FICCI

India Inbound

The Kaleidoscopic Canvas





Prepared by

rrc
roots research

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Executive Summary

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1 Executive Summary



'Atithi Devo Bhava' has been a way of life in India, we in India have always treated our guests as God. India has always welcomed anybody who came here. The ability to assimilate people from various parts of the world has been the nature of this land. India happens to be a country with one of oldest inhabited city as Varanasi. India being a country with so many cultures, languages and rituals is truly a fascinating land. It is one of the oldest civilization in this world.

India has been a land of fascination for many from time immemorial. It has everything that the world has to offer in one nation. With 28 world heritage sites, 25 bio-geographic zones and a big coastline; India offers a variety of attractions to tourists such as adventure, rural, wildlife and heritage tourism. Not to forget the great Himalayas and 70% of the Himalayas are in India.

It has been home to many religions which adds to the mystique of this nation and must see country for anybody and everybody from within and outside of this nation. Spirituality has been a part of this past of the world with some of the religions originating over here.

According to Times Travel magazine India is one of the top 5 destinations in the world. Tourists have the longest stay of 2 months here as compared to any other country because of its diversity & vividness. It is also a preferred destinations because of its affordability image and it has many attractions in one package i.e. mix of cultures, architecture, Himalayas, wild life, shopping, festivals, varied cuisine- an experience which is rare in the world.

India's total foreign tourist arrivals in 2013 stood at 6.84 million. Foreign exchange earnings from tourism in 2013 grew 2.2 per cent to $18.1 billion, compared to a growth of seven per cent in the previous years.



Meanwhile, travel companies continue to be optimistic on domestic tourism. Domestic tourists showed a growth of 19.9 per cent in 2012 over 2011. For inbound travel, we are still focused on improving our distribution networks. For domestic, the whole discussion is around growing newer destinations.

India holds tremendous potential in terms of a tourist destination both from inside & outside. This potential is evidently palpable both in terms of overall development & growth of our economy. Tourism is a multi-billion industry in India & promises to mature into a more lucrative one. With its profitable linkages with other industries like transport, hotel etc., its impact is now directly reaching out to other vital areas like education, health, finance etc. Today, the tourism industry is not only being measured in terms of number of tourist arrivals but its impact is assessed pertaining to the inclusive growth it has fostered.

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2009	5.17	-2.2
2010	5.58	9.3
2011	6.30	13.0
2012	6.65	5.4
2013	6.84	2.86

Source: Ministry of Tourism, India



Role of Ministry of Tourism in Promoting Inbound Tourism

Government of India has come out with a very significant decision to issue visa on arrival. By the end of this year visa on arrival would be extended to 180 countries at nine airports in India. These airports are Delhi, Mumbai, Kolkata, Chennai, Cochin, Hyderabad, Goa, Bangalore and Trivandrum. The facility will provide a major boost to the country's tourism sector. This is historic.

The Ministry of Tourism, Government of India has been aggressively promoting India abroad as a destination, starting with the campaign of 'Incredible India' which really saw spurt in foreign tourists arrivals. Apart from this different states have been encouraged to show case their individual attractions to the outside world to project a very diverse and vibrant view of India as a tourists destination.

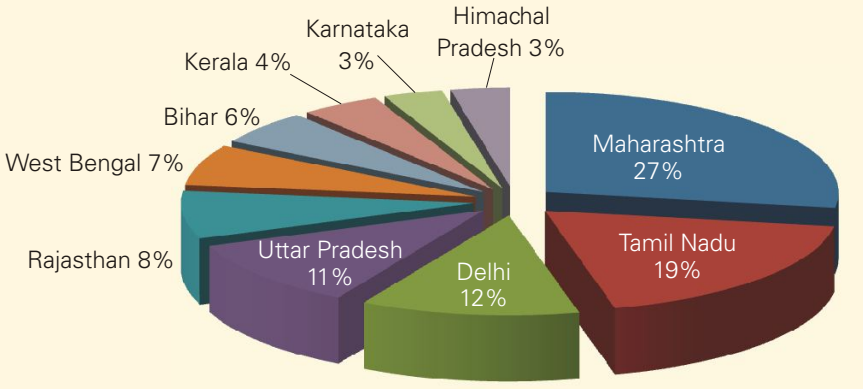
The Ministry of Tourism, Government of India has played a very active role in promoting tourism in India. With the FTA (foreign tourists arrivals) at 6.84 millions in 2013 and India having 0.64% of the world tourists arrivals India has huge potential to expand inbound tourism.

Most Visited States

The top ten states which enjoyed the arrival of the major chunk of the tourists contributed 90% to the total number of foreign tourist arrivals in the year 2013. Topping the charts was Maharashtra with 4.81 million foreign tourists thronging its landscapes. The other destinations along with their figures (in millions) were namely Tamil Nadu (3.37), Delhi (2.16), Uttar Pradesh (1.89), Rajasthan (1.35), West Bengal (1.21), Bihar (0.97), Kerala (0.73), Karnataka (0.57) and Himachal Pradesh (0.48).



Percentage share of top ten foreign tourists arrival destinations in India 2013



Source: Data – Ministry of Tourism, Graph – Roots Research Pvt. Ltd.

Factors Affecting Tourism Industry

Like any industry, Tourism too can be influenced by multiple factors, both domestic & foreign, which can impact the sustainability of this industry. These factors need not be under the direct control of the sector and commonly constitute the issues concerning the tourism sector. Understanding of such factors, if they are negative in nature, is important so that adequate & effective measures can be taken in the time of need. Moreover all the positive factors can be used to capitalize on the maximum impact that can be created.



Source: Roots Research Pvt. Ltd.



Benefits of Tourism

Deriving inference from the growth story of other popular tourist destinations across the globe, we can see that inbound tourism paves the way for not only earning foregn exchange but also creates a positive image about our country which can be capitalized in many other areas of trade and commerce. Certain advantages of inbound tourism which not only proves beneficial for the economy of the country but also prepares it to handle domestic tourism efficiently are:

Advantages	Perceived Benefit
Infrastructure Growth	With rising numbers in inbound tourists & their interest in India, new accommodations are on the rise. These also include 3 star accommodations for matching the profile of visitors. Eventually, they would impact matching the affordability profile of domestic travellers as well. In addition, due to inbound tourism health, financial, social etc. infrastructure profile of the area also grows.
Inflow of new ideas	Tapping the potential of the inbound tourism market, the promoters are always coming up with novel & unique ideas to further boost this industry. This would help to prepare attractive models for the foreign tourists as well.
Economic Boost in non foreign tourist arrivals season	In times of lean season, where domestic tourist movements are restricted, inbound tourism industry helps to convert this industry into a permanent one.
Environment	With Eco-Tourism popularly rising among international travellers, the local flora & fauna of a habitat are being preserved & developed.
Social Inclusion	Tribal Tourism, Rural Tourism etc. are products which are again taking marketers to the rural areas, therefore, providing boost to such areas in terms of economy & exposure



Emerging Products

With India opening up to the world the business travellers are 22% of the foreign tourists arrivals. There has been significant increase in the foreign tourists arrivals in this space category not only in terms of numbers but also percentages.

In the leisure tourism the products that have emerged in recent times for the foreign tourist's arrivals are Health Tourism, Spiritual/Faith Tourism, Rural Tourism, ECO Tourism, Culture and Heritage tourism. The heritage and culture tourism would be an all time favorite amongst the foreigners as India is a vast country with diverse geography, culture, climate and ethinicity.

With the opening of the Indian Economy and rising economic growth in India, MICE (Meetings, Incentives, Conventions & Exhibitions) is emerging as a very prominent tourism product. This is evident from the percentage of foreign tourists' arrivals as business travelers.

Socio Economic Impact of Inbound Tourism

Inbound Tourism boosts economy by generating income, employment, investment thus stimulating growth of the region. It has also generated valuable spin off benefits by either developing infrastructure that the other industries can use or by creating positive publicity for the individual destination. The foreign exchange that our country earns from foreign tourist is an additional bonus.

For tourism to be sustainable it is very important that the development should be in line with the local community needs and aspirations. It is very essential for the local region to monitor the impacts of the tourism activity on a regular basis.

State Tourism Steps/Policies

The state governments have realized the potential of inbound tourism and are aggressively marketing its tourism offerings. Inbound tourism also helps domestic tourism. The products initially developed for the



international tourist market are coming handy to woo the domestic tourists as well. Inbound tourism helps domestic tourism has been proved beyond doubt.

States are taking vital steps to ensure they are relevantly & abundantly marketed in their targeted areas. Signing of MoUs between states, spending on projects & development of products, investment in technology to support regional language etc., all evinces the interest the state governments are showing in inbound tourism industry as it has a very positive cascading impact on the domestic tourism as well.

In the light of such endeavours being taken in the industry, given below are the key initiatives taken by the ten top most visited states as per foreign tourist arrivals.

Maharashtra

- New York Times Square Diwali event was organized which was a huge success
- Identification of 10 cities for marketing
- Rs. 300 crore for infrastructural development
- Rs. 1300 crore project through PPP model
- Rs. 50 crore marketing budget up from Rs. 18 crore
- Proposed Oceanarium

Tamil Nadu

- Started 'Enchanting Tamil Nadu' campaign
- Investments by MNcs in economy especially automobiles industry has given th estate the epitaph of 'Detroit of South Asia'
- Promoting Tamil Nadu as an attractive tourist destination at international level.
- Long Term Brand building & promotion strategy – Vision 2023



- ADB project investment of Rs. 500 crore
- Development of East Coast & South Circuit

Delhi

- International Magazine "Newsweek" and "Conde Nast Traveler" recognized Delhi as 'One of Ten perfect destinations in the world' and 'most favourite city in India respectively'
- Organizing various cultural events which are in line with the history of Delhi
- The Delhi Metro Rail Corporation (DMRC) and the Delhi Tourism and Transportation Development Corporation (DTTDC) has signed a Memorandum of Understanding (MOU) with the purpose of jointly promoting tourism and facilitating tourists in the capital city.
- New Delhi has been awarded as the Best Destination for Food and Drink by Lonely Planet Magazine India Travel Awards 2013.

