TOURISM KWAZULU-NATAL
TOURISM STRATEGY
2006-2011

Beyond expectations…within your reach
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1. EXECUTIVE SUMMARY

Tourism KwaZulu-Natal (TKZN) is responsible for the development, promotion and marketing of tourism into and within the province. The Authority's statement of intent and direction is drawn from the mandate vested in the Organisation by the KwaZulu-Natal Tourism Act, 1996 (as amended, including No. 2 of 2002).

TKZN’s strategic plan 2006-2011 has been informed and shaped by the Provincial Growth and Development Strategy (PGDS), the National Tourism Growth Strategy, TKZN’s Tourism Strategy 2003 – 2006, as well as the policy direction set by the Provincial Government. It also considers 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 realise its mandate.

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 fundamental principles of co-operative governance, partnerships, leveraging of resources and continued transformation of the sector.

Alignment with national, provincial and local stakeholders consequently forms a key strategic thrust of the plan. TKZN will actively pursue partnership and alignment 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 creating 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 organisations 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.
2. INTRODUCTION

The KZN Provincial Tourism Strategy 2006-2011 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 2009. It sets out TKZN’s approach to dealing with tourism development, marketing imperatives and the related investment required in the province. The Strategy is developed in the context of a growing tourism market, current significant investment in tourism, other developments, and envisaged future developments, such as King Shaka Airport and Dube Trade Port.

This Strategy evolves from that agreed in 2003, which has been implemented steadily over the past two years. The current Strategy has proved successful in delivering significant growth in the province’s tourism industry, such that it now contributes about R18 billion a year (or +/-10%) to the KwaZulu-Natal economy and employs in the order of 140 000 people, directly or indirectly.

The Strategy projects that this growth will accelerate so that by 2011 KwaZulu-Natal will have established itself as a globally competitive tourism destination and one of Africa’s leading destinations. Tourism contribution to Gross Geographic Product (GGP) will have grown to approximately R35billion a year and the Industry will have made significant progress toward 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 to deliver on the agreed TKZN role and realise the overarching goals of growing 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, the TKZN 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 is clarified and there is a focus on delivery by tasking TKZN to realise a clear 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 7.3% in 2003, accounting for approximately 800 000 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 11 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 total contribution to GGP is standing at about R18 billion – about 10% of the provincial economy. The province currently attracts about 1.3 million foreign visitors and 11.6 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 plans set out in this Strategic Plan receive the support and investment to realize the vision of making KZN Africa’s leading tourism destination.

3. OUR VISION

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

4. OUR MISSION

To initiate, facilitate, co-ordinate and implement:

- strategic tourism marketing, and
- demand–driven tourism development programmes

Which grows tourism and thereby serving to achieve:

- the transformation of the tourism sector within the Province;
- economic benefits to all stakeholders and the Province.
5. **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!

6. **OUR ROLE**

TKZN has focused its role into five areas. TKZN will:

i. Pursue economic growth within National and Provincial Tourism Guidelines, by:

   - Actively developing KZN as a tourism destination;
   - Marketing KZN effectively to the target tourist audiences;
   - Constantly updating and maintaining its information and knowledge management system for the benefit of tourists and stakeholders alike; and
   - Championing quality assurance for all tourism products in the province, thereby ensuring that the highest attainable standards are maintained.

ii. Be the one-stop tourism information gateway for the province.

iii. Ensure that tourism in the province is developed responsibly.

iv. Facilitate partnerships, which achieve the tourism goals.

v. Champion the transformation of the provincial tourism industry.
7. OUR GOALS & OBJECTIVES

TKZN’s overarching goals are:

<table>
<thead>
<tr>
<th>Currently</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>GGP contribution</td>
<td>+/- R18bn +/- R35bn</td>
</tr>
<tr>
<td>Employment</td>
<td>139 700 201 000</td>
</tr>
</tbody>
</table>

**Transformation**
- To encourage the private sector to achieve national Tourism BEE scorecard targets and to report on the sector’s achievements. To ensure that the Public sector and its Agencies act in accordance with the BEE scorecard.
- TKZN will monitor its own procurement to ensure compliance with BEE.

These goals will be realized by concentrating on key measurable macro objectives, which will become TKZN’s focus:

<table>
<thead>
<tr>
<th>Focus Area</th>
<th>Objective</th>
<th>Performance Indicator</th>
</tr>
</thead>
</table>
| **1. Marketing** | Increase foreign arrivals | Number of foreign tourists
| | | % Growth in visitor numbers
| | Increase share of domestic visitors | Average spend per tourism,\n| | | Forex earnings from tourism
| | Increase tourism expenditure [spend] | Average spend per tourist trip
| | Reduce foreign seasonality | Attempt to achieve a seasonality index of 1.2 per annum
| | Increase geographic spread | In case of domestic tourists, at least two destinations visited per trip
| | | In the case of foreign tourists, at least three destinations visited per trip
| | Improve destination image | % increase in top of mind awareness
| | | % increase and/or positive ratings with regard to:
| | | Perceptions of value for money
| | | Perceptions of safety and security
| | | Perceptions of being a welcoming destination
| | | Perceptions of the authenticity of TKZN’s product
| | | Ability to rest and relax
| **2. Tourism Development** | Foster demand driven Tourism Development | % improvement in graded establishments
| | | Improvement in level on service provider registration
| | | No of Tourism Awareness initiatives
| | | Perceptions of TKZN’s historical and cultural product
| | | Perception of the ability to travel year round in KZN
| | | Perceptions of TKZN’s natural wildlife experience
| | | Annual Service Excellence Awards
3. Partnerships and Alignment

