



Department of Commerce

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(Tourism)

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Business News:

Tourism is a big employment generator for Indian's.



Introduction

The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the services sector in India. Tourism in India is a potential game changer. It is a sun rise

industry, an employment generator, a significant source of foreign exchange for the country and an economic activity that helps local and host communities.

The value of the brand to the consumer, the growth in emerging markets, the

importance of consumer-facing technology, and development and retention of human capital have helped shape the tourism industry over the past five years.

The travel and tourism sector has developed into an industry with an annual economic report (direct, indirect and induced) of around US\$ 6.5 trillion worldwide. The global hotel industry generates approximately between US\$ 400-500 billion in revenue each year, one third of that revenue is attributable to the United States.

Market Size

- The number of Foreign Tourist Arrivals (FTAs) has grown steadily in the last three years reaching around 7.46 million during January–December 2014. Foreign exchange earnings (FEEs) from tourism in terms of US dollar grew by 7.1 per cent during January-December 2014 as compared to 5.9 per cent over the corresponding period of 2013. FTAs during the Month of December 2014 were Rs 120,083 crore (US\$ 19.02 billion) as compared to FTAs of Rs 107,671 crore (US\$ 17.05 million) during January-December 2013 over the corresponding period of 2012. There has been a growth of 6.8 per cent in December 2014 over December 2013.
- Foreign Exchange Earnings (FEEs) during the month of December 2014 were Rs 12,875 crore (US\$ 2.03 billion) as compared to Rs 11,994 crore (US\$1.9 billion) in December 2013 and Rs 10,549 crore (US\$1.67 billion) in December 2012. The growth rate in FEEs in rupee terms in December 2014 over December 2013 was 7.3 per cent. FEEs from tourism

in rupee terms during January-December 2014 were Rs 120,083 (US\$ 1,902.53) with a growth of 11.5 per cent over the corresponding period of 2013.

- The Tourist Visa on Arrival (TVoA) scheme enabled by Electronic Travel Authorisation (ETA), launched by the Government of India on November 27, 2014 for 43 countries has led to a growth of 1,214.9 percent recently. For example, during the month of January 2015, a total of 25,023 tourist arrived by availing TVoA as compared to 1,903 TVoA during the month of January 2014.
- Hospitality, a major segment of tourism, has grown by 10-15 per cent on the back of better consumer sentiment with the change of Government. As demand is going up occupancies are improving.

According to estimates prepared by the National Council for Applied Economic Research, tourism contributes as much as 6.77% to India's total Gross Domestic Product through direct and indirect impact. To put this in context, this is nearly as much as India's much touted Information Technology-Business Process Outsourcing industry, which contributes around 7.5% to the economy according to industry body NASSCOM.

The sector is no slacker when it comes to employment either, according to the study, entitled the Tourism Satellite Account. "In terms of employment, this TSA showed that direct share of employment in tourism service industries is 4.4% and if indirect share is also included, this goes up to 10.2%," the study reported. "This implies almost every 4th to 5th person employed in non-

agricultural activities is directly or indirectly engaged in tourism activities.”

Investments

The tourism and hospitality sector is among the top 15 sectors in India to attract the highest foreign direct investment (FDI). During the period April 2000-February 2015, this sector attracted around US\$ 7,862.08 million of FDI, according to the data released by Department of Industrial Policy and Promotion (DIPP).

With the rise in the number of global tourists and realising India’s potential, many companies have invested in the tourism and hospitality sector. Some of the recent investments in this sector are as follows:

- US-based Vantage Hospitality Group has signed a franchise agreement with India-based Miraya Hotel Management to establish its mid-market brands in the country.
- Lalit Suri Hospitality Group is soon going to open its first international hotel in London. The company has acquired a heritage building called St Olave's near Tower Bridge in central London, which is now undergoing restoration to be converted into a five star hotel.
- Thai firm Onyx Hospitality and Kingsbridge India hotel asset management firm have set up a joint venture (JV) to open seven hotels in the country by 2018 for which the JV will raise US\$ 100 million.
- In Carlson Rezidor Hotel of Guwahati, Dharmpal Satyapal has invested close to Rs 300 crore (US\$ 47.51 million) in the hotel for which they will get Rs 30 crore (US\$ 4.75 million) annually.
- ITC is planning to invest about Rs 9,000 crore (US\$ 1.42 billion) in the next three to four years to expand its hotel portfolio to 150 hotels. ITC will launch five other hotels - in Mahabalipuram, Kolkata, Ahmedabad, Hyderabad and Colombo - by 2018.
- Goldman Sachs, New-York based multinational investment banking fund, has invested Rs 255 crore (US\$ 40.37 million) in Vatika Hotels.