Uttar Pradesh

- Ganga water rally jointly organized by Indian Kayaking and Canoeing Association, Allahabad Boat Club and UP Tourism was flagged off
- 10 days annual cultural festivals of 'Taj Mahatsav' was organized
- Stress on Heritage & Eco Tourism
- Rs. 5 crore investment each in Lion Safari, Etawah & Dudhwa National Park
- Dedicated Eco Tourism policy proposed

Rajasthan

- Public Private Partnership projects
- Tax Exemptions



- Jodhpur Folk Festival
- Vision of 20 year for cultivating sustainable tourism
- "Rajasthan Calling" – 22 city campaign

West Bengal

- Project worth Rs. 3700 crore through PPP model
- Aggressive tourism campaign
- Focus on nature, cultural, religious and contemporary tourism

Bihar

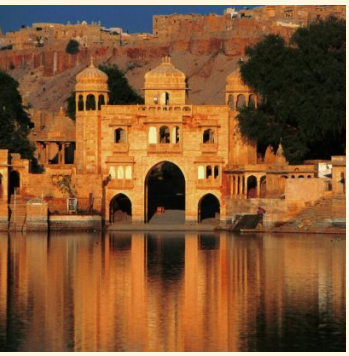
- Developing the Buddh Gaya Circuit, promotion of Buddist places in bihar for the South Asian market
- PPP (Public Private Partnerships) to develop infrastructure
- Air Services to Gaya to improve the connectivity with the region

Kerala

- A very successful and unique campaign 'Gods Own Country'
- Land of Ayurveda, Ashtangahridayam, the practical, user friendly interpretation of Ayurveda
- Backwaters, beaches and hills
- Government of Kerala has rolled out two new initiatives 'Seaplane Project' and 'Project Muziris' in order to enhance the travel experience and add to its array of tourist sites.

Karnataka

- Karnataka Government has won the annual Governement of India, Best Tourism Prmotional Materials award for the 8th time



- Proposed Eco Tourism Policy
- Education of Manpower

Himachal Pradesh

- Development of three new airports
- Aggressive Tourism Campaign
- Focus on Nature, Pilgrimage, Adventure and Eco Tourism

FICCI-Roots Research Ten Point Roadmap for Sustainable Growth of Inbound Tourism

1. **Promotion of India as a destination**: India as a nation to be promoted in the international market. We have seen the spurt in Inbound Tourism after the launch of campaign "Incredible India". It was a deviation from the earlier efforts by the states to individually promote them in foreign countries.

2. **Community Support** – For any tourist destination to become significant it is very important that it gets the support of the local community. The attributes of tolerance, friendliness, understanding etc. amongst its people so that it encourage visitors. The Ministry of Tourism, India has supported such ad campaigns which disseminates the idea of sensitizing the general public as in how tourism is important for the growth of their area socially and economically. Such campaigns should be increased not only at the national level through commercials but also at the tourist destination levels through other communication channels.

3. **Secure & Safe Environment** – To make country safe and secure for the foreigners the government is working on various measures. Lot of initiatives have been taken like educating & sensitizing the community (community policing), beefing up security at tourist spots, increasing security personnel at the city/district level of the tourist destinations etc.



4. **Upgradation of Skills** – In any service rendering process like tourism it is very essential that the people involved are trained so that the foreign tourists who visit our country carry a very positive impression about our hospitality. Unfortunately, the employability quotient of the manpower in India is not up to the mark. Investing into development of training schools & institutions will really help the states to channelize its manpower resources. Many tourist destinations lack well qualified guides. These training schools will also increase the employability quotient of the manpower in the respective states and also make tourist destinations more tourists friendly & supportive.

5. **Know your Customer** – 'Know your customer' is an important concept. A marketer can define & customize products, attract right kind & number of people etc. through understanding its customers and develop its offerings to increase popularity. The data that is available of foreign tourist arrivals in various states can be analysed and inferences that are gathered can form a very important source of marketing initiatives. Some of the states have taken up research assignments to understand the visitors profile but still a considerable amount of insights can be gained if proper & systematic gathering of data is conducted. Important aspects to understand the tourists could be their demographic profile (age, place, education, occupation), Socio-Economic profiling, reasons of travelling etc. Such information will really contribute towards customizing product offerings at the level of states.

6. **Up Selling & Cross Selling** – It is important to club tourism products offered by various states so that the tourists elongate their stay and visitors can be converted into tourists. For instance, business travellers fron other countries who come to India can be made to stay aftertheir official work is done for the purpose of leisure, heritage or any other for of tourism. Theoffer can be more beneficial to both the tourists and the states if the families of these visitors accompany them.



7. **Technology as an Enabler** – Technology is redifining the way we exist in this world and it has been proved beyoind doubt that the use of technology has really improved where ever it was used in conjunction with the tourism. For instance, Maharashtra tourism division is making its website supportive to international languages. It is believed that it has plans to support all Indian languages as well. With e-guides and virtual tours as its website offerings, we feel it can really stimulate a potential tourist. In addition, many states are installing electronic information kiosks at its tourist destinations for the purpose of providing guidance to tourists. More such steps should be taken towards leveraging technology at different touch points.

8. **Treating Tourism as Market Offer** – We have seen increased budget allocated to state tourism boards for marketing & promotion, more aggressive advertising campaigns, more fairs & festivals etc., nevertheless, we still feel there is need for more. There is a need to market lesser-known destinations so that the tourist's arrival figures are not very skewed. These initiatives can also be taken at tourist destination levels, wherein, efficient communication should be done to promote areas falling in the vicinity of that particular destination.

9. **New Policy Initiatives** – Many state governments have signed MoUs with other states to promote domestic tourism. These understandings include tax benefits, rebates, low cost of travelling etc. And such agreements have paid well. It is proposed that such measures should be scaled up at the state level to attract tourist from neighboring states.

10. **Infrastructure Upgradation** – Infrastructure development is the key to improve the destinations in terms of connectivity and other facilities that are very important for the tourists. Centre and State governments taking all measures in developing and commissioning the infrastructure . Oceanariums, budgeted accommodation, circuit routes, roads & highways etc. are being planned and developed. Infrastructure development is vital for this industry and there is need to invest more in the same.







1 | Introduction

1 Introduction



1.1. Indian Inbound Tourism Industry

'Atithi Devo Bhava' has been a way of life in India;, we in India have always treated our guests as God. India has always welcomed anybody who came here. The ability to assimilate people from various parts of the world has been the nature of this land. India happens to be a country with one of oldest inhabited city as Varanasi. India being a country with so many cultures, languages and rituals is truly a fascinating land. It is one of the oldest civilizations in this world.

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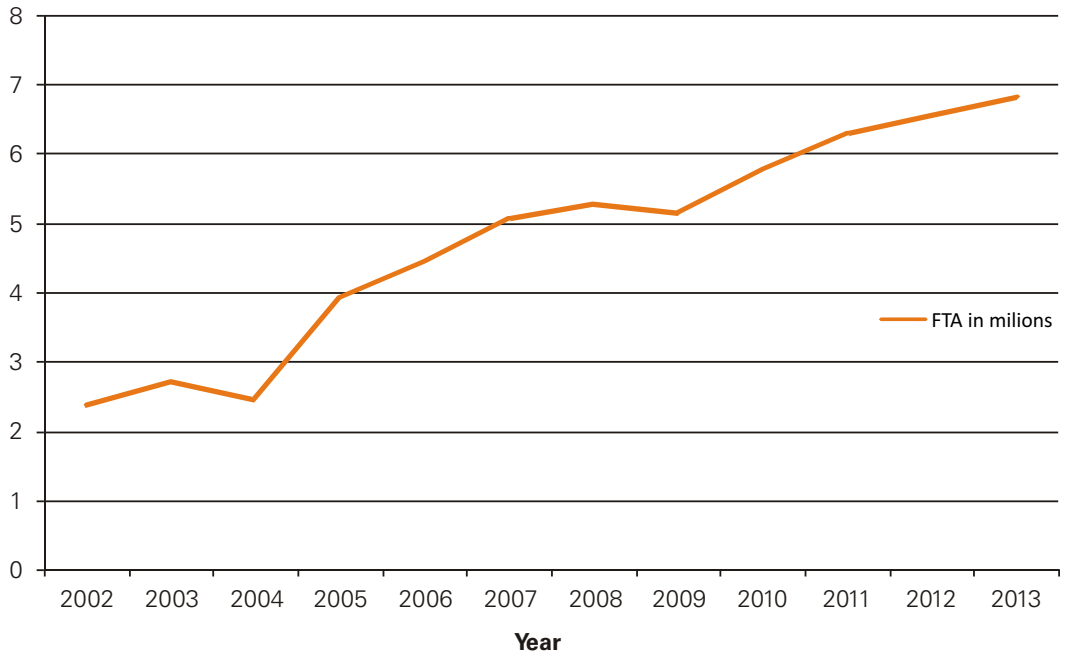
India holds tremendous potential in terms of a tourist destination both from inside & outside. This potential is evidently palpable both in terms of overall development & growth of our economy. Tourism is a multi-billion industry in India & promises to mature into a more lucrative one. With its profitable linkages with other industries like transport, hotel etc., its impact is now directly reaching out to other vital areas like education, health, finance etc. Today, the tourism industry is not only being measured in terms of number of tourist arrivals but its impact is assessed pertaining to the inclusive growth it has fostered.

