

# Newcastle Tourism Development and Marketing Strategy

Final Report

July 2013



	Page		Page
<b>1. Introduction</b>	<b>1</b>	<b>5. Institutional Structure</b>	<b>69</b>
1.1 Background	2	5.1 Provincial Context – Recap	70
1.2 Approach	2	5.2 Newcastle Municipality – Recap	73
1.3 Critical Success Factors	4	5.3 Institutional Structure at a District Level	73
1.4 Fundamental to the Tourism Strategy	5	5.4 Recommendations for Newcastle Municipality's Institutional Structure	75
1.5 Abbreviations	5		
1.6 Structure of the Report	6	<b>6. Implementation Plan</b>	<b>78</b>
<b>2. Strategic Direction</b>	<b>7</b>		
2.1 Introduction	8	<b>Annexure 1 – Tourism Industry Assessment Report</b>	103
2.2 Provincial Context	8		
2.3 Amajuba Context	10		
2.4 Vision for Tourism in Newcastle	11		
2.5 Mission	12		
<b>3. Strategic Objectives &amp; Targets</b>	<b>13</b>		
<b>4. Strategic Clusters, Thrusts &amp; Actions</b>	<b>18</b>		
4.1 Introduction	19		
4.2 Strategic Clusters	19		
4.3 Strategic Thrusts	20		
4.4 Strategic Actions	20		
4.5 Prioritising the Strategic Actions	61		



## **Section 1**

### **Introduction**

#### **1. Introduction**

#### **2. Strategic Direction**

#### **3. Strategic Objectives & Targets**

#### **4. Strategic Clusters, Thrusts & Actions**

#### **5. Institutional Structure**

#### **6. Implementation Plan**



## 1. Introduction

### 1.1 Background

Newcastle Local Municipality (“**the Municipality**”) identified the need to develop a Tourism Development and Marketing Strategy (“**tourism strategy**”) for the area in order to further grow the tourism industry as a means of facilitating local economic development (“**LED**”) and job creation. Grant Thornton was appointed to prepare the tourism strategy on behalf of the Municipality.

### 1.2 Approach

The development of the tourism strategy comprises a three-phase approach with the overall phasing of the project as follows:

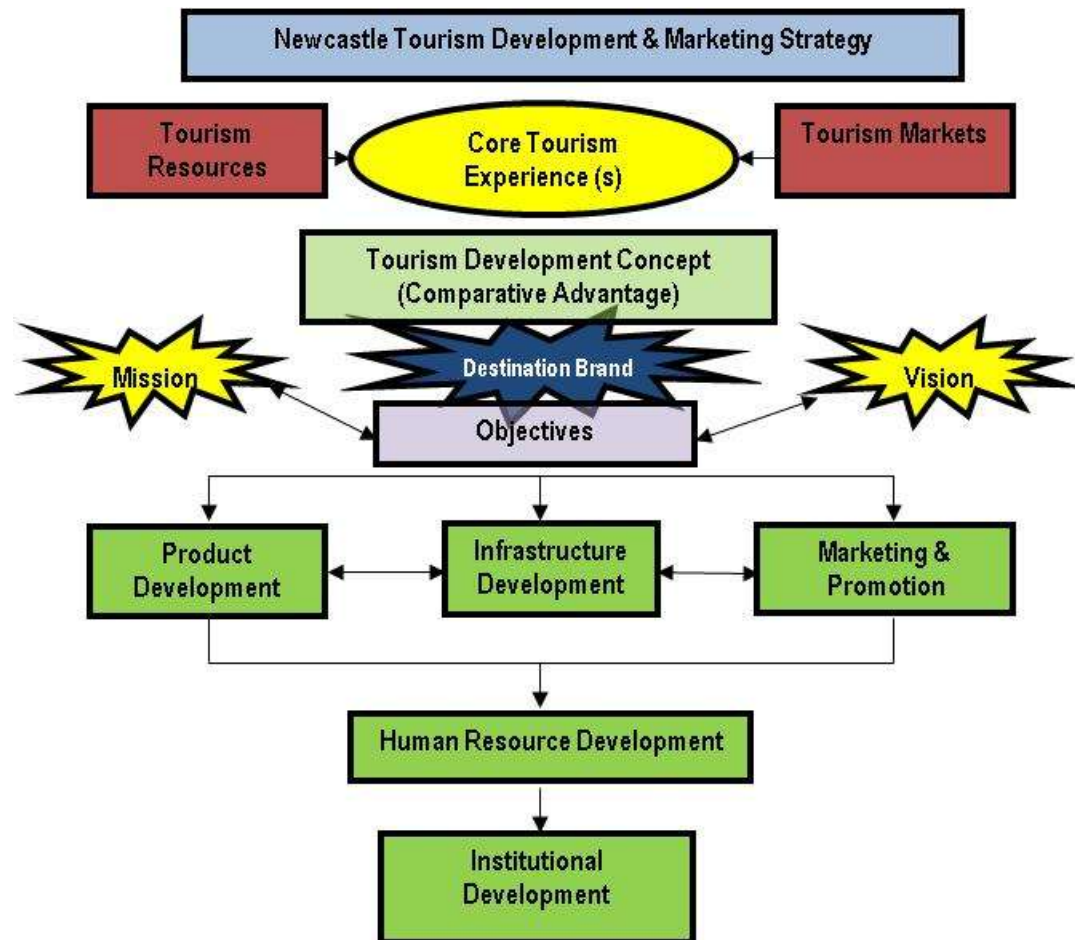
- **Phase 1a:** Project Inception
- **Phase 1b:** Tourism Industry Assessment
- **Phase 2:** Tourism Strategy Formulation
- **Phase 3:** Implementation Plan

This report contains the final Tourism Development and Marketing Strategy for Newcastle Municipality, including the implementation plan (**Section 6**) and final Tourism Industry Assessment Report (**Annexure 1**).

**Figure 1.1** shows the approach to tourism destination planning which forms the basis of the strategy development for Newcastle Municipality.



Figure 1.1 Tourism destination planning framework



### 1.3 Critical Success Factors

The following factors are critical for the successful implementation of the tourism strategy:

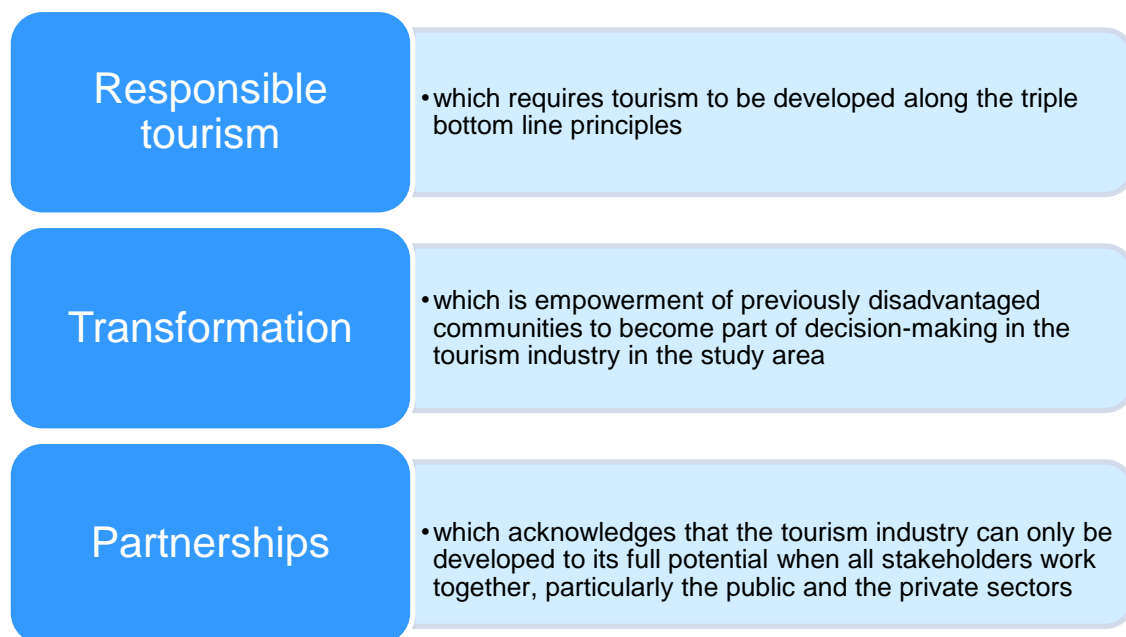
- The KwaZulu-Natal (“**KZN**”) Tourism Master Plan (“**TMP**”) is implemented and supported provincially, including the allocation of sufficient funds for the implementation of provincial targets. Similarly, it is assumed that the National Tourism Sector Strategy (“**NTSS**”) is implemented and supported nationally as some targets within the strategy are dependent on national and then provincial targets being attained.
- This strategy is supported financially by various parties, including the Newcastle Municipality, various district and provincial institutions and the private sector (as applicable).
- The implementation of this strategy is supported by all levels of government at local municipal level as well as by the district municipality and private sector institutions, tourism sector employees, organised labour and large and small businesses.
- The strategy is continuously and proactively aligned with any changes to the NTSS and KZN TMP and with key developments and trends in the macro, competitive and market environments.
- Giving strategic priority to the prioritisation of tourism at provincial and local government level. Continuously advocating tourism amongst all politicians and opinion leaders as a strategic and sustainable industry which requires appropriate funding support.
- Giving strategic priority to people development.
- Ensuring that tourism product development and packaging are value and market-driven and underpinned by a culture of service excellence.
- Ensuring and sustaining a powerful and distinctive destination experience that is competitively positioned and marketed.
- Strategically managing reliable, timely and accessible knowledge and research as a key to successful planning, marketing and management of the resource base.
- Continually focusing on sustainable competitiveness and balancing economic, social and environmental issues.
- Continuously realigning the target markets with the changing market landscape to balance the portfolios.
- Ensuring a results-driven, streamlined, dynamic and adaptable tourism structure from provincial to local level with clarity on roles, responsibilities and relationships (avoiding unnecessary bureaucracy).
- Leveraging mutually beneficial relationships and partnerships between stakeholders at all levels.
- Continually focusing on sustainable competitiveness and balancing economic, social and environmental issues.
- Continuously realigning the target markets with the changing market landscape to balance the portfolios.



## 1.4 Fundamental to the Tourism Strategy

In the development of the Newcastle Tourism Strategy we have taken into consideration four fundamental principles without which the tourism industry would not be developed to its full potential. These fundamental principles are assumed throughout the strategy, though it might not be specifically highlighted in each section. They are shown in **Figure 1.2** and have also been incorporated in the Mission Statement shown in **Section 2.5**.

**Figure 1.2 Fundamental principles of the tourism industry**



## 1.5 Abbreviations

<b>AFLED</b>	Amajuba Forum for Local Economic Development	<b>PCO</b>	Professional Conference Organiser
<b>BEE</b>	Black Economic Empowerment	<b>SA</b>	South Africa
<b>CATHSSETA</b>	Culture, Arts, Tourism, Hospitality & Sport Sector Education	<b>SADC</b>	Southern African Development Community



	& Training Authority	<b>SAT</b>	South African Tourism
<b>CTO</b>	Community Tourism Organisation	<b>SDF</b>	Spatial Development Framework
<b>DEDT</b>	Department of Economic Development & Tourism	<b>SETA</b>	Sector Education & Training Authority
<b>FET</b>	Further Education Training	<b>SWOT</b>	Strengths, Weaknesses, Opportunities & Threats
<b>GDP</b>	Gross Domestic Product	<b>TEP</b>	Tourism Enterprise Partnership
<b>IDP</b>	Integrated Development Plan	<b>TGCSA</b>	Tourism Grading Council of South Africa
<b>LED</b>	Local Economic Development	<b>TKZN</b>	Tourism KwaZulu-Natal
<b>LTA</b>	Local Tourism Association	<b>TMP</b>	Tourism Master Plan
<b>KZN</b>	KwaZulu-Natal	<b>UK</b>	United Kingdom
<b>LTB</b>	Local Tourism Bureau	<b>USA</b>	United States of America
<b>NTSS</b>	National Tourism Sector Strategy	<b>VFR</b>	Visiting Friends & Relatives

## 1.6 Structure of the Report

The remainder of the Tourism Development and Marketing Strategy Report is structured as follows:

- Section 2 – Strategic Direction
- Section 3 – Strategy Objectives
- Section 4 – Strategic Clusters, Thrusts & Actions
- Section 5 – Institutional Structure
- Section 6 – Implementation Plan
- Annexure 1 – Final Tourism Industry Assessment Report





**Section 2**  
**Strategic Direction**

1. Introduction

2. Strategic Direction

3. Strategic Objectives & Targets

4. Strategic Clusters, Thrusts & Actions

5. Institutional Structure

6. Implementation Plan



## 2. Strategic Direction

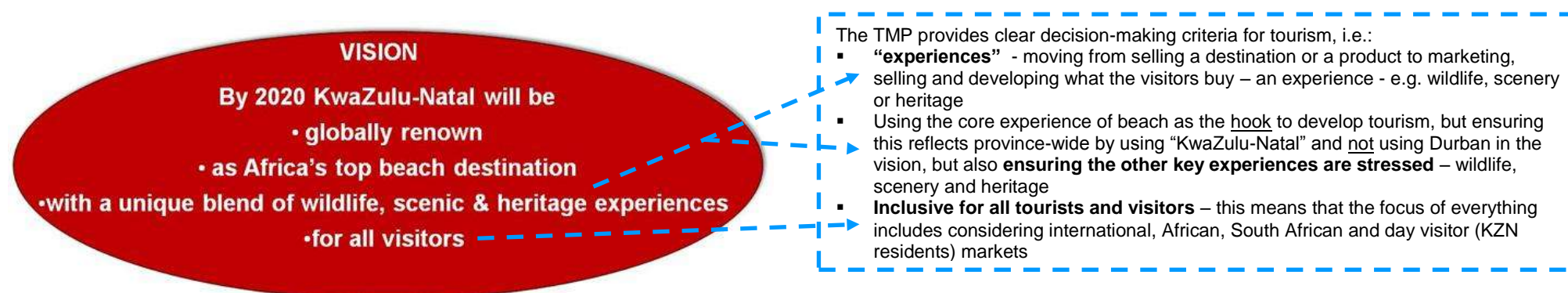
### 2.1 Introduction

This section provides an overview of the tourism strategy for Newcastle Municipality, including context from the KZN TMP and guiding principles for the Newcastle tourism sector.

### 2.2 Provincial Context

The KZN TMP was approved by Cabinet in late 2012 and provides the provincial context for the tourism sector in the Municipality in terms of its alignment.

The vision for tourism set out in the TMP is as follows:



In order to achieve the vision, the KZN TMP identifies a number of strategic clusters as shown in **Table 2.1**.

**Table 2.1 Summary of the KZN TMP strategic clusters**

Strategic Cluster	Strategy	Strategic Thrust
Marketing – tourism growth & development (demand)		<ul style="list-style-type: none"> <li>• Aligned and integrated provincial tourism branding and positioning</li> <li>• Prioritised and experience based market segmentation</li> <li>• Market distribution</li> </ul>
Product Development and Planning	Beach tourism Strategy	<ul style="list-style-type: none"> <li>• Enhance the Durban Experience</li> </ul>



Strategic Cluster	Strategy	Strategic Thrust
		<ul style="list-style-type: none"> <li>• New Beach Resort Nodes</li> <li>• Social Tourism</li> <li>• Maintain / upgrade / tweak / enhance existing beach product (North and South Coast)</li> </ul>
	<b>Heritage Tourism Strategy</b>	<ul style="list-style-type: none"> <li>• Ensure superlative drawcard experiences</li> <li>• Integrate heritage within / across core experiences</li> </ul>
	<b>Scenic Tourism Strategy</b>	<ul style="list-style-type: none"> <li>• Enhance iconic natural scenic tourism experiences (Ukhahlamba / Drakensberg World Heritage Site)</li> <li>• Enhance general scenic experiences throughout KZN</li> </ul>
	<b>Wildlife Tourism Strategy</b>	<ul style="list-style-type: none"> <li>• Focus &amp; Enhance the KZN Wildlife Experience (iSimangaliso World Heritage Site / Lubombo Transfrontier Conservation Area / Elephant Coast / Hluhluwe-Imfolozi)</li> </ul>
	<b>Rural Tourism Strategy</b>	<ul style="list-style-type: none"> <li>• Focus a Enhance the Rural Tourism Experience</li> </ul>
	<b>Niche Tourism Strategy</b>	<ul style="list-style-type: none"> <li>• Business, Sport and Events Tourism Strategy</li> <li>• Cruise Tourism Strategy</li> <li>• Other Niche Strategies <ul style="list-style-type: none"> <li>- <i>Heritage</i></li> <li>- <i>Avi-tourism</i></li> <li>- <i>Adventure</i></li> <li>- <i>Diving</i></li> <li>- <i>Rail</i></li> <li>- <i>Hunting</i></li> <li>- <i>Health/medical</i></li> <li>- <i>Township tourism</i></li> <li>- <i>Pink Tourism</i></li> <li>- <i>Agri-Tourism</i></li> <li>- <i>Shopping</i></li> <li>- <i>Mission Tourism</i></li> </ul> </li> <li>• Future Niches <ul style="list-style-type: none"> <li>- <i>Green Tourism</i></li> <li>- <i>Paleontological</i></li> <li>- <i>Geological</i></li> </ul> </li> </ul>
	<b>Tourism Accessibility Strategy</b>	<ul style="list-style-type: none"> <li>• Airlift Tourism Strategy</li> <li>• Public Transportation / Intermodal Transport</li> <li>• Other Types of Transport to Access KZN</li> </ul>
	<b>Tourism Support Strategies</b>	<ul style="list-style-type: none"> <li>• Universal Accessibility Strategy</li> <li>• Investment Promotion Strategy</li> </ul>



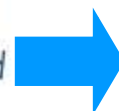
Strategic Cluster	Strategy	Strategic Thrust
		<ul style="list-style-type: none"> <li>• Tourism Safety and Security</li> <li>• Tourism Planning Framework</li> </ul>
People in tourism		<ul style="list-style-type: none"> <li>• People development</li> <li>• Transformation</li> <li>• Tourism awareness and understanding</li> <li>• Quality experiences and service excellence</li> </ul>
Policy, strategy, governance, research & knowledge management monitoring & evaluation		<ul style="list-style-type: none"> <li>• Efficient management of tourism</li> <li>• Collaborative effective partnerships</li> <li>• Adequate funding for the tourism function (s)</li> <li>• An appropriate regulatory framework</li> <li>• Research and knowledge management</li> <li>• Monitoring and evaluation</li> <li>• Promotion of green principles in tourism</li> <li>• Responsible tourism</li> </ul>

Source: KZN TMP

## 2.3 Amajuba Context

The vision for tourism set out in the district's tourism strategy is as follows:

*'It is our vision that, in 5 years, the number of visitors to Amajuba will have increased tenfold. Amajuba will become a first class destination for meetings, conferences and events and will build on the strengths of existing heritage, nature and arts products.'*



- Achievement of the vision will be based on:
- Effective tourism management, marketing and information distribution;
  - A variety of quality heritage, arts and culture, and nature based tourism products attracting niche markets, business men, and visiting friends and relatives;
  - Public and private tourism role players working together to realise this vision which will benefit the whole area and community, and that transformation will take place; and
  - Increased tourism awareness which will lead to community and political buy-in and everyone being involved in growing a responsible and sustainable tourism industry in Amajuba.

Similarly to the TMP, the district's strategy includes the following strategic clusters and thrusts as shown in **Table 2.2**.



**Table 2.2 Summary of the district's strategic clusters**

Strategic Cluster	Strategic Thrust
<b>Marketing – tourism growth &amp; development (demand)</b>	<ul style="list-style-type: none"> <li>• Market Amajuba's strength: Meetings, Incentives, Conferences and Events</li> <li>• Expand and improve tourism information outlets and tools</li> <li>• Branding and route development</li> </ul>
<b>Product Development and Planning</b>	<ul style="list-style-type: none"> <li>• Meetings, conferences and events product development</li> <li>• Heritage, avi-tourism and nature based tourism product development</li> <li>• Other niche markets, accommodation and recreational product development</li> <li>• Infrastructure and support services development</li> </ul>
<b>People in tourism</b>	<ul style="list-style-type: none"> <li>• Ensure quality experiences through service excellence</li> <li>• Ensure transformation in the tourism industry</li> <li>• Increase tourism awareness</li> </ul>
<b>Policy, strategy, governance, research &amp; knowledge management monitoring &amp; evaluation</b>	<ul style="list-style-type: none"> <li>• Improve tourism management through institutional and policy arrangement</li> <li>• Improve tourism management through improved research and knowledge management</li> <li>• Entrench responsible tourism principles</li> </ul>

*Source: Amajuba Tourism Strategy*

## 2.4 Vision for Tourism in Newcastle

The vision for tourism in Newcastle was developed based on inputs from key stakeholders, as well as considering alignment issues with the vision for tourism in KZN. We recommend that the vision for the Newcastle tourism destination should consider the following elements:

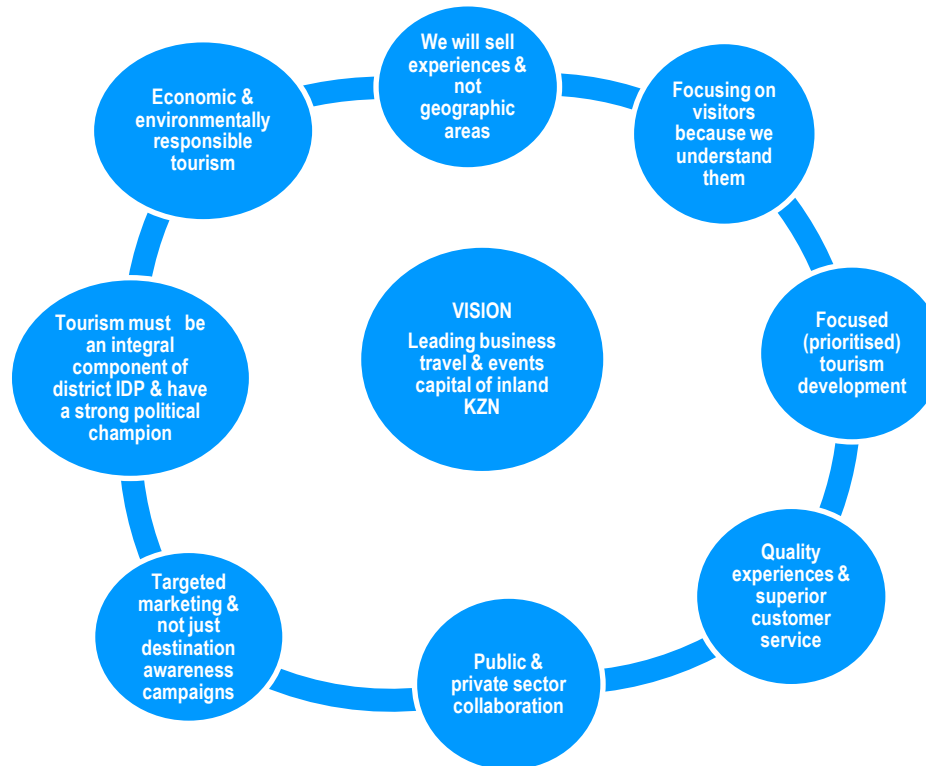
- **Nature and outdoor** – there are a variety of protected areas, conservancies and nature reserves in the area, which is important for the type of tourism to be developed in the area;
- **Adventure** – the abundance of outdoor and rural experiences lend the area towards adventure tourism;
- **Heritage** – there are a number of important heritage assets, experiences and historical events associated with the Newcastle area;
- **Friendly, welcoming people** – the warmth and friendliness of the local people is a major component of the destination's attractiveness based on feedback from visitors to Newcastle;
- **Prosperity** – to emphasise the fact that a properly developed tourism industry can result in prosperity for the stakeholders in the Municipality; and
- **More than just a place to do business** – to indicate that the study area is a destination that is also attractive for leisure and other purposes of visit.



