

# **The impact of governmental structure/support on cultural tourism – a comparison of cross-regional impacts. The Case of the Karoo (South Africa)**

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## **Abstract**

This paper identifies strengths and weaknesses, opportunities and threats in the field of cultural tourism by taking the different stakeholders (governmental and provincial bodies, direct and indirect partners of the creative and tourism industry as well as other relevant parties) and their interactions into consideration.

To analyze the different impact of governmental structures/support in the field of cultural tourism, a survey in two South African provinces (Western Cape and Northern Cape) took place. To examine the different impact of governmental structures and support within the different governments of provinces several steps were carried out:

- Document analysis of existing research within the field of cultural tourism and governmental programs
- Inventory of programs in the field of culture and tourism within the different provinces
- Inventory of business in the broader field of culture and tourism
- Creation of guided interviews and questionnaires (institutions and enterprises)
- Interviews with governmental bodies dealing with culture and tourism
- Interviews with owners of businesses in the field of the creative sector and tourism (their experiences, expectations)

The comparison of the two case studies shows the impact of different behavior on the different stakeholders leading to a different development in the field of cultural tourism. The paper offers recommendations of action for successful development and enhancement of cultural tourism.

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## **1 Introduction**

The aim of this article is to show the impact of stakeholders on the tourism industry on the national, provincial, district and municipality level.

The focus of this project is to gather relevant data to understand the dynamics on the Eastern and Western Cape and the challenges.

The first data sources are official documentation, reports on tourism organization and reports from other researches. The second sources of data are conducted interviews with product owners in the tourism sector, artists, governmental representative and representatives from tourism organizations. The core objectives of this research project are twofold:

- To undertake the discussion of cultural tourism in the means of civic culture.
- Describe and analyze the existing institutional environment that affects the development of the tourism system in the Karoo.

The further analysis presented in this report is developed from interviews conducted with different stakeholders randomly between 2010 and 2013.

Research indicates that three structural factors influence the economic impact of tourism: the strength of backward and forward linkages among industries (Sinclair & Tsegaye, 1990; Britton, 1991); the ownership structures and patterns that typify the sector; and the spatial features of production and related consumption in a given tourism economy (Britton, 1982; Opperman, 1993; Pearce, 1995). If weak linkages prevail among economic sectors and industries directly involved in tourism, the flow-through effect of tourism's impact, particularly from core to ancillary industries such as construction and transport will be weaker.

Following the introduction provided in Chapter 1, Chapter 2 provides a theoretical background to the research design and the context of cultural tourism.

Chapter 3 describes and analyses the existing institutional environment that affects the development of the tourism system in the Eastern and Western Cape. There are a number of national level policy frameworks and associated institutional structures that support tourism development. Also it is informed by empirical data gathered over a longer period. The survey data consists of a random sample. A total of 45 interviews ranging across all tourism product providers and institutions were conducted. Each interview was carried out in English and lasted on average between half an hour and two hours, where participants were encouraged to provide facts and only as a conclusion to give their personal or respectively expert opinion.

The fourth chapter compares the results of Beaufort West and Graaff-Reinet.

Chapter 5 provides key recommendations drawn together from the results of the research reported in Chapters 3 and the comparison in chapter 4.

## **2 Theoretical Background**

### **2.1 Grounded Theory**

The grounded theory will be employed as an overall research strategy. GT is an overarching research heuristics aimed at elaborating an empirically-grounded theory about an under-researched phenomenon (e.g. Finch 2002, Loosemore 1999; Corbin and Strauss 1999) such as the impact of different stakeholders in the tourism industry.

For several reasons grounded theory seems a suitable research approach, taking into account the specifics of the present investigation. Since the literature respectively the existing knowledge with regard to the present research object is of fragmented nature, there is an explicit need on the one hand to verify and on the other to discover relevant aspects. As an instrumental response to such a need, the grounded theory allows interplay of discovery and verification, by giving an accumulation of intermediate achievements (Finch 2002).

First, George (1991: 371) highlighted the case study as a research method "to develop an understanding of how and why each side behaved as it did and to trace the interactions between the participants that led to the outcome".

Second, because of the intention to answer how and why research questions, the present investigation is of an explorative nature (Gillmann 2002; Yin 1994), aimed at elaborating a first theory attempt regarding the impact of stakeholders to the tourism industry and hence the applicability of grounded theory for the purpose of new research areas (Schwarz and Nandhakumar 2002; Locke 2001), can be considered an appropriate research heuristics.

Third, grounded theory allows the simultaneous use of both qualitative and quantitative methods to gain a better understanding of the phenomenon by researching different organizations within these particular settings (Finch 2002; Locke 2001; Loosemore 1999), which is necessary for fulfilling the research objectives.

### **2.2 Cultural tourism**

Cultural Tourism is a special form of tourism that is driven by 'the movement of persons to cultural attractions away from their normal place of residence, with the intention to gather new information and experiences to satisfy their cultural needs'.(Richards 1996)

The typical cultural tourist is 'concerned with a country or region's culture, specifically the lifestyle of the people in those geographical areas, the history of those people, their art, architecture, religion(s), and other elements that helped shape their way of life. Cultural tourism includes tourism in urban areas, particularly historic or large cities and their cultural facilities such as museums and theatres. It can also include tourism in rural areas showcasing the traditions of indigenous cultural communities (i.e. festivals, rituals), and their values and lifestyle. It is generally agreed that cultural tourists spend substantially more than standard tourists do. This

form of tourism is also becoming generally more popular throughout the world, and a recent OECD report has highlighted the role that cultural tourism can play in regional development in different world regions.(OECD 2009)

With reference to the intention of the article to show the impact of government on the success of tourism it should be noted, that to change potential visitors' perceptions of a place takes time, effort and a deep understanding of both the cultural and tourism industries. That is why a once-off advertising campaign does not work. It needs a long term strategy and an evaluation of progress and success to attract new visitors.(Creativtouristconsulting)

### **2.3 Social Capital**

Basis for the analysis of the behavior of different stakeholders is the concept of social capital. According to Thomas (1996:11) the voluntary means and processes developed within civil society which promote development for the collective whole describe social capital as a process. Knoke (1999:18) states that it is the process by which social actors create and mobilise their network connections within and between organisations to gain access to other social actors' resources.

In sociology, social capital is the expected collective or economic benefits derived from the preferential treatment and cooperation between individuals and groups. Although different social sciences emphasize different aspects of social capital, they tend to share the core idea that social networks have value. Just as a screwdriver (physical capital) or a university education (cultural capital or human capital) can increase productivity (both individual and collective), so do social contacts affect the productivity of individuals and groups.

The OECD describes social capital as “networks together with shared norms, values and understandings that facilitate co-operation within or among groups”. This entails networks as real-world links between groups or individuals; pecific networks of friends, family networks, networks of former colleagues, and so on. In general these are networks of relationships among people who live and work in a particular society, enabling that society to function effectively.

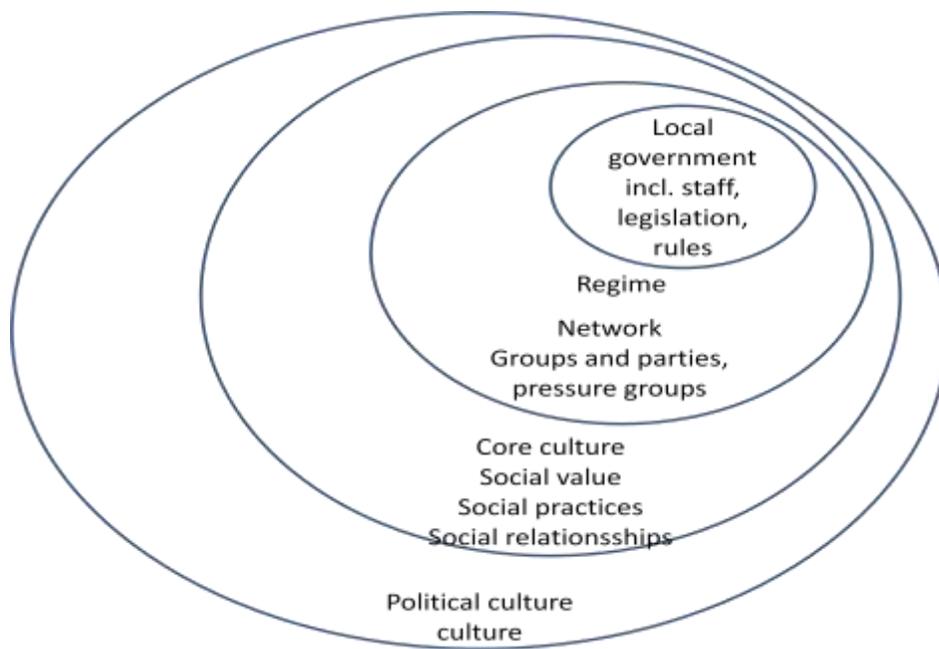
### **2.4 Civic Culture**

There are various definitions of civic culture which either describe it as ‘as the pinnacle of democratic participation (Almond and Verba, 1963) or the relationship between local interest groups (mostly business) and government (Reese and Rosenfeld, 2002a). Putnam (1993) used the concept of civic culture further in order to evaluate the performance of government.

