With PATA having brought the world to India for PATA Travel Mart in Bangalore, it is timely to consider the return journey, namely the exciting growth and diversity of the Indian outbound traveller. Whilst much of the focus of the travel industry has been on the staggering growth of the Chinese market, India is emerging as a strong contender and has an advantage in that its growth is more likely to keep pace with the ability of the aviation market to service it through increased capacity.

In 2014 around 18 million visitors travelled outbound from India, a rise of almost 40 percent on official figures recorded for 2009.

Business travel, unsurprisingly, continues to dominate. With India’s GDP growth rate now overtaking China’s (see Figure 1 below); the country is now the star performer in the BRICS grouping.

India has one other significant demographic factor on its side. Unlike China, whose population is aging, India is about to reap a demographic harvest (See Figure 2). India has a large young population that will ensure its workforce can support both young and old for some years to come.

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1 India Ministry of Tourism, TTIC/Skift and Statista
2 Op cit
3 http://www.economist.com/node/21604509?g=4&z=2014/20150821_15
Who are Indian tourists?

It is perhaps useful to think of ‘Indias’, rather than India. India is an incredibly diverse country in terms of language, religion, customs and behaviour. Hindi is the largest single language but there are many others as Figure 3 shows.

Although Hinduism is the largest single religion with around 80 percent of the population, there is a sizeable Muslim minority (11% in 2013), with two percent each being Sikhs or Christians. Buddhists, Jews, Baha’is, Jains and Zoroastrians are among the many others. Often these minorities are more concentrated in specific states (e.g. more Christians in the South of India). These religious differences have a profound impact on food, behaviour and practice.

One useful example is tea vs. coffee drinking. Although we think of India as a tea drinking country, coffee becomes more popular as one moves to the south of the country which has had a longer period of engagement with the Arabian Gulf and other coffee cultures.

In marketing to and servicing the needs of Indian consumers it is important to be sensitive to these differences.

Men are still more likely to travel overseas than women but this may be influenced by the weight of business travel in the outbound market.

Travel is an ‘ageless’ occupation in India with a good spread of travellers across key age groups (see the breakdowns for Australia and Canada below) – although it varies by destination. But growth in the older age group travelling is increasing, according to Visit Britain. Family groups form a larger part of the international market than for many others and it is important both to showcase and deliver itineraries that satisfy a different range of family needs.

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* Source: Visit Britain
* India Ministry of Tourism, TTIG/Skift
* Source: Visit Britain
* Thanks to Sonali Saigal of the Australian Trade Commission in India for sharing this.
Currently, most travel out from the major ports with good air international air connectivity such as Mumbai, Delhi, Bangalore and Hyderabad. Air access has also proved critical to driving traffic to specific destinations. In its review of the Indian market, OAG\textsuperscript{8} notes how much of the traffic now flows to and through the UAE (see Figure 4) with almost half of all seat capacity (47%) out of India flowing to the country.

However, a strong wave of growth in consumption is coming from ‘Middle India’ – the 400 towns with populations between 100,000 and one million\textsuperscript{9}. As such, this may be an attractive source market to tap (especially if aligned with growth in air capacity).

\textbf{How do they book and plan travel?}

Tourism authorities in both long haul and short haul destinations observe that Indians tend to have relatively short lead times for overseas trips. Interestingly, there is not a great difference between the two with Singapore Tourism Board (see Figure 5) noting that the most common lead time is around 30 days – very little different from that observed by Visit Britain, Canadian Tourism Commission or Tourism Australia.

Given that short lead time it’s clear that travellers need to be primed and ready when they do start planning.

Word of mouth is very important in all markets and this is particularly true in India. This is still very often in the form of personal (i.e. face to face) sharing of ideas and opinions (See Figure 6)\textsuperscript{11}.

However, as the chart also shows, the role of social media is growing. Indeed, India is one of the markets where social media is more important than emails in inspiring travel. It is therefore critical for destinations and tourism businesses to ensure they deliver on the experience and that they facilitate social sharing for Indians (e.g. via free Wi-Fi). This handy guide from Singapore Tourism Board shows how important the different media were in 2013.