<table>
<thead>
<tr>
<th>Build Strategic Partnerships and Alignment</th>
<th>Number of Memoranda of Understanding (MOUs) concluded</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of Joint Marketing Agreements (JMAs) 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>
</tr>
</tbody>
</table>

4. Transformation

<table>
<thead>
<tr>
<th>Serve as a catalyst for transformation</th>
<th>% increase in the number of SMME businesses supported.</th>
</tr>
</thead>
<tbody>
<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>
</tbody>
</table>

5. Enabling Environment

<table>
<thead>
<tr>
<th>Create an organization that provides an enabling environment for delivery against TKZN’s objectives</th>
<th>% spent on administrative expenditure vis a vis line function expenditure</th>
</tr>
</thead>
<tbody>
<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 developmental training</td>
</tr>
</tbody>
</table>

8. 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 organization, its stakeholders and partners to make appropriate strategic choices to realize 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; and
- Our people.

8.1 OUR APPROACH

TKZN has recognized 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.
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 brands 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 of the Zulu Kingdom
8. Pietermaritzburg & Midlands – Capital of the Zulu Kingdom

Through comprehensive and ongoing market research, the brand strategy will be refined to evolve the brand into a “unitary” brand, with strong saliency in both the domestic and international market place.
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 KZN 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.

8.2.1 Brand Architecture

8.3 OUR PARTNERS

TKZN recognizes 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 organization’s partners can be divided into the following core categories:

- Those organizations, 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 recognizes that the success of its promotional, marketing and developmental efforts rests heavily on the ability of the organization 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 organizations will prioritize 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.

8.4 OUR PEOPLE

TKZN recognizes that the success of its strategy rests upon the ability of the organization to put its people, both of the Province, and employees, at the centre of its activities. To this end the organization will prioritise the employment of people who will add value to the core competencies and responsibilities of the organization and do all possible to delegate the authority responsibly to all levels of staff within the organization 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 prioritize 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.
9. STRATEGIC FOCUS AREAS

The strategic review process focused TKZN’s priorities in five areas, called strategic thrusts, which constitute TKZN’s programmes. These priorities are the means of delivery of the plan and focus on action over the five years. They are also clearly interdependent.

<table>
<thead>
<tr>
<th>KZN Tourism Growth</th>
<th>Drive the marketing of KZN as Africa’s leading tourism destination</th>
<th>Foster demand driven Tourism Development</th>
<th>Build Strategic Partnerships and Alignment</th>
<th>Serve as a Catalyst for Transformation</th>
<th>Create an organisation that provides an enabling environment for delivery against TKZN’s objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• GGP</td>
<td>• Employment</td>
<td>• Transformation</td>
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</table>

9.1 Drive the marketing of KZN as a leading tourism destination

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

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

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 targets segments in the following key source markets: KwaZulu-Natal, Gauteng, Eastern Cape, Western Cape and Mpumalanga.

Tourism KwaZulu-Natal’s 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 SADC), Germany, UK, USA, Netherlands, France and Australia. Over and above this, the 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, Russia, Hungary, as well as India and China.
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 recognizes 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, Tourism KwaZulu-Natal will align itself with and provide input into the National Tourism Plan for 2010 currently under development by the national Department of Environmental Affairs and Tourism.

The Action Plans to realize this focus area are:

**9.1.1 Create 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.

**9.1.2 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 familiarization and educational trips.
- Participation in relevant trade and consumer shows and workshops.
- Implement the domestic group tourism strategy.
9.1.3 Grow International Arrivals

- Leverage off SAT’s marketing effort for international markets.
- Focus marketing efforts in core source markets aligned to SAT segments: 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).
- Implement the international group tourism strategy focused on group tours, cruise tourism and charter markets.

9.1.4 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) on 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.

9.1.5 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.

9.1.6 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.
9.1.7 \textit{Develop and promote KZN as a Business tourism destination}

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

9.1.8 \textit{2010 Soccer World Cup Activation}

- Prepare and implement 2010 readiness and leverage plans in order to maximise the tourism benefits leading up to 2010 and beyond.

9.2 \textit{Foster Tourism Development}

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.

TKZN also realises that TKZN’s 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.

This the Organisation will do through:

9.2.1 \textit{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 Eco-cultural Tourism).
- Proactively identify and match product offerings to key market segments.
- Ensure Social Impact Assessments (SIAs) are incorporated into Tourism Development (TD).

9.2.2 \textit{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.
9.2.3 *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.

9.2.4 *Address Access Issues (Air and Ground)*

- Lobby actively to resolve critical tourism access needs.

