

**WHAT ARE THE LINKS
BETWEEN TOURISM
AND DEVELOPMENT?
REFLECTIONS FROM
CLARENS AND
BETHELEHEM**



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TWO TOURISM STUDIES

1. Centre for Development Support (CDS): Survey of 475 tourists and 69 tourism businesses in **Clarens**, 2010
2. Ms Eudora Dhlamini, BA Honours study in Geography, UFS QwaQwa campus: Study of event tourism in **Bethlehem**: 23 low-income h/h, 17 middle-income h/h, and 12 high-income h/h.

A common question: What is the impact of tourism on the economy of these towns?

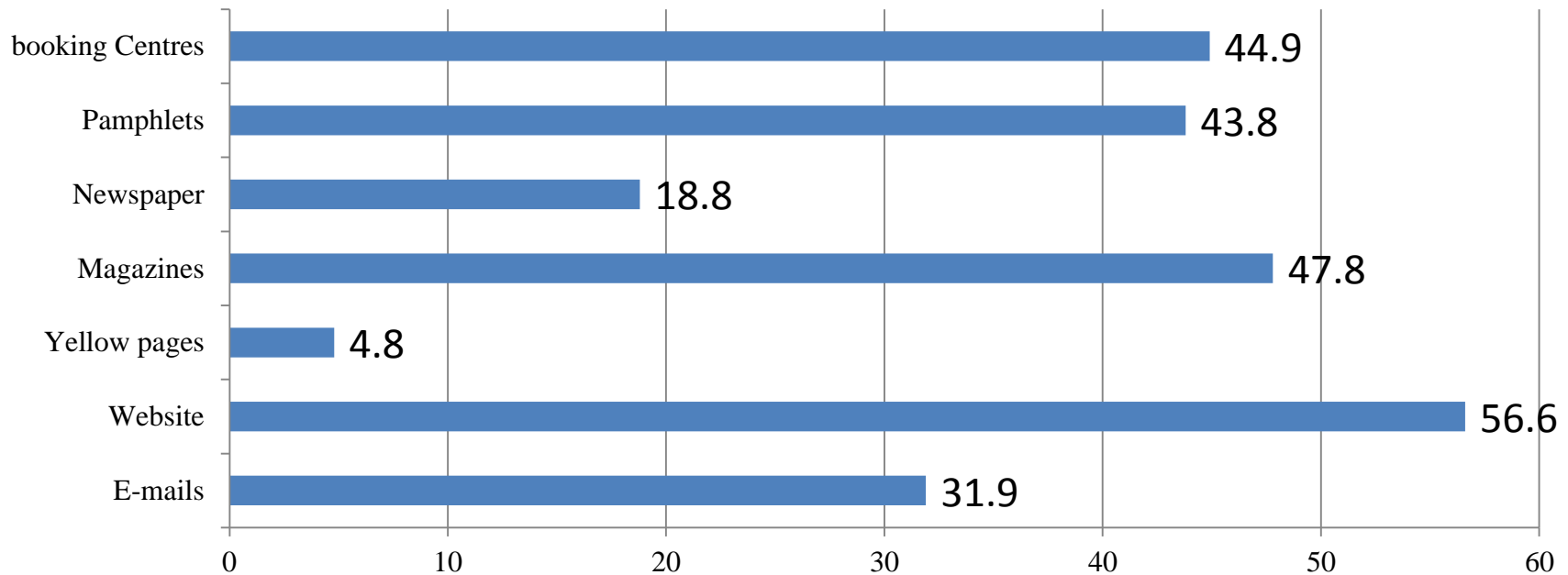
1. Building reputational assets and attracting investment (Clarens)
2. Employment creation (Clarens)
3. Financial multiplier effects (Clarens)
4. Social cohesion (Bethlehem)

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IMPACT 1: REPUTATIONAL ASSETS BY MEANS OF ACTIVE MARKETING: CLARENS



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TOURIST INFORMATION SOURCES (CLARENS)

How	Percentage
Word of Mouth	65.3
Previous visits	8.7
Travel guides / magazines	7.3
Passing through	6.4
Internet	6.4
Radio TV	2
Other	3.9