\textbf{Figure 4. Outbound Seat Capacity from India (OAG)}

\textbf{Figure 5. Planning and booking lead times (Singapore)}\textsuperscript{10}

\textbf{Figure 6. Influences on destination choice (Tourism Australia)}

\textsuperscript{8} http://www.oag.com/Insight/Free-Reports/end-boom-and-bust-indian-aviation
\textsuperscript{9} Source: Visit Britain
\textsuperscript{10} Singapore Tourist Board
\textsuperscript{11} Source: Tourism Australia, Knowing the customer
India is a highly mobile dependent market. Figure 8 below from PATAmPOWER and ITU shows that three quarters of Indians have access to a mobile phone, so providing content in mobile friendly formats is vital. Although internet penetration is low, it is highly correlated with travel incidence.

Less directly, the role of Bollywood is very important in influencing destination choice. Switzerland has been among the leaders promoting itself using Bollywood relative to its size. As a result, Switzerland figures highly as an aspirational destination for Indian consumers – despite its reputation for being expensive.

The Online Travel Agent (OTA) sector is growing fast in India but is still more strongly used for domestic travel or shorter trips. These sites figure strongly among the most visited travel websites in India (see Figure 9 below). But their use is still more heavily in the domestic tourism space (as the presence of many local rail sites also indicates). This is unsurprising – only two percent of Indians currently travel overseas and those 18 million international trips are dwarfed by more than 240 million trips taken domestically.
What motivates travel?

Family is central to Indian life and spending time with loved ones is a key motivation to travel for Indians. They often travel in family groups and there is a pressure to make the trip enjoyable for everyone. Helping multi-generational trips to be stress free and enjoyable is a major opportunity for the industry to stand out.

Mental well-being is also important. Needing a break is a common reason, for example, for Indians to visit Singapore.

Most of all, Indian outbound travellers are hungry to engage with the world – no matter how far they travel. Wanting to visit other countries to broaden knowledge was the highest ranking motivator for travel among Indian long haul travellers according to Visit Britain, whilst sharing of discovery and sense of achievement are among the top three motivations for Indians visiting Singapore. This is important both in terms of the human interaction Indian visitors are looking for (Visit Britain advises its tourism industry to be prepared for questions that in English culture might seem intrusive) but also the need for experiences and product that provides enrichment.

What drives destination choice?

The vast majority of travellers in the world say that it is important to them to visit a safe destination. However, even by this standard, it stands out as a driver for Indians. This reflects both the fact that they are an emerging market with limited experience of travel (China shares this focus) but also recent terrorist attacks within India (such as that at the Taj Mahal Hotel in Mumbai in 2008) and general personal safety issues. This greater emphasis upon safety is reflected consistently in research from bodies as diverse as Singapore, the UK and Australia. For Indians, safety is more than just a cost of entry. It is a sign that they are welcome in their visiting country. This can be seen for example in the findings of Tourism Australia’s consumer demand project (see Figure 10). In their research, the NTO identified both what constituted safety and which elements of Australia’s reputation needed to be strengthened. Both terrorism and personal safety contributed to perceptions about safety but discourteous treatment on the ground figured strongly in driving that perception for a specific destination.

Elements of a ‘safe and secure’ destination

Respondents were asked what constitutes a ‘safe and secure destination’.

- A low chance of terrorism: 31%
- A low chance of being robbed or assaulted: 21%
- Law enforcement system with integrity that can be trusted: 15%
- A low chance of health risk: 11%
- A destination whose people have similar beliefs to mine: 9%
- Lack of bad reports about the treatment of fellow travellers: 9%
- None of the above: 4%

Respondents who indicated Australia was not ‘safe and secure’ were asked why not.

- Bad reports about the treatment of fellow travellers: 55%
- A high chance of being robbed or assaulted: 39%
- A high chance of terrorism: 29%
- A destination whose people have different beliefs to mine: 27%
- Law enforcement system without integrity that cannot be trusted: 24%
- Other: 4%

Figure 10. What constitutes a safe and secure destination? 

