



TOURISM GRADING COUNCIL  
OF SOUTH AFRICA

# **TOURISM STAKEHOLDER WORKSHOP**

## **Sedibeng Municipality**

Thekiso Rakolojane  
Marketing and Communications Manager  
29 July 2011

# Because of you...

- 8 years later...over 6 000 Graded Establishments and ...**GROWING!**
- **Your support** to build a strong “**Brand SA**” is most valuable!
- Ensuring our **International Competitiveness!**



# Content

- Brief History
- 5-Yr Strategic Plan
  - 6 Pillars to improve Integrity of the TGCSA
- Consultation Process 2010
  - Top concern raised
- “Know Your Stars” campaign

# Brief history

- **Prior to Democracy in 1994**
  - Grading was an inspectorate - SATOUR.
  - Very prescriptive grading process
  - Not user-friendly, not supported by industry
  - Leading to a collapse
- **During 2000 - 2002**
  - Grant Thornton appointed as Consultants
  - Extensive consultative process with industry stakeholders
  - Business Model recommended and adopted
    - Independent Section 21 Company
    - Assessors self-employed entrepreneurs
    - % of grading fee paid
    - Establishments get to choose their own Assessor
  - Wide support from industry

# This year

- **By April 2010**
  - 8 years later
  - More than 8 000 establishments graded!
  - And GROWING!



# Historical performance

[illegible]

# Growing concerns

- Complaints from the travelling public
- Complaints from other Graded Establishments about another
- Complaints from Govt officials ....



# TGCSA areas of concern



- Quality inconsistencies
  - Both these establishments were graded as 4-star!!!



- **Another 2 - graded as 4-star!!!**



# 4 Star Caravan Park?



# Clearly there were problems!

- **Problems with the Assessors**
  - For submitting such differing quality
- **Problems with the Grading Council**
  - For processing and approving such differing quality

**The problem was increasing!**

# Role of Awards Committee

- Cannot double-check 700 properties per month within an 8-hr meeting.
  - Need to rely on the expertise of the Assessors.
  - Ensure the administration process is robust and credible.





# **Review of TGCSA August 2008**

- Conduct a comprehensive review of the Grading System, covering:
  - Actual criteria and minimum standards
  - Internal Management Systems and Operations
  - Client Feedback Management System
  - IT Infrastructure Arrangements
    - Database Management
    - Integration to Financial Systems
  - Institutional Arrangements
  - Funding Arrangements
  - Legislative Environment

