

# What makes South African Tourism competitive?

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## Abstract

Global tourism is constantly increasing, creating fierce competition between tourist destination proponents. Because of this, various researchers have developed models which aim to determine the factors that make destinations competitive to give them a competitive advantage over others. This applies in South Africa too. The last study carried out to determine the factors that make this country a competitive destination found that the factors that were most important for South Africa's competitiveness were safety and security, quality service, value for money, geographical features and attitude towards tourists. Competitive research specifically regarding this country has been limited since 2002. South Africa's global competitive ranking is not improving at the same rate as previously, making it necessary to explore the components that contribute to its competitiveness in this industry, which could contribute to the strategic management strategy of the country. The goal of this paper was thus to determine which components determine South Africa's competitiveness. To achieve this goal a structured questionnaire was emailed to delegates who attended the Tourism Indaba in 2013. Thirty six (36) attributes were measured on a five point Lickert scale and a factor analysis was done to determine the factors that contribute to the competitiveness of South Africa. Nine factors was identified namely cuisine, tourism services, location, economic benefits, attributes, entertainment and activities, stability, African experience and brand and image.

**Keywords:** Tourism competitiveness, factors, South Africa, internal influences, external influences



Source:<http://www.balkaneu.com/wp-content/uploads/2013/09/competitive.jpg>

## Introduction

The increase in global tourism numbers (1 billion in 2012) has resulted in intense competition between destinations to grow their market share (Navickas & Malakauskaite, 2009:37; Blanke & Chiesa, 2013:4; Pearce & Schänzel, 2013). In 2012 it was recorded that Africa attracted only 5% of the international overnight visitors, accounting for 52 million international tourists. The two largest tourism revenue earners in the African region are Mauritius and South Africa, with their tourism competitive rankings being 58th and 64th respectively, indicated by the *Travel and Tourism Report* (Blanke & Chiesa, 2013:1).

The introduction into the global tourism market after the 1994 democratic elections proved to be very positive for South Africa and a study conducted by Du Plessis in 2002 indicated that tour operators consider the country to have various strengths and opportunities to attract tourists (Du Plessis, 2002:3). It is however, the opinion of government and other role-players that South Africa could achieve a much better standing in the competitiveness ranking. This, however, might be a difficult task considering the intangible characteristics of tourism products and services and the perceptions of tourists towards these products and services (Hong, 2009:105; Sainagi, 2005:1054; Crouch, 2007:24). The competition between destinations is further complicated by internal and external factors that influence the perceptions and motivation of tourists when travelling to a destination. Hence, the positive perceptions of tourists towards a destination are not the only qualifying issue concerning the competitiveness of a destination that is also influenced by policies, practices and management, as indicated by the *Travel & Tourism Competitiveness Report* (2013: xv). In other words, a destination is competitive if it is able to attract and satisfy potential tourists; this competitiveness is determined both by tourism-specific factors and a much wider range of factors that influence the tourism service

providers (Enright & Newton, 2005:340). However, in determining the unique factors that contribute to the competitiveness of a destination, managers of tourism products and services could systematically examine competing destination attributes in order to obtain a better competitive position. The aim of this study, therefore, was to identify the factors that contribute to South Africa's competitiveness.

## Background to the study

Being competitive is becoming an ever more important part of destination management because of the globalisation of markets, the rise in disposable income and in free time over the past decades (Cracolici, Nijkamp & Rietveld, 2008:336). *The Economist* (1998:10) as cited in Crouch (2007:1) noted that whilst there may be more tourists, there is also more competition between destinations when cities, countries and continents realise the benefits of tourist revenue. As in the case of consumer products, tourism destinations must persuade the tourist of the combination of benefits which could only be provided by that specific and unique destination. Various aspects contribute to a destination's competitiveness and are therefore worth analysing.

The term competitiveness is a broad term that can be applied to many fields and disciplines. Porter and Rivkin (2012:56) stated that "a competitive location produces prosperity for both companies and citizens". Porter also pointed out that: "Competitiveness at aggregate level is the average productivity of industry or the value created per unit of labour and per dollar of capital invested". From a tourism perspective, Dwyer, Forsyth and Rao (2000:9) describe competitiveness as "a general concept that encompasses price differentials coupled with exchange rate movements, productivity levels of various components of the tourist industry and qualitative factors affecting the attractiveness or otherwise of a destination". In summary,

competitiveness, in the broader sense, refers to productivity and economic prosperity in the business industry on both micro- and macro-economic levels.

