

City's big-spending visitors contribute to the tourism economy

By [Avukile Mabombo](#)

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Cape Town is a second home to the wealthy, with over [1,500 multi-millionaires](#) (classified as those with personal wealth in excess of \$S10m/about R130m) living in the city during peak holiday months, according to the AfrAsia and New World Wealth Review. While the city faces an ongoing internal challenge of development, there's no doubt that this influx of the super wealthy is adding to the region's economy.



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Real estate, financial services, retail and tourism all contribute to the city's coffers, providing extensive employment opportunities and room for growth.

Luxury tourism is thriving

Luxury tourism, considered a niche market, is thriving, with the city offering the kinds of upmarket experiences the luxury traveller seeks, besides the world-renowned landmarks of Table Mountain, Robben Island, the V&A Waterfront and Cape Point, top restaurants and luxury excursions.

By definition, luxury tourism includes exclusive accommodation such as six-star hotels or country lodges, cruise ship travel, retail trips, golf tourism, private jet and personalised yacht travel, extreme tourism (space, deep sea), and mini indulgences such as VIP airport shuttles.

A demand for authentic experiences

Most importantly, there's a demand for customised and personalised tours with authentic experiences. The latter can mean anything from a vacation that involves joining a conservation project and getting immersed in it to introducing your child to the only person left in a

village who formed a special part of history for some reason. Experiences that can't be replicated or mass-produced.

This builds onto the global "travel like a local" trend that sees visitors wanting to be the first to uncover a side street in a neighbourhood not considered traditionally part of the mainstream tourism destination. It's explorative, adventurous and interactive, a far cry from the perception that a holidaymaker will simply lounge around next to the pool with a piña colada to nurse and Mills & Boon paperback to use as a gentle fan.

It's fantastic that travel has become so multi-faceted – and a city such as Cape Town has many personalities to suit this exploring attitude. Creative tourism professionals are finding ways to incorporate this kind of travel into tours in ways that ensure that while the experiences remain exclusive, everyone has access to them.

Experiential tourism is providing more than just kicks for visitors, it's also spreading tourism rands wider across the destination. Places not previously part of the tourism experience are finding visitors arriving, chatting to locals and, more importantly, spending. A small, local art gallery, for example, could enjoy an investor popping in and purchasing some great artworks – art which may not be found in the bigger galleries. There's a knock-on effect, too, as neighbourhoods enjoy an influx of visitors, it's not just tourism-related businesses that benefit, but whole communities.

Weapons in the employment arsenal

It's important to remember that as much as tourism exists to provide products to our guests, it's also there to contribute to the livelihoods of those who work long hours to add value in tourism. Luxury tourism creates the need for skills development within larger hospitality organisations – the training of more specialist positions such as butlers or sommeliers, for example. These skills are powerful weapons in an employment arsenal, opening doors to international positions for those who have them.

The more we're able to cater towards the luxury market, the more we'll see this opportunity developing, and, with so many hotel developments on the go in the city, we're poised to enjoy even more of this kind of activity.

Reaching wider markets with a luxury tourism offering

Looking to international markets, our see-sawing exchange rate means that even visitors with a modest budget can enjoy affordable luxury at hotels, resorts, restaurants and in the retail environment. The international market is evolving - we're seeing more visitors from the Middle East and markets such as China and India, all of whom have a healthy segment of luxury tourism represented.

Besides the wonders of leisure travel that are on offer, business travel also forms a proportion of luxury tourism. In 2016, according to Wesgro, events and conferences contributed R374m to the Cape's economy alone. With business development on the go and conferences and events taking place, wealthy executives are making sure that they get to enjoy the best possible amenities while on the go. They understand the value of having seamless service and access to everything they need to make their professional lives easier.

Luxury tourism is an essential element of the sector, nurturing its growth can only benefit locals.

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