In this respect civic culture is seen as “a means for understanding how municipal policy makers weigh the interests of different groups, govern the local community, frame local issues, engage in decision making and ultimately select and implement public.” According to Reese and Rosenfeld (2002a: 41), civic culture includes the structure of local economic decision making

(competitive environment vis-a-vis other localities); the process through which decisions are made (locus of primary power); the interests involved in decision making; and the decision making styles evident in local public arena (world views of participants, how goals are set, how community envisions itself, language, symbols and myths, perceived proper role of government). In essence, civic culture is the temporal and logical antecedent of the “overt and covert world” within which communities operate. (Reese/Rosenfeld 2002a: 652)

The attributes and components of local civic culture includes what the problem is, what solutions are possible, how decisions are made and who is involved in decision making. It shapes perceptions of how government should function, who has access to decision-making, and how and what policy outputs result (Reese and Rosenfeld, 2002b: 1). This emphasises shared local decisions making and is the essence of the local community. Reese and Rosenfeld (2002b: 8) used three components to the local civic culture; the community power system, the community value system, and the community decision-making system. In other words, the local culture is defined by who has power in local governance, how policy decisions are made, and the values and mores that animate those systems (see figure 1).



**figure 1: Layers of civic culture**

## 2.5 Research design

The multiple case study approach has been chosen to develop an understanding of how and why each side behaved as it did and to trace the interactions between the participants that led to the different outcomes. The impact of stakeholders to the cultural tourism industry is an under-

researched field. In such a situation the qualitative research approaches are generally favored. (Lee 1999).

The data collected was triangulated by using multiple research methods consistent with case-study research, such as expert in-depth interviews, analyzing documentary and other related materials.

Since interviews allow access to information not easily available otherwise and more particular the personal setting of this data collection tool enable the exploration of sensitive issues which respondents might have been hesitant to reveal in questionnaires (Niewiem and Richter 2006). Expert interviews, based on a semi-structured guideline and conducted with representatives of different institutions and organizations as well as product owners, build the core of the whole range of data collection tools.

The survey focuses on two different cities. On the one hand the focus is on Beaufort West (Western Cape), a growing city in the Central Karoo with a total population of 49586 (growth from 2001 to 2012 42%, unemployment rate 20%) with all its problems in terms of job creation and economic development (IDP 2011:9, IDP 2013:29). On the other hand Graaff-Reinet, a notable centre of heritage and architecture with a total population of 26585 (grow from 2001 to 2012 9%, unemployment rate 7%) (Camdebo 2012:26). Both cities have benefited from government programs and the establishment of government offices (Atkinson 2011:3).

Beaufort West and Graaff-Reinet were chosen as tourism orientated towns in the Karoo who belong to two different provinces, but are just 200 km away from each other.

The selection of product owners was randomly in both towns. Although we tried to meet product owners who are part of the LTO as well as some who are no members (these were chosen by walking in the streets and finding some houses, which are not on the list of the LTO). They represent the whole range of establishments (small and large, B&B – hotel, self catering- fully licensed, owner – manager driven).

Interviews with the local as well as the district /provincial / commercial officials in charge for tourism were done by appointment.

Talks to other stakeholders, like the LED agent, the mayor, schools, shop owners etc. were organized by other interviewee or we got the contact details from them.

### **3 Governmental structures and its impact**

South Africa is divided into nine provinces, each with its own legislature, premier and executive council. Each province is divided in different districts. The different municipalities within on district consist of some towns and villages. The following figure shows the levels of governmental structure that have to be taken into consideration while discussing the impact of stakeholders to the development of cultural tourism.

External influences on tourism business



figure 2: external influences on tourism business

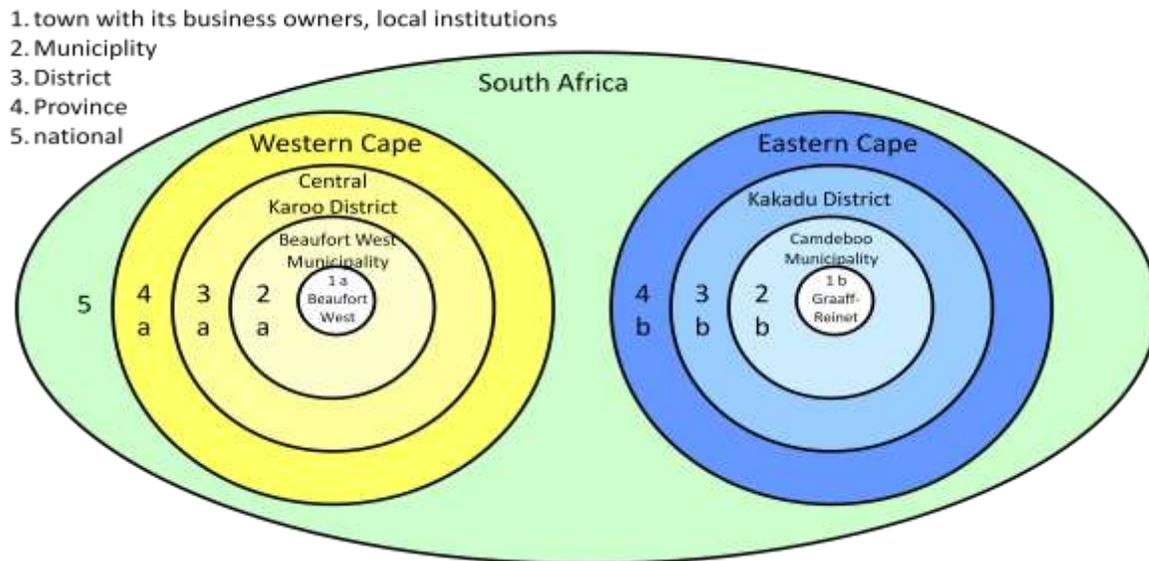


figure 3: levels of governmental structure to compare

Because of the different levels of governmental structures, both towns do have contacts to institutions in other cities, not near, see figure 4.



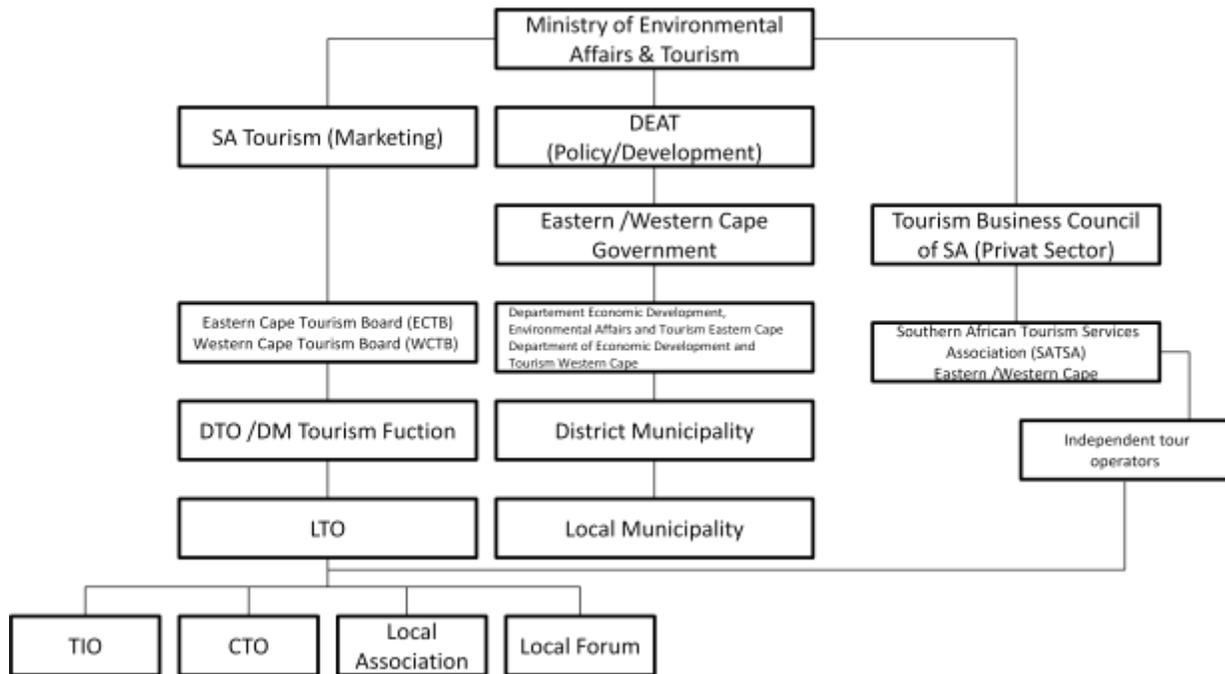
Beaufort West:	Graaff-Reinet
Municipality: Beaufort West	Municipality: Graaff-Reinet
District: Beaufort West	District: Port Elizabeth
Province: Cape town	Province: East London
National: Pretoria	National: Pretoria

**figure 4 governmental structure, towns**

### 3.1 National Government

The Eastern and Western Cape province have, through its *Eastern and Western Cape Development Plan 2002/2005*, indicated its intention to capture a greater share of the tourism system and its benefits, particularly in terms of employment creation and capital investment.