Government Initiatives

The Indian government has realised the country’s potential in the tourism industry and has taken several steps to make India a global tourism hub. Some of the major initiatives taken by the Government of India to give a boost to the tourism and hospitality sector of India are as follows:

- The Government of India has set aside Rs 500 crore (US\$ 79.17 million) for the first phase of the National Heritage City Development and Augmentation Yojana (HRIDAY). The 12 cities in the first phase are Varanasi, Amritsar, Ajmer, Mathura, Gaya, Kanchipuram, Vellankani, Badami, Amaravati, Warangal, Puri and Dwarka.
- Under ‘Project Mausam’ the Government of India has proposed to establish cross cultural linkages and to revive historic maritime cultural and economic ties with 39 Indian Ocean countries.
- Prime Minister Shri Narendra Modi has approved to enter into a memorandum of understanding (MoU) between India and Oman for strengthening cooperation in the field of tourism.

- **Announcement by Mr Arun Jaitley, Minister of Finance, to extend Visa on Arrival Facility (VOA) to 150 countries in stages from the current 43, is a big step to promote tourism. The revenue from tourism sector can be utilised for the development of the country and can boost the economy of country.**

Road Ahead

India's travel and tourism industry has huge growth potential. The medical tourism market in India is projected to hit US\$ 3.9 billion mark this year having grown at a compounded annual growth rate (CAGR) of 27 per cent over the last three years, according to a joint report by FICCI and KPMG.

Also, inflow of medical tourists is expected to cross 320 million by 2015 compared with 85 million in 2012. The tourism industry is also looking forward to the E-visa scheme which is expected to double the tourist inflow to India. Enforcing the electronic travel authorisation (ETA) before the next tourism season, which starts in November, will result in a clear jump of at least 15 per cent, and this is only the start, as per Mr Madhavan Menon, Managing Director, Thomas Cook India.

ICRA ltd rating agency expects the revenue growth of Indian hotel industry strengthening to 9-11 per cent in 2015-16. India is projected to be number one for growth globally in the wellness tourism sector in the next five years, clocking over 20 per cent gains annually through 2017, according to a study conducted by SRI International.

Following are the few benefits ensured by the tourism industry in India GDP in order to boost up the GDP of India:

The Indian tourism industry offers online booking system, one of the basic proofs of technological advancement in this sector. These online bookings are applicable for booking the air tickets via Internet by logging on to the website and also booking the hotel room of the place to be visited

- **The online tourism industry has accounted for a turn over of USD 800 million which is apparently 14 percent of the entire travel and tourism industry**
- **The Role of Tourism Industry in India GDP also features medical tourism that includes traditional therapies like yoga, meditation, ayurveda, allopathy and other conventional systems of medicines is currently estimated at USD 333 million and is most likely to reach USD 2.2 billion by the year 2012.**

The contribution of travel and tourism to the country's GDP is expected to rise by 7.5 per cent to Rs 2,34,145 crore this year.

Travel and tourism had contributed Rs 2,17,810 crore to the GDP in 2013, showed a sectoral document for Tourism and Hospitality sector under the 'Make In India' campaign.

India has 28 World Heritage Sites and 25 bio-geographic zones. The country's big coastline is dotted with a number of attractive beaches. India ranked 13th among 184 countries in terms of travel and tourism's total contribution to gross domestic product (GDP) in 2013. The sector's direct contribution to GDP is expected to grow at 6.4 per cent per

annum during 2014-2024 vis-à-vis the world average of 4.2 per cent.

Over 6.8 million foreign tourist arrivals were reported in 2013. Foreign tourist arrivals (FTAs) increased at a compound annual growth rate (CAGR) of 7.2 per cent during 2005-2013. By 2024, FTAs are expected to increase to 13.42 million. Total foreign exchange earnings (FEEs) from tourism grew to US\$18.1 billion in 2013. FEEs increased at a CAGR of 11.7 per cent during 2005-2013.

