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Backpacker tourism in South Africa: its role in an uneven tourism space economy

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This paper focuses on the recent proliferation of backpacker establishments in South Africa and their potential contribution to development. Despite the rapid expansion of backpacker hostels, little is known about this industry in South Africa. The research reported in the paper seeks to address the absence of academic reflection on backpacker tourism, particularly in terms of its impact on development. It is suggested that, on the whole, backpacker tourists and backpacker hostels can make a valuable contribution towards the development of the South African tourism system in general and towards economic development in particular.

Rugsaktoerisme in Suid-Afrika: die rol daarvan in ’n ongelyke toerisme-ruimtelike-ekonomie

Die artikel fokus op die onlangse toename in die rugsaktoerismebedryf in Suid-Afrika en potensiële bydraes tot ontwikkeling. Ten spyte van die vinnige vermeerdering van rugsakherberge is weinig oor hierdie industrie in Suid-Afrika bekend. Die artikel spreek die gebrek aan akademiese insette oor rugsaktoerisme aan, veral ten opsigte van ontwikkelingsaspekte. Die gevolgtrekking is dat rugsaktoeriste en rugsakherberge ’n waardevolle bydrae kan lewer ten opsigte van die ontwikkeling van die Suid-Afrikaanse toerismesisteem in die algemeen en ekonomiese ontwikkeling in die besonder.

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There is currently considerable optimism that tourism may constitute one of the leading driving forces for economic expansion in post-apartheid South Africa (Visser *et al* 2003). Indeed, this country has seen a range of new policy frameworks actively pursuing the restructuring of South African tourism economy in terms of both its shape and its direction. Among many objectives, one of the key policy themes relates to the need for tourism to assume a more developmental role (Rogerson 2002a). However, as may be seen in the burgeoning research literature, major obstacles prevent tourism from performing its role as a developmental agent for broader economic transformation (Rogerson 2002b). These challenges have formed the focus of a number of investigations, with four key issues being highlighted repeatedly. Firstly, the involvement of the previously disadvantaged in the South African tourism industry is limited; secondly, there is limited investor interest in the industry, particularly in the light of very small investment incentives; thirdly, the highly uneven tourism space economy limits the impact of existing tourism investments, and finally, the pace at which the tourism industry is being transformed in terms of pro-poor tourism development has been slow (Rogerson 2002a: 37-41).

In the light of these obstacles, and in an effort to harness the full potential of tourism as a development tool, the national government recently identified a number of tourism policy initiatives. One of the most important of these has been the reorganisation and expansion of the national tourism marketing parastatal — South African Tourism (SAT). Through the Tourism White Paper, SAT is mandated to achieve a number of objectives, focused primarily on increasing the Gross National Product, creating employment opportunities, improving resource redistribution, and facilitating the transformation of society and the national economy. All in all, these objectives reflect a desire to enhance tourism as a tool for development. Indeed, SAT is tasked to expand foreign tourist arrivals; to increase the total expenditure of tourists in South Africa; to optimise the length of their stay; to improve their regional distribution through the country and throughout the year, and to improve activity and spending patterns in order to enable transformation and promote black economic empowerment (SAT 2002a: 5).

Within this context SAT has been active in the promotion and marketing of South Africa overseas. Currently, SAT is focusing its efforts on retaining a market-share in those regions that have emerged since the early 1990s as South Africa's main overseas tourist-generation regions, principally Britain, Germany and the Netherlands, as well as expanding its activities in Japan and the USA. In addition, SAT has developed a range of tourism products to suit the travel needs and interests of tourists in these regions. This has resulted in the development not only of regionally specific marketing drives, but also of tourism products that reflect the particular interests of these regions in the tourism geography of South Africa. Whereas there have been considerable successes for these products in these regions, it is the contention of this paper that SAT's marketing campaign has overlooked a tourist segment that holds significant potential to achieve the key objectives that the national government has mandated this parastatal to achieve. It is the objective of this paper to demonstrate that backpacker tourism — a market segment which SAT has excluded from its marketing and promotions drive abroad — has much potential to act as a catalyst for a range of tourism-led development objectives.

This argument will be explored through seven sections. The first provides an outline of South African Tourism's growth strategy and the main market segments that it has identified as being most likely to attain tourism-led development in South Africa. In this context the second section demonstrates, in the light of international experiences, that backpacker tourism can achieve SAT's main objectives. The sections which follow aim to ascertain whether such development impacts manifest themselves within the context of South African backpacker tourism. Section three outlines the methodology used in the study. Sections four and five review the main findings in respect of backpacker hostels as a type of tourist accommodation, while section six analyses the main characteristics of backpacker tourists. Finally, section seven draws these observations together, and assesses the positive and negative impacts of backpacker hostels and tourists on development in the South African context.

1. The growth strategy of South African Tourism

SAT was instituted as the key marketing and tourism research body for South Africa. Among a range of functions and successes, the launch of a rigorous research campaign, published as *South African tourism: tourism growth strategy* (SAT 2002a), stands out as a major achievement. This Tourism Growth Strategy provides a detailed analysis of the task awaiting SAT as an organisation in the context of its mandate. One of the key outcomes of this research was a strategy focus to shift marketing attention to so-called "portfolio markets", where marketing interventions target particular segments. More particularly, the overriding aim is to first achieve volume growth in markets where the potential to increase arrivals is high and, secondly, to ensure revenue growth in markets where the potential for growth in yields is high. Thirdly, SAT has to defend the market share in markets that are important to the portfolio, but where growth potential is limited. Fourthly, it has to focus on growth in markets and market segments where there is the potential for increased volumes in off-peak periods in order to manage down-seasonal fluctuations. Finally, it must facilitate the packaging of the product offering within the industry in order to advance transformation and redistribution in the country (SAT 2002a: 1-8).

Generally speaking, these are laudable objectives; however, they are restricted by very limited marketing resources. For this critical reason, SAT has developed its strategy on the basis of the need to narrow its international geographical focus to a core set of markets that jointly deliver the highest yield in respect of the strategic development objectives. The strategy development process, underpinning the identification of target markets, followed a two-stage procedure. First, choices were made about the countries and "purpose markets"[1] that needed to be defended, or offered the best opportunities for growth. Secondly, choices were made as to which market segments required defensive or growth actions internal to the countries identified.

In the development of SAT's strategic focus, Africa was dealt with as a separate market from the outset (SAT 2002a: 14). Given its im-

1 Purpose markets are markets like MICE (Meetings, Incentive Holidays, Conventions and Exhibitions) and medical tourism, which cut across particular territories.

portance in terms of visitor volumes and an extremely high market share, this was not surprising. Evidently, the strategic focus in respect of this particular market means that enhancing the extraction of further value, rather than volume growth, is central to its development. Generally, a means of extracting more value would imply up-selling and cross-selling into other product areas. For example, African tourists visiting South Africa for business purposes would either be encouraged to up-sell through additional entertainment and shopping components, or enticed to make a follow-up trip for holiday or leisure purposes (SAT 2002a: 16). In the opinion of SAT, this is a strategy that requires the devolution of marketing to provincial levels and does not lend itself to a marketing campaign in the source market, but rather to up-selling or cross-selling at the point of purchase.

However, the main thrust of the strategy development process was the analysis of international overseas visitors to South Africa (SAT 2002a: 18-29). In terms of the country-level process of choice, SAT first set out to establish the best opportunities for growth. This was achieved by identifying those markets that generate more than a million long-haul holiday trips annually (Table 1).

Primarily because of limited resources, SAT argued that in the context of the overall set of actions required within the portfolio, it cannot realistically afford to develop all these markets aggressively. As a result, a further level of elimination was required, deploying further criteria. Ultimately, potential choices had to strike a balance between potential gain from a market and the level of effort required to realise that gain. Furthermore, markets were also seen in terms of short- to medium- to long-term investment markets. Some rather complicated decisions were subsequently taken. The eleven markets were tested in terms of these dimensions, with potential "gain" being a function of a number of factors taken together, as shown in Box 1. The evaluation of the effort required to realise growth from each of these markets was carried out by reviewing the range of critical issues outlined in Box 2.

Table 1: Major markets generating long-haul travel

Country	Size of long-haul leisure travel	Estimate of the long-haul holiday travel	Ranking on leisure tourism	Arrivals in South Africa 2000	Arrivals ranking 2000
USA	20,237,691	12,237,691	2	174,728	3
Japan	14,076,641	14,076,641	1	22,662	13
Britain	8,604,193	7,127,271	3	349,652	1
Germany	5,828,967	5,239,521	4	210,227	2
France	4,847,124	3,540,034	5	89,573	5
Canada	3,696,141	2,850,552	6	27,531	10
Australia	3,500,183	2,245,261	7	56,040	6
Italy	1,703,360	1,510,763	8	38,195	8
The Netherlands	1,548,637	1,259,025	10	91,154	4
China	1,498,134	1,270,157	9	18,306	17
Sweden	1,348,714	1,027,194	11	20,213	15
Argentina	1,159,014	701,938	16	15,383	20
Switzerland	1,124,213	985,611	12	33,181	9
Spain	1,070,516	923,318	14	17,941	18
Korea	1,056,369	802,983	15	8,574	28

Source: South African Tourism 2002a:18

Box 1: Variables defining tourist market gain

- Long-haul outbound volumes and growth in those volumes
- Overall long-haul spend and spend per trip
- Potential for geographic distribution (using current patterns) by existing tourist travel patterns
- Potential for supporting transformation (using a blunt, but indicative, measure of propensity of existing travellers to use non-traditional products and smaller accommodation establishments)

Source: South African Tourism 2002a: 18-19

Box 2: Critical issues in the evaluation of the effort required to realise growth

- Existence, frequency and capacity of direct airlift
- Evaluation of political barriers/enablers
- Evaluation of language barriers/enablers
- Evaluation of other barriers and enablers (flying time, time-zone issues, etc)
- Current market knowledge and experience
- Current market presence
- Current and potential product fit with the market
- Current and potential future capability of serving the market
- Current and potential presence in the channel to market

Source: South African Tourism 2002a: 19

The systematic effort to develop this evaluation resulted in a mapping of the top eleven markets, which in turn frames the nature of SAT's effort in the short-to-medium term, divided along the following lines:

- In Britain and Germany, where South Africa already has an established market presence, SAT will defend its market position and focus aggressively on growth.
- In the Netherlands, where South Africa has a comparatively strong presence together with enabling conditions such as language affinity, the relative gain is assessed as being less than in other markets. Consequently SAT aims to focus on defending its existing position while building growth with a greater upside.
- The USA and Japan are the markets where gain is at the maximum, but the effort required will be significant. Both markets are seen to represent investment targets for SAT, with the USA being the first country to be entered to build long-term growth. Japan will follow over the medium-to-long term.
- The other countries, including Australia, Canada, China, France, Italy and Sweden, will be the focus of attention by SAT with a view to "picking off" key valuable segments through very focused short-term efforts (SAT 2002a: 20).

