KEY SAFETY, SECURITY, SERVICE AND LEGAL MEASURES REQUIRED FOR THE SUCCESSFUL MANAGEMENT OF A GUEST HOUSE

by

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DECLARATION

I, Maryke Eda Horn, hereby declare that the research contained in this document is as a result of my own original and independent work and investigation, except where otherwise stated. All sources are acknowledged and referenced.

This work has not been previously accepted in substance or otherwise, for any degree and is not being concurrently submitted by the candidature for any other degree.

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Maryke Eda Horn

Date
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ABSTRACT

The significant growth in the South African tourism industry in recent years has placed much focus on the hospitality sector in the country. The hospitably sector performs a vital role in the South African economy, as is the case globally, to provide accommodation to international and national tourists. Guest houses in particular have become one of the fastest growing components of the South African tourism industry.

However, operating a guest house is not merely providing a bed, shower and breakfast facility for which a client pays and hopefully returns again in future. Rather, it involves significantly more than providing physical amenities. Not only does a potential entrepreneur require a suitable facility in a well-positioned location, but guest house owners and management must adhere to various strenuous safety, security and service measures, as well as municipal by-laws, in a tough and ever-changing business environment.

The central theme and the main objective of this study was to investigate the safety, security, service and legal measures that need to be adhered for the successful management of a guest house in the Nelson Mandela Bay Metro. Together with an outline of the various steps required to start a guest house, a sub-objective was to compile a guest house manual that can be used by new and existing guest house owners and managers to improve their business.

The target group was divided into two sections, namely guest house owners and managers on the one hand, and guest house clients on the other - hence two separate questionnaires were developed and used as measuring instrument for the empirical study. The results revealed that clients in the Metro are in general satisfied with the service they receive and safety they experience when staying in guest houses in the Metro. The premises are mostly neat and clean, the towels and bedding are regularly replaced and clean, while the parking bays are sufficient and safe, staff members friendly and approachable, and bookings are done promptly.

Over and above the different by-laws to observe, it is the duty of owners and management to provide clients with a safe, secure environment with excellent service, and with sufficient lighting at the entrances, parking and reception areas. All staircases should be steady and
non-slip, and swimming pools should have secured fencing around and/ or should be covered by safety nets. Staff should follow the correct procedures in emergencies, while concerted efforts should be made to adapt guest houses for the specific needs of disabled and elderly clients. To prevent the outbreak of food poisoning, and to ensure personal and kitchen hygiene, as well as the correct storing of food, are other important responsibilities of owners and management.

Therefore, for a guest house to be managed successfully, the owners and management must take into consideration the required safety, security, service and legal measures.
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CHAPTER 1

INTRODUCTION, STUDY OBJECTIVES AND STUDY SIGNIFICANCE

1.1 INTRODUCTION

The significant growth in the South African tourism industry in recent years has placed much focus on the hospitality sector in the country. Hospitality is the very essence of tourism, involving the consumption of food and accommodation in an environment away from people’s normal home base. The very nature of hospitality involves hosting and hospitality that are provided by a host and involving guests (Page, 2009:254). Although hospitality was historically not necessarily a commercial endeavour, it has in modern-day society become a commercialised experience where tourists and holiday makers pay for the services and goods they consume.

Accommodation is a main component of the hospitality sector in South Africa. There is a growing selection of hotels in the country, ranging from catering for business people and the high-end luxury market, to conference hotels, casino resorts, golf hotels and family-centred establishments. There are also various spa resorts, numerous options for the budget traveller, and a charming array of B & B accommodation and guest houses. Especially during the build-up to the 2010 FIFA World Cup tournament held in the country in June 2010, many questions were asked as to whether there would be sufficient accommodation in the form of quality hotels, guest houses, B & Bs, as well as camping and caravanning sites to accommodate the expected influx of international and local football tourists.

Guest houses in particular have become one of the fastest growing components of the South African tourism industry (Bennett, Jooste & Strydom, 2006:47). Reasons why guest houses are becoming popular include its homely atmosphere; relatively reasonable prices charged compared with most hotels; as well as the increased demand for accommodation to cater for clients attending conferences, meetings and
events offered in cities and towns throughout the country. As the guest house industry becomes more popular, more people enter the market to become involved as guest house owners and/or managers. This signifies more competition among the increased number of owners and managers for the business of clients.

As the need for more guest houses has increased, the needs of clients who prefer to stay in guest houses have also changed significantly over the last number of years. While clients prefer the warm homely atmosphere and quietness offered by most guest houses, female clients feel more secure and safe in a guest house than in a hotel where intruders may find it easier to gain room entry unnoticed. In addition, guest houses are able to meet the safety and security needs of families with small children, as well as elderly people and/or those with physical handicaps who have special safety, security and mobility requirements. Good service, safety and security have therefore become basic requirements expected and demanded by guest house clients. This puts competitive pressure on guest house owners and managers to provide the exact services which the clients require.

Therefore, similar to any other business industry, the hospitality industry is subject to competition in a tough and ever-changing business environment. These challenges include the current economic recession, increased domestic competition among entrepreneurs in the hospitality industry for a larger market share, increased customer demands for quality accommodation and service delivery at more economical prices, as well as safety and security measures. Especially with the high levels of crime currently being experienced in South Africa, a safe and secure environment has become a priority issue. To meet these challenges and remain competitive, business firms in the industry should deliver better value and quality (effectiveness) to their customers at a lower cost (efficiency) than their competitors.

Guest house staff should understand that the service, safety and security levels they offer to their clients, can differentiate their guest house from others and this can ultimately mean greater or fewer business opportunities. This is the underlying topic of
this study. It should be noted that the concept “guest houses” in this study is a collective term that includes guest houses, bed-and-breakfast establishments (B & Bs) and self-catering apartments.

1.2 PROBLEM STATEMENT AND RESEARCH OBJECTIVES

To operate a guest house is not merely providing a bed, shower and breakfast facility for which a client pays and hopefully returns again in future. In fact, operating a guest house involves significantly more than meets the eye. Not only does a potential entrepreneur require a suitable premises in a well positioned location, but guest house owners and managers must adhere to various strenuous safety and security measures, as well as municipal by-laws as required by local authorities. These legal laws and by-laws include:

- The Occupational Health and Safety (OHS) Act, Number 85 of 1993
- The Labour Relations Act
- The Basic Conditions of Employment Act (BCEA)
- The Land Use Planning Ordinance (Ordinance 15 of 1985)
- The Nelson Mandela Bay Municipal Guest House Policy (Applicable to this study).

Although a number of related studies have been done as far as service levels are concerned, data base searches revealed that limited empirical research is available with regard to the safety, legal and building requirements which guest house owners and managers must adhere to. Therefore, the central theme and the main objective of this study is to investigate the service, legal and safety measures required for the successful management of a guest house in the Nelson Mandela Bay Metro, hereafter referred to as the Metro. The study aims to identify the service, legal and safety measures that guest house owners and managers must adhere to and provide to their clients for their guest houses to be classified as hospitality enterprises which give a specified level of service, where clients feel safe and secure, and which complies with all the necessary legal requirements.
1.2.1 Sub-objectives

In support of the main objective, the following sub-objectives of the study have been identified:

- To identify the service factors which clients want to experience to regard their stay as being of a high standard.

- To outline the safety and security measures required by local authorities to be in place for clients to feel safe and secure when staying at a guest house.

- To describe the consequences to both clients and guest house owners/managers if the identified service, safety and security measures are not in place.

- To identify the legal requirements relevant to the management of a guest house.

- To compile a guest house manual to be used by guest house owners and managers that outlines the main legal, safety and service measures required for the successful management of a guest house.

1.3 RESEARCH METHODOLOGY

Data for this study was collected from both secondary and primary sources. The nature of the topic researched dictated the use of mainly quantitative research methodology. Quantitative primary (raw) data was obtained by means of a structured questionnaire. The questionnaire was constructed after secondary sources in the form of books, journals, electronic databases, the Internet, as well as various governmental, municipal and other reports that outline the different legal, safety and building laws
(published literature) applicable to guest house management in the Metro, had been extensively consulted.

The methods of primary and secondary data collection, sampling frames, structure of the research instrument (questionnaire), as well as the strategies followed in administering the research instrument, are discussed and explained in more detail in Chapter 5.

1.4 DEFINITION OF KEY CONCEPTS

In the context of this study, the following meanings are ascribed to the concepts used in the title and the problem statement:

- **Guest house**: Refers to a privately owned house, self-catering apartment, a superior boarding house, B & B establishment or a small boutique hotel which provides accommodation and services to temporary visitors for payment.

- **Safety measures**: These refer to measures that are intended to make guest houses safe, free from danger; and not causing physical harm or danger to its staff or clients.

- **Security measures**: Refer to all the precautions that are taken to protect the guest house staff members and clients from danger or apprehension.

- **Legal measures**: These refer to aspects that relate to the law; an action or situation that is legal and allowed/required by law. For the purposes of this study, legal requirements include both the legal and building requirements to which guest house operators have to adhere.
1.5 DELIMITATION OF THE STUDY

With the main objective of this study being to investigate the service, legal and safety measures required for the successful management of guest houses, the study focused exclusively on guest houses situated within the Metro. The Metro consists of the city of Port Elizabeth, which is the economic capital of the Eastern Cape Province, together with the nearby towns of Uitenhage and Despatch.

Guest house owners and managers operating within the Metro, as well as local and international clients of all ages and population groups who visited guest houses within the Metro during the time of the study, were approached and requested to complete the questionnaires.

1.6 SIGNIFICANCE OF THE STUDY

The compilation of a guest house manual to be used by guest house owners and managers was identified as one of the sub-objectives for this study. This manual will outline to guest house owners and managers the main service, legal and safety measures required for the successful management of their guest house. It will include aspects such as the legal and building laws applicable to guest houses, as well as the service and safety measures required to ensure a safe environment for clients and guest house staff members. The guest house owner and manager must know the factors that constitute excellent service, as well as the safety and security measures required by clients to feel safe and secure.

Based on the empirical information obtained, recommendations will be made that can be used by new or existing guest house owners and managers to manage their guest houses successfully. The information should also assist the owners and managers in handling the problems they may experience in the day-to-day management of their guest houses, as well as to put measures and procedures in place to allow their clients to feel safe and secure. The results should also encourage and create new
ideas that can be implemented by new and existing guest house owners to create more value and business opportunities.

1.7 CHAPTER OUTLINE

This dissertation is divided into seven chapters. Chapter 1 is the introductory chapter and outlines the research problem, the background to the study, the rationale, significance and the objectives of the study.

A review of related literature and research consulted and applicable to the study is given in Chapter 2. It focuses on the service requirements as outlined by other researchers, and, importantly, also on the legal, safety and building measures as required by policy makers. Chapter 3 outlines various guidelines and legal aspects on how to start a guest house in the Metro. For all practical purposes, the chapter assists any entrepreneur on how to start a guest house in South Africa.

The role of the tourism industry in the South African economy is discussed in Chapter 4. Chapter 5 explains the proposed research design and methodology used for the empirical section of the study. The empirical results are outlined in Chapter 6. The conclusion, various recommendations to guest house owners and managers, as well as researchers who are interested in doing further research on the topic, are covered in Chapter 7.

1.8 CONCLUDING REMARKS

Having stated the research problem, the background to the study, the rationale and the study objectives in this chapter, the next chapter will outline previous research and literature that relate to this study and its objectives.
CHAPTER 2
REVIEW OF RELATED RESEARCH AND LITERATURE

2.1 INTRODUCTION

Having outlined the research problem, the main- and sub-objectives, as well as the rationale and significance of the study in the introductory chapter, a review of related research and literature applicable to this study, is given in this second chapter. The discussion focuses on the national and international presence of guest houses, the rating of guest houses, general aspects applicable to guest houses, recommendations to guest house owners and managers on various aspects as found in the literature, as well as different service, safety, security and legal aspects applicable to guest houses.

2.2 GUEST HOUSES: AN INTERNATIONAL CONCEPT

Guest houses have a long tradition internationally. Inns, for example, are ubiquitous in the United States of America, with guest houses normally found in the upper-market area of a city or town, most often near tourist attractions and easily reachable by car, taxi or bus service (Page, 2009:273). In Germany the Gasthaus is famous, while in the United Kingdom, small and family run properties with fewer than 12 rooms dominate the B & B /small hotel sector (Henning, 2007:8).

In France, guest houses are known as “hotels du charme” or “boutique hotels”, while “Gîtes” provide self-catering accommodation in or near small villages (Lyons, 1993). The “Gîte” itself may be a small cottage, village house or a flat in the owner’s house.

Over and above the presence of guest houses in New Zealand, another form of serviced accommodation found in that country is the so-called “home-stay” concept. Here the visitor stays in a house on a farm with a family who act as hosts and allow
the visitor to experience the local way of living. This also enables rural farmers to supplement their income (Page, 2009:273).

Initially in South Africa, the term guest house indicated that the establishment must consist of four or more bedrooms. Each bedroom must have an en suite bathroom or the guest house must have a private bathroom for the exclusive use of clients. Furthermore, the establishment must have public areas that are exclusively for the use of the clients (Henning, 2004:43). However, it is in modern times acceptable for a guest house to only have one or two bedrooms.

Major international events such as conferences and sport tournaments depend on the standard of accommodation provided in the host country for its success, including guest houses. It is argued by Henning (2007:8) that the guest house sector in South Africa “really started its rapid growth in 1995, boosted by the Rugby World Cup”. Today, guest houses have become a preferred accommodation choice for many international and local travelers in South Africa. These guest houses provide high standards of service throughout the country and make a vital contribution to South Africa’s tourism industry, economy and international reputation.

2.3 THE RATING OF GUEST HOUSES

Linked to the required high standards referred to above, and in order for the clients of guest houses to know what standards to expect when enquiring about a guest house or making a booking, most guest house owners globally and in South Africa have their guest houses rated. It is in fact international practice for countries to have guidelines, rules and regulations applicable to guest houses. Such guidelines, rules and regulations include the number of rooms allowed, the type of breakfasts served and the maximum length of stay allowed. Lanier (1993), for example, published The Complete Guide to Bed and Breakfasts, Inns and Guest Houses in the United States of America and Canada. In the publication he states, for example, that at the time of publication, five bedrooms were accepted as the minimum for a reasonable return on
the investment in a guest house in the two countries. He further writes that clients, who always return to the same guest house, are more critical and demanding. This results in guest house owners and managers investing in amenities or changes that benefit their clients. When their clients return, the clients felt confident that all their needs would be attended to. Very often a client selects a certain guest house based on previous experiences with the guest house, its rating, advertisements, value for money, its location, or recommendations by others.

Marketing Quality Assurance (MQA) is an international certification organisation which sets quality standards and assesses accommodation establishments for their marketing, sales and customer service. According to Knowles (1994:46), the British Island National Tourism Board uses a rating system in the form of bands derived from a scheme which awards points for the standard of services offered by facilities. These are the Dragon Award scheme in Wales, the Rose Award scheme in England, and the Thistle Commendation scheme in Scotland. The hospitality industry in the United Kingdom also applies a so-called BS 5750 quality assurance scheme to verify quality (Callan, 1994: 482-498). Since 1991, only rated establishments are allowed to perform business and advertise.

In South Africa, the Tourism Grading Council of South Africa (TGCSA) sets and inspects standards in the hospitality and accommodation industry in terms of a star rating system (South African Government Information, 2010:2). This star rating system of the TGCSA is an internationally recognised benchmark of quality, offering international visitors an easily recognisable symbol of quality assurance and more precise information of what they can expect from the guest house they enquire about or visit (Henning, 2007:8). This voluntary rating system, which was launched in 2001, uses internationally recognised star insignia to rate accommodation establishments and indicates a commitment to providing good service and regularly upgrading facilities. Once rated, establishments are encouraged to use the star rating system for marketing and advertising purposes.
The presence of the rating and marketing associations imply that the hospitality industry in South Africa is highly competitive and requires the highest levels of professionalism – hence the need for international rating standards and qualified assessors. This star rating, from one to five stars, is the only system recognised by government and the TGCSA, and is displayed on most advertising material and at accommodation entrances. Star-rated establishments undergo annual quality checks to ensure that standards are maintained.

The Tourism Grading Council of South Africa’s rating system is shown in Table 2.1 below.

Table 2.1: The TGCSA’s rating framework in South Africa

<table>
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<tr>
<th>STARS</th>
<th>EXPLANATION OF THE RATING</th>
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<td>*</td>
<td>Relative (acceptable) quality in the standard of furnishing, service and seeing to clients. Clean, functional accommodation.</td>
</tr>
<tr>
<td>**</td>
<td>Good quality in the standard of furnishing, service and seeing to clients.</td>
</tr>
<tr>
<td>***</td>
<td>Very good quality in the standard of furnishing, service and seeing to clients</td>
</tr>
<tr>
<td>****</td>
<td>Excellent comfort and quality and a high standard of furnishing, service and seeing to clients.</td>
</tr>
<tr>
<td>*****</td>
<td>Exceptional good quality and luxurious accommodation comparable with the best international standards. Highest standard of furnishing, first-rate service and immaculate seeing to clients.</td>
</tr>
</tbody>
</table>

Rating assessors in South Africa undergo training to receive the National Certificate in Tourism Rating, a world-first qualification (South African Government Information, 2010:3). Assessors are accredited with the Tourism and Hospitality Education and Training Authority (Theta) and registered with the TGCSA before being recommended to the industry. Larger hotel groups with their own internal assessors are also accredited with Theta. Independent auditors conduct random audits. These auditors also assist in ensuring that the assessors adhere to a specific code of conduct. It should be noted that it is general practice for the qualified assessors to visit high-scoring establishments on a regular basis to verify their scores.

The TGCSA annually publishes the AA Travel Guide which serves as an accommodation quality check guide for visitors to South Africa. The AA stamp of approval on promotional material indicates that a venue is highly recommended. Work by other professional bodies such as the National Accommodation Association of South Africa, and marketing organisations such as Portfolio Collection and Guest House Accommodation of South Africa, ensure that South African guest houses can compete successfully internationally and have a good reputation (Henning, 2007:9).

The TGCSA also has a helpline where clients can complain if they are unhappy with the service they received. Complaints include, for example, bad service experienced and service which was not in line with the rating advertised and paid for, as well as injuries occurring due to bad safety procedures. However, most of the complaints are received from clients staying in unrated guest houses. When a client experiences bad service during his or her stay in a guest house, it can lead to a negative effect on tourism. Normally when a client experiences good service, the client will return for further visits to the guest house due to being satisfied and this leads towards repeated business and client loyalty.

Consistency in the application of safety and security procedures is important for the successful running of a guest house. Three and four star rated guest houses, as well as guest houses with many staff members employed, are more likely to have strategies in place for safety and security procedures (Harrington & Keating, 2006). If
the guest house is a member of a particular group (chain), they make use of written strategies and these need to be known by their staff members.

Clients prefer to stay either in a serviced guest house or a self-catering guest house that offers fewer services. Serviced accommodation refers to guest houses that have staff on the premises for various services, for example, room, food, laundry and cleaning services. Self-catering guest houses mostly provide a place to sleep and wash with kitchen facilities such as a kettle, refrigerator and micro-wave oven for self-cooking. Personal services such as sit-down meals are provided only at an additional cost. It is found in recent years that guest house clients are becoming more adventurous, travel to remote areas, and prefer to eat and relax at their own time schedule. These types of clients prefer the self-catering guest house. It is argued that self-catering provides greater flexibility and individuality for tourists (South African Government Information, 2010:2).

2.4 GENERAL ASPECTS OF GUEST HOUSES

As is the case internationally, tourism and related activities are to the benefit of guest house development. Myles (2008: 2), for example, argues that the Metro did not look attractive for economic development and tourism before 1986. It only became popular among tourists after this date due to significant tourist-related development. This includes a revamped beachfront area that hosts the Boardwalk Casino and Conference Centre, the Bay World Oceanarium and Museum Complex, the hosting of the International Iron Man event, the annual Splash Festival during Easter, new advertisement campaigns (especially indicating that nearby game ranches are malaria free), a steam train experience, and being associated with one of the world’s well-known personalities, Nelson Mandela. The increase in visitors to the area leads to an increase in guest house clientele and a demand for more guest houses. Unfortunately, according to Pretorius (2010:25), there is still confusion over the Nelson Mandela Bay’s brand identity and this needs reinforcing. He argues that Nelson Mandela Bay needs to be more clearly positioned in the marketplace. It is, for example, recommended that a dedicated individual or team be appointed to manage the promotion of the Metro around sporting events such as motor racing, soccer, cricket,
rugby and athletics. (Market segmentation is discussed under Section 2.5 in this chapter).

Statistics published by Pretorius (2010:15-20) indicate that B & B establishments and guest houses in the Metro reported an increase of 44.0% in the average number of bed nights sold during the 2010 FIFA World Cup in June/July 2010 compared to June/July 2009. The average rates increased by 51.0% compared to the previous year and varied between R300.00 to R800.00 per night. The almost 100 self-catering establishments in the Metro, which collectively offer 1 400 rooms, were 70% occupied during the 2010 FIFA World Cup at an average rate of R500.00 per room per night. The average length of overnight stays was between two and three nights, with a few of the larger guest houses offering accommodating for up to fifteen nights over the period. Most of the establishments experienced a reverse trend in their foreign to domestic client ratios during the 2010 FIFA World Cup. In June/July 2009 the client ratio was 20.0% foreign: 80.0% domestic. In June/July 2010 the client ratio was 60.0% foreign: 40.0% domestic on average.

An estimated 2.8 billion TV viewers in 204 countries were exposed to South Africa over the 40 days of the FIFA World Cup. The value of exposure to the Metro was estimated to be worth R188 million (Pretorius, 2010:25). This underlines the importance of the Metro to improve its position as a tourist destination in the international and national marketplace, as local guest house owners and managers always welcome business.

Guest house business in the Metro is in fact not constant. A lack of clients during certain times of the year and the increased electricity and municipality tariffs in recent months, make it difficult for many guest houses to survive (Hendricks, 2010: 14). Clients that previously stayed for a week, now often only stay for a long weekend, while all the promised clients during the 2010 FIFA World Cup did not fully materialise. A high percentage of clients staying in guest houses during midweek is on business. Many of these business clients usually stay only for one night, although they may stay
longer for conferences. Guest house owners and managers also complain that clients want to pay the same rates as three years ago, making it difficult to constantly make a profit. To simply leave the industry when business is down is also not always an option. According to Ian Perryman (2010: 14), the previous chairman of the Knysna Tourism Board, it is not always easy to sell a guest house and get the capital back that was originally invested.

