

Cruise tourism injects R1.2bn into Western Cape economy

A new study has found that the Port of Cape Town had its biggest cruise season to date in 2022-2023, with 70 ship calls carrying 145,000 two-way passengers and 42,000 crew members. This is double the number of ship calls seen between 2016 and 2019. The study also found that the cruise season injected over R1.2bn into the Western Cape economy.

This is the first study of its kind to be completed by the destination, and it is good news for the local economy. The cruise industry is a major source of tourism revenue for Cape Town, and it supports thousands of jobs. The study shows that the cruise industry is continuing to grow in Cape Town and that it is making a significant contribution to the local economy.



Source: frimufilms via Freepik

The comprehensive study further revealed that for every 30 arriving cruise passengers, the Western Cape cruise industry created one full-time job. This has resulted in a total of 1,800 local jobs created during the 2022/23 season, underscoring the importance of the lucrative tourism sector in the region, and its pivotal role in growing the Western Cape economy.

Additionally, expenditure by cruise lines was nearly evenly matched by the expenditure of passengers and crew on shore. International spending recorded an excess of R612m, compared to the local expenditure of R132m over the same period, with cruise lines attributing over R648m to the Western Cape economy.



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The Cape Town Cruise Terminal welcomed five occasions of turnaround visits - whereby existing passengers disembark and new passengers board on the same day - from three ships in port simultaneously during the 2022/23 season, underscoring the high demand for the destination while also demonstrating the port's abilities to manage the logistical requirements of such an occasion.

The success of the season was further demonstrated by Mossel Bay's cruise season, with the Port of Mossel Bay welcoming 14 ship visits, nearly doubling the number achieved over the course of the 2019 season.

These developments accentuate Cruise Cape Town's regional focus to improve cruise tourism along the Western Cape coastline and increase regional tourism spread, resulting in a broader economic impact on the Western Cape economy.

Local cruise industry

The resumption of cruise tourism after the lifting of the Covid-19 restrictions in 2020 marked a pivotal moment for the local cruise industry. While initial challenges arose due to pandemic restrictions, the 2022/23 cruising season has now established a significant benchmark against which future cruise tourism contributions to the economy will be gauged.

With green best practices at the heart of the V&A Waterfront's ethos, R38m has been invested into energy efficiency systems, resulting in a decrease of 35% in overall energy use on site. The V&A Waterfront also encourages sustainable building development, with 17 buildings in the precinct receiving a green star rating for sustainability.

With traveller mindsets shifting to 'travel for good', sustainability efforts within the cruise industry have become paramount, putting environmental and social impact at the core of travel.

Promoting responsible tourism

Some of the key initiatives and practices aimed at reducing environmental impact and promoting responsible tourism include cruise lines sourcing food from local and sustainable suppliers to reduce their environmental footprint associated with food transportation. This shift to restocking liners locally holds further economic promise for destinations, supporting the wider cruise value chain.

"Against the dramatic backdrop of Table Mountain, Cape Town is one of the world's most attractive ports to sail into and the Cape Town cruise terminal serves as the marine gateway to Africa for cruiseliner passengers. It is often their first introduction to the city, and an opportunity to create a positive impression of Cape Town and South Africa while at the same time bringing much-needed waves of economic opportunities to our shores.

"We have managed to successfully integrate the Cruise Terminal into our service amenities such as hotels, attractions, and retail offerings...all of which have enhanced the desirability of the port and Cape Town as a destination for cruise in line with our vision to become the number one port in Southern Africa for cruise liner business," says David Green, CEO, V&A Waterfront.

"As we reflect on the success of the 2022/23 cruise season, Cruise Cape Town, powered by Wesgro, remains unwavering in our commitment to fostering the growth and prosperity of the Western Cape cruise industry.

"Together, with our public and private sector partners, we will continue working towards a more sustainable and responsible future for the industry, as we anticipate even greater achievements in the seasons to come," says Wrenelle Stander, Wesgro CEO and official spokesperson for Cruise Cape Town.

Global cruise market trends

Recent data from the Cruise Lines International Association (CLIA) illuminates further global trends, with 63% of cruise passengers likely to revisit a destination they've first encountered through a cruise ship. This multiplier effect holds profound implications for tourism in Cape Town and the Western Cape and further affirms the importance of developing world-class tourism products along the Western Cape coastline.

Western Cape minister of finance and economic opportunities, Mireille Wenger says: "It is abundantly clear that the world wants to come to the Western Cape, and we want to get them here as easily and pleasantly as possible. As the research now shows, cruise tourism makes an impressive contribution to the provincial economy, supporting many jobs.

"We are only scratching the surface of the immense potential of cruise tourism to spread benefits across the province, and especially in smaller port towns, like Mossel Bay.

"At the end of the day, more tourists mean more jobs. This is why I am so excited for the upcoming 2023/24 cruise season because, as the Western Cape Government, we are on a mission to achieve the kind of economic growth we need to create many more jobs, to lift more people out of poverty, and to spread prosperity across the length and breadth of the province."

"The cruise travel market is an important pillar in my mission to create a tourism-related job in every household in Cape Town. The value of this industry is massive when looking at the revenue streams and the number of jobs created across multiple sectors. This is why the City proudly came to the table to support Cruise Cape Town," concludes Alderman James Vos, City of Cape Town's mayoral committee member for economic growth.

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