

New page in tourism business

From pre-pandemic era to now, Indian travel industry has gone through a metamorphosis, both in terms of demand and supply. Not only has the consumer become more aware of what he/she wants, but service providers also have their hands full to suit the needs of every client. On these lines, the India travel recovery does not look like a distant dream.



Experts sharing their views during a panel discussion titled 'The Indian Traveller: Writing the global recovery sequel' at ATM in Dubai



Nisha Verma

At the recent Arabian Travel Market (ATM), TRAVTALK hosted a panel discussion titled 'The Indian Traveller: Writing the global recovery sequel'. It was moderated by SanJeet, Director, DDP Group.

Setting the tone for the discussion, SanJeet said India's outbound tourism market has a large potential. "Despite being hit hard by



COVID-19, outbound tourism from India will see an increase through its economic growth. With a growing economy, young population and growing middle class, India could well become the lucrative outbound market of the world. Current projections show

the Indian GDP will increase to US \$4 trillion, which is 50 per cent higher than the 2021 levels." Going forward, he shared, "With Chinese and Russian markets nearly closing, India is ready to take on the mantle of being the biggest source market for the world."

India: Pandemic market

Deepak Rawat, Senior Vice President, MakeMyTrip, said the ongoing pandemic has restricted Indians from travelling overseas. "Recently, the domestic market has flourished, much better than pre-pandemic times. The spending was more, the travel frequency was more, and it is a built-up for outbound. As destinations reopen, there is a huge demand waiting for Indians to travel overseas. With many countries lifting COVID-19 curbs, searches on various platforms show Indians have moved on and are searching differently. India will be the centre of outbound and become the largest

tourist market in the world in the next three years," he claimed.

Booking trends in India

Sandeep Dwivedi, COO, InterGlobe Technology Quotient,

Outbound tourism from India will witness a rise through its economic growth

SanJeet
Director, DDP Group

said the pandemic has in the last two years taken away a huge amount of travel. "With international flights resuming on 27 March 2022, the Global Trend Report 2022 by Amex has revealed that 94 per cent of Indians want to travel and explore more than what they have travelled earlier. The report promises big business opportunities. In April after international borders opened, we were up to 52 per cent of the pre-pandemic level (April 2019). In domestic, we were already at the pre-pandemic level. This is fascinating since 2018-19 was the year when Jet Airways had packed up. The way the market is opening up, the traffic on domestic side will keep on increasing," he claimed.

Speaking about the destinations Indians are traveling to, he said,

"From an airline perspective, it depends on how much of capacity is being booked. Booking.com survey suggests that Indians are traveling toward London, Paris, Dubai, Amsterdam, Toronto, Middle East and Southeast Asia. The current booking trend is leaning toward Middle East and Southeast Asia. This is so because travellers are interested to book a short haul or a direct flight connection because of complexity of connecting flights. Some parts of Europe are also being booked, but primarily buying is for direct flights."

Booking source

Jaal Kalpesh Shah, Group MD, Travel Designer Group, asserted, "Initially when the airports opened, there were different interstate rules for travel, including arrival of quarantined tourists. Maharashtra recovered the last. However, pan India is overall busy. The country also has seasons. We know the west traditionally has a lot of honeymoon and wedding travel attractions. During summer, entire India is going to have school holidays. Hence, leisure will be coming in, followed by other festivities in India, which always attract travel. Cities that have direct flights are the ones that are doing well," he said.

India, the new giant

On being asked how NTOs are looking at India, Deepak Rawat shared, "Everybody is focused on India—with more than 28 million passports and two years of pent-up demand to travel overseas. It is more than clear that every NTO wants a portion of the Indian

MMT to help with tourism searches

While the Directorate General of Civil Aviation data (DGCA) will inform you about the travel particulars, I think the National Tourist Organisations (NTOs) will work with partners such as us meticulously on what kind of searches are taking place. In terms of the searches across cities, we cut through as we have a proper data science team, which works on the obtained data with dedication, and it is critical with a real-time process cycle.