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Source: Ministry of Tourism, India

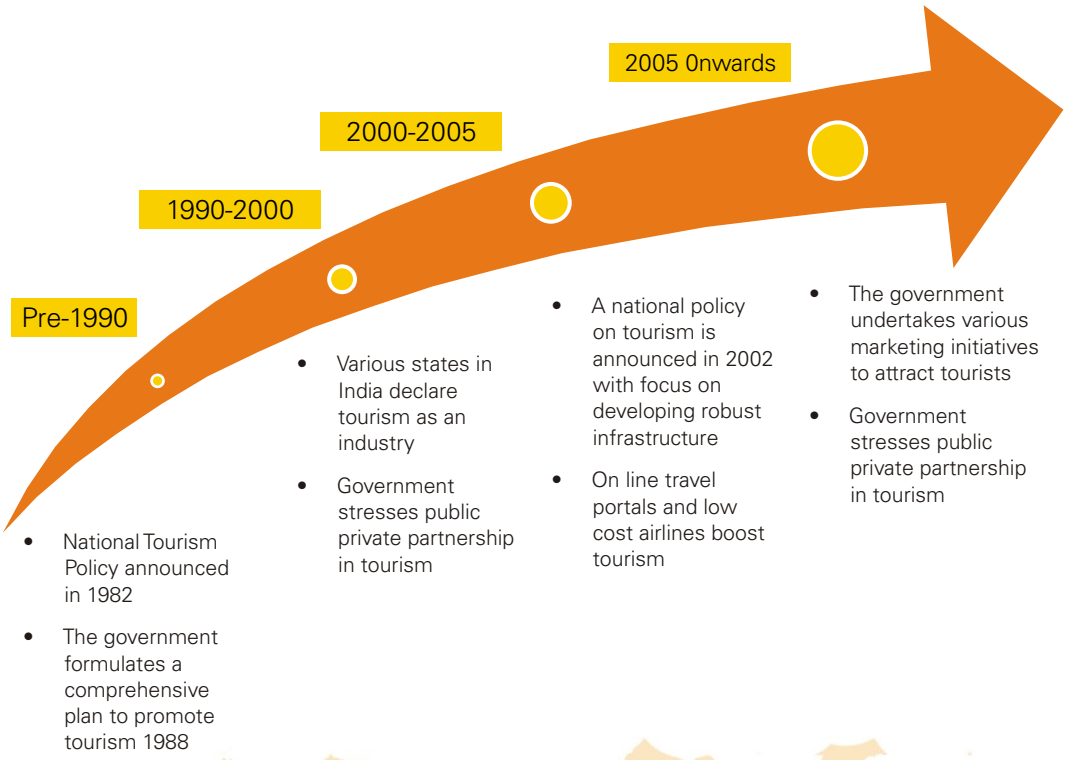


Foreign Tourists Arrivals (FTA) in India



Source: Data: Ministry of Tourism, Graph-Roots Research Pvt. Ltd.

Evolution of Tourism in India



Source: Data: Ministry of Tourism, Graph-Roots Research Pvt. Ltd.



1.2 Development of Inbound Tourism

Inbound Tourism in India has passed through various development phases, initially government acting as a regulator but currently it is acting as a very aggressive promoter of tourism as an industry.

Development of the historical places for the first time in 1956, 2nd five year plan was a step towards taking tourism as a very serious industry.

Today government has realized that tourism is not only important for the purpose of economic development but also acts as a very strong social integrator.

In 1966 the formation of Indian Tourism Development Corporation (ITDC) was a major step.

Announcement of National Policy on tourism in 1982 was a major step.

Agenda of achieving Sustainable Growth in Tourism was envisaged with the constitution of National Committee.

For the financing of the major infrastructure projects in Tourism, Tourist Finance Corporation was incorporated in the year 1988.

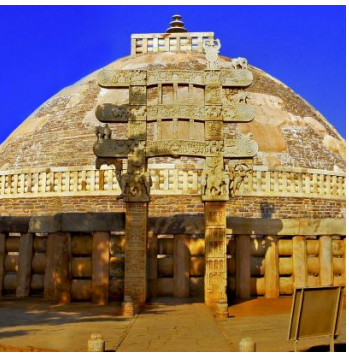
With the drafting of the National Strategy for Promotion of Tourism in 1996 an all round integrated approach to tourism development was envisaged. The active participation of the various bodies which can benefit from the tourism viz. Panchayati Raj Institutions, non government bodies, local bodies, local youth bodies in creation of tourism facilities was constituted.

To give tourism its due in the year 1998, 25th January was declared as the Indian Tourism Day clearly showing the intent of the government of India in promoting tourism.

The commercial value of the Tourism in general cannot be ignored but in particular we have to promote Inbound Tourism as Tourism is the 2nd Largest Net Foreign exchange earner for the country.

1.3 Role of Ministry of Tourism in Promoting Inbound Tourism

Government of India has come out with a very significant decision to issue visa on arrival. By the end of this year visa on arrival would be extended to 180 countries at nine airports in India. These airports are Delhi, Mumbai, Kolkata, Chennai, Cochin, Hyderabad, Goa, Bangalore and Trivandrum. The facility will provide a major boost to the country's tourism sector. This is historic.



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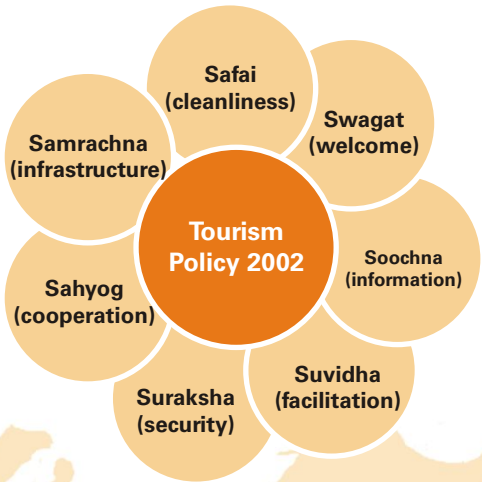
Apart from lot of initiatives taken by government of India one of the major initiatives taken by the government was the implementation of the scheme 'Hunar Se Rozgar'. Under the purview of this scheme, 2,11,75 persons completed their training before 31st Jan, 2013 since the beginning of the last fiscal year. This initiative to fill the skill level gaps in the present scenario will immensely fuel the tourism sector. Job opportunities like drivers, golf caddies, stone mason, tourist facilitators, security guards etc. are being filled by the new trained workforce. This initiative also provided same kind of focus on the disadvantaged sections like sentenced prisoners at jail, physically challenged (deaf & dumb), children home inmates etc.

Ministry of Tourism is also focusing on promotion of 'Hospitality Education'. In the process of promoting this area it has given grants to 31 ITIs, 7 degree colleges, 4 polytechnics, 26 schools and 15 universities.

Some of the other initiatives taken by the government are listed below:

- ✓ Promoting campaigns like 'Clean India' and 'Atithi Devo Bhava'
- ✓ Promoting campaigns highlighting tourism potential of 'North East' and Jammu & Kashmir
- ✓ Promotion of niche products to develop India as an all-season destination (which has also promoted domestic tourism)

Various facets of the Tourism Policy 2002



Source: Ministry of Tourism

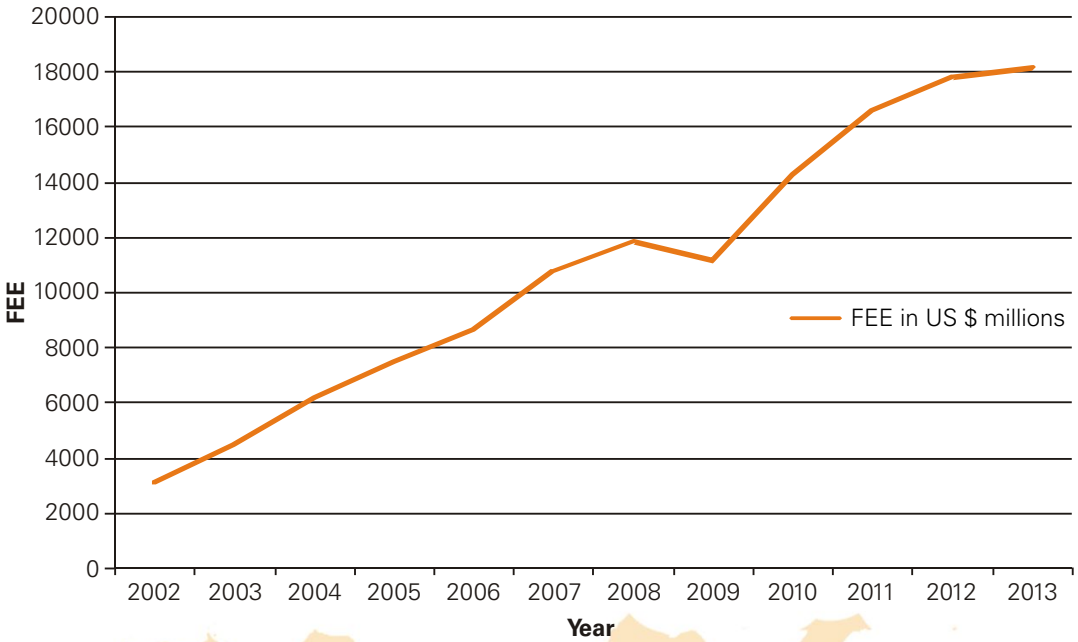


Foreign Exchange Earnings from Tourism in India, 2002-2013

Year	FEE (Foreign exchange earnings) from Tourism in India (in US $ millions)	Percentage (%) change over the previous year
2002	3103	-3.0
2003	4463	43.8
2004	6170	38.2
2005	7493	21.4
2006	8634	15.2
2007	10729	14.3
2008	11832	10.3
2009	11136	-5.9
2010	14193	27.5
2011	16564	16.7
2012	17737	7.9
2013	18100	2.4

Source: RBI and Ministry of Tourism, GOI

Foreign Exchange Earning (FEE) from Tourism in India (in USD million)



Source: Data: Ministry of Tourism, Graph-Roots Research Pvt. Ltd.