An overview of the institutional relationships between the national, provincial, district and local levels in the tourism industry in South Africa, including the public and private sector, is shown in Figure 5. An understanding of these relationships is important to ensure success in making use of collaborative marketing of the local tourism products with District, Provincial and National campaigns (Camdeboo 2009:128).



**figure 5: The institutional relationships between the national, provincial, district and local levels in the tourism industry in South Africa.**

The National Tourism Act (NTA) primarily focuses on regulating tourist guides, establishing grading and classification schemes for tourism products, and establishing the South African Tourism Board (SATB). The SATB is the leading agency responsible for promoting and marketing South Africa internationally. The objective of the board is to promote tourism by encouraging persons to undertake trips to the country and throughout the country. The NTA contains no specifications on how the tourism bodies of provincial, district & local municipalities should work or interact. The NTA is expected to be reviewed to include other tourism sector role players, and in that review other tourism stakeholders and key role players in the tourism industry will have opportunity to contribute to the revision (Camdeboo 2009:34).

In the South African context at the local government level, the overall tourism development strategy has two main strategic priorities (Camdeboo 2009:129):

1. Grow the tourism economy by increasing the number of visitors, and so increase the economic benefits of tourism to the area as a whole;
2. Diversify the tourism industry to all sectors of the population, specifically by assisting, supporting and promoting the development of emerging tourism entrepreneurs and SMMEs, and community-based tourism products.

These two strategic priorities are complementary, but require different approaches, skills and strategies. It is clear that achieving the second strategic priority is dependent on pursuing the first, and vice versa.

Within the context of the Tourism White Paper, it is also clear that whereas the first strategic priority above is something that the private sector can and does undertake successfully, the second strategic priority is one which the private sector will in general not fully undertake on its own, and so should be undertaken and driven by local government but also in partnership with the private sector where appropriate.

In its 2011-2013 Marketing Strategy, SA Tourism identified five key development “levers (SAT 2010b: 8), which have important implications for the Karoo:

- Retain tourism uses by existing consumers, e.g. by improving standards and quality
- Stimulate current uses by existing consumers, by means of longer stays
- Stimulate current consumers to visit, for new activities and experiences, which suggests that new and exciting products should be developed to keep existing consumers interested
- Attract “new-to-you” consumers, i.e. convert consumers from the existing competitors to South Africa
- Attract “new to category” consumers, i.e. convert non-travellers into travellers (e.g. by good pricing strategies, or improved marketing or transport), or short-haul to long-haul consumers.

SA Tourism’s six key objectives (SAT 2010b: 18) also have implications for the Karoo:

- Understand the market: Which tourists are likely to enjoy the Karoo?
- Choose the attractive segments: Prioritise the most important tourism segments
- Market the destination: Design marketing materials for the Karoo as a whole
- Facilitate the removal of obstacles: Identify hindrances to Karoo tourism (e. Poor roads, long distances, inadequate standards)
- Facilitate the product platform: Create a shared tourism institution for the Karoo which can identify strengths and weaknesses, and develop tourism product
- Monitor and learn from tourism experiences: Collect data about Karoo tourism!

On national level strategies and ideas are developed, the implementation is part of the local governments.

## 3.2 Provincial Government

### 3.2.1 Western Cape

The Western Cape's *Five-year Strategy, 2010-2015*, notes that tourism needs to be promoted in two ways: First, by more visitors coming to the destination and, second, as a result of the visitors spending more (by staying longer, and possibly travelling further away from the entry point into the Province). This perspective has clear relevance for the Karoo. "We also need to assist with the development of new sites, attractions, facilities, routes and infrastructure in the destination" (2010: 98). The Gateways Redistributive Marketing Initiative is at the heart of initiatives to attract visitors to destinations beyond Cape Town, Stellenbosch, Paarl and Franschoek.

Like other provinces, the Western Cape promotes a distinctive provincial brand (2010: 99): "We have a unified destination brand and consolidated marketing efforts in order to capitalise on all regional as well as sectoral messaging and marketing efforts".

The Western Cape's Strategy does open the way for interprovincial partnerships. "Inter-provincial cooperation is crucial to enhance the value of the tourism proposition of Cape Town and the Western Cape. For example, co-operation between Western Cape, Northern Cape and Namibia has seen the development of the Cape Namibia Route which will serve as a catalyst for the further development of the tourism economy in the Province, especially along the West Coast. Similar initiatives will be undertaken." Increased effort will be taken to promote greater intra-provincial co-operation between local and regional tourism cooperation between local and regional tourism organisations, industry members and communities (2010: 110). This is a major step forward in the quest towards a united Karoo tourism approach.

The Western Cape Tourism Development Framework is the sector strategy for the tourism industry that forms part of the Western Cape Micro Economic Development Strategy (2010: 100). It has defined targets and outcomes that need to be achieved over a ten-year timeframe. It is a living and dynamic document, with research constantly being added to the evidence base and analysis as the situation changes.

The Western Cape Tourism Partnership is a multi-stakeholder initiative, including government, civil society and business. Its three focus areas are: Tourism Growth, Tourism Enterprise Development, and Human Resource Development (2010: 100).

The Western Cape's strategy mentions that emphasis must be shifted from competition to "co-opetition" in order to maintain "a healthy competition while still acknowledging the complementary nature of surrounding product innovative product packaging and route development" (2010: 101). The need to take proactive steps to foster "co-opetition" at municipal

level is a key strategic driver as alignment is needed to market “whole packages” across the Province and as part of a single menu.

The Western Cape Department of Economic Affairs and Tourism has launched several key tourism routes. Route 2 is Cape Town to the Cape Winelands and the Central Karoo (2012: 86).

The Western Cape Tourism Development Plan focuses on several key initiatives (2010: 102), which are potentially of relevance to the Karoo:

1. Improving sites, attractions and facilities to enhance the visitor experience.
2. Developing key routes which must be jointly marketed at provincial level and local level.
3. Developing wealth unlocking tourism related infrastructure as a response to mega projects.
4. Researching international product offerings to ensure that provincial product offerings remain at the cutting edge and match constantly expanding demand.
5. Auditing and further researching existing sub-sectors and niches, such as: green tourism, responsible tourism, events tourism (including sport tourism), cultural/heritage tourism, creative tourism, agri-tourism, and the youth travel market
6. Ensuring that products and experiences based on culture, heritage and the natural environment are designed and established to match the demand for new and refined products in these areas.
7. Maximising co-operative marketing opportunities with other sectors like: craft, film, cultural, creative, food, wine, jewellery, cabinet-making, fashion and design.
8. Integrating Cape-made agricultural and manufactured products into all relevant aspects of the tourism product.
9. Ensuring appropriate tourism road signage for sites, attractions, routes, icons and gateways.

The Western Cape Tourism Strategy places a strong focus on the craft industry. “The craft sector is labour-intensive and is mostly made up of micro and small enterprises that offers strong opportunities for enterprise development. It provides significant opportunities to women and new entrants to the formal economy” (2010: 113). (Significantly, the Arts and Culture sector is included in the Western Cape Department of Economic Affairs and Tourism, thereby promoting the marketing of crafts through tourism outlets). The Cape Craft and Design Institute is a Section 21 non-profit organisation. It was established in 2001 as a joint initiative of the Provincial Government of the Western Cape and the Cape Peninsula University of Technology. The CCDI provides skills and enterprise training to crafters and assists with market access. In the 2008/2009 financial year, it provided 511 market access opportunities for businesses and generated R2, 4 million in direct sales (2010: 113).

In the development of human resources in the tourism sector, the Western Cape has an innovative programme. The Tourism Job Shadowing, in partnership with the Western Cape Education Department and the private sector, aims to provide students studying tourism or

hospitality subjects at secondary school level with an opportunity to gain workplace exposure. The learner is encouraged to pursue tourism as “a career of choice” (2010: 105). In addition, the Programme provides bursaries to second and third year full-time students studying Events’ Management, Tourism Management and Hospitality Management with accredited HEIs and FETs in the Western Cape. The return on investment is that students have to work back each year that the bursary was provided for, either to the Department or an appropriately approved workplace (2010: 106).