The Government of India has set up a Hospitality Development and Promotion Board, which will monitor and facilitate hotel project clearances/approvals. It has also approved US\$ 2.8 billion under the 12th Five-Year Plan for the development of tourism infrastructure projects, including rural tourism and human resource development projects.

Strong growth in per capita income in the country is driving the domestic tourism market. A shift in demographics with a rising young population is leading to greater expenditure on leisure services. The presence of world-class hospitals and skilled medical professionals makes India a preferred destination for medical tourism. India's earnings from medical tourism could exceed US\$ 3.9 billion in 2014 from US\$ 1.9 billion in 2011. Tour operators are teaming up with hospitals to tap this market.

The document listed a series of factors as key drivers for tourism in the next decade. s

The reason to invest in the sector is that, "tourism in [India](#) accounts for 6.8 per cent of the GDP and is the third largest foreign exchange earner for the country", it added

Look in for more details

- http://www.business-standard.com/article/pti-stories/contribution-of-travel-tourism-to-gdp-to-rise-by-7-5-in-2014-114100200405_1.html
- <http://www.ibef.org/industry/tourism-hospitality-india.aspx>
- <http://business.mapsofindia.com/india-gdp/industries/tourism.html>
- <http://www.yourarticlelibrary.com/tourism/2-types-of-tourism-international-and-domestic-tourism/14100/>

BRANDgyan:

“Travel the best way to be lost and found all at the same time.”

Incredible India Campaign

The first marketing initiative of its kind, Incredible India was conceptualized in 2002 by V Sunil (while he was Creative Director, O&M Delhi), and Amitabh Kant, Joint Secretary, Ministry of Tourism. The primary objective of this branding exercise was to create a distinctive identity for the country. This resulted in the iconic “Incredible India” logo, where the exclamation mark that formed the “I” of India was used to great effect across all communications. The campaign successfully established India as a high-end tourist destination, generating a 16% increase in tourist traffic in the first year.

Vibrant culture, awe-inspiring tourist spots, nature’s bounty, gourmet delights and cordial people – there are thousands of reasons that have made India a traveller’s delight. With an aim to give a boost to India’s tourism sector and promote India in the International arena as the most sought-after tourist destination,

The Campaign:
In the campaign, India has been depicted as a mesmerizing tourist destination with various aspects of the country’s rich culture, fascinating history, enthralling

traditions etc. being highlighted through powerful visuals and information-rich content. After receiving appreciation in the international arena and capturing interest of tourists across the world, the campaign was also incorporated in domestic tourism sector in the year 2009.

In line with its ‘Incredible India’ campaign, the Ministry of Tourism also launched an educative campaign named ‘Atithidevo Bhava’ in the year 2008. Endorsed by famous actor Amir Khan, the campaign aimed at acquainting common people with the right behaviour and etiquette when it comes to dealing with foreign tourists. Another important aspect of the campaign was the effort to instil a sense of responsibility among local people regarding the preservation of India's heritage sites and culture and promoting cleanliness and hospitality in the tourist places.

Impact:

The Incredible India campaign was well received by travel industry veterans and tour operators alike. Following the campaign, a major surge has been noticed in the tourism sector, leading the country to tap unexpected growth with regard to international tourist spending. Now with the Ministry of Tourism planning to redefine and reenergize the brand India, the much-touted Incredible India campaign is all set to have a new lease of life in near future.



Atithi Devo Bhava Campaign:

Atithi Devo Bhavah is a Sanskrit verse which simply means – consider the guest as god. This value-laden statement is drawn from an ancient scripture Hindu religion which has always been the ethos of Indian culture. Recently, this value laden verse has found its place in the tagline of Ministry of Tourism to improve the treatment of the foreign tourists coming in the country due to the popularity India has gained in the recent times as a favorite tourist destination.

The reasons for India becoming one of the most sought destinations are not based on some myth or chances. It is chiefly because of the range of choices available to the visiting tourists in the country in terms of places, geographical locations, rich historical art and artifacts, culture and cuisines that attract more and more tourists in India. There are beautiful snow-capped mountains, deep valleys, flanking coastlines and beaches, doons and lakes, forts and monuments, forests and wildlife sanctuaries and many other places of high interests in the country. On the top of it, the chanting of mantras, the ancient practices of Yoga and spiritualism in the air raises the level of curiosity

among the tourists to visit the spiritual land.