This definition differs slightly from the research conducted specifically on destination competitiveness (Porter & Siggelkow, 2008; Johnson, Porter, Roessner, Neuman & Jin, 2010; Forsyth & Dwyer 2010; Dwyer & Forsyth, 2011; Heath, 2002; Hong, 2009; 2011; Dwyer & Kim, 2010; Crouch, 2010). Destinations are being considered competitive when they have the ability to increase tourism expenditure, to increasingly attract visitors while providing them with satisfying, memorable experiences and to do so in a profitable way, while enhancing the well-being of the destination's residents and preserving the natural capital of the destination for future generations (Ritchie & Crouch, 2003:2; Dwyer *et al.*, 2010:372).

It is clear that destinations are complex networks involving a large number of co-producing factors that deliver a variety of products and services to different tourists (Haugland *et al.*, 2011:268; Saayman, 2008). According to Ritchie and Crouch (2003:2) it is the effective management of these multidimensional factors that will enable a destination to sustain a competitive advantage. Hong (2009:108) reinforces this sentiment by advising tourism role players to be aware of the factors that contribute to the competitiveness of destinations in converging management practices, organisational structures and the sources of competitive advantages to gain a competitive advantage and to attract more tourists.

According to Brotherton and Shaw (1996:114), any factor that is critical, is of the greatest importance and has a very high priority. It does not just refer to business objectives or goals, but is a combination of activities and processes intended to support the achievement of the desired outcomes specified by a company's (destination) objective or goal. In other words, a competitive factor is one that influences the position of the industry or a destination. Porter (1990) described internal factors as advantages that reside in the company itself and external factors which cannot be controlled, for example infrastructure, the quality of the national business environment, accessibility, marketing, and the variety of tourism services as well as skills development. Although external factors cannot be controlled, provision for these factors should be made for such events in order for the destination to function productively. External factors that influence competitiveness of destinations include income of tourists, price competitiveness, transport costs and climate, globalisation of markets, increasing knowledge and skill of competition as well as rising logistics costs due to costs of energy and emissions (Porter, 2009:3; Saayman & Saayman, 2008:93).

Factors of tourism competitiveness are less generic than the factors of company competitiveness (Crouch & Ritchie, 1999: 142). The factors used in the tourism industry are more industry specific than Porter's research. Table 1 indicates the factors that contribute to tourism competitiveness and destination competitiveness as determined by various researchers (Porter, 2009; Ritchie & Crouch, 2003; Enright & Newton, 2005; Dwyer & Kim, 2010; Heath, 2003).

Table 1. Factors contributing to competitiveness identified by various authors

Author	Category	Factor
Porter, 2009	Microeconomic competitiveness	<ul style="list-style-type: none"> <li>• Quality of the national business environment</li> <li>• State of cluster development</li> <li>• Sophistication of company operations and strategy</li> </ul>
	Macroeconomic competitiveness	<ul style="list-style-type: none"> <li>• Social infrastructure</li> </ul>