Tourism Awareness is an innovative programme in the Western Cape (2010: 107). It is open to all residence of the province. The awareness sessions are designed to create interest amongst the communities about tourism and how the communities can benefit from the industry. Tourism Awareness also focuses on ensuring that the informal sector becomes formal and more structured, such as homestays upgrading to B&B’s and Guesthouses and taxi drivers who want to become registered tourist guides and tour operators. Municipalities, Community Development Workers, Local Tourism Organisations and the Tourism Helpdesk Agents work together to ensure that the communities are reached. The programme operates at several levels:

- Enterprise Development 101: To assist entrepreneurs with basic knowledge that will ensure that the tourism product that the entrepreneur has conceptualise is in line with tourism demand
- Tourism Enterprise Development 201 is a six-month business skills programme aimed at equipping entrepreneurs to manage and grow their businesses.
- Tourism Enterprise Development 301 is aimed at those who want to invest in a new product, grow/expand their business and/or wish to take on a business partner. TEP is a key partner in providing financial and nonfinancial support.
- The Tourism Mentorship Programme is based on a linkage between selected participants on the Tourism Enterprise Development 301 and mentors from the leading tourism private sector bodies in the Province.

Tourism Helpdesk Agents (THDs) provide tourism entrepreneurs with business support. THDs play a vital role as tourism business advisors and training facilitators (2010: 108). The Department also facilitates Tourism BBBEE Workshops which provide guidance on implementation of the Tourism Sector Code and step-by-step assistance with the verification process. It also facilitates Tourism Business Networking Sessions between established businesses and emerging businesses to increase business scope and joint ventures, in partnership with TEP, the national Department of Tourism, provincial tourism associations, municipalities and all relevant tourism stakeholders.

To promote pro-poor tourism, the Department aligns its interventions to that of the national Tourism Department. It facilitates access to tourism channels for the informal sector and access to information; access to funding, markets, training and business linkages; and promotes capacity building for the informal sector so as to fully benefit from tourism’ enterprise development and economic empowerment initiatives (2010: 108).

### 3.2.2 Eastern Cape

The Eastern Cape Tourism Master Plan (2009-2014) places strong emphasis on the close links between ecology and tourism. “Recent developments have highlighted a symbiotic relationship between nature tourism, environmental conservation and sustainable development” (2009:19). This is a much more distinctive focus on biodiversity than is found in the Western Cape’s Tourism Strategy, possibly because the Eastern Cape has linked tourism and environmental management within the same Department. Furthermore, the Eastern Cape Parks Board and the Eastern Cape Tourism Board have now been merged, to form the Eastern Cape Parks and Tourism Agency.

The Master Plan makes provision for the Great Karoo Gateway Biosphere, located in the Chris Hani District (2009: 18). The Ukhahlamba District Municipality made provision for the amalgamation and expansion of parks around Gariep Dam (2009:19).

The Plan mentions one key feature of the Karoo: The Victorian architecture of the Karoo villages (2009: 26)

However, the Karoo was significantly neglected in several ways. The Eastern Cape Tourism Board did not have an office in the Karoo (2009: 27). The Master Plan does not mention any Karoo attractions as key iconic features (thus neglecting the Valley of Desolation in Graaff-Reinet and Compassberg – the highest mountain in the Eastern Cape – in the Sneeuberg). Nor does it mention the Graaff-Reinet airport (with a tarred runway).

The Eastern Cape’s tourism sector suffers from several difficulties: Fairly infrequent flights to the main cities; the lack of a provincial signage policy; the lack of provincial tourism offices located outside the province; and very limited docking by international passenger ships. In 2004 the Eastern Cape received only 7.7% of foreign visitors entering South Africa; this number was further reduced to 6.6% in 2008. This is less than Gauteng, the Western Cape, KZN, the North West, Mpumalanga and the Free State. In fact, the only provinces that receive fewer foreign visitors than the Eastern Cape are the Limpopo province and the Northern Cape. This is particularly significant as the Eastern Cape has extensive nature based activities, beaches, and cultural and historical heritage, which are the top three activities foreign tourists engage in when visiting South Africa (2009: 21).

The Master Plan stipulated several strategic objectives (2009: 34):

Ensure that infrastructure in the Eastern Cape supports a high quality tourist experience in the entire tourism value chain

1. Market and promote the Eastern Cape in such a way that tourists see it as a destination that offers unique and high quality products
2. Ensure that previously disadvantaged people actively participate in the tourism sector

3. Create an environment that promotes the development and enhancement of skills in the tourism sector
4. Ensure that the Eastern Cape tourism sector supports a safe and secure environment
5. Ensure that tourism planning and decision making is informed by accurate, consistent and up-to-date research information that is aligned to national data standards
6. Ensure the availability of comprehensive, quality, user-friendly, accessible and objective tourist information at all the key points in the province
7. Ensure the establishment of a sound institutional framework within the Province to support the efficient and effective management and coordination of the tourism sector.

There are four key areas for tourism product development in the Eastern Cape, each with some relevance to the Karoo:

1. The enhancement of tourism products in high priority areas: Lake Gariep is mentioned (2009: 40);
2. The development of tourism products in those areas that are not currently high priority areas, particularly the hinterlands of the cities, and leisure/business/events
3. The development of new iconic attractions for the Eastern Cape, and
4. The diversification of tourism products (2009: 39).

Like the Western Cape's Five-Year strategy, the Eastern Cape Master Plan maintains that "the province [should] project a common, desired picture and a unified visual message and that consistency in messaging is maintained" (2009: 44). Like the Western Cape, this becomes difficult, as the Eastern Cape is also characterized by several distinct areas (including seven biomes). It becomes very difficult to devise a common message. The Eastern Cape has adopted the image of "adventure province", but this does not capture the ecological distinctiveness of any of the seven biomes. (It is also possible that adventure tourism is also a major attraction of other provinces, and therefore is not very distinctive for the Eastern Cape). Once again, the lack of focus on the Karoo as a distinctive bio-region makes marketing and branding difficult for the Eastern Cape.

As regards human resource development in tourism, the Eastern Cape Master Plan notes that there are two primary human resource issues in tourism. The first regards persons working within the tourism sector; the second refers to government planners. HRD can therefore take place on numerous levels that need to be addressed. At the time of writing (2009), a lack of a coordinated approach to training, and the fact that tourism skills development occurred without the direction of a strategic plan, meant that skills development happened in a haphazard manner. Co-operation between relevant institutions and stakeholders is critical to developing the tourism skills base in the area. On-site, work-based learning is a best practice method of passing on skills. The integration of the private sector into skills development in the province is essential (2009: 45).

Furthermore, general tourism awareness is critical among the residents of tourism products in the province, and the development of non-specific tourism skills are also critical for those

persons working in the tourism industry. Awareness of the industry will result in appreciation, which will ultimately ensure better service to tourists, the decrease in crimes against tourists, and more learners and entrepreneurs wishing to enter the tourism sector (2009: 45).

Unlike the Western Cape, the Eastern Cape had not yet (in 2009) developed specific programmes to address human resource development. The Province's approach to HRD remained fragmented.

As regards transformation of the tourism industry, the Tourism Master Plan notes that the tourism sector remains, in the Eastern Cape as in the rest of the country, largely inaccessible to black entrepreneurs. One of the key mechanisms to overcoming this is entrepreneurial development. However, there are few interventions in place to encourage the growth of either new market entrants or SMMEs (2009: 54). The Eastern Cape Tourism Act (2003) had established the Tourism Development Fund, to promote the "development or empowerment of the previously disadvantaged persons or communities in the tourism industry. It is not clear whether this Fund had already been implemented. A collaborative approach, involving public and private stakeholders, would be required to promote effective transformation. A tourist SMME support programme is required.

The Master Plan also commented on the inadequate level of tourism infrastructure in the Eastern Cape (2009: 49), particularly due to the poor state of rural roads and the ineffective utilization of airports. The signage system was unstandardized and ineffective as a marketing tool.