Various purpose-driven travel markets were evaluated, including MICE as well as shopping and medical tourism. On the whole it was argued that SAT should leave these markets to industry, and rather provide ongoing support and market intelligence to support them (SAT 2002a: 20).

While this elaborate exercise identified source markets in terms of countries, the success of a marketing strategy is also dependent upon the targeting of specific segments within those markets. Such segments were distinguished by analysing buying processes and buying criteria characteristics in each country. A range of exit and at-source surveys were conducted by SAT in the "growth and defend" portfolio countries. This process led to the identification of 16 segments where the strategic objective is growth in volume and spending, and 17 segments where it is to defend the market share and increase yields by means of higher spending per trip, longer stays or a combination of the two (SAT 2002a) (Table 2).

Table 2: A selection of the main market segments

"Growth" segments	"Defend" segments
Active Independent Explorers	Bargainer
Confident Golden Relaxers	Budget Package
Convertible Positive Apathetics	Comfort Tour
Full Activity Businessmen	Focused Trader
German Medium Tour	Freeloading VFR
High End Package Combined	High Independents
Luxury Tour	Holiday VFR
"Next stop" South Africa	Low Budget Businessperson
Short Stay Organised Break	Low Budget Tour
Upscale Wanderlusters	Medium Budget Holidaymaker

Source: South African Tourism 2002a: Appendix A

These market segments go a long way towards identifying potential tourists and what they are willing or eager to see included in potential visiting programmes. However, backpacker tourism, internationally deemed to be a key contributor towards a range of development objectives, has been excluded from the "growth" segment. The focus of this study now turns to issues relating to backpacker tourism as a driving force for development.

2. Backpacker tourism and development

Backpacking is becoming increasingly popular among certain categories of tourists, and is having wide-ranging economic, social, cultural and environmental impacts on development in the regions that they visit (cf for example Hampton 1998; Scheyvens 2002). These impacts have been shown to correlate closely to the personal characteristics that define a person as a backpacker tourist. Although backpackers have been described in many ways, Hampton (1998: 641) reports that they are generally seen as independent tourists who survive on under $15 per day, use local transport, carry all their belongings on their backs, bargain for goods and services while guarding against over-charging, avoid crowds and discover new places. Similarly, Murphy (Scheyvens 2002) suggests that in Australia, New Zealand and south and south-east Asia, the term "backpacker" is widely used by the tourism industry, by participants themselves, and by host communities to describe predominantly young, budget tourists on extended vacations or working holidays. Thus, taken as a whole, backpacker tourists as a sub-sector of international budget tourism are perhaps best described as tourists characterised by communication networks, a demand for cheap accommodation, a parallel structure of transport, restaurants, accommodation, and support services (Hampton, 1998). In many ways these characteristics explain why the potential contribution of backpacking to tourism development has remained untapped, both in South Africa and further afield.

Few tourism researchers have explicitly examined the ways in which backpackers contribute to development in the global South. Notable exceptions are found in the work of Hampton (1998), Scheyvens (2002), Spreitshofer (1998) and Wilson (1997), along with some investigations in Australia and New Zealand (for example, Gibbons & Selvarajah 1994; Haigh 1995), which demonstrate that backpacker tourism can facilitate the attainment of objectives in local economic and non-economic development in a number of ways. In these studies emphasis is generally placed on certain developmental contributions, as discussed below.

A key argument underpinning many southern hemisphere governments' reluctance to encourage backpacker tourism is the perception that backpackers' budget-conscious spending behaviour means that they bring little revenue to their destination. A number of studies have challenged this perception, however. For instance, recent research in Australia (*TNT Magazine and Student Uni Travel* 2002), confirming a range of earlier studies, found that international backpackers actually spend more money than any other category of tourist, largely as a result of the longer duration of their stay. Furthermore, Scheyvens (2002) notes that backpackers spread their spending over a wider geographical area, bringing benefits to remote and otherwise marginalised regions where international mass tourists rarely venture. In turn, the duration and spatial scope of backpackers' engagement with the tourism destination may have many impacts on a region's economy.

Hampton (1998), along with Goodwin (1999) and Wheeler (1999), argued that backpackers can contribute significantly towards local economic development because they generally purchase locally produced goods and services, while the more structured nature of package tours limits contact with local people. In part, backpackers' contact with local economies is a function of the spatial scale of backpacker engagement with a tourism region, their interest in "getting to meet the locals" and their more flexible travel schedules (Hampton 1998). These contacts include the use of local bus services, refuelling stops during treks through isolated regions, buying of provisions, consuming locally produced fruit and vegetables or cooked meals, and visits to local bars. They can also include participation in local activities such as learning crafts as in Zimbabwe, as well as drum-making or learning to fish, among other skills (Scheyvens 2002).

An important contribution to local economic development occurs by way of the consumption of a range of goods and services. Since backpacker tourists seldom insist on Western or Westernised goods, as mass international tourists often do, there are generally far lower levels of economic leakage from the backpacker segment than from any other type of tourist. Indeed, as Riley (1988: 323) remarks in his groundbreaking analysis of budget tourists,

> ... backpackers are not so concerned about amenities (e.g. plumbing), restaurants (e.g. Westernised food), and transportation (e.g. air conditioning) geared specifically to the tastes of the mass tourist. If a budget traveller place has an appeal to Western tastes (e.g. banana pancakes), it requires minimal infrastructure.[2]

The lack of importance accorded to infrastructure is witnessed in many different contexts and service types, including "beach shacks" selling food and drink to backpackers in Goa, families renting out rooms in their homes to backpackers (as is common practice in Bali) or homestays in Cape Town townships and rural villages along the Wild Coast. The combination of cost containment and the adventurous nature of backpacker tourists thus offers wide-ranging opportunities to local economies. First, the entrepreneur can utilise existing skills and activities to become income-generating, with backpackers enhancing the demand for local goods. Hampton (1998), for example, writes that backpacker bungalows in eastern Indonesia are built of local bamboo and concrete blocks manufactured in the village, in addition to being furnished with locally produced furniture. Secondly, since these services and functions already exist, little capital needs to be invested in activities to generate income. Thirdly, the spread of economic benefits within communities may be greater when catering to budget tourists, as more community members participate via a range of existing economic linkages that focus on the local economy. Ashley & Roe (1998), for example, found that informal sector activities associated with tourism in Namibia, including the sale of firewood and vegetables to backpacker campers, offered a valuable means of enhancing the livelihoods of the poorest sectors of society. It is not necessary to have capital, a broad range of skills, or a good command of a foreign language in order to participate successfully in the tourism industry in this way. It has also been found that women, often excluded from formal economic activities, are more likely to operate informal tourism enterprises by selling handicrafts, operating food stalls, or working as beach vendors. Moreover, catering to backpackers

2 Thus, the attraction of backpacker hostels in terms of developmental potential is that in the absence of prescribed standards these facilities have much to offer. Indeed, the backpacker is in the main presented with very rudimentary services, which underpins cost containment, in turn lowering barriers of entry to the industry, in turn presenting tourism-led development opportunities.

does not usually require community members to have any formal qualifications; rather, they can develop skills on the job, or build on their existing skills.

The development of backpacker accommodation also poses a challenge to foreign domination of tourism enterprises within the global South. In this respect it is instructive to draw at some length on the research of Scheyvens (2002) and Hampton (1998). It has been demonstrated that there is a global economic concentration of wealth in tourism, as evidenced by the domination of the package tourism market by a small number of key players with advanced forward and backward linkages controlling aspects of the international tourism system. Indeed, as O'Connor (2000) demonstrated, a mere four companies control 90% of outbound charter capacity in Britain. Significantly, these companies do not own only tour operators in Britain and abroad, but also hotels, self-catering accommodation, airlines, cruise ships and retail chains. Hampton (1998) has argued that, through supporting smaller players in the tourism system, backpackers pose a threat to such corporate domination and enhance local economic development. This concern is highlighted by Wilson (1997), who maintains that in Goa, which has traditionally been characterised by small family businesses, the growing emphasis on luxury tourism development may undermine local economic development. It is suggested that the focus on upmarket tourism poses the danger that control over this sector of the industry could pass out of indigenous hands into foreign ownership, and that multinational owners might be less sensitive to local socio-cultural and environmental issues. Hampton (1998) and Scheyvens (2002) suggest that when communities control their own tourism enterprises, as is more common in the budget sector, they are in a better position to participate in local business or tourism organisations through which broader development goals and the well-being of their people can be promoted. Indeed,

> ... given the political will to constrain the larger players, backpacker tourism could increase local participation in real development, [and be] part of a more sustainable long-term strategy which attempts to balance local economic development needs against powerful interests wishing to build large international tourism resorts (Hampton 1998: 655).