Ruys and Sherr (1998: 1) find that guest house clients are becoming older, they travel more frequently, and their needs differ according to their travel patterns and demographic background (gender, age, single or married). Mature travel clients are of the opinion that hotels are designed more for the specific needs of younger people, especially as far as safety measures are concerned. Clients also require different facilities for convenience, with older clients preferring taps operating with a lever and not with a turn action (Prideaux & Dunn, 1995:7). The older clients prefer that the information provided to them should be in large print size and in a readable font. Bothma’s (2009:128) study suggests that guest house accommodation should provide the client with the following basic facilities:

- One or two beds with firm mattresses per room.
- Two clean sheets and pillows and as many blankets as required by the client per bed.
- Non-slip carpets in front of each bed.
- Lockable built-in cupboards or wardrobes with drawers.
- Two chairs, a bedside table, a writing desk and a waste-paper basket.
- Luggage stands to place suitcases and travelling bags on.
- An electrical light and/ or candles and matches.
- Where necessary, a mosquito net / repellent and an insecticide.

To improve the reputation of a guest house, Van Lill (2008) is of the opinion that guest house owners and managers should apply basic hygiene measures. Profitability will increase if the food items are stored at the right temperature, as this will lead to a decrease in food waste. Van Wyk, Erlangen and Kruger (1993) argue that time and
temperature control is of extreme importance to prevent an outbreak of food poisoning among the clients. The Food Safety Act of 1990 stipulates that a guest house breaks the law if it serves harmful food to a client. Food poisoning is caused by harmful substances present in mostly protein foods, such as red and white meat products, dairy products, eggs and reheated protein foods. The symptoms may include severe diarrhea, vomiting, stomach pains and sometimes dizziness. Symptoms may develop one to six hours after food intake. Food may be contaminated as a result of various factors, for example, a dirty kitchen, the presence of unhygienic staff, insects and pets allowed in the kitchen area, as well as poor preparation, cooking and storing. Food poisoning can be prevented by personal and kitchen hygiene, proper storage of food at low temperatures and by cooking food properly for an adequate period of time.

The *Hospitality Industry Handbook on Hygiene and Safety* (Juta, 1998) describes hygiene as a quality of living that is expressed in the clean surroundings of a guest house. It is important for guest house staff responsible for the handling, preparation and serving of food to apply personal and kitchen hygiene principles at all times in order to avoid the outbreak of food poisoning. The handbook also describes the following personal hygiene principles that guest house staff and management should strictly adhere to when handling, preparing and serving food:

- Wash hands before handling food with warm water and anti-bacterial soap, and also after using a toilet.
- Cover hair with a hair-net.
- Do not smoke, cough or sneeze over food.
- Staff should not touch their faces or noses when handling food as this is a common cause of Staphylococcus that leads to food poisoning.
- Cover all cuts and sores on fingers as well as open wounds.
- Always wear a clean apron or uniform.
- Do not stick fingers in the food to taste it, but rather use a teaspoon for tasting.
- Keep fingernails short and clean.
Kitchen hygiene principles that guest house staff and management working in this area should strictly adhere to according to the handbook include:

- Keep the kitchen floor clean.
- Keep working surfaces clean.
- Keep apparatus and equipment clean.
- No pets should be allowed in the kitchen area.
- Keep food at their right temperature.
- Store food in air tight containers.
- The kitchen should be well ventilated.
- Remove garbage regularly and keep garbage bins clean and odourless.
- Keep the pantry, fridges and freezers clean and organised. Never overload the fridges or freezers. The cool air should circulate freely between and around the food containers.

As health issues are becoming more and more important, it is interesting to note that most clients prefer to stay in non-smoking bedrooms in recent years (Harrington & Keating, 2006:11).

2.5 GENERAL RECOMMENDATIONS TO PROSPECTIVE GUEST HOUSE OWNERS

When reading literature associated with guest houses, the reader becomes aware of various general recommendations that can be used to great effect by guest house owners and managers, although these are not always explicitly called recommendations in the literature consulted. Some of these recommendations are discussed in this section.

An important first step for any guest house owner and manager is to identify the different demand segments and understand how each relates to the guest house property (Bisema, 2009: 1). The guest house owner and manager need to decide on the kind of clients they seek to cater for, in other words, whether they want to
specialise in receiving corporate and/or government representatives on a long-term basis, leisure clients, families or larger groups. Identifying the market segmentation (a percentage breakdown of the client type to be catered for) is vital for the successful running of a guest house business. This is because the market segments reveal specific characteristics relating to future growth potential, seasonal aspects of demand, and average length of stay.

According to Bisema (2009: 1-4), the hospitality demand in most markets can be divided into three primary demand segments:

- The Commercial Segment
- The Meeting and Group Segment
- The Leisure Segment

The Commercial Segment

The commercial segment consists of individual clients who travel to a city or town to conduct business. Commercial demand tends to be intense from Monday through to Thursday, and drop over weekends. Bisema (2009: 1) found that the normal length of stay of a commercial client ranges from one to three days and that the rate of double occupancy is a low 1.2 to 1.3 clients per room. In other words, commercial clients normally do not share a room. Furthermore, commercial demand is constant throughout the year, although it shows a decline in the December holiday period.

The cornerstones of the commercial segment are the individual business clients and corporate accounts. Lodging choices are influenced by brand loyalty and frequent traveler programmes in particular. Loyalty reward programmes are popular with commercial travelers who often collect the points or rewards for personal use. A commercial client prefers a location near the businesses they need to visit and amenities. Corporate companies recommend certain guest houses as suitable and in return the companies receive a discount from the guest houses’ published rates.
For the guest house owner and manager to determine the commercial demand for their area, they must take into consideration new developments in the market that could add or reduce the number of employees, and also look at companies entering or leaving the market or the merging of companies. Economic and demographic trends also have an impact on commercial lodging demands.

- **The Meeting and Group Segment**

  Corporate groups and those described as SMERFE (social, military, ethnic, religious, fraternal and education) make up the so-called “Meeting and Group Segment”. The meeting and group segment mainly attend conferences, conventions, trade shows and gatherings of ten or more people. Clients in this segment prefer guest houses with large meeting spaces, good business technology, nearby food and beverage outlets, as well as banquet facilities. SMERFE clients show a strong preference for weekend and winter meeting times when rates are generally lower.

- **The Leisure Segment**

  The leisure segment market tends to fill rooms on especially Friday and Saturday nights. The leisure client only books rooms on weekdays if it is holiday time. Leisure demand in the market is generated by different attractions such as amusement parks, shopping malls, outlet stores, beaches and museums. Events such as a university graduation function or a friend visiting for a wedding, special birthday or funerals also provide reasons for leisure travel. Leisure demand mainly depends on disposable income. Trips can be cancelled or delayed due to bad economic times or retrenchment.

  It is clear from the above that for a guest house to be sustainable, the owners and management need to be familiar with the characteristics of the different market segments, and clearly decide on which segment and clients they want to focus their business.
If a guest house owner decides on a name, logo and a slogan for the guest house, the name should preferably describe the atmosphere of the facility and it should be a name that is easy to remember. A shorter name is preferable to a long one. It is advisable to register the name of the guest house to ensure that the chosen name of the guest house cannot be used by another guest house owner, thereby preventing confusion among clients. In South Africa, the guest house name must comply with the Business Names Act, Number 27 of 1960. This Act protects businesses by preventing the duplication of guest house names. In terms of the Act, the owners of an operating guest house must disclose the following particulars in all trade circulars, business letters and orders for goods, or statement of accounts:

- The name, title or description under which the business is performed.
- A statement of the place where the business is located.
- The name under which the business is registered.
- If the business is performed in partnership, the name of each partner.
- In respect of every natural person performing the business:
  - His or her current first names or the initials thereof and his or her current surname;
  - His or her nationality, if he or she is not a South African citizen.

Logos should be simple and original so that they reproduce well and are easy to recognise in print. A slogan is a short statement of the image that the guest house wishes to project. The most important requirement of a slogan is that it should be accurate. Guest house owners and managers should be careful never to make a false statement when using the slogan, because the actual level of service might be different than promised by the slogan and the harm done to the guest house might be irreparable (Van Zyl, Ontong, Van Wyk, Van der Linde & Nkhabutlane, 2007:182).
Henning (2004) emphasises that when new clients arrive at a guest house, they sub-consciously evaluate what they are likely to experience. First impressions are always lasting. Therefore, the entrance to the guest house should be well kept, neat and visible, the path to the entrance from the parking area clearly indicated, and the garden beside the pathway inviting and beautiful. The public areas used by clients should be safe and secure, while good service from trained guest house staff members should be available at all times, for example, in the dining rooms, sitting areas, patios, entertainment halls, public toilets and the entrance.

The location of the guest house is of the utmost importance. If the guest house owner or manager is looking for a suitable location, they need to keep the following aspects in mind (Knowles, 1994:63-68):

- **Location.** The most important factor to take into account for the successful running of a guest house is the location. A site should be selected that is close to the main roads and which is visible for clients and easily reachable for guest house staff.

- **Look at the retail sale value of the area.**

- **Consider all the leisure activities in the surrounding area.**

Due to the electricity shortages and load shedding in recent times in South Africa, guest house owners should install generators and/ or rechargeable lights that switch on when the guest house or surrounding area experiences load shedding. Below are a number of recommendations listed for guest house owners and managers to assist in using electricity more efficiently (savingenergysa, 2005):

- **To save on energy when heating water:**
  - Set the geyser temperature lower.
  - Insulate the geyser with a geyser blanket and insulate the outlet pipes to keep the water warm.
- Recommend to clients to rather take a shower than a bath as less warm water is then used.

- To save on energy when heating or cooling a guest house:
  - Insulate the ceiling to regulate the room temperature.
  - Use a heater with a thermostat to control electricity use.
  - When buying heaters, preferably buy a gas or oil heater. Although oil heaters work with electricity, they do not use as much electricity as bar heaters.

- To save on electricity for lighting:
  - Turn off the lights when leaving a room.
  - Use energy-saving bulbs which use less energy and last longer.
  - Use energy-saving bulbs with timers or sensors for automatic control for exterior lighting.

- To save on energy when doing laundry:
  - Hang washing on a washing-line or clothes rack instead of using a tumble dryer.
  - Preferably do the washing in cold water, which also helps to prolong the lifespan of the washing machine.

- To save on energy when cooking:
  - Plan meals in advance to make the best use of the oven and stove plates.
  - Boil only the amount of water that is required.
  - Do not open and close fridges and freezers unnecessarily. Every time it is opened and closed, the temperature rises and more electricity is required to cool it down again.

- To save on energy, installing a pre-paid meter is advised. Advantages of a pre-paid meter include:
One pays only for what is used.
A person knows exactly how much electricity is used.
There is no monthly account to pay.

2.6 RECOMMENDATIONS WHEN BUILDING OR DESIGNING A GUEST HOUSE

Some guest house owners do have the opportunity to build and design the guest house from scratch (Lanier & Berman, 1993:43). However, most guest house owners buy an existing house with the idea to convert it into a guest house and start a business. With careful consideration and planning the necessary changes can be made with a relatively small budget (Lanier & Berman, 1993:44). These two authors make the following proposals:

- Firstly, decide whether the existing house is suitable to be used as a guest house or whether it will be better to buy another house that will be more suitable and practical to be used as a guest house.

- Careful consideration of the lay-out of the kitchen, bathrooms, parking areas and entrance are important. Rooms can be changed at a later stage, but if the kitchen, bathrooms, parking areas or entrances need to be significantly changed due to poor planning, it will be costly.

- The appearance of a room can be easily transformed through painting the walls a different colour, changing the linen and curtains, or by changing the taps or door handles for either a modern, antique or eclectic look.

The Building Act (2004) contains a new measure, Section 363, which relates to owners, occupiers and people who control premises intended for public use. Section 363 defines premises intended for public use as “premises intended to be open to members of the public, or being used by members of the public, whether free of charge or for payment”. If guest house management fails to ensure a safe
environment, it could result in a significant fine. Premises can be all or part of a building. A guest house is included as a premises by section 363, because it provides public accommodation to clients.

Section 363 applies in either of the following situations:

- A building consent has been issued to undertake the building work, but a code compliance certificate or certificate for public use has not yet been issued (or the condition on the certificate for public use are not being complied with); or

- A building consent was never issued for the building work that has been undertaken, even though consent was required.

Many of the safety precaution measures related specifically to building operations and which the guest house management should take into consideration, would be similar to those undertaken under the Health and Safety in the Employment Act of 1992. If there is building done on the guest house premises, the guest house management should ensure that the building is done safely and in accordance with the law. All the necessary building consents and code compliance certificates should have been obtained. For example, before the guest house owner starts to build, he or she should provide the council with building plans and ask for acceptance of the building plans before the building can start. (These are discussed in more detail in Section3.2 in the next chapter). The guest house management should make sure it is safe for the clients, for example, barriers need to be put up to restrict access or close a section of the guest house, or close the guest house for the duration of the work.

Green building (also known as green construction or sustainable building) is the practice of creating structures and using processes that are environmentally friendly, responsible and resource-efficient throughout a building’s life-span, from drawing the design, construction, operation, maintenance, renovation and demolition (Wikipedia, 2010: 1). Building materials considered to be “green” include renewable plant
materials such as bamboo (grows quickly), straw, wood from forests that are sustainably managed, ecology blocks, stone, recycled metal and other products that are non-toxic, reusable and/or recycled (for example, clay, sheep wool, linoleum, cork, and sea grass). Building materials should be available nearby to the building site to minimize the use of energy in their transportation.

Green buildings use their energy and water efficiently and reduce their waste. Measures taken to reduce the use of energy in green buildings can include the following:

- Effective window placements can provide more natural light and lessen the need for electric lighting during the day. Some guest houses do install sky lights, for example, in dark corridors to provide sufficient natural lighting.

- Solar water heating reduces energy consumption.

- On-site generation of renewable energy through solar power (from the sun), wind power (turbines), hydro power (water), or biomass power (in rural areas wood) is used as fuel. Power generation is the most expensive feature to add to a green building.

Measures taken to reduce the use of water in green buildings can include the following:

- Use ultra-low flush toilets, low flow shower heads and tap aerators.

- Bidets eliminate the use of toilet paper, reduce sewer traffic and increase the re-use of water on-site. Non-sewage and grey water or waste water from dishwashers and washing machines can be used for garden irrigation or to flush toilets. Rainwater tanks can be used for similar purposes.
Measures taken to reduce the amount of waste in green buildings can include the following:

- Reduce the amount of products using wasteful packaging and do not buy products with unnecessary and wasteful packaging.
- Recycle waste materials, for example, glass, paper and metal.
- Reuse waste, for example, make products by using scrap materials.

2.7 RECOMMENDATIONS ON SAFETY AND SECURITY IN GUEST HOUSES

Safety and security are issues that all clients consider as fundamental to their travel (Prideaux & Dunn, 1995; Short & Ruys, 1994). Through the years experience has shown that certain security and safety measures are appropriate in all guest houses (Macpherson & Pafford, 1999). In this discussion a distinction is made between internal and external safety and security measures. Measures to be in place if the suburb or area surrounding the guest house is unsafe, is regarded as external measures. In this case it is the responsibility of the guest house management to put up a list in the bedrooms that indicate areas that clients need to be wary of and rather avoid due to crime, as well as those areas that are regarded as being safe to visit. The front desk guest house staff can also brief the clients on security, for example, recommend safe transport and exercise options when clients want to go jogging or walking. In most cases external safety measures cannot be changed by the guest house management, for example, legislation and environmental issues.

As far as the safety of the tourists in South Africa is concerned, high-powered plans have been drawn up to reduce violent crimes against tourists and to support and respect those holiday makers who do become victims (South African Government Information, 2010:2). The idea is to be proactive and to perform a risk analysis to include vulnerable areas such as airports, convention centres, big events, key tourist sites, routes travelled and leisure activities.
As part of its efforts to combat crime, the South African Police Service holds joint operations committee meetings with stakeholders at provincial level (South African Government Information, 2010:2). A range of stakeholders attend these planning meetings, which previously did not include tourism stakeholders. The Tourism Safety and Awareness Strategy involves pro-active and support measures. A booklet containing safety tips for tourists has been revised and is distributed by South African Tourism at various tourism and accommodation outlets.

Internal safety and security measures cover a wide spectrum. As a starting point, Perkins (2008:2) is of the opinion that it essential for guest house management to see that each client is fully registered and to check whether all the doors and windows are in a good working condition and can be locked. All doors should be monitored (where appropriate) and furnishing in public areas should be arranged in such a way that all areas can be easily monitored. Mirrors can be placed strategically against the walls, so that anyone entering or leaving a public area can be monitored, for example, by front desk staff or cleaning staff members.

Guest house management is advised to make use of cameras or a CCTV system. The guest house garden should not have big shrubs or trees that can obstruct the view of the guards patrolling the grounds. Due to the crime rate in the Metro, it is in some cases necessary to employ security guards at guest house entrances, grounds and the vehicle parking areas. Security guards working on the guest house grounds should be given adequate shelter, especially during cold, rainy days and during hot summer days, and have their own bathrooms. The security guards should wear a clear recognisable uniform, so that the guest house management, staff and clients can identify the security guards more easily.

An alarm system in a client’s bedroom is also important (Henning & Willemse, 2007:7). The client will be notified when an intruder enters her or his bedroom in advance. Physical evidence of security may include a digital safe in the bedroom, or a well-lit entrance and parking area during night time. These measures are important as female clients often visit guest houses alone. Due to their gender it is important for a
guest house to provide an extra security door lock and a peep-hole for female clients to use. Although it may be expensive for a guest house to install electronic locks to their bedroom doors, it will improve the safety of clients in the long run as it will prevent the duplication of bedroom keys that can lead to theft, attacks and free entry to the bedrooms. The availability of room service for food and beverages is also beneficial to women clients (Expotel, 1993).

Another common concern among clients is the availability of fire extinguishers and fire escapes, as well as non-slip floor tiles (Ruys & Sherr, 1998:13). Fire alarms and detectors should be installed in the guest house and the guest house staff should know how to handle the equipment. Signs of how to handle and use the equipment should be visible and understandable to all in the guest house. Effective communication systems should be in place in a guest house to provide a safe and secure environment. The telephone lines should be in a working condition, as well as the panic buttons, the fire alarms and the evacuation procedures.

The corridors and staircases must be wide enough for clients to pass each other comfortably even when carrying luggage and the lighting should be bright to prevent accidents. If the guest house consists of more than one floor, the staircase must have a strong side railing, the stairs must be of equal height, wide enough to place the whole shoe or foot on, and must have a non-slip covering, while the slope of the staircase should not be too steep.

The swimming pool area must be safe and secured with a fence and the gate to enter must have a lock (Cloete, 2004:13). There must also be signs indicating the age limit when children must be accompanied by an adult and the deep or shallow ends clearly indicated. If the water level is too shallow, there must be a sign indicating that no diving is allowed.

As far as the loss of belongings is concerned, the Hotel Owners Act of 1956 stipulates clearly that all clients must be properly informed about their own responsibility
regarding their belongings. Guest houses cannot be held responsible for any losses of a client's belongings if it was not put in the safe provided in the bedrooms, lockable cabinet or a safe room provided by the guest house management. The guest house staff should issue a receipt to a client when they are asked to safe keep valuables and the receipt should indicate the content and its value in order to prevent any confusion and later claims against the guest house. Under no circumstances is the guest house staff allowed to provide their clients' room numbers to strange and unknown persons asking for it. During the cleaning of a client’s bedroom, the bedroom should never be left unattended. After cleaning, the bedroom should be locked. No persons are allowed in the clients’ bedrooms unless a person can prove he or she is the client occupying the bedroom.

According to Care International (Macpherson & Pafford, 1999:11), a significant security risk at guest houses is the handling and storage of money. If the guest house cannot make use of cash transport services, the guest house should designate two or three staff members to withdraw and transfer money between the bank and the guest house. The guest house staff should also vary their travel routes and times. It is safer to use a guest house vehicle and not public transport when taking the money to or from the bank. The guest house should have a safe in which the money is kept. The guest house staff should not talk about the amount of money that is kept in the guest house at any time. If the guest house management and staff follow these suggested rules, the money and staff should be relatively safe.

2.8 TRAINING OF GUEST HOUSE MANAGEMENT AND STAFF

It is important to train and educate guest house management and staff as better knowledge enables guest house management and owners to continually adapt, develop and innovate (Hyland & Beckett, 2002:12). The training should consist of short courses, study days, seminars and meetings on topics of importance and interest to guest house management and staff (Lynch, 2006). Training topics covered should include business skills, for example, time management, staff management and
bookkeeping; marketing of the guest house; safety and security measures to take note of; as well as how to handle different crisis situations. The guest house staff should also be trained to handle general first-aid techniques and emergencies to ensure the safety of the clients. First-aid kits need to be well equipped at all times and stored in a central location.

Training is more beneficial to new and existing guest house owners and managers when it is offered in such a manner that management and staff are given the opportunity to share their experiences and knowledge, thereby helping others to gain better practical knowledge. The benefit of training guest house management and staff should thus be client-related, showing attendees how their service standards can be raised, which will hopefully lead to an increase in clients. Training should thus be seen as an investment as it could assist the guest house owner and management to operate the guest house more to its full potential. Staff completing the training should preferably receive a certificate which can be included in their personal files, thereby assisting management to determine who is suitable for advanced training.

2.9 HANDLING OF INCIDENTS OCCURRING ON THE GUEST HOUSE PREMISES

In case of threats, guest house management should follow the so-called “Threat analysis process” (Macpherson & Pafford, 1999: 13-17). This process includes the asking and answering of four main questions. The first question the guest house management should ask is who might wish to harm the guest house. Possibilities may include guest house staff that are dissatisfied with their working conditions or were recently retrenched, a guest house security guard patrolling the grounds, or clients. The second question guest house management should ask is what type of threats occur. It can usually be one of three types, namely crime; direct threats (where the specific guest house is the intended target); and indirect threats (where the guest house management, guest house staff or clients are at the receiving end of a robbery, shooting incident or during a fire at the guest house). The third question guest house
management might ask is *why* the guest house is targeted. Different reasons can be given, for example, a robbery or intruders demanding a ransom. The last question guest house management might ask is *how* the accident might take place. This will depend on whether the surrounding suburb is known for its high crime rate or whether fire incidents are common in the suburb.

Incident reports can assist guest house management to answer the above four questions more accurately. The incident reports should be kept in a safe and secure place. All incidents should be reported to the guest house management, for example, theft of clients’ goods, or money or furnishing.

According to Flanagan (1954: 327-357), the guest house management should make use of the following four key steps to record an incident:

- Collecting the data.
- Analysing the incident.
- Prioritising the incidents.
- Actioning of the improvements.

The purpose is to record examples of all the incidents encountered, whether positive or negative. The main focus is to collect incidents from three different groups – the clients, guest house management and guest house staff. There are two different stages of analysing the incidents. Firstly, the categories into which the incidents fall and secondly, to classify all the incidents collected. The number of incidents in a category provides an indication of the safety of the guest house and its surrounding area. It will also provide the guest house management with a priority of improvements to address the negative incidents and to encourage the positive incidents. To improve the handling of the occurred incidents, the guest house management should communicate with all concerned the current situation and then implement their plans of action. At the end of the process, guest house management needs to evaluate the situation to determine whether the actions taken had the desired effect.
Bohn (2007: 13) says that there are two critical issues in any legal claim after an accident or injury occurred on guest house premises:

- What exactly happened during the accident that gave rise to the claim?
- What kind of harm resulted?

