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EXECUTIVE SUMMARY

The KwaZulu-Natal Tourism Authority, trading as Tourism KwaZulu-Natal (TKZN), was established in terms of the KwaZulu-Natal Tourism Act, 1996 as amended by Act No. 2 of 2002. In terms of the aforementioned Act, TKZN is responsible directly and indirectly for the development, promotion and marketing of tourism into and within the province.

TKZN developed a strategic plan for the period 2006 – 2011. Since then a lot of developments have taken place and opportunities have arisen. In order to ensure that our strategy is properly aligned, TKZN engaged in a strategy review process taking into consideration the anticipated changes in the macro and competitive market environments. As part of this process, the strategy has also been rolled over from 2011 to 2012.

The strategic plan 2006-2011 provided a sound foundation for the planning period i.e. 2008 – 2012. Thus, the revised strategy has been informed and shaped by the Provincial Growth and Development Strategy (PGDS), the Provincial Spatial Development Framework, the National Tourism Growth Strategy, TKZN’s Tourism Strategy 2006 – 2011, and the policy direction set by the Provincial Government. It also took into account the recommendations within the National Tourism Domestic Growth Strategy, the Segmentation Study, and the findings of the Global Competitiveness Study. In this Strategy, TKZN has made choices that are intended to allow it to realise its mandate.

Globally, institutions similar to TKZN, in terms of the best practice, are changing from being Destination Marketing Organisations to Destination Management Organisations. This change necessitates that TKZN takes a balanced approach to promoting tourism in the province.

The key challenge is to ensure that TKZN makes a significant contribution to economic development within the province. The Strategic Plan is therefore delivery focused. It emphasises the need to respond strategically to the changing environment, working towards a shared vision, focusing on TKZN’s core business, ensuring an appropriate and integrated planning approach, fundamental principles of co-operative governance, partnerships, leveraging of resources and continued transformation of the tourism sector.

Alignment with national, provincial and local stakeholders forms a key strategic thrust of the plan. TKZN will actively pursue partnership and alignment which drive greater co-operation with all role-players and eliminate duplication through greater synergy with the Department of Arts, Culture and Tourism (DACT), other public entities operating within the province, and private sector stakeholders.

The Strategic Plan also recognises the need to ensure responsible tourism practices and bring host communities into the mainstream of the tourism industry, thereby increasing opportunities for job creation and the development of small and medium enterprises. This intervention promotes an environment that allows for bridging of the gap between the first and the second economies.
The Strategy acknowledges the challenges faced by the province in growing its tourism industry and thus emphasises the provision of a quality tourism experience to visitors by focusing on training, skills development and quality assurance issues.

Corporate governance remains pivotal to the organisation’s operation, complemented by the creation of an environment conducive to people development and motivation. Creating an enabling institutional environment is thus critical for successful delivery. A strong senior management team and overall committed team of employees underpin the delivery of the Strategy.

INTRODUCTION

The KZN Provincial Tourism Strategy 2009-2012 positions KwaZulu-Natal in the global and national tourism markets as South Africa enters an era which will include its hosting of the 2010 Football World Cup and the establishment of the new international airport in the province by 2010. It sets out TKZN’s approach to dealing with tourism development, marketing imperatives and the related investment required in the province. The Strategy was thus been developed in the context of a growing tourism market, current significant investment in tourism, other developments, and envisaged future developments, such as The King Shaka Airport and Dube Trade Port.

This Strategy evolves from that agreed in 2006, which has been implemented steadily over the past year. The current Strategy has been proven successful in delivering significant growth in the province’s tourism industry, such that it now contributes about R20 billion a year (or +10%) to the KwaZulu-Natal economy and employs in the order of 143 000 people, directly or indirectly.

The Strategy projects that this growth will accelerate so that by 2012 KwaZulu-Natal would have established itself as a globally competitive tourism destination and one of Africa’s leading destinations. Tourism contribution to Gross Geographic Product (GGP) would have grown to approximately R29 billion a year and the industry would have made significant progress towards transformation, Black Economic Empowerment (BEE) and the upliftment of previously marginalised communities.

The Strategy is rooted in a realistic acceptance that resources are limited and strategic choices therefore have to be made if goals and objectives are to be realistic and achievable.

The Strategy is fully aligned so as to deliver on TKZN’S agreed role and realise the overarching goals of growing tourism’s GGP contribution, expanding employment and helping transform the industry.
As a public entity, TKZN has various stakeholder interests to deal with, including national, provincial and local government, the tourism trade and the private sector, host communities, international and domestic tourists, the media, TKZN’s suppliers and internal staff. In this regard, the Strategic Plan recognizes all of its stakeholders' expectations and TKZN’s deliverables with regard to these stakeholder expectations.

The Vision and Mission for TKZN are clear and there is a focus on delivery by tasking TKZN to realise a focused five-year programme of actionable plans, supported by a robust budget. The plan is based on five interdependent strategic thrusts, derived from a thorough strategic review and analysis, each of which unfolds into a detailed programme of action plans, with associated budgets.

The Strategy captures TKZN's commitment to the people of KwaZulu-Natal its intention to play a leading role in the development of tourism into becoming an increasingly significant contributor to the province's economy, at the same time spreading its benefits in a meaningful way to those who have been disadvantaged and marginalised by history.

TOURISM INDUSTRY OVERVIEW

Tourism is increasingly becoming a major contributor to the global economy, currently contributing an estimated 10.1% to the global Gross Domestic Product (GDP), South African tourism’s contribution to the country's GDP was recorded at about 8.3% in 2006, accounting for approximately 947 000 direct and indirect jobs.

The sector is able to generate employment opportunities without significant capital investment. About R1 million of tourism spend generates and sustains 10 annual direct and indirect jobs. Tourism outstripped gold as the leading generator of foreign exchange earnings in South Africa in 2003, generating R53 billion and driving foreign direct spend into the country.

In KwaZulu-Natal, tourism’s total contribution to the GGP is standing at about R20 billion – about 10% of the provincial economy. The province currently attracts about 1.4 million foreign visitors and 11.9 million domestic tourism trips on an annual basis.