“In 2023, Newcastle Municipality is the leading business travel and events capital of inland KZN which generates returning visitors for our nature and outdoor adventure, as well as our distinctive heritage offerings, providing for a prosperous tourism industry that benefits all our people.”

## 2.5 Mission

We will achieve the vision for tourism in Newcastle through:



### **Section 3**

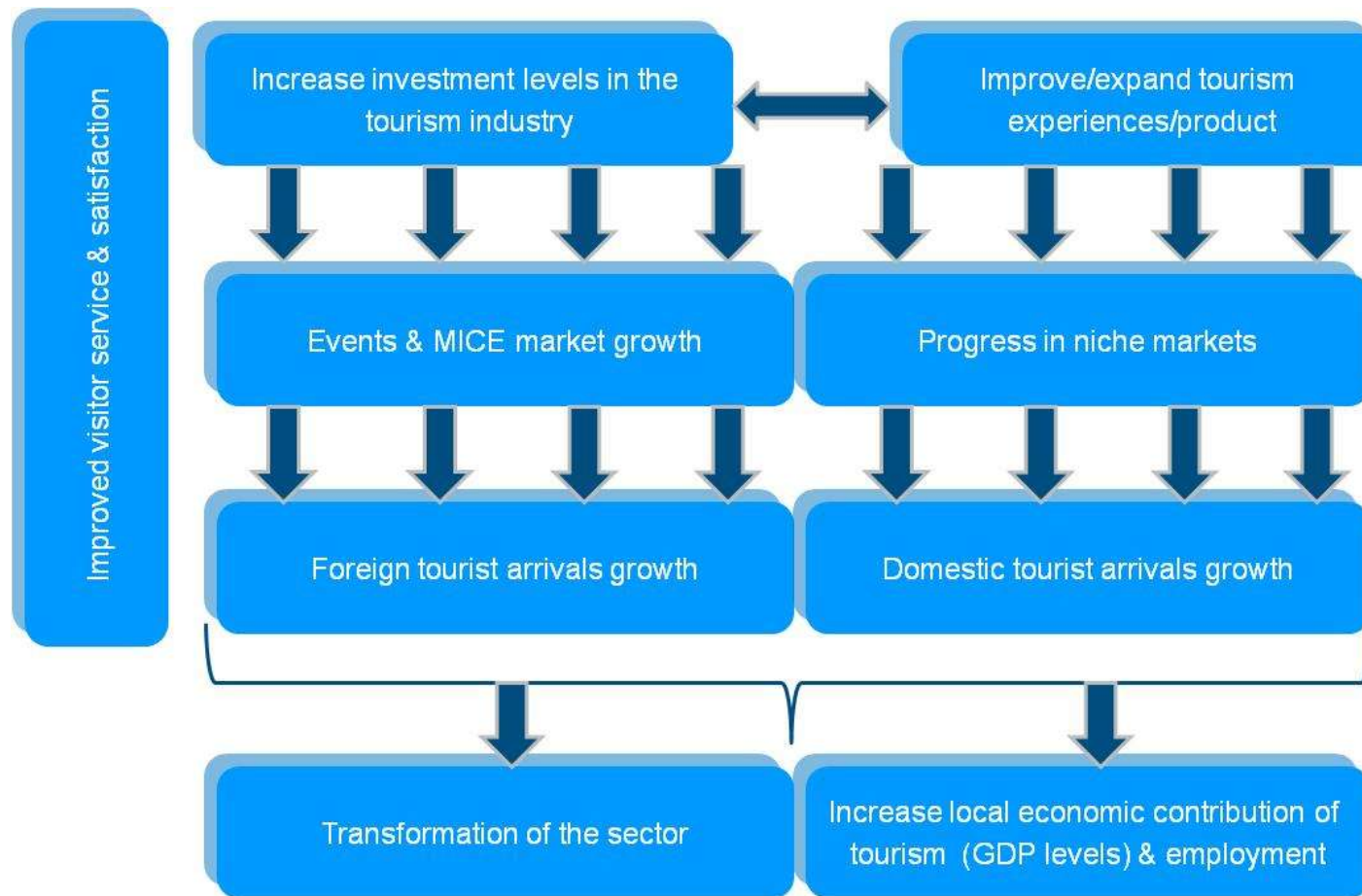
#### **Strategic Objectives & Targets**

1. Introduction
2. Strategic Direction
3. **Strategic Objectives & Targets**
4. Strategic Clusters, Thrusts & Actions
5. Institutional Structure
6. Implementation Plan



### 3. Strategic Objectives & Targets

The strategic objectives are aligned to those contained in the KZN TMP, which are in turn aligned to those contained in the NTSS. The strategic objectives for Newcastle have also been aligned to those set out in the Amajuba District Tourism Strategy where relevant. The strategic objectives (and their inter-relationships) for the Municipality are as follows:





The following measurable objectives with their baselines and targets are applicable to the Municipality:

Amajuba Strategic Objective	Amajuba Targets			Newcastle Objective Validation	Newcastle Objective Specification	Newcastle Targets			Comments / Suggested Monitoring Tool
	2010 Baseline	2015 Target	2020 Target			2011 Baseline	2020 Target	2023 Target	
Increase in tourism economic contribution or GDP levels (direct) (Note: this is catering and accommodation sub-sector GDP )	R54,4 million (0,6% of district GDP)	R108,8 million	R163,2 million	Forecasted growth rate for Newcastle higher than CAGR for 2001-2011 (3,0%) but lower than projected for Amajuba (12,0%). CAGR of 6,0% applied for Newcastle.	Increase in tourism GDP	R49,5 million	R83,6 million	R99,6 million	Monitor through GDP data from StatsSA
Increase in number of foreign visitors	3 348	7 000	10 500	Growth rate of Newcastle based on TMP adjusted downwards to 3,6% CAGR for foreign visitors and 4,8% for domestic visitors. Used	Increase in foreign visitors	19 748 (comprising 10 892 overnight tourists and 8 856 day visitors)	27 138 (equates to 20 additional visitors per day compared to baseline)	30 171 (equates to 29 additional visitors per day compared to baseline)	Could be undertaken with a key number of representative tourism establishments every 6 months (i.e. Municipal Tourism Sector Index) to assess visitation movement. Total visitation can be projected on an annual basis based on total tourism product database.
Increase in number of domestic visitors	39 500	76 000	95 000	2020 target instead of 5-year target for Newcastle in order to align to TMP growth targets.	Increase in domestic visitors	400 200 (comprising 174 877 overnight tourists and 225 323 day visitors)	608 441 (equates to 571 additional visitors per day compared to baseline)	699 626 (equates to additional 820 visitors per day compared to baseline)	
Increase the number of people employed in the sector (direct)	1 292	2 584	3 876	Applied equivalent CAGR to GDP forecasts	Increase the number of people employed in the sector	1 366 employed in catering & accommodation sub-sector (2% of total)	2 308 (equates to 105 additional jobs per year compared to baseline)	2 749 (equates to 115 additional jobs per year compared to baseline)	Monitor through employment data from StatsSA
Increase the number of people employed in the sector (indirect)	1 977	3 280	3 515	Applied equivalent CAGR to GDP forecasts	Increase the number of people employed in the sector	2 090	3 531 (equates to 160 additional jobs per year compared to baseline)	4 088 (equates to 166 additional jobs per year compared to baseline)	Monitor through the use of economic multipliers
Increase in public sector/ government investment in tourism infrastructure	No baseline data available	No targets provided	No targets provided	Based on value of investments required to achieve targeted GDP growth	Increase in public sector/ government investment in tourism infrastructure	R10 million	Public sector to provide financial and other forms of support to at least 8 tourism related projects by 2023 (total value >R120 million)		Add in requirement to include increase in public sector investment in general, not just in infrastructure. Track IDP Plans.



## ...strategic objectives & targets

Amajuba Strategic Objective	Amajuba Targets			Newcastle Objective Validation	Newcastle Objective Specification	Newcastle Targets			Comments / Suggested Monitoring Tool
	2010 Baseline	2015 Target	2020 Target			2011 Baseline	2020 Target	2023 Target	
Increase in private sector capital formation (for new and existing projects)	No baseline data available	No targets provided	No targets provided		Increase in private sector capital formation (for new and existing projects)	R15 million	New, private sector led tourism investments in the Municipality (to comprise 60% of targets for public sector investment, i.e. R70 million by 2023 to be sourced from private sector		Larger projects are easier to record/measure than smaller projects. Track via Tourism Sector Index
Increase in levels of "foreign" direct investment in the tourism industry	No baseline data available	No targets provided	No targets provided	Focus is not on FDI but any direct investment from investors originating from outside of the Municipality not necessarily outside of South Africa	Increase external direct investment in the tourism industry	No baseline data available	50% of above tourism investments from new investors not already based in the Municipality		Investment is important, but "foreign" investment is not imperative. Constant communication with industry.
Increase the number of tourism industry companies with Tourism Charter BBBEE ratings	No baseline data available	No targets provided	No targets provided	Same as TMP and District Strategy	Increase the number of tourism industry companies with Tourism Charter BBBEE ratings	No baseline data available	50% with a scorecard	60% with a scorecard	One of the questions in Tourism Sector Index would be to assess increase/decrease in transformation measures.
Increase percentage ownership of tourism businesses by PDIs	No baseline data provided	No targets provided	No targets provided		Increase the percentage of tourism businesses owned by PDIs	Estimated at 13% of accommodation establishments	Increase overall ownership by PDIs to 20%	Increase overall ownership by PDIs to 25%	One of the questions in Tourism Sector Index would be to assess increase/decrease in transformation measures.
Improve visitor experiences	No baseline data available	No targets provided	No targets provided	To deliver world class visitor experience in respect of identified core experiences for the Municipality	Strive to be the best performing area within the provincial satisfaction index	No baseline data available	80%+ on satisfaction index	85%+ on satisfaction index	Undertake ad-hoc event visitor surveys in area and include visitor satisfaction as factor to monitor.
Expand visitor experiences	No baseline data available	No targets provided	No targets provided	Based on value of investments required to achieve targeted GDP growth	Increase in investment in tourism infrastructure	Refer to infrastructure investment targets			
Increase meetings, conferences and events held in the Municipality	No baseline data available	No targets provided	No targets provided	Same as District Strategy	Strive to be the events capital of inland KZN	No baseline data available	Increase number of meetings, conferences and events held by 20%	Increase number of meetings, conferences and events held by 30%	Maintain a database of events. Track meetings and conferences held through Municipal Tourism Sector Index.



## ...strategic objectives & targets

Amajuba Strategic Objective	Amajuba Targets			Newcastle Objective Validation	Newcastle Objective Specification	Newcastle Targets			Comments / Suggested Monitoring Tool
	2010 Baseline	2015 Target	2020 Target			2011 Baseline	2020 Target	2023 Target	
Niche market growth	No baseline data available	No targets provided	No targets provided	Same as District Strategy	Increase in number of visitors from niche markets	No baseline data available	Develop targets once baseline established		Could be undertaken with a key number of representative tourism establishments every 6 months (i.e. Municipal Tourism Sector Index) to assess visitation movement. Track number of niche market tours/tour operators that visit the Municipality, e.g. visitor book surveys.



**Section 4**  
**Strategic Clusters, Thrusts**  
**& Actions**

1. Introduction
2. Strategic Direction
3. Strategic Objectives & Targets
4. Strategic Clusters, Thrusts & Actions
5. Institutional Structure
6. Implementation Plan



#### 4. Strategic Clusters, Thrusts & Actions

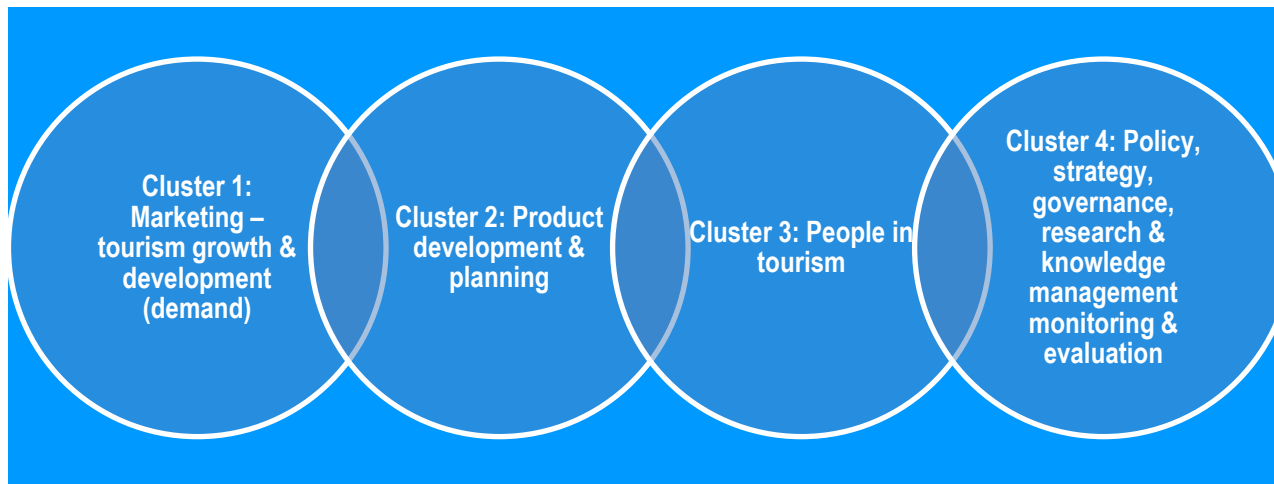
##### 4.1 Introduction

Through alignment to the KZN TMP and Amajuba Tourism Strategy, ensuring that the Newcastle strategy meets local, district, provincial and national objectives as well as through consultation with the industry and stakeholders, a number of strategic actions were identified in order to meet the local objectives.

##### 4.2 Strategic Clusters

The identified strategic thrusts/actions have been clustered according to the clusters in the KZN TMP and also used in the Amajuba Tourism Strategy are shown in **Figure 4.1**.

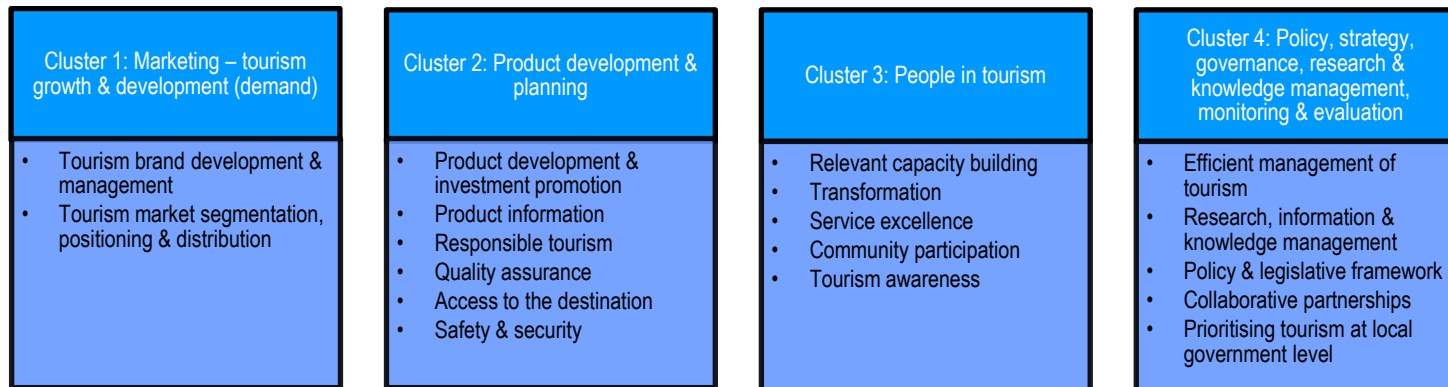
**Figure 4.1 Strategic clusters identified for Newcastle Municipality**



#### 4.3 Strategic Thrusts

Various actions and sub-actions have been categorised into the following thrusts. Some of the thrusts are similar to that used in the KZN TMP and Amajuba strategy, however, some were adjusted to be more reflective of Newcastle's requirements to meet Newcastle's objectives. **Figure 4.2** shows the identified strategic thrusts for the municipality.

**Figure 4.2 Strategic thrusts identified for Newcastle Municipality**



#### 4.4 Strategic Actions

The high-level actions and sub-actions identified for the Newcastle tourism industry, by thrust are provided in the following sections.

##### 4.4.1 Cluster 1: Marketing – Tourism Growth & Development (Demand)

As per the KZN TMP, the following principles apply in terms of marketing Newcastle as a tourism destination:

- Targeted marketing of the municipality is required and therefore a sales approach rather than a marketing approach is recommended. This translates into the need to develop marketing campaigns with specific target markets in mind and to which objectives can be attached to measure the impact of such campaigns, e.g. a target to increase visitors from a specific market may be attached to a specific marketing activity.



- Clearly define marketing roles by identifying and spelling out the various roles of public (and private) sector stakeholders. In terms of alignment to the TMP, TKZN has full marketing responsibility for the province with the role of district and local municipalities being to provide tourism information and to ensure alignment in terms of branding to those set at provincial level.
- Marketing experiences, i.e. marketing/selling must be focused on the experiences that are bought by tourists and not the places where it is bought. Therefore, Newcastle should first be marketed in terms of its (core) experiences and secondly, in terms of location, e.g. where the specific experience can be bought within the local area.
- The marketing cycle approach should be followed, i.e. a process of development, communicating, monitoring and adjusting marketing activities needs to be undertaken. Marketing of the destination should be viewed as a dynamic and ongoing process.

The primary objective of marketing the municipality is to grow visitor numbers and based on these principles being accepted, the following strategic actions have been identified in terms of marketing Newcastle from a tourism perspective (**Table 4.1 and 4.2**).

#### 4.4.1.1 Strategic Thrust 1: Tourism Brand Development & Management

**Table 4.1 Strategic actions for strategic thrust 1 for marketing of Newcastle**

Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	
<b>Tourism brand development &amp; management</b>	1.1	Align the existing Newcastle brand to new Brand South Africa tourism brand format as specified by SAT and as per the provincial branding of TKZN	a.	Ensure that Newcastle brand architecture aligns to provincial and district brand format.
			b.	Ensure that the Newcastle brand is primarily experience orientated by including “Experiential” (i.e. what to do) tag lines and positioning materials to the brand architecture – no generic destination selling, always by core experience.
			c.	Communicate to all local tourism role players the municipality’s branding strategy, the branding materials available and how these can/may be used, and monitor the usage of branding within/by the municipality.
	1.2	Strongly align the tourism branding and activities of private sector within Newcastle	a.	Through continuous dialogue with the private sector determine whether experiences branded are in fact experiences sold by private sector and sought and bought by their customers.



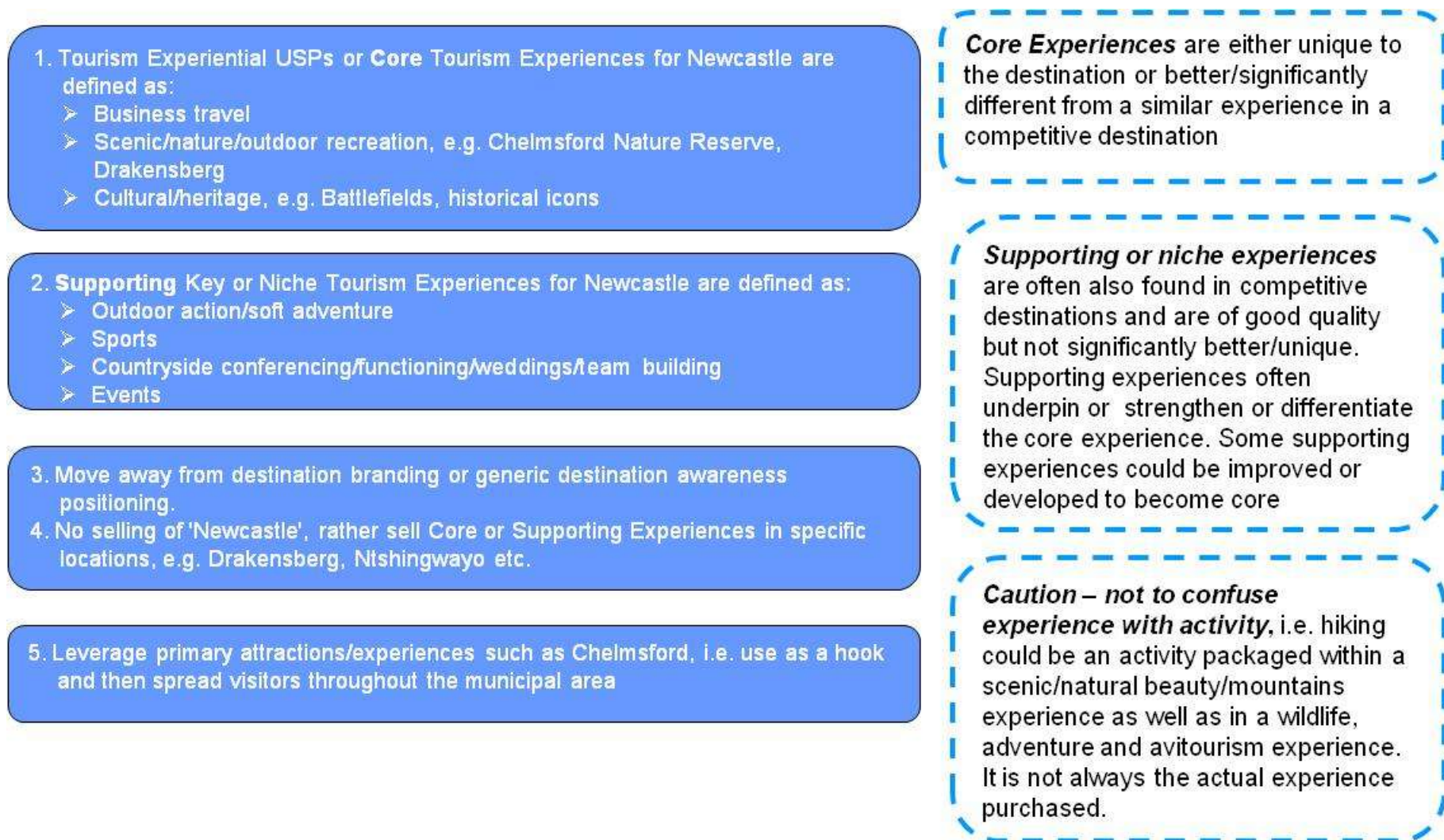
Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	
		with the Newcastle tourism brand	b.	Communicate to the private sector the branding strategy, the branding materials available and how they are to use it, and monitor the usage of the materials by private sector and if not used determine the reasons why and adjust materials accordingly if required.
	1.3	Align marketing tools and marketing activities with Experience based Positioning of Newcastle Municipality	a.	Review all marketing tools based on tourism experience based positioning of Newcastle, prioritise which tools are most appropriate to use and either adjust existing marketing tools or develop new tools as is required. Particularly identify and develop tools that are targeted rather than “destination awareness” orientated.
			b.	Review all marketing activities based on tourism experience based positioning of the municipality, prioritise which activities are most appropriate and either adjust existing activities/campaigns or develop new activities as is required. Particularly identify and develop activities that are targeted rather than “destination awareness” orientated.