List of Mega Destination/Circuits Identified/Sanctioned (in INR lakh)

S. No.	State/UT	Name of Mega Project/Circuits	Year of Sanction	Amount Sanctioned	Amount Released
1.	Andhra Pradesh	Charminar Area of Hyderabad – Destination	2007-08	994.75	796.79
2.		Triputi Heritage Circuit	2008-09	4652.49	2326.25
3.		Kadapa Heritage Tourist Circuit	2008-09	3692.89	1846.44
4.		Development of Buddhavanam project at Nagarjunasagar	2012-13	2224.23	1112.12
5.		Development of Vishakhapatnam Bheemunipatnam Beach Corridor as a Mega Circuit	2012-13	Identified	
6.	Assam	National Park Mega Circuit covering Manas, Orang, Nameri, Kaziranga, Jorhat, Sibsagar & Majouli	2010-11	Identified	
7.	Bihar	Bodhgaya-Rajgir-Nalanda-Circuit	2006-07	1922.42	961.21
8.	Chattisgarh	Jagdalpur-Tirathgarh-Chitrakoot-Barsur-Dantewada-Tirathgarh Circuit	2008-09	2347.39	870.30
9.	Delhi	Illumination of monuments-Circuit	2006-07	2375.09	1187.54
10.		Development of Dilli Haat-Janakpuri	2010-11	Identified	
11.	Goa	Churches of Goa Circuit	2008-09	4309.91	2154.95
12.	Gujarat	Dwarka-Nageshwar-Bet Dwarka Circuit	2008-09	798.90	394.95
13.		Shuklatirth-Kabirvad-Mangleshwar-Angareshwar Circuit	2011-12	4650.97	2325.48
14.	Haryana	Panipat-Kurukshetra-Pinjore Circuit	Phase-I 2006-07 (S-1630.03) (R-1161.23) Phase II 2008-09 (S-1545.22) (R-35.54)	3175.25	1196.77



S. No.	State/UT	Name of Mega Project/Circuits	Year of Sanction	Amount Sanctioned	Amount Released
15.	Himachal Pradesh	Eco and Adventure Circuit (Kullu-Katrain-Manali)	2009-10	Identified	
16.	Haryana-Himachal Pradesh	Panchkula-Yamunagar (Haryana)-Ponta Sahib	2010-11	3253.06	1626.53
17.	Jammu & Kashmir	Mubarak-Mandi Heritage Complex, Jammu-Destination	2010-11	Identified	
18.		Naagar Nagar Circuit (Watlab via Hazratbal, Tulmullah, Mansbal and Wullar Lake), Srinagar	2011-12	3814.56	722.12
19.		Development of Leh as a Mega Tourist Destination-Setting up of Trans Himalayan Cultural Centre in Leh, J&K	2010-11	2242.95	448.59
20.	Jharkand	Mega Destination at Deoghar	2011-12	2371.19	1185.59
21.		Development of Racnhi Saraikela Karshwan - East Singhbhum, Mega Circuit	2012-13	3812.53	500.00
22.	Karnataka	Hampi Circuit	2008-09	3283.58	1641.79
23.		Development of Tourism Infrastructure at the World Heritage Site Pattadakal and Badami/Rihole in (Bagalkot District)	2011-12	Identified	
24.	Kerala	Muziris Heritage Circuit connecting historically and archaelogically important places of Kodungalloor	2010-11	4052.83	2026.42
25.		Development of Backwater Circuit Alppuzha in Kerala	2011-12	Identified	
26.	Madhya Pradesh	Development of Chitrakoot as Mega Destination	2009-10	2401.98	
27.		Jabalpur as Mega Circuit	2012-13	4937.10	2468.55
28.		Bundelkhand comprising of Tikamgarh, Damoh, Sagar, Chhatarpur and Panna as Mega Circuit	2011-12	Identified	



S. No.	State/UT	Name of Mega Project/Circuits	Year of Sanction	Amount Sanctioned	Amount Released
29.	Maharashtra	Vidarbha Heritage Circuit	2008-09	3738.19	1869.10
30.		Aurangabad Destination	2008-09	Identified	
31.		Mahaur-Nanded Vishnupuri-Back Water Kandhar Fort as Mega Circuit	2010-11	4510.99	2255.49
32.		Destination Development of Nashik (Gangapur Dam, Nashik City), Kalagram at Goverdhan (Nashik City and Gondeshwar) as a Mega Project	2011-12	2489.51	954.27
33.	Manipur	INA Memorial	2010-11	1238.59	619.30
34.		Integrated Mega Circuit Project - Marging Polo Complex, Keina and Khongjom	2011-12	Identified	
35.	Meghalaya	Umiam (Barapani) as Mega Destination	2011-12	Identified	
36.	Nagaland	Development of Mega Destination at Dimapur	2011-12	2370.45	1135.23 (Token amount of rupee lakh released)
37.	Orissa	Bhubaneshwar-Puri-Chilka Circuit	2008-09	3022.80	1511.40
38.	Puducherry	Puducherry Destination	2010-11	4511.00	2255.50
39.	Punjab	Amritsar Destination	2008-09	1585.53	542.30
40.	Rajasthan	Ajmer-Pushkar Destination	2008-09	1069.68	319.84
41.	Punjab	Desert Circuit (Jodhpur-Bikaner-Jaisalmer)	2010-11	Identified	
42.	Sikkim	Gangtok Destination	2008-09	2390.70	
43.	Tamil Nadu	Mahaballipuram Destination	2002-03	1039.00	973.00
44.		Pilgrimage Heritage Circuit (Madurai-Rameshwaram-Kanyakumari)	2010-11	3647.95	1823.97
45.		Thanjavaur	2010-11	1475.00	737.50



S. No.	State/UT	Name of Mega Project/Circuits	Year of Sanction	Amount Sanctioned	Amount Released
46.	Tripura	Mega Lake Circuit including Mata Bari	2010-11	Identified	
47.	Uttarakhand	Haridwar-Rishikesh-Munikireti-Circuit	2008-9	4452.22	3561.74
48.		Niram Gangotri	2010-11	5000.00	2500.00
49.	Uttar Pradesh	Agra Circuit	Phase I East Gate 2005-06 (S-848.49) (R-848.49) West Gate 2006-07 (S-933.40) (R-933.40) Phase II 2009-10 (S-1976.44) (R-988.22)	3758.33	2770.11
50.		Varanasi-Sarnath-Ramnagar Circuit	Phase I 2006-07 (S-786.00) (R-628.80) Phase II (S-1416.31) (R-708.16)	2202.31	1336.96
51.		Development of Mathura-Vrindavan including renovation of Vishramghat (Mathura) as Mega Destination	2011-12	3178.66	1589.33
52.	West Bengal	Ganga Heritage River Cruise Circuit	2008-09	2042.35	1021.18
		Dooars (Jalpaiguri District)	2012-13	4668.46	2334.23
		Kolkata Heritage and River-Front Mega Tourism Project	2011-12	Identified	

Source: India, Ministry of Tourism, Annual Report 2012-13







2 Present Dynamics of Tourism Industry in India

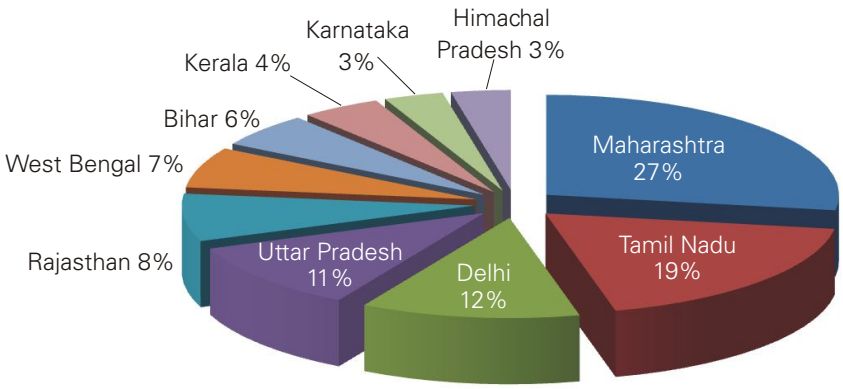
2 Present Dynamics of Tourism Industry in India



2.1. Most Visited States

The top ten states which enjoyed the arrival of the major chunk of the tourists contributed 90% to the total number of foreign tourist arrivals in the year 2013. Topping the charts was Maharashtra with 4.81 million foreign tourists thronging its landscapes. The other destinations along with their figures (in millions) were namely Tamil Nadu (3.37), Delhi (2.16), Uttar Pradesh (1.89), Rajasthan (1.35), West Bengal (1.21), Bihar (0.97), Kerala (0.73), Karnataka (0.57) and Himachal Pradesh (0.48).

Percentage share of top ten foreign tourists arrival destinations in India 2013



Source: Data – Ministry of Tourism, Graph – Roots Research Pvt. Ltd.