Guest is God

“Atithi Devo Bhava” is part of the verse mentioned in the Taittiriya Upanishad, Shikshavalli I.20 that reads in full as: matru devo bhava; pitru devo bhava; acharyadevo bhava; atithi devo bhava. The literal translation of the verse would bring out the sense that an ideal person should strive to "become a person who considers the Mother as God, the Father as God, the Teacher as God and the guest as God."

“Tithi” in Sanskrit or even in Hindi language means a (calendrical) date. “Atithi” means who does not have any date. In olden times, there were no fast modes of communication as compared to today and thus if anyone wants to visit or meet his near and dear ones, there were no ways he could communicate his arrival. So he used to pay visit without any information and therefore in course of time guest used to be called “athithi” one who does not have any fixed time of arrival. “Devo” in Sanskrit means God-like and “bhava” means to assume/understand. Atithi Devo Bhava means to assume or understand a guest as God-like and so pay respect and homage in the similar way one would give to his God.

Ritual or Puja

Once a guest is assumed to be God-like, then comes the process he should be treated. As the God is treated with reverence and respect and there are proper ways to show that respect, those ways are called rituals. Similarly, the guest should also be shown the respect through the same rituals. In Hinduism, these rituals comprise of five-steps which is known as Panchopchara Puja. These five rituals from the worship similarly

become the five “code of conduct” to be followed while receiving guests which are as follows:

- **Fragrance/Incense (Dhupa)** - The rooms must have a pleasant fragrance while welcoming any guest because a good fragrance will make guest in good mood.
- **Earthen Lamp (Dipa)** – Lighted earthen lamp looks beautiful, fire is considered pious and also a source of light which disperses light so that everything between guest and the host is clearly visible.
- **Eatables (Naivedya)** - Fruits and milk-made sweets were given to guests for refreshments.
- **Rice (Akshata)** – Tilak is considered not only a symbol of warm wishes but also an expectation of well-being of the person on whom it is applied. Made from vermilion paste, tilak is put on the forehead and rice grains are placed on tilak. This is the most respectable form of welcome in Indian Hindu families.
- **Flower Offering (Pushpa)** - A flower not only symbolizes freshness and but is also a gesture of good will. It symbolizes the sweet and enduring memories of the visit between the host and the guest that stay with them for several days.

Atithi Devo Bhavah Campaign

The government of India adopted the ancient verse from the ancient Hindu scripture to promote the increasing tourism influx in the country. The tourists had some complaints when they used to visit the country like overcharging from the vendors, misbehavior and unfriendly attitude. Responding to the need of the tourists, Ministry of Tourism came up with the Social Awareness Campaign for attitudinal and behavioural change towards the tourists and so adopted the part of the verse – athithi devo bhava from the Indian scripture itself so that it

gives a psychological impact upon the local populace to treat the guests with love, respect and warmth.

The main aim of the government in this nationwide “Atithi Devo Bhavah” campaign is to sensitize key stakeholders in the tourism industry through a process of training & orientation. Extending it to one notch further, the campaign takes into account the general public as a whole focusing on their attitudinal and behavioural change. The campaign aims to train and orient taxi drivers, guides, police, immigration officers and other personnel who are the first levels to interact with the tourists. The different stages in "Atithi Devo Bhavah" campaign are Sensitization, Screening, Induction, Certification and Feedback of key stakeholders so that a process-chain is created resulting into desired tourist-friendly environment created over a period of time.

The Union Ministry of Tourism has chosen actor - Aamir Khan as brand ambassador for the campaign of 'Atithi Devo Bhavah' who endorses it at various platforms across the mass media.

Home Stays

This Indian tradition of hospitality is known the world over for its warmth and affection. This exactly is the reason why millions of tourists every year love to come to India. Once in India, it would be recommendable to stay in Indian homes if there is opportunity because it is the place where the real flavor of Indian hospitality could be experienced. But even if such opportunity is not there, there are no reasons to feel sad as Indian hotels provide similar warm hospitality following the rich Indian tradition of welcoming their guests with respect and care.

Indian food and cuisines must be enjoyed to its fullest once in India. The curries

and spices used in preparation of the food are unique to India only. Indian sweets, delicacies, and aroma of the spices used in preparation of the Indian food are really mouth-watering.