		<ul style="list-style-type: none"> <li>• Political institutions</li> <li>• Macroeconomic policies</li> </ul>
<b>Ritchie and Crouch, 2003</b>	Natural endowments	
	Supporting factors and resources	<ul style="list-style-type: none"> <li>• Infrastructure</li> <li>• Accessibility</li> <li>• Facilitating resources</li> <li>• Hospitality</li> <li>• Enterprise</li> <li>• Political will</li> </ul>
	Core resources and attractors	<ul style="list-style-type: none"> <li>• Physiography and climate</li> <li>• Culture and history</li> <li>• Mix of activities</li> <li>• Special events</li> <li>• Entertainment</li> <li>• Superstructure</li> <li>• Market ties</li> </ul>
	Destination management	<ul style="list-style-type: none"> <li>• Organisation</li> <li>• Marketing</li> <li>• Quality of service</li> <li>• Information research</li> <li>• Human resource management</li> <li>• Finance and venture capital</li> <li>• Visitor management</li> <li>• Resource stewardship</li> <li>• Crisis management</li> </ul>
	Destination policy, planning and development	<ul style="list-style-type: none"> <li>• System definition</li> <li>• Philosophy/ values</li> <li>• Vision</li> <li>• Positioning/ branding</li> <li>• Development</li> <li>• Competitive/ collaborative analysis</li> <li>• Monitoring and evaluation</li> <li>• Audit</li> </ul>
	Qualifying and amplifying determinants	<ul style="list-style-type: none"> <li>• Location</li> <li>• Safety and security</li> <li>• Cost/value</li> <li>• Interdependencies</li> <li>• Awareness/image</li> <li>• Carrying capacity</li> </ul>
<b>Dwyer and Kim, 2010</b>	Core resources	<ul style="list-style-type: none"> <li>• Natural resources</li> <li>• Heritage and culture</li> <li>• Tourism infrastructure</li> <li>• Special events</li> <li>• Range of activities</li> <li>• Entertainment</li> <li>• Shopping</li> </ul>
	Supporting factors and resources	<ul style="list-style-type: none"> <li>• General infrastructure</li> <li>• Quality of service</li> <li>• Accessibility of destination</li> <li>• Hospitality</li> <li>• Market ties</li> </ul>
	Destination management	<ul style="list-style-type: none"> <li>• Coordination</li> <li>• Provision of information</li> <li>• Monitoring and evaluation</li> </ul>
	Human resource management	
	Environmental management	
	Situational conditions	<ul style="list-style-type: none"> <li>• Location</li> <li>• Competitive (micro) environment</li> <li>• Competitive environment</li> <li>• Global (macro) environment</li> <li>• Safety and security</li> <li>• Price competitiveness</li> </ul>
	Demand conditions	Indicators of destination competitiveness
<b>Heath, 2003</b>	Key factors	<ul style="list-style-type: none"> <li>• Political stability</li> <li>• Geographic proximity to high density and wealthy markets</li> <li>• Policies regarding Visa requirements</li> <li>• Impact of events</li> <li>• Routes to long-haul destinations and seat availability</li> <li>• Natural and manmade factors</li> </ul>

<b>Enright and Newton, 2005</b>	Tourism market related factors	<ul style="list-style-type: none"> <li>• Effective marketing</li> <li>• Architecture</li> <li>• History</li> <li>• Local people</li> <li>• Cultural peculiarities</li> <li>• Events</li> <li>• Museums and galleries</li> <li>• Concert halls and theatres</li> <li>• City nightlife</li> </ul>
	Business environment related factors	<ul style="list-style-type: none"> <li>• Labour cost and skill</li> <li>• Level of retail sector development</li> <li>• Level of technological advancement</li> <li>• Strategies of local companies</li> <li>• Political stability</li> <li>• Anti-corruption policy</li> <li>• Level of educational system</li> <li>• Strong currency and steady prices</li> </ul>
<b>Phakdisoth and Kim, 2007</b>	Determinants of tourism flow (Laos)	<ul style="list-style-type: none"> <li>• Destination specific factors</li> <li>• Communication</li> <li>• Transport infrastructure</li> <li>• Stability of the destinations</li> <li>• Long haul destination</li> </ul>
<b>Lee and King, 2009</b>	Important factors of destination competitiveness (Taiwan hot springs)	<ul style="list-style-type: none"> <li>• Natural resources</li> <li>• Cultural assets</li> <li>• Special attractions</li> <li>• Accommodation</li> <li>• Cuisine</li> <li>• Transport services</li> <li>• Safety and security</li> </ul>
<b>Gomezjl and Mehalic, 2008</b>	Destination competitiveness Applying different models (Slovenia)	<ul style="list-style-type: none"> <li>• Natural endowments</li> <li>• Improved responsiveness to customer needs and preferences</li> <li>• Innovation</li> <li>• Service quality</li> <li>• Price factors</li> <li>• Non-price factors</li> </ul>
<b>Naude and Saayman, 2005</b>	Determinants of tourist arrivals (South Africa)	<ul style="list-style-type: none"> <li>• Different factors are important to different markets</li> <li>• Political stability</li> <li>• Communication infrastructure</li> <li>• Marketing of destinations</li> <li>• Level of development</li> <li>• Culture</li> <li>• Wildlife</li> <li>• Diversity</li> </ul>
<b>Saayman and Saayman, 2008</b>	Inbound tourism (South Africa)	<ul style="list-style-type: none"> <li>• Income in the country of origin</li> <li>• Price competitiveness</li> <li>• Transport cost</li> <li>• Climate</li> </ul>
<b>Haarhoff, 2007</b>	Price competitiveness (South Africa)	<ul style="list-style-type: none"> <li>• Five star accommodation is not price competitive</li> <li>• Three star accommodation is competitive because of lower prices</li> </ul>
<b>Shaw, 2010</b>	Influences on the tourism industry (South Africa)	<ul style="list-style-type: none"> <li>• Infrastructure</li> <li>• Economies</li> <li>• Transport</li> <li>• Business insufficiencies</li> <li>• Crime</li> <li>• Political factors</li> <li>• Environmental factors</li> <li>• Organisational factors</li> <li>• Health and safety factors</li> </ul>

