INDIA

Indian Tourism Industry

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What is Tourism?

- **Tourism** is travel for recreational, leisure or business purposes.

- The World Tourism Organization defines **tourists** as people who "travel to and stay in places outside their usual environment for more than twenty-four (24) hours and not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited".
India is the land of myriad experiences and exotic locales. It is a world of resplendent colours and rich cultural locales, be it magnificent monuments, heritage temples or tombs. The Country's ancient cultural heritage is inextricably linked to its technology driven present existence. The co-existence of a number of religions and cultures, together with an awe-inspiring topography makes it the perfect place for a complete holiday experience.
Conde Nast Traveller, UK in its Readers Travel Awards 2008 has ranked India among the top 2 most favoured countries in the world, consecutively for the second year.

India received the award for the leading destination at the Asia World Travel Awards 2008-“Asia and Indian Ocean” Ceremony, in Shanghai, China.
TYPES OF TOURISM IN INDIA:

- Ecotourism
- Rural Tourism
- Regional Tourism
- India City Tour
India – A Civilization Alive

- Adventure sports
- Cool Retreats
- Deserts
- Eco Tourism
- Luxury Trains
- Beaches
- Indian cuisine

- Mice
- Spirituality
- Royal Retreats
- Wellness-Yoga Aayurveda
- Wild Life
- Heritage Sites
<table>
<thead>
<tr>
<th>Heritage sites</th>
<th>Cultural Attractions</th>
<th>Beaches / Benchmarks</th>
<th>Health And Wellness</th>
<th>Wildlife Sanctuaries/National Park</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ajanta Caves</td>
<td>Holi</td>
<td>Anjuna beach in Goa</td>
<td>Ayurveda</td>
<td>Corbett National Park</td>
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<tr>
<td>Ellora Caves</td>
<td>Dipawali</td>
<td>Kovalam beach at kerela</td>
<td>Yoga</td>
<td>Sariska National Park</td>
</tr>
<tr>
<td>Agra Fort</td>
<td>Pongal</td>
<td>Marina beach, Goa</td>
<td>Meditation</td>
<td>Ranthambore National Park</td>
</tr>
<tr>
<td>Taj Mahal</td>
<td>Kumbh Mela</td>
<td>Juhu beach at Mumbai</td>
<td>Shirodhara-Oil Therapies</td>
<td>Kajiranga National Park</td>
</tr>
<tr>
<td>Sun Temple, Konarak</td>
<td>Many famous temples</td>
<td>Baga beach at Goa</td>
<td>Panchkarma Therapies</td>
<td>Kanha National Park</td>
</tr>
<tr>
<td>Golden temple, Amritsar</td>
<td>Indian music and dances</td>
<td>Dona Paula beach, Goa</td>
<td>Steam Therapies</td>
<td>Gir National Park &amp; Sanctuary</td>
</tr>
<tr>
<td>Group of Monuments at Khajuraho</td>
<td></td>
<td></td>
<td></td>
<td>Mudumalai Sanctuary</td>
</tr>
</tbody>
</table>
New Tourism Products

- **Monsoon magic**: focus from month of April to October.

- **Rural & village tourism**: the tourism industry is laying special focuses on infrastructural development in various rural destination in various rural destinations in India.

- **Medical tourism**: The Indian Healthcare Delivery is estimated at US $ 18.7 billion. The industry is growing about 13% annually.

- **Wellness & spa tourism**: luxurious world class health spa’s are mushrooming across the country.

- **Luxury tourism**: Palace on Wheels, Palaces of country etc.

- **Adventure tourism**: with emphasis on eco tourism.

- **MICE**: convention centres coming up in the metro cities.
Foreign exchange earnings from tourists were up by more than 20% at $5730.86 million in 2005, up from $4769 earned the previous year.

According to the latest report of tourism industry, India's medical tourism has registered an annual growth rate of 25 per cent and is expected to touch the $2 billion mark by 2012.
According to WORLD TOURISM ORGANISATION, India will lead in South Asia with 8.9 million arrival by year 2010.