Taken as a whole, the observed positive impacts of backpacker tourism in terms of local development can be summarised as in Table 3.

Table 3: Local development impacts of backpacker tourists

Economic development criteria	*Non-economic development criteria*
• Backpackers spend more money than other tourists because of the longer duration of their visits. • The adventurous nature of backpackers and the longer duration of their visits mean that money spent is spread over a wider geographical area, including remote, economically depressed, or isolated regions. • Backpackers do not demand luxury and therefore will spend more on locally produced goods (such as food) and services (transport, homestay accommodation). • Economic benefits can be spread more widely within communities, since even individuals with little capital or training can provide desired services or products. Formal qualifications are not required to run small enterprises; skills can be learned on the job. • Only basic infrastructure is required, ensuring lower overhead costs and minimising the need for imported goods. • Significant multiplier effects result from drawing on local skills and resources.	• Enterprises catering for backpackers are generally small and thus local ownership and control can be retained. • Local people gain self-fulfilment through running their own tourism enterprises rather than filling menial positions in enterprises run by outside operators. • Because they operate their own businesses, local people can form organisations to promote local tourism, giving the community power in furthering their interests and negotiating with outside bodies. • The interest of backpackers in meeting and learning from local people can lead to a revitalisation of traditional culture, respect for the knowledge of the elders, and pride in traditional aspects of one's culture. • Backpackers use fewer resources (eg cold showers and fans rather than hot baths and air-conditioning), and are therefore kinder to the environment. • Local servicing of the tourism market challenges foreign domination of tourism enterprises.

Source: Scheyvens 2002: 152

Against this backdrop, then, it can be suggested that there is clear evidence that backpackers bring many potential benefits in terms of promoting development. The question is whether these benefits are accruing in the South African backpacker industry.

3. Study methodology

There is currently no published research on backpacker tourism in the local context. This lack of investigation can be explained by the youthfulness of this tourism sector in South Africa. Indeed, backpacker establishments appear to be the most recent accommodation type to have emerged in the South African tourist accommodation system. In the light of the lack of empirical material, primary empirical data had to be collected. The paper draws upon two surveys. The first is a questionnaire survey conducted among backpacker hostel owners in September 2002 and forms the empirical basis of sections four and five. Using a number of printed and web-based sources,[3] 118 South African backpacker establishments were identified. By means of telephone interviews, all the hostels were contacted. Thirty-six (30%) were willing to participate. The second source of data is a questionnaire survey covering 56 individual items and administered in the coastal provinces as well as Gauteng and Mpumalanga, from mid-November to the end of December 2002. This forms the empirical basis of section six. In total, 249 in-depth intercept interviews were completed. It should be pointed out that the statistical sampling method is not perfect, and that the focus of the research is exploratory in nature.[4] Furthermore, the data reported in section six is based upon information supplied by the 157 respondents who clearly identified themselves as backpacker tourists, rather than by general tourists who, despite their use of backpacker accommodation, did not associate themselves with this tourist identity.

3 The main printed sources were *Coast to coast: how to survive backpacking in Africa*, *Lonely Planet* and *Rouge Guide to South Africa*. These publication are key guides to budget tourism in the region. The web-based sources were the South African backpacker travel website <www.backpackertourismsouthafrica.co.za> and South African Tourism's website at <www.gov.co.za>.

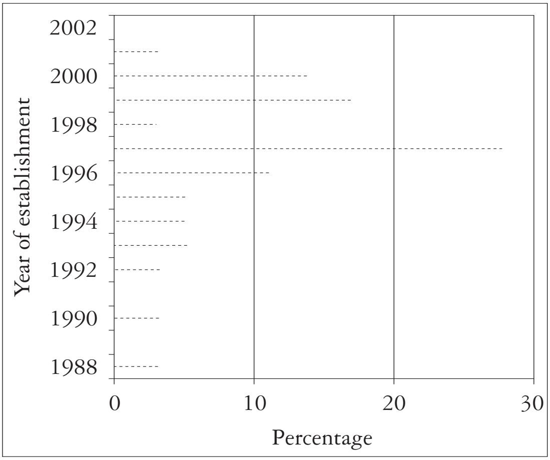
4 Evidently, the findings reported here could be given more weight by expanding the sample size, as well as lengthening the duration of the actual fieldwork period. Such actions could perhaps have provided a more representative sample, as there may be cyclical movements in various backpacker cohorts over the span of a year or a tourist season.

4. The spatio-temporal development of backpacker tourism in South Africa

Whereas the late 1980s and 1990s can be seen as a period of large-scale guest house expansion (Visser & Van Huyssteen 1999), the late 1990s appear to have been the period during which backpacker hostel development began in earnest. The first backpacker establishments opened in a number of metropolitan locations, but also in remote rural areas such as Fouriesburg (Rustlers' Valley), from the late 1980s. It is clear that backpacker hostels initially made a very hesitant entry onto the tourist accommodation scene, with the real take-off occurring only in the late 1990s (Figure 1). Backpacker hostels appear to have found a niche in the market that was left vacant by the nature of developments in the country's hotel and guest house industries. In particular, the under-servicing of the lower-cost or budget accommodation market by hotels and guest houses appears to have been the stimulus for the establishment of this type of tourist accommodation. Indeed, it is self-evident that the dramatic increase in the influx of international tourists to South Africa since the demise of apartheid has broadened the range of visitor types to the country, with a greater number of budget-conscious and independent travellers inevitably forming part of this tourist influx. As a consequence, their presence has stimulated demand for appropriate tourist accommodation such as backpacker hostels.

There are currently 118 backpacker hostels registered with the nine provincial tourism boards in South Africa. Most of them are found in South Africa's main tourist destination region: the Western Cape Province (Figure 2). This province accounts for no less than a third of this type of tourist accommodation, with Cape Town hosting 29% of all backpackers nationally and 43% of the provincial total. The two coastal provinces of the Eastern Cape and KwaZulu-Natal account for a further 50%, and Gauteng for an additional 14%. On the national scale, the distribution of backpacker establishments broadly reflects the overall distribution of the main South African tourism product. In addition, concentrations of backpacker hostels are found along Garden Route (a main tourist route). The most surprising aspect of this distribution is the under-representation of the important tourism region of the Mpumalanga Province.

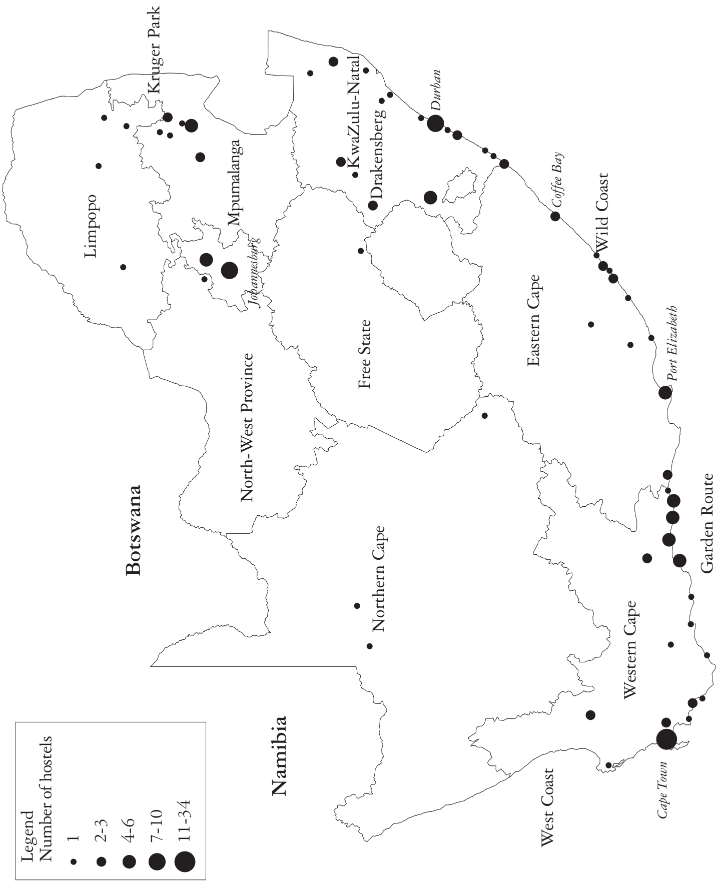
Figure 1: Starting dates of backpacker hostels in South Africa



At the regional level the spatial distribution of hostels reflects the overall distribution of tourist accommodation and tourism products in the various locations, with hostel concentrations found, for example, in holiday/resort towns such as Hermanus, Mossel Bay, Knysna and Plettenberg Bay, as well as further along the coast. However, it is also important to note that the geographies of backpacker establishments are at least partially structured by factors other than the tourism resource base. The fact that the backpacker tourists generally embark on a specific route or routes, using public rather than private transport, is an important factor in explaining the regional distribution of backpacker hostels.

Looking more closely at the spatial distribution of backpackers, it is interesting to note that, as is the case with other international tourism destinations, backpacker establishments are also found in parts of the country that do not generally form part of international tourists' travel routes. Whereas there are no exceptionally "out-of-the-way" backpacker establishments along the internationally known Garden Route, those in Hogsback, Coffee Bay, Kokstad, Ficksburg and Clarens deviate substantially from the well-known "international" routes. In this respect, the location of backpacker hostels might be conducive to the opening up of new territory for tourism markets.