### **3.3 District Government**

According to the Constitution that was drafted in 1996 Local Governments are mandated to:

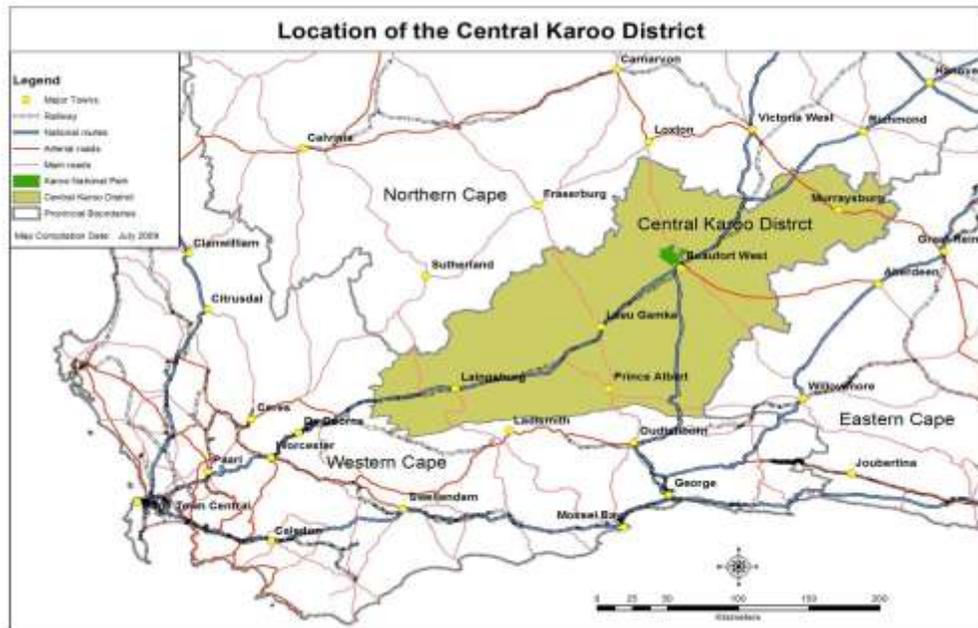
- Provide democratic and accountable government for local communities
- Ensure the provision of services to communities in a sustainable manner
- Promote social and economic development
- Promote a safe and healthy environment
- Encourage the involvement of communities and community organisations in the matters of local government.

The role of the district municipality is to make rules for the district that include more than one local municipality. (Central Karoo 2011:36)

#### **3.3.1 Western Cape (Central Karoo District)**

The Central Karoo District Municipality (CKDM) is one of the five districts municipalities in the Western Cape Province. Central Karoo is the largest district in the Western Cape; invariably this means that distance between settlements within the district are vast. Laingsburg is about 200km from Beaufort West, while Prince Albert is 170km. The N1 (national road) runs through the

district municipal area, connecting the area to Cape Town (300km north west) and Johannesburg (1200km) towards the north east. (CKDM 2010: 12)



**figure 6: Location of the Central Karoo within the Western Cape Province (CKDM 2010:12)**

An LED strategy for the Central Karoo District Municipality was finalized and adopted by Council in March 2006 in close cooperation and consultation with the local municipalities. The local Municipality Beaufort West has also finalized their LED strategy, informed by overarching Central Karoo LED strategy. The strategy identifies various issues and strategic areas for intervention such as:

- Improvement of the relationship with the private sector,
- Human resource development
- Sector development
- Business development (investment and retention)
- Poverty alleviation and
- Black economic empowerment.

The Department of Economic Development participated in the development of the LED strategy and has focused engagement with the District and local municipalities in the LED implementation framework for the Western Cape and accessing provincial funding for economic development. An economic development agent will be appointed by the department who will provide direct support to municipalities in terms of translating the Micro-economic development strategy, global business intelligence and local opportunity into real business opportunity.

### 3.3.2 Eastern Cape (Kakadu District)

Cacadu District Municipality covers a major component of the Karoo. The Cacadu District Municipality (DM) is the district local authority for the western third of the Eastern Cape Province of South Africa. The District extends over an area of approximately 60.000 sq. km, from the town of Graaff-Reinet in the north to the Indian Ocean in the south and between the Bloukrans River in the west and the Great Fish River in the east. Its eastern and northern sections are located in semi-arid areas.

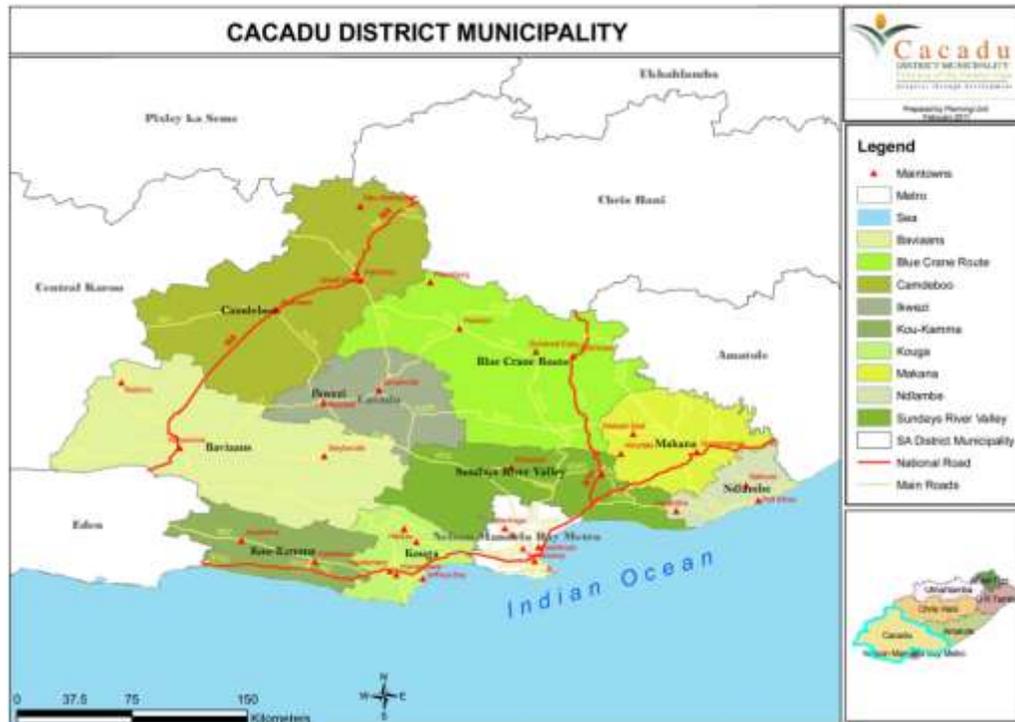


figure 7: Cacadu District Municipality and Camdeboo municipality (Cacadu.co.za)

The Integrated development plan for the Cacadu districts has three strategies (Cacadu 2008):

**Strategic Priority 1:** Mainstream hands-on support to local government to improve municipal governance, performance and accountability.

- Municipal transformation and organisation development
- Basic service delivery
- Local economic development
- Municipal financial viability and management
- Good governance and public participation

**Strategic Priority 2:** Addressing the structure and governance arrangements of the state in order to better strengthen, support and monitor local government.

**Strategic Priority 3:** Refine and strengthen the policy, regulatory and fiscal environment for local government and giving greater attention to the enforcement measures.

### **3.4 Municipality Government**

#### **3.4.1 Western Cape (Beaufort West Municipality)**

The great influence municipalities have over local economic development and therefore need to work in partnership with local business to improve job creation and investment. It is not the role of local government to create jobs but it can take active steps to improve the conditions in the area for the creation of employment opportunities. (CKDM 2010: 9)

The district municipality can identify issues that have development potential. However many of the local municipalities cannot cope well with their mandate, because they do not have the required human or financial resources.

The role of the district municipality together with local municipalities sharing the responsibility for local government is to ensure that services are delivered to communities, especially the marginalised communities. District municipality help out the municipalities that struggle financially by sharing resources with others. The purpose is to ensure that they have equal access to resources and services. Some other duties of district municipality are to work on bulk projects that affect larger proportion of the municipalities in the district. (CKDM IDP 2010:36f.)

#### **3.4.2 Eastern Cape (Camdeboo Municipality)**

There is no functioning LTO in the Camdeboo Municipality. Tourism services and information are provided by a number of privat-sector associates and forums, each operating in their own area.

To pursue this objectives, the development of a joint-venture LTO between Camdeboo Local Municipality and the product owners / stakeholders (even through representation by the existing associations) should be undertaken. The individual associations invariably have their own operating structure of information service (using tourism information officers) and so the LTO can supplement these structures with one more-senior person undertaking cooperative networking, facilitation and marketing development for the entire Camdeboo Local Municipality. (Camdeboo 2009:99f.)

The following LED projects related to tourism were listed in the Camdeboo IDP:Camdeboo LM IDP 2006)

- Pottery and arts training centre – Camdeboo
- Formulate a tourism development plan – Camdeboo
- Establish a cultural village – Camdeboo
- Establish an Ostrich show farm – Graaf-Reinet

### **3.5 Town level**

Tourism towns seem to be doing well, because they bring in new capital, innovative ideas, and spending power. This, however, depends on the existence of local attractions, such as arts and culture or architectural heritage (Atkinson 2011:2). While the architectural heritage is not a job promoter on its own, new sources of income can be created by supporting the creative sector in terms of training, education and development of distribution channels. Therefore a collaboration of different stakeholders is essential.

One of the most influenced person in a town is the mayor. During the research period the mayor in both towns changed. While the former mayor in Beaufort West does not support tourism actively, the new mayor sees tourism as a way to create jobs and supports projects in the field of tourism very active. The former mayor in Graaff-Reinet was a very strong personality, who moved things, while the new one has to find her way out of the shadow of the old one.

