were shortened. Three days paid holiday were given, and the surrounding weekends were re-arranged so that workers in Chinese companies always had seven continuous days of holiday. From this year these days off were be spread out to other traditional holidays not currently recognized as public holidays. This resulted in 50% drop of business on long haul travels, both domestic and outbound in China. The strong growth in arrivals from the region supported tourism expenditure which grew by 99.7% over Q2 2007 to reach R1,2 billion in Q2 2008.

Europe: The growth in foreign arrivals came from Netherlands (17.6%), France (15.3%), Italy (8.3%) and UK (4.5%). There was however a decline in arrivals from Ireland (-9.3%), Sweden (-4.3%) and Germany (-0.2%). Tourism expenditure grew by an estimated 44.3% compared to Q2 2007 to reach R3,2 billion in Q2 2008.

Leisure³ (55.6%) remained the primary reason for tourists visiting South Africa in this quarter. However, this declined by 2.8% driven off a decrease in the number of holiday tourists (down from 22.0% in Q2 2007 to 18.6% in Q2 2008). Those visiting friends and relatives (VFR) continue to increase from 25.2% in Q2 2007 to 25.6% in Q2 2008.

The average length of stay of all foreign tourists increased from 7.7 to 8.2 nights while the total number of bednights spent increased by 12.8% (2 million) to 17,1 million. This increase was driven by an increase in both paid (4%) and unpaid accommodation (19.5%).

Overall, tourists visited only one province in this quarter. However, tourists from air markets tend to travel more within the country and visited two provinces on average. Gauteng, the Western Cape and KwaZulu Natal remain the most visited provinces in South Africa.

Hospitality and friendly people (36.08%) and good service (30.41%) were the best experiences of foreign visitors to South Africa in this quarter. Of the 17% of foreign visitors who mentioned they had a bad experience, 12% of them were affected by issues relating to safety (safety and security and personal safety).

³ Leisure travel includes holiday and VFR travel.

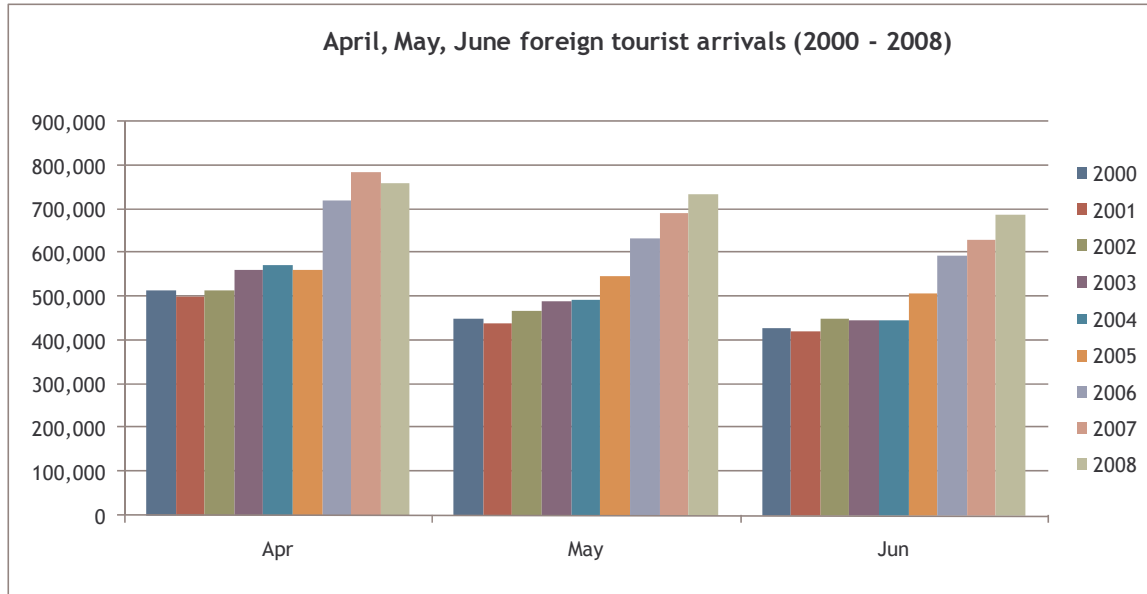
3. Foreign arrivals to South Africa

In this quarter, there were almost 2,2 million foreign arrivals making it the highest number of arrivals ever recorded in the first quarter. This is an increase of 3.6% (75,542) compared to that of the same period in 2007. The increasing trend in arrivals is evident since 2004.



Source: Statssa, SATourism analysis

Arrivals decreased in April by 5.7% but increased in May and June of this quarter. This decline led to the slower growth in this quarter.

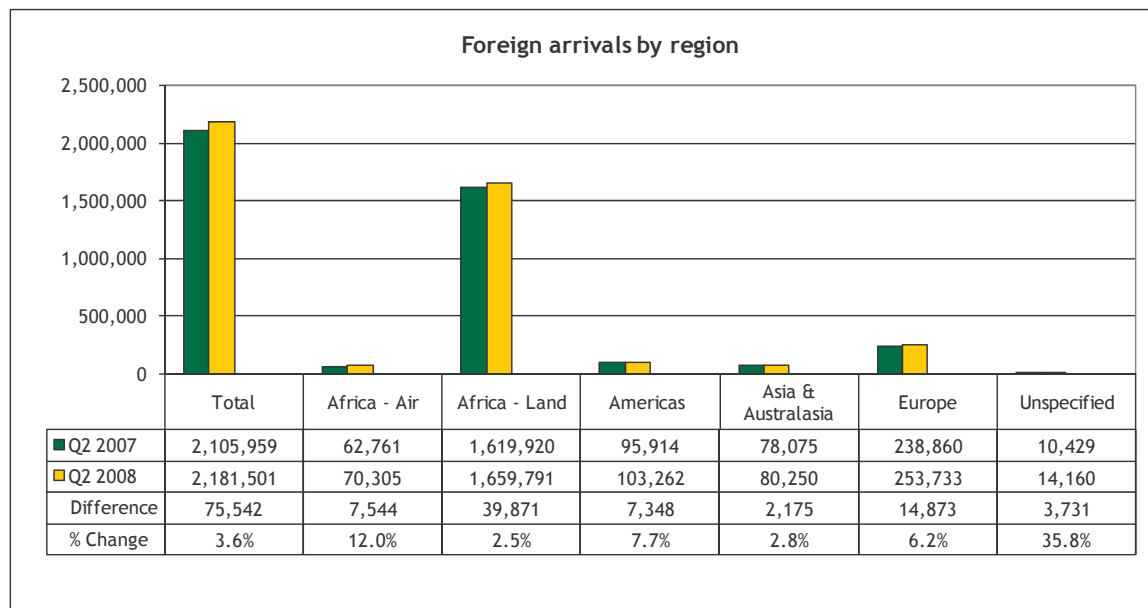


Source: Statssa, SATourism analysis

3.1. Arrival trends

This section of the report analyses the performance of countries within each region relative to the same period of the previous year. The trend in arrivals as well as the compound growth rate for the period is also provided to illustrate the trended performance of each market.

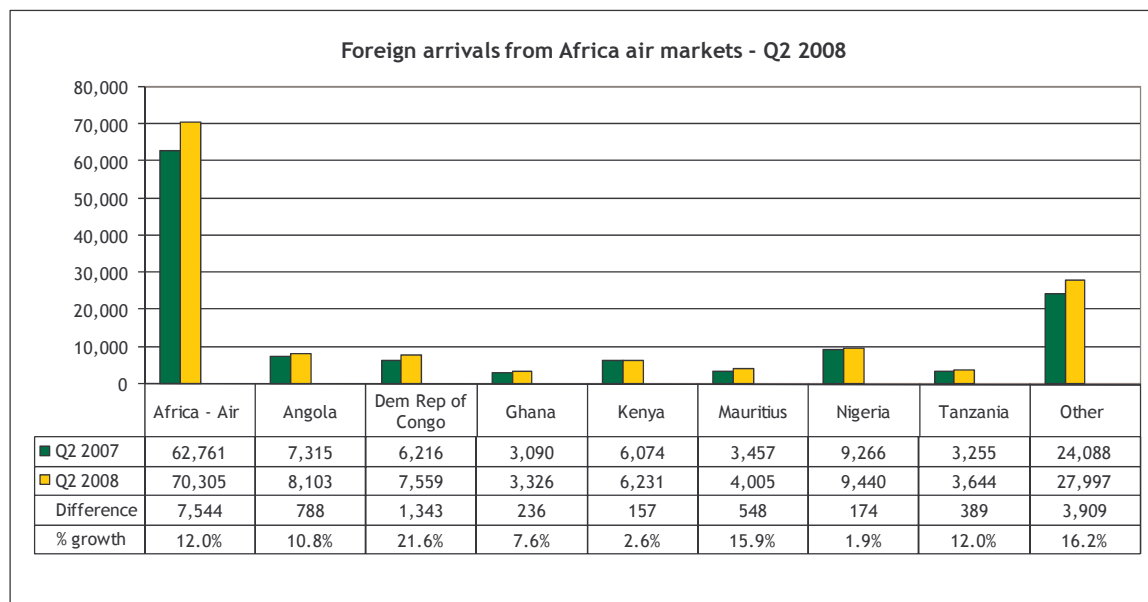
The increase in foreign arrivals was driven by an increase from all regions. Africa air markets led the growth with 12.0% (7,544), followed by the Americas with 7.7% (7,348), Europe with 6.2% (14,873), Asia and Australasia with 2.8% (2,175) and Africa land with 2.5% (39,871).

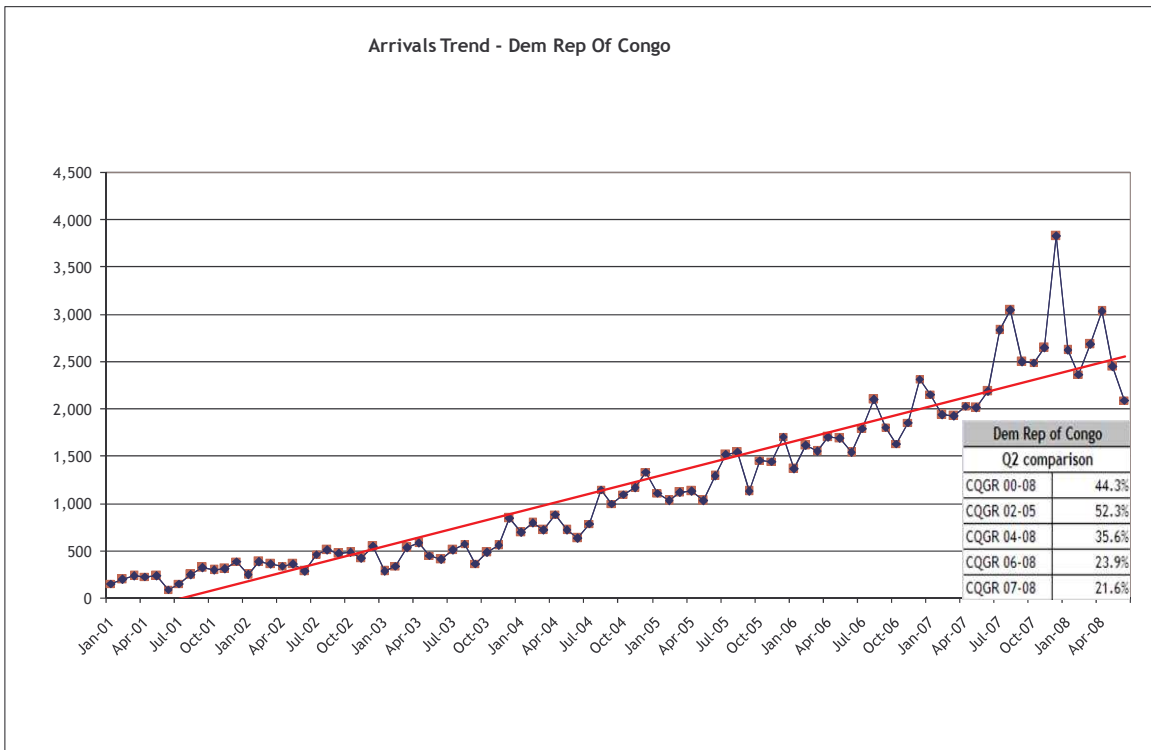
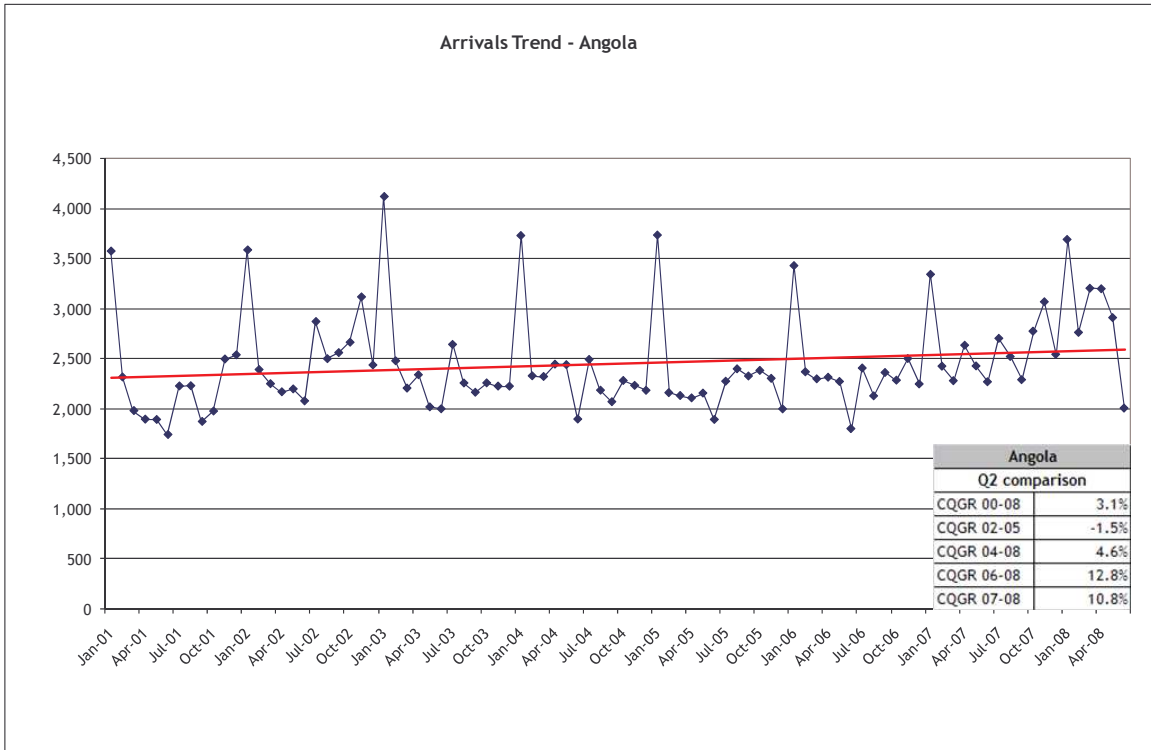


Source: Statssa, SATourism analysis

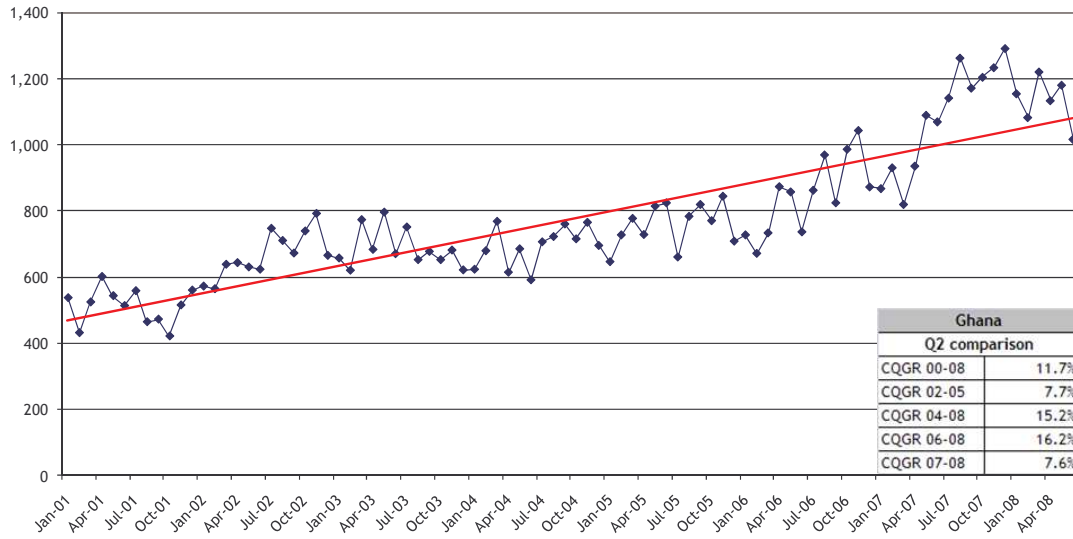
3.1.1. Africa Air

Foreign arrivals from this region grew by 12.0% (7,544) in this quarter to 70,305. The growth came from all markets in this region.

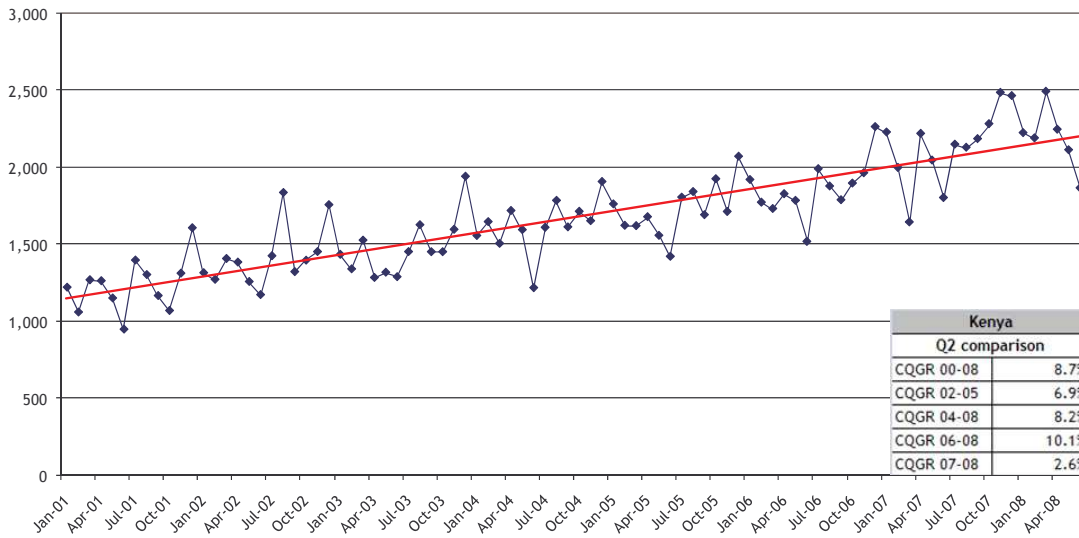


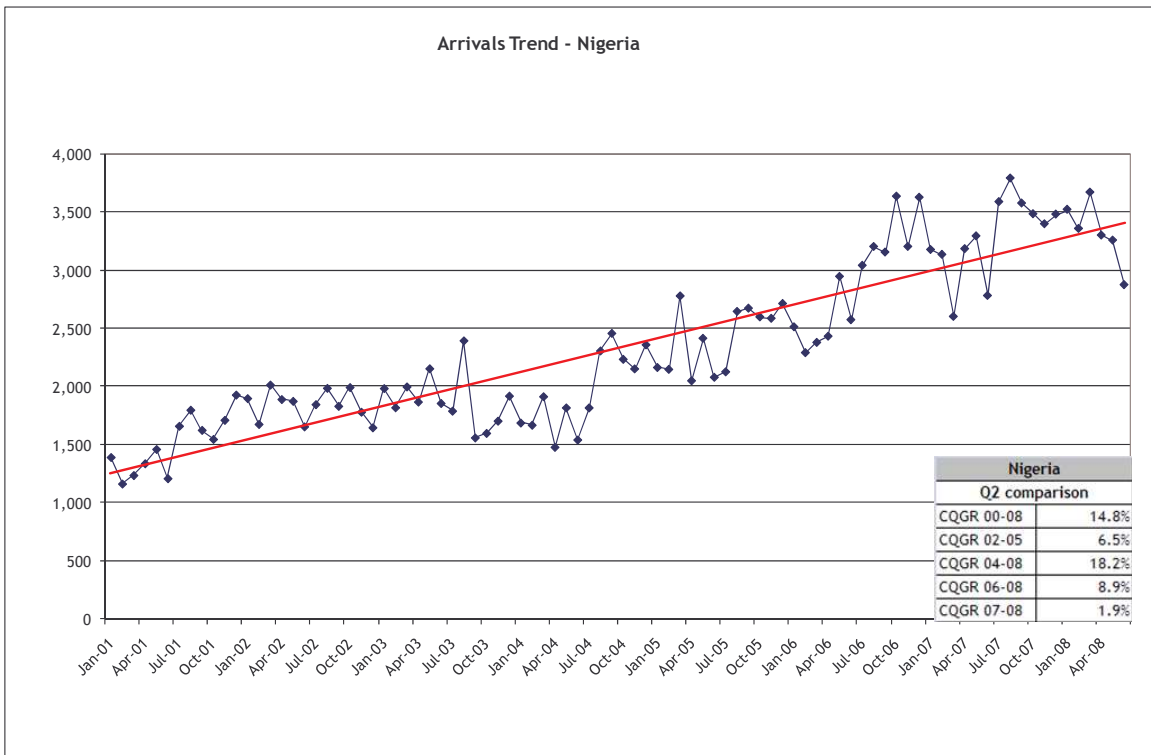
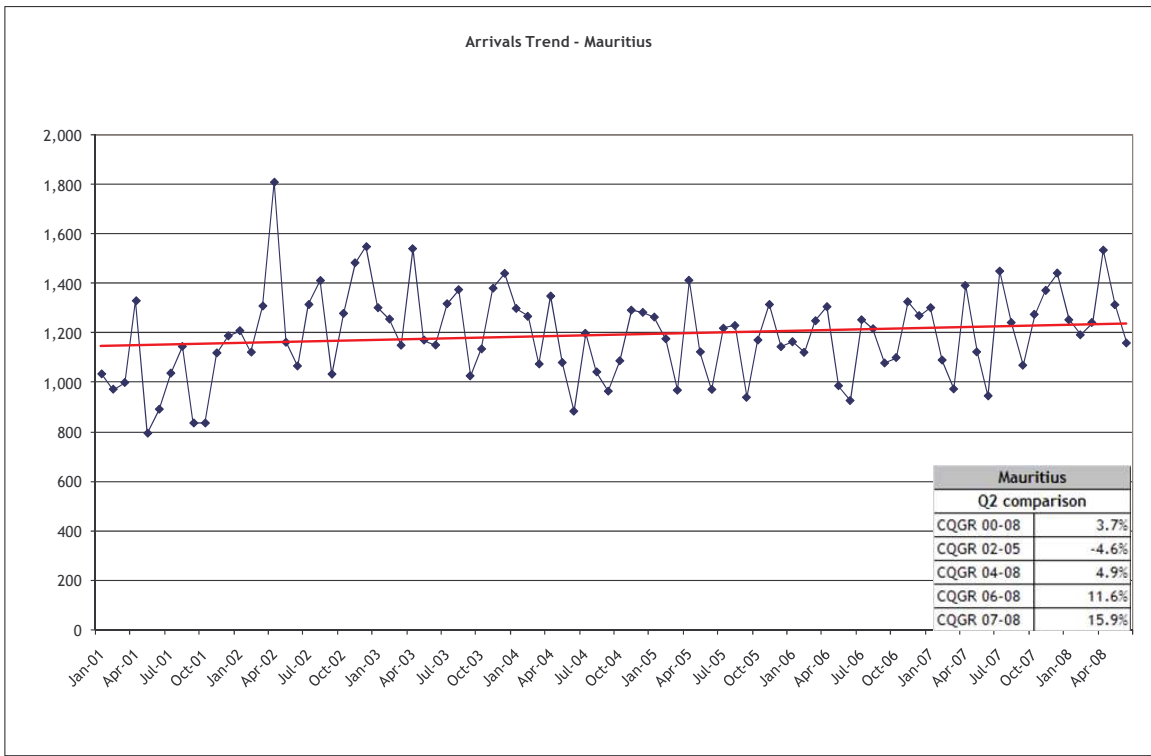