Deepak Rawat
Senior Vice President
MakeMyTrip

market as they have realised its potential. There is purchasing power, enough flights, and people willing to travel. The NTOs want to go deeper as they know India has a large population and every segment, including group tours, FITs to senior citizens, every NTO is working hard to get a slice of the pie."

He pointed out, "As per our internal survey, 75 per cent of people are willing to spend more than what they were spending pre-pandemic on travel and 52 per cent are willing to take a loan for travel."

High price market

Referring to the rise in airfares in India, Dwivedi said, "We need to understand the dynamics of macroeconomics here. The market is too volatile, and many things are moving around. But the capacity from the Indian market is 25 to 30 per cent short of pre-pandemic levels. The flight load is over 80 per cent, amazing despite higher fares. This indicates that people are willing to travel."

Stating that 3,200 frequencies per week to start with after intensity of the pandemic subsided is a significantly higher number, he said it is a demand and supply game. "Demand exists from domestic point of view. New Jet Airways is on the anvil. Akasa Air is also coming,

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Deepak Rawat
Senior Vice President, MakeMyTrip

while existing players are revamping themselves. This means there is huge capacity coming from the Indian market with a propensity to travel, especially from tier II and III cities. We should not forget that crude prices and inflation are at

The India picture

SanJeet Director, DDP Group, mentioned India poses an opportunity for destination markets, which can capitalise on India's young population comprising Gen Z and the millennials. "Furthermore, it is improving infrastructure, and developing low-cost airline market means outbound travel is both affordable and accessible. Projections show full recovery by 2024 and by 2025; the outbound will cross US\$ 30 billion. According to UNWTO, outbound tourism expenditure from will increase to US \$23 billion in 2019; 71 per cent of the expenditure is for personal purposes; while only 29 per cent for business and professional purposes," he highlighted.



SanJeet
Director
DDP Group

...MICE waiting to recover fully

an all-time high. He believed that by next year summer or winter schedule, “we can reach pre-pandemic levels or go beyond it”.

Travel in new normal

While everyone talked about the new normal, Shah said, “There are agents specialised in certain segments of travel such as cruises, which are on the path of recovery. They are having a tough time to change and adapt. From a consumer point, our data indicates in the first phase, people wanted to go out (abroad) because they were locked in their houses, leading to a surge in domestic trips,” he said.

India, Malaysia and Singapore are also gaining popularity, but people are careful about how they travel, rules, and refundable travel, as nobody wants to risk their money,” he explained.

Dealing with the change

Agreeing, Rawat said, “People have realised now what they need more than travel is safety, hygiene, quality from hotels to villas to apartments and homestays. Hotels have had a great time within India and in Maldives. There were more numbers to Maldives than we did before the pandemic. The pandemic has taught everybody that we need to fulfil

Health passports

Elaborating on health passports, Dwivedi shared, “It is going to be an app-based platform where one can digitise all your records, including vaccinations, health record, and prescriptions. One might need to carry all their health records, while travelling in future. Secondly, it is easier to have a digital record from a traveller’s perspective. Another thing COVID-19 has taught is that today it is the virus, tomorrow it can be something else. This means, things will keep on changing/altering and we need to keep evolving. So, digitisation is vital and health passport will be a big thing.”

ing the lead with biometric passports,” Dwivedi claimed.

Choose right destination

When it comes to selecting a destination, consumers have become more informed, Shah claimed. “To avoid facing any trouble in case of getting sick or not having proper documentation, they have started inquiring a lot. To answer them, the agents have started reading more and getting updated. We had to change our UX, build certain data, find data to display, including protocols and sanitisation policies, at the hotel. Our industry has built an archive of

What data should NTOs follow

It is difficult with so much data floating around. GDS data can capture only air side or GDS participants. However, in India, 50 to 60 per cent outbound is also via LCC. However, the real data sits with the Director General of Civil Aviation (DGCA), which is the controlling authority and has the airport data. Also, there are many surveys being carried on. Hence, the surveys always give the most relevant information. Plus, some of the information is available from trade bodies.”



