

Joburg: Wanting to tick all the boxes



By [Danette Breitenbach](#)

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According to MasterCard's Third Annual Global Destination Cities Index* Johannesburg is the most popular destination in Africa and it forecast that the city would be Africa's most visited city last year, with an expected 2.5 million visitors and a growth rate of 5.5%. Joburg Tourism estimates the direct spend for 2012 from tourism was R35bn and a 20% contribution to the Gauteng region as a whole.



(Image: Wikimedia Commons)

The third Business Round Table, hosted by the City of Johannesburg's Department of Economic Development, focused on the city's conferencing and events industry and how it competed as a world-class destination.

The MC for the morning was Kimon Paxinos from PwC. "The objective of this gathering is to cultivate a relationship between the public and private sector. The City of Joburg has extended the olive branch and wants to hear what needs to be done to ensure it can help grow the tourism business which in turn will support the city."

Industry set to grow

The brainchild of Phelisa Manguc, Director Tourism, Economic Development, City of Joburg, she said the tourism industry, under which conferencing and events fell, is one of the most exciting and fastest growing industries in the world today, with more international travel taking place than ever before. "It is a diverse and dynamic industry that is set to grow globally and is a driver of economic development." She quoted worldwide figures of one billion arrivals last year, adding that South Africa made a R84bn contribution to GDP in 2012 and employed 4.5% of people directly and 9% if indirect employment was added.

She said that while business tourism was popular in Joburg, it had to be viewed as more than a quick in and out, but as a way to grow leisure tourism in the city. "We need to position Johannesburg as a tourist destination of choice for business as well as leisure tourism. Johannesburg should become the number one city in terms of hosting business events and the

number of events it hosts."

Gillian Saunders, Principal and Head: Advisory services at Grant Thornton South Africa agreed, saying the business event industry is very important to tourism. "It has a high impact as the delegate learns about a destination and brings back his family. As such, its spend is bigger than what people think."

Success factors

Johannesburg has been a chronic underperformer in terms of tourism, but despite this, the city has the potential to be number one says [Bruce Redor](#), Partner - Europe, Middle East & Africa, GainingEdge. "Johannesburg today is where Istanbul and Sao Paulo were 10 years ago. Their success in hosting business events show that it is possible for Johannesburg to achieve the same success."

According to him the main factors for success are: the facility package, hotel stock, access, appeal or image, safety and security and government support (or budget).

"The Johannesburg facility package is perceived a certain way. The Sandton facility packages are good and work well. The Gautrain airport to Sandton and vs works well. The issue is that there is little other public transport into other areas. Johannesburg's weak link is transportation; but this is a national problem."

Cape Town gets it right

Amanda Kotze-Nhlapo, Executive manager, National Conventions Bureau, South African Tourism said transport also has to be standardised and professional. "Cape Town has got this right with its official branded taxis which also charge a set amount."

The city brand must also reflect its promise. "It must tell a meetings planner in Geneva Switzerland, what to expect. Johannesburg is well known, but there is a perception that it is not a safe place," Redor said.

Brand South Africa CEO Miller Matola, agreed with Redor, saying that while Johannesburg is a well-known brand, it had a perception vs reality problem.

"Cities are critical units in ensuring economic well-being. People look at what you do, not what you say so we must be clear about our public relations and honest about our challenges. Joburg might be a strong brand but we need to take a broader view of the challenges."

Government support is crucial

Support from Government is crucial. As Redor pointed out: "All the cities that have succeeded have been supported by their government. If we want more people to come to Johannesburg, then we must build our resources to attract more events to the city."

Kotze-Nhlapo pointed out that it cost less to convince one person to bring their event here than to address leisure market. "One of commitments of SA tourism with government was to set up a convention bureau. However the budget for this was well under other cities' budgets, such as Melbourne in Australia."

Saunders said in the end it boils down to the total package. "The World Economic Forum was held in Cape Town because it ticked all the boxes for the organisers. Johannesburg needs to tick all the boxes."

** The MasterCard Index of Global Destination Cities ranks cities in terms of the number of their total international visitor arrivals and the cross-border spending by these same visitors in the destination cities. This Index was released June 2012.*

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