



India Market Report
May 2019

Visit Finland Country Representative

Sara Kaur Sodhi



Semiannual Report – INDIA

Winter season 2018-19 and outlook for summer 2019

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Factors affecting the results of the winter season 2018-19

Reasons for the increase/decrease in overall outbound travelling from your market?

Increase 7% in overnights from India (High winter season Dec2018-Feb2019) and 50% Growth in Overnights for Lapland Region.

- **Economic situation**

- The Indian economy retained its tag of the fastest growing major economy in the world in FY 2018-19 for a second year in a row as it continued its climb on an upward growth path.
- ***The economy registered a growth rate of 7% during the 2018-19 period as per advance estimates of the Central Statistical Office.***
- The economy is projected to grow at the rate of 7.5% during 2019, expanding further to 7.7% during 2020 as per the International Monetary Fund (IMF) World Economic Outlook January update.
- The growth rates for the Indian economy are pegged much higher than the global growth rates for the same years, at 3.5% and 3.6% for 2019 and 2020 respectively, thus placing the economy on a solid footing even amidst growing global uncertainties.

- **Finland's image as a travel destination- Increasing popularity of Finland with Indian Travellers**

- With all the efforts of Visit Finland in India market, Finland is becoming very popular with Indian clients as well as one of the preferred destination for Northern Lights and winter travel. Indians Agents have launched attractive packages for Finland under the Winter Theme for 2018-2019

SOURCE:

<https://www.ciiblog.in/the-indian-economic-outlook-2019-20/>

- Changes in demand - Winter Travel Gaining Popularity with Indians

WINTER HOLIDAYS

Domestic vs global (2018)

25% rise in Indians planning holidays this winter as against last year

70% rise in Indians travelling overseas

15% rise in Indians going on domestic trips



TOP EMERGING DESTINATIONS

India	International
SHILLONG	VIETNAM
BELGAUM	RUSSIA
GOKARNA	MALDIVES
DARJEELING	



YEAR-END CHARM

63% of Indian travellers plan holidays around Christmas

37% of Indian travellers prepare for trips ahead of New Year

HAPPY NEW YEAR!

DEMAND FOR VISA

Travel trends based on visa applications in India, according to VFS Global, which handles 5 million applications annually:

14% growth in visa applications from India in 2018 against 2017

OFFBEAT DESTINATIONS

Domestic	International
BHIMTAL	VANTAA
PANCHGANI	HELSINKI
KOLLUR	ALMATY

SOURCE

<https://economictimes.indiatimes.com/industry/services/travel/international-vacations-in-trend-for-indian-tourists-this-holiday-season/articleshow/67107995.cms>

- **Some latest Indian Travel trends**

*Earlier, the outbound Indian traveller used to evolve gradually – starting from a group tour to Thailand or Singapore before graduating to destinations in Europe. That has changed. **Indians are comfortable making Europe their first international experience.***

Experiential travel: Indians are now looking for experiential travel customised to their needs and tastes instead of a plain vanilla vacation. These experiences include tea plantation visits, wine trails, strawberry picking, Bollywood tours, kayaking and dune bashing.

Price conscious to value-conscious: The choice of the globetrotting Indian, instead of being price-driven, revolves around a mix of convenience, quality and the expected experience.

Offbeat holidays: A growing number of Indians want to go to unusual and unknown places. Alongside, they are more open to trying alternative accommodation options such as homestays, cottages etc.

Rise of tier-2 & tier-3 travellers: Amid rising income, aspirations and launch of UDAAN scheme, the number of travellers from smaller cities have grown in the recent past — both for domestic and outbound holidays.

Women travellers: The rise of women travellers — either solo or in groups — is an important emerging trend in domestic and international bookings. Many of these women are coming not just from metros but even cities such as Varanasi.