Sandeep Dwivedi
Chief Operating Officer
InterGlobe Technology Quotient

celebration getaway. However, we saw families travel to Maldives and resorts that were not kid friendly earlier. In 2021, India had given huge numbers to Maldives and also flights were cheaper than Dubai at times,” he shared.

because first the flight capacity is not back. It will happen in small batches and in smaller numbers. Now we see 500 to 600 pax movement taking place.”

Future of travel agents

Saying that the possibility of small city travel agents to make a consortium is there, Shah added, “Our numbers have grown 3X and 4X, as outbound is growing and we are a completely outbound company—offering everything from adventure, to domestic,

Tapping MICE sector

One sector that is still waiting to recover to its full potential is MICE, said Sanjeet. Agreeing to the same, Rawat added, “The onus for MICE recovery is on the company or the corporates. People be it staff, dealers or business associates are critical part of Indian travel, which was blocked for two years. However, in the last few months, corporate travel has resumed for small, medium and large size accounts. The planning for offsites has started and conferences have started. Now we are at a stage where we see MICE events taking place in India. Some of the events take place in pockets such as Maldives and Dubai where safety and confidence are a key demand. As things open, we have seen a surge in queries for events in countries such as Thailand. In Dubai, we have got multiple MICE groups. For queries to travel destinations such as Europe, there are challenges on visa processing. Currently most companies and corporates want to launch their schemes and start doing MICE events because that is what brings them business.”

In domestic (business), we were already at the pre-pandemic level

Sandeep Dwivedi
Chief Operating Officer
InterGlobe Technology Quotient

to old age travel solutions.” Secondly, he added, “Once they automate the process, they can concentrate on their main business, which is business development or acquiring a customer. With the pandemic they have realised that the staff can work from anywhere if they have automated processes through technology.”

Technology is key

When asked about how necessary technology is for the agents, Dwivedi quoting Darwin’s theory, said, “It is a game of survival of the fittest. The fittest must be ready to adapt to the changes around him/her. Everything is driven by demand and supply.” In a survey done by Booking.com, 74 per cent respondents said technology has taken away their anxiety for travel. People have started realising that adopting technology will automate their entire processes,” he claimed.



However, he insisted going international does not happen overnight. “After getting done with domestic, people started travelling to Maldives. There were segments that came in between and helped the agents survive; transit and business, among others. Hence, multi-layer travel came up and what we see now is predominantly leisure offering easy visa and direct connection. We saw standalone European travel from multi-cities to Switzerland because of the direct flights. Thailand is the next big thing toward

our dreams, and travel is among the top bucket list.”

He agreed people are looking for direct flights and quality accommodation. “New experiences are a priority. If earlier it was Dubai and Maldives for outbound, after lifting on curbs, Thailand, Malaysia, Singapore and Bali are being preferred. The surges are high with people booking quality hotels and resorts with safety standards. Those who were spending for three-star are now looking at five star properties,” he claimed.

However, the biggest challenge is uniformity. “With so many countries and so many app-based platforms, maintaining uniformity of this platform and ensuring that all nations accept it could be a challenge that needs to be addressed,” Dwivedi claimed. He lauded India to be the only country, which started with the first digital vaccination certification.

He said privacy is going to be crucial factor with health passports putting everything out in open.

“Hence, GDPR compliances will become important. Also, California Consumer Protection Private Act will play a role in how privacy is being protected. Once we address these things, health passports will not remain futuristic. India will soon come up with new biometric passports, and then there is no stopping them from linking it with health records. Once this is in place, one can be tracked in case of travel emergencies,” he informed. “Advanced countries will be the first to adopt these things. However, developing countries such as India are tak-

information and, there has not been any misleading information. Airlines played a good role in terms of having informative websites,” he informed.

“Being compulsive travellers in their companies, they waited for an opportunity to fly on kangaroo trips to a particular destination. They wanted to know more and took the risk. On the other hand,

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Jaal Kalpesh Shah
Group Managing Director
Travel Designer Group

leisure travellers were cautious for they wanted to travel with family and children. We saw this change in Maldives as it was normally a honeymoon and special occasion

Pan India is overall busy

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