Source: Tourism Australia Market Profile 2015
Sources: Singapore Tourism, Visit Britain
Source: Tourism Australia Consumer Demand Project India 2014
Value is also important to Indian travellers (ranked 3rd in driving choice according to Tourism Australia). Although Indians will seek to bargain for prices, this is not just about cost. High net worth individuals in particular are prepared to pay for experiences or to visit destinations that deliver unique experiences about which they can brag. Access to the best experiences within budget (30%) or the most unique experiences (23%) were the leading constituents of value according to Tourism Australia\textsuperscript{19} - far outweighing the cost of accommodation etc. (See Figure 11)

Similarly, the Canadian Tourism Commission measured levels of recommendation (using the Net Promoter Score\textsuperscript{™} or NPS) among visitors to a number of key competitor destinations (See Figure 12). Switzerland achieved an NPS in the 80s – an extremely high score by any standard. Yet Switzerland is among the more expensive potential destinations for Indian travellers.

In terms of the types of experience, Indian’s excitement about engaging with the world means that they are open to many different types of experience. They will also seek out destinations that offer the best of those experiences. Nature-based experiences, vibrant city experiences along with culture and heritage experiences are all very popular with Indian travellers overseas.

Indian travellers are also looking increasingly for those experiences to be in less well known destinations and to be more active. Visit Britain notes that whilst London dominates in the UK landscape there is an increasing tendency to travel beyond the main areas of popular destinations such as Thailand (the leading international destination according to TTIC/Skift) or a dream destination such as Switzerland. Cruising and wellness are among the areas that Visit Britain notes, whilst interest in Australia’s nature-based experiences is about doing things rather than merely observing. As such, Indian travellers can offer great opportunities for dispersal and increasing spend.

Eighty percent of Indian travellers to the US\textsuperscript{21} shopping and this is also a consistent theme for Singapore. Goods which are expensive to buy or attract high tariffs at home (e.g. electronics) are popular alongside souvenirs, although the rules change regularly on what may be taken home.

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{figure11.png}
\caption{What constitutes value for money? (Tourism Australia)}
\end{figure}

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{figure12.png}
\caption{Engagement with destinations (net promoters)\textsuperscript{20}}
\end{figure}

\begin{itemize}
\item Source: Tourism Australia Consumer Demand Project 2014
\item Canadian Tourist Commission, GTW India 2013
\item OTTI Indian Market Profile 2013 and Singapore Tourist Board
\end{itemize}
How do we make sure we give them an experience to talk about?

In common with travellers from other emerging market countries, Indian travellers are very conscious of having earned their success and are increasingly recognising their economic power. Recognising their special needs, such as diet, is very important. They will be keen to try local food but they will also desire access to Indian food (especially during a long trip).

Long commuting days means that Indians are used to dining later than many local or Western travellers - so making sure that they have access to food later in the evening is important.

Earlier we noted that feeling welcome is important to Indian travellers as they seek to ensure that a destination is safe. So, too, are the simple touches, such as using the traditional greeting ‘Namaste’.

Extending the hand of friendship via such cultural touches is highly appreciated. On Australia’s recent trade mission to India your author wore a sari. This was the key to opening many doors with Indians who were delighted.

Visit Britain notes that Indians are used to changing circumstances (e.g. due to power blackouts) at home, so they tend to have a very flexible approach to holidays – often changing their mind. Ensuring that this is easy to do, and handling it in a positive fashion, will be sure to generate positive feedback.

One very important policy issue for destinations to consider (and for travel businesses to help facilitate) is the issuing of visas. The matter of access to visas was a barrier to travel for virtually all the destinations that shared insight on their customers. This reflects the fact that Indians plan relatively close to departure but it is also important to note that perceptions on visa access go to the heart of making Indians feel welcome. Improving visa processing times or, better still, moving to the procedure of ‘visa on arrival’ will reduce the barriers and make Indians more likely to visit. Predictability of visa times is also important.

As noted, the quality of the experience is critical to a perception of value. So making sure that value is attuned to Indian needs by emphasising uniqueness, high quality and good service are all important – and don’t forget to facilitate sharing.

In conclusion

The Indian outbound market offers many reasons to be excited. It is growing, multi-faceted and looking to engage with destinations and experiences. It also offers opportunities for dispersal relative to many other emerging markets. As PATA turns once again to India, so India is turning to the world.