According to TREVAL AND TOURISM, 2nd fastest (8.8%) tourism economy in the world over 2005-2014.
Policies by Government of India

In the year 2002, the Government of India announced a New Tourism Policy to give boost to the tourism sector.

The policy is built around the 7-S Mantra:-

Swaagat (welcome)
Soochanaa (information)
Suvidhaa (facilitation)
Surakshaa (security)
Sahyog (cooperation)
Sanrachnaa (infrastructure) and Safaai (cleanliness).
Some of the salient features of the Tourism Policy are:

- The policy proposes the inclusion of tourism in the concurrent list of the Constitution to enable both the central and state governments to participate in the development of the sector.

- No approval required for foreign equity of up to 51 per cent in tourism projects. NRI investment up to 100% allowed.
Automatic approval for Technology agreements in the hotel industry, subject to the fulfillment of certain specified parameters.

Concession rates on customs duty of 25% for goods that are required for initial setting up, or for substantial expansion of hotels.

50% of profits derived by hotels, travel agents and tour operators in foreign exchange are exempt from income tax. The remaining profits are also exempt if reinvested in a tourism related project.
Impact of 26/11 on Indian tourism industry-
- The Mumbai terror attack has had an impact on the otherwise booming tourism industry. The tourism ministry is doing everything it can to save the sector from a nosedive.

- As India’s tourism infrastructure develops, it could emerge as one of the biggest tourist attractions. “The world is just starting to re-discover India”
India's tourism infrastructure is yet poor when compared to the 'best of the world' standards. Yet its diverse and fascinating history has led to the creation of a booming tourism industry. Foreign visitors presently spend more than US $15.4 billion annually in India.
# Average length of stay in country

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>NO. OF DAYS</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>31.2</td>
</tr>
<tr>
<td>Canada</td>
<td>5.22</td>
</tr>
<tr>
<td>Brazil</td>
<td>13.00</td>
</tr>
<tr>
<td>France</td>
<td>7.31</td>
</tr>
<tr>
<td>Hong Kong/China</td>
<td>3.38</td>
</tr>
<tr>
<td>Japan</td>
<td>8.80</td>
</tr>
<tr>
<td>Malaysia</td>
<td>5.50</td>
</tr>
<tr>
<td>Singapore</td>
<td>2.60</td>
</tr>
<tr>
<td>Spain</td>
<td>12.9</td>
</tr>
<tr>
<td>Thailand</td>
<td>8.4</td>
</tr>
</tbody>
</table>

Source:- World Tourism Organization
Tourists inflow from Australia -
In the last three years the tourist arrivals from Australia to India have almost doubled to a record figure of 1,00,000.

Tourists inflow from Britain -
Every year about 3000,000 tourists from Britain visit India for both business as well as leisure.
Tourists to India spend more

Tourists to India spent $372 on their visa cards in the year of 2005. This is a 25% rise from the year 2004 thereby, making India the fastest growing Asia-Pacific market for the International tourist spending.

Fortunately, after a drop of about 10% in foreign tourist arrival between October 2008 and June 2009, the inbound tourist market is showing definite signs of revival.
Leading Tourist destination
With nearly 140 three and two star hotels, Kerala has turned into a major hot spot for foreign tourists. However Tamil Nadu hold the second position in attracting foreign tourists.

Employment generated by tourism in India
Tourism Industry provides employment to about 2 corers of people in India.
INCREIBLE INDIA CAMPAIGN

Destination Marketing!
Union Ministry of Tourism has featured Aamir Khan as the brand ambassador for its immensely successful Incredible India campaign and spread the message of "Atithi Devo Bhava" (guest is god).
Winner of 2005 PATA Grand Award in the Heritage category for its “Ajanta Ellora Conservation & Tourism Development project”.

