



## THE FOUNDATIONS OF INCLUSIVE TOURISM

The contribution of  
Airbnb to inclusive  
growth in South Africa



### Tourism in South Africa

Tourism is an important and growing part of the South African economy.

GDP contribution in 2018:  
**R130 billion** growing  
by **10%** from 2017. <sup>1</sup>

**9.2%** of export earnings in 2018.



**1 in every 22** working South Africans were employed in the tourism sector, totalling about **740 000 jobs** in 2018. <sup>2</sup>

However, tourism remains largely concentrated in “traditional” tourist areas like the Western Cape and Gauteng. The Northern Cape and North-West have the lowest number of bednights.



### COVID-19 Pandemic Impact

The pandemic had a devastating impact on tourism across the world. South Africa received no international tourists for six months of 2020.

**R54.2 billion loss**  
in the tourist sector  
in South Africa <sup>3</sup>

International tourism to  
South Africa **was decimated**,  
falling by **80%** to **100%** <sup>4</sup>

Domestic tourism  
was **more resilient** falling  
by **10%** to **60%** <sup>5</sup>

**Domestic tourism is likely to be a  
mainstay of the SA tourism industry in future.**

## Airbnb in South Africa

Airbnb is a peer-to-peer accommodation platform, which allows people to **monetise unused or underutilised assets**, like houses or rooms, or their services and skills.<sup>6</sup>

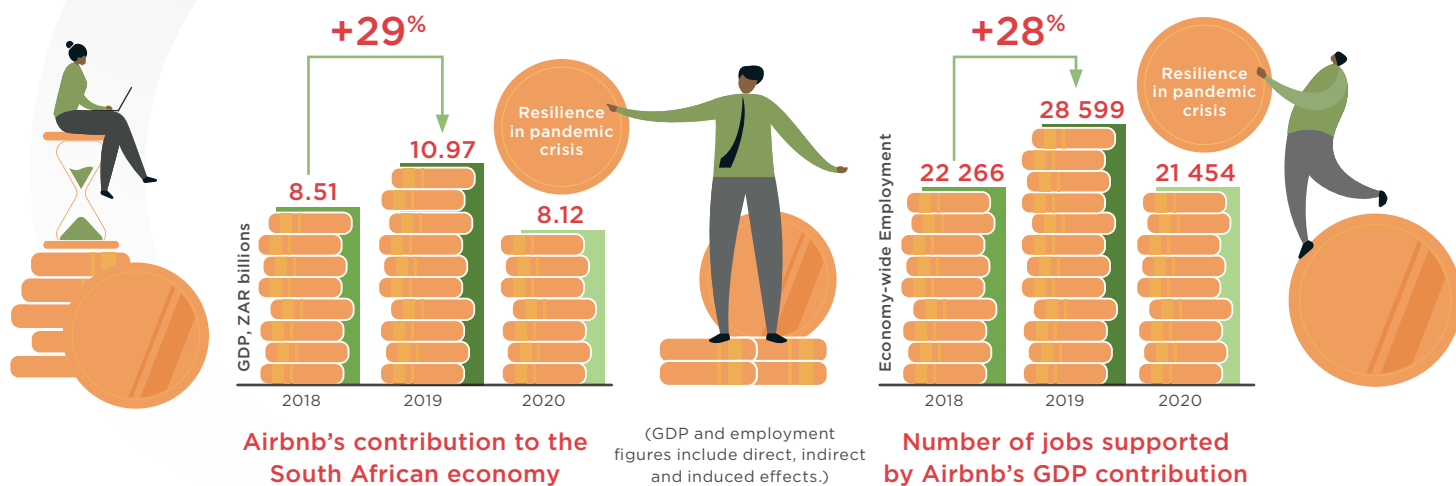
This helps to relieve financial stress.

In 2019, **46%** of surveyed hosts on the platform reported that their primary **reason for hosting** was **"to make ends meet"**.

In 2019, Airbnb had more than **45,500** active accommodation hosts

and about **500** experience hosts.