(Source: Author's own composition)

From Table 1 it is clear that the factors that contribute to competitiveness differ from author to author and consequently from destination to destination, implying that the competitive factors regarding destinations cannot be the same for all

destinations (Phakdisoth & Kim, 2007:226; Enright & Newton, 2005:340).

The multidimensional factors that influence the tourism industry which should be managed in order to attain a more competitive position can be divided

into internal and external factors. A destination must convince its target market that it has the correct combination of benefits made up of these multidimensional factors to be competitive (Crouch, 2010:27). It is evident that there are numerous factors that need to be managed for a destination to be competitive, including the tourism experience “that originates from the interaction between tourists, job providers, government systems and communities in the process of providing attractions, entertainment, transport and accommodation to tourists” (Saayman & Saayman, 2008:83).

Although several studies have been conducted on destination competitiveness, very few studies focus on destinations within Africa. This is a major gap since most destination studies are carried out for developed countries (Jonker, Heath & Du Toit, 2004; Naudé & Saayman, 2005; Saayman & Saayman, 2008; Du Plessis, 2002; Haarhoff 2007). In 2002, Du Plessis performed the first study to determine the competitive advantages of South Africa as a global tourism destination. The factors that emerged as most important in this respect were safety and security, quality of service, value for money, geographical features and attitude towards tourists (Du Plessis, 2002:102). Although these factors were identified and managers and marketers could act upon them, Du Plessis (2002) found that the influence of external factors such as crime, political instability and disease could exert a major influence on these factors and might even alter their importance. The question of whether these factors are still relevant and whether they have changed remains. Especially now that South Africa has experienced several internal and external changes such as economic recession, increased fuel prices, new market trends and major technological achievements.

## **Methodology**

The method of research used is discussed under the following headings: (i) study

focus, (ii) the questionnaire, (iii) sample and (iv) the statistical analysis.

## **Focus**

A database was developed that included tour operators that operate as inbound tour operators to South Africa. The Tourism Indaba of South Africa and the tour operator associations of Australia, Europe, Germany, the United States of America and the United Kingdom were used as the foundation for the development of this database.

## **The questionnaire**

The data used in the questionnaire were gathered by targeting tourism operators of tourism products by means of a structured questionnaire. The questionnaire was developed based on the research studies by Du Plessis (2002), Porter (1990) and Crouch and Ritchie (1999).

The questionnaire was divided into two sections. Section A captured demographic details: country of origin, main type of business and effect of price on business. Section B captured 36 aspects that influence destination competitiveness on a 5 point Likert scale, on which respondents chose how important these aspects were to South Africa's competitive position (1=no opinion, 2=of no importance, 3= of some importance, 4= important and 5= very important).

## **Sampling method and survey**

To achieve the largest possible sample, a total of 2, 727 questionnaires were e-mailed. Two hundred and seventy one (271) usable questionnaires were completed and returned, representing 9.93%, which is a representative sample for this population according to Cooper and Emroy (1995:215).