Domestic & Foreign Tourist Arrivals - State Wise

S. No.	State	2011		2012		Growth Rate		Rank in 2012	
		Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign
1	Andaman & Nicobar Islands	202221	15814	238699	17538	18.04	10.90	31	25
2	Andhra Pradesh	153119816	264563	206817895	292845	35.07	10.69	1	12
3	Arunachal Pradesh	233227	4753	317243	5135	36.02	8.04	30	28
4	Assam	4339485	16400	4511407	17543	3.96	6.97	21	24



S. No.	State	2011		2012		Growth Rate		Rank in 2012	
		Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign
5	Bihar	18397490	972487	21447099	1096933	16.58	12.80	11	7
6	Chandigarh	909904	37181	924589	34130	1.61	-8.21	24	21
7	Chhatisgarh$	14320503	3973	15036530	4172	5.00	5.01	16	30
8	Dadra & Nagar Haveli	422265	1412	469213	1234	11.12	-12.61	28	32
9	Daman & Diu	832906	4484	803963	4607	-3.47	2.74	25	29
10	Delhi*#	15428865	2159925	18495139	2345980	19.87	8.61	14	3
11	Goa	2225002	445935	2337499	450530	5.06	1.03	22	11
12	Gujarat	21017478	166042	24379023	174150	15.99	4.88	9	15
13	Haryana	5988062	130435	6799242	233002	13.55	78.63	20	14
14	Himachal Pradesh	14604888	484518	15646048	500284	7.13	3.25	15	10
15	Jammu & Kashmir	13071531	71593	12427122	78802	-4.93	10.07	17	18
16	Jharkhand	10796286	72467	20421016	31909	89.15	-55.97	12	22
17	Karnataka	84107390	574005	94052729	595359	11.82	3.72	4	9
18	Kerala	9381455	732985	10076854	793696	7.41	8.28	18	8
19	Lakshadweep	9424	567	4417	580	-53.13	2.29	35	35
20	Madhya Pradesh	44119820	269559	53197209	275930	20.57	2.36	6	13
21	Maharashtra*	55333467	4815421	66330229	5120287	19.87	6.33	5	1
22	Manipur	134505	578	134541	749	0.03	29.58	32	33
23	Meghayalya	667504	4803	680254	5313	1.91	10.62	26	27
24	Mizoram	62174	658	64249	744	3.34	13.07	33	34
25	Nagaland	25391	2080	35915	2489	41.45	19.66	34	31
26	Odisha	8271257	60722	9052871	64719	9.45	6.58	19	19
27	Puducherry	897896	52298	981714	52931	9.33	1.21	23	20
28	Punjab	16416638	150958	19056143	143805	16.08	-4.74	13	16
29	Rajasthan	27137323	1351974	28611831	1451370	5.43	7.35	7	5
30	Sikkim	552453	23602	558538	26489	1.10	12.23	27	23
31	Tamil Nadu	137512991	3373870	184136840	3561740	33.91	5.57	2	2
32	Tripura	359515	6046	361786	7840	0.63	29.67	29	26
33	Uttar Pradesh	155430364	1887095	168381276	1994495	8.33	5.69	3	4
34	Uttarakhand	25946254	124653	26827329	124555	3.40	0.08	8	17
35	West Bengal	22256968	1213270	22730205	1219610	2.13	0.52	10	6
	Total	864532718	19497126	1036346657	20731495	19.87	6.33		

Note: (i) $ - DTVs & FTVs figures of 2012 have been revised

(ii) * - Figures of DTVs to Delhi and DTVS & FTVs to Maharashtra have been estimated using all India growth rate

(iii) # - Figures of FTVs to Delhi have been adjusted using information available with Ministry of Tourism

Source: Data – Ministry of Tourism, India



2.2. Factors influencing the Tourism Industry

Like any industry, Tourism too can be influenced by multiple factors, both domestic & foreign, which can impact the sustainability of this industry. These factors need not be under the direct control of the sector and commonly constitute the issues concerning the tourism sector. Understanding of such factors, if they are negative in nature, is important so that adequate & effective measures can be taken in the time of need. Moreover all the positive factors can be used to capitalize on the maximum impact that can be created.

Issues/Trends	Overview
Industry	• Accessibility, Increase in marketing, Increased Buying capacity • Tourism is becoming region specific • Upcoming tourism products or niche markets • Emergence of low cost travel
Economic & Political	• Gyrations in the economy • Financial policies of the government (interest rates etc.) • Emergence of travel as a leisure activity • Demands posed by tourism hosting areas • Upcoming elections or change in government expected
Technology	• Access to new technology (social media) & booking channels + popularity of shorter travelling vacations • Emergence of transport with more speed, comfort and affordability
Environment	• Feeling of adding to pollution as tourism is perceived as biggest contributor to pollution • Certain attractive sites being declared as non-travel zone because of pollution
Social	• Rumors; Risk of diseases etc. • Increase in that economic classification which has the buying capacity • Perception of safety & security of a destination

Source: Primary Survey, Roots Research Pvt. Ltd.



Trends and Issues



Source: Roots Research Pvt. Ltd.

2.3 Benefits of Tourism

Deriving inference from the growth story of other popular tourist destinations across the globe, we can see that inbound tourism paves the way for not only earning foreign exchange but also creates a positive image about our country which can be capitalized in many other areas of trade and commerce. Certain advantages of inbound tourism which not only proves beneficial for the economy of the country but also prepares it to handle domestic tourism efficiently are:

Advantages	Perceived Benefit
Infrastructure Growth	With rising numbers in inbound tourists & their interest in India, new accommodations are on the rise. These also include 3 star accommodations for matching the profile of visitors. Eventually, they would impact matching the affordability profile of domestic travelers as well. In addition, due to inbound tourism health, financial, social etc. infrastructure profile of the area also grows.
Inflow of new ideas	Tapping the potential of the inbound tourism market, the promoters are always coming up with novel & unique ideas to further boost this industry. This would help to prepare attractive models for the foreign tourists as well.



Advantages	Perceived Benefit
Economic Boost in non foreign tourist arrivals season	In times of lean season, where domestic tourist movements are restricted, inbound tourism industry helps to convert this industry into a permanent one.
Environment	With Eco-Tourism popularly rising among international travelers, the local flora & fauna of a habitat are being preserved & developed.
Social Inclusion	Tribal Tourism, Rural Tourism etc. are products which are again taking marketers to the rural areas, therefore, providing boost to such areas in terms of economy & exposure





3 | Trends & Preferences

3 Trends & Preferences



3.1. Emerging Products

With India opening up to the world the foreign business travelers are 22% of the tourists arrivals. There has been significant increase in the foreign tourist arrivals in this category not only in terms of numbers but also in percentages.

In the leisure tourism the products that have emerged in recent times for the foreign tourist's arrivals are Health Tourism, Spiritual/Faith Tourism, Rural Tourism, Medical Tourism, ECO Tourism, Culture and Heritage tourism. The heritage and culture tourism would be an all time favorite amongst the foreigners as India is a vast country with diverse geography, culture, climate and ethnicity.

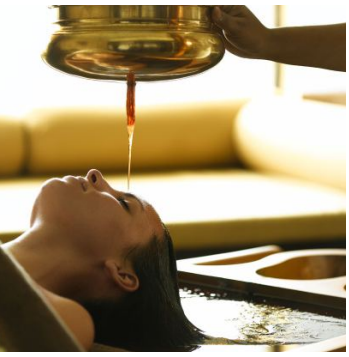
With the opening of the Indian Economy and rising economic growth in India, MICE (Meetings, Incentives, Conventions & Exhibitions) is emerging as a very prominent tourism product. This is evident from the percentage of foreign tourists' arrivals as business travelers.

The foreign traveler is shifting his focus to the more unexplored and offbeat destinations of India.

The few emerging products in inbound tourism are:

Health Tourism: Has been a great hit with the foreign tourist, who want to explore the alternative ways of treatment to enhance general well being. Yoga, Ayurveda & Spas have become attractive not only because of the health benefits but also because of the exotic locations at which they are being performed by the tourists. The intent is not only on the functional benefits these services offer but also the emotional connect that they make with the foreign traveler.