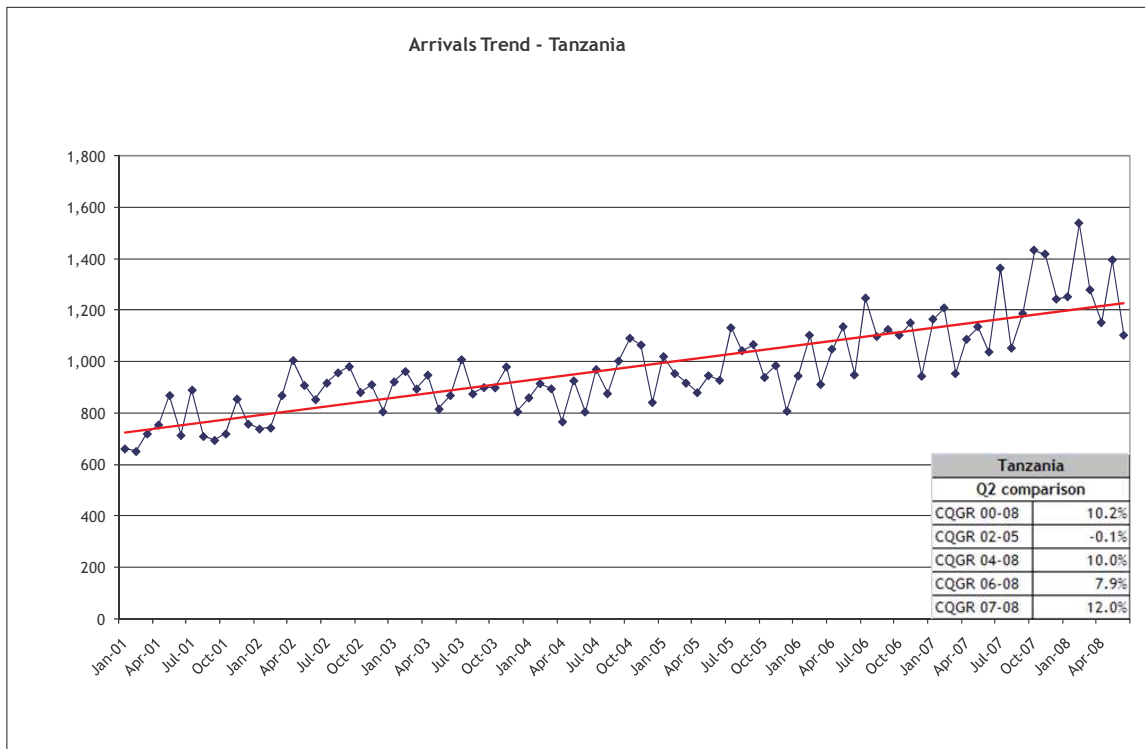
Arrivals Trend - Ghana



Arrivals Trend - Kenya

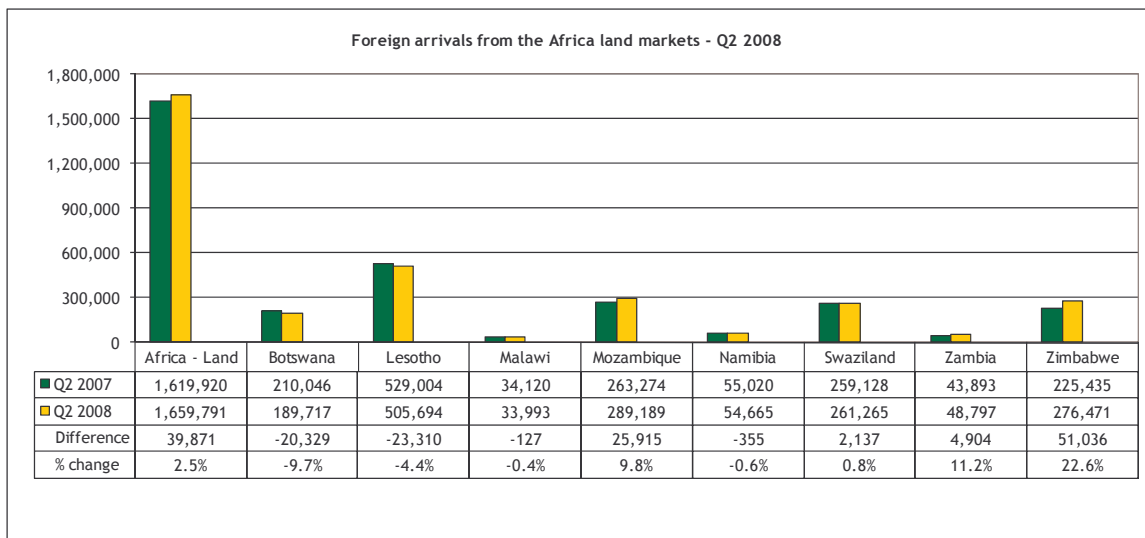




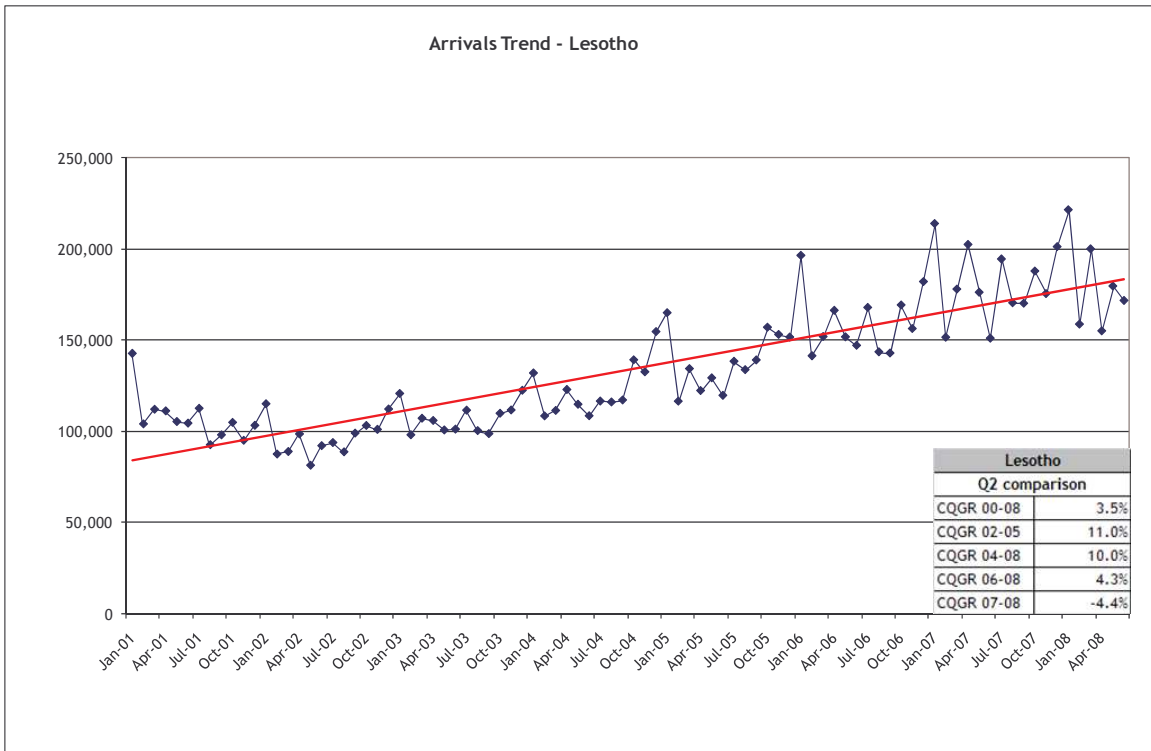
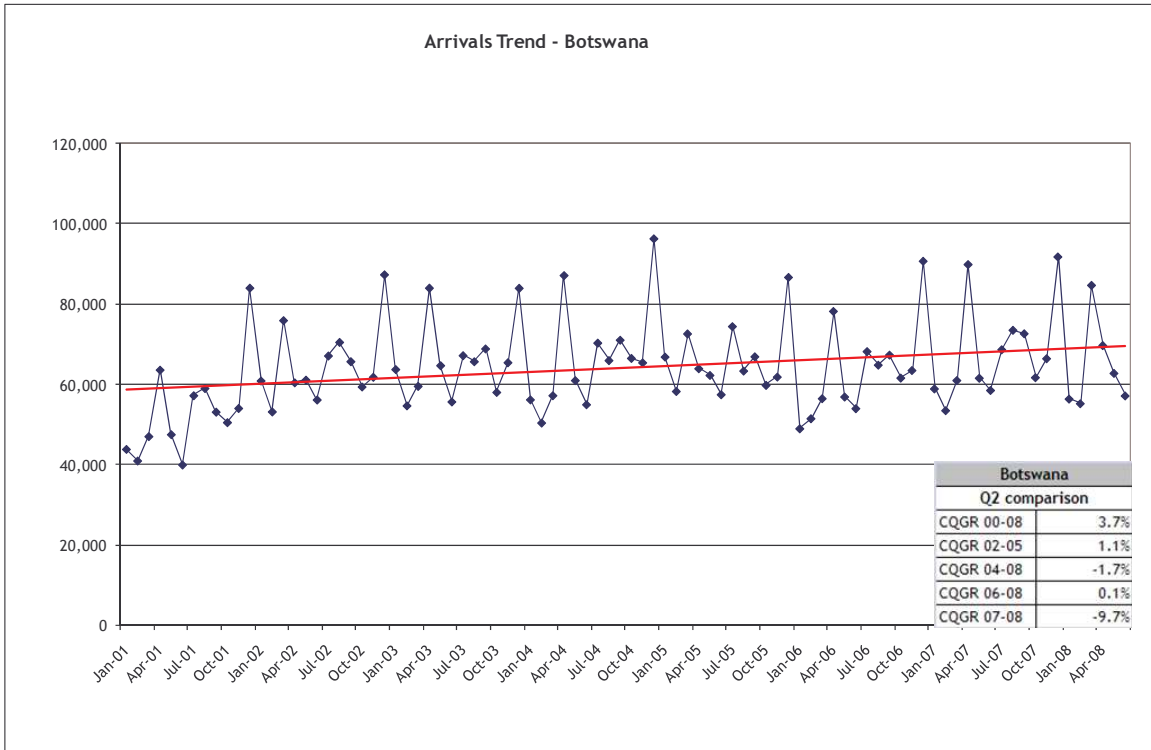


3.1.2. Africa land

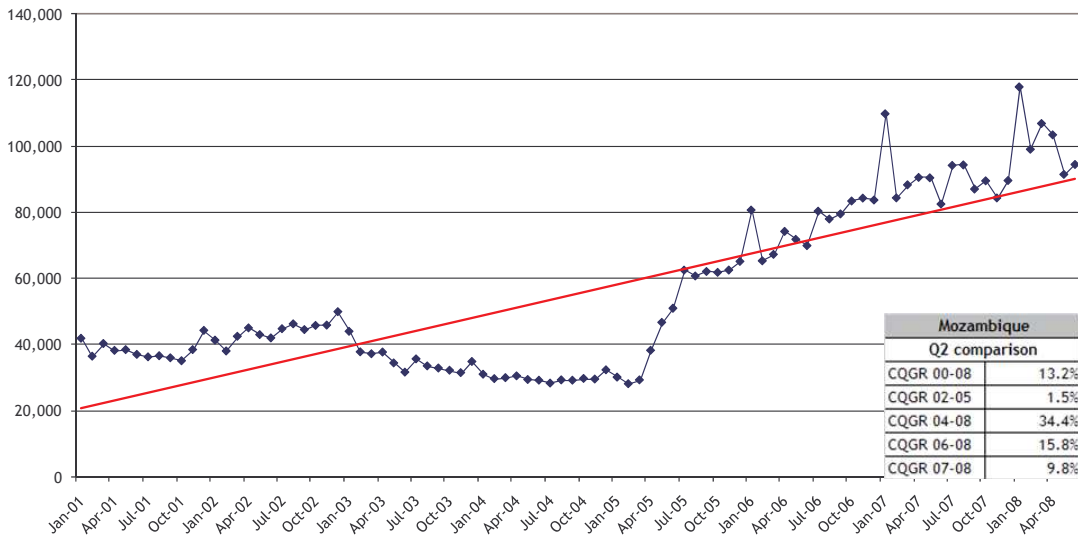
Foreign arrivals from Africa land markets grew by 2.5% (39,871) in this period to reach 1,659,791 arrivals. The slower growth was due to a decline in arrivals from Botswana, Lesotho, Malawi and Namibia. There was good growth from the rest of the markets.



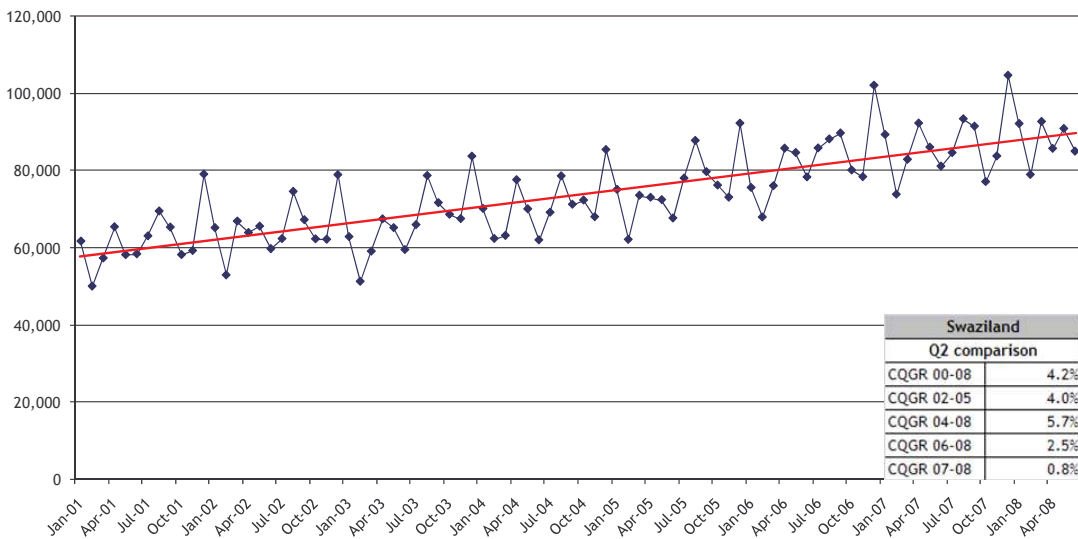
Source: StatsSA, SATourism analysis

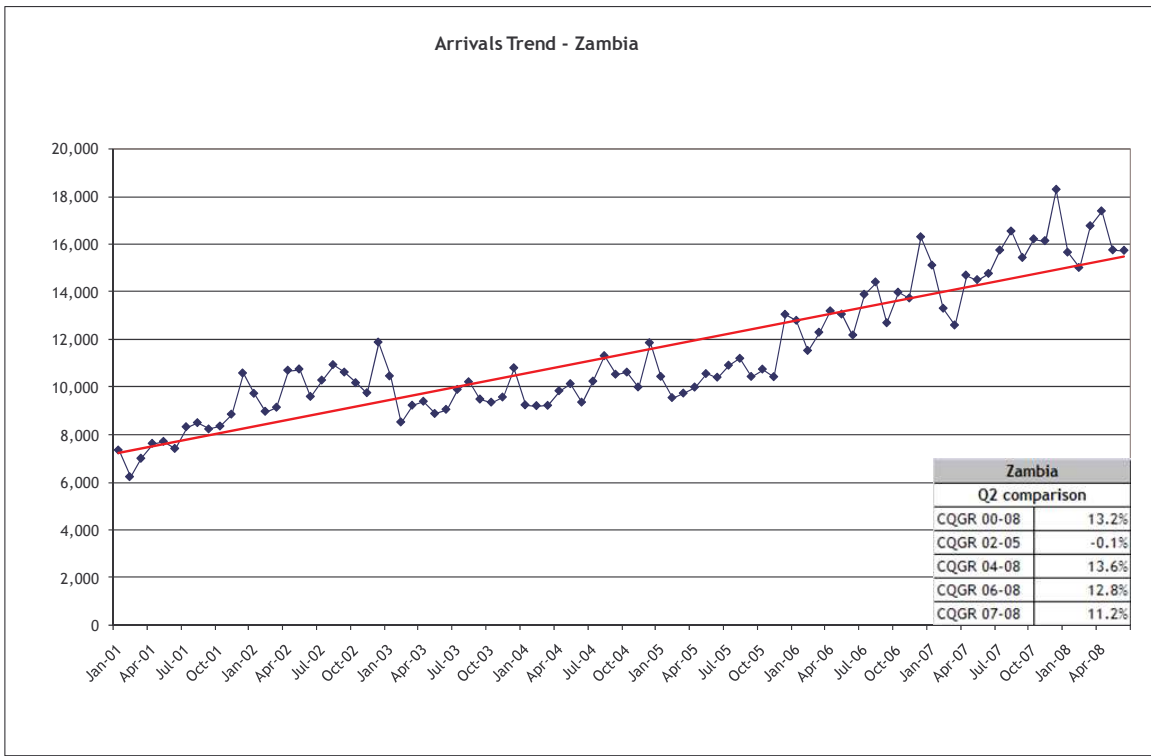


Arrivals Trend - Mozambique



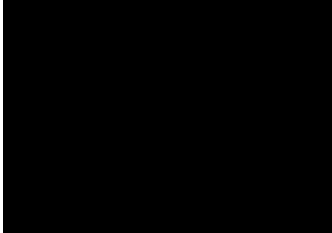
Arrivals Trend - Swaziland



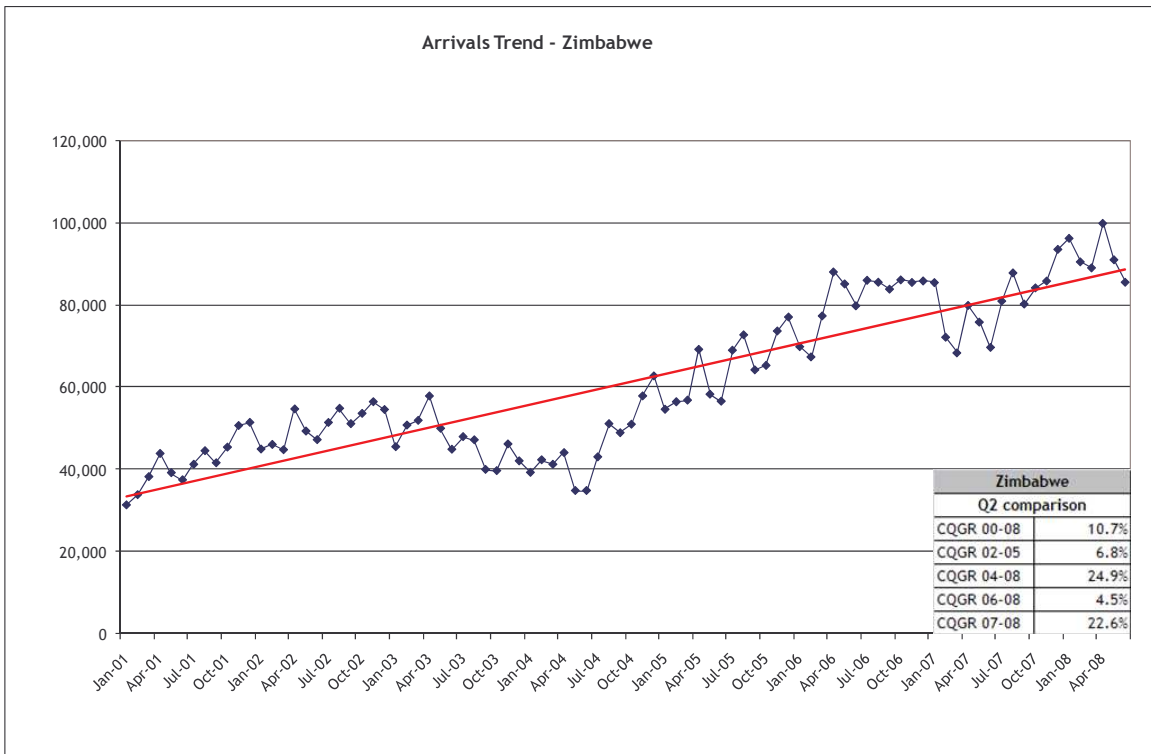


Arrivals from Zambia for Q2

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Air	3,860	3,938	4,914	5,868	7,781	7,010	6,990	7,445	13,289	17,891	19,071
Land	11,167	11,920	13,357	16,964	23,409	20,521	22,557	23,640	25,337	26,139	30,135

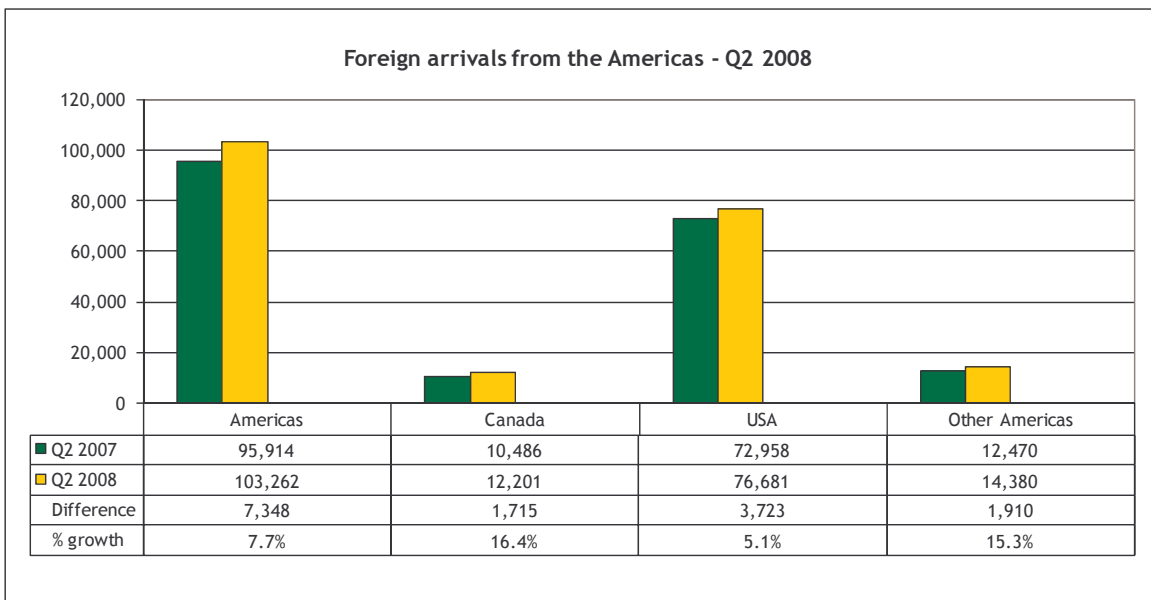


Zambia Land	
Q2 comparison	
CQGR 00-08	10.7%
CQGR 02-05	0.3%
CQGR 04-08	7.5%
CQGR 06-08	9.1%
CQGR 07-08	15.3%

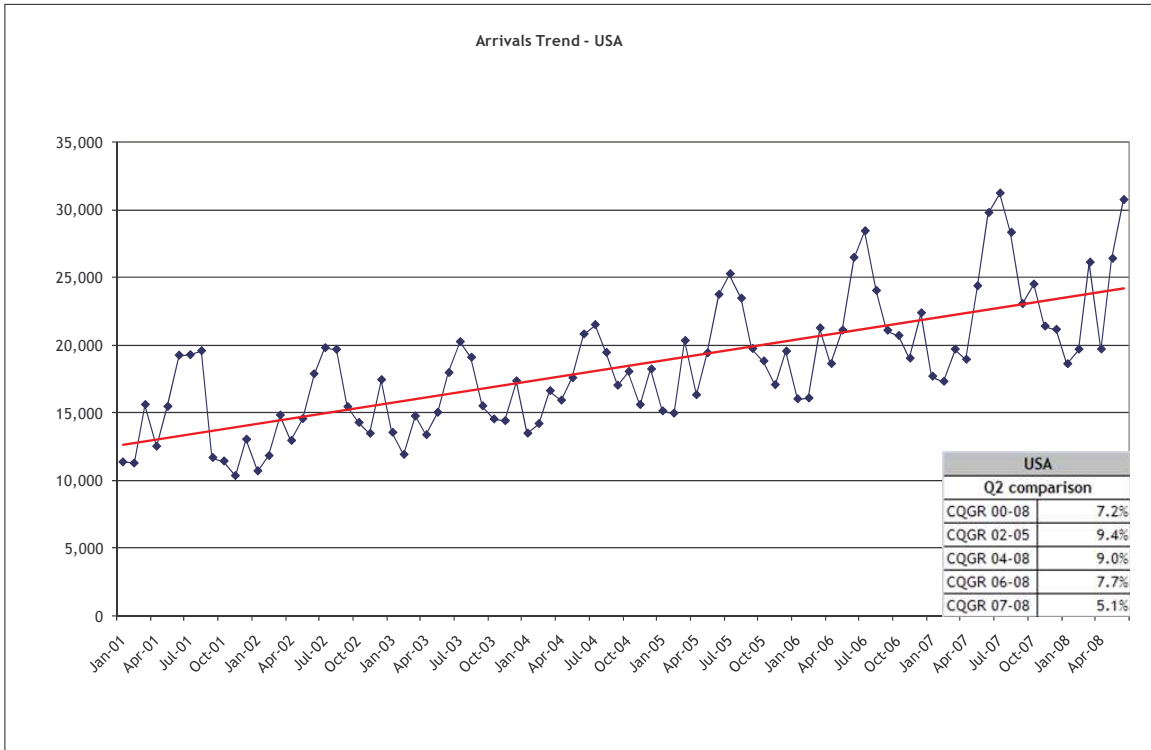
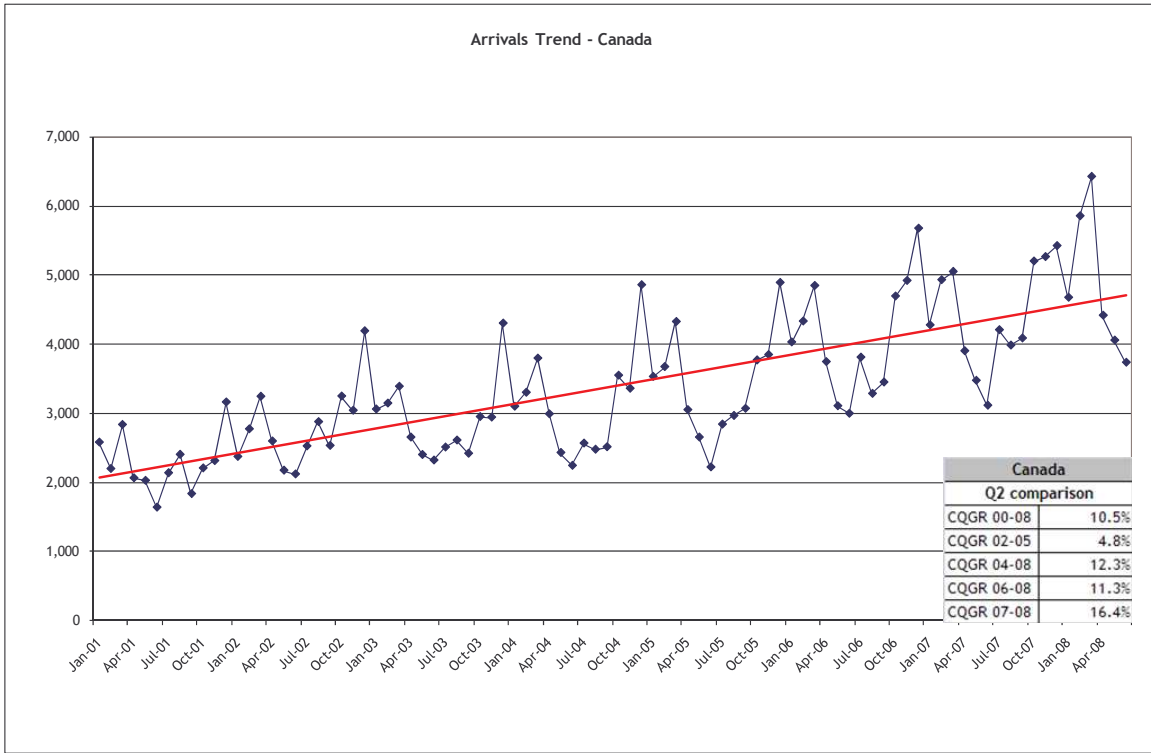


3.1.3. Americas

In this quarter, arrivals from the Americas region grew by 7.7% (7,348) to reach 103,262 compared to the same period in 2007. All markets in this region showed good growth, compared to the same period in the previous year.