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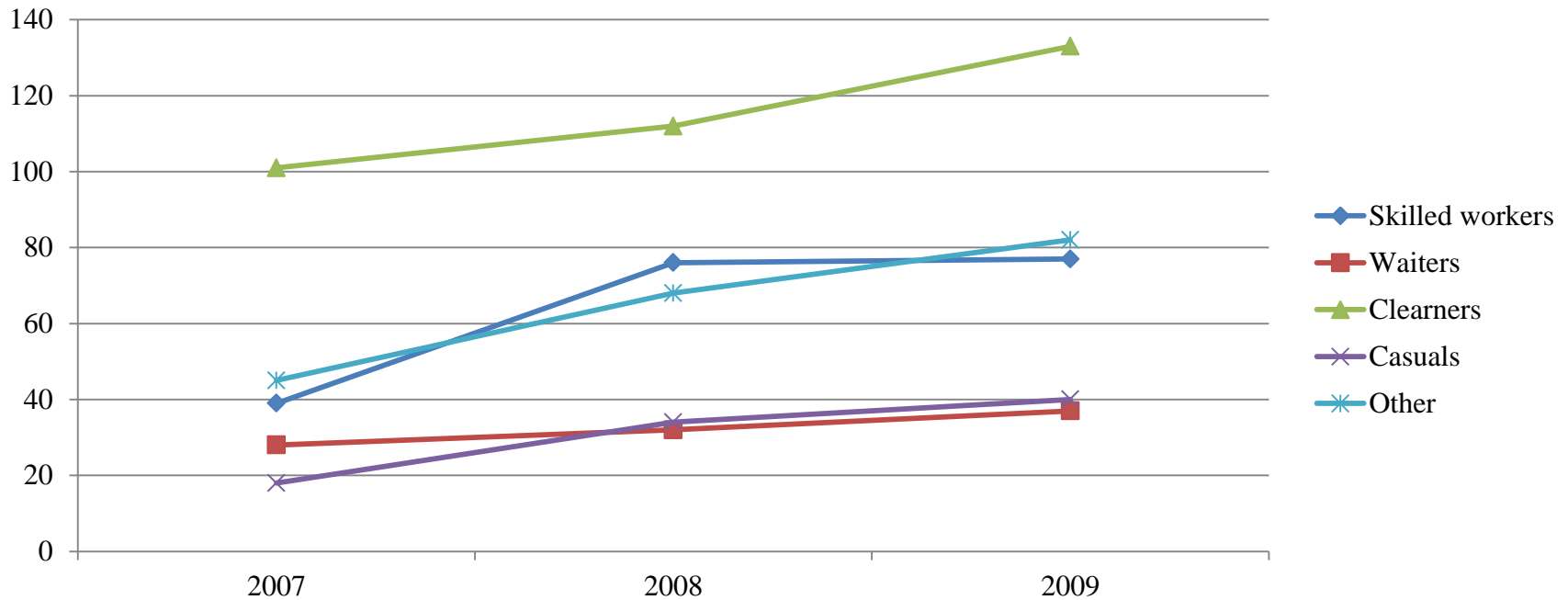
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IMPACT 2: TOURISM EMPLOYMENT IN CLARENS 2007-9



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IMPACT 3: MULTIPLIER EFFECTS

- “Multiplier effect”: For each R1 spent in a town, how much additional business is created in a town? “Circulation of money” – if money spent locally (e.g. by a tourist) is also spent locally (e.g. wages or inputs), then R1 may cause R3 or R4 worth of business in the town. This supports other businesses, and therefore leads to job creation, which causes further multipliers.
- If money is spent **outside** the town, then the “economic leakage” causes reduced financial multipliers in the local town.

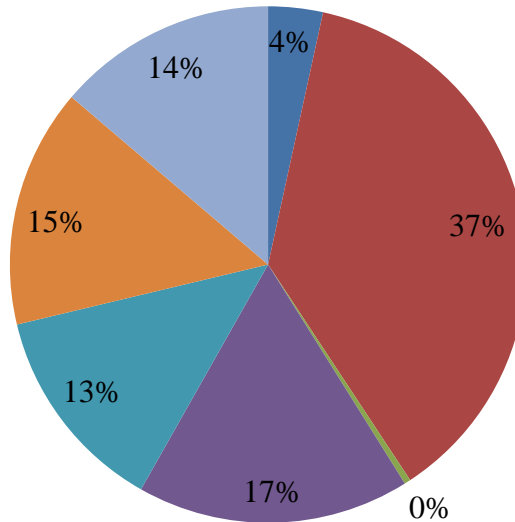
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PURCHASING OF BUSINESS SUPPLIES: TOURISM SECTOR IN CLARENS

TOTAL: R1.7 mil



■ Clarens ■ Bethlehem ■ Harrismith ■ Gauteng ■ KZN ■ Bloemfontein ■ Other

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IMPACT 4: SOCIAL COHESION: BETHLEHEM

Bethlehem study of 3 local tourism events (ToGoTo Expo, Air Show, Hot Air Balloon event, Basha Festival).

3 levels of impact: (1) tourism industry, (2) government, **(3) broader community.**

Main finding: Poorer sector of the community not very involved, due to:

- Language issues (mainly Afrikaans events)
- Inadequate inclusion of stakeholders
- Poor marketing in poorer areas
- Location of events.

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LESSONS FOR POLICY-MAKERS

How maximise beneficial impacts?

- Reputational assets: Co-ordinate marketing and branding
- Employment: Undertake skills surveys and facilitate skills training
- Multiplier effects: Reduce financial leakages
- Social cohesion: Promote inclusivity in tourism.

Who should do this?

E.g. Municipality, Chamber of Commerce, Tourism Association, training institutions. Accurate and relevant information as a guide to action.

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