#### **3.5.1 Beaufort West**

Beaufort West is the economic, political and administrative heart of the Central Karoo. Located about 460km north-east of Cape Town, the town was founded in 1818.

In 2011, the population of the Beaufort West municipal area was 49 586 (Census 2011), compared to 34 999 in 2001 (Review IDP 2011:9).

Although the region attracts a very small percentage of the Western Cape tourism industry, the growth in this industry, nationally as well as in the province, has positive effects on the economy of Beaufort West. The growth in certain niche markets of tourism, such as backpacking and youth tourism, could have a marked influence on tourism in our area, provided that it is approached correctly and marketed effectively. Our challenge will be to attract a larger share of the tourism industry.

Two sectors within this lucrative market should be exploited. Firstly, the transitory tourist passing through the region should be exploited further with longer stays and higher daily expenditure. The second sector of this market is the tourists visiting the Western Cape, without visiting the Beaufort West. Tourists to the Garden Route, in particular, should be targeted. Opportunities to access this market are plentiful and should be pursued. Beaufort West is not a regular tourist destination, but it does have existing destinations that could be developed further and which would increase the number of tourists to the area. One area in particular is frequented by tourists, namely the Karoo National Park.(Review IDP 2011:24)

The following high-level sector strategies will be implemented:

Tourism strategy to:

- Establish regional Tourism Board
- Development and implementation of Regional Tourism Plan
- Promotion of the region through establishment of gateways

The hospitality industry is one of the sectors where the majority of the people, particularly the black community have not yet fully taken advantage of. SMME and ecotourism has great potential for people to participate. Studies in this regard should indicate how many more people can be absorbed in this sector. The Central Karoo National Park alone hosts about 28,000 visitors a year. Assuming that 30% (approximately 9000 visitors) of these visitors would be interested in experiencing the life in safe townships, it would open up a potential market for township tourism. The Most of these being one day or overnight visitors, if these could be made attracted to stay a little bit longer through development of packages that take them to the areas where the black and coloured population live it could offer a lot of potential. This would require the development of the necessary skills in the hospitality industry. The township Kwa-Mandlenkosi with populations of about 7 27 000 people, so far has only one Bed and Breakfast with only three rooms accommodating about 5 people at a time. These townships know very little violent crime and car hijacking is unheard of. Some marketing and awareness efforts of township tourism pose a good potential of attracting tourists particularly from the tens of thousands of travelers who pass through Beaufort West daily. (CKDM 2010:44)

### **3.5.2 Graaff-Reinet**

Graaff-Reinet is an important trade centre in the Cacadu district. Located about 300km north of Port Elizabeth, the town was founded in 1786.

After decades of decline, this town is increasingly building up economic momentum, based on a range of comparative advantages. Its municipality is also encouraging investment, by interacting with a wide range of public and private sector agencies. It has benefited from government programmes and the establishment of government offices. It is also a notable centre of heritage and architecture, which have recently enjoyed a major revival in the South African and international tourism trade. (Atkinson 2011:2f.)

Graaf-Reinet has more than 50 main heritages tourism product elements in Graaff-Reinet. (Camdeboo 2009:62)

## **4 Comparison of Beaufort West and Graaff-Reinet**

To boost the tourism industry one needs trained people to work in the industry. While Graaff-Reinet has the SA-College for tourism, where students from all over Africa are trained in 10 month courses to work in the tourism sector, Beaufort West does not have a permanent formal training in this sector. During the last years Beaufort West participated in the work seeker program where 20 young adults were trained in guest houses (6 months). As this program does not result in many new employments, the next program went for one year including courses at the college. There the success rate for getting people into employment was much better. This

program was funded by National Government in Beaufort West because of the very good cooperation of the department of labour and the tourism organization, who did the whole organization. This program is an indicator for the effort the Western Cape is doing in enhancing tourism.

Graaff-Reinet tourism organisation got the funding from the district to train 75 employees from petrol stations etc. to learn about tourism attractions to give advice to prospective tourists passing by the town. Locking at the information and communication within the community, less than 50% of the interviewed business owners knew about these programs.

In Beaufort West 90 % (Graaff-Reinet 60%) of the business owners do not know about any support they can get from government, neither they got some. However less than 50% of the business owners think, that support from government will help their businesses.

Graaff-Reinet has the big advantage, that the Rupert family (are very rich and well known family in South Africa) is supporting the city. They fund many renovations of old houses, so that the town makes a very picturesque impression to tourist.

Tourism is identified as a target market for exploration in the IDP (Industrial development plan) of Beaufort West by The re-development of roads and transport infrastructure and by the development of the Mandlenkosi Tourism Route and Promotion of townships. In Graaff-Reinet there is more emphasis on Tourism within the LED (Local Economic Development) Strategic Plan than in the IDP. only a few tourism initiatives or projects are listed in the IDP's external Project Register. In both towns there is no specifically tourism-related program none within the Capital Budget Program. All listed programs supporting tourism need external funding.

The collaboration between municipality and district in the field of tourism is in both towns limited. The Caroo central district has some programs dealing indirect with tourism, but the implementation in the municipal plans is very slow. One reason is the absence of a dedicated tourism official in the local municipality and the definition of tourism is seen as limited to "Hospitality" only. In certain instances Camdeboo was involved with Cacadu District in some tourism activities, but this function is left mainly to the local Tourism Organization in Graaff-Reinet, due to the absence of a dedicated Tourism Officer and an LED Officer.

Both municipality do not receive real support and guidance from Province. In Beaufort West support and guidance were provided to the local tourism industry through Cape Town Routes Unlimited (CTRU) that opened one of the four Gateway Offices to the Western Cape, in Beaufort West. In 2013 this offices were closed because of a new structure in the provincial tourism department.

Both towns do have adequate services (infrastructure, signs, light) but a problem with street children and beggars.

Both towns do have a business chamber that is not functional.

Both towns do have a local tourism organization (Graaff-Reinet since 1996, Beaufort West since 2002), representing 70% (Graaff-Reinet) respectively 80% (Beaufort West) of the business owners dealing with tourism. Both do have a tourism office offering information and organizing bookings. As the budget is little, the organizations are working with voluntaries except the employees in the tourism office. This has impact on the performance of the local tourism organization. During the research the leader of the LTO in Beaufort West changed three times. While the first was very ambitions and tried to develop a lot of things (talks with different stakeholders to get support for the tourism), the second one did nothing visible (due to a new assignment he moved to Cape Town) and the third one is still in the progress of finding partners. In Graaff-Reinet the leader of the tourism association changed ones, while the former has an own tourism business, that leads to distrust in the community, the new one is a business man, who does not deal direct with tourism.

As all of the leaders or active members of the tourism association working voluntarily, the dedication of the individual person depends much on their own motivation and the results they expect from their commitment. Both local tourism associations are depending on some strong individuals, especially new comers (less than eight years in the area). Most of the business owners in the two towns know the leading people in the field of tourism.

In both towns the tourism associations are “white” as the whole tourism sector is still mainly white. A fact both organizations try to change in supporting business from former disadvantaged people (black and colored people).

Most of the members of both organizations are waiting for others to perform.

While the Beaufort West tourism organization does not have tourism strategy, Graaff-Reinet has one that will promote the area.

Beaufort West does not have a local tourism strategy; they are only dealing according to the district strategy in which they were not involved. Graaff-Reinet has a tourism strategy, the first one was developed and adopted in 2005 and reviewed during 2009 and still needs to be adopted by Camdeboo Council.

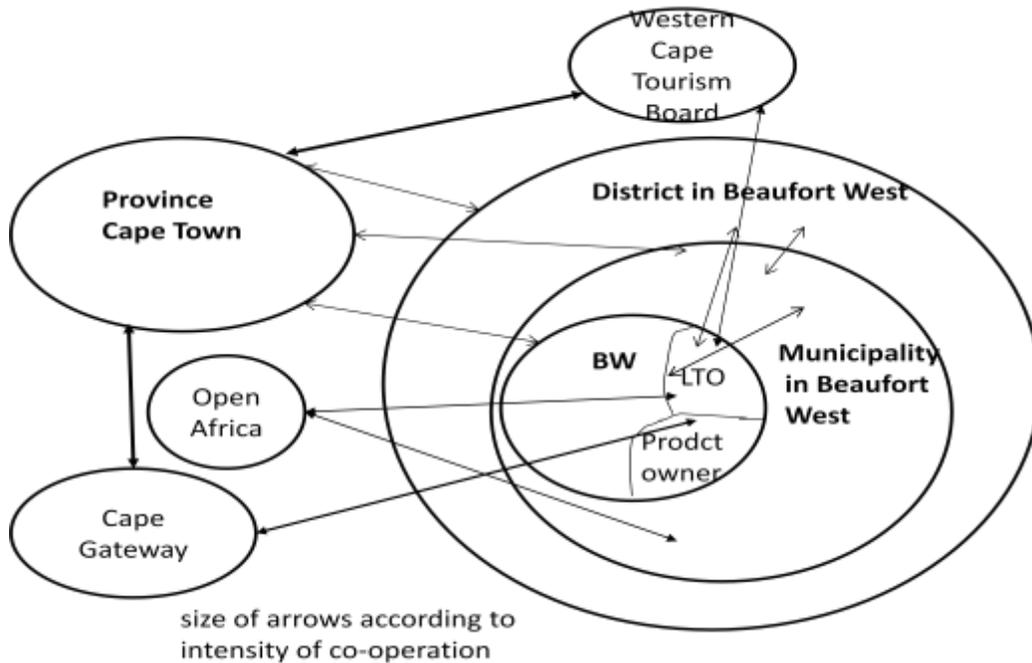
Both towns do not have an official municipal tourism officer; the absence is seen as a hug gap in tourism development in town. The tasked of a tourism officer are done by the tourism associations.

