

# The digital nomads are coming and bringing economic benefit with them

By <u>Andrew Robinson</u> 4 Jul 2019

Have multiple mobile devices, will travel - and earn a living. Being a digital nomad is fast becoming a way of life and work for many people, allowing them to travel in their own backyards and the world at leisure. This has been made easier by the rapid growth of the global gig economy, which in turn has spurred the flexible office market that provides serviced offices and co-working spaces at competitive prices.



Image source: Gallo/Getty

This is taking off fastest in large cities such as London and New York. Studies by the world's major consultancies show that flexible workspaces now make up about 8% of global office space, rising to 30% by 2030. South Africa has been quick to get into this niche market. Programmers, web designers, app developers, writers and digital marketers, customer support representatives and many others are now working flexibly, while being productive and meeting regular deadlines.

## Flexible working

Multinational groups such as Regus in South Africa provide fast bandwidth, serviced offices, virtual offices, meeting rooms and videoconferencing facilities in Sandton, Cape Town, Pretoria and Durban, among other venues. The Luxembourg-based company says more than 90% of millennials globally state that flexible working is important to them, and that companies that don't trust their staff to work like this risk losing out on talent.

Dozens of smaller South African companies have jumped onto this bandwagon, providing fully serviced workspaces and hot-desking facilities from East London to Port Elizabeth, Rustenburg to Paarl. Some host regular events supporting entrepreneurship, digital learning, and networking across various industries.

Pay-as-you-go services range from about R65 an hour, to daily rates of about R280; or five, 10, or 20-day packages for between R1,250, R2,300 and R4,400; or short-term contracts starting from under R2,000 a month – also across multiple-locations. There are also virtual office services that include call answering and mail handling facilities along with a professional business address.

A recent Statistics SA's employment outlook indicates that the number of people in temporary employment in South Africa rose from 2.6 million in 2017 to 3.9 million in 2018. Old Mutual - which says workplace disruption is providing valuable lessons for the retirement industry - states the country's mobile internet penetration of about 68% and the nation's unemployment rate of about 27% are responsible for this rise.

### Freelancing media sector

A flexible lifestyle is not only sought after by entrepreneurial millennials and the digitally roaming denizens that make up Generation Z. A recent Southern African Freelancers' Association survey of almost 400 respondents shows that South Africa's freelance media sector is dominated by women over 30 years of age, with most producing work for online platforms.

Nearly half hold a bachelor's or honours degree, with about 16% having a masters qualification, or similar. The report says 42% of these media freelancers can be found in Gauteng, with 34% in the Western Cape. The majority find work in the corporate sector. While the average income is still less than R10,000 per month, about 10% make more than R40,000 monthly.

#### Foreign digital nomads

South Africa is a fantastic place for digital nomads. From climbing Table Mountain to scuba diving the famous Aliwal Shoal, you can work while you travel. Seeking out the Big Five in the Kruger Park before catching a wave in Jeffreys Bay and then bungee jumping off the famous Storms River bridge has been made easier by the spread of faster and cheaper internet.



Andrew Robinson, cofounder and executive chair, SiSebenza

Foreign digital nomads usually benefit from a highly favourable exchange rate. Since 2015 international airlines have added more than 1.5 million two-way seats a year to Cape Town's international airport alone. This is no doubt reflected in the rapid growth of temporary workspaces in the Mother City.

Wyse Travel Confederation, a global not-for-profit membership organisation representing the youth, student and educational travel industry, says digital nomads are high-value customers that are looking for new experiences, culture and adventure.

Watch this space - the nomads are coming and they will benefit our economy greatly.

#### ABOUT THE AUTHOR

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