Tourism KwaZulu-Natal has demonstrated just how significant the tourism sector is to the growth of the provincial economy. The province has wonderful natural tourism attractions and is thus well positioned to take advantage of the continued growth in international and domestic tourism.

It is hoped that the objectives set out in this Strategic Plan receive the support and investment to realise the vision of making KZN Africa’s leading tourism destination:
OUR VISION

To position the province of KwaZulu-Natal as Africa's leading tourism destination, nationally and internationally.

OUR MISSION

To initiate, facilitate, co-ordinate and implement:
- strategic tourism marketing, and
- demand-driven tourism development programmes

which grows tourism, thereby serving to achieve:
- the transformation of the tourism sector within the province; and
- provides economic benefits to all stakeholders and the province.

OUR VALUES

“We care for our tourists – do you?”

- We value the contribution of our people by recognising their performance and appreciating them as people.
- We all strive for superior delivery of customer service both internally and externally.
- We are committed to making KZN the top destination in Africa.
- In performing our duties we will trust each other to be honest and reliable.
- We will respect each other and communicate in a way that demonstrates this.
- In all our dealings we will act with integrity, so that people trust us.
- Through our professionalism, people will value dealing with us.
- Team spirit is what will make TKZN a great place to work!

OUR ROLE

Given TKZN's mandate, its key roles will essentially be:

a. To play a strategic leadership role in the province in terms of domestic marketing and management and to be the custodian of the KZN tourism brand.

b. To promote the province generically and to create the enabling environment for the regions, communities and private sector stakeholders to market their offerings optimally within the umbrella branding and destination marketing framework and strategy for KZN.
c. To facilitate responsible and demand-driven product development and accessibility

d. To champion transformation of the tourism industry in KZN.

e. To champion pro-actively and contribute to the enhancement of service excellence at all levels in the tourism value chain in KZN.

f. To facilitate appropriate research and information/knowledge management to inform TKZN’s strategies and plans, also to facilitate information and knowledge for other key destination marketing stakeholders in KZN (e.g., tourists, industry stakeholders, politicians, media, etc.).

## OUR MARKETS

In line with the approach adopted by the Market Segmentation study by South African Tourism (SAT), TKZN recognises it has limited resources at its disposal. Thus, a targeted approach as to which markets to focus our tourism marketing has been adopted. To this end, TKZN has considered the latest 2008 to 2010 portfolio of countries published by SAT in identifying its target markets.

<table>
<thead>
<tr>
<th>Market</th>
<th>Geographic Scope</th>
<th>Target Segments</th>
<th>Core Experiences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic</td>
<td>KZN, Gauteng, Western Cape, Eastern Cape</td>
<td>Young, Upcoming, Independent, Couples</td>
<td>“Spirit of summer”, Beaches, Natural beauty, Visiting mountains (well off homes and families)</td>
</tr>
<tr>
<td>SADC, Rest of Africa &amp; Indian Ocean Islands</td>
<td>Swaziland, Lesotho, Botswana, Mozambique, Kenya, Nigeria, Mauritius</td>
<td>Business professionals, MICE, Traders</td>
<td>Shopping, Big cities, Beaches (not coastal markets), Wildlife (Mauritius)</td>
</tr>
<tr>
<td>Europe, Americas, Asia</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Core</td>
<td>Opportunity</td>
<td>Investments</td>
<td>Strategic Hub</td>
</tr>
<tr>
<td>United Kingdom, Germany</td>
<td>USA, France, Netherlands</td>
<td>India, China, Eastern Europe, Scandinavia, Spain</td>
<td>Middle East</td>
</tr>
</tbody>
</table>
CRITICAL SUCCESS FACTORS

a) A shared vision and strategic and inspirational leadership.

b) Passionate, committed and appropriately rewarded/incentivised staff who take ownership of the strategy and strive to excel individually and collectively.

c) A bias for action and a commitment to implementation at all levels (avoiding analysis and planning paralysis).

d) Adequate resources (human, financial and facilities).

e) An internationally benchmarked, 5-year, rolling strategic plan, underpinned by annual measurable action and tactical plans.

f) Continuous monitoring, evaluation and benchmarking of individual, departmental and organisational performance.

g) Transparent and constant two-way communication at all levels.

h) Seamless and mutually beneficial partnerships at all levels.

i) Adherence to corporate governance and ethical behaviour

j) Alignment and co-ordination at all levels (locally, provincially and nationally).

k) Fostering a culture of innovation and creativity among all staff.

OUR GOALS & OBJECTIVES

TKZN's overarching goals are:

<table>
<thead>
<tr>
<th></th>
<th>Currently</th>
<th>2012</th>
</tr>
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<tbody>
<tr>
<td>GGP contribution</td>
<td>± R20bn</td>
<td>± R36bn</td>
</tr>
<tr>
<td>Employment</td>
<td>143 000</td>
<td>198 000</td>
</tr>
</tbody>
</table>

- **Transformation**
  - To encourage the private sector to achieve national tourism Broad Based Black Economic Empowerment (BBBEE) scorecard targets and to report on the sector’s achievements.
  - To ensure that the public sector and its agencies act in accordance with the BBBEE scorecard.
  - TKZN will monitor its own procurement to ensure compliance with BBBEE.
These goals will be realised by concentrating on key destination “wellness” indicators, which will become TKZN’s focus:

<table>
<thead>
<tr>
<th>Objective</th>
<th>Performance Indicator</th>
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<tbody>
<tr>
<td>Increase foreign arrivals</td>
<td>Number of foreign tourists</td>
</tr>
<tr>
<td></td>
<td>% Growth in visitor numbers</td>
</tr>
<tr>
<td>Increase share of domestic visitors</td>
<td>Average spend per tourism</td>
</tr>
<tr>
<td></td>
<td>Forex earnings from tourism</td>
</tr>
<tr>
<td>Increase tourism expenditure</td>
<td>Average spend per tourist trip</td>
</tr>
<tr>
<td>[spend]</td>
<td></td>
</tr>
<tr>
<td>Reduce foreign seasonality</td>
<td>Attempt to achieve a seasonality index of 1.2 per annum</td>
</tr>
<tr>
<td>Increase geographic spread</td>
<td>In case of domestic tourists, at least two destinations visited per trip</td>
</tr>
<tr>
<td></td>
<td>In the case of foreign tourists, at least three destinations visited per trip</td>
</tr>
<tr>
<td>Improve destination</td>
<td>% Increase in top of mind brand awareness</td>
</tr>
<tr>
<td>image and service</td>
<td>% Increase in positive ratings with regard to:</td>
</tr>
<tr>
<td>excellence</td>
<td>Perceptions of value for money</td>
</tr>
<tr>
<td></td>
<td>Perceptions of safety and security</td>
</tr>
<tr>
<td></td>
<td>Perceptions of having a welcoming destination</td>
</tr>
<tr>
<td></td>
<td>Perceptions of the authenticity of TKZN’s product</td>
</tr>
<tr>
<td></td>
<td>Ability to rest and relax</td>
</tr>
<tr>
<td>Responsible and demand driven tourism development and accessibility</td>
<td>% Improvement in graded establishments</td>
</tr>
<tr>
<td></td>
<td>Improvement in level of service provider registration</td>
</tr>
<tr>
<td></td>
<td>% of Tourism Awareness Initiatives</td>
</tr>
<tr>
<td></td>
<td>Perceptions of TKZN’s historical and cultural product</td>
</tr>
<tr>
<td></td>
<td>Perception of the ability to travel year round in KZN</td>
</tr>
<tr>
<td></td>
<td>Perceptions of TKZN’s natural wildlife experience</td>
</tr>
<tr>
<td></td>
<td>Annual Service Excellence Award</td>
</tr>
<tr>
<td></td>
<td>% Increase in number of disabled tourist friendly facilities</td>
</tr>
<tr>
<td>Strategic leadership</td>
<td>Number of Memoranda of Understanding (MOUs) and partnerships concluded</td>
</tr>
<tr>
<td></td>
<td>Number of Joint Marketing Agreements (JMA) concluded</td>
</tr>
<tr>
<td></td>
<td>Level of alignment at national, provincial and local levels</td>
</tr>
<tr>
<td></td>
<td>Level of synergy between TKZN and SAT plans</td>
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<tr>
<td>Transformation</td>
<td>% Increase in the number of SMME businesses supported</td>
</tr>
<tr>
<td></td>
<td>% Increase in budget spent on SMME service providers</td>
</tr>
<tr>
<td></td>
<td>% Increase in training and capacity building interventions</td>
</tr>
<tr>
<td>Enabling environment</td>
<td>% spent on administrative expenditure via a vs line function expenditure</td>
</tr>
<tr>
<td></td>
<td>% achievement of employment equity targets</td>
</tr>
<tr>
<td></td>
<td>% procurement from BEE suppliers</td>
</tr>
<tr>
<td></td>
<td>Number of staff members and % spent on development training</td>
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TKZN’S OVERALL STRATEGIC FRAMEWORK

TKZN’s approach to the development and promotion of tourism in the province will be predicated on a strategic framework that seeks to guide and assist the organisation, its stakeholders and partners to make appropriate strategic choices to realise the objectives set out above. In addition, the framework aims to provide parameters for synergy and consistency in provincial tourism marketing initiatives and programmes.

There are four key elements to the framework:

- Our approach
- Our brand
- Our partners
- Our people

OUR APPROACH

TKZN has recognised the importance of understanding the close interrelationship between the tourism product and marketing efforts of the province. It is on this basis that it has established a strategic decision-making framework, which aims to ensure that the limited resources at hand are effectively, and efficiently spent.

OUR BRAND

Beyond expectations...within your reach | www.zulu.org.za
At the centre of developing the province into a leading tourism destination, TKZN has adopted, is the construction and development of a strong integrated brand identity. The current brand strategy is predicated on a "supra brand", the Zulu Kingdom, with eight second level or regional brands, namely:

1. Durban – Playground of the Zulu Kingdom
2. North Coast – Jewel of the Zulu Kingdom
3. South Coast – Paradise of the Zulu Kingdom
4. Drakensberg – Soul of the Zulu Kingdom
5. Elephant Coast – Untamed Spirit of the Zulu Kingdom
6. Battlefields – Legends of the Zulu Kingdom
7. Zululand – Heart and Pulse of the Zulu Kingdom
8. Pietermaritzburg & Midlands – Capital of the Zulu Kingdom

MANAGING THE BRAND

During this planning period the current brand strategy will be researched in terms of impact, relevance, stakeholder buy-in and distinctive positioning. Where necessary, the brand will be adapted to ensure optimal destination image projection and distinctive positioning.

TKZN will play a lead role with the Department of Arts, Culture and Tourism and public entities which fall under the department, to align its branding within a common framework for the province. From a tourism and investment promotion perspective, every effort will also be made to ensure that this brand refinement will bring the TKZN brand strategy in line with the national tourism brand managed by South African Tourism, as well as the domain brand South Africa, managed by the International Marketing Council. TKZN will work in establishing brand synergy with strong private sector brands, which can help in growing tourist arrivals into the province.
TKZN recognises that it will not deliver upon its mandate unless it is able to work in partnership with the large number of stakeholders and institutions responsible for the development and promotion of tourism within the country. TKZN aims not only to co-ordinate its activities with its partners, but also to add value to their core competencies.

The organisation's partners can be divided into the following core categories:

- Those organisations which fall within the responsibility of the Department of Arts, Culture and Tourism;
- The National Department of Environmental Affairs and Tourism and SA Tourism;
- Other national and provincial government departments and public sector public entities;
- Private sector operators and registered service providers within the tourism industry within KwaZulu-Natal;
- The private sector tourism industry more broadly;
- Our suppliers and partners which assist TKZN in the delivery of our core services;
- SA embassies in core international markets;
- Local government and locally based tourism promotional institutions.