Winner of 2005 PATA Gold Award in Print media category for its “Incredible Taj” ads.

Winner of 2004 PATA Gold Award for INCREDIBLE INDIA CAMPAIGN.

Travel & Leisure-HIGHEST RECALLED AD WORLD WIDE.

The Incredible India International Television Commercial for 2008 has recently won the Grand prix Award.
SWOT Analysis
The way to success!
More favorable towards having a holiday in India: +24 percentage points from 34% to 58%.

Consider visiting India for vacation in next 2 years: +19 percentage points from 35% to 54%.

- Did not recall seeing the campaign
- Recalled seeing the campaign

Agree to the statements in describing India as a holiday destination:

- Has lots of heritage sites: 94%
- Is rich in culture: 90%
- Has beautiful scenery/natural environment: 87%
- Is an attractive destination overall: 76%
<table>
<thead>
<tr>
<th>STRENGTH</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Different Variants of tourism.</td>
</tr>
<tr>
<td>2. International cooperation.</td>
</tr>
<tr>
<td>3. Average length of stay.</td>
</tr>
<tr>
<td>4. Rich culture, heritage &amp; colorful festivals.</td>
</tr>
<tr>
<td>5. Scenic beauty of the country attracts tourists from various parts of the world.</td>
</tr>
<tr>
<td>6. Terrain is ideally situated for adventure activities.</td>
</tr>
<tr>
<td>7. Well known Indian hospitality.</td>
</tr>
</tbody>
</table>
TOP FIVE PRIORITIES WITH RAM KOHLI, FOUNDER PRESIDENT OF IATO AND CHAIRMAN, CREATIVE TRAVELS INCLUDE RISING HOTEL PRICES, LACK OF ROOM AVAILABILITY AND INFRASTRUCTURE.

Rising hotel prices in India
The hotel prices in India are rising at unreasonable rates. No one denies that we had dropped the prices too low, but to ask for astronomical increases leaves a bad taste with the client. Price increases should be gradual and not provide a sense of price gauging.

Hotel room availability
The lack of hotel accommodation is another major concern. Demand and supply are at a major imbalance. We have been through cycles like this before and so far the hospitality industry seems to be unable to predict trends and increase capacity to match that.

Basic infrastructure issues
We don’t have decent bathrooms at monuments, we don’t have enough luxury cars and buses, we don’t have enough top-notch guides. These are just a few issues when it comes to the basic infrastructure needed to make India a successful tourist destination. We need to fix these areas faster than is being done now.

Taxation
It is becoming increasingly unprofitable to work in the travel industry. The skewed and illogical tax laws are creating a disincentive to growth. It seems that the finance ministry is bent on killing the goose that lays the golden eggs. There is no desire to understand our business models and international pressures to keep the destination competitive.

Infrastructure-related Issues are a Concern, Ram Kohli

Brand fatigue
The Incredible India campaign has been doing well over the past few years. But now, it may be time for the country to re-evaluate its marketing efforts and explore options to enhance the brand and give it a fresh perspective.
WEAKNESSES

1. Inadequate infrastructure to match the expectation.
2. Restrictive airline policy of the GOVERNMENT of India.
3. Overcrowding of popular tourist centers.
4. Inadequate marketing & information channels of information.
5. Some places are inaccessible, specially in winter.
6. Lack of professional management.
7. Lack of basic amenities.
## OPPORTUNITIES

1. Government of India is giving more attention to certain regions like North-East India.

2. Asian Development Bank is preparing a Sub-Regional Plan for Development of tourism in India.

3. Potential for private sector’s investment in tourism projects.

4. Availability of high quality human resource.

5. Rapid growing middle-class.
Explosions rock Indian rail stations

Scores of people were killed and hundreds injured when eight bombs exploded over a span of 15 minutes at seven train stations Tuesday in Bombay, India.

Train station and time of explosion
All times local.