Figure 2: The spatial distribution of backpacker hostels in South Africa



Lastly, on the micro-scale, the spatial distribution of backpacker hostels is diverse, although there appears to be a tendency for hostels to cluster in central parts of the metropolitan regions, but outside the central business districts. The only exception to the general distribution pattern appears to occur in Cape Town, where a number of backpacker hostels are located in, or in close proximity to, the central business district. Taken as a whole, the significance of these particular establishments is that they connect the internationally known gateways of Cape Town and Johannesburg, as well as "internationalised" tourism corridors/routes such as the Garden Route, to regions generally ignored by conventional mass international tourist flows. Consequently, backpacker tourists potentially engage with a far larger part of South Africa, spreading their impact further across the country's spatial economy.

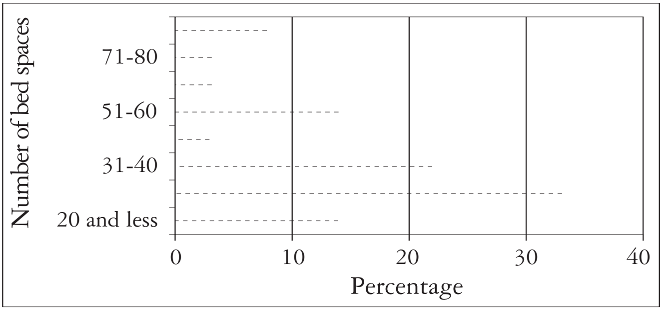
5. The form and function of backpacker hostels in South Africa

Backpacker hostels as physical structures come in a range of sizes, styles and locations. Thus, a description of the "typical" backpacker hostel is difficult to provide. Indicative of such variation is the fact that, in one case, a backpacker hostel has been established in a disused school building; in other cases hostels are located in large family homes or old hotels, and in yet other cases they have been purpose-built. Information concerning the cost of developing the backpacker hostels cannot be regarded as reliable, and hence no clear indication can be given of the capital cost of establishing them. The survey did, however, find that nearly 40% of the hostels were properties previously owned for different purposes (mainly residential use) and later converted to their current use. Significantly, however, 60% of the properties were purchased specifically for use as backpacker hostels. The cost of renovating or converting these properties did not display any general trend, and ranged from as little as R10 000 to as much as R400 000. For those properties specifically purchased for use as backpacker hostels, capital input varied from as little as R70 000, through the most frequently mentioned range of R500 000 to R600 000, to as much as R700 000. The purchase prices, at a very general level, reflected the higher cost of property in major urban centres, as opposed to properties in smaller, remote rural towns.

In most cases it was indicated that the sourcing of building materials and building contractors for the conversion or building of backpacker hostels was carried out on a local basis (in the immediate area of the hostel). In terms of basic furnishing for the hostels, such as stoves, beds, bed linen, lighting, bathroom tiles and fittings, the situation was somewhat different. In larger urban centres, all purchasing took place in the area of the hostels, and moreover, mainly at large South African-owned and operated retail outlets. However, in the smaller towns and hamlets, the sourcing of materials was far more complex. A case in point is a hostel in Barkly East, which used retail outlets at a distance, in Bloemfontein, Aliwal North and East London. This was also true of hostels in small towns in the Eastern Cape and KwaZulu-Natal provinces, where basic furnishings came from the larger towns or cities in South Africa. On the other hand, in terms of daily requirements such as foodstuffs and cleaning materials, local retail outlets appeared to be sufficient.

Although there is no direct correlation between tourist capacity and location, the survey suggests that the larger backpacker establishments are to be found in the metropolitan regions of Cape Town, Durban and Johannesburg, with smaller ones being encountered in the more remote regions. However, notable exceptions can be found, with a smaller city such as Bloemfontein boasting a hostel accommodating up to 70 tourists, and a hamlet like Clarens containing a hostel providing 40 beds. Although there is a very large range in respect of the number of bed spaces available, it was found that on the whole 56% of backpacker hostels provide between 21 and 40 beds. Figure 3 provides a more detailed breakdown. Nearly all backpacker establishments provide "private rooms", generally with two bed spaces, and "dormitory rooms" with anything from three to twelve. On the whole, most bed-spaces are in dormitories, with the remainder in private rooms. It must be stressed, however, that great variation was recorded in this respect. Taken together, the total number of available bed spaces for the survey group amounted to 1 384, of which 617 were in "private rooms" and 767 in "dormitories". Extending these findings to South Africa as a whole, and assuming that the sample is representative of 118 hostels, the total number of bed spaces amounts to at least 4 537.

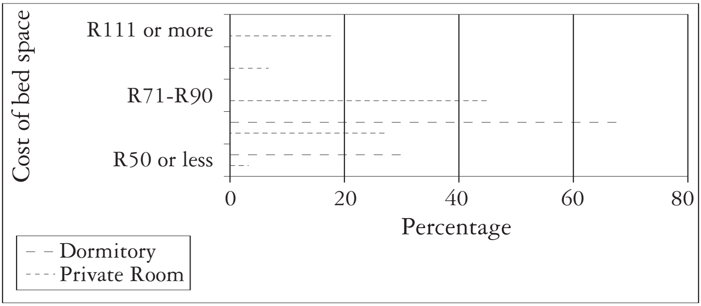
Figure 3: Number of bed spaces by category



The different types of accommodation in private rooms and dormitories also have cost implications. With regard to bed spaces in private rooms, the price per bed space varied significantly, although these prices were notably lower than those in guest houses or budget hotels. Generally the nightly cost of a bed in a private room amounted to between R71 and R90 per person sharing, with private room rates typically amounting to double the rate per person sharing. While private room rates displayed considerable variation, bed spaces in dormitories were concentrated in a very narrow price range, between R50 and R70 per night (Figure 4). It is noteworthy that not a single hostel charged more than R70 per night for a dormitory bed, with little variation between hostels in the same location. Aggregating these findings for the sample group, the point potential capital inflow of these backpacker establishments, if fully occupied, amounts to total daily earnings of R89 712, or R32 744 880 annually. Extending these findings to the total number of backpacker hostels in South Africa and assuming that the sample is representative, the total potential income can be estimated to be R294 056 per day, or R107 330 440 annually.

The income stream of backpacker hostels is not only determined by bed spaces sold, but augmented by a number of additional services and functions. As a rule, establishments provide bed linen, as well as phone and laundry facilities. Most offer Internet and fax services as well as television with satellite or other pay stations, in addition to wide-ranging tourist information services, often including the book-

Figure 4: Cost of bed spaces by category



ing and/or organising of local excursions. In terms of the latter, the survey suggests extensive variation in the types of activities on offer, ranging from mountain hiking to cultural tours, township tours, wine tasting, eco-tours and diving. Many of the hostels provide some form of bar service, while meals are generally available at an additional cost. In terms of meal provision, establishments in remote rural areas generally provide a full meal service (breakfast, lunch and dinner), whereas those in metropolitan regions generally provide only breakfast, or at most breakfast and dinner. The cost for meals ranges from R15 to R25 for breakfast and R35 to R40 for dinner. In most cases, hostel owners in metropolitan regions prefer guests to support local eateries and bars.

Backpacker accommodation is maintained by various types of people. Owing to the exploratory nature of the investigation, the survey did not deal with the personal characteristics of the hostel entrepreneurs. It did, however, aim to estimate the number of people they employ. First, it is important to note that the income generated from backpacker hostels was the only or main source of income for 72% of all participants. This is a high proportion of dependence in comparison with other non-hotel types of tourist accommodation, such as guest houses, where approximately 45% of owners are not dependent upon the income generated from these businesses (Visser 1996). The sampled backpacker hostels maintained a total of 251 permanent employees, of whom 115 (46%) were male and 136 (54%) female. In terms of the age structure of the labour force, all ages between 20 and 60 were recorded. There was, however, a larger concentration of workers in the lower (20-40 years) age range. On the whole an average of seven employment opportunities per hostel unit was recorded. If the sample is representative of the total backpacker hostel sector, 823 direct employment opportunities are thus maintained by this accommodation sector. Whereas the gender division of labour is relatively even, the racial division is substantially different. The ownership basis of the hostels surveyed was exclusively white, while that of support services was mainly non-white. It was found that managerial positions in the hostels were mainly filled by white men and women. The more menial positions entailing cleaning, cooking, gardening and maintenance were filled by black or coloured men and women. No direct information was obtained concerning the dimensions of the wage bill. However, owners indicated that salaries and wages constituted between 25% and 40% of their operating costs. Although there was generally a correlation between establishment size and the number of people employed at a hostel, there is a tendency towards higher employment rates relative to the size of hostels in the more rural regions. This would seem to reflect differences in wage demands between urban and rural areas.

6. Backpacker tourists in South Africa

Most tourists seeking accommodation at backpacker hostels are from Western Europe and are well-travelled long-haul tourists who have on average engaged in three long-haul visits in the previous three years. In terms of nationality, 29% are from Germany, 22% from Britain and 12% from the Netherlands. Although a nationality breakdown in the main reflects the proportions recorded for all overseas tourists to South Africa, it is noteworthy that German tourists are disproportionately represented in the backpacker survey (SAT 2002b: 10-2). This discrepancy can be explained in two ways. Firstly, a third of all British tourists to South Africa are VFR tourists (visiting friends and relatives) (Rule 2003) and hence do not have to use the local tourist accommodation sector in the same way as other overseas tourists. Secondly, South Africa is a popular budget travel destination for the German tourist market in particular (SAT 2002b: 12-4).