# 2008 Benchmarks used

New Zealand



Qualmark<sup>®</sup>

Australia



AAA Tourism

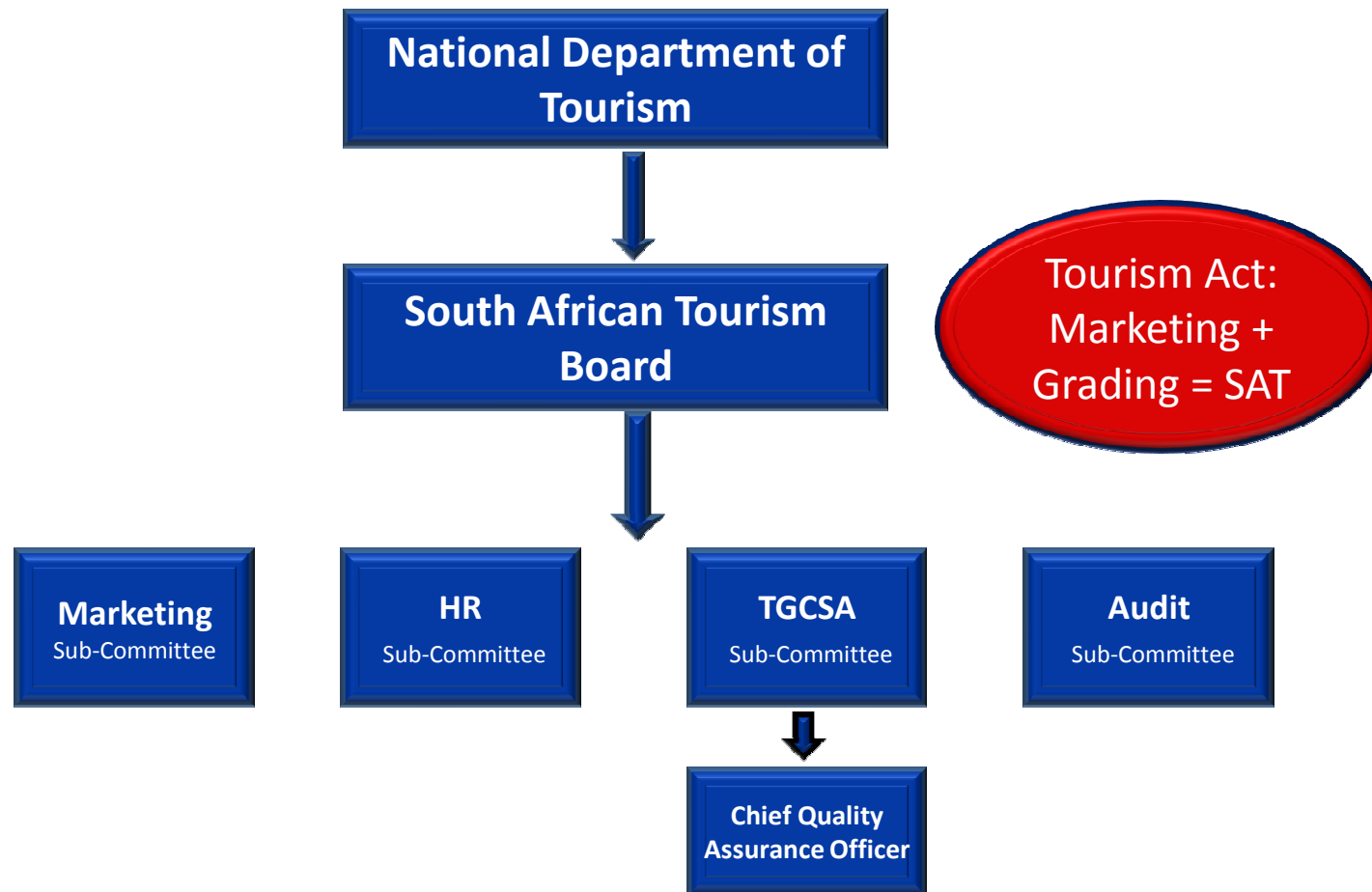
Britain



Quality In Tourism

Australia and New Zealand being the largest competitors for the kind of tourists that choose South Africa as a holiday destination (SAT research)

# Major findings – Legislative Framework





# Awards Committee 2009

- 10 members + Chief Quality Assurance Officer



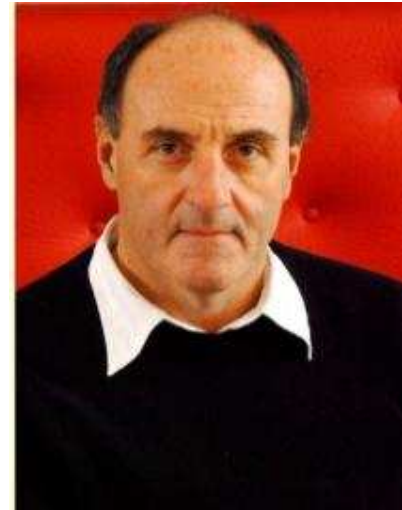
**Mr. Peter Bacon**  
Chairperson



**Mr. Ahmed Chotia**  
Travel



**Mr. Mzi Gcanga**  
Architecture



**Mr. Phillip Thompson**  
UA



**Ms Smangele Nhlapo**  
Decor



**Mr. Julian Smith**  
Decor



**Mr. Jegie Padmanathan**  
Hospitality



**Mr. Brett Dungan**  
Hospitality



**Mr. Tony Hazel**  
Hospitality



**Mr. Alan Romburgh**  
Hospitality

**After the game,  
they returned to  
their  
accommodation..**



# **Annual update - The road ahead!**





*It's Possible*

**South Africa to be a most preferred  
Tourism Brand by 2014**

# TGCSA Outcome

- Implement a recognizable, credible and globally bench-marked system of quality assurance for accommodation and MESE experiences which can be relied upon by visitors when making their choice of establishment



# 6 Pillars

**Strategies  
to deliver  
outcome**

**Implement Grading  
Criteria which are  
globally recognised  
and credible to  
visitors  
/stakeholders**

**Improve the  
integrity of the  
grading process  
using IT  
Infrastructure**

**Simplify Billing  
process and  
implement a  
more equitable  
fee structure**

**Get industry to  
see value in  
participating in  
the grading  
system**

**Stop illegal use  
of stars and  
protect the  
TGCSA brand**

**Improve  
competence  
and integrity of  
Assessors**

**FIRSTLY....**

**Stop illegal use of stars and protect  
the TGCSA brand**





# New Consumer Protection Act: 2011





# Bed & Breakfast

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This plaque is the property of the Tourism Grading Council of South Africa

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**SECONDLY.....**

**Improve competence and  
integrity of Assessors**



# Thirdly.....

**Simplify Billing process and implement a more equitable fee structure**

- Grading fee based on:
  - Average room/unit rate charged
  - Quality Star Grading applied for
  - Number of rooms/unit
- Thus ensuring Equity.

# New Grading Fee structure



## 6-room Guesthouse

- 5-Star
  - Franschhoek
  - R3 000.00 pp-pn
  - Last year = R2 082.00
  - New Fee = R 3 030.00
  - R948.00 increase
  - Grading Plaque
- 2-Star
  - Soweto
  - R500.00 pp-pn
  - Last year = R 2 082.00
  - New Fee = R 2 350.00
  - R268.00 increase
  - Grading Plaque

# **Fourthly.....**

**Introduce Grading Criteria which are globally recognised and credible to visitors & stakeholders**



## Consultation Process!!!!



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# Dispensation Policy

- Certain properties may not meet the new Minimum Requirements and Grading Criteria.
- A motivation to be submitted with assistance from TGCSA Assessor:
  - Not ALL your bathrooms have separate bath & shower for 5-Star.
  - Flat screen TV's.
  - Glass Screens for 4-Star Shower over bath.
- Awards Committee will consider each case on its own merit.