It is important for the guest house staff and clients to have a clear record of what happened and the effect of the accident or injury on the daily lives of those involved so that the claim can be prosecuted as quickly as possible. In case of an injury or accident, there are specific actions required from management and staff to protect a person’s rights. Firstly, medical attention needs to be sought, the police called in certain cases, emergency personnel employed, and all the names and phone numbers of witnesses to the accident need to be written down. If possible, photos should be taken of the scene, accidents or injuries, and a lawyer contacted. No evidence should be thrown away, for example, blood-stained clothes. Management and staff should also not engage in any discussion as to whose fault it was and should not agree to a settlement without consulting an attorney.

2.10 RECOMMENDATIONS ON QUALITY OF SERVICE OFFERED

Berry (1985: 46) argues that quality counts in all services delivered. All clients want to have their money’s worth when paying for services in a guest house. Due to the labour intensity of the work done by guest house staff, quality can vary from one guest house to another and from one situation to the next in the same guest house. Gronvoos (1983: 37) defines quality in two ways. The first one is “technical quality”, which refers to what is delivered, and the second one is “functional quality”, which refers to how it is delivered. He believes that the “how” of service delivery, for example, the appearance and behaviour of the guest house staff, is critical to the perceptions of service quality. The process of service quality is judged by the clients during the time the service is delivered, and remembered by the client on his or her way home.
Servqual is a multiple-item scale designed to measure the client’s expectations and perceptions concerning a service encountered. The name Servqual is a combination of the two words SERvice and QUALity. Parasurman (1985:41) began to develop this scale, because he saw the need for a globalised instrument which could effectively measure service quality.

Virtually all comments made by clients regarding service expectations, priorities and experiences fall into one of the following ten categories:

- **Reliability**, which involves consistency of service, for example, accurate billing, excellent record keeping and performing the service at the right time.

- **Responsiveness**, which concerns the willingness of guest house staff to provide service, for example, calling the client back quickly by telephone and giving prompt service.

- **Competence**, which means the possession of the required skills and knowledge to perform the service, for example, the skill and knowledge of the guest house staff working in the establishment and who are in contact on a regular basis with clients.

- **Access**, which involves approachability and ease of contact, for example, the guest house is easily accessible by phone (lines not always engaged) and the hours that the guest house are open are convenient.

- **Courtesy**, which involves respect, politeness and friendliness of guest house management and staff members when engaging with clients.

- **Communication**, which refers to the ways in which clients are informed in a language they understand about all the relevant information regarding the guest house.
• **Credibility**, which involves trustworthiness and honesty, for example, the guest house management and staff keep their word.

• **Security**, which is the freedom from dangers, for example, personal safety when the clients are on the premises of the guest house.

• **Understanding**, which means that guest house management and staff should understand the *needs* of their clients to be able to satisfy their specific needs.

• **Tangibles**, which indicate the physical facilities and equipment offered by the guest house and the appearance of guest house management and staff.

The most common problems experienced in terms of service quality are poor workmanship of buildings and equipment, as well as poor service delivered by guest house staff (Berry, Zeithaml & Parasuraman, 1985:44-52). Therefore, as was explained in Section 2.8 above, guest house staff should be trained and skilled to deliver high quality service. The guest house staff’s body language (packaging) is important, and it includes their odour, dress code, language skills, professional look, attitude (courteous/interested), and whether it appears as if they know what to do.

Guest house staff need to realise that they sell and deliver not only a service, but also the guest house. To the client, the guest house staff represent the guest house. When something goes wrong, it is the entire guest house staff that get the blame, because each guest house staff member is the contact person between the guest house and the client. Clients are not prepared to accept bad quality service offered by guest house management and staff. Therefore, to be a successful guest house business, the guest house should provide a high quality service to their clients.

Communication gaps are a major reason for service quality problems. Firstly, guest house staff should not promise services which they cannot deliver. Another communication gap is when the guest house fails to stay in touch with their regular
clients and fails to keep the clients up to date with improvements and specials they run to attract more clients. For the communication process to be successful, both parties (the client and the guest house) should communicate clearly and ensure that the information is correctly received. A client on a business trip requires, for example, office facilities and often a meeting place to meet with colleagues and a safe place to leave papers and valuables. If the guest house management endangers the quality of service in their guest house, they endanger their guest house as a business. The expectations a guest house brings to the quality service situations, play a vital role in the quality perceptions they develop. It is always better to exceed the clients’ expectations than to let clients down.

Many clients prefer a personalised approach to the service they receive. Sometimes guest house management forgets about how clients experience their quality of service, because they place too much emphasis on profit and deliver a lower quality service to their clients. This could result in many safety and security measures to be dropped or reduced, thereby causing more accidents and risks arising, resulting in clients feeling that they are not properly cared for. Fortunately, guest house owners and management have become more and more aware of the specific needs of their clients and want to satisfy these needs (Lockwood, 1994:75). It should be noted that the achievement of total quality service is a journey, not a destination (Lockwood, 1994:75). Any journey needs milestones to indicate how far the guest house has grown and to see if the guest house is on the right track. Among these milestones are successes, satisfied clients and failures. Clients’ preference may change and operational problems may merge, which means that procedures should be in place to ensure quality improvements throughout.

According to Lockwood (1994:80), there are three main elements in the hospitality industry to ensure a good quality service: client satisfaction; productivity or profitability; and human resources. If a client feels satisfied during and after his or her visit with the service received, the client will return for further visits (Hayman, 1991:2-4). Guest house staff that are delivering a good service to their clients and always try to improve
their service will have a positive influence on the whole guest house environment. The rate charged for a guest house is not always an indication of quality and service offered. Many guest house owners and managers feel that the Servqual quality assurance scheme referred to above is not flexible and fails to take into account the different client needs which guest house management needs to address and cater for (Lockwood, 1994:80). Cultural differences and guest house staff dislike towards quality initiatives are other problems faced by guest house management, because guest house staff often have a fear for committing errors.

2.11 CONCLUDING REMARKS

This chapter outlined various aspects involving guest house management, including building and design, safety and security, service quality, training and incident handling issues. Staying in a specific star rated guest house will ensure that the client will know the quality of service to be expected and therefore the guest house management should fine-tune training to staff. If guest house management and staff are trained badly or have a negative attitude, they cannot provide a professional service to their clients. Only if a client’s needs are satisfied regarding quality service and safety, will the client return for further visits.

The next chapter discusses the procedures, acts, rules and regulations that need to be adhered to when a person wants to start a guest house business.
CHAPTER 3

HOW TO START A GUEST HOUSE BUSINESS

3.1 INTRODUCTION

Starting a guest house business can be a difficult and complex process. The necessary information required by a prospective guest house owner to open and establish his or her guest house, is the topic of discussion in this chapter. As stated in the introductory chapter, one of the sub-objectives of this study is to compile a guest house manual to be used by current and prospective guest house owners and managers. This manual will outline the main legal, safety and service measures required for the successful establishment and management of a guest house. The discussion in this chapter, together with the empirical findings discussed in Chapter 6, are addressing this sub-objective. The explanation in this chapter of the respective steps to be followed for the different application procedures, are supported by means of flow charts.

Although the rules, guidelines and specific forms to be completed by applicants explained in this chapter are more specifically applicable to the Metro’s stipulations, the underlying basics are applicable to all municipal areas in South Africa. Employees at the Metro’s head office in Port Elizabeth did indicate that the applicable forms may vary somewhat from municipality to municipality.

3.2 APPLICATION OPTIONS TO REGISTER A NEW GUEST HOUSE BUSINESS

If a person wants to apply to register a guest house business, the person must choose ONE of the two application options provided by the Metro. These two application options are outlined below.
APPLICATION OPTION 1: SPECIAL CONSENT FROM COUNCIL TO OPERATE A GUEST HOUSE

A prerequisite for this application option is that the owner or manager must stay on the premises. This ensures that the residential component is always available.

- Step 1:

The applicant must hand in a motivational letter to the Senior Property Managing Officer together with a cheque which currently amounts to R1 368.00 (see contact details in ANNEXURE P). The amount is used for newspaper advertisements and the application costs. After receiving the application, the municipality advertises in the two local newspapers, namely Die Burger and The Herald, and sends registered letters to the adjacent neighbours of the premises. The people with objections have 21 days to respond to the municipality in written form and they must list their objections.

If there is an objection, it can take several months to make the final decision. The applicant can also ask the ward councillor to defend his or her case in a neighbourhood hall. However, the normal situation is that if there are no technical aspects in the application that can provide problems, the application will be approved.

If no objection is received, the application is sent to the Town Planning Department. The application will be handled and processed according to the guidelines of the Guest House Policy (see ANNEXURE A). The Town Planning Department compiles a technical report and must present the report (sometime called item) before the Housing and Land Standing Committee. This committee consists of 15 nominated council members and meetings need to have a quorum of 7 committee members present. The Housing and Land Standing Committee makes recommendations to the Mayoral Committee which makes the final decision (yes or no). The Mayoral Committee’s report only goes for information to the full Council. The Senior Property Managing Officer implements the decision taken by the Mayoral Committee.
official then sends the applicant a notice which indicates that the application was approved, subject to different conditions, if applicable. Therefore, the approval is a conditional approval, as everything is not completed when the applicant receives the approval. The applicant must, for example, provide building plans, a site development plan, a clear indication of on-site parking, a lay-out of the bedrooms, the transformation of the premises, and the exact number of bedrooms. If the building plans and site development plans are approved, the applicant’s rights are in place. Only then can the applicant advertise the premises as a guest house.

The Guest House Policy currently allows a guest house owner a maximum of 11 bedrooms. Therefore, there is a split between a guest house and a boutique hotel. Normally a guest house has 3 to 5 bedrooms. Boutique hotels have more bedrooms. (The Guest House Policy does not address boutique hotels, because it is a relatively new form of accommodation).

Applications are done in terms of Port Elizabeth’s zoning schemes. Currently the Metro has 12 different zoning schemes for each suburb. For illustrative purposes, an example of one zoning scheme (Lovemore Park) is attached (see ANNEXURE B). The Metro is currently busy establishing one general zoning scheme for the Metro. The zoning schemes indicate the regulations that are applicable to the use and admissions allowed on the premises. Approvals are conditional, meaning that if problems appear, the Metro can withdraw the approval of the application.

APPLICATION OPTION 2: REZONING APPLICATION

In this case there are no prerequisites.

The steps to be followed when applying for the rezoning of a premises are explained with the aid of Figure 3.1 below.
An application for change in the use of land is submitted (see ANNEXURE C). If the scale of the guest house business is going to exceed 5 bedrooms, the Metro demands an application for rezoning. Rezoning is a permanent change, and it cannot be taken away. The Metro tries to limit these rezoning applications, because the Metro wants to keep the residential areas as stable as possible.

These rezoning applications are done in terms of the Land Use Planning Ordinance 15 of 1985 (see ANNEXURE D). Prospective guest house owners apply in accordance with article 17 of this Ordinance 15 of 1985.

The rest of the process is the same as outlined in Application Option 1 above.
• Step 2: (This is applicable to both application options 1 and 2)

If the premises is rezoned, the applicant applies for a license to conduct a business (see ANNEXURE E), as well as a health certificate (see ANNEXURE F). Annexure E is referred to as the Business Act, 1991. Annexure F is referred to as an “Application form of a certificate of acceptability for food premises”. This form is explained on page 16 of the Business Act [R918 DATED 30 JULY 1999]).

Both licenses include the following three reports:

- A health inspector’s report. This report is in terms of Act No. 63 of 1977 and covers the regulations regarding the general hygiene requirements for food premises and the transport of food (see ANNEXURE G).

- Fire department inspector’s report

  According to law, a building of 200 m² must have one 4.5 kg dry powder fire extinguisher. A building of 400 m² must have one 9 kg dry powder fire extinguisher. If the guest house uses gas equipment, for example, in the kitchen area, the guest house must use an approved gas company to install the gas equipment. After installation, the Fire department will visit the premises again to perform a final inspection.

- Town Council report

  If the Metro does have all three reports, they issue a license. A business license currently costs R25.00.
• Step 3:

The applicant applies for a “Certificate of acceptability for food premises” (see ANNEXURE H). If approved, the Metro issues the guest house owner with a certificate (see the attached example of this certificate in ANNEXURE I).

• Step 4:

The applicant applies for “Accreditation for special event accommodation establishment” (see ANNEXURE J).

3.3 APPLICATION FOR A TELEVISION (TV) LICENSE

A guest house owner pays a license for each TV point. For the installation of DSTV in the Metro, the guest house owner can contact DSTV Installations (see ANNEXURE P).

DSTV currently has a special package for guest houses. By paying R147.40 per TV point, the guest house owner receives:

- 8 Super sport channels
- Movie Magic 1 & 2
- SABC 1, 2, 3 & e-TV
- M-Net

Therefore, if the guest house consists of four bedrooms, it will cost 4 x R147.40 per month. If the guest house owner wants additional channels, for example, Discovery, Cartoons or Sky news, the cost will be R11.60 extra per channel per TV point per month.
3.4 APPLICATION FOR A LIQUOR LICENSE

The steps to be followed when applying for a liquor license are explained with the aid of Figure 3.2.

Figure 3.2: Steps to follow for a liquor license

1. Apply for registration of a liquor license
2. Submit Form 2 to ward counselor to complete
3. Complete the form called “Description of the premises”
4. Write a motivational letter to the Liquor Board
5. Draw a sketch of the premises
6. Attach a certified copy of ID and proof of residential address
7. Payments to be made
For a liquor license the guest house owner needs to go to the Eastern Cape Liquor Board to receive all the necessary forms (see ANNEXURE P). Applicants must note that although they are part of the same Metro, the forms for the Port Elizabeth and Uitenhage areas differ.

The following steps must be followed when applying for a liquor license:

- **Step 1:**

  An applicant completes Form 1: Application for registration of a liquor license (see ANNEXURE K). On the last page of Form 1, it is indicated that the applicant must go to the police station or any Commissioner of Oath to complete and sign the form.

- **Step 2:**

  The applicant submits Form 2 to his or her ward counselor to complete (see ANNEXURE L). The following details are required when completing this form:

  - In column 1 the applicant indicates the ward number the guest house is situated in and the name of the municipality (in this case the Metro).
  
  - In column 2 the applicant indicates the kind of application applied for, for example, “own consumption”.
  
  - In column 3 the applicant indicates what different kinds of liquor are to be sold.
  
  - In column 4 the applicant indicates the name under which the business is to be conducted, together with the guest house’s business address.
  
  - The ward counselor puts a stamp underneath and signs the form.
• Step 3:

The applicant completes the form called “Description of premises (see ANNEXURE M). On this form the applicant must give a full description of the walls, floors, roof, ceilings, windows and doors of the guest house.

• Step 4:

The applicant must write a motivational letter to the Liquor Board indicating why he or she wants a liquor license, what the applicant intends to do with the income, how the applicant is going to help the community, and how he or she will help to prevent crime.

An example of a motivational letter given to the researcher by the Liquor Board office in Port Elizabeth contains the following detail:

- The applicant’s particulars, residential address, business address and telephone number.
- Whether the applicant is employed or unemployed.
- Whether the applicant is married/not married and how many dependants the applicant has to support.
- What the income of the business will be used for.
- How many persons the applicant will employ, if any.
- The distance to the nearest school and church. (The school and church must be at least 100 meters away).
- That the applicant will abide by the liquor regulations, for example, not selling liquor to persons under the age of 18.
- The applicant must sign the letter.
• Step 5:

The applicant draws a neat sketch of the premises, clearly indicating the following on the sketch:

- Dimensions of each room.
- All doors, windows, counters or point(s) of sale, shelving display(s), store room(s) for the liquor, entrance, sitting areas, and at least two toilets (one male and one female).
- Street name.

• Step 6:

The applicant must attach a certified copy of his or her identification document (ID) and proof of their residential address, for example, the latest telephone or municipality account.

• Step 7:

The applicant must make the following payments (current figures):

- An amount of R300.00 for registration
- When the applicant receives the liquor license, the applicant pays an additional R1 000.00 for validation fees.
- The liquor license must be renewed annually at a cost of R500.00.

If an unpleasant or unlawful liquor-related incident occurs on the premises, the establishment must close for one month, because it is then claimed by the authorities that the owner or manager did not have control over their business.
3.5 PROCEDURES TO REGISTER THE GUEST HOUSE BUSINESS WITH THE SOUTH AFRICAN REVENUE SERVICE (SARS)

The steps to be followed when registering with the South African Revenue Service (SARS) are explained with the aid of Figure 3.3.

Figure 3.3: Steps to follow when registering with SARS.

```
Step 1: Register as a provisional tax payer

↓

Step 2: Register as a "Pay-As-You-Earn (PAYE) business

↓

Step 3: Apply for the registration of Value Added Tax (VAT)
```

A guest house owner can get all the necessary forms from SARS (see contact details in ANNEXURE P). SARS acts as a collection agency for collecting taxes on behalf of the government.

When starting a guest house business, the guest house owner needs to follow the following steps to register with SARS:
• Step 1:

The guest house owner must register as a provisional tax payer. (Provisional taxes are based on the taxable income received in the previous year. The amount is paid in two or three installments, in order for the taxpayer not to be faced with one substantial payment at the end of the financial year).

• Step 2:

If the guest house owner employs staff members, the business must register as a “Pay-As-You-Earn (PAYE) business. PAYE is the employee’s tax that is deducted by the employer from the employee’s remuneration in accordance with the SARS special set of tables, which is revised annually. This tax is deducted on a monthly basis. Every month, the employer pays this money to SARS.

• Step 3:

A guest house owner normally purchases different items for the successful running of the business. For this reason the guest house owner must apply for the registration of Value Added Tax (VAT). If registered, the guest house owner can claim back from SARS all the VAT paid on purchased items. In South Africa, VAT is currently levied at 14.0% and is inclusive, meaning that the price a person sees is the price that the person pays. When a person purchases an item, the person can see on the receipt the reflecting breakdown of the price of the product or service, the VAT amount payable and the total price. On certain items a customer does not pay VAT, for example, basic foodstuffs such as brown bread, milk, fruit and vegetables, eggs and vegetable oil. This is in an effort by the Government to make the mentioned items more affordable to all people.
3.6 LABOUR LAW

To prevent any unnecessary conflict between a guest house owner or manager and the guest house staff members, both parties must be knowledgeable and aware of their rights. The guest house owner must get copies of the following three documents from the Department of Labour at the web-sites indicated (http://www.labour.gov.za or http://www.labourguide.co.za) and note what is applicable to their guest house business:

3.6.1 The Basic Conditions of Employment Act (BCEA)
3.6.2 The Labour Relations Act (LRA)
3.6.3 The Occupational Health and Safety Act (OHSA)

3.6.1 The Basic Conditions of Employment Act (BCEA) in terms of Section 30

The basic conditions stated in this Act (No. 75 of 1997) are designed to benefit and protect both the employer and the employee. Employment contracts must be understood and signed by both parties. Although contracts vary, the following particulars must appear in all contracts:

- The full name and address of the employer.
- The name and the occupation of the employee, or a description of the work for which the employee is employed.
- The place of work.
- The date on which employment is to begin.
- The employee’s ordinary hours of work and days of work.
- The employee’s wage.
- The rate of pay or overtime pay.
- Any other cash payments to which the employee is entitled.
- How frequently remuneration will be paid.
- Any deductions to be made from the employee’s remuneration.
➢ The leave to which the employee is entitled.
➢ The period of notice for the termination of employment.

When any of the above changes, the written particulars in the contract must be revised to reflect the change(s) and the employee must be supplied with a copy of the new changed contract.

Employment may be terminated by giving an employee notice of at least 1 week if employed for 6 months or less; 2 weeks if employed for more than 6 months, but less than a year; and 4 weeks if employed for longer than a year. Notice must be given in writing and must be explained to an illiterate person. The service of an employee may be terminated if the correct procedures are followed. If an employer gives notice and requests the employee not to work the full notice period, the amount owed for the notice period must be paid in full. Severance pay is when the employee is entitled to 1 week’s pay for every year of service when being dismissed. Severance pay is paid only for retrenchments.

Maximum working time and payment is 45 hours per week and 9 hours per day if an employee works for 5 days or less a week; or 8 hours per day if an employee works 6 days in a week. Any additional work done by an employee is regarded as overtime. An employee cannot be forced to work overtime. It is against the law to let an employee work more than 3 hours overtime per day or 10 hours overtime per week. An employee who works overtime must be paid 1.5 times their normal hourly pay for the overtime hours.

An employee may not work for longer than 5 hours before having a meal interval, which is a maximum of 60 minutes. The employer can agree with the employee that the mealtime be shortened to 30 minutes, or that there is no mealtime if they work for 6 hours per day. In such cases the employees can be paid overtime for working during their mealtimes.
An employee must have a rest period of at least 12 consecutive hours from the time work has stopped up to the next shift. Every week an employee must have at least one rest period of 36 consecutive hours. This must include a Sunday unless otherwise agreed to.

An employee who occasionally works on Sundays must receive double pay for that day. An employee who ordinarily works on a Sunday must be paid at 1.5 times the normal rate. However, instead of extra pay, the employee can be given time off, if agreed to.

Work on a public holiday is voluntary. If an employee does work on the public holiday, the employee shall be paid double the normal day’s wage.

Employees must receive 21 consecutive days of paid leave per year, or 1 day for every 17 days worked, or one hour for every 17 hours worked. The leave may not be taken later than the 6 month period after the end of the leave cycle (which is 12 months). The employer is not allowed to pay an employee instead of granting leave. The employer must determine when in the year annual leave may be taken.

The sick leave cycle consists of a period of 36 months (3 years). In the 3 years the employee is entitled to 6 weeks of paid sick leave. During the first 6 months of work, the employee is entitled to 1 day of paid sick leave for every 26 days worked. Sick leave cannot be carried over from one cycle to the next.

An employee who becomes pregnant, is entitled to 4 consecutive months of maternity leave. The employer is not obliged to pay the employee for the period for which she is off work due to the pregnancy.

Employees who work night shifts between 18:00 and 06:00 must get an allowance in addition to their normal salary. Instead of extra pay, they must be allowed to work shorter shifts.
An employee who has been working for at least 4 months for the employer and who works more than 4 days a week, is entitled to 3 days of paid family responsibility leave per year. Family responsibility leave includes the birth of a child, a sick child, or death in the family. An employer can require proof of the event.

The BCEA prohibits employment of any person under the age of 15 years.

Every employer must keep a record of each employee. The record must include the name of the employee and their occupation, period worked, remuneration period, date of birth, attendance and wage register.

An employer may deduct the following from an employee’s wage: PAYE, Unemployment Insurance Fund (UIF) contributions, and bargaining council levies. The employer can also deduct money if the employee owes him or her or to repay a loan. UIF has been established to provide short-time relief to workers when they become unemployed. The UIF is financed by the monthly payments of employers and employees. All employers must register with the UIF. A worker contributes 1.0% of his monthly income and the employer contributes 1.0%, so the total contribution is 2.0%. At the moment a worker who becomes unemployed can receive an income from the UIF for a period of 8 months. The government wants to prolong the period to 12 months.