An important component of experiential marketing is to understand the meaning of ‘core experience(s)’ and not to confuse experiences with activities. **Figure 4.3** identifies the core and supporting experiences in Newcastle with explanation of the meaning of ‘core’ versus ‘supporting’ experiences (as defined in the KZN TMP).



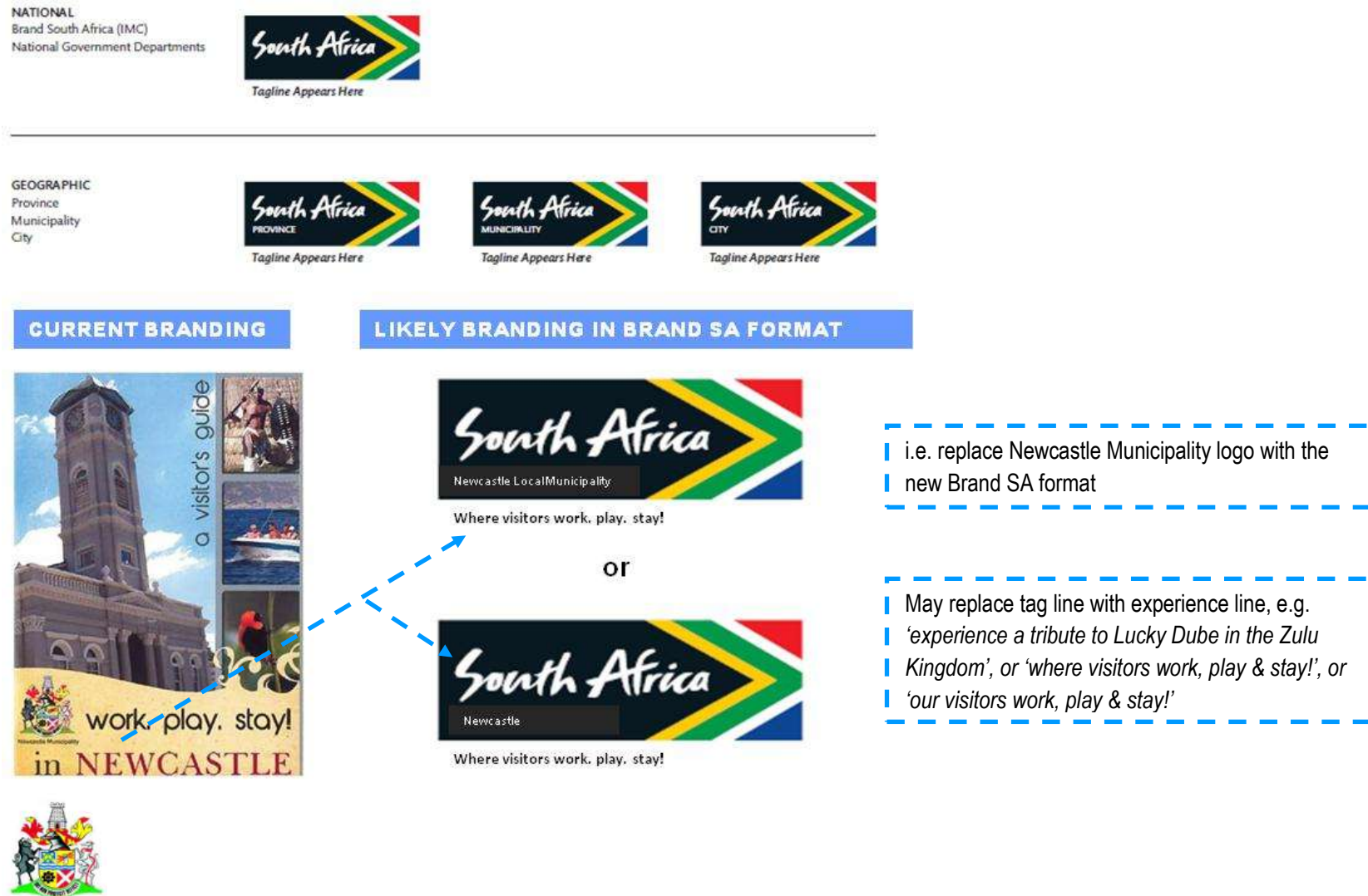


Figure 4.3 Tourism experiences identified for Newcastle Municipality



In order to ensure brand alignment, the following recommendations are made in terms of using the existing brand identity for Newcastle (**Figure 4.4**). These are based on the recommendations contained in the KZN TMP and the 'new' KZN provincial branding that was launched in 2011.

**Figure 4.4 Brand alignment recommendations for Newcastle Municipality**



#### 4.4.1.2 Strategic Thrust 2: Tourism Market Segmentation, Positioning & Distribution

The following strategic actions have been identified towards strategic thrust 2 (**Table 4.2**).

**Table 4.2 Strategic actions for strategic thrust 2 for marketing of Newcastle**

Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	
<b>Tourism market segmentation, positioning &amp; distribution</b>	1.4	Develop Newcastle Municipality prioritised tourism market segmentation	a.	Develop a base Newcastle Municipality tourism market segmentation grid based on TKZN/KZN TMP/Amajuba grid and prioritise.
			b.	Specify 5-year focus by market segment within the grid.
			c.	Adjust the market segmentation grid to be core experience & key Supporting experience based.
	1.5	Develop positioning statements by core experiences in line with overall branding	a.	Develop positioning statements for core experiences.
	1.6	Specify the distribution to be undertaken by market segment	a.	Specify and implement the marketing tools to be utilised for core experience and key support experience market segments.
			b.	Specify and implement the marketing channels to be utilised for core experience and key support experience market segments.
			c.	Specify and implement tourism packaging initiatives including route development.

#### Tourism Market Segmentation Recommendations

In order to prioritise the market segments for Newcastle Municipality, the segmentation grid provided in the KZN TMP was referred to in terms of alignment (**Figure 4.5**). The district tourism strategy does not provide detailed market segmentation recommendations and therefore it is assumed that Newcastle will align to those identified at a provincial level.



Figure 4.5 Prioritised market segmentation for KZN contained in the TMP

Market	Geographic Scope				Target Segments	Core Experiences
<b>Priority 1:</b> Domestic	<b>Core:</b> 1. KZN (SA – vs KZN – ) 2. Gauteng	<b>Opportunity:</b> 1. Eastern Cape 2. Western Cape	<b>Investment:</b> 1. North West 2. Limpopo 3. Free State 4. Mpumalanga		1. Young & upcoming 2. Well-off homely couples 3. Independent couples & families 4. MICE 5. Basic needs older families (for intra KZN only)	1. Beach 2. Wildlife 3. Scenic/Natural Beauty/Mountains
<b>Priority 2:</b> Europe Americas Asia	<b>Primary Core:</b> 1. UK	<b>Secondary Core:</b> • Germany • USA • France • Netherlands	<b>Investment:</b> 1. Scandinavia 2. India 3. China 4. Russia 5. Rest of Eastern Europe	<b>Strategy Hub:</b> 1. Middle East ( <i>due to air access hub</i> )	1. NSSA 2. Wanderlusts 3. MICE 4. Family explorers 5. New Beach Lovers	1. Scenic /Natural Beauty/Mountains 2. Wildlife 3. Beach
<b>Priority 3:</b> SADC Rest of Africa & Indian Ocean Islands	<b>Core:</b> 1. Botswana 2. Lesotho 3. Swaziland	<b>Opportunity:</b> 1. Zimbabwe 2. Zambia	<b>Investment:</b> 1. Mozambique 2. Nigeria 3. Kenya 4. Mauritius		1. Business professionals 2. Traders 3. MICE 4. Beach Lovers (Families)	1. Beach (non coastal markets)

Priority 1-3 & 5 to be targeted as individuals and social groupings, ie clubs, churches, schools, universities, etc

All underpinned by culture/heritage

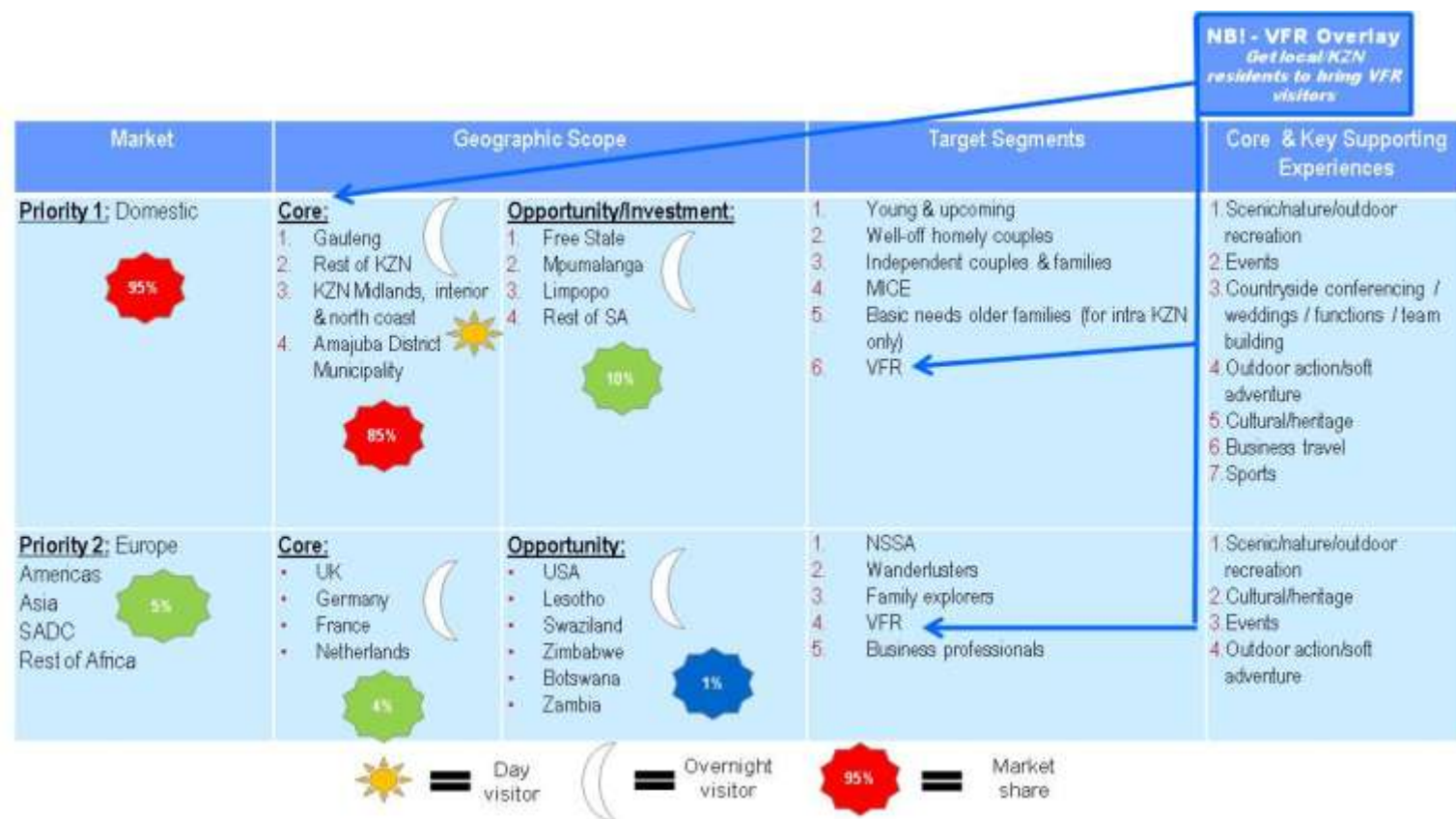
New segments/prioritisation not previously identified in KZN segmentation grid highlighted in blue





Based on the assessment of provincial market segmentation priorities and the market potential for Newcastle, the following market segmentation grid is provided for Newcastle with preliminary priorities<sup>1</sup> (**Figure 4.6**). The grid also shows the current market share for each major market based on the research report findings and indicates which segments would be overnight versus day visitors to the Municipality.

**Figure 4.6 Suggested market segmentation grid for Newcastle with prioritisation & current market share**











<sup>1</sup> Note that India and China are included under the market called 'Asia' – it is recommended that specific marketing to these markets by the Municipality should not be undertaken as part of the Municipality's marketing budget. Rather, the Municipality should piggy-back on marketing being undertaken by TKZN and SAT for these markets.



The following market focus plan is recommended for the municipality over the next five years (**Figure 4.7**). **Figure 4.7** shows which of the markets should be defended, developed, watched (for potential development in the future), or efforts should be made to improve market share (penetrate more). Most of the markets indicated in the grid require development which is a costly exercise. It is recommended that the majority of the marketing budget should therefore be spent on defending and growing the core domestic market segments.

**Figure 4.7 Market focus plan for the next 5 years for Newcastle Municipality**

















Market	Geographic Scope	
<b>Priority 1:</b> Domestic	<b>Core:</b> <ol style="list-style-type: none"> <li>1. Gauteng</li> <li>2. Rest of KZN</li> <li>3. KZN Midlands, interior &amp; north coast</li> <li>4. Amajuba District Municipality</li> </ol> 	<b>Opportunity/Investment:</b> <ol style="list-style-type: none"> <li>1. Free State</li> <li>2. Mpumalanga</li> <li>3. Limpopo</li> <li>4. Rest of SA</li> </ol> 
<b>Priority 2:</b> Europe Americas Asia SADC Rest of Africa	<b>Core:</b> <ul style="list-style-type: none"> <li>• UK</li> <li>• Germany</li> <li>• France</li> <li>• Netherlands</li> </ul> 	<b>Opportunity:</b> <ul style="list-style-type: none"> <li>• USA</li> <li>• Lesotho</li> <li>• Swaziland</li> <li>• Zimbabwe</li> <li>• Botswana</li> <li>• Zambia</li> </ul> 





 = penetrate more    
 = defend    
 = develop    
 = watch



If the market is segmented using experience as the basis, it is easier to identify which geographic markets and target segments are applicable and it is thus a more focused approach to segmenting and to identify how to spend the marketing budget and how to go to market. **Figure 4.8** provides an example of segmenting the market based on core experiences and how this can be applied to Newcastle.

**Figure 4.8** Example of a market segmentation grid by core experience

Core / Key Supporting Experiences	Market	Geographic Scope		Target Segments
Scenic / nature / outdoor recreation	<b>Priority 1:</b> Domestic	<b>Core:</b> <ol style="list-style-type: none"> <li>1. Amajuba District Municipality</li> <li>2. KZN Midlands, interior &amp; north coast</li> <li>3. Rest of KZN</li> <li>4. Gauteng</li> </ol>  	<b>Opportunity/Investment:</b> <ol style="list-style-type: none"> <li>1. Free State</li> <li>2. Mpumalanga</li> <li>3. Limpopo</li> <li>4. Rest of SA</li> </ol> 	<ol style="list-style-type: none"> <li>1. Business travellers (&amp; VFR) </li> <li>2. Young &amp; upcoming (&amp; VFR) </li> <li>3. Well-off homely couples (&amp; VFR) </li> <li>4. Independent couples &amp; families (&amp; VFR) </li> <li>5. MICE (&amp; VFR) </li> <li>6. Basic needs older families (&amp; VFR) </li> </ol>
	<b>Priority 2:</b> Europe Americas Asia SADC Rest of Africa	<b>Core:</b> <ul style="list-style-type: none"> <li>• UK</li> <li>• Germany</li> <li>• France</li> <li>• Netherlands</li> </ul>  	<b>Opportunity:</b> <ul style="list-style-type: none"> <li>• USA</li> <li>• Lesotho</li> <li>• Swaziland</li> <li>• Zimbabwe</li> <li>• Botswana</li> <li>• Zambia</li> </ul> 	<ol style="list-style-type: none"> <li>1. NSSA </li> <li>2. Wanderlusters </li> <li>3. MICE </li> <li>4. Business professionals </li> </ol>

 = penetrate more   
  = defend   
  = develop   
  = watch



### Tourism Market Positioning Recommendations

This can be taken further in terms of developing positioning statements for each market segment as illustrated in **Figure 4.9**. The positioning statement is based on the format where the experience is stated first and then the location where the experience can be found in the municipality. The same statement is used for both foreign and domestic markets to be more cost effective in producing marketing material.

**Figure 4.9 Example of positioning statements by core experience**

<div> <div> <b>Call to Action:</b>  What can I experience?, Where? </div> <div> <b>Format:</b>  Experience Statement, Location </div> </div>		
Core / Key Experiences	Market	Example of Positioning Statement
Business travel	<b>Priority 1:</b> Domestic (Core & Opportunity)	<b>Work. Play. Stay. Return for fun.</b> Newcastle, Zulu Kingdom
Scenic / nature / outdoor recreation	<b>Priority 1:</b> Domestic (Core & Opportunity)	<b>Come stay and play in the countryside.</b> Chelmsford, Zulu Kingdom <b>Work in the Countryside. Play with Nature. Stay.</b> Drakensberg, Zulu Kingdom
	<b>Priority 2:</b> Europe Americas Asia SADC Rest of Africa (Core & Opportunity)	<b>Come stay and play in the countryside.</b> Chelmsford, Zulu Kingdom <b>Work in the Countryside. Play with Nature. Stay.</b> Drakensberg, Zulu Kingdom
Cultural / heritage	<b>Priority 1:</b> Domestic (Core & Opportunity)	<b>Work. Play in the Place of Music Legends. Stay.</b> Ingogo, Zulu Kingdom <b>Work. Play. Stay in the Place of Heroes.</b> Madadeni, Zulu Kingdom
	<b>Priority 2:</b> Europe Americas Asia SADC Rest of Africa (Core & Opportunity)	<b>Work. Play in the Place of Music Legends. Stay.</b> Ingogo, Zulu Kingdom <b>Work. Play. Stay in the Place of Heroes.</b> Madadeni, Zulu Kingdom





### Tourism Marketing Tools Recommendations

**Table 4.3** shows the range of marketing tools that are available to the municipality to market the destination to its various target markets. It also indicates which segments can be reached with these tools and the relative costs of using them and timeframe within which they can be mobilised or implemented. This is then followed by recommendations on which tools to prioritise for the municipality in **Table 4.4**.

**Table 4.3 Marketing tools available to market Newcastle Municipality**

Marketing Tool	Segments Reached	Cost	Implementation Timeframe
Website	All segments	Medium once-off cost to develop, also opportunity to generate advertising income. Medium cost to maintain.	Short term then medium term to maintain
Brochures & Maps	All segments	Medium	Short term
Events Programme	Primarily Domestic Event Tourists but also other segments	Medium	Short term
Public Relations	All segments	Low to Medium	Short term
Sales Representatives (incl. Area/Country offices)	All segments	High	Medium to long term
Memberships/Registrations	All segments	Medium	Medium to long term
Electronic brochures	All segments, specifically travel intermediaries	High once-off cost, but relatively cheap to update and re-produce	Short to medium term
Joint Marketing	All segments	Medium	Short to medium term
Familiarisation trips/hostings & Workshops	Primarily travel intermediaries	Medium to high	Medium term
Merchandising	Domestic Tourists Foreign Tourists	Medium (also an opportunity for revenue, SMME development and job creation)	Short to medium term
Direct Mail / e-mail / sms campaigns	Special Interest Tourists (Niche) Domestic Event Tourists	E-mail costs time to send out and creation of database / costs of bulk sms	Medium term
Social media: Facebook, Twitter, etc	All segments	Low to medium but need to monitor continuously	Short term



Marketing Tool	Segments Reached	Cost	Implementation Timeframe
Building Relationships with Tour operators	Mainly foreign and domestic leisure tourists	Low to medium	Medium term
Outdoor Promotion	Foreign and Domestic	Medium	Medium term
Advertising Campaigns	Domestic Tourists	High	Medium term
Tourism information offices	Foreign and Domestic tourists	High	Short to long term
Trade & Travel Shows (Exhibitions)	Foreign leisure tourists (trade) Domestic leisure tourists	High	Medium to long term

It is critical that a dedicated tourism website is developed for the municipality as this does not presently exist. The website should be separate from the municipal website (but it can have a link to the municipal website nonetheless). Other priorities in terms of marketing tools are shown in the following table.

