



Washington State and India Trade Relations Action Committee

The background image shows a modern interior space. On the left, a large wall is covered in blue light projections that look like rain or falling light. On the right, there's a reception area with a person behind a counter, and a ceiling with many small, warm-toned pendant lights.

India outbound opportunities

Debadutta Dash
Co-Chair, WASITRAC
Seattle.

India market - Overview

- India is the world's 4th largest economy in terms of GDP. Deriving its wealth primarily from service based industries. GDP projected at an average of 6% every year
- There is continued Economic growth Expected to be amongst the top three global economies by 2050.



India Market- overview

- India population: 1.2 Billion, second largest to China.
- Indian Outbound has grown from 5.4 M in 2003 to 14 M in 2012 and targeted to reach 20 M by 2015
- The liberalised economy has resulted in the emergence of the middle class with high disposable incomes.
- International tourism expenditure by Indians has grown 165% over the last 10 yrs, and is now over US\$ 8.2 billion .
- Mumbai seems to be the leading source of India's outbound travelers, with a market share of around 33%, followed by Delhi (26%), Bangalore (17%), Chennai (13%) and Kolkata (11%).
- India is the ninth largest Civil Aviation market and is projected to take a leap to 3rd place by the year 2020.

- Indian travelers are sixth largest spenders on hotels abroad according to Hotel Price Index by Hotels.com
- Asian destinations account for 70% of international leisure trips and 60% of business trips originating from India
- India will be the Third fastest generator of Travel and Tourism Demand from 2013 - 2020 with an annualized growth of 8% YOY

Tourism & Aviation trends

- Established Tourism boards such as Australia, Singapore, Thailand, Malaysia, UK, Mauritius and Dubai are now focusing at Tier 2, Tier 3 cities for growth
- New tourism boards set up – Korea, Japan, Macao, Turkey, Finland, Poland, Russia, Jamaica, Mexico, Argentina, Holland, New York and California
- Air traffic is growing at a pace of 30% ... 220 + international flights per day. Airlines have introduced and doubled their flights into/ out of India.... Thai, Cathay, Emirates, Qatar, Jet Airways, Air India, Maldivian and Virgin etc
- Low cost carriers - Air Asia, Bangkok Airways, Silk Air, Tiger air have expanded operations in India.... Thai smile has introduced direct flight to Macao
- Indigo airlines and Spice jet have International flights to Dubai, Singapore, Bangkok and Kathmandu.
- International travel within Asia is perceived /works out cheaper than domestic travel.
- All major airports upgraded.... airport renovation for Mumbai, Chennai & Kolkata in progress

Outbound figures - Asia pacific

Sl. no	Country	2008	2009	2010	2011	2012	Growth over 2011
1	SINGAPORE	764,000	778,299	805,012	869,000	956,884	7.7%
2	THAILAND	538,157	538,378	725,033	9,55,128	1,300,198	36%
3	HONGKONG	350,674	350, 812	387,443	498,063	414,158	-16.9%
4	CHINA	450,000	448,000	484,775	501,045	618,077	17.8%
5	MALAYSIA	541,758	550,738	558,784	591,097	693,056	14.7%
6	AUSTRALIA	-	132,412	137,006	148,000	159,406	7.2%
7	MALDIVES	16,663	15,850	25,756	28,978	31,721	11%

Outbound figures - EAME

Sr. no	Country	2008	2009	2010	2011	2012	Growth over 2011
1	U.K	440,000	490,000	525,000	544,074	560,022	2.8%
2	France	244,000	310,000	355,000	379,955	400,823	5.2%
3	Switzerland	3,50,000	372,000	388,070	391,924	410,211	4.5%
4	Austria	47,000	51,000	63,700	66,500	-	N/A
5	Spain	-	-	-	55,355	57,015	3%
6	South Africa	52,500	61,400	73,700	98,018	120,022	18.3%
7	Mauritius	38,400	41,100	50,500	53,322	55,206	3.7%
8	Egypt	88,811	87,000	114,000	86,443	82,698	-6%
9	Dubai	493,000	530,000	638,100	689,466	717,045	4%

Outbound figures - NAD

- Outbound Travel from India to United States Of America, 2012: 474,531 (Increase 8.5% over 2011)
- Outbound Travel from India to Canada 2012: 139,218 (Increase 6% over 2011)

Outbound destinations from India

Established

Thailand

Malaysia

Singapore

Maldives

Hong Kong

Macau

Dubai

France

Switzerland

Mauritius

US

Growing

Srilanka

Bali

China

Australia

South Africa

Austria

Germany

Spain

Russia

Turkey

Canada

Emerging

Czech republic

Greece

South Korea

Japan

Philippines

Vietnam

Cambodia

Morocco

Argentina

Brazil

Mexico

Leisure Travel Trends

- Average length of stay -short breaks 3-4 nights / long vacation 15-16 days.
- Maximum travel takes place between mid April and end of July.
- Average Indian pursues family vacation.... more than one family travel together .
- First time travelers prefer group tours because of culture, lack of destination knowledge.
- Shopping is a priority and Indian food is a must.
- Trend is “Cover Maximum Cities within the least possible timeframe”
- Seasoned travelers prefers exploring one destination at a time.
- Always ready to explore new destinations.
- Women travelers & wellness travel are on the rise.