The strategic framework will encourage more effective alignment of public and private sector marketing organisations in the province. Whilst proactively encouraging the development of a vibrant locally-based tourism industry, TKZN will strive to ensure that an effective vertical alignment occurs with institutions at national, district and local spheres of government, in line with the requirements of the Constitution and national and provincial legislation.
TKZN recognises that the success of its promotional, marketing and developmental efforts rests heavily on the ability of the organisation to align its activities with those of its partners, ensure synergy and facilitate constant communication of its core objectives, responsibilities and activities to these core stakeholders. In the implementation of its strategy, the organisation will prioritise its relationship with its partners. To this end, TKZN sees its role as creating cost-effective platforms from which local and regional stakeholders can promote product specific attractions and tourism services to specific market sectors. Where appropriate, TKZN will also link into existing platforms created by either the public or private sector stakeholders, in order to leverage marketing and development spend in support of our brand.

**OUR PEOPLE**

TKZN recognises that the success of its strategy rests upon the ability of the organisation to put its people, employees and those throughout the province, at the centre of its activities. To this end the organisation will prioritise the employment of people who will add value to the core competencies and responsibilities of the organisation, and do all possible to delegate the authority responsibly to all levels of staff within the organisation so as to provide a more effective service to the public at large.

At the same time, a successful tourist destination rests upon the ability of the people of a destination to provide visitors with a warm and friendly experience. To this end TKZN will prioritise and continuously improve its communication efforts with the people of KwaZulu-Natal to ensure that they are kept abreast of tourism developments and act as ambassadors for the promotional efforts of TKZN.

**STRATEGIC KEY ROLES**

The strategic review process focused TKZN’s mandate and the key roles and responsibilities emanating from this. These roles are clearly inter-dependent and require the formation of partnerships at all levels. These are essentially:

- KZN Tourism Growth
  - GGP
  - Employment
  - Transformation

[Diagram with key roles and strategies]
STRATEGIC LEADERSHIP AND TOURISM BRAND CUSTODIAN

TKZN will strive to ensure an aggressive brand positioning to promote brand awareness in all the province’s key markets. This will be done through, among others, the promotion of unique experiences offered in the province.

This will be realised through:

CREATING A STRONG, INTEGRATED BRAND

- Establish a clear unique brand positioning.
- Increase brand awareness in key target markets.
- Promote KZN as a value for money province.
- Innovate in TKZN’s marketing approach – e.g. exploit Word of Mouth (WOM) as a communication channel by making the people of the province its own ambassadors.

GENERIC PROMOTION

Marketing and promotion of the province is the foundation of TKZN and has been proven successful in recent years. In the next five years it will continue to account for the major spend of TKZN’s financial resources.

Domestically, KwaZulu-Natal remains the most visited province in South Africa and TKZN remains committed to defending this position in the face of increasingly concerted competition from other provinces. TKZN will implement an innovative domestic marketing strategy that aims to increase domestic arrivals and lengths of stay, thereby improving tourism spend. We will focus on the target segments in the following key source markets: KwaZulu-Natal, Gauteng, Eastern Cape, Western Cape and Mpumalanga.

TKZN international marketing strategy will be aligned with South African Tourism’s international marketing drive. To this end, TKZN will place particular focus on the core international markets identified by SAT namely Africa (Kenya, Nigeria and SAIXC), Germany, UK, USA, Netherlands, France, Australia, India and China. Over and above this, TKZN will continue to allocate some resources into markets where it has established relationships and secured arrivals – which may not be SAT’s core markets – such as Eastern Europe (i.e. Russia, Hungary and Ukraine), Scandinavia, Spain as well as the Middle East.

TKZN marketing programmes will also focus on Business Tourism and marketing through events as these sectors of the tourism market have huge potential for increasing spend, improving seasonality and contributing to economic development.

Furthermore, TKZN recognises the significant global marketing platform that the 2010 Soccer World Cup will afford KwaZulu-Natal and as such will leverage off the soccer,
world cup event to grow destination profile, awareness and tourism arrivals into the province. To this end, TKZN has developed a Provincial Tourism 2010 plan which is aligned to the National Tourism Plan for 2010 developed by the national Department of Environmental Affairs and Tourism. Furthermore, TKZN will work with the host city (i.e. Durban), all the provincial government departments as well as other partners in leveraging the tourism opportunities presented by this event.

To achieve this, TKZN in terms of the following will:

**LEAD DOMESTIC MARKETING OF THE PROVINCE**

- Invest in aggressive Above The Line (ATL) & Below The Line (BTL) campaigns to increase brand awareness and conversion.
- Move towards experience vs. product (destination) marketing, in line with consumer needs.
- Create brand alignment and synergy with sub-brands.
- Provide promotional tools and create platforms to market priority destinations.
- Strengthen intra and inter-provincial marketing campaigns to defend domestic market share (build loyalty).
- Establish KZN as an "all year round" destination in an attempt to gradually de-seasonalise tourism.
- Set up excellent trade relationships with key partners.
- Initiate Trade Insight Understanding and Channel Segmentation – for better understanding of the tourism trade segments and agreed relevant approaches for each (including SMMEs).
- Continue hosting familiarisation and educational trips.
- Participation in relevant trade and consumer shows and workshops.
- Implement the domestic group tourism strategy.

**GROW INTERNATIONAL ARRIVALS**

- Leverage off SAT’s marketing effort for international markets.
- Focus marketing efforts in core source markets aligned to SAT segment’s with particular focus on SADC and Africa which contribute 60% of KZN’s arrivals.
- Strengthen international trade relations in strategic markets.
- Maintain international representation in UK and Germany and explore other markets (like USA).
- Retain Indaba in Durban beyond 2009.
- Implement the international group tourism strategy focused on group tours, cruise tourism and charter markets.
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- Retain Indaba in Durban beyond 2009.
- Implement the international group tourism strategy focused on group tours, cruise tourism and charter markets.
IMPLEMENT TACTICAL “VOLUME DRIVES”

- Implement tactical seasonality and tourist dispersal campaigns.
- Establish marketing through events to raise destination profile, combat seasonality and spread the benefits of tourism to other destinations in the province.

DEVELOP AND PROMOTE KZN AS A BUSINESS TOURISM DESTINATION

- Business Tourism strategy activation.
- Provide delegate sourcing and boosting support to the Inkosi Albert Luthuli ICC (ICC).
- Implement the group tourism strategy for business tourism - Meetings, Incentives, Conferences and Events (MICE).
- Provide bid support to the ICC and Durban Africa.