SOURCES: Mumbai Metropolitan Region Development Authority; Mumbai Metro System; Star News television
जयपुर में सीरियल ब्लास्ट
नौ धमाके ■ 75 मरे ■ 150 से ज्यादा घायल

प्रवास साप्ताहिक/दैनिक जयपुर
राजनीतिक जयपुर में मंत्री नवीन ने मंत्रालय के अंतर्गत में एक के बाद एक के तरीके से क्रमशः जयपुर, जोधपुर, जयपुर, जयपुर, जयपुर, जयपुर, जयपुर, जयपुर, जयपुर ने लगाए 75 तलाश के रूप में मिले हैं। जयपुर में 150 से अधिक लोगों के लिए गंभीर अवज्ञात हुए। सभी लोगों की आत्मा की जाति की है। यह सब कुल 35 के अवज्ञात हो जाता है। सभी लोगों की जाति की जाति की है। सभी लोगों की जाति की जाति की है। सभी लोगों की जाति की जाति की है। सभी लोगों की जाति की जाति की है। सभी लोगों की जाति की जाति की है।

- द्वारमंत्री और राजद्रष्टा ने की घटना की जानकारी।
- राजद्रष्टा दिल्ली समेत मंत्री पूरे देश में हो देश ने देश में हो देश ने देश में हो देश
- वड़ा के कत्तू नवीकरण को देश नयादेश पहुँची है।
- सीरियल वाहन ने में राजस्थान मुख्य सरकार से शर्म
- अमेरिका राजद्रष्टा के बाद राजस्थान में दुरुस्त होगा।
- धार्मिक साहित्य का महत्व को कोई कुछ नहीं।
- मुख्तार के उस्ताद वाहन का दोहर-दोहर लाख मुआवजे की धारणा।
THREATS

1. Terrorism is the major setback of the region.
2. Strong competition between states of India & abroad.
3. Disorganized tourism development.
4. Environmental factor also impose a threat.
5. Recession.
Comparison in last years

Arrival & FOREX earning estimates!
Foreign tourist arrivals and estimated Foreign Exchange Earnings during the years 1999-2008 and January-March 2009

<table>
<thead>
<tr>
<th>Year</th>
<th>Foreign Tourist Arrivals (in nos.)</th>
<th>Percentage Change Over Previous Year</th>
<th>Estimated Foreign Exchange Earnings (Rs. in Crore)</th>
<th>Percentage Change Over Previous Year</th>
<th>Estimated Foreign Exchange (in Million US$)</th>
<th>Percentage Change Over Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>2481928</td>
<td>-</td>
<td>12951</td>
<td>-</td>
<td>3009</td>
<td>-</td>
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<td>2000</td>
<td>2649378</td>
<td>6.7</td>
<td>15626</td>
<td>20.6</td>
<td>3460</td>
<td>15.0</td>
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<td>2001</td>
<td>2537282</td>
<td>-4.2</td>
<td>15083</td>
<td>-3.5</td>
<td>3198</td>
<td>-7.6</td>
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<td>2002</td>
<td>2384364</td>
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<td>15064</td>
<td>-0.1</td>
<td>3103</td>
<td>-3.0</td>
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<td>2003</td>
<td>2726214</td>
<td>14.3</td>
<td>20729</td>
<td>37.6</td>
<td>4463</td>
<td>43.8</td>
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<td>2004</td>
<td>3457477</td>
<td>26.8</td>
<td>27944</td>
<td>34.8</td>
<td>6170</td>
<td>38.2</td>
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<td>2005</td>
<td>3918610</td>
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<td>21.4</td>
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<td>2006</td>
<td>4447167</td>
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<td>39025*</td>
<td>17.8</td>
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<td>15.2</td>
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<td>2007</td>
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<td>5366966</td>
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<td>13582#</td>
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<td>2731#</td>
<td>-30.6**</td>
</tr>
</tbody>
</table>

# Advance Estimates  * Revised Estimates  @ Provisional  
** Percentage change of January-March 2009 over January-March 2008