All but two per cent of respondents, who were volunteers in a range of exchange programmes, were visiting South Africa for leisure purposes. Of these, 78% were on their first visit to South Africa, although as many as 12% had visited the country more than four times before. This figure is significantly higher than that for the average leisure tourist to the country, with between 50% and 60% of these usually being first-time visitors to South Africa (SAT 2002b: 10). In large part, however, the youthfulness of these travellers explains this difference (Table 4).

Backpacker tourists in South Africa are generally young men (52%) and women (48%), with 42% falling into the 21-25 age bracket and 29% into the 26-30 age range. More significantly, 93% of all backpacker tourists are under 35. This group is markedly youthful, in the light of the fact that only 45% of general international tourists to South Africa fall within this age range. Whereas backpackers are often portrayed as students, 67% of the sample group were in full-time employment, with only 24% being full-time students. Since no less than 56% of respondents worked in the service industries, as lawyers, doctors, nurses, teachers, IT specialists and accountants, the respondents were well educated, with 65% having completed at least a first degree or a tertiary level diploma. Whereas backpackers have in the past been regarded as unemployed drifters, it is important to note that only seven per cent were temporarily unemployed, mainly due to having chosen to take a “gap year”, whether directly after school or university or during the first phases of their careers. A total of 14% of respondents indicated that they were taking a gap year from their normal commitments (Table 4).

Given the differences in the occupational status of these tourists, their length of stay in South Africa varied significantly, with 42% of them visiting for two weeks to a month. However, it is significant that 19% stayed for longer than three months. Perhaps most interesting was the fact that there is no correlation between the length of stay in South Africa of those tourists taking a gap year, and that of those in full-time employment. What is important to recognise is that 48% of all respondents stayed in South Africa for more than 30 days, which is three times the average length of stay for leisure tourists to South Africa, who generally visit for 11 days (SAT 2002b).

Table 4: General descriptive data in respect of backpacker tourists

Age	<21 7%	21-25 42%	26-30 29%	31-35 16%	36-40 4%	>40 3%
Gender	Male 52%	Female 48%				
Education	Completed secondary school 20%	Some tertiary education 15%	Completed tertiary qualification 39%	Tertiary trade qualification 9%	Some post-graduate studies 8%	Completed post-graduate studies 9%
Occupation	Professions 56%	Self-employed 3%	Skilled artisan 8%	Full-time student 24%	Volunteer services 2%	Unemployed 7%
Gap year	Yes 14%	No 86%				
Travel allowance	R0-R5 000 18%	R5 000-R10 000 34%	R10 000-R15 000 20%	R15 000-R20 000 12%	R20 000-R25 000 6%	>R25 000 10%
Length of stay in South Africa	<15 days 9%	15-21 days 17%	22-30 days 25%	31-45 days 14%	46-60 days 5%	>60 19%
Travel partner	Alone 40%	One other 43%	Groups of more than two 15%			
Primary motivation for travel in South Africa	Exciting variety of things to do 56%	Friends and family recommended South Africa 13%	Competitively priced destination 10%			
Previous visits to South Africa	First visit 46%	Second visit 30%	Third visit 12%	Fourth or further visit 12%		

For the group as a whole, 40% of respondents travelled alone, 43% with one other person (either a friend or a romantic partner) and 15% in groups of more than two. For those travelling alone, the main motivation for doing so was independence, or the simple fact that no-one they knew wanted to travel with them to South Africa. For those who travelled together, the main reasons were cost sharing and companionship.

The travel behaviour of backpacker tourists is not only framed by their demographic profiles, travel partnerships and time-budgets, but also by their available financial resources. In this respect international experience suggests that both time and money are of importance when studying backpacker tourists. Nearly half of all respondents had an overall budget of R10 000 or less to spend in South Africa, followed by 20% who had between R10 001 and R15 000, and 12% with between R15 001 and R20 000. These budgets excluded travel costs to South Africa and any associated health or other insurances. Perhaps of key importance is the fact that these tourists had budgets comparable to those of almost all other categories of leisure travellers to South Africa. The difference lies in how the money is likely to be spent, and over what period of time.

On the whole there are eight key spending areas for backpacker tourists if travel costs are not taken into account in their budgets (Table 5). Taken as a whole, backpackers spend approximately R325 a day. This is significantly less than the average mass overseas tourist's daily expenditure of R1000-R1400 (Saayman & Saayman 2003). It has to be stressed, however, that this is an aggregate amount, as the survey revealed that some of the respondents spent significantly less or more than this average. Nevertheless, when this average spending pattern is compared with the total budget of these tourists and their average length of stay, it seems to be correct.

Unlike general tourists, who spend most of their holiday budget on accommodation costs, backpackers keep these to a minimum. Most backpackers allocate R60 daily, on average, to accommodation. In large part this is made possible by the basic nature of their requirements. Indeed, for nearly all respondents, these amounted to a clean dormitory bed space, accompanied by clean bathrooms, a well-appointed self-catering kitchen and friendly staff. Popular extras included a bar, pool table and laundry, as well as Internet access. The low accommodation costs are also attributable to the very limited variation in bed-space prices among backpacker hostels. Moreover, accommodation costs are retained at low levels, judging from the fact that 88% of respondents used only backpacker hostel accommodation during their travels in South Africa.

Most of a backpacker's daily allowance is spent on food. Whereas respondents support a range of local restaurants and take-away eateries, many of these are international or national franchises such as KFC, McDonald's, Nando's and Steers. Those who prefer to prepare their own food support mainstream supermarket chains such as Shoprite, Pick 'n Pay and Woolworths. Although many (57%) of the respondents indicated that they supported informal traders in the regions they visited, practically none did so when buying food. Another large portion of the total budget is allocated for evening entertainment, with the aggregate spending on night-club and bar/tavern recreation generally amounting to around R75 and R40, respectively. This spending pattern clearly reflects the youthfulness of backpacker tourists, and has a number of implications in terms of their potential impact on local economies. Given the rather modest daily budget allocation for general tourist spending (R50), the question arises as to just what this money is spent on.

Table 5: Backpacker tourists' recurrent daily expenses

Item	*Amount in Rand*
Accommodation	60
Restaurants	50
Self-catering food supplies	20
Take-away meals	20
Bar/tavern	40
Night-clubs	75
General tourist activities	50
Souvenirs	10

Table 6: Backpacker activities in South Africa

Activity	*Percentage of participation*
Abseiling	23
Adventure challenges	20
Bungee jumping	24
Cultural villages	41
Deep-sea fishing	10
Game viewing	76
Hiking	79
Historical sights	59
Horse-riding	11
Jet skiing	7
Kloofing	12
Mountain biking	36
Mountaineering	15
Museums	57
Natural sights	78
Night-clubbing	67
Scuba diving	27
Shark viewing	29
Skydiving	23
Surfing	41
Township tours	49
Wind surfing	7
Wine tours	49

Table 6 clearly indicates that these tourists are primarily involved in "nature-based" activities, with hiking, viewing of natural sites and game viewing high on their list. On the whole, these activities are either free of charge or relatively affordable. However, considering that part of the nature experience included seeing "wildlife", it was notable that many backpackers pointed out that the cost of "game-viewing" was exorbitant, which meant that they could not participate in such an activity. Interesting, too, is the high level of participation in urban activities, primarily night-clubbing. Although the level of interest in cultural villages and township tours seems rather low, it is probably higher than in the case of most other tourist segments. It is also clear that there is a significant interest in adrenaline-pumping activities such as mountain biking, shark viewing, abseiling and bungee jumping. This diversity is highlighted by the majority as being the feature of the country that they have enjoyed most. An interesting finding was that there was no relationship between the total budget for the visit to South Africa and the range of activities engaged in. All in all, however, these tourists were impressed with the "value for money" South Africa afforded them, and singled this out as a contributing reason for visiting the country and for considering a return visit.

Despite the range of activities engaged in, it is important to note that these programmes nevertheless reflect the general tourism resource base of the areas visited. To take a well-known destination such as Cape Town as an example, it is clear that the backpackers' itinerary, in the main, echoes that of the standard international tourist. The most popular programmes included exploring Table Mountain, whether by hiking or using the cable car; visiting Green Market Square, Cape Point, Robben Island, the Castle; and taking wine tours, and (to a lesser extent) township tours. Likewise, in destinations in remote rural areas, such as Coffee Bay on the Wild Coast, activities are limited to hiking, drinking in the bar, or participation in hostel-organised adventure activities such as abseiling. In terms of the backpackers' smallest spending item, these tourists differ significantly from mass tourists. Of the respondents, 55% had not bought any souvenirs at the time of the interview and 39% indicated that they probably would not do so at all. For those who had bought or were planning to buy souvenirs, jewellery and "ethnic art/craft" were regarded as most desirable. Other popular purchases were clothing and books. However, what mainly distinguishes these tourists from standard overseas tourists is the scale of their engagement with the destination region. Thus, it is not so much a question of how many or what types of activities backpackers engage in, but rather the fact that so many different destinations are visited.