The business owners in both towns do have a different impression about the LTO depending on their own success and membership of the LTO. Most of the respondents rate the effectiveness of the LTO as good (50 % Beaufort West, 60% in Graaff-Reinet).

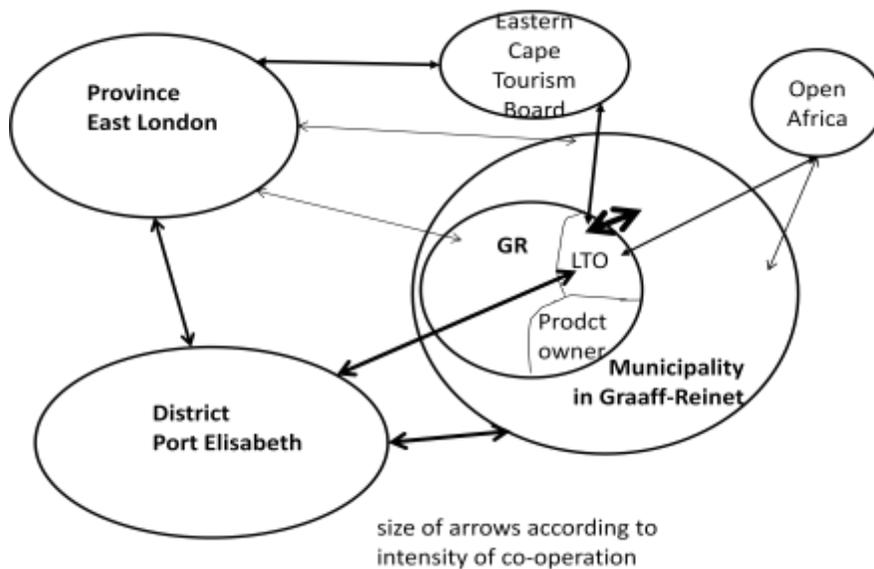
The relation between the municipality and the private sector in the field of tourism is mostly between the tourism organization and the municipality. Meetings in Beaufort West are very seldom, while Graaff-Reinet has very regular meeting dealing with influences on tourism.

In both towns the tourism associations get little financial support from the municipality, most of their budget is generated by member fees.

The following figures show the co-operation between the different stakeholders in both towns.



**figure 8: co-operations of different stakeholders Beaufort West**



**figure 9: co-operations of different stakeholders Graaff-Reinet**

Both towns do have similar tourism attractions: heritage (old houses), museums, national parks, nature and arts.

While the art scene in Graaff-Reinet is mostly white with galleries and little shops were the tourists can buy souvenirs, Beaufort West has a cultural village with different artists. Beside paintings one can find other forms of craft there. The cultural village in Beaufort West was financed by government. Through funding from government, buildings were built. Training in different forms of crafts was held for a certain period. After this time, the artists should work on their own. As the cultural village is situated on the entrance of Beaufort West on the N1, all tourists have to pass by. Unfortunately the village is nearly empty today, as the artists stop working after the funding was gone. Nowadays most of the buildings are empty while some are rented to a hairdresser and other not tourism related businesses.

Graaff-Reinet has a longer tradition as a tourism destination, one can find restaurants and a lot of tourism related shops. In Graaff-Reinet many inhabitants use the restaurants as well, while one finds only very few restaurants in Beaufort West, that are seldom used by inhabitants and therefore only a few survive the first year.

The questions dealing with the relation with other product owners are only answered by 50%, it might be, that the other half does not have a good relation with other businesses. In general there are little relationships with most of the competitors (60% send customers then full), some work together with their business owners like guesthouses work with restaurants or attractions (museums, donkey car etc.). All these co-operations are on a private basis without any organized structure.

In my findings, they are not really working together, they do have contacts and will link guests to other places in case they are booked.

The majority of the product owners believe that the Karoo needs additional marketing support and a collaborative approach. Marketing plays a vital role in tourism management and is known as the means to reach potential visitors. It is essential that they collaborate with each other in order to create an agglomeration effect. This effect describes the benefits that firms obtain when locating near each other. As more firms in related industries cluster together, more suppliers and customers are attracted than a single firm would attract alone. This concept relates to the idea of economies of scale.

The reasons for increasing business are in better marketing, increasing traffic, improved roads and services. The reason for decreasing business is seen in the recession.

The majority of the establishments have been in existence for between three to twenty years. This explains that there is an even spread of new and old establishments. The fact that there are a few new establishments being developed proves that the industry is still being entered into. This

is a positive sign for tourism in these small towns. It shows that people are recognizing the existence of opportunities in this industry. The accommodation sector has been the main driver of tourism in the Karoo (Atkinson, 2010). If they had all been around for 20 years or more it would show that there have been no new entrants into this industry for a few years which would be a negative sign

The vast majority of these establishments have between 1 and 15 rooms. This reveals that the vast majority of these establishments are small in size.

Small establishments lose out to stronger voices of large enterprises which are more organised and connected. This creates an extremely competitive environment where establishments don't work together, but they threaten each other's viability and survival.

It is vital that these establishments form mutually beneficial relationships and work together. Collaborative relationships in ways which include referral of business and mutually beneficial exchanges with other establishments are a critical value. Working collaboratively stimulates growth of commercial opportunities among participating operations. Thus this aspect of collaboration between product owners in the small Karoo towns needs to be given attention and communicated to product owners as this concept of working together has been proved to be beneficial to such a market.

Of the respondents, 90% said that tourism would grow in their district. This suggests that the product owners are confident about the fact that tourism in the Karoo will grow. The suppliers of the tourism product, accommodation in this instance, have evidently seen an increase in number of tourists visiting the Karoo. They perceive a positive return on their capital expenditure which bodes well for the motivation to develop further tourist products. This confidence is necessary for development to become a reality.

This increases the product owners confidence and creates positive spin off effect. Most of the guest houses do not want to expand their business, but they are doing permanent updates. The business in the tourism sector is very much depending on season, while in winter (July/August) the occupation rate through tourism is sometimes only 20% many guest houses are fully occupied during Christmas.

The above result reveals that the majority of respondents clients visit during the summer and during the school holidays. This result reveals that the Karoo product owners and other service providers should be aware of these busy periods and make sure that they are fully prepared.

Tourism is subject to seasonal fluctuations, high elasticity's of demand which makes it an unstable source of income and employment. This is evident in the above result as school holidays and the summer months are the peak business times in the year.

The product owners said that 53% of their visitors typically stay for one night, 38% stay for 2-3 nights, 6% stay for 6-8 nights and 3% stay for 9-14 nights.

The above result reveals that the Karoo is typically a one to three night stop over and currently not a destination. However, due to the extensive research and positive outlooks, this may change in the near future. The Karoo is still undiscovered, although once discovered, a ripple effect will cause major growth in development in this region.

## **5 Results and recommendations**

The research shows, that co-operation and collaboration of different stakeholders is a critical value for the success of the industry. Business owners gain more profit by co-operation with others. If guest houses co-operate with other culture offers like township tours, national park, tour guides, museums to offer packages for the tourist to stay more than one night, all participants profit from the co-operation.

To have tourist who will do more than an overnight stay, one has to offer attractions. Both towns offer attractions like heritage, crafts, cuisine, leisure attractions, national parks in a different amount.

For tourist different factors have to be considered, why they chose to stay in a certain place.

Once they have to know the place and the attraction it has to offer. Second has to have a good feeling to stay in this place, therefore infrastructure (good streets, street lights, signing) and security has an impact on the decision.

Product owners, officials and tourist from both towns were asked to assess these influences.

To become a tourist destination promotion has a major impact. Promotion can be done by the individual product owner, the tourism organization, District or on a national level. Both towns do promotion with different effort.