Young-at-heart senior citizens: It is now not uncommon to see older empty nesters on a cultural trip to Italy, or a guided trip to the mountain kingdom of Bhutan. The most requested services for this segment are said to include ground-floor hotel rooms, doctor on call, preferred entry to monuments, tour manager assistance and snack boxes.

Factors affecting the results of the winter season 2018-19

Reasons for the increase/decrease in travelling to Finland?

Changes in distribution and accessibility

- While the Northern Lights programs continued to be the driving products in India, one of the challenges was with both domestic flights to/from Lapland as well as the availability of accommodations specially for last moment bookings. Due to the surging traffic from Chinese, Japanese and other Asian markets as well as European active holiday seekers availability is at times challenge for Lapland.
- Several new agents across India launched winter product for Indians like SOTC, Cox & Kings, Make My Trip, Thomas Cook, Kesari, Veena World etc.

Main Source Markets :

- Main source regions are west and north (including central India) together accounting for about 65 per cent of all outbound travel, followed by south (25 per cent) and east (10 per cent)
- Europe commands an estimated market share of about 20 per cent of all Indian outbound departures

Factors affecting the results of the winter season 2018-19

Reasons for the increase/decrease in travelling to Finland?

Products that have been attractive

- Aurora watching
- Staying in a Igloo
- Santa Claus Village/ Christmas Holidays
- Adventure Holidays - Ice Breaker Sampo , Ice Driving, snowmobiling
- Winter Fun Activities – Husky and reindeer safari

Regions that have been attractive

- Lapland
- Helsinki

Campaigns, joint promotions results

- We executed joint campaigns with Cox & Kings, Thomas Cook and Make My Trip to promote Finnish Lapland for winter and the numbers grew by 50% from India Market
- Winter Fam conducted for Indian Agents in collaboration with Finnair showcasing Rovaniemi & Helsinki

Outlook for the summer season 2019

The overall outlook of travelling to Finland for the coming summer?

Increase/decrease and reasons for the increase/decrease

The overall outlook for the coming summer is expected to be quite positive. Several factors are influencing the number of arrivals and overnights to Finland as it is becoming popular with Indians as a new and unique destination, however due to the elections in India scheduled in May 2019 a lot of people will finalize their holiday plans only after the elections result

- Visit Finland Roadshow in New Delhi & Mumbai was attended by all the leading travel agents in India
- Several Group Series (GIT) departures have been launched for Finland in combination with Scandinavian Capitals, Russia and Nordic Countries and inventory for departures has been increased by agents like Dpauls, Thomas Cook, SOTC, Carnation, Cox & Kings, Kesari etc. for Midnight Sun Groups as well.
- FIT / Luxury travel to Finland has also increased from India wherein in clients are also travelling to Lapland for the Midnight Sun Experience and combining it with Lakeland Region and Russia .
- MICE travel has gained momentum to Finland and several MICE movements (Corporates - Akzo Nobel, JK Lakshmi Cement, Aishwarya Lifesciences, Radio Mirchi, Lupin Pharma etc. have been confirmed for summer 2019 (Group size ranges from 50 – 300 Pax)
- Educational Travel Groups (Students from Schools) have started from India and leading schools like DPS etc. have started sending their students to Finland in Summer 2019

Outlook for the summer season 2019

The overall outlook of travelling to Finland for the coming summer?

New summer products

- ACTIVE HOLIDAY in cool summer. Nature adventures and local culture experiences.
- ADVENTURE FINLAND – High quality adventure in Finnish Nature
- CITYBREAK – Helsinki and beyond -Exploring Finnish design, culture activities and lifestyle
- SPECIAL INTEREST TRAVEL - MICE, technical visits and Educational travel

New sales channels

- Agencies specialized in GIT Travel for multi country itineraries including Finland
- Tour operators specialized in luxury tailor-made packages
- Tour operators aiming at high end customers and high quality products
- MICE Specialists promoting Finland
- Education tourism will be important segment especially in Summer & Autumn period. Many school related groups are organized between September to December. Education Tourism promotion has just started in India market from 2018 and this segment has huge potential including teacher's technical visits.