## Growth in macro-economic contribution



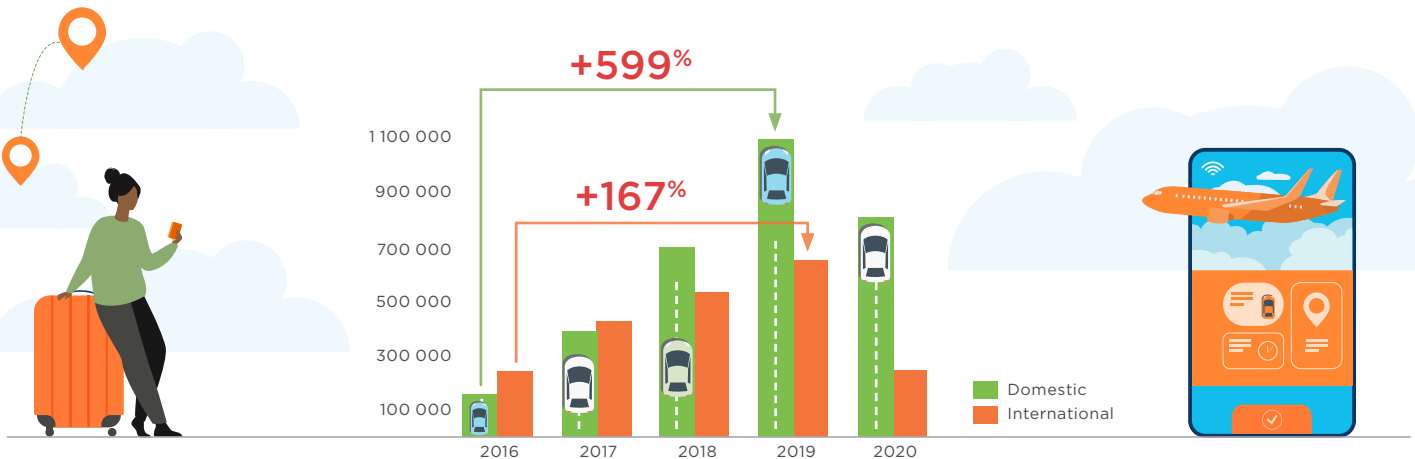
A possible reason for resilience in 2020 is that from 2018 Airbnb has been used more by domestic tourists than international tourists. While COVID-19 restrictions decimated international tourism, domestic travel on Airbnb was markedly more resilient.

## Inclusion of guests: Making travel more accessible

All South Africans should be able to experience the diverse beauty of their country.

Platforms like Airbnb allow travellers to easily compare accommodation options and tailor searches to meet specific needs. They provide an array of prices and locations, ranging from a shared room to a luxury villa and everything in between, in all parts of the country. Logically, a wider choice of prices and locations improve the chances that travellers are able to find convenient accommodation to fit their budget.

This has resulted in a growth in domestic travel on Airbnb:



Domestic and international Airbnb guest arrivals, 2016-2020

Between 2016 and 2019:

Industry-wide **domestic tourism fell by 9%** while **international travel grew by 26%**<sup>9</sup>

On Airbnb, the number of **domestic guests increased by almost 600%**, and to **167%** for international guests

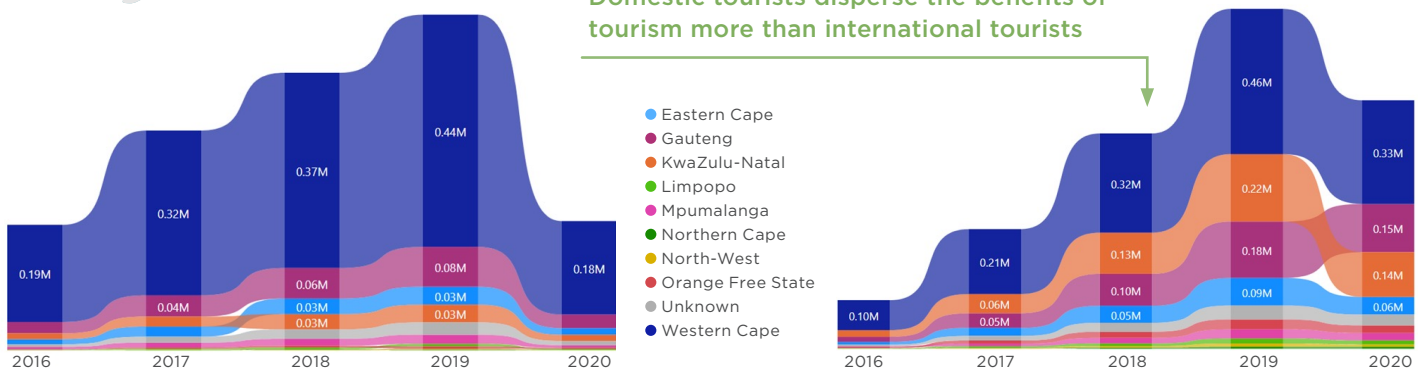
Some of the growth in domestic travel using Airbnb appears to be latent demand being unlocked by the platform - demand that would not have been realised without Airbnb.

**15%** of surveyed guests report that they *would not have travelled at all* without Airbnb.

**42%** would not have travelled to the region without Airbnb.

**57%** of guests would not have stayed as long.

### Domestic tourists disperse the benefits of tourism more than international tourists



International guest arrivals

Domestic guest arrivals

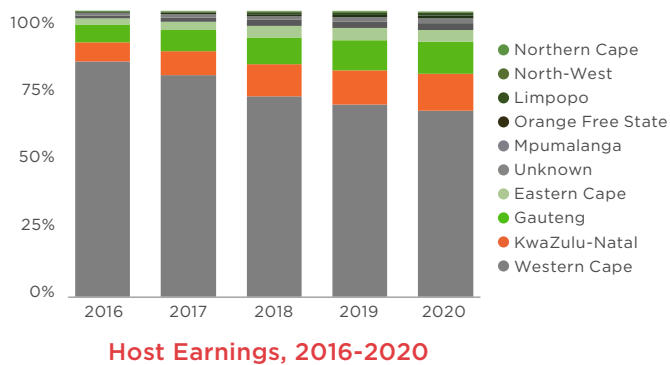
The graphs above show that international tourists tend to be concentrated in the Western Cape while domestic tourists are more evenly spread between the nine provinces.