**Table 4.4 Suggested primary marketing tools for Newcastle Municipality**

Market	Primary Marketing Tool Recommendations	
<b>Domestic</b>	<ul style="list-style-type: none"> <li>Advertising campaigns (print and radio)</li> <li>Events programme</li> <li>Direct Mail/E-mail/sms Campaigns</li> </ul>	<ul style="list-style-type: none"> <li><b>Website (tourism website and other tourism/travel related sites) with social media links – critical requirement</b></li> <li>Brochures &amp; Maps; Electronic Brochures on 'what to do and what's coming' that is updated continuously and left at existing establishments</li> </ul>
<b>Europe Americas Asia SADC Rest of Africa</b>	<ul style="list-style-type: none"> <li>Building Relationships with Tour operators</li> <li>Joint Marketing Activities</li> <li>Familiarisation trips/hostings &amp; Workshops</li> </ul>	<ul style="list-style-type: none"> <li><b>Website (tourism website and other tourism/travel related sites) with social media links – critical requirement</b></li> </ul>



Tourism Marketing Channels Recommendations

**Table 4.5** provides recommendations on the primary marketing channels to be used for Newcastle Municipality.

**Table 4.5 Suggested primary marketing channels for Newcastle Municipality**

Market	Broad Channel Recommendations
<b>Domestic</b>	<ul style="list-style-type: none"> <li>• Primary channel would remain directly with product owners thus strictly promotional channel only</li> <li>• Secondary channel would include local businesses based in Newcastle, i.e. those that receive business travellers focused on getting them to return with their partners/families/other groups for the leisure experiences</li> <li>• Create relationships with conference and event organisers that handle the KZN market; tie up with local businesses to get them to host national meetings/events in Newcastle</li> <li>• Establish direct channels with niche associations, product owners, etc. Strictly promotional channel only.</li> <li>• Establish direct channels with tourism route associations (e.g. Battlefields Route, N3 Gateway Route). Strictly promotional channel only.</li> </ul>
<b>Europe Americas Asia SADC Rest of Africa</b>	<ul style="list-style-type: none"> <li>• Strengthen relationships with existing South African inbound tour operators to expand scenic/natural beauty and culture/heritage offerings</li> <li>• Establish direct channels with niche associations, product owners, etc. Strictly promotional channel only.</li> <li>• Establish direct channels with tourism route associations (e.g. Battlefields Route, N3 Gateway Route). Strictly promotional channel only.</li> <li>• Strengthen relationships with Newcastle Sister Cities network.</li> </ul>



#### 4.4.2 Cluster 2: Product Development & Planning

The recommendations in order to improve the product/experience offering of the municipality are detailed in the following section and are aligned to those contained in the KZN TMP and district tourism strategy where relevant. The strategic thrusts identified for cluster 2 are shown in red:

<p>Cluster 1: Marketing – tourism growth &amp; development (demand)</p> <ul style="list-style-type: none"> <li>• Tourism brand development &amp; management</li> <li>• Tourism market segmentation, positioning &amp; distribution</li> </ul>	<p>Cluster 2: Product development &amp; planning</p> <ul style="list-style-type: none"> <li>• Product development &amp; investment promotion</li> <li>• Product information</li> <li>• Responsible tourism</li> <li>• Quality assurance</li> <li>• Access to the destination</li> <li>• Safety &amp; security</li> </ul>	<p>Cluster 3: People in tourism</p> <ul style="list-style-type: none"> <li>• Relevant capacity building</li> <li>• Transformation</li> <li>• Service excellence</li> <li>• Community participation</li> <li>• Tourism awareness</li> </ul>	<p>Cluster 4: Policy, strategy, governance, research &amp; knowledge management, monitoring &amp; evaluation</p> <ul style="list-style-type: none"> <li>• Efficient management of tourism</li> <li>• Research, information &amp; knowledge management</li> <li>• Policy &amp; legislative framework</li> <li>• Collaborative partnerships</li> <li>• Prioritising tourism at local government level</li> </ul>
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##### 4.4.2.1 Strategic Thrust 1: Product Development & Investment Promotion

In the Tourism Industry Assessment Report, a number of product weaknesses and gaps were identified. This strategic thrust is therefore aimed at addressing these from a product development/supply perspective. The district tourism strategy places primary importance on the development of the meetings, conferences and events market in the district. We have incorporated certain elements of the strategic actions in this regard in **Table 4.6**.

**Table 4.6** provides the strategic actions for strategic thrust 1.



**Table 4.6 Strategic actions for strategic thrust 1 for product development & investment promotion**

Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	
<b>Product development &amp; investment promotion</b>	2.1	Develop product development plan for Newcastle	a.	Based on tourism experiences identified for Newcastle, undertake a product gap analysis to satisfy each experience (particularly core and key support experiences). Identify both product development and upgrade/improvement needs.
			b.	Prioritise locations for product development, type of development needed as well as likely developer (i.e. public sector – national, provincial, local – or private sector).
			c.	Prioritise locations for product upgrading/improvement.
	2.2	Implement product development and investment plan in respect of local municipal tourism assets	a.	Liaise with the relevant departments/agencies to identify process for and challenges in proceeding with product development/improvement.
			b.	Develop business plans/feasibility studies for key projects that have a strong government asset base.
			c.	Lobby for these tourism product development projects (particularly catalyst projects) to be included in the IDP and allocated sufficient funding for implementation or undertake funding drive.
			d.	Execute the large scale government asset based product/project development projects.
			e.	Improve government owned and managed tourism infrastructure by upgrading of facilities and services of local government owned and managed tourism infrastructure and encourage provincial government to upgrade their owned facilities and services (this extends to Ezemvelo and Amafa facilities/assets).
	2.3	Encourage private sector to develop product gaps identified in product development plan or determine collaboration projects	a.	Advise the private sector by way of associations and public access documentation of the existence and content of the product development plan and advise of any government related product development initiatives.
			b.	Encourage the private sector, through continuous engagement by way of associations, to undertake required product improvements and developments.
			c.	Engage with the private sector to determine their requirements in terms of incentives that local government has the power to address. Investigate the potential to offer incentives to private sector to facilitate product development.

In order to assist the Municipality in prioritising product development, the following assessment is provided to determine priorities in line with the core/key experiences of the Municipality (**Table 4.7**).





**Table 4.7 Assessment of product readiness in Newcastle Municipality**



Core / Key Experiences	Product/Market Readiness	Tourism Resources Development/Upgrading Requirements	Infrastructure Development/Upgrading Requirements	Tourism Activity Development/Upgrading Requirements	Newcastle Development Node
<b>Scenic/nature/ outdoor recreation</b>		<ul style="list-style-type: none"> <li>• Increase picnic facilities and upgrade existing picnic or day visitor facilities</li> <li>• Develop scenic view spots</li> <li>• Expand/improve tourism support facilities, such as restaurants, accommodation, tourism shopping and entertainment at key visitor nodes where such is lacking</li> <li>• Improve/increase activities available at Chelmsford Nature Reserve</li> <li>• Improve facilities for avi-tourism</li> <li>• Link to events programme</li> <li>• Development of tourism support facilities at Ncandu Forest</li> <li>• Link to outdoor action/soft adventure</li> <li>• Link to tourism routes</li> </ul>	<ul style="list-style-type: none"> <li>• Signage (easy to read &amp; follow)</li> <li>• Tourism Information, including maps</li> <li>• Road upgrading (particularly dirt roads and some rural tar roads)</li> <li>• Scenic view spots</li> <li>• Public transport access</li> <li>• Safety and security at picnic spots and scenic view spots</li> </ul>	<ul style="list-style-type: none"> <li>• Organise mini events with attached shopping, eating and entertainment activities at key tourism nodes in peak visitor periods (i.e. non permanent structures/activities).</li> <li>• During peak times organise shopping, eating and entertainment activities at key recreation spots (i.e. non permanent or mobile structures/activities).</li> </ul>	<ul style="list-style-type: none"> <li>• Chelmsford Nature Reserve</li> <li>• Ncandu Forest</li> <li>• Drakensberg</li> <li>• Majuba Mountain</li> <li>• Scenic view points located on national, provincial or district roads</li> <li>• Birding hotspots</li> <li>• Amcor Dam</li> <li>• Significant mountain passes, e.g. Botha's Pass</li> <li>• Hiking trails, e.g. Ingogo and Ncandu</li> </ul>
<b>Cultural / heritage</b>		<ul style="list-style-type: none"> <li>• Develop and host frequent cultural events that can showcase cultural/heritage facilities/activities in Newcastle (see also Events)</li> <li>• Improve the township tourism product and increase marketing of available products</li> <li>• Battlefields sites to be improved as per Battlefields Development and Management Plan (2005)</li> <li>• Improve interpretation and offerings</li> </ul>	<ul style="list-style-type: none"> <li>• Signage (directional, informational and interpretive)</li> <li>• Tourism Information, including maps</li> <li>• Prioritise infrastructure improvements for Battlefield sites contained in 2007 plan</li> <li>• Maintenance and repairs of heritage assets</li> <li>• Street names in Madadeni</li> </ul>	<ul style="list-style-type: none"> <li>• Advertise permanent cultural/heritage facilities by taking mobile or non-permanent cultural/heritage activities/facilities to busy visitor nodes during peak periods (can also take to nearby shopping centres for marketing purposes)</li> </ul>	<ul style="list-style-type: none"> <li>• Fort Amiel Museum</li> <li>• O'Neil's Cottage</li> <li>• Carnegie Art Gallery</li> <li>• The Armoury</li> <li>• Majuba Mountain/Battefield</li> <li>• Careful selection of built environment heritage assets</li> <li>• Gcwensa Cultural Village</li> <li>• Osizweni Arts and Crafts Centre</li> </ul>





...strategic clusters, thrusts & actions

Core / Key Experiences	Product/Market Readiness	Tourism Resources Development/Upgrading Requirements	Infrastructure Development/Upgrading Requirements	Tourism Activity Development/Upgrading Requirements	Newcastle Development Node
		<ul style="list-style-type: none"> <li>at museums and other built environment assets</li> <li>Develop an interpretive strategy for Newcastle</li> <li>Improve contemporary interpretation of cultural/heritage assets</li> <li>Address issues around land ownership/management of sites</li> <li>Change the opening hours of important sites, e.g. museums, to fit in with visitor needs</li> <li>Improve arts and crafts</li> <li>Link to events programme</li> <li>Investigate the potential to develop an interpretive visitor centre</li> <li>Improve links to people icons associated with Newcastle</li> <li>Investigate the potential to relocate/expand Carnegie Art Gallery</li> <li>Develop scenic view spots at or close to heritage assets</li> <li>Link to tourism routes</li> </ul>	<ul style="list-style-type: none"> <li>Scenic view spots</li> </ul>		<ul style="list-style-type: none"> <li>Improve the core township tourism real cultural products</li> </ul>
Countryside conferencing / functioning / weddings / team building		<ul style="list-style-type: none"> <li>Upgrade facilities that are not of quality</li> </ul>	<ul style="list-style-type: none"> <li>Signage (easy to read and follow)</li> <li>Tourism Information, including maps</li> </ul>	<ul style="list-style-type: none"> <li>Encourage the take-up of other tourist activities in the area by conference/teambuild visitors (packaging)</li> </ul>	<ul style="list-style-type: none"> <li>Newcastle City</li> <li>Drakensberg</li> <li>Chelmsford Nature Reserve</li> </ul>
Events		<ul style="list-style-type: none"> <li>Develop a dedicated events strategy and programme, as well as events that are uniquely or authentically Newcastle</li> <li>Events to be attached to most of the other experiences, i.e.</li> </ul>	<ul style="list-style-type: none"> <li>Tourism information, including maps</li> <li>Public transport access</li> <li>Upgrade and maintenance of key sports facilities</li> <li>Safety and security at</li> </ul>	<ul style="list-style-type: none"> <li>As is relevant to events organise shopping, eating and entertainment activities at key event nodes (i.e. mobile or non permanent)</li> </ul>	<ul style="list-style-type: none"> <li>Throughout the Municipality but primary event venues will include: <ul style="list-style-type: none"> <li>Airport</li> <li>Drakensberg</li> <li>Ancor Dam</li> </ul> </li> </ul>




## ...strategic clusters, thrusts & actions

Core / Key Experiences	Product/Market Readiness	Tourism Resources Development/Upgrading Requirements	Infrastructure Development/Upgrading Requirements	Tourism Activity Development/Upgrading Requirements	Newcastle Development Node
		recreation/picnic festivals, cultural festivals, outdoor action events (i.e. cycle races, walks, hikes, road races, sport events etc.) <ul style="list-style-type: none"> <li>Develop an event loyalty scheme that would drive up visitor numbers to Newcastle (i.e. coupon system – come to 2 events and entry is free in the 3<sup>rd</sup> event, stay over in the area and event entry is free, etc)</li> <li>Develop a Municipal Events Policy</li> </ul>	events	structures/activities) <ul style="list-style-type: none"> <li>Advertise permanent cultural/heritage facilities by taking mobile or non-permanent cultural/heritage activities/facilities to event nodes</li> <li>Encourage the take-up of other tourist activities in the area by event visitors (packaging/loyalty coupon system)</li> </ul>	<ul style="list-style-type: none"> <li>Chelmsford Nature Reserve</li> <li>Majuba Mountain</li> <li>Madadeni and Osizweni</li> </ul>
Outdoor action/soft adventure		<ul style="list-style-type: none"> <li>Upgrade existing facilities that are not of adequate quality</li> <li>Expand the types of action/adventure offered</li> <li>Link to events programme</li> <li>Link to tourism routes</li> </ul>	<ul style="list-style-type: none"> <li>Signage (easy to read and follow)</li> <li>Tourism Information, including maps</li> <li>Safety and security at some key outdoor spots</li> </ul>	<ul style="list-style-type: none"> <li>If possible offer these action/adventure activities at other venues to showcase the Outdoor Action/Adventure facilities, i.e. at events and at conference facilities (packaging/loyalty coupon system)</li> </ul>	<ul style="list-style-type: none"> <li>Drakensberg</li> <li>Chelmsford Nature Reserve</li> <li>Ncandu Forest</li> <li>Majuba Mountain</li> <li>Ancor Dam</li> <li>Hiking trails, e.g. Ingogo and Ncandu</li> <li>Careful selection of action orientated locations for expansion elsewhere</li> </ul>
Sports		<ul style="list-style-type: none"> <li>Link to events programme</li> <li>Link to KZN Regional Sports Code study recommendations</li> </ul>	<ul style="list-style-type: none"> <li>Maintenance of existing sports facilities</li> <li>Improve parking at major facilities, e.g. swimming pool</li> <li>Provide security at major facilities to ensure protection of municipal assets</li> <li>Fencing and access control at sports facilities where this does not currently exist</li> <li>Investigate the potential to re-develop equestrian</li> </ul>	<ul style="list-style-type: none"> <li>During peak times organise shopping, eating and entertainment activities at key sports facilities (i.e. non permanent or mobile structures/activities).</li> </ul>	<ul style="list-style-type: none"> <li>Chelmsford Nature Reserve</li> <li>Vulintaba Estate</li> <li>Newcastle City – sports facilities such as the swimming pool, rugby fields etc.</li> <li>Amajuba Sports Complex</li> <li>Newcastle Golf Club and Kilbarchan Golf Club</li> <li>Newcastle Airport</li> <li>Iscor Sports Grounds</li> </ul>





...strategic clusters, thrusts & actions

Core / Key Experiences	Product/Market Readiness	Tourism Resources Development/Upgrading Requirements	Infrastructure Development/Upgrading Requirements	Tourism Activity Development/Upgrading Requirements	Newcastle Development Node
			facilities <ul style="list-style-type: none"> <li>Investigate the potential to upgrade the facilities at either Newcastle or Kilbarchan Golf Club</li> <li>Signage (easy to read and follow)</li> <li>Revitalise the old Iscor Sports Grounds.</li> </ul>		
Business travel		<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>Signage</li> <li>Road upgrading (particularly in accessing Newcastle City)</li> <li>Tourism information, including maps</li> </ul>	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>Newcastle City</li> </ul>

The following product opportunities have been identified within the core/key experiences provided in **Table 4.7**. Each product opportunity has been scored based on its potential impact on the core/key experiences and according to impact criteria. The products with the highest rankings will then be taken forward for the implementation planning phase.

**Tables 4.8 and 4.9** provide the product opportunities identified and the scoring system.



**Table 4.8 Identified project opportunities for Newcastle Municipality related to product development**

Core Project Opportunities		Experience Impacted						
Project #	Project Description	Scenic / nature / outdoor recreation	Cultural / heritage	Countryside conferencing	Events	Sports	Outdoor action	Business travel
1.	<b><u>Events Programme</u></b> <ul style="list-style-type: none"> <li>Events Programme including small and large events (develop event themes and an event schedule)</li> <li>Obtain event or events programme sponsors</li> <li>Organise and host events or outsource where necessary</li> <li>Develop Event Loyalty Scheme, i.e. coupon system (come to two events and enter 3<sup>rd</sup> event for free; sleep over in the area and entry to event is free, etc)</li> <li>Link Events &amp; route development/revitalisation, i.e. need to make routes (such as Battlefields Route) an event, even if frequent such as first weekend of every month. Routes thus become one of the list of events on the annual event schedule.</li> <li>Use events to drive geographic spread of visitors, i.e. mini events such as an organised pub/shebeen crawl in Madadeni every quarter. Package products together to create economy of scale, i.e. use local transport operators and guides (visitors do not drive themselves to avoid drinking and driving), use local entertainment groups at the pubs/shebeens, include in the package accommodation in the area, etc. Take the package to market rather than just the event and visitors have to make their own arrangements</li> </ul>	👍	👍	👍	👍	👍	👍	👍
2.	<b><u>Family resort</u></b> <ul style="list-style-type: none"> <li>Develop a mid-market family-orientated resort at one of the major attractions in the Municipality, i.e. Chelmsford or in the Drakensberg.</li> <li>Ensure that the resort offers a mix of accommodation, restaurant/s, conferencing, and activities.</li> </ul>	👍		👍			👍	
3.	<b><u>Visitor Interpretation Centre Multi Use Complex (not a visitor information centre/office)</u></b> <ul style="list-style-type: none"> <li>Develop a Visitor Interpretation Centre in the form of a Multi-use complex either on a major intersection into the area (i.e. along the N11 close to Newcastle City) or at a major attraction (e.g. Fort Amiel or Majuba Mountain)</li> <li>Utilise this centre as a visitor launch or distribution centre into the area as well as a facility/activity booking service as well as an information service</li> <li>Include in the multi-use complex eating, shopping (e.g. curios) and other tourism support facilities</li> <li>This centre could incorporate the Carnegie Art Gallery's expansion</li> </ul>	👍	👍	👍	👍	👍	👍	👍



Core Project Opportunities		Experience Impacted						
Project #	Project Description	Scenic / nature / outdoor recreation	Cultural / heritage	Countryside conferencing	Events	Sports	Outdoor action	Business travel
4.	<b><u>Scenic Outdoor Recreation and Tourist Facilities</u></b> <ul style="list-style-type: none"> <li>Develop picnic / outdoor recreation establishments/resorts in key nodes (e.g. Chelmsford)</li> <li>Develop overnight facilities in key nodes (e.g. Family resort at Chelmsford, upmarket lodge/wellness spa at Ncandu)</li> <li>Develop activities in key nodes (e.g. bird watching at Ncandu)</li> <li>Develop conference/wedding facilities at Chelmsford</li> <li>Tie in with events programme</li> <li>Tie in with mobile activity programme</li> <li>Tie in with tourism routes</li> </ul>	👍		👍	👍		👍	
5.	<b><u>Mobile Activity Packaging Programme</u></b> <ul style="list-style-type: none"> <li>Develop mobile visitor activities connected to the experiences in the Municipality, i.e. scenic/nature, outdoor action, sports &amp; cultural/heritage</li> <li>Develop mobile visitor support activities such as shopping, eating and entertainment activities</li> <li>Package these activities to be used at events</li> <li>Package these activities to be used at facilities in the Municipality, i.e. conferencing using mobile outdoor action or cultural/heritage interactive activities from the area at the conference centre</li> <li>Use the mobile activities for marketing purposes by showcasing the area at exhibitions and shopping centres in and outside the Municipality (e.g. exhibiting at Getaway)</li> </ul>	👍	👍	👍	👍	👍	👍	
6.	<b><u>Holiday Camp</u></b> <ul style="list-style-type: none"> <li>Develop a holiday camp for children in the foothills of the Drakensberg or elsewhere in a rural setting close to Newcastle City. This would be equivalent to the summer camps that are popular in the US and would give children an enriching experience whilst they are on school holidays.</li> <li>Out of season, the camp can be used for conferences and team building events.</li> <li>Benchmark against existing summer camps overseas and those already in South Africa, e.g. Sugar Bay on the KZN north coast.</li> </ul>	👍		👍			👍	
7.	<b><u>Eco-friendly Conference and Destination Wedding Venue</u></b> <ul style="list-style-type: none"> <li>Develop an eco-friendly conference venue with a unique themed destination wedding venue.</li> <li>This should be located in an area of great scenic beauty such as the Drakensberg.</li> </ul>	👍		👍				



Core Project Opportunities		Experience Impacted						
Project #	Project Description	Scenic / nature / outdoor recreation	Cultural / heritage	Countrysi de conferci na	Events	Sports	Outdoor action	Business travel
8.	<b>High Performance Sports Centre</b> <ul style="list-style-type: none"> <li>Develop a high performance sports centre that is aligned to the recommendations of the KZN Regional Sports Code study.</li> <li>The centre could also be used for conferences, banqueting and exhibitions.</li> </ul>			👍	👍	👍		

The identified project opportunities presented in **Table 4.8** were then scored on a scale of 1-3 (3 = high and 1 = low) based on the following criteria in order to prioritise the opportunities and identify those to be carried forward to the next phase of the tourism strategy, i.e. implementation plan:

- Impact on core/key experiences;
- Potential for IDP listing/funding;
- Supporting Municipal objectives;
- Supporting Amajuba/KZN strategy;
- Supporting NTSS objectives;
- Likely market interest if the private sector funded; and
- Market readiness.

**Table 4.9** provides the results of the assessment. The top five rated projects are therefore:

- Scenic outdoor recreation and tourist facilities;
- Events programme;
- Family resort;
- Visitor interpretation centre multi-use complex; and



- Holiday camp.

**Table 4.9 Scoring of project opportunities for Newcastle Municipality**

Core Project Opportunities		Criteria							
Project #	Project Name	Impact on Core/Key Experiences	Potential for IDP Listing / Funding	Supporting Municipal Objectives	Supporting Amajuba/KZN Strategy	Supporting NTSS	Likely Market interest if Private Sector funded	Market Readiness	TOTAL
1.	Events Programme	3	2	3	3	3	2	2	18/21
2.	Visitor Interpretation Centre Multi Use Complex	3	3	3	2	1	1	2	15/21
3.	Family resort	2	3	3	3	3	2	3	19/21
4.	Scenic Outdoor Recreation and Tourist Facilities	2	3	3	3	2	2	3	18/21
5.	Mobile Activity Packaging Programme	3	1	2	2	2	1	3	14/21
6.	Holiday Camp	1	2	3	3	2	2	3	16/21
7.	Eco-friendly Conference and Destination Wedding Venue	1	1	3	3	3	2	1	14/21
8.	High Performance Sports Centre	1	3	2	1	1	1	1	10/21

#### 4.4.2.2 Strategic Thrust 2: Product Information

Product information relates to the provision of tourism information to visitors to the Newcastle area. This strategic thrust also relates to ensuring that tourism information officials are adequately trained to handle visitor enquiries professionally and efficiently.