Outlook for the summer season 2019

The overall outlook of travelling to Finland for the coming summer?

What are the trends for the summer 2019?

- Long weekend travel
- Solo travel
- Unique Bucket List experiences
- Wine Trips
- Film Locations
- Self Drive Holidays

Which are the traveller segments?

- Group travelers (GIT)
- FIT's
- MICE
- Small private groups with customized itineraries
- Families with children
- Solo Travellers
- Travel Bloggers
- Education Travel – Students

Outlook for the winter season 2019-20

Ad hoc marketing opportunities

- Visit Finland conducted its first Roadshow in New Delhi & Mumbai in February 2019.
- We have joint campaigns planned with leading travels agents like Cox & Kings, SOTC, MMT etc. promoting Northern Lights and winter travel from India to Finland during Christmas as well as from Jan- March 2020.
- Appended activities have been conducted and are in process to push Finland as a preferred destination with Indians for Winter Season 2019-2020

DESCRIPTION	SCHEDULE	REGION
MATKA 2019 & pre tour for Indian Delegation	12-17 Jan 2019	MATKA Event + Levi Pre Fam
Bruised Passport (Travel Bloggers)	28 Feb- 2 March 2019	Helsinki, Rovaniemi, Ranua, Ylläs, Pyhä
Winter Luxury FAM (Trade)	22.-28.March 2019	Helsinki - Kemi - Ranua - Rovaniemi
Luxury International Press trip	13-18 March, 2019	One Indian participant
Group Press Trip	3-7 June, 2019	Helsinki and Lakeland Region
VF Global Midnight Sun workshop + Pretour	8-14 June 2019	Pretour to Helsinki region
TV Shoot (Travel XP HD)	24 June – 10 July 2019	Arctic Summer Experience (Helsinki, Porvoo, Levi, Rovaniemi , Ruka-Kuusamo)
Participation in MICE India Luxury Congress 2019	17-18 July 2019 23-24 July 2019	New Delhi Mumbai
Summer luxury FAM	August 2019	TBA
Edu Mega Fam + Workshop (6 +1 pax from India)	2-6 Sep 2019	Rovaniemi + Ruka-Kuusamo
Edterra – Edu Fam for Indian Principals	23-27 Sep 2019	Rovaniemi
Nordic Consult – Edu Fam for Indian Principals	4-8 Nov 2019	Lakeland
MICE Fam – Finland	Q3-Q4 2019 (TBC)	MICE (FCB budget)

Prospects for the autumn/winter season 2019-20

The overall outlook of travelling to Finland?

What trends should be considered in product development to increase the demand in the autumn/winter time?

- Luxury Experiential Travel
- Promoting Adventure Travel
- Bucket List Experiences
- Hometown of Santa Claus
- Nature Activities

Which present target groups should be considered to increase the demand?

- FITs
- High Networth Individuals
- Small private groups
- Group travelers
- MICE Travelers

Which new target groups should be considered to increase the demand?

- Family travel
- Youth – Urban Indians, millennials
- Only female travel,
- Solo travelers
- elderly groups
- well-seasoned travelers- luxury traveler
- adventure traveler
- 2019 is 70th anniversary celebrating diplomatic relationship between India and Finland. Ad hoc groups celebrating this events should be considered especially in MICE business and international relationship related groups.

Theme check: Sustainability, digitalization and year-round tourism

Visit Finland strategic cross-cutting themes are sustainability, digitalization and year-round tourism.