## **Data analysis**

Microsoft Excel was used to capture the data and SPSS (SPSS Inc. 2010) to analyse it. The analysis was performed in

two stages: firstly, a descriptive analysis of the respondents was carried out and secondly, a factor analysis was performed to determine the competitiveness factors of South Africa as a tourism destination

A principle axis factor analysis, using an Oblimin rotation with Kaiser Normalization, was performed on 36 items, to explain the variance-covariance structure of a set of factors through a few linear combinations of these factors. The Kaiser-Meyer-Olkin measure of sampling adequacy was used to determine whether the covariance matrix was suitable for factor analysis. Kaiser's criteria for the extraction of all factors with eigenvalues larger than one were used because they were considered to explain a significant amount of variation in data.

### Results and discussion

This section will provide an overview of the demographics of respondents and discussion of the results of the factor analysis.

#### Summary of demographic information of the respondents

The majority of tour operators (71%) have been doing business in South Africa for more than 7 years. The respondents could select from three main types of business regarding South Africa and it was clear that most of the operators promote leisure tourism, nature based tourism as well as culture and history tourism.

South Africa's biggest drawcards as a globally competitive destination, according to the respondents, are its Infrastructure and Big Cities (22%), Fauna and Flora

(20%) and Culture and Hospitality (13%). Respondents indicated that South Africa's best souvenirs are curios made from beads and wood (46%) and wildlife related souvenirs (15%) such as animal skins. The Kruger National Park (39%) and Table Mountain (21%) are South Africa's best attractions according to them.

The next section is devoted to the results of the factor analysis.

#### Component Analyses

Respondents were asked to rate the importance of different attributes of the competitiveness of South Africa as a tourist destination on a five point Likert scale. All statements with a factor loading greater than 0.3 were considered as contributing to a factor, and all items with loadings less than 0.3 as not correlating significantly with this factor (Steyn, 2000). Any statement that cross-loaded on two factors with factor loadings both greater than 0.3 was categorised in the factor where interpretability was best. The percentage of variance explained by the factor analysis was 62.11%. A reliability coefficient (Cronbach's alpha) was computed for each factor to estimate its internal consistency. All factors with a reliability coefficient above 0.6 were considered as acceptable in this study. The average inter-item correlations were also computed as another measure of reliability: these, according to Clark and Watson (1995), should lie between 0.15 and 0.55. For the purpose of this study, the first and second stages were used. The result of the component analysis is recorded in Table 2 below.

**Table 2: Results of the components analysis**

	Quality and variety of foods	Tourism services	Location	Economic benefits	Attributes	Entertainment and activities	Stability	African experience	Brand and Image
Quality and variety of foods	.702								
Quality of the tourism service		.615							

Availability of information about activities		.533							
Availability of support services		.488							
Visible and effective marketing		.472							
Accessibility of transport services		.365							
Infrastructure and tourism suprastructure		.362							
Availability of different tourism products		.320							
Long haul destination			.824						
Short haul destination			.714						
Location of the country			.419						
Price				.707					
Value for money				.389					
Benefit of foreign exchange				.386					
Geographical features					.604				
Historical and cultural resources					.555				
Variety of accommodation					.389				
Scenery					.367				
Mega events and festivals						.755			
Shopping opportunities						.731			
Entertainment						.683			
Communication systems						.444			
Sports/recreational opportunities						.386			
Variety of vacation packages						.374			
Political stability in country							.717		
Destinations' ability to manage risks							.549		
Safety and security							.341		
African experience								.560	
Uniqueness								.479	
Availability of nature based products								.354	
Destination brand									-.543
Image and awareness of destination									-.500
Quality of the experience on offer									-.400
% variance explained	62.1%								
Mean value	<b>4.19</b>	<b>3.83</b>	<b>3.74</b>	<b>4.33</b>	<b>3.95</b>	<b>3.54</b>	<b>4.36</b>	<b>3.98</b>	<b>4.21</b>
Inter item correlation	0.40 9	0.388	0.365	0.325	0.492	0.348	0.375	0.479	
Cronbach's alpha	0.82	0.65	0.61	0.70	0.82	0.67	0.70	0.73	



Extraction Method: Principal Axis Factoring.  
Rotation Method: Oblimin with Kaiser Normalization.

a. Rotation converged in 40 iterations.

The component analysis identified nine factors, as explained hereafter.