To analyse the impact of civic culture on the success of the tourism industry in both towns, one has to see look in deep in the interaction of the different stakeholders. What they are doing and what they think others should do. Graaff-Reinet is doing a lot on its own, because they do not depend on governmental structures. On the other hand, Beaufort West is faced with a strong provincial government that leads the directions. The impression is, that the people in Beaufort West tend to wait for government to do something, while the people in Graaff-Reinet expect nothing from government and act on their own.

The SWOT Analysis is (one of many possible strategic planning tools) used to evaluate the Strengths, Weakness, Opportunities and Threats involved in a project, or any other situation requiring a decision.

The SWOT-Analysis are defined as: (Camdeboo 2009:87)

- Strengths: attributes of the organization that are helpful to achieving the objective.
- Weaknesses: attributes of the organization that are harmful to achieving the objective.
- Opportunities: external conditions those are helpful to achieving the objective.
- Threats: external conditions that are harmful to achieving the objective

	Beaufort West	Graaff-Reinet
Strengths	<ul style="list-style-type: none"> <li>• Good infrastructure (N1, N9)</li> <li>• Stop over for tourists to garden route /Cape town</li> <li>• Tranquillity, remoteness, natural experience</li> <li>• National parks</li> <li>• Range and variety of well-established accommodation establishments</li> </ul>	
		<ul style="list-style-type: none"> <li>• The heritage character of the town</li> <li>• Financial support from the Rupert family</li> </ul>
Weakness	<ul style="list-style-type: none"> <li>• Lack of cooperation between tourism stakeholders overall in the area, and especially in some areas</li> <li>• Lack of entertainment facilities in the study area (restaurants, cinema, etc);</li> <li>• Lack of tourism activities in the study area</li> <li>• Seasonality</li> <li>• Municipality has limited resources to support the development of tourism in the area;</li> <li>• Tourist Information offices are not benefiting from synergies with regional/provincial/national tourism organisations;</li> <li>• Low cooperative marketing and promotion of the area;</li> <li>• Lack of awareness in the community about what tourism means to the community;</li> <li>• low level of adult education</li> </ul>	
	<ul style="list-style-type: none"> <li>• High crime rate</li> </ul>	
Opportunities	<ul style="list-style-type: none"> <li>• The nature could be developed and better marketed as tourism destinations</li> </ul>	

	<ul style="list-style-type: none"> <li>• Potential to create events or festivals that can include various activities which, if correctly timed, could address seasonality in the study area <ul style="list-style-type: none"> <li>• Improve cooperation and coordination between product owners</li> <li>• Available labour force and development of local products</li> </ul> </li> <li>• Develop unique community-based products</li> <li>• Develop tourism cluster destinations to encourage longer length of stay by targeting niche markets</li> </ul>	
	<ul style="list-style-type: none"> <li>• Development of specific tourist routes</li> <li>• Tourism database (attractions, accommodation, operators)</li> <li>• Tourism forum</li> <li>• Provision of training and bursaries in tourism/hospitality training</li> <li>• Provision of on-the-job training opportunities</li> <li>• African Cuisine Restaurant (Organic)</li> <li>• Retail Outlet (Multipurpose Centre)</li> <li>• Museum</li> <li>• Penetration in new markets (Garden Route, Cape Town)</li> </ul>	<ul style="list-style-type: none"> <li>• Linking with tourism routes such as the Garden route and N6, development of the Karoo Heartland route, and the Mohair Meander;</li> <li>• Penetration into the East London, Port Elizabeth and Johannesburg markets</li> </ul>
Threats	<ul style="list-style-type: none"> <li>• Lack of resources and funding for tourism development from the municipality where tourism has to compete for funding with 'more important' budget items such as education, health and housing</li> <li>• Lack of entrepreneurship spirit for people to start their own enterprises</li> <li>• Social problems (drinking, begging, crime</li> </ul>	

In conclusion both towns are not far away from each other. Both do have problems resulting from the different stakeholders and their activities/ no activities.

The recommendations on a governmental level are:

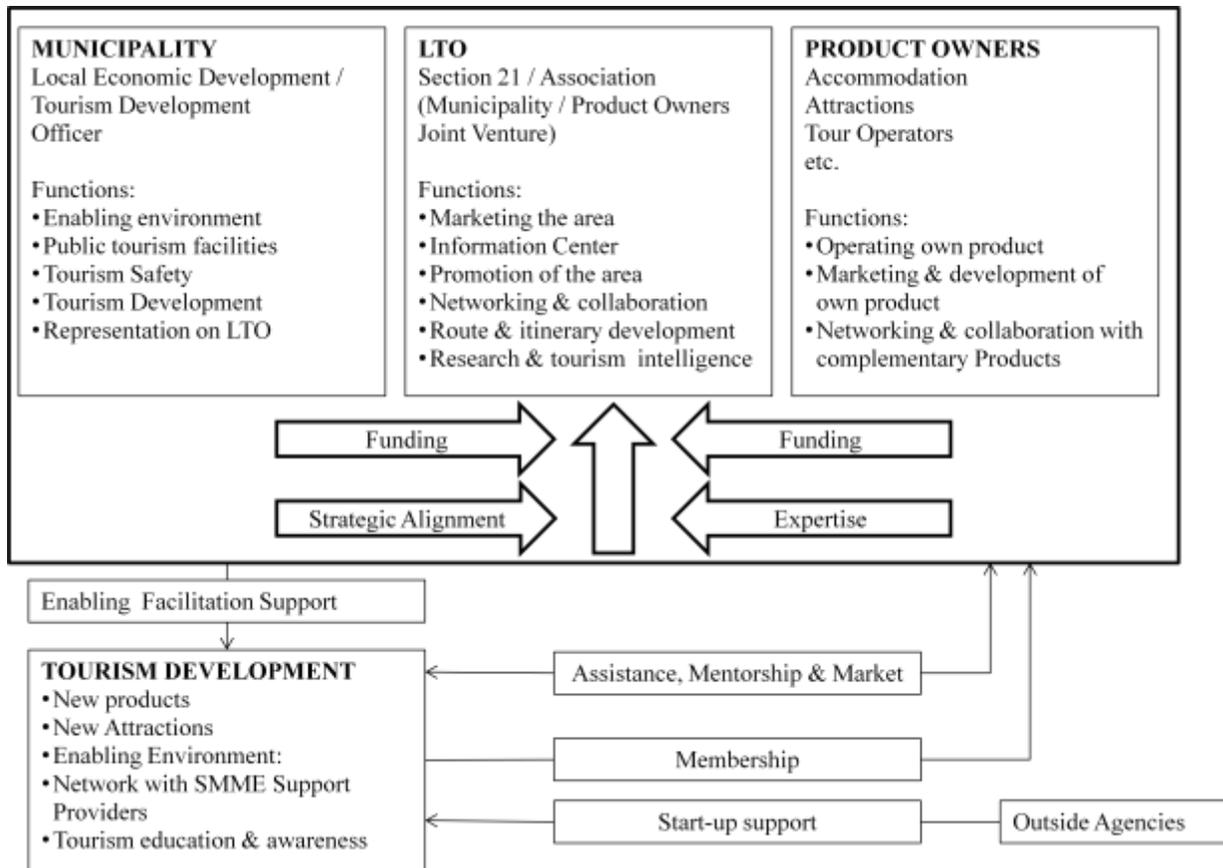
- The provincial government must have an ongoing, constantly updated database that can measure what types of tourism products are available and how they are utilised.
- The provincial government and local authorities must develop “one-stop” information units within the relevant line-departments that can assist both existing and prospective tourism entrepreneurs in the development of their enterprises
- All developments must be critically analysed as to how they enhance the tourism product of a town or city.
- A dedicated official, available on a full-time basis, has to be provided at the local/district government level. These officials must have training in tourism promotion and know how the tourism system works.

The recommendations on a town level are:

- Enhance co-operations between the different stakeholders in the field of tourism in the town.
- Look for business opportunities for disadvantaged people to participate from tourism
- Enhance information about tourism to the inhabitants

An optimal Tourism Institutional Framework Model is shown in Figure 9.

In this model, the LTO is structured as an independent organization which is a joint venture between local government and the product owners in the area.



**figure 10: The optimal Tourism Institutional Framework for the Municipality. (Camdeboo 2009:131)**

Delegates at a Community Tourism Association of South Africa (CTA) conference discussed and agreed on a minimum draft "operational budget" required for a local tourism office:

The minimum total to be included by a local municipality (allocation for tourism in an annual budget) is R300,000 plus the estimated capital expenditure (initial outlay) of R20,000. This will enable an LTO to establish itself and start with its key activities. (Camdeboo 2009:131)

**Tourism Information Management and Marketing Assesment(Camdeboo 2009:100)**

Tourism Information is provided by the individual Tourism Associations in their respective areas. Each of these Associations also undertakes some independent marketing of their area, principally through brochures and websites.

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