

**AFRICA / MIDDLE EAST TRAVEL**

Insight

# Strong dollar benefits demand for South Africa

By [Dorine Reinstein](#) / February 26, 2015

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During the past few months, South Africa has become an increasingly attractive and affordable destination for dollar-based markets as the local currency has plummeted against the dollar.

Onne Vegter, founder and CEO of Wild Wings Safaris in South Africa, explains he has seen a definite increase in interest from the U.S. market, which he attributes directly to the weak South African Rand (ZAR). He says: "As a safari destination, South Africa has always offered better value and affordability compared to neighboring markets like Botswana, Zimbabwe and Zambia, which are priced in [U.S. dollars]. Now, with the weaker ZAR, South Africa has become even more affordable."



Although travelers are still budget-conscious and are not likely to overspend, Vegter says he has noticed two clear effects of the exchange rate on bookings. He says: "Firstly, travelers are able to be more flexible with their budget and can consider a

wider range of accommodation options. And secondly, a wider market of travelers are now able to consider a trip to South Africa, as the lower costs of land arrangements offset the high costs of getting here."

U.S.-based operators have noticed a very similar trend. Jim Holden, president African Travel Inc., says tour operators still need to explain the incredible value of South Africa at the moment. He says: "We still need to point out that the five-star accommodation and cuisine are now available in South Africa at very competitive prices when measured against other long-haul destinations. However, once informed, travelers are keen to consider more options, such as upgrades at hotels and lodges and additional siteseeing activities with a private driver and guide."

Marcia Gordon, owner and co-founder of Extraordinary Journeys, said she agrees that although potential travelers are not terribly aware of the exchange rate and it is not necessarily the reason for the inquiry, it has definitely helped increase the closing rate with more cost-conscious clients and increase the likelihood that they will opt for South Africa among a range of African itineraries. "The weak ZAR has made South Africa the more attractive option for clients who want to 'go on safari' but have not made up their mind about where they want to go," she says.

The advantageous rate of exchange has also made South Africa a popular honeymoon choice. Gordon explains: "We currently have several price-conscious honeymooners, and the exchange rate is making South Africa an incredible deal for them right now, allowing them to upgrade on lodges, and they love that. They like how far their dollar stretches in [South Africa], and that has definitely helped us close on some clients."

South Africa is not the only one benefiting from the rate of exchange; neighboring countries are also reaping the rewards. Although most of the rest of Africa is priced in U.S. dollars and is therefore not immediately offering U.S. travelers increased value for their money, those travelers now have more in their budget for add-on destinations. Gordon says: "The weak ZAR is likely helping countries and

destinations that can be added as an extension to South Africa, such as Victoria Falls on the Zimbabwe or Zambia sides or the beach in Mozambique. People have budget left to add another destination."

The incredible value South Africa is currently offering travelers seems to also overshadow people's fears of Ebola. Gordon says: "Thankfully, American travelers really seem to have forgotten about Ebola to a large extent, or the fear has waned significantly. Our inquiries are back up to normal."

"Thankfully, Ebola is no longer in the news. Africa is once again open for business with no hindrances, imagined or real," Holden added.

Vegter says Ebola is still a consideration, but much less so.

"We have seen a marked increase in enquiries this year, and fewer questions about Ebola," he said. "Ebola has been on the decline and no longer makes the top news headlines, which is excellent news for travel to Africa. Even though it has not been fully eradicated yet, the fear has subsided, and people are finally realizing that it has not and will not spread to other parts of Africa. Unfortunately, the effects of Ebola have not ceased completely as an entire season of forward bookings were affected due to misplaced fears surrounding Ebola in 2014."

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