On top of all the mentioned payments, the Bargaining Council (trade union) negotiates wages and working conditions for the guest house industry as well. The costs seem to be high for small businesses, not because of the rate of the minimum wages, but because of the cost for extra levies and payments towards medical aids, housing allowances, bonuses and provident fund payments.
3.6.2 The Labour Relations Act (LRA)

The LRA regulates the power play between guest house owners or managers and employees in South Africa. It aims to settle disputes between the parties in an orderly and peaceful manner. The LRA also sets out the rights of employers and employees, especially with regard to unlawful dismissals. An organisation that resolves workplace disputes is the Commission for Conciliation, Mediation and Arbitration (CCMA) (see contact details in ANNEXURE P).

Any discrimination in the workplace on the following grounds is unlawful (Brown, De Wet, Holm, Norval, Simelane & van Pletzen, 2007: 252-253; Van Zyl et al, 2007:199):

- Language
- Gender
- Religion
- Age
- Belief
- Political opinion
- Culture
- Marital status
- Family responsibility
- Race
- Sexual orientation
- Disability

Every employer must read the Code of Good Practice, Schedule 8 of the Act. Reasons for *fair* dismissals include: misconduct; incapacity due to bad performance; incapacity for reasons of illness; and retrenchment due to economic downturns. Reasons for *unfair* dismissals include: discrimination; unfair action with regard to promotion or demotion; unfair disciplinary action or warning; and benefits to which an employee is entitled to, but which are withheld.
3.6.3 Occupational Health and Safety Act (OHSA)

This OHSA provides for the safety of all employees in the workplace. The OHSA (Section 8) requires that the guest house owner or manager must list all the types of physical, behavioural, psychological and chemical hazards that may occur at the guest house. It is recommended that the guest house owner or manager provides solutions for the controlling of these hazards in order to prevent accidents and/or injuries on the guest house premises.

The guest house owner or manager must conduct regular inspections on the whole guest house in order to check that the safety measures are adhered to and applied by the guest house staff members and clients (Gordon-Davis, 2003: 118-138). Practical examples of such hazards are shown in Table 3.1 below.
Table 3.1: Precautions taken with regard to hazards

<table>
<thead>
<tr>
<th>HAZARDS</th>
<th>OCCURRING AREA/S</th>
<th>PRECAUTION TAKEN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• wet floors</td>
<td>• entrances/bathrooms</td>
<td>• place sign to indicate wet floors</td>
</tr>
<tr>
<td>• loose tiles</td>
<td>• throughout the whole guest house</td>
<td>• fixed quickly/put up sign danger</td>
</tr>
<tr>
<td>Psychological</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• long working hours</td>
<td>• kitchen/reception staff member</td>
<td>• work certain time, given certain rest</td>
</tr>
<tr>
<td>• difficult clients</td>
<td>• complaining over hygiene/safety/ bedroom/food/noise</td>
<td>• refer to owner manager to handle these clients; be calm</td>
</tr>
<tr>
<td>Behavioural</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• leaving equipment on after leaving a room</td>
<td>• laundry/kitchen/bedrooms</td>
<td>• make sure it is off, prevent fire (from iron); flooding (wash machine)</td>
</tr>
<tr>
<td>• carrying heavy pieces</td>
<td>• throughout whole guest house</td>
<td>• use a trolley with wheels/lift</td>
</tr>
<tr>
<td>Chemical</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• cleaning equipment</td>
<td>• throughout whole guest house</td>
<td>• store away from food; marked clearly; provide gloves to protect hands</td>
</tr>
<tr>
<td>• weed killer, herbicides</td>
<td>• in guest house and on plants in garden</td>
<td>• store in certain cabinet; marked clearly poison</td>
</tr>
</tbody>
</table>


Section 24 of the OHSA refers to certain incidents that often occur at the workplace. Within seven days of a workplace accident, the employer must notify the Commissioner at the Department of Labour.
A number of specific incidents must be reported directly to the Provincial Director by means of a facsimile, telephonically or a letter. The specific incidents include:

(a) Accidents which cause employees to:

- die.
- become unconscious.
- lose a limb/part thereof.
- be so badly injured that he or she is likely to die.
- be so badly injured that he or she is likely to be booked off for 14 days or longer.
- be so badly injured that he or she is likely to be disabled.
- be unable to perform the work for what he or she was employed for.

(b) Incidents which occur due to the use of industrial equipment or machinery at the workplace.

(c) A person’s health and safety is endangered where:

- a dangerous substance was spilled, for example, hot water, acid or hot oil.
- uncontrolled release of a substance under pressure taking place, for example, a pressure cooker or a gas cylinder.
- equipment (machines or parts) that run out of control, for example, a lawnmower blade or electric carving knife.

It is important to note that all incidents and injuries must be recorded and investigated in accordance with Regulation 8 of the General Administrative Regulations Act. All the witnesses, the time, date and place where the incident or injury took place must be clearly indicated. These recorded incident reports must be kept in a safe place in the guest house for at least three years. The guest house owner or manager, a designated person and a health and safety representative must investigate the
incidents or injuries. The main aim of the investigation is to indicate the cause of the incident, together with the safety measures that can be implemented to prevent the re-occurrence of such incidents or injuries.

When taking all the above-mentioned laws, rules and regulations into consideration, it is to the advantage of all parties involved in the running of a guest house to have a clear code of conduct in place. The code of conduct should include the rules of the guest house, behaviour required towards clients, disciplinary procedures, responsibilities, conditions of service, and dress codes. Such a code of conduct will not only ensure that the guest house staff members are clear on how they are expected to behave, but also spell out the respective responsibilities of owners and managers.

Labour inspectors may enter the guest house at any given time with a court order. They conduct inspections and investigate complaints from clients and neighbours. On inspection, an employer must be able to provide the inspector with the relevant information requested.

3.7 GUEST HOUSE INSURANCE

The largest insurer of guest houses and B & Bs in South Africa is BnB SURE (see contact details in ANNEXURE P and examples of different types of insurance in ANNEXURE Q). They guide the guest house owner with regards to their own specific needs when drawing up their insurance agreement. The BnB SURE policy has been designed to provide cover for private residences which have become accommodation establishments for paying clients. As a general rule, they insure establishments of up to 30 rooms. BnB SURE insures B & Bs, guest houses, self-catering establishments, backpackers, holiday homes that are rented out, and caravan parks. According to the BnB SURE management in the Metro, the most common insurance claims in the Metro are for food poisoning, the theft of items from the clients’ bedrooms and burglaries into clients’ parked motor vehicles (See sections 2.9 and 7.2).
By having insurance, the guest house owner and manager can have more peace of mind. The policy covers all the possibilities and changes of fortune that may confront the guest house owner and manager.

3.8 MARKETING AND MARKET SEGMENTATION

As was discussed in Section 2.5 in the previous chapter, the first step in a marketing process is to identify the different demand segments and understand how each relates to the guest house property (Bisema, 2009: 1). This is because the market segments reveal specific characteristics relating to the specific needs of clients in a specific segment, future growth potential, seasonal aspects of demand, and average length of stay. The guest house owners and managers must then research, identify and define the specific target market they are catering for. The more the guest house owners and managers learn about their target market when doing market research, the more precisely will the guest house owners and managers be able to focus on the prospective clients who are most likely to visit the guest house (Bisema, 2009: 3).

Furthermore, for guest houses to survive and make a reasonable profit in a competitive business environment, they should advertise and promote their guest houses where possible. Most important of all, eye-catching pictures and slogans need to be used in the advertisements to make sure that it grabs the attention of possible clients (See Section 2.4). A new guest house owner and manager can make use of flyers, posters, radio stations, local newspapers, billboards and/or promotional events in their advertising campaigns.

The owner can decide to advertise locally and/or overseas. For example, the guest house can advertise by using the following available media sources:

- In the local accommodation directory of 2010. The Port Elizabeth Metro Bed & Breakfast Association (PEMBBA) is the publisher and the client is assured of quality, cleanliness and comfort. A client can search for accommodation on their website: www.pembbaco.za
➢ The local, national and international press and media. Pictures of guest house accommodation can be shown on TV programmes, for example, Top Billing and Pasella and can be advertised in on-flight magazines on the different South African airlines.

➢ Internet websites can be specially designed and developed to reflect the characteristics of the guest house.

➢ Colourful brochures with pictures of the guest house, nearby attractions and contact details can be left at tourism offices and the information desks at airports, hotels and tourist attractions such as game reserves.

The guest house management must decide on the amount they are going to spend on marketing. The basic format for success in advertising includes the showing of the guest house, highlights the guest house’s name, gives a good reason to stay at the guest house, and learns from the competition by checking their quality and service.

3.9 CONCLUDING REMARKS

This chapter gave a comprehensive outline of the guidelines, laws and regulations that need to be adhered to for the successful management of a guest house. It also showed that guest house owners and managers need to decide on which market segment they want to focus, what the clients expect in that specific market, and how they can best fulfill the clients’ specific needs. The quality of service offered is important and is the responsibility of everyone working in the guest house, because everyone in the guest house has contact with the client in one way or another. Therefore, guest house owners, managers and staff should at all times be reliable and consistent in performing their duties. Furthermore, guest house owners and managers should monitor and compare the quality of their service as often as possible to that of their competition in the market. Clients will return if they are satisfied with the service they received.
The next chapter investigates the role of tourism in the South African economy.
CHAPTER 4

THE ROLE OF TOURISM IN THE SOUTH AFRICAN ECONOMY

4.1 INTRODUCTION

It is often reported in the media that the South African tourism industry is a key driver of economic growth, job creation and infrastructure investment for the country (BuaNews, 2010:1). Especially during the build-up to the 2010 FIFA World Cup tournament, tourism was a main beneficiary of large scale infrastructure investment in accommodation, communication, financial services and airports. The 2010 FIFA World Cup also offered the country the opportunity to build its brand as a rainbow nation and an attractive tourist destination by show-casing its natural beauty and local indigenous cultures. All these factors should create positive future economic spin-offs in the form of attracting foreign direct investment and international tourists.

The role of tourism in the South African economy is the topic of discussion in this chapter. Issues discussed include the different types of tourism found in South Africa, the scope and methodology of Economics, the contribution of tourism to the South African Gross Domestic Product (GDP), as well as various government initiatives to stimulate and support the tourism industry.

4.2 TYPES OF TOURISM

The growth of tourism globally and the development of specific tourist behaviour, have led to tourism being divided into several sub-types. The main sub-types present in South Africa, include the following:

- Business tourism

Apart from international leisure tourists travelling to South Africa, the country is also fast becoming a preferred business tourist destination. Business tourism, previously known as the “MICE” (Meetings, Incentives, Conferences and Exhibitions) industry, refers to trips that are undertaken with the purpose of attending conferences,
meetings, exhibitions or events, or as part of business incentive trips. International and national business travelers are increasingly attending international events, conferences and trade expos in the country which are hosted by large international companies. It is to be noted that business tourism is different from business travel, with the latter being undertaken for the purpose of conducting commercial or formal transactions or activities that are related to a person's job. An example is a businessman or woman visiting a client, signing deals or negotiating a contract, for example, an import or export contract.

The Department of Trade and Industry has identified business tourism as a niche tourism segment with significant growth potential (South African Government Information, 2010:2). It is perceived that although business tourism delegates typically stay for a shorter length of time than leisure travelers, they contribute to both a higher spend per day and greater spending distribution across the country (See Section 2.5).

South African Tourism (SAT) believes that, similar to the leisure market, business tourism has an important role to play in especially three areas in the country, namely contributing to foreign arrivals, reducing seasonality, and engaging with new and different product offerings (South African Government Information, 2010:2). This is mainly because of the fact that, as a business-tourist destination, South Africa offers world-class conference facilities and accommodation infrastructure alongside accessible leisure and wildlife experiences. Business tourism could also have lucrative spin-offs for the leisure tourism industry, with business travelers returning to South Africa for holidays with friends and family after they attended conferences in the country. Therefore, since 2005, SAT started to broaden its strategy into business tourism and in 2007 completed the Business Tourism Growth Strategy that highlights key areas to focus on, as well as attractive market segments to target. In addition, the upgraded infrastructure, new hotels and upgraded airports which are legacies of the 2010 FIFA World Cup, have increased the country's capacity to host large conferences and meetings, and this augers well for increased future business tourism activity.
• **Health and Medical tourism**

Globally, health tourism was initially about exploiting natural phenomenon for their medicinal benefits, for example, mineral springs and sea water (Swarbrooke & Horner, 2007:33). As time went on, these resorts also became centres of fashion and social activity, also in South Africa.

The closely related medical tourism is defined as the process of seeking out medical treatment in another country (South African Government Information, 2010:3). It covers both cosmetic procedures and specialised operations such as organ transplants, joint replacement and spinal fusion, cardiac, orthopedic and obesity surgery, as well as dentistry. South Africa is well equipped with the necessary health-spa resorts and skilled surgeons to perform the required health services and operations, thereby enabling health and medical tourism to become a fast-growing source of income. Of the 9.6 million foreign visitors to South Africa in 2008, it is believed that almost 410 000, or 4.3%, were health and medical tourists. In an effort to further entrench the health and medical tourism industry in South Africa, the inaugural South African Health Tourism Congress was held in Johannesburg in July 2009 (South African Government Information, 2010:2).

• **Adventure (sport) tourism**

“Adventure tourism has been variously defined as a leisure activity which is undertaken in unusual, exotic, remote or unconventional destinations” (Page, 2009:139). The defining characteristic of adventure tourism is the heavy emphasis on outdoor pursuits, usually encompassing high levels of risk, adrenaline rushes, excitement and personal challenge. However, adventure tourism is normally viewed as a continuum that ranges from ‘soft’ experiences such as snorkeling to ‘hard’ experiences such as a challenging mountain climb.

Adventure sport tourism has become a major income generating market in South Africa, mainly because the country has a wide range of events and activities to offer. The Eastern Cape Province, to which this study is mainly linked, lies along the Indian
Ocean coastline and is popular for its beautiful coastline, wide open sandy beaches, secluded lagoons and towering cliffs. These features make the Province a rich natural tourist attraction and a paradise for water sports enthusiasts.

Port Elizabeth, the Province’s economic capital, is often referred to as the “Water sports Capital” of Africa and offers surf lifesaving, rubber ducking, jet-skiing, canoeing, paragliding and power-boating. Jeffreys Bay, a neighbouring coastal town, is renowned worldwide among surfers as the home of the “perfect wave” and hosts the annual Billabong Classic, which draws the world’s top surfers. At 216 m high, the bungee jump from the Bloukrans River Bridge on the border between the Eastern and Western Cape is the highest commercial bungee jump in the world. Another popular adventure is a black-water tubing experience on the Storms River.

Added to the diverse coastal experiences are more than 60 state-owned game reserves and more than 30 private game farms, which collectively cover an area greater than the Kruger National Park. It is an area steeped in Xhosa culture and early settler history. The National Addo Elephant Park, some 70 km outside Port Elizabeth, hosts an annual 100-mile, 50-mile or 25-mile trail run where runners are challenged to run primarily on tracks within the park itself, as well as some stretches of gravel roads. The Tsitsikamma region, stretching from Plettenberg Bay to Jeffreys Bay, is renowned for its dense forests, majestic mountains and deep river gorges. It forms the eastern end of the Garden Route.

- **Activity tourism**

Activity tourism is based upon the desire for new experiences on the part of the ever more sophisticated tourist, and is also a reflection of growing social concerns such as health and fitness (Swarbrooke & Horner, 2007:37). Activity tourism, which is closely related to adventure sport tourism, is a broad field that includes:

- Using modes of transport to tour areas which require effort on the part of the tourist, such as walking, cycling and riding.
- Participating in land-based sport such as golf and tennis.
• Taking part in water-based activities such as diving and wind-surfing.

Examples of activity tourism in the Eastern Cape province include sand boarding, quad biking, horse riding, cycling, hiking along enticing trails, and golf on challenging golf courses for the serious and social golfer.

The coastal city of Port Elizabeth referred to earlier, is also known as the ‘Friendly City. It is a well-known holiday destination, offering a diverse mix of eco-attractions. The city boasts various scuba-diving sites, various well-equipped museums, and visitors can also visit Bay World with its oceanarium and snake park. There are some beautiful parks with well-landscaped gardens, including the St George’s Park, which houses the famous Port Elizabeth Cricket Club, the Prince Alfred’s Guard Memorial, the 1882 Victorian Pearson Conservatory, and the 54-ha Settler’s Park. Tourists can also explore the Donkin Heritage Trail, take a ride on the famous Apple Express, and hike along the site of ancient shipwrecks on the Sacramento Trail. Other attractions include: bird watching; air tours; canoeing; various mountain-bike and horse-riding trails, and organised outdoor excursions.

• Educational tourism

Educational tourism, or travelling to learn, has developed in especially two ways in recent decades (Swarbrooke & Horner, 2007:35):

• Student exchange, where young learners and students travel to foreign countries to study and learn more about the culture and language of other people and also to study different syllabi related to their own studies.

• Special interest holidays where people’s main motivation for taking a trip is to learn something new. This market has grown rapidly in recent years and encompasses painting holidays, cookery classes, gardening-themed cruises and language classes.
• Cultural tourism

According to Swarbrooke and Horner (2007:35), the desire to experience other traditional cultures and view the artefacts of previous cultures has been a motivator in the tourism market “since Greek and Roman times. Today, it is extremely popular and is often viewed positively by tourism policy-makers as a ‘good’ and ‘intelligent’ form of tourism”.

In South Africa, cultural tourism encompasses many elements of the tourism market and includes:

- Visits to heritage attractions and destinations, and attendance at traditional festivals.
- Holidays motivated by a desire to sample national, regional or local food and wine.
- Watching traditional sporting events and taking part in local leisure activities.
- Visiting workplaces, for example, farms, craft centres or factories.

• Religious tourism

Religious tourism includes “visiting places with religious significance such as shrines, or attending religious events such as saint’s day festivals” (Swarbrooke & Horner 2007:32). Religious tourism in South Africa is multi-denominational.

• Special interest tourism

Special interest tourism is based on the desire by people to either indulge in an existing interest in a new or familiar location, or develop a new interest in a new or unfamiliar location (Swarbrooke & Horner 2007:37). Special interest tourism in South Africa is a niche market very similar to activity tourism. However, the types of interest are diverse, with the most popular being:
Paintings.
Gastronomy, both learning to cook and enjoying gourmet meals.
Visiting restaurants.
Military history and visiting battlefields.
Visiting gardens.
Attending musical festivals.

To experience one or more of the types of tourism outlined in this section requires money, time and effort – all of which involve economic decision making. The relationship between Economics and Tourism is discussed in the next two sections.

4.3 THE SCOPE AND METHODOLOGY OF ECONOMICS

Mohr and Fourie (2008:9) state that “Economics is a social science, studying the behaviour of human beings, both individually and as a group”. Tribe (2003:19) makes the statement that “Other than being a social science, Economics is a discipline which can help people to understand leisure and tourism, and also provides tools to assist with decision making”. These two statements imply a relationship between the subjects Economics and Tourism. Therefore, the scope and methodology of Economics, as well as the relationship between Tourism and Economics, is outlined in this section.

Tourism is widely acknowledged as a social phenomenon (Page 2009:10). The nature of society in most advanced developed and developing countries, including South Africa, has changed from one which traditionally had an economy based on manufacturing and production, to one where the dominant form of employment is services and consumer industries. At the same time, many countries have seen the amount of leisure time and paid holiday entitlement for their workers increase in the post-war period so that workers now have the opportunity to engage in new forms of consumption such as tourism. These changes have been termed the “leisure society”, a term coined in the 1970s by sociologists (Page 2009:10). They were examining the future of work and the way in which society was changing, based on the fact that traditional forms of employment were disappearing and new service-related
employment, increased leisure time and new working habits emerged, for example, flexi-time and part-time work.

The social science perspective of Economics arises from a basic imbalance that is evident throughout the world. On the one hand there are limited resources (means) which are used to produce the goods and services which people want (demand). These resources are classified by economists into natural resources (or land), labour, capital (machines) and entrepreneurship. On the other hand, there is the worldwide economic fact of life that people’s wants appear to be unlimited and exceed the resources available to satisfy these wants. This is true not only for people with low income, but for people with high income as well. While the basic needs of rich people are generally satisfied in terms of food, clothing and shelter, it is evident that their material wants in terms of cars, property, holidays and recreation are rarely fully satisfied (Tribe 2003:5).

The reality of limited resources versus unlimited human wants gives rise to the basic economic problem (or elements) of scarcity and choice. The existence of scarcity means that choices have to be made about resource use and allocation. When resources are used to produce a certain product, they are not available to produce other products. For example, the father of a household who decides to use his R50 000 savings money to take his family on an overseas holiday, sacrifices the opportunity to use this same R50 000 to modernise his kitchen and bathrooms. Similarly, the local municipal council has the choice to use its limited budget to build a leisure centre to boost tourism, or to build an old age home. The cost of the one alternative (overseas holiday, leisure centre) in terms of the other alternative (house improvement, old age home) is called opportunity cost. Every time a choice is made, the opportunity cost of a choice is the value of the best foregone opportunity. Opportunity cost therefore involves a trade-off between two choices – more of the one good can only be obtained by sacrificing the other good.

The concepts of scarcity, choice and opportunity cost give rise to the following three central economic questions that have to be solved in any economic system (Tribe 2003:17):
What goods and services will be produced and in what quantities?

How will each of the goods and services be produced? How much of the scarce resources will be used in the production of each good?

For whom will the various goods and services be produced? Who will receive the goods and services?

Decision making in addressing these three central questions of What? How? and For whom? is mainly based on the prevailing market price. This prevailing market or equilibrium price is determined through the market mechanism of demand and supply, which Adam Smith claimed to work as “an invisible hand which coordinates the selfish actions of individuals to ensure everyone is better off” (Mohr & Fourie, 2008:30).

Market demand refers to the quantities of a good or service that prospective buyers are willing and able to purchase during a certain period. Mohr and Fourie (2008:111) state that general market demand for any good or service is determined by the following factors:

- The price of a product.
- The price of related products (that is substitutes or complements).
- The income of the consumers.
- The tastes (or preferences) of the consumers.
- The size of the households.

Market supply, on the other hand, is defined as the quantities of a good or service that producers plan to sell at each possible price during a certain period (Mohr & Fourie, 2008:121). Market supply is determined by the following factors:

- The price of a commodity.
- The price of alternative products.
- The price of factors of production (or inputs).
- The expected future prices.
- The state of technology.
The market is in equilibrium when the quantity demanded is equal to the quantity supplied. At this equilibrium price, also called the market price, the plans of the households (buyers, demanders) coincide with the plans of the firms (sellers, suppliers). Market prices serve as signals or indices of scarcity to both consumers and suppliers (producers), thereby playing both a rationing and allocative function (Mohr & Fourie, 2008:128). Prices serve to ration the scarce supplies of goods and services to those who place the highest value on them (and can afford to pay for them). Factors of production move to where prices are higher due to demand exceeding supply. Falling prices due to excess supply result in factors of production to move elsewhere where better prices and profits are possible. In this case prices play an allocative function.