The single most important characteristic that distinguishes backpacker tourists in South Africa from any other tourist segment is the spatial scope of their travels. As indicated earlier, most backpacker tourists come from Europe. When considering the countries from which they enter South Africa, however, a pattern emerges that reveals a far more interesting aspect of their travel behaviour. Of note is that 13% had visited Namibia immediately prior to entering South Africa. Moreover, a further 10% had visited neighbouring states before South Africa. Considering that very few of the respondents were nationals of these countries, this suggests that these travellers were not only visiting South Africa, but engaging in a tour programme involving the southern African region in a broader sense. Furthermore, it is interesting to note that 8% had visited Australia prior to arriving in South Africa, which would suggest that this country forms part of a larger travel route. Indeed, Figure 5 demonstrates this to be the case. The observation is confirmed by the fact that the most popular onward destination was Australia, with further destinations including New Zealand, but also a range of south-east Asian countries (Figure 6). A number of southern African countries also featured among their destinations, intimating that backpacker tourists' visits to this country are integrated within a larger, regional travel experience. In this light, South Africa is part of a backpacker route that starts off in Britain, traverses the southern African region and then goes on to Australia, New Zealand and south-east Asia. Backpackers enter South Africa mainly through either Johannesburg (56%) or Cape Town (27%) International Airports. Those visiting neighbouring states mainly enter overland.

On the intra-regional scale, mirroring Australasian experiences, for example, backpacker tourists not only travel for longer periods than those from the same tourist-generating regions but also visit more parts of a host region. In this respect backpacker tourists to South Africa are no different. As seen in Tables 7 and 8, and also reflected in Figure 7, the spatial spread of backpackers across the provinces is far higher than that of the average overseas tourist.

Figure 5: Backpacker locations prior to entering South Africa

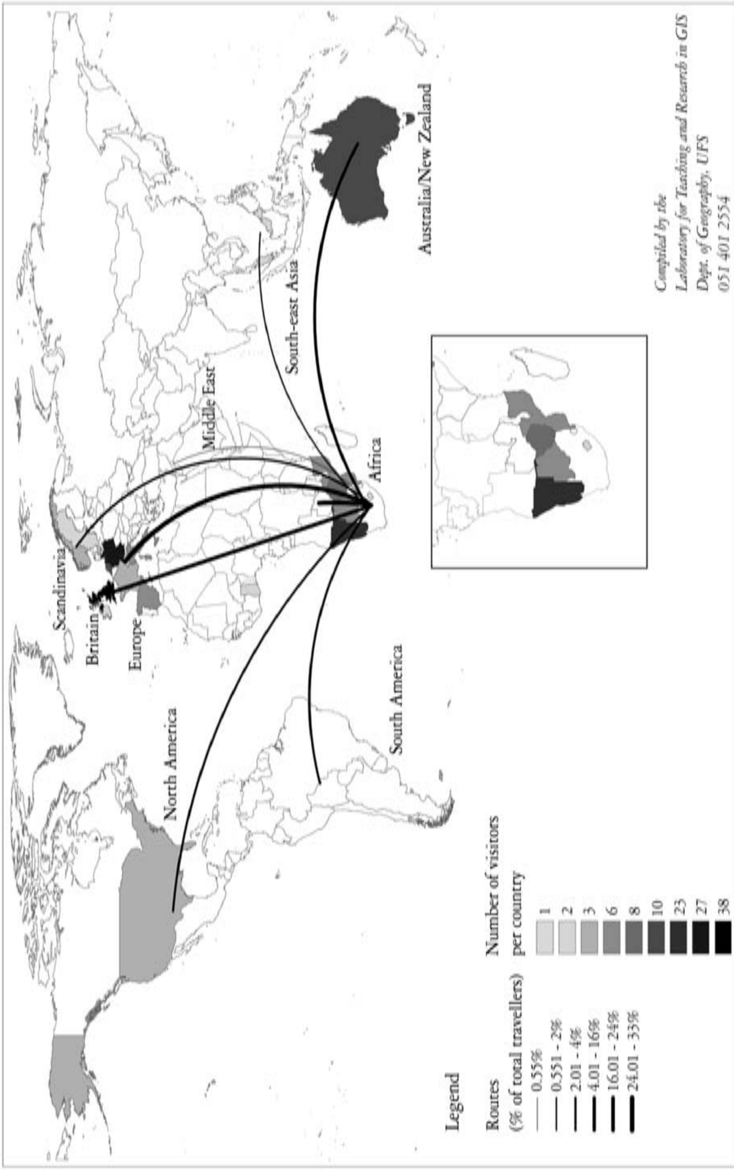


Figure 6: Backpacker destination locations upon departing from South Africa

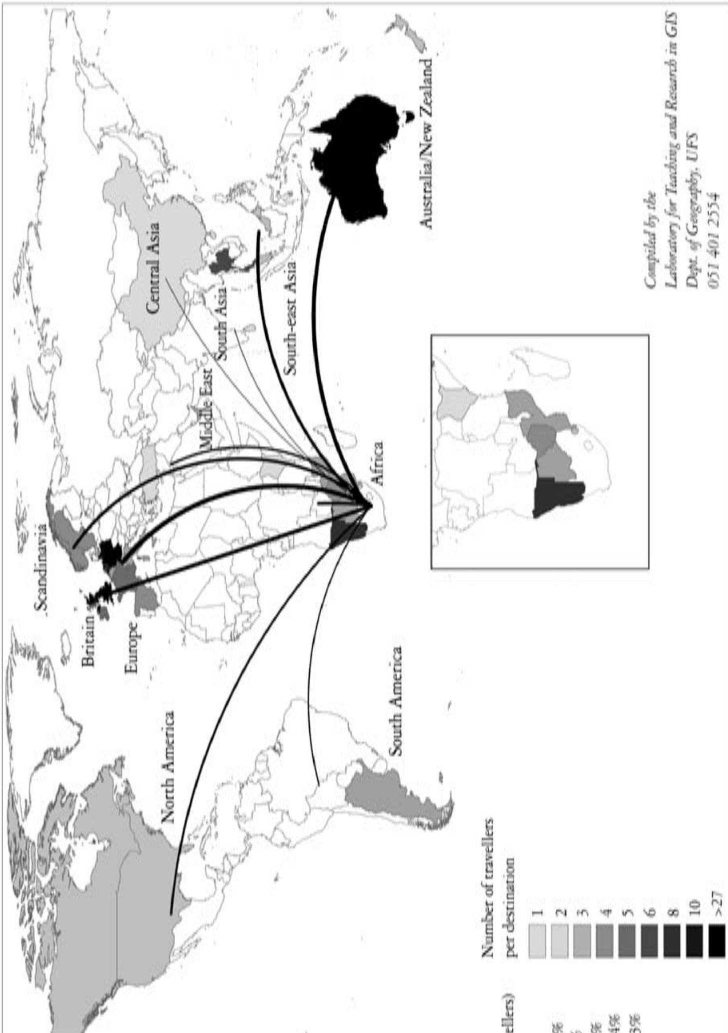


Table 7: Provinces visited by backpacker tourists in South Africa

Percentage visiting province	*Average overseas tourists*	*Average backpacker tourists*
Eastern Cape	23	56
Free State	5	10
Gauteng	45	64
KwaZulu-Natal	26	71
Limpopo	6	0
Mpumalanga	12	43
North-West	6	0
Northern Cape	6	9
Western Cape	65	93

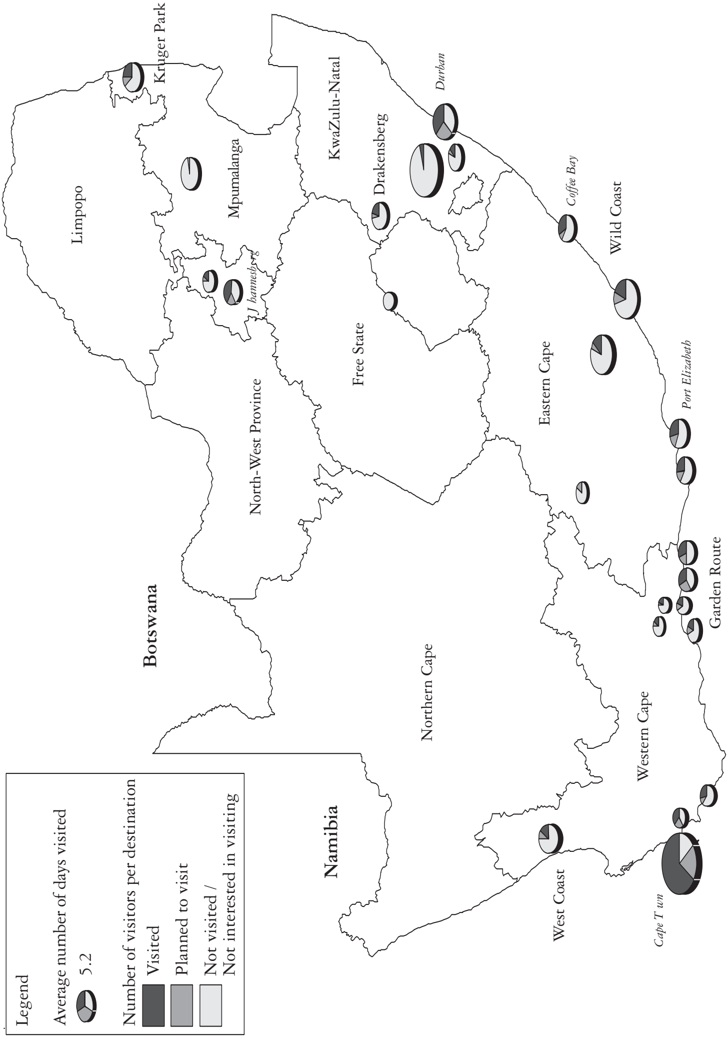
Indeed, higher visitation on the part of backpackers was evident in nearly all the provinces, suggesting greater movement of backpacker tourists across South Africa. The significance here is that these tourists travel through a number of regions which general mass tourists would seldom visit during one visit to the country. For example, it is significant that the Western Cape Province is not the only focus of their travels through South Africa, but that the less visited provinces of the Eastern Cape, KwaZulu-Natal and Mpumalanga also figure prominently on their tour itineraries. In particular, the movement of backpackers through the poverty-stricken and generally "dangerous" Transkei is noteworthy.