Leisure: Preferred Itinerary for group tours & FIT

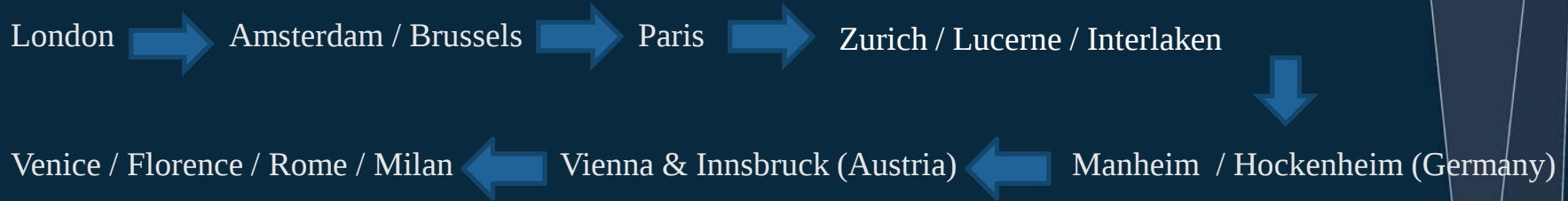
Bangkok (02 N) → Pattaya (01 or 02N) → Kuala Lumpur (02N) → Genting (01N) → Singapore (02N)

Sydney (02 N) → Melbourne (01 N) → Cairns (01 N) → Goldcoast (03 N)

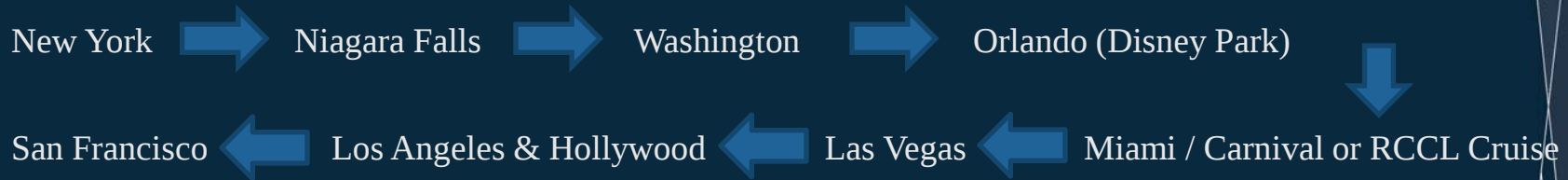
Hong Kong (02 N) → Macao (02N) → Shenzhen (02 N)

Beijing (02 N) → Xian (02 N) → Hangzhou / Guilin (01 N) → Shanghai (02 N)

Preferred Leisure Itinerary for FIT / Tour group - Europe



Preferred Leisure Itinerary for FIT / Tour group - US



Few Group tours take an extension to Canada and the typical itinerary is as below:



MICE / Group scenario:

- Corporates are incentivizing employees, dealers etc for short as well as long haul destinations. Sectors like Automobile, Pharma, Cement, Telecom, FMCG etc are the key drivers for such incentives
- Corporates prefer to involve an Indian PCO's to manage the group who prefer to work with local DMC's
- Family and friends traveling on special occasions on short breaks and weekend gateways
- There has been a shift of this traditional mode whereby more and more Indian operators are seeking for direct hotel contract. The DMC's are restricted to local ground handling against a service fee
- Hotels would receive multiple enquiries of the same group either direct from the operators in India or from multiple ground handler. It is desired to communicate with SSO to take collective decision regarding pricing
- Every query will have to be handled on a case to case basis..... No standard approach

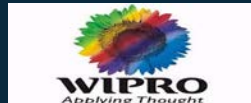
Corporate Scenario

- Corporate market has seen growth year over year creating business opportunities by way of foreign direct investments , mergers and acquisitions and growing their footprint on the global scale
- Global Companies like Accenture , IBM , Deutsche Bank, Pfizer, Vodafone, Deloitte already have a strong foot hold in the Indian Soil for a decade
- Opportunity is to develop and grow the Indian Multinational companies Tata, Aditya Birla Group, Infosys , Wipro , Reliance Group etc on the Starwood global platform
- Sunrise Sectors – Infrastructure, Pharmaceuticals, Manufacturing, Automobiles, FMCG, Oil & Gas, Banking and Insurance are the key growth drivers
- India's largest apex bodies CII & FICCI enjoys membership base of over 250,000 companies
- Global TMC's has strong presence in India – CWT , HRG , Amex , FCM stands to explore new business from Indian accounts
- Offspring of local TMC's with a focus on providing accommodation solution is on the rise

