

## **INDIA'S TOURISM PERFORMANCE**

## **Report on India's Tourism Performance for UNWTO website**

1. Tourism is an important sector of the Indian economy and contributes significantly in the country's GDP as well as Foreign Exchange Earnings (FEE). With its backward and forward linkages with other sectors of the economy, like transport, construction, handicrafts, manufacturing, horticulture, agriculture, etc., tourism has the potential to not only be the economy driver, but also become an effective tool for poverty alleviation and ensuring growth with equity. Tourism Contribution to Indian GDP is 5.92%, and employment is 9.24%.
2. The number of foreign tourist arrivals in India has grown from 4.45 million in 2006 to 6.29 million in 2011, an average annual rate of growth of 7.2%. Despite the global economic crisis, arrivals in 2011 were 8.9 % up on 2010. Foreign exchange earnings from tourism rose from USD 8.63 billion in 2006 to about USD 16.6 billion in 2011, an annual average rate of growth of 13.9%.
3. This year till March 2012 the foreign tourist arrivals stands at 1.98 million and the Foreign Exchange earning stands at US\$ 4969.
4. Domestic tourism has emerged as an important contributor to the sector providing much needed resilience. Domestic tourist visits in the country during 2010 were estimated to be 740.2 million, a 10.7% increase on 2009. Domestic tourism has been growing steadily and quite rapidly over a long period, increasing on average by 13.5% a year since 1991.
5. Outbound travel by Indian nationals rose to 12.99 million in 2010, 17.4% above the 2009 level.
6. The Ministry of Tourism focuses on holistic development of Tourism in the country with an objective of promoting employment and inclusive growth along with active participation and support of the private sector. Promotion of India as a preferred destination overseas

has been a priority area for the Ministry and the Incredible India campaign has been acclaimed as one of the best destination marketing efforts anywhere.

7. The Ministry of Tourism has adopted a pro poor tourism approach with aim to increase the net benefits to the poor from tourism and ensure that tourism contributes to poverty reduction. The benefits may be economic, social environmental or cultural.
8. The Ministry of Tourism has set a target to increase India's share in International Tourist Arrival from 0.6% to 1% by the year 2016. With this Ministry aims to achieve following goals:
  - Target growth rate of about 12% in terms of Foreign Tourist Arrivals by 2016.
  - Domestic Tourist Arrivals from 740 million in 2010 to 1451.46 million in 2016 with a growth rate of above 12%
  - Creation of additional Employment over 2010 – 25 million

To meet the demand created by above growth India will require approx. additional 2.00 lakh classified and 23.00 lakh unclassified hotel rooms. There will also be an additional requirement of 8.29 lakh manpower in hospitality sector by 2016.

9. To achieve such a target Ministry of Tourism- Government of India has planned integrated & sustained efforts by
  - a) way of skill development,
  - b) Creating Tourism Infrastructure/ Products, new Tourism destinations
  - c) Promotion, Branding & Marketing of the Tourism Products to foreign customers
10. The Ministry has planned following strategies:
  - a) **Skill Development-**
    - i. Under skill development the Govt. of India, Ministry of Tourism has launched a Training Programme, called in local language

‘Hunar Se Rozgar Tak’ means from ‘Skill to Employment’. This programme aims to create employable skills in the interested youth who are in the age group of 18-25 years and who are minimum 8th standard pass.

- ii. The Ministry will also be improving the institutional infrastructure of Hospitality education by opening of new institutes and strengthening /upgrading of present infrastructure.
- iii. Broad basing of hospitality education to cover Universities / Colleges, Polytechnics, Industrial Training Institutes, Vocational Education through CBSE and other State Level Boards.
- iv. Skills of existing Service Providers to be certified through a stringent process to enhance their employability

**b) Infrastructure Development:**

- i. The Ministry will identify 35 major Circuits/ Destinations having potential to attract large number of visitors.
- ii. 20 Tourism Parks will be developed on the line of Sentosa Islands in Singapore.
- iii. Rural Tourism Clusters of 5 to 7 villages with unique craft, ethnic art form will be identified for development as Tourism Products.

**c) Marketing, Branding and Promotion:**

- i. The Ministry will undertake widespread and aggressive promotional activities in important as well as potential source markets overseas and will open new Representative offices overseas for wider reach.
11. The Incredible India campaign has been widely acknowledged as a success across the world. During the year Ministry received

three PATA Gold Awards and two World Travel Awards for its promotional campaigns.

12. The Ministry of Tourism has taken the initiative of identifying, diversifying, developing and promoting the nascent/upcoming niche products of the tourism industry. This is done in order to overcome the aspect of 'seasonality' to promote India as a 365 days destination, attract tourists with specific interests and to ensure repeat visits for the unique products in which India has comparative advantage. These include Polo, Golf and Wellness. Guidelines have been formulated for concentrated development of these areas.

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