9.3 **Build Strategic Partnerships and Alignment**

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. Tourism KwaZulu-Natal will forge strategic partnerships with role-players in the tourism trade and public sector aimed at optimal resource utilisation and co-ordinated marketing of the province.

Actions to be taken in this regard will be to:

9.3.1 *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, Amafa AkwaZulu-Natali, 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.

9.3.2 *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.

9.3.3 *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 South African Tourism (SAT).
9.4 Transformation

Transformation of the tourism industry remains a key challenge and although industry players have been proactive in tackling it, more work is still needed. Tourism KwaZulu-Natal 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, the Organisation 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:

9.4.1 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.

9.4.2 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.

9.4.3 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.

9.5 Enabling the Organisation

To ensure optimal execution of this Strategy, Tourism KwaZulu-Natal 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:

9.5.1 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.

9.5.2 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.

9.5.3 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.

9.5.4 Manage financial constraints on delivery of strategy

- Continuously lobby for increased funding from the provincial government.
10. **BUDGET PLAN**

<table>
<thead>
<tr>
<th>DETAILS</th>
<th>2006/7</th>
<th>2007/8</th>
<th>2008/9</th>
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</thead>
<tbody>
<tr>
<td>(R’000)</td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>INCOME</strong></td>
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<td></td>
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<tr>
<td>Provincial Government Grant</td>
<td>R54 796</td>
<td>R57 536</td>
<td>R61 564</td>
</tr>
<tr>
<td>Other Income</td>
<td>R840</td>
<td>R882</td>
<td>R926</td>
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<tr>
<td><strong>TOTAL INCOME</strong></td>
<td>R55 636</td>
<td>R58 418</td>
<td>R62 490</td>
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<tr>
<td><strong>EXPENDITURE</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A: Drive the Marketing of KZN as a leading tourism destination</td>
<td>R37 765</td>
<td>R39 649</td>
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<tr>
<td>B: Foster tourism development</td>
<td>R3 449</td>
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<tr>
<td>C: Build strategic partnerships and alignment</td>
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<td>D: Transformation catalyst</td>
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<td>R1 158</td>
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<td>E: Enabling the organisation</td>
<td>R10 602</td>
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</tr>
<tr>
<td><strong>TOTAL EXPENDITURE</strong></td>
<td>R55 636</td>
<td>R58 418</td>
<td>R62 490</td>
</tr>
<tr>
<td><strong>Net surplus/(deficit)</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

10.1 **Budget Allocations**

In line with TKZN’s primary role, there is a substantial increase in the investment behind the marketing of the Province. Budgetary provision has been made to invest in Transformation of the industry.

Given that the emphasis of this Strategic Plan is on delivery, TKZN will ensure it invests in its human resources by continuously rewarding exceptional performance.

11. **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.

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

Furthermore, the strategy has taken into account a number of other significant factors, which are beyond the jurisdiction of TKZN, e.g. that the King Shaka airport will be operational by 2009 and consequently the business environment in the province will be conducive to growing tourism demand.
12. **GOVERNANCE STRUCTURE**

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

The Authority 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 is 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.
**APPENDIX A**

**Macro Goals and Targets**

<table>
<thead>
<tr>
<th>Measure</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Trips (m)</td>
<td>11.6m</td>
<td>11.8m</td>
<td>11.95</td>
<td>12.1</td>
<td>12.3</td>
<td>12.5</td>
<td>12.7</td>
</tr>
<tr>
<td>Foreign Tourists (m)</td>
<td>1.36</td>
<td>1.4</td>
<td>1.46</td>
<td>1.5</td>
<td>1.6</td>
<td>1.96</td>
<td>2</td>
</tr>
<tr>
<td>Domestic spend per person per trip</td>
<td>583</td>
<td>614</td>
<td>646</td>
<td>680</td>
<td>715</td>
<td>753</td>
<td>793</td>
</tr>
<tr>
<td>Foreign spend per person per trip</td>
<td>5289</td>
<td>5554</td>
<td>5832</td>
<td>6123</td>
<td>6429</td>
<td>6751</td>
<td>7088</td>
</tr>
<tr>
<td>Direct Contribution to GGP (bn)</td>
<td>14</td>
<td>15</td>
<td>16</td>
<td>18</td>
<td>19</td>
<td>23</td>
<td>24</td>
</tr>
<tr>
<td>Total Contribution to GGP</td>
<td>20</td>
<td>21</td>
<td>23</td>
<td>25</td>
<td>27</td>
<td>32</td>
<td>35</td>
</tr>
<tr>
<td>Total Employment</td>
<td>148 000</td>
<td>154 000</td>
<td>159 000</td>
<td>165 000</td>
<td>173 000</td>
<td>194 000</td>
<td>201 000</td>
</tr>
<tr>
<td>Spread</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>International to Battlefields, PMB/Midlands 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>Domestic to Battlefields, Zululand and Elephant 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;
- Dube Trade Port established in 2009;
- Achieved 2mn 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 10mn foreign arrivals by 2010;
- Utilised the WTTC forecast that RSA tourism will contribute R240mn to GDP by 2010.