OPTIMALLY LEVERAGING DESTINATION MARKETING OPPORTUNITIES RELATED TO THE 2010 SOCCER WORLD CUP

- Prepare and implement 2010 readiness and leverage plans in order to maximise the tourism benefits leading up to 2010 and beyond.
- Registration with MATCH for provincially-based accommodation establishments should be a key strategic priority during this planning period to ensure that the various district municipalities are included as hubs during the 2010 event.
- The destination marketing strategies and actions that have been articulated related to the 2010 Soccer World Cup should be underpinned by key responsibilities, time-frames, financial implications and milestones.
- Strategic priority should be placed on mobilising appropriate funding during this planning period to undertake the relevant strategies and actions effectively.
- The wide spectrum of envisaged 2010 strategies and actions that are currently being formulated by public and private sector stakeholders in KZN should be placed into an integrated longer-term (before, during and beyond) strategy. TKZN should champion this urgent and important initiative (Germany’s integrated strategy centered on the “Land of Ideas” campaign can be a very useful frame of reference in this regard).
- Appropriate research and knowledge management will be critical to optimise the opportunities related to 2010. Given the fact that the 2010 event will attract a number of “new” markets to KZN, market research will be essential to understand the needs and expectations of the prospective visitors and to use this intelligence as a base for marketing and ensuring appropriate product-market matches throughout the province.
Given the experience of previous mega-event hosts, a key challenge for TKZN is to manage the so-call "displacement factor" and to explore opportunities innovatively to get potential "displacement" segments to explore other destinations in KZN during the 2010 hosting period.

Explore strategies to leverage branding and promotional opportunities on the back of the 2010 event. The Sydney Olympics and the 2006 German Soccer World Cup provides excellent destination marketing examples in this regard.

In the build-up and during the event, a key challenge for TKZN and its partners will be to manage and facilitate realistic economic benefits and business/community opportunities related to the event.

Developing a comprehensive and integrated communication strategy related to the rollout and destination marketing contributions/opportunities related to the event should be a strategic priority for TKZN and its destination marketing partners.

TKZN management should pro-actively network with opinion leaders in the soccer fraternity to co-ordinate efforts and leverage appropriate destination marketing opportunities for TKZN and its destination marketing partners.

TKZN should proactively pursue opportunities with the key 2010 sponsors (e.g. getting them to develop their 2010 related advertisements and campaigns with features of KZN as the backdrop to these advertisements and campaigns).

In collaboration with SAT, explore the possibility of launching a destination marketing campaign that is complementary, but also linked to the 2010 event, with its own set of sponsors (e.g. similar to Germany's "Land of Ideas" campaign with it's complementary set of key sponsors).

Explore collaborative opportunities with surrounding countries such as Lesotho and Mozambique. Once TKZN's destination marketing strategy related to 2010 is in place, a strategic work session could be held with surrounding countries and provinces to establish a collaborative platform and to formulate a joint strategy.

ADDRESS ACCESS ISSUES (AIR, SEA AND GROUND)

- Lobby actively to resolve critical tourism access needs
- Activate aviation development strategy
- Work with our partners in marketing the new King Shaka International Airport
- Activate cruise tourism strategy
CREATE JOINT MARKETING AGREEMENTS (JMAS) AND MEMORANDA OF UNDERSTANDING (MOUS) WITH STRATEGIC PARTNERS.

- Partnerships with private sector entities geared towards creating growth of the industry and "stretching the rand".
- Partnerships with other public entities (the Playhouse Company, Ekznw, Natal Sharks Board, Amala AkwaZulu-Natal, KZN Philharmonic Orchestra) to grow the industry.
- Partnerships with, and mentorship of, communities that are entering the industry in order to unlock tourism potential within a specific community.
- Strategic alliances with other provinces to complement TKZN’s product offering.
- Strengthen partnerships with the media.

CREATE ALIGNMENT AND SYNERGY WITHIN THE INDUSTRY

- Align TKZN’s activities with those of government at national, provincial and local levels as well as the tourism trade to ensure maximum efficiency.
- Synergised planning with SAT.
- Collaborative initiatives with surrounding provincial and regional tourism stakeholders (e.g. in Lesotho and Mozambique)
- Mutually beneficial strategy to mobilise collaborative partnerships with “non-tourism” stakeholders such as leading banks and soft drinks companies, to facilitate co-branding and cross marketing opportunities.

INTERNAL MARKETING AND POLICY ADVOCACY

- Market TKZN to its local citizens, the media and the community at large
- Marketing campaign for people of the province to be positive and also communicate positively to current and prospective tourists

Responsible and Demand-driven Tourism Development and Accessibility

TKZN is committed to responsible tourism practices at all levels. This ranges from the commitment to transformation in the industry to responsiveness to global climate change.

Therefore, critical to the execution of tourism mandate to develop and grow tourism in the province, will be the leveraging of resources – both financial and otherwise – as well as cross-sectoral collaboration. TKZN will forge strategic partnerships with role-players in the tourism trade and public sector aimed at optimal and responsible development of tourism within the province.

Actions to be taken in this regard in terms of the following will be to:
CREATE JOINT MARKETING AGREEMENTS (JMAS) AND MEMORANDA OF UNDERSTANDING (MOUS) WITH STRATEGIC PARTNERS.

- Partnerships with private sector entities geared towards creating growth of the industry and “stretching the rand”.
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Actions to be taken in this regard in terms of the following will be to:

Beyond expectations...within your reach | www.zulu.org.za
TOURISM DESTINATION DEVELOPMENT

- Encourage innovation in the diversity of product offering, e.g. new routes and experiences (develop Township and Rural Tourism, Medical Tourism, Disabled Tourism, and Ecocultural Tourism).
- Proactively identify and match product offerings to key market segments.