Price has a key function in the market economy and in addressing the What? How? and For whom? questions. The answer to the What? question is all those goods and services that consumers are willing to spend their income on and which can be supplied profitably. Goods that consumers do not want will not be produced. If some uninformed business person happens to produce unwanted goods, he or she will incur losses and cease to produce the goods in question. Only those goods which can be produced and sold at a profitable price will continue to be produced.

As far as the How? question is concerned, producers in a market system are forced to combine resources in the cheapest possible way (for a particular standard or quality). Their decisions on the combination of factors of production are governed by the prices they need to pay for the various factors and their productivity.

In answering the For whom? question, the goods and services in a market system go to those consumers who have the means to purchase the desired goods and services at the prices asked.
4.4 TOURISM AND THE SOUTH AFRICAN ECONOMY

Price and the market mechanism of supply and demand play important roles in all sectors of the economy, including the tourism, leisure and hospitality sectors. Although it is often claimed that the distinction between these three sectors is blurred (Swarbrooke & Horner, 2007:5), the three sectors in fact go hand-in-hand in playing an important role in the South African economy. The three sectors also experience the fact that prices are constantly on the move (change), requiring adjustments to be made. For example, the price of holiday packages may change because of special offers, or the price of foreign currency may change due to the changing market forces of supply and demand. A prospective tourist will consider the price of an air ticket, holiday package and the exchange rate before finally deciding to visit South Africa. Once in the country, the tourist (tourism sector) considers the price of a hotel or B & B or guest house (hospitality sector) as to where he or she will stay. Whether he or she will go to Robben Island, or rather go hiking or bungee-jumping (leisure sector), will depend on his or her tastes, disposable income, family size, as well as the respective prices of the activities, as was explained in Section 4.3. A relatively weak South African Rand at $1 = R10.00, for example, makes it cheaper for a foreign tourist to fly to the country, stay in some form of accommodation, dine out and partake in leisure activities compared with a situation when the exchange rate appreciates to a stronger $1 = R7.00.

The products bought by tourists are both tangible (food, hotel beds, theatre tickets) and intangible (good or bad service in a restaurant or when making use of a taxi (Swarbrooke & Horner, 2007:44). The tourist also buys an overall experience rather than a clearly defined product. For example, the tourist is excited about the trip, consumes goods and services during the trip, and has memories about the trip after the trip has ended.

Tourists are also part of the production process in tourism which means that their attitudes, moods, and expectations affect their evaluation of their tourist experience rather than just the quality of the products and services which they are offered by the
industry. Furthermore, their behaviour directly impacts on the experience of their fellow tourists with whom they share a resort, aircraft or hotel. The tourist’s experience is also significantly influenced by other external factors which are beyond the control of the tourist or the company that sells them a product and service. These external influences include weather, crime, labour strikes, war and outbreaks of disease.

Therefore, Page (2009:87) adds another list of factors that determine more specifically the demand for tourism in addition to the factors outlined in section 4.3. These factors are listed under three sub-headings and include:

- **Economic determinants:**
  - Tourism prices.
  - Physical distance to the destination.
  - Marketing effectiveness.
  - Cost of living in relation to destination.
  - Transport costs.

- **Socio-psychological determinants:**
  - Travel preferences.
  - Benefits sought.
  - Perceptions of the destination.
  - Amount of leisure time available and travel time required.
  - Physical capacity, health and wellness of the tourist.

- **Exogenous determinants:**
  - Economic growth and stability.
  - Recession.
  - Political and social environment.
  - Accessibility.
  - War, terror (crime).
  - Social and cultural attractions.
  - Level of infrastructure development
Tourism supply, on the other hand, is defined as the provision of a service, product or experience by a business, organisation or destination to meet the tourist’s need or demand (Page, 2009:119). Here, the What? How? and For whom? questions again come into play, for example:

**What?**: Is an upmarket holiday package for eco-tourism or a low-cost, budget package required?

**How?**: Does the tourist agency put all the holiday packages together, or does it outsource some of them? Is the need to produce an all-year round or seasonal product?

**For whom?**: The tourist industry caters for all types of tourists – from the budget traveller to the person who enjoys luxury and can afford luxury.

Sessa (in Page, 2009:121) categorised the supply of tourism services by businesses as follows:

- Tourism resources, comprising both the natural and human resources of an area.
- General and tourism infrastructure, which includes the transport and telecommunications infrastructure.
- Receptive facilities, which receive visitors, including accommodation, food and beverage establishments and apartments.
- Entertainment and sports facilities, which provide a focus for tourist activities.
- Tourism reception services, including travel agencies, tourist offices, car hire companies, guides, interpreters and visitor managers.

Two other specific supply side factors that stimulate tourism include (Page, 2009: 121):

- Reduced aeroplane tickets and special tourist package deals. Especially during recessionary and off-peak periods, special offers make international
travel and tourism products and services more widely available and affordable.

- The impact of new technology such as the Internet and the worldwide web has rendered knowledge and awareness of tourism and the opportunities to travel globally more accessible. The worldwide web is being used as medium to portray travel options and the product offerings of destinations, so that people can search and explore travel options at a global scale from the ease of a computer terminal (Page, 2009:11). Known as e-tourism, tourism businesses are able to market and communicate with consumers through electronic media. Technology also allows consumers to communicate about social themes such as holidays and travel. The increasing use of the internet to make bookings and reservations for travel online has also been combined with consumer ratings and reviews online through various travel sites.

Today, Tourism is a global scale industry with increasing impacts on the environment, as well as on regional and local economic development (South African Government Information, 2010:1). In 2005 the World Travel and Tourism Council (WTTC) estimated that travel and tourism as economic activities generated US$ 6 201 billion which is expected to grow to US$10 675.5 billion by 2015 (Page, 2009:4). This equates to a 4.6% growth in the demand for travel and tourism per annum, which is far in excess of the scale and pace of growth in the economies of most countries. At a global scale, the economic effects of travel and tourism are estimated by the WTTC to be responsible for 214 million jobs by 2015. This is equivalent to 8.3% of world employment. In both developed and developing countries, tourism provides new investment opportunities, as well as increased employment and other economic benefits to local communities in a relatively inexpensive manner.

Also in South Africa, tourism has become an important policy tool for community and regional development, as it is seen to have significant potential to influence and change the use of natural and cultural resources throughout the country. Tourism has in fact become the fourth largest – and the fastest growing – industry in South Africa
Almost 9.9 million foreign tourists visited South Africa in 2009 - an 8.8% increase over the 9.1 million foreigners who visited the country in 2007. The contribution of tourism to South Africa’s Gross Domestic Product (GDP) is estimated to have increased from R162.9 billion in 2007 to R194.5 billion in 2008. The estimated number of jobs created directly and indirectly in the economy through tourism increased by 10.1% from 946 300 in 2007 to 1.04 million in 2008 (South African Government Information, 2010:1).

4.5 GOVERNMENT INITIATIVES TO SUPPORT AND STIMULATE TOURISM

Due to its current growth and the potential for further growth, tourism is at national, provincial and local policy level increasingly viewed as an essential sector of regional and national reconstruction and development (South African Government Information, 2010:2). In this sense the rationale for tourism development has evolved towards the idea of tourism as a tool for regional and sustainable development and recently to a relatively new kind of idea of tourism as an instrument of social and economic empowerment and poverty reduction. This has resulted in the implementation of various national, regional and local development programmes that highlight and stimulate the role of tourism in regional and sustainable development and empowerment. Most of the bigger role players such as Pam Golding’s Hospitality section are optimistic about the economic advantages and resilience of the hospitality sector despite the higher oil price, inflation and pressures on electricity supply in the country (Ueckermann, 2009: 3).

Unfortunately, the recent decline in economic output and growth globally, has underlined the potential vulnerability of tourism to economic shocks. This has put a question mark over the general conviction that tourism-led development is a sustainable and solid platform from which to develop national, regional and local economies. With household debt and unemployment increasing across the globe since the latter part of 2008, international tourism activity has decreased. Another factor which has a negative effect on international tourists visiting the country is a stronger South African currency, as it makes visiting and touring the country more
expensive to foreigners, leading to reduced foreign income earned by South African businesses.

Specific government initiatives to support and stimulate the South African tourism industry are outlined in the following paragraphs (South African Government Information, 2010:2-6).

The newly formed Department of Tourism aims to fulfill the National Government’s goal towards creating the conditions for responsible tourism growth and development by promoting and developing tourism. The objective is to increase job and entrepreneurial opportunities and to encourage the meaningful participation of previously disadvantaged individuals. The focus will be on facilitating the growth of the tourism industry by providing support to public and private sectors, as well as the broader community.

The White Paper on Tourism (South African Government Information, 2010: 4) provides a policy framework for tourism development, and includes the following:

- Empowerment and capacity-building.
- Focus on tourism-infrastructure investment.
- Aggressive marketing of South Africa as a tourism destination to international markets
- A domestic tourism and travel campaign.

Raising general awareness about the opportunities for domestic travel remains a priority. The aim is to encourage South Africans to travel within their own country, to make tourism products accessible to all, to facilitate the development of a culture of tourism, and to create a safe and welcoming environment for visitors.

- Poverty-relief funding

The Department of Environmental Affairs and Tourism’s poverty-relief projects promote the development of community-owned tourism products and the establishment of tourism infrastructure, including roads, information centres and
tourism signage (South African Government Information, 2010: 2-4). These poverty-relief projects are categorised into product and infrastructure development, capacity-building and training, the establishment of SMMEs, and business-development projects.

- **Welcome Campaign**

South African Tourism’s Welcome Campaign, launched in 2004, is about encouraging every South African to make every tourist feel at home, so that all tourists take with them an experience that stands out and encourages them to return (South African Government Information, 2010: 2-4).

- **Welcome Awards**

The Welcome Awards recognise those businesses and individuals who raise the bar in the tourism sector by improving their standards of customer care and providing service excellence. The awards were created to give credit to those providers who go the extra mile to deliver service excellence in the tourism industry by doing the following:

- Offering travellers authentically African experiences.
- Enhancing visitors’ experiences, encouraging longer stays and repeat visits.
- Turning guests into ambassadors for South African tourism and the country.

Awards are given in four categories, namely: tourist attractions, tour operators, accommodation establishments and tourist guides (South African Government Information, 2010: 2-4).

**Sho’t Left Campaign**

In its ongoing quest to grow and sustain a robust domestic travel market in South Africa, South African Tourism unveiled its renewed Sho’t Left Campaign in August 2008. The domestic market is an exceptionally important one for the tourism industry.
It showcases South Africa as an affordable and easy-to-go destination for all. This campaign aims to show young South Africans the emotional, educational and social benefits of travel. Because it targets young people, the campaign strongly features adventure, entertainment and nightlife travel experiences.

- **Domestic tourism growth**

It is estimated that one million more South Africans toured in their own country in 2008 compared with the previous year (Van Schalkwyk, July 2009). Domestic tourism returned revenue of R25.8 billion in 2008, which is a 17.0% increase over the previous year. Domestic tourism is particularly valuable to the country because, unlike foreign tourism, it is not seasonal. Of the country’s provinces, KwaZulu-Natal and the Eastern Cape saw the most domestic tourists in 2008, followed closely by Gauteng and the Western Cape.

- **International tourism**

Cabinet approved the International Tourism Growth Strategy in June 2003, which includes an analysis of core markets and their segments. Priority markets have been identified in Europe, Asia and Africa.

The New Partnership for Africa’s Development (Nepad) identified tourism as an important sector for addressing the development challenges facing Africa. The Nepad Tourism Action Plan has been developed as a result, providing a more detailed framework for action at national and sub-regional levels. The action plan proposes concrete interventions in the following focus areas:

- Creating an enabling policy and regulatory environment.
- Institution-building aimed at promoting tourism.
- Tourism marketing.
- Research and development.
- Investment in tourism infrastructure and products.
- Human-resource development (HRD) and quality assurance.
• **South African Tourism (SAT)**

South African Tourism (SAT) markets South Africa’s scenic beauty, diverse wildlife, kaleidoscope of cultures and heritages, the great outdoors, sport and adventure opportunities, eco-tourism and conference facilities.

The 2010 FIFA World Cup placed, for the first time, specific attention on non-hotel accommodation which had significant implications for SMME entrepreneurs who run lodges, bed-and-breakfast establishments (B & Bs) and other smaller establishments.

The Department of Environmental Affairs and Tourism worked with MATCH, the official accommodation partner of the 2010 FIFA World Cup, and the Tourism Grading Council of South Africa (TGCSA) to assist SMME accommodation establishments and more specifically establishments from previously disadvantaged communities to be rated and registered as official accommodation suppliers for the event.

• **Industry transformation**

The implementation of the Tourism Black Economic Empowerment (BEE) Charter and Scorecard, launched in 2005, started in 2006/07. The tourism sector BEE code was gazetted in 2008. The Charter Council was launched nationally in May 2006 (South African Government Information, 2010: 2-4). A brand and corporate identity were developed to promote visibility and awareness of the Council. The brand “Be Empowered” can be used as a marketing tool by organisations that are certified to comply with the Charter and scorecard.

Communication and marketing objectives were taken further with the development of the Tourism BEE Charter website, which serves as a one-stop shop for tourism BEE information. The website contains useful tools for use by the industry. The tourism sector is expected to report annually on how it is complying with the Charter. The verification systems and processes will guide the sector on how to verify their BEE status, and to report on progress. It will provide a toolkit to guide the industry in its verification process.
The Tourism BEE Focal Points Forum meets quarterly to review progress concerning BEE implementation and to strategise on how best to implement BEE at provincial and local levels. There is also a beneficiaries’ engagement strategy, aimed at encouraging black people to take advantage of the enabling environment brought about by the Tourism BEE Charter and Scorecard.

- **Infrastructure Development Programme**

In May 2008, the Department of Environmental Affairs and Tourism and the South African National Parks Board completed the second year of implementation of the Infrastructure Development Programme (IDP), for which R 541.0 million was made available over a four-year period.

Some highlights include:

- Some 145 tourism accommodation units were upgraded and many new accommodation units constructed in the various national parks.
- Some 89 upgraded and new staff accommodation units were put in place in various national parks.

- **Tourism Enterprise Partnership (TEP)**

On 1 April 2008, the newly founded and independent Tourism Enterprise Partnership (TEP) officially took over the management of a seven-year-old economic development programme (previously known as the Tourism Enterprise Programme), facilitating the growth and development of small and medium-sized tourism businesses in South Africa. TEP’s mission is to facilitate the growth, development and sustainability of tourism enterprises, enabling them to become internationally competitive.

Each year, TEP invests millions in the development of small and medium tourism businesses across South Africa. This is achieved through various projects aimed at product development (skills development, access to finance, operational efficiency, quality and service improvement) and increased provision of market access. Since its inception in July 2000, TEP has successfully facilitated transactions in excess of R4
billion. According to Van Schalkwyk (2001:1), these transactions have benefitted more than 5 600 enterprises, of which almost 70.0 % were historically disadvantaged enterprises.

The TEP launched its Hidden Treasures concept at Meetings Africa in February 2009. Hidden Treasures is a premier collection of quality craft offerings and experiences that provide visitors with an authentic taste of South Africa’s rich and varied history and culture (South African Government Information, 2010: 2-4).

- **Tourism Indaba**

The Tourism Indaba, popularly referred to as INDABA, is one of the biggest tourism marketing events on the African calendar, and one of the top three ‘should visit’ events of its kind on the global tourism calendar. It showcases the widest variety of Southern Africa’s best tourism products, and attracts international visitors and media from across the world. INDABA is owned by South African Tourism and organised by Kagiso Exhibitions and Events (South African Government Information, 2010: 2-4).

For two years in a row, INDABA has won the award for Africa’s best travel and tourism show. This award was presented by the Association of World Travel Awards.

- **Meetings Africa**

Meetings Africa has established itself as a credible business-tourism marketing platform with the primary objective to showcase South Africa as business-tourism destination internationally and has grown its profile and attendance year on year. It is well regarded in the industry nationally and is building its profile on the international meetings calendar.

This is the only event of its kind in Africa with a specific focus on showcasing products, destinations and support services that fulfil the needs of corporate meeting planners and agents, professional conference organisers, destination-management companies, association-management companies, government and non-governmental
organisations. It takes place at the Sandton Convention Centre at the end of February each year (South African Government Information, 2010: 2-4).

- **Human Resource Development (HRD)**

The Tourism HRD Strategy, which aims to encourage industry players to compete on the basis of excellence in HR, was launched in 2008. In September 2009, the Department of Tourism held the National Tourism Careers Expo, which is another avenue used to promote tourism in South Africa.

The Global Travel and Tourism Program South Africa was established as a stand-alone programme outside of the National Business Initiative (NBI) with effect from 1 October 2009. The NBI managed the programme since 1999 with much success.

Furthermore, tourism education is an integral part of the South African National Schools Curriculum, and learners have an opportunity to become educated about career opportunities in this industry that is vital to the economy. In 2009, almost 2 000 schools delivered the subject Tourism to some 300 000 learners from grades 10 to 12. The NBI had also trained over 1 000 Tourism teachers and all the Tourism subject advisers in the country by 2009.

- **The Tourism and Hospitality Education and Training Authority**

The Tourism and Hospitality Education and Training Authority (Theta) is the Sector Education and Training Authority (Seta) established under the Skills Development Act (Act 97 of 1998), for the Tourism, Hospitality and Sport Economic Sector. Theta comprises the following chambers:

- Hospitality.
- Conservation and Tourist Guiding.
- Sport, Recreation and Fitness.
- Tourism and Travel Services.
- Gaming and Lotteries.
Every chamber has its own committee that helps Theta to identify industry needs. Similar to other Seta’s, Theta’s main function is to contribute to the raising of skills by teaching people the skills that are required by employers and communities.

- **Tourism Learnership Project (TLP)**

The TLP is a multi-million rand partnership between the Business Trust, the Theta and the Department of Labour. The TLP aims to raise the standards of South Africa’s tourism industry by ensuring the development of useful, transferable and accredited skills (See sections 2.3, 2.8, 6.3.3.1 and 6.4). The TLP’s three core objectives are to:

- Accelerate the development of national qualifications for all primary sub-sectors of the tourism sector.
- Ensure the availability of national qualifications, which will trigger increased investment in training by employers.
- Develop systems and support the training of unemployed people through learnerships that provide them with the necessary skills to find jobs.

The above-mentioned initiatives illustrate that the South African government is serious in its efforts to develop the country’s tourism industry to its full potential.

4.6 **TOURISM AND THE ENVIRONMENT**

The relationship between tourism and the environment is a complex one, with many tourism activities that can have either adverse or positive environmental effects (GDRC, 2010:1). The relationship evolved since the 1950s, when it was viewed as being one of co-existence (Page, 2009: 492). However, with the advent of mass tourism in the 1960s, together with the growing environmental awareness and concerns since the early 1970s, the relationship was perceived to be in conflict. While the construction of general infrastructure such as roads and airports, and of tourism facilities, including resorts, hotels, restaurants, shops, golf courses and marinas can have a negative impact on environmental resources, tourism has the potential to create beneficial effects on the environment by contributing to environmental
protection and conservation. Whether in conflict or co-existing, tourism and the environment have a direct effect on the economy. “In the absence of an attractive environment, there would be little tourism” (Page, 2009:493). The author argues that the environment is the foundation of tourism, ranging from basic attractions such as the sea, sun and sand, to the appeal of historic sites and structures.

Tourism has mainly three main negative impact areas, namely the depletion of natural resources; pollution; and physical impacts (GDRC, 2010:1).

Firstly, as far as natural resources are concerned, tourism development can put pressure on natural resources when it increases consumption in areas where resources are already scarce. For example, water usage by hotels and tourists, as well as for swimming pools and golf courses, generally puts pressure on water resources. This can result in water shortages and degradation of water supplies, as well as generating a greater volume of waste water. There is a tendency for tourists to consume more water when on holiday than they normally do at home. Furthermore, the increased construction of tourism and recreational facilities has increased the pressure on land resources such as minerals, fossil fuels, fertile soil, forests, wetland and wildlife. Forests often suffer negative impacts of tourism in the form of deforestation caused by fuel wood collection and land clearing.

Secondly, tourism can cause the same forms of pollution as any other industry, for example, air emissions, noise, solid waste and littering, and the release of sewage, oil and chemicals (GDRC, 2010:2). Transport by air, road and rail is continuously increasing in response to the rising number of national and international air passengers. Air travel itself is a major contributor to the greenhouse effect, with passenger jets being the fastest growing source of greenhouse gas emissions. Air pollution from tourist transportation has impacts on the global level, especially pollution from carbon dioxide (CO2) emissions related to transportation energy use. Noise pollution from airplanes, cars, and buses, as well as recreational vehicles such as quad bikes and jet skis, is an ever-growing problem of modern life. In addition to
causing annoyance, stress, and even hearing loss for humans, it causes distress to wildlife, especially in sensitive areas.

Solid waste and littering from cruise ships can degrade the physical appearance of the water and shoreline and cause the death of marine animals (GDRC, 2010:2). In mountain areas, tourists on expedition often leave behind their garbage, oxygen cylinders and even camping equipment. Such practices degrade the environment with all the detritus typical of the developed world. The construction of hotels, recreation and other facilities often leads to increased sewage pollution, with wastewater threatening the health of humans and animals, polluting seas and lakes surrounding tourist attractions, and damaging the flora and fauna.

The third negative aspect of tourism concerns its physical impact (GDRC, 2010:3). For example, the development of tourism facilities such as accommodation, water supplies, restaurants and recreation facilities can involve sand mining, beach and sand dune erosion, soil erosion and extensive paving. In addition, road and airport construction can lead to land degradation and loss of wildlife habitats and the deterioration of scenery. These activities can cause severe disturbance and erosion of the local ecosystem, even destruction in the long term. The development of marinas and breakwaters can cause changes in currents and coastlines, while overbuilding and extensive paving of shorelines can result in the destruction of habitats and the disruption of land-sea connections. The repeated use of a walking trail by tourists trample the vegetation and soil, eventually causing damage that can lead to loss of biodiversity and other impacts. Such damage can be even more extensive when visitors frequently stray off established trails.

In marine areas around coastal waters, reefs, beaches and shorelines, as well as offshore waters, uplands and lagoons, many tourist activities occur in or around fragile ecosystems. Anchoring, snorkeling, sport fishing and scuba diving, yachting, and cruising are some of the activities that can cause direct degradation of marine ecosystems such as coral reefs, and subsequent impacts on coastal protection and fisheries. Wildlife viewing can bring about stress for the animals and alter their natural
behaviour when tourists come too close. Safaris and wildlife watching activities have a degrading effect on habitat as they often are accompanied by the noise and commotion created by tourists as they chase wild animals in their trucks and aircraft. This puts high pressure on animal habits and behaviours and tends to bring about behavioural changes, and can lead to animals becoming so disturbed that at times they neglect their young or fail to mate.