Sustainability - 97% Indians travellers eye 'sustainable' tourism in 2018:

- According to a survey by Netherland-based travel e-commerce company Booking.com, around 97 per cent of Indian travellers want to travel sustainably with 88 per cent of them willing to pay an extra premium to ensure the same.
- It revealed that while 73 per cent of current Indian travellers always or often opt for sustainable travel, around 32 per cent are willing to pay at least 15 per cent more to ensure as low an impact on the environment. The sustainability measures are not an inconvenience as many Indian travellers indicated they engage in sustainable travel behaviour because it adds a positive experience to their trip .
- The sustainable activities most enjoyed by Indians during vacations are buying locally made products, using public transport instead of taxi, and dine at local restaurants that only use local freshly produced ingredients.
- Indians these days are also skipping tourist highlights in favour of less busy and unexplored sights.

Source :

http://timesofindia.indiatimes.com/articleshow/63867379.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Theme check: Sustainability, digitalization and year-round tourism

Digitalization

- With the advent of internet and emergence of artificial reality (AR), the online travel industry in India is changing rapidly due to which a growing number of Indians have turned to the convenience of the web for better travel prices and accommodations.
- As smartphones have progressively become ubiquitous, mobile applications have emerged as the most critical point of interaction with consumers for any travel business, and a number of niche offerings such as medical tourism and eco-tourism are expected to create more demand for travelling.
- Several hotel chains and airlines are focusing on generating direct hotel bookings through their own websites and mobile applications.
- Mobile applications have brought the most significant reform in travel, which have enabled the entire user experience to be available on the go. On an average, the consumers spend many hours on different online websites to plan, research and make a booking for vacations.
- Travellers have started opting for numerous shorter holidays throughout the year which in turn is driving the sales of various travel products and services.

Digitalization

- Digital disruptors like social media, mobile devices and accessible information enable destination marketers like us to engage with consumers and stakeholders on a larger scale than ever before.
- To stay relevant we need to change from a consumer model into a hosting model, from broadcast to engagement, and from marketing to management.
- Mobile platforms and communication are key: it allows us to engage with a visitor through all stages of their experience, from awareness to interest to booking to visiting to post-visit.
- Digital social networks also allow word of mouth to reach exponentially larger audiences.
- This societal shift has turned content consumers into content producers, which makes the individual the foundation of any destination marketing strategy.

INDIA'S HOMEGROWN ALL-STARS OF ONLINE TRAVEL

India has many online travel players, but these are the most buzz-worthy names.



IDENTITY	Online travel agency
NOTABLE CLAIM	The largest online travel player by net revenue



IDENTITY	Payments and retail app
NOTABLE CLAIM	The largest private seller of train tickets by booking volume



IDENTITY	Travel price-comparison service with fully instant bookings
NOTABLE CLAIM	Most-downloaded travel app, with more than 100 million downloads



IDENTITY	Hospitality company, with branded budget hotels as its signature product
NOTABLE CLAIM	Venture capitalists say Oyo is India's first travel startup unicorn, or a company valued at more than \$1 billion



IDENTITY	Online travel agency
NOTABLE CLAIM	India's largest platform for domestic hotels, with more than 100,000 hotels contracted domestically, plus a seller of other products



IDENTITY	Online travel agency
NOTABLE CLAIM	Offers multiple products along with the most comprehensive set of Indian tours and activities



Travel bookings on mobiles to grow by 67 per cent from 2017 to 2020
The report goes on to say that millennials (54%) and baby boomers (44%) most often use the smartphone for online browsing of travel products and services.

Online travel market is expected to grow from \$11 billion in FY16 to \$18.9 billion by FY20, according to a Goldman Sachs report dated October 2015. Key players in the space include online travel agencies like (OTAs) like Makemytrip and Yatra, besides hotel booking players like Oyo Rooms.

- Global players like Bookings.com and Expedia are also present in the Indian market. "The Indian travel landscape is changing rapidly, and has seen significant growth in the last decade.

"Thus, the trend of weekend trips and seasonal travel has become popular among Indians.

- Tech-savvy millennials primarily browse for best travel packages and in-destination activities through their mobile phones and OTA mobile apps."