Whereas the overall length of backpackers' visits to South Africa is longer and the spatial spread greater than that of conventional tourists, their average length of stay at individual locations is relatively short. The survey data suggest that there is a range of routes taken by backpacker tourists, the most popular of which is the so-called coast-to-coast route that generally starts in Cape Town, meanders across the Garden Route, the Wild Coast and on to Durban or the Drakensberg, and terminates in Johannesburg. The reverse sequence is also popular. A typical tour itinerary would constitute seven days in the Cape Town region, one to two days in the Hermanus area, one week along the Garden Route, three days in Jeffrey's Bay, Port Elizabeth or East London, three days along the Wild Coast, three days at

Table 8: Average length of stay at selected locations

Location	*Days*
Cape Town	5
Kruger Park	4
Coffee Bay	3
Durban	3
Drakensberg (northern)	2
Hermanus	2
Knysna	2
Plettenberg Bay	2
Oudtshoorn	2
Johannesburg	2
Hogsback	2
Mossel Bay	1
Wilderness	1
Stellenbosch	1
Port Elizabeth	1
East London	1
Pietermaritzburg	1
Nelspruit	1
Bloemfontein	1
Clarens	1
West Coast	1
George	1
Beaufort West	1
Graaff-Reinet	1
Rhodes	1
Pretoria	1
Gariep River	1

Figure 7: Backpacker travel routes in South Africa



the Natal South Coast and Durban or two to three days in the Drakensberg, then a trip through Zululand or Swaziland or to Johannesburg, with a return trip to the Kruger National Park lasting between three and seven days (personal communication, Malherbe D, 1 October 2002). This means that the typical backpacker spends approximately 30 days in South Africa, which is three times the average length of stay for a mass international tourist (Visser & Van Huyssteen 1999).

Considering the spatial scope of backpackers' travels through South Africa, it is not surprising to find that they use a number of different modes of transport. Although their most popular mode of transportation is the dedicated backpacker bus service, Baz Bus, Table 9 demonstrates that a range of other modes of transport were also used.

Table 9: Backpacker tourists' modes of transportation

Mode of Transport	*Percentage*
Domestic airline	26
Inter-city bus	40
Train	18
Rental vehicle	54
Minibus taxi	39
Baz Bus	47
Private vehicle	29
Unspecified other	2

7. Some development impacts of backpacker tourism

Drawing on the survey results reported here, backpacker tourists and their preferred type of accommodation, backpacker hostels, exhibit a number of positive and negative characteristics in terms of their actual and potential impacts on local development. These are discussed below.

7.1 Positive characteristics of backpacker tourism in terms of development

First, it is argued internationally that, although large-scale tourism maximises gross annual foreign exchange earnings per room, the foreign exchange requirements for the construction and operating costs of large hotels create large import leakages. In comparison, smaller-scale developments such as backpacker hostels have virtually no such foreign exchange requirements and therefore import leakages are minimal. In the local context, the rather basic nature of the purchases required for backpacker accommodation and maintenance makes it very likely that locally manufactured goods, sold through South African-owned retail outlets, will be sold.

Secondly, internationally speaking, backpacking contributes to the distribution of foreign exchange earnings across larger areas than general international mass tourism because of the spatial range of the typical "backpacker routes". In the South African context, this also appears to be the case, with backpacker routes including regions distant from international tourism routes and gateways. Although the spatial scope of South African backpackers has the potential to be more widespread than it is at the moment, the existence of backpacker hostels in more isolated regions generates at least some investment where there would otherwise have been none. Moreover, the development of a tourist route in unknown territory can also serve as a means of "opening up" the South African tourism periphery to international mass tourism, providing an opportunity for further foreign exchange earnings in the region.

Thirdly, in terms of investment, the low entry costs and minimal capital requirements for smaller-scale tourism (in comparison to guest house or hotel investment) allow for greater local participation. The extraordinary cost of hotel and, increasingly, guest house development and operation means that ownership of such facilities is mainly concentrated in the hands of a few multinational corporations or highly creditworthy individuals. In terms of backpacker hostels, it is possible for South African entrepreneurs, with far fewer resources, to participate in the tourism system as owners of businesses. While the ownership of backpacker hostels is local, it is currently a white-owned and managed tourism sector. None of the surveyed backpacker hostels, whether located in urban or rural areas, is black owned. In this respect, this accommodation type is not as yet providing opportunities for the black tourism entrepreneur. However, the sector does seem to have some potential for such SMME development. What is more, backpacker hostels employ a number of black people, and in this respect are bringing workers into contact with the concept of tourism, which they would otherwise have been unlikely to encounter.

Fourthly, in comparison with mass international tourists who make use of large-scale developments, backpacker tourists require simply constructed accommodation, which allows for far lower levels of capital investment. As the barriers to entry are lower, more opportunities are provided for emerging entrepreneurs.

Fifthly, although it is recognised that employees in large-scale enterprises generally receive higher average salaries and wages than those in smaller operations, Rodenburg (1980), for example, argues that the benefits attached to such large enterprises are highly concentrated in the enclave rather than dispersed throughout the local economy. Smaller-scale tourism can also succeed with smaller numbers of tourists and may represent the best opportunity for providing earning potential in both the metropolitan hinterland and the peripheral regions. In the South African context, it has to be acknowledged that the impact of a backpacker hostel, or even a cluster of hostels in large metropolitan areas, is perhaps not as extensive as that of large hotel resorts. However, as the survey results highlighted, hostels in major metropolitan areas provide fewer meal services and thus make a contribution to the restaurant and bar activities of the immediate areas of the cities in which they are located. In addition, backpacker hostels and backpackers themselves lend a certain ambience to their areas. An example of this impact can be seen in the hostel area of Long Street in Cape Town. Here the presence of a large number of young, international tourists is a key ingredient of the “cosmopolitan feel” of the area in terms of various eateries, restaurants, bars and nightclub entertainment venues. This in turn impacts on the use of this space by local residents, who interpret the area as being desirable to socialise in, thus promoting leisure space development. In turn, such processes of change can also draw mass international tourist cohorts. In addition, the presence of international tourists stimulates other economic activities such as Internet cafés, website services, organised excursions, as well as outlets for clothing and accessories. Moreover, in this particular locality, the impact can be argued to be even more positive in terms of broader local development as it has stimulated re-generation in what had become a run-down and rather “sleazy” area.

Sixthly, it has been demonstrated that there are a number of hostels in the remote rural areas of South Africa. The unemployment rate in these areas is very high, with many people having to engage in subsistence farming, perform seasonal farm labour or migrate to the metropolitan regions to earn a living. In fact, in many cases the only sources of income for these rural communities are social pensions and remittances from family members working elsewhere. Whereas the presence of a backpacker hostel will not provide a whole community with direct employment, it does provide at least some opportunity for residents to engage in the formal economy. Although the types of positions filled by such local residents do not demand highly skilled labour, the important point is that hostels provide opportunities within the context of the local skills base while also providing at least the possibility of acquiring new skills over time. In this respect, backpacker hostel development may be a very appropriate route for introducing a broader process of re-skilling and engagement with the tourism system to remote rural areas. In addition, there is the more straightforward infusion of wages and salaries into the local economy, which in turn provides opportunities for the stimulation of further employment and economic activities.

Finally, a number of linkages are facilitated by both backpacker tourists and backpacker hostels. The establishment of a hostel in itself implies direct once-off investment, but its operation, maintenance, (re)-development and possible expansion imply a range of further economic linkages. For example, the operation of these tourist facilities incurs recurrent expenses through water, electricity and refuse services, the revenues of which flow to the local authorities. Furthermore, the presence of a hostel generates taxable income, which is in turn linked to the revenue system of the country. In addition, these properties form part of local government jurisdictions which, in turn, receive taxes and levies from them, as well as their wages and salaries bills. Whereas other types of tourist accommodation have similar impacts, it is important to note that backpacker hostels add to the tourist base of distant destinations where other forms of tourist accommodation would not be economically viable and broaden the accommodation base where tourist accommodation is in greater supply. Part, if not all, of the revenue from other operating expenses also enters the local economy. Linkages have also been developed in terms of transport, in this case the Baz Bus service. Overall, backpacker expenditure may have different income multiplier effects from mass tourism expenditure: its weekly expenditure is lower than that of mass tourism, but its total expenditure is spread over a longer period and a more diverse range of geographical settings. Seen in this light, the backpacker tourism sector certainly has positive implications for local economic development, but only for very specific role-players.

7.2 Shortcomings of backpacker tourism in terms of local development

At one level, the results reported here tentatively suggest that backpacker tourism makes a useful contribution to the South African tourism economy and to local economic development in particular. Nevertheless, a range of issues arises in terms of its potential contribution to local economic development, particularly in terms of achieving the objective of more racially inclusive LED through tourism development. Indeed, one might argue that apart from the job opportunities created for black employees, the prime beneficiaries of the expansion of backpacker tourism have been white-owned businesses, be they the hostel owners, excursion organisers or members of the retail sector. More specifically, the following factors may be identified as demonstrating the limitations of backpacker tourism in terms of inclusive, transformative, tourism-led local economic development, particularly in the more remote urban areas and rural settlements of the South African tourism space economy.