**Table 4.10** provides the strategic actions for strategic thrust 2.



**Table 4.10 Strategic actions for strategic thrust 2 for product information**

Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	
<b>Product information</b>	2.4	Develop and implement a local structure, linked with the district/provincial/national structures, for tourism information provision which covers information provision on all municipal and possibly also all KZN tourism products and experiences. Ensure that this structure links with the national, central electronic database.	a.	Structure design to link with national design such that all are accredited, uniformly branded information centres (could be virtual; mobile; exclusively for information provision or coupled with a travel agency, petrol station; consider franchising option; etc), i.e. must align to the National Visitor Information Centre Framework.
			b.	Implement tourism signage permissions and standards, linked to national permissions and standards, including the use and ownership of the sign.
			c.	Manage tourism information centres and ensure local information centres fit in with the uniformly branded national designs.
			d.	Negotiate with Newcastle Mall to open a satellite information office at the mall.
			e.	New office opening hours for the information office/s must be enforced, i.e. open at least 6 days per week (preferably until 6 pm) with an emergency contact number for after hours enquiries.
			f.	Continue with visitor guide use and development, as well as develop maps and self-guide information packs in a variety of languages. Develop and link information/interpretive signage to visitor guides.
	2.5	Training of tourism information officials	a.	Link with NDT training programmes for tourism information officials and ensure that all such officials are appropriately trained.
			b.	Ensure that internships are provided to local learners (tourism) and students (tourism) at tourism information centres.
			c.	Enforce mandatory site and study area visits for all tourism officials/staff, including casual staff, interns and tourism ambassadors. Ensure that officials have personally visited the major attractions, facilities and establishments in the Municipality so that they have a working knowledge of the area. This will also assist in building relationships with trade.

#### 4.4.2.4 Strategic Thrust 3: Responsible Tourism

This strategic thrust is aimed at fostering responsible tourism in Newcastle Municipality and aims to address the key elements of responsible tourism as defined in the Responsible Tourism Manual for South Africa, i.e.:

- “Developing, managing and marketing tourism in ways that create competitive advantage;



- *Assessing and monitoring the environmental, social and economic impacts of tourism developments, and openly disclosing information;*
- *Ensuring the active involvement of communities that benefit from tourism, including their participation in planning and decision-making and the establishment of meaningful economic linkages;*
- *Maintaining and encouraging natural, economic, social and cultural diversity; and*
- *Avoiding waste and over-consumption, and promoting the sustainable use of local resources”.*

**Table 4.11** provides the strategic actions for strategic thrust 3.

**Table 4.11 Strategic actions for strategic thrust 3 for responsible tourism**

Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	
<b>Responsible tourism</b>	2.12	Promote adherence to ‘responsible tourism’ standards and guidelines	a.	Promote adherence to universal access standards by existing and new tourism products.
			b.	Support implementation of training programmes, developed nationally and provincially, for responsible tourism practices "how to guides".
			c.	Promote awareness of responsible tourism among tourism businesses and encourage participation of tourism enterprises in "green" or "responsible" tourism accreditation programmes.
	2.13	Implement ‘responsible tourism’ standards and guidelines	a.	Ensure the usage of responsible tourism messages in the marketing of the Municipality.
			b.	Ensure/ encourage all new structures within the Newcastle tourism industry and particularly structures that are government assets to comply with the "green buildings" guidelines/ principles.
			c.	Ensure that local government initiatives continuously focus on "cleaning-up" the area - making services and facilities environmentally friendly, responsible, neat and tidy.
			d.	Continue to participate in the ‘cleanest town’ competition and implement programmes to ensure that Newcastle is kept clean.
			e.	Investigate the potential to establish recycling programmes at all tourism attractions and facilities in the Municipality.



#### 4.4.2.5 Strategic Thrust 4: Quality Assurance

The Tourism Industry Assessment Report identified certain inconsistencies in product standards in the Municipality. The level of formal tourism grading in the Municipality of 37% is considered very low and requires significant improvement in the future.

**Table 4.12** provides the strategic actions for strategic thrust 4.

**Table 4.12 Strategic actions for strategic thrust 4 for quality assurance**

Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	
Quality assurance	2.14	Encourage participation in the national grading scheme	a.	Make use of the TGCSA customer feedback system as well as public comment websites such as Hello Peter, Trip Advisor, etc to monitor quality and service levels within the Municipality.
			b.	Ensure that the Municipality only supports graded organisations for government use/ events, etc. Also ensure that graded establishments are supported in respect of Newcastle tourism marketing activities.
			c.	Conduct awareness campaigns with local businesses on tourism grading and assist with queries regarding grading and compliance issues.
	2.15	Encourage visitors to comment on grading and quality of service, services and facilities	a.	Ensure that the TGCSA's customer feedback system is included in visitor information, information centres, etc so that customers can provide feedback.
	2.16	Measure the levels of service provision in the Municipality	a.	Link to the national service index and monitor the Municipality's performance against this. Also include visitor satisfaction ratings in ad-hoc visitors surveys to be undertaken by the Municipality.

#### 4.4.2.6 Strategic Thrust 5: Access to the Destination (Hard Infrastructure & Transport)

Accessibility to the Municipality is in general fairly good in the Municipality with the major complaint from visitors being around the high levels of road construction. Tourism signage also requires attention in the Municipality and this strategic thrust provides actions of how to deal with this.

**Table 4.13** provides the strategic actions for strategic thrust 5.





**Table 4.13 Strategic actions for strategic thrust 5 for access to the destination**

Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	
<b>Access to the destination (hard infrastructure &amp; transport)</b>	2.17	Improve road access to the Municipality	a.	Communicate with the Department of Transport on timeframes for road upgrades to the N11 and communicate these to local tourism businesses and visitors to the area, e.g. through the municipal website, newsletters etc.
			b.	Conduct an assessment of road upgrades needed en route to major tourism attractions, products and facilities. Identify upgrade requirements and communicate this to the relevant transport authority, e.g. provincial. Prioritise the upgrade of the R34 between Newcastle and Vrede.
	2.18	Air access to the Municipality	a.	Appoint a service provider to conduct a feasibility study for the upgrading of Newcastle Airport. Implement the findings of the study accordingly.
	2.19	Improve transport options to access the Municipality and within the area	a.	Investigate the potential and requirements to attract transport operators for niche markets to include Newcastle on their trip itineraries, e.g. the Baz Bus.
	2.20	Improve signage	a.	Conduct a tourism signage audit in the Municipality.
			b.	Develop a municipal policy or by-laws on tourism signage.
			c.	Liaise with the industry to determine their needs in terms of tourism signage and assist them to unblock municipal barriers where possible.
			d.	Remove all illegal tourism signage from the Municipality.
			e.	Develop educational material to distribute to the industry about tourism signage regulations, policies and procedures.
			f.	Ensure that directional signage is provided to major attractions, products and facilities in the Municipality.
			g.	Upgrade/update all outdated tourism signage in the Municipality.
			h.	Provide 'welcome' signs and upgrade tourism information boards at key gateways to Newcastle and Madadeni, e.g. on the R34 from Vrede to Newcastle City, on the N11 at the entrance to KZN from Volksrust etc.
			i.	Refer to the product development and investment strategic thrust for sub-actions relating to interpretive signage and the interpretive strategy.
	2.21	Public transport to tourism attractions and facilities	a.	Investigate the potential to provide scheduled tours/transport within the Municipality to major tourism attractions and facilities.



#### 4.4.2.7 Strategic Thrust 6: Safety & Security

It is imperative that visitors to the Municipality perceive that they are safe when travelling in the area. An effort must also be made to prevent crime against visitors and any incidents must be dealt with sensitively and immediately in order to avoid any negative press for the area.

**Table 4.14** provides the strategic actions for strategic thrust 6.

**Table 4.14 Strategic actions for strategic thrust 6 for safety & security**

Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	
<b>Safety &amp; security</b>	2.22	Support the national and provincial safety campaigns	a.	Review and implement the recommendations of the KZN Tourism Safety and Awareness Strategy at a local level.
			b.	Formalise relationships with the national Tourism Safety Initiative (TSI) by way of provincial government.
			c.	Establish and strengthen safety and security relationships and partnerships within the Municipality to ensure the implementation in the Municipality of the national tourism safety and awareness strategy.
			d.	Support a youth safety and ambassador programme, deployed to tourism areas and/or hotspots. Couple safety with the responsibility of maintaining cleanliness in the area.



#### 4.4.3 Cluster 3: People in Tourism

This strategic cluster relates to the development of human capital within the tourism sector as well as the need to entrench a culture of service excellence within the industry. The following strategic thrusts relate to this cluster (shown in red):

<p>Cluster 1: Marketing – tourism growth &amp; development (demand)</p> <ul style="list-style-type: none"> <li>• Tourism brand development &amp; management</li> <li>• Tourism market segmentation, positioning &amp; distribution</li> </ul>	<p>Cluster 2: Product development &amp; planning</p> <ul style="list-style-type: none"> <li>• Product development &amp; investment promotion</li> <li>• Product information</li> <li>• Relevant capacity building</li> <li>• Responsible tourism</li> <li>• Quality assurance</li> <li>• Access to the destination</li> <li>• Safety &amp; security</li> </ul>	<p>Cluster 3: People in tourism</p> <ul style="list-style-type: none"> <li>• Relevant capacity building</li> <li>• Transformation</li> <li>• Service excellence</li> <li>• Community participation</li> <li>• Tourism awareness</li> </ul>	<p>Cluster 4: Policy, strategy, governance, research &amp; knowledge management, monitoring &amp; evaluation</p> <ul style="list-style-type: none"> <li>• Efficient management of tourism</li> <li>• Research, information &amp; knowledge management</li> <li>• Policy &amp; legislative framework</li> <li>• Collaborative partnerships</li> <li>• Prioritising tourism at local government level</li> </ul>
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##### 4.4.3.1 Strategic Thrust 1: Relevant Capacity Building

Human resource development is required in order to strengthen the skills base of the tourism sector in the Municipality and there needs to be priority placed on providing relevant training and capacity building in line with industry needs. This strategic thrust includes capacity building of local government officials and skills development/training for the existing and future hospitality and tourism workforce. The successful implementation of this strategic thrust will be dependent on partnerships being forged between the industry, government and relevant training institutions.

**Table 4.15** provides the strategic actions for strategic thrust 3.



**Table 4.15 Strategic actions for strategic thrust 1 for relevant capacity building**

Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	
<b>Relevant capacity building</b>	3.1	Implement NDT capacity building programmes for local government	a.	Through DEDT link in with NDT audit of local government skills audit and ensure that the NDT training programmes targeted at local government officials to address skills gaps and shortages identified is undertaken in the Municipality. Assist DEDT/NDT with the roll-out of tourism awareness and training programmes among all local government councillors and management members in the Municipality.
	3.2	Ensure that tourism is an important criterion in infrastructure development planning	a.	Identify key infrastructure projects in the Municipality and liaise with relevant responsible agencies/municipal departments to prioritise these projects.
			b.	Ensure that tourism development is a key factor considered when an infrastructure project is included in the Municipality's IDP.
			c.	Implement NDT mechanisms to encourage participation in local tourism organisations.
	3.3	Manage and implement a human resources development strategy	a.	Implement any components of the national and provincial tourism human resource development strategy that is relevant to tourism in Newcastle.
			b.	Engage with regional and local associations to promote formal training, improve the quality of the people working in the industry and ensure an increased intake of tourism graduates.
			c.	Engage with local tourism training institutions to improve course content and quality of tourism graduates. Identify required and scarce skills for the Municipality, related to core tourism experiences, and communicate to training sector and promote delivery of relevant courses appropriately structured
			d.	Investigate the potential to incentivise tourism students to excel at their courses, e.g. bursaries, rewards.
			e.	Investigate the potential to offer bursaries/scholarships to promising tourism students to complete/undertake their studies.
	3.4	Engage with Cathsseta and DEDT to implement specific training programmes in Newcastle	a.	Identify through interaction with the tourism stakeholders in the Municipality specific training needs across the Municipality, with an emphasis on improving skills and quality of service delivery and engage with DEDT/Cathsseta to identify an opportunity to roll-out a mass training programme, supported by the SETA, for all relevant employees in the Municipality.
			b.	Link with the national roll-out of a customer relations training programme for all travel and tourism employees (service excellence training).
	3.5	Encouraging participation of youth in tourism	a.	Encourage the industry to take on leadership/ apprenticeship learnerships. Consider incentivising industry to take-on learners and youth in learnership programmes. Continue with learnership intake within the Municipality.
			b.	Participate in the national/provincial tourism careers' expo and take learners from the Municipality to these events.



Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	
			c.	Create a platform for schools, training institutions and the industry to engage on skills development issues.
			d.	Improve tourism and hospitality career choice perception and career information for school learners across all subject choices to increase intakes to tertiary and vocational courses. Ensure that a realistic view is provided of the industry to prepare learners for the realities of the working in the industry.
			e.	Assist with job placement of youth with an interest/qualification in tourism and hospitality.
	3.6	Engage with the private sector to assist with capacity building	a.	Through the Newcastle CTO, engage with the industry on potential partnerships to provide learnerships and mentorships for existing tourism/hospitality stakeholders, e.g. Adopt a Tourism Business Programme.

#### 4.4.3.2 Strategic Thrust 2: Transformation

Transformation of the tourism industry is considered critical to the future success of the industry. Whilst a certain degree of organic growth in transformation is expected to occur in the industry over time, some interventions have been identified in order to assist with the process.

**Table 4.16** provides the strategic actions for strategic thrust 2.

**Table 4.16 Strategic actions for strategic thrust 2 for transformation**

Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	
<b>Transformation</b>	3.7	Conduct a baseline study on transformation	a.	Appoint a service provider to conduct a baseline study on transformation in the industry.
	3.8	Develop and implement strategies to promote businesses with a BBBEE scorecard and encourage businesses to improve their scores and reach the tourism charter targets	a.	Work with local associations to promote transformation and implement BBBEE scorecards.
			b.	Facilitate partnerships between big business and smaller black owned start-ups/ existing businesses by way of transformation information on database.
			c.	Promote diversity in Newcastle tour packages/ excursions.



## ...strategic clusters, thrusts & actions

Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	
			d.	Encourage local government department procurement from BBBEE rated/ compliant tourism enterprises.
	3.9	Support the national people development plan, including training, to effectively produce the required sector skills at all levels, but particularly for management and entrepreneurial skills	a.	Ascertain the levels of skills demand for the Municipality by taking part in provincial and national initiatives.
			b.	Assist in the development of required capacity in designated groups.
			c.	Work with the private sector and encourage the development of black personnel in line with the skills needs of the Municipality. Offer incentives to private sector entities engaged in relevant skills development for black employees/ learners - couple with Cathsseta initiatives and also in respect of Newcastle collaborative marketing initiatives.
	3.10	Work with national and provincial programmes to encourage black entrepreneurs to enter the industry and own and operate businesses throughout the sector. Provide necessary support to these entrepreneurs	a.	Implement the national mentorship programme for entrepreneurs in the tourism industry. Link with the national database and link mentors with black SMME owners or aspiring entrepreneurs. Showcase successful mentorship projects.
			b.	Ensure that black owned SMMEs are incorporated into Newcastle marketing campaigns and TEP programmes.
			c.	Link to provincial and district business support programmes – build on the base of, and support the TEP programme; include mentorships, incubators, access to funding, and understanding of product opportunities and cover SMMEs, co-operatives and other community structures where relevant to the Municipality.
	3.11	Improve the tourism ambassador programme in the Municipality	a.	Hold meetings with the industry to determine the positive and negative aspects of the existing tourism ambassador programme and identify solutions to problems experienced.
			b.	Ensure that there is funding available to continue with the programme, even if the national programme comes to an end.
			c.	Implement a monitoring and evaluation system of tourism ambassadors to track their performance and ensure that there are consequences for poor performance.
			d.	Develop more stringent criteria for the selection of tourism ambassadors and conduct in-depth interviews with potential candidates before allowing them to participate in the programme. Allow the private sector to participate in the interview process.



#### 4.4.3.3 Strategic Thrust 3: Service Excellence

The objective of this strategic thrust is to ensure that every visitor leaves the destination having experienced the warmth of the people and superior service excellence. This is summarised in the following extract from the KZN TMP (over the page):



Source: KZN TMP

Table 4.17 provides the strategic actions for strategic thrust 3.



**Table 4.17 Strategic actions for strategic thrust 3 for service excellence**

Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	
<b>Service excellence</b>	3.12	Support the national service satisfaction/excellence programme	a.	Support the province's initiatives in respect of the national service satisfaction study.
			b.	Measure and monitor ongoing local performance by way of ad hoc visitor surveys and communicate to private sector.
			c.	Use results of the Municipality's provincial performance to identify training needs and ensure implementation of appropriate training programmes to improve service excellence.
			d.	Encourage participation in provincial and national Service Excellence Awards, linked to the national Service Excellence Month.
			e.	Support the implement of the national employee awareness campaign to encourage improved service.
			f.	Support the 'legends of service' programme at a provincial level to encourage improved service and publicise awards made within the area.
	3.13	Tourism consumer feedback system	a.	Link to the national tourism consumer feedback system and implement on district level and feed back provincially. Ensure that feedback is channelled back to the service provider for action and follow-up to ensure that there is a response. Consider implementing penalties for non-response.
	3.14	Recognise service excellence in tourism	a.	Hold an annual awards event to recognise service excellence in tourism.
	3.15	Tourism grading	a.	Refer to Table 4.10 for the sub-actions related to tourism grading.

#### 4.4.3.4 Strategic Thrust 4: Community Participation

Community participation in tourism is one approach to improving levels of transformation within the tourism industry. It is also a means to uplift local communities through economic development and job creation initiatives.

**Table 4.18** provides the strategic actions for strategic thrust 4.





**Table 4.18 Strategic actions for strategic thrust 4 for community participation**

Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	
<b>Community participation</b>	3.16	Work with national programmes to build awareness and understanding of tourism among communities to eliminate unrealistic expectations	a.	Implement community campaigns, developed nationally and provincially. Encourage community participation and knowledge of local tourism projects (big and small) - distribute relevant, factual information in the local community where new developments are planned/ underway.
	3.17	Identify areas and destinations in the Municipality where communities could be beneficiaries of tourism projects, and identify and support appropriate product development	a.	Work with the national and provincial programme to encourage community swapping programmes i.e. hosting rural visitors for shopping and entertainment and city visitors being hosted by rural communities.

#### 4.4.3.5 Strategic Thrust 5: Tourism Awareness

The KZN TMP explains that “*there is a need to change the perceptions and knowledge of tourism and to engender widespread recognition of the importance of the tourism sector, as well as create awareness of all visitors' and their needs*”. The objectives of this strategic thrust are aligned to those contained in the TMP and aim to fulfil the ethos to treat all visitors well in the province, i.e.



Source: KZN TMP

**Table 4.19** provides the strategic actions for strategic thrust 5.



**Table 4.19 Strategic actions for strategic thrust 5 for tourism awareness**

Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	
<b>Tourism awareness</b>	3.18	Exchange programme	a.	Encourage local tourism service providers to participate in the national tourism exchange programme.
	3.19	Lobbying local government	a.	Explain and lobby politicians and government officials to prioritise tourism as an important economic sector in the industry.
	3.20	Improve understanding of tourists/visitors by the private sector and local residents	a.	Explain to the private sector and local residents the meaning of being a visitor or tourist and ensure that there is understanding that business travellers are tourists too.
			b.	Implement the tourist buddies programme locally in conjunction with provincial government.
	3.21	Promote tourism awareness amongst learners	a.	Conduct road shows at schools to educate teachers and learners about the tourism sector.
	3.22	Promote tourism awareness amongst the media	a.	Meet with key media contacts to educate them on the tourism industry and the importance of reporting accurately (and positively) about the industry.
			b.	Run editorials in local newspapers about the general and local tourism industry (positive stories).

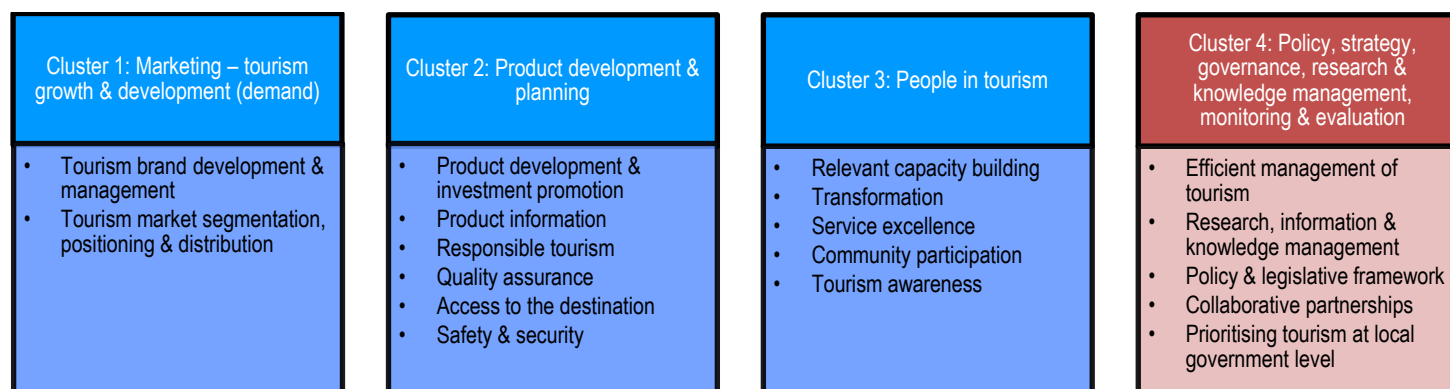
#### **4.4.4 Cluster 4: Policy, Strategy, Governance, Research & Knowledge Management, Monitoring & Evaluation**

This strategic thrust is aimed at improving management of, and co-ordination and communication on, tourism issues; improving effectiveness of tourism interventions; improving partnerships and funding for tourism; and putting in place the necessary projects and programmes to measure and monitor certain aspects of the tourism sector, e.g. effectiveness of tourism structures.

The following five strategic thrusts relate to this cluster (shown in red over the page):



## ...strategic clusters, thrusts & actions



### 4.4.4.1 Strategic Thrust 1: Efficient management of tourism

Efficient management of tourism is required in order to improve co-ordination of tourism support and interventions; to improve effectiveness of support and interventions; and to improve the scope and range of tourism support and interventions.

**Table 4.20** provides the strategic actions for strategic thrust 1.

**Table 4.20 Strategic actions for strategic thrust 1 for efficient management of tourism**

Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	
<b>Efficient management of tourism</b>	4.1	Clearly define the institutional framework for tourism in the Municipality	a.	Refer to Section 5 for recommendations on the institutional framework for tourism in the Municipality.
	4.2	Raise the profile of tourism within local government	a.	Refer to Tables 4.8 and 4.15 for recommendations on tourism awareness creation and capacity building.
	4.3	Improve collaboration with provincial nature conservation and heritage agencies	a.	Ensure that Ezemvelo and Amafa are represented at local tourism forums and ensure that communication channels are open.



#### 4.4.4.2 Strategic Thrust 2: Research, Information & Knowledge Management

There is a need to obtain and provide timeous and accurate research and information on the tourism industry in Newcastle, e.g. statistics on performance of the industry. This will assist the industry in identifying important trends and with investment decisions.