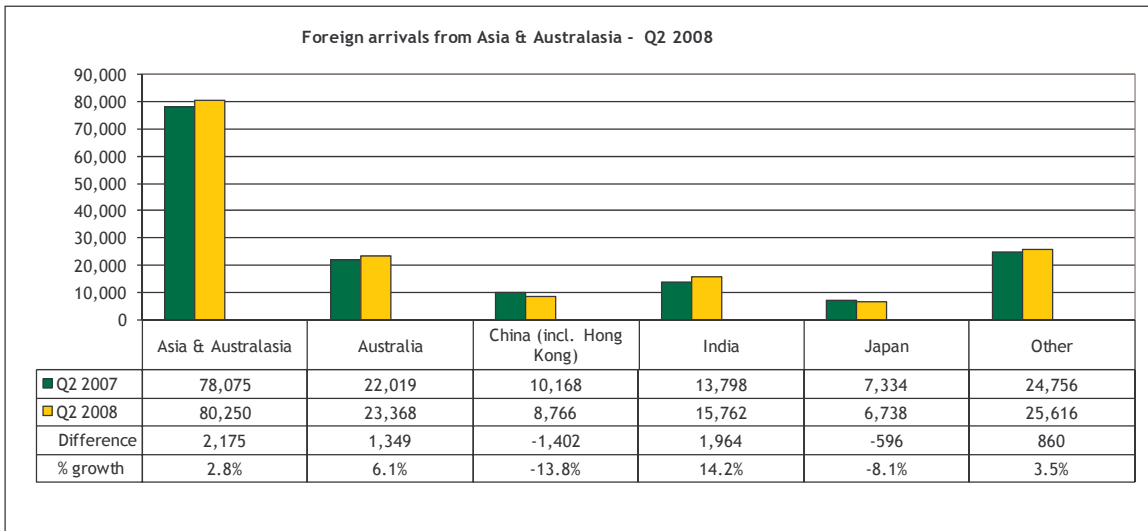


Source: Statssa, SATourism analysis

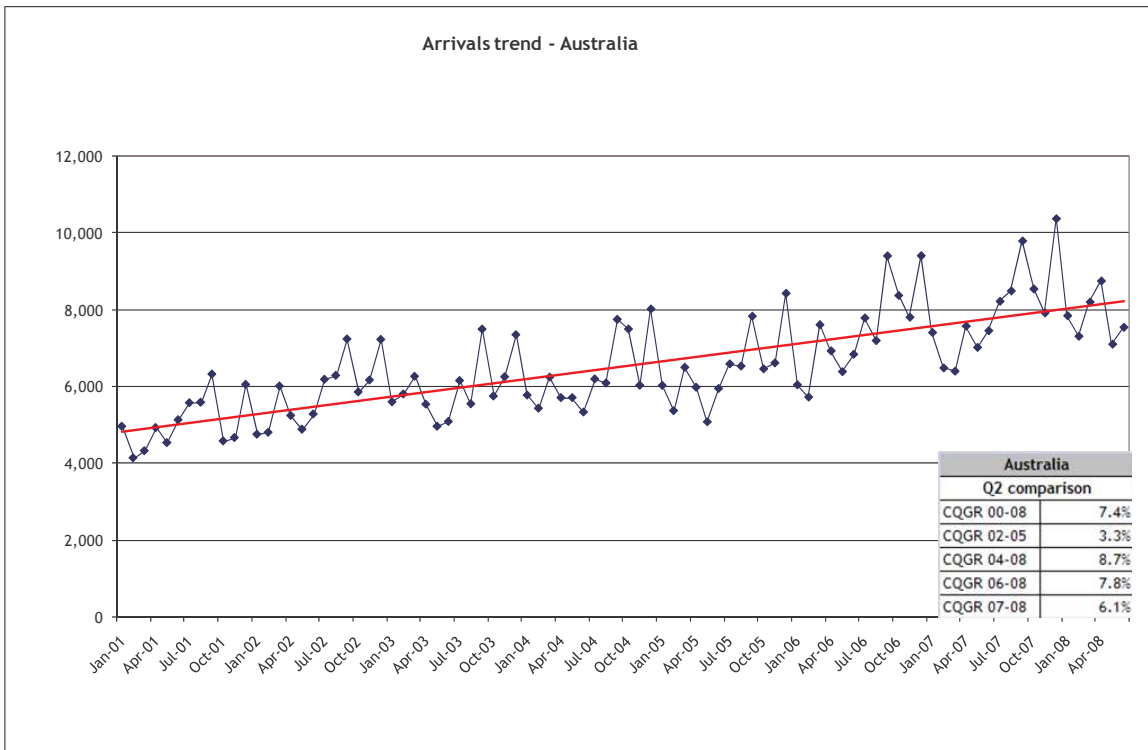


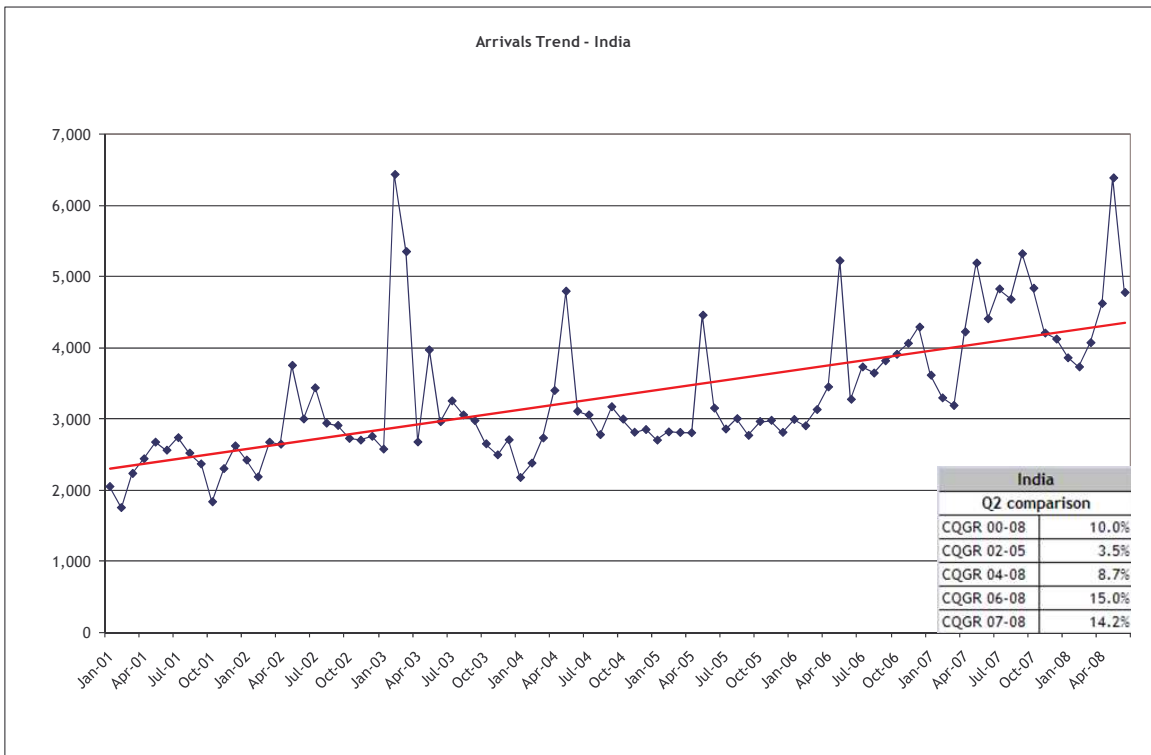
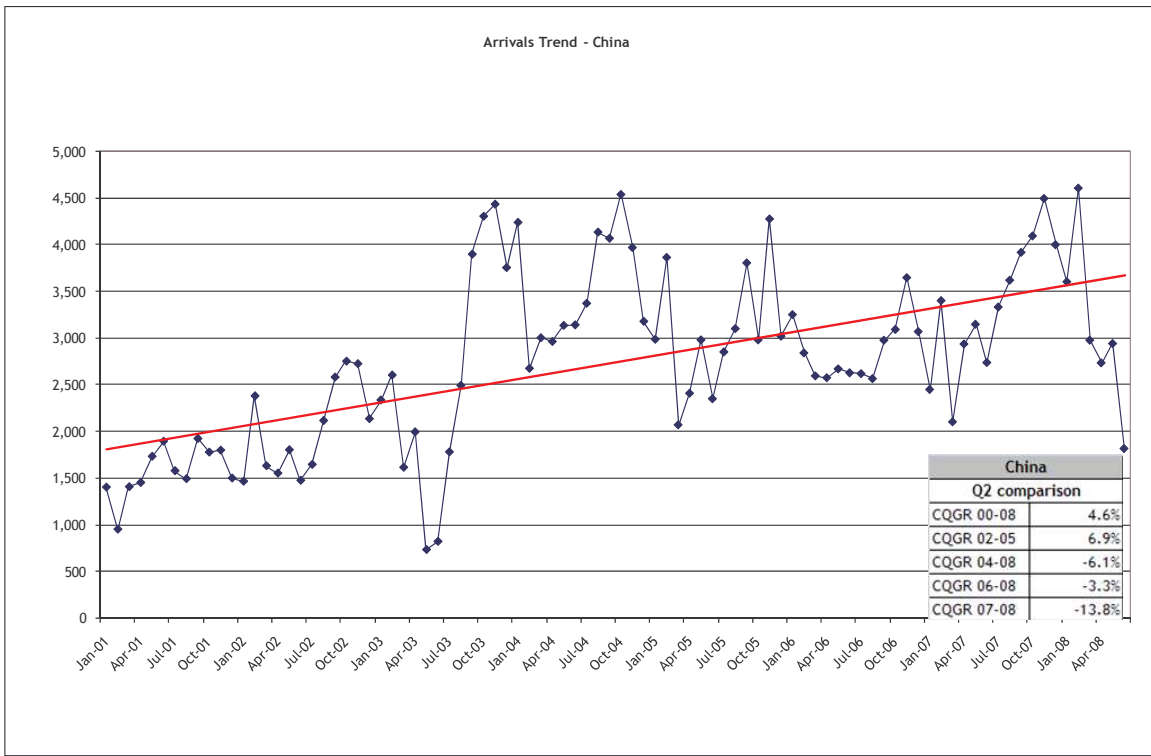
3.1.4. Asia & Australasia

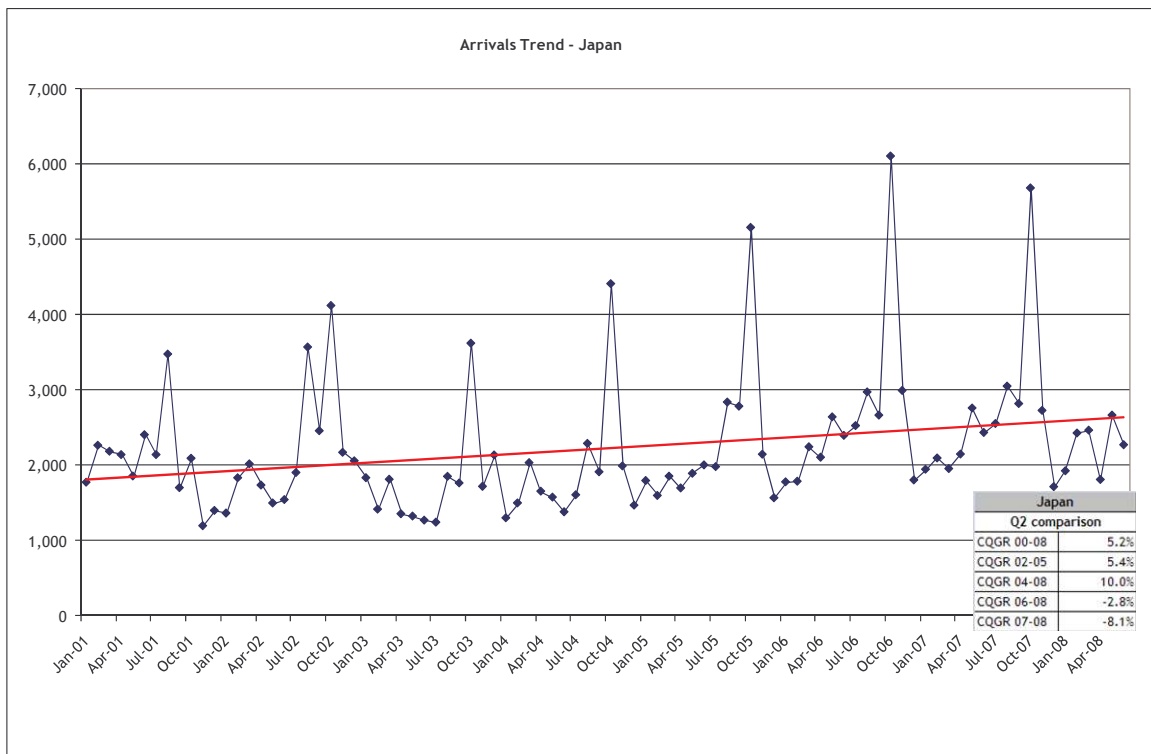
Arrivals from this region grew by 2.8% (10,993) to reach 80,250, compared to the same quarter of the previous year. All the markets in this region, with the exception of China and Japan, showed positive growth.



Source: Statssa, SATourism analysis

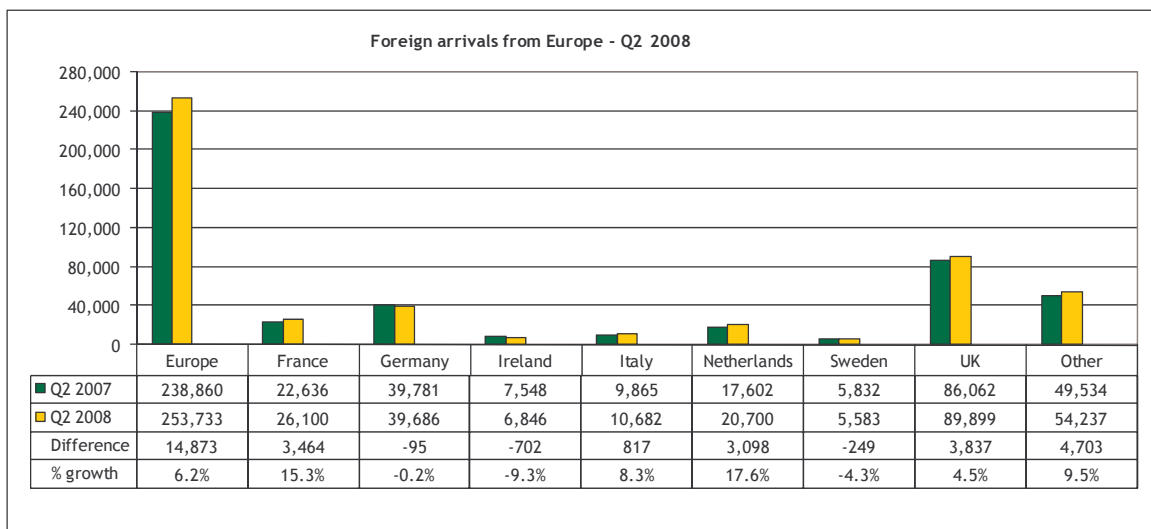




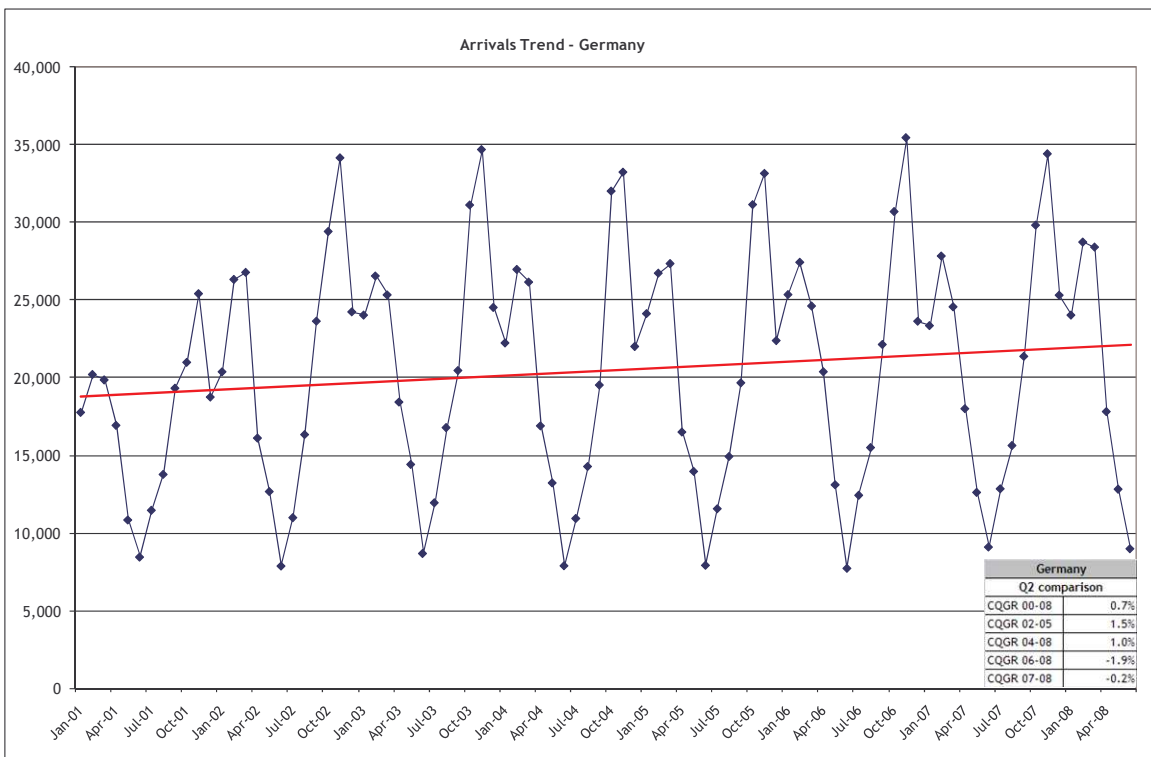
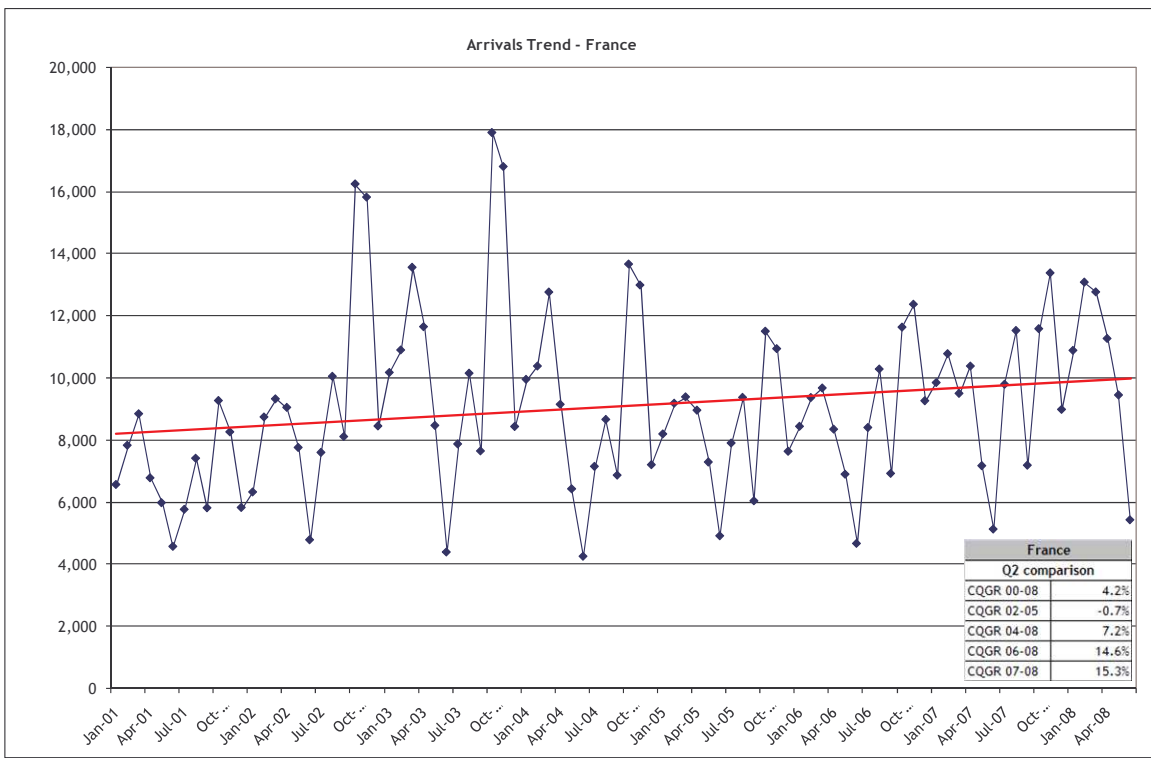


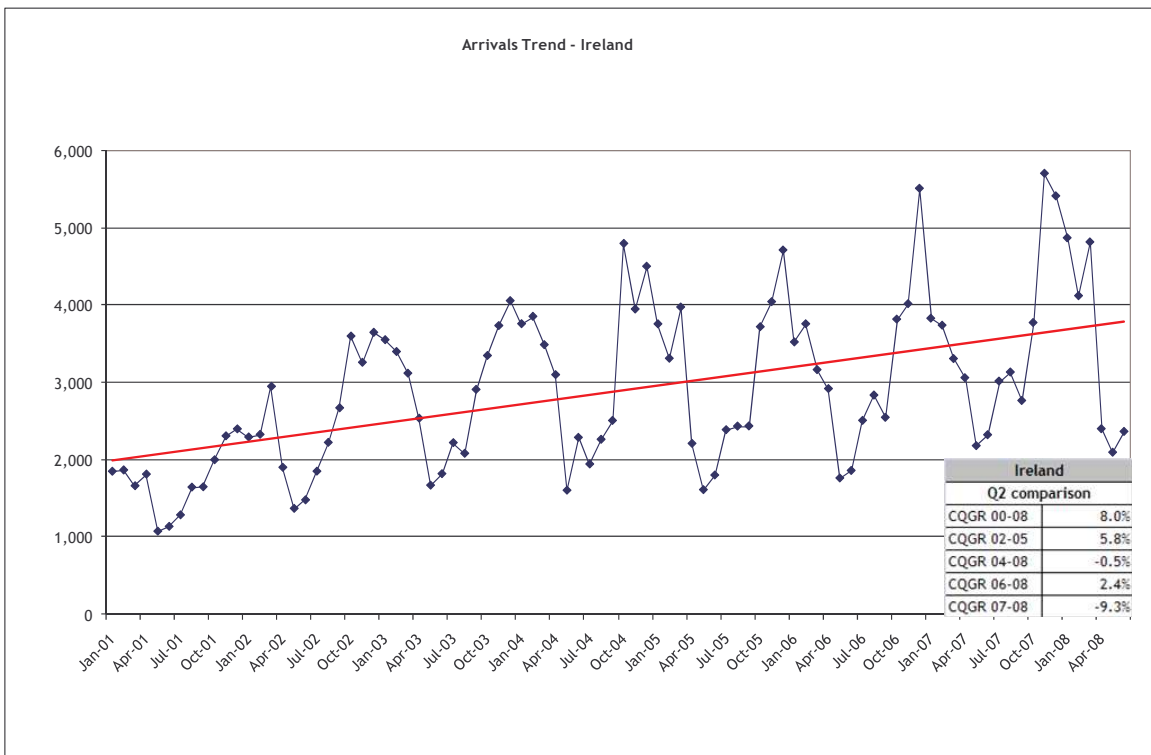
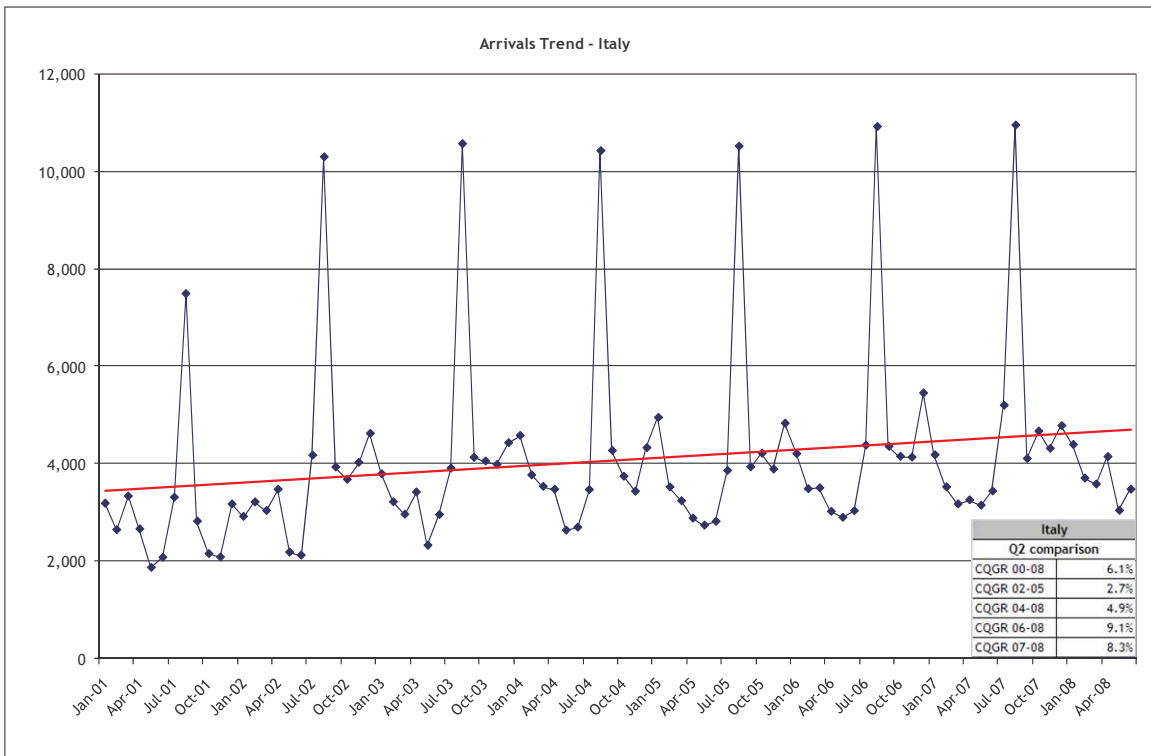
3.1.5. Europe

