Development of a framework to assess the economic impact of Coastal and Marine Tourism (CMT) in South Africa – Reflections on primary research undertaken

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Presentation outline

• CMT scope
• CMT economic modelling approaches
• Data collection challenges
• Conclusion and recommendations
CTM and leisure activities

CMT and Leisure

Water-based
for example, marine coastal zones, seas, oceans and ice-associated areas

Coast/beach development
accommodation, restaurants, food industry, and second homes, and the infrastructure supporting coastal development

Tourism
any activity undertaken when a person is “outside his or her usual environment for a specified period of time”

Leisure/recreation
a wide variety of activities which are undertaken out of choice during leisure or play
### Marine tourism and coastal tourism identified by the CMT Lab (NDT, 2016)

<table>
<thead>
<tr>
<th>Marine Tourism</th>
<th>Coastal tourism</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Marine wildlife tourism (e.g. seals, dolphins, turtles etc.)</td>
<td>- Coastal wildlife tourism (e.g. land-based whale watching, marine turtle tours etc.)</td>
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<tr>
<td>- Recreational fishing (e.g. boat-based fishing, spear fishing, fishing competitions etc.)</td>
<td>- Sand/ beach sport (e.g. kite-flying, beach combing, sand dune surfing etc.)</td>
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<tr>
<td>- Scuba diving/ snorkelling (e.g. shark cage diving)</td>
<td>- Coastal heritage and events (e.g. local seafood and cultural tourism, cultural history etc.)</td>
</tr>
<tr>
<td>- Water sports (e.g. big wave surfing, yachting, water skiing, water surfing etc.)</td>
<td>- Sightseeing (e.g. light house tourism, cycling, marathons etc.)</td>
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<tr>
<td>- Ocean experience (e.g. cruise tourism, marinas, island tourism, under water archaeology etc.)</td>
<td>- Educational and scientific excursions (e.g. aquariums etc.)</td>
</tr>
<tr>
<td>- Events (e.g. marine competitions)</td>
<td>- Spiritual experiences</td>
</tr>
<tr>
<td></td>
<td>- Pure recreational (e.g. dining out, shopping)</td>
</tr>
</tbody>
</table>
Key thematic issues emerging from literature review

- Growing importance of CMT globally and nationally (Operation Phakisa context and framework in South Africa)
- Growing prominence of water-dependent recreational activities
- CMT is amongst the largest and oldest sectors of the tourism industry
- Range of different types of coastal and marine tourism and recreational activities
- CMT is diverse and covers a range of coastal and marine assets (beyond cruise and beach tourism)
- Socio-economic and environmental/conservation roles of CMT emphasised
- Importance of Marine Protected Areas (MPAs) foregrounded
- Increasing threats that impact on CMT which includes climate change, economic shifts, security concerns and developmental demands
Economic contributions of CMT case studies

• Numerous studies focusing on the economic impacts of tourism (many events tourism) but fragmented and limited research on CTM
• Focus on national and global or product specific contributions (such as whale watching) contributions based primarily on tourism figures
• Main methodological approaches
  – Survey based (tourists/visitors and tourism enterprises)
  – Macro-economic analysis drawing on national economic data
  – International datasets (eg. UNTWO)
Approaches to measure CMT economic impacts

- *Cost Benefit Analysis (CBA)*
- Input-Output (I-O) models
- General equilibrium models
- Tourism Satellite Account (TSA)
- Time-series forecasting methods
Issues for consideration

• Addressing secondary benefits and multiplier effects
• Types, scope and quality of data/ information required
• Sample sizes
• How to ensure reliability and validity?
Phase 2 objectives

**Develop**
- A standardised framework that will assist in measuring, monitoring and managing the economic impacts of CMT in South Africa

**Pilot**
- Identify key economic indictors
- Develop survey instruments
- Pilot surveys in coastal provinces

**Economic modelling**
- Subject results from piloting to economic modelling using: Cost Benefit Analysis (CBA), Input-Output (I-O) Models and Tourism Satellite Accounts (TSA)

**Revise/ review**
- Surveys and data collection tools
- Sampling framework
- Methodological approach

**Phase 3 implementation**
- Framework developed for implementation
- Appropriate/ best fit economic model/s chosen
Phase 2 Approach

• Identification of key indicators
  – Tourism/ visitor information (room occupancy vs bed occupancy, spend)
  – Job creation (actual and type as well as potential and transformation imperatives)

• Focus on supply and demand side variables

• Targeting of following key CMT stakeholders (surveys developed):
  – Coastal and marine tourism business owners
  – Clients/ Customers/ Users
  – Coastal and marine tourism and hospitality businesses
    • Accommodation
    • Tour operators
    • Restaurants and retail outlets (a short customer survey to accompany these surveys)
  – CMT stakeholder associations/ organisations
Pilot sampling

- Sampling distribution framework and number of surveys completed

<table>
<thead>
<tr>
<th>Surveys</th>
<th>KZN</th>
<th>WC</th>
<th>EC</th>
<th>NC</th>
<th>Total</th>
<th>Number completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer/tourist/user</td>
<td>80</td>
<td>70</td>
<td>30</td>
<td>20</td>
<td>200</td>
<td>201</td>
</tr>
<tr>
<td>Accommodation</td>
<td>20</td>
<td>15</td>
<td>10</td>
<td>5</td>
<td>50</td>
<td>21</td>
</tr>
<tr>
<td>CMT business owners</td>
<td>25</td>
<td>20</td>
<td>15</td>
<td>10</td>
<td>70</td>
<td>13</td>
</tr>
<tr>
<td>Retail outlets and establishments (+5 customer surveys per site)</td>
<td>20</td>
<td>15</td>
<td>10</td>
<td>5</td>
<td>50</td>
<td>26 (97 customer surveys completed)</td>
</tr>
<tr>
<td>Tour operators</td>
<td>10</td>
<td>10</td>
<td>5</td>
<td>5</td>
<td>30</td>
<td>13</td>
</tr>
</tbody>
</table>
Data collection challenges

• Spatial scope of what constitutes CMT
• Surveys not completed in Northern Cape
• Surveys mostly completed in KwaZulu-Natal followed by Western Cape and Eastern Cape
• With the exception of customer/tourist/user surveys, the targeted sample size was not met for the other stakeholders due to the following challenges:
  – Unwillingness to participate (especially among the supply side stakeholders such as accommodation and CMT businesses)
  – Unable to get permission to undertake surveys
  – Unable to locate/access stakeholders (such as CMT businesses and tour operators)
Reflections on data collection instruments

- Surveys too lengthy
- Quality of data collected (especially self-completion surveys)
- Specific questions
  - Poor recollection of monthly information
  - Difficulties in estimating proportions
  - Confidentiality challenges
    - Information on employees
    - Income and expenditure information
  - Service providers: poor response
Conclusion and recommendations

• Need to focus on demand side data collection (customer/user/tourist surveys)
• Revise specific survey questions
• Rethink sampling approach
• Phase 3 implementation
• Guiding principles
  – Simplify the system and approach
  – Develop tools and data collection guidelines to improve data consistency and quality
  – Adopt a consultative and collaborative process
  – Permit comparative and trend analyses over time
  – Research as well as monitoring and evaluation efforts on CTM need to be aligned and consolidated
Thank You! Siyabonga!