### Relative Market Potential
**Input-Key Consumer Segment Profiles**

<table>
<thead>
<tr>
<th>Key Consumer Segments</th>
<th>Naturelovers</th>
<th>Viewing lakes</th>
<th>Dining Big City</th>
<th>Dining Big Other</th>
<th>History of South Africa</th>
<th>Shopping</th>
<th>Tourism</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 German Interlocutors</td>
<td>✅</td>
<td>✅</td>
<td>✅</td>
<td>✅</td>
<td>✅</td>
<td>✅</td>
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<tr>
<td>2 German NSA</td>
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<td>✅</td>
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<tr>
<td>5 UK Interlocutors</td>
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<td>✅</td>
<td>✅</td>
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<tr>
<td>6 UK NSA</td>
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<td>7 US Interlocutors</td>
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<tr>
<td>8 US NSA</td>
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<td>✅</td>
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<td>10 Chinese Upcoming Interlocutors</td>
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<td>11 Japanese Interlocutors</td>
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<tr>
<td>12 Japanese NSA</td>
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<tr>
<td>15 SAOC Wild To Do Lausten</td>
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<tr>
<td>16 SAOC Young and On Getinge</td>
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<td>✅</td>
<td>✅</td>
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<tr>
<td>17 SAOC Young and On Getinge</td>
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<tr>
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<td>✅</td>
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<td>✅</td>
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</tbody>
</table>
- Ensure Social Impact Assessments (SIAs) are incorporated into Tourism Development (TD).

**INVESTMENT PROMOTION**

- As part of its endeavour to encourage demand driven tourism development, TKZN will work with the public investment promotion agencies to promote tourism investments within the province.

**ACCESSIBILITY**

- Facilitate access for disable tourists throughout the province.
- Ensure that focus on the disabled tourist is a cross-cutting initiative that is addressed in all relevant strategies and programmes for TKZN.

**TRANSFORMATION**

The test of the success of the province’s Tourism Growth Strategy is in its contribution to direct economic benefit for the people of KwaZulu-Natal. TKZN remains committed to assisting previously marginalised members of society in their efforts to actively participate in the provincial tourism industry through the promotion of their product offering, whilst acknowledging that its role here is primarily facilitation.

Transformation of the tourism industry remains a key challenge and although industry players have been proactive in tackling it, more work is still needed. TKZN will continue to play a key role in encouraging industry compliance with Government’s BEE Scorecard and provide advisory services to SMMEs to assist in their development.
In addition, TKZN will identify key service providers, such as Ithala and the Tourism Enterprise Project (TEP), to assist in SMME mentorship and assistance.

To help accelerate the transformation of the provincial tourism industry, TKZN will:

**PROVIDE ADVISORY SERVICES TO SMMES AND COMMUNITY TOURISM ORGANISATIONS (CTOS)**

- Start-up advisory service to prospective and existing SMMEs and CTOS and monitoring of progress.
- Facilitate incubator and mentorship programmes.
- Enable business linkages to ensure sustainable SMME growth.

**FACILITATE SKILLS DEVELOPMENT**

- Assist in the identification of training interventions required to address knowledge and skills gaps within the emerging sector of the industry.
- Facilitate training and capacity building interventions for SMMEs.

**MONITOR AND FACILITATE BEE SCORECARD COMPLIANCE**

- Promote the business benefits of the Tourism BEE Scorecard through workshops.
- Develop a BEE database to promote BEE Scorecard compliance.
- Analyse BEE compliance reports and encourage compliance.

**PROACTIVELY LOBBY WITH ALL RELEVANT SMME SUPPORT AGENCIES TO ENSURE THAT TOURISM IS AT THE FOREFRONT OF THEIR FINANCIAL ASSISTANCE AND SUPPORT PROGRAMMES.**

**EXPLORE THE VIABILITY OF FACILITATING THE CREATING OF A BUSINESS CENTRE TO AS A GATEWAY TO KNOWLEDGE, MARKET ACCESS AND MENTORING SUPPORT FOR SMMES IN KZN.**

**ENSURING COMMUNITY FOCUS**

- Address the community as a key stakeholder (focusing on awareness, involvement, guidance and beneficiation).
- Strategic emphasis on capacity building at the local level (including training programmes for local public officials).
- Focus on broadening diversity and participation in the tourism value chain in order to minimise leakages and improve the multiplier effect.
SERVICE EXCELLENCE

TKZN also realises that its source of competitive advantage lies in the people behind TKZN’s tourism products. Training and development, quality assurance and service delivery improvements will constitute a key thrust in the next five years as we strive to ensure a quality tourism experience for visitors to the province, which will promote incremental growth in visits.

TKZN will do through:

IMAGE MARKETING AND PERCEPTION MANAGEMENT

- Ensure a proactive Customer Care Programme.
- Continue with the Tourism Awareness Programme to position KZN as a welcoming and friendly destination.
- Enhance the Service Excellence Programme.
- Leverage media spend to gain extra media coverage.
- Maintain/Manage a Public Relations and Media Relations Programme.
- Formulate a crisis communication plan as a key element of the overall communications plan for TKZN.

Quality Assurance

- Monitor service standards through qualified registration and grading of service providers.
- Co-ordinate the customer care programmes to ensure guest satisfaction.
- To encourage awareness and promote the concept of access as integral to the achievement of service standards and grading criteria.

WORK JOINTLY WITH ALL STAKEHOLDERS TO HELP ASSURE THE HEALTH AND SECURITY OF TOURISTS

- Implement the Tourism Awareness Campaign.
- Encourage the establishment of an integrated approach on disaster management for the whole province.
- Raise tourism awareness, linking to economic benefits.

INFORMATION AND KNOWLEDGE MANAGEMENT

TKZN will ensure that the monitoring, evaluation and benchmarking indicators included in the TKZN strategy are internationally benchmarked and relevant. In addition to this information, the provision of relevant information to tourists and other key stakeholders and partners about the destination is of vital importance.
TO ACHIEVE THIS TKZN WILL:

MAINTAIN EFFECTIVE INFORMATION AND KNOWLEDGE MANAGEMENT

- Ensure leading edge market research availability for the domestic market.
- Provide a comprehensive tourism information service to consumers and the trade.
- Initiate domestic tourism measurement to monitor performance against targets.
- Continue management of tourism registration systems.
  Develop a database (in the current tourism asset data base) of accessible tourism services and attractions, to enable Information offices to disseminate appropriate information to tourists with disabilities.
- To provide training to frontline staff on the information of accessible services and attitudinal training for appropriate customer care.
- Marketing tools to include specific reference to where information can be obtained on accessible tourism services and attractions, e.g. TKZN website, information offices, Disability Tourism Forum, etc.
- Implement appropriate indicators to measure the effectiveness and impacts of marketing initiatives (e.g. advertising, public relations initiatives, media visitation programmes, events, etc.)