SOURCE :

<https://economictimes.indiatimes.com/industry/services/travel/travel-bookings-on-mobiles-to-grow-by-67-per-cent/articleshow/57438081.cms>

<https://skift.com/2019/01/09/what-india-reveals-about-the-future-of-online-travel-a-skift-deep-dive/>



Theme check: Sustainability, digitalization and year-round tourism

Year-round tourism

India's Outbound Tourism Spending Is Expected to Grow Rapidly and Indians will travel throughout the year

- India has everything necessary to become a formidable outbound travel market. Boasting the world's second-largest population and the fastest-growing major economy, it is already showing signs of its power, along with indicators that the real boom is still to come.
- India's economic growth means that citizens are earning more disposable income to spend on travel. In response, air travel out of the country has expanded significantly, and with passports in hand, the youthful population is excited to visit new places and motivated to have unique travel experiences.

Main Travel Period in India:

- Peak Periods – April – June (Indian summer holidays)
- High season – Jan- Feb and October – December (Indian wedding season – honeymooners market & festive holidays in schools)
- Shoulder Season – August and September
- Low Season – March and July

Trends and other relevant travel related topics

Trends

Some latest Indian Travel trends

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Trends and other relevant travel related topics

New distribution channels

- Launch dedicated India handles for social media marketing and engage Indian audience with targetted content for Finland
- Launch Finland Destination Specialist Program for India travel trade and assign codes to track production through them
- Development of mono Finland packages with agents in India for both Summer & Winter
- Joint Collaboration with Corporates / MICE Agents for MICE Travel to Finland as this segment is showing tremendous growth & interest for Finland.

Online channels

- OTA's
- Trip Advisor
- Airbnb

Trends and other relevant travel related topics

Competitors' actions

Iceland

- Iceland has grown to become an emerging competitor to Finland especially in Aurora business. The volume is not so big, there is a capacity problem, and tourism is becoming a social problem. But Iceland looks always on the table for the comparison with Finland among travelers. There is no official representative of Visit Iceland, but they are active in press coverage.

Scandinavian Tourism Board

- STB is hosting regular fams for Indian travel agents. Even the DMC's like Unique North have organized exclusive fams for Indian agents in 2019. Scandinavia is also gaining popularity with Indians as a summer destination as a lot of well-travelled Indians are considering Scandinavia for their upcoming holidays.

Norway

- A lot of times Norway is combined with Finland, which is beneficial for us. Nowadays the number of package tours including Hurtigruten and Norwegian Cruise Lines has been increasing under the theme of the northern lights.
- NTW 2019 hosted a buyer delegation for India.

Turkey

- Turkey targets 1 million annual visitors from India. Keen to showcase Antalya in the Indian market, beyond Istanbul.
- India has emerged as a fast-growing and an important tourism market for Turkey, and the country is now targeting 1 million annual visitors from this market. Turkey Tourism has been promoting Turkey for the last 15 years in the Indian market.

Trends and other relevant travel related topics

Competitors' actions

- <http://www.travelbizmonitor.com/Trade-News/visit-victoria-to-enhance-india-market-engagement-in-coming-months-40256>
- <http://www.travelbizmonitor.com/Outbound-News/queensland-tourism-eyes-double-digit-growth-from-india-this-year-40214>
- <http://www.travelbizmonitor.com/Outbound-News/brisbane-airport-hosts-worlds-first-ever-interterminal-cricket-match-for-indian-travel-trade-36564>
- <http://www.travelbizmonitor.com/Outbound-News/will-review-reopening-airspace-for-indian-flights-pakistan-43577>
- <http://www.travelbizmonitor.com/Outbound-News/nyc--company-delegation-in-india-to-promote-2019-monumental-year-40104>
- <http://www.travelbizmonitor.com/Outbound-News/south-african-tourism-in-talks-with-other-african-nations-for-joint-promotions-in-india-39959>
- <http://www.travelbizmonitor.com/Outbound-News/singapore-aggressively-focusing-meetings--incentive-group-travel-from-india-39824>
- <http://www.travelbizmonitor.com/Outbound-News/taiwan-tourism-launches-2-2020-marketing-campaign-in-india-36630>