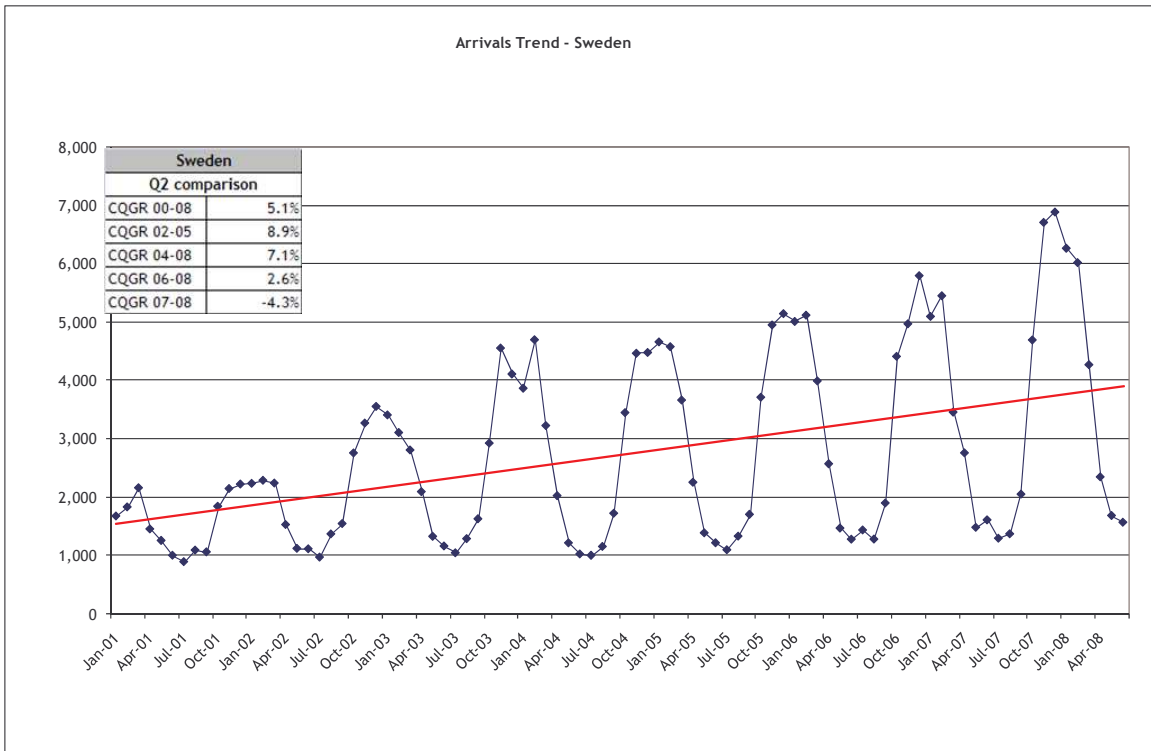
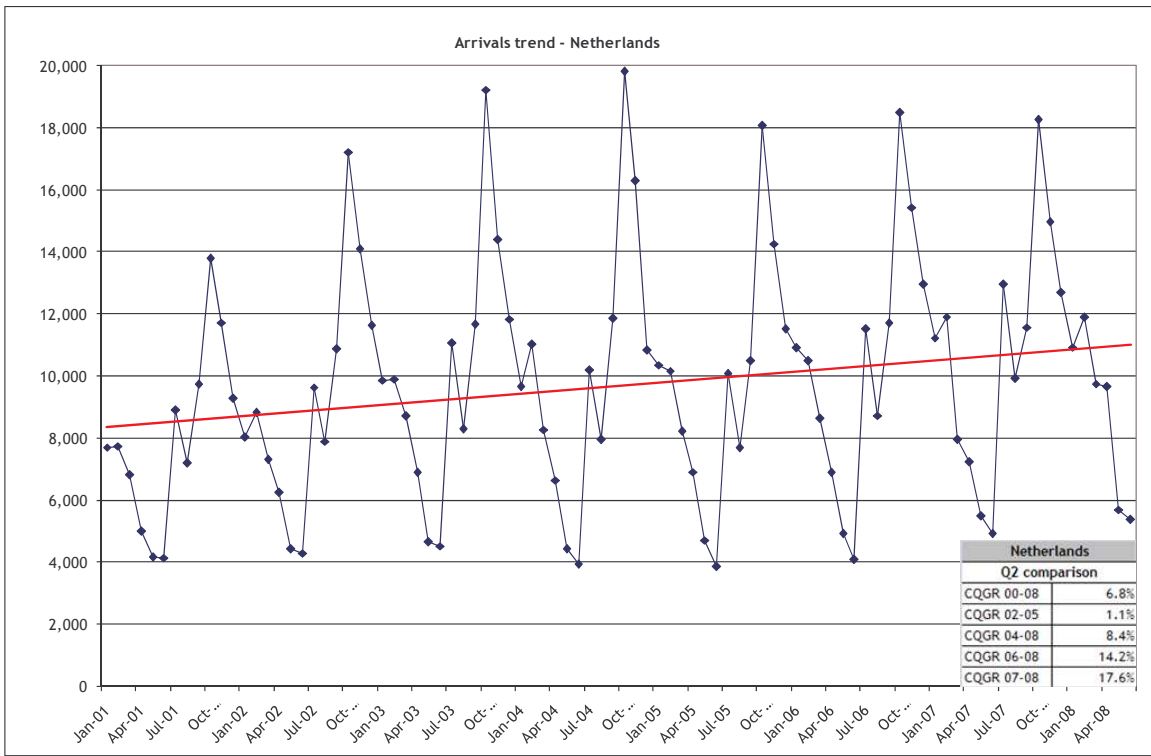
Arrivals from Europe grew by 6.2% (14,873) in this quarter to reach 253,733. Most markets in this region showed positive growth except for Germany, Ireland and Sweden where arrivals declined by 0.2%, 9.3% and 4.3% respectively.



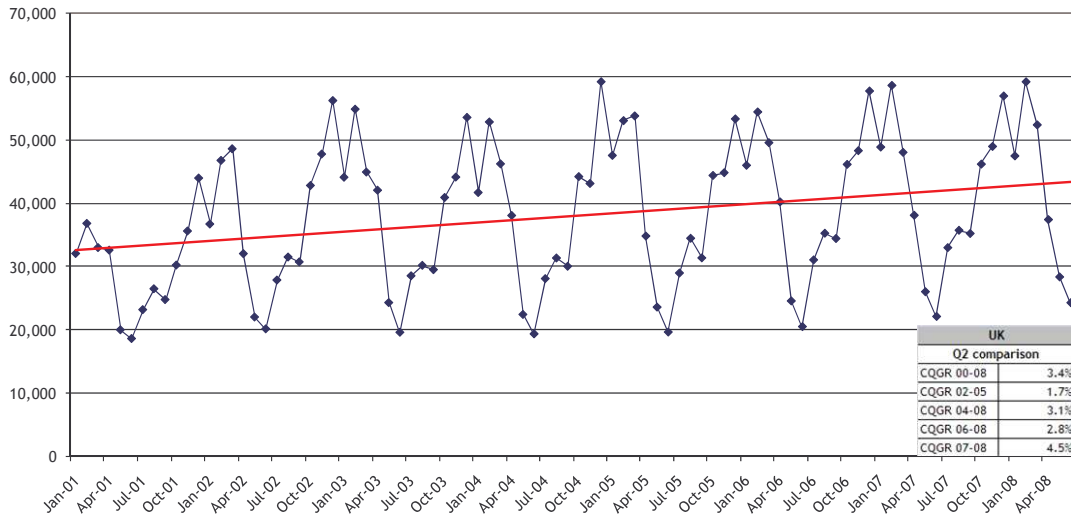
Source: Statssa, SATourism analysis







Arrivals Trend - UK



**TABLE A - Q2 2008
TOTAL ARRIVALS***

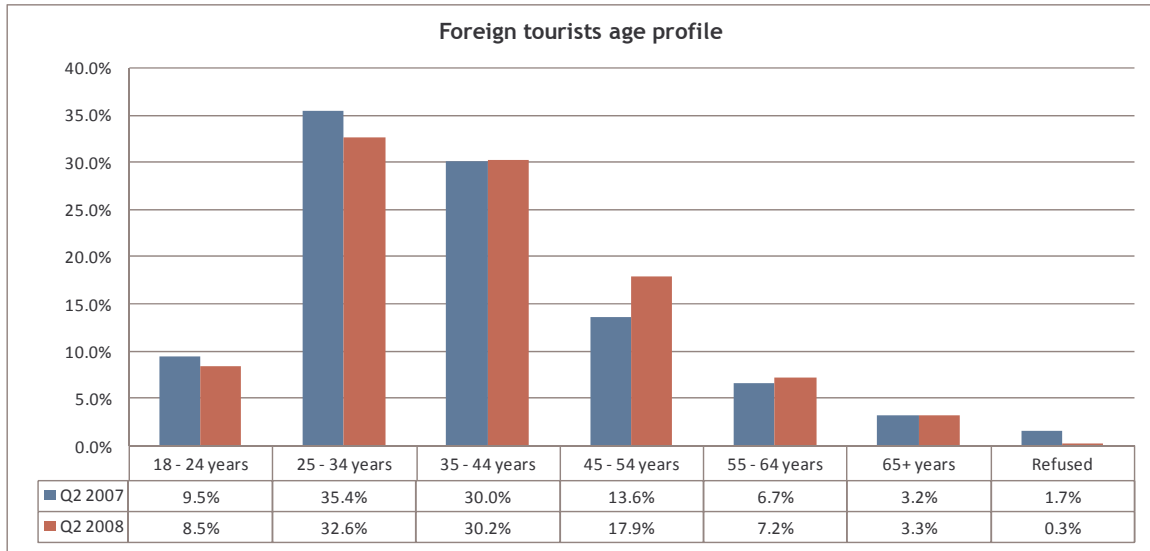
*Foreign tourist arrivals, according to the WTO, are all foreign arrivals less all those who stayed for less than one day and more than 365 days, and excludes travellers who were remunerated from within the place they travelled to. The closest possible approximation to this definition, given the current format of statistics issued by Statistics, is All Foreign Arrivals less "workers" and "contract workers".
SATAurism uses the definition. The percentage of the difference between this definition and the closest possible approximation has been limited to be less than 0.5%.

COUNTRY OF RESIDENCE	APR TO JUN 2008 COMPARED WITH APR TO JUN 2007																
	APR 2008	APR 2007	DIFF	%	MAY 2008	MAY 2007	DIFF	%	JUN 2008	JUN 2007	DIFF	%	APR TO JUN 2008	APR TO JUN 2007	DIFF	%	
EUROPE:																	
Austria	1,638	1,369	269	19.6%	1,121	1,244	-123	-9.9%	695	774	-79	-10.2%	3,454	3,387	67	2.0%	
Belgium	2,751	3,275	-524	-16.0%	2,138	2,117	21	1.0%	1,923	1,557	366	23.5%	6,512	6,949	-437	-6.3%	
Denmark	1,692	1,613	79	4.9%	1,367	1,310	57	4.4%	1,163	1,208	-45	-3.7%	4,222	4,131	91	2.2%	
Finland	749	680	69	10.1%	589	462	127	27.5%	495	529	-34	-6.4%	1,833	1,671	162	9.7%	
France	11,253	10,365	888	8.6%	9,433	7,156	2,277	31.8%	5,414	5,115	299	5.8%	26,100	22,636	3,464	15.3%	
Germany	17,828	18,018	-190	-1.1%	12,844	12,638	206	1.6%	9,014	9,125	-111	-1.2%	39,686	39,781	-95	-0.2%	
Greece	902	680	222	32.6%	644	484	160	33.1%	559	434	125	28.8%	2,105	1,598	507	31.7%	
Hungary	203	283	-80	-28.3%	165	158	7	4.4%	136	162	-26	-16.0%	504	603	-99	-16.4%	
Ireland	2,395	3,055	-660	-21.6%	2,091	2,176	-85	-3.9%	2,360	2,317	43	1.9%	6,846	7,548	-702	-9.3%	
Italy	4,150	3,265	885	27.1%	3,049	3,155	-106	-3.4%	3,483	3,445	38	1.1%	10,682	9,865	817	8.3%	
Netherlands	9,647	7,212	2,435	33.8%	5,693	5,472	221	4.0%	5,360	4,918	442	9.0%	20,700	17,602	3,098	17.6%	
Norway	1,277	1,411	-134	-9.5%	988	839	149	17.8%	1,014	921	93	10.1%	3,279	3,171	108	3.4%	
Poland	769	711	58	8.2%	565	529	36	6.8%	535	479	56	11.7%	1,869	1,719	150	8.7%	
Portugal	2,734	2,927	-193	-6.6%	2,279	2,163	116	5.4%	2,134	1,912	222	11.6%	7,147	7,002	145	2.1%	
Russian Fed	1,158	771	387	50.2%	729	652	77	11.8%	507	496	11	2.2%	2,394	1,919	475	24.8%	
Spain	2,799	2,367	432	18.3%	2,154	2,144	10	0.5%	2,816	2,080	736	35.4%	7,769	6,591	1,178	17.9%	
Sweden	2,341	2,752	-411	-14.9%	1,679	1,476	203	13.8%	1,563	1,604	-41	-2.6%	5,583	5,832	-249	-4.3%	
Switzerland	3,056	3,011	45	1.5%	1,909	1,872	37	2.0%	1,291	1,375	-84	-6.1%	6,256	6,258	-2	0.0%	
UK	37,391	38,073	-682	-1.8%	28,294	25,957	2,337	9.0%	24,214	22,032	2,182	9.9%	89,899	86,062	3,837	4.5%	
Other	3,009	1,990	1,019	51.2%	2,258	1,387	871	62.8%	1,326	1,158	168	14.5%	6,593	4,535	2,058	45.4%	
EUROPE	107,742	103,828	3,914	3.8%	79,989	73,391	6,598	9.0%	66,002	61,641	4,361	7.1%	253,733	238,860	14,873	6.2%	
NORTH AMERICA:																	
Canada	4,413	3,900	513	13.2%	4,054	3,473	581	16.7%	3,734	3,113	621	19.9%	12,201	10,486	1,715	16.4%	
USA	19,666	18,911	755	4.0%	26,342	24,327	2,015	8.3%	30,673	29,720	953	3.2%	76,681	72,958	3,723	5.1%	
Other	7	9	-2	-22.2%	6	7	-1	-14.3%	3	5	-2	-40.0%	16	21	-5	-23.8%	
NORTH AMERICA	24,086	22,820	1,266	5.5%	30,402	27,807	2,595	9.3%	34,410	32,838	1,572	4.8%	88,898	83,465	5,433	6.5%	
CENTRAL & SOUTH AMERICA:																	
Argentina	577	621	-44	-7.1%	613	453	160	35.3%	421	393	28	7.1%	1,611	1,467	144	9.8%	
Brazil	2,932	2,637	295	11.2%	2,993	2,201	792	36.0%	2,689	2,414	275	11.4%	8,614	7,252	1,362	18.8%	
Chile	285	167	118	70.7%	256	169	87	51.5%	200	212	-12	-5.7%	741	548	193	35.2%	
Mexico	301	257	44	17.1%	228	204	24	11.8%	314	322	-8	-2.5%	843	783	60	7.7%	
Venezuela	119	74	45	60.8%	102	83	19	22.9%	153	97	56	57.7%	374	254	120	47.2%	
Other	776	743	33	4.4%	622	654	-32	-4.9%	783	748	35	4.7%	2,181	2,145	36	1.7%	
CENTRAL & SOUTH AMERICA	4,990	4,499	491	10.9%	4,814	3,764	1,050	27.9%	4,560	4,186	374	8.9%	14,364	12,449	1,915	15.4%	
AUSTRALASIA:																	
Australia	8,742	7,564	1,178	15.6%	7,093	7,009	84	1.2%	7,533	7,446	87	1.2%	23,368	22,019	1,349	6.1%	
New Zealand	1,909	1,607	302	18.8%	1,394	1,245	149	12.0%	1,588	1,666	-78	-4.7%	4,891	4,518	373	8.3%	
Other	82	62	20	32.3%	62	53	9	17.0%	56	62	-6	-9.7%	200	177	23	13.0%	
AUSTRALASIA	10,733	9,233	1,500	16.2%	8,549	8,307	242	2.9%	9,177	9,174	3	0.0%	28,459	26,714	1,745	6.5%	
ASIA:																	
China (including Hong Kong)	3,110	3,436	-326	-9.5%	3,312	3,315	-203	-5.8%	2,344	3,217	-873	-27.1%	8,766	10,168	-1,402	-13.8%	
India	4,614	4,216	398	9.4%	6,379	5,183	1,196	23.1%	4,769	4,399	370	8.4%	15,762	13,798	1,964	14.2%	
Indonesia	261	293	-32	-10.9%	286	246	40	16.3%	208	426	-218	-51.2%	755	965	-210	-21.8%	
Japan	1,807	2,145	-338	-15.8%	2,662	2,757	-95	-3.4%	2,269	2,432	-163	-6.7%	6,738	7,334	-596	-8.1%	
Rep of Korea	1,616	1,319	297	22.5%	1,410	1,260	150	11.9%	1,391	1,390	1	0.1%	4,417	3,969	448	11.3%	
Malaysia	601	907	-306	-33.7%	840	834	6	0.7%	764	691	73	10.6%	2,205	2,432	-227	-9.3%	
Philippines	459	516	-57	-11.0%	457	455	2	0.4%	373	317	56	17.7%	1,289	1,288	1	0.1%	
Singapore	458	648	-190	-29.3%	1,034	496	538	108.5%	771	814	-43	-5.3%	2,263	1,958	305	15.6%	
Rep of China (Taiwan)	823	915	-92	-10.1%	1,015	844	171	20.3%	828	1,109	-281	-25.3%	2,666	2,968	-302	-10.2%	
Thailand	745	1,079	-333	-30.9%	565	642	-77	-12.0%	591	820	-229	-27.9%	1,901	2,540	-639	-25.2%	
Other	1,786	1,444	342	23.7%	1,681	1,171	510	43.6%	1,562	1,326	236	17.8%	5,029	3,941	1,088	27.6%	
ASIA	16,280	16,917	-637	-3.8%	19,641	17,503	2,138	12.2%	15,870	16,941	-1,071	-6.3%	51,791	51,361	430	0.8%	
MIDDLE EAST:																	
Israel	1,701	1,098	603	54.9%	1,321	907	414	45.6%	1,154	1,025	129	12.6%	4,176	3,030	1,146	37.8%	
Saudi Arabia	330	215	115	53.5%	246	131	115	87.8%	410	368	42	11.4%	986	714	272	38.2%	
Turkey	791	393	398	101.3%	515	276	239	86.6%	472	401	71	17.7%	1,778	1,070	708	66.2%	
United Arab Emirates	291	126	165	131.0%	240	212	28	13.2%	233	134	99	73.9%	764	472	292	61.9%	
Other	117	756	-639	-84.5%	278	624	-346	-55.4%	761	668	93	13.9%	1,156	2,048	-892	-43.6%	
MIDDLE EAST	3,230	2,588	642	24.8%	2,600	2,150	450	20.9%	3,030	2,596	434	16.7%	8,860	7,334	1,526	20.8%	
AFRICA MAINLAND:																	
Angola	3,197	2,630	567	21.6%	2,907	2,422	485	20.0%	1,999	2,263	-264	-11.7%	8,103	7,315	788	10.8%	
Dem Rep of Congo	3,024	2,026	998	49.3%	2,444	2,010	434	21.6%	2,091	2,180	-89	-4.1%	7,559	6,216	1,343	21.6%	
Botswana	69,728	89,897	-20,169	-22.4%	62,804	61,598	1,206	2.0%	57,185	58,551	-1,366	-2.3%	189,717	210,446	-20,729	-9.7%	
Egypt	455	431	24	5.6%	377	373	4	1.1%	353	336	17	5.1%	1,185	1,140	45	3.9%	
Ghana	1,132	934	198	21.2%	1,179	1,088	91	8.4%	1,015	1,068	-53	-5.0%	3,326	3,090	236	7.6%	
Kenya	2,248	2,221	27	1.2%	2,115	2,048	67	3.3%	1,868	1,805	63	3.5%	6,231	6,074	157	2.6%	
Lesotho	154,801	202,223	-47,422	-23.5%	179,412	175,990	3,422	1.9%	171,481	150,791	20,690	13.7%	505,694	529,004	-23,310	-4.4%	
Malawi	12,357	12,022	335	2.8%	11,785	11,461	324	2.8%	9,851	10,637	-786	-7.4%	33,993	34,120	-127	-0.4%	
Mozambique	103,388	90,492	12,896	14.3%	91,396	90,371	1,025	1.1%	94,405	82,411	11,994						

4. Tourist demographics

4.1. Age profile

Over 62.8% of tourists who visited South Africa in this quarter were between the ages of 25 - 44 years while 10.8% were aged 55 years and older.



Source: South African Tourism Departure Surveys April to June

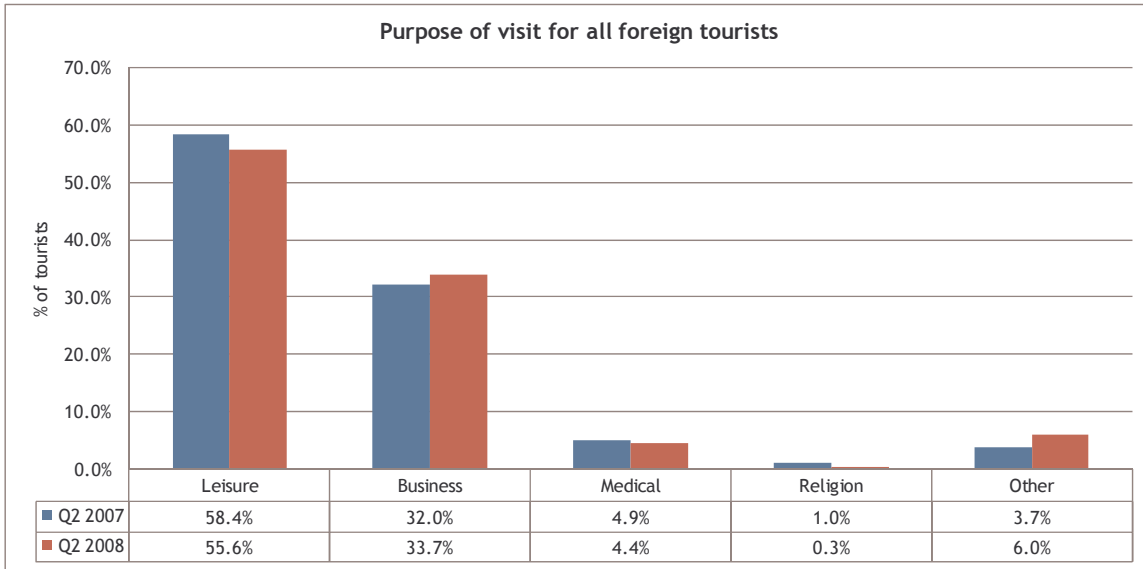
4.1.1. Age of tourists

AGE OF RESPONDENTS - Q2 2008						
	18-24 years	25-34 years	35-44 years	45-54 years	55-64 years	65+ years
AFRICA & MIDDLE EAST	8.0%	34.2%	32.3%	18.0%	5.2%	1.9%
Angola	10.7%	33.6%	34.0%	17.6%		
Botswana	3.2%	36.6%	38.4%	17.8%	2.9%	
Kenya		23.4%	44.6%	22.0%		
Lesotho	13.3%	41.5%	27.1%	14.3%		
Malawi		29.6%	41.4%	17.7%		
Mozambique	13.6%	34.9%	26.1%	21.0%	3.1%	
Namibia	6.1%	27.9%	32.3%	18.0%	10.0%	
Nigeria		28.6%	37.8%	26.2%		
Swaziland		41.0%	44.6%	9.2%		
Tanzania						
Zambia		38.7%	32.6%	18.5%		
Zimbabwe		14.7%	30.5%	28.8%	16.1%	7.4%
Other Africa and Middle East	6.0%	32.2%	32.2%	21.1%	7.1%	
AMERICAS	13.5%	19.6%	18.1%	18.4%	19.2%	11.1%
Brazil		41.0%	33.2%			
Canada	18.0%	18.9%	17.5%	13.3%	26.4%	
USA	14.3%	16.1%	15.8%	19.7%	20.8%	13.2%
Other Americas		38.4%	29.4%	17.8%		
ASIA & AUSTRALASIA	5.6%	33.4%	25.7%	17.9%	11.4%	5.2%
Australia		28.0%	18.4%	19.9%	17.2%	8.9%
China (including Hong Kong)		45.6%	25.7%	19.0%		
India		39.4%	37.2%	11.2%		
Japan		20.7%	23.0%	18.2%	20.2%	14.8%
Other Asia and Australasia		33.7%	26.1%	19.9%	8.7%	
EUROPE	10.4%	26.3%	21.0%	17.2%	16.0%	9.1%
France	4.4%	18.9%	22.8%	21.0%	23.7%	9.1%
Germany	14.8%	23.1%	22.2%	16.6%	14.7%	8.6%
Italy		42.8%	26.4%	14.2%		
Netherlands	18.1%	22.8%	18.9%	19.8%	13.5%	6.7%
Sweden	15.2%	23.7%	23.0%	18.3%	15.7%	
UK	9.6%	27.0%	18.8%	15.6%	17.4%	11.6%
Other Europe	9.5%	29.5%	22.0%	17.9%	13.6%	7.5%
ALL FOREIGN TOURISTS	8.5%	32.6%	30.2%	17.9%	7.2%	3.3%
Notes:						
Blank cells indicate that the sample is not big enough for a valid statistical interpretation						

5. Trip characteristics

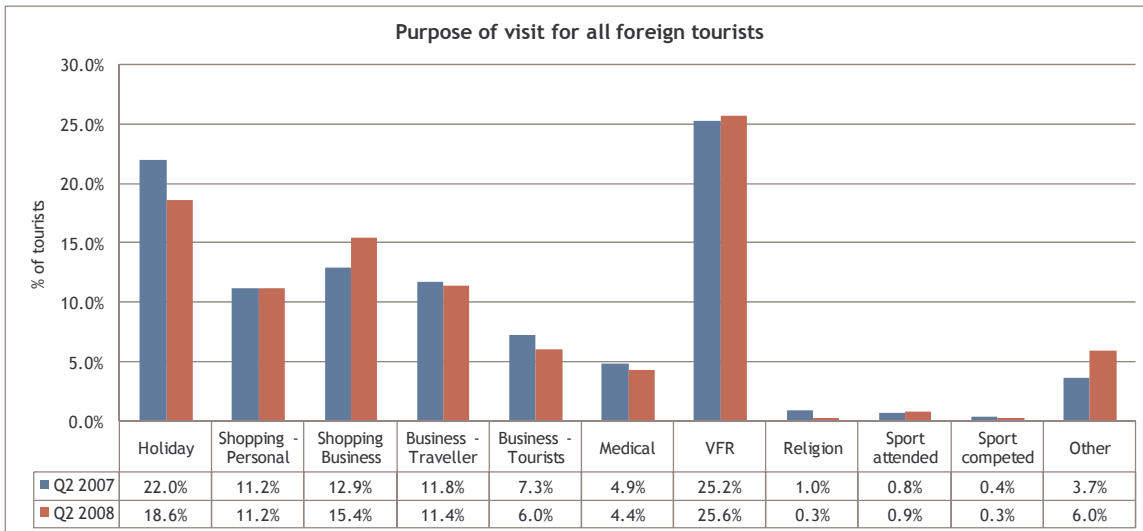
5.1. Purpose of visit

Leisure⁴ remains the primary purpose of visit of tourists to South Africa; however, it declined by 2.8% compared to the previous year. This decline is driven by holiday tourists (down 3%). Foreign tourists visiting friends and family increased by 0.4% to 25.6% in this quarter.