BUILD TRUST AND CREDIBILITY VIA INFORMATION SHARING

- Create platforms for information sharing between TKZN and trade partners, including BEE businesses and SMMEs and other provinces.

ENABLING THE ORGANISATION

To ensure optimal execution of this Strategy, TKZN will be structured and managed within an environment with the necessary financial and administrative capacity, driven by a fully motivated team. TKZN will maintain a governance structure with specific targets, regularly monitoring progress towards achieving these targets.

Actions to be undertaken include:

CORPORATE GOVERNANCE

- Continue development and implementation of operational policies and procedures.
- Maintain risk management and internal controls.
- Define and implement BEE policy.
- Implement budgeting for performance bonuses.

DEVELOP HUMAN RESOURCE SYSTEMS TO MEET THE STRATEGIC NEEDS OF THE ORGANISATION

- Develop a training, recruitment and development plan to address skills and competency gaps within the organisation.
• Create a diversity management programme.
• Develop a performance management system that links directly with training and
development, organisational performance and the reward system.
• Establish Employee Assistance Programme (EAP) for employee wellness.
• Initiate leadership programmes to enhance organisational performance.

IDENTIFY AND DEVELOP EFFECTIVE MANAGEMENT INFORMATION
TECHNOLOGY AND SYSTEMS

• Develop and implement an effective internal operations and communication
system.
• Keep abreast with latest innovations in this area and ensure that TKZN remains at
the cutting edge of Information and Communication Technology.

MANAGE FINANCIAL CONSTRAINTS ON DELIVERY OF STRATEGY

• Continuously lobby for increased funding from the provincial government.
• Identification of alternative and complementary sources of funding.
• Analysis of international trends and best practice.

BUDGET PLAN

<table>
<thead>
<tr>
<th>Details</th>
<th>2008/9</th>
<th>2009/10</th>
<th>2010/11</th>
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<tbody>
<tr>
<td>(R'000)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income</td>
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<tr>
<td>Provincial Government Grant</td>
<td>R61 564</td>
<td>R64 334</td>
<td>R68 194</td>
</tr>
<tr>
<td>Other Income</td>
<td>R926</td>
<td>R968</td>
<td>R1 026</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>R62 490</td>
<td>R65 302</td>
<td>R69 220</td>
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<td>Expenditure</td>
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<td>A: Office of the CEO</td>
<td>R1 770</td>
<td>R1 854</td>
<td>R2 065</td>
</tr>
<tr>
<td>B: Marketing and Communication</td>
<td>R29 095</td>
<td>R30 473</td>
<td>R33 943</td>
</tr>
<tr>
<td>C: Tourism Information Services</td>
<td>R4 082</td>
<td>R4 276</td>
<td>R4 763</td>
</tr>
<tr>
<td>D: Tourism Development</td>
<td>R2 617</td>
<td>R2 741</td>
<td>R3 053</td>
</tr>
<tr>
<td>E: Corporate Services</td>
<td>R24 926</td>
<td>R25 998</td>
<td>R25 396</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td>R62 490</td>
<td>R65 302</td>
<td>R69 220</td>
</tr>
<tr>
<td>Net Surplus/(deficit)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

# All costs relating to compensation of employees for the entire organisation are
included under this department.
BUDGET ALLOCATIONS

In line with TKZN's primary role, there is a substantial increase in the investment behind the marketing of the Province.

Given that the emphasis of its Strategic Plan is on delivery, and also taking into account that people are one of the most important assets, TKZN will ensure it invests in its human resources by continuously rewarding exceptional performance.

With regard to the tourism work that has to be done to ensure that the province benefits from tourism opportunities linked to the 2010 Soccer World Cup, there is a need for increased funding to cater for this.

RISK

It is critical that an environment conducive to tourism growth is created – which includes heightened and proactive action to create as safe and hazard free an environment as possible for visitors to the province.

TKZN will champion a tourism risk management strategy for the province and will also be involved in the disaster recovery plan for the province. Added to this would be a need for a contingency planning and crisis management readiness during the planning period.

In addition, ongoing improvements in product and service standards will be imperative for the overall improvement of the environment in which tourism takes place.

It is anticipated that the new King Shaka International Airport will be operational by 2010. This will make it possible for the 2010 Soccer World Cup spectators to fly directly into the Province from their various countries. However, a lot of work has to be done to market and secure international airlines that will be flying directly into the province. TKZN endeavours to work with all its partners to facilitate this realisation. Consequently, the business environment in the province will be conducive to growing tourism demand.

GOVERNANCE STRUCTURE

[Diagram showing governance structure]
Tourism KwaZulu-Natal’s governance structure is designed to ensure that it is aligned to provide its shareholders and the wider stakeholder body appropriate, efficient and effective implementation and where necessary review of the strategy.

TKZN will, through its most valued assets, its people, continuously resource itself both administratively and financially to contribute to making KwaZulu-Natal a leading tourism destination.

The envisaged structure will be one that will continually ensure the following:

- That the organisation is best poised to deliver on the strategy.
- That legislative requirements are maintained to ensure best practice if followed in the organisation.
- Fair and equitable procurement policies and procedures.
- Fair and equitable employment and labour relations practices.