Trends and other relevant travel related topics

Free word

- A lot of Indian tour operators are interested in close cooperation between them and Finnish destinations / DMC's / service providers i.e. fast replies to e-mails, help them with ready made packages for references and readiness to offer some special and customised programmes.
- Scandinavia Tourism Board has been actively engaging with the Indian travel fraternity for past 10+years hence they have build strong relations with Indian agents still agents are very keen to work with Finnish Suppliers directly for their Finland bookings.
- Agents request for ready made packages season wise which they can show to their clients and further customise.
- Finland is becoming very popular with Indian clients and the demand is increasing.
- MICE Groups are getting big volumes to Finland hence we should focus and invest in promoting Finland to this segment.

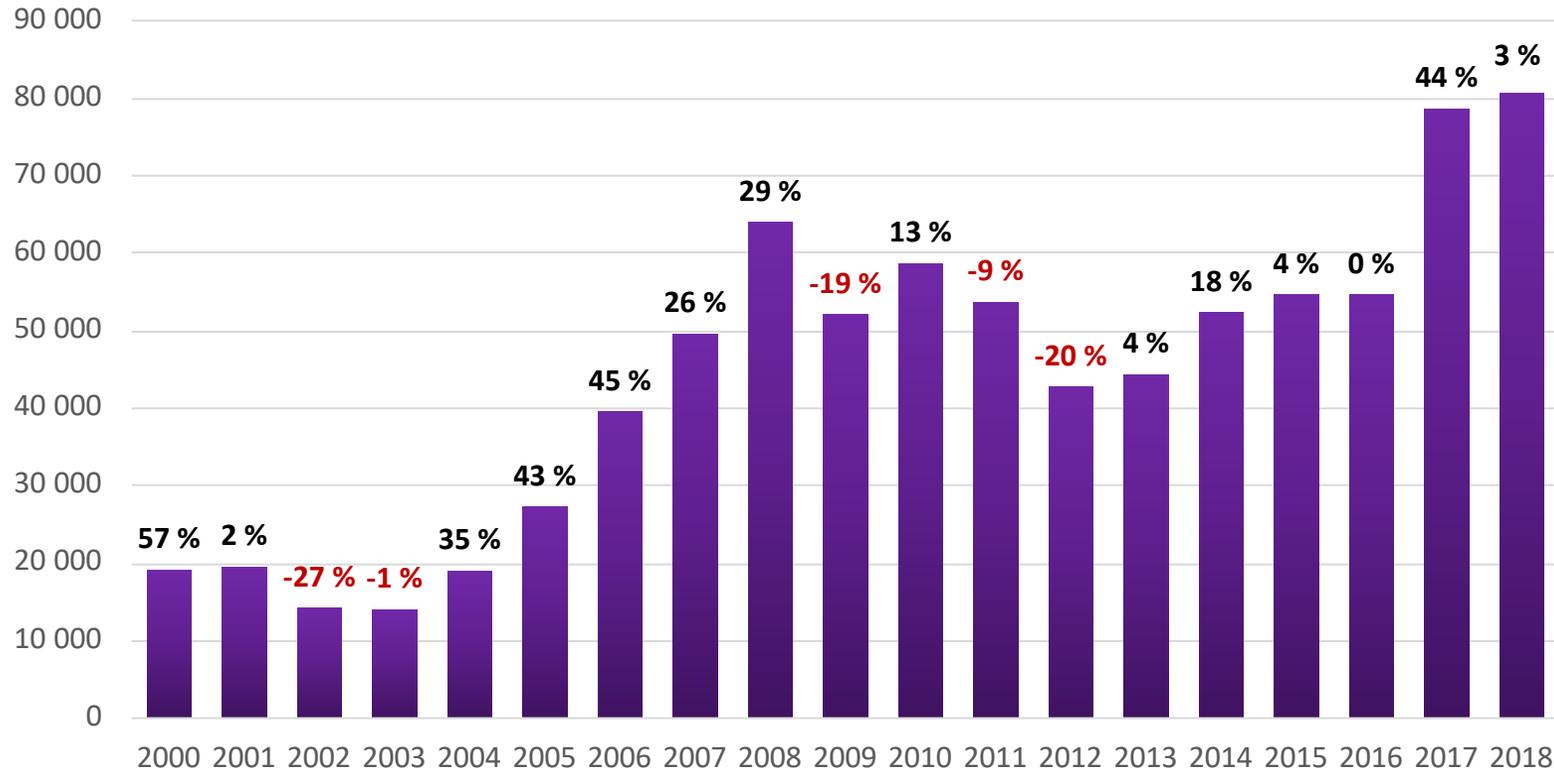
India – Market Review



Visit Finland

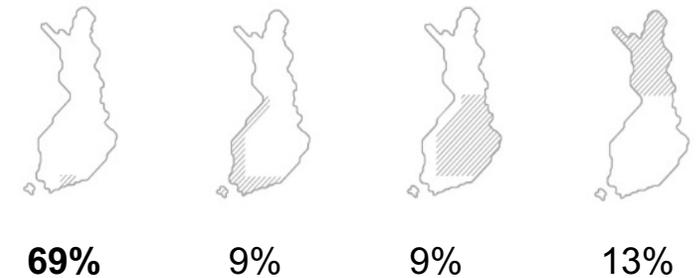


Indian overnights in Finland



Year 2018
19th in country rankings
 with a **1%** share of foreign overnights
 Average change 2000-2018: **+13%**
 Change 2018 compared to 2000: **+320%**

Share of overnights by regions 2018



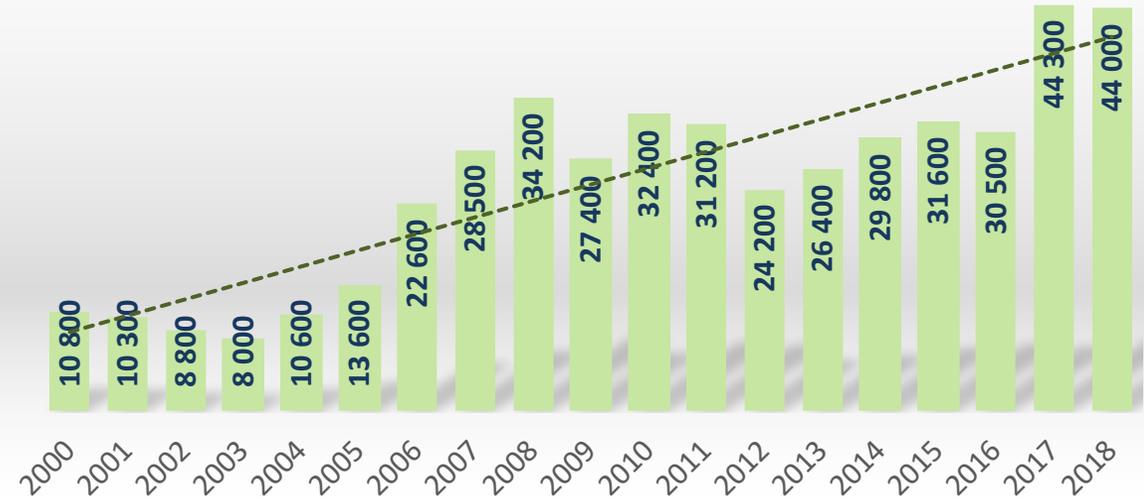


Winter and Summer 2018

Registered overnights in winter season (Nov-Apr) by Indian visitors



Registered overnights in summer season (May-Oct) by Indian visitors



Winter 2018: **21st** in country rankings with a **1%** share of foreign overnights