Purpose of visit for all foreign tourists: Air vs. Land market					
	Leisure	Business	Medical	Religious	Other
Land markets	54.9%	33.7%	5.4%		5.7%
Air markets	58.4%	33.8%	0.7%		7.1%
Total	55.6%	33.7%	4.4%	0.3%	6.0%

Blank cells means sample is small for valid statistical interpretation



Source: South African Tourism Departure Surveys April to June
 Note: *Leisure includes holiday, shopping personal and VFR

⁴ Leisure includes travel for holiday, shopping personal and VFR purposes.

5.1.1. Purpose of visit

PURPOSE OF VISIT - Q2 2008					
	Leisure	Business	Medical	Religion	Other
AFRICA & MIDDLE EAST	54.0%	34.4%	5.4%		5.9%
Angola	48.9%	27.3%	15.4%		
Botswana	47.3%	33.6%	6.3%		10.8%
Kenya	17.0%	72.6%			
Lesotho	57.7%	34.2%	5.1%		
Malawi	46.0%	44.3%			
Mozambique	39.1%	39.0%	11.6%		10.3%
Namibia	64.6%	21.3%			8.0%
Nigeria	28.9%	55.9%			13.8%
Swaziland	39.0%	51.2%			5.4%
Tanzania					
Zambia	46.8%	45.1%			
Zimbabwe	86.9%	10.0%			
Other Africa and Middle East	31.0%	54.6%			11.2%
AMERICAS	61.2%	28.3%			10.4%
Brazil	49.5%	42.9%			
Canada	64.7%	26.4%			
USA	62.9%	25.9%			11.0%
Other Americas	45.9%	43.8%			
ASIA & AUSTRALASIA	50.8%	44.4%			4.8%
Australia	77.9%	18.0%			
China (including Hong Kong)	35.7%	60.1%			
India	21.9%	73.9%			
Japan	53.9%	45.4%			
Other Asia and Australasia	49.1%	43.4%			
EUROPE	67.2%	27.4%			5.2%
France	64.1%	32.5%			
Germany	70.0%	24.1%			5.8%
Italy	57.9%	39.1%			
Netherlands	61.2%	26.5%			12.0%
Sweden	50.1%	39.0%			10.5%
UK	77.8%	18.9%			2.9%
Other Europe	55.0%	37.7%			7.0%
ALL FOREIGN TOURISTS	55.6%	33.7%	4.4%	0.3%	6.0%
NOTES:					
Blank cells indicate that the sample is too small for a valid statistical interpretation					
Totals do not add up to 100% due to rounding errors					

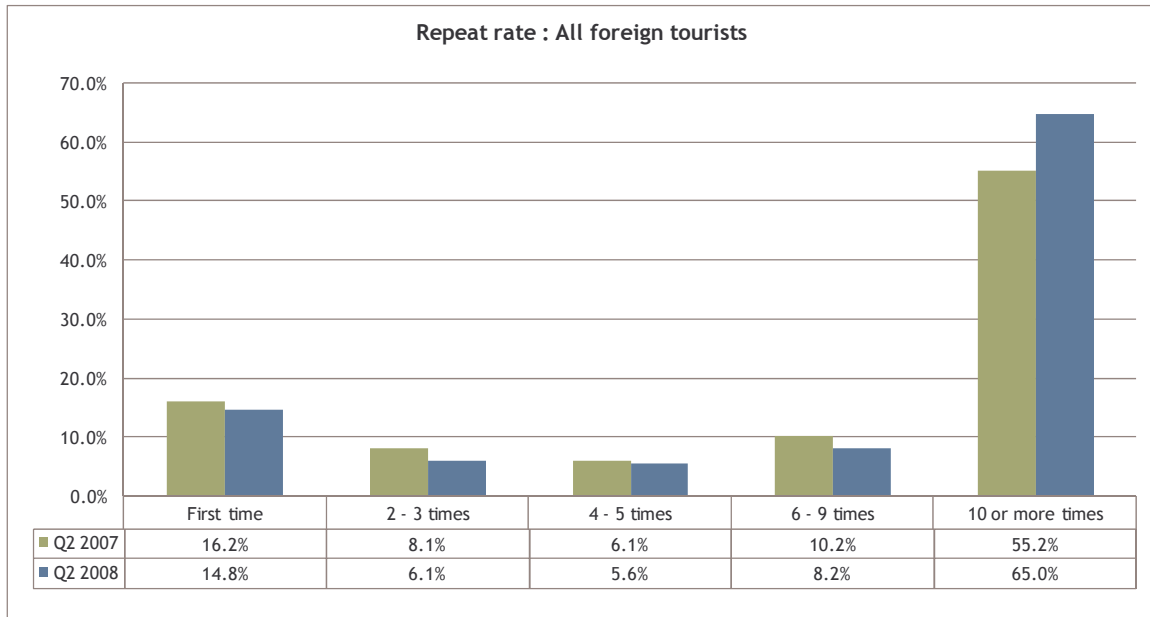
PURPOSE OF VISIT - Q2 2007					
	Leisure	Business	Medical	Religion	Other
AFRICA & MIDDLE EAST	56.0%	33.7%	6.2%	1.1%	3.0%
Angola	48.6%	28.1%	15.0%		
Botswana	63.6%	26.1%	7.8%		
Kenya	33.8%	58.2%			
Lesotho	53.3%	30.2%	9.6%		5.1%
Malawi	48.8%	42.5%			
Mozambique	46.5%	45.8%	5.4%		
Namibia	62.6%	22.3%			4.4%
Nigeria	31.4%	60.3%			
Swaziland	46.1%	46.5%	6.1%		
Tanzania		69.4%			
Zambia	53.1%	40.2%			
Zimbabwe	80.9%	14.3%			
Other Africa and Middle East	39.5%	50.8%			6.2%
AMERICAS	64.5%	22.0%			12.2%
Brazil	32.3%	51.9%			
Canada	73.0%	18.7%			
USA	67.0%	19.0%			12.8%
Other Americas	51.5%	35.5%			
ASIA & AUSTRALASIA	54.7%	40.4%			4.4%
Australia	78.8%	15.4%			
China (including Hong Kong)	47.6%	50.9%			
India	26.2%	69.4%			
Japan	57.0%	40.6%			
Other Asia and Australasia	50.8%	42.2%			
EUROPE	72.6%	21.8%		0.7%	4.6%
France	71.3%	26.4%			
Germany	75.3%	18.1%			6.0%
Italy	55.4%	37.6%			
Netherlands	74.0%	21.0%			4.6%
Sweden	50.3%	34.9%			14.0%
UK	78.3%	16.6%			3.9%
Other Europe	66.5%	27.4%			4.5%
ALL FOREIGN TOURISTS	58.4%	32.0%	4.9%	1.0%	3.7%
NOTES:					
Blank cells indicate that the sample is too small for a valid statistical interpretation					
Totals do not add up to 100% due to rounding errors					

PURPOSE OF VISIT - Q2 2008									
	Holiday	Shopping - Personal	Shopping - Business	Business - Traveller	Business - Tourists	Medical	VFR	Religion	Other
AFRICA & MIDDLE EAST	12.4%	13.8%	19.0%	9.1%	6.2%	5.4%	27.8%		5.9%
Angola	29.0%			23.4%		15.4%	17.1%		
Botswana	0.0%	8.4%	14.5%	10.3%	8.8%	6.3%	32.1%		10.8%
Kenya				47.2%	25.3%				
Lesotho		13.5%	27.1%	3.6%	3.5%	5.1%	42.9%		
Malawi			16.4%	16.5%	11.4%		33.4%		
Mozambique	13.9%	7.7%	21.3%	8.8%	8.9%	11.6%	17.5%		10.3%
Namibia	24.8%			16.4%			32.3%		8.0%
Nigeria	14.8%			34.4%	21.5%		13.4%		13.8%
Swaziland	5.4%	5.5%	33.2%	9.9%	8.0%		28.1%		5.4%
Tanzania									
Zambia				28.9%			33.8%		
Zimbabwe	37.6%	39.3%		5.3%	2.3%		10.0%		
Other Africa and Middle East	14.7%			39.9%	14.7%		16.1%		11.2%
AMERICAS	48.2%			23.3%	4.9%		12.7%		10.4%
Brazil	44.6%			36.3%					
Canada	48.6%			23.5%			16.1%		
USA	49.2%			21.0%	4.7%		13.3%		11.0%
Other Americas	38.3%			35.2%					
ASIA & AUSTRALASIA	33.4%			35.7%	8.6%		17.3%		4.8%
Australia	47.6%			12.4%			30.4%		
China (including Hong Kong)	29.5%			51.9%					
India	14.1%			62.3%	11.6%				
Japan	48.7%			34.1%					
Other Asia and Australasia	29.9%			34.3%	9.1%		19.2%		
EUROPE	49.9%			23.0%	4.3%		17.2%		5.2%
France	58.0%			26.9%	5.5%		6.1%		
Germany	55.8%			20.0%	4.1%		14.2%		5.8%
Italy	53.2%			33.2%					
Netherlands	46.0%			22.9%			15.2%		12.0%
Sweden	38.3%			29.5%	9.4%		11.9%		10.5%
UK	49.5%			15.6%	3.2%		28.3%		2.9%
Other Europe	44.6%			32.6%	5.0%		10.4%		7.0%
ALL FOREIGN TOURISTS	18.8%	11.2%	15.4%	12.2%	6.0%	4.4%	25.6%	0.3%	6.0%
NOTES:									
Blank cells indicate that the sample is too small for a valid statistical interpretation									
Totals do not add up to 100% due to rounding errors									

PURPOSE OF VISIT - Q2 2007									
	Holiday	Shopping - Personal	Shopping - Business	Business - Traveller	Business - Tourists	Medical	VFR	Religion	Other
AFRICA & MIDDLE EAST	13.9%	14.1%	16.3%	9.6%	7.8%	6.2%	28.0%	1.1%	3.0%
Angola	27.8%			17.0%		15.0%	18.2%		
Botswana	0.0%	18.6%	11.7%	6.8%	7.7%	7.8%	38.7%		
Kenya				44.8%	13.4%		23.4%		
Lesotho	5.9%	11.8%	11.4%	6.6%	12.2%	9.6%	35.6%		5.1%
Malawi				9.1%			30.9%		
Mozambique	14.2%	15.9%	31.1%	8.5%	6.2%	5.4%	16.5%		
Namibia	18.5%			13.2%			28.8%		4.4%
Nigeria	14.4%			41.3%	18.1%		16.5%		
Swaziland	9.6%	8.3%	31.4%	9.4%	5.6%	6.1%	28.2%		
Tanzania									
Zambia	21.2%			25.6%			29.5%		
Zimbabwe	36.8%	26.2%		9.6%			17.8%		
Other Africa and Middle East	15.2%			32.4%	15.8%		24.1%		6.2%
AMERICAS	54.0%			18.3%	3.7%		10.3%		12.2%
Brazil	26.3%			44.4%					
Canada	58.6%			15.1%			14.3%		
USA	56.2%			15.5%	3.4%		10.6%		12.8%
Other Americas	46.9%			33.2%					
ASIA & AUSTRALASIA	40.4%			31.2%	8.8%		14.0%		4.4%
Australia	55.0%			10.7%			22.9%		
China (including Hong Kong)	36.5%			37.3%	13.6%		11.2%		
India	18.9%			60.7%					
Japan	53.1%			32.9%					
Other Asia and Australasia	36.8%			29.9%	11.1%		14.0%		
EUROPE	56.3%			17.0%	4.7%		16.3%	0.7%	4.6%
France	66.8%			21.2%	5.2%				
Germany	63.8%			13.5%	4.6%		11.6%		6.0%
Italy	49.0%			30.4%					
Netherlands	59.1%			16.7%	4.3%		14.9%		4.6%
Sweden	40.8%			25.3%	9.6%		9.6%		14.0%
UK	53.0%			12.6%	3.9%		25.3%		3.9%
Other Europe	53.7%			22.3%	5.1%		12.8%		4.5%
ALL FOREIGN TOURISTS	22.0%	11.2%	12.9%	11.8%	7.3%	4.9%	25.2%	1.0%	3.7%
NOTES:									
Blank cells indicate that the sample is too small for a valid statistical interpretation									
Totals do not add up to 100% due to rounding errors									

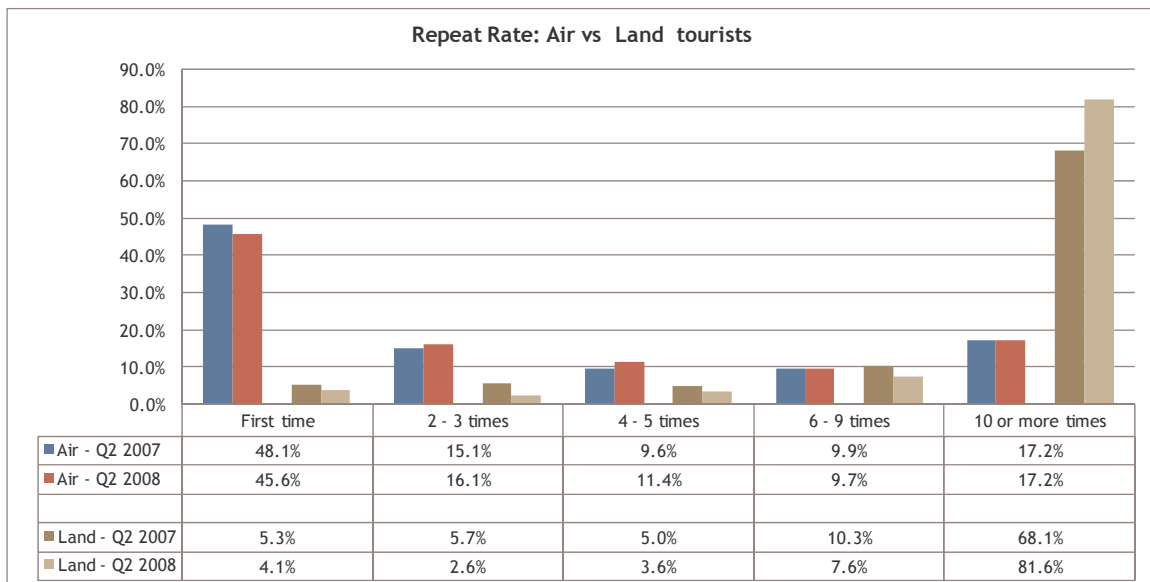
5.2. Repeater rate

The percentage of foreign tourists who came to South Africa for the first time declined by 1.4% to 14.8% in this quarter. The number of tourists who were visiting for the second to ninth time also decreased, while the most frequent visitors (10 times or more) increased by 9.9%.



Source: South African Tourism Departure Surveys April to June

First-time tourists from air markets declined from 48.1% to 45.6% compared to the same period in 2007. The number of repeat tourists (2 - 5 times) from air markets increased, with the exception of those who came 6 - 9 times which decreased from 9.9% in Q2 2008 to 9.7% in Q2 2008.



Source: South African Tourism Departure Surveys April to June

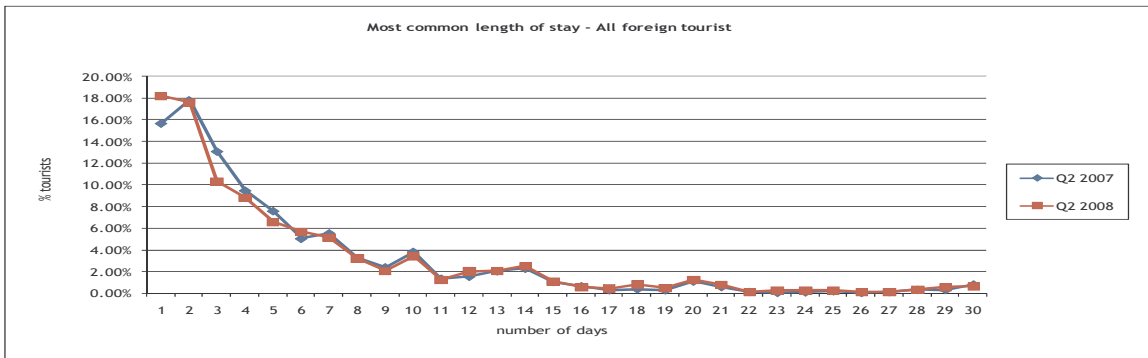
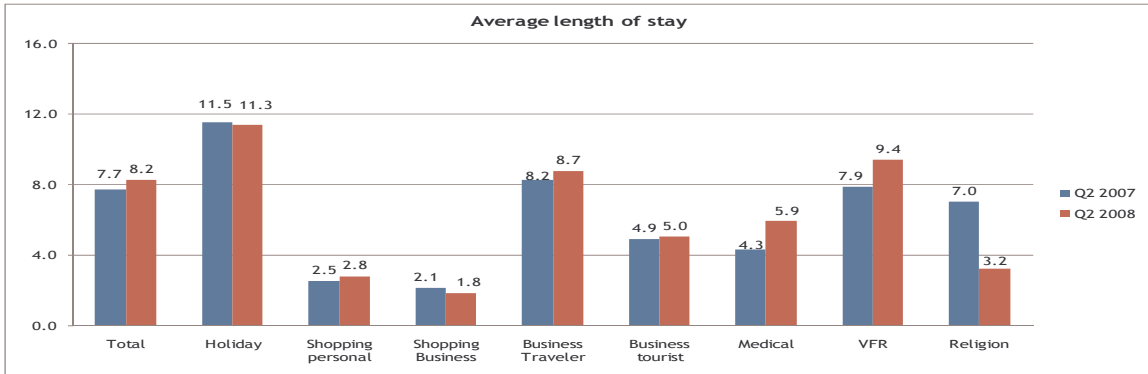
5.2.1. Repeater rate

REPEATER RATE: ALL FOREIGN TOURISTS - Q2 2008					
	First time	2-3 times	4-5 times	6-9 times	10 or more times
AFRICA & MIDDLE EAST	5.4%	3.6%	4.4%	8.2%	78.0%
Angola	26.8%	17.7%	20.4%	13.4%	21.7%
Botswana				4.9%	92.1%
Kenya	33.0%	23.8%	17.7%		13.3%
Lesotho				5.6%	89.3%
Malawi	12.7%		15.5%	16.2%	45.2%
Mozambique	14.8%	3.4%	9.9%	16.3%	55.3%
Namibia		25.8%	8.6%	19.9%	44.0%
Nigeria	39.5%	19.4%	18.1%		12.9%
Swaziland				4.0%	93.6%
Tanzania					
Zambia	13.0%	18.0%	13.5%		45.5%
Zimbabwe			2.5%	5.7%	88.0%
Other Africa and Middle East	40.6%	17.6%	13.9%	13.0%	15.0%
AMERICAS	61.7%	16.9%	8.8%	6.3%	6.1%
Brazil	58.8%	19.0%			
Canada	61.6%	14.5%		9.5%	
USA	61.8%	17.0%	9.1%	5.7%	6.2%
Other Americas	64.6%				
ASIA & AUSTRALASIA	56.7%	15.8%	11.8%	8.6%	7.1%
Australia	50.2%	17.9%	14.0%	9.5%	
China (including Hong Kong)	66.1%	12.5%			
India	58.6%	11.3%			11.2%
Japan	65.0%				
Other Asia and Australasia	55.2%	19.6%	12.6%	8.3%	
EUROPE	52.0%	17.1%	10.9%	8.8%	11.3%
France	68.0%	14.2%	6.1%		7.2%
Germany	54.7%	19.4%	8.3%	6.0%	11.6%
Italy	64.1%	14.9%			
Netherlands	56.4%	16.0%	8.5%	8.5%	10.6%
Sweden	58.4%	14.4%	11.0%		10.2%
UK	42.3%	18.1%	13.4%	11.9%	14.2%
Other Europe	53.7%	16.5%	12.3%	8.0%	9.6%
ALL FOREIGN TOURISTS	14.8%	6.1%	5.6%	8.2%	65.0%
Notes:					
Blank cells indicate that the sample is not big enough for a valid statistical interpretation					
The 'lived here before' category was not included in the 2005/6 survey					

REPEATER RATE: ALL FOREIGN TOURISTS - Q2 2007					
	First time	2-3 times	4-5 times	6-9 times	10 or more times
AFRICA & MIDDLE EAST	5.8%	5.8%	5.4%	10.6%	67.1%
Angola	31.6%		14.0%	19.9%	24.0%
Botswana		4.9%	7.2%	11.5%	76.0%
Kenya	23.5%	19.0%		17.7%	30.2%
Lesotho				7.8%	83.3%
Malawi	19.2%	18.3%		19.5%	31.8%
Mozambique	14.0%	11.6%	6.7%	8.8%	45.9%
Namibia				19.7%	71.9%
Nigeria	46.8%	16.3%	14.9%	13.6%	
Swaziland				16.5%	58.1%
Tanzania					
Zambia	21.9%	15.9%	14.7%		36.2%
Zimbabwe			2.5%	5.7%	87.0%
Other Africa and Middle East	37.5%	17.1%	15.9%	12.7%	16.6%
AMERICAS	60.5%	17.4%	8.0%	7.7%	6.5%
Brazil	66.4%				
Canada	53.4%	17.5%		9.4%	
USA	61.2%	17.5%	7.5%	7.9%	6.0%
Other Americas	56.5%	14.0%			
ASIA & AUSTRALASIA	60.8%	12.7%	8.4%	7.9%	10.2%
Australia	55.1%	16.9%	8.5%	9.2%	10.2%
China (including Hong Kong)	66.2%	12.5%	9.8%		
India	56.6%		11.2%		
Japan	70.2%				
Other Asia and Australasia	63.2%	11.8%		8.5%	
EUROPE	52.8%	17.7%	9.7%	9.8%	10.0%
France	63.4%	16.0%	6.0%	8.6%	6.0%
Germany	54.6%	19.0%	9.6%	7.0%	9.8%
Italy	64.2%	16.9%			
Netherlands	44.5%	28.4%	9.6%	10.7%	6.8%
Sweden	62.1%	15.6%			
UK	45.4%	17.1%	11.7%	12.0%	13.7%
Other Europe	59.1%	15.1%	8.6%	9.3%	7.8%
ALL FOREIGN TOURISTS	16.2%	8.1%	6.1%	10.2%	55.2%
Notes:					
Blank cells indicate that the sample is not big enough for a valid statistical interpretation					
The 'lived here before' category was not included in the 2005/6 survey					

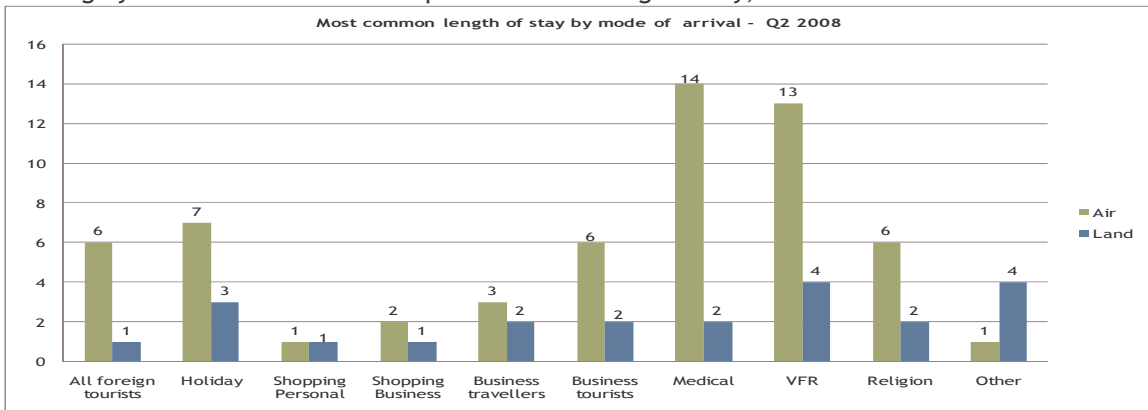
5.3. Length of stay⁵

The average number of nights spent in South Africa by all foreign tourists in Q2 2008 increased by 6.5% to 8.2 nights. Driving the increase was shopping for personal use, business travel, business tourism, medical and VFR. Holiday, shopping business (resale) and religious tourists spent fewer nights in South Africa in this quarter compared to Q2 2007.



Source: South African Tourism Departure Surveys April to June

Tourists arriving by air continue to stay longer in South Africa compared to their counterparts arriving by land. This is even more pronounced among holiday, medical and VFR tourists.



Source: South African Tourism Departure Surveys April to June

Note: Zero means that the sample is too small for valid statistical interpretation

⁵ The average length of trips is higher than the most common length of stay. In this case “statistical mode” is a better indicator of the (most common or frequent) length of stay due to the asymmetric nature of this variable (it is possible for a few data points to be much higher than the mode and skew the mean upwards while it is impossible for outliers to be far below the mean and counter balance the skew since “length of stay” cannot be negative).