#### **Component 1: Quality and variety of foods**

The first component: *quality and variety of food* had the fourth highest mean value of 4.19. This was the first time this component was detected in research conducted in Africa. Although this component is supported by only one statement, the factor loading of 0.702 indicates its importance as a major contributor to the competitiveness of the country. The only other study that found cuisine to be an important contributing factor to destination competitiveness was undertaken by Lee and King (2009) at the Taiwan hot springs.

#### **Component 2: Tourism services**

This component was labelled *tourism services* and included statements such as quality of tourism services, the availability of support service and infrastructure and suprastructure. Component two had the seventh highest mean value (3.38). This component confirms and supports literature by Phakdisoth and Kim (2007), Lee and King (2009) and Gomezelj and Mihalič (2008) who indicated that communication and transport infrastructure are important determinants of tourism flow to the destinations. Although this is a well-established factor in the literature, the attributes contributing to this factor differ between destinations.

#### **Component 3: Location**

Component three, labelled location, was eighth highest with a mean value of 3.74. Dwyer and Kim (2010) identified location as a situational condition, meaning that it is an external factor that impacts on destination competitiveness but cannot be changed or influenced. Crouch (2007) indicated that location was a qualifying and amplifying determinant of tourism competitiveness. South Africa as part of Africa has a certain exotic drawing power,

which offers several marketing advantages.

#### **Component 4: Economic benefits**

The mean value for component four (economic benefits) was 4.33 and it was the second most important factor in determining the competitiveness of South Africa as a destination, according to respondents. This component included *benefit of foreign exchange, value for money* and *price* at the destination. The statement *Price* is indicated as an important factor of the destination's competitiveness. This finding correlates with research performed in Laos by Phakdisoth and Kim (2007) and Gomezelj and Mihalič (2008), whose studies indicated that tourism to the destinations studied is sensitive to price levels. Saayman and Saayman (2008) and Haarhoff (2007) found that the benefit of foreign exchange and price competitiveness was a major indicator of inbound tourism to South Africa.

#### **Component 5: Attributes**

Attributes was considered as a new component and although the statements included in this component support research by Naude and Saayman (2005:366); Bendixon and Cronson (1996:4); Lee and King (2009) and Gomezelj and Mihalič (2008), the combination is unique to South Africa as a destination. Component five included attributes such as geographical features, historical and cultural resources, variety of accommodation and scenery. This factor had the sixth highest mean value of 3.95. Crouch (2007) stated that physiography formed part of the core resources that attracted tourists to a country.

#### **Component 6: Entertainment and activities**

The sixth component had a mean value of 3.45, and included mega events and festivals, shopping opportunities, entertainment, communication systems,

sport and recreational opportunities and a variety of vacation packages. Component 6 was labelled *entertainment and activities* and was the factor with the lowest mean value. Although this component had the lowest such value, Heath (2002) and Lee and King (2009) found that a range of activities, events, entertainment and shopping was important in determining the competitiveness of a destination.

#### **Component 7: Stability**

This component had the highest mean value of 4.36 and included political *stability*: a destination's ability to manage risk and safety and security. The finding that political stability is an important contributor to the competitiveness of South Africa supports research by Phakdisoth and Kim (2007) and also Naudé and Saayman (2005). This factor includes the importance of the safety and security of the destination, which was also important in the competitiveness of the Taiwan hot springs (Lee & King, 2009). Political stability was identified by Du Plessis (2002) as a major threat to South Africa's competitiveness and as an external factor over which the tourism industry does not have control.

#### **Component 8: African experience**

This component includes attributes such as: African experience, uniqueness, availability of nature based products and local attitudes. Component eight was labelled *African experience* and supports component 3 (*Location*) emphasising the uniqueness of Africa as a destination. This component had a mean value of 3.98 and is consequently considered one of the least important factors of this research. This component is especially unique to the African situation and contributes to the body of knowledge regarding destination competitiveness.

#### **Component 9: Brand and Image**

Factor nine labelled *Brand and Image* included statements such as *destination brand, image and awareness of destination and quality experience* on offer. This factor had the third highest mean value (4.21) indicating that it was a very important factor contributing to the

competitiveness of South Africa as a tourism destination for respondents. Marketing is important for all destinations' competitiveness, as it builds awareness of the destination in other countries, primarily creating a motive for tourists to do research about a destination and ultimately decide to visit it (Heath, 2002; Crouch, 2007; Dwyer and Kim, 2010). Du Plessis in 2002, found that marketing was one of South Africa's weaknesses and that it contributed negatively to the competitiveness of the destination.