Furthermore, TKZN will ensure that it is appropriately structured to deliver on this strategy. To this end, there are five departments each with distinct but complementary objectives and responsibilities. These are:

<table>
<thead>
<tr>
<th>Department</th>
<th>Objective</th>
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<tbody>
<tr>
<td>Office of the CEO</td>
<td>• To ensure effective Corporate Governance</td>
</tr>
<tr>
<td></td>
<td>• To ensure positive image of TKZN and the tourism brand</td>
</tr>
<tr>
<td></td>
<td>• To ensure coordinated development and promotion of tourism in the province with private sector partners</td>
</tr>
<tr>
<td></td>
<td>• To leverage resources</td>
</tr>
<tr>
<td></td>
<td>• To lobby for action around addressing barriers to the growth of tourism in the province</td>
</tr>
<tr>
<td>Marketing and Communications</td>
<td>• To build a strong, integrated KZN tourism brand</td>
</tr>
<tr>
<td></td>
<td>• To defend KZN’s domestic market share</td>
</tr>
<tr>
<td></td>
<td>• To grow international arrivals</td>
</tr>
<tr>
<td></td>
<td>• In partnership with Durban Africa and ICC grow KZN’s business tourism</td>
</tr>
<tr>
<td></td>
<td>• To create brand alignment and synergy with sub-brands</td>
</tr>
<tr>
<td></td>
<td>• To strengthen trade relations with trade partners</td>
</tr>
<tr>
<td></td>
<td>• To create and optimally utilise communication opportunities to hold and maintain a positive image of the Zulu Kingdom brand amongst consumers and stakeholders</td>
</tr>
<tr>
<td></td>
<td>• To increase brand awareness</td>
</tr>
<tr>
<td></td>
<td>• To manage and control messages to both external and internal stakeholders</td>
</tr>
<tr>
<td></td>
<td>• To ensure ongoing internal communications</td>
</tr>
</tbody>
</table>
| Tourism and Information Services | • To provide tourist information about the province  
• To continuously measure the overall performance of the TKZN tourism industry  
• To maintain an information and knowledge management system and databases including the tourist service provider registration |
|----------------------------------|--------------------------------------------------------------------------------------------------|
| Tourism Development              | • To develop and facilitate demand driven tourism infrastructure  
• To fast track tourism growth in the province by facilitating tourism investments in conjunction with TKZN  
• To provide strategic business advice and support of the development of tourism BEE within the province |
| Corporate Services               | • To provide enabling environment which ensures that the skills, knowledge and attributes of employees are applied to realise maximum benefits  
• To provide reliable support service to assist the various departments within TKZN in carrying out their strategic objectives and effective implementation of the strategy  
• To oversee statutory and regulatory compliance including financial management  
• To ensure that the TKZN's activities are in line with the strategy |
APPENDIX A

Macro Goals and Targets

<table>
<thead>
<tr>
<th>Measure</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
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<tr>
<td>Domestic Trips(m)</td>
<td>1.4m</td>
<td>1.46m</td>
<td>1.5m</td>
<td>1.7m</td>
<td>1.96m</td>
<td>2m</td>
<td>2.1m</td>
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<tr>
<td>Domestic spend per person per trip</td>
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<td>467</td>
<td>492</td>
<td>518</td>
<td>545</td>
<td>573</td>
<td>603</td>
</tr>
<tr>
<td>Foreign spend per person per trip</td>
<td>6 132</td>
<td>6 439</td>
<td>6 761</td>
<td>7 099</td>
<td>7 454</td>
<td>7 827</td>
<td>8 218</td>
</tr>
<tr>
<td>Direct Contribution to GGP (bn)</td>
<td>14</td>
<td>15</td>
<td>16</td>
<td>18</td>
<td>22</td>
<td>23</td>
<td>25</td>
</tr>
<tr>
<td>Total Contribution to GGP (bn)</td>
<td>20</td>
<td>22</td>
<td>23</td>
<td>26</td>
<td>30</td>
<td>33</td>
<td>36</td>
</tr>
<tr>
<td>Total Employment</td>
<td>143 000</td>
<td>148 000</td>
<td>154 000</td>
<td>163 000</td>
<td>184 000</td>
<td>191 000</td>
<td>198 000</td>
</tr>
<tr>
<td>Spread International to Bettlesale, Kagiso, Milnars and South Coast</td>
<td>+1%</td>
<td>+1%</td>
<td>+1%</td>
<td>+1%</td>
<td>+1%</td>
<td>+1%</td>
<td>+1%</td>
</tr>
<tr>
<td>Spread Domestic to Bettlesale, Kagiso and Stilwell Coast</td>
<td>+1%</td>
<td>+1%</td>
<td>+1%</td>
<td>+1%</td>
<td>+1%</td>
<td>+1%</td>
<td>+1%</td>
</tr>
</tbody>
</table>

Assumptions for targets:

- SAT, WTO and WTTC projections are reasonable;
- Duba Trade Port established in 2009;
- Achieved 2 mn additional domestic tourism trips in past 10 years;
- Spread base derived from National Growth Strategy;
- 2004 direct employment base derived from 20% of SAT estimate of direct employment of 539 000;
- 2004 total employment derived from WTTC’s estimate of 1.1mn for RSA;
- Utilised WTTC’s estimate of 39% increase in direct RSA tourism employment by 2010;
- Utilised WTTC’s estimate of 37% employment in total tourism related employment by 2010;
- Utilised WTTC’s estimate that R166 000 of total tourism contribution to GDP will be required to generate 1 direct or indirect tourism job in 2010;
- Utilised SAT’s projection that RSA will achieve 10 mn foreign arrivals by 2010;
- Utilised the WTTC forecast that RSA tourism will contribute R240 mn to GDP by 2010.
DESTINATION "WELLNESS" INDICATORS
(Discussion draft of a model and framework being developed and tested by Prof. Ernie Heath)

Satisfied to Wow! Visitors
- Accessibility
- Depth and diversity of attractions (experiences)
- Location and supportive factors
- Value for money, experiences
- Overall quality of tourism experience

Positive to Passionate! Locals
- Community involvement and benefits
- Business development and environmental movement
- Access and affordability to tourism "experiences" for locals
- Improved facilities and services as a result of tourism
- Balancing triple-bottom line for destination (ECONOMIC, environmental, and social)

Underpinning Industry Success Indicators/Benchmarks
- Arrivals/length of stay indicators
- Yield indicators
- Seasonal trends
- Regional trends
- Accommodation occupancy indicators
- Accessibility (air/road) indicators
- Safety/health indicators
- Skills/ transformation indicators
- Innovation/innovation indicators
- Brand position