International destinations for Corporate Travel from India

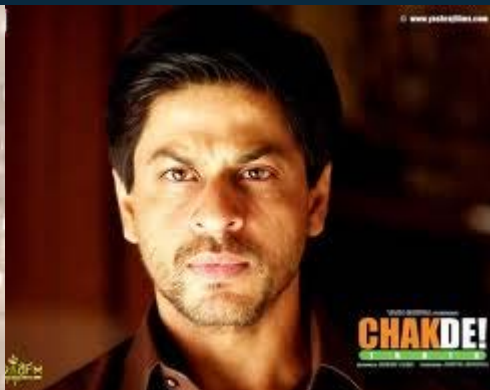
- Singapore
- Hong Kong
- Kuala Lumpur
- Bangkok
- Saigon (Ho Chi Min)
- Sydney
- Melbourne
- Shanghai
- Seoul
- Beijing
- Jakarta
- Hanoi
- Tokyo
- Osaka
- Shenzhen
- Perth
- Dubai
- Abu Dhabi
- London
- Frankfurt
- Dusseldorf
- Munich
- Brussels
- Johannesburg
- Cape Town
- New York
- San Diego
- San Francisco
- Chicago
- Atlanta
- Philadelphia
- Toronto
- Sao Paolo

Indian Multinationals grown to GP/SP

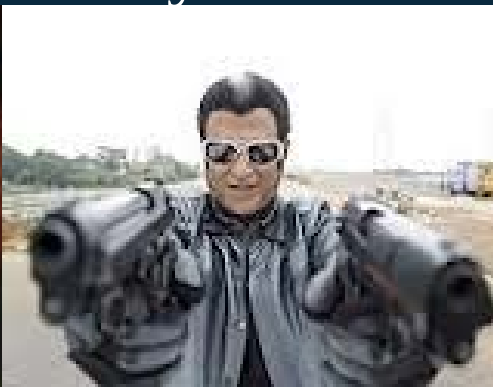
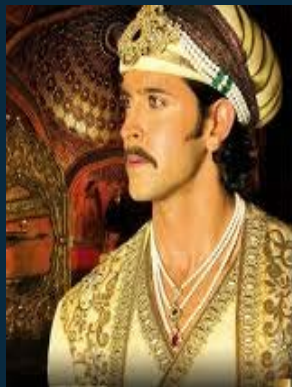


Indian Weddings





Bollywood



Indian Cinema - Bollywood

- Bollywood is the name given to the Mumbai-based Hindi-language film industry in India.
- The term Bollywood was created by conflating Bombay (the city now called Mumbai) and Hollywood (the famous center of the United States film industry).
- Considered to be the largest in the world in terms of number of films produced, and maybe also the number of tickets sold. Number of Hindi movies made per year is approx 800.
- Bollywood films are usually musicals in a three hour long extravaganza with Intermission.
- The plots are often melodramatic and they frequently employ formulaic ingredients such as star-crossed lovers, corrupt politicians, twins separated at birth, conniving villains, angry parents etc.
- Tourism bodies in India work very closely with production houses to showcase their destination

Preferred destinations:

- Bollywood budgets are usually modest by Hollywood standards. But as Western films and television gain wider distribution in India itself, there is increasing pressure for Bollywood films to attain the same production levels.
- Sequences shot overseas have proved a real box office draw. Some notable destinations preferred by Bollywood are:

International: US, UK, Italy, Switzerland, Dubai, Australia, Thailand, Malaysia and Singapore.

Upcoming destinations: South Africa, Czech republic, Greece, Spain, South Korea and China.

Domestic: Established destinations are Jaipur, Udaipur, Jodhpur, Agra, New Delhi, Goa, Ooty, Kodaikanal and Ladakh.

Bollywood - Key requirements:

- The main cast and crew would require single accommodation whereas the rest of the crew would desire double and at times even Triple accommodation due to budget constraints.
- 01 dedicated catering room to be allocated to them for breakfast, lunch or dinner.
- Comfortable parking facility for the coaches and cars.
- Gymnasium and swimming pool should remain open for 24 hours
- Special discounts on Spa facility, Laundry and room service.
- Require dedicated storage area for their heavy material like lenses, gensets etc.
- Currently they work with Line producers in respective countries as one stop shop for all services. This includes hotel rooms, outdoor shoot areas, procuring licenses any other logistic support.

Indian customer expectation

- Relationship driven market with high level of engagement... Likes attention & ego pampering.
- Understanding the diverse culture, language & food habits... Indian chef in the hotel for ability to organize through outside source will be an advantage.
- Get used to bargaining.. long negotiations and last minute changes
- Avoid paying for early check in and late check out
- Last minute confirmations and cancellations
- Complimentary stays during Hotel inspection
- Tea/coffee maker in every room is a preference
- Complimentary Porterage ... This concept is followed in hotels across India
- Overall need to be flexible.