On the positive side, substantial lobbying has emerged among environmental groups in recent years to remedy the negative impacts of mass tourism development and to create a greater awareness and understanding of its effect on the environment (Page 2009: 495). In this regard, it is interesting to note that the hotel industry has responded with environmental initiatives such as the International Hotels Environment Initiative, which promotes recycling, codes of conduct, best practice among members, accreditation schemes and improved standards of energy efficiency. Waste minimisation strategies by hotels include purchasing more eco-friendly products, reusing resources and packaging and adopting a green policy towards operational issues.

The South African Cabinet gazetted the Green Paper on a National Climate Change Response for public comment in November 2010 (NewsMedia, 2011:1). The policy outlined in the Green Paper “serves as the embodiment of the South African Government’s commitment to a fair contribution to the stabilisation of global greenhouse gas concentrations in the atmosphere and the protection of the country and its people from the impacts of unavoidable climate change” (NewsMedia, 2011:1). It presents the Government’s vision for an effective response to climate change and the long-term transition to a climate resilient and a low-carbon economy and society. All this is part of the Government’s commitment to “sustainable development and a better life for all”.

The Department of Environmental Affairs will conduct public consultation workshops on this National Climate Change Response Green Paper across the country, starting
on 17 January 2011 in Cape Town. Upon receiving comments and suggestions on the Green Paper, the Department will draft the White Paper.

4.7 CONCLUDING REMARKS

This chapter outlined the role of tourism in the South African economy. Tourism has become a key driver of economic growth, structural development and job creation in South Africa. In the context of this study, the hospitality sector performs a vital role in the South African economy, as is the case globally, to provide accommodation to international and national tourists. Not only does accommodation provide the basic infrastructure to accommodate visitors as tourists and business travellers, but it is also a focus for meetings, conferences and entertainment.

However, the growth in the South African tourism industry also highlights the need to sustain, manage and govern tourism development in order to realise tourism’s economic and social potential. The hospitality sector, which is the very essence of tourism, not only needs to accommodate changing trends in the sector and changing customer demands, but the sector also needs to take responsibly for its environmental performance. Sound accommodation performance is assessed in terms of the environmental costs of its activities related to energy consumption, waste, health and the local environment.

The empirical aspects of the study are discussed in the next chapter.
5.1 INTRODUCTION

The research design and methodology used in this study to obtain the empirical results are discussed in this chapter. Issues covered include a short description of general research designs and methods, the rationale for data collection, details of the research methodology applied in this study, the questionnaire design and administration thereof, as well as an explanation of the actual response rates.

As was stated in the introductory chapter, this study is mainly a quantitative study. The literature study, which was the focus of chapters 2, 3 and 4, provided the conceptual framework for the empirical section of the study. General aspects of guest houses were outlined in Chapter 2, with Chapter 3 focusing more on the guidelines for starting a guest house, and the rules and regulations that need to be adhered to by guest house owners and managers. The degree to which they adhere to these rules and regulations, is the central theme of this study. This created the need for the researcher to gather empirical data to assess the current situation in the Metro.

5.2 RESEARCH DESIGN

Research is a process that results in the creation of knowledge by means of various objective methods and actions (Welman & Kruger, 2001:2). These methods and actions are referred to as the research design of a study and serve as a detailed plan used to guide a research study towards its objectives. The objectivity refers to the fact that research does not only rely on personal feelings or opinions, but is achieved through the application of specific scientific methods. These methods include identifying the target group, determining a sample, collecting data (information) and analysing the collected data.
Collis and Hussey (2003:1) contend that, although the concept “research” has various definitions and means different things to different people, there is agreement on the following characteristics of research:

- A process of enquiry and investigation.
- Being systematic and methodical.
- It increases knowledge.

These characteristics reveal that research should be conducted in a systematic way and that the use of appropriate data collection and analysis methods should result in correct and valuable research outputs. It is therefore important that the researcher pays careful consideration to the research questions that require responses and how these responses would address the objectives of the study being conducted.

Although each research problem and therefore each research study is unique, most research objectives can be achieved by using one or a combination of the following research designs:

- Exploratory research

Exploratory research is undertaken to reveal the issues related to the problem definition (Jankowicz, 2005:199). An outstanding feature of exploratory research is that it is ideally suited when few or no earlier studies have been conducted on a research problem that may serve to verify findings (Collis & Hussey, 2003:10; Zikmund, 2003:54-55). Gaining insights and a better understanding of the research problem, which ensures a more rigorous investigation, is a further feature of exploratory research. This type of research looks for patterns, ideas or hypotheses, rather than testing or confirming the hypotheses. Although a substantial amount of prior research on guest houses has been undertaken, no specific research pertaining to the key service, legal and safety measures required for the successful management of a guest house in South Africa, which is the central theme of this study, has been undertaken.
• **Descriptive research**

Descriptive research characteristically describes phenomena as they exist. It is used to identify and obtain information on the characteristics of a specific problem or issue (Zikmund, 2003:55). The aim of descriptive research is to describe or define a problem, often by creating a profile of a group of problems, people or events (Blumberg, Cooper & Schindler, 2005:10). Descriptive research examines problems more intensively than exploratory research, since it also ascertains and describes the characteristics of the pertinent issues (Collis & Hussey, 2003:11). In contrast to exploratory research, descriptive research focuses on the accurate description of the variables under consideration and is often of a quantitative nature (Baines & Chansarkar, 2002: 5).

• **Analytical or explanatory research**

Analytical or explanatory research goes beyond merely describing the characteristics of phenomena: it also analyses and explains why or how events are happening. The aim of analytical research is to understand phenomena by discovering and measuring cause-and-effect relationships between them (Collis & Hussey, 2003:11; Zikmund, 2003:56). This is why analytical or explanatory research is often referred to as causal research, as it is used to examine cause-and-effect relationships (Cant, 2003:33). These relationships attempt to portray the current status quo of a particular situation and its causes. It is appropriate for assisting the researcher to understand which variables are the causes (independent variables) and which variables are the effects (dependent variables) in a study.

Starting with exploratory research was regarded suitable for the purposes of this study as it provided input for the construction of the questionnaire. The study also made use of descriptive research as the objective was to determine the perceptions of specific groups of people, namely guest house owners, managers and clients, in a pre-planned and structured manner.
5.3 QUANTITATIVE VERSUS QUALITATIVE RESEARCH METHODOLOGIES

Generally speaking, it is possible to distinguish between two main research approaches, namely the quantitative approach and the qualitative approach (Leedy & Ormrod, 2005:94). The outstanding features of quantitative and qualitative research can be summarised as follows:

According to Burns and Bush (2006:202), quantitative research refers to the use of structured, standard questions and pre-determined response options given in the form of a questionnaire to a large number of respondents. Quantitative research methods are also directly related to descriptive research, which uses a set of scientific methods for collecting raw data and creating data frameworks (McDaniel & Gates, 2006:79). Quantitative research is based on positivistic methodologies for developing knowledge. These include: cause-and-effect relationships; the reduction of specific variables in the analysis; and the use of statistical measurement and observation (De Vos, Strydom, Fouché & Delport, 2005:79). Quantitative research also employs strategies of inquiry, such as experiments and surveys, and collects quantitative data, by using research instruments that yield statistical data. Therefore, a quantitative approach involves collecting and analysing data that can be mathematically and/or statistically interpreted and analysed (Collis & Hussey, 2003:13).

Qualitative research, on the other hand, is “any research in which qualitative data is used (Struwig & Stead, 2001:13). It includes words, pictures, drawings, photographs, films and music, therefore, any information that is not expressed in numbers”. Lancaster (2005:67) argues that the qualitative research approach is mainly used when the researcher needs to gather and analyse detailed data that cannot be mathematically or statistically interpreted and analysed, such as ideas, attitudes or feelings. The qualitative data for this study were mainly conducted through the archival method which, according to Jackson (2008:87), relates to the gathering of data that exists before the time of the study. Sources utilised include books, journals, electronic databases, the Internet, as well as various governmental, municipal and other reports.
to identify the different service, legal and safety measures required for effective guest house management.

As was stated in the introductory chapter and above, the nature of the topic researched in this study dictated the use of mainly quantitative research. According to Leedy and Ormrod (2005:179), quantitative information can be gathered by means of the following approaches which are summarised in short below:

- Observation studies

By observing what people do and say, observational studies entail considerable advanced planning, attention to detail, as well as support from research assistants.

- Correlation research

With this type of research, researchers focus on gathering data with regard to two or more variables for a particular group of people or other appropriate units of study. Its purpose is to examine the degree to which differences or changes in one variable are related to those in one or more other variables.

- Developmental designs

Developmental designs can either be used in cross-sectional studies or longitudinal studies and are mostly applied in developmental research, for example, child development. In cross-sectional studies, people from different age groups are sampled and compared, whereas longitudinal studies involve the study of characteristics for which data is gathered over long periods of time for a single group of people.
• Survey research

In survey research, a sample of a large population is studied. The purpose is then to generalise the study’s findings on the large population. It involves acquiring information from one or more groups of people through the use of structured questionnaires and tabulating their responses (answers). The questions posed will normally relate to the sampled population’s characteristics, opinions, attitudes or previous experiences. The responses from willing participants are summarised in terms of percentage expressions, frequency counts or other statistical indices from which an assumption or judgment is made regarding the large population. Survey research typically includes the use of face-to-face interviews, telephone interviews or structured questionnaires. These are discussed in the following paragraphs.

➢ Face-to-face interviews

Face-to-face interviews, also known as personal interviews, are the most costly and time-consuming method of surveying. Jackson (2008:96-97) states that personal contact between a researcher and the respondent(s) has the advantage of giving a researcher insight into the respondent’s true opinions and beliefs as both verbal and body language can be recorded. Its relatively high response rate is the result of participants being able to devote more time to answering questions compared to answering them via telephone surveys.

➢ Telephone interviews

Leedy and Ormrod (2005:185) perceive telephone interviews to be less time-consuming and expensive than face-to-face interviews. It allows a researcher access to anyone that has a phone and has a response rate that is normally higher than in the case of mailed questionnaires. However, with this type of survey method, the sample is biased as people without telephones are automatically excluded.
Structured questionnaires

As far as structured questionnaires are concerned, Hair, Bush and Ortinau (2000:256) distinguish among four types of survey methods, namely person-administered, telephone-administered, self-administered and computer-assisted surveys. For this study the researcher chose to perform a self-administered survey. A self-administered survey is a data collection method in which respondents are left on their own to complete the questionnaire without the presence of the researcher (Cant, 2003:87). A self-administered survey is further classified into sub-types, namely direct mail, mail-panel and drop-off survey (Hair et al, 2000:261-263). In direct mail, the questionnaire is mailed to a list of people who return the completed surveys by mail. With a mail-panel survey, the questionnaire is sent to a group of people who agreed to take part in the survey (Cant, 2003:85). In a drop-off survey, the questionnaire is hand-delivered by the researcher to each respondent and the completed questionnaires are mailed to or collected by the researcher (Hair et al, 2000:262). This was the case in this study and the exact process followed is discussed in sections 5.7 and 6.2.

5.4 DEVELOPMENT OF THE QUESTIONNAIRE

Jackson (2008:91) considers the careful planning of the survey instrument as a prerequisite to ensure that the data collected is both reliable and valid. The survey instrument used in this study was a questionnaire. Jackson (2008:91) also argues that the type and arrangement of questions used in a questionnaire is dependent on how the survey will be administered, for example, a mail survey versus a self-administered survey.

5.4.1 Types of questions available to researchers

Various types of questions are available to researchers who have a need to collect primary data by means of a questionnaire. The eventual choice finally decided upon
could be a specific type or a combination of different types of questions. The following types of questions are available for use (Struwig & Stead, 2001: 92-95):

- **Open-ended questions.** These questions allow the respondents to answer in their own words and freely express themselves. It is appropriate for introductory questions and is useful when further clarification is required.

- **Multiple choice questions.** These questions offer the respondents specific alternatives to choose from. It also simplifies the recording, tabulation and editing process.

- **Dichotomous questions.** With this question type, the respondents are offered a choice between two options only, for example, “Yes” or “No”. The advantages of using it are very similar to those of multiple choice questions. Dichotomous types of questions are easily understood and quick to complete, and also the easiest types of questions to code and analyse. However, responses can be influenced by the wording of the question (McDaniel & Gates, 2006:328). Another drawback is that it cannot be factor analysed.

- **Scaled-response questions.** The purpose of this question format is to collect data on the attitudes and perceptions of the respondents. Two examples include the Likert-type scale, which is linked to a number of statements in a five to seven point scale, and the semantic differential scale, which only displays two bipolar adjectives on a scale between seven and eleven points.

- **Ranking questions.** With these types of questions, the respondent is asked to rank a set of items in terms of given criteria.

### 5.4.2 Guidelines for developing a questionnaire

Struwig and Stead (2001:89-91) propose the following guidelines for the designing, wording and phrasing of questions:
• Questionnaire design guidelines

General guidelines when constructing a questionnaire include:

➢ Instructions should be precise and clear as to how questions should be answered.
➢ The questionnaire should be divided into logical sections.
➢ Start with general questions and then pose specific questions.
➢ Personal or sensitive questions should be posed last.
➢ Consider limiting the number of questions to avoid respondent fatigue.

• Guidelines for the wording of the questionnaire

As far as the wording of the questionnaire is concerned, a researcher should:

➢ Be concise.
➢ Pose definite questions that require definite responses.
➢ Ask one question at a time.
➢ Avoid leading questions.
➢ Avoid using direct questions which relate to sensitive information.
➢ Provide for all possible answers.
➢ Avoid wording that can create respondent embarrassment.

• Guidelines for the phrasing of questions

Requirements for the phrasing of questions include:

➢ Define the specific issue at hand.
➢ Consider the required subjectivity or objectivity expected from the responses given by the respondents.
➢ Decide if questions should be positively, negatively or neutrally phrased.
➢ Do not ask ambiguous questions.
➢ Do not pose leading questions.
➢ Phrase questions in such a manner that it prevents the respondents from giving general answers.

These guidelines were thoroughly considered prior to the finalisation of the questionnaire that was used in this study. For the purpose of this study, the target group was divided into two groups, namely guest house owners and managers on the one hand, and guest house clients on the other. Therefore, two separate questionnaires were developed and used in this study: one directed at guest house owners and managers (see ANNEXURE N), and the other one directed at guest house clients (see ANNEXURE O). Two current managers at guest houses in the Metro, as well as a staff member who is a statistician in the Department of Information Technology at the Nelson Mandela Metropolitan University (NMMU), assisted the researcher with the final design and the formatting of the questions used in the structured questionnaire. The researcher was satisfied and convinced that the intended respondents would be able to complete the applicable questionnaire without any difficulty and at their own convenience, as advised by Welman and Kruger (2001:153).

Both questionnaires had covering letters to inform the respondents of the reasons and objectives of the study. The pre-testing also assisted in phrasing the questionnaire questions to be clear and unambiguous, and clearly requested specific responses from the respondents. This prevented the respondents from giving general answers.

➢ The questionnaire completed by the guest house owners and managers was semi-structured and consisted of both unstructured (open-ended) and structured (close-ended) questions. The structured (close-ended) questions were pre-determined by the researcher and the respondents had to tick or circle their response which best reflected their answer or opinion (Hair et al, 2000:441). These are dichotomous types of questions where only one of two responses
could be given: either “Yes” or “No”. As was indicated in Section 5.4.1, dichotomous types of questions are the easiest types of questions to code and analyse, but that it cannot be factor analysed.

The unstructured (open-ended) section of the questionnaire completed by the owners and managers was divided into four sections, namely:

- Section A: Safety measures
- Section B: Security measures
- Section C: Service measures
- Section D: Legal aspects.

The questionnaire completed by the clients (guests) consisted of Likert-type statements. Likert scales, a common type of rating scale, requires the clients to indicate the degree of agreement and disagreement with a variety of statements about the stimulus objects (Aaker et al, 2004:293). In this study and for this particular questionnaire, the respondents were asked to rate their level of agreement to 10 statements (items) given. Each scale item had a number of response categories, for example, ranging from 1= Strongly disagree to 5= Strongly agree. It purposefully included a middle point to reflect a neutral response, as it was felt that this would erase researcher bias. A main reason for the client questionnaire’s structure and use was that it could be more easily administered and statistically analysed, as respondents generally understand the use of the scales.

5.5 THE SAMPLE AND SAMPLING METHOD

While planning a study, it is important for the researcher to decide whether to use the total population or only a section of the population in the study, in other words a sample. Collis and Hussey (2003:56) perceive a sample as a sub-set of a population, which in turn is described as “a set of people or a collection of items on which the study focuses”. The results obtained after studying the sample will enable a
researcher to draw conclusions which could be generalised over the entire population. According to Sekaran (2000: 268), sampling sometimes results in more reliable research results as fatigue is reduced. This results in fewer errors in data collection, especially when the population is very large.

Two major types of sampling design exist, namely probability sampling and non-probability sampling. Probability sampling is characterised by random sampling which implies that any element or member of the population can be included in the sample (Struwig & Stead, 2001:111). The population elements have a known chance of being selected as part of the sample, whereas their chances with non-probability are unknown. Sekaran (2000:271) argues that the use of probability sampling design is motivated by the importance of the representativeness of the sample, as conclusions will be generalised. Thomas (2004:107) contends that probability sampling implies the use of known characteristics of the population during sampling, which in turn will increase the likelihood of selecting a representative sample.

For the purpose of this study, the researcher randomly selected guest houses from all the different suburbs in the Metro and requested its owners and/ or the managers on duty to complete the questionnaires. The researcher obtained the names of all the guest houses in the Metro from the Port Elizabeth Guest Houses website and the Port Elizabeth Municipality Bed and Breakfast Association (PEMBBA) booklet. With a total of 296 guest houses identified in the two mentioned sources, the researcher decided on a sample size of 148 guest houses.

5.6 PILOT STUDY

After designing and developing the two questionnaires, it was pre-tested. To erase any ambiguity in the questions posed and to ensure that no problems existed with its wording, pre-testing the questionnaire among a few of the respondents normally gives a researcher a good idea of its appropriateness (Sekaran, 2000:248). According to Struwig and Stead (2001:89), pre-testing should highlight any problems the respondents may experience with the instructions or their understanding of particular
questions. If any ambiguities or concerns are highlighted through the pilot test, adjustments could then be made prior to administering the final questionnaire to the entire sample. Therefore, the pilot study is viewed as a dress rehearsal for the actual research investigation (Welman & Kruger, 2001:148).

The researcher had a pilot run with five guest house owners and managers in the Metro. The five guest house owners and managers gave feedback on the questions and the researcher then did some rewording and rephrasing with regard to some of the questions. After these minor adjustments had been done, the researcher felt confident that the questionnaire would produce the results it was intended to give.

5.7 ADMINISTERING THE QUESTIONNAIRE

Each questionnaire was hand-delivered by the researcher to each guest house owner or manager. The completed questionnaires were again collected by the researcher on an agreed time and date. At the time of collection, the respondents were thanked for their participation in the completion of the questionnaires and again assured of the anonymity of their responses.

The advantages of this method was that the researcher could explain the reason for the study, why she would appreciate their participation, and the fact that she could also explain the correct way to complete the questionnaire. However, the disadvantage of this method was that it was time-consuming and sometimes the researcher had to revisit a guest house several times before receiving the completed questionnaire back. Reasons for revisits include: the guest house owner or manager forgot to complete the questionnaire; left if at their private homes; or the guest house staff simply did not open the gate or answer the intercom or phone.

Only four guest house owners and managers preferred to complete the questionnaires in the presence of the researcher. According to Struwig and Stead (2001:98), the absence of the researcher could be a limitation when the questionnaires are completed in that the researcher is not present to explain what
exact information is required or the exact purpose of the study. However, in this study the questionnaires had a detailed covering letter in which the whole exercise was explained, and the researcher also explained the design of the questionnaires at the time the questionnaires were dropped off.

The guest house clients’ questionnaire was also left with the guest house owners and managers and collected by the researcher when she returned to collect the guest house owners and managers’ questionnaires.

5.8 VALIDITY AND RELIABILITY

To ensure that the measuring instrument used in this study measured the required empirical data accurately, the “goodness” of the measures developed needs to be assessed by using the test of validity and reliability (Sekaran, 2000: 202-203). Validity is defined as the extent to which the research findings accurately represent what is really happening in the total population, in other words, in practice. A test is valid if it measures what the researcher thinks or claims it does (Welman & Kruger, 2001:142). Reliability, on the other hand, is defined by McDaniel and Gates (2006: 265) as the extent to which a measure is free from random error and offers consistent measurement across time and the various items in the instrument. In other words, the reliability of a measure concerns the accuracy, consistency or stability of the measuring instrument (Kinnear & Taylor, 1996: 232).

Two types of validity are applicable to this study, namely content validity and face validity. Content validity refers to the extent to which the measuring instrument (a questionnaire in this study) measures the actual concepts related to the topic. Face validity refers to the questions that are unambiguous to the respondents and therefore the gathered information will be valid (De Vos, Strydom & Fouche, 2005:167). The researcher ensured validity through means of a pilot study (as explained earlier) where certain questions were adapted, as well as by formulating questions that could address the defined sub-objectives.
Internal consistency (reliability) relates to the degree to which a number of statements or items measure the same construct. Therefore, internal consistency outcomes calculate the extent to which test items address the same attribute. To calculate the internal reliability of the construct, Cronbach’s Coefficient Alpha is used. According to Kline, in Struwig and Stead (2001:33), reliability measurement is ideal when the sample used consists of 200 or more individuals. However, if the sample size is small, reliability coefficients for the tests used should be given. The authors prescribe the use of Cronbach’s Coefficient Alpha when individuals respond to items of multiple levels, especially when Likert-type scales are used. The calculation of Cronbach’s Coefficient Alpha is based on the inter-correlations among test items that address a particular concept. The Cronbach’s Coefficient Alpha values range from 0.0 to 1.0. If the coefficient is near one, it shows that the construct is internally consistent and reliable. If the Cronbach’s Coefficient alphas (reliability coefficient) calculated for the summated scores is lower than 0.60, it is deemed to be doubtful and if the coefficient is larger than 0.80, it is deemed to be excellent (Sekaran, 2000:311). Therefore, the higher the coefficient, the higher the instrument’s internal consistency and reliability.

Based on the structure of the two questionnaires used in this study, Cronbach’s Coefficient Alpha values were calculated for both. This enabled the researcher to determine the extent to which the managers and owners adhere to the four specified measures for a successful guest house, and to measure the clients’ satisfaction and rating of the guest houses.

As was indicated in Section 5.4.2, the calculations were done with the assistance of one of the NMMU’s statisticians, who assists students and staff with their research. The empirical information obtained was edited, coded, captured in Microsoft Excel, and imported into the Statistica Version 9.0 package for reliability and validity analyses. Frequencies, such as means, percentages, minimums, maximums and standard deviations, were calculated for both questionnaires. In the case of the questionnaire completed by the owners and managers, the researcher could, due to
the different structure of the questionnaire, also validate all the information by means of the written questionnaires that were collected, and also the complete list of the guest houses visited. A complete list was compiled of the physical addresses of the guest houses visited and the exact dates that the questionnaires were delivered and collected.