5.3.1. Length of stay

LENGTH OF STAY - Q2 2008		
	AVERAGE NUMBER OF NIGHTS¹	MOST COMMON LENGTH OF STAY²
AFRICA & MIDDLE EAST	5.7	1
Angola	13.3	7
Botswana	3.4	1
Kenya	8.3	6
Lesotho	5.2	1
Malawi	7.7	3
Mozambique	5.7	2
Namibia	8.8	4
Nigeria	9.8	4
Swaziland	3.2	1
Tanzania	7.0	2
Zambia	9.9	2
Zimbabwe	7.4	2
Other Africa and Middle East	13.0	7
AMERICAS	20.2	7
Brazil	9.7	7
Canada	24.7	7
USA	21.1	7
Other Americas	14.2	5
ASIA & AUSTRALASIA	15.0	4
Australia	13.9	7
China (including Hong Kong)	14.9	5
India	22.5	6
Japan	5.8	4
Other Asia and Australasia	14.0	7
EUROPE	20.0	6
France	15.2	10
Germany	22.4	13
Italy	15.1	6
Netherlands	27.3	6
Sweden	20.2	13
UK	19.8	13
Other Europe	19.5	4
ALL FOREIGN TOURISTS	8.2	1
Notes:		
¹ This represents the arithmetic average, i.e. the sum of all values divided by the number of respondents.		
² This represents the most frequently occurring value, i.e. the statistical mode		

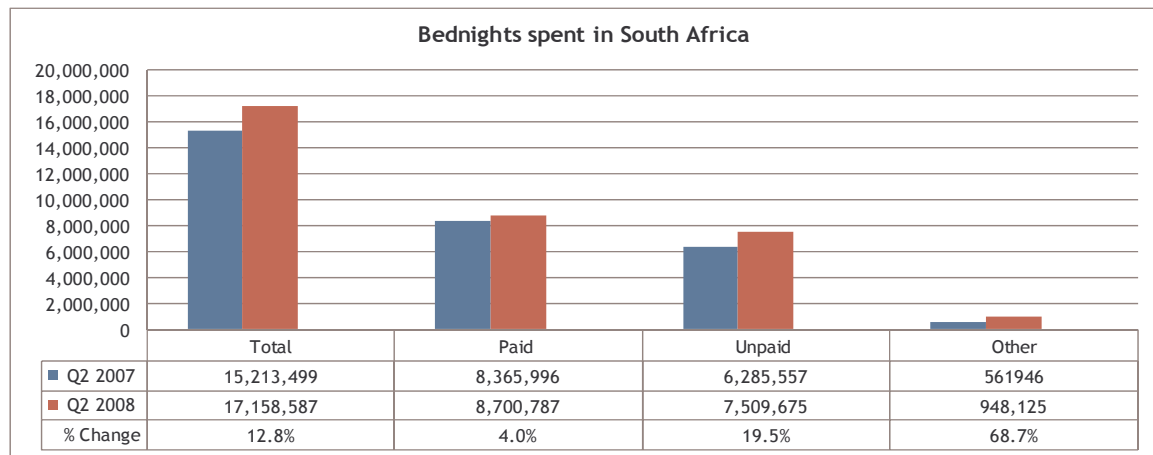
LENGTH OF STAY - Q2 2007		
	AVERAGE NUMBER OF NIGHTS	MOST COMMON LENGTH OF STAY
AFRICA & MIDDLE EAST	5.3	2
Angola	12.3	6
Botswana	2.6	2
Kenya	7.8	7
Lesotho	4.8	2
Malawi	6.9	3
Mozambique	4.9	1
Namibia	8.9	2
Nigeria	11.7	6
Swaziland	3.2	1
Tanzania	13.3	3
Zambia	6.7	2
Zimbabwe	8.6	2
Other Africa and Middle East	14.0	6
AMERICAS	17.3	1
Brazil	17.9	6
Canada	17.1	10
USA	17.7	1
Other Americas	10.0	4
ASIA & AUSTRALASIA	13.6	5
Australia	13.0	7
China (including Hong Kong)	12.3	5
India	21.8	5
Japan	5.7	3
Other Asia and Australasia	12.5	6
EUROPE	17.7	13
France	10.5	10
Germany	23.0	5
Italy	11.0	9
Netherlands	18.2	5
Sweden	25.6	6
UK	17.5	13
Other Europe	17.4	9
ALL FOREIGN TOURISTS	7.7	2
Notes:		
¹ This represents the arithmetic average, i.e. the sum of all values divided by the number of respondents.		
² This represents the most frequently occurring value, i.e. the statistical mode		

5.4. Accommodation usage (bednights)

The total number of bednights increased by 12.8% (2 million) to 17,1 million in Q2 2008 over Q2 2007. The key driver for this growth was the 19.5% (1,224,118) growth in unpaid accommodation, while paid accommodation grew by 4% (334, 791).

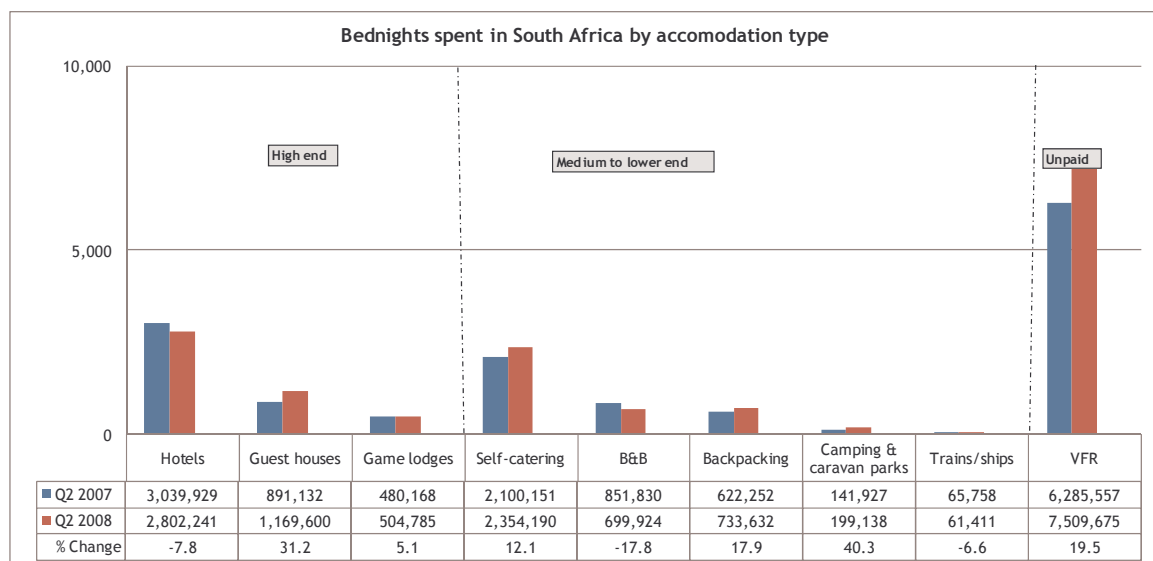
The unpaid accommodation was mainly used by tourists from land markets (28.0%). However, there was an increasing number of tourists from land markets who used paid accommodation (21.3%) in this quarter compared to the same period in 2007. Paid accommodation usage increased by 12.2% by tourists from air markets.

Most of the accommodation types achieved double-digit growth with the exception of hotels, camping sites and caravan parks and B&B's where there was a decline of 7.8%, 6.6% and 17.8% respectively.



	All foreign tourists			Air market			Land market		
	Q2 2007	Q2 2008	% Change	Q2 2007	Q2 2008	% Change	Q2 2007	Q2 2008	% Change
Total	15,213,499	17,158,587	12.8%	10,101,550	12,049,273	19.3%	6,878,047	9,347,343	35.9%
Paid	8,365,996	8,700,787	4.0%	6,248,584	5,486,856	-12.2%	2,650,388	3,213,931	21.3%
Unpaid	6,285,557	7,509,675	19.5%	2,131,408	2,191,676	2.8%	4,154,149	5,317,999	28.0%
Other	561,946	948,125	68.7%	425,296	615,471	44.7%	136,649	332,654	143.4%

Note: "Other" refers to nights spent in vehicle/trucks, own holiday home, university residence, etc.



Source: South African Tourism Departure Surveys April to June 2008

5.4.1. Accommodation usage (bednights)

ACCOMMODATION USAGE* - Q2 2008												
	HOTELS	GUEST HOUSES	B&Bs	GAME LODGES	SELF-CATERING	VFR	BACK-PACKING HOSTELS	CAMPING & CARAVAN PARKS	TRAINS / SHIPS	HOSPITALS	OTHER	Total
AFRICA & MIDDLE EAST	1,211,147	689,178.3	389,663.6	93,586.4	844,572.2	5,575,200.1	302,536.3	63,830.2	5,929.9	138,760.1	358,986.0	9,573,391.9
Angola	23,912	16,258	4,353		15,671	37,601	8,437				465	106,697
Botswana	84,605	55,061	24,875	7,590	937	386,606	25,819	1,675		15,545	48,698	651,411
Kenya	25,342	5,086	910	3,054		15,082						49,474
Lesotho	103,663	15,379	57,262	888	54,287	2,056,100	96,854	8,319	4,159	896	40,933	2,438,740
Malawi	35,296	13,978	10,697	2,210	6,089	174,409	8,056		342	5,629		261,540
Mozambique	387,807	234,433	24,782	57,637	101,538	611,220	69,561	457		100,930	47,566	1,635,933
Namibia	41,424	38,331	29,990	6,546	133,907	187,762	16,465	3,832		4,578	18,814	481,650
Nigeria	27,794	10,181	3,630	991	3,240	31,367	7,806					85,000
Swaziland	74,234	18,409	68,718	1,689	3,229	478,778	32,799	5,870		11,081	129,138	823,941
Tanzania	12,813	2,038	89	443		999	3,779					20,129
Zambia	76,043	24,720	22,049	7,964	44,566	253,197	14,823	2,611			42,670	488,641
Zimbabwe	186,809	104,893	135,325	1,399	422,196	1,169,929	20,475	40,375	1,329			2,082,729
Other Africa and Middle East	137,499	51,043	6,987	3,615	57,944	174,832	1,443	692	100	100	25,967	460,123
AMERICAS	380,874	139,799	90,060	151,546	529,617	365,456	115,567	59,874	3,421	374	82,796	1,919,343
Brazil	44,438	6,396	2,836	4,481	7,644	8,884	1,188					78,248
Canada	54,009	8,058	12,166	16,999	51,294	52,656	51,400	4,457		284	22,176	273,499
USA	258,238	120,878	72,728	128,257	467,543	280,644	62,199	54,796	816	91	60,621	1,506,809
Other Americas	24,433	4,622	2,439	2,050	3,136	25,431	780	622	223			63,735
ASIA & AUSTRALASIA	384,236	57,612	29,099	39,772	212,763	342,123	16,195	19,774	697		24,573	1,126,834
Australia	66,924	12,196	14,143	23,675	15,431	146,382	9,584	12,671	333			301,339
China (including Hong Kong)	56,985	1,749	3,300	3,414	45,794	19,466	722	278			476	132,183
India	114,234	31,996	3,701	5,946	113,355	69,616		533				339,380
Japan	29,670	3,037	1,585	1,180		4,260		323				40,055
Other Asia and Australasia	116,660	8,795	6,370	5,846	38,184	103,449	5,642	6,293	354		24,098	315,690
EUROPE	825,984	383,051	191,101	219,880	767,238	1,226,697	299,332	55,659	51,373	36,733	481,769	4,539,016
France	110,546	26,292	10,040	41,538	44,072	59,334	12,651	1,924			62,053	368,449
Germany	117,613	88,669	54,114	25,175	179,108	172,132	69,175	9,132	170	19,601	44,998	779,888
Italy	42,231	14,547	7,201	9,939	20,446	44,237	1,498	884			10,001	150,984
Netherlands	56,164	64,830	21,148	27,682	108,319	102,969	43,830	7,075	175		43,132	475,325
Sweden	24,116	10,654	4,218	2,813	9,866	18,492	16,007	1,776		537	16,869	105,148
UK	280,875	68,789	52,249	64,750	216,881	594,139	80,975	11,353	3,457	12,427	234,418	1,659,953
Other Europe	197,507	91,611	42,319	48,289	194,698	238,323	65,196	23,513	47,571	4,168	70,298	1,023,487
ALL FOREIGN TOURISTS	2,802,241	1,169,600	699,924	904,785	2,354,190	7,509,675	733,632	199,130	61,411	175,867	948,125	17,158,387

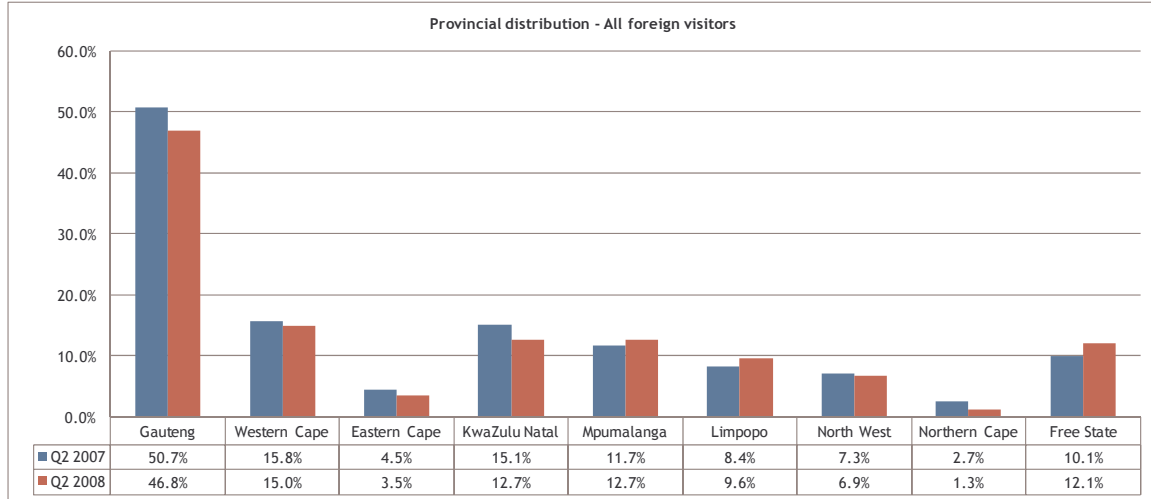
ACCOMMODATION USAGE - Q2 2007												
	HOTELS	GUEST HOUSES	B&Bs	GAME LODGES	SELF-CATERING	VFR	BACK-PACKING HOSTELS	CAMPING & CARAVAN PARKS	TRAINS / SHIPS	HOSPITALS	OTHER	TOTAL
AFRICA & MIDDLE EAST	1,493,117	420,549	451,950	78,833	807,599	4,498,676	246,890	38,978		168,541	142,650	8,347,784
Angola	26,303	9,977	255			29,075				1,819		67,429
Botswana	118,905	79,494	13,204		34,982	268,962						515,547
Kenya	19,813	4,990	2,270		2,249	17,608	3,182					50,112
Lesotho	223,833	127,734	157,572	3,051	44,541	1,279,212	65,567			57,275	41,475	2,000,259
Malawi	67,871	10,612	2,426	6,433	13,153	130,878						231,372
Mozambique	438,254	37,793	37,400	13,640		509,689						1,036,775
Namibia	84,924	15,325	14,375		86,472	183,263						384,359
Nigeria	43,033	7,447	1,939		6,833	49,684	3,300					112,236
Swaziland	114,289	22,570	29,565	27,818	19,997	559,329		5,846			40,949	820,364
Tanzania	9,640	520				2,949						13,109
Zambia	86,887	18,339	28,753	5,668	4,021	147,952						291,620
Zimbabwe	155,222	53,508	153,916	9,713	466,555	1,074,864		23,213				1,936,992
Other Africa and Middle East	104,142	32,240	7,732	3,868	19,312	245,212	16,017					428,522
AMERICAS	318,113	118,480	110,723	117,309	483,351	308,169	80,833	22,751			79,272	1,639,001
Brazil	36,663	9,315	1,558	2,716	25,410	15,752	4,101					95,516
Canada	43,125	36,473	11,148	8,309	14,546	38,408	12,286	3,716			7,038	175,049
USA	218,296	71,075	93,680	102,736	440,380	248,393	64,406	17,267			46,962	1,303,194
Other Americas	20,029	1,618				5,616	40					27,302
ASIA & AUSTRALASIA	305,669	67,337	37,099	28,339	194,123	293,484	45,673	19,378			24,559	1,015,662
Australia	66,006	14,358	14,378	17,468	32,702	102,947	25,697	16,153				289,710
China (including Hong Kong)	56,001	3,957	288	1,542	11,102	39,463					15,154	127,507
India	72,388	30,112	15,694		109,576	46,526					9,405	283,701
Japan	30,752	2,145		483	4,589	3,993		531				42,494
Other Asia and Australasia	80,521	16,764	6,690	7,167	36,154	100,555	19,064					266,916
EUROPE	923,030	284,767	252,057	255,687	615,078	1,185,228	248,856	60,820	31,880	4,212	315,465	4,177,080
France	98,683	15,238	15,647	32,885	14,369	37,928	6,015	2,307	1,207		11,798	236,077
Germany	155,928	72,300	62,808	49,614	205,122	171,525	62,393	11,542			143,693	934,924
Italy	42,499	8,687	8,680	14,083	4,169	21,207	3,922	130				103,377
Netherlands	67,209	37,426	17,139	27,145	66,154	55,754	38,807	10,773			8,226	328,633
Sweden	32,205	5,568	5,932	5,334	25,294	28,336	10,444		155			113,269
UK	305,986	90,665	63,665	66,324	201,789	600,528	79,844	23,214	8,247		93,392	1,533,654
Other Europe	220,521	54,881	78,186	60,301	98,181	269,951	47,430	12,110	21,258		29,060	891,880
ALL FOREIGN TOURISTS	3,039,929	891,133	851,830	480,168	2,100,151	6,285,557	622,252	141,927	65,758	172,848	561,946	15,213,499

6. Provincial Distribution

Provincial distribution is viewed from three perspectives: how many provinces are visited by foreign tourists, the distribution of bednights and the distribution of value across the nine provinces.

6.1 Provincial distribution (visitors)

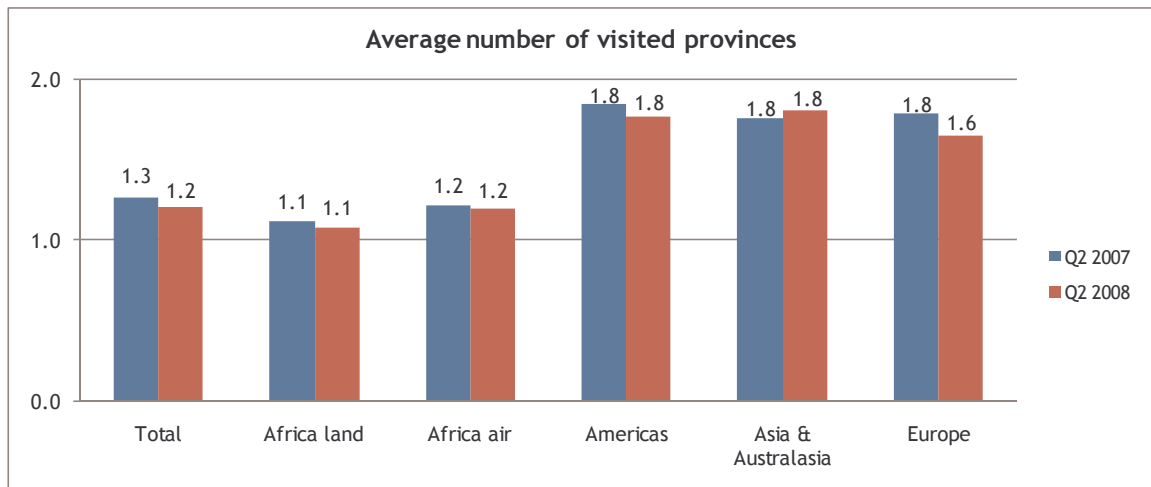
Gauteng remained the most visited province with a 46.8% share of total foreign arrivals. This has declined by 3.9% compared to Q2 2007. The Western Cape remained in second place and KwaZulu Natal and Mpumalanga shared third place. Mpumalanga, Limpopo and Free State had more visitors than compared to Q2 2007.



Source: South African Tourism Departure Surveys April to June

Note: Percentage won't add to hundred as one tourist can visit more than province

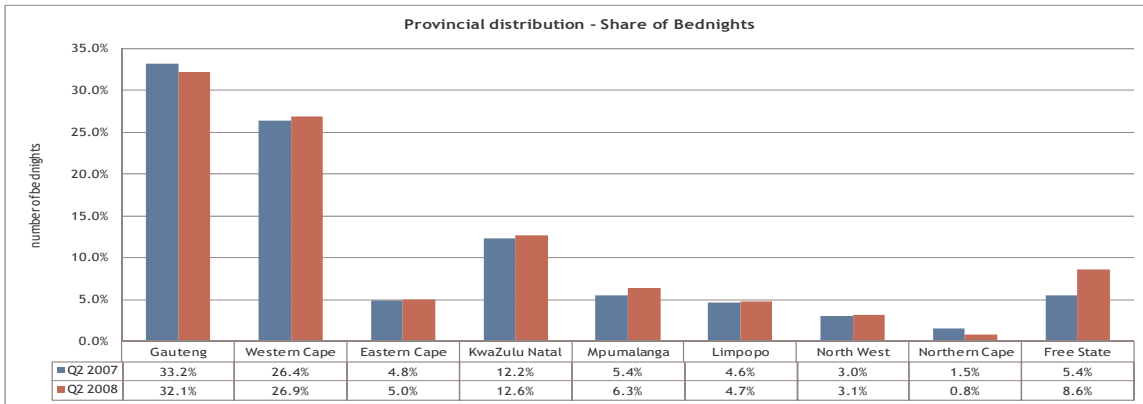
In Q2 2008, foreign tourists visited on average 1.2 provinces. Tourists from the Americas, Asia and Australasia and Europe visited on average 2 provinces in Q2 2008.



Source: South African Tourism Departure Surveys April to June

6.2 Provincial distribution (bednights)

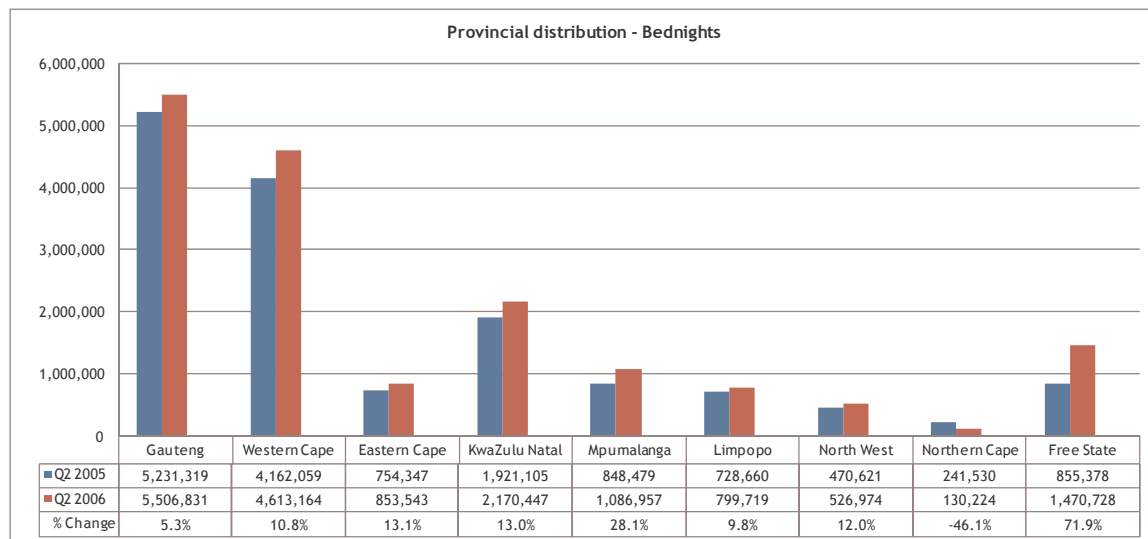
Foreign tourists spent most of their nights in Gauteng and Western Cape. The share of bednights spent in Western Cape, KwaZulu Natal, Mpumalanga, Limpopo and Free State all increased compared to Q2 2007, while Gauteng and Northern Cape declined. Most foreign tourists who spent a night in Gauteng, North West and Free State stayed in unpaid accommodation (17.8%, 1.9% and 8.6% respectively) while in other provinces tourists stayed in paid accommodation.



Source: South African Tourism Departure Surveys April to June

Provincial distribution - Share of Bednights										
	Gauteng	Western Cape	Eastern Cape	KwaZulu Natal	Mpumalanga	Limpopo	North West	Northern Cape	Free State	
Paid	13.9%	16.4%	3.3%	6.4%	4.7%	3.2%	1.0%	0.5%	1.0%	
Unpaid	17.8%	6.9%	1.4%	5.2%	1.6%	1.5%	1.9%	0.2%	7.4%	
Other	0.5%	3.5%	0.1%	1.0%	0.1%	0.0%	0.2%		0.2%	

The number of bednights spent in all provinces increased with the exception of Northern Cape which declined by 46.1%. Gauteng is a popular province among tourists from land markets, while Western Cape is popular among tourists from air markets.

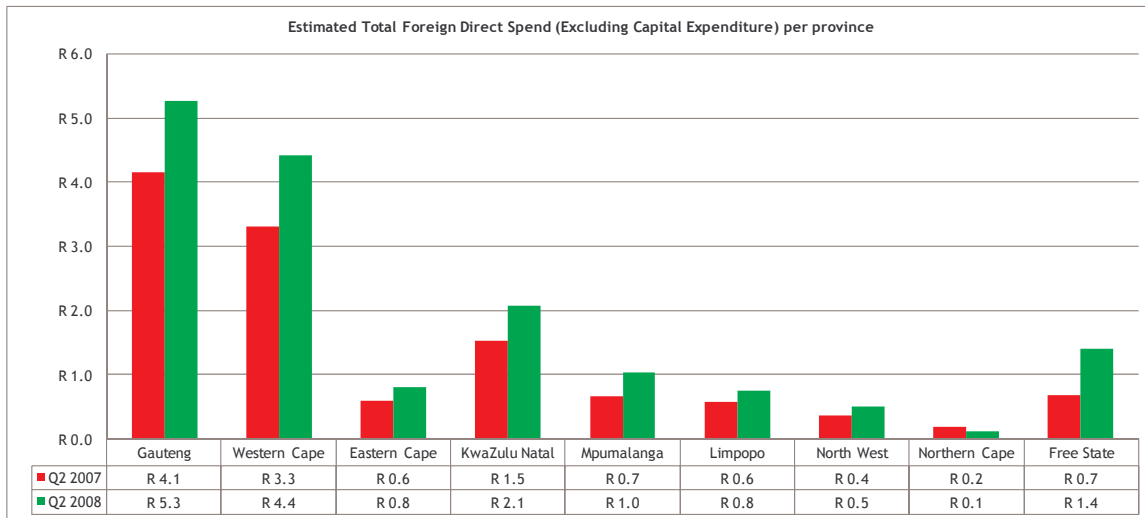


Source: South African Tourism Departure Surveys April to June

Provincial distribution of bednights - Air vs. Land Markets									
	Gauteng	Western Cape	Eastern Cape	KwaZulu Natal	Mpumalanga	Limpopo	North West	Northern Cape	Free State
Land markets	21.6%	4.6%	1.2%	6.2%	3.6%	3.9%	2.3%	0.4%	8.0%
Air markets	10.5%	22.3%	3.8%	6.4%	2.8%	0.8%	0.8%	0.4%	0.6%

6.3 Provincial distribution (revenue)

The tourism revenue for all provinces has grown compared to the previous quarter with the exception of the Northern Cape. Gauteng and Western Cape continued to capture most of the tourism revenue to South Africa these two provinces captured 59% of foreign tourism expenditure (excluding capital expenditure).