First, although the current spatial distribution of backpacker hostels is relatively dispersed, this distribution is nothing like that of backpacker "havens" such as those found in Indonesia, Malaysia and Thailand. The location of backpacker hostels still exhibits a high level of clustering in relatively mature international tourism nodes such as Cape Town, Johannesburg/Pretoria and Durban. What is perhaps most interesting is that, whereas backpacker tourists are known for their adventurous nature and willingness to explore the lesser-known aspects and locations of the host society, not a single backpacker hostel is found in the township areas of the main metropolitan regions. In fact, in most cases the intra-urban distribution of backpacker hostels is hardly different from that of guest-house or bed-and-breakfast establishments. In this respect, the poorer communities of the large urban areas have much opportunity, but apparently inadequate information and support, particularly of an institutional nature, to engage in this economic activity. The reason for seeing this as a problem is that township areas, apart from their potential interest to adventure-seeking tourists, are home to the disadvantaged poor, and therefore, supposedly, to the communities that current tourism policies aim to assist. In addition, the township areas are those that most need the development of small, medium and micro-enterprises as part of broader local economic development. The current distribution of backpacker hostels simply does not stimulate the development of synergies between spatially segregated tourism service providers and those enterprises supporting their operational needs. Thus, the current intra-urban distribution merely reinforces, rather than challenges, the uneven urban tourism space economy.

Secondly, in relation to the distribution of backpacker hostels in rural areas, the secondary clusters are established along well-trodden tourist routes, with only a handful in regions which can truly be considered "unmapped" in terms of international tourists. With the exception of a backpacker hostel on the Wild Coast, not a single backpacker unit reported sourcing its basic operating requirements (beyond labour) from local communities. Seen in this light, the existing spatial distribution does not allow backpacker hostels or backpackers themselves to diffuse those benefits more extensively. Even in their support of regional retail centres such as East London, Bloemfontein, Umtata, and so on, capital inflows accrue to the broader South African economy, with the dividends of such linkages being repatriated to the metropolitan regions and mainly to institutions owned by white capital.

Thirdly, a key current feature of backpacker hostels is that the sector does not appear to exhibit the same diversity in terms of physical structure and amenities as in backpacker heartlands such as Thailand and Indonesia. In this respect, the entry level in terms of capital requirements is much higher than it should be. A feature of backpacker hostels in many other countries is that the accommodation structures are often made of inexpensive and readily available materials. More importantly, these establishments do not draw on Westernised notions of housing design, nor do they require the associated building materials. In this respect, the South African backpacker hostel sector seems to be emulating backpacker hostels in regions such as Australia and New Zealand with "first-world" building designs, rather than those inherent to indigenous host communities. It is also important to realise that in those areas where such opportunities are perhaps more readily available, such as the Wild Coast and the KwaZulu-Natal north and south coasts, the resident populations may not be aware of the opportunity that backpackers represent in terms of the type of housing designs they might find appealing. In this respect, greater knowledge of the tourism system might actually be hampering entry into this market.

Fourthly, in the above context it can be argued that the education of local communities seems crucial to the successful exploitation of backpacker tourism for local economic development in South Africa. The human capital of small urban areas in regions such as the Eastern Cape, Northern KwaZulu-Natal and Mpumalanga, in terms of educational and literacy levels, is poor. There appears to be a training gap on the part of government institutions, be they local authorities or provincial or national government departments. In corroboration of Rogerson's (2002a: 161) conclusion, it can be suggested that the basic skills needed to begin the process of entering the market as a small, medium or micro-enterprise are lacking. Neither the current backpacker hostel owners nor the surrounding communities seem to be aware of the ways in which they could assist each other in developing and enhancing the experience of backpacker tourists through closer business ties. Moreover, in most of the non-metropolitan areas where backpacker hostels are located, support structures for training emerging tourism entrepreneurs are meagre, to say the least.

Fifthly, processes of changing and developing production and consumption behaviour also require backpacker tourist flows to be relatively reliable and display sufficient expansion to provide adequate incentives to engage in such change. In this respect, the survey demonstrated two distinct visitor seasons, with relatively high occupancy rates in summer and lower rates in winter, in addition to variations in the types of visitors involved. Two challenges are of particular importance in turning backpacker tourism into a sector that can initiate change to support local economic development. First, it is important that tourism flows should be predictable and relatively even. Neither poor urban nor poor rural communities have access to extensive credit lines, thus they cannot carry the cost of seasonal variations in tourist flows. Predictable and relatively constant volumes of tourists are therefore necessary to justify a switch to tourism-related services and to make any real difference to the livelihoods of these communities. The crucial point that needs to be addressed is the lack of interest in the domestic tourism market. The fact that owners of backpacker hostels are not enthusiastic about receiving domestic tourists, and in some cases actively discourage such tourists, is, in the view of the authors, limiting in terms of expansion for potential backpacker hostels and the activities that are made possible by the presence of such hostels. Domestic tourists can play a central role in evening out the seasonality of international tourist flows.

Sixthly, it is argued internationally that backpackers' support of informal activities constitutes a key reason for their being seen as beneficial to the poorer segments of the destination region. In general this argument is advanced with reference to food supply and meal provision, as such services are not capital-intensive or skills-intensive and provide for both local and overseas clienteles. The survey demonstrated that there is a lack of support on the part of backpackers for informal activities, particularly in terms of buying food, whether prepared or not. Similarly, it was recorded that backpackers, while supporting local restaurants and eateries, generally supported franchised restaurants and take-away chains, thus supporting locals but mainly white operators who had access to capital. Thus, while the local economy is supported and employment opportunities are certainly generated and maintained through such consumption, it does not benefit the poorer sectors of the host communities. Self-catering also forms an important part of backpacker expenditure. It is generally suggested that backpackers acquire inexpensive produce from local markets and vendors, thus stimulating the local economy. Whereas the survey certainly demonstrated support of local food retail outlets, these outlets were largely national retail concerns, owned by white capital rather than by the less well-resourced sectors that tourism development in South Africa aims to benefit.

Seventhly, the adventure activities of backpackers certainly lead them to seek out locations less frequented by mass tourists. However, similar issues emerge concerning the ownership base of such facilities and services. As far as could be ascertained during the fieldwork period, not a single adventure activity provider had a black ownership base. Although these activities do provide jobs, the issue is that the profits of such activities accrue largely to white entrepreneurs. Similarly, the range of transportation used by backpackers during their travels through South Africa had many positive impacts. However, these modes of travel are mainly white-owned, again limiting the impact of such tourists on the local economy in terms of previously disadvantaged communities.

Finally, a challenge facing the backpacker sector is that of attaining larger tourist flows. Australia is currently the most important backpacking destination for tourists from Britain (*TNT Magazine and Student Uni Travel* 2002). Britain is, however, also South Africa's main source of international tourists, whether general mass tourists or backpacker tourists. The issue for South Africa is that the majority of British backpackers travel the well-trodden backpacker route through Asia, especially Thailand, Singapore and Hong Kong, then on to Australia. It has been demonstrated that less than 5% of British backpackers travel from South Africa on to Australia, whereas nearly 40% travel through south-east Asian countries to Australia and more than 20% fly directly to Australia. The relevance of this for South African backpacking businesses is that the south-east Asian route has been established over many decades and has become something of a tradition — a rite of passage — among British backpackers. The growth potential of the South African backpacking industry therefore seems to lie in persuading backpackers flying directly to Australia rather to do so via South Africa, or in motivating the main flow of backpackers to include South Africa in their itinerary prior to engaging south-east Asia. Similarly, backpacker tourists travelling from Australia and New Zealand, as well as those from the USA and Canada, could be encouraged to include South Africa as part of a global backpacking route. On the other hand, in terms of domestic tourists, who constitute the backbone of most successful tourism destinations, a crucial obstacle appears to be the unwillingness of backpacker hostels to engage and welcome local tourists.

8. Conclusion

The research reported in this paper aimed to provide some insights into the development and functioning of the South African backpacker tourism industry. It was the objective of this investigation to demonstrate that SAT is currently ignoring a tourist cohort that holds much potential to contribute towards tourism-led development. In particular it was demonstrated that backpacker tourists can contribute significantly towards achieving most, if not all, of SAT's mandated objectives. First, it was demonstrated that most backpacker tourists are from South Africa's established tourist-generating regions. Thus, tourist volumes from these regions can be increased through the provision of budget accommodation, a key feature of backpacker hostels. Moreover, this type of tourist has an existing backpacker travel route that is part of larger international backpacking routes. Those routes are formed mainly by nationals from regions in which South Africa holds a significant market share. Secondly, considering the limited capital investment in backpacker hostel infrastructure (relative to other types of accommodation), expansion in this tourism segment would provide high-yield growth. Thirdly, the spatially dispersed nature of South African backpacker routes provides access to a range of tourism products that can, and do encourage repeated visits and extend the impact of backpacker tourists. Fourthly, given the age profile of backpacker tourists, and their practically year-round flow along international backpacker routes, the market segment can contribute towards increased volumes in off-peak periods. Finally, the more even distribution of backpacker tourists across the South African tourism space economy facilitates the involvement of communities in less visited tourism regions and, as a consequence, contributes to the redistribution of tourist revenues. Moreover, visits to remote rural areas aid the transformation of the tourism industry in the sense of opening up economic opportunities in areas where subsistence agriculture is the main economic activity.

On the other hand, the key issue is not only whether backpacker tourism can make a contribution towards tourism development generally, or development per se, but also whether it can assist a form of tourism development that will be beneficial in terms of those communities that are in greatest need of developmental forms of tourism.

This is the objective that underpins the national government's keen support of tourism expansion in South Africa. Seen against this backdrop, the research paints a less optimistic picture, with the beneficiaries of backpacker tourism expansion currently being mainly white-owned small, medium and micro-enterprises. In this respect it would appear that much needs to be done by both the backpacker industry and, particularly, local institutions pursuing tourism-led economic development, to inform and educate the public in respect of the potential presented to host communities by backpacker tourism.

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