## Dispersing the benefits of tourism geographically

### Provincial inclusion

Travel with Airbnb reflects national tourism patterns which are concentrated **in the provinces with the three largest metropolitan areas**, namely Gauteng, the Western Cape, and Kwa-Zulu Natal.

However, visits to traditionally less popular provinces are growing at a much faster rate than the traditionally popular provinces, sharing the benefits of tourism.



### Rural inclusion

From 2016 to 2019, the growth in booking to destinations in largely **rural areas grew by 81%**. Of the 10 fastest growing towns, 7 are in rural areas.

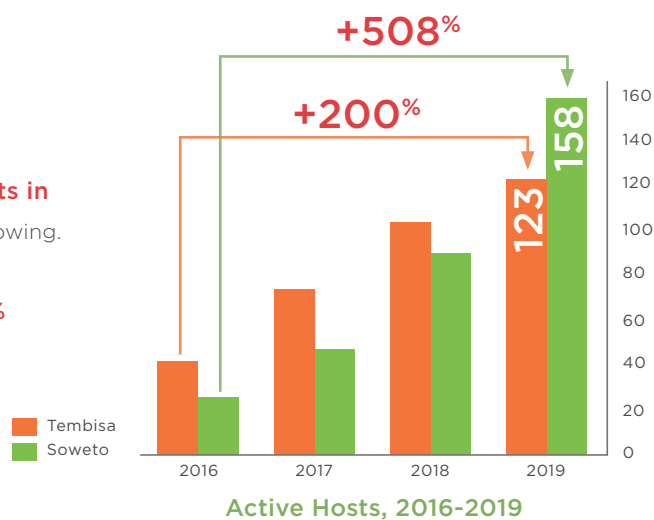
The fastest-growing cities and towns for Airbnb bookings are mostly situated in the traditionally less popular provinces for tourism and in rural areas.

### Township inclusion

There is some evidence that Airbnb is helping to bring tourism to townships.

Absolute numbers remain low at **158 hosts in Soweto** and **123 in Tembisa**, but are growing.

From 2016 to 2019, the number of active hosts on the platform increased by **508%** in Soweto, and **200%** in Tembisa.



## Inclusion of hosts: Race, gender and age

The Department of Tourism is committed to increasing the participation of Black Africans, women and youth in tourism.<sup>7</sup> These historically marginalised groups face barriers in joining the tourism sector and are most vulnerable to the economic shocks like COVID-19. A new survey was designed to understand inclusion on the platform.

In 2019, almost half of accommodation hosts self-identified as female.

**46% female & 23% male**



## The future

Continuing and intentional effort is needed to widen and support inclusion in tourism.

This effort will be underpinned by more public-private partnerships and by smart, balanced and evidence-based regulation.

Implementing the government's ICT and Digital Economy Masterplan is an important first step.

To ensure that digital platforms are a force for inclusion in the tourism sector, more thought is needed by government and the industry on how to address digital exclusion. Although South Africa has extensive broadband coverage at 95%, less than half of the rural population is connected to the internet.<sup>10</sup>

The report, calls for greater coordination and partnership between the public, private and societal sectors to build on the foundations of inclusive tourism.



<sup>1</sup> StatsSA (n.d.) SA tourism industry struggles amidst COVID-19 pandemic. Available [here](#). <sup>2</sup> StatsSA (2018) Unpacking South Africa's tourism workforce. Available [here](#). <sup>3</sup> StatsSA (n.d.) SA tourism industry struggles amidst COVID-19 pandemic. Available [here](#). <sup>4</sup> South Africa Tourism (2021) The Road to Recovery Report. Available [here](#). <sup>5</sup> Ibid. <sup>6</sup> Allied Market Research (2021) Global Opportunity Analysis and Industry Forecast (2021-2028). Available [here](#). <sup>7</sup> Department of Tourism (2020) Strategic Plan 2020/21-2024/25. <sup>8</sup> See appendix A for the survey methodology. Airbnb does not collect information on race in its platform or annual compact survey data. <sup>9</sup> South African Tourism (2021) *Tourism Report*. Available [here](#). <sup>10</sup> After Access (2018) A demand-side view of mobile Internet from 10 African countries. Available [here](#).



This report was commissioned by Airbnb and independently researched and prepared by Genesis Analytics.

CONTACT PERSON **Ryan Short, Partner**  
ryans@genesis-analytics.com | +27 82 349 0030  
[www.genesis-analytics.com](http://www.genesis-analytics.com)

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