Source: South African Tourism Departure Surveys April to June

6.4.1. Provincial distribution - share of arrivals

PROVINCIAL DISTRIBUTION - SHARE OF ARRIVALS* - Q2 2008									
* Indicates the provinces visited and not provinces where nights were spent.									
	Gauteng	Western Cape	Eastern Cape	KwaZulu Natal	Mpumalanga	Limpopo	North West	Northern Cape	Free State
AFRICA & MIDDLE EAST	47.1%	5.0%	1.1%	10.6%	11.0%	11.0%	6.7%	1.1%	14%
Angola	91.7%	12.6%							
Botswana	49.7%			3.8%			45.6%		
Kenya	80.2%	15.9%							
Lesotho	40.8%			5.3%					48.7%
Malawi	78.4%								
Mozambique	36.7%	5.1%			51.0%				
Namibia	11.9%	61.6%						27.5%	
Nigeria	83.8%								
Swaziland	55.9%			33.2%	10.0%				
Tanzania	71.5%								
Zambia	82.7%			17.2%					
Zimbabwe	48.5%	4.0%		12.0%		62.0%			
Other Africa and Middle East	78.6%	23.3%	4.3%	10.8%	3.3%		4.0%		
AMERICAS	50.0%	53.3%	12.0%	22.0%	23.8%	4.9%	7.8%	3.0%	3.2%
Brazil	61.2%	51.5%			24.0%				
Canada	54.5%	57.9%	18.1%	26.7%	25.2%				
USA	47.4%	52.9%	11.7%	22.5%	24.0%	5.7%	7.0%		3.5%
Other Americas	61.7%	51.4%			16.4%				
ASIA & AUSTRALASIA	63.9%	44.3%	6.5%	18.4%	13.7%	2.3%	11.3%		
Australia	51.9%	54.4%	12.3%	18.8%	25.9%		8.6%		
China (including Hong Kong)	78.2%	45.8%		12.6%			9.7%		
India	72.8%	27.6%		32.9%			18.3%		
Japan	59.7%	59.4%							
Other Asia and Australasia	64.9%	40.7%		12.8%	8.5%		12.8%		
EUROPE	37.6%	63.5%	17.4%	22.1%	21.2%	3.7%	6.8%	2.2%	2.2%
France	55.0%	59.3%	7.9%	34.2%	42.5%	5.9%	10.1%		
Germany	31.0%	73.1%	23.4%	18.0%	19.5%		5.4%	4.7%	
Italy	38.3%	66.3%	11.9%	15.1%	33.0%				
Netherlands	36.9%	66.1%	22.6%	29.7%	25.0%	6.5%			6.0%
Sweden	33.2%	61.1%	15.5%	16.6%	13.1%				
UK	34.4%	64.1%	18.1%	21.2%	16.1%	2.8%	4.8%		1.9%
Other Europe	39.5%	56.7%	15.7%	19.9%	17.5%	4.9%	11.1%	2.4%	
ALL FOREIGN TOURISTS	46.8%	15.0%	3.5%	12.7%	12.7%	9.6%	6.9%	1.3%	12.1%

Notes:
 The table represents the provinces visited by each segment and should be read from left to right.
 Blank cells indicate that the sample was not big enough for a valid statistical interpretation
 The totals will add up to greater than 100% as tourists visit more than one province.

PROVINCIAL DISTRIBUTION - SHARE OF ARRIVALS* - Q2 2007									
* Indicates the provinces visited and not provinces where nights were spent.									
	Gauteng	Western Cape	Eastern Cape	KwaZulu Natal	Mpumalanga	Limpopo	North West	Northern Cape	Free State
AFRICA & MIDDLE EAST	50%	6%	2%	13%	10%	9%	8%	3%	12%
Angola	92%		1%						
Botswana	49%	2%		9%			34%		
Kenya	84%								
Lesotho	32%			9%					40%
Malawi	70%			19%					
Mozambique	60%			7%	34%				
Namibia	13%	34%						54%	
Nigeria	75%	17%							
Swaziland	59%			30%	12%		0%		
Tanzania	76%						3%		7%
Zambia	74%	17%		20%					
Zimbabwe	57%	6%	4%	15%		53%			
Other Africa and Middle East	77%	21%		9%					
AMERICAS	56%	52%	12%	17%	19%	8%	6%		3%
Brazil	59%	50%			9%				
Canada	54%	60%	11%	22%	19%				
USA	56%	51%	12%	16%	20%	9%	5%		
Other Americas	63%	50%							1%
ASIA & AUSTRALASIA	70%	47%	10%	21%	11%		12%		4%
Australia	62%	45%	17%	31%	21%		6%		
China (including Hong Kong)	89%	46%		9%			28%		
India	76%	43%		21%					
Japan	68%	56%		13%					
Other Asia and Australasia	65%	47%		18%					
EUROPE	45%	59%	17%	25%	23%	4%	5%	3%	3%
France	55%	54%	15%	36%	45%				
Germany	35%	73%	24%	20%	23%		3%		
Italy	58%	53%	12%	24%	37%				
Netherlands	52%	51%	20%	34%	22%	9%			
Sweden		54%							
UK	40%	61%	15%	23%	17%	3%	5%		
Other Europe	51%	53%	15%	23%	22%	6%	6%		
ALL FOREIGN TOURISTS	51%	16%	5%	15%	12%	8%	7%	3%	10%

Notes:
 The table represents the provinces visited by each segment and should be read from left to right.
 Blank cells indicate that the sample was not big enough for a valid statistical interpretation
 The totals will add up to greater than 100% as tourists visit more than one province.

6.4.2. Provincial distribution - bednights

PROVINCIAL DISTRIBUTION - BEDNIGHTS - Q2 2008									
	Gauteng	Western Cape	Eastern Cape	KwaZulu Natal	Mpumalanga	Limpopo	North West	Northern Cape	Free State
AFRICA & MIDDLE EAST	4,124,505	952,411	244,096	1,119,350	625,529	666,692	393,990	66,501	1,380,317
Angola	90,653	9,771							
Botswana	325,704			19,981			238,600		
Kenya	31,662	10,085							
Lesotho	910,548			106,124					1,287,596
Malawi	186,711								
Mozambique	785,713	158,574			520,879				
Namibia	42,737	332,053						47,597	
Nigeria	59,292								
Swaziland	395,542			356,335	50,558				
Tanzania	12,323								
Zambia	278,851			83,337					
Zimbabwe	779,257	129,230		427,043		603,492			
Other Africa and Middle East	231,808	137,639	37,477	36,445	9,766		4,650		
AMERICAS	312,814	768,094	160,510	400,779	154,587	40,676	31,425	18,503	31,955
Brazil	25,914	34,215			5,888				
Canada	51,504	124,486	33,984	38,766	16,618				
USA	215,220	590,153	120,383	348,874	129,262	33,236	21,591		30,887
Other Americas	22,416	19,812			2,927				
ASIA & AUSTRALASIA	453,737	354,353	37,030	156,692	70,226	10,639	18,813		
Australia	71,349	116,437	17,289	46,519	36,854		5,277		
China (including Hong Kong)	78,245	38,811		8,114			988		
India	182,812	55,865		74,782			7,206		
Japan	17,042	17,616							
Other Asia and Australasia	104,442	126,824		23,814	25,543		5,252		
EUROPE	615,775	2,538,306	411,906	493,625	236,615	81,712	82,746	33,690	44,642
France	97,835	143,587	23,877	34,920	36,947	14,036	5,811		
Germany	63,591	518,994	57,823	76,840	34,530		10,367	9,013	
Italy	22,181	94,992	4,325	14,255	12,182				
Netherlands	48,049	255,372	35,115	71,830	28,095	16,097			6,817
Sweden	20,877	60,809	8,329	8,531	3,374				
UK	216,823	942,283	168,659	179,796	73,833	20,430	26,878		17,003
Other Europe	148,935	532,059	113,780	108,274	47,756	27,206	27,447	13,563	
ALL FOREIGN TOURISTS	5,506,831	4,613,164	853,543	2,170,447	1,086,957	799,719	526,974	130,224	1,470,728

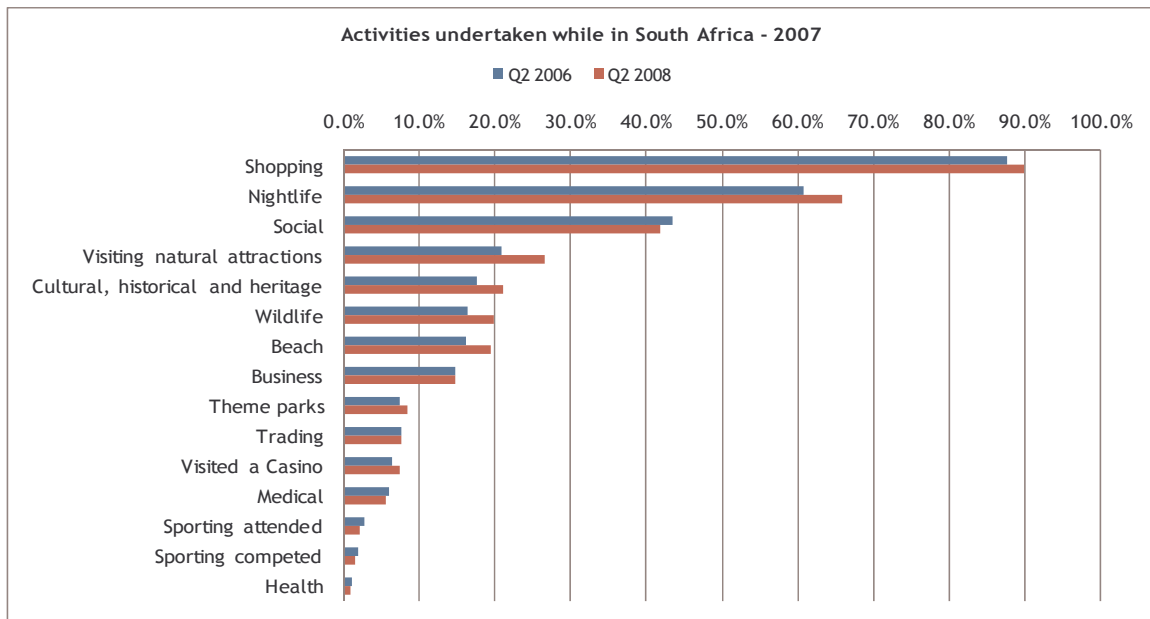
Notes:
This table represents the sum of all bednights in each province.
The data includes nights spent in non-paying accommodation, i.e. staying with friends and family.

PROVINCIAL DISTRIBUTION - BEDNIGHTS Q2 2007									
	Gauteng	Western Cape	Eastern Cape	Kwazulu Natal	Mpumalanga	Limpopo	North West	Northern Cape	Free State
AFRICA & MIDDLE EAST	3,867,320	1,010,116	210,444	986,411	452,538	518,572	371,476	151,847	779,926
Angola	67,290	19,347	592	296					
Botswana	283,497	20,780	12,391	51,602		16,884	128,770		
Kenya	38,493	3,697	1,811	4,788	987	339	241		
Lesotho	591,681	135,638	53,575	190,872			163,058	34,094	698,331
Malawi	137,398	19,316	6,380	41,073	8,120	458	8,780		12,914
Mozambique	945,858	25,445		59,020	201,683	20,515			3,719
Namibia	33,911	301,635	6,710	7,032			5,582	108,758	17,170
Nigeria	72,343	13,365	11,953	7,257	2,560				
Swaziland	490,623	11,379	3,177	189,882	115,475		3,236		
Tanzania	25,474	4,669							1,004
Zambia	180,987	41,496	16,276	32,753	1,933		5,703		13,931
Zimbabwe	767,815	271,944	67,394	377,892	46,900	375,008			11,578
Other Africa and Middle East	231,951	141,404	17,415	21,812	5,333		2,849	4,804	
AMERICAS	306,676	815,234	120,484	201,140	89,362	52,428	14,433	27,688	12,183
Brazil	27,555	74,929	4,937	7,522	1,950		2,233		
Canada	42,650	73,033	13,664	16,456	14,631	5,334	1,385		896
USA	221,189	652,836	101,286	172,309	70,798	43,449	10,563	20,687	10,610
Other Americas	15,282	14,437	596	4,853	1,982	2,300			64
ASIA & AUSTRALASIA	399,961	303,112	45,478	192,892	46,144	8,148	17,342	17,195	17,870
Australia	68,527	70,074	25,838	80,613	22,257	4,953	5,518	7,787	4,231
China (including Hong Kong)	78,550	31,246	2,134	5,529	2,227		3,177		3,910
India	145,841	77,273	3,091	59,154	5,388		3,938		
Japan	18,389	12,185		8,858					
Other Asia and Australasia	88,654	112,334	13,646	38,738	15,639				3,811
EUROPE	657,362	2,033,597	377,941	540,662	260,436	149,512	67,371	44,801	45,400
France	52,743	80,247	16,755	33,803	38,661	5,276	4,788	2,633	1,260
Germany	95,656	555,999	105,140	69,385	49,718	20,390	15,240	11,580	12,823
Italy	30,766	28,968	11,299	14,225	13,202		3,029	2,079	2,709
Netherlands	43,716	121,227	28,999	58,213	33,369	25,417	9,906	2,050	5,798
Sweden	22,360	57,300	8,085	16,264	5,515				
UK	233,097	792,467	133,342	222,092	70,961	34,224	22,348	14,870	14,051
Other Europe	179,024	397,389	74,322	126,679	49,010	35,294	10,884	10,856	8,483
ALL FOREIGN TOURISTS	5,231,319	4,162,059	754,347	1,921,105	848,479	728,660	470,621	241,530	855,378

Notes:
This table represents the sum of all bednights in each province.
The data includes nights spent in non-paying accommodation, i.e. staying with friends and family.

7. Activities undertaken by foreign tourists

Other than shopping, nightlife and socialising, which are activities undertaken by most tourists, visiting natural attractions, going to the beach, visiting cultural, historical and heritage sites and wildlife activities were popular activities undertaken by tourists in Q2 2008.



Source: South African Tourism Departure Surveys April to June

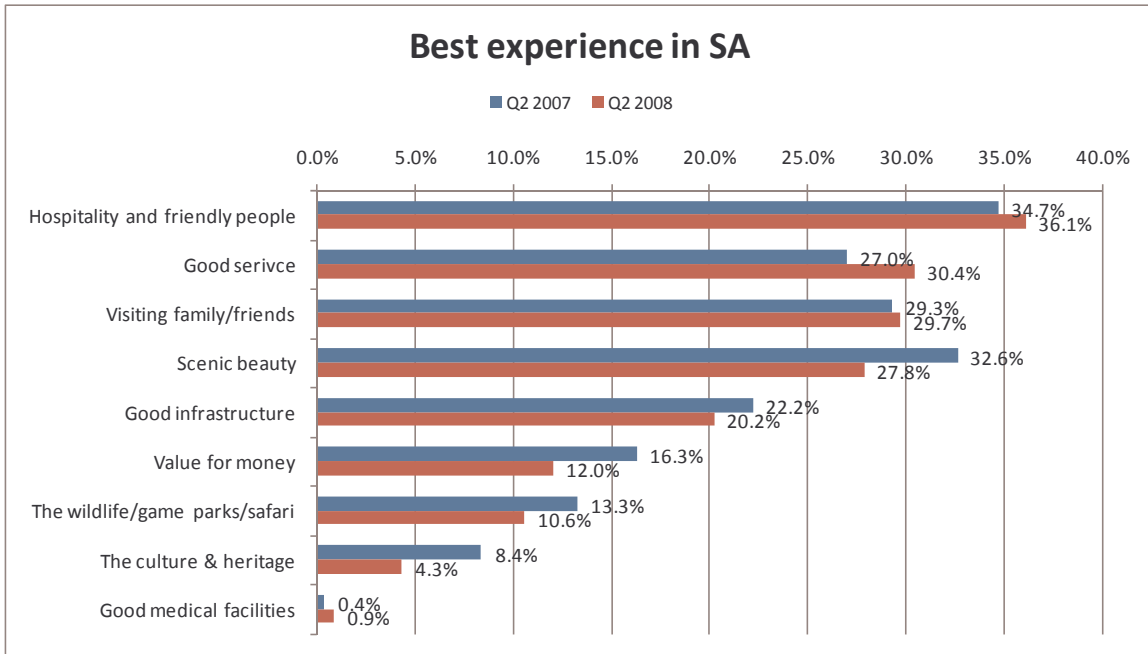
7.1.1 Activities undertaken by region

ACTIVITIES UNDERTAKEN WHILE IN SOUTH AFRICA : Q2 2008										
Top 10 attractions in total	Shopping	Nightlife	Social	Visiting natural attractions	Cultural, historical and heritage	Beach	Wildlife	Business	Theme parks	Visited a Casino
AFRICA & MIDDLE EAST	91%	62%	45%	9%	9%	8%	4%	12%	5%	5%
Angola	99%	96%	54%	12%	11%	8%	7%	25%	31%	21%
Botswana	93%	92%	55%	3%	1%	2%	2%	14%	1%	1%
Kenya	99%	97%	24%	18%	12%	15%	9%	76%	8%	10%
Lesotho	97%	27%	50%	4%	16%	4%	1%	5%	2%	1%
Malawi	92%	75%	48%	16%	13%	11%	9%	23%	5%	7%
Mozambique	63%	55%	24%	8%	11%	6%	7%	12%	4%	15%
Namibia	96%	90%	62%	49%	7%	40%	5%	17%	7%	4%
Nigeria	99%	99%	29%	25%	25%	14%	11%	58%	18%	15%
Swaziland	100%	70%	39%	12%	1%	9%	3%	8%	5%	4%
Tanzania	96%	93%	24%	10%	19%	8%	7%	58%	7%	9%
Zambia	98%	85%	46%	17%	17%	14%	7%	32%	10%	9%
Zimbabwe	99%	80%	57%	7%	6%	14%	5%	8%	8%	2%
Other Africa and Middle East	96%	97%	32%	28%	26%	15%	18%	53%	15%	12%
AMERICAS	95%	97%	25%	77%	54%	41%	67%	25%	23%	7%
Brazil	98%	97%	9%	62%	52%	36%	57%	40%	34%	11%
Canada	98%	98%	36%	79%	59%	46%	70%	25%	22%	11%
USA	94%	97%	25%	78%	54%	42%	68%	23%	21%	5%
Other Americas	97%	100%	20%	74%	47%	27%	59%	39%	28%	17%
ASIA & AUSTRALASIA	97%	96%	27%	62%	48%	36%	50%	42%	25%	17%
Australia	95%	98%	47%	76%	50%	41%	64%	15%	19%	9%
China (Including Hong Kong)	99%	90%	12%	60%	53%	34%	47%	57%	25%	28%
India	97%	96%	10%	48%	34%	32%	37%	72%	35%	26%
Japan	97%	98%	9%	63%	48%	41%	47%	43%	18%	9%
Other Asia and Australasia	97%	96%	29%	60%	52%	33%	48%	42%	27%	16%
EUROPE	95%	98%	33%	78%	47%	50%	59%	25%	20%	8%
France	93%	99%	15%	78%	60%	42%	71%	29%	27%	8%
Germany	97%	98%	29%	84%	48%	57%	59%	22%	16%	7%
Italy	95%	99%	13%	77%	50%	48%	63%	39%	18%	8%
Netherlands	95%	97%	34%	81%	55%	58%	63%	24%	23%	8%
Sweden	94%	97%	29%	73%	42%	45%	53%	38%	19%	7%
UK	96%	98%	49%	77%	44%	54%	56%	18%	18%	8%
Other Europe	93%	98%	22%	74%	44%	43%	57%	34%	22%	8%
ALL FOREIGN TOURISTS	92%	68%	42%	22%	17%	15%	15%	15%	8%	6%

8. Perceptions of South Africa

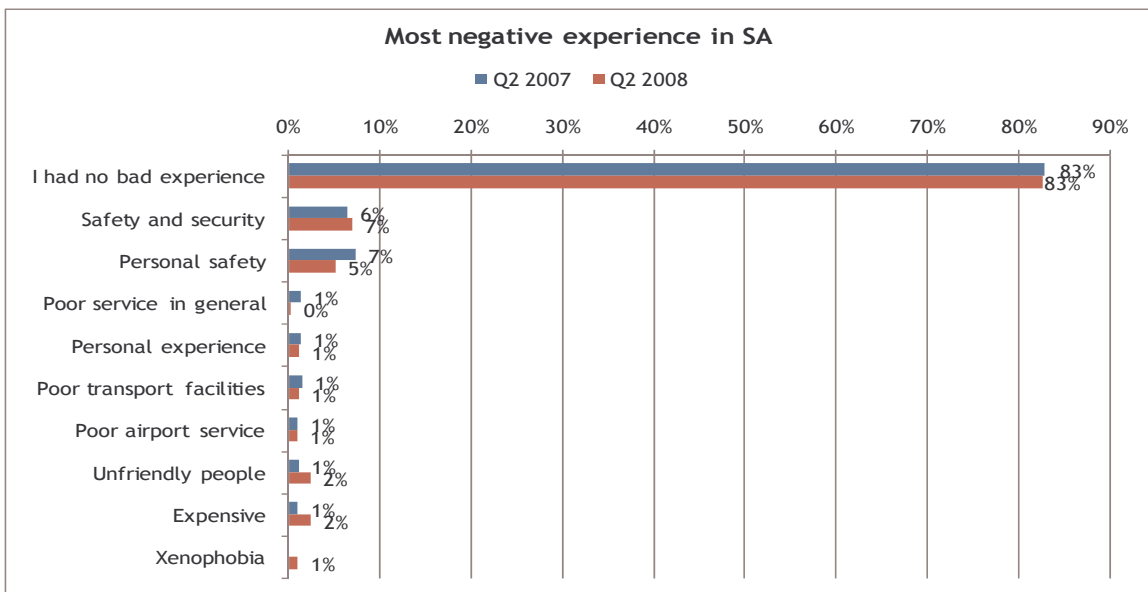
8.1. Experience in South Africa

This quarter, it was South Africa's people that made the biggest impression on foreign tourists. 36.1% of foreign tourists rated the hospitable and friendly people as their best experience in South Africa in Q2 2008. This was followed by good service with 30.4% and visiting friends and family.



Source: South African Tourism Departure Surveys April to June

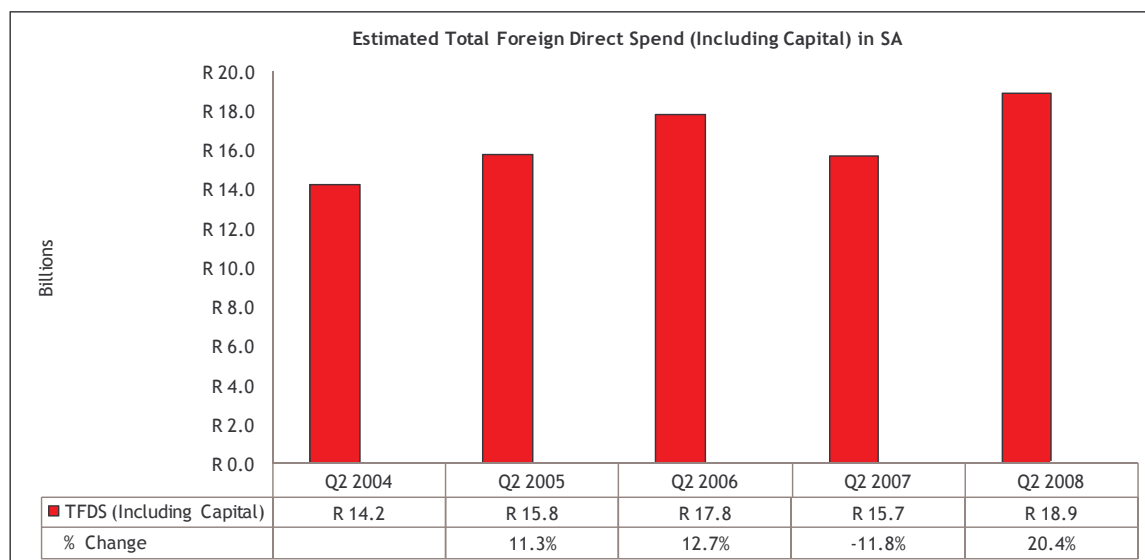
83% of tourists had no bad experiences while in South Africa. Of those who reported a negative experience, safety and security (7%) and (5%) personal safety were mentioned.



Source: South African Tourism Departure Surveys April to June

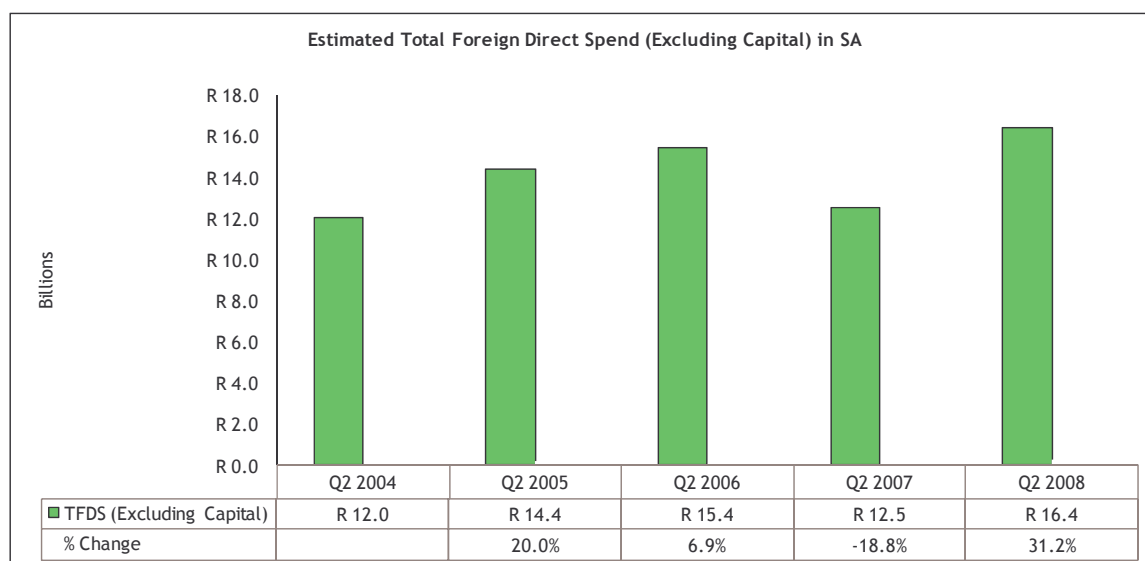
9. Estimated Total Foreign Direct Spend⁶

In Q2 2008, total foreign direct spend (TFDS) is estimated at R18,9 billion, an increase of 20.4% (R3,2 billion) compared to Q2 2007.