5.9 CONCLUDING REMARKS

This chapter outlined the research methodology used in this study to obtain the required empirical data. Specific issues discussed include the difference between quantitative and qualitative research, research guidelines to design the questionnaire, sampling, the administration of the questionnaires, as well as how the reliability and validity of the research was ensured.

The empirical findings and several recommendations that are based on the findings, are discussed in the next chapter.
CHAPTER 6

ANALYSIS AND INTERPRETATION OF DATA COLLECTED

6.1 INTRODUCTION

This chapter presents the empirical findings of the study with the aid of tables and figures. The discussion, tables and figures are based on the summaries of the questionnaire responses and presented in terms of the respective study objectives and the lay-out of the two questionnaires used in the study. The questionnaire completed by the owners and managers is discussed first, with the questionnaire completed by the guests second. The descriptions will follow the same sequence as the numbering on the questionnaires.

6.2 EMPIRICAL RESPONSES

A total of 120 guest house owner and manager questionnaires were completed and received from the sample size of 148 guest houses visited by the researcher in the Metro. This gives a response rate of 81.1%, which means that only 18.9% of the respondents did not complete the questionnaire. Reasons given for not completing the questionnaires include: the information wanted was regarded as being too confidential; the respondents misplaced/ threw the questionnaires away; or the respondents simply refused to complete the questionnaires without giving a valid reason.

As the questions posed in the questionnaire were concise and directly related to the guest house owners and managers’ fields of expertise and experience, the respondents were able to answer them with relative ease.

The guest house clients’ questionnaire that was left with the guest house owners and managers and later collected by the researcher together with the guest house owners and managers’ questionnaire, had a poor response rate, with only 50 completed. A
reason could be that the guest house owners and/or managers did not want to be evaluated by their clients.

As was indicated in the previous chapter, the empirical information obtained was edited, coded, captured in Microsoft Excel, and imported into the Statistica Version 9.0 package for reliability and validity analyses. Frequencies, such as means, percentages, minimums, maximums and standard deviations, were calculated. An interpretation of the results is given in the next sections in this chapter. Due to the different structure of the guest house owners and managers’ questionnaire compared to the questionnaire completed by the clients, the format of the analysis differs to some degree.

6.3 ANALYSIS OF THE OWNERS AND MANAGERS’ QUESTIONNAIRE

In line with the topic of this study, and as explained in Section 5.4.2, the owners and managers’ questionnaire was divided into the four main sections that were identified as necessary for running a successful guest house. The four sections are safety measures, security measures, service measures and legal aspects. These four sections were further sub-divided into different sub-sections, for example, smoking and swimming pools under the section safety measures. The responses to these four main sections and sub-sections were used to get a score that indicates how good (desirable) the guest house is in terms of the identified aspects. Each sub-section was given a score from 1-100 based on the responses for each statement in that sub-section.

6.3.1 Adherence to the required safety measures

Table 6.1 shows the descriptive statistics for the responses to the eight close-ended question sub-sections in the first main section, safety measures. It should be noted that there were also four sub-sections which had open-ended questions. The responses to these four open-ended questions are discussed in sections 6.3.1.9 to 6.3.1.12 below.
Table 6.1: Descriptive statistics for the section on safety measures

<table>
<thead>
<tr>
<th></th>
<th>A01-Smoking</th>
<th>A02-Swimming</th>
<th>A03-Lighting</th>
<th>A04-Staircase</th>
<th>A05-Windows</th>
<th>A06-Emergencies</th>
<th>A07-Bathrooms</th>
<th>A08-Handicapped</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>119</td>
<td>83</td>
<td>119</td>
<td>65</td>
<td>115</td>
<td>118</td>
<td>119</td>
<td>115</td>
</tr>
<tr>
<td>Mean</td>
<td>72.61</td>
<td>51.41</td>
<td>94.42</td>
<td>91.72</td>
<td>56.52</td>
<td>62.01</td>
<td>63.03</td>
<td>32.33</td>
</tr>
<tr>
<td>Std.Dev.</td>
<td>31.79</td>
<td>23.46</td>
<td>17.51</td>
<td>17.47</td>
<td>17.47</td>
<td>30.00</td>
<td>32.41</td>
<td>43.40</td>
</tr>
<tr>
<td>Minimum</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Quartile 1</td>
<td>33.00</td>
<td>25.00</td>
<td>100.00</td>
<td>83.00</td>
<td>50.00</td>
<td>33.00</td>
<td>0.00</td>
<td>25.00</td>
</tr>
<tr>
<td>Median</td>
<td>100.00</td>
<td>50.00</td>
<td>100.00</td>
<td>100.00</td>
<td>50.00</td>
<td>67.00</td>
<td>100.00</td>
<td>25.00</td>
</tr>
<tr>
<td>Quartile 3</td>
<td>100.00</td>
<td>75.00</td>
<td>100.00</td>
<td>100.00</td>
<td>75.00</td>
<td>100.00</td>
<td>100.00</td>
<td>50.00</td>
</tr>
<tr>
<td>Maximum</td>
<td>100.00</td>
<td>100.00</td>
<td>100.00</td>
<td>100.00</td>
<td>100.00</td>
<td>100.00</td>
<td>100.00</td>
<td>100.00</td>
</tr>
</tbody>
</table>

It can be seen in Table 6.1 that there are two sub-sections, namely lighting and staircases, with a relatively high average (mean) score of 94.4 and 92.7 respectively. It shows that as far as safety is concerned, lighting and staircases in guest houses are in an excellent condition. Smoking achieved a relatively good score of 72.6. On average, the guest houses are not suitable for handicapped or disabled clients as it obtained a low score of 32.3. Swimming pools, windows, emergencies and bathrooms obtained a relatively average score of between 50 and 60. It should be noted that the minimum score for the eight sub-sections is 0.00, which means that there are still guest houses where safety measures can improve significantly.

A more detailed analysis of how the owners and managers adhere to the required safety measures is given in the following sections.

6.3.1.1 Smoking

Only 19 of the 120 (15.8%) guest houses interviewed have smoking and non-smoking bedrooms, while only 6 (5.0%) of the guest houses permit clients to smoke inside the premises. In these 6 cases the managers and owners of the guest houses are also smokers. Most of the guest houses do not permit smoking on the premises and where it is allowed, then only in designated sections of the guest house.
6.3.1.2 Swimming pool

Out of the 120 guest house responses, 37 (30.8%) do not have a swimming pool. Of the remaining 83 guest houses that have a swimming pool, 40.0% do not have a secured fence around the pool. Only 51.7% have non-slip surroundings around the swimming pool, while 45.0% of the guest houses indicate on a sign that children should be supervised by an adult. However, only at 16.6% of the guest houses with swimming pools was the depth of the pool indicated.

6.3.1.3 Lighting

As indicated in Table 6.1, a large number (93.0%) of the guest house owners and managers feel that they have sufficient lighting at the entrance, parking area(s) and at the reception. These responses confirm the descriptive statistics as they appear in Table 6.1. It also underlines the importance of internal and external security as discussed in Section 2.7.

6.3.1.4 Staircases

Some 45.8% of the guest houses have only one level and therefore do not have staircases. It is interesting to note that all the owners and managers of the respondent guest houses which have split levels, indicated that their staircases are steady, well lit and that the steps are of the same height and wide enough to step on. At the side of the staircases there are hand rails installed for better balance when required. These responses confirm the descriptive statistics as they appear in Table 6.1.

Different methods or products are used to make the staircases non-slip. A number of guest houses (55.0%) make use of stairs with a fitted carpet, or they use tiles, bricks or cement with a rough (uneven) surface. Only 5.0% use emery paper on wooden staircases to make it rough, or Bali wood with a groove is used.
Non-slip, aluminum or tare strips on edges are used in 37 (30.8%) of the guest houses. In some instances the edges are higher to prevent slipping. Paint with a special non-slip compound is also used, as are boat safety star angles used on stairs to prevent slipping.

6.3.1.5 Windows

Most of the windows (59.1%) at the guest houses visited are not made of safety glass. In 73.3% of the cases, the part of the window that can open is fitted with burglar proofing.

6.3.1.6 Emergencies

A relatively large number of the responding guest houses (105 or 87.5%) have at least one first aid kit available on their premises, although 60.8% of the staff and management are not trained in first aid. All the guest houses have emergency numbers visible.

A wide range of first-aid emergency ailments occur at guest houses. The minor emergencies consist of headaches, sun burn, muscle aches, stomach cramps, hangovers, gout, diarrhoea, vomiting, nose bleeding, insect bites, tooth aches, nausea, sore eyes and back spasm or aches. Cuts often occur due to climbing over rocks when at the beach or fishing, shaving, knives used when eating, as well as when guests open the zips of their suitcases. During the winter months, clients develop colds and flu’s and require tablets from the guest house owner or manager.

The more serious first-aid emergencies occurring consist of clients experiencing heart attacks, fainting and choking, or when a pregnant woman starts bleeding.
6.3.1.7 Bathrooms

A number of the guest houses (57.5%) have non-slip tiles on the bathroom floor and 67.5% have non-slip tiles in the shower.

6.3.1.8 Handicapped, disabled and/or elderly clients

In line with the descriptive statistics as they appear in Table 6.1, two thirds of the guest houses are not suitable for handicapped, disabled and/or elderly clients. Being dependent on other people is one of the biggest problems for people with disabilities. Some guest houses (33.3%) planned and adapted to accommodate these clients’ needs as follows:

- All the rooms are at the same level, with no steps or staircases.
- Non-slip ramps were installed next to the steps to accommodate wheelchair clients. It needs to be noted that the ramps should not be steeper than a 1:12 ratio in order for disabled clients to use it independently.
- Front door entrances are without raised edges and wide enough to enter.
- In the bedrooms the cupboards, light switches and door handles were lowered to be more easily reachable.
- Bathrooms were adapted as follows:
  - There are handles at the toilets, showers and baths to assist the clients.
  - Floors have a non-slip covering.
  - Showers were made even with the floor height (no step) for access.
  - Long-lever taps were installed.
During her visits to the guest houses, the researcher noticed that only some guest houses are suitable for elderly clients, because there are too many stairs in the others. In such cases the owners and managers indicated that they then serve food or breakfast in the bedrooms of those clients who have a problem with climbing stairs.

Reasons given for particular guest houses not being made suitable for accommodating handicapped, disabled and/or elderly clients include:

- A lack of demand.
- The costs to make the necessary lay-out alterations are simply too high.
- To change the current facilities are not feasible, because the doors are too narrow and the buildings have staircases.

6.3.1.9 Food hygiene

The serving of food is mostly done by the owners or the managers (50.8%) and in only 34.1% of the time by the staff members. The cooking of the food served is also mostly done by the owners or the managers (42.4%) and the rest equally by the chefs and staff members (See Section 2.4).

All the people responsible for the cooking of food wash their hands before handling the food served and wear hair nets (cover) to prevent hair falling in or on the food. A number of kitchens have hand sanitisers. Only a few of the cooks wear plastic gloves when preparing the food. None of the kitchen staff members in any of the guest houses are allowed to wear any jewellery, especially rings. All the staff members wear clean aprons or uniforms that are regularly washed. In most cases a different colour apron or uniform is used for each day of the week.

Only a few guest houses prefer their guests to eat at the same time. The guest houses normally set a time frame in which breakfast is served, for example, from
07:00 to 09:00 o’clock on weekdays and over weekends from 7:30 to 9:30. In almost all instances the client then chooses his or her preferred dining time. If a client does request a different time, for example, due to having to catch an early flight, the guest house will almost always accommodate the client.

6.3.1.10 Kitchen hygiene

The kitchen is in most (79.8%) cases cleaned at least once per day by the owner, manager or staff members. Most of the raw food (65.8%) is stored in fridges and freezers. The prepared food is stored in fridges (40.8%) and freezers (13.3%) or served immediately. Shopping lists are mainly (70.7%) compiled by the owners or managers and they also do the shopping. Only 3 (2.5%) of the guest houses make use of suppliers that deliver orders that were placed via e-mail.

6.3.1.11 Floor coverings

Only a few guest houses have loose rugs. In such cases they make use of special tape, rubber or foam, or have rough tiles like slate underneath the rugs to make it non-slip.

Most of the guest houses (90.1%) have no cracked tiles or torn carpets. If they have and need to fix the cracked tiles or torn carpets, rooms are blocked off during maintenance and repair.

6.3.1.12 Costs and budgets to finance safety measures required

Only 17 of the guest houses completed the question on the costs of hiring a security guard each month. The mean was calculated at R4 555.88 per month. The minimum cost of a security guard is R1 000.00 per month and the maximum is R10 500.00 per month. The latter guest house caters exclusively for foreign clients, mostly Germans. The standard deviation was calculated at R2 732.67.
A total of 82 (82.3%) of the responding guest houses are connected to an alarm company. The mean cost of the alarm connection is R388.79 per month. The minimum cost of an alarm connection is R120.00 per month and the maximum is R2600.00 per month. The standard deviation was calculated at R280.13.

Guest houses make different safety improvements to their premises on a continuous basis, for example:

- Install extra burglar bars in front of the whole window, not just the opening section.
- Install CCTV camera(s) with a monitor screen.
- On the boundary wall, electrical fencing is installed or the height of the boundary wall is extended.
- Sensor beams are installed on balconies and in the gardens.
- All outside doors are fitted with security gates.
- Alarm systems are upgraded or installed, together with more panic buttons.

6.3.2 Adherence to the required security measures

The second main section, security measures, had four sub-sections – two with close-ended questions and two with open-ended questions. The descriptive statistics for the responses to these questions are shown in Table 6.2.
Table 6.2: Descriptive statistics for the section on security measures

<table>
<thead>
<tr>
<th></th>
<th>B01-Parking</th>
<th>B02-Room</th>
<th>B03-Money</th>
<th>B04-Robberies</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>120</td>
<td>120</td>
<td>106</td>
<td>99</td>
</tr>
<tr>
<td>Mean</td>
<td>67.17</td>
<td>39.04</td>
<td>82.02</td>
<td>60.47</td>
</tr>
<tr>
<td>Std.Dev.</td>
<td>22.62</td>
<td>19.03</td>
<td>20.66</td>
<td>34.12</td>
</tr>
<tr>
<td>Minimum</td>
<td>0.00</td>
<td>0.00</td>
<td>33.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Quartile 1</td>
<td>60.00</td>
<td>20.00</td>
<td>67.00</td>
<td>33.00</td>
</tr>
<tr>
<td>Median</td>
<td>80.00</td>
<td>40.00</td>
<td>100.00</td>
<td>67.00</td>
</tr>
<tr>
<td>Quartile 3</td>
<td>80.00</td>
<td>60.00</td>
<td>100.00</td>
<td>100.00</td>
</tr>
<tr>
<td>Maximum</td>
<td>100.00</td>
<td>80.00</td>
<td>100.00</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Table 6.2 shows that the sub-section money under security measures, which looked at aspects such as where money is kept in a guest house, who is responsible for the float and how often accounts are checked, obtained the highest average score (82.0). The bedroom sub-section, which looked at aspects such as whether the bedrooms had panic buttons, a safe for valuables and own keys for entry, obtained the lowest score (39.0). The sub-sections parking and burglaries received relatively good scores and varied between 60 and 70.

A more detailed analysis of how the owners and managers adhere to the required security measures is given in the following sections.

6.3 2.1 Parking

At 77.5% of the guest houses the clients park in private bays and the parking areas are well lit. The clients use mainly a remote control device to enter and leave the property. In line with the responses outlined in Section 6.3.1.12 above, it was found that basically all the guest houses (90.8%) do not have a security guard on duty. It was mentioned that 82.3% of the responding guest houses are connected to an alarm company. In the cases where there are security guards on duty, their shifts start at 18:00 the evening to 06:00 or 07:00 the next morning. At only one guest house is there always a staff member on duty for 24 hours per day.
6.3.2.2 Bedrooms

The guest houses normally (70.0%) do not provide a safe for valuables in each room, but in 88.3% of the guest houses clients have their own key to lock their rooms. In line with the descriptive statistics as they appear in Table 6.2, only 15.0% of the rooms have a panic button. In most instances three to four staff members have access to the bedrooms to clean and service them. A major safety concern is that in 77.5% of the guest houses, the office areas are open and not restricted for entry.

6.3.2.3 Money

The guest houses have different places where the money float is kept. The most common place (54.2%) is in a safe, while in 10.8% of the cases the money is carried on the managers or owners themselves, mainly in a moon bag. The owners or managers are mainly (82.3%) responsible for managing the float. The management has their salaries mainly (55.8%) paid directly into their bank accounts, and also in cash (30.0%). The guest house accounts are mostly checked daily, while some are checked once or twice a week. Two thirds of the guest houses visited has not previously found some form of irregularity with their accounts. These responses confirm the descriptive statistics that appear in Table 6.2.

6.3.2.4 Robberies and burglaries

Only 29.1% of the guest houses have experienced burglaries. Most of the burglaries occurred one to six months before the survey was done. Only one guest house (0.83%) reported an attack on a client by an intruder. It is interesting to note that this attack took place during the 2010 FIFA World Cup tournament. According to the guest house manager, the intruder slipped in when clients entered the fully booked guest house through the remote gate.
It was found that more than half of the clients visiting a guest house unlawfully take (steal) different items from the guest house’s bedrooms and surroundings. Most of the guest house owners and managers indicated that basically all the clients take the toiletries (soap, shampoo, body wash, shower caps, air freshener and toilet paper) as well as the eat treats (coffee, tea, sugar, biscuits and rusks) provided in the bathrooms and bedrooms. According to the managers and owners, the “guilty” clients regard these items as being included in the price and it is therefore their right to take them home.

Other items that the clients unlawfully take with them on a regular basis include adapter plugs, tissue box covers, hangers, slippers, bathrobes, towels, remote devices or its batteries, alcohol from the mini bar that is not paid for, magazines, microwave bowls and cutlery (especially teaspoons). During the 2010 FIFA World Cup tournament, the guest houses were fully occupied and it was difficult for the owners and managers to guard everywhere. During this time, one client went into the managers’ suite and took her cell phone and purse.

The more expensive items unlawfully taken are laptops, TV’s, computers, DVD machines, cameras, bedside lamps, kettles, vases, radio clocks, decanters with glasses and hair-dryers. Different bedding items are also often unlawfully taken, for example, blankets, pillows, duvet covers, throws and scatter cushions. In one instance a client took expensive jewellery from a five star rated guest house’s curio shop.

6.3.3 Adherence to the required service measures

There were three sub-sections with both close-ended and open-ended questions for the service measures, namely staff members, electrical equipment, as well as food and beverages. The descriptive statistics for the responses to the questions in the three sub-sections are shown below in Table 6.3.
Table 6.3: Descriptive statistics for the section on service measures

<table>
<thead>
<tr>
<th></th>
<th>C01-Staff</th>
<th>C02-Elec.Equip.</th>
<th>C03-Food&amp;Bev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>116</td>
<td>120</td>
<td>118</td>
</tr>
<tr>
<td>Mean</td>
<td>91.43</td>
<td>56.30</td>
<td>77.84</td>
</tr>
<tr>
<td>Std.Dev.</td>
<td>16.89</td>
<td>28.07</td>
<td>24.23</td>
</tr>
<tr>
<td>Minimum</td>
<td>33.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Quartile 1</td>
<td>100.00</td>
<td>33.00</td>
<td>67.00</td>
</tr>
<tr>
<td>Median</td>
<td>100.00</td>
<td>67.00</td>
<td>67.00</td>
</tr>
<tr>
<td>Quartile 3</td>
<td>100.00</td>
<td>67.00</td>
<td>100.00</td>
</tr>
<tr>
<td>Maximum</td>
<td>100.00</td>
<td>100.00</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Table 6.3 shows that the sub-section guest house staff members obtained the highest score of 91.43. This is an indication that staff members are well trained and looked after. The sub-section food and beverages obtained a relatively good score of 77.8, which means that most guest houses do serve food and beverages, and take the dietary needs of their clients into consideration.

A more detailed analysis of how the owners and managers adhere to the required service measures is given in the following sections.

6.3.3.1 Staff members

Most (60.0%) of the staff members’ shifts are eight hours long, with sufficient rest periods given in-between. More than half of the guest houses’ management give training on a daily basis or once/twice a week to their staff members. This training includes correct table setting, the correct way to serve a plate and to take a plate away from a client, how to make beds neatly, how to roll and hang towels, and overall cleaning.

Over 70.8% of the staff members have not attended any official training courses and are therefore dependent on guest house management for training. Guest house related training is offered by the Port Elizabeth Metro Bed & Breakfast Association (PEMBBA), the Tourism Enterprise Partnership (TEP) association, and Nelson
Mandela Bay Tourism (NMBT). These associations can be contacted for information regarding applicable courses (See sections 4.5 and 5.5). For example, PEMBBA recently conducted a very important people (VIP) course.

Courses that guest house management and staff normally attend include:

- Telephone etiquette.
- The use of fire extinguishers.
- First-aid training.
- Client care.
- Hospitality, health and safety.
- Tourism activities and attractions in and around the Metro.
- Various computer courses.

6.3.3.2 Electrical equipment

A large number of the guest houses (70.8%) do not have air conditioners in the bedrooms, but 53.3% provide a ceiling or standard fan in the bedrooms. Over 86.6% of the staff members test regularly that all the electrical plugs and lights are in a good working condition.

6.3.3.3 Food and beverages

Most (94.1%) of the establishments serve food or breakfast, but only 43.3% serve beverages. All the guest houses do take into consideration the dietary needs of their clients, as some cultures and religions do have their own dietary needs. It is important that clients inform the guest house of their specific dietary needs when they make a booking. Different dietary needs include vegetarian (no meat), halaal (Muslim food), kosher (Jewish food), vegan (no meat and eggs), diabetic (high blood-sugar levels), hypertension (high blood pressure), diets for sports teams, lactose-intolerance (no
dairy products) and gluten-intolerance (no wheat, rye and barley). These responses are in line with the descriptive statistics that are shown in Table 6.3.

6.3.4 Adherence to the required legal aspects

There were no sub-sections under the legal aspects section. Respondents were requested to answer ‘Yes’ or ‘No’ to seven statements. The descriptive statistics were calculated for the seven statements and are shown in Table 6.4 below.

Table 6.4: Descriptive statistics for the section on legal aspects

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>118</td>
</tr>
<tr>
<td>Mean</td>
<td>69.84</td>
</tr>
<tr>
<td>Std.Dev.</td>
<td>19.80</td>
</tr>
<tr>
<td>Minimum</td>
<td>0.00</td>
</tr>
<tr>
<td>Quartile 1</td>
<td>57.00</td>
</tr>
<tr>
<td>Median</td>
<td>71.00</td>
</tr>
<tr>
<td>Quartile 3</td>
<td>86.00</td>
</tr>
<tr>
<td>Maximum</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Table 6.4 indicates that the mean was calculated at 69.8, which indicates that the majority of guest house owners and managers adhere to legal rules and regulations. It is interesting to note that at least one guest house obtained a score of 0.00, which indicates that the owners and managers do not observe any of the required legal rules and regulations. On the positive side, at least one guest house obtained a score of 100, indicating that all the legal rules and regulations are observed.