**Table 4.21** provides the strategic actions for strategic thrust 2.

**Table 4.21 Strategic actions for strategic thrust 2 for research, information & knowledge management**

Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	
<b>Research, information &amp; knowledge management</b>	4.4	Develop a tourism supply database	a.	Develop and maintain a tourism database of all tourism attractions, products, facilities and services in the Municipality.
			b.	Implement an annual monitoring mechanism, e.g. supply audit, to ensure that the database is up to date.
			c.	Enforce compliance with the DEDT registration system.
	4.5	Conduct research on the tourism industry	a.	Conduct event impact assessments during major events held in the Municipality.
			b.	Conduct ad hoc visitor surveys at key attractions and facilities in the Municipality to monitor visitor levels, profiles, activities, brand perceptions, satisfaction levels etc.
			c.	Develop a consumer feedback system.
			d.	Develop and undertake a twice yearly Newcastle Tourism Sector Index (on selected tourism product owners) in order to assess performance, core experiences offered/bought by visitors, patronage/ usage, seasonality, source markets, transformation, etc by area within the Municipality.
	4.6	Disseminate information on the industry	a.	Disseminate information on the tourism industry, e.g. consumer feedback, to the industry through newsletters, the internet/website and meetings.



#### 4.4.4.3 Strategic Thrust 3: Policy & Legislative Framework

The policy and legislative framework in the Municipality sets the guidelines/regulations to ensure efficient management of the tourism industry and is therefore an important component of ensuring compliance in the industry and setting standards for service delivery.

**Table 4.22** provides the strategic actions for strategic thrust 3.

**Table 4.22 Strategic actions for strategic thrust 3 for policy & legislative framework**

Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	
<b>Policy &amp; legislative framework</b>	4.7	Ensure that all tourism strategies, plans and actions are in compliance with district, provincial and national legislation, policy and strategy	a.	Regularly review the tourism strategy and documents/plans resulting from it or related to it whenever policies, legislation, regulations or strategies are changed at national, provincial and district level and adjust where relevant.
	4.8	Ensure that the tourism strategy is aligned to Newcastle Municipality policy, strategy and plans	a.	Whenever IDP is revised provide input so that tourism is properly incorporated and represented in the IDP (and other framework).
			b.	Provide tourism related input into any other municipal strategies and plans (i.e. economic growth plans, spatial development frameworks, etc) and ensure that tourism is properly incorporated and represented.
	4.9	Develop a tourism signage policy or by-laws	a.	Develop, implement and enforce a tourism signage policy or by-laws. These should comply with the SADC Road Sign Manual where relevant and should clearly spell out procedures to apply for tourism signage, regulations about tourism signage and penalties for non-compliance.

#### 4.4.4.4 Strategic Thrust 4: Collaborative Partnerships

It is essential to the success of the tourism sector that public and private sector works together to manage and develop the industry. This strategic thrust provides actions for a partnership approach to tourism in Newcastle Municipality.

**Table 4.23** provides the strategic actions for strategic thrust 4.



**Table 4.23 Strategic actions for strategic thrust 4 for collaborative partnerships**

Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	
<b>Collaborative partnerships</b>	4.10	Promote and formalise structures to ensure collaboration and interaction within the public and between the public and private sector and communities in the Municipality	a.	Continue with the formation of the Newcastle CTO.
			b.	Ensure clear communication channels between the Municipality and the CTO.
			c.	Ensure clear communication channels between the CTO, Local Municipality, District Municipality and other relevant stakeholders, e.g. through forums.
			d.	Municipal tourism officials should conduct site visits to tourism attractions and businesses in the area to meet with local business owners and develop relationships with them.
	4.11	Strengthen the collaboration partnerships with other relevant Newcastle government departments/entities	a.	Actively encourage for the tourism sector to be incorporated into the Municipality's development projects and programmes.
	4.12	Strengthen the collaboration partnership with AFLED, as well as other relevant district, provincial and national departments/institutions	a.	Actively participate in all relevant district and provincial tourism dialogues and tourism activities with AFLED, DEDT, TKZN etc.
			b.	Actively encourage for the Municipality to be represented in respect of district and provincial events and economic development projects/programmes.

#### 4.4.4.5 Strategic Thrust 5: Prioritising Tourism at Local Government Level

This strategic thrust is closely linked to the strategic thrust of tourism awareness. Tourism is often termed as an unfunded mandate and therefore it is imperative that initiatives are undertaken to improve how tourism is viewed in local government and to promote its importance as an economic sector.

**Table 4.24** provides the strategic actions for strategic thrust 5.



**Table 4.24 Strategic actions for strategic thrust 5 for prioritising tourism at local government level**

Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	
<b>Prioritising tourism at local government level</b>	4.13	Develop a clear framework within which all appropriate roles and areas of responsibility are clearly spelled out for all government role players	a.	Implement the KZN agreed institutional structure at local level, i.e. continue with the formation of the Newcastle CTO and ensure that the CTO and the Tourism function in the Municipality are adequately funded and resourced.
	4.14	Raise the profile of tourism in the Municipality	a.	Formulate structures for ongoing dialogue at local government level. Develop bilateral relations with other relevant departments/ agencies at local level.
			b.	Lobby for adequate tourism budgets and other resources. Ensure that tourism projects/programmes are reflected in the IDP to ensure funding allocation.
			c.	Continuously identify and establish a strong political champion for the tourism sector within the Newcastle Council. Ensure that such a political champion is kept well advised of the tourism sector environment, needs, challenges and activities

#### 4.5 Prioritising the Strategic Actions

The strategic actions presented in **Section 4.4** have been prioritised based on their potential to meet the nine strategic objectives stated in **Section 3**. Each strategic action has been scored on a scale of 1-3 where 1 indicates that the strategic action has a strong link to the strategic objectives; 2 indicates that it has an average link to the strategic objectives; and 3 indicates that it has a weak link to the strategic objectives.

**Table 4.25** provides the scores for each of the strategic actions (over the page).



**Table 4.25 Scoring of the strategic actions in terms of their contribution to achieving the strategic objectives**



Strategic Thrust	Newcastle Strategic Action		Score
<b>Tourism brand development &amp; management</b>	1.1	Align the Newcastle tourism brand to new Brand South Africa tourism brand format as specified by SAT and as per the provincial branding of TKZN	1
	1.2	Strongly align the tourism branding and activities of private sector within Newcastle with the Newcastle tourism brand	2
	1.3	Align marketing tools and marketing activities with Experience based Positioning of Newcastle Municipality	1
<b>Tourism market segmentation, positioning &amp; distribution</b>	1.4	Develop Newcastle Municipality prioritised tourism market segmentation	1
	1.5	Develop positioning statements by market segments in line with overall branding	1
	1.6	Specify the distribution to be undertaken by market segment	1
<b>Product development &amp; investment promotion</b>	2.1	Develop product development plan for Newcastle	1
	2.2	Implement product development and investment plan in respect of local municipal tourism assets	1
	2.3	Encourage private sector to develop product gaps identified in product development plan or determine collaboration projects	2
<b>Product information</b>	2.4	Develop and implement a local structure, linked with the district/provincial/national structures, for tourism information provision which covers information provision on all municipal and possibly also all KZN tourism products and experiences. Ensure that this structure links with the national, central electronic database.	2





Strategic Thrust	Newcastle Strategic Action		Score
	2.5	Training of tourism information officials	2
Responsible tourism	2.6	Promote adherence to 'responsible tourism' standards and guidelines	2
	2.7	Implement 'responsible tourism' standards and guidelines	2
Quality assurance	2.8	Encourage participation in the national grading scheme	3
	2.9	Encourage visitors to comment on grading and quality of service, services and facilities	2
	2.10	Measure the levels of service provision in the Municipality	2
Access to the destination (hard infrastructure & transport)	2.11	Improve road access to the Municipality	2
	2.12	Air access to the Municipality	3
	2.13	Improve transport options to access the Municipality and within the area	3
	2.14	Improve signage	2
	2.15	Public transport to tourism attractions and facilities	3
Safety & security	2.16	Support the national and provincial safety campaigns	2
Relevant capacity building	3.1	Implement NDT capacity building programmes for local government	2
	3.2	Ensure that tourism is an important criterion in infrastructure development planning	2



Strategic Thrust	Newcastle Strategic Action		Score
	3.3	Manage and implement a human resources development strategy	1
	3.4	Engage with Cathsseta and DEDT to implement specific training programmes in Newcastle	2
	3.5	Encouraging participation of youth in tourism	2
	3.6	Engage with the private sector to assist with capacity building	2
<b>Transformation</b>	3.7	Conduct a baseline study on transformation	2
	3.8	Develop and implement strategies to promote businesses with a BBBEE scorecard and encourage businesses to improve their scores and reach the tourism charter targets	1
	3.9	Support the national people development plan, including training, to effectively produce the required sector skills at all levels, but particularly for management and entrepreneurial skills	2
	3.10	Work with national and provincial programmes to encourage black entrepreneurs to enter the industry and own and operate businesses throughout the sector. Provide necessary support to these entrepreneurs	2
	3.11	Improve the tourism ambassador programme in the Municipality	2
<b>Service excellence</b>	3.12	Support the national service satisfaction/ excellence programme	2
	3.13	Tourism consumer feedback system	2
	3.14	Recognise service excellence in tourism	2
	3.15	Tourism grading	3



Strategic Thrust	Newcastle Strategic Action		Score
<b>Community participation</b>	3.16	Work with national programmes to build awareness and understanding of tourism among communities to eliminate unrealistic expectations	3
	3.17	Identify areas and destinations in the Municipality where communities could be beneficiaries of tourism projects, and identify and support appropriate product development	3
<b>Tourism awareness</b>	3.18	Exchange programme	3
	3.19	Lobbying local government	3
	3.20	Improve understanding of tourists/visitors by the private sector and local residents	3
	3.21	Promote tourism awareness amongst learners	3
	3.22	Promote tourism awareness amongst the media	3
<b>Efficient management of tourism</b>	4.1	Clearly define the institutional framework for tourism in the Municipality	1
	4.2	Raise the profile of tourism within local government	1
	4.3	Improve collaboration with provincial nature conservation and heritage agencies	1
<b>Research, information &amp; knowledge management</b>	4.4	Develop a tourism supply database	1
	4.5	Conduct research on the tourism industry	1
	4.6	Disseminate information on the industry	2
<b>Policy &amp; legislative framework</b>	4.7	Ensure that all tourism strategies, plans and actions are in compliance with district, provincial and national legislation, policy and strategy	3



Strategic Thrust	Newcastle Strategic Action		Score
	4.8	Ensure that the tourism strategy is aligned to Newcastle Municipality policy, strategy and plans	2
	4.9	Develop a tourism signage policy or by-laws	3
<b>Collaborative partnerships</b>	4.10	Promote and formalise structures to ensure collaboration and interaction within the public and between the public and private sector and communities in the Municipality	1
	4.11	Strengthen the collaboration partnerships with other relevant Newcastle government departments/entities	3
	4.12	Strengthen the collaboration partnership with AFLED, as well as other relevant district, provincial and national departments/institutions	2
<b>Prioritising tourism at local government level</b>	4.13	Develop a clear framework within which all appropriate roles and areas of responsibility are clearly spelled out for all government role players	1
	4.14	Raise the profile of tourism in the Municipality	1

Based on the scores presented in **Table 4.25**, the priority strategic actions are shown in **Table 4.26** (over the page). Seventeen priorities have therefore been identified. This does not mean that strategic actions ranked as second and third priorities should not be undertaken at all but rather that they should only be considered once efforts have been made on priority 1 actions. The 17 priority strategic actions are further developed into implementation plans with timeframes and budgets in **Section 6**.

In addition, priority attention must be given to the ongoing operations of the CTO and ensuring that the tourism function within the municipality is adequately resourced in terms of staff and budgets.



Table 4.26 Priority strategic actions for Newcastle Municipality



Strategic Thrust	Newcastle Strategic Action	
<b>Tourism brand development &amp; management</b>	1.1	Develop a Newcastle tourism brand and align to new Brand South Africa tourism brand format as specified by SAT and as per the provincial branding of TKZN
	1.3	Align marketing tools and marketing activities with Experience based Positioning of Newcastle Municipality
<b>Tourism market segmentation, positioning &amp; distribution</b>	1.4	Develop Newcastle Municipality prioritised tourism market segmentation
	1.5	Develop positioning statements by market segments in line with overall branding
	1.6	Specify the distribution to be undertaken by market segment
<b>Product development &amp; investment promotion</b>	2.1	Develop product development plan for Newcastle
	2.2	Implement product development and investment plan in respect of local municipal tourism assets
<b>Relevant capacity building</b>	3.3	Manage and implement a human resources development strategy
<b>Transformation</b>	3.8	Develop and implement strategies to promote businesses with a BBBEE scorecard and encourage businesses to improve their scores and reach the tourism charter targets
<b>Efficient management of tourism</b>	4.1	Clearly define the institutional framework for tourism in the Municipality
	4.2	Raise the profile of tourism within local government
	4.3	Improve collaboration with provincial nature conservation and heritage agencies
<b>Research, information &amp; knowledge management</b>	4.4	Develop a tourism supply database
	4.5	Conduct research on the tourism industry



...strategic clusters, thrusts & actions

Strategic Thrust	Newcastle Strategic Action	
<b>Collaborative partnerships</b>	4.10	Promote and formalise structures to ensure collaboration and interaction within the public and between the public and private sector and communities in the Municipality
<b>Prioritising tourism at local government level</b>	4.13	Develop a clear framework within which all appropriate roles and areas of responsibility are clearly spelled out for all government role players
	4.14	Raise the profile of tourism in the Municipality



**Section 5**  
**Institutional Structure**

1. Introduction
2. Strategy Overview
3. Strategic Objectives & Targets
4. Strategic Thrusts, Clusters & Actions
5. Institutional Structure
6. Implementation Plan



## 5. Institutional Structure

### 5.1 Provincial Context – Recap from the Tourism Industry Assessment Report

The recommended provincial institutional framework includes structures to oversee implementation of the TMP and provide strategic input along the lines of the four strategic clusters contained in the TMP, i.e. product development and planning; policy, strategy, governance, research and knowledge, and monitoring; people; and marketing. The first two clusters are grouped together in terms of the structure. Forums are used to ensure implementation and it is intended that these include key representatives from both public and private sector. The forums will report annually into the provincial tourism summit.

The communities and local tourism bodies participate in the structure through the local regional and district tourism bodies and a provincial LTO/CTO association and quarterly meetings. They will also participate in Forums and in the Summit. The responsibility for actual implementation will be undertaken by the implementing bodies/sectors which includes district and local municipalities.

According to the TMP, there is a degree of flexibility in some aspects of the institutional structure but there are some non-negotiable elements, i.e. all municipal (district and local) and metros must have a departmental responsibility for tourism and a resource allocation to tourism. The department may be dedicated or a combination of tourism with other functions. The aligned functions are economic development related, and these should be where tourism combines or feeds into. Municipalities with a limited tourism industry or limited tourism potential may have a part-time tourism resource, i.e. a person who has tourism and other responsibilities, while those with significant tourism should have dedicated resources.

Furthermore, all areas of the province should be covered by a Regional or Local Tourism Organisation/Bureau/Community Tourism Organisation (RTO or LTO/LTB/CTO). Local Tourism Organisations are referred to in the NTSS as Local Tourism Bureau (“**LTB**”), while they are referred to as CTOs in KZN. Each local municipality can only partner and fund one entity, hence a need for the private sector and communities to come together to partner with the public sector. A district or metro may opt to fund multiple LTOs. However, there can be any number of LTAs or next level CTOs in a local area as the community and/or private determine, as long as they coordinate and associate in order to partner the public sector.





Each local municipality can only partner and fund one entity, hence a need for the private sector and communities to come together to partner with the public sector. A district or metro may opt to fund multiple LTOs. However, there can be any number of LTAs or next level CTOs in a local area as the community and/or private determine, as long as they coordinate and associate in order to partner the public sector.

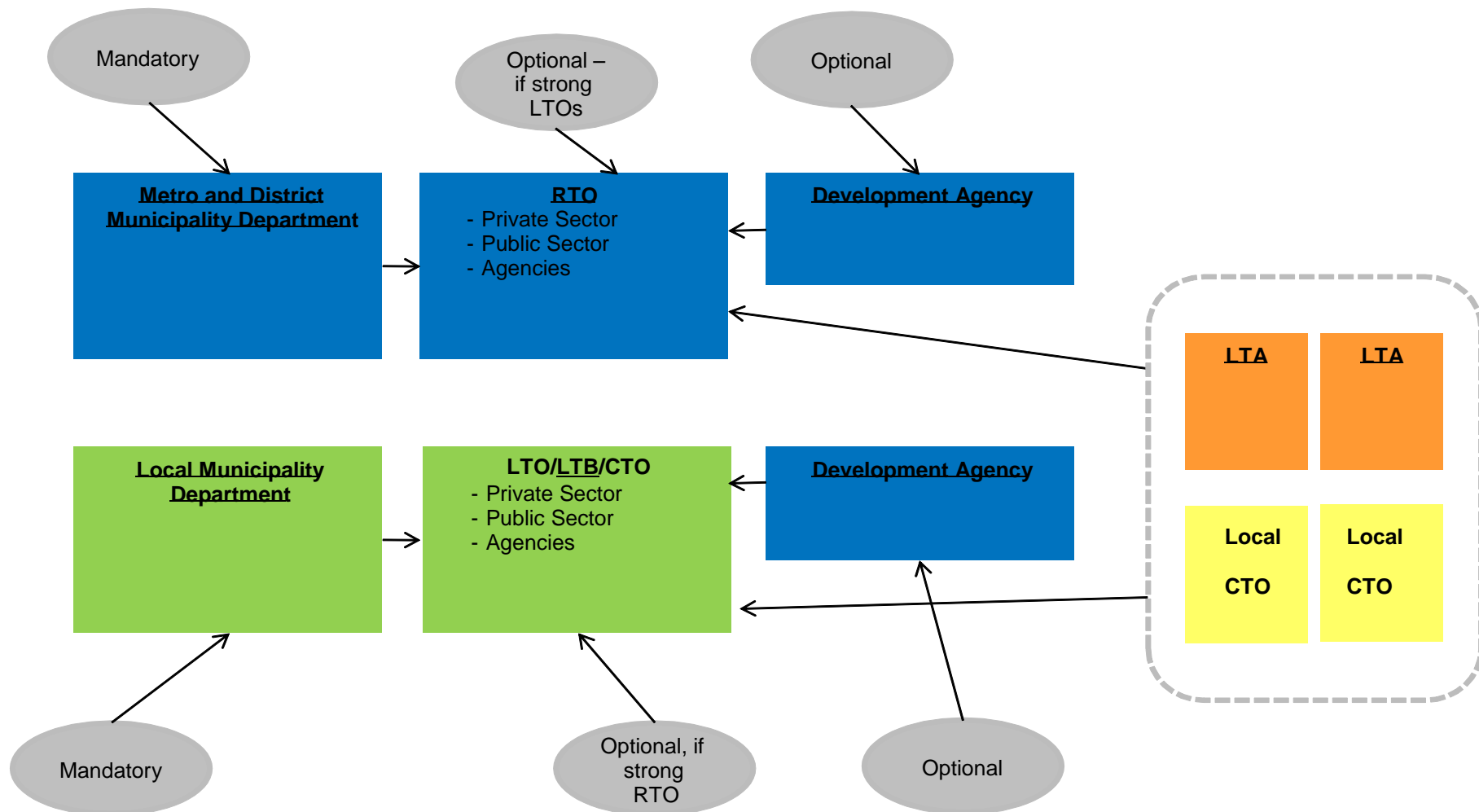
Within this context, the overall roles for local government in tourism are defined as per the TMP as follows:

- *“Providing a strategic and operational role in maintaining a high quality physical infrastructure;*
- *Serving as a facilitator to ensure that the needs of the whole destination, including residents, businesses, and the environment, are represented and considered in the management of tourism;*
- *Providing links and continuity of policy between /across all municipal services, such as economic development, planning, land use management, environmental health and roads etc;*
- *Being supportive and playing a facilitative role for partnerships in the sector and therefore driving investment and good performance;*
- *Co-ordinate marketing, promotion, and information provision for the destination and tourism products therein; and*
- *Integrating tourism into local economic development initiatives.”*

**Figure 5.1** (over the page) shows the recommended institutional framework in terms of municipalities as per the TMP.



Figure 5.1 Municipal institutional framework recommendations contained in the TMP



## 5.2 Newcastle Municipality – Recap from the Tourism Industry Assessment Report

At the local municipality level, the function of tourism falls under the Department of Development Planning and Human Settlements. This department also includes local economic and enterprise development; and market research and investment promotion. There are currently nine posts allowed for tourism but only two of these are filled, i.e. Manager: Tourism Development and Marketing; and tourism information officer. Museums and other heritage-related assets are part of the tourism base of the Municipality. Currently the function for museums falls under the Department of Community Services within the municipal structures. The district strategy recommends that this should be incorporated under the function of tourism going forward.

The Municipality has attempted to increase capacity through the tourism ambassador programme and by providing internships. The Municipality is in the process of establishing a fully fledged CTO following the disbandment of the previous CTO. The committee is chaired by a representative from Amaciko Hospitality Consultants and the vice chair is the general manager of the Blackrock Garden Court Hotel. The committee is yet to draft a formal constitution for the CTO and intends on putting together an action plan with associated budgets in order to access funding/generate revenue to conduct its activities.

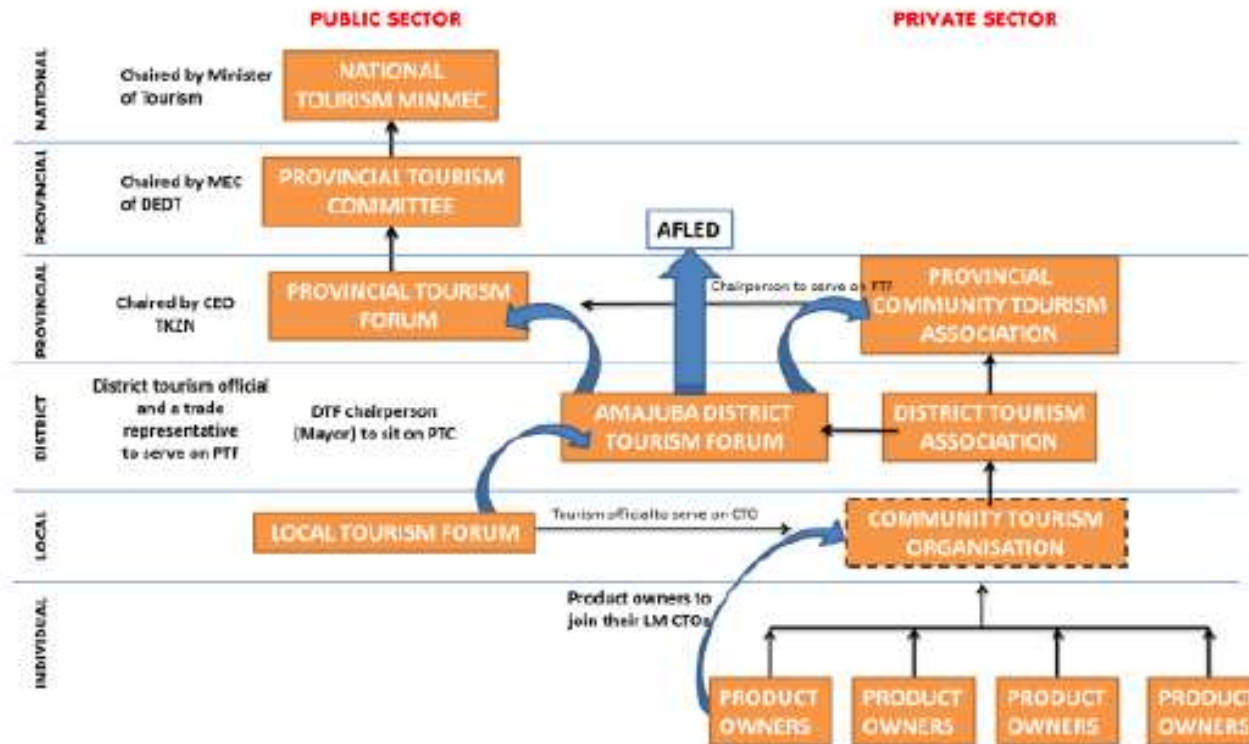
There are no formal forums in place in the Municipality where the private sector can engage with the Municipality but the establishment of the CTO is aimed to partly address this need. The Director of Economic Development plays an advisory role in terms of the business chambers. The Municipality participates in the district tourism forum/AFLED and therefore has some link to provincial tourism structures. Another challenge faced by the tourism function is internal communication between the various departments in the Municipality, e.g. approvals of accommodation establishments are not communicated to the tourism unit and therefore new businesses are established without their input or knowledge.

