

4 reasons South Africans are loving local getaways

After an economically quiet 2020 festive season, the challenge for hotels, guest houses and B&Bs to remain viable through 2021 and until international tourism resumes, will rest on the support of South African locals.



Image: Supplied

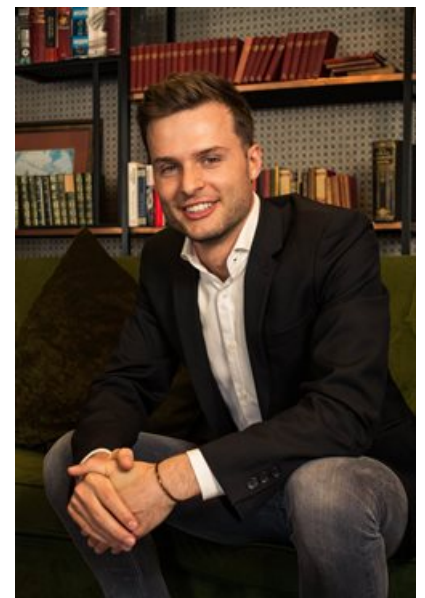
According to data gathered by RoomRaccoon - a tech start-up that provides hotel management software to the hospitality industry - weekday occupancy of more than 3,200 rooms at boutique hotels, B&Bs and guesthouses across South Africa has steadily risen to an average of 30% since the lockdown restrictions were initially eased to level 2 mid-August last year. However, it is weekend occupancy that has shown a surge at these establishments, with numbers edging towards 60% through November and December 2020. The recent Valentine's weekend saw occupancy spike to 58%.

According to RoomRaccoon, establishments in the coastal areas including Cape Town's Atlantic Seaboard, as well as the Stellenbosch winelands and Franschhoek regions, the Garden Route, and the Drakensberg, have seen the highest occupancies.

"The uptick in weekend tourism may represent a faint silver-lining, but the industry still needs to be agile with initiatives to maintain guest traffic over the coming winter months, and until international visitors can safely return," says Niels Verspui, country manager of RoomRaccoon South Africa.

It is critical for the industry to prepare for the next impact period of the Easter long-weekend that will be followed by the traditionally slower months of May, June and July.

"Our data indicates that people have maintained an appetite for travel despite the lockdown. With many places offering competitive prices to locals, weekend getaways are how they are choosing to indulge. Hotels, guest houses, B&Bs and lodges will be relying heavily on local support to make it through the leaner months, which is why the spike in weekend occupancy is noteworthy, and we are confident more establishments will cater for this," says Verspui.



1. Affordability

The Department of Tourism's [Tourism Performance Report - April-June 2020.pdf Quarterly Performance Report](#) for the period April to June 2020 indicated that the arrival of foreign travellers was down 96.2% compared to the same period in 2019. With barely 142,000 foreign arrivals versus the 3.7 million international visitors for the previous year, the knock-on effect was a 96.9% revenue decline for the South African accommodation industry. In an attempt to offset the losses, establishments subsequently introduced discounted rates to make themselves more accessible to the local market who can now enjoy time at places they previously could not afford.

2. Uniquely packaged experiences

Verspui notes that properties that have been doing well are the ones that packaged and promoted unique experiences. Over and above accommodation, they have added value by offering welcome drinks, including a romantic meal or picnic, adding tours and tastings, cultural experiences, or guided nature walks. "South Africans are looking for escapes and hideaways, and opportunities to experience something unique and affordable," says Verspui.

3. Enhanced confidence in Covid compliance

Minimising contact with property staff, establishing social distancing and hygiene protocols, and limiting the need to share facilities with other patrons provides guests with more control over their personal safety and has been critical in seeing the increase in local weekend tourism, says Verspui. He also believes that the Contactless Stay initiative provides added confidence that guests will remain protected. Contactless Stay allows guests to check-in and make payments online, choose a contactless key system for added safety, and allow guests to book essentials and extras – like Corona kits - in advance. On request, house-keeping services can also be excluded for the duration of a stay.

4. Technology

Like most industries, the accommodation sector has similarly turned to technology during the lockdown to create operational efficiencies. Using technology to enhance the guest experience by making the online booking process more streamlined and direct also means that establishments can reduce booking engine fees. Hotel management systems designed for boutique and medium-sized properties are becoming popular, allowing them to benefit in ways that have previously only been available to the larger hotel groups. Affordable, accessible technology provides visibility of what competitors are doing in terms of pricing, so they can quickly apply rate changes to cater for fluctuations in supply and demand using automated yield management software.

"Tech is making small and medium-sized businesses more competitive and agile during a highly challenging period where they need to remain visible and appealing to the market, but it also gives them the edge to price themselves accordingly," concludes Verspui.