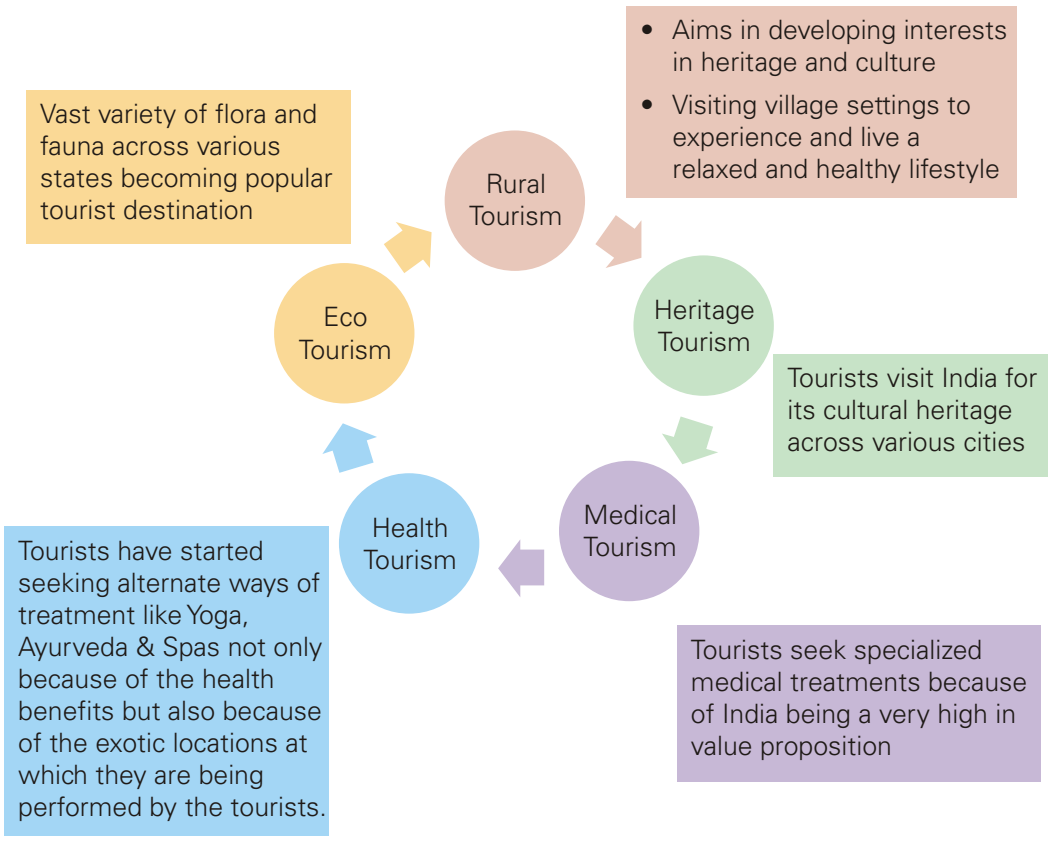
Rural Tourism: The charm of being face to face with India's rural traditions is irresistible for a foreign traveler. It is becoming very popular with the people who stay in cities and they want to have the feel of rural life. So far, 153 rural tourism projects in 28 States/Union Territories have been sanctioned by the Ministry of Tourism including 36 rural sites where UNDP has supported for capacity building. The objective is to showcase rural life, art, culture and heritage at rural locations



and in villages, which have core competence in art & craft, handloom, and textiles as also an asset base in the natural environment. The intention is to benefit the local community economically and socially as well as enable interaction between tourists and local population for a mutually enriching experience.

Medical Tourism: India is becoming a hub for this offer as it not has the most competent doctors in the world but with the hospital structure becoming world class, no wonder India becomes a natural destination for lot of patients who want to get themselves treated. Not only this the low cost that the patients have to pay is an additional bonus. This segment is growing at the rate of 30%.

Emerging Products



Source: Roots Research Pvt. Ltd.



3.2. Socio Economic Impact of Inbound Tourism

Inbound Tourism boosts economy by generating income, employment, and investment thus stimulating growth of the region. It has also generated valuable spin off benefits by either developing infrastructure that the other industries can use or by creating positive publicity for the individual destination. Not only is this the icing on the cake foreign exchange earning which are very important for a country like ours.

For tourism to be sustainable it is very important that the development should be in line with the local community needs and aspirations. It is very essential for the local region to monitor the impacts of the tourism activity on a regular basis.

The Economic Survey 2012-2013 points out that the Indian tourism sector needs an urgent image makeover and higher investment in infrastructure, including through public-private partnership (PPP) mode to capitalize on opportunities provided by overall growth in world tourist arrivals.

The destinations should be developed in the following ways:

- Attractions – manmade features, natural features or events that provide motivation to visit.
- Access – local transport facilities or seamless way to reach the destination
- Amenities: accommodation, food, beverages, entertainment and retailing.
- Auxiliary services in the form of local organizations.

The involvement of the local governments in the development of the destinations is something that should be aimed at as they are the biggest beneficiaries of that destination if it is managed well. Moreover they understand the nuances of the culture of that place and that would act in a positive way for the development of that destination.





4 State Initiatives to promote Inbound Tourism in India

roots research

4 State Initiatives to promote Inbound Tourism in India



State Initiatives

Inbound Tourism is being marketed very aggressively by the state governments as they have realized the potential of these offerings. Inbound tourism also helps domestic tourism. The products initially developed for the international tourist market are coming handy to woo the domestic tourists as well. Inbound tourism helps domestic tourism has been proved beyond doubt.

States have taken initiatives to project themselves in foreign countries as the preferred tourist destinations for the foreign tourists. Signing of MOUs between states, spending on projects & development of products, investment in technology to support regional language etc., all evinces the interest the state governments are showing in inbound tourism industry as it has a very positive cascading impact on the domestic tourism as well.

In the light of such endeavors being taken in the industry we have presented the key initiatives taken by the ten top most visited states as per foreign tourist arrivals.

4.1. Maharashtra

Maharashtra with 27% market share of the total foreign tourists' arrivals in 2012 is the number one state in terms of the foreign tourists' arrivals. Being the most visited state as per the figures of foreign tourist arrivals in India in 2012. Maharashtra Tourism Development Corporation organized a Diwali event at New York Times Square, which was a huge success.

Initiatives - Maharashtra

- ✓ Diwali Event at New York Times Square
- ✓ Rs. 50 crore marketing budget up from Rs. 18 crore
- ✓ Identification of 10 cities for marketing Maharashtra
- ✓ Rs. 300 Crore for infrastructural development
- ✓ Rs. 1300 crore project through PPP model
- ✓ Oceanarium proposed



The Maharashtra tourism department is leveraging technology to make itself more tourist friendly destination. The 'Maharashtra Tourism Development Corporation' is deploying technology to provide e guides in different languages both national and international which will provide a virtual tour to the website visitor.

The publicity budget of the state has been increased to Rs. 50 crore for the current fiscal from Rs. 18 crore allocated to it last year. In addition, Rs. 300 crore has been allocated for developing various tourism related infrastructure. A Rs. 1300 crore project, based through the PPP mode, is expected to be executed wherein a metro rail will connect the theme park (situated at Vyangani-Tondavali in Sindhudurg district) to the proposed Chippi airport.

An Oceanarium is also proposed to come up in the state. A land parcel of 1400 acres is proposed to be acquired for Rs. 100 crore.

4.2. Tamil Nadu

Tamil Nadu is the 2nd most visited state by foreign tourists' having 19% of the total foreign tourists arrivals. The efforts put in by the state's tourism division paid off well in the last fiscal as the state was the second most widely visited state in India as per the domestic tourist arrival figures.

Any strategy adopted by the state's tourism division needs to keep both domestic as well foreign tourists in mind. The identified factors upon which the strategy is based are the following:

- Publicise the State as an all season destination.
- Project that Tamil Nadu is not only the land of temples but also a state endowed with many tourist attractions to enhance quality and comprehensive visitor experience. (It is anticipated that by the time, this campaign rolls out, many additional attractions for all age groups will be created).
- Art & craft and cuisine of the State to be given eminence and
- The fact that Tamil Nadu is one of the best in infrastructure, transport facilities, urbanization, telecommunication, etc., will have to go as a subtle message to the target audience.



The same policy note discussed rolling out of a short term strategy "Discover Tamil Nadu (2012-2016)" campaign and a long term strategy "Long Term Brand Building and Promotion (2012-2023)". The vision 2023 entails an investment of Rs. 10,000 crore through government and private investments. Currently, the state tourism board has entered into an understanding with the Asian Development Bank (ADB), wherein, an investment of Rs. 500 crore approximately will be made by the latter party. The total amount of the project will be shared in the ratio of 70:30 between ADB and Tamil Nadu state respectively. 15 sub-projects have been finalized in Tranche I of this project. Two important circuits have been identified by the tourism board for development. The first circuit is the East Coast Circuit (keeping Pilgrimage & Heritage tourism in mind) which includes areas Kancheepuram, Cuddalore, Villupuram, Tiruvannamalai, Nagapattinam, Tiruvarur, Thanjavur, Pudukkottai and Tiruchirappalli Districts. The other circuit is the Southern Circuit (Pilgrimage and Eco Tourism) which consists of areas like adurai, Theni, Dindigul, Ramanathapuram, Sivagangai, Virudhunagar, Tirunelveli, Thoothukudi, Kanniyakumari Districts and Western Ghats area.

The following festivals are celebrated by the state with much vigour to attract tourists:

- ✓ Pongal Tourist Festival (Tamil Nadu)
- ✓ Chithirai Vishu Festival (Papanasam, Tirunelveli)
- ✓ Tea & Tourism Festival (Udhagamandalam)
- ✓ Chithirai Festival (Madurai)
- ✓ Mango Festival (Krishnagiri)
- ✓ Summer Festival (At Hill Stations)
- ✓ Kandhoori Festival (Nagore)
- ✓ Saral Thiruvizha(Courtallam)
- ✓ Thirparappu Vizha (Kanniyakumari Dt.)
- ✓ Aadiperukku Vizha (Hogenakkal)
- ✓ Velankanni Festival (Velankanni)
- ✓ World Tourism Day (All Tourist Centres)
- ✓ Dasara Festival (Krishnapuram, Palayamkottai)
- ✓ Sathaya Vizha (Thanjavur)
- ✓ Deepam Festival (Tiruvannamalai)
- ✓ Indian Dance Festival (Mamallapuram)



Initiatives - Tamil Nadu

- ✓ Started 'Enchanting Tamil Nadu' campaign
- ✓ Promoting Tamil Nadu as an attractive tourist destination at international level.
- ✓ Investments by MNCs in economy especially automobiles industry has given the state the epitaph of 'Detroit of South Asia'
- ✓ Long term brand building & promotion strategy – Vision 2023
- ✓ ADB investment project of Rs. 500 crores
- ✓ Development of East Coast & South Circuit

Apart from these initiatives there are some other effective measures are being taken up by the tourism board of Tamil Nadu. For instance, buying of modern kitchen equipment, passenger lifts being installed in Hotel Tamil Nadu, Tiruchi & Tiruchender, provision of modern furniture, New Tourist Home etc. are part of the steps to be taken in the state tourism's policy note of 2013-14. Further, an Oceanarium has been announced which will be coming up in Mamallapuram. The investment for this project will be Rs. 250 crore and it will be developed with the technical guidance of the Fisheries Department.