#### **Findings**

After 1994, the country experienced radical changes in the areas of politics, economics, infrastructure development and the changes in tourism and travel environment, to name but a few. The question of how these changes affected the competitiveness of South Africa as a tourist destination remains.

Nine components were identified in the study: (1) Quality and variety of foods, (2) Tourism services, (3) Location, (4) Economic benefits, (5) Attributes, (6) Entertainment and activities, (7) Stability, (8) African experience and (9) Brand and image. The first important finding from this research is that the factors that contribute to the competitiveness of destinations found in this research not only differ from the factors that other researchers have found at other destinations but also from the research done by Du Plessis in 2002 that focused on South Africa. Competitiveness components evidently differ from destination to destination and change constantly.

The implication is that competitiveness components alter over time, underscoring the importance of continuous research on this topic. Role players in the development and supply of tourism products and services at a destination could capitalise on this knowledge to sustain or obtain a better competitive advantage with specific reference to the development of policies, marketing

strategies and management plans. This research supports the findings of Crouch and Ritchie (1999) who established that care is required when applying destination competitive models because “one size does not fit all”, and continual research is necessary to ensure sustainable competitive positions.

The second finding claims that some components (internal) can be controlled whilst others (external) cannot. In this case, four of the nine components can be controlled: *quality and variety of foods, entertainment and activities, the African experience, brand and image and location.*

The implication of this finding is that these aspects should be incorporated in marketing policies, plans and strategies. This research confirms that tourist trends are altering and, consequently, that marketing and tourism packages should evolve accordingly. Although South Africa’s natural resources are unique and attract tourists, other attributes should also form part of the marketing campaign.

Thirdly, in a developing country, components such as stability or safety and security, economic benefits, the branding and image of the country and variety of attractions still play a role in contributing to the competitiveness of the destination (South Africa). Crouch and Ritchie (1999) indicated that these components are important but that they are part of the uncontrollable (external) components. Interestingly enough, climate is no longer considered to be of major importance.

The implication of this finding is that marketers and managers should be informed in terms of external influences that could have an impact on the destination’s competitiveness. Secondly, it is important for managers to have the ability to adapt to changes such as economic fluctuations in order to sustain a competitive advantage. It is very important

for South African product owners to strive to be price competitive and deliver a value-for-money experience, which means delivering excellent service at good prices. Despite being a long haul destination, the South African exchange rate provides foreign tourists with more buying power. Thus, while the economic climate is an external factor, one could exploit it as an advantage to attract more tourists.

Fourthly, political and economic stability is the most important factor contributing to the competitiveness of South Africa in this research and although Du Plessis also found that this factor was important for respondents in contributing to competitiveness, the same study indicated that political and economic stability was one of South Africa’s weaknesses at that time (Du Plessis, 2002:103). It could be positive for South Africa as a country in the sometimes unstable political environment African continent to provide safety and security.

This results in an important practical implication for government in establishing safety and security. The country should focus on communicating more positive aspects of the country to the global community to promote places where it is safe for tourists.

## **Conclusions**

The aim of the research was two-fold: firstly, to identify the components of competitiveness of South Africa as a tourist destination and to compare it to the results of Du Plessis’s study published in 2002. The current research indicated that political and economic stability, economic climate, marketing and the quality and variety of food are the most important components contributing to the competitiveness of South Africa as a tourism destination. The study provides insight into new components that provide opportunity for the acquirement of new types of tourists to South Africa: these are

cuisine (food tourists) and entertainment and activities (sport tourists). Therefore, it makes a valuable contribution towards the literature on destination competitiveness, thus benefitting academics and practitioners alike. This research also contributes to literature by confirming the uniqueness of destinations and affirming that components differ between them, highlighting the need for continuous research in this regard.

In that the competition between destinations is on the increase, this type of research is invaluable, highlighting those aspects on which managers need to focus in order to sustain a competitive advantage.

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