

Guesthouses show growth

Income from the accommodation sector displayed an annual growth of 7% for February but the growth has not trickled down to all. While one entrepreneur said she was smiling all the way to the bank, another reported a drop in earnings.

By Mpho Sibanyoni 24 Apr 2014



Business is booming for a guest house in Cofimvaba. Image: [Routes](#)

Guesthouse owner Mandisa Mandile, who runs The Trend Guesthouse Cofimvaba in Cofimvaba and Queenstown, Eastern Cape, says business has been thriving since it opened in 2007.

"This is because of increased demand for accommodation linked to business tourism because there are people who visit local retailers," said Mandile.

"The other reason for the growth, especially in Queenstown, is because there is no hotel in the town and tourists are always looking for temporary accommodation," she said.

Each of Mandile's guesthouses has 12 rooms. Mandile spoke to Sowetan after Statistics SA released figures showing that the income increased by 7%.

"The main contributors to the 7% year-on-year increase in income from accommodation in February 2014 were hotels [contributing 4.3 percentage points] and guesthouses and guest farms [contributing 2.2 percentage points].

"Income from accommodation increased by 13.5% in the three months ended February compared with the same three months last year.

"The main contributors to this increase were hotels and other accommodation," according to the Stats SA report.

Robert Jones, a partner in Ya Rena in Groblersdal, Limpopo, said the guesthouse, which opened in 2009, had seen the number of patrons increasing, though most of them stayed for just one night. Most of the patrons are return visitors.

"They say they can't stay at the guesthouse for many nights because their budget for accommodation is smaller than in previous years," Jones said.

Many of the guesthouse's customers are business people drawn to the area largely because of the citrus farms that export oranges.

Jones said people preparing tenders for government contracts who are working on projects on behalf of the municipality also stayed overnight at his guesthouse.

Source: Sowetan via I-Net Bridge

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