A more detailed analysis of how the owners and managers adhere to the required legal aspects is given in the following paragraphs.

In line with the descriptive statistics shown in Table 6.4, 93.3% of the guest houses in the Metro have permission to trade as a business, while 6.7% trade illegally. The health inspectors visit the premises on a more or less regular (55.0%) basis. Most of the guest houses (85.0%) have sufficient fire extinguishers in terms of the fire
regulation number prescribed for the guest house size. These fire extinguishers are also visible and easily accessible. Only 13.3% of the establishments are not registered with the South African Revenue Service (SARS). Although nearly 50.0% of the guest houses serve beverages, only 14.1% possess a liquor license, mainly because of the high and continuous cost of a liquor license as it should be renewed annually.

A surprisingly high number of clients (26.6%) slip out without paying. In most cases the guest houses charge a cancellation fee of 50.0%. Clients mostly have to pay a 50% deposit and the full balance on arrival. In that way the guest house is more assured of their money than the case is when clients are allowed to pay at their departure.

It often (76.6%) happens that clients reserve a room, but do not arrive. The guest houses follow different procedures to handle such cases in order to recover their loss of income, for example:

- Contact the client or company and e-mail/ fax the invoice.
- Keep the deposit according to the cancellation policy (clients forfeit their deposit according to the stated policy).
- Credit card details are taken at the confirmation stage. If a client does not arrive, he/ she is billed in full to his/ her credit card. The client is notified in such cases.
- If a booking is made by a company or travel agency and the client does not arrive, the guest house sends them an invoice for payment.
- Guest house management contacts the client and finds out the reason for not arriving. When the reason is not valid, they charge the client. If a client, especially in the case of a regular client, has a valid reason, the guest house credits the client for the next visit.
Some guest house owners and managers go to the police station and have a police dossier opened against the client that did not pay their account. The Police should then contact the client and instruct the client to pay.

Insured guest house owners can claim from their insurance. The insurance, known as bilking insurance, covers the establishment if clients leave without payment.

Only three guest houses had experienced false claims made against them. For example, one client said that the guest house staff had stolen his money. It sometimes happens that clients book the cheaper rooms (without breakfast or a sea view), but on arrival, they claim that they were assured by the person at reception when the booking was made, that a breakfast and/or a sea view was included in the price.

It was found in all cases that management explains to the clients the rules and regulations of the guest house, for example, that clients should be in before midnight or that check-out times are at 10 o’clock in the morning. Unfortunately, there are instances where clients do not obey the rules and then claim that the guest house staff was rude when the latter tried to enforce the rules.

A summary of the overall safety measures, security measures, service measures and legal aspects are given in Table 6.5.

Table 6.5: Summary of the safety, security and service measures and legal aspects

<table>
<thead>
<tr>
<th></th>
<th>A-Safety</th>
<th>B-Security</th>
<th>C-Service</th>
<th>D-Legal</th>
<th>Global</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>120</td>
<td>119</td>
<td>120</td>
<td>118</td>
<td>120</td>
</tr>
<tr>
<td>Mean</td>
<td>51.64</td>
<td>41.53</td>
<td>45.33</td>
<td>69.84</td>
<td>46.44</td>
</tr>
<tr>
<td>Std.Dev.</td>
<td>12.62</td>
<td>15.54</td>
<td>15.02</td>
<td>19.80</td>
<td>10.23</td>
</tr>
<tr>
<td>Minimum</td>
<td>21.00</td>
<td>5.00</td>
<td>11.00</td>
<td>0.00</td>
<td>12.00</td>
</tr>
<tr>
<td>Quartile 1</td>
<td>42.00</td>
<td>30.00</td>
<td>33.00</td>
<td>57.00</td>
<td>41.00</td>
</tr>
<tr>
<td>Median</td>
<td>51.00</td>
<td>43.00</td>
<td>45.00</td>
<td>71.00</td>
<td>48.50</td>
</tr>
<tr>
<td>Quartile 3</td>
<td>62.00</td>
<td>52.00</td>
<td>56.00</td>
<td>86.00</td>
<td>53.00</td>
</tr>
<tr>
<td>Maximum</td>
<td>85.00</td>
<td>82.00</td>
<td>84.00</td>
<td>100.00</td>
<td>72.00</td>
</tr>
</tbody>
</table>
Table 6.5 gives a summary of all the different sub-sections of the different aspects as they appear in the questionnaire. A “global” score was also calculated by means of averaging the scores on the individual sections. The “global” average was calculated at a disappointingly low score of 46.44. Legal aspects received the highest score of 69.8. Second was safety measures (51.6). Both security and service measures obtained a low score of below 50, meaning that these aspects need more attention.

Cronbach’s Coefficient Alpha was calculated for each of the sub-sections under the four main sections, as well as for the four main sections as a whole, and also combining everything under a “global” score. These Cronbach’s Coefficient Alpha values indicate whether the aspects mentioned under each sub-section are consistently in place. These are shown in Table 6.6 below.

Table 6.6: Cronbach’s Coefficient Alpha values for each of the sub-sections

<table>
<thead>
<tr>
<th>Cronbach's alpha</th>
<th>0.64</th>
</tr>
</thead>
<tbody>
<tr>
<td>A01-Smoking</td>
<td>0.64</td>
</tr>
<tr>
<td>A02-Swimming</td>
<td>0.06</td>
</tr>
<tr>
<td>A03-Lighting</td>
<td>0.64</td>
</tr>
<tr>
<td>A04-Staircase</td>
<td>0.73</td>
</tr>
<tr>
<td>A05-Windows</td>
<td>-0.38</td>
</tr>
<tr>
<td>A06-Emergencies</td>
<td>0.56</td>
</tr>
<tr>
<td>A07-Bathrooms</td>
<td>0.77</td>
</tr>
<tr>
<td>A08-Handicapped</td>
<td>0.35</td>
</tr>
<tr>
<td>B01-Parking</td>
<td>0.60</td>
</tr>
<tr>
<td>B02-Room</td>
<td>0.14</td>
</tr>
<tr>
<td>B03-Money</td>
<td>-0.10</td>
</tr>
<tr>
<td>B04-Robberies</td>
<td>0.29</td>
</tr>
<tr>
<td>C01-Staff</td>
<td>0.09</td>
</tr>
<tr>
<td>C02-Elec.Equip.</td>
<td>0.27</td>
</tr>
<tr>
<td>C03-Food&amp;Bev.</td>
<td>0.48</td>
</tr>
<tr>
<td>A-Safety</td>
<td>0.57</td>
</tr>
<tr>
<td>B-Security</td>
<td>0.42</td>
</tr>
<tr>
<td>C-Service</td>
<td>0.39</td>
</tr>
<tr>
<td>D-Legal</td>
<td>0.52</td>
</tr>
<tr>
<td>Global</td>
<td>0.64</td>
</tr>
</tbody>
</table>
Table 6.6 shows that two of the sub-sections, namely staircases and bathrooms, reach the acceptable levels of at least 0.73 and 0.77, respectively. Four of the sub-sections score in the region of 0.6 and 0.7. A number of the sub-sections/aspects have low Cronbach’s Coefficient Alpha values, which means that some aspects are in place, although not at the desired levels.

The Pearson Product-Moment correlation coefficient was calculated between the four main sections to investigate the relationship among them. This is shown in Table 6.7.

Table 6.7: Pearson Product-Moment Correlation coefficient between the four main sections

<table>
<thead>
<tr>
<th>Safety</th>
<th>Security</th>
<th>0.451</th>
</tr>
</thead>
<tbody>
<tr>
<td>Safety</td>
<td>Service</td>
<td>0.263</td>
</tr>
<tr>
<td>Safety</td>
<td>Legal</td>
<td>0.310</td>
</tr>
<tr>
<td>Security</td>
<td>Service</td>
<td>0.384</td>
</tr>
<tr>
<td>Security</td>
<td>Legal</td>
<td>0.361</td>
</tr>
<tr>
<td>Service</td>
<td>Legal</td>
<td>0.363</td>
</tr>
</tbody>
</table>

Table 6.7 indicates that all the calculated Pearson Product-Moment correlation coefficients are positive. This means that overall, if a guest house obtained a high score on one of the aspects, they also obtained a high score on the other three aspects, and the reverse. All are statistically significant at a 5.0% level and all, except the correlation between safety and service, are also practically significant (greater than 0.3%).

6.4 CONCLUSION OF THE OWNERS AND MANAGERS’ QUESTIONNAIRE

The management of a guest house should provide the clients with a safe, secure environment and excellent service. Sufficient lighting should be provided at the entrances, parking and reception areas. All staircases should be steady and non-slip. Swimming pools should have secured fencing around and/ or should be covered by safety nets to prevent the possibility of drowning accidents. Guest house staff should
follow the correct procedures in emergencies; therefore, first aid training is very important. More concerted efforts should be made to adapt guest houses for the specific needs of disabled and elderly clients. To prevent the outbreak of food poisoning, personal and kitchen hygiene, as well as the correct storing of food, are extremely important.

Guest houses spend significant amounts of money on safety measures such as alarm systems, security guards and burglar proofing. Clients prefer to stay in a safe environment and have a safe to lock up their valuables. The money float of the guest house should be kept locked and regularly checked by management to avoid any misconduct. Guest houses should implement innovative ways to prevent clients from stealing items from the premises. For the guest house staff to be able to provide excellent service to their clients, they should attend relevant training courses offered by tourism associations. Well trained staff can offer quality service to their clients.

To be a successful business in terms of the law, the guest house should have permission from the city council to trade as a guest house and all businesses should be registered with SARS and pay their taxes. The guest house should be in possession of a health certificate and TV licenses. If beverages are being served on the premises, the guest house should have a liquor license. The premises should have the correct number of fire extinguishers according to the size of the guest house.

Therefore, for a guest house to be successful, the management should take into consideration the required service, safety, security and legal measures as outlined above, to run the guest house as a successful business.

6.5 ANALYSIS OF THE CLIENTS’ QUESTIONNAIRE

As was indicated in Section 6.2, only 50 clients completed the questionnaire. A reason could be that the guest house owners or managers did not want to be evaluated by their clients. The responses of the clients are discussed in this section.
Table 6.8 below gives a summary (percentages, means and standard deviation) of the responses which the clients gave to the ten statements on the questionnaire which they were requested to complete.

Table 6.8: Descriptive statistics (percentages, means and standard deviation) of the statements on the clients’ questionnaire

The abbreviations represent the following: SD = Strongly Disagree; D = Disagree; N = Neutral; A = Agree; SA = Strongly Agree; M = Mean; STD. DEV = Standard Deviation.

<table>
<thead>
<tr>
<th>STATEMENTS</th>
<th>SD</th>
<th>D</th>
<th>N</th>
<th>A</th>
<th>SA</th>
<th>M</th>
<th>STD. DEV.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. On arrival, the premises was well kept (neat and clean).</td>
<td>0.0</td>
<td>4.0</td>
<td>28.0</td>
<td>34.0</td>
<td>34.0</td>
<td>3.98</td>
<td>0.9</td>
</tr>
<tr>
<td>2. On arrival, you were warmly welcomed.</td>
<td>0.0</td>
<td>8.0</td>
<td>20.0</td>
<td>32.0</td>
<td>40.0</td>
<td>4.04</td>
<td>1.0</td>
</tr>
<tr>
<td>3. The book-in was done promptly.</td>
<td>0.0</td>
<td>6.0</td>
<td>24.0</td>
<td>26.0</td>
<td>44.0</td>
<td>4.08</td>
<td>1.0</td>
</tr>
<tr>
<td>4. The guest house staff members are approachable and friendly.</td>
<td>0.0</td>
<td>8.0</td>
<td>26.0</td>
<td>22.0</td>
<td>44.0</td>
<td>4.02</td>
<td>1.0</td>
</tr>
<tr>
<td>5. Enough parking spaces are available.</td>
<td>0.0</td>
<td>14.0</td>
<td>24.0</td>
<td>30.0</td>
<td>32.0</td>
<td>3.80</td>
<td>1.0</td>
</tr>
<tr>
<td>6. The parking area is safe and secure.</td>
<td>0.0</td>
<td>6.0</td>
<td>24.0</td>
<td>34.0</td>
<td>36.0</td>
<td>4.00</td>
<td>0.9</td>
</tr>
<tr>
<td>7. The bedding is regularly replaced.</td>
<td>2.0</td>
<td>6.0</td>
<td>24.0</td>
<td>34.0</td>
<td>34.0</td>
<td>3.92</td>
<td>1.0</td>
</tr>
<tr>
<td>8. The towels are regularly replaced.</td>
<td>2.0</td>
<td>6.0</td>
<td>24.0</td>
<td>30.0</td>
<td>38.0</td>
<td>3.96</td>
<td>1.0</td>
</tr>
<tr>
<td>9. This guest house provides a safe and secure environment.</td>
<td>0.0</td>
<td>6.0</td>
<td>26.0</td>
<td>32.0</td>
<td>36.0</td>
<td>3.98</td>
<td>0.9</td>
</tr>
<tr>
<td>10. The dining area is clean and neat.</td>
<td>0.0</td>
<td>6.0</td>
<td>26.0</td>
<td>28.0</td>
<td>40.0</td>
<td>4.02</td>
<td>1.0</td>
</tr>
</tbody>
</table>
The findings reflect that the majority (approximately 70.0%) of the clients agrees or strongly agrees on all 10 given statements on the questionnaire, meaning that they were satisfied with the service and safety experienced by them at the guest houses in the Metro, and that their needs were met by the guest house management. This point to a good reflection of the image of guest houses according to the clients’ responses. Not one of the statements stands out as being the best or weakest statement. Very few clients disagreed on these statements, and approximately 25.0% of the clients’ responses were neutral on these statements.

Table 6.9: Overall rating given by the clients

<table>
<thead>
<tr>
<th>Mean</th>
<th>7.72</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mode</td>
<td>8</td>
</tr>
<tr>
<td>Frequency of mode</td>
<td>15</td>
</tr>
<tr>
<td>Minimum</td>
<td>5</td>
</tr>
<tr>
<td>Maximum</td>
<td>10</td>
</tr>
<tr>
<td>Standard deviation</td>
<td>1.5</td>
</tr>
</tbody>
</table>

Table 6.9 shows the overall rating given by the clients. The clients had to give an overall rating on a scale of 1 to 10. The mean was calculated at 7.72 which is relatively good. The mode is the value with the highest frequency. Fifteen of the 50 clients gave a value of 8. The smallest rating is 5 and the maximum rating is 10. This means that the most dissatisfied clients gave a rating of 5; with no rating below 5. This further indicates the general satisfaction of the clients with guest houses in the Metro.

Based on the 10 statements (items) on the questionnaire, a total score was calculated as the sum of each respondent’s individual responses on the 10 statements.
Numerical codes were given as follows:

- Strongly disagree (SD) = 1
- Disagree (D) = 2
- Neutral (N) = 3
- Agree (A) = 4
- Strongly agree (SA) = 5

This scheme results in a total score that has a possible range of 10 to 50. A high value on this scale means that the clients have a positive attitude towards guest house service in the Metro, with a low value indicating a negative attitude. Table 6.10 gives a numerical summary of the total calculated scores.

Table 6.10: Descriptive Statistics of total score and overall rating

<table>
<thead>
<tr>
<th></th>
<th>Valid number</th>
<th>Mean</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Std. Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total score</td>
<td>50</td>
<td>39.8</td>
<td>20</td>
<td>50</td>
<td>9.12</td>
</tr>
</tbody>
</table>

It is shown in Table 6.10 that the total score mean was calculated at 39.8. The possible range for the total score can be from 10 to 50, but for this data the score ranges from 20 (minimum) to 50 (maximum). This is a good result and indicates that the respondents were positive in their rating of the guest houses. As was already indicated, the mean (average rating) was calculated at 7.72 out of a possible 10 which is also a relatively good reading.

A Box and Whisker plot is used to give a picture of the spread and distribution of the total calculated scores. The Box and Whisker plot shown in Figure 6.1 shows that 75.0% of the data scored approximately above 30 on the scale of 10 to 50, which confirms the guest house clients' satisfaction with the service they receive.
Figure 6.1: Box and Whisker plot

Figure 6.2 shows the consistency of the collected data. The data gives a correlation of 0.85 and it shows a high degree of consistency. A larger total score gives a higher rating and the reverse.

As was indicated in Section 5.8, Cronbach’s Coefficient Alpha was used to calculate the internal reliability of the construct, which is the satisfaction experienced by guest house clients in the Metro. As for this study, the Cronbach’s Coefficient Alpha for the responses of the clients was calculated at a value of 0.98, which confirms that the 10 items measured the same construct to a very high degree. This confirms that the total score calculated from the ten items is a reliable measure (internally consistent) of the construct. The clients did provide basically the same responses and agree that the guest houses satisfy their needs according to certain criteria.
6.6 CONCLUSION OF THE CLIENTS’ QUESTIONNAIRE

Clients in the Metro are satisfied with the safety they experience and the service they receive from guest houses. The premises are mostly neat and clean, and the towels and bedding are regularly replaced and clean. Furthermore, the guest houses provide enough safe parking bays, the staff members are friendly and approachable, and bookings are done promptly.

The next chapter gives various recommendations to guest house owners and managers on how they can improve the management of their guest houses, as well as recommendations for further related research.
CHAPTER 7

RECOMMENDATIONS, FUTURE RESEARCH AND CONCLUSION

7.1 INTRODUCTION

Recommendations to guest house owners and managers on how to improve the management of their businesses, as well as recommendations for future research and an overall conclusion, are given in this chapter.

7.2 RECOMMENDATIONS TO GUEST HOUSE OWNERS AND MANAGERS

The main conclusions deduced from the responses to the two questionnaires used in the empirical study, were outlined in the previous chapter. In addition to the questions asked in the two questionnaires, the researcher requested the respondents who completed the owners and managers’ questionnaire, to indicate and give comments and/or recommendations which they thought could assist new and/or other current owners and managers. From these responses and also general discussions the researcher had with the guest house owners and managers, the following comments and recommendations on how to run a successful guest house in the Metro emerged:

- Get a big and well established company to work with.

Guest house owners and managers should try to build up a good and lasting relationship with big and well established companies. This will ensure clients on a more regular basis. For example, if a guest house can create a lasting relationship with Volkswagen which often has foreign employees visiting the plant in Uitenhage, the guest house could then serve German food, provide a TV with a German channel, have free internet access available, and have some staff members who can speak German. Clients would then feel more at home.
and the situation would lead to more German clients preferring to stay at such a specific guest house.

- Safety and security

Guest house owners and managers should trust their instinct about clients. For example, clients that simply arrive and demand a room, but make the owners or managers feel uncomfortable, should rather refuse admission in a friendly manner. Management are entitled to strictly adhere to the golden rule: *Right of admission reserved.*

Guest house owners, managers and staff members should be very careful when clients arrive unannounced and indicate that they want to inspect the facilities for future visits. They are normally very friendly, well dressed and pose as prospective clients. However, experience has shown that the premises are then open to theft. One “prospective client” normally keeps the owner or manager busy, while the other accompanying person(s) steal(s) items from the guest house.

Management should make photocopies of the clients’ information on arrival, for example, their identity document or passport, and also take their vehicle registration numbers, as well as work and home telephone numbers where possible.

- 24 hour security

Management should ensure that there is always someone on duty 24 hours per day and that all areas are well lit at night. Security is extremely important to clients and often determines whether a client will return for further visits. If possible, management should monitor the movement of clients and check the rooms as often as possible.
• Public liability

Management should insure against risks such as public liability and the loss of clients’ valuables. Clients should sign a form at the registration desk which indicates that they use the guest house facilities at their own risk and that their cars are parked at their own risk.

• Sign-in system for clients

Guest houses should install a system where clients can sign a confirmation of their booking before they arrive, so that if a client does not arrive, the guest house can charge the client a percentage of the agreed rate or preferably in full.

• PEMBBA membership

Each guest house in the Metro should become a member of PEMBBA. Each month they hold a meeting where members discuss different relevant topics and exchange experiences. This is an ideal platform where members who had bad experiences with clients, can warn other members about the modus operandi of such clients.

• Keeping distance

The guest house owner or manager and staff members should keep their distance from clients. The expression “Familiarity breeds contempt” is very true in the guest house industry.

• Marketing the guest house

It is important for guest houses owners and managers to market their business to survive in this competitive industry. Guest houses should make use of booking
systems via the internet and use a cell phone sms system to inform their regular clients of specials they run.

- Safe and sound location

Prospective guest house owners should not build or buy a guest house that has the wrong location. The safe and sound location of a guest house is important for regular clientele. Clients come for pleasure or business to stay in the guest house and do not want to be stuck in traffic or have difficulty in finding the guest house in the outskirts of the city. Neither do clients want to be scared when they go for a leisurely walk or a meal at a nearby restaurant, or visit nearby attractions and tourist sights.

- The municipality

It is argued by most of the respondents that the Nelson Mandela Bay Municipality is too lax in the enforcement of its by-laws and zoning regulations. This results in too many illegal operations. For example, the turnaround time when applications are submitted is relatively long, which may result in businesses operating illegally and not complying with the relevant rules regarding health and safety.

7.3 RECOMMENDATIONS FOR FUTURE RESEARCH

Future research can be conducted on the influence that a positive working environment, as experienced by the guest house management and staff, has on the quality of service delivered to clients. The researcher can develop different courses that can contribute to a positive working environment at guest houses and present the courses to the guest house management and staff.
7.4 CONCLUSION

This study provides new and current guest house owners and managers with useful information regarding the safety, security, legal and service measures applicable to guest houses. It will also assist them with ways to improve the management of their guest houses and help to prevent certain problems being experienced.

Managing a guest house is not common sense. One learns best through doing and hands-on experience. Learning from past experiences, both the successes and failures, is vital and important for solving future problems. A guest house owner and manager should manage the guest house like a competitive business in a competitive industry. He or she should be consistent, as this encourages the return of clients and prompts them to tell their friends and colleagues about the guest house. If a chocolate is put on the pillow at night, it should be done every time. If the guest house has a special theme, for example chickens, the theme should be applied throughout the guest house. Owners and management should try to find a unique selling point and repeat it throughout.

Creating a safe working and staying environment requires commitment and action at every level by all the parties involved in the running of the guest house. Staff members should know where to look and ask for guidance or action concerning their and the clients’ safety and security issues. Open communication lines, thorough and continuous training and evaluation should take place on a continuous basis to improve the safety and security environment of clients and staff.

Budgeting for a guest house entails wise planning. A successful guest house should fulfill the safety, security and service needs of their clients within the limits of their budgets. Each guest house has to decide, after thorough consideration of all the factors, what percentage of the budget will be used for safety, security and service measures.
Lastly, owners and managers should remember that clients do not always evaluate the quality of their stay on the rate they had to pay. It is in most cases rather the quality of the service received and experienced that matters.
REFERENCE LIST