# 20 Most Raised Concerns

- TGCSA Consulted with you
- You spoke!
- We listened!
- FUNDAMENTAL PRINCIPLE:
  - **appropriate and fit for purpose given the size of the establishment, the STAR grading level applied for, the profile of its clients as well as the location of the establishment**

## Easier Concerns





**Open  
Toilets**

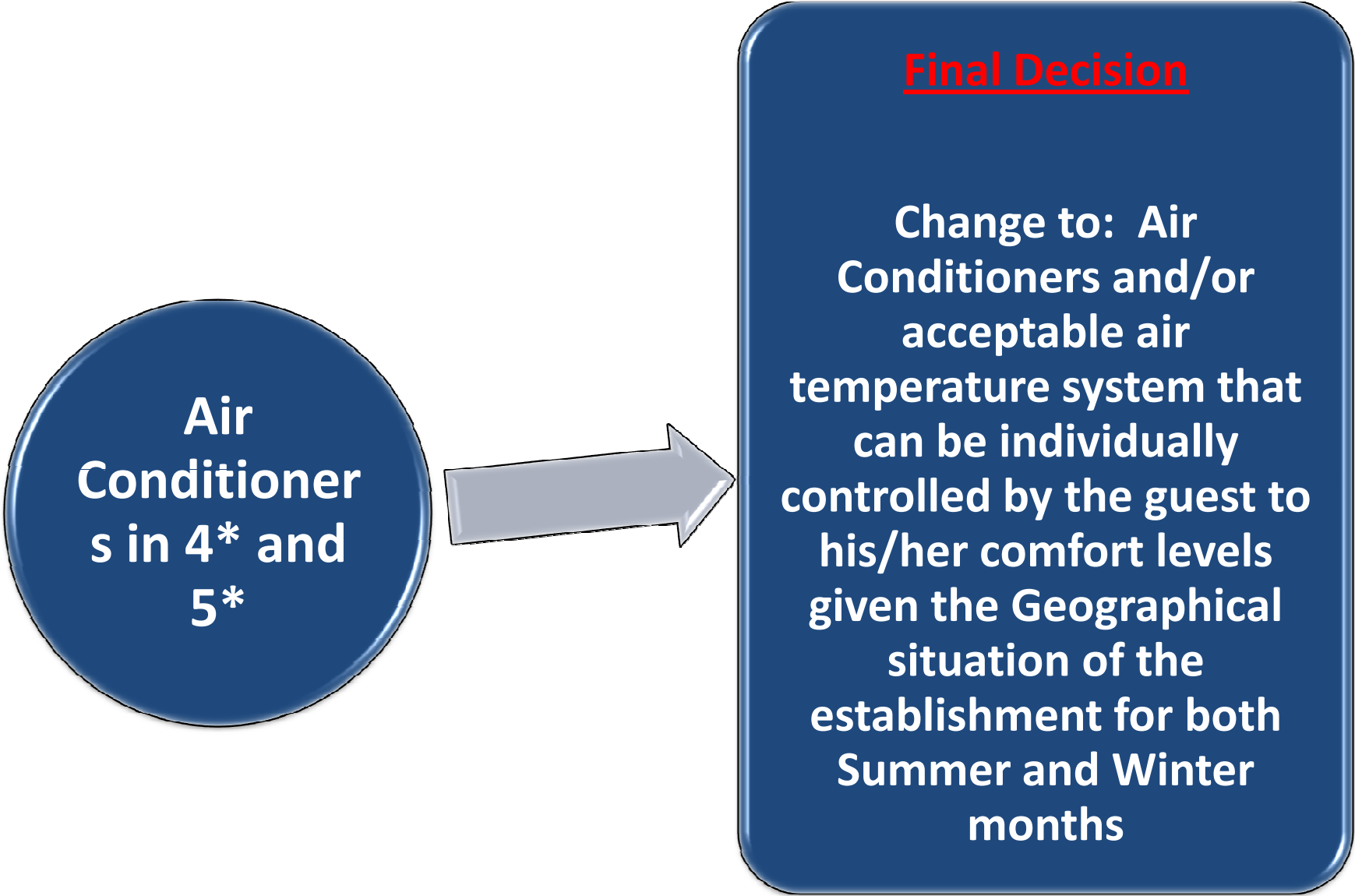
**Bathrooms - 2  
Basins as Min  
Req for 5 Star**

**Mirrors that are  
not allowed to be  
put behind the  
door or inside of  
the wardrobe**

**Breakfast  
served for  
3-hrs**

**Requirement  
for 14 Hangars**

**Air  
Conditioner  
s in 4\* and  
5\***



**Final Decision**

**Change to: Air  
Conditioners and/or  
acceptable air  
temperature system that  
can be individually  
controlled by the guest to  
his/her comfort levels  
given the Geographical  
situation of the  
establishment for both  
Summer and Winter  
months**