Indian people are considerate and affectionate towards the guests. They are generally friendly, of helping attitude and hospitable. They give due care to provide their guests with warm hospitality and comfort. It is considered bad in India if any guest goes with any kind of hard feeling and so they never let a guest go away unhappy from their home. The tourists coming to receive everything required to make stay pleasant and memorable right from the splendid tourists spot to the rich local cuisines to the spiritual upliftment they achieve to the warm hospitality given by the Indians. Due to these reasons, it would not be an exaggeration to say that the tourists visiting India want to come back to India again & again.



Source:

Discoveredindia.com

IATO.in

Eco Tourism

“Tourism and Environment go hand in hand . Influence of Environment on Tourism can be seen in terms of Eco – Tourism”

Eco-tourism is more than a catch phrase for nature loving travel and recreation. Eco-tourism is consecrated for preserving and sustaining the diversity of the world's natural and cultural environments. It accommodates and entertains visitors in a way that is minimally intrusive or destructive to the environment and sustains & supports the native cultures in the locations it is operating in. Responsibility of both travellers and service providers is the genuine meaning for eco-tourism.

Eco-tourism also endeavours to encourage and support the diversity of local economies for which the tourism-related income is important. With support from tourists, local services and producers can compete with larger, foreign companies and local families can support themselves. Besides all these, the revenue produced from tourism helps and encourages governments to fund conservation projects and training programs.

Saving the environment around you and preserving the natural luxuries and forest life, that's what eco-tourism is all about. Whether it's about a nature camp or organizing trekking trips towards the unspoilt and inaccessible regions, one

should always keep in mind not to create any mishap or disturbance in the life cycle of nature.

Eco-tourism focuses on local cultures, wilderness adventures, volunteering, personal growth and learning new ways to live on our vulnerable planet. It is typically defined as travel to destinations where the flora, fauna, and cultural heritage are the primary attractions. Responsible Eco-tourism includes programs that minimize the adverse effects of traditional tourism on the natural environment, and enhance the cultural integrity of local people. Therefore, in addition to evaluating environmental and cultural factors, initiatives by hospitality providers to promote recycling, energy efficiency, water reuse, and the creation of economic opportunities for local communities are an integral part of Eco-tourism.

Historical, biological and cultural conservation, preservation, sustainable development etc. are some of the fields closely related to Eco-Tourism. Many professionals have been involved in formulating and developing eco-tourism policies. They come from the fields of Geographic Information Systems, Wildlife Management, Wildlife Photography, Marine Biology and Oceanography, National and State Park Management, Environmental Sciences, Women in Development, Historians and Archaeologists, etc.

Eco-tourism is considered the fastest growing market in the tourism industry, according to the World Tourism

Organization with an annual growth rate of 5% worldwide and representing 6% of the world gross domestic product, 11.4% of all consumer spending - not a market to be taken lightly.

What is Eco-tourism?

Fundamentally, eco-tourism means making as little environmental impact as possible and helping to sustain the indigenous populace, thereby encouraging the preservation of wildlife and habitats when visiting a place. This is responsible form of tourism and tourism development, which encourages going back to natural products in every aspect of life. It is also the key to sustainable ecological development.

Ecotourism in India

India, the land of varied geography offers several tourist destinations that not just de-stress but also rejuvenate you. There are several ways to enjoy Mother Nature in most pristine way. The few places like the Himalayan Region, Kerala, the northeast India, Andaman & Nicobar Islands and the Lakshdweep islands are some of the places where you can enjoy the treasured wealth of the Mother Nature. Thenmala in Kerala is the first planned ecotourism destination in India created to cater to the Eco-tourists and nature lovers.

The India topography boasts an abundant source of flora & fauna. India has numerous rare and endangered species in its surroundings. The declaration of several

wildlife areas and national parks has encouraged the growth of the wildlife resource, which reduced due to the wildlife hunt by several kings in the past. Today, India has many wildlife sanctuaries and protection laws. Currently, there are about 80 national parks and 441 sanctuaries in India, which works for the protection and conservation of wildlife resource in India.

There are numerous Botanical and Zoological Gardens in India, which are working towards the enhancement of the Ecosystem. Poaching has stopped to large extent. There are severe punishments for poachers, hunters and illegal traders of animals and trees. Tree plantation are taking place in several places. There are several animal & plant rights organisation, who fight for the rights of the animals and plants. Numerous organisations and NGOs are coming forward to provide environmental education to the common people at the grass root level.