4.3. Delhi

Delhi with 2.16 million foreign tourists' arrivals in 2012 holds 3rd position in the foreign tourist's arrivals. Delhi truly is bridge between the two different worlds. It is modern with very deep historical and cultural roots. Old Delhi which was the capital of Islamic India has narrow lanes lined with havelis and mosques. New Delhi which was created by the British Raj is composed of spacious, tree lined avenues and imposing government buildings. It is a city which was destroyed and built many a times. It has been a seat of power for many rulers and empires.

Initiatives - Delhi

- ✓ International Magazine "Newsweek" and "Conde Nast Traveler" recognized Delhi as 'One of Ten perfect destinations in the world' and 'most favorite city in India respectively'
- ✓ Organizing various cultural events which are in line with the history of Delhi
- ✓ The Delhi Metro Rail Corporation (DMRC) and the Delhi Tourism and Transportation Development Corporation (DTTDC) has signed a Memorandum of Understanding (MOU) with the purpose of jointly promoting tourism and facilitating tourists in the capital city.
- ✓ New Delhi has been awarded as the Best Destination for Food and Drink by Lonely Planet Magazine India Travel Awards 2013.



Delhi also represents a very rich and diverse culture apart from having a glorious past. It has captivating ancient monuments, fascinating museums and art galleries, architectural wonders, a vivacious performing-arts scene, fabulous eating places and bustling markets.

Delhi has been political hub of India. Even in the times of Pandavas of the Mahabharata they had their capital at Indraprastha which is believed to have been located in today's Delhi.

4.4. Uttar Pradesh

Uttar Pradesh, with 12% of the total foreign tourist arrivals, held the third position among the most visited states in India in 2012. With regular visitors flocking Taj Mahal and other pilgrimage sites ensured Uttar Pradesh to be in the top most visited states by foreign tourists in India. The Maha Kumbh Mela, 2013 added to increased number of tourists visiting the state for pilgrimage purposes.

Initiatives - Uttar Pradesh

- ✓ Stress on Heritage & Eco Tourism which is the big draw for foreign tourists
- ✓ Ganga water rally was jointly organized by Indian Kayaking and Canoeing Association, Allahabad Boat Club and UP Tourism
- ✓ Rs. 5 crore investment each in Lion Safari, Etawah & Dudhwa National Park
- ✓ Tree Plantation drive to sensitize the public
- ✓ 10 days annual cultural festivals of 'Taj Mahatsav' was organized
- ✓ Dedicated Eco Tourism Policy proposed

However, the state is reciprocating to the need required to develop other potential tourist destinations and products as well. The current government is laying significant emphasis on promoting Heritage and Eco Tourism in the various parts of the state.

Uttar Pradesh is rich with the number of Sufi sites it houses. With the increasing interest in 'Sufism' among the younger generation there is a lucrative opportunity upon which the state can capitalize. Round of meetings have also been convened between the present government officials and other stakeholders for discussing the matter of promoting heritage tourism in the state.



Various steps are also being taken to promote Eco tourism in the state by the present government. Development projects are being taken to make services, accessibility and experience of the following destinations better for the tourists:

- ✓ National Chambal Sanctuary
- ✓ Katarniaghat Wildlife Sanctuary
- ✓ Sarsai Nawar
- ✓ Sita Dwaar
- ✓ Lakh Bahosi Bird Sanctuary
- ✓ Kannauj
- ✓ Nawabganj Bird Sanctuary
- ✓ Lion Safari, Etawah
- ✓ Dudhwa National Park

A budget of Rs. 5 crores each has been allocated to develop the areas of Lion Safari, Etawah and Dudhwa National Park. In addition, the UP government conducted a plantation drive under the banner of 'Van Mahotsav' which consisted of planting 3.15 lakh trees in 80 identified sites. Along with promoting greenery, the intention of the drive was also to sensitize the general public for eco tourism and its offerings. It has also been noted that the tourism division of the state government has been advised to work on an Eco Tourism Policy.

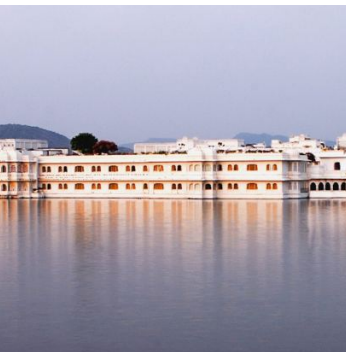
4.5. Rajasthan

Rajasthan is rightly said to be incredible state of India. Its heritage, culture, safaris, sand dunes, lush forests and wildlife-makes it destination unparalleled. With India's' oldest mountain range as its backdrop, Rajasthan truly is magical as a tourist destination for anyone.

With 1.5 million foreign tourists arrival last year it occupies the 5th position in India in terms of tourist's arrivals.

Initiatives - Rajasthan

- ✓ Jodhpur Folk Festival
- ✓ Public Private Partnership projects
- ✓ Tax Exemptions
- ✓ Vision of 20 years for cultivating sustainable tourism
- ✓ Public Private Partnership projects



It is an incredible destination for the outdoor tourist –take safari on horses, camels, elephants or even jeeps, with the Aravalis. You can also choose to pamper yourself with the lavish heritage properties. Rajasthan has something for everyone- one just has to choose an activity appropriate to one's temperament. Rajasthan is often portrayed as one vast open –air museum.

Rajasthan government has taken lot of progressive initiative to help tourism in the state. They have encouraged PPP (Public Private Partnership) in various development projects. Lot of tax exemptions is part of the strategy to improve tourism in the state.

The tourist hub cities of Rajasthan are Jaipur, Jodhpur, Bikaner, Udaipur and Mount Abu. Each of these hubs usually forms part of a tourist circuit as follows:

1. Jaipur is part of the popular 'Golden Triangle' circuit (Delhi-Agra-Jaipur) that is very popular both with foreign and domestic tourists.
2. Jodhpur, Bikaner and Jaisalmer form the popular 'Desert Circuit' in Rajasthan.
3. Mount Abu is the only hill station in Rajasthan.
4. Udaipur is the entry point into south of Rajasthan and forms the hub for tourist activity in the Mewar region of the state.

Rajasthan is one of the states that has drawn 20 years perspective plan for the Sustainable Tourism.

4.6. West Bengal

West Bengal with its fascinating culture, rich history and heritage on one hand, it has modern, techno-savvy, upwardly mobile people on the other hand. In one word it is –Metamorphosis.

With the memory of that rich history West Bengal boasts of different ethnicity, culture, religion and languages and most importantly the diverse landscape - flanked by the Himalayas as the top and decorated by the natural beaches and a unique biosphere, the Sunderbans in the south. Let us unfold the true Bengal – its history, its real nature, its culture - the **canvas with all colors**. Indeed it is- Beautiful Bengal.

West Bengal is at 6th position in terms of foreign tourist's arrivals, 1.21 million domestic tourists arrivals makes West Bengal an important state on tourism map of India.



Initiatives - West Bengal

- ✓ Project worth Rs. 3700 crores proposed through PPP model to strengthen tourism infrastructure
- ✓ Aggressive tourism campaign
- ✓ Focus on Nature, Cultural, Religious and Contemporary tourism

West Bengal has focused on its assets and has developed tourism products which are:

1. Nature Based Tourism
2. Cultural Tourism
3. Religious Tourism
4. Contemporary Tourism

Sunderbans Delta, tea plantations, beaches, mountains and wild life gives West Bengal a huge competitive advantage in building tourists products around these assets.

West Bengal is considered as cultural capital of India. It has produced thoughts, ideas and events which have brought forth freshness and rejuvenation in the society both in India and the World. The components of this tourism that are being promoted are Fairs and Festivals Tourism, Heritage Tourism, Art and Craft Tourism, Cuisine Tourism, Film Tourism.

West Bengal government has moved forward with the PPP (Public Private Partnership) model with the projects on the offer to the tune of Rs. 3,700 crore. The main investments would be in the Kolkata Giant Wheel, Sylee Tea Tourism Hub, Kunjangar Nature and Adventure Park and Eco-Tourism in Jhadkhali Sundarbans.

4.7. Bihar

Bihar with the 0.97 million foreign tourists is the 7th most visited state by foreign tourists. It is an apt state for the religious tourism. It has rich heritage inherited from various dynasties. The wildlife, birds & sanctuaries hold vast potential for nature-based eco-tourism. The river Ganga, all along its stretch offers potential for water based sports & riverfront activities.



Initiatives - Bihar

- ✓ Developing the Buddha Gaya Circuit, promotion of Buddhist places in Bihar for the South Asian market
- ✓ PPP (Public Private Partnerships) to develop infrastructure
- ✓ Air Services to Gaya to improve the connectivity with the region

Some of the important places to visit in Bihar are Sanjay Gandhi Biological Park, Valmiki National Park. Being a state which has been a birth place of Guru Gobind Singh and Lord Buddha having spent lot of time in Bihar it is truly state for religious tourism. With large number of historical temples it is a true delight for the tourists if he wants to be part of history. Buddh Gaya Circuit is a very important circuit that has been developed and it is a must see for all who visit Bihar as Lord Buddha achieved his Nirvana over here under the Boddi Tree.