Source: South African Tourism Departure Surveys April to June

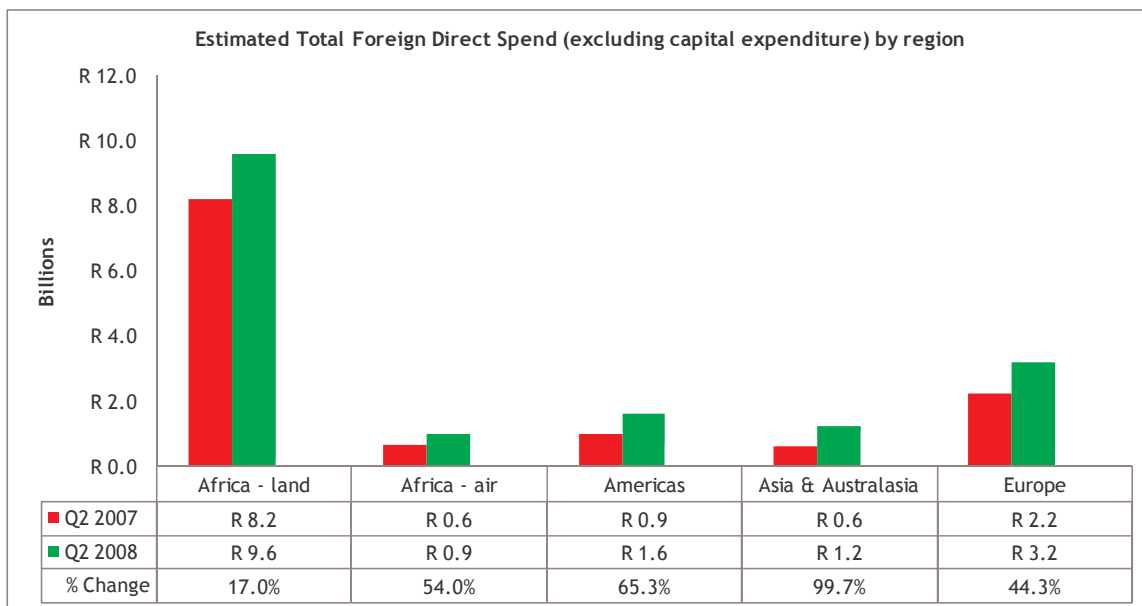
TFDS (excluding capital expenditure) increased by R3,9 billion to an estimated of R16,4 billion.



Source: South African Tourism Departure Surveys April to June

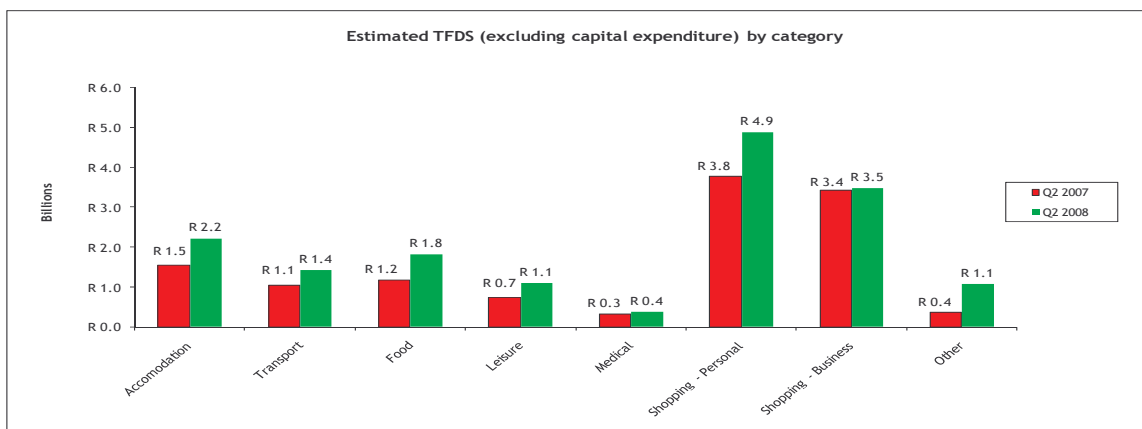
⁶ Through the process, we realised that we were normalising spend data too severely and have subsequently revised the methodology. For details please see page 49. As part of the new system of reporting, the quarterly reports in 2008 will only contain high-level spend estimates. These will be revised in the annual report with accurate measures of spend.

The increase in TFDS (excluding capital expenditure) was driven by the increase from all the regions. Tourism expenditure by Africa air markets and Asia & Australasia grew by an estimated R0,3 billion and R0.6 billion each, while the Americas and Europe grew by an estimated R0,7 billion and R1 billion each.



Source: South African Tourism Departure Surveys April to June

Of the estimated R16,4 billion that foreign tourists spent in South Africa in this quarter, a large proportion of this spend was attributed to personal shopping (R4,9 billion) and buying goods for resale (R3,5 billion). The third highest spend category was accommodation with an estimated R2,2 billion.



Source: South African Tourism Departure Surveys April to June

Estimated TFDS (excluding capital expenditure) by category in billions : Land Markets

	Accommodation	Transport	Food	Leisure	Medical	Shopping -personal	Shopping business	Other
Q2 2007	R 0.55	R 0.62	R 0.41	R 0.22	R 0.26	R 2.66	R 3.32	R 0.11
Q2 2008	R 0.72	R 0.73	R 0.57	R 0.29	R 0.28	R 3.00	R 3.38	R 0.56

Estimated TFDS (excluding capital expenditure) by category in billions : Air Markets

	Accommodation	Transport	Food	Leisure	Medical	Shopping -personal	Shopping business	Other
Q2 2007	R 0.99	R 0.44	R 0.78	R 0.52	R 0.08	R 1.13	R 0.11	R 0.26
Q2 2008	R 1.50	R 0.69	R 1.25	R 0.80	R 0.09	R 1.88	R 0.09	R 0.50

10. Definitions

Tourism is not an industry in the traditional sense because industries are classified according to the goods and services they produce, while tourism is a consumption-based concept that depends on the status of the consumer. This is the major reason for the difficulty in measuring tourism's contribution to the economy of any country.

With the growing significance of tourism globally and the increasing economic interdependence between countries, it is becoming vital that there is a common language for defining and measuring tourism statistics.

SA Tourism in conjunction with the Department of Environmental Affairs and Tourism and Statistics South Africa undertook an exercise to develop a set of tourism definitions that are aligned to global standards. This process involved user consultation and the agreed definitions are published in the Statistics South Africa document titled "Concepts and Definitions for Statistics South Africa 2007".

SA Tourism has now aligned its reporting to these approved definitions.

- **Visitor** - Any person travelling to a place other than that of his/her usual environment for less than 12 months, and whose main purpose of the trip is other than the exercise of an activity remunerated from within the place visited.
- **Same day visitor** - A visitor who visits a place for less than one night.
- **Tourist** - A visitor who stays at least one night in the place visited.
- **Usual environment** - To be outside the 'usual environment' the person should travel more than 40 kilometers from his/her place of residence (one way) AND the place should NOT be visited more than once a week. This includes place of work and place of study. Leisure and recreational trips are included irrespective of frequency.
- **Country of residence** - If a person resides (or intends to reside) for more than one year in a given country and has there his/her centre of economic interest (e.g. his/her major source of income), he/she is considered as a resident of this country.
- **International traveller** - Any person on a trip between two or more localities in different countries.
- **International visitor** - Any person who travels to a country other than that in which he/she has his/her residence but outside his/her usual environment for a period that is less than 12 months and whose main purpose of visit is other than the exercise of an activity remunerated from within the country visited.
- **International tourist** - An international visitor who stays at least one night in collective or private accommodation in the country visited.
- **Foreign traveler** - A person who resides outside South Africa and visits the country temporarily.
- **Foreign visitor** - Visitor who is a resident of another country.

11. Notes

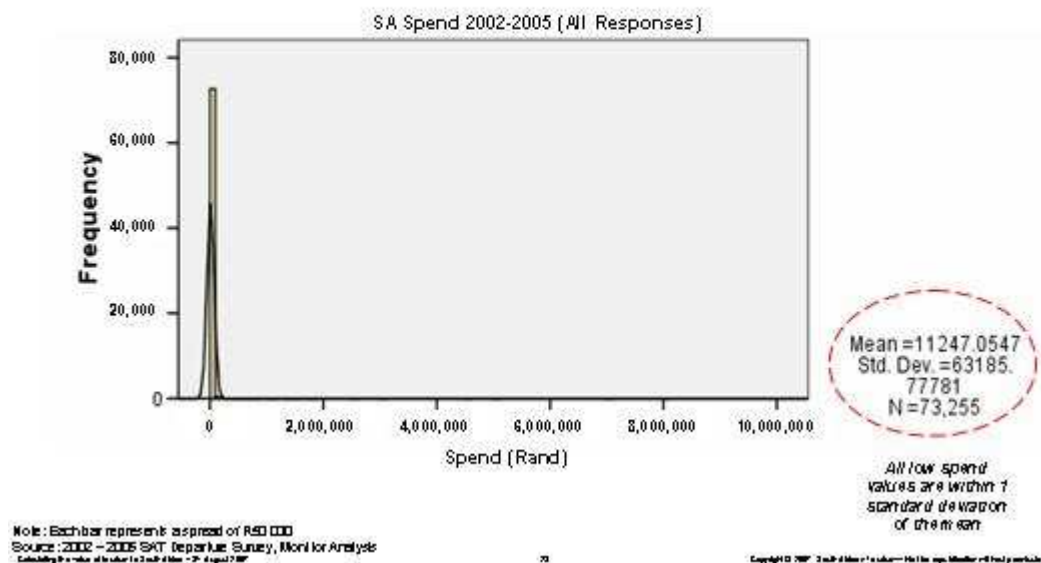
1. The data in this report is based on statistics collected by the Department of Home Affairs at immigration desks at all ports of entry (i.e. air, sea, road, rail) to South Africa. This data is then processed and released by StatsSA. SA Tourism reworks that data to represent tourist arrivals, as close to the United Nations World Tourism Organisation (UNWTO) definitions as possible. (It should be noted that The Department of Home Affairs and Statistics South Africa are working to align South African datasets with the UNWTO): thus, contract workers and workers are excluded. SA Tourism uses these statistics in good faith.
2. South African Tourism weights the results of its surveys to the total arrivals by air and road as we are not able to extract the number of tourist arrivals by air and road from the data released by StatsSA.
3. **Land markets** are countries where at least 60% of arrivals from the country arrive by land. The countries are Botswana, Lesotho, Malawi, Mozambique, Namibia, Swaziland, Zambia and Zimbabwe.
4. **Air markets** are those countries where at least 60% of arrivals from the country arrive by air.
5. **Compound Annual Growth Rate (CQGR)** is the year over year growth rate applied to arrivals over a multiple-year period. The formula for calculating CQGR is: $(\text{Current Value}/\text{Base Value})^{(1/\# \text{ of years})} - 1$.
6. **Compound Quarterly Growth Rate** is the year over year growth rate, within a specific quarter, applied to arrivals over a multiple-year period.
7. Blank spaces in the data tables within this report indicate that the sample sizes were too small to be significant and could not be reported on accurately.
8. The methodology of identifying and removing outliers in the data has been revised as data collection has improved and non-sampling errors have been reduced. SA Tourism now normalizes the spend data by eliminating 3-standard deviations from the logarithmic mean.
 $y = \log_{10}(x)$
9. The distribution of spend data varies on a monthly, quarterly and annual basis as it is dependent on sample sizes, seasonality and exchange rate fluctuations. For these reasons, spend is estimated on a quarterly basis and will only be finalised annually after having considered the factors of seasonality and exchange rates.
10. **Total foreign direct spend in South Africa (TFDS)** - the total amount spent directly in South Africa by all foreign tourists including amounts spent on goods for resale and capital investments.
11. **Capital expenditure** - the amount spent by foreign tourists during his/her trip and stay at the destination on capital investments such as property, houses, motor vehicles, artwork, furniture, jewellery, financial assets, etc.

12. Normalising spend data

South African Tourism undertook a review to analyse its performance over the past four years. In those four years we have grown the survey of air arrivals from a summer and winter survey to a monthly survey at two airports and started surveying land arrivals at the 10 busiest land border posts on a monthly basis as well. The review was an opportunity to measure what has been achieved in the past four years in marketing, but also gave us the opportunity to review the Departure Survey methodology with the hindsight of trend data.

Of particular concern to us was the spend data which we have been cleaning on a quarterly basis by necessity. Analysis of spend data showed that the distribution of spend closely displays an exponential curve rather than a normal curve that we have been using in our cleaning rules.

SA Spend distribution is much closer to an exponential curve than a normal curve; the majority of responses are below the mean with a few very high outliers



There are a large number of responses that fall below the mean while there are a few very large outliers. Scrutiny of the data revealed that the responses were indeed valid as those low spenders were mainly from SADC staying 1 or 2 nights, while the higher SADC spenders were purchasing items such as houses, motor cars, etc.. As expected, people who stay longer do spend more.

Furthermore, spend is seasonal and varies from month-to-month. Therefore, what is an outlier in one month, is not an outlier in the next month. Therefore, the rules for normalizing data must be consistent and take into account these seasonal variations.

Based on this information, SA Tourism has revised the methodology for normalizing spend data. This chapter provides the details of how the data has been normalized.

SA Tourism now normalizes the spend data by eliminating 3-standard deviations from the logarithmic mean.

$$y = \log_{10}(x)$$

1. Compute log of spend variable using the formula above
2. Calculate the mean of the result obtained in (1) above.
3. Determine the cut-off criteria using the following formula:

$$\begin{aligned}\text{Log_Low_cut_off} &= \text{Mean} - 3 * \text{Stdev} \\ \text{Log_Upper_cut_off} &= \text{Mean} + 3 * \text{Stdev}\end{aligned}$$

4. Transform the log values back to spend values using the following formula:

$$\begin{aligned}\text{Lower-cut-off Value} &= 10^{(\text{Log_Low_cut_off})} \\ \text{Upper-cut-off Value} &= 10^{(\text{Log_Upper_cut_off})}\end{aligned}$$

5. Exclude all variables that fall outside the cut-off values.

13. Survey methodology

South African Tourism is a statutory body whose main objective is to promote tourism to South Africa, by marketing the country as a tourism destination both internationally, and to a lesser extent, also domestically. South African Tourism conducts surveys of departing foreign tourists to gain an understanding of the travel behaviour, perceptions, buying process, travel patterns and the amount spent on their trip in South Africa. These surveys are designed primarily to provide information on which we base our marketing decisions and track the performance of the industry in relation to the Tourism Growth Strategy. These surveys are the only measure of tourism demand in South Africa and as a result are being used by a numbers of users ranging from government departments to private companies to individuals. South African Tourism is not mandated to conduct these surveys, but does so to ensure its normal business operations.

The primary entry and exit points for South Africa are the international airports and land borders with approximately 30% of travellers accessing South Africa by air and 60% by road with the remaining 10% using rail and ships as the mode of travel to South Africa. Therefore, the Departure Survey has two components:

- a) The airport survey
- b) The land border survey

The Airport Departure survey is a tracking study that has been conducted monthly since April 2002. The survey is conducted at the Johannesburg International airport (JIA) and the Cape Town International airport (CIA). The study was established to track travel patterns of tourists into South Africa and to allow for a deeper understanding of seasonality of the priority traveller segment. The Durban International Airport is currently not part of the tracking departure survey due to the small arrivals as well as the departures at the airport. When the capacity at this airport increases and larger carriers are able to depart directly from Durban, then SAT will include Durban as a sampling point.

As with the airport survey the Land Border Post intervention has been conducted monthly since 2003. The tracking study is conducted at 10 land border posts surrounding South Africa and helps provide information about tourists that arrive and depart by road.

The 10 border posts that the survey is conducted on are borders to all the six neighbouring countries of South Africa namely Lesotho, Swaziland, Zimbabwe, Namibia, Botswana and Mozambique.

All interviews are conducted face-to-face which is the most appropriate method to use in terms of the targeted audience.

13.1. Objectives of the Departure Survey

The aim of the Departure Survey is to track the travel and expenditure patterns of foreign tourists who have visited South Africa as well as to gain information on which sites and attractions were visited.

In particular, the Survey aims have been broken into eight broad areas with the aim of establishing the following information:

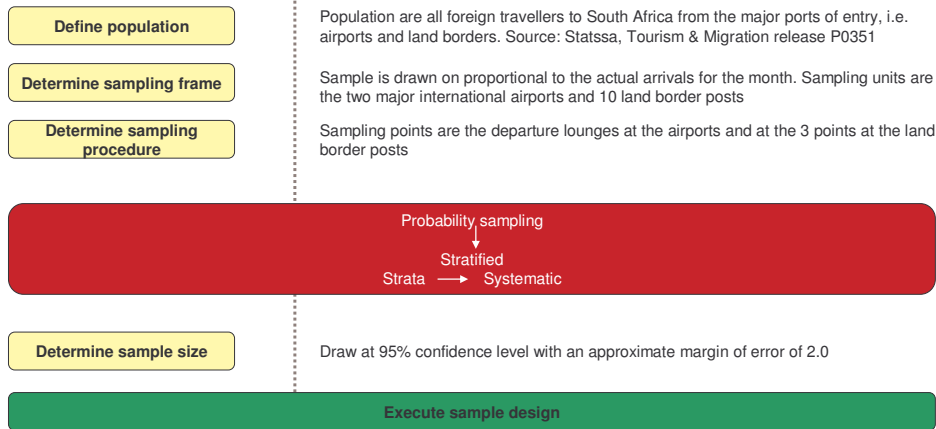
- How the decision was made to visit South Africa
- What their travel arrangements were
- How long the tourists spent in South Africa
- Information pertaining to the sites visited, their satisfaction levels with the facilities and services and types of accommodation used. This has been broken out into each of the provinces of South Africa.
- Their overall impressions of their visit to South Africa
- Their expenditure patterns while in South Africa
- Their travels to other African countries
- Personal demographic information

The unit of measurement in the Survey is an *international tourist*, defined according to global standards specified by the UNWTO. Respondents are selected on a set of six criteria:

Criteria ONE: The respondent may not be a South African resident
Criteria TWO: The respondent must have spent at least 1 night in South Africa
Criteria THREE: The respondent may not have spent more than 365 days in South Africa
Criteria FOUR: The respondent must not be in transit
Criteria FIVE: The respondent may not have received an income IN South Africa on their trip
Criteria SIX: The respondent may not have been interviewed by South African Tourism within the past 12

13.2. Sampling process

Sampling process

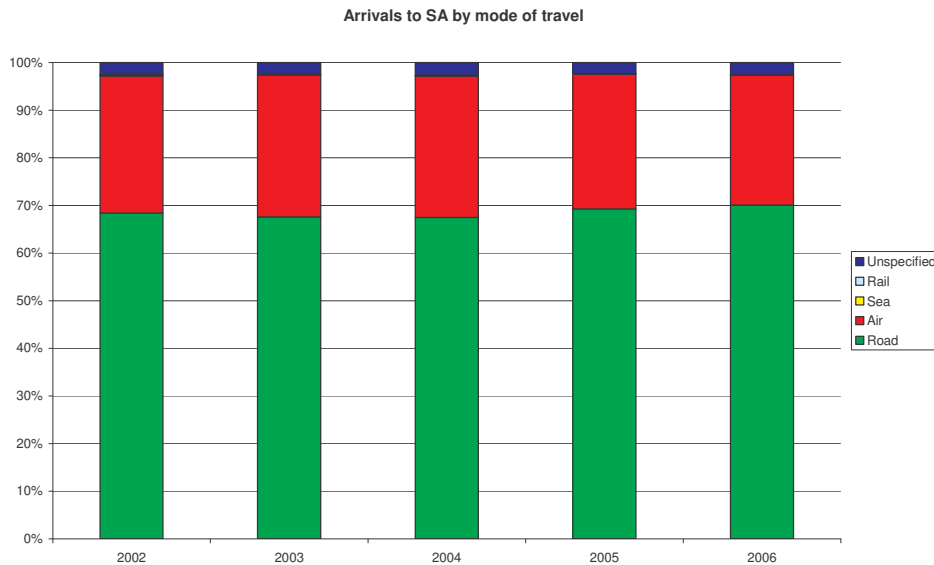


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Arrivals by road and air are the predominant modes of travel to South Africa

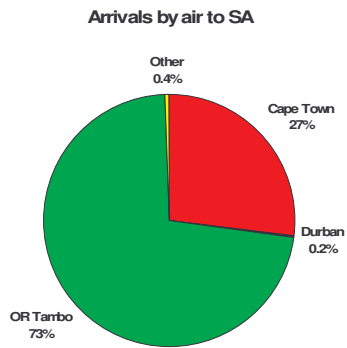


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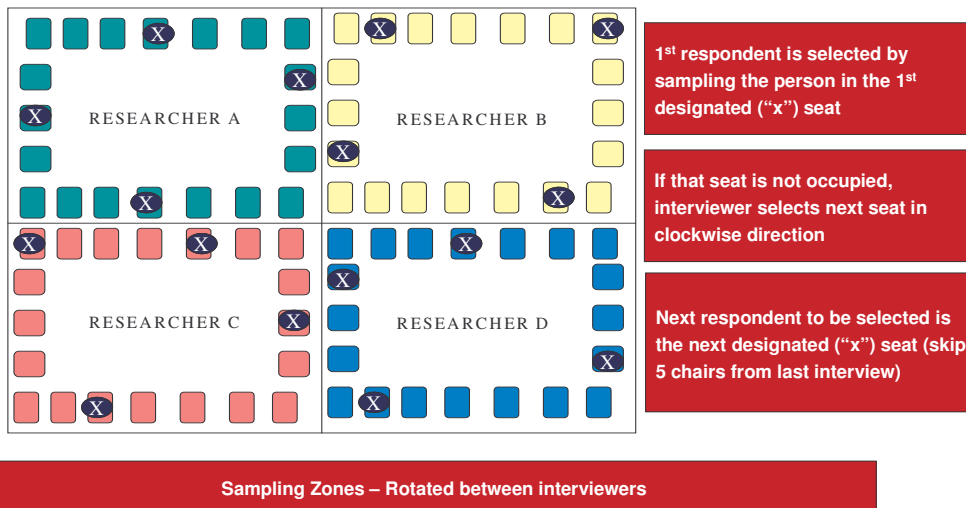
Furthermore, there are specific sites that get larger volumes of traffic passing through



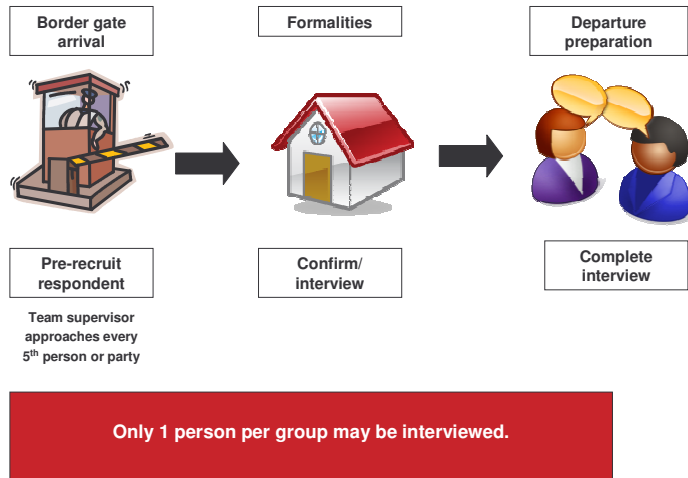
Country	No of land border posts in SA	No of land border posts where we survey
Botswana	18	2
Lesotho	14	2
Mozambique	4	1
Namibia	7	2
Swaziland	11	2
Zimbabwe	1	1
Total	55	10

13.3. Sampling procedure

Sampling procedure at the airports



Sampling procedure at the land border posts



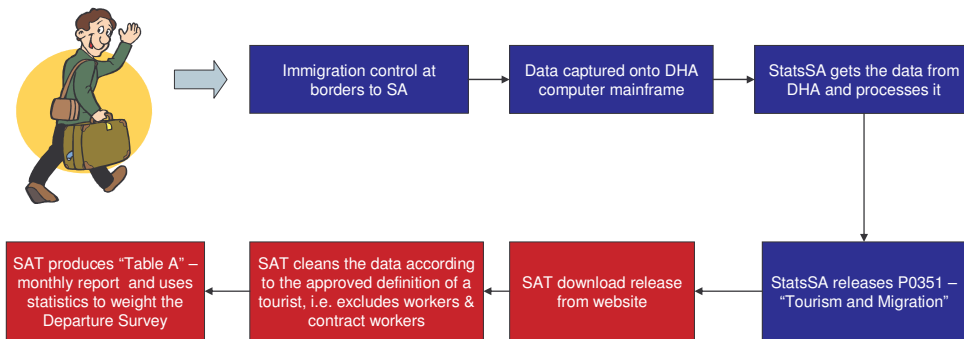
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13.4. Data analysis and confidence intervals

Collection and processing of tourism arrival statistics

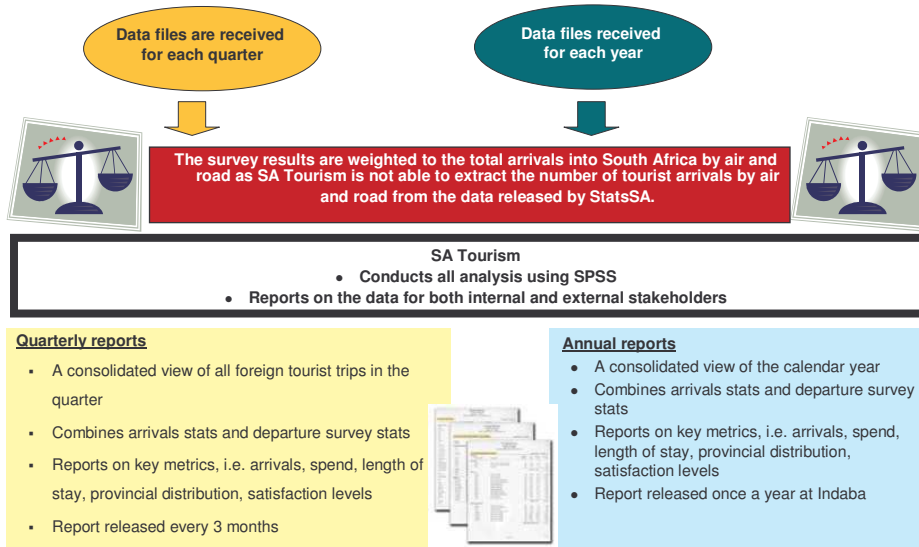


- The data published by SAT represents the number of border crossings by tourists, i.e. the number of trips and not number of people
- The data does include multiple entries made by a single tourist
- Statssa is the official source of this data
- SA Tourism is a user of the Statssa data
- SA Tourism uses the data it receives from Statssa in good faith

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Data analysis



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The table below provides the confidence intervals at 95% confidence for the length of stay and spend estimates reported. This simply means that there is a 95% chance that the data reported falls between the ranges below.

The table below provides the confidence intervals at 95% confidence for the length of stay and spend estimates reported. This simply means that there is a 95% chance that the data reported falls between the ranges below.

TFDS (excluding capital expenditure)

	Mean	Lower bound	Upper bound
Land markets	R6 500	R6 100	R7 000
Air markets	R14 800	R14 400	R15 200
Total	R12 100	R11 800	R12 500

Length of stay

	Mean	Lower bound	Upper bound
Land markets	5.95	5.54	6.36
Air markets	18.35	17.62	19.08
Total	14.33	13.81	14.85