## 5.3 Institutional Structure at a District Level

The district's tourism strategy makes the following recommendations in terms of the institutional structure for tourism in the district (**Figure 5.2** over the page).



Figure 5.2 Institutional structure recommended in the district tourism strategy



Source: Amajuba District Tourism Strategy

In the district tourism strategy, it is recommended that the Amajuba Tourism Forum acts as the single tourism body for both public and private sector tourism co-ordination across the district. It is also recommended that several municipal assets that currently fall under 'Arts, Culture and Amenities' are moved or shared with the tourism function. These include the Carnegie Art Gallery, Fort Amiel and the Battlefields.



#### 5.4 Recommendations for Newcastle Municipality's Institutional Structure

The existing structures for tourism within the Municipality are fairly sound and in line with the recommendations of the KZN TMP. The function of 'Arts, Culture and Amenities' should not be moved under the function of tourism in light of provincial changes to the management of these types of assets. It is, however, recommended that municipal stakeholders from arts, culture and amenities must be included in the local tourism forum to ensure communication and coordination between this function and the tourism function. Furthermore, through arts, culture and amenities and the tourism function, heritage assets should be supported with marketing and promotional activities, as well as assistance with events.

The Newcastle CTO must be supported by the Municipality and it must be ensured that the CTO develops its constitution in line with the CTO strategy and that funding is assigned to assist with their activities by the Municipality.

In line with the TMP and district strategy, it is recommended that a local tourism forum is established in order to facilitate interaction between the public and private sector on tourism-related issues. It is also essential that representatives from other government departments and arts and culture attend the forum to provide inter-departmental/governmental links, e.g. Ezemvelo, Amafa, local museum curator etc.

As per the KZN TMP and CTO Strategy, the roles and responsibilities of the Municipality and CTO are shown in **Table 5.1** (over the page). The local authority may not restrict the autonomy of the CTO or dictate the terms of the CTO.



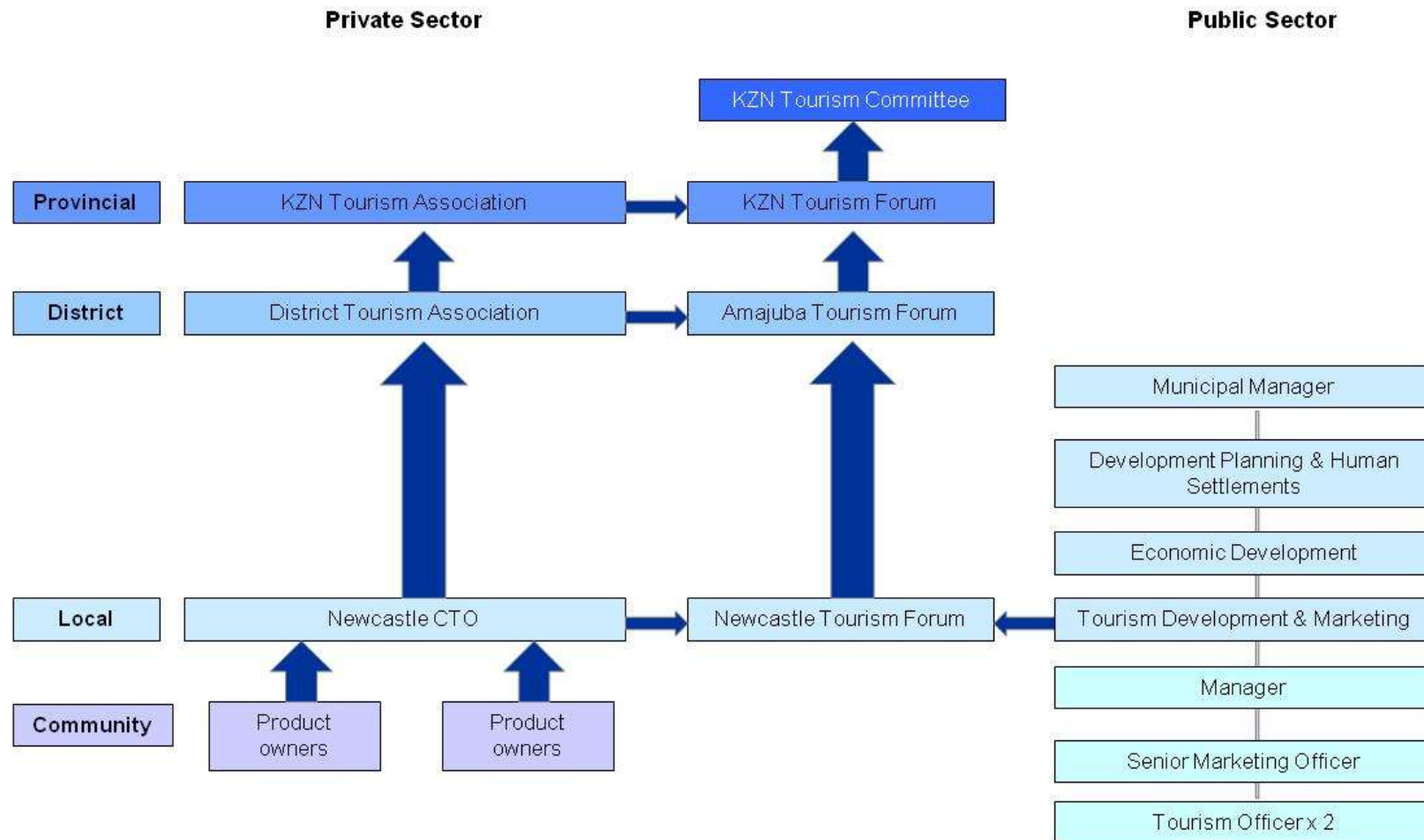
**Table 5.1 Roles & responsibilities of CTOs & local government for tourism**

CTO	Local Authority
<ul style="list-style-type: none"> <li>• Manage the information office(s) of the local area, and feed into the provincial information system</li> <li>• Market specific events, conferences and meetings that occur in the local area</li> <li>• Act as a first point of registration for tourism businesses in respect of the provincial registration system, and monitor minimum standards maintained by registered businesses in local authority area</li> <li>• Receive and channel applications for local road signs from members to the municipality</li> <li>• Promote tourism awareness, a culture of hospitality, and involvement in tourism among the local population</li> <li>• Keep a general watch over tourism matters, and advise the municipal authority regarding tourism development requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Establish, and provide financial support to, the CTO</li> <li>• Upkeep and development of public tourist attractions (e.g. historical, cultural and environmental)</li> <li>• Provide public infrastructure</li> <li>• Provide public amenities, such as parking, ablution facilities and public transportation, in support of the tourism industry</li> <li>• Conduct spatial planning in support of tourism, and allocate land and infrastructure for tourism development</li> <li>• Plan and provide local road signs</li> <li>• Maintain the general safety, upkeep, cleanliness and beautification of the local area</li> <li>• Assist the CTO in implementing the provincial registration and minimum standards system by providing health and safety inspection services</li> </ul>

**Figure 5.3** shows the recommended structures for tourism in Newcastle Municipality (over the page). We have recommended four tourism posts within the municipal tourism function and shown ‘arts, culture and amenities’ moving over to the function for tourism.



Figure 5.3 Recommended institutional structure for Newcastle Municipality



Note: Third Tourism Officer to be employed from year 4



## **Section 6**

### **Implementation Plan**

**1. Introduction**

**2. Strategic Direction**

**3. Strategic Objectives & Targets**

**4. Strategic Clusters, Thrusts & Actions**

**5. Institutional Structure**

**6. Implementation Plan**





## 6. Implementation Plan

Based on the priority strategic actions presented in **Table 4.26**, the following implementation plans should be followed in order to implement the priority strategic thrusts and actions of the tourism sector strategy.

**Table 6.1** provides the implementation plans for Newcastle Municipality. For ‘**responsibility**’, these have been separated into two separate types, i.e. pro-active where the tourism officials of the Municipality control implementation of the specific action, and responsive where the tourism officials of the Municipality encourage or support implementation of the specific action.

**Table 6.1 Implementation plan for the Newcastle tourism strategy**

Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	Timing						Responsibility		Budget Description	Budget	Monitoring & Evaluation
				YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6 +	Pro-active	Responsive			
Tourism brand development & management	1.1	Align the existing Newcastle brand to new Brand South Africa tourism brand format as specified by SAT and as per the provincial branding of TKZN	a.	Ensure that Newcastle brand architecture aligns to provincial and district brand format.						✓		Time cost	See Table 6.2	Newcastle branding alignment implemented
			b.	Ensure that the Newcastle brand is primarily experience orientated by including “Experiential” (i.e. what to do) tag lines and positioning materials to the brand architecture – no generic destination selling, always by core experience.						✓		Assistance by marketing specialist	R75 000 once off	Development of new tag lines that are experience based
			c.	Communicate to all local tourism role players the municipality’s branding strategy, the branding materials available and how these can/may be used, and monitor the usage of branding within/by the municipality.						✓		Hard cost of new collateral	R250 000 once off	Develop and roll out brand communication material, regular checks on use of branding to be undertaken
	1.3	Align marketing tools and marketing activities with Experience based Positioning of Newcastle Municipality	a.	Review all marketing tools based on tourism experience based positioning of Newcastle, prioritise which tools are most appropriate to use and either adjust						✓		Hard cost of new collateral	Included in 1.1c above	Conducted as part of the tourism strategy – implement marketing tool recommendations



Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	Timing						Responsibility		Budget Description	Budget	Monitoring & Evaluation
				YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6 +	Pro-active	Responsive			
			existing marketing tools or develop new tools as is required. Particularly identify and develop tools that are targeted rather than "destination awareness" orientated.											
			b. Review all marketing activities based on tourism experience based positioning of the municipality, prioritise which activities are most appropriate and either adjust existing activities/campaigns or develop new activities as is required. Particularly identify and develop activities that are targeted rather than "destination awareness" orientated.							✓		Hard cost of new collateral	Included in 1.1c above	Develop priority list of marketing activities
<b>Tourism market segmentation, positioning &amp; distribution</b>	1.4	Develop Newcastle Municipality prioritised tourism market segmentation	a. Develop a base Newcastle Municipality tourism market segmentation grid based on TKZN/KZN TMP/Amajuba grid and prioritise.							✓		Time cost	See Table 6.2	Conducted as part of the tourism strategy – implement market segmentation recommendations
			b. Specify 5-year focus by market segment within the grid.							✓		Time cost	See Table 6.2	Conducted as part of the tourism strategy – implement market segmentation recommendations
			c. Adjust the market segmentation grid to be core experience & key supporting experience based.							✓		Time cost	See Table 6.2	Conducted as part of the tourism strategy – implement market segmentation recommendations
	1.5	Develop positioning statements by core experiences in line with overall branding	a. Develop positioning statements for core experiences.							✓		Assistance by marketing specialist	R75 000 once off	Finalise and approve positioning statements, monitor use of positioning statements
	1.6	Specify the distribution to be undertaken by market segment	a. Specify and implement the marketing tools to be utilised for core experience and key support experience market segments.							✓		Usage of tools	R500 000 per annum	Conducted as part of the tourism strategy – implement marketing tool recommendations
			b. Specify and implement the marketing channels to be utilised for core experience and key support experience market segments.							✓		Usage of channels		Conducted as part of the tourism strategy – implement marketing channel recommendations



Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action		Timing					Responsibility		Budget Description	Budget	Monitoring & Evaluation
					YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6 +	Pro-active			
			c.	Specify and implement tourism packaging initiatives including route development.						✓		Implementation of initiatives		Conducted as part of the tourism strategy – implement tourism packaging recommendations
Product development & investment promotion	2.1	Develop product development plan for Newcastle	a.	Based on tourism experiences identified for Newcastle, undertake a product gap analysis to satisfy each experience (particularly core and key support experiences). Identify both product development and upgrade/improvement needs.						✓		Events and tourism projects (CAPEX, research and studies)	See Table 6.2 & tourism project implementation plans	Conducted as part of the tourism strategy
			b.	Prioritise locations for product development, type of development needed as well as likely developer (i.e. public sector – national, provincial, local – or private sector).						✓				Conducted as part of the tourism strategy
			c.	Prioritise locations for product upgrading/improvement.						✓				Conducted as part of the tourism strategy
	2.2	Implement product development and investment plan in respect of local municipal tourism assets	a.	Liaise with the relevant departments/agencies to identify process for and challenges in proceeding with product development/improvement.						✓		Time cost	See Table 6.2	Number of meetings held, notes of meetings, key actions/decisions taken and impact
			b.	Develop business plans/feasibility studies for key projects that have a strong government asset base.						✓		Fees for studies to be conducted	R2,5 million spread over 2 years, included under tourism projects in Table 6.2	Number of feasibilities completed, number of projects successfully implemented, value of projects implemented Refer to Section 6.1 for further details on implementation.
			c.	Lobby for these tourism product development projects (particularly catalyst projects) to be included in the IDP and allocated sufficient funding for implementation or undertake funding drive.						✓		Time cost	See Table 6.2	Project inclusion in IDPs, value of funding assigned



Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	Timing						Responsibility		Budget Description	Budget	Monitoring & Evaluation
				YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6 +	Pro-active	Responsive			
			d. Execute the large scale government asset based product/project development projects.							✓		See 2.1	See 2.1	Number of projects successfully implemented, value of projects implemented, alignment to investment value targets
			e. Improve government owned and managed tourism infrastructure by upgrading of facilities and services of local government owned and managed tourism infrastructure and encourage provincial government to upgrade their owned facilities and services (this extends to Ezemvelo and Amafa facilities/assets).							✓		Infrastructure development	R350 000 per annum	Implementation of Battlefields Development Plan, number of facilities upgraded, value of upgrades
Relevant capacity building	3.3	Manage and implement a human resources development strategy	a. Implement any components of the national and provincial tourism human resource development strategy that is relevant to tourism in Newcastle.								✓	Time cost	See Table 6.2	Identification of relevant components, number of components implemented, monitor impact of interventions through industry surveys
			b. Engage with regional and local associations to promote formal training, improve the quality of the people working in the industry and ensure an increased intake of tourism graduates.								✓	Time cost	See Table 6.2	Number of meetings held with associations, number and types of interventions implemented, monitor impact of interventions through industry surveys, monitor number of tourism graduates employed in the local industry through surveys
			c. Engage with local tourism training institutions to improve course content and quality of tourism graduates. Identify required and scarce skills for the Municipality, related to core tourism experiences, and communicate to training sector and promote delivery of relevant courses appropriately structured							✓		Time cost	See Table 6.2	Number of meetings held with institutions, feedback from industry on course content changes and quality of graduates, report on types of changes made to course content and impacts
			d. Investigate the potential to incentivise tourism students to excel at their courses, e.g. bursaries, rewards.							✓		Provision for bursaries/rewards	R50 000 per annum	Assignment of budgets/funding by the Municipality for bursaries, number and value of bursaries, number of students assisted



Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action		Timing						Responsibility		Budget Description	Budget	Monitoring & Evaluation
					YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6 +	Pro-active	Responsive			
			e.	Investigate the potential to offer bursaries/scholarships to promising tourism students to complete/undertake their studies.							✓		Provision for bursaries	R50 000 per annum	Assignment of budgets/funding by the Municipality for bursaries and scholarships, number and value of bursaries, number of students assisted
Transformation	3.8	Develop and implement strategies to promote businesses with a BBBEE scorecard and encourage businesses to improve their scores and reach the tourism charter targets	a.	Work with local associations to promote transformation and implement BBBEE scorecards.							✓		Fees for baseline study & monitoring	R150 000 once off for baseline study, R50 000 thereafter for monitoring	Conduct baseline study on number of businesses with scorecards, monitor changes to the number of businesses with scorecards
			b.	Facilitate partnerships between big business and smaller black owned start-ups/ existing businesses by way of transformation information on database.							✓		Time cost	See Table 6.2	Development of database, number, type and value of partnerships initiated
			c.	Promote diversity in Newcastle tour packages/ excursions.							✓		Time cost	See Table 6.2	Addition of new tour packages/excursions to itineraries, number of tour/activity operators supported that are PDIs
			d.	Encourage local government department procurement from BBBEE rated/ compliant tourism enterprises.							✓		Time cost	See Table 6.2	Formulate municipal policy on local procurement from compliant enterprises
Efficient management of tourism	4.1	Clearly define the institutional framework for tourism in the Municipality	a.	Implement institutional framework recommendations of tourism strategy.							✓		Tourism staff and financial support of the CTO	See Table 6.2	Budgets assigned in IDP to tourism function and CTO
	4.2	Raise the profile of tourism within local government	a.	Refer to Tables 4.8 and 4.15 for recommendations on tourism awareness creation and capacity building.							✓		Time cost	See Table 6.2	Number and type of initiatives undertaken
	4.3	Improve collaboration with provincial nature conservation and heritage agencies	a.	Ensure that Ezemvelo and Amafa are represented at local tourism forums and ensure that communication channels are open.							✓		Time cost	See Table 6.2	Representation of Ezemvelo and Amafa on local tourism forum, attendance at forum meetings
Research, information & knowledge	4.4	Develop a tourism supply database	a.	Develop and maintain a tourism database of all tourism attractions, products, facilities and services in the Municipality.							✓		Time cost	See Table 6.2	Development of database, updates and maintenance of database on an annual basis



Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action	Timing						Responsibility		Budget Description	Budget	Monitoring & Evaluation
				YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6 +	Pro-active	Responsive			
management			b.	Implement an annual monitoring mechanism, e.g. supply audit, to ensure that the database is up to date.						✓		Time cost	See Table 6.2	Conduct supply audit annually
			c.	Enforce compliance with the DEDT registration system.						✓		Time cost	See Table 6.2	Supply audit and review database from DEDT to check registration of local industry, number of non-compliant businesses (this should decrease over time)
	4.5	Conduct research on the tourism industry	a.	Conduct event impact assessments during major events held in the Municipality.						✓		Fees for assessments to be conducted	R100 000 per annum	Number of event impact assessments conducted, reporting to council and industry (through local tourism forum) on findings
			b.	Conduct ad hoc visitor surveys at key attractions and facilities in the Municipality to monitor visitor levels, profiles, activities, brand perceptions, satisfaction levels etc.						✓		Fees for surveys to be conducted	R100 000 per annum	Number of surveys conducted, reporting to council and industry (through local tourism forum) on findings
			c.	Develop a consumer feedback system.						✓		Fees for development of system	R150 000 once off	Development of consumer feedback system, monitor feedback and action complaints received
			d.	Develop and undertake a twice yearly Newcastle Tourism Sector Index (on selected tourism product owners) in order to assess performance, core experiences offered/bought by visitors, patronage/usage, seasonality, source markets, transformation, etc by area within the Municipality.						✓		Fees for conducting research	R50 000 per annum	Tourism sector index conducted twice yearly
Collaborative partnerships	4.10	Promote and formalise structures to ensure collaboration and interaction within the public and between the public and private sector and communities in the Municipality	a.	Continue with supporting the Newcastle CTO.						✓		See 4.1	R50 000 per annum (already included in 4.1)	Budgets assigned in IDP to Newcastle CTO
			b.	Ensure clear communication channels between the Municipality and the CTO.						✓		Time cost	See Table 6.2	Number of tourism forum meetings held, attendance at meetings, number of ad hoc meetings held, minutes of meetings



Strategic Thrust	Newcastle Strategic Action		Newcastle Strategic Sub-Action		Timing						Responsibility		Budget Description	Budget	Monitoring & Evaluation
					YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6 +	Pro-active	Responsive			
			c.	Ensure clear communication channels between the CTO, Local Municipality, District Municipality and other relevant stakeholders, e.g. through forums.							✓		Time cost	See Table 6.2	Number of tourism forum meetings held, attendance at meetings, number of ad hoc meetings held, minutes of meetings
			d.	Municipal tourism officials should conduct site visits to tourism attractions and businesses in the area to meet with local business owners and develop relationships with them.							✓		Time cost	See Table 6.2	Number of site visits conducted per year, survey of industry to determine changes in perceptions of tourism officials
Prioritising tourism at local government level	4.13	Develop a clear framework within which all appropriate roles and areas of responsibility are clearly spelled out for all government role players	a.	Implement the KZN agreed institutional structure at local level, i.e. continue with supporting the Newcastle CTO and ensure that the CTO and the Tourism function in the Municipality are adequately funded and resourced.							✓		See 4.1	See 4.1	Budgets assigned in IDP to tourism function and CTO
	4.14	Raise the profile of tourism in the Municipality	a.	Formulate structures for ongoing dialogue at local government level. Develop bilateral relations with other relevant departments/agencies at local level.							✓		Time cost	See Table 6.2	Number of bilateral agreements entered into, establish tourism forum, number of meetings held, minutes of meetings, attendance at meetings
			b.	Lobby for adequate tourism budgets and other resources. Ensure that tourism projects/programmes are reflected in the IDP to ensure funding allocation.							✓		Time cost	See Table 6.2	Budgets assigned in IDP to tourism projects
			c.	Continuously identify and establish a strong political champion for the tourism sector within the Newcastle Council. Ensure that such a political champion is kept well advised of the tourism sector environment, needs, challenges and activities							✓		Time cost	See Table 6.2	Identify political champion, number of meetings held, minutes of meetings, action taken following meetings, other ad hoc communication (keep records)

In summary, **Table 6.2** provides the budget projections to implement the priority strategic actions over the next 10 years.