4.8. Karnataka

The Karnataka Tourism Policy 2009-14 was launched with an ambitious plan to raise Rs.25,000 crore in investments. With 0.57 million foreign tourists visiting the state, Karnataka is the ninth most visited state in India by foreigners. The main thrust areas with respect to tourism according to the tourism policy of the state are:

Initiatives - Karnataka

- ✓ Karnataka Government has won the annual Government of India, Best Tourism Promotional Materials award for the 8th time
- ✓ Proposed Eco Tourism Policy
- ✓ Education of Manpower

- ✓ Culture/ Heritage Tourism
- ✓ Cruise Tourism
- ✓ Eco Tourism
- ✓ Health/Wellness Tourism
- ✓ Adventure Tourism
- ✓ Heli Tourism



The state has been divided into four zones and special incentives have been provided to promote Heritage, Adventure and Pilgrimage tourism. The state is also on its way to announce an Eco Tourism Policy. The state attracts significant number of tourists for its Eco tourism but they want to safeguard the environment as well. The key notes of the policy are expected to deal with responsibility and accountability of safeguarding the environment. The state also identified 30 sites where they proposed to set up their concept of 'Green Police' for providing safety and guidance to the tourists. Stress has also been laid at educating the manpower for the promising growth witnessed in the tourism industry.

4.9. Kerala

Kerala enjoys the unique geographical features that make it one of the most sought after tourist destination of Asia. With an equable climate, a long shoreline with serene beaches, tranquil stretches of emerald backwaters, lush hill stations and exotic wildlife, Kerala is truly magical. Add to this Ayurvedic health holidays, enchanting art forms, magical festivals and historic and cultural monuments, an exotic cuisine all of which offer you a unique experience. Kerala is truly a tourist's delight.

Initiatives - Kerala

- ✓ A very successful and unique campaign 'Gods Own Country'
- ✓ Land of Ayurveda, Ashthangahridayam, the practical, user friendly interpretation of Ayurveda Backwaters, beaches and hills
- ✓ Government of Kerala has rolled out two new initiatives 'Seaplane Project' and 'Project Muzris' in order to enhance the travel experience and add its array of tourist sites.

Kerala has focused on its assets and has developed tourism products which are:

1. Nature Based Tourism
2. Adventure Tourism
3. Eco Tourism

The state has very aggressively sought to be a very visible global brand in tourism. It has made Tourism a vibrant and significant contributor to the sustainable development of the state of Kerala.



4.10. Himachal Pradesh

Himachal Pradesh is a beautiful Himalayan state in India, popularly known as Devbhumi-"Land of Gods", nestled in the north-west region of western Himalayas. From vast tracts of high-altitude Trans-Himalayan desert to dense green deodar forests, from apple orchards to cultivated terraces, from snow capped high Himalayan mountain ranges to snow fed lakes and gushing rivers, in terms of its sheer topographic diversity it is in contrast to its neighbors.

Initiatives - Himachal Pradesh

- ✓ Development of three new airports
- ✓ Aggressive tourism campaign with the launch of "777 days of Indian Himalayas"
- ✓ Focus on Nature, Pilgrimage, Adventure and Eco tourism
- ✓ Projects proposed through PPP model to strengthen tourism infrastructure

Himachal Pradesh has focused on its assets and has developed tourism products which are:

1. Nature Based Tourism
2. Pilgrimage Tourism
3. Adventure Tourism
4. Eco Tourism
5. Rural Tourism

Himachal Pradesh plans to develop three new airports in the state – Ranital, Nadong and Kandaghat. These are to be on a PPP and a BOT mode. "Currently surveys are going on as well as dialogue between the state and government of India and Airports Authority of India is also on."

The state is also looking out for private investors to develop tourism projects. Mr. Subhasish Panda, director, Department of Tourism and Civil Aviation, Himachal Pradesh and MD Himachal Pradesh Tourism Development Corporation stated, "We have small land banks which we are open to give out to private companies for tourism related projects like golf courses and amusement parks." There are seven of these land banks which are open for the taking. As to whether HPTDC will be looking at divesting in their resorts Panda was clear that they will not.

Himachal Pradesh is a natural attraction for people. Government's intervention is



only to develop capacity and maintain sustainable tourism. "We are working on a perspective and anticipative planning. A tunnel is being built by the ministry of defense on the way to Lahaul Spiti. This will reduce travel time by 1.5 hours also making it a year round destination," stated Mr. Panda.

Mr. Panda further stated that, "The existing three airports are also to undergo expansion.

The various circuits that have been developed by Himachal Pradesh government are:

1. **Beas Circuit:** The Beas river , with its clear water gurgles and sloshes through the famous tourist destination, Manali. One sees well-defined snow capped peaks, deodar and pine trees, tiny alpine fields, rocky slopes amid grassy meadows carpeted with wild flowers and fruit orchards across Kullu Valley
2. **Dhaulandhar Circuit:** Also known as the Outer Himalaya, dhaulandhar range begins from near Dalhousie of Himachal and extends as a necklace through the state near the bank of the beas river in the Kullu before ending near Badrinath. Its distinctive profile is best seen from Kangra valley as it seem to shoot up vertically.
3. **Satluj Circuit:** starts from the foot hills of Shivalik Mountains, the southernmost and geologically youngest foothills, and extends towards the higher hills. The stone and apple fruit orchards, pine forests, deodars, majestic mountains, snow covered ski slopes and the furious Satluj river makes this region a must see for visitors.
4. **Tribal Circuit:** The cold mountains, mighty glaciers, icy frozen lakes, high passes, snow capped peaks, spectacular monasteries, lamas and yaks – this region is marked by rich cultural traditions. The breathtaking adventurous terrain remains the prime destination for all nature and adventure lovers all over the world.



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5

FICCI-Roots Research Ten Point Roadmap for Sustainable Growth of Inbound Tourism

roots research

5 FICCI-Roots Research Ten Point Roadmap for Sustainable Growth of Inbound Tourism



FICCI-Roots Research Ten Point Roadmap for Sustainable Growth of Inbound Tourism

1. **Promotion of India as a destination**: India as a nation to be promoted in the international market. We have seen the spurt in Inbound Tourism after the launch of campaign "Incredible India". It was a deviation from the earlier efforts by the states to individually support them in foreign countries.

2. **Community Support** – For any tourist destination to become significant it is very important that it gets the support of the local community. The attributes of tolerance, friendliness, understanding etc. amongst its people so that it encourage visitors. The Ministry of Tourism, India has supported such ad campaigns which disseminates the idea of sensitizing the general public as in how tourism is important for the growth of their area socially and economically. Such campaigns should be increased not only at the national level through commercials but also at the tourist destination levels through other communication channels.

3. **Secure & Safe Environment** – To make country safe and secure for the foreigners the government is working on various measures. Lot of initiatives have been taken like educating & sensitizing the community (community policing), beefing up security at tourist spots, increasing security personnel at the city/district level of the tourist destinations etc.

4. **Up gradation of Skills** – In any service rendering process like tourism it is very essential that the people involved are trained so that the foreign tourists who visit our country carry a very positive impression about our hospitality. Unfortunately, the employability quotient of the manpower in India is not up to the mark. Investing into development of training schools & institutions will really help the states to channelize its



manpower resources. Many tourist destinations lack well qualified guides. These training schools will also increase the employability quotient of the manpower in the respective states and also make tourist destinations more tourists friendly & supportive.

5. **Know your Customer** – 'Know your customer' is an important concept. A marketer can define & customize products, attract right kind & number of people etc. through understanding its customers and develop its offerings to increase popularity. The data that is available of foreign tourist arrivals in various states can be analyzed and inferences that are gathered can form a very important source of marketing initiatives. Some of the states have taken up research assignments to understand the visitors profile but still a considerable amount of insights can be gained if proper & systematic gathering of data is conducted. Important aspects to understand the tourists could be their demographic profile (age, place, education, occupation), Socio-Economic profiling, reasons of travelling etc. Such information will really contribute towards customizing product offerings at the level of states.

6. **Up Selling & Cross Selling** – It is important to club tourism products offered by various states so that the tourists elongate their stay and visitors can be converted into tourists. For instance, business travelers from other countries who come to India can be made to stay after their official work is done for the purpose of leisure, heritage or any other for tourism. The offer can be more beneficial to both the tourists and the states if the families of these visitors accompany them.

7. **Technology as an Enabler** – Technology is redefining the way we exist in this world and it has been proved beyond doubt that the use of technology has really improved where ever it was used in conjunction with the tourism. For instance, Maharashtra tourism division is making its website supportive to international languages. It is believed that it has plans to support all Indian languages as well. With e-guides and virtual tours as its website offerings, we feel it can really stimulate a potential tourist. In addition, many states are installing electronic information kiosks at its tourist destinations for the purpose of providing guidance to tourists. More such steps should be taken towards leveraging technology at different touch points.

8. **Treating Tourism as Market Offer** – We have seen increased budget allocated to state tourism boards for marketing & promotion, more



aggressive advertising campaigns, more fairs & festivals etc., nevertheless, we still feel there is need for more. There is a need to market lesser-known destinations so that the tourist's arrival figures are not very skewed. These initiatives can also be taken at tourist destination levels, wherein, efficient communication should be done to promote areas falling in the vicinity of that particular destination.

9. **New Policy Initiatives**– Many state governments have signed MOUs with other states to promote domestic tourism. These understandings include tax benefits, rebates, low cost of travelling etc. And such agreements have paid well. It is proposed that such measures should be scaled up at the state level to attract tourist from neighboring states.

10. **Infrastructure Up gradation** – Infrastructure development is the key to improve the destinations in terms of connectivity and other facilities that are very important for the tourists. Centre and State governments taking all measures in developing and commissioning the infrastructure. Oceanariums, budgeted accommodation, circuit routes, roads & highways etc. are being planned and developed. Infrastructure development is vital for this industry and there is need to invest more in the same.

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