Average change 2000-2018: **+16%**

Change 2018 compared to 2000: **+454%**

Summer 2018: **18th** in country rankings with a **1%** share of foreign overnights

Average change 2000-2018: **+13%**

Change 2018 compared to 2000: **+305%**





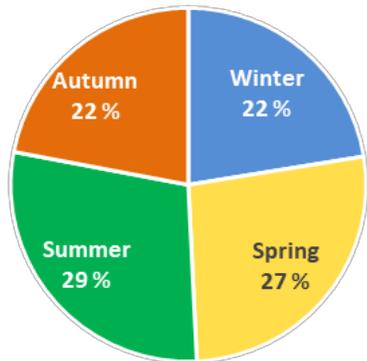
Seasonal overnights in 2018

Whole Finland

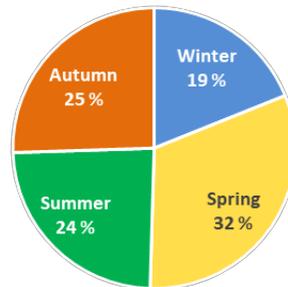
	No. of Indian overnights				Seasonal YtoY change		
	2016	2017	2018	2019	2017 vs. 2016	2018 vs. 2017	2019 vs. 2018
Winter (Dec-Feb)	9 800	15 600	18 000	19 100	+59%	+15%	+6%
Spring (Mar-May)	14 800	19 400	21 400		+31%	+11%	
Summer (Jun-Aug)	15 800	22 600	23 000		+43%	+2%	
Autumn (Sep-Nov)	12 400	19 700	17 700		+58%	-10%	

Indian overnights in Finland by season in 2018

WHOLE COUNTRY 2018



COAST AND ARCHIPELAGO 2018



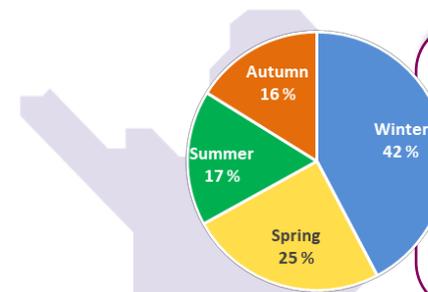
Coast & Archipelago

Winter 2018:	1 400	(-47%)
Spring 2018:	2 300	(+4%)
Summer 2018:	1 800	(-35%)
Autumn 2018:	1 900	(-27%)

Importance growing:

- Oulu
- Turku

LAPLAND 2018



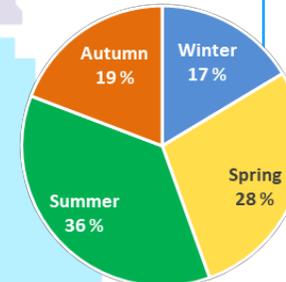
Importance growing:

- Rovaniemi
- Inari (Saariselkä)

Lapland

Winter 2018:	4 100	(+39%)
Spring 2018:	2 400	(+65%)
Summer 2018:	1 600	(-34%)
Autumn 2018:	1 600	(+20%)

LAKELAND 2018



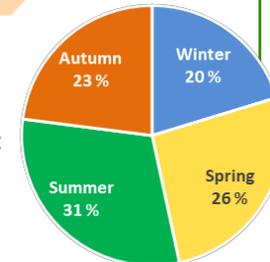
Lakeland

Winter 2018:	1 300	(+5%)
Spring 2018:	2 200	(+6%)
Summer 2018:	2 800	(+41%)
Autumn 2018:	1 500	(-3%)

Importance growing:

- Tampere

HELSINKI REGION 2018



Importance growing:

- Espoo
- Vantaa

Helsinki area

Winter 2018:	11 200	(+26%)
Spring 2018:	14 600	(+7%)
Summer 2018:	16 800	(+9%)
Autumn 2018:	12 800	(-11%)

Trends for seasonal overnights in Finland – Indian visitors