**Table 6.2 Summary budget requirements to implement the Newcastle tourism strategy**

Functions/Activities	Year 1 2013/14	Year 2 2014/15	Year 3 2015/16	Year 4 2016/17	Year 5 2017/18	Year 6 2018/19	Year 7 2019/20	Year 8 2020/21	Year 9 2021/22	Year 10 2022/23
<b>A. Administration &amp; Staff Expenses</b>	<b>R 990 000</b>	<b>R 1 044 450</b>	<b>R 1 101 895</b>	<b>R 1 282 499</b>	<b>R 1 353 036</b>	<b>R 1 427 453</b>	<b>R 1 505 963</b>	<b>R 1 588 791</b>	<b>R 1 676 175</b>	<b>R 1 768 364</b>
Staff remuneration & support costs (i.e. training)	R 970 000	R 1 023 350	R 1 079 634	R 1 259 014	R 1 328 260	R 1 401 314	R 1 478 386	R 1 559 698	R 1 645 481	R 1 735 983
Office equipment & supplies	R 20 000	R 21 100	R 22 261	R 23 485	R 24 776	R 26 139	R 27 577	R 29 094	R 30 694	R 32 382
<b>B. Activities/Actions</b>	<b>R 2 000 000</b>	<b>R 3 360 500</b>	<b>R 3 227 078</b>	<b>R 2 763 817</b>	<b>R 2 965 827</b>	<b>R 3 178 947</b>	<b>R 3 403 789</b>	<b>R 3 640 998</b>	<b>R 3 891 253</b>	<b>R 4 155 271</b>
Events, incl impact assessments	R 400 000	R 722 000	R 545 210	R 575 197	R 606 832	R 640 208	R 675 420	R 712 568	R 751 759	R 793 106
Human Resources & training/skills development (People)	R 150 000	R 208 250	R 419 704	R 442 787	R 517 141	R 595 584	R 678 341	R 765 649	R 857 760	R 954 937
Marketing & promotion	R 900 000	R 527 500	R 556 513	R 587 121	R 619 412	R 653 480	R 689 421	R 727 340	R 767 343	R 809 547
Tourism projects, incl studies & research	R 500 000	R 1 850 000	R 1 650 000	R 1 100 000	R 1 160 500	R 1 224 328	R 1 291 666	R 1 362 707	R 1 437 656	R 1 516 727
Newcastle CTO	R 50 000	R 52 750	R 55 651	R 58 712	R 61 941	R 65 348	R 68 942	R 72 734	R 76 734	R 80 955
<b>Grand Total Budget (A+B)</b>	<b>R 2 990 000</b>	<b>R 4 404 950</b>	<b>R 4 328 972</b>	<b>R 4 046 316</b>	<b>R 4 318 863</b>	<b>R 4 606 401</b>	<b>R 4 909 753</b>	<b>R 5 229 789</b>	<b>R 5 567 427</b>	<b>R 5 923 636</b>

**Note:** the budget for tourism projects excludes major infrastructure development projects for the projects identified in **Table 4.9**. Funding to implement these (subject to feasibility studies) can be sourced from external funders such as COGTA, IDC, DEDT, private investors etc.

The following breakdown is provided of potential sources and types of funding for tourism (**Figure 6.1**).

**Figure 6.1 Potential sources & types of funding for tourism in Newcastle**





## **6.1 Implementation Plans for the Priority Tourism Projects**

**Table 4.9** provides five tourism projects as part of the Product Development Plan that could be implemented in the Municipality (subject to feasibility studies being completed). The following section provides the implementation plans for the:

- scenic outdoor recreation and tourist facilities;
- events programme;
- family resort;
- visitor interpretation centre multi-use complex; and
- holiday camp.

### **6.1.1 Project 1 – Scenic Outdoor Recreation and Tourist Facilities**

#### **Geographic Area of Relevance**

This project will apply to all areas within the Municipality that are deemed scenic and have potential to be of interest to tourists. This includes sites along the various mountain passes in the area, e.g. Botha's Pass, gateways to the town, along major access routes and nature reserves/areas, e.g. Ncandu Falls and Chelmsford Nature Reserve. Parks within the Municipality also fall into this category.

#### **Project Context/Description**

This project is envisaged to have the following main components:

1. The research of existing areas/facilities/sites that could be incorporated into a Scenic Outdoor Recreational project for the Municipality;
2. The development of a Scenic Outdoor Recreational Programme for the Municipality; and
3. The implementation of the Scenic Outdoor Recreational Programme.

#### **Research of Existing Areas/Facilities to Incorporate into a Scenic Outdoor Recreational Project**



As the basis of these projects is recreational and not only tourism, it means that such facilities could be created primarily for the use of local residents and then expanded for the use of tourism, thus the potential usage of these facilities could be increased. It is also important to link these facilities to other experiences, i.e. nature (e.g. at Chelmsford, Amcor Dam), adventure (e.g. in the Drakensberg), conferencing, culture (e.g. at Osizweni Arts Centre), heritage (e.g. Fort Amiel Museum, Majuba Mountain) etc and particularly to look at using these facilities in the future for event hosting.

A detailed audit of all existing facilities (particularly those in the ownership of the Municipality or other public sector organisations) needs to be undertaken to identify all possible facilities that already exist that could be improved, upgraded or expanded to fulfil the role set out for this programme. As a starting point, the existing Battlefields Development and Management Plan should be reviewed, prioritised and implemented where improvements or additions relate to the provision of recreation facilities. At the same time, it is required to undertake an assessment of the area to determine whether there are undeveloped sites that could be developed for these purposes.

It is vital during the research process to also undertake an assessment of what is available and what is being developed elsewhere in KZN to ensure that future facilities are differentiated and wanted by the market and do not compare poorly to similar facilities elsewhere in the province.

### **Develop a Scenic Outdoor Recreational Programme**

Once this site/facility information is available it needs to be evaluated and high potential sites/facilities need to be identified and a development programme needs to be compiled. This programme should identify the type and extent of development to be undertaken, the timing and cost thereof as well as potential stakeholders, investors and funders.

### **Implementation of a Scenic Outdoor Recreational Programme**

Careful consideration needs to be given as to the method used to manage the implementation of a Scenic Outdoor Recreational programme, i.e. who would drive the development of facilities within the Municipality? It is important to link up with other public sector organisations or departments, including the District Municipality, for budget and other resource purposes. Before actual implementation will commence, feasibility studies would be undertaken for each site and detailed development plans would be compiled. This would include the necessary environmental and heritage management plans where appropriate.

### **Interventions Required**



1. Research/audit of existing scenic outdoor facilities/sites;
2. Evaluation of identified sites/facilities;
3. Selection of primary sites/facilities for development, and development of Scenic Outdoor Recreational programme;
4. Feasibility studies and development plans by facility/site;
5. Implementation of development;
6. Monitoring of performance of facilities/sites;
7. Ongoing maintenance of facilities/sites; and
8. Promotion of facilities/sites for the use of local residents and visitors to the Municipality.

### **Stakeholders**

The main stakeholder would be the Newcastle Municipality but it is necessary to determine from the outset which departments within the Municipality would undertake and be involved in respect of each intervention that is required. Relevant owners of sites must also be involved, e.g. Amafa, Ezemvelo. Constant coordination is essential.

**Table 6.4** provides the implementation plan for this project.

**Table 6.4 Implementation plan for the scenic outdoor recreational programme**

Project Plan Interventions	Timing						Driver	Cost Projection
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6+		
Research/audit of existing scenic outdoor facilities/sites							Newcastle Municipality	R100 000 once off
Evaluation of identified sites/facilities							Newcastle Municipality	In above cost
Selection of primary sites/facilities for development, and development of Scenic Outdoor Recreational programme							Newcastle Municipality with CTO & District	In above cost



Project Plan Interventions	Timing						Driver	Cost Projection
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6+		
Feasibility studies and development plans by facility/site							Newcastle Municipality	R200 000 per site
Implementation of development							Newcastle Municipality with site/land owners*	Still to be determined
Monitoring of performance of facilities/sites							Newcastle Municipality	No cost only time
Ongoing maintenance of facilities/sites							Newcastle Municipality with site/land owners	R100 000 per annum
Promotion of facilities/sites for the use of local residents and visitors to the Municipality							Newcastle Municipality	No cost only time (included in marketing budget)

\*For example, Amafa or Ezemvelo

## 6.1.2 Events Programme

### Geographic Area of Relevance

The Events Strategy/Programme project will apply to all areas of the Municipality. The Events Strategy/Programme project should be utilised as a means to also geographically spread the benefits of tourism by incorporating/creating events in areas that are not strong in tourism assets or do not currently attract high tourist numbers, e.g. the townships within the Municipality.

### Project Context/Description

This project will have the following main components:

1. The development of an Events Strategy for the Newcastle Municipality;
2. The development of an Events Programme or Calendar based on the Events Strategy specifications;
3. The implementation of the Events Programme; and
4. The monitoring of the Events Programme through event impact assessments.



### **Development of an Events Strategy**

Develop an Events Strategy that specifies the objectives/outcomes of the strategy and clearly identifies the number of events, types of events, size of events and format of events to be hosted or created. This should be done by location of event.

It is essential to analyse the current event calendar in the Municipality (refer to the Tourism Industry Assessment Report for the existing calendar) and to decide which existing events can be held again, which could be improved or expanded and which should be cut. Further research then needs to be undertaken to determine potential new events that could be held, either attracted to the Municipality as hosts or created/generated by the region.

The strategy also needs to identify the market for each event, the support required for each event, potential sponsors/funders for events and the benefit of each event.

It is important to use events also to strengthen the core and support tourism experiences, e.g. cultural festivals to support the 'Cultural' experience, extreme sports events to support the 'Adventure' experience, etc.

Consideration should be given to the development of an Event Attendance Loyalty Scheme, i.e. coupon system (come to two events and enter the third event for free; sleep over in the area and entry to event is free, etc). Attention should be given in the strategy to linking events and route development/revitalisation, i.e. need to make routes (such as the Battlefields Route) an event, even if these events are frequent such as first weekend of every month. Routes thus become one of the list of events on the annual event schedule.

Use events to drive geographic spread of visitors, i.e. mini events such as an organised pub/shebeen crawl in the Madadeni area every quarter. Package products together to create economy of scale, i.e. use Newcastle-based transport operators and guides (visitors do not drive themselves to avoid drinking and driving), use Newcastle-based entertainment groups at the pubs/shebeens, include in the package accommodation in the area, etc. Take the package to market rather than just the event and visitors have to make their own arrangements.



### **Development of an Events Programme/Calendar**

The strategy should conclude with an Events Programme for the next five years including small and large events. The schedule should be correlated with that of the District Municipality and TKZN, and should also take into consideration events organised in nearby Municipalities within the region. This is to decrease competition with other strong events that may take away visitation from local events.

### **Implementation of an Events Programme**

Careful consideration needs to be given as to the method used to manage the events programme, i.e. appointing an outside company to be the event organiser for the Municipality, employing dedicated in-house staff, etc. Budget for this function needs to be specified up front and the number of events that this budget will include should be clearly specified. Obtaining funding from other sources would need to be a key responsibility of any person(s) implementing the events programme.

### **Interventions Required**

1. Analyse current events in the Municipality, categorise and select events for Event Calendar;
2. Research and identify new events that could be created/hosted in the Municipality;
3. Development of an Events Strategy that specifies the objectives/outcomes of the strategy and clearly identifies the events to be targeted;
4. Develop a 5-year Events Programme and correlate with the District and TKZN Event Schedules;
5. Identify and employ person(s)/company(ies) to manage and implement the events strategy and run events;
6. Identify funding budget for events;
7. Identify sponsors and funders for events; and
8. Undertake research (event impact assessments) at each event to ascertain if of value to the Municipality and if it should be held again.

### **Stakeholders**



The main stakeholders will be the Newcastle CTO the Newcastle Municipality. Other important stakeholders are the District Municipality and TKZN, particularly relating to event coordination on a district and provincial basis to ensure optimisation of attendance. Other stakeholders would be potential funders and organisers/owners of events. It is important also to incorporate the tourism product owners as much as possible during the research and implementation phase of the events strategy to ensure their buy-in and on-selling of events and also to ensure that they are not holding clashing events themselves. The route associations such as the Battlefields Route Association are particularly important here to ensure coordination.

**Table 6.5 provides the implementation plan for this project.**

**Table 6.5 Implementation plan for the events programme**

Project Plan Interventions	Timing						Driver	Cost Projection
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6+		
Analyse current events in the Municipality, categorise and select events for Event Calendar							Newcastle Municipality	No cost only time
Research and identify new events that could be created/hosted in the Municipality							Newcastle Municipality	Included in events strategy
Development of an Events Strategy that specifies the objectives/outcomes of the strategy and clearly identifies the events to be targeted							Newcastle Municipality	R200 000 once off
Develop a 5-year Events Programme and correlate with the District and TKZN Event Schedules							Newcastle Municipality	In above costs
Identify and employ person(s)/company(ies) to manage and implement the event strategy and run events							Newcastle Municipality	Depends on method – to be determine
Identify funding budget for events							Newcastle Municipality	In above costs
Identify sponsors and funders for events							Newcastle Municipality	In above costs
Undertake research (event impact assessments) at each event to ascertain if of value to the Municipality and if it should be held again							Newcastle Municipality	R100 000 per annum

### 6.1.3 Family Resort

#### Geographic Area of Relevance



The resort should be placed in an area that has high visitor levels or potential and is located in an area with significant nature-based assets and/or scenic beauty. Chelmsford Nature Reserve is considered an ideal location for such a resort, especially considering that a resort-type development is already underway in the Drakensberg (Vulintaba).

#### **Project Context/Description**

The Municipality needs to attract the family market as visitors to the area and an affordable resort-type product is an existing product gap in the area. The resort would be a mid-market product aimed at attracting KZN residents and visitors from nearby geographic areas outside of the province, especially the Gauteng market.

This project is envisaged to have the following main components:

1. Undertake a feasibility study for the project;
2. If feasible, develop a business plan for the project;
3. Obtain suitable investors/partners for the project; and
4. Develop and operate the facility.

#### ***Undertake a feasibility study for the project***

The feasibility study should determine whether it would be a viable development, the required size and standard of the development, the types of facilities and services to be offered, the most ideal location and the impact of the location on project viability, the likely demand for the project, the financial performance of the project and the returns for the facility and the likely investors for the project.

#### ***Develop a business plan for the project***

If the feasibility study is positive then compile a business plan that specifies how the project is to be procured, the likely organisational and marketing plans for the project, etc. The business plan is to be used as an investment document to attract potential bidders (if that is the route the Municipality will take).

It is also important to determine the economic impact from the project, particularly relating to stimulating tourist numbers to the area.





***Obtain Suitable Investors/Partners for the Project & Develop/Operate the Facility***

The project would then be advertised to the market and suitable investors and developers will be decided upon and the facility will be developed and operated accordingly. It is essential that the Municipality or other public sector stakeholders (e.g. Ezemvelo) identifies their involvement and cost in the development and operation of the facility to ensure budget and other resource availability.

**Interventions Required**

1. Location study - assess potential locations and availability of land at such locations;
2. Undertake feasibility study on viable locations;
3. Develop business plan;
4. Obtain suitable investors/partners for the project, including entering into development/use agreements with public sector stakeholders (e.g. if Ezemvelo is involved); and
5. Develop and operate the facility.

**Stakeholders**

The main stakeholder would be the Municipality but it is necessary to determine from the outset which departments within the Municipality would undertake and be involved in respect of each intervention that is required. Constant coordination is essential. Stakeholders who have access to land that could be developed will also be involved, e.g. Ezemvelo.

**Table 6.6 Implementation plan for the family resort**

Project Plan Interventions	Timing	Driver	Cost Projection
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	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6+		
Location study - assess potential locations and availability of land at such locations							Newcastle Municipality	R100 000 once off
Undertake feasibility study on viable locations							Newcastle Municipality	R250 000 once off
Develop business plan							Newcastle Municipality	R250 000 once off
Obtain suitable investors/partners for the project, including entering into development/use agreements with public sector stakeholders (e.g. if Ezemvelo is involved)							Newcastle Municipality	To be determined – depends on procurement method
Develop and operate the facility							Newcastle Municipality	Still to be determined

#### 6.1.4 Visitor Interpretation Centre Multi-use Complex

##### Geographic Area of Relevance

This complex should be placed in an area that has high visitor traffic (potential) and is either on a central junction where most tourists would need to pass or stop, e.g. Newcastle Mall or along the N11, or at a site of significance such as Majuba Mountain.

##### Project Context/Description

The Municipality needs an interpretive centre to orientate visitors about the tourism experiences and products in the area and to provide a narrative of significant events and stories related to the area. The centre could also function as a place for visitors to plan and book trips and activities accordingly. It is suggested that the centre combines interpretation with visitor information, select retail, restaurant and possible activities.

##### ***Definition of an Interpretive Centre***

Typically an institution for the dissemination of knowledge of cultural or natural heritage, often directly linked to or located on a site of significance, and which may function as a gateway or access point to the site/area and houses visitor facilities and amenities.

This project is envisaged to have the following main components:



1. Undertake a feasibility study for the project;
2. If feasible develop a business plan for the project;
3. Obtain suitable investors/partners for the project; and
4. Develop and operate the facility.

***Undertake a feasibility study for the project***

The feasibility study should determine whether it would be a viable development, the required size of the development, facilities and services to be offered, the most ideal location and the impact of the location on project viability, the likely demand for the project, the financial performance of the project and the returns for the facility and the likely investors for the project. The study should also allude to possible narratives to be include at the centre (a narrative is essentially the telling of stories/legacies about an area).

***Develop a business plan for the project***

If the feasibility study is positive then compile a business plan that specifies how the project is to be procured, the likely organisational and marketing plans for the project, etc. The business plan is to be used as an investment document to attract potential bidders (if that is the route the Municipality will take). The business plan must also include an interpretive strategy for the centre.

It is also important to determine the economic impact from the project, particularly relating to stimulating tourist numbers through visitor information and booking.

***Obtain Suitable Investors/Partners for the Project & Develop/Operate the Facility***

The project would then be advertised to the market and suitable investors and developers will be decided upon and the facility will be developed and operated accordingly. It is essential that the Municipality identifies their involvement and cost in the development and operation of the facility to ensure budget and other resource availability. It is also essential that the impact of the facility on tourist numbers is monitored continuously in order to determine tourism performance.



### **Interventions Required**

1. Location study - assess potential locations and availability of land at such locations;
2. Undertake feasibility study on viable locations;
3. Develop business plan;
4. Obtain suitable investors/partners for the project;
5. Develop and operate the facility; and
6. Monitor the impact of the facility on tourism performance.

### **Stakeholders**

The main stakeholder would be the Municipality but it is necessary to determine from the outset which departments within the Municipality would undertake and be involved in respect of each intervention that is required. Constant coordination is essential. Given that the centre will probably include heritage-related issues, the Provincial Department of Arts and Culture; Provincial Museum Services; and other relevant museum associations may also be important stakeholders for the project.

**Table 6.7 provides the implementation plan for this project.**

**Table 6.7 Implementation plan for the visitor centre**

Project Plan Interventions	Timing						Driver	Cost Projection
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6+		
Location study - assess potential locations and availability of land at such locations							Newcastle Municipality	R100 000 once off
Undertake feasibility study on viable locations							Newcastle Municipality	R250 000 once off
Develop business plan							Newcastle Municipality	R250 000 once off



Project Plan Interventions	Timing						Driver	Cost Projection
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6+		
Obtain suitable investors/partners for the project							Newcastle Municipality	To be determined – depends on procurement method
Develop and operate the facility							Newcastle Municipality	Still to be determined
Monitor the impact of the facility on tourism performance							Newcastle Municipality	Included in tourism sector index budget

### 6.1.5 Holiday Camp

#### Geographic Area of Relevance

The holiday camp should be placed in an area that has significant nature-based assets, and/or scenic beauty and/or adventure tourism potential. Chelmsford Nature Reserve or other rural areas close to Newcastle should be considered. Given the size of Chelmsford Nature Reserve, this project could be located in the reserve without impacting on the family resort concept discussed in **Section 6.1.3**.

#### Project Context/Description

This project concept is similar to the very popular summer camps that exist in America and are aimed at offering children a variety of things to do during school holidays. The children stay for a few nights at a time at the camp and become engaged in various learning and fun activities. The camp could also double up as a team building venue to attract visitors during the school term and it could also be used for school trips during the school term.

This project is envisaged to have the following main components:

1. Undertake a feasibility study for the project;
2. If feasible, develop a business plan for the project;
3. Obtain suitable investors/partners for the project; and



4. Develop and operate the facility.

***Undertake a feasibility study for the project***

The feasibility study should determine whether it would be a viable development, the required size and standard of the development, the types of facilities and services to be offered, the most ideal location and the impact of the location on project viability, the likely demand for the project, the financial performance of the project and the returns for the facility and the likely investors for the project.

***Develop a business plan for the project***

If the feasibility study is positive then compile a business plan that specifies how the project is to be procured, the likely organisational and marketing plans for the project, etc. The business plan is to be used as an investment document to attract potential bidders (if that is the route the Municipality will take).

It is also important to determine the economic impact from the project, particularly relating to stimulating tourist numbers to the area.

***Obtain Suitable Investors/Partners for the Project & Develop/Operate the Facility***

The project would then be advertised to the market and suitable investors and developers will be decided upon and the facility will be developed and operated accordingly. It is essential that the Municipality or other public sector stakeholders (e.g. Ezemvelo) identifies their involvement and cost in the development and operation of the facility to ensure budget and other resource availability.

**Interventions Required**

1. Location study - assess potential locations and availability of land at such locations;
2. Undertake feasibility study on viable locations;
3. Develop business plan;



4. Obtain suitable investors/partners for the project, including entering into development/use agreements with public sector stakeholders (e.g. if Ezemvelo is involved); and
5. Develop and operate the facility.

### **Stakeholders**

The main stakeholder would be the Municipality but it is necessary to determine from the outset which departments within the Municipality would undertake and be involved in respect of each intervention that is required. Constant coordination is essential. Stakeholders who have access to land that could be developed will also be involved, e.g. Ezemvelo.

**Table 6.8 provides the implementation plan for this project.**



**Table 6.8 Implementation plan for the holiday camp**

Project Plan Interventions	Timing						Driver	Cost Projection
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6+		
Location study - assess potential locations and availability of land at such locations							Newcastle Municipality	R100 000 once off
Undertake feasibility study on viable locations							Newcastle Municipality	R250 000 once off
Develop business plan							Newcastle Municipality	R250 000 once off
Obtain suitable investors/partners for the project, including entering into development/use agreements with public sector stakeholders (e.g. if Ezemvelo is involved)							Newcastle Municipality	To be determined – depends on procurement method
Develop and operate the facility							Newcastle Municipality	Still to be determined





## **Annexure 1 – Tourism Industry Assessment Report**

Refer to separately attached report.

